

NOTICE OF PUBLIC HEARING

Pursuant to Article 18-A of NYS General Municipal Law, the Erie County Industrial Development Agency (the "Agency") will hold a public hearing on April 28, 2015 at 9:00 a.m. at the Agency's offices, at 95 Perry Street-Suite 403, Buffalo, NY 14203 regarding:

500 Seneca Street LLC, and/or an Individual(s) or Affiliate(s), Subsidiary(ies), or Entity or Entities formed or to be formed on its behalf (the "Company"), has submitted an application to the Agency (a copy of which is on file at the office of the Agency) requesting the Agency to undertake a certain project (the "Project") consisting of: (i) a 1.87+/- acre parcel of land located at 500 Seneca Street in the City of Buffalo, Erie County, New York (the "Land") together with an existing 324,000+/- SF building thereon known as the historic F. N. Burt Company Factory (the "Existing Improvements"), (ii) the construction and/or renovation, expansion, upgrading and equipping of the Existing Improvements thereon into a mixed-use project consisting of Class A office space, 110+/- market-rate apartments; manufacturing, processing or distribution space, and commercial space, together with secured on-site parking (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 Project in the form of sales and use tax exemption benefits and mortgage recording tax exemption benefits consistent with the policies of the Agency.

A representative of the Agency will be present at the above-stated time and place to present a copy of the Application and hear and accept written and oral comments from all persons with views in favor of or opposed to the proposed financial assistance. Written comments may be submitted at this public hearing or delivered to the Agency at 95 Perry Street-Suite 403, Buffalo, NY 14203 until the comment period closes on Tuesday, May 19, 2015. The project application is available for public inspection at the Agency's offices Monday through Friday (excluding public holidays) from 9:00 a.m. until 4:00 p.m.

This public hearing is being conducted in accordance with Subdivision 2 of Section 859-a of the New York General Municipal Law.

Erie County Industrial Development Agency

TO: POLICY COMMITTEE

DATE: May 7, 2015

REF: Amendment to 500 Seneca, LLC Project

In February, 2014 this Board approved a \$31,737,624 project for 500 Seneca, LLC. The project consisted of the renovation of a building located at 500 Seneca Street along with the tenant buildout for both FFZ Group of Companies and BCOME Job Training Program. Along with these tenants, the developer contemplated the remaining space to be utilized solely as commercial/office space.

The company has submitted a request for an amendment to the original approval to modify the project description to add approximately 110 residential units to the building.

With the addition of the housing component, the total project investment has increased from \$31,737,624 to \$35,675,400.

Offered below is a comparison of the project uses for the original approval and the requested amendment.

TENANT/USE	ORIGINAL SQ. FT.	AMENDED SQ. FT.
FFZ Office Space	15,338 sq. ft.	15,338 sq. ft.
BCOME Office Space	22,800 sq. ft.	5,000 sq. ft.
Residential	0	100,000 sq. ft.
Vacant/Commercial/Flex	175,000 sq.ft.	197,462 sq. ft.

With the higher investment being made by the company, the estimated incentives are as follows:

SALES TAX SAVINGS	MORTGAGE TAX SAVINGS
From: \$1,030,000	\$150,000
To: \$1,400,000	No change

To summarize, the changes being requested are for an increased investment from \$31,737,624 to \$35,675,400, an increase in sales tax savings of approximately \$370,000 and the addition a residential component

Please feel free to contact me if you have any questions regarding the project.



95 Perry Street, Suite 104
Buffalo, New York 14203
Phone: (716) 332-5959
Fax: (716) 332-5968

www.500Seneca.com



April 7, 2015

Mr. John Cappellino
Executive Vice President and Director of Business Development
Erie County Industrial Development Agency
95 Perry Street - Suite 403
Buffalo, New York 14203

RE: Amendment Request to Prior Approval
500 Seneca Street, Buffalo, New York

Dear Mr. Cappellino:

500 Seneca ("The Project") was submitted to and approved by the Erie County Industrial Development Agency ("ECIDA") on February 26, 2014 under its Adaptive Reuse Program for sales tax and mortgage recording tax abatements.

The project was described as a +/- 324,000 square foot building at 500 Seneca Street in the City of Buffalo, Erie County New York consisting of two parts:

- A concrete frame structure to be converted as mixed-use office, manufacturing and retail.
- A wood frame structure with the exterior to be rehabilitated to meet the minimum requirements for Historic Tax Credits approval but otherwise remain vacant. The vacant space was not a component of the economic model for the project.

500 Seneca Street, LLC is now activating the wood frame structure - the oldest and most historically significant portion of the building. To respect the goals set by Mayor Byron Brown and the Buffalo Building Reuse Plan for new residential inventory downtown as well as evident market interest 500 Seneca Street, LLC will expand the scope and scale of the project by adding 110 market rate apartment units.

Commercial tenants, particularly those new to the Buffalo-Niagara market have expressed strong interest in the live-work scenario created by activating this space for apartments.

We are not changing the scope of the original project but instead we are making it larger and increasing our investment in the property. We will maintain the commercial space and below market rate and not-for-profit space from the approved Project. As a matter of fact we have now secured additional commercial tenants for previously unsubscribed commercial space 500 Seneca.



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We respectfully request an amendment to the existing ECIDA approval to include the addition of the retrofit of the vacant wood frame portion of the Project, specifically:

- Increased project costs/investment to \$35,675,400 (increased from \$31,737,624).
- Amend the total project square foot space allocation as follows: 5,000 SF Not-For-Profit, 175,000 SF Class A Office, 20,000 SF Manufacturing, Processing or Distribution, 10,000 Commercial/Retail Space, 100,000 SF Residential Space.

We would also like to take this opportunity to provide a summary update the Board about the project they previously approved. The Board's approval of 500 Seneca Street for mortgage and sales tax abatement has enabled us to move forward with the project, resulting in some significant advances. Amongst the over 15 tenants signed to the building and under construction:

- A major national insurance firm, Liberty Mutual is opening a brand new legal department bringing new, high paying jobs to the region.
- An 86 year-old local company, ABC-Amega, is moving to 500 Seneca to grow its business and employment base.
- A cutting-edge technology firm specializing in business use data is expanding business and jobs at 500 Seneca.
- A brand new distillery and tasting room, Tommyrotter Distillery, is bringing manufacturing back to the former FN Burt headquarters.
- A boutique design firm from Canada is building a new US based business out of 500 Seneca.
- Savarino Companies and Frontier Group of Companies remain committed to the building and are locating at 500 Seneca to grow operations.

We are excited by the economic growth this project and the ECIDA's support for it have afforded the region.

Thank you for your consideration,

Samuel J. Savarino
President & CEO

cc. 500 Seneca Street, LLC

Application Title

500 Seneca Street

Section I: Applicant Background Information

Applicant Information - Company Receiving Benefit

Total Project Cost	35675400
Applicant Name	500 Seneca Street, LLC
Applicant Address	26 Mississippi Street - Suite 400
Phone	None
Fax	None
E-mail	None
Website	www.500Seneca.com
Fed ID#	27-1557297

Individual Completing Application

Name	Kevin Hays
Title	Director of Development
Address	95 Perry Street - Suite 104
Phone	(716) 332-5959
Fax	(716) 332-5968
E-Mail	kevinh@savarinocompanies.com

Company Contact (if different from individual completing application)

Name
Title
Address
Phone
Fax
E-Mail

Company Counsel

Name of Attorney	Craig Slater
Firm Name	The Slater Law Firm, PLLC
Address	26 Mississippi Street - Suite 400
Phone	716-845-6763
Fax	
E-Mail	cslater@cslaterlaw.com

Identify the assistance being requested of the Agency

Exemption from Sales Tax	Yes
Tax Exempt Financing	No
Exemption from Mortgage Tax	Yes
Exemption from Real Property Tax	No
Assignment/Assumption of existing PILOT benefits	No

Business Organization

Type of Business	Limited Liability Company
Year Established	2009
State of Organization	New York

List all stockholders, members, or partners with % of ownership greater than 20%

Please include name and % of ownership.

FFZ Holdings, LLC (85%) Savarino Development Corp. (15%)

Business Description

Describe in detail company background, products, customers, goods and services

500 Seneca Street, LLC is a commercial property holding company and real estate developer. The partners are Buffalo based with experience in adaptive re-use and renovation. A sampling of the partnership's similar projects include Class A adaptive reuse projects at 26 Mississippi Street, 30 Mississippi Street and 95 Perry Street in Buffalo's historic Cobblestone District, White's Livery Apartments on Jersey Street, and Buffalo Iron Works at 49 Illinois Street in Buffalo. This application is for exemption from mortgage tax and abatement of sales tax for the adaptive reuse of the building shell, core, and occupied tenant spaces only. Sales tax abatement for the fit out of unoccupied tenant spaces is excluded from this application. Detailed business descriptions for both tenants are included as attachments to this application.

Estimated % of sales within Erie County	60
Estimated % of sales outside Erie County but within New York State	10
Estimated % of sales outside New York State	20
Estimated % of sales outside the U.S.	10

What percentage of your total annual supplies, raw materials and vendor services are purchased from firms in Erie County?
(You may be asked to provide supporting documentation of the estimated percentage of local purchases)

Estimated 85% or greater.

Section II: Project Description & Details

Location of proposed project facility

Address	500 Seneca Street
City	Buffalo & Adjacent Properties
State	New York
Zip Code	14204
SBL Number	1118100007001000
Town/City/Village	Buffalo
School District	Buffalo
Present Project Site Owner	500 Seneca Street, LLC

Please provide a brief narrative of the project

500 Seneca will see the historic renovation and adaptive reuse of a prominent piece of Buffalo's industrial heritage, transforming the former historic F. N. Burt Company Factory into a mixed use development featuring over 300,000 square feet of space for Class A offices, market rate apartments and a nonprofit job training center. The building will feature amenities such as a large multi-story interior green atrium area, enclosed exterior courtyard, on site fitness center and cafe. This project will bridge the established downtown core and the developing Larkin District and spur future development along this corridor. 500 Seneca will also extend streetscape improvements for the historic Larkin District further towards the Downtown core. The 500 Seneca project is in the process of obtaining Federal and New York State tax credits and New Market Tax Credits for the project. The building has demonstrable historical, architectural and cultural significance for the region and the country as supported by SHPO and the NPS. If not for this particular adaptive reuse the structure would most likely be demolished. The commercial office space at 500 Seneca will feature loft-style finishes, large exterior windows and tenant-friendly floorplates. 500 Seneca features an ideal location-adjacent to both Downtown Buffalo and the City's emerging Larkin District - with quick access to the I-190. There will also be ample secured parking onsite. These features make this a competitive location promoting new business and growth in the region's commercial core. An important component of the project will be the plentiful amount of floor space dedicated to local cultural institutions at rates well below market. The first of these tenants will be the BCOME Buffalo job training center. The project has been updated to include 110 +/- market rate apartments to respect goals set forth by the Buffalo Building ReUse program and market interest, particularly from out-of-town and expanding commercial tenants interested in the project because of the live-work opportunity afforded by the addition of residential apartments to the project.

Site Characteristics

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

Previous environmental investigations completed at the Site have revealed evidence of environmental contamination related to site's former use. Elevated levels of volatile organic compounds (VOCs), including chlorinated VOCs, have been detected on-site at concentrations exceeding regulatory guidelines. Asbestos containing materials and lead containing materials are also noted onsite. 500 Seneca Street, LLC has submitted this property as a qualified site to the DEC under the Brownfield Cleanup Program. The DEC has accepted and executed a Brownfield Cleanup Agreement with 500 Seneca Street, LLC and has been assigned BCP Site #C915273.

Has a Phase I Environmental Assessment been prepared, or will one be prepared with respect to the proposed Project Site?
(If yes, please provide copy)

Yes

If yes, please provide a copy.

Apr 15, 2015y 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.

Will project include leasing any equipment?

Yes

If yes, please describe equipment and lease terms

Machinery and equipment rentals during construction only.

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

No

If yes, please attach additional documentation describing the efficiencies achieved.

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

No

If yes, please explain

What percentage of annual operating expenses are attributed to the above referenced research and development activities?

Not applicable.

Explain why IDA participation is necessary for this project to proceed. Focus on competitiveness issues, project shortfalls, etc.

The project offers the required space, location and amenities for our proposed anchor tenant. FFZ Holdings, LLC would expand their operations in Western New York from a new location at 500 Seneca Street and provide an anchor tenancy along with BCOME Buffalo job training center allowing the building to be placed into service. The requested incentives are critical to meeting the budget for the bringing the anchor tenants to 500 Seneca. The community benefits of activating this project include a historic renovation of an abandoned property near the City Center, remediation of a contaminated brownfield, modern competitive office space with the amenities needed to retain and attract new jobs adjacent to a distressed area where jobs are needed, and a much needed job training and not-for-profit management services center. Workforce development and skills training programs are highlighted as one of the six priorities for the region in the "Buffalo Billion" investment plan. The BCOME job training program will rely upon below market lease terms and job placement opportunities at 500 Seneca. The project scope for 500 Seneca Street includes brownfield cleanup and an historic renovation of a long vacant State and Federally listed landmark. Environmental cleanup and historic renovation provide a community and business asset for Buffalo but also require additional investment and higher cost than a traditional new build. Because of this, the project is requesting sales and mortgage recording tax abatement to remain competitive and protect the adaptive reuse plan of this property. This project is also located adjacent to a highly distressed census tract. The development team is confident in the employment opportunities, spinoff development, and infrastructure improvements this project will spur but the location produces barriers to entry for tenant lease up. Due to long term vacancy this property needs immediate repairs and stabilization to protect the structural integrity of the historic asset.

Project Information

Estimated costs in connection with project

Land and/or Building Acquisition **\$ 1050575****9.27** acres **310000.00** square feetNew Building Construction **\$ 0****0.00** square feetNew Building addition(s) **\$ 0****0.00** square feetRenovation **\$ 27879525****310000.00** square feetManufacturing Equipment **\$ 0**Non-Manufacturing Equipment:
(furniture, fixtures, etc.) **\$ 0**Soft Costs: (professional
services, etc.) **\$ 6745300**Other Cost **\$ 0**

Explain Other Costs

Total Cost 35675400**Project Refinancing (est. amount) 0**

Select Project Type (check all that apply)

No Industrial**Yes** Multi-Tenant**Yes** Mixed Use**Yes** Acquisition of Existing Facility**Yes** Commercial**No** Facility for the Aging**Yes** Housing**Yes** Back Office**Yes** Civic Facility (not for profit)**No** Equipment Purchase**No** Retail**Yes** Other

job training center & residential

SIC Code 6552**NAICS Code 531120**

For proposed facility please include # of sq ft for each of the uses outlined below

		Cost	% of Total Cost
Manufacturing/Processing	20000 square feet	350000	1
Warehouse	0 square feet	0	0
Research & Development	0 square feet	0	0
Commercial	0 square feet	0	0
Retail	10000 square feet	500000	1
Office	175000 square feet	25325400	70
Specify Other	105000 square feet	10350000	28

Utilities and services presently serving site. Provide name of utility provider

Gas National Fuel Gas**Electric National Grid Size****Water City of Buffalo Size Inactive**

Other (Specify)

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>

What is your project timetable (Provide dates)

Start date : acquisition of equipment

2014-03-01

End date : Estimated completion of project

2017-12-31

Project occupancy : estimated starting date of operations

2015-06-01

Have site plans been submitted to the appropriate planning department for approval?

Yes

Have any expenditures already been made by the company?

Yes

If yes, indicate particulars (ECIDA benefits do not apply to expenses incurred prior to Board approval)

Partial acquisition and carrying costs as well as stabilization of structural failures.

Is project necessary to expand project employment?

Yes

Is project necessary to retain existing employment?

Yes

Employment Plan (Specific to location):

	Current # of jobs at project location or to be relocated at project location	If project is to retain jobs, number of jobs to be retained	Total # of jobs 2 years after project completion
Full time	20	20	31
Part time	0	0	3
Total	20	20	34

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

Address	Multiple Locations		
Full time	48	0	0
Part time	0	0	0
Total	48	0	0

Payroll Information

Annual payroll

1000000

Estimated average annual salary of jobs to be retained

83333

Average estimated annual salary of jobs to be created

50000

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Estimated salary range of jobs to be created

From **35000** To **80000**

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

Yes

If yes, please explain and identify out-of-state locations investigated

FFZ Holdings, LLC, an investor and development partner in the project and committed anchor tenant references the need for the requested tax incentives in order to allow the project to move forward and provide the space required for their growing business: "(Savarino and) FFZ has submitted an Application for Tax Incentive Benefits to the ECIDA. [The attached] letter confirms our belief that achieving a move to 500 Seneca Street is essential to maintaining our competitiveness in the real estate and brownfield redevelopment business we are engaged in and to discourage our company from moving out of state."

Were you offered financial assistance to locate outside of New York State?

No

If yes, from whom and what type of assistance was offered

What competitive factors led you to inquire about sites outside of New York State?

Inquiries have been limited to the City of Buffalo as continued business operations within Western New York are contingent on that location.

Have you contacted or been contacted by other economic or governmental agencies regarding this project?

Yes

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

National Grid: Brownfield Cleanup Program Grant DEC: Brownfield Cleanup Program NYS SHPO / NPS: Historic Tax Credits

Section III: Adaptive Reuse Projects

Are you applying for a tax incentive under the Adaptive Reuse Program?

Yes

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

114.00

If yes, number of years vacant?

10

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

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

Does the site have historical significance?

Yes

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 (cash flow projections documenting costs, expenses and revenues indicating below average return on investment rates compared to regional industrial averages)

The adaptive reuse of the designated historic property requires design, engineering, and construction well above traditional building code requirements. The cost of sales tax and a mortgage recording tax on the project budget for 500 Seneca Street would result in a construction costs far exceeding the value of the completed project which poses an inability to obtain sufficient financing. Summary projections are attached. The extra work required will create additional construction jobs which can and will be sourced locally.

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

There is wide neighborhood and government support for this project. Letters of support have been provided by both the community and elected officials. These letters are attached. Support for the project through funding sources has been secured for Historic Tax Credits as approved by SHPO and NPS and Brownfield Cleanup as approved by DEC.

Please indicate other factors that you would like the ECIDA to consider such as: structure or site presents significant public safety hazard and or environmental remediation costs, site or structure is located in a distressed census tract, structure presents significant costs associated with building code compliance, site or structure is presently delinquent in property tax payments

This project has been identified as a qualifying site for brownfield cleanup and is a NYS and Federally listed landmark. The extraordinary additional capital costs borne to the project because of these challenges makes it more difficult to fund the redevelopment. Granting the tax incentives for this project allows a historic landmark to be revitalized and a contaminated site to be cleaned. In addition, this project is located adjacent to a "highly distressed" census tract with a below average median family income and a high unemployment rate. This project has the prospect to bring a broad range of employment opportunities to a neighborhood in need and advance the

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link between the Larkin District and Downtown Buffalo. The project team been working with a non-profit to provide them with low-cost operations space at 500 Seneca Street for a jobs and skills training program. We also envision and are promoting synergies between the private companies locating at 500 Seneca Street and BCOME to provide onsite job opportunities as a component of the program. Workforce development and skills training programs are repeatedly identified as one of the six primary initiatives for the "Buffalo Billion."

Section IV: Retail Determination

Will project involve the sales of goods or services to customers who personally visit the facility?

No

If yes, complete the Retail Questionnaire Supplement below.

Will any portion of the project consist of facilities or property that is primarily used in making sales of goods or services to customers who personally visit the project site?

No

If the answer is yes, please continue.

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?

0.00 %

If the answer to this is **less than 33%** do not complete the remainder of the page and proceed to the next section (Section V: Inter-Municipal Move Determination).

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

<BLANK>

Is the project likely to attract a significant number of visitors from outside the economic development region in which the project will be located?

<BLANK>

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

Would the project occupant, but for the contemplated financial assistance from the industrial development agency, locate the related jobs outside the State of New York?

<BLANK>

If yes, please provide documentation regarding investigation of sites outside New York State.

Is the predominant purpose of the project to make available goods or services which would not otherwise be reasonably accessible to the residents of the project municipality?

<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>

Is the project located in a Neighborhood Redevelopment Area?

<BLANK>

Section V: Inter-Municipal Move Determination

Does this project involve relocation or consolidation of a project occupant from another municipality or abandonment of an existing facility?

Within New York State **No**

Within Erie County **No**

If EITHER IS YES, please complete the following. If BOTH ARE NO, please 'save and continue' to the next section (Section VI: Facility Type - Single or Multi Tenant).

The Agency is required by state law to make a determination that Agency assistance is required to prevent the project occupant from relocating out of the state, or to preserve the project occupant's competitive position in its respective industry.

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 (For example, present site is not large enough, or owner will not renew leases etc.)

This project does not involve any relocation between municipalities, either within New York State or within Erie County. The proposed anchor tenants include a business (FFZ Holdings, LLC and affiliates) proposing to relocate and expand from 26 Mississippi Street in Buffalo to 500 Seneca Street. The vacated space is covered by an existing lease and will not be creating vacant space. The proposed anchor tenant operates affiliated companies internationally. It is growing its Western New York enterprises and needs to expand to continue said operations. The committed not-for-profit (BCOME) is a new organization and will not be vacating any space. From FFZ: "FFZ has invested significantly in the Downtown Central Business District and is looking for further opportunities in that and other areas in the City of Buffalo. We wish to remain downtown for ease of access, access to our properties, maintain connectivity to our lenders and business partners, be able to monitor our investments and the progress of our developments, and to generally be able to stay close and available to the end users and tenants of our properties. It is critical to us to maintain that kind of access to be competitive at all in the area and to be successful. Failing to have the kind of access, from our perspective, diminishes the value of our investments, retards our ability to respond and be competitive in acquisition, development, and leasing or sale, and would ultimately chill our ability or willingness to continue or expand those investments. We have many other properties outside of New York and the United States from which we could conduct our real estate operations that have more favorable tax and regulatory structures. We could choose to relocate there, monitor or sell-off our investments here, and re-invest in other metropolitan areas having greater economic incentives and returns. While our investments have shown a commitment to WNY to date, for us, we have the ability to change that if we feel it appropriate, obtaining a tax incentive benefits package would serve as a significant disincentive to exercise our available options and relocate out of state."

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 docks etc...)

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

<BLANK>

Is the project reasonably necessary to preserve the project occupant's competitive position in its industry?

Yes

If yes, please explain and provide supporting documentation

From FFZ: "Failing to have the kind of access, from our perspective, diminishes the value of our investments, retards our ability to respond and be competitive in acquisition, development, and leasing or sale, and would ultimately chill our ability or willingness to continue or expand those investments." BCOME's operation is based on serving residents in the not-for-profits' service areas. This project and location is necessary for BCOME's outreach,

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

Location for for ease of access, access to our properties, maintain connectivity to lenders and business partners, be able to monitor our investments and the progress of developments, and to generally be able to stay close and available to the end users and tenants of properties.

What is going to happen to the current facility that project occupant is located in?

Facility (Frontier) is currently operating under a master lease. Lease holder has continued inquiries regarding available space and will lease to a comparable tenant. BCOME is a new operation that will not be vacating space.

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 VI: Facility Type - Single or Multi Tenant

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

Multi-Tenant Facility

For Single Use Facility

Occupant Name
Address
Contact Person
Phone
Fax
E-Mail
Federal ID #
SIC/NAICS Code

Multi-Tenant Facility

Please explain what market conditions support the construction of this multi-tenant facility

Vacancy rates in the Buffalo Market for office space are at 13.71% from 2013's CBRE Marketview analysis which is below the national average. It is expected that a significant portion of this space will be taken off the market by change of use. The Class A office vacancy rate in the City Central Business District is 9.71% making competitive space with the necessary amenities for employers difficult to find. Ensuring the availability of modern office space with in demand amenities on the edge of the Central Business District will ensure retainage and attraction of employers. Ensuring the adaptive reuse of a long neglected State and Federal listed landmark will also preserve an irreplaceable asset in the urban core while providing marketable space to new and expanding employers.

Have any tenant leases been entered into for this project?

No

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

Section VII: Environmental Questionnaire

General Background Information

Address of Premises

500 Seneca Street Buffalo, New York 14204

Name and Address of Owner of Premises

500 Seneca Street, LLC 26 Mississippi Street - Suite 104 Buffalo, New York 14203

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

100% urban area. No bodies of water located near the project. Hardscape roadway has a grade change of 1 building story over the length of the complex.

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 property is an existing vacant complex of joined buildings in the urban core. The oldest building, located at Hamburg and Seneca Streets, was built in 1900 of heavy timber construction. Other additions were also built in the same way, but later buildings in 1926 were constructed of reinforced concrete as construction methods evolved over time. As new additions were built, openings were cut into perimeter walls to allow for a pass through. As the complex developed, two interior courtyards were framed by the buildings; one in the east portion and one in the west portion. The east courtyard remains open, but the west courtyard later received a roof and was enclosed. All former operations at the facility are classified as light manufacturing. The intended use of the redevelopment is office space, cultural institutions (ie museum), and job training.

Describe all known former uses of the Premises

From 1900 to 1959 the facility was a paper box manufacturing plant and corporate offices. From 1986 to 2004 the facility was a baseball hat manufacturing and embroidering plant.

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

Vacant since 2004.

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

Yes

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

There is an existing chlorinated solvent spill that has been identified and is being cleaned through a volunteer Brownfield Cleanup Agreement with DEC. Environmental reports are attached.

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

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e 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

None.

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

Approximately 5 tons of water per month will impact the City of Buffalo municipal sewer system. Sources of this water include stormwater runoff from the existing building and regular water use by 300,000 SF of office use. The capacity of the municipal system exceeds this use as it is designed for an industrial facility. A SEQRA negative declaration was issued by the City of Buffalo Planning Board and is attached.

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

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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

None. Underground storage tanks were removed and documented by prior owners. Documentation is attached.

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

Yes

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

All impacted soil surrounding a former underground storage tank was removed and documented by prior owners. Documentation is attached.

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

Pipe insulation.