



Erie County Industrial Development Agency
Meeting of the Membership
June 24, 2020
at 12:00 p.m.

Via Conference Call and Meeting is being Livestreamed

1.0 Call to Order

- 1.1 Call to Order Meeting of the Membership
- 1.2 Recognition – Charles Specht

2.0 Approval of Minutes:

- 2.1 Approval of Minutes of May 27, 2020 Meeting of the Membership (Action Item) (Pages 2-5)

3.0 Reports / Action Items / Information Items:

- 3.1 Financial Report (Informational) (Pages 6-9)
- 3.2 2020 Tax Incentive Induced/Closing Schedule/ Estimated Real Property Tax Impact (Informational) (Pages 10-12)
- 3.3 Policy Committee Update (Informational) (Pages 13-15)

4.0 Inducement Resolutions:

	ECIDA Incentives	Private Investment	Municipality
4.1 Kamax , LLC/Raine Logistics (Pages 16-59)	\$424,250	\$2,214,000	West Seneca

5.0 Management Team Reports:

- 5.1 COVID-19 Response Update (Informational)

6.0 Adjournment - Next Meeting July 22, 2020 @ 12:00 p.m.

**MINUTES OF THE MEETING
OF THE
MEMBERSHIP OF THE
ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY
(ECIDA or AGENCY)**

- DATE AND PLACE:** May 27, 2020, held via telephone conference. Governor Cuomo's Executive Order 202.1, as amended, issued in response to the Coronavirus (COVID-19) crisis, suspended Article 7 of the Public Officers Law to the extent necessary to permit any public body to take actions without permitting in public in-person access to such meetings and authorized such meetings to be held remotely by conference call or other similar service, provided the public has the ability to view or listen to such proceedings and that the meeting is recorded and transcribed.
- LIVE STREAMED:** This meeting is being live-streamed and made accessible on the ECIDA's website at www.ecidanyc.com.
- PRESENT:** Hon. Diane Benczkowski, Hon. Bryon W. Brown, Hon. Joseph Emminger, Dottie Gallagher, Hon. Howard Johnson, Richard Lipsitz, Jr., Brenda W. McDuffie, Hon. Glenn R. Nellis, Hon. Mark C. Poloncarz, Hon. Darius G. Pridgen, Sister Denise Roche, Kenneth A. Schoetz, Charles F. Specht and Art Wingerter
- EXCUSED:** Denise Abbott, Rev. Mark E. Blue, James Doherty, Tyra Johnson, and Hon. Brian J. Kulpa
- OTHERS PRESENT:** John Cappellino, Executive Vice President; Mollie Profic, Chief Financial Officer; Atiqah Abidi, Assistant Treasurer; Karen M. Fiala, Assistant Treasurer/Secretary; Gerald Manhard, Chief Lending Officer; Dawn Boudreau, Assistant Treasurer; Lori Szewczyk, Director of Grants; Brian Krygier, Systems Analyst; Carrie Hocieniec, Administrative Assistant and Robert G. Murray, Esq., General Counsel/Harris Beach PLLC
- GUESTS:** Andrew Federick, Erie County Senior Economic Development Specialist; Matt Kahn on behalf of Big Ditch Brewery and David Chiazza on behalf of Iskalo Development Corp.

There being a quorum present at 12:07 p.m., the meeting of the Members of the ECIDA was called to order by its Chair, Ms. McDuffie.

MINUTES

The minutes of the April 22, 2020 meeting of the members were presented. Mr. Nellis moved and Mr. Emminger seconded, to approve of the minutes. Ms. McDuffie called for the vote, and the minutes were then unanimously approved.

REPORTS/ACTION ITEMS/INFORMATION ITEMS

Financial Report. Ms. Profic presented the April 2020 financial report, noting that the balance sheet shows that the Agency finished the month with total assets of \$27.8 million, which includes \$7.3 million of unrestricted cash available for Agency operations. Net assets at the end of April were \$21.3 million. The monthly income statement shows operating income of \$64,000. Operating revenue exceeded the monthly budget by \$34,000 due to administrative fee receipts of nearly \$201,000. Operating expenses were under budget by \$102,000. Regarding the strategic investments and initiatives, \$837,000 was granted to the ILDC for the purchase of the Angola Ag Park. This was from the UDAG Fund and approved by the Board for use in December 2018. After factoring in this overflow and depreciation, there was a net loss of \$784,000 for the month. The year-to-date income statement shows revenues of \$717,000, being \$214,000 below budget for the year, and expenses of \$958,000, being \$51,000 below budget. After special project grants, the operational side/top half of the income statement shows a net loss of \$1.3 million for the year. Ms. McDuffie directed that the report be received and filed.

2020 Tax Incentive Induced/Closing Schedule/Estimated Real Property Tax Impact. Ms. Fiala presented this report. Ms. McDuffie directed that the report be received and filed.

Policy Committee Update. Mr. Lipsitz presented this report and noted the Policy Committee approved the Iskalo project. Ms. McDuffie directed that the report be received and filed.

INDUCEMENT RESOLUTION

Iskalo 6700 Transit Road, LLC, 6700 and 6704 Transit Road, Cheektowaga, New York

Ms. Fiala reviewed the proposed project involving the construction of a new 105,315+/- SF facility of which 58,690 SF (57%) would consist of brewery production and company offices. The balance of the facility (43%) would consist of an expansive tap room, event space and related support area within which retail operations would occur. Agency financial assistance in the form of a sales and use tax exemption, a mortgage recording tax exemption, and a real property tax abatement benefit, is being sought only for the brewery production component of the overall project.

Ms. Fiala noted the David Chiazza was present at the meeting on behalf of the Company.

As a condition precedent of receiving financial assistance, and as a material term or condition established by the Agency in connection with its approval of the Project, Mr. Cappellino noted that the Company must, subject to potential modification, termination and/or recapture of financial assistance for failure to meet and maintain the commitments and thresholds

as described below, submit, on an annual basis or as otherwise indicated below through the termination of the PILOT Agreement, a certification, as so required by the Agency, confirming:

- (i) Investment Commitment – the total investment actually made with respect to the Project at the time of Project completion equals or exceeds \$27,455,047.00 (which represents the product of 85% multiplied by \$32,300,055.00, being the total project cost as stated in the Company’s application for Financial Assistance).
- (ii) Employment Commitment – the number of current FTE employees in the then current year at the Facility; and
 - that the Company has maintained and created full-time equivalent (“FTE”) employment at the Facility equal to 142 FTE employees [representing the sum of: (i) 76 FTEs, being the product of 85% multiplied by 90, (representing the 90 new FTE employee positions proposed to be created by the Company as stated in the Company’s application for Financial Assistance), and (ii) 66 FTEs, being the product of 85% multiplied by 78 (where 78 represents the FTE equivalent of 156 proposed PTE employee positions proposed to be created by the Company as stated in the Company’s application for Financial Assistance)]. In an effort to confirm and verify the Company’s employment numbers, the Agency requires that, at a minimum, the Company provide employment data to the Agency on a quarterly basis, said information to be provided on the Agency’s “Quarterly Employment Survey” form to be made available to the Company by the Agency.
- (iii) Local Labor Commitment – that the Company adheres to and complies with the Agency’s Local Labor Workforce Certification Policy on a quarterly basis during the construction period.
- (iv) Equal Pay Commitment – that the Company adheres to and complies with the Agency’s Pay Equity Policy.
- (v) Unpaid Real Property Tax Policy Commitment – that the Company is compliant with the Agency’s Unpaid Real Property Tax Policy.

General discussion ensued. Ms. Benczkowski spoke in favor of the project. Mr. Pridgen stated his support for the project. Mr. Wingerter moved and Ms. Benczkowski seconded to approve the Project as proposed.

Mr. Brown and Mr. Johnson jointed the meeting.

Ms. McDuffie then called for the vote and the following resolution was unanimously approved:

RESOLUTION OF THE ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY: (i) ACCEPTING THE APPLICATION OF ISKALO 6700 TRANSIT LLC AND/OR INDIVIDUAL(S) OR AFFILIATE(S), SUBSIDIARY(IES), OR ENTITY(IES) FORMED OR TO BE FORMED ON ITS BEHALF

(INDIVIDUALLY, AND/OR COLLECTIVELY, THE "COMPANY") IN CONNECTION WITH A CERTAIN PROJECT DESCRIBED BELOW; (ii) RATIFYING THE SCHEDULING, NOTICING, AND CONDUCTING OF A PUBLIC HEARING IN CONNECTION WITH THE PROJECT; (iii) MAKING A DETERMINATION PURSUANT TO THE STATE ENVIRONMENTAL QUALITY REVIEW ACT; (iv) APPOINTING THE COMPANY, OR ITS DESIGNEE, AS ITS AGENT TO UNDERTAKE THE PROJECT; (v) AUTHORIZING THE UNDERTAKING OF THE PROJECT TO PROVIDE FINANCIAL ASSISTANCE TO THE COMPANY IN THE FORM OF (A) A SALES TAX EXEMPTION BENEFIT FOR PURCHASES AND RENTALS RELATED TO THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF THE PROJECT, (B) A MORTGAGE RECORDING TAX EXEMPTION BENEFIT FOR FINANCING RELATED TO THE PROJECT, AND (C) A PARTIAL ABATEMENT FROM REAL PROPERTY TAXES BENEFIT THROUGH THE PILOT AGREEMENT; AND (vi) AUTHORIZING THE NEGOTIATION AND EXECUTION OF A LEASE AGREEMENT, LEASEBACK AGREEMENT, A PAYMENT-IN-LIEU-OF-TAX AGREEMENT, AN AGENT AND FINANCIAL ASSISTANCE PROJECT AGREEMENT, AND RELATED DOCUMENTS

MANAGEMENT TEAM REPORTS

Mr. Cappellino gave an update on the Agency's ongoing operations and status of the development of a safety plan for re-opening upon approval of the Phase 2 reopening stage. Ms. McDuffie directed that the report be received and filed.

There being no further business to discuss, Ms. McDuffie adjourned the meeting of the Agency at 12:32 p.m.

Dated: May 27, 2020

Karen M. Fiala, Secretary

Erie County Industrial Development Agency
Financial Statements
As of May 31, 2020

ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY ("ECIDA")

Balance Sheet

May 31, 2020

	May 2020	April 2020	December 2019
ASSETS:			
Cash *	\$ 7,405,192	\$ 7,389,587	\$ 7,576,519
Restricted Cash & Investments *	17,449,790	17,469,132	19,385,789
Due from Affiliates	356,083	322,500	553,651
Due from Buffalo Urban Development Corp.	162,327	156,673	114,751
Other Receivables	119,868	193,677	144,311
Total Current Assets	<u>25,493,260</u>	<u>25,531,568</u>	<u>27,775,021</u>
Grants Receivable	331,434	331,434	331,434
Loans Receivable	-	-	-
Venture Capital Investments, net of reserves	634,061	634,061	634,061
Capital Assets	1,304,841	1,315,674	1,358,104
Total Long-Term Assets	<u>2,270,336</u>	<u>2,281,170</u>	<u>2,323,599</u>
TOTAL ASSETS	<u><u>\$ 27,763,597</u></u>	<u><u>\$ 27,812,738</u></u>	<u><u>\$ 30,098,620</u></u>
LIABILITIES & NET ASSETS			
Accounts Payable & Accrued Exp.	\$ 204,144	\$ 177,025	\$ 390,971
Deferred Revenues	249,423	249,423	243,708
Other Payables	56,294	56,294	56,294
Funds Held on Behalf of Others	6,048,665	6,048,151	6,785,657
Total Liabilities	<u>6,558,525</u>	<u>6,530,892</u>	<u>7,476,629</u>
Net Assets	<u>21,205,072</u>	<u>21,281,845</u>	<u>22,621,991</u>
TOTAL LIABILITIES & NET ASSETS	<u><u>\$ 27,763,597</u></u>	<u><u>\$ 27,812,738</u></u>	<u><u>\$ 30,098,620</u></u>

* Cash and restricted cash is invested in checking accounts at M&T Bank. The maximum FDIC insured amount = \$250,000 with the remainder of the cash balance collateralized with government obligations by the financial institution.

ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY ("ECIDA")

Income Statement

Month of May 2020

	Actual vs. Budget		
	Actual	Budget	Variance
REVENUES:			
Administrative Fees	\$ 98,786	\$ 158,333	\$ (59,547)
Affiliate Management Fees	43,250	43,375	(125)
Interest Income - Cash & Investments	1,526	8,750	(7,224)
Rental Income	19,877	19,875	2
Other Income	-	1,333	(1,333)
Total Revenues	163,439	231,667	(68,228)
EXPENSES:			
Salaries & Benefits	\$ 161,927	\$ 242,628	\$ (80,702)
General Office Expenses	13,346	21,542	(8,195)
Building Operating Costs	16,482	19,380	(2,898)
Professional Services	15,055	8,042	7,014
Public Hearings & Marketing	1,674	6,250	(4,576)
Travel, Mileage & Meeting Expenses	-	5,250	(5,250)
Other Expenses	82	833	(751)
Total Expenses	208,567	303,925	(95,358)
SPECIAL PROJECT GRANTS:			
Revenues	\$ 400	\$ 13,350	\$ (12,950)
Expenses	(21,212)	(10,417)	(10,795)
	(20,812)	2,933	(23,745)
NET INCOME/(LOSS) BEFORE OTHER STRATEGIC INVESTMENTS & DEPRECIATION:			
	(65,940)	(69,325)	3,385
OTHER STRATEGIC INVESTMENTS AND INITIATIVES:			
Zero Net Energy costs (Z7+)	-	(52,160)	52,160
Angola Ag Park Grant	-	(100,000)	100,000
Other Strategic Initiatives	-	(5,000)	5,000
	-	(157,160)	157,160
NET INCOME/(LOSS) BEFORE DEPRECIATION:			
	(65,940)	(226,485)	160,545
Depreciation	(10,833)	(10,833)	0
NET INCOME/(LOSS):	\$ (76,773)	\$ (237,318)	\$ 160,545

ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY ("ECIDA")

Income Statement
Year to Date: May 31, 2020

	Actual vs. Budget			Actual vs. Prior Year		
	Actual	Budget	Variance	Actual	Prior Year	Variance
REVENUES:						
Administrative Fees	\$ 530,609	\$ 791,667	\$ (261,058)	\$ 530,609	\$ 729,756	\$ (199,147)
Affiliate Management Fees	216,250	216,875	(625)	216,250	201,650	14,600
Interest Income - Cash & Investments	26,903	43,750	(16,847)	26,903	21	26,881
Rental Income	99,387	99,375	12	99,387	48,876	50,511
Other Income	7,512	11,667	(4,154)	7,512	98,670	(91,158)
Interest Income - Loans	-	-	-	-	6,757	(6,757)
Total Revenues	880,661	1,163,333	(282,672)	880,661	1,085,730	(205,069)
EXPENSES:						
Salaries & Benefits	894,077	923,178	(29,101)	894,077	857,973	36,104
General Office Expenses	105,706	107,708	(2,003)	105,706	118,220	(12,514)
Building Operating Costs	90,013	96,900	(6,887)	90,013	91,099	(1,086)
Professional Services	38,732	55,667	(16,935)	38,732	56,958	(18,227)
Public Hearings & Marketing	22,305	31,250	(8,945)	22,305	23,342	(1,037)
Travel, Mileage & Meeting Expenses	14,427	26,250	(11,823)	14,427	28,902	(14,476)
Other Expenses	1,024	4,167	(3,143)	1,024	1,939	(915)
Total Expenses	1,166,282	1,245,120	(78,837)	1,166,282	1,178,434	(12,152)
SPECIAL PROJECT GRANTS:						
Revenues	34,862	66,750	(31,888)	34,862	424,498	(389,636)
Expenses	(22,750)	(52,083)	29,333	(22,750)	(377,012)	354,261
	12,112	14,667	(2,554)	12,112	47,487	(35,374)
NET INCOME/(LOSS) BEFORE OTHER STRATEGIC INVESTMENTS & DEPRECIATION:						
	\$ (273,509)	\$ (67,120)	\$ (206,389)	\$ (273,509)	\$ (45,217)	\$ (228,292)
OTHER STRATEGIC INVESTMENTS AND INITIATIVES:						
Zero Net Energy costs (Z7+)	\$ -	\$ (625,917)	\$ 625,917	\$ -	\$ -	\$ -
Bethlehem Steel Industrial Park Grant	(80,000)	(200,000)	120,000	(80,000)	(200,000)	120,000
Angola Ag Park Grant	(837,243)	(100,000)	(737,243)	(837,243)	-	(837,243)
Buffalo Building Reuse Project (BUDC)	(100,000)	(100,000)	-	(100,000)	(100,000)	-
Canadian Lead Generation (IBN)	(72,000)	(72,000)	-	(72,000)	(72,000)	-
UDAG Gain/(Loss) on Venture Investments	-	-	-	-	31,915	(31,915)
Other Strategic Initiatives	-	(160,000)	160,000	-	(15,000)	15,000
	(1,089,243)	(1,257,917)	168,674	(1,089,243)	(355,085)	(734,157)
NET INCOME/(LOSS) BEFORE DEPREC:						
	(1,362,752)	(1,325,036)	(37,716)	(1,362,752)	(400,302)	(962,450)
Depreciation	(54,167)	(54,167)	0	(54,167)	(54,000)	(167)
NET INCOME/(LOSS):	\$ (1,416,919)	\$ (1,379,203)	\$ (37,716)	\$ (1,416,919)	\$ (454,302)	\$ (962,616)

Tax Incentives Induced 2020

Project Name	Project City	Incentive Amount	Jobs at App	Projected Year 2 FTE Jobs	Jobs at App	Projected Year 2 PT Jobs
Jemal's Seneca, LLC	Buffalo	\$ 45,000,000	0	5	0	0
Barcalo Living & Commerce/Barcalo Buffalo, LLC	Buffalo	\$ 34,727,449	9	34	0	10
6700 Transit Road/Big Ditch	Cheektowaga	\$ 32,300,055	0	90	0	156
Steuben Foods Incorporated	Elma	\$ 25,621,494	604	624	20	20
637 Linwood, LLC/1275 Delaware, LLC	Buffalo	\$ 12,460,993	0	10	0	0
3310 Benzing Road/Marathon Drains	Orchard Park	\$ 725,000	15	17	1	1

\$ 150,834,991 628 780 21 187

6 Projects

152 Projected FTE New Jobs

166 Projected PT New Jobs

Tax Incentives Closings - 2020

Project Name	Project Amount at Closing	FT Jobs at App	Projected Year 2 FT Jobs	PT Jobs at App	Projected Year 2 PT Jobs	Project City	Induced Date	Est. Project Completion Date
Jemal's Seneca, LLC	\$ 45,000,000	0	5	0	0	Buffalo	3/25/2020	4/3/2020
Moog, Inc.	\$ 44,300,000	288	357	0	0	Elma	3/22/2017	12/31/2020
570 Associates VI, LLC	\$ 20,745,000	0	124	0	0	Cheektowaga	2/22/2017	12/31/2020
Steuben Foods, Inc.	\$ 16,457,951	564	582	19	19	Elma	3/27/2019	3/31/2020
Buffalo High Technology Centre, Inc.	\$ 7,877,447	0	4	0	0	Buffalo	7/24/2019	12/31/2020
Hertel Pacific, LLC/Cypress North	\$ 999,568	16	18	1	1	Buffalo	8/28/2019	12/31/2020
6 Projects Closed								
222 FT Projected New Jobs								
0 PT Projected New Jobs								
	\$ 135,379,966	868	1,090	0	0			

**MINUTES OF A MEETING OF THE
POLICY COMMITTEE OF THE
ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY**

- MEETING:** June 4, 2020, at Erie County Industrial Development Agency (the “ECIDA” or “Agency”), held the meeting via phone conference. Governor Cuomo’s Executive Order 202.1, as amended, issued in response to the Coronavirus (COVID-19) crisis, suspended Article 7 of the Public Officers Law to the extent necessary to permit any public body to take actions without permitting in public in-person access to such meetings and authorized such meetings to be held remotely by conference call or other similar service, provided the public has the ability to view or listen to such proceedings and that the meeting is recorded and transcribed.
- LIVE STREAMED:** This meeting is being live-audio streamed and made accessible on the Agency’s website at www.ecidany.com.
- PRESENT:** Denise Abbott, Hon. April Baskin, Rev. Mark E. Blue, Hon. William J. Krebs, Richard Lipsitz, Jr., Brenda McDuffie, Hon. Glenn R. Nellis, Laura Smith, David J. State, Lavon Stephens and Maria Whyte
- ABSENT:** Hon. Byron W. Brown, Hon. Johanna Coleman, Richard Cummings and Colleen DiPirro
- OTHERS PRESENT:** John Cappellino, Chief Executive Officer; Karen M. Fiala, Assistant Treasurer/Secretary; Dawn Boudreau, Compliance Officer; Grant Lesswing; Business Development Officer; Robbie McPherson, Director, Marketing & Communications; Brian Krygier, Systems Analyst; Carrie A. Hocienec, Administrative Assistant; and Robert G. Murray, General Counsel
- GUESTS:** Petro Kushnier on behalf of Kamax LLC/Raine Logistics and Alex Carducci on behalf of the City of Buffalo Office of Strategic Planning

There being a quorum present at 9:06 a.m., the Meeting of the Policy Committee was called to order by Mr. Lipsitz.

MINUTES

The minutes of the April 2, 2020 Policy Committee meeting were presented. Upon motion made by Ms. Whyte and seconded by Mr. Nellis, the aforementioned Policy Committee meeting minutes were unanimously approved.

PROJECT MATRIX

Mr. Cappellino reviewed the Agency’s Project Matrix. Mr. Lipsitz directed that the report be received and filed.

PROJECT PRESENTATIONS

Kamax, LLC/Raine Logistics, Inc., 2890 North America Drive, West Seneca, New York. Mr. Cappellino presented this proposed sales tax, mortgage recording tax exemption and real property tax abatement benefits project involving the construction of a 14,380 sq. ft. truck terminal in the Town of West Seneca. The company is currently located in the City of Buffalo in a 6,000 sq. ft. leased facility on Hamburg Street. This project involves an inter-municipal move and the Agency has implemented its Inter-Municipal Move Policy and notified both the Mayor and Supervisor of the respective municipalities.

At this point in time, Mr. Blue joined the meeting.

Mr. Kushnier spoke about the project on behalf of the company.

Ms. Baskin queried about the company’s MBE utilization plan. General discussion ensued. Ms. Baskin requested that the general contractors confirm use of MBE contractors.

Mr. Lipsitz queried about the company’s COVID-19 work plans for safety. Mr. Kushnier discussed the company’s social distancing and health and safety plans.

Mr. Cappellino stated that in exchange for providing the sales and use tax, mortgage recording tax exemption and real property tax abatement benefits, the approval of this project will be conditioned upon adherence to certain material terms and conditions with respect to the potential modification, recapture and/or termination of financial assistance as follows:

Draft Recapture Material Terms

Condition	Term	Recapture Provision
Total Investment	At project completion	Investment amount equal to or greater than 85% of project amount. Total Project Amount = \$2,214,000 85% = \$1,881,900

Employment	Coincides with 7-year PILOT	Maintain Base: 12 Create 85% of Projected Projected = 1 85% = 1 Recapture Employment = 13
Local Labor	Construction Period	Adherence to policy including quarterly reporting
Pay Equity	Coincides with 7-year PILOT	Adherence to policy
Unpaid Tax	Coincides with 7-year PILOT	Adherence to policy
Recapture Period	Coincides with 7-year PILOT	Recapture of state and local sales tax, mortgage recording tax and real property taxes.

Ms. McDuffie moved and Ms. Abbott seconded to recommend the project as proposed be forwarded to the members of the ECIDA for approval. Mr. Lipsitz called for the vote and the project was approved by a vote of 10 in favor, and 1 against, with Ms. Baskin voting in the negative.

There being no further business to discuss, Mr. Lipsitz adjourned the meeting at 9:47 a.m.

Dated: June 4, 2020

Karen M. Fiala, Secretary

Kamax, LLC/Raine Logistics, Inc.
\$2,214,000
INDUCEMENT RESOLUTION

ELIGIBILITY

- NAICS Section - 488510

COMPANY INCENTIVES

- Approximately \$96,250 in sales tax savings
- Approximately \$316,000 in real property tax savings
- Approximately \$12,000 in mortgage tax savings

EMPLOYMENT

- Current Jobs: 12
- Projected New Jobs: 1
- Annual payroll: \$818,000
- Estimated salary of jobs to be retained: \$65,000
- Estimated salary of jobs to be Created: \$63,000

PROJECT HISTORY

- 05/26/2020 - Public hearing held. Transcript attached.
- 06/24/2020 - ECIDA ratification of Town determination that Project is consistent with 1991 FEIS
- 06/24/2020 - Lease/Leaseback Inducement Resolution presented to the Board of Directors

Project Title: Kamax, LLC/Raine Logistics, Inc.

Project Address: 2890 North America Drive
 West Seneca, NY 14224
 (West Seneca Central School District)

Agency Request

A sales tax, real property tax and mortgage recording tax exemption in connection with the construction of a 14,380 sq. ft. truck terminal.

Land Acquisition	\$ 304,000
New Building Construction	\$1,810,000
Non-Manufacturing Equipment	\$ 50,000
Soft Costs/Other	\$ 50,000
Total Project Cost	\$2,214,000

85% \$1,881,900

Company Description

Kamax, LLC was formed in 2019 for the purpose of undertaking the project on behalf of Raine Logistics, Inc. ("Raine"). Raine is currently a Buffalo based trucking company which was established in 2007. The company is a hauler of dry freight originating in the Buffalo, Rochester and Syracuse areas and ships to 48 states. Customers include companies such as Iovate Health, Nut Butter and Tesla. Items shipped include food products, electronics, auto parts and solar products to name just a few.

Project Description

Raine is currently located in the City of Buffalo in a 6,000 sq. ft. leased facility on Hamburg Street. After reviewing several sites within the City of Buffalo, the company has made the decision to construct a 14,380 sq. ft. truck terminal in the Town of West Seneca. Since the project involves movement of a company from the City of Buffalo to the Town of West Seneca, the ECIDA has followed its Inter-Municipal Move Policy and have notified both the Mayor and the Supervisor of the respective municipalities.

New Tax Revenue Estimated

Current Yearly Taxes	Estimated New Assessed Value	Additional County Revenue Over 7-year PILOT Period	Additional Local Revenue Over 7-year PILOT Period	New Yearly Taxes Upon Expiration of Abatement Period
\$0	\$720,000	\$14,380	\$71,760	\$57,400
Combined Tax Rate: \$80				

Draft Recapture Material Terms

Condition	Term	Recapture Provision
Total Investment	At project completion	Investment amount equal to or greater than 85% of project amount. Total project amount = \$2,214,000 85% = \$1,881,900
Employment	Coincides with 7-year PILOT	Maintain base: 12 Create 85% of Projected Projected = 1 85% = 1 Recapture Employment = 13
Local Labor	Construction period	Adherence to policy including quarterly reporting
Pay Equity	Coincides with 7-year PILOT	Adherence to Policy
Unpaid Tax	Coincides with 7-year PILOT	Adherence to Policy
Recapture Period	Coincides with 7-year PILOT	State and Local Sales Taxes, Real Property Taxes, Mortgage Tax

Recapture applies to:
 State and Local Sales Taxes
 Real Property Tax Savings
 Mortgage Tax

Recapture

Pursuant to New York State General Municipal Law, the agency shall modify, recover, recapture or terminate any financial assistance taken by the company that is in violation of the GML.

At completion of the project company must certify i) total investment amount is equal to or greater than 85% of the anticipated project amount; ii) Company has maintained 12 jobs and created an additional 1 job, iii) confirm adherence to local labor policy during construction and iv) its adherence to unpaid tax/pay equity policies for recapture term.

ADDENDUM TO PROJECT LOG

Kamax, LLC/Raine Logistics

Evaluative Criteria	Notes
Wage Rate (above median wage for area)	Erie County per capita income: \$33,350 Company estimated average salary of jobs to be retained: \$65,000 Company estimated average salary of jobs to be created: \$64,000
Regional Wealth Creation (% sales/customers outside area)	Sales: Outside Erie County and within NYS: 20% Outside NYS and within U.S.: 20%
In Region Purchases (% of overall purchases)	Not applicable for the developer however, Kulback's will be acting as the general contractor for the project and has a good record of utilizing local vendors for purchases.
Research and Development Activities	Not applicable
Investment in Energy Efficiency	The new facility will be furnished with all LED lighting, 3 sides with large windows to provide daylight eliminating the use of electricity during daytime hours of operation
Locational Land Use Factors, Brownfields or Locally Designated Development Areas	The facility will be located within a previously developed industrial park in West Seneca.
Retention/Flight Risk	Not applicable
LEED/Renewable Resources	See above Investment in Energy Efficiency
MBE/WBE Utilization	Raine Logistics promotes equal rights and opportunities within the company and with contractor hiring. The company has chosen Kulback's as the general contractor. Kulback's has a history of outreach to the women and minority business community as well as the Service Disabled Veteran owned community. See attached letter.
Workforce Access – Proximity to Public Transportation	Metro Bus route 75 provides transportation to the facility.

June 24, 2020

PILOT Worksheet: Estimate of Real Property Tax Abatement Benefits* and Percentage of Project Costs financed from Public Sector sources**

**** The PILOT Worksheet will be: (i) completed by IDA Staff based upon information contained within the Application, and (ii) provided to the Applicant for ultimate inclusion as part of this completed Application.**

PILOT Estimate Table Worksheet-Kamax, LLC/Raine Logistics - 2020

Dollar Value of New Construction and Renovation Costs	Estimated New Assessed Value of Property Subject to IDA*	County Tax Rate/1000	Local Tax Rate (Town/City/Village)/1000	School Tax Rate/1000
\$1,810,000	\$720,000	\$13.32	\$21.89	\$44.56

*Apply equalization rate to value

PILOT Year	% Payment	County PILOT Amount	Local PILOT Amount	School PILOT Amount	Total PILOT	Full Tax Payment w/o PILOT	Net Exemption
1	10%	\$959	\$1,576	\$3,208	\$5,743	\$57,434	\$51,691
2	10%	\$959	\$1,576	\$3,208	\$5,743	\$57,434	\$51,691
3	20%	\$1,918	\$3,152	\$6,417	\$11,487	\$57,434	\$45,948
4	20%	\$1,918	\$3,152	\$6,417	\$11,487	\$57,434	\$45,948
5	30%	\$2,877	\$4,728	\$9,625	\$17,230	\$57,434	\$40,204
6	30%	\$2,877	\$4,728	\$9,625	\$17,230	\$57,434	\$40,204
7	30%	\$2,877	\$4,728	\$9,625	\$17,230	\$57,434	\$40,204
TOTAL		\$14,386	\$23,641	\$48,125	\$86,152	\$402,041	\$315,889

***** Estimates provided are based on current property tax rates and assessment value (current as of date of application submission) and have been calculated by IDA staff**

Percentage of Project Costs financed from Public Sector Table Worksheet:

Total Project Cost	Estimated Value of PILOT	Estimated Value of Sales Tax Incentive	Estimated Value of Mortgage Tax Incentive	Total of Other Public Incentives (Tax Credits, Grants, ESD Incentives, etc.)
\$2,214,000	\$315,889	\$96,250	\$12,000	\$0

Calculate %

(Est. PILOT + Est. Sales Tax+ Est. Mortgage Tax+ Other)/Total Project Costs: 19 %



**YOUR GROWTH
IS OUR BUSINESS**



Internal Report: Kamax, LLC - Raine Logistics, Inc.

Table 1: Basic Information

Project Name	Raine Logistics, Inc.
Project Industry	(484) Truck Transportation
Municipality	West Seneca Town
School District	West Seneca
Project Cost	\$2,214,000
Construction Budget	\$1,810,000
Direct Employment Expected	13 (1 created and 12 retained)
Direct Labor Income	\$832,000
Direct Construction Jobs	13
Direct Construction Labor Income	\$695,628
Total Labor Income	\$1,527,628

Table 2: Estimated State & Regional Benefits *

Region	
New Property Tax Revenue (PILOT or Improvements)	\$72,492
Sales Tax Revenue	\$125,982
State	
Income Tax Revenue	\$349,098
Sales Tax Revenue	\$106,090
TOTAL Estimated Revenue	\$653,662

Table 3: Estimated Project Incentives *

Property Tax Savings	\$274,566
Sales Tax Savings	\$87,938
Mortgage Tax Savings	\$12,000
TOTAL Estimated Incentives	\$374,504

Table 4: Employment Breakdown

Project	
Direct**	13 (1 created and 12 retained)
Indirect***	5
Induced****	7
Construction	
Direct	13
Indirect	5

Table 5: Ratios

Benefit to Cost Ratio	1.7:1
Overall ROI	27:1

* Figures over 7 years and discounted by 3.49%

** Direct - The recipient of IDA assistance adds new jobs to the regional economy and/or retains jobs at risk of being lost to another region. Investments that result in displacing existing jobs (e.g., most retail and many service sector industries) do not fall under this definition.

*** Indirect - The recipient of IDA assistance makes purchases from regional firms, which stimulates suppliers to add jobs and payroll that are new to the regional economy or are saved from being lost to competitors outside the region.

**** Induced - The recipient of IDA assistance by adding to and/or retaining payroll stimulates household spending that is new to the regional economy and/or saved from being lost to competitors outside the region.

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FULL SERVICE GENERAL CONTRACTORS • CONSTRUCTION MANAGEMENT • SITE DEVELOPMENT

June 15, 2020

To Whom It May Concern:

We have been made aware of comments at the Policy Committee meeting held on June 4 in connection with Raine Logistics project which I would like to address.

Kulback's is acting as the general contractor for the project. When asked for a letter indicating what our MBE/WBE outreach consisted of, we indicated we are a proud Equal Opportunity Employer, which promotes employment and contracting opportunities through various outlets that allow us to reach out to the diverse workforce throughout our region. Besides a focus on engaging with and at times helping to further train Minority and Women Business Enterprises (M/WBE), Kulback's also makes efforts to connect with Service-Disabled Veteran Owned Businesses (SDVOB) as we continue to grow our network of subcontractors.

I would like to add that we have worked on many projects that contained specific MBE/WBE utilization goals. I can assure that Kulback's along with our partner company, NK Star Construction, has always either met or exceeded the requirements for M/WBE and SDVOB participation goals set forth by New York State.

The building that we are constructing for Raine Logistics is a prefabricated metal building, which minimizes the number of subcontractors needed. Kulback's itself will be performing the following work in-house: all site work, off road trucking, building foundations, concrete, steel distribution, erection, standing seam metal roofing, insulation, interior framing, drywall, doors, frames, hardware and windows. Our plan is to award contracts for the rebar supply, HVAC, fire alarm, security access controls, plumbing, electrical, painting and final cleanup. Potential M/WBE contractors for these services include the following: Compuflex fire and security, Heatwave Heating and Cooling, WBE Walls and Ceiling, Simmons Flooring and Dyno Group. These partners represent companies we have worked with in the past.

I would like to note that our firm has made efforts to host community outreach meetings, inviting anyone interested in employment opportunities to come and learn about what we do and how they can work with us and we continue to have an open door policy for any sub or potential employee interested in working with our firm. We engage subcontractors and employees regardless of age, race, creed, color, national origin, sexual orientation, military status, sex, disability, predisposing genetic characteristics, marital status, domestic violence victim status, pregnancy, sealed arrest or conviction record, medical marijuana or anything else not mentioned.

Thank you,

Tom Barrett, President



FULL SERVICE GENERAL CONTRACTORS - CONSTRUCTION MANAGEMENT - SITE DEVELOPMENT

June 01, 2020

Erie County Industrial Development Agency
95 Perry Street
Suite 403
Buffalo, New York 14203

RE: Raine Logistics
2890 N. America Drive
West Seneca, New York 14224

To Whom It May Concern,

Kulback's, Inc., a self-performing general contractor serving Western New York since 1962. Beyond the many projects we have successfully built throughout the region, we pride ourselves on our integrity and our long track-record of industry leading safety practices. Our process includes engaging the most qualified sub-contractors throughout the region on our projects.

As a proud Equal Opportunity Employer, Kulback's, Inc. promotes employment and contracting opportunities through various outlets that allow us to reach out to the diverse workforce throughout our region. Besides a focus on engaging with and at times helping to further train Minority and Women Business Enterprises (M/WBE), Kulback's also makes efforts to connect with Service-Disabled Veteran Owned Businesses (SDVOB) as we continue to grow our network of subcontractors.

Should you have any questions or concerns in regard to the above information, please do not hesitate to call our office.

Sincerely yours,

Kulback's, Inc.

Thomas Barrett

Thomas Barrett
President

TB:bjd
Cc: file

VIRTUAL PUBLIC HEARING SCRIPT

**Kamax, LLC and/or Individual(s) or
Affiliate(s), Subsidiary(ies), or Entity(ies)
formed or to be formed on its behalf
Project**

Public Hearing to be held on May 26, 2020 at 10:30 a.m.
via Virtual Conference Software

ATTENDANCE:

Petro Kushnir – Kamax, LLC/Raine Logistics, Inc
Karen Fiala - ECIDA
John Cappellino – ECIDA
Carrie Hocieniec – ECIDA
Brian Krygier – ECIDA

1. WELCOME: Call to Order and Identity of Hearing Officer.

Hearing Officer: Welcome. This public hearing is now open; it is 10:30 a.m. My name is Grant Lesswing. I am the Business Development Officer of the Erie County Industrial Development Agency, and I have been designated by the Agency to be the hearing officer to conduct this virtual public hearing. This public hearing is being live-streamed and made accessible on the Agency's website at www.ecidany.com. Pre-registration for anyone wishing to speak at today's public hearing was required through our website. Today I am joined by Brian Krygier, ECIDA Systems Analyst who will be the Hearing Moderator and he will be managing the public comment portion of this hearing.

2. PURPOSE: Purpose of the Hearing.

Hearing Officer: We are here to hold the public hearing on the Kamax, LLC and/or Individual(s) or Affiliate(s), Subsidiary(ies), or Entity(ies) formed or to be formed on its behalf project. The transcript of this hearing will be reviewed and considered by the Agency in determination of this project. Notice of this hearing appeared in The Buffalo News on Saturday, May 16, 2020.

3. PROJECT SUMMARY: Description of Project and Contemplated Agency Benefits.

Hearing Officer: The proposed project (the "Project") consists of: (a) the acquisition of a leasehold interest in a portion of an approximately 8-acre parcel of land located at 2890 North America Drive in the Town of West Seneca, New

York (the "Land"); (b) the construction thereon of (i) an approximately 14,380 sq. ft. trucking and warehouse building and (ii) fully-fenced parking lot (collectively, the "Improvements"), and (c) the acquisition and installation therein, thereon or thereabout of certain machinery, equipment and related personal property (the "Equipment"; and, collectively with the Land and the Improvements, the "Facility").

The proposed financial assistance contemplated by the Agency includes New York State and local sales and use tax exemption benefits, mortgage recording tax exemption benefits, and real property tax abatement benefits (in compliance with Agency's uniform tax exemption policy).

4. FORMAT OF HEARING: Review rules and manner in which the hearing will proceed.

Hearing Officer: All those who have joined this conference call were required to pre-register through our website (www.ecidany.com). Everyone who has pre-registered will be given an opportunity to make statements and/or comments on the Project.

If you have a written statement or comment to submit for the record, please submit it on the Agency's website or mail to the Agency at 95 Perry Street, Suite 403, Buffalo, New York 14203. The comment period closes on June 23, 2020. There are no limitations on written statements or comments.

5. PUBLIC COMMENT: Hearing Officer gives the Public an opportunity to speak.

Hearing Officer: Those interested in making a statement or comment will be called upon by Brian in the order that they registered for this meeting. Please begin by stating your name and address; if you are representing a company, please identify the company. I request that speakers keep statements and/or comments to 5 minutes, and if possible, 3 minutes.

The Hearing Moderator introduces each participant in the order they registered for this meeting.

Petro Kushnir – CEO & President of Kamax and Raine Logistics. We are developing a new warehouse building in West Seneca on North America Drive. It is going to be a tremendous improvement for our company for the reason first of all, is location. It's perfect for our operation. The park is prepared for the trucking company plus the park already has service companies that we use and one of our major service dealers which is Buffalo Truck Center is moving from the City of Buffalo to West Seneca. They will basically be on North America Drive just around the corner from us. That means a lot having a service dealer on the same street basically, that is a lot of time saved and Goodyear Tire Dealer is on the same street. Trailer Thermo King is on the same street as well. I would say that is about 20-30% of the downtime that we would eliminate but this is not the major reason. This is definitely an important factor that we took into consideration when we were looking for the parcel for the warehouse. Having the new building will improve our operation. First of all, we will have our yard fully fenced. The warehouse will provide safe & secure storage for the transfer freight that will be destined to the customers that will have go as LTL and smaller portions which currently we lack that because we have the older building that

needs a lot of improvements and unfortunately that can't be done. We are in the building with several other companies. We are sharing 5,000-6,000 sq. ft. of space that is not designated to us only and it often becomes a problem of having that available space for the transfers when needed. The waiting time causes more mishaps, missed deliveries and unhappy customers. That is another formula to keep the business successful. To have a proper building, a safe & secure parking lot and same thing, we will have a nice driver's room which they do not have that now. When the drivers come in after a trip they can relax or come in the morning grab a cup of coffee, get their paperwork ready. Keeping drivers happy is important as well.

With developing this property, we are covering several aspects of our business. First, all our customer base, happy drivers, and service. In concluding that, this location and this development is going to be a large improvement for the company, and I hope it will help us grow at a steady pace. Thank you.

6. ADJOURNMENT:

As there were no further statements and/or comments, the Hearing Officer closed the public hearing at 10:39 a.m.

**SIGN IN SHEET
VIRTUAL PUBLIC HEARING**

Public Hearing to be held on May 26, 2020 at 10:30 a.m.
via Virtual Conference Software

**Kamax LLC and/or Individual(s) or Affiliate(s),
Subsidiary(ies), or Entity(ies) formed or to be formed on its behalf**

Project Location: 2890 North America Drive in the Town of West Seneca, New York

Name	Company and/or Address	X box to speak/ comment
Peter Kushnir	Kamax, LLC/Raine Logistics, Inc. 43 Hamburg Street Buffalo, New York 14204	X
Karen Fiala	ECIDA 95 Perry Street, Suite 403 Buffalo, New York 14203	
John Cappellino	ECIDA 95 Perry Street, Suite 403 Buffalo, New York 14203	
Carrie Hocieniec	ECIDA 95 Perry Street, Suite 403 Buffalo, New York 14203	
Brian Krygier	ECIDA 95 Perry Street, Suite 403 Buffalo, New York 14203	

TOWN OF WEST SENECA



AMY M. KOBLER
TOWN CLERK

RECEIVER OF TAXES
REGISTRAR OF VITAL STATISTICS
NOTARY PUBLIC
RECORDS MANAGEMENT OFFICER

TOWN SUPERVISOR
GARY A. DICKSON

TOWN COUNCIL
WILLIAM BAUER
JOSEPH J. CANTAFIO
WILLIAM P. HANLEY JR.
JEFF PIEKAREC

May 28, 2020

TOWN BOARD PROCEEDINGS
Meeting #2020-11
May 28, 2020

Communications Item 2

Motion by Supervisor Dickson, seconded by Councilman Cantafio, to adopt the following resolution:

WHEREAS, the Town of West Seneca sent correspondence to the other potentially "involved agencies," as that term is defined in the State Environmental Quality Review Act (SEQRA) regulations found at 6 NYCRR Part 617, indicating the Town's desire to be designated as a SEQRA lead agency through the coordination review process; and

WHEREAS, each of the involved agencies has agreed to or raised no objections to West Seneca as a SEQRA lead agency for the proposed action; and

WHEREAS, the Town has determined that the proposed action is subject to the Final Environmental Impact Statement accepted by the Town of West Seneca on August 12, 1991; and

WHEREAS, the applicant is not required to prepare a new Environmental Impact Statement, but rather it must demonstrate that its project is consistent with the previously accepted Final Environmental Impact Statement;

NOW, therefore, be it

RESOLVED, pursuant to and in accordance with the coordinated review requirements of SEQRA, the Town of West Seneca has hereby established itself as SEQRA lead agency for the proposed action; and be it further RESOLVED, that based upon an examination of the Final Environmental Impact Statement, the Town's knowledge of the environmental setting, magnitude and importance of the proposed action and the Town's desire to fully consider potentially significant environmental impacts, the applicant will be required to demonstrate consistency with the previously accepted Final Environmental Impact Statement.

Ayes: All

Noes: None

Motion Carried

STATE OF NEW YORK)
COUNTY OF ERIE) SS:
OFFICE OF THE CLERK OF THE
TOWN OF WEST SENECA

This is to certify that I, AMY M. KOBLER, Town Clerk and Registrar of Vital Statistics of the Town of West Seneca in said County of Erie, have compared the foregoing copy of resolution with the original resolution now on file in my office, and which was passed by the Town Board of the Town of West Seneca in said County of Erie, on the 28th day of May 2020 and that the same is a correct and true transcript of such original resolution and whole thereof.

IN WITNESS WHEREOF, I HAVE HERE UNTO SET MY HAND AND AFFIXED THE SEAL OF SAID TOWN THIS 28TH DAY OF MAY 2020.

TOWN CLERK AND REGISTRAR OF VITAL STATISTICS, TOWN OF WEST SENECA

TOWN OF WEST SENECA



AMY M. KOBLER
TOWN CLERK

TOWN SUPERVISOR
GARY A. DICKSON

TOWN COUNCIL
WILLIAM BAUER
JOSEPH J. CANTAFIO
WILLIAM P. HANLEY JR.
JEFF PIEKAREC

RECEIVER OF TAXES
REGISTRAR OF VITAL STATISTICS
NOTARY PUBLIC
RECORDS MANAGEMENT OFFICER
TOWN BOARD PROCEEDINGS
Meeting #2020-11
May 28, 2020

May 28, 2020

Communications Item 2

Motion by Supervisor Dickson, seconded by Councilman Cantafio, to adopt the following resolution:

WHEREAS, on August 12, 1991, the Town of West Seneca accepted the Final Environmental Impact Statement for the West Seneca Industrial Park, which was prepared by Waste Resource Associates, Inc.; and

WHEREAS, the Town of West Seneca received an application for a restricted use permit from Raine Logistics to develop a cross-dock and warehouse facility in the West Seneca Industrial Park for freight consolidation services; and

WHEREAS, the application was considered by the West Seneca Industrial Park Review Committee on November 7, 2019 and all conditions of review have been met; and

WHEREAS, the Town Board of the Town of West Seneca, as lead agency acting pursuant to the State Environmental Quality Review Act, Article 8 of the New York State Environmental Conservation Law, has reviewed the Final Environmental Impact Statement for the West Seneca Industrial Park Overlay District ("FEIS"), analyzing the potential for the project to result in any significant adverse environmental impacts and has otherwise taken a hard look at the potential environmental impacts utilizing the criteria specified in 6 NYCRR 617.7(c); and

WHEREAS, upon such review the Town Board has not identified any potentially significant adverse environmental impacts associated with the proposed use of the subject property and has determined the project is consistent with the Final Environmental Impact Statement and no further Environmental Impact Statement is necessary; and

WHEREAS, the Industrial Review Committee reviewed the project on November 7, 2019 and the Code Enforcement Officer recommended to the Town Board that the restricted use permit be granted; and

WHEREAS, the Town Board reviewed the project on November 18, 2019 at a regular meeting of the Town Board and granted the restricted use permit for the proposed project by Raine Logistics and determined the project was appropriate for the location and would not adversely affect surrounding properties; and

RESOLVED, the Town of West Seneca Town Board certifies that any environmental impacts resulting from the project are consistent with the provisions of the Final Environmental Impact Statement.

Ayes: All

Noes: None

Motion Carried

STATE OF NEW YORK)
COUNTY OF ERIE) SS:
OFFICE OF THE CLERK OF THE
TOWN OF WEST SENECA

This is to certify that I, AMY M. KOBLER, Town Clerk and Registrar of Vital Statistics of the Town of West Seneca in said County of Erie, have compared the foregoing copy of resolution with the original resolution now on file in my office, and which was passed by the Town Board of the Town of West Seneca in said County of Erie, on the 28th day of May 2020 and that the same is a correct and true transcript of such original resolution and whole thereof.

IN WITNESS WHEREOF, I HAVE HERE UNTO SET MY HAND AND AFFIXED THE SEAL OF SAID TOWN THIS 28TH DAY OF MAY 2020.

TOWN CLERK AND REGISTRAR OF VITAL STATISTICS, TOWN OF WEST SENECA

**ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY
INDUCEMENT RESOLUTION**

**KAMAX, LLC, AND/OR INDIVIDUAL(S) OR AFFILIATE(S), SUBSIDIARY(IES), OR
ENTITY(IES) FORMED OR TO BE FORMED ON ITS BEHALF**

A regular meeting of the Erie County Industrial Development Agency was convened on Wednesday, June 24, 2020 at 12:00 p.m.

The following resolution was duly offered and seconded, to wit:

RESOLUTION OF THE ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY: (i) ACCEPTING THE APPLICATION OF KAMAX, LLC, AND/OR INDIVIDUAL(S) OR AFFILIATE(S), SUBSIDIARY(IES), OR ENTITY(IES) FORMED OR TO BE FORMED ON ITS BEHALF (INDIVIDUALLY, AND/OR COLLECTIVELY, THE "COMPANY") IN CONNECTION WITH A CERTAIN PROJECT DESCRIBED BELOW; (ii) RATIFYING THE SCHEDULING, NOTICING, AND CONDUCTING OF A PUBLIC HEARING IN CONNECTION WITH THE PROJECT; (iii) MAKING A DETERMINATION PURSUANT TO THE STATE ENVIRONMENTAL QUALITY REVIEW ACT; (iv) APPOINTING THE COMPANY, OR ITS DESIGNEE, AS ITS AGENT TO UNDERTAKE THE PROJECT; (v) AUTHORIZING THE UNDERTAKING OF THE PROJECT TO PROVIDE FINANCIAL ASSISTANCE TO THE COMPANY IN THE FORM OF (A) A SALES TAX EXEMPTION BENEFIT FOR PURCHASES AND RENTALS RELATED TO THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF THE PROJECT, (B) A MORTGAGE RECORDING TAX EXEMPTION BENEFIT FOR FINANCING RELATED TO THE PROJECT, AND (C) A PARTIAL ABATEMENT FROM REAL PROPERTY TAXES BENEFIT THROUGH THE PILOT AGREEMENT; AND (vi) AUTHORIZING THE NEGOTIATION AND EXECUTION OF A LEASE AGREEMENT, LEASEBACK AGREEMENT, A PAYMENT-IN-LIEU-OF-TAX AGREEMENT, AN AGENT AND FINANCIAL ASSISTANCE PROJECT AGREEMENT, AND RELATED DOCUMENTS

WHEREAS, by Title 1 of Article 18-A of the General Municipal Law of the State of New York, as amended, and Chapter 293 of the Laws of 1970 of the State of New York, as amended (collectively, the "Act"), the ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY (the "Agency") was created with the authority and power to own, lease and sell property for the purpose of, among other things, acquiring, constructing and equipping civic, industrial, manufacturing, commercial and other facilities as authorized by the Act; and

WHEREAS, the Company has submitted an application to the Agency (the "Application") requesting the Agency's assistance with a certain project (the "Project") consisting of: (a) the acquisition of a leasehold interest in a portion of an approximately 8-acre

parcel of land located at 2890 North America Drive in the Town of West Seneca, New York (the “Land”); (b) the construction thereon of (i) an approximately 14,380 sq. ft. trucking and warehouse building and (ii) fully-fenced parking lot (collectively, the “Improvements”), and (c) the acquisition and installation therein, thereon or thereabout of certain machinery, equipment and related personal property (the “Equipment”; and, collectively with the Land and the Improvements, the “Facility”), to be subleased to Raine Logistics, Inc. (the “Tenant”) for use in its business of arranging transportation of freight and cargo; and

WHEREAS, pursuant to General Municipal Law Section 859-a, and pursuant to Governor Cuomo’s Executive Order 220.15 issued on April 9, 2020, authorizing the conduct of public hearings through the use of telephone conference, video conference and/or other similar service, the Agency, on May 26, 2020, at 10:30 a.m., held a public hearing with respect to the Project and the proposed Financial Assistance (as hereinafter defined) being contemplated by the Agency (the “Public Hearing”) via live stream web broadcast at www.ecidany.com/streaming, at which the Agency provided interested parties a reasonable opportunity to provide oral comments and/or their views on the Project, and further instructed interested parties on the process to submit written comments with respect to the Project; and

WHEREAS, it is contemplated that the Agency will (i) designate the Company as its agent for the purpose of undertaking the Project pursuant to an Agent and Financial Assistance Project Agreement (the “Agent Agreement”), (ii) negotiate and enter into a lease agreement (the “Lease Agreement”) and related leaseback agreement (the “Leaseback Agreement”) with the Company, pursuant to which the Agency will retain a leasehold interest in the Land, the Existing Improvements, the Improvements, the Equipment and personal property constituting the Facility; and (iii) provide Financial Assistance to the Company in the form of (a) an exemption benefit from all New York State and local sales and use taxes for purchases and rentals related to the Project with respect to the qualifying personal property included in or incorporated into the Facility or used in the acquisition, construction, reconstruction and/or renovation, rehabilitation or equipping of the Facility, (b) a mortgage recording tax exemption benefit for the financing related to the Project, and (c) a partial abatement from real property taxes benefit through a seven (7) year term PILOT Agreement for the benefit of each municipality and school district having taxing jurisdiction over the Project, (collectively, the sales and use tax exemption benefit, the mortgage recording tax exemption benefit, and the partial abatement from real property taxes benefit, are hereinafter collectively referred to as the “Financial Assistance”); and

WHEREAS, the Project is located within the Town of West Seneca (the “Town”) Industrial Park (the “Industrial Park Project”); and

WHEREAS, the Industrial Park Project entailed and entails the acquisition and development of an industrial, warehousing, and distribution park of approximately 400-500 acres within the Town to ultimately be developed as various individual parcels within the Industrial Park by private developers; and

WHEREAS, the Town, in accordance with Article 8 of the New York Environmental Conservation Law and the regulations promulgated thereto in 6 N.Y.C.R.R. Part 617 (collectively referred to as the “State Environmental Quality Review Act” and/or “SEQR”), undertook coordinated review with respect to the Industrial Park Project, established itself as

Lead Agency as defined in SEQR, and determined that the Industrial Park Project was a Type I Action; and

WHEREAS, the Agency, on or about October 11, 1989, affirmed and confirmed the status of the Town as “Lead Agency” within the meaning of and for all purposes of complying with SEQR with respect to the Industrial Park Project; and

WHEREAS, on August 12, 1991, the Town accepted the Final Environmental Impact Statement (the “FEIS”) for the Industrial Park Project; and

WHEREAS, on November 7, 2019, the Town’s Industrial Park Review Committee reviewed the Project and recommended that the Town approve of the Project; and

WHEREAS, on May 28, 2020, the Town completed its review of the Project and related materials and the FEIS and specifically determined that there were no potentially significant adverse environmental impacts associated with the Project, that no further environmental impact statement is necessary; and that the environmental impacts resulting from the Project are consistent with the provisions of the FEIS as related to the Industrial Park Project; and

WHEREAS, pursuant to Article 18-A of the Act, the Agency desires to adopt a resolution describing the Project and the Financial Assistance that the Agency is contemplating with respect to the Project.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY AS FOLLOWS:

Section 1. The Company has presented an application in a form acceptable to the Agency. Based upon the representations made by the Company to the Agency in the Company’s application and any other correspondence submitted by the Company to the Agency, public hearing comments, if any, Agency Policy Committee review and recommendations of the Project and its June 4, 2020 resolution to approve the project subject to the terms and conditions as described herein, and Agency board member review, discussion, and consideration of same, the Agency hereby finds and determines that:

(A) By virtue of the Act, the Agency has been vested with all powers necessary and convenient to carry out and effectuate the purposes and provisions of the Act and to exercise all powers granted to it under the Act; and

(B) It is desirable and in the public interest for the Agency to appoint the Company as its agent for purposes of acquiring, constructing and/or renovating and equipping the Project; and

(C) The Agency has the authority to take the actions contemplated herein under the Act; and

(D) The action to be taken by the Agency will induce the Company to develop the Project, thereby increasing and/or retaining employment opportunities in Erie County, New York and otherwise furthering the purposes of the Agency as set forth in the Act; and

(E) The Project will not result in the removal of a civic, commercial, industrial, or manufacturing plant of the Company or any other proposed occupant of the Project from one area of the State of New York (the “State”) to another area of the State or result in the abandonment of one or more plants or facilities of the Company or any other proposed occupant of the Project located within the State; and the Agency hereby finds that, based on the Company’s application, to the extent occupants are relocating from one plant or facility to another, the Project is reasonably necessary to discourage the Project occupants from removing such other plant or facility to a location outside the State and/or is reasonably necessary to preserve the competitive position of the Project occupants in their respective industries, and, to the extent occupants are relocating from one plant or facility to another in another area of the State, the Agency has complied with the Intermunicipal Movement procedures as required in the Countywide Industrial Development Agency Uniform Tax Exemption Policy; and

(F) The Agency has assessed all material information included in connection with the Application necessary to afford a reasonable basis for the decision by the Agency to provide Financial Assistance for the Project as described herein; and

(G) The Agency has prepared a written cost-benefit analysis identifying the extent to which the Project will create or retain permanent, private sector jobs, the estimated value of any tax exemption to be provided, the amount of private sector investment generated or likely to be generated by the Project, the likelihood of accomplishing the Project in a timely fashion, and the extent to which the Project will provide additional sources of revenue for municipalities and school districts, and any other public benefits that might occur as a result of the Project; and

(H) The Company has provided a written statement confirming that the Project as of the date of the Application is in substantial compliance with all provisions the Act.

(I) Raine Logistics, Inc. (the “Tenant”) will occupy the Facility. The Agency hereby approves the subleasing of space in the Project to the Sub-Tenant and authorizes the Company to proceed with the Project as herein authorized; and

(J) In reviewing the Project as currently proposed pursuant to the conditions and mitigation measures set forth in the FEIS that were prepared for the Industrial Park Project, the Town determined that no further SEQR compliance is required for the Project since it will be carried out in conformance with the conditions and thresholds established in the FEIS, and as such, no further SEQR review is required for the Project pursuant to 6 N.Y.C.R.R. Section 617.10(d)(1).

(K) The Project qualifies for Agency Financial Assistance as it meets the Agency’s evaluative criteria for Manufacturing, Warehouse, Distribution projects, said criteria established by the Agency as required under General Municipal Law Section 859-a(5) as evidenced by the following:

(i) Wage Rate (above median wage for area): Company estimated average salary of jobs to be created is above the median wage for the area.

(ii) Regional Wealth Creation: The Tenant is not licensed to sell outside of New York State, and as such, 76% of sales are within Erie and Niagara County.

- (iii) Research and Development Activities: Not applicable.
- (iv) Investments in Energy Efficiency: The new facility will be furnished with all LED lighting, three sides with large windows to provide daylight illumination eliminating the use of electricity during daytime hours of operation.
- (v) Locational Land Use Factors, The facility will be located within a previously developed industrial park in West Seneca.
- (vi) MBE/WBE Utilization: The Company and its tenant promote equal rights and opportunities within their respective organizations and with respect to contractor hiring.
- (vii) Workforce Access – Proximity to Public Transportation: The Facility is serviced by Metro Bus route 75.

Section 2. The Agency hereby authorizes the undertaking of the Project and the provision of the Financial Assistance to the Company as described herein.

Section 3. Subject to the Company executing an Agent Agreement and the delivery to the Agency of a binder, certificate or other evidence of insurance for the Project satisfactory to the Agency, the Agency hereby authorizes the Company to proceed with the acquisition, construction and equipping of the Project and hereby appoints the Company as the true and lawful agent of the Agency: (i) to acquire, construct and/or renovate and equip the Project; (ii) to make, execute, acknowledge and deliver any contracts, orders, receipts, writings and instructions, as the stated agent for the Agency with the authority to delegate such agency, in whole or in part, to agents, subagents, contractors, and subcontractors of such agents and subagents and to such other parties as the Company chooses; and (iii) in general, to do all things which may be requisite or proper for completing the Project, all with the same powers and the same validity that the Agency could do if acting in its own behalf; provided, however, the appointment of the Company as agent of the Agency, if utilized, shall expire one year from the date of this resolution (unless extended for good cause by the Chair, the Vice Chair, the President/Chief Executive Officer, the Executive Vice President, the Chief Financial Officer/Treasurer, and/or the Assistant Treasurer).

With respect to the foregoing, and based upon the representations and warranties made by the Company in its application for Financial Assistance, the Agency hereby authorizes and approves the Company, as its agent, to make purchases of goods and services relating to the Project and that would otherwise be subject to New York State and local sales and use tax in an estimated amount up to \$1,100,000.00, which may result in New York State and local sales and use tax exemption benefits ("sales and use tax exemption benefits") not to exceed \$96,250.00. The Agency may consider any requests by the Company for increases to the amount of sales and use tax exemption benefits authorized by the Agency upon being provided with appropriate documentation detailing the additional purchases of property or services.

Pursuant to Section 875(3) of the New York General Municipal Law, and per the policies of the Agency, the Agency may recover or recapture from the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project,

any New York State and local sales and use tax exemption benefits, and/or mortgage recording tax exemption benefits, and/or partial abatements from real property taxes benefits taken or purported to be taken by the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, if it is determined that: (i) the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, is not entitled to the New York State and local sales and use tax exemption benefits; (ii) the New York State and local sales and use tax exemption benefits are in excess of the amounts authorized to be taken by the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project; (iii) the New York State and local sales and use tax exemption benefits are for property or services not authorized by the Agency as part of the Project; (iv) the Company has made a material false statement on its application for Financial Assistance; (v) the New York State and local sales and use tax exemption benefits and/or mortgage recording tax exemption benefits, and/or the partial abatement from real property taxes benefits are taken in cases where the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, fails to comply with the Investment Commitment, the Employment Commitment, and/or the Local Labor Commitment, said commitments, as described below, being a material term or condition to use property or services in the manner approved by the Agency in connection with the Project; and/or (vi) the New York State and local sales and use tax exemption benefits, and/or mortgage recording tax exemption benefits, and/or the partial abatement from real property taxes benefits are taken in cases where the Company fails to comply with the Equal Pay Commitment and/or the Unpaid Real Property Tax Policy Commitment, as described below, being a material term or condition to use property or services in the manner approved by the Agency in connection with the Project.

As a condition precedent of receiving Financial Assistance, the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, must (i) cooperate with the Agency in its efforts to recover or recapture any Financial Assistance, and (ii) promptly pay over any such amounts to the Agency that the Agency

As an additional condition precedent of receiving Financial Assistance, and as a material term or condition as approved by the Agency in connection with the Project, the Company covenants and agrees and understands that it must, subject to potential modification, termination and/or recapture of Financial Assistance for failure to meet and maintain the commitments and thresholds as described below, submit, on an annual basis or as otherwise indicated below through the termination of the PILOT Agreement, a certification, as so required by the Agency, confirming:

- (i) Investment Commitment- the total investment actually made with respect to the Project at the time of Project completion equals or exceeds \$1,881,900 (which represents the product of 85% multiplied by \$2,214,000, being the total project cost as stated in the Company's application for Financial Assistance).

- (ii) Employment Commitment - that there are at least 12 existing full time equivalent (“FTE”) employees located at, or to be located at, the Facility as stated in the Company’s application for Financial Assistance (the “Baseline FTE”); and
- the number of current FTE employees in the then current year at the Facility; and
 - that the Company has maintained and created full-time equivalent (“FTE”) employment at the Facility equal to 13 FTE employees [representing the sum of (i) 12 Baseline FTE employees and (ii) 1 FTE, being the product of 85% multiplied by 1, (representing the 1 new FTE employee position proposed to be created by the Company as stated in the Company’s application for Financial Assistance)]. In an effort to confirm and verify the Company’s employment numbers, the Agency requires that, at a minimum, the Company provide employment data to the Agency on a quarterly basis, said information to be provided on the Agency’s “Quarterly Employment Survey” form to be made available to the Company by the Agency.
- (iii) Local Labor Commitment - that the Company adheres to and complies with the Agency’s Local Labor Workforce Certification Policy on a quarterly basis during the construction period.
- (iv) Equal Pay Commitment – that the Company adheres to and complies with the Agency’s Pay Equity Policy.
- (v) Unpaid Real Property Tax Policy Commitment – that the Company is compliant with the Agency’s Unpaid Real Property Tax Policy.

Section 4. Subject to the terms of this Inducement Resolution, the Chair, the Vice Chair, the President/Chief Executive Officer, the Executive Vice President, the Chief Financial Officer/Treasurer and/or the Assistant Treasurer, are hereby authorized, on behalf of the Agency, to negotiate, execute and deliver (A) an Agent Agreement, (B) the Lease Agreement whereby the Company leases the Project to the Agency, (C) the related Leaseback Agreement whereby the Agency leases the Project back to the Company, and (D) the PILOT Agreement and (E) related documents; provided, however, that (i) the rental payments under the Leaseback Agreement to the Company include payments of all costs incurred by the Agency arising out of or related to the Project and indemnification of the Agency by the Company for actions taken by the Company and/or claims arising out of or related to the Project; and (ii) the terms of the PILOT Agreement are consistent with the Agency’s Uniform Tax Exemption Policy, or procedures for deviation have been complied with accordingly.

Section 5. Subject to the terms of this Inducement Resolution, the Chair, the Vice Chair, the President/Chief Executive Officer, the Executive Vice President, the Chief Financial Officer/Treasurer and/or the Assistant Treasurer, are hereby authorized, on behalf of the Agency, to negotiate, execute and deliver any mortgage, assignment of leases and rents, security agreement, UCC-1 Financing Statements and all documents reasonably contemplated by these resolutions or required by any lender identified by the Company (the “Lender”) up to a

maximum principal amount necessary to undertake the Project, acquire the Facility and/or finance or refinance acquisition and Project costs or equipment and other personal property and related transactional costs (hereinafter, with the Lease Agreement, Leaseback Agreement, and related documents, collectively called the “Agency Documents”); and, where appropriate, the Secretary or the Assistant Secretary of the Agency is hereby authorized to affix the seal of the Agency to the Agency Documents and to attest the same, all with such changes, variations, omissions and insertions as the Chair, the Vice Chair, the President/Chief Executive Officer, the Executive Vice President, the Chief Financial Officer/Treasurer and/or the Assistant Treasurer of the Agency shall approve, the execution thereof by the Chair, the Vice Chair, the President/Chief Executive Officer, the Executive Vice President, the Chief Financial Officer/Treasurer and/or the Assistant Treasurer of the Agency to constitute conclusive evidence of such approval; provided in all events recourse against the Agency is limited to the Agency’s interest in the Project.

Section 6. The officers, employees and agents of the Agency are hereby authorized and directed for and in the name and on behalf of the Agency to do all acts and things required and to negotiate, execute and deliver all such certificates, instruments and documents, to pay all such fees, charges and expenses and to do all such further acts and things as may be necessary or, in the opinion of the officer, employee or agent acting, desirable and proper to effect the purposes of the foregoing resolutions and to cause compliance by the Agency with all of the terms, covenants and provisions of the documents executed for and on behalf of the Agency.

Section 7. The provision by the Agency of Financial Assistance with respect to the Project as described herein is subject to the execution and delivery of the Agency’s Administrative Fee Agreement (the “Fee Agreement”) and payment by the Company of an administrative fee calculated in accordance with the Fee Agreement, all within sixty (60) days of the date of this resolution. In the event the Agency has not received the executed Fee Agreement and the appropriate fee within such sixty (60) day period, this resolution shall become automatically null and void and of no further effect and the Agency shall have no liability to the Company hereunder or otherwise, unless extended in the discretion of the Chair, the Vice Chair, the President/Chief Executive Officer, the Executive Vice President, the Chief Financial Officer/Treasurer, or the Assistant Treasurer for good cause shown.

Section 8. This resolution shall take effect immediately, and shall expire one (1) year from the date hereof unless extended for good cause by the Chair, the Vice Chair, the President/Chief Executive Officer, the Executive Vice President, the Chief Financial Officer/Treasurer, or the Assistant Treasurer.

Dated: June 24, 2020



Trucking terminal

Instructions and Insurance Requirements Document

Section I: Applicant Background Information

Please answer all questions. Use "None" or "Not Applicable" where necessary. Information in this application may be subject to public review under New York State Law.

Applicant Information - Company Receiving Benefit

Project Name Kamax LLC
Project Summary Trucking terminal/warehouse in West Seneca, NY
Applicant Name KAMAX LLC/Raine Logistics Inc
Applicant Address 2890 North America dr
Applicant Address 2
Applicant City West Seneca
Applicant State New York
Applicant Zip 14224
Phone (716) 810-9471
Fax (716) 932-7114
E-mail raine logistics@gmail.com
Website www.raine logistics inc.com
NAICS Code

Business Organization

Type of Business Limited Liability Company
Year Established 2019
State in which Organization is established New York

Individual Completing Application

Name Petro Kushnir
Title President
Address Po Box 513
Address 2
City Getzville
State New York
Zip 14068
Phone (716) 810-9471

Fax (716) 932-7114
E-Mail raine.logistics@gmail.com

Company Contact (if different from individual completing application)

Name**Title****Address****Address 2****City****State****Zip****Phone****Fax****E-Mail**

Company Counsel

Name of Attorney Raiph Lorigo
Firm Name The Law Office of Ralph C. Lorigo
Address 101 Slade ave
Address 2
City West Seneca
State New York
Zip 14224
Phone (716) 824-7200
Fax (716) 824-8728
E-Mail lorigo@lorigo.com

Benefits Requested (select all that apply)

Exemption from Sales Tax	Yes
Tax Exempt Financing*	No
* (typically for not-for-profits & small qualified manufacturers)	
Exemption from Mortgage Tax	Yes
Exemption from Real Property Tax	Yes

Applicant Business Description

Describe in detail company background, history, products and customers. Description is critical in determining eligibility.

Raine Logistics, Inc is a trucking company that is based in Buffalo, NY. It was founded in 2007 and successfully has been providing trucking services for customers in Western New York and nationwide. We specialize in hauling dry freight from Western New York to TX, AZ, CA, NY, UT. Our customers include companies like: 1) Tesla in Buffalo, NY; 1) Iovate Health Sciences in Blasdell, NY; 3) Speed Global Services in Kenmore, NY; 4) First Source in Tonawanda, NY; 5) Whiting Doors in Akron, NY; 9) Once Again Nut Butter in Perry, NY; 10) Oatka Milk in Batavia, NY; 11) Sonwil Distribution in West Seneca, NY; 12) ESSA in Cheektowaga, NY; 13) Cibiya America in Grand Prairie, TX; 14) Tesla in Hayward, CA.

Estimated % of sales within Erie County	60 %
Estimated % of sales outside Erie County but within New York State	20 %

Estimated % of sales outside New York State but within the U.S.	20 %
Estimated % of sales outside the U.S.	0 %

(*Percentage to equal 100%)

For your operations, company and proposed project what percentage of your total annual supplies, raw materials and vendor services are purchased from firms in Erie County?

100

Describe vendors within Erie County for major purchases

Kulback's is doing the site work, distributing the building, erecting the building, Kimil construction for plumbing. DWC Simonelli. Mandon. A touch of Heaven Painting. Mike Lina for paving. Federowicz will be doing the concrete. Upstate rebar for rebar. Service Partners for insulation. Hamburg overhead door for doors and levelers. Forest Materials. Advantage flooring for finished flooring and vinyl base. J&L for landscaping... RTJ Enterprises for the final cleaning.

Section II: Eligibility Questionnaire - Project Description & Details

Project Location

Address of Proposed Project Facility

2890 North America dr

Town/City/Village of Project Site

West Seneca

School District of Project Site

West Seneca

Current Address (if different)

Current Town/City/Village of Project Site (if different)

SBL Number(s) for proposed Project

TBD

What are the current real estate taxes on the proposed Project Site

0

If amount of current taxes is not available, provide assessed value for each.

Land

\$

Building(s)

\$

If available include a copy of current tax receipt.

Are Real Property Taxes current at project location?

Yes

If no please explain

*The ECIDA has an unpaid tax policy and you will be required to certify all taxes and PILOTS are current.

Does the Applicant or any related entity currently hold fee title or have an option/contract to purchase the Project site?

Yes

If No, indicate name of present owner of the Project Site

Does Applicant or related entity have an option/contract to purchase the Project site?

Yes

Describe the present use of the proposed Project site (vacant land, existing building, etc.)

vacant land

Provide narrative and purpose of the proposed project (new build, renovations) square footage of existing and new construction contemplated and/or equipment purchases. Identify specific uses occurring within the project. Describe any and all tenants and any/all end users: (This information is critical in determining project eligibility)

KAMAX,LLC Is a holding company ,where Raine Logistics,Inc is Buffalo,NY based trucking company will be the tenant. Raine Logistics,Inc has been servicing customers in Western New York since 2007. We haul dry freight from Buffalo, Rochester, Syracuse and surrounding areas to 48 states. Our fleet consists of 9 tractors and 11 trailers. We service customers like lovate Health,Once Again Nut Butter,Tesla, First Source and many others. Freight commodity include food products,electronic, auto part,solar panels,etc. To provide quality shipping services for our customers we have the knowledge and expertise. Our fleets consists of of 2018 and newer equipment to get goods delivered without delay and damage. Our current terminal of 6000 square feet is leased and became too small for our operations.With several Issues like not sufficient parking, poor security and unsatisfactory warehouse condition we looked into several options of buying and leasing around Buffalo and surrounding towns. As we could not find building that would satisfy our needs for current operation and future expansion a decision was made to build a new terminal in West Seneca which had developed industrial park with easy access to the Thruway. With the help of our new partners at Kulback's Construction Company we were able to outline this project and start the ball rolling. Our new terminal will be located on 8 acres of industrial land ,fully fenced lot and 14380 square feet warehouse. It will be used for cross dock and short term storage of customers` products. Parking lot will provide safe parking for our equipment and drivers personal vehicles while they are on the road. Raine Logistics,Inc is a small trucking company with very hard working people that are inspired by by what we do and very proud of It , especially nowadays,when we know that every load delivered makes a difference. In order to achieve our goal we need assistance from ECIDA to help our company keep financial balance and remain a dependable business partner to our customers.

Municipality or Municipalities of current operations

Town of West Seneca

Will the Proposed Project be located within a Municipality Identified above?

Yes

Will the completion of the Project result in the removal of an industrial or manufacturing plant of the project occupant from one area of the state to another area of the state OR in the abandonment of one or more plants or facilities of the project occupant located within the state?

Yes

If the Proposed Project is located In a different Municipality within New York State than that Municipality in which current operations are being undertaken, is it expected that any of the facilities in any other Municipality will be closed or be subject to reduced activity?

Yes

(If yes, you will need to complete the Intermunicipal Move Determination section of this application)

Is the project reasonably necessary to prevent the project occupant from moving out of New York State?

No

If yes, please explain and identify out-of-state locations investigated, type of assistance offered and provide supporting documentation available

Have you contacted or been contacted by other Local, State and/or Federal Economic Development Agencies?

No

If yes, please indicate the Agency and nature of inquiry below

If the Project could be undertaken without Financial Assistance provided by the Agency, then provide a statement in the space provided below indicating why the Project should be undertaken by the Agency:

Financial assistance will give us assurance to complete the project. It will help secure future stability and expansion of the company.

Describe the reasons why the Agency's financial assistance is necessary, and the effect the Project will have on the Applicant's business or operations. Focus on competitiveness issues, project shortfalls, etc... Your eligibility determination will be based in part on your answer (attach additional pages if necessary)

Raine Logistics,Inc is Buffalo,N.Y. based trucking company that is in need of new terminal . Current location that we lease does not satisfy the need for safe operations. After 2 years of research and looking into different options of leasing and buying a property we made a decision to build our own terminal to the specs that would satisfy our operation. The land was purchased in West Seneca,N.Y. in industrial park that is perfect location for us. With the help of our new partners at Kulback's Construction Company we defined the project requirements and estimated the cost of the building and paved lot of \$2,000,000. Our financial institution approved \$2,000,000 mortgage. On November 7, 2019 a meeting was held by Industrial Park Review Committee of West Seneca,N.Y., which reviewed Raine Logistics project at 2890 North America drive in West Seneca,N.Y. An approval of restricted use permit was later granted at town's Board Meeting. Significant amount of work has been done to locate suitable location, find reputable builder and secure financing . Continuous improvement is required for us to grow, be competitive and provide qualitative services to our customers. New terminal will be a cornerstone for our success in the future and also will have a positive impact on a local economy. We are seeking assistance from ECIDA on exemption from Sales Tax, Mortgage Tax and real Property Tax. It will help us stay financially balanced, competitive among other carriers by keeping cost down on our services and give us time to grow stronger and expand for the benefit of local economy.

Please confirm by checking the box, below, if there is likelihood that the Project would not be undertaken but for the Financial Assistance

provided by the Agency

Yes

If the Applicant is unable to obtain Financial Assistance for the Project, what will be the impact on the Applicant and Erie County?

If Financial Assistance not provided the project may be delayed or cancelled. We will have to increase the cost on our services to the customers which will make us less competitive.

Will project include leasing any equipment?

No

If yes, please describe equipment and lease terms.

Site Characteristics

Is your project located near public transportation?

Yes

If yes describe if site is accessible by either metro or bus line (provide route number for bus lines)

BUS#75

Has a project related site plan approval application been submitted to the appropriate planning department?

Yes

If Yes, include the applicable municipality's and/or planning department's approval resolution, the related State Environmental Quality Review Act ("SEQR") "negative declaration" resolution, if applicable, and the related Environmental Assessment Form (EAF), if applicable.

If No, list the ECIDA as an "Involved Agency" on the related EAF that will be submitted to the appropriate municipality and/or planning department for site plan approval.

Will the Project meet zoning/land use requirements at the proposed location?

Yes

Describe the present zoning/land use

Industrial

Describe required zoning/land use, if different

If a change in zoning/land use is required, please provide details/status of any request for change of zoning/land use requirements

Is the proposed Project located on a site where the known or potential presence of contaminants is complicating the development/use of the property?

No

If yes, please explain

Has a Phase I Environmental Assessment been prepared, or will one be prepared with respect to the proposed Project Site?

Yes

If yes, please provide a copy.

Have any other studies, or assessments been undertaken with respect to the proposed Project Site that indicate the known or suspected presence of contamination that would complicate the site's development?

No

If yes, please provide copies of the study.

If you are purchasing new machinery and equipment, does it provide demonstrable energy efficiency benefits?

Yes

If yes, describe the efficiencies achieved

Well sealed and insulated building , all LED lighting. 3 sides large windows to provide daylight, which eliminates use of electricity during daytime.

You may also attach additional information about the machinery and equipment at the end of the application.

End date : Estimated completion date of project

1/1/2021

Project occupancy : estimated starting date of occupancy

1/15/2021

Project Information

Estimated costs in connection with Project

Land and/or Building Acquisition

\$ 304,000 square feet 8 acres

New Building Construction

\$ 1,810,000 14,380 square feet

New Building addition(s)

\$ 0 square feet

Reconstruction/Renovation

\$ 0 square feet

Manufacturing Equipment

\$ 0

Infrastructure Work

\$ 0

Non-Manufacturing Equipment: (furniture, fixtures, etc.)

\$ 50,000

Soft Costs: (Legal, architect, engineering, etc.)

\$ 50,000

Other Cost

\$ 0

**Explain Other
Costs**

Total Cost 2,214,000

Construction Cost Breakdown:

Total Cost of Construction	\$1,860,000 (sum of 2, 3, 4 and 5 in Project Information, above)
Cost of materials	\$1,000,000.00
% sourced in Erie County	100%

Sales and Use Tax:

Gross amount of costs for goods and services that are subject to State and local sales and use tax- said amount to benefit from the Agency's sales and use tax exemption benefit \$1,100,000.00

Estimated State and local Sales and Use Tax Benefit (product of 8.75% multiplied by the figure, above): \$96,250.00

**** Note that the estimate provided above will be provided to the New York State Department of Taxation and Finance. The Applicant acknowledges that the transaction documents may include a covenant by the Applicant to undertake the total amount of investment as**

proposed within this Application, and that the estimate, above, represents the maximum amount of sales and use tax benefit that the Agency may authorize with respect to this Application. The Agency may utilize the estimate, above, as well as the proposed total Project Costs as contained within this Application, to determine the Financial Assistance that will be offered.

Project refinancing estimated amount, if applicable (for refinancing of existing debt only) \$0

Have any of the above costs been paid or incurred as of the date of this Application? Yes

If Yes, describe particulars: Land purchase

Sources of Funds for Project Costs:

Equity (excluding equity that is attributed to grants/tax credits): \$304,000

Bank Financing: \$1,600,000

Tax Exempt Bond Issuance (if applicable): \$0

Taxable Bond Issuance (if applicable): \$0

Public Sources (Include sum total of all state and federal grants and tax credits): \$0

Identify each state and federal grant/credit: (ie Historic Tax Credit, New Market Tax Credit, Brownfield, Cleanup Program, ESD, other public sources)

Total Sources of Funds for Project Costs: \$1,904,000

Have you secured financing for the project? No

Mortgage Recording Tax Exemption Benefit:

Amount of mortgage, if any that would be subject to mortgage recording tax:

Mortgage Amount (include sum total of construction/permanent/bridge financing). 1,600,000

Lender Name, if Known

Estimated Mortgage Recording Tax Exemption Benefit (product of mortgage amount as indicated above multiplied by 1/2 of 1%): \$12,000

Real Property Tax Benefit:

Identify and describe if the Project will utilize a real property tax exemption benefit other than the Agency's PILOT benefit (485-a, 485-b, other):

IDA PILOT Benefit: Agency staff will indicate the estimated amount of PILOT Benefit based on estimated Project Costs as contained herein and anticipated tax rates and assessed valuation, including the annual PILOT Benefit abatement amount for each year of the PILOT benefit and the sum total of PILOT Benefit abatement amount for the term of the PILOT as depicted in the PILOT worksheet in the additional document section.

Percentage of Project Costs financed from Public Sector sources: Agency staff will calculate the percentage of Project Costs financed from Public Sector sources based upon the Sources of Funds for Project Costs as depicted above. The percentage of Project Costs financed from public sector sources will be depicted in the PILOT worksheet in the additional document section.

ECIDA encourages applicants to utilize MBE/WBE contractors for their projects. Describe your company's internal practices that promote MBE/WBE hiring and utilization

We promote equal rights and opportunities within the company and with contractors hiring.

Is project necessary to expand project employment?

Yes

Is project necessary to retain existing employment?

Yes

Will project include leasing any equipment?

No

If yes, please describe equipment and lease terms.

Employment Plan (Specific to the proposed project location)

You must include a copy of the most recent NYS-45 Quarterly Combined Withholding, Wage Reporting and Unemployment Insurance Return.

	Current # of jobs at proposed project location or to be relocated at project location	If financial assistance is granted – project the number of FT and PT jobs to be retained	If financial assistance is granted – project the number of FT and PT jobs to be created upon 24 months (2 years) after Project completion	Estimate number of residents of the Labor Market Area in which the project is located that will fill the FT and PT jobs to be created upon 24 months (2 years) after project completion **
Full time	12	12	1	1
Part time	0	0	0	0
Part time	12	12	1	

Salary and Fringe Benefits for Jobs to be Retained and Created

Category of Jobs to be Retained and/or Created	# of Employees Retained and/or Created	Average Salary for Full Time	Average Fringe Benefits for Full Time	Average Salary for Part Time (if applicable)	Average Fringe Benefits for Part Time (if applicable)
Management	0	\$0	\$0	\$0	\$0
Professional	0	\$0	\$0	\$0	\$0
Administrative	0	\$0	\$0	\$0	\$0
Production	0	\$0	\$0	\$0	\$0
Independent Contractor	13	\$65,000	\$0	\$0	\$0
Other	0	\$0	\$0	\$0	\$0

** Note that the Agency may utilize the foregoing employment projections, among other items, to determine the financial assistance that will be offered by the Agency to the Applicant. The Applicant acknowledges that the transaction documents may include a covenant by the Applicant to retain the number of jobs and create the number of jobs with respect to the Project as set forth in this Application.

Employment at other locations in Erie County: (provide address and number of employees at each location):

Address	Full time	Part time	Total
	0	0	0
	0	0	0
	0	0	0

Payroll Information

Annual Payroll at Proposed Project Site upon completion

845,000

Estimated average annual salary of jobs to be retained (Full Time)

65,000

Estimated average annual salary of jobs to be retained (Part Time)

0

Estimated average annual salary of jobs to be created (Full Time)

65,000

Estimated average annual salary of jobs to be created (Part Time)

0

Estimated salary range of jobs to be created

From (Full Time)	63,000	To (Full Time)	65,000
From (Part Time)	0	To (Part Time)	0

Section III: Environmental Questionnaire

INSTRUCTIONS: Please complete the following questionnaire as completely as possible. If you need additional space to fully answer any question, please attach additional page(s).

General Background Information

Address of Premises

2890 North America dr West Seneca, NY 14224

Name and Address of Owner of Premises

KAMAX LLC PO Box 513 Getzville, NY 14068

Describe the general features of the Premises (include terrain, location of wetlands, coastlines, rivers, streams, lakes, etc.)

Open field with sporadic trees and bushes. Wetland located on the western border of the parcel.

Describe the Premises (including the age and date of construction of any improvements) and each of the operations or processes carried out on or intended to be carried on at the Premises

Vacant lot. Intended use trucking terminal with cross dock facility.

Describe all known former uses of the Premises

vacant lot

Does any person, firm or corporation other than the owner occupy the Premises or any part of it?

No

If yes, please identify them and describe their use of the property

Have there been any spills, releases or unpermitted discharges of petroleum, hazardous substances, chemicals or hazardous wastes at or near the Premises?

No

If yes, describe and attach any incident reports and the results of any investigations

Has the Premises or any part of it ever been the subject of any enforcement action by any federal, state or local government entity, or does the preparer of this questionnaire have knowledge of: a) any current federal, state or local enforcement actions; b) any areas of non-compliance with any federal, state or local laws, ordinances, rules or regulations associated with operations over the past 12 months?

No

If yes, please state the results of the enforcement action (consent order, penalties, no action, etc.) and describe the circumstances

Has there been any filing of a notice of citizen suit, or a civil complaint or other administrative or criminal procedure involving the Premises?

No

If yes, describe in full detail

Solid And Hazardous Wastes And Hazardous Substances

Does any activity conducted or contemplated to be conducted at the premises generate, treat or dispose of any petroleum, petroleum-related products, solid and hazardous wastes or hazardous substances?

No

If yes, provide the Premises' applicable EPA (or State) identification number

Have any federal, state or local permits been issued to the Premises for the use, generation and/or storage of solid and hazardous wastes?

No

If yes, please provide copies of the permits.

Identify the transporter of any hazardous and/or solid wastes to or from the Premises

Identify the solid and hazardous waste disposal or treatment facilities which have received wastes from the Premises for the past two (2) years

Does or is it contemplated that there will occur at the Premises any accumulation or storage of any hazardous wastes on-site for disposal for longer than 90 days?

No

If yes, please identify the substance, the quantity and describe how it is stored

Discharge Into Waterbodies

Briefly describe any current or contemplated industrial process discharges (including the approximate volume, source, type and number of discharge points). Please provide copies of all permits for such discharges

None

Identify all sources of discharges of water, including discharges of waste water, process water, contact or noncontact cooling water, and stormwater. Attach all permits relating to the same. Also identify any septic tanks on site

Wastewater, storm water.

Is any waste discharged into or near surface water or groundwaters?

No

If yes, please describe in detail the discharge including not only the receiving water's classification, but a description of the type and quantity of the waste

Air Pollution

Are there or is it contemplated that there will be any air emission sources that emit contaminants from the Premises?

No

If yes, describe each such source, including whether it is a stationary combustion installation, process source, exhaust or ventilation system, incinerator or other source

Are any of the air emission sources permitted?

No

If yes, attach a copy of each permit.

Storage Tanks

List and describe all above and under ground storage tanks at the Premises used to store petroleum or gasoline products, or other chemicals or wastes, including the contents and capacity of each tank. Please also provide copies of any registrations/permits for the tanks

None

Have there been any leaks, spills, releases or other discharges (including loss of inventory) associated with any of these tanks?

No

If yes, please provide all details regarding the event, including the response taken, all analytical results or reports developed through investigation (whether internal or external), and the agencies which were involved

Polychlorinated Biphenyls ("PCB" or "PCBs") And Asbestos

Provide any records in your possession or known to you to exist concerning any on-site PCBs or PCB equipment, whether used or stored, and whether produced as a byproduct of the manufacturing process or otherwise.

Have there been any PCB spills, discharges or other accidents at the Premises?

No

If yes, relate all the circumstances

Do the Premises have any asbestos containing materials?

No

If yes, please identify the materials

Section IV: Facility Type - Single or Multi Tenant

Is this a Single Use Facility or a Multi-Tenant Facility?

Single Use Facility

For Single Use Facility

Occupant Name

Address

Contact Person

Phone

Fax

E-Mail

Federal ID #

SIC/NAICS Code

55

Section V: Tenant Information

PART 1 TO BE COMPLETED BY LESSEE (DEVELOPER)

Tenant Name

Raine Logistics Inc

Property Address:

Po Box 513

City/Town/Village

Getzville

The following information is an outline relative to the potential client and their proposed contract to sublease space in the above reference facility

Amount of space to be leased (square feet)

14,380

What percentage of the building does this represent?

100

Are terms of lease:

NET

If GROSS lease, please explain how Agency benefits are passed to the tenant

Estimated date of occupancy

1/20/2021

PART 2 TO BE COMPLETED BY PROPOSED TENANT

Company Name:

Raine Logistics Inc

Local Contact Person:

Pete Kushnir

Title:

CEO

Current Address:

Po Box 513

Phone:

(716) 810-9471

Fax:

(716) 932-7114

E-Mail:

rainelogistics@gmail.com

Website:

www.rainelogisticsinc.com

Company President/General Manager:

Petro Kushnir

Number of employees moving to new project location:

Full-Time:

12

Part-Time:

0

Total:

Please describe briefly the nature of the business in which the proposed tenant is/will be engaged. This should include NAICS Code; type of business and products or services; percent of total sales in Erie County and the United States:

Trucking, cross dock warehouse. NAICS Code 48-49

Attach additional information as necessary.

History of Company (i.e. start-up, recent acquisition, publicly traded)

Founded in 2007 and providing trucking services to the customers .

Please list the square footage which the proposed tenant will lease at the Project location

14,380

Please list the square footage which the proposed tenant leases at its present location(s)

4,000

Describe the economic reason for either the increase or decrease in leased space.

Company growth

Will the project result in a relocation and/or abandonment of other tenant/user(s) facilities in Erie County, or New York State?

No

If owned, what will happen to the existing facility once vacated?

Leased to another tenant

If leased, when does lease expire?

12/31/2020

Are any of the proposed tenant's current operations located in facilities which have received an Industrial Development Agency benefit?

No

If yes, please provide details as to location, and amount of leased space, how long leased?

Section VI: Retail Determination

To ensure compliance with Section 862 of the New York General Municipal Law, the Agency requires additional information if the proposed Project is one where customers personally visit the Project site to undertake either a retail sale transaction or to purchase services.

Please answer the following:

Will any portion of the project (including that portion of the costs to be financed from equity or other sources) consist of facilities or property that are or will be primarily used in making sales of goods or services to customers who personally visit the project site?

No

If yes, complete the Retail Questionnaire Supplement below.

Section VII: Adaptive Reuse Projects

Adaptive Reuse is the process of adapting old structures or sites for new purposes.

Are you applying for tax incentives under the Adaptive Reuse Program?

No

Section VIII: Inter-Municipal Move Determination

The Agency is required by state law to make a determination that, if completion of a Project benefiting from Agency Financial Assistance results in the removal of an industrial or manufacturing plant of the project occupant from one area of the state to another area of the state or in the abandonment of one or more plants or facilities of the project occupant located within the state, Agency financial Assistance is required to prevent the project occupant from relocating out of the state, or is reasonably necessary to preserve the project occupant's competitive position in its respective industry.

Current Address

43 Hamburg st

City/Town

Buffalo

State

New York

Zip Code

14204

Will the project result in the removal of an industrial or manufacturing plant of the Project occupant from one area of the state to another area of the state?

Yes

Will the project result in the abandonment of one or more plants or facilities of the Project occupant located within the state?

Yes

If Yes to either question, explain how, notwithstanding the aforementioned closing or activity reduction, the Agency's Financial Assistance is required to prevent the Project from relocating out of the State, or is reasonably necessary to preserve the Project occupant's competitive position in its respective industry:

It's reasonably necessary to preserve the Project occupant's competitive position in its respective industry.

Does this project involve relocation or consolidation of a project occupant from another municipality?

Within New York State

Yes

Within Erie County

Yes

If Yes to either question, please, explain

Present site is leased, new place will be owned. It will be better location in industrial park with easy access to the thruway.

Will the project result in a relocation of an existing business operation from the City of Buffalo?

Yes

If yes, please explain the factors which require the project occupant to relocate out of the City of Buffalo (For example, present site is not large enough, or owner will not renew leases etc.)

Present site not large enough, building has multiple security issues.

What are some of the key requirements the project occupant is looking for in a new site? (For example, minimum sq. ft., 12 foot ceilings, truck loading docs etc.)

Minimum 12000 square feet, 6 loading docks.

If the project occupant is currently located in Erie County and will be moving to a different municipality within Erie County, has the project occupant attempted to find a suitable location within the municipality in which it is currently located?

Yes

What factors have lead the project occupant to consider remaining or locating in Erie County?

Customer base.

If the current facility is to be abandoned, what is going to happen to the current facility that project occupant is located in?

It will be leased by another tenant and occupied by landlord.

Please provide a list of properties considered, and the reason they were not adequate. (Some examples include: site not large enough, layout was not appropriate, did not have adequate utility service, etc.) Please include full address for locations.

1)1500 Clinton st Buffalo,NY., lease option. Site does not provide safe and secured warehouse and parking for our equipment. Real Estate Person David L. Schiller (716)852-7500 2)1400 William st Buffalo,NY 14206. Sale only, tenants contracts expire in 2 years. Limited parking space. Unsecured lot. Real Estate Person Vito Picone (716)829-1970 3)2475 Broadway Cheektowaga,NY 14227 . Lease or sale option. Parking space is not suitable for tractor trailers, rear building possibly may have asbestos issue. Real estate person David L. Schiller. (716)852-7500 4) 3781 Broadway, Cheektowaga, NY. Sale only, requested price too high, unsecured lot, warehouse in poor condition requires investment. Real Estate person Richard Schechter (716)852-7500

Section IX: Senior Housing

IDA tax incentives may be granted to projects under the Agency's Senior Citizen Rental Housing policy when the project consists of a multi-family housing structure where at least 90% of the units are (or are intended to be) rented to and occupied by a person who is 60 years of age or older.

Are you applying for tax incentives under the Senior Rental Housing policy?

No