

Buffalo Recycling Enterprises, LLC

ECIDA INDUCEMENT RESOLUTION

\$14,243,800

HIGHLIGHTS

- Leveraging \$14,243,800 in private capital investment.
- Eligibility: NAICS Sector 56



BUFFALO
RECYCLING
ENTERPRISES

Buffalo Recycling Enterprises, LLC (BRE) members include the principals of Modern Recycling, Inc. (Modern) of Model City, NJ and Great Lakes Recycling (GLR) of Roseville, Michigan.

Project Title: Buffalo Recycling Enterprises, LLC

Project Address: 266 Hopkins Street, Buffalo, NY
(Buffalo Public School District)

SIC/NAICS: 5093/562920

Agency Request

The proposed project entails issuance and sale of industrial revenue bond or execution of a collateral mortgage(s) in an estimated amount of \$14,243,800.

INCENTIVES

- The project is anticipated to create 40 additional jobs.

COMPANY FACTS

Buffalo Recycling Enterprises, LLC is a limited liability corporation involved in processing of recyclable materials.

Land Acquisition	\$1,320,000
Building Addition	2,886,000
Renovations	487,200
Manufacturing Equipment	9,000,000
Non-Manufacturing Equipment	269,200
Soft Costs	281,400
	<u>\$14,243,800</u>

Buffalo Recycling Enterprises, LLC

Company Description

Buffalo Recycling Enterprises, LLC (BRE) is a limited liability corporation whose members include the principals of Modern Recycling, Inc. (Modern) of Model City, NY and Great Lakes Recycling (GLR) of Roseville, Michigan.

Modern is a full service solid waste management company serving residential, commercial and industrial customers throughout Western New York. Modern has operated a materials recovery facility in Model City, NY since 1990 which sorts newspaper, cardboard, plastic, metal and glass collected from residents and some commercial establishments and ships those materials to various end users. Modern seeks to expand its recycling operations into the City of Buffalo (both residential and commercial) and surrounding communities in Erie County. Modern's existing recycling facility located in Lewiston, NY is limited in size and capacity and employs outdated technology.

GLR is a Michigan company that has engaged in materials recycling since 1927. GLR opened Michigan's first single stream MRF more than ten years ago. BRE combines GLR wealth of experience with single stream technology with Modern's decades of experience in the Western New York waste and recycling market.

The current state-of-the-art technology for the processing of recyclable materials is known as single stream materials recovery of single stream MRF. Single stream materials recovery does not require separation of the recyclables by residential or commercial customers for curbside collection. Instead, unsorted recyclables will be separated at BRE's site using a combination of automated processes and manpower.

Project Description

The project consists of the acquisition of approximately 7.77 acres of land located at 266 Hopkins Street, Buffalo and the construction and equipping of a 39,500 sq. ft. addition as well as renovations to the existing 26,000 sq. ft. facility for utilization as a recycling center.

The existing Model City (in the Town of Lewiston, Niagara County), NY facility is operating at capacity. Recycling in the City of Buffalo is underachieving at a participation rate of 9 percent versus 50 percent statewide. The City has expressed its desire to improve. In addition, New York Dept. of Environmental Conservation is on record as stating its intention to push municipalities to increase their recycling efforts. Without a new facility, the region will only have one alternative for recycling.

Buffalo Recycling Enterprises, LLC

The BRE facility will provide Modern's collection company and other private and municipal haulers with an attractive alternative for the acceptance of recyclable materials they collect.

The participation of the ECIDA will help BRE to provide a cost effective alternative recycling solution to the City of Buffalo and Erie County in a time when budgetary constraints for all sectors of public and private enterprises require cost savings whenever and wherever they can be identified.

Project Benefits

- The project is anticipated to create 40 additional jobs.

Employment

At Application
0

2nd Year
40

Project History

- 3/5/09 Public hearing held. Transcript on file at ECIDA.
- 3/9/09 Special Resolution presented to Board of Directors authorizing adoption of a Negative Declaration in accordance with SEQRA.
- 3/9/09 \$14,243,800 Inducement/Bond Sale Resolution presented to Board of Directors .