



Erie County Industrial Development Agency
 Annual Meeting of the Membership
 May 26, 2021
 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

2.0 Approval of Minutes:

2.1 Approval of Minutes of April 28, 2021 Meeting of the Membership (Action Item) (Pages 2-7)

3.0 Reports / Action Items / Information Items:

- 3.1 Financial Report (Informational) (Pages 8-11)
- 3.2 2021 Tax Incentive Induced/Closing Schedule/ Estimated Real Property Tax Impact (Informational) (Pages 12-14)
- 3.3 Approval of COVID-19 Disaster Emergency Grant Applications (Action Item) (Separate Attachment)
- 3.4 Nominating Committee Update
 - a) Election of Officers/Committee Appointments (Action Item) (Pages 15-17)
- 3.5 Policy Committee Update (Informational 18-22)

4.0 Inducement Resolution:

	ECIDA	Private	Municipality
	Incentives	Investment	
4.1 283 Ship Canal Parkway (Pages 23-65)	\$3,422,973	\$52,284,244	Buffalo
4.2 MCG Real Estate Holdings, LLC (Pages 66-112)	\$ 619,250	\$ 8,258,268	Buffalo

5.0 Compliance:

5.1 Local Labor Waiver Steel Winds, LLC. (Pages 113-134)

6.0 Management Team Reports:

6.1 COVID-19 Response Update (Informational)

7.0 Adjournment - Next Meeting June 23, 2021 @ 12:00 p.m.

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

- DATE AND PLACE:** April 28, 2021, held via telephone conference. Governor Cuomo’s Executive Order 202.1, as amended from time to time, 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.ecidany.com.
- PRESENT:** Denise Abbott; Hon. Diane Benczkowski; Rev. Mark E. Blue; Hon. Joseph Emminger; Hon. Howard Johnson; Brenda McDuffie; Hon. Glenn R. Nellis; Hon. Mark Poloncarz; Hon. Darius Pridgen; Sister Denise Roche and Kenneth A. Schoetz
- EXCUSED:** Hon. Bryon W. Brown; James Doherty; Dottie Gallagher; Tyra Johnson; Hon. Brian Kulpa; Richard Lipsitz; Paul Vukelic and Renee Wilson
- OTHERS PRESENT:** John Cappellino, President & CEO; Mollie Profic, Chief Financial Officer; Karen M. Fiala, Vice President/Secretary; Grant Lesswing, Business Development Officer; Brian Krygier, Systems Analyst; Carrie Hocieniec, Administrative Coordinator; Robbie Ann McPherson, Director of Marketing and Communications; Jamee Lanthier, Compliance Officer; Beth O’Keefe, Business Development Officer; Atiqah Abidi, Assistant Treasurer; Pat Smith, Bookkeeper; Lori Szewczyk, Director of Grants; Chris Canada, Bond Counsel Hodgson Russ and Robert Murray, Esq., General Counsel/Harris Beach PLLC
- GUESTS:** Andrew Federick, Erie County Senior Economic Development Specialist; Marc Wyzykowski, Kellena Kane, Peter Sayadoff, Michael Montante on behalf of Uniland Development and Geoffrey Pritchard on behalf of Buffalo Public School District

There being a quorum present at 12:07 p.m., the Meeting of the Board of Directors of the Erie County Industrial Development Agency was called to order by Chair McDuffie.

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

Approval of COVID-19 Disaster Emergency Grant Application. Ms. McDuffie confirmed that she has conflict with Pappy Martin Legacy Jazz Collective application and will abstain from taking any action or participating in any dialogue with respect to this particular application. No other member expressed having a potential conflict of interests with any of the various applicants. Ms. O’Keefe reviewed the eleven (11) various grant applications presented to the members.

Mr. Emminger moved and Mr. Johnson seconded to approve the eleven (11) grant applications. Ms. McDuffie called for the vote and the following eleven (11) grant applications were approved with Ms. McDuffie abstaining from voting on the Pappy Martin Legacy Jazz Collective application, for COVID-19 Disaster Emergency Grants.

1. Buffalo City Swim Racers
2. Buffalo Collegiate Charter School
3. Buffalo Film Works
4. Center for Exploratory and Perceptual Arts, Inc.
5. Country Club Catering of WNY Inc.
6. ECMC Foundation, Inc.
7. Fostering Greatness Inc.
8. Kleinhan’s Music Hall
9. Pappy Martin Legacy Jazz Collective
10. Trend Setters Beauty Salon
11. Young Audiences of Western New York

APPROVAL OF FUNDING AGREEMENT WITH ILDC

Mr. Cappellino presented a report outlining a proposed funding agreement with the Buffalo and Erie County Industrial Land Development Corporation (“ILDC”).

Mr. Poloncarz moved and Sister Denise seconded to approve of the Funding Agreement with the ILDC. Ms. McDuffie then called for the vote and the following resolution was then unanimously approved:

RESOLUTION OF THE ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY (“AGENCY”) TO ENTER INTO A FUNDING AGREEMENT WITH THE BUFFALO AND ERIE COUNTY INDUSTRIAL LAND DEVELOPMENT CORPORATION (“ILDC”) FOR CONSTRUCTION OF PUBLIC ROADWAY, WATER AND SEWER INFRASTRUCTURE WITHIN AND UPON LANDS OWNED BY THE ILDC AT THE FORMER BETHLEHEM STEEL SITE IN LACKAWANNA, NEW YORK, IN AN AMOUNT NOT TO EXCEED \$1,000,000 ON A REVOLVING BASIS FROM THE AGENCY’S U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT URBAN DEVELOPMENT ACTION GRANT (“UDAG”) REFLOW FUND

INDUCEMENT RESOLUTION

BLD VII, LLC, 8 Dona Street, Lackawanna, New York. Mr. Cappellino reviewed this proposed sales tax exemption, mortgage recording tax exemption, and real property tax abatement benefit project which consists of the acquisition of approximately 9 acres of land to be purchased from the Buffalo and Erie County Industrial Land Development Corporation (“ILDC”) and the construction of a 151,200 sq. ft. industrial spec building. The building would be offered as a multi-tenant facility as there presently exists a demand for this type of space.

As a 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 \$12,385,168 (which represents the product of 85% multiplied by \$14,570,786, being the total project cost as stated in the Company’s application for Financial Assistance).
- (ii) Employment Commitment – that there are at least 35 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 within two (2) years of Project completion, the Company has maintained and created FTE employment at the Facility equal to 35 FTE employees [representing the product of (x) 41 FTE employee positions (being the 41 new FTE employee positions proposed to be created by the Company as stated in its Application) and (y) 85%]. 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.

Mr. Poloncarz moved and Mr. Nellis seconded to approve the Project. 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 BLD VII, 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

SPECIAL RESOLUTION

Joint Schools Construction Board, 2021 Refunding of Series 2011A and 2011B. Ms. Fiala reviewed the proposed refunding of the Series 2011A and 2011B bonds for the Joint School Construction Board on behalf of the City of Buffalo and the City School District of the City of Buffalo and their agent, the Joint Schools Construction Board in order to finance various public school facilities and to assist in the acquisition, renovation, construction, reconstruction, improvement, equipping and furnishing of such public school facilities within the City of Buffalo in order to implement the comprehensive redevelopment of the City's public schools.

Mr. Johnson moved and Mr. Pridgen seconded to approve the issuance of the bonds. Ms. McDuffie then called for the vote and the following resolution was unanimously approved:

RESOLUTION OF THE ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY AUTHORIZING THE ISSUANCE OF REFUNDING BONDS TO REFUND ALL OR A PORTION OF THE SERIES 2011A BONDS AND THE SERIES 2011B BONDS WITH RESPECT TO ITS PROJECT FOR THE CITY SCHOOL DISTRICT OF THE CITY OF BUFFALO AND AUTHORIZING OTHER MATTERS IN CONNECTION THEREWITH

COMPLIANCE

Employment Impact COVID-19 Pandemic. Mr. Cappellino advised that the Agency's Financial Assistance Recapture Policy did not contemplate the severe adverse negative business and regional economic impacts that resulted from the COVID-19 global pandemic. To help stabilize Erie County businesses and our regional economy that has been and continues to be harmed by the COVID-19 global pandemic, it is recommended that the Agency consider adding to its financial assistance recapture policy by adopting a "Special COVID Waiver" with respect to the potential recapture of Agency financial assistance for the 2020 calendar year.

The Special COVID Waiver would waive implementation of recapture procedures for companies that suffered employment losses or that were unable to meet required job creation goals due to documented COVID-19 impacts. Job retention/creation shortfalls will be verified utilizing the Agency's quarterly employment reporting procedures. Companies which did not maintain or meet employment goals would be contacted by Agency staff to document and determine that reasons for missing such job creation/retention requirements were related to COVID-19 impacts. Company specific and overall industry impacts would be taken into consideration and upon a determination by the Agency's President/CEO, in consultation with the Chair, that 2020 job retention/creation requirements were not met due to documented COVID-19 impacts, implementation of Agency recapture protocols would then be waived for the 2020 calendar year.

Sister Denise moved and Mr. Poloncarz seconded to approve of the Special COVID Waiver. Ms. McDuffie called for the vote and the following resolution was unanimously approved.

RESOLUTION OF THE ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY ("AGENCY") TEMPORARILY MODIFYING THE AGENCY'S POLICY FOR TERMINATION AND/OR MODIFICATION OF AGENCY FINANCIAL ASSISTANCE AND RECAPTURE OF AGENCY FINANCIAL ASSISTANCE PREVIOUSLY GRANTED

MINUTES

The minutes of the March 24, 2021 meeting of the members were presented. Mr. Nellis moved and Ms. Abbott seconded to approve of the minutes. Ms. McDuffie called for the vote and the minutes were unanimously approved.

REPORTS/ACTION ITEMS/INFORMATION ITEMS

Financial Report. Ms. Profic noted that the ECIDA finished the month of March with total assets of \$29M (includes unrestricted cash of over \$7.1M available for Agency operations) and net assets were \$20.8M. The monthly income statement shows a net loss of \$156,000 for March. Operating revenue of \$153,000 was below monthly budget by \$70,000, due mainly to timing of administrative fees received during the month. Operating expenses of \$233,000 were about \$16,000 over budget. On the General Office expenses line, insurance costs in March were inflated from the timing of invoicing related to renewed policies. On the Professional Services line, audit

costs for the month were in excess of budget, again due to timing of invoicing for those services. Under Special Project Grants, \$67,000 of PPE grant funds were disbursed to 15 grantees in March. The year-to-date Income Statement shows revenues of \$585,000, including administrative fee revenue of \$385,000. Through March, overall revenues are below budget by \$74,000. Expenses of \$636,000 are \$28,000 below budget. Special project grants include mainly distributions of PPE grant funding. Ms. Profic pointed out that the \$1M allocated for the PPE grant program was done so out of the ECIDA's excess general funds that had built up over the years, essentially coming out of the savings account. Those grants must be expensed in the current year and we can expect to continue to see a net loss going forward. After taking into account the strategic initiatives and depreciation, there is currently a net loss of \$286,000 for the year.

At this point in time, Mr. Pridgen left the meeting.

Ms. McDuffie directed that the report be received and filed.

Finance and Audit Committee Update. Ms. Profic noted that the Committee met on April 19th for the purpose of reviewing and recommending the Joint School Construction Board project ECIDA Bond refunding. The Committee recommend approval of the refunding. Ms. McDuffie directed that the report be received and filed.

2021 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. Cappellino noted the Policy Committee's prior review and approval of the one project being considered by the members at today's meeting. Ms. McDuffie directed that the report be received and filed.

MANAGEMENT TEAM REPORT

Mr. Cappellino provided the report.

There being no further business to discuss, Ms. McDuffie adjourned the meeting of the Agency at 12:43 p.m.

Dated: April 28, 2021

Karen M. Fiala, Secretary

Erie County Industrial Development Agency

Financial Statements

As of April 30, 2021

ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY ("ECIDA")

Balance Sheet

April 30, 2021

	April 2021	March 2021	December 2020
ASSETS:			
Cash *	\$ 7,364,491	\$ 7,178,216	\$ 7,617,692
Restricted Cash & Investments *	18,180,175	18,105,691	17,341,353
Due from Affiliates	457,235	745,314	577,111
Due from Buffalo Urban Development Corp.	92,327	155,008	120,375
Other Receivables	102,550	135,805	51,916
Total Current Assets	<u>26,196,778</u>	<u>26,320,034</u>	<u>25,708,448</u>
Grants Receivable	923,617	923,617	831,498
Venture Capital Investments, net of reserves	506,886	506,886	506,886
Capital Assets	1,234,523	1,244,523	1,249,227
Total Long-Term Assets	<u>2,665,026</u>	<u>2,675,026</u>	<u>2,587,611</u>
TOTAL ASSETS	<u>\$ 28,861,804</u>	<u>\$ 28,995,060</u>	<u>\$ 28,296,059</u>
 LIABILITIES & NET ASSETS			
Accounts Payable & Accrued Exp.	\$ 220,214	\$ 229,192	\$ 239,094
Deferred Revenues	953,090	953,090	825,000
Funds Held on Behalf of Others	7,234,792	7,000,990	6,134,120
Total Liabilities	<u>8,408,097</u>	<u>8,183,272</u>	<u>7,198,214</u>
Net Assets	<u>20,453,707</u>	<u>20,811,788</u>	<u>21,097,845</u>
TOTAL LIABILITIES & NET ASSETS	<u>\$ 28,861,804</u>	<u>\$ 28,995,060</u>	<u>\$ 28,296,059</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 April 2021

	Actual vs. Budget		
	Actual	Budget	Variance
REVENUES:			
Administrative Fees	\$ 8,500	\$ 150,000	\$ (141,500)
Affiliate Management Fees	43,600	43,583	17
Interest Income - Cash & Investments	854	3,333	(2,480)
Rental Income	19,909	19,875	34
Other Income	-	1,333	(1,333)
Total Revenues	72,863	218,125	(145,262)
EXPENSES:			
Salaries & Benefits	\$ 160,520	\$ 157,140	\$ 3,379
General Office Expenses	16,340	21,283	(4,943)
Building Operating Costs	16,220	20,358	(4,138)
Professional Services	7,131	9,775	(2,644)
Public Hearings & Marketing	11,387	4,583	6,804
Travel, Mileage & Meeting Expenses	86	2,750	(2,664)
Other Expenses	(0)	833	(833)
Total Expenses	211,685	216,724	(5,039)
SPECIAL PROJECT GRANTS:			
Revenues	\$ 2,223,690	\$ 221,683	\$ 2,002,006
Expenses	(2,272,311)	(216,250)	(2,056,061)
	(48,621)	5,433	(54,055)
NET INCOME/(LOSS) BEFORE OTHER STRATEGIC INVESTMENTS & DEPRECIATION:			
	(187,444)	6,835	(194,278)
OTHER STRATEGIC INVESTMENTS AND INITIATIVES:			
Zero Net Energy costs (Z7+)	-	(52,160)	52,160
Bethlehem Steel Industrial Park Grant	(136,474)	(16,667)	(119,807)
Angola Ag Park Grant	(24,164)	(8,333)	(15,830)
	(160,638)	(77,160)	(83,478)
NET INCOME/(LOSS) BEFORE DEPRECIATION:			
	(348,081)	(70,325)	(277,756)
Depreciation	(10,000)	(10,000)	-
NET INCOME/(LOSS):	\$ (358,081)	\$ (80,325)	\$ (277,756)

ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY ("ECIDA")

Income Statement

Year to Date: April 30, 2021

	Actual vs. Budget			Actual vs. Prior Year		
	Actual	Budget	Variance	Actual	Prior Year	Variance
REVENUES:						
Administrative Fees	\$ 394,104	\$ 600,000	\$ (205,896)	\$ 394,104	\$ 431,823	\$ (37,719)
Affiliate Management Fees	172,900	174,333	(1,433)	172,900	173,000	(100)
Interest Income - Cash & Investments	4,382	13,333	(8,951)	4,382	25,377	(20,995)
Rental Income	79,365	79,500	(135)	79,365	79,510	(145)
Other Income	7,293	10,333	(3,041)	7,293	7,512	(220)
Total Revenues	658,043	877,500	(219,457)	658,043	717,222	(59,179)
EXPENSES:						
Salaries & Benefits	600,511	628,561	(28,050)	600,511	732,150	(131,639)
General Office Expenses	90,638	85,133	5,505	90,638	92,359	(1,721)
Building Operating Costs	71,415	81,433	(10,019)	71,415	73,530	(2,116)
Professional Services	45,688	50,475	(4,787)	45,688	23,676	22,012
Public Hearings & Marketing	34,924	18,333	16,590	34,924	20,631	14,293
Travel, Mileage & Meeting Expenses	2,978	11,000	(8,022)	2,978	14,427	(11,449)
Other Expenses	1,312	3,333	(2,022)	1,312	942	370
Total Expenses	847,465	878,270	(30,804)	847,465	957,715	(110,250)
SPECIAL PROJECT GRANTS:						
Revenues	2,223,810	886,733	1,337,076	2,223,810	34,462	2,189,347
Expenses	(2,436,525)	(865,000)	(1,571,525)	(2,436,525)	(1,539)	(2,434,986)
	(212,715)	21,733	(234,448)	(212,715)	32,924	(245,639)
NET INCOME/(LOSS) BEFORE OTHER STRATEGIC INVESTMENTS & DEPRECIATION:						
	\$ (402,137)	\$ 20,964	\$ (423,100)	\$ (402,137)	\$ (207,569)	\$ (194,567)
OTHER STRATEGIC INVESTMENTS AND INITIATIVES:						
Zero Net Energy costs (Z7+)	\$ -	\$ (208,639)	\$ 208,639	\$ -	\$ -	\$ -
Bethlehem Steel Industrial Park Grant	(166,095)	(200,000)	33,905	(166,095)	(80,000)	(86,095)
Angola Ag Park Grant	(35,906)	(100,000)	64,094	(35,906)	(837,243)	801,336
Bethlehem Steel Industrial Park Grant Reimb	-	250,000	(250,000)	-	-	-
Buffalo Building Reuse Project (BUDC)	-	(100,000)	100,000	-	(100,000)	100,000
Canadian Lead Generation (IBN)	-	-	-	-	(72,000)	72,000
Other Strategic Initiatives	-	(125,000)	125,000	-	-	-
	(202,001)	(483,639)	281,638	(202,001)	(1,089,243)	887,242
NET INCOME/(LOSS) BEFORE DEPREC:						
	(604,138)	(462,675)	(141,463)	(604,138)	(1,296,812)	692,674
Depreciation	(40,000)	(40,000)	-	(40,000)	(43,333)	3,333
NET INCOME/(LOSS):						
	\$ (644,138)	\$ (502,675)	\$ (141,463)	\$ (644,138)	\$ (1,340,146)	\$ 696,008

Tax Incentives Induced 2021

Project Name	Project City	Inducement Amount	FT Jobs at App	Projected Year 2 FT Jobs	PT Jobs at App	Projectd Jobs Year 2 FT
Thermo Fisher North Expansion	Grand Island	\$ 85,000,000	807	867	0	0
Time Release Properties*	Lackawanna	\$ 30,500,000	103	123	0	0
Sucro Real Estate NY, LLC	Lackawanna	\$ 19,000,000	5	50	0	0
BLD VII, LLC	Lackawanna	\$ 14,570,786	0	41	0	0
Calspan Corporation	Cheektowaga	\$ 12,500,000	143	163	3	3
Surmet Ceramics Corp.	Buffalo	\$ 11,500,000	13	31	0	0
Pine Pharmaceuticals, LLC	Tonawanda	\$ 8,615,000	76	116	7	7
Terzo Development	Buffalo	\$ 3,050,000	0	0	0	1
72 East Niagara Street, LLC	Tonawanda	\$ 2,836,736	17	20	0	0
Eastman Machine Company	Buffalo	\$ 1,665,000	126	129	0	0

\$ 189,237,522 1,290 1,540 10 11

10 Projects

250 Projected FTE New Jobs

1 Projected PT New Jobs

*Amenadatory Inducement - Time Release Properties - to increase the sales tax benefit from \$463,167 to \$869,400 and overall project investment from \$22,700,000 to \$30,500,000

Tax Incentives Closings - 2021

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
Barcalo Living & Commerce/Barcalo Buffalo, LLC	\$ 30,252,000	9	34	0	10	Buffalo	2/26/2020	9/30/2023
Pine Pharmaceuticals	\$ 5,000,000	76	119	7	7	Tonawanda	1/27/2021	3/31/2022
Kamax, LLC/Raine Logistics	\$ 2,237,556	12	13	0	0	West Seneca	6/24/2020	8/1/2022
Derby Warehousing, LLC/KPM Exceptional	\$ 1,332,000	6	7	1	1	Derby	7/24/2019	7/31/2020
3310 Benzing Road, LLC/Marathon Drains	\$ 718,329	15	17	0	0	Orchard Park	3/25/2020	3/31/2021
	\$ 39,539,885	118	190	8	18			
Projects Closed = 5								
FT Projected New Jobs = 72								
PT Projected New Jobs = 10								

**ESTIMATED TAX IMPACT (SUBJECT TO RESTRICTIONS OF NYS TAX CAP)
2021 CLOSINGS**

PROJECT NAME	EST. OR ACTUAL INCREASE IN ASSESSED VALUE DUE TO PROJECT	COUNTY TAX RATE	LOCAL TAX RATE	PROJECTED INCREASE IN COUNTY TAXES AS A RESULT OF THE PROJECT OVER ABATEMENT PERIOD	PROJECTED INCREASE IN LOCAL TAXES AS A RESULT OF THE PROJECT OVER ABATEMENT PERIOD
Derby Warehouse	\$539,900	\$6.01	\$28.80	\$4,800	\$23,300
3310 Benzing/Marathon Drains	\$195,000	\$9.75	\$43.00	\$2,800	\$12,700
Kamax/Raine Logistics	\$720,000	\$13.32	\$66.45	\$14,400	\$72,000
Barcalo Buffalo*	\$9,600,000	\$5.04	\$16.75	\$580,000	\$321,000
* denotes company has or intends to file for City 485-a exemption	*The final assesment on each project is determined by the assessor of the respective municipality				
			Total	\$602,000	\$429,000

2021-2022 Draft ECIDA/RDC/ILDC Board Committees & Officers

Executive Committee ECIDA/RDC	<u>Current Committee Members</u>	<u>Proposed Committee Members</u>
7 Board members, President & CEO, as specified in By-Laws	Chair - Brenda McDuffie (Chair)	Chair - Brenda McDuffie (Chair)
	Vice Chair - Richard Lipsitz	Vice Chair - Richard Lipsitz
	County Executive - Hon Mark Poloncarz	County Executive - Hon Mark Poloncarz
	Mayor Buffalo – Hon. Byron Brown	Mayor Buffalo – Hon. Byron Brown
	Hon. Joseph Emminger (Chair, RDC Loan Committee)	Hon. Joseph Emminger (Chair, RDC Loan Committee)
	Glenn Nellis - (Representing the Finance & Audit Committee)	Glenn Nellis - (Representing the Finance & Audit Committee)
	Hon. Darius Pridgen (Chair, Loan Write- Off)	Hon. Darius Pridgen (Chair, Loan Write- Off)
	President & CEO John Cappellino [non- voting]	President & CEO – John Cappellino [non-voting]

Nominating Committee ECIDA/RDC/ILDC	<u>Current Committee Members</u>	<u>Proposed Committee Members</u>
Number of members not specified in By-Laws 1 Meeting a Year	Hon. Mark Poloncarz (Chair)	Hon. Mark Poloncarz (Chair)
	Rev. Mark Blue	Rev. Mark Blue
	Dottie Gallagher	Dottie Gallagher
	Hon. Howard Johnson	Howard Johnson
	Richard Lipsitz	Richard Lipsitz
	Brenda McDuffie	Sister Denise Roche
	Sister Denise Roche	Ken Schoetz
	Ken Schoetz	Renee Wilson

Compensation Committee ECIDA	<u>Current Committee Members</u>	<u>Proposed Committee Members</u>
No by-law requirement 1-2 Meetings a Year	Hon. Mark Poloncarz (Chair)	Hon. Mark Poloncarz (Chair)
	Denise Abbott	Rev. Mark Blue
	Rev. Mark Blue	Dottie Gallagher
	Dottie Gallagher	Richard Lipsitz
	Richard Lipsitz	Sister Denise Roche
	Sister Denise Roche	Ken Schoetz
	Ken Schoetz	Paul Vukelic

Finance & Audit Committee ECIDA/RDC/ILDC	<u>Current Committee Members</u>	<u>Proposed Committee Members</u>
At least 3 Board members specified in By-Laws. Not less than 3 independent members per PAL. 3-4 Meetings a Year	Michael Szukala (Chair)	Michael Szukala (Chair)
	Penny Beckwith (M&T)	Penny Beckwith
	Hon. Joseph Emminger*	Brian Kulpa*
	Glenn Nellis*	Glenn Nellis *
	Paul Vukelic*	Paul Vukelic*
	William Witzleben (M&T)	William Witzleben
	(Vacant)	Allison DeHoney

*=Board members who fill seats required by By-laws
Nominating Committee Approved Date –
Board Approved Date –

2021-2022 Draft ECIDA/RDC/ILDC Board Committees & Officers

Governance Committee ECIDA/RDC/ILDC	<u>Current Committee Members</u>	<u>Proposed Committee Members</u>
At least 3 Board members specified in By-Laws. Not less than 3 independent members per PAL. 1-2 Meetings a Year	Brenda McDuffie* (Chair)	Brenda McDuffie* (Chair)
	Howard Johnson*	Howard Johnson*
	Tyra Johnson*	Tyra Johnson*
	Hon. Brian Kulpa	Mark Poloncarz
	Ken Schoetz	Ken Schoetz
	David State	David State
	Maria Whyte	Maria Whyte

Loan Committee ECIDA/RDC	<u>Current Committee Members</u>	<u>Proposed Committee Members</u>
By-Laws specify no more than 5 members of the Policy Committee plus 2 City members and 1 County member 6-12 Meetings a Year	Hon. Joseph Emminger (Chair)	Hon. Joseph Emminger (Chair)
	Denise Abbott	Denise Abbott
	[City 2] Rebecca Gandour	[City 2] Rebecca Gandour
	[Other] Nancy LaTulip	[Other] Nancy LaTulip
	[County 1] David McKinley (Community Bank N.A.)	[County 1] David McKinley (Community Bank N.A.)
	[Other] Michael Taylor (NYBDC)	[Other] Michael Taylor (NYBDC)
	[City 1] Royce Woods (Beverly Gray Business Exchange Center)	[City 1] Royce Woods (Beverly Gray Business Exchange Center)

Loan Write-off Committee ECIDA/RDC/ILDC	<u>Current Committee Members</u>	<u>Proposed Committee Members</u>
At least 3 Board members specified in By-Laws 1 Meeting a Year	Pridgen* (Chair)	Pridgen* (Chair)
	Penny Beckwith (M&T)	Penny Beckwith (M&T)
	Hon. Diane Benczkowski	Hon. Diane Benczkowski*
	Tyra Johnson*	Tyra Johnson
	Ken Schoetz*	Ken Schoetz*
	William Witzleben (M&T)	William Witzleben (M&T)

*=Board members who fill seats required by By-laws
Nominating Committee Approved Date –
Board Approved Date –

2021-2022 Draft ECIDA/RDC/ILDC Board Committees & Officers

Policy Committee ECIDA/RDC	<u>Current Committee Members</u>	<u>Proposed Committee Members</u>
At least 3 Board members specified in By-Laws 10-12 Meetings a year	Richard Lipsitz* (Chair)	Richard Lipsitz* (Chair)
	Denise Abbott	Denise Abbott
	Hon. April Baskin	Hon. April Baskin
	Rev. Mark Blue*	Rev. Mark Blue*
	Hon. Byron Brown	Hon. Byron Brown
	Johanna Coleman	Johanna Coleman
	Richard Cummings	Richard Cummings
	Colleen DiPirro	Colleen DiPirro
	Hon. William Krebs	Hon. William Krebs
	Brenda McDuffie*	Brenda McDuffie*
	Glenn Nellis	Glenn Nellis
	Laura Smith	Laura Smith
	David State	David State
Maria Whyte	Maria Whyte	

OFFICERS	<u>Current Officers</u>			<u>Proposed Officers</u>		
	<u>ECIDA</u>	<u>RDC</u>	<u>ILDC</u>	<u>ECIDA</u>	<u>RDC</u>	<u>ILDC</u>
Chair	Brenda McDuffie		Hon. Mark Poloncarz	Brenda McDuffie		Hon. Mark Poloncarz
Vice Chair	Richard Lipsitz			Richard Lipsitz		
President & CEO	John Cappellino			John Cappellino		
Vice President	Mollie Profic, Karen Fiala			Mollie Profic, Karen Fiala		
Treasurer	Mollie Profic			Mollie Profic		
Assistant Treasurers	Karen Fiala, Jerry Manhard, Atiqa Abidi			Karen Fiala, Jerry Manhard, Atiqa Abidi, Daryl Spulecki		
Secretary	Karen Fiala			Karen Fiala		
Assistant Secretaries	Jerry Manhard, Dawn Boudreau			Jerry Manhard, Jamee Lanthier		

OTHER DESIGNATED POSITIONS	<u>Current Designated Positions</u>	<u>Proposed Designated Positions</u>
Chief Financial Officer	Mollie Profic	Mollie Profic
Senior Accountant	Atiqa Abidi	Atiqa Abidi
Chief Lending Officer	Jerry Manhard	Jerry Manhard
Contracting Officer (required in Property Disposition Policy)	Mollie Profic	Mollie Profic
Electronic Records Retention Officer	Brian Krygier	Brian Krygier
Ethics Officer (required in Conflict of Interest Policy)	John Cappellino	John Cappellino
FOIL Officer	Karen Fiala	Karen Fiala
FOIL Appeals Officer	John Cappellino	John Cappellino
Human Resources Officers	Mollie Profic, Pat Smith	Mollie Profic, Pat Smith
Non-electronic Records Retention Officer	Carrie Hocieniec	Carrie Hocieniec

*=Board members who fill seats required by By-laws
Nominating Committee Approved Date –
Board Approved Date –

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

- MEETING:** May 13, 2021, at Erie County Industrial Development Agency (the “ECIDA” or “Agency”), meeting held via phone conference. Governor Cuomo’s Executive Order 202.1, as amended from time to time, 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; April Baskin; Rev. Mark Blue; Johanna Coleman; Hon. William Krebs; Richard Lipsitz; Brenda W. McDuffie; Glenn Nellis; Laura Smith; David State; Lavon Stephens and Maria Whyte
- EXCUSED:** Bryon W. Brown; Richard Cummings and Colleen DiPirro
- OTHERS PRESENT:** John Cappellino, President & CEO; Mollie Profic, Chief Financial Officer; Karen M. Fiala, Vice President/Secretary; Atiqa Abidi, Assistant Treasurer; Jamee Lanthier, Compliance Officer; Brian Krygier, Systems Analyst; Carrie Hocieniec, Administrative Coordinator; Beth O’Keefe, Business Development Officer; Robbie Ann McPherson, Director of Marketing and Communications; and Robert G. Murray, Esq., General Counsel/Harris Beach PLLC
- GUESTS:** Andrew Federick, Erie County Senior Economic Development Specialist; Alex Carducci on behalf of the City of Buffalo; Peter Wilson and Adrienne Schreier on behalf of 283 Ship Canal/Sonwil Distribution; Eric Ekman and Maria Owens on behalf of MCG Real Estate Holdings; Kevin McAuliffe and Karen D’Antonio on behalf of Barclay Damon; and Jim Loewke on behalf of Loewke Brill Consulting Group

There being a quorum present at 9:05 a.m., the Meeting of the Policy Committee was called to order by Mr. Lipsitz.

MINUTES

The minutes of the April 15, 2021 Policy Committee meeting were presented. Upon motion made by Mr. Nellis to approve of the minutes, and seconded by Ms. McDuffie, the aforementioned Policy Committee meeting minutes was unanimously approved.

At this point in time, Maria Whyte joined the meeting.

PROJECT MATRIX

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

PROJECT PRESENTATIONS

283 Ship Canal Parkway, LLC, 283 Ship Canal Parkway, Buffalo, New York 14218. Mr. Cappellino presented this proposed sales tax, mortgage recording tax and real property tax abatement benefits project involving the construction of a 335,000 sq. ft. warehouse/distribution facility. The building would allow Sonwil to competitively price their warehouse/distribution services and not only accommodate current customer demand, but also grow such current customers' presence in the region while growing the amount of logistical services to prospective customers and industries. Mr. Cappellino noted that the Committee is only approving the sales tax and mortgage recording tax benefits today. The Committee will take action on a later date on a custom PILOT, upon implementing deviation procedures at the ECIDA June 2021 meeting.

Ms. Smith spoke in favor of the Project.

Ms. Baskin spoke in favor of the Project, but expressed concern that the MWBE section in the application was not filled-in, and asked the Company to describe its MWBE vendor process and practice. Mr. Wilson spoke on behalf of the applicant and confirmed the applicant's commitment to EEO hiring practices and use of MWBE contractors. Ms. Baskin stated she cannot support the project until the application is properly completed and responsive with respect to the foregoing.

Mr. Blue agreed with Ms. Baskin that the use of MWBE contractors must be confirmed within the application. Ms. McDuffie recommended that staff work with applicant to obtain applicant's MWBE commitment for clarification. Mr. Cappellino suggested staff update the applicant's MWBE commitment to the application prior to consideration by the Board.

Mr. Cappellino stated that, in addition to the foregoing, in exchange for providing the sales tax and mortgage recording 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 = \$52,284,244 85% = \$44,441,607
Employment	Coincides with 10-year PILOT	Projected = 76 85% = 64 Recapture Employment = 64
Local Labor	Construction Period	Adherence to policy including quarterly reporting
Pay Equity	Coincides with 10-year PILOT	Adherence to policy
Unpaid Tax	Coincides with 10-year PILOT	Adherence to policy
Recapture Period	10-year PILOT term	Recapture of state and local sales taxes, mortgage recording tax and real property taxes

Ms. Coleman moved and Mr. Blue seconded to recommend the project for sales tax and mortgage tax benefits contingent upon applicant’s submission of an MWBE utilization commitment plan. Mr. Lipsitz called for the vote and the project was then unanimously approved.

MCG Real Estate Holdings, LLC, 293 Grote Street, Buffalo, New York 14207. Ms. Fiala presented this proposed sales tax, mortgage recording tax and real property tax abatement benefits project involving the adaptive reuse of the former Buerk Tool facility. The building has been vacant for 2 years and underutilized a total of 18 years. The building, once redeveloped, will house 33 apartments. The developer has indicated 12 of the one-bedroom units will be offered at 80% of the adjusted median income.

Ms. McDuffie spoke in favor of the project. Ms. Whyte also spoke in favor of the project.

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 = \$8,258,268 85% = \$7,019,527
Employment	Coincides with 10-year PILOT	Create 85% of Projected Projected = 1 PT 85% = 1 PT Recapture Employment = 1 PT
Local Labor	Construction Period	Adherence to policy including quarterly reporting
Pay Equity	Coincides with 10-year PILOT	Adherence to policy
Unpaid Tax	Coincides with 10-year PILOT	Adherence to policy
Recapture Period	Coincides with 10-year PILOT	Recapture of state and local sales taxes, mortgage recording tax and real property taxes

Ms. McDuffie moved and Ms. Whyte 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 then unanimously approved.

At this point in time, Ms. Baskin left the meeting.

LOCAL LABOR WAIVER STEEL WINDS, LLC

Mr. Cappellino reviewed the Company's request for a waiver from the Agency's local labor policy with respect to use of local labor and presented the results of the analysis of the request as submitted by the Agency's consultant, Loewke Brill Consulting Group, Inc. General discussion ensued.

Mr. Lipsitz asked for a motion to recommend to the Board that the waiver request be granted provided the Company agrees to facilitate the training and certification of local workers with respect to the project's manufacturing vendor's required vendor training.

Ms. McDuffie moved and Mr. Nellis seconded to recommend the approval of a waiver to the local labor policy. Mr. Lipsitz called for the vote and the waiver was then unanimously approved.

SOLAR PILOTS

Mr. Cappellino reviewed recent amendments to the New York IDA Act and the New York Real Property Tax Law that encourage renewable energy project establishment and encourage IDAs to facilitate private investment and establishment of renewable energy system

projects by providing financial assistance and real property tax abatements related to same. Mr. Cappellino noted the Agency will be reviewing its Uniform Tax Exemption Policy related to same, and will provide recommendations and updates to the committee in the near future.

MWBE UPDATE

Ms. Whyte provided members with an update on the MWBE working committee.

There being no further business to discuss, Mr. Lipsitz adjourned the meeting at 10:17 a.m.

Dated: May 13, 2021

Karen M. Fiala, Secretary

283 Ship Canal Parkway, LLC
\$52,284,244
INDUCEMENT RESOLUTION

ELIGIBILITY
<ul style="list-style-type: none"> • NAICS Section - 531110
COMPANY INCENTIVES
<ul style="list-style-type: none"> • Approximately \$3,085,592 in sales tax savings • Up to 3/4 of 1% of the final mortgage amount estimated at \$337,381
EMPLOYMENT
<ul style="list-style-type: none"> • New Jobs Projected: 76 • Annual payroll: \$4,410,500 • Estimated salary of jobs to be created: \$55,000
PROJECT HISTORY
<ul style="list-style-type: none"> • 04/26/2021 - Public hearing held. • 05/26/2021 - City of Buffalo, as SEQR lead agency, confirmed that the Project will be carried out in conformance with the conditions and thresholds contained in the 2002 FGEIS. • 05/26/2021 - Lease/Leaseback Inducement Resolution presented to the Board of Directors

Project Title: 283 Ship Canal Parkway, LLC

Project Address: 283 Ship Canal Parkway
 Buffalo, New York 14218
 (Buffalo City School District)

Agency Request

A sales tax and mortgage tax exemption in connection with the construction of a 335,000 sq. ft. warehouse/distribution facility in the Buffalo Lakeside Commerce Park.

New Building Construction	\$30,500,000
Infrastructure	\$ 6,211,855
Non-Manufacturing Equipment	\$15,072,389
Soft Costs	\$ 500,000
Total Project Cost	\$52,284,244
85%	\$44,441,607

Company Description

The applicant is an affiliate of Sonwil Distribution Center, Inc. an independent real estate developer, public warehouse provider, and asset and non-asset-based transportation provider. Sonwil's headquarters are located in West Seneca.

Project Description

The proposed project consists of the construction of a 335,000 warehouse/distribution facility in the Lakeside Commerce Park in the City of Buffalo. The new facility will allow Sonwil to competitively price their warehouse/distribution services and not only accommodate current customer demand, but also grow such current customers' presence in the region while growing the amount of logistical services to prospective customers and industries.

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 = \$52,284,244 85% = \$44,441,607
Employment	Coincides with recapture period	Projected = 76 85% = 64 Recapture Employment = 64
Local Labor	Construction Period	Adherence to policy including quarterly reporting
Pay Equity	Coincides with recapture period	Adherence to Policy
Unpaid Tax	Coincides with recapture period	Adherence to Policy
Recapture Period	Coincides with recapture period	2 years after project completion

Recapture applies to:
State and Local Sales Taxes
Mortgage Recording 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 created 76 jobs, iii) confirm adherence to local labor policy during construction and iv) its adherence to unpaid tax/pay equity policies for recapture term.

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-: 283 Ship Canal Parkway, LLC 2021

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
\$36,711,855	N/A			

*Apply equalization rate to value

***** 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.)
\$52,284,244	\$0	\$3,085,592	\$337,381	

Calculate %

(Est. PILOT + Est. Sales Tax+ Est. Mortgage Tax+ Other)/Total Project Costs: 6.5%

ADDENDUM TO PROJECT LOG
 Sonwil/283 Ship Canal Parkway, LLC

Evaluative Criteria	Notes
Wage Rate (above median wage for area)	Erie County per capita income: \$33,598 Estimated salary of jobs to be created: \$55,000
Regional Wealth Creation (% sales/customers outside area)	The majority of company sales are to companies located in Erie County: 85%
In Region Purchases (% of overall purchases)	Sonwil estimates 90% of its total annual supplies, raw materials and vendor services being sourced from Erie County vendors.
Research & Development Activities	Not applicable
Investment in Energy Efficiency	Not applicable
Locational Land Use Factors, Brownfields or Locally Designated Development Areas	The property is on a brownfield site and is within a designated redevelopment area.
LEED/Renewable Resources	Not applicable
Retention/Flight Risk	Not applicable
MBE/WBE Utilization	See attached statement.
Workforce Access – Proximity to Public Transportation	Facility on bus route 42.

May 26, 2021

MBE/WBE Utilization



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

Krog has successfully completed numerous projects which included MWBE requirements associated with receiving grants associated with Consolidated Funding Application (CFA) process and in connection therewith successfully achieving the goals or demonstrating that best efforts were utilized to meet the goals. Some recent projects include the following.

- 1) Chautauqua Harbor Hotel – Celeron, NY (CFA Grant Recipient)
- 2) 1000 Island Harbor Hotel – Clayton, NY (CFA Grant Recipient)
- 3) Federation Lofts Apartments - Hornell, NY (CFA Grant Recipient)
- 4) Van Huesen Building Renovation - Corning, NY (CFA Grant Recipient)
- 5) Trico Redevelopment – Buffalo, NY (MWBE Requirements associated with the Purchase and Sale Agreement)

Below is a summary of internal practices which our company promotes, our General Contractor, The Krog Group, LLC promotes and will be utilized with respect to the development of the project:

In the development of the project we will utilize efforts and protocols to encourage MBE/WBE participation. Those protocols are outlined below.

1. Obtain a list of the general circulation, trade and MWBE-oriented publications with dates of publications in which solicitations for participation of certified MWBEs as subcontractors/suppliers can be utilized to advertise. Maintain copies of such solicitations and any responses thereto.
2. Obtain the list of the certified MWBEs appearing in the Empire State Development MWBE directory that can be solicited for the contract. Maintain proof of dates or copies of the solicitations and copies along with the responses made by the certified MWBEs. If not selected, describe specific reasons that responding certified MWBEs were not selected.
3. Provide descriptions of the contract documents/plans/specifications made available to certified MWBEs when soliciting their participation and steps taken to structure the scope of work for the purpose of subcontracting with or obtaining supplies from certified MWBEs.
4. Provide a description of the negotiations between the general contractor and certified MWBEs for the purposes of complying with the MWBE goals of the contract.

5. Provide dates of any pre-bid, pre-award or other meetings scheduled by the general contractor with certified MWBEs whom the general contractor determined were capable of fulfilling the MWBE goals set in the contract.

A. Equal Employment Opportunity

It is our policy to provide equal employment opportunity to all individuals. We are committed to a diverse workforce. We value each employee's talents and support an environment that is inclusive and respectful. We are strongly committed to this policy and believe in the concept and spirit of the law. Therefore, we will not discriminate against employees or applicants for employment on any basis recognized under federal and New York State law, including but not limited to veteran status, race, color, religion, gender, national origin, age, physical or mental disability, sexual orientation, gender identity, family status, predisposing genetic condition, or marital status.

We are committed to assuring that:

1. All recruiting, hiring, training, promotion, compensation, and other employment-related programs and opportunities are provided fairly to all persons on an equal opportunity basis;
2. Employment decisions are based on the principles of equal opportunity. All personnel actions such as compensation, benefits, transfers, training, and participation in social and recreational programs are administered without regard to any characteristic protected by state, federal, or local law; *and*
3. Employees and applicants will not be subjected to harassment, intimidation, threats, retaliation, coercion, or discrimination based on their membership in a protected class or because they have exercised any right protected by law.

Cost-Benefit Analysis for 283 Ship Canal Parkway, LLC

Prepared by Erie County IDA using InformAnalytics

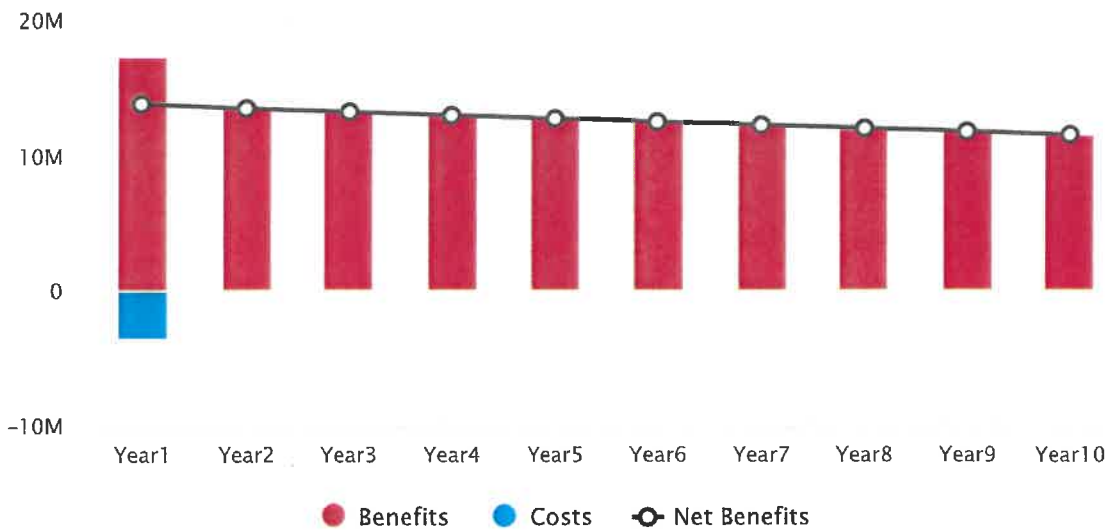
Executive Summary

INVESTOR 283 Ship Canal Parkway, LLC	TOTAL JOBS 254 Ongoing; 304 Temporary	TOTAL INVESTED \$52.3 Million	LOCATION 283 Ship Canal Parkway, Buffalo, NY 14218	TIMELINE 10 Years
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FIGURE 1

Discounted* Net Benefits for 283 Ship Canal Parkway, LLC by Year

Total Net Benefits: \$126,272,000



Discounted at 2%

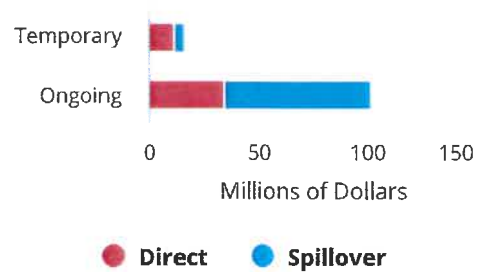
FIGURE 2

Total Jobs



FIGURE 3

Total Payroll



Proposed Investment

283 Ship Canal Parkway, LLC proposes to invest \$52.3 million at 283 Ship Canal Parkway, Buffalo, NY 14218 over 10 years.

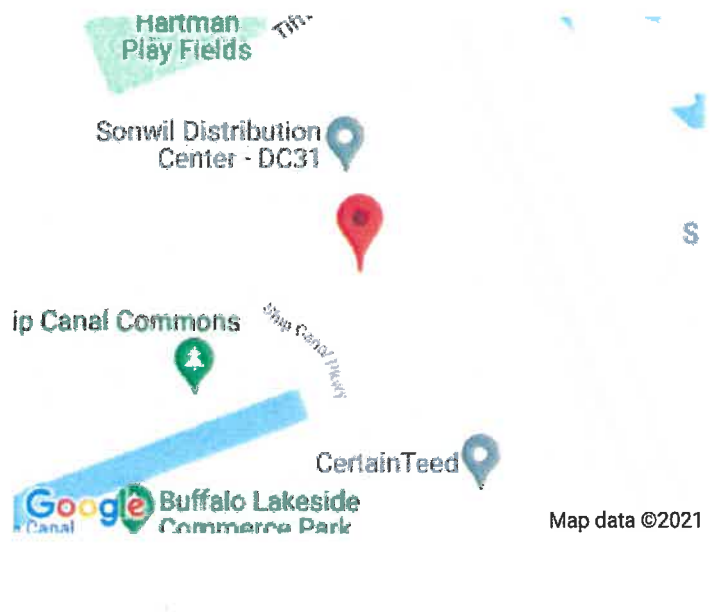
TABLE 1

Proposed Investments

Description	Amount
CONSTRUCTION SPENDING	
Construction	\$30,500,000
OTHER SPENDING	
Infrastructure	\$6,212,000
Non Manufacturing Equipment	\$15,072,000
Soft Costs	\$500,000
Total Investments	\$52,284,000
Discounted Total (2%)	\$52,284,000

FIGURE 4

Location of Investment



May not sum to total due to rounding.

Cost-Benefit Analysis

A cost-benefit analysis of this proposed investment was conducted using InformAnalytics, an economic impact model developed by CGR. The report estimates the impact that a potential project will have on the local economy based on information provided by Erie County IDA. The report calculates the costs and benefits for specified local taxing districts over the first 10 years, with future returns discounted at a 2% rate.

 TABLE 2

Estimated Costs or Incentives

Erie County IDA is considering the following incentive package for 283 Ship Canal Parkway, LLC.

Description	Nominal Value	Discounted Value*
Sales Tax Exemption	\$3,097,000	\$3,097,000
Mortgage Recording Tax Exemption	\$337,000	\$337,000
Total Costs	\$3,434,000	\$3,434,000

May not sum to total due to rounding.

* Discounted at 2%

 TABLE 3

State & Regional Impact (Life of Project)

The following table estimates the total benefits from the project over its lifetime.

Description	Direct	Spillover	Total
REGIONAL BENEFITS	\$52,323,000	\$80,934,000	\$133,258,000
To Private Individuals	\$49,342,000	\$79,636,000	\$128,978,000
Temporary Payroll	\$11,722,000	\$4,068,000	\$15,790,000
Ongoing Payroll	\$37,620,000	\$75,567,000	\$113,187,000
To the Public	\$2,981,000	\$1,298,000	\$4,280,000
Property Tax Revenue	\$2,177,000	N/A	\$2,177,000
Temporary Sales Tax Revenue	\$191,000	\$66,000	\$257,000
Ongoing Sales Tax Revenue	\$613,000	\$1,232,000	\$1,846,000
STATE BENEFITS	\$3,108,000	\$4,681,000	\$7,789,000
To the Public	\$3,108,000	\$4,681,000	\$7,789,000
Temporary Income Tax Revenue	\$573,000	\$199,000	\$772,000
Ongoing Income Tax Revenue	\$1,839,000	\$3,358,000	\$5,197,000
Temporary Sales Tax Revenue	\$165,000	\$57,000	\$223,000
Ongoing Sales Tax Revenue	\$531,000	\$1,067,000	\$1,598,000
Total Benefits to State & Region	\$55,432,000	\$85,615,000	\$141,047,000
Discounted Total Benefits (2%)	\$51,652,000	\$78,054,000	\$129,706,000

May not sum to total due to rounding.

TABLE 4

Benefit to Cost Ratio

The following benefit to cost ratios were calculated using the discounted totals.

Description	Benefit*	Cost*	Ratio
Region	\$122,550,000	\$1,885,000	65:1
State	\$7,157,000	\$1,549,000	5:1
Grand Total	\$129,706,000	\$3,434,000	38:1

May not sum to total due to rounding.

* Discounted at 2%

CGR has exercised reasonable professional care and diligence in the production and design of the InformAnalytics™ tool. However, the data used is provided by users. InformAnalytics does not independently verify, validate or audit the data supplied by users. CGR makes no representations or warranties with respect to the accuracy of the data supplied by users.

VIRTUAL PUBLIC HEARING SCRIPT

**283 Ship Canal Parkway, 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 April 26, 2021 at 9:00 a.m.
via Virtual Conference Software

ATTENDANCE:

Peter Wilson – Sonwil Distribution Center
Adrienne Schreier – Sonwil Distribution Center
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 9:00 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 283 Ship Canal Parkway, 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 Friday, April 16, 2021.

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

Hearing Officer: The proposed project (the "Project") consists of: (i) the acquisition by the Agency of a leasehold interest in certain property located on 283 Ship Canal Parkway, City of Buffalo, Erie County, New York (the "Land"), (ii) the development and construction on the Land of an approximately

335,000+/- square-foot warehousing and distribution center within the Buffalo Lakeside Commerce Park (the "Improvements"), and (iii) the acquisition by the Company in and around the Improvements of certain items of machinery, equipment and other tangible personal property (the "Equipment"; and, together 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 May 25, 2021. 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.

Good morning my name is Peter Wilson. I am the Chairman & CEO of Sonwil Distribution Center. This project that we are proposing as Grant mentioned is about 305,035 sq. ft. and about \$50-\$52M in expenses. Sonwil if you do not know is a third-party logistics company and this is going to be for the benefit of this area. We are proposing about 76 jobs in 18 months.

6. ADJOURNMENT:

As there were no further statements and/or comments, the Hearing Officer closed the public hearing at 9:03 a.m.

**SIGN IN SHEET
VIRTUAL PUBLIC HEARING**

Public Hearing to be held on April 26, 2021 at 9:00 a.m.
via Virtual Conference Software

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

Project Location: 283 Ship Canal Parkway, Buffalo, New York 14218

Name	Company and/or Address	X box to speak/ comment
Peter Wilson	Sonwil Distribution Center 2732 Transit Road West Seneca, New York 14224	X
Adrienne Schreier	Sonwil Distribution Center 2732 Transit Road West Seneca, New York 14224	
Carrie Hocieniec	ECIDA 95 Perry Street, Suite 403 Buffalo, New York 14203	
Brian Krygier	ECIDA 95 Perry Street, Suite 403 Buffalo, New York 14203	

Statement of SEQRA Compliance

Project Location: 283 Ship Canal Parkway, Buffalo, NY

The proposed action involves the construction of a new one-story (329,405 square foot) distribution/storage facility (including supporting office and employee facilities), with 30 truck and 12 freight car docks, on a 21.3 acre parcel at 283 Ship Canal Parkway which is adjacent to an existing Sonwil facility in the Buffalo Lakeside Commerce Park. The project will utilize an existing driveway connection to Ship Canal Parkway and will have a total of 216 parking spaces. The project will also incorporate new pervious surfaces/green infrastructure and will treat stormwater on-site in accordance with Buffalo Sewer Authority (BSA) requirements for stormwater management.

The site of the proposed project has been the subject of a Generic Environmental Impact Statement (GEIS) for the Development of the Union Ship Canal District and a Positive Findings Statement was issued by the City of Buffalo Common Council on June 21, 2002. For development of the site and development projects that have occurred in the area surrounding the Union Ship Canal (Buffalo Lakeside Commerce Park) since the GEIS, the City has referred to the GEIS and other studies completed at the site when undertaking any environmental review under the State Environmental Quality Review Act (SEQRA). In accordance with 6NYCRR Part 617.10 of SEQRA, a project that is proposed in an area that has been the subject of a GEIS, can have one of four decisions made; one being no further SEQRA compliance is required if a subsequent proposed action will be carried out in conformance with the conditions and thresholds established for such actions in the generic EIS or its findings statement. Based on the proposed project and the conditions and thresholds established in the GEIS and findings statement, no further SEQRA compliance is necessary in accordance with Section 617.10(d)(1).

The Findings Statement considered the relevant environmental impacts, facts and conclusions disclosed in the GEIS, weighing and balancing the relevant environmental impacts with social, economic and other relevant considerations, which provides a rationale for the Planning Board's decisions regarding these issues and certifying that the requirements of N.Y.C.R.R. Part 617 have been met. As the proposed distribution/storage facility was reviewed as part of the overall development considered under the Union Ship Canal District FGEIS and as no established thresholds are exceeded by the project as proposed, no new significant adverse impacts to the environment are anticipated. Therefore, no further environmental review is required for the proposed action.

For further information relative to this project, contact Ms. Nadine Marrero, AICP, Director of Planning, Room 901 City Hall, Buffalo, New York 14202, (716) 851-5029.

Dated: January 11, 2021

James Morrell, Chair



Signature



Date

CC: Applicants

**ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY
INDUCEMENT RESOLUTION**

**283 SHIP CANAL PARKWAY, 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, May 26, 2021 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 283 SHIP CANAL PARKWAY, 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, AND (B) A MORTGAGE RECORDING TAX EXEMPTION BENEFIT FOR FINANCING RELATED TO THE PROJECT; AND (vi) AUTHORIZING THE NEGOTIATION AND EXECUTION OF A LEASE AGREEMENT, LEASEBACK 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: (i) the acquisition by the Agency of a leasehold interest in certain property located on 283 Ship Canal Parkway, City of Buffalo, Erie County, New York (the "Land"), (ii) the

development and construction on the Land of an approximately 335,000+/- square-foot warehousing and distribution center within the Buffalo Lakeside Commerce Park (the “Improvements”), and (iii) the acquisition by the Company in and around the Improvements of certain items of machinery, equipment and other tangible personal property (the “Equipment”; and, together with the Land and the Improvements, the “Facility”); and

WHEREAS, pursuant to General Municipal Law Section 859-a, and pursuant to Governor Cuomo’s Executive Order 202.15 issued on April 9, 2020, and as amended from time to time, authorizing the conduct of public hearings through the use of telephone conference, video conference and/or other similar service, the Agency, on April 26, 2021 at 9:00 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, and (b) a mortgage recording tax exemption benefit for the financing related to the Project (collectively, the sales and use tax exemption benefit and the mortgage recording tax exemption benefit, are hereinafter collectively referred to as the “Financial Assistance”); and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law, Chapter 43-B of the Consolidated Laws of New York, as amended (the “SEQR Act”) and the regulations (the “Regulations”) adopted pursuant thereto by the Department of Environmental Conservation of the State of New York (collectively with the SEQR Act, “SEQRA”), the Agency must satisfy the requirements contained in SEQRA and the Regulations prior to making a final determination whether to undertake the Project; and

WHEREAS, the Project is located upon a site that is the subject of a Final Generic Environmental Impact Statement (the “FGEIS”) prepared under the provisions of SEQRA and accepted and approved by the City of Buffalo, as Lead Agency, on February 19, 2002, for the development of the Union Ship Canal District; and

WHEREAS, on June 21, 2002, the City of Buffalo (the “City”) adopted the required Findings Statement pursuant to SEQRA (the “Findings Statement”) thereby approving of the Union Ship Canal District project and confirming that the City had considered the relevant environmental impacts, facts and conclusions disclosed in the FGEIS; that the City had weighed

and balanced the relevant environmental impacts with social, economic and other considerations; that the requirements of SEQRA had been met; and confirming that, consistent with social, economic, and other essential considerations from among the reasonable alternatives available, that the actions associated with the development of the Union Ship Canal District to be carried out are ones that avoid or minimizes to the maximum extent practicable, adverse environmental impacts disclosed in the FGEIS, and that adverse environmental impacts will be minimized or avoided to the maximum extent practicable by incorporating, as conditions to this determination, those mitigating measures that were identified as practicable; and

WHEREAS, Section 617.10(d)(1) of the SEQRA regulations states that when a FGEIS has been filed, no further SEQRA compliance is required if the subsequent proposed action will be carried out in conformance with the conditions and thresholds established for such actions in the FGEIS or the FGEIS Findings Statement, such that additional SEQRA compliance is only required if the subsequent proposed action was not addressed or was not adequately addressed in the FGEIS or the FGEIS Findings Statement, or if the subsequent action has one or more significant adverse environmental impacts that were not analyzed in the generic process; and

WHEREAS, the City of Buffalo Planning Board, on January 11, 2021, confirmed that the Project was reviewed as part of the overall development considered under the FGEIS, that no established thresholds and impacts as identified within the FGEIS are exceeded by the proposed Project, such that no new significant adverse impacts to the environment are anticipated, that no further environmental review is required for the proposed Project, and that no further SEQR compliance is necessary in accordance with Section 617.10(d)(1) of the SEQRA regulations because the Project conforms with the conditions and thresholds established in the FGEIS, and the Findings Statement accepted and issued by the City; 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 May 13, 2021 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) Sonwil Distribution Center, Inc., (the "Tenant") will occupy the Facility. The Agency hereby approves the subleasing of space in the Project to the Tenant and authorizes the Company to proceed with the Project as herein authorized.

(J) In reviewing the Project as currently proposed, and in consideration of the FGEIS, the Findings Statement and the City of Buffalo Planning Board's January 11, 2021 determination that no further SEQRA compliance is required for the Project because it will be carried out in conformance with the conditions and thresholds established in the Findings Statement, the Agency hereby determines, pursuant to Section 617.10(d)(1) of the SEQRA regulations, that no further SEQRA compliance is required for the Project because it will be carried out in conformance with the conditions and thresholds established in the FGEIS, and the Findings Statement.

(K) The Project qualifies for Agency Financial Assistance as it meets the Agency's evaluative 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):* Erie County per capita income: \$33,598. Estimated salary of jobs to be created: \$55,000.

(ii) *Regional Wealth Creation (% sales/customers outside area):* The majority of company sales are to companies located in Erie County: 85%

(iii) *In Region Purchases (% of overall purchases):* The Company estimates 90% of its total annual supplies, raw materials and vendor services being sourced from Erie County vendors.

(iv) *Locational Land Use Factors, Brownfields or Locally Designated Development Areas:* The property is on a brownfield site and is within a designated redevelopment area.

(v) *MBE/WBE Utilization:* The Company has made a commitment to utilize best efforts to retain MBE/WBE construction contractors.

(vi) *Workforce Access-Proximity to Public Transportation:* The facility is located on bus route 42.

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 Vice President, the Chief Financial Officer/Treasurer, and/or the Assistant Treasurer).

A. Financial Assistance. 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:

(i) 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 amount estimated up to \$35,263,909, and, therefore, the value of the sales and use tax exemption benefits (“sales and use tax exemption benefits”) authorized and approved by the Agency cannot exceed \$3,085,592, however, 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; and

(ii) authorizes and approves that the value of the mortgage recording tax exemption benefit (“mortgage recording tax exemption benefits”) shall not exceed \$337,381; and

B. Terms and Conditions of Financial Assistance. 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 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 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 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 cooperate with the Agency in its efforts to recover or recapture any Financial Assistance, and promptly pay over any such amounts to the Agency that the Agency demands.

(C) Commitments. 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, through the conclusion of the later of two (2) years following either (x) the construction completion date, or (y) the termination of the Agent 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 \$44,441,607 (which represents the product of 85% multiplied by \$52,284,244, 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 within two years of the construction completion date, the Company has maintained and created, or caused to be maintained and be created, FTE employment at the Facility equal to 64 FTE employees [representing the product off 85% multiplied by 76 (being the total number of new FTE employee positions as proposed to be created by the Company as stated in its Application)]. In an effort to confirm and verify the Company's compliance with the employment commitment, 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 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 (E) related documents; provided, however, that 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.

Section 5. Subject to the terms of this Inducement Resolution, the Chair, the Vice Chair, the President/Chief Executive Officer, the 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 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 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 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 Vice President, the Chief Financial Officer/Treasurer, or the Assistant Treasurer.

Dated: May 26, 2021



Sonwil 283 Ship Canal Parkway

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	Sonwil 283 Ship Canal Parkway
Project Summary	Development and construction of a new warehousing and distribution center within the Buffalo Lakeside Commerce Park to be located at 283 Ship Canal Parkway, Buffalo, New York.
Applicant Name	283 Ship Canal Parkway, LLC
Applicant Address	2732 Transit Road
Applicant Address 2	
Applicant City	West Seneca
Applicant State	New York
Applicant Zip	14224
Phone	(716) 206-1800
Fax	(716) 684-6996
E-mail	pwilson@sonwil.com
Website	sonwil.com
NAICS Code	531120

Business Organization

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

Individual Completing Application

Name	Peter G. Wilson
Title	Operating Manager
Address	2732 Transit Road
Address 2	
City	West Seneca
State	New York
Zip	14224
Phone	(716) 206-1800

Fax (716) 684-6996
E-Mail pwilson@zsa.cc

Company Contact (if different from individual completing application)

Name Peter G. Wilson
Title Operating Manager
Address 2732 Transit Road
Address 2
City West Seneca
State New York
Zip 14224
Phone (716) 206-1800
Fax (716) 684-6996
E-Mail pwilson@sonwil.com

Company Counsel

Name of Attorney THOMAS FITCH
Firm Name Zdarsky, Sawicki & Agostinelli LLP
Address 1600 Main Place Tower
Address 2 350 Main Street
City Buffalo
State New York
Zip 14202
Phone (716) 853-3200
Fax (716) 855-3101
E-Mail tfitch@zsa.cc

Benefits Requested (select all that apply)

Exemption from Sales Tax	Yes
Exemption from Mortgage Tax	Yes
Exemption from Real Property Tax	Yes
Tax Exempt Financing*	No

* (typically for not-for-profits & small qualified manufacturers)

Applicant Business Description

Describe in detail company background, history, products and customers. Description is critical in determining eligibility. Also list all stockholders, members, or partners with % ownership greater than 20%.

Sonwil Distribution Center is a family-owned business which has been based in Western New York and in operation for over 70 years. Sonwil provides various logistical services, from storage, handling and distribution to a wide variety of value added programs for its regional, national and international clients. Sonwil has been successful in attracting national accounts to the Buffalo area, such as Dyson, General Mills, Georgia Pacific, Stanislaus and Nestle Purina. Many local Companies rely exclusively on Sonwil for Food Grade, BRC Certified, cost competitive, local 3rd party distribution services. Sonwil's new facility will allow the Company to continue to grow with our existing customers and allow for additional capacity.

Estimated % of sales within Erie County

85 %

Estimated % of sales outside Erie County but within New York State	0 %
Estimated % of sales outside New York State but within the U.S.	15 %
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?

90

Describe vendors within Erie County for major purchases

Kimil Construction, NCS Electric, Alp Steel, Clarence Wall & Ceiling, Neth & Sons

Section II: Eligibility Questionnaire - Project Description & Details

Project Location

Address of Proposed Project Facility

283 Ship Canal Parkway, Buffalo, New York 14218

Town/City/Village of Project Site

Buffalo

School District of Project Site

Buffalo

Current Address (if different)

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

SBL Number(s) for proposed Project

132.16-2-2.000

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

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

Land

\$ 495,800

Building(s)

\$ 0

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?

No

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)

The proposed project is to build a 335,000 sq. ft. warehouse and distribution facility in Lakeside Park due to increase in customer demand and business.

Municipality or Municipalities of current operations

Buffalo NY

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?

No

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?

No

(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?

Yes

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

Our customers are always looking at the logistics costs and if there is a cost savings they will move out of state, if required. SDC has lost opportunity with new accounts to Customers have gone to Mechanicsburg, PA as well as Miami Florida.

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

Yes

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

Empire State Development - tbd

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 provided by the Agency is important to this project as it would make this project more attractive to the Bank who will be financing this project.

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)

Approving this application is crucial to our ability to continue expansion at this site. Due to various current factors beyond our control, including the COVID-19 pandemic, we are presently subject to escalating construction and operating costs. In addition extended lead times of building materials and supplies have also added challenges to this project. Many of our customers have a national presence and have the ability to grow their business and allocate their resources in other regions of the country. Our customer's continuously evaluate alternate opportunities. The financial assistance to be provided by the Agency as contemplated hereunder is essential to our ability to proceed with this Project. Undertaking this Project will enable us to improve efficiency resulting in lower storage and distribution costs, allowing us to competitively price our warehousing and distribution services and not only accommodate current customer demand, but also grow such current customers' presence in the region while growing our overall package of logistical services to prospective customers and industries.

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?

The Applicant will lose significant opportunities to grow our operation and the operations of our customers in Erie County resulting in lost job opportunities for the residents of Erie County.

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 Line

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

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?

Yes

If yes, please explain

Prior use of the site includes use as a foundry, which is a former NYSDEC Inactive Hazardous Waste Site that was remediated in 2006. Former use also included railroad tracks. The site is surrounded by current and former heavy industrial sites, NYSDEC Inactive Hazardous Waste Sites, NYSDEC Petroleum Spill Sites, and other Brownfield Cleanup Program Sites. Adjacent sites (e.g., Buffalo Lakeside Commerce Park Brownfield Site, Shenango Steel and Mold NYSDEC Superfund Site, CertainTeed Brownfield Site, Cobey, LLC Brownfield Site) have encountered industrial fill materials and/or impacted soil and groundwater during investigation, remediation and/or site redevelopment activities. Historic limited investigations have identified groundwater impacted with heavy metals and elevated pH and slag fill up to eight feet below ground surface within those portions. The site provides some significant development challenges; being a brownfield reclamation site and its adjacency to wetlands.

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?

Yes

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

HVAC units for warehouse

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

Does or will the company or project occupant perform research and development activities on new products/services at the project location?

No

If yes, include percentage of operating expenses attributed to R&D activities and provide details.

Select Project Type for all end users at project site (you may check more than one).

For purposes of the following, the term “retail sales” means (i) sales by a registered vendor under Article 28 of the Tax Law of the State of New York (the “Tax Law”) primarily engaged in the retail sale of tangible personal property (as defined in Section 1101(b)(4)(i) of the Tax Law), or (ii) sales of a service to customers who personally visit the Project.

Will customers personally visit the Project site for either of the following economic activities? If yes with respect to either economic activity indicated below, you will need to complete the Retail section of this application.

Retail Sales	No	Services	No
---------------------	----	-----------------	----

Please check any and all end uses as identified below.

- No Acquisition of Existing Facility
- No Assisted Living
- No Back Office
- No Civic Facility (not for profit)
- Yes Commercial
- No Equipment Purchase
- No Facility for the Aging
- No Industrial
- No Life Care Facility (CCRC)
- No Market Rate Housing
- No Mixed Use
- No Multi-Tenant
- No Retail
- No Senior Housing
- No Manufacturing
- Yes Other
- Warehousing & Distribution

For proposed facility please include the square footage for each of the uses outlined below

If applicant is paying for FFE for tenants, include in cost breakdown.

			Cost	% of Total Cost
Manufacturing/Processing	square feet	\$	0	0%
Warehouse	323,260 square feet	\$	27,978,400	0%
Research & Development	square feet	\$	0	0%
Commercial	square feet	\$	0	0%
Retail	square feet	\$	0	0%
Office	10,108 square feet	\$	2,502,831	0%
Specify Other	2,500 square feet	\$	18,769	0%

If you are undertaking new construction or renovations, are you seeking LEED certification from the US Green Building Council?

No

If you answered yes to question above, what level of LEED certification do you anticipate receiving? (Check applicable box)

<BLANK>

Provide estimate of additional construction cost as a result of LEED certification you are seeking < BLANK >

Will project result in significant utility infrastructure cost or uses No

What is the estimated project timetable (provide dates).

Start date : acquisition of equipment or construction of facilities

6/1/2021

End date : Estimated completion date of project

9/15/2021

Project occupancy : estimated starting date of occupancy

10/1/2021

Project Information

Estimated costs in connection with Project

1.) Land and/or Building Acquisition

\$ 0 square feet acres

2.) New Building Construction

\$ 30,500,000 335,868 square feet

3.) New Building addition(s)

\$ 0

square feet

4.) Reconstruction/Renovation

\$ 0

square feet

5.) Manufacturing Equipment

\$ 0

6.) Infrastructure Work

\$ 6,211,855

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

\$ 15,072,389

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

\$ 500,000

9.) Other Cost

\$ 0

**Explain Other
Costs****Total Cost** \$ 52,284,244Construction Cost Breakdown:

Total Cost of Construction	\$ 36,711,855 (sum of 2, 3, 4 and 6 in Project Information, above)
Cost of materials	\$ 0
% sourced in Erie County	%

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	\$ 35,263,909
Estimated State and local Sales and Use Tax Benefit (product of 8.75% multiplied by the figure, above):	\$ 3,085,592

** 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? No

If Yes, describe particulars:

Sources of Funds for Project Costs:

Equity (excluding equity that is attributed to grants/tax credits):	\$ 7,300,000
Bank Financing:	\$ 44,984,244
Tax Exempt Bond Issuance (if applicable):	\$ 0
Taxable Bond Issuance (if applicable):	\$ 0
Public Sources (Include sum total of all state and federal grants)	\$ 0

and tax credits):

Identify each state and federal grant/credit: (ie Historic Tax Credit, New Market Tax Credit, Brownfield, Cleanup Program, ESD, other public sources) 0

Total Sources of Funds for Project Costs: \$52,284,244

Have you secured financing for the project? Yes

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). 44,984,244

Lender Name, if Known

Estimated Mortgage Recording Tax Exemption Benefit (product of mortgage amount as indicated above multiplied by 3/4 of 1%): \$337,381

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): None. PILOT will be utilized

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

See attached statement.

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. The Labor Market Area consists of the following six counties: Erie, Niagara, Chautauqua, Cattaraugus, Wyoming and Genessee.

By statute, Agency staff must project the number of FTE jobs that would be retained and created if the request for Financial Assistance is granted. Agency staff will project such jobs over the TWO Year time period following Project completion. Agency staff converts PT jobs into FTE jobs by dividing the number of PT jobs by two (2).

Current # of jobs at proposed project	If financial assistance is granted – project the	If financial assistance is granted – project the	Estimate number of residents of the Labor
--	---	---	--

	location or to be relocated at project location	number of FT and PT jobs to be retained	number of FT and PT jobs to be created upon 24 months (2 years) after Project completion	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	0	0	76	76
Part time	0	0	0	0
Total	0	0	76	

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	1	\$ 98,000	\$ 12,500	\$ 0	\$ 0
Professional	0	\$ 0	\$ 0	\$ 0	\$ 0
Administrative	7	\$ 40,000	\$ 12,500	\$ 0	\$ 0
Production	68	\$ 38,000	\$ 10,000	\$ 0	\$ 0
Independent Contractor	0	\$ 0	\$ 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	See attached excel file for all locations.		
Full time	0	0	0
Part time	0	0	0
Total	0	0	0

Payroll Information

Annual Payroll at Proposed Project Site upon completion

4,140,500

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

55,000

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

0

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

55,000

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

0

Estimated salary range of jobs to be created

From (Full Time)	29,000	To (Full Time)	98,000
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

283 Ship Canal Parkway, Buffalo, New York 14218

Name and Address of Owner of Premises

283 Ship Canal Parkway, LLC 2732 Transit Road West Seneca, New York 14224

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

See attached Project Narrative

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

See attached Project Narrative

Describe all known former uses of the Premises

The land was previously vacant land.

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

N/A

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

N/A

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

n/a

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 Sonwil Distribution Center, Inc.
Address 2732 Transit Road
Contact Person Peter G. Wilson
Phone (716) 206-1800
Fax (716) 684-6996
E-Mail pwilson@sonwil.com
Federal ID # 16-0911273
SIC/NAICS Code

SS

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

315 Ship Canal Parkway

City/Town

Buffalo

State

New York

Zip Code

14218

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?

No

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

No

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:

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

Within New York State

No

Within Erie County

No

If Yes to either question, please, explain

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

No

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.)

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.)

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?

<BLANK>

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

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

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.

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

MCG Real Estate Holdings, LLC
\$8,258,268
INDUCEMENT RESOLUTION

ELIGIBILITY
<ul style="list-style-type: none"> • NAICS Section - 531110
COMPANY INCENTIVES
<ul style="list-style-type: none"> • Approximately \$323,000 in real property tax savings. • Approximately \$262,500 in sales tax savings • Up to 3/4 of 1% of the final mortgage amount estimated at \$33,750
EMPLOYMENT
<ul style="list-style-type: none"> • New Jobs Projected: 1 PT • Annual payroll: \$20,000 • Estimated salary of jobs to be created: \$20,000
PROJECT HISTORY
<ul style="list-style-type: none"> • 04/26/2021 - Public hearing held. • 05/26/2021 - Lease/Leaseback Inducement Resolution presented to the Board of Directors

Project Title: MCG Real Estate Holdings, LLC

Project Address: 293 Grote Street
 Buffalo, New York 14207
 (Buffalo City School District)

Agency Request

A sales tax, mortgage recording tax and real property tax abatement in connection with the adaptive reuse of a 31,665 sq. ft. building.

Building Acquisition	\$ 794,054
Renovations	\$6,164,214
Soft Costs	\$1,300,000
Total Project Cost	\$8,258,268
85%	\$7,019,527

Company Description

MCG Real Estate Holdings, LLC was formed to undertake the project. It is owned by members of McGuire, Gurney and Dentinger families.

McGuire Development will oversee the project. Most recently McGuire worked with the Buffalo School District on the successful completion of the Emerson School of Hospitality and Management as well as the Buffalo City Mission.

Project Description

The project consists of the adaptive reuse of the former Buerk Tool facility on Grote Street in the City of Buffalo. The building has been vacant for 2 years and underutilized a total of 18 years.

The building, once redeveloped, will house 33 apartments. The developer has indicated 12 of the 1-bedroom units will be offered at 80% of the adjusted median income ("AMP")

The following table offers the unit mix, square feet and rent ranges:

Units	Square Feet	Rent Range
24-1 bedroom	496-838	\$925-\$1,400
9-2 bedroom	903-1,131	\$1,100-\$1,800

Since 100% of the project is devoted to housing, there is no employment impact other than a part time building manager.

New Tax Revenue Estimated

Current Yearly Taxes	Estimated New Assessed Value	Additional County Revenue over 7-Year Abatement Period	Additional Local Revenue over 7-Year Abatement Period	New Yearly Taxes Upon Expiration of Abatement Period
\$6,900	\$2,700,000	\$20,000	\$68,000	\$59,000
Combined Tax Rate: \$22				

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 = \$8,258,268 85% = \$7,019,527
Employment	Coincides with 7-year PILOT	Create 85% of Projected Projected = 1 PT 85% = 1 PT Recapture Employment = 1PT
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	7-year PILOT term	Real Property Taxes State and Local Sales Taxes Mortgage Recording Taxes

Recapture applies to:
State and Local Sales Taxes
Real Property Tax
Mortgage Recording 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 created 1 PT job, iii) confirm adherence to local labor policy during construction and iv) its adherence to unpaid tax/pay equity policies for recapture term.

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-MCG Real Estate Holdings, LLC- 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
\$6,164,214	\$2,700,000	\$5.04	\$16.75	N/A

*Apply equalization rate to value

PILOT Year	% Payment	County PILOT Amount	Local PILOT Amount	Total PILOT	Full Tax Payment w/o PILOT	Net Exemption
1	10%	\$1,361	\$4,523	\$5,883	\$58,833	\$52,950
2	10%	\$1,361	\$4,523	\$5,883	\$58,833	\$52,950
3	20%	\$2,722	\$9,045	\$11,767	\$58,833	\$47,066
4	20%	\$2,722	\$9,045	\$11,767	\$58,833	\$47,066
5	30%	\$4,082	\$13,568	\$17,650	\$58,833	\$41,183
6	30%	\$4,082	\$13,568	\$17,650	\$58,833	\$41,183
7	30%	\$4,082	\$13,568	\$17,650	\$58,833	\$41,183
TOTAL		\$20,412	\$67,838	\$88,250	\$411,831	\$323,582

***** 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.)
\$8,258,268	\$323,582	\$262,500	\$33,750	N/A

Calculate %

(Est. PILOT + Est. Sales Tax+ Est. Mortgage Tax+ Other)/Total Project Costs: 7.5%

ADAPTIVE REUSE REPORT AND EVALUATIVE CRITERIA
MCG Real Estate Holdings, LLC

Evaluative Criteria	Notes
Distressed Census Tracts	The property is located in census tract 56 which is considered highly distressed under the State statute.
Age of Structure (must be at least 20 years old and present functional challenges to redevelopment)	The building was constructed in the early 1900's.
Structure has been vacant or underutilized for a minimum of 3 years (defined as a minimum of 50% of the rentable square footage of the structure being utilized for a use for which the structure was not designed or intended). Project promotes elimination of slum and blight	<p>The building has been vacant for approximately 2 years but underutilized for 18 years. Prior to closing the business, only 5 people were employed at the facility. Since 2002, the entire 2nd story of the building was not utilized.</p> <p>The investment of over \$6,000,000 will serve to eliminate slum and blight and enhance this neighborhood which is in a highly distressed census tract.</p>
Structure is not generating significant rental income (defined as 50% or less than the market rate income average for that property class.	Since the facility is vacant, no income is being generated.
Redevelopment Supports or aligns with Regional or Local Development Plans	The project complies with the investment and growth criteria of the Framework for Regional Growth.
Environmental or Safety Issues.	The building is eligible for certain brownfield credits. Extensive site work is needed along with the ground floor slab replacement. New utility connections and updates to all safety features is needed to comply with current code standards.
LEED/Renewable resources	NA
Building or site has historic designation	The building was constructed in the early 1900's and has a historical designation.
Site or structure has delinquent or other local taxes	Taxes are current.
MBE/WBE utilization	The developer is committed to successfully implementing a plan to ensure that certified MWBE's are encouraged to participate in the project. McGuire currently serves the MWBE business community through proactive and comprehensive monitoring, training, and outreach activity on a number of current and past projects. Kulback's, acting as the general contractor, has a solid reputation utilizing MWBE contractors on their projects.

Demonstrated support of local gov't.	North District Councilmember Joseph Golombeck in his letter to the Common Council dated February 26, 2021 has expressed support for this project.
Project/developer's return on investment	The developer has supplied an ROI which indicates a below average rate of return on the investment.
Impediments to conventionally financing project.	The savings from sales tax, mortgage tax and real property taxes will provide a level of comfort to the lender. The developer has stated without these benefits, it would be difficult to finance the project.
Transit Oriented Development	The facility is accessible on 20 bus line.

May 26, 2021

Return on Investment – MCG Real Estate Holdings, LLC

Regional Return on Investment (ROI) numbers vary depending on the interest rate environment, investor availability and risk associated with a project.

The National Development Council, which has experience financing projects in higher risk urban areas across the Northeast, uses 10% - 12% as a benchmark rate of return for urban high-risk projects.

Empire State Development financing officials when reviewing similar projects in the City of Buffalo have used 12% as an acceptable ROI for development projects.

Adaptive Reuse Projects

Many Adaptive Reuse Projects are hampered by upfront development costs that are not typical in new build green field development projects. These upfront costs can hinder the ability of the projects to attract financing and provide cash flow. The upfront costs associated with site contamination, asbestos removal, code compliance, structural deficiencies can make Adaptive Reuse projects difficult to undertake and attract private investment and financing, particularly in real estate markets where rental values are relatively low. Historically real estate projects in the region are difficult to undertake, local real estate developers have indicated that the typical ROI investors and developers seek to achieve in mixed use development projects are in the 10% - 12% range, although they can run higher for projects with significant risk.

Public Incentives Requested

- ECIDA Real Property Tax Abatement in an approximate value of \$323,000
- Sales Tax Savings in the amount of \$262,500
- Mortgage Tax Savings in the estimated amount of \$33,750

ROI

MCG has submitted a proforma documenting the expenses and revenues and ROI for the project.

Stated ROI for the project with ECIDA assistance is 5.8%

Stated ROI for the project without ECIDA assistance is 4.8%

MBE/WBE Utilization



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 support the need to create healthy community involvement in the development and construction of this important project. We are committed to successfully implementing a plan to ensure that certified minority and women-owned businesses (MVBES) are encouraged to participate in this exciting project. Our team currently services the MWBE business community through proactive and comprehensive monitoring, training, and outreach activity on a number of current and past projects.

We're proud of our record in achieving diversity on our projects and we are committed to continuing that success on this project via our proven strategy. The strategy involves outreach and assistance efforts that take place during the design and preconstruction phases.

Furthermore, Kulbacks has always met or exceeded any MWBE requirements for any project it is involved in.

Cost-Benefit Analysis for MCG Real Estate Holdings, LLC

Prepared by Erie County IDA using InformAnalytics

Executive Summary

INVESTOR
MCG Real Estate Holdings, LLC

TOTAL INVESTED
\$8.3 Million

LOCATION
293 Grote Street,
Buffalo, New York
14207

TIMELINE
7 Years

FIGURE 1

Discounted* Net Benefits for MCG Real Estate Holdings, LLC by Year

Total Net Benefits: \$3,648,000

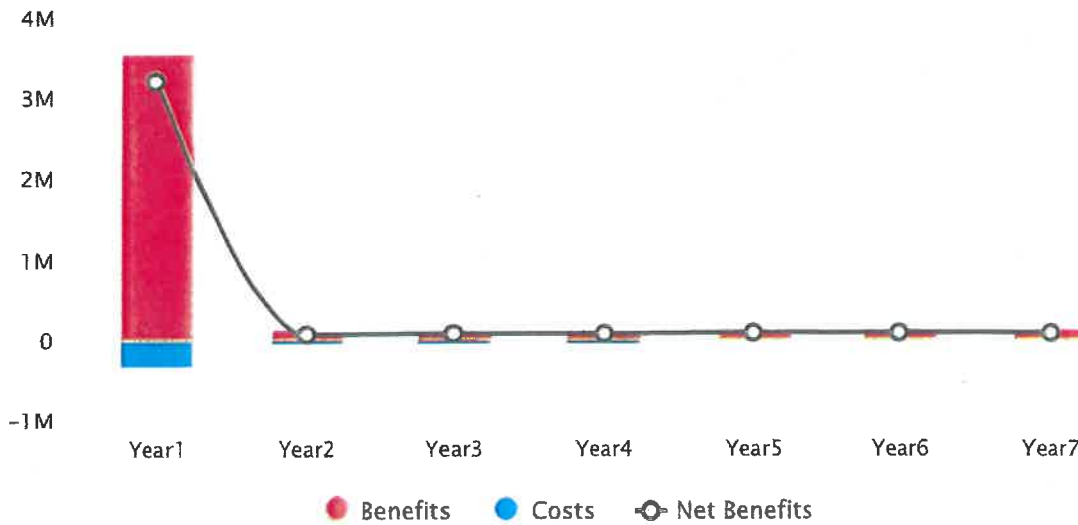


FIGURE 2

Total Jobs

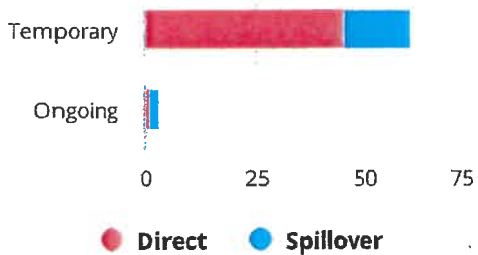
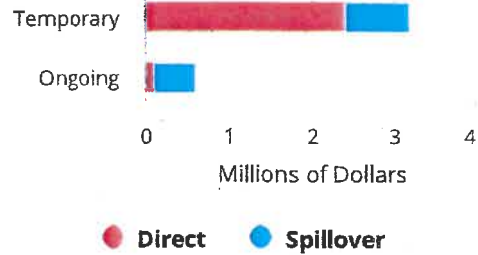


FIGURE 3

Total Payroll



Proposed Investment

MCG Real Estate Holdings, LLC proposes to invest \$8.3 million at 293 Grote Street, Buffalo, New York 14207 over 7 years.

TABLE 1

Proposed Investments

Description	Amount
CONSTRUCTION SPENDING	
Construction	\$6,164,000
OTHER SPENDING	
Soft Costs	\$1,300,000
Building Acquisition	\$794,000
Total Investments	\$8,258,000
Discounted Total (2%)	\$8,258,000

FIGURE 4

Location of Investment

May not sum to total due to rounding.

Cost-Benefit Analysis

A cost-benefit analysis of this proposed investment was conducted using InformAnalytics, an economic impact model developed by CGR. The report estimates the impact that a potential project will have on the local economy based on information provided by Erie County IDA. The report calculates the costs and benefits for specified local taxing districts over the first 7 years, with future returns discounted at a 2% rate.

TABLE 2

Estimated Costs or Incentives

Erie County IDA is considering the following incentive package for MCG Real Estate Holdings, LLC.

Description	Nominal Value	Discounted Value*
Property Tax Exemption	\$322,000	\$305,000
Sales Tax Exemption	\$261,000	\$261,000
Mortgage Recording Tax Exemption	\$34,000	\$34,000
Total Costs	\$617,000	\$600,000

May not sum to total due to rounding.

* Discounted at 2%

TABLE 3

State & Regional Impact (Life of Project)

The following table estimates the total benefits from the project over its lifetime.

Description	Direct	Spillover	Total
REGIONAL BENEFITS	\$2,638,000	\$1,413,000	\$4,051,000
To Private Individuals	\$2,509,000	\$1,391,000	\$3,900,000
Temporary Payroll	\$2,369,000	\$822,000	\$3,191,000
Ongoing Payroll	\$140,000	\$568,000	\$708,000
To the Public	\$129,000	\$23,000	\$151,000
Property Tax Revenue	\$88,000	N/A	\$88,000
Temporary Sales Tax Revenue	\$39,000	\$13,000	\$52,000
Ongoing Sales Tax Revenue	\$2,000	\$9,000	\$12,000
STATE BENEFITS	\$154,000	\$86,000	\$240,000
To the Public	\$154,000	\$86,000	\$240,000
Temporary Income Tax Revenue	\$116,000	\$40,000	\$156,000
Ongoing Income Tax Revenue	\$2,000	\$27,000	\$29,000
Temporary Sales Tax Revenue	\$33,000	\$12,000	\$45,000
Ongoing Sales Tax Revenue	\$2,000	\$8,000	\$10,000
Total Benefits to State & Region	\$2,791,000	\$1,500,000	\$4,291,000
Discounted Total Benefits (2%)	\$2,783,000	\$1,465,000	\$4,248,000

May not sum to total due to rounding.

TABLE 4

Benefit to Cost Ratio

The following benefit to cost ratios were calculated using the discounted totals.

Description	Benefit*	Cost*	Ratio
Region	\$4,010,000	\$467,000	9:1
State	\$238,000	\$132,000	2:1
Grand Total	\$4,248,000	\$600,000	7:1

May not sum to total due to rounding.

* Discounted at 2%

CGR has exercised reasonable professional care and diligence in the production and design of the InformAnalytics™ tool. However, the data used is provided by users. InformAnalytics does not independently verify, validate or audit the data supplied by users. CGR makes no representations or warranties with respect to the accuracy of the data supplied by users.



Common Council

CITY OF BUFFALO

Joseph Golombek, Jr.
North District Council Member
65 Niagara Square, 1502 City Hall
Buffalo, NY 14202-3318

Phone: (716) 851-5116 • Fax: (716) 851-5648
E-mail: jgolombek@ch.ci.buffalo.ny.us

COMMITTEES

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Community Development, Chair
Legislation

SPECIAL COMMITTEES

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BURA
Education
Waterfront Development
SENIOR LEGISLATIVE ASSISTANT
Sandra Frieday-Lewis
ASSISTANT LEGISLATIVE AIDE
Evelyn Vossler

February 26, 2021

Dear Members of the Board:

I am submitting this letter in support of the applicant, MCG Real Estate Holdings, LLC ("MCG") and its redevelopment plans for 293 Grote Street. MCG's plans to turn this vacant and blighted former machine shop into apartment units will aid in the continued development of the City of Buffalo. I met with MCG's development team in early November to discuss the redevelopment plans, and have since spoken with my constituents regarding the project. As a result of these conversations, I feel confident that this project will be a positive addition to the neighborhood and an appropriate reuse of the building.

Based on my November meeting with the development team and subsequent conversations, MCG's redevelopment of this building will celebrate the former use and history of this building through its attention to detail and inclusion of historic elements within the building through reuse of cranes, belt line systems, and fire doors, as well as re-establishing historic window openings and installing brand new historically accurate windows. With a keen attention to detail every possible square foot of space has efficiently been used, making this project truly an adaptive reuse of the building. This project will also result in extensive site improvements, transforming the current gravel parking area into a uniformly paved parking lot and transforming the current forecourt into an inviting and attractive courtyard. In addition, MCG's units, although market rate, will be priced below the area average, making these units more affordable than area competitors.

With that being said, even though this project has been creatively designed to maximize efficiency, and preserve historic materials when possible, this project will not be successful without the assistance available through the ECIDA in the form of a PILOT. To put it simply, should a PILOT not be awarded to the applicant, it will need to completely re-assess its plans for this parcel and indefinitely hold off on beginning construction.

Sincerely:

Joseph Golombek, Jr.
City of Buffalo
North District Councilmember

JG/sfl

VIRTUAL PUBLIC HEARING SCRIPT

**MCG Real Estate Holdings, 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 April 26, 2021 at 9:30 a.m.
via Virtual Conference Software

ATTENDANCE:

Eric Ekman – McGuire Development
Maria Owens – McGuire Development
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 9:30 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 MCG Real Estate Holdings, 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 Friday, April 16, 2021.

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

Hearing Officer: The proposed project (the "Project") consists of: (i) the acquisition by the Agency of a leasehold interest in certain property located on 293 Grote Street, City of Buffalo, Erie County, New York (the "Land"), (ii) the historic adaptive reuse of the vacant Buerk Tool Machine Shop which consists of a 0.74 acre lot with a 31,665+/- sq. ft. two-story building and

approximately 11,000+/- sq. ft. gravel parking area to be converted into 33 market rate apartments with 12 of the one-bedroom units to be below 80% AMI (the "Improvements"), and (iii) the acquisition by the Company in and around the Improvements of certain items of machinery, equipment and other tangible personal property (the "Equipment"; and, together 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 May 25, 2021. 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.

Good morning. My name is Eric Eckman. I am Vice President of Development and Acquisitions at McGuire Development Company. I am representing MCG Real Estate Holdings the owner of 293 Grote Street. We are very excited to be here today to talk about our project. The project at 293 Grote Street which we are proposing is for the conversion into 33 apartments. The building was first constructed in 1921 by Visco Meter Company associated with Pierce Arrow Factory not too far away from here and later accommodated Buerk Tool Machine Shop. Buerk was operated as a manufacturing facility and tool shop for its entire life since 1921. This has offered some interesting features for us to work with. It has lots of historic character which we are going to embrace. We are going to adaptively re-use this complex and historically rehabilitate. It is a complicated project. There is a lot of work that needs to be done. There is the smell of oil and a lot of reconfiguring required. Windows need to be replaced, roof needs to be replaced, a full gutted renovated project.

Moving forward on this project would not be possible without the incentives offered by the ECIDA. Our objective in this project was to create apartments that are at market averages or below market averages with respect to rents and we were successful in having 12 of the 1-bedroom apartments that will have rents that are below the 80% area medium income level. Our hope with the ability to work with these incentives from the ECIDA is to start construction this summer and deliver the following summer. Thank you.

6. ADJOURNMENT:

As there were no further statements and/or comments, the Hearing Officer closed the public hearing at 9:35 a.m.

**SIGN IN SHEET
VIRTUAL PUBLIC HEARING**

Public Hearing to be held on April 26, 2021 at 9:30 a.m.
via Virtual Conference Software

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

Project Location: 293 Grote Street, City of Buffalo, Erie County, New York

Name	Company and/or Address	X box to speak/ comment
Eric Ekman	455 Cayuga Road, Suite 100 Buffalo, New York 14225	X
Maria Owens	455 Cayuga Road, Suite 100 Buffalo, New York 14225	
Carrie Hocieniec	ECIDA 95 Perry Street, Suite 403 Buffalo, New York 14203	
Brian Krygier	ECIDA 95 Perry Street, Suite 403 Buffalo, New York 14203	

**ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY
INDUCEMENT RESOLUTION**

**MCG REAL ESTATE HOLDINGS, 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, May 26, 2021 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 MCG REAL ESTATE HOLDINGS, 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: (i) the acquisition by the Agency of a leasehold interest in certain property located on 293 Grote Street, City of Buffalo, Erie County, New York (the “Land”), (ii) the historic adaptive reuse of the vacant Buerk Tool Machine Shop which consists of a 0.74 acre lot with a 31,665+/- sq. ft. two-story building and approximately 11,000+/- sq. ft. gravel parking area to be converted into 33 market rate apartments with 12 of the one-bedroom units to be below 80% AMI (the “Improvements”), and (iii) the acquisition by the Company in and around the Improvements of certain items of machinery, equipment and other tangible personal property (the “Equipment”; and, together with the Land and the Improvements, the “Facility”); and

WHEREAS, pursuant to General Municipal Law Section 859-a, and pursuant to Governor Cuomo’s Executive Order 202.15 issued on April 9, 2020, and as amended from time to time, authorizing the conduct of public hearings through the use of telephone conference, video conference and/or other similar service, the Agency, on April 26, 2021, at 9:30 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 (7) seven 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, pursuant to Article 8 of the Environmental Conservation Law, Chapter 43-B of the Consolidated Laws of New York, as amended (the “SEQR Act”) and the regulations (the “Regulations”) adopted pursuant thereto by the Department of Environmental Conservation of the State of New York (collectively with the SEQR Act, “SEQRA”), the Agency must satisfy the requirements contained in SEQRA and the Regulations prior to making a final determination whether to undertake the 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 May 13, 2021 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) The Project is compliant with the Countywide IDA Eligibility Policy, constitutes a commercial facility as defined in the General Municipal Law and will promote employment opportunities and prevent economic deterioration in the City of Buffalo. The Agency has reviewed the opinion of the State Comptroller (OSC Op. 85-51) and hereby specifically finds that the Project will create temporary construction jobs and create approximately 1 new part-time job and, by adaptively reusing a vacant, declining and aged structure and rehabilitating it for residential use, there will be a physical and economic improvement to this sensitive area of the City of Buffalo.

(J) Pursuant to Sections 617.5(c)(2) and 617.5(c)(18) of the Regulations, the Project is a "Type II action" (as said quoted term is defined in the Regulations) and therefore, the Agency hereby determines that no environmental impact statement or any other determination or procedure is required under SEQRA.

(K) The Project qualifies for Agency Financial Assistance as it is compliant with the Agency's Adaptive Reuse Project Policy and meets the Agency's evaluative criteria for adaptive reuse projects, said criteria established by the Agency as required under General Municipal Law Section 859-a(5) as evidenced by the following:

- (i) the building is approximately 101 years old and functional issues related to its age present challenges to its reuse;
- (ii) the building has been vacant for 2 years and underutilized for at least 18 years;
- (iii) the building is not generating any rental income;
- (iv) the Project is in compliance with the investment and growth criteria of the Framework for Regional Growth;
- (v) the Applicant has demonstrated evidence of financial obstacles and impediments to conventionally financing the project without otherwise obtaining Agency or other public assistance;
- (vi) the Project has received the support of local governmental entities;
- (vii) the building is located within a distressed census tract;
- (viii) the structure requires significant costs to comply with building codes;
- (ix) the facility is on several bus routes thus meeting transit oriented development criteria;
- (x) the Project is located in a highly distressed census tract; and
- (xi) the Project's stated return on investment is below what investors and developers seek to achieve for such investments in urban high-risk areas; and
- (xii) asbestos and contamination issues present a public safety hazard related to rehabilitation and redevelopment of the Project; and

(xiii) the Project is in compliance with MBE/WBE Utilization.

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 Vice President, the Chief Financial Officer/Treasurer, and/or the Assistant Treasurer).

A. Financial Assistance. 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:

(i) 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 amount estimated up to \$3,000,000, and, therefore, the value of the sales and use tax exemption benefits (“sales and use tax exemption benefits”) authorized and approved by the Agency cannot exceed \$262,500, however, 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; and

(ii) authorizes and approves that the value of the mortgage recording tax exemption benefit (“mortgage recording tax exemption benefits”) shall not exceed \$33,750; and

(iii) authorizes and approves that the real property tax abatement benefits (“PILOT benefits”) to be provided over the term of the PILOT Agreement are estimated to be approximately \$323,582, resulting in estimated total PILOT payments of \$88,250 over the term of the PILOT Agreement.

B. Terms and Conditions of Financial Assistance. 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 cooperate with the Agency in its efforts to recover or recapture any Financial Assistance, and promptly pay over any such amounts to the Agency that the Agency demands.

(C) Commitments. 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 \$7,019,527 (which represents the product of 85% multiplied by \$8,258,268, being the total project cost as stated in the Company’s application for Financial Assistance).
- (ii) Employment Commitment – that there is at least 1 existing part time equivalent (“PTE”) employee located at, or to be located at, the Facility as stated in the Company’s application for Financial Assistance (the “Baseline PTE”); and

- the number of current employees in the then current year at the Facility; and
 - that within two (2) years of Project completion, the Company has maintained and created PTE employment at the Facility equal to 1 PTE employee. 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 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 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 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 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 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 Vice President, the Chief Financial Officer/Treasurer, or the Assistant Treasurer.

Dated: May 26, 2021



293 Grote Street

[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	293 Grote Street
Project Summary	Adaptive reuse of former Visco Meter Factory/Buerk Tool Factory Building in the Black Rock neighborhood. The Building will be converted into 33 apartments.
Applicant Name	MCG Real Estate Holdings, LLC
Applicant Address	455 Cayuga Road, Suite 100
Applicant Address 2	
Applicant City	Buffalo
Applicant State	New York
Applicant Zip	14225
Phone	(716) 341-6238
Fax	
E-mail	mowens@mcguiredevelopment.com
Website	
NAICS Code	

Business Organization

Type of Business	Limited Liability Company
Year Established	2008
State in which Organization is established	New York

Individual Completing Application

Name	Maria Owens
Title	Senior Project Manager
Address	455 Cayuga Road Suite 100
Address 2	
City	Buffalo
State	New York
Zip	14225
Phone	(716) 829-1900

Fax
E-Mail mowens@mcguiredevelopment.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 Danielle E. Shainbrown
Firm Name
Address 455 Cayuga Road Suite 100
Address 2
City Buffalo
State New York
Zip 14225
Phone (716) 829-1900
Fax
E-Mail dshainbrown@mcguiredevelopment.com

Benefits Requested (select all that apply).

Exemption from Sales Tax Yes
Exemption from Mortgage Tax Yes
Exemption from Real Property Tax Yes
Tax Exempt Financing* No

* (typically for not-for-profits & small qualified manufacturers)

Applicant Business Description

Describe in detail company background, history, products and customers. Description is critical in determining eligibility. Also list all stockholders, members, or partners with % ownership greater than 20%.

The Applicant of this project is MCG Real Estate Holdings, LLC. The ownership structure of this entity is as follows: F. James McGuire 1% Jenna McGuire 7% Ryan McGuire 7% Jackie Gurney 15% Kelly McGuire 15% Jeannie Marie McGuire 15% Michael McGuire 15% Kathleen McGuire 15% James F. Dentinger 10% While the applicant is the owner of the parcel, McGuire Development Company will be overseeing the work on this project. Since beginning operations in 2007, McGuire Development Company has been committed to offering a level of service that is above and beyond the industry standard. We have spent the last decade creating a first-in-class program for development services and are excited to tackle this new project in Buffalo. We recently worked with the Buffalo School district on the successful completion of the Emerson School of Hospitality and Management as well as the Buffalo City Mission. Both of the previously mentioned projects aligned with our core values of projects that will make a positive impact on the community. We believe that this project at 293 Grote street will also accomplish the same goal.

Estimated % of sales within Erie County	100 %
Estimated % of sales outside Erie County but within New York State	0 %
Estimated % of sales outside New York State but within the U.S.	0 %
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

Guys Lumber, 84 Lumber, Irr Supply, Greybar Electric, Quambek Electric, Fancher Supply, Best Tile, Advantage Flooring, County Limestone.

Section II: Eligibility Questionnaire - Project Description & Details

Project Location

Address of Proposed Project Facility

293 Grote Stree

Town/City/Village of Project Site

Buffalo

School District of Project Site

Buffalo

Current Address (if different)

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

SBL Number(s) for proposed Project

89.21.-1-1

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

\$6,934.78

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.)

This is an existing, but vacant, building.

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)

This is a historic adaptive reuse project. The vacant Buerk Tool machine shop will be transformed into 33 apartments. The Site consists of a 0.74-acre lot with a 31,665 SF two-story building and approximately 11,000 SF gravel parking area. The Building consists of a main U-shaped portion constructed in 1925 and a one-story, high-bay garage addition on the east side. The Building operated as a machine shop up until early 2020. This building will be transformed into 33 market rate apartments that celebrate the historic elements of the building's former use. The project will consist of a full gutted rehabilitation of the Building, and involve extensive site work, ground floor slab replacement, new utility connections, complete window and door replacement, masonry repair, roof replacement, new MEP/FP systems, conveyance system, and finishes. We have focused on maximizing efficiency within the units to celebrate the historic character of the complex. Through this creative design process, and in an effort to better serve the community, 12 of our one bedroom units are below 80% AMI.

Municipality or Municipalities of current operations

Buffalo

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?

No

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?

No

(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:

N/A

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)

The Agency's financial assistance is necessary to successfully complete this historic rehabilitation of this vacant building. Without the incentives available through the Agency, this type of investment in a project of this nature is not feasible and will result in significant shortfalls that prevent the project from moving forward. This incentive is necessary to address shortfalls that result from a project of this nature with a relatively small number of units, and the inefficiency associated with the adaptive reuse plan for this historic building. Furthermore, it is this company's goal to continue aiding in the renaissance and revitalization of Buffalo and this Project will allow for the furtherance of this goal by transforming this currently blighted and abandoned building.

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 for the Project is not granted by the Agency, then the Applicant will not be able to move forward with its plans to redevelop this vacant and blighted building. The Building would likely remain vacant until a commercial user or users were found, but the market does not support the commercial rent levels needed to undertake significant improvements with this Building. The end result would likely be a warehouse or partial space usage without the Applicant being able to improve the site or exterior appearance of the building.

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 line #20 (Elmwood)

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

Present zoning/land use is N-1S, which allows for the proposed multifamily use.

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?

Yes

If yes, please explain

There are PCBs on the site and inside of the building as well as an underground storage tank that needs removal and remediation. We have engaged Benchmark Turnkey to address any and all environmental concerns as we work our way through the Brownfield Cleanup Program requirements.

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?

Yes

If yes, please provide copies of the study.

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

No

If yes, describe the efficiencies achieved

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

Does or will the company or project occupant perform research and development activities on new products/services at the project location?

No

If yes, include percentage of operating expenses attributed to R&D activities and provide details.

Select Project Type for all end users at project site (you may check more than one)

For purposes of the following, the term “retail sales” means (i) sales by a registered vendor under Article 28 of the Tax Law of the State of New York (the “Tax Law”) primarily engaged in the retail sale of tangible personal property (as defined in Section 1101(b)(4)(i) of the Tax Law), or (ii) sales of a service to customers who personally visit the Project.

Will customers personally visit the Project site for either of the following economic activities? If yes with respect to either economic activity indicated below, you will need to complete the Retail section of this application.

Retail Sales No Services No

Please check any and all end uses as identified below.

No Acquisition of Existing Facility No Assisted Living No Back Office

- No Civic Facility (not for profit)**
- No Facility for the Aging**
- Yes Market Rate Housing**
- No Retail**
- No Other**
- No Commercial**
- No Industrial**
- No Mixed Use**
- No Senior Housing**
- No Equipment Purchase**
- No Life Care Facility (CCRC)**
- No Multi-Tenant**
- No Manufacturing**

For proposed facility please include the square footage for each of the uses outlined below

If applicant is paying for FFE for tenants, include in cost breakdown.

			Cost	% of Total Cost
Manufacturing/Processing	square feet	\$	0	0%
Warehouse	square feet	\$	0	0%
Research & Development	square feet	\$	0	0%
Commercial	square feet	\$	0	0%
Retail	square feet	\$	0	0%
Office	square feet	\$	0	0%
Specify Other	31,665 square feet	\$	6,164,214	100%

If you are undertaking new construction or renovations, are you seeking LEED certification from the US Green Building Council?

No

If you answered yes to question above, what level of LEED certification do you anticipate receiving? (Check applicable box)

<BLANK>

Provide estimate of additional construction cost as a result of LEED certification you are seeking < BLANK >

Will project result in significant utility infrastructure cost or uses No

What is the estimated project timetable (provide dates).

Start date : acquisition of equipment or construction of facilities

6/1/2021

End date : Estimated completion date of project

9/1/2022

Project occupancy : estimated starting date of occupancy

9/1/2022

Project Information

Estimated costs in connection with Project

1.) Land and/or Building Acquisition

\$ 794,054

31,665 square feet

acres

2.) New Building Construction

\$ 0

square feet

3.) New Building addition(s)

\$ 0

square feet

4.) Reconstruction/Renovation

\$ 6,164,214

31,665 square feet

5.) Manufacturing Equipment

\$ 0

6.) Infrastructure Work

\$ 0

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

\$ 0

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

\$ 1,300,000

9.) Other Cost

\$ 0

Explain Other Costs

Total Cost \$ 8,258,268

Construction Cost Breakdown:

Total Cost of Construction	\$ 6,164,214 (sum of 2, 3, 4 and 6 in Project Information, above)
Cost of materials	\$ 3,000,000.00
% 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	\$ 3,000,000
Estimated State and local Sales and Use Tax Benefit (product of 8.75% multiplied by the figure, above):	\$ 262,500

** 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? No

If Yes, describe particulars:

Sources of Funds for Project Costs:

Equity (excluding equity that is attributed to grants/tax credits):	\$ 2,981,415
Bank Financing:	\$ 4,000,000
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):	\$ 2,852,976

Identify each state and federal grant/credit: (ie Historic Tax Credit, New Market Tax Credit, Brownfield, Cleanup Program, ESD, other public sources) 0

Total Sources of Funds for Project Costs: \$9,834,391

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). 4,500,000

Lender Name, if Known

Estimated Mortgage Recording Tax Exemption Benefit (product of mortgage amount as indicated above multiplied by 3/4 of 1%): \$33,750

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): No real property tax exemption benefit will be utilized other than the Agency's PILOT.

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 support the need to create healthy community involvement in the development and construction of this important project. We are committed to successfully implementing a plan to ensure that certified minority and women-owned businesses (MWBEs) are encouraged to participate in this exciting project. Our team currently services the MWBE business community through proactive and comprehensive monitoring, training, and outreach activity on a number of current and past projects. We're proud of our record in achieving diversity on our projects and we are committed to continuing that success on this project via our proven strategy. The strategy involves outreach and assistance efforts that take place during the design and preconstruction phases. Furthermore, Kulbacks has always met or exceeded any MWBE requirements for any project it is involved in.

Is project necessary to expand project employment?

No

Is project necessary to retain existing employment?

No

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. The Labor Market Area consists of the following six counties: Erie, Niagara, Chautauqua, Cattaraugus, Wyoming and Genessee.

By statute, Agency staff must project the number of FTE jobs that would be retained and created if the request for Financial Assistance is granted. Agency staff will project such jobs over the TWO Year time period following Project completion. Agency staff converts PT jobs into

FTE jobs by dividing the number of PT jobs by two (2).

	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	0	0	0	0
Part time	0	0	1	1
Total	0	0	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	0	\$ 0	\$ 0	\$ 0	\$ 0
Other	1	\$ 0	\$ 0	\$ 20,000	\$ 5,000

** 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	0	0	0
Part time	0	0	0
Total	0	0	0

Payroll Information

Annual Payroll at Proposed Project Site upon completion

20,000

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

0

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

0

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

0

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

20,000

Estimated salary range of jobs to be created

From (Full Time) 0 **To (Full Time)** 0

From (Part Time) 20,000

To (Part Time) 25,000

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

293 Grote Street Buffalo, NY

Name and Address of Owner of Premises

MCG Real Estate Holdings, LLC 455 Cayuga Road Suite 100, Buffalo NY 14225

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

Industrial space, location of former machine shop. There are no wetlands, rivers, or streams.

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

The building was constructed in 1921. Check with Part 1 application.

Describe all known former uses of the Premises

The building was formerly a machine shop.

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?

Yes

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

PCBs were discovered, see attached reports.

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

N/A

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

N/A

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

N/A

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

N/A

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

There is a registered underground storage tank at the Premises. This tank will be removed as a part of our remediation efforts per the plan submitted for the Brownfield Cleanup Program.

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

Yes

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?

Yes

If yes, relate all the circumstances

See attached reports.

Do the Premises have any asbestos containing materials?

Yes

If yes, please identify the materials

See attached reports.

Section IV: Facility Type - Single or Multi Tenant

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

Multi-Tenant Facility

Multi-Tenant Facility (to be filled out by developer).

Please explain what market conditions support the construction of this multi-tenant facility

Per the market study conducted as a part of our due diligence for this project, recent developments in the area, including Houk Lofts, ARCO Lofts, and The Foundry Lofts are at 97% occupancy, which strongly supports our plan for the site.

Have any tenant leases been entered into for this project?

No

If yes, please list below and provide square footage (and percent of total square footage) to be leased to tenant and NAICS Code for tenant and nature of business

Tenant Name	Current Address (city, state, zip)	# of sq ft and % of total to be occupied at new projet site	SIC or NAICS-also briefly describe type of business, products services, % of sales in Erie Co.
-------------	------------------------------------	---	--

*fill out table for each tenant and known future tenants

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?

Yes

What is the age of the structure (in years)? 100

Has the structure been vacant or underutilized for a minimum of 3 years? (Underutilized is defined as a minimum of 50% of the rentable square footage of the structure being utilized for a use for which the structure was not designed or intended)

Yes

If vacant, number of years vacant.

2

If underutilized, number of years underutilized.

18

Describe the use of the building during the time it has been underutilized:

In 2002 Buerk Tool Works was sold to Buerk Tool LLC. The business started having problems due to poor management around 2008. At that time, employment was cut down to 5 employees from an average employment of 40. During the war years employment was much higher. In 2019 the company filed for bankruptcy. During the Buerk Tool LLC, the company that took ownership after the bankruptcy, the entire second floor was abandoned and a quarter of the first floor operations were consolidated into a smaller space.

Is the structure currently generating insignificant income? (Insignificant income is defined as income that is 50% or less than the market rate income average for that property class)

No

If yes, please provide dollar amount of income being generated, if any

If apartments are planned in the facility, please indicate the following:

	Number of Units	Sq. Ft. Range Low to High	Rent Range Low to High
1 Bedroom	24	496 - 838	\$925 - \$1,400
2 Bedroom	9	903 - 1,131	\$1,100 - \$1,800
3 Bedroom	0	-	\$ - \$
Other	0	-	\$ - \$

Does the site have historical significance?

Yes

If yes, please indicate historical designation

The building was determined to be SR/NR eligible by the Commissioner of the Office of Parks, Recreation and Historic Preservation on 10/29/2020. We received Part I approval on 3/12/2021.

Are you applying for either State/Federal Historical Tax Credit Programs?

Yes

If yes, provide estimated value of tax credits

\$2,258,686

Briefly summarize the financial obstacles to development that this project faces without ECIDA or other public assistance. Please provide the ECIDA with documentation to support the financial obstacles to development (you will be asked to provide cash flow projections documenting costs, expenses and revenues with and without IDA and other tax credits included indicating below average return on investment rates compared to regional industry averages)

To put it simply, without the assistance of the ECIDA, this project is not feasible. The efficiency of the building makes unit layout challenging and, without the historic and Brownfields tax credits, as well as the ECIDA assistance, there is just no possible way to get an appropriate return on investment in this market.

Briefly summarize the demonstrated support that you intend to receive from local government entities. Please provide ECIDA with documentation of this support in the form of signed letters from these entities

We have met with both Councilmember Golombek and Brendan Mehaffy from the Mayor's Office of Strategic Planning. Both the Councilmember and Mr. Mehaffy are supportive of this project and what it will mean to the continued growth and development of the City of Buffalo.

Indicate other factors that you would like the Agency to consider such as: structure or site presents significant public safety hazard and or environmental remediation costs, structure presents significant costs associated with building code compliance

Currently, the site is vacant and blighted. Our plans for development will allow for much needed historic rehabilitation to an area and building that has been underutilized for many years.

Indicate census tract of project location

56

Indicate how project will eliminate slum and blight

We will transform a this currently vacant building into 33 market rate apartments while honoring the historic and industrial elements of the building's prior use.

If project will be constructed to LEED standards indicate renewable resources utilized

N/A

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

293 Grote Street

City/Town

Buffalo

State

New York

Zip Code

14207

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?

No

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

No

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:

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

Within New York State

No

Within Erie County

No

If Yes to either question, please, explain

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

No

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.)

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.)

N/A

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?

<BLANK>

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

N/A

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

N/A

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.

N/A

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



John Cappellino
President/CEO
Erie County Industrial Development Agency
95 Perry Street, Suite 403
Buffalo, NY 14203

Re: Erie Wind LLC Project
Niagara Wind LLC Project
Waiver Requests

Dear John:

Pursuant to our agreement with ECIDA, we have been reviewing the request for a waiver from the local labor policy made by Erie Wind LLC and Niagara Wind LLC on the Nacelle replacement projects. We have broken the waiver requests into two separate requests based on the policy language:

1. Request related to warranty obligations
2. Request related to specialty work

The first request for warranty obligations is made under the waiver exclusion in the local labor policy that states:

(i) warranty issues related to installation of specialized equipment or materials whereby the manufacturer requires installation by only approved installers;

For this waiver request we have reviewed documentation provided by GE that states that for warranty purposes, the equipment must be started and commissioned by GE personnel. This documentation is attached as Exhibit 1.

For the second request, the specialty work waiver is made under the exclusion in the labor policy that states:

(ii) specialized construction for which qualified Local Labor Area Workers are not available;

For this waiver request, we required the following documentation from the Project Owners:

1. A list of authorized installing contractors who are close to the local area. If one is in the local area, an understanding why they were not given the opportunity to perform this work.
2. If there are no local installers, an understanding of what steps the engaged contractor went through to find local qualified labor, for example did they contact local trade organizations and were told no trained personnel were available?
3. A list of exactly what training is required of each worker, is it a specific course provided by GE? if so, is it a 4 hour course? or a 4 week course? etc. We need to confirm local workers could not be sufficiently trained in the timeframe that the job is ongoing.
4. An understanding of exactly what work is required to be done by the authorized GE contractor workforce, for example it appears some work on site will be foundation work, can this be done by local workers? What about sitework or landscaping? Can rigging be done with local labor? I understand that crane

operators will be pulled from the local labor pool. we need to know why other facets of the work cannot be performed with local labor.

5. We subsequently requested a breakdown of which categories of workers would actually be on site.

We received responses to all of the above questions from Karen D'Antonio, esq. of Barclay Damon LLP who represents the Project Owners. The responses are attached as Exhibit 2. The responses show the following:

1. A specific level of training is required by GE for each employee working on the site.
2. A local contractor capable of performing the work and previously approved by GE was not available.
3. GE did engage local unions about trained labor but none are available. This was confirmed in a follow up discussion with Tom Halligan from the local ironworkers union.
4. There does not appear to be additional work to be done beyond the Nacelle replacement.

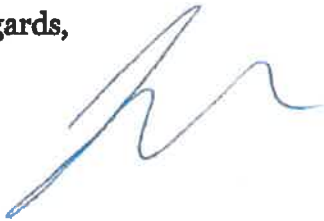
However, our review of the situation also identified that it did not appear that GE made any proactive steps to provide local labor with the opportunity to be trained prior to closing their agreement with ECIDA. Given that the local labor requirements were known and a part of that agreement and that GE is the only entity who provides the training, this appears to be an area where better coordination by GE could help to qualify local workers for the project. In addition, based on the info provided by Karen D'Antonio, some of the local workforce could be trained in a reasonable amount of time to be able to work on the project immediately upon completion of the training, or to be in a position to work on future projects which would require this type of training. This is

LOEWKE BRILL **C O N S U L T I N G G R O U P , I N C**

an issue which the ECIDA should work with GE and the local workforce to ensure that training is made available to local workers for this and future projects.

Please let me know if you have any questions. This report is provided using the information that has been provided up until the date of this report. Should any additional information be provided subsequently, Loewke Brill reserves the right to modify this report.

Regards,



Jim Loewke, CEO

Exhibit 1



James Crookham
GE Renewable Energy,
Onshore Wind
1 River Road, Schenectady,
NY 12345
Building 53, 400N
M +1.404.216.2300

April 13, 2021

Huron Holdings, LLC
200 Liberty Street, 14th Floor
New York, NY 10281

Attention: Mr. Ben Wolcott

SUBJECT: Steel Winds Project
Local Labor Waiver – Warranty Requirements

REFERENCE: CONTRACT FOR THE SALE OF POWER GENERATION EQUIPMENT AND RELATED SERVICES (the "Contract") between General Electric International, Inc. ("GE") acting through its GE Renewable Energy business ("Seller"), and Huron Holdings, LLC ("Buyer") dated December 16, 2020.

Dear Ben,

In accordance with our discussions, to preserve the benefits of the warranty under the Contract all terms and conditions thereof must be complied with.

The warranty provided under Contract Section SC 1-12 is only available when the services associated with the startup and commissioning of the units is performed either by GE personnel or vendors trained and approved by GE.

You have provided us with the Agency's local labor policy and, in furtherance of compliance that policy, we have reviewed the database for GE approved vendors to install the units and/or the component parts purchased under the Contract. There are no GE approved vendors located within the local labor area consisting of the counties of Erie, Niagara, Chautauqua, Cattaraugus, Allegany, Wyoming, Genesee, and Orleans.

The Erie County sites will require two main cranes, two tail cranes and one offload crane. GE's contractor will fill these positions with union operators identified and hired through the local union hall.

If you have any questions or require additional information, please do not hesitate to contact me.

Very truly yours,

Senior Project Manager


James Crookham
Project Manager

Exhibit 2

(585)-370-5130

On Tue, Apr 20, 2021 at 12:31 PM Jim Loewke <jim@loewkebrill.com> wrote:

Karen, Looking forward to working together.

From what I can tell with the waiver submissions you have provided it looks like you want/need 2 waivers.

1. warranty exemption,- this would be for startup and commissioning personnel to be from out of the area. Whether they are GE direct employees or employees of an authorized vendor. In order to verify this exemption, we would be looking for the following information:

1. A letter or copy of the warranty that states authorized personnel required (it appears we have this)
2. Identification of the closest authorized dealers and their locations that would supply the technician, or an acknowledgement that the tech is employed directly by GE.

2. Specialized construction exemption, - this would be for the installation of the new equipment and blades as well as any other construction to be done. This exemption applies to a requirement that no local contractors exist that can supply the specially trained workers to perform the work. This is the exemption we will need significant information to substantiate. However, keep in mind that the policy does not require the contractor to be from the local area, only 90% of the workers themselves. I have been given a copy of the attorney letter that states the contract is confidential so a copy cannot be provided. In lieu of the contract, the following will be needed:

1. A list of authorized installing contractors who are close to the local area. If one is in the local area, an understanding why they were not given the opportunity to perform this work.
2. If there are no local installers, an understanding of what steps the engaged contractor went through to find local qualified labor, for example did they contact local trade organizations and were told no trained personnel were available?
3. A list of exactly what training is required of each worker, is it a specific course provided by GE? if so, is it a 4 hour course? or a 4 week course? etc. We need to confirm local workers could not be sufficiently trained in the timeframe that the job is ongoing.
4. An understanding of exactly what work is required to be done by the authorized GE contractor workforce, for example it appears some work on site will be foundation work, can this be done by local workers? What about sitework or landscaping? Can rigging be done with local labor? I understand that crane operators will be pulled from the local labor pool. we need to know why other facets of the work cannot be performed with local labor.

Let me know if the above needs any further clarification. I am available by cell on the below number if you would like to discuss any of the requests.

Thanks,

Jim

Jim Loewke

CEO

Loewke Brill Consulting Group, Inc.

RE: Erie Wind, LLC - Niagara Wind Power, LLC - Erie County IDA - Request for Local Labor Waiver [IWOV-Active.FID2770144]

1 message

D'Antonio, Karen S. <kdantonio@barclaydamon.com>

Mon, May 10, 2021 at 3:29 PM

To: jim@loewkebrill.com

Cc: bmurray@harrisbeach.com, jcappell@ecidany.com, jdavis@barclaydamon.com, kmcauliffe@barclaydamon.com

Hi Jim,

Attached is the training spreadsheet updated at Tab 3 "Who Takes What" to reflect the number of laborers at the project sites for each noted category. As you will see, the projects do not require laborers for all the categories and there are some new categories added to capture the laborer categories needed for the projects (columns X, Y, and Z). If you have additional questions, please let us know.

Karen

From: Jim Loewke <jim@loewkebrill.com>

Sent: Friday, May 7, 2021 2:48 PM

To: D'Antonio, Karen S. <kdantonio@barclaydamon.com>

Cc: bmurray@harrisbeach.com; jcappell@ecidany.com; Davis, Jeffrey W. <JDavis@barclaydamon.com>; McAuliffe, Kevin R. <KMcauliffe@barclaydamon.com>

Subject: Re: Erie Wind, LLC - Niagara Wind Power, LLC - Erie County IDA - Request for Local Labor Waiver [IWOV-Active.FID2770144]

Karen. Thanks so much for the information. One quick follow up question. Can you let us know the amount of workers for each of the positions outlined in the spreadsheet? Ex how many "receivers" how many "install 1" how many "install 2". Etc.

On Thu, May 6, 2021 at 8:57 AM D'Antonio, Karen S. <kdantonio@barclaydamon.com> wrote:

Hi Jim,

Thanks for your patience. We wanted to provide as thorough a response as possible.

Working with GE to review and understand GE's proprietary materials as well as GE's efforts to date regarding compliance with the Agency's local labor requirements, we provide the below responses to your inquiries.

1. warranty exemption,- this would be for startup and commissioning personnel to be from out of the area. Whether they are GE direct employees or employees of an authorized vendor. In order to verify this exemption, we would be looking for the following information:

1. A letter or copy of the warranty that states authorized personnel required (it appears we have this).

We agree; no additional information needed or provided.

2. Identification of the closest authorized dealers and their locations that would supply the technician, or an acknowledgement that the tech is employed directly by GE.

The technical advisors for warranty protection purposes, start up, and commissioning are either direct GE employees or employees of GE affiliate, FieldCore.

2. *Specialized construction exemption, - this would be for the installation of the new equipment and blades as well as any other construction to be done. This exemption applies to a requirement that no local contractors exist that can supply the specially trained workers to perform the work. This is the exemption we will need significant information to substantiate. However, keep in mind that the policy does not require the contractor to be from the local area, only 90% of the workers themselves. I have been given a copy of the attorney letter that states the contract is confidential so a copy cannot be provided. In lieu of the contract, the following will be needed:*

We think it's important to remember that these Projects are for the installation of replacement equipment, blades, and other construction related to the maintenance and updating of existing wind turbines. These Projects require workers who have multiple certifications for safety and skill-sets, including working at heights, in wind, and, most importantly, working in energized turbines, and, of course, these workers must have knowledge of the particularities of these GE replacement parts and equipment.

1. A list of authorized installing contractors who are close to the local area. If one is in the local area, an understanding why they were not given the opportunity to perform this work.

You have asked about authorized installing contractors. GE identified 228 authorized contractors and suppliers that provide one or more of the services required for wind turbine projects in general, including authorized installers (see attached "GE Vendor and Contractor List"). Of the authorized contractors, 18 have New York State locations and of those 18, only three are within the local labor area. From the three within the local labor area, two, United Rentals (North America), Inc. and US Ecology Livonia, Inc. were hired to provide tool and equipment rental services and to collect oils, lubricants, and electronics waste, respectively. The final local labor area company, Cintas First Aid & Safety, is a provider of first aid, uniforms, and facility services that are not relevant for this project and so it was not hired.

2. If there are no local installers, an understanding of what steps the engaged contractor went through to find local qualified labor, for example did they contact local trade organizations and were told no trained personnel were available?
3. A list of exactly what training is required of each worker, is it a specific course provided by GE? If so, is it a 4 hour course? or a 4 week course? etc. We need to confirm local workers could not be sufficiently trained in the timeframe that the job is ongoing.

The training requirements for GE certification include both coursework and on-the-job training and are progressive, meaning that the trainings must be completed in sequence and the contractors/laborers must successfully complete each prerequisite training before being allowed to proceed to the next course. While much of the training detail is proprietary, we are authorized to share with you the attached Contractor Course Sequence and Overview regarding the training courses for the positions required for these Projects, summarized as follows:

Foundations of Technology: This course is online and self-managed. GE estimates it takes 3-10 days' to complete. This course is a prerequisite for all other courses, but successful completion does not provide any certifications.

Technical Essentials for Lock Out/Tag Out (LOTO): Prerequisite for this course: successful completion of Foundations of Technology, EHS Trainings, and ESA. This course is a 5-days course (M-F) led by an instructor. This course is a prerequisite for all other courses and, on successful completion, LOTO Authorized.

Preventative Maintenance: Prerequisites for this course: successful completion of Foundations of Technology and Technical Essentials for LOTO. This course is an in-person 5-days' course (M-F) led by an instructor, which, after successful completion, is followed by 5 to 25-days' of on-the-job training with a mentor. On successful completion, Maintenance Qualified.

Turbine Fundamentals: Prerequisites for this course: successful completion of Foundations of Technology and Technical Essentials for LOTO. This course is led by a virtual instructor and GE estimates it takes 5-days' to

complete, which, after successful completion, is followed by 5 to 30-days' of on-the-job training. On successful completion, Qualified Electrical Worker.

Repairs: Prerequisites for this course, successful completion of all of the above. This course is 5 to 30-days' of on-the-job training. On successful completion, Repairs Qualified.

Converter: Prerequisites for this course, successful completion of Foundations of Technology, Technical Essentials for LOTO, and Turbine Fundamentals. This course is a 3-part course: (1) 5-days' of virtual instructor led instruction, on successful completion followed by (2) 1-day on-the-job training, on successful completion followed by (3) 5-days' of virtual instruction. On successful completion, Converter Qualified.

Advanced Troubleshooting: Prerequisites for this course, successful completion of Foundations of Technology, Technical Essentials for LOTO, Turbine Fundamentals, and Converter. This is a 5-part course: (1) 3-days' virtual self-study, on successful completion followed by (2) 5-days' virtual instructor led instruction, on successful completion followed by (3) 5-days' in person instructor led instruction, on successful completion followed by (4) 1-day virtual instructor led instructions, on successful completion followed by (5) 1-day on-the-job training. On successful completion, Advanced Troubleshooting Qualified.

4. *An understanding of exactly what work is required to be done by the authorized GE contractor workforce, for example it appears some work on site will be foundation work, can this be done by local workers? What about sitework or landscaping? Can rigging be done with local labor? I understand that crane operators will be pulled from the local labor pool. we need to know why other facets of the work cannot be performed with local labor.*

Tab 3 of the attached Contractor Course Sequence and Overview reflects which categories of position require one or more of the GE training courses. The scope of work comprising the Projects is limited to the removal and replacement of certain parts and portions of the wind turbines, and, on completion, the re-commissioning of the turbines. It does not include foundation work, site work, or landscaping. GE will contact the local union halls to identify qualified individuals to fill open positions.

Please let us know whether you have questions about this additional information. Thanks.

Karen

Week 1	Week 2	Week 3	Week 4	Week 5	Week 6	Week 7	Week 8	Week 9	Week 10	Week 11	Week 12	Week 13	Week 14	Week 15	Week 16	Week 17	Week 18	Week 19	Week 20	Week 21	Week 22	Week 23	Week 24	Week 25	Week 26	Week 27	Week 28	Week 29	Week 30	Week 31	Week 32																																														
<p>Foundations of Technology (all of level) assigned by REEC must be completed by April 30th Thursday before class starting</p> <p>Foundations of Technology (all of level) assigned by REEC must be completed by April 30th</p> <p>Monday April 30</p> <p>Foundations of Technology (all of level) assigned by REEC must be completed by April 30th</p>																<p>Week 2 / Midway point 2</p> <p>2 weeks</p>		<p>Week 3 / Midway point 3</p> <p>2 weeks</p>		<p>Week 4 / Midway point 4</p> <p>2 weeks</p>		<p>Week 5 / Midway point 5</p> <p>2 weeks</p>		<p>Week 6 / Midway point 6</p> <p>2 weeks</p>		<p>Week 7 / Midway point 7</p> <p>2 weeks</p>		<p>Week 8 / Midway point 8</p> <p>2 weeks</p>		<p>Week 9 / Midway point 9</p> <p>2 weeks</p>		<p>Week 10 / Midway point 10</p> <p>2 weeks</p>		<p>Week 11 / Midway point 11</p> <p>2 weeks</p>		<p>Week 12 / Midway point 12</p> <p>2 weeks</p>		<p>Week 13 / Midway point 13</p> <p>2 weeks</p>		<p>Week 14 / Midway point 14</p> <p>2 weeks</p>		<p>Week 15 / Midway point 15</p> <p>2 weeks</p>		<p>Week 16 / Midway point 16</p> <p>2 weeks</p>		<p>Week 17 / Midway point 17</p> <p>2 weeks</p>		<p>Week 18 / Midway point 18</p> <p>2 weeks</p>		<p>Week 19 / Midway point 19</p> <p>2 weeks</p>		<p>Week 20 / Midway point 20</p> <p>2 weeks</p>		<p>Week 21 / Midway point 21</p> <p>2 weeks</p>		<p>Week 22 / Midway point 22</p> <p>2 weeks</p>		<p>Week 23 / Midway point 23</p> <p>2 weeks</p>		<p>Week 24 / Midway point 24</p> <p>2 weeks</p>		<p>Week 25 / Midway point 25</p> <p>2 weeks</p>		<p>Week 26 / Midway point 26</p> <p>2 weeks</p>		<p>Week 27 / Midway point 27</p> <p>2 weeks</p>		<p>Week 28 / Midway point 28</p> <p>2 weeks</p>		<p>Week 29 / Midway point 29</p> <p>2 weeks</p>		<p>Week 30 / Midway point 30</p> <p>2 weeks</p>		<p>Week 31 / Midway point 31</p> <p>2 weeks</p>		<p>Week 32 / Midway point 32</p> <p>2 weeks</p>	

Topic	Days	Qualification or Job Function	Overview	Delivery Method	Platform
Foundations of Technology	3-10	Basic electrical and mechanical theory. Component identification and operation. Basic control tracing. GELOTO and RSA program. ESD introduction. The use of Grounding and Bonding. Info to BVP, LOTO lock down, Oueders website. Maintenance documentation - equipment, label, list, torque specs. Hydras video, and other. Drivetrain and motor locks. Hydraulic leaks. Very dry main major components. Safety Chain and ESTUP paper.	<p>Foundations of Technology (all of level) assigned by REEC must be completed by April 30th Thursday before class starting</p> <p>Foundations of Technology (all of level) assigned by REEC must be completed by April 30th</p> <p>Monday April 30</p> <p>Foundations of Technology (all of level) assigned by REEC must be completed by April 30th</p>	<p>Foundations of Technology (all of level) assigned by REEC must be completed by April 30th</p> <p>Monday April 30</p> <p>Foundations of Technology (all of level) assigned by REEC must be completed by April 30th</p>	<p>Foundations of Technology (all of level) assigned by REEC must be completed by April 30th</p> <p>Monday April 30</p> <p>Foundations of Technology (all of level) assigned by REEC must be completed by April 30th</p>
XC Tractor Fundamentals	5	Qualification: Electrical Worker	This course will give the learner the knowledge and tool to understand how the electrical subsystem, and to handle components making up the subsystem of a tractor. The course will cover the experience of what it means to be a Qualified Electrical Worker. Employees will learn in the field under the direct supervision of a Qualified Worker. The program will expose the user to the organization, documentation, both of the trade and the base practice as a qualified worker. Upon completion the technician will complete the Appendices 1 and all I/OCTW applicable to a specific tractor model.	<p>Foundations of Technology (all of level) assigned by REEC must be completed by April 30th</p> <p>Monday April 30</p> <p>Foundations of Technology (all of level) assigned by REEC must be completed by April 30th</p>	<p>Foundations of Technology (all of level) assigned by REEC must be completed by April 30th</p> <p>Monday April 30</p> <p>Foundations of Technology (all of level) assigned by REEC must be completed by April 30th</p>
OVI for Qualified Electrical Worker	5-10	Qualification: Electrical Worker	This course will build on knowledge gained from Technical Fundamentals and Tractor Fundamentals. As a hands-on approach this method gives the student the experience of what it means to be a Qualified Electrical Worker. Employees will learn in the field under the direct supervision of a Qualified Worker. The program will expose the user to the organization, documentation, both of the trade and the base practice as a qualified worker. Upon completion the technician will complete the Appendices 1 and all I/OCTW applicable to a specific tractor model.	<p>Foundations of Technology (all of level) assigned by REEC must be completed by April 30th</p> <p>Monday April 30</p> <p>Foundations of Technology (all of level) assigned by REEC must be completed by April 30th</p>	<p>Foundations of Technology (all of level) assigned by REEC must be completed by April 30th</p> <p>Monday April 30</p> <p>Foundations of Technology (all of level) assigned by REEC must be completed by April 30th</p>
Maintenance & Repair Technician	5	Qualification: Electrical Worker	This course will build on knowledge gained from Technical Fundamentals and Tractor Fundamentals. As a hands-on approach this method gives the student the experience of what it means to be a Qualified Electrical Worker. Employees will learn in the field under the direct supervision of a Qualified Worker. The program will expose the user to the organization, documentation, both of the trade and the base practice as a qualified worker. Upon completion the technician will complete the Appendices 1 and all I/OCTW applicable to a specific tractor model.	<p>Foundations of Technology (all of level) assigned by REEC must be completed by April 30th</p> <p>Monday April 30</p> <p>Foundations of Technology (all of level) assigned by REEC must be completed by April 30th</p>	<p>Foundations of Technology (all of level) assigned by REEC must be completed by April 30th</p> <p>Monday April 30</p> <p>Foundations of Technology (all of level) assigned by REEC must be completed by April 30th</p>

Very limited job function

Must first be blue, can perform maintenance, but can't test electrical OTO

Must first be blue, but doesn't need OTO, can now perform electrical OTO

Job Titles	EHS	Site Manager	L Receiver	Receiver	Install. 1	Install. 2	L Install.	Com. Supt.	Com 1	Com 2	Com 3	Com. L.	Serv. Lead 1	Serv. Lead 2	Mech. 1	Mech. 2	Adv. Elect.	Elect. 1	Elect. 2	Blade 1	Blade 2	Blade 3	Engineer Tech	PIC Tech	PIC Lead	
RELC Courses	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
Foundations of Technology	X		X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
Tech Essentials	X		X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
Maintenance			X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
OJT Maintenance			X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
Turbine Fundamentals									X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
OJT Qualified Electric Worker									X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
Converter										X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
Advanced Troubleshooting/SCADA										X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
Hub Troubleshooting					X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X

Laborers for Steel Winds

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Only required depending on company requirements.

ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY

RESOLUTION

Erie Wind, LLC and Niagara Wind Power, LLC – Use of Local Labor Waiver

A regular meeting of the Erie County Industrial Development Agency was convened on Wednesday, May 26, 2021 at 12:00 p.m.

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

RESOLUTION AUTHORIZING A WAIVER OF THE LOCAL LABOR WORKFORCE CERTIFICATION POLICY AS APPLICABLE TO THE ERIE WIND, LLC PROJECT AND THE NIAGARA WIND POWER, LLC PROJECT

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, on November 20, 2019, the Agency authorized the provision of certain financial assistance to Erie Wind, LLC (“Erie Wind”) in the form of a real property tax abatement (the “Erie Wind Financial Assistance”) with respect to Erie Wind’s application for financial assistance submitted to the Agency for its project (the “Erie Wind Project”) consisting of: (i) the acquisition by the Agency of a leasehold interest in two (2) parcels of real property at 2303 Hamburg Turnpike in the City of Lackawanna, Erie County, New York together with two (2) 2.5 megawatts wind turbines, (ii) the replacement and upgrading of the existing improvements located thereon without changing the existing towers, foundations and electrical equipment, and (iii) the acquisition and installation by Erie Wind of certain items of machinery, equipment and other tangible personal property necessary for the operation of the wind energy generation facility; and

WHEREAS, on November 20, 2019, the Agency authorized the provision of certain financial assistance to Niagara Wind Power, LLC (“Niagara Wind”) in the form of a real property tax abatement (the “Niagara Wind Financial Assistance”) with respect to Niagara Wind’s application for financial assistance submitted to the Agency for its project (the “Niagara Wind Project”) consisting of: (i) the acquisition by the Agency of a leasehold interest in eight (8) parcels of real property at 2303 Hamburg Turnpike in the City of Lackawanna, Erie County, New York together with eight (8) 2.5 megawatts wind turbines, (ii) the replacement and upgrading of the existing improvements located thereon without changing the existing towers, foundations and electrical equipment, and (iii) the acquisition and installation by Niagara Wind

of certain items of machinery, equipment and other tangible personal property necessary for the operation of the wind energy generation facility; and

WHEREAS, as a condition precedent of receiving the Erie Wind Financial Assistance and the Niagara Wind Financial Assistance, the Agency required that Erie Wind and Niagara Wind comply with and adhere to the Agency's Local Labor Workforce Certification Policy; and

WHEREAS, adherence to the Local Labor Workforce Certification Policy was memorialized in that certain Financial Assistance Project Agreement dated as of November 1, 2020, by and between the Agency and Erie Wind, and that certain Financial Assistance Project Agreement, dated as of November 1, 2020, by and between the Agency and Niagara Wind; and

WHEREAS, the Local Labor Workforce Certification Policy requires that at least 90% of all project employees of the general contractor, subcontractor, or subcontractor to a subcontractor (collectively, the "Workers") working on the Erie Wind Project and the Niagara Wind Project must reside within the Local Labor Area consisting of the counties of Erie, Niagara, Chautauqua, Cattaraugus, Allegany, Wyoming, Genesee, and Orleans (the "Local Labor Area"); and

WHEREAS, the Local Labor Workforce Certification Policy recognizes that at certain times, Workers residing within the Local Labor Area may not be available and under this condition, Erie Wind and Niagara Wind are permitted to request a waiver from the Local Labor Area based upon the following circumstances: (i) warranty issues related to installation of specialized equipment or materials whereby the manufacturer requires installation by only approved installers, (ii) specialized construction for which qualified Local Labor Area Workers are not available, or (iii) documented lack of Workers meeting the Local Labor Area requirement; and

WHEREAS, on March 19, 2021, the Agency received requests from Erie Wind and Niagara Wind (the "Local Labor Waiver Request") confirming (i) that both Erie Wind and Niagara Wind had contracted with specialized wind-turbine contractor, General Electric International Incorporated ("GE") for the undertaking of the Erie Wind Project and the Niagara Wind Project, respectively, (ii) that for warranties within the GE contracts to be effective and enforceable, only GE employees may perform the work, (iii) that GE only conducts its operations with workers specialized in the intricacies of constructing, installing, equipping, and upgrading commercial wind turbine facilities, (iv) that GE has advised Erie Wind and Niagara Wind that there will only be a few, if any, Workers for the Erie Wind Project and the Niagara Wind Project that reside within the Local Labor Area, and as such, Erie Wind and Niagara Wind have requested that the Agency waive the Local Labor Area with respect to the Erie Wind Project and the Niagara Wind Project; and

WHEREAS, Agency staff requested Erie Wind to provide additional information with respect to the Local Labor Waiver Request and on April 14, 2021, Erie Wind and Niagara Wind confirmed: (i) that there are only a limited number of manufacturers of the replacement parts required for the Erie Wind Project and Niagara Wind Project, (ii) that as a condition to receiving the warranty for the required replacement parts, GE requires the use of the GE team or the use of GE's pre-approved vendors for purposes of providing the services associated with the Erie Wind Project and the Niagara Wind Project, (iii) that GE is providing the replacement parts and all

services for the Erie Wind Project and the Niagara Wind Project and that as a condition to receipt of the contract warranty, Erie Wind and Niagara Wind must use GE's employees and/or GE approved vendors only, and (iv) that 74 individuals are required to undertake and complete the Erie Wind Project and the Niagara Wind Project and of these individuals, five (5) crane operator positions will be sourced from the Local Labor Area; and

WHEREAS, on or about April 20, 2021, the Agency engaged the services of Loewke Brill Consulting Group, Inc., ("LBCG") to review the waiver request and to provide due diligence to help the Agency in its evaluation of the local labor waiver request; and

WHEREAS, on or about May 10, 2021, LBCG provided its analysis of the Erie Wind and Niagara Wind waiver request, and confirmed that the waiver request is being submitted consistent with two of the three Local Labor Workforce Certification Policy permissible exceptions to the use of local labor being: (i) warranty issues related to installation of specialized equipment or materials whereby the manufacturer requires installation by only approved installers, and (ii) specialized construction for which qualified Local Labor Area Workers are not available; and

WHEREAS, LBGC has confirmed that (i) specific training is required by GE for each employee working on the Erie Wind Project and the Niagara Wind Project, (ii) a local contractor capable of performing the work and previously approved by GE is not available, and (iii) GE did engage local unions about trained labor and follow up discussion with the local ironworkers unions has confirmed that there are no trained laborers residing in the Local Labor Area available; and

WHEREAS, LBGC also recommends that GE could make its training available to Workers residing in the Local Labor Area and that some Workers could be trained in a reasonable amount of time to be able to work on the Erie Wind Project and the Niagara Wind Project immediately upon completion of the GE training, or be in a position to work on future projects requiring the same type of training.

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

Section 1. With respect to the Erie Wind Project and the Niagara Wind Project, Erie Wind and Niagara Wind are requesting waivers from the Agency's Local Labor Workforce Certification Policy under two of the three permissible exceptions to the use of local labor being: (i) warranty issues related to installation of specialized equipment or materials whereby the manufacturer requires installation by only approved installers, and (ii) specialized construction for which qualified Local Labor Area Workers are not available.

Section 2. Based upon representations made by Erie Wind and Niagara Wind and the results of the LBGC due diligence investigation, the Agency has confirmed that (i) specific training is required by GE for each employee working on the Erie Wind Project and the Niagara Wind Project, such that the "warranty issues" exception provision to the Local Labor Workforce Certification Policy has been met, and (ii) a local contractor capable of performing the work and previously approved as required by GE to have obtained the proper training is not available, such

that the “specialized construction” exception provision to the Local Labor Workforce Certification Policy has been met.

Section 3. The Agency hereby approves of the Erie Wind Project and the Niagara Wind Project requests for a waiver of the Local Labor Area as herein described based on (i) warranty issues related to installation of specialized equipment or materials whereby the manufacturer requires installation by only approved installers, and (ii) specialized construction for which qualified Local Labor Area Workers are not available; provided that Erie Wind and Niagara Wind provide and/or otherwise facilitate and make Workers knowledgeable of available opportunities for Workers to obtain the required GE training and certifications thereby potentially establishing a local Worker or Workers as certified to participate and provide labor with respect to the Erie Wind Project and the Niagara Wind Project and/or future projects that require this type of training.

Section 4. This resolution shall take effect immediately.

Dated: May 26, 2021