

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 February 23, 2017 at 9:00 a.m. at the Agency's offices, at 95 Perry Street-Suite 403, Buffalo, NY 14203 regarding:

791 Washington Street, LLC, and/or Individual(s) or Affiliate(s), Subsidiary(ies), or Entity(ies) formed or to be formed on its behalf (the "Company"), has submitted a revised application to the Agency (a copy of which is on file at the office of the Agency) requesting the Agency to undertake a certain proposed Adaptive Reuse project (the "Project") consisting of: (i) a leasehold interest in a 2+/- acre parcel of land located at 791 Washington Street, City of Buffalo, Erie County, New York (the "Land") improved thereon with the 479,475+/- SF historic Trico Building (the "Existing Improvements"); (ii) the partial demolition, construction, reconstruction and/or renovation, upgrading and equipping of the Existing Improvements on the Land to accommodate an extended stay hotel, market-rate housing, on-site parking amenities, commercial office space and limited retail component to serve the Buffalo Niagara Medical Campus and surrounding community (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 March 21, 2017. 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



Trico Redevelopment

Section I: Applicant Background Information

Applicant Information - Company Receiving Benefit

Project Name	Trico Redevelopment
Applicant Name	791 Washington Street, LLC
Applicant Address	4 Centre Drive
Applicant Address 2	
Applicant City	Orchard Park
Applicant State	New York
Applicant Zip	14127
Phone	716-667-1234
Fax	716-667-1258
E-mail	sfairbrother@kroggrp.com
Website	
Federal ID#	81-2935793
NAICS Code	531000
Will a Real Estate Holding Company be utilized to own the Project property/facility	Yes
What is the name of the Real Estate Holding Company	791 Washington Street, LLC
Federal ID#	81-2935793
State and Year of Incorporation/Organization	New York/2016
List of stockholders, members, or partners of Real Estate Holding Company	Peter L Krog & Historic Tax Credit Investor TBD

Individual Completing Application

Name	Scott Fairbrother
Title	Chief Financial Officer - The Krog Group, LLC
Address	4 Centre Drive
Address 2	
City	Orchard Park
State	New York
Zip	14127

2/9/2017

The Erie County Industrial Development Agency (ECIDA)

Phone

716-667-1234

Fax

716-667-1258

E-Mail

sfairbrother@kroggrp.com

Company Contact (if different from individual completing application)

Name Paul R. Neureuter
Title President - The Krog Group, LLC
Address 4 Centre Drive
Address 2
City Orchard Park
State New York
Zip 14127
Phone 716-667-1234
Fax 716-667-1258
E-Mail pneureuter@kroggrp.com

Company Counsel

Name of Attorney Douglas W. Dimitroff
Firm Name Phillips Lytle
Address One Canalside
Address 2 125 Main Street
City Buffalo
State New York
Zip 14203
Phone 716-847-5408
Fax 716-852-6100
E-Mail ddimitroff@phillipslytle.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
Type of Ownership
Year Established 2016
State of Organization New York

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

Please include name and % of ownership.

Peter L. Krog & Historic Tax Credit Investor TBD

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

The Company is a single purpose entity that has been formed to hold real property being redeveloped at 791 Washington Street. The managing member with the controlling interest in the LLC is a real estate developer with a long track record of successful development throughout Western New York and Erie County. The member with the controlling interest has been in business in excess of thirty years and has successfully completed a number of historic renovations. The planned redevelopment consists of a mixed use project that will provide office space, housing and services that are expected to primarily be complimentary to the Buffalo Niagara Medical Campus. The building will be rehabilitated to include an extended stay hotel to serve patients and visitors of the medical campus. The project will also include housing in support of the University of Buffalo Medical School and commercial space for companies that are looking to form a strategic alliance with the other service providers located on the BNMC.

Estimated % of sales within Erie County 80

Estimated % of sales outside Erie County but within New York State 10

Estimated % of sales outside New York State but within the U.S. 5

Estimated % of sales outside the U.S. 5

(*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

The entity applying for the benefits is newly formed and does not have the history to provide the percentages requested. The newly formed entity expects that the tenants anticipated to occupy the structure will purchase approximately 90% of their supplies, raw materials and vendor services from firms within Erie County.

Section II: Eligibility Questionnaire - Project Description & Details

Project Location

Municipality or Municipalities of current operations

City of Buffalo - Newly formed single purpose LLC

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

Yes

In which Municipality will the proposed project be located

City of Buffalo

Address

791 Washington Street, Buffalo, NY

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

No

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

No

(If yes, you will need to complete the Retail Section of this application)

SBL Number for Property upon which proposed Project will be located

111.31-1-1.11

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

N/A - Property is not currently on the tax roll

Assessed value of land

100,000

Assessed value of building(s)

1,495,000

Are Real Property Taxes current?

Yes

If no please explain

N/A - Property not currently on the tax roll

Town/City/Village of Project Site

City of Buffalo

School District of Project Site

Buffalo Public School

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

Buffalo Brownfield Restoration Corporation - Applicant has executed a Purchase Agreement with the current owner. See attached.

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

Yes

Describe the present use of the Proposed Project site

The historic building is listed on the National Register. The building has been vacant in excess of 10 years and is currently in need of significant repairs and environmental remediation to avoid total demolition. If the applicant's redevelopment effort does not move forward the building would likely need to be demolished at a cost to tax payers of approximately \$6 - \$8 Million. The building currently has a fence around it to prevent pedestrians from being close enough to be hit by the occasional debris that breaks off the building and falls on the street below.

Please provide narrative of the proposed project and the purpose of the proposed 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)

See the attached narrative of the proposed project

If the Project could be undertaken without Financial Assistance provided by the Agency, then provide a statement in the space provided below indicating why the Project should be undertaken by the Agency:

This project will not move forward without financial assistance provided by the Agency. See attached reasons why the Agency's Financial Assistance is necessary.

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)

See the attached narrative on why the Agency's Financial Assistance is necessary.

Please confirm by checking the box, below, if there is likelihood that the Project would not be undertaken but for the Financial Assistance provided by the Agency

Yes

If the Applicant is unable to obtain Financial Assistance for the Project, what will be the impact on the Applicant and Erie County?

See attached Impact on Applicant and Erie County

Will project include leasing any equipment?

Yes

If yes, please describe equipment and lease terms.

The extended stay hotel operator and other prospective commercial tenants in the building may lease equipment for their respective operations. However, at this point in time, the extent of the leased equipment is yet to be determined.

Site Characteristics

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

Yes

Describe the present zoning/land use

General Commercial District

Describe required zoning/land use, if different

N/A

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

N/A

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

The project site is currently in the New York State Brownfield Cleanup Program as a volunteer. The project site contains contaminants that will add to the overall redevelopment costs as the developer will need to remediate the property to a sufficient level to house the hotel and meet the residential clean up standards under the Brown Field Cleanup Program.

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?

Yes

If yes, please provide copies of the study.

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

TBD - Not known at this time.

You may also attach additional information about the machinery and equipment at the end of the application.

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

Yes

If yes, please explain.

The project has commercial space available that could be occupied by a company that performs research and development activities. The applicant has not identified a tenant that performs these R&D activities at this point, but could attract one given the location on the Buffalo Niagara Medical Campus.

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

N/A - Not known at this time.

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

Project Information**Estimated costs in connection with project****Land and/or Building Acquisition**

\$ 100,000	600,000 square feet	2 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

\$ 66,691,373	405,000 square feet
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Manufacturing Equipment

\$ 0

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

\$ 2,403,500

Soft Costs: (professional services, etc.)

\$ 10,342,000

Other Cost

\$ 998,127

Explain Other Costs

Environmental remediation and abatement

Total Cost

\$ 80,535,000

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

\$ 0

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

Yes

If Yes, describe particulars:

Environmental remediation and abatement was conducted to keep the Emerson Culinary project on schedule prior to them unexpectedly pulling out of the building. In addition, costs associated with legal fees, carrying costs and design work have also been incurred.

Sources of Funds for Project Costs:**Equity (excluding equity that is attributed to grants/tax credits):**

\$ 17,485,000

Bank Financing:

\$ 40,000,000

Tax Exempt Bond Issuance (if applicable):

\$ 0

Taxable Bond Issuance (if applicable):

0

\$ 0

Public Sources (Include sum total of all state and federal grants and tax credits):

\$ 23,050,000

Identify each state and federal grant/credit:

Federal Historic Tax Credits, NYS Historic Tax Credits, NYS Brownfield Tax Credits and National Grid Grant

Total Sources of Funds for Project Costs:

\$80,535,000

Has a financing preapproval letter or loan commitment letter been obtained?

No

Mortgage Recording Tax Exemption Benefit:**Estimated Mortgage Amount (Sum total of all financing – construction and bridge).*****Amount of mortgage, if any, that would be subject to mortgage recording tax.**

\$ 50,250,000

Lender Name, if Known

The applicant is in the process of obtaining financing. The structure for project financing is predicated on the selection of the Historic Tax Credit Investor. The applicant has been working with Goldman Sachs, Chase and Bank of America as potential Historic Tax Credit Investors. Discussions are ongoing with M&T Bank as well as other traditional construction lenders.

Estimated Mortgage Recording Tax Exemption Benefit (% of estimated mortgage amount stated above):

\$376,875

Construction Cost Breakdown:**Total Cost of Construction**

\$ 69,094,373

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

Cost for materials

\$ 26,255,860

% sourced in Erie County

80%

% sourced in State

95% (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

\$ 31,438,000

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

\$ 2,750,825

Real Property Tax Benefit:**Identify and describe if the Project will utilize a real property tax exemption benefit OTHER THAN the Agency's PILOT benefit:**

The applicant is likely to apply for a 485(a) real property tax exemption for the improvements made to the property.

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	square feet	\$ 0	0
Retail	117,992 square feet	\$ 17,934,828	23
Office	61,000 square feet	\$ 5,523,943	12
Specify Other	336,008 square feet	\$ 45,636,102	65

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>

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

N/A

Will project result in significant utility infrastructure cost or uses

Yes

What is your project timetable (Provide dates)

Start date : acquisition of equipment or construction of facilities

4/1/2017

End date : Estimated completion date of project

3/31/2019

Project occupancy : estimated starting date of operations

4/1/2019

Have construction contracts been signed?

No

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

Yes

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

Yes

Is project necessary to expand project employment?

Yes

Is project necessary to retain existing employment?

Yes

Employment Plan (Specific to the proposed project location):

Current # of jobs at proposed project location or to be relocated at project location

IF FINANCIAL ASSISTANCE IS GRANTED – project the number of FTE and PT jobs to be RETAINED

IF FINANCIAL ASSISTANCE IS GRANTED – project the number of FTE and PT jobs to be CREATED upon TWO years after Project completion

Estimate number of residents of the Labor Market Area in which the Project is located that will fill the FTE and PT jobs to be created upon TWO Years

**after Project
Completion ****

Full time	0	0	30	30
Part time	0	0	0	0
Total	0	0	30	

** The Labor Market Area includes the Counties of Erie, Niagara, Genesee, Cattaraugus, Wyoming and Chautauqua. For the purposes of this question, please estimate the number of FTE and PT jobs that will be filled, as indicated in the third column, by residents of the Labor Market Area, in the fourth column.

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

Salary and Fringe Benefits for Jobs to be Retained and Created:

Category of Jobs to be Retained and Created	Average Salary	Average Fringe Benefits
Management	\$ 50,000	\$ 17,500
Professional	\$ 0	\$ 0
Administrative	\$ 38,000	\$ 13,300
Production	\$ 0	\$ 0
Independent Contractor	\$ 0	\$ 0
Other	\$ 28,250	\$ 4,725

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

\$ 900,000

Estimated average annual salary of jobs to be retained

\$ 0

Estimated average annual salary of jobs to be created

\$ 30,000

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

N/A

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

N/A

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

No

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

N/A

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)

Historic Tax Credits, Brownfield Tax Credits, Buffalo Building Reuse Loan Program, National Grid Grant and 485(a) real property tax abatement.

Section III: 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

The project is located at the South end of the Buffalo Niagara Medical Campus (BNMC). The applicant expects there to be a shortfall of market rate housing near the medical campus as more workers are required to support the expansion of the campus and the additional employees and students attending and working at the University of Buffalo Medical School. In addition, the BNMC has a need for an extended stay hotel to serve the campus and the thousands of visiting patients, their families and other visitors that come in from out of town to receive medical treatment on an inpatient/outpatient basis.

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 project site	SIC or NAICS-also briefly describe type of business, products services, % of sales in Erie Co.
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Section IV: Tenant Information

Section V: Environmental Questionnaire

General Background Information

Address of Premises 791 Washington Street Buffalo, NY

Name and Address of Owner of Premises 791 Washington Street, LLC 4 Centre Drive, Orchard Park, NY

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

See attached environmental information

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

See attached environmental information

Describe all known former uses of the Premises

See attached environmental information

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?

Yes

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

See attached environmental information

Has the Premises or any part of it ever been the subject of any enforcement action by any federal, state or local government entity, or does the preparer of this questionnaire have knowledge of: a) any current federal, state or local enforcement actions; b) any areas of non-compliance with any federal, state or local laws, ordinances, rules or regulations associated with operations over the past 12 months?

No

If yes, please state the results of the enforcement action (consent order, penalties, no action, etc.) and describe the circumstances

Has there been any filing of a notice of citizen suit, or a civil complaint or other administrative or criminal procedure involving the Premises?

No

If yes, describe in full detail

Solid And Hazardous Wastes And Hazardous Substances

Does any activity conducted or contemplated to be conducted at the premises generate, treat or dispose of any petroleum, petroleum-related products, solid and hazardous wastes or hazardous substances?

No

If yes, provide the Premises' applicable EPA (or State) identification number

Have any federal, state or local permits been issued to the Premises for the use, generation and/or storage of solid and hazardous wastes?

No

If yes, please provide copies of the permits.

Identify the transporter of any hazardous and/or solid wastes to or from the Premises

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

Does or is it contemplated that there will occur at the Premises any accumulation or storage of any hazardous wastes on-site for disposal for longer than 90 days?

No

If yes, please identify the substance, the quantity and describe how it is stored

Discharge Into Waterbodies

Briefly describe any current or contemplated industrial process discharges (including the approximate volume, source, type and number of discharge points). Please provide copies of all permits for such discharges

N/A

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

See 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

See attached

Air Pollution

Are there or is it contemplated that there will be any air emission sources that emit contaminants from the Premises?

No

If yes, describe each such source, including whether it is a stationary combustion installation, process source, exhaust or ventilation system, incinerator or other source

Are any of the air emission sources permitted?

No

If yes, attach a copy of each permit.

Storage Tanks

List and describe all above and under ground storage tanks at the Premises used to store petroleum or gasoline products, or other chemicals or wastes, including the contents and capacity of each tank. Please also provide copies of any registrations/permits for the tanks

N/A

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

N/A

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?

Yes

If yes, relate all the circumstances

See attached environmental information

Do the Premises have any asbestos containing materials?

Yes

If yes, please identify the materials

See attached environmental information

Section VI: 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:

N/A

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.)

N/A

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.)

Proximity to the medical campus is strategic for the extended stay hotel and residential components of the project.

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?

The project applicant's senior management is located in Erie County and is continually looking for opportunities to expand it's core business in Erie County as opposed to having to look elsewhere in New York State for development and expansion opportunities.

If the current facility is to be abandoned, what is going to happen to the current facility that project occupant is located in?

N/A

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.

N/A

Section VII: Adaptive Reuse Projects

Are you applying for tax incentives under the Adaptive Reuse Program?	Yes
What is the age of the structure (in years)?	100
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 vacant, number of years vacant.	10
If underutilized, number of years underutilized.	15
Describe the use of the building during the time it has been underutilized:	The building has been vacant since the Trico Company left the building in 2005.
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	\$ The structure is 100% vacant and has no income being generated by it. It is currently not on the tax rolls and is in structural disrepair.
Does the site have historical significance?	Yes
Are you applying for either State/Federal Historical Tax Credit Programs?	Yes
If yes, provide estimated value of tax credits	\$ The estimated value of the Federal Historic Tax Credits is approximately \$12 million and the NYS Tax Credit will be capped at \$5 million.
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)	
See attached	
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	
The City of Buffalo has been a advocate for the redevelopment of this project. The local preservation community has approved the redevelopment plan and the project has received site plan approval.	
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	
See attached Other Factors for the ECIDA to Consider	

Section VIII: Senior Citizen Rental Housing Projects

Are you applying for tax incentives under the Senior Rental Housing policy?

No

Has the project received written support from the city, town or village government in which it is located?

Yes

Describe the location of the project as it relates to the project's proximity to the town / village / city center or to a recognized hamlet.

N/A

Is the project consistent with the applicable municipal master plan?

<BLANK>

If yes, please provide a narrative identifying the master plan (by name) and describing how the project aligns with the plan details

N/A

Does the project advance efforts to create a walkable neighborhood and community in proximity to important local amenities and services?

Yes

If yes, please provide a narrative describing the walkable nature of the project including access seniors would have to specific neighborhood amenities.

N/a

Has a market study shown that there is a significant unmet need in the local community or specific neighborhood where seniors are unable to find appropriate housing opportunities?

<BLANK>

Is the project located in an area (defined as a 1 – 5 mile radius of the project site) where there are significant local resident populations that are at or below the median income level?

<BLANK>

If yes, please describe how you made this determination based upon census tract and other relevant third party data.

N/A

Does the project provide amenities that are attractive to seniors and differentiates the project from standard market rate housing?

<BLANK>

If yes, please describe these amenities (examples may include: community rooms, social / recreational activity areas, senior-oriented fixtures and safety amenities, security systems, call systems, on site medical services)

N/A

Are there impediments that hinder the ability to conventionally finance this project and /or negatively impact the project's return on investment?

<BLANK>

If yes, please briefly summarize the financial obstacles to development that this project faces without IDA or other public assistance. Please provide the IDA 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)

Will the project target (and maintain during the incentive period) a minimum 50% occupancy rate of senior citizens whose income is at or below 60-80% of the median income for Erie County?

<BLANK>

If yes, please describe provide a narrative citing key facts that substantiate this finding.

Section IX: 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? 23 %

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? Yes

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? Yes

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

The extended stay hotel will hire approximately 25 new employees. The applicant will have a minimum of 5 new employees that will be responsible for the management and maintenance of the building. The commercial space in the building is sufficient to support upwards of 300 jobs. In addition, the construction/building rehabilitation will result in the employment of approximately 150 full time construction jobs.

Is the project located in a Highly Distressed Area? Yes

791 WASHINGTON, LLC

ECIDA APPLICATION – TRICO MIXED-USE REDEVELOPMENT

NARRATIVE OF THE PROPOSED PROJECT:

The applicant is planning to renovate and redevelop the former Trico Industrial Building located at 791 Washington St in Buffalo. The current building has been vacant for over 10 years and has numerous structural and environmental challenges associated with renovating this historic structure. The building is likely slated for emergency demolition should the current redevelopment plan not move forward.

The applicant has received Part 2 approval to utilize Federal and State Historic Tax Credits to help incentivize the redevelopment of this iconic building located at the Southern gateway of the rapidly growing Buffalo Niagara Medical Campus. In addition, the site has been accepted into the NYS Brownfield Cleanup program to facilitate the remediation required to renovate this structure by converting it into a thriving mixed use building that fosters a live-work community.

The current plan calls for select demolition and substantial renovation to convert this to a mixed use structure that will serve as a site for an extended stay hotel to serve the medical campus, market rate housing to meet the expanding demand for employees and students located on the medical campus and limited retail component that will serve the campus and surrounding community. In addition, the building has commercial space that is currently being marketed to an existing businesses looking to expand their corporate headquarters in Buffalo.

The applicant has entered into a Purchase and Sale Agreement with the Buffalo Brownfield Restoration Corporation and has agreed to complete the project while meeting MWBE guidelines outlined by the City of Buffalo. A copy of the original executed Real Estate Purchase Agreement has been attached for review.

REASONS WHY THE AGENCY'S FINANCIAL ASSISTANCE IS NECESSARY:

The proposed building has been vacant and unattended since 2005 and has fallen into significant disrepair. There are a number of structural issues that have developed as a result of the structure's failing roof system. In addition, the building has environmental contaminants that must be dealt with in order to bring the building back to life. These environmental issues add costs to the project that would not be experienced on a clean green-field site. The buildings current size and configuration is not conducive to redevelopment. Therefore, partial demolition will be required to allow for more manageable floor depths and daylighting opportunities. The demolition costs drive the total project costs up even further. The building has been listed on the National Historic Register which will add to the cost of renovation as the rehabilitation is conducted within those guidelines. The applicant has applied for and received Part II historic approval to help alleviate some of the burden associated with the historic renovation. However, the project still remains economically challenged as a result of the historic renovation guidelines, remediation and demolition.

The proposed building lacks sufficient parking to easily attract commercial tenants for reasonable square foot absorption associated with commercial space. As a result, parking will have to be constructed within the building and secured at market rates which further limits the economic viability of the project.

IMPACT ON APPLICANT AND ERIE COUNTY IF UNABLE TO OBTAIN FINANCIAL ASSISTANCE:

The applicant is applying for the sales tax and mortgage tax abatements and the applicant will not move forward with the project without the receipt of financial assistance. The result would be to put the redevelopment and rehabilitation of the property in serious jeopardy. This building would likely remain in the municipality's possession and require emergency abatement and demolition at the expense of Erie County and City of Buffalo taxpayers. Demolition and abatement of the entire building has been estimated to cost in excess of \$5,000,000.

OTHER FACTORS FOR THE ECIDA TO CONSIDER:

The existing state of the site presents a public safety hazard. The property has a fence around it to prevent the pedestrian traffic from getting too close to the building. Portions of the building have fallen off and dropped to the sidewalk below. The structural integrity of the building will continue to erode if the building is not renovated soon.

The structure requires a significant investment to stabilize the building and make it code compliant. The property contains contaminated material that will ultimately have to be remediated. The building is on the National Historic Register and serves as a main focal point as patrons enter the City of Buffalo via Goodell Street. Multiple developers have tried to get the project through SHPO and the National Parks Department, but none have ever succeeded. If this project fails it is unlikely that anyone will ever attempt to redevelop this parcel. The building will be demolished and a significant piece of Buffalo's history will ultimately be gone and tax payers will foot the bill for the demolition.