

ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY

INDUCEMENT RESOLUTION

**SHEA'S SENECA, LLC, AND/OR INDIVIDUAL(S) OR AFFILIATE(S),
SUBSIDIARY(IES), OR ENTITY(IES) FORMED OR TO BE FORMED ON ITS
BEHALF**

A regular meeting of the Erie County Industrial Development Agency was convened on Wednesday, April 26, 2017 at 9:00 a.m.

The following resolution was duly offered and seconded, to wit:

RESOLUTION OF THE ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY: (i) ACCEPTING THE APPLICATION OF SHEA'S SENECA, LLC, AND/OR INDIVIDUAL(S) OR AFFILIATE(S), SUBSIDIARY(IES), OR ENTITY(IES) FORMED OR TO BE FORMED ON ITS BEHALF (INDIVIDUALLY, AND/OR COLLECTIVELY, THE "COMPANY") IN CONNECTION WITH A CERTAIN PROJECT DESCRIBED BELOW; (ii) RATIFYING THE SCHEDULING, NOTICING, AND CONDUCTING OF A PUBLIC HEARING IN CONNECTION WITH THE PROJECT; (iii) MAKING A DETERMINATION PURSUANT TO THE STATE ENVIRONMENTAL QUALITY REVIEW ACT; (iv) APPOINTING THE COMPANY, OR ITS DESIGNEE, AS ITS AGENT TO UNDERTAKE THE PROJECT; (v) AUTHORIZING THE UNDERTAKING OF THE PROJECT TO PROVIDE FINANCIAL ASSISTANCE TO THE COMPANY IN THE FORM OF (A) A SALES TAX EXEMPTION BENEFIT FOR PURCHASES AND RENTALS RELATED TO THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF THE PROJECT AND (B) A MORTGAGE RECORDING TAX EXEMPTION BENEFIT FOR FINANCING RELATED TO THE PROJECT; AND (vi) AUTHORIZING THE NEGOTIATION AND EXECUTION OF A LEASE AGREEMENT, LEASEBACK AGREEMENT, AN AGENT AND FINANCIAL ASSISTANCE PROJECT AGREEMENT, AND RELATED DOCUMENTS

WHEREAS, by Title 1 of Article 18-A of the General Municipal Law of the State of New York, as amended, and Chapter 293 of the Laws of 1970 of the State of New York, as amended (collectively, the "Act"), the ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY (the "Agency") was created with the authority and power to own, lease and sell property for the purpose of, among other things, acquiring, constructing and equipping civic, industrial, manufacturing, commercial and other facilities as authorized by the Act; and

WHEREAS, the Company has submitted an application to the Agency (the "Application") requesting the Agency's assistance with a certain project (the "Project") consisting of: (i) a 1.62+/- acre parcel of land located at 2178 Seneca Street in the City of Buffalo, Erie County, New York (the "Land") together with an existing 48,000+/- SF building thereon known as the historic Shea's Seneca (the "Existing Improvements"), (ii) the construction

and/or renovation, upgrading and equipping of the Existing Improvements thereon into a mixed-use project consisting of 29,257+/- SF of 25 residential apartments and 18,776+/- SF of commercial retail space, together with on-site parking allocated between commercial and residential tenants (the "Improvements"), and (iii) the acquisition and installation by the Company of certain items of machinery, equipment and other tangible personal property (the "Equipment," and collectively with the Land, the Existing Improvements and the Improvements, the "Facility"); and

WHEREAS, pursuant to General Municipal Law Section 859-a, on March 27, 2017 at 10:00 a.m. at the Agency's offices, at 95 Perry Street-Suite 403, Buffalo, NY 14203, the Agency held a public hearing with respect to the Project and the proposed Financial Assistance (as hereinafter defined) being contemplated by the Agency (the "Public Hearing") whereat interested parties were provided a reasonable opportunity, both orally and in writing, to present their views; and

WHEREAS, the Project constitutes a "retail" project as defined under Section 862 of the Act and as such requires additional findings; and

WHEREAS, the Agency must, prior to providing any Financial Assistance to such a "retail" Project find that: (1) the Project is likely to attract a significant number of visitors from outside the economic development region in which the Project is located as established by section two hundred thirty of the New York Economic Development Law; or (2) the predominant purpose of the Project would be to make available goods or services which would not, but for the Project, be reasonably accessible to residents of the City of Buffalo because of a lack of reasonably accessible retail trade facilities offering such goods or services; or (3) the Project is located in a "highly distressed area" as such term is defined in Section 854(18) of the Act, and, in addition, find that the undertaking of the Project will serve the public purposes of the Act by preserving permanent, private sector jobs or increase the overall number of permanent, private sector jobs in the State; and thereafter obtain the approval of the chief executive officer of the County of Erie, New York, confirming the Agency's finding; and

WHEREAS, it is contemplated that the Agency will (i) designate the Company as its agent for the purpose of undertaking the Project pursuant to an Agent and Financial Assistance Project Agreement (the "Agent Agreement"), (ii) negotiate and enter into a lease agreement (the "Lease Agreement") and related leaseback agreement (the "Leaseback Agreement") with the Company, pursuant to which the Agency will retain a leasehold interest in the Land, the Existing Improvements, the Improvements, the Equipment and personal property constituting the Facility; and (iii) provide Financial Assistance to the Company in the form of (a) an exemption benefit from all New York State and local sales and use taxes for purchases and rentals related to the Project with respect to the qualifying personal property included in or incorporated into the Facility or used in the acquisition, construction, reconstruction and/or renovation, rehabilitation or equipping of the Facility and (b) a mortgage recording tax exemption benefit for the financing related to the Project (collectively, the sales and use tax exemption benefit and the mortgage recording tax exemption benefit are hereinafter referred to as the "Financial Assistance"); and

WHEREAS, pursuant to and in accordance with applicable provisions of the State Environmental Quality Review Act ("SEQR"), the Company has submitted to the Agency an Environmental Assessment Form with respect to the Project; and

WHEREAS, the City of Buffalo Planning Board (the "Planning Board") in accordance with Article 8 of the New York Environmental Conservation Law and the regulations promulgated thereto in 6 N.Y.C.R.R. Part 617 (collectively referred to as the "State Environmental Quality Review Act" and/or "SEQR"), undertook coordinated review with respect to the Project, established itself as Lead Agency as defined in SEQR, determined that the Project was an Unlisted Action, and issued a negative declaration ("Negative Declaration") under SEQR on March 13, 2017, with respect to the Project; and

WHEREAS, pursuant to Article 18-A of the Act, the Agency desires to adopt a resolution describing the Project and the Financial Assistance that the Agency is contemplating with respect to the Project.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY AS FOLLOWS:

Section 1. The Company has presented an application in a form acceptable to the Agency. Based upon the representations made by the Company to the Agency in the Company's application and any other correspondence submitted by the Company to the Agency, public hearing comments, if any, Agency Policy Committee review and recommendations of the Project and its April 6, 2017 resolution to approve the project subject to the terms and conditions as described herein, and Agency board member review, discussion, and consideration of same, the Agency hereby finds and determines that:

(A) By virtue of the Act, the Agency has been vested with all powers necessary and convenient to carry out and effectuate the purposes and provisions of the Act and to exercise all powers granted to it under the Act; and

(B) It is desirable and in the public interest for the Agency to appoint the Company as its agent for purposes of acquiring, constructing and/or renovating and equipping the Project; and

(C) The Agency has the authority to take the actions contemplated herein under the Act; and

(D) The action to be taken by the Agency will induce the Company to develop the Project, thereby increasing and/or retaining employment opportunities in Erie County, New York and otherwise furthering the purposes of the Agency as set forth in the Act; and

(E) The Project will not result in the removal of a civic, commercial, industrial, or manufacturing plant of the Company or any other proposed occupant of the Project from one area of the State of New York (the "State") to another area of the State or result in the abandonment of one or more plants or facilities of the Company or any other proposed occupant of the Project located within the State; and the Agency hereby finds that, based on the Company's application, to the extent occupants are relocating from one plant or facility to

another, the Project is reasonably necessary to discourage the Project occupants from removing such other plant or facility to a location outside the State and/or is reasonably necessary to preserve the competitive position of the Project occupants in their respective industries, and, to the extent occupants are relocating from one plant or facility to another in another area of the State, the Agency has complied with the Intermunicipal Movement procedures as required in the Countywide Industrial Development Agency Uniform Tax Exemption Policy; and

(F) The Agency has assessed all material information included in connection with the Application necessary to afford a reasonable basis for the decision by the Agency to provide Financial Assistance for the Project as described herein; and

(G) The Agency has prepared a written cost-benefit analysis identifying the extent to which the Project will create or retain permanent, private sector jobs, the estimated value of any tax exemption to be provided, the amount of private sector investment generated or likely to be generated by the Project, the likelihood of accomplishing the Project in a timely fashion, and the extent to which the Project will provide additional sources of revenue for municipalities and school districts, and any other public benefits that might occur as a result of the Project; and

(H) The Company has provided a written statement confirming that the Project as of the date of the Application is in substantial compliance with all provisions the Act; and

(I) The Agency hereby approves the subleasing of space in the Project and authorizes the Company to proceed with the Project as herein authorized; and

(J) Based upon a thorough and complete review of the Application and its accompanying materials and information, the Environmental Assessment Form submitted by the Company, and the proceedings conducted by the Agency and the City of Buffalo Planning Board, to date, pursuant to SEQR, the Agency hereby:

(i) consents to and affirms the status of the Planning Board as "Lead Agency" within the meaning of and for all purposes of complying with SEQR and determines that the proceedings undertaken by the Planning Board under SEQR with respect to the undertaking of the Project by the Company (as agent of the Agency) satisfy the requirements of SEQR;

(ii) affirms that the Project involves an "Unlisted Action" as that term is defined under SEQR;

(iii) reviews, considers, ratifies, and adopts such proceedings by the Planning Board, including the "Negative Declaration";

(iv) determines that the Project will have no impact on land as the site is already developed, that there will be no impacts on air quality due to residential and commercial uses and no air permit will be required, the Project will have no impact on ground water quality or quantity, wetlands, wildlife or their habitats, as the site is already developed, that the site is already located in a developed urban area with adequate road capacity to accommodate any increase in traffic levels that may result, noise impacts will be similar

to the existing character of the area, no impacts to archeological resources will result from the Project, no impacts on aesthetic resource will result from the Project, and no cumulative adverse impacts will result from the Project;

(v) determines that the Project will result in no major impacts and, therefore, is one which will not cause significant damage to the environment, that the Project will not have a "significant effect on the environment" as such quoted terms are defined in SEQR, and that no "environmental impact statement" as such quoted term is defined in SEQR need be prepared for this action; and

(vi) determines that all of the provisions of SEQR that are required to be complied with as a condition precedent to the approval of the Financial Assistance contemplated by the Agency with respect to the Project, and the participation by the Agency in undertaking the Project, have been satisfied. This determination constitutes a "negative declaration" (as such quoted terms are defined under SEQR) for purposes of SEQR.

(K) The Project is compliant with the Countywide IDA Eligibility Policy, constitutes a commercial facility as defined in the General Municipal Law and will promote employment opportunities and prevent economic deterioration in the City of Buffalo. The Agency has reviewed the opinion of the State Comptroller (OSC Op. 85-51) and hereby specifically finds that the Project will create temporary construction jobs and approximately four (4) full-time jobs and twenty-seven (27) part-time jobs (or a total of 17 FTE positions as described below), and, by adaptively reusing a vacant, declining and aged structure and rehabilitating it for residential use, will be a physical and economic improvement to this sensitive area of the City of Buffalo; and

(L) The Project qualifies for Agency Financial Assistance as it is compliant with the Agency's Adaptive Reuse Project Policy as evidenced by the following:

- (i) the building(s) is/are approximately 87 years old and functional issues related to its age present challenges to its reuse;
- (ii) the building(s) has/have been vacant for at least the past 3 years;
- (iii) the building(s) is/are not generating any rental income;
- (iv) the Project is in compliance with the investment and growth criteria of the Framework for Regional Growth;
- (v) the Applicant has demonstrated evidence of financial obstacles to development of the Project without Agency or other public assistance;
- (vi) the Project has received the support of local governmental entities;
- (vii) the building(s) is/are located within a distressed census tract; and
- (viii) the structure requires significant costs to comply with building codes; and
- (ix) asbestos issues present a public safety hazard related to rehabilitation and redevelopment of the Project; and

(M) Based upon the Agency's prior review of the Application submitted by the Company, along with supporting materials, the Agency determines that the Project will include

facilities or property that are primarily used in making retail sales, as defined within Section 862(2) of the Act, to customers who personally visit the Facility. Notwithstanding the foregoing, and based upon the Application and supporting materials prepared and presented by the Company to the Agency, the Project is located in a "highly distressed area" as defined within the Act. The Agency also hereby finds that the Project will play a role in restoring this critical building and infrastructure within this sensitive part of the City. In accordance with the foregoing, and pursuant to Section 862(2)(c) of the Act, the Agency hereby finds that the undertaking of the Project will serve the public purposes of the Act by preserving permanent, private sector jobs and/or increasing the overall number of permanent, private sector jobs in the State; and

Section 2. The Agency hereby authorizes the undertaking of the Project and the provision of the Financial Assistance to the Company as described herein.

Section 3. Subject to the Company executing an Agent Agreement and the delivery to the Agency of a binder, certificate or other evidence of insurance for the Project satisfactory to the Agency, the Agency hereby authorizes the Company to proceed with the acquisition, construction and equipping of the Project and hereby appoints the Company as the true and lawful agent of the Agency: (i) to acquire, construct and/or renovate and equip the Project; (ii) to make, execute, acknowledge and deliver any contracts, orders, receipts, writings and instructions, as the stated agent for the Agency with the authority to delegate such agency, in whole or in part, to agents, subagents, contractors, and subcontractors of such agents and subagents and to such other parties as the Company chooses; and (iii) in general, to do all things which may be requisite or proper for completing the Project, all with the same powers and the same validity that the Agency could do if acting in its own behalf; provided, however, the appointment of the Company as agent of the Agency, if utilized, shall expire one year from the date of this resolution (unless extended for good cause by the Chair, the Vice Chair, the President/Chief Executive Officer, the Executive Vice President, the Chief Financial Officer/Treasurer, and/or the Assistant Treasurer).

With respect to the foregoing, and based upon the representations and warranties made by the Company in its application for Financial Assistance, the Agency hereby authorizes and approves the Company, as its agent, to make purchases of goods and services relating to the Project and that would otherwise be subject to New York State and local sales and use tax in an estimated amount up to \$4,248,309.00, which may result in New York State and local sales and use tax exemption benefits ("sales and use tax exemption benefits") not to exceed \$371,727.00. The Agency may consider any requests by the Company for increases to the amount of sales and use tax exemption benefits authorized by the Agency upon being provided with appropriate documentation detailing the additional purchases of property or services.

Pursuant to Section 875(3) of the New York General Municipal Law, and per the policies of the Agency, the Agency may recover or recapture from the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, any New York State and local sales and use tax exemption benefits and/or mortgage recording tax exemption benefits taken or purported to be taken by the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, if

it is determined that: (i) the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, is not entitled to the New York State and local sales and use tax exemption benefits; (ii) the New York State and local sales and use tax exemption benefits are in excess of the amounts authorized to be taken by the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project; (iii) the New York State and local sales and use tax exemption benefits are for property or services not authorized by the Agency as part of the Project; (iv) the Company has made a material false statement on its application for Financial Assistance; (v) the New York State and local sales and use tax exemption benefits and/or mortgage recording tax exemption benefits are taken in cases where the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, fails to comply with the Investment Commitment, the Employment Commitment, and/or the Local Labor Commitment, said commitments, as described below, being a material term or condition to use property or services in the manner approved by the Agency in connection with the Project; and/or (vi) the New York State and local sales and use tax exemption benefits and/or mortgage recording tax exemption benefits are taken in cases where the Company fails to comply with the Equal Pay Commitment and/or the Unpaid Real Property Tax Policy Commitment, as described below, being a material term or condition to use property or services in the manner approved by the Agency in connection with the Project.

As a condition precedent of receiving Financial Assistance, the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, must (i) cooperate with the Agency in its efforts to recover or recapture any Financial Assistance, and (ii) promptly pay over any such amounts to the Agency that the Agency demands.

As an additional condition precedent of receiving Financial Assistance, and as a material term or condition as approved by the Agency in connection with the Project, the Company covenants and agrees and understands that it must, subject to potential modification, termination and/or recapture of Financial Assistance for failure to meet and maintain the commitments and thresholds as described below, submit, on an annual basis or as otherwise indicated below through the conclusion of the later of two (2) years following either (i) the construction completion date, or (ii) the termination of the Agent Agreement, a certification, as so required by the Agency, confirming:

- (i) Investment Commitment – the total investment actually made with respect to the Project at the time of Project completion equals or exceeds \$7,685,470.00 (which represents the product of 85% multiplied by \$9,041,730.00, being the total project cost as stated in the Company’s application for Financial Assistance).
- (ii) Employment Commitment – the number of current FTE employees in the then current year at the Facility; and
 - that the Company has maintained and created full time equivalent (“FTE”) employment at the Facility equal to 14 FTE employees representing the product of 85% multiplied by 17 (being the total number of new FTE

employee positions as proposed to be created by the Company as stated in the Company's application for Financial Assistance). In an effort to confirm and verify the Company's employment numbers, the Agency requires that, at a minimum, the Company provide employment data to the Agency on a quarterly basis, said information to be provided on the Agency's "Quarterly Employment Survey" form to be made available to the Company by the Agency.

- (iii) Local Labor Commitment – that the Company adheres to and complies with the Agency's Local Labor Workforce Certification Policy on a quarterly basis during the construction period.
- (iv) Equal Pay Commitment – that the Company adheres to and complies with the Agency's Pay Equity Policy.
- (v) Unpaid Real Property Tax Policy Commitment – that the Company is compliant with the Agency's Unpaid Real Property Tax Policy.

Section 4. Subject to the terms of this Inducement Resolution, the Chair, the Vice Chair, the President/Chief Executive Officer, the Executive Vice President, the Chief Financial Officer/Treasurer and/or the Assistant Treasurer, are hereby authorized, on behalf of the Agency, to negotiate, execute and deliver (A) an Agent Agreement, (B) the Lease Agreement whereby the Company leases the Project to the Agency, (C) the related Leaseback Agreement whereby the Agency leases the Project back to the Company, and (D) related documents; provided, however, that (i) the rental payments under the Leaseback Agreement to the Company include payments of all costs incurred by the Agency arising out of or related to the Project and indemnification of the Agency by the Company for actions taken by the Company and/or claims arising out of or related to the Project.

Section 5. Subject to the terms of this Inducement Resolution, the Chair, the Vice Chair, the President/Chief Executive Officer, the Executive Vice President, the Chief Financial Officer/Treasurer and/or the Assistant Treasurer, are hereby authorized, on behalf of the Agency, to negotiate, execute and deliver any mortgage, assignment of leases and rents, security agreement, UCC-1 Financing Statements and all documents reasonably contemplated by these resolutions or required by any lender identified by the Company (the "Lender") up to a maximum principal amount necessary to undertake the Project, acquire the Facility and/or finance or refinance acquisition and Project costs or equipment and other personal property and related transactional costs (hereinafter, with the Lease Agreement, Leaseback Agreement, and related documents, collectively called the "Agency Documents"); and, where appropriate, the Secretary or the Assistant Secretary of the Agency is hereby authorized to affix the seal of the Agency to the Agency Documents and to attest the same, all with such changes, variations, omissions and insertions as the Chair, the Vice Chair, the President/Chief Executive Officer, the Executive Vice President, the Chief Financial Officer/Treasurer and/or the Assistant Treasurer of the Agency shall approve, the execution thereof by the Chair, the Vice Chair, the President/Chief Executive Officer, the Executive Vice President, the Chief Financial Officer/Treasurer and/or the Assistant Treasurer of the Agency to constitute conclusive evidence of such approval; provided in all events recourse against the Agency is limited to the Agency's interest in the Project.

Section 6. The officers, employees and agents of the Agency are hereby authorized and directed for and in the name and on behalf of the Agency to do all acts and things required and to negotiate, execute and deliver all such certificates, instruments and documents, to pay all such fees, charges and expenses and to do all such further acts and things as may be necessary or, in the opinion of the officer, employee or agent acting, desirable and proper to effect the purposes of the foregoing resolutions and to cause compliance by the Agency with all of the terms, covenants and provisions of the documents executed for and on behalf of the Agency.

Section 7. The provision by the Agency of Financial Assistance with respect to the Project as described herein is subject to the execution and delivery of the Agency's Administrative Fee Agreement (the "Fee Agreement") and payment by the Company of an administrative fee calculated in accordance with the Fee Agreement, all within sixty (60) days of the date of this resolution. In the event the Agency has not received the executed Fee Agreement and the appropriate fee within such sixty (60) day period, this resolution shall become automatically null and void and of no further effect and the Agency shall have no liability to the Company hereunder or otherwise, unless extended in the discretion of the Chair, the Vice Chair, the President/Chief Executive Officer, the Executive Vice President, the Chief Financial Officer/Treasurer, or the Assistant Treasurer for good cause shown.

Section 8. This resolution shall take effect immediately, and shall expire one (1) year from the date hereof unless extended for good cause by the Chair, the Vice Chair, the President/Chief Executive Officer, the Executive Vice President, the Chief Financial Officer/Treasurer, or the Assistant Treasurer.

Dated: April 26, 2017

EXHIBIT A

City of Buffalo Planning Board Negative Declaration

Please see attached.

SEQRA Notice of Determination

Non Significance

Negative Declaration

This notice is issued pursuant to Part 617 of the implementing regulations pertaining to Article 8 (SEQR – State Environmental Quality Review) of the Environmental Conservation Law.

Lead Agency: City of Buffalo, Planning Board
901 City Hall
65 Niagara Square
Buffalo, NY 14202

As per the provision of SEQR, the Lead Agency has reviewed the following action as it relates to the environment:

Action Title: Shea's Seneca Reuse

Location: 2178-2174 Seneca Street, Buffalo, NY

Type of Action: Unlisted – Coordinated

Description: The Action involves the renovation of a 48,000 square foot commercial structure into 21 apartments, a 136-seat theatre and classroom space for local non-profit performance arts organization Second Generation Theatre Company, and banquet and special events space run by William and Molly Koessler on a 1.8 acre property. The site currently contains 98% impervious surfaces but will incorporate stormwater treatment on site in accordance with Buffalo Sewer Authority requirements, as well as new landscaping in accordance with the UDO. There will be on-site parking with a total of 88 spaces.

As a Result of this Environmental Review: The Lead Agency has determined the undertaking of this action will not have a significant adverse effect on the quality of the environment. No further environmental review will be conducted prior to implementation of the action and a Draft Environmental Impact Statement will not be prepared.

Reasons Supporting This Determination: Potential environmental impacts associated with the action were identified in the Environmental Assessment Form to assess potential adverse environmental impacts compared to the criteria for determining significance identified in 6 NYCRR §617.7(c)(1) and in accordance with §617.7 (c)(2)(3). The potential impacts are not significant.

Impacts on Land

The redevelopment of the existing building will not have significant adverse environmental impacts on land as the site is currently developed.

Impacts on Air Quality

The project will not have a significant impact on air quality although the residential, institutional and commercial uses will include heating and cooling units, as well as ventilation systems associated with the proposed banquet facility. This is not a significant impact and would not require an air permit.

Impacts on Surface Water

The project will not have an adverse impact on ground or surface water quality or quantity as the site is already developed.

Impacts on Transportation

The proposed action will not have a substantial adverse change in existing traffic levels or roadway/intersections levels of service as it involves the redevelopment of an existing building into residential, institutional and commercial uses. The project is located in a developed urban area and road capacity is adequate to accommodate any increase in traffic generated by the project. The project site is also served by public transportation in the immediate area consisting of bus service. A total of 88 parking spaces will be provided on-site.

Impacts on Noise, Odor and Light

The project will not have a substantial adverse change on noise levels. The mixed-use development is similar to the existing character of the area which consists of commercial, residential and other mixed-uses in an urban environment. The project will generate additional noise during construction, however, these impacts will be temporary and such impacts will be minimized to the extent practicable.

The project will not have a substantial increase in solid waste production. The use of the site as for residential, institutional and commercial uses will not significantly increase waste. Waste from the site will be disposed of in accordance with local and state regulations.

The project will have minimal exterior lighting which is necessary to provide safe conditions for travel and pedestrian access during evening hours. All exterior lighting will be dark sky compliant.

Impacts on Flooding

The project is not located within a 100-year floodplain and therefore will not have any significant adverse environmental impacts on flooding.

Impacts on Flora and Fauna

The project will not result in the removal or destruction of large quantities of vegetation or fauna; substantially interfere with the movement of any resident or migratory fish or wildlife species; impact on a significant habitat area; impact a threatened or endangered species of animal or plant, or the habitat of such a species; or other significant adverse impacts to natural resources.

Impacts on a Critical Environmental Areas

The project is located in an urban area and is not within or adjacent to a Critical Environmental Area and will therefore, not impair the environmental characteristics of a Critical Environmental Area.

Consistency with Community Plans and Character

The project is consistent with the community's current plans and goals, including the redevelopment of existing buildings in the project area, and is overall consistent with the existing community and neighborhood character. No adverse environmental impacts are anticipated.

Impacts on Historic and Archeological Resources

The project will not significantly impact the character and quality of a historic resource. While the site is not located in a local historic district and the eligibility status for the National Register for the building on site is listed as "undetermined", the applicants are seeking NPS Historic Designation as part of this project and will undergo NPS and SHPO review for compliance with restoration and rehabilitation requirements. No adverse environmental impacts are anticipated.

The project will not impact the character and quality of an archeological resource. There are no known and/or identified significant cultural resources on site or adjacent to the property. Although the proposed action is located within an area designated as sensitive for archaeological sites on the NYSHPO archaeological site inventory, no new development will

occur on site. The area has been historical developed and redeveloped for an extensive period of time and therefore, no adverse environmental impacts are anticipated.

Impacts on Energy

The project will not result in a major change in the quantity or type of energy used. There will be a minor increase consistent with residential, institutional and commercial uses, but these impacts would not be significant.

Impacts on Human Health

The project will not create a hazard to human health. The proposed redevelopment, including the institutional and commercial uses, does not involve hazardous materials and/or operations. During building rehabilitation all applicable local and state regulations must be adhered to in regards to any environmental contaminants present on site and/or from removed building materials. No adverse environmental impacts are anticipated.

Impacts on Aesthetic Resources

The project will not create a substantial change in the use, or intensity of use, of land including agricultural, open space or recreational resources, or in its capacity to support existing uses. No adverse environmental impacts are anticipated.

Additional Considerations

The project will not encourage or attract a large number of people to a place or places for more than a few days, compared to the number of people who would come to such place absent the action.

The project will not create a material demand for other actions that would result in one of the above consequences.

The project will not involve changes in two or more elements of the environment, no one of which has a significant adverse impact on the environment, but when considered together result in a substantial adverse impact on the environment.

The project does not include two or more related actions undertaken, funded or approved by an agency, none of which has or would have a significant impact on the environment, but when considered cumulatively would meet one or more of the criteria in 6 NYCRR 617.7(c)(1).

For further information relative to this Negative Declaration, contact Ms. Nadine Marrero, AICP, Director of Planning, Room 901 City Hall, Buffalo, New York 14202, (716) 851-5029.

Dated: March 13, 2017

CC: Common Council
ECIDA
Zoning Board of Appeals
Applicants

STATE OF NEW YORK)

COUNTY OF ERIE) SS:

I, the undersigned Secretary of the Erie County Industrial Development Agency, DO
HEREBY CERTIFY:

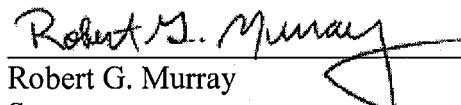
That I have compared the annexed extract of minutes of the meeting of the Erie County Industrial Development Agency (the "Agency"), including the resolution contained therein, held on April 26, 2017, with the original thereof on file in my office, and that the same is a true and correct copy of the proceedings of the Agency and of such resolution set forth therein and of the whole of said original insofar as the same relates to the subject matters therein referred to.

I FURTHER CERTIFY, that all members of the Agency had due notice of said meeting, that the meeting was in all respects duly held and that, pursuant to Article 7 of the Public Officers Law (Open Meetings Law), said meeting was open to the general public, and that public notice of the time and place of said meeting was duly given in accordance with Article 7.

I FURTHER CERTIFY, that there was a quorum of the members of the Agency present throughout said meeting.

I FURTHER CERTIFY, that as of the date hereof, the attached resolution is in full force and effect and has not been amended, repealed or modified.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Agency this 26th day of April, 2017.


Robert G. Murray
Secretary

[SEAL]