

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

DATE AND PLACE: May 1, 2025 at the Erie County Industrial Development Agency, 95 Perry Street, 4th Floor Conference Room, Buffalo, New York 14203

PRESENT: A.J. Baynes, Rev. Mark E. Blue, Zaque Evans, Gregory R. Inglut, Richard Lipsitz, Jr., Dr. Susan McCartney, Brenda W. McDuffie, Hon. Glenn R. Nellis, Hon. Brian Nowak, Pete Petrella, David State and Lavon Stephens

EXCUSED: Denise Abbott, Hon. Christopher Scanlon and Laura Smith

OTHERS PRESENT: John Cappellino, President & CEO; Beth O’Keefe, Vice President of Operations; Brian Krygier, Director of Information Technology; Carrie Hocieniec, Operations Assistant/ Assistant Secretary; Soma Hawramee, Compliance Portfolio Manager, Andy Federick, Property and Business Development Officer; and Robert G. Murray, Esq., as General Counsel/Harris Beach Murtha

GUESTS: Yessica Vasquez on behalf of the City of Buffalo; Mythea Mazzola and Tim Crilly on behalf of PC Larkinvile/619 Exchange Street

There being a quorum present at 9:02 a.m., the Meeting of the Policy Committee was called to order by Mr. Lipsitz, who presided over the meeting in the absence of Chair Abbott.

Mr. Lipsitz introduced new Policy Committee members: Mr. Petrella, Mr. Scanlon and Mr. Nowak.

MINUTES

The minutes of the April 3, 2025 Policy Committee meeting were presented. Upon motion made by Mr. Nellis 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. Mr. Lipsitz directed that the report be received and filed.

PROJECT PRESENTATION

Ms. O’Keefe provided some general background with respect to the ECIDA’s Adaptive Reuse Policy including its workforce housing units requirement.

619 Exchange/PG Larkinville, LLC, 619 Exchange Street, Buffalo, New York 14210.
Ms. O’Keefe presented this proposed sales and use tax, mortgage recording tax and real property tax abatement benefits project involving the adaptive reuse of the former Iroquois Door Company 4-story structure into 64 high-quality apartments, including 10 units reserved at 80% AMI together with interior and exterior rehabilitation, historic façade restoration, new mechanical and electrical systems.

Ms. O’Keefe confirmed that PG Larkinville LLC is seeking approximately \$3,205,098 in assistance including sales tax exemption, mortgage tax exemption and real property tax exemption benefits. Total payroll is projected at \$35,825,752 which includes the direct and indirect jobs for both the temporary and ongoing positions over the life of the PILOT. Created jobs include 226 construction jobs. The resulting cost benefit is 1:12 so for every \$1 of incentive the community benefit is \$12 in payroll & tax revenue. Within Erie County, for every \$1 of incentive the community benefit is \$15 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
Total Investment	At project completion	Investment amount equal to or greater than 85% of project amount. Total Project Amount = \$30,209,411 85% = \$25,677,999
Employment	Coincides with 10-year PILOT	Create 85% of Projected Projected = 1 FTE / 1 PTE 85% = 1 FTE Recapture Employment = 1 FTE
Affordable Housing Units	Coincides with 10-year PILOT	A total of 10 apartment units (15%) will be offered at 80% AMI
Local Labor	Construction Period	Adherence to policy including quarterly reporting
Pay Equity	Coincides with 10-year PILOT	Adherence to policy
Unpaid Tax	Coincides with 10-year PILOT	Adherence to policy
Recapture Period	Coincides with 10-year PILOT	Recapture of state and local sales taxes, mortgage recording tax and real property tax

General discussion ensued. Mr. Crilly and Ms. Mazzola spoke on behalf of the company and further discussed the proposed project.

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

Ms. McCartney queried if the project is pursuing local City of Buffalo historic preservation status and encouraged the Company to do so.

Ms. McDuffie asked if bank financing is conditional on ECIDA approval, and the Company responded their lender is requiring the ECIDA PILOT as a lending condition.

Mr. Nowak spoke in favor of the project but queried as to ability to provide 3-bedroom unit offerings. Mr. Crilly confirmed there is a market for 3-bedroom units, but noted the physical constraints and floor plate challenges unique to this particular building make it extremely difficult to establish a 3-bedroom unit offering.


Mr. Inglut spoke in favor of the project and confirmed that all residents have access to project amenities and covered parking is available to all residents for an additional fee.

Mr. Evans spoke in favor of the project and commended the company for exceeding the ECIDA's minimum work-force housing percentage requirements as well as providing 1- and 2-bedroom units within the mix of workforce housing units instead of just establishing studio units.

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

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

Dated: May 1, 2025


Elizabeth A. O'Keefe, Secretary