



Policy Committee

May 4, 2023

At 9:00 a.m.

ECIDA Offices

95 Perry Street, 4th Floor Conference Room

Buffalo, New York 14203

1. Call Meeting to Order
2. Welcome New Committee Members
 - a) AJ Baynes – Amherst Chamber of Commerce
 - b) Susan McCartney – Buffalo State
3. Approval of the April 13, 2023 Policy Committee Meeting Minutes (Pages 2-4)
4. Project Matrix (Page 5)
5. Project Presentation (Staff – Company Q&A)
 - a) Iskalo 101 Oak Street, LLC (Pages 6-40)
 - b) TM Montante – 50 Gates Circle (Pages 41-73)
6. MWBE Update
7. Adjournment - Next Meeting June 1, 2023 at 9:00 a.m.

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

- DATE AND PLACE:** April 13, 2023 at the Erie County Industrial Development Agency, 95 Perry Street, 4th Floor Conference Room, Buffalo, New York 14203
- PRESENT:** Denise Abbott; Hon. April Baskin; Rev. Mark E. Blue; Zachary Evans; Richard Lipsitz, Jr.; Brenda W. McDuffie; Hon. Glenn R. Nellis; David J. State¹; Lavon Stephens and Hon. John Tobia
- EXCUSED:** Hon. Bryon W. Brown; Colleen DiPirro; Laura Smith and Paul Vukelic
- OTHERS PRESENT:** John Cappellino, President and Chief Executive Officer; Mollie Profic, Chief Financial Officer; Grant Lesswing, Director of Business Development; Soma Hawramee, Compliance Portfolio Manager; Brian Krygier, Director of Information Technology; Carrie Hocieniec, Operations Assistant; and Pietra G. Zaffram, General Counsel/Harris Beach PLLC
- GUESTS:** Josh Veronica on behalf of Buffalo Niagara Partnership; Dale Shoemaker on behalf of Investigative Post; and Ryan McCarthy on behalf of Wood and Brooks Properties, LLC

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

PROJECT MATRIX

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

MWBE UPDATE

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

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

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

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

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

MINUTES

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

PROJECT PRESENTATION

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

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

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

Draft Recapture Material Terms

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

Local Labor	Construction Period	Adherence to policy including quarterly reporting
Pay Equity	Coincides with recapture period	Adherence to policy
Unpaid Tax	Coincides with recapture period	Adherence to policy
Recapture Period	2 years after project completion	Recapture of state and local sales taxes and mortgage recording tax

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

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

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

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

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

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

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

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

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

Dated: April 13, 2023

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 ¹	Buffalo	\$32,067,800	85% threshold \$27,257,630	0	0	42	0	85% - New 35 Jobs	212	150	project completion date + 2 yrs	\$612,500	1:47
Feb-23	Commitment 2000	Buffalo	\$8,623,800	85% threshold \$7,330,230	74	2	10	2	85% - New 35 Jobs	38	38	Period of PILOT 7 Years	\$420,215	1:89
Mar-23	Moog, Inc.	Elma	\$76,750,800	85% threshold \$65,237,500	180	0	0	0	0	335	320	Period of PILOT 10 Years	\$2,900,920	1:97
Apr-23	Wood and Brooks Properties, LLC ¹	Tonawanda	\$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

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	2	\$55,195,438	0	0	43	2	373	242	\$1,776,947
2022 Total	4	\$140,570,038	254	2	53	4	746	600	\$5,098,082

¹ Adaptive Reuse

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		\$0
			Sales Taxes		\$166,347
			Other Muni Revenue (NFTA)		\$
	New York State	Public	Income Taxes		\$900,524
			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 10-year PILOT	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.
- 5/31/23: Negative Declaration in accordance with SEQR (Type II Action)
- 5/31/23: 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: 5/31/23

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/eoo/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

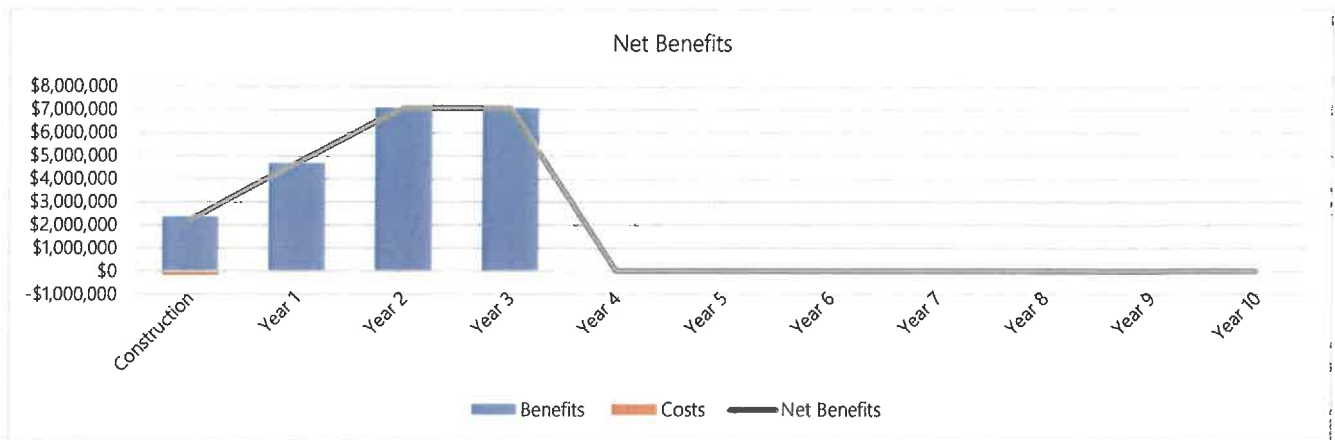
Summary of Economic Impacts over the Life of the PILOT

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

Figure 2

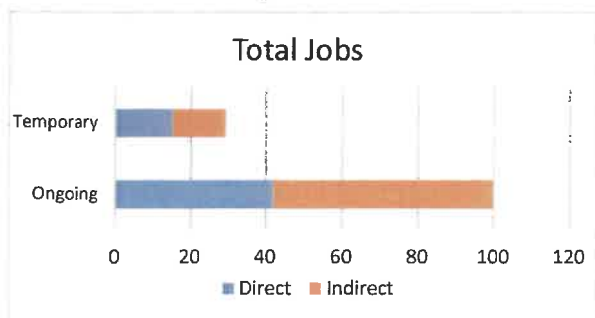


Figure 3



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

Fiscal Impacts



Cost-Benefit Analysis Tool powered by MRB Group

Estimated Costs of Exemptions

	Nominal Value	Discounted Value*
Property Tax Exemption	\$0	\$0
Sales Tax Exemption	\$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
Total Costs	\$153,125	\$153,125

State and Local Benefits

	Nominal Value	Discounted Value*
Local Benefits	\$20,177,989	\$19,441,155
To Private Individuals	\$20,011,642	\$19,280,882
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	\$166,347	\$160,272
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
State Benefits	\$1,040,605	\$1,002,606
To the Public	\$1,040,605	\$1,002,606
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
Total Benefits to State & Region	\$21,218,594	\$20,443,761

Benefit to Cost Ratio

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

*Discounted at 2%

Additional Comments from IDA

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

PUBLIC HEARING SCRIPT

**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 Hocieniec – ECIDA
Brian Krygier – ECIDA

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

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

☒ 2. PURPOSE: Purpose of the Hearing.

Hearing Officer: We are here to hold the public hearing on the 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	



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

Project Name	101 Oak St Renovation Top Seedz
Project Summary	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.
Applicant Name	Iskalo Development Corp
Applicant Address	5166 Main St
Applicant Address 2	
Applicant City	Williamsville
Applicant State	New York
Applicant Zip	14221
Phone	(716) 633-2096
Fax	(716) 633-5775
E-mail	dchiazza@iskalo.com
Website	www.iskalo.com
NAICS Code	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 predominantly 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

Research & Development	square feet	\$	0	0%
Commercial	square feet	\$	0	0%
Retail	square feet	\$	0	0%
Office	24,275 square feet	\$	800,000	23%
Specify Other	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** \$ 3,500,000Construction Cost Breakdown:

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

Sales and Use Tax:

Gross amount of costs for goods and services that are subject to State and local sales and use tax- said amount to benefit from the Agency's sales and use tax exemption benefit	\$ 1,750,000
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Estimated State and local Sales and Use Tax Benefit (product of 8.75% multiplied by the figure, above):	\$ 153,125
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** Note that the estimate provided above will be provided to the New York State Department of Taxation and Finance. The Applicant acknowledges that the transaction documents may include a covenant by the Applicant to undertake the total amount of investment as proposed within this Application, and that the estimate, above, represents the maximum amount of sales and use tax benefit that the Agency may authorize with respect to this Application. The Agency may utilize the estimate, above, as well as the proposed total Project Costs as contained within this Application, to determine the Financial Assistance that will be offered.

Project refinancing estimated amount, if applicable (for refinancing of existing debt only)	\$ 0
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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
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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
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Total Sources of Funds for Project Costs:	\$3,500,000
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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).

	Current # of jobs at proposed project location or to be relocated at project location	If financial assistance is granted – project the number of FT and PT jobs to be retained	If financial assistance is granted – project the number of FT and PT jobs to be created upon 24 months (2 years) after Project completion	Estimate number of residents of the Labor Market Area in which the project is located that will fill the FT and PT jobs to be created upon 24 months (2 years) after project completion **
Full time	29	29	13	13
Part time	0	0	0	0
Total	29	29	13	

Salary and Fringe Benefits for Jobs to be Retained and Created

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

Independent Contractor	0	\$ 0	\$ 0	0	\$ 0	\$ 0
Other	0	\$ 0	\$ 0	0	\$ 0	\$ 0
Total	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):

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

Payroll Information

Annual Payroll at Proposed Project Site upon completion

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

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

Section V: Tenant Information

PART 1 TO BE COMPLETED BY LESSEE (DEVELOPER)

Tenant Name

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

TM Montante, LLC

\$ 3,465,838

PRIVATE INVESTMENT INDUCEMENT RESOLUTION

ELIGIBILITY	<p>Project Title: 50 Gates Circle Adaptive Reuse</p>										
<ul style="list-style-type: none"> • NAICS Section – 531390 	<p>Project Address: 50 Gates Circle, Buffalo, NY 14209</p>										
COMPANY INCENTIVES	<p align="center">Buffalo Public Schools</p>										
<ul style="list-style-type: none"> • Approximately \$95,375 in sales tax savings • Up to 3/4 of 1% of the final mortgage amount estimated at \$ 13,125 	<p align="center">Agency Request</p> <p>A sales tax and mortgage recording tax abatement in connection with the adaptive reuse of a 11,200 sq ft building located at Gates Circle in the City of Buffalo.</p> <table border="0"> <tr> <td>Building Acquisition</td> <td align="right">\$ 750,000</td> </tr> <tr> <td>Building Renovation</td> <td align="right">\$ 2,240,000</td> </tr> <tr> <td>Soft Costs/Other</td> <td align="right">\$ 475,838</td> </tr> <tr> <td>Total Project Cost</td> <td align="right">\$ 3,465,838</td> </tr> <tr> <td> 85%</td> <td align="right"> \$ 2,945,962</td> </tr> </table>	Building Acquisition	\$ 750,000	Building Renovation	\$ 2,240,000	Soft Costs/Other	\$ 475,838	Total Project Cost	\$ 3,465,838	 85%	 \$ 2,945,962
Building Acquisition	\$ 750,000										
Building Renovation	\$ 2,240,000										
Soft Costs/Other	\$ 475,838										
Total Project Cost	\$ 3,465,838										
 85%	 \$ 2,945,962										
JOBS & ANNUAL PAYROLL											
<ul style="list-style-type: none"> • Current / Retained Jobs: 4 FTE • Est. salary/yr. of jobs retained: \$50,000 • Current Annual Payroll: \$ 200,000 • Projected new jobs: 0 • Total jobs after project completion: 4 FTE • Construction Jobs: 14 	<p align="center">Company Description</p> <p>TM Montante Development LLC is a real estate holding company fully owned by Montante Group which focuses on developing smart and distinctive commercial, residential and mixed-use properties.</p>										
PROJECTED COMMUNITY BENEFITS*											
<ul style="list-style-type: none"> • Term: 2 yrs from project completion • NET Community Benefits: \$3,232,963 • Spillover Jobs: 14 • Total Payroll: \$13,044,940 	<p align="center">Project Description</p> <p>This adaptive reuse project will transform a mostly vacant 11,200 sq ft building into a mixed use development. Currently, therapist offices occupy 1,020 sq ft of the building with the remainder being vacant. The new use of this 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 with one unit being offered at 80% AMI.</p>										
INCENTIVE COST / COMMUNITY BENEFIT RATIO (discounted at 2%)*	<table border="1"> <thead> <tr> <th># of Units</th> <th>Sq Ft</th> <th>Rent Range</th> </tr> </thead> <tbody> <tr> <td>12 one-bedroom</td> <td>490-645</td> <td>\$1,227 - \$1,758</td> </tr> </tbody> </table>	# of Units	Sq Ft	Rent Range	12 one-bedroom	490-645	\$1,227 - \$1,758				
# of Units	Sq Ft	Rent Range									
12 one-bedroom	490-645	\$1,227 - \$1,758									
<p>Incentives: \$108,500</p> <p>Community Benefit: \$3,179,768</p> <p>Cost: Benefit Ratio</p> <ul style="list-style-type: none"> • 1:29 	<p>The company is pursuing property tax savings through the City's 485 A program.</p>										

* Cost Benefit Analysis Tool powered by MRB Group

Economic Impact: Inform Analytics Cost-Benefit Analysis

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

Cost: Incentives

COSTS	Tax Exemption	Amount
	Sales	95,375
	Mortgage Recording	13,125
	Total	108,500
	Discounted at 2%	108,500

Benefit: Projected Community Benefit*

BENEFITS	Region	Recipient	Revenue Type	\$ Amount**	
	Erie County	Individuals	Payroll Construction	\$1,750,860	
			Payroll Permanent	\$1,294,080	
		Public	Property Taxes	\$0	
			Sales Taxes	\$25,311	
			Other - NFTA	\$4,375	
	New York State	Public	Income Taxes	\$137,023	
			Sales Taxes	\$21,315	
				Total Benefits to EC + NYS***	\$3,232,963
				Discounted at 2%	\$3,179,768

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

Discounted Cost \$ 108,500
 Discounted Benefit \$3,179,768
 Ratio 1:29

Conclusion: The Cost Benefit for this project is: 1:29. For every \$1 in costs (incentives), this project provides \$29 in benefits (payroll & tax revenue). **Note: For Erie County, every \$1 in costs (incentives) provides \$54 in benefits to the community.**

New Tax Revenue Estimated – City of Buffalo 485 A Program

Current Yearly Taxes	Estimated New Assessed Value	Additional County Revenue over abatement period	Additional Local Revenue Over abatement period	New Yearly Taxes Upon Expiration of Abatement Period
\$ 24,319	1,600,000	\$99,780	\$ 239,836	\$37,386
Combined Tax Rate: \$ 23.37				

Retail Determination

Project Use	Sq Ft	Cost	% Project Cost
Retail / Commercial	2,230	446,000	20%
Residential housing + building amenities	8,970	1,794,000	80%
	11,200	2,240,000	

The retail component of the project is less than 30% of the project costs and therefore no sign off is required.

Draft Recapture Material Terms

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

Recapture applies to:

State and Local Sales Taxes & Mortgage Recording Tax

Recapture

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

At completion of the project company must certify i) total investment amount is equal to or greater than 85% of the anticipated project amount; ii) company has maintained 4 jobs (FTE), iii) confirm adherence to local labor policy during construction and iv) its adherence to unpaid tax/pay equity policies for recapture term.

Project ECIDA History

- 5/2/23: Public hearing held.
- 5/31/23: Negative Declaration in accordance with SEQR (Type II Action)
- 5/31/23: Lease/Leaseback Inducement Resolution presented to the Board of Directors

**ADAPTIVE REUSE REPORT &
EVALUATIVE CRITERIA
TM Montante, LLC - 50 Gates Circle**

Age of Structure (must be at least 20 years old and present functional challenges to redevelopment)	Building is 55 years old. This mostly vacant building will require environmental remediation in order to complete the project.
Structure has been vacant or underutilized for a minimum of 3 years (defined as a minimum of 50% of the rentable square footage of the structure being utilized for a use for which the structure was not designed or intended). Project promotes the elimination of slum and blight.	The building has been underutilized for 9 years. After the hospital closed in 2012, the building tenants vacated the facility and the building remained largely vacant since then. From 2017 through present, 1,020 sq ft (9%) of the building's 11,200 sq ft was utilized by a therapist tenant.
Structure is not generating significant rental income (defined as 50% or less than the market rate income average for that property class)	Annual rent for the building's single tenant = \$18,000
Project is in compliance with the investment and growth criteria of the Framework for Regional Growth. The redevelopment supports or aligns with Regional or Local Development Plans	The project is consistent with the City's Comprehensive Plan which seeks compact, pedestrian friendly and mixed-use development.
Demonstrated evidence of financial obstacle to development without ECIDA or other public assistance (cash flow projections documenting costs, expenses and revenues indicating below average return on investment rate as compared to regional industry averages)	This mostly vacant and distressed building will require environmental rehabilitation, exterior rehabilitation and a complete interior reconstruction. All tax credits for this project are critical in ensuring that private sector lending institutions will underwrite the project.
Demonstrated support of local government entities	Local support through approval by both SHPO and per Planning Board. Letter of support - Mayor Brown (pending / TBD).
LEED/Renewable Resources	N/A
Building or site has historic designation	Historic Preservation Certification App has been submitted to SHPO and National Parks. Initial resource evaluations completed by SHPO = "determined SR/NR eligible by the Commissioner of the Office of Parks, Recreation and Historic Preservation.

ADAPTIVE REUSE REPORT & EVALUATIVE CRITERIA

Site or structure has delinquent property or other local taxes	Property taxes for Erie County SBLs owned by the applicant including project property were found to be paid in full.
MBE/WBE Utilization	See attached MWBE Utilization form that includes examples of the developer's efforts to grow capacity and provide opportunities (diversity plan) through an MWBE hiring and utilization program.
Transit Oriented Development	The site is adjacent to several bus line including: 11,25,26 and 101
OTHER FACTORS TO CONSIDER:	
Environmental/Safety Issues: Structure or site presents significant public safety hazard and or environmental remediation costs	As stated, this mostly vacant and distressed building will require environmental rehabilitation, exterior rehabilitation and a complete interior reconstruction.
Site or structure is located in a distressed census tract	Project is located in census tract 174 – a designated Empire Zone and is adjacent to highly distressed census tract 123.
Structure presents significant costs associated w/ building code compliance.	N/A

DATE OF INDUCEMENT: 05/30/23

ADAPTIVE REUSE REPORT & EVALUATIVE CRITERIA

Return on Investment – TM Montante, LLC – 50 Gates Circle

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

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

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

Adaptive Reuse Projects

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

Public Incentives Requested

- ECIDA Real Property Tax Abatement in an approximate value of n/a
- Sales Tax Savings in the amount of \$ 93,375
- Mortgage Tax Savings in the estimated amount of \$ 13,125

ROI

TM Montante has submitted a proforma documenting the expenses and revenues and ROI for the project.

Stated ROI for the project with ECIDA assistance is 4.1%

Stated ROI for the project without ECIDA assistance is 3.5%

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-50 Gates Circle

Dollar Value of New Construction and Renovation Costs	Estimated New Assessed Value of Property *	County Tax Rate/1000	City of Buffalo Tax Rate/ 1000
\$ 2,240,000	1,120,000	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-a	Estimated Value of Sales Tax Incentive	Estimated Value of Mortgage Tax Incentive	Total of Other Public Incentives (Historic Tax Credits, Utility Grants)
\$ 3,465,838	\$109,016	\$ 95,375	\$ 13,125	\$ 963,750

Note: special district taxes are not subject to PILOT abatement

Calculate % = (Est. PILOT + Est. Sales Tax+ Est. Mortgage Tax+ Other)/Tot Project Costs: 2.2%

MBE/WBE Utilization



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

TM Montante Development LLC acknowledges the importance of promoting MBE/WBE hiring and utilization. As the Company completes the 50 Gates Circle Project, it will endeavor to support local MBE/WBE businesses. The Company will work to grow capacity and provide opportunities through an MBE/WBE hiring and utilization program that consists of:

- Early outreach and involvement – including the active dissemination of information about the availability of upcoming contracting and employment opportunities;
- Active targeting of MBE/WBE firms – including MBE/WBE bidders off a master list of vendors, which is regularly updated with the approved vendors lists issued by the City of Buffalo, State of New York, and Erie County;
- Sustained follow up with MBE/WBE firms – including direct follow up to MBE/WBE firms in order to explain the opportunities and scopes of work for each bid package and to encourage their participation;
- Inclusion of diversity language in all subcontractor materials – including bid packages, purchase orders, and contracts, which ensures that any subcontractor hired on the job also is promoting MBE/WBE hiring and utilization; and
- Subcontractor utilization – direct follow up with subcontractors right after the bid submission to confirm and verify their plans for promoting diversity hiring and utilization.

TM Montante Development will implement the preceding diversity plan and maintain its focus throughout the life of the Project to achieve a goal of 30% MWBE utilization on the total value of the ECIDA benefit.

Erie County Industrial Development Agency

MRB Cost Benefit Calculator

Date: April 12, 2023
 Project Title: 50 Gates Circle
 Project Location: 50 Gates Circle, Buffalo, NY 14209



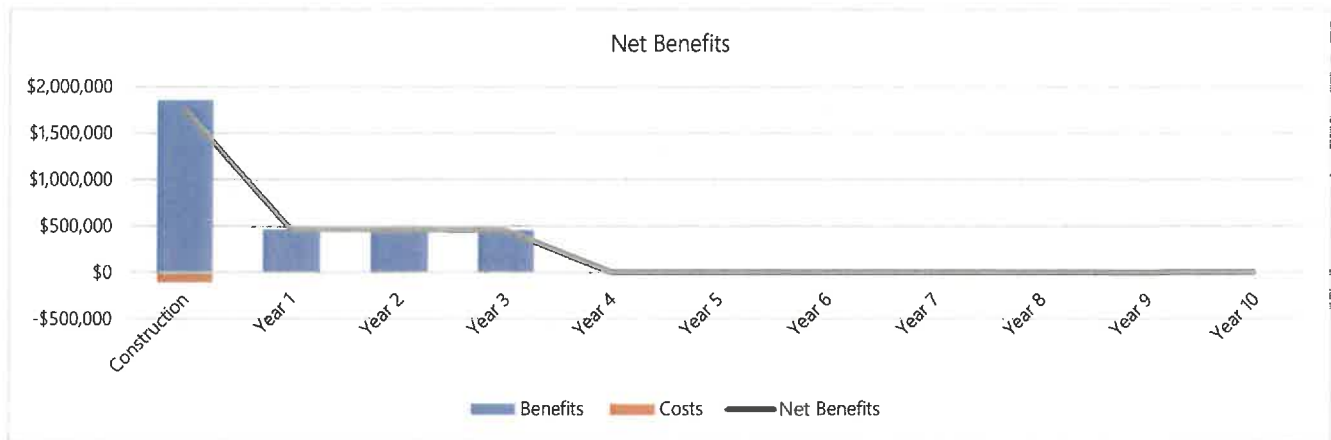
Economic Impacts

Summary of Economic Impacts over the Life of the PILOT
 Project Total Investment
 \$3,465,838

Temporary (Construction)			
	Direct	Indirect	Total
Jobs	14	11	25
Earnings	\$1,132,758	\$618,103	\$1,750,860
Local Spend	\$2,703,354	\$1,914,014	\$4,617,368

Ongoing (Operations) Aggregate over life of the PILOT			
	Direct	Indirect	Total
Jobs	4	3	7
Earnings	\$600,000	\$694,080	\$1,294,080

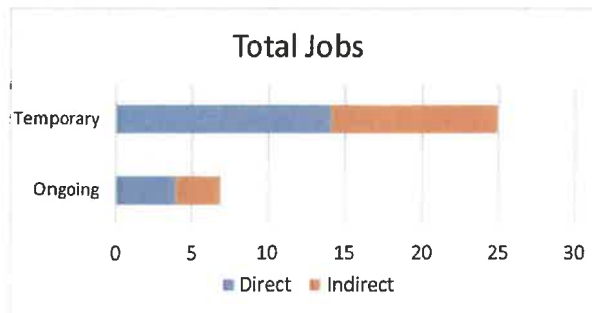
Figure 1



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

Figure 2

Figure 3



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

Fiscal Impacts



Cost-Benefit Analysis Tool powered by MRB Group

Estimated Costs of Exemptions

	Nominal Value	Discounted Value*
Property Tax Exemption	\$0	\$0
Sales Tax Exemption	\$95,375	\$95,375
Local Sales Tax Exemption	\$51,775	\$51,775
State Sales Tax Exemption	\$43,600	\$43,600
Mortgage Recording Tax Exemption	\$13,125	\$13,125
Local Mortgage Recording Tax Exemption	\$4,375	\$4,375
State Mortgage Recording Tax Exemption	\$8,750	\$8,750
Total Costs	\$108,500	\$108,500

State and Local Benefits

	Nominal Value	Discounted Value*
Local Benefits	\$3,074,626	\$3,024,036
To Private Individuals	\$3,044,940	\$2,994,852
Temporary Payroll	\$1,750,860	\$1,750,860
Ongoing Payroll	\$1,294,080	\$1,243,992
Other Payments to Private Individuals	\$0	\$0
To the Public	\$29,686	\$29,184
Increase in Property Tax Revenue	\$0	\$0
Temporary Jobs - Sales Tax Revenue	\$14,554	\$14,554
Ongoing Jobs - Sales Tax Revenue	\$10,757	\$10,341
Other Local Municipal Revenue	\$4,375	\$4,289
State Benefits	\$158,337	\$155,732
To the Public	\$158,337	\$155,732
Temporary Income Tax Revenue	\$78,789	\$78,789
Ongoing Income Tax Revenue	\$58,234	\$55,980
Temporary Jobs - Sales Tax Revenue	\$12,256	\$12,256
Ongoing Jobs - Sales Tax Revenue	\$9,059	\$8,708
Total Benefits to State & Region	\$3,232,963	\$3,179,768

Benefit to Cost Ratio

	Benefit*	Cost*	Ratio
Local	\$3,024,036	\$56,150	54:1
State	\$155,732	\$52,350	3:1
Grand Total	\$3,179,768	\$108,500	29:1

*Discounted at 2%

Additional Comments from IDA

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



50 Gates Circle Adaptive Reuse

[Instructions and Insurance Requirements Document](#)

Section I: Applicant Background Information

Please answer all questions. Use "None" or "Not Applicable" where necessary. Information in this application may be subject to public review under New York State Law.

Applicant Information- Company Receiving Benefit

Project Name	50 Gates Circle Adaptive Reuse
Project Summary	The Project includes the adaptive reuse of a 11,200 square foot building located at 50 Gates Circle into a mixed-use development that includes new residential units on the upper floors and commercial space below. Twelve (12) new one-bedroom apartments will be created. Eleven (11) of the apartments will be market rate and one (1) apartment will be affordable at 80% AMI. Approximately 2,300 square feet of garden level space will be dedicated to commercial for a therapist.
Applicant Name	TM Montante Development LLC
Applicant Address	2760 Kenmore Ave
Applicant Address 2	
Applicant City	Buffalo
Applicant State	New York
Applicant Zip	14150
Phone	(716) 876-8899
Fax	
E-mail	bdeluke@montante.com
Website	
NAICS Code	531390

Business Organization

Type of Business

Limited Liability Company

Year Established

2008

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 Byron DeLuke
Title Executive Director
Address 2760 Kenmore Ave
Address 2
City Buffalo
State New York
Zip 14150
Phone (716) 876-8899
Fax
E-Mail bdeluke@montante.com

Company Contact- Authorized Signer for Applicant

Contact is same as individual completing application Yes

Name
Title
Address
Address 2
City
State
Zip
Phone
Fax
E-Mail

Company Counsel

Name of Attorney Blaine Schwartz, Esq.
Firm Name Lippes Mathias
Address 50 Fountain Plaza,
Address 2 Suite 1700
City Buffalo
State New York
Zip 14202
Phone (716) 853-5100
Fax
E-Mail bschwartz@lippes.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%.

Real estate holding company fully owned by Montante Group, which focuses on developing smart and distinctive commercial, residential and mixed-use properties.

Estimated % of sales within Erie County	75 %
Estimated % of sales outside Erie County but within New York State	25 %
Estimated % of sales outside New York State but within the U.S.	0 %
Estimated % of sales outside the U.S.	0 %

(*Percentage to equal 100%)

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

75

Describe vendors within Erie County for major purchases

Section II: Eligibility Questionnaire - Project Description & Details

Project Location

Address of Proposed Project Facility

50 Gates Circle

Town/City/Village of Project Site

Buffalo

School District of Project Site

Buffalo Public Schools

Current Address (if different)

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

SBL Number(s) for proposed Project

89.79-3-2.111

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

\$24,319.27

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

Land

\$ 0

Building(s)

\$ 0

If available include a copy of current tax receipt.

Are Real Property Taxes current at project location?

Yes

If no please explain

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

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

Yes

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

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

Yes

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

The parcel is located at 50 Gates Circle in the City of Buffalo. It includes an approximately 11,200 square foot building and associated infrastructure. The building was initially constructed in the 1960's and is currently mostly vacant, except for 1 commercial tenant.

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

The Project includes the adaptive reuse of a 11,200 square foot building located at 50 Gates Circle into a mixed-use development that includes new residential units on the upper floors and commercial space below. The property has been vacant, except for a 1,020 square foot therapists' office, since Montante acquired it in 2014. Four independent practitioners work in the office. Approximately 2,300 square feet of garden level space will be dedicated to new commercial space for the therapists. All four jobs will be retained. Twelve new apartments will be created in total. All new apartments will be one-bedroom. Eleven (11) of the apartments will be market rate. The rent for the market rate apartments is going to range from about \$1,350 to \$1,760. Given that individual AMI for Erie County was \$61,000 in 2022, rents for three (3) of these market rate apartments will fall naturally at or below 100% AMI. We will further commit to one (1) affordable unit at 80% AMI, or \$1,227 per month.

Municipality or Municipalities of current operations

Tonawanda

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:

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 Applicant needs to secure financial assistance before it can secure private construction loans to fund construction at 50 Gates Circle. There is considerable risk associated with the project because the site currently contains a mostly vacant and distressed building, which will require environmental remediation, exterior rehabilitation, and a complete interior reconstruction. Factoring in sales and mortgage tax abatements, the Applicant is projecting a modest 2.5 percent initial rate of return. Thus, the tax abatements are critical in ensuring that private sector lending institutions underwrite the Project. Should the Project move forward, it will result in an approximately \$3.5 million investment. The applicant will work with community leaders and other neighborhood stakeholder groups to ensure that construction-related and permanent jobs generated by the redevelopment effort will benefit the local community.

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 needs to secure financial assistance before it can secure private construction loans to fund construction at 50 Gates Circle. Without financial assistance the Project will not move forward. The building will lose the last remaining tenant and further deteriorate, additional private sector investment will not be secured at the Site, and the short-term construction-related and permanent jobs will not be realized.

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)

Yes, The site is immediately adjacent to several bus lines- the 11, 25, 26, and 101 are within 1/4 of a mile. The NFTA metro, Canisius Delavan stop, is 1/2 mile from the site.

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.

April, 2023

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

Yes

Describe the present zoning/land use

Presently the site is zoned N-2R. Zoning allows for the uses that are proposed. The Project has been submitted to the City of Buffalo Planner and is under review for minor site plan and subdivision. SEQRA review is not required as part of the minor site plan and subdivision process. It will need to be completed by the ECIDA as part of any action to review and / or approve tax abatement.

Describe required zoning/land use, if different

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

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

No

If yes, please explain

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

Yes

If yes, please provide a copy.

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

<BLANK>

If yes, please provide copies of the study.

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

No

If yes, describe the efficiencies achieved

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

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

No

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

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

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

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

Retail Sales No

Services Yes

Please check any and all end uses as identified below.

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

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

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

			Cost	% of Total Cost
Manufacturing/Processing	square feet	\$	0	0%
Warehouse	square feet	\$	0	0%
Research & Development	square feet	\$	0	0%
Commercial	2,230 square feet	\$	446,000	20%
Retail	square feet	\$	0	0%
Office	square feet	\$	0	0%
Specify Other	8,970 square feet	\$	1,794,000	80%

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

No

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

<BLANK>

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

Will project result in significant utility infrastructure cost or uses No

What is the estimated project timetable (provide dates).

Start date : acquisition of equipment or construction of facilities

6/1/2023

End date : Estimated completion date of project

12/31/2023

Project occupancy : estimated starting date of occupancy

1/1/2024

Capital Project Plan / Budget

Estimated costs in connection with Project

1.) Land and/or Building Acquisition

\$ 750,000

11,200 square feet

acres

2.) New Building Construction

\$ 0	square feet
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3.) New Building addition(s)

\$ 0	square feet
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4.) Reconstruction/Renovation

\$ 2,240,000	11,200 square feet
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5.) Manufacturing Equipment

\$ 0	
------	--

6.) Infrastructure Work

\$ 0	
------	--

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

\$ 0	
------	--

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

\$ 475,838	
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9.) Other Cost

\$ 0	
------	--

**Explain Other
Costs**

Total Cost	\$ 3,465,838
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Construction Cost Breakdown:

Total Cost of Construction	\$ 2,240,000 (sum of 2, 3, 4 and 6 in Project Information, above)
Cost of materials	\$ 1,120,000
% sourced in Erie County	100%

Sales and Use Tax:

Gross amount of costs for goods and services that are subject to State and local sales and use tax- said amount to benefit from the Agency's sales and use tax exemption benefit	\$ 1,090,000
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Estimated State and local Sales and Use Tax Benefit (product of 8.75% multiplied by the figure, above):	\$ 95,375
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** Note that the estimate provided above will be provided to the New York State Department of Taxation and Finance. The Applicant acknowledges that the transaction documents may include a covenant by the Applicant to undertake the total amount of investment as proposed within this Application, and that the estimate, above, represents the maximum amount of sales and use tax benefit that the Agency may authorize with respect to this Application. The Agency may utilize the estimate, above, as well as the proposed total Project Costs as contained within this Application, to determine the Financial Assistance that will be offered.

Project refinancing estimated amount, if applicable (for refinancing of existing debt only)	\$ 1
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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):	\$ 752,088
Bank Financing:	\$ 1,750,000

Tax Exempt Bond Issuance (if applicable):	\$ 0
Taxable Bond Issuance (if applicable):	\$ 0
Public Sources (Include sum total of all state and federal grants and tax credits):	\$ 963,750
Identify each state and federal grant/credit: (ie Historic Tax Credit, New Market Tax Credit, Brownfield, Cleanup Program, ESD, other public sources)	Historic Tax Credits, Utility Grants
Total Sources of Funds for Project Costs:	\$3,465,838
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).	1,750,000
Lender Name, if Known	
Estimated Mortgage Recording Tax Exemption Benefit (product of mortgage amount as indicated above multiplied by 3/4 of 1%):	\$13,125

Real Property Tax Benefit:

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

No

Is project necessary to retain existing employment?

Yes

Will project include leasing any equipment?

No

If yes, please describe equipment and lease terms.

Employment Plan (Specific to the proposed project location)

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

By statute, Agency staff must project the number of FTE jobs that would be retained and created if the request for Financial Assistance is granted. Agency staff will project such jobs over the TWO Year time period following Project completion. Agency staff converts PT jobs into FTE jobs by dividing the number of PT jobs by two (2).

Current # of jobs at proposed project location or to be	If financial assistance is granted – project the number of FT and PT jobs to be retained	If financial assistance is granted – project the number of FT and PT jobs to be created upon	Estimate number of residents of the Labor Market Area in which the project is located
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	relocated at project location		24 months (2 years) after Project completion	that will fill the FT and PT jobs to be created upon 24 months (2 years) after project completion **
Full time	0	4	0	0
Part time	0	0	0	0
Total	0	4	0	

Salary and Fringe Benefits for Jobs to be Retained and Created

Job Categories	# of Full Time Employees retained and created	Average Salary for Full Time	Average Fringe Benefits for Full Time	# of Part Time Employees retained and created	Average Salary for Part Time	Average Fringe Benefits for Part Time
Management	0	\$ 0	\$ 0	0	\$ 0	\$ 0
Professional	4	\$ 50,000	\$ 0	0	\$ 0	\$ 0
Administrative	0	\$ 0	\$ 0	0	\$ 0	\$ 0
Production	0	\$ 0	\$ 0	0	\$ 0	\$ 0
Independent Contractor	0	\$ 0	\$ 0	0	\$ 0	\$ 0
Other	0	\$ 0	\$ 0	0	\$ 0	\$ 0
Total	4			0		

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

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

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

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

Payroll Information

Annual Payroll at Proposed Project Site upon completion

200,000

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

50,000

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

0

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

0

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

0

Estimated salary range of jobs to be created

From (Full Time) 0 To (Full Time) 0

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

50 Gates Circle, Buffalo NY 14202

Name and Address of Owner of Premises

TM Montante Development LLC or affiliate

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

The parcel is located at 50 Gates Circle in the City of Buffalo. It includes an approximately 11,200 square foot building and associated infrastructure. The building was initially constructed in the 1960's and is currently mostly vacant, except for 1 tenant.

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 parcel is located at 50 Gates Circle in the City of Buffalo. It includes an approximately 11,200 square foot building and associated infrastructure.

Describe all known former uses of the Premises

50 Gates Circle was constructed in the 1960's as a medical office building. It was constructed to provide auxiliary medical office space to support the adjacent Millard Fillmore Gates Circle Hospital. It was occupied by various medical office tenants until the Hospital closed in 2014

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

No

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

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

No

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

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

No

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

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

No

If yes, describe in full detail

Solid And Hazardous Wastes And Hazardous Substances

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

No

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

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

No

If yes, please provide copies of the permits.

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

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

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

No

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

Discharge Into Waterbodies

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

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

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

No

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

Air Pollution

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

No

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

Are any of the air emission sources permitted?

No

If yes, attach a copy of each permit.

Storage Tanks

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

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

No

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

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

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

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

No

If yes, relate all the circumstances

Do the Premises have any asbestos containing materials?

No

If yes, please identify the materials

Section IV: Facility Type - Single or Multi Tenant

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

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

There is demand for market rate residential units at the project site. Target demographics are young professionals, students, and working class.

Have any tenant leases been entered into for this project?

Yes

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

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

Section V: Tenant Information

PART 1 TO BE COMPLETED BY LESSEE (DEVELOPER)

Tenant Name

Rachel Sikorski, Jennifer Carroll, Molly Violante

Property Address:

50 Gates Circle

City/Town/Village

Buffalo

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

Amount of space to be leased (square feet)

2,300

What percentage of the building does this represent?

20

Are terms of lease:

GROSS

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

Agency benefits requested include sales tax abatement on cost of construction materials and mortgage recording tax abatement. Tenant shares in value of these benefits in that it enjoys a more competitive rent than would otherwise be required and in that the incentives enable Applicant to secure bank financing to advance the adaptive reuse project.

Estimated date of occupancy

12/31/2023

PART 2 TO BE COMPLETED BY PROPOSED TENANT

Company Name:

Rachel Sikorski, Jennifer Carroll, Molly Violante

Local Contact Person:

Rachel Sikorski

Title:

Licensed Therapist

Current Address:

50 Gates Circle, Buffalo NY 14209

Phone:

(716) 907-4145

Fax:

(716) 313-2085

E-Mail:

rachel.sikorski@gmail.com

Website:

<http://www.rachelsikorski.com/about-rachel/>

Company President/General Manager:

Number of employees moving to new project location:

Full-Time:

4

Part-Time:

0

Total:

4

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

The tenant includes several licensed therapists providing medical services. The NAICS Code is 621330. The practice has been located at Gates Circle since 2017, where this group of independent practitioners specialize in trauma treatment for adolescents, adults, and couples.

Attach additional information as necessary.

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

The tenant includes several licensed therapists providing medical services. The NAICS Code is 621330. The practice has been located at Gates Circle since 2017, where this group of independent practitioners specialize in treatment for adolescents, adults, and couples.

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

2,300

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

1,020

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

Improved space to allow practitioners to continue providing treatment for adolescents, adults, and couples.

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

No

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

Same facility. Therapist office will move from the first floor to the garden level of the existing building. The first floor will be converted to apartments.

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?

No

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

Section VI: Retail Determination

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

Please answer the following:

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

Yes

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

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

3 %

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

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

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

<BLANK>

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

<BLANK>

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

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

<BLANK>

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

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

<BLANK>

If yes, explain

Is the project located in a Highly Distressed Area?

<BLANK>

Section VII: Adaptive Reuse Projects

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

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

Yes

What is the age of the structure (in years)? 55

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

Yes

If vacant, number of years vacant.

0

If underutilized, number of years underutilized.

9

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

The building formerly housed medical offices tied to the former Millard Fillmore Gates Circle Hospital. After the hospital closed in 2012, the building tenants vacated the facility prior to Applicant's acquisition in 2014. The building remained largely vacant from 2014 to 2015. A small portion of the first floor, 1020 square foot space was used as field offices related to the adjacent development of Canterbury Woods from 2015- 2017. From 2017 through the present, the same 1,020 square foot space on the first floor has been occupied by the therapist office.

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

Yes

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

Annual base rent of \$18,000, or \$1,500 monthly.

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

	Number of Units	Sq. Ft. Range Low to High	Rent Range Low to High
1 Bedroom	12	490- 645	\$1,227- \$1,758
2 Bedroom	-		\$- \$
3 Bedroom	-		\$- \$
Other	-		\$- \$

Does the site have historical significance?

Yes

If yes, please indicate historical designation

Historic Preservation Certification Application (Part 1) has been submitted to SHPO and National Parks. Initial resource evaluation completed by SHPO "Determined SR/NR eligible by the Commissioner of the Office of Parks, Recreation and Historic Preservation."

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

Yes

If yes, provide estimated value of tax credits

\$888,750

Briefly summarize the financial obstacles to development that this project faces without ECIDA or other public assistance. Please provide the ECIDA with documentation to support the financial obstacles to development (you will be asked to provide cash flow

projections documenting costs, expenses and revenues with and without IDA and other tax credits included indicating below average return on investment rates compared to regional industry averages)

The Applicant needs to secure financial assistance before it can secure private construction loans to fund construction at 50 Gates Circle. There is considerable risk associated with the project because the site currently contains a mostly vacant and distressed building, which will require environmental remediation, exterior rehabilitation, and a complete interior reconstruction. Factoring in sales and mortgage tax abatements, the Applicant is projecting a modest 2.5 percent initial rate of return. Thus, the tax abatements are critical in ensuring that private sector lending institutions underwrite the Project.

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

Applicant has applied to the City of Buffalo for site plan and subdivision approval. The project is currently before the Planning Director and Applicant will submit approval letters from the City of Buffalo under separate cover should these be received for the Project. The Applicant has also received a determination of eligibility from SHPO and has applied for inclusion in the National Register.

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

The Project is an adaptive reuse development on a site that contains 11,200 square feet of vacant building space that was formerly utilized for medical office space servicing clients at the adjacent Millard Fillmore Gates Hospital. Once that site closed in 2012, the 50 Gates building was vacated. It now sits underutilized and mostly vacant. The project will bring new life to the building and neighborhood, retain the availability of important medical services in the community, and provide access to new housing opportunities. It is also consistent with the City's Comprehensive Plan, which seeks compact, pedestrian-friendly and mixed-use development.

Indicate census tract of project location

The project is located in Census Tract 169.

Indicate how project will eliminate slum and blight

The Project is an adaptive reuse development on a site that contains 11,200 square feet of vacant building space that was formerly utilized for medical office space servicing clients at the adjacent Millard Fillmore Gates Hospital. Once that site closed in 2012, the 50 Gates building was vacated. It now sits underutilized and mostly vacant. The project will bring new life to the building and neighborhood, retain the availability of important medical services in the community, and provide access to new housing opportunities. It is also consistent with the City's Comprehensive Plan, which seeks compact, pedestrian-friendly and mixed-use development.

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

Section VIII: Inter-Municipal Move Determination

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

Current Address

2760 Kenmore Ave

City/Town

Buffalo

State

New York

Zip Code

14150

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

No

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

No

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

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

Within New York State

No

Within Erie County

No

If Yes to either question, please, explain

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

No

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

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

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

Yes

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

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

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

Section IX: Senior Housing

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

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

No

Section X: Tax Exempt Bonds

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

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

No