



**Buffalo and Erie County Industrial Land Development Corporation  
Meeting of Membership  
June 27, 2018  
@ 8:45 a.m.  
95 Perry Street  
4th Floor – Vista Room  
Buffalo, New York 14203**

**1.0 Call to Order**

**2.0 Approval of Minutes**

- 2.1 Approval of the April 25, 2018 Minutes of the Joint Meeting of the Membership and the Board of Directors (Pages 2-3)

**3.0 Reports / Action Items / Information Items:**

3.1 Financial Report (Pages 4-7)

3.2 Bethlehem Steel Project Agreements (Pages 26)

- a) Buffalo Billion II Incentive Proposal
- b) Bethlehem Steel Land Purchase Option
- c) Bethlehem Steel Phase II Rail Relocation Agreement

3.3 Angola Airport Letter of Intent (Discussion)

**4.0 Adjournment - Next Meeting July 25, 2018 at 8:45 a.m.**

**MINUTES OF THE JOINT ANNUAL MEETING OF THE  
BOARD OF DIRECTORS AND MEMBERSHIP  
OF THE  
BUFFALO AND ERIE COUNTY  
INDUSTRIAL LAND DEVELOPMENT CORPORATION  
(ILDC)**

- DATE AND PLACE:** April 25, 2018, at the Erie County Industrial Development Agency, 95 Perry Street, 4<sup>th</sup> Floor Conference Room, Buffalo, New York 14203
- PRESENT:** Hon. Byron W. Brown, Hon. Mark C. Poloncarz, Hon. Peter J. Savage, III and Maria Whyte
- EXCUSED:** Hon. Patrick Burke, Richard Lipsitz, Jr. and John J. Mudie
- OTHERS PRESENT:** Steve Weathers, Chief Executive Officer; John Cappellino, Executive Vice President; Mollie Profic, Treasurer; Karen M. Fiala, Assistant Treasurer; and Robert G. Murray, Secretary
- GUESTS:** Andrew Federick, Erie County Senior Economic Development Specialist

There being a quorum present at 8:49 a.m., the meeting of the Board of Directors of the Buffalo and Erie County Industrial Land Development Corporation (the "Corporation") was called to order by its Chair, Mr. Poloncarz.

**MINUTES**

Upon motion made by Mr. Brown, and seconded by Ms. Whyte, the March 21, 2018 minutes of the Board of Directors were unanimously approved.

**REPORTS / ACTION ITEMS / INFORMATION ITEMS**

Financial Report. Ms. Profic presented the March 2018 Financial Report. Ms. Profic noted that the ILDC ended the month of March with total assets of \$7.1 million and net assets of \$6.7 million. The main fluctuations were a decrease in cash and a decrease in amounts due to the Erie County Industrial Development Agency ("ECIDA"), as the management fees due to the ECIDA were paid in March. The monthly income statement shows income of \$42 and expenses of \$5,800 for a net loss of \$5,700. March professional services costs included consulting, legal, and auditing costs. The year to date income statement shows total revenues of \$128 and expenses of \$10,000 for a net loss of \$9,800. Mr. Poloncarz directed that the report be received and filed.

Annual Report of the Directors. Ms. Profic commented that the New York State Not-For-Profit Corporation law requires certain information to be presented in an annual report at the annual meeting of the ILDC. Ms. Profic commented that the first four statutory requirements were satisfied at the March 2018 meeting with the presentation of the audited financial statements. The final

requirement is reporting that the ILDC continues to have one membership position, which is held by Erie County. Ms. Whyte moved and Mr. Brown seconded to approve of the annual report. Mr. Poloncarz called for the vote and the annual report was unanimously approved.

Nominating Committee Update. Mr. Weathers reviewed the proposed committee membership and ILDC officer positions. Ms. Whyte moved and Mr. Brown seconded to approve of the proposed committee membership and ILDC officer positions. Mr. Poloncarz called for the vote and the proposed slate of committee members and officers were unanimously approved.

There being no further business to discuss, Mr. Poloncarz adjourned the meeting at 8:59 a.m.

Dated: April 25, 2018

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Robert G. Murray, Secretary

**Industrial Land Development Corp.**  
**Financial Statements**  
As of May 31, 2018

**INDUSTRIAL LAND DEVELOPMENT CORPORATION ("ILDC")**

**Balance Sheet**

May 31, 2018

	<b>May 2018</b>	<b>April 2018</b>	<b>December 2017</b>
<b>ASSETS:</b>			
Restricted Cash *	\$ 198,118	\$ 197,708	\$ 245,815
Grants Receivable	362,500	362,500	362,500
Loans Receivable, net	23,255	23,816	26,058
Loan Interest Receivable	45	45	45
Total Loan Assets	<u>23,300</u>	<u>23,861</u>	<u>26,103</u>
Fixed Assets	6,530,672	6,530,672	6,530,672
Total Assets	<u>\$ 7,114,590</u>	<u>\$ 7,114,741</u>	<u>\$ 7,165,090</u>
<b>LIABILITIES &amp; NET ASSETS:</b>			
Accounts Payable	\$ 3,000	\$ 3,000	\$ 17,048
Due to/(from) ECIDA	835	668	22,609
Other Liabilities	392,508	392,504	392,527
Total Liabilities	<u>396,343</u>	<u>396,172</u>	<u>432,184</u>
Restricted Fund Balance	6,718,247	6,718,569	6,732,906
Total Liabilities & Net Assets	<u>\$ 7,114,590</u>	<u>\$ 7,114,741</u>	<u>\$ 7,165,090</u>

	<b>May 2018</b>	<b>April 2018</b>	<b>December 2017</b>
<b>* Loan Portfolio Summary:</b>			
# of Loans	<u>1</u>	<u>1</u>	<u>1</u>

\* Cash is invested in interest bearing accounts at M&T Bank.  
The maximum FDIC insured amount is \$250,000 with the remainder collateralized with government obligations by the financial institution.

**INDUSTRIAL LAND DEVELOPMENT CORPORATION ("ILDC")**

**Income Statement**

Month of May 2018

	<b>Actual vs. Budget</b>		
	<b>Actual</b>	<b>Budget</b>	<b>Variance</b>
<b>REVENUES:</b>			
Interest Income - Loans	\$ 41	\$ 42	\$ (1)
Interest Income - Cash & Inv.	1	-	1
Total Revenues	<u>42</u>	<u>42</u>	<u>(0)</u>
<b>EXPENSES:</b>			
Management Fee - ECIDA	\$ 167	\$ 2,417	(2,250)
Professional Services	11,605	317	11,289
Other Expenses	28,591	229	28,362
Total Expenses	<u>40,364</u>	<u>2,963</u>	<u>37,401</u>
<b>SPECIAL PROJECT GRANTS:</b>			
ECIDA Bethlehem Industrial Park Grant	40,000	-	40,000
<b>NET INCOME/(LOSS):</b>	<u>\$ (322)</u>	<u>\$ (2,921)</u>	<u>\$ 2,599</u>

**INDUSTRIAL LAND DEVELOPMENT CORPORATION ("ILDC")**

**Income Statement**  
Year to Date: May 31, 2018

	Actual vs. Budget			Actual vs. Prior Year		
	Actual	Budget	Variance	Actual	Prior Year	Variance
<b>REVENUES:</b>						
Interest Income - Loans	\$ 209	\$ 208	\$ 1	\$ 209	\$ 248	\$ (39)
Interest Income - Cash & Inv.	3	-	3	3	-	3
Other Income	-	-	-	-	1,754	(1,754)
<b>Total Revenues</b>	<b>212</b>	<b>208</b>	<b>4</b>	<b>212</b>	<b>2,002</b>	<b>(1,790)</b>
<b>EXPENSES:</b>						
Management Fee - ECIDA	\$ 835	\$ 12,083	(11,248)	\$ 835	\$ 208	\$ 627
Professional Services	24,462	1,583	22,879	24,462	61,563	(37,101)
Other Expenses	29,574	1,146	28,428	29,574	957	28,617
<b>Total Expenses</b>	<b>54,872</b>	<b>14,813</b>	<b>40,059</b>	<b>54,872</b>	<b>62,728</b>	<b>(7,856)</b>
<b>SPECIAL PROJECT GRANTS:</b>						
ECIDA Bethlehem Industrial Park Grant	40,000	-	40,000	40,000	50,000	(10,000)
	40,000	-	40,000	40,000	50,000	(10,000)
<b>NET INCOME/(LOSS):</b>	<b>\$ (14,659)</b>	<b>\$ (14,604)</b>	<b>\$ (55)</b>	<b>\$ (14,659)</b>	<b>\$ (10,726)</b>	<b>\$ (3,933)</b>



## MEMORANDUM

TO: Board of Directors  
RE: Bethlehem Steel Project Agreements  
DATE: June 27, 2018

### **Buffalo Billion II Incentive Proposal**

#### Background:

The ILDC in partnership with the County of Erie continues to work to redevelop the former Bethlehem Steel site in Lackawanna, NY. Recently the ILDC closed on the purchase of 150 acres and qualified a portion of the site for BCP version 1 tax credits considered critical to the future marketability of the site. Currently several projects are under construction on the site, including a new multi-use bike path, rail and waterline improvements site master planning and early this fall the construction of Dona Street will be underway. All told these projects represent over \$10.4 million County, State and Federal project investment on the site.

#### Request:

As part of the continuing partnership with Erie County and Empire State Development the Governor recently announced the commitment of an additional \$10 million of Buffalo Billion II funding for continued redevelopment of the site. The funding would be used for continued infrastructure improvements, design, planning and land acquisition at the site, as more fully described in the Empire State Incentive Proposal, as shown on the attached map and outlined below:



Acquisition of up to 90 Acres of Land:	\$1,500,000
Phase II Shoreline Trail ROW Acquisition:	55,000
South End Entrance Acquisition:	750,000
Utility installation did-property and ROW Corridor:	2,400,000
Design & Additional Cover for 60 Acres Purchased in 2017:	2,100,000
Design & Construction of the Ridge Road Entrance/Circulation Road:	1,800,000
Design & Construction North End Utility Improvements:	1,045,000
Design & Construction of Entry Signage and Landscaping:	150,000
Planning for Lackawanna-Woodlawn State Park Shoreline Trail:	200,000
Construction of Bethlehem Shoreline Trail:	<u>1,300,000</u>
<b>Total Estimated Cost:</b>	<b>\$11,300,000</b>

To secure the Buffalo Billion II funding, the process includes the signing of an Incentive Proposal which outlines how the funding will be spent/allocated, the schedule of payments and other misc. requirements. Once the Incentive Proposal is signed ESD would move the proposal through their approval process and issue a contract agreement for the funding.

### **Bethlehem Steel Land Purchase Option**

#### **Background:**

The Buffalo Billion II Incentive Proposal includes funding for the acquisition of up to 90 acres of land at the former Bethlehem Steel site. The proposed acquisition would allow the ILDC to purchase the remainder of Business Park II increasing the overall size of the ILDC land holdings to approx. 240 acres.

The additional property would be purchased be in the Brownfield Cleanup Program and would be purchased in a cover ready condition. This would secure additional property to the south of the ILDC's current property holdings along Route 5 further extending the development along the Route 5 corridor.

#### **Request:**

The current land owner has requested that the ILDC make a \$15,000 purchase option deposit as part of the land acquisition. The \$15,000 would be credited

toward the purchase of the property upon ILDC's closing on the land acquisition. As part of the land purchase the ILDC would be purchasing parcels II-7 and II-9 through which the new Dona Street right of way is being constructed, a result of which could potentially break up parcel II-9, if it is not sold/owned by ILDC. The \$15,000 purchase option deposit will help to alleviate those concerns.

### **Bethlehem Steel Phase II Agreements**

#### **Background:**

The ECIDA is acting as construction manager for the Phase II rail relocation project. The project construction is funded by Erie County and involves the removal of the current E Yard along Route 5, the construction of additional storage track at the Coke Yard and the construction of a new connector track.

The ILDC's property on the site includes a portion of the E Yard which is operated through a trackage rights agreement with Genesee & Wyoming Railroad. The yard will ultimately be removed, and the property will be made available for future development.

#### **Request:**

Upon completion of the rail relocation project, the railroad tracks on the ILDC portion of the E Yard will be removed and the existing trackage rights easement will need to be extinguished to allow for the termination of the railroad's trackage rights over the property and future development

#### **Board Action:**

Seeking approval from the Board to sign the Incentive Proposal and to execute agreements and contracts necessary to secure the funding.

Seeking approval from the Board to execute a purchase option deposit of \$15,000 for acquisition of an additional 90 acres of property

Seeking approval from the Board to enter into easement agreements relating to the Phase II Rail Relocation project.

Seeking a Negative Declaration finding in accordance with SEQRA

**BUFFALO AND ERIE COUNTY INDUSTRIAL LAND  
DEVELOPMENT CORPORATION  
RESOLUTION**

A meeting of the Buffalo and Erie County Industrial Land Development Corporation was convened on June 27, 2018, at 8:45 a.m.

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

RESOLUTION OF THE BUFFALO AND ERIE COUNTY INDUSTRIAL LAND DEVELOPMENT CORPORATION (“ILDC”) AUTHORIZING THE ILDC TO: (i) APPROVE OF AND AUTHORIZE THE NEGOTIATION, EXECUTION AND DELIVERY OF A \$11,300,000 NEW YORK STATE EMPIRE STATE DEVELOPMENT CORPORATION INCENTIVE PROPOSAL (AS MORE FULLY DESCRIBED BELOW); (ii) NEGOTIATE AND EXECUTE A PURCHASE OPTION AGREEMENT WITH TECUMSEH REDEVELOPMENT CORPORATION INC. (“TECUMSEH”) TO ACQUIRE AN APPROXIMATE 92 ACRE PARCEL OF REAL PROPERTY AT THE FORMER BETHLEHEM STEEL PROPERTY; AND (iii) NEGOTIATE AND EXECUTE A CERTAIN AGREEMENT REGARDING THE RELOCATION OF RAILROAD INFRASTRUCTURE BY AND BETWEEN THE ILDC, ERIE COUNTY, THE ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY (“ECIDA”), TECUMSEH, WELDED TUBE USA REALTY, LLC (“WELDED TUBE”) AND SOUTH BUFFALO RAILWAY COMPANY (“SBR”)

WHEREAS, the ILDC is in the process of negotiating to acquire an additional approximately 92 acre parcel of real property located on the former Bethlehem Steel site in Lackawanna, New York (the “Real Property”), which is currently owned by Tecumseh, and desires to enter into a certain Purchase Option Agreement (the “Option Agreement”) by and between the ILDC and Tecumseh to acquire the Real Property for a purchase price of \$15,000 per acre resulting in a total acquisition cost of approximately \$1,380,00 and subject to such other terms and conditions to be negotiated and memorialized in a purchase and sale agreement; and

WHEREAS, the Option Agreement requires that the amount of \$15,000 (the “Option Price”) be submitted to Tecumseh in consideration for Tecumseh’s grant of the purchase option; and

WHEREAS, it is contemplated that funds from the Erie County GEICO Fund will be submitted Tecumseh to satisfy the Option Price, or, in the alternative, that the ILDC will submit such Option Price payment to Tecumseh from its own funds; and

WHEREAS, the ILDC is in receipt of a New York State Empire State Development (“ESD”) incentive proposal award (the “ESD Incentive Proposal”) that provides \$1,500,000 in grant proceeds to the ILDC for purposes of acquiring the Real Property, and in addition, provides additional grant proceeds to the ILDC in the amount of \$9,800,000 for ROW acquisitions, utility installation, design and cover for 60 acres of certain Bethlehem Steel property acquired by the ILDC in 2017, design and construction of roadway entrance, signage and landscaping, and planning for and construction of various shoreline trail component parts (collective, with the acquisition of the Real Property, the “Project”), where the Project will occur on the real property owned by the ILDC at the former Bethlehem Steel site; and

WHEREAS, with respect to the redevelopment and reuse of the former Bethlehem Steel site, Erie County, SBR, Tecumseh, Welded Tube, and the Erie County Water Authority entered into a certain Site Infrastructure Agreement dated as of April 5, 2013 (the “First Site Infrastructure Agreement”) contemplating three phases of work to be performed on real property owned by Tecumseh and real property owned by Welded Tube, namely, a water line phase, a railroad phase and a road phase; and

WHEREAS, in consideration of the desire of Erie County, SBR, and Tecumseh to describe the status of the water line phase and move forward with the railroad and road phases identified in the First Site Infrastructure Agreement, the County, SBR and Tecumseh entered into a Site Infrastructure Agreement – Part 2, dated as of May 12, 2016, (the “Second Site Infrastructure Agreement”); and

WHEREAS, the ILDC has since acquired a portion of the real property upon which certain of the railroad phase activities related to the removal of certain rail lines described within the First Site Infrastructure Agreement and the Second Site Infrastructure Agreement will be undertaken, and as such, the ILDC, Erie County, ECIDA, Tecumseh, Welded Tube, and SBR desire to further implement the railroad and road phase and water line phase as contemplated in the First Site Infrastructure Agreement and the Second Site Infrastructure Agreement where portions of such work will now be located upon real property owned by the ILDC (the “Phase II –Bethlehem Steel Railroad Relocation Project Agreement”); and

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

**NOW, THEREFORE, BE IT RESOLVED BY THE BUFFALO AND ERIE COUNTY INDUSTRIAL LAND DEVELOPMENT CORPORATION AS FOLLOWS:**

Section 1. The ILDC hereby determines that the action relating to accepting the terms of, and entering into an agreement with ESD with respect to the ESD Incentive Proposal is a Type II Action pursuant to SEQRA involving preliminary planning and budgetary processes necessary to the formulation of a proposal for action where such activities do not commit the ILDC to commence, engage in, or approve of the actions as so described in the ESD Incentive Proposal (6 NYCRR §617.5(c)(21)) and therefore no findings or determination of significance are required under SEQRA.

Section 2. Based upon a review of the EAF as so related to the Option Agreement, the ILDC finds and determines that: (i) the execution of the Option Agreement constitutes an "Unlisted Action" within the meaning of SEQR and a coordinated review is optional; (ii) the ILDC has conducted an uncoordinated review as related to the execution of the Option Agreement under SEQR; (iii) the execution of the Option Agreement will result in no major impacts and, therefore, is one which may not cause significant damage to the environment; (iv) the execution of the Option Agreement will not have a "significant effect on the environment" as such quoted term is defined in SEQR; and (v) no "environmental impact statement" as such quoted term is defined in SEQR, need be prepared for this action. The ILDC thus issues a Negative Declaration pursuant to 6 N.Y.C.R.R. § 617.7 of the SEQR regulations, which concludes the ILDC's uncoordinated review of the execution of the Option Agreement.

Section 3. The ILDC hereby ratifies and confirms its negative declaration issued on February 21, 2018, related to entering into contracts for Dona Street construction and railroad relocation activities at the Bethlehem Steel site including such activities occurring on the property owned by the ILDC and determines that no findings or determination of significance are required under SEQRA as so related to entering into the Phase II –Bethlehem Steel Railroad Relocation Project Agreement.

Section 4. The ILDC hereby authorizes the acceptance of and execution of the ESD Incentive Proposal and authorizes the Chair, the Vice Chair, the President/Chief Executive Officer, the Executive Vice President, the Chief Financial Officer/Treasurer and/or the Assistant Treasurer of the ILDC to execute and deliver the ESD Incentive Proposal with such changes, variations, omissions and insertions as authorized by the Chair, the Vice Chair, the President/Chief Executive Officer, the Executive Vice President, the Chief Financial Officer/Treasurer and/or the Assistant Treasurer, in consultation with counsel, the execution thereof to constitute conclusive evidence of such approval.

Section 5. The ILDC hereby initially approves of the acquisition of the Real Property as described herein, and authorizes the Chair, the Vice Chair, the President/Chief Executive Officer, the Executive Vice President, the Chief Financial Officer/Treasurer and/or the Assistant Treasurer of the ILDC to: (i) execute and deliver the Option Agreement with such changes, variations, omissions and insertions to the Option Agreement as authorized by the Chair, the Vice Chair, the President/Chief Executive Officer, the Executive Vice President, the Chief Financial Officer/Treasurer

and/or the Assistant Treasurer, in consultation with counsel, and the execution thereof to constitute conclusive evidence of such approval.

Section 6. The ILDC hereby authorizes the continued negotiation and execution of the Phase II –Bethlehem Steel Railroad Relocation Project Agreement and authorizes the Chair, the Vice Chair, the President/Chief Executive Officer, the Executive Vice President, the Chief Financial Officer/Treasurer and/or the Assistant Treasurer of the ILDC to execute and deliver the Phase II –Bethlehem Steel Railroad Relocation Project Agreement with such changes, variations, omissions and insertions as authorized by the Chair, the Vice Chair, the President/Chief Executive Officer, the Executive Vice President, the Chief Financial Officer/Treasurer and/or the Assistant Treasurer, in consultation with counsel, the execution thereof to constitute conclusive evidence of such approval.

Section 7. The officers, employees and agents of the ILDC are hereby authorized and directed for and in the name and on behalf of the ILDC to do all acts and things required and to execute and deliver all such checks, certificates, instruments and documents, to pay all such fees, charges and expenses and to do all such further acts and things as may be necessary or, in the opinion of the officer, employee or agent acting, desirable and proper to effect the purposes of the foregoing resolutions and to cause compliance by the ILDC with all of the terms, covenants and provisions of the documents executed for and on behalf of the ILDC.

Section 8. These Resolutions shall take effect immediately.

Dated: June 27, 2018

## **INCENTIVE PROPOSAL**

### **Buffalo and Erie County Industrial Land Development Corporation**

May 18, 2018

This **Incentive Proposal** outlines the general terms and conditions of the incentive package being offered by Empire State Development (“ESD”)\* to the Buffalo and Erie County Industrial Land Development Corporation to assist with its project in Lackawanna, Erie County. This offer is subject to the availability of funds, completion of any applicable (1) non-discrimination and contractor diversity, (2) environmental and historic and (3) smart growth review requirements, approval by the ESD Directors, applicable statutes, and compliance with program requirements.

\* The New York State Department of Economic Development and the New York State Urban Development Corporation, d/b/a Empire State Development, are collectively referred to as ESD.

#### **I. GENERAL INFORMATION**

- a) Recipient Name:** Buffalo and Erie County Industrial Land Development Corporation (“ILDC” or the “Recipient”)
- b) Contact Information:** Mr. John Cappellino  
Executive Vice President  
95 Perry Street, Suite 403  
Buffalo, NY 14203  
Phone: (716) 856-6525 x118  
E-mail: [jcappell@ecidany.com](mailto:jcappell@ecidany.com)
- c) Project Location(s):** 2303 Hamburg Turnpike  
Lackawanna, NY 14218
- New York State Empire Zone:** N/A
- d) Type of Business:** Not-for-Profit

#### **II. PROJECT SPECIFICS**

- a) Project Description:** Purchase land and undertake public infrastructure projects on the former Bethlehem Steel site (the “Site”) to create a new industrial park on WNY’s largest brownfield site. Project elements will include: (1) acquisition of up to 90 acres of vacant brownfield land on the Site; (2) purchase of 50-foot wide Right-of-Way along the west side of the NYS Route 5 from Donna Street to the southern end of the site; (3) purchase of the South End Entrance to the Site to allow an alternative entrance into the Site from NYS Route 5 and assist with the

removal of truck traffic on a major street in the City of Lackawanna; (4) creation of a new utility corridor in the center of the Site to connect to the utility lines that service existing companies on the Site; (5) finish covering the remaining 60 acres (of 150 acres) of land purchased in 2017 to make those parcels eligible for the NYSDEC Brownfield Cleanup Program; (6) creation of a new primary entrance to the Site at the west end of Ridge Road in Lackawanna; (7) reconstruct and extend existing utilities from Ridge Road to the northern parcels of the Site; (8) design and install new signage and provide new landscape to the entry roads at Donna Street and Ridge Road; (9) develop conceptual plan and alternatives for continuation of the Bethlehem Shoreline Trail in Lackawanna to connect to Woodlawn Beach State Park in the Town of Hamburg; and (10) construction of the Bethlehem Shoreline Trail.

- b) **Estimated Schedule:**                    Begin:        April 2018  
    Complete:    April 2022  
    Estimated ESD Directors' Approval: July 2018

**III. PROJECT BUDGET**

You have informed us that the following costs will be incurred to complete this project. It is understood that these costs are estimates, based on the best information available to date. If these figures change, please inform your ESD contact as soon as possible.

Acquisition of up to 90 Acres of Land:	\$1,500,000
Phase II Shoreline Trail ROW Acquisition:	55,000
South End Entrance Acquisition:	750,000
Utility installation mid-property and ROW Corridor:	2,400,000
Design & Additional Cover for 60 Acres Purchased in 2017:	2,100,000
Design & Construction of the Ridge Road Entrance/Circulation Road:	1,800,000
Design & Construction North End Utility Improvements:	1,045,000
Design & Construction of Entry Signage and Landscaping:	150,000
Planning for Lackawanna-Woodlawn State Park Shoreline Trail:	200,000
Construction of Bethlehem Shoreline Trail:	<u>1,300,000</u>
<b>Total Estimated Cost:</b>	<b>\$11,300,000</b>

**IV. ESD INCENTIVES**

**Buffalo Innovation Regional Cluster 17-18 – Capital Grant – Project #AC043**

- a) **Amount:**                    \$10,000,000
- b) **Use of Funds:**            Reimbursement for a portion of costs associated with real estate acquisition, and design and construction.



- c) Requirements:** Up to \$10 million will be disbursed to the Recipient in three Advances as follows:

First Advance of an amount equal to 40% of the Grant (\$4,000,000) shall be disbursed to the Recipient upon execution of the Grant Disbursement Agreement, assuming that all project approvals have been completed and funds are available.

Second Advance of an amount equal to 30% of the Grant (\$3,000,000) shall be disbursed to the Recipient upon presentation to ESD of an invoice including, but not limited to, documentation of eligible project costs verified by a third-party Certified Public Accountant of at least 75% of the First Advance of \$4,000,000 (\$3,000,000) and Recipient's compliance with program reports and requirements, assuming that all project approvals have been completed and funds are available.

A Final Advance of an amount equal to 30% of the Grant (\$3,000,000) shall be disbursed to the Recipient upon presentation to ESD of an invoice including, but not limited to, documentation of eligible project costs verified by a third-party Certified Public Accountant of at least 75% of the Second advance of \$3,000,000 (\$2,250,000), 100% of the First Advance (\$4,000,000) and Recipient's compliance with program reports and requirements assuming that all project approvals have been completed and funds are available.

Payment will be made upon presentation to ESD of an invoice and such other documentation as ESD may reasonably require. Expenditures reimbursed by ESD's grant must be incurred on or after April 1, 2018, to be considered eligible project costs. All disbursements must be requested by April 1, 2024.

Within 24 months of the Final Advance, ESD will require documentation of an additional \$5,050,000 in eligible project costs verified by a third-party Certified Public Accountant (aggregate total of \$11,300,000) or a portion of the grant will be subject to recapture.

- d) Financial Disclosure:** Financial disclosure, consisting of three years of audited financials or three years of tax returns plus interim financials if the most recent financial report is older than six months, on Recipient and all corporate and personal guarantors acceptable to ESD must be provided prior to ESD Directors' approval.

- e) Recapture:** ESD approval shall be required, but not unreasonably withheld, if the property is sold within 5 years of the disbursement of grant funds. Grant funds may be subject to recapture if ESD approval is not obtained.

### **Project Protocols**

Recipient shall demonstrate compliance with protocols recommended by Guidepost Solutions which include the following:

1. Recipient shall be required to demonstrate to ESD's satisfaction, that project costs to be paid for by ESD grant funds are incurred in arms-length transactions;
2. Recipient shall be required to procure materials, contractors and services to be paid for with ESD grant funds in accordance with a competitive procurement process approved by ESD;
3. Recipient shall be required to submit standard AIA documentation and other appropriate documentation supporting construction related costs that are to be paid by ESD grant funds;
4. Recipient and/or its subcontractor and vendors shall be required for each payment to submit certifications confirming the lack of bribery, collusion and the fair price of invoices submitted.
5. Recipient shall be required to submit additional documentation to verify project expenses as may be required by ESD.

### **General Requirements**

- **Equity:**  
The Recipient will be required to contribute a minimum of 10% of the total project cost in the form of equity contributed after April 1, 2018. Equity is defined as cash injected into the project by the Recipient or by investors and should be auditable through Recipient financial statements or Recipient accounts, if so requested by ESD. Bond financing proceeds will qualify as equity for this project.
- **Fees:**  
The Recipient will provide a \$250 Application Fee, due when this Incentive Proposal is returned with the completed ESD Universal Application and a 1% commitment fee (\$100,000), due after ESD Directors' approval at the time a Grant Disbursement Agreement is executed. In addition, the Recipient will reimburse ESD for any direct expenses incurred in connection with this project, including costs related to holding a public hearing, attorney fees, appraisals, surveys, title insurance, credit searches, filing fees, and other requirements deemed appropriate by ESD.
- **Non-discrimination and Contractor Diversity:**  
Pursuant to New York State Executive Law Article 15-A, ESD recognizes its obligation under the law to promote opportunities for maximum feasible participation of certified minority and women-owned business in the performance of ESD contracts. For purposes of this Contract, however, goals will not be established due to the unavailability of minority and women-owned businesses for performance of this Contract.  
  
The Recipient is encouraged to use "Good Faith Efforts," pursuant to 9 NYCRR §252.2(m), to utilize NYS-certified Service-Disabled-Veteran-owned Business Enterprises ("SDVOBs") in the execution of the grant. ESD's current agency-wide goal is 6%. Any utilization of SDVOBs would be in addition to goals established pursuant to Article 15-A of the Executive Law with respect to MWBEs. Should SDVOBs be utilized, a further explanation of the SDVOB reporting requirements is attached hereto.
- **Design and Construction Review:**  
Upon acceptance of this Incentive Proposal and prior to moving forward with the project, ESD's Design and Construction ("D&C") staff will meet with the Recipient to discuss ESD's required review of design and construction documents, addendum, cost estimates and monitoring of the bid and contract award process. D&C will, at its option, attend design and construction meetings and monitor all progress. D&C will review all change orders and contractor requisitions and verify that all requirements have been satisfied prior to approving the release of ESD funds, including acceptable completion of D&C requirements, submission of lien waivers and other forms.
- **Environmental, Historic and Smart Growth Review:**  
Please note in particular the Environmental, Historic and Smart Growth Review requirements at the end of the attached document, which, if applicable, must be satisfied prior to ESD Directors' approval of funding. The ESD Planning & Environmental Review office may contact your office for further information regarding status of the environmental, historic and smart growth review for your project.

- **Environmental Sustainability:**  
ESD encourages the environmentally sustainable practice of recycling construction and demolition debris rather than disposition in a landfill.
- **Insurance Requirements:**  
The Recipient shall maintain Commercial General Liability Insurance providing both bodily injury (including death) and property damage insurance in a limit not less than One Million Dollars (\$1,000,000) per occurrence, Two Million Dollars (\$2,000,000) aggregate and Three Million Dollars (\$3,000,000) umbrella. In addition, if the grant contemplates the purchase, construction or renovation of any buildings or equipment, the Recipient shall keep the buildings at the Project Location and the building equipment insured against: (i) loss by fire, (ii) additional perils customarily covered under an all-risk policy and (iii) flood hazard, if the Project Location is located in an area identified by the Secretary of Housing and Urban Development as an area having special flood hazards and in which flood insurance has been made available under the National Flood Insurance Act of 1968, as amended.
- **Modification:**  
ESD reserves the right to review and reconsider project and property selections in the event of material changes in the project plans or circumstances.
- **Not-For-Profit Organizations:**  
Not-for-profit organizations must complete the following prior to ESD Directors' approval and execution of a Grant Disbursement Agreement or Loan Agreement: 1) be prequalified in New York State Grants Gateway; 2) be registered and up-to-date with filings with the New York State Office of the Attorney General's Charities Bureau; and 3) be registered and up-to-date with the New York State Office of the State Comptroller's VendRep System. Further information can be found in the attached "General Information for Not-For-Profit Organizations."
- **Reservations of Rights Concerning Funding Commitment:**  
It is expected the project will proceed in the time frame set forth by the Applicant. If the implementation of a project fails to proceed as planned and is delayed for a significant period of time and there is, in the exclusive judgment of ESD, doubt as to its viability, ESD reserves the right to cancel its funding commitment to such project.
- **Next Steps After Accepting this Incentive Proposal:**  
Within approximately 30 days of your acceptance of this Incentive Proposal, your Project Manager will acknowledge receipt of the signed Incentive Proposal and will provide a guide to the ESD Approval and Disbursement Process and relevant contact information. Prior to ESD Directors' approval, ESD will require updated project information and Declarations and Certifications. Please note that ESD Directors' approval typically occurs at project completion.

**V. SUMMARY**

**Total ESD Assistance: \$10,000,000**

**Expiration of Proposed Offer:**

This proposal expires June 19, 2018 unless endorsed below and received by ESD prior to the expiration date.

**Expiration of Accepted Offer:**

The accepted proposal expires two years from the date of acceptance by the Recipient. ESD reserves the right to require Recipient to provide any additional information and/or documentation ESD deems necessary.

APPROVED BY:



Date: May 18, 2018

Edwin Lee, Senior Vice President  
ESD Loans & Grants  
633 Third Avenue  
New York, NY 10017  
Phone: (212) 803-3618

ACCEPTED BY:

Date: \_\_\_\_\_

Mr. John Cappellino, Executive Vice President  
Buffalo and Erie County Industrial  
Land Development Corporation  
95 Perry St., Suite 403  
Buffalo, NY 14203  
Phone: (716) 856-6525 x118

\* Please see the following Affirmation page, which must be completed, signed and notarized for this Incentive Proposal to be considered accepted.

## Short Environmental Assessment Form

### Part 1 - Project Information

#### Instructions for Completing

**Part 1 - Project Information.** The applicant or project sponsor is responsible for the completion of Part 1. Responses become part of the application for approval or funding, are subject to public review, and may be subject to further verification. Complete Part 1 based on information currently available. If additional research or investigation would be needed to fully respond to any item, please answer as thoroughly as possible based on current information.

Complete all items in Part 1. You may also provide any additional information which you believe will be needed by or useful to the lead agency; attach additional pages as necessary to supplement any item.

<b>Part 1 - Project and Sponsor Information</b>			
Shoreline Trail Project-Buffalo and Erie County Industrial Land Development Corporation (ILDC)			
Name of Action or Project: Shoreline Trail-Permanent easement and conveyance of real property			
Project Location (describe, and attach a location map): 2303 Hamburg Turnpike-See Attachment 1			
Brief Description of Proposed Action:  The action involves the ILDC conveying a permanent easement through, over and across an approximate 5.43 acre parcel of real property consisting of an approximately 50' x 5200' strip of land to the County of Erie, and thereafter, conveying fee title to this same parcel of real property to the County of Erie.			
Name of Applicant or Sponsor: Buffalo and Erie County Industrial Land Development Corporation		Telephone: 716-856-8525	
		E-Mail:	
Address: 95 Perry Street, Suite 403			
City/PO: Buffalo		State: NY	Zip Code: 14203
1. Does the proposed action only involve the legislative adoption of a plan, local law, ordinance, administrative rule, or regulation? If Yes, attach a narrative description of the intent of the proposed action and the environmental resources that may be affected in the municipality and proceed to Part 2. If no, continue to question 2.			NO <input type="checkbox"/>
			YES <input type="checkbox"/>
2. Does the proposed action require a permit, approval or funding from any other governmental Agency? If Yes, list agency(s) name and permit or approval:			NO <input type="checkbox"/>
			YES <input type="checkbox"/>
3.a. Total acreage of the site of the proposed action?		5.43 acres	
b. Total acreage to be physically disturbed?		0.00 acres	
c. Total acreage (project site and any contiguous properties) owned or controlled by the applicant or project sponsor?		60.00 acres	
4. Check all land uses that occur on, adjoining and near the proposed action.			
<input checked="" type="checkbox"/> Urban <input type="checkbox"/> Rural (non-agriculture) <input checked="" type="checkbox"/> Industrial <input checked="" type="checkbox"/> Commercial <input checked="" type="checkbox"/> Residential (suburban)			
<input type="checkbox"/> Forest <input type="checkbox"/> Agriculture <input type="checkbox"/> Aquatic <input type="checkbox"/> Other (specify): _____			
<input type="checkbox"/> Parkland			

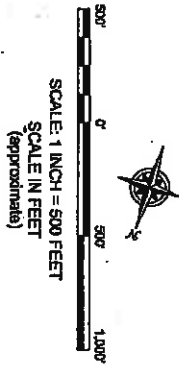


<p>18. Does the proposed action include construction or other activities that result in the impoundment of water or other liquids (e.g. retention pond, waste lagoon, dam)?          If Yes, explain purpose and size: _____          _____</p>	<p>NO</p> <p><input checked="" type="checkbox"/></p>	<p>YES</p> <p><input type="checkbox"/></p>
<p>19. Has the site of the proposed action or an adjoining property been the location of an active or closed solid waste management facility?          If Yes, describe: _____          _____</p>	<p>NO</p> <p><input type="checkbox"/></p>	<p>YES</p> <p><input type="checkbox"/></p>
<p>20. Has the site of the proposed action or an adjoining property been the subject of remediation (ongoing or completed) for hazardous waste?          If Yes, describe: _____          Project is part of the New York State Brownfield Cleanup Program</p>	<p>NO</p> <p><input type="checkbox"/></p>	<p>YES</p> <p><input checked="" type="checkbox"/></p>

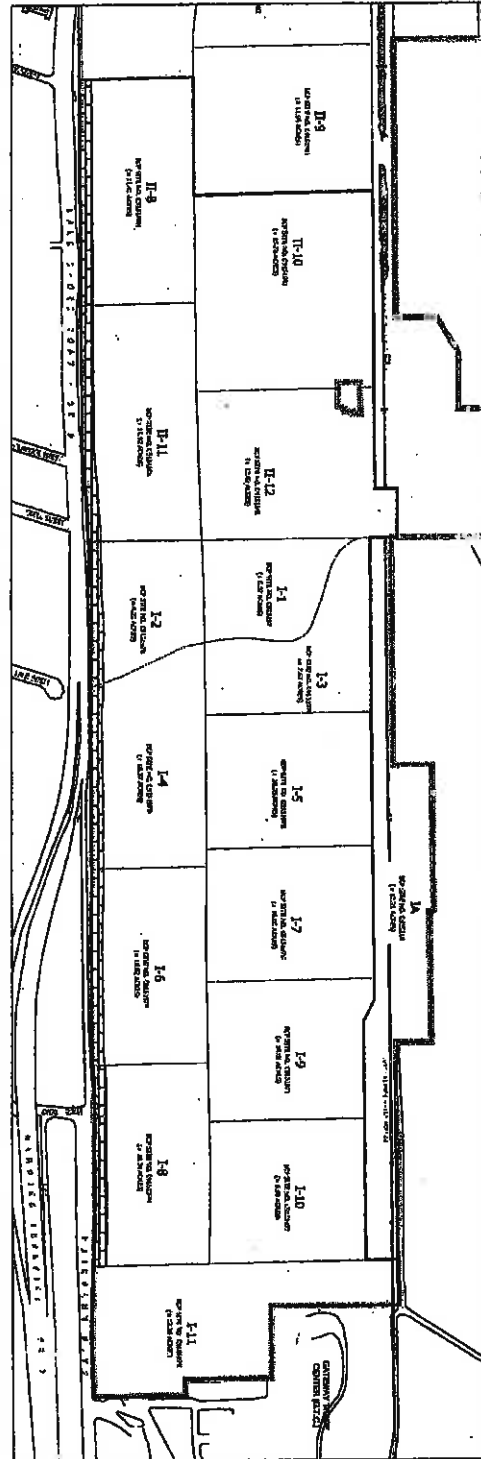
**I AFFIRM THAT THE INFORMATION PROVIDED ABOVE IS TRUE AND ACCURATE TO THE BEST OF MY KNOWLEDGE**

Applicant/sponsor name: John Cypellin Date: 6/22/18  
 Signature: *John Cypellin*

DATE: JULY 28, 2017  
 DRAFTED BY: RPL



BIKE PATH ON ILDC PREMISES



- LEGEND:**
- TECUMSEH PROPERTY BOUNDARY
  - BCP SUB-PARCEL BOUNDARIES
  - PLANNED APPROXIMATE LOCATION OF BIKE PATH (SDPA)
  - PREMISES SUBJECT TO PURCHASE BY ILDC

SCHEDULE B-3

**APPROXIMATE BIKE PATH LOCATION ON ILDC PREMISES**

TECUMSEH REDEVELOPMENT SITE  
 LACKAWANNA, NEW YORK

PREPARED FOR  
 TECUMSEH REDEVELOPMENT INC.



2520 HAMBURG TURNPIKE, SUITE 300, BUFFALO, NY 14214, (716) 636-0550



JOB NO.: 0071-017-327

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Project:

Date:

**Short Environmental Assessment Form  
Part 2 - Impact Assessment**

**Part 2 is to be completed by the Lead Agency.**

Answer all of the following questions in Part 2 using the information contained in Part 1 and other materials submitted by the project sponsor or otherwise available to the reviewer. When answering the questions the reviewer should be guided by the concept "Have my responses been reasonable considering the scale and context of the proposed action?"

	No, or small impact may occur	Moderate to large impact may occur
1. Will the proposed action create a material conflict with an adopted land use plan or zoning regulations?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
2. Will the proposed action result in a change in the use or intensity of use of land?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
3. Will the proposed action impair the character or quality of the existing community?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4. Will the proposed action have an impact on the environmental characteristics that caused the establishment of a Critical Environmental Area (CEA)?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
5. Will the proposed action result in an adverse change in the existing level of traffic or affect existing infrastructure for mass transit, biking or walkway?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
6. Will the proposed action cause an increase in the use of energy and it fails to incorporate reasonably available energy conservation or renewable energy opportunities?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
7. Will the proposed action impact existing: a. public / private water supplies? b. public / private wastewater treatment utilities?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	<input checked="" type="checkbox"/>	<input type="checkbox"/>
8. Will the proposed action impair the character or quality of important historic, archaeological, architectural or aesthetic resources?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
9. Will the proposed action result in an adverse change to natural resources (e.g., wetlands, waterbodies, groundwater, air quality, flora and fauna)?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
10. Will the proposed action result in an increase in the potential for erosion, flooding or drainage problems?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
11. Will the proposed action create a hazard to environmental resources or human health?	<input checked="" type="checkbox"/>	<input type="checkbox"/>

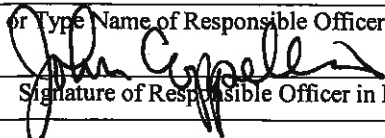
**PRINT FORM**

Project:

Date:

**Short Environmental Assessment Form  
Part 3 Determination of Significance**

For every question in Part 2 that was answered "moderate to large impact may occur", or if there is a need to explain why a particular element of the proposed action may or will not result in a significant adverse environmental impact, please complete Part 3. Part 3 should, in sufficient detail, identify the impact, including any measures or design elements that have been included by the project sponsor to avoid or reduce impacts. Part 3 should also explain how the lead agency determined that the impact may or will not be significant. Each potential impact should be assessed considering its setting, probability of occurring, duration, irreversibility, geographic scope and magnitude. Also consider the potential for short-term, long-term and cumulative impacts.

<input type="checkbox"/>	Check this box if you have determined, based on the information and analysis above, and any supporting documentation, that the proposed action may result in one or more potentially large or significant adverse impacts and an environmental impact statement is required.
<input checked="" type="checkbox"/>	Check this box if you have determined, based on the information and analysis above, and any supporting documentation, that the proposed action will not result in any significant adverse environmental impacts.
Buffalo and Erie County Industrial Land Development Agency	June 27, 2018
Name of Lead Agency	Date
John Cappellino	Executive Vice President
Print or Type Name of Responsible Officer in Lead Agency	Title of Responsible Officer
	
Signature of Responsible Officer in Lead Agency	Signature of Preparer (if different from Responsible Officer)

**PRINT FORM**