

TOWN OF AMHERST INDUSTRIAL DEVELOPMENT AGENCY
Agenda – 514th Meeting
Friday, December 13, 2019-8:30 am

James J. Allen Boardroom
Agency Offices – 4287 Main Street, Amherst, NY 14226

1. Roll Call of Members
2. Reading and Approval of Minutes
3. Bills & Communications
4. Treasurer's Report
5. Public Comment
 - a. Speakers Limited to Three (3) Minutes
6. Executive Director's Report
7. Committee Reports
 - I. Governance Committee
 1. Policies – Re-adoption and Amendment
8. Unfinished Business
9. New Business
 - I. Establish Nominating Committee for 2020
 - II. Authorization Resolution - AIDA Mortgage Refinance for 4287 Main Street Property
10. Adjournment

TOWN OF AMHERST INDUSTRIAL DEVELOPMENT AGENCY
Minutes of the 513th Meeting
October 18, 2019 – 8:30 am
James J. Allen Boardroom
Agency Offices, 4287 Main Street

PRESENT: Carlton N. Brock, Jr.
Steven Sanders
Michael R. Szukala
William W. Tuyn
Hon. Timothy J. Drury
Philip Meyer
Hadar Borden
Jacqueline Berger, Town Board Liaison
David S. Mingoia, Executive Director
Kevin J. Zanner, Hurwitz & Fine PC

GUESTS: AIDA Staff
Jim Fink, Business First

Chairman Carlton Brock called the meeting to order and reminded everyone that the meeting was being audio recorded.

MINUTES

The minutes of the August 2019 meeting were approved as presented.

BILLS & COMMUNICATIONS

The Agency received an engagement letter from the New York State Comptroller's Office. The letter indicated that they will be conducting an audit focusing on an evaluation of the Agency's internal controls of its financial operations. Chairman Brock and Executive Director Mingoia will be have an entrance conference with representatives of the Comptroller's Office the week of October 14th.

TREASURER'S REPORT

The Treasurer's Reports for August and September 2019 were approved as presented.

PUBLIC COMMENT

There was no Public Comment made at this meeting.

EXECUTIVE DIRECTOR'S REPORT

Executive Director Mingoia's report is attached to these minutes.

COMMITTEE REPORTS

Finance & Audit

The Finance & Audit Committee met and recommend the 2020 draft budget enclosed in these materials. It is similar to the 2019 budget, but accounts for costs associated with implementing the new streaming of meetings requirement and a full year of the new staff person. This draft was sent to the Town, which has twenty days to provide comment before we can officially adopt it.

Michael Szukala made a motion to approve the 2020 budget recommendations as presented subject to comments from the Amherst Town Board. Philip Meyer seconded the motion. Votes of aye were cast by Brock, Sanders, Szukala, Tuyn, Drury, Meyer and Borden. Motion to approve passed 7-0.

Governance

It was reported that the Governance Committee met September 20, 2019 and reviewed draft evaluation criteria by project type, which were developed as best practices by the NYS Economic Development Council. The Committee also started preliminary review of Agency policies and that the reviews will continue on both of these items and will then be included on future meeting agendas. Additional items reviewed at the meeting included the new streaming requirements, along with notification of meeting requirements and LDC oversight that awaits the Governor's signature. The meeting ended after project updates.

UNFINISHED BUSINESS

There was no Unfinished Business presented at this meeting.

NEW BUSINESS

I. ASSIGNMENT AND ASSUMPTION OF LEASE

Citigroup (580 CrossPoint Parkway)

Company requested Agency consent to the assignment and assumption of lease of premises for the facility located at 580 CrossPoint Parkway from Uniland Development I, LLC to Citigroup Technology, Inc.

After a brief discussion, Michael Szukala made a motion to approve the request from Citigroup Technology, Inc. for the Assignment and Assumption of Lease for their facility located at 580 CrossPoint Parkway. William Tuyn seconded the motion to approve. Votes of aye were cast by Brock, Sanders, Szukala, Tuyn, Drury, Meyer and Borden. Motion to approve passed 7-0.

II. SUBLESSEE REQUEST –

Sheridan Properties II, LLC (3980A Sheridan Drive)

Company requested Agency consent to sub-sub-sublease of a portion of premises to General Physician, PC.

Steven Sanders made a motion to approve the request from Sheridan Properties II, LLC to sub-sub-sublease a portion of premises to General Physician, PC. Michael Szukala seconded the motion. Vote of aye were cast by Brock, Sanders, Szukala, Tuyn, Drury, Meyer and Borden. Motion to approve passed 7-0.

9:10 am – meeting adjourned.



Michael SanGeorge
 736 Exchange St.
 Suite #900
 Buffalo, NY 14210

December 3, 2019

Dave Mingoia
 Town of Amherst IDA
 4287 Main Street
 Amherst, NY 14226

Re: Term Sheet Proposal

Dear Dave Mingoia:

KeyBank National Association (the “**Bank**”) has reviewed your request for a loan to be secured as set forth below and upon initial analysis, would like to pursue the possibility of Bank providing financing on the terms set forth herein (the “**Proposed Transaction**”). This letter (also referred to as the “**Term Sheet**”) represents the basic loan terms that Bank would consider in response to your request. Please note that the terms set forth herein are for discussion purposes and do not constitute a commitment to lend. The terms outlined herein may not be all-inclusive and may be amended or withdrawn upon further review by Bank. The following loan terms are based on preliminary data and information provided to Bank by you.

Proposed terms & conditions – for discussion purposes only:		
Borrower	Town of Amherst IDA	
Purpose of Loan	Commercial Mortgage	
Facilities	Commercial Mortgage	
Terms	Loan Amount	\$331,210
	Rate	Cost of Funds + 2.5% 4.75% as of 11/27/2019
	Term	20 (5 year rate reset)
	Amortization	20
	Repayment	Monthly- Principal and interest
Fees	\$1,750	
Prepayment	3% year 1, 2% year 2, 1% year 3, 0% year 4 and 0% year 5 (reset)	

Guarantor(s)	Town of Amherst IDA
Collateral	First Lien on 4287 Main St. Buffalo, NY 14226
Financial Covenants	NA
Financial Reporting Requirements	NA
Third Party Reports	<ol style="list-style-type: none"> 1. Satisfactory real estate appraisal of the subject property reflecting a sufficient fair market value to support a maximum 80% loan-to-value on the mortgage note. 2. Satisfactory environmental assessment of the subject property.
Other Conditions	Insurance evidence satisfactory to the Bank's review and acceptance
Know Your Customer Compliance	<p>Information and documentation satisfactory to Bank relative to Bank's Know Your Customer Policy.</p> <p>To help the government fight the funding of terrorism and money laundering activities, federal law requires all financial institutions to obtain, verify and record information that identifies each customer who opens an account. Therefore, all new and existing customers are subject to identity verification requirements. When a customer opens an account with any entity within the KeyCorp family of companies, Bank must be provided the customer's name, address and identification number, and in the case of an individual, his or her date of birth. For business accounts, Bank may also obtain this information for individuals associated with the business. Bank may also request to see a valid driver's license or other approved identifying documents. In all cases, Bank is committed to protecting the privacy and identity of its customers.</p>
Good Faith Deposit	<p>A deposit of \$750 (the "Good Faith Deposit") shall be paid to Bank upon signing this Term Sheet. The Good Faith Deposit shall be used by Bank to fund a portion of the appropriate due diligence necessary to evaluate and document the Proposed Transaction, including but not limited to fees and costs for credit reports, inspections, environmental evaluations, appraisals, flood determinations, architectural reports, engineering reports, zoning reports, title searches, title reports, title insurance, lien searches and recording fees, fees and expenses of attorneys (including for documentation and legal opinions, if required), consultants, accountants and auditors, and travel expenses (the "Diligence and Documentation Costs").</p> <p>If Bank does not approve the Proposed Transaction on terms materially similar to the terms contained in this Term Sheet, Bank will refund Borrower the unspent portion of the Good Faith Deposit.</p> <p>If Bank is unable to submit the Proposed Transaction for credit approval due to Borrower's failure to deliver all requested documentation, then the Good Faith Deposit will be retained by Bank in its entirety.</p> <p>If Bank approves the Proposed Transaction on terms materially similar to the terms contained in this Term Sheet, then either:</p> <ol style="list-style-type: none"> 1. Bank will apply the Good Faith Deposit against Borrower's closing costs and fees if the Proposed Transaction is closed, or 2. Bank will retain the Good Faith Deposit in its entirety if Borrower does not proceed to close the Proposed Transaction.

You may not disclose this Term Sheet or its contents to anyone, except to your officers, directors, partners, employees, attorney, accountants and financial advisors, or as required by applicable law.

This Term Sheet is not, and should not be construed as a commitment by KeyBank to extend credit. You acknowledge and agree that Bank is under no obligation to extend credit or consummate the Proposed Transaction and that no extension of credit will occur under any circumstances unless and until all necessary parties have executed and delivered to Bank all definitive documentation in form satisfactory to Bank and necessary in Bank's discretion for the Proposed Transaction, and Bank has completed to its satisfaction all analyses and reviews including requirements mandated by the Office of Foreign Assets Control and all applicable anti-money laundering statutes. Final loan approval may be conditioned upon modification or adjustment of the terms in this Term Sheet. If Proposed Transaction closes, the terms and conditions contained herein shall be superseded by the executed loan documents.

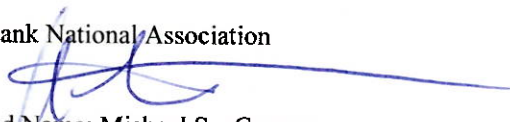
By signing this Term Sheet you hereby authorize Bank to begin the process of documenting and closing the Proposed Transaction. You agree to bear the cost of any and all expenses incurred by Bank in connection with the preparation and delivery of this Term Sheet or in connection with (including in anticipation of) the closing of the Proposed Transaction, regardless of whether or not the Proposed Transaction ultimately closes, including but not limited to the Diligence and Documentation Costs as defined above.

Should the terms set forth in this Term Sheet accurately reflect your understanding of our proposal and meet your approval, please sign this letter where provided below and provide the required Good Faith Deposit via authorization to debit an existing KeyBank account or paper check to Michael SanGeorge at the address indicated on page 1. The terms set forth herein shall expire if this Term Sheet is not executed by Borrower and each Guarantor and delivered to Bank with the Good Faith Deposit before December 17, 2019. Please feel free to call me directly with any questions. We look forward to hearing from you.

Sincerely,

KeyBank National Association

By:



Printed Name: Michael SanGeorge

Title: VP Business Banking Relationship Manager

ACKNOWLEDGED AND AGREED

/ /

Town of Amherst IDA

By: _____

Printed Name: _____

Title: _____

Dave Mingoia

RESOLUTION OF THE TOWN OF AMHERST INDUSTRIAL DEVELOPMENT AGENCY AUTHORIZING THE REFINANCE OF THE MORTGAGE ON 4287 MAIN STREET, AMHERST, NEW YORK WITH KEYBANK NATIONAL ASSOCIATION, THE EXECUTION AND DELIVERY OF A NOTE AND MORTGAGE AND THE TAKING OF ACTIONS TO EFFECTUATE THE REFINANCE TRANSACTION

WHEREAS, the Agency is the owner of that certain parcel of improved real property commonly known as 4287 Main Street, Amherst, New York (the “Premises”); and

WHEREAS, First Niagara Funding, Inc. holds a first lien mortgage on the Premises as security for a loan to the Agency in the amount of Seven Hundred Fifty Seven Thousand Dollars (\$757,000.00); and

WHEREAS, a balloon payment in the amount of the current loan balance of approximately Three Hundred Thirty Thousand Dollars (\$330,000.00) is due and payable in January of 2020; and

WHEREAS, the Agency desires to refinance the mortgage through KeyBank National Association (the “Lender”) pursuant to the terms and conditions set forth in a term sheet proposal dated as of December 3, 2019 (the “Term Sheet”) (said arrangement being the “Mortgage Refinance Transaction”).

NOW, THEREFORE, BE IT RESOLVED BY THE TOWN OF AMHERST INDUSTRIAL DEVELOPMENT AGENCY AS FOLLOWS:

Section 1. The Agency is hereby authorized to enter into the Mortgage Refinance Transaction with the Lender upon the terms and conditions set forth in and otherwise consistent with the Term Sheet.

Section 2. The Chairman, Vice Chairman, Treasurer, Secretary and the Executive Director of the Agency are each individually authorized on behalf of the Agency to perform any and all acts, and to execute and deliver any and all agreements, mortgages, promissory notes, guarantees and other documents and instruments as may be necessary and desirable to carry out the purpose of this resolution.

Section 3. This resolution shall take effect immediately.

ADOPTED: December ____, 2019