



Policy Committee

December 8, 2022

At 9:00 a.m.

ECIDA Offices

95 Perry Street, 4th Floor Conference Room
Buffalo, New York 14203

1. Call Meeting to Order
2. Approval of the October 6, 2022 Policy Committee Meeting Minutes (Pages 2-7)
3. Project Matrix (Page 8)
4. Project Presentation (Staff – Company Q&A)
 - a) 132 Dingens Street, LLC/Warehouse #2 (Pages 9-43)
 - b) Highway Rehabilitation Corp/Alden NY Shop Pages (44-72)
5. MWBE Update
6. Adjournment - Next Meeting January 5, 2023 at 9:00 a.m.

**MINUTES OF A MEETING OF THE
POLICY COMMITTEE OF THE
ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY**

- DATE AND PLACE:** October 6, 2022 at the Erie County Industrial Development Agency, 95 Perry Street, 4th Floor Conference Room, Buffalo, New York 14203
- PRESENT:** Hon. April Baskin; Rev. Mark E. Blue; Richard Lipsitz, Jr.; Brenda W. McDuffie; Hon. Glenn R. Nellis; Laura Smith, David J. State; Lavon Stephens; Paul Vukelic and Maria Whyte
- EXCUSED:** Denise Abbott; Hon. Bryon W. Brown; Johanna Coleman; Colleen DiPirro and Hon. John Tobia
- OTHERS PRESENT:** Beth O’Keefe, Vice President of Operations; Grant Lesswing, Director of Business Development; Soma Hawramee, Compliance Portfolio Manager; Brian Krygier, Director of Information Technology; Carrie Hocieniec, Operations Assistant; and Pietra G. Zaffram, General Counsel/Harris Beach PLLC
- GUESTS:** Don Dimitroff on behalf of Sonwil Distribution; Lindsey Haubenreich on behalf of Phillips Lytle; David Brown on behalf of Ellicott Townhomes; Stephen Yonaty on behalf of Cannon, Heyman & Weiss, LLP; Olivia Hill on behalf of Invest Buffalo Niagara and J. Dale Shoemaker on behalf of Investigative Post

There being a quorum present at 9:04 a.m., the Meeting of the Policy Committee was called to order by Mr. Lipsitz.

MINUTES

The minutes of the September 1, 2022 Policy Committee meeting were presented. Upon motion made by Mr. Vukelic to approve of the minutes, and seconded by Ms. McDuffie, the aforementioned Policy Committee meeting minutes were unanimously approved.

PROJECT MATRIX

Ms. O’Keefe reviewed the Agency’s 2022 Tax Incentives Project Matrix. Mr. Lipsitz directed that the report be received and filed.

PROJECT PRESENTATIONS

5100 North America Drive, LLC, 5100 North America Drive, West Seneca, New York 14224. Ms. O’Keefe presented this proposed sales tax, mortgage recording tax and real property

tax abatement benefits project involving the construction of an approximately 323,000+/- sq. ft. distribution warehouse to be owned by applicant and leased to Sonwil Distribution and serve as a multi-temperature (cold/ambient) distribution warehouse. It will be rail served (Norfolk Southern) and contain state of the art material handling systems.

General discussed ensued.

Ms. O’Keefe confirmed that 5100 North America Drive LLC is seeking approximately \$11,830,173 in assistance including sales tax exemption, mortgage tax exemption and real property tax exemption. Total payroll is projected at \$68.5M for the direct and indirect jobs created including 259 construction jobs. The resulting cost benefit is 1:6 so for every \$1 of incentives the community benefit is \$6 in payroll & tax revenue.

Ms. O’Keefe stated that in exchange for providing the sales and use tax, mortgage recording tax exemption and real property tax abatement benefits, the approval of this project will be conditioned upon adherence to certain material terms and conditions with respect to the potential modification, recapture and/or termination of financial assistance as follows:

Draft Recapture Material Terms

Condition	Term	Recapture Provision
Total Investment	At project completion	Investment amount equal to or greater than 85% of project amount. Total Project Amount = \$61,764,000 85% = \$52,499,400
Employment	Coincides with 10-year PILOT	Maintain Base = 22 Create 85% of Projected Projected = 19 85% = 16 Recapture Employment = 38
Local Labor	Construction Period	Adherence to policy including quarterly reporting
Pay Equity	Coincides with 10-Year PILOT	Adherence to policy
Unpaid Tax	Coincides with 10-Year PILOT	Adherence to policy
Recapture Period	Coincides with 10-Year PILOT	Recapture of state and local sales taxes, mortgage recording tax and real property taxes

Ms. Whyte moved, and Mr. Nellis seconded to recommend the project as proposed be forwarded to the members of the ECIDA for approval. Mr. Lipsitz called for the vote and the project was then unanimously approved.

At this point in time, Ms. Baskin joined the meeting.

ELLICOTT PARK TOWNHOMES COMMUNITY PARTNERS, L.P.

Ellicott Park Townhomes Community Partners, L.P., 10 Durham Court (a/k/a 221 and 291 William Street), Buffalo, New York 14204. Ms. O’Keefe presented this proposed sales and use tax and mortgage recording tax exemption benefits project also involving the Agency’s issuance of its tax-exempt bonds in an amount not to exceed \$30,000,000. The project will involve the renovation of a 220-unit family Section 8 (68% or 150 units) affordable housing community located in twenty-one two-story wood frame with brick façade townhouse style buildings on 2 non-contiguous parcels totaling 8.9 acres in downtown Buffalo.

Ms. McDuffie thanks the company for the their project, noting that securing quality housing for Section 8 tenants is important.

General discussion ensued.

Ms. O’Keefe confirmed that Ellicott Park Townhomes Community Partners, L.P. is seeking approximately \$1,280,856 in assistance including sales and use tax exemption and mortgage tax exemption. Total payroll is projected at \$27,102,625 for the direct and indirect jobs created including 210 construction jobs. The resulting cost benefit is 1:22 so for every \$1 of incentives the community benefit is \$22 in payroll & tax revenue. For Erie County, every \$1 of incentives provides \$42 in community benefits.

Ms. O’Keefe stated that in exchange for providing the sales and use tax and mortgage recording tax abatement benefits, the approval of this project will be conditioned upon adherence to certain material terms and conditions with respect to the potential modification, recapture and/or termination of financial assistance as follows:

Draft Recapture Material Terms

Condition	Term	Recapture Provision
Total Investment	At project completion	Investment amount equal to or greater than 85% of project amount. Total Project Amount = \$54,664,295 85% = \$46,464,650
Employment	Coincides with Recapture Period	Maintain Base = 2 FT, 1 PT (2 FTE) Create 85% of Projected Projected = 2 FT, 2 PT (3 FTE) 85% = 2 FTE Recapture Employment = 4 FTE
Local Labor	Construction Period	Adherence to policy including quarterly reporting
Pay Equity	Coincides with Recapture Period	Adherence to policy
Unpaid Tax	Coincides with Recapture Period	Adherence to policy

Recapture Period	2 years after project completion	Recapture of state and local sales and use taxes and mortgage recording tax
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Mr. Blue moved and Ms. Whyte seconded to recommend the project as proposed be forwarded to the members of the ECIDA for approval. Mr. Lipsitz called for the vote and the project was then unanimously approved.

OAHS TONAWANDA TC LLC

OAHS Tonawanda TC LLC, 5 Main Street, Tonawanda, New York 14150. Ms. O’Keefe presented this proposed mortgage recording tax exemption benefit project also involving the Agency’s issuance of its tax-exempt bonds in an amount not to exceed \$13,000,000. The project will involve the rehabilitation of a 100-unit senior housing facility including renovating the interiors of all units and the common areas, upgrading all electrical equipment to energy efficient equipment, updating the building envelope and improving various site features.

General discussion ensued.

Ms. O’Keefe confirmed that OAHS Tonawanda TC LLC is seeking approximately \$89,003 in assistance including mortgage tax exemption. Total payroll is projected at \$8,266,028 for the direct and indirect jobs created including 59 construction jobs. The resulting cost benefit is 1:98 so for every \$1 of incentives the community benefit is \$98 in payroll & tax revenue. For Erie County, every \$1 of incentives provides \$279 in community benefits.

Ms. O’Keefe stated that in exchange for providing the mortgage recording tax abatement benefit, the approval of this project will be conditioned upon adherence to certain material terms and conditions with respect to the potential modification, recapture and/or termination of financial assistance as follows:

Draft Recapture Material Terms

Condition	Term	Recapture Provision
Total Investment	At project completion	Investment amount equal to or greater than 85% of project amount. Total Project Amount = \$25,040,720 85% = \$21,284,612
Employment	Same as recapture period	Maintain Base = 3 FT, 1 PT Create 85% of Projected Projected = 1 PT 85% = 0 Recapture Employment = 3 FTE
Local Labor	Construction Period	Adherence to policy including quarterly reporting

Pay Equity	Same as recapture period	Adherence to policy
Unpaid Tax	Same as recapture period	Adherence to policy
Recapture Period	2 years after project completion	Recapture of mortgage recording tax

Ms. McDuffie moved and Mr. Blue seconded to recommend the project as proposed be forwarded to the members of the ECIDA for approval. Mr. Lipsitz called for the vote and the project was then unanimously approved.

MWBE UPDATE

Mr. Lipsitz noted the Policy Committee and its MWBE policy working group have been working diligently on a draft policy and have prepared a proposal for consideration by the full board.

Ms. Whyte advised that the group has been working since late summer of last year and she provided Committee members with an overview of the process. The working group began with a review of the Onondaga policy. Upon review it became clear that the Onondaga County policy really revolved around workforce matters. They then reviewed New York State's policies and conducted a Constitutional analysis with the assistance of counsel. The group then went to work on a two-phase policy. She advised that Phase I will be an opt-in policy; not a requirement, in order to address Constitutional considerations. Phase II involved creation of what the policy would look like, including reviewing construction period efforts, such as addressing what it means to be "acting in good faith", and also reviewing post construction period. Ms. Whyte gave credit to the Buffalo Niagara Partnership who put together an extensive presentation regarding survey results from the private business community on MWBE actions. Next, the group developed the PILOT itself, including different tiers for different activities. She advised Buffalo Niagara Partnership has supported the Agency regarding compliance and supportive services to put this proposal together, along with counsel drafting the language. Ms. Whyte noted that direct, specific attention is needed to address the wealth gap and stated the Agency is the only IDA in the state leading the way in implementing a MWBE policy.

Mr. Lipsitz stated that the work on all of these policies would not have happened without Ms. Whyte, and the policy will likely become a model to be used throughout New York State.

Mr. Blue moved and Ms. McDuffie seconded to recommend the proposed MWBE policy as proposed be forwarded to the members of the ECIDA for discussion approval.

Ms. McDuffie commented that there has been extremely thoughtful deliberation in drafting the proposed policy. She noted the Committee has taken the time to do it right and the benefit will accrue to the entire community. She stated it is good business and the time it took is well worth it and appreciated Ms. Whyte's leadership.

Ms. Smith stated that all the notifications for UTEP have to go out and the Committee wants the policy to be utilized and she recommends a review of the first year of implementation be conducted in Policy Committee.

Mr. Lipsitz advised that Mr. Cappellino has been a huge supporter of this policy. Mr. State inquired whether the Agency staff requires additional support to implement the policy. Ms. O'Keefe advised that staff has had discussions and are working through the process.

At this point in time, Ms. Baskin left the meeting.

Ms. O'Keefe advised there will be two educational sessions offered to Board members and the anticipated implementation date will be the second quarter of 2023.

Mr. Lipsitz called for the vote and the motion was then unanimously approved.

There being no further business to discuss, Mr. Lipsitz adjourned the meeting at 10:01 a.m.

Dated: October 6, 2022

Elizabeth A. O'Keefe, Secretary

Tax Incentives Approved - 2022

Approval Date	Project Name	Project City/Town	Private Investment/Project Amount	Minimum Investment Commitment	FT Jobs Retained	PT Jobs Retained	FT Jobs to be Created	PT Jobs to be Created	Job Creation	Const. Jobs	Spillover Jobs	Length of Term	Incentive Amount	Cost Benefit Ratio
Jan-22	791 Washington Street, LLC ¹	Buffalo	\$107,950,000	85% threshold \$91,800,000	0	0	5	0	85% -New 4 Jobs	571	433	Period of PILOT 10 Years	\$3,719,000	1:20
Jan-22	Arbor Multifamily Lending, LLC	Tonawanda	\$2,100,000	85% threshold \$1,785,000	168	0	25	0	85% -New 21 Jobs	0	158	project completion date + 2 yrs	\$183,750	1:304
Jan-22	Broadway Development & Management ¹	Buffalo	\$12,500,000	85% threshold \$10,625,000	2	0	8	0	85% -New 7 Jobs	56	55	project completion date + 2 yrs	\$693,500	1:14
Jan-22	Lactalis American Group, Inc.	Buffalo	\$1,436,697	85% threshold \$1,221,192	394	0	27	0	85% -New 22 Jobs	5	1390	project completion date + 2 yrs	\$126,793	1:9954
Mar-22	471 Elmwood, LLC ¹	Buffalo	\$3,590,000	85% threshold \$3,051,500	0	0	1	0	85% -New 1 Job	20	10	project completion date + 2 yrs	\$122,500	1:15
Apr-22	Workspport, Ltd.	West Seneca	\$15,006,887	85% threshold \$12,755,854	0	0	6	10	85% -New 9 Jobs	30	33	project completion date + 2 yrs	\$103,562	1:67
Jul-22	380 Vucdan	Tonawanda	\$7,145,000	85% threshold \$6,073,250	4	2	3	2	85% -New 3 Jobs	25	26	Period of PILOT 7 Years	\$1,610,699	1:6
Jul-22	Perry's Ice Cream	Akron	\$18,000,000	85% threshold \$15,300,000	365	14	15	0	85% -New 12 Jobs	79	690	Period of PILOT 7 Years	\$684,891	1:490
Jul-22	Spaulding Business Park	Tonawanda	\$2,055,000	85% threshold \$1,746,750	0	0	20	0	85% -New 17 Jobs	8	24	Period of PILOT 7 Years	\$403,241	1:27
Jul-22	A & A Union Road, LLC	West Seneca	\$3,110,729	85% threshold \$2,644,119	12	1	2	0	85% -New 1 Job	13	33	Period of PILOT 7 Years	\$521,790	1:31
Aug-22	Laborers Way 1	Buffalo	\$27,800,000	85% threshold \$23,630,000	0	0	20	34	85% -New 37 Jobs	119	141	Period of PILOT 15 Years	\$3,087,290	1:28
Sep-22	950 Broadway, LLC ¹	Buffalo	\$11,653,862	85% threshold \$9,905,783	0	0	34	4	85% -New 30 Jobs	55	51	project completion date + 2 yrs	\$592,040	1:25
Oct-22	Ellicott Park Townhomes ²	Buffalo	\$54,664,295	85% threshold \$46,664,295	2	1	2	2	85% -New 3 Jobs	210	161	project completion date + 2 yrs	\$1,280,856	1:22
Oct-22	Tonawanda Towers ³	City of Tonawanda	\$25,040,720	85% threshold \$21,284,612	3	1	0	1	85% -New PT Job	59	47	project completion date + 2 yrs	\$89,003	1:98
Nov-22	10 Dona Street/Umiland Development	Lackawanna	\$19,692,754	85% threshold \$16,738,840	0	0	41	0	85% -New 34	84	95	Period of PILOT 10 Years	\$3,090,403	1:14
Totals:			Private Investment/Project Amount		FT Jobs Retained	PT Jobs Retained	FT Jobs Created	PT Jobs Created		Constion Jobs	Spillover Jobs		Incentive Amount	
Adaptive Reuse Subtotal			4	\$135,693,862	2	0	48	4		702	549		\$5,127,040	
2022 Total			15	\$311,745,944	890	19	209	53		1334	3347		\$16,309,318	

¹ Adaptive Reuse
² Bond \$33,000,000
³ Bond \$13,000,000

132 Dingens Street, LLC (Pinto Construction)

\$ 9,300,000

PRIVATE INVESTMENT INDUCEMENT RESOLUTION

ELIGIBILITY

- NAICS Section – 531120

COMPANY INCENTIVES

- Approximately \$ 285,798 in real property tax savings
- Approximately \$647,500 in sales tax savings
- 3/4 of 1% of the final mortgage amount up to \$ 52,500

JOBS & ANNUAL PAYROLL

- Current Jobs: 0
- Annual Payroll: \$ 0
- Projected new jobs: 18 FTE
- Est. salary/yr. of jobs created: \$36,000
- Total jobs after project completion: 18 FTE
- Construction Jobs: 41

PROJECTED COMMUNITY BENEFITS*

- Term: 7 YEARS
 - NET Community Benefits: \$13,522,893
 - Spillover Jobs: 45
- Total Payroll: \$12,669,797

INCENTIVE COST / COMMUNITY BENEFIT RATIO (discounted at 2%)*

Incentives: \$965,548

Community Benefit: \$12,907,347

Cost: Benefit Ratio

- 1:13

Project Title: Warehouse #2

Project Address 132 Dingens St. Buffalo, NY 14206
(City of Buffalo School District)

Agency Request

A sales tax, mortgage recording tax and real property tax abatement in connection with the addition of 81,000 sq ft of spec space to a newly constructed warehouse.

Building Addition	\$ 7,950,000
Infrastructure	\$ 700,000
Non- Manufacturing Equipment	\$ 400,000
Soft Costs/Other	\$ 250,000
Total Project Cost	\$ 9,300,000
85%	\$ 7,905,000

Company Description

132 Dingens, LLC is the owner of the property and its primary business is providing warehousing, office and exterior storage areas to various local industries. Current tenants include: Unicell, Amerifleet, First Student, Magellan Technology, Pinto Construction Services, Inc.

Project Description

The company is proposing an approx. 81,000 sq ft addition to a newly constructed spec warehouse intended for both warehouse and light manufacturing uses. This project is aimed at meeting the increased demand from existing and potential new tenants. No specific tenants have been identified.

* Cost Benefit Analysis Tool powered by MRB Group

Economic Impact: Inform Analytics Cost-Benefit Analysis

The Erie County Industrial Development Agency uses the Cost Benefit Analysis Tool powered by MRB Group to assess the economic impact of a project applying for incentives. A Cost-Benefit Analysis is required by Section 859-a (5)(b) of General Municipal Law. For the complete Cost Benefit Analysis – please see the attached MRB Cost Benefit Calculator.

Cost: Incentives

COSTS	Tax Exemption	Amount
	Property	\$285,798
	Sales	\$647,500
	Mortgage Recording	\$52,500
	Total	\$985,798
	Discounted at 2%	\$965,548

Benefit: Projected Community Benefit*

BENEFITS	Region	Recipient	Revenue Type	\$ Amount **
	Erie County	Individuals	Payroll Construction	\$5,967,882
			Payroll Permanent	\$6,701,915
		Public	Property Taxes	\$71,449
			Sales Taxes	\$105,318
			Other Muni Revenue (NETA)	\$17,500
	New York State	Public	Income Taxes	\$570,141
			Sales Taxes	\$88,688
			Total Benefits to EC + NYS***	\$13,522,893
			Discounted at 2%	\$12,907,347

* Cost Benefit Analysis Tool powered by MRB Group **includes direct & indirect \$ over project period ***may not sum to total due to rounding

Discounted Cost \$965,548
 Discounted Benefit \$12,907,347
 Ratio 13:1

Conclusion: The Cost Benefit for this project is: 13:1. For every \$1 in costs (incentives), this project provides \$13 in benefits (payroll & tax revenue). **Note: For Erie County, every \$1 in costs (incentives) provides \$19 in benefits to the community.**

New Tax Revenue Estimated

Current Yearly Taxes	Estimated New Assessed Value	Additional County Revenue over abatement period	Additional Local Revenue Over abatement period	New Yearly Taxes Upon Expiration of Abatement Period
\$29,476	\$ 2,229,476	\$ 15,487	\$ 55,962	\$ 51,719
Combined Tax Rate: \$ 23.198				

Draft Recapture Material Terms

Condition	Term	Recapture Provision
Total Investment	At project completion	Investment amount equal to or greater than 85% of project amount. Total project amount = \$ 9,300,000 85% = \$ 7,905,000
Employment	Coincides with 10-year PILOT	Create 85% of Projected Projected = 18 85% = 15 Recapture Employment = 15 FTE
Local Labor	Construction period	Adherence to policy including quarterly reporting
Pay Equity	Coincides with 7-year PILOT	Adherence to Policy
Unpaid Tax	Coincides with 7-year PILOT	Adherence to Policy
<u>Recapture Period</u>	Coincides with 7-year PILOT	Recapture of Mortgage recording tax, state and local sales taxes, real property taxes

Recapture applies to:

- State and Local Sales Taxes
- Real Property Tax
- Mortgage Recording Tax

Recapture

Pursuant to New York State General Municipal Law, the agency shall modify, recover, recapture or terminate any financial assistance taken by the company that is in violation of the GML.

At completion of the project company must certify i) total investment amount is equal to or greater than 85% of the anticipated project amount; ii) company has maintained jobs and created jobs, iii) confirm adherence to local labor policy during construction and iv) its adherence to unpaid tax/pay equity policies for recapture term.

Project ECIDA History

- 11/29/22: Public hearing held.
- 12/21/22: Inducement Resolution presented to Board of Directors adopting a Negative Declaration in accordance with SEQRA
- 12/21/22: Lease/Leaseback Inducement Resolution presented to the Board of Directors

Company ECIDA History

7/28/21: \$7,450,000 private investment to construct an approximately 81,000 sq ft warehouse facility at 132 Dingers

**EVALUATIVE CRITERIA
MANUFACTURING/WAREHOUSE/DISTRIBUTION**

Project: Warehouse #2 / 132 Dingens Street, LLC

Wage Rate (above median wage for area)	Average annual salary for jobs being created = \$36,000
Regional Wealth Creation (% sales/customers outside area)	100% of sales expected within Erie County
In Region Purchases (% of overall purchases)	85% construction materials purchased from outside the region.
Research & Development Activities	N/A
Investment in Energy Efficiency	Company is purchasing new energy efficient equipment for heating, cooling and lighting.
Locational Land Use Factors, Brownfields or Locally Designated Development Areas	Brownfield site - received a certificate of completion on 12/20/16.
LEED/Renewable Resources	LEED = N/A.
Retention/Flight Risk	N/A.
MBE/WBE Utilization	See MBE/WBE Utilization info including Affirmative Action Policy, MWBE construction goal, minority construction mentoring program and minority & women subcontractor partnership listing.
Workforce Access – Proximity to Public Transportation	NFTA Metro # 19 runs directly on Dingens Street.

DATE OF INDUCEMENT: 12/21/22

PILOT Worksheet: Estimate of Real Property Tax Abatement Benefits* and Percentage of Project Costs financed from Public Sector sources**

**** The PILOT Worksheet will be: (i) completed by IDA Staff based upon information contained within the Application, and (ii) provided to the Applicant for ultimate inclusion as part of this completed Application.**

PILOT Estimate Table Worksheet- 132 Dingens Street, LLC (warehouse #2)

Dollar Value of New Construction and Renovation Costs	Estimated New Assessed Value of Property Subject to IDA*	County Tax Rate/1000	Local Tax Rate + School Rate
\$8,650,000	2,200,000	5.028272	18.169375

*Apply equalization rate to value

PILOT Year	% Payment	County PILOT Amount	Town PILOT Amount	Total PILOT	Full Tax Payment w/o PILOT	Net Exemption
1	0.05	\$701	\$2,534	\$3,236	\$51,719	\$48,483
2	0.1	\$1,254	\$4,533	\$5,787	\$51,719	\$45,931
3	0.15	\$1,808	\$6,531	\$8,339	\$51,719	\$43,380
4	0.2	\$2,361	\$8,530	\$10,891	\$51,719	\$40,828
5	0.25	\$2,914	\$10,529	\$13,442	\$51,719	\$38,276
6	0.3	\$3,467	\$12,527	\$15,994	\$51,719	\$35,724
7	0.35	\$4,020	\$14,526	\$18,546	\$51,719	\$33,173
Total		\$16,525	\$59,711	\$76,235	\$362,030	\$285,795

***** Estimates provided are based on current property tax rates and assessment value (current as of date of application submission) and have been calculated by IDA staff**

Percentage of Project Costs financed from Public Sector Table Worksheet:

Total Project Cost	Estimated Value of PILOT	Estimated Value of Sales Tax Incentive	Estimated Value of Mortgage Tax Incentive	Total of Other Public Incentives (Tax Credits, Grants, ESD Incentives, etc.)
\$9,300,000	\$285,795	647,500	52,500	1,500,000

Note: special district taxes are not subject to PILOT abatement

Calculate % = Est. PILOT + Est. Sales Tax+ Est. Mtg Tax+ Other)/Total Project Costs: 26.7%

Erie County Industrial Development Agency

MRB Cost Benefit Calculator

Date: November 17, 2022
 Project Title: Warehouse #2 @ 132 Dingens Street, LLC (Pinto Construction)
 Project Location: 132 Dingens St, Buffalo, NY 14206



Economic Impacts

Summary of Economic Impacts over the Life of the PILOT

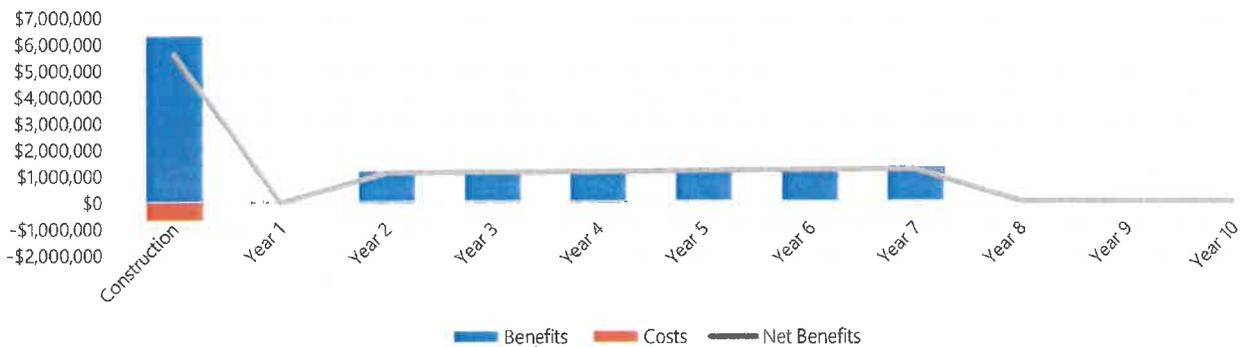
Project Total Investment
 \$9,300,000

		Temporary (Construction)		
		Direct	Indirect	Total
Jobs		41	37	78
Earnings		\$3,845,892	\$2,121,990	\$5,967,882
Local Spend		\$9,300,000	\$6,584,366	\$15,884,366

		Ongoing (Operations)		
		Aggregate over life of the PILOT		
		Direct	Indirect	Total
Jobs		18	8	26
Earnings		\$4,020,218	\$2,681,697	\$6,701,915

Figure 1

Net Benefits

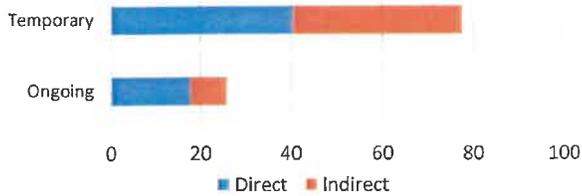


Net Benefits chart will always display construction through year 10, irrespective of the length of the PILOT.

Figure 2

Figure 3

Total Jobs



Total Earnings



Fiscal Impacts



Cost-Benefit Analysis Tool powered by MRB Group

Estimated Costs of Exemptions

	Nominal Value	Discounted Value*
Property Tax Exemption	\$285,798	\$265,548
Sales Tax Exemption	\$647,500	\$647,500
Local Sales Tax Exemption	\$351,500	\$351,500
State Sales Tax Exemption	\$296,000	\$296,000
Mortgage Recording Tax Exemption	\$52,500	\$52,500
Local Mortgage Recording Tax Exemption	\$17,500	\$17,500
State Mortgage Recording Tax Exemption	\$35,000	\$35,000
Total Costs	\$985,798	\$965,548

State and Local Benefits

	Nominal Value	Discounted Value*
Local Benefits	\$12,864,064	\$12,278,360
To Private Individuals	\$12,669,797	\$12,095,904
Temporary Payroll	\$5,967,882	\$5,967,882
Ongoing Payroll	\$6,701,915	\$6,128,022
Other Payments to Private Individuals	\$0	\$0
To the Public	\$194,266	\$182,456
Increase in Property Tax Revenue	\$71,449	\$64,752
Temporary Jobs - Sales Tax Revenue	\$49,608	\$49,608
Ongoing Jobs - Sales Tax Revenue	\$55,710	\$50,939
Other Local Municipal Revenue	\$17,500	\$17,157
State Benefits	\$658,829	\$628,987
To the Public	\$658,829	\$628,987
Temporary Income Tax Revenue	\$268,555	\$268,555
Ongoing Income Tax Revenue	\$301,586	\$275,761
Temporary Jobs - Sales Tax Revenue	\$41,775	\$41,775
Ongoing Jobs - Sales Tax Revenue	\$46,913	\$42,896
Total Benefits to State & Region	\$13,522,893	\$12,907,347

Benefit to Cost Ratio

	Benefit*	Cost*	Ratio
Local	\$12,278,360	\$634,548	19:1
State	\$628,987	\$331,000	2:1
Grand Total	\$12,907,347	\$965,548	13:1

*Discounted at 2%

Additional Comments from IDA

Does the IDA believe that the project can be accomplished in a timely fashion? Yes

MBE/WBE Utilization



ECIDA encourages applicants to utilize MBE/WBE contractors for their projects. Describe your company's internal practices that promote MBE/WBE hiring and utilization:

****See Attached Affirmative Action Policy for 132 Dingens Street, LLC**

132 DINGENS STREET, LLC

132 Dingens Street
Buffalo, NY 14206
716-825-6666

AFFIRMATIVE ACTION POLICY STATEMENT

TO:	All Employees
FROM:	James J. Panepinto, President/EEO Officer

132 Dingens Street, LLC has and will continue to be an equal opportunity employer. To assure full implementation of this policy, 132 Dingens Street, LLC will assure that:

- A. Persons are recruited and hired, and promoted for all jobs without regard to race, religion, color, national origin, sex, age or disability.
- B. Placement decisions are based solely on individual's qualifications in the positions being filled.
- C. Other personnel actions, such as compensation, benefits, transfers, layoffs, returns from layoffs, company-sponsored training, education tuition assistance, and social and recreation programs, are administered without regard to race, religion, color, national origin, sex, age or disability.

132 Dingens Street, LLC will periodically analyze its personnel actions to ensure compliance with this policy.

132 Dingens Street, LLC and its' subcontractors agree to be bound by all equal opportunity requirements which are included in Executive Order 11246 and FHWA-1273 on any federal aid contracts.

132 Dingens Street, LLC has in the past; and will continue in the future to make every effort to utilize Minority (MBE) Women (WBE) and Service-Disabled Veteran (SDVOB) owned businesses in the normal operation of our business.

I ask your continued assistance and support in attaining this company's objective of equal employment opportunity.

Sincerely,

James J. Panepinto

James J. Panepinto
President



132 DINGENS STREET • BUFFALO, N.Y. 14206 (716) 825-6666 FAX: (716) 825-6773

Pinto Construction Services, Inc. utilizes Minority (MBE), Women (WBE), and Service-Disabled Veteran (SDVOB) enterprises regularly. Pinto has established many long-standing, successful business relationships with these enterprises, owners, and entrepreneurs.

The vast majority of Pinto's work is performed for state and local government agencies, incorporating specific MWBE and SDVOB requirements into all contracts. These requirements can range anywhere from 2% to 30% of the awarded contract price to be sublet to minority businesses.

The City of Buffalo, Buffalo Sewer Authority, and Kaleida Health are just a few clients that have recognized Pinto Construction Services, Inc. for their efforts in compliance with MWBE/SDVOB requirements.

The owner of Pinto Construction and this project, James Panepinto, is presently mentoring two MBE firms (DMYLES Inc, H. Miles Construction). H Miles is participating in the CONEX RISE UP program, in which James Panepinto is a volunteer mentor. James Panepinto has been an active volunteer business mentor with the owner of D. Myles Construction for the past two years.

In 2021, we were granted incentives for phase 1 of this development with a pledged goal of 10% M/WBE and DBE participation. We are happy to report that we achieved 10.4% participation. The percentage increases to 16.7% if you discount the cost of the metal building package. Four different WBEs, three MBEs, one DBE and one SDVOB participated in phase 1.

To construct this new warehouse (phase2), Pinto Construction will solicit subcontractors and supplier pricing from a wide range of MWBE/ DBE and SDVOB firms including but not limited to those who participated in phase 1. We have attached the list of the firms with which we regularly perform business for reference. We have also included the phase 1 score card that outlines the details of the participation for phase 1.

Pinto Construction will endeavor to once again achieve a goal of 10% participation for MWBE/DBE /SDVOB firms in the construction of this new warehouse (phase 2).

PINTO CONSTRUCTION SERVICES, INC.

MWBE/SDVOB/MENTOR DIRECTORY

Minority Business Enterprises (MBE)

CAPITAL CONCRETE PRODUCTS
G & J CONTRACTING, INC.
H.MILES ENTERPRISES INC. (Mentor Program)
IROQUOIS BAR CORP.
IYER ENVIRONMENTAL GROUP LLC
ONEIDA SALES AND SERVICE, INC.
PAVILION DRAINAGE SUPPLY COMPANY
RODRIGUEZ CONSTRUCTION GROUP

Women Business Enterprises (WBE)

A. VAILLANCOURT, LLC
AMERICAN ENVIRONMENTAL
B.PARISO TRANSPORT, INC.
BISON CONTRACTING & BUILDERS SUPPLY
BUFFALO CONCRETE ACCESSORIES
CME ASSOCIATES, INC.
COMMERCIAL MATERIAL SERVICES, INC.
COOPER NEON SIGN CO., INC.
CVF, INC
DIG IT OF NEW YORK, LLC
E.J. MILITELLO CONCRETE. INC.
EASTWOOD INDUSTRIES. INC.
FAERY'S LANDSCAPING. INC.
FOIT ALBERT ASSOC. ARCHITECTURAL
HARBISON BROTHERS, INC.
HYBRID BUILDING SYSTEMS
IDEAL CONCRETE, INC.
IRISH PROPANE
JOE THE PAINTER
NAPIER NURSERY, LLC
REXIS TECHNOLOGY SERVICES
ROY'S PLUMBING
SCOTT LAWN
UPSTATE STEEL
US TRAFFIC CONTROL, INC.
WEYDMAN ELECTRIC

Service Disabled Veteran Enterprises (SDVOB)

DMYLES INC. (Mentor Program)
ENCOURUS GROUP ENGINEERING

DISAVANTAGED BUSINESS ENTERPRISE (DBE)

UPSTATE REBAR



October 13, 2022

TO: Construction Companies Started within the Last Five Years
RE: RISE UP Initiative Application Period Open

10 Startup Construction Companies Will Be Selected for Transformational Program!

According to the U.S. Bureau of Labor Statistics, a quarter of construction companies fail in their first year, and after five years, only one third remain open. These startup businesses play a vital role in construction and the industry benefits when they are a knowledgeable and competent part of project teams.

The Construction Exchange RISE UP Initiative will provide 10 startup construction companies with the resources they need to grow and increase their chances of long-term success. To promote increased participation of underrepresented communities in the construction industry, MWBE companies are encouraged to apply.

Through this initiative the 10 companies will be assigned a one-on-one mentor, receive access to project information and education, and will build relationships with the help of experienced industry professionals. There will be no cost for companies to participate.

The program length is one year and culminates in a graduation ceremony at the Construction Exchange Annual General Member meeting.

Construction companies in business five years or less are eligible to apply. Email completed applications with supporting documentation to jbenedict@conexbuff.com by December 1, 2022. To thank you for applying, any company that applies but is not accepted into the program will be eligible for Construction Exchange membership at half price for one year.

This year's RISE UP mentors are:

Omar Abdallah, DV Brown & Associates
Shaun Burke, Cavlee Development
Frank Ciminelli, Arc Building Partners
Susanne Kelley, Sienna Environmental
Joe Mannarino, Buffalo Construction Consultants

Jim Panepinto, Pinto Construction
Tom Saia and Arnie Collier, Iroquois Bar
Sal Sciandra, Frey Electric
Matt Sikora, Turner
Kyle Tuttle, Montante Construction

Please contact me at (716)874-3435 or jbenedict@conexbuff.com with any questions.

Sincerely,
Joe Benedict
Executive Director

Construction Exchange of Buffalo & WNY
2660 William St, Cheektowaga, NY 14227
(716) 874-3435 conexbuff.com

PUBLIC HEARING SCRIPT

**132 Dingens St, LLC 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 November 29, 2022 at 10:00 a.m.,
at the Agency's offices, at 95 Perry Street, Suite 403, Buffalo, NY 14203

ATTENDANCE:

James Panepinto – 132 Dingens Street, LLC

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

Hearing Officer: Welcome. This public hearing is now open; it is 10:00 a.m. My name is Andrew Federick. 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. This public hearing is being live-streamed and made accessible on the Agency's website at www.ecidany.com.

2. PURPOSE: Purpose of the Hearing.

Hearing Officer: We are here to hold the public hearing on 132 Dingens Street, LLC 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 The Buffalo News on Friday, November 18, 2022.

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

Hearing Officer: The proposed project (the "Project") consists of: (i) the acquisition by the Agency of a leasehold interest in certain property located on 132 Dingens Street, City of Buffalo, Erie County, New York (the "Land"), (ii) the construction on the Land of an approximately 81,000+/-square-foot addition to a newly construction spec warehouse facility to be utilized for the warehousing and light manufacturing (the "Improvements"), and (iii) the acquisition by the Company in and around the Improvements of certain items of machinery, equipment and other tangible personal property (the "Equipment"; and, together with the Land and the 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 benefits, 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. Everyone who has registered will be given an opportunity to make statements and/or comments on the Project.

If you have a written statement or comment to submit for the record, you may leave it at this public hearing, submit it on the Agency's website or deliver it to the Agency at 95 Perry Street, Suite 403, Buffalo, New York 14203. The comment period closes on December 20, 2022. There are no limitations on written statements or comments.

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

Hearing Officer: If anyone is interested in making a statement or 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 statements and/or comments to 5 minutes, and if possible, 3 minutes.

~~My name is James Panepinto. I represent 132 Dingens Street, LLC and a sister company Pinto Construction Services. My family has operated our construction company in Buffalo for close to 100 years and are proud to have made our home in the city for all those years and through four generations. In 2021 we asked the ECIDA for assistance in the development of an 81,000-sf warehouse to be constructed at 132 Dingens Street in the City of Buffalo, on a NYS DEC brownfield site. The initial project faced many challenges, including impacts with the pandemic and the supply chain material shortages, along with related cost escalations. Due to the support of the ECIDA and the City of Buffalo, we were able to successfully complete the project and attract a single tenant, who is currently still moving into this new facility. Along with this tenant, comes the related jobs into the city. This first phase cost approximately \$7 million and proved to be a success. This property was a former environmental liability and is now a thriving multitenant facility.~~

We are proposing to build a second 81,000 sf building, immediately adjacent to phase I. Once again, no tenants are currently identified. This is being constructed on speculation to meet the demand that we are forecasting for similar space. This final phase should complete the redevelopment of this entire parcel.

Today we seek support for this development. This project faces many similar financial challenges as phase I. Redevelopment costs are exasperated by the brownfield expenses, rising interest rates and a significant rise in the cost of construction, materials, and labor. All of which have outpaced the rise in lease rates. The cost of this project is almost \$9.3 million and substantially more than the \$7 million for phase I, for a nearly identical building. These costs translate into less competitive projected lease rates. Support by the ECIDA will help nullify, in part, these financial challenges we face today and help complete the redevelopment of this facility and create up to 18 jobs. We are excited to build on the momentum of the first phase and respectfully request your consideration today.

6. ADJOURNMENT:

As there were no further statements and/or comments, the Hearing Officer closed the public hearing at 10:05 a.m.

**SIGN IN SHEET
PUBLIC HEARING**

November 29, 2022 at 10:00 a.m.,
at the Agency's offices, at 95 Perry Street, Suite 403, Buffalo, NY 14203
regarding:

**132 Dingens St, LLC and/or Individual(s) or Affiliate(s),
Subsidiary(ies), or Entity(ies) formed or to be formed on its behalf**

Project Location: 132 Dingens Street, City of Buffalo, Erie County, New York

Name	Company and/or Address	X box to speak/ comment
James Panepinto	1323 Dingens Street, LLC 132 Dingens Street Buffalo, New York 14206	X



Warehouse#2 - 132 Dingens St

Instructions and Insurance Requirements Document

Section I: Applicant Background Information

Please answer all questions. Use "None" or "Not Applicable" where necessary. Information in this application may be subject to public review under New York State Law.

Applicant Information - Company Receiving Benefit

Project Name	Warehouse#2
Project Summary	An approx. 81,000 sq ft addition to a newly constructed spec warehouse, intended for both warehouse and light manufacturing uses
Applicant Name	132 Dingens Street, LLC
Applicant Address	132 Dingens Street
Applicant Address 2	
Applicant City	Buffalo
Applicant State	New York
Applicant Zip	14206-2308
Phone	(716) 825-6666
Fax	(716) 825-6773
E-mail	jpinto@pintocs.com
Website	www.pintoheavyconst.com
NAICS Code	531120

Business Organization

Type of Business	Limited Liability Company
Year Established	2012
State in which Organization is established	New York

Individual Completing Application

Name	James Panepinto
Title	Managing Member
Address	132 Dingens Street
Address 2	
City	Buffalo
State	New York
Zip	14206-2308
Phone	(716) 825-6666

Fax (716) 825-6773
E-Mail jpinto@pintocs.com

Company Contact - Authorized Signer for Applicant

Contact is same as individual completing application No

Name

Title

Address

Address 2

City

State

Zip

Phone

Fax

E-Mail

Company Counsel

Name of Attorney Robert Knoer
Firm Name The Knoer Group, PLLC
Address 424 Main Street
Address 2 Ste 120
City Buffalo
State New York
Zip 14202
Phone (716) 332-0032
Fax
E-Mail rknoer@knoergroup.com

Benefits Requested (select all that apply).

Exemption from Sales Tax	Yes
Exemption from Mortgage Tax	Yes
Exemption from Real Property Tax	Yes
Tax Exempt Financing*	No

* (typically for not-for-profits & small qualified manufacturers)

Applicant Business Description

Describe in detail company background, history, products and customers. Description is critical in determining eligibility. Also list all stockholders, members, or partners with % ownership greater than 20%.

132 Dingens Street, LLC is the owner of the property, and its primary business is providing warehousing, office and exterior storage areas to various local industries. Current tenants include Unicell, Amerifleet, First Student, Magellan Technology, Inc, Pinto Construction Services, Inc. The open space is used for vehicle parking. The ownership is 100% owned by James Panepinto FBO Lynn M. Panepinto Trust.

Estimated % of sales within Erie County 100 %

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

Estimated % of sales outside New York State but within the U.S. 0 %

Estimated % of sales outside the U.S. 0 %

(*Percentage to equal 100%)

For your operations, company and proposed project what percentage of your total annual supplies, raw materials and vendor services are purchased from firms in Erie County?

85

Describe vendors within Erie County for major purchases

Lehigh Construction Group, Inc - Building superstructure, New Enterprise Stone and Lime Co, Inc - aggregate & concrete. United Materials, LLC - Concrete

Section II: Eligibility Questionnaire - Project Description & Details

Project Location

Address of Proposed Project Facility

132 Dingens Street

Town/City/Village of Project Site

Buffalo

School District of Project Site

Buffalo

Current Address (if different)**Current Town/City/Village of Project Site (if different)****SBL Number(s) for proposed Project**

112.19-1-14.11

What are the current real estate taxes on the proposed Project Site

29,476

If amount of current taxes is not available, provide assessed value for each.

Land

\$ 0

Building(s)

\$ 0

If available include a copy of current tax receipt.

Are Real Property Taxes current at project location?

Yes

If no please explain

*The ECIDA has an unpaid tax policy and you will be required to certify all taxes and PILOTS are current.

Does the Applicant or any related entity currently hold fee title or have an option/contract to purchase the Project site?

No

If No, indicate name of present owner of the Project Site

132 Dingens Street, LLC

Does Applicant or related entity have an option/contract to purchase the Project site?

No

Describe the present use of the proposed Project site (vacant land, existing building, etc.)

Storage warehouse with office facilities

Provide narrative and purpose of the proposed project (new build, renovations) square footage of existing and new construction contemplated and/or equipment purchases. Identify specific uses occurring within the project. Describe any and all tenants and any/all end users: (This information is critical in determining project eligibility)

To meet increased demand from existing and potential new tenants we are proposing an approximate 81,000 sq ft addition to a newly constructed spec warehouse, intended for both warehouse and light manufacturing uses. The addition will closely resemble that of the existing facility. This property entered into the Brownfield Cleanup Program on 6/18/2012 and a certification of completion was achieved on 12/20/2016. Currently no specific tenants have been identified for the proposed addition. It is anticipated that the new building will be used for warehouse distribution and or light manufacturing. Based on feedback from our leasing agent we learned the high stacking height of this proposed building as well as a warehouse industry moving towards more robotic/automation operations, results in the need for less employees to operate a facility of this size. In order to make a commitment of job creation to match the current trend of warehousing we are willing to commit to 18 jobs for this Phase 2 project. We ask for some consideration of this in order to keep this project competitive in today's market.

Municipality or Municipalities of current operations

Buffalo, New York

Will the Proposed Project be located within a Municipality identified above?

Yes

Will the completion of the Project result in the removal of an industrial or manufacturing plant of the project occupant from one area of the state to another area of the state OR in the abandonment of one or more plants or facilities of the project occupant located within the state?

No

If the Proposed Project is located in a different Municipality within New York State than that Municipality in which current operations are being undertaken, is it expected that any of the facilities in any other Municipality will be closed or be subject to reduced activity?

No

(If yes, you will need to complete the Intermunicipal Move Determination section of this application)

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, type of assistance offered and provide supporting documentation available

Have you contacted or been contacted by other Local, State and/or Federal Economic Development Agencies?

No

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

If the Project could be undertaken without Financial Assistance provided by the Agency, then provide a statement in the space provided below indicating why the Project should be undertaken by the Agency:

Describe the reasons why the Agency’s financial assistance is necessary, and the effect the Project will have on the Applicant’s business or operations. Focus on competitiveness issues, project shortfalls, etc... Your eligibility determination will be based in part on your answer (attach additional pages if necessary)

The financial challenges for this project are significant, and the agency's financial assistance is a critical component for this project to become viable for the following reasons: 1) The pandemic has driven cost for materials and labor significantly higher than anticipated then when Phase 1 was completed. Material shortages specific to the construction of warehousing, in particular, have risen due to the rise in demand for last mile warehousing. The shortage of warehousing has created a significant demand for new projects, all competing for scarce materials. 2) The development site is located on a Brownfield. Even with access to NYS Brownfield tax credits, significant additional costs related to legacy environmental conditions exist. These costs make the competitiveness of the warehouse financial proforma more of a challenge.3).The cost of financing has increased dramatically over the last 12 months.

Please confirm by checking the box, below, if there is likelihood that the Project would not be undertaken but for the Financial Assistance provided by the Agency

Yes

If the Applicant is unable to obtain Financial Assistance for the Project, what will be the impact on the Applicant and Erie County?

This development project will not occur without the financial assistance of the agency. The shortage of last mile warehousing is well documented in the WNY area. This void will be filled by a project somewhere in this area. However, City of Buffalo and Erie County may not be a benefactor of a project that occurs outside of Erie County. Additionally, it will be a missed opportunity to redevelop a project in an area that has been a warehousing hub for quite some time. The loss of more green fields for a similar, less costly project, will most likely result, as well as the conveniently located City jobs on a bus route. Should this project not move forward, this applicant will lose the NYS Brownfield tax credits earned during the Enviromental cleanup, causing financial hardship for the owner and related companies located at this development site.

Will project include leasing any equipment?

Yes

If yes, please describe equipment and lease terms.

Construction equipment

Site Characteristics

Is your project located near public transportation?

Yes

If yes describe if site is accessible by either metro or bus line (provide route number for bus lines)

We are located at 132 Dingens Street between Bailey Avenue and South Odgen Street. Route #19 runs directly on Dingens Street.

Has a project related site plan approval application been submitted to the appropriate planning department?

Yes

If Yes, include the applicable municipality's and/or planning department's approval resolution, the related State Environmental Quality Review Act ("SEQR") "negative declaration" resolution, if applicable, and the related Environmental Assessment Form (EAF), if applicable.

If No, list the ECIDA as an "Involved Agency" on the related EAF that will be submitted to the appropriate municipality and/or planning department for site plan approval. Also, please indicate in the box below when you anticipate receiving site plan approval for your project.

11/30/-0001

Will the Project meet zoning/land use requirements at the proposed location?

Yes

Describe the present zoning/land use

Code#449 - Other Storage & warehouse facilities

Describe required zoning/land use, if different

No Change

If a change in zoning/land use is required, please provide details/status of any request for change of zoning/land use requirements

N/A

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

The property was into a Brownfield Cleanup Program on 6/18/2012 and completed on 12/20/2016.

Has a Phase I Environmental Assessment been prepared, or will one be prepared with respect to the proposed Project Site?

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.

If you are purchasing new machinery and equipment, does it provide demonstrable energy efficiency benefits?

Yes

If yes, describe the efficiencies achieved

Heating, Cooling, and lighting.

You may also attach additional information about the machinery and equipment at the end of the application.

Does or will the company or project occupant perform research and development activities on new products/services at the project location?

No

If yes, include percentage of operating expenses attributed to R&D activities and provide details.

Select Project Type for all end users at project site (you may check more than one).

For purposes of the following, the term "retail sales" means (i) sales by a registered vendor under Article 28 of the Tax Law of the State of New York (the "Tax Law") primarily engaged in the retail sale of tangible personal property (as defined in Section 1101(b)(4)(i) of the Tax Law), or (ii) sales of a service to customers who personally visit the Project.

Estimated costs in connection with Project

1.) Land and/or Building Acquisition

\$ 0 square feet acres

2.) New Building Construction

\$ 7,950,000 square feet

3.) New Building addition(s)

\$ 0 square feet

4.) Reconstruction/Renovation

\$ 0 square feet

5.) Manufacturing Equipment

\$ 0

6.) Infrastructure Work

\$ 700,000

7.) Non-Manufacturing Equipment: (furniture, fixtures, etc.)

\$ 400,000

8.) Soft Costs: (Legal, architect, engineering, etc.)

\$ 250,000

9.) Other Cost

\$ 0

**Explain Other
Costs**

Total Cost \$ 9,300,000

Construction Cost Breakdown:

Total Cost of Construction	\$ 8,650,000 (sum of 2, 3, 4 and 6 in Project Information, above)
Cost of materials	\$ 7,000,000
% sourced in Erie County	95%

Sales and Use Tax:

Gross amount of costs for goods and services that are subject to State and local sales and use tax- said amount to benefit from the Agency's sales and use tax exemption benefit	\$ 7,400,000
Estimated State and local Sales and Use Tax Benefit (product of 8.75% multiplied by the figure, above):	\$ 647,500

** Note that the estimate provided above will be provided to the New York State Department of Taxation and Finance. The Applicant acknowledges that the transaction documents may include a covenant by the Applicant to undertake the total amount of investment as proposed within this Application, and that the estimate, above, represents the maximum amount of sales and use tax benefit that the Agency may authorize with respect to this Application. The Agency may utilize the estimate, above, as well as the proposed total Project Costs as contained within this Application, to determine the Financial Assistance that will be offered.

Project refinancing estimated amount, if applicable (for refinancing of existing debt only) \$ 0

Have any of the above costs been paid or incurred as of the date of this Application? Yes

If Yes, describe particulars: Engineering and planning costs

Sources of Funds for Project Costs:

Equity (excluding equity that is attributed to grants/tax credits):	\$ 800,000
Bank Financing:	\$ 7,000,000
Tax Exempt Bond Issuance (if applicable):	\$ 0
Taxable Bond Issuance (if applicable):	\$ 0
Public Sources (Include sum total of all state and federal grants and tax credits):	\$ 1,500,000
Identify each state and federal grant/credit: (ie Historic Tax Credit, New Market Tax Credit, Brownfield, Cleanup Program, ESD, other public sources)	Brownfield Tax Credit
Total Sources of Funds for Project Costs:	\$9,300,000
Have you secured financing for the project?	No

Mortgage Recording Tax Exemption Benefit:

Amount of mortgage, if any that would be subject to mortgage recording tax:

Mortgage Amount (include sum total of construction/permanent/bridge financing).	7,000,000
Lender Name, if Known	
Estimated Mortgage Recording Tax Exemption Benefit (product of mortgage amount as indicated above multiplied by 3/4 of 1%):	\$52,500

Real Property Tax Benefit:

Identify and describe if the Project will utilize a real property tax exemption benefit other than the Agency's PILOT benefit (485-a, 485-b, other):

IDA PILOT Benefit: Agency staff will indicate the estimated amount of PILOT Benefit based on estimated Project Costs as contained herein and anticipated tax rates and assessed valuation, including the annual PILOT Benefit abatement amount for each year of the PILOT benefit and the sum total of PILOT Benefit abatement amount for the term of the PILOT as depicted in the PILOT worksheet in the additional document section.

Percentage of Project Costs financed from Public Sector sources: Agency staff will calculate the percentage of Project Costs financed from Public Sector sources based upon the Sources of Funds for Project Costs as depicted above. The percentage of Project Costs financed from public sector sources will be depicted in the PILOT worksheet in the additional document section.

Is project necessary to expand project employment?

Yes

Is project necessary to retain existing employment?

No

Will project include leasing any equipment?

Yes

If yes, please describe equipment and lease terms.

Construction equipment

Employment Plan (Specific to the proposed project location)

The Labor Market Area consists of the following six counties: Erie, Niagara, Chautauqua, Cattaraugus, Wyoming and Genessee.

By statute, Agency staff must project the number of FTE jobs that would be retained and created if the request for Financial Assistance is granted. Agency staff will project such jobs over the TWO Year time period following Project completion. Agency staff converts PT jobs into

FTE jobs by dividing the number of PT jobs by two (2).

	Current # of jobs at proposed project location or to be relocated at project location	If financial assistance is granted – project the number of FT and PT jobs to be retained	If financial assistance is granted – project the number of FT and PT jobs to be created upon 24 months (2 years) after Project completion	Estimate number of residents of the Labor Market Area in which the project is located that will fill the FT and PT jobs to be created upon 24 months (2 years) after project completion **
Full time	0	0	18	18
Part time	0	0	0	0
Total	0	0	18	

Salary and Fringe Benefits for Jobs to be Retained and Created

Category of Jobs to be Retained and/or Created	# of Employees Retained and/or Created	Average Salary for Full Time	Average Fringe Benefits for Full Time	Average Salary for Part Time (if applicable)	Average Fringe Benefits for Part Time (if applicable)
Management	0	\$ 0	\$ 0	\$ 0	\$ 0
Professional	0	\$ 0	\$ 0	\$ 0	\$ 0
Administrative	0	\$ 0	\$ 0	\$ 0	\$ 0
Production	18	\$ 36,000	\$ 7,500	\$ 0	\$ 0
Independent Contractor	0	\$ 0	\$ 0	\$ 0	\$ 0
Other	0	\$ 0	\$ 0	\$ 0	\$ 0

** Note that the Agency may utilize the foregoing employment projections, among other items, to determine the financial assistance that will be offered by the Agency to the Applicant. The Applicant acknowledges that the transaction documents may include a covenant by the Applicant to retain the number of jobs and create the number of jobs with respect to the Project as set forth in this Application.

Yes **By checking this box, I certify that the above information concerning the current number of jobs at the proposed project location or to be relocated to the proposed project location is true and correct.**

Employment at other locations in Erie County: (provide address and number of employees at each location):

Address	Full time	Part time	Total
	0	0	0
	0	0	0
	0	0	0

Payroll Information

Annual Payroll at Proposed Project Site upon completion

648,000

Estimated average annual salary of jobs to be retained (Full Time)

0

Estimated average annual salary of jobs to be retained (Part Time)

0

Estimated average annual salary of jobs to be created (Full Time)

36,000

Estimated average annual salary of jobs to be created (Part Time)

0

Estimated salary range of jobs to be created

From (Full Time)	36,000	To (Full Time)	36,000
From (Part Time)	0	To (Part Time)	0

Section III: Environmental Questionnaire

INSTRUCTIONS: Please complete the following questionnaire as completely as possible. If you need additional space to fully answer any question, please attach additional page(s).

General Background Information

Address of Premises

132 Dingens Street Buffalo, NY 14206

Name and Address of Owner of Premises

132 Dingens Street, LLC 132 Dingens Street Buffalo, NY 14206

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

This property is generally flat laying. The difference in elevation is approximately 5 feet. The property is improved with three structures, an 81,000 square-foot metal building, concrete, and asphalt paved areas, stone-covered area, and small areas of vegetation. There are no State or Federal wetlands located on or near the property. The nearest water of body is the Buffalo River, located approximately 0.9 miles south of the property.

Describe the Premises (including the age and date of construction of any improvements) and each of the operations or processes carried out on or intended to be carried on at the Premises

The property consists of an 81,000 sq ft warehouse newly completed in 2022, a two-story office building renovated in 2018, a 12,000 sq ft storage garage construction in 2019, small fabric storage building erected in 2020. Construction of a new 81,000 square foot warehouse addition scheduled to be completed in 2023.

Describe all known former uses of the Premises

same-Warehouse & Storage facility

Does any person, firm or corporation other than the owner occupy the Premises or any part of it?

Yes

If yes, please identify them and describe their use of the property

132 Dingens Street, LLC leases the office building, storage garage, and fabric storage structure to Pinto Construction Services, Inc and a large portion of the paved area to Unicell for temporary parking of new vehicles. The Northwest portion of the property is leased to First Student; bus services for employee parking. The newly constructed 81,000 sq. ft. warehouse is occupied by Magellan Technology, Inc.

Have there been any spills, releases or unpermitted discharges of petroleum, hazardous substances, chemicals or hazardous wastes at or near the Premises?

Yes

If yes, describe and attach any incident reports and the results of any investigations

132 Dingens Street, LLC entered into a Brownfield Cleanup Agreement (BCA) with the NYSDEC on June 12, 2012, to investigate and remediate the Site based on a long history of industrial/commercial use. The Site was remediated in 2016 to Part 375 commercial soil cleanup objectives (SCOs) described in October 2016 Final Engineering report. The remedy included excavation of soil/fill exceeding the site-specific SCOs for the parameters of concern. The Site received a Certificate of Completion (COC) from NYSDEC on December 20, 2016. The Site Management Plan (SMP) provides long-term management of remaining contamination and includes institutional and engineering controls, maintenance, and reporting requirements.

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

N/A

Identify the solid and hazardous waste disposal or treatment facilities which have received wastes from the Premises for the past two (2) years

N/A

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

N/A

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

Sanitary and storm sewer discharges to public system

Is any waste discharged into or near surface water or groundwaters?

No

If yes, please describe in detail the discharge including not only the receiving water's classification, but a description of the type and quantity of the waste

Air Pollution

Are there or is it contemplated that there will be any air emission sources that emit contaminants from the Premises?

No

If yes, describe each such source, including whether it is a stationary combustion installation, process source, exhaust or ventilation system, incinerator or other source

Are any of the air emission sources permitted?

No

If yes, attach a copy of each permit.

Storage Tanks

List and describe all above and under ground storage tanks at the Premises used to store petroleum or gasoline products, or other chemicals or wastes, including the contents and capacity of each tank. Please also provide copies of any registrations/permits for the tanks

(2) 500 Gallon portable fuel 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?

Yes

If yes, relate all the circumstances

Cleanup up as part of the Brownfield

Do the Premises have any asbestos containing materials?

No

If yes, please identify the materials

Section IV: Facility Type - Single or Multi Tenant

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

Multi-Tenant Facility

Multi-Tenant Facility (to be filled out by developer).

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

Lack of available warehousing

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

Tenant Name	Current Address (city, state, zip)	# of sq ft and % of total to be occupied at new project site	SIC or NAICS-also briefly describe type of business, products services, % of sales in Erie Co.
--------------------	-------------------------------------------	---------------------------------------------------------------------	-------------------------------------------------------------------------------------------------------

*fill out table for each tenant and known future tenants

Section VI: Retail Determination

To ensure compliance with Section 862 of the New York General Municipal Law, the Agency requires additional information if the proposed Project is one where customers personally visit the Project site to undertake either a retail sale transaction or to purchase services.

Please answer the following:

Will any portion of the project (including that portion of the costs to be financed from equity or other sources) consist of facilities or property that are or will be primarily used in making sales of goods or services to customers who personally visit the project site?

No

If yes, complete the Retail Questionnaire Supplement below. **If no, proceed to the next section.**

Section VII: Adaptive Reuse Projects

Adaptive Reuse is the process of adapting old structures or sites for new purposes.

Are you applying for tax incentives under the Adaptive Reuse Program?

No

Section VIII: Inter-Municipal Move Determination

The Agency is required by state law to make a determination that, if completion of a Project benefiting from Agency Financial Assistance results in the removal of an industrial or manufacturing plant of the project occupant from one area of the state to another area of the state or in the abandonment of one or more plants or facilities of the project occupant located within the state, Agency financial Assistance is required to prevent the project occupant from relocating out of the state, or is reasonably necessary to preserve the project occupant's competitive position in its respective industry.

Current Address

132 Dingens Street

City/Town

Buffalo

State

New York

Zip Code

14206-2308

Will the project result in the removal of an industrial or manufacturing plant of the Project occupant from one area of the state to another area of the state?

No

Will the project result in the abandonment of one or more plants or facilities of the Project occupant located within the state?

No

If Yes to either question, explain how, notwithstanding the aforementioned closing or activity reduction, the Agency's Financial Assistance is required to prevent the Project from relocating out of the State, or is reasonably necessary to preserve the Project occupant's competitive position in its respective industry:

Does this project involve relocation or consolidation of a project occupant from another municipality?

Within New York State

No

Within Erie County

No

If Yes to either question, please, explain

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 out of the City of Buffalo (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.)

N/A

If the project occupant is currently located in Erie County and will be moving to a different municipality within Erie County, has the project occupant attempted to find a suitable location within the municipality in which it is currently located?

<BLANK>

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

N/A

If the current facility is to be abandoned, what is going to happen to the current facility that project occupant is located in?

N/A

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.

N/A

Section IX: Senior Housing

IDA tax incentives may be granted to projects under the Agency's Senior Citizen Rental Housing policy when the project consists of a multi-family housing structure where at least 90% of the units are (or are intended to be) rented to and occupied by a person who is 60 years of age or older.

Are you applying for tax incentives under the Senior Rental Housing policy?

No

Highway Rehab Corporation
\$ 5,225,000
PRIVATE INVESTMENT INDUCEMENT RESOLUTION

ELIGIBILITY

- NAICS Section – 237310

COMPANY INCENTIVES

- Up to \$ 308,875 in sales tax savings
- Approximately \$362,462 in real property tax savings
- Up to 3/4 of 1% of the final mortgage amount estimated at \$ 29,250

JOBS & ANNUAL PAYROLL

- Current Jobs: 67 FTE
- Annual Payroll: \$ 6,927,000
- Projected new jobs: 15 FTE (85%) = 12 FTE
- Est. salary/yr jobs created: \$ 67,200
- Projected retained jobs: 67
- Est. salary/yr jobs retained: \$88,340
- Total jobs after project completion: 79 FTE
- Construction Jobs: 20

PROJECTED COMMUNITY BENEFITS*

- Term: 7 YEARS
- NET Community Benefits: \$ 83,428,838
- Spillover Jobs: 95
- Total Payroll: \$ 78,588,597

INCENTIVE COST / COMMUNITY BENEFIT RATIO (discounted at 2%)*

Incentives: \$ 674,905
 Community Benefit: \$ 77,196,293
 Cost: Benefit Ratio 1:114

Project Title: Alden NY Shop
 Project Address: 11061 Walden Ave. Alden, NY 14004
 (Alden Central School District)

Agency Request

A sales tax, mortgage recording tax and real property tax abatement in connection with the construction of a 23,000 sq ft facility

Land Acquisition	\$ 550,000
New Building Construction	\$ 4,150,000
Infrastructure	\$ 350,000
Manufacturing Equipment	\$ 85,000
Non- Manufacturing Equipment	\$ 15,000
Soft Costs/Other	\$ 75,000

Total Project Cost	\$ 5,225,000
85%	\$ 4,441,250

Company Description

Highway Rehab Corp is a Hot in Place asphalt recycling company that was started in 1981. Hot In-Place recycling is an on-site, in-place recycling method that rehabilitates and restores deteriorated asphalt pavement minimizing the use of new materials, extends pavement life, and improves safety and motorist satisfaction. In 2020 the company was purchased by two long time employees who were determined to keep the company in WNY and to retain its WNY workforce. Owners Thomas Colella and Michael Haggerty have grown Highway Rehab to a company that is in the forefront of Hot in Place recycling, with a process that is used by the NY DOT, Mass DOT, Maine DOT, Vermont DOT and other towns and municipalities throughout the Northeast. Thomas and Michael each hold 50% of the stock in Highway Rehab Corp.

Project Description

Highway Rehab Corp. has outgrown the current space they lease in Cheektowaga and began on year long search for a new facility. Although several sites in the Town of Cheektowaga and the surrounding communities were considered, Highway Rehab was unable to find a facility that met their needs. Therefore they have decided to build a 23,000 sq ft building in the Town of Alden that will be used to manufacture and maintain equipment. The facility will allow them to retain and grow their workforce in WNY, to address their current backlog of work and allow them to take on additional work they previously had to turn down. The company has complied with the ECIDA's Inter-Municipal Move Policy as outlined in the Uniform Tax Exemption Policy.

* Cost Benefit Analysis Tool powered by MRB Group

Economic Impact: Inform Analytics Cost-Benefit Analysis

The Erie County Industrial Development Agency uses the Cost Benefit Analysis Tool powered by MRB Group to assess the economic impact of a project applying for incentives. A Cost-Benefit Analysis is required by Section 859-a (5)(b) of General Municipal Law. For the complete Cost Benefit Analysis – please see the attached MRB Cost Benefit Calculator.

Cost: Incentives

COSTS	Tax Exemption	Amount
	Property	362,462
	Sales	308,875
	Mortgage Recording	29,250
	Total	700,587
	Discounted at 2%	674,905

Benefit: Projected Community Benefit*

BENEFITS	Region	Recipient	Revenue Type	\$ Amount **
	Erie County	Individuals	Payroll Construction	2,984,102
			Payroll Permanent	75,604,496
		Public	Property Taxes	90,616
			Sales Taxes	653,267
			Other Muni (NFTA)	9,750
	New York State	Public	Income Taxes	3,536,487
			Sales Taxes	550,120
			Total Benefits to EC + NYS***	83,428,838
			Discounted at 2%	77,196,293

* Cost Benefit Analysis Tool powered by MRB Group **includes direct & indirect \$ over project period ***may not sum to total due to rounding

Discounted Cost \$ 674,905
 Discounted Benefit \$77,196,293
 Ratio 1:114

Conclusion: The Cost Benefit for this project is: 1:114. For every \$1 in costs (incentives), this project provides \$ 114 in benefits (payroll & tax revenue). **Note: For Erie County, every \$1 in costs (incentives) provides \$ 143 in benefits to the community.**

New Tax Revenue Estimated

Current Yearly Taxes	Estimated New Assessed Value	Additional County Revenue over abatement period	Additional Local Revenue Over abatement period	Additional School Revenue Over abatement period	New Yearly Taxes Upon Expiration of Abatement Period
\$3,676	\$ 2,500,000	\$ 20,052	\$ 6,853	\$63,711	\$64,725
Combined Tax Rate: \$ 25.89					

Draft Recapture Material Terms

Condition	Term	Recapture Provision
Total Investment	At project completion	Investment amount equal to or greater than 85% of project amount. Total project amount = \$ 5.225.000 85% = \$ \$ 4,441,250
Employment	Coincides with 7-year PILOT	Maintain Base = 67 FTE Create 85% of Projected Projected = 15 FTE 85% = 12 FTE Recapture Employment = 79 FTE
Local Labor	Construction period	Adherence to policy including quarterly reporting
Pay Equity	Coincides with 7-year PILOT	Adherence to Policy
Unpaid Tax	Coincides with 7-year PILOT	Adherence to Policy
<u>Recapture Period</u>	Coincides with 7-year PILOT	Recapture of Mortgage recording tax, state and local sales taxes

Recapture applies to:

State and Local Sales Taxes
Real Property Tax
Mortgage Recording Tax

Recapture

Pursuant to New York State General Municipal Law, the agency shall modify, recover, recapture or terminate any financial assistance taken by the company that is in violation of the GML.

At completion of the project company must certify i) total investment amount is equal to or greater than 85% of the anticipated project amount; ii) company has maintained 67 jobs and created 12 jobs (85% of projected), iii) confirm adherence to local labor policy during construction and iv) its adherence to unpaid tax/pay equity policies for recapture term.

Project ECIDA History

- 12/21/22: Public hearing held.
- 12/21/22: Inducement Resolution presented to Board of Directors adopting a Negative Declaration in accordance with SEQRA
- 12/21/22: Lease/Leaseback Inducement Resolution presented to the Board of Directors

Company ECIDA History

1/8/20: \$1.6 Mil Regional Development Corp (RDC) participation loan to Highway Rehab Corporation – part of a \$9 M owner buyout aimed to retain / grow the company in WNY. The company has handled their loan as agreed.

**EVALUATIVE CRITERIA
MANUFACTURING/WAREHOUSE/DISTRIBUTION
Highway Rehab Corporation**

Wage Rate (above median wage for area)	Average annual salaries for retained and created workers are \$88,340 and \$67,200 respectively – above the median wage for the area.
Regional Wealth Creation (% sales/customers outside area)	90% of sales are outside of Erie County (75% outside EC but within NYS, 15% outside NYS).
In Region Purchases (% of overall purchases)	N/A.
Research & Development Activities	N/A.
Investment in Energy Efficiency	Company is currently in discussions regarding energy efficiency options such as LED lighting and radiant heat flooring for their new facility.
Locational Land Use Factors, Brownfields or Locally Designated Development Areas	N/A.
LEED/Renewable Resources	N/A.
Retention/Flight Risk	Highway Rehab would consider locations outside of Erie County if a suitable EC location could not be found. Niagara County or expanding at their Brewster, NY location are considerations but would not be preferred.
MBE/WBE Utilization	Links to the NYS and Erie County MBE/WBE certified businesses were provided to Highway Rehab for consideration for construction (through GC) and for other purchasing activities.
Workforce Access – Proximity to Public Transportation	N/A.

DATE OF INDUCEMENT: 12/21/22

PILOT Worksheet: Estimate of Real Property Tax Abatement Benefits* and Percentage of Project Costs financed from Public Sector sources**

**** The PILOT Worksheet will be: (i) completed by IDA Staff based upon information contained within the Application, and (ii) provided to the Applicant for ultimate inclusion as part of this completed Application.**

PILOT Estimate Table Worksheet-Alden NY Shop-- Highway Rehab Center

Dollar Value of New Construction and Renovation Costs	Estimated New Assessed Value of Property Subject to IDA*	County Tax Rate/1000	Local Tax Rate (Town/City/Village)/1000	School Tax Rate/1000
\$ 4,150,000	\$2,500,000	5.729096	1.957956	18.203108

*Apply equalization rate to value

PILOT Year	% Payment	County PILOT Amount	Town PILOT Amount	School PILOT Amount	Total PILOT	Full Tax Payment w/o PILOT	Net Exemption
1	0.05	\$1,530	\$523	\$4,860	\$6,913	\$68,402	\$61,489
2	0.1	\$2,246	\$768	\$7,136	\$10,149	\$68,402	\$58,253
3	0.15	\$2,962	\$1,012	\$9,411	\$13,385	\$68,402	\$55,017
4	0.2	\$3,678	\$1,257	\$11,686	\$16,621	\$68,402	\$51,780
5	0.25	\$4,394	\$1,502	\$13,962	\$19,858	\$68,402	\$48,544
6	0.3	\$5,110	\$1,746	\$16,237	\$23,094	\$68,402	\$45,308
7	0.35	\$5,826	\$1,991	\$18,513	\$26,330	\$68,402	\$42,072
TOTAL		\$25,747	\$8,799	\$81,805	\$116,350	\$478,813	\$362,462

***** Estimates provided are based on current property tax rates and assessment value (current as of date of application submission) and have been calculated by IDA staff**

Percentage of Project Costs financed from Public Sector Table Worksheet:

Total Project Cost	Estimated Value of PILOT	Estimated Value of Sales Tax Incentive	Estimated Value of Mortgage Tax Incentive	Total of Other Public Incentives (Tax Credits, Grants, ESD Incentives, etc.)
5,225,000	362,462	\$ 308,875	\$ 29,250	

Note: special district taxes are not subject to PILOT abatement

Calculate % = Est. PILOT + Est. Sales Tax+ Est. Mortgage Tax+ Other)/Total Project Cost: 13.4%

Erie County Industrial Development Agency

MRB Cost Benefit Calculator

Date: September 20, 2022
 Project Title: Highway Rehab Corporation
 Project Location: 11061 Walden Ave., Alden, NY 14004



Economic Impacts

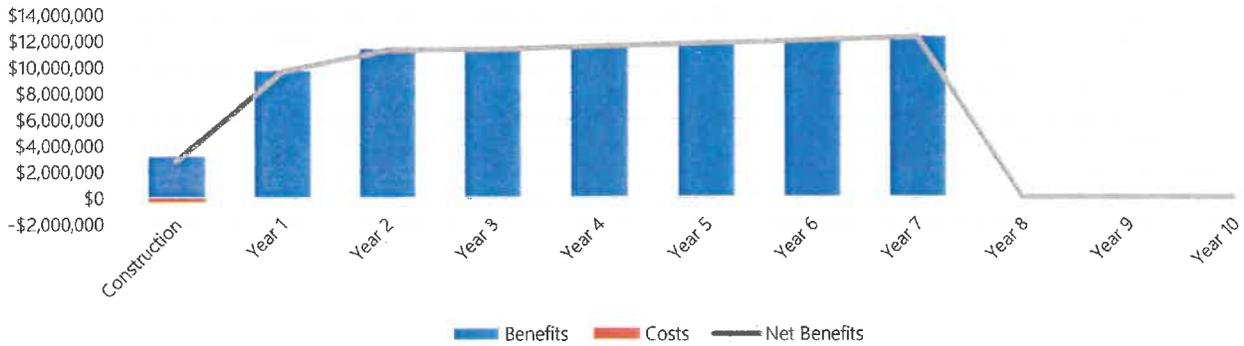
Summary of Economic Impacts over the Life of the PILOT
 Project Total Investment
 \$5,225,000

	Temporary (Construction)		
	Direct	Indirect	Total
Jobs	20	19	39
Earnings	\$1,923,049	\$1,061,052	\$2,984,102
Local Spend	\$4,650,250	\$3,292,360	\$7,942,610

	Ongoing (Operations)		
	Direct	Indirect	Total
Jobs	82	76	158
Earnings	\$48,892,801	\$26,711,694	\$75,604,496

Figure 1

Net Benefits



Net Benefits chart will always display construction through year 10, irrespective of the length of the PILOT.

Figure 2

Total Jobs

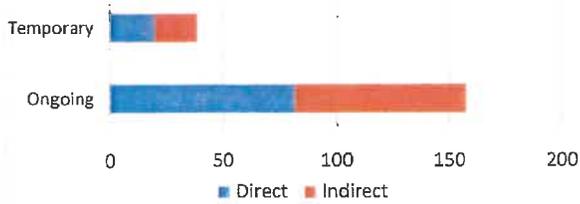
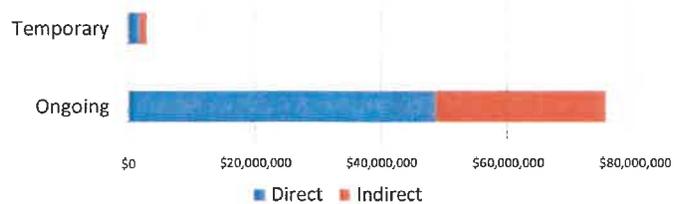


Figure 3

Total Earnings



Fiscal Impacts



Cost-Benefit Analysis Tool powered by MRB Group

Estimated Costs of Exemptions

	Nominal Value	Discounted Value*
Property Tax Exemption	\$362,462	\$336,780
Sales Tax Exemption	\$308,875	\$308,875
Local Sales Tax Exemption	\$167,675	\$167,675
State Sales Tax Exemption	\$141,200	\$141,200
Mortgage Recording Tax Exemption	\$29,250	\$29,250
Local Mortgage Recording Tax Exemption	\$9,750	\$9,750
State Mortgage Recording Tax Exemption	\$19,500	\$19,500
Total Costs	\$700,587	\$674,905

State and Local Benefits

	Nominal Value	Discounted Value*
Local Benefits	\$79,342,231	\$73,414,918
To Private Individuals	\$78,588,597	\$72,718,762
Temporary Payroll	\$2,984,102	\$2,984,102
Ongoing Payroll	\$75,604,496	\$69,734,661
Other Payments to Private Individuals	\$0	\$0
To the Public	\$753,633	\$696,155
Increase in Property Tax Revenue	\$90,616	\$82,122
Temporary Jobs - Sales Tax Revenue	\$24,805	\$24,805
Ongoing Jobs - Sales Tax Revenue	\$628,462	\$579,669
Other Local Municipal Revenue	\$9,750	\$9,559
State Benefits	\$4,086,607	\$3,781,376
To the Public	\$4,086,607	\$3,781,376
Temporary Income Tax Revenue	\$134,285	\$134,285
Ongoing Income Tax Revenue	\$3,402,202	\$3,138,060
Temporary Jobs - Sales Tax Revenue	\$20,889	\$20,889
Ongoing Jobs - Sales Tax Revenue	\$529,231	\$488,143
Total Benefits to State & Region	\$83,428,838	\$77,196,293

Benefit to Cost Ratio

	Benefit*	Cost*	Ratio
Local	\$73,414,918	\$514,205	143:1
State	\$3,781,376	\$160,700	24:1
Grand Total	\$77,196,293	\$674,905	114:1

*Discounted at 2%

Additional Comments from IDA

Does the IDA believe that the project can be accomplished in a timely fashion? Yes

PUBLIC HEARING SCRIPT

**Highway Rehabilitation Corp. 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 November 3, 2022 at 10:00 a.m.,
at the Town of Alden Town Hall Conference Room, located at 3311 Wende Road,
Alden, New York 14004

ATTENDANCE:

Tom Colella – Highway Rehab Corp.
Paul Roll – Alden Central School District BOE
William Sivecz – Town of Alden
Sarah Miller – Town of Alden

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

Hearing Officer: Welcome. This public hearing is now open; it is 10:00 a.m. My name is Andy Federick. 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. This public hearing is being live-streamed and made accessible on the Agency's website at www.ecidany.com.

2. PURPOSE: Purpose of the Hearing.

Hearing Officer: We are here to hold the public hearing on the {Company} 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 The Buffalo News on Wednesday, October 19, 2022.

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

Hearing Officer: The proposed project (the "Project") consists of: (i) the acquisition by the Agency of a leasehold interest in certain property located on 11061 Walden Avenue, Town of Alden, Erie County, New York (the "Land"), (ii) the construction on the Land of an approximately 23,000+/-square-foot facility to be utilized for the manufacture and maintenance of asphalt machinery and equipment together with 2,000+/- square-foot of office space (the "Improvements"), and (iii) the acquisition by the Company in

and around the Improvements of certain items of machinery, equipment and other tangible personal property (the “Equipment”; and, together with the Land and the 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 benefits, 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. Everyone who has registered will be given an opportunity to make statements and/or comments on the Project.

If you have a written statement or comment to submit for the record, you may leave it at this public hearing, submit it on the Agency’s website or deliver it to the Agency at 95 Perry Street, Suite 403, Buffalo, New York 14203. The comment period closes on November 29, 2022. There are no limitations on written statements or comments.

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

Hearing Officer: If anyone is interested in making a statement or 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 statements and/or comments to 5 minutes, and if possible, 3 minutes.

Tom Colella – President, Highway Rehab Corp. We do Hot in-place Asphalt Recycling, which is basically we heat a road, we cut it, we add new oil and screed it back out. It replaces a milling fill. It’s a greener method. There has been a big demand for that. The company is growing, and we’ve outgrown the facility in Cheektowaga, NY. We’ve been looking for over a year now to expand and we couldn’t find any property in Cheektowaga. There was no room for us to expand there. We found a piece of property here in Alden that we are looking to build on and with the increased costs of materials we ran into some problems and that’s why we are looking for the County to help us in Alden with the taxes. We are hoping to have this project completed around May 2023.

☒ 6. ADJOURNMENT:

As there were no further statements and/or comments, the Hearing Officer closed the public hearing at 10:05 a.m.

**SIGN IN SHEET
PUBLIC HEARING**

November 3, 2022 at 10:00 a.m.,
at the Town of Alden Town Hall Conference Room, located at 3311 Wende Road,
Alden, New York 14004, regarding:

**Highway Rehabilitation Corp. and/or Individual(s) or Affiliate(s),
Subsidiary(ies), or Entity(ies) formed or to be formed on its behalf**

Project Location: 11061 Walden Avenue, Town of Alden, Erie County, New York

Name	Company and/or Address	X box to speak/ comment
Tom Colella	Highway Rehab Corporation 100 Stradtman Street Cheektowaga, New York 14206	X
Paul Roll	Alden Central School District BOE 13190 Park Street Alden, NY 14004	
William Sivecz	Town of Alden Assessor 3311 Wende Road Alden, New York 14004	
Sarah Miller	Town of Alden, Deputy Supervisor 3311 Wende Road Alden, New York 14004	



Alden NY Shop

Instructions and Insurance Requirements Document

Section I: Applicant Background Information

Please answer all questions. Use "None" or "Not Applicable" where necessary. Information in this application may be subject to public review under New York State Law.

Applicant Information - Company Receiving Benefit

Project Name	Alden NY Shop
Project Summary	Build new 23000 square foot building on in Alden NY . 21,000 square feet of shop and 2000 square feet of office space.
Applicant Name	Highway rehab corp
Applicant Address	100 stradtman st
Applicant Address 2	
Applicant City	Cheektowaga
Applicant State	New York
Applicant Zip	14206
Phone	(845) 721-4094
Fax	
E-mail	tom@highwayrehab.com
Website	www.highwayrehab.com
NAICS Code	237310

Business Organization

Type of Business	Corporation
Year Established	1981
State in which Organization is established	New York

Individual Completing Application

Name	Thomas Colella
Title	President
Address	100 Stradtmen st
Address 2	
City	Cheektowaga
State	New York
Zip	14206
Phone	(845) 721-4094

Fax (716) 462-5387
E-Mail tom@highwayrehab.com

Company Contact - Authorized Signer for Applicant

Contact is same as individual completing application Yes

Name

Title

Address

Address 2

City

State

Zip

Phone

Fax

E-Mail

Company Counsel

Name of Attorney Benjamin Burge
Firm Name Rupp,Baase , Pfalzgrafa , cunningham LLC
Address 1600 Liberty Building
Address 2 424 Main st
City Buffalo
State New York
Zip 14202
Phone (716) 854-3400
Fax
E-Mail

Benefits Requested (select all that apply).

Exemption from Sales Tax Yes
Exemption from Mortgage Tax Yes
Exemption from Real Property Tax Yes
Tax Exempt Financing* No

* (typically for not-for-profits & small qualified manufacturers)

Applicant Business Description

Describe in detail company background, history, products and customers. Description is critical in determining eligibility. Also list all stockholders, members, or partners with % ownership greater than 20%.

Highway Rehab Corp is a Hot In-place Asphalt Recycling Company that was started by Ken Carr in 1981. Ken owned and operated the company for nearly 40 years before developing pancreatic cancer. After becoming sick Ken took a step back and trusted Mike and Myself to run day to day operations. Ken received treatment and was cancer free for sometime but it would later return. This is when he realized he had to sell the company. Everyone who looked at Highway Rehab Corp wanted to close our facility in buffalo where we manufacture and maintenance the recycling equipment. This meant a large part of his Highway Rehab family would loose their jobs and the companies legacy would end. I was with Ken for almost 20 years at this point and Knew I had to do something. This is when Mike and I partnered up and with the help of Erie county and key bank we were able to purchase the company . No one lost their job and we were able to grow and add 10 more full time employees. Highway Rehab has tirelessly worked on improving the techniques and equipment for Hot In-Place Asphalt Recycling. Today Highway Rehab is in the forefront of Hot IN-Place Recycling. Hot In-place is a one of most cost effective and energy efficient processes in road maintenance. Our process is currently used by NY DOT , Mass DOT , Maine DOT , Vermont DOT , as well as numerous towns and counties through out the Northeast. Here we are almost 3 years later and we have out grown our facility in Cheektowaga NY. Us building a new facility will allow us to add another 12 to 15 jobs over the next year. Michael Haggerty and Thomas Colella each hold 50% stock in Highway Rehab Corp.

Estimated % of sales within Erie County	10 %
Estimated % of sales outside Erie County but within New York State	75 %
Estimated % of sales outside New York State but within the U.S.	15 %
Estimated % of sales outside the U.S.	0 %

(*Percentage to equal 100%)

For your operations, company and proposed project what percentage of your total annual supplies, raw materials and vendor services are purchased from firms in Erie County?

0

Describe vendors within Erie County for major purchases

Section II: Eligibility Questionnaire - Project Description & Details

Project Location

Address of Proposed Project Facility

11061 Walden Ave

Town/City/Village of Project Site

Alden

School District of Project Site

Alden

Current Address (if different)

100 StradtMan St

Current Town/City/Village of Project Site (if different)

Cheektowaga

SBL Number(s) for proposed Project

96.00-4-6.1 and 96.00-4-5

What are the current real estate taxes on the proposed Project Site

If amount of current taxes is not available, provide assessed value for each.

Land

\$ 550,000

Building(s)

\$ 0

If available include a copy of current tax receipt.

Are Real Property Taxes current at project location?

Yes

If no please explain

*The ECIDA has an unpaid tax policy and you will be required to certify all taxes and PILOTS are current.

Does the Applicant or any related entity currently hold fee title or have an option/contract to purchase the Project site?

Yes

If No, indicate name of present owner of the Project Site

Does Applicant or related entity have an option/contract to purchase the Project site?

Yes

Describe the present use of the proposed Project site (vacant land, existing building, etc.)

Vacant Land

Provide narrative and purpose of the proposed project (new build, renovations) square footage of existing and new construction contemplated and/or equipment purchases. Identify specific uses occurring within the project. Describe any and all tenants and any/all end users: (This information is critical in determining project eligibility)

New 23000 Square foot Building. This facility will be used to manufacture and maintenance equipment . There will be 2000 square foot of office space within the building . 1 plow ,skid steer and mower will be purchased to maintain the property. Highway Rehab Corp will be the only tenant .

Municipality or Municipalities of current operations

Cheektowaga NY

Will the Proposed Project be located within a Municipality identified above?

No

Will the completion of the Project result in the removal of an industrial or manufacturing plant of the project occupant from one area of the state to another area of the state OR in the abandonment of one or more plants or facilities of the project occupant located within the state?

No

If the Proposed Project is located in a different Municipality within New York State than that Municipality in which current operations are being undertaken, is it expected that any of the facilities in any other Municipality will be closed or be subject to reduced activity?

Yes

(If yes, you will need to complete the Intermunicipal Move Determination section of this application)

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, type of assistance offered and provide supporting documentation available

Have you contacted or been contacted by other Local, State and/or Federal Economic Development Agencies?

No

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

If the Project could be undertaken without Financial Assistance provided by the Agency, then provide a statement in the space provided below indicating why the Project should be undertaken by the Agency:

Describe the reasons why the Agency's financial assistance is necessary, and the effect the Project will have on the Applicant's business or operations. Focus on competitiveness issues, project shortfalls, etc... Your eligibility determination will be based in part on your answer (attach additional pages if necessary)

Given the rise of interest rates and the increased cost of materials and fuel we are in need of assistance to complete the proposed project. Highway Rehab would otherwise have to put the project on hold. Without this new facility we will not be able to store or service any more equipment stopping our growth and causing us to reduce the number of employees we have. We already have a back log from this year and had to turn down work from repeat customers for the 2nd year in a row. We would have to turn down a fair amount of new work and completing the work we promised would be tight. We have several new agencies looking to work with us in 2023. This new building is critical to our growth.

Please confirm by checking the box, below, if there is likelihood that the Project would not be undertaken but for the Financial Assistance provided by the Agency

Yes

If the Applicant is unable to obtain Financial Assistance for the Project, what will be the impact on the Applicant and Erie County?

If the project does not take place it will force us to reduce our staff and force us to sign a lease that is going up 30%. Further more we will need to remove some of our equipment from the property given the limited amount of space we have. We have spent over \$500,000 building equipment to add another crew. Without the space to store and maintain this equipment it will become a financial burden. By adding a crew we buy more materials, trucks, tools and consumables. This will benefit local businesses and the sales tax we pay goes to the county. The added crew will require another 12 positions be filled. We provide a Green and more cost effective process for Government agencies through out the Northeast and they would also be hurt without this project moving forward. We also need to hire 3 full time positions for the office.

Will project include leasing any equipment?

No

If yes, please describe equipment and lease terms.

We would need to lease a new Hamm Roller and Cat Fork truck.

Site Characteristics

Is your project located near public transportation?

No

If yes describe if site is accessible by either metro or bus line (provide route number for bus lines)

Has a project related site plan approval application been submitted to the appropriate planning department?

Yes

If Yes, include the applicable municipality's and/or planning department's approval resolution, the related State Environmental Quality Review Act ("SEQR") "negative declaration" resolution, if applicable, and the related Environmental Assessment Form (EAF), if

4.) Reconstruction/Renovation

\$ 0

square feet

5.) Manufacturing Equipment

\$ 85,000

6.) Infrastructure Work

\$ 350,000

7.) Non-Manufacturing Equipment: (furniture, fixtures, etc.)

\$ 15,000

8.) Soft Costs: (Legal, architect, engineering, etc.)

\$ 75,000

9.) Other Cost

\$ 0

**Explain Other
Costs**

Total Cost \$ 5,225,000

Construction Cost Breakdown:

Total Cost of Construction	\$ 4,500,000 (sum of 2, 3, 4 and 6 in Project Information, above)
Cost of materials	\$ 3,515,000
% sourced in Erie County	60%

Sales and Use Tax:

Gross amount of costs for goods and services that are subject to State and local sales and use tax- said amount to benefit from the Agency's sales and use tax exemption benefit \$ 3,515,000

Estimated State and local Sales and Use Tax Benefit (product of 8.75% multiplied by the figure, above): \$ 308,875

** Note that the estimate provided above will be provided to the New York State Department of Taxation and Finance. The Applicant acknowledges that the transaction documents may include a covenant by the Applicant to undertake the total amount of investment as proposed within this Application, and that the estimate, above, represents the maximum amount of sales and use tax benefit that the Agency may authorize with respect to this Application. The Agency may utilize the estimate, above, as well as the proposed total Project Costs as contained within this Application, to determine the Financial Assistance that will be offered.

Project refinancing estimated amount, if applicable (for refinancing of existing debt only) \$ 0

Have any of the above costs been paid or incurred as of the date of this Application? No

If Yes, describe particulars:

Sources of Funds for Project Costs:

Equity (excluding equity that is attributed to grants/tax credits): \$ 1,350,000

Bank Financing: \$ 3,900,000

Tax Exempt Bond Issuance (if applicable): \$ 0

Taxable Bond Issuance (if applicable): \$ 0

Public Sources (Include sum total of all state and federal grants and tax credits): \$ 0

Identify each state and federal grant/credit: (ie Historic Tax Credit, New Market Tax Credit, Brownfield, Cleanup Program, 0

ESD, other public sources)

Total Sources of Funds for Project Costs: \$5,250,000

Have you secured financing for the project? Yes

Mortgage Recording Tax Exemption Benefit:

Amount of mortgage, if any that would be subject to mortgage recording tax:

Mortgage Amount (include sum total of construction/permanent/bridge financing). 3,900,000

Lender Name, if Known

Estimated Mortgage Recording Tax Exemption Benefit (product of mortgage amount as indicated above multiplied by 3/4 of 1%): \$29,250

Real Property Tax Benefit:

Identify and describe if the Project will utilize a real property tax exemption benefit other than the Agency's PILOT benefit (485-a, 485-b, other):

IDA PILOT Benefit: Agency staff will indicate the estimated amount of PILOT Benefit based on estimated Project Costs as contained herein and anticipated tax rates and assessed valuation, including the annual PILOT Benefit abatement amount for each year of the PILOT benefit and the sum total of PILOT Benefit abatement amount for the term of the PILOT as depicted in the PILOT worksheet in the additional document section.

Percentage of Project Costs financed from Public Sector sources: Agency staff will calculate the percentage of Project Costs financed from Public Sector sources based upon the Sources of Funds for Project Costs as depicted above. The percentage of Project Costs financed from public sector sources will be depicted in the PILOT worksheet in the additional document section.

Is project necessary to expand project employment?

Yes

Is project necessary to retain existing employment?

Yes

Will project include leasing any equipment?

No

If yes, please describe equipment and lease terms.

We would need to lease a new Hamm Roller and Cat Fork truck.

Employment Plan (Specific to the proposed project location)

The Labor Market Area consists of the following six counties: Erie, Niagara, Chautauqua, Cattaraugus, Wyoming and Genessee.

By statute, Agency staff must project the number of FTE jobs that would be retained and created if the request for Financial Assistance is granted. Agency staff will project such jobs over the TWO Year time period following Project completion. Agency staff converts PT jobs into FTE jobs by dividing the number of PT jobs by two (2).

	Current # of jobs at proposed project location or to be relocated at project location	If financial assistance is granted – project the number of FT and PT jobs to be retained	If financial assistance is granted – project the number of FT and PT jobs to be created upon 24 months (2 years) after Project completion	Estimate number of residents of the Labor Market Area in which the project is located that will fill the FT and PT jobs to be created upon 24 months (2 years) after project completion **
Full time	67	0	15	15
Part time	0	0	0	0

Total 67 0 15

Salary and Fringe Benefits for Jobs to be Retained and Created

Category of Jobs to be Retained and/or Created	# of Employees Retained and/or Created	Average Salary for Full Time	Average Fringe Benefits for Full Time	Average Salary for Part Time (if applicable)	Average Fringe Benefits for Part Time (if applicable)
Management	5	\$ 260,000	\$ 33,996	\$ 0	\$ 0
Professional	8	\$ 91,750	\$ 15,250	\$ 0	\$ 0
Administrative	2	\$ 63,202	\$ 1,460	\$ 0	\$ 0
Production	67	\$ 76,200	\$ 40,500	\$ 0	\$ 0
Independent Contractor	0	\$ 0	\$ 0	\$ 0	\$ 0
Other	0	\$ 0	\$ 0	\$ 0	\$ 0

** Note that the Agency may utilize the foregoing employment projections, among other items, to determine the financial assistance that will be offered by the Agency to the Applicant. The Applicant acknowledges that the transaction documents may include a covenant by the Applicant to retain the number of jobs and create the number of jobs with respect to the Project as set forth in this Application.

Yes **By checking this box, I certify that the above information concerning the current number of jobs at the proposed project location or to be relocated to the proposed project location is true and correct.**

Employment at other locations in Erie County: (provide address and number of employees at each location):

Address	Full time	Part time	Total
	0	0	0
	0	0	0
	0	0	0

Payroll Information

Annual Payroll at Proposed Project Site upon completion

6,927,000

Estimated average annual salary of jobs to be retained (Full Time)

88,340

Estimated average annual salary of jobs to be retained (Part Time)

0

Estimated average annual salary of jobs to be created (Full Time)

67,200

Estimated average annual salary of jobs to be created (Part Time)

0

Estimated salary range of jobs to be created

From (Full Time)	60,000	To (Full Time)	110,000
From (Part Time)	0	To (Part Time)	0

Section III: Environmental Questionnaire

INSTRUCTIONS: Please complete the following questionnaire as completely as possible. If you need additional space to fully answer any question, please attach additional page(s).

General Background Information

Address of Premises

11061 Walden ave Alden NY 14004

Name and Address of Owner of Premises

HRC Properties 2258 Route 22 Brewster NY 10509

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

18 Acres of vacant land . No wetlands . Zoned industrial.

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

We will have a 23000 square foot building with a fenced in parking area for securely storing equipment and supplies . There will also be parking in the front of building for employees and visitors.

Describe all known former uses of the Premises

There is a foundation on the lot from a building that burned down some years ago. Prior use unknown.

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

- sewer to municipal sewer system- storm water runs to retention basin then to state discharge system - Clean water from county water system

Is any waste discharged into or near surface water or groundwaters?

No

If yes, please describe in detail the discharge including not only the receiving water's classification, but a description of the type and quantity of the waste

Air Pollution

Are there or is it contemplated that there will be any air emission sources that emit contaminants from the Premises?

No

If yes, describe each such source, including whether it is a stationary combustion installation, process source, exhaust or ventilation system, incinerator or other source

Are any of the air emission sources permitted?

No

If yes, attach a copy of each permit.

Storage Tanks

List and describe all above and under ground storage tanks at the Premises used to store petroleum or gasoline products, or other chemicals or wastes, including the contents and capacity of each tank. Please also provide copies of any registrations/permits for the tanks

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

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

Section IV: Facility Type - Single or Multi Tenant

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

Single Use Facility

For Single Use Facility.

Occupant Name Highway Rehabilitation Corp
Address
Contact Person Thomas Colella
Phone (845) 721-4094
Fax
E-Mail tom@higwayrehab.com
Federal ID # 22-2355196
SIC/NAICS Code 237310

SS

Section VI: Retail Determination

To ensure compliance with Section 862 of the New York General Municipal Law, the Agency requires additional information if the proposed Project is one where customers personally visit the Project site to undertake either a retail sale transaction or to purchase services.

Please answer the following:

Will any portion of the project (including that portion of the costs to be financed from equity or other sources) consist of facilities or property that are or will be primarily used in making sales of goods or services to customers who personally visit the project site?

No

If yes, complete the Retail Questionnaire Supplement below. **If no, proceed to the next section.**

Section VII: Adaptive Reuse Projects

Adaptive Reuse is the process of adapting old structures or sites for new purposes.

Are you applying for tax incentives under the Adaptive Reuse Program?

No

Section VIII: Inter-Municipal Move Determination

The Agency is required by state law to make a determination that, if completion of a Project benefiting from Agency Financial Assistance results in the removal of an industrial or manufacturing plant of the project occupant from one area of the state to another area of the state or in the abandonment of one or more plants or facilities of the project occupant located within the state, Agency financial Assistance is required to prevent the project occupant from relocating out of the state, or is reasonably necessary to preserve the project occupant's competitive position in its respective industry.

Current Address

100 stradtman st

City/Town

Cheektowaga

State

New York

Zip Code

14206

Will the project result in the removal of an industrial or manufacturing plant of the Project occupant from one area of the state to another area of the state?

No

Will the project result in the abandonment of one or more plants or facilities of the Project occupant located within the state?

No

If Yes to either question, explain how, notwithstanding the aforementioned closing or activity reduction, the Agency's Financial Assistance is required to prevent the Project from relocating out of the State, or is reasonably necessary to preserve the Project occupant's competitive position in its respective industry:

Does this project involve relocation or consolidation of a project occupant from another municipality?

Within New York State

Yes

Within Erie County

Yes

If Yes to either question, please, explain

Highway Rehab corp. has out grown the current facility in Cheektowaga and needs more space to operate. We did spend more than a year looking for properties in Cheektowaga as well as the surrounding areas but were unable to find a adequate facility.

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 out of the City of Buffalo (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.)

minimum parking 400 ft x 250 ft plus 12 front office parking spots, minimum of 20 ft ceilings, minimum of 16,000 square feet of shop space consisting of 4 bays with doors 16 ft x 14 ft . Must be zoned industrial. Must have a minimum of 1500 square foot office space.

If the project occupant is currently located in Erie County and will be moving to a different municipality within Erie County, has the project occupant attempted to find a suitable location within the municipality in which it is currently located?

Yes

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

A majority of our vendors and service shops are located within County . A majority of our employees are also located in Erie County.

If the current facility is to be abandoned, what is going to happen to the current facility that project occupant is located in?

The current facility will more than likely be leased to key safety who already occupies a large part of the industrial complex we reside 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.

100 Stradtman St , Cheektowaga NY our current location , not adequate space to expand. The Bic recycling facility at 4284walden Ave in Cheektowaga needed too much work and lacked parking. We also looked at 5636 Transit Rd , Depew NY . This property need block work , tons of electrical work, the headers were rotted out above doors, buried fuel tanks were of concern to us , and the parking lot was not large enough. We also contacted Uniland and inquired about property they have in Cheektowaga NY off Walden Ave. They wanted 65K an acre and that was out of our price range.

Section IX: Senior Housing

IDA tax incentives may be granted to projects under the Agency's Senior Citizen Rental Housing policy when the project consists of a multi-family housing structure where at least 90% of the units are (or are intended to be) rented to and occupied by a person who is 60 years of age or older.

Are you applying for tax incentives under the Senior Rental Housing policy?

No