



# Policy Committee

January 5, 2023

At 9:00 a.m.

ECIDA Offices

95 Perry Street, 4<sup>th</sup> Floor Conference Room

Buffalo, New York 14203

1. Call Meeting to Order
2. Approval of the December 8, 2022 Policy Committee Meeting Minutes (Pages 2-4)
3. Project Matrix (Page 5)
4. Project Presentation (Staff – Company Q&A)
  - a) 356 Hertel Ave, LLC (Pages 6-36)
  - b) Commitment 2000/Father Sam's Bakery (Pages 37-63)
5. MWBE Update
6. Adjournment - Next Meeting February 2, 2023 at 9:00 a.m.

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

- DATE AND PLACE:** December 8, 2022 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; Zachary Evans; Richard Lipsitz, Jr.; Brenda W. McDuffie; Hon. Glenn R. Nellis; Laura Smith, and Lavon Stephens
- EXCUSED:** Rev. Mark E. Blue; Hon. Bryon W. Brown; Colleen DiPirro; David J. State; Hon. John Tobia and Paul Vukelic
- OTHERS PRESENT:** John Cappellino, Chief Executive Officer; Beth O’Keefe, Vice President of Operations; Grant Lesswing, Director of Business Development; Andy Federick, Business Development Officer; Soma Hawramee, Compliance Portfolio Manager; Brian Krygier, Director of Information Technology; Carrie Hocienec, Operations Assistant; and Robert G. Murray, General Counsel/Harris Beach PLLC
- GUESTS:** Alex Carducci on behalf of the City of Buffalo; Tom Colella on behalf of Highway Rehab Corp and James Panepinto on behalf of 132 Dingens Street, LLC

There being a quorum present at 9:16 a.m., the Meeting of the Policy Committee was called to order by Mr. Lipsitz.

Mr. Lipsitz introduced new Policy Committee member, Zachary Evans.

**MINUTES**

The minutes of the October 6, 2022 Policy Committee meeting were presented. Upon motion made by Ms. McDuffie to approve of the minutes, and seconded by Mr. Nellis, the aforementioned Policy Committee meeting minutes were unanimously approved.

**PROJECT MATRIX**

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

**PROJECT PRESENTATIONS**

132 Dingens Street, LLC, 132 Dingens Street, Buffalo, New York 14206. Ms. O’Keefe presented this proposed sales tax, mortgage recording tax and real property tax abatement benefits project involving the construction of an approximately 81,000+/- sq. ft. addition to a newly constructed spec warehouse intended for both warehouse and light manufacturing uses.

General discussed ensued.

Ms. O’Keefe confirmed that 132 Dingens Street, LLC is seeking approximately \$985,798 in assistance including sales tax exemption, mortgage tax exemption and real property tax exemption. Total payroll is projected at \$12,669,797 for the direct and indirect jobs created including 41 construction jobs. The resulting cost benefit is 13:1 so for every \$1 of incentives the community benefit is \$13 in payroll & tax revenue. Erie County: for every \$1 of incentives the community benefit is \$19 in benefits to the community.

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

**Draft Recapture Material Terms**

Condition	Term	Recapture Provision
Total Investment	At project completion	Investment amount equal to or greater than 85% of project amount. Total Project Amount = \$9,300,000 85% = \$7,905,000
Employment	Coincides with 7-year PILOT	Create 85% of Projected Projected = 18 85% = 15 Recapture Employment = 15 FTE
Local Labor	Construction Period	Adherence to policy including quarterly reporting
Pay Equity	Coincides with 7-Year PILOT	Adherence to policy
Unpaid Tax	Coincides with 7-Year PILOT	Adherence to policy
Recapture Period	Coincides with 7-Year PILOT	Recapture of state and local sales taxes, mortgage recording tax and real property taxes

Ms. McDuffie moved, and Ms. Baskin 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.

Highway Rehabilitation Corporation, 11061 Walden Avenue, Alden, New York 14004. Ms. O’Keefe presented this proposed sales tax, mortgage recording tax and real property tax abatement

benefits project involving the construction of an approximately 23,000+/- sq. ft. building to be used to manufacture and maintain equipment.

General discussed ensued.

Ms. O’Keefe confirmed that Highway Rehabilitation Corporation is seeking approximately \$700,587 in assistance including sales tax exemption, mortgage tax exemption and real property tax exemption. Total payroll is projected at \$78,588,597 for the direct and indirect jobs created including 20 construction jobs. The resulting cost benefit is 1:114 so for every \$1 of incentives the community benefit is \$114 in payroll & tax revenue. Erie County: for every \$1 of incentives the community benefit is \$143 in benefits to the community.

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

**Draft Recapture Material Terms**

Condition	Term	Recapture Provision
Total Investment	At project completion	Investment amount equal to or greater than 85% of project amount. Total Project Amount = \$5,225,000 85% = \$4,441,250
Employment	Coincides with 7-year PILOT	Maintain Base = 67 FTE Create 85% of Projected Projected = 15 FTE 85% = 12 FTE Recapture Employment = 79 FTE
Local Labor	Construction Period	Adherence to policy including quarterly reporting
Pay Equity	Coincides with 7-Year PILOT	Adherence to policy
Unpaid Tax	Coincides with 7-Year PILOT	Adherence to policy
Recapture Period	Coincides with 7-Year PILOT	Recapture of state and local sales taxes, mortgage recording tax and real property taxes

Ms. Abbott moved, and Mr. Evans 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 9:44 a.m.

Dated: December 8, 2022

\_\_\_\_\_  
Elizabeth A. O’Keefe, Secretary

## Tax Incentives Approved - 2022

Approval Date	Project Name	Project City/Town	Private Investment/ Project Amount	Minimum Investment Commitment	FT Jobs Retained	PT Jobs Retained	FT Jobs to be Created	PT Jobs to be Created	Job Creation	Const Jobs	Spillover Jobs	Length of Term	Incentive Amount	Cost Benefit Ratio
Jan-22	791 Washington Street, LLC <sup>1</sup>	Buffalo	\$107,950,000	85% threshold \$91,800,000	0	0	5	0	85%-New 4 jobs	571	433	Period of PILOT 10 Years	\$3,719,000	1:20
Jan-22	Arbor Multifamily Lending, LLC	Tonawanda	\$2,100,000	85% threshold \$1,785,000	168	0	25	0	85%-New 21 jobs	0	158	project completion date + 2 yrs	\$183,750	1:304
Jan-22	Broadway Development & Management <sup>1</sup>	Buffalo	\$12,500,000	85% threshold \$10,625,000	2	0	8	0	85%-New 7 jobs	56	55	project completion date + 2 yrs	\$693,500	1:14
Jan-22	Lactalis American Group, Inc.	Buffalo	\$1,436,697	85% threshold \$1,221,192	334	0	27	0	85%-New 22 jobs	5	1390	project completion date + 2 yrs	\$126,793	1:9994
Mar-22	471 Elmwood, LLC <sup>1</sup>	Buffalo	\$3,590,000	85% threshold \$3,051,500	0	0	1	0	85%-New 1 job	20	10	project completion date + 2 yrs	\$122,500	1:15
Apr-22	Workspport, Ltd.	West Seneca	\$15,006,887	85% threshold \$12,755,854	0	0	6	10	85%-New 9 jobs	30	33	project completion date + 2 yrs	\$103,562	1:67
Jul-22	380 Vulcan	Tonawanda	\$7,145,000	85% threshold \$6,073,250	4	2	3	2	85%-New 3 jobs	25	26	Period of PILOT 7 Years	\$1,610,699	1:6
Jul-22	Perry's Ice Cream	Akron	\$18,000,000	85% threshold \$15,300,000	365	14	15	0	85%-New 12 jobs	79	690	Period of PILOT 7 Years	\$684,891	1:490
Jul-22	Spaulding Business Park	Tonawanda	\$2,055,000	85% threshold \$1,746,750	0	0	20	0	85%-New 17 jobs	8	24	Period of PILOT 7 Years	\$403,241	1:27
Jul-22	A & A Union Road, LLC	West Seneca	\$3,110,729	85% threshold \$2,644,119	12	1	2	0	85%-New 1 job	13	33	Period of PILOT 7 Years	\$521,790	1:31
Aug-22	Laborers Way 1	Buffalo	\$27,800,000	85% threshold \$23,630,000	0	0	20	34	85%-New 37 jobs	119	141	Period of PILOT 15 Years	\$3,087,290	1:28
Sep-22	950 Broadway, LLC <sup>1</sup>	Buffalo	\$11,653,862	85% threshold \$9,905,783	0	0	34	4	85%-New 30 jobs	55	51	project completion date + 2 yrs	\$592,040	1:25
Oct-22	Ellicott Park Townhomes <sup>2</sup>	Buffalo	\$54,664,295	85% threshold \$46,664,295	2	1	2	2	85%-New 3 jobs	210	161	project completion date + 2 yrs	\$1,280,856	1:22
Oct-22	Tonawanda Towers <sup>3</sup>	City of Tonawanda	\$25,040,720	85% threshold \$21,284,612	3	1	0	1	85%-New 1 PT Job	59	47	project completion date + 2 yrs	\$89,003	1:98
Nov-22	10 Dona Street/Uniland Development	Lackawanna	\$19,692,754	85% threshold \$16,738,840	0	0	41	0	85%-New 34 jobs	84	95	Period of PILOT 10 Years	\$3,090,403	1:14
Dec-22	132 Dingens Street, LLC	Buffalo	\$9,300,000	85% threshold \$7,905,000	0	0	18	0	85%-New 15 jobs	41	45	Period of PILOT 7 Years	\$985,798	1:13
Dec-22	Highway Rehabilitation Corp.	Alden	\$5,225,000	85% threshold \$4,441,250	67	0	15	0	85%-New 12 jobs	20	95	Period of PILOT 7 Years	\$700,857	1:114

**Totals:** Private Investment/  
Project Amount: \$135,693,862    FT Jobs Retained: 2    PT Jobs Retained: 0    FT Jobs Created: 48    PT Jobs Created: 4    Const Jobs: 702    Spillover Jobs: 549    Incentive Amount: \$5,127,040

<b>Adaptive Reuse Subtotal</b>	4	\$135,693,862	2	0	48	4	702	549	\$5,127,040
<b>2022 Total</b>	17	\$326,270,944	957	19	242	53	1395	3487	\$17,995,973

<sup>1</sup> Adaptive Reuse

<sup>2</sup> Bond \$33,000,000

<sup>3</sup> Bond \$13,000,000

**356 Hertel Ave, LLC**  
**\$ 32,067,800**  
**PRIVATE INVESTMENT INDUCEMENT RESOLUTION**

**ELIGIBILITY**

- NAICS Section – 23

**COMPANY INCENTIVES**

- Approximately \$ in sales tax savings: \$612,500

**JOBS & ANNUAL PAYROLL**

- Current / Retained Jobs: 0 FTE
- Projected new jobs: 42 FTE
- Est. salary/yr. of jobs created: \$55,000
- Total jobs after project completion: 42 FTE
- Construction Jobs: 212

**PROJECTED COMMUNITY BENEFITS\***

- Term: 2 yrs from project completion
- NET Community Benefits: \$ 29,313,412
- Spillover Jobs: 150
- Total Payroll: \$27,646,012

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

Incentives: \$ 612,500

Community Benefit: 28,895,873

Cost: Benefit Ratio

- 1: 47

Project Title: John Kam Malt House Adaptive Re-Use

Project Address: 356 Hertel Ave / 42 Foundry, Buffalo, NY 14207  
 (Buffalo Central School District)

**Agency Request**

A sales tax abatement in connection with the adaptive reuse of a 116,000 sq ft building located in Buffalo’s historic Black Rock neighborhood.

Building Acquisition	\$ 1,840,000
Building Addition	\$ 1,100,000
Building Renovation	\$ 21,035,000
Infrastructure	\$ 325,000
Non- Manufacturing Equipment	\$ 1,102,500
Soft Costs/Other	<u>\$ 6,665,300</u>
<b>Total Project Cost</b>	<b>\$ 32,067,800</b>
85%	\$ 27,257,630

**Company Description**

356 Hertel Ave, LLC is owned by Fred LoFaso (60%) and Angelo Tomasello (40%). LoFaso is President of Sienna Realty, a real estate development and brokerage firm HQ in Buffalo. LoFaso is an experienced commercial real estate developer with over 32 years of industry experience having rehabilitated several other similar properties in the area. Tomasello joined Sovran/Life Storage in 1996 and served as an acquisition officer, overseeing over \$200 million in acquisitions prior to co-founding The Locke Group. For over twenty years, under Angelo's leadership, Locke has been active in sourcing acquisition opportunities for Life Storage and has represented buyers and sellers in over \$3.5 billion in transaction volume. Locke Group LLC will be the storage facility operator partner.

**Project Description**

The project located in Buffalo’s Historic Black Rock section, is a mixed use redevelopment of an existing historic complex. The new development will consist of 82 apartments (72,000 sq ft of residential space), a 30,000 sq ft self-storage facility, and 14,000 sq ft of retail space. We are not providing incentives to the storage and retail portions of the project. More than 10% of the 82 apartment units will have rents at or below 80% AMI. Planned amenities include: an on-site dog park, dog wash, pedestrian gathering plaza, and permanent and visitor bike storage. The site design was prepared in consideration of the Buffalo Green Code and limitations of the City of Buffalo combined sewer systems and will incorporate measures to mitigate storm water runoff, including permeable pavement throughout the site, as well as environmentally conscious design features including energy star equipment and geothermal heating systems.

# of Units	Sq Ft	Monthly Rent Range
42 one-bedroom	464 – 1,019	\$882-\$1,505
40 two-bedroom	731 – 1,252	\$1,336 - \$2,100

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	\$ 612,500
	Total	\$ 612,500
	Discounted at 2%	\$ 612,500

### Benefit: Projected Community Benefit\*

BENEFITS	Region	Recipient	Revenue Type	\$ Amount**
	Erie County	Individuals	Payroll Construction	\$19,485,354
			Payroll Permanent	\$8,160,658
		Public	Property Taxes	\$0
			Sales Taxes	\$229,807
			Other - NFTA	\$0
	New York State	Public	Income Taxes	\$1,244,071
			Sales Taxes	\$193,522
			Total Benefits to EC + NYS***	\$29,313,412
			Discounted at 2%	\$28,895,873

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

Discounted Cost           \$ 612,500  
 Discounted Benefit       \$28,895,873  
 Ratio                        1:47

**Conclusion:** The Cost Benefit for this project is: 1:47. For every \$1 in costs (incentives), this project provides \$47 in benefits (payroll & tax revenue). **Note: For Erie County, every \$1 in costs (incentives) provides \$83 in benefits to the community.**

### New Tax Revenue Estimated – City of Buffalo 485 A Program

Current Yearly Taxes	Estimated New Assessed Value	Additional County Revenue over abatement period	Additional Local Revenue Over abatement period	New Yearly Taxes Upon Expiration of Abatement Period
\$10,266	\$18,298,000	\$1,104,088	\$767,583	\$424,471
Combined Tax Rate: \$ 23.198				

### Retail Determination

Project Use	Sq Ft	Cost (infrastructure, renovation + addition)	% Project Cost
Retail / Commercial	44,000	4,042,800	18%
Other: residential housing + building amenities	72,000	18,417,200	82%
	116,000	22,460,000	

The retail component of the project is less than 30% of the project costs 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 = \$32,067,800 85% = \$27,257,630
Employment	Coincides with recapture period	Projected = 55 FTE Create 85% of Projected = 46 FTE Recapture Employment = 46 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 state and local sales taxes

Recapture applies to:

State and Local Sales Taxes

### Recapture

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

At completion of the project company must certify i) total investment amount is equal to or greater than 85% of the anticipated project amount; \$27,257,630 ii) company has created 46 jobs (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

- 01/17/23: Public hearing held.
- 09/13/21: City of Buffalo Planning Board Unlisted – Uncoordinated NEG DEC SEQR Approval
- 01/25/23: Lease/Leaseback Inducement Resolution presented to the Board of Directors



**ADAPTIVE REUSE REPORT &  
EVALUATIVE CRITERIA**

**John Kam Malt House – 356 Hertel Ave, LLC**

<p>Age of Structure (must be at least 20 years old and present functional challenges to redevelopment)</p>	<p>The structure is 121 years old. Challenges to redevelopment include costs for bringing a large underutilized and undermaintained century old building into code compliance and remediating existing issues at the property while complying with historic preservation requirements. Asbestos containing materials have been found on the premises in existing roofing, flashing and flooring materials.</p>
<p>Structure has been vacant or underutilized for a minimum of 3 years (defined as a minimum of 50% of the rentable square footage of the structure being utilized for a use for which the structure was not designed or intended). Project promotes the elimination of slum and blight.</p>	<p>The structure has been underutilized for 40 years. Original uses included a malt house, a kiln house, water tempering, grain elevators, tanks and a warehouse. Subsequent uses = Black Rock Milling Corp, Park &amp; Pollard Co, Buffalo Insulation Distributors &amp; Multiglass Products Co. Xtreme Wheels Indoor Skate Park, small office, warehouse / storage space. Current use is primarily for storage space.</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>Insignificant income = \$2,000/ month is being generated at this 116,000 sq ft facility.</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>Project supports public investment to maximize the use of existing infrastructure, facilities, and encourages the preservation and adaptive reuse of a historic building.</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>Cash flow projects have been provided showing below average return on investment rates: 4.4% with ECIDA assistance, 3.8% without ECIDA assistance.</p>
<p>Demonstrated support of local government entities</p>	<p>The property has been identified as a valuable historic asset worth preserving as demonstrated by its addition to the National Register of Historic Places as well as</p>

## ADAPTIVE REUSE REPORT & EVALUATIVE CRITERIA

	inclusion on the NYS Register of Historic Places.
LEED/Renewable Resources	The site design was prepared in consideration of the Buffalo Green Code and limitations of the City of Buffalo combined sewer systems and will incorporate measures to mitigate storm water runoff, including permeable pavement throughout the site, as well as environmentally conscious design features including energy star equipment and geothermal heating systems.
Building or site has historic designation	The building is listed on the National Register of Historic Places as well as inclusion on the NYS Register of Historic Places.
Site or structure has delinquent property or other local taxes	N/A
MBE/WBE Utilization	General Contractor LeChase supports MBE/WBE through its' XBE Program and has retained MBE/WBE subcontractors (see attached).
Transit Oriented Development	Located along NFTA's #23 bus line. Property adjacent to Beltline and CSX railroad line.
<b>OTHER FACTORS TO CONSIDER:</b>	
Environmental/Safety Issues: Structure or site presents significant public safety hazard and or environmental remediation costs	Site has been abandoned for 40 years and would be considered a safety hazard.
Site or structure is located in a distressed census tract	Site is located in a distressed census tract #58.
Structure presents significant costs associated w/ building code compliance.	

DATE OF INDUCEMENT: 01/25/23

# ADAPTIVE REUSE REPORT & EVALUATIVE CRITERIA

## Return on Investment – John Kam Malt House – 356 Hertel Ave, 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

- Sales Tax Savings in the amount of \$ 612,500

### ROI

365 Hertel Ave, LLC has submitted a proforma documenting the expenses and revenues and ROI for the project.

Stated ROI for the project with ECIDA assistance is 4.4%

Stated ROI for the project without ECIDA assistance is 3.8%

# Erie County Industrial Development Agency

## MRB Cost Benefit Calculator

Date: December 13, 2022  
 Project Title: 356 Hertel Ave, LLC  
 Project Location: 356 Hertel Ave/42 Foundry, Buffalo, NY 14207

### Economic Impacts

Summary of Economic Impacts over the Life of the PILOT

**Project Total Investment**

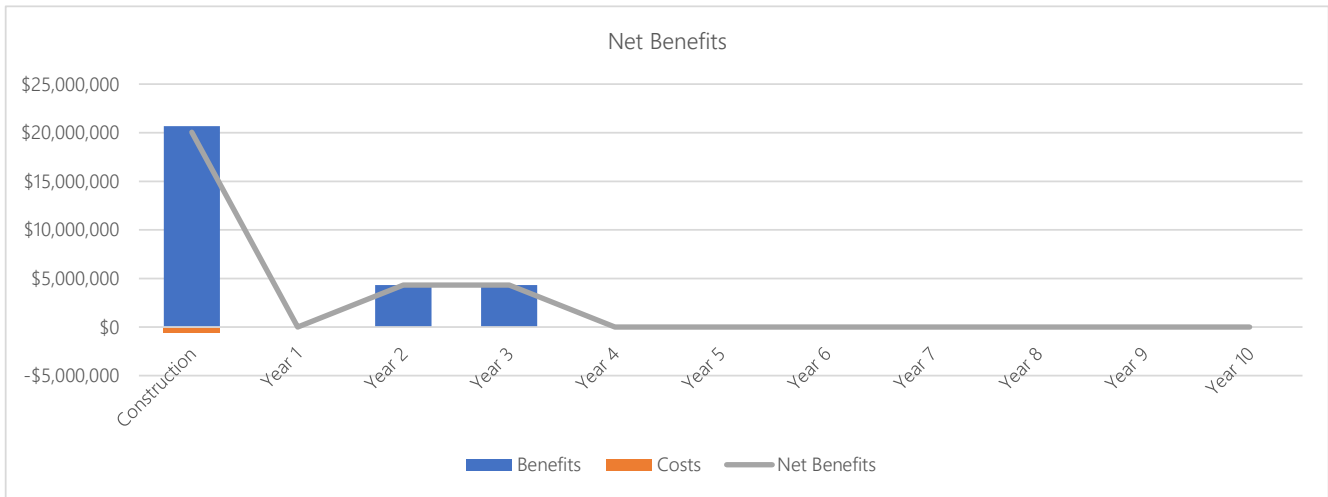
\$32,067,800

Temporary (Construction)			
	Direct	Indirect	Total
Jobs	212	120	332
Earnings	\$12,598,863	\$6,886,491	\$19,485,354
Local Spend	\$30,143,732	\$21,333,864	\$51,477,596

Ongoing (Operations)			
Aggregate over life of the PILOT			
	Direct	Indirect	Total
Jobs	42	30	72
Earnings	\$4,620,000	\$3,540,658	\$8,160,658

Figure 1



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

Figure 2

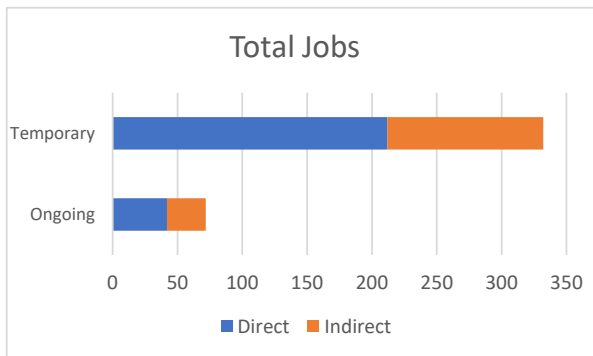
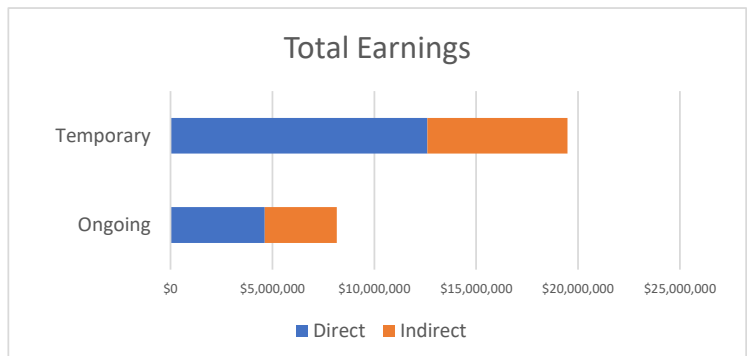


Figure 3



# Fiscal Impacts



Cost-Benefit Analysis Tool powered by MRB Group

## Estimated Costs of Exemptions

	Nominal Value	Discounted Value*
Property Tax Exemption	\$0	\$0
Sales Tax Exemption	\$612,500	\$612,500
Local Sales Tax Exemption	\$332,500	\$332,500
State Sales Tax Exemption	\$280,000	\$280,000
Mortgage Recording Tax Exemption	\$0	\$0
Local Mortgage Recording Tax Exemption	\$0	\$0
State Mortgage Recording Tax Exemption	\$0	\$0
<b>Total Costs</b>	<b>\$612,500</b>	<b>\$612,500</b>

## State and Local Benefits

	Nominal Value	Discounted Value*
<b>Local Benefits</b>	<b>\$27,875,819</b>	<b>\$27,478,758</b>
To Private Individuals	\$27,646,012	\$27,252,224
Temporary Payroll	\$19,485,354	\$19,485,354
Ongoing Payroll	\$8,160,658	\$7,766,870
Other Payments to Private Individuals	\$0	\$0
To the Public	\$229,807	\$226,534
Increase in Property Tax Revenue	\$0	\$0
Temporary Jobs - Sales Tax Revenue	\$161,972	\$161,972
Ongoing Jobs - Sales Tax Revenue	\$67,835	\$64,562
Other Local Municipal Revenue	\$0	\$0
<b>State Benefits</b>	<b>\$1,437,593</b>	<b>\$1,417,116</b>
To the Public	\$1,437,593	\$1,417,116
Temporary Income Tax Revenue	\$876,841	\$876,841
Ongoing Income Tax Revenue	\$367,230	\$349,509
Temporary Jobs - Sales Tax Revenue	\$136,397	\$136,397
Ongoing Jobs - Sales Tax Revenue	\$57,125	\$54,368
<b>Total Benefits to State &amp; Region</b>	<b>\$29,313,412</b>	<b>\$28,895,873</b>

## Benefit to Cost Ratio

	Benefit*	Cost*	Ratio
Local	\$27,478,758	\$332,500	83:1
State	\$1,417,116	\$280,000	5:1
<b>Grand Total</b>	<b>\$28,895,873</b>	<b>\$612,500</b>	<b>47:1</b>

\*Discounted at 2%

### Additional Comments from IDA

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

# MWBE/DBE UTILIZATION

## XBE PROGRAM

LeChase is fully committed to meeting DBE requirements. Our unique XBE Program aims to promote an inclusive vendor community and develop opportunities for small, socially or economically disadvantaged construction-related businesses. The “X” in LeChase’s XBE Program encompasses MBE, WBE, DBE and other forms of disadvantaged businesses as recognized by the government. A staunch supporter of diversity in the construction industry, LeChase encourages XBE participation on all of our projects—regardless of whether an agency requirement applies. Our XBE Program is overseen by a team of full-time professionals who are dedicated to our XBE efforts and who continually look for ways to identify qualified and capable XBE firms through outreach, training and mentoring activities.

Our commitment extends beyond meeting project goals and legal requirements. LeChase believes that promoting diversity and developing business opportunities to help XBE firms build their capacity for long-term success is part of our obligation as a leader in the construction industry. To that end, it is LeChase’s goal to:

- » Ensure nondiscrimination in the award and administration of our subcontracts
- » Administer a tailored program in accordance with applicable laws
- » Ensure that only firms meeting compliance standards are permitted to participate as XBEs
- » Assist in the development of firms that can compete successfully in the marketplace outside the XBE program by participating in formal mentorship programs

### Outreach

Our diversity outreach efforts allow us to make meaningful connections with existing and emerging XBE firms and deliver pertinent information about current and prospective subcontracting opportunities. Our team members work in tandem to create strategic outreach plans, including attending preconstruction

*“Promoting diversity and inclusion is an ongoing priority and through our everyday practices, we are committed to ensuring that equality of opportunity is integrated into everything we do. This is how we do business. This is part of The LeChase Way.”*

– William H. Goodrich, CEO

meetings, public solicitation, hosting and participating in outreach events, and assisting non-XBE subcontractors with securing lower-tier participation.

As a result of LeChase’s ongoing presence in the regional markets we serve, our depth of relationships with state agencies and community organizations that share and support our vision for diversity and inclusion continues to grow. Our professionals go above and beyond to proactively connect prime contractors with qualified XBE vendors and suppliers. This extra effort to continuously expand and improve LeChase’s diversity outreach has proven to be a true differentiator and our clients continue to praise our proactive efforts and approach.

### Achieving Goals & Good Faith Efforts

LeChase consistently achieves and often exceeds XBE participation goals - tracking participation rates and maintaining reports throughout the duration of a project. To accomplish our XBE participation goals, we utilize various solicitation methods, as well as our proprietary database, to ensure that we reach a broad and diverse group of existing and emerging XBE subcontractors.

Knowing that there are less certified DBE firms than other XBE certification areas is important to developing a tailor-made outreach program for DBEs. LeChase is planning a DBE certification and outreach event to encourage XBEs to consider applying for DBE certification in 2019. LeChase will work with DBE stakeholders such as regional PTACs (Procurement Technical Assistance Centers) and SBDCs (Small Business Development Centers) to discuss and organize an event to promote DBE certification. LeChase recognizes the increase in projects that require DBE and feels that an event like this could only help the region and the State of New York in further promoting the DBE certification.

With all of the above in mind a program that will maximize participation for this project is paramount in our thinking. These initiatives include, but are not limited to:



- » Reviewing and identifying current and prospective bidding opportunities including right-sizing of contracts to maximize DBE participation for smaller firms. Breaking up areas, floors, sectors into smaller contracts where DBE participation can be achieved.
- » Advertising with various publications and organizations
- » Encouraging DBE participation at all subcontractor tiers
- » Requiring and reviewing bidders' contracting plans prior to making award recommendations
- » Directly soliciting DBE firms including a DBE outreach forum to happen in 2019 to increase statewide DBE certified firms
- » Developing a project-specific DBE participation plan that is submitted for approval
- » Targeting outreach and attendance at agency pre-bid meetings by making pre-bid meetings mandatory and inviting DBEs who may provide lower-tier participation. It is important to make connections prior to the bid.
- » Including Monroe County every step of the way to ensure that DBEs meet the Owner and will be considered for any future opportunities that might exist even outside of this project.

### Verifying XBE Compliance

LeChase has developed a verification evaluation process consisting of document and field reviews and reporting and programmatic audits to ascertain whether a firm is in compliance with all rules and regulations, and actually operating as certified. Additionally, to ensure credit toward contract goals, LeChase uses the evaluation process to verify whether a contractor is performing a commercially useful function.



By monitoring the progress of the subcontractors' XBE contracting plans throughout construction, we can prepare reports stating whether the contractors are in compliance, and if not, what corrections are being made to bring them into compliance.

### Training

LeChase recognizes that training and educating our staff, and the third parties with whom we do business, is critical to achieving the XBE participation goals set forth in our contracts. Employee awareness of the LeChase XBE Program and the applicable laws, rules, regulations and agency requirements is a key element to our overall success. We also regularly share the following information through our bimonthly newsletter, the LeChase XBE Update:

- » Newly prequal-approved XBE firms
- » XBE-related webinars
- » Various XBE tools housed on the LeChase Intranet to support the
- » Good Faith Efforts of our project teams
- » Recent and upcoming LeChase XBE outreach events



THE ASSEMBLY  
STATE OF NEW YORK  
ALBANY

COMMITTEES  
Education  
Energy  
Local Governments  
Science & Technology  
Tourism, Parks, Arts & Sports Development

WILLIAM C. CONRAD, III  
Assemblymember 140<sup>th</sup> District  
Erie County, Niagara County

March 4, 2021

Michael Lynch, Director

New York State Board of Review

Office of Parks, Recreation and Historic Preservation

P.O. Box 189

Waterford, NY 12188

Dear Mr. Lynch:

I am writing in support of the John Kam Co. Malt House & Kiln House, and its addition to the National Register of Historic Places, an application for which is currently under your board's review.

Here in the Buffalo area, home to a once-bustling malt industry, just six malt houses remain. And one of them, the John Kam Co. Malt House & Kiln House on Hertel Avenue in my State Assembly District, is quite special. Built in 1901, it was designed by engineer John F. Dornfeld and was the first of its kind nationally to feature Dornfeld's patented pneumatic malt house and kiln house technologies, which were key innovations for the industry.

Dornfeld and Kam were both industry pioneers, really. They were inaugural members of the U.S. Malting Association, which met for the first time in 1897, right here in Buffalo.

One stumbling block to registry for the John Kam Co. Malt House & Kiln House has been the previous removal of the storage silos, once located to the rear of the building. I stand with our local advocates, who have pointed out that the silos were not designed by Dornfeld. Indeed, the treasured original features of the malt house and kiln house are Dornfeld's design and equipment, and those remain intact.

The John Kam Co. Malt House & Kiln House has towered over the Black Rock community for more than 100 years. It is not only an ode to Buffalo's history as a leader in the malting market, it is also a familiar and cherished neighborhood landmark and the tallest structure in the area. I believe it ought to be protected and preserved for generations to come.

I once again urge you to move for its inclusion on the National Register of Historic Places. Thank you for your time and consideration.

Sincerely,

New York State Assemblyman William C. Conrad III

140<sup>th</sup> District





## 356 Hertel Avenue, Buffalo NY

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>	John Kam Malt House Adaptive Re-Use
<b>Project Summary</b>	The project proposes to rehabilitate the John Kam Malt and Kiln House located in Buffalo's historic Black Rock neighborhood. The mixed-use redevelopment of an existing historic complex will consist of 82 apartments, a self-storage facility, and 14,000 square feet of retail service-oriented space. The design is sensitive to the historic fabric of the existing architecture. The redeveloped project will have such amenities an on-site dog park, dog wash, pedestrian gathering plaza, and permanent and visitor bike storage. The site design was prepared in consideration of the Buffalo Green Code (Unified Development Ordinance) and limitations of the City of Buffalo combined sewer systems and shall incorporate measures to mitigate storm water runoff, including permeable pavement throughout the site.
<b>Applicant Name</b>	356 Hertel Ave, LLC
<b>Applicant Address</b>	295 Main Street
<b>Applicant Address 2</b>	#700
<b>Applicant City</b>	Buffalo
<b>Applicant State</b>	New York
<b>Applicant Zip</b>	14203
<b>Phone</b>	(716) 870-4878
<b>Fax</b>	(716) 805-7191
<b>E-mail</b>	lofasofred@yahoo.com
<b>Website</b>	www.siennarealty.net
<b>NAICS Code</b>	2362

#### Business Organization

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

#### Individual Completing Application

<b>Name</b>	Ryan P. McCarthy, Esq.
<b>Title</b>	Attorney
<b>Address</b>	726 Main Street

**Address 2** Suite B  
**City** EAST AURORA  
**State** New York  
**Zip** 14052  
**Phone** (716) 427-6501  
**Fax** (716) 427-6501  
**E-Mail** rmccarthy@hsmlegal.com

Company Contact- Authorized Signer for Applicant

**Contact is same as individual completing application** No  
**Name** Fred Lofaso  
**Title** Member  
**Address** 66 LeBrun Circle  
**Address 2**  
**City** Amherst  
**State** New York  
**Zip** 14226  
**Phone** (716) 870-4878  
**Fax**  
**E-Mail** lofasofred@yahoo.com

Company Counsel

**Name of Attorney** Ryan P. McCarthy, Esq.  
**Firm Name** Hopkins Sorgi & McCarthy PLLC  
**Address** 726 Main Street  
**Address 2** Suite B  
**City** East Aurora  
**State** New York  
**Zip** 14052  
**Phone** (716) 445-9508  
**Fax** (716) 427-6501  
**E-Mail** rmccarthy@hsmlegal.com

Benefits Requested (select all that apply).

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

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

Applicant Business Description

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

The Applicant is a New York limited liability company owned by members Fred Lofaso (60%) and Angelo Tomasello (40%). Fred Lofaso is President of Sienna Realty, a real estate development and brokerage firm headquartered in Buffalo, New York. Mr. Lofaso an experienced commercial real estate developer with over 32 years of industry experience. Mr. Lofaso's experience includes site selection, assemblage, land use and development, historical adaptive reuse, historical tax credits, Brownfield site development, Brownfield tax credits, and retail real estate development. Mr. Lofaso has been an active participant in Buffalo's real estate renaissance for his whole career, having rehabilitated several other similar properties in the area. Angelo Tomasello joined Sovran/Life Storage in 1996 and served as an acquisition officer, overseeing over \$200 million in acquisitions prior to co-founding The Lock Group in July of 1998. For over twenty years, under Angelo's leadership, Locke has been active in sourcing acquisition opportunities for Life Storage and has represented buyers and sellers in over \$3.5 billion in transaction volume. It also served as a strategic advisor and valuation consultant on an additional \$1.5 billion in self storage acquisitions. Locke Group LLC will be the storage facility operator partner.

<b>Estimated % of sales within Erie County</b>	100 %
<b>Estimated % of sales outside Erie County but within New York State</b>	0 %
<b>Estimated % of sales outside New York State but within the U.S.</b>	0 %
<b>Estimated % of sales outside the U.S.</b>	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?**

85

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

LeChase Construction, Empire Demolition Services, Studio t3 Architecture, Pella Windows of WNY

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

### Project Location

**Address of Proposed Project Facility**

356 Hertel Avenue, 42 Foundry

**Town/City/Village of Project Site**

Buffalo

**School District of Project Site**

Buffalo

**Current Address (if different)****Current Town/City/Village of Project Site (if different)****SBL Number(s) for proposed Project**

77.74-4-22; 77.74-4-21

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

\$2,951.59

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

Land

\$ 22,000

Building(s)

\$ 565,000

If available include a copy of current tax receipt.

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

Yes

**If no please explain**

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

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

Yes

**If No, indicate name of present owner of the Project Site****Does Applicant or related entity have an option/contract to purchase the Project site?**

Yes

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

The project site consists of 2.99 acres which includes 356 Hertel Avenue and 42 Foundry Street. The existing building was constructed for the John Kam Malting Co., which occupied the site from 1901 until 1916. It housed various industrial and commercial uses through the 1980s. It has housed several small businesses in recent decades. The complex is currently underutilized and is mostly vacant or used for storage.

**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 John Kam Malt and Kiln House located in the Historic Black Rock section of Buffalo is proposed to be a mix use redevelopment of an existing historic complex. The new development will consist of 82 apartments totalling 72,00 square feet of residential space, a 30,000 square foot self-storage facility, and 14,000 square feet of retail service-oriented space. The 82 apartments consist of 42 one-bedroom units with rents ranging from \$882-\$1,505 per month, and 40 two-bedroom units with rents ranging from \$1,336-\$2,100 per month. More than 10% of the units will have rents at or below 80% AMI to provide affordable/workforce housing that is desperately needed in the area. A 3,000 sq ft exterior addition is planned primarily for access and an elevator. The project is also anticipated to house 42 jobs providing needed employment opportunities for the surrounding community. The overall design of the project will be sensitive to the historic fabric of the existing architecture. A new access elevator shall be attached to the exterior of the existing structure, along with new construction for the self storage portion of the project. The property is adjacent to the north spur of the Beltline and CSX railroad line. The redeveloped project will have such amenities an on-site dog park, dog wash, pedestrian gathering plaza, and permanent and visitor bike storage. The site design was prepared in consideration of the Buffalo Green Code (Unified Development Ordinance) and limitations of the City of Buffalo combined sewer systems and will incorporate measures to mitigate storm water runoff, including permeable pavement throughout the site, as well as environmentally conscious design features including energystar equipment and geothermal heating systems.

**Municipality or Municipalities of current operations**

Buffalo, NY

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

Yes

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

No

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

No

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

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

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)**

Financial assistance is necessary to make this historic reuse project economically feasible. Construcion costs have risen approximately 25% on this project over the past year creating economic difficulty.

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

Yes

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

If financial assistance is unavailable and the project becomes economically unfeasible the project will not be completed, and the property will remain underutilized and will not contribute to the economic revitalization of the neighborhood and area.

**Will project include leasing any equipment?**

No

If yes, please describe equipment and lease terms.

Site Characteristics

**Is your project located near public transportation?**

Yes

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

The project is located on Hertel, along the NFTA's #23 Fillmore-Hertel bus line. The property is also adjacent to the north spur of the Beltline and CSX railroad line.

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

Yes

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

**If No, list the ECIDA as an "Involved Agency" on the related EAF that will be submitted to the appropriate municipality and/or planning department for site plan approval. Also, please indicate in the box below when you anticipate receiving site plan approval for your project.**

11/30/-0001

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

Yes

**Describe the present zoning/land use**

The current zoning of the parcels under Buffalo's Unified Development Ordinance is D-IL Light Industrial. The current primary use is warehouse space.

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

The proposed project is allowed without need for rezoning through an Adaptive Reuse Permit from the City of Buffalo.

**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**

The property is undergoing environmental remediation to remove existing contamination through the Brownfield Cleanup Program.

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

Yes

If yes, please provide a copy.

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

Yes

If yes, please provide copies of the study.

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

Yes

**If yes, describe the efficiencies achieved**

The project is planned to include numerous energy efficiencies including on site stormwater retention, a closed loop geothermal heating system, and EnergyStar appliances and equipment throughout the project.

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

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

No

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

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

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

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

**Retail Sales** Yes **Services** Yes

Please check any and all end uses as identified below.

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

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

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

			<b>Cost</b>	<b>% of Total Cost</b>
<b>Manufacturing/Processing</b>	square feet	\$	0	0%
<b>Warehouse</b>	square feet	\$	0	0%
<b>Research &amp; Development</b>	square feet	\$	0	0%
<b>Commercial</b>	30,000 square feet	\$	1,796,800	8%
<b>Retail</b>	14,000 square feet	\$	2,246,000	10%
<b>Office</b>	square feet	\$	0	0%
<b>Specify Other</b>	72,000 square feet	\$	18,417,200	82%

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

No

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

<BLANK>

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

**Will project result in significant utility infrastructure cost or uses** No

What is the estimated project timetable (provide dates).

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

11/30/-0001

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

11/30/-0001

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

11/30/-0001

Capital Project Plan / Budget

**Estimated costs in connection with Project**

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

\$ 1,840,000

116,000 square feet

3 acres

**2.) New Building Construction**

\$ 0

square feet

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

\$ 1,100,000

3,000 square feet

**4.) Reconstruction/Renovation**

\$ 21,035,000

square feet

**5.) Manufacturing Equipment**

\$ 0

**6.) Infrastructure Work**

\$ 325,000

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

\$ 1,102,500

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

\$ 4,720,000

**9.) Other Cost**

\$ 1,945,300

**Explain Other** Environmental Remediation  
**Costs**

**Total Cost** \$ 32,067,800

Construction Cost Breakdown:

<b>Total Cost of Construction</b>	\$ 22,460,000 (sum of 2, 3, 4 and 6 in Project Information, above)
<b>Cost of materials</b>	\$ 11,230,000
<b>% sourced in Erie County</b>	95%

Sales and Use Tax:

<b>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</b>	\$ 7,000,000
---	--------------

<b>Estimated State and local Sales and Use Tax Benefit (product of 8.75% multiplied by the figure, above):</b>	\$ 612,500
--	------------

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



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

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

**If Yes, describe particulars:** Purchase of roofing materials and stone fill.

Sources of Funds for Project Costs:

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

**Bank Financing:** \$ 19,418,000

**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):** \$ 13,615,838

**Identify each state and federal grant/credit: (ie Historic Tax Credit, New Market Tax Credit, Brownfield, Cleanup Program, ESD, other public sources)** 8,062,707 Historic Tax Credits 5,553,131 Brownfield Tax Credits

**Total Sources of Funds for Project Costs:** \$33,033,838

**Have you secured financing for the project?** Yes

Mortgage Recording Tax Exemption Benefit:

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

**Mortgage Amount (include sum total of construction/permanent/bridge financing).** 0

**Lender Name, if Known**

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

Real Property Tax Benefit:

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

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

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

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

Yes

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

No

**Will project include leasing any equipment?**

No

If yes, please describe equipment and lease terms.

Employment Plan (Specific to the proposed project location)

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	42	42
<b>Part time</b>	0	0	0	0
<b>Total</b>	0	0	42	

Salary and Fringe Benefits for Jobs to be Retained and Created

<b>Category of Jobs to be Retained and/or Created</b>	<b># of Employees Retained and/or Created</b>	<b>Average Salary for Full Time</b>	<b>Average Fringe Benefits for Full Time</b>	<b>Average Salary for Part Time (if applicable)</b>	<b>Average Fringe Benefits for Part Time (if applicable)</b>
<b>Management</b>	7	\$ 60,000	\$ 15,000	\$ 0	\$ 0
<b>Professional</b>	4	\$ 70,000	\$ 17,500	\$ 0	\$ 0
<b>Administrative</b>	7	\$ 45,000	\$ 11,250	\$ 0	\$ 0
<b>Production</b>	4	\$ 45,000	\$ 11,250	\$ 0	\$ 0
<b>Independent Contractor</b>	0	\$ 0	\$ 0	\$ 0	\$ 0
<b>Other</b>	20	\$ 45,000	\$ 11,250	\$ 0	\$ 0

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

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

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

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

Payroll Information

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

2,308,500

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

0

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

0

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

55,000

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

0

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

<b>From (Full Time)</b>	45,000	<b>To (Full Time)</b>	75,000
<b>From (Part Time)</b>	0	<b>To (Part Time)</b>	0

### Section III: Environmental Questionnaire

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

#### General Background Information

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

356 Hertel Avenue and 42 Foundry Street, Buffalo NY 14207

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

Kam Cleanup LLC, 726 Main Street Suite B, East Aurora NY 14052

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

The property consists primarily of an existing warehouse and vacant land, located in a highly developed and aging residential, commercial and industrial area in the City of Buffalo. The premises contains no wetlands or bodies of water.

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

The building consists of a 120,000 square foot brick building constructed circa 1901 for the John Kam Malting Co. The property is currently underutilized and primarily used for storage space. The intended operations include 82 apartments, a self storage facility, 14,000 square feet of retail service-oriented space, a dog park with dog wash and pedestrian gathering plaza with bike storage.

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

When constructed for the John Kam Malting Co., the structure included a malt house, a kiln house, water tempering, grain elevators and tanks, and a warehouse. The structure was later used by the Black Rock Milling Corp. and Park & Pollard Co. for animal feed production into the 1950s. It was then used by Buffalo Insulation Distributors and Multiglass Products Co. for their operations from 1965 until the late 1980s. It has been underutilized over the past several decades, at various times housing Xtreme Wheels Indoor Skate Park, small office spaces and warehouse/storage space.

##### **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**

Following Phase II Environmental Investigation, environmental remediation was completed as described in the attached BCP Application.

##### **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?**

Yes

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

There are three prior NYSDEC spill incidents recorded at the property. Petroleum impacted soil was discovered in a limited investigation and remediated, NYSDEC Spill No. 0208304 was closed on January 29, 2003. Spill No. 0107011 involved approximately 50 five-gallon containers duded proximate to the railroad tracks and loading dock area. The spill was closed by NYSDEC on December 19, 2001. Spill No. 0175394, related to Spill 0107011, involved dumped materials by the loading dock area of the property. This spill was closed by the NYSDEC on April 25, 2002.

**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**

Petroleum-impacted soil was removed by Nature's Way under DEC Spill No. 0208304 in 2003.

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

None.

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

No

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

#### Discharge Into Waterbodies

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

None.

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

All wastewater will be returned to the City of Buffalo sewer system and the project has been designed to take into account the City system's limitations. Systems will be put in place to retain all stormwater runoff on site. There will be no septic tanks on site.

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

No

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

#### Air Pollution

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

Yes

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

Standard HVAC and appliances servicing the property, which will be high efficiency/EnergyStar, will be the only sources of air contamination.

**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**

A 4,000 gallon underground storage tank which had been installed in 1969 and filled in 1986 was identified in the Phase I Environmental and was later removed and 460 tons of affected soil excavated as identified in the attached documents.

**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**

Nature's Way removed the 4,000 gallon UST on December 2002 and excavated approximately 460 tons of impacted soil which was disposed of at Modern Landfill in Model City, New York. The spill was closed by NYSDEC on January 29, 2003.

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

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

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

Yes

**If yes, relate all the circumstances**

The Phase II Environmental identified subsurface soil samples from within the building footprint which contained PAHs and PCBs above method detection limits, but the concentrations did not exceed USCOS.

**Do the Premises have any asbestos containing materials?**

Yes

**If yes, please identify the materials**

Existing roofing, flashing and flooring materials.

## Section IV: Facility Type - Single or Multi Tenant

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

Multi-Tenant Facility

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

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

The demand for updated housing at a prices is high, particularly with current changes in the real estate market and interest rates facilitating a need for additional rental options for tenants. Making this project mixed use allows the project to provide needed services and job opportunities to the underserved surrounding community.

**Have any tenant leases been entered into for this project?**

No

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

<b>Tenant Name</b>	<b>Current Address (city, state, # of sq ft and % of total to be zip)</b>	<b>SIC or NAICS-also briefly describe type of business, products services, % of sales in Erie Co.</b>
--------------------	---	---

\*fill out table for each tenant and known future tenants

## Section VI: Retail Determination

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

Please answer the following:

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

Yes

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

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

18 %

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

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

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

<BLANK>

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

<BLANK>

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

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

<BLANK>

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

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

<BLANK>

**If yes, explain**

**Is the project located in a Highly Distressed Area?**

<BLANK>



## Section VII: Adaptive Reuse Projects

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

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

Yes

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

0

If underutilized, number of years underutilized.

40

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

Various small industrial and commercial uses, primarily vacant or used for storage.

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

\$2,000 per month

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	42	464- 1,019	\$882- \$1,505
2 Bedroom	40	731- 1,252	\$1,336- \$2,100
3 Bedroom	-	-	\$- \$
Other	-	-	\$- \$

Does the site have historical significance?

Yes

If yes, please indicate historical designation

The John Kam Company Malt House & Kiln House at 356 Hertel Avenue is listed on the National Register of Historic Places as of June 28, 2021.

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

Yes

If yes, provide estimated value of tax credits

\$8,062,707

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 structure presents significant costs associated with historic reuse, including bringing a large, underutilized and undermaintained century old building into code compliance and remediating existing issues at the property while complying with historic preservation requirements.

**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**

The property has been identified as a valuable historic asset worth preserving as demonstrated by its addition to the National Register of Historic Places as well as inclusion on the New York State Register of Historic Places. The City of Buffalo Planning Board has also demonstrated enthusiasm for the project which would provide needed investment in an economically disadvantaged area and has approved the site for Adaptive Reuse.

**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**

The structure presents significant costs associated with historic reuse, including bringing a large, underutilized and undermaintained century old building into code compliance and remediating existing issues at the property while complying with historic preservation requirements.

**Indicate census tract of project location**

5,600

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

The project will rehabilitate a large, underutilized and undermaintained historic property and become a new mixed-use residential hub in a neighborhood where investment and redevelopment are desperately needed to stimulate growth and opportunity for residents and the surrounding community.

**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

356 Hertel Avenue

### 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?**

<BLANK>

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

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

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

## **Section IX: Senior Housing**

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

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

No

**Commitment 2000, Inc / Father Sam's Bakery**  
**\$ 8,623,800**

**PRIVATE INVESTMENT INDUCEMENT RESOLUTION**

**ELIGIBILITY**

- NAICS Section – 311830

**COMPANY INCENTIVES**

- Approximately \$ 194,055 in real property tax savings
- Approximately \$ 207,410 in sales tax savings
- 3/4 of 1% of the final mortgage amount up to \$ 18,750

**JOBS & ANNUAL PAYROLL**

- Current Jobs: 74 FT, 2 PT (75 FTE)
- Annual Payroll: \$ 4,012,917
- Projected new jobs: 10 FT, 2 PT (11 FTE)
- Salary of retained jobs: \$47,342
- Est. salary/yr. of jobs created: \$42,645
- Total jobs after project completion: 86
- Construction Jobs: 38

**PROJECTED COMMUNITY BENEFITS\***

- Term: 7 YEARS
  - NET Community Benefits: \$38,711,979
  - Spillover Jobs: 38
- Total Payroll: \$36,458,323

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

Incentives: \$406,465

Community Benefit: \$36,169,315

Cost: Benefit Ratio

- 1:89

Project Title: Tortilla Line Expansion

Project Address: 105 Monsignor Valente Drive, Buffalo, NY 14206  
(Buffalo Central School District)

**Agency Request**

A sales tax, mortgage recording tax and real property tax abatement in connection with a 17,000 sq ft building addition to add a 3<sup>rd</sup> production line for this bakery manufacturer.

Building Addition	\$ 1,650,000
Infrastructure	\$ 484,000
Manufacturing Equipment	\$ 5,659,400
Non- Manufacturing Equipment	\$ 520,400
Soft Costs/Other	\$ 310,000
Total Project Cost	\$ 8,623,800
85%	\$ 7,330,230

**Company Description**

Father Sam's Bakery is a 3<sup>rd</sup> generation family-owned bakery manufacture having facilities in Buffalo, NY and Charlotte, NC. Father Sam's has been making flat breads (pita break and flour tortillas) for over 45 years – primarily manufacturing private label products for many regional and national customers including: Wegmans, Tops, Restaurant Depot and Mighty Taco. To date, over 90% ownership is held by William A. Sam.

**Project Description**

The project consists of a 16,975 sq ft building expansion at the company's HQ location at 105 Monsignor Valente Drive in the City of Buffalo. The addition, an American Steel Building will be primarily used for manufacturing (76%) with some warehousing (24%). The company will be installing one new fully automated pressed tortilla line that will increase the output of the Buffalo facility by 40%. A second phase of the project will be purchasing, installing and significant training associated with a new Enterprise Resource Planning (ERP) computer operating system. This new IT technology is imperative to properly function with the new equipment as well as a vast array of systems currently used between the 2 facilities (Buffalo & Charlotte). The 2 project phases will be run simultaneously, with the target project completion date of 1<sup>st</sup> Quarter of 2024. The expansion is deemed critical to remaining a competitive manufacturer in NYS and the East Coast where their products are sold.

\* Cost Benefit Analysis Tool powered by MRB Group

## Economic Impact: Inform Analytics Cost-Benefit Analysis

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

### Cost: Incentives

COSTS	Tax Exemption	Amount
	Property	194,055
	Sales	207,410
	Mortgage Recording	18,750
	Total	420,215
	Discounted at 2%	406,465

### Benefit: Projected Community Benefit\*

BENEFITS	Region	Recipient	Revenue Type	\$ Amount **
	Erie County	Individuals	Payroll Construction	\$5,533,960
			Payroll Permanent	\$30,924,363
		Public	Property Taxes	\$48,514
			Sales Taxes	\$303,060
			Other Muni Revenue (NFTA)	\$6,250
	New York State	Public	Income Taxes	\$1,640,624
			Sales Taxes	\$255,209
			Total Benefits to EC + NYS***	\$38,711,979
			Discounted at 2%	\$36,169,315

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

Discounted Cost           \$ 406,465  
Discounted Benefit       \$36,169,315  
Ratio                           1:89

**Conclusion:** The Cost Benefit for this project is: 89:1. For every \$1 in costs (incentives), this project provides \$89 in benefits (payroll & tax revenue). **Note: For Erie County, every \$1 in costs (incentives) provides \$115 in benefits to the community.**

### New Tax Revenue Estimated

Current Yearly Taxes	Estimated New Assessed Value	Additional County Revenue over abatement period	Additional Local Revenue Over abatement period	New Yearly Taxes Upon Expiration of Abatement Period
\$ 37,116	\$1,493,800	\$66,832	\$241,495	\$ 71,769
Combined Tax Rate: \$ 23.198				

## Draft Recapture Material Terms

Condition	Term	Recapture Provision
Total Investment	At project completion	Investment amount equal to or greater than 85% of project amount. Total project amount = \$8,623,800 85% = \$ 7,330,230
Employment	Coincides with 7-year PILOT	Maintain Base = 75 FTE Create 85% of Projected Projected = 11 FTE 85% = 9 FTE Recapture Employment = 84 FTE
Local Labor	Construction period	Adherence to policy including quarterly reporting
Pay Equity	Coincides with 7-year PILOT	Adherence to Policy
Unpaid Tax	Coincides with 7-year PILOT	Adherence to Policy
<u>Recapture Period</u>	Coincides with 7-year PILOT	Recapture of Real Property Tax, Mortgage recording tax, state and local sales taxes

### Recapture applies to:

State and Local Sales Taxes  
Real Property Tax  
Mortgage Recording Tax

### Recapture

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

At completion of the project company must certify i) total investment amount is equal to or greater than 85% of the anticipated project amount; ii) company has maintained 75 FTE jobs and created 9 FTE jobs, iii) confirm adherence to local labor policy during construction and iv) its adherence to unpaid tax/pay equity policies for recapture term.

### Project ECIDA History

- 01/17/23: Public hearing held.
- 1/25/23: Inducement Resolution presented to Board of Directors adopting a Negative Declaration in accordance with SEQRA
- 1/25/23: Lease/Leaseback Inducement Resolution presented to the Board of Directors

**EVALUATIVE CRITERIA  
MANUFACTURING/WAREHOUSE/DISTRIBUTION**

Project: Tortilla Line Expansion / Father Sam's Bakery – Commitment 2000

Wage Rate (above median wage for area)	Average salaries = Retained FT = \$47,342 To Be Created FT = \$42,625
Regional Wealth Creation (% sales/customers outside area)	70% of sales are outside NYS (2% in Canada). 5% of company sales are in Erie County, NY. The remaining 25% are outside EC, but in NYS.
In Region Purchases (% of overall purchases)	45% of company purchase are from companies within Erie County.
Research & Development Activities	N/A
Investment in Energy Efficiency	N/A
Locational Land Use Factors, Brownfields or Locally Designated Development Areas	Located in distressed census tract 106.01
LEED/Renewable Resources	N/A
Retention/Flight Risk	The company has a 2 <sup>nd</sup> location in Charlotte NC. Potential for expansion at that location.
MBE/WBE Utilization	See attached MBE/ WBE Utilization Form.
Workforce Access – Proximity to Public Transportation	Facility is serviced by metro bus line #1: William St

DATE OF INDUCEMENT: 1/25/23



**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-Commitment 2000 / Father Sam's Bakery**

Dollar Value of New Construction and Renovation Costs	Estimated New Assessed Value of Property Subject to IDA*	County Tax Rate/1000	Local Tax Rate (Town/City/Village)/1000	School Tax Rate/1000
2,134,000	\$1,493,800	5.028272	18.169375	0

\*Apply equalization rate to value

PILOT Year	% Payment	County PILOT Amount	Town PILOT Amount	Total PILOT	Full Tax Payment w/o PILOT	Net Exemption
1	0.05	\$8,421	\$30,428	\$38,849	\$71,769	\$32,920
2	0.1	\$8,796	\$31,785	\$40,581	\$71,769	\$31,187
3	0.15	\$9,172	\$33,142	\$42,314	\$71,769	\$29,455
4	0.2	\$9,547	\$34,499	\$44,047	\$71,769	\$27,722
5	0.25	\$9,923	\$35,856	\$45,779	\$71,769	\$25,989
6	0.3	\$10,299	\$37,213	\$47,512	\$71,769	\$24,257
7	0.35	\$10,674	\$38,570	\$49,245	\$71,769	\$22,524
<b>TOTAL</b>		\$66,832	\$241,495	\$308,327	\$502,382	\$194,055

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

**Percentage of Project Costs financed from Public Sector Table Worksheet:**

Total Project Cost	Estimated Value of PILOT	Estimated Value of Sales Tax Incentive	Estimated Value of Mortgage Tax Incentive	Total of Other Public Incentives (Tax Credits, Grants, ESD Incentives, etc.)
8,623,800	194,055	207,410	18,750	\$300,000 in grants + possible NYPA allocation

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

**Calculate % = Est. PILOT + Est. Sales Tax+ Est. Mortgage Tax+ Other)/Tot Project Costs: 8.35%**

# MBE/WBE Utilization



ECIDA encourages applicants to utilize MBE/WBE contractors for their projects. Here are links to the NYS and combined Erie County / City of Buffalo – certified MWBE contractors that can assist you with your utilization goals:

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

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

Describe your company's internal practices that promote MBE/WBE hiring and utilization:

Our company prides itself on being an equal opportunity employer. We are a third generation family-owned business. We hire a wide range of ethnic and diverse team members at Father Sam's. We are very proud of the fact that we have had a diverse group of team members since our inception. The location of our Buffalo Plant located in the Fillmore district enables us to offer significant employment to the diverse culture that lives in Buffalo.

After reviewing the Utilization programs offered by NY State and local Government, we will be sure to include these resources when sourcing contractors as well as vendors for our other services. There are several companies on the resource list that we already do business with in Western NY. We will be sure to discuss the programs with our Construction Manager on this particular project as well, to be sure that we are utilizing the opportunities provided by this program.

We will continue to support and encourage diverse practices in our family owned business.

# Erie County Industrial Development Agency

## MRB Cost Benefit Calculator

Date: December 15, 2022  
 Project Title: Commitment 2000, Inc. / Father Sam's Bakery  
 Project Location: 105 Monsignor Valente Drive, Buffalo, NY 14206



## Economic Impacts

Summary of Economic Impacts over the Life of the PILOT

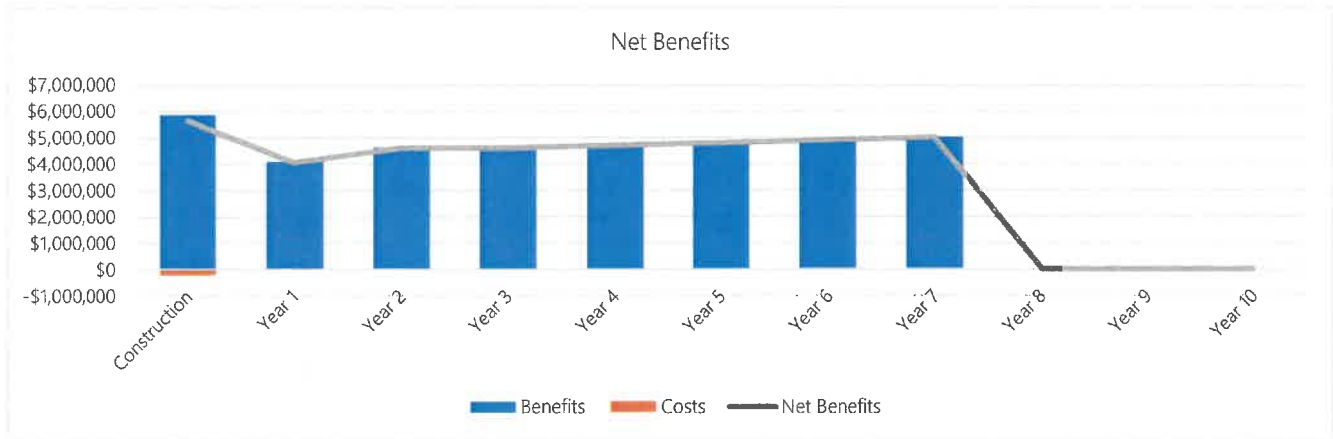
Project Total Investment  
 \$8,623,800

		Temporary (Construction)		
		Direct	Indirect	Total
Jobs		38	34	72
Earnings		\$3,566,258	\$1,967,701	\$5,533,960
Local Spend		\$8,623,800	\$6,105,618	\$14,729,418

		Ongoing (Operations)		
		Direct	Indirect	Total
Jobs		86	4	90
Earnings		\$28,489,309	\$2,435,054	\$30,924,363

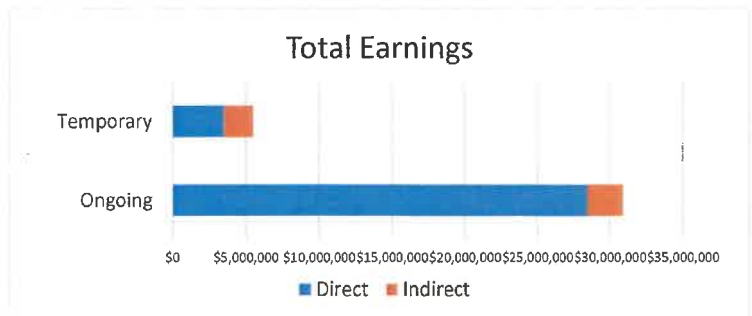
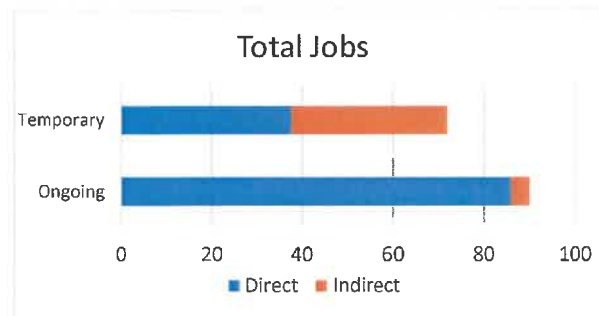
Figure 1



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

Figure 2

Figure 3



## Fiscal Impacts



Cost-Benefit Analysis Tool powered by MRB Group

### Estimated Costs of Exemptions

	Nominal Value	Discounted Value*
Property Tax Exemption	\$194,055	\$180,305
Sales Tax Exemption	\$207,410	\$207,410
Local Sales Tax Exemption	\$112,594	\$112,594
State Sales Tax Exemption	\$94,816	\$94,816
Mortgage Recording Tax Exemption	\$18,750	\$18,750
Local Mortgage Recording Tax Exemption	\$6,250	\$6,250
State Mortgage Recording Tax Exemption	\$12,500	\$12,500
<b>Total Costs</b>	<b>\$420,215</b>	<b>\$406,465</b>

### State and Local Benefits

	Nominal Value	Discounted Value*
<b>Local Benefits</b>	<b>\$36,816,146</b>	<b>\$34,397,951</b>
To Private Individuals	\$36,458,323	\$34,064,694
Temporary Payroll	\$5,533,960	\$5,533,960
Ongoing Payroll	\$30,924,363	\$28,530,735
Other Payments to Private Individuals	\$0	\$0
To the Public	\$357,824	\$333,257
Increase in Property Tax Revenue	\$48,514	\$43,966
Temporary Jobs - Sales Tax Revenue	\$46,001	\$46,001
Ongoing Jobs - Sales Tax Revenue	\$257,059	\$237,162
Other Local Municipal Revenue	\$6,250	\$6,127
<b>State Benefits</b>	<b>\$1,895,833</b>	<b>\$1,771,364</b>
To the Public	\$1,895,833	\$1,771,364
Temporary Income Tax Revenue	\$249,028	\$249,028
Ongoing Income Tax Revenue	\$1,391,596	\$1,283,883
Temporary Jobs - Sales Tax Revenue	\$38,738	\$38,738
Ongoing Jobs - Sales Tax Revenue	\$216,471	\$199,715
<b>Total Benefits to State &amp; Region</b>	<b>\$38,711,979</b>	<b>\$36,169,315</b>

### Benefit to Cost Ratio

	Benefit*	Cost*	Ratio
Local	\$34,397,951	\$299,149	115:1
State	\$1,771,364	\$107,316	17:1
<b>Grand Total</b>	<b>\$36,169,315</b>	<b>\$406,465</b>	<b>89:1</b>

\*Discounted at 2%

### Additional Comments from IDA

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



## Tortilla Line Expansion

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>	Building and Tortilla Line Expansion
<b>Project Summary</b>	We will be adding 16875 sq. foot to our existing building as well as purchasing a 3rd Tortilla Line for this facility.
<b>Applicant Name</b>	Commitment 2000, Inc.
<b>Applicant Address</b>	105 Monsignor Valente Drive
<b>Applicant Address 2</b>	
<b>Applicant City</b>	Buffalo
<b>Applicant State</b>	New York
<b>Applicant Zip</b>	14206
<b>Phone</b>	(716) 853-1071
<b>Fax</b>	(716) 853-1062
<b>E-mail</b>	adipasquale@fathersams.com
<b>Website</b>	
<b>NAICS Code</b>	311830

#### Business Organization

<b>Type of Business</b>	Corporation
<b>Year Established</b>	1977
<b>State in which Organization is established</b>	New York

#### Individual Completing Application

<b>Name</b>	Angela Dipasquale
<b>Title</b>	Executive Assistant
<b>Address</b>	105 Monsignor Valente Drive
<b>Address 2</b>	
<b>City</b>	Buffalo
<b>State</b>	New York
<b>Zip</b>	14206
<b>Phone</b>	(716) 853-1071

**Fax** (716) 853-1062  
**E-Mail** adipasquale@fathersams.com

Company Contact- Authorized Signer for Applicant

**Contact is same as individual completing application** No  
**Name** William A, Sam  
**Title** President  
**Address** 105 Monsignor Valente Drive  
**Address 2**  
**City** Buffalo  
**State** New York  
**Zip** 14206  
**Phone** (716) 853-1071  
**Fax** (716) 853-1062  
**E-Mail** wsam@fathersams.com

Company Counsel

**Name of Attorney** Timothy O'Mara  
**Firm Name** Law Office of Timothy M. O'Mara, Esq.  
**Address** 5820 Main Street, Suite 605  
**Address 2**  
**City** Williamsville  
**State** New York  
**Zip** 14221  
**Phone** (716) 633-5700  
**Fax**  
**E-Mail** tomara@tmolaw.com

Benefits Requested (select all that apply).

<b>Exemption from Sales Tax</b>	Yes
<b>Exemption from Mortgage Tax</b>	Yes
<b>Exemption from Real Property Tax</b>	Yes
<b>Tax Exempt Financing*</b>	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%.**

We are a third generation family owned bakery manufacturer. We currently have a manufacturing facility in Buffalo NY as well as one in Charlotte, NC. We employ 75 people at our Buffalo location and 45 currently in Charlotte. We have been making flat breads (pita bread and flour tortillas) for over 45 years. We primarily manufacture private label products for many regional and national customers. Some of our customers include Wegmans, Tops, Restaurant Depot, Mighty Taco, etc. We also service several national distributors. 7-11 is also a national customer of ours. To date the main ownership of the company is held by William A. Sam at 92%.

<b>Estimated % of sales within Erie County</b>	5 %
<b>Estimated % of sales outside Erie County but within New York State</b>	25 %
<b>Estimated % of sales outside New York State but within the U.S.</b>	68 %
<b>Estimated % of sales outside the U.S.</b>	2 %

(\*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?**

45

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

ADM Milling, Bake Mark, Mollenberg-Betz, Ingersoll Rand. We use purchase flour and ingredients from ADM and Bake Mark, our facilities are maintained with contracts from Mollenberg and Ingersoll.

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

### Project Location

**Address of Proposed Project Facility**

105 Monsignor Valente Drive

**Town/City/Village of Project Site**

Buffalo

**School District of Project Site**

Buffalo 140200

**Current Address (if different)**

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

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

112.14-1-8.31

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

31,500

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

Land

\$ 0

Building(s)

\$ 0

If available include a copy of current tax receipt.

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

Yes

**If no please explain**

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

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

Yes

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

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

Yes

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

We will be expanding the existing building on this site.

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



This project will include a building expansion of 16,875 sq. ft. It will be primarily manufacturing space. The building addition will be an American Steel Building and the address of the expansion is 105 Monsignor Valente Drive, Buffalo. We will be installing one new fully automated flour tortilla line as part of this phase 1 expansion. The new equipment, purchased from Lawrence Equipment, is a Mega 60 fully automated pressed tortilla line and will increase our companies output from our Buffalo location by 40%. For phase 2 of this expansion will be purchasing, installing, and requiring significant training for a new ERP computer operating system. We have never changed our operating system and the new IT technology is imperative to properly function with our new equipment as well as the vast array of systems we now use as a successful wholesale bakery with two locations, our second manufacturing facility is located in Charlotte, NC. and communication between the two facilities requires state of the art communication software. Phase 2 will be running simultaneously with phase 1. We will be adding twelve positions in our office and operations the first year of this expansion. We are expecting to begin the buildout late spring of 2023 and have the project fully operational by the first quarter of 2024. This expansion is critical to remain a competitive manufacturing company in New York State and the rest of the East Coast where we sell our products

**Municipality or Municipalities of current operations**

Buffalo, NY

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

Yes

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

No

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

No

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

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

Yes

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

We currently have a plant in Charlotte, NC that has the same general foot print as our facility in Buffalo, NY. We opened this facility in 2016 and have increased the size and foot print of the location every year sense that time. Our Buffalo facility is very well positioned for our future growth and is our preference for this expansion. We feel strongly that the support of our Economic Agencies in NY State will assure our continued expansion here.

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

Yes

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

Recharge NY, Empire State Development, National Grid Energy Management. We will receive reduced electricity rates, have applied for \$250,000 in electrical grant money as well as \$50,000.00 in training money for the implementation of our new operating systems. We are anticipating possible term loans thru ECIDA as well as property tax abatement, sales tax relief pertaining to the expansion of our building.

**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)**

Our current relationship is very strong with M&T Bank. They are very supportive of this project and will fund accordingly. We are reaching out to improve our opportunity to receive the National Grid Grant money as well as cost savings from sales tax, property tax abatements, funding up to \$2,000,000.00 based on certain criteria of the project thru ECIDA. we will be adding 12 jobs at our Buffalo site. In the manufacturing business every penny saved helps to maintain a competitive edge with our competitors.

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

Yes

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

If this project cannot happen in Buffalo, NY we will see diminished opportunities in Erie County, NY State and Canada as well as job loss. We would need to shift expansion to our Charlotte, NC plant which is currently not our preference. We have substantial growth opportunity for NY and Canada and would like the facility in Buffalo to support that growth.

**Will project include leasing any equipment?**

Yes

If yes, please describe equipment and lease terms.

We will be leasing to own a new 60 Mega tortilla processing line. The total cost of the equipment is \$5,659,400.00 and will be leased through a program with M&T Bank. This line produces Flour tortillas and is fully automated.

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 Bus / bus line # 1 William Street

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

No

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

**If No, list the ECIDA as an "Involved Agency" on the related EAF that will be submitted to the appropriate municipality and/or planning department for site plan approval. Also, please indicate in the box below when you anticipate receiving site plan approval for your project.**

12/31/2022

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

Yes

**Describe the present zoning/land use**

The current facility is in an Empire Zone and manufacturing use zone. We are already currently producing from this site and this is an add on expansion of our existing facility.

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

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

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

No

**If yes, please explain**

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

No

If yes, please provide a copy.

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

No

If yes, please provide copies of the study.

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

No

**If yes, describe the efficiencies achieved**

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



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

12/28/2023

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

1/1/2024

Capital Project Plan / Budget

**Estimated costs in connection with Project**

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

\$ 0 square feet acres

**2.) New Building Construction**

\$ 0 square feet

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

\$ 1,650,000 16,875 square feet

**4.) Reconstruction/Renovation**

\$ 0 square feet

**5.) Manufacturing Equipment**

\$ 5,659,400

**6.) Infrastructure Work**

\$ 484,000

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

\$ 520,400

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

\$ 85,000

**9.) Other Cost**

\$ 225,000

**Explain Other Costs** To include any additional earthwork, slab details, grading to subbase elevation, drainage details, underground utilities of which are yet to be designed at the time of the proposal. New enterprise resource planning (ERP) operating system.

**Total Cost** \$ 8,623,800

Construction Cost Breakdown:

<b>Total Cost of Construction</b>	\$ 2,134,000 (sum of 2, 3, 4 and 6 in Project Information, above)
<b>Cost of materials</b>	\$ 1,850,000
<b>% sourced in Erie County</b>	95%

Sales and Use Tax:

<b>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</b>	\$ 2,370,400
<b>Estimated State and local Sales and Use Tax Benefit (product of</b>	\$ 207,410

**8.75% multiplied by the figure, above):**

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

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

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

**If Yes, describe particulars:**

Sources of Funds for Project Costs:

<b>Equity (excluding equity that is attributed to grants/tax credits):</b>	\$ 900,000
<b>Bank Financing:</b>	\$ 7,760,000
<b>Tax Exempt Bond Issuance (if applicable):</b>	\$ 0
<b>Taxable Bond Issuance (if applicable):</b>	\$ 0
<b>Public Sources (Include sum total of all state and federal grants and tax credits):</b>	\$ 300,000
<b>Identify each state and federal grant/credit: (ie Historic Tax Credit, New Market Tax Credit, Brownfield, Cleanup Program, ESD, other public sources)</b>	0
<b>Total Sources of Funds for Project Costs:</b>	\$8,960,000
<b>Have you secured financing for the project?</b>	Yes

Mortgage Recording Tax Exemption Benefit:

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

<b>Mortgage Amount (include sum total of construction/permanent/bridge financing).</b>	2,500,000
<b>Lender Name, if Known</b>	
<b>Estimated Mortgage Recording Tax Exemption Benefit (product of mortgage amount as indicated above multiplied by 3/4 of 1%):</b>	\$18,750

Real Property Tax Benefit:

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

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?**

Yes

**Will project include leasing any equipment?**

Yes

If yes, please describe equipment and lease terms.

We will be leasing to own a new 60 Mega tortilla processing line. The total cost of the equipment is \$5,659,400.00 and will be leased through a program with M&T Bank. This line produces Flour tortillas and is fully automated.

Employment Plan (Specific to the proposed project location).

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

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	74	10	10
<b>Part time</b>	0	2	2	2
<b>Total</b>	0	76	12	

Salary and Fringe Benefits for Jobs to be Retained and Created

<b>Category of Jobs to be Retained and/or Created</b>	<b># of Employees Retained and/or Created</b>	<b>Average Salary for Full Time</b>	<b>Average Fringe Benefits for Full Time</b>	<b>Average Salary for Part Time (if applicable)</b>	<b>Average Fringe Benefits for Part Time (if applicable)</b>
<b>Management</b>	5	\$ 125,000	\$ 28,500	\$ 0	\$ 0
<b>Professional</b>	3	\$ 100,000	\$ 28,500	\$ 0	\$ 0
<b>Administrative</b>	9	\$ 58,000	\$ 15,000	\$ 0	\$ 0
<b>Production</b>	71	\$ 37,500	\$ 6,500	\$ 15,600	\$ 550
<b>Independent Contractor</b>	0	\$ 0	\$ 0	\$ 0	\$ 0
<b>Other</b>	0	\$ 0	\$ 0	\$ 0	\$ 0

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

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>	0	0	0
<b>Part time</b>	0	0	0
<b>Total</b>	0	0	0

Payroll Information

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

4,012,817

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

47,342

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

15,600

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

42,625

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

15,600

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

<b>From (Full Time)</b>	31,200	<b>To (Full Time)</b>	58,000
<b>From (Part Time)</b>	15,600	<b>To (Part Time)</b>	23,500

### 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**

105 Monsignor Valente Drive Buffalo , NY 14206

**Name and Address of Owner of Premises**

William Sam 9962 Clarksburg Road, Eden NY 14057

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

Industrial land

**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 land was purchased in 1995, we the built a 38500 sq. foot manufacturing building on site. We produce pita breads and tortillas at this site

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

N/A

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

No

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

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

No

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

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

No

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

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

No

**If yes, describe in full detail**

#### Solid And Hazardous Wastes And Hazardous Substances

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

No



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

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

No

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

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

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

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

No

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

### Discharge Into Waterbodies

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

N/A

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

N/A

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

No

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

### Air Pollution

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

Yes

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

We have multiple ovens that are exhausted

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

Yes

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

### Storage Tanks

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

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

No

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

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

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

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

No

**If yes, relate all the circumstances**

**Do the Premises have any asbestos containing materials?**

No

**If yes, please identify the materials**

## Section IV: Facility Type - Single or Multi Tenant

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

Single Use Facility

#### For Single Use Facility.

**Occupant Name** Commitment 2000 Inc. DBA Father Sam's Bakery  
**Address** 105 Monsignor Valente Drive  
**Contact Person** William Sam  
**Phone** (716) 853-1062  
**Fax** (716) 853-1062  
**E-Mail** wsam@fathersams.com  
**Federal ID #** 161480681  
**SIC/NAICS Code** 2051 / 311812

SS

## ■ Section VI: Retail Determination

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

Please answer the following:

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

No

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

## **Section VII: Adaptive Reuse Projects**

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

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

No

## Section VIII: Inter-Municipal Move Determination

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

### Current Address

105 Monsignor Valente Drive

### City/Town

Buffalo

### State

New York

### Zip Code

14206

**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