



# 2019 YEAR IN REVIEW

The ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY  
is an independent, public-benefit corporation helping  
businesses invest in Erie County's thriving economy

PHOTO: Newly completed Dona Street Extension on the former Bethlehem Steel site  
[Photo credit: Robbie-Ann McPherson]



# 2019 YEAR IN REVIEW



Steve Weathers  
ECIDA  
President & CEO

**The ECIDA's financial products are part of an economic development toolbox that is available to help those businesses stay here, and keep the jobs with them.**

## LETTER FROM THE PRESIDENT/CEO

Erie County faces keen competition worldwide to attract and retain businesses. The ECIDA's financial products are part of an economic development toolbox that can help those businesses stay here, and keep the jobs with them.

In 2019 the ECIDA Board of Directors approved 19 incentive applications, including two amended applications. The private investment made by these businesses totaled \$287 million and helped create jobs, new buildings, renovate existing structures, expand manufacturing spaces, and upgrade equipment. These businesses also demonstrated their commitment to Erie County by retaining the jobs that are already here. Preserving existing jobs is as critical for the economic health of Erie County as creating new employment opportunities. The 1,557 jobs retained as a result of ECIDA incentives means economic stability for 1,557 Erie County households, and for businesses looking to relocate to Erie County. For more information about the economic growth prompted by ECIDA's incentives, turn to page 5.

In 2018, the ECIDA's land development arm, the Industrial Land Development Corporation (ILDC), became proud partners with the County of Erie, National Grid, Empire State Development and the City of Lackawanna in the purchase and remediation of 150 acres on the former Bethlehem Steel site. With manufacturing spec buildings at a premium, development-ready space is critical to attracting higher-paying advanced manufacturing jobs. In 2019, we reached a key first milestone when cleaning product manufacturer TMP Technologies purchased 28 acres for a future brand-new facility on the site. The leadership and vision of ILDC Chair/Erie County Executive Mark C. Poloncarz has driven the project from the beginning. In 2019, the ILDC made great strides on the project, from the infrastructure Master Plan to completing a public bike path along Route 5. For more about TMP and the incredible redevelopment progress on the former Bethlehem property, turn to page 4.

Board member Buffalo Mayor Byron W. Brown has been a strong advocate for minority and women-owned businesses in the City of Buffalo, and the ECIDA continues to explore policies and best practices to increase outreach to the minority communities. In February 2019 we celebrated along with Mayor Brown as he revealed a commissioned portrait of Beverly Gray at the Beverly Gray Business Exchange Center. The ECIDA approved \$250,000 in support to the Center for 2018-2019, and continues to work with Beverly Gray staff on creating more opportunities for minority businesses in Erie County.

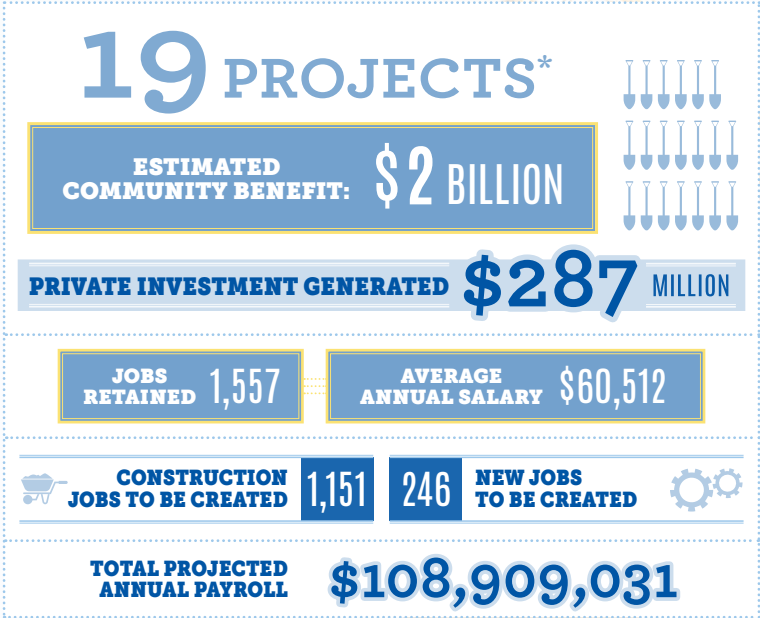
I thank all of our dedicated ECIDA Board of Directors, led by our Chair Brenda McDuffie and Vice Chair Richard Lipsitz, for their commitment to Erie County's economic health. For a full list of our 2019 Board please turn to page 7.

As we move into a new decade, we can enjoy renewed economic interest in the Western New York region spurred by Governor Cuomo's recent Buffalo Billion campaign, County Executive Poloncarz' focus on economic development growth and Mayor Brown's dedication to the City's revitalization. The ECIDA staff, Board and myself look forward to working with the business owners of Erie County to continue building on this trend of success.

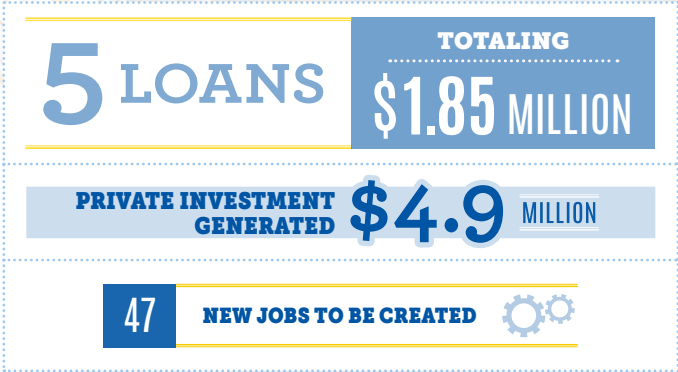
--Steve Weathers

The ECIDA Board of Directors approved approximately \$19 million in incentives for 19 projects, including 2 amended projects, generating \$287 million in private investment. The estimated benefit ripple effect to the economy of Erie County will be approximately \$2 billion. The ECIDA's lending arm, the Regional Development Corporation spurred an additional \$4.9 million in private investment through 5 loans totaling \$1.85 million.

# THE YEAR IN NUMBERS



\* Includes amended projects



**\$19 million** IN INCENTIVES **\$287 million** IN PRIVATE INVESTMENT

The Erie County Industrial Development Agency [ECIDA] was created by the New York State Legislature in 1970 to administer tax incentives to qualifying businesses in Erie County. Incentives help businesses retain jobs, remain competitive, invest more private money into their companies and create jobs. A business cannot obtain ECIDA incentives without making the required private investment. Tax incentives also help Erie County compete for jobs and business attraction with other cities and states and countries, which have their own incentive programs. **There are 3 common types of incentives:**

<b>SALES TAX INCENTIVES</b>	These are applied to limited future purchases such as construction materials or equipment, related to the qualifying project.
<b>MORTGAGE RECORDING TAX ABATEMENT</b>	This allows a one-time reduction in Erie County's fee charged to business owners obtaining a mortgage.
<b>PILOT [PAYMENT IN LIEU OF TAXES]</b>	This is a formula-calculated discount on future property taxes for a limited period of time, usually seven to ten years. The applicant gradually pays less of a discount on the new assessed value of the completed project's property taxes until the term expires, after which full property taxes are paid.





Future site of new TMP Technologies facility  
[Photo credit: Robbie-Ann McPherson]

In 2018, the ECIDA's land development arm, the Industrial Land Development Corporation (ILDC), purchased 150 acres along Route 5 in preparation for creating an advanced manufacturing commerce park. The project was spearheaded by Erie County Executive Mark C. Poloncarz, who also serves as the Chair of the ILDC.

Redevelopment efforts continued this year at the former Bethlehem Steel site, which remains a priority on the County Executive's and ILDC's agendas.

In 2019, Erie County funded and completed a public bike path and began constructing the extension of Dona Street into the property. The ILDC completed the relocation of a railroad on the site and commissioned an infrastructure Master Plan.

The greatest milestone in 2019, however, was the commitment made by Buffalo cleaning products manufacturer TMP Technologies to the future of the Lackawanna site. TMP had outgrown its current Dingens Street facility, and chose the former Bethlehem Steel site to expand its operation. They purchased 26 acres off the Dona Street Extension to build a 290,000 sq. ft. facility, making TMP the first official manufacturing tenant on this ILDC acreage.

The ECIDA Board of Directors approved approximately \$463,000 in future sales tax savings on the purchase of equipment and/or construction supplies; a one-time savings of approximately \$106,000 on the County Mortgage Recording fee; and a 10-year PILOT, which will save TMP approximately \$3.6 million in property taxes over a ten-year term after construction is completed. TMP will pay full property taxes after the PILOT term expires.

The project's total private investment is estimated around \$22.7 million, adding 20 new jobs and ensuring the retention of 103 full-time positions.





HANSA project in the City of Buffalo  
[Photo credit: Uniland Development Company]

IN 2019, THE ECIDA BOARD  
APPROVED INCENTIVES FOR

**19 projects** GENERATING **\$287 million**  
IN PRIVATE INVESTMENT

## 2019 HIGHLIGHTS

### **HANSA** – Buffalo, NY **\$7.8 million in private investment**

The ECIDA Board approved approximately \$672,000 in limited sales tax savings, a seven-year term of discounted property tax savings, and a one-time 0.75% savings on the Erie County mortgage recording tax fee for Uniland Development's HANSA project in Buffalo. The \$7.8 million proposed adaptive reuse project will transform a vacant warehouse into a 35,000 sq. ft. flexible office workspace, with two 430 sq. ft. apartments. "Flexible and on-demand workspace" will be available for rent to members and others in the community. The project is designed to support entrepreneurs and the new "gig" economy. HANSA will also create four new jobs, with estimated annual salaries averaging \$40,750.

### **CYPRESS NORTH CORP.** – Buffalo, NY **\$935,000 in private investment**

Cypress North, a software engineering, digital marketing and design company, was approved for approximately \$76,875 in limited sales tax savings, a seven-year term of discounted property tax savings, and a one-time 0.75% savings on the Erie County mortgage recording tax fee for the purchase and renovation of a vacant 8,500 sq. ft. manufacturing facility in Black Rock. The renovated building will eventually become the new headquarters of Cypress North, which has outgrown its current leased facility.

### **STEUBEN FOODS** – Elma, NY **\$16.9 million in private investment**

High tech food and beverage manufacturer Steuben Foods plans an expansion of its Elma warehouse, including the construction of a 82,500 sq. ft. facility to accommodate increasing production demands. The ECIDA Board approved approximately \$795,000 in limited future property tax savings and \$460,000 in limited sales tax savings for the project, which ensures the retention of 555 jobs. The expansion will create 27 new jobs, with an estimated additional annual payroll of \$956,367.





## REGIONAL DEVELOPMENT CORPORATION

*The Regional Development Corporation is the lending arm of the ECIDA. Since 1979, the RDC has administered business loans under federal Economic Development Administration oversight. In an effort to serve higher-risk businesses, the funds are restricted by federal regulations to be loaned only to businesses that have been turned down by traditional lending institutions.*

IN 2019,  
THE RDC  
CLOSED ON

5 loans TOTALING \$1.85 million

AND LEVERAGED MORE THAN

\$4.8 MILLION

IN PRIVATE INVESTMENT



Buffalo Materials Handling  
[Photo courtesy Buffalo Materials Handling]

## CLIENT HIGHLIGHTS

### BUFFALO MATERIALS HANDLING – Depew, NY

Buffalo Materials Handling needed more office and warehouse space at their Depew facility, due to a recent three-year contract with GM to provide dock installation, forklift maintenance and other services at GM's Tonawanda and Lockport plants. The RDC approved a \$225,000 loan in partnership with Evans Bank, and along with equity from the owner, helped finance the \$1.7 million project cost. The additional 9,906 sq. ft. in office and warehouse space will help accommodate the projected growth from the GM contract and retain 30 jobs. Three new positions will be created.

### HERB'N GARDEN FARMS – Grand Island, NY

Herb'n Garden Farms sought a \$140,000 loan from RDC to help finance an 8,500 sq. ft. greenhouse in Grand Island. The greenhouse will produce various herbs, tomatoes and lettuce using hydroponic technology. The \$350,000 project also received financing from Farm Credit East and personal equity of its owners. The proposed facility will create 16 full time jobs.



First phase of greenhouse construction  
[Photo credit: Herb'n Garden Farms]





## BOARD OF DIRECTORS

The Erie County Industrial Development Agency Board of Directors is a 19-member, all-volunteer board made up of 14 ex-officio seats, and five seats appointed jointly by the County Executive and the Chair of the County Legislature. The Board meets monthly, and minutes can be viewed/downloaded at [www.ecidany.com](http://www.ecidany.com).

**MS. DENISE ABBOTT \***

Interim President  
Buffalo Central Labor Council, AFL-CIO

**HON. APRIL BASKIN \*\***

Chairman, Economic Development  
Erie County Legislature

**HON. DIANE BENCZKOWSKI**

Supervisor  
Town of Cheektowaga

**REV. MARK BLUE**

President  
NAACP

**HON. BYRON W. BROWN**

Mayor  
City of Buffalo

**MR. JAMES DOHERTY****HON. JOE EMMINGER**

Supervisor  
Town of Tonawanda

**MS. DOTTIE GALLAGHER**

President & CEO  
Buffalo Niagara Partnership

**MS. TYRA JOHNSON-HUX**

President  
Blue Sky Design

**HON. HOWARD JOHNSON \***

Chairman, Economic Development  
Erie County Legislature

**HON. BRIAN KULPA**

Supervisor  
Town of Amherst

**MR. RICHARD LIPSITZ, JR. VICE CHAIR**

President  
Western New York Area Labor Federation

**MS. BRENDA McDUFFIE****CHAIR**

President & CEO  
Buffalo Urban League

**MR. JOHN MUDIE \*\***

President  
Buffalo Central Labor Council, AFL-CIO

**HON. GLENN NELLIS****HON. MARK C. POLONCARZ**

County Executive  
County of Erie

**HON. DARIUS PRIDGEN**

President  
Buffalo Common Council

**SISTER DENISE ROCHE**

Chair  
NFTA

**MR. KENNETH SCHOETZ**

CEO  
WNY Healthcare Association

**MR. CHARLES SPECHT**

President  
Erie County Association of School Boards

**MR. ART WINGERTER**

President  
Univera Healthcare

\* Incoming/Partial Term 2019  
\*\* Outgoing/Partial Term 2019

## Our Staff

The ECIDA is a public benefit corporation, and does not receive any operating funds from any tax revenue source. Its operating funds are derived from fees charged to the private for-profit businesses who enter into contracts with the ECIDA. The ECIDA staff are not County, State or City employees.

Atiqa Abidi  
**SENIOR ACCOUNTANT**

Carrie A. Hocieniec  
**ADMINISTRATIVE ASSISTANT**

Robbie-Ann McPherson  
**DIRECTOR, MARKETING & COMMUNICATIONS**

Patricia L. Smith  
**BOOKKEEPER**

Dawn M. Boudreau  
**COMPLIANCE OFFICER**

Brian Krygier  
**SYSTEMS ANALYST**

Beth O'Keefe  
**BUSINESS DEVELOPMENT OFFICER**

Daryl Spulecki  
**CREDIT ANALYST**

John C. Cappellino  
**EXECUTIVE VICE PRESIDENT & COO**

Grant P. Lesswing  
**BUSINESS DEVELOPMENT OFFICER**

Mollie Profic  
**CHIEF FINANCIAL OFFICER**

Lori Szewczyk  
**DIRECTOR OF GRANTS**

Karen Fiala  
**MANAGER, TAX INCENTIVES**

Jerry Manhard  
**CHIEF LENDING OFFICER**

Phillip J. Riggs  
**FACILITIES & PROJECT MANAGEMENT**

Lynette Thompson  
**RECEPTIONIST**

Laurie A. Hendrix  
**ADMINISTRATIVE ASSISTANT**

Steve Weathers  
**PRESIDENT & CEO**



## ECIDA TAX INCENTIVES

- ## ECIDA BOND

- ## RDC LOANS

- ### \*\* Amended Projects



The mission of the Erie County IDA is to provide the resources that encourage investment, innovation and international trade - creating a successful business climate that improves the quality of life for the residents of the region.