



Policy Committee

September 9, 2021
11:00 a.m.

95 Perry Street
5th Floor Conference Room
Buffalo, New York 14203

1. Call Meeting to Order
2. Approval of the August 5, 2021 Policy Committee Minutes (Pages 2-4)
3. Project Matrix (Page 5)
4. Project Presentation (Staff – Company Q&A)
 - a) George Lewis House Apartments (Pages 6-37)
 - b) Walcot Apartments (Pages 38-72)
5. Solar PILOTS Update
6. MWBE Update
7. Adjournment – Next Meeting **October 7, 2021 at 9:00 a.m.**

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

- MEETING:** August 5, 2021, at Erie County Industrial Development Agency (the “ECIDA” or “Agency”), 95 Perry Street, 5th Floor ESD Conference Room, Buffalo, New York 14203.
- LIVE STREAMED:** This meeting is being live-audio streamed and made accessible on the Agency’s website at www.ecidany.com.
- PRESENT:** Rev. Mark Blue; Johanna Coleman; Colleen DiPirro; Richard Lipsitz; Glenn Nellis; David State; Lavon Stephens; and Maria Whyte
- EXCUSED:** Denise Abbott; Hon. April Baskin; Bryon W. Brown; Hon. William Krebs; Brenda W. McDuffie; Laura Smith; and Paul Vukelic
- OTHERS PRESENT:** John Cappellino, President & CEO; Grant Lesswing, Business Development Officer; Brian Krygier, Systems Analyst; Carrie Hocieniec, Administrative Coordinator; Beth O’Keefe, Business Development Officer; Robbie Ann McPherson, Director, Marketing & Communications and Pietra G. Zaffram, Esq., General Counsel/Harris Beach PLLC
- GUESTS:** Andrew Federick, Erie County Senior Economic Development Specialist; Mark Smith, Kyle Boland and Michael Thornhill on behalf of Coca-Cola; Barry Carrigan from Nixon Peabody on behalf of Coca-Cola; Peter Julia, BW Design Group on behalf of Coca-Cola; Kim Ferguson and Kyle Swiat on behalf of Sti-Co./Skycatcher

There being a quorum present at 9:15 a.m., the Meeting of the Policy Committee was called to order by Mr. Lipsitz.

MINUTES

The minutes of the July 1, 2021 Policy Committee meeting and July 13, 2021 Special Policy Committee meeting were presented. Upon motion made by Ms. DiPirro to approve of the minutes, and seconded by Mr. Nellis, the aforementioned Policy Committee meeting minutes were unanimously approved.

PROJECT PRESENTATIONS

Coca-Cola Beverages Northeast, Inc., 150 and 200 Milens Road, Tonawanda, New York 14150. Mr. Cappellino presented this proposed sales tax and real property tax abatement benefits project involving the demolition of a 14,490 sq. ft. former trucking facility at 150 Milens Road followed by the construction of a building consisting of 20,000 sq. ft. of office space and 43,000 sq. ft. of new warehouse space on the site. Once this phase is completed, Coca-Cola will transfer operations from the warehouse located at 200 Milens Road to the newly constructed warehouse at 150 Milens Road. The next phase will

consist of the demolition of the existing 88,121 sq. ft. warehouse at 200 Milens Road and the construction of a 49,000 sq. ft. warehouse facility.

General discussion ensued.

Mr. Cappellino stated that in exchange for providing the sales and use tax 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 = \$22,611,507 85% = \$19,219,781
Employment	Coincides with 10-year PILOT	Maintain Base = 124
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 and real property taxes

Mr. Blue moved and Ms. DiPirro 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.

Skycatcher Holdings, LLC, 15 Cobham Drive, Orchard Park, New York 14127. Mr. Cappellino presented this proposed sales tax and mortgage recording tax benefits project involving the renovating of 15 Cobham facility and then transfer operations from the existing leased facility to the newly renovated and more efficiently laid-out facility. The lease on the current site expires in August 2023. The new facility will provide office, manufacturing and research and development functional areas. It will be used for manufacturing all antenna systems and related components including raw material parts.

General discussion ensued.

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

Draft Recapture Material Terms

Condition	Term	Recapture Provision
Total Investment	At project completion	Investment amount equal to or greater than 85% of project amount. Total Project Amount = \$ 2,879,000 85% = \$2,447,150
Employment	Coincides with recapture period	Retained Jobs - 41 Create 85% of Projected Projected = 6 85% = 5 Recapture Employment = 46
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	2 years after project completion	Recapture of state and local sales taxes and mortgage recording tax

Mr. State moved and Mr. Blue 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.

SOLAR PILOTS UPDATE

Mr. Cappellino stated he is continuing to receive requests for solar PILOTs. Mr. Cappellino reviewed the changes to the draft off site commercial solar photovoltaic policy which was provided in the Board package. He noted that the Policy Committee contemplates entering into a Host Community Agreement with the County to fund agricultural programs. Further discussion on the solar PILOT program will be held at the August Board meeting.

General discussion ensued.

MWBE UPDATE

Ms. Whyte advised there has been progress made on defining good faith efforts and setting parameters/definitions for compliance, and they will continue the review of, and revisions to, the draft MWBE Policy at the next Special Policy Committee meeting on August 12, 2021.

There being no further business to discuss, Mr. Lipsitz adjourned the meeting at 10:03 a.m.

Dated: August 5, 2021

Karen M. Fiala, Secretary

Project Matrix/Material Factors/Clawbacks

Count	Project Name	Approval Date	Project Amount	Investment	Jobs Retained	Factors		Clawback	Local Labor	Length of Term	Additional Findings	* Incentive Amount	Adaptive Reuse	Pay Equity
						Job Creation	Jobs Created							
				85% threshold	17	85% -New 2 jobs	3	Yes	Yes	Period of PILOT 7 Years		\$146,000	Adaptive Reuse	Yes
	1 172 East Niagara, LLC	Jan-21	\$2,896,736	\$2,411,225										
				85% threshold	143	85% -New 17 jobs	20	Yes	Yes	Period of PILOT 10 Years		\$599,000		Yes
	1 Calsian Corporation	Jan-21	\$13,500,000	\$11,475,000										
				85% threshold	807	85% -New 51 jobs	60	Yes	Yes	Period of PILOT 10 Years		\$2,912,000		Yes
	1 Thermo Fisher - North Expansion	Jan-21	\$85,000,000											
				85% threshold	76	85% -New 34 jobs	40	Yes	Yes	Period of PILOT 10 Years		\$1,376,957		Yes
	1 Pine Pharmaceuticals, LLC	Jan-21	\$8,615,000	\$7,522,750										
				85% threshold	5	85% -New 38 jobs	45	Yes	Yes	Period of PILOT 10 Years		\$3,392,250		Yes
	1 Suero Real Estate	Jan-21	\$19,000,000	\$16,150,000										
				85% threshold	126	85% -New 2 jobs	3	Yes	Yes	Period of PILOT 7 Years		\$124,588		Yes
	1 Eastman Machine	Feb-21	\$1,665,000	\$1,415,250										
				85% threshold	103	85% -New 17 jobs	20	Yes	Yes	Period of PILOT 10 Years	Amendatory Inducement	\$4,591,400		Yes
	1 Time Release Science	Feb-21	\$30,500,000	\$25,925,000										
				85% threshold	13	85% -New 15 jobs	18	Yes	Yes	2 Years after Project Completion		\$65,625		Yes
	1 Surmet Ceramics Corp.	Mar-21	\$11,500,000	\$9,775,000										
				85% threshold	0	85% -New 1 jobs	1	Yes	Yes	Period of PILOT 7 Years		\$304,125	Adaptive Reuse	Yes
	1 Terzo Development	Mar-21	\$3,050,000	\$2,592,000										
				85% threshold	0	85% -New 35 jobs	41	Yes	Yes	Period of PILOT 10 Years		\$4,435,879		Yes
	1 BLD VII, LLC	Apr-21	\$14,570,786	\$12,385,168										
				85% threshold	0	85% -New 64 jobs	76	Yes	Yes	Sales and Mortgage tax		\$3,422,973		Yes
	1 283 Ship Canal Parkway, LLC	May-21	\$52,284,244	\$44,441,607										
				85% threshold	0	85% -New 1 jobs	1	Yes	Yes	Period of PILOT 7 Years		\$619,250	Adaptive Reuse	Yes
	1 MCG Real Estate Holdings, LLC	May-21	\$8,258,268	\$7,019,527										
				85% threshold	0	0	0	Yes	Yes	Period of PILOT 15 Years	Amendatory Inducement	\$1,961,100		Yes
	1 283 Ship Canal Parkway, LLC	Jun-21	\$0	\$0										
				85% threshold	0	85% -New 20 jobs	23	Yes	Yes	Period of PILOT 7 Years		\$678,750		Yes
	1 132 Dingers Street, LLC	Jul-21	\$7,450,000	\$6,352,500										
				85% threshold	125	85% -New 13 jobs	15	Yes	Yes	Period of PILOT 10 Years		\$1,163,187		Yes
	1 Polymer Conversions, Inc.	Jul-21	\$14,250,000	\$12,112,500										
Count			Project Amount	Investment	Jobs Retained	Job Creation	Jobs Created					Incentive Amount		
Adaptive Reuse														
2021 Sub Total			\$14,145,004	\$8,258,285	1,415	8,258,272						\$1,069,375		
2021 Total			\$272,480,034		1,415		366					\$25,793,064		

George Lewis House Apartments
\$ 2,875,000
PRIVATE INVESTMENT INDUCEMENT RESOLUTION

ELIGIBILITY

- NAICS Section – 531390

COMPANY INCENTIVES

- Approximately \$82,687 in sales tax savings

JOBS & ANNUAL PAYROLL

- Current Jobs: 0
- Annual Payroll: \$ 0
- Projected new jobs: 1
- Est. salary/yr. of jobs created: \$ 55,000
- Total jobs after project completion: 1
- Construction Jobs: 11

PROJECTED COMMUNITY BENEFITS*

- Term: 2 years after project completion.
- NET Community Benefits: \$ 1,218,000
- Spillover Jobs: 4 (temp) 2 (perm)
- Total Payroll: \$ 1,108,000

INCENTIVE COST/COMMUNITY BENEFIT RATIO*

Incentives: \$ 82,687

Community Benefit: \$ 1,215,000

Cost: Benefit Ratio

- 1:15

Project Title: George Lewis House Apartments

Project Address: 197 Summer Street
 Buffalo, New York 14222
 (Buffalo City School District)

Agency Request

A sales tax exemption in connection with the adaptive reuse of a mid-century modern building within the Elmwood Village to 12 market rate apartments.

Building Acquisition	\$ 750,000
Reconstruction / Renovation	\$1,500,000
Infrastructure	\$ 75,000
Non- Manufacturing Equipment	\$ 200,000
Soft Costs/Other	\$ 350,000
Total Project Cost	\$2,875,000
85%	\$2,443,750

Company and Project Description

Sinatra and Company Real Estate was founded in 2010 and has its HQ in Buffalo, NY. With approx. 5,800 apartments and nearly 1 Mil commercial sq ft owned and managed in WNY, Upstate NY, Dallas, South Bend and Chicago regions, Sinatra and Company are one of the largest private owner-operators of apartments and commercial properties in WNY. 197 Summer Group, LLC (the applicant) is a subsidiary of this group.

The George Lewis House Apartments are an adaptive reuse of a Historic National Register listed building within the Elmwood Village. This structure is over 100 years old and has been vacant for 8 years. Previous uses of this building include its original use as a home for various doctors, a boarding house and most recently home to the American Cancer Society to house families close to patients receiving treatments in Buffalo.

Increased construction costs associated with historic preservation, remediation and window restoration coupled with higher than expected amounts of asbestos has created financial obstacles to this project moving forward. If pursued, the project will create 9 apartments: seven one-bedroom apartments (ranging from 647 – 1,000 sq ft @ \$1,000 - \$1,450/mo) and two two-bedroom apartments (ranging from 970 – 1,300 sq ft @ \$1,200 - \$2,250/mo). 10% (1) apartment will be offered at an affordable rate (80% AMI) and the remaining 8 apartments will be offered at market rate. There will be approx. 500 sq ft of light commercial space on the 1st floor and parking will be in the rear of the building.

* Inform Analytics/Center for Governmental Research

Economic Impact: Inform Analytics Cost-Benefit Analysis

The Erie County Industrial Development Agency uses Inform Analytics, a widely-recognized modeling tool from the Center for Governmental Research, to assess the economic impact of a project applying for incentives. This cost:benefit ratio is assessed via a Cost-Benefit Analysis, as is required by Section 859-a (5)(b) of General Municipal Law. For the complete Cost Benefit Analysis – please see the attached Inform Analytics Projected Community Benefits and Community Cost Benefit Analysis.

Cost: Incentives

COSTS	Tax Exemption	Amount
	Property 485a	
	Sales	83,000
	Mortgage Recording	
	Total	83,000
	Discounted at 2%	

Benefit: Projected Community Benefit*

BENEFITS	Region	Recipient	Revenue Type	\$ Amount (in Mil)**
	Erie County	Individuals	Payroll Construction	777,000
			Payroll Permanent	331,000
		Public	Property Taxes	
			Sales Taxes	31,000
	New York State	Public	Income Taxes	53,000
			Sales Taxes	27,000
			Total Benefits to EC + NYS***	1,218,000
			Discounted at 2%	1,215,000

includes direct & indirect \$ over project period *may not sum to total due to rounding

Discounted Cost \$ 83,000
 Discounted Benefit \$ 1,215,000
 Ratio 1:15

Conclusion: The Cost Benefit for this project is: 1:15. For every \$1 in costs (incentives), this project provides \$ 15 in benefits (payroll & tax revenue). **Note: For Erie County, every \$1 in costs (incentives) provides \$ 26 in benefits to the community.**

Retail Determination

Project Use	Sq Ft	Cost	% Project Cost
Residential	8,500	\$1,480,000	99%
Commercial / Retail	500	\$20,000	1%

Since the retail component of the project represents less than 33% of the project cost, no sign off by the County is required.

Draft Recapture Material Terms

Condition	Term	Recapture Provision
Total Investment	At project completion	Investment amount equal to or greater than 85% of project amount. Total project amount = \$2,875,000 85% = \$ 2443,750
Employment	Coincides with recapture period	Projected = 1 85% = 1 Recapture Employment = 1
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	2 years after project completion	Recapture of state and local sales taxes

Recapture applies to:

State and Local Sales Taxes

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 job, iii) confirm adherence to local labor policy during construction and iv) its adherence to unpaid tax/pay equity policies for recapture term.

Project ECIDA History

- No Public hearing is required due to benefit amount < \$100,000.
- Type II Action – No SEQRA compliance required.
- 09/22/2021 - Lease/Leaseback Inducement Resolution presented to the Board of Directors

**ADAPTIVE REUSE REPORT &
EVALUATIVE CRITERIA:
George Lewis House Apartments**

Age of Structure (must be at least 20 years old and present functional challenges to redevelopment)	The building 130 years old. Challenges to redevelopment include asbestos materials
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 the elimination of slum and blight.	The facility has been vacant for 8 years.
Structure is not generating significant rental income (defined as 50% or less than the market rate income average for that property class)	This building has no rental income and is vacant.
Project is in compliance with the investment and growth criteria of the Framework for Regional Growth. The redevelopment supports or aligns with Regional or Local Development Plans	This project complies with the investment and growth criteria for the Framework for Regional Growth
Demonstrated evidence of financial obstacle to development without ECIDA or other public assistance (cash flow projections documenting costs, expenses and revenues indicating below average return on investment rate as compared to regional industry averages)	Financial obstacles include the overall delay in starting the project – originally slated for early 2020. The COVID pandemic caused the project to be put on hold. The original budget estimates are up approx. 25% due primarily to increasing costs of materials and a labor shortage. As previously mentioned, asbestos has been uncovered in the ceilings and floors that require remediation on each floor of the structure. The developer has supplied an ROI which indicates a below average rate of return on the investment.
Demonstrated support of local government entities	Councilmember David Rivera – letter of support. Pending letter Darrius Pridgen

LEED/Renewable Resources	NA New equipment purchases will have a high efficiency rating (93%) and feature the energy star rating.
Building or site has historic designation	Building being restored adhering to the guidelines of the State Historic Preservation Office.
Site or structure has delinquent property or other local taxes	Property taxes are current at the project location.
MBE/WBE Utilization	Sinatra Development has held 3 separate job fairs to seek out M/WBE owned businesses within the past 5 years that has led to the hiring of both FT and PT employees
Transit Oriented Development	Property is located on a main bus route -- NFTA Metro #20 Elmwood

OTHER FACTORS TO CONSIDER:	
Environmental/Safety Issues: Structure or site presents significant public safety hazard and or environmental remediation costs	Structure has been vacant for nearly a decade contributing to blight and safety hazards for the neighborhood. Significant environmental remediation costs due to the aforementioned asbestos that has been uncovered at the site.
Site or structure is located in a distressed census tract	Site is located in TRACT 67.02 which is a distressed census tract.
Structure presents significant costs associated w/ building code compliance.	Significant environmental remediation costs due to the aforementioned asbestos that has been uncovered at the site.

DATE OF INDUCEMENT: September 22, 2021

Return on Investment – George Lewis House Apartments

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

- 485 Real Property Tax Abatement in an approximate value of \$129,075
- Sales Tax Savings in the amount of \$82,687

ROI

197 Summer Group has submitted a proforma documenting the expenses and revenues and ROI for the project.

Stated ROI for the project with ECIDA assistance is 3.0 %

Stated ROI for the project without ECIDA assistance is 2.7%

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-George Lewis House

Dollar Value of New Construction and Renovation Costs	Estimated New Assessed Value of Property Subject to IDA*	County Tax Rate/1000	Local Tax Rate (Town/City/Village)/1000	School Tax Rate/1000
1,500,000	750,000	5.04	17.21	

*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.)
\$2,875,000	n/a	\$ 82,687	n/a	\$129,075 (485a tax incentive)

Calculate %

(Est. PILOT + Est. Sales Tax+ Est. Mortgage Tax+ Other)/Total Project Costs: 7.4 %



Cost Benefit Analysis

prepared using InformAnalytics

InformAnalytics GLOSSARY

Total Investment: Total amount of private investment/cost of project

Total Net Benefits: Total of community benefits generated. A calculated projection of indirect economic growth (payroll being spent on goods and services, indirect economic benefits created by construction jobs, etc).

Direct/Spillover:

- Direct refers to jobs and payroll created “directly” by the project
- Spillover refers to indirect jobs and payroll (ripple effects of “Direct” private investment)

Discounted Total: 2% discount of all projections. An accounting adjustment to allow for a dollar of benefit in the future being worth less than a dollar of benefit today.

Discounted Total Benefits: The total projected community benefits, direct or spillover, generated by the project applying for incentives.

Cost/Benefit Ratio: The ratio of project cost vs. community benefit, or the community benefit generated by each dollar of incentives approved.

INCENTIVES DEFINITIONS

NOTE these are not direct cash incentives; they are savings on future taxes incurred by the project as a result of the project’s improvements/construction investment.

Property Tax Exemption: savings on future property taxes. Calculated from the increase in assessed value of the project once the project improvement/construction is completed.

Sales Tax Exemption: a limited savings/exemption on future sales tax charges for the qualified purchases of construction materials and/or equipment. The savings amount is calculated using 50% of the total construction costs of the project.

Mortgage Recording Tax Exemption: A one-time savings on a portion of the mortgage recording tax paid to Erie County when a mortgage is filed.

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 2 years, with future returns discounted at a 2% rate.

T2 TABLE 2

Estimated Costs or Incentives

Erie County IDA is considering the following incentive package for George Lewis House Apartments.

Description	Nominal Value	Discounted Value*
Sales Tax Exemption	\$83,000	\$83,000
Total Costs	\$83,000	\$83,000

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	\$710,000	\$428,000	\$1,138,000
To Private Individuals	\$686,000	\$421,000	\$1,108,000
Temporary Payroll	\$576,000	\$200,000	\$777,000
Ongoing Payroll	\$110,000	\$221,000	\$331,000
To the Public	\$24,000	\$7,000	\$31,000
Temporary Sales Tax Revenue	\$9,000	\$3,000	\$13,000
Ongoing Sales Tax Revenue	\$2,000	\$4,000	\$5,000
Purchases Sales Tax Revenue	\$13,000	N/A	\$13,000
STATE BENEFITS	\$54,000	\$26,000	\$80,000
To the Public	\$54,000	\$26,000	\$80,000
Temporary Income Tax Revenue	\$28,000	\$10,000	\$38,000
Ongoing Income Tax Revenue	\$5,000	\$10,000	\$15,000
Temporary Sales Tax Revenue	\$8,000	\$3,000	\$11,000
Ongoing Sales Tax Revenue	\$2,000	\$3,000	\$5,000
Purchases Sales Tax Revenue	\$11,000	N/A	\$11,000
Total Benefits to State & Region	\$765,000	\$453,000	\$1,218,000
Discounted Total Benefits (2%)	\$763,000	\$451,000	\$1,215,000

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	\$1,135,000	\$44,000	26:1
State	\$80,000	\$38,000	2:1
Grand Total	\$1,215,000	\$83,000	15:1

May not sum to total due to rounding.

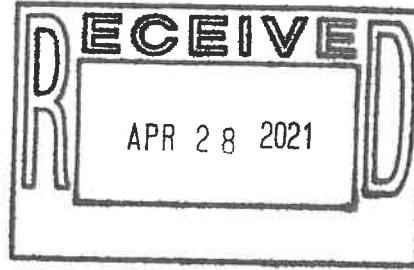
* Discounted at 2%

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

DAVID A. RIVERA
NIAGARA DISTRICT COUNCIL MEMBER
MAJORITY LEADER
65 NIAGARA SQUARE, 1504 City Hall
BUFFALO, NY 14202-3318
PHONE: (716) 851-5125 • FAX: (716) 851-4970
E-mail: darivera@city-buffalo.com



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POLICE OVERSIGHT, CHAIRMAN
LEGISLATIVE STAFF
VALERIE MALIA
NOEMI SANTIAGO

April 20, 2021

ECIDA
95 Perry Street, Suite 403
Buffalo, NY 14203

**Re: 197 Summer Street and 257 Elmwood Avenue
Historic Tax Credit Application Letter of Support**

To Whom it May Concern:

As Councilmember of the Niagara District, I am pleased to write this letter in support of Sinatra and Company's historic redevelopment projects at 197 Summer and 257 Elmwood. The company purchased these two vacant structures and successfully landmarked them in coordination with the National Park Service and NYS Historic Preservation Office. Between these two properties, the development company will invest over \$5Million to preserve the historic fabric of each and create mixed-use, multi-family residential apartment buildings. The company will feature a mix of affordable housing and market rate units in both properties, light commercial space and parking in the rear of each structure. Once converted, these two projects will add to the residential density adjacent to the Elmwood Village and restore vacant and underutilized buildings back to the beauty of their original construction.

Sincerely,

David A. Rivera
Niagara District Councilmember
Majority Leader

DAR/vrm

Cc: Chris Hawley, City of Buffalo, Senior Planner



George Lewis House Apartments

[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	George Lewis House Apartments
Project Summary	The George Lewis House Apartments is the adaptive reuse of a Historic, NR-Listed building within the Elmwood Village. It will feature 9 apartments, commercial space and parking in the rear of the building. The company proposes 1 affordable unit out of the 9 new units.
Applicant Name	197 Summer Group, LLC
Applicant Address	
Applicant Address 2	
Applicant City	
Applicant State	New York
Applicant Zip	
Phone	(716) 866-9717
Fax	
E-mail	matt@sinatraandcompany.com
Website	
NAICS Code	531390

Business Organization

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

Individual Completing Application

Name	Matt Connors
Title	VP of Development
Address	617 Main Street Suite 200
Address 2	
City	Buffalo
State	New York
Zip	14203

Phone (716) 866-9717
Fax
E-Mail matt@sinatraandcompany.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 Mark Longo
Firm Name Block Longo Lamarca & Brzezinski P.C.
Address One Niagara Square
Address 2
City Buffalo
State New York
Zip 14202
Phone (716) 854-4080
Fax
E-Mail mlongo@blockandlongo.com

Benefits Requested (select all that apply)

Exemption from Sales Tax Yes
Exemption from Mortgage Tax No
Exemption from Real Property Tax No
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%.

Sinatra and Company Real Estate was founded in 2010 and is headquartered in Buffalo, NY. With approximately 5,800 apartments and nearly 1-million commercial square feet owned and managed in the Western New York, Upstate New York, Dallas, South Bend, and Chicagoland regions, Sinatra and Company Real Estate is one of the largest private owner-operators of apartments and commercial properties in Western New York. 197 Summer Group, LLC is a subsidiary of this group, who will be redeveloping 197 Summer. Nicholas Sinatra is a managing member with interest greater than 20%.

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

Frey Electric, Danforth, Big L Windows, Door Specialties, 56 Services

Section II: Eligibility Questionnaire - Project Description & Details

Project Location

Address of Proposed Project Facility

197 Summer

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

100.62-1-25

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

\$ 303,000

Building(s)

\$ 423,000

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.)

The building is the former site of the American Cancer Society that housed families of patients being treated for various hospice care throughout Buffalo. The building has been vacant for at least 8 years since the living center was in operation.

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 George Lewis House renovation proposes to add residential density to Summer Street within the City of Buffalo. This particular stretch between Delaware and Elmwood Avenue features a mix of commercial office space, residential and apartments. The approximately 9,200 SF structure was the former home to the American Cancer Society that housed loved-ones close to patients receiving treatment in Buffalo. The project will be a true historic adaptive-reuse renovation that will feature 9 apartments units (2 two bedroom, 7 one bedroom), roughly 500 SF of commercial space to services the building as amenity-driven, tenant storage, elevator (existing refurbish), parking in the rear and complete upgrades (new purchases) to the HVAC, roofing system, Electric, Plumbing and Fire Protection. One of the units will be at 80% AMI. We envision the tenancy to be derived of Buffalo Niagara Medical Campus (BNMC) students and employees or generally anyone seeking historic, larger units with accessibility between the Elmwood Village and downtown Buffalo.

Municipality or Municipalities of current operations

City of 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?

<BLANK>

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

Yes

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

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

No

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

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

Yes

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

State Historic Preservation Office.

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:

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)

This project has seen estimates rise approximately 25% due to the increases in material due to COVID-19. Additionally, the requirements from the State Historic Preservation Office require additional work to preserve the historic fabric of the building that were unexpected during original design. Upon some selective demolition and asbestos testing, the plasters in all interior walls were found to have Asbestos-Containing Materials (ACM) that will require immediate abatement and added costs.

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?

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)

Elmwood #20

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

No

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

N-2R, Healthcare Facility

Describe required zoning/land use, if different

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

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

No

If yes, please explain

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

Yes

If yes, please provide a copy.

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

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

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	Yes	Services	Yes
---------------------	-----	-----------------	-----

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) |
| Yes Market Rate Housing | Yes Mixed Use | No Multi-Tenant |
| No Retail | No Senior Housing | No Manufacturing |
| No Other | | |

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	500 square feet	\$ 20,000	2%
Retail	square feet	\$ 0	0%
Office	square feet	\$ 0	0%
Specify Other	8,500 square feet	\$ 1,480,000	98%

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 Yes

What is the estimated project timetable (provide dates)

Start date : acquisition of equipment or construction of facilities

10/1/2021

End date : Estimated completion date of project

2/15/2022

Project occupancy : estimated starting date of occupancy

2/28/2022

Project Information

Estimated costs in connection with Project

1.) Land and/or Building Acquisition

\$ 750,000 square feet acres

2.) New Building Construction

\$ 0 square feet

3.) New Building addition(s)

\$ 0 square feet

4.) Reconstruction/Renovation

\$ 1,500,000 square feet

5.) Manufacturing Equipment

\$ 0

6.) Infrastructure Work

\$ 75,000

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

\$ 200,000

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

\$ 350,000

9.) Other Cost

\$ 0

**Explain Other
Costs**

Total Cost \$ 2,875,000

Construction Cost Breakdown:

Total Cost of Construction	\$ 1,575,000 (sum of 2, 3, 4 and 6 in Project Information, above)
Cost of materials	\$ 945,000
% 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	\$ 945,000
Estimated State and local Sales and Use Tax Benefit (product of 8.75% multiplied by the figure, above):	\$ 82,687

** Note that the estimate provided above will be provided to the New York State Department of Taxation and Finance. The Applicant acknowledges that the transaction documents may include a covenant by the Applicant to undertake the total amount of investment as proposed within this Application, and that the estimate, above, represents the maximum amount of sales and use tax benefit that the Agency may authorize with respect to this Application. The Agency may utilize the estimate, above, as well as the proposed total Project Costs as contained within this Application, to determine the Financial Assistance that will be offered.

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

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

If Yes, describe particulars: Soft Costs, acquisition

Sources of Funds for Project Costs:

Equity (excluding equity that is attributed to grants/tax credits):	\$
Bank Financing:	\$ 0
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):	\$ 556,847
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:	\$556,847
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).

Lender Name, if Known

Estimated Mortgage Recording Tax Exemption Benefit (product of mortgage amount as indicated above multiplied by 3/4 of 1%): \$0

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): 485a

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

Sinatra Development has an inter-company goal to achieve at least 25% M/WBE participation on development projects. The company has successfully completed this at the Phoenix Brewery Apartments at 835 Washington, Mid City Apartments at 1661 Main Street and 1184 Jefferson Avenue. In addition, we have held numerous job fairs strictly for M/WBE businesses and have been successful hiring both full-time employees and identifying new subcontractors.

Is project necessary to expand project employment?

Yes

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	1	1
Part time	0	0	0	0
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	1	\$ 55,000	\$ 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	0	\$ 0	\$ 0	\$ 0	\$ 0

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

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

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

Payroll Information

Annual Payroll at Proposed Project Site upon completion

55,000

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)

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)	55,000	To (Full Time)	55,000
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

197 Summer Street, Buffalo NY 14222

Name and Address of Owner of Premises

197 Summer Group, LLC; 617 Main Street Suite 200, Buffalo NY 14203

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

Historic 1891 structure along a commercial street; shared parking lot in the rear of the premises. No adjacent wetlands, lakes, etc.

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 property was constructed in 1891 as a home for various doctors in Buffalo. It was converted to a rooming house in the 1940's, then purchased by the American Cancer Society in 1983. There was an elevator added in 1990 to maintain operations for the American Cancer Society.

Describe all known former uses of the Premises

Residential, Rooming House, Buffalo Hope Lodge.

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

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

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

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?

Yes

If yes, please identify the materials

The plasters within the walls have found to have elevated levels of Abestos-Containing Material (ACM) that will be removed in conjunction with demolition so we can provide clean airs samples to the City of Buffalo.

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

This stretch of Summer Street is essentially a bridge between Allentown and the Elmwood Village, featuring many businesses such as law offices and medical professionals. This project will cater to young professionals, Medical Campus employees, and "empty-nesters" seeking historic living within an updated building along a historic street in the City of Buffalo.

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 project site	SIC or NAICS-also briefly describe type of business, products services, % of sales in Erie Co.
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*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?

Yes

If yes, complete the Retail Questionnaire Supplement below. **If no, proceed to the next section.**

What percentage of the cost of the project will be expended on such facilities or property primarily used in making sales of goods or services to customers who personally visit the project?

2 %

If the answer to this is **less than 33%** do not complete the remainder of the page, proceed to the next section.

If the answer to A is Yes AND the answer to Question B is greater than 33.33%, indicate which of the following questions below apply to the project:

Will the project be operated by a not-for-profit corporation?

<BLANK>

Is the project location or facility likely to attract a significant number of visitors from outside the economic development region (Erie, Niagara, Allegheny, Chautauqua and Cattaraugus counties) in which the project will be located?

<BLANK>

If yes, please provide a third party market analysis or other documentation supporting your response.

Is the predominant purpose of the project to make available goods or services which would not, but for the project, be reasonably accessible to the residents of the municipality? Are services provided at the proposed project site needed because of a lack of reasonably accessible retail trade facilities offering such goods or services?

<BLANK>

If yes, please provide a market analysis supporting your response.

Will the project preserve permanent, private sector jobs or increase the overall number of permanent private sector jobs in the State of New York?

<BLANK>

If yes, explain

Is the project located in a Highly Distressed Area?

<BLANK>

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)? 130

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.

8

If underutilized, number of years underutilized.

0

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

N/A

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	7	647 - 1,000	\$1,000 - \$1,450
2 Bedroom	2	970 - 1,300	\$1,200 - \$2,250
3 Bedroom	-	-	\$ - \$
Other	-	-	\$ - \$

Does the site have historical significance?

Yes

If yes, please indicate historical designation

It is listed on the National Register of Places in NYS; awaiting national designation.

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

Yes

If yes, provide estimated value of tax credits

556,847

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)

Given the various obstacles due to COVID-19 and increased construction costs associated to historic preservation, remediation and window restoration, this project has extremely thin margins to support the costs. For instance, we are seeing lumber packages up approximately 250% that are continuing to escalate due to inflation concerns. When undertaking an historic renovation, the obstacles of restoration coupled with asbestos-containing materials creates a much larger delta on projections versus actual, particularly in 2021.

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 received a letter of support from Councilman Rivera.

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

Upon initial walkthroughs, the structure was believed to only have asbestos-containing materials in the windows and basement. It was revealed, however, that after a wall sample was taken by the contractor, all interior wall plasters have increased amounts of asbestos. The entire interior wall sections must be remediated ahead of work in order to receive a clean air sample.

Indicate census tract of project location

67

Indicate how project will eliminate slum and blight

This historic building is in need of major repairs on both the interior and exterior after years of neglect and ownership transition. Sinatra Development will restore both back to its original construction, upgrade all electric, mechanicals and plumbing, restore all windows and roof and maintain all landscaping along Summer Street to ensure it will be a fully-refurbished gem for this section of downtown Elmwood.

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

197 Summer Street

City/Town

Buffalo

State

New York

Zip Code

14222

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?

No

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

Walcot Apartments \$ 3,345,000 PRIVATE INVESTMENT INDUCEMENT RESOLUTION													
ELIGIBILITY	Project Title: Walcot Apartments												
<ul style="list-style-type: none"> • NAICS Section – 531390 	Project Address: 257 Elmwood Ave Buffalo, New York 14222 (Buffalo City School District)												
COMPANY INCENTIVES	Agency Request												
<ul style="list-style-type: none"> • Approximately \$106,050 in sales tax savings 	A sales tax exemption in connection with the adaptive reuse of a mid-century modern building within the Elmwood Village to 12 market rate apartments.												
JOBS & ANNUAL PAYROLL													
<ul style="list-style-type: none"> • Current Jobs: 0 • Annual Payroll: \$ 0 • Projected new jobs: 1 • Est. salary/yr. of jobs created: \$ 55,000 • Total jobs after project completion: 1 • Construction Jobs: 14 	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%;">Building Acquisition</td> <td style="text-align: right;">\$ 830,000</td> </tr> <tr> <td>Reconstruction / Renovation</td> <td style="text-align: right;">\$1,950,000</td> </tr> <tr> <td>Infrastructure</td> <td style="text-align: right;">\$ 70,000</td> </tr> <tr> <td>Non- Manufacturing Equipment</td> <td style="text-align: right;">\$ 180,000</td> </tr> <tr> <td>Soft Costs/Other</td> <td style="text-align: right;">\$ 315,000</td> </tr> <tr> <td>Total Project Cost</td> <td style="text-align: right;">\$3,345,000</td> </tr> </table>	Building Acquisition	\$ 830,000	Reconstruction / Renovation	\$1,950,000	Infrastructure	\$ 70,000	Non- Manufacturing Equipment	\$ 180,000	Soft Costs/Other	\$ 315,000	Total Project Cost	\$3,345,000
Building Acquisition	\$ 830,000												
Reconstruction / Renovation	\$1,950,000												
Infrastructure	\$ 70,000												
Non- Manufacturing Equipment	\$ 180,000												
Soft Costs/Other	\$ 315,000												
Total Project Cost	\$3,345,000												
PROJECTED COMMUNITY BENEFITS*	85% \$2,843,250												
<ul style="list-style-type: none"> • Term: 2 years after project completion. • NET Community Benefits: \$ 1,467,000 • Spillover Jobs: 5 temp, 2 perm • Total Payroll: \$ 1,341,000 	Company and Project Description												
INCENTIVE COST/COMMUNITY BENEFIT RATIO*	<p>Sinatra and Company Real Estate was founded in 2010 and has its HQ in Buffalo, NY. With approx. 5,800 apartments and nearly 1 Mil commercial sq ft owned and managed in WNY, Upstate NY, Dallas, South Bend and Chicago regions, Sinatra and Company are one of the largest private owner-operators of apartments and commercial properties in WNY. Sinatra and Company Redevelopment, LLC (the applicant) is a subsidiary of this group.</p> <p>The Walcot Apartments are an adaptive reuse & historic tax credit project within the Elmwood Village. This 12,500 sq ft mid-century modern building has been vacant for nearly a decade. With the rise in construction materials costs, labor shortages and various financial obstacles such as asbestos and structural issues, the project is seeking assistance to lower renovation costs. The project will create 12 one-bedroom apartments (ranging from 700 – 900 sq ft @ \$1,022 - \$1,850/mo). 10% (1) apartment will be offered at an affordable rate (80% AMI) and 11 apartments will be market rate. There will be approx. 500 sq ft of light commercial space on the 1st floor.</p>												
Incentives: \$106,050 Community Benefit: \$ 1,464,000 Cost: Benefit Ratio <ul style="list-style-type: none"> • 1:14 													

* Inform Analytics/Center for Governmental Research

Economic Impact: Inform Analytics Cost-Benefit Analysis

The Erie County Industrial Development Agency uses Inform Analytics, a widely-recognized modeling tool from the Center for Governmental Research, to assess the economic impact of a project applying for incentives. This cost:benefit ratio is assessed via a Cost-Benefit Analysis, as is required by Section 859-a (5)(b) of General Municipal Law. For the complete Cost Benefit Analysis – please see the attached Inform Analytics Projected Community Benefits and Community Cost Benefit Analysis.

Cost: Incentives

COSTS	Tax Exemption	Amount
	Property (485a)	
	Sales	106,000
	Mortgage Recording	
	Total	106,000
	Discounted at 2%	

Benefit: Projected Community Benefit*

BENEFITS	Region	Recipient	Revenue Type	\$ Amount **
	Erie County	Individuals	Payroll Construction	1,010,000
			Payroll Permanent	331,000
		Public	Property Taxes	
			Sales Taxes	33,000
	New York State	Public	Income Taxes	64,000
			Sales Taxes	29,000
				Total Benefits to EC + NYS***
			Discounted at 2%	1,464,000

includes direct & indirect \$ over project period *may not sum to total due to rounding

Discounted Cost \$ 106,000
 Discounted Benefit \$ 1,464,000
 Ratio 1:14

Conclusion: The Cost Benefit for this project is: 1:14. For every \$1 in costs (incentives), this project provides \$14 in benefits (payroll & tax revenue). **Note: For Erie County, every \$1 in costs (incentives) provides \$24 in benefits to the community.**

* Inform Analytics/Center for Governmental Research

Retail Determination

Project Use	Sq Ft	Cost	% Project Cost
Residential	12,000	\$1,910,000	98%
Commercial / Retail	500	\$ 40,000	2%

Since the retail component of the project represents less than 33% of the project cost, no sign off by the County is required.

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 = \$3,345,000 85% = \$ 2,843,250
Employment	Coincides with recapture period	Projected = 1 85% = 1 Recapture Employment = 1
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	2 years after project completion	Recapture of state and local sales taxes

Recapture applies to:

State and Local Sales Taxes

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 job, iii) confirm adherence to local labor policy during construction and iv) its adherence to unpaid tax/pay equity policies for recapture term.

Project ECIDA History

- 08/23/2021 - Public hearing held. Transcript Attached
- Type II Action – No SEQRA compliance required.
- 09/22/2021 - Lease/Leaseback Inducement Resolution presented to the Board of Directors

**ADAPTIVE REUSE REPORT &
EVALUATIVE CRITERIA:
Walcot Apartments**

<p>Age of Structure (must be at least 20 years old and present functional challenges to redevelopment)</p>	<p>The building is over 100 years old. Challenges to redevelopment include asbestos materials in ceilings & floors as well as structural issues that are currently under review.</p>
<p>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 the elimination of slum and blight.</p>	<p>The facility has been vacant for 8 years. The project will beautify the exterior back to its historic façade and upgrade the landscaping improving a main thoroughfare within the City of Buffalo.</p>
<p>Structure is not generating significant rental income (defined as 50% or less than the market rate income average for that property class)</p>	<p>This building has no rental income and is vacant.</p>
<p>Project is in compliance with the investment and growth criteria of the Framework for Regional Growth. The redevelopment supports or aligns with Regional or Local Development Plans</p>	<p>This project complies with the investment and growth criteria for the Framework for Regional Growth</p>
<p>Demonstrated evidence of financial obstacle to development without ECIDA or other public assistance (cash flow projections documenting costs, expenses and revenues indicating below average return on investment rate as compared to regional industry averages)</p>	<p>Financial obstacles include the overall delay in starting the project – originally slated for early 2020. The COVID pandemic caused the project to be put on hold. Three main factors attribute to financial obstacles: 1. Uncovered environmental concern, 2. Escalated construction costs and 3. SHPO requirements.</p> <p>The developer has supplied an ROI which indicates a below average rate of return on the investment.</p>
<p>Demonstrated support of local government entities</p>	<p>Councilmember David Rivera – letter of support. Pending letter Darrius Pridgen</p>

LEED/Renewable Resources	NA New equipment purchases will have a high efficiency rating (93%) and feature the energy star rating.
Building or site has historic designation	Building being restored adhering to the guidelines of the State Historic Preservation Office.
Site or structure has delinquent property or other local taxes	Property taxes are current at the project location.
MBE/WBE Utilization	Sinatra Development strives for 25-30% MWBE participation and has successfully achieved for similar projects as noted in application. They have held 3 separate job fairs to seek out M/WBE owned businesses within the past 5 years that has led to the hiring of both FT and PT employees.
Transit Oriented Development	Property is located on a main bus route – NFTA Metro #20 Elmwood

OTHER FACTORS TO CONSIDER:	
Environmental/Safety Issues: Structure or site presents significant public safety hazard and or environmental remediation costs	Structure has been vacant for nearly a decade contributing to blight and safety hazards for the neighborhood. Significant environmental remediation costs are due to the presence of asbestos at the site.
Site or structure is located in a distressed census tract	Site is located in TRACT 67.02 which is a distressed census tract.
Structure presents significant costs associated w/ building code compliance.	Significant environmental remediation costs due to the aforementioned asbestos that has been uncovered at the site.

DATE OF INDUCEMENT: September 22, 2021

Return on Investment – Sinatra and Company Redevelopment, 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

- 485 Real Property Tax Abatement in an approximate value of \$173,821
- Sales Tax Savings in the amount of \$ 106,050

ROI

Sinatra and Company Redevelopment LLC has submitted a proforma documenting the expenses and revenues and ROI for the project.

Stated ROI for the project with ECIDA assistance is 2.8%

Stated ROI for the project without ECIDA assistance is 2.4%

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-Walcot Apartments

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
\$2,020,000	\$1,010,000	5.04	17.21	

*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.)
\$3,345,000	n/a	\$106,050	n/a	\$173,821 (485a Tax Exemption)

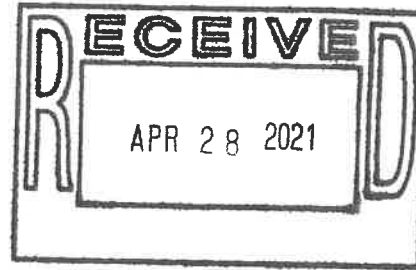
Calculate %

(Est. PILOT + Est. Sales Tax+ Est. Mortgage Tax+ Other)/Total Project Costs: 8.4 %



Common Council

DAVID A. RIVERA
NIAGARA DISTRICT COUNCIL MEMBER
MAJORITY LEADER
65 NIAGARA SQUARE, 1504 City Hall
BUFFALO, NY 14202-3318
PHONE: (716) 851-5125 • FAX: (716) 851-4970
E-mail: darivera@city-buffalo.com



COMMITTEES
CLAIMS
CIVIL SERVICE
FINANCE
COMMUNITY DEVELOPMENT
LEGISLATION
SPECIAL COMMITTEES
RULES
MBEC
POLICE OVERSIGHT, CHAIRMAN
LEGISLATIVE STAFF
VALERIE MALIA
NOEMI SANTIAGO

April 20, 2021

ECIDA
95 Perry Street, Suite 403
Buffalo, NY 14203

**Re: 197 Summer Street and 257 Elmwood Avenue
Historic Tax Credit Application Letter of Support**

To Whom it May Concern:

As Councilmember of the Niagara District, I am pleased to write this letter in support of Sinatra and Company's historic redevelopment projects at 197 Summer and 257 Elmwood. The company purchased these two vacant structures and successfully landmarked them in coordination with the National Park Service and NYS Historic Preservation Office. Between these two properties, the development company will invest over \$5Million to preserve the historic fabric of each and create mixed-use, multi-family residential apartment buildings. The company will feature a mix of affordable housing and market rate units in both properties, light commercial space and parking in the rear of each structure. Once converted, these two projects will add to the residential density adjacent to the Elmwood Village and restore vacant and underutilized buildings back to the beauty of their original construction.

Sincerely,

David A. Rivera
Niagara District Councilmember
Majority Leader

DAR/vrm

Cc: Chris Hawley, City of Buffalo, Senior Planner

PUBLIC HEARING SCRIPT

**Sinatra & Company Redevelopment 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 August 23, 2021 at 9:00 a.m.,
at the Erie County Industrial Development Agency's offices located at
95 Perry Street, Suite 403, Buffalo, New York 14203

ATTENDANCE:

Matt Connors – Sinatra Development, LLC
Beth O'Keefe – 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 public hearing. This public hearing is being live-streamed and made accessible on the Agency's website at www.ecidany.com.

2. PURPOSE: Purpose of the Hearing.

Hearing Officer: We are here to hold the public hearing on the {Company} 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, August 13, 2021.

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

Hearing Officer: The proposed project (the "Project") consists of: (i) the adaptive reuse historic tax credit project creating 12 market-rate apartments with light commercial space on the ground floor (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 collectively with the Improvements, the "Facility").

The proposed financial assistance contemplated by the Agency includes New York State and local sales and use tax exemption 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 in attendance are required to register by signing the sign-in sheet at the front of the room; you will not be permitted to speak unless you have registered. Everyone who has 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, you may leave it at this public hearing, submit it on the Agency's website or deliver it to the Agency at 95 Perry Street, Suite 403, Buffalo, New York 14203. The comment period closes on September 21, 2021. There are no limitations on written statements or comments.

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

Hearing Officer: If anyone is interested in making a statement or comment, please raise your hand, state 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 Officer calls on those who raise their hand.

Mat Connors – Vice President Sinatra Development. I am here on behalf of Sinatra Development, LLC. We are anxious to undertake this project featuring 12 one-bedroom units and some commercial space to service the building. We will be seeking historical tax credits and we have full approvals from the National Park Service.

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
PUBLIC HEARING**

August 23, 2021 at 9:00 a.m.
at the Erie County Industrial Development Agency's offices located at
95 Perry Street, Suite 403, Buffalo, New York 14203
regarding:

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

Project Location: 257 Elmwood Avenue, Buffalo, New York 14222

Name	Company and/or Address	X box to speak/ comment
Matt Connors	Sinatra Development, LLC 617 Main Street Buffalo, New York 14203	X
Beth O'Keefe	ECIDA 95 Perry Street, Suite 403 Buffalo, New York 14203	
Brian Krygier	ECIDA 95 Perry Street, Suite 403 Buffalo, New York 14203	



Cost Benefit Analysis

prepared using InformAnalytics

InformAnalytics GLOSSARY

Total Investment: Total amount of private investment/cost of project

Total Net Benefits: Total of community benefits generated. A calculated projection of indirect economic growth (payroll being spent on goods and services, indirect economic benefits created by construction jobs, etc).

Direct/Spillover:

- Direct refers to jobs and payroll created “directly” by the project
- Spillover refers to indirect jobs and payroll (ripple effects of “Direct” private investment)

Discounted Total: 2% discount of all projections. An accounting adjustment to allow for a dollar of benefit in the future being worth less than a dollar of benefit today.

Discounted Total Benefits: The total projected community benefits, direct or spillover, generated by the project applying for incentives.

Cost/Benefit Ratio: The ratio of project cost vs. community benefit, or the community benefit generated by each dollar of incentives approved.

INCENTIVES DEFINITIONS

NOTE these are not direct cash incentives; they are savings on future taxes incurred by the project as a result of the project’s improvements/construction investment.

Property Tax Exemption: savings on future property taxes. Calculated from the increase in assessed value of the project once the project improvement/construction is completed.

Sales Tax Exemption: a limited savings/exemption on future sales tax charges for the qualified purchases of construction materials and/or equipment. The savings amount is calculated using 50% of the total construction costs of the project.

Mortgage Recording Tax Exemption: A one-time savings on a portion of the mortgage recording tax paid to Erie County when a mortgage is filed.

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 2 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 Sinatra and Company Redevelopment, LLC.

Description	Nominal Value	Discounted Value*
Sales Tax Exemption	\$106,000	\$106,000
Total Costs	\$106,000	\$106,000

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	\$885,000	\$489,000	\$1,374,000
To Private Individuals	\$859,000	\$481,000	\$1,341,000
Temporary Payroll	\$749,000	\$260,000	\$1,010,000
Ongoing Payroll	\$110,000	\$221,000	\$331,000
To the Public	\$26,000	\$8,000	\$33,000
Temporary Sales Tax Revenue	\$12,000	\$4,000	\$16,000
Ongoing Sales Tax Revenue	\$2,000	\$4,000	\$5,000
Purchases Sales Tax Revenue	\$12,000	N/A	\$12,000
STATE BENEFITS	\$64,000	\$29,000	\$93,000
To the Public	\$64,000	\$29,000	\$93,000
Temporary Income Tax Revenue	\$37,000	\$13,000	\$49,000
Ongoing Income Tax Revenue	\$5,000	\$10,000	\$15,000
Temporary Sales Tax Revenue	\$11,000	\$4,000	\$14,000
Ongoing Sales Tax Revenue	\$2,000	\$3,000	\$5,000
Purchases Sales Tax Revenue	\$10,000	N/A	\$10,000
Total Benefits to State & Region	\$949,000	\$518,000	\$1,467,000
Discounted Total Benefits (2%)	\$948,000	\$516,000	\$1,464,000

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	\$1,371,000	\$57,000	24:1
State	\$93,000	\$49,000	2:1
Grand Total	\$1,464,000	\$106,000	14:1

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.



Walcot Apartments

[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	The Walcot Apartments
Project Summary	The Walcott Apartments are an adaptive reuse historic tax credit project within the Elmwood Village. This mid-century modern building between Summer and North Street in Buffalo, has been vacant for many years. The project aims to create 12 market-rate units with light commercial space on the ground floor. Parking will be in the rear of the building (existing), and the developers hope this can help ignite walkability on this stretch of South Elmwood.
Applicant Name	Sinatra and Company Redevelopment, LLC
Applicant Address	617 Main Street Suite 200
Applicant Address 2	
Applicant City	Buffalo
Applicant State	New York
Applicant Zip	14203
Phone	(716) 220-8468
Fax	(716) 299-1063
E-mail	matt@sinatraandcompany.com
Website	www.sinatraandcompany.com
NAICS Code	531390

Business Organization

Type of Business	Limited Liability Company
Year Established	2017
State in which Organization is established	New York

Individual Completing Application

Name	Matt Connors
Title	Vice President of Development
Address	617 Main Street Suite 300
Address 2	
City	Buffalo
State	New York

Zip 14203
Phone (716) 866-9717
Fax
E-Mail matt@sinatraandcompany.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 Mark Longo
Firm Name Block Longo Lamarca & Brzezinski P.C.
Address One Niagara Square
Address 2
City Buffalo
State New York
Zip 14202
Phone (716) 854-4080
Fax
E-Mail mlongo@blockandlongo.com

Benefits Requested (select all that apply)

Exemption from Sales Tax Yes
Exemption from Mortgage Tax No
Exemption from Real Property Tax No
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%.

Sinatra and Company Real Estate was founded in 2010 and is headquartered in Buffalo, NY. With approximately 5,800 apartments and nearly 1-million commercial square feet owned and managed in the Western New York, Upstate New York, Dallas, South Bend, and Chicagoland regions, Sinatra and Company Real Estate is one of the largest private owner-operators of apartments and commercial properties in Western New York. SC Redevelopment LLC is a subsidiary of this group, who will be redeveloping 257 Elmwood. Nicholas Sinatra is a managing member with interest greater than 20%.

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

Frey Electric, Danforth, DV Brown, Big L Windows, Door Specialties

Section II: Eligibility Questionnaire - Project Description & Details

Project Location

Address of Proposed Project Facility

257 Elmwood Avenue

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

100.70-1-34

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

22,299 annually

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

Land

\$ 83,000

Building(s)

\$ 747,000

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.)

The building is a vacant, formerly commercial office building in the City of Buffalo.

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)

Sinatra Development proposes to create 12 residential apartment units and some light commercial (approximately 500 SF) as an amenity-based tenant to service the building. The project team will have 1 affordable unit at 80% AMI in this project. Significant renovations will include, all new historic windows, new mechanical systems, electric, fire protection, plumbing systems, etc. It will be a substantial renovation down to the existing plasters and studs that will feature a double-loaded corridor throughout the 4 floors. The target demographic will be residents choosing to live between Allentown and the Elmwood Village, and will have access to major bus lines directly adjacent to the property. The project will also feature parking in the rear parking lot off Elmwood Avenue. From a labor perspective, Sinatra Development strives to achieve between 25-30% M/WBE participation and has successfully completed this at the Phoenix Brewery Apartments at 835 Washington, Mid City Apartments at 1661 Main Street, and 1184 Jefferson Avenue. In the current labor market, it is difficult to find specialized services; however, Sinatra Development has held 3 separate job fairs for M/WBE owned businesses within the past 5 years that has led to the hiring of both full-time and part-time employees.

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?

<BLANK>

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

Yes

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

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

No

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

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

Yes

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

State Historic Preservation Office.

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:

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 project was under development in 2019 leading into 2020; while the development team had a firm plan in place, COVID hit right before plans were to be submitted to the City. Even before the escalations in construction pricing such as a 280% increase in lumber and a general 25% markup for all budgets, we uncovered a large amount of asbestos-containing material in the ceilings and floors after further inspection at this property. Taking into account these two factors, the ECIDA is essential to help bring this vacant building back to life. Also, to adhere to the guidelines of the State Historic Preservation Office, we are required to replicate much of the historic fabric on the interior/exterior that involves more expensive products that are difficult to source. We feel these three main factors are affecting much of the construction industry today (1. Uncovered Environmental Concerns) 2. Escalated Construction Costs from COVID/Extended Lead Times on Products and 3.) SHPO Requirements for Additional Character-defining Building Elements) and the team would like to continue this project.

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?

A vacant building in the core of the Elmwood Village and Allentown district will remain vacant. There are approximately 65-85 construction jobs that would help revive this building and project and 1 property manager would be handling 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)

The project is located adjacent to a central NFTA bus line: Elmwood #20

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

Commercial, N-2C

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

An asbestos survey was completed for the property determining ACM in many window flashings, various roof locations, basement and first floor 9x9 tiles.

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

The efficiency ratings on all equipment will be at least 93% efficient and feature the "energy star" rating. 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 Yes

Services Yes

Please check any and all end uses as identified below.

3.) New Building addition(s)

\$ 0 square feet

4.) Reconstruction/Renovation

\$ 1,950,000 12,500 square feet

5.) Manufacturing Equipment

\$ 0

6.) Infrastructure Work

\$ 70,000

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

\$ 180,000

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

\$ 315,000

9.) Other Cost

\$ 0

Explain Other Costs

Total Cost \$ 3,345,000

Construction Cost Breakdown:

Total Cost of Construction	\$ 2,020,000 (sum of 2, 3, 4 and 6 in Project Information, above)
Cost of materials	\$ 1,212,000
% sourced in Erie County	100%

Sales and Use Tax:

Gross amount of costs for goods and services that are subject to State and local sales and use tax- said amount to benefit from the Agency's sales and use tax exemption benefit	\$ 1,212,000
Estimated State and local Sales and Use Tax Benefit (product of 8.75% multiplied by the figure, above):	\$ 106,050

** Note that the estimate provided above will be provided to the New York State Department of Taxation and Finance. The Applicant acknowledges that the transaction documents may include a covenant by the Applicant to undertake the total amount of investment as proposed within this Application, and that the estimate, above, represents the maximum amount of sales and use tax benefit that the Agency may authorize with respect to this Application. The Agency may utilize the estimate, above, as well as the proposed total Project Costs as contained within this Application, to determine the Financial Assistance that will be offered.

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

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

If Yes, describe particulars: architect, lawyer fees, down payment to general contractor

Sources of Funds for Project Costs:

Equity (excluding equity that is attributed to grants/tax credits):	\$ 2,647,934
Bank Financing:	\$ 0
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: \$2,647,934

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).

Lender Name, if Known

Estimated Mortgage Recording Tax Exemption Benefit (product of mortgage amount as indicated above multiplied by 3/4 of 1%): \$0

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): 485a

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

Sinatra and Company has a policy for the inclusion of M/WBE contractors for at least 25% of the contract value. We strive to hit these goals on many projects; this project is currently out to bid so we will look for every opportunity to award and meet this goal. The company has made good faith efforts toward these practices by hosting multiple M/WBE job fairs over the past 5 years that has resulted in many full and part-time jobs/new subcontractors.

Is project necessary to expand project employment?

Yes

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	1	1
Part time	0	0	0	0
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	1	\$ 55,000	\$ 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	0	\$ 0	\$ 0	\$ 0	\$ 0

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

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

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

Payroll Information

Annual Payroll at Proposed Project Site upon completion

55,000

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)

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) 55,000 **To (Full Time)** 55,000

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

257 Elmwood Avenue, Buffalo NY 14222

Name and Address of Owner of Premises

Sinatra and Company Redevelopment, LLC 617 Main Street Suite 200 Buffalo, NY 14203

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

urban commercial property, asphalt surrounding, street-facing.

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 commercial property was built in 1920 and has served primarily as office space over the last 50 years. It was believed to be a residence

Describe all known former uses of the Premises

The building is currently vacant and was formerly office space/multi-tenant facility.

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

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

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

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?

Yes

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?

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

This commercial facility had been neglected since before Sinatra and Company purchased the property, and is ripe for redevelopment into a mixed-use, mixed-income property. The company has been redeveloping two large apartment complexes on the corner of Elmwood and Summer and Elmwood and North for the past 3 years, and beautifying/activating this building will create jobs, residential density and create a more walkable neighborhood right before Allentown District. The existing apartments at other properties have been performing well, despite ongoing renovations, and we strongly feel this building will support further residents looking to move into the area between the Elmwood Village and downtown.

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 project site	SIC or NAICS-also briefly describe type of business, products services, % of sales in Erie Co.
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*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?

Yes

If yes, complete the Retail Questionnaire Supplement below. **If no, proceed to the next section.**

What percentage of the cost of the project will be expended on such facilities or property primarily used in making sales of goods or services to customers who personally visit the project?

2 %

If the answer to this is **less than 33%** do not complete the remainder of the page, proceed to the next section.

If the answer to A is Yes AND the answer to Question B is greater than 33.33%, indicate which of the following questions below apply to the project:

Will the project be operated by a not-for-profit corporation?

<BLANK>

Is the project location or facility likely to attract a significant number of visitors from outside the economic development region (Erie, Niagara, Allegheny, Chautauqua and Cattaraugus counties) in which the project will be located?

<BLANK>

If yes, please provide a third party market analysis or other documentation supporting your response.

Is the predominant purpose of the project to make available goods or services which would not, but for the project, be reasonably accessible to the residents of the municipality? Are services provided at the proposed project site needed because of a lack of reasonably accessible retail trade facilities offering such goods or services?

<BLANK>

If yes, please provide a market analysis supporting your response.

Will the project preserve permanent, private sector jobs or increase the overall number of permanent private sector jobs in the State of New York?

<BLANK>

If yes, explain

Is the project located in a Highly Distressed Area?

<BLANK>

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)? 105

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.

8

If underutilized, number of years underutilized.

0

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

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	12	700 - 900	\$1,022 - \$1,850
2 Bedroom	-	-	\$ - \$
3 Bedroom	-	-	\$ - \$
Other	-	-	\$ - \$

Does the site have historical significance?

Yes

If yes, please indicate historical designation

The building is located in the Elmwood Village Historic West District and has received a full approval from the State Historic Preservation Office.

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

Yes

If yes, provide estimated value of tax credits

697,066

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)

This project was initially projected to begin in early 2020, but due to complications COVID-19, the project was put on hold. Since we have begun the estimates and started to receive bids, budget estimates across the board are up approximately 25% and the margins are now pencil-thin to make this project financially viable. In addition to these markups and labor shortages during our bid process, we uncovered asbestos-containing materials in the ceilings and flooring (9x9 tiles) that require remediation to achieve clean AIRS samples for full building permits. We are making a good faith effort to cater to workforce tenants and affordable units in this project, but it has become increasingly more difficult as we see construction costs rising and labor pools shrinking.

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

Councilmember David Rivera has written a letter of support for the project; also, given the location, we have requested a letter from Council President Darius Pridgen.

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

We have some structural issues that are currently under review at this property; other factors include the remediation of various asbestos-containing materials located on each floor of the structure.

Indicate census tract of project location

67,022,002

Indicate how project will eliminate slum and blight

The property has been in neglect for many years and vacant for almost a decade; this project will beautify the exterior back to its historic facade and provide additional landscaping (soft and hard) to create a for-rent building on a thoroughfare in the City of Buffalo.

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

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

City/Town

State

Zip Code

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?

No

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