



257 Franklin Street, Buffalo New York 14202

Mark D. Croce, President

markcroce@bufdev.com

May 19, 2014

Mr. John C. Cappellino
Erie County Industrial Development Agency
95 Perry Street, Suite 403
Buffalo, NY 14203

Re: The Curtiss Building ECIDA Tax Assistance
210-216 Franklin Street, Buffalo, New York 14202



Dear Mr. Cappellino:

Please allow this letter to supplement the online materials submitted in support of an application for ECIDA assistance for the Curtiss Building project. This project involves the adaptive reuse of a building that has been vacant for over 12 years into an upscale destination mixed use project that does not currently exist in Western New York. Both this property and the adjacent C.W. Miller Livery are in census tract 165 adjacent to a distressed area and are undergoing planned renovations to historic standards. This adaptive reuse of a nearly 100 year old building stands at the crossroads of the connection between the Buffalo-Niagara Convention Center and the Chippewa Entertainment District and between Delaware Avenue and Main Street.

This is the first time that Buffalo Development Corporation or any affiliated entities have sought assistance from the ECIDA. We appreciate that the availability of government assistance in development is at its core a public - private partnership. There must be some reciprocal benefit to the public from the requested assistance for this project.

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The limited assistance is actually an abatement of sales and mortgage recording taxes. The ROI is a function of a completed project. If the requested assistance is not provided now, the project will be delayed further while Curtiss Buffalo, Inc. seeks a way to bridge the project funding shortfall. In that event the, County and City will miss out on an opportunity to generate significant sales taxes and bed taxes in the interim. The County and City will be denied additional "out of region" dollars being spent in downtown Buffalo, not only at the Curtiss, but at other restaurants and venues in support to local jobs. If assistance for the Curtiss results in just one additional convention in the next few years the relief by way of tax abatement will be returned multifold.

The Curtiss project was not seeking ECIDA assistance when first conceived. Due to the acquisition and rescue rehabilitation of the Statler Towers by Statler City, LLC (a Buffalo Development affiliated entity) the Curtiss project was placed on hold. Now that the Curtiss project is ready for construction, the bids for construction are substantially higher than initially anticipated. This coupled with the loss of the benefits associated with the Empire Zone has resulted in a budget shortfall. This is especially true as a cash flow problem in the beginning years. The sales tax abatement and mortgage tax abatement requested from the ECIDA will allow the Curtiss to proceed *now*. If the project is delayed the County and City will lose more in taxes (sales, bed etc.) and economic impact than the abated tax benefits being requested.

Adaptive Reuse

The building was built as an office building in 1912-13 and has been vacant for over 12 years. It is currently recognized more as an eyesore than a potential asset. The vacant building can be seen from the front door of the Buffalo Niagara Convention Center. Visitors to the Convention Center walk past this vacant and semi boarded up building as they travel down Franklin Street to visit the restaurants in the revitalized Chippewa Entertainment District. The experience is not memorable for the out of town visitors the County has invested in attracting.

The first principal listed in the *Framework for Regional Growth* is the need to provide for a "Vital Economy". A regional economy relies on the vitality of its urban core. Many regional studies have acknowledged that we need to do more to utilize existing infrastructure and to save our historic fabric. This fabric from our past has value culturally and as a marketing tool for our region. A vital economy needs to attract outside dollars to feed regional growth.

An adaptive reuse of an existing building into a resort style boutique hotel provides economic sustainability to a historic structure. When that project is done within a block of and in view of the convention center and entertainment districts in Buffalo's urban core, the project provides economic benefits to the public at large. The Curtiss will help attract those outside dollars to the region. The Curtiss will provide another reason for Toronto tourists and those from the eastern end of New York as well as Pennsylvania to once again visit Buffalo and stay for the weekend. The Curtiss will help Visit Buffalo Niagara promote Buffalo and our region in a very competitive convention market.

Resort Amenities

This project will uniquely bring a limited number of rooms in an upscale resort hotel to the City core. From the urban hot springs water feature to the rotating bar reminiscent of the Chez Ami (a popular destination with Rochester and Toronto tourists during the City's former glory days), this project will attract tourists for weekend vacations in Buffalo. The Curtiss will feature a five star Italian themed restaurant and rooftop lounge with views of Lake Erie. The Curtiss will pair with affiliated entity Buffalo Chophouse to create weekend vacation packages that will include upscale meals, upscale entertainment and a memorable upscale hotel stay. Unlike other hotels that are being planned and built to provide much needed rooms for visits to Buffalo, the Curtiss will be to some a destination in itself creating not only a place to stay but more importantly a *reason to be* in Buffalo. This project will attract many visitors from Canada as well as outside the economic development region served by the ECIDA.

Impacting Decision Makers

The Curtiss will help bring more conventions to the Buffalo-Niagara Convention Center. This project will be in support to, and not in competition with the other hotel properties in the area. This property is designed to cater to those individuals who *decide* where to locate conventions and who are accustomed to staying in five star locations. This property will allow Visit Buffalo Niagara to "sell Buffalo" to convention planners by serving the needs and wants of the decision makers. This property will not accommodate the majority of those who will attend conventions, nor is it designed for that market. It will however impact decisions that will have an economic ripple effect bringing business and out of region dollars to surrounding restaurants, hotels and other regional attractions.

Patrick J. Kaler, President and CEO of Visit Buffalo Niagara submitted a letter in support to the project acknowledging the assistance that a rehabilitated Curtiss would add to his ability to bring more "out of region" dollars to Buffalo's urban core. ECIDA assistance will help Curtiss Buffalo, Inc. create a unique hotel destination that will assist in drawing more conventions to the City in place of a blighted building that has been vacant for over 12 years greeting visitors to the Buffalo Niagara Convention Center and our City.

Evidence of local government support

The City of Buffalo supports the Curtiss project and has assisted with securing other financial assistance. It is in line with the City's proposed Green Code as an adaptive reuse and synergistic project.

The need for ECIDA Assistance

As an adaptive reuse of an historic building, the Curtiss faces many financial obstacles including additional renovation costs for:

- Abatement of lead paint.
- Abatement of asbestos.

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- Adaptation of historic features into a modern design that will meet the comfort requirement of the upscale traveler.
- Historic window and façade rehabilitation.
- Replacement of electric, plumbing and HVAC systems within the historic structure to meet new building codes, including safety requirements.
- Working on an entire rehabilitation within an existing footprint bordered by a building on one side and city streets on two other sides.

ROI Calculation

We have completed the ROI calculations based on information we have to date. That information included our initial internal analysis as well as the independent third party analysis conducted by LW Hospitality Advisors (LWHA) for Evans Bank dated September 2013. Our initial pro-forma was deemed high by the independent professional review. We defer to their expertise in projecting returns. We rely on the independent analysis and market information available today in submitting our current project pro-forma. The main issues in an ROI analysis for any hotel project are the average daily rate (ADR) and the revenue per available room (RevPAR).

These figures are not “snapshot” figures of what any specific hotel or set of hotels may quote to a traveler on any particular day. They are generated looking backwards at actual market data. LWHA did an analysis of the comparative set of hotels in the Buffalo market and determined that the comparative set showed:

Estimated Competitive ADR		
Property	ADR	RevPar
Hyatt Regency Buffalo	115.00	80.50
Embassy Suites Buffalo	160.00	128.00
Hampton Inn Suites Buffalo Downtown	135.00	110.70
Adam's Mark Buffalo	75.00	41.25
Comfort Suites Downtown Buffalo	95.00	66.50
Doubletree Club Buffalo Downtown	110.00	79.20
Holiday Inn Buffalo Downtown	95.00	64.60
Best Western Inn On The Avenue	80.00	56.00
Market Average	107.94	73.03

Based on this third party review we consider the Curtiss to be above the top average daily rate. Therefore in calculating the ROI for purposes of our request for assistance we used an initial ADR of \$164.00. That is nearly 65% above the ADR for the market set and is above the ADR for the already stabilized Embassy Suites, the highest level product already in the market. The Embassy Suites is supported by a strong flag and reservation network. As such their occupancy rate is significantly higher than we expect especially during the first several years as

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Curtiss Buffalo builds a "brand". That ADR is reflected to continue with some growth as the hotel stabilizes.

Unlike the office or apartment markets, the hotel market is extremely volatile. Hospitality does not depend on yearlong or even month long commitments. We are required to "sell" our product every day. As such we feel the rates and data we present show a reasonable projection of possible returns based on third party analysis and actual market data compared to the product that Curtiss will be bringing to market.

New Jobs

With a 20% M/WBE goal, and an already negotiated and signed Labor Peace Agreement (LPA) the project is poised to bring jobs to those who need them the most and need them now.

Construction Jobs

The project will take approximately 12-16 months to complete once started. Although no contracts have yet been entered, the project will pursue a 12% minority and 8% women work force goal. Buffalo Development Corporation has worked with union labor at the Statler City project and other projects even in the absence of any formal requirements driven by funding or government commitment. Union laborers, painters, electricians, plasterers, plumbers, etc. will all have an opportunity to bid for and get the work.

Long Term Employment

The Curtiss project will create 30 brand new FTE jobs including service sector jobs and upper management positions. Curtiss Buffalo, Inc. has already negotiated and entered a Labor Peace Agreement (LPA) that will allow for the peaceful organizing by service sector unions of hotel employees.

With the assistance of the ECIDA, Curtiss Buffalo, Inc. can overcome the last remaining obstacle to having "boots" on the ground renovating the building immediately. Within 12-16 months thereafter we can be seeing out of region dollars come to Buffalo to stay.

Sincerely,

Buffalo Curtiss, Inc.

S/ Mark D. Croce

Mark D. Croce, President



257 Franklin Street, Buffalo New York 14202

Mark D. Croce, President

As the President of Buffalo Development Corporation, Mark D. Croce has successfully transformed a number of vacant or underutilized buildings in downtown Buffalo into self-sustaining high end commercial uses. His accomplishments include successfully transforming the Statler Towers into Statler City; an old carriage house into the Buffalo Chophouse and creating a number of restaurants and hospitality based businesses including D'Arcy McGee's Irish Pub, Laughlin's, Brownstone Bistro, Buckin' Buffalo Saloon and the SkyBar. He operates apartments through Saturn Development Corporation.

Mark not only develops buildings; he develops businesses. He has created over 200 permanent jobs in the City of Buffalo over the past 15 years, primarily in the hospitality and food-service industry. He has been a recognized force in the revitalization of the Theater and Entertainment Districts in downtown Buffalo.

Mark has continued to invest in real estate in downtown Buffalo, purchasing strategic parcels for current and future development as well as additional sites for parking to support those projects. Mark has recently expanded his investment in the City to include several larger scale development projects. His vision is to assist in the redevelopment of Buffalo while protecting its rich architectural history. Mark's related companies are currently involved with the rehabilitation of the historic Curtiss Building at Franklin and Huron Streets into a 67 room high end boutique hotel which will include, rooftop patio, upscale restaurant and fitness center.

Mark was born and raised in Western New York, where he currently resides with his wife Jessica and two young sons.

Application Title

Tax Incentive Application

Section I: Applicant Background Information

Applicant Information - Company Receiving Benefit

Total Project Cost **18100000**

Applicant Name **Curtiss Buffalo, Inc.**

Applicant Address **257 Franklin Street, Buffalo, NY 14202**

Phone **716-842-6800**

Fax **716-847-6296**

E-mail **markcroce@bufdev.com**

Website

Fed ID#

Individual Completing Application

Name **Sandra Nasca**

Title **Attorney**

Address **424 Main Street, Suite 1820, Buffalo, NY 14202**

Phone **716-332-0032**

Fax **716-362-8748**

E-Mail **snasca@knoergroup.com**

Company Contact (if different from individual completing application)

Name **Mark D. Croce**

Title **President**

Address **257 Franklin Street, Buffalo, NY 14202**

Phone **716-842-6800**

Fax **716-847-6296**

E-Mail **markcroce@bufdev.com**

Company Counsel

Name of Attorney **Robert E. Knoer**

Firm Name **The Knoer Group, PLLC**

Address **424 Main Street, Suite 1820, Buffalo, NY 14202**

Phone **716-332-0032**

Fax **716-362-8748**

E-Mail

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	Corporation
Year Established	1998
State of Organization	New York

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

Please include name and % of ownership.

Curtiss Buffalo, Inc. owns the real property. Buffmark Holdings, LLC is 100% shareholder of Curtiss Buffalo, Inc. Mark D. Croce is the sole Member and Manager of Buffmark Holdings, LLC.

Business Description

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

Mark D. Croce is the President of Buffalo Development Corporation and also the sole Member and Manager of Buffmark Holdings, LLC. Through these and related companies, Mark has successfully transformed a number of vacant or underutilized buildings in downtown Buffalo into self-sustaining high end commercial uses. Mark's accomplishments include successfully transforming the Statler Towers into Statler City; an old carriage house into the Buffalo Chophouse and recreating a number of restaurants and hospitality-based businesses including D'Arcy McGee's Irish Pub, Laughlin's, Brownstone Bistro, Buckin' Buffalo Saloon and the SkyBar. Mark also operates apartments through Saturn Development Corporation. Mark's most recent project involves the rehabilitation of the historic Curtiss Building at Franklin and Huron streets into a 67 room high end branded boutique hotel with a full service 3 meal restaurant, rooftop patio bar, upscale lounge, outdoor water feature and one long term residential unit.

Estimated % of sales within Erie County	25
Estimated % of sales outside Erie County but within New York State	25
Estimated % of sales outside New York State	40
Estimated % of sales outside the U.S.	10

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)

90-100%

Section II: Project Description & Details

Location of proposed project facility

Address **204-216 Franklin Street**
City **Buffalo**
State **New York**
Zip Code **14202**
SBL Number **1113700004009000**
Town/City/Village **Buffalo**
School District **Buffalo**
Present Project Site Owner **Curtiss Buffalo, Inc.**

Please provide a brief narrative of the project

The \$18.1 million project involves property acquisition; complete rehabilitation of the 57,560 square foot historic Curtiss Building; asbestos and lead paint abatement and removal, and demolition of the adjacent noncontributing dilapidated 11,615-square foot Continental Building; construction of the hotel entrance-way and porte-cochere, and infrastructure improvements necessary to convert the vacant blighted property into a sixty seven room high-end boutique hotel, fine dining restaurant and lounge, along with one long term residential unit. In addition, there will be a spa and fitness component, the spa will include an indoor/outdoor year round water element featuring a waterfall and urban "hot-springs" environment. It is anticipated that all of the operations on site will be operated by the same entity.

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?

Yes

If yes, please explain

asbestos, lead paint.

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?

Yes

If yes, please provide copies of the study.

Will project include leasing any equipment?

Yes

If yes, please describe equipment and lease terms

Kitchen and related hospitality FF&E. 60 month term.

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?

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.

IDA participation is necessary for this project to proceed to assist in covering the additional costs inherent in renovating a historic structure in compliance with the Department of Interior Standards to maintain its historic integrity. In addition there are project shortfalls related to the loss of empire zone benefits available to this project due to the fact that time was lost during the period that the developer became involved in the saving and rehabilitation of the historic Statler property at 107 Delaware Avenue. The loss of the sales tax benefit available to ongoing purchases for supplies utilized on the property has been lost making the long term operations more expensive. This project will make the City of Buffalo more competitive with other markets by filling a market niche for an upper end boutique hotel that is not currently being served, and can also make the Buffalo-Niagara Convention Center more competitive with its peer markets.

Project Information

Estimated costs in connection with project

Land and/or Building Acquisition **\$ 3000000**

0.50 acres **57650.00** square feet

New Building Construction **\$ 0**

0.00 square feet

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

0.00 square feet

Renovation **\$ 10089000**

0.00 square feet

Manufacturing Equipment **\$ 0**

Non-Manufacturing Equipment: **\$ 1530000**
(furniture, fixtures, etc.)

Soft Costs: (professional services, etc.) **\$ 3100000**

Other Cost **\$ 380000**

Explain Other Costs Demolition

Total Cost 18099000

Project Refinancing (est. amount) 0

Select Project Type (check all that apply)

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

SIC Code 7011

NAICS Code 721110

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	57650 square feet	18100000	100
Office	0 square feet	0	0
Specify Other	0 square feet	0	0

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

2014-07-01

End date : Estimated completion of project

2015-07-31

Project occupancy : estimated starting date of operations

2015-08-01

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)

Acquisition, partial demolition, site preparation, soft costs, marketing and feasibility studies.

Is project necessary to expand project employment?

Yes

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	30
Part time	0	0	0
Total	0	0	30

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

1250000

Estimated average annual salary of jobs to be retained

0

Average estimated annual salary of jobs to be created

40000

Estimated salary range of jobs to be created

From **19000** To **90000**

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?

Yes

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

ESDC: Restore III grant and Upstate Blueprint loan programs

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)?

102.00

If yes, number of years vacant?

12

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?

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)

Due to the historic nature of the property it is significantly more expensive to renovate the property while maintaining its historic integrity. In addition, due to the existence of lead paint and asbestos, environmental costs have been incurred and have made the project more expensive. These additional costs, together with the loss of empire zone benefits, including the loss of the sales tax exemption/refund have made this project more expensive than originally estimated.

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

The City of Buffalo has demonstrated its support of the Project by awarding 1,350,000 of its Restore III allocation to this project.

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

The Curtiss Building, constructed in 1912, is listed on the National Register of Historic Places and is one of only three remaining structures in the City's downtown business district exhibiting a terracotta facade decorated with Art Nouveau styling. This property has been a vacant, blighted structure for over 12 years. There are significant additional costs inherent in redeveloping an existing structure while maintaining its historical character. In addition there are added costs in addressing the environmental concerns and taking the necessary steps to bring a long vacant historic structure into building code compliance. In addition to the historic costs, remediation costs and additional building code compliance costs, significant costs will be incurred to rebuild the sidewalk vaults under the City of Buffalo Right of Way and to replace all of the concrete sidewalks and waterproof membranes. This project will add significantly to the entertainment district

by bringing a product online that does not currently exist in downtown Buffalo.

Section IV: Retail Determination

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

Yes

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?

Yes

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?

100.00 %

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?

Yes

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?

No

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?

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

Is the project located in a Neighborhood Redevelopment Area?

Yes

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...)

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?

<BLANK>

If yes, please explain and provide supporting documentation

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

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 **Baja Beach Club, Inc**
Address **257 Franklin Street**
Contact Person **Mark D. Croce**
Phone 716 853 3400
Fax 716 847 6206
E-Mail **markcroce@gmail.com**
Federal ID #
SIC/NAICS Code **721110**

Multi-Tenant Facility

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

This Project will fill a market niche that does not currently exist in downtown Buffalo or the Western New York region for an upper upscale high end boutique hotel with a full service restaurant and lounge, rooftop patio bar and an outdoor water feature.

Have any tenant leases been entered into for this project?

No

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

204-216 Franklin Street Buffalo, New York 14202

Name and Address of Owner of Premises

Curtiss Buffalo, Inc. 257 Franklin Street Buffalo, NY 14202

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

Urban

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

Built as an spec office building.

Describe all known former uses of the Premises

Office building.

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?

<BLANK>

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?

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

Previously abated and removed.