February 2nd, 2017
8:30 am
95 Perry Street, 5th Floor Conference Room
Buffalo, NY 14203

1. Call Meeting to Order

2. Approval of the January 5th, 2017 Policy Committee Minutes (Pages 2-8)

3. Project Matrix (Pages 9-16)

4. Project Presentations
   a. 570 Associates (Garden Village Plaza) (Pages 17-44)
   b. Pierce Arrow LLC (Pages 45-75)
   c. Pine Pharmaceuticals, LLC (Pages 76-104)

5. Adjournment – Next Meeting March 9th, 2017 at 8:30 a.m.
MINUTES OF A MEETING OF THE POLICY COMMITTEE OF THE ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY

MEETING: January 5, 2017, at Erie County Industrial Development Agency, 95 Perry Street, 5th Floor Conference Room, Buffalo, New York


OTHERS PRESENT: Steve Weathers, President and CEO; John Cappellino, Executive Vice President; Karen M. Fiala, Assistant Treasurer; Robert G. Murray, Secretary

GUESTS: Andrew Federick, Erie County Senior Economic Development Specialist; Mark Launter and David Raponi, on behalf of Latina Boulevard Foods, LLC; Christian Campos, on behalf of TM Montante Development; Bill McCarthy, a representative on behalf of FedEx

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

MINUTES

The minutes of the November 3, 2016 Policy Committee meeting were presented. Upon motion made by Mr. Mudie, and seconded by Mr. Nellis, the aforementioned Policy Committee meeting minutes were unanimously approved.

PROJECT MATRIX

Mr. Cappellino reviewed the Agency’s project matrix. Mr. Lipsitz directed that the report be received and filed.

PROJECT PRESENTATIONS

Latina Boulevard Foods, LLC, 1 Scrivner Drive, Cheektowaga, New York. Mr. Cappellino reviewed this proposed sales tax exemption benefits project noting that the project involves the Company’s acquisition of the facility that it currently occupies as a tenant and the
expansion of its footprint within the facility from 80,000 sq. ft. to 190,000 sq. ft. This expansion involves the modification of 30,000 sq. ft. to house a freezer and the addition of a 10,000 sq. ft. cooler along with the purchase of related machinery and equipment. The remainder of the building remains unoccupied but for two tenants that occupy approximately 39,000 sq. ft. No new sales tax benefits will accrual to these tenants.

Mr. Cappellino stated that in exchange for providing the sales tax exemption benefit, the approval of this project will be conditioned upon adherence to certain material terms and conditions with respect to potential modification, recapture and/or termination of financial assistance as follows:

### Draft Recapture Material Terms

<table>
<thead>
<tr>
<th>Condition</th>
<th>Term</th>
<th>Recapture Provision</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Investment</td>
<td>At project completion</td>
<td>Investment amount equal to or greater than 85% of project amount. Total Project Amount = $10,000,000 85% = $8,500,000</td>
</tr>
<tr>
<td>Employment</td>
<td>2 Years after project completion</td>
<td>Maintain Base = 172 85% of Projected 85% = 4 Recapture Employment = 176</td>
</tr>
<tr>
<td>Local Labor</td>
<td>Construction Period</td>
<td>Adherence to policy including quarterly reporting</td>
</tr>
<tr>
<td>Pay Equity</td>
<td>See recapture period</td>
<td>Adherence to policy</td>
</tr>
<tr>
<td>Unpaid Tax</td>
<td>See recapture period</td>
<td>Adherence to policy</td>
</tr>
<tr>
<td>Recapture Period</td>
<td>2 years after project completion</td>
<td>Recapture of state and local sales taxes and real property taxes</td>
</tr>
</tbody>
</table>

At this point in time, Ms. McDuffie and Ms. DiPirro joined the meeting.

Mr. Lipsitz asked the company to confirm if it engages in retail or wholesale operations and also asked about employee wages. Mr. Launter, a representative on behalf of the company, stated that no general public retail occurs at the facility as the company is engaged in wholesale activities only. Mr. Launter also stated that lower end wages are provided to warehouse workers and higher end wages are provided to management and sales employees.

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

Ms. McDuffie asked the company to explain its benefits program. Mr. Launter responded that all employees and managers share the same health care program and all share the same 401(k) retirement program.
There being no further discussion, Mr. Lipsitz asked for a motion to send this project for approval to the Agency Board of Directors. Mr. Mudie moved, and Mr. Vukelic seconded, to approve of the project. Mr. Lipsitz called for the vote and the project was unanimously approved.

COMPLIANCE ISSUES – RECAPTURE DISCUSSION

**Seneca Mortgage.** Mr. Cappellino briefly reviewed the AMS Servicing/Seneca Mortgage recapture issue involving the sale by AMS Servicing of its assets and related loss of employees resulting in the retention of approximately 5 employees and the related loss of over 270 employees of AMS Servicing such that the company is in violation of its job retention and job creation material terms and conditions that it is required to comply with. Mr. Cappellino noted that this project and recapture scenario was presented to the Policy Committee at its November 3, 2016 meeting whereat the Committee tasked Agency staff with developing recapture scenarios for consideration by the Policy Committee. Mr. Cappellino then presented the three recapture recommendations as developed by Agency staff and confirmed that staff, based upon AMS Servicing’s violation of the material terms for employment and the fact that the company no longer owns or operates the Jamison Road facility for which the incentives were approved, recommends that the full sales tax incentive provided for the build-out and operations of the Jamison Road facility be recaptured in the total amount of $219,000.

Mr. Lipsitz then asked for a motion to approve of staff’s recommendation to recapture $219,000 of state and local sales and use tax exemption benefits. Ms. McDuffie moved, and Ms. Whyte seconded, to approve of the motion.

Ms. Whyte commented that this is a frustrating compliance issue because either it occurred to AMS that they were in violation or it didn’t occur to AMS that they were in violation and both situations are bad as they suggest that taxpayers are irrelevant. Ms. Whyte noted that County Executive Poloncarz has expressed a concern of a notion of entitlement held by many companies and stated such a notion must end and taxpayers must gain a benefit in return for incentives provided. Ms. Whyte then stated her support for full recapture option.

Ms. Smith agreed with Ms. Whyte that the Agency should recapture the sales tax benefits in this instance but disagreed with Ms. Whyte’s general notion that companies believe they are entitled to tax benefits, and cautioned that the Agency should not be painting companies with such a broad brush of taking advantage of taxpayers. In this case, Ms. Smith expressed her opinion that recapture, here, is appropriate based on the fact pattern.

Ms. McDuffie commented that, according to the Policy Committee meeting minutes of November 3, 2016, that the company stated that the purchaser did not desire to assume the Agency’s job commitment requirements.
Mr. Cappellino then reviewed the process related to the Agency’s recapture policy noting the company will be given an opportunity to appear before the Board of Directors prior to the Board making its final determination.

At this point in time, Mr. Lipsitz called for the vote and the Policy Committee unanimously approved to recommend full recapture of $219,000 of state and local sales and use tax exemption benefits.

**Niagara Blower/Alfa Laval.** Mr. Cappellino briefly reviewed the compliance issues related to Niagara Blower’s inability to maintain the job creation and job maintenance material terms and conditions requirements. Mr. Cappellino noted that the Policy Committee had directed staff to develop recommendations for consideration by the Policy Committee. Mr. Cappellino then briefly reviewed the Agency’s staff recommended three recapture options.

Ms. DiPirro commented that the economy is experiencing tumultuous times and in this case, through no fault of the company, it did not create this problem so it is important to condition the recapture policy to prevent abuse, and in this case, Ms. DiPirro then recommended the Agency opt to select the watch list recapture option.

Mr. Szymanski asked what is the role of the watch list with respect to job creation. Mr. Cappellino noted that the company is hoping that its new technology and products will allow it to hire new employees—hopeful, but not definitive on its ability to create new sales and new jobs.

Ms. DiPirro asked if there are hard and fast rules regarding when the Agency may request recapture.

Mr. Cappellino reminded Committee members that while the New York State law requires IDAs to develop material terms and conditions for the provisions of financial assistance, it doesn’t then require mandatory recapture if a material term or condition is violated. To date, Mr. Cappellino noted that the Policy Committee and the Agency has looked at each recapture scenario on a case-by-case basis.

Ms. Whyte then spoke in favor of recapture option #3 involving a pro rata recapture of the state and local sales and use tax exemption benefits based on a percentage of employment shortfall. Ms. Whyte stated she prefers option #3 because the company has already been placed on a watch list, in the past, and at the same time this option does not require recapture of the full sales tax exemption benefit and thus is fairer. Ms. Whyte concluded that recapture option #3 is an appropriate compromise.

Mr. Szymanski stated his position that recapture option #2 would cripple the company and that recapture option #3 could affect the company’s ability to make future investments. He then asked Mr. Cappellino to explain what happens with respect to recapture option #1. Mr. Cappellino stated that the watch list would be limited to a one year period based on employment reporting that the company would be required to submit every four months.
Ms. Smith expressed her preference for recapture option #1 because the Agency used a similar watch list concept in the past for the same company and noted that the company did meet its obligations during the watch period. In addition, Ms. Smith noted that the company did make a $3.5 million dollar investment in Erie County, noted that there were positive impacts related to that investment within Erie County and concluded that a watch period will allow the business to potentially recover and put off a recapture until potentially later.

Mr. Lipsitz then spoke in favor of recapture option #3, expressed his belief that it is a compromise that is sensitive to the concerns of the business and the taxpayers.

Ms. Whyte then motioned for the Policy Committee to consider recapture option #3. Mr. Mudie seconded.

Ms. Coleman then asked Mr. Cappellino how often the Agency monitors for employment. Mr. Cappellino responded that the Agency surveys all of its companies on a quarterly basis, and if a violation is noted within any particular quarter, the Agency will reach out to the company to discuss but looks at an average number over the four quarters of any given year.

Mr. State expressed his support for recapture option #1 because the company has been on the watch list in the past, the company disclosed in a proactive manner its employment situation to the Agency, and because the industry is cyclical.

At this point in time, Mr. Lipsitz called for the vote. Mr. Lipsitz, Ms. McDuffie, Mr. Mudie, Mr. Nellis, Mr. Vukelic, Ms. Whyte and Ms. DiPirro voted in favor of the motion, Mr. State, Ms. Coleman, Ms. Smith and Mr. Szymanski voted against the motion, and by a vote of 7 in favor and 4 against, the motion failed as it did not obtain the required number of votes (8).

Mr. Murray commented that, per the requirements of the Agency’s recapture policy, if a resolution does not have sufficient votes to be enacted by the ECIDA Policy Committee, than the matter, including a full record shall be submitted to the ECIDA Board without recommendation.

COMPLIANCE ISSUES – PRESENTATION

555 Riverwalk TM Montante/FedEx. Mr. Cappellino noted that in April of 2013, the Agency approved a project for TM Montante for the construction of a new FedEx facility located in the Town of Tonawanda. In connection with construction of the facility, TM Montante was approved for sales, mortgage and PILOT incentives, and pledged to locate 168 retained jobs at the new facility and also pledged to create 70 new jobs for a total of 238 employees at the site by August 31, 2016. Per its 2016 third quarter survey, only 207 employees were actually located at the project site. Accordingly, there is a 31 job shortfall.

Mr. Cappellino then related to Policy Committee members that Agency staff have had several conversations and meetings with TM Montante and FedEx regarding status of the employment at the site. The Agency has been informed that tenant FedEx has created more than
the required number of jobs but some of those jobs were located at a facility located at 170 Cooper Avenue, a neighboring location in the Town of Tonawanda. The Agency also learned that FedEx made a request of Empire State Development Corporation ("ESD") to consider multiple sites in Erie County to meet their required job goals under New York State's Excelsior Jobs Program in December 2013. Mr. Cappellino commented that ESD did grant FedEx's request to include multiple locations. However, Mr. Cappellino also noted that at that point in time, no such request was made to the ECIDA.

Mr. Cappellino explained that TM Montante/FedEx is asking that the Policy Committee consider the job growth that was made at the 170 Cooper Avenue location to count towards the job creation goal they committed to at the project facility site.

Mr. Cappellino then reviewed Agency staff recommendations and concluded that Agency staff recommends amending the inducement resolution and the 2013 agreement with TM Montante to allow for the jobs at the FedEx 170 Cooper Avenue facility and its 555 Riverwalk facility to be counted to meet the employment obligations. The amendment would increase the overall employment retention requirements by 603 jobs and maintain the original job creation requirements. As such then, Mr. Cappellino explained that the new job retention requirement would be the retention of 168 jobs at the original 555 Riverwalk project facility and the retention of 603 jobs at the 170 Cooper Avenue facility. A total of 771 jobs would be required to be retained during of the PILOT Agreement. With respect to the new job creation requirement, Mr. Cappellino stated that 70 new jobs above the retained amount of 771 jobs would be required and may be added at either site. This will result in a total job commitment of 841 jobs (771 jobs retained plus 70 new jobs). In addition, TM Montante would agree to adhere to the Agency's pay equity policy and the Agency's unpaid real property tax policy which they were previously not subject to.

Mr. Nellis moved to approve of the Agency's recommendation. Ms. Smith seconded the motion.

Ms. McDuffie asked the company if they had any concerns with the recommendation and if FedEx would be able to give its signature to the new job retention and job creation requirements. Mr. Campos, on behalf of TM Montante, stated that FedEx is not willing to sign the agreement and as such the project entity, 555 Riverwalk Parkway LLC, will be the only entity to sign the agreement.

Ms. Smith stated this is a great solution and expressed support for the campus concept.

Mr. Lipsitz and Ms. McDuffie thanked Agency staff for coming up with this resolution.

Mr. Mudie queried as to whether the jobs were actual FedEx jobs or driver jobs. Mr. McCarthy, a representative on behalf of FedEx, stated that the jobs were FedEx jobs and not independent contractor or driver jobs.
At this point in time, Mr. Lipsitz called for the vote, and the Agency staff recommendation was unanimously approved.

There being no further business to discuss, Mr. Lipsitz adjourned the meeting at 9:35 a.m.

Dated: January 5, 2017

______________________________
Robert G. Murray, Secretary
<table>
<thead>
<tr>
<th>Count</th>
<th>Project Name</th>
<th>Approval Date</th>
<th>Project Amount</th>
<th>Jobs Retained</th>
<th>Factors</th>
<th>Clawback</th>
<th>Local Labor</th>
<th>Length of Term</th>
<th>Additional Findings</th>
<th>Incentive Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>TM Monteith</td>
<td>Apr-13</td>
<td>$10,628,000</td>
<td>108</td>
<td>85% - New 70 jobs</td>
<td>Sales Tax</td>
<td></td>
<td></td>
<td>Period of PILOT 10 Years</td>
<td>$2,056,000</td>
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<tr>
<td>2</td>
<td>Niagara Blowey</td>
<td>Apr-13</td>
<td>$1,005,000</td>
<td>110</td>
<td>85% - New 17 jobs</td>
<td>Sales Tax</td>
<td></td>
<td></td>
<td>5 years</td>
<td>$61,250</td>
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<tr>
<td>3</td>
<td>Swan Street</td>
<td>Apr-13</td>
<td>$13,666,000</td>
<td></td>
<td></td>
<td>Sales Tax</td>
<td></td>
<td></td>
<td>5 years Adaptive Reuse</td>
<td>$591,000</td>
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<tr>
<td>1</td>
<td>Automated Machine Tech</td>
<td>May-13</td>
<td>$925,000</td>
<td>3</td>
<td>85% - New 1 job</td>
<td>Sales / Mortgage Tax</td>
<td>YES</td>
<td></td>
<td>Period of PILOT 10 Years</td>
<td>$156,250</td>
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<tr>
<td>1</td>
<td>McGard</td>
<td>May-13</td>
<td>$8,250,000</td>
<td>457</td>
<td>85% - New 19 jobs</td>
<td>Sales / Mortgage Tax</td>
<td>YES</td>
<td></td>
<td>2 years or Termination of Sales Tax</td>
<td>$1,123,000</td>
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<tr>
<td>2</td>
<td>Elliot - Arctic Freezer</td>
<td>May-13</td>
<td>$13,675,000</td>
<td></td>
<td></td>
<td>PILOT / Sales / Mortgage Tax</td>
<td>YES</td>
<td></td>
<td>Period of PILOT 10 Years Retail Highly Distressed / Hotel Policy / Adaptive Reuse</td>
<td>$654,000</td>
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<tr>
<td>2</td>
<td>HH Richardson</td>
<td>Jun-13</td>
<td>$55,153,782</td>
<td>85% - New 47 jobs</td>
<td>35</td>
<td></td>
<td>YES</td>
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<td>Period of PILOT 10 Years</td>
<td>$8,465,000</td>
</tr>
<tr>
<td>2</td>
<td>Simmons Crane</td>
<td>Jun-13</td>
<td>$1,100,000</td>
<td>30</td>
<td>85% - New 4 jobs</td>
<td></td>
<td>Sales Tax</td>
<td></td>
<td>Period of PILOT 10 Years</td>
<td>$368,000</td>
</tr>
<tr>
<td>2</td>
<td>Compass East</td>
<td>Jul-13</td>
<td>$21,086,889</td>
<td></td>
<td></td>
<td></td>
<td>Sales Tax</td>
<td></td>
<td>2 years or Termination of Sales Tax Retail Highly Distressed / Adaptive Reuse</td>
<td>$456,612</td>
</tr>
<tr>
<td>1</td>
<td>Frey the Wheelman</td>
<td>Jul-13</td>
<td>$1,050,000</td>
<td>8</td>
<td>85% - New 1 job</td>
<td></td>
<td>Sales Tax</td>
<td></td>
<td>Period of PILOT 7 Years</td>
<td>$478,600</td>
</tr>
<tr>
<td>1</td>
<td>OSC Equipment Services</td>
<td>Aug-13</td>
<td>$17,539,473</td>
<td>20</td>
<td>85% - New 9 job</td>
<td></td>
<td>Sales Tax</td>
<td></td>
<td>Period of PILOT 10 Years</td>
<td>$355,135</td>
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<tr>
<td>1</td>
<td>Calspur Corp - Phase II</td>
<td>Aug-13</td>
<td>$10,000,000</td>
<td>90</td>
<td>85% - New 4 jobs</td>
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<td>Sales Tax</td>
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<td>2 years or Termination of Sales Tax</td>
<td>$393,750</td>
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<tr>
<td>1</td>
<td>Calspur Corp/Harpur - Phase 3</td>
<td>Aug-13</td>
<td>$10,000,000</td>
<td>75</td>
<td>85% - New 4 job</td>
<td></td>
<td>Sales Tax</td>
<td></td>
<td>2 years or Termination of Sales Tax</td>
<td>$306,250</td>
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<tr>
<td>1</td>
<td>Zeepel Dev. Wythe Will</td>
<td>Sep-13</td>
<td>$18,700,000</td>
<td>217</td>
<td>85% - New 29 jobs</td>
<td></td>
<td>Sales / Mortgage Tax</td>
<td>YES</td>
<td>Period of PILOT 10 Years</td>
<td>$5,147,500</td>
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<tr>
<td>1</td>
<td>Bosche LLC</td>
<td>Oct-13</td>
<td>$5,800,000</td>
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<td></td>
<td></td>
<td>Sales Tax</td>
<td></td>
<td>Period of PILOT 7 Years Adaptive Reuse</td>
<td>$255,000</td>
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<tr>
<td>1</td>
<td>Upstate Niagara Coop.</td>
<td>Oct-13</td>
<td>$2,900,000</td>
<td>175</td>
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<td>PILOT / Sales Tax</td>
<td>YES</td>
<td>Period of PILOT 10 Years</td>
<td>$265,000</td>
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<tr>
<td>2</td>
<td>API Heat Transfer</td>
<td>Nov-13</td>
<td>$1,732,134</td>
<td>287</td>
<td>85% - New 6 jobs</td>
<td></td>
<td>Sales Tax</td>
<td></td>
<td>Period of PILOT 10 Years</td>
<td>$187,000</td>
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<tr>
<td>1</td>
<td>Delaware North Co</td>
<td>Nov-13</td>
<td>$17,152,000</td>
<td>350</td>
<td>85% - New 55 jobs</td>
<td></td>
<td>Sales Tax</td>
<td></td>
<td>2 years or Termination of Sales Tax</td>
<td>$807,000</td>
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</tbody>
</table>
## Project Matrix/Material Factors/Clawbacks

<table>
<thead>
<tr>
<th>Count</th>
<th>Project Name</th>
<th>Approval Date</th>
<th>Project Amount</th>
<th>Jobs Retained</th>
<th>Job Creation</th>
<th>Jobs Created</th>
<th>Clawback</th>
<th>Local Labor</th>
<th>Length of Term</th>
<th>Additional Findings</th>
<th>Incentive Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Custom Sheet Metal</td>
<td>Dec-13</td>
<td>$1,049,127</td>
<td>11</td>
<td>2</td>
<td>85% - New</td>
<td>YES</td>
<td></td>
<td></td>
<td>Period of PILOT 7 Years</td>
<td>$100,000</td>
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<tr>
<td>1</td>
<td>DNC 250 (Uniland)</td>
<td>Dec-13</td>
<td>$51,785,708</td>
<td>350</td>
<td>55</td>
<td>85% - New</td>
<td>YES</td>
<td></td>
<td></td>
<td>Retail Highly Distressed/No Sales Tax for Vacant Space Buildout</td>
<td>$10,017,000</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Count</th>
<th>Project Name</th>
<th>Approval Date</th>
<th>Project Amount</th>
<th>Jobs Retained</th>
<th>Job Creation</th>
<th>Jobs Created</th>
<th>Clawback</th>
<th>Local Labor</th>
<th>Length of Term</th>
<th>Additional Findings</th>
<th>Incentive Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013 Sub Total</td>
<td>Adaptive Reuse</td>
<td></td>
<td>$110,375,671</td>
<td>0</td>
<td>55</td>
<td></td>
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<td></td>
<td></td>
<td></td>
<td>$10,401,612</td>
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<tr>
<td>2013 Total</td>
<td>(April - Dec)</td>
<td></td>
<td>$254,836,113</td>
<td>2351</td>
<td>376</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>485-a, Historic Tax Credits etc</td>
<td>$32,243,347</td>
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*Incentive Amount does not include other public incentives i.e.: 485-a, Historic Tax Credits etc*
<table>
<thead>
<tr>
<th>Count</th>
<th>Project Name</th>
<th>Approval Date</th>
<th>Project Amount</th>
<th>Investment</th>
<th>Job Retent</th>
<th>Jobs Created</th>
<th>Terms</th>
<th>Clawback</th>
<th>Local Labor</th>
<th>Length of Term</th>
<th>Additional Findings</th>
<th>Incentive Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>AMS Servicing, LLC</td>
<td>Jan-14</td>
<td>$2,504,300</td>
<td>85%</td>
<td>100%</td>
<td>270 jobs</td>
<td>270</td>
<td>194</td>
<td>Sales Tax</td>
<td>YES</td>
<td>2 years after Termination of Sales Tax</td>
<td>$219,000</td>
</tr>
<tr>
<td>1</td>
<td>North American Salt</td>
<td>Jan-14</td>
<td>$7,802,000</td>
<td>85%</td>
<td>100%</td>
<td>7</td>
<td>PILOT/Sales Tax</td>
<td>YES</td>
<td>Period of PILOT 7 Years</td>
<td>$1,358,500</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>500 Seneca, LLC</td>
<td>Feb-14</td>
<td>$31,737,624</td>
<td>85%</td>
<td>100%</td>
<td>7</td>
<td>Sales/Mortgage Tax</td>
<td>YES</td>
<td>2 years after Termination of Sales Tax/Adaptive Reuse/Retail Highly Distressed/No Sales Tax for Vacant Space Buildout</td>
<td>$1,180,000</td>
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<td></td>
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<tr>
<td>1</td>
<td>Elm-Michigan Holdings</td>
<td>Feb-14</td>
<td>$8,113,102</td>
<td>85%</td>
<td>100%</td>
<td>7</td>
<td>Sales/Mortgage Tax</td>
<td>YES</td>
<td>2 years after Termination of Sales Tax/Adaptive Reuse/Residential Buildout</td>
<td>$215,000</td>
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</tr>
<tr>
<td>1</td>
<td>ARCO Lofts</td>
<td>Mar-14</td>
<td>$12,424,765</td>
<td>85%</td>
<td>100%</td>
<td>7</td>
<td>Sales/Mortgage Tax</td>
<td>YES</td>
<td>Adaptive Reuse</td>
<td>$416,000</td>
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<td>$1,768,000</td>
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<td>7</td>
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<td>$64,500</td>
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<td>Jun-14</td>
<td>$1,582,250</td>
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<td>100%</td>
<td>9</td>
<td>Sales Tax</td>
<td>YES</td>
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<td>$9,750,000</td>
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<td>$1,400,000</td>
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<td>1</td>
<td>Flying Bloom</td>
<td>Jun-14</td>
<td>$2,500,000</td>
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<td>5</td>
<td>PILOT/Sales Mortgage Tax</td>
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<td>Fisher Price</td>
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<td>Simmers Crane(Bev. 6/13)</td>
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<td>Conventus Partners</td>
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<td>100%</td>
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### Project Matrix/Material Factors/Clawbacks

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<th>Count</th>
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<th>Jobs Created</th>
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<th>Terms</th>
<th>Clawback</th>
<th>Local Labor</th>
<th>Length of Term</th>
<th>Additional Findings &amp; Clawbacks</th>
<th>Incentive Amount</th>
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<tbody>
<tr>
<td>1</td>
<td>Orchard Heights</td>
<td>Jul-14</td>
<td>$28,600,000</td>
<td>85% threshold $24,330,00</td>
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<td>Cameron Compression</td>
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<td>$6,160,652</td>
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<td>Conserve</td>
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<td>Select One Holdings</td>
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<td>100% Base 14 FT &amp; 2 PT Jobs</td>
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### Additional Findings

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<th>Investment</th>
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<th>Length of Term</th>
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<td></td>
<td>Adaptive Reuse</td>
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<td>$93,618,563</td>
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2014 Total 25 $229,188,765  2805 399 $13,991,276

*Incentive Amount does not include other public Incentives is: 485-a, Historic Tax Cre
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<th>Project Name</th>
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<th>Material Factors</th>
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<th>Pay Equity</th>
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<td>Derrick Corp.</td>
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<td>Adaptive Reuse/Retail Highly Distressed Finding</td>
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<td>Adaptive Reuse/Amendment of February 2014 Approval</td>
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<td>432 Abbott, LLC</td>
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<td>2 years or Termination of Sale Tax</td>
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<td>Orchard Heights Inc</td>
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## Project Matrix/Material Factors/Clawbacks

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<th>Project Name</th>
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<th>Project Amount</th>
<th>Investment</th>
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<th>Jobs Retained</th>
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<th>Jobs Created</th>
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<th>Local Labor</th>
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<th>*Incentive Amount</th>
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<tr>
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<td>Uxilland (Solexo)</td>
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### Total

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<th>Project Name</th>
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<td>$17,007,308</td>
<td></td>
</tr>
<tr>
<td>67</td>
<td>Adaptive Reuse</td>
<td>2013-15 Total</td>
<td>$741,246,483</td>
<td>7131</td>
<td>995</td>
<td></td>
<td></td>
<td></td>
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<td></td>
<td></td>
<td></td>
<td>$62,996,661</td>
<td></td>
</tr>
</tbody>
</table>

*Incentive Amount does not include other public incentives: 485-a, Historic Tax Credits, etc.
## Project Matrix/Material Factors/Clawbacks

<table>
<thead>
<tr>
<th>Count</th>
<th>Project Name</th>
<th>Approval</th>
<th>Project Amount</th>
<th>Investment</th>
<th>Jobs Retained</th>
<th>Job Creation</th>
<th>Jobs Created</th>
<th>Clawback</th>
<th>Local Labor</th>
<th>Length of Term</th>
<th>Additional Findings</th>
<th>Incentive Amount</th>
<th>Pay Equity</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Trillad Recycling</td>
<td>Jan-16</td>
<td>$2,959,000</td>
<td>85% threshold $2,544,030</td>
<td>85% - New 2 jobs 3</td>
<td>PILOT/Sales Mortgage Tax</td>
<td>YES</td>
<td>Period of PILOT 7 Years</td>
<td>$349,300</td>
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<td></td>
<td></td>
<td></td>
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<tr>
<td>2</td>
<td>Alt Store, LLC</td>
<td>Jan-16</td>
<td>$6,000,000</td>
<td>85% threshold $5,865,000</td>
<td>85% - New 27 jobs 32</td>
<td>Sales Tax</td>
<td>YES</td>
<td>2 years after Termination of Sales Tax</td>
<td>$393,750</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>3</td>
<td>Upstate Pharmacy</td>
<td>Mar-16</td>
<td>$310,000</td>
<td>85% threshold $263,500</td>
<td>85% - New 8 jobs 10</td>
<td>Sales Tax</td>
<td>YES</td>
<td>2 years after Termination of Sales Tax</td>
<td>$237,125</td>
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</tr>
<tr>
<td>4</td>
<td>Buell Ave Benderson</td>
<td>May-16</td>
<td>$5,880,000</td>
<td>85% threshold $4,573,000</td>
<td>85% - New 30 jobs 35</td>
<td>PILOT Sales Tax</td>
<td>YES</td>
<td>Period of PILOT 7 Years</td>
<td>$765,500</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>5</td>
<td>Great Lakes Orho</td>
<td>Jun-16</td>
<td>$5,005,210</td>
<td>85% threshold $4,564,666</td>
<td>85% - New 8 jobs 9</td>
<td>PILOT Sales Tax</td>
<td>YES</td>
<td>Period of PILOT 10 Years</td>
<td>$1,182,131</td>
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<td></td>
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<tr>
<td>6</td>
<td>Kohler Awning</td>
<td>Jun-16</td>
<td>$450,000</td>
<td>85% threshold $722,500</td>
<td>85% - New 1 jobs 1</td>
<td>PILOT/Sales Mortgage Tax</td>
<td>YES</td>
<td>Period of PILOT 7 Years</td>
<td>$107,500</td>
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<td></td>
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<td>7</td>
<td>Shell Fab</td>
<td>Aug-16</td>
<td>$2,735,000</td>
<td>85% threshold $2,324,750</td>
<td>85% - New 8 jobs 10</td>
<td>PILOT/Sales Mortgage Tax</td>
<td>YES</td>
<td>Period of PILOT 7 Years</td>
<td>$544,449</td>
<td></td>
<td></td>
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<tr>
<td>8</td>
<td>Trico</td>
<td>Aug-16</td>
<td>$90,490,542</td>
<td>85% threshold $79,315,360</td>
<td>85% - New 110 jobs 130</td>
<td>Sales Mortgage Tax</td>
<td>YES</td>
<td>2 years after Termination of Sales Tax</td>
<td>Adaptive Reuse Retail Findings</td>
<td>$3,562,375</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>9</td>
<td>Calphan</td>
<td>Aug-16</td>
<td>$7,070,000</td>
<td>85% threshold $6,090,500</td>
<td>85% - New 9 jobs 11</td>
<td>PILOT/Sales Mortgage Tax</td>
<td>YES</td>
<td>Period of PILOT 10 Years</td>
<td>$1,061,375</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>10</td>
<td>Rosies Foods</td>
<td>Oct-16</td>
<td>$1,544,000</td>
<td>85% threshold $1,311,400</td>
<td>85% - New 3 jobs 4</td>
<td>PILOT Sales Tax</td>
<td>YES</td>
<td>Period of PILOT 7 Years</td>
<td>$82,100</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>11</td>
<td>Haggus Bar</td>
<td>Oct-16</td>
<td>$920,000</td>
<td>85% threshold $712,000</td>
<td>85% - New 2 jobs 2</td>
<td>PILOT/Sales Mortgage Tax</td>
<td>YES</td>
<td>Period of PILOT 7 Years</td>
<td>$179,400</td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>12</td>
<td>Alexandre Apart</td>
<td>Nov-16</td>
<td>$4,269,626</td>
<td>85% threshold $3,629,165</td>
<td>85% - New 4 jobs 5</td>
<td>Sales Mortgage Tax</td>
<td>YES</td>
<td>2 years after Termination of Sales Tax</td>
<td>Adaptive Reuse</td>
<td>$161,125</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>13</td>
<td>Hello Transparent</td>
<td>Dec-16</td>
<td>$6,150,000</td>
<td>85% threshold $5,227,500</td>
<td>85% - New 5 jobs 6</td>
<td>PILOT/Sales Mortgage Tax</td>
<td>YES</td>
<td>Period of PILOT 7 Years</td>
<td>$353,750</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### 2016 Sub Total
- Count: 2
- Project Name: Adaptive Reuse
- Approval: 2
- Project Amount: $94,760,148
- Investment: $79,315,360
- Jobs Retained: 0
- Job Creation: 135
- Jobs Created: 0
- Clawback: PILOT Sales Tax
- Local Labor: YES
- Length of Term: 2 years after Termination of Sales Tax
- Additional Findings: Adaptive Reuse Retail Findings
- Incentive Amount: $3,562,375
- Pay Equity: YES

### 2016 Total
- Count: 13
- Project Name: Adaptive Reuse
- Approval: 13
- Project Amount: $134,617,378
- Investment: $117,479,840
- Jobs Retained: 0
- Job Creation: 258
- Jobs Created: 896
- Clawback: PILOT Sales Tax
- Local Labor: YES
- Length of Term: 7 Years
- Additional Findings: Adaptive Reuse Retail Findings
- Incentive Amount: $8,319,900
- Pay Equity: YES
## Project Matrix/Material Factors/Clawbacks

<table>
<thead>
<tr>
<th>Count</th>
<th>Project Name</th>
<th>Approval</th>
<th>Project Amount</th>
<th>Investment</th>
<th>Jobs Retained</th>
<th>Job Creation</th>
<th>Jobs Created</th>
<th>Clawback</th>
<th>Local Labor</th>
<th>Length of Term</th>
<th>Additional Findings</th>
<th>Incentive Amount</th>
<th>Pay Equity</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Latina Foods</td>
<td>Jan-17</td>
<td>$10,000,000</td>
<td>85% threshold</td>
<td>172</td>
<td>4 jobs</td>
<td>5</td>
<td>Sales Tax</td>
<td>YES</td>
<td>2 years after Termination of Sales Tax</td>
<td>$131,250</td>
<td>YES</td>
<td></td>
</tr>
</tbody>
</table>

### Adaptive Reuse

<table>
<thead>
<tr>
<th>2017 Sub Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
</tr>
<tr>
<td></td>
</tr>
</tbody>
</table>

| 2017 Total | 1 | $10,000,000 | 172 | 5 | $131,250 |
570 Associates VI, LLC (Garden Village Plaza)  
$20,745,000  
INDUCEMENT RESOLUTION

**Eligibility**
- NAICS Section - 531110

**Company Incentives**
- Approximately $1,760,000 in real property tax savings
- Approximately $787,303 in sales tax savings

**Project Benefits**
- The project will generate approximately $480,660 of revenue to the local taxing jurisdictions over the abatement period representing $79,140 to the County of Erie, $142,560 to the Town of Cheektowaga, $258,960 to the West Seneca School District

**Employment**
- The project is anticipated to create 124 (two years after project completion)

**Project History**
- 1/24/2017 - Public hearing held. Transcript attached
- 02/22/2017 - Inducement Resolution presented to Board of Directors adopting a Negative Declaration in accordance with SEQRA.
- 02/22/2017 - Lease/Leaseback Inducement Resolution presented to the Board of Directors

**Agency Request**
A sales tax and real property tax abatement in connection with the demolition, renovation and reuse of the former Garden Village Plaza.

- New Building Construction: $11,395,000
- Infrastructure/Renovation: $5,900,000
- Renovation: $2,700,000
- Soft Costs: $750,000
- Total Project Cost: $20,745,000
- 85%: $17,633,250

**Company Description**
Benderson Development is a commercial real estate developer with over 60 years experience. A portion of the applicant’s portfolio consists of office, warehouse and industrial space. The most recent IDA project finalized by the developer was the successful conversion of the former Donovan Building in the City of Buffalo into a mixed use development. They are also in the process of constructing two spec buildings in the Town of Cheektowaga.

**Project Description**
The Garden Village Plaza was constructed in the 1970’s as a retail facility and encompasses 178,000 sq. ft. The developer plans to demolish 88,000 sq. ft. of the plaza and renovate the remaining 90,000 sq. ft. When complete, the entire complex will consist of 355,000 sq. ft., spread among 4 buildings, which will be used as a warehouse and distribution complex. Since no tenants have yet been identified, the building should be considered a “spec” project. The site has been vacant for over a decade and recently rezoned for warehouse/light manufacturing uses.

According to the developer there is an ever increasing demand for more manufacturing and warehouse space in the metro Buffalo area. According to a 2016 Buffalo Business First article, “vacant office, industrial and retail space continues to decrease in Buffalo”.

**New Tax Revenue Estimated**

<table>
<thead>
<tr>
<th>Current Yearly Taxes</th>
<th>Estimated New Assessed Value</th>
<th>Additional County Revenue over 7-Year Abatement Period</th>
<th>Additional City Revenue over 7-Year Abatement Period</th>
<th>New Yearly Taxes Upon Expiration of Abatement Period</th>
</tr>
</thead>
<tbody>
<tr>
<td>$58,000</td>
<td>$10,000,000</td>
<td>$79,000</td>
<td>$400,000</td>
<td>$320,440</td>
</tr>
</tbody>
</table>

Combined Tax Rate: $32
Employment Impact

As a spec building, it is difficult to identify specific new employment figures for the proposed development. However, based on the project use and the developer’s projections, they estimate and are committing the following number of employees to be located in the facility.

Projected Jobs = 124 (two years after project completion).

**PILOT Table**

The project will generate approximately $480,660 of revenue to the local taxing jurisdictions over the abatement period representing $79,140 to the County of Erie, $142,560 to the Town of Cheektowaga $258,960 to the West Seneca School District

<table>
<thead>
<tr>
<th>Year</th>
<th>% payment under PILOT</th>
<th>Est. County PILOT</th>
<th>Est. Town PILOT</th>
<th>Est. School PILOT</th>
<th>Est. Total PILOT</th>
<th>Full Taxes without PILOT</th>
<th>Net Exemption</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>10%</td>
<td>$5,276</td>
<td>$9,504</td>
<td>$17,264</td>
<td>$32,044</td>
<td>$320,440</td>
<td>$288,396</td>
</tr>
<tr>
<td>2</td>
<td>10%</td>
<td>$5,276</td>
<td>$9,504</td>
<td>$17,264</td>
<td>$32,044</td>
<td>$320,440</td>
<td>$288,396</td>
</tr>
<tr>
<td>3</td>
<td>20%</td>
<td>$10,552</td>
<td>$19,008</td>
<td>$34,528</td>
<td>$64,088</td>
<td>$320,440</td>
<td>$256,352</td>
</tr>
<tr>
<td>4</td>
<td>20%</td>
<td>$10,552</td>
<td>$19,008</td>
<td>$34,528</td>
<td>$64,088</td>
<td>$320,440</td>
<td>$256,352</td>
</tr>
<tr>
<td>5</td>
<td>30%</td>
<td>$15,828</td>
<td>$28,512</td>
<td>$51,792</td>
<td>$96,132</td>
<td>$320,440</td>
<td>$224,308</td>
</tr>
<tr>
<td>6</td>
<td>30%</td>
<td>$15,828</td>
<td>$28,512</td>
<td>$51,792</td>
<td>$96,132</td>
<td>$320,440</td>
<td>$224,308</td>
</tr>
<tr>
<td>7</td>
<td>30%</td>
<td>$15,828</td>
<td>$28,512</td>
<td>$51,792</td>
<td>$96,132</td>
<td>$320,440</td>
<td>$224,308</td>
</tr>
<tr>
<td>TOTAL PAYMENTS</td>
<td>$79,140</td>
<td>$142,560</td>
<td>$258,960</td>
<td>$480,660</td>
<td>$2,243,080</td>
<td>$1,762,420</td>
<td></td>
</tr>
</tbody>
</table>

**Draft Recapture Material Terms**

<table>
<thead>
<tr>
<th>Condition</th>
<th>Term</th>
<th>Recapture Provision</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Investment</td>
<td>At project completion</td>
<td>Investment amount equal to or greater than 85% of project amount. Total project Amount = $20,745,000 85% = 17,633,250</td>
</tr>
<tr>
<td>Employment</td>
<td>Coincides with 7-Year PILOT</td>
<td>Maintain Base = Create 85% of Projected Projected = 124 85% = 105</td>
</tr>
<tr>
<td>Local Labor</td>
<td>Construction Period</td>
<td>Adherence to policy including quarterly reporting</td>
</tr>
<tr>
<td>Pay Equity</td>
<td>Coincides with 7-Year PILOT</td>
<td>Adherence to Policy</td>
</tr>
<tr>
<td>Unpaid Tax</td>
<td>Coincides with 7-Year PILOT</td>
<td>Adherence to Policy</td>
</tr>
<tr>
<td>Recapture Period</td>
<td>Coincides with 7-Year PILOT</td>
<td>Recapture of state and local sales taxes and real property taxes</td>
</tr>
</tbody>
</table>

Recapture applies to:

- State and local sales taxes
- Real property taxes
Recapture

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

At completion of project company must certify i) total investment amount equal to or greater than 85% of the anticipated project amount proposed ii) confirm that company has 105 employees at the facility iii) confirm adherence to ECIDA unpaid taxes, pay equity and local labor hiring policy for the recapture term.
**The PILOT Worksheet will be: (i) completed by IDA Staff based upon information contained within the Application, and (ii) provided to the Applicant for ultimate inclusion as part of this completed Application.**

PILOT Estimate Table Worksheet-570 Associates VI, LLC/Garden Village Plaza 2016

<table>
<thead>
<tr>
<th>Dollar Value of New Construction and Renovation Costs</th>
<th>Estimated New Assessed Value of Property Subject to IDA*</th>
<th>County Tax Rate/1000</th>
<th>Local Tax Rate (Town/City/Village)/1000</th>
<th>School Tax Rate/1000</th>
</tr>
</thead>
<tbody>
<tr>
<td>$17,295,000</td>
<td>$10,000,000</td>
<td>$5.27</td>
<td>$9.50</td>
<td>$17.26</td>
</tr>
</tbody>
</table>

*Apply equalization rate to value

<table>
<thead>
<tr>
<th>PILOT Year</th>
<th>% Payment</th>
<th>County PILOT Amount</th>
<th>Local PILOT Amount</th>
<th>School PILOT Amount</th>
<th>Total PILOT</th>
<th>Full Tax Payment w/o PILOT</th>
<th>Net Exemption</th>
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</thead>
<tbody>
<tr>
<td>1</td>
<td>10</td>
<td>$5,276</td>
<td>$9,504</td>
<td>$17,264</td>
<td>$32,044</td>
<td>$320,440</td>
<td>$288,396</td>
</tr>
<tr>
<td>2</td>
<td>10</td>
<td>$5,276</td>
<td>$9,504</td>
<td>$17,264</td>
<td>$32,044</td>
<td>$320,440</td>
<td>$288,396</td>
</tr>
<tr>
<td>3</td>
<td>20</td>
<td>$10,552</td>
<td>$19,008</td>
<td>$34,528</td>
<td>$64,088</td>
<td>$320,440</td>
<td>$256,352</td>
</tr>
<tr>
<td>4</td>
<td>20</td>
<td>$10,552</td>
<td>$19,008</td>
<td>$34,528</td>
<td>$64,088</td>
<td>$320,440</td>
<td>$256,352</td>
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<tr>
<td>5</td>
<td>30</td>
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<td>$96,132</td>
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<td>$224,308</td>
</tr>
<tr>
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<td>30</td>
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<td>$28,512</td>
<td>$51,792</td>
<td>$96,132</td>
<td>$320,440</td>
<td>$224,308</td>
</tr>
<tr>
<td>7</td>
<td>30</td>
<td>$15,828</td>
<td>$28,512</td>
<td>$51,792</td>
<td>$96,132</td>
<td>$320,440</td>
<td>$224,308</td>
</tr>
<tr>
<td>TOTAL</td>
<td></td>
<td>$79,140</td>
<td>$142,560</td>
<td>$258,960</td>
<td>$480,660</td>
<td>$2,243,080</td>
<td>$1,762,420</td>
</tr>
</tbody>
</table>

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

Percentage of Project Costs financed from Public Sector Table Worksheet:

<table>
<thead>
<tr>
<th>Total Project Cost</th>
<th>Estimated Value of PILOT</th>
<th>Estimated Value of Sales Tax Incentive</th>
<th>Estimated Value of Mortgage Tax Incentive</th>
<th>Total of Other Public Incentives (Tax Credits, Grants, ESD Incentives, etc.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>$20,745,000</td>
<td>$1,762,420</td>
<td>$787,303</td>
<td>$0</td>
<td>$0</td>
</tr>
</tbody>
</table>

Calculate %

(Est. PILOT + Est. Sales Tax+ Est. Mortgage Tax+ Other)/Total Project Costs: 12.2 %
## ADDENDUM TO PROJECT LOG

570 Associates VI, LLC/Garden Village Plaza

<table>
<thead>
<tr>
<th>Evaluative Criteria</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wage Rate (above median wage for area)</td>
<td>Erie County per capita income: $28,879 Based on the uses of the facility; the wage rate should be above Erie County’s per capita income. Pay range for this spec building are estimated at $30,000 per year.</td>
</tr>
<tr>
<td>Regional Wealth Creation (% sales/customers outside area)</td>
<td>The % of sales and customers outside the area is dependent on the type of tenant locating in the facility.</td>
</tr>
<tr>
<td>In Region Purchases (% of overall purchases)</td>
<td>For the developer of the project, Benderson, approximately 80% of total annual supplies, raw materials and vendor services are sourced from Erie County vendors. Unknown for prospective tenants.</td>
</tr>
<tr>
<td>Research &amp; Development Activities</td>
<td>N/A</td>
</tr>
<tr>
<td>Investment in Energy Efficiency</td>
<td>N/A</td>
</tr>
<tr>
<td>Locational Land Use Factors, Brownfields or Locally Designated Development Areas</td>
<td>The property an existing plaza and has been rezoned as M-1, light manufacturing</td>
</tr>
<tr>
<td>LEED/Renewable Resources</td>
<td>NA</td>
</tr>
<tr>
<td>Retention/Flight Risk</td>
<td>N/A</td>
</tr>
<tr>
<td>MBE/WBE Utilization</td>
<td>N/A</td>
</tr>
<tr>
<td>Workforce Access – Proximity to Public Transportation</td>
<td>Facility on bus route #1</td>
</tr>
</tbody>
</table>
**Table 1: Basic Information**

<table>
<thead>
<tr>
<th>Project Name</th>
<th>570 Associates VI, LLC</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project Industry</td>
<td>(531) Real Estate</td>
</tr>
<tr>
<td>Municipality</td>
<td>Cheektowaga Town</td>
</tr>
<tr>
<td>School District</td>
<td>West Seneca</td>
</tr>
<tr>
<td>Project Cost</td>
<td>$20,745,000</td>
</tr>
<tr>
<td>Construction Budget</td>
<td>$19,995,000</td>
</tr>
<tr>
<td>Direct Employment Expected</td>
<td>124</td>
</tr>
<tr>
<td>Direct Labor Income</td>
<td>$3,869,974</td>
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<tr>
<td>Direct Construction Jobs</td>
<td>146</td>
</tr>
<tr>
<td>Direct Construction Labor Income</td>
<td>$7,684,572</td>
</tr>
<tr>
<td>Total Labor Income</td>
<td>$11,554,546</td>
</tr>
</tbody>
</table>

**Table 2: Estimated State & Regional Benefits**

<table>
<thead>
<tr>
<th>Region</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>New Property Tax Revenue (PILOT or Improvements)</td>
<td>$342,632</td>
</tr>
<tr>
<td>Sales Tax Revenue</td>
<td>$1,409,017</td>
</tr>
<tr>
<td>State</td>
<td></td>
</tr>
<tr>
<td>Income Tax Revenue</td>
<td>$3,469,802</td>
</tr>
<tr>
<td>Sales Tax Revenue</td>
<td>$1,186,541</td>
</tr>
<tr>
<td><strong>TOTAL Estimated Revenue</strong></td>
<td><strong>$6,407,991</strong></td>
</tr>
</tbody>
</table>

**Table 3: Estimated Project Incentives**

<table>
<thead>
<tr>
<th>Incentive</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Property Tax Savings</td>
<td>$1,297,733</td>
</tr>
<tr>
<td>Sales Tax Savings</td>
<td>$874,781</td>
</tr>
<tr>
<td><strong>TOTAL Estimated Incentives</strong></td>
<td><strong>$2,172,514</strong></td>
</tr>
</tbody>
</table>
Table 4: Employment Breakdown

<table>
<thead>
<tr>
<th>Project</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct**</td>
<td>124</td>
</tr>
<tr>
<td>Indirect***</td>
<td>148</td>
</tr>
<tr>
<td>Induced****</td>
<td>81</td>
</tr>
<tr>
<td>Construction</td>
<td></td>
</tr>
<tr>
<td>Direct</td>
<td>146</td>
</tr>
<tr>
<td>Indirect</td>
<td>53</td>
</tr>
</tbody>
</table>

Table 5: Ratios

<table>
<thead>
<tr>
<th>Ratio</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Benefit to Cost Ratio</td>
<td>2.9:1</td>
</tr>
<tr>
<td>Overall ROI</td>
<td>51.7:1</td>
</tr>
</tbody>
</table>

* 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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Garden Village

Section I: Applicant Background Information

Applicant Information - Company Receiving Benefit

Project Name: Garden Village
Applicant Name: 570 Associates VI, LLC
Applicant Address: 7978 Cooper Creek Boulevard
Applicant Address 2: Suite 100
Applicant City: University Park
Applicant State: Florida
Applicant Zip: 34201
Phone: (941) 359-8303
Fax: (941) 359-1836
E-mail
Website: www.benderson.com
Federal ID#: 81-0900334
NAICS Code: Yes
Will a Real Estate Holding Company be utilized to own the Project property/facility
What is the name of the Real Estate Holding Company: Benderson Development Company, LLC
Federal ID#: 16-1549911
State and Year of Incorporation/Organization: New York
List of stockholders, members, or partners of Real Estate Holding Company: David H. Baldauf, Shaun Benderson

Individual Completing Application

Name: Christianne Gawel
Title: Legal Assistant
Address: 570 Delaware Avenue
Address 2:
City: Buffalo
State: New York
Zip: 14202

http://www.ecidary.com/app/tax-incentive-application-2014/print/443
Phone (716) 878-9656
Fax (716) 886-2269
E-Mail ChristianneGawel@benderson.com
Company Contact (if different from individual completing application)

Name: John Kicinski
Title: Counsel
Address: 570 Delaware Avenue

City: Buffalo
State: New York
Zip: 14202
Phone: (716) 878-9400
Fax: (716) 886-2269
E-Mail: JohnKicinski@benderson.com

Company Counsel

Name of Attorney: John Kicinski
Firm Name: Benderson Development Company, LLC
Address: 570 Delaware Avenue

City: Buffalo
State: New York
Zip: 14202
Phone: (716) 878-9400
Fax: (716) 886-2269
E-Mail: JohnKicinski@benderson.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: Limited Liability Company
Type of Ownership: 
Year Established: 

List all stockholders, members, or partners with % of ownership greater than 20%
Please include name and % of ownership.

100% owned by First Berkshire Business Trust
Applicant Business Description

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

Applicant is a commercial real estate developer with over 60 years of experience. A portion of Applicant’s portfolio consists of office/warehouse/industrial space. Applicant has a proven track record of developing successful projects such as Broadway Development Park.

Estimated % of sales within Erie County 80
Estimated % of sales outside Erie County but within New York State 15
Estimated % of sales outside New York State but within the U.S. 5
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

80%
Section II: Eligibility Questionnaire - Project Description & Details

Project Location

Municipality or Municipalities of current operations
Cheektowaga & W. Seneca

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

In which Municipality will the proposed project be located
Cheektowaga & W. Seneca (no buildings in W. Seneca)

Address
2343 Unión Road, Cheektowaga, NY 14224

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
104.02-2-12.11; 124.02-2-15; 124.02-2-12.2; 124.16-2-40.11;

What are the current real estate taxes on the proposed Project Site
$57,982.90

Assessed value of land
$1,013,500.00

Assessed value of building(s)
$216,500.00

Are Real Property Taxes current?
Yes

If no please explain

Town/City/Village of Project Site
Cheektowaga & W. Seneca

School District of Project Site
West Seneca

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
Vacant commercial property


---

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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 Garden Village Plaza is an existing, vacant plaza and consists of 178,000 sq. ft. Our plan is to demolish 88,000 sq. ft. of the plaza and renovate an existing 90,000 building which formerly housed an Ames Department Store. When complete, the entire complex will consist of 355,000 sq. ft. We are looking to start construction on the Garden Village Project in 2017 with a completion date of approximately 2019. The Garden Village Project will be constructed on spec and Applicant is actively working on identifying tenants for the proposed buildings. Moreover, it is not feasible to wait to build until after tenants have been identified because businesses are often not willing or able to wait until a developer will complete its buildings to expand to new locations or start their businesses. Therefore, in an effort to be responsive to the needs of the market it is best to have completed spec buildings ready to be fitted to a proposed tenant’s needs quickly. The Garden Village Project would create first class, clean and productive light industrial and warehouse space at moderate rental costs ideally suited to start-up and expansion minded businesses. The Garden Village Project should stimulate economic activity and create additional employment opportunities for Erie County residents and will serve as a further catalyst for future growth. The IDA benefits will be paramount to the success of the Garden Village Project by enabling Bendorson to provide newly-built, first class light industrial and warehouse space at competitive rental rates.

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:

n/a

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)

The proposed Garden Village Project, which, when coupled with receiving IDA incentives, will allow us on a spec basis to construct and market the development. There are significant risks and costs involved in building the Garden Village Project and Applicant would not be able to proceed without factoring in ECIDA involvement. Bendorson is proposing to invest in this project, rather than allocating its resources to other projects, because of the increased increase in demand for this type of project, which, when coupled with receiving IDA incentives, will allow us to competitively construct and market the Garden Village Project. There is ever increasing demand for more manufacturing and warehouse space in the metro Buffalo area. This fact was highlighted in a January 29, 2016, Buffalo Business First article entitled "Vacant office, industrial and retail space continues to decrease in Buffalo". As noted in the article, the lack of inventory for warehouse, distribution and light manufacturing facilities may be at record levels. The Garden Village Project is aimed at meeting this need. The ECIDA has previously recognized how projects such as the Garden Village Project can advance job opportunities and the continued demand for warehouse, distribution and light manufacturing space should make the Garden Village Project a strong candidate for ECIDA Involvement. Applicant estimates it will invest approximately $20,745,000.00 million dollars factoring in projected tenant improvements to build the spec buildings. Further, the carrying costs involved once the buildings has been constructed make a spec project such as this implausible without ECIDA benefits. There is a strong demand for more manufacturing and warehouse space in the Buffalo metro area. Following the recession, new development of the nature proposed has been virtually non-existent. This has enabled demand to grow while existing market supply nears capacity.

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

No

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

- No additional tax revenue - Continued delayed reuse of the property

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

M1 - Light Manufacturing

Describe required zoning/land use, if different
n/a

If a change in zoning/land use is required, please provide details/status of any request for change of zoning/land use requirements
Land recently rezoned on 09-19-16 to accommodate this project

Is the proposed Project located on a site where the known or potential presence of contaminants is complicating the development/use of the property?
No

If yes, please explain

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

If yes, please provide a copy.

Have any other studies, or assessments been undertaken with respect to the proposed Project Site that indicate the known or suspected presence of contamination that would complicate the site's development?
Yes

If yes, please provide copies of the study.

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

n/a

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?
<BLANK>

If yes, please explain.

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

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  No

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.
Project Information

Estimated costs in connection with project

Land and/or Building Acquisition

$ 0

square feet

New Building Construction

$ 11,395,000

265,000 square feet

New Building addition(s)

$ 0

square feet

Infrastructure Work

$ 5,900,000

Renovation

$ 2,700,000

90,000 square feet

Manufacturing Equipment

$ 0

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

$ 0

Soft Costs: (professional services, etc.)

$ 100,000

Other Cost

$ 650,000

Explain Other Costs

demo and asbestos abatement

Total Cost

$ 20,745,000

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):

$ 20,745,000

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):

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$0

Identify each state and federal grant/credit:

Total Sources of Funds for Project Costs:
$20,745,000

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 (% of estimated mortgage amount stated above):
$0

Construction Cost Breakdown:
Total Cost of Construction
$19,995,000.00 (sum of 2,3,4,5, and/or 7 in Question K, above)

Cost for materials
$8,997,750.00

% sourced in Erie County
95%

% 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
$8,997,750.00

Estimated State and local Sales and Use Tax Benefit (product of 8.75% multiplied by the figure, above):
$787,303

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:
n/a

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

<table>
<thead>
<tr>
<th></th>
<th>Cost</th>
<th>% of Total Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Manufacturing/Processing</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>Warehouse</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>Research &amp; Development</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>Commercial</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>Retail</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>Office</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td></td>
<td>$19,995,000</td>
<td>100</td>
</tr>
</tbody>
</table>

http://www.ecidary.com/app/tax-incentive-application-2014/print/443
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

2/1/2017

End date: Estimated completion date of project

12/1/2019

Project occupancy: Estimated starting date of operations

1/1/2018

Have construction contracts been signed?

No

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?

No

Employment Plan (Specific to the proposed project location):

<table>
<thead>
<tr>
<th></th>
<th>Current # of jobs at proposed project location or to be relocated at project location</th>
<th>IF FINANCIAL ASSISTANCE IS GRANTED – project the number of FTE and PT jobs to be RETAINED</th>
<th>IF FINANCIAL ASSISTANCE IS GRANTED – project the number of FTE and PT jobs to be CREATED upon TWO years after Project completion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Full time</td>
<td>0</td>
<td>0</td>
<td>124</td>
</tr>
<tr>
<td>Part time</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Total</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

** 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

http://www.ecidny.com/app/tax-incentive-application-2014/print/443

11/2

34
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).

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

<table>
<thead>
<tr>
<th>Category of Jobs to be Retained and Created</th>
<th>Average Salary</th>
<th>Average Fringe Benefits</th>
</tr>
</thead>
<tbody>
<tr>
<td>Management</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>Professional</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>Administrative</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>Production</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>Independent Contractor</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>Other</td>
<td>$30,000</td>
<td>$0</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>Address</th>
<th>Full time</th>
<th>Part time</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

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

Payroll Information
Annual Payroll at Proposed Project Site
$ 3,720,000

Estimated average annual salary of jobs to be retained
$ 0

Estimated average annual salary of jobs to be created
$ 30,000

Estimated salary range of jobs to be created
From $ 22,000 To $ 100,000

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

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

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?
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

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 project 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
Garden Village Commerce Park 35, 45 & 101 French Rd. Cheektowaga, NY 14224

Name and Address of Owner of Premises
570 Associates VI, LLC 7978 Cooper Creek Boulevard Suite 100 University Park, FL 34201

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

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

Describe all known former uses of the Premises

Does any person, firm or corporation other than the owner occupy the Premises or any part of it?
No

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

Have there been any spills, releases or unpermitted discharges of petroleum, hazardous substances, chemicals or hazardous wastes at or near the Premises?
No

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

Has the Premises or any part of it ever been the subject of any enforcement action by any federal, state or local government entity, or does the preparer of this questionnaire have knowledge of: a) any current federal, state or local enforcement actions; b) any areas of non-compliance with any federal, state or local laws, ordinances, rules or regulations associated with operations over the past 12 months?
<BLANK>

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?
<BLANK>

If yes, describe in full detail

Solid And Hazardous Wastes And Hazardous Substances

Does any activity conducted or contemplated to be conducted at the premises generate, treat or dispose of any petroleum, petroleum-related products, solid and hazardous wastes or hazardous substances?
No

If yes, provide the Premises' applicable EPA (or State) identification number

Have any federal, state or local permits been issued to the Premises for the use, generation and/or storage of solid and hazardous wastes?
No

If yes, please provide copies of the permits.

Identify the transporter of any hazardous and/or solid wastes to or from the Premises

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

Does or is it contemplated that there will occur at the Premises any accumulation or storage of any hazardous wastes on-site for disposal for longer than 90 days?
No

If yes, please identify the substance, the quantity and describe how it is stored
Discharge Into Waterbodies
Briefly describe any current or contemplated industrial process discharges (including the approximate volume, source, type and number of discharge points). Please provide copies of all permits for such discharges.

Identify all sources of discharges of water, including discharges of waste water, process water, contact or noncontact cooling water, and stormwater. Attach all permits relating to the same. Also identify any septic tanks on site.

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?
   <BLANK>

If yes, attach a copy of each permit.

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

Have there been any leaks, spills, releases or other discharges (including loss of inventory) associated with any of these tanks?
   No

If yes, please provide all details regarding the event, including the response taken, all analytical results or reports developed through investigation (whether internal or external), and the agencies which were involved.

Polychlorinated Biphenyls ("PCB" or "PCBs") And Asbestos
Provide any records in your possession or known to you to exist concerning any on-site PCBs or PCB equipment, whether used or stored, and whether produced as a byproduct of the manufacturing process or otherwise.

Have there been any PCB spills, discharges or other accidents at the Premises?
   No

If yes, relate all the circumstances.

Do the Premises have any asbestos containing materials?
   Yes

If yes, please identify the materials.
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  
<BLANK>

Within Erie County  
<BLANK>

If Yes to either question, please, explain  
Will the project result in a relocation of an existing business operation from the City of Buffalo?  
<BLANK>

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?  
<BLANK>

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

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

Please provide a list of properties considered, and the reason they were not adequate. (Some examples include: site not large enough, layout was not appropriate, did not have adequate utility service, etc.) Please include full address for locations.
Section 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)? 42

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) Yes

If vacant, number of years vacant. 10

If underutilized, number of years underutilized. 0

Describe the use of the building during the time it has been underutilized: n/a

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) Yes

If yes, please provide dollar amount of income being generated, if any $0 - No income

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)

There are significant risks and costs involved in building the Garden Village Project and Applicant would not be able to proceed without factoring in ECIDA involvement. The carrying costs involved once the buildings have been constructed make a spec project such as this implausible without ECIDA benefits. It is not feasible to wait to build until after tenants have been identified because businesses are often not willing or able to wait until a developer will complete its buildings to expand to new locations or start their businesses.

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

n/a

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

The current 90,000 square foot structure was built as a retail facility. Although the core components of the structure are sound and will be reused, there are significant and costly modifications which need to be made to convert the building into a viable industrial/warehouse site. This site has been vacant for over a decade and has been recently re-zoned for warehouse/light industrial use.
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?

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?

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?

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?

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?

If yes, explain

Is the project located in a Highly Distressed Area?

No
Pierce Arrow, LLC  
$28,825,000  
INDUCTION RESOLUTION

<table>
<thead>
<tr>
<th>ELIGIBILITY</th>
</tr>
</thead>
<tbody>
<tr>
<td>• NAICS Section - 531110</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>COMPANY INCENTIVES</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Approximately $112,500 in mortgage recording tax savings.</td>
</tr>
<tr>
<td>• Approximately $1,050,000 in sales tax savings.</td>
</tr>
<tr>
<td>• Real estate tax abatement provided by City of Buffalo.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>EMPLOYMENT</th>
</tr>
</thead>
<tbody>
<tr>
<td>• The project is anticipated to create 2 additional jobs (two years after project completion).</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>PROJECT HISTORY</th>
</tr>
</thead>
<tbody>
<tr>
<td>• 1/23/2017 - Public Hearing held. Transcript attached.</td>
</tr>
<tr>
<td>• 2/22/2017 - Inducement Resolution presented to Board of Directors adopting a Negative Declaration in accordance with SEQRA.</td>
</tr>
<tr>
<td>• 2/22/2017 - Lease/Leaseback Inducement Resolution presented to the Board of Directors</td>
</tr>
</tbody>
</table>

**Project Title:** Pierce Arrow, LLC  
**Project Address:** 1685-1721 Elmwood Avenue  
Buffalo, New York 14207  
(Buffalo City School District)

**Agency Request**

A sales tax and mortgage recording tax exemption in connection with the redevelopment and adaptive reuse of the former Pierce Arrow plant.

| Building Acquisition | $ 3,850,000 |
| Building Addition | $ 600,000 |
| Infrastructure | $ 125,000 |
| Renovation | $21,800,000 |
| Equipment | $ 750,000 |
| Soft Costs | $ 1,700,000 |
| **Total Project Cost** | **$28,825,000** |
| **85%** | **$24,501,250** |

**Company Description**

Pierce Arrow, LLC was formed in 2016 for the purpose of undertaking this adaptive reuse project. Robert Wolf is the sole member of the LLC and is based in Brooklyn. This represents the first WNY project for this developer.

**Project Description**

The project includes the complete renovation of the historic Pierce Arrow administration building and garages where the completed automobiles were stored and tested prior to shipping. The development plan includes a small (7,500 sq. ft.) addition and approximately 105 loft style apartments measuring 640 to 1,400 sq. ft. with rents in the range of $900 to $1,900. Both indoor and outdoor parking will be made available. 10,000 sq. ft. of commercial space will be provided on the 2nd floor in a unique 32 foot high arched space, originally constructed as the dining room for the workers which must be preserved in compliance with SHPO guidelines and may limit its uses. A small retail component will be provided to support tenants including a laundry and management office.

The facility is approximately 110 years old and has been listed on the historic register since the mid 1970's.

**Impact on Taxes**

<table>
<thead>
<tr>
<th>Current Yearly Taxes</th>
<th>Estimated New Assessed Value</th>
<th>Additional County Revenue over 12 years</th>
<th>Additional City Revenue over 485-a Abatement Period</th>
<th>New Yearly Taxes Upon Expiration of Abatement Period</th>
</tr>
</thead>
<tbody>
<tr>
<td>N/A</td>
<td>$9,350,000</td>
<td>$723,000</td>
<td>$504,000</td>
<td>$312,000</td>
</tr>
<tr>
<td>Combined Tax Rate: $34</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

1/24/2017 11:04 AM
Retail Determination

<table>
<thead>
<tr>
<th>Use</th>
<th>Sq. Ft.</th>
<th>Cost</th>
<th>% of Project Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residential</td>
<td>169,500</td>
<td>$27,250,000</td>
<td>94%</td>
</tr>
<tr>
<td>Commercial/Retail</td>
<td>10,500</td>
<td>$1,575,000</td>
<td>6%</td>
</tr>
<tr>
<td>Total</td>
<td>180,000</td>
<td>$28,825,000</td>
<td>100%</td>
</tr>
</tbody>
</table>

Since the retail component of the project represents only 6% of the project cost, no sign off by the County is required.

Employment Impact

Projected Jobs 2
(two years after project completion)

Draft Recapture Material Terms

<table>
<thead>
<tr>
<th>Condition</th>
<th>Term</th>
<th>Recapture Provision</th>
</tr>
</thead>
</table>
| Total Investment | At project completion     | Investment amount equal to or greater than 85% of project amount.  
                      |               | Total project Amount = $28,825,000  
                      |               | 85% : $24,501,250 |
| Employment       | Coincides with recapture period | Create 85% of projected  
                      |               | Projected = 2  
                      |               | 85% = 2 |
| Local Labor      | Construction period       | Adherence to policy including quarterly reporting       |
| Unpaid Taxes     | Same as recapture period  | Adherence to policy                                      |
| Pay Equity       | Same as recapture period  | Adherence to policy                                      |
| Recapture Period | 2 years after project completion | State and Local Sales Taxes  
                      |               | Mortgage Tax |

Recapture applies to:

- State and local sales taxes
- Mortgage tax

Recapture

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

At project completion the company must certify i) total investment is equal to or greater than 85% of the anticipated project amount; ii) confirm company has 2 employees at the facility; iii) its adherence to ECIDA local labor policy during construction and iv) adherence to unpaid tax and pay equity policies for the recapture term.
<table>
<thead>
<tr>
<th><strong>ADAPTIVE REUSE REPORT</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Pierce Arrow</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Age of Structure (must be at least 20 years old and present functional challenges to redevelopment)</strong></th>
<th>The building was constructed in the early 1900's.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Structure has been vacant or underutilized for a minimum of 3 years (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)</strong></td>
<td>The structure has been less than 30% leased for the past 6 years. Any remaining tenants that were in the building vacated the complex in 2016.</td>
</tr>
<tr>
<td><strong>Structure is not generating significant rental income (defined as 50% or less than the market rate income average for that property class)</strong></td>
<td>None being generated as the facility is vacant.</td>
</tr>
<tr>
<td><strong>Project is in compliance with the investment and growth criteria of the Framework for Regional Growth</strong></td>
<td>The Framework states that investment should be targeted to “developed areas” and “regional centers”. This project falls within the developed area as designated by the Regional Framework.</td>
</tr>
<tr>
<td><strong>Demonstrated evidence of financial obstacle to development without ECIDA or other public assistance (cash flow projections documenting costs, expenses and revenues indicating below average return on investment rate as compared to regional industry averages)</strong></td>
<td>The Pierce Arrow Factory Complex Administration Building and Garage has been underutilized for a number of years leading to extensive exterior repairs being required. The cost for these repairs will exceed the anticipated revenue for the 105 residential lofts planned for the building. The building has been underutilized for a number of years and there is significant cost to repair the exterior of the complex and bring the property up to current code standards with regard to fire safety and HVAC. Environmental cleanup and historical renovation provide a community and business asset for Buffalo but also requires additional investment and higher costs than a traditional new build. The facility has been identified as a qualifying site for brownfield cleanup and is listed on the Historic National Register which requires a higher level of renovation detail.</td>
</tr>
<tr>
<td>Demonstrated support of local government entities</td>
<td>There is wide government support for the project. The City of Buffalo has expressed support for the project. In addition, the City Planning Board has approved the project.</td>
</tr>
<tr>
<td>-----------------------------------------------</td>
<td>--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td><strong>OTHER FACTORS TO CONSIDER:</strong></td>
<td></td>
</tr>
<tr>
<td>Structure or site presents significant public safety hazard and or environmental remediation costs</td>
<td>The site qualifies for inclusion in the brownfield cleanup program. The building has significant issues relating to code compliance which require a new 4-story stair, replacement elevators, accessibility and many other smaller upgrades. Asbestos remediation is required.</td>
</tr>
<tr>
<td>Site or structure is located in a distressed census tract</td>
<td>The property is located in Census Tract 55 which is considered highly distressed under the State statute.</td>
</tr>
<tr>
<td>Structure presents significant costs associated with building code compliance.</td>
<td>The structure requires a significant investment to stabilize the building and make it code compliant. The property contains contaminated material that will ultimately have to be remediated. New mechanical, electrical, fire suppression and plumbing systems must be installed in a manner consistent with the historic character of the building.</td>
</tr>
<tr>
<td>Site or structure is presently delinquent in property tax payments</td>
<td>Taxes are current</td>
</tr>
</tbody>
</table>
Pierce Arrow, LLC

Return on Investment

Regional Return on Investment (ROI) numbers vary depending on the interest rate environment, investor availability and risk associated with a project.

The National Development Council, which has experience financing projects in higher risk urban areas across the Northeast, uses 10% - 12% as a benchmark rate of return for urban high risk projects.

Empire State Development financing officials when reviewing similar projects in the City of Buffalo have used 12% as an acceptable ROI for publicly assisted development projects.

Adaptive Reuse Projects

Many Adaptive Reuse Projects are hampered by upfront development costs that are not typical in new build green field development projects. These upfront costs can hinder the ability of the projects to attract financing, and provide cash flow. The upfront costs associated with site contamination, asbestos removal, code compliance, structural deficiencies can make Adaptive Reuse projects difficult to undertake and attract private investment and financing, particularly in real estate markets where rental values are relatively low. Historically real estate projects in the region are difficult to undertake, local real estate developers have indicated that the typical ROI investors and developers seek to achieve in mixed use development projects are in the 10% - 12% range, although they can run higher for projects with significant risk.

Public Incentives Requested

- ECIDA Sales Tax Abatement approximate value $1,050,000
- Approximately a $112,500 in mortgage tax savings
- Approximately $7,000,000 in historic tax credits
- Approximately $1,200,000 in brownfield tax credits
- Approximately $500,000 grant from National Grid

ROI

Pierce Arrow, LLC as submitted a pro forma documenting the expenses and revenues and ROI for the project.

Stated ROI for the project with ECIDA and other tax credits and grants is 10.39%
Stated ROI for the project without ECIDA and other tax credits and grants is 9.59%

Historic Status
The building is listed on the National Register of Historic Places.
** The PILOT Worksheet will be: (i) completed by IDA Staff based upon information contained within the Application, and (ii) provided to the Applicant for ultimate inclusion as part of this completed Application.

**PILOT Estimate Table Worksheet-Pierce Arrow, LLC**

<table>
<thead>
<tr>
<th>Dollar Value of New Construction and Renovation Costs</th>
<th>Estimated New Assessed Value of Property Subject to IDA*</th>
<th>County Tax Rate/1000</th>
<th>Local Tax Rate (Town/City/Village)/1000</th>
<th>School Tax Rate/1000</th>
</tr>
</thead>
<tbody>
<tr>
<td>$22,325,000</td>
<td>$9,350,000</td>
<td>$6.45</td>
<td>$27.01</td>
<td></td>
</tr>
</tbody>
</table>

*Apply equalization rate to value

<table>
<thead>
<tr>
<th>PILOT Year</th>
<th>% Payment</th>
<th>County PILOT Amount</th>
<th>Local PILOT Amount</th>
<th>School PILOT Amount</th>
<th>Total PILOT</th>
<th>Full Tax Payment w/o PILOT</th>
<th>Net Exemption</th>
</tr>
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<td>10</td>
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<tr>
<td>TOTAL</td>
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</tr>
</tbody>
</table>

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

Percentage of Project Costs financed from Public Sector Table Worksheet:

<table>
<thead>
<tr>
<th>Total Project Cost</th>
<th>Estimated Value of PILOT</th>
<th>Estimated Value of Sales Tax Incentive</th>
<th>Estimated Value of Mortgage Tax Incentive</th>
<th>Total of Other Public Incentives (Tax Credits, Grants, ESD Incentives, etc.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>$28,825,000</td>
<td>N/A</td>
<td>$1,050,000</td>
<td>$112,500</td>
<td>$8,700,000</td>
</tr>
</tbody>
</table>

Calculate %

(Est. PILOT + Est. Sales Tax+ Est. Mortgage Tax+ Other)/Total Project Costs: 34.2 %
## ADDENDUM TO PROJECT LOG
Pierce Arrow, LLC

<table>
<thead>
<tr>
<th>Evaluative Criteria</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Distressed Census Tracts</td>
<td>The property is located in census tract 54 which is considered highly distressed under the State statute.</td>
</tr>
<tr>
<td>Age of Structure</td>
<td>The building was constructed in the early 1900’s.</td>
</tr>
<tr>
<td>Elimination of slum and blight</td>
<td>The investment of over $28,000,000 into this distressed area along with other redevelopment projects taking place in the vicinity will help to enhance the area.</td>
</tr>
<tr>
<td>Building or Facility Vacancy</td>
<td>The administration building has been less than 30% occupied and all tenants are on month to month leases. The garages have been empty for over 10 years.</td>
</tr>
<tr>
<td>Redevelopment Supports or aligns with Regional or Local Development Plans</td>
<td>The project complies with the investment and growth criteria of the Framework for Regional Growth.</td>
</tr>
<tr>
<td>Environmental or Safety Issues</td>
<td>This location is included in the Brownfield Cleanup Program. The current Pierce Arrow complex has been underutilized for many years and as such has come significant masonry repair required to stabilize the exterior envelope. The property has deteriorated and will require infrastructure improvements such as structural repairs and updated mechanicals (elevators, electrical, plumbing, HVAC and fire safety).</td>
</tr>
<tr>
<td>LEED/Renewable resources</td>
<td>NA</td>
</tr>
<tr>
<td>Building or site has historic designation</td>
<td>The property is listed on National Register and the developer is working with SHPO on the redevelopment plan.</td>
</tr>
<tr>
<td>Site or structure has delinquent or other local taxes</td>
<td>Taxes are current.</td>
</tr>
<tr>
<td>MBE/WBE utilization</td>
<td>N/A</td>
</tr>
<tr>
<td>Project/developer’s return on investment</td>
<td>The developer has supplied an ROI which indicates a below average rate of return on the investment.</td>
</tr>
<tr>
<td>Impediments to conventionally financing project</td>
<td>The cost to redevelop and reuse this structure will be well above the appraised value. Projects such as this depend on incentives offered through the ECIDA, the City of Buffalo as well as historic tax credits.</td>
</tr>
<tr>
<td>Transit oriented development</td>
<td>The facility is on a bus route. Metro Rail and 32A</td>
</tr>
</tbody>
</table>
Internal Report: Pierce Arrow, LLC - Pierce Arrow, LLC

Table 1: Basic Information

<table>
<thead>
<tr>
<th>Project Name</th>
<th>Pierce Arrow, LLC</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project Industry</td>
<td>(531) Real Estate</td>
</tr>
<tr>
<td>Municipality</td>
<td>Buffalo City</td>
</tr>
<tr>
<td>School District</td>
<td>Buffalo</td>
</tr>
<tr>
<td>Project Cost</td>
<td>$28,825,000</td>
</tr>
<tr>
<td>Construction Budget</td>
<td>$22,400,000</td>
</tr>
<tr>
<td>Direct Employment Expected</td>
<td>2</td>
</tr>
<tr>
<td>Direct Labor Income</td>
<td>$62,419</td>
</tr>
<tr>
<td>Direct Construction Jobs</td>
<td>164</td>
</tr>
<tr>
<td>Direct Construction Labor Income</td>
<td>$8,608,873</td>
</tr>
<tr>
<td>Total Labor Income</td>
<td>$8,671,292</td>
</tr>
</tbody>
</table>

Table 2: Estimated State & Regional Benefits

<table>
<thead>
<tr>
<th>Region</th>
<th>New Property Tax Revenue (PILOT or Improvements)</th>
<th>$4,600,407</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Sales Tax Revenue</td>
<td>$182,132</td>
</tr>
<tr>
<td>State</td>
<td>Income Tax Revenue</td>
<td>$496,808</td>
</tr>
<tr>
<td></td>
<td>Sales Tax Revenue</td>
<td>$153,374</td>
</tr>
<tr>
<td></td>
<td><strong>TOTAL Estimated Revenue</strong></td>
<td><strong>$5,432,721</strong></td>
</tr>
</tbody>
</table>

Table 3: Estimated Project Incentives

<table>
<thead>
<tr>
<th>Property Tax Savings</th>
<th>$0</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales Tax Savings</td>
<td>$1,056,563</td>
</tr>
<tr>
<td>Mortgage Tax Savings</td>
<td>$112,500</td>
</tr>
<tr>
<td><strong>TOTAL Estimated Incentives</strong></td>
<td><strong>$1,169,063</strong></td>
</tr>
</tbody>
</table>
### Table 4: Employment Breakdown

<table>
<thead>
<tr>
<th>Project</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct**</td>
<td>2</td>
</tr>
<tr>
<td>Indirect***</td>
<td>2</td>
</tr>
<tr>
<td>Induced****</td>
<td>1</td>
</tr>
<tr>
<td>Construction</td>
<td></td>
</tr>
<tr>
<td>Direct</td>
<td>164</td>
</tr>
<tr>
<td>Indirect</td>
<td>59</td>
</tr>
</tbody>
</table>

### Table 5: Ratios

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Benefit to Cost Ratio</td>
<td>4.6:1</td>
</tr>
<tr>
<td>Overall ROI</td>
<td>16.4:1</td>
</tr>
</tbody>
</table>

* Figures over 10 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.
Industries 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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The Pierce Arrow

Section 1: Applicant Background Information

Applicant Information - Company Receiving Benefit

Project Name: The Pierce Arrow
Applicant Name: Pierce Arrow LLC
Applicant Address: 1685-1695-1721 Elmwood Ave.
Applicant Address 2: Suite B34
Applicant City: Buffalo
Applicant State: New York
Applicant Zip: 14207
Phone: 3474510006
Fax: 7189722950
E-mail: josephhecht@gmail.com
Website: none
Federal ID#: 81-2176240
NAICS Code: 531110
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: Pierce Arrow LLC

Federal ID#: 81-2176240
State and Year of Incorporation/Organization: NY 2016

List of stockholders, members, or partners of Real Estate Holding Company: Robert Wolf 100%

Individual Completing Application

Name: Joseph J Hecht
Title: owners Rep / Manager
Address: 502-Taunton Place
Address 2:
City: Buffalo
State: New York
Zip: 14216
Phone
3474510006
Fax
7189722950
E-Mail
josephhecht@gmail.com
**Company Contact (if different from individual completing application)**

<table>
<thead>
<tr>
<th>Name</th>
<th>Menashe Grossman</th>
</tr>
</thead>
<tbody>
<tr>
<td>Title</td>
<td>Project Manager</td>
</tr>
<tr>
<td>Address</td>
<td>4706- 18th Ave.</td>
</tr>
<tr>
<td>City</td>
<td>Brooklyn</td>
</tr>
<tr>
<td>State</td>
<td>New York</td>
</tr>
<tr>
<td>Zip</td>
<td>11204</td>
</tr>
<tr>
<td>Phone</td>
<td>7189727878 ext 227</td>
</tr>
<tr>
<td>Fax</td>
<td></td>
</tr>
<tr>
<td>E-Mail</td>
<td><a href="mailto:mgrossman@readprop.com">mgrossman@readprop.com</a></td>
</tr>
</tbody>
</table>

**Company Counsel**

<table>
<thead>
<tr>
<th>Name of Attorney</th>
<th>Richard G Berger</th>
</tr>
</thead>
<tbody>
<tr>
<td>Firm Name</td>
<td></td>
</tr>
<tr>
<td>Address</td>
<td>705 Brisbane Building</td>
</tr>
<tr>
<td>Address 2</td>
<td>403 Main St</td>
</tr>
<tr>
<td>City</td>
<td>Buffalo</td>
</tr>
<tr>
<td>State</td>
<td>New York</td>
</tr>
<tr>
<td>Zip</td>
<td>14203</td>
</tr>
<tr>
<td>Phone</td>
<td>7168528188</td>
</tr>
<tr>
<td>Fax</td>
<td>7168520775</td>
</tr>
<tr>
<td>E-Mail</td>
<td><a href="mailto:rgberger@rgbergerlaw.com">rgberger@rgbergerlaw.com</a></td>
</tr>
</tbody>
</table>

**Identify the assistance being requested of the Agency**

<table>
<thead>
<tr>
<th>Exemption from Sales Tax</th>
<th>Yes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Exemption from Mortgage Tax</td>
<td>Yes</td>
</tr>
<tr>
<td>Exemption from Real Property Tax</td>
<td>No</td>
</tr>
<tr>
<td>Tax Exempt Financing*</td>
<td>No</td>
</tr>
</tbody>
</table>

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

**Business Organization**

<table>
<thead>
<tr>
<th>Type of Business</th>
<th>Limited Liability Company</th>
</tr>
</thead>
<tbody>
<tr>
<td>Type of Ownership</td>
<td></td>
</tr>
<tr>
<td>Year Established</td>
<td>2016</td>
</tr>
<tr>
<td>State of Organization</td>
<td>New York</td>
</tr>
</tbody>
</table>

List all stockholders, members, or partners with % of ownership greater than 20%
Please include name and % of ownership.

Robert Wolf 100%
Applicant Business Description

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

Read Property Group is a real estate owner and developer based in Brooklyn, NY. While the Pierce Arrow is our first project in Western NY, we have successfully completed several development/rehab projects in the New York City Area. We also own and manage rental apartments in multiple states with both market rate and affordable apartments in our portfolio. The company is headed by Robert Wolf, a real estate industry veteran of over 30 years. We are excited to be part of the Pierce Arrow project and are looking forward to restoring the grandeur of the Pierce Arrow Administration Building and making it into a beautiful addition to the resurgence of the City of Buffalo.

Estimated % of sales within Erie County: 100
Estimated % of sales outside Erie County but within New York State: 0
Estimated % of sales outside New York State but within the U.S.: 0
Estimated % of sales outside the U.S.: 0

(*Percentage to equal 100%)

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.

None contracted as yet but we anticipate utilizing predominantly local vendors.
Section II: Eligibility Questionnaire - Project Description & Details

Project Location

Municipality or Municipalities of current operations

The City of Buffalo

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

Yes

In which Municipality will the proposed project be located

City of Buffalo

Address

1685-1695-1721 Elmwood Ave. Buffalo NY 14207

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

MAIN BLDG. 78.77-2-6 AND 1721 BLDG 78.77-2-2

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

Main Bldg city tax $24,362.82 county tax $5056.41 1721 Bldg city tax $2435.61 county tax $505.65

Assessed value of land

$189,000

Assessed value of building(s)

$746,000

Are Real Property Taxes current?

Yes

If no please explain

Town/City/Village of Project Site

City of Buffalo

School District of Project Site

Buffalo City

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

Commercial Office Space
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 project includes complete renovation of the Historic Pierce Arrow Administration Building as well as the original Garage, where the completed Pierce Arrow automobiles were stored and tested prior to shipping. This project proposes introducing 105 "loft style" market rate apartments ranging from One Bedroom 600SF ($900/Mo) units to Two Bedroom Plus1400 SF ($1900/ Mo) Units. The project will provide 85 indoor parking spaces in the garage through a small addition to the north of the building. Outdoor parking will be provided at the site as well. Commercial space (10,000 SF) will be provided on the second floor in a very unique 32' high arched space, originally constructed as the Dining Room for the Pierce Arrow workers and preserved as a historic space by SHPO Guidelines. A small retail component will be provided to support tenants, including a laundry and management office. The work will create numerous construction jobs over the duration with the renovation of over 190,000 SF including the original administration building and the adjacent garage structure. When completed, the infusion of 150-200 residents and staff to this area will greatly enhance the economic vigor of this key blossoming portion of Elmwood Avenue.

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:

NA

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)

The historic Pierce Arrow Administration and Garage Buildings are around 110 years old and have been on the historic register of important places since the mid 1970's. The financial investment needed to bringing this project into the 21 century may not be viable without the help from the City of Buffalo pilot 485-A program as well as the ECIDA sales tax and mortgage recording tax assistance program as well as SHPO and Parks Dept Historic Tax credits and Brownfield Cleanup programs. In order to facilitate the project all Building, Zoning and Environmental Codes / cleanup need to be addressed and updated to comply with today's code as well as Accessibility and Life Safety Improvements are required to facilitate the project all this being done while keeping with in the guidelines of SHPO and Parks Dept. In addition, the financial viability of the project depends on providing apartments that are price competitive with the current market, limiting the upside potential on income.

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?

The project may not be financially viable and would be cancelled.

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

M1 Manufacturing

Describe required zoning/land use, if different

Residential

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

Approved

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
   currently working with the DEC to enter the Brownfield program

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

   If yes, please provide a copy.

Have any other studies, or assessments been undertaken with respect to the proposed Project Site that indicate the known or suspected presence of contamination that would complicate the site’s development?
   Yes

   If yes, please provide copies of the study.

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

   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.

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

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       Yes

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.

No Manufacturing

No Acquisition of Existing Facility

Yes Housing

No Equipment Purchase

Yes Multi-Tenant

Yes Commercial

No Back Office

Yes Retail

Yes Mixed Use

No Facility for the Aging

No Civic Facility (not for profit)

No Other
Project Information

Estimated costs in connection with project

Land and/or Building Acquisition

$3,850,000 190,000 square feet  acres

New Building Construction

$0 square feet

New Building addition(s)

$600,000 7,598 square feet

Infrastructure Work

$125,000

Renovation

$21,800,000 180,000 square feet

Manufacturing Equipment

$0

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

$750,000

Soft Costs: (professional services, etc.)

$1,700,000

Other Cost

$0

Explain Other Costs

Total Cost

$28,825,000

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:

some soft costs of around $300,000

Sources of Funds for Project Costs:

Equity (excluding equity that is attributed to grants/tax credits):

$20,625,000

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):

$8,200,000

Identify each state and federal grant/credit:
$1,200,000 brownfield $7,000,000 state & federal historic tax credit

Total Sources of Funds for Project Costs:
$28,825,000

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.
$15,000,000

Lender Name, if Known
na

Estimated Mortgage Recording Tax Exemption Benefit (% of estimated mortgage amount stated above):
$112,500

Construction Cost Breakdown:

Total Cost of Construction
$23,275,000
(sum of 2,3,4,5, and/or 7 in Question K, above)

Cost for materials
$12,000,000

% 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
$12,000,000

Estimated State and local Sales and Use Tax Benefit (product of 8.75% multiplied by the figure, above):
$1,050,000

Real Property Tax Benefit:

Identify and describe if the Project will utilize a real property tax exemption benefit OTHER THAN the Agency’s PILOT benefit:
city of buffalo 485-A

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

<table>
<thead>
<tr>
<th>Usage</th>
<th>Cost</th>
<th>% of Total Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Manufacturing/Processing</td>
<td>$0</td>
<td>0</td>
</tr>
<tr>
<td>Warehouse</td>
<td>$0</td>
<td>0</td>
</tr>
<tr>
<td>Research &amp; Development</td>
<td>$0</td>
<td>0</td>
</tr>
<tr>
<td>Commercial</td>
<td>$1,500,000</td>
<td>5</td>
</tr>
<tr>
<td>Retail</td>
<td>$75,000</td>
<td>1</td>
</tr>
</tbody>
</table>
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 use
Yes

What is your project timetable (Provide dates)

Start date: acquisition of equipment or construction of facilities
3/15/2017

End date: Estimated completion date of project
3/15/2018

Project occupancy: estimated starting date of operations
6/1/2018

Have construction contracts been signed?
No

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?
No

Employment Plan (Specific to the proposed project location):

<table>
<thead>
<tr>
<th>Current # of jobs at proposed project location or to be relocated at project location</th>
<th>IF FINANCIAL ASSISTANCE IS GRANTED – project the number of FTE and PT jobs to be RETAINED</th>
<th>IF FINANCIAL ASSISTANCE IS GRANTED – project the number of FTE and PT jobs to be CREATED upon TWO years after Project completion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Full time</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Part time</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>Total</td>
<td>1</td>
<td>0</td>
</tr>
</tbody>
</table>

** 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).

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

<table>
<thead>
<tr>
<th>Category of Jobs to be Retained and Created</th>
<th>Average Salary</th>
<th>Average Fringe Benefits</th>
</tr>
</thead>
<tbody>
<tr>
<td>Management</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>Professional</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>Administrative</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>Production</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>Independent Contractor</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>Other</td>
<td>$40,000</td>
<td>$8,000</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>Address</th>
<th>Full time</th>
<th>Part time</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
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</tr>
<tr>
<td></td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>
Will any of the facilities described above be closed or subject to reduced activity?

No

Payroll Information

Annual Payroll at Proposed Project Site

$ 80,000

Estimated average annual salary of jobs to be retained

$ 0

Estimated average annual salary of jobs to be created

$ 40,000

Estimated salary range of jobs to be created

From $ 20,000 To $ 40,000

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

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

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?

Yes

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

Historic Tax Credits, 485(a), Brownfield Cleanup Program
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

Studies on the need for local housing, particularly urban area. Trends for renovation of Historic Structures

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 project 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 1685-1695-1721 Elmwood Ave. Buffalo NY 14207
Name and Address of Owner of Premises Pierce Arrow LLC c/o Robert Wolf 4706-18th Ave Brooklyn NY 11204
Describe the general features of the Premises (include terrain, location of wetlands, coastlines, rivers, streams, lakes, etc.)
  Urban Factory Complex, Fiat Site, Adjacent to Bus Lines, Bordering by Conrail to the north
Describe the Premises (Including the age and date of construction of any improvements) and each of the operations or processes carried on or intended to be carried on at the Premises
  Building constructed in 1906 with numerous small renovations over the years. Facility will be used for market rate housing and small commercial office area.
Describe all known former uses of the Premises
  Automobile Manufacturing, Light Industrial, Office, Film Production, Artist Studios
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
  empty
Have there been any spills, releases or unpermitted discharges of petroleum, hazardous substances, chemicals or hazardous wastes at or near the Premises?
  No
If yes, describe and attach any incident reports and the results of any investigations
Has the Premises or any part of it ever been the subject of any enforcement action by any federal, state or local government entity, or does the preparer of this questionnaire have knowledge of: a) any current federal, state or local enforcement actions; b) any areas of non-compliance with any federal, state or local laws, ordinances, rules or regulations associated with operations over the past 12 months?
  No
If yes, please state the results of the enforcement action (consent order, penalties, no action, etc.) and describe the circumstances
Has there been any filing of a notice of citizen suit, or a civil complaint or other administrative or criminal procedure involving the Premises?
  No
If yes, describe in full detail

Solid And Hazardous Wastes And Hazardous Substances

Does any activity conducted or contemplated to be conducted at the premises generate, treat or dispose of any petroleum, petroleum-related products, solid and hazardous wastes or hazardous substances?
  No
If yes, provide the Premises' applicable EPA (or State) identification number
Have any federal, state or local permits been issued to the Premises for the use, generation and/or storage of solid and hazardous wastes?
  No
If yes, please provide copies of the permits.
Identify the transporter of any hazardous and/or solid wastes to or from the Premises
Identify the solid and hazardous waste disposal or treatment facilities which have received wastes from the Premises for the past two (2) years
Does or is it contemplated that there will occur at the Premises any accumulation or storage of any hazardous wastes on-site for disposal for longer than 90 days?

No

If yes, please identify the substance, the quantity and describe how it is stored

Discharge Into Waterbodies
Briefly describe any current or contemplated industrial process discharges (including the approximate volume, source, type and number of discharge points). Please provide copies of all permits for such discharges

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

na

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?

Yes

If yes, please identify the materials
report to follow as attachment
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.
Section VII: Adaptive Reuse Projects

Are you applying for tax incentives under the Adaptive Reuse Program? Yes
What is the age of the structure (in years)? 110
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) Yes
If vacant, number of years vacant. 1
If underutilized, number of years underutilized. 6
Describe the use of the building during the time it has been underutilized: office and light manufacturing
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) Yes
If yes, please provide dollar amount of income being generated, if any $0
Does the site have historical significance? Yes
Are you applying for either State/Federal Historical Tax Credit Programs? Yes
If yes, provide estimated value of tax credits $7,000,000

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)

The Pierce Arrow Factory Complex Administration Building and Garage has been underutilized for a number of years, leading to extensive exterior repairs, code required upgrades, accessibility and replacement of antiquated MEP systems. The costs for this work will exceed the anticipated revenue for the 105 residential lofts planned for the building.

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

The project has applied for Historic Preservation Tax Credits, will apply for relief on the 485a PILOT program through the City, Brownfield Cleanup Program through the DEC.

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

The current Pierce Arrow complex has been underutilized for many years and as such has some significant masonry repair required to stabilize the exterior envelope. In addition the site has been used for manufacturing for many years and presents challenges as the site is remediated for residential use. The building has significant issues relating to code compliance which require a new four story stair, replacement elevators, accessibility and many other smaller upgrades. The site is also on the Historical National Register, requiring a higher level of renovation detail.
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?

No

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?
Yes

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?
1%

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>
Pine Pharmaceuticals, LLC
$5,600,000
INDUCEMENT RESOLUTION

Project Title: Pine Pharmaceuticals, LLC
Project Address: 355 Riverwalk Parkway
Tonawanda, New York 14150
(Kenmore – TTN UFSD)

Agency Request
A sales tax, mortgage recording tax and real property tax abatement in connection with the construction of a manufacturing facility.

<table>
<thead>
<tr>
<th>Item</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land Acquisition</td>
<td>$300,000</td>
</tr>
<tr>
<td>New Building Construction</td>
<td>$4,500,000</td>
</tr>
<tr>
<td>Manufacturing Equipment</td>
<td>$200,000</td>
</tr>
<tr>
<td>Non-Manufacturing Equipment</td>
<td>$300,000</td>
</tr>
<tr>
<td>Soft Costs</td>
<td>$300,000</td>
</tr>
<tr>
<td>Total Project Cost</td>
<td>$5,600,000</td>
</tr>
<tr>
<td>85%</td>
<td>$4,760,000</td>
</tr>
</tbody>
</table>

Company Description
Pine Pharmaceuticals is an FDA-registered outsourcing facility. This entity was created in November, 2013 to allow custom pharmaceuticals to be shipped directly to a physician for in-office use. The company creates sterile and non-sterile compounds and sells them to practitioners for administration in office to the patient. Products are made for ophthalmologists, dermatologists as well as for hospital use.

Project Description
Pine Pharmaceuticals currently operates out of 4,280 sq. ft. of leased space in the Town of Tonawanda.

The proposed projects consists of the acquisition of land and construction of a 25,000 square foot manufacturing facility to accommodate current and future growth. Significant equipment purchases will be made to equip new cleanrooms.

New Tax Revenue Estimated

<table>
<thead>
<tr>
<th>Current Yearly Taxes</th>
<th>Estimated New Assessed Value</th>
<th>Additional County Revenue over 10 Year Abatement Period</th>
<th>Additional City Revenue over 10 Year Abatement Period</th>
<th>New Yearly Taxes Upon Expiration of Abatement Period</th>
</tr>
</thead>
<tbody>
<tr>
<td>N/A</td>
<td>$1,161,000</td>
<td>$32,000</td>
<td>$200,000</td>
<td>$110,000</td>
</tr>
</tbody>
</table>

Combined Tax Rate: $95
The project will generate approximately $232,000 of revenue to the local taxing jurisdictions over the abatement period representing $32,400 to the County of Erie, $80,000 to the Town of Tonawanda, $120,000 to the Kenmore-TTN School District.

<table>
<thead>
<tr>
<th>Year</th>
<th>% Payment under PILOT</th>
<th>Est. County PILOT</th>
<th>Est. Town PILOT</th>
<th>Est. School PILOT</th>
<th>Est. Total PILOT</th>
<th>Full Taxes without PILOT</th>
<th>Net Exemption</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>10%</td>
<td>$1,544</td>
<td>$3,796</td>
<td>$5,717</td>
<td>$11,057</td>
<td>$110,571</td>
<td>$99,514</td>
</tr>
<tr>
<td>2</td>
<td>10%</td>
<td>$1,544</td>
<td>$3,796</td>
<td>$5,717</td>
<td>$11,057</td>
<td>$110,571</td>
<td>$99,514</td>
</tr>
<tr>
<td>3</td>
<td>10%</td>
<td>$1,544</td>
<td>$3,796</td>
<td>$5,717</td>
<td>$11,057</td>
<td>$110,571</td>
<td>$99,514</td>
</tr>
<tr>
<td>4</td>
<td>20%</td>
<td>$3,088</td>
<td>$7,592</td>
<td>$11,434</td>
<td>$22,114</td>
<td>$110,571</td>
<td>$88,457</td>
</tr>
<tr>
<td>5</td>
<td>20%</td>
<td>$3,088</td>
<td>$7,592</td>
<td>$11,434</td>
<td>$22,114</td>
<td>$110,571</td>
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<td>6</td>
<td>20%</td>
<td>$3,088</td>
<td>$7,592</td>
<td>$11,434</td>
<td>$22,114</td>
<td>$110,571</td>
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</tr>
<tr>
<td>7</td>
<td>30%</td>
<td>$4,632</td>
<td>$11,389</td>
<td>$17,151</td>
<td>$33,171</td>
<td>$110,571</td>
<td>$77,400</td>
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<td>$110,571</td>
<td>$77,400</td>
</tr>
<tr>
<td></td>
<td>TOTAL PAYMENTS</td>
<td>$32,422</td>
<td>$79,721</td>
<td>$120,057</td>
<td>$232,200</td>
<td>$1,105,713</td>
<td>$873,513</td>
</tr>
</tbody>
</table>

**Draft Recapture Material Terms**

<table>
<thead>
<tr>
<th>Condition</th>
<th>Term</th>
<th>Recapture Provision</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Investment</td>
<td>At project completion</td>
<td>Investment amount equal to or greater than 85% of project amount. Total project Amount = $5,600,000 85% = $4,760,000</td>
</tr>
</tbody>
</table>
| Employment    | Coincides with 10-year PILOT | Maintain Base = 15  
Create 85% of Projected  
Projected = 12  
85% = 10  
Recapture Employment = 25 |
| Local Labor   | Construction Period         | Adherence to policy including quarterly reporting                                      |
| Pay Equity    | Coincides with 10-year PILOT | Adherence to Policy                                                                    |
| Unpaid Tax    | Coincides with 10-year PILOT | Adherence to Policy                                                                    |
| Recapture Period | 10 year PILOT term        | Real Property Taxes  
State and Local Sales Taxes  
Mortgage Recording Taxes |

Recapture applies to:

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

77
Recapture

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

At completion of project company must certify i) total investment amount equal to or greater than 85% of the anticipated project amount proposed ii) confirm that company has 25 employees at the facility iii) confirm adherence to ECIDA unpaid taxes, pay equity and local labor hiring policy for the recapture terms.
** The PILOT Worksheet will be: (i) completed by IDA Staff based upon information contained within the Application, and (ii) provided to the Applicant for ultimate inclusion as part of this completed Application.

**PILOT Estimate Table Worksheet-Pine Pharmaceutical, LLC 2016**

<table>
<thead>
<tr>
<th>Dollar Value of New Construction and Renovation Costs</th>
<th>Estimated New Assessed Value of Property Subject to IDA*</th>
<th>County Tax Rate/1000</th>
<th>Local Tax Rate (Town/City/Village)/1000</th>
<th>School Tax Rate/1000</th>
</tr>
</thead>
<tbody>
<tr>
<td>$1,161,000</td>
<td>$4,500,000</td>
<td>$13.29</td>
<td>$32.70</td>
<td>$49.24</td>
</tr>
</tbody>
</table>

*Apply equalization rate to value

<table>
<thead>
<tr>
<th>PILOT Year</th>
<th>% Payment</th>
<th>County PILOT Amount</th>
<th>Local PILOT Amount</th>
<th>School PILOT Amount</th>
<th>Total PILOT</th>
<th>Full Tax Payment w/o PILOT</th>
<th>Net Exemption</th>
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<td>$120,057</td>
<td>$232,200</td>
<td>$1,105,713</td>
<td>$873,513</td>
</tr>
</tbody>
</table>

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

Percentage of Project Costs financed from Public Sector Table Worksheet:

<table>
<thead>
<tr>
<th>Total Project Cost</th>
<th>Estimated Value of PILOT</th>
<th>Estimated Value of Sales Tax Incentive</th>
<th>Estimated Value of Mortgage Tax Incentive</th>
<th>Total of Other Public Incentives (Tax Credits, Grants, ESD Incentives, etc.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>$5,600,000</td>
<td>$873,513</td>
<td>$278,250</td>
<td>$27,750</td>
<td>$0</td>
</tr>
</tbody>
</table>

Calculate %

(Est. PILOT + Est. Sales Tax+ Est. Mortgage Tax+ Other)/Total Project Costs: 21.0 %
# ADDENDUM TO PROJECT LOG

**PINE PHARMACEUTICALS, LLC**

<table>
<thead>
<tr>
<th>Evaluative Criteria</th>
<th>Notes</th>
</tr>
</thead>
</table>
| Wage Rate (above median wage for area)                   | Erie County per capita income: $28,512  
Company estimated average salary of jobs to be retained: $90,000  
Company estimated average salary of jobs to be created: $90,000 |
| Regional Wealth Creation (% sales/customers outside area) | Sales:  
Outside Erie County and within NYS: 10%  
Outside NYS and within U.S.: 88% |
| In Region Purchases (% of overall purchases)             | 35% of annual supplies and vendor services are within Erie County    |
| Research & Development Activities                        | The company performs research and development on every product prior to selling.  
In 2015, approximately 14-15% 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                                    | The company has stated that the project is reasonably necessary to prevent the project occupant from moving out of NYS because out of state locations provide for a friendlier business environment. Additionally, given that almost 90% of business is conducted outside of NYS, the company could be located anywhere. |
| MBE/WBE Utilization                                     | N/A                                                                  |
| Workforce Access – Proximity to Public Transportation     | The facility is on a bus route. Niagara Falls #40                  |
Table 1: Basic Information

<table>
<thead>
<tr>
<th>Project Name</th>
<th>Pine Pharmaceuticals, LLC</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project Industry</td>
<td>(325) Chemical Manufacturing</td>
</tr>
<tr>
<td>Municipality</td>
<td>Tonawanda Town</td>
</tr>
<tr>
<td>School District</td>
<td>Kenmore-Town of Tonawanda</td>
</tr>
<tr>
<td>Project Cost</td>
<td>$5,600,000</td>
</tr>
<tr>
<td>Construction Budget</td>
<td>$4,500,000</td>
</tr>
<tr>
<td>Direct Employment Expected</td>
<td>13</td>
</tr>
<tr>
<td>Direct Labor Income</td>
<td>$1,170,000</td>
</tr>
<tr>
<td>Direct Construction Jobs</td>
<td>33</td>
</tr>
<tr>
<td>Direct Construction Labor</td>
<td>$1,729,461</td>
</tr>
<tr>
<td>Total Labor Income</td>
<td>$2,899,461</td>
</tr>
</tbody>
</table>

Table 2: Estimated State & Regional Benefits

<table>
<thead>
<tr>
<th>Region</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>New Property Tax Revenue (PILOT or Improvements)</td>
<td>$225,703</td>
</tr>
<tr>
<td>Sales Tax Revenue</td>
<td>$492,913</td>
</tr>
<tr>
<td>State</td>
<td></td>
</tr>
<tr>
<td>Income Tax Revenue</td>
<td>$1,401,384</td>
</tr>
<tr>
<td>Sales Tax Revenue</td>
<td>$415,085</td>
</tr>
<tr>
<td><strong>TOTAL Estimated Revenue</strong></td>
<td><strong>$2,535,085</strong></td>
</tr>
</tbody>
</table>

Table 3: Estimated Project Incentives

<table>
<thead>
<tr>
<th>Incentive</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Property Tax Savings</td>
<td>$890,183</td>
</tr>
<tr>
<td>Sales Tax Savings</td>
<td>$240,625</td>
</tr>
<tr>
<td>Mortgage Tax Savings</td>
<td>$27,750</td>
</tr>
<tr>
<td><strong>TOTAL Estimated Incentives</strong></td>
<td><strong>$1,158,558</strong></td>
</tr>
</tbody>
</table>
Table 4: Employment Breakdown

<table>
<thead>
<tr>
<th>Project</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct**</td>
<td>13</td>
</tr>
<tr>
<td>Indirect***</td>
<td>30</td>
</tr>
<tr>
<td>Induced****</td>
<td>23</td>
</tr>
<tr>
<td>Construction</td>
<td></td>
</tr>
<tr>
<td>Direct</td>
<td>33</td>
</tr>
<tr>
<td>Indirect</td>
<td>12</td>
</tr>
</tbody>
</table>

Table 5: Ratios

<table>
<thead>
<tr>
<th>Ratio</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Benefit to Cost Ratio</td>
<td>2.2:1</td>
</tr>
<tr>
<td>Overall ROI</td>
<td>34.2:1</td>
</tr>
</tbody>
</table>

* Figures over 10 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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Section I: Applicant Background Information

Applicant Information - Company Receiving Benefit

Project Name: Pine Pharmaceuticals Tonawanda Project
Applicant Name: Pine Pharmaceuticals LLC
Applicant Address: 100 Colvin Woods Pkwy
Applicant Address 2: Ste 300
Applicant City: Tonawanda
Applicant State: New York
Applicant Zip: 14150
Phone: 7162481025
Fax: 7167683948
E-mail: ajmuto@pinepharmaceuticals.com
Website: www.pinepharmaceuticals.com
Federal ID#: 46-5276266
NAICS Code: 325412
Will a Real Estate Holding Company be utilized to own the Project property/facility: No
What is the name of the Real Estate Holding Company:
Federal ID#:
State and Year of Incorporation/Organization:
List of stockholders, members, or partners of Real Estate Holding Company:

Individual Completing Application

Name: Alfonse J. Muto
Title: Member
Address: 100 Colvin Woods Pkwy
Address 2: Ste 300
City: Tonawanda
State: New York
Zip: 14150

http://www.ecidary.com/app/tax-incentive-application-2014/print/515
Phone 7162481025
Fax 7167683948
E-Mail ajmuto@pinepharmaceuticals.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: David Colligan
Firm Name: Colligan Law LLP
Address: 12 Fountain Plaza
Address 2: Suite 600
City: Buffalo
State: New York
Zip: 14202
Phone: 7168851150
Fax
E-Mail

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: Limited Liability Company
Type of Ownership
Year Established: 2014

List all stockholders, members, or partners with % of ownership greater than 20%
Please include name and % of ownership.

Riverpoint L.P. 98%
Applicant Business Description

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

Pine Pharmaceuticals is an FDA-registered 503B Outsourcing Facility. This entity was created in November of 2013 to allow custom pharmaceuticals to be shipped directly to a physician for in office use. Our firm creates sterile and non-sterile compounds and sells them to practitioners for administration in office to the patient. We make products for ophthalmology, dermatology, hospitals and other niche areas. We are one of only about 60 companies in the United States registered as an outsourcing facility.

Estimated % of sales within Erie County 2
Estimated % of sales outside Erie County but within New York State 10
Estimated % of sales outside New York State but within the U.S. 88
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

35%
Section II: Eligibility Questionnaire - Project Description & Details

Project Location

Municipality or Municipalities of current operations
Tonawanda

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

In which Municipality will the proposed project be located
Tonawanda

Address
355 Riverwalk Pkwy Tonawanda NY 14150

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
TBD

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

Assessed value of land
TBD

Assessed value of building(s)
TBD

Are Real Property Taxes current?
Yes

If no please explain

Town/City/Village of Project Site
Town of Tonawanda

School District of Project Site
Kenmore-Town of Tonawanda Union Free School District

Does the Applicant or any related entity currently hold fee title to the Project site?
No

If No, indicate name of present owner of the Project Site
Currently TM Montante, but applicant is currently in the process of purchasing the land.

Does Applicant or related entity have an option/contract to purchase the Project site?
No

Describe the present use of the Proposed Project site
Proposed project site is currently vacant land.

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)

Currently, Pine occupies a 4280 square foot space in Tonawanda, NY. The business continues to grow and Pine is building a new 25,000 square foot building to accommodate current and future growth. Pine Pharmaceuticals will be the sole tenant of the building. Because Pine is a sterile compounding, significant equipment purchases will be made to equip the new cleanrooms. Equipment such as HVAC, HEPA filters, biological safety cabinets, laminar flow workbenches, convection ovens, and autoclaves.

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:

Our facility distributes product throughout the nation, and the location of the facility is not crucial to business. This project would not go forward within Erie County without financial assistance.

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)

The Agency’s Financial Assistance is necessary due to the large capital investment into the growth of this company. Our project entails investing close to $5 million dollars in a building and equipment. A new facility is paramount in retaining the current jobs because our current facility is operating at capacity. With the new facility, we plan to immediately hire 4-6 additional employees upon receipt of our certificate of occupancy with future job creation as outlined in this application. New York State is a more costly state to do business in than many other states. This puts us at a bit of disadvantage when competing with companies in more business friendly states. We are also at a disadvantage during our winter months as weather often causes shipping delays that are not experienced from companies operating in a more mild climate.

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?

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

WB - Waterfront Business District

Describe required zoning/land use, if different

NA

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

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?

N/A

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.

Our company performs research and development of every product prior to selling. Activities include compatibility of the product within the formulation, stability of the product over time, sterility of the product over time, among others. Pine Pharmaceuticals is also a supplier of medications for clinical trials.

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

In 2015 14.4% of expenditures were attributed to research and development activities.

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  No

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  No 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
  $ 300,000                              square feet  4 acres
New Building Construction
  $ 4,500,000                              25,000 square feet
New Building addition(s)
  $ 0                                    square feet
Infrastructure Work
  $ 0
Renovation
  $ 0                                    square feet
Manufacturing Equipment
  $ 200,000                              
Non-Manufacturing Equipment: (furniture, fixtures, etc.)
  $ 300,000                              
Soft Costs: (professional services, etc.)
  $ 300,000                              
Other Cost
  $ 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):
  $ 1,900,000
Bank Financing:
  $ 3,700,000
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:
$5,600,000

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.
$3,700,000

Lender Name, if Known
TBD

Estimated Mortgage Recording Tax Exemption Benefit (% of estimated mortgage amount stated above):
$27,750

Construction Cost Breakdown:

Total Cost of Construction
$4,800,000 (sum of 2,3,4,5, and/or 7 in Question K, above)

Cost for materials
$2,880,000

% sourced in Erie County
TBD but estimated at 50%

% sourced in State
TBD but estimated at 90% (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
$3,180,000

Estimated State and local Sales and Use Tax Benefit (product of 8.75% multiplied by the figure, above):
$278,250

Real Property Tax Benefit:

Identify and describe if the Project will utilize a real property tax exemption benefit OTHER THAN the Agency’s PILOT benefit:
At this time we are not aware of any other available benefits.

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

<table>
<thead>
<tr>
<th>Use</th>
<th>Cost</th>
<th>% of Total Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Manufacturing/Processing</td>
<td>$2,800,000</td>
<td>50</td>
</tr>
<tr>
<td>Warehouse</td>
<td>$1,120,000</td>
<td>20</td>
</tr>
<tr>
<td>Research &amp; Development</td>
<td>$0</td>
<td>0</td>
</tr>
<tr>
<td>Commercial</td>
<td>$0</td>
<td>0</td>
</tr>
<tr>
<td>Retail</td>
<td>$0</td>
<td>0</td>
</tr>
<tr>
<td>Office</td>
<td>$1,680,000</td>
<td>30</td>
</tr>
<tr>
<td>Specify Other</td>
<td>$0</td>
<td>0</td>
</tr>
</tbody>
</table>


92
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)

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

3/14/2017

End date: Estimated completion date of project

9/28/2017

Project occupancy: estimated starting date of operations

11/3/2017

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?

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):

<table>
<thead>
<tr>
<th>Current # of jobs at proposed project location or to be relocated at project location</th>
<th>IF FINANCIAL ASSISTANCE IS GRANTED – project the number of FTE and PT jobs to be RETAINED</th>
<th>IF FINANCIAL ASSISTANCE IS GRANTED – project the number of FTE and PT jobs to be CREATED upon TWO years after Project completion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Full time</td>
<td>15</td>
<td>15</td>
</tr>
<tr>
<td>Part time</td>
<td>4</td>
<td>4</td>
</tr>
<tr>
<td>Total</td>
<td>19</td>
<td>15</td>
</tr>
</tbody>
</table>

** 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).

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

<table>
<thead>
<tr>
<th>Category of Jobs to be Retained and Created</th>
<th>Average Salary</th>
<th>Average Fringe Benefits</th>
</tr>
</thead>
<tbody>
<tr>
<td>Management</td>
<td>$150,000</td>
<td>$20,000</td>
</tr>
<tr>
<td>Professional</td>
<td>$150,000</td>
<td>$20,000</td>
</tr>
<tr>
<td>Administrative</td>
<td>$50,000</td>
<td>$15,000</td>
</tr>
<tr>
<td>Production</td>
<td>$50,000</td>
<td>$15,000</td>
</tr>
<tr>
<td>Independent Contractor</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>Other</td>
<td>$175,000</td>
<td>$20,000</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>Address</th>
<th>Full time</th>
<th>Part time</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>100 Colvin Woods</td>
<td>15</td>
<td>4</td>
<td>19</td>
</tr>
<tr>
<td>Pkwy Ste 300</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tonawanda, NY</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>14150</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>0</th>
<th>0</th>
<th>0</th>
</tr>
</thead>
</table>

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

Payroll Information

Annual Payroll at Proposed Project Site
$ 2,700,000

Estimated average annual salary of jobs to be retained
$ 90,000

Estimated average annual salary of jobs to be created
$ 90,000

Estimated salary range of jobs to be created
From $ 50,000 To $ 175,000

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
It is reasonably necessary to prevent the project from moving out of New York State because many states are more business friendly. Currently our business is in Erie County and it is our desire to expand in Erie County. We want to explore all opportunities here before exploring elsewhere.

What competitive factors led you to inquire about sites outside of New York State?
Lower cost of property, more business friendly environments, less taxes, lower cost of labor.

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?
Yes

If yes, what type of assistance (Historic Tax Credits, 485(a), Grants, Utility Loans, Energy Assistance, Workforce Training)
Yes, CFA through NYS.
Section III: Facility Type - Single or Multi Tenant

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

For Single Use Facility

Occupant Name: Pine Pharmaceuticals
Address: 100 Colvin Woods Pkwy Ste 300 Tonawanda, NY 14150
Contact Person: Alfonse J. Muto
Phone: 7162481025
Fax: 7167683948
E-Mail: ajmuto@pinepharmaceuticals.com
Federal ID #: 46-5276266
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.

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

http://www.ecidny.com/app/tax-incentive-application-2014/print/515
Section IV: Tenant Information
Section V: Environmental Questionnaire

General Background Information

Address of Premises
Riverview Solar Technology Park - Riverwalk Pkwy south of River Road (address TBD)

Name and Address of Owner of Premises
5201 River Road Inc. 2760 Kenmore Avenue Tonawanda NY 14150

Describe the general features of the Premises (include terrain, location of wetlands, coastlines, rivers, streams, lakes, etc.)
This project includes the construction of a 1-story office, lab, and warehouse facility with associated parking on a 4.2± acre parcel on the west side of Riverwalk Pkwy, south of River Road, in the Town of Tonawanda, New York. The site is currently undeveloped, mostly brush and trees containing a clearing and previously-placed earthen spoil piles.

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
This project includes the construction of a 1-story office, lab, and warehouse facility with associated parking on a 4.2± acre parcel on the west side of Riverwalk Pkwy, south of River Road, in the Town of Tonawanda, New York. Pine Pharmaceuticals will utilize the new state-of-the-art facility to produce and distribute compounded pharmaceutical products throughout the country. More specifically, they will focus on providing non-patient specific sterile injectable products for medical practices, clinics, hospitals and other medical facilities.

Describe all known former uses of the Premises
There were no known former uses of the property.

Does any person, firm or corporation other than the owner occupy the Premises or any part of it?
No

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

Have there been any spills, releases or unpermitted discharges of petroleum, hazardous substances, chemicals or hazardous wastes at or near the Premises?
No

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

Has the Premises or any part of it ever been the subject of any enforcement action by any federal, state or local government entity, or does the preparer of this questionnaire have knowledge of: a) any current federal, state or local enforcement actions; b) any areas of non-compliance with any federal, state or local laws, ordinances, rules or regulations associated with operations over the past 12 months?
No

If yes, please state the results of the enforcement action (consent order, penalties, no action, etc.) and describe the circumstances

Has there been any filing of a notice of citizen suit, or a civil complaint or other administrative or criminal procedure involving the Premises?
No

If yes, describe in full detail

Solid And Hazardous Wastes And Hazardous Substances

Does any activity conducted or contemplated to be conducted at the premises generate, treat or dispose of any petroleum, petroleum-related products, solid and hazardous wastes or hazardous substances?
No

If yes, provide the Premises' applicable EPA (or State) identification number

Have any federal, state or local permits been issued to the Premises for the use, generation and/or storage of solid and hazardous wastes?
No

If yes, please provide copies of the permits.

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

Does or is it contemplated that there will occur at the Premises any accumulation or storage of any hazardous wastes on-site for disposal for longer than 90 days?

No

If yes, please identify the substance, the quantity and describe how it is stored

Discharge Into Waterbodies

Briefly describe any current or contemplated industrial process discharges (including the approximate volume, source, type and number of discharge points). Please provide copies of all permits for such discharges

None

Identify all sources of discharges of water, including discharges of waste water, process water, contact or noncontact cooling water, and stormwater. Attach all permits relating to the same. Also Identify any septic tanks on site

This development will result in an increase in impervious surfaces on this site. In turn, there will be an increase in the rate of storm water runoff. After the proposed development occurs, runoff from the new building and parking areas will be collected and conveyed to a bio retention basin. The dry detention basin will provide the storm water attenuation required to control the discharge of the increased storm water in accordance with Town of Tonawanda requirements.

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?
No

If yes, please identify the materials
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  
Yes  

Within Erie County  
Yes  

If Yes to either question, please explain  
We will be relocating from our current address at 100 Colvin Woods Pkwy Tonawanda, NY 14150.

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.)

We are looking for a location relatively close to a major thruway. We are looking for a piece of land to build a building to meet the specific requirements of our industry.

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?  
At this time plans are to sub-lease the space.

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

N. Youngman Commercer Center (parcel D or E) - We were not entirely comfortable with the site. There was considerable amount of site development work that was needed. This would impede our projected timeline. 310 Wheeler St. - This was located adjacent to some run-down warehousing. We did not feel this was appropriate for the 'clean' image required in pharmaceuticals.
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: <BLANK>
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? 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?

<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

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>