

VIRTUAL PUBLIC HEARING SCRIPT

**Eastman Machine Company and/or
Individual(s) or Affiliate(s),
Subsidiary(ies), or Entity(ies) formed or
to be formed on its behalf Project**

Public Hearing to be held on December 30, 2020 at 10:30 a.m.
via Virtual Conference Software

ATTENDANCE:

Steve Calzi – Eastman Machine Company
Karen Fiala – ECIDA
Carrie Hocienec – ECIDA
Brian Krygier – ECIDA

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

Hearing Officer: Welcome. This public hearing is now open; it is 10:30 a.m. My name is Grant Lesswing. I am the Business Development Officer of the Erie County Industrial Development Agency, and I have been designated by the Agency to be the hearing officer to conduct this virtual public hearing. This public hearing is being live-streamed and made accessible on the Agency's website at www.ecidany.com. Pre-registration for anyone wishing to speak at today's public hearing was required through our website. Today I am joined by Brian Krygier, ECIDA Systems Analyst who will be the Hearing Moderator and he will be managing the public comment portion of this hearing.

2. PURPOSE: Purpose of the Hearing.

Hearing Officer: We are here to hold the public hearing on the Eastman Machine Company and/or Individual(s) or Affiliate(s), Subsidiary(ies), or Entity(ies) formed or to be formed on its behalf project. The transcript of this hearing will be reviewed and considered by the Agency in determination of this project. Notice of this hearing appeared in The Buffalo News on December 18, 2020.

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

Hearing Officer: The proposed project (the "Project") consists of: (i) the construction of an additional 7,400+/- SF expansion to the Company's existing 130,000+/- SF of an existing manufacturing building located at 775 and 779 Washington Street, Buffalo, New York (the "Improvements") and (ii) the acquisition and installation by the Company of certain items of machinery, equipment and other tangible personal property to be utilized for Company operations (the "Equipment," and collectively with the Improvements, the "Facility"), all to be used by the Company. The Facility will be initially operated and/or managed by the Company.

The proposed financial assistance contemplated by the Agency includes New York State and local sales and use tax exemption benefits, mortgage recording tax

exemption benefits, and real property tax abatement benefits (in compliance with Agency's uniform tax exemption policy).

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

Hearing Officer: All those who have joined this conference call were required to pre-register through our website (www.ecidany.com). Everyone who has pre-registered will be given an opportunity to make statements and/or comments on the Project.

If you have a written statement or comment to submit for the record, please submit it on the Agency's website or mail to the Agency at 95 Perry Street, Suite 403, Buffalo, New York 14203. The comment period closes on January 26, 2021. There are no limitations on written statements or comments.

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

Hearing Officer: Those interested in making a statement or comment will be called upon by Brian in the order that they registered for this meeting. Please begin by stating your name and address; if you are representing a company, please identify the company. I request that speakers keep statements and/or comments to 5 minutes, and if possible, 3 minutes.

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

Steven Calzi – Executive Vice President & CFO of Eastman Machine Company. Grant thanks for the introduction to our project and I appreciate the opportunity to speak with the ECIDA about our opportunity that we have been considering for the last year or so. As Grant said we are planning on adding to our current facility about 7,400 sq. ft. which we have deemed necessary to store many of the purchased items that we bring into the building that currently are stored throughout the manufacturing floor which right now really impedes the efficiency of our operation. By adding this additional warehouse space and a second loading dock it will make our operation much more efficient and allow us to hit some of the shortened lead times that customers are now expecting, and our competitors are providing right now. As Grant said we are looking at an additional 7,400 sq. ft. that is just to the west side towards Washington Street to our existing facility. We are also going to enhance our entrance way. Many times, we have customers come to our site for demonstrations on our existing equipment to show that we can meet their expectations. Right now, our entranceway is very outdated, and it does not portray the modern look that we want to give our customers when they come to Eastman Machine. Part of this project also includes enhancing our entranceway to make it more inviting and give it an appearance to show our customers that we are progressing and are a modern type of company.

The total project cost is \$1.6M and of which \$1.4M is the actual construction of the building. What we are looking to do over the next two years is to add 3 positions to the operation because of this addition. A lot of that is going to come through our growth that I think we are going to be able to achieve. Again, by offering these quick lead times that our customers are looking for because it is becoming more demanding that people or manufacturers want their equipment delivered more quickly. Over the next 5 years or so in addition to the 3 jobs we are looking at adding an additional 3 jobs on top of that. So, it is a minimum of 6 individuals over the next 5 years that we are looking to add to the business and again its attributed to the addition.

6. ADJOURNMENT:

As there were no further statements and/or comments, the Hearing Officer closed the public hearing at 10:37 a.m.

