



**Erie County Industrial Development Agency  
Annual Meeting of the Membership  
April 26, 2023  
At 12:00 p.m.**

**701 Ellicott Street, Center of Excellence in Bioinformatics and Life Sciences (CBLIS)  
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 Approval of Minutes of the March 22, 2023 Meeting of the Membership (Action Item) (Pages 2-11)

**3.0 Reports / Action Items / Information Items:**

- 3.1 Financial Report (Informational) (Pages 12-15)
- 3.2 2023 Tax Incentive Induced/Closing Schedule (Informational) (Pages 16-17)
- 3.3 Nominating Committee Update
  - a) Election of Officers/Committee Appointments (Action Item) (Pages 18-20)
- 3.4 UDAG Financing Approval (Action Item) (Pages 21-25)
- 3.5 Economic Inclusion PILOT (Action Item) (Pages 26-32)
- 3.6 Policy Committee Update (Informational) (Pages 33-35)

**4.0 Inducement Resolutions:**

	<b>ECIDA Incentives</b>	<b>Private Investment</b>	<b>Municipality</b>
4.1 Wood and Brooks Properties, LLC (Pages 36-91)	\$1,164,447	\$23,127,638	Town of Tonawanda

**5.0 Management Team Reports:**

5.1

**6.0 Adjournment- Next Meeting May 31, 2023**

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

- DATE AND PLACE:** March 22, 2023, at the Center of Excellence in Bioinformatics and Life Sciences (CBLS), 701 Ellicott Street, The Event Space/Conference Room B2-205, located on the 2nd floor, Buffalo, New York 14203.
- PRESENT:** Denise Abbott, Hon. Diane Benczkowski, Hon. Joseph Emminger, Dottie Gallagher, Hon. Howard Johnson, Tyra Johnson, Richard Lipsitz, Jr., Brenda W. McDuffie, Hon. Glenn R. Nellis, Hon. Mark C. Poloncarz and Kenneth A. Schoetz
- EXCUSED:** Rev. Mark E. Blue, Hon. Bryon W. Brown, James Doherty, Michael P. Hughes, Hon. Brian Kulpa, Denise McCowan, Hon. Darius G. Pridgen and Paul Vukelic
- OTHERS PRESENT:** John Cappellino, President & CEO; Beth O’Keefe, Vice President of Operations/Secretary; Mollie Profic, Chief Financial Officer; Atiqa Abidi, Assistant Treasurer; Gerald Manhard, Chief Lending Officer; 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; Laurie Hendrix, Administrative Coordinator; Robbie Ann McPherson, Director of Marketing & Communications and Robert G. Murray, Esq., General Counsel/Harris Beach PLLC
- GUESTS:** Zachary Evans, Andrew McLaren and Daniel Castle on behalf of Erie County; Josh Veronica on behalf of Buffalo Niagara Partnership; Connie Buynacek, Heather Chudzik, Laurie Eden and Matthew Bradley on behalf of Moog, Inc.; Bukola Mallia on behalf of Buffalo & Erie County Workforce Investment Board; Dale Shoemaker on behalf of Investigative Post; Jonathan Epstein on behalf of the Buffalo News and Jim Fink on behalf of Business First

There being a quorum present at 12:06 p.m., the meeting of the members of the Erie County Industrial Development Agency (the “ECIDA” or “Agency”), was called to order by Chair, Ms. McDuffie.

## MINUTES

The minutes of the February 22, 2023 meeting of the members were presented. Ms. Abbott moved and Mr. Johnson seconded to approve of the minutes. Ms. McDuffie called for the vote and the minutes were unanimously approved.

## REPORTS/ACTION ITEMS/INFORMATION ITEMS

Financial Report. Ms. Profic presented the February financial reports. The balance sheet shows that the IDA finished the month with total assets of \$31.5M which includes unrestricted cash of \$7.3M available for Agency operations and net assets of \$20.5M. The monthly income statement shows a net loss of \$73,000 for February. Operating revenue of \$155,000 was below the monthly budget by \$68,000, due mainly to timing of administrative fees received during the month. Operating expenses of \$218,000 were \$15,000 under budget. The year-to-date Income Statement shows revenues of \$394,000, including administrative fee revenue of \$188,000. Ms. Profic advised we are at about 63% of our budget for the first two months of the year. Expenses of \$437,000 are \$25,000 below budget. After depreciation, there is currently a net loss of \$62,000 for the year. Ms. McDuffie directed that the report be received and filed.

Finance & Audit Committee and Committee Self-Evaluation. Ms. Profic introduced Michael Szukala, Chair of Finance & Audit Committee. Mr. Szukala summarized the memorandum regarding the joint Finance & Audit Committee meeting held on March 16. Our auditors from Lumsden McCormick presented the draft 2022 audited financial statements, which will be reviewed shortly. The three main points of the presentation were an unmodified (clean) opinion on the financial statements, there were no uncorrected audit adjustments, and there were no material weaknesses or significant deficiencies noted (no management letter comments). The Committee also reviewed and recommend the items listed under #2-#7 for approval or re-adoption: 2022 Public Authorities Report, 2022 Investment Reports, Investment & Deposit Policy, Committee Charter, Committee Self-Evaluation, Management's Assessment of the Effectiveness of Internal Controls, and Corporate Credit Card Policy with no suggested changes.

The Committee Self-Evaluation was presented. Each year the Committee completes a self-evaluation, as required by the Committee Charter. Essentially, did the Committee fulfill its duties per the Committee Charter? Comments in the rightmost column give some detail of the Committee activity throughout the year, and there are additional notes in the Board package. In 2022, the Committee convened a total of five times and fulfilled its duties as documented. Ms. McDuffie directed that the report be received and filed.

Audited Financial Statements. Ms. Profic reviewed the draft 2022 audited financial statements, required communications, and management letter. Lumsden's required communications with those charged with governance, which documents the auditors' responsibility related to the financial statement audit, notes that there were no matters of concern that arose related to the significant risks identified, a summary of accounting estimates made within the financials, that there were no uncorrected audit adjustments, and no disagreements with management. Ms. Profic mentioned, an unmodified opinion was issued on the statements. Significant estimates for ECIDA include depreciation of capital assets, and valuation of leases receivable/payable and other assets. GASB Statement No. 87 regarding Leases went into effect for

the 2022 reporting year, which resulted in an approximately \$37,000 restatement of 2021's net position. The management letter noting no significant deficiencies or material weaknesses. The Representation Letter will be signed once the audit is approved by the board. As a public authority, the Agency's financial statements are prepared based on Governmental Accounting Standards and include a Management's Discussion and Analysis section, which provides a condensed overview of the statements. The balance sheets show total assets of \$31.6M at December 31, 2022, a decrease of \$493,000 from 2021. Most of the Agency's assets are current, with cash being the largest portion at \$18.4M. This is consistent with 2021, and Ms. Profic noted of that cash balance, \$7.5M is unrestricted. The largest increase from year-to-year was restricted cash under noncurrent assets. The \$654,000 increase reflects the contribution of PILOT payments into PIF funds, with ECIDA acting as the administrator of these funds. This increase in restricted cash directly correlates to the increase in funds held on behalf of others, which at \$9.3M is an increase of \$600,000 from 2021. These funds are held in restricted cash accounts. New on the balance sheet this year are Leases Receivable (under Noncurrent Assets), Lease Payable (under current & noncurrent liabilities) and Deferred Inflows of Resources Related to Leases, which are the result of implementing GASB Statement No. 87. There are three leases deemed material that ECIDA must recognize on the balance sheet. The lease for our office space at 95 Perry is recorded as a right to use asset (capital asset) and lease payable, and is amortized over the life of the lease. Our current lease expires in September 2023, so the entire portion is shown in current liabilities as of 12/31/22. The leases in which ECIDA is the lessor which are 143 Genesee Street and the portion of office space subleased to BUDC are recorded as Leases Receivable and deferred inflows of resources at their present value when entered into. The receivable and deferred inflow is reduced with each payment collected.

The Agency's net position is allocated into three buckets: net investment in capital assets, restricted, and unrestricted. Total net position decreased from \$20.9M in 2021 to \$20.6M in 2022, with decreases in each category. The statements of revenues, expenses and changes in net position (income statements) shows how we arrived at the decrease in net position. Operating revenues for 2022 were \$2.6M, due mostly to \$1.6M of administrative fee revenue. Operating expenses were up slightly to \$2.9M in 2022. Salaries and benefits increased \$94,000 (5%) due to approved salary increases and performance incentives paid in 2022. General & administrative expenses increased \$123,000 (22%) due to a project fee refunded during the year. Before special project grants, there was an operating loss of \$386,000. Special project grants in the middle of the page netted to \$70,000 of revenue in 2022, and non-operating revenue of \$88,000 reduced the decrease in net position to \$228,000. The cash flows statements detail the changes in cash from year to year. The remainder of the financials are the notes, and also supplementary information. The balance sheet and income statement are broken out between the general and UDAG funds. These drafts were reviewed and discussed in detail with the Finance & Audit Committee on March 16, and they recommended approval to the Board.

Ms. Gallagher moved and Mr. Poloncarz seconded to approve of the 2022 Audited Financial Statements. Ms. McDuffie then called for the vote and the 2022 Audited Financial Statements were unanimously approved.

Investment Report. Ms. Profic advised this report is required by Public Authorities Law and includes ECIDA's investment guidelines, the results of our annual audit of these guidelines,

and detail of investment income and fees for the year. The majority of cash accounts are restricted for the purposes listed in the rightmost column. There was \$89,000 of interest income earned on these accounts during 2022, and no fees were paid. This report was reviewed by the Finance & Audit Committee at their March 16<sup>th</sup> meeting and recommended to the Board for approval.

Mr. Nellis moved and Mr. Lipsitz seconded to approve of the 2022 Investment Report. Ms. McDuffie then called for the vote and the 2022 Investment Report was unanimously approved.

Governance Committee Update: Ms. McDuffie provided the Committee with an update on the most recent Governance Committee meeting which carried out its several meetings \_\_\_\_\_ to review ECIDA 2022 Performance and establishing amended 2023 Performance metrics, reviewed and readoption of ECIDA policies and the Governance Committee performance evaluation.

Ms. McDuffie then reviewed the Governance Committee self-evaluation and the ECIDA Board Member evaluation of board performance. Ms. McDuffie encouraged any member to provide their feedback or suggestions to improve the board's performance to her. Ms. McDuffie directed that the report be received and filed.

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

Approval of Board Certification of Loan Administration Plan-CARES ACT RLF. Mr. Manhard reviewed the CARES ACT Resolution related to the CARES Act revolving loan fund, requiring ECIDA to certify that the fund was operating and is operating consistent with the loan policy. Mr. Poloncarz moved and Ms. Abbott seconded to approve of the CARES ACT Resolution. Ms. McDuffie then called for the vote and the following resolution was unanimously approved.

RESOLUTION OF THE ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY (THE "RLF BOARD" OR "AGENCY") IN CONNECTION WITH AN ANNUAL CERTIFICATION TO BE MADE UNDER THE STANDARD TERMS AND CONDITIONS AND ADMINISTRATIVE MANUAL REQUIREMENTS OF THE FEDERAL ECONOMIC DEVELOPMENT ADMINISTRATION

PFRAP Grant Approval. Mr. Cappellino reviewed the PFRAP Grant Award of \$2,021,740 to make railroad track improvements. Ms. Benczkowski moved and Mr. Poloncarz seconded to approve of the PFRAP Grant. Ms. McDuffie then called for the vote and the following resolution was unanimously approved.

RESOLUTION OF THE ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY (THE "AGENCY") AUTHORIZING THE AGENCY TO NEGOTIATE AND ENTER INTO A GRANT AGREEMENT BETWEEN THE AGENCY AND THE NEW YORK STATE DEPARTMENT OF TRANSPORTATION (THE "DOT") RELATIVE TO CERTAIN RAILROAD INFRASTRUCTURE IMPROVEMENTS, CONSTRUCTION

AND MAINTENANCE ACTIVITIES TO BE UNDERTAKEN AT  
THE DEPEW LANCASTER AND WESTERN RAILWAY IN AN  
AMOUNT OF \$2,021,740

Policy Committee Update. Mr. Lipsitz provided a report and confirmed that the Policy Committee unanimously approved the Moog project for recommendation to the Board for approval.

## INDUCEMENT RESOLUTION

Moog, Inc., 400 Jamison Road, Elma, New York. Ms. O'Keefe reviewed this proposed sales tax exemption and real property tax benefit project which consists of the construction of a new 150,000 sq. ft. standalone building to expand the Elma campus manufacturing footprint. The new facility will be dedicated to machining capabilities in support of Moog's current Aircraft Group which is primarily military aerospace content. This project includes a significant investment in new manufacturing equipment that will help improve the Aircraft Group's operational performance by reducing lead times and improving product quality.

Mr. Cappellino addressed the members about the ECIDA's long history with Moog dating back 50 years to 1973 and just for some perspective, Mr. Cappellino stated he was in elementary school in 1973. In those days the Agency provided Industrial Revenue Bonds which were similar to mortgages that helped to lower the cost of investing in capital improvements at the facility.

And invest they did, from their founding in 1951 to today Moog has a proven track record of investment and job creation in our community. Investing hundreds of millions of dollars in our community and creating thousands of jobs, with an annual payroll of hundreds of millions of dollars.

For some recent perspective in 2006 the ECIDA approved incentives for a \$6.7 million expansion at their Elma Facility, they reported 1937 jobs, today they have over 3400 at their Elma Facility. Just in the last 5 years they have created 1,000 new jobs in New York state.

Our most recent project approved in 2017, an investment of \$44.3 million in a new building for the aircraft division, the job goal was 330 jobs, presently they employ 622 people at the facility.

Moog is a global leader in the aerospace, aviation and advanced manufacturing technology applications, headquartered right here in Elma, New York. Research shows that companies that are headquartered in your communities are more likely to invest, grow and create jobs locally. Just this week there was a story in the Buffalo News about a local company with out of town ownership, that is closing and taking 66 jobs out of state.

The Regional Economic Development Council plan identifies, advanced manufacturing companies as one of the regional targeted industry priorities. Advanced manufacturing companies have some of the highest economic spinoff, multiplier benefits, and support local universities by providing opportunities locally for graduates in the STEM field.

Other states and communities do reach out to companies located in our community with incentive offers to relocate or make investments in their communities. Our incentives do help to level the playing field and encourage companies to invest and grow jobs here as Moog has a proven track record of doing.

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

- (i) Investment Commitment- the total investment actually made with respect to the Project at the time of Project completion equals or exceeds \$65,237,500 (which represents the product of 85% multiplied by \$76,750,000, 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 180 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. 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.

Ms. Abbott commented on Moog's commitment to the use of local labor and their outstanding apprenticeship and internship programs.

Mr. Poloncarz commented that he recently met with Moog at their facility and noted that Moog has strong DEI commitment. Mr. Poloncarz noted this project could lead to adding two additional phases of new investment, which will not be possible without this first phase being undertaken. Mr. Poloncarz expressed support for the project and moved to approve the project.

Mr. Emminger and Mr. Johnson stated their support for the project.

Ms. Gallagher commented on the significant amount of investment being made and commented on Moog's outstanding civic leadership in our county.

Ms. McDuffie stated her support for the project, confirming the quality of opportunities and employment positions and net wealth creation related to Moog's products being sold outside of New York.

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

RESOLUTION OF THE ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY: (i) ACCEPTING THE APPLICATION OF MOOG INC., 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 PARTIAL ABATEMENT FROM REAL PROPERTY TAXES BENEFIT THROUGH THE PILOT AGREEMENT; AND (vi) AUTHORIZING THE NEGOTIATION AND EXECUTION OF A LEASE AGREEMENT, LEASEBACK AGREEMENT, A PAYMENT-IN-LIEU-OF-TAX AGREEMENT, AN AGENT AND FINANCIAL ASSISTANCE PROJECT AGREEMENT, AND RELATED DOCUMENTS

## **REVIEW AND ADOPTION OF POLICIES, REPORTS AND COMMITTEE CHARTERS.**

2022 Mission Statement, Performance Measures and Results. Ms. O'Keefe reviewed the 2022 Mission Statement and related results. Mr. Lipsitz moved and Mr. Nellis seconded to approve of the 2022 Mission Statement and results. Ms. McDuffie called for the vote and the 2022 Mission Statement and results were unanimously approved.

2023 Mission Statement and Performance Measures. Ms. O'Keefe reviewed the 2023 Mission Statement and performance measures. Mr. Lipsitz moved and Ms. Gallagher seconded to approve of the 2023 Mission Statement and performance measures. Ms. McDuffie called for the vote and the 2023 Mission Statement and Performance Measures were unanimously approved.

2022 Public Authorities Report. Ms. Profic reviewed 2022 Public Authorities Annual Report. As a Public Authority of the State of New York, ECIDA and its affiliates are required to



comply with the NYS Public Authorities Law and submit a comprehensive annual report including information on several topics. Several of the items are covered by other documents, like the operations and accomplishments and financial statements, which are note throughout the document. The third item, Mission Statement & Performance Measurements, is updated each year with actual results (and was just reviewed). Many of the items included are standard from year to year and are also approved or re-adopted by the Board annually. Section 13 was updated for 2022 to update the work underway at ILDC-owned properties, the UTEP and CEDS updates during the year, and RDC's lending activity. Attachments include outstanding bond information, salary & benefit information, projects undertaken by each entity, our Property Report, Board Member attendance, and the Procurement Reports for each entity. Once approved, Mr. Cappellino and I will sign the certification and the report will be posted to our website. This report was reviewed by the Governance Committee at their March 13<sup>th</sup> meeting and the Finance & Audit Committee at their March 16<sup>th</sup> meeting and has been recommended to the Board for approval.

Mr. Nellis moved and Mr. Johnson seconded to approve of the 2022 Public Authorities Report. Ms. McDuffie called for the vote and the 2022 Public Authorities Report was unanimously approved.

Airborne Infectious Disease Policy. Ms. Profic stated this is a required policy under the NYS HERO Act. The Agency chose to use the DOL's template to establish the plan, which includes overall responsibilities, exposure controls, housekeeping, infection response, and the like. While the exposure prevention plan is not currently in effect, this is a policy the Agency must have in place should it be necessary to implement the plan in the future. It will be reviewed at least annually to ensure that it is kept up to date with applicable guidance. This policy was reviewed by the Governance Committee on March 13<sup>th</sup> and recommended to the Board for approval.

Ms. Abbott moved and Ms. Johnson seconded to approve of the Airborne Infectious Disease Policy. Ms. McDuffie called for the vote and the Airborne Infectious Disease Policy was unanimously approved.

## **RE-ADOPT POLICIES AND CHARTERS**

Ms. Profic noted that Items 5-22 on the agenda were reviewed by counsel, the Board Committees recommended no changes, and as such, the staff recommends that the policies and charters items numbered 5-22 be approved without any changes. Mr. Lipsitz moved and Ms. Gallagher seconded to approve of the various polices and charters as itemized below. Ms. McDuffie called for the vote and the following policies and charters were then unanimously approved:

- Board Member Compensation, Reimbursement & Attendance Policy
- Code of Ethics & Conflict of Interest Policy
- Corporate Credit Card Policy
- Defense & Indemnification Policy
- Employee Compensation Program
- Fee Structure Policy
- Finance & Audit Committee Charter

- Governance Committee Charter
- Investment & Deposit Policy
- Procurement Policy
- Professional Services RFP Process and Policy
- Property Disposition Guidelines
- Real Property Acquisition Policy
- Sexual Harassment Policy
- Statement of Duties & Responsibilities of the Board of Directors
- Statement of the Competencies & Personal Attributes Required by Board Members
- Travel, Conferences, Meals & Entertainment Policy
- Whistleblower Policy and Procedures

## MANAGEMENT TEAM REPORTS

Mr. Cappellino reviewed the ECIDA 2022 Annual Report.

Mr. Poloncarz commented that 8 Dona Street building is now fully leased and thanked ECIDA for its excellent work.

There being no further business to discuss, Ms. McDuffie adjourned the meeting of the Agency at 12:59 p.m.

Dated: March 22, 2023

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Elizabeth A. O'Keefe, Secretary

- Governance Committee Charter
- Investment & Deposit Policy
- Procurement Policy
- Professional Services RFP Process and Policy
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Dated: March 22, 2023

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Elizabeth A. O'Keefe, Secretary

**Erie County Industrial Development Agency**  
**Financial Statements**  
As of March 31, 2023

**ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY ("ECIDA")**

**Balance Sheet**

March 31, 2023

	<b>March 2023</b>	<b>February 2023</b>	<b>December 2022</b>
<b>ASSETS:</b>			
Cash *	\$ 7,430,951	\$ 7,256,690	\$ 7,475,718
Restricted Cash & Investments *	19,464,585	19,725,459	20,449,260
Due from Affiliates	1,298,860	1,365,581	471,011
Due from Buffalo Urban Development Corp.	32,701	22,294	106,016
Other Receivables	178,276	192,710	94,679
<b>Total Current Assets</b>	<u>28,405,373</u>	<u>28,562,733</u>	<u>28,596,683</u>
Grants Receivable	644,183	644,183	644,183
Lease Receivable	588,988	643,927	643,927
Venture Capital Investments, net of reserves	506,886	506,886	506,886
Capital Assets	1,099,490	1,146,361	1,166,361
<b>Total Long-Term Assets</b>	<u>2,839,548</u>	<u>2,941,357</u>	<u>2,961,357</u>
<b>TOTAL ASSETS</b>	<u>\$ 31,244,921</u>	<u>\$ 31,504,090</u>	<u>\$ 31,558,040</u>
<b>LIABILITIES &amp; NET ASSETS</b>			
Accounts Payable & Accrued Exp.	\$ 191,470	\$ 167,077	\$ 188,859
Lease Payable	84,111	126,166	126,166
Deferred Revenues	589,593	624,785	643,647
Funds Held on Behalf of Others	9,382,157	9,366,234	9,317,525
<b>Total Liabilities</b>	<u>10,247,330</u>	<u>10,284,262</u>	<u>10,276,196</u>
Deferred Inflows of Resources Related to Leases	588,988	643,927	643,927
Net Assets	20,408,602	20,575,902	20,637,917
<b>TOTAL LIABILITIES &amp; NET ASSETS</b>	<u>\$ 31,244,921</u>	<u>\$ 31,504,090</u>	<u>\$ 31,558,040</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 March 2023

	<b>Actual vs. Budget</b>		
	<b>Actual</b>	<b>Budget</b>	<b>Variance</b>
<b>REVENUES:</b>			
Administrative Fees	\$ 88,590	\$ 150,000	\$ (61,410)
Management Fees - Affiliates and Others	35,008	50,392	(15,383)
Interest Income - Cash & Investments	29,127	500	28,627
Interest Income - Leases	8,113	-	8,113
Rental Income	12,796	21,467	(8,671)
Other Income	8,014	6,500	1,514
Total Revenues	<u>181,648</u>	<u>228,858</u>	<u>(47,211)</u>
<b>EXPENSES:</b>			
Salaries & Benefits	\$ 163,839	\$ 169,800	\$ (5,961)
General Office Expenses	25,348	23,267	2,082
Building Operating Costs	(27,624)	21,170	(48,794)
Professional Services	19,754	21,333	(1,579)
Public Hearings & Marketing	2,738	5,417	(2,679)
Travel, Mileage & Meeting Expenses	2,840	3,083	(243)
Other Expenses	14,735	729	14,006
Total Expenses	<u>201,631</u>	<u>244,799</u>	<u>(43,168)</u>
<b>SPECIAL PROJECT GRANTS:</b>			
Revenues	\$ 33,437	\$ 48,209	\$ (14,772)
Expenses	(33,437)	(42,526)	9,089
	<u>-</u>	<u>5,683</u>	<u>(5,683)</u>
<b>NET INCOME/(LOSS) BEFORE OTHER STRATEGIC INVESTMENTS &amp; DEPRECIATION:</b>			
	<u>(19,984)</u>	<u>(10,258)</u>	<u>(9,726)</u>
<b>OTHER STRATEGIC INVESTMENTS AND INITIATIVES:</b>			
Bethlehem Steel Industrial Park Grant	(70,765)	-	(70,765)
Angola Ag Park Grant	(29,680)	(8,333)	(21,347)
	<u>(100,445)</u>	<u>(8,333)</u>	<u>(92,112)</u>
<b>NET INCOME/(LOSS) BEFORE DEPRECIATION:</b>			
	<u>(120,429)</u>	<u>(18,591)</u>	<u>(101,838)</u>
Depreciation and amortization	(46,871)	(10,000)	(36,871)
<b>NET INCOME/(LOSS):</b>	<u>\$ (167,300)</u>	<u>\$ (28,591)</u>	<u>\$ (138,709)</u>

**ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY ("ECIDA")**

**Income Statement**  
Year to Date: March 31, 2023

	Actual vs. Budget			Actual vs. Prior Year		
	Actual	Budget	Variance	Actual	Prior Year	Variance
<b>REVENUES:</b>						
Administrative Fees	\$ 276,375	\$ 450,000	\$ (173,625)	\$ 276,375	\$ 271,298	\$ 5,077
Affiliate Management Fees	135,375	151,175	(15,800)	135,375	135,175	200
Interest Income - Cash & Investments	85,563	1,500	84,063	85,563	891	84,673
Interest Income - Leases	8,113	-	8,113	8,113	-	8,113
Rental Income	55,813	64,400	(8,587)	55,813	58,906	(3,093)
Other Income	14,014	13,000	1,014	14,014	9,190	4,824
<b>Total Revenues</b>	<b>575,252</b>	<b>680,075</b>	<b>(104,823)</b>	<b>575,252</b>	<b>475,459</b>	<b>99,793</b>
<b>EXPENSES:</b>						
Salaries & Benefits	484,495	509,399	(24,904)	484,495	488,306	(3,810)
General Office Expenses	81,840	69,800	12,040	81,840	77,111	4,729
Building Operating Costs	11,768	63,511	(51,744)	11,768	55,485	(43,717)
Professional Services	27,869	40,500	(12,631)	27,869	75,941	(48,072)
Public Hearings & Marketing	10,183	16,250	(6,067)	10,183	19,834	(9,651)
Travel, Mileage & Meeting Expenses	5,364	9,250	(3,886)	5,364	3,396	1,968
Other Expenses	16,652	2,188	14,464	16,652	3,064	13,588
<b>Total Expenses</b>	<b>638,170</b>	<b>710,898</b>	<b>(72,727)</b>	<b>638,170</b>	<b>723,135</b>	<b>(84,965)</b>
<b>SPECIAL PROJECT GRANTS:</b>						
Revenues	60,239	144,627	(84,388)	60,239	179,000	(118,761)
Expenses	(59,319)	(127,577)	68,258	(59,319)	(24,730)	(34,588)
	920	17,050	(16,130)	920	154,270	(153,350)
<b>NET INCOME/(LOSS) BEFORE OTHER STRATEGIC INVESTMENTS &amp; DEPRECIATION:</b>						
	\$ (61,998)	\$ (13,773)	\$ (48,226)	\$ (61,998)	\$ (93,406)	\$ 31,408
<b>OTHER STRATEGIC INVESTMENTS AND INITIATIVES:</b>						
Zero Net Energy costs (Z7+)	\$ -	\$ (156,479)	\$ 156,479	\$ -	\$ -	\$ -
Bethlehem Steel Industrial Park Grant	(70,765)	-	(70,765)	(70,765)	-	(70,765)
Angola Ag Park Grant	(29,680)	(100,000)	70,320	(29,680)	-	(29,680)
Bethlehem Steel Industrial Park Grant Reimb	-	150,000	(150,000)	-	-	-
Buffalo Urban Development Corporation	-	(100,000)	100,000	-	-	-
Other Strategic Initiatives	(0)	(125,000)	125,000	(0)	-	(0)
	(100,445)	(331,479)	231,034	(100,445)	-	(100,445)
<b>NET INCOME/(LOSS) BEFORE DEPRECIATION:</b>						
	(162,443)	(345,252)	182,809	(162,443)	(93,406)	(69,037)
Depreciation and amortization	(66,871)	(30,000)	(36,871)	(66,871)	(30,000)	(36,871)
<b>NET INCOME/(LOSS):</b>	<b>\$ (229,314)</b>	<b>\$ (375,252)</b>	<b>\$ 145,938</b>	<b>\$ (229,314)</b>	<b>\$ (123,406)</b>	<b>\$ (105,908)</b>

## Tax Incentives Approved - 2023

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
Feb-23	356 Hertel Ave, LLC <sup>1</sup>	Buffalo	\$32,067,800	85% threshold \$27,257,630	0	0	42	0	85% -New 35 Jobs	212	150	project completion date + 2 yrs	\$612,500	1.47
Feb-23	Commitment 2000	Buffalo	\$8,623,800	85% threshold \$7,330,230	74	2	10	2	85% -New 35 Jobs	38	38	Period of PILOT 7 Years	\$420,215	1.89
Mar-23	Moog, Inc.	Elma	\$76,750,800	85% threshold \$65,237,500	180	0	0	0	0	335	320	Period of PILOT 10 Years	\$2,900,920	1.97

Totals:	Totals:	Private Investment/ Project Amount	FT Jobs Retained	PT Jobs Retained	FT Jobs Created	PT Jobs Created	Const Jobs	Spillover Jobs	Incentive Amount
Adaptive Reuse Subtotal	1	\$32,067,800	0	0	42	0	212	150	\$612,500
2022 Total	3	\$117,442,400	254	2	52	2	585	508	\$3,933,635

<sup>1</sup> Adaptive Reuse



**Tax Incentives Closings - 2023**

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
Warehouse #2 @132 Dingens	\$ 8,951,635	0	18	0	0	Buffalo	12/21/2022	4/30/2023
	\$ 8,951,635	0	18	0	0			
Projects Closed = 1								
FT Projected New Jobs = 18								
PT Projected New Jobs = 0								

## 2023-2024 ECIDA/RDC/ILDC Board Committees & Officers

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

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

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

\*Board members who fill seats required by By-laws  
Nominating Committee Approved Date – 04/14/2023  
Board Approved Date – 04/26/2023

## 2023-2024 ECIDA/RDC/ILDC Board Committees & Officers

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

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

<b>Nominating Committee ECIDA/RDC/ILDC</b>	<b>Current Committee Members</b>	<b>Proposed Committee Members</b>
No by-law requirement  1 Meeting a Year	Hon. Mark Poloncarz (Chair)	Hon. Mark Poloncarz (Chair)
	Hon. Diane Benczkowski	Hon. Diane Benczkowski
	Zachary Evans	Zachary Evans
	Dottie Gallagher	Richard Lipsitz
	Richard Lipsitz	Ken Schoetz
	Ken Schoetz	

<b>Compensation Committee ECIDA</b>	<b>Current Committee Members</b>	<b>Proposed Committee Members</b>
No by-law requirement  1-2 Meetings a Year	Hon. Mark Poloncarz (Chair)	Hon. Mark Poloncarz (Chair)
	Rev. Mark Blue	Rev. Mark Blue
	Dottie Gallagher	Dottie Gallagher
	Richard Lipsitz	Michael Hughes
	Brenda McDuffie	Richard Lipsitz
	Ken Schoetz	Brenda McDuffie
	*Vacant	Ken Schoetz

\*Board members who fill seats required by By-laws  
Nominating Committee Approved Date – 04/14/2023  
Board Approved Date – 04/26/2023

## 2023-2024 ECIDA/RDC/ILDC Board Committees & Officers

<b>Policy Committee ECIDA/RDC</b>	<b>Current Committee Members</b>	<b>Proposed Committee Members</b>
At least 3 Board members specified in By-Laws  10-12 Meetings a year	Richard Lipsitz* (Chair)	Richard Lipsitz* (Chair)
	Denise Abbott	Denise Abbott
	Hon. April Baskin	Hon. April Baskin
	Rev. Mark Blue*	A.J. Baynes
	Hon. Byron Brown	Rev. Mark Blue*
	Zachary Evans	Hon. Byron Brown
	Brenda McDuffie*	Zachary Evans
	Glenn Nellis	Dr. Susan McCartney
	Laura Smith	Brenda McDuffie*
	David State	Glenn Nellis
	Lavon Stephens	Laura Smith
	Hon. John Tobia	David State
	Paul Vukelic	Lavon Stephens
	*Vacant	Hon. John Tobia
*Vacant	Paul Vukelic	

<b>OFFICERS</b>	<b>Current Officers</b>			<b>Proposed Officers</b>		
	<b>ECIDA</b>	<b>RDC</b>	<b>ILDC</b>	<b>ECIDA</b>	<b>RDC</b>	<b>ILDC</b>
<b>Chair</b>	Brenda McDuffie		Hon. Mark Poloncarz	Brenda McDuffie		Hon. Mark Poloncarz
<b>Vice Chair</b>	Richard Lipsitz			Richard Lipsitz		
<b>President &amp; CEO</b>	John Cappellino			John Cappellino		
<b>Vice President</b>	Mollie Profic, Beth O'Keefe			Mollie Profic, Beth O'Keefe		
<b>Treasurer</b>	Mollie Profic			Mollie Profic		
<b>Assistant Treasurers</b>	Jerry Manhard, Atiq Abidi, Daryl Spulecki			Jerry Manhard, Atiq Abidi, Daryl Spulecki		
<b>Secretary</b>	Beth O'Keefe			Beth O'Keefe		
<b>Assistant Secretaries</b>	Jerry Manhard, Carrie Hocieniec			Jerry Manhard, Carrie Hocieniec		

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

\*Board members who fill seats required by By-laws  
Nominating Committee Approved Date – 04/14/2023  
Board Approved Date – 04/26/2023



MEMORANDUM

April 26, 2023

To: Members of the Board of Directors of the Erie County Industrial Development Agency

Re: UDAG Funding Allocation

**Background:**

As the property redevelopment activities of the ILDC continue to move ahead at Renaissance Commerce Park (RCP) and the Angola Agricultural Park the redevelopment entails the construction of several large capital infrastructure projects needed for development. As an example, late last fall the first section of Steelworkers Way was completed and last month we celebrated the opening of the fully leased 8 Dona Street facility which is serviced from the new road. Additionally, Uniland Development is beginning work on their second facility to be located at 2 Steelworkers Way. This year the ILDC will be undertaking several key infrastructure projects including the completion the second section of Steelworkers Way, the installation of new public water and sewer lines on the north end of the RCP property, and the first phase of a new roadway and utility corridor at the Angola Agricultural Park. These projects represent significant capital costs and infrastructure improvements that will ultimately pave the way for further development of both sites.

Funding for these projects is complex, with multiple funding sources, including Empire State Development, Federal EDA and Erie County among others, each having their own reporting and reimbursement procedures and timelines. This is creating a need for the ILDC to have the ability to access UDAG funds to cash flow payments for construction costs while awaiting reimbursements and to help fund property carrying costs for items like sewer and water taxes, Brownfield annual reporting and, misc. legal costs, etc.

The initial funding for the acquisition of the properties and carrying costs was funded using UDAG proceeds. One of the provisions of that agreement was that a portion of ILDC land sales, 50% of proceeds, would be returned to the UDAG fund. To date ILDC land sales at RCP have resulted in \$583,000 being returned to the UDAG fund.

It is anticipated that future land sales will continue to generate revenue for repayments to the UDAG fund and pay for carrying costs. Additionally, as land sales continue, various carrying costs will be reduced over time.



**UDAG Fund Availability:**

**UDAG (Urban Development Action Grant) Fund** – the UDAG fund was capitalized primarily from reflow associated with the original UDAG grant for the purchase and redevelopment of the former Westinghouse facility out in Elma, which is presently owned by Steuben Foods. The monies which were repaid (reflow) from the Steuben project in the form of rent and ultimately the purchase of the facility and the sale of venture investments primarily from Synacor and Gemcor make up the bulk of the UDAG fund.

UDAG reflow funds are restricted by federal regulation, but are eligible to use for certain purposes, including design and development costs associated with the development of the Renaissance Commerce Park site.

Current Available Cash balance	\$10,651,000
Current Potential Allocations	
Impact project fund annual budget item	<u>(1,000,000)</u>
UDAG balance net of allocated funds	\$ 9,651,000

**Requested Actions ECIDA:**

Seeking approval to authorize the ILDC to utilize the UDAG fund to float project cash flow and fund certain carrying costs in compliance with federal restrictions for land redevelopment activities of the ILDC. A financial accounting of the UDAG fund balance and cash flow activities will be provided to the agency annually.

**ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY**

**RESOLUTION**

A regular meeting of the Erie County Industrial Development Agency was convened on Wednesday, April 26, 2023, at 12:00 p.m.

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

RESOLUTION OF THE ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY (“AGENCY”) TO ENTER INTO A FUNDING AGREEMENT WITH THE BUFFALO AND ERIE COUNTY INDUSTRIAL LAND DEVELOPMENT CORPORATION (“ILDC”) FOR (I) PLANNING AND CONSTRUCTION OF PUBLIC ROADWAYS, WATER AND SEWER INFRASTRUCTURE WITHIN AND UPON LANDS OWNED BY THE ILDC AT THE RENAISSANCE COMMERCE PARK IN LACKAWANNA, NEW YORK AND UPON LANDS OWNED BY THE ILDC AT THE AGRI-BUSINESS PARK IN THE TOWN OF EVANS, NEW YORK, (II) FUNDING LAND CARRYING COSTS INCLUDING SEWER AND WATER TAXES AND REQUIRED STATE AND FEDERAL REPORTING ACTIVITIES AND (III) FUNDING PROFESSIONAL SERVICES INCLUDING LEGAL, ENGINEERING, AND PLANNING SERVICES ALL RELATED TO THE FOREGOING, FROM THE AGENCY’S U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT URBAN DEVELOPMENT ACTION GRANT (“UDAG”) REFLOW FUND

WHEREAS, the Agency maintains an Urban Development Action Grant Reflow Fund (the “UDAG Fund”); and

WHEREAS, the Buffalo and Erie County Industrial Land Development Corporation (the “ILDC”), an affiliate of the Agency, is authorized and empowered by Section 1411 of the Not-for-Profit Corporation Law of the State of New York, as amended, to relieve and reduce unemployment, promote and provide for additional and maximum employment, better and maintain job opportunities in Erie County and to lessen the burdens of government and act in the public interest; and

WHEREAS, the ILDC is the owner of approximately 130 acres of real property located within the Renaissance Commerce Park (the “RCP”) in Lackawanna, New York and is in the process of developing a Light Industrial and Commerce Park thereon (the “RCP Park Project”); and

WHEREAS, the ILDC has completed the Infrastructure and Master Plan for the RCP (the “Master Plan”) and related thereto and as required under Article 8 of the New York State Environmental Conservation Law, and the regulations promulgated therein at 6 N.Y.C.R.R. Part 617 (collectively referred to as “SEQR”), the ILDC has accepted a Draft Generic Environmental Impact Statement (“DGEIS”) prepared for the Master Plan on May 27, 2020, accepted a Final Generic Environmental Impact Statement (“FGEIS”) prepared for the Master Plan on September 23, 2020 and prepared a Findings Statement for completion of the SEQR review for the Master Plan as required by 6 N.Y.C.R.R. § 617.11 of the SEQR regulations on October 28, 2020 (the “Findings Statement”); and

WHEREAS, the ILDC is the owner of approximately 240 acres of real property located within the Town of Evans, New York and is in the process of developing an Agri-Business Park thereon (the “Agri-Business Park Project”); and

WHEREAS, the ILDC is in the process of creating a master plan and preparing the appropriate SEQR analysis as so related to establishing the Agri-Business Park Project; and

WHEREAS, the ILDC contemplates that it will soon be undertaking several key infrastructure projects including, but not limited to, the completion of the second section of Steelworkers Way at the RCP, the installation of new public water and sewer lines on the north end of the RCP, and the first phase of a new roadway and utility corridor at the Agri-Business Park, (collectively, the “Infrastructure Project” and as so related, the “Infrastructure Project Costs”); and

WHEREAS, to facilitate the undertaking of the Infrastructure Project, the ILDC requires funding to engage engineering, planning, and legal services professionals all related thereto (“Professional Services Costs”); and

WHEREAS, in addition, the ILDC incurs ongoing land carrying costs at the RCP Park and the Agri-Business Park, including, but not limited to, costs associated with sewer and water taxes and annual New York State and Federal Agency required reporting (the “Land Carrying Costs”, and collectively, with the Infrastructure Project Costs and the Professional Services Costs, the “Project Costs”); and

WHEREAS, the ILDC does not have sufficient cash reserves in its general fund to pay for, in the first instance, the Project Costs at the RCP Park and at the Agri-Business Park; and

WHEREAS, the ILDC is actively seeking funding from New York State Empire State Development, the Federal EDA and Erie County, amongst others (collectively, the “Funding Sources”) in an effort to fund or assist with funding the Project Costs; and

WHEREAS, the Funding Sources have various lead times and funding and reimbursement procedures and timelines, often creating a need for the ILDC to have the ability to access UDAG Funds to cash flow certain payments and expenditures in the interim and until such Funding Sources are realized; and

WHEREAS, the ILDC desires to access Agency UDAG Funds to fund the Project Costs and thereafter, the ILDC will submit for reimbursement from the Funding Sources, as applicable, and remit same to reimburse the Agency upon receipt; and

WHEREAS, the Agency desires to facilitate the development of the RCP Park Project and the Agri-Business Park to encourage new investment and job creation for the benefit of the residents of Erie County and as such, desires to fund the Project Costs; and

WHEREAS, funding ILDC activities as described herein are an eligible UDAG expenditure under Sections 105(a)(2), 105(a)(12) and 105(a)(14) of the Housing and Community Development Act of 1974.

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



Section 1. UDAG Funding in the Aggregate. The Agency authorizes and approves, and hereby shall permit the ILDC to access and utilize the Agency's UDAG Fund, for the purposes of funding the RCP Park and Agri-Business Park Project Costs, all such individual funding to be approved by the President/Chief Executive Officer and further provided that said funding shall be reimbursed by the ILDC upon the ILDC's receipt of funds from the Funding Sources.

Section 2. SEQR Determination for RCP Project Costs. The Agency hereby determines that, consistent with social, economic and other essential considerations from among the reasonable alternatives available, the utilization of UDAG Funds for Project Costs at the RCP is an action that avoids or minimize adverse environmental impacts to the maximum extent practicable, and that adverse environmental impacts will be avoided or minimized to the maximum extent practicable by the ILDC incorporating those mitigative measures that were identified as practicable in the FGEIS and its associated Findings Statement. The Agency certifies that the SEQR implementing regulations at 6 N.Y.C.R.R. Part 617 have been met and determines that all the provisions of SEQR that are required to be complied with as a condition precedent to the approval of funding the ILDC RCP Project Costs as described herein have been satisfied.

Section 3. SEQR Determination for Agri-Business Park Project Costs. The Agency hereby determines that Professional Services Costs at the Agri-Business Park related to environmental, planning, engineering, and feasibility analysis aspects of the Agri-Business Park Infrastructure Project, and activities to fund the Land Carrying Costs, do not otherwise commit the Agency to commence or engage in any activity and pursuant to 6 N.Y.C.R.R. §617.5(c)(27) of the SEQR regulations, and as a result, the action contemplated herein with respect to the Agri-Business Park is a Type II Action as defined thereunder and no findings or determination of significance are required under SEQR.

Section 4. Authority. The Chair, the Vice Chair, the President/Chief Executive Officer, the Vice President, the Chief Financial Officer/Treasurer and/or the Assistant Treasurer are hereby authorized, on behalf of the Agency, to negotiate, execute and deliver any documents and agreements as may be related hereto and the officers, employees and agents of the Agency are hereby authorized and directed for and in the name and on behalf of the Agency to do all acts and things as may be necessary or, in the opinion of the officer, employee or agent acting, desirable and proper to effect the purposes of this resolution.

Section 5. Any and all actions heretofore taken or authorized by the ILDC and/or its officers, employees and agents with respect to this resolution are hereby ratified, approved and confirmed in all aspects.

Section 6. This resolution shall take effect immediately.

Dated: April 26, 2023

**ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY  
RESOLUTION**

*Adoption of the Economic Inclusion PILOT Policy for inclusion as Addendum B  
Within the Agency's Amended and Restated Uniform Tax Exemption Policy*

A regular meeting of the Erie County Industrial Development Agency was convened on Wednesday, April 26, 2023, at 12:00 p.m.

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

**RESOLUTION OF THE ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY  
APPROVING AND ADOPTING THE ECONOMIC INCLUSION PILOT POLICY AS  
AN ADDENDUM TO THE AMENDED AND RESTAED  
COUNTYWIDE INDUSTRIAL DEVELOPMENT AGENCY  
UNIFORM TAX EXEMPTION POLICY**

WHEREAS, by Title 1 of Article 18-A of the General Municipal Law of the State of New York, as amended (“GML”), and Chapter 293 of the Laws of 1970 of the State of New York, as amended (collectively with the GML, the “Act”), the Erie County Industrial Development Agency (the “Agency”) was created as a public benefit corporation of the State of New York; and

WHEREAS, GML Section 874(4) requires that each industrial development agency establish a uniform tax exemption policy (“UTEP”) applicable to the provision of financial assistance and provide guidelines for, among other things, the claiming of real property, mortgage recording, and sales tax exemptions; and

WHEREAS, on or about December 12, 2001, in accordance with GML Section 874(4), a Countywide Industrial Development Agency UTEP was established and adopted for use by the industrial development agencies in Erie County (the Town of Amherst Industrial Development Agency, the Town of Clarence Industrial Development Agency, the Town of Concord Industrial Development Agency, the Town of Hamburg Industrial Development Agency, the Town of Lancaster Industrial Development Agency and the Agency, collectively, the “IDAs”) and entitled the Countywide Industrial Development Agency Uniform Tax Exemption Policy (“Countywide Policy”); and

WHEREAS, most recently, on or about April 1, 2022, the IDA’s adopted the Amended and Restated Countywide Industrial Development Agency Uniform Tax Exemption Policy, that amends and restates in its entirety the Countywide Policy (hereinafter, the “Amended and Restated UTEP”); and

WHEREAS, the Agency has proposed an amendment to the Amended and Restated UTEP to include a new Addendum B thereto, entitled “Economic Inclusion PILOT Policy” (the “EIPP”), a draft of which is attached hereto as Exhibit A, for purposes of this Agency only, to promote, encourage, and maximize opportunities for minorities and woman to experience economic progress by providing additional real property tax abatement benefits, above and beyond those currently provided for in the Amended and Restated UTEP, for companies that meet the EIPP minimum 30% MWBE (25% MBE and 5% WBE) utilization rate for construction activities, and a 30% minorities and women (minimum 20% minority and at least 30% minorities or women) job creation and/or retention rate; and

WHEREAS, the Agency’s Policy Committee has been considering and preparing the draft EIPP since the summer of 2021, and on October 6, 2022, the Agency’s Policy Committee approved of the draft

EIPP and recommended that the members of the Agency adopt the draft EIPP as an addendum to the Amended and Restated UTEP; and

WHEREAS, on November 16, 2022, the Agency hosted an educational session for Agency board members for purposes of describing and explaining the draft EIPP; and

WHEREAS, in accordance with the Act, the Agency, on December 16, 2022, provided written notice to all affected tax jurisdictions in Erie County and, in addition, to the IDAs, setting forth in writing the proposed amendment to the Amended and Restated UTEP as contained in Exhibit A and the reasons for proposing such changes; and

WHEREAS, on January 9, 2023, the Agency hosted a Zoom/video/telephonic informational meeting attending by the affected tax jurisdictions where the draft EIPP was presented and discussed; and

WHEREAS, the proposed EIPP, is a special policy unique to the Agency, and being included as an addendum to the Amended and Restated UTEP for purposes of this Agency only; and

WHEREAS, the Agency, having considered all comments received from the affected tax jurisdictions and the Agency Policy Committee recommendation, now desires to adopt the proposed EIPP as an addendum to the Amended and Restated UTEP for this Agency's purposes only, as enclosed within Exhibit A.

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

Section 1. The Agency hereby determines that the adoption of the proposed EIPP constitutes a Type II Action within the meaning of the State Environmental Quality Review Act and the regulations promulgated thereunder ("SEQR") and therefore no further actions or proceedings under SEQR need be undertaken by the Agency in connection therewith.

Section 2. The Agency hereby determines that the adoption of the proposed EIPP will facilitate economic development and job creation/retention for the benefit minorities and women and for the overall benefit of the economy and people of Erie County.

Section 3. The Agency hereby approves and adopts the EIPP to be contained within Addendum B of the Amended and Restated UTEP.

Section 4. The Agency, acting by and through its Chair, Vice Chair, President and Chief Executive Officer, or any other designated officer or director, is hereby authorized to do all things necessary or appropriate for the accomplishment of the purposes of this resolution, and all acts heretofore taken by the Agency with respect to the EIPP are hereby approved, ratified and confirmed.

Section 5. The EIPP shall be included as part of the Amended and Restated UTEP for the purposes of this Agency effective as of July 1, 2023 (the "Effective Date") and shall apply to all projects for which the Agency has adopted or adopts an Inducement Resolution after the Effective Date.

Dated: April 26, 2023

**EXHIBIT A**

**ECONOMIC INCLUSION PILOT POLCY**

## Addendum B

### Uniform Tax Exemption Policy Erie County Industrial Development Agency

#### Economic Inclusion PILOT Policy

#### **I. Introduction**

The Erie County Industrial Development Agency (the “Agency”) recognizes that economic development and inclusion activities associated with Agency financial assistance can create substantial direct and indirect benefits for minorities and women. To enhance the beneficial impact of projects and investments receiving Agency financial assistance, and to further the Agency’s goal of advancing opportunities for a Minority Business Enterprise (MBE)<sup>1</sup> and/or a Women Business Enterprise (WBE)<sup>2</sup> and for purposes herein, the abbreviation “MWBE” shall mean a Minority or Women Owned Business Enterprise), and to also advance employment opportunities for minorities and women in general, the Agency has established the Economic Inclusion PILOT Policy (the “EIP Policy”).

#### **II. Goals and Objectives**

The goal of the EIP Policy is to promote, encourage, and maximize opportunities for minorities and woman to experience economic progress by establishing a minimum 30% MWBE (25% MBE and 5% WBE) utilization rate for construction activities, and a 30% minorities and women (minimum 20% minority and at least 30% minorities or women) job creation and/or retention rate.

To obtain this goal, the EIP Policy is designed to encourage and incentivize recipients of Agency financial assistance, consisting of a real property tax abatement via an Agency payment-in-lie-of-tax agreement (a “PILOT Agreement”), to: (i) commit to utilizing and employing MWBE construction and professional service companies and firms during a project’s construction period, and, (ii) during the post construction period, to commit to certain minority and women hiring goals and/or job retention goals, while also implementing certain

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<sup>1</sup> Under Article 15-A of the New York Executive Law, an MBE is a business enterprise in which at least fifty-one percent (51%) is owned, operated and controlled by citizens or permanent resident aliens who are meeting the ethnic definitions listed below:

- Black: Persons having origins from any of the Black African racial groups.
- Hispanic: Persons of Mexican, Puerto Rican, Dominican, Cuban, Central or South American descent of either Native American or Latin American origin, regardless of race.
- Asian-Pacific: Persons having origins from the Far East, Southeast Asia or the Pacific Islands.
- Asian-Indian Subcontinent: Persons having origins from the Indian subcontinent.
- Native American or Alaskan Native: Persons having origins in any of the original peoples of North America.

<sup>2</sup> Under Article 15-A of the New York Executive Law, a WBE is a business enterprise in which at least fifty-one percent (51%) is owned, operated and controlled by citizens or permanent resident aliens who are women.

procurement, equity and inclusion, training, and mentorship goals. In return for committing to the foregoing, the Agency would then utilize the new EIP PILOT Agreement providing for enhanced real property tax abatement benefits, above and beyond those provided by the standard Agency PILOT Agreements.

### III. EIP Policy PILOT Schedules

Pursuant to the Agency’s Uniform Tax Exemption Policy (the “UTEPI”), real property tax abatement benefits are available with varying abatement percentages for either a standard 5-year, 7-year, or 10-year benefit period term (collectively, the “Agency PILOT Programs”) determined via Agency staff application of the PILOT Determination Scoring Worksheet for each particular project. In effect, upon receipt of an application for financial assistance, Agency staff identifies the standard PILOT Agreement benefit period term based upon each applicant’s individual application and related project information. Under the EIP Policy, the abatement percentages and benefit period term of the standard Agency PILOT Programs can now be enhanced, as depicted below, to encourage utilization of MWBE firms, employment and retention of women and minority employees, as well as procurement, equity and inclusion, training and mentorship goals.

#### A) Standard Five Year PILOT Schedule and EIP Enhancement

	1	2	3	4	5	6	7
Standard % Abatement	75%	65%	55%	45%	35%	0%	0%
EIP Tier 1	80%	75%	70%	65%	60%	55%	0%
EIP Tier 2	80%	75%	70%	65%	60%	55%	50%

#### B) Standard Seven Year PILOT Schedule and EIP Enhancement

	1	2	3	4	5	6	7	8	9
Standard % Abatement	95%	90%	85%	80%	75%	70%	65%	0%	0%
EIP Tier 1	95%	95%	90%	90%	80%	75%	70%	65%	0%
EIP Tier 2	95%	95%	90%	90%	80%	75%	70%	65%	50%

#### C) Standard Ten Year PILOT Schedule and EIP Enhancement

	1	2	3	4	5	6	7	8	9	10	11	12
Standard % Abatement	95%	90%	85%	85%	80%	80%	75%	75%	70%	65%	0%	0%
EIP Tier 1	95%	95%	90%	90%	85%	85%	80%	80%	75%	75%	70%	0%
EIP Tier 2	95%	95%	90%	90%	85%	85%	80%	80%	75%	75%	70%	50%

### IV. EIP Policy Implementation

Consistent with standard practices, Agency staff will initially evaluate a project, utilizing the PILOT Determination Scoring Worksheet, to determine the standard/initial five, seven or ten year PILOT Agreement term.

An applicant may then opt to work towards qualifying for the EIP Enhancement PILOT by meeting meet *both* Construction Period Obligations and Post-Construction Period Obligations.

**A) Construction Period Obligations.**

Construction Period Obligations require the applicant to meet a 30% MWBE (25% MBE and 5% WBE) utilization rate, based upon total construction contract value, for construction activities.<sup>3</sup> If an applicant is unable to meet the Construction Period Obligations, but has demonstrated good faith efforts to do so, as defined and described within the instructions to the Agency’s Application for Financial Assistance, the applicant will be deemed to have met the Construction Period Obligations.

If the Construction Period obligations have been met, the applicant will then need to meet the Post-Construction Period Obligations.

**B) Post-Construction Period Obligations**

**(1) EIP Tier 1 Enhancement Post-Construction Obligations**

To meet the EIP Tier 1 Enhancement (at either the 5, 7, or 10 year standard PILOT Agreement term) the applicant will need to: (i) meet the approved job retention and creation goals, (ii) demonstrate that it has met a 30% minority and women (minimum 20% minority and at least 30% minorities or women) job creation requirement as approved per item (i), within two years after project completion, (iii) maintain those hires/percentages during the term of the applicable PILOT Agreement, and (iv) complete at least two (2) of the EIP Policy Best Practices, as described below.

**(2) EIP Tier 2 Enhancement Post-Construction Obligations**

To meet the EIP Tier 2 Enhancement (at either the 5, 7, or 10 year standard PILOT Agreement term) the applicant will need to: (i) meet the approved job retention goals, (ii) demonstrate that it has total workforce (jobs retained) consisting of 30% minorities and women (minimum 20% minority and at least 30% minorities or women), based upon total workforce commitments as approved per item (i), within two years after project completion, (iii) maintain those percentages during the term of the applicable PILOT Agreement, and (iv) complete at least one (1) of the EIP Policy Best Practices, as described below.

**(3) EIP Policy Best Practices**

(i) Procurement Practice. Applicant establishment of MWBE procurement goals for operations including supplies, equipment and/or professional services of

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<sup>3</sup> The Agency will utilize and rely upon Erie County, City of Buffalo, and New York State databases to confirm MBE/WBE certification.

10% of applicant's operational contract purchases which are within its local control for the term of the PILOT Agreement, and annual reporting to the Agency during the term of the PILOT Agreement with respect to same.

(ii) Diversity & Inclusion Practice. Applicant creation of a Diversity & Inclusion policy, in alignment with requirements to be developed and amended by the Agency from time to time, for its organization with identified goals and objectives metrics for the term of the PILOT Agreement, and annual reporting to the Agency during the term of the PILOT Agreement with respect to same.

(iii) Annual Training Practice. Applicant's management and/or key staff participation in annual training or specified Diversity & Inclusion activities, in alignment with requirements to be developed and amended by the Agency from time to time for the term of the PILOT Agreement, and annual reporting to the Agency during the term of the PILOT Agreement with respect to same.

(iv) Mentorship Practice. Applicant development of and/or participation in mentorship program(s) designed to support MWBE businesses and/or minority and women candidates for leadership positions within its organization or in its occupational field for the term of the PILOT Agreement, and annual reporting to the Agency during the term of the PILOT Agreement with respect to same.

**(C) Enforcement**

Failure to meet and/or maintain Construction Period Obligations and Post-Construction Period Obligations will result in the applicant being unable to claim or to continue to claim the EIP Enhancement for the remaining term of the PILOT Agreement, and the administrative/procedural amendment of the PILOT Agreement to default to the terms of the otherwise applicable standard Agency PILOT Program.

**V. Effective Date**

This EIP Policy shall be effective as of July 1, 2023 and shall be applicable and made available to Agency applicants for Financial Assistance for which the Agency adopts an Inducement Resolution after July 1, 2023.



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

- DATE AND PLACE:** April 13, 2023 at the Erie County Industrial Development Agency, 95 Perry Street, 4<sup>th</sup> Floor Conference Room, Buffalo, New York 14203
- PRESENT:** Denise Abbott; Hon. April Baskin; Rev. Mark E. Blue; Zachary Evans; Richard Lipsitz, Jr.; Brenda W. McDuffie; Hon. Glenn R. Nellis; David J. State<sup>1</sup>; Lavon Stephens and Hon. John Tobia
- EXCUSED:** Hon. Bryon W. Brown; Colleen DiPirro; Laura Smith and Paul Vukelic
- OTHERS PRESENT:** John Cappellino, President and Chief Executive Officer; Mollie Profic, Chief Financial Officer; Grant Lesswing, Director of Business Development; Soma Hawramee, Compliance Portfolio Manager; Brian Krygier, Director of Information Technology; Carrie Hocieniec, Operations Assistant; and Pietra G. Zaffram, General Counsel/Harris Beach PLLC
- GUESTS:** Josh Veronica on behalf of Buffalo Niagara Partnership; Dale Shoemaker on behalf of Investigative Post; and Ryan McCarthy on behalf of Wood and Brooks Properties, LLC

At 9:18 a.m., Mr. Lipsitz called the meeting to order, noting that there was no quorum, and the members assembled would proceed with informational items on the agenda.

**PROJECT MATRIX**

Mr. Cappellino reviewed the Agency’s 2023 Tax Incentives Project Matrix. Mr. Cappellino advised that the economic uncertainty has impacted project flow. Mr. Evans queried as does the year historically get busier at year end. Mr. Cappellino advised that the trend is to see an increase in the fall because construction season is ending. Mr. Lipsitz directed that the report be received and filed.

**MWBE UPDATE**

Mr. Cappellino advised members that MWBE, UTEP notification and public meetings are complete and that approval by the Board is expected in April.

At this point in time, Mr. Blue joined the meeting and a quorum was established.

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<sup>1</sup> Mr. State participated via video conference, and counted for quorum purposes, pursuant to Section 103-A of the New York State Public Officer’s Law and the Agency’s Videoconferencing Participation Policy.

Ms. McDuffie queried regarding a company coming back to the Board to request consideration under the new policy. Mr. Cappellino advised that it can be done but the Agency would have to closely look at notifications, etc.

There being a quorum present at 9:27 a.m., the Meeting of the Policy Committee was called to order by Mr. Lipsitz.

**MINUTES**

The minutes of the March 9, 2023 Policy Committee meeting were presented. Upon motion made by Ms. McDuffie to approve of the minutes, and seconded by Mr. Blue, the aforementioned Policy Committee meeting minutes were unanimously approved.

**PROJECT PRESENTATION**

Wood and Brooks Properties, LLC, 2101 Kenmore Avenue, Tonawanda, New York 14207. Mr. Cappellino presented this proposed sales tax and mortgage recording tax benefits project involving the adaptive reuse of the historic Wood & Brooks piano factory complex in converting over 98,000+/- sq. ft. of vacant/underutilized space into residential and commercial uses.

Mr. Cappellino confirmed that Wood and Brooks Properties LLC is seeking approximately \$1,164,447 in assistance including sales tax exemption and mortgage recording tax exemption. Total payroll is projected at \$14,964,518 for the direct and indirect jobs created including 161 construction jobs. The resulting cost benefit is 1:14 so for every \$1 of incentives the community benefit is \$14 in payroll & tax revenue. Erie County: for every \$1 of incentives the community benefit is \$25 in benefits to the community.

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

**Draft Recapture Material Terms**

Condition	Term	Recapture Provision
Total Investment	At project completion	Investment amount equal to or greater than 85% of project amount. Total Project Amount = \$23,127,638 85% = \$19,658,492
Employment	Coincides with recapture period	Maintain Base = 0 FTE Projected = 1 FTE, 2 PTE Create 85% of Projected = 1 FTE Recapture Employment = 1 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 taxes and mortgage recording tax

Mr. McCarthy, representing the company, gave a brief description of the project.

Mr. Evans queried if studio or 1-bedroom apartments would be available for tenants at 80% AMI. Mr. McCarthy advised that all apartments would be available to such tenants and would be dependent on need.

Ms. McDuffie provided her support for the project, noting the property has been vacant for 50 years. She encouraged the company to place close attention to workforce housing availability and is pleased that the Construction Exchange has been active in training and will be one of the tenants.

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

Mr. Tobia queried if the company will be keeping any historic pieces of the property. Mr. Evans advised that exterior would look the same. The company is trying to keep certain original industrial components.

Mr. Tobia advised that he likes the fact that BOCES will be in the building and there will be multi-bedroom units.

Ms. Baskin queried about 485-a exemptions and asked whether parking would qualify. Mr. Evans advised that the building improvements would be upgraded at Town level for approval.

Ms. McDuffie 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.

There being no further business to discuss, Mr. Lipsitz adjourned the meeting at 9:40 a.m.

Dated: April 13, 2023

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Elizabeth A. O’Keefe, Secretary

**Wood & Brooks Properties, LLC**  
**\$ 23,127,638**  
**PRIVATE INVESTMENT INDUCEMENT RESOLUTION**

**ELIGIBILITY**

- NAICS Section – 23

**COMPANY INCENTIVES**

- Approximately \$ 1,036,714 in sales tax savings
- Up to 3/4 of 1% of the final mortgage amount estimated at \$ 127,733

**JOBS & ANNUAL PAYROLL**

- Current jobs: 0
- Projected new jobs: 1 FT, 2 PT
- Est. annual salary of jobs created: \$50,000
- Total jobs after project completion: 2 FTE
- Construction Jobs: 161

**PROJECTED COMMUNITY BENEFITS\***

- Term: 2 yrs from project completion
- NET Community Benefits: \$ 15,909,643
- Spillover Jobs: 92
- Total Payroll: \$ 14,964,518

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

Incentives: \$ 1,164,447  
 Community Benefit: 15,866,785  
 Cost: Benefit Ratio  
 • 1: 14

Project Title: Wood and Brooks Adaptive Reuse  
 Project Address: 2101 Kenmore Ave. Tonawanda, NY 14207  
 Kenmore-Town of Tonawanda UFSD

**Agency Request**

Sales tax & mortgage recording tax incentives for the adaptive reuse of the historic Wood & Brooks piano factory complex – converting over 98,000 sq ft of vacant / underutilized space into residential and commercial uses.

Building Acquisition	\$ 670,000
Building Renovation	\$ 19,112,322
Non- Manufacturing Equipment	\$ 380,775
Soft Costs/Other	\$ 2,964,541
Total Project Cost	\$ 23,127,638
85%	\$ 19,658,492

**Company Description**

Wood & Brooks Properties, LLC is comprised of members of a 4<sup>th</sup> generation group of family-owned businesses who have owned the complex site since 1972. The entity was formed to repurpose the complex with the hope of reinvigorating an area that has been downtrodden for many years and assist with its urban rebirth.

**Project Description**

This project will convert the Wood & Brooks piano factory complex into mixed use development starting with an existing 6 story building and adjacent single story building. The space will be used to create 55 residential apartment units (62,300 SF) with the remaining space to be used by a commercial tenant (36,070 SF). The applicant commits to at least 10% of residential units being offered at 80% of AMI rents to provide affordable housing options for the community. Through partnering with the Construction Exchange of WNY, a commercial incubator space is planned to support the growth and prosperity of small construction businesses. Erie 1 BOCES has provide a LOI to lease incubator space for building trades programming for adult learners.

# of Units	Sq Ft	Rent Range
6 Studio	779-883	\$1,105 - \$1,600
34 one-bedroom	779-883	\$1,300 - \$1,600
15 two-bedroom	951-982	\$1,500 - \$1,800

The company is pursuing property tax savings through the City's 485 A program.

\* 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
	Sales	1,036,714
	Mortgage Recording	127,733
	Total	1,164,447
	Discounted at 2%	n/a

### Benefit: Projected Community Benefit\*

BENEFITS	Region	Recipient	Revenue Type	\$ Amount**
	Erie County	Individuals	Payroll Construction	14,534,083
			Payroll Permanent	430,435
		Public	Property Taxes	0
			Sales Taxes	124,393
			Other - NFTA	42,578
	New York State	Public	Income Taxes	673,404
			Sales Taxes	104,752
	Total Benefits to EC + NYS***			15,909,643
	Discounted at 2%			15,866,785

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

Discounted Cost           \$ 1,164,447  
 Discounted Benefit       \$ 15,886,785  
 Ratio                        1:14

**Conclusion:** The Cost Benefit for this project is: 1:14. For every \$1 in costs (incentives), this project provides \$14 in benefits (payroll & tax revenue). **Note: For Erie County, every \$1 in costs (incentives) provides \$25 in benefits to the community.**

#### New Tax Revenue Estimated – Town of Tonawanda 485 A Program (12 year term)

Current Yearly Taxes*	Estimated New Assessed Value (value of improvements)	Additional County Revenue over abatement period	Additional Local Revenue Over abatement period	Additional School Revenue Over abatement period	New Yearly Taxes Upon Expiration of Abatement Period
\$ 90,177	\$ 7,845,100	\$ 1,349,213	\$ 586,534	\$ 5,149,841	\$ 834,855

Combined Tax Rate: \$106.417373

\* Current yearly taxes based on entire site – however, the project will only be located on a portion of the site.

**Retail Determination**

Project Use	Sq Ft	Cost	% Project Cost
Residential housing + building amenities	62,300	15,495,517	67%
Commercial Space	36,070	7,632,121	33%
<b>Total</b>	<b>98,370</b>	<b>\$23,127,638</b>	<b>100%</b>

There is no retail space component of the project and therefore no sign off is required.

**Draft Recapture Material Terms**

Condition	Term	Recapture Provision
Total Investment	At project completion	Investment amount equal to or greater than 85% of project amount. Total project amount = \$ 23,127,638 85% = \$ 19,658,492
Employment	Coincides with recapture period	Maintain Base = 0 Projected = 1 FT, 2 PT Create 85% of Projected = 1 FTE Recapture Employment = 1 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 1 job (FTE), 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**

- May 23, 2022: Tonawanda Town Board issues a SEQR - Negative Declaration
- April 11, 2023: Public hearing held.
- April 26, 2023: Lease/Leaseback Inducement Resolution presented to the Board of Directors

# ADAPTIVE REUSE REPORT & EVALUATIVE CRITERIA

## Wood & Brooks Adaptive Reuse Project

<p>Age of Structure (must be at least 20 years old and present functional challenges to redevelopment)</p>	<p>The age of the structure is 121 years old. The applicant provided the NYS DEC Brownfield Clean Up Program application as evidence of challenges to redevelopment.</p>
<p>Structure has been vacant or underutilized for a minimum of 3 years (defined as a minimum of 50% of the rentable square footage of the structure being utilized for a use for which the structure was not designed or intended). Project promotes the elimination of slum and blight.</p>	<p>Portions of the building have served as warehouse space for several of the family owned companies which occupy and own the complex while other areas of the building are vacant.</p>
<p>Structure is not generating significant rental income (defined as 50% or less than the market rate income average for that property class)</p>	<p>No / insignificant rental income is being generated at the site.</p>
<p>Project is in compliance with the investment and growth criteria of the Framework for Regional Growth. The redevelopment supports or aligns with Regional or Local Development Plans</p>	<p>The plan is aligned with the local development plan for the Town of Tonawanda - 2015 Comprehensive Plan Update.</p>
<p>Demonstrated evidence of financial obstacle to development without ECIDA or other public assistance (cash flow projections documenting costs, expenses and revenues indicating below average return on investment rate as compared to regional industry averages)</p>	<p>A review of cash flow projections indicate an average return on investment that is significantly below the 10% - 12% benchmark rate of return expected for projects in higher risk urban areas across the northeast.</p> <p>The project's internal rate of return (IRR)  * with ECIDA assistance = 4.2%.  * without IDA assistance = 3.4%.</p>
<p>Demonstrated support of local government entities</p>	<p>A letter of support from Town Supervisor Emminger notes the project's strongly alignment with the Town's 2015 Comprehensive Plan Update. The project includes the remediation of a Brownfield site and meets the need for 1 &amp; 2 person apartments through the redevelopment of existing sites.</p>

## ADAPTIVE REUSE REPORT & EVALUATIVE CRITERIA

Demonstrated support of local government entities (continued)	<p>A second letter of support was received from Joseph Benedict, the Exec Director of the Construction Exchange.</p> <p>A third letter of support was received from the Plumbing &amp; Mechanical Contractors Assoc of WNY supporting the Construction Trade Incubator aspect of the project.</p> <p>Letters of support are included in the Board package.</p>
LEED/Renewable Resources	N/A
Building or site has historic designation	Source of funds list both Federal & State Historic Tax Credits
Site or structure has delinquent property or other local taxes	N/A
MBE/WBE Utilization	See attached MWBE utilization.
Transit Oriented Development	The site is accessible via metro lines: Sheridan 35 and 5 Niagara Kenmore.
<b>OTHER FACTORS TO CONSIDER:</b>	
Environmental/Safety Issues: Structure or site presents significant public safety hazard and or environmental remediation costs	This project has been accepted into the Brownfield Cleanup Program largely based off elevated arsenic exceeding its industrial use – likely related to historic wood piano key manufacturing.
Site or structure is located in a distressed census tract	Location is census tract #84 that is an Empire Zone and adjacent to a highly distressed census tract.
Structure presents significant costs associated w/ building code compliance.	N/A

DATE OF INDUCEMENT: 4/26/23



# **ADAPTIVE REUSE REPORT & EVALUATIVE CRITERIA**

## **Return on Investment – Wood & Brooks Properties, LLC**

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

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

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

## **Adaptive Reuse Projects**

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

## **Public Incentives Requested**

- ECIDA Real Property Tax Abatement in an approximate value of \$ 0 (N/A)
- Sales Tax Savings in the amount of \$ 1,036,714
- Mortgage Tax Savings in the estimated amount of \$ 127,733

## **ROI**

Wood & Brooks Properties, LLC has submitted a proforma documenting the expenses and revenues and ROI for the project.

Stated ROI for the project with ECIDA assistance is 4.2%

Stated ROI for the project without ECIDA assistance is 3.4%

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

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

**PILOT Estimate Table Worksheet-Wood & Brooks Adaptive Reuse:**

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
\$ 19,112,322	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 (Fed & State Historic Tax Credits, Brownfield Clean site Prep Credit, Brownfield Tangible building credit)
\$ 23,127,638	n/a	\$1,036,714	\$ 127,733	\$ 8,643,483

**Note: special district taxes are not subject to PILOT abatement**

**Calculate % = (Est. PILOT + Est. Sales Tax+ Est. Mortgage Tax+ Other)/Tot Project Costs: 42 %**

# Erie County Industrial Development Agency

## MRB Cost Benefit Calculator



Date: March 31, 2023  
 Project Title: Wood & Brooks Properties, LLC  
 Project Location: 2101 Kenmore Ave., Tonawanda, NY 14207

### Economic Impacts

Summary of Economic Impacts over the Life of the PILOT

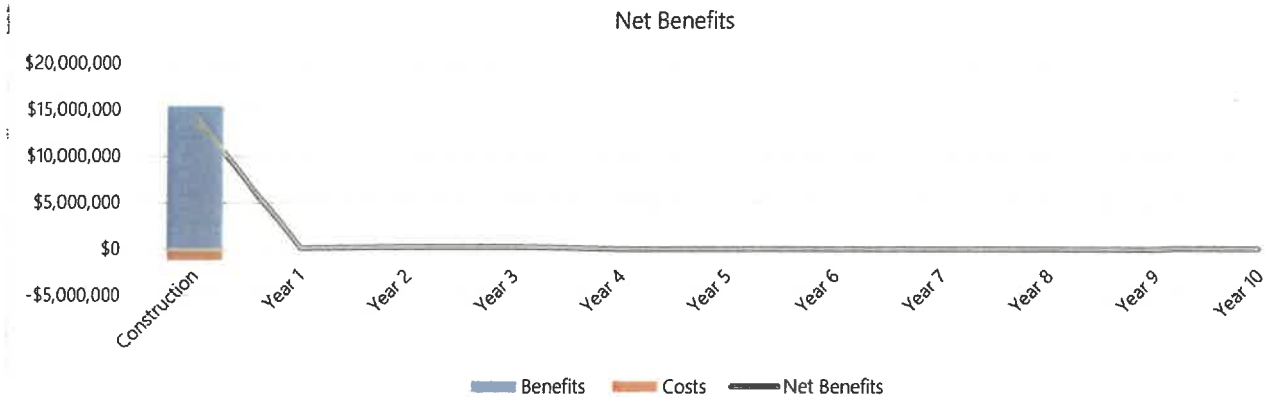
Project Total Investment  
 \$23,127,638

	Temporary (Construction)		
	Direct	Indirect	Total
Jobs	161	90	250
Earnings	\$9,406,307	\$5,127,776	\$14,534,083
Local Spend	\$22,433,809	\$15,877,387	\$38,311,196

	Ongoing (Operations) Aggregate over life of the PILOT		
	Direct	Indirect	Total
Jobs	2	2	4
Earnings	\$200,000	\$230,435	\$430,435

Figure 1



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

Figure 2

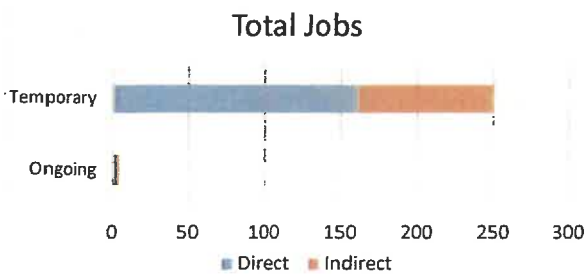
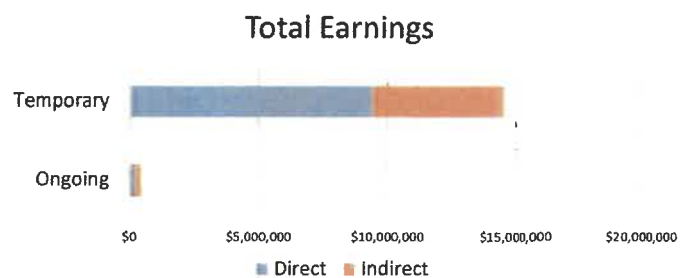


Figure 3



Ongoing earnings are all earnings over the life of the PILOT.

# 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	\$1,036,714	\$1,036,714
Local Sales Tax Exemption	\$562,788	\$562,788
State Sales Tax Exemption	\$473,926	\$473,926
Mortgage Recording Tax Exemption	\$127,733	\$127,733
Local Mortgage Recording Tax Exemption	\$42,578	\$42,578
State Mortgage Recording Tax Exemption	\$85,155	\$85,155
<b>Total Costs</b>	<b>\$1,164,447</b>	<b>\$1,164,447</b>

## State and Local Benefits

	Nominal Value	Discounted Value*
<b>Local Benefits</b>	<b>\$15,131,488</b>	<b>\$15,109,710</b>
To Private Individuals	\$14,964,518	\$14,943,747
Temporary Payroll	\$14,534,083	\$14,534,083
Ongoing Payroll	\$430,435	\$409,664
Other Payments to Private Individuals	\$0	\$0
To the Public	\$166,970	\$165,963
Increase in Property Tax Revenue	\$0	\$0
Temporary Jobs - Sales Tax Revenue	\$120,815	\$120,815
Ongoing Jobs - Sales Tax Revenue	\$3,578	\$3,405
Other Local Municipal Revenue	\$42,578	\$41,743
<b>State Benefits</b>	<b>\$778,155</b>	<b>\$777,075</b>
To the Public	\$778,155	\$777,075
Temporary Income Tax Revenue	\$654,034	\$654,034
Ongoing Income Tax Revenue	\$19,370	\$18,435
Temporary Jobs - Sales Tax Revenue	\$101,739	\$101,739
Ongoing Jobs - Sales Tax Revenue	\$3,013	\$2,868
<b>Total Benefits to State &amp; Region</b>	<b>\$15,909,643</b>	<b>\$15,886,785</b>

## Benefit to Cost Ratio

	Benefit*	Cost*	Ratio
Local	\$15,109,710	\$605,365	25:1
State	\$777,075	\$559,082	1:1
<b>Grand Total</b>	<b>\$15,886,785</b>	<b>\$1,164,447</b>	<b>14:1</b>

\*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:**

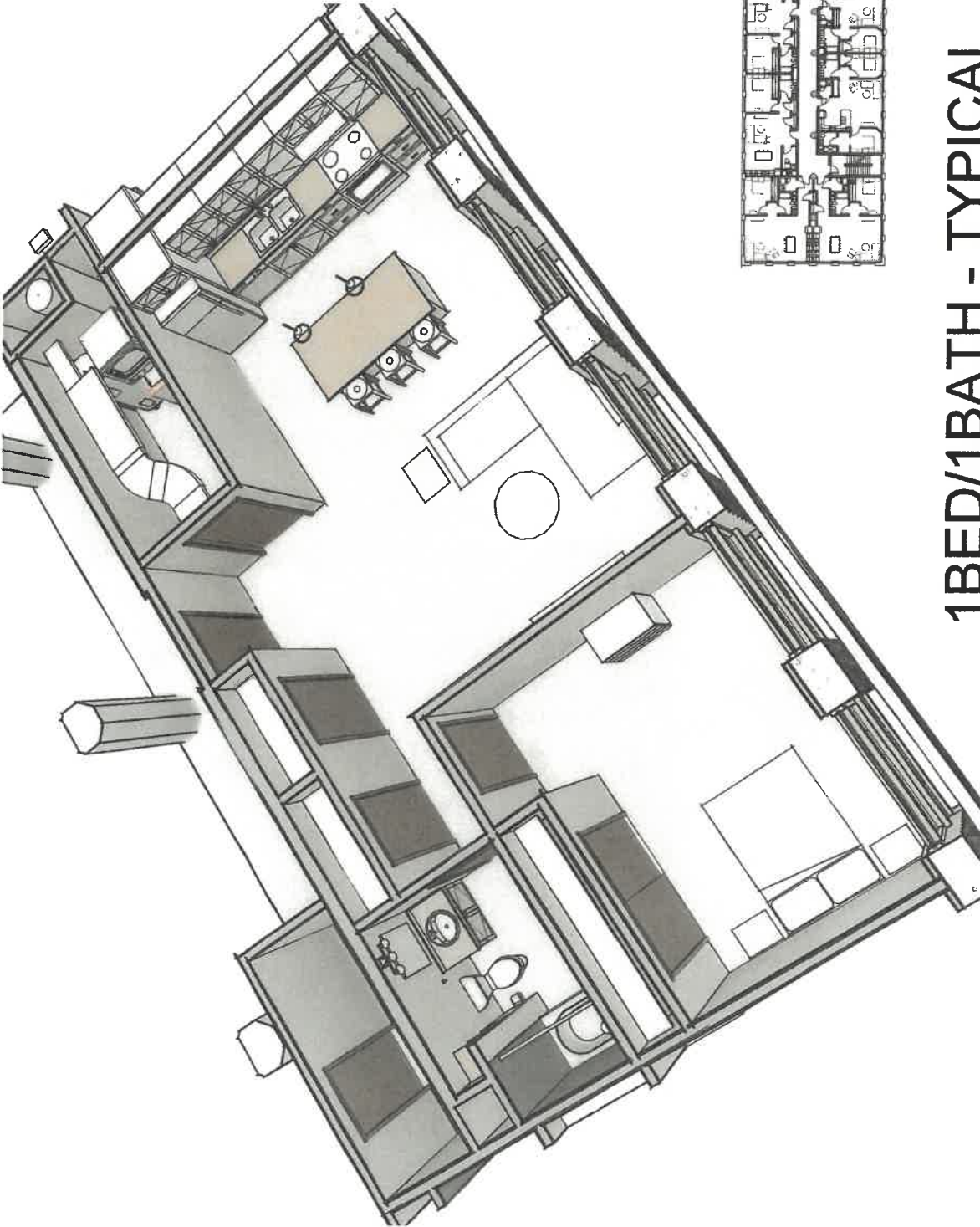
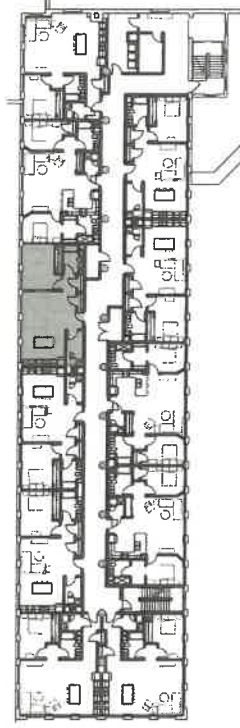
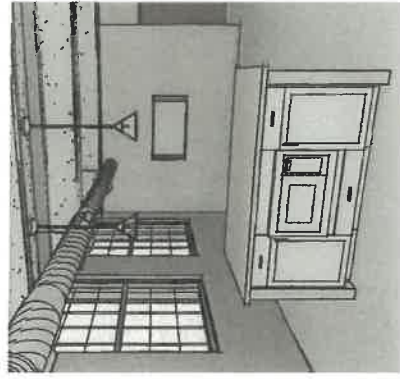
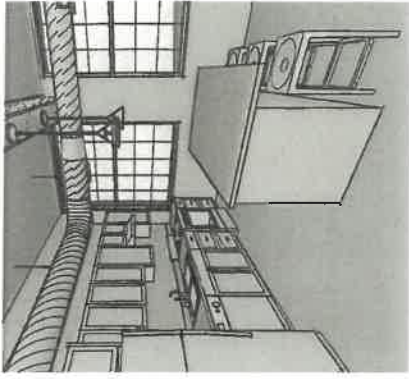
**Wood and Brooks Properties LLC supports the utilization of MBE/WBE companies to further equity in entrepreneurship, and will make good faith efforts to involve minority and women-owned businesses and professionals whenever possible throughout the course of the development project.**

**A key component of the project is to deliver a construction trade incubator space ("The Plan Room LLC") as a resource for small and developing contractors. Through partnering with the Construction Exchange of WNY, the Plan Room LLC will support the growth and prosperity of small construction businesses, including women and minority owned businesses, by providing education and shared infrastructure.**

**As a partner of The Plan Room LLC, the Construction Exchange of WNY will host their "Construction Exchange University" courses on the project site which includes programming dedicated towards helping women and minority owned construction businesses in obtaining New York State MWBE certification, including navigating the NYS MWBE certification application process, identifying criteria for certification, discussing best practices for obtaining certification, and working through the appeal process.**

**Additionally, local contractor Cambridge Insulation LLC has provided a LOI to lease office space from the Plan Room LLC. Cambridge Insulation LLC is a minority and women owned contracting business that has been in business for several years but do not yet have MWBE certification. They are excited to have access to coaching and training as well as the opportunities created by being connected with a supportive community of other like-minded MWBE business owners.**





# 1BED/1BATH - TYPICAL

SCALE: NTS

**tredo**  
ENGINEERS



KidneyArchitects

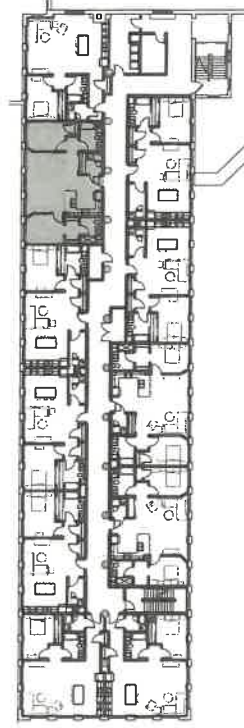
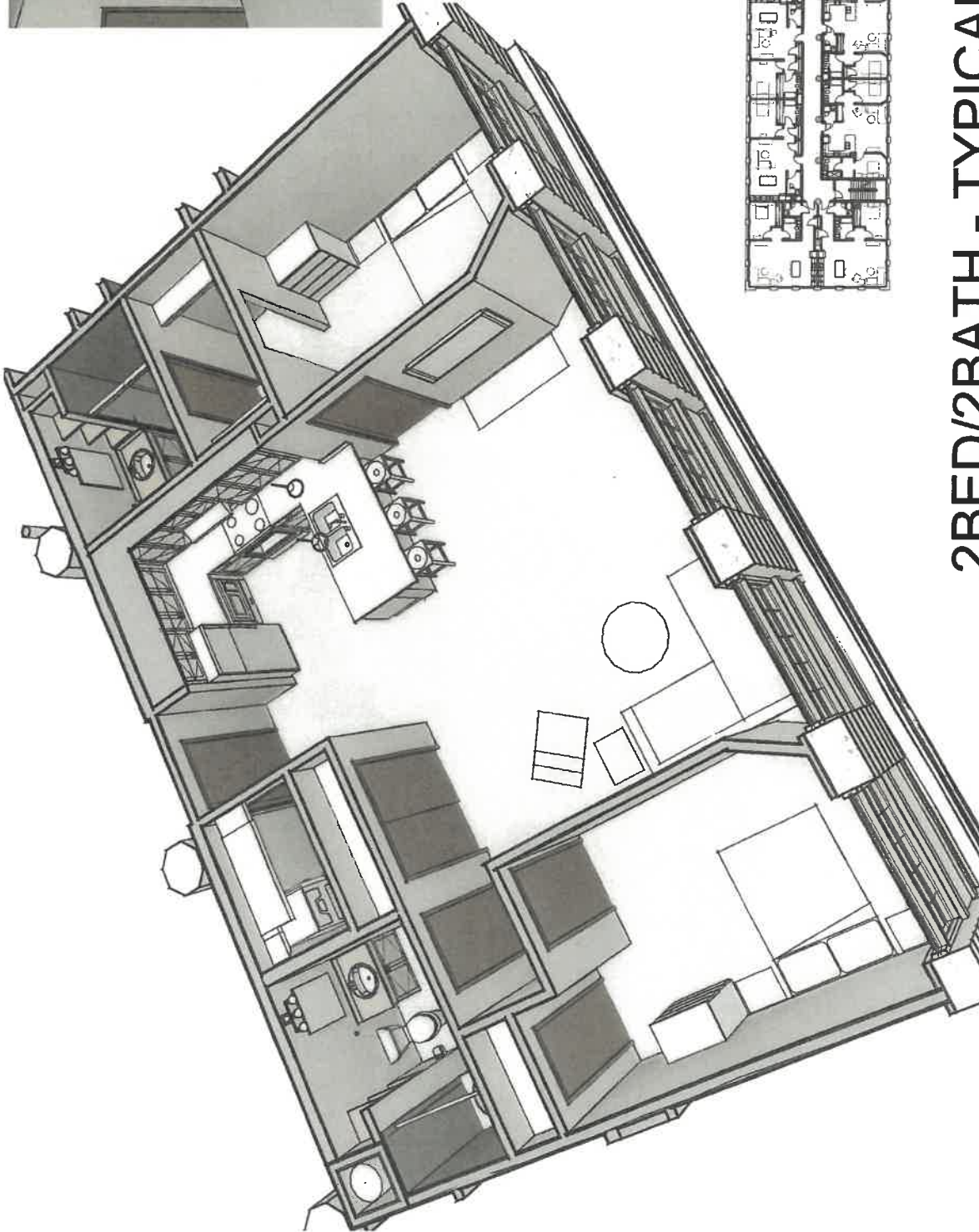
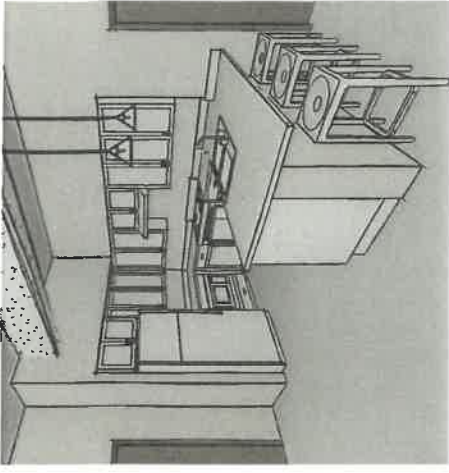


1/4/2022

2021038.00

# WOOD AND BROOKS

Kidney Architects, P.C.  
ARCHITECTS | PLANNERS | INTERIORS | LANDSCAPE DESIGN  
143 Genesee Street | Buffalo, New York 14203 | 716.249.3837 | kidney.com



# 2BED/2BATH - TYPICAL

SCALE: NTS



**BUFFALO**  
CONSTRUCTION  
CONSULTANTS

**tredo**  
ENGINEERS

1/4/2022  
2021038.00

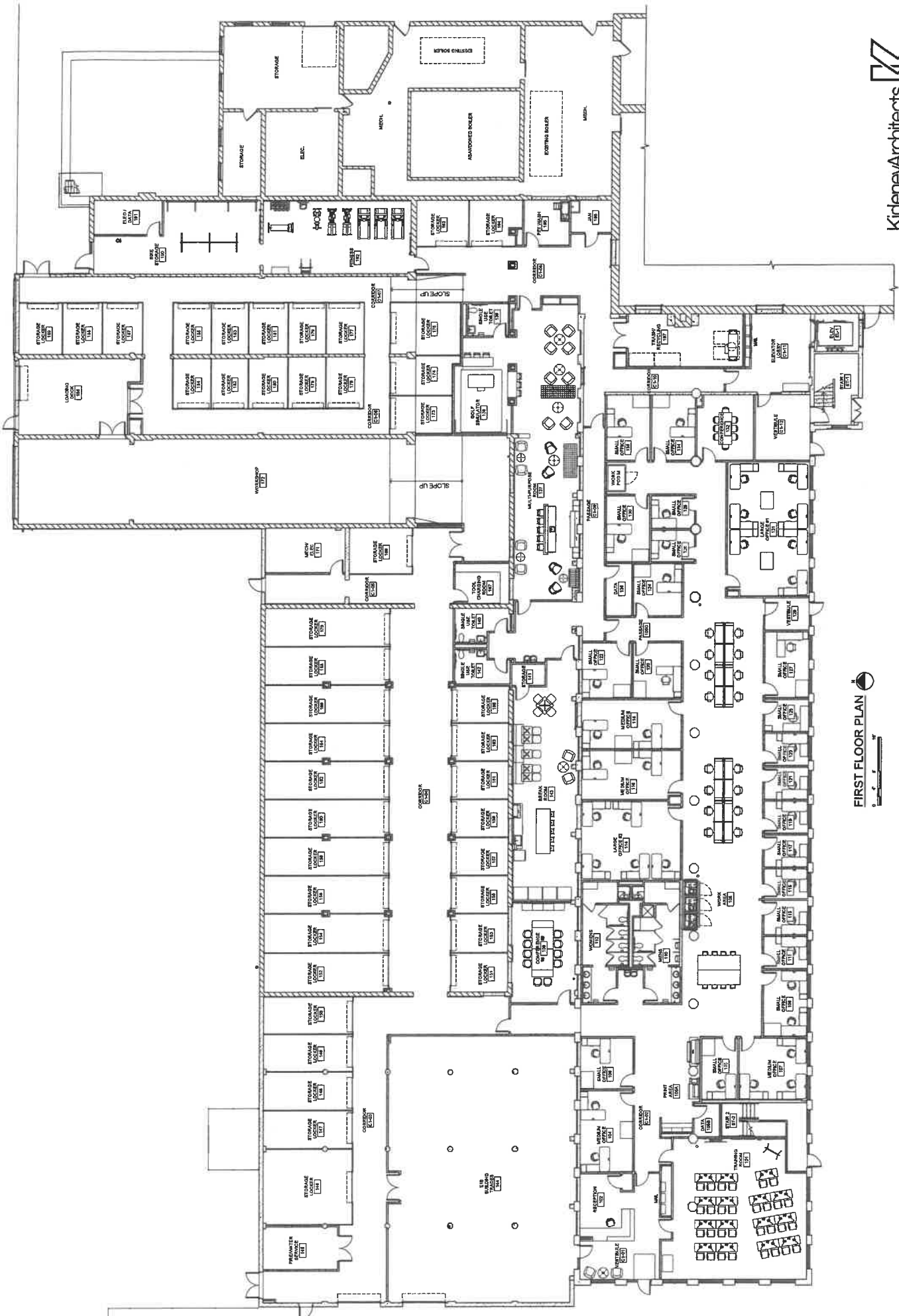


KidneyArchitects

# WOOD AND BROOKS

Kidney Architects, P.C.  
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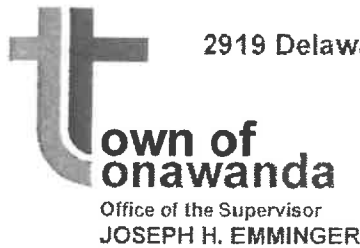


FIRST FLOOR PLAN









2919 Delaware Avenue - Room 11 • Kenmore, New York 14217 • (716) 877-8804  
Fax: (716) 877-1261

January 12, 2023

Mr. John Cappellino  
Erie County Industrial Development Agency  
95 Perry Street, Suite 403  
Buffalo, New York 14203

**Re: ECIDA Application**  
**Applicant: Wood and Brooks Properties LLC**  
**Property: Portion of 2101 Kenmore Avenue, Town of Tonawanda and City of Buffalo**

Dear Mr. Cappellino:

The Town of Tonawanda supports the Application submitted to the Erie County Industrial Development Agency by Wood and Brooks Properties LLC for the adaptive re-use and redevelopment of the historic Wood and Brooks Buildings in the Town of Tonawanda and the adjoining parking area located in the City of Buffalo.

The Town enthusiastically approved the redevelopment of the historic Wood and Brooks Buildings to provide the Town with much needed housing and commercial development. The Project Site is located at the border of the Town and the City of Buffalo and is a gateway to the Town that we see as a crucial first step to redevelop the area.

The Town takes comprehensive planning very seriously and our 2015 Comprehensive Plan Update, which can be found at <https://tonawanda.ny.us/development/comprehensive-plan.html>, expressly sets forth goals regarding remediation of Brownfield Sites, infill development utilizing adaptive re-use to transform long vacant and historic structures and addressing the need for one or two person apartments, all of which are met by this Project as demonstrated from the following excerpts from our 2015 Comprehensive Plan Update:

#### **Remediation of Brownfield Sites**

- Support and encourage continued progress with the remediation of brownfields and former waste sites, and their appropriate reuse (page 15 of the 2015 Comprehensive Plan Update).
- Encourage the productive re-use of challenged real estate (e.g., functionally obsolete or abandoned lands and brownfields) (page 17 of the 2015 Comprehensive Plan Update).

“A GREAT PLACE TO LIVE, WORK AND PLAY”



- Under the New York State Department of State's Brownfield Opportunity Area (BOA) program, the Town of Tonawanda has identified the Tonawanda Opportunity Area to address and provide a plan to redevelop brownfield and underutilized properties. Twenty- nine such properties have been identified within this area. These properties may be deterrents to development in the area because they create a perception of decline. The next step in the BOA process is completion of the Nomination Study that would provide a conceptual redevelopment plan for the BOA sites and provide a basis for stimulating remediation and reuse. This is particularly important for the Class 3 and 4 hazardous waste sites, where additional required actions and proper site management and monitoring could enable future reuse (page 17 of the 2015 Comprehensive Plan Update).

#### **Need for One and Two Person Apartments Through Redevelopment of Existing Buildings**

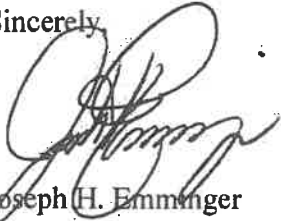
- Promote redevelopment and infill development that provides a variety of housing types, styles and sizes (page 26 of the 2015 Comprehensive Plan Update).
- Ensure the availability of housing that addresses the needs of seniors and empty nesters (page 26 of the 2015 Comprehensive Plan Update).
- Encourage the establishment of programs to plan and finance the revitalization, sustainability and redevelopment of residential and business properties (page 26 of the 2015 Comprehensive Plan Update).
- Despite population losses, the number of households in the Tonawanda CDP has grown to 27,303 units in 2010, reversing a downward trend between 1990 and 2000. As shown in Table III-3, households in the CDP have increased in number from 26,207 to 27,303 between 2000 and 2010; an increase of 4%. The growth is likely due to a trend toward both smaller household sizes and an increase in the number of one-person households (page 41 of the 2015 Comprehensive Plan Update).
- The non-family component of the Tonawanda CDP has grown since 2000 to include over 40% of the population or 10,284 households. Of these, nearly 34% of householders report living alone. Of these solo householders, over 14% are over the age of 65. Single-person households now comprise more than 40% of all households in the Tonawanda CDP, compared to 34 percent in 1990. The size of the average household in the Tonawanda CDP decreased from 2.33 persons in 2000 to 2.27 in 2010 (page 42 of the 2015 Comprehensive Plan Update).
- In recent years, a market has developed for new senior housing products. The supply of senior housing has been limited by a lack of vacant land for new development. Successful projects have focused on opportunities for in-fill development, including former school buildings (page 27 of the 2015 Comprehensive Plan Update).

Mr. John Cappellino  
January 12, 2023  
Page 3

In light of the importance of this Project and its implementation of the goals and objective of our Comprehensive Plan, we strongly recommend the approval of the Erie County Industrial Development Agency Application submitted by Wood and Brooks Properties LLC.

Thank you for your consideration of this request.

Sincerely,



Joseph H. Emminger  
Town of Tonawanda



August 26, 2021

Empire State Development  
95 Perry Street  
Buffalo, New York 14203

RE: Wood & Brooks Properties Funding Application

Dear Council,

As Executive Director of the Construction Exchange of Buffalo & WNY, Inc., it is my pleasure to write a letter of support for the Leroy Properties, Inc. Empire State Development (ESD) grant application for the Wood & Brooks Properties project located at 2101 Kenmore Ave. Buffalo, NY 14207.

The redevelopment project will include a Construction Trade Incubator space on the ground floor of the building(s). As an organization whose mission is to enhance the growth and prosperity of construction businesses, we are excited by the concept of a Construction Trade Incubator space that will offer small construction businesses access to education and necessary resources to successfully operate a construction business.

We fully support the effort to seek external funding to support a program that will foster the growth of small businesses within the construction industry and encourage a favorable consideration.

Sincerely,

A handwritten signature in dark ink, appearing to read 'J. Benedict', is written over a faint, larger version of the same signature.

Joseph Benedict  
Executive Director



**2660 William St.  
Cheektowaga, NY 14227  
Phone: 716-875-4625 Fax: 716-875-4412  
www.wnypmca.com**

September 1, 2021

Empire State Development  
95 Perry Street  
Buffalo, New York 14203

RE: Wood & Brooks Properties Funding Application

Dear Council,

On behalf of the Western New York Association of Plumbing and Mechanical Contractors, Inc, it is my pleasure to write a letter of support for the Leroy Properties, Inc. Empire State Development (ESD) grant application for the Wood & Brooks Properties project located at 2101 Kenmore Ave. Buffalo, NY 14207.

As part of the project, a Construction Trade Incubator space will occupy the ground floor and will provide small businesses access to the necessary resources needed to successfully operate a construction business. As an owner of a construction business, I know that many small businesses will benefit from a shared workspace that would help contractors effectively manage costs while providing flexibility to better adapt to the cyclicity of the construction industry.

We hope that that Empire State Development can find it in their budget to support this project.

Sincerely,

*R. Adam Mollenberg*

R. Adam Mollenberg  
Vice President  
Plumbing & Mechanical Contractors Association of WNY



**PUBLIC HEARING SCRIPT**

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

Public Hearing to be held on April 11, 2023 at 9:00 a.m.,  
at the Town of Tonawanda, Town Board Conference Room #20, located at  
2919 Delaware Avenue, Kenmore, NY 14217

**ATTENDANCE:**

Mike Wopperer – Wood and Brooks Properties, LLC  
Ryan McCarthy - Hopkins Sorgi & McCarthy PLLC

**☒ 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, 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](http://www.ecidany.com).

**☒ 2. PURPOSE: Purpose of the Hearing.**

*Hearing Officer:* We are here to hold the public hearing on the {Company} and/or Individual(s) or Affiliate(s), Subsidiary(ies), or Entity(ies) formed or to be formed on its behalf project. The transcript of this hearing will be reviewed and considered by the Agency in determination of this project. Notice of this hearing appeared in The Buffalo News on Wednesday, March 29, 2023.

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

*Hearing Officer:* The proposed project (the "Project") consists of: (i) the acquisition by the Agency of a leasehold interest in certain property located on 2101 Kenmore Avenue, Town of Tonawanda (with accessory parking in City of Buffalo), Erie County, New York and all other lands in the Town of Tonawanda where, by license or easement or other agreement, the Company or its designees are making improvements that benefit the Project (the "Land"), (ii) the redevelopment on the Land of an approximately 98,370+/- square-foot adaptive re-use of historic Wood & Brooks piano factory complex into mixed-use development consisting of redevelopment of the existing six-story building as well as an adjacent single-story building into first floor commercial space anchored by a Construction Trade Incubator and upper 5 floors as apartments (the "Improvements"), and (iii) the acquisition by the Company in and around the Improvements of certain items of machinery, equipment and other tangible personal property (the "Equipment");

and, together with the Land and the Improvements, the “Facility”). The Facility will be initially operated and/or managed by the Company.

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

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

*Hearing Officer:* All those in attendance are required to register by signing the sign-in sheet at the front of the room; you will not be permitted to speak unless you have registered. Everyone who has registered will be given an opportunity to make statements and/or comments on the Project.

If you have a written statement or comment to submit for the record, you may leave it at this public hearing, submit it on the Agency’s website or deliver it to the Agency at 95 Perry Street, Suite 403, Buffalo, New York 14203. The comment period closes on April 25, 2023. There are no limitations on written statements or comments.

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

*Hearing Officer:* If anyone is interested in making a statement or comment, please raise your hand, state your name and address; if you are representing a company, please identify the company. I request that speakers keep statements and/or comments to 5 minutes, and if possible, 3 minutes.

Ryan McCarthy with Hopkins Sorgi & McCarthy. Our firm represents Wood & Brooks Properties LLC in relation to the application. Thank you to ECIDA for your consideration and to Supervisor Emminger for his support of the project. The ECIDA’s assistant is a vital component of this project. We strongly believe the project will provide a range of benefits to the local community, including rehabilitation and reuse of an aging and underutilized historic complex in the former Wood and Brooks piano factory, along with the creation of a construction trades incubator space to provide valuable resources for local businesses and tradespeople, as well as construction of 82 new apartments including a number of units which will be available at or below 80% AMI rents to provide needed affordable housing opportunities in the community. Additionally, the project will provide a substantial environmental benefit to the area as the site undergoes an environmental cleanup through the New York DEC’s brownfield cleanup program. Our clients have operated their family-owned business in the community for several decades and are excited to be part of the renaissance of the property and the benefits it will bring to the community and on a personal note as a longtime resident of the Town I am excited to see this project come to fruition. Thank you again for your consideration and thanks again to Supervisor Emminger for his support.

**☒ 6. ADJOURNMENT:**

As there were no further statements and/or comments, the Hearing Officer closed the public hearing at 9:05 a.m.



**SIGN IN SHEET  
PUBLIC HEARING**

April 11, 2023, at 9:00 a.m.  
at the Town of Tonawanda, Town Board Conference Room #20, located at  
2919 Delaware Avenue, Kenmore, NY 14217, regarding:

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

Project Location: 2101 Kenmore Avenue, Town of Tonawanda (with accessory parking in City of Buffalo),  
Erie County, New York

<b>Name</b>	<b>Company and/or Address</b>	<b>X box to speak/ comment</b>
Mike Wopperer	Wood and Brooks Properties, LLC 2101 Kenmore Avenue Buffalo, New York 14207	
Ryan McCarthy	Hopkins Sorgi & McCarthy PLLC 726 Main Street, Suite B East Aurora, New York 14052	X

**ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY  
INDUCEMENT RESOLUTION**

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

A regular meeting of the Erie County Industrial Development Agency was convened on Wednesday, April 26, 2023 at 12:00 p.m.

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

RESOLUTION OF THE ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY: (i) ACCEPTING THE APPLICATION OF WOOD AND BROOKS PROPERTIES 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) APPOINTING THE COMPANY, OR ITS DESIGNEE, AS ITS AGENT TO UNDERTAKE THE PROJECT; (iv) 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 (v) AUTHORIZING THE NEGOTIATION AND EXECUTION OF A LEASE AGREEMENT, LEASEBACK AGREEMENT, AN AGENT AND FINANCIAL ASSISTANCE PROJECT AGREEMENT, AND RELATED DOCUMENTS

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

**WHEREAS**, Wood and Brooks Properties LLC or on behalf of an affiliated entity formed or to be formed (the "Company") has submitted an application to the Agency (the "Application") requesting the Agency's assistance with a certain project (the "Project") consisting of: (i) the acquisition by the Agency of a leasehold interest in certain property located on 2101 Kenmore Avenue, Town of Tonawanda, Erie County, New York and all other lands in the Town of Tonawanda where, by license or easement or other agreement, the Company or its

designees are making improvements that benefit the Project (the “Land”), (ii) the redevelopment on the Land of an approximately 98,370+/- square-foot adaptive re-use of historic Wood & Brooks piano factory complex into mixed-use development consisting of redevelopment of the existing six-story building as well as an adjacent single-story building into first floor commercial space anchored by a Construction Trade Incubator and upper 5 floors as apartments (the “Improvements”), and (iii) the acquisition by the Company in and around the Improvements of certain items of machinery, equipment and other tangible personal property (the “Equipment”; and, together with the Land and the Improvements, the “Facility”). The Facility will be initially operated and/or managed by the Company; and

**WHEREAS**, pursuant to General Municipal Law Section 859-a, on April 11, 2023, at 9:00 a.m., at the Town of Tonawanda, Town Board Conference Room #20, located at 2919 Delaware Avenue, Kenmore, NY 14217, the Agency held a public hearing with respect to the Project and the proposed Financial Assistance (as hereinafter defined) being contemplated by the Agency (the “Public Hearing”) whereat interested parties were provided a reasonable opportunity, both orally and in writing, to present their views; and

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

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

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

Section 1. The Company has presented an application in a form acceptable to the Agency. Based upon the representations made by the Company to the Agency in the Company’s application and any other correspondence submitted by the Company to the Agency, public hearing comments, if any, Agency Policy Committee review of and recommendations related to the Project and its April 26, 2023 resolution to approve the Project subject to the terms and conditions as described herein, the Policy Committee and Agency board member review of the Project’s cost benefit ratio, 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, and Agency board member review, discussion, and consideration of same, the Agency hereby finds and determines that:

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

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

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

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

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

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

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

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

(I) The Project involves a "Type II action" as said term is defined in SEQR and, therefore, no further action is required under SEQR; and

(J) The Project is compliant with the Countywide IDA Eligibility Policy, constitutes a commercial facility as defined in the General Municipal Law and will promote employment opportunities and prevent economic deterioration in the Town of Tonawanda. The Agency has reviewed the opinion of the State Comptroller (OSC Op. 85-51) and hereby specifically finds that the Project will create temporary construction jobs and approximately one full-time job and two part-time jobs by adaptively reusing a vacant, declining and aged structure and rehabilitating it for residential use, will be a physical and economic improvement to this sensitive area of the Town of Tonawanda: and

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

(i) *Age of Structure (must be at least 20 years old and present functional challenges to redevelopment):* The age of the structure is 121 years old. The applicant provided the NYS DEC Brownfield Clean UP Program application as evidence of challenges to redevelopment.

(ii) *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:* Portions of the building have served as warehouse space for several of the family owned companies which occupy and own the complex while other areas of the building are vacant.

(iii) *Structure is not generating significant rental income (defined as 50% or less than the market rate income average for that property class):* No, insignificant rental income is being generated at the site.

(iv) *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:* The plan is aligned with the local development plan for the Town of Tonawanda – 2015 Comprehensive Plan Update.

(v) *Demonstrated evidence of financial obstacle to development without ECIDA or other public assistance (cash flow projections, documenting costs, expenses and revenues indicating below average return on investment rate as compared to regional industry averages):* A review of cash flow projections indicate an average return on investment that is significantly below the 10% - 12% benchmark rate of return expected for projects in higher risk urban areas across the northeast. The project's internal rate of return (IRR) with ECIDA assistance is 4.2% and without ECIDA assistance is 3.4%.

(vi) *Demonstrated support of local government entities:* A letter of support from Town Supervisor Emminger notes the project's strongly alignment with the Town's 2015 Comprehensive Plan Update. The project includes the remediation of a Brownfield site and meets the need for 1 & 2 person apartments through the redevelopment of

existing sites. A second letter of support was received from Joseph Benedict, the Executive Director for the Construction Exchange. A third letter of support was received from the Plumbing & Mechanical Contractors Association of WNY supporting the Construction Trade Incubator aspect of the project.

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

(viii) *Building or site has historic designation*: Source of funds list both Federal & State Historic Tax Credits.

(ix) *Site or structure has delinquent property or other local taxes*: Not Applicable.

(x) *MBE/WBE Utilization*: MWBE utilization was presented to the Agency and is included in the Board package.

(xi) *Transit Oriented Development*: The site is accessible via the metro lines: Sheridan 35 and 5 Niagara/Kenmore.

*Other Factors to Consider:*

(xii) *Environmental/Safety Issues: Structure or site presents significant public safety hazard and/or environmental remediation costs*: This project has been accepted into the Brownfield Cleanup Program largely based off elevated arsenic exceeding its industrial use—likely related to historic wood piano key manufacturing.

(xiii) *Site or structure is located in a distressed census tract*: Location is census tract #84 that is an Empire Zone and adjacent to a highly distressed census tract.

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

Section 3. Subject to the Company executing an Agent Agreement and the delivery to the Agency of a binder, certificate or other evidence of insurance for the Project satisfactory to the Agency, the Agency hereby authorizes the Company to proceed with the acquisition, construction and equipping of the Project and hereby appoints the Company as the true and lawful agent of the Agency: (i) to acquire, construct and/or renovate and equip the Project; (ii) to make, execute, acknowledge and deliver any contracts, orders, receipts, writings and instructions, as the stated agent for the Agency with the authority to delegate such agency, in whole or in part, to agents, subagents, contractors, and subcontractors of such agents and subagents and to such other parties as the Company chooses; and (iii) in general, to do all things which may be requisite or proper for completing the Project, all with the same powers and the same validity that the Agency could do if acting in its own behalf; provided, however, the authority to appoint the Company to act as agent of the Agency, if said appointment is not duly made, as herein expressed, shall expire one year from the date of this resolution (unless extended for good cause by the Chair, the Vice Chair, the President/Chief Executive Officer, the Vice President, the Chief Financial Officer/Treasurer, and/or the Assistant Treasurer).

A. Financial Assistance. With respect to the foregoing, and based upon the representations and warranties made by the Company in its application for Financial Assistance, the Agency hereby:

(i) authorizes and approves the Company, as its agent, to make purchases of goods and services relating to the Project and that would otherwise be subject to New York State and local sales and use tax in an amount estimated up to \$15,863,227, and, therefore, the value of the sales and use tax exemption benefits (“sales and use tax exemption benefits”) authorized and approved by the Agency cannot exceed \$1,388,032, however, the Agency may consider any requests by the Company for increases to the amount of sales and use tax exemption benefits authorized by the Agency upon being provided with appropriate documentation detailing the additional purchases of property or services; and

(ii) authorizes and approves that the value of the mortgage recording tax exemption benefit (“mortgage recording tax exemption benefits”) shall not exceed \$127,733; and

B. Terms and Conditions of Financial Assistance. Pursuant to Section 875(3) of the New York General Municipal Law, and per the policies of the Agency, the Agency may recover or recapture from the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, any New York State and local sales and use tax exemption benefits, and/or mortgage recording tax exemption benefits, taken or purported to be taken by the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, if it is determined that: (i) the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, is not entitled to the New York State and local sales and use tax exemption benefits; (ii) the New York State and local sales and use tax exemption benefits are in excess of the amounts authorized to be taken by the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project; (iii) the New York State and local sales and use tax exemption benefits are for property or services not authorized by the Agency as part of the Project; (iv) the Company has made a material false statement on its application for Financial Assistance; (v) the New York State and local sales and use tax exemption benefits and/or mortgage recording tax exemption benefits, are taken in cases where the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, fails to comply with the Investment Commitment, the Employment Commitment, and/or the Local Labor Commitment, said commitments, as described below, being a material term or condition to use property or services in the manner approved by the Agency in connection with the Project; and/or (vi) the New York State and local sales and use tax exemption benefits, and/or mortgage recording tax exemption benefits, are taken in cases where the Company fails to comply with the Equal Pay Commitment and/or the Unpaid Real Property Tax Policy Commitment, as described below, being a material term or condition to use property or services in the manner approved by the Agency in connection with the Project.

As a condition precedent of receiving Financial Assistance, the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of

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

C. Commitments. As an additional condition precedent of receiving Financial Assistance, and as a material term or condition as approved by the Agency in connection with the Project, the Company covenants and agrees and understands that it must, subject to potential modification, termination and/or recapture of Financial Assistance for failure to meet and maintain the commitments and thresholds as described below, submit, on an annual basis or as otherwise indicated below through the conclusion of the later of two (2) years following either (i) the construction completion date, or (ii) 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 \$19,658,492 (which represents the product of 85% multiplied by \$23,127,638, being the total project cost as stated in the Company's application for Financial Assistance).
- (ii) Employment Commitment – that there are at least 1 FTE existing full time equivalent (“FTE”) and 2 PTE existing part time equivalent (“PTE”) employees located at, or to be located at, the Facility as stated in the Company's application for Financial Assistance (the “Baseline FTE”); and
  - the number of current FTE employees in the then current year at the Facility; and
  - that within two (2) years of Project completion, the Company has maintained and created FTE employment at the Facility equal to 1 FTE employees. In an effort to confirm and verify the Company's employment numbers, the Agency requires that, at a minimum, the Company provide employment data to the Agency on a quarterly basis, said information to be provided on the Agency's “Quarterly Employment Survey” form to be made available to the Company by the Agency.
- (iii) Local Labor Commitment - that the Company adheres to and complies with the Agency's Local Labor Workforce Certification Policy on a quarterly basis during the construction period.
- (iv) Equal Pay Commitment – that the Company adheres to and complies with the Agency's Pay Equity Policy.
- (v) Unpaid Real Property Tax Policy Commitment – that the Company is compliant with the Agency's Unpaid Real Property Tax Policy.

Section 4. Subject to the terms of this Inducement Resolution, the Chair, the Vice Chair, the President/Chief Executive Officer, the Vice President, the Chief Financial Officer/Treasurer and/or the Assistant Treasurer, are hereby authorized, on behalf of the Agency, to negotiate, execute and deliver (A) an Agent Agreement, (B) the Lease Agreement whereby the Company leases the Project to the Agency, (C) the related Leaseback Agreement whereby the



Agency leases the Project back to the Company, and (D) related documents; provided, however, that (i) the rental payments under the Leaseback Agreement to the Company include payments of all costs incurred by the Agency arising out of or related to the Project and indemnification of the Agency by the Company for actions taken by the Company and/or claims arising out of or related to the Project.

Section 5. Subject to the terms of this Inducement Resolution, the Chair, the Vice Chair, the President/Chief Executive Officer, the Vice President, the Chief Financial Officer/Treasurer and/or the Assistant Treasurer, are hereby authorized, on behalf of the Agency, to negotiate, execute and deliver any mortgage, assignment of leases and rents, security agreement, UCC-1 Financing Statements and all documents reasonably contemplated by these resolutions or required by any lender identified by the Company (the "Lender") up to a maximum principal amount necessary to undertake the Project, acquire the Facility and/or finance or refinance acquisition and Project costs or equipment and other personal property and related transactional costs (hereinafter, with the Lease Agreement, Leaseback Agreement, and related documents, collectively called the "Agency Documents"); and, where appropriate, the Secretary or the Assistant Secretary of the Agency is hereby authorized to affix the seal of the Agency to the Agency Documents and to attest the same, all with such changes, variations, omissions and insertions as the Chair, the Vice Chair, the President/Chief Executive Officer, the Vice President, the Chief Financial Officer/Treasurer and/or the Assistant Treasurer of the Agency shall approve, the execution thereof by the Chair, the Vice Chair, the President/Chief Executive Officer, the Vice President, the Chief Financial Officer/Treasurer and/or the Assistant Treasurer of the Agency to constitute conclusive evidence of such approval; provided in all events recourse against the Agency is limited to the Agency's interest in the Project.

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

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

Section 8. This resolution shall take effect immediately, and shall expire one (1) year from the date hereof unless extended for good cause by the Chair, the Vice Chair, the

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

Dated: April 26, 2023



## Wood and Brooks

[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

<b>Project Name</b>	Wood and Brooks Adaptive Reuse
<b>Project Summary</b>	<p>The project is located at 2101 Kenmore Avenue in the Town of Tonawanda (with accessory parking on adjacent parcel in the City of Buffalo) in a Disadvantage Community as defined by New York State (United States Census Tract 36029004800). The Project seeks to convert through adaptive re-use the historic Wood &amp; Brooks piano factory complex into mixed use development consisting of redevelopment of the existing six (6) story building as well as an adjacent single-story building into approximately 98,370 SF (62,300 SF Residential and 36,070 SF Commercial). The first-floor commercial space will be anchored by a Construction Trade Incubator with the upper five (5) floors as apartments. The site has been determined to be eligible for the Brownfield Cleanup Program and has applied for New York State Historic Tax Credits. If this Project is successful, the Applicant will additionally seek to convert an adjacent four (4) story building into additional mixed-use space. The adaptive re-use of the complex, which has been largely either underutilized or vacant for decades, will hopefully begin a revitalization of the area. The Town of Tonawanda has issued all necessary land use and zoning approvals and is very supportive of the Project and shares the Applicant's hope that this Project will be a catalyst for redevelopment of the area. Through partnering with the Construction Exchange of WNY, the commercial Incubator space will support the growth and prosperity of small construction businesses by providing education and shared infrastructure. Fostering the growth of these small businesses will support future job creation within the local construction industry. These small construction businesses will benefit from shared services such as:- Low-risk investment in shared space to operate from.- Shared infrastructure including meeting spaces, training room, storage lockers (with loading dock access), workshop area, access to dumpster, trailer parking, etc.- Mentorship, coaching and training.- Relationship building with suppliers and industry experts- A supportive community of like-minded business owners Erie 1 BOCES has provided a LOI to lease space as an anchor tenant of the Incubator Space for their Building Trades programming for adult learners. By Partnering with the Incubator and the Construction Exchange of WNY, a program will be implemented to connect adult learners with employers.</p>
<b>Applicant Name</b>	Wood and Brooks Properties LLC
<b>Applicant Address</b>	2101 Kenmore Avenue
<b>Applicant Address 2</b>	
<b>Applicant City</b>	Buffalo
<b>Applicant State</b>	New York
<b>Applicant Zip</b>	14207
<b>Phone</b>	(716) 903-1092
<b>Fax</b>	(716) 427-6501

**E-mail** michael@frontierinsulation.com**Website****NAICS Code**Business Organization**Type of Business**

Limited Liability Company

**Year Established**

2022

**State**

New York

**Indicate if your business is 51% or more (Check all boxes that apply)** [No] Minority Owned [No] Woman Owned**Indicate Minority and/or Woman Owned Business Certification if applicable (Check all boxes that apply)** [No] NYS Certified [No] Erie Country CertifiedIndividual Completing Application

**Name** Peter J. Sorgi  
**Title** Project Attorney  
**Address** 726 Main Street, Suite B  
**Address 2**  
**City** East Aurora  
**State** New York  
**Zip** 14052  
**Phone** (716) 908-3289  
**Fax** (716) 427-6501  
**E-Mail** psorgi@hsmlegal.com

Company Contact- Authorized Signer for Applicant

**Contact is same as individual completing application** No

**Name** Michael Wopperer  
**Title** President  
**Address** 2101 Kenmore Avenue  
**Address 2**  
**City** Buffalo  
**State** New York  
**Zip** 14207  
**Phone** (716) 903-1092  
**Fax** (716) 427-6501  
**E-Mail** michael@frontierinsulation.com

Company Counsel

**Name of Attorney** Peter J. Sorgi  
**Firm Name** Hopkins Sorgi & McCarthy PLLC  
**Address** 726 Main Street, Suite B  
**Address 2**  
**City** East Aurora  
**State** New York  
**Zip** 14052  
**Phone** (716) 908-3289  
**Fax** (716) 427-6501  
**E-Mail** psorgi@hsmlegal.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\*** No

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

Applicant Business Description

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

Wood & Brooks Properties, LLC is a newly formed entity comprised of members of a 4th generation group of family owned businesses who have owned the complex where the proposed project is taking place since 1972. The various buildings on the properties have served as offices, warehouses and manufacturing facilities for the various affiliated companies that work within the construction industry. Recognizing that portions of the complex are either vacant or underutilized, Wood and Brooks Properties LLC was formed to try and repurpose the complex with the hopes of reinvigorating an area that has been downtrodden for many years and assist in an urban rebirth that is long overdue. None of the members have an ownership percentage greater than 20%.

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

(\*Percentage to equal 100%)

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

83

**Describe vendors within Erie County for major purchases**

Windows- Jens Glass / B&L Wholesale Millwork/Countertops- Buffalo Millwork Supply Plumbing- Huron Plumbing HVAC- DWC Mechanical Site Work- Occhino Corp

## Section II: Eligibility Questionnaire - Project Description & Details

### Project Location

#### Address of Proposed Project Facility

2101 Kenmore Avenue

#### Town/City/Village of Project Site

Tonawanda with accessory parking in City of Buffalo

#### School District of Project Site

Tonawanda

#### Current Address (if different)

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

#### SBL Number(s) for proposed Project

77.08-1-1 (portion of) and 77.26-7-2

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

\$ 90,176.63 (entire site-- only a portion is subject to this application)

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

Land

\$ 186,000

Building(s)

\$ 602,000

If available include a copy of current tax receipt.

#### Are Real Property Taxes current at project location?

Yes

#### If no please explain

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

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

Yes

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

The Leroy Properties, Inc.

#### 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.)

Substantially vacant with portions of the first and second floors of six story building utilized as warehouse space for related entities on same master parcel-- note that this warehouse space is not needed for related entities on same master parcel but just being used for convenience / proximity currently.

**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 project is located at 2101 Kenmore Avenue in the Town of Tonawanda (with accessory parking on adjacent parcel in the City of Buffalo) in a Disadvantage Community as defined by New York State (United States Census Tract 36029004800). The Project seeks to convert through adaptive re-use the historic Wood & Brooks piano factory complex into mixed use development consisting of redevelopment of the existing six (6) story building as well as an adjacent single-story building into approximately 98,370 SF (62,300 SF Residential and 36,070 SF Commercial). The first-floor commercial space will be anchored by a Construction Trade Incubator with the upper five (5) floors consisting of 55 apartments. The applicant commits to at least 10% of units being offered at 80% of AMI rents to provide affordable housing options for the community. The site has been determined to be eligible for the Brownfield Cleanup Program and has applied for New York State Historic Tax Credits. If this Project is successful, the Applicant will additionally seek to convert an adjacent four (4) story building into additional mixed-use space. The adaptive re-use of the complex, which has been largely either vacant or underutilized for decades, will hopefully begin a revitalization of the area. The Town of Tonawanda has issued all necessary land use and zoning approvals and is very supportive of the Project and shares the Applicant's hope that this Project will be a catalyst for redevelopment of the area. Through partnering with the Construction Exchange of WNY, the Incubator space will support the growth and prosperity of small construction businesses by providing education and shared infrastructure. Fostering the growth of these small businesses will support future job creation within the local construction industry. These small construction businesses will benefit from shared services such as:- Low-risk investment in shared space to operate from.- Shared infrastructure including meeting spaces, training room, storage lockers (with loading dock access), workshop area, access to dumpster, trailer parking, etc.- Mentorship, coaching and training.- Relationship building with suppliers and industry experts- A supportive community of like-minded business owners Erie 1 BOCES has provided a LOI to lease space as an anchor tenant of the Incubator Space for their Building Trades programming for adult learners. By Partnering with the Incubator and the Construction Exchange of WNY, a program will be implemented to connect adult learners with employers.

#### **Municipality or Municipalities of current operations**

Town of Tonawanda and City of Buffalo (city of Buffalo is for parking only)

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

Yes

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

No

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

No

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

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

No

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

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

No

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

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

#### **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)**

Wood and Brooks Properties, LLC currently has no income and has taken on significant debt in trying to take the project into construction. The rise in costs over the last two years along with increases in interest rates has placed a significant amount of financial strain on the project. Assistance from the agency is necessary in order to begin re-development of the complex.

#### **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?**

Without financial assistance from ECIDA via sales tax and mortgage tax exemption, the project will become unviable and, therefore, the property would not be purchased by Wood and Brooks Properties LLC. Wood and Brooks Properties, LLC would then be dissolved. The negative impact to Erie County would include the loss of construction jobs on a \$21 million conversion project along with future tax dollars on a newly assessed and higher value.

**Will project include leasing any equipment?**

Yes

If yes, please describe equipment and lease terms.

Yes, but only during construction.

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)**

Metro Lines Sheridan 35 and 5 Niagara-Kenmore

**Has your local municipality and/or its planning board made a determination regarding the State Environmental Quality Review (SEQR) for your project?**

Yes

**If YES indicate in the box below the date the SEQR determination was made. Also, please provide us with a copy of the approval resolution and the related Environmental Assessment Form (EAF) if applicable.**

**If NO indicate in the box below the date you anticipate receiving a SEQR determination for your project. Also, please insure that the ECIDA has been listed as an "involved agency" on the related EAF submitted to the appropriate municipality and/or planning department.**

6.1.2022

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

Yes

**Describe the present zoning/land use**

P-S Performance Standards Use District Current Land use are vacant buildings with parking

**Describe required zoning/land use, if different**

Proposed use is allowed in P-S Performance Standards Use District and all Town Approvals have been obtained. Proposed use is mixed use of residential apartments and Construction Trades space, including construction training programs.

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

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

Yes

**If yes, please explain**

This project has been accepted into the Brownfield Cleanup Program largely based off elevated arsenic exceeding its Industrial Use SCO, likely related to historic wood piano key manufacturing.

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

Yes

If yes, please provide a copy.

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

Yes

If yes, please provide copies of the study.

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

No





What is the estimated project timetable (provide dates).

**Start date : acquisition of equipment or construction of facilities**

3/10/2023

**End date : Estimated completion date of project**

5/20/2024

**Project occupancy : estimated starting date of occupancy**

6/4/2024

Capital Project Plan / Budget

**Estimated costs in connection with Project**

**1.) Land and/or Building Acquisition**

\$ 670,000

98,380 square feet

acres

**2.) New Building Construction**

\$ 0

square feet

**3.) New Building addition(s)**

\$ 0

square feet

**4.) Reconstruction/Renovation**

\$ 19,112,322

98,380 square feet

**5.) Manufacturing Equipment**

\$ 0

**6.) Infrastructure Work**

\$ 0

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

\$ 380,775

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

\$ 2,964,541

**9.) Other Cost**

\$ 0

**Explain Other Costs**

**Total Cost** \$ 23,127,638

Construction Cost Breakdown:

<b>Total Cost of Construction</b>	\$ 19,112,322 (sum of 2, 3, 4 and 6 in Project Information, above)
<b>Cost of materials</b>	\$ 11,467,393
<b>% sourced in Erie County</b>	83%

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** \$ 11,848,168

**Estimated State and local Sales and Use Tax Benefit (product of 8.75% multiplied by the figure, above):** \$ 1,036,714

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

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

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

**If Yes, describe particulars:** Approximately \$500,000 of soft costs have been incurred and paid. This amount is mostly comprised of professional fees including architect, attorney, accounting and pre-construction management.

Sources of Funds for Project Costs:

**Equity (excluding equity that is attributed to grants/tax credits):** \$ 4,734,155

**Bank Financing:** \$ 9,750,000

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

**Taxable Bond Issuance (if applicable):** \$ 0

**Public Sources (Include sum total of all state and federal grants and tax credits):** \$ 8,643,483

**Identify each state and federal grant/credit: (ie Historic Tax Credit, New Market Tax Credit, Brownfield, Cleanup Program, ESD, other public sources)** Federal Historic Tax Credit State Historic Tax Credit Brownfield Cleanup Site Prep Credit Brownfield Tangible Building Credit

**Total Sources of Funds for Project Costs:** \$23,127,638

**Have you secured financing for the project?** No

Mortgage Recording Tax Exemption Benefit:

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

**Mortgage Amount (include sum total of construction/permanent/bridge financing).** 17,031,175

**Lender Name, if Known**

**Estimated Mortgage Recording Tax Exemption Benefit (product of mortgage amount as indicated above multiplied by 3/4 of 1%):** \$127,733

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):** 485-a through Town of Tonawanda and Tonawanda School District-- pending.

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.

**Is project necessary to expand project employment?**

Yes

**Is project necessary to retain existing employment?**

No

**Will project include leasing any equipment?**

Yes

If yes, please describe equipment and lease terms.

Yes, but only during construction.

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).

	<b>Current # of jobs at proposed project location or to be relocated at project location</b>	<b>If financial assistance is granted – project the number of FT and PT jobs to be retained</b>	<b>If financial assistance is granted – project the number of FT and PT jobs to be created upon 24 months (2 years) after Project completion</b>	<b>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 **</b>
<b>Full time</b>	0	0	1	1
<b>Part time</b>	0	0	2	2
<b>Total</b>	0	0	3	

Salary and Fringe Benefits for Jobs to be Retained and Created

<b>Job Categories</b>	<b># of Full Time Employees retained and created</b>	<b>Average Salary for Full Time</b>	<b>Average Fringe Benefits for Full Time</b>	<b># of Part Time Employees retained and created</b>	<b>Average Salary for Part Time</b>	<b>Average Fringe Benefits for Part Time</b>
<b>Management</b>	1	\$ 50,000	\$ 0	0	\$ 0	\$ 0
<b>Professional</b>	0	\$ 0	\$ 0	0	\$ 0	\$ 0
<b>Administrative</b>	0	\$ 0	\$ 0	2	\$ 25,000	\$ 0
<b>Production</b>	0	\$ 0	\$ 0	0	\$ 0	\$ 0
<b>Independent Contractor</b>	0	\$ 0	\$ 0	0	\$ 0	\$ 0
<b>Other</b>	0	\$ 0	\$ 0	0	\$ 0	\$ 0
<b>Total</b>	1			2		

\*\* 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):

<b>Address</b>	<b>Full time</b>	<b>Part time</b>
	0	0
	0	0

**Total**

0

0

0

Payroll Information

**Annual Payroll at Proposed Project Site upon completion**

100,000

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

0

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

0

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

50,000

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

25,000

**Estimated salary range of jobs to be created**

<b>From (Full Time)</b>	50,000	<b>To (Full Time)</b>	50,000
<b>From (Part Time)</b>	25,000	<b>To (Part Time)</b>	25,000

### Section III: Environmental Questionnaire

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

#### General Background Information

##### **Address of Premises**

2101 Kenmore Ave Buffalo NY 14207

##### **Name and Address of Owner of Premises**

2101 Kenmore Ave Buffalo NY 14207

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

The site is located in the town of Tonawanda, Erie County, New York in a mixed-use residential, commercial, and industrial area along the City of Buffalo and Town of Tonawanda boundary. The topography is generally sloped to the south-southeast. The subject property is situated at an approximate elevation of 603 feet above sea level. The Subject property is located within the Central Lowlands region Eastern Lakes section physiographic province.

##### **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 current site is primarily vacant with a portion of the site used for warehousing. The buildings on the site are over 100 years old.

##### **Describe all known former uses of the Premises**

The site was historically used for piano key manufacturing from approximately 1900 to 1970s

##### **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**

A closed spill occurred in January 2006. Remedial activities were completed and the spill was closed in April 2006-- see Exhibit A to Full Environmental Assessment Form, attached hereto.

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

No

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

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

No

##### **If yes, describe in full detail**

#### Solid And Hazardous Wastes And Hazardous Substances

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

No

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

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

No

**If yes, please provide copies of the permits.**

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

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

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

No

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

### Discharge Into Waterbodies

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

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

Waste and storm water

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

No

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

### Air Pollution

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

No

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

**Are any of the air emission sources permitted?**

No

**If yes, attach a copy of each permit.**

### Storage Tanks

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

One (1) 6000 gallon underground storage tank for gasoline.

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

Yes

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

A closed spill occurred in January 2006. Remedial activities were completed and the spill was closed in April 2006-- see Exhibit A to Full Environmental Assessment Form, attached hereto.

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**

Based on the date of construction at the subject property, between 1901 and 1911, it is possible that PCB-containing materials were used. See NYSDEC Brownfields Clean Up Program Application, attached hereto.



**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**

Need specified in Town of Tonawanda 2015 Comprehensive Plan Update, which can be found at <https://tonawanda.ny.us/development/comprehensive-plan.html> which is detailed in letter of support from Town Supervisor Joseph H. Emminger dated 1.12.2023, attached hereto

**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, # of sq ft and % of total to be zip) occupied at new projet site	SIC or NAICS-also briefly describe type of business, products services, % of sales in Erie Co.
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\*fill out table for each tenant and known future tenants

**Section V: Tenant Information**

**PART 1 TO BE COMPLETED BY LESSEE (DEVELOPER)**

**Tenant Name**

The Plan Room LLC

**Property Address:**

2101 Kenmore Ave

**City/Town/Village**

Buffalo

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

**Amount of space to be leased (square feet)**

32,790

**What percentage of the building does this represent?**

35

**Are terms of lease:**

NET

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

**Estimated date of occupancy**

8/1/2024

**PART 2 TO BE COMPLETED BY PROPOSED TENANT**

**Company Name:**

The Plan Room LLC

**Local Contact Person:**

Michael Wopperer

**Title:**

Founder

**Current Address:**

2101 Kenmore Ave

**Phone:**

(716) 903-1092

**Fax:**

**E-Mail:**

mike.wopperer@yahoo.com

**Website:**

**Company President/General Manager:**

**Number of employees moving to new project location:**

**Full-Time:**

1

**Part-Time:**

1

**Total:**

2

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

The Plan Room LLC is a co-working space catered to small businesses within the Construction Industry. Through partnering with the Construction Exchange of WNY, the Incubator space will support the growth and prosperity of small construction businesses by providing education and shared infrastructure. Fostering the growth of these small businesses will support future job creation within the local construction industry. As businesses perhaps just getting their legs under them, we know small construction businesses would benefit from shared resources such as:- Low-risk investment in shared space to operate from.- Shared infrastructure including meeting spaces, training room, storage lockers (with loading dock access), workshop area, access to dumpster, trailer parking, etc.- Mentorship, coaching and training.- Relationship building with suppliers and industry experts- A supportive community of like-minded business owners Erie 1 BOCES has provided a LOI to lease space as an anchor tenant of the Incubator Space for their Building Trades programming for adult learners. By Partnering with the Incubator and the Construction Exchange of WNY, a program will be implemented to connect adult learners with employers.

Attach additional information as necessary.

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

The Plan Room LLC was founded in 2022

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

24,814

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

0

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

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

No

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

**If leased, when does lease expire?**

8/1/2029

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

No

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

## **Section VI: Retail Determination**

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

Please answer the following:

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

No

If yes, complete the Retail Questionnaire Supplement below. **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?

Yes

What is the age of the structure (in years)? 121

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

Yes

If vacant, number of years vacant.

50

If underutilized, number of years underutilized.

50

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

Portions of the building has served as warehouse space for several of the family owned companies which occupy and own the complex while other areas of the building have remained vacant.

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

Yes

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

\$0

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

	Number of Units	Sq. Ft. Range Low to High	Rent Range Low to High
1 Bedroom	34	779- 883	\$1,300- \$1,600
2 Bedroom	15	951- 982	\$1,500- \$1,800
3 Bedroom	0	-	\$- \$
Other	6	779- 883	\$1,105- \$1,600

Does the site have historical significance?

Yes

If yes, please indicate historical designation

The Wood and Brooks Company Factory Complex, located at the southwest corner of the Town of Tonawanda in Erie County, New York, is significant as an intact representation of a manufacturing facility designed and built in the first half of the nineteenth century. The complex is locally significant under Criterion A in the area of Industry as one of the most important manufacturers of ivory piano keys and actions in the United States. The Wood and Brooks Company was founded in 1901 by Charles Raymond Wood and M.S. Brooks, a Connecticut entrepreneur. In 1902, the firm contracted architect Sidney Hawks Woodruff to design their manufacturing facility at 2101 Kenmore Avenue, which was expanded several times through 1915 as the company grew. Wood and Brooks keys and actions were used by more than twenty-nine producers of piano and organ manufacturers, nationally and internationally. The CSX Rail Lines, formerly New York Central Railroad Niagara Falls Branch, provided the crucial transportation of raw materials to the factory complex and means of delivery of Wood and Brooks products. During World War II, the company became a licensed subcontractor for military production of Landing Craft Vehicle Personnel (LCVP) and the Kenmore complex provided the necessary labor, manufacturing space, accessibility to raw materials, and transportation essential to construct and deliver the watercrafts for the war efforts. After war production ended, manufacture of piano keys and actions resumed until the facility closed in 1970. The complex is also significant under Criterion C in the area of Architecture as a good representative example of evolving industrial architecture and engineering trends in the early twentieth century. The facility contains both intact heavy timber mill construction and reinforced concrete daylight factory buildings. The 1902 four-story Headquarters Office and Manufacturing Building was designed by S.H. Woodruff in an early post-and-beam mill style, along with the majority of the attached one-story spaces and the detached lumber sheds. The 1911-1914 six-story reinforced concrete slip form loft building was designed by Dwight Seabury, an engineer from Pawtucket, Rhode Island, and constructed by H.C. Turner of Turner Construction, a pioneer of multistory reinforced concrete buildings and structures. A post-1915 building campaign connecting the six-story factory to a series of single-story buildings utilized a concrete column mushroom system, a revolutionary technique developed by C.A.P. Turner in 1905 that became a quintessential feature of industrial buildings throughout the first half of the twentieth century and beyond. Both mill construction and concrete curtain wall building types offered increased daylighting and natural ventilation through operable windows and demonstrate the rapid technological advancement in industrial building techniques and materials in the first decades of the twentieth century. The period of significance begins in 1902 with the construction of the first Wood and Brooks Company building on the site for the manufacturing of ivory piano keys and actions and ends in 1970 when the company ceased operations at 2101 Kenmore Avenue. This period includes all extant building campaigns by Wood and Brooks.

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

Yes

**If yes, provide estimated value of tax credits**

\$6,322,681

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

The rise in costs over the last couple of years combined with the recent increases in interest rates has placed a significant amount of financial strain on the project. If the project is not able to secure sales tax and mortgage tax exemption, DSCR will decrease to a level that the bank will not underwrite to, therefore increasing the amount of equity contribution required by the owner. Increasing the amount of current equity contribution by the owner will result in below average return on investment rates compared to industry averages and will make the project unviable.

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

We have received an overwhelming amount of support from the Town of Tonawanda along with local not for profit The Construction Exchange of WNY and Western New York Association of Plumbing and Contractors, Inc. for the incubator space.

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

See NYSDEC Brownfields Clean Up Application, attached hereto.

**Indicate census tract of project location**

36,029,004,800

**Indicate how project will eliminate slum and blight**

Project will provide needed housing and employment opportunity in an area that is blighted and is targeted for redevelopment by the Town of Tonawanda Comprehensive Plan-- see attached letter of support from Tonawanda Town Supervisor Joseph Emminger, attached hereto.

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



**Section VIII: Inter-Municipal Move Determination**

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

**Current Address**

2101 Kenmore Ave

**City/Town**

Buffalo

**State**

New York

**Zip Code**

14207

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

No

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

No

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

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

**Within New York State**

No

**Within Erie County**

No

**If Yes to either question, please, explain**

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

No

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

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

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

No

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

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

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





## **Section IX: Senior Housing**

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

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

No

## **Section X: Tax Exempt Bonds**

In order to receive the benefits of a tax-exempt interest rate bond, private borrowers and their projects must be eligible under one of the federally recognized private active bond categories (Fed Internal Rev Code IRC sections 142-144, and 1394).

**Are you applying for tax exempt bonds / refinancing of bonds related to a residential rental facility project?**

No