

Erie County Industrial Development Agency
Meeting of the Membership
October 26, 2022
at 12:00 p.m.



701 Ellicott Street, Center of Excellence in Bioinformatics and Life Sciences (CBLS)
The Event Space/Conference Room B2-205, located on the 2nd floor, Buffalo, New York 14203

1.0 Call to Order

1.1 Call to Order Meeting of the Membership

2.0 Approval of Minutes:

2.1 Minutes of the September 28, 2022 Meeting of the Membership (Action Item) (Pages 2-5)

3.0 Reports / Action Items / Information Items:

3.1 Financial Report (Informational) (Pages 6-9)

3.2 Finance & Audit Committee Update

a) 2023 Budget Timetable (Informational) (Page 10)

b) 2023 Proposed Budget (Action Item) (Pages 11-21)

3.3 2022 Tax Incentives Induced/Closing Schedule (Informational) (Pages 22-23)

3.4 Policy Committee Update (Informational) (Pages 24-29)

4.0 Inducement Resolution(s):

	ECIDA	Private	Municipality
	Incentives	Investment	
4.1 Ellicott Town Homes (Pages 30-77)	\$1,280,856	\$54,664,295	Buffalo
4.2 OAHS Tonawanda TC, LLC. (Pages 78-125)	\$ 89,003	\$25,040,720	City of Tonawanda

5.0 Management Team Report:

5.1 2023 Board Meeting Schedule (Informational) Page 126)

6.0 Adjournment - Next Meeting November 30, 2022 @ 12:00 p.m.

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

DATE AND PLACE: September 28, 2022, at 701 Ellicott Street, Center of Excellence in Bioinformatics and Life Sciences (CBLS), in the Event Space/Conference Room B2-205 on the second floor, Buffalo, New York 14203.

PRESENT: Denise Abbott, Rev. Mark E. Blue, Hon. Joseph Emminger, Hon. Howard Johnson, Tyra Johnson, Richard Lipsitz, Jr., Denise McCowan, Brenda W. McDuffie, Hon. Mark C. Poloncarz, Hon. Darius G. Pridgen and Kenneth A. Schoetz

EXCUSED: Hon. Diane Benczkowski, Hon. Bryon W. Brown, James Doherty, Dottie Gallagher, Michael P. Hughes, Hon. Brian Kulpa, Hon. Glenn R. Nellis and Paul Vukelic

OTHERS PRESENT: John Cappellino, President & CEO; Beth O’Keefe, Vice President of Operations; Mollie Profic, Chief Financial Officer; Atiqah Abidi, Assistant Treasurer; Gerald Manhard; Chief Lending Officer/Secretary; Grant Lesswing; Director of Business Development; Andrew Federick, Business Development Officer; Soma Hawramee, Compliance Portfolio Manager, Brian Krygier, Director of Information Technology; Carrie Hocieniec, Operations Assistant/Assistant Secretary; Robbie Ann McPherson, Director of Marketing & Communications; Laurie Hendrix, Administrative Coordinator and Robert G. Murray, Esq., General Counsel/Harris Beach PLLC

GUESTS: Zachary Evans, Thomas Baines and Maria Whyte, Erie County; Alex Carducci on behalf of the City of Buffalo; Brandye Merriweather on behalf of BUDC; James Fink on behalf of Business First and J. Dale Shoemaker on behalf of Investigative Post

There being a quorum present at 12:17 p.m., the meeting of the members of the Erie County Industrial Development Agency (the “ECIDA” or “Agency”), was called to order by Chair McDuffie.

MINUTES

The minutes of the August 24, 2022 meeting of the members were presented. Mr. Lipsitz moved and Mr. Blue seconded to approve of the minutes. Ms. McDuffie called for the vote and the minutes were unanimously approved.

REPORTS/ACTION ITEMS/INFORMATION ITEMS

A. 2023 Budget Timetable and 2023 Proposed Budget. Ms. Profic reviewed the 2023 proposed ILDC budget review process and the 2023-2027 proposed capital budget. She advised that the Finance and Audit Committee will meet again in October for a final review and recommendation of the draft budgets. Two educational Q&A sessions for Board meetings have been scheduled for October 6 and October 7. The budget will be presented for formal approval at the next meeting. Budgets must be submitted to the ABO by November 1.

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

B. Professional Auditing Services Recommendation. Ms. Profic summarized the recent Professional Auditing Services RFP process. The ECIDA's professional services RFP process requires proposals for this service to be solicited at least every five years. In July, the ECIDA issued a joint RFP for the Agency and its affiliates (RDC, ILDC) and Western Region Corporation. The RFP requested services for three years plus two additional one year extensions, however the engagement may be terminated at any time. Four proposals were received and evaluated by an internal review committee. After evaluation and follow-up, Lumsden McCormick is recommended as the top-rated firm. They have vast experience auditing similar clients (and the Agency from 2012-2016) and a robust government services practice. They are located in the historic Cyclorama building in downtown Buffalo and are involved in a program whose goal is to expose minority students to accounting careers. Ms. Profic reviewed their proposed fees. On September 23, members of the Finance & Audit Committee that were present reviewed and concurred with the staff recommendation. Ms. Profic is requesting that the Board approve Lumsden McCormick to provide professional auditing services for the 2022-2024 audits, with an option of contracting for the 2025-2026 audits.

Mr. Emminger moved and Ms. Abbott seconded to approve Lumsden McCormick to provide professional auditing services for the 2022-2024 audits, with an option of contracting for the 2025-2026 audits. Ms. McDuffie then called for the vote and the following resolution was unanimously approved:

RESOLUTION OF THE ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY ("AGENCY") TO ENTER INTO A CONTRACT WITH LUMSDEN MCCORMICK, LLP TO PROVIDE PROFESSIONAL AUDITING SERVICES TO THE AGENCY

2022 Tax Incentive Induced/Closing Schedule. Mr. Cappellino presented this report to the members. Ms. McDuffie directed that the report be received and filed.

Policy Committee Update. Mr. Lipsitz provided members with an update on the most recently completed Policy Committee meeting, noting the Committee reviewed the 950 Broadway project and noted the Committee recommended the project to the Board for approval. Ms. McDuffie directed that the report be received and filed.

INDUCEMENT RESOLUTION

950 Broadway, LLC, 950 Broadway Avenue, Buffalo, New York. Ms. O’Keefe reviewed this proposed sales tax exemption and mortgage recording tax exemption benefit project which consists of the renovation and equipping of a mixed-use facility consisting of 28 affordable apartment units (18,118 sq. ft.) and ground floor commercial and retail space (22,452 sq. ft.).

Mr. Pridgen spoke in favor of the project and confirmed CAO and the Urban Farm tenant will be the employees/tenants. Mr. Johnson spoke in favor of the project.

The Project’s cost benefit ratio was presented to and reviewed by the members present and the costs of incentives so applied for, the anticipated new tax revenues to be generated by the Project, as well as the Project’s contemplated community benefits were discussed and considered.

As a condition precedent of receiving Financial Assistance, and as a material term or condition as approved by the Agency in connection with the Project, the Company covenants and agrees and understands that it must, subject to potential modification, termination and/or recapture of Financial Assistance for failure to meet and maintain the commitments and thresholds as described below, through the conclusion of the later of two (2) years following either (x) the construction completion date, or (y) the termination of the Agent Agreement, a certification, as so required by the Agency, confirming:

- (i) Investment Commitment – the total investment actually made with respect to the Project at the time of Project completion equals or exceeds \$9,905,783 (which represents the product of 85% multiplied by \$11,653,862, being the total project cost as stated in the Company’s application for Financial Assistance).
- (ii) Employment Commitment – that, within two years of Project completion, there are at least 30 existing full time equivalent (“FTE”) employees located at, or to be located at, the Facility [representing the product of 85% multiplied by 36 (being the total number of new FTE employee positions as proposed to be created by the Company as stated in the Company’s application for Financial Assistance)]. In an effort to confirm and verify the Company’s employment numbers, the Agency requires that, at a minimum, the Company provide employment data to the Agency on a quarterly basis, said information to be provided on the Agency’s “Quarterly Employment Survey” form to be made available to the Company by the Agency.
- (iii) Local Labor Commitment – that the Company adheres to and complies with the Agency’s Local Labor Workforce Certification Policy on a quarterly basis during the construction period.
- (iv) Equal Pay Commitment – that the Company adheres to and complies with the Agency’s Pay Equity Policy.
- (v) Unpaid Real Property Tax Policy Commitment – that the Company is compliant with the Agency’s Unpaid Real Property Tax Policy.

Mr. Johnson moved and Mr. Pridgen seconded to approve the Project.

Ms. Johnson disclosed she has a business relationship with the Company as an outside vendor unrelated to the Project but stated she would abstain from participating in the discussion and would not vote.

Ms. McDuffie called for the vote and the following resolution was unanimously approved with Ms. Johnson abstaining:

RESOLUTION OF THE ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY: (i) ACCEPTING THE APPLICATION OF 950 BROADWAY LLC AND/OR INDIVIDUAL(S) OR AFFILIATE(S), SUBSIDIARY(IES), OR ENTITY(IES) FORMED OR TO BE FORMED ON ITS BEHALF (INDIVIDUALLY, AND/OR COLLECTIVELY, THE "COMPANY") IN CONNECTION WITH A CERTAIN PROJECT DESCRIBED BELOW; (ii) RATIFYING THE SCHEDULING, NOTICING, AND CONDUCTING OF A PUBLIC HEARING IN CONNECTION WITH THE PROJECT; (iii) MAKING A DETERMINATION PURSUANT TO THE STATE ENVIRONMENTAL QUALITY REVIEW ACT; (iv) APPOINTING THE COMPANY, OR ITS DESIGNEE, AS ITS AGENT TO UNDERTAKE THE PROJECT; (v) AUTHORIZING THE UNDERTAKING OF THE PROJECT TO PROVIDE FINANCIAL ASSISTANCE TO THE COMPANY IN THE FORM OF (A) A SALES TAX EXEMPTION BENEFIT FOR PURCHASES AND RENTALS RELATED TO THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF THE PROJECT, AND (B) A MORTGAGE RECORDING TAX EXEMPTION BENEFIT FOR FINANCING RELATED TO THE PROJECT, AND (vi) AUTHORIZING THE NEGOTIATION AND EXECUTION OF A LEASE AGREEMENT, LEASEBACK AGREEMENT, AN AGENT AND FINANCIAL ASSISTANCE PROJECT AGREEMENT, AND RELATED DOCUMENTS

REPORTS/ACTION ITEMS/INFORMATION ITEMS

Buffalo's Race for Place. Brandye Merriweather from Buffalo Urban Development Corporation (BUDC) provided a presentation to members on the BUDC talent and workforce attraction activities.

MANAGEMENT TEAM REPORTS

Mr. Cappellino informed members that ECIDA/ILDC has received the 2022 IEDC Silver Award for its work at the Renaissance Commerce Park, for its Multi-Year Economic Development Program.

There being no further business to discuss, Ms. McDuffie adjourned the meeting of the Agency at 1:01 p.m.

Dated: September 28, 2022

Elizabeth A. O'Keefe, Secretary

Erie County Industrial Development Agency
Financial Statements
As of September 30, 2022

ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY ("ECIDA")

Balance Sheet
September 30, 2022

	September 2022	August 2022	December 2021
ASSETS:			
Cash *	\$ 7,538,129	\$ 7,473,043	\$ 7,851,664
Restricted Cash & Investments *	19,891,960	19,552,022	19,656,732
Due from Affiliates	578,765	542,805	755,496
Due from Buffalo Urban Development Corp.	85,382	75,464	105,721
Other Receivables	106,705	104,468	35,629
Total Current Assets	<u>28,200,941</u>	<u>27,747,801</u>	<u>28,405,242</u>
Grants Receivable	688,473	699,964	863,473
Venture Capital Investments, net of reserves	506,886	506,886	506,886
Capital Assets	1,077,043	1,087,043	1,164,083
Total Long-Term Assets	<u>2,272,401</u>	<u>2,293,893</u>	<u>2,534,441</u>
TOTAL ASSETS	<u><u>\$ 30,473,342</u></u>	<u><u>\$ 30,041,694</u></u>	<u><u>\$ 30,939,684</u></u>
LIABILITIES & NET ASSETS			
Accounts Payable & Accrued Exp.	\$ 147,470	\$ 162,301	\$ 452,629
Deferred Revenues	660,180	686,375	872,993
Funds Held on Behalf of Others	8,960,611	8,628,863	8,717,606
Total Liabilities	<u>9,768,261</u>	<u>9,477,539</u>	<u>10,043,228</u>
Net Assets	20,705,082	20,564,154	20,896,455
TOTAL LIABILITIES & NET ASSETS	<u><u>\$ 30,473,342</u></u>	<u><u>\$ 30,041,694</u></u>	<u><u>\$ 30,939,684</u></u>

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

ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY ("ECIDA")

Income Statement

Month of September 2022

	Actual vs. Budget		
	Actual	Budget	Variance
REVENUES:			
Administrative Fees, net of refunds	\$ 279,707	\$ 154,583	\$ 125,124
Affiliate Management Fees	44,575	45,125	(550)
Interest Income - Cash & Investments	2,515	1,042	1,473
Rental Income	19,123	20,617	(1,493)
Other Income	5,860	7,083	(1,223)
Total Revenues	351,780	228,450	123,330
EXPENSES:			
Salaries & Benefits	\$ 132,298	\$ 169,542	\$ (37,244)
General Office Expenses	18,403	23,880	(5,477)
Building Operating Costs	16,335	20,312	(3,977)
Professional Services	29,436	5,583	23,853
Public Hearings & Marketing	8,132	5,000	3,132
Travel, Mileage & Meeting Expenses	102	2,917	(2,814)
Other Expenses	1,147	625	522
Total Expenses	205,853	227,858	(22,005)
SPECIAL PROJECT GRANTS:			
Revenues	\$ 24,628	\$ 80,945	\$ (56,317)
Expenses	(19,628)	(75,261)	55,634
	5,000	5,683	(683)
NET INCOME/(LOSS) BEFORE OTHER STRATEGIC INVESTMENTS & DEPRECIATION:			
	150,927	6,275	144,652
OTHER STRATEGIC INVESTMENTS AND INITIATIVES:			
Bethlehem Steel Industrial Park Grant	-	(8,333)	8,333
Angola Ag Park Grant	-	(8,333)	8,333
Bethlehem Steel Industrial Park Grant Reimb	-	-	-
	-	(16,667)	16,667
NET INCOME/(LOSS) BEFORE DEPRECIATION:			
	150,927	(10,392)	161,319
Depreciation	(10,000)	(10,000)	-
NET INCOME/(LOSS):	\$ 140,927	\$ (20,392)	\$ 161,319

ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY ("ECIDA")

Income Statement

Year to Date: September 30, 2022

	Actual vs. Budget			Actual vs. Prior Year		
	Actual	Budget	Variance	Actual	Prior Year	Variance
REVENUES:						
Administrative Fees, net of refunds	\$ 1,110,244	\$ 1,391,250	\$ (281,006)	\$ 1,110,244	\$ 1,579,044	\$ (468,799)
Affiliate Management Fees	402,825	406,125	(3,300)	402,825	389,300	13,525
Interest Income - Cash & Investments	7,695	9,375	(1,680)	7,695	6,185	1,509
Rental Income	283,839	283,550	289	283,839	273,535	10,304
Other Income	22,268	32,250	(9,982)	22,268	24,423	(2,155)
UDAG Venture Investment Reflow	-	-	-	-	2,425	(2,425)
Total Revenues	1,826,870	2,122,550	(295,680)	1,826,870	2,274,912	(448,042)
EXPENSES:						
Salaries & Benefits	1,483,536	1,582,876	(99,340)	1,483,536	1,423,563	59,973
General Office Expenses	210,004	214,920	(4,916)	210,004	184,801	25,203
Building Operating Costs	166,543	182,805	(16,262)	166,543	164,832	1,711
Professional Services	162,808	78,350	84,458	162,808	81,586	81,223
Public Hearings & Marketing	48,494	45,000	3,494	48,494	62,457	(13,963)
Travel, Mileage & Meeting Expenses	10,898	26,250	(15,352)	10,898	9,912	985
Other Expenses	7,516	5,625	1,891	7,516	4,198	3,318
Total Expenses	2,089,800	2,135,826	(46,026)	2,089,800	1,931,351	158,449
SPECIAL PROJECT GRANTS:						
Revenues	762,907	728,501	34,406	762,907	4,251,094	(3,488,187)
Expenses	(572,738)	(677,351)	104,612	(572,738)	(4,771,432)	4,198,693
	190,168	51,150	139,018	190,168	(520,337)	710,506
NET INCOME/(LOSS) BEFORE OTHER STRATEGIC INVESTMENTS & DEPRECIATION:						
	\$ (72,761)	\$ 37,874	\$ (110,636)	\$ (72,761)	\$ (176,776)	\$ 104,015
OTHER STRATEGIC INVESTMENTS AND INITIATIVES:						
Zero Net Energy costs (Z7+)	\$ -	\$ (469,437)	\$ 469,437	\$ -	\$ -	\$ -
Bethlehem Steel Industrial Park Grant	(8,055)	(100,000)	91,945	(8,055)	(163,091)	155,036
Angola Ag Park Grant	(49,183)	(100,000)	50,817	(49,183)	(49,860)	677
Bethlehem Steel Industrial Park Grant Reimb	103,625	250,000	(146,375)	103,625	-	103,625
Buffalo Urban Development Corporation	-	(100,000)	100,000	-	-	-
Other Strategic Initiatives	(75,000)	(125,000)	50,000	(75,000)	(75,000)	-
	(28,613)	(644,437)	615,825	(28,613)	(287,951)	259,338
NET INCOME/(LOSS) BEFORE DEPRECIATION:						
	(101,374)	(606,563)	505,189	(101,374)	(464,727)	363,354
Depreciation	(90,000)	(90,000)	-	(90,000)	(90,000)	-
NET INCOME/(LOSS):	\$ (191,374)	\$ (696,563)	\$ 505,189	\$ (191,374)	\$ (554,727)	\$ 363,354



ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY (ECIDA)
BUFFALO & ERIE COUNTY REGIONAL DEVELOPMENT CORP (RDC)
BUFFALO & ERIE COUNTY INDUSTRIAL LAND DEVELOPMENT CORP (ILDC)

2023 Budget Review Process

Date	Description	
July-August	Review of draft 2023 budgets by ECIDA management. (a) Prioritize any proposed budget requests for initiatives. (b) Formal budget requests compiled.	✓
August 19	Finance & Audit Committee meeting – initial review of proposed budgets.	✓
September 23	Finance & Audit Committee meeting to discuss any updates/recommend proposed budgets to Boards. (No quorum.)	✓
September 28	Review of 2023 draft budgets at Board meetings.	✓
October 6 1:00 pm	Board Q&A budget session #1 <u>via Zoom</u> (voluntary).	✓
October 7 10:00 am	Board Q&A budget session #2 <u>in person</u> (voluntary).	✓
October 17	Adjustments to budget based on Board feedback (if any) and Finance & Audit Committee recommendation of final budgets.	✓
October 26	Board meetings – action to approve final 2023 budgets.	
November 1	Deadline for final approved budgets to be submitted to the ABO.	



Erie County Industrial Development Agency
Proposed 2023 Budget

Erie County Industrial Development Agency (ECIDA)
2023 Budget + 3 Year Forecast

A. Overview of Changes in 2023 Budget

Presented herein is the projected operating budget for the Erie County Industrial Development Agency's ("ECIDA") year ending December 31, 2023 and a three-year forecast for 2024–2026.

The ECIDA is a not-for-profit, public benefit corporation that provides tax incentives, financing programs and economic development services to Buffalo and Erie County. In accomplishing its mission, the ECIDA does not receive any operational funding from Federal, State, County or local sources. Instead, the key source of revenue for the ECIDA is the administrative fees charged to those companies that utilize its various products and services. The income that the ECIDA generates is utilized to provide salaries to its professional staff for managing various economic development programs, as well as payments for professional fees, general office expenses, public notices/marketing, building costs and other miscellaneous expenses.

For the year ending December 31, 2023, the Agency is projecting a net loss from operations of \$31,195. Depreciation, a noncash item, is estimated at \$120,000 and brings the budgeted operating loss to \$151,195. There is also \$796,000 budgeted for external projects, most of which will be funded with existing UDAG funds, rather than operating cash. After reserving \$2,000,000 for future projects the potential net loss for 2023 is \$2,947,500. Most of the budgeted loss would be from existing UDAG funds that have accumulated over several years.

The following significant risk factors may impact the 2023 results:

1. A significant portion of the ECIDA's administrative fee income is derived from a few large tax incentives and/or tax-exempt bond projects. The Agency does not collect a fee until the project (usually construction) is started, since many factors affect project timing. Depending on the timing of these projects, the Agency's fee income can fluctuate significantly from year to year.
2. Changes in the overall national and/or regional economy could result in a decrease in local investment projects that are assisted by the Agency, resulting in a corresponding decrease in administrative fee income.

The following information details the key changes in the 2023 budget compared to the 2022 projected revenues and expenses:

Erie County Industrial Development Agency (ECIDA)

2023 Budget + 3 Year Forecast

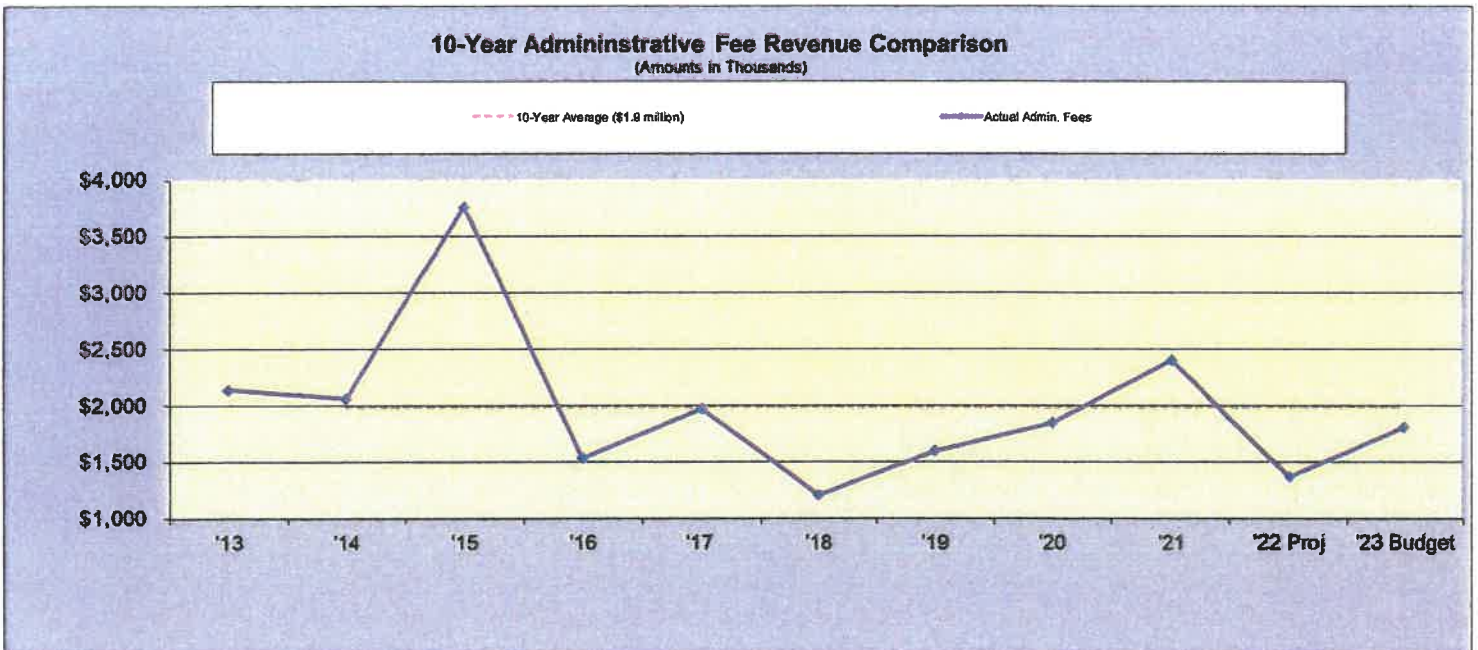
A. Overview of Changes in 2023 Budget (continued)

Revenues:

Administrative Fees (2023 Budget - \$1.8 million):

Administrative fees primarily consist of fees earned by the ECIDA through the provision of tax abatements. During 2022, administrative fees included projects such as Life Technologies in Grand Island and 791 Washington Street, LLC (Trico). Additionally, the Agency closed on two bond issuances in 2022, which resulted in fees collected of \$150,000. Since some fees are recognized over multiple years (in accordance with the terms of the related fee agreements), the Agency expects to recognize approximately \$722,000 of fees in 2023 related to prior year project approvals. The budgeted figure of \$1.8 million was derived using the 2012-2021 10-year average.

The following chart summarizes the actual administrative fee revenue over the past 10 years compared to the average administrative fee for the 10-year period from 2013-2022:



Erie County Industrial Development Agency (ECIDA)
2023 Budget + 3 Year Forecast

A. Overview of Changes in 2023 Budget (continued)

Affiliate Management Fees (increasing 2.9% from \$485,500 to \$499,700):

Affiliate Management Fees represent salary, benefit, and facilities costs charged to ECIDA's affiliated companies (RDC & ILDC) for office space and services that ECIDA employees provide to these organizations, since they have no employees of their own. Affiliate management fees are expected to increase in 2023 due to increases in employee salaries and benefit costs.

Management Fees – BUDC (increasing 1.9% from \$103,000 to \$105,000):

Management Fees – BUDC are salaries and benefit costs charged to Buffalo Urban Development Corporation ("BUDC") and its affiliates for services that ECIDA employees provide. ECIDA provides financial reporting, facilities management, and administrative services to BUDC as part of a shared services agreement. Management fees are expected to increase slightly in 2023 due to increased salaries and benefits costs for employees who charge hours to BUDC and its affiliates.

Rental Income (increasing 4.0% from \$350,970 to \$365,100):

Rental Income represents rent received by ECIDA from BUDC for office space, two facilities owned by ECIDA and other smaller agreements. Budgeted rent revenue for leased space at 143 Genesee Street is \$231,700, with the lease agreement placed through July 2027. Rent received from the Port Terminal management agreement of \$107,585 in 2022 is budgeted at \$107,500 in 2023 based on projections from the management company.

Expenses:

Salaries & Benefits (increasing 3.6% from \$2.02 million to \$2.1 million):

The increase in the 2023 budgeted salaries and benefits compared to the projected 2022 figures is due to several factors. Salary increases and a potential performance incentive pool calculated at 4% of total salaries are included in the budget. Compensation increases are based on an independent compensation study of ECIDA employees, comparing Agency employee salaries with other individuals in the local labor market who have similar titles and responsibilities. These adjustments, if any, will also be reviewed and approved by the ECIDA Board Compensation Committee for Executive Management and by the CEO for other staff. Annual rate increases for health care also contributes to higher employee benefit costs. As an organization of specialized professionals, salaries and benefits account for 74% of total budgeted operating expenses.

Building Operating Costs (increasing 10.6% from \$230,000 to \$254,000):

The increase in 2023 budgeted building operating costs compared to the projected 2022 figures is due mainly to a budgeted increase in rent expense. Rent expense for 2022 is projected to be \$190,700, while we are budgeting \$214,800 for 2023. This is due to the expiration of ECIDA's current office sublease during 2022, and management's assumption that a new lease will be at a higher cost per square foot.

Erie County Industrial Development Agency (ECIDA)
2023 Budget + 3 Year Forecast

A. Overview of Changes in 2023 Budget (continued)

Professional Services (decreasing 41.0% from \$167,700 to \$99,000):
 Professional Services consist of the following:

	2023 Budget	2022 Budget	2022 Projection
Legal	\$45,000	\$45,000	\$29,000
Consultants	\$25,000	\$22,000	\$108,000
Auditing	\$29,000	\$28,100	\$30,500
Total	\$99,000	\$95,100	\$167,500

In 2023, legal expenses are budgeted at \$45,000, consistent with the 2022 budget. Consultant expenses are budgeted at \$25,000. 2022 consultant costs are projected higher than budget due to the required Comprehensive Economic Development Strategy (CEDS) update (not included in original budget) and recruiting costs to fill open positions. Audit costs are in accordance with current proposals.

Erie County Industrial Development Agency (ECIDA)
2023 Budget + 3 Year Forecast

B. External Special Projects & Reserves for Future Projects

The ECIDA’s 2023 budget currently includes \$225,000 for external projects and \$2 million allocated for potential future projects that are consistent with the ECIDA’s strategic plan and the restrictions on the UDAG and/or General Funds as follows:

Project	2023 Budget	2022 Budget	2022 Projected Actual
External Special Projects	\$ 225,000	\$ 225,000	\$ 175,000
Industrial Land Park Grant	-	100,000	100,000
Angola Ag Park Grant	100,000	100,000	100,000
Z7+ Expense Reserve	621,319	621,319	5,000
Reserves for Future Projects:			
Venture Capital Co-Investment	1,000,000	1,000,000	-
Forgivable Attraction Loan	1,000,000	1,000,000	-
Total	\$ 2,946,319	\$ 3,046,319	\$ 380,000

External Special Project allocations of \$225,000 include organizations that have received funding in the past, such as Buffalo’s Race for Place spearheaded by BUDC (\$100,000) and the Agency’s annual membership expenditure with Invest Buffalo Niagara (\$75,000). These items will not require specific Board action. Agency staff also hopes to work with community partners to establish a Minority Business Enterprise Assistance Program. A new request such as this would be presented to the ECIDA Board for approval before funding. The Z7+ Expense Reserve represents the remaining funds from the Board’s \$1.5 million allocation in 2016. The balance of those funds is included in the 2023 budget.

\$100,000 is budgeted for Angola Ag Park, representing one-third of the estimated carrying costs approved by the Board. The Reserves for Future Projects of \$2 million are discussed on the following pages and would also require Board approval prior to funding.

Erie County Industrial Development Agency (ECIDA)
2023 Budget + 3 Year Forecast

B. External Special Projects & Reserves for Future Projects (continued)

Venture Capital Co-Investment

Proposal: \$1,000,000

The Issue – Currently, high-growth-potential companies have difficulty attracting angel or seed capital funding when they are in the earliest of their development stages. With the significant public investment in university and college research facilities and scientists, there is a need to commercialize this research in order to provide the “pay-back” on the community’s investment in the form of new high-paying jobs. Currently, there is a lack of early-stage capital for venture companies located in Western New York. Meanwhile, other communities which face similar issues have been successful in utilizing publicly-sponsored funds to support new companies.

Current New York State law does not explicitly allow IDAs to make equity venture investments in private companies. In order to achieve a change in New York State law, ECIDA is working with NYSEDC and the local New York State legislative delegation to pass legislation to codify the powers and duties of an IDA to operate an equity venture program and to provide venture investment to startup entrepreneurs and private companies.

The Proposal – In 2015, the ECIDA began the reestablishment of its Venture Capital Fund to provide equity investments in early-stage, high-growth-potential companies. The ECIDA will partner with qualified co-investors from Erie County such as Launch NY, 43 North, Z80 Labs, and/or Rand Capital. In the past, the ECIDA has had several key economic development successes by partnering with Rand Capital, such as its equity investments in GEMCOR II, LLC and Synacor, Inc. (approximately 400 jobs combined). The ECIDA would rely upon the expertise of its partners to conduct the due diligence required to evaluate the business, structure the investment, and develop an exit strategy.

Use of Funds – To make equity (stock) and/or debt project expenditures in selected businesses.

Partners – Launch NY, 43North, Z80 Labs, Rand Capital, and other venture capital firms.

Approval – The ECIDA Board would approve all project expenditures under this program.

Consistency with Community Plans – This strategy is consistent with the County Executive’s, *Initiatives for a Smart Economy 2.0*. One of the goals outlined in the plan is as follows: “*Erie County will create Venture Fund programs and provide venture equity to local entrepreneurs through the ECIDA*”.

Erie County Industrial Development Agency (ECIDA)
2023 Budget + 3 Year Forecast

B. Special Projects & ECIDA Program Allocations (continued)

Forgivable Attraction Loan(s)

Proposal: \$1,000,000

Qualification – Businesses must be relocating to a HUD-defined distressed area or meet other HUD qualifications and provide a significant regional impact in terms of investment and/or job creation.

The Issue – Currently a number of communities across the nation are aggressively pursuing businesses to entice them to their region. One vehicle that communities have used to tip the relocation decision in their favor is the use of a high-impact project expenditure fund. Until 2013, the Buffalo region did not have such a program, while neighboring states were offering these programs with positive results, to Erie County’s detriment.

The Proposal – The ECIDA would continue to fund a forgivable attraction loan fund that could aid in the attraction of key new businesses that would have a regional employment or investment impact. The attraction incentive would be structured in the form of a loan, with a portion or all of it forgiven if the company establishes their business in Erie County and meets specified investment and/or job goals. The ECIDA would work with Invest Buffalo Niagara to offer this incentive to those businesses that are the most promising and/or target the attraction loan to specific industries or regions (such as Southern Ontario). By providing this incentive, the Buffalo region would be perceived as demonstrating the community’s support for the business relocation and could be the tipping point that leads to the relocation of the business as well as related “follow on” investments.

Use of Funds – To make project expenditures to companies located outside of Western New York to offset a portion of their investment costs in relocating. Companies assisted would be in one of the regional targeted industry sectors and have a regional employment or investment impact. The program would have a targeted maximum incentive of \$25,000 per job created.

Partners – Invest Buffalo Niagara

Approval – The ECIDA Board would approve all awards under this program.

Consistency with Community Plans – This strategy is consistent with the County Executive’s “Initiatives for a Smart Economy 2.0” which states: *“Projects assisted by the ECIDA will be those that bring outside investment and self-sustaining jobs to Erie County while strengthening the regional economic base, helping to create a more inclusive economy and leading to population stabilization throughout the area”*.

**ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY ("ECIDA")
Proposed Budget for 2023**

	Proposed Budget 2023	Approved Budget 2022	Projected 2022	Actual 2021
REVENUES:				
Administrative Fees	\$ 1,800,000	\$ 1,855,000	\$ 1,361,000	\$ 2,419,283
Affiliate Management Fees	499,700	433,500	485,500	421,600
Management Fees - BUDC	105,000	108,000	103,000	92,601
Rental Income	365,100	345,400	350,970	332,727
Other Income	34,000	41,000	21,299	31,060
Interest Income - Cash & Investments	6,000	12,500	7,770	7,032
UDAG Venture Investment Reflow	-	-	-	2,425
Total Revenues	2,809,800	2,795,400	2,329,539	3,306,727
EXPENSES:				
Salaries & Benefits	2,095,500	2,091,500	2,022,079	1,905,311
General Office Expenses	179,200	186,560	174,854	157,507
Insurance Expense	100,000	100,000	96,611	98,739
Building Operating Costs	254,045	243,740	229,785	225,128
Professional Services	99,000	95,100	167,658	151,982
Public Hearing & Marketing Costs	65,000	60,000	60,335	85,811
Travel, Mileage & Meeting Expenses	37,000	35,000	17,903	18,820
Other Expenses	8,750	7,500	9,054	4,152
Total Expenses	2,838,495	2,819,400	2,778,279	2,647,450
GRANT INCOME:				
Revenues	831,893	1,094,159	749,267	5,379,784
Expenses	(823,693)	(1,085,959)	(717,690)	(5,940,551)
	8,200	8,200	31,577	(560,767)
NET INCOME (LOSS) BEFORE DEPRECIATION, EXTERNAL SPECIAL PROJECTS AND OTHER RESERVES:				
	(20,495)	(15,800)	(417,162)	98,510
Depreciation	(120,000)	(120,000)	(120,000)	(116,449)
NET INCOME (LOSS) BEFORE EXTERNAL SPECIAL PROJECTS AND OTHER RESERVES:				
	(140,495)	(135,800)	(537,162)	(17,939)
External Special Projects:				
Buffalo Building Reuse Project (BUDC)	100,000	100,000	100,000	-
Annual Membership (IBN)	75,000	75,000	75,000	75,000
MBE Assistance Program	50,000	50,000	-	-
Z7+ consultants/expense reserve	621,319	621,319	5,000	-
Industrial Land Park grant paid	-	100,000	100,000	163,091
ILDC Land Sale Proceeds (reimbursement)	(150,000)	(250,000)	(103,625)	(104,500)
Angola Ag Park grant paid	100,000	100,000	100,000	49,860
Total Special Projects	796,319	796,319	276,375	183,451
NET INCOME (LOSS) BEFORE OTHER RESERVES:				
	(936,814)	(932,119)	(813,537)	(201,390)
Reserves for Future Projects:				
Venture Capital Co-Investment	1,000,000	1,000,000	-	-
Forgivable Attraction Loan(s)	1,000,000	1,000,000	-	-
Total Other Reserves	2,000,000	2,000,000	-	-
NET INCOME (LOSS):				
	\$ (2,936,814)	\$ (2,932,119)	\$ (813,537)	\$ (201,390)

ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY ("ECIDA")
Proposed Budget and Three Year Forecast 2024-2026

	Proposed Budget 2023	Forecast 2024	Forecast 2025	Forecast 2026
REVENUES:				
Administrative Fees	\$ 1,800,000	\$ 1,800,000	\$ 1,800,000	\$ 1,800,000
Affiliate Management Fees	499,700	515,000	530,000	546,000
Management Fees - BUDC	105,000	108,000	111,000	114,000
Rental Income	365,100	365,100	365,100	365,100
Other Income	34,000	40,000	40,000	40,000
Interest Income - Cash & Investments	6,000	6,000	6,000	6,000
Total Revenues	2,809,800	2,834,100	2,852,100	2,871,100
EXPENSES:				
Salaries & Benefits	2,095,500	2,137,000	2,180,000	2,245,000
Professional Services	99,000	110,000	140,000	140,000
General Office Expenses	179,200	185,000	191,000	197,000
Insurance Expense	100,000	103,000	106,000	109,000
Public Hearing & Marketing Costs	65,000	67,000	69,000	71,000
Building Operating Costs	254,045	262,000	270,000	278,000
Travel, Mileage & Meeting Expenses	37,000	38,000	39,000	40,000
Other Expenses	8,750	9,000	9,000	9,000
Total Expenses	2,838,495	2,911,000	3,004,000	3,089,000
GRANT INCOME:				
Revenues	831,893	250,000	250,000	250,000
Expenses	(823,693)	(250,000)	(250,000)	(250,000)
	8,200	-	-	-
NET INCOME (LOSS) BEFORE DEPRECIATION, EXTERNAL SPECIAL PROJECTS AND OTHER RESERVES:				
	(20,495)	(76,900)	(151,900)	(217,900)
Depreciation	(120,000)	(120,000)	(120,000)	(120,000)
NET INCOME (LOSS) BEFORE EXTERNAL SPECIAL PROJECTS AND OTHER RESERVES:				
	(140,495)	(196,900)	(271,900)	(337,900)
<u>External Special Projects and Strategic Initiatives:</u>				
Buffalo Building Reuse Project (BUDC)	100,000	100,000	100,000	100,000
Annual Membership (IBN)	75,000	50,000	-	-
MBE Assistance Program	50,000	50,000	50,000	50,000
Z7+ consultants/expense reserve	621,319	-	-	-
ILDC Land Sale Proceeds (reimbursement)	(150,000)	(150,000)	(150,000)	(150,000)
Angola Ag Park grant paid	100,000	100,000	-	-
Total Special Projects and Other Strategic Investments	796,319	150,000	-	-
NET INCOME (LOSS) BEFORE OTHER RESERVES:				
	(936,814)	(346,900)	(271,900)	(337,900)
<u>Reserves for Future Projects:</u>				
Venture Capital Co-Investment	1,000,000	-	-	-
Forgivable Attraction Loan(s)	1,000,000	-	-	-
Total Other Reserves	2,000,000	-	-	-
NET INCOME (LOSS):				
	\$ (2,936,814)	\$ (346,900)	\$ (271,900)	\$ (337,900)

Erie County Industrial Development Agency
Proposed Five Year Capital Budget 2023-2027

	2023	2024	2025	2026	2027	Total
Facilities:						
143 Genesee Street	\$ 20,000	\$ 20,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 85,000
95 Perry Street	180,000	10,000	5,000	5,000	5,000	205,000
Total Facilities	200,000	30,000	20,000	20,000	20,000	290,000
Information Technology:						
Firewall Hardware and License	5,500	-	-	-	-	5,500
Servers	-	12,000	-	12,000	-	24,000
Infrastructure Upgrade	-	4,500	-	-	-	4,500
Misc.	3,000	3,000	3,000	3,000	3,000	15,000
Total Information Technology	8,500	19,500	3,000	15,000	3,000	49,000
GRAND TOTAL	\$ 208,500	\$ 49,500	\$ 23,000	\$ 35,000	\$ 23,000	\$ 339,000

Tax Incentives Approved - 2022

Approval Date	Project Name	Project City/Town	Private Investment/Project Amount	Minimum Investment/Commitment	FT Jobs Retained	PT Jobs Retained	FT Jobs to be Created	PT Jobs to be Created	Job Creation	Const. Jobs	Spillover Jobs	Length of Term	Incentive Amount	Cost Benefit Ratio
Jan-22	791 Washington Street, LLC ¹	Buffalo	\$107,950,000	85% threshold \$91,800,000	0	0	5	0	85% -New 4 jobs	571	433	Period of PILOT 10 Years	\$3,719,000	1:20
Jan-22	Arbor Multifamily Lending, LLC	Tonawanda	\$2,100,000	85% threshold \$1,785,000	168	0	25	0	85% -New 21 jobs	0	158	project completion date + 2 yrs	\$183,750	1:304
Jan-22	Broadway Development & Management ¹	Buffalo	\$12,500,000	85% threshold \$10,625,000	2	0	8	0	85% -New 7 jobs	56	55	project completion date + 2 yrs	\$693,500	1:14
Jan-22	Lactalis American Group, Inc.	Buffalo	\$1,436,697	85% threshold \$1,221,192	334	0	27	0	85% -New 22 jobs	5	1390	project completion date + 2 yrs	\$126,793	1:9994
Mar-22	471 Elmwood, LLC ¹	Buffalo	\$3,590,000	85% threshold \$3,051,500	0	0	1	0	85% -New 1 job	20	10	project completion date + 2 yrs	\$122,500	1:15
Apr-22	Workspport, Ltd.	West Seneca	\$15,006,887	85% threshold \$12,755,854	0	0	6	10	85% -New 9 job	30	33	project completion date + 2 yrs	\$103,562	1:67
Jul-22	380 Vuclan	Tonawanda	\$7,145,000	85% threshold \$6,073,250	4	2	3	2	85% -New 3 jobs	25	26	Period of PILOT 7 Years	\$1,610,699	1:6
Jul-22	Perry's Ice Cream	Akron	\$18,000,000	85% threshold \$15,300,000	365	14	15	0	85% -New 12 Jobs	79	690	Period of PILOT 7 Years	\$684,891	1:490
Jul-22	Spaulding Business Park	Tonawanda	\$2,055,000	85% threshold \$1,746,750	0	0	20	0	85% -New 17 Jobs	8	24	Period of PILOT 7 Years	\$403,241	1:27
Jul-22	A & A Union Road, LLC	West Seneca	\$3,110,729	85% threshold \$2,644,119	12	1	2	0	85% -New 1 Job	13	33	Period of PILOT 7 Years	\$521,790	1:31
Aug-22	Laborers Way 1	Buffalo	\$27,800,000	85% threshold \$23,630,000	0	0	20	34	85% -New 37 Jobs	119	141	Period of PILOT 15 Years	\$3,087,290	1:28
Sep-22	950 Broadway, LLC ¹	Buffalo	\$11,653,862	85% threshold \$9,905,783	0	0	34	4	85% -New 30 Jobs	55	51	project completion date + 2 yrs	\$592,040	1:25
Totals:			Private Investment/Project Amount		FT Jobs Retained	PT Jobs Retained	FT Jobs Created	PT Jobs Created		Constition Jobs	Spillover Jobs		Incentive Amount	
Adaptive Reuse Subtotal			\$135,693,862		2	0	48	4		702	549		\$5,127,040	
2022 Total			\$212,348,175		885	17	166	50		981	3044		\$11,849,056	

¹ Adaptive Reuse

Tax Incentives Closings - 2022

Project Name	Project Amount at Closing	FT Jobs at App	Projected Year 2 FT Jobs	PT Jobs at App	Projected Year 2 PT Jobs	Project City	Induced Date	Est. Project Completion Date
Unifrax Line 7	\$ 36,000,000	27	37	0	0	Tonawanda	3/27/2019	12/31/2021
Workspport	\$ 15,666,887	0	6	0	10	West Seneca	4/27/2022	12/31/2027
Calspan Corporation	\$ 15,092,000	143	163	3	3	Cheektowaga	6/1/2022	12/31/2022
Sucro Real Estate, LLC	\$ 7,625,000	5	50	0	0	Lackawanna	1/27/2021	4/30/2023
380 Vulcan/Carrier Terminal Services	\$ 7,145,000	5	7	2	2	Kenmore	7/27/2022	12/31/2024
Eastman Machine Company	\$ 1,749,062	126	129	0	0	Buffalo	2/24/2021	12/21/2023
	\$ 83,277,949	306	392	5	15			
Projects Closed = 6								
FT Projected New Jobs = 86								
PT Projected New Jobs = 10								

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

- DATE AND PLACE:** October 6, 2022 at the Erie County Industrial Development Agency, 95 Perry Street, 4th Floor Conference Room, Buffalo, New York 14203
- PRESENT:** Hon. April Baskin; Rev. Mark E. Blue; Richard Lipsitz, Jr.; Brenda W. McDuffie; Hon. Glenn R. Nellis; Laura Smith, David J. State; Lavon Stephens; Paul Vukelic and Hon. Maria Whyte
- EXCUSED:** Denise Abbott; Hon. Bryon W. Brown; Johanna Coleman; Colleen DiPirro and Hon. John Tobia
- OTHERS PRESENT:** Beth O’Keefe, Vice President of Operations; Grant Lesswing, Director of Business Development; Soma Hawramee, Compliance Portfolio Manager; Brian Krygier, Director of Information Technology; Carrie Hocienięc, Operations Assistant; and Pietra G. Zaffram, General Counsel/Harris Beach PLLC
- GUESTS:** Don Dimitroff on behalf of Sonwil Distribution; Lindsey Haubenreich on behalf of Phillips Lytle; David Brown on behalf of Ellicott Townhomes; Stephen Yonaty on behalf of Cannon, Heyman & Weiss, LLP; Olivia Hill on behalf of Invest Buffalo Niagara and J. Dale Shoemaker on behalf of Investigative Post

There being a quorum present at 9:04 a.m., the Meeting of the Policy Committee was called to order by Mr. Lipsitz.

MINUTES

The minutes of the September 1, 2022 Policy Committee meeting were presented. Upon motion made by Mr. Vukelic to approve of the minutes, and seconded by Ms. McDuffie, the aforementioned Policy Committee meeting minutes were unanimously approved.

PROJECT MATRIX

Ms. O’Keefe reviewed the Agency’s 2022 Tax Incentives Project Matrix. Mr. Lipsitz directed that the report be received and filed.

PROJECT PRESENTATIONS

5100 North America Drive, LLC, 5100 North America Drive, West Seneca, New York 14224. Ms. O’Keefe presented this proposed sales tax, mortgage recording tax and real property

tax abatement benefits project involving the construction of an approximately 323,000+/- sq. ft. distribution warehouse to be owned by applicant and leased to Sonwil Distribution and serve as a multi-temperature (cold/ambient) distribution warehouse. It will be rail served (Norfolk Southern) and contain state of the art material handling systems.

General discussed ensued.

Ms. O’Keefe confirmed that 5100 North America Drive LLC is seeking approximately \$11,830,173 in assistance including sales tax exemption, mortgage tax exemption and real property tax exemption. Total payroll is projected at \$68.5M for the direct and indirect jobs created including 259 construction jobs. The resulting cost benefit is 1:6 so for every \$1 of incentives the community benefit is \$6 in payroll & tax revenue.

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

Draft Recapture Material Terms

Condition	Term	Recapture Provision
		Investment amount equal to or greater than 85% of project amount.
Total Investment	At project completion	Total Project Amount = \$61,764,000 85% = \$52,499,400
Employment	Coincides with 10-year PILOT	Maintain Base = 22 Create 85% of Projected Projected = 19 85% = 16 Recapture Employment = 38
Local Labor	Construction Period	Adherence to policy including quarterly reporting
Pay Equity	Coincides with 10-Year PILOT	Adherence to policy
Unpaid Tax	Coincides with 10-Year PILOT	Adherence to policy
Recapture Period	Coincides with 10-Year PILOT	Recapture of state and local sales taxes, mortgage recording tax and real property taxes

Ms. Whyte moved, and Mr. Nellis seconded to recommend the project as proposed be forwarded to the members of the ECIDA for approval. Mr. Lipsitz called for the vote and the project was then unanimously approved.

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

ELLICOTT PARK TOWNHOMES COMMUNITY PARTNERS, L.P.

Ellicott Park Townhomes Community Partners, L.P., 10 Durham Court (a/k/a 221 and 291 William Street), Buffalo, New York 14204. Ms. O’Keefe presented this proposed sales and use tax and mortgage recording tax exemption benefits project also involving the Agency’s issuance of its tax-exempt bonds in an amount not to exceed \$30,000,000. The project will involve the renovation of a 220-unit family Section 8 (68% or 150 units) affordable housing community located in twenty-one two-story wood frame with brick façade townhouse style buildings on 2 non-contiguous parcels totaling 8.9 acres in downtown Buffalo.

Ms. McDuffie thanks the company for the their project, noting that securing quality housing for Section 8 tenants is important.

General discussion ensued.

Ms. O’Keefe confirmed that Ellicott Park Townhomes Community Partners, L.P. is seeking approximately \$1,280,856 in assistance including sales and use tax exemption and mortgage tax exemption. Total payroll is projected at \$27,102,625 for the direct and indirect jobs created including 210 construction jobs. The resulting cost benefit is 1:22 so for every \$1 of incentives the community benefit is \$22 in payroll & tax revenue. For Erie County, every \$1 of incentives provides \$42 in community benefits.

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

Draft Recapture Material Terms

Condition	Term	Recapture Provision
Total Investment	At project completion	Investment amount equal to or greater than 85% of project amount. Total Project Amount = \$54,664,295 85% = \$46,464,650
Employment	Coincides with Recapture Period	Maintain Base = 2 FT, 1 PT (2 FTE) Create 85% of Projected Projected = 2 FT, 2 PT (3 FTE) 85% = 2 FTE Recapture Employment = 4 FTE
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 and use taxes and mortgage recording tax
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Mr. Blue moved and Ms. Whyte seconded to recommend the project as proposed be forwarded to the members of the ECIDA for approval. Mr. Lipsitz called for the vote and the project was then unanimously approved.

OAHS TONAWANDA TC LLC

OAHS Tonawanda TC LLC, 5 Main Street, Tonawanda, New York 14150. Ms. O’Keefe presented this proposed mortgage recording tax exemption benefit project also involving the Agency’s issuance of its tax-exempt bonds in an amount not to exceed \$13,000,000. The project will involve the rehabilitation of a 100-unit senior housing facility including renovating the interiors of all units and the common areas, upgrading all electrical equipment to energy efficient equipment, updating the building envelope and improving various site features.

General discussion ensued.

Ms. O’Keefe confirmed that OAHS Tonawanda TC LLC is seeking approximately \$89,003 in assistance including mortgage tax exemption. Total payroll is projected at \$8,266,028 for the direct and indirect jobs created including 59 construction jobs. The resulting cost benefit is 1:98 so for every \$1 of incentives the community benefit is \$98 in payroll & tax revenue. For Erie County, every \$1 of incentives provides \$279 in community benefits.

Ms. O’Keefe stated that in exchange for providing the mortgage recording tax abatement benefit, 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 = \$25,040,720 85% = \$21,284,612
Employment	Same as recapture period	Maintain Base = 3 FT, 1 PT Create 85% of Projected Projected = 1 PT 85% = 0 Recapture Employment = 3 FTE
Local Labor	Construction Period	Adherence to policy including quarterly reporting

Pay Equity	Same as recapture period	Adherence to policy
Unpaid Tax	Same as recapture period	Adherence to policy
Recapture Period	2 years after project completion	Recapture of mortgage recording tax

Ms. McDuffie 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.

MWBE UPDATE

Mr. Lipsitz noted the Policy Committee and its MWBE policy working group have been working diligently on a draft policy and have prepared a proposal for consideration by the full board.

Ms. Whyte advised that the group has been working since late summer of last year and she provided Committee members with an overview of the process. The working group began with a review of the Onondaga policy. Upon review it became clear that the Onondaga County policy really revolved around workforce matters. They then reviewed New York State's policies and conducted a Constitutional analysis with the assistance of counsel. The group then went to work on a two-phase policy. She advised that Phase I will be an opt-in policy; not a requirement, in order to address Constitutional considerations. Phase II involved creation of what the policy would look like, including reviewing construction period efforts, such as addressing what it means to be "acting in good faith", and also reviewing post construction period. Ms. Whyte gave credit to the Buffalo Niagara Partnership who put together an extensive presentation regarding survey results from the private business community on MWBE actions. Next, the group developed the PILOT itself, including different tiers for different activities. She advised Buffalo Niagara Partnership has supported the Agency regarding compliance and supportive services to put this proposal together, along with counsel drafting the language. Ms. Whyte noted that direct, specific attention is needed to address the wealth gap and stated the Agency is the only IDA in the state leading the way in implementing a MWBE policy.

Mr. Lipsitz stated that the work on all of these policies would not have happened without Ms. Whyte, and the policy will likely become a model to be used throughout New York State.

Mr. Blue moved and Ms. McDuffie seconded to recommend the proposed MWBE policy as proposed be forwarded to the members of the ECIDA for discussion approval.

Ms. McDuffie commented that there has been extremely thoughtful deliberation in drafting the proposed policy. She noted the Committee has taken the time to do it right and the benefit will accrue to the entire community. She stated it is good business and the time it took is well worth it and appreciated Ms. Whyte's leadership.

Ms. Smith stated that all the notifications for UTEP have to go out and the Committee wants the policy to be utilized and she recommends a review of the first year of implementation be conducted in Policy Committee.

Mr. Lipsitz advised that Mr. Cappellino has been a huge supporter of this policy. Mr. State inquired whether the Agency staff requires additional support to implement the policy. Ms. O'Keefe advised that staff has had discussions and are working through the process.

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

Ms. O'Keefe advised there will be two educational sessions offered to Board members and the anticipated implementation date will be the second quarter of 2023.

Mr. Lipsitz called for the vote and the motion was then unanimously approved.

There being no further business to discuss, Mr. Lipsitz adjourned the meeting at 10:01 a.m.

Dated: October 6, 2022

Elizabeth A. O'Keefe, Secretary

Ellicott Park Townhomes Community Partners, LP

Briefing Memo

ECIDA Tax-Exempt Bonding

Community Preservation Partners (CPP) is an affordable housing rehabilitation company that believes housing is a basic human need, no matter an individual's age, race or socio-economic background. CPP partners with local developers, nonprofits, service providers and housing authorities to transform the lives of the residents who live in the communities we serve. As a result, since 2005 CPP has preserved more than 10,000 units of affordable housing in 14 states.

Project:

Ellicott Park Townhomes is a 220-unit family Section 8 (68% or 150 units) affordable housing community located in twenty-one two-story wood frame with brick façade townhouse style buildings on 2 noncontiguous parcels totaling 8.9 acres in downtown Buffalo. These Townhomes were built in 1967 and are located just a few blocks from the main business district.

Renovations will cost approximately \$ 75,000 per unit and will include ADA unit conversions, air sealing, door replacement, flooring throughout, paint throughout, kitchen upgrades (new cabinets, quartz counters, energy star appliances, plumbing fixtures), bathroom upgrades (new vanities, quartz countertops, plumbing fixtures accessories) lighting replacement. Building systems – waste line repairs/replacement, exterior window replacement brick masonry repairs, roof replacement. Site work – mill repave and restripe asphalt parking lot, new playground, new gazebo, new dog park, BBQ grills, bike racks, tree trimming, path and travel improvements. Due to the extensive scope of renovations, tenants may experience minor displacement during construction - details are currently being worked out. Tenant furniture will not need to be moved.

CPP East to acquire the property on an acquisition bridge loan in 2022 followed by a tax credit and tax-exempt bond closing in the first quarter of 2023. CPP East will submit an Option 1 Mark-Up-to-Market rent adjustment and 20-year renewal of the HAP contract from HUD and apply for as-of-right 4% LIHTC through the New York State Housing Finance Agency. CPP is pursuing a 15 Year Affordable Housing PILOT in accordance with the City and County PILOT policy.

Project Financing:

The total project refinancing is not to exceed \$33,000,000 of tax-exempt bonds issued through the Erie County Industrial Development Corporation (ECIDA).

The NYS Department of Economic Development has not announced the 2023 bond allocations (including the ECIDA allocation). The ECIDA will continue to work closely with the NYS DED to ensure sufficient ECIDA private activity bond volume cap allocation for '23 issuance of tax-exempt private activity bonds for the Ellicott Park Townhomes Project.

The bonds would not be an obligation of the ECIDA, Erie County or NYS.

Ellicott Park Townhomes Community Partners, LP
\$ 54,664,295
INDUCEMENT RESOLUTION / TAX EXEMPT BOND
ANTICIPATED BOND AMOUNT UP TO 33,000,000

<p>ELIGIBILITY</p> <ul style="list-style-type: none"> • NAICS Section – 53 	<p>Project Title: Ellicott Townhomes</p>										
<p>COMPANY INCENTIVES</p> <ul style="list-style-type: none"> • Anticipated Bond Amount – up to \$ 33,000,000 • Approximately \$ 1,050,000 in sales tax savings • Up to 3/4 of 1% of the final mortgage amount estimated at \$230,856 	<p>Project Address: 10 Durham Ct (a/k/a 221 & 291 William St), Buffalo, NY 14204 (City of Buffalo School District)</p> <p style="text-align: center;">Agency Request</p> <p>Issuance of a federally tax-exempt bond, a sales tax and a mortgage recording tax exemption in connection with the acquisition, renovation and upgrading of the Ellicott Park Townhomes</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="padding-left: 40px;">Building Addition</td> <td style="text-align: right;">\$ 15,157,500</td> </tr> <tr> <td style="padding-left: 40px;">Reconstruction / Renovations</td> <td style="text-align: right;">\$ 24,490,336</td> </tr> <tr> <td style="padding-left: 40px;">Soft Costs/Other</td> <td style="text-align: right;">\$ 15,016,459</td> </tr> <tr> <td style="padding-left: 40px;">Total Project Cost</td> <td style="text-align: right;">\$ 54,664,295</td> </tr> <tr> <td style="padding-left: 40px;">85%</td> <td style="text-align: right;">\$ 46,464,650</td> </tr> </table>	Building Addition	\$ 15,157,500	Reconstruction / Renovations	\$ 24,490,336	Soft Costs/Other	\$ 15,016,459	Total Project Cost	\$ 54,664,295	85%	\$ 46,464,650
Building Addition	\$ 15,157,500										
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Total Project Cost	\$ 54,664,295										
85%	\$ 46,464,650										
<p>JOBS & ANNUAL PAYROLL</p> <ul style="list-style-type: none"> • Current Jobs: 2 FT, 1 PT • Annual Payroll: \$ 322,000 • Projected new jobs: 2 FT, 2 PT • Est. salary/yr. of FF-jobs created: \$ 49,000 • Est. salary/yr. of jobs retained: \$ 51,000 • Total jobs after project completion: 5 FTE 	<p style="text-align: center;">Company Description</p> <p>Community Preservation Partners (CPP) is an affordable housing rehabilitation company that believes housing is a basic human need, no matter an individual’s’ age, race or socio-economic background. CPP partners with local developers, nonprofits, service providers and housing authorities to transform the lives of the residents who live in the communities we serve. As a result, since 2005 CPP has preserved more than 10,000 units of affordable housing in 14 states.</p>										
<p>PROJECTED COMMUNITY BENEFITS*</p> <ul style="list-style-type: none"> • NET Community Benefits: \$28,814,204 • Construction Jobs: 210 • Spillover Jobs: 161 • Total Payroll: \$ 27,102,625 	<p style="text-align: center;">Project Description</p> <p>Ellicott Park Townhomes is a 220-unit family Section 8 (68% or 150 units) affordable housing community located in twenty-one two-story wood frame with brick façade townhouse style buildings on 2 noncontiguous parcels totaling 8.9 acres in downtown Buffalo. These Townhomes were built in 1967 and are located just a few blocks from the main business district.</p> <p>Renovations will cost approximately \$ 75,000 per unit and will include ADA unit conversions, air sealing, door replacement, flooring throughout, paint throughout, kitchen upgrades (new cabinets, quartz counters, energy star appliances, plumbing fixtures), bathroom upgrades (new vanities, quartz countertops, plumbing fixtures accessories) lighting replacement. Building systems – waste line repairs/replacement, exterior window replacement brick masonry repairs, roof replacement. Site work – mill repave and restripe asphalt parking lot, new playground, new gazebo, new dog park, BBQ grills, bike racks, tree trimming, path and travel improvements. Due to the extensive scope of renovations, tenants may experience minor displacement during construction - details are currently being worked out. Tenant furniture will not need to be moved.</p>										
<p>INCENTIVE COST / COMMUNITY BENEFIT RATIO (discounted at 2%)*</p> <p>Incentives: \$ 1,280,856</p> <p>Community Benefit: \$ 28,746,716</p> <p>Cost Benefit Ratio</p> <ul style="list-style-type: none"> • 1:22 	<p>CPP East to acquire the property on an acquisition bridge loan in 2022 followed by a tax credit and tax-exempt bond closing in the first quarter of 2023. CPP East will submit an Option 1 Mark-Up-to-Market rent adjustment and 20-year renewal of the HAP contract from HUD and apply for as-of-right 4% LIHTC through the NYS Housing Finance Agency. CPP is pursuing a 15 Year Affordable Housing PILOT in accordance with the City and County PILOT policy.</p>										

* Cost Benefit Analysis Tool powered by MRB Group

Project Description (cont'd)

Unit Type	Square Footage	Rental Amount	
		HAP	LIHTC
One Bedroom (35 units)	750 sf	\$ 1,190	-
Two Bedroom (101 units)	962 sf	\$ 1,450	\$ 870
Three Bedroom (84 units)	1,200 sf	\$ 1,835	\$ 899

2 one-bedroom units being used as leasing office

The Section 8 Housing Choice Voucher program is a form of government rent assistance through housing assistance payment contracts known as a HAP. On average, each household covered by a HAP contract will pay somewhere between 30% and 40% of its income on rent. The remaining portion for the rent is paid by HUD. For Ellicott Townhomes, the HAP contract rents will be increasing however, because of the subsidy, tenants will never pay more than between 30% and 40% of their income

Low Income Housing Tax Credits (LIHTC) rents are set at 30% of the income of the AMI tied to the unit. Rents for the LIHTC units in the property will not be increased upon acquisition.

Economic Impact: Inform Analytics Cost-Benefit Analysis

The Erie County Industrial Development Agency uses the Cost Benefit Analysis Tool powered by MRB Group to assess the economic impact of a project applying for incentives. A Cost-Benefit Analysis is required by Section 859-a (5)(b) of General Municipal Law. For the complete Cost Benefit Analysis – please see the attached MRB Cost Benefit Calculator.

Cost: Incentives

COSTS	Tax Exemption	Amount
	Property Tax	\$0
	Sales Tax	\$ 1,050,000
	Mortgage Recording	230,856
	Total	\$ 1,280,856
	Discounted at 2%	\$ 1,280,856

Benefit: Projected Community Benefit*

BENEFITS	Region	Recipient	Revenue Type	\$ Amount **	
	Erie County	Individuals	Payroll Construction		\$ 25,494,952
			Payroll Permanent		\$1,607,673
		Public	Property Taxes		\$0
			Sales Taxes		\$225,291
			Other Revenue (Muni)		\$76,952
	New York State	Public	Income Taxes		\$1,219,618
			Sales Taxes		\$189,719
			Total Benefits to EC + NYS***		\$28,814,204
			Discounted at 2%		\$28,746,716

* Cost Benefit Analysis Tool powered by MRB Group **includes direct & indirect \$ over project period *** may not sum to total due to rounding

Discounted Cost \$ 1,280,856
 Discounted Benefit \$ 28,746,716
 Ratio 1:22

Conclusion: The Cost Benefit for this project is: :1. For every \$1 in costs (incentives), this project provides \$22 in benefits (payroll & tax revenue). **Note: For Erie County, every \$1 in costs (incentives) provides \$42 in benefits to the community.**

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 = \$54,664,295 85% = \$ 46,464,650
Employment	Coincides with Recapture Period	Maintain Base = 2 FT, 1 PT (2 FTE) Create 85% of Projected Projected = 2 FT, 2 PT (3 FTE) 85% = 2 FTE Recapture Employment = 4 FTE
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
<u>Recapture Period</u>	2 years after project completion	Recapture of Mortgage recording tax, state and local sales taxes

Recapture applies to:

State and Local Sales Taxes
Mortgage Recording Tax

Recapture

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

At completion of the project company must certify i) total investment amount is equal to or greater than 85% of the anticipated project amount; ii) company has maintained 2 FTE jobs and created 2 FTE jobs, 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

- 10/11/22: Public hearing held.
- 10/26/22 Type II Action not subject to SEQRA review
- 10/26/22: Inducement and Bond Sale Resolution presented to Board of Directors

EVALUATIVE CRITERIA

Ellicott Townhomes

Distressed Census Tract	Project is located within distressed census tract #14.03
Age of Structure (must be at least 20 years old and present functional challenges to redevelopment)	Project represents renovation of an existing facility that is over 50 years old.
Structure has been vacant or underutilized for a minimum of 3 years. Project promotes the elimination of slum and blight.	Exterior renovation plans include: window replacement, brick masonry repairs, roof replacement, Site work includes repave and restriping of asphalt parking lot, new playground, gazebo & dog park. BBQ grills bile racks tree trimming & path of travel improvements.
Structure is not generating significant rental income (defined as 50% or less than the market rate income average for that property class)	N/A
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 of the Framework for Regional Growth.
Environmental/Safety Issues: Structure or site presents significant public safety hazard and or environmental remediation costs	N/A
LEED/Renewable Resources	N/A
Building or site has historic designation	N/A
Site or structure has delinquent property or other local taxes	Property taxes are current on this property.
MBE/WBE Utilization	Client Response: GC (Lecesse) is committed to providing women, minorities, MWBE businesses, disadvantaged businesses & Section 3 businesses with equal opportunities in the performance of contracts. Our in-house Diversity & Community Engagement Manager, Kathy Rooney, oversees supplier diversity management, and community development. Kathy, along with the rest of the LECESSE team, support our communities through mentoring and outreach events to ensure we are continuously creating inclusion opportunities in support of our workforce and trade partners. It is our policy to utilize and help grow M/WBE and low-income subcontractors on all private and public projects when possible in order to ensure that State and Federal participation goals are met. The team is targeting 20% of MBW and 7% of WBE involvement or greater if possible.
Transit Oriented Development	Project is accessible via various NFTA Metro routes including, but not limited to : #1 William, #2 Clinton, #4 Broadway

DATE OF INDUCEMENT: 10/26/22

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-Ellicott Townhomes

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
\$ 24,490,336	n/a	n/a	n/a	n/a

*Apply equalization rate to value

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

Percentage of Project Costs financed from Public Sector Table Worksheet:

Total Project Cost	Estimated Value of PILOT	Estimated Value of Sales Tax Incentive	Estimated Value of Mortgage Tax Incentive	Total of Other Public Incentives (4% Low Income Housing Tax Credits from NYSHFA, 15 Year Affordable Housing PILOT from City of Buffalo)
\$ 54,664,295	n/a	\$1,050,000	\$ 230,856	\$ not available

Note: special district taxes are not subject to PILOT abatement

Calculate % = (Est. PILOT + Est. Sales Tax+ Est. Mortgage Tax+ Other)/Tot Project Costs: 2.3%

Erie County Industrial Development Agency MRB Cost Benefit Calculator



Date: September 26, 2022
 Project Title: Ellicott Park Townhomes Community Partners, LP
 Project Location: 10 Durham Court, Buffalo, NY 14204

Economic Impacts

Summary of Economic Impacts over the Life of the PILOT

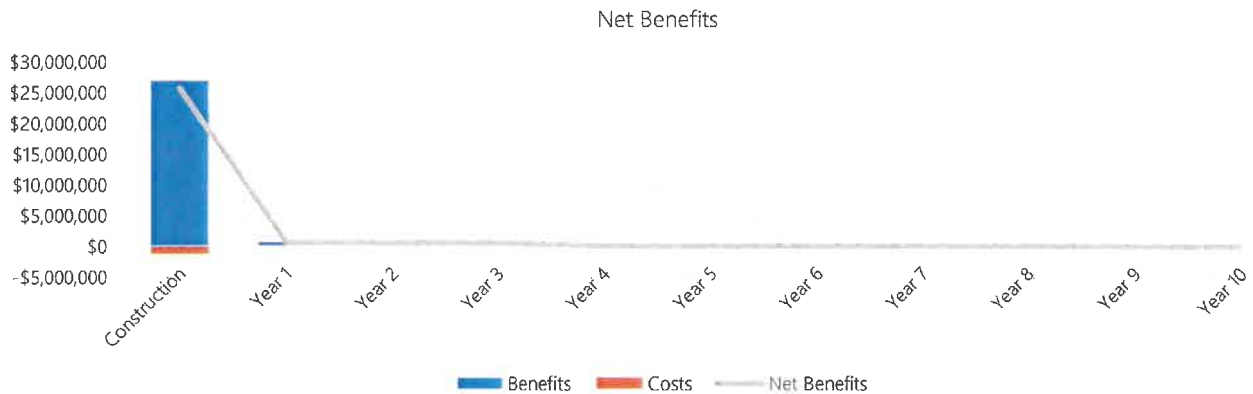
Project Total Investment
 \$54,664,295

		Temporary (Construction)		
		Direct	Indirect	Total
Jobs		210	157	367
Earnings		\$16,495,832	\$8,999,120	\$25,494,952
Local Spend		\$39,358,292	\$27,866,034	\$67,224,327

		Ongoing (Operations)		
		Direct	Indirect	Total
Jobs		5	4	9
Earnings		\$747,000	\$860,673	\$1,607,673

Aggregate over life of the PILOT

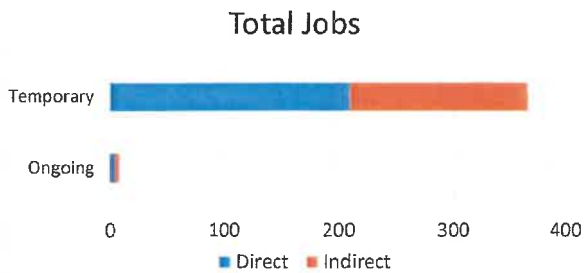
Figure 1



Net Benefits chart will always display construction through year 10, irrespective of the length of the PILOT.

Figure 2

Figure 3



Fiscal Impacts



Cost-Benefit Analysis Tool powered by MRB Group

Estimated Costs of Exemptions

	Nominal Value	Discounted Value*
Property Tax Exemption	\$0	\$0
Sales Tax Exemption	\$1,050,000	\$1,050,000
Local Sales Tax Exemption	\$570,000	\$570,000
State Sales Tax Exemption	\$480,000	\$480,000
Mortgage Recording Tax Exemption	\$230,856	\$230,856
Local Mortgage Recording Tax Exemption	\$76,952	\$76,952
State Mortgage Recording Tax Exemption	\$153,904	\$153,904
Total Costs	\$1,280,856	\$1,280,856

State and Local Benefits

	Nominal Value	Discounted Value*
Local Benefits	\$27,404,867	\$27,340,615
To Private Individuals	<u>\$27,102,625</u>	<u>\$27,040,399</u>
Temporary Payroll	\$25,494,952	\$25,494,952
Ongoing Payroll	\$1,607,673	\$1,545,447
Other Payments to Private Individuals	\$0	\$0
To the Public	<u>\$302,243</u>	<u>\$300,216</u>
Increase in Property Tax Revenue	\$0	\$0
Temporary Jobs - Sales Tax Revenue	\$211,927	\$211,927
Ongoing Jobs - Sales Tax Revenue	\$13,364	\$12,847
Other Local Municipal Revenue	\$76,952	\$75,443
State Benefits	\$1,409,336	\$1,406,101
To the Public	<u>\$1,409,336</u>	<u>\$1,406,101</u>
Temporary Income Tax Revenue	\$1,147,273	\$1,147,273
Ongoing Income Tax Revenue	\$72,345	\$69,545
Temporary Jobs - Sales Tax Revenue	\$178,465	\$178,465
Ongoing Jobs - Sales Tax Revenue	\$11,254	\$10,818
Total Benefits to State & Region	\$28,814,204	\$28,746,716

Benefit to Cost Ratio

	Benefit*	Cost*	Ratio
Local	\$27,340,615	\$646,952	42:1
State	\$1,406,101	\$633,904	2:1
Grand Total	\$28,746,716	\$1,280,856	22:1

*Discounted at 2%

Additional Comments from IDA

Does the IDA believe that the project can be accomplished in a timely fashion? Yes

PUBLIC HEARING SCRIPT

Ellicott Park Townhomes Project

Public Hearing to be held on October 11, 2022 at 1:00 p.m.
at the offices of the Erie County Industrial Development Agency located at
95 Perry Street – Suite 403 in the City of Buffalo, Erie County, New York

ATTENDANCE

David Brown – Community Preservation Partners
Beth O’Keefe – ECIDA
Carrie Hocienec – 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 1:00 p.m. My name is Grant Lesswing. I am the Director of Business Development of the Erie County Industrial Development Agency (the “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: Pursuant to and in accordance with Section 859-a and 859-b of the General Municipal Law of the State of New York, as amended, the Agency is conducting this public hearing in connection with a certain proposed project, as more fully described below (the “Project”), to be undertaken by the Agency for the benefit of Ellicott Park Townhomes Community Partners, LP, a New York limited partnership, on behalf of itself and/or an entity or entities formed or to be formed on behalf of the foregoing (collectively, the “Company”).

The Agency published a Notice of Public Hearing with respect to the Project in The Buffalo News on September 30, 2022.

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

Hearing Officer: The Project shall consist of the following to be undertaken by the Agency for the benefit of the Company: (A) (1) the acquisition of an interest in a portion of approximately 8.9 acres of land located at 221 William Street in the City of Buffalo, Erie County, New York and 291 William Street in the City of Buffalo, Erie County, New York, respectively (collectively, the “Land”), (2) the acquisition, reconstruction and renovation of twenty-one (21) two-story existing townhouse style buildings consisting of 220 apartment units and containing approximately 271,902 square feet in the aggregate known as the Ellicott Park Townhomes located on the Land (the “Facility”) and (3) the acquisition and

installation therein and thereon of related fixtures, machinery, equipment and other personal property (the "Equipment") (the Land, the Facility and the Equipment being collectively referred to hereinafter as the "Project Facility"), all of the foregoing to constitute a low-income housing facility to be operated by the Company and leased to residential tenants, and any other directly and indirectly related activities; (B) the financing of all or a portion of the costs of the foregoing by the issuance of taxable and/or tax-exempt revenue bonds of the Issuer in one or more issues or series in an aggregate principal amount sufficient to pay the cost of undertaking the Project, together with necessary incidental costs in connection therewith, in an aggregate principal amount not to exceed \$33,000,000 (the "Obligations"); (C) the payment of a portion of the costs incidental to the issuance of the Obligations, including issuance costs of the Obligations and any reserve funds as may be necessary to secure the Obligations; (D) the granting of certain other "financial assistance" (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including exemption from certain sales taxes, deed transfer taxes and mortgage recording taxes (collectively with the Obligations, the "Financial Assistance"); and (E) the lease (with an obligation to purchase) or sale of the Project Facility to the Company or such other person as may be designated by the Company and agreed upon by the Issuer.

The Agency is considering whether (A) to undertake the Project, (B) to finance the Project by issuing, from time to time, the Obligations and (C) to use the proceeds of the Obligations to pay the cost of undertaking the Project, together with necessary incidental costs in connection therewith.

If the Agency determines to proceed with the Project and the issuance of the Obligations, (A) the Facility will be leased (with an obligation to purchase) or sold by the Agency to the Company or its designee pursuant to an installment sale agreement, as amended (the "Agreement") requiring that the Company or its designee make payments equal to debt service on the Obligations and make certain other payments and (B) the Obligations will be a special obligation of the Agency payable solely out of certain of the proceeds of the Agreement and certain other assets of the Agency pledged to the repayment of the Obligations. THE OBLIGATIONS SHALL NOT BE A DEBT OF THE STATE OF NEW YORK OR ERIE COUNTY, NEW YORK, AND NEITHER THE STATE OF NEW YORK NOR ERIE COUNTY, NEW YORK SHALL BE LIABLE THEREON.

The Agency has not yet made a determination pursuant to Article 8 of the Environmental Conservation Law (the "SEQR Act") regarding the potential environmental impact of the Project.

The Agency will at said time and place hear all persons with views on the location and nature of the Facility or the proposed plan of financing the proposed Project by the issuance from time to time of the Obligations. A copy of the application filed by the Company with the Agency with respect to the Project, including an analysis of the costs and benefits of the Project, is available for public inspection during business hours at the offices of the Agency. A transcript or summary report of the hearing will be made available to the members of the board of directors of the Agency.

It is anticipated that the members of the board of the Agency will approve of the issuance of the Obligations at its meeting on October 26, 2022.

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

Hearing Officer: If you have a written statement or comment to submit for the record, please submit it on the Agency's website or mail to the Agency at 95 Perry Street, Suite 403, Buffalo, New York 14203. The comment period closes at 4:00 p.m. on October 25, 2022. There are no limitations on written statements or comments.

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

Hearing Officer: Those interested in making a statement or comment will be called upon in the order that they registered for this meeting. Please begin by stating your name and address; if you are representing a company, please identify the company. I request that speakers keep statements and/or comments to no more than 5 minutes, and if possible, 3 minutes.

My name is David Brown, Community Preservation Partners. I just have a few bullet points to talk about our company, myself our experience and the project. The story of Community Preservation Partners begins with our parent company WNC & Associates which is a second-generation family-owned business founded in 1971. WNC is a national investor in affordable housing and has invested in more than \$10 Billion in affordable housing in more than 1,400 properties in 45 states. Community Preservation Partners was founded in 2004 focusing on acquisition rehab development. We have preserved more than 13,000 units of affordable housing across the country. CPP is missioned based and takes a people-first view of service to our residents and our communities. We believe that housing is a basic human need, no matter an individual's age, race, or socioeconomic background. Housing is where stability starts and where communities are built and strengthened. We have the opportunity to preserve, protect, and extend the affordability of this community while making meaningful capital improvements that enhance the resident's lives and preserve the community for the long term. We have assembled a very capable team for the project that has the experience necessary to drive it forward. Lecessee Corporation is acting as our General Contractor. Inglese & Associates will be our Architects and Clifford & Company will be our construction manager.

A little bit about myself. I joined the company recently and prior to CPP I worked for 3-years at Volunteers of America which is obviously a national non-profit doing affordable housing and prior to that I spent 2-years working in DC Housing Authority working with very low-income communities, so I think I have a good understanding of some of the challenges and obstacles that the people in this community's face. With regards to the timing of the project, as I said previously, we are in the process of acquiring the property right now. We are looking at a closing in November of 2022 that will be followed by tax credit and tax-exempt bond closing in the 1st quarter of 2023. We already started a dialog with HUD preparing them for exactly what our intensions are, and they are obviously very familiar with our activities across the country.

Just a couple of points on the rehab itself. We are doing a pretty deep rehab. It's about \$75,000 per unit. In the units we are doing door replacements, flooring, painting throughout, dry wall replacement. On the kitchens and bathrooms, we're doing a near-gut rehab. In the Kitchens we are doing new cabinets, quartz countertops, energy star appliances, plumbing and fixtures. The bathrooms include new vanities, quartz countertops, plumbing, fixtures, accessories, etc. Building systems, we are replacing the existing waste lines. We are also doing gas water heater replacements. On the exterior we are doing window replacements, brick masonry repairs and badly needed roof repairs. On the actual site itself we are milling, repaving and restriping the parking lot, inserting a playground, a gazebo, a dog park, BBQ grills, and bike racks and some tree trimming. I think we are going to be able to give the folks who live there a very comfortable place to live for a very long time and we are excited to do it.

6. ADJOURNMENT.

As there were no further statements and/or comments, the Hearing Officer closed the public hearing at 1:11 p.m.

SIGN IN SHEET FOR PUBLIC HEARING

Public Hearing to be held on October 11, 2022 at 1:00 p.m.
at the offices of the Erie County Industrial Development Agency
located at 95 Perry Street – Suite 403 in the City of Buffalo, Erie County, New York

Ellicott Park Townhomes Project

Name	Company and/or Address	X box to speak/ comment
David Brown	Community Preservation Partners 17782 Sky Park Circle Irvine, California 92614	X
Beth O'Keefe	ECIDA 95 Perry Street, Suite 403 Buffalo, New York 14203	
Carrie Hocieniec	ECIDA 95 Perry Street, Suite 403 Buffalo, New York 14203	
Brian Krygier	ECIDA 95 Perry Street, Suite 403 Buffalo, New York 14203	

**BOND RESOLUTION
ELLCOTT PARK TOWNHOMES COMMUNITY
PARTNERS, LP PROJECT**

A regular meeting of Erie County Industrial Development Agency (the “Issuer”) was convened in public session at the Center of Excellence in Bioinformatics and Life Sciences in the Event Space/Conference Room (2nd floor) located at 701 Ellicott Street in the City of Buffalo, New York on October 26, 2022 at 12:00 o’clock p.m., local time.

The meeting was called to order by the (Vice) Chairperson of the board of the Issuer and, upon roll being called, the following members of the Issuer were:

PRESENT:

Brenda McDuffie	Chairperson
Richard Lipsitz	Vice Chairperson
Denise Abbott	Member
Hon. Diane Benczkowski	Member
Rev. Mark Blue	Member
Hon. Byron Brown	Member
James Doherty	Member
Hon. Joseph Emminger	Member
Dottie Gallagher	Member
Michael Hughes	Member
Hon. Howard Johnson	Member
Tyra Johnson	Member
Hon. Brian Kulpa	Member
Denise McCowan	Member
Glenn Nellis	Member
Hon. Mark Poloncarz	Member
Hon. Darius Pridgen	Member
Kenneth Schoetz	Member
Paul Vukelic	Member

ABSENT:

ISSUER STAFF PRESENT INCLUDED THE FOLLOWING:

John Cappellino	President and Chief Executive Officer
Mollie Profic	Vice President and Treasurer
Jerry Manhard	Assistant Treasurer/Assistant Secretary
Atiqa Abidi	Assistant Treasurer
Elizabeth O’Keefe	Vice President of Operations and Secretary
Daryl Spulecki	Assistant Treasurer
Carrie Hocieniec	Assistant Secretary
Robert G. Murray, Esq.	Issuer Counsel
Christopher C. Canada, Esq.	Bond Counsel

The following resolution was offered by _____, seconded by _____, to wit:

RESOLUTION (A) AUTHORIZING THE ISSUANCE, AND SALE OF THE ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY MULTIFAMILY HOUSING REVENUE BONDS (ELLICOTT PARK TOWNHOMES COMMUNITY PARTNERS, LP PROJECT), IN ONE OR MORE SERIES, IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$33,000,000; (B) THE EXECUTION AND DELIVERY OF RELATED DOCUMENTS; AND (C) MAKING A FINDING IN COMPLIANCE WITH THE NEW YORK STATE ENVIRONMENTAL QUALITY REVIEW ACT.

WHEREAS, the Erie County Industrial Development Agency (the "Issuer") is authorized and empowered by Article 18-A of the General Municipal Law of the State of New York (the "State"), as amended (the "Enabling Act"), together with Section 891-a of the General Municipal Law, as amended (said Section and the Enabling Act, collectively referred to as, the "Act"), to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of industrial, manufacturing, warehousing, commercial, research and recreation facilities, including industrial pollution control facilities, railroad facilities and certain horse racing facilities, for the purpose of promoting, attracting, encouraging and developing recreation and economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State, to improve their recreation opportunities, prosperity and standard of living, and to prevent unemployment and economic deterioration; and

WHEREAS, to accomplish its stated purposes, the Issuer is authorized and empowered under the Act to issue its revenue bonds to finance the cost of the acquisition, construction, installation and equipping of one or more "projects" (as defined in the Act), to acquire, construct, equip and install said projects or to cause said projects to be acquired, constructed, equipped and installed and to convey said projects or to lease said projects with the obligation to purchase; and

WHEREAS, Ellicott Park Townhomes Community Partners, LP, a New York limited partnership, on behalf of itself and/or an entity or entities formed or to be formed on behalf of the foregoing (collectively, the "Company"), submitted an application (the "Application") to the Issuer, a copy of which Application is on file at the office of the Issuer, which Application requested that the Issuer issue up to \$33,000,000 Multifamily Housing Revenue Bonds (Ellicott Park Townhomes Community Partners, LP Project), Series 2023, to be issued in one or more series (the "Series 2023 Bonds"), to assist in financing all or a portion of a certain project (the "Project") for the benefit of the Company, said Project consisting of the following: (A) (1) the acquisition of an interest in a portion of approximately 8.9 acres of land located at 221 William Street in the City of Buffalo, Erie County, New York and 291 William Street in the City of Buffalo, Erie County, New York, respectively (collectively, the "Land"), (2) the acquisition, reconstruction and renovation of twenty-one (21) two-story existing townhouse style buildings consisting of 220 apartment units and containing approximately 271,902 square feet in the aggregate known as the Ellicott Park Townhomes located on the Land (the "Facility") and (3) the acquisition and installation therein and thereon of related fixtures, machinery, equipment and other personal property (the "Equipment") (the Land, the Facility and the Equipment being collectively referred to hereinafter as the "Project Facility"), all of the foregoing to constitute a low-income housing facility to be operated by the Company and leased to residential tenants, and any other directly and indirectly related activities; (B) the financing of all or a portion of the costs of the foregoing by the issuance of the Series 2023 Bonds; (C) the payment of a portion of the costs incidental to the issuance of the Series 2023 Bonds, including issuance costs of the Series 2023 Bonds and any reserve funds as may be necessary to secure the Series 2023 Bonds; (D) the granting of certain other "financial assistance" (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including exemption from certain sales taxes, deed transfer taxes and mortgage recording taxes (collectively with the Obligations, the "Financial Assistance"); and (E) the lease (with an obligation to

purchase) or sale of the Project Facility to the Company or such other person as may be designated by the Company and agreed upon by the Issuer; and

WHEREAS, the Chief Executive Officer of the Issuer (A) caused notice of the public hearing of the Issuer (the “Public Hearing”) pursuant to Section 859-a(2) of the Act and Section 147(f) of the Internal Revenue Code of 1986, as amended (the “Code”), to hear all persons interested in the Project and the financial assistance being contemplated by the Issuer with respect to the Project, to be published on September 30, 2022 in the Buffalo News, a newspaper of general circulation available to the residents of the City of Tonawanda, Erie County, New York (the “City”), (B) caused notice of the Public Hearing to be mailed on October 3, 2022 to the chief executive officers of the county and of each city, town, village and school district in which the Project Facility is (or will be) located, (C) conducted the Public Hearing on October 11, 2022 at 9:00 a.m., local time, at the offices of the Issuer located at 95 Perry Street – Suite 403, Buffalo, Erie County, New York, and (D) prepared a report of the Public Hearing (the “Public Hearing Report”) which fairly summarized the views presented at such Public Hearing and caused copies of said Public Hearing Report to be made available to the members of the Issuer and to the County Executive (the “County Executive”) of Erie County, New York (the “County”); and

WHEREAS, the Issuer is contemplating providing financial assistance to the Company with respect to the Project in the form of (i) the issuance of the Series 2023 Bonds in an amount not to exceed \$33,000,000 and (ii) the Financial Assistance; and

WHEREAS, the Issuer now desires to authorize issuance of its Multifamily Housing Revenue Bonds (Ellicott Park Townhomes Community Partners, LP Project), Series 2023 in an aggregate principal amount not to exceed \$33,000,000 (the “Series 2023 Bonds”) for the purpose of financing a portion of the costs of the Project under this resolution, a trust indenture (the “Indenture”) by and between the Issuer and a financial institution to be determined which will act as trustee for the holders of the Series 2023 Bonds (the “Trustee”); and

WHEREAS, prior to or simultaneously with the issuance of the Series 2023 Bonds, (A) the Company and the Issuer will execute and deliver a lease agreement (the “Underlying Lease”), pursuant to which the Company will agree to lease the Land to the Issuer, (B) the Company will execute and deliver a bill of sale (the “Bill of Sale”) from the Company to the Issuer, pursuant to which the Company will convey to the Issuer the Company’s interest in the portion of the Project Facility constituting fixtures and other personal property, (C) the Issuer will execute and deliver an installment sale agreement (the “Installment Sale Agreement”) by and between the Issuer, as seller, and the Company, as purchaser, pursuant to the which (1) the Company will agree (a) to cause the Project to be undertaken and completed, (b) as agent of the Issuer, to undertake and complete the Project, (c) to purchase the Project Facility from the Issuer, and (d) to make certain installment purchase payments (or cause such payments to be made) to or upon the order of the Issuer as the purchase price for the Project Facility, which installment purchase payments shall include amounts equal to the debt service payments due on the Series 2023 Bonds, and (2) the Issuer will agree to (a) undertake the Project, (b) appoint the Company as agent of the Issuer to undertake and complete the Project, and (c) sell the Project Facility to the Company and (D) the Company will execute and deliver a certain agent and financial assistance project agreement (the “Project Agreement”) by and between the Issuer and the Company regarding the granting of the Financial Assistance by the Issuer to the Company; and

WHEREAS, as security for the Series 2023 Bonds, (i) the Company will pledge and grant a security interest to the Issuer in its revenues, (ii) the Company will grant to the Issuer a mortgage lien on and security interest in the Project Facility pursuant to a certain mortgage, assignment of leases and rents and security agreement (the “Mortgage”), which such Mortgage will be assigned by the Issuer to the Trustee pursuant to a certain assignment of mortgage from the Issuer to the Trustee (the “Assignment of Mortgage”); and

(iii) the Issuer will assign its rights under the Installment Sale Agreement to the Trustee pursuant to a certain pledge and assignment from the Issuer to the Trustee (the “Pledge and Assignment”); and

WHEREAS, the Series 2022 Bonds will be initially purchased by FMSBonds (“FMS”) pursuant to a bond purchase agreement (the “Bond Purchase Agreement”) by and among the Issuer, the Company and FMS, and thereafter FMS will sell the Series 2022 Bonds to the initial holder (the “Holder”); and

WHEREAS, the Issuer and the Company will enter into a certain Tax Regulatory Agreement dated the date of delivery of the Series 2023 Bonds (the “Tax Regulatory Agreement”), in which the Issuer and the Company will make certain representations and covenants, establish certain conditions and limitations and create certain expectations, relating to compliance with the requirements imposed by the Code and the Issuer will execute a completed Internal Revenue Service (“IRS”) Form 8038 (Information Return for Private Activity Bonds) relating to the Series 2023 Bonds (“Form 8038”), pursuant to Section 149(e) of the Code and will cause the Form 8038 to be filed with the IRS; and

WHEREAS, the Company reasonably expects that it will (i) pay or incur certain capital expenditures in connection with the Project prior to the issuance of the Series 2023 Bonds (as defined herein), (ii) use funds from sources other than proceeds of the Series 2023 Bonds which are or will be available on a short-term basis to pay for such capital expenditures, and (iii) reimburse itself for the use of such funds with proceeds of the Series 2023 Bonds; and

WHEREAS, it is contemplated that the Series 2023 Bonds will be issued as multifamily housing revenue bonds and, as such, pursuant to Section 142(d) of the Code, at least ninety-five percent (95%) of the net proceeds of the Series 2023 Bonds must be used to provide a “qualified residential rental project,” as defined in Section 142 of the Code to include a project for residential rental property where, for a period of at least as long as such bonds remain outstanding, at least twenty percent (20%) of such units are occupied by individuals whose income is fifty percent (50%) or less of Area Median Gross Income as determined by the United States Department of Housing and Urban Development (“HUD”) or at least forty percent (40%) of such units are occupied by individuals whose income is sixty percent (60%) or less of Area Median Gross Income as determined by HUD; and

WHEREAS, it is further contemplated that the Issuer will (i) designate the Company as its agent for the purpose of undertaking the Project pursuant to the Project Agreement, (ii) negotiate and enter into the Underlying Lease and the Installment Sale Agreement, pursuant to which the Issuer will retain a leasehold interest in the Project Facility; and (iii) provide (a) an exemption benefit from all New York State and local sales and use taxes for purchases and rentals related to the Project with respect to the qualifying personal property included in or incorporated into the Facility or used in the acquisition, construction, reconstruction and/or renovation, rehabilitation or equipping of the Facility and (b) a mortgage recording tax exemption benefit for the financing related to the Project; and

WHEREAS, approval of the County Executive, being the applicable elected representative (as such term is defined in Section 147(f) of the Code) of the County, and an allocation of sufficient Volume Cap (as defined herein) are required as conditions to the issuance of the Series 2023 Bonds pursuant to the Code; and

WHEREAS, pursuant to Section 146 of the Code, in order for interest on the Series 2023 Bonds to be excludable from gross income of the holder thereof the Issuer must allocate the private activity volume cap (“Volume Cap”) to the Series 2023 Bonds in an amount equal the face amount of the Series 2023 Bonds; and

WHEREAS, the Issuer is expected to receive an allocation of Volume Cap for 2023 from the State in an amount equal to the maximum amount of the Series 2023 Bonds expected to be issued; and

WHEREAS, the Issuer has given due consideration to the Application and the representations by the Company that undertaking the Project and issuing the Series 2023 Bonds (a) will be an inducement to the Company to acquire, renovate, reconstruct, equip and operate the Project Facility in the City; and (b) will not result in the removal of any commercial, industrial, fabricating or manufacturing plant or facility of the Company or any other proposed occupant of the Project Facility 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 Company or any other proposed occupant of the Project Facility located in the State; and

WHEREAS, the Issuer has considered the policy, purposes and requirements of the Enabling Act in making its determinations with respect to taking official action regarding the Project; and

WHEREAS, as required by Section 2824(8) of the New York Public Authorities Law, the Issuer's Finance and Audit Committee on October 16, 2022 reviewed the proposal for the issuance of debt by the Issuer related to the Project, recommended that the Issuer undertake the Project and proceed with the issuance thereof, and determined that it is in the best interest of economic development in the City for the Issuer to issue the Series 2023 Bonds; and

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

WHEREAS, pursuant to SEQRA, the Issuer has examined the Application and an environmental assessment form completed by the Company (the "EAF" and together with the Application, the "Reviewed Documents") in order to make a determination as to the potential environmental significance of the Project; and

WHEREAS, the Project does not appear to constitute a "Type I Action" (as said quoted term is defined in the Regulations), and therefore coordinated review and notification is optional with respect to the actions contemplated by the Issuer with respect to the Project; and

WHEREAS, the Issuer desires to conduct an uncoordinated review of the Project and to make its initial determination of significance with respect to the Project;

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

Section 1. The Issuer has received copies of, and has reviewed, the Reviewed Documents and, based upon said Reviewed Documents and the representations made by the Company to the Issue with respect to the Project, and based further upon the Issuer's knowledge of the area surrounding the Project Facility and such further investigation of the Project and its environmental effects as the Issuer has deemed appropriate, the Issuer makes the following findings and determinations with respect to the Project: The Project consists of the rehabilitation or reconstruction of a structure or facility, in kind, on the same site.

Section 2. Based upon the foregoing, the Issuer makes the following findings and determinations with respect to the Project:

(A) The Project constitutes an “Unlisted Action” (as said quoted term is defined in SEQRA) and therefore coordinated review and notification of other involved agencies is strictly optional. The Issuer hereby determines not to undertake a coordinated review of the Project, and therefore will not seek lead agency status with respect to the Project.

(B) The Project will result in no major impacts and, therefore, is one which will not cause significant damage to the environment. Therefore, the Issuer hereby determines that the Project will not have a significant effect on the environment, and the Issuer will not require the preparation of an environmental impact statement with respect to the Project.

(C) As a consequence of the foregoing, the Issuer therefore issues a negative declaration pursuant to Section 617.7 of the Regulations, which concludes the Issuer’s uncoordinated review of the Project.

Section 3. It is the policy of the State to promote the economic welfare, recreation opportunities and prosperity of its inhabitants and to actively promote, attract, encourage and develop recreation and economically sound commerce and industry for the purpose of preventing unemployment and economic deterioration.

Section 4. It is among the purposes of the Issuer to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of certain facilities, including commercial facilities, and thereby advance the job opportunities, health, general prosperity and economic welfare of the people of the State and to improve their recreation opportunities, prosperity and standard of living.

Section 5. Based upon representations made by the Company to the Issuer in the Application and any other correspondence submitted by the Company to the Issuer, public hearing comments, if any, the Issuer’s review of and recommendations related to the Project, Issuer board member review, discussion, and consideration of same, and such other information and investigation as the Issuer has deemed appropriate, the Issuer makes the following findings and determinations and hereby authorizes the undertaking of the Project and the provision of the Financial Assistance to the Company as described herein:

(a) The Project constitutes a “project” within the meaning of the Act.

(b) The issuance of the Series 2023 Bonds and the grant of the other Financial Assistance will be an inducement to the Company to acquire, renovate, construct, equip and operate the Project Facility in the City, thereby advancing job opportunities, general prosperity and economic welfare of the people of the State and the City in furtherance of the Act.

(c) It is desirable and in the public interest for the Issuer to appoint the Company as its agent for purposes of acquiring, reconstructing and/or renovating and equipping the Project.

(d) The Issuer has the authority to take the actions contemplated herein under the Act.

(e) (i) The Project does not constitute a project where facilities or property that are primarily used in making retail sales of goods and/or services to customers who personally visit such facilities constitute more than one-third of the total cost of the Project, and accordingly the Project is not prohibited by the provisions of Section 862(2)(a) of the Act, and (ii) accordingly the Issuer is authorized to provide financial assistance in respect of the Project pursuant to Section 862(2)(a) of the Act.

(f) The Project will not result in the removal of a plant or facility of any proposed occupant of the Project Facility from one area of the State of New York to another area in the State of New York and will not result in the abandonment of one or more plants or facilities of any occupant of the Project Facility located in the State of New York.

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

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

(i) It is desirable and in the public interest for the Issuer to issue the Series 2023 Bonds to finance the costs of the Project, together with certain related costs, reserves and other amounts, in an aggregate principal amount not to exceed \$33,000,000.

(j) The Issuer reasonably expects to reimburse the Company for expenses made for the Project from the Series 2023 Bonds.

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

(l) The issuance of the Series 2023 Bonds by the Issuer with respect to the Project will promote and maintain the job opportunities, general prosperity and economic welfare of the citizens of the City and the State and improve their standard of living, and thereby serve the public purposes of the Act.

(m) The Project qualifies for the Financial Assistance as it meets and is consistent with the Issuer's evaluative criteria for projects, said criteria established by the Issuer as required under General Municipal Law Section 859-a(5) as evidenced by the following:

(i) *Distressed Census Tract:* Project is located within distressed census tract #14.03.

(ii) *Age of Structure (must be at least 20 years old and present functional challenges to redevelopment):* Project represents renovation of an existing facility that is over 50 years old.

(iii) *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:* Exterior renovation plans include: window replacement, brick masonry repairs, roof replacement. Site work includes repave and restriping of asphalt parking lot, new playground, gazebo and dog park. BBQ grills, bike racks, tree trimming and path of travel improvements.

(iv) *Structure is not generating significant rental income (defined as 50% or less than the market rate income average for that property class):* Not Applicable.

(v) *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 of the Framework for Regional Growth.

(vi) *Environmental/Safety Issues: Structure or site presents significant public safety hazard and/or environmental remediation costs:* Not Applicable.

(vii) *LEED/Renewable Resources:* Not Applicable.

(viii) *Building or site has historic designation:* Not Applicable.

(ix) *Site or structure has delinquent property or other local taxes:* Property taxes are current on this property.

(x) *MBE/WBE Utilization:* Company is committed to providing women, minorities, MWBE businesses, disadvantaged businesses and Section 3 businesses with equal opportunities in the performance of contracts. The Company's in-house Diversity & Community Engagement Manager oversees supplier diversity management and community development and supports Company based mentoring and outreach events to ensure inclusion opportunities in support of its workforce and trade partners. The Company has a policy to utilize and help grow MWBE and low-income subcontractors on all private and public projects when possible in order to ensure that State and Federal participation goals are met. The Company is targeting 20% of MBW and 7% of WBE involvement or greater if possible.

(xi) *Transit Oriented Development:* Project is accessible via various NFTA Metro routes including, but not limited to: #1 William, #2 Clinton, #4 Broadway.

Section 6. The Chairperson, Vice Chairperson, President and Chief Executive Officer, Chief Financial Officer, Vice President and Assistant Treasurer of the Issuer are hereby appointed as authorized officers of the Issuer (the "Authorized Officer") for purposes of the Project, including (a) negotiating and approving the form and substance of the various documents and (b) executing and delivering such documents; and, where appropriate, the Secretary (or Assistant Secretary) of the Issuer is hereby authorized to affix the seal of the Issuer thereto and to attest the same, all in the forms thereof as the Chairperson, Vice Chairperson, President and Chief Executive Officer, Chief Financial Officer, Vice President and Assistant Treasurer of the Issuer, as Authorized Officer, shall approve, the execution thereof by the Chairperson, Vice Chairperson, President and Chief Executive Officer, Chief Financial Officer, Vice President and Assistant Treasurer of the Issuer to constitute conclusive evidence of such approval.

Section 7. The Issuer hereby authorizes the Authorized Officer to approve the Lease to Issuer, the Indenture, the Installment Sale Agreement, the Pledge and Assignment, the Mortgage Assignment, the Project Agreement, the Bond Purchase Agreement, the Arbitrage Certificate, the Form 8038 and any other documents necessary and incidental thereto including, but not limited to, any documents approved by counsel to the Issuer (collectively, the "Financing Documents") in forms consistent with the intent and substance of this resolution, such approval to be conclusively evidenced by the execution of such documents by the Authorized Officer in accordance with Section 9 hereof.

Section 8. Subject to receipt by the Issuer of (a) a certificate of the County Executive approving issuance of the Series 2023 Bonds for purposes of Section 147(f) of the Code and (b) an allocation of Volume Cap for 2023 in an amount equal to the face amount of the Series 2023 Bonds, the Issuer is hereby authorized to issue, execute, sell and deliver to the Trustee for authentication the Series 2023 Bonds in the aggregate principal amount of not to exceed \$33,000,000 or so much thereof as shall have been approved for purchase pursuant to the terms of the final Bond Purchase Agreement, in the form heretofore approved in Section 7 of this resolution, and upon authentication thereof the Trustee is hereby authorized to deliver the Series 2023 Bonds to the purchasers thereof against receipt of the purchase price thereof, all pursuant to the Act and in accordance with the provisions of the Indenture, this resolution and the Bond Purchase Agreement, provided that:

(A) The Series 2023 Bonds authorized to be issued, executed, sold and delivered pursuant to this Section 8 shall (i) be issued, executed and delivered at such time as the Authorized Officer shall determine, and (ii) bear interest at the rate or rates, be issued in such form, be subject to redemption prior to maturity and have such other terms and provisions and be issued in such manner and on such conditions as are set forth in the Series 2023 Bonds and the Indenture or as are hereinafter approved by the Authorized Officer in accordance with Section 7 hereof, which terms are specifically incorporated herein by reference with the same force and effect as if fully set forth in this resolution.

(B) The Series 2023 Bonds shall be issued solely for the purpose of providing funds to finance (1) the costs of the Project as described in the Financing Documents, and (2) all or a portion of the administrative, legal, financial and other expenses of the Issuer in connection with the Project and the Project Facility and incidental to the issuance of the Series 2023 Bonds.

(C) Neither the members nor officers of the Issuer, nor any person executing the Series 2023 Bonds or any of the Financing Documents on behalf of the Issuer, shall be liable thereon or be subject to any personal liability or accountability by reason of the execution, issuance or delivery thereof. The Series 2023 Bonds and the interest thereon are not and shall never be a debt of the State of New York, or Erie County, New York or any political subdivision thereof (other than the Issuer), and neither the State of New York, or Erie County, New York nor any political subdivision thereof (other than the Issuer) shall be liable thereon.

(D) The Series 2023 Bonds, together with interest payable thereon, shall be special obligations of the Issuer payable solely from certain of the revenues and receipts derived from the leasing or other disposition of the Project Facility or from the enforcement of the security provided by the Financing Documents and the other security pledged to the payment thereof.

(E) Notwithstanding any other provision of this resolution, the Issuer covenants that it will make no use of the proceeds of the Series 2023 Bonds or of any other funds of the Issuer (other than the Issuer's administrative fees) which, if said use had been reasonably expected on the date of issuance of the Series 2023 Bonds, would have caused any of the Series 2023 Bonds to be an "arbitrage bond" within the meaning of Section 148 of the Code.

Section 9. (a) The Authorized Officer is hereby authorized, on behalf of the Issuer, to negotiate, execute and deliver the Financing Documents, and the Secretary (or Assistant Secretary) of the Issuer is hereby authorized to affix the seal of the Issuer thereto where appropriate and to attest the same, in forms consistent with the intent and substance of this resolution. The execution of the Financing Documents by the Authorized Officer shall constitute conclusive evidence of such approval.

(b) The Authorized Officer is hereby further authorized and directed, on behalf of the Issuer, to approve, without further action of the Issuer, any variations in the terms of the Series 2023 Bonds, including, without limitation, the aggregate principal amounts of the Series 2023 Bonds (not in excess of the maximum aggregate principal amount authorized in Section 3(h) of this resolution), the interest rates, maturities, redemption premiums, optional redemption dates and sinking fund redemption dates and amounts.

(c) The Authorized Officer is further hereby authorized, on behalf of the Issuer, to designate any additional authorized representatives of the Issuer.

Section 10. The officers, employees, and agents of the Issuer are hereby authorized and directed for and in the name and on behalf of the Issuer to do all acts and things required or provided by the provisions of the Financing Documents, and to execute and deliver all such additional certificates, instruments and documents, including the Financing Documents, and to do all such further acts as may be necessary or in the opinion of the officer, employee, or agent acting, desirable and proper to effect the purposes of the foregoing resolution and to cause compliance by the Issuer with all of the terms, covenants, and provisions of the Financing Documents binding upon the Issuer.

Section 11 (a) Subject to the conditions set forth herein and the Company executing the Project Agreement and the delivery to the Issuer of a binder, certificate or other evidence of insurance for the Project satisfactory to the Issuer, the Issuer hereby authorizes the Company to proceed with the acquisition, renovation, construction, upgrading and equipping of the Project and hereby appoints the Company as the true and lawful agent of the Issuer: (i) to acquire, renovate, construct, upgrade and equip the Project; (ii) to make, execute, acknowledge and deliver any contracts, orders, receipts, writings and instructions, as the stated agent for the Issuer with the authority to delegate such Issuer, in whole or in part, to agents, subagents, contractors, and subcontractors of such agents and subagents and to such other parties as the Company chooses; and (iii) in general, to do all things which may be requisite or proper for completing the Project, all with the same powers and the same validity that the Issuer could do if acting in its own behalf, provided, however, the appointment of the Company as agent of the Issuer, if utilized, shall expire one year from the date of this resolution (unless extended for good cause by the Authorized Officer).

With respect to the foregoing, and based upon the representations and warranties made by the Company in the Application, the Issuer hereby:

(i) authorizes and approves the Company, as its agent, to make purchases of goods and services relating to the Project and that would otherwise be subject to New York State and local sales and use tax in an amount estimated up to \$12,000,000 and, therefore, the value of the sales and use tax exemption benefits (the “sales and use tax exemption benefits”) authorized and approved by the Issuer cannot exceed \$1,050,000, however, the Issuer may consider any requests by the Company for increases to the amount of sales and use tax exemption benefits authorized by the Issuer upon being provided with appropriate documentation detailing the additional purchases of property or services; and

(ii) authorizes and approves that the value of the mortgage recording tax exemption benefit (“mortgage recording tax exemption benefits”) shall not exceed \$230,856.

(b) Pursuant to Section 875(3) of the General Municipal Law, and per the policies of the Issuer, the Issuer may recover or recapture from the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, any New York State and local sales and use tax exemption benefits, and/or mortgage recording tax exemption benefits taken or purported to be taken by the Company if it is determined that: the Company, its agents, consultants, subcontractors, or any

other party authorized to make purchases for the benefit of the Project, is not entitled to the State and local sales and use tax exemption benefits; the State and local sales and use tax exemption benefits are in excess of the amounts authorized to be taken by the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project; the State and local sales and use tax exemption benefits are for property or services not authorized by the Issuer as part of the Project; the Company has made a material false statement on its application for Financial Assistance; the State and local sales and use tax exemption benefits and/or mortgage recording tax exemption benefits are taken in cases where the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, fails to comply with the Investment Commitment, the Employment Commitment, and/or the Local Labor Commitment, said commitments, as described below, being a material term or condition to use property or services in the manner approved by the Issuer in connection with the Project; and/or the State and local sales and use tax exemption benefits, and/or mortgage recording tax exemption benefits are taken in cases where the Company fails to comply with the Equal Pay Commitment and/or the Unpaid Real Property Tax Policy Commitment, as described below, being a material term or condition to use property or services in the manner approved by the Issuer in connection with the Project.

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

As an additional condition precedent of receiving Financial Assistance, and as a material term or condition as approved by the Issuer in connection with the Project, the Company covenants and agrees and understands that it must, subject to potential modification, termination and/or recapture of Financial Assistance for failure to meet and maintain the commitments and thresholds as described below, submit, on an annual basis or as otherwise indicated below through the conclusion of the later of two (2) years following either the construction completion date or the termination of the Project Agreement, a certification, as so required by the Issuer, confirming:

(i) Investment Commitment – the total investment actually made with respect to the Project at the time of Project completion equals or exceeds \$46,464,650 (which represents the product of 85% multiplied by \$54,664,295, being the total project cost as stated in the Company’s application for Financial Assistance).

(ii) Employment Commitment – that there are at least two (2) existing full time equivalent (“FTE”) employees located at, or to be located at, the Facility as stated in the Company’s application for Financial Assistance (the “Baseline FTE”); and

- the number of current FTE employees in the then current year at the Facility; and
- that within two years of Project Completion, the Company has maintained and created FTE employment at the Facility equal to 4 FTE employees (representing the sum of (x) 2 Baseline FTE and (y) 2 FTE employees, being the product of 85% multiplied by 3 (being the 3 new FTE employee positions proposed to be created by the Company as stated in its Application)). In an effort to confirm and verify the Company’s employment numbers, the Issuer requires that, at a minimum, the Company provide employment data to the Issuer on a quarterly basis, said information to be provided on the Issuer’s “Quarterly Employment Survey” form to be made available to the Company by the Issuer.

- the Company has that the Company has maintained Facility employment equal to three (3) FTE employees.

(iii) Local Labor Commitment – that the Company adheres to and complies with the Issuer’s Local Labor Workforce Certification Policy on a quarterly basis during the construction period.

(iv) Equal Pay Commitment – that the Company adheres to and complies with the Issuer’s Pay Equity Policy.

(v) Unpaid Real Property Tax Policy Commitment – that the Company is compliant with the Issuer’s Unpaid Real Property Tax Policy.

Section 12. Subject to the conditions set forth herein and in the last sentence of this Section 12, the Issuer will (a) issue the Series 2023 Bonds in such principal amount and with such maturities, interest rate or rates, redemption terms and other terms and provisions as may be determined by the Issuer; (b) acquire a leasehold interest in the Project Facility and acquire, renovate, reconstruct, equip and install the Project Facility; (c) lease with an obligation to purchase or sell the Project Facility to the Company or its designee pursuant to the Installment Sale Agreement, whereby the Company will be obligated, among other things, to make payments to the Issuer in amounts and at a time so that such payments will be adequate to pay the principal of, premium, if any, and interest on the Series 2023 Bonds; (d) secure the Series 2023 Bonds in such manner as the Issuer, the Company and the purchaser(s) of the Series 2023 Bonds mutually deem appropriate and (e) grant the other Financial Assistance. The Issuance of the Series 2023 Bonds and the grant of the other Financial Assistance contemplated by this resolution are subject to (i) obtaining all necessary governmental approvals; (ii) agreement by the Issuer, the Company and the purchaser(s) of the Series 2023 Bonds upon mutually satisfactory terms for the Series 2023 Bonds (and any such additional bonds) and for the sale and delivery thereof; (iii) the condition that there are no changes in the Code and State law, including regulations thereunder, which prohibit or limit the Issuer from fulfilling its obligations hereunder; and (iv) payment by the Company of the Issuer’s administrative fee, the State Bond Issuance Charge and all costs and expenses of the Issuer with respect to the Series 2023 Bonds transaction and the granting of the other Financial Assistance.

Section 13. Subject to the conditions contained within this resolution and the acceptance by the Company of this resolution, the Company is appointed the true and lawful agent of the Issuer (1) to acquire, renovate, reconstruct equip and install the Project Facility, and (2) to make, execute, acknowledge and deliver any contracts, orders, receipts, writings and instructions, as the stated agent of the Issuer, and in general to do all things which may be requisite or proper for acquiring, renovating, reconstructing, equipping and installing the Project Facility, all with the same powers and same validity as if the Issuer were acting on its own behalf.

Section 14 The law firm of Hodgson Russ LLP is hereby appointed bond counsel to the Issuer in relation to the proposed issuance of the Series 2023 Bonds contemplated by the Application.

Section 15. The Issuer hereby declares that this resolution shall represent its declaration of “official intention” in accordance with Treasury Regulation Section 1.150-2. The Issuer reasonably expects to reimburse the Company for its expenditures incurred in connection with the Project Facility with the proceeds of the Series 2023 Bonds.

Section 16. Bond counsel for the Issuer are hereby authorized to work with the Company, the purchaser(s) of the Series 2023 Bonds and others to prepare, for submission to the Issuer, all documents necessary to effect the authorization, issuance, sale and delivery of the Series 2023 Bonds.

Section 17. The Authorized Officer is hereby authorized and directed to distribute copies of this resolution to the Company and to do such further things or perform such acts as may be necessary or convenient to implement the provisions of this resolution.

Section 18. No covenant, stipulation, obligation or agreement contained in this resolution shall be deemed to be the covenant, stipulation, obligation or agreement of any member, agent or employee of the Issuer in his or her individual capacity and neither the members of the Issuer nor any officer executing the Series 2023 Bonds shall be liable personally on the Series 2023 Bonds or be subject to any personal liability or accountability by reason of the issuance thereof. Neither the members or officers of the Issuer, nor any person executing the Series 2023 Bonds or other documents referred to above on behalf of the Issuer, shall be liable thereon or be subject to any personal liability or accountability by reason of the execution, issuance or delivery thereof. The Series 2023 Bonds and the interest therein shall not be a debt of the State or the City or any political subdivision thereof (other than the Issuer), and none of the State, the City nor any political subdivision thereof (other than the Issuer) shall be liable thereon. The Series 2023 Bonds shall be issued solely for the purposes set forth in this resolution. The Series 2023 Bonds and the interest thereon shall constitute a special, limited obligation of the Issuer payable solely from the revenues derived or to be derived from the lease or sale of the Project Facility and from the enforcement of the security pledged to the payment of the Series 2023 Bonds.

Section 19. Any expense incurred by the Issuer with respect to the Project and the financing thereof shall be reimbursed out of the proceeds of the Series 2023 Bonds or another source in the transaction or, in the event such proceeds are insufficient after payment of other costs of the Project, or the Series 2023 Bonds are not issued by the Issuer for any reason whatsoever, shall be paid by the Company. By acceptance hereof, the Company hereby agrees to pay such expenses and further agrees to indemnify the Issuer, its members, employees and agents and hold the Issuer and such persons harmless against claims for losses, damage or injury or any expenses or damages incurred as a result of action taken by or on behalf of the Issuer with respect to the Project and the financing thereof.

Section 20. The provision by the Issuer of the Financial Assistance with respect to the Project as described herein is subject to the execution and delivery of the Administrative Fee Agreement of the Issuer (the "Fee Agreement") and payment by the Company of an administrative fee calculated in accordance with the Fee Agreement, all within sixty (60) days of the date of this resolution. In the event the Issuer has not received the executed Fee Agreement and the appropriate fee within such sixty (60) day period, this resolution shall become automatically null and void and of no further effect and the Issuer shall have no liability to the Company hereunder or otherwise, unless extended in the discretion of the Authorized Officer for good cause shown.

Section 21. This resolution shall take effect immediately.

The question of the adoption of the foregoing resolution was duly put to a vote on roll call, which resulted as follows:

Brenda McDuffie	VOTING	_____
Richard Lipsitz	VOTING	_____
Denise Abbott	VOTING	_____
Hon. Diane Benczkowski	VOTING	_____
Rev. Mark Blue	VOTING	_____
Hon. Byron Brown	VOTING	_____
James Doherty	VOTING	_____
Hon. Joseph Emminger	VOTING	_____

Dottie Gallagher	VOTING	_____
Michael Hughes	VOTING	_____
Hon. Howard Johnson	VOTING	_____
Tyra Johnson	VOTING	_____
Hon. Brian Kulpa	VOTING	_____
Denise McCowan	VOTING	_____
Glenn Nellis	VOTING	_____
Hon. Mark Poloncarz	VOTING	_____
Hon. Darius Pridgen	VOTING	_____
Kenneth Schoetz	VOTING	_____
Paul Vukelic	VOTING	_____

The foregoing resolution was thereupon declared duly adopted.

[Remainder of page left blank intentionally]

STATE OF NEW YORK)
) SS:
COUNTY OF ERIE)

I, the undersigned (Assistant) Secretary of Erie County Industrial Development Agency (the "Issuer"), DO HEREBY CERTIFY that I have compared the foregoing annexed extract of the minutes of the meeting of the members of the Issuer, including the resolution contained therein, held on October 26, 2022 with the original thereof on file in my office, and that the same is a true and correct copy of said original and of such resolution contained therein and of the whole of said original so far as the same relates to the subject matters therein referred to.

I FURTHER CERTIFY that (A) all members of the Issuer had due notice of said meeting; (B) said meeting was in all respects duly held; (C) pursuant to Article 7 of the Public Officers Law (the "Open Meetings Law"), said meeting was open to the general public, and due notice of the time and place of said meeting was duly given in accordance with such Open Meetings Law; and (D) there was a quorum of the members of the Issuer present throughout said meeting.

I FURTHER CERTIFY that, as of the date hereof, the attached resolution is in full force and effect and has not been amended, repealed or rescinded.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Issuer this ___ day of October, 2022.

(Assistant) Secretary

(SEAL)



Tax Exempt Bond Issuance

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	Ellicott Townhomes
Project Summary	Ellicott Park Townhomes is a 220 unit family Section-8 (68% or 150 units) affordable housing community located in twenty-one (21) two-story wood frame with brick façade townhouse style buildings on two non-contiguous parcels totaling 8.9 acres in downtown Buffalo. 10 Durham Court (also known as 221 & 291 William St), Buffalo, NY 14204 (Erie County). Located in Downtown Buffalo, Ellicott Park Townhomes was originally constructed in 1967 under the HUD 221d3 BMIR mortgage program. The property consists of twenty-one two-story buildings on 2 non-contiguous parcels (located on the same block). The property is in the Downtown neighborhood and located just a few blocks from the main business district. The property is also centrally located within CPP East's growing portfolio in the region. Methodist Towers in Erie, PA, Winton Gardens and Keeler Park in Rochester, NY are located about 1.5 hours from Buffalo. The planned execution is for CPP East to acquire the property on an acquisition bridge loan by Oct 31, 2022 followed by a tax credit and tax-exempt bond closing in the first quarter of 2023. For the tax credit and bond closing, CPP East will submit an Option 1 Mark-Up-to-Market rent adjustment and 20 year renewal of the HAP contract from HUD, apply for a tax-exempt bond issuance through the Erie County Industrial Development Agency (ECIDA) and apply for as-of-right 4% LIHTC through the New York State Housing Finance Agency (NYSHFA). Preliminary Rehab Scope of Work CPP's typical specifications planned which total \$75,000 per unit. Unit Renovations - ADA unit conversions, air sealing; door replacement (entry, interior, sliders onto balcony); flooring throughout; paint throughout; kitchen upgrades (new cabinets, quartz counters, energy star appliances, plumbing fixtures; bathroom upgrades (new vanities, quartz countertops, plumbing fixtures, accessories); lighting replacement. Building systems - waste line repairs/replacement; Exterior - window replacement, brick masonry repairs, roof replacement, Site work - mill, repave and restripe asphalt parking lot; new playground; new gazebo, new dog park, BBQ grills, bike racks, tree trimming, path of travel improvements.
Applicant Name	Ellicott Park Townhomes Community Partners, LP
Applicant Address	17782 SKY PARK CIR
Applicant Address 2	
Applicant City	IRVINE
Applicant State	California
Applicant Zip	92614
Phone	(771) 210-6178
Fax	
E-mail	dbrown@cpp-housing.com
Website	https://www.cpp-housing.com/

NAICS CodeBusiness Organization

Type of Business Partnership
Year Established 2022
State in which Organization is established New York

Individual Completing Application

Name David Harris Brown
Title Senior Development Manager
Address 11921 Freedom Drive
Address 2 Suite 860
City Reston
State Virginia
Zip 20190
Phone (771) 210-6178
Fax
E-Mail dbrown@cpp-housing.com

Company Contact - Authorized Signer for Applicant

Contact is same as individual completing application No
Name Seth Gellis
Title Senior Vice President, Development
Address 11921 Freedom Drive
Address 2 Suite 860
City Reston
State Virginia
Zip 20190
Phone (714) 662-5565
Fax
E-Mail sgellis@cpp-housing.com

Company Counsel

Name of Attorney Matthew V. Carrigg
Firm Name Nixon Peabody LLP
Address 1300 Clinton Square
Address 2
City Rochester
State New York
Zip 14604-1792
Phone (607) 349-4429

Fax

E-Mail mcarrigg@nixonpeabody.com

Benefits Requested (select all that apply).

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

* (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%.

CPP is an affordable housing rehabilitation company that believes housing is a basic human need, no matter an individual's age, race, or socio-economic background. Housing is where stability starts, where communities are built and strengthened, where friendships start, where our elders receive care later in life, and where opportunity can replace crime for our youth. Preserving existing housing is more efficient and less costly than the creation of new housing; therefore, it's vitally important to keep and protect the communities that exist. To achieve this mission, CPP partners with local developers, nonprofits, service providers and housing authorities to transform the lives of the residents who live in the communities we serve. As a result, since 2005, CPP has preserved more than 10,000 units of needed affordable housing in fourteen states. Attached to this application is the org chart for this development project.

- | | |
|---|------|
| Estimated % of sales within Erie County | 75 % |
| Estimated % of sales outside Erie County but within New York State | 25 % |
| 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?

98

Describe vendors within Erie County for major purchases

Community Preservation Partners is currently working with our general contractor to identify qualified subcontractors within Erie County to perform the work on Ellicott Townhomes. Hard costs are estimated to be approximately nearly \$20 mm, half of which will be in labor costs. We are planning on sources as many local contractors as possible.

Section II: Eligibility Questionnaire - Project Description & Details

Project Location

Address of Proposed Project Facility

10 Durham Court (221 & 291 William St)

Town/City/Village of Project Site

Buffalo

School District of Project Site

Buffalo City School District

Current Address (if different)

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

SBL Number(s) for proposed Project

111.14-2-1, 111.4-2-3

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

146,186

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

Land

\$ 0

Building(s)

\$ 0

If available include a copy of current tax receipt.

Are Real Property Taxes current at project location?

Yes

If no please explain

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

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

Yes

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

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

Yes

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

Built in 1967, Ellicott Park Townhomes is a 220 unit family Section-8 (68% or 150 units) affordable housing community located in twenty-one (21) two-story wood frame with brick façade townhouse style buildings on two non-contiguous parcels totaling 8.9 acres in downtown Buffalo. 10 Durham Court, (221 & 229 William St) Buffalo, NY 14024 (Erie County). The unit mix is 35 one-beds (750SF), 101 two-beds (962SF), 84 three-beds (1,200SF) - (2 one-beds being used as leasing office). The Units have full-basements with laundry hook-ups

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 property is badly in need of repair and received a 65 (out of a 100) on its last HUD property inspection. Community Preservation Partners development plan will completely upgrade the property and ensure that it will continue to serve Erie County's low income community well into the future. Our plan includes site work, exterior upgrades, unit renovations, and system replacement. Each of the 220 units will undergo a deep rehab resulting in cost per unit of approx \$75,000. Preliminary Rehab Scope of Work: CPP's typical specifications planned which total \$75,000 per unit. Unit Renovations - ADA unit conversions, air sealing; door replacement (entry, interior, sliders onto balcony); flooring throughout; paint throughout; kitchen upgrades (new cabinets, quartz counters, energy star appliances, plumbing fixtures; bathroom upgrades (new vanities, quartz countertops, plumbing fixtures, accessories); lighting replacement. Building systems - waste line repairs/replacement; Exterior - window replacement, brick masonry repairs, roof replacement, Site work - mill, repave and restripe asphalt parking lot; new playground; new gazebo, new dog park, BBQ grills, bike racks, tree trimming, path of travel improvements

Municipality or Municipalities of current operations

Buffalo

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

Yes

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

No

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

No

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

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

Yes

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

The property is badly in need of a rehabilitation. If its needs are not addressed, it could become condemned. Condemning an affordable housing property probably will not cause residents to leave the county, but rather become homeless within it. An increasing homeless population is obviously monetarily draining on local jurisdictions but can also drive away other business and residents.

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

No

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

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

This project can't be undertaken without the financing and tax relief requested here.

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)

Without an issuance of tax-exempt bond from ECIDA, the property would not be able to get as-of-right 4% Low Income Housing Tax Credits from NYSHFA and would therefore be financially infeasible. Furthermore, without a sales tax exemption on construction materials as well as the mortgage-recording tax exemption, there would be substantially more development expenses which would likewise make the project infeasible. The real property tax abatement is also critical as the amount of supportable debt proceeds would be greatly diminished if the project were not able to secure an abatement which would also make it financially infeasible.

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

Yes

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

If financial assistance is not obtained, CPP will not be able to go forward with the project but no others players will be able to as the project will not longer make economic sense.

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)

Ellicott Townhomes is located between Williams St. and Clinton st., both of which are primary traffic arteries in and out of Buffalo and contain bus routes.

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

The Subject sites are zoned D-R, Residential Campus. This addresses residential campuses, sometimes comprised of garden apartments or towers in a park, and organized as a large-scale, integrated development. Per the D-R zone there are no density requirements. The proposed project will be compliance with zoning ordinances.

Describe required zoning/land use, if different

NA

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

No zoning change will be required for this project.

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

Please see the attached Phase 1.

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

Yes

If yes, please provide a copy.

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

No

If yes, please provide copies of the study.

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

Yes

If yes, describe the efficiencies achieved

We will compliant with all energy efficient requirements from either ECIDA or NYSHFA.

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

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

No

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

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

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

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

Retail Sales	No	Services	No
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Please check any and all end uses as identified below.

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

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

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

			Cost	% of Total Cost
Manufacturing/Processing	square feet	\$	0	0%
Warehouse	square feet	\$	0	0%
Research & Development	square feet	\$	0	0%
Commercial	square feet	\$	0	0%
Retail	square feet	\$	0	0%
Office	square feet	\$	0	0%
Specify Other	271,902 square feet	\$	54,664,295	100%

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

Yes

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

Standard

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

Will project result in significant utility infrastructure cost or uses No

What is the estimated project timetable (provide dates).

Start date : acquisition of equipment or construction of facilities

1/1/2023

End date : Estimated completion date of project

10/31/2023

Project occupancy : estimated starting date of occupancy

11/30/-0001

Capital Project Plan / Budget

Estimated costs in connection with Project

1.) Land and/or Building Acquisition

\$ 15,157,500	271,902 square feet	11 acres
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2.) New Building Construction

\$ 0	square feet
------	-------------

3.) New Building addition(s)

\$ 0	square feet
------	-------------

4.) Reconstruction/Renovation

\$ 24,490,336	271,902 square feet
---------------	---------------------

5.) Manufacturing Equipment

\$ 0

~~6.) Infrastructure Work~~

\$ 0

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

\$ 0

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

\$ 1,600,314

9.) Other Cost

\$ 13,416,145

Explain Other Costs	"Other costs: include the following: financing costs, total reserves, and developer fee.
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Total Cost	\$ 54,664,295
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Construction Cost Breakdown:

Total Cost of Construction	\$ 24,490,336 (sum of 2, 3, 4 and 6 in Project Information, above)
Cost of materials	\$ 10,000,000
% sourced in Erie County	90%

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	\$ 12,000,000
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Estimated State and local Sales and Use Tax Benefit (product of 8.75% multiplied by the figure, above):	\$ 1,050,000
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** Note that the estimate provided above will be provided to the New York State Department of Taxation and Finance. The Applicant acknowledges that the transaction documents may include a covenant by the Applicant to undertake the total amount of investment as proposed within this Application, and that the estimate, above, represents the maximum amount of sales and use tax benefit that the Agency may authorize with respect to this Application. The Agency may utilize the estimate, above, as well as the proposed total Project Costs as contained within this Application, to determine the Financial Assistance that will be offered.

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

Have any of the above costs been paid or incurred as of the date of this Application? No

If Yes, describe particulars:

Sources of Funds for Project Costs:

Equity (excluding equity that is attributed to grants/tax credits): \$ 21,134,577

Bank Financing: \$ 0

Tax Exempt Bond Issuance (if applicable): \$ 28,102,000

Taxable Bond Issuance (if applicable): \$ 0

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

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

Total Sources of Funds for Project Costs: \$49,236,577

Have you secured financing for the project? Yes

Mortgage Recording Tax Exemption Benefit:

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

Mortgage Amount (include sum total of construction/permanent/bridge financing). 30,780,827

Lender Name, if Known

Estimated Mortgage Recording Tax Exemption Benefit (product of mortgage amount as indicated above multiplied by 3/4 of 1%): \$230,856

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): CPP has applied for a PILOT from the City of Buffalo.

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

Lecesse, the general contractor on this project, is committed to providing women, minorities, women and minority-owned businesses, disadvantaged businesses and Section 3 businesses with equal opportunities in the performance of contracts. Our in-house Diversity & Community Engagement Manager, Kathy Rooney, oversees supplier diversity management, and community development. Kathy, along with the rest of the LECESSE team, support our communities through mentoring and outreach events to ensure we are continuously creating inclusion opportunities in support of our workforce and trade partners. It is our policy to utilize and help grow M/WBE and low-income subcontractors on all private and public projects when possible in order to ensure that State and Federal participation goals are met. The team is targeting 20% of MBW and 7% of WBE involvement or greater if possible.

Is project necessary to expand project employment?

Yes

Is project necessary to retain existing employment?

Yes

Will project include leasing any equipment?

No

If yes, please describe equipment and lease terms.

Employment Plan (Specific to the proposed project location)

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	2	2	2	4
Part time	1	1	2	3
Total	3	3	4	

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	2	\$ 49,000	\$ 0	\$ 0	\$ 0
Professional	0	\$ 0	\$ 0	\$ 22,880	\$ 0
Administrative	0	\$ 0	\$ 0	\$ 0	\$ 0
Production	0	\$ 0	\$ 0	\$ 2,800	\$ 0
Independent Contractor	0	\$ 0	\$ 0	\$ 0	\$ 0
Other	2	\$ 22,000	\$ 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.

Yes **By checking this box, I certify that the above information concerning the current number of jobs at the proposed project location or to be relocated to the proposed project location is true and correct.**

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

322,000

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

51,000

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

21,000

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

49,000

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

21,000

Estimated salary range of jobs to be created

From (Full Time)	45,000	To (Full Time)	52,000
From (Part Time)	20,000	To (Part Time)	22,000

Section III: Environmental Questionnaire

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

General Background Information

Address of Premises

221 William Street (Site 1) 291 William Street (Site 2) Buffalo, New York 14204

Name and Address of Owner of Premises

Morgan Ellicott Apartments LLC 2 Symphony Circle Buffalo NY 14201 Attn: Timothy Lebouef

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

The site contains 10.99 acres or 478,919 square feet. The premises is fully developed with asphalt, cement, and landscaped areas contains 20 2 story buildings and has streams or wetlands.

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 Subject consists of a total of 20, one to two-story residential buildings containing 220 one, two, and three bedroom units on two sites. One-bedroom units are of flat design and two and three-bedroom units are of townhome design. All units have a basement that is mainly a storage area with washer/dryer hook-ups. The buildings are wood frame with brick siding and flat roofs; the property was built in 1967 and has received ongoing maintenance.

Describe all known former uses of the Premises

From approximately the late 1800's until 1967 the property had a number of commercial uses. In 1967, the property was redeveloped into its current design of residential units.

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

Yes

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

The property consists of 220 1, 2, and 3 bedroom apartments. Occupancy is above 90%.

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

Yes

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

The Property, 221 William Street / Apartment Complex, is listed on the NY SPILLS database for Spill Number: 1107201 reported to NYSDEC on September 8, 2011. This issue did obtain regulatory closure. There is no active release

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

NA

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

NA

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

NA

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

CPP has no knowledge of stormwater or wastewater discharges. Waste water removal is through city / county infrastructure and is only related to domestic waste water. There is no generation of hazardous water or materials.

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

No

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

Air Pollution

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

No

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

Are any of the air emission sources permitted?

No

If yes, attach a copy of each permit.

Storage Tanks

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

There is no visual evidence of storage 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

Minimal asbestos has been found on the property during a full screen. An O and M plan is in place to manage these areas.

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

Have any tenant leases been entered into for this project?

Yes

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.
-------------	------------------------------------	--	--

*fill out table for each tenant and known future tenants

Section VI: Retail Determination

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

Please answer the following:

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

No

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

Section VII: Adaptive Reuse Projects

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

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

No

Section VIII: Inter-Municipal Move Determination

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

Current Address

221 William Street (Site 1) and 291 William Street (Site 2) Buffalo, New York 14204

City/Town

Buffalo

State

New York

Zip Code

14204

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

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.)

NA

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?

NA

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

NA

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.

NA

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

OAHS Tonawanda TC LLC / Tonawanda Towers

Briefing Memo

ECIDA Tax-Exempt Bonding

Orbach Affordable Housing Solutions ("OAHS") was established in June 2016 to build and preserve affordable housing throughout the United States through the use of tax-exempt debt, low-income housing tax credits and other financial vehicles. OAHS is a wholly owned subsidiary of the Orbach Group which is owned and managed by Meyer Orbach. The OAHS team is comprised of industry professionals who are experienced in leasing, building management, operations, tenant services, compliance, and supervision. OAHS provides approximately 3,100 families with affordable housing through its ownership of HUD buildings across four states. No individual owns more than 20% of the applicant entity, OAHS Tonawanda TC, LLC.

Project:

Tonawanda Towers is a 100% affordable housing facility consisting of 100 units (plus one super's unit) targeting senior households earning 60% AMI or less. The project consists of the acquisition and renovation of the building. The extensive rehabilitation includes: renovating the interiors of all units and the common areas, upgrading all electrical equipment to energy efficient equipment, updating the building envelope, and improving various site features. The upgrades to the units will be done as "rehab in place" with efforts made to minimize tenant impact during renovations. All units are one bedroom with rent ranges = \$ 1,205 - \$1,230.

The building also has an existing Housing Assistance Payments (HAP) contract for 100% of the units, which will be extended for another 20 years. The applicant is currently working with the City of Tonawanda on a PILOT for the property.

Project Financing:

The total project refinancing is not to exceed \$13,000,000 of tax-exempt bonds issued through the Erie County Industrial Development Corporation (ECIDA).

The NYS Department of Economic Development, pursuant to Section 12 of the Private Activity Bond Allocation Act of 2022, notified the ECIDA that its initial private activity bond volume cap allocation has been adjusted, effective September 15, 2022, to permit it to retain **\$13,000,000** of its initial allocation to be used to issue tax-exempt private activity bonds for the **Tonawanda Towers Project**, with an anticipated closing date in 2022.

The bonds will be a direct placement – purchased by Mizuho Capital Markets LLC. The bonds would not be an obligation of the ECIDA, the County or NYS.

OAHS Tonawanda TC LLC / Tonawanda Towers
\$ 25,040,720
INDUCEMENT RESOLUTION/TAX EXEMPT BOND
ANTICIPATED BOND AMOUNT UP TO \$ 13,000,000

ELIGIBILITY

- NAICS Section – 53

COMPANY INCENTIVES

- Anticipated Bond Amount – up to \$13,000,000
- Up to 3/4 of 1% of the final mortgage amount estimated at \$89,003

JOBS & ANNUAL PAYROLL

- Current Jobs: 3 FT, 1 PT
- Annual Payroll: \$ 180,000
- Projected new jobs: 1 PT
- Est. salary/yr. of jobs created: \$20,000 (PT)
- Est. salary/yr. of jobs retained: \$46,000 (FT)
- Total jobs after project completion: 3 FTE
- Construction Jobs: 59

PROJECTED COMMUNITY BENEFITS*

- Term: 2 years after project completion
 - NET Community Benefits: \$ 8,751,828
 - Spillover Jobs: 47
- Total Payroll: \$ 8,226,028

INCENTIVE COST / COMMUNITY BENEFIT RATIO (discounted at 2%)*

Incentives: \$ 89,003

Community Benefit: \$ 8,704,549

Cost: Benefit Ratio

- 1:98

Project Title: Tonawanda Towers

Project Address 5 Main St. Tonawanda, NY 14150
 City of Tonawanda School District

Agency Request

Issuance of a federally tax-exempt bond and a mortgage recording tax exemption in connection with the acquisition, renovation and upgrading of the Tonawanda Towers.

Building Acquisition	\$ 14,000,000
Renovation	\$ 6,332,700
Soft Costs	\$ 2,282,351
Other	\$ 2,425,669
Total Project Cost	\$ 25,040,720
 85%	 \$ 21,284,612

Company Description

Orbach Affordable Housing Solutions ("OAHS") was established in June 2016 to build and preserve affordable housing throughout the United States through the use of tax-exempt debt, low income housing tax credits and other financial vehicles. OAHS is a wholly owned subsidiary of the Orbach Group which is owned and managed by Meyer Orbach. The OAHS team is comprised of industry professionals who are experienced in leasing, building management, operations, tenant services, compliance and supervision. OAHS provides approximately 3,100 families with affordable housing through its ownership of HUD buildings across four states. No individual owns more than 20% of the applicant entity, OAHS Tonawanda TC, LLC.

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The building also has an existing Housing Assistance Payments (HAP) contract for 100% of the units, which will be extended for another 20 years. The applicant is currently working with the City of Tonawanda on a PILOT for the property.

* Cost Benefit Analysis Tool powered by MRB Group

Economic Impact: Inform Analytics Cost-Benefit Analysis

The Erie County Industrial Development Agency uses the Cost Benefit Analysis Tool powered by MRB Group to assess the economic impact of a project applying for incentives. A Cost-Benefit Analysis is required by Section 859-a (5)(b) of General Municipal Law. For the complete Cost Benefit Analysis – please see the attached MRB Cost Benefit Calculator.

Cost: Incentives

COSTS	Tax Exemption	Amount
	Property	\$0
	Sales	\$0
	Mortgage Recording	\$ 89,003
	Total	\$ 89,003
	Discounted at 2%	\$ 89,003

Benefit: Projected Community Benefit*

BENEFITS	Region	Recipient	Revenue Type	\$ Amount **	
	Erie County	Individuals	Payroll Construction		\$7,137,029
			Payroll Permanent		\$1,089,000
			Public	Property Taxes	\$0
		Public	Sales Taxes	\$ 68,379	
			Other Revenue (muni)	\$ 29,668	
			New York State	Public	Income Taxes
	New York State	Public	Sales Taxes	\$ 57,582	
			Total Benefits to EC + NYS***		\$ 8,751,828
			Discounted at 2%		\$8,704,549

* Cost Benefit Analysis Tool powered by MRB Group **includes direct & indirect \$ over project period *** may not sum to total due to rounding

Discounted Cost	\$ 89,003
Discounted Benefit	\$ 8,704,549
Ratio	1:98

Conclusion: The Cost Benefit for this project is: 1:98. For every \$1 in costs (incentives), this project provides \$ 98 in benefits (payroll & tax revenue). **Note: For Erie County, every \$1 in costs (incentives) provides \$ 279 in benefits to the community.**

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 = \$ 25,040,720 85% = \$ 21,284,612
Employment	Same as recapture period	Maintain Base = 3 FT, 1 PT Create 85% of Projected Projected = 1 PT 85% = 0 Recapture Employment = 3 FTE
Local Labor	Construction period	Adherence to policy including quarterly reporting
Pay Equity	Same as recapture period	Adherence to Policy
Unpaid Tax	Same as recapture period	Adherence to Policy
<u>Recapture Period</u>	2 years after project completion	Recapture of Mortgage recording tax

Recapture applies to:

Mortgage Recording Tax

Recapture

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

At completion of the project company must certify i) total investment amount is equal to or greater than 85% of the anticipated project amount; ii) company has maintained 3 FTE jobs, 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

- 10/13/22 Public hearing held.
- 10/26/22 – Type 2 Action not subject to SEQRA review
- 10/26/22: Inducement and Bond Sale Resolution presented to the Board of Directors

EVALUATIVE CRITERIA

Tonawanda Towers

Distressed Census Tract	Project is located in census tract 72 which is <u>not</u> a distressed census tract.
Age of Structure (must be at least 20 years old and present functional challenges to redevelopment)	Tonawanda Tower Apartments have been in existence for about 40 years.
Structure has been vacant or underutilized for a minimum of 3 years. Project promotes the elimination of slum and blight.	N/A
Structure is not generating significant rental income (defined as 50% or less than the market rate income average for that property class)	N/A
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	N/A
Environmental/Safety Issues: Structure or site presents significant public safety hazard and or environmental remediation costs	This project represents a significant upgrade to the facility with renovations planned for both the interior and exterior.
LEED/Renewable Resources	N/A
Building or site has historic designation	N/A
Site or structure has delinquent property or other local taxes	Property taxes are current on this property.
MBE/WBE Utilization	See attached MWBE Utilization form.
Transit Oriented Development	Site is accessible by bus numbers 25 B and 25 D.

DATE OF INDUCEMENT: 10/26/22

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- Tonawanda Towers

Dollar Value of New Construction and Renovation Costs	Estimated New Assessed Value of Property Subject to IDA*	County Tax Rate/1000	Local Tax Rate (Town/City/Village)/1000	School Tax Rate/1000
\$ 6,332,700	n/a	n/a	n/a	n/a

*Apply equalization rate to value

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

Percentage of Project Costs financed from Public Sector Table Worksheet:

Total Project Cost	Estimated Value of PILOT	Estimated Value of Sales Tax Incentive	Estimated Value of Mortgage Tax Incentive	Total of Other Public Incentives
\$ 25,040,720	n/a	n/a	\$ 89,003	\$ 8,154,911

Note: special district taxes are not subject to PILOT abatement

Calculate % = (Est. PILOT + Est. Sales Tax+ Est. Mortgage Tax+ Other)/Tot Project Costs: 33%

Erie County Industrial Development Agency

MRB Cost Benefit Calculator



Date: September 26, 2022
 Project Title: OAHS Tonawanda TC LLC / Tonawanda Towers
 Project Location: 5 Main St., Tonawanda, NY 14150

Economic Impacts

Summary of Economic Impacts over the Life of the PILOT

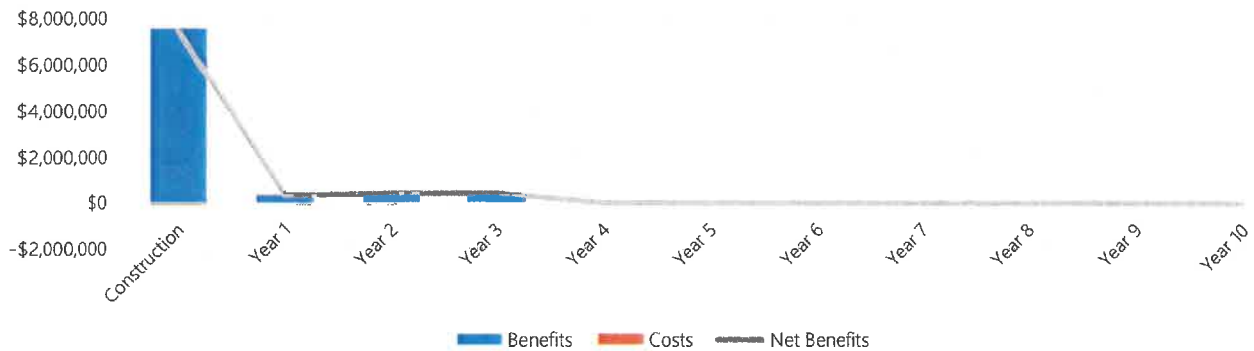
Project Total Investment
 \$25,040,720

		Temporary (Construction)		
		Direct	Indirect	Total
Jobs		59	44	103
Earnings		\$4,617,825	\$2,519,204	\$7,137,029
Local Spend		\$11,017,917	\$7,800,787	\$18,818,704

		Ongoing (Operations)		
		Direct	Indirect	Total
Jobs		4	3	7
Earnings		\$506,000	\$583,000	\$1,089,000

Figure 1

Net Benefits



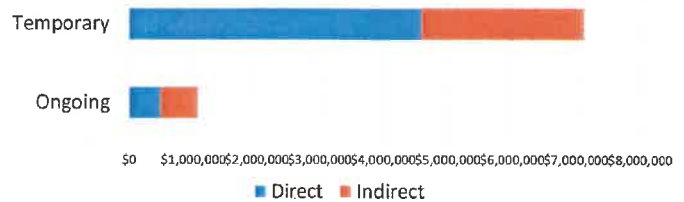
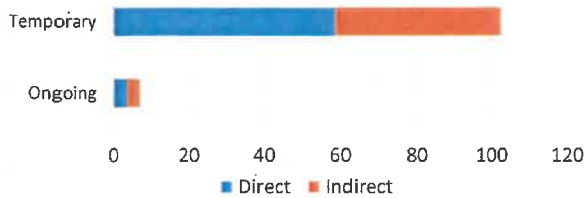
Net Benefits chart will always display construction through year 10, irrespective of the length of the PILOT.

Figure 2

Figure 3

Total Jobs

Total Earnings



Fiscal Impacts



Cost-Benefit Analysis Tool powered by MRB Group

Estimated Costs of Exemptions

	Nominal Value	Discounted Value*
Property Tax Exemption	\$0	\$0
Sales Tax Exemption	\$0	\$0
Local Sales Tax Exemption	\$0	\$0
State Sales Tax Exemption	\$0	\$0
Mortgage Recording Tax Exemption	\$89,003	\$89,003
Local Mortgage Recording Tax Exemption	\$29,668	\$29,668
State Mortgage Recording Tax Exemption	\$59,335	\$59,335
Total Costs	\$89,003	\$89,003

State and Local Benefits

	Nominal Value	Discounted Value*
Local Benefits	\$8,324,075	\$8,279,086
To Private Individuals	<u>\$8,226,028</u>	<u>\$8,181,987</u>
Temporary Payroll	\$7,137,029	\$7,137,029
Ongoing Payroll	\$1,089,000	\$1,044,959
Other Payments to Private Individuals	\$0	\$0
To the Public	<u>\$98,047</u>	<u>\$97,099</u>
Increase in Property Tax Revenue	\$0	\$0
Temporary Jobs - Sales Tax Revenue	\$59,327	\$59,327
Ongoing Jobs - Sales Tax Revenue	\$9,052	\$8,686
Other Local Municipal Revenue	\$29,668	\$29,086
State Benefits	\$427,753	\$425,463
To the Public	<u>\$427,753</u>	<u>\$425,463</u>
Temporary Income Tax Revenue	\$321,166	\$321,166
Ongoing Income Tax Revenue	\$49,005	\$47,023
Temporary Jobs - Sales Tax Revenue	\$49,959	\$49,959
Ongoing Jobs - Sales Tax Revenue	\$7,623	\$7,315
Total Benefits to State & Region	\$8,751,828	\$8,704,549

Benefit to Cost Ratio

	Benefit*	Cost*	Ratio
Local	\$8,279,086	\$29,668	279:1
State	\$425,463	\$59,335	7:1
Grand Total	\$8,704,549	\$89,003	98:1

*Discounted at 2%

Additional Comments from IDA

Does the IDA believe that the project can be accomplished in a timely fashion? Yes

MBE/WBE Utilization



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

OAHS has always been dedicated to supporting MBE/WBE contractors and working with these contractors on various projects. OAHS will continue its practice of hiring and supporting MBE/WBE contractors as part of the Tonawanda Towers project.

MWBE General Contractor statement attached.



September 30, 2022

Beth O'Keefe
Erie County Industrial Development Agency
95 Perry Street, Suite 403
Buffalo, NY 14203

Proposed MBE/WBE Procedures
Tonwanda Towers

Contracting Considerations:

1) *MBE/WBE*

- A) Pyramid ETC Companies, LLC (the "Company") shall during the Construction Period make a good faith effort to contract with minority and woman business enterprises ("MBE/WBE"). For avoidance of doubt, this shall include both contractors and material vendors. The Company shall during the Construction Period maintain monthly reporting of its efforts to contact and meet with MBE/WBE contractors and provide to the Erie County Industrial Development Agency (the "Agency") upon request. As it relates to the solicitation of MBE/WBE contractors, the reporting shall at minimum contain the MBE/WBE business name, address and contact information. It shall also contain details as to the dates contacted, whether or not a bid was submitted, and if so, noting whether or not the MBE/WBE received that contract award. If not, the reason for not selecting the MBE/WBE is to be included.
- B) The Company shall, prior to the commencement of Work, in an effort to contract with MBE/WBE enterprises, place an advertisement for the services required in a newspaper or other publication which is regularly published in the City and surrounding areas. A copy of this advertisement shall be furnished to the Agency upon request.
- C) The Company shall utilize and make available to subcontractors the following links to certified MBE and WBE's in NYS and Erie County.

<https://ny.newnycontracts.com/>

<https://www3.erie.gov/eo/mbe-wbe-resource-list>

- D) The order of preference with regard to MBE/WBE contractors and vendors shall be as follows:
- i.) Local MBE/WBE contractors and/or vendors (City of Buffalo and neighboring towns)
 - ii.) New York based MBE/WBE contractors and/or vendors
 - iii.) Northeast, US based MBE/WBE contractors and/or vendors

Employment Considerations:

2) Minority and Women Resident Hiring

- A) The Company shall during the Construction Period and upon request, make an effort to hire minority and women employment candidates (“Candidates”), with preference first given to those who reside in Buffalo, NY and the neighboring towns, unless qualified labor is clearly not available. Preference will then be given to minority and women candidates located in the state of New York, followed by minority and women candidates located in the Northeast, US. In pursuit of this goal, the Company shall make every reasonable effort to achieve the hiring of Candidates, including the following:
- (i) Actively and affirmatively making solicitations to Candidates, including placing an advertisement both in a local newspaper or publication, while also posting flyers in or near the job site location. A copy of this advertisement and flyer shall be furnished to the Agency.
 - (ii) Announcing opportunities for hiring to Candidates with sufficient time for review and application by Candidates
 - (iii) Promptly responding to employment applications from Candidates
 - (iv) Where economically and technically feasible, hiring in positions that will enhance participation by Candidates
 - (v) Maintaining a listing of all applicants for potential future employment
- B) The Company shall during the Construction Period provide the Agency with a monthly report of its efforts to hire Candidates. As it relates to the solicitation of Candidates, this report shall at a minimum contain the name, address and contact information for each Candidate solicited for employment. It shall also contain details as to the dates contacted, whether or not the Candidate was hired, and if so, noting the hours worked by the Candidate. If not, the reason for not hiring the Candidate is to be included.
- C) The Company shall include these employment considerations with each subcontract agreement issued.
- D) In an effort to induce potential candidates to apply for employment consideration, the Company will offer to host a training class (i.e. OSHA 10 training, or computer skills) for a set number of Candidates, on a first come, first serve basis.

PUBLIC HEARING SCRIPT

Tonawanda Tower Project

Public Hearing to be held on October 13, 2022 at 9:00 a.m.
in the Community Room at Tonawanda City Hall located at 200 Niagara Street
in the City of Tonawanda, Erie County, New York

ATTENDANCE

Stephen Yonaty – Cannon Heyman & Weiss, LLP

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 Director of Business Development of the Erie County Industrial Development Agency (the “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: Pursuant to and in accordance with Section 859-a and 859-b of the General Municipal Law of the State of New York, as amended, the Agency is conducting this public hearing in connection with a certain proposed project, as more fully described below (the “Project”), to be undertaken by the Agency for the benefit of OAHS Tonawanda TC LLC, a New York limited liability company, on behalf of itself and/or an entity or entities formed or to be formed on behalf of the foregoing (collectively, the “Company”).

The Agency published a Notice of Public Hearing with respect to the Project in The Buffalo News on September 30, 2022.

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

Hearing Officer: The Project shall consist of the following to be undertaken by the Agency for the benefit of the Company: (A) (1) the acquisition of an interest in a portion of approximately 0.39 acres of land located at 5 Main Street in the City of Tonawanda, Erie County, New York (the “Land”), (2) the acquisition, reconstruction and renovation of an existing 11-story tower consisting of 100 apartment units and containing approximately 81,224 square feet in the aggregate known as the Tonawanda Tower Apartments located on the Land (the “Facility”) and (3) the acquisition and installation therein and thereon of related fixtures, machinery, equipment and other personal property (the “Equipment”) (the Land, the Facility and the Equipment being collectively referred to hereinafter as the “Project Facility”), all of the foregoing to constitute a low-income housing facility to be operated by the Company and leased to residential tenants, and any other directly and indirectly related activities; (B) the financing of all or a portion of the costs of the foregoing by the issuance of taxable and/or tax-exempt

revenue bonds of the Issuer in one or more issues or series in an aggregate principal amount sufficient to pay the cost of undertaking the Project, together with necessary incidental costs in connection therewith, in an aggregate principal amount not to exceed \$13,000,000 (the “Obligations”); (C) the payment of a portion of the costs incidental to the issuance of the Obligations, including issuance costs of the Obligations and any reserve funds as may be necessary to secure the Obligations; (D) the granting of certain other “financial assistance” (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including exemption from certain sales taxes, deed transfer taxes and mortgage recording taxes (collectively with the Obligations, the “Financial Assistance”); and (E) the lease (with an obligation to purchase) or sale of the Project Facility to the Company or such other person as may be designated by the Company and agreed upon by the Issuer.

The Agency is considering whether (A) to undertake the Project, (B) to finance the Project by issuing, from time to time, the Obligations and (C) to use the proceeds of the Obligations to pay the cost of undertaking the Project, together with necessary incidental costs in connection therewith.

If the Agency determines to proceed with the Project and the issuance of the Obligations, (A) the Facility will be leased (with an obligation to purchase) or sold by the Agency to the Company or its designee pursuant to an installment sale agreement, as amended (the “Agreement”) requiring that the Company or its designee make payments equal to debt service on the Obligations and make certain other payments and (B) the Obligations will be a special obligation of the Agency payable solely out of certain of the proceeds of the Agreement and certain other assets of the Agency pledged to the repayment of the Obligations. THE OBLIGATIONS SHALL NOT BE A DEBT OF THE STATE OF NEW YORK OR ERIE COUNTY, NEW YORK, AND NEITHER THE STATE OF NEW YORK NOR ERIE COUNTY, NEW YORK SHALL BE LIABLE THEREON.

The Agency has not yet made a determination pursuant to Article 8 of the Environmental Conservation Law (the “SEQR Act”) regarding the potential environmental impact of the Project.

The Agency will at said time and place hear all persons with views on the location and nature of the Facility or the proposed plan of financing the proposed Project by the issuance from time to time of the Obligations. A copy of the application filed by the Company with the Agency with respect to the Project, including an analysis of the costs and benefits of the Project, is available for public inspection during business hours at the offices of the Agency. A transcript or summary report of the hearing will be made available to the members of the board of directors of the Agency.

It is anticipated that the members of the board of the Agency will approve of the issuance of the Obligations at its meeting on October 26, 2022.

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

Hearing Officer: If you have a written statement or comment to submit for the record, please submit it on the Agency's website or mail to the Agency at 95 Perry Street, Suite 403, Buffalo, New York 14203. The comment period closes at 4:00 p.m. on October 25, 2022. There are no limitations on written statements or comments.

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

Hearing Officer: Those interested in making a statement or comment will be called upon in the order that they registered for this meeting. Please begin by stating your name and address; if you are representing a company, please identify the company. I request that speakers keep statements and/or comments to no more than 5 minutes, and if possible, 3 minutes.

Stephen Yonaty, Attorney – Cannon Heyman & Weiss, LLP. We represent Orbach Affordable Housing Solutions the sponsor/developer of the project. We appreciate the opportunity to redevelop this project on Main Street in the City of Tonawanda. The building has been in service for quite a few years and our client took control of it about 2-years ago. Our aim is to do a complete renovation of the project both interior and exterior for the benefit of the residents and the City of Tonawanda. It's an affordable housing project. It will be committed and regulated as an affordable housing project for at least 30 years to come. We believe it will be a benefit to the City of Tonawanda and its residents and we appreciate the support of the City of Tonawanda and the Erie County Industrial Development Agency.

6. ADJOURNMENT.

As there were no further statements and/or comments, the Hearing Officer closed the public hearing at 9:08 a.m.

SIGN IN SHEET FOR PUBLIC HEARING

Public Hearing to be held on October 13, 2022 at 9:00 a.m.
in the Community Room at Tonawanda City Hall located at 200 Niagara Street
in the City of Tonawanda, Erie County, New York

Tonawanda Tower Project

Name	Company and/or Address	X box to speak/ comment
Stephen Yonaty	Cannon Heyman & Weiss, LLP 726 Exchange Street, Suite 500 Buffalo, New York 14210	X

**BOND RESOLUTION
OAHNS TONAWANDA TC LLC PROJECT**

A regular meeting of Erie County Industrial Development Agency (the “Issuer”) was convened in public session at the Center of Excellence in Bioinformatics and Life Sciences in the Event Space/Conference Room (2nd floor) located at 701 Ellicott Street in the City of Buffalo, New York on October 26, 2022 at 12:00 o’clock p.m., local time.

The meeting was called to order by the (Vice) Chairperson of the board of the Issuer and, upon roll being called, the following members of the Issuer were:

PRESENT:

Brenda McDuffie	Chairperson
Richard Lipsitz	Vice Chairperson
Denise Abbott	Member
Hon. Diane Benczkowski	Member
Rev. Mark Blue	Member
Hon. Byron Brown	Member
James Doherty	Member
Hon. Joseph Emminger	Member
Dottie Gallagher	Member
Michael Hughes	Member
Hon. Howard Johnson	Member
Tyra Johnson	Member
Hon. Brian Kulpa	Member
Denise McCowan	Member
Glenn Nellis	Member
Hon. Mark Poloncarz	Member
Hon. Darius Pridgen	Member
Kenneth Schoetz	Member
Paul Vukelic	Member

ABSENT:

ISSUER STAFF PRESENT INCLUDED THE FOLLOWING:

John Cappellino	President and Chief Executive Officer
Mollie Profic	Vice President and Treasurer
Jerry Manhard	Assistant Treasurer/Assistant Secretary
Atiqah Abidi	Assistant Treasurer
Elizabeth O’Keefe	Vice President of Operations and Secretary
Daryl Spulecki	Assistant Treasurer
Carrie Hocieniec	Assistant Secretary
Robert G. Murray, Esq.	Issuer Counsel
Christopher C. Canada, Esq.	Bond Counsel

The following resolution was offered by _____, seconded by _____, to wit:

RESOLUTION (A) AUTHORIZING THE ISSUANCE, AND SALE OF THE ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY MULTIFAMILY HOUSING REVENUE BONDS (OAHs TONAWANDA TC LLC PROJECT), IN ONE OR MORE SERIES, IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$13,000,000; (B) THE EXECUTION AND DELIVERY OF RELATED DOCUMENTS; AND (C) MAKING A FINDING IN COMPLIANCE WITH THE NEW YORK STATE ENVIRONMENTAL QUALITY REVIEW ACT.

WHEREAS, the Erie County Industrial Development Agency (the "Issuer") is authorized and empowered by Article 18-A of the General Municipal Law of the State of New York (the "State"), as amended (the "Enabling Act"), together with Section 891-a of the General Municipal Law, as amended (said Section and the Enabling Act, collectively referred to as, the "Act"), to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of industrial, manufacturing, warehousing, commercial, research and recreation facilities, including industrial pollution control facilities, railroad facilities and certain horse racing facilities, for the purpose of promoting, attracting, encouraging and developing recreation and economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State, to improve their recreation opportunities, prosperity and standard of living, and to prevent unemployment and economic deterioration; and

WHEREAS, to accomplish its stated purposes, the Issuer is authorized and empowered under the Act to issue its revenue bonds to finance the cost of the acquisition, construction, installation and equipping of one or more "projects" (as defined in the Act), to acquire, construct, equip and install said projects or to cause said projects to be acquired, constructed, equipped and installed and to convey said projects or to lease said projects with the obligation to purchase; and

WHEREAS, OAHs Tonawanda TC LLC, a New York limited liability company, on behalf of itself and/or an entity or entities formed or to be formed on behalf of the foregoing (collectively, the "Company"), submitted an application (the "Application") to the Issuer, a copy of which Application is on file at the office of the Issuer, requesting the Issuer to issue up to \$13,000,000 Multifamily Housing Revenue Bonds (OAHs Tonawanda TC LLC Project), Series 2022, to be issued in one or more series (the "Series 2022 Bonds"), to assist in financing all or a portion of a certain project (the "Project") consisting of the following: (A) (1) the acquisition of an interest in a portion of approximately 0.39 acres of land located at 5 Main Street in the City of Tonawanda, Erie County, New York (the "Land"), (2) the acquisition, reconstruction and renovation of an existing 11-story tower consisting of 100 apartment units and containing approximately 81,224 square feet in the aggregate known as the Tonawanda Tower Apartments located on the Land (the "Facility") and (3) the acquisition and installation therein and thereon of related fixtures, machinery, equipment and other personal property (the "Equipment") (the Land, the Facility and the Equipment being collectively referred to hereinafter as the "Project Facility"), all of the foregoing to constitute a low-income housing facility to be operated by the Company and leased to residential tenants, and any other directly and indirectly related activities; (B) the financing of all or a portion of the costs of the foregoing by the issuance of the Series 2022 Bonds; (B) the financing of all or a portion of the costs of the foregoing by the issuance of the Series 2022 Bonds in an aggregate principal amount not to exceed \$13,000,000; (C) the payment of a portion of the costs incidental to the issuance of the Series 2022 Bonds, including issuance costs of the Series 2022 Bonds and any reserve funds as may be necessary to secure the Series 2022 Bonds; (D) the granting of certain other "financial assistance" (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including exemption from certain deed transfer taxes and mortgage recording taxes (collectively with the Series 2022 Bonds, the "Financial Assistance"); and (E) the lease (with an obligation to purchase) or sale of the Project Facility to the Company and OAHs

Tonawanda Housing Development Fund Corporation, a New York not-for-profit corporation (the “HDFC” and together with the Company, the “Owner”), as nominee for and on behalf of the Company, or such other person as may be designated by the Company and agreed upon by the Issuer; and

WHEREAS, the Chief Executive Officer of the Issuer (A) caused notice of the public hearing of the Issuer (the “Public Hearing”) pursuant to Section 859-a(2) of the Act and Section 147(f) of the Internal Revenue Code of 1986, as amended (the “Code”), to hear all persons interested in the Project and the financial assistance being contemplated by the Issuer with respect to the Project, to be published on September 30, 2022 in the Buffalo News, a newspaper of general circulation available to the residents of the City of Tonawanda, Erie County, New York (the “City”), (B) caused notice of the Public Hearing to be mailed on September 29, 2022 to the chief executive officers of the county and of each city, town, village and school district in which the Project Facility is (or will be) located, (C) conducted the Public Hearing on October 13, 2022 at 9:00 a.m., local time, at the Community Room in Tonawanda City Hall located at 200 Niagara Street in the City of Tonawanda, Erie County, New York, and (D) prepared a report of the Public Hearing (the “Public Hearing Report”) which fairly summarized the views presented at such Public Hearing and caused copies of said Public Hearing Report to be made available to the members of the Issuer and to the County Executive (the “County Executive”) of Erie County, New York (the “County”); and

WHEREAS, the Issuer is contemplating providing financial assistance to the Company with respect to the Project in the form of (i) the issuance of the Series 2022 Bonds in an amount not to exceed \$13,000,000 and (ii) the Financial Assistance; and

WHEREAS, the Issuer now desires to authorize issuance of its Multifamily Housing Revenue Bonds (OAHS Tonawanda TC LLC Project), Series 2022 in an aggregate principal amount not to exceed \$13,000,000 (the “Series 2022 Bonds”) for the purpose of financing a portion of the costs of the Project under this resolution, a trust indenture (the “Indenture”) by and between the Issuer and Huntington National Bank, as trustee for the holders of the Series 2022 Bonds (the “Trustee”); and

WHEREAS, prior to or simultaneously with the issuance of the Series 2022 Bonds, (A) the Company, the HDFC and the Issuer will execute and deliver a lease agreement (the “Underlying Lease”), pursuant to which the Company and the HDFC will agree to lease the Land to the Issuer, (B) the Company will execute and deliver a bill of sale (the “Bill of Sale”) from the Company to the Issuer, pursuant to which the Company will convey to the Issuer the Company’s interest in the portion of the Project Facility constituting fixtures and other personal property, (C) the Issuer will execute and deliver an installment sale agreement (the “Installment Sale Agreement”) by and between the Issuer, as seller, and the Owner, as purchaser, pursuant to the which (1) the Company any will agree (a) to cause the Project to be undertaken and completed, (b) as agent of the Issuer, to undertake and complete the Project, (c) to purchase the Project Facility from the Issuer, and (d) to make certain installment purchase payments (or cause such payments to be made) to or upon the order of the Issuer as the purchase price for the Project Facility, which installment purchase payments shall include amounts equal to the debt service payments due on the Series 2022 Bonds, and (2) the Issuer will agree to (a) undertake the Project, (b) appoint the Company as agent of the Issuer to undertake and complete the Project, and (c) sell the Project Facility to the Owner and (D) the Company will execute and deliver a certain project agreement (the “Project Agreement”) by and between the Issuer and the Company regarding the granting of the Financial Assistance by the Issuer to the Company; and

WHEREAS, as security for the Series 2022 Bonds, (i) the Company will pledge and grant a security interest to the Issuer in its revenues, (ii) the Owner will grant to the Issuer a mortgage lien on and security interest in the Project Facility pursuant to a certain mortgage, assignment of leases and rents and security agreement (the “Mortgage”), which such Mortgage will be assigned by the Issuer to the Trustee pursuant to a certain assignment of mortgage from the Issuer to the Trustee (the “Assignment of Mortgage”); and

(iii) the Issuer will assign its rights under the Installment Sale Agreement to the Trustee pursuant to a certain pledge and assignment from the Issuer to the Trustee (the “Pledge and Assignment”); and

WHEREAS, the Series 2022 Bonds will be initially purchased by FMSBonds (“FMS”) pursuant to a bond purchase agreement (the “Bond Purchase Agreement”) by and among the Issuer, the Company and FMS, and thereafter FMS will sell the Series 2022 Bonds to the initial holder (the “Holder”); and

WHEREAS, the Issuer and the Company will enter into a certain Tax Regulatory Agreement dated the date of delivery of the Series 2022 Bonds (the “Tax Regulatory Agreement”), in which the Issuer and the Company will make certain representations and covenants, establish certain conditions and limitations and create certain expectations, relating to compliance with the requirements imposed by the Code and the Issuer will execute a completed Internal Revenue Service (“IRS”) Form 8038 (Information Return for Private Activity Bonds) relating to the Series 2022 Bonds (“Form 8038”), pursuant to Section 149(e) of the Code and will cause the Form 8038 to be filed with the IRS; and

WHEREAS, the Company reasonably expects that it will (i) pay or incur certain capital expenditures in connection with the Project prior to the issuance of the Series 2022 Bonds (as defined herein), (ii) use funds from sources other than proceeds of the Series 2022 Bonds which are or will be available on a short-term basis to pay for such capital expenditures, and (iii) reimburse itself for the use of such funds with proceeds of the Series 2022 Bonds; and

WHEREAS, it is contemplated that the Series 2022 Bonds will be issued as multifamily housing revenue bonds and, as such, pursuant to Section 142(d) of the Code, at least ninety-five percent (95%) of the net proceeds of the Series 2022 Bonds must be used to provide a “qualified residential rental project,” as defined in Section 142 of the Code to include a project for residential rental property where, for a period of at least as long as such bonds remain outstanding, at least twenty percent (20%) of such units are occupied by individuals whose income is fifty percent (50%) or less of Area Median Gross Income as determined by the United States Department of Housing and Urban Development (“HUD”) or at least forty percent (40%) of such units are occupied by individuals whose income is sixty percent (60%) or less of Area Median Gross Income as determined by HUD; and

WHEREAS, it is further contemplated that the Issuer will (i) designate the Company as its agent for the purpose of undertaking the Project pursuant to the Project Agreement, (ii) negotiate and enter into the Underlying Lease and the Installment Sale Agreement, pursuant to which the Issuer will retain a leasehold interest in the Project Facility; and (iii) provide a mortgage recording tax exemption benefit for the financing related to the Project; and

WHEREAS, approval of the County Executive, being the applicable elected representative (as such term is defined in Section 147(f) of the Code) of the County, and an allocation of sufficient Volume Cap (as defined herein) are required as conditions to the issuance of the Series 2022 Bonds pursuant to the Code; and

WHEREAS, pursuant to Section 146 of the Code, in order for interest on the Series 2022 Bonds to be excludable from gross income of the holder thereof the Issuer must allocate the private activity volume cap (“Volume Cap”) to the Series 2022 Bonds in an amount equal the face amount of the Series 2022 Bonds; and

WHEREAS, pursuant to a letter dated September 16, 2022 from the New York State Department of Economic Development, the Issuer received an allocation of Volume Cap for 2022 from the State in an amount equal to the maximum amount of Series 2022 Bonds expected to be issued; and

WHEREAS, the Issuer has given due consideration to the Application and the representations by the Company that undertaking the Project and issuing the Series 2022 Bonds (a) will be an inducement to the Company to acquire, renovate, reconstruct, equip and operate the Project Facility in the City; and (b) will not result in the removal of any commercial, industrial, fabricating or manufacturing plant or facility of the Company or any other proposed occupant of the Project Facility 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 Company or any other proposed occupant of the Project Facility located in the State; and

WHEREAS, the Issuer has considered the policy, purposes and requirements of the Enabling Act in making its determinations with respect to taking official action regarding the Project; and

WHEREAS, as required by Section 2824(8) of the New York Public Authorities Law, the Issuer's Finance and Audit Committee on October 16, 2022 reviewed the proposal for the issuance of debt by the Issuer related to the Project, recommended that the Issuer undertake the Project and proceed with the issuance thereof, and determined that it is in the best interest of economic development in the City for the Issuer to issue the Series 2022 Bonds; and

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

WHEREAS, pursuant to SEQRA, the Issuer has examined the Application in order to make a determination as to the potential environmental significance of the Project; and

WHEREAS, the Project appears to constitute a "Type II action" (as said quoted term is defined in the Regulations), and therefore it appears that no further determination or procedure under SEQRA is required with respect to the Project;

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

Section 1. The Issuer has received copies of, and has reviewed, the Application and, based upon said Application and the representations made by the Company to the Issue with respect to the Project, and based further upon the Issuer's knowledge of the area surrounding the Project Facility and such further investigation of the Project and its environmental effects as the Issuer has deemed appropriate, the Issuer makes the following findings and determinations with respect to the Project: The Project consists of the rehabilitation or reconstruction of a structure or facility, in kind, on the same site.

Section 2. Based upon the foregoing, the Issuer makes the following findings and determinations with respect to the Project:

(A) Pursuant to Section 617.5(c)(2) of the Regulations, the Project is a "Type II action" (as said quoted term is defined in the Regulations); and

(B) Therefore, the Issuer hereby determines that no environmental impact statement or any other determination or procedure is required under the Regulations.

Section 3. It is the policy of the State to promote the economic welfare, recreation opportunities and prosperity of its inhabitants and to actively promote, attract, encourage and develop

recreation and economically sound commerce and industry for the purpose of preventing unemployment and economic deterioration.

Section 4. It is among the purposes of the Issuer to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of certain facilities, including commercial facilities, and thereby advance the job opportunities, health, general prosperity and economic welfare of the people of the State and to improve their recreation opportunities, prosperity and standard of living.

Section 5. Based upon representations made by the Company to the Issuer in the Application and any other correspondence submitted by the Company to the Issuer, public hearing comments, if any, the Issuer's review of and recommendations related to the Project, Issuer board member review, discussion, and consideration of same, and such other information and investigation as the Issuer has deemed appropriate, the Issuer makes the following findings and determinations and hereby authorizes the undertaking of the Project and the provision of the Financial Assistance to the Company as described herein:

- (a) The Project constitutes a "project" within the meaning of the Act.
- (b) The issuance of the Series 2022 Bonds and the grant of the other Financial Assistance will be an inducement to the Company to acquire, renovate, construct, equip and operate the Project Facility in the City, thereby advancing job opportunities, general prosperity and economic welfare of the people of the State and the City in furtherance of the Act.
- (c) It is desirable and in the public interest for the Issuer to appoint the Company as its agent for purposes of acquiring, reconstructing and/or renovating and equipping the Project.
- (d) The Issuer has the authority to take the actions contemplated herein under the Act.
- (e) (i) The Project does not constitute a project where facilities or property that are primarily used in making retail sales of goods and/or services to customers who personally visit such facilities constitute more than one-third of the total cost of the Project, and accordingly the Project is not prohibited by the provisions of Section 862(2)(a) of the Act, and (ii) accordingly the Issuer is authorized to provide financial assistance in respect of the Project pursuant to Section 862(2)(a) of the Act.
- (f) The Project will not result in the removal of a plant or facility of any proposed occupant of the Project Facility from one area of the State of New York to another area in the State of New York and will not result in the abandonment of one or more plants or facilities of any occupant of the Project Facility located in the State of New York.
- (g) The Issuer has assessed all material information included in connection with the Application necessary to afford a reasonable basis for the decision by the Issuer to provide Financial Assistance for the Project as described herein.
- (h) The Issuer has prepared a written cost-benefit analysis identifying the extent to which the Project will create or retain permanent, private sector jobs, the estimated value of any tax exemption to be provided, the amount of private sector investment generated or likely to be generated by the Project, the likelihood of accomplishing the Project in a timely fashion, and the extent to which the Project will provide additional sources of revenue for municipalities and school districts, and any other public benefits that might occur as a result of the Project.

(i) It is desirable and in the public interest for the Issuer to issue the Series 2022 Bonds to finance the costs of the Project, together with certain related costs, reserves and other amounts, in an aggregate principal amount not to exceed \$13,000,000.

(j) The Issuer reasonably expects to reimburse the Company for expenses made for the Project from the Series 2022 Bonds.

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

(l) The issuance of the Series 2022 Bonds by the Issuer with respect to the Project will promote and maintain the job opportunities, general prosperity and economic welfare of the citizens of the City and the State and improve their standard of living, and thereby serve the public purposes of the Act.

(m) The Project qualifies for the Financial Assistance as it meets and is consistent with the Issuer's evaluative criteria for projects, said criteria established by the Issuer as required under General Municipal Law Section 859-a(5), as evidenced by the following:

(i) *Distressed Census Tract:* Project is located in census tract #72 which is not a distressed census tract.

(ii) *Age of Structure (must be at least 20 years old and present functional challenges to redevelopment):* Tonawanda Tower Apartments have been in existence for about 40 years.

(iii) *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:* Not Applicable.

(iv) *Structure is not generating significant rental income (defined as 50% or less than the market rate income average for that property class):* Not Applicable.

(v) *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:* Not Applicable.

(vi) *Environmental/Safety Issues: Structure or site presents significant public safety hazard and/or environmental remediation costs:* This project represents a significant upgrade to the facility with renovations planned for both the interior and exterior.

(vii) *LEED/Renewable Resources:* Not Applicable.

(viii) *Building or site has historic designation:* Not Applicable.

(ix) *Site or structure has delinquent property or other local taxes:* Property taxes are current on this property.

(x) *MBE/WBE Utilization:* The Company will continue its practice of hiring and supporting MBE/WBE contractors and vendors, utilizing best and good faith efforts to solicit, engage, and report on its efforts related thereto.

- (xi) *Transit Oriented Development:* Site is accessible by bus numbers 25B and 25D.

Section 6. The Chairperson, Vice Chairperson, President and Chief Executive Officer, Chief Financial Officer, Vice President and Assistant Treasurer of the Issuer are hereby appointed as authorized officers of the Issuer (the “Authorized Officer”) for purposes of the Project, including (a) negotiating and approving the form and substance of the various documents and (b) executing and delivering such documents; and, where appropriate, the Secretary (or Assistant Secretary) of the Issuer is hereby authorized to affix the seal of the Issuer thereto and to attest the same, all in the forms thereof as the Chairperson, Vice Chairperson, President and Chief Executive Officer, Chief Financial Officer, Vice President and Assistant Treasurer of the Issuer, as Authorized Officer, shall approve, the execution thereof by the Chairperson, Vice Chairperson, President and Chief Executive Officer, Chief Financial Officer, Vice President and Assistant Treasurer of the Issuer to constitute conclusive evidence of such approval.

Section 7. The Issuer hereby authorizes the Authorized Officer to approve the Lease to Issuer, the Indenture, the Installment Sale Agreement, the Pledge and Assignment, the Mortgage Assignment, the Project Agreement, the Bond Purchase Agreement, the Arbitrage Certificate, the Form 8038 and any other documents necessary and incidental thereto including, but not limited to, any documents approved by counsel to the Issuer (collectively, the “Financing Documents”) in forms consistent with the intent and substance of this resolution, such approval to be conclusively evidenced by the execution of such documents by the Authorized Officer in accordance with Section 9 hereof.

Section 8. Subject to receipt by the Issuer of a certificate of the County Executive approving issuance of the Series 2022 Bonds for purposes of Section 147(f) of the Code, the Issuer is hereby authorized to issue, execute, sell and deliver to the Trustee for authentication the Series 2022 Bonds in the aggregate principal amount of not to exceed \$13,000,000 or so much thereof as shall have been approved for purchase pursuant to the terms of the final Bond Purchase Agreement, in the form heretofore approved in Section 7 of this resolution, and upon authentication thereof the Trustee is hereby authorized to deliver the Series 2022 Bonds to the purchasers thereof against receipt of the purchase price thereof, all pursuant to the Act and in accordance with the provisions of the Indenture, this resolution and the Bond Purchase Agreement, provided that:

(A) The Series 2022 Bonds authorized to be issued, executed, sold and delivered pursuant to this Section 8 shall (i) be issued, executed and delivered at such time as the Authorized Officer shall determine, and (ii) bear interest at the rate or rates, be issued in such form, be subject to redemption prior to maturity and have such other terms and provisions and be issued in such manner and on such conditions as are set forth in the Series 2022 Bonds and the Indenture or as are hereinafter approved by the Authorized Officer in accordance with Section 7 hereof, which terms are specifically incorporated herein by reference with the same force and effect as if fully set forth in this resolution.

(B) The Series 2022 Bonds shall be issued solely for the purpose of providing funds to finance (1) the costs of the Project as described in the Financing Documents, and (2) all or a portion of the administrative, legal, financial and other expenses of the Issuer in connection with the Project and the Project Facility and incidental to the issuance of the Series 2022 Bonds.

(C) Neither the members nor officers of the Issuer, nor any person executing the Series 2022 Bonds or any of the Financing Documents on behalf of the Issuer, shall be liable thereon or be subject to any personal liability or accountability by reason of the execution, issuance or delivery thereof. The Series 2022 Bonds and the interest thereon are not and shall never be a debt of the State of New York, or Erie County, New York or any political subdivision thereof (other than the

Issuer), and neither the State of New York, or Erie County, New York nor any political subdivision thereof (other than the Issuer) shall be liable thereon.

(D) The Series 2022 Bonds, together with interest payable thereon, shall be special obligations of the Issuer payable solely from certain of the revenues and receipts derived from the leasing or other disposition of the Project Facility or from the enforcement of the security provided by the Financing Documents (as hereinafter defined) and the other security pledged to the payment thereof.

(E) Notwithstanding any other provision of this resolution, the Issuer covenants that it will make no use of the proceeds of the Series 2022 Bonds or of any other funds of the Issuer (other than the Issuer's administrative fees) which, if said use had been reasonably expected on the date of issuance of the Series 2022 Bonds, would have caused any of the Series 2022 Bonds to be an "arbitrage bond" within the meaning of Section 148 of the Code.

Section 9. (a) The Authorized Officer is hereby authorized, on behalf of the Issuer, to negotiate, execute and deliver the Financing Documents, and the Secretary (or Assistant Secretary) of the Issuer is hereby authorized to affix the seal of the Issuer thereto where appropriate and to attest the same, in forms consistent with the intent and substance of this resolution. The execution of the Financing Documents by the Authorized Officer shall constitute conclusive evidence of such approval.

(b) The Authorized Officer is hereby further authorized and directed, on behalf of the Issuer, to approve, without further action of the Issuer, any variations in the terms of the Series 2022 Bonds, including, without limitation, the aggregate principal amounts of the Series 2022 Bonds (not in excess of the maximum aggregate principal amount authorized in Section 3(h) of this resolution), the interest rates, maturities, redemption premiums, optional redemption dates and sinking fund redemption dates and amounts.

(c) The Authorized Officer is further hereby authorized, on behalf of the Issuer, to designate any additional authorized representatives of the Issuer.

Section 10. The officers, employees, and agents of the Issuer are hereby authorized and directed for and in the name and on behalf of the Issuer to do all acts and things required or provided by the provisions of the Financing Documents, and to execute and deliver all such additional certificates, instruments and documents, including the Financing Documents, and to do all such further acts as may be necessary or in the opinion of the officer, employee, or agent acting, desirable and proper to effect the purposes of the foregoing resolution and to cause compliance by the Issuer with all of the terms, covenants, and provisions of the Financing Documents binding upon the Issuer.

Section 11 (a) Subject to the conditions set forth herein and the Company executing the Project Agreement and the delivery to the Issuer of a binder, certificate or other evidence of insurance for the Project satisfactory to the Issuer, the Issuer hereby authorizes the Company to proceed with the acquisition, renovation, construction, upgrading and equipping of the Project and hereby appoints the Company as the true and lawful agent of the Issuer: (i) to acquire, renovate, construct, upgrade and equip the Project; (ii) to make, execute, acknowledge and deliver any contracts, orders, receipts, writings and instructions, as the stated agent for the Issuer with the authority to delegate such Issuer, in whole or in part, to agents, subagents, contractors, and subcontractors of such agents and subagents and to such other parties as the Company chooses; and (iii) in general, to do all things which may be requisite or proper for completing the Project, all with the same powers and the same validity that the Issuer could do if acting in its own behalf, provided, however, the appointment of the Company as agent of the Issuer, if utilized, shall expire one year from the date of this resolution (unless extended for good cause by the Authorized Officer).

With respect to the foregoing, and based upon the representations and warranties made by the Company in the Application, the Issuer hereby authorizes and approves that the value of the mortgage recording tax exemption benefit (“mortgage recording tax exemption benefits”) shall not exceed \$89,003.

(b) Pursuant to the policies of the Issuer, the Issuer may recover or recapture from the Company any mortgage recording tax exemption benefits taken or purported to be taken by the Company if it is determined that: the Company has made a material false statement on its application for Financial Assistance; the mortgage recording tax exemption benefits are taken in cases where the Company fails to comply with the Investment Commitment, the Employment Commitment, and/or the Local Labor Commitment, said commitments, as described below, being a material term or condition to use property or services in the manner approved by the Issuer in connection with the Project; and/or the mortgage recording tax exemption benefits are taken in cases where the Company fails to comply with the Equal Pay Commitment and/or the Unpaid Real Property Tax Policy Commitment, as described below, being a material term or condition to use property or services in the manner approved by the Issuer in connection with the Project.

As a condition precedent of receiving Financial Assistance, the Company must cooperate with the Issuer in its efforts to recover or recapture any Financial Assistance, and promptly pay over any such amounts to the Issuer that the Issuer demands.

As an additional condition precedent of receiving Financial Assistance, and as a material term or condition as approved by the Issuer in connection with the Project, the Company covenants and agrees and understands that it must, subject to potential modification, termination and/or recapture of Financial Assistance for failure to meet and maintain the commitments and thresholds as described below, submit, on an annual basis or as otherwise indicated below through the conclusion of the later of two (2) years following either the construction completion date, a certification, as so required by the Issuer, confirming:

(i) Investment Commitment – the total investment actually made with respect to the Project at the time of Project completion equals or exceeds \$21,284,612 (which represents the product of 85% multiplied by \$25,040,720, being the total project cost as stated in the Company’s application for Financial Assistance).

(ii) Employment Commitment – that there are at least three (3) existing full time equivalent (“FTE”) employees and one (1) existing part time equivalent (“PTE”) employee located at, or to be located at, the Facility as stated in the Company’s application for Financial Assistance; and

- the number of current FTE employees in the then current year at the Facility; and
- that that within two years of Project Completion, the Company has maintained employment at the Facility equal to 3 FTE employees and 1 PTE employee. In an effort to confirm and verify the Company’s employment numbers, the Issuer requires that, at a minimum, the Company provide employment data to the Issuer on a quarterly basis, said information to be provided on the Issuer’s “Quarterly Employment Survey” form to be made available to the Company by the Issuer.

(iii) Local Labor Commitment – that the Company adheres to and complies with the Issuer’s Local Labor Workforce Certification Policy on a quarterly basis during the construction period.

(iv) Equal Pay Commitment – that the Company adheres to and complies with the Issuer’s Pay Equity Policy.

(v) Unpaid Real Property Tax Policy Commitment – that the Company is compliant with the Issuer’s Unpaid Real Property Tax Policy.

Section 12. Subject to the conditions set forth herein and in the last sentence of this Section 12, the Issuer will (a) issue the Series 2022 Bonds in such principal amount and with such maturities, interest rate or rates, redemption terms and other terms and provisions as may be determined by the Issuer; (b) acquire a leasehold interest in the Project Facility and acquire, renovate, reconstruct, equip and install the Project Facility; (c) lease with an obligation to purchase or sell the Project Facility to the Company and the HDFC or its designee pursuant to the Installment Sale Agreement, whereby the Company will be obligated, among other things, to make payments to the Issuer in amounts and at a time so that such payments will be adequate to pay the principal of, premium, if any, and interest on the Series 2022 Bonds; (d) secure the Series 2022 Bonds in such manner as the Issuer, the Company and the purchaser(s) of the Series 2022 Bonds mutually deem appropriate and (e) grant the other Financial Assistance. The Issuance of the Series 2022 Bonds and the grant of the other Financial Assistance contemplated by this resolution are subject to (i) obtaining all necessary governmental approvals; (ii) agreement by the Issuer, the Company and the purchaser(s) of the Series 2022 Bonds upon mutually satisfactory terms for the Series 2022 Bonds (and any such additional bonds) and for the sale and delivery thereof; (iii) the condition that there are no changes in the Code and State law, including regulations thereunder, which prohibit or limit the Issuer from fulfilling its obligations hereunder; and (iv) payment by the Company of the Issuer’s administrative fee, the State Bond Issuance Charge and all costs and expenses of the Issuer with respect to the Series 2022 Bonds transaction and the granting of the other Financial Assistance.

Section 13. Subject to the conditions contained within this resolution and the acceptance by the Company of this resolution, the Company is appointed the true and lawful agent of the Issuer (1) to acquire, renovate, reconstruct equip and install the Project Facility, and (2) to make, execute, acknowledge and deliver any contracts, orders, receipts, writings and instructions, as the stated agent of the Issuer, and in general to do all things which may be requisite or proper for acquiring, renovating, reconstructing, equipping and installing the Project Facility, all with the same powers and same validity as if the Issuer were acting on its own behalf.

Section 14 The law firm of Hodgson Russ LLP is hereby appointed bond counsel to the Issuer in relation to the proposed issuance of the Series 2022 Bonds contemplated by the Application.

Section 15. The Issuer hereby declares that this resolution shall represent its declaration of “official intention” in accordance with Treasury Regulation Section 1.150-2. The Issuer reasonably expects to reimburse the Company for its expenditures incurred in connection with the Project Facility with the proceeds of the Series 2022 Bonds.

Section 16. Bond counsel for the Issuer are hereby authorized to work with the Company, the purchaser(s) of the Series 2022 Bonds and others to prepare, for submission to the Issuer, all documents necessary to effect the authorization, issuance, sale and delivery of the Series 2022 Bonds.

Section 17. The Authorized Officer is hereby authorized and directed to distribute copies of this resolution to the Company and to do such further things or perform such acts as may be necessary or convenient to implement the provisions of this resolution.

Section 18. No covenant, stipulation, obligation or agreement contained in this resolution shall be deemed to be the covenant, stipulation, obligation or agreement of any member, agent or employee of

the Issuer in his or her individual capacity and neither the members of the Issuer nor any officer executing the Series 2022 Bonds shall be liable personally on the Series 2022 Bonds or be subject to any personal liability or accountability by reason of the issuance thereof. Neither the members or officers of the Issuer, nor any person executing the Series 2022 Bonds or other documents referred to above on behalf of the Issuer, shall be liable thereon or be subject to any personal liability or accountability by reason of the execution, issuance or delivery thereof. The Series 2022 Bonds and the interest therein shall not be a debt of the State or the City or any political subdivision thereof (other than the Issuer), and none of the State, the City nor any political subdivision thereof (other than the Issuer) shall be liable thereon. The Series 2022 Bonds shall be issued solely for the purposes set forth in this resolution. The Series 2022 Bonds and the interest thereon shall constitute a special, limited obligation of the Issuer payable solely from the revenues derived or to be derived from the lease or sale of the Project Facility and from the enforcement of the security pledged to the payment of the Series 2022 Bonds.

Section 19. Any expense incurred by the Issuer with respect to the Project and the financing thereof shall be reimbursed out of the proceeds of the Series 2022 Bonds or another source in the transaction or, in the event such proceeds are insufficient after payment of other costs of the Project, or the Series 2022 Bonds are not issued by the Issuer for any reason whatsoever, shall be paid by the Company. By acceptance hereof, the Company hereby agrees to pay such expenses and further agrees to indemnify the Issuer, its members, employees and agents and hold the Issuer and such persons harmless against claims for losses, damage or injury or any expenses or damages incurred as a result of action taken by or on behalf of the Issuer with respect to the Project and the financing thereof.

Section 20. The provision by the Issuer of the Financial Assistance with respect to the Project as described herein is subject to the execution and delivery of the Administrative Fee Agreement of the Issuer (the "Fee Agreement") and payment by the Company of an administrative fee calculated in accordance with the Fee Agreement, all within sixty (60) days of the date of this resolution. In the event the Issuer has not received the executed Fee Agreement and the appropriate fee within such sixty (60) day period, this resolution shall become automatically null and void and of no further effect and the Issuer shall have no liability to the Company hereunder or otherwise, unless extended in the discretion of the Authorized Officer for good cause shown.

Section 21. This resolution shall take effect immediately.

The question of the adoption of the foregoing resolution was duly put to a vote on roll call, which resulted as follows:

Brenda McDuffie	VOTING	_____
Richard Lipsitz	VOTING	_____
Denise Abbott	VOTING	_____
Hon. Diane Benczkowski	VOTING	_____
Rev. Mark Blue	VOTING	_____
Hon. Byron Brown	VOTING	_____
James Doherty	VOTING	_____
Hon. Joseph Emminger	VOTING	_____
Dottie Gallagher	VOTING	_____
Michael Hughes	VOTING	_____
Hon. Howard Johnson	VOTING	_____
Tyra Johnson	VOTING	_____
Hon. Brian Kulpa	VOTING	_____
Denise McCowan	VOTING	_____
Glenn Nellis	VOTING	_____

Hon. Mark Poloncarz	VOTING	_____
Hon. Darius Pridgen	VOTING	_____
Kenneth Schoetz	VOTING	_____
Paul Vukelic	VOTING	_____

The foregoing resolution was thereupon declared duly adopted.

[Remainder of page left blank intentionally]

STATE OF NEW YORK)
) SS:
COUNTY OF ERIE)

I, the undersigned (Assistant) Secretary of Erie County Industrial Development Agency (the "Issuer"), DO HEREBY CERTIFY that I have compared the foregoing annexed extract of the minutes of the meeting of the members of the Issuer, including the resolution contained therein, held on October 26, 2022 with the original thereof on file in my office, and that the same is a true and correct copy of said original and of such resolution contained therein and of the whole of said original so far as the same relates to the subject matters therein referred to.

I FURTHER CERTIFY that (A) all members of the Issuer had due notice of said meeting; (B) said meeting was in all respects duly held; (C) pursuant to Article 7 of the Public Officers Law (the "Open Meetings Law"), said meeting was open to the general public, and due notice of the time and place of said meeting was duly given in accordance with such Open Meetings Law; and (D) there was a quorum of the members of the Issuer present throughout said meeting.

I FURTHER CERTIFY that, as of the date hereof, the attached resolution is in full force and effect and has not been amended, repealed or rescinded.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Issuer this ___ day of October, 2022.

(Assistant) Secretary

(SEAL)



Tonawanda Towers

[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	Tonawanda Towers
Project Summary	Rehab of an 81,000 square foot 100% affordable, 100 unit building for seniors earning 60% AMI or less
Applicant Name	OAHS Tonawanda TC LLC
Applicant Address	980 Sylvan Avenue
Applicant Address 2	
Applicant City	Englewood Cliffs
Applicant State	New Jersey
Applicant Zip	07632
Phone	(201) 793-3121
Fax	
E-mail	jay@oahsaffordable.com
Website	
NAICS Code	531110

Business Organization

Type of Business	Limited Liability Company
Year Established	2022
State in which Organization is established	New York

Individual Completing Application

Name	Strada Ventures LLC / Colleen Patterson
Title	Assistant Project Manager
Address	661 St. Johns Place
Address 2	
City	Brooklyn
State	New York
Zip	11216

Phone (646) 339-8744
Fax
E-Mail colleen@stradanyc.com

Company Contact - Authorized Signer for Applicant

Contact is same as individual completing application No
Name Orbach Affordable Housing Solutions, LLC / Jay Reinhard
Title President
Address 980 Sylvan Avenue
Address 2
City Englewood Cliffs
State New Jersey
Zip 07632
Phone (201) 793-3121
Fax
E-Mail jay@oahsaffordable.com

Company Counsel

Name of Attorney Stephen L. Yonaty (IDA Counsel)
Firm Name Cannon Heyman & Weiss LLP
Address 726 Exchange Street, Suite 500
Address 2
City Buffalo
State New York
Zip 14210
Phone (716) 856-1700
Fax
E-Mail syonaty@chwattys.com

Benefits Requested (select all that apply).

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

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

Applicant Business Description

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

The Sponsor is Orbach Affordable Housing Solutions ("OAHS"), a wholly owned subsidiary of The Orbach Group ("Orbach"), which is owned and managed by Meyer Orbach. OAHS was established in June 2016 to build and preserve affordable housing throughout the United States through the use of tax-exempt debt, low income housing tax credits and other financial vehicles. The OAHS team is comprised of industry professionals with over 150 employees specializing in all aspects of affordable and market real property management and redevelopment. They are experienced in leasing, building management, operations, tenant services, compliance and supervision. OAHS provides approximately 3,100 families with affordable housing through its ownership of HUD buildings across four states. The Orbach Group's portfolio currently consists of over 5,000 units, approximately 60% of which are covered by project-based HAP contracts. No individual owns more than 20% of the applicant entity, OAHS Tonawanda TC, LLC.

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?

12

Describe vendors within Erie County for major purchases

Lawn maintenance, concrete leveling

Section II: Eligibility Questionnaire - Project Description & Details

Project Location

Address of Proposed Project Facility

5 Main Street

Town/City/Village of Project Site

Tonawanda

School District of Project Site

City of Tonawanda

Current Address (if different)

N/A

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

N/A

SBL Number(s) for proposed Project

39.45-2-1.1

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

54,695 for 2021 taxes, per PILOT agreement

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

Land

\$ 0

Building(s)

\$ 0

If available include a copy of current tax receipt.

Are Real Property Taxes current at project location?

Yes

If no please explain

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

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

Yes

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

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

Yes

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

The Property is currently designed and used as senior residence apartments operating under the name Tonawanda Towers Apartments, which contains a reported total of 100 apartment units, plus one super's unit. Onsite amenities include a leasing office, a community room, a fitness room, a laundry room, and a salon. The Property is occupied exclusively by residential tenants.

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

This is a 100% affordable housing project consisting of 100 units (plus one super's unit) targeting senior households earning 60% AMI or less. The project will undergo extensive rehabilitation including renovating the interiors of all units and the common areas, upgrading all electrical equipment to energy efficient equipment, updating the building envelope and improving various site features. The building also has an existing HAP contract for 100% of the units, which will be extended for another 20 years.

Municipality or Municipalities of current operations

City of Tonawanda

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

Yes

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

No

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

No

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

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

No

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

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

No

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

The project is applying for NY state 4% LIHTC equity in an amount of approximately \$7.9M. Additionally, the project is expecting to receive approximately \$265k in NYSERDA energy retrofit funding.

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

N/A

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

The tax-exempt bond is a significant portion (over 50%) of the sources of financing and is essential to acquiring and renovating the project. Without the tax-exempt bond the project would not be feasible.

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

Yes

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

If the project does not receive tax-exempt bonds and an extension of the PILOT, it will not be possible to move forward with the necessary rehab of the building. This will impact the livability of the building for tenants, as well as the energy efficiency of the building, which impacts greenhouse gas emissions in 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)

Site is accessible by bus numbers 25B and 25D.

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

C-2

Describe required zoning/land use, if different

N/A

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

N/A

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

No

If yes, please explain

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

Yes

If yes, please provide a copy.

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

No

If yes, please provide copies of the study.

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

No

If yes, describe the efficiencies achieved

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

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

No

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

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

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

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

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

Please check any and all end uses as identified below.

- | | | |
|--|---------------------------|-------------------------------------|
| No Acquisition of Existing Facility | No Assisted Living | No Back Office |
| No Civic Facility (not for profit) | No Commercial | No Equipment Purchase |
| No Facility for the Aging | No Industrial | No Life Care Facility (CCRC) |

No Market Rate Housing **No Mixed Use** **No Multi-Tenant**
No Retail **Yes Senior Housing** **No Manufacturing**
No Renewable Energy **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	square feet	\$	0	0%
Retail	square feet	\$	0	0%
Office	square feet	\$	0	0%
Specify Other	81,224 square feet	\$	25,040,720	100%

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

No

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

<BLANK>

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

Will project result in significant utility infrastructure cost or uses No

What is the estimated project timetable (provide dates).

Start date : acquisition of equipment or construction of facilities

12/1/2022

End date : Estimated completion date of project

12/1/2023

Project occupancy : estimated starting date of occupancy

12/1/2023

Capital Project Plan / Budget

Estimated costs in connection with Project

1.) Land and/or Building Acquisition

\$ 14,000,000 square feet 17,145 acres

2.) New Building Construction

\$ 0 square feet

3.) New Building addition(s)

\$ 0 square feet

4.) Reconstruction/Renovation

\$ 6,332,700

square feet

5.) Manufacturing Equipment

\$ 0

6.) Infrastructure Work

\$ 0

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

\$ 0

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

\$ 2,282,351

9.) Other Cost

\$ 2,425,669

Explain Other Costs	Developer Fee
Total Cost	\$ 25,040,720

Construction Cost Breakdown:

Total Cost of Construction	\$ 6,332,700 (sum of 2, 3, 4 and 6 in Project Information, above)
Cost of materials	\$ 2,000,000
% sourced in Erie County	12%

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	\$ 0
Estimated State and local Sales and Use Tax Benefit (product of 8.75% multiplied by the figure, above):	\$ 0

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

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

Have any of the above costs been paid or incurred as of the date of this Application? No

If Yes, describe particulars:

Sources of Funds for Project Costs:

Equity (excluding equity that is attributed to grants/tax credits):	\$ 4,568,658
Bank Financing:	\$ 0
Tax Exempt Bond Issuance (if applicable):	\$ 12,317,151
Taxable Bond Issuance (if applicable):	\$ 0
Public Sources (Include sum total of all state and federal grants and tax credits):	\$ 8,154,911
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: \$25,040,720
Have you secured financing for the project? Yes

Mortgage Recording Tax Exemption Benefit:

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

Mortgage Amount (include sum total of construction/permanent/bridge financing). 11,867,151
Lender Name, if Known
Estimated Mortgage Recording Tax Exemption Benefit (product of mortgage amount as indicated above multiplied by 3/4 of 1%): \$89,003

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): N/A

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

OAHS has always been dedicated to supporting MBE/WBE contractors and working with these contractors on various projects. OAHS will continue its practice of hiring and supporting MBE/WBE contractors as part of the Tonawanda Towers project.

Is project necessary to expand project employment?

Yes

Is project necessary to retain existing employment?

Yes

Will project include leasing any equipment?

No

If yes, please describe equipment and lease terms.

Employment Plan (Specific to the proposed project location)

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
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					years) after project completion **
Full time	3	3	0		0
Part time	1	1	1		1
Total	4	4	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	3	\$ 47,000	\$ 0	\$ 20,000	\$ 2,800
Professional	0	\$ 0	\$ 0	\$ 0	\$ 0
Administrative	1	\$ 41,600	\$ 0	\$ 0	\$ 0
Production	0	\$ 0	\$ 0	\$ 0	\$ 0
Independent Contractor	0	\$ 0	\$ 0	\$ 0	\$ 0
Other	1	\$ 0	\$ 0	\$ 20,000	\$ 8,400

** 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.

Yes **By checking this box, I certify that the above information concerning the current number of jobs at the proposed project location or to be relocated to the proposed project location is true and correct.**

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

Address	N/A		
Full time	0	0	0
Part time	0	0	0
Total	0	0	0

Payroll Information

Annual Payroll at Proposed Project Site upon completion

180,000

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

46,000

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

20,000

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

0

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

20,000

Estimated salary range of jobs to be created

From (Full Time)	0	To (Full Time)	0
From (Part Time)	20,000	To (Part Time)	20,000

Section III: Environmental Questionnaire

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

General Background Information

Address of Premises

5 Main Street, Tonawanda, New York, 14150

Name and Address of Owner of Premises

Orbach Affordable Housing Solutions, 980 Sylvan Avenue, Englewood Cliffs, New Jersey 07632

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

The Property consists of a single tract irregular-shaped parcel that is approximately 0.3936 acres in size. Limited concrete-paved surface parking is located on the eastern-central portion of the Property. Additionally, asphalt-paved surface parking for the Property is located adjacent east across an alleyway. Grass and landscaping are located along Property building perimeters, as well as isolated islands on the northeastern portion of the Property. There are no water bodies observed within the limits of the Property and/or in close proximity.

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 is designed and used as senior residence apartments. Currently, the Property is improved with one, 11-story building offering 100 residential units, plus one super's unit that was developed in 1982 with renovations in 2007. Onsite amenities include a leasing office, a community room, a fitness room, a laundry room, and a salon.

Describe all known former uses of the Premises

1886-1889: Developed with several commercial structures along Young Street with support structures on the southeastern portion of the Property. 1889-1910: Developed with several commercial structures along Young Street which include a grocery store, a furniture supply store, and a jewelry store. Structures on the southern portion of the Property include a horse shed and two other support structures. 1910-1925: Developed with several commercial structures along Young Street including a furniture store, an office, and a drug store. Structures on the southern portion include an icehouse and a storage room. 1925- 1982: Developed with several commercial structures along Young Street and Main Street. Based on review of city directories, tenants included the following: beauty shops/barbers, markets, furniture stores, hardware stores, clothing stores, dentists, optometrists, coffee shops, and watch/jewelry stores with no tenants of potential environmental concern. 1982-Present: Developed with the existing Tonawanda Towers Apartments.

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

No

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

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

Yes

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

Spill No 0750716 was reported on the roadside on August 16, 2007 for an unreported quantity of compressor oil and freon released (source not identified). The New York State Department of Environmental Conservation (NYDEC) determined that no further remedial action was warranted and the incident was closed on August 17, 2007. Information is included in the attached Phase I report.

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

Solid household refuse is collected in one municipal waste container situated along the east-central perimeter of the Property building as well as hydraulic trash compactor located in the mechanical room. Solid waste is collected on a regular basis by a third-party contractor (Modern Disposal Services). There is no potentially hazardous substances or petroleum products disposed as part of this waste.

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

No

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

Discharge Into Waterbodies

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

N/A

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

The sewage disposal system is provided and maintained by the Erie County Water Authority municipal service district. Stormwater is discharged to the City of Tonawanda stormwater system via underground conduits from drains located on the roof of the property building. Additionally, storm water curb inlets on Young Street receive surface runoff via sheet flow from impervious areas at the Property. There is also direct percolation to the ground in landscaped areas at the Property.

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?

<BLANK>

If yes, attach a copy of each permit.

Storage Tanks

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

N/A

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

No

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

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

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

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

No

If yes, relate all the circumstances

Do the Premises have any asbestos containing materials?

Yes

If yes, please identify the materials

The following building materials were identified to contain asbestos: bathroom wall and floor grout, floor tile and mastic, and cementitious panel. The following materials are presumed to contain asbestos: popcorn finishes and roof materials.

Section IV: Facility Type - Single or Multi Tenant

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

Single Use Facility

For Single Use Facility

Occupant Name OAHS Tonawanda TC LLC
Address 980 Sylvan Avenue
Contact Person Jay Reinhard
Phone (201) 793-3121
Fax
E-Mail jay@oahsaffordable.com
Federal ID # 88-1770198
SIC/NAICS Code 531110

SS

Section VI: Retail Determination

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

Please answer the following:

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

No

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

Section VII: Adaptive Reuse Projects

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

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

No

Section VIII: Inter-Municipal Move Determination

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

Current Address

5 Main Street

City/Town

Tonawanda

State

New York

Zip Code

14150

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:

N/A

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

N/A

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

No

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

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

N/A

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

<BLANK>

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

N/A

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

N/A

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

N/A

Section IX: Senior Housing

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

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

No



**ECIDA & RDC Board of Directors
Monthly Meeting Schedule - 2023
Meetings are held on Wednesday's and start at 12:00 p.m.**

January 25

February 22

March 22

April 26 (Annual Meeting)

May 24

June 28

July 26

August 23

September 27

October 25

November 29

December 20