

The background of the entire page is a photograph of a construction site. On the left, a tall, cylindrical structure is wrapped in a blue, textured material. To the right, a complex network of yellow metal scaffolding rises against a clear blue sky. A crane arm is visible in the upper middle section. Overlaid on this background is a series of overlapping, semi-transparent blue geometric shapes that form a jagged, mountain-like silhouette across the top and middle of the page.

**2017**  
**YEAR IN**  
**REVIEW**

**The ECIDA is an independent, public-benefit corporation helping businesses invest in Erie County's thriving economy**

# 2017 YEAR IN REVIEW

## Letter from the President/CEO



**Steve Weathers**

President & CEO

Erie County Industrial Development Agency

It was a very busy 2017 at the ECIDA. In April of this year we recognized a milestone—a record eight projects up for a Board vote in a single month. We finished 2017 with an impressive 27 projects approved and 5 loans approved, generating more than \$486 million in private investment in our community. I'd like to take this opportunity to thank ECIDA Board Chair Brenda McDuffie and our Board of Directors for their leadership and hard work in hitting these benchmarks.

As we review our 2017 accomplishments, a common theme stands out: collaboration. The ECIDA is proud to be a part of the extraordinary effort led by Erie County Executive and ECIDA Board Member Mark Poloncarz to transform the former Bethlehem Steel property in Lackawanna into a future thriving commerce park.

The process of preparing the site for future development is near completion, and we look forward to the first shovel in the ground in 2018. The logistics of transferring ownership of 140 acres of the Bethlehem Steel site from its previous owner Tecumseh, and properly remediating the surface soil to prepare the site for future infrastructure proved complex and difficult, but thanks to the cooperation with Erie County, the ECIDA, Tecumseh and the City of Lackawanna, we celebrated the closing of the first parcel on July 25, 2017. This parcel will one day be the home of our Z7+ Net Zero building, the first Net Zero energy, light manufacturing building of its kind in New York State, and new job opportunities in advanced manufacturing.

The Z7+ Net Zero project is the result of the ECIDA leading a collaborative effort with the University of Buffalo, the Department of Energy, HGA Architects & Engineers, Integral Group, C&S Companies, CBRE, Syracuse Engineers, and Singleton Construction Consultants. The preliminary design and concept of Z7+ helped the ECIDA earn Buffalo a regional distinction as a "Better Buildings Zero Energy Districts Accelerator" from the Department of Energy.

The ECIDA also commissioned a detailed analysis of our Adaptive Reuse program. The report was Phase I of a review and recalibration of the program, which demonstrated that our adaptive reuse incentives increased the assessed value of its 53 projects by 229%—an incredible economic success of revitalizing once-abandoned properties. The full report can be downloaded from our website. Phase II, currently underway, is an exploration of where affordable housing fits in the ECIDA's adaptive reuse policy, and what other modifications could make the policy more effective.

2017 was not without sadness, however; the ECIDA lost a very good friend, colleague, and IDA advocate with the sudden passing of Jim Allen. Jim served as Executive Director of the ECIDA from 2001-2002, and most recently was the Executive Director of the Amherst IDA before his retirement. Jim was a member of our Policy Committee, and a strong advocate for businesses and economic development in Western New York. He will be missed.

In bittersweet news, longtime Amherst Supervisor Dr. Barry Weinstein, who served for seven years on the ECIDA Board, retired his ex-officio seat in 2017. We wish Dr. Weinstein all the best in his retirement. He will be replaced by newly-elected Amherst Supervisor Brian Kulpa in 2018.

In 2018, my team and I will keep our focus on creating jobs, encouraging business growth, and reviewing our policies to ensure continued best practices in economic development for the residents of Erie County.

Sincerely, Steve Weathers



## The Year in Numbers

27	Total Number of Projects*
\$ 25,774,745	Total Incentives Approved (ESTIMATE)
\$ 16,063,232	Total Sales Tax Incentives Approved (ESTIMATE)
\$ 1,622,513	Total Mortgage Fee Incentives Approved (ESTIMATE)
\$ 8,089,000	Total PILOT Incentives Approved (over 7-10 Years) (ESTIMATE)
\$ 485,776,708*	Total Private Investment (ESTIMATE)
\$ 41,024 / \$ 52,128	Average Annual Salary of Jobs Created/Retained (ESTIMATE)
443 / 2,277	Number of New Jobs Created/Retained (ESTIMATE)
\$ 15,803,139	Annual Payroll of NEW Jobs Created (AVERAGE SALARY ESTIMATE)
2,326	Temporary Construction Jobs Created



### RDC Loans

5 loans  
 totaling **\$2,522,500**  
 generating **\$5,984,250** in private investment  
 and creating **50** new jobs



### ILDC Tax Exempt Bonds

2 tax exempt bonds issued  
 totaling **\$56,895,000**  
 generating **\$62,817,334**  
 in private investment

\* Includes 3 Amended Previously Approved Projects



# 2017 TAX INCENTIVES HIGHLIGHTS

Photo credit: Christopher Behrend Photography

## PINE PHARMACEUTICALS

Tonawanda, New York

12  
NEW  
JOBS



Photo courtesy of Pine Pharmaceuticals

Pine Pharmaceuticals in Tonawanda creates sterile and non-sterile compounds for ophthalmologists, dermatologists and hospital use. Pine proposed expanding to a 25,000 sq. ft. manufacturing facility that would accommodate their growth. The ECIDA Board approved \$873,000 in property tax savings over ten years, \$278,250 in sales tax savings on construction materials, and savings on a portion of the mortgage recording fee (approximately \$37,000). The project will generate \$5,600,000 in private investment and add 12 new jobs to the 15 currently employed at Pine.

**INCENTIVES TOTAL (ESTIMATE): \$1,188,250 ➔ \$5,600,000 PRIVATE INVESTMENT**

## GARDEN VILLAGE PLAZA REDEVELOPMENT

Cheektowaga, New York

NO  
LONGER  
VACANT



Photos courtesy of Benderson Development

The former Garden Village Plaza in Cheektowaga sat vacant for more than ten years when Benderson Development proposed a warehouse and distribution complex for the property, citing the need for more manufacturing and warehouse space in the Buffalo-metro area. The required demolition of 88,000 sq. ft. of the plaza and renovation of the remaining 90,000 sq. ft. would create 355,000 sq. ft. of commercial space, at a cost to Benderson of \$20,745,000.

Benderson applied and was approved for approximately \$1.76 million in future property tax savings (expiring after a seven-year term) and approximately \$787,303 in sales tax savings on construction materials. When fully leased, this adaptive reuse project will create 124 jobs.

**INCENTIVES TOTAL (ESTIMATE): \$2,547,303 ➔ \$20,745,000 PRIVATE INVESTMENT**



*Tax incentives encourage businesses to grow by offering a business owner a reduction on future taxes, such as eliminating the sales taxes on the purchase of equipment or construction materials, or a time-limited reduction on future property taxes (referred to as a "PILOT"). The business owner can then invest the savings created by the incentives into greater capital expansion, more jobs, or other business growth.*

### SHEA'S SENECA BUILDING

South Buffalo, New York

The historic Shea's Seneca Building on Seneca Street in South Buffalo is the largest building along the Seneca Street commercial corridor. Developer Jake Schneider and his partners were approved for mortgage recording fee and sales tax savings for a \$9 million redevelopment plan that will create 25 apartments and 20,000 sq. ft. of commercial space.



Photo courtesy of Schneider Development

**INCENTIVES TOTAL (ESTIMATE): \$441,727 ➔ \$9,041,730 PRIVATE INVESTMENT**

### SUMITOMO

Tonawanda, New York

Tire manufacturer Sumitomo Rubber USA employs 1,241 workers at its Tonawanda plant. To expand production from 5,000 tires per day to 10,000 tires per day, Sumitomo proposed a \$9.7 million, 35,000 sq. ft. expansion to its existing operations. Sumitomo was approved for future property tax savings of approximately \$800,000 and sales tax savings on construction purchases of approximately \$245,000. The tire maker expects to reach its tire production goal by 2019, and all 1,241 jobs will be retained as a result of the expansion.



Photo courtesy of Sumitomo Rubber USA

**INCENTIVES TOTAL (ESTIMATE): \$1,045,000 ➔ \$9,709,000 PRIVATE INVESTMENT**



# 2017 REGIONAL DEVELOPMENT CORPORATION HIGHLIGHTS

The ECIDA provides business loans through its affiliate, the Regional Development Corporation. The RDC partners with various lending organizations to provide capital to both start up and existing companies in Erie County who are unable to secure financing through traditional sources. Our loan portfolio was funded in 1979 with Federal and local grants, and the RDC has since turned the initial capitalization over several times through our successful lending practices. In 2017, loans approved by the RDC created 50 jobs and generated nearly \$6 million in private investment.

## HARKER BIO

Buffalo, New York

10  
FUTURE  
JOBS



HarkerBIO CEO Artem Evdokimov  
Photo courtesy of Harker BIO

Harker Bio is a pharmaceutical research company that provides technology and sophisticated laboratory services for early drug research and design. To accommodate increasing demand from pharmaceutical manufacturers, Harker is implementing a \$1.1 million expansion of its Contract Research Organization operation. A \$500,000 loan from the RDC was approved to help finance the project. When completed, the expansion will create ten full-time jobs and increase their growing client base.



REGIONAL DEVELOPMENT CORPORATION

A Member of the ECIDA Financing and Development Group

**RADIO ONE**

Cheektowaga, New York

**WECK**  
**1230am**

Longtime Western New York radio personality Buddy Shula was approved for a \$187,000 loan to purchase local radio station WECK-AM. RDC partnered with Bank on Buffalo on this loan, which allowed Shula to fulfill his lifelong dream of owning an independent radio station. Shula has hired several well-known broadcasting legends. WECK is now broadcasting in the Buffalo area and can be heard on 102.9 FM and 1230-AM.

**RADIO  
STATION  
BOUGHT**

**DOBUTSU, LLC**

Buffalo, New York



*Dobutsu owners James and Connie Roberts*

Restaurateurs James and Connie Roberts proposed a \$611,000 renovation of space at 500 Seneca Street, for Dobutsu, a restaurant featuring Asian American and seafood dishes, and local craft brews. A \$285,000 loan will go toward the purchase of equipment and starting inventory. The restaurant is expected to create 19 full-time jobs. The Robertses hope to capitalize on the burgeoning Larkin District, which employs more than 700 people and is home to 130 residents.

**4,500  
SQ. FT.  
UPDATE**



# 2017

## INDUSTRIAL LAND DEVELOPMENT CORPORATION

*The Industrial Land Development Corporation (ILDC) is the development services arm of the ECIDA, and is governed by a separate Board of directors (see page 10). The ILDC is authorized to issue tax exempt bonds for nonprofits, develop property and execute private-public land deals that benefit the economic health of Erie County.*

### The Former Bethlehem Steel Site LACKAWANNA, NY

In July of 2017, the ILDC closed on the first parcel of a 140-acre purchase on the former Bethlehem Steel site in Lackawanna. To commemorate the landmark purchase, Erie County Executive Mark Poloncarz was joined by representatives from the City of Lackawanna, the ECIDA, the University of Buffalo, National Grid, Empire State Development and other key stakeholders for a press conference on the location of what will be "Z7+," the first Net Zero light manufacturing facility in New York State.

Remediation of the site will be completed in 2018, and Phase 1 of the business park infrastructure development is expected to follow with the groundbreaking for the Z7+ project.



ECIDA President & CEO Steve Weathers addresses the crowd at the purchase agreement announcement.



Current Net Zero site.



July 25, 2017: Erie County Executive Mark Poloncarz holds up the landmark purchase agreement for the former Bethlehem Steel site, which will eventually become a thriving commercial park.





**ILDE**  
INDUSTRIAL LAND DEVELOPMENT CORPORATION

A Member of the ECIDA Financing and Development Group

## Former Bethlehem Steel Site Remediation Z7+ Project



THE  
Z7+  
PROJECT

A  
FUTURE  
PEEK



THE  
COURT  
YARD

### Z7+ NetZero Partners

- Buffalo Urban Development Corporation
- City of Lackawanna
- Erie County
- National Grid
- NYSERDA
- University at Buffalo/SUNY
- U.S. Department of Energy
- WNY Sustainable Business Roundtable

Renderings courtesy of HGA Architects & Engineers

## ECIDA Board of Directors\*

The Erie County Industrial Development Agency Board of Directors is a 19-member, all-volunteer board made up of 14 ex-officio seats, and five seats appointed jointly by the County Executive and the Chair of the County Legislature. The Board meets monthly, and minutes can be viewed/downloaded at [www.ecidany.com](http://www.ecidany.com).

**HON. DIANE BENCZKOWSKI**  
Supervisor, Town of Cheektowaga

**REV. MARK BLUE**  
President, NAACP

**HON. BYRON BROWN**  
Mayor, City of Buffalo

**MR. JAMES DOHERTY**

**HON. JOE EMMINGER**  
Supervisor, Town of Tonawanda

**MS. DOTTIE GALLAGHER-COHEN**  
President & CEO  
Buffalo Niagara Partnership

**MS. TYRA JOHNSON-HUX**  
President, Blue Sky Design

**MR. RICHARD LIPSITZ, JR.** VICE CHAIR  
President  
Western New York Area Labor Federation

**HON. JOSEPH LORIGO**  
Chairman, Economic Development  
Erie County Legislature

**MR. DAVID LOWREY**  
President  
Erie County Association of School Boards

**MS. BRENDA McDUFFIE** CHAIR  
President & CEO  
Buffalo Urban League

**MR. JOHN MUDIE**  
President  
Buffalo Central Labor Council, AFL-CIO

**MR. GLENN NELLIS**

**MR. LOUIS PANZICA**  
President & CEO, Power Drives

**HON. MARK POLONCARZ**  
County Executive, County of Erie

**HON. DARIUS PRIDGEN**  
President, Buffalo Common Council

**SISTER DENISE ROCHE**  
Chair, NFTA

**MR. PAUL VUKELIC**  
President & COO, Try-It Distribution

**HON. BARRY WEINSTEIN**  
Supervisor, Town of Amherst

## ILDC Board of Directors\*

**HON. BYRON BROWN**  
Mayor  
City of Buffalo

**MR. RICHARD LIPSITZ, JR.**  
President  
Western New York Area Labor Federation

**HON. JOSEPH LORIGO**  
Chairman, Economic Development Committee  
Erie County Legislature

**HON. JOHN MILLS**  
Chair  
Erie County Legislature

**MR. JOHN MUDIE**  
President  
Buffalo Central Labor Council, AFL-CIO

**HON. MARK POLONCARZ**  
County Executive  
County of Erie  
CHAIR

**MS. MARIA WHYTE**  
Deputy County Executive  
County of Erie

\* From January 2017 to December 2017

## ECIDA Staff

The ECIDA is a public benefit corporation, and does not receive any operating funds from any tax revenue source. Its operating funds are derived from fees charged to the private for-profit businesses who enter into contracts with the ECIDA. The ECIDA staff are not County, State or City employees.

**MICHAEL ALEXANDER**  
Loan Manager

**ATIQA ABIDI**  
Senior Accountant

**DAWN BOUDREAU**  
Compliance Officer

**JOHN CAPPELLINO**  
Executive Vice President

**KAREN FIALA**  
Manager, Tax Incentive Products

**LAURIE HENDRIX**  
Administrative Assistant

**CARRIE HOCINIENEC**  
Administrative Assistant

**BRIAN KRYGIER**  
Systems Analyst

**GRANT LESSWING**  
Business Development Officer

**JERRY MANHARD**  
Chief Lending Officer

**ROBBIE-ANN McPHERSON**  
Marketing & Communications Manager

**ROBBIE MICHAELS**  
Receptionist

**BETH O'KEEFE**  
Business Development Officer

**MOLLIE PROFIC**  
Controller

**PHILLIP RIGGS**  
Facilities Site Manager

**PATRICIA SMITH**  
Bookkeeper

**LORI SZEWCZYK**  
Director of Grants

**STEVE WEATHERS**  
President & CEO



# 2017 COMMUNITY OUTREACH

The ECIDA conducts extensive community outreach efforts, from one-on-one meetings and trade shows to presentations at local businesses to hosting lunch and learn sessions with community groups. In 2017 ECIDA staff also participated in charity efforts for the United Way of Western New York Day of Caring, and the Little Match Girl Foundation Christmas Wishes Program. The ECIDA received professional recognition from the International Economic Development Council at their annual conference in Toronto for our part in the complex financing of the extraordinary Hotel Henry Adaptive Reuse project on Elmwood Avenue in Buffalo.



ADAPTIVE REUSE

ECIDA Executive Vice President John Cappellino announces the release of a comprehensive study of the ECIDA's nine-year Adaptive Reuse program on June 15, 2017 at 500 Seneca in Buffalo. The study is available on at [www.ecidany.com](http://www.ecidany.com)



BNMA AWARDS

ECIDA President and CEO Steve Weathers speaks to hundreds of manufacturers at the Buffalo Niagara Manufacturers Awards ceremony on May 16, 2017 at Salvatore's Italian Gardens.



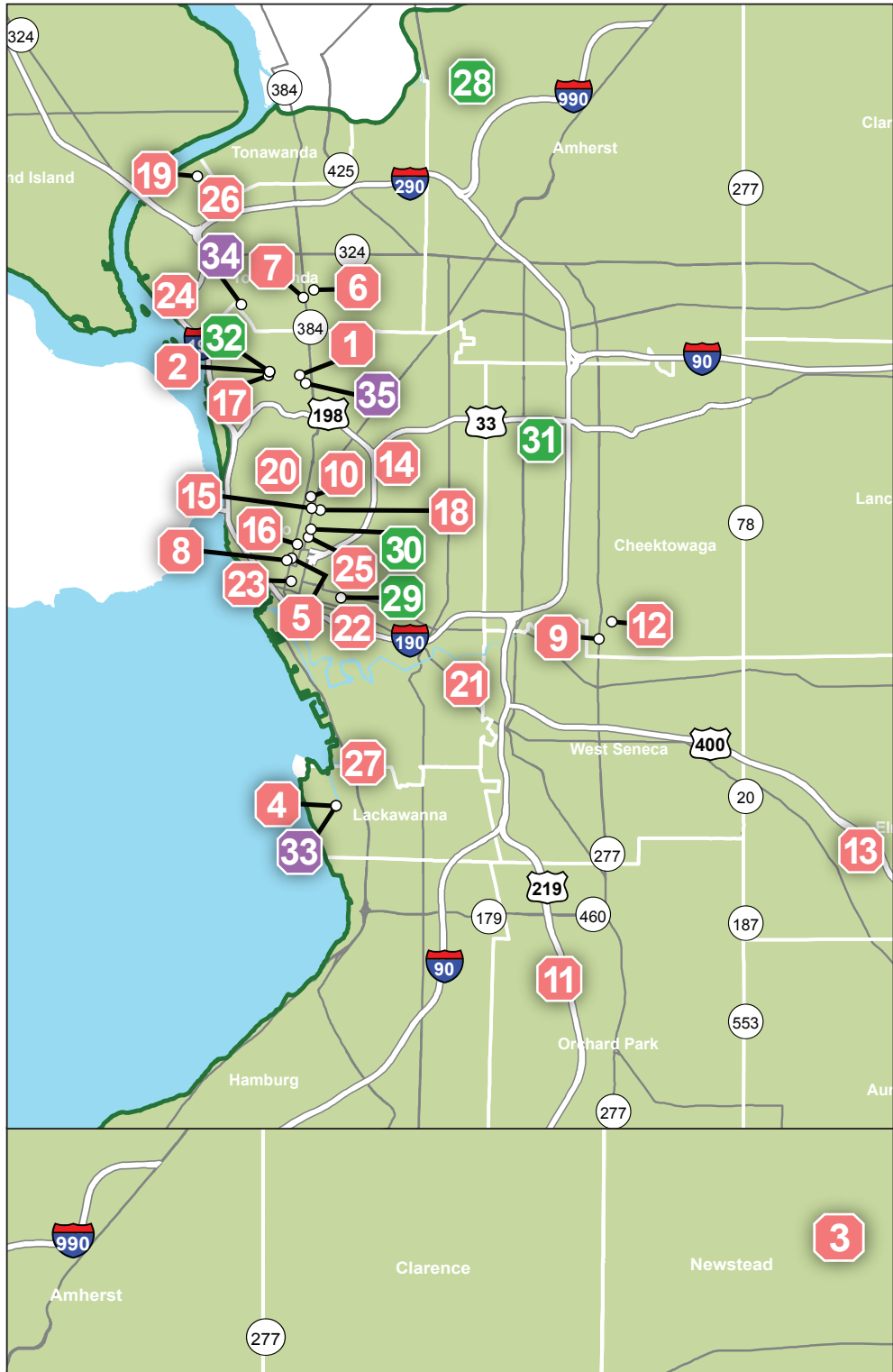
IEDC AWARD

Steve Weathers accepts the International Economic Development Council Bronze Excellence in Economic Development Award for the Hotel Henry Urban Resort Adaptive Reuse project on behalf of the ECIDA. The ceremony was held in Toronto on September 20, 2017.



43NORTH THE PITCH

ECIDA President and CEO Steve Weathers speaks to minority and women-owned entrepreneurs at 43North's The Pitch contest at the Buffalo Museum of Science on September 28, 2017.



**KEY PROJECT NAME**

**ECIDA TAX INCENTIVE**

- 1 157 Great Arrow, LLC <sup>A</sup>
- 2 166 Chandler Holdings, LLC
- 3 Aakron Rule Corporation
- 4 Bethlehem Steel Site
- 5 Curtiss Buffalo, Inc. <sup>\*A</sup>
- 6 Delaware Lodge Apartments <sup>A</sup>
- 7 Double Eagle Kenmore, LLC <sup>A</sup>
- 8 Emerson Huron <sup>A</sup>
- 9 Garden Village Plaza
- 10 Glendale Development <sup>A</sup>
- 11 ITT Enidine, Inc.
- 12 Latina Boulevard Foods
- 13 Moog, Inc.
- 14 Northland Avenue Workforce Training Center
- 15 Our Lady of Lourdes Church <sup>A</sup>
- 16 Pearl Group/Buffalo Christian Center <sup>A</sup>
- 17 Pierce Arrow Business Park <sup>A</sup>
- 18 Pilgrim Village Associates <sup>\*</sup>
- 19 Pine Pharmaceuticals
- 20 R. E. Visual & Performing Arts Campus <sup>A</sup>
- 21 Shea's Seneca Street Theater <sup>A</sup>
- 22 Silos at Elk Street <sup>A</sup>
- 23 St. Paul's Apartments <sup>A</sup>
- 24 Sumitomo Rubber USA, Inc.
- 25 Trico Building <sup>\*A</sup>
- 26 Unifrax
- 27 Western New York Foreign Trade Zone Operations

<sup>A</sup> Adaptive Reuse

**RDC LOANS**

- 28 Buffalo Forklift LLC
- 29 Dobutsu LLC
- 30 Harker Bio LLC
- 31 Radio One Buffalo LLC
- 32 Thin Man Brewery

**ILDC**

- 33 Bethlehem Steel Site Purchase
- 34 Charter School for Applied Technologies
- 35 Tapestry Charter School

<sup>\*</sup> Amended Previously Approved Project

For more details about these and other ECIDA projects, access the ECIDA project logs at [www.ecidany.com](http://www.ecidany.com)

Erie County Industrial Development Agency  
 95 Perry Street, Suite 403  
 Buffalo, NY 14203  
 (716) 856-6525

The mission of the Erie County IDA is to provide the resources that encourage investment, innovation and international trade - creating a successful business climate that improves the quality of life for the residents of the region.

