



NARRATIVE SUPPLEMENT TO THE ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY APPLICATION FOR ISKALO 1391 HERTEL LLC

[PORTION OF 1391 HERTEL AVENUE, BUFFALO, NY]

Company Background:

Founded in 1988 by Paul B. Iskalo, Iskalo Development Corp. is an experienced real estate developer of both “ground up” and “adaptive re-use” commercial projects including corporate and medical office, light industrial, hospitality, retail and mixed-use. Iskalo Development’s focus is on redevelopment and revitalization of established neighborhoods (“smart growth”) versus green field development. Whether a project involves new construction or renovation of an existing building, our interest in redevelopment represents a specialized market niche which we find particularly fulfilling as it typically involves well-located properties with a proud history that are now outdated, neglected and/or suffering from significant deferred maintenance, or “benign neglect”.



Examples of Iskalo Development projects include the historic Electric Tower in downtown Buffalo (see photo right), redevelopment of the former Kane Doyle Jeep Eagle Dealership at 2780 Delaware Road in Kenmore (see photo left), and close to a dozen properties along the Main Street corridor in Amherst and the Village of Williamsville. Iskalo projects



have won awards for historic renovation and adaptive reuse as well as for new construction, including the LEED Silver office building at 2410 North Forest. Iskalo Development has earned an outstanding reputation for the quality and architectural sensitivity of its projects. The staff at Iskalo Development derives great pleasure and satisfaction from revitalizing neighborhoods and, as set forth herein, is seeking to expand upon its success with the proposed adaptive reuse of the former St. Margaret’s school on Hertel Avenue.

1391 Hertel Avenue – Property History:

Iskalo 1391 Hertel LLC has a portion of 1391 Hertel Avenue (SBL#78.73-3-1.1), located on the corner of Hertel Avenue and Saranac Avenue, under contract to purchase the property from the St. Margaret's Roman Catholic Church. The property is located in the both the Community Business ("C2") and Dwelling ("R2") districts.



The former St. Margaret's School property that is the subject of this application includes the former school consisting of 30,190± square feet. The three-story school building was originally constructed in 1917 as the church for the parish, and up until 1957 was used as the church for the parish when the current church was constructed to the west. In 1967, an addition was added to the building along Hertel Avenue. From 1957 until a few years ago, the building

housed an elementary school (kindergarten through 8th grade) whose enrollment peaked at about 600± students in the 1980's. Over time, however, enrollment decreased down to less than 100 students and closed after the 2011-2012 school year.

Project Summary:

The proposed project involves the adaptive reuse of the former St. Margaret's elementary school into a mixed-use building consisting of twenty three, 1 and 2 bedroom apartments and approximately 2,000 square feet of commercial space on the main level fronting Hertel Avenue. Apartment sizes will range from approximately 770 to 1,300 square feet and feature tall ceilings and plenty of windows. The scope of the project will include all new mechanicals and plumbing as well as a new gated parking lot (separate from the remainder of the parish property) for 50± cars and related site infrastructure and landscape.

Some of the modifications to be made to the building to adapt it for residential use include abatement of lead based paint and asbestos containing material, selective demolition of obsolete building partitions and components, installation of a new entrance to the building accessible from the new parking lot, and installation of an elevator. Other than the structure of the building, all interior improvements for the apartments will be new construction. Further, a new floor will be installed approximately 4 feet above the existing first floor in order to bring the main level up to the exterior grade. Elevating the first level to exterior grade will make the first floor apartments more desirable and will also create the opportunity for commercial space along the Hertel frontage of the building. Related thereto, the school building is presently set back from Hertel Avenue thus our development plan includes the construction of a plaza or patio that will "connect" the commercial space (and the building) to Hertel Ave.

A copy of the boundary survey for the property, a site plan, and a rendering of the project are all exhibits to the application. Also attached is the Phase I Environmental Site Assessment which was completed as part of our due diligence for the property, and which reveal no environmental hazards except for the presence of asbestos containing materials and lead-based paint.

Need for Agency's Financial Assistance and Project Eligibility:

Assistance from the Erie County Industrial Development Agency (ECIDA) is necessary to help us evolve a project that is financially feasible. The ECIDA assistance being sought is in the form of the mortgage tax abatement and sales tax abatement on equipment and materials used in construction.

The balance of this section will address how the project complies with the criteria established by the ECIDA under its Uniform Tax Exemption Policy for Adaptive Reuse Projects:

- i. *Age of the structure and the challenges to redevelopment;*
The school building is nearly 100 years old and was originally built to serve primarily as a church and later further modified (and expanded) to serve as a private elementary school. Due to its age, lead based paint and asbestos containing materials are present and will require abatement. As further described in the section above, significant improvements will need to be made to adapt the building to its new uses and to meet current building code.
- ii. *Time period during which the structure has been vacant or underutilized;*
The school suffered from declining enrollment over a period of years, dipping to below 100 students, and finally closed in the spring of 2012. An accessory building on the property that once served as a convent, has been vacant and unused for many years.
- iii. *Whether the structure is generating significant rental income;*
The school building and former convent are vacant and unused, and therefore do not generate any income.
- iv. *Whether the project is compliant with the investment and growth criteria of the Framework for Regional Growth plan;*
The adaptive reuse project is a classic infill project that is consistent with the Framework for Regional Growth. The project involves the re-utilization of an existing building located within a critical block of the Hertel "strip", repurposing it with uses that are both in-demand and complementary to its surrounding uses.
- v. *Appropriate evidence indicating financial obstacles to the redevelopment of the project without ECIDA or other public assistance;*
As part of the application package, we have included a Return on Investment (ROI) calculating showing a rate of return for the project that is significantly below the regional industry average for similar projects due to the financial obstacles of the project without ECIDA assistance.

vi. *Evidence of local government support;*

As a supplement to our application package, we plan to provide letter(s) of support from the local government entities or Councilmember LoCurto.

vii. *Whether the site or structure presents a significant public safety hazard or its reuse would involve significant environmental remediation costs;*

As noted above, due to the age of the buildings, redevelopment of the property will involve environmental remediation costs to abate any lead-based paint or asbestos containing materials.

viii. *Whether the site or structure is located in a distressed census tract;*

The project is located in Census Tract 49, and according to the Highly Distressed Area Map dated June 27, 2013 and published on the ECIDA's website, is located in a tract adjacent to a highly distressed tract.

ix. *Whether the structure presents significant costs associated with building code issues;*

As noted above, there are significant costs to bring the property in conformance to code for the proposed use including installation of an elevator, required parking, handicap accessibility and fire protection.

x. *Whether the site or structure is presently delinquent in property tax payments; and*

xi. *Such additional criteria as may be developed from time to time.*

The property is non-contributing to the tax rolls as the parish is tax exempt. However, sale and redevelopment of the property will result in property taxes to be paid to Erie County and to the City of Buffalo (subject to the 485(a) exemption).

In addition to returning the building to productive use on an important stretch of Hertel Avenue and placing the property back on the tax rolls, the project will also help strengthen the St. Margaret's parish via the sale of the property as well as relief to the parish of the cost and burden of maintaining these vacant buildings. Sustainable design and construction practices will be used in the redevelopment of the property and we anticipate seeking additional incentives from the New York State Energy Research and Development Authority (NYSERDA) for energy efficient systems in the apartments.



Adaptive Reuse of Former St. Margaret's School

Section I: Applicant Background Information

Applicant Information - Company Receiving Benefit

Applicant Name Iskalo 1391 Hertel LLC
Applicant Address 5166 Main Street, Williamsville, NY 14221
Phone 716-633-2096
Fax 716-633-5776
E-mail msroland@iskalo.com
Website www.iskalo.com
Federal ID# 47-2104486
NAICS Code N/A
Will a Real Estate Holding Company be utilized to own the Project property/facility No
What is the name of the Real Estate Holding Company
Federal ID#
State and Year of Incorporation/Organization
List of stockholders, members, or partners of Real Estate Holding Company

Individual Completing Application

Name Matthew Roland
Title Development Project Manager, Iskalo Development Corp.
Address 5166 Main Street, Williamsville, NY 14221
Phone 716-633-2096
Fax 716-633-5776
E-Mail msroland@iskalo.com

Company Contact (if different from individual completing application)

Name David Chiazza
Title Executive Vice President, Iskalo Development Corp.
Address 5166 Main Street, Williamsville, NY 14221
Phone 716-633-2096
Fax 716-633-5776

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E-Mail

dchiazza@iskalo.com

Company Counsel

Name of Attorney	Christofer Fattey
Firm Name	Hodgson Russ LLP
Address	140 Pearl Street, Buffalo, NY 14202
Phone	716-848-1757
Fax	
E-Mail	cfattey@hodgsonruss.com

Identify the assistance being requested of the Agency

Exemption from Sales Tax	Yes
Exemption from Mortgage Tax	Yes
Exemption from Real Property Tax	No
Tax Exempt Financing*	No

* (typically for not-for-profits & small qualified manufacturers)

Business Organization

Type of Business	Limited Liability Company
Year Established	2014
State of Organization	New York

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

Please include name and % of ownership.

Application is being submitted by Iskalo Development Corp. on behalf of Iskalo 1391 Hertel LLC, which is majority owned by Paul B. Iskalo.

Applicant Business Description

Describe in detail company background, products, customers, goods and services. Description is critical in determining eligibility

Iskalo Development Corp. ("Iskalo") is a full-service, commercial real estate development company headquartered on Main Street in Williamsville, NY and active throughout Western New York. Iskalo, through its various ownership entities (LLCs) undertakes both ground-up as well as adaptive re-use real estate projects for its own portfolio. Iskalo serves as its own developer, architect, construction manager and property manager. Principal project uses include office, medical office, light industrial, village retail and mixed-use.

Estimated % of sales within Erie County	90
Estimated % of sales outside Erie County but within New York State	5
Estimated % of sales outside New York State but within the U.S.	5
Estimated % of sales outside the U.S.	0

(*Percentage to equal 100%)

What percentage of your total annual supplies, raw materials and vendor services are purchased from firms in Erie County? Include list of vendors, raw material suppliers and percentages for each. Provide supporting documentation of the estimated percentage of local purchases

We estimate that typically 80% +/- of the materials and 90% of the labor and services required to complete real estate projects undertaken by Iskalo are sourced in Erie County.

Section II: Eligibility Questionnaire - Project Description & Details

Project Location

Municipality or Municipalities of current operations

City of Buffalo

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

Yes

In which Municipality will the proposed project be located

City of Buffalo

Address

Portion of 1391-1395 Hertel Avenue, Buffalo, NY

If the Proposed Project is located in a different Municipality 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 Section V of this Application

SBL Number for Property upon which proposed Project will be located

Portion of 78.73-3-1.1

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

\$0 (Property is owned by the St. Margaret's Roman Catholic Church Society of Buffalo, New York)

Assessed value of land

\$264,400 (Property is assessed but this value is for all the parish buildings, not just the property subject to the application)

Assessed value of building(s)

\$1,703,500 (Property is assessed but this value is for all the parish buildings, not just the property subject to the application)

Are Real Property Taxes current?

Yes

If no please explain

Property is currently exempt as a non-for-profit entity.

Town/City/Village of Project Site

City of Buffalo

School District of Project Site

Buffalo School District

Does the Applicant or any related entity currently hold fee title to the Project site?

No

If No, indicate name of present owner of the Project Site

St. Margaret's Roman Catholic Church Society of Buffalo, New York

Does Applicant or related entity have an option/contract to purchase the Project site?

Yes

Describe the present use of the Proposed Project site

Present use is a vacant elementary school.

Please provide narrative of project (new build, renovations, 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)

We are seeking inducement of the redevelopment project for the former St. Margaret's elementary school under the ECIDA's Adaptive Reuse Program. The project would include the redevelopment of the former elementary school into 23+/- apartments and 2,000+/- square feet of commercial space along Hertel Avenue. Please see the attached narrative for additional information.

Describe the reasons why the Agency's Financial Assistance is necessary and how the Financial Assistance enables the company to undertake the Project to facilitate investment, job creation and/or job retention. Focus on competitiveness issues, project shortfalls, etc... Your eligibility determination will be based in part on your answer (attach additional pages if necessary)

ECIDA assistance is necessary to help make redevelopment of the property financially feasible. Please see the attached narrative for additional information.

Will project include leasing any equipment?

No

If yes, please describe equipment and lease terms.

Site Characteristics

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

Yes

Describe the present zoning/land use

The northern portion of the property along Hertel Avenue is presently zoned C2, and the southern portion of the property is zoned R2.

Describe required zoning/land use, if different

It is envisioned that the Applicant will obtain a use variance or seek a rezoning of the property to permit a mixed use building with apartments in a portion of the R2 district.

If a change in zoning/land use is required, please provide details/status of any request for change of zoning/land use requirements

Pre-application meetings have been held with the City of Buffalo Office of Strategic Planning. A formal application has yet to be filed for this project.

Is the proposed Project located on a site where the known or potential presence of contaminants is complicating the development/use of the property?

No

If yes, please explain

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

Yes

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?

No

If yes, please provide copies of the study.

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

Yes

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?

No

If yes, please explain.

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

N/A

Select Project Type for all end users at project site (you may check more than one)

Will customers personally visit the Project site for either of the following economic activities? If yes with respect to either economic activity indicated below, complete the Retail Determination contained in Section IV of the Application.

Please check any and all end uses as identified below.

Retail Sales Yes **Services** Yes

For purposes of this question, 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.

No Manufacturing

Yes Acquisition of Existing Facility

Yes Housing

Yes Equipment Purchase

Yes Multi-Tenant

Yes Commercial

No Back Office

Yes Retail

Yes Mixed Use

No Facility for the Aging

No Civic Facility (not for profit)

Yes Other

Potential retail in

Project Information

Estimated costs in connection with project

Land and/or Building Acquisition

\$ 612,500	34,466 square feet	1.05+/- acres
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New Building Construction

\$ 0	square feet
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New Building addition(s)

\$ 0	square feet
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Infrastructure Work

\$ 0

Renovation

\$ 4,134,360	30,190 square feet
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Manufacturing Equipment

\$ 0

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

\$ 130,000

Soft Costs: (professional services, etc.)

\$ 534,765

Other Cost

\$ 0

Explain Other Costs

Total Cost

\$ 5,411,625

Project Refinancing; estimated amount (for refinancing of existing debt only)

\$ 0

Sources of Funds for Project Costs:

Estimated Mortgage Amount

\$ 4,300,000

Lender Name, if Known

To be determined

Equity

1,111,625

Have any of the above costs been paid or incurred as of the date of this Application?

Yes

If Yes, describe particulars:

Expenditures already incurred are for the design, environmental and engineering costs and professional services associated with the design and approval of the project.

Construction Cost Breakdown:

Total Cost of Construction

\$ 4,264,360 (sum of 2,3,4,5, and/or 7 in Question K, above)

Cost for materials

\$ 2,134,680

% sourced in Erie County

Anticipate 90-100%

% sourced in State

Anticipate 90-100% (including Erie County)

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

\$ 2,197,180

Estimated State and local Sales and Use Tax Benefit (product of 8.75% multiplied by the figure, above):

\$ 192,253

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

		Cost	% of Total Cost
Manufacturing/Processing	square feet	\$ 0	0
Warehouse	square feet	\$ 0	0
Research & Development	square feet	\$ 0	0
Commercial	28,227 square feet	\$ 3,987,085	93
Retail	square feet	\$ 0	0
Office	square feet	\$ 0	0
Specify Other	1,963 square feet	\$ 277,275	7

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)

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Provide estimate of additional construction cost as a result of LEED certification you are seeking

Will project result in significant utility infrastructure cost or uses

No

What is your project timetable (Provide dates)

Start date : acquisition of equipment or construction of facilities

1/1/2014

End date : Estimated completion date of project

7/1/2016

Project occupancy : estimated starting date of operations

7/1/2016

Have construction contracts been signed?

No

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

No

Has the Project received site plan approval from the appropriate planning department?

No

Is project necessary to expand project employment?

No

Is project necessary to retain existing employment?

No

Employment Plan (Specific to the proposed project location):

Current # of jobs at proposed project location or to be	If project is to retain jobs, number of jobs to	Total # of jobs 2 years after project completion	Net total new jobs
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	relocated at project location	be retained		
Full time	0	0	4	0
Part time	0	0	6	0
Total	0	0	10	

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

Address			
Full time	0	0	0
Part time	0	0	0
Total	0	0	0

Will any of the facilities described above be closed or subject to reduced activity?

No

Payroll Information

Annual Payroll at Proposed Project Site

\$ 0

Estimated average annual salary of jobs to be retained

\$ 0

Estimated average annual salary of jobs to be created

\$ 350,000

Estimated salary range of jobs to be created

From

\$ 25,000

To \$ 50,000

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

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

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

City of Buffalo - 485(a) Property Tax Abatement; Empire State Development Corp - Better Buffalo Fund

Do you anticipate applying for any other assistance for this project?

Yes

If yes, what type of assistance (Historic Tax Credits, 485(a), Grants, Utility Loans, Energy Assistance, Workforce Training)

485(a), NYSEDA benefits for energy efficient equipment, National Grid Main Street Grant, and Better Buffalo Fund incentives

Section III: Adaptive Reuse Projects

Are you applying for tax incentives under the Adaptive Reuse Program?

Yes

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

97

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

If yes, number of years vacant?

3

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

If yes, please provide dollar amount of income being generated, if any

\$ 0. Property is currently vacant.

Does the site have historical significance?

No

Are you applying for either State/Federal Historical Tax Credit Programs?

No

If yes, provide estimated value of tax credits

\$ Not contemplated at
this time.

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 (you will be asked to provide cash flow projections documenting costs, expenses and revenues with and without IDA and other tax credits included indicating below average return on investment rates compared to regional industry averages)

Please see the attached Project Narrative.

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

Please see the attached Project Narrative.

Please indicate other factors that you would like 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 has historical significance, site or structure is presently delinquent in property tax payments

Please see the attached Project Narrative.

Section IV: Retail Determination

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? Yes

If yes, complete the Retail Questionnaire Supplement below.

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? 7 %

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).

If the answer to A is Yes **AND** the answer to Question B is greater than 33.33%, indicate which of the following questions below apply to the project:

Will the project be operated by a not-for-profit corporation? No

Is the project location or facility likely to attract a significant number of visitors from outside the economic development region (Erie, Niagara, Allegheny, Chautauqua and Cattaraugus counties) in which the project will be located? No

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

Is the predominant purpose of the project to make available goods or services which would not, but for the project, be reasonably accessible to the residents of the municipality? Are services provided at the proposed project site needed because of a lack of reasonably accessible retail trade facilities offering such goods or services? No

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? Yes

If yes, explain

Property is currently vacant, so new jobs would be created as part of the construction of the project. In addition, the commercial space also would result in job creation.

Is the project located in a Highly Distressed Area? No

Section V: 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.

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 or abandonment of an existing facility?

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 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

Project includes the Adaptive Reuse of the former St. Margaret's elementary school to 23+/- apartments and some commercial space along Hertel Avenue.

Have any tenant leases been entered into for this project?

No

If yes, please fill out a tenant form in section VII, for each tenant.

Tenant Name	Current Address (city, state, zip)	# of sq ft and % of total to be occupied at new projet site	SIC or NAICS-also briefly describe type of business, products services, % of sales in Erle Co.
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Section VII: Environmental Questionnaire

General Background Information

Address of Premises Portion of 1391 Hertel Avenue, Buffalo, NY 14216

Name and Address of Owner of Premises St. Margaret's Roman Catholic Church Society of Buffalo, New York; 1395 Hertel Avenue, Buffalo, New York 14216

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

Premises are located in a built-up environment along Hertel Avenue.

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 Elementary School was originally constructed in 1917 and in 1957 was converted to an elementary school, with an addition added along Hertel Avenue in 1967. It was an elementary school until its decline due to decreasing enrollment several years ago and closed in the spring of 2012.

Describe all known former uses of the Premises

Church: 1917-1957 Elementary School: 1957-2012 Vacant Building: 2012-present

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

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

None.

Identify the solid and hazardous waste disposal or treatment facilities which have received wastes from the Premises for the past two (2) years

None.

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

Sanitary Sewer and Storm Sewer is discharged into the municipal system along Hertel Avenue or Saranac Avenue.

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?

<BLANK>

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.

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?

Yes

If yes, please identify the materials

Asbestos containing materials have been identified in various materials in the Premises, included floor tile, pipe fittings, roofing materials, window glazing, and caulk, all of which will be abated as part of the project redevelopment.

617.20
Appendix B
Short Environmental Assessment Form

Instructions for Completing

Part 1 - Project Information. The applicant or project sponsor is responsible for the completion of Part 1. Responses become part of the application for approval or funding, are subject to public review, and may be subject to further verification. Complete Part 1 based on information currently available. If additional research or investigation would be needed to fully respond to any item, please answer as thoroughly as possible based on current information.

Complete all items in Part 1. You may also provide any additional information which you believe will be needed by or useful to the lead agency; attach additional pages as necessary to supplement any item.

Part 1 - Project and Sponsor Information							
Name of Action or Project: Former St. Margaret's School - ECIDA							
Project Location (describe, and attach a location map): Portion of 1391 Hertel Avenue, Buffalo, NY 14216							
Brief Description of Proposed Action: Adaptive Reuse of the former St. Margaret's elementary school into approximately 23 apartments and retail space along Hertel Avenue.							
Name of Applicant or Sponsor: Iskalo 1391 Hertel LLC		Telephone: 716-633-2096					
		E-Mail: msroland@iskalo.com					
Address: 5166 Main Street							
City/PO: Williamsville		State: NY	Zip Code: 14221				
1. Does the proposed action only involve the legislative adoption of a plan, local law, ordinance, administrative rule, or regulation? If Yes, attach a narrative description of the intent of the proposed action and the environmental resources that may be affected in the municipality and proceed to Part 2. If no, continue to question 2.			<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="text-align: center;">NO</td> <td style="text-align: center;">YES</td> </tr> <tr> <td style="text-align: center;"><input checked="" type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> </tr> </table>	NO	YES	<input checked="" type="checkbox"/>	<input type="checkbox"/>
NO	YES						
<input checked="" type="checkbox"/>	<input type="checkbox"/>						
2. Does the proposed action require a permit, approval or funding from any other governmental Agency? If Yes, list agency(s) name and permit or approval: City of Buffalo-Site Plan Approval, Area & Use Variances, Preservation Board, Building Permit; NYSEDA - Energy Efficiency Incentives; National Grid - Main Street Grant; Better Buffalo Fund Incentives from Empire State Development Corporation			<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="text-align: center;">NO</td> <td style="text-align: center;">YES</td> </tr> <tr> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input checked="" type="checkbox"/></td> </tr> </table>	NO	YES	<input type="checkbox"/>	<input checked="" type="checkbox"/>
NO	YES						
<input type="checkbox"/>	<input checked="" type="checkbox"/>						
3.a. Total acreage of the site of the proposed action? 1.05 acres							
b. Total acreage to be physically disturbed? 1.05 acres							
c. Total acreage (project site and any contiguous properties) owned or controlled by the applicant or project sponsor? 1.05 acres							
4. Check all land uses that occur on, adjoining and near the proposed action. <input checked="" type="checkbox"/> Urban <input type="checkbox"/> Rural (non-agriculture) <input type="checkbox"/> Industrial <input checked="" type="checkbox"/> Commercial <input type="checkbox"/> Residential (suburban) <input type="checkbox"/> Forest <input type="checkbox"/> Agriculture <input type="checkbox"/> Aquatic <input type="checkbox"/> Other (specify): _____ <input type="checkbox"/> Parkland							

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18. Does the proposed action include construction or other activities that result in the impoundment of water or other liquids (e.g. retention pond, waste lagoon, dam)? If Yes, explain purpose and size: _____	NO	YES
	<input checked="" type="checkbox"/>	<input type="checkbox"/>
19. Has the site of the proposed action or an adjoining property been the location of an active or closed solid waste management facility? If Yes, describe: _____	NO	YES
	<input checked="" type="checkbox"/>	<input type="checkbox"/>
20. Has the site of the proposed action or an adjoining property been the subject of remediation (ongoing or completed) for hazardous waste? If Yes, describe: _____	NO	YES
	<input checked="" type="checkbox"/>	<input type="checkbox"/>
I AFFIRM THAT THE INFORMATION PROVIDED ABOVE IS TRUE AND ACCURATE TO THE BEST OF MY KNOWLEDGE		
Applicant/sponsor name: Iskalo 1391 Hertel LLC		Date: 11-C-2014
Signature: <u>Matthew S. Roland</u>		

By: Iskalo Development Corp.; Its Manager

Matthew Roland, Development Project Manager

Part 2 - Impact Assessment. The Lead Agency is responsible for the completion of Part 2. Answer all of the following questions in Part 2 using the information contained in Part 1 and other materials submitted by the project sponsor or otherwise available to the reviewer. When answering the questions the reviewer should be guided by the concept "Have my responses been reasonable considering the scale and context of the proposed action?"

	No, or small impact may occur	Moderate to large impact may occur
1. Will the proposed action create a material conflict with an adopted land use plan or zoning regulations?	<input type="checkbox"/>	<input type="checkbox"/>
2. Will the proposed action result in a change in the use or intensity of use of land?	<input type="checkbox"/>	<input type="checkbox"/>
3. Will the proposed action impair the character or quality of the existing community?	<input type="checkbox"/>	<input type="checkbox"/>
4. Will the proposed action have an impact on the environmental characteristics that caused the establishment of a Critical Environmental Area (CEA)?	<input type="checkbox"/>	<input type="checkbox"/>
5. Will the proposed action result in an adverse change in the existing level of traffic or affect existing infrastructure for mass transit, biking or walkway?	<input type="checkbox"/>	<input type="checkbox"/>
6. Will the proposed action cause an increase in the use of energy and it fails to incorporate reasonably available energy conservation or renewable energy opportunities?	<input type="checkbox"/>	<input type="checkbox"/>
7. Will the proposed action impact existing:		
a. public / private water supplies?	<input type="checkbox"/>	<input type="checkbox"/>
b. public / private wastewater treatment utilities?	<input type="checkbox"/>	<input type="checkbox"/>
8. Will the proposed action impair the character or quality of important historic, archaeological, architectural or aesthetic resources?	<input type="checkbox"/>	<input type="checkbox"/>
9. Will the proposed action result in an adverse change to natural resources (e.g., wetlands, waterbodies, groundwater, air quality, flora and fauna)?	<input type="checkbox"/>	<input type="checkbox"/>

	No, or small impact may occur	Moderate to large impact may occur
10. Will the proposed action result in an increase in the potential for erosion, flooding or drainage problems?	<input type="checkbox"/>	<input type="checkbox"/>
11. Will the proposed action create a hazard to environmental resources or human health?	<input type="checkbox"/>	<input type="checkbox"/>

Part 3 - Determination of significance. The Lead Agency is responsible for the completion of Part 3. For every question in Part 2 that was answered "moderate to large impact may occur", or if there is a need to explain why a particular element of the proposed action may or will not result in a significant adverse environmental impact, please complete Part 3. Part 3 should, in sufficient detail, identify the impact, including any measures or design elements that have been included by the project sponsor to avoid or reduce impacts. Part 3 should also explain how the lead agency determined that the impact may or will not be significant. Each potential impact should be assessed considering its setting, probability of occurring, duration, irreversibility, geographic scope and magnitude. Also consider the potential for short-term, long-term and cumulative impacts.

<input type="checkbox"/>	Check this box if you have determined, based on the information and analysis above, and any supporting documentation, that the proposed action may result in one or more potentially large or significant adverse impacts and an environmental impact statement is required.
<input type="checkbox"/>	Check this box if you have determined, based on the information and analysis above, and any supporting documentation, that the proposed action will not result in any significant adverse environmental impacts.
<div> <div>Name of Lead Agency</div> <div>Date</div> </div>	
<div> <div>Print or Type Name of Responsible Officer in Lead Agency</div> <div>Title of Responsible Officer</div> </div>	
<div> <div>Signature of Responsible Officer in Lead Agency</div> <div>Signature of Preparer (if different from Responsible Officer)</div> </div>	

PRINT