

Application Title

Tax Incentive Application

Section I: Applicant Background Information

Applicant Information - Company Receiving Benefit

Total Project Cost 1768000
Applicant Name 9187 Group, LLC
Applicant Address 295 Main Street, Suite 210
Phone 716-854-0060
Fax 716-852-2829
E-mail tfox@ellicottdevelopment.com
Website www.ellicottdevelopment.com
Fed ID# -----

Individual Completing Application

Name Thomas M. Fox
Title Project Manager, Development
Address 295 Main Street, Suite 210
Phone 716-854-0060
Fax 716-852-2829
E-Mail tfox@ellicottdevelopment.com

Company Contact (if different from individual completing application)

Name
Title
Address
Phone
Fax
E-Mail

Company Counsel

Name of Attorney Joe Cavan
Firm Name Paladino, Cavan, Quinlivan & Pierce

Address

295 Main Street, Suite 210

Phone

716-852-8222

Fax

716-852-2829

E-Mail

jrc1015@aol.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	2007
State of Organization	New York

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

Please include name and % of ownership.

Santa Croce Group, LLC: 100%

Business Description

Describe in detail company background, products, customers, goods and services

The Company develops, leases and manages residential and commercial real estate together with its affiliates.

Estimated % of sales within Erie County	0
Estimated % of sales outside Erie County but within New York State	0
Estimated % of sales outside New York State	0
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)

100%

Section II: Project Description & Details

Location of proposed project facility

Address	173 Elm Street
City	Buffalo
State	New York
Zip Code	14203
SBL Number	111.55-7-21
Town/City/Village	Buffalo
School District	City of Buffalo
Present Project Site Owner	9187 Group, LLC

Please provide a brief narrative of the project

173 Elm Street is a vacant four-story 13,800 square foot building, which sits on the east side of Elm Street between William and Broadway. The building sits adjacent to two vacant lots in the rear at 492 and 474 Michigan. The building is included in one of the few remaining pockets of mid-to-late nineteenth century style commercial buildings that once defined the architectural character of the eastern section of the city's central business district. We propose to renovate the interior of the building into commercial office space on the first and a portion of the second floor. Five market-rate apartments will occupy a portion of the second floor, and the entire third and fourth floors. We are working in consultation with SHPO to restore the building's exterior, including masonry repairs and reopening of the storefront façade at the Elm Street entrance. New windows are proposed for the south side of the building on the second, third and fourth floors. We also propose adding an exterior stairwell to the rear of the building to bring the building up to code. This adaptive reuse project will add to the momentum and vibrancy of the surrounding neighborhood by bringing new residents to downtown.

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)

No

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.

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?

No

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?

No

If yes, please explain

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

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

The project is not feasible without ECIDA assistance. The project is mixed-use residential and commercial and current rental rates do not support the cost of development. Because of the building's age, new HVAC, plumbing and electrical components need upgrading. It is anticipated that the building will be listed with the National Park Service and will be undertaken as a historic renovation project which will also add to the cost of renovation.

Project Information

Estimated costs in connection with project

Land and/or Building Acquisition \$ 325000

0.00 acres 13268.00 square feet

New Building Construction \$ 0

0.00 square feet

New Building addition(s) \$ 0

0.00 square feet

Renovation \$ 1178000

13268.00 square feet

Manufacturing Equipment \$ 0

Non-Manufacturing Equipment: (furniture, fixtures, etc.) \$ 0

Soft Costs: (professional services, etc.) \$ 265000

Other Cost \$ 0

Explain Other Costs

Total Cost 1768000

Project Refinancing (est. amount) 1430000

Select Project Type (check all that apply)

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

SIC Code

NAICS Code 531190

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

		Cost	% of Total Cost
Manufacturing/Processing	0 square feet	0	0
Warehouse	0 square feet	0	0
Research & Development	0 square feet	0	0
Commercial	0 square feet	0	0
Retail	0 square feet	0	0
Office	3526 square feet	371280	21
Specify Other	9742 square feet	1396720	79

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?

No

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

<BLANK>

What is your project timetable (Provide dates)

Start date : acquisition of equipment

2014-04-01

End date : Estimated completion of project

2014-09-15

Project occupancy : estimated starting date of operations

2014-09-15

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)

Asbestos survey, demolition/clean-up, design

Is project necessary to expand project employment?

No

Is project necessary to retain existing employment?

No

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	0	0	0
Part time	0	2	2
Total	0	2	2

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

Payroll Information

Annual payroll

54000

Estimated average annual salary of jobs to be retained

18600

Average estimated annual salary of jobs to be created

17700

Estimated salary range of jobs to be created

From 17000 **To** 18400

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)?

125.00

If yes, number of years vacant?

10

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)

Yes

Does the site have historical significance?

No

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)

Rental rates do not support the cost of development. There are extraordinary costs in connection with the planned rehab of this building. Built in the late 1800's and having sat vacant for many years, the facility requires all new HVAC, plumbing and electrical components. New elevators along with stairwells also need to be added which adds to the cost of the project as opposed to new construction.

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

Project Sponsor is working on securing a historic designation with the State Historic Preservation Office and the National Park Service.

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

Several expenses will result in order to bring the building up to current code. These expense include, but are not limited to, a new stair and reconstruction of one existing, a new elevator, a sprinkler system and all new utility service to the building. In addition, sections of the building's masonry exterior are in need of significant repair following years of neglect by a previous owner.

Section IV: Retail Determination

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?

<BLANK>

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

<BLANK>

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?

No

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 Yes

Within Erie County Yes

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...)

The tenant's key space requirements included the presence of hardwood flooring, on site parking, simple egress from within building and basement access for an on-site workshop. In addition, the tenant wanted to be downtown with close proximity to its clients and available public transportation. The tenant is consolidating some of its programs and right sizing in terms of space needs.

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

A central location within the City of Buffalo allows the tenant to better serve their client base.

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

The location of the tenant's client base.

What is going to happen to the current facility that project occupant is located in?

Space will be re-leased.

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.

192 Seneca Street, 199 Scott Street and 270 Michigan Avenue were other locations considered by the tenant within Buffalo, NY. Space layout, project timing and available parking were common negatives at these properties.

Section VI: Facility Type - Single or Multi Tenant

Is this a Single Use Facility or a Multi-Tenant Facility?

Single Use Facility

For Single Use Facility

Occupant Name The Service Collaborative of WNY, Inc.
Address 2188 Seneca Street, Buffalo, NY 14210
Contact Person Kate Sarata, Executive Director
Phone 716-418-8500x138
Fax 716-822-3060
E-Mail katesarata@tscwny.org
Federal ID #
SIC/NAICS Code

Multi-Tenant Facility

Please explain what market conditions support the construction of this multi-tenant facility

Have any tenant leases been entered into for this project?

<BLANK>

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

173 Elm Street, Buffalo, NY 14203

Name and Address of Owner of Premises

9187 Group, LLC

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

The property is located within downtown Buffalo, a fully developed urban area.

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 building is 4 stories and included 13,800sf of space. It was constructed in the late 1800's. The premises will be redeveloped for mixed-use including residential and commercial.

Describe all known former uses of the Premises

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

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

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

Have there been any leaks, spills, releases or other discharges (including loss of inventory) associated with any of these tanks?

<BLANK>

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

Minor debris, floor tile and roof flashing/tar

Section VII: Tenant Form

This section must be completed for each proposed tenant.

NOTE: A Retail Determination (Section IV) and An Inter-Municipal Move Determination (Section V) should be completed for each tenant using the facility to make sales of goods or services or will be relocating from another municipality or abandoning an existing facility.

PART I—TO BE COMPLETED BY LESSEE (DEVELOPER)

Property Address: 173 Elm Street

City/Town/Village: Buffalo, New York 14203

The following information is an outline relative to the potential client and their proposed contract to sublease space in the above reference facility.

Tenant Name: The Service Collaboration of WNY, Inc.

Amount of space to be leased: 3,524 SF. What percentage of the building does this represent? 25 %

Are terms of the lease: GROSS ☒ or NET ☐

If GROSS lease, please explain how Agency benefits are passed to the tenant:

Benefits are reflected in a reduced rental rate to the tenant.

Estimated date of occupancy: TBD, 20

PART II TO BE COMPLETED BY PROPOSED TENANT

Company Name: The Service Collaboration of WNY, Inc.

Local Contact Person: Kate Saracola Title: Executive Director

Phone: 716 418 8500 x151 Fax: 716 822 3560

E-mail: katesaracola@tcwny.org Web site: TCWNY.org

Company President/General Manager: John Greenan - Board President

Number of employees at new project location:

Full-Time: 20 Part-Time: 2 Total: 22

Please describe briefly the nature of the business in which the proposed tenant is/will be engaged. This should include SIC/NAICS Code; type of business and products or services; percent of total sales in Erie County and the United States:

TCWNY creates opportunities for all individuals to serve in their communities
We are built on an infra structure of responsible grant stewardship of
CNCS, DOE + New Yorkers Volunteers funds, providing quality programs

involved in transformational service. NAICS code - 813110
History of Company (i.e. start-up, recent acquisitions, publicly traded): Began in 1992, incorporated
in 2002 + changed name in 2011. Formerly known as
Western New York AmeriCorps Fund

Please list the square footage which the proposed tenant will lease at the IDA project location: 3,524 SF

Please list the square footage which the proposed tenant leases at its present location(s): 12,275 SF

Will the project result in a relocation and/or abandonment of other tenant/user(s) facilities in Erie County, or New York State? ☒ Yes or ☐ No. Where is company relocating from?

Address 2180 Seneca St City/Town/Village: Buffalo State: NY Zip: 14210

If yes, please provide reason for move; ie larger facility, competitive, lease expiration, etc. -
We are fully funded by grant + grant related activities. This
move will free up funds for our programs making us more
competitive when applying for the grants.

If owned, what will happen to the existing facility once vacated? n/a

If leased, when does lease expire? _____, 2020

Are any of the proposed tenant's current operations located in facilities which have received an Industrial Development Agency benefit? ☐ Yes or ☒ No. If yes, please provide details as to location, and amount of leased space, how long leased? _____

Is location necessary to:

Discourage your company from moving out of New York State: ☐ Yes or ☒ No

Maintain your company's competitiveness within the industry: ☐ Yes or ☒ No (If yes is checked on one or both please provide specific explanation as an attachment on company letterhead)

Will tenant/user's use of the project involve the sales of goods OR services to customers who personally visit the facility ☐ Yes or ☒ No If the answer is YES, are sales taxes collectible under Article 28 of the Tax Law of the State of New York on sales of these goods ☐ Yes or ☐ No

Were local economic development officials contacted about the availability of alternative sites within the community you are leaving? ☐ Yes or ☐ No If yes, what was the outcome? _____

If no, why not? _____

Will present location be your company's headquarters? ☒ Yes or ☐ No If No, Where is the location of
HQ: City: _____ State: _____

FORM COMPLETED BY: Kelly Stephenson
(please print)

RELATIONSHIP TO COMPANY: Controller

SIGNATURE: Kelly Stj DATE: 2/17/14, 20__