

PUBLIC HEARING SCRIPT

**Jemal's Seneca, L.L.C. 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 March 2, 2020 at 10:00 a.m.,
at the Erie County Industrial Development Agency's office located at
95 Perry Street, Suite 403, Buffalo, New York 14203

ATTENDANCE:

Lindsey Haubenreich – Phillips Lytle

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

Hearing Officer: Welcome. This public hearing is now open; it is 10:00 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 Jemal's Seneca, L.L.C. 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 Friday, February 21, 2020.

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

Hearing Officer: The proposed project (the "Project") consists of: (i) three (3) parcels of land located at 1 Seneca Street, 3 Seneca Street, and 222 Main Street, City of Buffalo, Erie County, New York (the "Land") improved thereon with the approximately 1.2 million square foot Seneca One complex (the "Existing Improvements"); (ii) the renovation, updating and equipping of the Existing Improvements to provide needed commercial class A office space (but excluding tenant-specific fit and finish items), renovating and updating core and shell interior improvements, and other improvements (elevator work, fire protection, internet and technology, plumbing and storm/sanitary systems, lobby, mechanical spaces, cafeteria, and basement

spaces) (the “Improvements”); and (iii) the acquisition and installation by the Company of certain items of machinery, equipment and other tangible personal property (the “Equipment”, and collectively with the Land, the Existing Improvements, and the Improvements, the “Facility”).

The Agency will acquire a leasehold interest in the Facility and lease the Facility back to the Company. The Company will operate the Facility during the term of the lease. At the end of the lease term, the leasehold interest will be terminated. The Agency contemplates that it will provide financial assistance to the Company for qualifying portions of the Facility in the form of mortgage recording tax exemption benefits consistent with the policies of the Agency.

The Company has requested, in cooperation with the City of Buffalo (the “City”), that the Agency and the Company enter into a non-standard payment-in-lieu-of-tax (“PILOT”) agreement whereby the Company will make a PILOT payment equal to 100% of the otherwise applicable real estate taxes, calculated as if the Facility was owned directly by the Company and was not tax exempt due to the status of the Agency. As such, the Company will be required to make payments to the Agency for the benefit of the City beginning in the 2021-2022 tax fiscal year running through the 2045-2046 tax fiscal year, equal to the amount that would otherwise be payable as real estate taxes as if the Agency did not have an interest in the Facility and no abatement was provided. During this same time period, the Company will make payments to Erie County, beginning in the 2022 tax fiscal year, and running through the 2046 tax fiscal year, equal to the amount that would otherwise be payable as real estate taxes as if the Agency did not have an interest in the Facility and no abatement was provided. Upon direction from the City, a portion of PILOT payments allocable to the Improvements received for the benefit of the City, as described above, shall be applied by the Agency to the City’s Accelerator Fund to facilitate the construction and equipping of certain City approved Project related public infrastructure improvements and public streetscape improvements within the Buffalo Infrastructure Accelerator District. As described herein, the requested PILOT Agreement deviates from the Agency’s Uniform Tax Exemption Policy because the contemplated PILOT Agreement is for a term other than the standard Agency PILOT term, and will set the payments-in-lieu-of-tax payments with respect to the Facility in an amount equal to the amount that would otherwise be payable as real estate taxes as if the Agency did not have an interest in the Facility, said amount being greater than what would otherwise be made under the standard Agency PILOT. To the extent the Financial Assistance deviates from the policies of the Agency, the Agency’s policies and procedures for deviation have been complied with.

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 comment to submit for the record, you may leave one on the Agency's website at www.ecidany.com or deliver it to the Agency at 95 Perry Street, Suite 403, Buffalo, New York 14203 until the comment period closes on March 24, 2020. There are no limitations on written comments.

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

Hearing Officer: If anyone is interested in making a 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 comments to 5 minutes, and if possible, 3 minutes.

The Hearing Officer calls on those who raise their hand.

Good morning my name is Lindsey Haubenreich from Phillips Lytle. I am appearing on behalf of the applicant. For the last three (3) years, Seneca One, a vacant 1.2 Million square foot office complex in the heart of downtown Buffalo has been redeveloped to provide class A office space to Buffalo's growing IT hub. As the tallest building in Buffalo, the redevelopment of Seneca One is critical to the economic health of the City. Approximately \$50 million dollars have already been invested in this iconic property, but more work remains to be done. Applicant has applied to the Agency for a mortgage tax exemption for a portion of the project costs. Applicant is not requesting any sales tax or property tax breaks, its request is limited to the mortgage tax exemption. In fact, applicant is waving its ability to obtain a 485-a exemption.

Applicant is also requesting, in cooperation with the City of Buffalo, that the Agency enter into a non-standard payment-in-lieu of-taxes) a PILOT agreement with the Applicant and to establish a PILOT increment financing fund or PIF. The PIF would facilitate public infrastructure in downtown Buffalo, including a portion of the Cars Sharing Main Street project, along with other vital infrastructure work, which has been undertaken by the City of Buffalo. The Agency's financial assistance is necessary in order to ensure that Seneca One is able to contribute to the Cars Sharing Main Street project.

6. ADJOURNMENT:

As there were no further comments, the Hearing Officer closed the public hearing at 10:10 a.m.

**SIGN IN SHEET
PUBLIC HEARING**

March 2, 2020, at 10:00 a.m.
at the Erie County Industrial Development Agency's office located at
95 Perry Street, Suite 403, Buffalo, New York 14203
regarding:

**Jemal's Seneca, L.L.C. and/or Individual(s) or Affiliate(s),
Subsidiary(ies), or Entity(ies) formed or to be formed on its behalf**

Project Location: 1 Seneca Street, 3 Seneca Street and 222 Main Street, Buffalo, New York

Name	Company and/or Address	X box to speak/ comment
Lindsey Haubenreich	Philips Lytle One Canal Side 125 Main Street, Buffalo, New York 14203	X