The Town of Cheektowaga



CHEEKTOWAGA TOWN HALL – SUITE 201 3301 BROADWAY STREET CHEEKTOWAGA, NEW YORK 14227

> Phone: (716) 686-3465 Fax: (716) 686-3551 E-mail: mholtz@tocny.org

MARY F. HOLTZ Town Supervisor

July 27, 2015

John Cappellino Director of Business Development Erie County Industrial Development Agency 143 Genesee Street Buffalo, NY 14203

Dear John:

Sodexo, Inc. has submitted a proposal seeking ECIDA financial assistance to relocate from its existing four Uniland-owned properties, located in the Town of Amherst, to the Airborne Business Park, located in the Town of Cheektowaga, and also owned by Uniland. Sodexo considered three options in its desire to create a more efficient operation, including one which would see the company moving its operation to the company's U.S. headquarters in Gaithersburg, Maryland.

In choosing the Airborne Business Park location to consolidate its operations in our region, the company not only considered the footprint required for efficient operations but also the proximity for current employees. The proposal by Sodexo will retain current jobs and holds the promise of more good paying jobs for our area. The company has also made it clear that the potential for ECIDA incentives is a key factor that will allow Sodexo to make a long term commitment to the Buffalo region rather than relocating to Maryland.

I am writing to express my strong support of this project and urge its full and positive consideration.

Sincerely,

Mary J. Holy

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Mary F. Holtz Supervisor Town of Cheektowaga

TOWN OF AMHERST



BARRY A. WEINSTEIN, M.D. SUPERVISOR

July 20, 2015

Ms. Karen M. Fiala Manager, Tax Incentives ECIDA 95 Perry Street, Suite 403 Buffalo, NY 14203

Dear Ms. Fiala:

I am in receipt of your formal notification dated July 14, 2015, that Sodexho is proposing to relocate from Amherst to Cheektowaga into a newly-built facility constructed by Uniland.

Based upon the information received in your notification, as Supervisor of the Town of Amherst, I offer no objection.

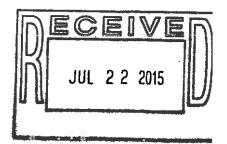
Regards,

Barry a. Winte

Barry A. Weinstein, M.D. Supervisor

BAW/sv

cc: James Allen, AIDA Bob Murray, Esq. Supervisor Mary Holtz



PUBLIC HEARING SCRIPT

The Uniland Partnership of Delaware, L.P. and/or Individual(s) or Affiliate(s), Subsidiary(ies), or Entity(ies) formed or to be formed on its behalf Project

Public Hearing to be held on July 27, 2015 at 9:00 a.m., at the Town of Cheektowaga Town Hall, 3301 Broadway (Town Council Chamber) Cheektowaga, New York 14227

<u>ATTENDANCE</u>

Peter Sayadoff/Uniland Kirk Laubenstein/Coalition for Economic Justice Mathew Dresendahl/Uniland Scott Brooks/Sodexo Sarah Buckley/ Coalition for Economic Justice Jud Payne/ Coalition for Economic Justice Ellen Kennedy/ Coalition for Economic Justice Jill Pawlik/Uniland John Cappellino/ECIDA Members of the General Public

1. WELCOME: Call to Order and Identity of Hearing Officer.

Hearing Officer: Welcome. This public hearing is now open; it is 9:00 a.m. My name is Grant Lesswing. I am the Business Development Officer of the Erie County Industrial Development Agency, and I have been designated by the Agency to be the hearing officer to conduct this public hearing.

2. PURPOSE: Purpose of the Hearing.

Hearing Officer: We are here to hold the public hearing on The Uniland Partnership of Delaware, L.P. and/or Individual(s) or Affiliate(s), Subsidiary(ies), or Entity(ies) formed or to be formed on its behalf project. The transcript of this hearing will be reviewed and considered by the Agency in determination of this project. Notice of this hearing appeared in <u>The Buffalo News</u> on Thursday, July 16, 2015.

3. PROJECT SUMMARY: Description of Project and Contemplated Agency Benefits.

Hearing Officer: The proposed project (the "Project") consists of: (i) a parcel of vacant land located at 400 Airborne Parkway, Town of Cheektowaga, Erie County, New York (the "Land") to be improved with a 109,170+/- SF building to be utilized as a back office operations center (the "Improvements"); and (ii) the acquisition of and installation in and around the Improvements of certain machinery, equipment and items of personal property thereon (the "Equipment" and, collectively with the Land and Improvements, the "Facility").

> The proposed financial assistance contemplated by the Agency includes New York State and local sales and use tax exemption benefits, mortgage recording tax exemption benefit, and real property tax abatement benefits (in compliance with Agency's uniform tax exemption policy).

4. FORMAT OF HEARING: Review rules and manner in which the hearing will proceed.

Hearing Officer: All those in attendance are required to register by signing the sign-in sheet at the front of the room; you will not be permitted to speak unless you have registered. If you have a written comment to submit for the record, you may do so. Written comments may also be delivered to the Agency at 95 Perry Street, Suite 403, Buffalo, New York 14203 until the comment period closes on August 17, 2015. There are no limitations on written comments.

5. PUBLIC COMMENT: Hearing Officer gives the Public an opportunity to speak.

<u>Hearing Officer</u>: If anyone is interested in making a comment, please raise your hand, state your name and address; if you are representing a company, please identify the company. I request that speakers keep comments to 5 minutes, and if possible, 3 minutes.

The Hearing Officer calls on those who raise their hand.

Hearing Officer: State your name, please.

Peter Sayadoff Good morning. My name is Peter Sayadoff. I am the Director of Capital Markets for Uniland Development Company. Uniland Development Company together with Sodexo, Inc. jointly request that the Erie County Industrial Development Agency provide certain financial assistance for the construction and equipping of a 109,170 square foot office building at 400 Airborne Parkway, Cheektowaga, New York. Uniland is responsible for the design, construction and funding of the three-story back office facility situated on 6.2 acres of land within Cheektowaga's Airborne Business Park. Uniland's portion of the Project represents a \$21,000,000 investment. Sodexo, Inc., as tenant, is simultaneously filing an ECIDA application for exemption from sales tax on the purchase of new furniture, fixtures and equipment for the facility. Sodexo's portion will result in just over \$6,000,000 investment, resulting in a total investment of over \$27,000,000 for the Project.

The goal of this project is to retain 511 jobs by providing Sodexo operational efficiencies that justify their remaining in Erie County rather than pursue other sites outside of New York State, particularly Gaithersburg, Maryland, Sodexo's U.S. headquarters. The financial assistance and consolidation into one location will help mitigate some of the upfront and ongoing costs to Sodexo and provide the justification for a long-term commitment to the Buffalo region. This development project includes relocating and consolidating Sodexo's four facilities in a Uniland office park in Amherst to a Uniland facility in Cheektowaga. All four existing leases currently expire on November 30, 2015. Uniland and Sodexo will modify the existing leases to expire upon commencement of the new lease at 400 Airborne Parkway. The modification of the existing leases to extend the term to coincide with the start of the new lease at 400 Airborne Parkway is contingent upon receipt of ECIDA benefits on or before August 28, 2015.

Uniland is committed to providing the highest quality and most costeffective work environments possible. As a leader in this region for 40 years Uniland has worked hard to create valuable relationships with our tenants, business partners and stakeholders in the communities in which we operate. It would be our honor to develop a new facility for Sodexo at Airborne Business Park, allowing them to more efficiently run their operations and keep them here in the Buffalo area.

Hearing Officer: State your name, please.

Kirk Laubenstein: Sure. My name is Rev. Kirk Laubenstein; I'm with the Coalition for Economic Justice; I'm the Executive Director. Um, I mean I guess I've got to say that this tactic of moving, you know, saying oh we're going to move out, we're going to move to Maryland, just rings hollow. The reason you're here is because we have a, you know, relatively well-educated workforce, low cost of living, so you can pay your people less. Um, you know, we believe that moving jobs from Amherst to, you know, Cheektowaga, is simply atrocious. Um, it's a terrible use of taxpayer dollars. You're not actually creating any new jobs, uh, and that's unconscionable. And coming to the, you know, coming to the uh, coming to the residents, coming to, you know, the school teachers, coming to the, you know, the people of this county and saying oh we need this money. Um, you know, I guess I would say what real job creation is this? Nothing. 511 jobs from Amherst to Cheektowaga. Um, you know, keeps everything in the region, um, you know, and you're going to ask us for millions of dollars? That seems unfair, unjust and just abominable. And I mean the other this is Uniland has a terrible track record with using non-union labor, not paying prevailing wage. Um, you know I guess I would say this Project isn't good for the Buffalo region. It's simply sheep stealing from one community to another community uh to benefit, you know, the wealthy one percent, both Sodexo and Uniland. And I would, you know, I vehemently oppose this ah, this new development.

Hearing Officer: State your name, please.

<u>Sarah Buckley</u> My name is Sarah Buckley. I'm a Registered Nurse and lifelong resident of Western New York. Uh my family and friends have benefited from Western New York's public schools and as a Registered Nurse I take care of people who benefit from Medicare and Medicaid, and also as a homeowner and worker I contribute to these public goods. Uh the promise of the new Buffalo and Western New York, uh a promise that we as those who grew up in Western New York have always known to be true, that this is a great place to live, and also as the wife of a local small business owner, it's a great place to do business. I'm impressed with the Erie County IDA is being true to that promise recently with higher standards and greater accountability when they decide to give tax subsidies. I hope they continue to do this and not grant subsidies for this Project that has no promise to create jobs.

Hearing Officer: State your name, please.

Ellen Kennedy: My name is Ellen Kennedy and I'm here to speak against the application for public subsidy submitted by Uniland. I'm a member of Citizen Action New York and the Coalition for Economic Justice. Organizations which have been working for years to reform IDAs. There is no justification for providing any kind of public subsidy to a profitable development company in order to construct an office building. The 2013 Erie County Report entitled Initiatives for a Smart Economy, Erie County Economic Development Strategy, clearly states, and I quote from that report: "IDAs were created in New York State to induce job creating and wealth producing activities by private sector companies that would not have otherwise occurred or would have occurred at a small or slower rate." However, public support cannot and should not go to a company to simply increase its profits. A culture has developed in Erie County economic development circles, among major developers, commercial real estate brokers and economic development professionals that every project is entitled to a taxpayer supported benefit simply because a developer or company is undertaking a project. This runs counter to good economic theory, distorts the free market and weakens an already fragile tax base. Not every project should receive taxpayer support. Such benefits should

be reserved for projects that would not otherwise have occurred, have significant job and wealth creating benefits to the community or provide targeted community redevelopment benefits. This culture of entitlement must end. If I have read Uniland's application correctly, they're asking for \$948,938 in sales, mortgage and property tax exemptions in Erie County in addition to the \$750,000 capital grant which has already been provided by Empire State Development. And they answered "Yes" to the question asking whether they plan to apply for state or federal historical tax credit programs. They are not seeking LEED certification for the new building despite the importance of a green economy. So, Erie County taxpayers should make up for the loss of revenue for their school districts, our public transportation system and the county budget, just so a profitable company can make even more money? Approving this application would make a mockery of the existence of industrial development agencies.

<u>Hearing Officer</u>: We're going to keep the hearing open just in case stragglers come in until 9:30.

6. ADJOURNMENT.

As there were no further comments, the Hearing Officer closed the public hearing at 9:30 a.m.

SIGN IN SHEET PUBLIC HEARING

July 27, 2015, at 9:00 a.m. at the Town of Cheektowaga Town Hall, 3301 Broadway (Town Council Chamber), Cheektowaga, New York 14227 regarding:

The Uniland Partnership of Delaware, L.P. and/or Individual(s) or Affiliate(s), Subsidiary(ies), or Entity(ies) formed or to be formed on its behalf

Project Location: 400 Airborne Parkway, Cheektowaga, New York 14225

Name	Company and/or Address	X box to speak/ comment
Peter Sayadoff	Uniland	×
Kirk Laubenstein	(F)	4
-Rob-MEDEREVOR	NUSSED MORE COREZ	
Matthew Drosendahl	Uniland.	
Scor Brooks	Sodero	
Sarah Buckley	CEJ	X
Jud PAYNE	CEJ	
ELLEN KENNEDY	СЕЈ	X
Jill Pawlik	Uniland.	
John Geppellim	ECIDA	65

Peter Woodward President

Dallas Garlow Vice President

Chris Stone Recording Secretary





21 Jet View Drive Rochester, NY 14624 P: (585) 328-6251 F: (585) 436-4231

UNITED BROTHERHOOD OF CARPENTERS AND JOINERS OF AMERICA

NORTHEAST REGIONAL COUNCIL OF CARPENTERS

August 6, 2015

Erie County Industrial Dev. Agency 95 Perry St. Buffalo, NY 14203

RE: The Uniland Partnership of Delaware LP (400 Airborne Pkwy. Project)

Dear Board of Directors,

The Northeast Regional Council of Carpenters, Local 276 strongly objects to Uniland's application for tax breaks and other incentives.

Uniland's proposed project will create no new permanent jobs and most, if not all of the construction jobs involved in this project will go to contractors who do not pay the "Area Standard" for wages and benefits.

Uniland is addicted to corporate welfare. Almost every project they have done in the past ten years has gotten public subsidies amounting to Millions of dollars. (The M&T project at 285 Delaware Ave; The Avant Building at 200 Delaware Ave.; The Catholic Health Building on Genesee St.; and the Delaware North Building at 250 Delaware Ave.). Enough is enough!!!

On page 5 of their application to the ECIDA, Uniland claims that other area locations were deemed "too Far away from current employees" and yet Sodexo Inc. threatens to move their offices 364 miles away to Gaithersburg, Maryland.

On page 13 of their Application to ECIDA Uniland states, "Facility needs analysis also revealed a location closer to central Eric County would benefit Sodexo's employees who reside in Southern Eric County, thereby increasing employee retention." The truth is Sodexo's proposed move is only 1.6 miles from their current location.

Uniland is well versed in coaching clients such as Sodexo to use the threat of moving out of state and closing offices here to get what they want. Almost everybody wins! Sodexo gets shiny new Peter Woodward President

Dallas Garlow Vice President

Chris Stone Recording Secretary





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UNITED BROTHERHOOD OF CARPENTERS AND JOINERS OF AMERICA

NORTHEAST REGIONAL COUNCIL OF CARPENTERS

offices and equipment! Uniland gets another building to add to their ever expanding glut of office space. Only the taxpayers lose with less money for schools, roads and infrastructure.

Subsidizing this project is wrong minded, pitting one town against another. Amherst, Cheektowaga and Erie County all stand to lose revenue and Sodexo will create zero new jobs. Meanwhile, Carl Montante and Uniland get wealthier at taxpayer expense.

In conclusion, the Northeast Regional Council of Carpenters', Local 276 urges the ECIDA Board of Directors to reject Uniland's request for tax breaks for the 400 Airborne Pkwy. project.

Respectfully,

Christopher Stone Recording Secretary, Carpenters' Local 276