

Erie County Industrial Development Agency Meeting of the Membership

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

July 23, 2025 at 12:00 p.m.

1.0 Call to Order

- 1.1 Call to Order Meeting of the Membership
- 1.2 Welcome New Board Member
 - a) Lorry Goldhawk President, Erie County Association of School Boards

2.0 Approval of Minutes:

- 2.1 Approval of Minutes of June 25, 2025 Meeting of the Membership (Action Item) (Pages 2-5)
- 2.2 Policy Committee Update (Informational) (Pages 6-10)

3.0 Amendatory Inducement Resolution(s):

3.1 Lactalis American Group, Inc. (Pages 11-51)

4.0	Inducement Resolution(s):	ECIDA	Priv
		Incentives	Inv

Private Investment

4.1 Great Lakes Pressed Steel (Pages 52-93)

\$224,938 \$2,555,500

Municipality Buffalo

5.0 Reports / Action Items / Information Items:

- 5.1 Financial Report (Informational) (Pages 94-97)
- 5.2 Funding Request Sumitomo Site Redevelopment Study (Action Item) (Pages 98-101)
- 5.3 Amendment to Community Development Block Grant Sub-Recipient Agreement (Action Item) (Pages 102-104)
- 5.4 Buffalo Southern Railroad PFRAP Bridge Project Authorization to enter into contract with contractor for construction of project (Action Item) (Pages 105-108)
- 5.5 2025 Tax Incentives Induced/Closing Schedule (Informational) (Pages 109-110)

6.0 Management Team Reports:

6.1

7.0 Adjournment- Next Meeting – August 27, 2025

MINUTES OF THE MEETING OF THE MEMBERSHIP OF THE ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY (ECIDA or AGENCY)

DATE AND PLACE: June 25, 2025, at the Erie County Industrial Development Agency,

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

PRESENT: Denise Abbott; Dr. LaVonne Ansari; Rev. Mark Blue; Patrick Boyle;

Hon. Joseph H. Emminger; Dottie Gallagher; Gregory Inglut; Tyra Johnson; Hon. Brian Kulpa; Brenda McDuffie; Glenn R. Nellis; Hon.

Brian Nowak and Kenneth Schoetz

EXCUSED: Jonathan Dandes; Hon. Mark Poloncarz; Hon. Taisha St. Jean Tard and

Hon. Christopher P. Scanlon

OTHERS PRESENT: John Cappellino, President & CEO; Mollie Profic, Chief Financial

Officer; Beth O'Keefe, Vice President of Operations; Jerry Manhard, Chief Lending Officer; Grant Lesswing, Director of Business Development; Brian Krygier, Director of Information Technology; Carrie Hocieniec, Operations Assistant/Assistant Secretary; Soma Hawramee, Compliance Portfolio Manager; Atiqa Abidi, Accounting Manager; Lori Szewczyk, Director of Grants; Kate Silverstein-Jensen, Intern at Harris Beach Murtha and Robert G. Murray, Esq., General

Counsel/Harris Beach Murtha Cullina PLLC

GUESTS: Zaque Evans on behalf of Erie County; Lorry Goldhawk on behalf of

Erie County Association of School Boards and Robert Kapilevich on

behalf of Pfannenberg US Realty LLC

There being a quorum present at 12:06 p.m., the meeting of the members of the Erie County Industrial Development Agency (the "ECIDA" or "Agency"), was called to order by the Chair, Ms. McDuffie.

Ms. McDuffie welcomed new ECIDA Board member Greg Inglut. Ms. McDuffie also introduced Lorry Goldhawk, who will be replacing Mr. Boyle, starting next month, as the new President of the Erie County Association of School Boards.

MINUTES

The minutes of the May 28, 2025, meeting of the members were presented. Ms. Gallagher moved, and Mr. Nellis seconded to approve of the minutes. Ms. McDuffie called for the vote and the minutes were unanimously approved.

<u>Policy Committee Update.</u> Ms. Abbott updated members on the most recent Policy Committee meeting in which the Committee recommended to the Board the approval of the project before the Board for its consideration at today's meeting.

AMENDATORY INDUCEMENT RESOLUTION

<u>Pfannenberg US Realty LLC, 13595 Broadway, Alden, New York.</u> Ms. O'Keefe described this previously approved project, as amended, now including proposed increases in projected expenditures subject to sales tax resulting in an increase in the sales tax benefit request.

General discussion ensued.

The Project's cost benefit ratio was presented to and reviewed by the members present and the costs of incentives so applied for, the anticipated new tax revenues to be generated by the Project, as well as the Project's contemplated community benefits which were discussed and considered.

Mr. Emminger moved and Ms. Gallagher seconded to approve the amendment. Ms. McDuffie then called for the vote and the following resolution was unanimously approved:

RESOLUTION OF THE ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY (THE "AGENCY") AUTHORIZING (i) ADDITIONAL FINANCIAL ASSISTANCE TO PFANNENBERG US REALTY LLC (THE "COMPANY") IN AMOUNTS EXCEEDING THE AMOUNTS PREVIOUSLY APPROVED BY THE AGENCY; AND (ii) THE EXECUTION OF RELATED DOCUMENTS

At this point in time, Dr. Ansari joined the meeting.

REPORTS / ACTION ITEMS / INFORMATION ITEMS

NYS Department of Transportation Appropriation of Real Property Resolution. Ms. Profic advised members that in November 2024 ECIDA received correspondence from the New York State Department of Transportation ("DOT") informing the Agency that the DOT was initiating the acquisition of approximately 64 square feet of property at the intersection of Oak and Genesee Streets under eminent domain. New York State is required to pay fair market value for the property acquired, and the appraisal performed valued that portion of the property at \$9,400. A copy of the map reflecting the acquisition and vesting title to the property in the name of New York State was filed with the Erie County Clerk's office in early June. ECIDA management must execute closing paperwork to complete the payment process, and we've been working with our counsel to review

all items provided by the DOT. At this time, we are requesting approval of the resolution to ratify the agreement and designate John Cappellino to execute closing papers on behalf of ECIDA.

Ms. Gallagher moved and Ms. Abbott seconded to consent to the DOT's eminent domain of certain Agency property. Ms. McDuffie then called for the vote and the following resolution was unanimously approved:

RESOLUTION OF THE GOVERNING BODY OF THE ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY RATIFYING AN AGREEMENT FOR ADVANCE PAYMENT AND AUTHORIZING JOHN CAPPELLINO TO EXECUTE CLOSING PAPERS ON BEHALF OF THE ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY

Financial Report. Ms. Profic presented the May financial reports. The balance sheet shows that the IDA finished the month with total assets of \$36.7M (includes unrestricted cash of \$6.1M available for Agency operations) and net assets of \$19.6M. Overall assets decreased \$125,000 from April due to decreases in cash, amounts due from affiliates, and receivables, offset by an increase in restricted cash. During May, ILDC repaid \$258,000 to the UDAG fund from grant receipts, and ECIDA receiving \$106,000 of grant proceeds. Liabilities decreased \$88,000 due mainly to a decrease in deferred revenue. The monthly income statement shows a net loss of \$17,600 in May. Operating revenue of \$206,000 was below the monthly budget by \$13,000, due to lower than budgeted project administrative fees received in May. \$320,000 of admin/app fees received so far in June, now at 39% of annual budget. Operating expenses of \$264,000 were \$6,000 under budget, with minor variances spread across several expense lines. After net non-operating revenue of \$43,000, there was a net loss of \$17,628 for the month. The year-to-date income statement shows operating revenues of \$732,000, including administrative fee revenue of \$383,000. We are 21% of our annual budget through May. Operating expenses of \$1.3M are \$79,000 below budget. Net special project grant income is \$35,000, and strategic initiatives yearto-date total \$100,000. Net non-operating revenue of \$205,000 brings us to a net loss of \$461,956 for the year. Ms. McDuffie directed that the report be received and filed.

At this point in time, Rev. Blue joined the meeting.

<u>UDAG</u> Fund Status Report. Ms. Profic provided historical background to members regarding the Board's 2023 approval to authorize ILDC to utilize the UDAG fund to float project cash flow and fund certain carrying costs for land redevelopment activities. As part of the resolution, a financial accounting of the UDAG fund balance and cash flow activities is to be provided to the Board annually. As of May 31, 2025, the ILDC has borrowed a total of \$8,867,929 and repaid \$7,032,434, leaving \$1,835,495 outstanding. The repayment sources for that \$1.8M are grants from Empire State Development and the Economic Development Administration. Currently the UDAG fund has a balance of \$10.8M (\$9M cash on hand, \$1.8M due from ILDC).

The use of UDAG funds in 2024 for carrying costs associated with ILDC-owned properties totaled just under \$134,000 and are outlined within the memo provided in the Board package. The

majority of carrying costs in 2024 related to special district taxes on the properties and legal costs. Ms. McDuffie directed that the report be received and filed.

<u>2025 Tax Incentives Induced/Closing Schedule</u>. Mr. Cappellino provided this report to Board members. Ms. McDuffie directed that the report be received and filed.

MANAGEMENT TEAM REPORTS

Mr. Cappellino thanked Mr. Boyle for his service on the ECIDA Board.

There being no further business to discuss, Ms. McDuffie adjourned the meeting of the Agency at 12:30 p.m.

Dated: June 25, 2025

Elizabeth A. O'Keefe, Secretary

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

DATE AND PLACE: July 10, 2025 at the Erie County Industrial Development Agency,

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

14203

PRESENT: Denise Abbott, A.J. Baynes, Rev. Mark E. Blue, Zaque Evans,

Gregory R. Inglut, Dr. Susan McCartney, Brenda W. McDuffie, Glenn R. Nellis, Hon. Brian Nowak, Peter Petrella, Laura Smith and

David State

EXCUSED: Hon. Christopher Scanlon and Lavon Stephens

OTHERS PRESENT: John Cappellino, President & CEO; Mollie Profic, Chief Financial

Officer; Beth O'Keefe, Vice President of Operations; Grant Lesswing, Director of Business Development; Andrew Federick, Director of Property Development; Brian Krygier, Director of Information Technology; Carrie Hocieniec, Operations Assistant/ Assistant Secretary; Soma Hawramee, Compliance Portfolio Manager and Robert G. Murray, Esq., as General Counsel/Harris Beach Murtha

GUESTS: Yessica Vasquez on behalf of the City of Buffalo; Chuck Wilson on

behalf of Upstate Niagara Cooperative; Timothy Nichols on behalf of Great Lakes Pressed Steel; Jeff McGiveron and Don Heins on behalf

of Lactalis American Group

There being a quorum present at 9:05 a.m., the Meeting of the Policy Committee was called to order by Chair Abbott.

MINUTES

The minutes of the June 5, 2025 Policy Committee meeting were presented. Upon motion made by Mr. Evans to approve of the minutes, and seconded by Dr. McCartney, the Policy Committee meeting minutes were unanimously approved.

PROJECT MATRIX

Mr. Cappellino presented the project matrix to the Committee. Ms. Abbott directed that the report be received and filed.

PROJECT PRESENTATION

At this point in time Ms. McDuffie and Rev. Blue joined the meeting.

Lactalis American Group, Inc., 2375 South Park Avenue, Buffalo, New York 14220. Ms. O'Keefe presented this proposed amendment to the sales and use tax benefits project involving the company's request for an increase in sales tax benefits due to a rise in material costs and additional/unanticipated costs.

Ms. O'Keefe confirmed that Lactalis American Group, Inc. is seeking up to \$2,158,618 in sales tax exemption assistance. Total payroll is projected at \$376,686,259 which includes the direct and indirect jobs for both the temporary and ongoing positions over the life of the PILOT. Created jobs include 242 construction jobs. The resulting cost benefit is 1:179 so for every \$1 of incentive the community benefit is \$179 in payroll & tax revenue. Within Erie County, for every \$1 of incentive the community benefit is \$313 in benefits to the community.

Ms. O'Keefe stated that in exchange for providing the sales and use tax 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	
		Investment amount equal to or greater than 85%	
		of project amount.	
		Total Project Amount = \$62,014,038	
Total Investment	At project completion	85% = \$52,711,932	
		Maintain Base = 400 FTE	
		Create 85% of Projected	
		Projected = 27 FTE	
	2 years after project	85% = 22 FTE	
Employment	completion	Recapture Employment = 422 FTE	
		Adherence to policy including quarterly	
Local Labor	Construction Period	reporting	
	2 years after project		
Pay Equity	completion	Adherence to policy	
	2 years after project		
Unpaid Tax	completion	Adherence to policy	
	2 years after project		
Recapture Period	completion	Recapture of state and local sales taxes	

General discussion ensued.

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

Upstate Niagara Cooperative, Inc., North America Drive, West Seneca, New York 14224. Ms. O'Keefe presented this proposed amendment to the sales and use tax and real property tax abatement benefit involving the company's request for an increase in sales tax benefits and real property tax abatement as well as adding mortgage recording tax benefit to the project due to a rise in material costs and additional/unanticipated costs.

Ms. O'Keefe confirmed that Upstate Niagara Cooperative, Inc. is seeking up to \$6,125,000 in sales tax exemption assistance, up to \$3,997,610 in real property tax abatement and up to \$1,890,000 in mortgage recording tax benefits. Total payroll is projected at \$872,667,762 which includes the direct and indirect jobs for both the temporary and ongoing positions over the life of the PILOT. Created jobs include 994 construction jobs. The resulting cost benefit is 73:1 so for every \$1 of incentive the community benefit is \$73 in payroll & tax revenue. Within Erie County, for every \$1 of incentive the community benefit is \$106 in benefits to the community.

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
		Investment amount equal to or greater than 85%
		of project amount.
		Total Project Amount = \$255,000,000
Total Investment	At project completion	85% = \$216,750,000
		Maintain Base = 240 FTE
=		Create 85% of Projected
		Projected = 130 FTE
	Coincides with 10-year	85% = 110 FTE
Employment	PILOT	Recapture Employment = 350 FTE
		Adherence to policy including quarterly
Local Labor	Construction Period	reporting
	Coincides with 10-year	
Pay Equity	PILOT	Adherence to policy
	Coincides with 10-year	
Unpaid Tax	PILOT	Adherence to policy
	Coincides with 10-year	Recapture of state and local sales taxes,
Recapture Period	PILOT	mortgage recording tax and real property tax

General discussion ensued.

Mr. Inglut moved and Mr. Petrella seconded to recommend the project as proposed be forwarded to the members of the ECIDA Board for approval. Ms. Abbott called for the vote and the motion was then unanimously approved.

Great Lakes Pressed Steel Corporation, 1382 Niagara Street, Buffalo, New York 14213. Ms. O'Keefe presented this proposed sales and use tax, mortgage recording tax and real property tax abatement benefits project involving the construction of a 13,000 SF building next to the current facility which will allow an increase in manufacturing capabilities, installing a new laser and shears press breaks and punch presses.

Ms. O'Keefe confirmed that Great Lakes Pressed Steel Corporation is seeking approximately \$224,938 in assistance including sales tax exemption, mortgage tax exemption and real property tax exemption. Total payroll is projected at \$17,730,825 which includes the direct and indirect jobs for both the temporary and ongoing positions over the life of the PILOT. Created jobs include 9 construction jobs. The resulting cost benefit is 79:1 so for every \$1 of incentives the community benefit is \$79 in payroll & tax revenue. Erie County, for every \$1 of incentives the community benefit is \$105 in benefits to the community.

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:

Condition	Term	Recapture Provision	
	6	Investment amount equal to or greater than 85%	
		of project amount.	
		Total Project Amount = \$2,555,500	
Total Investment	At project completion	85% = \$2,172,175	
		Maintain Base = 15 FTE	
		Create 85% of Projected	
		Projected = 2 FTE	
	Coincides with 10-year	85% = 1 FTE	
Employment	PILOT	Recapture Employment = 16 FTE	
		Adherence to policy including quarterly	
Local Labor	Construction Period	reporting	
	Coincides with 10-year		
Pay Equity	PILOT	Adherence to policy	
	Coincides with 10-year		
Unpaid Tax	PILOT	Adherence to policy	
	Coincides with 10-year	Recapture of state and local sales taxes,	
Recapture Period	PILOT	mortgage recording tax and real property tax	

General discussion ensued.

Ms. Smith moved and Mr. Nellis seconded to recommend the project as proposed be forwarded to the members of the ECIDA Board for approval. Ms. Abbott called for the vote and the motion was then unanimously approved.

MANAGEMENT TEAM REPORT

Draft Subject to Committee Approval

Mr. Cappellino updated members on general deal flow volume and with respect to some general issues including housing, office space and data center projects that the Policy Committee may want to consider.

There being no further business to discuss, Ms. Abbott adjourned the meeting at 9:45 a.m.

Dated: July 10, 2025

Elizabeth A. O'Keefe, Secretary

Lactalis American Group, Inc \$62,014,038

AMENDATORY INDUCEMENT RESOLUTION

ELIGIBILITY	
NAICS Section - 3115	
COMPANY INCENTIVES	

- Original: Up to \$1,203,247 in sales tax savings
- Amended: Up to \$2,158,618 in sales tax savings

JOBS & ANNUAL PAYROLL

- Current Jobs: 400 FT, 1 PT
- Est. salary/yr. of jobs retained: FT \$77,112, PT \$52,119
- Annual Payroll: \$ 22,277,956
- Projected new jobs: 27 FT
- Est. salary/yr. of jobs created: \$47,515
- Total jobs after project completion: 427 FT
- Construction Jobs: 242

PROJECTED COMMUNITY BENEFITS*

- Term: 2 yrs. from project completion
- NET Community Benefits: \$399,405,149
- Spillover Jobs: 2,005

Total Payroll: \$376,686,259

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

Incentives: \$2,158,618

Community Benefit: \$385,408,081

Cost: Benefit Ratio • 1:179

* Cost Benefit Analysis Tool powered by MRB Group Project Title:

2025 Plant Modernization-WNY

Project Address

2375 South Park Ave, Buffalo, NY 14220

(City of Buffalo School District)

Agency Request

An increase of sales tax abatement in connection with the continued modernization and revitalization of the Buffalo, NY manufacturing facility.

	Prior	Current
New Building Construction		\$ 3,120,309
Building Addition	\$ 1,075,000	\$ 1,125,000
Reconstruction/Renovation	\$19,002,212	\$ 32,255,681
Infrastructure	\$ 2,841,788	\$ 2,841,788
Mfg. Equipment	\$21,607,000	\$ 21,607,000
Non Mfg. Equipment	0	\$ 1.064,260
Total Project Cost	\$44,526,000	\$ 62,014,038
85%	\$37,847,100	\$ 52,711,932

Company Description

The applicant, Lactalis American Group, Inc is 100% owned by LAG Holding, Inc, a subsidiary of Group Lactalis – a global dairy company that owns and operates dairy manufacturing plants around the world. Group Lactalis has 11 manufacturing plants operating in the U.S. – specifically in: NY, CA, AZ, ID, WI, VT and NH. Lactalis Buffalo employs a total of 746 employees - 401 employee work within the manufacturing plant.

On average, the plant processes 750 M pounds of milk annually producing mozzarella, ricotta, provolone, brie and whey. The Buffalo plant supports 230 dairy farms with 97% of all milk processed at Lactalis Buffalo coming from NYS.

Project Description

As modernization and revitalization work continues at the South Park Avenue facility, Lactalis is progressing through the final stages of engineering approvals for several project phases that were previously pending. These phases could not be accurately costed prior to this amendment; however, Lactalis has now confirmed eligible expenditures following the most recent internal and engineering reviews. Major components of these phases include: 1) Repurposing of Distribution Center Space (\$ 905,000) convert space from cold to dry storage & into a dedicated ricotta cheese packaging area, 2) Demolition of Locker Area for New Mozzarella Production (\$5.5M) convert former employee locker space to 5,600 SF of new production space, 3) Ricotta Equipment Installation & Spot Pack Room Renovation (\$2.6M) renovate 5,800 SF for new ricotta production equipment & 7,000 SF for new ricotta cheese filler lines, 4) Overhaul of Deteriorated Production Area (\$2.5M) demolish existing bulk filler room and adjacent space – creating modernized space to ensure compliance / improved operational flow, and 5) Construction of New Engine Room (\$ 3.12M) a 10,000 SF structure to be built that supports increased thermal and cooling demands (capacity) to meet future needs.

Economic Impact: Inform Analytics Cost-Benefit Analysis

The Eric 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	\$ 0	
	Sales	\$2,158,618	
	Mortgage Recording	\$ 0	
	Total	\$2,158,618	
	Discounted at 2%	\$2,158,618	

Benefit: Projected Community Benefit*

	Region	Recipient	Revenue Type	\$ Amount **
	Erie	Individuals	Payroll Construction	\$ 37,882,251
	County Public		Payroll Permanent	\$338,804,008
δ		Public	Property Taxes	\$ 0
BENEFITS			Sales Taxes	\$ 3,131,204
EN			Other Muni Revenue (NFTA)	\$ 0
80	New York	Public	Income Taxes	\$ 16,950,881
	State		Sales Taxes	\$ 2,636,804
			Total Benefits to EC + NYS***	\$399,405,149
			Discounted at 2%	\$385,408,081

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

Discounted Cost

\$ 2,158,618

Discounted Benefit

\$ 385,408,081

Ratio

1:179

Conclusion: The Cost Benefit for this project is: 1:179. For every \$1 in costs (incentives), this project provides \$179 in benefits (payroll & tax revenue). Note: For Erie County, every \$1 in costs (incentives) provides \$313 in benefits to the community.

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 = \$62,014,038 85% = \$52,711,932
Employment	2 years after project completion	Maintain Base = 400 FTE Create 85% of Projected Projected = 27 FTE 85% = 22 FTE Recapture Employment = 422 FTE
Local Labor	Construction period	Adherence to policy including quarterly reporting
Pay Equity	2 years after project completion	Adherence to Policy
Unpaid Tax	2 years after project completion	Adherence to Policy
Recapture Period	2 years after project completion	Recapture of state and local sales taxes

Recapture applies to: State and Local Sales Taxes

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 400 FTE jobs and created 22 FTE 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

- 6/18/25: Public hearing held.
- 7/23/25: Inducement Resolution presented to Board of Directors adopting a Negative Declaration in accordance with SEQRA – amendatory request
- 7/23/25: Lease/Leaseback Inducement Resolution presented to the Board of Directors amendatory request

Company History

- 11/29/23: sales tax incentive associated with a \$44.5 M investment
- 1/26/22: property and sales tax incentives associated with \$1.44 M construction and renovation project (office space). Project status = inactive / Lactalis will not move forward with project and no ECIDA benefits were taken.
- 10/13/99: property and sales tax incentives associated with \$7.76 M construction project: 86K sq ft cooler/warehouse, 91K sq ft parking lot, renovations to an existing facility and the purchase of machinery & equipment.
- 8/12/98: property & sales tax incentives associated with \$1.8 M construction project: 7K sq ft addition to an admin bldg.
- 2/12/97: property & sales tax incentives associated with \$2.83 M construction project: 16K sq ft addition existing bldg.

EVALUATIVE CRITERIA MANUFACTURING/WAREHOUSE/DISTRIBUTION

Project: Lactalis American Group: 2025 Plan Modernization - WNY

CRITERIA	COMMENTS
Wage Rate (above median wage for area) Per capita income = \$41,560	Average Rate for Current FT Employees: \$77,112 Projected FT Employees: \$47,515
Regional Wealth Creation (% sales / customers outside area)	Sales in Erie County (EC): 3% Outside EC, within NYS: 6% Outside NYS, within US: 89% Outside U.S.: 2%
In Region Purchases (% of overall purchases)	15% of purchases are from EC based firms
Research & Development Activities	Applicant allocates approx. 7% - 10 % of total operating expenses for R&D activities.
Investment in Energy Efficiency	Yes. Modernization work includes installation of new higher efficiency heating & cooling units. Other energy efficiencies include: better insulation, improved SEER ratings. Switch from natural gas to electricity (new production equipment) reducing carbon emissions.
Locational Land Use Factors, Brownfields or Locally Designated Development Areas	Annually, this plant uses 700MM pounds of milk for dairy product production – 97% of raw milk comes from NYS dairy farmers.
LEED/Renewable Resources	No.
Retention/Flight Risk	Risk = Lactalis choosing to expand elsewhere: at an existing facility in the U.S. or build new.
DEI Questionnaire	See attached DEI Questionnaire that includes 1) MWBE Contractor goals for construction and 2) current workforce & hiring practices related to Diversity Equity & Inclusion
Workforce Access – Proximity to Public Transportation	NFTA bus routes: 14, 16 and 42
Onsite child daycare facilities on the project site	No.

*U.S. Census Bureau

DATE OF INDUCEMENT: July 23, 2025

Erie County Industrial Development Agency

MRB Cost Benefit Calculator Date

Project Title

June 11, 2025

Project Location

Lactalis American Group, Inc. Project Modification 2375 South Park Avenue, Buffalo, New York 14220



Economic Impacts

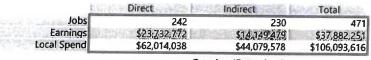
Summary of Economic Impacts over the Life of the PILOT Construction Project Costs

\$62,014,038

Temporary

Ongoing

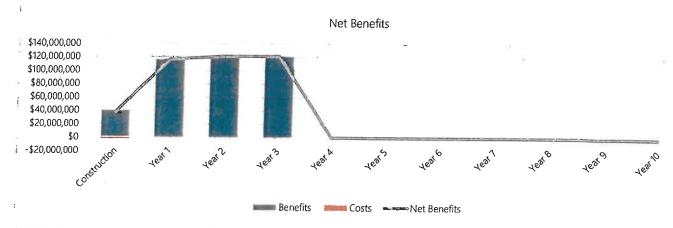
Temporary (Construction)



Ongoing (Operations) Aggregate over life of the PILOT

2:32	Direct	Indirect	Total
Jobs	427	1775	2202
Earnings	\$95,100,210	\$243,703,798	\$338,804,008

Figure 1



Net Benefits chart will always display construction through year 10, irrespective of the length of the PILOT. Figure 2



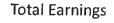
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■ Direct ■ Indirect

500

Figure 3





Ongoing earnings are all earnings over the life of the PILOT.

Fiscal Impacts



Estimated Costs of Exemptions		COST-D	rerrepu Anulysi
	Nominal Value	Discounted Value*	
Property Tax Exemption	are specifically and second some some	\$0	
Sales Tax Exemption Local Sales Tax Exemption State Sales Tax Exemption	\$2,158,618 <i>\$1,171,821</i> <i>\$986,797</i>	\$2,158,618 <i>\$1,171,821</i> <i>\$986,797</i>	
Mortgage Recording Tax Exemption	\$0.	\$00,797	
Local Mortgage Recording Tax Exemption State Mortgage Recording Tax Exemption	\$0 \$0	\$0 \$0	
otal Costs	\$2,158,618	\$2,158,618	
state and Local Benefits		Ř	
	Nominal Value	Discounted Value*	
ocal Benefits	\$379,817,464	\$366,506,842	
o Private Individuals Temporary Payroll Ongoing Payroll	\$37.686;259 \$37.882,251 \$338,804,008	\$363,485,369 \$37,882,251 \$325,603,118	
Other Payments to Private Individuals	\$0	\$0	
o the Public Increase in Property Tax Revenue Temporary Jobs - Sales Tax Revenue Ongoing Jobs - Sales Tax Revenue Other Local Municipal Revenue	\$3.131,205 \$0 \$314,896 \$2,816,308 \$0	\$3,021,472 \$0 \$314,896 \$2,706,576 \$0	
ate Benefits	\$19,587,685	\$18,901,239	
the Public Temporary Income Tax Revenue Ongoing Income Tax Revenue Temporary Jobs - Sales Tax Revenue Ongoing Jobs - Sales Tax Revenue	\$19,587,685 \$1,704,701 \$15,246,180 \$265,176 \$2,371,628	\$18.901,239 \$1,704,701 \$14.652,140 \$265,176 \$2,279,222	
tal Benefits to State & Region	\$399,405,149	\$385,408,081	
enefit to Cost Ratio		(2.22).30(00)	
Land 1	Benefit*	Cost*	Ratio
Local	\$366,506,842	\$1,171,821	313:1
State	\$18 QN1 23Q	¢006 707	40.4

	1.0	Benefit*	Cost*	Ratio
	Local	\$366,506,842	\$1,171,821	313:1
	State	\$18,901,239	\$986,797	19:1
Grand Total	*Discounted at the public se	\$385,408,081	\$2,158,618	179:1
	"Discounted at the bublic se	CTOT discount rate of: 2%		

Additional Comments from IDA

Does the IDA believe that the project can be accomplished in a timely fashion? Does this project provide onsite childcare facilities? No

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Diversity, Equity and Inclusion Questionnaire

1. MWBE Contractors - Construction

The ECIDA encourages applicants to utilize MWBE contractors and suppliers for their projects and when feasible, to set a goal for MWBE participation during the construction period of the project. Below are links to the NYS and Erie County certified MWBE lists, including contractors, that can assist you with your utilization goals:

- New York State MWBE Certified List: https://ny.newnycontracts.com/
- Erie County MWBE Certified List: https://www3.erie.gov/eeo/mbe-wbe-resource-list

Please provide detailed information regarding your company's plan to utilize MWBE contractors and suppliers for your project. Please include your project's MWBE utilization goals, what process and resources you plan to use or have utilized in the past to find and hire MWBEs, a list of the specific MWBE firms used on previous projects and/or firms you plan to use on the current project, and any history the company has of setting and meeting MWBE goals on past projects. The company may also include details with respect to the foregoing related to any MWBE policy and utilization goals that its general contractor has committed to implementing for the project.

SEE ATTACHED

2. <u>Minority & Women Employment - Current Workforce & Hiring Practices</u>

The ECIDA encourages the hiring of a diverse workforce, especially for jobs created and retained as part of an ECIDA induced project. Below are some links to sites and organizations that will be helpful in achieving a diverse workforce:

Northland Workforce Training Center: https://northlandwtc.org/employers/

- Workforce Buffalo: https://www.workforcebuffalo.org/business-services/employer-services
- New York State Job Bank: https://myjobsny.usnlx.com/
- Local Minority Newspapers: https://www3.erie.gov/eeo/minority-newspaper

Please provide detailed information regarding your company's current workforce and hiring practices as it relates to minority and women employees, including, if applicable, the company's Diversity, Equity and Inclusion plan and goals, any strategic partnerships the company has with educational and/or workforce development entities, and company strategies regarding outreach to minorities and women with the dissemination of job openings to the public:

SEE ATTACHED

3. Economic Inclusion Program

The ECIDA's Economic Inclusion Program (EIP) is a voluntary "opt in" program providing an enhanced real property tax abatement to applicants who commit to implementing and meeting MWBE utilization and minority and women employment goals. The mission of the EIP is to enhance the beneficial public impact of projects receiving ECIDA assistance and to further the ECIDA's goal of advancing opportunities for MWBE businesses and minorities and women, in general, in the Erie County workforce. Please note, for a company to be considered an MWBE under the EIP it must be certified as an MWBE by New York State or Erie County.

Under the EIP, the standard ECIDA PILOT Agreement real property tax abatement schedules are enhanced by extending both the term and abatement percentages of the PILOT Agreement.

Please note the EIP is a *voluntary opt-in program* providing enhanced incentives in exchange for meeting MWBE utilization and minority and women employment goals. The applicant shall not engage in any unlawful discrimination against any employee or applicant by reason of race, creed, religion, color, age, disability, national origin, sex, gender, or any other characteristic protected by law, including, but not limited to, Title VII of the Civil Rights Act, the Americans with Disabilities Act, the Age Discrimination in

Employment Act, the Genetic Information Nondiscrimination Act, the New York State Human Rights Law, and any other similar laws, rules, or regulations. Applicants may bypass the EIP while still pursuing the ECIDA's standard PILOT Agreement.

Please check the box indicating that you have read the Economic Inclusion Program summary above and the attached FAQ document that can be found at the end of the questionnaire.

Please check the box if you are interested in tentatively opting into the Economic Inclusion Program (nonbinding) and would like further, detailed information on the program and process from your ECIDA business development officer.

Diversity, Equity and Inclusion Questionnaire - Attachment

1. MWBE Contractors - Construction

The applicant's internals practices include use of MBE/WBE companies when available. Their Project managers and Purchasing team are required to utilize the NYS MBE/WBE maintained list of certified contractors prior to publishing jobs for bid. This helps ensure certified companies are included in the RFP and bid process. They also require via contract terms and conditions that all of our contractors in NYS engage MBE/WBE to work on their projects to the maximum extent possible. Up until recently, and yet to be finalized for the proposed project, a prime contractor for their previous project had a policy that required all of their local (Erie County) contracts include MWBE suppliers or subcontractors for approximately 9%-11% of its contract prices. This has been a standard practice for this contractor for a number of years. The applicant is dedicated to building a diverse, inclusive, and authentic workplace, and they make every effort to engage with suppliers and vendors that make conscious efforts to promote the same.

2. Minority & Women Employment - Current Workforce & Hiring Practices

Lactalis America Group's Diversity, Equity & Inclusion company statement states:

We believe each and every individual within the organization provides value. When we encourage and include the voices of all diverse backgrounds and perspectives, we open doors to unforeseen growth and allow individuals to bring their full authentic sleeves to work. In order to celebrate the uniqueness of our people and the communities in which we operate, we are committed to cultivating a fair and inclusive workplace that fosters real belonging for all.

To that end, the applicant has a signed partnership agreement with Circa (also known as DiversityJobs), a talent acquisition company committed to promoting the applicant's open positions to minority and underrepresented groups. All job postings include diversity language inviting candidates from all different backgrounds, cultures, and experiences, to apply and become part of the applicant's diverse, inclusive, and authentic workplace. Furthermore, the applicant encourages candidates with past experiences that do not perfectly align with every qualification in the job posting to still apply for the position and share their story, passion and expertise on why they would be the perfect candidate for the job. Finally, the Applicant's parent company has recently established a USA DE&I Council that will establish and oversee DE&I programs across all plants in the U.S.

LACTAL	_is	Distribution:		
Human Resource Policy & Procedural Manual	s	EQUAL EMPLOYMENT OPPORTUNITY	Procedure No. Date Effective: 01/01/2004	PAGE 1 OF Revision Date: 01/01/2022
TABLE OF CONTENTS	1.0 2.0 3.0 4.0	Purpose Scope and Application Responsibility Policy		
PURPOSE 1.0	1.1	To establish a policy and guidelines regarding the Equal Employ which has been designed to: a. Ensure continued administration of all Human Resources polemployees and applicants without regard to discrimination be national origin, marital status, disability, genetic information owith applicable policies pertaining to age or any other prohibit EEO or Department of Labor (DOL) state or local laws. b. Promote employee understanding and acceptance of the applicable in assuring the provisions of equal employment op. c. Place positive emphasis on employment and development employees.	icies and practices for itself on race, religion or veteran status and ded discrimination properties	or all n, color, sex, accordance ohibited by ative action, as
SCOPE AND APPLICATION 2.0	2.1 T	his policy applies to all employees of the Company. For purpose. Company" will mean the specific U.S. subsidiary that employs you	s of this policy, any	reference to the
ESPONSIBILITY 3.0	3.1	The Vice President of Human Resources is responsible for the codocument.	ontent and maintenar	nce of this
POLICY 4.0		Policy The Company has a continuing policy to ensure that equal employ to all persons without regard to race, color, religion, gender, nation orientation or veteran status. This policy applies to all terms and concluding but not limited to hiring, selection, promotion, layoff, and or harassment based upon race, color, religion, gender, national or prientation, or veteran status. Although the Company is committed to the above actions through would like to make clear to all potential and existing employees of the support for this statement. We fully intend to continue fostering employees as individuals, rewards performance and holds employees.	nal origin, age disabilisonditions of employn compensation. unlawful employee dirigin, age, disability, so federal, state and lo he Company our function as work environment.	ity, sexual nent, iscrimination sexual cal laws, we damental

LACTALI	S Distribution:		
Human Resources Policy &	EQUAL EMPLOYMENT OPPORTUNITY	Procedure No.	PAGE 2 OF 2
Procedural Manual		Date Effective: 01/01/2004	Revision Date: 01/01/2022
POLICY 4.0	4.2 To implement these policies our Company will continue to:	1	
,	 Recruit, hire, train, and promote persons in all job classific religion, sex, national origin, marital status, genetic informa The Company does not discriminate on the basis of na provided under the Immigration Reform and Control Act of 	tion, age, disability, dional origin or citized 1986.	or veteran status. enship status as
·	 Make employment decisions so as to further the principle of Ensure the promotional decisions are in accordance with opportunity by imposing only valid requirements for promotional decisions. 	the principles of ea	•
1 B	 Ensure that all personnel actions (including but not limited to layoffs, Company sponsored training education, tuition a programs) are administered without regard to race, color, disability, or veteran status. 	assistance social a	nd recreational
35.	The V.P. of Human Resources for the Company is the EEO or responsible for the compliance with state and federal equal opposition the Affirmative Action Program to the extent applicable. employment practices, monitoring and internal reporting. Employment in accordance with this policy are encouraged to contact to	ortunity laws and fo This responsibility in ovees believing they	r implementing includes equal

Name	Reviewed By:	Approved By:	Authorized By:
Title	[Divisional General Counsel]	[Divisional Chief Executive Officer]	[Company Name] Board of Directors by written consent on [Date] [To be adopted by Board if this is a new policy]
Signature			
Date			

SECOND PUBLIC HEARING SCRIPT

Lactalis American Group, Inc. project and/or Individual(s), Affiliate(s), Subsidiary(ies), or Entity(ies) formed or to be formed on its behalf

Public Hearing to be held on June 18, 2025 at 9:00 a.m., at the Erie County Industrial Development Agency's offices located at 95 Perry Street, Suite 403, Buffalo, NY 14203

ATTENDANCE:

Jeff McGiveron - Lactalis American Group Brian Krygier - ECIDA Beth O'Keefe - ECIDA

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

Hearing Officer: Welcome. This public hearing is now open; it is 9:02 a.m. My name is Andrew Federick. I am the Director of Property Development for 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 ecidany.com.

2. PURPOSE: Purpose of the Hearing.

<u>Hearing Officer:</u> We are here to hold the public hearing on the Lactalis American Group, Inc. project and/or Individual(s), Affiliate(s), Subsidiary(ies), or Entity(ies) formed or to be formed on its behalf. The transcript of this hearing will be reviewed and considered by the Agency in determination of this project. Notice of this hearing appeared in <u>The Buffalo News</u> on Tuesday, June 3, 2025.

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

Hearing Officer: The proposed project (the "Project") consists of: (i) upgrades to the 60,000+/- sq. ft. production areas for Galbani Ricotta and Mozzarella Cheeses as well as upgrades to the pasteurization equipment and packaging equipment to reliably handle the increased input, along with Whey Powder, Galbani Provolone and President Cut-and-Wrap Brie processing production lines, installation of new mozzarella and ricotta cheese production equipment, construction of a new 6,000+/- sq. ft. building addition for the whey evaporator and dryer equipment, as well as plant wide infrastructure upgrades such as repairing, restoring and upgrading the existing plant infrastructure including the replacement of an end-of-life milk silo, constructing a receiving bay catwalk for improved worker safety, repair and replacement of failing roof system, repair to aging electrical infrastructure (the "Improvements"), and (ii) 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 Improvements, the "Facility").

The Company has submitted an update to its original Application (the "Updated Application") requesting additional financial assistance for the Project in the form of an increase in the sales and use tax exemption that was previously granted to the Company in connection with the construction of the Improvements and the acquisition and installation of the Equipment in and around the Facility, along with additional improvements at the Facility consisting of: construction of a new 10,000+/- sq ft engine room, repurposing existing distribution center space from cold storage to dry storage, demolition and conversion of the employee locker area into a new mozzarella production area, installation of new ricotta equipment and renovations to the spot pack room, and the overhaul of deteriorated production areas.

The proposed financial assistance contemplated by the Agency includes New York State and local sales and use tax exemption benefits (in compliance with Agency's uniform tax exemption policy).

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

Hearing Officer: All those in attendance are required to register by signing the signing 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 at 4:00 p.m. on July 22, 2025. There are no limitations on written statements or comments.

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

<u>Hearing Officer:</u> 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.

Jeff McGiveron – Director of Tax & Insurance, Lactalis American plans Group. Good morning and thank you for the opportunity to speak. Lactalis American Group, a division of Lactalis USA, is respectfully requesting an amendment to our original sales tax application to include additional capital investments and an extension of the project timeline at our South Park dairy processing facility. Our Buffalo plant, which employs 487 people and sources 97% of its raw milk from within New York State, has long played a vital role in the regional economy, processing 700 million pounds of milk annually from 165 local farms. Since filing the initial application, we have committed to an additional \$62 million in phased modernization investments at the plant, spanning fiscal years 2025 through 2027. As part of this expanded

effort, we are seeking to amend the sales tax exemption application to include these new upgrades, which—across both Phase 1 and Phase 2—are expected to create at least 27 new full-time jobs.

ECIDA support plays an essential role in the success of these modernization efforts and will help ensure that our investments plans remain on budget and on schedule. With this support, Lactalis will be well-positioned to accelerate project timelines and maintain strong momentum toward completion. We sincerely thank the City of Buffalo and ECIDA advisors for their continued partnership and support.

△ 6. ADJOURNMENT:

As there are no further statements and/or comments, I will close the public hearing at 9:08 a.m.

SIGN IN SHEET PUBLIC HEARING

June 18, 2025, at 9:00 a.m. at the Erie County Industrial Development Agency's offices located at 95 Perry Street, Suite 403, Buffalo, NY 14203 regarding:

Lactalis American Group, Inc. project and/or Individual(s), Affiliate(s), Subsidiary(ies), or Entity(ies) formed or to be formed on its behalf

Project Location: 2375 South Park Avenue, Buffalo, New York 14220

Name	Company and/or Address	X box to speak/ comment
Jeff McGiveron	Lactalis American Group	
	2375 South Park Avenue	X
	Buffalo, New York 14203	1
Brian Krygier	ECIDA	
	95 Perry Street, Suite 403	
	Buffalo, New York 14203	
Beth O'Keefe	ECIDA	
	95 Perry Street, Suite 403	
	Buffalo, New York 14203	

ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY AMENDATORY RESOLUTION

LACTALIS AMERICAN GROUP, INC., AND/OR INDIVIDUAL(S) OR AFFILIATE(S), SUBSIDIARY(IES), OR ENTITY(IES) FORMED OR TO BE FORMED ON ITS BEHALF

A regular meeting of the Erie County Industrial Development Agency was convened on Wednesday, July 23, 2025 at 12:00 p.m.

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

RESOLUTION OF THE ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY (THE "AGENCY") AUTHORIZING (i) ADDITIONAL FINANCIAL ASSISTANCE TO LACTALIS AMERICAN GROUP, INC. (THE "COMPANY") IN AMOUNTS EXCEEDING THE AMOUNTS PREVIOUSLY APPROVED BY THE AGENCY; AND (ii) THE EXECUTION OF RELATED DOCUMENTS

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

WHEREAS, LACTALIS AMERICAN GROUP, INC., or on behalf of an affiliated entity formed or to be formed (the "Company") has submitted an application to the Agency (the "Application") requesting the Agency's assistance with a certain project (the "Project") consisting of: (i) upgrades to the 60,000+/- sq. ft. production areas for Galbani Ricotta and Mozzarella Cheeses as well as upgrades to the pasteurization equipment and packaging equipment to reliably handle the increased input, along with Whey Powder, Galbani Provolone and President Cut-and-Wrap Brie processing production lines, installation of new mozzarella and ricotta cheese production equipment, construction of a new 6,000+/- sq. ft. building addition for the whey evaporator and dryer equipment, as well as plant wide infrastructure upgrades such as repairing, restoring and upgrading the existing plant infrastructure including the replacement of an end-of-life milk silo, constructing a receiving bay catwalk for improved worker safety, repair and replacement of failing roof system, repair to aging electrical infrastructure (the "Improvements"), and (ii) 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 Improvements, the "Facility"); and

WHEREAS, by resolution adopted on November 29, 2023 (the "Original Resolution") the Agency authorized financial assistance to the Company with respect to the Application in the form of an exemption benefit from all New York State and local sales and use taxes for purchases and rentals related to the Project with respect to the qualifying personal property included in or incorporated into the Facility or used in the acquisition, construction, reconstruction and/or renovation, rehabilitation or equipping of the Facility with the Company for the benefit of each municipality and school district

having taxing jurisdiction over the Project, (collectively, the sales and use tax exemption benefit, the mortgage recording tax exemption benefit, and the partial abatement from real property taxes benefit, are hereinafter collectively referred to as the "Financial Assistance"); and

WHEREAS, the Agency received notification from the Company that Project costs have increased due to required upgrades to the Facility's electrical services, increased costs associated with fit-out and finishing of Facility space and general Project related construction cost increases and related thereto, on May 13, 2025, submitted an amended application for Financial Assistance (the "Amended Application") requesting an increase in New York State and local sales and use tax exemption benefits from \$1,203,247 up to an amount not to exceed \$2,158,618 (the "Revised Sales Tax Exemption Benefit"); and

WHEREAS, pursuant to General Municipal Law Section 859-a, on June 18, 2025, at 9:00 a.m., at the Agency's offices, at 95 Perry Street, Suite 403, Buffalo, NY 14203, the Agency held a public hearing with respect to the Project and the Revised Sales Tax Exemption Benefit (as heretofore described) being contemplated by the Agency (the "Public Hearing") whereat interested parties were provided a reasonable opportunity, both orally and in writing, to present their views; and

WHEREAS, The Company's request for the Revised Sales Tax Exemption Benefit, as described herein, constitutes a Type II Action pursuant to the New York State Environmental Quality Review Act, Article 8 of the New York State Environmental Conservation Law and the regulations adopted pursuant thereto at 6 N.Y.C.R.R. Part 617.1 et. seq., as amended ("SEQRA") and therefore no findings or determination of significance are required; and

WHEREAS, the Agency desires to amend the Original Resolution with respect to the Revised Sales Tax Exemption Benefit and adopt a resolution authorizing (i) the increase in Sales and Use Tax Exemption Benefits to the Company and (ii) the execution and delivery of any documents necessary and incidental thereto.

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

- Section 1. All recitals, findings and determinations of the Agency contained in the Original Resolution are hereby reaffirmed, ratified, restated and incorporated herein by reference as if set forth herein in their entirety, except as modified by this Resolution.
- Section 2. With respect to the foregoing, and based upon the representations and warranties made by the Company in its Amended Application, Agency Policy Committee review of and recommendations related to the Project, as amended, and its July 10, 2025 resolution to recommend Agency approval of same, the Agency hereby authorizes and approves the Revised Sales Tax Exemption Benefit with respect to the Project and the increased Project costs.
- Section 3. Based upon the representations and warranties made by the Company in its Amended Application, subject to the terms and conditions as described herein, and Agency Board member review, discussion and consideration of same, the Agency hereby finds, determines and hereby amends Section 3(A)(i) of the Original Resolution in its entirety to read as follows:

(i) authorizes and approves the Company, as its agent, to make purchases of goods and services relating to the Project and that would otherwise be subject to New York State and local sales and use tax in an estimated amount up to \$24,699,926, which may result in New York State and local sales and use tax exemption benefits ("sales and use tax exemption benefits") not to exceed \$2,158,618. The Agency may consider any requests by the Company for increases to the amount of sales and use tax exemption benefits authorized by the Agency upon being provided with appropriate documentation detailing the additional purchases of property or services.

Section 4. Based upon the representations and warranties made by the Company in its Amended Application, subject to the terms and conditions as described herein, and Agency Board member review, discussion and consideration of same, the Agency hereby finds, determines and hereby amends Section 3(C)(i) of the Original Resolution in its entirety to read as follows:

(i) Investment Commitment – the total investment made with respect to the Project at the time of Project completion equals or exceeds \$52,711,932 (which represents the product of 85% multiplied by \$62,014,038, being the total project cost as stated in the Company's Amended Application).

<u>Section 5</u>. Unless otherwise amended pursuant to the terms contained herein, the terms of the Original Resolution shall remain unchanged.

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

Section 7. All actions heretofore undertaken by the Agency and the Company as agent of the Agency are ratified and approved and the Agency and the Company, as agent of the Agency, are hereby authorized to continue to undertake the Project.

<u>Section 8</u>. These Resolutions shall take effect immediately.

Dated: July 23, 2025



Plant Modernization - Western NY

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

2025 MODIFICATION - Plant Modernization & Infrastructure Upgrades - Western NY

Project Summary

The purpose of the multi-year multi-phase plant project is to modernize and revitalize the Applicant's Buffalo, NY manufacturing facility. Much of the building structure and equipment in the plant date back to the 1970's. Some building components, such as load bearing columns, roofs, etc. have come into disrepair, while the aging manufacturing equipment, such as the whey plant evaporator and dryer equipment cannot keep up with current capacity demands. The plant's future economic viability needs a production capacity increase of 30%, which requires the construction of an entirely new whey plant building, and infrastructure upgrades for the installation of new mozzarella and ricotta cheese production equipment, including required regulatory plant wide infrastructure upgrades. 2025 MODIFICATION: As modernization and revitalization work continues at the South Park Avenue facility in Buffalo, NY, Lactalis is progressing through the final stages of engineering approvals for several project phases that were previously pending. These phases could not be accurately costed prior to this amendment; however, Lactalis has now confirmed eligible expenditures following the most recent internal and engineering reviews. The scope of work includes the renovation of existing production areas currently in disrepair, as well as the repurposing of underutilized, nonproduction space to create approximately 18,000 square feet of modernized, production-ready area. This will allow Lactalis to integrate new processing and production equipment that supports their long-term capacity and operational goals. In addition, Lactalis will construct a new 10,000 sq ft building for the new engine room adjacent to the existing structure. This upgrade will expand their ammonia cooling capacity from 1,500 tons to 2,400 tons and increase boiler heating capacity from 2,000 HP to 3,600 HP—critical enhancements to support the plant's growth and energy efficiency targets. This project is part of a broader multi-year investment strategy at the Buffalo facility, where Lactalis is committing up to \$100 million through 2030. The aim is to improve efficiency, expand capacity—particularly for key product lines like mozzarella and ricotta—and extend the life of our infrastructure. Originally founded as Sorrento Cheese, the South Park site has been part of the Lactalis network since 1992, and remains a cornerstone of our U.S. manufacturing footprint. Complementing these upgrades, Lactalis has also opened a new \$2 million Culinary & Sensory Institute next to the plant, which serves as a dedicated hub for R&D, product testing, and quality assurance. Together, these investments reflect their commitment to strengthening operational excellence, supporting product innovation, and ensuring continued contributions to the Buffalo community.

Applicant Name

Lactalis American Group, Inc.

Applicant Address

2375 South Park Avenue

Applicant Address 2

Applicant City

Buffalo

Applicant State

New York

Applicant Zip

14220

Phone

(647) 784-5567

Fax

E-mail

jim.kourtis@ca.lactalis.com

Website

LactalisAmericanGroup.com

NAICS Code

3115

Business Organization

Type of Business

Corporation

Year Established

1980

State

Delaware

Indicate if your business is 51% or more (Check all boxes that apply)

[No] Minority Owned

[No] Woman Owned

Indicate Minority and/or Woman Owned Business Certification if applicable (Check all boxes that apply)

[No] NYS Certified

[No] Erie Country Certified

Individual Completing Application

Name

Jim Kourtis

Title

Government Funding & Industry Relations,

North America

Address

2376 South Park Avenue

Address 2

City

Buffalo

State

New York

Zip

14220

Phone

(647) 784-5567

Fax

E-Mail

Jim.KOURTIS@ca.lactalis.com

Company Contact- Authorized Signer for Applicant

Contact is same as

No

individual completing

application

Name

Jeffrey McGiveron

Title

Director- Tax & Insurance

Address

2376 South Park Avenue

Address 2

City

Buffalo

State

New York

Zip

14220

Phone

(716) 823-6262

Fax

E-Mail

Jeffrey.mcgiveron@us.lactalis.com

Company Counsel

Name of

Jennifer Elmer

Attorney

Firm Name

N/A (in-house counsel)

Address

2376 South Park Avenue

Address 2

City

Buffalo

State

New York

Zip

14220

Phone

(716) 823-6262

Fax

(716) 823-6454

E-Mail

jennifer.elmer@us.lactalis.com

Benefits Requested (select all that apply)

Exemption from Sales Tax	Yes
Exemption from Mortgage Tax	No

Exemption from Real Property Tax No

Tax Exempt Financing*

Evometion from Color Tour

No

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%.

The Applicant is a subsidiary of Group Lactalis, which is a global dairy company that owns and operates dairy manufacturing plants around the world, including 11 manufacturing plants operating in the U.S. The Buffalo, NY location is one of the Applicant's and its affiliated 11 manufacturing plants. This manufacturing plant employes 401 manufacturing employees for a combined workforce of more than 746 employees in Buffalo, NY, which includes 180 employed at the headquarters site. The Buffalo manufacturing plant produces mozzarella, ricotta, provolone, brie, and whey. On average this plant processes 750 million lbs of raw milk annually from 230 dairy farms located throughout WNY. This translates into more than \$145MM in annual milk purchases from WNY dairy farms. 97% of raw milk used in this plant is produced in NYS. Applicant is 100% owned by LAG Holding, Inc., a subsidiary of Group Lactalis.

Estimated % of sales within Erie County 3 %

Estimated % of sales outside Erie County but within New York State 6 %

Estimated % of sales outside New York State but within the U.S. 89 %

Estimated % of sales outside the U.S. 2 %

(*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?

15

Describe vendors within Erie County for major purchases

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

Lactalis America Group that belongs to a global family of companies, and having a national footprint, purchases goods and services locally, nationally and at a global level to leverage its buying power and gain economies of scale. As of the beginning of 2022, the company's annual operating expenses from this Buffalo location is estimated at over \$750MM, outside of payroll expenses for more than 746 employees. \$750MM is spent within Erie County. Outside of payroll expense, the company's largest expense is milk, which is sourced from around 40 dairy farmers in WNY. The company uses a variety of local service providers and contractors for their capital investment projects. They have cold storage facilities in Erie County where they spend more than \$650K annually. A major service provider in WNY is National Traffic Safety, which is used to manage their logistics invoices and payments. This vendor processes more than \$120MM in freight invoices annually.

Section II: Eligibility Questionnaire - Project Description & Details

Project Location

Address of Proposed Project Facility

2375 South Park Avenue

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

133.78-3-2.113, 133.78-3-9, 133.78-3-10, 133.78-3-11, 133.78-3-12

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

\$100,319.92

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?

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?

No

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

More than 700MM pounds of milk is collected at the Buffalo plant each year for dairy product production. Supporting hundreds of farms, 97% of all milk processed at Lactalis in Buffalo comes from New York State dairy farmers. The plant produces Galbani Ricotta and Mozzarella Cheeses, along with Whey Powder, Galbani Provolone and Président Cut-and-Wrap Brie. Lactalis produces all its Galbani Ricotta Cheese for the United States in this facility, representing \$33+MM in annual retail sales. Galbani is the No. 1 Ricotta brand in the country. Both Galbani and President are premier global brands. The site consists of two distinct plants- the cheese plant and the whey plant. The cheese plant houses the production equipment to produce mozzarella, provolone, brie, and ricotta cheese. A key by-product of the cheese making process - whey- is then pumped from the cheese plant to the whey plant. The whey plant primarily consists of the evaporator and the dryer equipment responsible for processing the whey liquid into whey powder. The site also has shipping/receiving bays to receive raw milk, and other raw materials, and to ship the finished cheese and whey products, all transported solely by truck. There are a number of large vats and silos in the plants, as well as ambient and refrigerated warehouses. Finally, the site also houses an R&D facility.

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)

The South Park Dairy processing facility plans to modernize the production areas and processing lines because they date back to the 1970's. Some building components, such as loadbearing columns, roofs, etc. have come into disrepair, and the aging manufacturing equipment cannot keep up with current capacity/market demands. The purpose of the proposed project is to upgrade the production areas for Galbani Ricotta and Mozzarella Cheeses, along with Whey Powder, Galbani Provolone and Président Cut-and-Wrap Brie processing production lines for the remainder of 2023, 2024, and into the future. The plant's future economic viability needs a production capacity increase of 30%, requiring key infrastructure upgrades for the installation of new mozzarella and ricotta cheese production equipment, a new building addition for the whey evaporator and dryer equipment, and important regulatory plant wide infrastructure upgrades. The total project costs for the new mozzarella and ricotta cheese capacity expansion project is estimated to cost \$22.5MM in new additions and renovations, manufacturing equipment purchases and infrastructure work. The work that's in scope for the cheese plant measures approximately 60,000 sq ft. The Whey plant project, measuring 6000 sq ft, is estimated to costs \$19.5MM in building renovations, manufacturing equipment purchases and infrastructure work. The Whey plant project will include the installation of a new evaporator to perform the initial moisture reduction of the liquid whey by-product from the cheese making process; and the subsequent installation of the dryer equipment to completely dry the liquid whey into a dry powder to be used as a high protein food ingredient. An additional \$2.5MM in estimated costs are proposed to address the repairing, restoring, and upgrading the existing plant infrastructure, such as the replacement of an end-of-life milk silo, constructing a receiving bay catwalk for improved worker safety, repair and replacement of failing roof system in the cheese plant, and major work on the aging electrical infrastructure to reliably and safely function in conjunction with all the electrical upgrades that are part of the aforementioned subprojects. The mozzarella and ricotta cheese capacity expansion projects will also require upgrades to the pasteurization equipment and the packaging equipment to reliably handle the increased throughput. The manufacturing plant currently employees 401 staff of which 400 are full time employees, with 1 part time employee. Within 24 months post project completion, the Applicant expects to hire an additional 27 FT staff and retaining all their current 428 employees. 2025 MODIFICATION: As modernization and revitalization efforts continue at the South Park Avenue facility in Buffalo, NY, Lactalis is finalizing engineering approvals for several previously pending project phases. Accurate cost reporting for these phases was not feasible prior to this amendment; however, Lactalis has now confirmed eligible expenditures following recent approvals. These upgrades are aligned with their broader multi-year investment strategy to expand capacity, improve production efficiency, and maintain the long-term viability of the site. 1) Repurposing Distribution Center Space-\$905,000 To avoid extended production downtime while conducting critical repairs, Lactalis will repurpose space from the warehouse and office areas in the distribution center. Specifically, coolers #8 and #9 will be converted from cold storage to dry storage. This change enables them to relocate existing dry storage areas and then convert that space into a dedicated ricotta cheese packaging area. 2) Demolition of Locker Area for New Mozzarella Production-\$5,500,000 Lactalis will demolish the current employee locker area to create approximately 5,600 sq ft of new production space. This new area will accommodate two cookers and four high-capacity mozzarella cheese molding lines to support a targeted 30% increase in production volumes. 3) Ricotta Equipment Installation & Spot Pack Room Renovation-\$2,600,000 Lactalis will renovate approximately 5,800 sq ft to install new milk ricotta production equipment. Additionally, they will refurbish the current Spot Pack room (roughly 7,000 sq ft) to prepare it for new ricotta cheese filler lines. 4) Overhaul of Deteriorated Production Area-\$2,500,000 The existing bulk filler room and adjacent spiral space will be demolished. These deteriorated areas will be fully modernized and brought up to current production standards, ensuring compliance and improved operational flow. 5) Construction of New Engine Room-\$3,120,000 To support the increased thermal and cooling demands from all new equipment installations, Lactalis will construct a new concrete building, approx. 10,000 sq ft, for the new engine room. The current engine room, with an ammonia cooling capacity of 1,500 tons and boiler capacity of 2,000 hp, lacks both the physical space and performance to accommodate future needs. With this expansion, cooling capacity will increase to 2,400 tons and boiler capacity to 3,600 hp. These improvements form part of Lactalis' broader commitment to invest up to \$100 million through 2030 at the Buffalo site. The facility currently processes 750 million pounds of raw milk annually and produces over 280 million pounds of finished dairy products, primarily mozzarella and ricotta cheese. The site sources milk from over 150 regional dairy farms, underscoring its critical role in the local supply chain. Lactalis is also enhancing innovation and product development capabilities through the recent opening of a \$2 million Culinary & Sensory Institute next door, which will serve as a hub for R&D, product testing, and quality assurance. Together, these efforts reflect Lactalis' commitment to operational excellence, innovation, and long-term investment in the Buffalo community.

Municipality or Municipalities of current operations

Buffalo, NY; Walton, NY; Nampa, ID; Merrill, WI; Belmont, WI; Wausau, WI; Turlock, CA; Tulare, CA; Battleboro, VT; Londonderry, NH; Casa Grande, AZ

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

Ye:

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?

Yes

If yes, please explain and identify out-of-state locations investigated, type of assistance offered and provide supporting documentation available

The Applicant is facing mounting pressures as it strives to maintain operations of the Buffalo plant. The post-Covid economic conditions have been challenging given supply-chain issues, recent sharp rise in interest rate, decreased access to capital, increase in the cost of goods, etc. Furthermore, it was discovered that a competitor is constructing a new plant in New York State within 60 miles of the Buffalo plant. This will invariably put further pressures on the aging Buffalo plant whose building structures and production equipment date back to the 1970's. The increased competition will also put pricing pressure for locally sources raw milk, and labor talent. Should the attempts to modernize and revitalize the plant fail to come to fruition the site risks scaling down production volumes, and production capacity would either by absorbed into one of the Applicant's other plants across the U.S., or the possible construction of an entirely new facility at a different location. This project is being approached in a phased manner with the objective to retain production operations at the Buffalo plant, while allowing the Applicant to investigate potential alternatives should the economic realities in future years prevent the project's completion.

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

Yes

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

Lactalis has had preliminary discussions with Ms. Lorrie Abounader, Sr. Project Manager, Western NY, Empire State Development regarding government grant programs for equipment. No applications have been started and an no anticipated funding to be received.

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)

A majority of the manufacturing facilities and the processing equipment date back to the 1970's. Some building components, such as load bearing columns, roofs, etc. have come into disrepair, and the aging manufacturing equipment, cannot keep up with current capacity demands. The plant's future economic viability needs a production capacity increase of 30%, requiring key infrastructure upgrades for the installation of new mozzarella and ricotta cheese production equipment, new building addition for the whey evaporator and dryer equipment, and important regulatory plant wide infrastructure upgrades. The Applicant also faces mounting pressures as it strives to maintain operations of the Buffalo plant and is competing with other manufacturing facilities within Lactalis USA for limited capital investment funds. The financial assistance and support from local government agencies play a key part in determining the future roadmap of any given facility when determining where to make capital investments. The financial assistance sought from the Agency will have a significant impact in reducing the large capital investment forecasted to modernize and revitalize the Buffalo plant. The Applicant estimates the Agency's financial assistance has the potential of reducing the projects timeline by up to 18-months. This would result in the plant increasing their targeted 30% production capacity increase sooner. The Applicant forecasts that at a minimum there would be 27 new full time positions within 24 months following the project completion, all of which will be local hires; which will already add to the current 401 employees at the existing location and supported by an additional 345 employees at corporate office and distribution center locations. Presently, the proposed project is the initial phase in an overall capacity and efficiency improvement initiative at the Buffalo plant. The total cost of all project phases is slated to be over \$100MM. All planning for subsequent phases critically depend on the success of this initial phases and key learnings gained from the completion of the proposed project.

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?

Lactalis USA operates 11 dairy processing facilities in California, Arizona, Idaho, Wisconsin, Vermont, New Hampshire and New York. In assessing the feasibility of major capex investments, and ultimately awarding major project dollars to a facility, the company looks at many factors including the extent to which local government agencies act as partners to support these future investments. There is a real risk that failure by the Erie County to support our future projects at the South Park facility may result in either indefinite postponement of the project phases or the termination of such projects in favor of relocating needed capex dollars to another state/plant. The company, which presently has 45 unfilled position and forecasts adding an additional 27 positions at completion of the project phase in 2030, may need to considerably scale back or even eliminate hiring as it reassess the future viability of the plant and the 401 employees that currently work there. The proposed \$22MM in project costs for construction, which would invariably utilized local construction workers and locally sourced material, would also fail to materialize. Finally, the success of the proposed project, which is the initial phase of the the plant's overall initiative to increase production capacity, will have major influence on whether the subsequent phases of the project would proceed. All future phases are forecasted to cost over \$100MM, and anticipated to occur between 2026 and 2030. Understandably, this first phase, that will take place between in 2024 and 2025, will provide the company key takeaways on how to plan and execute future project phases, including how the local government agencies supported the company's project efforts.

Will project include leasing any equipment?

No

If yes, please describe equipment and lease terms.

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)

Project is located on South Park Avenue, a major bus route with major connections in close proximity. NFTA bus routes #14, #16, & #42.

Has your local municipality and/or its planning board made a determination regarding the State Environmental Quality Review (SEQR) for your project?

Yes

If YES indicate in the box below the date the SEQR determination was made. Also, please provide us with a copy of the approval resolution and the related Environmental Assessment Form (EAF) if applicable.

If NO indicate in the box below the date you anticipate receiving a SEQR determination for your project. Also, please insure that the ECIDA has been listed as an "involved agency" on the related EAF submitted to the appropriate municipality and/or planning department.

Apr-10-2023

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

Yes

Describe the present zoning/land use

The parcels on South Park Ave. primarily are zoned D-IL. The land use primarily falls under property type code 710: Manufacturing & Processing with some portion of the site classified under property type code 331: Commercial vacant land with minor improvements

Describe required zoning/land use, if different

N/A

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?

No

If yes, please explain

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

No

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?

No

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

The modernization work includes the installation of new heating and cooling units that will be of higher efficiency compared to the existing equipment, which is over 20 years ago. The energy efficiencies will be further improved with additional insulation, better system design, improved SEER ratings, etc. The project also includes installation of new production equipment for new whey plant where the energy source will be replaced from natural gas to electricity to drive the large electric fans. This will have a positive impact in reducing our carbon emissions.

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?

Yes

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

The Applicant allocates approximately 7% to 10% of the total operating expenses for research and development activities.

Will onsite child daycare facilities be available on the project site?

No

If yes, please describe.

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.

Will customers personally visit the Project site for either of the following economic activities? If yes with respect to either economic activity indicated below, you will need to complete the Retail section of this application.

Retail Sales No Services No

Please check any and all end uses as identified below.

No Acquisition of Existing Facility	No Assisted Living	No Back Office
No Civic Facility (not for profit)	No Commercial	No Equipment Purchase
No Facility for the Aging	No Industrial	No Life Care Facility (CCRC)
No Market Rate Housing	No Mixed Use	No Multi-Tenant
No Retail	No Senior Housing	Yes Manufacturing
No Renewable Energy	No Other	

For proposed facility please include the square footage for each of the uses outlined below

If applicant is paying for FFE for tenants, include in cost breakdown.

Manufacturing/Processing	76,000 square feet	\$ Cost 62,014,038	% of Total Cost 100%
Warehouse	square feet	\$ 0	0%
Research & Development	square feet	\$ 0	0%
Commercial	square feet	\$ 0	0%
Retail	square feet	\$ 0	0%
Office	square feet	\$ 0	0%
Specify Other	square feet	\$ 0	0%

If you are undertaking new construction or renovations, are you seeking LEED certification from the US Green Building Council?

If you answered yes to question above, what level of LEED certification do you anticipate receiving? (Check applicable box) <BLANK>

Provide estimate of additional construction cost as a result of LEED certification you are seeking

< BLANK >

Will project result in significant utility infrastructure cost or uses

Yes

What is the estimated project timetable (provide dates)

Start date: acquisition of equipment or construction of facilities

1/1/2024

End date: Estimated completion date of project

12/31/2027

Project occupancy: estimated starting date of occupancy

4/1/2024

Capital Project Plan / Budget

Estimated costs in connection with Project

1.) Land and/or Building Acquisition

\$ 0 square feet acres

2.) New Building Construction

\$ 3,120,309 10,000 square feet

3.) New Building addition(s)

\$ 1,125,000 6,000 square feet

4.) Reconstruction/Renovation

\$ 32,255,681 60,000 square feet

5.) Manufacturing Equipment

\$ 21,607,000

6.) Infrastructure Work

\$ 2,841,788

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

\$ 1,064,260

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

\$0

9.) Other Cost

\$0

Explain Other

Costs

Total Cost \$ 62,014,038

Construction Cost Breakdown:

Total Cost of Construction \$ 39,342,778 (sum of 2, 3, 4 and 6 in Project Information, above)

Cost of materials \$ 23,605,667

% sourced in Erie County 70%

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

\$ 24,669,926

Estimated State and local Sales and Use Tax Benefit (product of 8.75% multiplied by the figure, above): \$ 2,158,618

** 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)

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): \$

Bank Financing:

\$0 \$0

Tax Exempt Bond Issuance (if applicable):

\$0

Taxable Bond Issuance (if applicable): Public Sources (Include sum total of all state and federal grants

\$0

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

ESD, other public sources)

Total Sources of Funds for Project Costs:

\$0 No

Have you secured financing for the project?

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).

Lender Name, if Known

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

\$0

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.

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	400	400	27	27
Part time	. 1	1	0	0
Total	401	401	27	

Salary and Fringe Benefits for Jobs to be Retained and Created

Job Categories	# of <u>Full Time</u> Employees retained and created	Average Salary for Full Time	Average Fringe Benefits for Full Time	# of <u>Part Time</u> Employees retained and created	Average Salary for Part Time	Average Fringe Benefits for Part Time
Management	73	\$ 79,122	\$ 11,294	0	\$0	\$ O
Professional	33	\$ 94,122	\$ 15,698	0	\$0	\$ O
Administrative	17	\$ 56,094	\$ 7,594	0	\$0	\$ O
Production	304	\$ 60,902	\$ 4,872	1	\$ 55,127	\$ 4,410
Independent Contractor	0	\$0	\$0	0	\$0	\$ O
Other	0	\$0	\$0	0	\$0	\$ O
Total	427			1		

^{**} 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	2376 South Park Avenue, Buffalo, NY 14220	500 Seneca Street, Buffalo, NY 14220	2375 South Park Avenue, Buffalo, NY 14220 (Distribution
			Center)
Full time	179	78	82
Part time	1	1	4

Total

180

79

86

Payroll Information

Annual Payroll at Proposed Project Site upon completion

22,277,956

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

77,112

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

52,119

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

47,515

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

0

Estimated salary range of jobs to be created

0

From (Full Time) 47,515

To (Full Time) 47,515

From (Part Time)

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

2375 South Park Avenue, Buffalo, NY 14220

Name and Address of Owner of Premises

Sorrento Lactalis, Inc. 2376 South Park Avenue, Buffalo, NY 14220

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

Premises is located on South Park Avenue, in a mixed use commercial district. The existing manufacturing site is approx. 16.0 acres or 697,339 Sq ft with the manufacturing facility taking up approx. 5.0 acres / 216,000 Sq ft one-story. The site also houses a distribution center approx. 1.6 acres or 70,000 Sq ft and has some ancillary parking. There are no wetlands, coastlines, rivers, etc.

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

Originally, Sorrento Cheese was founded by Louis Russo in 1947. That company moved to current plant location in 1960 and produced mozzarella and ricotta cheese. Sorrento Cheese was acquired by Besnier (Group Lactalis) in 1991. A major plant expansion project was undertaken in 1993 for retail mozzarella production. In 1997, the plant was expanded to house the shred department. Ricotta Production volume were doubled in 1997. Lactalis US Operations took the name Sorrento Lactalis in 1999, and established their corporate headquarters in Buffalo. DC Warehouse expansion was completed in 2000 and autopalletization was implemented in 2007. The company added the cut &wrap (Brie) department in 2012, a new whey bagger line in 2015 and two new packaging line- Mozzarella & Provolone in 2016.

Describe all known former uses of the Premises

The primary use of the plant is for the production of cheese.

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

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

Waste water discharge under Buffalo Sewer Authority BPDES Permit No. 21-03-BU080. Storm drain

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

N/A

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 Lactalis American Group, Inc.

Address 2376 South Park Avenue, Buffalo, NY 14220

Contact Person Jim Kourtis

Phone (647) 784-5567

Fax

E-Mail jim.kourtis@ca.lactalis.com

Federal ID #

SIC/NAICS Code 3115

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 ce

state or in the abandonment of one or more plants or facilities of the project o is required to prevent the project occupant from relocating out of the state, or competitive position in its respective industry.	ccupant located within the state, Agency financial Assistan is reasonably necessary to preserve the project occupant's
Current Address	
City/Town	
State	
Zip Code	
Will the project result in the removal of an industrial or manufacturing plant another area of the state?	of the Project occupant from one area of the state to
No	
Will the project result in the abandonment of one or more plants or facilities No	of the Project occupant located within the state?
If Yes to either question, explain how, notwithstanding the aforementioned of Assistance is required to prevent the Project from relocating out of the State, occupant's competitive position in its respective industry:	losing or activity reduction, the Agency's Financial or is reasonably necessary to preserve the Project
Does this project involve relocation or consolidation of a project occupant fro	m another municipality?
Within New York State	<blank></blank>
Within Erie County	<blank></blank>
If Yes to either question, please, explain	
Will the project result in a relocation of an existing business operation from the <blank></blank>	e City of Buffalo?
If yes, please explain the factors which require the project occupant to relocat not large enough, or owner will not renew leases etc.)	e out of the City of Buffalo (For example, present site is
What are some of the key requirements the project occupant is looking for in a ceilings, truck loading docs etc.)	a new site? (For example, minimum sq. ft., 12 foot

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?

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

Please provide a list of properties considered, and the reason they were not adequate. (Some examples include: site not large enough, layout was not appropriate, did not have adequate utility service, etc.) Please include full address for locations.

Section 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

Section X: Tax Exempt Bonds

In order to receive the benefits of a tax-exempt interest rate bond, private borrowers and their projects must be eligible under one of the federally recognized private active bond categories (Fed Internal Rev Code IRC sections 142-144, and 1394).

Are you applying for tax exempt bonds / refinancing of bonds related to a residential rental facility project?

No

New Building / Great Lakes Pressed Steel Corporation \$ 2,555,500

PRIVATE INVESTMENT INDUCEMENT RESOLUTION

ELIGIBILITY

NAICS Section – 332119

COMPANY INCENTIVES

- Approximately \$97,001 in real property tax savings.
- Up to \$115,937 in sales tax savings
- Up to \$12,000 in mortgage recording tax savings

JOBS & ANNUAL PAYROLL

- Current Jobs: 15 FT
- Est. salary/yr. of jobs retained: \$55,000
- Projected new jobs: 2 FT
- Est. salary/yr. of jobs created: \$ 50,000
- Annual Payroll: \$ 900,000
- Total jobs after project completion: 17
- Construction Jobs: 9

PROJECTED COMMUNITY BENEFITS*

- Term: 10 YEARS
- NET Community Benefits: \$18,828,465
- Spillover Jobs: 21

Total Payroll: \$17,730,825

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

Incentives: \$215,597

Net Present Value of Property Tax

Exemption: \$87,660

Community Benefit: \$17,011,832

Cost: Benefit Ratio
• 1:79

Project Title:

New Building - GLPS Corp

Project Address

1382 Niagara Street, Buffalo, NY 14213

(Buffalo City School District)

Agency Request

A sales, real property and mortgage recording tax abatement in connection with the construction of a 13,000 SF building that is adjacent to the applicant's current location at 1400 Niagara Street. The new building will be used as production space associated with the company's purchase of equipment.

T 1/20 1111 A	_	
Land / Building Acquisition	\$	175,000
New Building Construction	\$	1,600,000
Manufacturing Equipment	\$	650,000
Non-Manufacturing Equipment	\$	120,500
Soft Costs/Other	\$	10,000
Total Project Cost	\$	2,555,500
85%	\$	2,172,175

Company Description

Great Lakes Pressed Steel (GLPS) Corporation was founded in 1909 by Gottfried Adolphson (and 4 other partners) under the name – Eagle Stamping and Tooling. By 1919 Gottfried was able to secure the entire company and he then changed the company's name to Great Lakes Pressed Steel. In 1960, Robert Nichols, Gottfried's son-in-law, took over responsibility for the company and in 1971 Robert's son, Robert Jr, became President and CEO. Tim Nichols, Robert Jr's son, has presided over the company since 1998 promising the same values his great, great grandfather promised in 1919. Timothy's sons Jason and Andrew — both RIT graduates hope to one day follow in their father's steps and continue the tradition of keeping the family business running on the same values Gotfried created. Timothy Nichols is the sole shareholder of GLPS. Great Lakes Pressed Steel Corporation provides precision stamped products and metal forming services to customer in a wide range of industries — specializing in quality products produced on time and under budget.

Project Description

Great Lakes Pressed Steel Corporation is planning to build a 13,000 SF building next to their current facility at 1400 Niagara St, Buffalo NY. This stand-alone building will allow GLPS to increase their manufacturing capabilities. They will be installing a new laser along with shears press breaks and punch presses. This additional space will lead to full use of the new laser and all of its functions. As a result, the company will be much more efficient and competitive, allowing for growth through new business opportunities.

^{*} Cost Benefit Analysis Tool powered by MRB Group

Economic Impact: Inform Analytics Cost-Benefit Analysis

The Eric 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

	Tax Exemption	Amount
_	Property	\$ 97,001
COSTS	Sales	\$ 115,937
8 Mortgage Recording	\$ 12,000	
	Total	\$224,938
	Discounted at 2%	\$215,597

Benefit: Projected Community Benefit*

	Region	Recipient	Revenue Type	\$ Amount **
Erie		Individuals	Payroll Construction	\$ 1,453,860
	County		Payroli Permanent	\$16,276,965
S	1	Public	Property Taxes	\$ 24,249
BENEFITS			Sales Taxes	\$ 147,387
Z			Other Muni Revenue (NFTA)	\$ 4,000
8	New York	Public	Income Taxes	\$ 797,887
	State		Sales Taxes	\$ 124,116
			Total Benefits to EC + NYS***	\$18,828,465
			Discounted at 2%	\$17,011,832

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

Discounted Cost

\$ 215,597

Discounted Benefit

\$17,011,832

Ratio

1:79

Conclusion: The Cost Benefit for this project is: 79:1. For every \$1 in costs (incentives), this project provides \$79 in benefits (payroll & tax revenue). Note: For Erie County, every \$1 in costs (incentives) provides \$105 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
\$ 7,129	\$ 420,000	\$ 20,092	\$ 75,446	\$ 19,254

Combined Tax Rate: \$ 26.649555

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 = \$ 2,555,500 85% = \$ 2,172,175
Employment	Coincides with 10-year PILOT	Maintain Base = 15 FTE Create 85% of Projected Projected = 2 FTE 85% = 1 FTE Recapture Employment = 16 FTE
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 Real Property Tax, Mortgage recording tax, state and local sales taxes

Recapture applies to:

State and Local Sales Taxes Mortgage Recording Tax Real Property 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 15 FTE jobs and created 1 FTE 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

- 7/3/25: Public hearing held.
- 7/23/25: Inducement Resolution presented to Board of Directors adopting a Negative Declaration in accordance with SEQRA
- 7/23/25: Lease/Leaseback Inducement Resolution presented to the Board of Directors

EVALUATIVE CRITERIA MANUFACTURING/WAREHOUSE/DISTRIBUTION

Project: Great Lakes Pressed Steel

CRITERIA	COMMENTS
Wage Rate (above median wage for area) Per capita income = \$41,560	Average wage for retained workers = \$55,000. Average wage for (2) jobs to be created = \$50,000
Regional Wealth Creation (% sales / customers outside area)	The % of sales outside Erie County: 20% outside the County but within NYS 10% outside NYS but within the U.S.
In Region Purchases (% of overall purchases)	In region purchases = 50%
Research & Development Activities	None.
Investment in Energy Efficiency	New building will contain LED lighting, energy efficient heating and other high efficiency equipment.
Locational Land Use Factors, Brownfields or Locally Designated Development Areas	Site was cleaned up by the DEC
LEED/Renewable Resources	N/A.
Retention/Flight Risk	Company would consider other sites – including outside EC if they were unable to build on the site they have chosen (next door to their current operations).
DEI Questionnaire	See attached copy.
Workforce Access – Proximity to Public Transportation	There is a bus stop in front of the building for NFTA metro lines: #5, #26 & #40.
Onsite child daycare facilities on the project site	None.
ATT O O D	

^{*}U.S. Census Bureau

DATE OF INDUCEMENT: July 23, 2025

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- GREAT LAKES PRESSED STEEL CORP

Dollar Value of New Construction and Renovation Costs	Estimated New Assessed Value of Property Subject to IDA*	County Tax Rate/1000	Local Tax Rate (City & School)/1000
\$1,600,000	\$ 420,000	5.604583	21.044972

^{*}Apply equalization rate to value

PILOT	%	County	City	Total	Full Tax	Net
Year	Payment	PILOT	PILOT	PILOT	Payment	Exemption
		Amount	Amount		w/o PILOT	
1	0.05	\$1,627	\$6,108	\$7,735	\$19,254	\$11,519
2	0.1	\$1,754	\$6,587	\$8,341	\$19,254	\$10,913
3	0.15	\$1,882	\$7,066	\$8,948	\$19,254	\$10,307
4	0.15	\$1,882	\$7,066	\$8,948	\$19,254	\$10,307
5	0.2	\$2,009	\$7,545	\$9,554	\$19,254	\$9,700
6	0.2	\$2,009	\$7,545	\$9,554	\$19,254	\$9,700
7	0.25	\$2,137	\$8,023	\$10,160	\$19,254	\$9,094
8	0.25	\$2,137	\$8,023	\$10,160	\$19,254	\$9,094
9	0.3	\$2,264	\$8,502	\$10,766	\$19,254	\$8,488
10	0.35	\$2,392	\$8,981	\$11,373	\$19,254	\$7,882
TOTAL		\$20,092	\$75,446	\$95,539	\$192,543	\$97,004

*** 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.)
\$2,435,000	\$ 97,004	\$115,937	\$12,000	n/a

Note: special district taxes are not subject to PILOT abatement

Calculate % = Est. PILOT + Est. Sales Tax+ Est. Mortgage Tax+ Other)/Total Project Costs: 9.2%

Erie County Industrial Development Agency MRB Cost Benefit Calculator

Date

June 11, 2025

Project Title **Project Location** **Great Lakes Pressed Steel Corporation** 1382 Niagara Street, Buffalo, NY 14213



Economic Impacts

Summary of Economic Impacts over the Life of the PILOT

Construction Project Costs

\$2,555,500

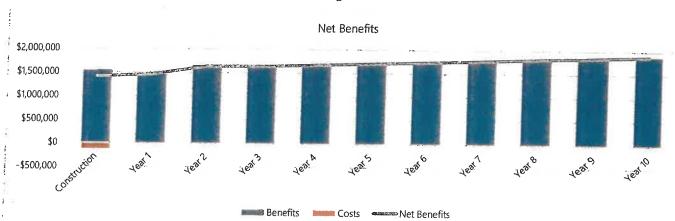
Temporary (Construction)

Maria Maria	Direct	Indirect	Total
Jobs	9	9	18
Earnings	\$910,826	\$543,034	\$1,453,860
Local Spend	\$2,380,000	\$1,691,704	\$4,071,704

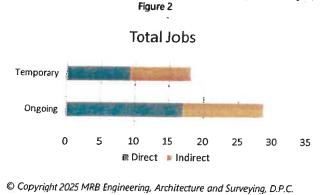
Ongoing (Operations) Aggregate over life of the PILOT

1560	Direct	Indirect	Total
Jobs	17	12	29
Earnings	\$9,689,246	\$6,587,719	\$16,276,965

Figure 1



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



Total Earnings

Figure 3



Ongoing earnings are all earnings over the life of the PILOT.

Fiscal Impacts

Estimated Costs of Exemptions



\$65,424

\$655,495

\$101,966

\$17,011,832

\$10,177

	Nominal Value	Discounted Value*
Property Tax Exemption	\$97,001	\$87,660
Sales Tax Exemption	\$115,987	\$115,937.
Local Sales Tax Exemption State Sales Tax Exemption	\$62,937 #53,000	\$62,937
Mortgage Recording Tax Exemption	\$53,000	\$53,000
Local Mortgage Recording Tax Exemption	\$12,000 \$4,000	\$12,000
State Mortgage Recording Tax Exemption	\$ <i>4,000</i> \$ <i>8,000</i>	\$4,000 \$8,000
Total Costs	\$224,938	\$215,597
State and Local Benefits		
	Nominal Value	Discounted Value*
Local Benefits	\$17,906,462	\$16,178,770
To Private Individuals	\$17,730,825	\$16.020.424
Temporary Payroll	\$1,453,860	\$1,453,860
Ongoing Payroll	<i>\$16,276,965</i>	\$14,566,564
Other Payments to Private Individuals	\$0	\$0
To the Public	\$175.636	\$158,345
Increase in Property Tax Revenue	\$24,249	\$21,254
Temporary Jobs - Sales Tax Revenue	<i>\$12,085</i>	\$12,085
Ongoing Jobs - Sales Tax Revenue	<i>\$135,302</i>	\$121,085
Other Local Municipal Revenue	\$4,000	\$3,922
State Benefits	\$922,003	\$833,062

Total Benefits to State & Region Benefit to Cost Ratio

Temporary Income Tax Revenue

Temporary Jobs - Sales Tax Revenue

Ongoing Jobs - Sales Tax Revenue

Ongoing Income Tax Revenue

		Benefit*	Cost*	Ratio
	Local	\$16,178,770	\$154,597	105:1
	State	\$833,062	\$61,000	14:1
Grand Total		\$17,011,832	\$215,597	79:1
	*Discounted at the public sec	ctor discount rate of: 2%		.0.804

\$922,003

\$65,424

\$732,463

\$10,177

\$113,939

\$18,828,465

Additional Comments from IDA

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

Does this project provide onsite childcare facilities? No

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Diversity, Equity and Inclusion Questionnaire

1. MWBE Contractors - Construction

The ECIDA encourages applicants to utilize MWBE contractors and suppliers for their projects and when feasible, to set a goal for MWBE participation during the construction period of the project. Below are links to the NYS and Erie County certified MWBE lists, including contractors, that can assist you with your utilization goals:

- New York State MWBE Certified List: https://ny.newnycontracts.com/
- Erie County MWBE Certified List: https://www3.erie.gov/eeo/mbe-wbe-resource-list

Please provide detailed information regarding your company's plan to utilize MWBE contractors and suppliers for your project. Please include your project's MWBE utilization goals, what process and resources you plan to use or have utilized in the past to find and hire MWBEs, a list of the specific MWBE firms used on previous projects and/or firms you plan to use on the current project, and any history the company has of setting and meeting MWBE goals on past projects. The company may also include details with respect to the foregoing related to any MWBE policy and utilization goals that its general contractor has committed to implementing for the project.

Great Lakes Pressed uses a standardized process to evaluate all eligible venders. The company encourages the bids from local venders as well as qualified MWBE firms and is committed to using a diverse array of vendors. We plan on having our contractor source both the New York State & Erie Counties MWBE certified lists for venders.

2. <u>Minority & Women Employment - Current Workforce & Hiring Practices</u>

The ECIDA encourages the hiring of a diverse workforce, especially for jobs created and retained as part of an ECIDA induced project. Below are some links to sites and organizations that will be helpful in achieving a diverse workforce:

- Northland Workforce Training Center: https://northlandwtc.org/employers/
- Workforce Buffalo: https://www.workforcebuffalo.org/business-services
- New York State Job Bank: https://myjobsny.usnix.com/
- Local Minority Newspapers: https://www3.erie.gov/eeo/minority-newspaper

Please provide detailed information regarding your company's current workforce and hiring practices as it relates to minority and women employees, including, if applicable, the company's Diversity, Equity and Inclusion plan and goals, any strategic partnerships the company has with educational and/or workforce development entities, and company strategies regarding outreach to minorities and women with the dissemination of job openings to the public:

We do not have a formal plan as it pertains to DEI. However, we believe having an inclusive culture across our business is critical to our success and is in alignment with the basic belief of growing an inclusive work force. Our current workforce is diverse, and we will source the above links to continue this process.

3. Economic Inclusion Program

The ECIDA's Economic Inclusion Program (EIP) is a voluntary "opt in" program providing an enhanced real property tax abatement to applicants who commit to implementing and meeting MWBE utilization and minority and women employment goals. The mission of the EIP is to enhance the beneficial public impact of projects receiving ECIDA assistance and to further the ECIDA's goal of advancing opportunities for MWBE businesses and minorities and women, in general, in the Erie County workforce. Please note, for a company to be considered an MWBE under the EIP it must be certified as an MWBE by New York State or Erie County.

Under the EIP, the standard ECIDA PILOT Agreement real property tax abatement schedules are enhanced by extending both the term and abatement percentages of the PILOT Agreement.

Please note the EIP is a *voluntary opt-in program* providing enhanced incentives in exchange for meeting MWBE utilization and minority and women employment goals. The applicant shall not engage in any unlawful discrimination against any employee or applicant by reason of race, creed, religion, color, age, disability, national origin, sex, gender, or any other characteristic protected by law, including, but not limited to, Title VII of the Civil Rights Act, the Americans with Disabilities Act, the Age Discrimination in

Employment Act, the Genetic Information Nondiscrimination Act, the New York State Human Rights Law, and any other similar laws, rules, or regulations. Applicants may bypass the EIP while still pursuing the ECIDA's standard PILOT Agreement.

Please note the EIP is a *voluntary opt-in program* providing enhanced incentives in exchange for meeting MWBE utilization and minority and women employment goals. Applicants may bypass the EIP while still pursuing the ECIDA's standard PILOT Agreement.

☑Please check the box indicating that you have read the attached Economic Inclusion Program summary and FAQ document that can be found at the end of the questionnaire.
Please check the box if you are interested in tentatively opting into the Economic Inclusion Program (nonbinding) and would like further, detailed information on the program and process from your ECIDA business development officer.





PUBLIC HEARING SCRIPT

Great Lakes Pressed Steel Corporation project and/or Individual(s), Affiliate(s), Subsidiary(ies), or Entity(ies) formed or to be formed on its behalf

Public Hearing to be held on July 3, 2025 at 9:00 a.m., at the Agency's offices, at 95 Perry Street, Suite 403, Buffalo, NY 14203

ATTENDANCE:

Jason Nichols – Great Lakes Pressed Steel Beth O'Keefe – ECIDA Brian Krygier – ECIDA

■ I. WELCOME: Call to Order and Identity of Hearing Officer.

Hearing Officer: Welcome. This public hearing is now open; it is 9:00 a.m. My name is Grant Lesswing. I am the Director of Business Development for 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 <u>ecidany.com</u>.

2. PURPOSE: Purpose of the Hearing.

Hearing Officer: We are here to hold the public hearing on the Great Lakes Pressed Steel Corporation project and/or Individual(s), Affiliate(s), Subsidiary(ies), or Entity(ies) formed or to be formed on its behalf. 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, June 11, 2025.

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 1382-1398 Niagara Street, City of Buffalo, Erie County, New York and all other lands in the City of Buffalo where, by license or easement or other agreement, the Company or its designees are making improvements that benefit the Project (the "Land"), (ii) the construction on the Land of an approximately 13,000+/- square-foot stand alone addition to the existing facility to be utilized for the installing of a new laser along with shears press breaks and punch presses to increase manufacturing capabilities (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 and the Existing 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 the rules and manner in which the hearing will proceed.

<u>Hearing Officer:</u> All those in attendance are required to register by signing the signin 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 at 4:00 p.m. on July 22, 2025. 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.

Hi I'm Jason Nichols from Great Lakes Press Steel. We're looking at building a 13,000 square foot addition. This loan (tax incentive) will help us build a space that's much more efficient and hopefully we can get more work in and hire more employees and grow/continue growing - as we've been starting to do less quickly for quite a few years now.

As there are no further statements and/or comments, I will close the public hearing at 9:03 a.m.

SIGN IN SHEET PUBLIC HEARING

July 3, 2025 at 9:00 a.m. at the Agency's offices, at 95 Perry Street, Suite 403, Buffalo, NY 14203 regarding:

Great Lakes Pressed Steel Corporation project and/or Individual(s), Affiliate(s), Subsidiary(ies), or Entity(ies) formed or to be formed on its behalf

Project Location:

1382 Niagara Street, Buffalo, New York 14213

Name	Company and/or Address	X box to speak/ comment
Jason Nichols	Great Lakes Pressed Steel 1382 Niagara Street Buffalo, New York 14213	X
Beth O'Keefe	ECIDA 95 Perry Street, Suite 403 Buffalo, New York 14203	
Brian Krygier	ECIDA 95 Perry Street, Suite 403 Buffalo, New York 14203	
	*	

ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY INDUCEMENT RESOLUTION

GREAT LAKES PRESSED STEEL CORPORATION, AND/OR INDIVIDUAL(S) OR AFFILIATE(S), SUBSIDIARY(IES), OR ENTITY(IES) FORMED OR TO BE FORMED ON ITS BEHALF

A regular meeting of the Erie County Industrial Development Agency was convened on Wednesday, July 23, 2025 at 12:00 p.m.

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

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

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

WHEREAS, GREAT LAKES PRESSED STEEL CORPORATION or on behalf of an affiliated entity formed or to be formed (the "Company") has submitted an application to the

Agency (the "Application") requesting the Agency's assistance with a certain project (the "Project") consisting of: (i) the acquisition by the Agency of a leasehold interest in certain property located on 1382-1398 Niagara Street, City of Buffalo, Erie County, New York and all other lands in the City of Buffalo where, by license or easement or other agreement, the Company or its designees are making improvements that benefit the Project (the "Land"), (ii) the construction on the Land of an approximately 13,000+/- square-foot stand alone addition to the existing facility to be utilized for the installing of a new laser along with shears press breaks and punch presses to increase manufacturing capabilities (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 and the Existing Improvements, the "Facility"); and

WHEREAS, pursuant to General Municipal Law Section 859-a, on July 3, 2025, at 9:00 a.m., at the Agency's offices, at 95 Perry Street, Suite 403, Buffalo, NY 14203, the Agency held a public hearing with respect to the Project and the proposed Financial Assistance (as hereinafter defined) being contemplated by the Agency (the "Public Hearing") whereat interested parties were provided a reasonable opportunity, both orally and in writing, to present their views; and

WHEREAS, it is contemplated that the Agency will (i) designate the Company as its agent for the purpose of undertaking the Project pursuant to an Agent and Financial Assistance Project Agreement (the "Agent Agreement"), (ii) negotiate and enter into a lease agreement (the "Lease Agreement") and related leaseback agreement (the "Leaseback Agreement") with the Company, pursuant to which the Agency will retain a leasehold interest in the Land, the Existing Improvements, the Improvements, the Equipment and personal property constituting the Facility; and (iii) provide Financial Assistance to the Company in the form of (a) an exemption benefit from all New York State and local sales and use taxes for purchases and rentals related to the Project with respect to the qualifying personal property included in or incorporated into the Facility or used in the acquisition, construction, reconstruction and/or renovation, rehabilitation or equipping of the Facility, (b) a mortgage recording tax exemption benefit for the financing related to the Project, and (c) a partial abatement from real property taxes benefit through a ten (10) year "payment in lieu of tax agreement" (the "PILOT Agreement") with the Company for the benefit of each municipality and school district having taxing jurisdiction over the Project, (collectively, the sales and use tax exemption benefit, the mortgage recording tax exemption benefit, and the partial abatement from real property taxes benefit, are hereinafter collectively referred to as the "Financial Assistance"); and

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

WHEREAS, the City of Buffalo Planning Board (the "Planning Board") in accordance with Article 8 of the New York Environmental Conservation Law and the regulations promulgated thereto in 6 N.Y.C.R.R. Part 617 (collectively referred to as the "State Environmental Quality Review Act" and/or "SEQR"), undertook uncoordinated review with respect to the Project, determined that the Project was an Unlisted Action, and issued a negative

declaration ("Negative Declaration") under SEQR on July 14, 2025 with respect to the Project; and

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

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

- Section 1. The Company has presented an application in a form acceptable to the Agency. Based upon the representations made by the Company to the Agency in the Company's application and any other correspondence submitted by the Company to the Agency, public hearing comments, if any, Agency Policy Committee review of and recommendations related to the Project and its July 10, 2025 resolution to recommend Agency approval of the Project subject to the terms and conditions as described herein, the Policy Committee and Agency board member review of the Project's cost benefit ratio, the costs of incentives so applied for, the anticipated new tax revenues to be generated by the Project, as well as the Project's contemplated community benefits, and Agency board member review, discussion, and consideration of same, the Agency hereby finds and determines that:
- (A) By virtue of the Act, the Agency has been vested with all powers necessary and convenient to carry out and effectuate the purposes and provisions of the Act and to exercise all powers granted to it under the Act; and
- (B) It is desirable and in the public interest for the Agency to appoint the Company as its agent for purposes of acquiring, constructing and/or renovating and equipping the Project; and
- (C) The Agency has the authority to take the actions contemplated herein under the Act; and
- (D) The action to be taken by the Agency will induce the Company to develop the Project, thereby increasing and/or retaining employment opportunities in Erie County, New York and otherwise furthering the purposes of the Agency as set forth in the Act; and
- (E) The Project will not result in the removal of a civic, commercial, industrial, or manufacturing plant of the Company or any other proposed occupant of the Project from one area of the State of New York (the "State") to another area of the State or result in the abandonment of one or more plants or facilities of the Company or any other proposed occupant of the Project located within the State; and the Agency hereby finds that, based on the Company's application, to the extent occupants are relocating from one plant or facility to another, the Project is reasonably necessary to discourage the Project occupants from removing such other plant or facility to a location outside the State and/or is reasonably necessary to preserve the competitive position of the Project occupants in their respective industries, and, to the extent occupants are relocating from one plant or facility to another in another area of the State, the Agency has complied with the Intermunicipal Movement procedures as required in the Countywide Industrial Development Agency Uniform Tax Exemption Policy; and

- (F) The Agency has assessed all material information included in connection with the Application necessary to afford a reasonable basis for the decision by the Agency to provide Financial Assistance for the Project as described herein; and
- (G) The Agency has prepared a written cost-benefit analysis satisfactorily identifying the extent to which the Project will create or retain permanent, private sector jobs, the estimated value of any tax exemption to be provided, the amount of private sector investment generated or likely to be generated by the Project, the likelihood of accomplishing the Project in a timely fashion, and the extent to which the Project will provide additional sources of revenue for municipalities and school districts, and any other public benefits that might occur as a result of the Project; and
- (H) The Company has provided a written statement confirming that the Project as of the date of the Application is in substantial compliance with all provisions of the Act.
- (I) The Project involves an "Unlisted Action" as said term is defined pursuant to 6 N.Y.C.R.R. Section 617.2(al) of the SEQR regulations. The Agency has conducted an uncoordinated review of the Project pursuant to 6 N.Y.C.R.R. Section 617.6(b)(4)(i). Based upon a comprehensive and thorough review by the Agency of the EAF and related documents delivered by the Company to the Agency, Planning Board Negative Declaration, the criteria set forth in 6 N.Y.C.R.R. Section 617.7 of the SEQR regulations, and the additional representations made by the Company to the Agency in connection with the Project, the Agency hereby finds that the Project will not have a potential significant adverse environmental impact warranting the preparation of an environmental impact statement. The Agency thus issues a "negative declaration" as that term is defined pursuant 6 N.Y.C.R.R. Section 617.2(z); and
- (J) The Project qualifies for Agency Financial Assistance as it meets the Agency's evaluative criteria established by the Agency as required under General Municipal Law Section 859-a(5), as evidenced by the following:
 - (i) Wage Rate (above median wage for area) Per capita income=\$41,560: Average wage for retained workers = \$55,000. Average wage for (2) jobs to be created = \$50,000.
 - (ii) Regional Wealth Creation (% sales/customers outside area): The % of sales outside Erie County: 20% outside the County but within NYS, 10% outside NYS but within the U.S.
 - (iii) In Region Purchases (% of overall purchases): In region purchases=50%.
 - (iv) Research & Development Activities: None.
 - (v) Investment in Energy Efficiency: New building will contain LED lighting, energy efficient heating and other high efficiency equipment.
 - (vi) Locational Land Use Factors, Brownfields or Locally Designated Development Areas: Site was previously remediated by the DEC.

- (vii) LEED/Renewable Resources: Not Applicable.
- (viii) Retention/Flight Risk: Company would consider other sites-including outside Erie County if they were unable to build on the site they have chosen (next door to their current operations).
- (ix) DEI Questionnaire: The Company encourages bids from local venders and qualified MWBE firms and is committed to using a diverse array of vendors.
- (x) Workforce Access-Proximity to Public Transportation: There is a bus stop in front of the building for NFTA metro lines: #5, #26 and #40.
 - (xi) Onsite child daycare facilities on the project site: None.
- Section 2. The Agency hereby authorizes the undertaking of the Project and the provision of the Financial Assistance to the Company as described herein.
- Subject to the Company executing an Agent Agreement and the delivery Section 3. to the Agency of a binder, certificate or other evidence of insurance for the Project satisfactory to the Agency, the Agency hereby authorizes the Company to proceed with the acquisition, construction and equipping of the Project and hereby appoints the Company as the true and lawful agent of the Agency: (i) to acquire, construct and/or renovate and equip the Project; (ii) to make, execute, acknowledge and deliver any contracts, orders, receipts, writings and instructions, as the stated agent for the Agency with the authority to delegate such agency, in whole or in part, to agents, subagents, contractors, and subcontractors of such agents and subagents and to such other parties as the Company chooses; and (iii) in general, to do all things which may be requisite or proper for completing the Project, all with the same powers and the same validity that the Agency could do if acting in its own behalf; provided, however, the authority to appoint the Company to act as agent of the Agency, if said appointment is not duly made, as herein expressed, shall expire one year from the date of this resolution (unless extended for good cause by the Chair, the Vice Chair, the President/Chief Executive Officer, the Vice President, the Chief Financial Officer/Treasurer, and/or the Assistant Treasurer).
- A. <u>Financial Assistance.</u> With respect to the foregoing, and based upon the representations and warranties made by the Company in its application for Financial Assistance, the Agency hereby:
 - (i) authorizes and approves the Company, as its agent, to make purchases of goods and services relating to the Project and that would otherwise be subject to New York State and local sales and use tax in an amount estimated up to \$1,325,000, and, therefore, the value of the sales and use tax exemption benefits ("sales and use tax exemption benefits") authorized and approved by the Agency cannot exceed \$115,937, however, the Agency may consider any requests by the Company for increases to the amount of sales and use tax exemption benefits authorized by the Agency upon being provided with appropriate documentation detailing the additional purchases of property or services; and

- (ii) authorizes and approves that the value of the mortgage recording tax exemption benefit ("mortgage recording tax exemption benefits") shall not exceed \$12,000; and
- (iii) authorizes and approves that the real property tax abatement benefits ("PILOT benefits") to be provided over the term of the PILOT Agreement are estimated to be approximately \$97,004, resulting in estimated total PILOT payments of \$95,539 over the term of the PILOT Agreement.
- В. Terms and Conditions of Financial Assistance. Pursuant to Section 875(3) of the New York General Municipal Law, and per the policies of the Agency, the Agency may recover or recapture from the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, any New York State and local sales and use tax exemption benefits, and/or mortgage recording tax exemption benefits, and/or partial abatements from real property taxes benefits taken or purported to be taken by the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, if it is determined that: (i) the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, is not entitled to the New York State and local sales and use tax exemption benefits; (ii) the New York State and local sales and use tax exemption benefits are in excess of the amounts authorized to be taken by the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project; (iii) the New York State and local sales and use tax exemption benefits are for property or services not authorized by the Agency as part of the Project; (iv) the Company has made a material false statement on its application for Financial Assistance; (v) the New York State and local sales and use tax exemption benefits and/or mortgage recording tax exemption benefits, and/or the partial abatement from real property taxes benefits are taken in cases where the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, fails to comply with the Investment Commitment, the Employment Commitment, and/or the Local Labor Commitment, said commitments, as described below, being a material term or condition to use property or services in the manner approved by the Agency in connection with the Project; and/or (vi) the New York State and local sales and use tax exemption benefits, and/or mortgage recording tax exemption benefits, and/or the partial abatement from real property taxes benefits are taken in cases where the Company fails to comply with the Equal Pay Commitment and/or the Unpaid Real Property Tax Policy Commitment, as described below, being a material term or condition to use property or services in the manner approved by the Agency in connection with the Project.

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

C. <u>Commitments.</u> As an additional condition precedent of receiving Financial Assistance, and as a material term or condition as approved by the Agency in connection with the Project, the Company covenants and agrees and understands that it must, subject to potential modification, termination and/or recapture of Financial Assistance for failure to meet and

maintain the commitments and thresholds as described below, submit, on an annual basis or as otherwise indicated below through the termination of the PILOT Agreement, a certification, as so required by the Agency, confirming:

- (i) Investment Commitment- the total investment made with respect to the Project at the time of Project completion equals or exceeds \$2,172,175 (which represents the product of 85% multiplied by \$2,555,500, being the total project cost as stated in the Company's application for Financial Assistance).
- (ii) Employment Commitment that there are at least 15 existing full time equivalent ("FTE") employees located at, or to be located at, the Facility as stated in the Company's application for Financial Assistance (the "Baseline FTE"); and
 - the number of current FTE employees in the then current year at the Facility; and
 - that within two (2) years of Project completion, the Company has maintained and created FTE employment at the Facility equal to 16 FTE employees [representing the sum of (x) 15 Baseline FTE and (y) 1 FTE employees, being the product of 85% multiplied by 2 (being the 2 new FTE employee positions proposed to be created by the Company as stated in its Application)]. To confirm and verify the Company's employment numbers, the Agency requires that, at a minimum, the Company provide employment data to the Agency on a quarterly basis, said information to be provided on the Agency's "Quarterly Employment Survey" form to be made available to the Company by the Agency.
- (iii) Local Labor Commitment that the Company adheres to and complies with the Agency's Local Labor Workforce Certification Policy on a quarterly basis during the construction period.
- (iv) Equal Pay Commitment that the Company adheres to and complies with the Agency's Pay Equity Policy.
- (v) Unpaid Real Property Tax Policy Commitment that the Company is compliant with the Agency's Unpaid Real Property Tax Policy.

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

Agreement are consistent with the Agency's Uniform Tax Exemption Policy, or procedures for deviation have been complied with accordingly.

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

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

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

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

Dated: July 23, 2025



glpscorp

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

new building

Project

adding 13000 sq ft

Summary

Applicant

timothy nichols

Name

Applicant

1400 Niagara Street

Address

Applicant Address 2

Applicant

Buffalo

City

Applicant

New York

State

Applicant Zip

14213

Phone

(716) 885-4037

Fax E-mail (716) 885-4038

Website

www.glpscorp.com

tnichols@glpscorp.com

NAICS Code

332119

Business Organization

Type of Business

Corporation

Year Established

1919

State

New York

Indicate if your business is 51% or more (Check all boxes that apply)

[No] Minority Owned

[No] Woman Owned

Indicate Minority and/or Woman Owned Business Certification if applicable (Check all boxes that apply)

[No] NYS Certified [No] Erie Country Certified

Individual Completing Application

Name

Timothy Nichols

Title

President

Address

1400 Niagara Street

Address 2

City

Buffalo

State

New York

Zip

14213

Phone

(716) 913-2499

Fax

(716) 885-4037

E-Mail

tnichols@glpscorp.com

Company Contact - Authorized Signer for Applicant

Contact is same as

Yes

individual completing

application

Name

Title

Address

Address 2

City

State

Zip

Phone

Fax

E-Mail

Company Counsel

Name of

Rafael F. Pignataro

Attorney

Firm Name

Hodgson Russ LLP

Address

140 Pearl Street, Suite 100

Address 2

City

Buffalo

State Zip New York 14202

Phone

(716) 856-4000

Fax

E-Mail

tnichols@glpscorp.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

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%.

The founder, Gottfried Adolphson, originally started this company in 1909 under the name of Eagle Stamping and Tooling with four other partners. By 1919, he was able to secure the entire company and changed the name to Great Lakes Pressed Steel. Gottfried was a critical influence in orchestrating the solid foundation upon which following generations were able to build and grow, expanding into different product offerings and market segments. Gottfried Adolphson's son-in-law, Robert M. Nichols, took over responsibility for the company, becoming its President in 1960. Known for his work ethic and conscientiousness, Robert established a strong base for detail-oriented processes that allow us to customize products for each client. Robert's son, Robert Junior, became President and CEO in 1971. Robert Junior prided himself on his integrity and understood the importance of being known as a trusted supplier. His primary focus was building and maintaining strong relationships with customers. It is because of Robert Junior that we have many of the customers we have today Tim Nichols, Robert Junior's son, has presided over the company since 1998, promising the same values as his great, great grandfather promised in 1919. For more than a century Great Lakes Pressed Steel has proven time and time again that they value the relationship with customers and will do whatever it takes to meet their needs and sustain a solid relationship. Currently, Tim works with his two sons, Jason and Andrew, who have earned their degrees from Rochester Institute of Technology, and hope to one day follow their fathers' steps and continue the tradition of keeping the family business running on the same values Gottfried created. Timotny Nichols is the sole shareholder in Great Lakes Pressed Steel Corporation

Estimated % of sales within Erie County	60 %
Estimated % of sales outside Erie County but within New York State	30 %
Estimated % of sales outside New York State but within the U.S.	10 %
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?

60

Describe vendors within Erie County for major purchases

Samuel, Son & Co. (Steel Supplier), Ryerson Steel, W.B. Mason, Campione Enterprise Inc., Linde, Actuarial consulting Services, advanced alarm, American Douglas, American Stainless, Arrow Grinding, Buffalo Material Handling, Baker tool and die, Bartlet Door, Better Wire,....

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

Section II: Eligibility Questionnaire - Project Description & Details

Project Location

Address of Proposed Project Facility

1382 Niagara Street

Town/City/Village of Project Site

Buffalo

School District of Project Site

Current Address (if different)

1400 Niagara Street

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

SBL Number(s) for proposed Project

88.81-1-5, 88.81-1-4, 88.81-1-3

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

\$1506

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

the nichols group Ilc., 19 west delavan avenue corp.

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.)

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)

we are building a 13,000 square foot building next to our main shop. This is a stand alone building to increase our manufacturing capabilities. We will be installing a new Laser along with shears press breaks and punch presses in this building. We will be able to fully use the new laser and all its functions because we will have an area large enough to handle its size, the added space will make the company much more efficient and competitive for new business, we will be the sole tenant of the building.

Municipality or Municipalities of current operations

Buffalo

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

6/11/25, 3:41 PM

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 <u>Local, State and/or Federal Economic Development Agencies?</u>

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)

this project along with the purchase of the Laser will create a drain on our cash flow and the savings will help keep us profitable. The ability to move the Laser into a space to fully use the machine will allow GLPS to become more efficient and able to handle more work.

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 we are unable to build on this site we would look for another property to move to that has the square footage we need and that may not be in erie county.

Will project include leasing any equipment?

No

If yes, please describe equipment and lease terms.

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)

a bus stop right out front. NFTA #5,26& 40

Has your local municipality and/or its planning board made a determination regarding the State Environmental Quality Review (SEQR) for your project?

No

If YES indicate in the box below the date the SEQR determination was made. Also, please provide us with a copy of the approval resolution and the related Environmental Assessment Form (EAF) if applicable.

If NO indicate in the box below the date you anticipate receiving a SEQR determination for your project. Also, please insure that the ECIDA has been listed as an "involved agency" on the related EAF submitted to the appropriate municipality and/or planning department.

07/14/2025

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

Yes

Describe the present zoning/land use

industrial

Describe required zoning/land use, if different

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

is the proposed Project located on a site where the known or potential presence of contaminants is complicating the development/use of the property?

No

If yes, please explain

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?

No

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

I am installing high efficient LED lights as well as heating equipment as well recently purchased a laser to put in the new building. This equipment is energy efficient compared to my older equipment.

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.

Will onsite child daycare facilities be available on the project site?

No

If yes, please describe.

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.

Will customers personally visit the Project site for either of the following economic activities? If yes with respect to either economic activity indicated below, you will need to complete the Retail section of this application.

Retail Sales No

Services No

Please check any and all end uses as identified below.

No Acquisition of Existing Facility No Assisted Living No Back Office

No Civic Facility (not for profit)

No Commercial

No Equipment Purchase

No Facility for the Aging

Yes Industrial

No Life Care Facility (CCRC)

No Market Rate Housing

No Mixed Use

No Multi-Tenant

No Retail

No Senior Housing No Manufacturing

No Renewable Energy

No Other

For proposed facility please include the square footage for each of the uses outlined below

If applicant is paying for FFE for tenants, include in cost breakdown.

Manufacturing/Processing	13,000 square feet	\$ Cost 1,600,000	% of Total Cost 100%
Warehouse	square feet	\$ 0	0%
Research & Development	square feet	\$ 0	0%
Commercial	square feet	\$ 0	0%
Retail	square feet	\$ 0	0%
Office	square feet	\$ 0	0%
Specify Other	square feet	\$ 0	0%

If you are undertaking new construction or renovations, are you seeking LEED certification from the US Green Building Council? No

If you answered yes to question above, what level of LEED certification do you anticipate receiving? (Check applicable box) <BLANK>

Provide estimate of additional construction cost as a result of LEED certification you are seeking

< BLANK >

Will project result in significant utility infrastructure cost or uses

Yes

What is the estimated project timetable (provide dates)

Start date: acquisition of equipment or construction of facilities

7/28/2025

End date: Estimated completion date of project

11/28/2025

Project occupancy: estimated starting date of occupancy

11/28/2025

Capital Project Plan / Budget

Estimated costs in connection with Project

1.) Land and/or Building Acquisition

\$ 175,000 square feet 1 acres

2.) New Building Construction

\$ 1,600,000 13,000 square feet

3.) New Building addition(s)

\$0

square feet

4.) Reconstruction/Renovation

\$0

square feet

5.) Manufacturing Equipment

\$ 650,000

6.) Infrastructure Work

\$0

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

\$ 120,500

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

\$ 10,000

9.) Other Cost

\$0

Explain Other

Costs

Total Cost

\$ 2,555,500

Construction Cost Breakdown:

Total Cost of Construction

\$ 1,600,000 (sum of 2, 3, 4 and 6 in Project Information, above)

Cost of materials

\$1,200,000

% sourced in Erie County

30%

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

es and use tax- said amount to benefit from the Agency's sales and use tax exemption benefit \$ 1,325,000

\$ 115,937

Estimated State and local Sales and Use Tax Benefit (product of

8.75% multiplied by the figure, above):

** 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)

Have any of the above costs been paid or incurred as of the date

Yes

of this Application?

If Yes, describe particulars:

Sources of Funds for Project Costs:

Equity (excluding equity that is attributed to grants/tax credits): \$ 320,000

Bank Financing: \$ 1,250,000

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

Taxable Bond Issuance (if applicable): \$0

Public Sources (Include sum total of all state and federal grants \$ 0

and tax credits):

Identify each state and federal grant/credit: (ie Historic Tax Credit, New Market Tax Credit, Brownfield, Cleanup Program, ESD, other public sources)

Total Sources of Funds for Project Costs:

\$1,570,000

No

Have you secured financing for the project?

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).

1,600,000

Lender Name, if Known

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

\$12,000

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):

<u>IDA PILOT Benefit</u>: 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.

<u>Percentage of Project Costs financed from Public Sector sources</u>: 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?

No

If yes, please describe equipment and lease terms.

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	15	15	2	17
Part time	0	0	0	0
Total	15	15	2	O

Salary and Fringe Benefits for Jobs to be Retained and Created

Job Categories	# of <u>Full Time</u> Employees retained and created	Average Salary for Full Time	Average Fringe Benefits for Full Time	# of <u>Part Time</u> Employees retained and created	Average Salary for Part Time	Average Fringe Benefits for Part Time
Management	4	\$ 75,000	\$ 10,000	0	\$0	\$0
Professional	0	\$0	\$0	0	\$0	\$0
Administrative	1	\$ 75,000	\$ 10,000	0	\$0	\$0
Production	12	\$ 45,000	\$ 10,000	0	\$0	\$0
Independent Contractor	0	\$0	\$0	0	\$0	\$0
Other	0	\$0	\$0	0	\$0	\$0
Total	17			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	0	0	n
Part time	0	0	0
Total	0	О	0

Payroll Information

Annual Payroll at Proposed Project Site upon completion

900,000

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

55,000

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

0

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

50,000

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

0

Estimated salary range of jobs to be created

 From (Full Time)
 0
 To (Full Time)
 0

 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

1382 Niagara Street

Name and Address of Owner of Premises

Andrew Nichols 4795 Harlem Road Amherst NY 14226 Jason Nichols 24 Grafton Court, Lancaster NY 14086

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

A stone lot

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

there is a 20×30 foot building on the property used by the DEC for pump and treating the ground water.

Describe all known former uses of the Premises

Chemical Sales company

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?

Yes

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

it was an industrial site that sold chemical products and the DEC cleaned the property

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

none

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

we have no process water, bathrooms go to city sewer and rain water will go to storm sewer

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

<BLANK>

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

none

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

<BLANK>

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

Great Lakes Pressed Steel

Address

1400 Niagara Street

Contact Person

Tim Nichols

Phone

(716) 885-4037

Fax (716) 885-4038

E-Mail

tnichols@glpscorp.com

Federal ID#

16-0462360

SIC/NAICS Code 332119

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:

6/11/25, 3:41 PM

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?

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 tance nt's

state or in the abandonment of one or more plants or facilities of the is required to prevent the project occupant from relocating out of the competitive position in its respective industry.	ne project occupant located within the state, Agency financial Assist he state, or is reasonably necessary to preserve the project occupa
Current Address	
City/Town	
State	
Zip Code	
Will the project result in the removal of an industrial or manufact another area of the state?	uring plant of the Project occupant from one area of the state to
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 aforem Assistance is required to prevent the Project from relocating out o occupant's competitive position in its respective industry:	nentioned closing or activity reduction, the Agency's Financial f the State, or is reasonably necessary to preserve the Project
Does this project involve relocation or consolidation of a project of	ccupant 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 operat	ion from the City of Buffalo?
If yes, please explain the factors which require the project occupant not large enough, or owner will not renew leases etc.)	t to relocate out of the City of Buffalo (For example, present site
What are some of the key requirements the project occupant is look ceilings, truck loading docs etc.)	king for in a new site? (For example, minimum sq. ft., 12 foot
Space Ceiling height truck access	
If the project occupant is currently located in Erie County and will be project occupant attempted to find a suitable location within the money No	e moving to a different municipality within Erie County, has the unicipality in which it is currently located?

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

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.

1400 Niagara Street

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

Section X: Tax Exempt Bonds

In order to receive the benefits of a tax-exempt interest rate bond, private borrowers and their projects must be eligible under one of the federally recognized private active bond categories (Fed Internal Rev Code IRC sections 142-144, and 1394).

Are you applying for tax exempt bonds / refinancing of bonds related to a residential rental facility project?

No

Erie County Industrial Development Agency

Financial Statements

As of June 30, 2025

ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY ("ECIDA")

Balance Sheet

June 30, 2025

ASSETS:		June 2025		May 2025	De	ecember 2024
Cash and Equivalents *	\$	6,216,053	\$	6,105,917	\$	6,751,035
Restricted Cash & Investments *	Ψ	18,678,285	Ψ	21,005,385	Φ	18,075,648
Due from Affiliates		2,100,228		2,059,698		4,571,775
Due from Buffalo Urban Development Corp.		57,613		46,261		
Other Receivables		203,988		161,108		131,503
Total Current Assets	_	27,256,166		29,378,369	-	173,195
	-	27,230,100		29,370,309	_	29,703,154
Grants Receivable		4,992,554		4,992,554		5,214,764
Lease Receivable		497,404		516,245		609,283
Venture Capital Investments, net of reserves		406,247		406,247		406,247
Capital Assets		1,358,476		1,377,733		1,450,212
Total Long-Term Assets		7,254,681		7,292,779	-	7,680,506
				7,000,110		7,000,000
TOTAL ASSETS	\$	34,510,847	\$	36,671,148	\$	37,383,661
LIABILITIES & NET ASSETS						
Accounts Payable & Accrued Exp.	\$	196,817	\$	170,770	\$	577.336
Lease Payable	•	314.567	Ψ	326,483	Ψ	385,321
Deferred Revenues		4,352,290		4,369,852		4,498,758
Funds Held on Behalf of Others		9,405,387		11,724,087		11,287,296
Total Liabilities	-	14,269,062		16,591,192		16,748,711
				10,001,102	_	10,7 40,7 11
Deferred Inflows of Resources Related to Leases		497,404		516,245		609,283
Net Assets		19,744,382		19,563,711		20,025,667
TOTAL LIABILITIES & NET ASSETS	\$	34,510,847	\$	36,671,148	\$	37,383,661

^{*} Cash and restricted cash is invested in interest bearing accounts at M&T Bank and obligations of the United States of America at Wilmington Trust. The maximum FDIC insured amount = \$250,000 with the remainder of the cash balance collateralized with government obligations by the financial institution. Collateral is not required for U.S. government obligations.

ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY ("ECIDA")

Income Statement

Month of June 2025

			Actu	al vs. Budg	et	
		Actual		Budget		Variance
REVENUES:		riotaai		Daaget		Validite
Administrative Fees	\$	318,676	\$	150 000	\$	169.676
Management Fees - Affiliates and Others	Ψ	47,225	Ф	150,000 49,292	Ф	,
Rental Income		19,635		19,532		(2,067)
Other Income		6,555		6,500		103 55
Total Revenues	-	392,091		225,323	_	166,768
		002,001		220,020		100,708
EXPENSES:						
Salaries & Benefits	\$	195,412	\$	193,287	\$	2,125
General Office Expenses		21,620		22,583	·	(963)
Building Operating Costs		2,331		6,707		(4,376)
Professional Services		6,305		5,000		1,305
Public Hearings & Marketing		7,346		10,000		(2,654)
Travel, Mileage & Meeting Expenses		720		2,958		(2,238)
Depreciation and amortization		19,607		19,607		-
Other Expenses		936		1,250		(314)
Total Expenses		254,278		261,394		(7,116)
CDECIAL DDO JECT CDANTO						
SPECIAL PROJECT GRANTS:			_			
Revenues	\$	16,358	\$	433,190	\$	(416,833)
Expenses		(15,958)		(407,024)		391,066
		400		26,167		(25,767)
NET INCOME/(LOSS) BEFORE OTHER STRATEGIC						
INVESTMENTS:	_	138,213	_	(9,904)	_	148,117
,	-	100,210		(3,304)	_	140,117
OTHER STRATEGIC INVESTMENTS AND INITIATIVES:						
Renaissance Commerce Park Grant	\$	-	\$	(8,333)	\$	8,333
Angola Ag Park Grant	1	-		(2,083)		2,083
				(40.447)		10.115
	_			(10,417)	_	10,417
NET OPERATING INCOME/(LOSS):		138,213		(20,320)		158,534
NON ODERATING DEVENUE						
NON-OPERATING REVENUE:						
Interest Income	\$	43,818	\$	33,360	\$	10,458
Interest Expense		(1,360)		(8,006)		6,646
	0.———	42,457		25,354		17,103
		,		20,007	_	17,103
NET INCOME/(LOSS):	\$	180,671	\$	5,034	\$	175,637

ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY ("ECIDA")

Income Statement

Year to Date: June 30, 2025

			Act	ual vs. Budg	et				Actu	al vs. Prior	⁄ear	
		Actual		Budget		Variance	1, 11	Actual		Prior Year		Variance
REVENUES:												
Administrative Fees	\$	701,643	\$	900,000	\$	(198,357)	\$	701,643	\$	587,231	\$	114,412
Affiliate Management Fees	-	286,850		293,250	•	(6,400)	•	286,850	Ψ	235,450	Ψ	51,400
Rental Income		113,748		117,191		(3,443)		113,748		108,302		5,445
Other Income		21,828		20,000		1,828		21,828		18,558		3,270
Total Revenues		1,124,069		1,330,441		(206,372)		1,124,069		949,541		174,527
EXPENSES:												
Salaries & Benefits		1,191,722		1,226,255		(34,534)		1,191,722		1,111,581		80,140
General Office Expenses		132,811		135,500		(2,689)		132,811		132,095		716
Building Operating Costs		17,079		47,994		(30,915)		17,079		16.658		421
Professional Services		51,696		61,800		(10,104)		51,696		46,574		5.121
Public Hearings & Marketing		53,830		60,000		(6,170)		53,830		73,571		(19,741)
Travel, Mileage & Meeting Expenses		16,058		17,750		(1,692)		16,058		21,942		
Depreciation and amortization		117,645		117,645		(1,002)		117,645				(5,884)
Other Expenses		6,925		8,750		(1,825)		6,925		132,645		(15,000)
Total Expenses		1,587,765		1,675,694		(87,929)	-	1,587,765		6,571 1,541,637		354 46,128
						3-11		1,000,100		1,011,001		10,120
SPECIAL PROJECT GRANTS:												
Revenues		261,141		2,599,143		(2,338,002)		261,141		344,531		(83,390)
Expenses		(226,067)		(2,442,143)		2,216,076		(226,067)		(360,738)		134,672
		35,074		157,000		(121,926)		35,074		(16,207)		51,282
NET INCOME/(LOSS) BEFORE OTHER STRATEGIC												
INVESTMENTS:	\$.	(428,623)	\$	(188,253)	\$	(240,369)	\$	(428,623)	\$	(608,303)	\$	179,681
OTHER STRATEGIC INVESTMENTS AND INITIATIV	ES:											
Renaissance Commerce Park Grant	\$	(94,684)	\$	(100,000)	\$	5,316	\$	(94,684)	\$	(98,064)	\$	3,380
Angola Ag Park Grant	•	(5,483)		(25,000)	•	19,517	•	(5,483)	Ψ	(12,545)	Ψ	7,062
Buffalo Urban Development Corporation		-				-		(5, 100)		(100,000)		100,000
Other Strategic Initiatives		(0)		_		(0)		(0)		(40,525)		40,525
		(100,167)		(125,000)		24,833		(100,167)		(251,134)		150,967
NET OPERATING INCOMES COO.							_					
NET OPERATING INCOME/(LOSS):		(528,790)		(313,253)	_	(215,536)	_	(528,790)		(859,438)		330,648
NON-OPERATING REVENUE:												
Interest Income		256,404		200,159		56,245		256,404	\$	220,786		35,618
Interest Expense		(8,900)		(8,006)		(894)		(8,900)		(12,343)		3,444
		247,504		192,153		55,351		247,504		208,443		39,062
NET INCOME/(LOSS):	\$	(281,285)	\$	(121,100)	\$	(160,185)	\$	(281,285)	\$	(650,995)	\$	369,709



MEMO:

To: Board of Directors Date: July 23, 2025

RE: Funding Request - Sumitomo Site Redevelopment Study

Background:

On November 7th, 2024, Sumitomo Rubber announced the closure of its production facility in Tonawanda, NY, displacing 1,550 workers and ending 101 years of manufacturing at the site. The facility consists of approximately 2 million square feet of buildings that sit on 130 acres of zoned industrial property. Currently, the company is decommissioning the property which may take up to 12 months to finish after which the existing production facility will be vacant.

Empire State Development has provided a grant of up to \$200,000 to Invest Buffalo Niagara to undertake an existing conditions report and reuse study of the property. Invest Buffalo Niagara in partnership with its economic development partners and community stakeholders, sought proposals from real estate advisory consulting firms to inform decision makers on market feasible options for the viable redevelopment and reuse of the Sumitomo property located at 10 Sheridan Drive, in the Town of Tonawanda.

Study components include a current site assessment of the property's physical condition; site survey of surrounding land uses, zoning, utilities, easements and other relevant site constraints; site redevelopment feasibility study; conceptual redevelopment scenarios identifying potential industrial end users; and a review of best practices from peer communities across the country, specifically mid-size regions of similar economic makeups, on how to creatively reuse abandoned industrial property with specific consideration of economic development or financial incentive programs directed at industrial real estate redevelopment.

Invest Buffalo Niagara received 5 proposals, reviewing and discussing them with a dedicated scoring committee in late-April and early-May. Ultimately the committee selected the Strategic Development Group — Terracon — Nussbaumer & Clark proposal. The project began with a virtual kick-off meeting on May 28th and the consultant teams toured the facility with key Sumitomo staff and conducted interviews with numerous community stakeholders and elected officials in early June.

Currently the consultant team is conducting a review of the existing conditions of the former Sumitomo plant, a review of best practices of industrial redevelopment projects, and identification of potential end users.

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The project funding is a grant-based reimbursement program utilizing funds from Empire State Development and matching funding from National Grid. The reimbursable grant funding requires upfront expenditure with reimbursement released upon the successful completion of the project currently anticipated by fall of 2025. Invest Buffalo Niagara is requesting \$75,000 from Eric County Industrial Development Agency to help fund and pay for costs associated with the study, which will be reimbursed to the Agency as grant funds are paid.

Requested Action:

Seeking approval to allocate \$75,000 from ECIDA's general fund and to enter into any and all agreements needed to provide funding to an escrow account to be utilized to cover costs for the Sumitomo Site Redevelopment Study. The funds will be returned to ECIDA as study costs are reimbursed for the program through an ESD grant.

ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY RESOLUTION

A regular meeting of the Erie County Industrial Development Agency was convened on Wednesday, July 23, 2025, at 12:00 p.m.

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

RESOLUTION OF THE ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY ("AGENCY") TO (i) AUTHORIZE THE ALLOCATION OF \$75,000 FROM THE AGENCY'S GENERAL FUND TO INVEST BUFFALO NIAGARA FOR UTILIZATION IN CONDUCTING A COMPREHENSIVE STUDY TO REVIEW AND ANALYZE FUTURE USES OF THE FORMER SUMITOMO RUBBER USA, LLC SITE IN THE TOWN OF TONAWANDA, NEW YORK AND (ii) TO ENTER INTO A MEMORANDUM OF UNDERSTANDING AND RELATED DOCUMENTS IN FURTHERANCE OF SAME.

WHEREAS, on November 7, 2024, Sumitomo Rubber USA, LLC closed its production facility consisting of approximately 2 million square feet of buildings on 130 acres of industrial zoned property in Tonawanda, New York (the "Site"), the Site is expected to be vacant within the next 12 months upon completion of decommissioning; and

WHEREAS, Empire State Development ("ESD") has allocated a \$200,000 reimbursable grant (the "ESD Grant") to Invest Buffalo Niagara ("IBN") to undertake an existing conditions report and reuse study of the Site to find a suitable use for the Site; and

WHEREAS, IBN has engaged Strategic Development Group – Terracon – Nussbaumer & Clark (the "Consultant") to undertake the existing conditions report and reuse study of the Site, including a current site assessment of the property's physical condition; site survey of surrounding land uses, zoning, utilities, easements and other relevant site constraints; site redevelopment feasibility study; conceptual redevelopment scenarios identifying potential industrial end users; and a review of best practices from peer communities across the country (the "Study"); and

WHEREAS, the Study will consist of a thorough review and analysis of the Site, offer a comprehensive vision, and recommend an executable, strategic economic growth plan for the implementation by stakeholders; and

WHEREAS, the Consultant has toured the Site and conducted interviews with various community stakeholders and elected officials and anticipates completion of the Study by the Fall of 2025; and

WHEREAS, the ESD Grant requires up-front expenditures by IBN with reimbursements released upon the successful competition of the Study; and

WHEREAS, National Grid has agreed to match funding from the ESD Grant; and

WHEREAS, IBN has requested \$75,000 from the Agency's general fund (the "Funding Request") to provide funding for the upfront costs of the Study, which will be reimbursed to the Agency upon disbursement of the ESD Grant; and

WHEREAS, the Agency desires to facilitate the Study to encourage new investment and job creation for the benefit of the residents of the Town of Tonawanda and the County, and desires to approve the Funding Request.

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

- Section 1. The Agency authorizes and approves the utilization of the Agency's general fund in the amount of \$75,000 for the purpose of facilitating the Funding Request.
- Section 2. The Agency authorizes the President/Chief Executive Officer to negotiate and execute a memorandum of understanding (the "MOU"), and any other related documents, as appropriate, by and between the Agency and IBN in consultation with the Agency's general counsel, that shall include such other terms and conditions as the President/Chief Executive Officer determines to be appropriate and in the best interest of the Agency for purposes of the funding the Study and fulfilling the Funding Request.
- Section 3. In accordance with the New York State Environmental Quality Review Act, Article 8 of the Environmental Conservation Law and the regulations promulgated thereto at 6 NYCRR Part 617 (collectively referred to as "SEQRA"), based upon a review of the Funding Request the Agency hereby determines that no further SEQRA compliance is required pursuant to 6 N.Y.C.R.R. Section 617.15.(c)(27) because the Funding Request and Study are Type II actions constituting "studies and preliminary planning and budgetary processes necessary to the formulation of a proposal for action, provided those activities do not commit the agency to commence, engage in or approve such action."
- Section 4. The Chair, the Vice Chair, the President/Chief Executive Officer, the Vice President, the Chief Financial Officer/Treasurer and/or the Assistant Treasurer are hereby authorized, on behalf of the Agency, to negotiate, execute and deliver any documents and agreements as may be related hereto and the officers, employees and agents of the Agency are hereby authorized and directed for and in the name and on behalf of the Agency to do all acts and things as may be necessary or, in the opinion of the officer, employee or agent acting, desirable and proper to effect the purposes of this resolution.
- Section 5. Any and all actions heretofore taken or authorized by the Agency and/or its officers, employees and agents with respect to this resolution are hereby ratified, approved and confirmed in all aspects.
 - <u>Section 6</u>. This resolution shall take effect immediately.

Dated: July 23, 2025



To: ECIDA Board of Directors

From: Mollie Profic, CFO

Jerry Manhard, Chief Lending Officer

Re: Erie County Microenterprise Loan Fund Sub-Recipient Agreement

Date: July 23, 2025

In 2009, ECIDA entered a contract with Erie County (the "County") to undertake essential community development activities in the form of business assistance loan funds. This grew to be more commonly known as the Erie County Microenterprise Loan Fund ("Fund"). The original allocation that funded this program was a Community Development Block Grant ("CDBG"), and supplementary funds have been added to this program over the years. Additional agreements between ECIDA and the County for the administration of the Fund were entered into in 2010, 2011, 2012, 2019 and 2022. The current agreement in place expired March 31, 2025.

Statutory regulations do not allow the ECIDA to lend monies, so ECIDA has historically assigned (subgranted) funds to the Buffalo and Erie County Industrial Land Development Corporation ("ILDC") to administer the Fund.

The County has received additional federal grant funding for the 2025-2026 program year and wishes to again engage the Agency to continue administering the Fund. The agreement period will be April 1, 2025 – December 31, 2026. The project budget is \$350,000, and up to \$19,500 of administrative costs may be compensated to the administrator over the contract period.

A summary of the terms of the Second Amendatory Agreement are:

- Administration of the Fund in a manner satisfactory to the County and consistent with standards required as a condition of providing these funds.
- ECIDA to train Eric County staff on tasks involving the review of loan necessity, credit worthiness, and initial loan recommendations.
- Funds currently held in the Micro Enterprise Loan bank account will be allocated to the Fund.
- Meet the objective of benefiting low- and moderate-income individuals by providing access to CDBG monies through loans for small-scale business improvements.
- Erie County consenting to the assignment of the agreement by ECIDA to the ILDC, and the assumption by the ILDC of the duties and responsibilities of the agreement.

Action:

Requesting approval of the attached resolution to allow the Agency to (1) enter into the Second Amendatory Agreement to the January 2, 2019 CDBG Sub-recipient Agreement with Erie County and (2) negotiate and execute, as appropriate, the CDBG Funds sub-subgrant agreement with the ILDC for the purposes of granting the CDBG Funds to the ILDC and permitting the ILDC to administer the Microenterprise Loan Fund.

ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY RESOLUTION

(Agreement to Authorize Execution and Delivery of Community Development Block Grant Sub-Recipient Agreement with the County of Erie)

A regular meeting of the Erie County Industrial Development Agency was convened on Wednesday, July 23, 2025, at 12:00 p.m.

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

RESOLUTION AUTHORIZING (i) THE ADOPTION, NEGOTIATION AND EXECUTION OF A SECOND AMENDATORY AGREEMENT TO THE JANUARY 2, 2019 SUB-RECIPIENT AGREEMENT BETWEEN THE COUNTY OF ERIE AND THE ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY RELATIVE TO THE CONTINUED RECEIPT AND ADMINISTRATION OF COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS ("CDBG FUNDS"); (ii) AUTHORIZING THE ALLOCATION OF \$350,000 OF SUCH CDBG FUNDS TOWARDS THE AGENCY'S MICROENTERPRISE LOAN FUND; and (iii) AUTHORIZING THE SUB-SUBGRANT OF THE CDBG FUNDS TO THE BUFFALO AND ERIE COUNTY INDUSTRIAL LAND DEVELOPMENT CORPORATION ("ILDC") FOR ADMINISTRATION OF SAME IN A MANNER CONSISTENT WITH THE MICROENTERPRISE LOAN FUND

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

WHEREAS, the County of Erie ("County") has applied for and received funds from the United States Government under Title I of the Housing and Community Development Act of 1974, as amended (HCD Act), Public Law 93-383; and

WHEREAS, the County and the Agency have previously entered into contracts for grant administration and funding dated October 16, 2009, October 8, 2010, October 20, 2011, October 12, 2012, January 2, 2019, and April 6, 2022 for the purpose of undertaking essential community development activities in the form of business assistance loan funds; and

WHEREAS, the County wishes to continue to engage the Agency to assist the County in utilizing such funds; and

WHEREAS, the County and the Agency desire to negotiate and execute an agreement to authorize the receipt and allocation of \$350,000 of Community Development Block Grant funds (the "CDBG Funds") received by the County and sub-granted to the Agency towards the Agency's Microenterprise Loan Fund ("CDBG Sub-Recipient Agreement") and to continue to capitalize the

Microenterprise Loan Fund to be utilized in a manner consistent with the County's Microenterprise Loan Fund Loan Administration Plan; and

WHEREAS, upon receipt of the CDBG Funds as so described herein, the Agency desires to sub-subgrant the CDBG Funds to its affiliate, the Buffalo and Erie County Industrial Land Development Corporation (the "ILDC"), for purposes of administering the Microenterprise Loan Fund in a manner consistent with the County's Microenterprise Loan Fund Loan Administration Plan.

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

Section 1. The Agency hereby determines that the execution and adoption of the CDBG Sub-Recipient Agreement and funding of the Microenterprise Loan Fund will facilitate economic development and job creation/retention for the benefit of the economy and people of Erie County.

Section 2. The Agency is authorized to (i) adopt, negotiate and execute a Second Amendatory Agreement to the April 6, 2022 CDBG Sub-Recipient Agreement relative to the funding of the Microenterprise Loan Fund; (ii) allocate up to \$350,000 of the funds associated with the CDBG Sub-Recipient Agreement towards the Microenterprise Loan Fund, and (iii) subsubgrant \$350,000 of CDBG Funds to the ILDC for purposes of administrating the Microenterprise Loan Fund.

Section 3. In accordance with the Agency's goals and purposes set forth above, and subject to the terms of this Resolution, and to appropriate terms and conditions as determined by the Chair, the Vice Chair, the President/Chief Executive Officer, the Treasurer/Chief Financial, and/or the Assistant Treasurer (collectively, the "Authorized Officers"), are hereby authorized, on behalf of the Agency (i) to negotiate, execute and deliver the Second Amendatory Agreement to the April 6, 2022 CDBG Sub-Recipient Agreement, (ii) to negotiate and execute, as appropriate, the CDBG Funds sub-subgrant agreement with the ILDC for purposes of granting the CDBG Funds to the ILDC for purposes of permitting the ILDC to administer the Microenterprise Loan Fund, and (iii) any of the Authorized Officers are further authorized to negotiate and execute any and all documents reasonably contemplated by these resolutions.

Section 4. The officers, employees and agents of the Agency are hereby authorized and directed for and in the name and on behalf of the Agency to do all acts and things required and to negotiate, execute and deliver all such certificates, instruments and documents, to pay all such fees, charges and expenses and to do all such further acts and things as may be necessary or, in the opinion of the officer, employee or agent acting, desirable and proper to effect the purposes of the foregoing resolutions and to cause compliance by the Agency with all of the terms, covenants and provisions of the documents executed for and on behalf of the Agency.

<u>Section 5</u>. These Resolutions shall take effect immediately.

Dated: July 23, 2025.



MEMORANDUM

Date: July 23, 2025

To: Erie County Industrial Development Agency Board of Directors ("ECIDA")

From: ECIDA Staff

Re: Buffalo Southern Railroad Track Improvements: Approval to Negotiate and Execute a

Contract with Contractor for Bridge and Track Rehabilitation.

Project Summary:

The Erie County Industrial Development Agency ("ECIDA") currently manages the Buffalo Southern Railroad under an agreement with the County of Erie, overseeing maintenance, repairs, and improvements to rail infrastructure, bridges, and adjacent areas. As part of this role, on or about April 20, 2021, the ECIDA submitted a grant application to the New York State Department of Transportation ("NYSDOT") under the Passenger and Freight Rail Assistance Program ("PFRAP") on behalf of the Buffalo Southern Railroad, the eligible applicant, to support critical infrastructure upgrades along the line. On or about November 17, 2022, the ECIDA received notification of award from the NYSDOT in the amount of \$2,133,553.00 in furtherance of the contemplated infrastructure upgrades.

The proposed project includes restoration and rehabilitation of four railroad bridges and related approach track work along the Buffalo Southern Railroad Main Line, between Milepost 2.70 (Buffalo, NY) and Milepost 32.90 (Gowanda, NY). The scope of work consists of replacing bridge deck timbers and completing approximately 250 linear feet of approach track work at each bridge, including the removal and replacement of select cross ties, as well as gaging, raising, lining, and surfacing of the track.

RFP Process:

The ECIDA issued a Request for Proposals ("RFP") on March 25, 2025 seeking a qualified contractor to complete the above scope of work. Bids were opened and read aloud at the ECIDA's office on April 24th, 2025 in accordance with standard competitive bidding procedures. A Zoom invite was also distributed by ECIDA to allow remote participation for interested parties unable to attend in person. Two (2) bids were received, opened, and read aloud.

The ECIDA team, in collaboration with our engineering consultant, C&S Companies, reviewed the bids based on the criteria outlined in the RFP. Following this evaluation, Kennedy Railroad Services, LLC was determined to be the lowest responsible bidder.

Requested Action:

Seeking approval from the ECIDA Board of Directors to:

- 1. Authorize the Eric County Industrial Development Agency to negotiate and execute a contract with Kennedy Railroad Services, LLC in the amount of \$1,784,969.00 to perform the bridge and track rehabilitation work along the Buffalo Southern Railroad Main Line, and to take all actions necessary to implement the project as described.
- 2. Make a determination in accordance with SEORA.

ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY RESOLUTION

A regular meeting of the Erie County Industrial Development Agency (the "Agency") was convened on Wednesday, July 23, 2025 at 12:00 p.m.

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

RESOLUTION OF THE ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY (THE "AGENCY") AUTHORIZING THE NEGOTIATION AND EXECUTION OF A CONTRACT BY AND BETWEEN THE AGENCY AND KENNEDY RAILROAD SERVICES, LLC ("KENNEDY") TO PERFORM CERTAIN RAILROAD BRIDGE AND TRACK REHABILITATION WORK ALONG THE BUFFALO SOUTHERN RAILROAD MAIN LINE IN AN AMOUNT NOT TO EXCEED \$1,784,969.00

WHEREAS, by Title 1 of Article 18-A of the General Municipal Law of the State of New York, as amended, and Chapter 293 of the Laws of 1970 of the State of New York, as amended (collectively, the "Act"), the Erie County Industrial Development Agency (the "Agency") was created as a public benefit corporation of the State with the authority and power to own, lease and sell property for the purpose of, among other things, acquiring, constructing and equipping civic, industrial, manufacturing, commercial and other facilities as authorized by the Act to prevent unemployment and economic deterioration; and

WHEREAS, the Agency currently owns a leasehold interest in certain railroad facilities owned by the County of Erie ("County") commonly known as the Buffalo Southern Railroad ("BSR") extending from the City of Buffalo to the Town of Gowanda in Erie County (the "Railway Facilities"); and

WHEREAS, the Agency desires to undertake certain restoration work on the Railway Facilities between Mileposts 2.70 and 32.90, including, but not limited to the restoration and rehabilitation of four railroad bridges and related approach track work, consisting of replacing bridge deck timbers and completing approximately 250 linear feet of approach track work at each bridge, including the removal and replacement of select cross ties, as well as gaging, raising, lining, and surfacing of the track (the "Rehabilitation Work"); and

WHEREAS, the People of the State of New York, acting by and through the Department of Transportation, administers the Passenger and Freight Rail Assistance Program ("PFRAP") which provides financial assistance for capital-based projects intended to maintain and modernize freight rail and port infrastructure across New York State with a focus on synergies among investment in transportation infrastructure, job creation and economic growth; and

WHEREAS, on or about April 20, 2021, the Agency applied for PFRAP funds to be utilized for the Rehabilitation Work; and

WHEREAS, on or about November 17, 2022, the Agency received notification of award from the DOT in the amount of \$2,133,553.00 (the "PFRAP Grant") to complete the Rehabilitation Work (the "Funding Grant Arrangement"); and

WHEREAS, the Agency requires certain construction and administration services to complete the Rehabilitation Project (the "Rehabilitation Work Construction Services"); and

WHEREAS, the Agency issued a Request for Proposals ("RFP") on March 25, 2025, seeking proposals from seeking a qualified contractor to complete the Rehabilitation Work Construction Services; and

WHEREAS, the Agency received two quality proposals in response to the RFP, and Agency staff, in conjunction with the Agency's engineering consultant C&S Companies ("C&S"), reviewed and considered the RFP responses; and

WHEREAS, following a review of the RFP responses, the Agency and C&S recommended Kennedy Railroad Services, LLC ("Kennedy") as the top respondent to the RFP, and the Agency desires to enter into an agreement with Kennedy for the Rehabilitation Work Construction Services in an amount not to exceed \$1,784,969.00; and

WHEREAS, pursuant to the New York State Environmental Quality Review Act, Article 8 of the Environmental Conservation Law and the regulations adopted pursuant thereto at 6 N.Y.C.R.R. Part 617, as amended (collectively referred to as "SEQRA"), the Agency must satisfy the applicable requirements set forth in SEQRA prior to undertaking the action as described herein.

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

Section 1. The Rehabilitation Project Engineering Services contemplated herein consist of "the replacement, rehabilitation or reconstruction of a structure or facility, in kind, on the same site," Pursuant to 6 N.Y.C.R.R. §617.5(c)(2) of the SEQRA regulations, the Rehabilitation Project Engineering Services constitute a Type II Action as defined therein, and accordingly no findings or determination of significance are required under SEQRA.

Section 2. Subject to the terms of this Resolution, the Chair, the Vice Chair, the President/Chief Executive Officer, the Vice President, the Chief Financial Officer/Treasurer and/or the Assistant Treasurer, are hereby authorized, on behalf of the Agency, to negotiate and execute a contract with Kennedy, in consultation with the Agency's general counsel, for the Rehabilitation Work Construction Services in an amount not to exceed \$1,784,969.00, and any appropriate change orders or scope additions as approved by the President/Chief Executive Officer, in consultation with the Chair.

Section 3. The officers, employees, and agents of the Agency are hereby authorized and directed for and in the name and on behalf of the Agency to do all acts and things required and to execute and deliver all such checks, certificates, instruments and documents, to pay all such fees, charges and expenses and to do all such further acts and things as may be necessary or, in the opinion of the officer, employee or agent so acting, desirable and proper to effect the purposes of the foregoing resolution and to cause compliance by the Agency with all of the terms, covenants and provisions of the documents executed for and on behalf of the Agency.

Section 4. Any and all prior actions taken by the Agency with respect to the contents of this Resolution are hereby ratified and confirmed.

Section 5. These Resolutions shall take effect immediately.

Dated: July 23, 2025

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Approval Project Name Date	Project City/Town	Private Investment/ Project Amount	Minimum Investment FT Jobs Comittment (85% Retained Threshold)	FT Jobs Retained	PT Jobs Retained	FT Jobs PT Jobs TF Jobs to PT Jobs to Job Creation Retained Retained be Created be Created (85% New)	PT Jobs to be Created	-	Construction Jobs	Spillover Jobs	Length of Term	Incentive Amount	Cost Benefit
Mar-25 Rosina Food Products, Inc.	West Seneca	\$30,000,000	\$25,500,000	184	c	Œ	c	AF			Period of PILOT		
Deckorators, Inc./UFP Mar-25 Industries, Inc.	Lackawanna	\$77,225,524		0		3 8	- e	\$ S	118	441	10 Years Period of PILOT	\$2,693,039	1:106
Apr-25 IMA Life Phase I2	Tonawanda	\$33,681,290	\$28,629,097	120	0	30		7,	947	787	TO Years Period of PILOT	\$1,822,635	1:65
Apr-25 IMA Life Phase II	Tonawanda	\$12,500,000	\$10,625,000	0	۰	04		3 %	177	233	Period of PILOT	\$3,614,444	1:74
Apr-25 Big Heart Pet Products, Inc.	. Buffalo	\$52,660,000	\$44,761,000	283	0 (17	0	7	64 00	103	To Years project completion	\$1,516,824	1:45
Apr-25 Eaton Mission Systems	Orchard Park	\$21,600,000	619 350 000	į	,				907	83/	Period of PILOT	\$1,085,175	1:184
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May-25 Larkinville ¹	Buffalo	\$30,209,411	\$25,677,999	0	0	1	1	H	226	114	Period of PILOT	1000	
Jun-25 Pfannenberg USA ²	Alden	\$15,850,000	\$13,472,500	120	7	23	0	19	43	43	project completion	55,205,100	1:12
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Incentive Amount
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¹ Adaptive Reuse ²Amendatory Inducement

Totals:

losing Date	Closing Date Project Name	äX		- pasc	2025				
		Project City/Town	Project Amount at Closing	FT Jobs PT Jobs Retained Retained	PT Jobs Retained	FT Jobs (PT Jobs to PT Jobs to Induc Retained Retained be Created Date	PT Jobs to be Created	PT Jobs to Inducement be Created Date	Est. Project Completion
	THE REAL PROPERTY AND PERSONS ASSESSED.		THE REAL PROPERTY.		The state of the s		THE REAL PROPERTY.		Date
2/25/2025	2/25/2025 Coca Cola Beverages Northeast, Inc.	Town of Tonawanda	\$ 21,271,633	124	0	0	0	9/22/2021	1/31/2024
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FT Jobs PT Jobs FT Jobs Retained Retained Created Project Amount at closing Total # of Projects Closed

Totals:

PT Jobs Created \$21,271,633

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