



### Laborers Way 1

[Instructions and Insurance Requirements Document](#)

## Section I: Applicant Background Information

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

### Applicant Information- Company Receiving Benefit

<b>Project Name</b>	Laborers Way 1
<b>Project Summary</b>	The applicant is planning on developing approx. 75,000 square feet of manufacturing space in Buffalo.
<b>Applicant Name</b>	Laborers Way 1, LLC
<b>Applicant Address</b>	329 S. Highway 101
<b>Applicant Address 2</b>	Suite 150
<b>Applicant City</b>	Solana Beach
<b>Applicant State</b>	California
<b>Applicant Zip</b>	92075
<b>Phone</b>	(310) 480-6766
<b>Fax</b>	
<b>E-mail</b>	slevin@zephyrpartners.com
<b>Website</b>	NA
<b>NAICS Code</b>	531120

### Business Organization

**Type of Business**

Limited Liability Company

**Year Established**

2021

**State**

Delaware

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

[No] Minority Owned

[No] Woman Owned

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

[No] NYS Certified

[No] Erie Country Certified

Individual Completing Application

**Name** Seth Levin  
**Title** CFO  
**Address** 329 S. Highway 101  
**Address 2** Suite 150  
**City** Solana Beach  
**State** California  
**Zip** 92075  
**Phone**  
**Fax**  
**E-Mail** slevin@zephyrpartners.com

Company Contact- Authorized Signer for Applicant

**Contact is same as individual completing application** No  
**Name** Brad Termini  
**Title** CEO  
**Address** 329 S. Highway 101  
**Address 2** Suite 150  
**City** Solan Beach  
**State** California  
**Zip** 92075  
**Phone**  
**Fax**  
**E-Mail** Brad@Zephyrpartners.com

Company Counsel

**Name of Attorney** Amy Fitch  
**Firm Name** Hodgson Russ LLP  
**Address** 140 Pearl Street  
**Address 2** Suite 100  
**City** Buffalo  
**State** New York  
**Zip** 14202  
**Phone** (716) 848-1384  
**Fax** (716) 819-4653  
**E-Mail** afitch@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%.**

The Applicant entered into an Agent and Financial Assistance Project Agreement with the ECIDA in September 2022. The Project is currently under construction with an estimated completion date in 2nd Quarter 2025. The Project has experienced delays due to longer than expected design requirements for the interior improvements of the facilities. Additionally, the Project has incurred higher than previously estimated construction costs primarily due to the high quality and improved design of the interior improvements within the production facility. Another major contributor to the increased costs is inflation both from materials and labor since the time the original project budget was prepared. We are seeking increased sales and use tax exemptions due to the updated construction costs of the Project. Below is additional background on the Project. The subject Project includes a total of two buildings in one-story steel-framed structures with approximately 72 surface parking spaces and located on approximately 5.3 net acres of unimproved land along the waterfront in Buffalo Lakeside Commerce Park. The Property was adjacent to a former steel mill and is a designated brownfield site that was owned by the Buffalo Urban Development Corporation ("BUDC") and included within a city-approved redevelopment plan to revitalize the historically industrial area. The Applicant acquired the Property from BUDC in August 2022. Prior to closing on the land, the Applicant spent several years and invested capital to entitle the Project, which has received land use approvals by the City of Buffalo, allowing the development to proceed. Planning Board approved the Project in October 2021, and the Project received a building permit in August 2022. Additionally, the Project has received support from the City of Buffalo Mayor's Office and BUDC. The Applicant performed remediation of the site under the standards and requirements outlined within the New York State Brownfield Cleanup Program. The Applicant is in process of building the Project including install of equipment and has leased the space to a tenant who will operate the facility. The Applicant has an executed lease with a tenant, RIV Capital, who will sublease the property to their subsidiary, Etain, for the initial 75,000 square feet of space. Furthermore, the additional site acreage at the Property allows for up to 1.25 million square feet and the long-term plan is to continue expansion at the site as the New York state market matures over time. The Project will be used primarily as a cannabis production facility, with space for a variety of uses including manufacturing, cultivation, packaging, and distribution. The facility will focus on both recreational and medical cannabis consistent with New York State (NYS) laws and the Office of Cannabis Management (OCM) regulations. NYS has a process by which they are converting medicinal licenses to adult-use/recreational, as regulations are introduced. Etain currently has a medicinal license for one manufacturing facility and four retail dispensaries. In July 2023, Etain received approval from OCM to add our Buffalo facility to their license. Prior to starting operations at our Buffalo facility, Etain must submit a certificate of occupancy or temporary certificate of occupancy to the OCM as a final step in their approval process. The Applicant's tenant will comply will all NYS cannabis regulations and licensing laws, and products include raw cannabis flower and other cannabis-based products such as oil, edibles, and extracts for adult-use. 100% of the products produced at the facility will be created and sold within NYS. Once the Project is fully operational, the facility is expected to be running 24 hours a day and 7 days a week. Including the land acquisition, the Project is estimated to cost approximately \$45,290,000. Upon completion of the Project, the facility is anticipated to produce 20 new full-time jobs and 34 new part-time jobs, for a total of 54 new jobs. The completed Project will include jobs for skilled manufacturing, product development specialists, maintenance technicians, packaging technicians, administrative staff, and marketing professionals. It is anticipated that the part-time employees will work on average between 20-30 hours per week, but we have budgeted for up to 40 hours per week on average. Project employment policies will have a commitment to promoting social equity and diversity, with a focus on hiring members of disadvantaged communities to create a diverse, equitable, and inclusive environment. Additionally, reinvestment will be focused on communities that have been significantly impacted by cannabis-related convictions. Beyond the jobs that will be created once fully operational, construction jobs will also be immediately created with specific goals for hiring minority and communities that have been disproportionately impacted by cannabis-related crimes. Priority employment will also be given to employees that live locally in Buffalo. The Project will also include facilities geared towards helping new operators establish a business with minimal capital investment, onsite job training, and business mentoring. Laborers Way 1, LLC is be the owner/landlord and LW1 Operator, LLC, which is wholly owned by Laborers Way 1, LLC, is set up to be the operating entity. Project ownership is fully controlled by Laborers Way Partners, LLC with 50% controlled by Zephyr Laborers Way, LLC and 50% controlled by USA DRES, LLC. Additionally, Brad Termini is a member with an indirect ownership of more than 20%.

<b>Estimated % of sales within Erie County</b>	10 %
<b>Estimated % of sales outside Erie County but within New York State</b>	90 %
<b>Estimated % of sales outside New York State but within the U.S.</b>	0 %
<b>Estimated % of sales outside the U.S.</b>	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?**

20

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

Cleaning, Service/Maintenance, Food Service, Hardware (tools, PVC/tubing, screws, nails, bolts, and other miscellaneous supplies), and Hard Goods (pots, hoses, fans, etc.)

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

### Project Location

**Address of Proposed Project Facility**

310 Ship Canal Parkway

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

Buffalo

**School District of Project Site**

City of Buffalo School District

**Current Address (if different)**

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

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

132.15-2-1

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

0

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

Land

\$ 400,800

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.)**

Vacant land with improvements under construction

**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)**

Project is new construction of 75,000 square feet to be used for cannabis cultivation facilities including production, packaging and distribution.

**Municipality or Municipalities of current operations**

City of Buffalo

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

Yes

**Will the completion of the Project result in the removal of an industrial or manufacturing plant of the project occupant from one area of the state to another area of the state OR in the abandonment of one or more plants or facilities of the project occupant located within the**

**state?**

No

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

No

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

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

No

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

We are only considering New York State for this expansion project.

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

Yes

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

State Department of Environmental Conservation's Brownfield Cleanup Program- TBD

**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 Agency's financial assistance is necessary for our business operations and expansion within the New York market. When determining which market to expand to, we analyzed various locations and determined that the subject site in Buffalo and the ability to apply for financial assistance was essential in attracting the tenant and current investor stakeholders. If financial assistance from the Agency and other local incentive programs are not received our business would need to be reevaluated from the stakeholders perspective.

**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?**

Applicant would need to reassess business expansion to this location and explore other locations for expansion.

**Will project include leasing any equipment?**

No

If yes, please describe equipment and lease terms.

Site Characteristics

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

Yes

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

Bus stop at Fuhrmann Blvd & Buffalo Harbor for the 42 bus line.

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

Yes

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

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

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

Yes

**Describe the present zoning/land use**

Zoning of D-IL

**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?**

Yes

**If yes, please explain**

Site is enrolled into the Brownfield Cleanup Program for known slag fill materials, petroleum and metals in the soils.

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

No

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?**

Yes

If yes, please provide copies of the study.

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

Yes

**If yes, describe the efficiencies achieved**

Equipment selection will be made to ensure efficient use of energy. Energy recovery measures will also be evaluated and considered when equipment is secured for the project

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?**

Yes

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

5%

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.

<b>Retail Sales</b>	No	<b>Services</b>	No
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Please check any and all end uses as identified below.

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

**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.

			<b>Cost</b>	<b>% of Total Cost</b>
<b>Manufacturing/Processing</b>	68,040 square feet	\$	42,690,000	94%
<b>Warehouse</b>	square feet	\$	0	0%
<b>Research &amp; Development</b>	square feet	\$	0	0%
<b>Commercial</b>	square feet	\$	0	0%
<b>Retail</b>	square feet	\$	0	0%
<b>Office</b>	7,000 square feet	\$	2,600,000	6%
<b>Specify Other</b>	square feet	\$	0	0%

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

No

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

Standard

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

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

What is the estimated project timetable (provide dates).

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

11/30/-0001

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

4/1/2025

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

4/1/2025

Capital Project Plan / Budget

**Estimated costs in connection with Project**

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

\$ 400,000 square feet 6 acres

**2.) New Building Construction**

\$ 34,210,000 75,000 square feet

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

\$ 0 square feet

**4.) Reconstruction/Renovation**

\$ 0 square feet



**5.) Manufacturing Equipment**

\$ 0

**6.) Infrastructure Work**

\$ 3,050,000

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

\$ 0

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

\$ 7,630,000

**9.) Other Cost**

\$ 0

**Explain Other Costs**

**Total Cost** \$ 45,290,000

Construction Cost Breakdown:

<b>Total Cost of Construction</b>	\$ 37,260,000 (sum of 2, 3, 4 and 6 in Project Information, above)
<b>Cost of materials</b>	\$ 18,630,000
<b>% sourced in Erie County</b>	50%

Sales and Use Tax:

<b>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</b>	\$ 18,630,000
<b>Estimated State and local Sales and Use Tax Benefit (product of 8.75% multiplied by the figure, above):</b>	\$ 1,630,125

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

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

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

**If Yes, describe particulars:**

Sources of Funds for Project Costs:

<b>Equity (excluding equity that is attributed to grants/tax credits):</b>	\$ 23,890,000
<b>Bank Financing:</b>	\$ 21,400,000
<b>Tax Exempt Bond Issuance (if applicable):</b>	\$ 0
<b>Taxable Bond Issuance (if applicable):</b>	\$ 0
<b>Public Sources (Include sum total of all state and federal grants and tax credits):</b>	\$ 0
<b>Identify each state and federal grant/credit: (ie Historic Tax Credit, New Market Tax Credit, Brownfield, Cleanup Program, ESD, other public sources)</b>	Brownfield Tax Credit (amount of tax credits are not known at this time)
<b>Total Sources of Funds for Project Costs:</b>	\$45,290,000

**Have you secured financing for the project?** Yes

Mortgage Recording Tax Exemption Benefit:

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

**Mortgage Amount (include sum total of construction/permanent/bridge financing).** 0

**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):** No

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

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

**Is project necessary to expand project employment?**

Yes

**Is project necessary to retain existing employment?**

No

**Will project include leasing any equipment?**

No

If yes, please describe equipment and lease terms.

Employment Plan (Specific to the proposed project location)

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

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

	<b>Current # of jobs at proposed project location or to be relocated at project location</b>	<b>If financial assistance is granted – project the number of FT and PT jobs to be retained</b>	<b>If financial assistance is granted – project the number of FT and PT jobs to be created upon 24 months (2 years) after Project completion</b>	<b>Estimate number of residents of the Labor Market Area in which the project is located that will fill the FT and PT jobs to be created upon 24 months (2 years) after project completion **</b>
<b>Full time</b>	0	0	20	20
<b>Part time</b>	0	0	34	34
<b>Total</b>	0	0	54	

Salary and Fringe Benefits for Jobs to be Retained and Created

<b>Job Categories</b>	<b># of Full Time Employees retained and created</b>	<b>Average Salary for Full Time</b>	<b>Average Fringe Benefits for Full Time</b>	<b># of Part Time Employees retained and created</b>	<b>Average Salary for Part Time</b>	<b>Average Fringe Benefits for Part Time</b>
<b>Management</b>	1	\$ 150,000	\$ 22,500	0	\$ 0	\$ 0
<b>Professional</b>	3	\$ 110,000	\$ 16,500	0	\$ 0	\$ 0
<b>Administrative</b>	0	\$ 0	\$ 0	0	\$ 0	\$ 0
<b>Production</b>	16	\$ 45,000	\$ 6,750	34	\$ 35,000	\$ 5,250
<b>Independent Contractor</b>	0	\$ 0	\$ 0	0	\$ 0	\$ 0
<b>Other</b>	0	\$ 0	\$ 0	0	\$ 0	\$ 0
<b>Total</b>	20			34		

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

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

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

<b>Address</b>			
<b>Full time</b>	0	0	0
<b>Part time</b>	0	0	0
<b>Total</b>	0	0	0

Payroll Information

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

2,390,000

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

0

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

0

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

60,000

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

35,000

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

<b>From (Full Time)</b>	45,000	<b>To (Full Time)</b>	150,000
<b>From (Part Time)</b>	30,000	<b>To (Part Time)</b>	40,000

## Section III: Environmental Questionnaire

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

### General Background Information

#### **Address of Premises**

310 Ship Canal Parkway, Buffalo, New York 14218

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

Laborers Way 1, LLC 329 S Highway 101, Suite 150 Solana Beach, CA 92075

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

unimproved land with roadway bisecting Premises and preserved wetlands to the north.

#### **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**

land with improvements under development for 75,000 square feet of manufacturing and office space

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

former steel mill and designated brownfield site

#### **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**

Current owner is Buffalo Urban Development Corporation. Applicant is under contract to acquire the Premises.

#### **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?

Single Use Facility

#### For Single Use Facility.

**Occupant Name** TBD

**Address** 310 Ship Canal Parkway

**Contact Person**

**Phone**

**Fax**

**E-Mail**

**Federal ID #**

**SIC/NAICS Code**

SS

**Section V: Tenant Information**

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

**Tenant Name**

RIV Capital US Real Estate LLC

**Property Address:**

310 Ship Canal Parkway

**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)**

75,000

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

100

**Are terms of lease:**

NET

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

**Estimated date of occupancy**

4/1/2025

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

**Company Name:**

RIV Capital US Real Estate LLC (a wholly-owned subsidiary of RIV Capital Inc.)

**Local Contact Person:**

Matt Mundy

**Title:**

General Counsel and Chief Strategy Officer

**Current Address:**

40 King St. West Suite 2504, Toronto, Ontario, Canada, M5H 3C2

**Phone:**

(905) 466-2191

**Fax:**

**E-Mail:**

matt@rivcapital.com

**Website:**

rivcapital.com

**Company President/General Manager:**

Michael Totzke

**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:**



NAICS Code: 053 Type of Business: Real Estate Leasing/Subleasing Description of Business: RIV Capital US Real Estate LLC is engaged in the business of leasing and sub-leasing properties. It is a wholly owned subsidiary of RIV Capital Inc. RIV Capital US Real Estate LLC will sublease the property to Etain LLC, which owns and operates legally licensed medical cannabis cultivation and retail dispensaries in the state of New York. Percent of total sales in Erie County and United States: 10% and 100%, respectively

Attach additional information as necessary.

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

About RIV Capital: For complete detail on the history of RIV Capital Inc. (the "Company"), please refer to the Annual Information Form filed with the Canadian Securities Administrators ("CSA") at [sedar.com](https://www.sedar.com) On March 30, 2022, the Company entered into definitive agreements (the "Etain Purchase Agreements") to acquire (the "Etain Acquisition") ownership and control of Etain IP LLC and Etain, LLC, owners and operators of legally licensed cannabis cultivation and retail dispensaries in the state of New York, (the "Etain Companies" or "Etain"). About Etain: Etain is one of the original five medical cannabis license recipients in the state of New York and is currently one of ten approved vertically integrated operators. Etain was founded by Amy Peckham, Hillary Peckham, and Keeley Peckham with another strong woman in mind- their grandmother, Frances "Granny Franny" Keeffe. During Granny Franny's battle with ALS, the Peckham women began researching medical marijuana and discovered all the potential benefits it could provide. Determined to provide similar relief to others, Etain received its medical marijuana license in 2015, and the Peckham women have been focused on delivering high-quality wellness products. Etain currently operates four dispensaries across New York State, with a flagship location in Manhattan and prominent locations in Kingston, Syracuse and White Plains. As a Registered Organizations ("ROs"), Etain has the right to opt into New York State's adult-use program, and will be permitted to open additional dispensaries. Additionally, Etain operates a greenhouse cultivation facility in Chestertown, which is recently underwent an expansion to increase its size from 12,000 sq. ft. to 56,000 sq. ft. Etain retained Moelis and Company LLC in late-2021 to explore and consummate a sale of its New York operations, and after two rounds of bidding, RIV Capital emerged as the exclusive party to consummate a deal. Pursuant to the transaction, Etain submitted a request ("Request") to the New York Cannabis Control Board and the New York State Office of Cannabis Management ("OCM") to authorize a change in control in the ownership of Etain. As part of the Request, Etain requested regulatory approval to establish an additional cannabis cultivation and manufacturing facility located in Buffalo, New York. In July 2023, Etain received approval from OCM to add the subject property in Buffalo to their license. Prior to starting operations at the Buffalo facility, Etain must submit a certificate of occupancy or temporary certificate of occupancy to the OCM as a final step in their approval process. RIV Capital has entered into a lease with LABORERS WAY 1, LLC for development of the subject property. RIV Capital will sublease the property to Etain for operations of the subject property.

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

75,000

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

0

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

Tenant is expanding

**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?**

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

9/30/2039

**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?**

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**

329 S. Highway 101 Suite 150

**City/Town**

Solana Beach

**State**

California

**Zip Code**

92075

**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?**

No

**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?**