

Wavepoint 3PL / 231 Ship Canal Parkway
\$ 25,000,000
PRIVATE INVESTMENT INDUCEMENT RESOLUTION

ELIGIBILITY

- NAICS Section – 493110

COMPANY INCENTIVES

- Up to \$175,000 in sales tax savings
- 3/4 of 1% of the final mortgage amount up to \$ 142,500

JOBS & ANNUAL PAYROLL

- Current Jobs: 0
- Annual Payroll: \$ 1,570,000
- Projected new jobs: 31 FTE
- Est. average salary/yr. of jobs created: \$ 50,645
- Construction Jobs: 16

PROJECTED COMMUNITY BENEFITS*

- Term: 2 YEARS after project completion.
 - NET Community Benefits: \$7,545,494
 - Spillover Jobs: 24
- Total Payroll: \$7,071,494

INCENTIVE COST / COMMUNITY BENEFIT RATIO (discounted at 2%)*

Incentives: \$317,500
 Community Benefit: \$7,307,770
 Cost: Benefit Ratio
 • 1:23

Project Title: Redevelopment of 231 Ship Canal Pkwy Facility

Project Address: 231 Ship Canal Parkway, Buffalo NY 14218
 (Buffalo City School District)

Agency Request

A sales tax, mortgage recording tax abatement in connection with the redevelopment of an existing approx. 300,000 SF facility for third party logistics use.

Building Acquisition	\$ 21,000,000
Reconstruction / Renovation	\$ 3,000,000
Manufacturing Equipment	<u>\$ 1,000,000</u>
 Total Project Cost	 \$ 25,000,000
 85%	 \$ 21,250,000

Company Description

Wavepoint is a third-party logistics (3PL) provider offering comprehensive logistics and value-added services including warehousing, inventory management, order fulfillment and transportation solutions. Founded in 2018, the company has grown into a key regional logistics partner for manufacturing, retail and e-commerce clients across the Northeast and Midwest. Headquartered in western Pennsylvania, Wavepoint manages nearly 2 million SF of heated, secure food-grade warehousing across 21 facilities including 6 within NYS.

Project Description

This project involves acquiring and redeveloping an existing +/- 300,000 square-foot industrial facility to expand Wavepoint's third-party logistics (3PL) and value-added service operations. The facility will provide warehousing, inventory management, order fulfillment, packaging, and transportation coordination for regional manufacturers and distributors. The \$25 million investment will modernize infrastructure, upgrade loading and dock facilities, and install advanced logistics and warehouse management systems. These improvements will significantly increase operational capacity, reduce handling and transportation costs, and enhance service reliability. The project will strengthen Wavepoint's competitiveness, expand its customer base, and position the company to capture additional market share in WNY's growing logistics and distribution sector.

* Cost Benefit Analysis Tool powered by MRB Group

Economic Impact: Inform Analytics Cost-Benefit Analysis

The Erie County Industrial Development Agency uses the Cost Benefit Analysis Tool powered by MRB Group to assess the economic impact of a project applying for incentives. A Cost-Benefit Analysis is required by Section 859-a (5)(b) of General Municipal Law. For the complete Cost Benefit Analysis – please see the attached MRB Cost Benefit Calculator.

Cost: Incentives

COSTS	Tax Exemption	Amount
	Sales	\$175,000
	Mortgage Recording	\$142,500
	Total	\$317,000
	Discounted at 2%	\$317,500

Benefit: Projected Community Benefit*

BENEFITS	Region	Recipient	Revenue Type	\$ Amount **	
	Erie County	Individuals	Payroll Construction		\$2,443,463
			Payroll Permanent		\$4,628,031
		Public	Property Taxes		\$ 0
			Sales Taxes		\$ 58,782
			Other Muni Revenue (NFTA)		\$ 47,500
	New York State	Public	Income Taxes		\$ 318,217
			Sales Taxes		\$ 49,500
				Total Benefits to EC + NYS***	\$7,545,494
				Discounted at 2%	\$7,307,770

* Cost Benefit Analysis Tool powered by MRB Group **includes direct & indirect \$ over project period ***may not sum to total due to rounding

Discounted Cost	\$ 317,500
Discounted Benefit	\$7,307,770
Ratio	1:23

Conclusion: The Cost Benefit for this project is: 23:1. For every \$1 in costs (incentives), this project provides \$23 in benefits (payroll & tax revenue). **Note: For Erie County, every \$1 in costs (incentives) provides \$49 in benefits to the community.**

Draft Recapture Material Terms

Condition	Term	Recapture Provision
Total Investment	At project completion	Investment amount equal to or greater than 85% of project amount. Total project amount = \$25,000,000 85% = \$ 21,250,000
Employment	2 years after project completion	Create 85% of Projected Projected = 31 FTE 85% = 26 FTE Recapture Employment = 26 FTE
Local Labor	Construction period	Adherence to policy including quarterly reporting
Pay Equity	2 years after project completion	Adherence to Policy
Unpaid Tax	2 years after project completion	Adherence to Policy
<u>Recapture Period</u>	2 years after project completion	Recapture Mortgage recording tax, state and local sales taxes

Recapture applies to:

State and Local Sales Taxes
Mortgage Recording Tax

Recapture

Pursuant to New York State General Municipal Law, the agency shall modify, recover, recapture or terminate any financial assistance taken by the company that is in violation of the GML.

At completion of the project company must certify i) total investment amount is equal to or greater than 85% of the anticipated project amount; ii) company to create 31 FTE jobs, iii) confirm adherence to local labor policy during construction and iv) its adherence to unpaid tax/pay equity policies for recapture term.

Project ECIDA History

- 12/02/25: Public hearing held.
- 12/17/25: Inducement Resolution presented to Board of Directors adopting a Negative Declaration in accordance with SEQRA or Minor Site Plan Review City of Buffalo Planning Board Approval – No SEQRA compliance required.
- 12/17/25: Lease/Leaseback Inducement Resolution presented to the Board of Directors