



Prompted by the significant growth of their Buffalo location, C & S Companies has announced the relocation of their Buffalo office to the Planing Mill Lofts on Elm Street, thus doubling the size of their work space.

The firm plans to move into the Class A office space during the first quarter of 2014. The historic building is the former site of the E.M. Hager & Sons Planing Mill, which was purchased and will be renovated by Buffalo-based developers, TM Montante Development.

The adaptive re-use project will preserve the historic qualities of the property, while using cutting-edge clean energy technology to power both commercial and residential tenants. TM Montante Development will seek LEED certification for the building, and plans to work with sister company Montante Solar to install solar panels onsite are underway.

###

## Application Title

The Planing Mill Tax Incentive Application

## Section I: Applicant Background Information

### **Applicant Information - Company Receiving Benefit**

**Total Project Cost** 8400000  
**Applicant Name** Elm/Michigan Holdings LLC  
**Applicant Address** 2760 Kenmore Avenue, Tonawanda NY 14150  
**Phone** 716-876-8899  
**Fax** 716-876-6850  
**E-mail** tvaeth@tmmontante.com  
**Website** www.TMMontante.com  
**Fed ID#**

### **Individual Completing Application**

**Name** Angela Pellett  
**Title** Designer  
**Address** 2760 Kenmore Avenue, Tonawanda NY 14150  
**Phone** 716-876-8899  
**Fax** 716-876-6850  
**E-Mail** apellett@tmmontante.com

### **Company Contact (if different from individual completing application)**

**Name** Timothy Vaeth  
**Title** President- TM Montante Development  
**Address** 2760 Kenmore Avenue, Tonawanda NY 14150  
**Phone** 716-876-8899  
**Fax** 716-876-6850  
**E-Mail** tvaeth@tmmontante.com

**Company Counsel**

<b>Name of Attorney</b>	Blaine Schwartz
<b>Firm Name</b>	Lippes Matthias Wexler
<b>Address</b>	665 Main Street, Suite 300 , Buffalo NY 14203
<b>Phone</b>	716-853-5100
<b>Fax</b>	
<b>E-Mail</b>	bschwartz@lippes.com

**Identify the assistance being requested of the Agency**

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

**Business Organization**

Type of Business	Limited Liability Company
Year Established	2012
State of Organization	New York

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

**Please include name and % of ownership.**

Matthew Montante 33.33 % Kevin Montante 33.33 % Daniel Montante 33.33%

**Business Description****Describe in detail company background, products, customers, goods and services**

TMM Montante (TMM) is a LEED Certified full service developer of commercial real estate and solar energy projects. TMM specializes in multiple project types such as, mixed use developments with commercial and residential components, innovative office/industrial projects, and solar services from residential to full scale commercial grade installations. TMM continues to explore new levels in their real estate development undertakings as they will incorporate solar power into the final design of all future developments. TMM also provides clients with a range of additional services including property management, construction management, architectural design as well as solar financing and consulting.

Estimated % of sales within Erie County	80
Estimated % of sales outside Erie County but within New York State	15
Estimated % of sales outside New York State	5
Estimated % of sales outside the U.S.	0

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

70%-90%. These numbers fluctuate depending on the scope of each project, but will typically fall within this range.

## Section II: Project Description & Details

### **Location of proposed project facility**

<b>Address</b>	141 Elm Street
<b>City</b>	Buffalo
<b>State</b>	New York
<b>Zip Code</b>	14203
<b>SBL Number</b>	111.55-8-1.1
<b>Town/City/Village</b>	City of Buffalo
<b>School District</b>	City of Buffalo
<b>Present Project Site Owner</b>	Elm Michigan Holdings LLC

### **Please provide a brief narrative of the project**

141 Elm Street is a brick structure with large open spaces in the interior totaling approximately 44,000 square feet. Purchased in 2012, the property will now undergo a comprehensive exterior restoration and complete interior reconstruction to accommodate approximately 25 one and two bedroom loft style residential units. The ground floor level will accommodate some commercial space, as well as building support spaces and a handicapped accessible entry point. The rehabilitation is expected to be completed in time to accommodate initial tenancy in May 2014. Located along Elm street, which is one of the major vehicular arteries in Buffalo, the building is situated in a prime location, within walking distance of Buffalo's Central Business District and the Buffalo-Niagara Medical Campus which makes it an ideal location for a mixed use residential and commercial project. The E.M Hager & Sons Planing Mill building was built in three periods between 1878 and the 1920's and this large masonry building is one of few intact mill complexes that once dotted the industrial landscape of Buffalo. Although relatively simple in design, there are some beautiful architectural flourishes like the detailed wood cornice that tops the building, the decorative brick corbelling just below, and the original cast iron columns that define the entry. The building has been listed to the National Register of Historic Places on May 22, 2013 and current plans for adaption to housing using Historic Preservation Tax Credits ensures the continuation of the integrity of the building's historic fabric. The project will pursue LEED certification and will incorporate a ground mount solar array within the parking area, creating covered parking for residents while providing an amount of energy for the building. The solar array will offset fossil fuel use and will lower electricity costs for the building.

### **Site Characteristics**

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

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? (If yes, please provide copy)**

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.

**Will project include leasing any equipment?**

No

If yes, please describe equipment and lease terms

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

Yes

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

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

Yes

If yes, please explain

TMMontante is designing a new solar array for the facility. The solar will be the first of its kind in Western New York and will not only be unique to Buffalo, but also incorporate cutting edge solar technology to provide the project with a major source of renewable energy. The design and system installed will be monitored for its efficiency and output, with the intent to reuse and develop the design for future use / installations

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

5%

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

This adaptive reuse project has been added to the National Register of Historic Places, meaning it is important that all renovations abide by historic guidelines set in place by Preservation Studios. Because the project needs to follow this strict set of guidelines, it will increase the cost significantly. Following the historical aspect, since the building was constructed in 1878, it has serious structural issues which are not easily corrected and create economic premiums not seen in conventional projects. Although these factors add additional costs, the completion of this project is important because it will add commercial and residential components into a currently vacant building located in the heart of Buffalo. By bringing life to this area of the city it will create more opportunity for local businesses, bring revenue to the current downtown businesses, and overall improve the region as a whole.

**Project Information**

**Estimated costs in connection with project**

**Land and/or Building Acquisition** \$ 706522

0.00 acres 0.00 square feet

**New Building Construction** \$ 0

0.00 square feet

**New Building addition(s)** \$ 0

0.00 square feet

**Renovation** \$ 5819721

44000.00 square feet

**Manufacturing Equipment** \$ 0

**Non-Manufacturing Equipment: (furniture, fixtures, etc.)** \$ 0**Soft Costs: (professional services, etc.)** \$ 424725**Other Cost** \$ 1439116**Explain Other Costs** Loan Costs, Developer Fee, Working Capital, LEED certification, Solar Array**Total Cost** 8390084**Project Refinancing (est.  
amount)** 0



**Select Project Type (check all that apply)**

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

SIC Code

NAICS Code

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

		Cost	% of Total Cost
<b>Manufacturing/Processing</b>	0 square feet	0	0
<b>Warehouse</b>	0 square feet	0	0
<b>Research &amp; Development</b>	0 square feet	0	0
<b>Commercial</b>	10800 square feet	0	35
<b>Retail</b>	0 square feet	0	0
<b>Office</b>	0 square feet	0	0
<b>Specify Other</b>	30000 square feet	0	65

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

Gas

Electric      Size

Water      Size

Sewer      Size

Other (Specify)

**If you are undertaking new construction or renovations, are you seeking LEED certification from the US Green Building Council?**

Yes

**If you answered yes to question above, what level of LEED certification do you anticipate receiving? (Check applicable box)**

Gold

**What is your project timetable (Provide dates)****Start date : acquisition of equipment**

2013-08-01

**End date : Estimated completion of project**

2014-05-01

**Project occupancy : estimated starting date of operations**

2014-01-01

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

Yes

**Have any expenditures already been made by the company?**

Yes

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

The project has started its design phase and has incurred soft costs associated with the design

**Is project necessary to expand project employment?**

Yes

**Is project necessary to retain existing employment?**

Yes

**Employment Plan (Specific to location):**

	Current # of jobs at project location or to be relocated at project location	If project is to retain jobs, number of jobs to be retained	Total # of jobs 2 years after project completion
Full time	18	18	20
Part time	0	0	0
Total	18	18	20

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

Address

<b>Full time</b>	0	0	0
<b>Part time</b>	0	0	0
<b>Total</b>	0	0	0

**Payroll Information****Annual payroll**

0

**Estimated average annual salary of jobs to be retained**

50000

**Average estimated annual salary of jobs to be created**

50000

**Estimated salary range of jobs to be created****From** 50000 **To** 65000

**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**

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

No

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

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

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

No

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

## Section III: Adaptive Reuse Projects

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

Yes

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

135.00

**If yes, number of years vacant?**

13

**Has the structure been vacant or underutilized for a minimum of 3 years? (Underutilized is defined as a minimum of 50% of the rentable square footage of the structure being utilized for a use for which the structure was not designed or intended)**

Yes

**Is the structure currently generating insignificant income? (Insignificant income is defined as income that is 50% or less than the market rate income average for that property class)**

No

**Does the site have historical significance?**

Yes

**Briefly summarize the financial obstacles to development that this project faces without ECIDA or other public assistance. Please provide the ECIDA with documentation to support the financial obstacles to development (cash flow projections documenting costs, expenses and revenues indicating below average return on investment rates compared to regional industrial averages)**

Obstacles faced by the project include the additional design requirements to pursue an historic rehabilitation project under the direction of NY SHPO. In addition, the building has sat vacant for the last 15 years and has suffered both weather related damage and structural damage which drive the renovation costs to a premium.

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

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

→ Add



## Section IV: Retail Determination

Take to B05

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

No

If yes, complete the Retail Questionnaire Supplement below.

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

No

If the answer is yes, please continue.

**What percentage of the cost of the project will be expended on such facilities or property primarily used in making sales of goods or services to customers who personally visit the project?**

0.00

%

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

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

No

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

No

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

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

<BLANK>

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

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

<BLANK>

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

**Will the project preserve permanent, private sector jobs or increase the overall number of permanent private sector jobs in the State of New York?**

<BLANK>

**Is the project located in a Neighborhood Redevelopment Area?**

<BLANK>

## Section V: Inter-Municipal Move Determination

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

**Within New York State** No

**Within Erie County** No

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

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

**Will the project result in a relocation of an existing business operation from the City of Buffalo?**

No

If yes, please explain the factors which require the project occupant to relocate (For example, present site is not large enough, or owner will not renew leases etc.)

**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...)**

6,500 square feet. Proximity to downtown corridor, walking distance to local shops, library, and other features in downtown Buffalo.

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

<BLANK>

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

Yes

If yes, please explain and provide supporting documentation

The current location of the business allows no space for growth of the company which prevents it from further expansion of its services. The current layout prohibits internal organization and does not allow space for amenities such as a centralized office library, storage and small meeting/ gathering spaces.

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

The project occupant has many local ties in Erie county as it is where most of their clientele and project partners reside. They also had a desire to remain a part of the City and its growth

**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**

The facility will be a mix of market rate apartments and approximately 10,000 sq ft of commercial space. The commercial space has already shown strong demand for the entire space, and has resulted in a lease for 6500 sq ft. The project also engaged GAR associates to provide a market study for the residential component. The market study in a steady need for such units within the area of the project

### **Have any tenant leases been entered into for this project?**

Yes

**If yes, please list below and provide square footage (and percent of total square footage) to be leased to tenant and NAICS Code for tenant and nature of business**

## Section VII: Environmental Questionnaire

### **General Background Information**

#### **Address of Premises**

141 Elm Street Buffalo, NY 14203

#### **Name and Address of Owner of Premises**

Elm Michigan Holdings LLC 2760 Kenmore Avenue Tonawanda 14150

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

Project consists of an existing building and surface parking lot. 100% is currently impervious surface with no green space or terrain. There are no wetlands, rivers or any other environmental feature in close proximity to the project

#### **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 oldest building in the complex is the three-story main block, constructed in 1878. The two-story wing to the north and the three-story section behind it were built a few years later (c. 1880) by a different wood working company. These buildings were eventually acquired by Hager and incorporated into the ever growing complex. The final addition came circa 1920 with the construction of a three-story wing that includes a mezzanine level. Wooden storage shed structures in various configurations were at one time on Elm Street south of the current building. They were on the site until the last quarter of the twentieth century, as only the main planing building still remains. The Hager complex was originally used for planing, lumbar storage, sawdust storage, painting, carving and glueing woodwork. The company used modern technology throughout the building including an elaborate system of conveyor belts and steam engines which powered machinery throughout the mill. The company eventually ceased operations in 1980, and the building was turned into a series of bars and restaurants beginning in 1988 with the Spaghetti Warehouse, in which a large kitchen was added in the North wing. Your Father's Mustache, Sweetwater's, and finally SensationZ, were a series of bars that followed the closing of the Spaghetti Warehouse which each oppocupied the first floor of the building and eventually closed by 2004.

#### **Describe all known former uses of the Premises**

Originally built as a planing mill for construction lumber, the building specialized in creating timber-framing construction, carpentry, and crafting ornate wood interiors. The first floor was then transformmed into a series of bars and restaurants, followed by its vacancy beginning in 2004.

#### **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?**

Yes

**If yes, describe in full detail**

A business partner of the former owner of the project had filed suit against the former owner and included the building in the suit. The suit is still on going, but neither the project or the current owner are involved in said dispute.

### **Solid And Hazardous Wastes And Hazardous Substances**

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

No

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

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

No

**If yes, please provide copies of the permits.**



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

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

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

No

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

**Discharge Into Waterbodies**

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

None

**Identify all sources of discharges of water, including discharges of waste water, process water, contact or noncontact cooling water, and stormwater. Attach all permits relating to the same. Also identify any septic tanks on site**

**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?**

No

**If yes, attach a copy of each permit.**

**Storage Tanks**

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

None

**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?**

No

**If yes, please identify the materials**