

VIRTUAL PUBLIC HEARING SCRIPT

**283 Ship Canal Parkway, LLC and/or
Individual(s) or Affiliate(s), Subsidiary(ies),
or Entity(ies) formed or to be formed on its
behalf Project**

Public Hearing to be held on June 14, 2021 at 9:00 a.m.
via Virtual Conference Software

ATTENDANCE:

Peter Wilson – Sonwil Distribution Center
Adrienne Schreier – Sonwil Distribution Center
Karen Fiala – 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 9:03 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 virtual public hearing. This public hearing is being live-streamed and made accessible on the Agency's website at www.ecidany.com. Pre-registration for anyone wishing to speak at today's public hearing was required through our website. Today I am joined by Brian Krygier, ECIDA Systems Analyst who will be the Hearing Moderator and he will be managing the public comment portion of this hearing.

☒ 2. PURPOSE: Purpose of the Hearing.

Hearing Officer: We are here to hold the public hearing on the 283 Ship Canal Parkway, LLC and/or Individual(s) or Affiliate(s), Subsidiary(ies), or Entity(ies) formed or to be formed on its behalf project. The transcript of this hearing will be reviewed and considered by the Agency in determination of this project. Notice of this hearing appeared in [The Buffalo News](#) on Friday, June 4, 2021.

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

Hearing Officer: The proposed project (the "Project") consists of: (i) the acquisition by the Agency of a leasehold interest in certain property located on 283 Ship Canal Parkway, City of Buffalo, Erie County, New York (the "Land"), (ii) the development and construction on the Land of an approximately 335,000+/- square-foot warehousing and distribution center within the Buffalo Lakeside Commerce Park (the "Improvements"), and (iii) the acquisition by the Company in and around the Improvements of certain items of machinery, equipment and other tangible personal property (the "Equipment"; and, together with the Land and the Improvements, the "Facility").

The 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 Project in the form of sales and use tax exemption benefits, mortgage recording tax exemption benefits, and real property tax abatement benefits consistent with the policies of the Agency.

The Agency, on April 26, 2021, held a public hearing with respect to the Project as so described above. Since then, the Company has requested, in cooperation with the City of Buffalo (the “City”) and the County of Erie (the “County”), that the Agency and the Company enter into a non-standard payment-in-lieu-of-tax agreement (“PILOT Agreement”) whereby the Company will make payment, for each tax fiscal year, in an amount equal to the real property taxes that would be paid as if the Company owned the Facility and the Agency had no interest in the Facility, multiplied by the applicable percentage set forth below:

PILOT Year	Applicable Percentage
1	20%
2	20%
3	30%
4	30%
5	40%
6	40%
7	40%
8	40%
9	40%
10	50%
11	50%
12	50%
13	50%
14	50%
15	50%

The PILOT Agreement will operate consistent with the Buffalo Lakeside Commerce Park Development and PILOT Redistribution Agreement, dated as of July 1, 2005, by and among the Buffalo Urban Development Corporation (the “BUDC”), the City, the County, and the Agency (the “BLCP Agreement”). The BLCP Agreement established the Buffalo Brownfield Redevelopment Fund (the “BBRF”) to be funded, in this case, with certain portions of the PILOT Agreement payments as herein described. Funds deposited in the BBRF are to be utilized for certain infrastructure costs associated with lands owed by BUDC adjacent to the Project Facility and/or for other comparable project undertaken by BUDC located with the City of Buffalo. The BLCP Agreement requires that, with respect to the Project, PILOT Agreement payments be made to the Agency, and then (i) 50% of the PILOT Agreement payment will be submitted to the BBRF, and (ii) 50% of the PILOT Agreement payment will be remitted to the City and the County.

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

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

Hearing Officer: All those who have joined this conference call were required to pre-register through our website (www.ecidany.com). Everyone who has pre-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, please submit it on the Agency's website or mail to the Agency at 95 Perry Street, Suite 403, Buffalo, New York 14203. The comment period closes on July 27, 2021. There are no limitations on written statements or comments.

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

Hearing Officer: Those interested in making a statement or comment will be called upon by Brian in the order that they registered for this meeting. Please begin by stating 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.

The Hearing Moderator introduces each participant in the order they registered for this meeting.

Peter Wilson. I am the Chairman & CEO of Sonwil Distribution Center. I would like to add for the record that this facility that we are building is a very aggressive facility and is going to be located here in Buffalo. What is being proposed here is a good deal for the City of Buffalo and the State. We appreciate all the efforts forthcoming on this.

6. ADJOURNMENT:

As there were no further statements and/or comments, the Hearing Officer closed the public hearing at 9:10 a.m.

