



# Policy Committee

June 1, 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 May 4, 2023 Policy Committee Meeting Minutes (Pages 2-5)
3. Project Matrix (Page 6)
4. Project Presentation (Staff – Company Q&A)
  - a) Rosina Food Products, Inc. (Pages 7-40)
  - b) Stark Real Estate Holdings (Pages 41-75)
  - c) Iskalo 101 Oak Street, LLC (Pages 76-113)
5. Adjournment - Next Meeting July 6, 2023 at 9:00 a.m.

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

**DATE AND PLACE:** May 4, 2023 at the Erie County Industrial Development Agency, 95 Perry Street, 4<sup>th</sup> Floor Conference Room, Buffalo, New York 14203

**PRESENT:** A.J. Baynes; Zachary Evans; Richard Lipsitz, Jr.; Dr. Susan McCartney; Brenda W. McDuffie; Hon. Glenn R. Nellis; Laura Smith, David J. State<sup>1</sup>; Lavon Stephens, Hon. John Tobia and Paul Vukelic

**EXCUSED:** Denise Abbott; Hon. April Baskin; Rev. Mark E. Blue and Hon. Bryon W. Brown

**OTHERS PRESENT:** John Cappellino, President and Chief Executive Officer; Beth O’Keefe, Vice President of Operations; Grant Lesswing, Director of Business Development; Andrew Federick, Property and Business Development Officer; Brian Krygier, Director of Information Technology; Carrie Hocienec, Operations Assistant; and Pietra G. Zaffram, General Counsel/Harris Beach PLLC

**GUESTS:** Josh Veronica on behalf of Buffalo Niagara Partnership; Alex Carducci on behalf of the City of Buffalo; and Byron DeLuke on behalf of TM Montante Development

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

Mr. Lipsitz welcomed new committee members A.J. Baynes from the Amherst Chamber of Commerce and Dr. Susan McCartney from Buffalo State.

**MINUTES**

The minutes of the April 13, 2023 Policy Committee meeting were presented. Upon motion made by Ms. McDuffie to approve of the minutes, and seconded by Ms. Smith, the aforementioned Policy Committee meeting minutes were unanimously approved.

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

**PROJECT MATRIX**

Mr. Cappellino reviewed the Agency’s Project Matrix and advised the Committee there were originally two projects to bring before the Committee but one has been removed from consideration. Iskalo 101 Oak LLC will be presented at a later date. Mr. Lipsitz directed that the report be received and filed.

**PROJECT PRESENTATION**

TM Montante LLC, 50 Gates Circle, Buffalo, New York 14209. Ms. O’Keefe presented this proposed sales tax and mortgage recording tax benefits project involving the adaptive reuse of a mostly vacant 11,200 sq. ft. building into a mixed use development. The new use of the building will result in 2,230 sq. ft. dedicated to therapist offices and the remaining 8,970 sq. ft. of space used for 12 residential apartment units.

Ms. O’Keefe confirmed that TM Montante LLC is seeking approximately \$108,500 in assistance including sales tax exemption and mortgage recording tax exemption. Total payroll is projected at \$200,000 for the direct and indirect jobs created including 14 construction jobs. The resulting cost benefit is 1:29 so for every \$1 of incentives the community benefit is \$29 in payroll & tax revenue. Erie County: for every \$1 of incentives the community benefit is \$54 in benefits to the community.

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

**Draft Recapture Material Terms**

Condition	Term	Recapture Provision
Total Investment	At project completion	Investment amount equal to or greater than 85% of project amount. Total Project Amount = \$3,465,838 85% = \$2,945,962
Employment	Coincides with recapture period	Maintain Base = 4 FTE
Local Labor	Construction Period	Adherence to policy including quarterly reporting
Pay Equity	Coincides with recapture period	Adherence to policy
Unpaid Tax	Coincides with recapture period	Adherence to policy
Recapture Period	2 years after project completion	Recapture of state and local sales taxes and mortgage recording tax

Mr. DeLuke, representing the company, gave a brief description of the project. Dr. McCartney queried as to whether there will be more MWBE utilization. In response, Mr. DeLuke advised this project is part of a series of projects at Gates Circle. The company has developed good relationships with neighborhood groups for outreach and relationships with MWBE firms. The company will start with its existing relationships but always looking to expand with county and state lists.

Ms. McDuffie queried if the company is aware there is an issue with workforce housing in this community, especially for single parents, noting the company is only designating one apartment for 80% AMI. She asked whether the company consider adding more lower AMI apartments or consider two-bedroom apartments.

Mr. DeLuke advised that it is a very small building, and the company can only provide a 4-unit layout. They did consider one of the units for a two-bedroom, but the bedrooms would be too small. He advised that one-bedrooms worked better. The company will look for additional two- and three-bedroom options as they continue to build out other nearby facilities including those at Lafayette and at Lancaster Square. With regard to affordability, Mr. DeLuke advised that the company looked at affordability metrics, and spoke with County representatives, who advised 4/12 units fall into average AMI and 1 unit will be dedicated @ 80% AMI. The company is hoping to move forward with another project across the street that is entirely affordable so there will be a good mix.

Mr. Evans observed that the units are rather small, noting the apartment designated at 80% AMI is only 490 sq. ft. Mr. Lipsitz advised that this is an important aspect of economic development in our county that we the Agency is paying attention to.

Ms. Smith queried regarding the SHIPO designation and asked whether the company believes local labor will be able to handle the work required. Mr. DeLuke advised that the project is a straightforward adaptive reuse project and should have no issues meeting local labor requirements. The company is hoping to get into construction this summer.

Ms. McDuffie noted that because it is a smaller project, it is a good opportunity for MWBE and minority participation.

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

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

Ms. McDuffie stated it may be time to go back to the Committee's ongoing discussion about workforce housing and affordability.

**MWBE UPDATE**

Mr. Lipsitz advised that this policy is completed and is going to be implemented. Mr. Lipsitz suggested the Committee should replace this agenda item with a new topic regarding affordable housing.

Mr. Evans stated he supports this idea for the next Policy Committee project.

Mr. Cappellino advised that affordable housing is not a formal component of the existing Adaptive Reuse Policy, but nonetheless the Agency has been historically successful working with applicants to address affordability.

Mr. Vukelic advised that any information from best practices would be helpful to guide discussion.

Mr. Tobia queried whether the Agency has information on occupancy of apartments at higher rates.

Mr. Lipsitz directed staff to prepare an outline for discussion at the July Policy Committee meeting.

There being no further business to discuss, Mr. Lipsitz adjourned the meeting at 9:46 a.m.

Dated: May 4, 2023

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

## Tax Incentives Approved - 2023

Approval Date	Project Name	Project City/Town	Private Investment/ Project Amount	Minimum Investment Commitment	FT Jobs Retained	PT Jobs Retained	FT Jobs to be Created	PT Jobs to be Created	Job Creation	Const Jobs	Spillover Jobs	Length of Term	Incentive Amount	Cost Benefit Ratio
Feb-23	356 Hertel Ave, LLC <sup>1</sup>	Buffalo	\$32,067,800	85% threshold \$27,257,630	0	0	42	0	85%-New 35 Jobs	212	150	project completion date + 2 yrs	\$612,500	1:47
Feb-23	Commitment 2000	Buffalo	\$8,623,800	85% threshold \$7,330,230	74	2	10	2	85%-New 35 Jobs	38	38	Period of PILOT 7 Years	\$420,215	1:89
Mar-23	Moog, Inc. Wood and Brooks Properties,	Elma Town of Tonawanda	\$76,750,800	85% threshold \$65,237,500	180	0	0	0	0	335	320	Period of PILOT 10 Years	\$2,900,920	1:97
Apr-23	LLC <sup>1</sup>		\$23,127,638	85% threshold \$19,658,492	0	0	1	2	85%-New 1 Jobs	161	92	project completion date + 2 yrs	\$1,164,447	1:14
May-23	TM Montante/50 Gates Circle <sup>1</sup>	Buffalo	\$3,465,838	85% threshold 2,945,962	4	0	0	0	\$0	14	14	project completion date + 2 yrs	\$108,500	1:29

**Totals:**                      **Totals:**

	Private Investment/ Project Amount	FT Jobs Retained	PT Jobs Retained	FT Jobs Created	PT Jobs Created	Const Jobs	Spillover Jobs	Incentive Amount
Adaptive Reuse Subtotal	\$58,661,276	4	0	43	2	387	256	\$1,885,447
2023 Total	\$144,035,876	258	2	53	4	760	614	\$5,206,582

<sup>1</sup> Adaptive Reuse

**Rosina Food Products Inc.**  
**\$ 16,000,000**  
**PRIVATE INVESTMENT INDUCEMENT RESOLUTION**

**ELIGIBILITY**

- NAICS Section – 311412

**COMPANY INCENTIVES**

- Approximately \$ 407,025 in real property tax savings
- Approximately \$ 437,500 in sales tax savings
- 3/4 of 1% of the final mortgage amount up to \$ 75,000

**JOBS & ANNUAL PAYROLL**

- Current Jobs: 274 FT, 2 PT
- Annual Payroll: \$ 14,114,000
- Projected new jobs: 15 FT
- Est. salary/yr. of jobs created: \$45,000
- Est. salary/yr. of jobs retained: \$47,000
- Total jobs after project completion: 289 FT, 2 PT
- Construction Jobs: 70

**PROJECTED COMMUNITY BENEFITS\***

- Term: 10 YEARS
- NET Community Benefits: \$360,618,573
- Spillover Jobs: 536
- Total Payroll: \$75 million

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

Incentives: \$879,305  
 Community Benefit: \$324,034,858  
 Cost: Benefit Ratio  
 • 1:369

Project Title: 75 Empire & 130 Empire Expansion

Project Address 75 Empire Drive & 130 Empire Drive, West Seneca, NY 14224  
 (West Seneca Central School District)

**Agency Request**

A sales tax, mortgage recording tax and real property tax abatement of 2 facilities; expanding one building by 12,000 sq ft to accommodate a new product line and renovating / reconfiguring some existing space and a second building to be renovated for use as additional office space.

Building Addition	\$ 7,000,000
Building Renovation	\$ 1,800,000
Infrastructure	\$ 500,000
Manufacturing Equipment	\$ 6,000,000
Non- Manufacturing Equipment	\$ 200,000
Soft Costs/Other	\$ 500,000
<b>Total Project Cost</b>	<b>\$ 16,000,000</b>
85%	\$ 13,600,000

**Company Description**

Rosina manufactures frozen foods including pre-cooked meatballs, sausages, filled pasta, eggplant, entrees and pizza toppings. Founded in 1963, Rosina originally manufactured sausage products sold locally from a single Buffalo store-front. By 1981, Rosina had launched its pre-cooked meatball line and was distributing products nationwide. The company has grown through its numerous acquisitions over the years – expanding its food production here in WNY. Rosina market its products to retail and food service industries and can be found in supermarkets, supercenters, cash & carry stores, military commissaries and restaurants throughout North America and 26 other countries internationally.

**Project Description**

The project will: (1) expand the pasta manufacturing plant at 75 Empire Drive by 12,000 sq ft to accommodate a new ravioli production line, to renovate / reconfigure existing office space to create more welfare areas for manufacturing associates, and (2) renovate a vacant building at 130 Empire Drive into an office building to accommodate pasta facility office associates displaced as a result of the expansion and improvements of the pasta manufacturing facility, consolidation of office space, and to allow for future growth of administrative staff.

\* 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	\$407,025
	Sales	\$437,500
	Mortgage Recording	\$75,000
	Total	\$919,525
	Discounted at 2%	\$879,305

### Benefit: Projected Community Benefit\*

BENEFITS	Region	Recipient	Revenue Type	\$ Amount **
	Erie County	Individuals	Payroll Construction	\$10,267,324
			Payroll Permanent	\$329,940,980
		Public	Property Taxes	(\$133,545)
			Sales Taxes	\$2,827,981
			Other Muni Revenue (NFTA)	\$25,000
	New York State	Public	Income Taxes	\$15,309,374
			Sales Taxes	\$2,381,458
	Total Benefits to EC + NYS***			\$360,618,573
	Discounted at 2%			\$324,034,858

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

Discounted Cost           \$879,305  
 Discounted Benefit       \$324,034,858  
 Ratio                         1:369

**Conclusion:** The Cost Benefit for this project is: 369:1. For every \$1 in costs (incentives), this project provides \$369 in benefits (payroll & tax revenue). **Note: For Erie County, every \$1 in costs (incentives) provides \$490 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	Additional School Revenue over abatement period	New Yearly Taxes Upon Expiration of Abatement Period
\$ 142,928	\$ 2.08 Mil	\$ 9,153	\$ 14,603	\$ 30,940	\$ 170,282
Combined Tax Rate: \$ 81.98					



**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 = \$16,000,000 85% = \$ 13,600,000
Employment	Coincides with 10-year PILOT	Maintain Base = 275 FTE Create 85% of Projected Projected = 15 FTE 85% = 12 FTE Recapture Employment = 287 FTE
Local Labor	Construction period	Adherence to policy including quarterly reporting
Pay Equity	Coincides with 10-year PILOT	Adherence to Policy
Unpaid Tax	Coincides with 10-year PILOT	Adherence to Policy
<u>Recapture Period</u>	Coincides with 10-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 275 FTE jobs and created 15 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**

- 5/24/23: Public hearing held.
- 6/28/23: Inducement Resolution presented to Board of Directors adopting a Negative Declaration in accordance with SEQRA
- 6/28/23: Lease/Leaseback Inducement Resolution presented to the Board of Directors

**Company History**

- 10/23/2019: 10 year PILOT - \$58 M investment, 105,000 sq ft expansion of its production facility (ACTIVE)
- 1981 – 2016: various bonds, tax incentives and business loans (3) in support of business growth (INACTIVE)

**EVALUATIVE CRITERIA**  
**AGRICULTURAL, FOOD PROCESSING**  
**Project: Rosina – 75 & 130 Empire Expansion**

Evaluative Criteria	Notes
Wage Rates (above median wage for area)	Average salaries: retained jobs = \$47,000 created jobs = \$36,000 - \$48,000
Regional Wealth Creation (% of sales/customers outside area)	99% of sales are outside Erie County, NY
In Region Purchases (% of purchases from local growers)	30% in region purchases including professional and other services.
Research & Development Activities	Percentage of operating expenses attributed to R&D activities: 5% related to R&D production test runs.
Investments in Energy Efficiency	Purchasing new machinery and equipment providing demonstrable energy efficiency benefits : energy efficient motors, lighting and HVAC.
Locational Land Use Factors, Proximity to Supporting Local Agricultural Production	N/A
LEED/Renewable Resources	N/A
Retention/Flight Risk	Without this expansion, Rosina would be forced to either open a new facility, purchase an existing pasta operation or outsource the additional capacity – an one of which could be located outside NYS.
MBE/WBE Utilization	See attached MWBE Utilization form
Workforce Access – Proximity to Public Transportation	NFTA bus line (#2) on Union Rd near Gardenville Parkway.

DATE OF INDUCEMENT: 6/28/23

**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-Rosina 75 & 130 Empire Expansion**

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
8,800,000	2,077,100	13.719485	21.888236	46.372566

\*Apply equalization rate (26%) to value

PILOT Year	% Payment	County PILOT Amount	Town PILOT Amount	School PILOT Amount	Total PILOT	Full Tax Payment w/o PILOT	Net Exemption
1	0.05	\$24,149	\$19,703	\$81,624	\$125,476	\$170,281	\$44,805
2	0.1	\$24,378	\$20,068	\$82,398	\$126,844	\$170,281	\$43,438
3	0.15	\$24,606	\$20,434	\$83,171	\$128,211	\$170,281	\$42,070
4	0.15	\$24,606	\$20,434	\$83,171	\$128,211	\$170,281	\$42,070
5	0.2	\$24,835	\$20,799	\$83,945	\$129,578	\$170,281	\$40,703
6	0.2	\$24,835	\$20,799	\$83,945	\$129,578	\$170,281	\$40,703
7	0.25	\$25,064	\$21,164	\$84,718	\$130,946	\$170,281	\$39,335
8	0.25	\$25,064	\$21,164	\$84,718	\$130,946	\$170,281	\$39,335
9	0.3	\$25,293	\$21,529	\$85,492	\$132,313	\$170,281	\$37,968
10	0.35	\$25,522	\$21,894	\$86,265	\$133,681	\$170,281	\$36,600
TOTAL		\$248,353	\$207,986	\$839,445	\$1,295,785	\$1,702,813	\$407,028

**\*\*\* 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.)
16,000,000	\$1,295,785	437,500	75,000	\$0

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

**Calculate % = Est. PILOT + Est. Sales Tax+ Est. Mortgage Tax+ Other)/Tot Project Costs: 11.3%**

# Erie County Industrial Development Agency

## MRB Cost Benefit Calculator



Date: May 18, 2023  
 Project Title: 75 Empire & 130 Empire Expansion - Rosina Food Products, Inc.  
 Project Location: 75 Empire Drive & 130 Empire Drive, West Seneca, NY 14224

### Economic Impacts

Summary of Economic Impacts over the Life of the PILOT

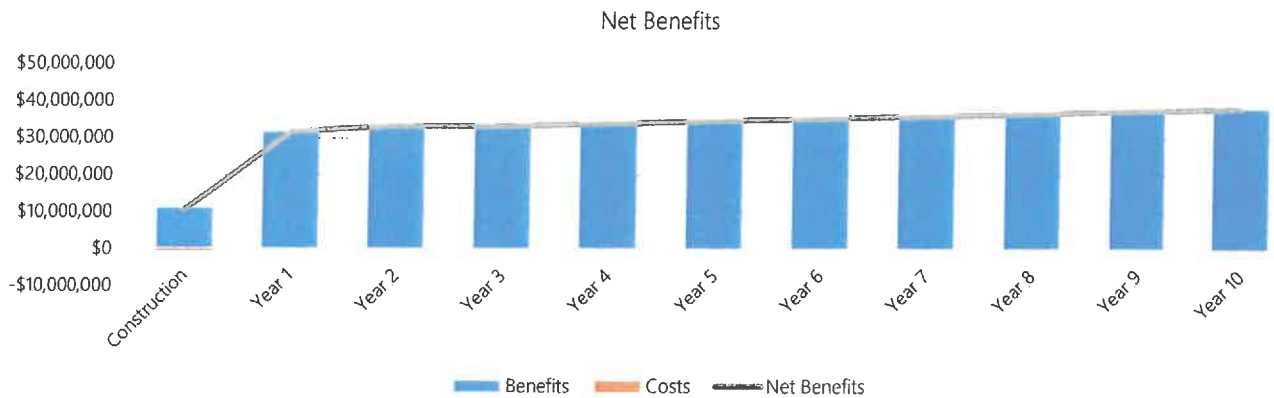
Project Total Investment  
 \$16,000,000

	Temporary (Construction)		
	Direct	Indirect	Total
Jobs	70	64	134
Earnings	\$6,616,588	\$3,650,736	\$10,267,324
Local Spend	\$16,000,000	\$11,327,941	\$27,327,941

	Ongoing (Operations)		
	Direct	Indirect	Total
Jobs	290	472	762
Earnings	\$143,253,379	\$186,687,601	\$329,940,980

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	\$407,025	\$366,805
Sales Tax Exemption	\$437,500	\$437,500
Local Sales Tax Exemption	\$237,500	\$237,500
State Sales Tax Exemption	\$200,000	\$200,000
Mortgage Recording Tax Exemption	\$75,000	\$75,000
Local Mortgage Recording Tax Exemption	\$25,000	\$25,000
State Mortgage Recording Tax Exemption	\$50,000	\$50,000
<b>Total Costs</b>	<b>\$919,525</b>	<b>\$879,305</b>

## State and Local Benefits

	Nominal Value	Discounted Value*
<b>Local Benefits</b>	<b>\$342,927,741</b>	<b>\$308,138,754</b>
To Private Individuals	<b>\$340,208,305</b>	<b>\$305,694,309</b>
Temporary Payroll	\$10,267,324	\$10,267,324
Ongoing Payroll	\$329,940,980	\$295,426,985
Other Payments to Private Individuals	\$0	\$0
To the Public	<b>\$2,719,436</b>	<b>\$2,444,444</b>
Increase in Property Tax Revenue	(\$133,545)	(\$121,149)
Temporary Jobs - Sales Tax Revenue	\$85,347	\$85,347
Ongoing Jobs - Sales Tax Revenue	\$2,742,634	\$2,455,737
Other Local Municipal Revenue	\$25,000	\$24,510
<b>State Benefits</b>	<b>\$17,690,832</b>	<b>\$15,896,104</b>
To the Public	<b>\$17,690,832</b>	<b>\$15,896,104</b>
Temporary Income Tax Revenue	\$462,030	\$462,030
Ongoing Income Tax Revenue	\$14,847,344	\$13,294,214
Temporary Jobs - Sales Tax Revenue	\$71,871	\$71,871
Ongoing Jobs - Sales Tax Revenue	\$2,309,587	\$2,067,989
<b>Total Benefits to State &amp; Region</b>	<b>\$360,618,573</b>	<b>\$324,034,858</b>

## Benefit to Cost Ratio

	Benefit*	Cost*	Ratio
Local	\$308,138,754	\$629,305	490:1
State	\$15,896,104	\$250,000	64:1
<b>Grand Total</b>	<b>\$324,034,858</b>	<b>\$879,305</b>	<b>369:1</b>

\*Discounted at 2%

## Additional Comments from IDA

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

# MBE/WBE Utilization



ECIDA encourages applicants to utilize MBE/WBE contractors for their projects. 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/eoo/mbe-wbe-resource-list>

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

Rosina is committed to promoting MBE/WBE hiring and utilization. In past capital projects, Rosina has sought out and solicited bids from MBE/WBE contractors and/or subcontractors. Most recently, Rosina constructed a new, state of the art protein manufacturing facility which opened in January 2022. Rosina worked with its construction manager, Empire State Development ("ESD") and ESD's Office of Contractor and Supplier Diversity to exceed all ESD MBE/WBE goals for the project. While specialty trades and contractors in the highly regulated food manufacturing business can be challenging to locate at times, Rosina has made a consistent effort to use MBE/WBE and local contractors whenever possible.

Rosina has also completed a Sedex 4-Pillar SMETA (Sedex Members Ethical Trade Audit Report) in 2023. This is the highest standard for business compliance with Ethical Trade initiatives, Universal Rights (UNGP), management systems and implementation, responsible recruitment, entitlement to work & immigration, sub-contracting, plus additional audits relating to Environmental compliance, Business Ethics and customer supplier codes.

Rosina will continue to promote the hiring of MBE/WBE wherever and whenever possible, consistent with its business mission and its commitments to its Associates, customers, vendors and stakeholders.

## TOWN OF WEST SENECA



Gary A. Dickson  
Supervisor's Office

TOWN SUPERVISOR  
Gary A. Dickson  
TOWN COUNCIL  
Joseph J. Cantafio  
Jeffrey A. Piekarec  
Susan K. Kims  
Robert J. Breidenstein

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May 24, 2023

Mr. John Cappellino  
Chief Executive Officer  
Erie County Industrial Development Agency  
95 Perry Street, Suite 403  
Buffalo NY 14203

Re: Rosina West Seneca Project

Dear Mr. Cappellino,

I support the application by Rosina for their Pasta Plant Expansion project located in West Seneca at 75 and 130 Empire Drive.

ECIDA supported Rosina's construction of a brand-new manufacturing facility on Clinton Street less than two years ago. This project has already been of great benefit to West Seneca. The current project is an expansion of that project and is proof that Rosina is in West Seneca to stay.

West Seneca will benefit greatly from this project. The added employment and increased property taxes will benefit the town for a long time. We feel that any subsidies will pay for themselves many times over and are a good investment.

If you have any questions, please do not hesitate to contact me at 716-558-3203 or [gdickson@twsnyc.org](mailto:gdickson@twsnyc.org).

Gary A. Dickson  
Town Supervisor  
Town of West Seneca

## PUBLIC HEARING SCRIPT

**Rosina Food Products, Inc. and/or  
Individual(s) or Affiliate(s),  
Subsidiary(ies), or Entity(ies) formed or  
to be formed on its behalf Project**

Public Hearing to be held on May 24, 2023 at 11:00 a.m. at the Town of West Seneca  
Community Center & Library, located at 1300 Union Road,  
West Seneca, New York 14224

### ATTENDANCE:

Randy Bernick – Rosina Food Products  
Mike Driscoll – Rosina Food Products  
Greg Setter – Rosina Food Products

### **1. WELCOME:** Call to Order and Identity of Hearing Officer.

*Hearing Officer:* Welcome. This public hearing is now open; it is 11:01 a.m. My name is Andrew Federick. I am the Property and Business Development Officer for the Erie County Industrial Development Agency, and I have been designated by the Agency to be the hearing officer to conduct this public hearing. This public hearing is being live-streamed and made accessible on the Agency's website at [www.ecidany.com](http://www.ecidany.com).

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

*Hearing Officer:* We are here to hold the public hearing on the Rosina Food Products, Inc. and/or Individual(s) or Affiliate(s), Subsidiary(ies), or Entity(ies) formed or to be formed on its behalf project. The transcript of this hearing will be reviewed and considered by the Agency in determination of this project. Notice of this hearing appeared in The Buffalo News on Thursday, May 11, 2023.

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

*Hearing Officer:* The proposed project (the "Project") consists of: (i) the acquisition by the Agency of a leasehold interest in certain property located on 75 Empire Drive and 130 Empire Drive, Town of West Seneca, Erie County, New York and all other lands in the Town of West Seneca where, by license or easement or other agreement, the Company or its designees are making improvements that benefit the Project (the "Land"), (ii) the expansion of the pasta manufacturing plant by approximately 12,000+/- square-feet to accommodate a second new automated ravioli production line and to



renovate/reconfigure existing office space to create more welfare areas for manufacturing associates as well as renovating approximately 15,000+/- square-feet of the 38,000+/- square foot vacant building for consolidation of office space and future growth of administrative staff (the “Improvements”), and (iii) the acquisition by the Company in and around the Improvements of certain items of machinery, equipment and other tangible personal property (the “Equipment”; and, together with the Land and the Improvements, the “Facility”). The Facility will be initially operated and/or managed by the Company.

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

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

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

If you have a written statement or comment to submit for the record, you may leave it at this public hearing, submit it on the Agency's website or deliver it to the Agency at 95 Perry Street, Suite 403, Buffalo, New York 14203. The comment period closes on June 27, 2023. There are no limitations on written statements or comments.

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

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

Greg Setter – Chief Operating Officer, Rosina Food Products located at 170 French Road, Cheektowaga, New York. Rosina Food Products Inc is exploring an expansion of its Pasta Plant at 75 Empire Dr., West Seneca to accommodate a new ravioli production line, and the renovation of a vacant building at 130 Empire Dr. which is directly across the street from 75 Empire into administrative offices. We're excited about this expansion, what it means to Rosina, our Associates, the Town of West Seneca and Western New York. In order to remain competitive and to continue our growth, we need to expand the Pasta manufacturing plant at 75 Empire Drive by approximately 12,000 square feet of manufacturing space. This will allow us to grow in two ways: (1) to accommodate a new ravioli production line, adding at least new 15 jobs; and (2) to renovate/reconfigure existing office space to create more welfare areas like a Cafeteria and Locker Rooms for the 239 new and existing associates who would work at 75 Empire. This expansion would house a second, state-of-the-art ravioli production line. This would in affect

double Rosina's annual ravioli capacity in Erie County, adding approximately 30 million pounds of ravioli per year. The expansion would require the hiring of a minimum of 15 new, permanent manufacturing associates and retain the 224 existing associates at 75 Empire. The project cost for the renovation and new construction of the 12,000 square foot pasta plant addition is \$8M plus \$6M for new ravioli processing equipment, for a grand total of \$14M. Our production at 75 Empire has reached maximum utilization. We have been forced to outsource pasta production to manufacturers currently located outside of NY State to meet our sales demand. Due to our pasta production constraint, we are also turning away large volume opportunities for additional sales. This project would bring that production to West Seneca.

If the expansion of 75 Empire moves forward, office associates at that location will be displaced as a result of the expansion. We do not currently have any place for those displaced associates. As a result, over the next 2 years, we plan to renovate the vacant former healthcare building at 130 Empire Drive into an office building. This would accommodate approximately 5- 10 associates from 75 Empire and an additional 42 - 47 associates from 170 French Rd, Cheektowaga. Renovating 130 Empire will keep associates and allow for future growth of administrative staff. The cost of the partial renovation at 130 Empire of approximately 15,000 square feet of the 38,000 total square feet is estimated at \$2M. This former medical office building has been vacant since February 2015. Rosina has always been committed to Western New York for over 60 years. We have purchased competitors and moved their manufacturing jobs to Buffalo. All our staff and our three manufacturing facilities are located here. Without this expansion, Rosina would be forced to either open a new facility, purchase an existing Pasta operation, or outsource the additional production. Any one of these options could be located outside of New York State. The proposed project is necessary to sustain expected growth, retain jobs in Western New York, create new manufacturing jobs and to maintain the required profitability to remain a viable business.

There are a number of factors why we are asking for this financial assistance. There are three key factors. First, Rosina is a privately held corporation with limited financial resources. This is especially the case at this time, as we recently completed construction and opening of a \$73M brand new state-of-the-art meatball manufacturing plant at 3100 Clinton St., West Seneca, in December 2021 only 18 months ago. Second, Rosina has limited capacity to take on more debt after the abovementioned building, especially in this time of economic uncertainty and rapidly rising inflation and interest rates. Finally, in our past 2 ECIDA projects our job growth commitment was 51 new jobs. We exceeded our job growth by 7 and we currently have over 650 Associates employed in WNY. Rosina has enjoyed and sincerely appreciates the relationship that we have built with the Town of West Seneca. The Town and its leadership are committed to job growth. We look forward to continuing to grow here. We have been a good neighbor and corporate citizen in West Seneca for over 20 years and over 50 years in neighboring Cheektowaga. We would sincerely appreciate any assistance from ECIDA on this project. Thank you!

**6. ADJOURNMENT:**

As there were no further statements and/or comments, the Hearing Officer closed the public hearing at 11:09 a.m.

**SIGN IN SHEET  
PUBLIC HEARING**

May 24, 2023 at 11:00 a.m. at the Town of West Seneca Community Center & Library,  
located at 1300 Union Road, West Seneca, New York 14224  
regarding:

**Rosina Food Products, Inc. and/or Individual(s) or Affiliate(s),  
Subsidiary(ies), or Entity(ies) formed or to be formed on its behalf**

Project Location: 75 Empire Drive and 130 Empire Drive, West Seneca, New York 14224

Name	Company and/or Address	X box to speak/ comment
Randy Bernick	Rosina Food Products 170 French Road Cheektowaga, New York 14227	
Mike Driscoll	Rosina Food Products 170 French Road Cheektowaga, New York 14227	
Greg Setter	Rosina Food Products 170 French Road Cheektowaga, New York 14227	X



## 75 Empire & 130 Empire 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>	Pasta Plant Expansion & Renovation of 130 Empire Drive
<b>Project Summary</b>	Rosina is exploring: (1) expanding its Pasta Plant at 75 Empire Dr., West Seneca, NY, to accommodate a new ravioli production line, in order to remain competitive and to continue its growth; and (2) renovating a vacant building at 130 Empire Dr. (across the street from 75 Empire) for displacement of Pasta plant support personnel as a result of the Pasta Plant expansion project, consolidation of office space, and to allow for future growth of administrative staff.
<b>Applicant Name</b>	Rosina Food Products, Inc.
<b>Applicant Address</b>	170 French Rd.
<b>Applicant Address 2</b>	
<b>Applicant City</b>	Buffalo
<b>Applicant State</b>	New York
<b>Applicant Zip</b>	14227-2717
<b>Phone</b>	(716) 608-8503
<b>Fax</b>	
<b>E-mail</b>	rbernick@rosina.com
<b>Website</b>	www.rosina.com
<b>NAICS Code</b>	311412/311612

#### Business Organization

##### **Type of Business**

Corporation

##### **Year Established**

1992

##### **State**

New York

##### **Indicate if your business is 51% or more (Check all boxes that apply)**

[No] Minority Owned

[No] Woman Owned

##### **Indicate Minority and/or Woman Owned Business Certification if applicable (Check all boxes that apply)**

[No] NYS Certified

[No] Erie Country Certified

Individual Completing Application

**Name** Randy Bernick  
**Title** VP- Finance & Administration  
**Address** 170 French Rd.  
**Address 2**  
**City** Buffalo  
**State** New York  
**Zip** 14227  
**Phone** (716) 608-8503  
**Fax**  
**E-Mail** rbernick@rosina.com

Company Contact- Authorized Signer for Applicant

**Contact is same as individual completing application** No  
**Name** Greg Setter  
**Title** Chief Operating Officer  
**Address** 170 French Rd.  
**Address 2**  
**City** Buffalo  
**State** New York  
**Zip** 14227  
**Phone** (716) 608-8524  
**Fax**  
**E-Mail** gsetter@rosina.com

Company Counsel

**Name of Attorney** Mike Driscoll  
**Firm Name** Rosina Food Products, Inc.  
**Address** 170 French Rd.  
**Address 2**  
**City** Buffalo  
**State** New York  
**Zip** 14227-2717  
**Phone** (716) 608-8627  
**Fax**  
**E-Mail** mdriscoll@rosina.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%.**

Rosina manufactures frozen foods including pre-cooked meatballs, sausages, filled pasta, eggplant, entrees, and pizza toppings. Rosina was founded in 1963, originally manufacturing sausage products, which were sold to neighborhood meat markets, supermarkets, and restaurants, from a single Buffalo store-front location. By 1981, Rosina had launched its pre-cooked meatball line and was distributing products nationwide. Between 2000 and 2010 the Company continued its growth by expanding into the frozen pasta business, including Italian entrées, filled pasta and eggplant products. In 2000, Rosina Holding, Inc.(the "Parent") and its affiliates acquired the assets of Celentano Brothers (Verona, NJ). In 2002, Rosina purchased the former Lender's Bagel, Inc. (West Seneca, NY) plant, made significant improvements to the facility and relocated it's entire pasta production line from New Jersey to Western New York. In 2006, Rosina purchased the frozen pasta brand names Gina Italian Village and Floresta (collectively known as Italian Village) from High Liner Foods (NH). In 2011, Rosina created an International Division in Cheektowaga, NY and also purchased and relocated the assets of San Rallo Pasta Company Division from Mitsui Foods, Inc. (Norwood, NJ), again moving all production to WNY. Additionally, Rosina outsourced its sauced entrees and eggplant products to accommodate the addition of a new \$4 million pasta manufacturing line, increasing capacity by 10 million pounds annually. In 2021, Rosina purchased the Mama Lucia brand as an additional meatball product line, relocating production to WNY. In January 2022, Rosina opened a brand new state-of-the-art meatball manufacturing facility in West Seneca. Rosina enjoyed rapid growth and increased demand in recent years which is requiring additional Pasta manufacturing capacity. Thus the decision to explore expanding our Pasta manufacturing facility in West Seneca, in order to maintain and expand market share and remain competitive. Rosina markets its products to retail and food service industries and can be found in supermarkets, supercenters, cash & carry stores, military commissaries, and restaurants throughout North America and 26 other countries internationally. Rosina's largest supermarket customers include Wegman's Food Markets, Inc. (Rochester, NY), Tops Holding Corporation (Buffalo, NY), ALDI Inc. (Batavia, IL), Publix Supermarkets, Inc. (Lakeland, FL), national full service retailers, and major food distributors such as Performance Foodservice Group (Richmond, VA) and SYSCO (Houston, Tex). Some of its major competitors are Smithfield (Smithfield, VA), Rich Products (Buffalo, NY), Ajinomoto Foods Foods (Oakland, MS), Louisa Foods (St. Louis, MO), and Mama Rosie's (Charlestown, MA). Stockholders, members or partners: Russell A. Corigliano 50% Owner and Frank Corigliano 50% Owner

<b>Estimated % of sales within Erie County</b>	1 %
<b>Estimated % of sales outside Erie County but within New York State</b>	24 %
<b>Estimated % of sales outside New York State but within the U.S.</b>	70 %
<b>Estimated % of sales outside the U.S.</b>	5 %

(\*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?**

30

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

Packaging materials and supplies (Bison Bag, West Rock, Jamestown Container, Cascade), Utilities (National Fuel, NYSEG, Messer, NYPA, ECWA, ECSD); Temporary Employment Agencies (numerous), Health & Workers Compensation Insurance TPA's (Independent Health & NCAComp), Ricotta Cheese (Lactalis), Outside Legal Counsel (Barclay Damon), Outside CPA & Tax Services (CTBK), Contractor & Skilled Trade services (Mollenbeg Betz, Frey Electric, Lehigh Constructions, Grove Roofing, Tri R Refrigeration)

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

### Project Location

#### **Address of Proposed Project Facility**

75 Empire Drive & 130 Empire Drive

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

West Seneca

#### **School District of Project Site**

West Seneca

#### **Current Address (if different)**

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

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

124.15-2-8 and 124.15-2-5.1

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

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

Land

\$ 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?**

No

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

Two Brother Realty, LLC & 130 Empire LLC

#### **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.)**

Pre-cooked frozen filled pasta manufacturing plant and an existing former Medical building that has been effectively vacant for a decade.

**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)**

(1) To expand the Pasta manufacturing plant located at 75 Empire Drive by approximately 12,000 square feet of manufacturing space to accommodate a new ravioli production line, to renovate/reconfigure existing office space to create more welfare areas (i.e., Cafeteria and Locker Rooms) for manufacturing Associates. This expansion will house a second, new automated ravioli production line increasing annual capacity by 30 million pounds and requiring the hiring of a minimum of 15 additional permanent manufacturing Associates and retain 224 existing Associates (2) Additionally, to renovate a vacant building at 130 Empire Drive into an office building to accommodate approximately 5 - 10 Associates from 75 Empire and an additional 42- 47 Associates from 75 Industrial over the next 2 years. Pasta facility office Associates displaced as a result of the expansion and improvement of the Pasta manufacturing facility, consolidation of office space, and to allow for future growth of administrative staff. The the project cost for the renovation and new construction of the 12,000 square foot Pasta plant addition is \$8,000,000 plus \$6,000,000 for new ravioli processing equipment. The cost of the partial renovation at 130 Empire office building of approximately 15,000 square feet of the 38,000 total square feet is estimated at \$2,000,000. This former medical office has been vacant since February 2015.

**Municipality or Municipalities of current operations**

West Seneca & Erie County

**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**

Without this expansion, Rosina would be forced to either open a new facility, purchase an existing Pasta operation, or outsource the additional capacity, any one of which could be located outside of New York State. The proposed project is necessary to sustain expected growth, retain jobs, create new manufacturing jobs and to maintain required profitability to remain a viable business.

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

No

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

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

N/A

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

Rosina is a privately held corporation with limited financial resources, especially after recently completing constructing and opening of a \$73 million Protein frozen food manufacturing plant at 3100 Clinton St., West Seneca, a mere 15 months ago. Rosina is in need of ECIDA assistance to expand its Pasta frozen food manufacturing facility. This expansion will house a second, new automated ravioli production line increasing annual capacity by 30 million pounds and requiring the hiring of a minimum of 15 additional permanent manufacturing Associates. This expansion is needed to support further growth and to more efficiently produce ravioli items, freeing up capacity and eliminating the reliance on a out-of-NYS Tortellini co-packer while expanding Rosina's ability to produce and sell Tortellini manufactured in Buffalo. Rosina has limited capacity to take on more debt after the above mentioned building of a brand new state-of-the-art meatball manufacturing plant, especially, in a time of economic uncertainty and rapidly rising inflation and interest rates.

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

Yes

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



The impact would be not hire 15 new production Associates, we would continue to outsource ravioli production with our co-packers who are located outside of New York State and we would not make the \$16,000,000 in this local project. Although we are committed to Western New York, we may have to consider expanding outside of New York State to remain competitive with ravioli competitors.

**Will project include leasing any equipment?**

No

If yes, please describe equipment and lease terms.

Site Characteristics

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

Yes

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

Bus Line on Union Road near Gardenville Parkway

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

Yes

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

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

Rosina received a determination from the Town of West Seneca (OCE) on April 13, 2023, advising that this project does not require a SEQR. The proposed addition to 75 Empire Dr. is a Type II action that does not significantly impact the environment

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

Yes

**Describe the present zoning/land use**

Light manufacturing and office use

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

N/A

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

N/A

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

No

**If yes, please explain**

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

Yes

If yes, please provide a copy.

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

No

If yes, please provide copies of the study.

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

Yes

**If yes, describe the efficiencies achieved**

Energy efficient motors, lighting, and HVAC.



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

7/1/2023

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

10/1/2024

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

10/1/2024

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)**

\$ 7,000,000

12,000 square feet

**4.) Reconstruction/Renovation**

\$ 1,800,000

15,000 square feet

**5.) Manufacturing Equipment**

\$ 6,000,000

**6.) Infrastructure Work**

\$ 500,000

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

\$ 200,000

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

\$ 500,000

**9.) Other Cost**

\$ 0

**Explain Other  
Costs****Total Cost** \$ 16,000,000Construction Cost Breakdown:

<b>Total Cost of Construction</b>	\$ 9,300,000 (sum of 2, 3, 4 and 6 in Project Information, above)
<b>Cost of materials</b>	\$ 5,000,000
<b>% sourced in Erie County</b>	80%

Sales and Use Tax:

**Gross amount of costs for goods and services that are subject to State and local sales and use tax- said amount to benefit from the Agency's sales and use tax exemption benefit** \$ 5,200,000

**Estimated State and local Sales and Use Tax Benefit (product of 8.75% multiplied by the figure, above):** \$ 455,000

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

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

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

**If Yes, describe particulars:**

Sources of Funds for Project Costs:

**Equity (excluding equity that is attributed to grants/tax credits):** \$ 1,600,000

**Bank Financing:** \$ 14,400,000

**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):** \$ 0

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

**Total Sources of Funds for Project Costs:** \$16,000,000

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

Mortgage Recording Tax Exemption Benefit:

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

**Mortgage Amount (include sum total of construction/permanent/bridge financing).** 10,000,000

**Lender Name, if Known**

**Estimated Mortgage Recording Tax Exemption Benefit (product of mortgage amount as indicated above multiplied by 3/4 of 1%):** \$75,000

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?**

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>	274	274	15	15
<b>Part time</b>	2	2	0	0
<b>Total</b>	276	276	15	

Salary and Fringe Benefits for Jobs to be Retained and Created

<b>Job Categories</b>	<b># of Full Time Employees retained and created</b>	<b>Average Salary for Full Time</b>	<b>Average Fringe Benefits for Full Time</b>	<b># of Part Time Employees retained and created</b>	<b>Average Salary for Part Time</b>	<b>Average Fringe Benefits for Part Time</b>
<b>Management</b>	13	\$ 116,000	\$ 23,200	0	\$ 0	\$ 0
<b>Professional</b>	15	\$ 75,000	\$ 18,750	2	\$ 45,000	\$ 11,250
<b>Administrative</b>	22	\$ 43,000	\$ 12,900	0	\$ 0	\$ 0
<b>Production</b>	220	\$ 41,000	\$ 12,300	0	\$ 0	\$ 0
<b>Independent Contractor</b>	0	\$ 0	\$ 0	0	\$ 0	\$ 0
<b>Other</b>	19	\$ 75,000	\$ 18,750	0	\$ 0	\$ 0
<b>Total</b>	289			2		

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

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

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

<b>Address</b>	<b>3100 Clinton Street West Seneca, NY 14224</b>	<b>75 Industrial Road Cheektowaga, NY 14227</b>	<b>109 Industrial Parkway Cheektowaga, NY 14227</b>
<b>Full time</b>	155	152	38
<b>Part time</b>	0	1	0
<b>Total</b>	155	153	38

Payroll Information

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

14,114,000

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

47,000

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

45,000

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

41,000

**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>	36,000	<b>To (Full Time)</b>	48,000
<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**

75 Empire Drive, West Seneca, NY 14224 130 Empire Drive, West Seneca, NY 14224

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

Two Brothers Realty, LLC- 75 Empire Drive, West Seneca, NY 14224 130 Empire, LLC- 130 Empire Drive, West Seneca, NY 14224

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

75 Empire Dr. : A former Lender's Bakery facility, the Premises consists of approximately 3.7 acres of land located on the northern side of Empire Drive, west of Union Road. One approximately 80,000 square foot building is located on the property. The western portion of the property is undeveloped and wooded. The adjacent properties located to the north, northeast and south are primarily commercial in usage. The Premises is located in an office and light industrial park, with no wetlands, coastlines, rivers, streams or lakes located on the Premises. 130 Empire Dr.: a former medical office building that was occupied by Lifetime Health and Excellus. A portion of the building was built in the 1970s, with subsequent expansions, the most recent occurring in the 1990s.

##### **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**

A single steel clad, steel frame building utilizing a concrete slab on grade floor is located on the Premises. The structure has a fully adhered Ethylene Propylene Diene Terpolymer (EPDM) roofing system. The majority of the building interior is utilized for food production and frozen storage. The remainder of the building is comprised of various functional areas including processing lines, flour silos, mechanical rooms, offices and conference rooms, associate welfare areas, maintenance areas, etc.

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

75 Empire: Lenders Bakery, a food manufacturing facility which opened in 1978 and closed in May 2002. 130 Empire: health care facility / medical office building.

##### **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**

Rosina generates solid wastes including food scraps, recyclable materials and landfill waste, all of which are transported by Modern Disposal Service, Cascades Recovery and Natural Upcycling. A small amount of motor oil is used in manufacturing machinery and is changed as required, with all used motor oil safely removed, stored and transported by Safety Clean.

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

N/A

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

No

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

Discharge Into Waterbodies

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

75 Empire Drive, West Seneca, has an Authorization to Discharge Under the Erie County/Buffalo Pollutant Discharge Elimination System (Permit Number: 22-11-E1002; USEPA Category: 40 CFR 403) to discharge water into the sewer system, subject to the local limits set forth in the permit. Rosina is in full compliance for discharges at 73 Empire Drive.

**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**

Please see above and attached. All wastewater is discharged into the Erie County/Buffalo sewer system pursuant to an issued permit.

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

No

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

Air Pollution

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

No

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

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



No

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

Storage Tanks

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

Two 15,000 gallon storage tanks are located at 75 Empire Dr. The tanks are owned by Messer Group and are used to store non-hazardous nitrogen, which is used by Rosina in the individual quick freeze process employed at the facility. The nitrogen is a non-hazardous chemical used in the food manufacturing process that does not require a permit or registration.

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

No

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

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

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

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

No

**If yes, relate all the circumstances**

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

Yes

**If yes, please identify the materials**

Asbestos floor tiles and insulating material.

## 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** Rosina Food Products, Inc.  
**Address** 170 French Rd.  
**Contact Person** Rosina Food Products, Inc.  
**Phone** (716) 608-8503  
**Fax**  
**E-Mail** rbernick@rosian.com  
**Federal ID #** 16-0876738  
**SIC/NAICS Code** 311412/311612

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

City/Town

State

Zip Code

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

No

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

No

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

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

Within New York State

No

Within Erie County

No

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

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

No

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

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

N/A

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

No

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

N/A

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

N/A

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

N/A

## **Section IX: Senior Housing**

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

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

No

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

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

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

No



**Stark Tech**  
**\$ 16,250,000**  
**PRIVATE INVESTMENT INDUCEMENT RESOLUTION**

**ELIGIBILITY**

- NAICS Section – 221210

**COMPANY INCENTIVES**

- Approximately \$ 371,875 in sales tax savings
- 3/4 of 1% of the final mortgage amount up to \$ 82,500

**JOBS & ANNUAL PAYROLL**

- Current Jobs: 50 FT
- Annual Payroll: \$ 4,012,917
- Projected new jobs: 120 FT, 10 PT (125 FTE)
- Est. salary/yr. of jobs created: \$106,800 FT, \$50,000 PT
- Projected retained jobs: 50
- Est. salary/yr. of jobs retained: \$112,000
- Total jobs after project completion: 170 FT, 10 PT (175 FTE)
- Construction Jobs: 43

**PROJECTED COMMUNITY BENEFITS\***

- Term: 2 YEARS post project completion
- NET Community Benefits: \$ 435,347,476
- Spillover Jobs: 257
- Total Payroll: \$ 410.6 million

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

Incentives: \$ 454,375  
 Community Benefit: \$ 388,088,076  
 Cost: Benefit Ratio  
 • 1:854

Project Title: Stark Renewables Capacity Expansion

Project Address 91 Sawyer Ave, Tonawanda, NY 14150  
 (Kenton School District)

**Agency Request**

A sales tax and mortgage recording tax exemption in connection with the renovation of properties on Sawyer Ave in the Town of Tonawanda for manufacturing use.

Land & Building Acquisition	\$ 6,250,000
Reconstruction / Renovation	\$ 4,000,000
Manufacturing Equipment	\$ 3,900,000
Non- Manufacturing Equipment	\$ 750,000
Infrastructure	\$ 1,000,000
Soft Costs	\$ 100,000
<b>Total Project Cost</b>	<b>\$ 16,250,000</b>
 85%	 \$ 13,812,500

**Company Description**

Stark Tech is a single-source provider bringing expertise in engineering and optimization strategies, aligning technology and analytics to facilities management and service plans designed to meet customers' goals. Stark Tech specializes in creating customized facilities management solutions that align their customer's energy efficiency goals and sustainable strategies to the right management systems and equipment. Stark has 18 locations nationwide, with 10 locations in WNY. Stark Tech ownership consists of Timothy Geiger (70%), Randy Urschel (20%) and Dennis Donovan (10%).

**Project Description**

Stark Renewables designs and manufactures equipment for the Renewable Natural Gas (RNG) industry. Their equipment and systems process dirty methane from landfills, farms, food waste and waste water treatment facilities into clean gas while providing a dual environmental benefit: 1) capture and elimination of harmful methane in the atmosphere and 2) produce clean energy from a renewable resource. Stark seeks to meet the rapidly growing market demands for green tech renewable natural gas equipment and battery energy storage systems "BESS" by increasing their manufacturing capabilities.

Stark's current 30,000 sq ft facility has space, infrastructure and ceiling height restrictions limiting production and size capabilities. This project is a major renovation of an existing 125,000 sq ft facility that contains high bay ceilings and high-capacity cranes. This new production facility will allow Stark to build larger and more complex equipment at a much higher capacity rate to serve the growing RNG market demand.

\* Cost Benefit Analysis Tool powered by MRB Group

## Economic Impact: Inform Analytics Cost-Benefit Analysis

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

### Cost: Incentives

COSTS	Tax Exemption	Amount
	Property	0
	Sales	371,875
	Mortgage Recording	82,500
	Total	454,375
	Discounted at 2%	454,375

### Benefit: Projected Community Benefit\*

BENEFITS	Region	Recipient	Revenue Type	\$ Amount **
	Erie County	Individuals	Payroll Construction	6,256,651
			Payroll Permanent	404,301,535
		Public	Property Taxes	0
			Sales Taxes	3,412,765
			Other Muni Revenue (NFTA)	27,500
	New York State	Public	Income Taxes	18,475,118
			Sales Taxes	2,873,908
			Total Benefits to EC + NYS***	435,347,477
			Discounted at 2%	388,088,076

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

Discounted Cost	\$ 454,375
Discounted Benefit	\$ 388,088,076
Ratio	1:854

**Conclusion:** The Cost Benefit for this project is: 1:854. For every \$1 in costs (incentives), this project provides \$ 854 in benefits (payroll & tax revenue). **Note: For Erie County, every \$1 in costs (incentives) provides \$1,609 in benefits to the community.**

**Draft Recapture Material Terms**

Condition	Term	Recapture Provision
Total Investment	At project completion	Investment amount equal to or greater than 85% of project amount. Total project amount = \$16,250,000 85% = \$ 13,812,500
Employment	Coincides with Recapture Period	Maintain Base = 50 FTE Create 85% of Projected Projected = 120 FT, 10PT (125 FTE) 85% = 106 FTE Recapture Employment = 156 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 Real Property Tax, Mortgage recording tax, state and local sales taxes

Recapture applies to:

State and Local Sales Taxes  
Mortgage Recording Tax

**Recapture**

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

At completion of the project company must certify i) total investment amount is equal to or greater than 85% of the anticipated project amount; ii) company to maintain 50 FT jobs and created 106 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**

- 5/24/23: Public hearing held.
- 6/28/23: Inducement Resolution presented to Board of Directors adopting a Negative Declaration in accordance with SEQRA
- 6/28/23: Lease/Leaseback Inducement Resolution presented to the Board of Directors

**EVALUATIVE CRITERIA  
MANUFACTURING/WAREHOUSE/DISTRIBUTION**

**Project: Stark Incentives**

Wage Rate (above median wage for area)	Average salary for jobs retained = \$112,000 Average Salary for jobs to be created = \$106,800 (FT) and \$50,000 (PT)
Regional Wealth Creation (% sales/customers outside area)	95% of sales are outside Erie County
In Region Purchases (% of overall purchases)	40% of purchases for total annual supplies, raw materials & vendor services are purchased from firms within Erie County
Research & Development Activities	5% of the operating expenses will be attributed to R&D activities: the applicant will develop new technologies and equipment for the capture of methane gas at solid waste facilities and put those new technologies into place.
Investment in Energy Efficiency	The company is in the process of specifying and quoting new equipment. In all cases achieving max energy efficiency is part of the specifications and purchase decision criteria. The company will pursue use of electrification and battery storage & backup throughout the facility.
Locational Land Use Factors, Brownfields or Locally Designated Development Areas	N/A
LEED/Renewable Resources	LEED Certification – Standard
Retention/Flight Risk	Stark has locations in NY and elsewhere in the U.S.
MBE/WBE Utilization	See MWBE Utilization - Stark's intentions to utilize MWBEs as well as minority & women in their workforce & per hiring practices.
Workforce Access – Proximity to Public Transportation	Accessible via NFTA bus route #40 (.4 miles)

**DATE OF INDUCEMENT: 6/28/23**

**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- Stark Tech**

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
\$ 11,250,000	n/a	n/a	n/a	n/a

\*Apply equalization rate to value

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

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

Total Project Cost	Estimated Value of PILOT	Estimated Value of Sales Tax Incentive	Estimated Value of Mortgage Tax Incentive	Total of Other Public Incentives (ESD:Excelsior Tax Credits, US Dept of Energy: Advanced Energy Manufacturing and Recycling Grant Program, NYPA grant)
\$ 16,250,000	n/a	\$ 371,875	\$ 82,500	\$ 3,500,000*

\*Represents value of Excelsior Tax Credits over 10 yr period. Other incentives pending/ not yet awarded.

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

**Calculate % = (Est. PILOT + Est. Sales Tax+ Est. Mortgage Tax+ Other)/Tot Project Costs: 24.3%**

# Erie County Industrial Development Agency

## MRB Cost Benefit Calculator



Date: May 18, 2023  
 Project Title: Stark Renewables Capacity Expansion  
 Project Location: 91 Sawyer Ave., Tonawanda, NY 14150

### Economic Impacts

Summary of Economic Impacts over the Life of the PILOT

Project Total Investment  
 \$16,250,000

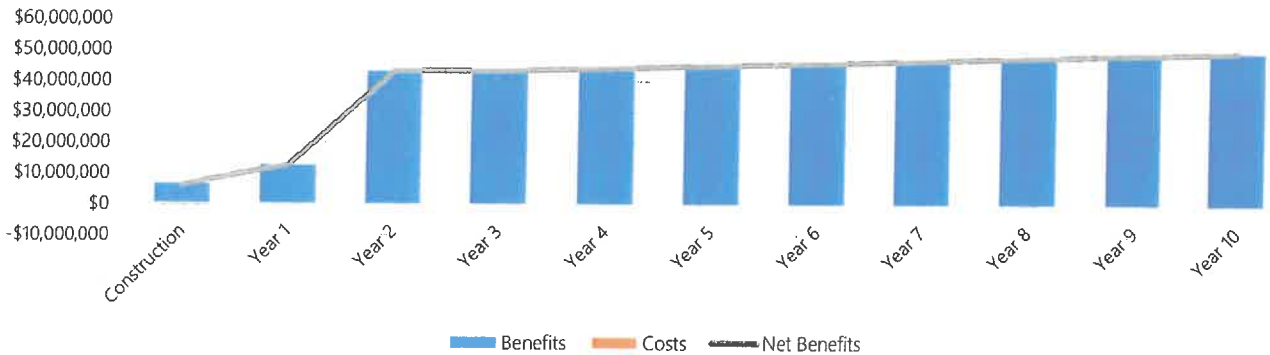
	Temporary (Construction)		
	Direct	Indirect	Total
Jobs	43	39	81
Earnings	\$4,031,984	\$2,224,667	\$6,256,651
Local Spend	\$9,750,000	\$6,902,964	\$16,652,964

	Ongoing (Operations)		
	Direct	Indirect	Total
Jobs	175	218	393
Earnings	\$187,197,263	\$217,104,271	\$404,301,535

Figure 1

Net Benefits



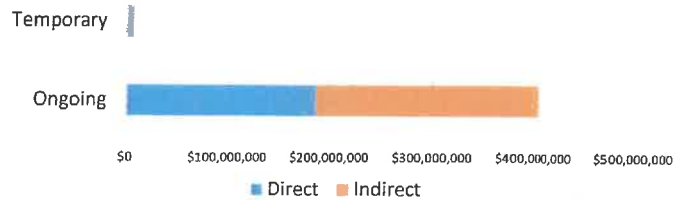
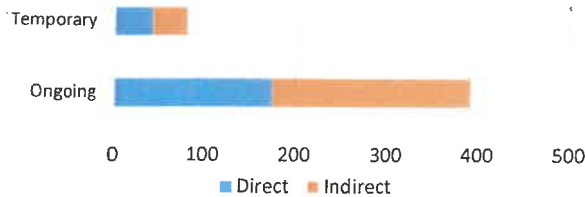
Net Benefits chart will always display construction through year 10, irrespective of the length of the PILOT.

Figure 2

Figure 3

Total Jobs

Total Earnings



# Fiscal Impacts

## Estimated Costs of Exemptions

	Nominal Value	Discounted Value*
Property Tax Exemption	\$0	\$0
Sales Tax Exemption	\$371,875	\$371,875
Local Sales Tax Exemption	\$201,875	\$201,875
State Sales Tax Exemption	\$170,000	\$170,000
Mortgage Recording Tax Exemption	\$82,500	\$82,500
Local Mortgage Recording Tax Exemption	\$27,500	\$27,500
State Mortgage Recording Tax Exemption	\$55,000	\$55,000
<b>Total Costs</b>	<b>\$454,375</b>	<b>\$454,375</b>

## State and Local Benefits

	Nominal Value	Discounted Value*
<b>Local Benefits</b>	<b>\$413,998,451</b>	<b>\$369,056,727</b>
To Private Individuals	<b>\$410,558,186</b>	<b>\$365,987,495</b>
Temporary Payroll	\$6,256,651	\$6,256,651
Ongoing Payroll	\$404,301,535	\$359,730,844
Other Payments to Private Individuals	\$0	\$0
To the Public	<b>\$3,440,265</b>	<b>\$3,069,232</b>
Increase in Property Tax Revenue	\$0	\$0
Temporary Jobs - Sales Tax Revenue	\$52,008	\$52,008
Ongoing Jobs - Sales Tax Revenue	\$3,360,757	\$2,990,263
Other Local Municipal Revenue	\$27,500	\$26,961
<b>State Benefits</b>	<b>\$21,349,026</b>	<b>\$19,031,350</b>
To the Public	<b>\$21,349,026</b>	<b>\$19,031,350</b>
Temporary Income Tax Revenue	\$281,549	\$281,549
Ongoing Income Tax Revenue	\$18,193,569	\$16,187,888
Temporary Jobs - Sales Tax Revenue	\$43,797	\$43,797
Ongoing Jobs - Sales Tax Revenue	\$2,830,111	\$2,518,116
<b>Total Benefits to State &amp; Region</b>	<b>\$435,347,476</b>	<b>\$388,088,076</b>

## Benefit to Cost Ratio

	Benefit*	Cost*	Ratio
Local	\$369,056,727	\$229,375	1609:1
State	\$19,031,350	\$225,000	85:1
<b>Grand Total</b>	<b>\$388,088,076</b>	<b>\$454,375</b>	<b>854:1</b>

\*Discounted at 2%

## Additional Comments from IDA

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

# MBE/WBE Utilization



ECIDA encourages applicants to utilize MBE/WBE contractors for their projects. 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/eo/mbe-wbe-resource-list>

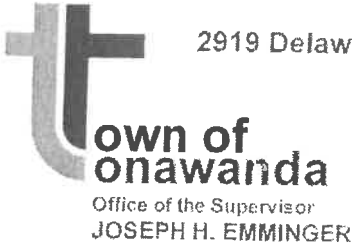
Describe your company’s internal practices that promote MBE/WBE hiring and utilization:

While Stark Tech does not currently have a specific MBE/MWE policy, we believe strongly in actively promoting a diverse workforce and supplier base. We have not yet started any construction or entered into any related contracts for the 91 Sawyer project. We will utilize the resources provided above to actively seek out MBE/MWE suppliers that have the capability to fulfill our requirements.

We actively promote diversity in our hiring and internal promotion practices. Our total US based workforce has the following percentages of women and minorities. We continue to strive to recruit women and minority candidates, particularly in technical roles.

Total US workforce:	734
% Women:	18%
% Minority:	12%





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

May 10, 2023

**VIA ELECTRONIC MAIL:**

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

RE: ECIDA Application  
Applicant: Stark Tech  
Property: 91 Sawyer Avenue, Town of Tonawanda, Erie County, New York

Dear Mr. Cappellino,

The Town of Tonawanda is in support of the application by Stark Tech to the Erie County Industrial Development Agency for the redevelopment of a 125,000 square foot facility located at 91 Sawyer Avenue in the Town of Tonawanda.

Stark Tech designs and manufactures equipment for the Renewable Natural Gas (RNG) industry. Their systems and equipment process dirty methane landfills, farms, food waste, and from wastewater treatment facilities into clean gas.

This “dirty” to “clean” equipment that Stark Teck designs and manufactures is especially welcome in that area of our Town given that the former Tonawanda Coke and NRG Huntley Coal Generating Power Plants were both located less than a half-mile away from the proposed site. This, along with adding 130 jobs and retaining 50 additional jobs will most definitely have a positive economic impact on our Town. In light of the importance of this Project, we strongly recommend the approval of the Erie County Industrial Development Agency Application submitted by Stark Tech.

Respectfully,

  
Joseph H. Emminger, Supervisor  
Town of Tonawanda

JHE/js

cc: Andrew Federick , Erie County Industrial Development Agency  
Robert Murray, Esq. Harris Beach LLP

“A GREAT PLACE TO LIVE, WORK AND PLAY”



## PUBLIC HEARING SCRIPT

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

Public Hearing to be held on May 24, 2023 at 9:00 a.m.  
at the Town of Tonawanda, Town Board Conference Room #20,  
located at 2919 Delaware Avenue, Kenmore, New York 14217

### ATTENDANCE:

Lisa Poloizzi, - Stark Tech  
Chris Ahlers – Stark Tech  
Keith Sernick – Stark Tech  
Jill Szpylman- Stark Tech  
Joseph Emminger – Town of Tonawanda

### **1. WELCOME:** Call to Order and Identity of Hearing Officer.

*Hearing Officer:* Welcome. This public hearing is now open; it is 9:10 a.m. My name is Andrew Federick. I am the Property and Business Development Officer for the Erie County Industrial Development Agency, and I have been designated by the Agency to be the hearing officer to conduct this public hearing. This public hearing is being live-streamed and made accessible on the Agency's website at [www.ecidany.com](http://www.ecidany.com).

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

*Hearing Officer:* We are here to hold the public hearing on the Stark Real Estate Holdings, LLC and/or Individual(s) or Affiliate(s), Subsidiary(ies), or Entity(ies) formed or to be formed on its behalf project. The transcript of this hearing will be reviewed and considered by the Agency in determination of this project. Notice of this hearing appeared in The Buffalo News on Thursday, May 11, 2023.

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

*Hearing Officer:* The proposed project (the "Project") consists of: (i) the acquisition by the Agency of a leasehold interest in certain property located on 91 Sawyer Avenue and 189 Sawyer Avenue, Town of Tonawanda, Erie County, New York and all other lands in the Town of Tonawanda where, by license or easement or other agreement, the Company or its designees are making improvements that benefit the Project (the "Land"), (ii) the purchase and renovation on the Land of an approximately 125,000 square-foot building with high bay ceilings and high capacity cranes to accommodate efficient handling of the Company's large skid systems for building larger and more complex equipment at a much higher

capacity rate (the “Improvements”), and (iii) the acquisition by the Company in and around the Improvements of certain items of machinery, equipment and other tangible personal property (the “Equipment”; and, together with the Land and the Improvements, the “Facility”), to be subleased to Stark Compression, LLC (the “Tenant”). The Facility will be initially operated and/or managed by the Company.

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

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

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

If you have a written statement or comment to submit for the record, you may leave it at this public hearing, submit it on the Agency’s website or deliver it to the Agency at 95 Perry Street, Suite 403, Buffalo, New York 14203. The comment period closes on June 27, 2023. There are no limitations on written statements or comments.

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

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

Chris Ahlers, Vice President of Operations. Stark Tech has been an energy solutions provider for over 30 years, beginning in the building controls and automation space to support commercial and industrial building owners in managing their energy consumption. Through acquisition and organic growth, Stark Tech has expanded its capabilities to support the reduction of carbon emissions through battery energy storage and renewable natural gas plants. Last year, Stark Tech acquired Glauber Equipment out of Lancaster, NY to support the design and manufacturing of equipment for the renewable natural gas industry. Our equipment and systems process dirty methane from landfills, farms, food waste, and wastewater treatment facilities and turn it into pipeline quality renewable natural gas which can be used the same as natural gas or for the generation of electricity. Methane is thirty times more potent than carbon dioxide so upgrading facilities to cut methane from the environment is critical to the decarbonization goals of New York State. Our systems provide a dual environmental benefit: #1 the capture and elimination of harmful methane in the atmosphere and #2 the production of clean energy from a renewable resource. The market for renewable natural gas is expected to see explosive growth of 30 – 40 times its current size over the next 5 years. We intend to use our many years of experience and knowledge to support this rapidly growing industry.

About our Sawyer Avenue project – Our Sawyer Avenue project involves a manufacturing capacity expansion of 4x our current facility size to meet rapidly growing market demands for green tech renewable natural gas equipment and battery energy storage systems. Our current facility in Lancaster has significant space and ceiling height restrictions which limits our capacity and ability to support this

rapidly growing industry. The new production facility in Tonawanda will afford us the opportunity to build larger and more complex equipment at a much higher capacity rate. We will be investing over 15 million dollars into the purchase and renovation of the existing 125,000 square foot building, and several other parcels on Sawyer Avenue in the Town of Tonawanda. The project includes 91, 93, 185 and 189 Sawyer Avenue. A sizeable portion of this investment will be required to make repairs and upgrades to an asbestos roof which has exceeded its useful life. We are proud and excited to add an additional 130 new jobs at this new facility to support our growth, maintain 50 existing jobs, and purchase an additional 25 to 50-million dollars in materials, parts, and services from local suppliers over the next several years. At our Sawyer facility we will be manufacturing equipment used to process landfill and biogas and convert it to renewable natural gas which can be supplied directly to the existing natural gas pipeline system. The renewable energy sector is constantly evolving, and manufacturing equipment for renewable energy requires cutting edge technology and innovation. By investing in research, development and manufacturing of renewable energy equipment, Stark Tech is contributing to the development of new technologies and solutions that can help address pressing environmental challenges. The ECIDA incentives for this project are critical to supporting our efforts and maintain our competitiveness. The proposed facility will be a boost to the local economy. The new jobs will provide employment opportunities for residents and stimulate economic growth in the area. Our primary manufacturing jobs will be coming from local pipefitters union UA-22. The salary range for our office jobs will be between 50 and 100-thousand dollars per year. Tonawanda is conveniently located near major transportation routes, making it an ideal location for businesses like ours looking to expand. Tonawanda is home to many thriving businesses, including many that have been in the area for generations. This is a testament to the town's supportive business climate and its commitment to helping businesses succeed. We appreciate that very much and look forward to a growing partnership with the town for years to come.

Hon. Joseph Emminger – Supervisor, Town of Tonawanda. You said it all, but I'll just elaborate on that a little bit. I am here on behalf of the entire town board to offer our 100% support for this project. The town has spent a lot of time, energy and money over the past 10-15 years repurposing that area in our town going from an old industrial base and trying to be a newer, greener technological space in that River Road/Sawyer Avenue corridor. Certainly, what Stark is proposing to do on Sawyer Avenue is inline with what the town wants to see take place over in that area. The increased job opportunities, the retaining of jobs obviously its all about jobs when you are talking about providing benefits like this that you are looking to get and you, I think, have met that threshold and are going to meet that threshold. Again, I just want to give my 100% support today and if there is anything that's needed in the future from the ECIDA or from Stark know that the town and I will make ourselves readily available.

**☒ 6. ADJOURNMENT:**

As there were no further statements and/or comments, the Hearing Officer closed the public hearing at 9:19 a.m.

**SIGN IN SHEET  
PUBLIC HEARING**

May 24, 2023 at 9:00 a.m.  
at the Town of Tonawanda, Town Board Conference Room #20,  
located at 2919 Delaware Avenue, Kenmore, New York 14217, regarding:

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

Project Location: 91 Sawyer Avenue and 189 Sawyer Avenue, Town of Tonawanda, Erie County, New York

<b>Name</b>	<b>Company and/or Address</b>	<b>X box to speak/ comment</b>
Lisa Poloizzi,	Stark Tech 91 Sawyer Avenue Tonawanda, New York 14150	
Keith Sernick	Stark Tech 91 Sawyer Avenue Tonawanda, New York 14150	
Chris Ahlers	Stark Tech 91 Sawyer Avenue Tonawanda, New York 14150	X
Jill Szpylman	Stark Tech 91 Sawyer Avenue Tonawanda, New York 14150	
Supervisor Joseph Emminger	Town of Tonawanda 2919 Delaware Avenue Kenmore, New York 14217	X



### Stark Incentives

[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>	Stark Renewables Capacity Expansion- 91 Sawyer
<b>Project Summary</b>	Stark Renewables designs and manufactures equipment for the Renewable Natural Gas (RNG) industry. Our equipment and systems process dirty methane from landfills, farm, food waste, and waste water treatment facilities into clean gas. This gas can be used to generate electricity, power vehicles, and be injected into the natural gas pipeline grid system. Our systems provide a dual environmental benefit: 1) capture and elimination of harmful methane in the atmosphere and 2) production of clean energy from a renewable resource. This project involves a manufacturing capacity expansion plan to meet rapidly growing market demands for green tech renewable natural gas equipment and battery energy storage systems "BESS." Our current facility has significant space and ceiling height restrictions which limit our capacity and size capability. This new skid production facility will afford us the opportunity to build larger and more complex equipment at a much higher capacity rate. We anticipate investing over \$15 million into the purchase and renovation of an existing building, along with additional capital equipment and infrastructure. A sizeable portion of this investment will be required to make repairs and upgrades to an asbestos roof which has exceeded its useful life. In addition to the investment, we expect to add 130 new jobs to support our growth, maintain 50 existing jobs, and purchase an additional \$25- \$50 million in materials, parts, and services from local suppliers. All of this will have a very substantial positive economic impact in the Town of Tonawanda.
<b>Applicant Name</b>	Stark Real Estate Holdings, LLC
<b>Applicant Address</b>	95 Stark Street
<b>Applicant Address 2</b>	
<b>Applicant City</b>	Tonawanda
<b>Applicant State</b>	New York
<b>Applicant Zip</b>	14150
<b>Phone</b>	(516) 655-0680
<b>Fax</b>	
<b>E-mail</b>	kds@stateadvisers.com
<b>Website</b>	www.starktech.com
<b>NAICS Code</b>	221210

#### Business Organization

**Type of Business**

Limited Liability Company

**Year Established**

2022

**State**

Delaware

**Indicate if your business is 51% or more (Check all boxes that apply)**

[No] Minority Owned

[No] Woman Owned

**Indicate Minority and/or Woman Owned Business Certification if applicable (Check all boxes that apply)**

[No] NYS Certified

[No] Erie Country Certified

Individual Completing Application

**Name** keith sernick  
**Title** Attorney  
**Address** 666 Old Country Road  
**Address 2** Suite 900  
**City** Garden City  
**State** New York  
**Zip** 11530  
**Phone** (516) 655-0680  
**Fax**  
**E-Mail** kds@stateadvisers.com

Company Contact- Authorized Signer for Applicant

**Contact is same as individual completing application** No  
**Name** Timothy Geiger  
**Title** CEO  
**Address** 95 Stark Street  
**Address 2**  
**City** Tonawanda  
**State** New York  
**Zip** 14150  
**Phone** (716) 445-4041  
**Fax**  
**E-Mail** geigert@starktech.com

Company Counsel

**Name of Attorney** Brian Lewandowski  
**Firm Name** Lewandowski and Associates  
**Address** 721 Center Road  
**Address 2**  
**City** West Seneca  
**State** New York

**Zip** 14224  
**Phone** (716) 674-4710  
**Fax**  
**E-Mail** blewandowski@lewandowskiandassoc.com

Benefits Requested (select all that apply).

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

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

Applicant Business Description

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

Stark Tech is a multi-faceted clean energy company, which is composed of the following commercial and industrial environments: Master Systems Integration, HVAC, boilers, and critical power, microgrids and solar. We are a full service provider of critical infrastructure, engineering clean-tech and mechanical equipment, project management and energy solutions. We monitor and manage utility spend and consumption across the country. This includes building automation, intelligence, high-quality products, and services to bring a focus to a building's health and wellness and energy efficiency with actions and insights that future proof each building's needs. We provide intelligent building solutions by bringing together capabilities. We have a total of 18 locations nation-wide, including the following locations in western New York: Buffalo 95 Stark Street, Tonawanda, 14150 4 Peuquet Parkway, Tonawanda, 14150 60 Lawrence Bell Drive, Buffalo, 14221 1600 Commerce Parkway, Lancaster, 14086 Jamestown 2663 3rd Avenue, Jamestown 14733 Allegany 80 N Fourth Street, Allegany 14706 Rochester 88 University Avenue, Rochester, 14605 300 Mile Crossing, Rochester, 14624 1 Grove Street, Pittsford, 14534 The project application is for renewable natural gas equipment production, which will be sold to entities for the conversion of methane gas at renewable gas feedstock sites including landfills, large farms, food waste generators, and waste water treatment plants across the state and country. This business and specifics of the project are further described below. The ownership is as follows: Timothy Geiger 70% Randy Urschel 20% Dennis Donovan 10% Stark Renewables designs and manufactures equipment for the Renewable Natural Gas (RNG) industry. Our equipment and systems process dirty methane from landfills, farm, food waste, and waste water treatment facilities into clean gas. This gas can be used to generate electricity, power vehicles, and be injected into the natural gas pipeline grid system. Our systems provide a dual environmental benefit: 1) capture and elimination of harmful methane in the atmosphere and 2) production of clean energy from a renewable resource. This project involves a manufacturing capacity expansion plan to meet rapidly growing market demands for green tech renewable natural gas equipment and battery energy storage systems "BESS." Our current facility has significant space and ceiling height restrictions which limit our capacity and size capability. This new skid production facility will afford us the opportunity to build larger and more complex equipment at a much higher capacity rate. We anticipate investing over \$15 million into the purchase and renovation of an existing building, along with additional capital equipment and infrastructure. A sizeable portion of this investment will be required to make repairs and upgrades to an asbestos roof which has exceeded its useful life. In addition to the investment, we expect to add 130 new jobs to support our growth, maintain 50 existing jobs, and purchase an additional \$25- \$50 million in materials, parts, and services from local suppliers. All of this will have a very substantial positive economic impact in the Town of Tonawanda.

**Estimated % of sales within Erie County** 5 %  
**Estimated % of sales outside Erie County but within New York State** 15 %  
**Estimated % of sales outside New York State but within the U.S.** 80 %  
**Estimated % of sales outside the U.S.** 0 %

(\*Percentage to equal 100%)

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



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

Steel plate, beams, and piping fabrication sand blasting paint sub-components- valves, instruments, insulation, welding suppliers and other consumables used in the assembly of skids and battery energy storage systems

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

### Project Location

**Address of Proposed Project Facility**

91, 93, 185, 189 Sawyer Avenue

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

Tonawanda

**School District of Project Site**

Kenmore

**Current Address (if different)**

1600 Commerce Parkway, Lancaster, NY 14086

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

Lancaster

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

(189) 65.09-6-7; (91) 65.13-1-4.1; (185) 65.13-1-5; (93) 65.13-1-4.2

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

\$1,984.64;\$62,283.22; \$7,935.96; \$67,018.35

**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.)**

Existing building currently vacant and formerly used for large industrial heat exchanger manufacturing by Alfa-Laval.

**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)**

Stark Renewables designs and manufactures equipment for the Renewable Natural Gas (RNG) industry. Our equipment and systems process dirty methane from landfills, farm, food waste, and waste water treatment facilities into clean gas. This gas can be used to generate electricity, power vehicles, and be injected into the natural gas pipeline grid system. Our systems provide a dual environmental benefit: 1) capture and elimination of harmful methane in the atmosphere and 2) production of clean energy from a renewable resource. This project involves a manufacturing capacity expansion plan to meet rapidly growing market demands for green tech renewable natural gas equipment and battery energy storage systems "BESS." Our current facility has significant space and ceiling height restrictions which limit our capacity and size capability. This new skid production facility will afford us the opportunity to build larger and more complex equipment at a much higher capacity rate. We anticipate investing over \$15 million into the purchase and renovation of an existing building, along with additional capital equipment and infrastructure. A sizeable portion of this investment will be required to make repairs and upgrades to an asbestos roof which has exceeded its useful life. In addition to the investment, we expect to add 130 new jobs to support our growth, maintain 50 existing jobs, and purchase an additional \$25- \$50 million in materials, parts, and services from local suppliers. All of this will have a very substantial positive economic impact in the Town of Tonawanda. Stark will move from a 30,000 sq. ft. facility with significant ceiling height and infrastructure limitations to a 125,000 sq. ft. building with high bay ceilings (30 ft. under crane hook) and high capacity cranes (up to 60 tons) to accommodate efficient handling of our large skid systems. We plan to sell the existing facility to another manufacturer which will help support additional manufacturing growth in Lancaster. We will purchase or lease the building and add infrastructure and equipment as follows: blast prep booth, paint booth, assembly equipment, pipe cutting equipment, welding equipment, skid pad fabrication equipment, new receiving and shipping area, test equipment for power controls, IT equipment, office furnishings, exterior lighting, signage, and new parking lot surface. Please note that in an unrelated project that is not requesting ECIDA support, we plan to vacate our 4 Pequet location which is owned and move all 43 employees from there to a new location at 2100 Wehrle Dr. We own and are renovating this facility to be our new headquarters building. There are currently no employees at the 2100 Wehrle location.

**Municipality or Municipalities of current operations**

Lancaster

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

No

**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?**

Yes

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

Yes

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

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

Yes

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

If assistance is not added, assembly can be done at a facility outside of NY state.

**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**

NYS ESD award of Excelsior Tax Credits have been granted

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

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

The assistance will enable Stark to rapidly scale capacity and improve operational efficiency to serve the growing RNG market demand. We are not able to do this in our current space. RNG is a key green energy market with a dual benefit of creating clean burning fuel from a renewable resource and capturing and eliminating harmful methane emission into the atmosphere. We also intend to manufacture Battery Energy Storage Skids (BESS) at this facility, which is another key green energy market. Without assistance, we will not be able to perform the asbestos remediation of the roof which will substantially reduce the life of the building. This is a key part of our decision process in whether to move forward with the project. We are not comfortable adding high capital equipment like surface blasting and paint booth to a building with a limited life. These investments are critical to achieving the business revenue targets which will directly impact our ability to add 130 new high-paying manufacturing jobs and make additional purchases of \$25 to \$50 million from local suppliers.

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

Yes

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

The applicant will either scale back or abandon the project. We will miss a significant market opportunity to serve the rapidly growing RNG market needs. In addition, the related substantial economic benefit and development that would occur through use of the new, larger, more efficient facility will be lost. These include the creation of 130 new high-paying manufacturing jobs, \$16 million in local investment, \$25 to \$50 million in additional purchases from local suppliers, all associated payroll and property tax revenues, and additional employment and investment by supplier partners.

**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)**

A bus stop is located at the end of the property. River Road and Sawyer Avenue #40 Grand Island bus.

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

Yes

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

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

May 1, 2023; we have spoken to The Town of Tonawanda Director of Planning and Development, Jim Hartz, and he has indicate that this will be a Type II action under SEQR which requires no application and only a letter from him to the ECIDA which he will rea

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

Yes

**Describe the present zoning/land use**

Industrial

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

NA

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

NA

**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**

Most of the existing roof requires repair and asbestos remediation.

**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?**



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

Standard

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

**Will project result in significant utility infrastructure cost or uses** Yes

What is the estimated project timetable (provide dates)

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

7/1/2023

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

6/30/2024

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

7/1/2023

Capital Project Plan / Budget

**Estimated costs in connection with Project**

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

\$ 6,500,000 125,000 square feet 5 acres

**2.) New Building Construction**

\$ 0 square feet

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

\$ 0 square feet

**4.) Reconstruction/Renovation**

\$ 4,000,000 square feet

**5.) Manufacturing Equipment**

\$ 3,900,000

**6.) Infrastructure Work**

\$ 1,000,000

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

\$ 750,000

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

\$ 100,000

**9.) Other Cost**

\$ 0

**Explain Other Costs**

**Total Cost** \$ 16,250,000

Construction Cost Breakdown:

<b>Total Cost of Construction</b>	\$ 5,000,000 (sum of 2, 3, 4 and 6 in Project Information, above)
<b>Cost of materials</b>	\$ 3,500,000
<b>% sourced in Erie County</b>	50%

Sales and Use Tax:

**Gross amount of costs for goods and services that are subject to State and local sales and use tax- said amount to benefit from the Agency's sales and use tax exemption benefit** \$ 4,250,000

**Estimated State and local Sales and Use Tax Benefit (product of 8.75% multiplied by the figure, above):** \$ 371,875

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

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

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

**If Yes, describe particulars:**

Sources of Funds for Project Costs:

**Equity (excluding equity that is attributed to grants/tax credits):** \$ 1,500,000

**Bank Financing:** \$ 11,000,000

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

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

**Public Sources (Include sum total of all state and federal grants and tax credits):** \$ 3,500,000

**Identify each state and federal grant/credit: (ie Historic Tax Credit, New Market Tax Credit, Brownfield, Cleanup Program, ESD, other public sources)** \$3.5 mil Excelsior Tax Credits granted, this is paid out on a set schedule over 10 years based on jobs created. We are in the process of applying for a US Department of Energy Advanced Energy Manufacturing and Recycling grant program which could provide up to 50% cost sharing in the project. The expected award date is November 2023.

**Total Sources of Funds for Project Costs:** \$16,000,000

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

Mortgage Recording Tax Exemption Benefit:

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

**Mortgage Amount (include sum total of construction/permanent/bridge financing).** 11,000,000

**Lender Name, if Known**

**Estimated Mortgage Recording Tax Exemption Benefit (product of mortgage amount as indicated above multiplied by 3/4 of 1%):** \$82,500

Real Property Tax Benefit:

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

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

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

**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 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>	50	50	120	120
<b>Part time</b>	0	0	10	10
<b>Total</b>	50	50	130	

Salary and Fringe Benefits for Jobs to be Retained and Created

<b>Job Categories</b>	<b># of Full Time Employees retained and created</b>	<b>Average Salary for Full Time</b>	<b>Average Fringe Benefits for Full Time</b>	<b># of Part Time Employees retained and created</b>	<b>Average Salary for Part Time</b>	<b>Average Fringe Benefits for Part Time</b>
<b>Management</b>	10	\$ 175,000	\$ 35,000	0	\$ 0	\$ 0
<b>Professional</b>	20	\$ 80,000	\$ 16,000	0	\$ 0	\$ 0
<b>Administrative</b>	5	\$ 60,000	\$ 12,000	0	\$ 0	\$ 0
<b>Production</b>	125	\$ 110,000	\$ 22,000	0	\$ 0	\$ 0
<b>Independent Contractor</b>	0	\$ 100,000	\$ 0	0	\$ 0	\$ 0
<b>Other</b>	10	\$ 105,000	\$ 21,000	10	\$ 50,000	\$ 0
<b>Total</b>	170			10		

\*\* Note that the Agency may utilize the foregoing employment projections, among other items, to determine the financial assistance that will be offered by the Agency to the Applicant. The Applicant acknowledges that the transaction documents may include a covenant



by the Applicant to retain the number of jobs and create the number of jobs with respect to the Project as set forth in this Application.

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

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

Address	95 Stark Street Tonawanda, NY 14150	4 Pequet Parkway, Tonawanda, NY 14150	60 Lawrence Bell Drive, Williamsville 14221
Full time	126	39	41
Part time	6	4	1
<b>Total</b>	<b>132</b>	<b>43</b>	<b>42</b>

Payroll Information

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

19,450,000

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

112,000

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

0

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

106,800

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

50,000

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

<b>From (Full Time)</b>	54,000	<b>To (Full Time)</b>	215,000
<b>From (Part Time)</b>	40,000	<b>To (Part Time)</b>	60,000

### Section III: Environmental Questionnaire

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

#### General Background Information

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

91, 93, 185,189 Sawyer avenue, Tonawanda, NY

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

Stark Tech 95 Stark Drive Tonawanda, NY 14150

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

Industrial site on flat terrain, no immediately adjacent wetlands, rivers, streams, lakes, etc.

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

Original construction date was 1948, additions made in 1990 General manufacturing of medium to large skid systems in support of gas compression and RNG markets

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

General manufacturing of various industrial products including large heat exchangers

##### **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**

N/A

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

N/A

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

No

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

### Discharge Into Waterbodies

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

N/A

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

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

No

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

### Air Pollution

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

No

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

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

No

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

### Storage Tanks

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

N/A

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

No

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

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

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

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

No

**If yes, relate all the circumstances**

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

Yes

**If yes, please identify the materials**

Transite roof panels contain asbestos

## 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** Stark Compression, LLC  
**Address** 95 Stark Drive, Tonawanda, NY 14150  
**Contact Person** Timothy Geiger  
**Phone** (716) 445-4041  
**Fax**  
**E-Mail** geigert@starktech.com  
**Federal ID #**  
**SIC/NAICS Code** 221210

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**

1600 Commerce Parkway

**City/Town**

Lancaster

**State**

New York

**Zip Code**

14086

**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?**

Yes

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

Yes

**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:**

The Agency's assistance will enable Stark to rapidly scale capacity and improve operational efficiency to serve the growing RNG market demand. We are not able to do this in our current space. RNG is a key green energy market with a dual benefit of creating clean burning fuel from a renewable resource and capturing and eliminating harmful methane emission into the atmosphere. We also intend to manufacture Battery Energy Storage Skids (BESS) at this facility, which is another key green energy market. Without assistance, we will not be able to perform the asbestos remediation of the roof which will substantially reduce the life of the building. This is a key part of our decision process in whether to move forward with the project. We are not comfortable adding high capital equipment like surface blasting and paint booth to a building with a limited life. These investments are critical to achieving the business revenue targets which will directly impact our ability to add 130 new high-paying manufacturing jobs and make additional purchases of \$25 to \$50 million from local suppliers.

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

**Within New York State**

Yes

**Within Erie County**

Yes

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

We currently have a 30,000 sq. ft. facility in Lancaster, NY. The square footage, ceiling height and crane capacity is not adequate to accommodate our planned growth or the large size skid systems we will manufacture. We have been unable to find a suitable building in Lancaster. We plan to move to a much larger 125,000 sq. ft. facility with high bay ceilings (30 ft. under hook) and heavy crane capacity (50 tons) in Tonawanda, NY. We intend to consolidate operations at the Tonawanda facility, move all current employees to that facility, and add 130 new jobs in Tonawanda.

**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.)**

Greater than 100,000 sq. ft. total manufacturing space Greater than 20,000 sq. ft. office space 25 ft. minimum height ceilings (under crane hooks) High capacity cranes (50 ton) over a large portion of the manufacturing space Truck loading which can be accessed inside the building and under high capacity cranes

**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?**

Yes

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

Stark has a strong presence in Western New York and we are proud to continue to build our workforce and capability in this area. We specifically wanted to find a facility that was in close enough proximity to our current building in Lancaster to allow us to retain all of our existing skilled workforce at a new location. We also have good, long-standing relationships with local supplier partners which are critical to our continued growth and success.

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

We will sell the existing facility to another manufacturer which will be a growth opportunity for a new owner who is seeking more space and utility. It is still a very good space for many other types of manufacturing operations.

**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.**

We were unable to find any suitable facilities within the Town of Lancaster. The following properties were considered. Please see attached property listings for details. 3825 Walden Ave, Lancaster, NY 14086- 43,000 sq. ft. is not enough floorspace for our needs 5636 Transit Rd, Depew, NY 14043- 21,000 sq. ft. is not enough floorspace for our needs 6640 Transit Rd, Buffalo, NY 14221- 25,000 sq. ft. is not enough floorspace for our needs 703-757 Elk St, Buffalo, NY 14210- building layout and poor condition not adequate for our needs, would require extensive investment to be useable 2381 Fillmore Ave, Buffalo, NY 14214- first floor space (80,000 sq. ft.) and low ceiling height (20 ft.) not adequate for our needs 3211 Transit Rd, Elma, NY 14059- 22,000 sq. ft. not adequate for our floorspace needs 175 Milens Rd, Tonawanda, NY 14150- the lack of existing cranes makes this less desirable for our needs compared to the property at 91 Sawyer Ave.

## **Section IX: Senior Housing**

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

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

No

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

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

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

No

**Iskalo 101 Oak LLC**

**\$ 3,500,000**

**PRIVATE INVESTMENT INDUCEMENT RESOLUTION**

**ELIGIBILITY**

- NAICS Section – 531120

**COMPANY INCENTIVES**

- Approximately \$ 153,125 in sales tax savings

**JOBS & ANNUAL PAYROLL**

- Current Jobs: 29 FT
- Annual Payroll: \$ 1,706,000
- Projected new jobs: 13 FT
- Est. salary/yr. of jobs created: \$69,231
- Projected retained jobs: 29
- Est. salary/yr. of jobs retained: \$60,690
- Total jobs after project completion: 42
- Construction Jobs: 15

**PROJECTED COMMUNITY BENEFITS\***

- Term: 2 years after project completion
  - NET Community Benefits: \$21,218,594
  - Spillover Jobs: 72
- Total Payroll: \$20,011,642

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

- Incentives: \$153,125
- Community Benefit: \$20,443
- Cost: Benefit Ratio
- 1:134

Project Title: 101 Oak St Renovation | Top Seeds

Project Address: 101 Oak St, Buffalo, NY 14206  
(Buffalo Central School District)

**Agency Request**

A sales tax abatement in connection with the renovation of 34,379 sq ft of space within an existing building for use by a food manufacturer.

Building Renovation	\$ 2,800,000
Infrastructure	\$ 700,000
 Total Project Cost	 \$ 3,500,000
 85%	 \$ 2,975,000

**Company Description**

Iskalo 101 Oak LLC, is the building owner and applicant. The applicant is an affiliate of Iskalo Development Corporation which was established in 1998 and is a full service developer with a diverse portfolio of all major asset classes including corporate office, medical office, light industrial, hospitality, retail and multi-family.

**Project Description**

The applicant is the owner of the 101 Oak St building, a 67,385 sq ft building located in Buffalo's Central Business District. The building was previously owned and occupied by Allentown Industries which later became Heritage Centers of WNY and is now known as ARC Erie County. The building was purchased by Iskalo 101 Oak LLC in October 2018 and is currently 20% occupied. The applicant is seeking incentives associated with renovations needed to ready the building for a new food manufacturing-based tenant. Building renovations needed include constructing a vault to house new transformers, new switchgear inside the building, new electric service panels and metering for each tenant space. Other unanticipated costs including but not limited to: (1) installation of water, gas and sanitary line to serve tenant production area, (2) demo of low bay section of the building, (3) addition of windows on building exterior to provide natural light to office areas .

The anticipated tenant, Top Seedz is a producer of seed-based crackers and other related seed based products. Having outgrown its current incubator space in Cheektowaga, Top Seedz signed a lease for 34,379 sq ft (51% of the total building space) allowing them to grow their business with the goal to distribute their products nationally.

### Economic Impact: Inform Analytics Cost-Benefit Analysis

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

#### Cost: Incentives

COSTS	Tax Exemption	Amount
	Property	\$0
	Sales	153,125
	Mortgage Recording	\$0
	Total	\$153,125
	Discounted at 2%	\$153,125

#### Benefit: Projected Community Benefit\*

BENEFITS	Region	Recipient	Revenue Type	\$ Amount **
	Erie County	Individuals	Payroll Construction	\$2,245,977
			Payroll Permanent	\$17,765,665
			Public	Property Taxes
		Sales Taxes	\$166,347	
		Other Muni Revenue (NFTA)	\$0	
		New York State	Public	Income Taxes
	Sales Taxes			\$140,082
	Total Benefits to EC + NYS***			\$21,218,594
	Discounted at 2%			\$20,443,761

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

Discounted Cost            \$153,125  
 Discounted Benefit       \$20,443,761  
 Ratio                            1:134

**Conclusion:** The Cost Benefit for this project is: 134:1. For every \$1 in costs (incentives), this project provides \$134 in benefits (payroll & tax revenue). **Note: For Erie County, every \$1 in costs (incentives) provides \$234 in benefits to the community.**

#### New Tax Revenue Estimated - City of Buffalo 485-b

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
\$ 78,324	\$ 4,352,000	\$ 51,969	\$131,728	\$ 101,690
Combined Tax Rate: \$ 23.37				

**Draft Recapture Material Terms**

Condition	Term	Recapture Provision
Total Investment	At project completion	Investment amount equal to or greater than 85% of project amount. Total project amount = \$3,500,000 85% = \$ 2,975,000
Employment	Coincides with recapture period	Maintain Base = 29 FT Create 85% of Projected Projected = 13 FTE 85% = 11 FTE Recapture Employment = 40 FT
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; ii) company has maintained 29 FT jobs and created 13 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**

- 4/25/23: Public hearing held.
- 6/28/23: Negative Declaration in accordance with SEQR (Type II Action)
- 6/28/23: Lease/Leaseback Inducement Resolution presented to the Board of Directors

**EVALUATIVE CRITERIA**  
**AGRICULTURAL, FOOD PROCESSING**  
**Project: 101 Oak St Renovation | Top Seedz**

Evaluative Criteria	Notes
Wage Rates (above median wage for area)	Average salaries: Retained = \$60,690 To be Created = \$69, 231
Regional Wealth Creation (% of sales/customers outside area)	95% of sales (currently) within Erie County. Remainder outside EC, within NYS. Project will allow Top Seedz to expand sales to meet their goals of national distribution.
In Region Purchases (% of purchases from local growers)	85%
Research & Development Activities	N/A
Investments in Energy Efficiency	Top Seedz will be purchasing and installing energy efficient make up air units for Top Seedz production area and new LED light fixtures.
Locational Land Use Factors, Proximity to Supporting Local Agricultural Production	N/A
LEED/Renewable Resources	N/A
Retention/Flight Risk	N/A
MBE/WBE Utilization	See attached MBE/WBE Utilization. Iskalo activity seeks bids from MBE, WBE and DVOCs. Will utilize NYS certified MWBE lists to assemble prospective bidders lists.
Workforce Access – Proximity to Public Transportation	Facility is accessible via metro routes: 1 (William), 2 (Clinton), 4 (Broadway). 6 (Sycamore) and 8 (Main)

DATE OF INDUCEMENT: 6/28/23

**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-101 Oak St Renovation | Top Seedz**

Dollar Value of New Construction and Renovation Costs	Estimated New Assessed Value of Property *	County Tax Rate/1000	City of Buffalo/1000
\$ 2,800,000	\$4,352,000	5.19688	18.169375

\*Apply equalization rate to value

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

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

Total Project Cost	Estimated Value of 485 b	Estimated Value of Sales Tax Incentive	Estimated Value of Mortgage Tax Incentive	Total of Other Public Incentives (application pending – National Grid Electric Capital Investment Program)
\$ 3,500,000	\$49,966	\$ 153,125	n/a	\$ 100,000

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

**Calculate % = (Est. PILOT + Est. Sales Tax+ Est. Mortgage Tax+ Other)/Tot Project Costs: 8.7%**



# 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/eo/mbe-wbe-resource-list>

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

Iskalo Development Corp. is the manager for Iskalo 101 Oak LLC, applicant. In its capacity as manager, Iskalo Development Corp. is serving as the developer, architect and construction manager for the project described in the application. Iskalo Development Corp. is an equal opportunity employer. In the course of bidding and awarding contracts as the Construction Manager for all Iskalo affiliate projects, it does not discriminate. With respect to its internal practices, Iskalo Development Corp. first seeks to obtain quotes from, and to award contracts to, qualified companies that will employ workers that are residents in the Western New York region. Companies are deemed to be qualified if they have (a) been in business for at least three years, (b) have relevant experience to what is being sought, (c) have a proven track record of successful completion of projects/work for other clients, (d) are price competitive. In preparation for bidding construction work, Iskalo Development Corp actively promotes that it will be seeking bids for a particular project and actively solicits bidding interest from contractors and subcontractors of all types including, union, open shop, MBE, WBE and DVOCs. In this regard, the list of NYS certified MWBE firms will be consulted in Iskalo's assembly of a prospective bidders list.

# Erie County Industrial Development Agency

## MRB Cost Benefit Calculator

Date: April 12, 2023  
 Project Title: 101 Oak Street - Top Seedz  
 Project Location: 101 Oak Street, Buffalo, NY 14206



### Economic Impacts

Summary of Economic Impacts over the Life of the PILOT

Project Total Investment

\$3,500,000

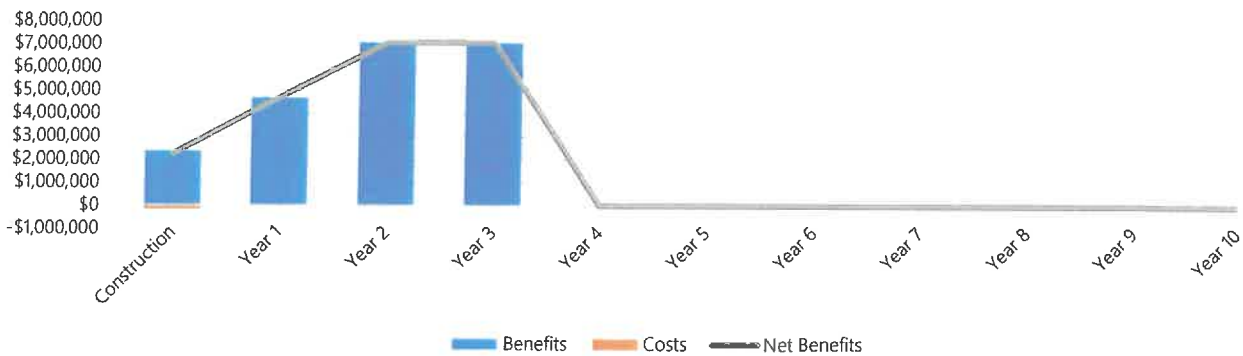
		Temporary (Construction)		
		Direct	Indirect	Total
Jobs		15	14	29
Earnings		\$1,447,379	\$798,599	\$2,245,977
Local Spend		\$3,500,000	\$2,477,987	\$5,977,987

		Ongoing (Operations)		
		Direct	Indirect	Total
Jobs		42	58	100
Earnings		\$7,080,036	\$10,685,629	\$17,765,665

Figure 1

Net Benefits

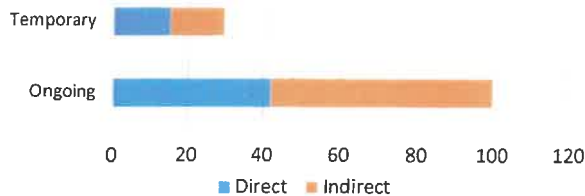


Net Benefits chart will always display construction through year 10, irrespective of the length of the PILOT.

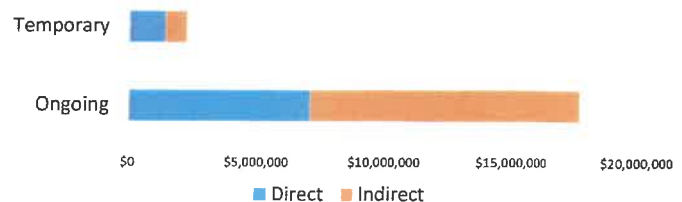
Figure 2

Figure 3

### Total Jobs



### Total Earnings



# Fiscal Impacts



Cost-Benefit Analysis Tool powered by MRB Group

## Estimated Costs of Exemptions

	Nominal Value	Discounted Value*
Property Tax Exemption	\$0	\$0
Sales Tax Exemption	\$153,125	\$153,125
Local Sales Tax Exemption	\$83,125	\$83,125
State Sales Tax Exemption	\$70,000	\$70,000
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>\$153,125</b>	<b>\$153,125</b>

## State and Local Benefits

	Nominal Value	Discounted Value*
<b>Local Benefits</b>	<b>\$20,177,989</b>	<b>\$19,441,155</b>
To Private Individuals	<b>\$20,011,642</b>	<b>\$19,280,882</b>
Temporary Payroll	\$2,245,977	\$2,245,977
Ongoing Payroll	\$17,765,665	\$17,034,905
Other Payments to Private Individuals	\$0	\$0
To the Public	<b>\$166,347</b>	<b>\$160,272</b>
Increase in Property Tax Revenue	\$0	\$0
Temporary Jobs - Sales Tax Revenue	\$18,670	\$18,670
Ongoing Jobs - Sales Tax Revenue	\$147,677	\$141,603
Other Local Municipal Revenue	\$0	\$0
<b>State Benefits</b>	<b>\$1,040,605</b>	<b>\$1,002,606</b>
To the Public	<b>\$1,040,605</b>	<b>\$1,002,606</b>
Temporary Income Tax Revenue	\$101,069	\$101,069
Ongoing Income Tax Revenue	\$799,455	\$766,571
Temporary Jobs - Sales Tax Revenue	\$15,722	\$15,722
Ongoing Jobs - Sales Tax Revenue	\$124,360	\$119,244
<b>Total Benefits to State &amp; Region</b>	<b>\$21,218,594</b>	<b>\$20,443,761</b>

## Benefit to Cost Ratio

	Benefit*	Cost*	Ratio
Local	\$19,441,155	\$83,125	234:1
State	\$1,002,606	\$70,000	14:1
<b>Grand Total</b>	<b>\$20,443,761</b>	<b>\$153,125</b>	<b>134:1</b>

\*Discounted at 2%

## Additional Comments from IDA

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

## PUBLIC HEARING SCRIPT

**Iskalo Development Corp. and/or  
Individual(s) or Affiliate(s),  
Subsidiary(ies), or Entity(ies) formed or  
to be formed on its behalf Project**

Public Hearing to be held on April 25, 2023 at 9:00 a.m. at the Agency's offices,  
at 95 Perry Street, Suite 403, Buffalo, NY 14203

### **ATTENDANCE:**

David Chiazza – Iskalo Development Corp.  
Beth O'Keefe – ECIDA  
Carrie Hocienec – ECIDA  
Brian Krygier – ECIDA

### **☒ 1. WELCOME: Call to Order and Identity of Hearing Officer.**

*Hearing Officer:* Welcome. This public hearing is now open; it is 9:00 a.m. My name is Grant Lesswing. I am the Business Development Officer of the Erie County Industrial Development Agency, and I have been designated by the Agency to be the hearing officer to conduct this public hearing. This public hearing is being live-streamed and made accessible on the Agency's website at [www.ecidany.com](http://www.ecidany.com).

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

*Hearing Officer:* We are here to hold the public hearing on the Iskalo Development Corp. and/or Individual(s) or Affiliate(s), Subsidiary(ies), or Entity(ies) formed or to be formed on its behalf project. The transcript of this hearing will be reviewed and considered by the Agency in determination of this project. Notice of this hearing appeared in The Buffalo News on Wednesday, April 12, 2023.

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

*Hearing Officer:* The proposed project (the "Project") consists of: (i) the renovation and improvements to 34,379+/- sq. ft. of an existing 67,385+/- sq. ft. facility for tenant, Top Seedz Foods Corp., to include purchase and installation of new make-up air units for production area, installation of water, gas and sanitary lines, selective replacement of sections of existing building slab, repair interior side of precast panels in high-bay area, demolition of existing former cafeteria in low-bay section and build-out approximately 6,000 SF of new office space, new windows, and new landscaping (the

“Improvements”), and (ii) the acquisition by the Company in and around the Improvements of certain items of machinery, equipment and other tangible personal property (the “Equipment”; and collectively with the Improvements, the “Facility”).

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

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

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

If you have a written statement or comment to submit for the record, you may leave it at this public hearing, submit it on the Agency’s website or deliver it to the Agency at 95 Perry Street, Suite 403, Buffalo, New York 14203. The comment period closes on May 30, 2023. There are no limitations on written statements or comments.

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

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

David Chiazza - Executive Vice President, Iskalo Development on behalf of Iskalo 101 Oak Street, LLC the project owner. A brief statement somewhat redundant to what Grant just read. Iskalo 101 LLC has applied for sales tax incentives from ECIDA estimated at \$153K for renovation of the 101 Oak Street building for Top Seed, LLC. A 2017 Buffalo start-up and a 2021 43 North Winner. Top Seedz produces toasted seed base crackers and related products that it sells in grocery stores and online. Top Seed will occupy approximately 51% of the building 34,379 sq. ft., which will serve as their corporate headquarters as well as their main production facility. The project will return the 40-year-old building that has been largely vacant since 2018 back to productive use. Top Seedz will retain 29 jobs and add 13 more over 2 years. In this regard we think this is an excellent project for the IDA’s consideration.

**6. ADJOURNMENT:**

As there were no further statements and/or comments, the Hearing Officer closed the public hearing at 9:04 a.m.

**SIGN IN SHEET  
PUBLIC HEARING**

April 25, 2023 at 9:00 a.m. at the Agency's offices,  
at 95 Perry Street, Suite 403, Buffalo, NY 14203, regarding:

**Iskalo Development Corp. and/or Individual(s) or Affiliate(s),  
Subsidiary(ies), or Entity(ies) formed or to be formed on its behalf**

Project Location: 101 Oak Street, Buffalo, New York 14203

Name	Company and/or Address	X box to speak/ comment
David Chiazza	Iskalo Development Corp. 5166 Main Street Williamsville, New York 14221	X
Beth O'Keefe	ECIDA 95 Perry Street, Suite 403 Buffalo, New York 14203	
Brian Krygier	ECIDA 95 Perry Street, Suite 403 Buffalo, New York 14203	
Carrie Hocieniec	ECIDA 95 Perry Street, Suite 403 Buffalo, New York 14203	



May 17, 2023

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

Re: 101 Oak Street | Top Seedz Application for Sales Tax Exemption

Dear John:

This letter shall follow up on our meeting on Monday with respect to the above referenced application and shall serve to supplement the information contained in the application submitted to the Agency this past April.

**Project Timeline:**

- **February 2022** - Top Seedz commences a building search with the assistance of Ciminelli Real Estate; Top Seedz tours 101 Oak Street building in February of 2022;
- **July 2022** - Top Seedz selects 101 Oak St. and a lease is signed on July 7<sup>th</sup>, 2022 for 34,379 SF with **target occupancy date of October 1, 2022** (see page 1 of Lease and Work Letter attached hereto). Planning and engineering commence for build-out of Top Seedz Premises that soon reveals that scope of renovation will be much greater than anticipated and that **occupancy of the premises delayed into 2023**;
- **Q1 - 2022** - Planning and Engineering of Project continuing including regular meetings with NGrid regarding installation of replacement power for building (Spot Network). **Occupancy target pushed out to August 2023**. Initial estimates for revised scope of work prompts decision to seek incentives to help defray a portion of the cost;
- **April 2023** - Application submitted to ECIDA on April 21, 2023; Construction documents (except electrical) completed and put out to bid; Meetings continuing with NGrid re Spot Network to enable completion of electrical engineering drawings; Top Seedz **occupancy target pushed to October/November of 2023**.

**Project Cost:**

- The Project Budget in the ECIDA application is established at \$3.5 million. The sales tax incentive being sought is estimated at \$153,000 (approximately 4% of the Project Budget). Below is a list of some of the Project scope items:
  - \$900,000 - Costs related to Spot Network (vault, cabling, switchgear, electric room)
  - \$720,000 - Office build-out (including new exterior windows)

- \$280,000 - Make Up Air units for Production Area (including structural steel and roof related work).
- \$240,000 - New concrete slab for Production Area (including tear out of existing slab)
- \$230,000 - Plumbing for production water and natural gas supply

**5/15/23 Meeting Notes/Comments:**

- **Jobs** – The application submitted to the Agency states that Top Seedz present FTE employment is 29 and that it anticipates adding 13 FTE positions over two years. These figures align with those represented by Top Seedz to Empire State Development Corporation in its Excelsior application. As stated by Mr. Brady in the meeting on May 15th, the next stage of growth to be realized by Top Seedz in the new facility is to transition from a heavily labor-intensive “start-up” operation to one that is more automated in order to scale production. This transition notwithstanding, Top Seedz has represented that it anticipates increasing FTE employment by 13 with many of those positions being higher paying, skilled labor jobs. However, due to the unanticipated delay in availability of 101 Oak St. Premises as indicated in the timeline above, Mr. Brady explained that it became necessary for Top Seedz to add production labor to “bridge” this delay. This action does not change the baseline employment represented in the application. As Mr. Brady further explained, once Top Seedz is able to take occupancy of the 101 Oak St. premises, Top Seedz will increase employment, creating an additional 13 jobs within two years thereafter.
- **“But For”** - The “But For” question asks the applicant to state why the Agency should assist the Project if it would be undertaken otherwise. An applicant must presume that there is an acceptable response to this question otherwise there would be no reason to include the question in the application. In response to this question, we have laid bare the facts and circumstances that prompted the filing of the application to the Agency, including its timing. If the justification presented in response to this question and elsewhere in the application is insufficient to meet the burden for Agency consideration of the request for sales tax exemption, we are left to wonder whether an acceptable response exists.

Prior to preparing the application, consultation was held with Agency staff during which the facts and circumstances subsequently set forth in the application were explained. We were encouraged to prepare and submit the application which seeks only sales tax exemption, no PILOT or mortgage tax exemption. As previously noted, the sales tax exemption would equal 4% of the estimated cost of the project. While this benefit is important, at only 4% of estimated project costs, it is insufficient to make or break a project...particularly one in which nearly 12 months of extensive planning and engineering had been invested. Rather, as explained, the project would go forward *though there would be hardship* which, in this case, would be largely incurred by the very type of business we are seeking to nurture as a community.

To help put this in perspective, Mr. Brady explained that the \$153,000 in estimated sales tax incentive is roughly equivalent to the cost of four (4) ovens used to bake their product. If these four ovens were in place today, it would more than double Top Seedz present production. Top Seedz anticipates purchasing and installing six (6) ovens every six months over the first few years of occupancy of the 101 Oak Street premises. If the incentive is not granted, Top Seedz will have to reallocate capital to pay their share of the sales tax instead of investing it in equipment and other means to enhance production in accordance with their growth plan.

- **101 Oak Street** – Though Top Seedz is the primary direct beneficiary of the sales tax exemption incentive, should it be granted, lost a bit in this discussion are the other benefits to be derived including that the Project would result in Top Seedz establishing their growing business in the heart



of the City of Buffalo and is prompting substantial reinvestment in a tired building that has been largely vacant for several years thereby returning it to productive use.

We trust that this additional information will further strengthen the application and prompt the Agency Board to favorably consider the requested sales tax exemption for the Project. Considered from its broader perspective, one would expect that this Project is the classic example of the type of project the Agency seeks to support. We hope that, in the end, that turns out to be the case.

Please advise if you have any further questions. If needed, Will Brady and I are available to meet again to further discuss the application.

Sincerely,

**ISKALO 101 OAK LLC**

**By Iskalo Development Corp.**



David Chiazza  
Executive Vice President

Enclosures



### 101 Oak St Renovation | Top Seedz

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>	101 Oak St Renovation   Top Seedz
<b>Project Summary</b>	Renovation of a substantial portion of existing underutilized building located at 101 Oak Street in the City of Buffalo to accommodate Top Seedz LLC which will occupy the majority of the space in the building. Improvements to including new power service to building to meet the needs of Top Seedz.
<b>Applicant Name</b>	Iskalo Development Corp
<b>Applicant Address</b>	5166 Main St
<b>Applicant Address 2</b>	
<b>Applicant City</b>	Williamsville
<b>Applicant State</b>	New York
<b>Applicant Zip</b>	14221
<b>Phone</b>	(716) 633-2096
<b>Fax</b>	(716) 633-5775
<b>E-mail</b>	dchiazza@iskalo.com
<b>Website</b>	www.iskalo.com
<b>NAICS Code</b>	Applicant NAICS 531120 Top Seedz NAICS 311821

#### Business Organization

**Type of Business**  
 Limited Liability Company

**Year Established**  
 2018

**State**  
 New York

**Indicate if your business is 51% or more (Check all boxes that apply)**

- [No] Minority Owned
- [No] Woman Owned

**Indicate Minority and/or Woman Owned Business Certification if applicable (Check all boxes that apply)**

- [No] NYS Certified
- [No] Erie Country Certified

Individual Completing Application

**Name** david chiazza  
**Title** Executive Vice President of Iskalo Development Corp.,  
Mgr for Applicant  
**Address** 5166 Main St  
**Address 2**  
**City** Williamsville  
**State** New York  
**Zip** 14221  
**Phone** (716) 633-2096  
**Fax** (716) 633-5775  
**E-Mail** dchiazza@iskalo.com

Company Contact- Authorized Signer for Applicant

**Contact is same as individual completing application** No  
**Name** Paul B. Iskalo  
**Title** Iskalo Development Corp  
**Address** 5166 Main St  
**Address 2**  
**City** Williamsville  
**State** New York  
**Zip** 14221  
**Phone** (716) 633-2096  
**Fax** (716) 633-5775  
**E-Mail** pbiskalo.com@iskalo.com

Company Counsel

**Name of Attorney** Terrence M. Gilbride  
**Firm Name** Hodgson Russ LLP  
**Address** 140 Pearl Street #100  
**Address 2** The Guaranty Building  
**City** Buffalo  
**State** New York  
**Zip** 14202  
**Phone** (716) 848-1236  
**Fax**  
**E-Mail** tgilbrid@hodgsonruss.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%.**

Iskalo 101 Oak LLC is the owner of the building that is subject to the application. Applicant is an affiliate of Iskalo Development Corp., a full-service real estate developer. The principal tenant of the building is Top Seedz LLC which is a producer of seed-based toasted crackers and related seed-based products. Responses to questions immediately below are for Iskalo Development Corp.

**Estimated % of sales within Erie County** 95 %

**Estimated % of sales outside Erie County but within New York State** 5 %

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

**Estimated % of sales outside the U.S.** 0 %

(\*Percentage to equal 100%)

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

85

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

Construction contractors and trades such as steel, masonry, drywall, M.E.P., Site, Life Safety etc. Professional Services such as civil and structural engineers, environmental consultants etc. Property Services- Landscape, Snow Removal, Energy Management, Security etc. Financial- Private lending institutions, appraisers, attorneys, insurance etc.

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

Project Location

**Address of Proposed Project Facility**

101 Oak Street

**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**

111.13-12-1.1

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

\$84,902.87

**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?**

No

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

Applicant is the owner of the 101 Oak Street building which, at present, is predominately vacant except for one tenant occupying approximately 20% of building. Balance of building has been vacant for approximately 4 years. A lease has been signed with a second tenant (Top Seedz) that would occupy 51% of the building.

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

The 101 Oak Street building was constructed in 1980 by Allentown Industries which later became Heritage Centers of WNY and is now known as ARC Erie County ("ARC"). ARC continuously occupied the building until its acquisition by Iskalo 101 Oak LLC ("Iskalo"), an affiliate of Iskalo Development Corp., in October of 2018. The 101 Oak building is approximately 67,385 square feet consisting of 43,110 +/- square feet of "high-bay" area that was used by ARC for light industrial applications and 24,275 +/- square feet of "low-bay" area that was used by ARC for classrooms, day rehabilitation and office space. Following its acquisition by Iskalo, the building remained entirely vacant until July 1, 2022 at which time Big Ditch Brewery took over approximately 15,162 square feet in the high-bay area of the building for use as a brewery. Iskalo entered a long-term lease with Top Seedz LLC (NAICS 311821) in April of 2022 for 34,379 of space in the 101 Oak Street building. Top Seedz produces toasted seed-based crackers and related seed-based products. A 2017 Buffalo-based start-up company, Top Seedz was the winner of the 2021 43 North competition. The award from that competition enabled Top Seedz to seek out space for expansion of its operations. The 34,379 square feet of space leased at 101 Oak Street is intended to serve their long-term needs as Top Seedz seeks to distribute their product nationally. Following execution of the lease, Top Seedz, working with their equipment suppliers, Iskalo Development Corp. and Iskalo's engineers, evolved their operational plan and requirements for their Premises which revealed that the power necessary for their operation would exceed the available power supply to the building (1,200 amp, single-phase, 120-208v). Iskalo and its engineers commenced discussions with National Grid and design has commenced for the installation a new 3,000 amp, 3-phase 480v power service for the building (replacing the existing service) to be largely supplied by National Grid. However, a portion of the cost for the supply of the new service to the building will be incurred by Applicant (Iskalop 101 Oak LLC) as well as 100% of the cost to construct a vault to house the transformers, new switchgear inside the building, new electric service panels and metering for each of the tenant spaces. These costs were not anticipated and are in addition to other renovation and improvement work which has prompted the submission of this application to the ECIDA. Other renovation work to be undertaken includes: • Demising of the Top Seeds production area from its storage/distribution area; • Purchase and installation of new make-up air units serving Top Seedz production area; • Installation of water, gas and sanitary lines to serve the Top Seedz production area; • Selective replacement of sections of existing building slab in the Top Seedz production area; • Repair of interior side of pre-cast panels in high-bay area of the building and repainting of same; • Demolition of existing former cafeteria in low-bay section of building and build-out of approximately 6,000 square feet of new office space to serve as Top Seedz headquarters. Work to also include addition of windows on building exterior to provide natural light to Top Seedz office area. • Replace existing landscaping with new landscaping. • Repair of synthetic stucco band along top of exterior of low-bay part of building It should be noted that the proposed duration of the project set forth herein is approximately 18 months due to the lengthy lead time for certain equipment necessary to upgrade the electrical service to the 101 Oak Street building. It is the intention that certain of the improvements described herein will be completed this year to enable Top Seedz to occupy their space in the 101 Oak Street building with the balance of the improvements, most notably the replacement and upgrade of the electric service, will be completed in 2024 as the necessary equipment is made available.

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

Iskalo owns property throughout the western region of NYS. Top Seedz is presently operating out of incubator space in the Town of Cheektowaga leased from the NFTA.

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

No

#### **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:**

Given the time, effort and expense incurred over the last 11 months in planning, designing and engineering of the Top Seedz premises, and the equipment that has been ordered by Top Seedz, the parties are committed to completing improvements sufficient for Top Seedz to occupy their space in the 101 Oak Street so as to not cause interruption to their business. However, failure of the ECIDA to grant the requested incentives will create a financial hardship to Top Seedz as it will have to reallocate funding intended for other purposes, such as purchase of certain equipment, necessary for the growth of their business.

**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)**

Applicant (Iskalo 101 Oak LLC), as the building's owner and landlord, will be undertaking the renovation and improvement work described in the Project Narrative; the substantial majority of which will be for improvements for Top Seedz. The lease arrangement with Top Seedz provides for a dollar figure allowance from the landlord to be applied to the cost of the Top Seedz related improvements. Any costs incurred by the landlord in excess of the allowance would be reimbursed by Top Seedz. As stated in the Project Narrative, the need to replace / upgrade the power supply/service to the building including new switchgear, panels and meters was unanticipated and not factored into Top Seedz's landlord allowance. Top Seedz's pro rata share of these unanticipated costs would therefore exceed their allowance creating a financial hardship for Top Seedz which needs to preserve its available capital for equipment purchases and other operational needs. The sales tax benefit will allow/facilitate job retention and creation, facilitate Top Seedz to meet production goals and pay off a RDC loan for Equipment and working capital. The sales tax exemption, if granted by the ECIDA would help to partially offset Top Seedz' prorata share of these costs. The lack of a sales tax exemption would result in less improvements which will adversely hurt the company's job growth and expansion goals.

**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**

No

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

See response to previous question.

**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)**

1-William; 2-Clinton; 4-Broadway; 6-Sycamore; 8-Main

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

No

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

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

4/30/23

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

Yes

**Describe the present zoning/land use**

Present zoning classification of 101 Oak Street property is N1C. Top Seedz is a permitted use in N1C subject to procurement of a Special Use Permit (SPU) from the City of Buffalo. An application for SPU together with a short form EAF (which lists this ECIDA incentive application as an action) was submitted to the City of Buffalo on 3/20/23. A SEQRA negative declaration is anticipated by 4/30/23.

**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**





<b>Research &amp; Development</b>	square feet	\$	0	0%
<b>Commercial</b>	square feet	\$	0	0%
<b>Retail</b>	square feet	\$	0	0%
<b>Office</b>	24,275 square feet	\$	800,000	23%
<b>Specify Other</b>	square feet	\$	0	0%

**If you are undertaking new construction or renovations, are you seeking LEED certification from the US Green Building Council?**  
 No

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

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

**Will project result in significant utility infrastructure cost or uses** Yes

What is the estimated project timetable (provide dates).

**Start date : acquisition of equipment or construction of facilities**  
 5/31/2023

**End date : Estimated completion date of project**  
 9/30/2024

**Project occupancy : estimated starting date of occupancy**  
 9/30/2023

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)**

\$ 0 square feet

**4.) Reconstruction/Renovation**

\$ 2,800,000 67,385 square feet

**5.) Manufacturing Equipment**

\$ 0

**6.) Infrastructure Work**

\$ 700,000

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

\$ 0

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

\$ 0

**9.) Other Cost**

\$ 0

**Explain Other Costs**

**Total Cost** \$ 3,500,000

Construction Cost Breakdown:

<b>Total Cost of Construction</b>	\$ 3,500,000 (sum of 2, 3, 4 and 6 in Project Information, above)
<b>Cost of materials</b>	\$ 1,750,000
<b>% sourced in Erie County</b>	90%

Sales and Use Tax:

**Gross amount of costs for goods and services that are subject to State and local sales and use tax- said amount to benefit from the Agency's sales and use tax exemption benefit** \$ 1,750,000

**Estimated State and local Sales and Use Tax Benefit (product of 8.75% multiplied by the figure, above):** \$ 153,125

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

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

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

**If Yes, describe particulars:**

Sources of Funds for Project Costs:

**Equity (excluding equity that is attributed to grants/tax credits):** \$ 700,000

**Bank Financing:** \$ 2,700,000

**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):** \$ 100,000

**Identify each state and federal grant/credit: (ie Historic Tax Credit, New Market Tax Credit, Brownfield, Cleanup Program, ESD, other public sources)** Application to be made to National Grid under their Electric Capital Investment Program with max grant of \$100,000

**Total Sources of Funds for Project Costs:** \$3,500,000

**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).** financing is existing; no new financing

**Lender Name, if Known**

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

Real Property Tax Benefit:

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

Application may be made for 485 b

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?**

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>	29	29	13	13
<b>Part time</b>	0	0	0	0
<b>Total</b>	29	29	13	

Salary and Fringe Benefits for Jobs to be Retained and Created

<b>Job Categories</b>	<b># of Full Time Employees retained and created</b>	<b>Average Salary for Full Time</b>	<b>Average Fringe Benefits for Full Time</b>	<b># of Part Time Employees retained and created</b>	<b>Average Salary for Part Time</b>	<b>Average Fringe Benefits for Part Time</b>
<b>Management</b>	4	\$ 125,000	\$ 31,250	0	\$ 0	\$ 0
<b>Professional</b>	10	\$ 75,000	\$ 18,750	0	\$ 0	\$ 0
<b>Administrative</b>	1	\$ 60,000	\$ 15,000	0	\$ 0	\$ 0
<b>Production</b>	27	\$ 50,000	\$ 12,500	0	\$ 0	\$ 0

<b>Independent Contractor</b>	0	\$ 0	\$ 0	0	\$ 0	\$ 0
<b>Other</b>	0	\$ 0	\$ 0	0	\$ 0	\$ 0
<b>Total</b>	42			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**

1,706,000

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

60,690

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

0

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

69,231

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

0

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

**From (Full Time)** 50,000                      **To (Full Time)** 125,000  
**From (Part Time)** 0                              **To (Part Time)** 0

**Section III: Environmental Questionnaire**

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

General Background Information

**Address of Premises**

101 Oak Street, Buffalo NY

**Name and Address of Owner of Premises**

Iskalo 101 Oak LLC c/o Iskalo Development Corp., 5166 Main Street, Williamsville NY 14221

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

The 101 Oak Street Premises consists of a 67,385 square foot, single-story building and related parking. The property is fully improved/disturbed. There are no natural features.

**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 Premises/building and related improvements were constructed in 1982 by Allentown Industries (which later became ARC Erie County) which occupied the building until February 2019 (the property was purchased by applicant in October of 2018. ARC Erie County used the building for administrative offices, classrooms, client rehabilitation and (clean) light assembly. ARC made no improvements or upgrades to the building from its original construction to the date of its sale to applicant. Approximately 22% of the building is presently occupied for use as a brewery. Top Seedz will occupy approximately 51% of the building for food processing and for its offices. Approximately 27% of the building is uncommitted and available for lease.

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

See response above.

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

Yes

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

Big Ditch Brewing (affiliate of Iskalo) occupies 15,162 square feet of space in the Premises for use as a brewery.

**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**

There are no industrial process discharges current or proposed

**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**

Storm water discharges from roof and parking lot; non-industrial waste water discharges from brewery into sanitary system

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

No

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

Air Pollution

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

No

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

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

<BLANK>

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

Storage Tanks

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

None

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

<BLANK>

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

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

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

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

No

**If yes, relate all the circumstances**

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

Yes

**If yes, please identify the materials**

mastic below sections of building with existing carpet and VCT; roof flashing

**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**

Premises consists of an existing building that was originally owner-occupied. Premises was acquired by applicant in October of 2018. Due to need by Big Ditch for a brewery close to its current brewery at 55 East Huron, a portion of the 101 Oak St building was improved for a brewery. As the inventory of light industrial space within the region is very low (especially in the vicinity of downtown), applicant began marketing the remaining space in the building (as multi-tenant). Subsequently, Top Seedz expressed interest in the building for its operations and a lease was entered into in 2022. Approximately 17,844 square feet of space in the building remains available and is being marketed for lease.

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

Yes

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

<b>Tenant Name</b>	<b>Current Address (city, state, # of sq ft and % of total to be occupied at new project site zip)</b>	<b>SIC or NAICS-also briefly describe type of business, products services, % of sales in Erie Co.</b>
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\*fill out table for each tenant and known future tenants



## Section V: Tenant Information

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

**Tenant Name**

Top Seedz LLC

**Property Address:**

247 Cayuga Road

**City/Town/Village**

Cheektowaga, NY 14225

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

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

34,379

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

51

**Are terms of lease:**

NET

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

As explained elsewhere in the application, the sales tax exemption benefit will reduce Top Seedz pro rata share of costs to improve the Premises for their use and occupancy.

**Estimated date of occupancy**

9/30/2023

### PART 2 TO BE COMPLETED BY PROPOSED TENANT

**Company Name:**

Top Seedz LLC

**Local Contact Person:**

Will Brady

**Title:**

Chief Operating Officer

**Current Address:**

247 Cayuga Road, Cheektowaga, NY 14225

**Phone:**

(716) 936-7345

**Fax:**

**E-Mail:**

will@topseedz.com

**Website:**

www.topseedz.com

**Company President/General Manager:**

Rebecca Brady

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

**Full-Time:**

29

**Part-Time:**

0

**Total:**

29

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

Top Seedz (NAICS 311821) produces, packages and sells toasted, seed crackers and toasted seeds. All products are organic, gluten-free and vegan. Products are sold across the U.S. in grocery stores, specialty shops and on-line through the Top Seedz web site.

Attach additional information as necessary.

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

Top Seedz is a Buffalo-based start-up and winner of the 2021 43 North competition

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

34,379

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

6,653

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

Top Seedz existing space in the Town of Cheektowaga is incubator type space that no longer can accommodate the growth in demand for their product. The increase in space at the 101 Oak Street location is required to accommodate Top Seedz 10-year growth plan.

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

Yes

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

Existing space is located in a larger, multi-tenant building owned by the NFTA. Once vacated, NFTA will seek other tenants for the Top Seedz space.

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

3/31/2024

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

No

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

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

**Tenant Name**

Big Ditch Brewing

**Property Address:**

**City/Town/Village**

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

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

15,162

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

22

**Are terms of lease:**

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

Big Ditch Brewing is already in occupancy. The proposed project described in this application does not relate to their tenancy other than that their electric service will be switched over to the new electric service being installed in the building prompted by Top Seedz power requirements.

**Estimated date of occupancy**

7/1/2022

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

**Company Name:**

**Local Contact Person:**

**Title:**

**Current Address:**

**Phone:**

**Fax:**

**E-Mail:**

**Website:**

**Company President/General Manager:**

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

**Full-Time:**

0

**Part-Time:**

0

**Total:**

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

Attach additional information as necessary.

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

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

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

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

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

<BLANK>

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

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

12/31/1969

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

<BLANK>

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

## Section VI: Retail Determination

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

Please answer the following:

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

No

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

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

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

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

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

101 Oak Street

### City/Town

Buffalo

### State

New York

### Zip Code

14203

**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**

Yes

**Within Erie County**

Yes

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

Top Seedz LLC is presently occupying incubator-type space owned by the NFTA alongside the Buffalo Niagara International Airport on Cayuga Road. This space was not intended to serve Top Seedz long term growth needs. Following Top Seedz winning the 2021 43 North Competition, it commenced a search for new space that could meet their long term needs to support sale of their product nationally.

**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.)**

The lease with Top Seedz for space at 101 Oak Street is already in place as Top Seedz was unable to find suitable space in the Town of Cheektowaga as further explained in a later response. They were looking for light industrial zoned buildings with sufficient height to accommodate their food processing and related operations as well as supporting office space.

**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?**

Yes

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

-The business was founded in Erie County-Though the principals of Top Seedz are not Buffalo area natives, they established the business in Erie County and reside here and prefer to grow the business here.-Top Seedz values its current employees who all reside locally

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

The space presently occupied by Top Seedz on Cayuga Drive was intended to serve as incubator-type space to help establish the business. The space does not meet its current needs. Once Top Seedz occupies their premises at 101 Oak Street, it is presumed that the NFTA will seek to lease the space on Cayuga Road to another tenant/business.

**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.**

Top Seedz retained an experienced commercial real estate broker to assist them in their search for space. It has been well publicized that there is minimal inventory of light industrial space in the Buffalo-Niagara region. Therefore, the search produced a limited number of properties for their consideration, including available space in two buildings located in the Town of Cheektowaga. The first space was located in the Concourse Center at 4039 Genesee Street and the second space was located at 425 Cayuga in the Airport Commerce Park. The space at the 4039 Genesee Street location was deemed by Top Seedz to be not suitable for their operation due its appearance/condition and that the office space would have had to be separated from the production/warehouse operation by some distance. The second space at 425 Cayuga, which is in a new, modern building, was found to be suitable. Top Seedz tendered an offer to lease this space however the landlord leased the space to a logistics company.

**Section IX: Senior Housing**

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

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

No



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

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

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

No