



Policy Committee

October 6th, 2016

8:30 am

95 Perry Street, 5th Floor Conference Room

Buffalo, NY 14203

1. Call Meeting to Order
2. Welcome New Member
 - a. Colleen DiPirro, President and CEO Amherst Chamber
3. Approval of the August 4th, 2016 Policy Committee Minutes (Pages 2–7)
4. Project Matrix (Pages 8–14)
5. Project Presentations
 - a. Iroquois Bar Corp. (Pages 15-45)
 - b. Rosina Food Products, Inc. (Pages 46-72)
6. Information Items
 - a. 2017 Policy Committee Meeting Schedule (Page 73)
 - b. Mortgage Recording Tax Legislation (Pages 74-78)
 - c. Letter from Legislator Rath (Page 79)
7. Adjournment – Next Meeting November 3, 2016 at 8:30 a.m.

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

- MEETING:** August 4, 2016, at Erie County Industrial Development Agency, 95 Perry Street, 5th Floor Conference Room, Buffalo, New York
- PRESENT:** Hon. Byron W. Brown, Hon. Johanna Coleman, Richard Lipsitz, Jr., Frank B. Mesiah, John J. Mudie, Glenn R. Nellis, Laura Smith, David J. State, Hon. Geoff Szymanski and Maria Whyte
- ABSENT:** Brenda W. McDuffie¹, Hon. Edward A. Rath, and Paul V. Vukelic
- OTHERS PRESENT:** John Cappellino, Executive Vice President; Karen M. Fiala, Assistant Treasurer; Robert G. Murray, Secretary
- GUESTS:** Rebecca Gandour, City of Buffalo Office of Strategic Planning; Peter Sauer on behalf of Calspan Corporation; Michelle Monaco on behalf of Shell Fab; Peter Cammarata on behalf of the Buffalo Urban Development Corporation; Paul Neureuter on behalf of Krog Corporation,

There being a quorum present at 8:34 a.m., Mr. Lipsitz called the meeting to order.

MINUTES

The minutes of the July 7, 2016 Policy Committee meeting were presented. Upon motion made by Mr. Mesiah, and seconded by Mr. Nellis, the aforementioned Policy Committee meeting minutes were unanimously approved.

PROJECT MATRIX

Mr. Cappellino reviewed the Agency's project matrix. There being no comments, Mr. Lipsitz directed that the report be received and filed.

PROJECT PRESENTATIONS

Calspan Corporation, 445 Genesee Street, Cheektowaga, New York. Ms. Fiala reviewed this proposed sales tax, mortgage recording tax and real property tax abatement benefits project involving the construction of a 50,000 sq. ft. vehicle crash testing facility to accelerate the research and development of life safety systems and to create a new standard in vehicle and pedestrian safety.

¹ Ms. McDuffie participated via telephone conference call, however, she did not count for quorum purposes and is not considered present or eligible for purposes of voting on any action items.

Ms. Fiala stated that in exchange for providing the sales tax exemption, 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 potential recapture 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 = \$7,070,000 85% of total project amount = \$6,009,500
Employment	Coincides with 10-Year PILOT Term	Maintain Base: 113 Create 85% of projected: Projected Jobs: 11 85 % of projected jobs = 9 Recapture Employment: 122
Local Labor	Construction Period	Adherence to policy including quarterly reporting
Pay Equity	Coincides with 10-Year PILOT Term	Adherence to policy
Unpaid Tax	Coincides with 10-Year PILOT Term	Adherence to policy
Recapture Period	Coincides with 10-Year PILOT Term	Real property taxes, state and local taxes, mortgage tax

At this point in time, Ms. Fiala introduced Mr. Peter Sauer on behalf of Calspan Corporation. Mr. Sauer then provided a presentation of the project to Policy Committee members.

Ms. Whyte queried as to the last time the company invested in its crash test facility. Mr. Sauer responded that the company made various investments in 2011 and 2013 and has ongoing expenses including the purchase of over one million dollars of crash test equipment in 2015. Ms. Whyte then asked why the company is continuing to invest in Cheektowaga as opposed to moving to Michigan or elsewhere closer to car manufacturing facilities. Mr. Sauer responded that all of Calspan's various businesses are inter-related, so closing up one business would adversely affect another business, such that the company desires to remain intact in Cheektowaga.

Ms. Smith expressed support for the project. Mr. Mudie moved and Ms. Whyte seconded to approve of the project as proposed. Mr. Lipsitz called for the vote and the project was unanimously approved.

2855 Clinton Street, LLC (Shell Fab), 3254 Clinton Street, West Seneca, New York. Mr. Cappellino reviewed this proposed sales tax, mortgage recording tax and real property tax

abatement benefits project involving the construction of a new 55,000 sq. ft. manufacturing facility.

Mr. Cappellino stated that in exchange for providing the sales tax exemption, 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 potential recapture 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 = \$2,735,000 85% of total project amount = \$2,324,750
Employment	Coincides with 7-Year PILOT Term	Maintain Base: 45 Create 85% of projected: Projected Jobs: 10 85 % of projected jobs = 8 Recapture Employment: 53
Local Labor	Construction Period	Adherence to policy including quarterly reporting
Pay Equity	Coincides with 7-Year PILOT Term	Adherence to policy
Unpaid Tax	Coincides with 7-Year PILOT Term	Adherence to policy
Recapture Period	Coincides with 7-Year PILOT Term	Real property taxes, state and local taxes, mortgage tax

At this point in time, Mr. Cappellino introduced Michelle Monaco on behalf of Shell Fab. Ms. Monaco then provided a brief description of the project to Policy Committee members.

Mr. Szymanski queried as to whether there were any existing buildings that would suit the needs of the company. Ms. Monaco responded that the company has spent over one year looking for new space and could not locate an existing building to satisfy their manufacturing needs.

At this point in time, Mr. Brown joined the meeting.

Mr. Mesiah moved and Mr. Nellis seconded to approve of the proposed project. Mr. Lipsitz called for the vote and the project was then unanimously approved.

791 Washington, LLC (Redevelopment of Trico Building), 791 Washington Street, Buffalo, New York. Mr. Cappellino reviewed this proposed sales tax and mortgage recording tax exemption benefits project involving the select demolition and substantial renovation of the Trico building, which when completed will be a mixed use structure that will serve as the site for

a new Buffalo Culinary School, an extended stay hotel to serve patients and visitors of the medical campus, market rate housing to meet the expanding demand for employees and students located on the medical campus and a limited retail component that will serve the campus and surrounding community. In addition, the building will house commercial space and is being marketed to existing businesses looking to expand. Mr. Cappellino stated that sales tax benefits will be limited to only the core and shell component of the commercial space. Mr. Cappellino also stated that the company will not be applying for a payment in lieu of tax agreement and instead will rely on the City of Buffalo Section 485-a real property tax abatement. However, the company may request a PILOT increment financing funding component benefit at a future point in time.

Mr. Cappellino noted that this project qualifies as a retail project under the General Municipal Law, however, the project is located in a highly distressed census tract and as such, with the consent of the County Executive, the Agency can provide financial assistance due to the location of this project in the highly distressed census tract.

Mr. Cappellino stated that in exchange for providing the sales tax exemption and mortgage recording tax exemption benefits, the approval of this project will be conditioned upon adherence to certain material terms and conditions with respect to potential recapture 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 = \$90,490,542 85% of total project amount = \$76,916,960
Employment	See recapture period	85% of projected Jobs Projected Jobs = 130 Recapture Jobs = 110
Local Labor	Construction Period	Adherence to policy including quarterly reporting
Pay Equity	See recapture period	Adherence to policy
Unpaid Tax	See recapture period	Adherence to policy
Recapture Period	Two years after project completion	Recapture of state and local taxes and mortgage tax

At this point in time, Mr. Cappellino introduced Peter Cammarata on behalf of the Buffalo Urban Development Corporation who provided historical background related to the construction and historical use of the Trico Building and, more importantly, efforts to reuse and revitalize the building that have been ongoing since 2007.

Mr. Cappellino then introduced Paul Neureuter on behalf of Krog Corporation, the applicant, who provided additional background to Policy Committee members.

Ms. Smith asked if the Agency was treating this project and its component parts in a manner consistent with other similar adaptive reuse projects such as the Richardson project. Mr. Cappellino responded in the affirmative.

Mr. Brown then expressed support for the project and thanked the Buffalo Urban Development Corporation and the Agency for its support of the project. Mr. Brown spoke to the significant ongoing physical deterioration of the building and stressed that many developers have considered redeveloping this property over the prior 15 years but only one developer, the Krog Corporation, has emerged as a viable and qualified developer to undertake this project. Mr. Brown emphasized the important geographic location of this project adjacent to several core areas of the City and also stressed the developer's commitment to MWBE hiring and utilization.

Ms. White expressed support for the project. Mr. Szymanski also expressed his support for the project.

Mr. Mudie expressed support for the project and questioned the developers as to the contemplated rental rates for the market rate apartments. Mr. Neureuter responded that the market rate apartments are going to be rented at a rate of between \$1,200-\$1,400 per month.

Ms. McDuffie expressed support for the project but also expressed her concerns relating to the unlikely ability of a lower income resident to be able to access the market rate housing within the facility and further expressed concerns that this project could contribute to a segregated community with few minorities being able to afford the market rate apartments.

Mr. Brown then commented on the Chair's point about the affordability of the apartment units and stated he would like the developer to consider establishing a few units as low to moderate income level units.

Ms. Whyte also responded to the market rate apartment concerns being expressed and noted that the Agency is undertaking an adaptive reuse study and affordable housing will be a component part of this study.

Mr. Brown moved and Mr. Mesiah seconded to approve of the project. Mr. Lipsitz called for the vote and the project was then unanimously approved.

At this point, Mr. Nellis left the meeting.

COMPLIANCE ISSUES – API HEAT TRANSFER

Mr. Cappellino reviewed the API Heat Transfer employment issues as related to the potential recapture of Agency financial assistance. Mr. Cappellino reminded Committee members that Agency staff was asked to prepare various recapture options and present those options to the Committee today.

At this point in time, Mr. Brown left the meeting.

Mr. Cappellino then reviewed the various recapture options involving the potential recapture of sales tax, mortgage recording tax and real property tax abatement benefits.

Ms. Whyte expressed support for recapture option #2 because, amongst other reasons, it was a similar recapture option used by the Agency with respect to other companies similarly situated. Mr. Lipsitz also expressed his support of recapture option #2.

Ms. Smith expressed her support for recapture option #3 stating that such an approach recognizes business difficulties and business cycles, particularly in regard to how such business cycles can adversely affect the manufacturing sector as a whole.

Mr. State and Mr. Mesiah then expressed their support for recapture option #2 as well.

Mr. Lipsitz asked for a motion to consider making recapture option #2, which would: (i) require the Company to make a full pay PILOT payment during the two year watch period, and no action would be taken to recapture sales or mortgage recording tax exemption benefits during this same two year watch period and (ii) if, at the conclusion of the two year watch period, the Company still remains non-compliant, then the property would remain subject to a full tax real property tax payment, and there would be a pro-rate sales and mortgage recording tax recapture event – as the preferred recommendation to be presented to the ECIDA Board. Ms. Whyte moved and Mr. Szymanski seconded the motion. Mr. Lipsitz called for the vote, and the motion failed to pass by only obtaining 7 votes in the affirmative and one vote in the negative, with Ms. Smith voting in the negative.

INFORMATION ITEMS-BUFFALO PUBLIC SCHOOLS BOND REISSUANCE

Mr. Cappellino briefly reviewed the proposed refunding of existing Series 2009A School Facility Revenue Bonds.

WORK PLAN ITEMS DISCUSSION

Ms. Whyte and Ms. Smith briefly updated Committee members on upcoming dates at which guest speakers will be available to address Policy Committee members with respect to certain best practice recommendations.

There being no further business to discuss, Mr. Lipsitz adjourned the meeting at 10:08 a.m.

Dated: August 4, 2016

Robert G. Murray, Secretary

Project Matrix/Material Factors/Clawbacks

Count	Project Name	Approval Date	Project Amount	Jobs Retained	Factors		Clawback	Local Labor	Length of Term	Additional Findings	*Incentive Amount
					Job Creation	Jobs Created					
1	TM Montante	Apr-13	\$10,628,000	168	85% -New 70 jobs	82	Sales Tax		Period of PILOT 10 Years		\$2,056,000
1	Niagara Blower	Apr-13	\$1,035,000	110	85% -New 17 jobs	20	Sales Tax		5 years		\$61,250
1	Swan Street	Apr-13	\$13,664,000				Sales Tax		5 years	Adaptive Reuse	\$591,000
1	Automated Machine Tech	May-13	\$925,000	3	85% -New 1 jobs	1	Sales/ Mortgage Tax	YES	Period of PILOT 10 Years		\$156,250
1	Mc Gard	May-13	\$8,250,000	457	85% -New 19 jobs	22	Sales/ Mortgage Tax	YES	Period of PILOT 7 Years		\$1,123,000
1	Ellcott - Arctic Freezer	May-13	\$14,675,000				Sales/ Mortgage Tax	YES	2 years or Termination of Sales Tax	Adaptive Reuse	\$634,000
1	HH Richardson	Jun-13	\$55,153,782				PILOT/SalesM ortgage Tax	YES	Period of PILOT 10 Years	Retail Highly Distressed/Hotel Policy/Adaptive Reuse	\$8,465,000
1	Stimmers Crane	Jun-13	\$1,710,000	30	85% -New 4 jobs	5	PILOT/SalesM ortgage Tax	YES	Period of PILOT 10 Years		\$388,000
1	Compass East	Jul-13	\$21,086,889				Sales Tax	YES	2 years or Termination of Sales Tax	Retail Highly Distressed/Adaptive Reuse	\$456,612
1	Frey the Wheelman	Jul-13	\$1,050,000	8	85% -New 1 job	1	PILOT/SalesM ortgage Tax	YES	Period of PILOT 7 Years		\$478,600
1	OSC Equipment Services	Aug-13	\$17,539,473	20	85% -New 9 job	10	PILOT/SalesM ortgage Tax	YES	Period of PILOT 10 Years		\$355,135
1	Calspan Corp - Phase II	Aug-13	\$10,000,000	90	85% -New 4 job	4	Sales Tax	YES	2 years or Termination of Sales Tax		\$393,750
1	Calspan Corp/Harper - Phase 1	Aug-13		75	85% -New 4 job	5	Sales Tax	YES	2 years or Termination of Sales Tax		\$306,250
1	Zaeffel Dev. Wythe Will	Sep-13	\$18,700,000	217	85% -New 29 jobs	34	PILOT/SalesM ortgage Tax	YES	Period of PILOT 10 Years		\$5,147,500
1	Bosche LLC	Oct-13	\$5,800,000				Sales/ Mortgage Tax	YES	2 years or Termination of Sales Tax	Adaptive Reuse	\$255,000
1	Upstate Niagara Coop.	Oct-13	\$2,900,000	175			PILOT/Sales Tax	YES	Period of PILOT 7 Years		\$265,000
1	API Heat Transfer	Nov-13	\$1,732,134	287	85% -New 6 jobs	7	PILOT/Sales Tax	YES	Period of PILOT 10 Years		\$187,000
1	Delaware North Co	Nov-13	\$17,152,000	350	85% -New 55 jobs	64	Sales Tax	YES	2 years or Termination of Sales Tax		\$807,000

Project Matrix/Material Factors/Clawbacks

Count	Project Name	Approval Date	Project Amount	Jobs Retained	Factors		Clawback	Local Labor	Length of Term	Additional Findings	*Incentive Amount
					Job Creation	Jobs Created					
1	Custom Sheet Metal	Dec-13	\$1,049,127	11	85% -New 2 Jobs	2	PILOT/SalesM ortgage Tax	YES	Period of PILOT 7 Years		\$100,000
1	DNC 250 (Uniland)	Dec-13	\$51,785,708	350	85% -New 55 Jobs	64	PILOT/SalesM ortgage Tax	YES - Including Hotel	Period of PILOT 7 and 10 years Retail/Parking 7 DNC Since 10	Retail Highly Distressed/No Sales Tax For Vacant Space Buildout	\$10,017,000

Count	Project Name	Approval Date	Project Amount	Jobs Retained	Factors		Clawback	Local Labor	Length of Term	Additional Findings	Incentive Amount
					Job Creation	Jobs Created					
5	Adaptive Reuse 2013 Sub Total		\$110,379,671	0		55					\$10,401,612
20	2013 Total (April - Dec)		\$254,836,113	2351		376					\$32,243,347

*Incentive Amount does not include other public incentives ie: 485-a, Historic Tax Credits etc

Project Matrix/Material Factors/Clawbacks

Count	Project Name	Approval Date	Project Amount	Investment	Material		Terms	Clawback	Local Labor	Length of Term	Additional Findings	*Incentive Amount
					Job Retained	Jobs Created						
1	AMS Servicing, LLC	Jan-14	\$2,504,300	85% threshold \$2,128,655	100% Base 270 jobs	270	194	Sales Tax	YES	2 years after Termination of Sales Tax		\$219,000
1	North American Salt	Jan-14	\$7,300,000	85% threshold \$6,205,000			7	PILOT/Sales Tax	YES	Period of PILOT 7 Years		\$1,358,500
1	500 Seneca, LLC	Feb-14	\$31,737,624	85% threshold \$26,976,980	100% Base 20 jobs	20	13	Sales/Mortgage Tax	YES	2 years after Termination of Sales Tax	Adaptive Reuse Retail Highly Distressed/No Sales Tax for Vacant Space Buildout	
1	Elm-Michigan Holdings	Feb-14	\$8,135,102	85% threshold \$6,913,136	100% Base 19 jobs	19	1	Sales/Mortgage Tax	YES	2 years after Termination of Sales Tax	Adaptive Reuse Sales Tax Limited to Residential Buildout	\$259,000
1	ARCO Lofts	Mar-14	\$12,424,750	threshold \$10,561,037				Sales/Mortgage Tax	YES	2 years or Termination of Sales Tax	Adaptive Reuse	\$416,000
1	19187 Group(173 Elm St)	Mar-14	\$1,768,000	85% threshold \$1,502,800				Sales/Mortgage Tax	YES	2 years or Termination of Sale Tax	Adaptive Reuse	\$65,800
1	954 West Ferry LLC	May-14	\$1,615,000	85% threshold \$1,372,750				Sales/Mortgage Tax	YES	2 years or Termination of Sale Tax	Adaptive Reuse /No Sales Tax for Tennant Space Buildout	\$64,500
1	Petrolift	Jun-14	\$1,582,250	threshold \$1,344,912			9	Sales Tax	YES	2 years or Termination of Sales Tax		\$24,500
1	Derrick Corp.	Jun-14	\$9,750,000	85% threshold \$8,287,500	100% Base 477 jobs	477	9	PILOT/Sales Tax	YES	Period of PILOT 10 Years		\$1,940,000
1	Flying Bison	Jun-14	\$2,500,000	85% threshold \$2,125,000	100% Base 5 jobs	5	4	PILOT/SalesMortgage Tax	YES	Period of PILOT 7 Years	No Sales Tax for Retail Tasting Room Buildout	\$372,500
1	A. Titan	Jun-14	\$4,215,000	85% threshold \$3,582,750	100% Base 30 jobs	30	9	Sales/Mortgage Tax	YES	2 years or Termination of Sales Tax		\$106,750
1	Fisher Price	Jun-14	\$8,000,000	85% threshold \$6,800,000	100% Base 750 jobs	750		Sales Tax	YES	2 years or Termination of Sale Tax		\$565,000
1	Curtis Buffalo	Jun-14	\$18,100,000	threshold \$15,385,000			29	Sales/Mortgage Tax	YES	2 years or Termination of Sale Tax	Retail Highly Distressed/Adaptive Reuse	\$685,000
1	Simmers Crane(Rev. 6/13)	Jun-14	\$2,140,000	85% threshold \$1,819,000	100% Base 30 jobs	30	5	PILOT/SalesMortgage Tax	YES	Period of PILOT 10 Years		\$503,000
1	Conventus Partners	Jul-14	\$10,000,000	85% threshold \$8,500,000				Sales/Mortgage Tax	YES	2 years or Termination of Sales Tax	Relied on ESD Job Requirement for AMRI	\$472,000

Project Matrix/Material Factors/Clawbacks

Count	Project Name	Approval Date	Project Amount	Investment	Job Retent	Material	Jobs Created	Terms	Clawback	Local Labor	Length of Term	Additional Findings	*Incentive Amount
1	Orchard Heights	Jul-14	\$28,600,000	85% threshold \$24,310,000	100% Base 42 FT & 61 PT jobs	72	13		PILOT/Sales/Mortgage Tax	YES	Period of PILOT 7 Years	Assisted Living Care Facility	\$1,790,000
1	Cameron Compression	Aug-14	\$6,560,652	85% threshold \$5,576,554	100% Base 584 jobs	584			Sales Tax	YES	2 years or Termination of Sales Tax	Includes Asset Sale Restriction	\$183,000
1	Conserve	Aug-14	\$1,400,000	85% threshold \$1,190,000	100% Base 100 jobs	100	40		Sales Tax	N/A	2 years or Termination of Sales Tax	Purchase of Equipment Only No Labor Anticipated	\$122,500
1	Unifrax 1, LLC (Firetower)	Aug-14	\$33,000,000	85% threshold \$28,050,000	100% Base 268 jobs	268	25		PILOT/Sales/Mortgage Tax	YES	Period of PILOT 10 Years		\$1,273,000
1	Unifrax 1, LLC (NYCC)	Sep-14	\$18,018,000	85% threshold \$15,315,300			25		PILOT/Sales Tax	YES	Period of PILOT 10 Years		\$1,208,580
1	Select One Holdings	Oct-14	\$1,700,000	85% threshold \$1,445,000	100% Base 14 FT & 2 PT jobs	15	6		PILOT/Sales/Mortgage Tax	YES	Period of PILOT 7 Years	Retail Highly Distressed/Adaptive Reuse/No Sales Tax for Vacant Space Buildout	\$144,000
1	MacLean Curtis LLC	Oct-14		85% threshold \$4,599,881	100% Base 165 jobs	165			PILOT	N/A	Period of Remaining PILOT 6 Years	Assumption of Existing PILOT	\$346,800
1	1391 Hertej, LLC	Dec-14	\$5,411,625	85% threshold \$4,599,881			4		Sales/Mortgage Tax	YES	2 years or Termination of Sales Tax	Adaptive Reuse	\$236,000
1	Niagara Street Buffalo	Dec-14	\$11,663,462	85% threshold \$9,913,942			4		Sales/Mortgage Tax	YES	2 years or Termination of Sales Tax	Adaptive Reuse	\$420,846
1	483 Main Street	Dec-14	\$1,065,000	85% threshold \$905,250			2	85% Construction on 22 jobs	Sales Tax	YES	2 years or Termination of Sales Tax	Adaptive Reuse	\$35,000

Count	Project Name	Approval Date	Project Amount	Investment	Job Retent	Material	Jobs Created	Terms	Clawback	Local Labor	Length of Term	Additional Findings	*Incentive Amount
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Adaptive Reuse													
2014 Sub Total	10		\$93,618,563			54	59						\$3,506,146

2014 Total	25		\$229,188,765			2805	399						\$13,991,276
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*Incentive Amount does not include other public incentives ie: 485-a, Historic Tax Cre

Project Matrix/Material Factors/Clawbacks

Count	Project Name	Approval Date	Project Amount	Investment	Material Jobs Retained	Job Created	Factors Jobs Created	Clawback	Local Labor	Length of Term	Additional Findings	*Incentive Amount	Pay Equity
1	Derrnik Corp.	Jan-15	\$1,150,000	85% threshold \$977,500	477	85% -New 9 jobs	11	PILOT/Sales Tax	YES	Period of PILOT 7 Years		\$139,000	
1	Lazarus Properties	Jan-15	\$2,483,000	85% threshold \$2,110,550		85% -New 6 jobs	8	Sales/Mortgage Tax	YES	2 years after Termination of Sales Tax	Adaptive Reuse	\$92,000	
1	North American Salt	Mar-15	\$8,100,000	85% threshold \$6,685,000		85% -New 1 job	1	PILOT/Sales Tax	YES	Period of PILOT 7 Years	Amendment of January 2014 Approval	\$1,428,500	
1	9271 Group 960 Busti	Apr-15	\$6,960,000	85% threshold \$5,916,000		85% -New 1 job	1	Sales/Mortgage Tax	YES	2 years or Termination of Sales Tax	Adaptive Reuse/Retail Highly Distressed Finding	\$339,000	
1	M58P- 251 Maln	Apr-15	\$8,195,110	85% threshold \$6,965,843	6	85% -New 1 job	1	Sales/Mortgage Tax	YES	2 years or Termination of Sales Tax	Adaptive Reuse	\$413,000	
1	Phoenix Brewery	Apr-15	\$7,565,000	85% threshold \$6,430,250		85% -New 1 job	1	Sales/Mortgage Tax	YES	2 years or Termination of Sale Tax	Adaptive Reuse	\$316,000	
1	Broadway Industrial Park	Apr-15	\$6,480,000	85% threshold \$5,508,000		85% -New 30 job	35	PILOT/Sales Tax	YES	Period of PILOT 7 Years	Spec Space/Warehouse/Manufacturing	\$898,000	
1	500 Seneca LLC	May-15	\$35,675,400	85% threshold \$30,324,090	20	85% -New 13 job	15	Sales/Mortgage Tax	YES		Adaptive Reuse/Amendment of February 2014 Approval	\$1,550,000	
1	Gordon Companies	May-15	\$1,825,000	85% threshold \$1,551,259	82	85% -New 5 job	6	PILOT/Sales Tax	YES	Period of PILOT 7 Years		\$217,500	
1	432 Abbott, LLC	Jun-15	\$4,570,000	85% threshold \$3,884,500		85% -New 3 job	3	Sales/Mortgage Tax	YES	2 years or Termination of Sale Tax	Adaptive Reuse	\$94,250	
1	500 Parker, LLC	Jun-15	\$3,458,192	85% threshold \$2,939,463		85% -New 2 job	2	Sales/Mortgage Tax	YES	2 years or Termination of Sale Tax	Adaptive Reuse	\$79,800	
1	Orchard Heights Inc	Jul-15	\$18,698,569	85% threshold \$15,893,783	75	85% -New 11 job	14	PILOT/Sales Mortgage Tax	YES	Period of PILOT 7 Years		\$2,468,672	
1	95 Pitson (MJ Meth)	Aug-15	\$3,304,500	85% threshold \$2,806,825	142	85% -New 26 job	31	PILOT/Sales Mortgage Tax	YES	Period of PILOT 10 Years		\$860,250	
1	Sodexo	Aug-15	\$6,076,002	85% threshold \$5,164,600	511			Sales Tax	YES	Period of PILOT 10 Years		\$467,000	

Project Matrix/Material Factors/Clawbacks

Count	Project Name	Approval Date	Project Amount	Investment	Material Jobs Retained	Job Created	Factors Jobs Created	Clawback	Local Labor	Length of Term	Additional Findings	*Incentive Amount	Pay Equity
1	Uniland(Sodexo)	Aug-15	\$21,058,095	85% threshold \$17,899,380	511			PILOT/Sales Mortgage Tax	YES	Period of PILOT 10 Years		\$3,921,440	
1	Shevlin Land & Cattle	Sep-15	\$1,700,000	85% threshold \$1,445,000	70	85%-New 8 job	10	PILOT/Sales Tax	YES	Period of PILOT 7 Years		\$239,625	YES
1	240 Kensington LLC	Oct-15	\$5,781,000	85% threshold \$4,913,850		85%-New 1 job	1	PILOT/Sales Mortgage Tax	YES	Period of PILOT 10 Years	Market Rate Senior Housing Project	\$478,750	YES
1	722 Group, Ellicott Dev.	Oct-15	\$5,760,000	85% threshold \$4,896,000		85%-New 2 job	2	Sales/Mortgage Tax	YES	2 years or Termination of Sale Tax	Adaptive Reuse	\$216,500	YES
1	Flexovit USA, Inc...	Nov-15	\$8,020,887	85% threshold \$6,817,753	45	85%-New 30 job	36	PILOT/Sales Tax	YES	Period of PILOT 10 Years		\$531,000	YES
1	486 Elmwood Buffalo LLC	Nov-15	\$1,482,850	85% threshold \$1,260,422		85%-New 2 job	2	Sales/Mortgage Tax	YES	2 years or Termination of Sale Tax		\$29,470	YES
1	Garrett Leather Corp.	Dec-15	\$4,100,000	85% threshold \$3,485,000	32	85%-New 8 job	10	Sales Tax	YES	2 years or Termination of Sale Tax		\$70,000	YES
1	Pilgrim Village Assoc.	Dec-15	\$94,778,000	85% threshold \$80,561,300	4	85%-New 30 job	31	Sales/Mortgage Tax	YES	2 years or Termination of Sale Tax	Mixed Use Affordable Housing	\$1,913,281	YES

Count	Project Name	Approval Date	Project Amount	Investment	Material Jobs Retained	Job Created	Factors Jobs Created	Clawback	Local Labor	Length of Term	Additional Findings	Incentive Amount	Pay Equity
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Adaptive Reuse 2015 Sub Total	8		\$74,666,702		26		36					\$3,099,550	
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2015 Total	22		\$257,221,605		1975		220					\$16,762,038	
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Adaptive Reuse 2013 -15 Total	23		\$278,664,936		80		150					\$17,007,308	
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2013-15 Total	67		\$741,246,483		7131		995					\$62,996,661	
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* Incentive Amount does not include other public incentives i.e. 485-a, Historic Tax Credits, etc

Project Matrix/Material Factors/Clawbacks

Count	Project Name	Approval D	Project Amount	Investment	Jobs Retained	Factors		Clawback	Local Labor	Length of Term	Additional Findings	*Incentive Amount	Pay Equity
						Job Creation	Jobs Created						
1	Triad Recycling	Jan-16	\$2,993,000	85% threshold \$2,544,050		85% -New 2 jobs	3	PILOT/Sales Mortgage Tax	YES	Period of PILOT 7 Years		\$149,800	YES
1	AK Store, LLC	Jan-16	\$6,900,000	85% threshold \$5,865,000		85% -New 27 jobs	32	Sales Tax	YES	2 years after Termination of Sales Tax		\$993,750	YES
1	Upstate Pharmacy	Mar-16	\$310,000	85% threshold \$263,500	70	85% -New 8 jobs	10	Sales Tax	YES	Termination of Sales Tax		\$27,125	YES
1	Buell Ave Benderson	May-16	\$5,380,000	85% threshold \$4,573,000		85% -New 30 jobs	35	PILOT Sales Tax	YES	Period of PILOT 7 Years		\$765,500	YES
1	Great Lakes Ohio	Jun-16	\$5,005,250	85% threshold \$4,254,446	221	85% -New 8 jobs	9	PILOT Sales Tax	YES	Period of PILOT 10 Years		\$1,132,131	YES
1	Kohler Awning	Jun-16	\$650,000	85% threshold \$722,500	50	85% -New 1 jobs	1	PILOT/Sales Mortgage Tax	YES	Period of PILOT 7 Years		\$107,500	YES
1	Shell Fab	Aug-16	\$2,735,000	85% threshold \$2,324,750	45	85% -New 8 jobs	10	PILOT/Sales Mortgage Tax	YES	Period of PILOT 7 Years		\$944,469	YES
1	Trico	Aug-16	\$90,490,542	85% threshold \$76,916,960		85% -New 110 jobs	130	Sales Mortgage Tax	YES	2 years after Termination of Sales Tax	Adaptive Reuse Retail Findings	\$3,562,375	YES
1	Calspan	Aug-16	\$7,070,000	85% threshold \$6,009,500	113	85% -New 9 jobs	11	PILOT/Sales Mortgage Tax	YES	Period of PILOT 10 Years		\$1,061,375	YES

Count	Project Name	Approval D	Project Amount	Investment	Jobs Retained	Factors		Clawback	Local Labor	Length of Term	Additional Findings	Incentive Amount	Pay Equity
						Job Creation	Jobs Created						
1	Adaptive Reuse 2016 Sub Total		\$90,490,542		0		130					\$3,562,375	
9	2016 Total		\$121,733,772		499		241					\$7,543,575	

Iroquois Bar Corp.
\$920,000
INDUCEMENT RESOLUTION

ELIGIBILITY
<ul style="list-style-type: none"> • NAICS Section - 332312
COMPANY INCENTIVES
<ul style="list-style-type: none"> • Approximately \$52,500 in sales tax savings • Approximately \$120,000 in real property tax savings • Up to \$6,900 in mortgage recording tax savings
PROJECT BENEFITS
<ul style="list-style-type: none"> • The project will generate approximately \$33,000 of revenue to the local taxing jurisdictions over the abatement period representing \$3,000 to the County of Erie, \$15,000 to the City of Lackawanna and \$15,000 to the Lackawanna Central School District
EMPLOYMENT
<ul style="list-style-type: none"> • Retained Jobs = 65 • Projected New Jobs = 2 • Total Jobs after Project Completion = 67
PROJECT HISTORY
<ul style="list-style-type: none"> • Public hearing held. Transcript attached. • 10/26/2016 - ECIDA Board of Directors adopts a Negative Declaration in accordance with SEQRA. • 10/26/2016- Lease/Leaseback Inducement Resolution presented to the Board of Directors.

Project Title: Iroquois Bar Corp.
 Project Address: 155 Commerce Drive
 Lackawanna, New York 14218
 (Lackawanna Central School District)

Agency Request

A sales tax, mortgage recording tax and real property tax abatement in connection with the expansion of the company's existing facility.

Building Addition	\$800,000
Renovation	\$ 70,000
Equipment	\$ 25,000
Soft Costs	\$ 25,000
Total Project Cost	\$920,000
85%	\$782,000

Company Description

Iroquois Bar Corp. is a minority owned business and has been in operation since 1999. The company provides rebar fabrication and installation services. The parent company also operates a general construction division that primarily performs select demolition and concrete placement. Customers include LP Ciminelli, JW Danforth, LeChase, Union Concrete, UB and the Army Corps. A majority of the company's sales are to Erie County companies with 15% of services being provided to companies outside the county but within New York State.

Project Description

The proposed project consists of the expansion of the company's fabrication, warehouse and maintenance areas. The company will be constructing a 13,600 sq. ft. addition. Existing shop space will be converted into offices and the new addition will serve to improve efficiency and productivity.

New Tax Revenue Estimated

Current Yearly Taxes	Estimated New Assessed Value	Additional County Revenue over 7-year abatement period	Additional Local Revenue over 7-year abatement period	New Yearly Taxes Upon Expiration of Abatement
N/A	\$320,000	\$2,900	\$30,000	\$22,000
Combined Tax Rate: \$69.00				

PILOT Table

- The project will generate approximately \$33,000 of revenue to the local taxing jurisdictions over the abatement period representing \$3,000 to the County of Erie, \$15,000 to the City of Lackawanna and \$15,000 to the Lackawanna Central School District

Year	% payment under PILOT	Est. County PILOT	Est. Town PILOT	Est. School PILOT	Est. Total PILOT	Full Taxes with-out PILOT	Net Exemption
1	10%	\$196	\$1,028	\$980	\$2,204	\$22,042	\$19,837
2	10%	\$196	\$1,028	\$980	\$2,204	\$22,042	\$19,837
3	20%	\$391	\$2,057	\$1,960	\$4,408	\$22,042	\$17,633
4	20%	\$391	\$2,057	\$1,960	\$4,408	\$22,042	\$17,633
5	30%	\$587	\$3,085	\$2,940	\$6,612	\$22,042	\$15,429
6	30%	\$587	\$3,085	\$2,940	\$6,612	\$22,042	\$15,429
7	30%	\$587	\$3,085	\$2,940	\$6,612	\$22,042	\$15,429
		\$2,933	\$15,427	\$14,702	\$33,062	\$154,291	\$121,229

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 = \$920,000 85% of total project amount = \$782,000
Employment	Coincides with 7-Year PILOT term	Maintain base = 65 Create 85% of projected: Projected Jobs: 2 85% of projected jobs = 2 Recapture Employment: 67
Local Labor	Construction Period	Adherence to policy including quarterly reporting
Pay Equity	Coincides with 7-Year PILOT term	Adherence to Policy
Unpaid Taxes	Coincides with 7-Year PILOT term	Adherence to Policy
Recapture Period	Coincides with 7 Year PILOT term	Real Property Taxes. State and Local Taxes

Recapture applies to:

- State and local sales taxes
- Real property taxes
- Mortgage Recording Tax

Recapture

Pursuant to Section 875 of New York General Municipal Law, the agency may recover or recapture from the company any state sales and use tax exemption benefits taken by the company that are in violation of the GML.

In addition, it is the recommendation of the ECIDA's Policy Committee to recapture the local portion of the sales tax, real property taxes and mortgage recording tax.

At completion of project company must certify i) total investment amount equal to or greater than 85% of amount proposed ii) confirm that company will create an additional 2 jobs iii) adherence to local labor policy, iv) adherence to unpaid tax policy and v) adherence to pay equity policy.

ADDENDUM TO PROJECT LOG

IROQUOIS BAR CORP.

Evaluative Criteria	Notes
Wage Rate (above median wage for area)	Erie County per capita income: \$28,512 Company estimated average salary of jobs to be retained: \$50,000 Company estimated average salary of jobs to be created: \$60,000
Regional Wealth Creation (% sales/customers outside area)	Sales: Outside Erie County and within NYS: 15%
In Region Purchases (% of overall purchases)	90% of annual supplies and vendor services are within Erie County
Research & Development Activities	N/A
Investment in Energy Efficiency	N/A
Locational Land Use Factors, Brownfields or Locally Designated Development Areas	The land is vacant and zoned for industrial and commercial use.
LEED/Renewable Resources	NA
Retention/Flight Risk	N/A
MBE/WBE Utilization	The company is a minority business enterprise
Workforce Access – Proximity to Public Transportation	Facility on bus route. Hamburg 74.



Internal Report: Iroquois Bar Corp. - Iroquois Bar Corp.

Table 1: Basic Information

Project Name	Iroquois Bar Corp.
Project Industry	(332) Fabricated Metal Product Manufacturing
Municipality	Lackawanna City
School District	Lackawanna
Project Cost	\$920,000
Construction Budget	\$870,000
Direct Employment Expected	67 (2 created and 65 retained)
Direct Labor Income	\$4,020,000
Direct Construction Jobs	6
Direct Construction Labor Income	\$334,362
Total Labor Income	\$4,354,362

Table 2: Estimated State & Regional Benefits *

Region	
New Property Tax Revenue (PILOT or Improvements)	\$32,425
Sales Tax Revenue	\$670,303
State	
Income Tax Revenue	\$1,827,366
Sales Tax Revenue	\$564,466
TOTAL Estimated Revenue	\$3,094,560

Table 3: Estimated Project Incentives *

Property Tax Savings	\$122,809
Sales Tax Savings	\$42,438
Mortgage Tax Savings	\$6,900
TOTAL Estimated Incentives	\$172,147

Table 4: Employment Breakdown

Project	
Direct**	67 (2 created and 65 retained)
Indirect***	35
Induced****	45
Construction	
Direct	6
Indirect	2

Table 5: Ratios

Benefit to Cost Ratio	18:1
Overall ROI	310.7:1

* Figures over 7 years and discounted by 3.49%

** Direct - The recipient of IDA assistance adds new jobs to the regional economy and/or retains jobs at risk of being lost to another region. Investments that result in displacing existing jobs (e.g., most retail and many service sector industries) do not fall under this definition.

*** Indirect - The recipient of IDA assistance makes purchases from regional firms, which stimulates suppliers to add jobs and payroll that are new to the regional economy or are saved from being lost to competitors outside the region.

**** Induced - The recipient of IDA assistance by adding to and/or retaining payroll stimulates household spending that is new to the regional economy and/or saved from being lost to competitors outside the region.

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PUBLIC HEARING SCRIPT

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

Public Hearing to be held on September 27, 2016 at 9:00 a.m.,
at the City of Lackawanna, City Hall, 714 Ridge Road-Council Chambers,
Lackawanna, New York 14217

ATTENDANCE

Thomas Saia, Iroquois Bar Corp.
John Ingram, Lackawanna Housing Community

1. 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 Business Development Officer of the Erie County Industrial Development Agency, and I have been designated by the Agency to be the hearing officer to conduct this public hearing.*

2. PURPOSE: Purpose of the Hearing.

Hearing Officer: *We are here to hold the public hearing on the Iroquois Bar Corp. and/or Individual(s) or Affiliate(s), Subsidiary(ies), or Entity(ies) formed or to be formed on its behalf project. The transcript of this hearing will be reviewed and considered by the Agency in determination of this project. Notice of this hearing appeared in The Buffalo News on Saturday, September 17, 2016.*

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

Hearing Officer: *The proposed project (the "Project") consists of: (i) a portion of land located at 155 Commerce Drive, Lackawanna, New York (the "Land") to be improved thereon with a 13,600+/- SF addition to the existing facility to be utilized as additional fabrication, warehouse and maintenance areas and the renovation of existing shop space to convert a portion into office space with the remaining portion to allow more room for existing rebar fabrication and manufacturing operations (the "Improvements"), and (ii) the acquisition and installation by the Company of certain items of machinery, equipment and other tangible personal*

property (the "Equipment," and collectively with the Land and Improvements, the "Facility").

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

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

Hearing Officer: *All those in attendance are required to register by signing the sign-in sheet at the front of the room; you will not be permitted to speak unless you have registered. If you have a written comment to submit for the record, you may do so. Written comments may also be delivered to the Agency at 95 Perry Street, Suite 403, Buffalo, New York 14203 until the comment period closes on October 25, 2016. There are no limitations on written comments.*

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

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

The Hearing Officer calls on those who raise their hand.

Thomas Saia, Owner of Iroquois Bar Corp. I am here today to describe a little project coming up. Iroquois Bar is looking to expand its current facility in Lackawanna. We have been here for 15 years and we now own our property and want to expand. It is a 13,600 sq. ft. addition to our existing facility. We are expanding primarily to add capacity for our rebar fabrication. This project is due to the growth in the last 4 years in Buffalo's Huge projects and we have been lucky enough to grow with it. We are utilizing First Niagara Bank and we did purchase the property which we leased for 15 years. We are hoping to get some help from the ECIDA.

☒ 6. ADJOURNMENT.

As there were no further comments, the Hearing Officer closed the public hearing at 9:15 a.m.

**SIGN IN SHEET
PUBLIC HEARING**

September 27, 2016, at 9:00 a.m.
at the City of Lackawanna, City Hall, 714 Ridge Road-Council Chambers,
Lackawanna, New York 14217
regarding:

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

Project Location: 155 Commerce Drive, Lackawanna, New York

Name	Company and/or Address	X box to speak/ comment
Thomas Saia	Iroquois Bar Corp. 155 Commerce Drive Lackawanna, New York 14217	X
John Ingram	Lackawanna Housing Community	



155 Commerce Expansion

Section I: Applicant Background Information

Applicant Information - Company Receiving Benefit

Project Name	155 Commerce Dr. Expansion
Applicant Name	Iroquois Bar Corp.
Applicant Address	155 Commerce Dr.
Applicant Address 2	
Applicant City	Lackawanna
Applicant State	New York
Applicant Zip	14218
Phone	716-270-0433
Fax	716-824-5313
E-mail	TSaia@IroquoisBar.Com
Website	www.IroquoisBar.Com
Federal ID#	16-1570355
NAICS Code	332312 - All other specialty trade contractors
Will a Real Estate Holding Company be utilized to own the Project property/facility	Yes
What is the name of the Real Estate Holding Company	Tomahawk Management LLC
Federal ID#	81-0823358
State and Year of Incorporation/Organization	New York - 2016
List of stockholders, members, or partners of Real Estate Holding Company	Thomas D. Saia

Individual Completing Application

Name	Thomas D. Saia
Title	President
Address	155 Commerce Dr.
Address 2	
City	Lackawanna
State	New York
Zip	14218

Phone

716-270-0433

Fax

716-824-5313

E-Mail

TSaia@IroquoisBar.Com

Company Contact (if different from individual completing application)

Name Dave Lichner
Title Controller
Address 155 Commerce Dr.
Address 2
City Lackawanna
State New York
Zip 14218
Phone 716-270-0433
Fax 716-824-5313
E-Mail DLichner@IroquoisBar.Com

Company Counsel

Name of Attorney Alan Laurita
Firm Name Hodgson Russ
Address 140 Pearl St.
Address 2
City Buffalo
State New York
Zip 14202
Phone 716-856-4000
Fax
E-Mail ALaurita@hodgsonruss.com

Identify the assistance being requested of the Agency

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

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

Business Organization

Type of Business Corporation
Type of Ownership MBE
Year Established 1999
State of Organization New York

List all stockholders, members, or partners with % of ownership greater than 20%

Please include name and % of ownership.

Thomas D. Saia - 100%

Applicant Business Description**Describe in detail company background, products, customers, goods and services. Description is critical in determining eligibility**

Iroquois Bar was started in 1999 by Thomas Saia and incorporated Seneca as a rebar fabricator and installer. Throughout the years, Iroquois has added products and services. Iroquois now owns and operates 40 heavy trucks (20 concrete mixers, 17 dumps and 3 tractors). Iroquois also has a general construction division that primarily performs select demolition and concrete placement. Most recently Iroquois has performed interior carpentry work including drywall and millwork. Iroquois is signatory to multiple local unions including teamsters, ironworkers, laborers, carpenters, finishers, and plumbers and steamfitters. Iroquois primarily performs work on publicly funded projects and has most recently worked on jobs like Roswell Park, HARBORcenter, Riverbend, Oshei Children's Hospital and Conventus. As we have expanded the variety of services we offer and the quantity of each service we have run out of room in our office and maintenance shop, thus the reason for our need to expand. A small sample of our customers include the following: LP Ciminelli, JW Danforth, LeChase, Union Concrete, Oakgrove Construction, Quackenbush, University at Buffalo, Army Corps of Engineers and Buffalo Crushed Stone.

Estimated % of sales within Erie County	85
Estimated % of sales outside Erie County but within New York State	15
Estimated % of sales outside New York State but within the U.S.	0
Estimated % of sales outside the U.S.	0

(*Percentage to equal 100%)

What percentage of your total annual supplies, raw materials and vendor services are purchased from firms in Erie County? Include list of vendors, raw material suppliers and percentages for each. Provide supporting documentation of the estimated percentage of local purchases

Iroquois purchases most of our raw materials from firms in Erie County. Our concrete and aggregate supplier is Buffalo Crushed Stone. We purchase our fuel for our trucks from NOCO in Tonawanda. Our rebar is purchased from Upstate Rebar in Cheektowaga and Klein Reinforcing in Spencerport (Monroe County). All of the trucks we have purchased came from Kenworth of Buffalo or Fleet Maintenance both Erie County dealerships.

Section II: Eligibility Questionnaire - Project Description & Details

Project Location

Municipality or Municipalities of current operations

City of Lackawanna

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

Yes

In which Municipality will the proposed project be located

City of Lackawanna

Address

155 Commerce Dr.

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 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 Retail Section of this application)

SBL Number for Property upon which proposed Project will be located

141.07-4-8.112

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

New York

Assessed value of land

\$150,000

Assessed value of building(s)

\$330,000

Are Real Property Taxes current?

Yes

If no please explain

NA

Town/City/Village of Project Site

City of Lackawanna

School District of Project Site

Lackawanna

Does the Applicant or any related entity currently hold fee title to the Project site?

Yes

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

NA

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

Yes

Describe the present use of the Proposed Project site

Main office and headquarters for Iroquois Bar Corp.

Please provide narrative of the proposed project and the purpose of the proposed project (new build, renovations, 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 proposed project is an expansion of our existing facility. Iroquois has been expanding in recent years and has run out of office space and has become inefficient with our warehouse space. With this addition we are taking over some of the existing shop space and converting it into offices for 5 people. The rest of the existing shop space will then be freed up to give more room for our existing rebar fabrication and manufacturing operation. We are then putting on an addition that will increase our fabrication, warehouse and maintenance areas. The new space will be designed for to improve efficiency and productivity.

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:

As a small minority owned business, Iroquois is always struggling to gain market-share to be able to compete in our market segments. Also, as Iroquois has been expanding we need to conserve capital so they we can afford payroll and manage cash-flow. We have put off this expansion for years for due to the cost of the expansion. We have finally decided to try to undertake the expansion because we can no longer expand due to the size of our current facility.

Describe the reasons why the Agency's Financial Assistance is necessary and how the Financial Assistance enables the company to undertake the Project to facilitate investment, job creation and/or job retention. Focus on competitiveness issues, project shortfalls, etc... Your eligibility determination will be based in part on your answer (attach additional pages if necessary)

Without financial assistance, Iroquois would need to spend all available capital on the new facility and could not use that capital to fund updating equipment and additional payroll. Financial assistance will give us financial stability and the ability to continue to grow into our new expanded areas. We currently have people working out of temporary trailers in cramped spaces. It is very difficult for them to be productive in this environment and we are worried about employee retention due to this currently restrictive environment. Our growth is stunted at this point until the expansion occurs.

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?

Without financial assistance, the size and scope of our expansion would be greatly diminished and further delayed. In the past 3 years we have added 6 full time employees and invested in equipment. Without this assistance on this project, the company could no longer continue this trend. The company would need to focus on the facility expansion OR the company's growth. With assistance from the ECIDA, we can continue to grow the company, its staff and its investment into equipment.

Will project include leasing any equipment?

No

If yes, please describe equipment and lease terms.

NA

Site Characteristics

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

Yes

Describe the present zoning/land use

Commercial / Industrial

Describe required zoning/land use, if different

Same - No Change

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

NA

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

NA

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?

NA

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, please explain.

NA

What percentage of annual operating expenses are attributed to the above referenced research and development activities?

NA

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

Will customers personally visit the Project site for either of the following economic activities? If yes with respect to either economic activity indicated below, complete the Retail Determination contained in Section IV of the Application.

Please check any and all end uses as identified below.

Retail Sales No **Services** Yes

For purposes of this question, 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.

Yes Manufacturing

No Multi-Tenant

No Mixed Use

No Acquisition of Existing Facility

Yes Commercial

No Facility for the Aging

No Housing

Yes Back Office

No Civic Facility (not for profit)

No Equipment Purchase

No Retail

No Other

Project Information**Estimated costs in connection with project****Land and/or Building Acquisition**

\$ 0	square feet	acres
------	-------------	-------

New Building Construction

\$ 0	square feet	
------	-------------	--

New Building addition(s)

\$ 800,000	13,600 square feet	
------------	--------------------	--

Infrastructure Work

\$ 20,000		
-----------	--	--

Renovation

\$ 50,000	500 square feet	
-----------	-----------------	--

Manufacturing Equipment

\$ 0		
------	--	--

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

\$ 25,000		
-----------	--	--

Soft Costs: (professional services, etc.)

\$ 25,000		
-----------	--	--

Other Cost

\$ 0		
------	--	--

Explain Other Costs**Total Cost**

\$ 920,000		
------------	--	--

Project Refinancing; estimated amount (for refinancing of existing debt only)

\$ 0		
------	--	--

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

Yes

If Yes, describe particulars:

architectural and engineering

Sources of Funds for Project Costs:**Equity (excluding equity that is attributed to grants/tax credits):**

\$ 0		
------	--	--

Bank Financing:

\$ 920,000		
------------	--	--

Tax Exempt Bond Issuance (if applicable):

\$ 0		
------	--	--

Taxable Bond Issuance (if applicable):

\$ 0		
------	--	--

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

\$ 0

Identify each state and federal grant/credit:

Total Sources of Funds for Project Costs:

\$920000.00

Has a financing preapproval letter or loan commitment letter been obtained?

Yes

Mortgage Recording Tax Exemption Benefit:

Estimated Mortgage Amount (Sum total of all financing – construction and bridge).

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

\$ 920,000

Lender Name, if Known

First Niagara / Key Bank

Estimated Mortgage Recording Tax Exemption Benefit (product of Mortgage Amount as indicated above multiplied by 1%):

\$9200.00

Construction Cost Breakdown:

Total Cost of Construction

\$ 920,000 (sum of 2,3,4,5, and/or 7 in Question K, above)

Cost for materials

\$ 600,000

% sourced in Erie County

70%

% sourced in State

20% (including Erie County)

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

\$ 600,000

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

\$ 52,500

Real Property Tax Benefit:

Identify and describe if the Project will utilize a real property tax exemption benefit OTHER THAN the Agency's PILOT benefit:

NA

For proposed facility please include # of sq ft for each of the uses outlined below

		Cost	% of Total Cost
Manufacturing/Processing	7,000 square feet	\$ 473,529	52
Warehouse	5,000 square feet	\$ 338,235	37
Research & Development	0 square feet	\$ 0	0
Commercial	0 square feet	\$ 0	0
Retail	0 square feet	\$ 0	0
Office	1,600 square feet	\$ 108,235	12

Specify Other

0 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

0

Will project result in significant utility infrastructure cost or uses

No

What is your project timetable (Provide dates)

Start date : acquisition of equipment or construction of facilities

11/1/2016

End date : Estimated completion date of project

5/15/2017

Project occupancy : estimated starting date of operations

5/15/2017

Have construction contracts been signed?

Yes

Have site plans been submitted to the appropriate planning department for approval?

Yes

Has the Project received site plan approval from the appropriate planning department?

Yes

Is project necessary to expand project employment?

Yes

Is project necessary to retain existing employment?

Yes

Employment Plan (Specific to the proposed project location):

	Current # of jobs at proposed project location or to be relocated at project location	IF FINANCIAL ASSISTANCE IS GRANTED – project the number of FTE and PT jobs to be RETAINED	IF FINANCIAL ASSISTANCE IS GRANTED – project the number of FTE and PT jobs to be CREATED upon TWO years after Project completion	Estimate number of residents of the Labor Market Area in which the Project is located that will fill the FTE and PT jobs to be created upon TWO Years after Project Completion **
Full time	65	10	2	67
Part time	2	0	1	3
Total	67	10	3	

** The Labor Market Area includes the Counties of Erie, Niagara, Genesee, Cattaraugus, Wyoming and Chautauqua. For the purposes of this question, please estimate the number of FTE and PT jobs that will be

filled, as indicated in the third column, by residents of the Labor Market Area, in the fourth column.

***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). This estimate, based on information provided above, will be included within the PILOT worksheet in the additional documents section.

Salary and Fringe Benefits for Jobs to be Retained and Created:

Category of Jobs to be Retained and Created	Average Salary	Average Fringe Benefits
Management	\$ 55,000	\$ 8,750
Professional	\$ 75,000	\$ 9,000
Administrative	\$ 45,000	\$ 8,500
Production	\$ 45,000	\$ 8,500
Independent Contractor	\$ 0	\$ 0
Other	\$ 0	\$ 0

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

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

Will any of the facilities described above be closed or subject to reduced activity?

No

Payroll Information

Annual Payroll at Proposed Project Site

\$ 3,200,000

Estimated average annual salary of jobs to be retained

\$ 50,000

Estimated average annual salary of jobs to be created

\$ 60,000

Estimated salary range of jobs to be created

From \$ 40,000 **To** \$ 85,000

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

NA

What competitive factors led you to inquire about sites outside of New York State?

NA

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

No

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

NA

Do you anticipate applying for any other assistance for this project?

Yes

If yes, what type of assistance (Historic Tax Credits, 485(a), Grants, Utility Loans, Energy Assistance, Workforce Training)

NYS Linked Deposit Program, Workforce Training Through Local Labor Unions

Section III: Facility Type - Single or Multi Tenant

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

Multi-Tenant Facility

For Single Use Facility

Occupant Name

Address

Contact Person

Phone

Fax

E-Mail

Federal ID #

SIC/NAICS Code

Multi-Tenant Facility

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

Expanding construction market in WNY area. All tenants are construction companies

Have any tenant leases been entered into for this project?

No

If yes, please fill out a tenant form in section VII, for each tenant.

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

Section IV: Tenant Information

Section V: Environmental Questionnaire

General Background Information

Address of Premises 155 Commerce Dr., Lackawanna, NY 14218

Name and Address of Owner of Premises Tomahawk Management, LLC - 155 Commerce Dr., Lackawanna, NY 14218

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

Industrial park located near Route 5 and the union ship canal.

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

Original building was built in 2005. We are looking to put the expansion on in 2016-2017.

Describe all known former uses of the Premises

Vacant at time of construction in 2005.

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

Yes

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

Oneida Sales and Service. M&C Utilities Both companies are construction firms and use th property to store equipment and supplies. It is also their offices.

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

NA

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

NA

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

NA

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

NA

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

NA

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

NA

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

NA

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

NA

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

NA

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

NA

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

NA

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

There is a 10,000 gallon diesel storage tank with a secondary containment dike around it.

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

NA

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

NA

Do the Premises have any asbestos containing materials?

No

If yes, please identify the materials

NA

Section VI: Inter-Municipal Move Determination

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

Will the project result in the removal of an industrial or manufacturing plant of the Project occupant from one area of the state to another area of the state? No

Will the project result in the abandonment of one or more plants or facilities of the Project occupant located within the state? No

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

NA

Does this project involve relocation or consolidation of a project occupant from another municipality or abandonment of an existing facility?

Within New York State No

Within Erie County No

If Yes to either question, please, explain NA

Will the project result in a relocation of an existing business operation from the City of Buffalo?

No

If yes, please explain the factors which require the project occupant to relocate out of the City of Buffalo (For example, present site is not large enough, or owner will not renew leases etc.)

NA

What are some of the key requirements the project occupant is looking for in a new site? (For example, minimum sq. ft., 12 foot ceilings, truck loading docs etc.)

NA

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

Yes

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

We are staying at our current location in Erie County and expanding. The decision to expand was come to after we could not locate another location to move into that suited our needs.

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

NA

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.

NA

Section VII: Adaptive Reuse Projects

Are you applying for tax incentives under the Adaptive Reuse Program?	No
What is the age of the structure (in years)?	0
Has the structure been vacant or underutilized for a minimum of 3 years? (Underutilized is defined as a minimum of 50% of the rentable square footage of the structure being utilized for a use for which the structure was not designed or intended)	<BLANK>
If vacant, number of years vacant.	0
If underutilized, number of years underutilized.	0
Describe the use of the building during the time it has been underutilized:	
Is the structure currently generating insignificant income? (Insignificant income is defined as income that is 50% or less than the market rate income average for that property class)	<BLANK>
If yes, please provide dollar amount of income being generated, if any	\$
Does the site have historical significance?	<BLANK>
Are you applying for either State/Federal Historical Tax Credit Programs?	Yes
If yes, provide estimated value of tax credits	\$
Briefly summarize the financial obstacles to development that this project faces without ECIDA or other public assistance. Please provide the ECIDA with documentation to support the financial obstacles to development (you will be asked to provide cash flow projections documenting costs, expenses and revenues with and without IDA and other tax credits included indicating below average return on investment rates compared to regional industry averages)	
Briefly summarize the demonstrated support that you intend to receive from local government entities. Please provide ECIDA with documentation of this support in the form of signed letters from these entities	
Please indicate other factors that you would like ECIDA to consider such as: structure or site presents significant public safety hazard and or environmental remediation costs, site or structure is located in a distressed census tract, structure presents significant costs associated with building code compliance, site has historical significance, site or structure is presently delinquent in property tax payments	

Section VIII: Senior Citizen Rental Housing Projects

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

No

Has the project received written support from the city, town or village government in which it is located?

<BLANK>

Describe the location of the project as it relates to the project's proximity to the town / village / city center or to a recognized hamlet.

Is the project consistent with the applicable municipal master plan?

<BLANK>

If yes, please provide a narrative identifying the master plan (by name) and describing how the project aligns with the plan details

Does the project advance efforts to create a walkable neighborhood and community in proximity to important local amenities and services?

<BLANK>

If yes, please provide a narrative describing the walkable nature of the project including access seniors would have to specific neighborhood amenities.

Has a market study shown that there is a significant unmet need in the local community or specific neighborhood where seniors are unable to find appropriate housing opportunities?

<BLANK>

Is the project located in an area (defined as a 1 – 5 mile radius of the project site) where there are significant local resident populations that are at or below the median income level?

<BLANK>

If yes, please describe how you made this determination based upon census tract and other relevant third party data.

Does the project provide amenities that are attractive to seniors and differentiates the project from standard market rate housing?

<BLANK>

If yes, please describe these amenities (examples may include: community rooms, social / recreational activity areas, senior-oriented fixtures and safety amenities, security systems, call systems, on site medical services)

Are there impediments that hinder the ability to conventionally finance this project and /or negatively impact the project's return on investment?

<BLANK>

If yes, please briefly summarize the financial obstacles to development that this project faces without IDA or other public assistance. Please provide the IDA with documentation to support the financial obstacles to development (you will be asked to provide cash flow projections documenting costs, expenses and revenues with and without IDA and other tax credits included indicating below average return on investment rates compared to regional industry averages)

Will the project target (and maintain during the incentive period) a minimum 50% occupancy rate of senior citizens whose income is at or below 60-80% of the median income for Erie County?

<BLANK>

If yes, please describe provide a narrative citing key facts that substantiate this finding.

Section IX: Retail Determination

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.

What percentage of the cost of the project will be expended on such facilities or property primarily used in making sales of goods or services to customers who personally visit the project? 0 %

If the answer to this is **less than 33%** do not complete the remainder of the page and proceed to the next section (Section V: Inter-Municipal Move Determination).

If the answer to A is Yes AND the answer to Question B is greater than 33.33%, indicate which of the following questions below apply to the project:

Will the project be operated by a not-for-profit corporation? <BLANK>

Is the project location or facility likely to attract a significant number of visitors from outside the economic development region (Erie, Niagara, Allegheny, Chautauqua and Cattaraugus counties) in which the project will be located? <BLANK>

If yes, please provide a third party market analysis or other documentation supporting your response.

Is the predominant purpose of the project to make available goods or services which would not, but for the project, be reasonably accessible to the residents of the municipality? Are services provided at the proposed project site needed because of a lack of reasonably accessible retail trade facilities offering such goods or services? <BLANK>

If yes, please provide a market analysis supporting your response.

Will the project preserve permanent, private sector jobs or increase the overall number of permanent private sector jobs in the State of New York? <BLANK>

If yes, explain

Is the project located in a Highly Distressed Area? <BLANK>

Rosina Food Products, Inc.
\$1,544,000
INDUCEMENT RESOLUTION

ELIGIBILITY
<ul style="list-style-type: none"> • NAICS Section - 311612
COMPANY INCENTIVES
<ul style="list-style-type: none"> • Approximately \$17,000 in real property tax savings • Approximately \$65,100 in sales tax savings
PROJECT BENEFITS
<ul style="list-style-type: none"> • The project will generate approximately \$4,700 of revenue to the local taxing jurisdictions over the abatement period representing \$790 to the County of Erie, \$1,300 to the Town of Cheektowaga and \$2,600 to the West Seneca Central School District.
EMPLOYMENT
<ul style="list-style-type: none"> • Jobs at App = 217 • Retained Jobs = 29 (associated with building expansion) • New Jobs Projected = 4 • Total Jobs - 2 years after project completion = 221
PROJECT HISTORY
<ul style="list-style-type: none"> • No public hearing required as benefits are below \$100,000 • 10/26/2016 - ECIDA Board of Directors adopts a Negative Declaration in accordance with SEQRA. • 10/26/2016- Lease/Leaseback Inducement Resolution presented to the Board of Directors.

Project Title: Rosina Food Products, Inc.
Project Address: 190 Industrial Parkway
Cheektowaga, New York 14227
(West Seneca Central)

Agency Request

A sales tax and possible real property tax abatement in connection with the conversion of the project site into a Customer Care Center.

Building Renovation	\$1,248,000
Soft Costs	\$ 296,000
Total Project Cost	\$1,544,000
85%	\$1,312,400

Company Description

Rosina Food Products was founded in 1963 and is a manufacturer of frozen foods such as pre-cooked meatballs, sausages and pastas.

Rosina markets its products to retail and food service industries throughout North America and internationally. The company sells to 95% of the nation's largest supermarkets including Wegmans and Publix. Over 60% of its products are sold to companies located outside of New York State.

Project Description

The company plans to renovate the existing facility in order to consolidate the following activities: customer service, supply chain, research & development and sales and marketing. 30 current employees are associated with these activities.

The renovated facility will also include a test kitchen for corporate chefs to prepare and present cooked samples when hosting key customers in the new hospitality suite.

Centralizing all activities in one area it will provide for better collaboration and communication among Rosina's professionals.

New Tax Revenue Estimated

Current Yearly Taxes	Estimated New Assessed Value	Additional County Revenue over 7-year abatement period	Additional Local Revenue over 7-year abatement period	New Yearly Taxes Upon Expiration of Abatement
\$7,600	\$100,000	\$791	\$3,946	\$3,159
Combined Tax Rate: \$32.00				

PILOT Table

The project will generate approximately \$4,700 of revenue to the local taxing jurisdictions over the abatement period representing \$790 to the County of Erie, \$1,300 to the Town of Cheektowaga and \$2,600 to the West Seneca Central School District.

Year	% payment under PILOT	Est. County PILOT	Est. Town PILOT	Est. School PILOT	Est. Total PILOT	Full Taxes without PILOT	Net Exemption
1	10%	\$53	\$87	\$176	\$316	\$3,159	\$2,843
2	10%	\$53	\$87	\$176	\$316	\$3,159	\$2,843
3	20%	\$106	\$174	\$352	\$632	\$3,159	\$2,527
4	20%	\$106	\$174	\$352	\$632	\$3,159	\$2,527
5	30%	\$158	\$261	\$529	\$948	\$3,159	\$2,211
6	30%	\$158	\$261	\$529	\$948	\$3,159	\$2,211
7	30%	\$158	\$261	\$529	\$948	\$3,159	\$2,211
TOTAL PAYMENTS		\$791	\$1,303	\$2,643	\$4,738	\$22,112	\$17,373

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 = \$1,544,000 85% of total project amount = \$1,312,400
Employment	Coincides with 7-Year PILOT term	Maintain base: 217 Create 85% of projected: Projected Jobs: 4 85% of projected jobs = 3 Recapture Employment: 220
Local Labor	Construction Period	Adherence to policy including quarterly reporting
Pay Equity	Coincides with 7-Year PILOT term	Adherence to Policy
Unpaid Taxes	Coincides with 7-Year PILOT term	Adherence to Policy
Recapture Period	Coincides with 7-Year PILOT term Recapture will be 2 years after project completion if no PILOT	Real Property Taxes, State and Local Taxes,

Recapture applies to:
State and Local Sales Taxes
Real Property Tax

Recapture

Pursuant to Section 875 of New York General Municipal Law, the agency may recover or recapture from the company any state sales and use tax exemption benefits taken by the company that are in violation of the GML.

In addition, it is the recommendation of the ECIDA's Policy Committee to recapture the local portion of the sales tax and real property taxes.

At completion of project company must certify i) total investment amount equal to or greater than 85% of amount proposed ii) confirm that company will retain 217 jobs and create 3 additional jobs iii) adherence to local labor policy, iv) adherence to unpaid tax policy and v) adherence to pay equity policy.

ADDENDUM TO PROJECT LOG

ROSINA FOOD PRODUCTS, INC.

Evaluative Criteria	Notes
Wage Rate (above median wage for area)	Erie County per capita income: \$28,512 Company estimated average salary of jobs to be retained: \$67,000 Company estimated average salary of jobs to be created: \$50,000
Regional Wealth Creation (% sales/customers outside area)	Sales: Outside Erie County and within NYS: 30% Outside NYS and within U.S.: 64% Outside U.S.: 5%
In Region Purchases (% of overall purchases)	35% of annual supplies and vendor services are within Erie County
Research & Development Activities	Approximately 8% of costs are devoted to research and development.
Investment in Energy Efficiency	N/A
Locational Land Use Factors, Brownfields or Locally Designated Development Areas	The land is zoned for industrial and manufacturing uses.
LEED/Renewable Resources	NA
Retention/Flight Risk	According to the company, if the project does not proceed, they may look to outsource the entire R&D and test kitchen functions to Chicago. Additionally, the company has been approached by numerous other states to move the headquarters operations.
MBE/WBE Utilization	N/A
Workforce Access – Proximity to Public Transportation	Facility on bus route. Clinton #2



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Internal Report: Rosina Food Products, Inc. - Rosina Food Products, Inc.

Table 1: Basic Information

Project Name	Rosina Food Products, Inc.
Project Industry	(311) Food Manufacturing
Municipality	Cheektowaga Town
School District	West Seneca
Project Cost	\$1,544,000
Construction Budget	\$1,248,000
Direct Employment Expected	221 (4 created and 217 retained)
Direct Labor Income	\$11,050,000
Direct Construction Jobs	9
Direct Construction Labor Income	\$479,637
Total Labor Income	\$11,529,637

Table 2: Estimated State & Regional Benefits *

Region	
New Property Tax Revenue (PILOT or Improvements)	\$4,812
Sales Tax Revenue	\$3,283,424
State	
Income Tax Revenue	\$8,573,228
Sales Tax Revenue	\$2,764,988
TOTAL Estimated Revenue	\$14,626,452

Table 3: Estimated Project Incentives *

Property Tax Savings	\$18,225
Sales Tax Savings	\$65,100
TOTAL Estimated Incentives	\$83,325

Table 4: Employment Breakdown

Project	
Direct**	221 (4 created and 217 retained)
Indirect***	374
Induced****	223
Construction	
Direct	9
Indirect	3

Table 5: Ratios

Benefit to Cost Ratio	175.5:1
Overall ROI	3138.3:1

* Figures over 7 years and discounted by 3.49%

** Direct - The recipient of IDA assistance adds new jobs to the regional economy and/or retains jobs at risk of being lost to another region. Investments that result in displacing existing jobs (e.g., most retail and many service sector industries) do not fall under this definition.

*** Indirect - The recipient of IDA assistance makes purchases from regional firms, which stimulates suppliers to add jobs and payroll that are new to the regional economy or are saved from being lost to competitors outside the region.

**** Induced - The recipient of IDA assistance by adding to and/or retaining payroll stimulates household spending that is new to the regional economy and/or saved from being lost to competitors outside the region.

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Rosina - 109 Industrial Parkway Project

Section I: Applicant Background Information

Applicant Information - Company Receiving Benefit

Project Name	Rosina - 109 Industrial Parkway Project
Applicant Name	Rosina Food Products, Inc.
Applicant Address	170 French Road
Applicant Address 2	
Applicant City	Cheektowaga
Applicant State	New York
Applicant Zip	14227
Phone	716-668-0123
Fax	716-668-5762
E-mail	rbernick@rosina.com
Website	www.rosina.com
Federal ID#	16-0876738
NAICS Code	311612 & 311412
Will a Real Estate Holding Company be utilized to own the Project property/facility	Yes
What is the name of the Real Estate Holding Company	Two Brothers Realty, LLC
Federal ID#	32-0046449
State and Year of Incorporation/Organization	New York, 2002
List of stockholders, members, or partners of Real Estate Holding Company	Rosina Holding, Inc.

Individual Completing Application

Name	Randy Bernick
Title	Vice President - Finance & Administration
Address	170 French Road
Address 2	
City	Buffalo
State	New York
Zip	14227

Phone

716-608-8503

Fax

716-668-5762

E-Mail

rbernick@rosina.com

Company Contact (if different from individual completing application)**Name****Title****Address****Address 2****City****State****Zip****Phone****Fax****E-Mail**Company Counsel**Name of Attorney**

Roger Cominsky

Firm Name

Barclay Damon

Address

The Avant Building

Address 2

200 Delaware Avenue, Suite 1200

City

Buffalo

State

New York

Zip

14202

Phone

716-566-1413

Fax

716-566-4000

E-Mail

rcominsky@barclaydamon.com

Identify the assistance being requested of the Agency**Exemption from Sales Tax**

Yes

**Exemption from Mortgage
Tax**

No

**Exemption from Real
Property Tax**

Yes

Tax Exempt Financing*

No

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

Business Organization**Type of Business**

Corporation

Type of Ownership**Year Established**

1963

State of Organization

New York

List all stockholders, members, or partners with % of ownership greater than 20%

Please include name and % of ownership.

Russell A. Corigliano 50% Frank J. Corigliano 50%

Applicant Business Description**Describe in detail company background, products, customers, goods and services. Description is critical in determining eligibility**

Rosina manufactures frozen foods including pre-cooked meatballs, Italian sausages, filled pasta, eggplant, entrees, and pizza toppings. Rosina was founded in 1963, originally manufacturing sausage products which were sold to neighborhood meat markets, supermarkets, and restaurants, from a single Buffalo store-front location. By 1981, Rosina had launched its pre-cooked meatball line and was distributing products nationwide. Between 2000 and 2010 the Company continued its growth, and Rosina Holding, Inc. (the "Parent") and its affiliates acquired the assets of Celentano Brothers (Verona, NJ), purchased the frozen pasta brand names Gina Italian Village and Floresta (collectively known as Italian Village) from High Liner Foods (USA), Incorporated of NH, bought the former Lender's Bagels, Inc. (West Seneca, NY) plant, and moved the production there. In 2011, the Company had created an International Division in Cheektowaga, NY and also purchased and relocated the assets of San Rallo Pasta Company Division from Mitsui Foods, Inc. (Norwood, NJ) to WNY. Additionally, the Company has recently outsourced its sauced entrees and eggplant products to accommodate the addition on a new \$4 million pasta manufacturing line increasing capacity by 10 million pounds annually. Rosina markets its products to retail and food service industries and can be found in supermarkets, supercenters, military commissaries, wholesale clubs, and restaurants throughout North America and internationally. Rosina's products are also used by other manufacturers to produce soups, pizza, and lasagna. The Company sells to 95 of the nation's largest supermarkets including Wegman's Food Markets, Inc. (Rochester, NY), Publix Super Markets, Inc. (Lakeland, FL), and major food service distributors such as Performance Foodservice Group (Richmond, VA). Some of its major competitors are Armour-Eckrich Meats (Cincinnati, OH), Windsor Foods (Houston, TX), and Mama Rosie's (Charlestown, MA).

Estimated % of sales within Erie County	1
Estimated % of sales outside Erie County but within New York State	30
Estimated % of sales outside New York State but within the U.S.	64
Estimated % of sales outside the U.S.	5

(*Percentage to equal 100%)

What percentage of your total annual supplies, raw materials and vendor services are purchased from firms in Erie County? Include list of vendors, raw material suppliers and percentages for each. Provide supporting documentation of the estimated percentage of local purchases

35.64%

Section II: Eligibility Questionnaire - Project Description & Details

Project Location

Municipality or Municipalities of current operations

Cheektowaga and West Seneca

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

Yes

In which Municipality will the proposed project be located

Cheektowaga

Address

109 Industrial Parkway, Cheektowaga, NY 14227

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 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 Retail Section of this application)

SBL Number for Property upon which proposed Project will be located

124.02-3-11.12

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

\$7,612.41

Assessed value of land

Assessed value of building(s)

190,000

Are Real Property Taxes current?

Yes

If no please explain

Town/City/Village of Project Site

Cheektowaga

School District of Project Site

West Seneca Central

Does the Applicant or any related entity currently hold fee title to 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

The building on this property is currently being used to warehouse idle manufacturing equipment.

Please provide narrative of the proposed project and the purpose of the proposed project (new build, renovations, 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 purpose of the proposed estimated \$1.5 million project is to convert the 109 Industrial Parkway building & site into a Customer Care Center to consolidate and house our order processing, customer service, supply chain, research & development, sales and marketing Associates or approximately 30 employees. The facility will also include a test kitchen for our Corporate chefs to prepare and present cooked samples when hosting key customers in the new hospitality suite. We believe there is a huge intangible benefit to centralize all of these functions under one roof as they communicate and collaborate closely on a daily basis. We also believe we are in dire need to have a more upscale and larger area to host critical customers such as Target, Aldi's, and Performance Food Group to showcase our products and capabilities. We have historically proven that hosting these types of customers and showing them in person what we call "the Rosina Difference" is vitally important to nurturing and growing the relationship.

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:

Without the additional resources provided to the Company, the project may not move forward as quickly and we would respectfully request a commitment from the local government as made by New York State.

Describe the reasons why the Agency's Financial Assistance is necessary and how the Financial Assistance enables the company to undertake the Project to facilitate investment, job creation and/or job retention. 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 cannot move forward without the assistance of ECIDA as it is a very large investment with only intangible returns. We believe it is necessary to remain a competitive and viable business in the frozen food industry. We are facing other monetary challenges by continuing to operate in New York State such as the mandatory phased in increase in the minimum wage as well as the increased burden of the local and state tax structure and Workers' Compensation system. Without sales tax and real estate tax relief we will not be able to immediately move forward with this project and may need to look at alternatives. We also are just completing a large capital investment in our Pasta facility that was primarily privately financed and would like to see the same type of commitment to Rosina from the local governments that was received from New York State and that we just made to the Western New York community.

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?

It may not move forward and we would need to revisit other alternatives.

Will project include leasing any equipment?

No

If yes, please describe equipment and lease terms.

Site Characteristics

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

Yes

Describe the present zoning/land use

Commercial/Manufacturing

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?

Yes

If yes, please explain

The property is adjacent to a DEC supervised environmental remediation at 210 French Road.

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, HVAC & lighting

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

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

Yes

If yes, please explain.

We plan on allocating space in this facility to house our entire R&D department with the ability to mimic developing and processing new items as well as preparing them for taste tests.

What percentage of annual operating expenses are attributed to the above referenced research and development activities?

Approximately 8.15% of Operating Costs

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

Will customers personally visit the Project site for either of the following economic activities? If yes with respect to either economic activity indicated below, complete the Retail Determination contained in Section IV of the Application.

Please check any and all end uses as identified below.

Retail Sales No **Services** Yes

For purposes of this question, 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.

Yes Manufacturing

No Multi-Tenant

No Mixed Use

No Acquisition of Existing Facility

No Commercial

No Facility for the Aging

No Housing

Yes Back Office

No Civic Facility (not for profit)

No Equipment Purchase

No Retail

No Other

Project Information**Estimated costs in connection with project****Land and/or Building Acquisition**

\$ 0	square feet	acres
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New Building Construction

\$ 0	square feet
------	-------------

New Building addition(s)

\$ 0	square feet
------	-------------

Infrastructure Work

\$ 411,000

Renovation

\$ 837,000	10,000 square feet
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Manufacturing Equipment

\$ 0

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

\$ 0

Soft Costs: (professional services, etc.)

\$ 296,000

Other Cost

\$ 0

Explain Other Costs**Total Cost**

\$ 1,544,000

Project Refinancing; estimated amount (for refinancing of existing debt only)

\$ 0

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

No

If Yes, describe particulars:Sources of Funds for Project Costs:**Equity (excluding equity that is attributed to grants/tax credits):**

\$ 1,544,000

Bank Financing:

\$ 0

Tax Exempt Bond Issuance (if applicable):

\$ 0

Taxable Bond Issuance (if applicable):

\$ 0

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

\$ 0

Identify each state and federal grant/credit:**Total Sources of Funds for Project Costs:**

\$1544000.00

Has a financing preapproval letter or loan commitment letter been obtained?

No

Mortgage Recording Tax Exemption Benefit:**Estimated Mortgage Amount (Sum total of all financing – construction and bridge).*****Amount of mortgage, if any, that would be subject to mortgage recording tax.**

\$ 0

Lender Name, if Known**Estimated Mortgage Recording Tax Exemption Benefit (product of Mortgage Amount as indicated above multiplied by 1%):**

\$0.00

Construction Cost Breakdown:**Total Cost of Construction**

\$ 1,544,000

(sum of 2,3,4,5, and/or 7 in Question K, above)

Cost for materials

\$ 772,000

% sourced in Erie County

100%

% sourced in State

100% (including Erie County)

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

\$ 744,000

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

\$ 65,100

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:**For proposed facility please include # of sq ft for each of the uses outlined below

		Cost	% of Total Cost
Manufacturing/Processing	square feet	\$ 0	0
Warehouse	square feet	\$ 0	0
Research & Development	2,000 square feet	\$ 309,000	20
Commercial	square feet	\$ 0	0
Retail	square feet	\$ 0	0
Office	8,500 square feet	\$ 1,235,000	80
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

Will project result in significant utility infrastructure cost or uses

Yes

What is your project timetable (Provide dates)

Start date : acquisition of equipment or construction of facilities

10/31/2016

End date : Estimated completion date of project

10/1/2017

Project occupancy : estimated starting date of operations

10/1/2017

Have construction contracts been signed?

No

Have site plans been submitted to the appropriate planning department for approval?

No

Has the Project received site plan approval from the appropriate planning department?

No

Is project necessary to expand project employment?

Yes

Is project necessary to retain existing employment?

Yes

Employment Plan (Specific to the proposed project location):

	Current # of jobs at proposed project location or to be relocated at project location	IF FINANCIAL ASSISTANCE IS GRANTED – project the number of FTE and PT jobs to be RETAINED	IF FINANCIAL ASSISTANCE IS GRANTED – project the number of FTE and PT jobs to be CREATED upon TWO years after Project completion	Estimate number of residents of the Labor Market Area in which the Project is located that will fill the FTE and PT jobs to be created upon TWO Years after Project Completion **
Full time	29	29	4	33
Part time	0	0	0	0
Total	29	29	4	

** The Labor Market Area includes the Counties of Erie, Niagara, Genesee, Cattaraugus, Wyoming and Chautauqua. For the purposes of this question, please estimate the number of FTE and PT jobs that will be filled, as indicated in the third column, by residents of the Labor Market Area, in the fourth column.

***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). This estimate, based on information provided above, will be included within the PILOT worksheet in the additional documents section.

Salary and Fringe Benefits for Jobs to be Retained and Created:

Category of Jobs to be Retained and Created	Average Salary	Average Fringe Benefits
Management	\$ 102,451	\$ 25,612
Professional	\$ 53,286	\$ 13,321
Administrative	\$ 39,350	\$ 11,805
Production	\$ 0	\$ 0
Independent Contractor	\$ 0	\$ 0
Other	\$ 0	\$ 0

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

Address	170 French Rd, Cheektowaga, NY 14227	75 Empire Dr, West Seneca, NY 14224	
Full time	217	165	0
Part time	3	2	0
Total	220	167	0

Will any of the facilities described above be closed or subject to reduced activity?

No

Payroll Information

Annual Payroll at Proposed Project Site

\$ 2,027,907

Estimated average annual salary of jobs to be retained

\$ 67,597

Estimated average annual salary of jobs to be created

\$ 50,000

Estimated salary range of jobs to be created

From \$ 40,000 **To** \$ 80,000

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

If the project doesn't move forward we may look to alternatives. There is an additional possibility of moving our entire headquarters to another state as we have been approached by numerous other states that will provide economic incentives if we choose to go there.

What competitive factors led you to inquire about sites outside of New York State?

High taxes, climate, and demographic source of raw materials.

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

No

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

Do you anticipate applying for any other assistance for this project?

No

If yes, what type of assistance (Historic Tax Credits, 485(a), Grants, Utility Loans, Energy Assistance, Workforce Training)

Section III: Facility Type - Single or Multi Tenant

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

<BLANK>

For Single Use Facility

Occupant Name

Address

Contact Person

Phone

Fax

E-Mail

Federal ID #

SIC/NAICS Code

Multi-Tenant Facility

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

Have any tenant leases been entered into for this project?

<BLANK>

If yes, please fill out a tenant form in section VII, for each tenant.

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

Section V: Environmental Questionnaire

General Background Information

Address of Premises Rosina Food Products 109 Industrial Parkway Cheektowaga, NY 14227

Name and Address of Owner of Premises Russell & Frank Corigliano 170 French Rd. Cheektowaga, NY 14227

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

Property is a 9500 sq. ft., one-story building currently being used as a warehouse for extra production equipment and spare parts.

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

Property is a one-story building, originally constructed in 1979, currently being used as a warehouse for extra production equipment and spare parts.

Describe all known former uses of the Premises

Building is being used by its current owners as a warehouse. The prior owner operated the property as a machine shop and metal fabrication business.

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

The property is adjacent to a DEC supervised environmental remediation at 210 French Rd.

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

The plan is to convert the space into offices and have a small kitchen for our product development team.

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

The only discharges will be from the facility rest rooms and normal kitchen waste from our product development team.

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

none

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?

<BLANK>

If yes, please identify the materials

To be assessed.

Section VI: Inter-Municipal Move Determination

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

Will the project result in the removal of an industrial or manufacturing plant of the Project occupant from one area of the state to another area of the state? No

Will the project result in the abandonment of one or more plants or facilities of the Project occupant located within the state? No

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

Does this project involve relocation or consolidation of a project occupant from another municipality or abandonment of an existing facility?

Within New York State No

Within Erie County No

If Yes to either question, please, explain

Will the project result in a relocation of an existing business operation from the City of Buffalo?

No

If yes, please explain the factors which require the project occupant to relocate out of the City of Buffalo (For example, present site is not large enough, or owner will not renew leases etc.)

What are some of the key requirements the project occupant is looking for in a new site? (For example, minimum sq. ft., 12 foot ceilings, truck loading docs etc.)

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?

No

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.

No other alternative were considered.

Section VII: Adaptive Reuse Projects

Are you applying for tax incentives under the Adaptive Reuse Program?	No
What is the age of the structure (in years)?	0
Has the structure been vacant or underutilized for a minimum of 3 years? (Underutilized is defined as a minimum of 50% of the rentable square footage of the structure being utilized for a use for which the structure was not designed or intended)	<BLANK>
If vacant, number of years vacant.	0
If underutilized, number of years underutilized.	0
Describe the use of the building during the time it has been underutilized:	
Is the structure currently generating insignificant income? (Insignificant income is defined as income that is 50% or less than the market rate income average for that property class)	<BLANK>
If yes, please provide dollar amount of income being generated, if any	\$
Does the site have historical significance?	No
Are you applying for either State/Federal Historical Tax Credit Programs?	No
If yes, provide estimated value of tax credits	\$
Briefly summarize the financial obstacles to development that this project faces without ECIDA or other public assistance. Please provide the ECIDA with documentation to support the financial obstacles to development (you will be asked to provide cash flow projections documenting costs, expenses and revenues with and without IDA and other tax credits included indicating below average return on investment rates compared to regional industry averages)	
Briefly summarize the demonstrated support that you intend to receive from local government entities. Please provide ECIDA with documentation of this support in the form of signed letters from these entities	
Please indicate other factors that you would like ECIDA to consider such as: structure or site presents significant public safety hazard and or environmental remediation costs, site or structure is located in a distressed census tract, structure presents significant costs associated with building code compliance, site has historical significance, site or structure is presently delinquent in property tax payments	

Section VIII: Senior Citizen Rental Housing Projects

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

No

Has the project received written support from the city, town or village government in which it is located?

No

Describe the location of the project as it relates to the project's proximity to the town / village / city center or to a recognized hamlet.

Is the project consistent with the applicable municipal master plan?

No

If yes, please provide a narrative identifying the master plan (by name) and describing how the project aligns with the plan details

Does the project advance efforts to create a walkable neighborhood and community in proximity to important local amenities and services?

No

If yes, please provide a narrative describing the walkable nature of the project including access seniors would have to specific neighborhood amenities.

Has a market study shown that there is a significant unmet need in the local community or specific neighborhood where seniors are unable to find appropriate housing opportunities?

No

Is the project located in an area (defined as a 1 – 5 mile radius of the project site) where there are significant local resident populations that are at or below the median income level?

No

If yes, please describe how you made this determination based upon census tract and other relevant third party data.

Does the project provide amenities that are attractive to seniors and differentiates the project from standard market rate housing?

No

If yes, please describe these amenities (examples may include: community rooms, social / recreational activity areas, senior-oriented fixtures and safety amenities, security systems, call systems, on site medical services)

Are there impediments that hinder the ability to conventionally finance this project and /or negatively impact the project's return on investment?

No

If yes, please briefly summarize the financial obstacles to development that this project faces without IDA or other public assistance. Please provide the IDA with documentation to support the financial obstacles to development (you will be asked to provide cash flow projections documenting costs, expenses and revenues with and without IDA and other tax credits included indicating below average return on investment rates compared to regional industry averages)

Will the project target (and maintain during the incentive period) a minimum 50% occupancy rate of senior citizens whose income is at or below 60-80% of the median income for Erie County?

<BLANK>

If yes, please describe provide a narrative citing key facts that substantiate this finding.

Section IX: Retail Determination

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.

What percentage of the cost of the project will be expended on such facilities or property primarily used in making sales of goods or services to customers who personally visit the project? 0 %

If the answer to this is **less than 33%** do not complete the remainder of the page and proceed to the next section (Section V: Inter-Municipal Move Determination).

If the answer to A is Yes AND the answer to Question B is greater than 33.33%, indicate which of the following questions below apply to the project:

Will the project be operated by a not-for-profit corporation? <BLANK>

Is the project location or facility likely to attract a significant number of visitors from outside the economic development region (Erie, Niagara, Allegheny, Chautauqua and Cattaraugus counties) in which the project will be located? <BLANK>

If yes, please provide a third party market analysis or other documentation supporting your response.

Is the predominant purpose of the project to make available goods or services which would not, but for the project, be reasonably accessible to the residents of the municipality? Are services provided at the proposed project site needed because of a lack of reasonably accessible retail trade facilities offering such goods or services? <BLANK>

If yes, please provide a market analysis supporting your response.

Will the project preserve permanent, private sector jobs or increase the overall number of permanent private sector jobs in the State of New York? No

If yes, explain

Is the project located in a Highly Distressed Area? No



Policy Committee Meeting Schedule 2017

Meetings held at 8:30 a.m.

95 Perry Street, 5th Floor (ESD Conference Room)
Buffalo, New York 14203

Thursday, January 5

Thursday, February 2

Thursday, March 2

Thursday, April 6

Thursday, May 4

Thursday, June 1

Thursday, July 6

Thursday, August 3

Thursday, September 7

Thursday, October 5

Thursday, November 2

Thursday, December 7

APPROVAL MEMORANDUM - No. 6 Chapter 394

MEMORANDUM filed with Senate Bill Number 7442, entitled:

"AN ACT to amend the general municipal law, the public authorities law, and the the tax law, in relation to certain recording taxes"

APPROVED

This bill would prohibit Industrial Development Agencies (IDAs) from exempting the additional mortgage recording tax imposed on properties located within the Metropolitan Commuter Transportation District, the Niagara Frontier Transportation District, the Rochester-Genesee Transportation District, the Capital District Transportation District, and the Central New York Regional Transportation District. Revenues from the additional mortgage recording tax are used to support various transit services. Prohibiting IDAs from exempting the tax will ensure that the transportation districts continue to have the resources necessary to provide these critical services.

As drafted, however, the legislation's immediate effective date may interfere with the completion of several pending projects and necessitate changes to contractual arrangements. To address this concern, the Legislature has agreed to a chapter amendment that would change the effective date of the legislation to July 1, 2017. On this basis, I am signing this bill.

This bill is approved.

(signed) ANDREW M. CUOMO

STATE OF NEW YORK

7442

IN SENATE

May 2, 2016

Introduced by Sen. DeFRANCISCO -- read twice and ordered printed, and when printed to be committed to the Committee on Local Government

AN ACT to amend the general municipal law, the public authorities law, and the tax law, in relation to certain recording taxes

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

1 Section 1. Subdivision 1 of section 874 of the general municipal law,
2 as added by chapter 1030 of the laws of 1969, is amended to read as
3 follows:

4 (1) It is hereby determined that the creation of the agency and the
5 carrying out of its corporate purposes is in all respects for the bene-
6 fit of the people of the state of New York and is a public purpose, and
7 the agency shall be regarded as performing a governmental function in
8 the exercise of the powers conferred upon it by this title and shall be
9 required to pay no taxes or assessments upon any of the property
10 acquired by it or under its jurisdiction or control or supervision or
11 upon its activities. Provided, however, if the agency is located within
12 a transportation district referenced in paragraph (a) of subdivision two
13 of section two hundred fifty-three of the tax law, it shall not be
14 exempt from the additional tax on each mortgage of real property situ-
15 ated within the state imposed by such paragraph.

16 § 2. Subdivision 1 of section 1963 of the public authorities law, as
17 added by chapter 759 of the laws of 1967, is amended to read as follows:

18 1. It is hereby determined that the creation of the authority and the
19 carrying out of its corporate purposes is in all respects for the bene-
20 fit of the people of the city and its environs, and is a public purpose,
21 and the authority shall be regarded as performing a governmental func-
22 tion in the exercise of the powers conferred upon it by this title and
23 shall be required to pay no taxes or assessments upon any of the proper-
24 ty acquired by it or under its jurisdiction or control or supervision or
25 upon its activities. Provided, however, if the authority is located
26 within a transportation district referenced in paragraph (a) of subdivi-
27 sion two of section two hundred fifty-three of the tax law, it shall not

EXPLANATION--Matter in *italics* (underscored) is new; matter in brackets
[-] is old law to be omitted.

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1 be exempt from the additional tax on each mortgage of real property
2 situated within the state imposed by such paragraph.

3 § 3. Subdivision 1 of section 2326 of the public authorities law, as
4 added by chapter 915 of the laws of 1969, is amended to read as follows:

5 1. It is hereby determined that the creation of the authority and the
6 carrying out of its corporate purposes is in all respects for the bene-
7 fit of the people of the city and its environs, and is a public purpose,
8 and the authority shall be regarded as performing a governmental func-
9 tion in the exercise of the powers conferred upon it by this title and
10 shall be required to pay no taxes or assessments upon any of the proper-
11 ty acquired by it or under its jurisdiction or control or supervision or
12 upon its activities. Provided, however, if the authority is located
13 within a transportation district referenced in paragraph (a) of subdivi-
14 sion two of section two hundred fifty-three of the tax law, it shall not
15 be exempt from the additional tax on each mortgage of real property
16 situated within the state imposed by such paragraph.

17 § 4. Section 252 of the tax law, as amended by chapter 671 of the laws
18 of 1989, is amended to read as follows:

19 § 252. Exemptions. (1) No mortgage of real property situated within
20 this state shall be exempt, and no person or corporation owning any debt
21 or obligation secured by mortgage of real property situated within this
22 state shall be exempt, from the taxes imposed by this article by reason
23 of anything contained in any other statute, except as provided in
24 section three hundred thirty-nine-ee of the real property law, or by
25 reason of any provision in any private act or charter which is subject
26 to amendment or repeal by the legislature, or by reason of non-residence
27 within this state or for any other cause, except that mortgages of real
28 property situated within this state transferred, assigned or made to
29 Home Owners' Loan Corporation, a corporation created under an act of
30 congress, known as home owners' loan act of nineteen hundred and thir-
31 ty-three, or to a agricultural credit association or federal home loan
32 bank, shall be exempt, and said corporation or institution owning any
33 debt or obligation secured by mortgage of real property situated within
34 this state, shall be exempt from the taxes imposed by this article and
35 except that mortgages of real property situated within this state
36 executed, given or made prior to June first, nineteen hundred thirty-
37 four by any public benefit corporation created under the laws of this
38 state for the purpose of maintaining and operating a public park and
39 public recreation center shall be exempt, and any person or corporation
40 owning any debt or obligation of any such public benefit corporation
41 secured by such a mortgage of its real property situated within this
42 state, shall be exempt from the taxes imposed by this article, and
43 except that mortgages of real property situated within this state which
44 are executed, given or made subsequent to June seventh, nineteen hundred
45 thirty-four and which are substituted for other mortgages as a part of
46 and in compliance with a plan of reorganization pursuant to the
47 provisions of section seventy-seven-b of the federal bankruptcy act, are
48 and shall be exempt from taxes imposed by this article to an amount not
49 exceeding the amount of such mortgage indebtedness outstanding at the
50 time of the consummation of such reorganization, and any person or
51 corporation owning any debt or obligation secured by such a mortgage of
52 real property situated within this state is and shall be exempt from the
53 taxes imposed by this article, and except that mortgages of real proper-
54 ty situated within this state which are executed, given or made by a
55 railroad redevelopment corporation during the first nine years of its
56 existence as such are and shall be exempt from the taxes imposed by this

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1 article and any person or corporation owning any debt or obligation
2 secured by such a mortgage of real property situated within this state
3 is and shall be exempt from the taxes imposed by this article.

4 (2) Notwithstanding article eighteen-A of the general municipal law
5 and titles eleven and fifteen of article eight of the public authorities
6 law, no mortgage of real property situated within the state in counties
7 located within the metropolitan commuter transportation district, the
8 Niagara Frontier transportation district, the Rochester-Genesee trans-
9 portation district, the capital district transportation district, and
10 the central New York regional transportation district executed, given,
11 made, or transferred or assigned by or to an agency created under arti-
12 cle eighteen-A of the general municipal law, an authority created under
13 title eleven or fifteen of article eight of the public authorities law,
14 an agent or agent of such agent of such agency or authority, a project
15 operator receiving financial assistance from such agency or authority, a
16 project occupant of such agency or authority, or an owner of a project
17 receiving financial assistance from such agency or authority shall be
18 exempt from the additional tax imposed by paragraph (a) of subdivision
19 two of section two hundred fifty-three of this article. For the purposes
20 of this subdivision the term "financial assistance" shall have the same
21 meaning as defined in section eight hundred fifty-four of the general
22 municipal law.

23 § 5. Paragraph (a) of subdivision 2 of section 253 of the tax law, as
24 amended by section 2 of part A of chapter 63 of the laws of 2005, is
25 amended to read as follows:

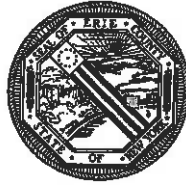
26 (a) In addition to the taxes imposed by subdivisions one and one-a of
27 this section, there shall be imposed on each mortgage of real property
28 situated within the state recorded on or after the first day of July,
29 nineteen hundred sixty-nine, an additional tax of twenty-five cents for
30 counties outside of the metropolitan commuter transportation district,
31 as defined pursuant to section twelve hundred sixty-two of the public
32 authorities law, and thirty cents for counties within such metropolitan
33 commuter transportation district for each one hundred dollars and each
34 remaining major fraction thereof of principal debt or obligation which
35 is, or under any contingency may be secured at the date of execution
36 thereof or at any time thereafter by such mortgage, saving and excepting
37 the first ten thousand dollars of such principal debt or obligation in
38 any case in which the related mortgage is of real property principally
39 improved or to be improved by a one or two family residence or dwelling.
40 All the provisions of this article shall apply with respect to the addi-
41 tional tax imposed by this subdivision to the same extent as if it were
42 imposed by the said subdivision one of this section, except as otherwise
43 expressly provided in this article. Notwithstanding article eighteen-A
44 of the general municipal law and titles eleven and fifteen of article
45 eight of the public authorities law, no mortgage of real property situ-
46 ated within the state in counties located within the metropolitan commu-
47 ter transportation district, the Niagara Frontier transportation
48 district, the Rochester-Genesee transportation district, the capital
49 district transportation district, and the central New York regional
50 transportation district executed, given, made, or transferred or
51 assigned by or to an agency created under article eighteen-A of the
52 general municipal law, an authority created under title eleven or
53 fifteen of article eight of the public authorities law, an agent or
54 agent of such agent of such agency or authority, a project operator
55 receiving financial assistance from such agency or authority, a project
56 occupant of such agency or authority, or an owner of a project receiving

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1 financial assistance from such agency or authority shall be exempt from
2 the additional tax imposed by this subdivision. For the purposes of this
3 subdivision the term "financial assistance" shall have the same meaning
4 as defined in section eight hundred fifty-four of the general municipal
5 law. The imposition of this additional tax on mortgages recorded in a
6 county outside the city of New York, other than one of the counties from
7 time to time comprising the metropolitan commuter transportation
8 district, the Niagara Frontier transportation district, the Rochester-
9 Genesee transportation district, the capital district transportation
10 district or the central New York regional transportation district may be
11 suspended for a specified period of time or without limitation as to
12 time by a local law, ordinance or resolution duly adopted by the local
13 legislative body of such county.

14 § 6. This act shall take effect immediately.



ERIE COUNTY LEGISLATURE

HON. EDWARD A. RATH, III
LEGISLATOR

September 30, 2016

Richard Lipsitz
Policy Committee Chair, ECIDA
95 Perry St Suite 403
Buffalo, NY 14203

Dear Richard:

This letter hereby requests a review of construction/development project cost over-runs and their relation to ECIDA inducements. It is my concern that the ECIDA is not considering all of the factors and businesses implications when denying or "clawing back" inducements.

Erie County is fortunate to have a "renaissance" of construction and new development over the past decade. In many cases, the project costs are inaccurate in their estimates due to unforeseen construction costs incurred. At times this has included additional remediation work, lost tax credits, mandated changes to the construction work, or other site preparation costs. Because of this, I believe it is worthwhile to review the current policy and consider amendments that are more cognizant of the financial challenges of local construction projects, which add jobs and economic development to all of our communities.

I have numerous ideas to augment the current policy. I look forward to this discussion at the upcoming policy committee meeting on October 6.

Thank you,

A handwritten signature in black ink that reads "Ed Rath III".

Edward A. Rath III
Legislator, 6th District

Cc: Brenda McDuffie