

Erie County Industrial Development Agency  
Meeting of the Membership



June 22, 2022  
at 12:00 p.m.

**1.0 Call to Order**

- 1.1 Call to Order Meeting of the Membership
- 1.2 Welcome New Board Member – Michael Hughes, Chair, NFTA

**2.0 Approval of Minutes:**

- 2.1 Approval of Minutes of April 27, 2022 Annual Meeting of the Membership (Action Item) (Pages 2-6)

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

- 3.1 Financial Report (Informational) (Pages 7-10)
- 3.2 Governance Committee Update (Informational)
- 3.3 2022 Tax Incentive Induced/Closing Schedule (Informational) (Pages 11-12)
- 3.4 Approval of Resolution to Grant UDAG Money to ILDC for DEC-CAMU (Action Item) (Pages 13-19)
- 3.5 Policy Committee Update (Informational) (Pages 20-23)

**4.0 Inducement Resolution:**

	<b>ECIDA</b>	<b>Private</b>	<b>Municipality</b>
	<b>Incentives</b>	<b>Investment</b>	
4.1 Aebly & Associates (Pages 24-67)	\$521,790	\$3,110,729	West Seneca
4.2 Spaulding Business Park (Pages 68-98)	\$403,241	\$2,055,000	City of Tonawanda

**5.0 Management Team Reports:**

- 5.1

**6.0 Adjournment - Next Meeting July 27, 2022 @ 12:00 p.m.**

**MINUTES OF THE ANNUAL MEETING  
OF THE  
MEMBERSHIP OF THE  
ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY  
(ECIDA or AGENCY)**

- MEETING:** April 27, 2022
- LIVE STREAMED:** This meeting is being live-streamed and made accessible on the ECIDA's website at [www.ecidany.com](http://www.ecidany.com).
- PRESENT:** Hon. Diane Benczkowski, Hon. Bryon W. Brown, Hon. Joseph Emminger, Hon. Howard Johnson, Tyra Johnson, Hon. Brian Kulpa, Richard Lipsitz, Hon. Glenn R. Nellis, Hon. Mark C. Poloncarz, Sister Denise Roche and Kenneth A. Schoetz
- EXCUSED:** Denise Abbott, Rev. Mark E. Blue, James Doherty, Dottie Gallagher, Brenda W. McDuffie, Hon. Darius G. Pridgen, Paul Vukelic and Renee Wilson
- OTHERS PRESENT:** John Cappellino, President & CEO; Beth O'Keefe, Vice President of Operations; Mollie Profic, Chief Financial Officer/Assistant Secretary; Atiqa Abidi, Assistant Treasurer; Gerald Manhard, Chief Lending Officer/Assistant Secretary; Grant Lesswing, Director of Business Development; Andrew Federick, Business Development Officer; Brian Krygier, Director of Information Technology; Carrie Hocienec, Operations Assistant; Robbie Ann McPherson, Director of Marketing & Communications, Sean Fallon, Project Manager; Pat Smith, Senior Bookkeeper; Laurie Hendrix, Administrative Coordinator; Terrence Gilbride, ECIDA Bond Counsel and Robert G. Murray, Esq., General Counsel/Harris Beach PLLC
- GUESTS:** Maria Whyte, Deputy County Executive, Erie County; Zachary Evans, Erie County; Lisa Hicks and Alex Carducci on behalf of the City of Buffalo; Olivia Hill on behalf of Invest Buffalo Niagara; Steven Obadiah, Daniel Bobbett, William Hart on behalf of Workspport; Mike Szukala on behalf of Erie County; Geoffrey Pritchard, on behalf of City of Buffalo School District; Jim Fink on behalf of Business First and Malcolm Aaron, Scott Shiokari and Brian Madigan on behalf of RPNY Solar

There being a quorum present at 12:03 p.m., the meeting of the members of the Erie County Industrial Development Agency (the "ECIDA" or "Agency"), was called to order by Vice Chair, Mr. Lipsitz, who presided over the meeting in the absence of Chair McDuffie.

## MINUTES

The minutes of the March 23, 2022 meeting of the members were presented. Mr. Johnson moved and Mr. Poloncarz seconded to approve of the minutes. Mr. Lipsitz called for the vote and the minutes were unanimously approved.

## REPORTS/ACTION ITEMS/INFORMATION ITEMS

Financial Report. Ms. Profic presented the March 2022 financial report. The balance sheet shows the month ended with total assets of \$30.2M (includes unrestricted cash of \$7.7M available for Agency operations) and net assets of \$20.8M. The monthly income statement shows net loss of \$68,000 for March. Operating revenue of \$186,000 was below the monthly budget by \$38,000, due mainly to timing of administrative fees received during the month and a refund issued. Operating expenses of \$283,000 were about \$42,000 under budget. This was due mainly to costs for the CEDS update, which fall under the UDAG fund. Under Special Project Grants, \$38,000 of net revenue was recognized in March. After depreciation, there was a net loss of \$68,000 for the month. The year-to-date Income Statement shows revenues of \$475,000, including administrative fee revenue of \$271,000. We are at about 15% of our 2022 budget after the first quarter of the year. Expenses of \$723,000 are \$22,000 above budget, as mentioned this is due mainly to CEDS update costs recognized in 2022. Special project grant revenue nets to \$154,000. After depreciation, there is currently a net loss of \$123,000 for the year. Mr. Lipsitz directed that the report be received and filed.

Finance and Audit Committee Update. Ms. Profic advised that the joint Finance & Audit Committee meeting was held on April 20, 2022. The Committee reviewed and recommended approval of the ECIDA Buffalo School Project 2022 bond refinancing and also discussed some minor adjustments to the ECIDA's 2022 budget. Mr. Lipsitz directed that the report be received and filed.

2022 Tax Incentive Induced/Closing Schedule. Ms. O'Keefe presented this report to the members. Mr. Lipsitz directed that the report be received and filed.

Nominating Committee Update. Mr. Cappellino reviewed the entire slate of committee member appointments and officer position appointments, noting changes over the prior year's appointments. General discussion ensued. Mr. Poloncarz, as Chair of the Nominating Committee, thanked everyone to agreeing to serve.

Mr. Poloncarz moved and Mr. Johnson seconded to approve of the proposed committee member appointments and the officer position appointments as presented. Mr. Lipsitz called for the vote and the aforementioned motion was unanimously approved.

Policy Committee Update. Mr. Lipsitz provided a review of the most recently completed Policy Committee meeting. Mr. Cappellino noted the Policy Committee members continue to work on the MWBE policy. Mr. Lipsitz directed that the report be received and filed.

## INDUCEMENT RESOLUTION

Workspport Ltd., 2500 N. America Drive, West Seneca, New York. Ms. O’Keeffe reviewed this proposed sales tax exemption and mortgage recording tax exemption benefit project which consists of the renovation on the land of an approximately 222,000 square-foot facility to be utilized for manufacturing, warehousing and offices with extra space/acres to allow for expansion in the future.

Mr. Obadiah spoke on behalf of the applicant as well as Mr. Bobbett, confirming the company’s goals of moving manufacturing from China to the United States.

Mr. Poloncarz spoke in favor of the project.

As a condition precedent of receiving Financial Assistance, and as a material term or condition as approved by the Agency in connection with the Project, the Company covenants and agrees and understands that it must, subject to potential modification, termination and/or recapture of Financial Assistance for failure to meet and maintain the commitments and thresholds as described below, submit, on an annual basis or as otherwise indicated below through the conclusion of the later of two (2) years following (i) the construction completion date, or (ii) the termination of the Agent Agreement, a certification, as so required by the Agency, confirming:

- (i) Investment Commitment- the total investment actually made with respect to the Project at the time of Project completion equals or exceeds \$12,755,854 (which represents the product of 85% multiplied by \$15,006,887, being the total project cost as stated in the Company’s application for Financial Assistance).
- (ii) Employment Commitment – that there are at least 9 existing full time equivalent (“FTE”) employees located at, or to be located at, the Facility as stated in the Company’s application for Financial Assistance (the “Baseline FTE”); and
  - the number of current FTE employees in the then current year at the Facility; and
  - that within two (2) years of Project completion, the Company has maintained and created FTE employment at the Facility equal to 9 FTE employees [being the product of 85% multiplied by 11 (being the 11 new FTE employee positions proposed to be created by the Company as stated in its Application)]. In an effort to confirm and verify the Company’s employment numbers, the Agency requires that, at a minimum, the Company provide employment data to the Agency on a quarterly basis, said information to be provided on the Agency’s “Quarterly Employment Survey” form to be made available to the Company by the Agency.
- (iii) Local Labor Commitment - that the Company adheres to and complies with the Agency’s Local Labor Workforce Certification Policy on a quarterly basis during the construction period.

- (iv) Equal Pay Commitment – that the Company adheres to and complies with the Agency’s Pay Equity Policy.
- (v) Unpaid Real Property Tax Policy Commitment – that the Company is compliant with the Agency’s Unpaid Real Property Tax Policy.

Mr. Poloncarz moved and Mr. Kulpa seconded to approve the Project. Mr. Lipsitz then called for the vote and the following resolution was unanimously approved:

RESOLUTION OF THE ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY: (i) ACCEPTING THE APPLICATION OF WORKSPORT LTD., AND/OR INDIVIDUAL(S) OR AFFILIATE(S), SUBSIDIARY(IES), OR ENTITY(IES) FORMED OR TO BE FORMED ON ITS BEHALF (INDIVIDUALLY, AND/OR COLLECTIVELY, THE “COMPANY”) IN CONNECTION WITH A CERTAIN PROJECT DESCRIBED BELOW; (ii) RATIFYING THE SCHEDULING, NOTICING, AND CONDUCTING OF A PUBLIC HEARING IN CONNECTION WITH THE PROJECT; (iii) APPOINTING THE COMPANY, OR ITS DESIGNEE, AS ITS AGENT TO UNDERTAKE THE PROJECT; (iv) AUTHORIZING THE UNDERTAKING OF THE PROJECT TO PROVIDE FINANCIAL ASSISTANCE TO THE COMPANY IN THE FORM OF (A) A SALES TAX EXEMPTION BENEFIT FOR PURCHASES AND RENTALS RELATED TO THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF THE PROJECT, AND (B) A MORTGAGE RECORDING TAX EXEMPTION BENEFIT FOR FINANCING RELATED TO THE PROJECT; AND (v) AUTHORIZING THE NEGOTIATION AND EXECUTION OF A LEASE AGREEMENT, LEASEBACK AGREEMENT, AN AGENT AND FINANCIAL ASSISTANCE PROJECT AGREEMENT, AND RELATED DOCUMENTS

**AMENDATORY INDUCEMENT RESOLUTION**

Assignment and Assumption Pollock Holdings, LLC (Simmer Crane) to Flatiron Crane Real Estate Company, LLC. Ms. O’Keefe reviewed the assignment and assumption consent request for the benefit of Flatiron Cranes Real Estate Company, LLC.

Sister Denise moved and Ms. Benczkowski seconded to approve the Project. Mr. Lipsitz then called for the vote and the following resolution was unanimously approved:

RESOLUTION OF THE ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY APPROVING THE ASSIGNMENT OF AND ASSUMPTION BY POLLOCK HOLDINGS, LLC PROJECT TO FLATIRON CRANE REAL ESTATE COMPANY, LLC, OF THE EXISTING LEASE, LEASEBACK, AND PILOT AGREEMENT TOGETHER WITH ALL ASSOCIATED DOCUMENTS RELATING TO THE FACILITY LOCATED AT 365 WHEELER STREET, TONAWANDA, NEW YORK

## **ECIDA BOND**

Refinancing of the Agency's School Facility Refunding Revenue Bond (City School District of the City of Buffalo Project), Series 2012A. Mr. Cappellino introduced this proposed ECIDA bond refinancing of a portion of the 2012A Series Bonds.

Mr. Emminger moved and Mr. Johnson seconded to approve of the proposed refinancing. Mr. Lipsitz then called for the vote and the following resolution was unanimously approved:

RESOLUTION OF THE ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY AUTHORIZING THE ISSUANCE OF REFUNDING BONDS TO REFUND ALL OR A PORTION OF THE SERIES 2012A BONDS WITH RESPECT TO ITS PROJECT FOR THE CITY SCHOOL DISTRICT OF THE CITY OF BUFFALO AND AUTHORIZING OTHER MATTERS IN CONNECTION THEREWITH

## **COMPLIANCE**

RPNY Solar 2, LLC/Bullis Road Solar Project – Local Labor Request. Mr. Cappellino reviewed the request by the Company to grant a waiver from the Local Labor Policy's 90% local labor requirement and to approve of the company's use of local labor at the 87.7% level.

Mr. Poloncarz moved and Mr. Johnson seconded to approve of the waiver from the Local Labor Policy to 87.7%. Mr. Lipsitz called for the vote and the following resolution was unanimously approved.

RESOLUTION AUTHORIZING A WAIVER OF THE LOCAL LABOR WORKFORCE CERTIFICATION POLICY AS APPLICABLE TO THE RPNY SOLAR 2, LLC PROJECT

## **MANAGEMENT TEAM REPORT**

Mr. Cappellino presented the report. Mr. Lipsitz directed that the report be received and filed.

There being no further business to discuss, Mr. Lipsitz adjourned the meeting of the Agency at 12:35 p.m.

Dated: April 27, 2022

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Gerald Manhard, Assistant Secretary

**Erie County Industrial Development Agency**  
**Financial Statements**  
As of May 31, 2022

**ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY ("ECIDA")**

**Balance Sheet**

May 31, 2022

	May 2022	April 2022	December 2021
<b>ASSETS:</b>			
Cash *	\$ 7,471,027	\$ 7,574,524	\$ 7,851,664
Restricted Cash & Investments *	19,307,903	19,301,758	19,656,732
Due from Affiliates	434,732	398,796	755,496
Due from Buffalo Urban Development Corp.	127,588	116,538	105,721
Other Receivables	127,996	156,200	35,629
<b>Total Current Assets</b>	<u>27,469,247</u>	<u>27,547,816</u>	<u>28,405,242</u>
Grants Receivable	699,964	721,214	863,473
Venture Capital Investments, net of reserves	506,886	506,886	506,886
Capital Assets	1,114,083	1,124,083	1,164,083
<b>Total Long-Term Assets</b>	<u>2,320,933</u>	<u>2,352,183</u>	<u>2,534,441</u>
<b>TOTAL ASSETS</b>	<u>\$ 29,790,179</u>	<u>\$ 29,899,999</u>	<u>\$ 30,939,684</u>
 <b>LIABILITIES &amp; NET ASSETS</b>			
Accounts Payable & Accrued Exp.	\$ 192,424	\$ 166,159	\$ 452,629
Deferred Revenues	694,920	697,253	872,993
Funds Held on Behalf of Others	8,447,673	8,441,519	8,717,606
<b>Total Liabilities</b>	<u>9,335,017</u>	<u>9,304,931</u>	<u>10,043,228</u>
Net Assets	<u>20,455,162</u>	<u>20,595,067</u>	<u>20,896,455</u>
<b>TOTAL LIABILITIES &amp; NET ASSETS</b>	<u>\$ 29,790,179</u>	<u>\$ 29,899,999</u>	<u>\$ 30,939,684</u>

\* Cash and restricted cash is invested in checking accounts at M&T Bank. The maximum FDIC insured amount = \$250,000 with the remainder of the cash balance collateralized with government obligations by the financial institution.



**ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY ("ECIDA")**

**Income Statement**

Month of May 2022

	<b>Actual vs. Budget</b>		
	<b>Actual</b>	<b>Budget</b>	<b>Variance</b>
<b>REVENUES:</b>			
Administrative Fees, net of refunds	\$ 70,619	\$ 154,583	\$ (83,964)
Affiliate Management Fees	44,850	45,125	(275)
Interest Income - Cash & Investments	306	1,042	(736)
Rental Income	19,814	20,617	(803)
Other Income	-	833	(833)
<b>Total Revenues</b>	<b>135,589</b>	<b>222,200</b>	<b>(86,611)</b>
<b>EXPENSES:</b>			
Salaries & Benefits	\$ 166,136	\$ 169,542	\$ (3,406)
General Office Expenses	28,164	23,880	4,284
Building Operating Costs	16,624	20,312	(3,688)
Professional Services	12,470	5,583	6,886
Public Hearings & Marketing	13,912	5,000	8,912
Travel, Mileage & Meeting Expenses	3,511	2,917	594
Other Expenses	781	625	156
<b>Total Expenses</b>	<b>241,597</b>	<b>227,858</b>	<b>13,739</b>
<b>SPECIAL PROJECT GRANTS:</b>			
Revenues	\$ 40,333	\$ 80,945	\$ (40,611)
Expenses	(44,455)	(75,261)	30,806
	(4,121)	5,683	(9,805)
<b>NET INCOME/(LOSS) BEFORE OTHER STRATEGIC INVESTMENTS &amp; DEPRECIATION:</b>			
	(110,130)	25	(110,155)
<b>OTHER STRATEGIC INVESTMENTS AND INITIATIVES:</b>			
Bethlehem Steel Industrial Park Grant	(8,055)	(8,333)	279
Angola Ag Park Grant	(11,721)	(8,333)	(3,387)
	(19,775)	(16,667)	(3,109)
<b>NET INCOME/(LOSS) BEFORE DEPRECIATION:</b>			
	<b>(129,905)</b>	<b>(16,642)</b>	<b>(113,263)</b>
Depreciation	(10,000)	(10,000)	-
<b>NET INCOME/(LOSS):</b>			
	<b>\$ (139,905)</b>	<b>\$ (26,642)</b>	<b>\$ (113,263)</b>

**ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY ("ECIDA")**

**Income Statement**

Year to Date: May 31, 2022

	Actual vs. Budget			Actual vs. Prior Year		
	Actual	Budget	Variance	Actual	Prior Year	Variance
<b>REVENUES:</b>						
Administrative Fees, net of refunds	\$ 414,953	\$ 772,917	\$ (357,964)	\$ 414,953	\$ 969,574	\$ (554,621)
Affiliate Management Fees	224,875	225,625	(750)	224,875	216,000	8,875
Interest Income - Cash & Investments	1,494	5,208	(3,715)	1,494	4,980	(3,487)
Rental Income	98,534	103,083	(4,549)	98,534	99,274	(740)
Other Income	9,190	16,417	(7,227)	9,190	7,293	1,898
<b>Total Revenues</b>	<b>749,046</b>	<b>1,123,250</b>	<b>(374,204)</b>	<b>749,046</b>	<b>1,297,121</b>	<b>(548,075)</b>
<b>EXPENSES:</b>						
Salaries & Benefits	856,420	904,709	(48,288)	856,420	750,004	106,416
General Office Expenses	128,289	119,400	8,889	128,289	108,297	19,992
Building Operating Costs	88,628	101,558	(12,931)	88,628	88,608	20
Professional Services	109,544	56,017	53,527	109,544	55,148	54,396
Public Hearings & Marketing	34,002	25,000	9,002	34,002	42,083	(8,082)
Travel, Mileage & Meeting Expenses	8,688	14,583	(5,896)	8,688	3,037	5,651
Other Expenses	3,953	3,125	828	3,953	1,483	2,470
<b>Total Expenses</b>	<b>1,229,523</b>	<b>1,224,392</b>	<b>5,131</b>	<b>1,229,523</b>	<b>1,048,660</b>	<b>180,864</b>
<b>SPECIAL PROJECT GRANTS:</b>						
Revenues	240,047	404,723	(164,676)	240,047	2,757,352	(2,517,305)
Expenses	(93,625)	(376,306)	282,681	(93,625)	(2,997,509)	2,903,884
	<b>146,422</b>	<b>28,417</b>	<b>118,006</b>	<b>146,422</b>	<b>(240,157)</b>	<b>386,579</b>
<b>NET INCOME/(LOSS) BEFORE OTHER STRATEGIC INVESTMENTS &amp; DEPRECIATION:</b>						
	<b>\$ (334,055)</b>	<b>\$ (72,725)</b>	<b>\$ (261,330)</b>	<b>\$ (334,055)</b>	<b>\$ 8,304</b>	<b>\$ (342,359)</b>
<b>OTHER STRATEGIC INVESTMENTS AND INITIATIVES:</b>						
Zero Net Energy costs (Z7+)	\$ -	\$ (260,799)	\$ 260,799	\$ -	\$ -	\$ -
Bethlehem Steel Industrial Park Grant	(8,055)	(100,000)	91,945	(8,055)	(163,091)	155,036
Angola Ag Park Grant	(49,183)	(100,000)	50,817	(49,183)	(49,860)	677
Bethlehem Steel Industrial Park Grant Reimb	-	250,000	(250,000)	-	-	-
Buffalo Urban Development Corporation	-	(100,000)	100,000	-	-	-
Other Strategic Initiatives	-	(125,000)	125,000	-	-	-
	<b>(57,238)</b>	<b>(435,799)</b>	<b>378,561</b>	<b>(57,238)</b>	<b>(212,951)</b>	<b>155,713</b>
<b>NET INCOME/(LOSS) BEFORE DEPRECIATION:</b>						
	<b>(391,293)</b>	<b>(508,524)</b>	<b>117,231</b>	<b>(391,293)</b>	<b>(204,647)</b>	<b>(186,646)</b>
Depreciation	(50,000)	(50,000)	-	(50,000)	(50,000)	-
<b>NET INCOME/(LOSS):</b>	<b>\$ (441,293)</b>	<b>\$ (558,524)</b>	<b>\$ 117,231</b>	<b>\$ (441,293)</b>	<b>\$ (254,647)</b>	<b>\$ (186,646)</b>

### Tax Incentives Approved - 2022

Approval Date	Project Name	Project City/Town	Private Investment/ Project Amount	Minimum Investment/ Commitment	FT Jobs Retained	PT Jobs Retained	FT Jobs to be Created	PT Jobs to be Created	Job Creation	Const. Jobs	Spillover Jobs	Length of Term	Incentive Amount
1 Jan-22	791 Washington Street, LLC <sup>1</sup> Arbor Multifamily Lending.	Buffalo	\$107,950,000	85% threshold \$91,800,000	0	0	5	0	85% -New 4 jobs	571	433	Period of PILOT 10 Years	\$3,719,000
1 Jan-22	LLC Broadway Development & Management <sup>1</sup>	Tonawanda	\$2,100,000	85% threshold \$1,785,000	168	0	25	0	85% -New 21 jobs	0	158	project completion date + 2 yrs	\$183,750
1 Jan-22	Management <sup>1</sup>	Buffalo	\$12,500,000	85% threshold \$10,625,000	2	0	8	0	85% -New 7 jobs	56	55	project completion date + 2 yrs	\$693,750
1 Jan-22	Lactalis American Group, Inc.	Buffalo	\$1,436,697	85% threshold \$1,221,192	334	0	27	0	85% -New 22 jobs	5	1390	project completion date + 2 yrs	\$121,441
1 Mar-22	471 Elmwood, LLC <sup>1</sup>	Buffalo	\$3,590,000	85% threshold \$3,051,500	0	0	1	0	85% -New 1 job	20	10	project completion date + 2 yrs	\$122,500
1 Apr-22	Workspport, Ltd.	West Seneca	\$15,006,887	85% threshold \$12,755,854	0	0	6	10	85% -New 9 job	30	33	project completion date + 2 yrs	\$103,562
<b>Totals:</b>													
<b>Adaptive Reuse Subtotal</b>			<b>3</b>	<b>\$124,040,000</b>	<b>2</b>	<b>0</b>	<b>14</b>	<b>0</b>		<b>647</b>	<b>498</b>		<b>\$4,535,250</b>
<b>2022 Total</b>			<b>6</b>	<b>\$142,583,584</b>	<b>504</b>	<b>-</b>	<b>72</b>	<b>10</b>		<b>682</b>	<b>2079</b>		<b>\$4,944,003</b>

<sup>1</sup> Adaptive Reuse

**Tax Incentives Closings - 2022**

Project Name	Project Amount at Closing	FT Jobs at App	Projected Year 2 FT Jobs	PT Jobs at App	Projected Year 2 PT Jobs	Project City	Induced Date	Est. Project Completion Date
Unifrax Line 7	\$ 36,000,000	27	37	0	0	Tonawanda	3/27/2019	12/31/2021
Workspport	\$ 15,666,887	0	6	0	10	West Seneca	4/27/2022	12/31/2027
Sucro Real Estate, LLC	\$ 7,625,000	5	50	0	0	Lackawanna	1/27/2021	4/30/2023
	\$ 59,291,887	32	93	0	10			
Projects Closed = 3								
FT Projected New Jobs = 61								
PT Projected New Jobs = 10								



MEMORANDUM  
June 22, 2022

To: Members of the Board of Directors of the Erie County Industrial Development Agency and the Buffalo and Erie County Industrial Land Development Corporation

From: John Cappellino

Re: Landscape Design Services – Bethlehem Steel CAMU Site

**Background:**

The New York State Department of Environmental Conservation (NYSDEC) and Tecumseh Redevelopment have entered into a cleanup plan for the larger Bethlehem site, including areas in and around the former coke oven operations. The plan includes the remediation of soils and the creation of a Consolidated Area Management Unit (CAMU) near the mouth of Smokes Creek.

As a result of the remediation activities the CAMU area will present a unique opportunity to create a passive recreational area along the Lake Erie shoreline near the mouth of Smokes Creek. This is a generational opportunity which has not been available to the residents of the City of Lackawanna and the region for over 100 years.

Working with our partners the plan would be to create a passive recreation park which would include natural habitat areas, trails, board walks and Lake Erie viewshed opportunities. The site would serve as an amenity to tenants of the Renaissance Commerce Park and provide an opportunity to residents of the region to access the waterfront.

The ILDC is proposing to engage a design and landscape consultant to develop a design plan, concepts, and renderings to create a passive park at the site. The consultant tasks would include conducting multiple public input and informational sessions in the community to help shape the development of the final plan. The plan would also consider the potential integration of the CAMU site into the future Shoreline Trail extension to Woodlawn Beach State Park. The proposed plan would help the ILDC to confirm that the site could be developed into a passive recreation area in the event the ILDC determines to acquire the site.



**Requested Actions ECIDA:**

Seeking approval to enter into a funding agreement with the ILDC to engage provide up \$75,000 of UDAG funds to engage a consultant to conduct public input and informational sessions and to develop a design plan to create a future passive recreational park at the mouth of Smokes Creek.

**Requested Actions ILDC:**

Seeking approval to enter into a funding agreement with the ECIDA of up to \$75,000 of UDAG funds to engage a consultant to conduct public input and informational sessions and to develop a design plan to create a future passive recreational park at the mouth of Smokes Creek.



**Project Funding Availability**

**UDAG (Urban Development Action Grant) Fund** – the UDAG fund was capitalized primarily from reflow associated with the original UDAG grant for the purchase and redevelopment of the former Westinghouse facility out in Elma, which is presently owned by Steuben Foods. The monies which were repaid(reflow) from the Steuben project in the form of rent and ultimately the purchase of the facility and the sale of venture investments primarily from Synacor and Gemcor make up the bulk of the UDAG fund.

UDAG reflow funds are generally restricted by federal regulation, but can be used for certain purposes, including design and development costs associated with future development like the acquisition of the Renaissance Commerce Park site.

Current Available Cash balance \$10,700,000

**Current Allocations**

*Landscape Design Services	(75,000)
Beth Steel Phase 1 carrying costs balance	(71,000)
Angola Ag Park carrying costs balance	(181,000)
Venture capital annual budget item	(1,000,000)
Impact project fund annual budget item	(1,000,000)

UDAG balance net of allocated funds \$ 8,373,000

\*Current Request

## ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY

### RESOLUTION

A regular meeting of the Erie County Industrial Development Agency was convened on Wednesday, June 22, 2022 at 12:00 pm.

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

RESOLUTION OF THE ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY (“AGENCY”) TO ENTER INTO A FUNDING AGREEMENT WITH THE BUFFALO AND ERIE COUNTY INDUSTRIAL LAND DEVELOPMENT CORPORATION TO GRANT UP TO \$75,000 IN THE FORM OF A GRANT FROM THE AGENCY’S U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT URBAN DEVELOPMENT ACTION GRANT (“UDAG”) REFLOW FUND

WHEREAS, the Agency maintains an Urban Development Action Grant Reflow Fund (the “UDAG Fund”), said UDAG Fund having been established based on rental payments derived from a project funded by an Agency UDAG grant, where after UDAG Fund proceeds have been invested within the Agency’s venture capital investment program which has resulted in certain cash distributions back to the UDAG Fund thereby expanding the size of the UDAG Fund; and

WHEREAS, the Buffalo and Erie County Industrial Land Development Corporation (the “ILDC”), an affiliate of the Agency, is authorized and empowered by Section 1411 of the Not-for-Profit Corporation Law of the State of New York, as amended, to relieve and reduce unemployment, promote and provide for additional and maximum employment, better and maintain job opportunities in Erie County and to lessen the burdens of government and act in the public interest; and

WHEREAS, the ILDC is the owner of, and is overseeing the redevelopment of, the Renaissance Commerce Park in Lackawanna, New York (the “RCP”), and is currently evaluating lands adjacent to the RCP for potential future acquisition for its corporate purposes and, in addition, is also partnering with the City of Lackawanna and the County of Erie with respect to planning for, and developing, certain public open space and recreational areas and amenities within and adjacent to the RCP as a complement to the redevelopment of the RCP and as a benefit to the residents of Erie County, New York; and

WHEREAS, the ILDC has identified certain real property located adjacent to the RCP currently owned by Tecumseh Redevelopment, Inc. (“Tecumseh”) which will be used in connection with the remediation of certain other lands at the former Bethlehem Steel Site, and the construction of a Consolidated Area Management Unit (“CAMU”), being a designed lined and capped on-site disposal area for the treatment and storage of hazardous waste, said land hosting the CAMU and adjacent lands thereto being referred to herein as the CAMU Redevelopment Area as depicted within Exhibit A; and



WHEREAS, upon completion of the CAMU Redevelopment Area environmental remediation plan to be undertaken by Tecumseh, it is contemplated that the CAMU Redevelopment Area will be utilized for passive recreation; and

WHEREAS, to facilitate the remediation and future use of the CAMU Redevelopment Area, the ILDC may consider acquiring the CAMU Redevelopment Area for purposes of benefiting, and as a complimentary use befitting of, the RCP and its future tenants and the residents of Erie County; and

WHEREAS, in an effort to encourage the development of passive recreation within and adjacent to the RCP as described herein, the ILDC desires to engage in public stakeholder activities to receive comment and suggestions on the development of a passive recreational park on the future CAMU Redevelopment Area, and to develop a design plan, concepts, and renderings to create such a passive recreation park (the "CAMU Area Redevelopment Plan"); and

WHEREAS, implementation and development of the CAMU Area Redevelopment Plan is one of several conditions precedent to any contemplated acquisition of the CAMU Redevelopment Area by the ILDC; and

WHEREAS, the Agency desires to assist the ILDC in its efforts to undertake the CAMU Area Redevelopment Plan by granting UDAG Funds in the amount not to exceed \$75,000; and

WHEREAS, it is considered to be in the best interest of the Agency, the ILDC, the County of Erie, the City of Lackawanna, and the community in particular that UDAG Funds in the total amount up to \$75,000, as described above, be granted to and utilized by the ILDC for developing the CAMU Area Redevelopment Plan; and

WHEREAS, the ILDC desires to accept the aforementioned UDAG Funds in the amount up to \$75,000 to undertake the creation of the CAMU Area Redevelopment Plan; and

WHEREAS, the Agency desires to negotiate and execute a Grant Disbursement Agreement (the "GDA") with the ILDC in an amount up to \$75,000 to permit the ILDC to develop and create the CAMU Area Redevelopment Plan; 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 Agency must satisfy the applicable requirements set forth in SEQRA prior to undertaking the action as described herein; and

WHEREAS, the action contemplated herein involves the conducting of and approval of environmental, engineering, and economic feasibility studies necessary to establish a viable CAMU Area Redevelopment Plan, does not otherwise commit the Agency to commence or engage in any activity and pursuant to 6 N.Y.C.R.R. §617.5(c)(27) of the SEQRA regulations, and as a result, the action contemplated herein is a Type II Action as defined thereunder and no findings or determination of significance are required under SEQRA; and

WHEREAS, funding ILDC activities as described herein is an eligible UDAG expenditure under Section 105(a)(1) of the Housing and Community Development Act of 1974.

**NOW, THEREFORE, BE IT RESOLVED BY THE ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY AS FOLLOWS:**

Section 1. Based upon consideration of the need for creating the contemplated CAMU Area Redevelopment Plan as a necessary step for identifying a potential viable re-use of the CAMU Redevelopment Area as a passive recreational area complimenting the use of the RCP and as a necessary step in the event the ILDC determines that it desires to acquire the CAMU Redevelopment Area, the Agency hereby hereby approves and authorizes the funding of the CAMU Area Redevelopment Plan and the granting of the UDAG Funds to the ILDC to carry out the activities as described herein, in an amount not to exceed \$75,000.

Section 2. The Chair, the Vice Chair, the President/Chief Executive Officer, the Vice President, the Chief Financial Officer/Treasurer and/or the Assistant Treasurer are hereby authorized, on behalf of the Agency, to negotiate, execute and deliver the GDA consistent with the terms as provided for within this resolution and any related documents and the officers, employees and agents of the Agency are hereby authorized and directed for and in the name and on behalf of the Agency to do all 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 this resolution.

Section 3. This resolution shall take effect immediately.

Dated: June 22, 2022

**EXHIBIT A**

**CAMU Redevelopment Area**



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

- DATE:** June 2, 2022
- LIVE STREAMED:** This meeting is being live-audio streamed and made accessible on the Agency's website at [www.ecidany.com](http://www.ecidany.com).
- PRESENT:** Denise Abbott; Hon. April Baskin; Rev. Mark E. Blue; Johanna Coleman; Richard Lipsitz, Jr.; Brenda W. McDuffie; Hon. Glenn R. Nellis; Laura Smith; David J. State; Lavon Stephens; Hon. John Tobia; Paul Vukelic and Hon. Maria Whyte
- EXCUSED:** Hon. Bryon W. Brown and Colleen DiPirro;
- OTHERS PRESENT:** John Cappellino, President & CEO; Beth O'Keefe, Vice President of Operations; Mollie Profic, Chief Financial Officer; Atiqah Abidi, Assistant Treasurer; Andrew Federick, Business Development Officer; Brian Krygier, Director of Information Technology; Carrie Hocienec, Operations Assistant; Robbie Ann McPherson, Director of Marketing & Communications; Pat Smith, Senior Bookkeeper and Robert G. Murray, Esq., General Counsel/Harris Beach PLLC
- GUESTS:** Alex Carducci on behalf of the City of Buffalo; Zachary Evans on behalf of the County; Joseph Paolini and Molly Penale on behalf of Spaulding Business Park, LLC and Julius Aebly on behalf of Aebly & Associates Insurance Services, Inc.

There being a quorum present at 9:32 a.m., the Meeting of the Policy Committee was called to order by Mr. Lipsitz.

**MINUTES**

The minutes of the April 7, 2022 Policy Committee meeting were presented. Upon motion made by Mr. Blue to approve of the minutes, and seconded by Mr. Nellis, the aforementioned Policy Committee meeting minutes were unanimously approved.

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

**TAX INCENTIVE REPORT**

Mr. Cappellino reviewed this report. Mr. Lipsitz directed that the report be received and filed.

**PROJECT PRESENTATIONS**

Aebly and Associates Insurance Services a/k/a A&A Union Road, LLC, 1471 Union Road, West Seneca, New York 14224. Ms. O’Keefe presented this proposed sales tax, mortgage recording tax and real property tax abatement benefits project involving the construction of a 6,160 sq. ft. 2-story professional office building.

Ms. O’Keefe confirmed that A&A Union Road, LLC is seeking approximately \$498,062 in assistance including sales tax exemption, mortgage tax exemption and real property tax abatement benefits. Total payroll is projected at \$15,430,020 for the direct and indirect jobs created including 13 construction jobs. The resulting cost benefit is 1:31 so for every \$1 of incentives the community benefit is \$31 in payroll & tax revenue. For Erie County, every \$1 of incentives provides \$36 in community benefits.

Ms. Baskin expressed support for the company’s MWBE utilization plan. Ms. Whyte and the applicant confirmed that project construction costs have increased by about 23% due to COVID-19 disruption.

Ms. O’Keefe stated that in exchange for providing the sales and use tax, mortgage recording tax exemption and real property tax abatement benefits, the approval of this project will be conditioned upon adherence to certain material terms and conditions with respect to the potential modification, recapture and/or termination of financial assistance as follows:

**Draft Recapture Material Terms**

Condition	Term	Recapture Provision
Total Investment	At project completion	Investment amount equal to or greater than 85% of project amount. Total Project Amount = \$3,110,729 85% = \$2,644,119
Employment	Coincides with 7-year PILOT	Maintain Base – 12 FTE Create 85% of Projected Jobs Projected = 2 85% = 1 Recapture Employment = 13
Local Labor	Construction Period	Adherence to policy including quarterly reporting
Pay Equity	Coincides with 7-year PILOT	Adherence to policy

Unpaid Tax	Coincides with 7-year PILOT	Adherence to policy
Recapture Period	Coincides with 7-year PILOT	Recapture of state and local sales taxes, mortgage recording tax and real property tax abatement

Ms. McDuffie moved and Mr. Vukelic seconded to recommend the project as proposed be forwarded to the members of the ECIDA for approval.

Mr. Tobia queried about plan for existing buildings. Mr. Aebly, on behalf of the company, stated he will be selling the buildings and may have the buildings re-zoned for residential use.

Mr. Lipsitz called for the vote and the project was then unanimously approved.

Spaulding Business Park, LLC, Gibson Street (corner of Gibson and Hackett Drive), Tonawanda, New York 14150. Ms. O’Keefe presented this proposed sales tax, mortgage recording tax and real property tax abatement benefits project involving the construction of a business park in the City of Tonawanda consisting of five approximately 9,000 sq. ft. buildings for light manufacturing and/or warehouse use.

Ms. Whyte asked the Company if they have estimates of job commitment with respect to its project. Mr. Paolini, on behalf of the company, stated he relied on prior, similar spec building projects to estimate job numbers.

Ms. O’Keefe confirmed that Spaulding Business Park, LLC is seeking \$382,448 in incentives including sales tax exemption, mortgage tax exemption and real property tax abatement benefits. Total payroll is projected at \$10,526,239 for the direct and indirect jobs created including 8 construction jobs. The resulting cost benefit is 1:27 so for every \$1 of incentives the community benefit is \$27 in payroll & tax revenue. For Erie County, every \$1 of incentives provides \$30 in community benefits.

Ms. O’Keefe stated that in exchange for providing the sales and use tax, mortgage recording tax exemption and real property tax abatement benefits, the approval of this project will be conditioned upon adherence to certain material terms and conditions with respect to the potential modification, recapture and/or termination of financial assistance as follows:

**Draft Recapture Material Terms**

Condition	Term	Recapture Provision
Total Investment	At project completion	Investment amount equal to or greater than 85% of project amount. Total Project Amount = \$2,055,000 85% = \$1,746,750

Employment	Coincides with 10-year PILOT	Maintain Base – 0 Create 85% of Projected Jobs Projected = 20 85% = 17 Recapture Employment = 17
Local Labor	Construction Period	Adherence to policy including quarterly reporting
Pay Equity	Coincides with 10-year PILOT	Adherence to policy
Unpaid Tax	Coincides with 10-year PILOT	Adherence to policy
Recapture Period	Coincides with 10-year PILOT	Recapture of state and local sales taxes, mortgage recording tax and real property tax abatement

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

#### **MWBE UPDATE**

Mr. Cappellino provided an update to Committee members.

There being no further business to discuss, Mr. Lipsitz adjourned the meeting at 10:13 a.m.

Dated: June 2, 2022

\_\_\_\_\_  
Elizabeth A. O’Keefe, Secretary

**A&A Union Road LLC**

**\$ 3,110,729**

**PRIVATE INVESTMENT INDUCEMENT RESOLUTION**

<b>ELIGIBILITY</b>	Project Title: Aebly and Associates Insurance Services																
<ul style="list-style-type: none"> <li>• NAICS Section – 524210</li> </ul>	Project Address: 1471 Union Road, West Seneca, NY 14224 West Seneca Central School District																
<b>COMPANY INCENTIVES</b>	<b>Agency Request</b>																
<ul style="list-style-type: none"> <li>• Approximately \$ 166,250 in sales tax savings</li> <li>• Approximately \$ 334,915 in real property tax savings</li> <li>• Up to 3/4 of 1% of the final mortgage amount estimated at \$20,625</li> </ul>	A sales tax, mortgage recording tax and real property tax abatement in connection with the construction of a 6,160 sq ft 2 story professional office building.																
<b>JOBS &amp; ANNUAL PAYROLL</b>	<table border="0"> <tr> <td>Land / Building Acquisition</td> <td align="right">\$ 214,000</td> </tr> <tr> <td>New Building Construction</td> <td align="right">\$ 2,594,729</td> </tr> <tr> <td>Infrastructure</td> <td align="right">\$ 42,000</td> </tr> <tr> <td>Manufacturing Equipment</td> <td align="right">\$ 0</td> </tr> <tr> <td>Non- Manufacturing Equipment</td> <td align="right">\$ 150,000</td> </tr> <tr> <td>Soft Costs/Other</td> <td align="right">\$ 110,000</td> </tr> <tr> <td><b>Total Project Cost</b></td> <td align="right"><b>\$ 3,110,729</b></td> </tr> <tr> <td>85%</td> <td align="right">\$ 2,644,119</td> </tr> </table>	Land / Building Acquisition	\$ 214,000	New Building Construction	\$ 2,594,729	Infrastructure	\$ 42,000	Manufacturing Equipment	\$ 0	Non- Manufacturing Equipment	\$ 150,000	Soft Costs/Other	\$ 110,000	<b>Total Project Cost</b>	<b>\$ 3,110,729</b>	85%	\$ 2,644,119
Land / Building Acquisition	\$ 214,000																
New Building Construction	\$ 2,594,729																
Infrastructure	\$ 42,000																
Manufacturing Equipment	\$ 0																
Non- Manufacturing Equipment	\$ 150,000																
Soft Costs/Other	\$ 110,000																
<b>Total Project Cost</b>	<b>\$ 3,110,729</b>																
85%	\$ 2,644,119																
<ul style="list-style-type: none"> <li>• Current Jobs: 12 FT, 1 PT</li> <li>• Annual Payroll: \$ 775,464</li> <li>• Projected new jobs: 2 FT</li> <li>• Est. salary/yr. of jobs created: \$40,000</li> <li>• Projected retained jobs: 12 FT, 1 PT</li> <li>• Est. salary/yr. of jobs retained: \$ 61,587</li> <li>• Total jobs after project completion: 14 FT, 1 PT</li> <li>• Construction Jobs: 13</li> </ul>	<b>Company Description</b>																
<b>PROJECTED COMMUNITY BENEFITS*</b>	Aebly and Associates Insurance Services, Inc is a diversified insurance firm that has been serving the insurance needs of their clients since 1913. They cover a wide area of insurance-related back-office operations and policy holder services. Aebly & Assoc clients include policy holders of individual types of insurance such as auto, home and life: business client who have property, liability, worker compensation, employee benefits, payroll services and other employ-based insurances for employees. Aebly & Assoc also provides third party administrative services through the processing of claims and management of healthcare account such as Flexible Spending Accounts (FSAs), Health Reimbursement Arrangements (HRAs) and Health Savings Accounts (HSAs). Aebly and Associates Insurance Services, Inc., and A&A Union Road, LLC are 100% owned by Julius W. Aebly Jr.																
<ul style="list-style-type: none"> <li>• Term: 7 YEARS</li> <li>• NET Community Benefits: \$ 16,451,250</li> <li>• Spillover Jobs: 33</li> </ul> <p>Total Payroll: \$ 15,430,020</p>	<b>Project Description</b>																
<b>INCENTIVE COST / COMMUNITY BENEFIT RATIO (discounted at 2%)*</b>	Aebly and Associates Insurance Services has outgrown their current facilities located at 3638 and 3640 Seneca Street and plans to construct a 6,000+ sq ft professional office building to improve operating efficiencies and offer an updated office environment. The new building will be state of the art, paperless and highly visible allowing the company to not only retain, but also to attract hard to find educated new employees looking to be part of a growing professional insurance business.																
<p>Incentives: \$ 498,062</p> <p>Community Benefit: \$ 15,329,511</p> <p>Cost: Benefit Ratio</p> <ul style="list-style-type: none"> <li>• 1: 31</li> </ul>																	

\* Cost Benefit Analysis Tool powered by MRB Group



## Economic Impact: Inform Analytics Cost-Benefit Analysis

The Erie County Industrial Development Agency uses the Cost Benefit Analysis Tool powered by MRB Group to assess the economic impact of a project applying for incentives. A Cost-Benefit Analysis is required by Section 859-a (5)(b) of General Municipal Law. For the complete Cost Benefit Analysis – please see the attached MRB Cost Benefit Calculator.

### Cost: Incentives

COSTS	Tax Exemption	Amount
	Property	334,915
	Sales	166,250
	Mortgage Recording	20,625
	Total	521,790
	Discounted at 2%	498,062

### Benefit: Projected Community Benefit\*

BENEFITS	Region	Recipient	Revenue Type	\$ Amount **
	Erie County	Individuals	Payroll Construction	1,832,207
			Payroll Permanent	13,597,812
		Public	Property Taxes	83,732
			Sales Taxes	128,262
			Local Muni (NFTA)	6,875
	New York State	Public	Income Taxes	694,351
			Sales Taxes	108,010
			Total Benefits to EC + NYS***	16,451,250
			Discounted at 2%	15,329,511

\* Cost Benefit Analysis Tool powered by MRB Group \*\* includes direct & indirect \$ over project period \*\*\* may not sum to total due to rounding

Discounted Cost           \$ 498,062  
 Discounted Benefit       \$ 15,329,511  
 Ratio                         1:31

**Conclusion:** The Cost Benefit for this project is: 1:31. For every \$1 in costs (incentives), this project provides \$31 in benefits (payroll & tax revenue). **Note: For Erie County, every \$1 in costs (incentives) provides \$36 in benefits to the community.**

#### New Tax Revenue Estimated

Current Yearly Taxes	Estimated New Assessed Value	Additional County Revenue over abatement period	Additional Local Revenue Over abatement period	New Yearly Taxes Upon Expiration of Abatement Period
\$5,941	\$ 2,174,118	\$ 13,802	\$ 69,927	\$ 65,648
Combined Tax Rate: \$ 80.91				

**Draft Recapture Material Terms**

Condition	Term	Recapture Provision
Total Investment	At project completion	Investment amount equal to or greater than 85% of project amount. Total project amount = \$ 3,110,729 85% = \$2,644,119
Employment	Coincides with 7-year PILOT	Maintain Base = 12FTE Create 85% of Projected Projected = 2 85% = 1 Recapture Employment = 13
Local Labor	Construction period	Adherence to policy including quarterly reporting
Pay Equity	Coincides with 7-year PILOT	Adherence to Policy
Unpaid Tax	Coincides with 7-year PILOT	Adherence to Policy
<u>Recapture Period</u>	Coincides with 7-year PILOT	Recapture of Mortgage recording tax, state and local sales taxes

**Recapture applies to:**

State and Local Sales Taxes  
Real Property Tax  
Mortgage Recording 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 completion of the project company must certify i) total investment amount is equal to or greater than 85% of the anticipated project amount; ii) company has maintained jobs and created jobs, iii) confirm adherence to local labor policy during construction and iv) its adherence to unpaid tax/pay equity policies for recapture term.

**Project ECIDA History**

- 5/31/22 Public hearing held.
- 6/22/22 Inducement Resolution presented to Board of Directors – Type II action and therefor no further action is required under SEQRA
- 6/22/22 Lease/Leaseback Inducement Resolution presented to the Board of Directors

**Aebly & Associates**

**EVALUATIVE CRITERIA  
BACK OFFICE/DATA/CALL CENTERS**

Evaluative Criteria	Notes
Wage Rate (above median wage for area)	Average salary for jobs (12 retained and 2 to be created) = 54,750 / 67,600 with benefits that are > median wage.
Regional Wealth Creation (% sales/customers outside area)	6% of sales are outside Erie County.
In Region Purchases (% of overall purchases)	90 % of annual purchases are purchases from Erie County based firms.
Supports Local Business or Cluster	Backoffice Operations.
Retention/Flight Risk	The insurance operations can be done remotely and/or by workers located in remote locations.
LEED/Renewable Resources	n/a
MBE/WBE Utilization	See attached MBE/WBE Utilization – Picone Construction Corp outline fo promotion, hiring and utilization of MWBE firms.
Workforce Access – Proximity to Public Transportation	Project site is accessible by #15 and #42 bus line – Southgate Plaza

Project Support Letter: Gary Dickson, Town Supervisor

DATE OF INDUCEMENT: June 22, 2022

**PILOT Worksheet: Estimate of Real Property Tax Abatement Benefits\*\*\* and Percentage of Project Costs financed from Public Sector sources**

**\*\* 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-A&A Union Rd, LLC**

Dollar Value of New Construction and Renovation Costs	Estimated New Assessed Value of Property Subject to IDA*	County Tax Rate/1000	Local Tax Rate (Town/City/Village)/1000	School Tax Rate/1000
2,786,729	2,174,118	13.34	21.89	45.68

\*Apply equalization rate to value

PILOT Year	% Payment	County PILOT Amount	Town PILOT Amount	School PILOT Amount	Total PILOT	Full Tax Payment w/o PILOT	Net Exemption
1	0.05	\$493	\$809	\$1,688	\$2,990	\$59,806	\$56,816
2	0.1	\$986	\$1,618	\$3,377	\$5,981	\$59,806	\$53,826
3	0.15	\$1,479	\$2,427	\$5,065	\$8,971	\$59,806	\$50,835
4	0.2	\$1,972	\$3,236	\$6,754	\$11,961	\$59,806	\$47,845
5	0.25	\$2,465	\$4,045	\$8,442	\$14,952	\$59,806	\$44,855
6	0.3	\$2,958	\$4,854	\$10,130	\$17,942	\$59,806	\$41,864
7	0.35	\$3,450	\$5,663	\$11,819	\$20,932	\$59,806	\$38,874
<b>TOTAL</b>		\$13,802	\$22,652	\$47,275	\$83,729	\$418,643	\$334,915

**\*\*\* 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:**

Total Project Cost	Estimated Value of PILOT	Estimated Value of Sales Tax Incentive	Estimated Value of Mortgage Tax Incentive	Total of Other Public Incentives (Tax Credits, Grants, ESD Incentives, etc.)
3,110,729	334,915	166,250	20,625	

**Calculate %**

**(Est. PILOT + Est. Sales Tax+ Est. Mortgage Tax+ Other)/Total Project Costs:   16.8  %**

# Erie County Industrial Development Agency

## MRB Cost Benefit Calculator



Date: May 16, 2022  
 Project Title: A&A Union Road LLC  
 Project Location: 1471 Union Road, West Seneca, NY 14224

### Economic Impacts

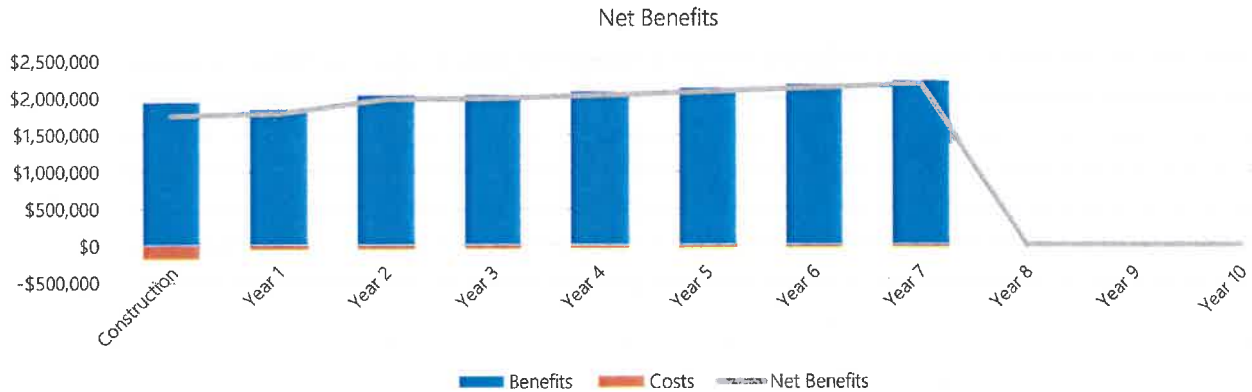
Summary of Economic Impacts over the Life of the PILOT  
 Project Total Investment  
 \$3,110,729

Temporary (Construction)			
	Direct	Indirect	Total
Jobs	13	11	25
Earnings	\$1,185,010	\$647,197	\$1,832,207
Local Spend	\$2,830,763	\$2,004,283	\$4,835,047

Ongoing (Operations)			
Aggregate over life of the PILOT			
	Direct	Indirect	Total
Jobs	14	22	36
Earnings	\$5,820,426	\$7,777,387	\$13,597,812

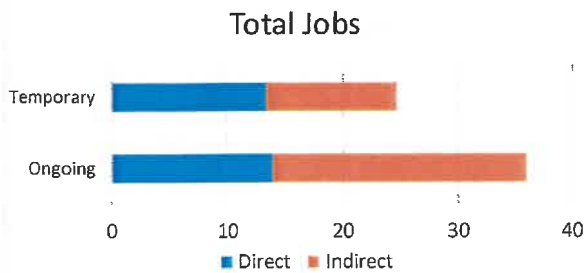
Figure 1



Net Benefits chart will always display construction through year 10, irrespective of the length of the PILOT.

Figure 2

Figure 3



# Fiscal Impacts



Cost-Benefit Analysis Tool powered by MRB Group

## Estimated Costs of Exemptions

	Nominal Value	Discounted Value*
Property Tax Exemption	\$334,917	\$311,187
Sales Tax Exemption	\$166,250	\$166,250
Local Sales Tax Exemption	\$90,250	\$90,250
State Sales Tax Exemption	\$76,000	\$76,000
Mortgage Recording Tax Exemption	\$20,625	\$20,625
Local Mortgage Recording Tax Exemption	\$6,875	\$6,875
State Mortgage Recording Tax Exemption	\$13,750	\$13,750
<b>Total Costs</b>	<b>\$521,792</b>	<b>\$498,062</b>

## State and Local Benefits

	Nominal Value	Discounted Value*
<b>Local Benefits</b>	<b>\$15,648,889</b>	<b>\$14,581,771</b>
To Private Individuals	\$15,430,020	\$14,379,616
Temporary Payroll	\$1,832,207	\$1,832,207
Ongoing Payroll	\$13,597,812	\$12,547,409
Other Payments to Private Individuals	\$0	\$0
To the Public	\$218,869	\$202,154
Increase in Property Tax Revenue	\$83,732	\$75,884
Temporary Jobs - Sales Tax Revenue	\$15,230	\$15,230
Ongoing Jobs - Sales Tax Revenue	\$113,032	\$104,300
Other Local Municipal Revenue	\$6,875	\$6,740
<b>State Benefits</b>	<b>\$802,361</b>	<b>\$747,740</b>
To the Public	\$802,361	\$747,740
Temporary Income Tax Revenue	\$82,449	\$82,449
Ongoing Income Tax Revenue	\$611,902	\$564,633
Temporary Jobs - Sales Tax Revenue	\$12,825	\$12,825
Ongoing Jobs - Sales Tax Revenue	\$95,185	\$87,832
<b>Total Benefits to State &amp; Region</b>	<b>\$16,451,250</b>	<b>\$15,329,511</b>

## Benefit to Cost Ratio

	Benefit*	Cost*	Ratio
Local	\$14,581,771	\$408,312	36:1
State	\$747,740	\$89,750	8:1
<b>Grand Total</b>	<b>\$15,329,511</b>	<b>\$498,062</b>	<b>31:1</b>

\*Discounted at 2%

## Additional Comments from IDA

Does the IDA believe that the project can be accomplished in a timely fashion? Yes

# MBE/WBE Utilization



ECIDA encourages applicants to utilize MBE/WBE contractors for their projects. Describe your company's internal practices that promote MBE/WBE hiring and utilization:

4/19/22

- Picone Construction Corp. (PCC) is very familiar with the promotion, hiring and utilization of M/WBE Firms.
- PCC has completed many publicly-funded projects for the City of Buffalo, Erie County as well as other surrounding counties of Western New York.
- We are currently working on 2 publicly-funded Erie County projects with M/WBE requirements
- PCC is a long-standing member of the Construction Exchange of Buffalo and Western New York, which assists in the M/WBE certified firms.
- We are very aware of the Erie County Database of certified M/WBE firms
- Each company in this database, that provides construction-related services, is in our own Invitation to Bid (ITB) Software Database as well
- Our ITB database contains over 400 certified M/WBE companies – they are from the Certified Erie County M/WBE list as well as the NYS list and lists from surrounding counties.
- We are constantly maintaining our database with other public certified M/WBE databases so we are aware of which new companies became certified as well as which ones have dropped off the certified lists
- On most of our projects, whether there are M/WBE requirements or not, these certified M/WBE vendors are sent an ITB to propose on our project
- When projects have certain M/WBE requirements, we also call and follow-up on applicable / select certified M/WBE firms to make sure they will be proposing on the project to us within the bidding time frame.
- We assist them if they need any large-scale printing of the plans as well as describe certain aspects of the project they might have questions about, answer their questions, etc.
- Our ITB Software has Good Faith Effort Reports which will let us know which certified M/WBE firms were invited compared to which firms actually bid on the project
- We then review all the certified M/WBE bids to see which ones are the most responsible (competitive, scope inclusive, etc.) versus all the other bids we have received
- If any of the certified M/WBE bids are not responsible / need updating, then we reach out to these firms to help them identify how to make their bids more responsible.
- If a certified M/WBE firm is the most responsible bidder in their specific trade category, they are hired to complete the project for us – becoming either a Subcontractor or Supplier to us.



Carmina Wood Morris PC

Aebly Insurance  
3638 Seneca Street, West Seneca, NY  
8.19.2021



TOWN OF WEST SENECA



Gary A. Dickson  
Supervisor's Office

TOWN SUPERVISOR  
Gary A. Dickson  
TOWN COUNCIL  
Joseph J. Cantafio  
Jeffrey A. Piekarec  
Susan K. Kims  
Robert J. Breidenstein

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April 28, 2022

Mr. John Cappellino  
Chief Executive Officer  
Erie County Industrial Development Agency 95 Perry Street, Suite 403  
Buffalo NY 14203

Re: Aebly and Associates Insurance Services, Inc.

Dear Mr. Cappellino,

The Town of West Seneca strongly supports the application by Aebly and Associates Insurance Services, Inc. for their project located at Union Road and Center Road in West Seneca. This parcel will be used for an office building and will greatly improve one of the most prominent corners in West Seneca. The added employment and eventual increased property taxes will benefit the town. If you have any questions, please do not hesitate to contact me.

A handwritten signature in cursive script, appearing to read "Gary A. Dickson".

Gary A. Dickson  
Town Supervisor  
Town of West Seneca  
1250 Union Road  
West Seneca, NY 14224  
716-558-3203  
gdickson@twсны.org

## PUBLIC HEARING SCRIPT

**A&A Union Road, LLC and/or  
Individual(s) or Affiliate(s),  
Subsidiary(ies), or Entity(ies) formed or  
to be formed on its behalf Project**

Public Hearing to be held on May 31, 2022 at 10:30 a.m.,  
at the Town of West Seneca Community Center & Library Conference Room, located at  
1300 Union Road, West Seneca, NY 14224

### **ATTENDANCE:**

Julius Aebly – Aebly & Associates Insurance Servies, Inc.  
Susan Kims – Resident/Town Council

#### **☒ 1. WELCOME: Call to Order and Identity of Hearing Officer.**

*Hearing Officer:* Welcome. This public hearing is now open; it is 9:07 a.m. My name is Andy Federick. I am the Business Development Officer of the Erie County Industrial Development Agency, and I have been designated by the Agency to be the hearing officer to conduct this public hearing. This public hearing is being live-streamed and made accessible on the Agency's website at [www.ecidany.com](http://www.ecidany.com).

#### **☒ 2. PURPOSE: Purpose of the Hearing.**

*Hearing Officer:* We are here to hold the public hearing on the A&A Union Road, LLC and/or Individual(s) or Affiliate(s), Subsidiary(ies), or Entity(ies) formed or to be formed on its behalf project. The transcript of this hearing will be reviewed and considered by the Agency in determination of this project. Notice of this hearing appeared in The Buffalo News on May 13, 2022.

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

*Hearing Officer:* The proposed project (the "Project") consists of: (i) the acquisition by the Agency of a leasehold interest in certain property located on 1471 Union Road, Town of West Seneca, Erie County, New York (the "Land"), (ii) the demolition of two structures and the construction on the Land of an approximately 6,160+/- SF two-story professional office building which will be occupied by Aebly and Associates Insurance Services, Inc. (the "Improvements"), and (iii) the acquisition by the Company in and around the Improvements of certain items of machinery, equipment and other tangible personal property (the "Equipment"; and, together with the Land

and the Improvements, the “Facility”). The Facility will be initially operated and/or managed by the Company.

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

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

*Hearing Officer:* All those in attendance are required to register by signing the sign-in sheet at the front of the room; you will not be permitted to speak unless you have registered. Everyone who has registered will be given an opportunity to make statements and/or comments on the Project.

If you have a written statement or comment to submit for the record, you may leave it at this public hearing, submit it on the Agency’s website or deliver it to the Agency at 95 Perry Street, Suite 403, Buffalo, New York 14203. The comment period closes on June 21, 2022. There are no limitations on written statements or comments.

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

*Hearing Officer:* If anyone is interested in making a statement or comment, please raise your hand, state your name and address; if you are representing a company, please identify the company. I request that speakers keep statements and/or comments to 5 minutes, and if possible, 3 minutes.

Julius Aebly – Owner of Aebly & Associates Insurance Servies, Inc. A&A Union Road, LLC is a company that was setup to buy 1471 Union Road. Demolition which is scheduled to take place next week. After that our goal is to build a two-story professional office building on that location. We are a diversified insurance firm. We have personal lines, auto, home, workers comp, employee benefits. We are a third-party administrative arm where we process claims and things like that. We also own a registered investment advisory firm in Grand Island. They are not considered part of this. We do payroll processing services for our clients. So, we encompass a lot of different areas for mostly medium size to small medium size businesses, I would say. Presently we are located in West Seneca on Seneca Street. We have two buildings next to each other which we have outgrown. The construction of this new office building would give us the space to house everyone in one location and provide more efficiencies for our operation and also give us opportunity to have an attractive professional space to hopefully recruit, hire and retain more employees.

**6. ADJOURNMENT:**

As there were no further statements and/or comments, the Hearing Officer closed the public hearing at 9:12 a.m.

**SIGN IN SHEET**

**PUBLIC HEARING**

May 31, 2022 at 10:30 a.m.,  
at the Town of West Seneca Community Center & Library Conference Room, located at  
1300 Union Road, West Seneca, NY 14224, regarding:

**A&A Union Road, LLC and/or Individual(s) or Affiliate(s),  
Subsidiary(ies), or Entity(ies) formed or to be formed on its behalf**

Project Location: 1471 Union Road, Town of West Seneca, Erie County, New York

<b>Name</b>	<b>Company and/or Address</b>	<b>X box to speak/ comment</b>
Julius Aebly	Aebly & Associates Insurance Servies, Inc. 3638 Seneca Street West Seneca, New York 14224	X
Susan Kims	Resident/Town Council	

**ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY  
INDUCEMENT RESOLUTION**

**A&A UNION ROAD, LLC, AND/OR INDIVIDUAL(S) OR AFFILIATE(S),  
SUBSIDIARY(IES), OR ENTITY(IES) FORMED OR TO BE FORMED ON ITS  
BEHALF**

A regular meeting of the Erie County Industrial Development Agency was convened on Wednesday, June 22, 2022 at 12:00 p.m.

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

RESOLUTION OF THE ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY: (i) ACCEPTING THE APPLICATION OF A&A UNION ROAD, LLC, AND/OR INDIVIDUAL(S) OR AFFILIATE(S), SUBSIDIARY(IES), OR ENTITY(IES) FORMED OR TO BE FORMED ON ITS BEHALF (INDIVIDUALLY, AND/OR COLLECTIVELY, THE "COMPANY") IN CONNECTION WITH A CERTAIN PROJECT DESCRIBED BELOW; (ii) RATIFYING THE SCHEDULING, NOTICING, AND CONDUCTING OF A PUBLIC HEARING IN CONNECTION WITH THE PROJECT; (iii) APPOINTING THE COMPANY, OR ITS DESIGNEE, AS ITS AGENT TO UNDERTAKE THE PROJECT; (iv) AUTHORIZING THE UNDERTAKING OF THE PROJECT TO PROVIDE FINANCIAL ASSISTANCE TO THE COMPANY IN THE FORM OF (A) A SALES TAX EXEMPTION BENEFIT FOR PURCHASES AND RENTALS RELATED TO THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF THE PROJECT, (B) A MORTGAGE RECORDING TAX EXEMPTION BENEFIT FOR FINANCING RELATED TO THE PROJECT, AND (C) A PARTIAL ABATEMENT FROM REAL PROPERTY TAXES BENEFIT THROUGH THE PILOT AGREEMENT; AND (vi) AUTHORIZING THE NEGOTIATION AND EXECUTION OF A LEASE AGREEMENT, LEASEBACK AGREEMENT, A PAYMENT-IN-LIEU-OF-TAX AGREEMENT, AN AGENT AND FINANCIAL ASSISTANCE PROJECT AGREEMENT, AND RELATED DOCUMENTS

**WHEREAS**, by Title 1 of Article 18-A of the General Municipal Law of the State of New York, as amended, and Chapter 293 of the Laws of 1970 of the State of New York, as amended (collectively, the "Act"), the ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY (the "Agency") was created with the authority and power to own, lease and sell property for the purpose of, among other things, acquiring, constructing and equipping civic, industrial, manufacturing, commercial and other facilities as authorized by the Act; and

**WHEREAS**, A&A Union Road, LLC or on behalf of an affiliated entity formed or to be formed (the "Company") has submitted an application to the Agency (the "Application") requesting the Agency's assistance with a certain project (the "Project") consisting of: (i) the acquisition by the Agency of a leasehold interest in certain property located on 1471 Union

Road, Town of West Seneca, Erie County, New York (the “Land”), (ii) the demolition of two structures and the construction on the Land of an approximately 6,160+/- SF (only 3,080 SF of gross floor area) two-story professional office building which will be occupied by Aebly and Associates Insurance Services, Inc. (the “Improvements”), and (iii) the acquisition by the Company in and around the Improvements of certain items of machinery, equipment and other tangible personal property (the “Equipment”; and, together with the Land and the Improvements, the “Facility”). The Facility will be initially operated and/or managed by the Company; and

**WHEREAS**, it is contemplated that the Agency will (i) designate the Company as its agent for the purpose of undertaking the Project pursuant to an Agent and Financial Assistance Project Agreement (the “Agent Agreement”), (ii) negotiate and enter into a lease agreement (the “Lease Agreement”) and related leaseback agreement (the “Leaseback Agreement”) with the Company, pursuant to which the Agency will retain a leasehold interest in the Land, the Existing Improvements, the Improvements, the Equipment and personal property constituting the Facility; and (iii) provide Financial Assistance to the Company in the form of (a) an exemption benefit from all New York State and local sales and use taxes for purchases and rentals related to the Project with respect to the qualifying personal property included in or incorporated into the Facility or used in the acquisition, construction, reconstruction and/or renovation, rehabilitation or equipping of the Facility, (b) a mortgage recording tax exemption benefit for the financing related to the Project, and (c) a partial abatement from real property taxes benefit through a seven (7) year “payment in lieu of tax agreement” (the “PILOT Agreement”) with the Company for the benefit of each municipality and school district having taxing jurisdiction over the Project, (collectively, the sales and use tax exemption benefit, the mortgage recording tax exemption benefit, and the partial abatement from real property taxes benefit, are hereinafter collectively referred to as the “Financial Assistance”); and

**WHEREAS**, pursuant to General Municipal Law Section 859-a, on May 31, 2022, at 9:00 a.m., at the Town of West Seneca Community Center & Library Conference Room, located at 1300 Union Road, West Seneca, NY 14224, the Agency held a public hearing with respect to the Project and the proposed Financial Assistance (as hereinafter defined) being contemplated by the Agency (the “Public Hearing”) whereat interested parties were provided a reasonable opportunity, both orally and in writing, to present their views; and

**WHEREAS**, pursuant to Article 18-A of the Act, the Agency desires to adopt a resolution describing the Project and the Financial Assistance that the Agency is contemplating with respect to the Project.

**NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY AS FOLLOWS:**

Section 1. The Company has presented an application in a form acceptable to the Agency. Based upon the representations made by the Company to the Agency in the Company’s application and any other correspondence submitted by the Company to the Agency, public hearing comments, if any, Agency Policy Committee review of and recommendations related to the Project and its June 2, 2022 resolution to approve the Project subject to the terms and conditions as described herein, the Policy Committee and Agency board member review of the Project’s cost-benefit ratio, the costs of incentives so applied for, the anticipated new tax

revenues to be generated by the Project, as well as the Project's contemplated community benefits, and Agency board member review, discussion, and consideration of same, the Agency hereby finds and determines that:

(A) By virtue of the Act, the Agency has been vested with all powers necessary and convenient to carry out and effectuate the purposes and provisions of the Act and to exercise all powers granted to it under the Act; and

(B) It is desirable and in the public interest for the Agency to appoint the Company as its agent for purposes of acquiring, constructing and/or renovating and equipping the Project; and

(C) The Agency has the authority to take the actions contemplated herein under the Act; and

(D) The action to be taken by the Agency will induce the Company to develop the Project, thereby increasing and/or retaining employment opportunities in Erie County, New York and otherwise furthering the purposes of the Agency as set forth in the Act; and

(E) The Project will not result in the removal of a civic, commercial, industrial, or manufacturing plant of the Company or any other proposed occupant of the Project from one area of the State of New York (the "State") to another area of the State or result in the abandonment of one or more plants or facilities of the Company or any other proposed occupant of the Project located within the State; and the Agency hereby finds that, based on the Company's application, to the extent occupants are relocating from one plant or facility to another, the Project is reasonably necessary to discourage the Project occupants from removing such other plant or facility to a location outside the State and/or is reasonably necessary to preserve the competitive position of the Project occupants in their respective industries, and, to the extent occupants are relocating from one plant or facility to another in another area of the State, the Agency has complied with the Intermunicipal Movement procedures as required in the Countywide Industrial Development Agency Uniform Tax Exemption Policy; and

(F) The Agency has assessed all material information included in connection with the Application necessary to afford a reasonable basis for the decision by the Agency to provide Financial Assistance for the Project as described herein; and

(G) The Agency has prepared a written cost-benefit analysis satisfactorily identifying the extent to which the Project will create or retain permanent, private sector jobs, the estimated value of any tax exemption to be provided, the amount of private sector investment generated or likely to be generated by the Project, the likelihood of accomplishing the Project in a timely fashion, and the extent to which the Project will provide additional sources of revenue for municipalities and school districts, and any other public benefits that might occur as a result of the Project; and

(H) The Company has provided a written statement confirming that the Project as of the date of the Application is in substantial compliance with all provisions the Act.

(I) Aebly and Associates Insurance Services, Inc. (the “Tenant”) will occupy the Facility. The Agency hereby approves the subleasing of space in the Project to the Sub-Tenant and authorizes the Company to proceed with the Project as herein authorized; and

(J) The Project involves a “Type II action” as said term is defined in SEQR and, therefore, no further action is required under SEQR; and

(K) The Project qualifies for Agency Financial Assistance as it meets the Agency’s evaluative criteria established by the Agency as required under General Municipal Law Section 859-a(5), as evidenced by the following:

(i) *Wage Rate (above median wage for area):* Average salary for jobs (12 retained and 2 to be created) = 54,750 / 67,600 with benefits are > median wage.

(ii) *Regional Wealth Creation (% sales/customers outside area):* 6% of sales are outside Erie County.

(iii) *In Region Purchases (% of overall purchases):* 90% of annual purchases are purchases from Erie County based firms.

(iv) *Supports Local Business or Cluster:* Back office Operations.

(v) *Retention/Flight Risk:* The insurance operations can be done remotely and/or by workers located in remote locations.

(vi) *LEED/Renewable Resources:* Not Applicable.

(vii) *MBE/WBE Utilization:* See attached MBE/WBE Utilization – Picone Construction Corp. Outline of promotion, hiring and utilization of MWBE firms.

(viii) *Workforce Access-Proximity to Public Transportation:* Project site is accessible by #15 and #42 bus line – Southgate Plaza.

Section 2. The Agency hereby authorizes the undertaking of the Project and the provision of the Financial Assistance to the Company as described herein.

Section 3. Subject to the Company executing an Agent Agreement and the delivery to the Agency of a binder, certificate or other evidence of insurance for the Project satisfactory to the Agency, the Agency hereby authorizes the Company to proceed with the acquisition, construction and equipping of the Project and hereby appoints the Company as the true and lawful agent of the Agency: (i) to acquire, construct and/or renovate and equip the Project; (ii) to make, execute, acknowledge and deliver any contracts, orders, receipts, writings and instructions, as the stated agent for the Agency with the authority to delegate such agency, in whole or in part, to agents, subagents, contractors, and subcontractors of such agents and subagents and to such other parties as the Company chooses; and (iii) in general, to do all things which may be requisite or proper for completing the Project, all with the same powers and the same validity that the Agency could do if acting in its own behalf; provided, however, the authority to appoint the Company to act as agent of the Agency, if said appointment is not duly



made, as herein expressed, shall expire one year from the date of this resolution (unless extended for good cause by the Chair, the Vice Chair, the President/Chief Executive Officer, the Vice President, the Chief Financial Officer/Treasurer, and/or the Assistant Treasurer).

A. Financial Assistance. With respect to the foregoing, and based upon the representations and warranties made by the Company in its application for Financial Assistance, the Agency hereby:

(i) authorizes and approves the Company, as its agent, to make purchases of goods and services relating to the Project and that would otherwise be subject to New York State and local sales and use tax in an amount estimated up to \$1,900,000, and, therefore, the value of the sales and use tax exemption benefits (“sales and use tax exemption benefits”) authorized and approved by the Agency cannot exceed \$166,250, however, the Agency may consider any requests by the Company for increases to the amount of sales and use tax exemption benefits authorized by the Agency upon being provided with appropriate documentation detailing the additional purchases of property or services; and

(ii) authorizes and approves that the value of the mortgage recording tax exemption benefit (“mortgage recording tax exemption benefits”) shall not exceed \$20,625 and

(iii) authorizes and approves that the real property tax abatement benefits (“PILOT benefits”) to be provided over the term of the PILOT Agreement are estimated to be approximately \$334,915, resulting in estimated total PILOT payments of \$83,729 over the term of the PILOT Agreement.

B. Terms and Conditions of Financial Assistance. Pursuant to Section 875(3) of the New York General Municipal Law, and per the policies of the Agency, the Agency may recover or recapture from the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, any New York State and local sales and use tax exemption benefits, and/or mortgage recording tax exemption benefits, and/or partial abatements from real property taxes benefits taken or purported to be taken by the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, if it is determined that: (i) the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, is not entitled to the New York State and local sales and use tax exemption benefits; (ii) the New York State and local sales and use tax exemption benefits are in excess of the amounts authorized to be taken by the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project; (iii) the New York State and local sales and use tax exemption benefits are for property or services not authorized by the Agency as part of the Project; (iv) the Company has made a material false statement on its application for Financial Assistance; (v) the New York State and local sales and use tax exemption benefits and/or mortgage recording tax exemption benefits, and/or the partial abatement from real property taxes benefits are taken in cases where the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, fails to comply with the Investment Commitment, the Employment Commitment, and/or the

Local Labor Commitment, said commitments, as described below, being a material term or condition to use property or services in the manner approved by the Agency in connection with the Project; and/or (vi) the New York State and local sales and use tax exemption benefits, and/or mortgage recording tax exemption benefits, and/or the partial abatement from real property taxes benefits are taken in cases where the Company fails to comply with the Equal Pay Commitment and/or the Unpaid Real Property Tax Policy Commitment, as described below, being a material term or condition to use property or services in the manner approved by the Agency in connection with the Project.

As a condition precedent of receiving Financial Assistance, the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, must cooperate with the Agency in its efforts to recover or recapture any Financial Assistance, and promptly pay over any such amounts to the Agency that the Agency demands.

C. Commitments. As an additional condition precedent of receiving Financial Assistance, and as a material term or condition as approved by the Agency in connection with the Project, the Company covenants and agrees and understands that it must, subject to potential modification, termination and/or recapture of Financial Assistance for failure to meet and maintain the commitments and thresholds as described below, submit, on an annual basis or as otherwise indicated below through the termination of the PILOT Agreement, a certification, as so required by the Agency, confirming:

- (i) Investment Commitment- the total investment actually made with respect to the Project at the time of Project completion equals or exceeds \$2,644,119 (which represents the product of 85% multiplied by \$3,110,729, being the total project cost as stated in the Company's application for Financial Assistance).
- (ii) Employment Commitment – that there are at least 12 existing full time equivalent (“FTE”) employees located at, or to be located at, the Facility as stated in the Company's application for Financial Assistance (the “Baseline FTE”); and
  - the number of current FTE employees in the then current year at the Facility; and
  - that within two (2) years of Project completion, the Company has maintained and created FTE employment at the Facility equal to 13 FTE employees [representing the sum of (x) 12 Baseline FTE and (y) 1 FTE employees, being the product of 85% multiplied by 2 (being the 2 new FTE employee positions proposed to be created by the Company as stated in its Application)]. In an effort to confirm and verify the Company's employment numbers, the Agency requires that, at a minimum, the Company provide employment data to the Agency on a quarterly basis, said information to be provided on the Agency's “Quarterly Employment Survey” form to be made available to the Company by the Agency.

- (iii) Local Labor Commitment - that the Company adheres to and complies with the Agency's Local Labor Workforce Certification Policy on a quarterly basis during the construction period.
- (iv) Equal Pay Commitment – that the Company adheres to and complies with the Agency's Pay Equity Policy.
- (v) Unpaid Real Property Tax Policy Commitment – that the Company is compliant with the Agency's Unpaid Real Property Tax Policy.

Section 4. Subject to the terms of this Inducement Resolution, the Chair, the Vice Chair, the President/Chief Executive Officer, the Vice President, the Chief Financial Officer/Treasurer and/or the Assistant Treasurer, are hereby authorized, on behalf of the Agency, to negotiate, execute and deliver (A) an Agent Agreement, (B) the Lease Agreement whereby the Company leases the Project to the Agency, (C) the related Leaseback Agreement whereby the Agency leases the Project back to the Company, and (D) the PILOT Agreement and (E) related documents; provided, however, that (i) the rental payments under the Leaseback Agreement to the Company include payments of all costs incurred by the Agency arising out of or related to the Project and indemnification of the Agency by the Company for actions taken by the Company and/or claims arising out of or related to the Project; and (ii) the terms of the PILOT Agreement are consistent with the Agency's Uniform Tax Exemption Policy, or procedures for deviation have been complied with accordingly.

Section 5. Subject to the terms of this Inducement Resolution, the Chair, the Vice Chair, the President/Chief Executive Officer, the Vice President, the Chief Financial Officer/Treasurer and/or the Assistant Treasurer, are hereby authorized, on behalf of the Agency, to negotiate, execute and deliver any mortgage, assignment of leases and rents, security agreement, UCC-1 Financing Statements and all documents reasonably contemplated by these resolutions or required by any lender identified by the Company (the "Lender") up to a maximum principal amount necessary to undertake the Project, acquire the Facility and/or finance or refinance acquisition and Project costs or equipment and other personal property and related transactional costs (hereinafter, with the Lease Agreement, Leaseback Agreement, and related documents, collectively called the "Agency Documents"); and, where appropriate, the Secretary or the Assistant Secretary of the Agency is hereby authorized to affix the seal of the Agency to the Agency Documents and to attest the same, all with such changes, variations, omissions and insertions as the Chair, the Vice Chair, the President/Chief Executive Officer, the Vice President, the Chief Financial Officer/Treasurer and/or the Assistant Treasurer of the Agency shall approve, the execution thereof by the Chair, the Vice Chair, the President/Chief Executive Officer, the Vice President, the Chief Financial Officer/Treasurer and/or the Assistant Treasurer of the Agency to constitute conclusive evidence of such approval; provided in all events recourse against the Agency is limited to the Agency's interest in the Project.

Section 6. The officers, employees and agents of the Agency are hereby authorized and directed for and in the name and on behalf of the Agency to do all acts and things required and to negotiate, execute and deliver all such 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 Agency with all of the terms, covenants and provisions of the documents executed for and on behalf of the Agency.

Section 7. The provision by the Agency of Financial Assistance with respect to the Project as described herein is subject to the execution and delivery of the Agency's Administrative Fee Agreement (the "Fee Agreement") and payment by the Company of an administrative fee calculated in accordance with the Fee Agreement, all within sixty (60) days of the date of this resolution. In the event the Agency has not received the executed Fee Agreement and the appropriate fee within such sixty (60) day period, this resolution shall become automatically null and void and of no further effect and the Agency shall have no liability to the Company hereunder or otherwise, unless extended in the discretion of the Chair, the Vice Chair, the President/Chief Executive Officer, the Vice President, the Chief Financial Officer/Treasurer, or the Assistant Treasurer for good cause shown.

Section 8. This resolution shall take effect immediately, and shall expire one (1) year from the date hereof unless extended for good cause by the Chair, the Vice Chair, the President/Chief Executive Officer, the Vice President, the Chief Financial Officer/Treasurer, or the Assistant Treasurer.

Dated: June 22, 2022



## A&A Union Road LLC

[Instructions and Insurance Requirements Document](#)

### Section I: Applicant Background Information

Please answer all questions. Use "None" or "Not Applicable" where necessary. Information in this application may be subject to public review under New York State Law.

#### Applicant Information - Company Receiving Benefit

**Project Name** Aebly and Associates Insurance Services, Inc.  
**Project Summary** Construction of a new Insurance Office Building  
**Applicant Name** A&A Union Road, LLC  
**Applicant Address** 3638 Seneca Street  
**Applicant Address 2**  
**Applicant City** West Seneca  
**Applicant State** New York  
**Applicant Zip** 14224  
**Phone** (716) 479-4620  
**Fax** (716) 675-2104  
**E-mail** jaebly@aeblyandassociates.com  
**Website** www.aeblyandassociates.com  
**NAICS Code** 524210, 524298 & 524292

#### Business Organization

**Type of Business** Limited Liability Company  
**Year Established** 1976  
**State in which Organization is established** New York

#### Individual Completing Application

**Name** Julius W. Aebly, Jr.  
**Title** President  
**Address** 3638 Seneca St  
**Address 2**  
**City** West Seneca  
**State** New York  
**Zip** 14224  
**Phone** (716) 479-4620

**Fax** (716) 675-2104

**E-Mail** jaebly@aeblyandassociates.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** Brian Attea

**Firm Name** Attea & Attea, P.C.

**Address** 11 Main Street

**Address 2**

**City** Hamburg

**State** New York

**Zip** 14075

**Phone** (716) 648-7000

**Fax** (713) 648-7001

**E-Mail** battea@attealaw.com

Benefits Requested (select all that apply).

**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)

Applicant Business Description

**Describe in detail company background, history, products and customers. Description is critical in determining eligibility. Also list all stockholders, members, or partners with % ownership greater than 20%.**

Julius W Aebly Jr is the 100% owner of Aebly and Associates Insurance Services, Inc. A&A Union Road, LLC. is also 100% owned by Julius W Aebly, Jr. and is the company that owns the real property and the soon to be constructed insurance office building that will be located at 1471 Union Rd. The insurance firm of Aebly and Associates Insurance Services, Inc. will be the sole tenant of A&A Union Road, LLC located at 1471 Union Rd. Our insurance firm is a diversified firm covering a wide area of insurance back-office operations and policy holder services. Our clients include policyholders of individual type insurance such as auto, home and life insurance; business clients who have business type insurance such as property, liability, worker compensation, employee benefits and other employer-based insurance for employees; and payroll services for employers. Some of our clients are fee-based clients that pay us for insurance advisory and consulting services. We also provide Third Party Administrative (TPA) services through the processing of claims and management of health care accounts such as Flexible Spending Accounts (FSA's) and Health Reimbursement Arrangements (HRA's) and Health Savings Accounts (HSA's). Less than 2% of our business includes client visits to our office, which would be for the rare occurrence when an individual client stops by the office to pay an auto insurance premium, for example, as opposed to paying their premiums like almost all clients do via US mail or bank/credit card payments online. All in-person business client interactions are conducted at our clients place of business which is away from our insurance office. The staff in our insurance office are conducting what we call back-office operations, which includes the processing of insurance claims, talking to clients and insurers over the phone about insurance matters, printing and mailing insurance policies, endorsements and ID cards, data entry, online processing of policyholder transactions with our different insurers and payroll processing to name a few.

<b>Estimated % of sales within Erie County</b>	95 %
<b>Estimated % of sales outside Erie County but within New York State</b>	4 %
<b>Estimated % of sales outside New York State but within the U.S.</b>	1 %
<b>Estimated % of sales outside the U.S.</b>	0 %

(\*Percentage to equal 100%)

**For your operations, company and proposed project what percentage of your total annual supplies, raw materials and vendor services are purchased from firms in Erie County?**

90

**Describe vendors within Erie County for major purchases**

Carmina, Wood, Morris, P.C., Hopkins, Sorgi & McCarthy PLLC, Attea & Attea, P.C., Picone Construction, CTS Contracting, Kenny Carpets, Global Quest, Prem Com, Toshiba, CTS Contracting and more local providers. Subcontractors and their suppliers are all intended to be local businesses as well.

**Section II: Eligibility Questionnaire - Project Description & Details**

Project Location

**Address of Proposed Project Facility**

1471 Union Road

**Town/City/Village of Project Site**

West Seneca

**School District of Project Site**

West Seneca Central School District

**Current Address (if different)**

3638 Seneca Street

**Current Town/City/Village of Project Site (if different)**

West Seneca

**SBL Number(s) for proposed Project**

134.59-4-28.1

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

4512.79 County & Town Tax; School tax = \$3,298.21

**If amount of current taxes is not available, provide assessed value for each.**

Land

\$ 0

Building(s)

\$ 0

If available include a copy of current tax receipt.

**Are Real Property Taxes current at project location?**

Yes

**If no please explain**

\*The ECIDA has an unpaid tax policy and you will be required to certify all taxes and PILOTS are current.

**Does the Applicant or any related entity currently hold fee title or have an option/contract to purchase 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?**

Yes

**Describe the present use of the proposed Project site (vacant land, existing building, etc.)**

I currently own this land which has two very old and run-down structures situated on the site. These buildings will be demolished and then we will proceed with a commercial redevelopment project on this site.

**Provide narrative and purpose of the proposed project (new build, renovations) square footage of existing and new construction contemplated 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)**



Julius W Aebly Jr is the 100% owner of Aebly and Associates Insurance Services, Inc. A&A Union Road, LLC. is also 100% owned by Julius W Aebly, Jr. and is the company that owns the real property and the soon to be constructed insurance office building that will be located at 1471 Union Rd. The insurance firm of Aebly and Associates Insurance Services, Inc. will be the sole tenant of A&A Union Road, LLC located at 1471 Union Rd. Our insurance firm is a diversified firm covering a wide area of insurance back-office operations. Our clients include policyholders of individual type insurance such as auto, home and life insurance; business clients who have business type insurance such as property, liability, worker compensation, employee benefits and other employer-based insurance for employees; and payroll services for employers. Some of our clients are fee-based clients that pay us for insurance advisory and consulting services. We also provide Third Party Administrative (TPA) services through the processing of claims and management of health care accounts such as Flexible Spending Accounts (FSA's) and Health Reimbursement Arrangements (HRA's) and Health Savings Accounts (HSA's). The staff in our insurance office are conducting what we call back-office operations, which includes the processing of insurance claims, talking to clients and insurers over the phone about insurance matters, printing and mailing insurance policies, endorsements and ID cards, data entry, online processing of policyholder transactions with our different insurers and payroll processing to name a few. We are a growing firm who has no more space at our current two locations of 3638 Seneca Street and 3640 Seneca Street in West Seneca, NY. Our current office configuration in two separate buildings is not efficient and locating all employees in one location will not only allow us to operate more efficiently, but it will also provide us with the updated office environment needed to compete in hiring additional professional staff and grow our business. Both 3638 Seneca Street and 3640 Seneca Street buildings will be sold to another company or companies upon completion of this new office building project. The insurance business is highly competitive and, in WNY it is very difficult to find, train and retain an educated professional staff that is necessary to the successful operation of my business. A high skill level and years of insurance industry experience are critical for the professional performance of our operation. COVID has dramatically heightened this difficulty as employers and employees alike have been trained to accept, embrace, and demand remote work. This fundamental shift in the way people work has opened the door to competitors from across the US who are finding and hiring our local employees and who are being lured away with the offer to work from home rather than an office. Our new office building, with its open spaces, glass interior walls, brick facade and other appealing aesthetics will provide an environment that employees will embrace and look forward to spending their day. The cost of new construction, labor, materials and supplies, new desks, computers, office furniture etc. have risen dramatically since the onset of COVID and the supply chain issues. Inflation has now magnified the problem. The financial assistance provided by this program will give me the ability to proceed with this project, which would otherwise be unattainable. And this new professional office building will provide me with the opportunity to not only retain our existing staff of 13 employees, but to also hire 2 new full-time employees to help grow our business. The construction of our new state-of-the-art office building embodies the new building design and vision of West Seneca as a growing community within Erie County that will help to attract other businesses and employees from other parts of Erie County and underscores our long-term presence and financial commitment to West Seneca and Erie County. The redevelopment project consists of a 2-story Professional Office Building with a footprint of approximately 3,080 square feet (total sq ft of approximately 6,160) that will be occupied 100% by my insurance business, Aebly and Associates Insurance Services, Inc. and will be professional office space used for our insurance back-office operations. The redevelopment project includes all related site improvements as depicted in our site plan and prepared by our architects Carmina, Wood Morris, DPC. The project was reviewed by the Town of West Seneca Planning Board during its meeting on October 14, 2021, and it adopted a resolution by a unanimous vote recommending approval of the rezoning portion of the Project Site. In a letter dated February 8, 2022, from the Town of West Seneca Planning Board it was stipulated that their office reviewed the fully engineered plans and reports submitted by Carmina Wood Morris and determined that the project substantially conforms to the Town's engineering requirements. This new building, which will be a state of the art, paperless and highly visible office building will afford us the opportunity to not only retain but also attract new employees looking to be part of a growing professional insurance business.

**Municipality or Municipalities of current operations**

Town of West Seneca

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

Yes

**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 within New York State 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 Intermunicipal Move Determination section of this application)

**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, type of assistance offered and provide supporting documentation available**

No out-of-state sites have been investigated up to this point, but one thing COVID has taught us is that our business can operate with very little disruption while our staff work on a remote basis. Case in point, our offices were closed for approximately 7 months during the entire pandemic. All employees, including myself, worked on a remote basis. I worked from my Florida location for a number of those months and our business did not suffer because of this. Many employees have been asking for more remote work which I will consider going forward. And although it's unlikely that my entire West Seneca office staff would move out of state, there certainly could be enough employees who I transition to remote work, which would then make this project unnecessary.

**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**

**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:**

If Financial Assistance were unavailable then I fear it would be highly likely that I would remain in my current office space in West Seneca, which provides no room for growth, and I would most likely be forced to just maintain our operations as is with more remote staff. Our current office building is old, unattractive, cramped and an impediment to maintaining and growing staff. I cannot see a scenario where this Project can be undertaken without the Financial Assistance provide by this Agency.

**Describe the reasons why the Agency's financial assistance is necessary, and the effect the Project will have on the Applicant's business or operations. Focus on competitiveness issues, project shortfalls, etc... Your eligibility determination will be based in part on your answer (attach additional pages if necessary)**

The insurance business is highly competitive and, in WNY it is very difficult to find, train and retain an educated professional staff that is necessary to the successful operation of my business. A high skill level and years of insurance industry experience are critical for the professional performance of our operation. COVID has dramatically heightened this difficulty as employers and employees alike have been trained to accept, embrace, and demand remote work. This fundamental shift in the way people work has opened the door to competitors from across the US who are finding and hiring our local employees and who are being lured away with the offer to work from home rather than an office. Our new office building, with its open spaces, glass interior walls, brick facade and other appealing aesthetics will provide an environment that employees will embrace and look forward to spending their day. The cost of new construction, labor, materials and supplies, new desks, computers, office furniture etc. have risen dramatically since the onset of COVID and the supply chain issues. Inflation has now magnified the problem. The financial assistance provided by this program will give me the ability to proceed with this project, which would otherwise be unattainable. And this new professional office building will provide me with the opportunity to retain existing staff, hire new employees and grow our business.

**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?**

I would remain in my current location, and I would not be able to hire any new employees as we have no more space and no room for growth. I would also most likely lose some existing staff who have expressed concerns about our current office building environment. Consequently, Erie County would most likely realize less revenue from our operation as we lose staff and lose revenue and not add new staff and new revenue which comes with a growing business. Additionally, if I need to hire staff without the prospect of moving into our new office building I will have to look for remote workers anywhere within NY or outside of NY.

**Will project include leasing any equipment?**

Yes

If yes, please describe equipment and lease terms.

Multi-purpose copier/scan/print/fax machines

Site Characteristics

**Is your project located near public transportation?**

Yes

**If yes describe if site is accessible by either metro or bus line (provide route number for bus lines)**

# 15 & # 42 Bus Line - Southgate Plaza

**Has a project related site plan approval application been submitted to the appropriate planning department?**

Yes

**If Yes, include the applicable municipality's and/or planning department's approval resolution, the related State Environmental Quality Review Act ("SEQR") "negative declaration" resolution, if applicable, and the related Environmental Assessment Form (EAF), if**

applicable.

**If No, list the ECIDA as an “Involved Agency” on the related EAF that will be submitted to the appropriate municipality and/or planning department for site plan approval.**

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

Yes

**Describe the present zoning/land use**

The west building on the lot is a 2-story home that was used for residential rental purposes. The rear 2 story structure has a 3 bay garage previously used for limousine storage with the second floor used as an office for the limousine business. The property class is currently 439

**Describe required zoning/land use, if different**

The newly constructed office building will have only 1 tenant: Aebly and Associates Insurance Services, Inc. The applicable property class is 464 for Office Building

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

At the January 26, 2022, Zoning Board of Appeals meeting, a variance was granted for Property located at 1471 Union Road to construct a 2-story office building with 1) 22' rear yard setback; 2) 8-parking spaces. There is an easement to the adjoining property for additional parking.

**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?**

Yes

**If yes, describe the efficiencies achieved**

Toshiba brochure indicating energy efficiency compliance is attached  
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, include percentage of operating expenses attributed to R&D activities and provide details.

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

For purposes of the following, 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.

Will customers personally visit the Project site for either of the following economic activities? If yes with respect to either economic activity indicated below, you will need to complete the Retail section of this application.

**Retail Sales**      No

**Services**      No

Please check any and all end uses as identified below.



**3.) New Building addition(s)**

\$ 0 square feet

**4.) Reconstruction/Renovation**

\$ 0 square feet

**5.) Manufacturing Equipment**

\$ 0

**6.) Infrastructure Work**

\$ 42,000

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

\$ 150,000

**8.) Soft Costs: (Legal, architect, engineering, etc.)**

\$ 110,000

**9.) Other Cost**

\$ 0

**Explain Other  
Costs****Total Cost** \$ 3,110,729Construction Cost Breakdown:

<b>Total Cost of Construction</b>	\$ 2,636,729 (sum of 2, 3, 4 and 6 in Project Information, above)
<b>Cost of materials</b>	\$ 1,600,000
<b>% sourced in Erie County</b>	100%

Sales and Use Tax:

<b>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</b>	\$ 1,900,000
<b>Estimated State and local Sales and Use Tax Benefit (product of 8.75% multiplied by the figure, above):</b>	\$ 166,250

\*\* Note that the estimate provided above will be provided to the New York State Department of Taxation and Finance. The Applicant acknowledges that the transaction documents may include a covenant by the Applicant to undertake the total amount of investment as proposed within this Application, and that the estimate, above, represents the maximum amount of sales and use tax benefit that the Agency may authorize with respect to this Application. The Agency may utilize the estimate, above, as well as the proposed total Project Costs as contained within this Application, to determine the Financial Assistance that will be offered.

<b>Project refinancing estimated amount, if applicable (for refinancing of existing debt only)</b>	\$ 0
<b>Have any of the above costs been paid or incurred as of the date of this Application?</b>	Yes
<b>If Yes, describe particulars:</b>	Land acquisition costs, infrastructure work and soft costs.

Sources of Funds for Project Costs:

<b>Equity (excluding equity that is attributed to grants/tax credits):</b>	\$ 516,000
<b>Bank Financing:</b>	\$ 2,750,000
<b>Tax Exempt Bond Issuance (if applicable):</b>	\$ 0
<b>Taxable Bond Issuance (if applicable):</b>	\$ 0
<b>Public Sources (Include sum total of all state and federal grants)</b>	\$ 0

**and tax credits):**

**Identify each state and federal grant/credit: (ie Historic Tax Credit, New Market Tax Credit, Brownfield, Cleanup Program, ESD, other public sources)** 0

**Total Sources of Funds for Project Costs:** \$3,266,000

**Have you secured financing for the project?** No

Mortgage Recording Tax Exemption Benefit:

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

**Mortgage Amount (include sum total of construction/permanent/bridge financing).** 2,750,000

**Lender Name, if Known**

**Estimated Mortgage Recording Tax Exemption Benefit (product of mortgage amount as indicated above multiplied by 3/4 of 1%):** \$20,625

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 (485-a, 485-b, other):**

IDA PILOT Benefit: Agency staff will indicate the estimated amount of PILOT Benefit based on estimated Project Costs as contained herein and anticipated tax rates and assessed valuation, including the annual PILOT Benefit abatement amount for each year of the PILOT benefit and the sum total of PILOT Benefit abatement amount for the term of the PILOT as depicted in the PILOT worksheet in the additional document section.

Percentage of Project Costs financed from Public Sector sources: Agency staff will calculate the percentage of Project Costs financed from Public Sector sources based upon the Sources of Funds for Project Costs as depicted above. The percentage of Project Costs financed from public sector sources will be depicted in the PILOT worksheet in the additional document section.

**ECIDA encourages applicants to utilize MBE/WBE contractors for their projects. Describe your company's internal practices that promote MBE/WBE hiring and utilization**

MBE/WBE Utilization Questionnaire is attached

**Is project necessary to expand project employment?**

Yes

**Is project necessary to retain existing employment?**

Yes

**Will project include leasing any equipment?**

Yes

If yes, please describe equipment and lease terms.

Multi-purpose copier/scan/print/fax machines

Employment Plan (Specific to the proposed project location)

The Labor Market Area consists of the following six counties: Erie, Niagara, Chautauqua, Cattaraugus, Wyoming and Genessee.

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).

Current # of jobs at proposed project location or to be	If financial assistance is granted – project the	If financial assistance is granted – project the number of FT and PT	Estimate number of residents of the Labor Market Area in which
---	--	--	--

	relocated at project location	number of FT and PT jobs to be retained	jobs to be created upon 24 months (2 years) after Project completion	the project is located that will fill the FT and PT jobs to be created upon 24 months (2 years) after project completion **
Full time	12	12	2	2
Part time	1	1	0	0
<b>Total</b>	<b>13</b>	<b>13</b>	<b>2</b>	

Salary and Fringe Benefits for Jobs to be Retained and Created

Category of Jobs to be Retained and/or Created	# of Employees Retained and/or Created	Average Salary for Full Time	Average Fringe Benefits for Full Time	Average Salary for Part Time (if applicable)	Average Fringe Benefits for Part Time (if applicable)
Management	2	\$ 91,000	\$ 22,051	\$ 0	\$ 0
Professional	12	\$ 54,750	\$ 67,600	\$ 0	\$ 0
Administrative	1	\$ 0	\$ 0	\$ 36,420	\$ 1,377
Production	0	\$ 0	\$ 0	\$ 0	\$ 0
Independent Contractor	0	\$ 0	\$ 0	\$ 0	\$ 0
Other	0	\$ 0	\$ 0	\$ 0	\$ 0

\*\* Note that the Agency may utilize the foregoing employment projections, among other items, to determine the financial assistance that will be offered by the Agency to the Applicant. The Applicant acknowledges that the transaction documents may include a covenant by the Applicant to retain the number of jobs and create the number of jobs with respect to the Project as set forth in this Application.

Yes **By checking this box, I certify that the above information concerning the current number of jobs at the proposed project location or to be relocated to the proposed project location is true and correct.**

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

Address	101 Lang Boulevard Grand Island, NY 14072	7202 Boston State Rd North Boston, NY 14110	
Full time	5	2	0
Part time	0	0	0
<b>Total</b>	<b>5</b>	<b>2</b>	<b>0</b>

Payroll Information

**Annual Payroll at Proposed Project Site upon completion**

775,464

**Estimated average annual salary of jobs to be retained (Full Time)**

61,587

**Estimated average annual salary of jobs to be retained (Part Time)**

36,421

**Estimated average annual salary of jobs to be created (Full Time)**

40,000

**Estimated average annual salary of jobs to be created (Part Time)**

0

**Estimated salary range of jobs to be created**

<b>From (Full Time)</b>	40,000	<b>To (Full Time)</b>	45,000
	25,000		30,000

**From (Part Time)**

**To (Part Time)**



## Section III: Environmental Questionnaire

INSTRUCTIONS: Please complete the following questionnaire as completely as possible. If you need additional space to fully answer any question, please attach additional page(s).

### General Background Information

#### **Address of Premises**

1471 Union Road West Seneca, NY 14224

#### **Name and Address of Owner of Premises**

Julius W Aebly, Jr. 12125 Townsend Rd Springville, NY 14141

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

The office will be in what is considered the central part of the Town of West Seneca on a main throughfare that is a business section of town. The premise is located on a 4-way corner intersection and has no proximity to any wetlands, rivers, streams, lakes, or other bodies of water.

#### **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**

The office building will be newly constructed in 2022 and all furnishings will be newly purchased in 2022, so the age will be <1 year for everything going into the building and everything used in construction of the building. Our insurance firm is a diversified firm covering a wide area of insurance back-office operations and policy holder services. Our clients include policyholders of individual type insurance such as auto, home and life insurance; business clients who have business type insurance such as property, liability, worker compensation, employee benefits and other employer-based insurance for employees; and payroll services for employers. Some of our clients are fee-based clients that pay us for insurance advisory and consulting services. We also provide Third Party Administrative (TPA) services through the processing of claims and management of health care accounts such as Flexible Spending Accounts (FSA's) and Health Reimbursement Arrangements (HRA's) and Health Savings Accounts (HSA's). The staff in our insurance office are conducting what we call back-office operations, which includes the processing of insurance claims, talking to clients and insurers over the phone about insurance matters, printing and mailing insurance policies, endorsements and ID cards, data entry, online processing of policyholder transactions with our different insurers and payroll processing to name a few.

#### **Describe all known former uses of the Premises**

The previous owner had a 2-story residential home that he rented to individuals. The other 2-story building was a garage for the storage of his commercial limousines and an office for this business.

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

No

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

#### **Have there been any spills, releases or unpermitted discharges of petroleum, hazardous substances, chemicals or hazardous wastes at or near the Premises?**

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**

Not applicable

**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**

Not applicable

**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**

Not applicable

**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 IV: 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** Aebly and Associates Insurance Services, Inc.  
**Address** 1471 Union Road (proposed new office building location)  
**Contact Person** Julius W Aebly, Jr.  
**Phone** (716) 479-4620  
**Fax** (716) 675-2104  
**E-Mail** jaebly@aeblyandassociates.com  
**Federal ID #** 16-1063621  
**SIC/NAICS Code** 524210, 524298 & 524292

SS

**Section V: Tenant Information**

**PART 1 TO BE COMPLETED BY LESSEE (DEVELOPER)**

**Tenant Name**

Aebly and Associates Insurance Services, Inc

**Property Address:**

1471 Union Road (proposed new office building location)

**City/Town/Village**

West Seneca

The following information is an outline relative to the potential client and their proposed contract to sublease space in the above reference facility

**Amount of space to be leased (square feet)**

6,160

**What percentage of the building does this represent?**

100

**Are terms of lease:**

NET

**If GROSS lease, please explain how Agency benefits are passed to the tenant**

**Estimated date of occupancy**

1/2/2023

**PART 2 TO BE COMPLETED BY PROPOSED TENANT**

**Company Name:**

Aebly and Associates Insurance Services, Inc

**Local Contact Person:**

Julius W Aebly, Jr.

**Title:**

President

**Current Address:**

3638 & 3640 Seneca Street, West Seneca, NY 14224

**Phone:**

(716) 479-4620

**Fax:**

(716) 675-2104

**E-Mail:**

jaebly@aeblyandassociates.com

**Website:**

www.aeblyandassociates.com

**Company President/General Manager:**

Julius W. Aebly, Jr.

**Number of employees moving to new project location:**

**Full-Time:**

12

**Part-Time:**

1

**Total:**

13

**Please describe briefly the nature of the business in which the proposed tenant is/will be engaged. This should include NAICS Code; type of business and products or services; percent of total sales in Erie County and the United States:**

Our insurance firm is a diversified firm covering a wide area of insurance back-office operations and policy holder services. Our clients include policyholders of individual type insurance such as auto, home and life insurance; business clients who have business type insurance such as property, liability, worker compensation, employee benefits and other employer-based insurance for employees; and payroll services for employers. Some of our clients are fee-based clients that pay us for insurance advisory and consulting services. We also provide Third Party Administrative (TPA) services through the processing of claims and management of health care accounts such as Flexible Spending Accounts (FSA's) and Health Reimbursement Arrangements (HRA's) and Health Savings Accounts (HSA's). The staff in our insurance office are conducting what we call back-office operations, which includes the processing of insurance claims, talking to clients and insurers over the phone about insurance matters, printing and mailing insurance policies, endorsements and ID cards, data entry, online processing of policyholder transactions with our different insurers and payroll processing to name a few. For this office location approximately 95% of sales will be in Erie County and the other 5% all within the United States.

Attach additional information as necessary.

**History of Company (i.e. start-up, recent acquisition, publicly traded)**

The company started as an unincorporated insurance agency in 1913. The earliest corporate records we have is a Certificate of Incorporation that was filed on 03/03/1976 under the name of Wishing-Walsh Agency, Inc. A Name Change was filed with the NYS Department of State changing the name to K.A. Jones Agency, Inc. on 05/05/1976, then a certificate changing the name to Walsh-Jones Agency Inc. was filed on 05/11/1978 and then finally a certificate changing the name to Aebly and Associates Insurance Services, Inc. was filed on 11/27/2017. Aebly and Associates Insurance Services, Inc. is a privately held company.

**Please list the square footage which the proposed tenant will lease at the Project location**

6,160

**Please list the square footage which the proposed tenant leases at its present location(s)**

3,500

**Describe the economic reason for either the increase or decrease in leased space.**

We are a growing firm who has no more space at our current two locations of 3638 Seneca Street and 3640 Seneca Street in West Seneca, NY. Our current office configuration in two separate buildings is not efficient and locating all employees in one location will not only allow us operate more efficiently, but it will also provide us with the updated office environment needed to compete in hiring additional professional staff and grow our business.

**Will the project result in a relocation and/or abandonment of other tenant/user(s) facilities in Erie County, or New York State?**

Yes

**If owned, what will happen to the existing facility once vacated?**

3638 Seneca Street and 3640 Seneca Street buildings will be sold

**If leased, when does lease expire?**

12/31/1969

**Are any of the proposed tenant's current operations located in facilities which have received an Industrial Development Agency benefit?**

No

**If yes, please provide details as to location, and amount of leased space, how long leased?**

**Section VI: Retail Determination**

To ensure compliance with Section 862 of the New York General Municipal Law, the Agency requires additional information if the proposed Project is one where customers personally visit the Project site to undertake either a retail sale transaction or to purchase services.

Please answer the following:

**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

If yes, complete the Retail Questionnaire Supplement below. **If no, proceed to the next section.**

**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?**

2 %

If the answer to this is **less than 33%** do not complete the remainder of the page, proceed to the next section.

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>

## **Section VII: Adaptive Reuse Projects**

Adaptive Reuse is the process of adapting old structures or sites for new purposes.

**Are you applying for tax incentives under the Adaptive Reuse Program?**

No



## Section VIII: 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.

### Current Address

3638 Seneca Street and 3640 Seneca Street

### City/Town

West Seneca

### State

New York

### Zip Code

14224

**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?**

**Within New York State**

No

**Within Erie County**

Yes

**If Yes to either question, please, explain**

We will move from our two existing smaller locations to this larger office building within Erie County.

**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.)**

Primary consideration is that the new building provide a new and professional office environment that is conducive to conducting business in a paperless, professional and streamlined work environment and which affords us the opportunity to compete for new employees in this new highly competitive employment market.

**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?**

We believe that the educated and hardworking employees located in Erie County give us the ability to compete in our business. With the financial assistance from this Agency, we will be able to afford this new project which will help retain existing employees and attract new employees and provide benefits to both the Town of West Seneca and 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?**

They will be sold, not abandoned.

**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.**

3638 Seneca Street - current location is too small, too old, and not conducive to a collaborative work environment. 3640 Seneca Street - current location is too small, too old, and not conducive to a collaborative work environment. 3625 Seneca Street - site was not large enough and the layout was not conducive to a collaborative work environment. 150 Empire Drive - layout was not good for a professional office operation 1293 Union Rd - mixed use building would not work for our operation 2060 Union Rd - too small for our operation and growth plans 1251 Union Rd - too small of a building and insufficient parking 4085 Seneca Street - office layout would not work 5266 Seneca Street - office layout would not work

## **Section IX: Senior Housing**

IDA tax incentives may be granted to projects under the Agency's Senior Citizen Rental Housing policy when the project consists of a multi-family housing structure where at least 90% of the units are (or are intended to be) rented to and occupied by a person who is 60 years of age or older.

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

No

**Spaulding Business Park, LLC**  
**\$ 2,055,000**

**PRIVATE INVESTMENT INDUCEMENT RESOLUTION**

**ELIGIBILITY**

- NAICS Section – 236220

**COMPANY INCENTIVES**

- Approximately \$ 94,062 in sales tax savings
- Approximately \$ 293,429 in real property tax savings
- Up to 3/4 of 1% of the final mortgage amt estimated at \$15,750

**JOBS & ANNUAL PAYROLL**

- Current Jobs: 0
- Annual Payroll: \$ 0
- Projected new jobs: 20
- Est. salary/yr. of jobs created: \$ 48,750
- Total jobs after project completion: 20
- Construction Jobs: 8

**PROJECTED COMMUNITY BENEFITS\***

- Term: 7 YEARS
  - NET Community Benefits: \$ 11,239,653
  - Spillover Jobs: 24
- Total Payroll: \$ 10,526,239

**INCENTIVE COST / COMMUNITY BENEFIT RATIO (discounted at 2%)\***

Incentives: \$ 382,448

Community Benefit: \$ 10,383,498

Cost: Benefit Ratio

- 1: 27

Project Title: Spaulding Business Park

Project Address Gibson St (corner of Gibson & Hackett Dr)  
 Tonawanda, NY 14150  
 Tonawanda City District School System

**Agency Request**

A sales tax, mortgage recording tax and real property tax abatement in connection with the construction of a business park in the City of Tonawanda consisting of five approx. 9,000 sq ft buildings for light manufacturing and/or warehouse use.

Land/Building Acquisition	\$ 120,000
New Building Construction	\$ 1,800,000
Infrastructure	\$ 100,000
Non- Manufacturing Equipment	\$ 0
Soft Costs/Other	\$ 35,000
 Total Project Cost	 \$2,055,000
 85%	 \$1,746,750

**Company Description**

Paolini Enterprises is a full-service General Contracting Company as well as an interior & exterior maintenance company. Started in 1994 by business owner Joseph Paolini, the business has evolved into a real estate development and management company overseeing large commercial properties. Two business parks are owned by the company: Niagara Business Park in Wheatfield, NY and Bulldog Business Park in Sanborn, NY. Both of these parks were developed from vacant land and are currently 100% leased. Several addition real estate sites are managed by Paolini Enterprises including multiple Dunkin Donut locations in Erie and Niagara Counties, and Mid-City Plaza in North Tonawanda.

**Project Description**

The applicant has purchased 4 acres of land from the City of Tonawanda located within the Spaulding Commerce Park – a super fund site / former home of Spaulding Fibre. Paolini Enterprises is developing a Business Park that will rent light manufacturing and warehouse distribution space to businesses. Five buildings of approximately 9,000+ sq ft each are anticipated for the site for a total of 45,760 sq ft of available rental space. The project will be completed in phases – over a two to three year period.

\* Cost Benefit Analysis Tool powered by MRB Group

## Economic Impact: Inform Analytics Cost-Benefit Analysis

The Erie County Industrial Development Agency uses the Cost Benefit Analysis Tool powered by MRB Group to assess the economic impact of a project applying for incentives. A Cost-Benefit Analysis is required by Section 859-a (5)(b) of General Municipal Law. For the complete Cost Benefit Analysis – please see the attached MRB Cost Benefit Calculator.

### Cost: Incentives

COSTS	Tax Exemption	Amount
	Property	293,429
	Sales	94,062
	Mortgage Recording	15,750
	Total	403,241
	Discounted at 2%	382,448

### Benefit: Projected Community Benefit\*

BENEFITS	Region	Recipient	Revenue Type	\$ Amount **
	Erie County	Individuals	Payroll Construction	1,173,651
			Payroll Permanent	9,352,588
		Public	Property Taxes	73,360
			Sales Taxes,	87,499
			Local Muni (NFTA)	5,190
	New York State	Public	Income Taxes	473,680
			Sales Taxes	73,684
			<b>Total Benefits to EC + NYS***</b>	<b>11,239,653</b>
			<b>Discounted at 2%</b>	<b>10,383,498</b>

\* Cost Benefit Analysis Tool powered by MRB Group \*\*includes direct & indirect \$ over project period \*\*\* may not sum to total due to rounding

Discounted Cost           \$ 382,448  
 Discounted Benefit       \$ 10,383,498  
 Ratio                         1:27

**Conclusion:** The Cost Benefit for this project is: 1:27. For every \$1 in costs (incentives), this project provides \$27 in benefits (payroll & tax revenue). **Note: For Erie County, every \$1 in costs (incentives) provides \$30 in benefits to the community.**

### New Tax Revenue Estimated

Current Yearly Taxes	Estimated New Assessed Value (improved value)	Additional County Revenue over abatement period	Additional Local Revenue Over abatement period	Additional School Revenue over abatement period	New Yearly Taxes Upon Expiration of Abatement Period
\$4,990	\$1,260,000	\$9,221	\$34,653	\$29,484	\$52,398
Combined Tax Rate: \$41.586					

### Draft Recapture Material Terms

Condition	Term	Recapture Provision
Total Investment	At project completion	Investment amount equal to or greater than 85% of project amount. Total project amount = \$2,055,000 85% = \$1,746,750
Employment	Coincides with 10-year PILOT	Maintain Base = 0 Create 85% of Projected Jobs Projected = 20 85% = 17 Recapture Employment = 17
Local Labor	Construction period	Adherence to policy including quarterly reporting
Pay Equity	Coincides with 7-year PILOT	Adherence to Policy
Unpaid Tax	Coincides with 7-year PILOT	Adherence to Policy
<u>Recapture Period</u>	Coincides with 7-year PILOT	Recapture of Mortgage recording tax, state and local sales taxes

**Recapture applies to:**

State and Local Sales Taxes  
Real Property Tax  
Mortgage Recording 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 completion of the project company must certify i) total investment amount is equal to or greater than 85% of the anticipated project amount; ii) company has maintained 0 jobs and created 17 jobs, iii) confirm adherence to local labor policy during construction and iv) its adherence to unpaid tax/pay equity policies for recapture term.

### Project ECIDA History

- May 31, 2022 Public hearing held.
- June 22, 2022 Inducement Resolution presented to Board of Directors authorizing adoption of consistency determination with Environmental Impact Study as required by SEQRA
- June 22, 2022 Lease/Leaseback Inducement Resolution presented to the Board of Directors

**EVALUATIVE CRITERIA  
MANUFACTURING/WAREHOUSE/DISTRIBUTION**

**Spaulding Business Park**

Wage Rate (above median wage for area)	This local Developer project will create a business park for light manufacturing / warehouse distribution tenants (speculative). Projected wage rates are in line with median wages for the area.
Regional Wealth Creation (% sales/customers outside area)	Due to the speculative nature of this project, this is unknown.
In Region Purchases (% of overall purchases)	For the building construction, 85% in region purchases are anticipated.
Research & Development Activities	Due to the speculative nature of this project, this is unknown.
Investment in Energy Efficiency	N/A
Locational Land Use Factors, Brownfields or Locally Designated Development Areas	The location of this business park is at the Spaulding Commerce Park – a Super Fund site (requiring a long-term response to clean up hazardous material contaminations), located in a highly distressed census tract.
LEED/Renewable Resources	N/A
Retention/Flight Risk	N/A
MBE/WBE Utilization	Company has committed to MWBE Utilization and use of State & County/City certified MWBEs. See attached MBE/WBE Utilization Form.
Workforce Access – Proximity to Public Transportation	Business Park has close proximity to NFTA Route 25 (Delaware / Tussing)

Letter of support received from City of Tonawanda Mayor John L. White, dtd 5/13/22

DATE OF INDUCEMENT: June 22,2022

**PILOT Worksheet: Estimate of Real Property Tax Abatement Benefits\*\*\* and Percentage of Project Costs financed from Public Sector sources**

**\*\* 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-Spaulling Business Park, LLC**

Dollar Value of New Construction and Renovation Costs	Estimated New Assessed Value of Property Subject to IDA*	County Tax Rate/1000	Local Tax Rate (Town/City/Village)/1000	School Tax Rate/1000
1,800,000	1,260,000	5.227	19.644	16.714

\*Apply equalization rate to value

PILOT Year	% Payment	County PILOT Amount	Town PILOT Amount	School PILOT Amount	Total PILOT	Full Tax Payment w/o PILOT	Net Exemption
1	0.05	\$329	\$1,238	\$1,053	\$2,620	\$52,398	\$49,778
2	0.1	\$659	\$2,475	\$2,106	\$5,240	\$52,398	\$47,158
3	0.15	\$988	\$3,713	\$3,159	\$7,860	\$52,398	\$44,538
4	0.2	\$1,317	\$4,950	\$4,212	\$10,480	\$52,398	\$41,918
5	0.25	\$1,647	\$6,188	\$5,265	\$13,100	\$52,398	\$39,299
6	0.3	\$1,976	\$7,426	\$6,318	\$15,719	\$52,398	\$36,679
7	0.35	\$2,305	\$8,663	\$7,371	\$18,339	\$52,398	\$34,059
TOTAL		\$9,221	\$34,653	\$29,484	\$73,357	\$366,786	\$293,429

**\*\*\* 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:**

Total Project Cost	Estimated Value of PILOT	Estimated Value of Sales Tax Incentive	Estimated Value of Mortgage Tax Incentive	Total of Other Public Incentives (Tax Credits, Grants, ESD Incentives, etc.)
2,055,000	293,429	94,062	15,750	0

**Calculate %**

**(Est. PILOT + Est. Sales Tax+ Est. Mortgage Tax+ Other)/Total Project Costs:   19.6   %**



# Erie County Industrial Development Agency

## MRB Cost Benefit Calculator

Date: May 16, 2022  
 Project Title: Spaulding Business Park, LLC  
 Project Location: Gibson St., Tonawanda, NY, 14150



## Economic Impacts

Summary of Economic Impacts over the Life of the PILOT

Project Total Investment

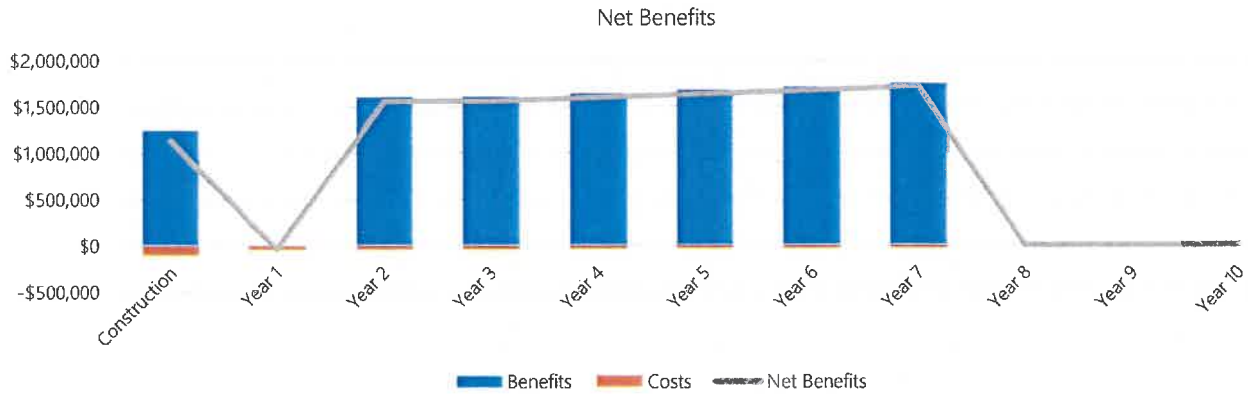
\$2,055,000

		Temporary (Construction)		
		Direct	Indirect	Total
Jobs		8	7	15
Earnings		\$756,338	\$417,313	\$1,173,651
Local Spend		\$1,828,950	\$1,294,890	\$3,123,840

		Ongoing (Operations)		
		Direct	Indirect	Total
Jobs		20	17	37
Earnings		\$6,048,939	\$3,303,649	\$9,352,588

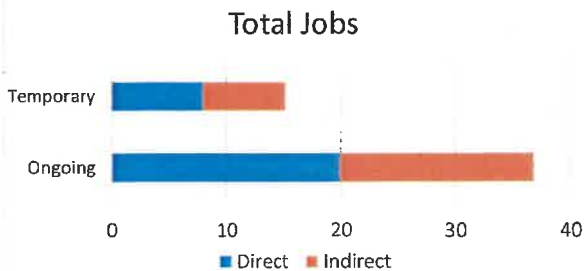
Figure 1



Net Benefits chart will always display construction through year 10, irrespective of the length of the PILOT.

Figure 2

Figure 3



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Ongoing earnings are all earnings over the life of the PILOT.

# Fiscal Impacts



Cost-Benefit Analysis Tool powered by MRB Group

## Estimated Costs of Exemptions

	Nominal Value	Discounted Value*
Property Tax Exemption	\$293,426	\$272,636
Sales Tax Exemption	\$94,062	\$94,062
Local Sales Tax Exemption	\$51,062	\$51,062
State Sales Tax Exemption	\$43,000	\$43,000
Mortgage Recording Tax Exemption	\$15,750	\$15,750
Local Mortgage Recording Tax Exemption	\$5,250	\$5,250
State Mortgage Recording Tax Exemption	\$10,500	\$10,500
<b>Total Costs</b>	<b>\$403,238</b>	<b>\$382,448</b>

## State and Local Benefits

	Nominal Value	Discounted Value*
<b>Local Benefits</b>	<b>\$10,692,289</b>	<b>\$9,877,779</b>
To Private Individuals	<b>\$10,526,239</b>	<b>\$9,725,365</b>
Temporary Payroll	\$1,173,651	\$1,173,651
Ongoing Payroll	\$9,352,588	\$8,551,714
Other Payments to Private Individuals	\$0	\$0
To the Public	<b>\$166,049</b>	<b>\$152,414</b>
Increase in Property Tax Revenue	\$73,360	\$66,484
Temporary Jobs - Sales Tax Revenue	\$9,756	\$9,756
Ongoing Jobs - Sales Tax Revenue	\$77,743	\$71,086
Other Local Municipal Revenue	\$5,190	\$5,088
<b>State Benefits</b>	<b>\$547,364</b>	<b>\$505,719</b>
To the Public	<b>\$547,364</b>	<b>\$505,719</b>
Temporary Income Tax Revenue	\$52,814	\$52,814
Ongoing Income Tax Revenue	\$420,866	\$384,827
Temporary Jobs - Sales Tax Revenue	\$8,216	\$8,216
Ongoing Jobs - Sales Tax Revenue	\$65,468	\$59,862
<b>Total Benefits to State &amp; Region</b>	<b>\$11,239,653</b>	<b>\$10,383,498</b>

## Benefit to Cost Ratio

	Benefit*	Cost*	Ratio
Local	\$9,877,779	\$328,948	30:1
State	\$505,719	\$53,500	9:1
<b>Grand Total</b>	<b>\$10,383,498</b>	<b>\$382,448</b>	<b>27:1</b>

\*Discounted at 2%

## Additional Comments from IDA

Does the IDA believe that the project can be accomplished in a timely fashion? Yes

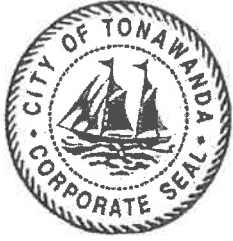
# MBE/WBE Utilization



ECIDA encourages applicants to utilize MBE/WBE contractors for their projects. Describe your company's internal practices that promote MBE/WBE hiring and utilization:

As a developer that works on small-scale projects, for example, warehouse-type structures, our internal practices are to have a high level of diversity in all aspects of business. My hiring policy is to prioritize contractors and to purchase materials that are from individuals or companies with a background of MBE/WBE. Our goal for this project is to continue our policy of hiring and doing business with MBE/WBE companies. We will use the state and county certified MBE/WBE lists to help hire MWBEs throughout the project for paving/site work, trucking, drywall, and lumber/materials to be considered for this project. We estimate to have about 30% of our contractors/materials provided by MBE/WBE entities. As the project continues we will monitor if an increase will be necessary to hire more MBE/WBE contractors.





**CITY OF TONAWANDA, NEW YORK**  
**OFFICE OF THE MAYOR**

200 Niagara Street Tonawanda, New York 14150-1099

Phone: (716) 695-8645 Fax: (716) 695-8314

E-mail: [mayor@tonawandacity.com](mailto:mayor@tonawandacity.com)

**JOHN L. WHITE**

Mayor

**RONALD J. PILOZZI**

Administrative Assistant

**SHARON R. STUART**

Executive Secretary

May 13, 2022

Mr. Andrew Federick  
Erie County Industrial Development Agency  
95 Perry Street, Suite 403  
Buffalo, NY 14203

Dear Andy,

I am writing to you today to express my full support of Joseph Paolini, and his planned development in the Spaulding Commerce Park located here in the City of Tonawanda.

Over the past 10 years there has been an increase in the need for Small Business warehousing/manufacturing facilities, ranging between 1,000 to 5,000 feet. Spaulding Commerce Park is located between Buffalo and Niagara Falls, with easy access to the I-190, I-290 and markets in Canada. This provides the ideal setting for office and light industrial tenants. As I understand, Mr. Paolini plans to build a total of five buildings in two or three phases, with the total project to be completed in approximately 2-3 years.

I first met Joseph Paolini over 20 years ago when I was an educator for the DEC, certifying him in New York State for his landscaping business. I found him to be an energetic, honest young businessman looking to make some wise decisions while moving forward in his new ventures. I welcome Joseph to the City of Tonawanda. I look forward to working with him again and wish him all the best.

If I can be of further assistance, or if you have questions or concerns, please do not hesitate to contact me.

Respectfully,

John L. White  
Mayor

## PUBLIC HEARING SCRIPT

**Spaulding Business Park, LLC and/or  
Individual(s) or Affiliate(s), Subsidiary(ies),  
or Entity(ies) formed or to be formed on its  
behalf Project**

Public Hearing to be held on May 31, 2022 at 10:30 a.m.,  
at the City of Tonawanda, Community Room, 200 Niagara Street, Tonawanda, New York 14150

### **ATTENDANCE:**

Joseph Paolini – Spaulding Business Park, LLC  
Molly Penale - Spaulding Business Park, LLC

#### **☒ 1. WELCOME: Call to Order and Identity of Hearing Officer.**

*Hearing Officer:* Welcome. This public hearing is now open; it is 10:30 a.m. My name is Andrew Federick. I am the Business Development Officer of the Erie County Industrial Development Agency, and I have been designated by the Agency to be the hearing officer to conduct this public hearing. This public hearing is being live-streamed and made accessible on the Agency's website at [www.ecidany.com](http://www.ecidany.com).

#### **☒ 2. PURPOSE: Purpose of the Hearing.**

*Hearing Officer:* We are here to hold the public hearing on the Spaulding Business Park, LLC and/or Individual(s) or Affiliate(s), Subsidiary(ies), or Entity(ies) formed or to be formed on its behalf project. The transcript of this hearing will be reviewed and considered by the Agency in determination of this project. Notice of this hearing appeared in The Buffalo News on May 13, 2022.

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

*Hearing Officer:* The proposed project (the "Project") consists of: (i) the acquisition by the Agency of a leasehold interest in certain property located on Gibson Street (corner of Gibson & Hackett Drive), City of Tonawanda, Erie County, New York (the "Land"), (ii) the construction on the Land of five (5) approximately 9,152+/- SF warehouse buildings totaling 45,760+/- SF to be utilized for light manufacturing and warehouse distribution (the "Improvements"), and (iii) the acquisition by the Company in and around the Improvements of certain items of machinery, equipment and other tangible personal property (the "Equipment"; and, together with the Land and the Improvements, the "Facility"). The Facility will be initially operated and/or managed by the Company.

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

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

*Hearing Officer:* All those in attendance are required to register by signing the sign-in sheet at the front of the room; you will not be permitted to speak unless you have registered. Everyone who has registered will be given an opportunity to make statements and/or comments on the Project.

If you have a written statement or comment to submit for the record, you may leave it at this public hearing, submit it on the Agency's website or deliver it to the Agency at 95 Perry Street, Suite 403, Buffalo, New York 14203. The comment period closes on June 21, 2022. There are no limitations on written statements or comments.

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

*Hearing Officer:* If anyone is interested in making a statement or comment, please raise your hand, state your name and address; if you are representing a company, please identify the company. I request that speakers keep statements and/or comments to 5 minutes, and if possible, 3 minutes.

Joseph Paolini. I am a local contractor, developer, and manager of many commercial properties. I am building a business park that will be situated on 4 acres of land that is located on the corner of Gibson Street and Hackett Drive in the City of Tonawanda, New York. I will be building a total of five buildings in two to three phases with approximately 2 to 3 years for full project completion. Each phase will be approximately 10,000 to 20,000 sq. ft. Building units will be rented out to light manufacturing companies and warehouse distribution. I am projecting an average of 20 to 35 tenants, depending on the future tenants needs. This project will create a minimum of 20 jobs. By constructing this business park, I am looking to capitalize on the strong demand for more manufacturing and warehouse space in Erie County. The financial assistance from the ECIDA is crucial to me due to the rising costs of building materials, labor costs and the increased costs of building codes. The impact that this project will have on Erie County is multilayer. First, new business owners will benefit from this project, such as light manufacturing/distribution businesses. They will have a space to increase their productivity to meet the demands of their customers. Second, these types of warehouses will make businesses in Erie County more successful. Third, as data shows when small businesses are successful the surrounding small businesses will also have an increase in economic success. I believe once my project is completed it will have that very impact on small businesses in Erie County and the City of Tonawanda. Lastly, I would like to thank the ECIDA, Mayor John White and Common Council President, Jenna Koch. I look forward to working with the City of Tonawanda and Erie County IDA on this project.

**6. ADJOURNMENT:**

As there were no further statements and/or comments, the Hearing Officer closed the public hearing at 10:36 a.m.

**SIGN IN SHEET  
PUBLIC HEARING**

Public Hearing to be held on May 31, 2022 at 10:30 a.m.,  
at the City of Tonawanda, Community Room, 200 Niagara Street, Tonawanda, New York 14150  
regarding:

**Spaulding Business Park, LLC and/or Individual(s) or Affiliate(s),  
Subsidiary(ies), or Entity(ies) formed or to be formed on its behalf**

Project Location: Gibson Street (corner of Gibson & Hackett Drive), City of Tonawanda,  
Erie County, New York

Name	Company and/or Address	X box to speak/ comment
Joseph Paolini	Spaulding Business Park 6500 Ward Road Sanborn, New York 14132	X
Molly Penale	Spaulding Business Park 6500 Ward Road Sanborn, New York 14132	





## Spaulding Business Park LLC

Instructions and Insurance Requirements Document

### Section I: Applicant Background Information

Please answer all questions. Use "None" or "Not Applicable" where necessary. Information in this application may be subject to public review under New York State Law.

#### Applicant Information - Company Receiving Benefit

<b>Project Name</b>	Spaulding Business Park
<b>Project Summary</b>	I am going to be building a business park on the corner of Gibson St. and Hackett Dr in The City of Tonawanda, NY (4 acres of vacant land - no current address yet). I will be building a total of five buildings in two to three phases (approx 2 to 3 years for full project completion). Each phase will be approximately 10,000 to 20,000 sqft. Building units will rent out to light manufacturing companies and warehouse distribution. We are projecting an average of 20 to 35 tenants total (depending on the needs of future tenants). Project cost approx \$2.1 million.
<b>Applicant Name</b>	Spaulding Business Park LLC
<b>Applicant Address</b>	6500 Ward Road
<b>Applicant Address 2</b>	
<b>Applicant City</b>	Sanborn
<b>Applicant State</b>	New York
<b>Applicant Zip</b>	
<b>Phone</b>	(716) 628-1993
<b>Fax</b>	
<b>E-mail</b>	jvpaolini@gmail.com
<b>Website</b>	none
<b>NAICS Code</b>	236220 non-residential building construction

#### Business Organization

<b>Type of Business</b>	Limited Liability Company
<b>Year Established</b>	2021
<b>State in which Organization is established</b>	New York

#### Individual Completing Application

<b>Name</b>	Joseph Paolini
<b>Title</b>	President/Owner
<b>Address</b>	6500 Ward Rd
<b>Address 2</b>	
<b>City</b>	Sanborn

**State** New York  
**Zip** 14132  
**Phone** (716) 628-1993  
**Fax**  
**E-Mail** jvpaolini@gmail.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** Nicholas Ingrassi  
**Firm Name** Gross Shuman P.C.  
**Address** 465 Main St. #600  
**Address 2**  
**City** Buffalo  
**State** New York  
**Zip** 14203  
**Phone** (716) 566-7269  
**Fax**  
**E-Mail** ningrassia@gross-shuman.com

Benefits Requested (select all that apply).

**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)

Applicant Business Description

**Describe in detail company background, history, products and customers. Description is critical in determining eligibility. Also list all stockholders, members, or partners with % ownership greater than 20%.**

I became a business owner in 1994 when I started a landscape design and install business. Paolini Enterprises Inc evolved into a full General Contracting Company, as well as an interior and exterior maintenance company. For the past 20 years I've become a Real Estate Developer and Manager of large commercial properties. I currently own and manage two business parks, Niagara Business Park located in Wheatfield NY and Bulldog Business Park located in Sanborn NY. Bulldog Business Park I developed from vacant land. There are three 4,000 sq ft buildings on the property. Niagara Business Park is a 10,200 sq ft complex. Both business parks are 100% leased. Another part of my business is facility management. Currently we manage multiple Dunkin Donuts located in Erie and Niagara Counties. We also currently manage and maintain Mid-City Plaza, which is located in North Tonawanda NY. (approx 210,000 sq ft).

<b>Estimated % of sales within Erie County</b>	75 %
<b>Estimated % of sales outside Erie County but within New York State</b>	25 %
<b>Estimated % of sales outside New York State but within the U.S.</b>	0 %
<b>Estimated % of sales outside the U.S.</b>	0 %

(\*Percentage to equal 100%)

**For your operations, company and proposed project what percentage of your total annual supplies, raw materials and vendor services are purchased from firms in Erie County?**

85

**Describe vendors within Erie County for major purchases**

Building materials - 84 Lumber(2286 Military Rd. Ton. NY 14150) Concrete - United Materials - (528 Youngs St Ton NY 14150)  
Plumbing/supplies - Irr Plumbing Supplies (1674 Kenmore Ave Buffalo, NY 14216) Electrical Supplies - Shanor Electric Supplies (1267 Military Rd Kenmore NY 14217)

## Section II: Eligibility Questionnaire - Project Description & Details

### Project Location

**Address of Proposed Project Facility**

Gibson St (corner of Gibson & Hackett Dr)

**Town/City/Village of Project Site**

City of Tonawanda

**School District of Project Site**

City of Tonawanda

**Current Address (if different)**

**Current Town/City/Village of Project Site (if different)**

**SBL Number(s) for proposed Project**

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

**If amount of current taxes is not available, provide assessed value for each.**

Land

\$ 120,000

Building(s)

\$ 1,700,000

If available include a copy of current tax receipt.

**Are Real Property Taxes current at project location?**

Yes

**If no please explain**

\*The ECIDA has an unpaid tax policy and you will be required to certify all taxes and PILOTS are current.

**Does the Applicant or any related entity currently hold fee title or have an option/contract to purchase 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?**

Yes

**Describe the present use of the proposed Project site (vacant land, existing building, etc.)**

Vacant land

**Provide narrative and purpose of the proposed project (new build, renovations) square footage of existing and new construction contemplated 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 four acres were purchased from the City of Tonawanda at the corner of Gibson St. and Hackett Dr. The purpose of this project is to utilize the vacant land and turn it into a Business Park. The Business Park will offer rental space to light manufacturing companies and warehouse distribution. The demand for this type of warehouse space is in extremely high, as I own two other Business Parks in Niagara County that rent out with the same purpose and have full occupancy, with a tenant waiting list. For this project, I will build five warehouse buildings on the site. Each building will be 9,152 sq ft, with a total of 45,760 sq ft in total. I expect to lease out to about 20 to 35 tenants (depending on the needs of future tenants). The project will require two to three phases and take approximately two to three years for full job completion. At the end of each phase approximately 10-20,000 square feet of the project will be completed. Total Project Cost: \$2.1 million

**Municipality or Municipalities of current operations**

City of Tonawanda, NY

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

Yes

**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 within New York State 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 Intermunicipal Move Determination section of this application)

**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, type of assistance offered and provide supporting documentation available**

**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**

**If the Project could be undertaken without Financial Assistance provided by the Agency, then provide a statement in the space provided below indicating why the Project should be undertaken by the Agency:**

Without the Agency's financial assistance this project would not be possible.

**Describe the reasons why the Agency's financial assistance is necessary, and the effect the Project will have on the Applicant's business or operations. Focus on competitiveness issues, project shortfalls, etc... Your eligibility determination will be based in part on your answer (attach additional pages if necessary)**

This project has challenges due to the effect of the pandemic on rising material costs, rising labor costs, and without the benefit of pre-construction tenants. The agency's assistance will allow a specific timeline to complete the project as there is significant demand for these types of warehouse developments within the area. Tenants have been identified and are awaiting final construction details.

**Please confirm by checking the box, below, if there is likelihood that the Project would not be undertaken but for the Financial Assistance provided by the Agency**

Yes

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

It is critical to obtain financial assistance from the ECIDA for this project due to rising costs of building materials, labor costs, and the increased costs of building codes. The impact this project will have on Erie County is multilayer. First, new business owners will benefit from this project, such as light manufacturing/distribution businesses will have a space to increase their productivity to meet the demands of their consumers. Second, these types of warehouses will make businesses in Erie County successful and help grow with the increasing demand for warehouse space. Third, as data shows when small businesses are successful the surrounding small businesses will also have an increase in economic success. There is a strong demand for these types of projects within Erie County, the surrounding businesses and region will grow as well once this project is implemented.

**Will project include leasing any equipment?**

No

If yes, please describe equipment and lease terms.

### Site Characteristics

**Is your project located near public transportation?**

Yes

**If yes describe if site is accessible by either metro or bus line (provide route number for bus lines)**

Project is about 0.8 miles from a Metro bus stop #25 Delaware/Tussing Ln

**Has a project related site plan approval application been submitted to the appropriate planning department?**

Yes

**If Yes, include the applicable municipality's and/or planning department's approval resolution, the related State Environmental Quality Review Act ("SEQR") "negative declaration" resolution, if applicable, and the related Environmental Assessment Form (EAF), if**

applicable.

If No, list the ECIDA as an "Involved Agency" on the related EAF that will be submitted to the appropriate municipality and/or planning department for site plan approval.

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

Yes

Describe the present zoning/land use

City of Tonawanda, NY Zoning Code; M1 Light Industrial

Describe required zoning/land use, if different

Non applicable

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

Non applicable

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?

No

If yes, describe the efficiencies achieved

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, include percentage of operating expenses attributed to R&D activities and provide details.

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

For purposes of the following, 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.

Will customers personally visit the Project site for either of the following economic activities? If yes with respect to either economic activity indicated below, you will need to complete the Retail section of this application.

<b>Retail Sales</b>	No	<b>Services</b>	No
---------------------	----	-----------------	----

Please check any and all end uses as identified below.

- |  |                           |                                     |
|--|---------------------------|-------------------------------------|
| <b>No Acquisition of Existing Facility</b> | <b>No Assisted Living</b> | <b>No Back Office</b>               |
| <b>No Civic Facility (not for profit)</b>  | <b>No Commercial</b>      | <b>No Equipment Purchase</b>        |
| <b>No Facility for the Aging</b>           | <b>Yes Industrial</b>     | <b>No Life Care Facility (CCRC)</b> |

**No Market Rate Housing**      **No Mixed Use**      **Yes Multi-Tenant**  
**No Retail**      **No Senior Housing**      **Yes Manufacturing**  
**No Renewable Energy**      **No Other**

For proposed facility please include the square footage for each of the uses outlined below

If applicant is paying for FFE for tenants, include in cost breakdown.

			<b>Cost</b>	<b>% of Total Cost</b>
<b>Manufacturing/Processing</b>	22,880 square feet	\$	900,000	50%
<b>Warehouse</b>	22,880 square feet	\$	900,000	50%
<b>Research &amp; Development</b>	square feet	\$	0	0%
<b>Commercial</b>	square feet	\$	0	0%
<b>Retail</b>	square feet	\$	0	0%
<b>Office</b>	square feet	\$	0	0%
<b>Specify Other</b>	square feet	\$	0	0%

**If you are undertaking new construction or renovations, are you seeking LEED certification from the US Green Building Council?**

No

**If you answered yes to question above, what level of LEED certification do you anticipate receiving? (Check applicable box)**

<BLANK>

**Provide estimate of additional construction cost as a result of LEED certification you are seeking**      < BLANK >

**Will project result in significant utility infrastructure cost or uses**      No

What is the estimated project timetable (provide dates)

**Start date : acquisition of equipment or construction of facilities**

7/1/2022

**End date : Estimated completion date of project**

7/1/2025

**Project occupancy : estimated starting date of occupancy**

5/1/2023

Capital Project Plan / Budget

**Estimated costs in connection with Project**

**1.) Land and/or Building Acquisition**

\$ 120,000      square feet      4 acres

**2.) New Building Construction**

\$ 1,800,000      45,760 square feet

**3.) New Building addition(s)**

\$ 0      square feet

**4.) Reconstruction/Renovation**

\$ 0

square feet

**5.) Manufacturing Equipment**

\$ 0

**6.) Infrastructure Work**

\$ 100,000

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

\$ 0

**8.) Soft Costs: (Legal, architect, engineering, etc.)**

\$ 35,000

**9.) Other Cost**

\$ 0

**Explain Other  
Costs**

**Total Cost** \$ 2,055,000

Construction Cost Breakdown:

<b>Total Cost of Construction</b>	\$ 1,900,000 (sum of 2, 3, 4 and 6 in Project Information, above)
<b>Cost of materials</b>	\$ 1,075,000
<b>% sourced in Erie County</b>	80%

Sales and Use Tax:

<b>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</b>	\$ 1,075,000
<b>Estimated State and local Sales and Use Tax Benefit (product of 8.75% multiplied by the figure, above):</b>	\$ 94,062

\*\* Note that the estimate provided above will be provided to the New York State Department of Taxation and Finance. The Applicant acknowledges that the transaction documents may include a covenant by the Applicant to undertake the total amount of investment as proposed within this Application, and that the estimate, above, represents the maximum amount of sales and use tax benefit that the Agency may authorize with respect to this Application. The Agency may utilize the estimate, above, as well as the proposed total Project Costs as contained within this Application, to determine the Financial Assistance that will be offered.

**Project refinancing estimated amount, if applicable (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:

<b>Equity (excluding equity that is attributed to grants/tax credits):</b>	\$
<b>Bank Financing:</b>	\$ 2,100,000
<b>Tax Exempt Bond Issuance (if applicable):</b>	\$ 0
<b>Taxable Bond Issuance (if applicable):</b>	\$ 0
<b>Public Sources (Include sum total of all state and federal grants and tax credits):</b>	\$ 0
<b>Identify each state and federal grant/credit: (ie Historic Tax Credit, New Market Tax Credit, Brownfield, Cleanup Program, ESD, other public sources)</b>	0



**Total Sources of Funds for Project Costs:** \$2,100,000  
**Have you secured financing for the project?** No

Mortgage Recording Tax Exemption Benefit:

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

**Mortgage Amount (include sum total of construction/permanent/bridge financing).** 2,100,000  
**Lender Name, if Known**  
**Estimated Mortgage Recording Tax Exemption Benefit (product of mortgage amount as indicated above multiplied by 3/4 of 1%):** \$15,750

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 (485-a, 485-b, other):** N/A

IDA PILOT Benefit: Agency staff will indicate the estimated amount of PILOT Benefit based on estimated Project Costs as contained herein and anticipated tax rates and assessed valuation, including the annual PILOT Benefit abatement amount for each year of the PILOT benefit and the sum total of PILOT Benefit abatement amount for the term of the PILOT as depicted in the PILOT worksheet in the additional document section.

Percentage of Project Costs financed from Public Sector sources: Agency staff will calculate the percentage of Project Costs financed from Public Sector sources based upon the Sources of Funds for Project Costs as depicted above. The percentage of Project Costs financed from public sector sources will be depicted in the PILOT worksheet in the additional document section.

**ECIDA encourages applicants to utilize MBE/WBE contractors for their projects. Describe your company's internal practices that promote MBE/WBE hiring and utilization**

As a developer that works on small-scale projects, my hiring policy is to prioritize contractors and to purchase materials that are from individuals or companies with a background of MBE/WBE. We will use the state and county certified MBE/WBE lists to help hire MWBEs throughout the project. We estimate to have about 30% of our contractors/materials provided by MBE/WBE entities. As this project continues we will continue to monitor when an increase of MBW/WBE hiring will be necessary.

**Is project necessary to expand project employment?**

Yes

**Is project necessary to retain existing employment?**

No

**Will project include leasing any equipment?**

No

If yes, please describe equipment and lease terms.

Employment Plan (Specific to the proposed project location)

The Labor Market Area consists of the following six counties: Erie, Niagara, Chautauqua, Cattaraugus, Wyoming and Genessee.

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).

Current # of jobs at proposed project location or to be relocated at project location	If financial assistance is granted – project the number of FT and PT jobs to be retained	If financial assistance is granted – project the number of FT and PT jobs to be created upon	Estimate number of residents of the Labor Market Area in which the project is located that will fill the FT and
---	--	--	---

			24 months (2 years) after Project completion	PT jobs to be created upon 24 months (2 years) after project completion **
Full time	0	0	20	20
Part time	0	0	0	0
<b>Total</b>	0	0	20	

Salary and Fringe Benefits for Jobs to be Retained and Created

Category of Jobs to be Retained and/or Created	# of Employees Retained and/or Created	Average Salary for Full Time	Average Fringe Benefits for Full Time	Average Salary for Part Time (if applicable)	Average Fringe Benefits for Part Time (if applicable)
Management	5	\$ 75,000	\$ 0	\$ 0	\$ 0
Professional	0	\$ 0	\$ 0	\$ 0	\$ 0
Administrative	0	\$ 0	\$ 0	\$ 0	\$ 0
Production	15	\$ 40,000	\$ 0	\$ 0	\$ 0
Independent Contractor	0	\$ 0	\$ 0	\$ 0	\$ 0
Other	0	\$ 0	\$ 0	\$ 0	\$ 0

\*\* Note that the Agency may utilize the foregoing employment projections, among other items, to determine the financial assistance that will be offered by the Agency to the Applicant. The Applicant acknowledges that the transaction documents may include a covenant by the Applicant to retain the number of jobs and create the number of jobs with respect to the Project as set forth in this Application.

No **By checking this box, I certify that the above information concerning the current number of jobs at the proposed project location or to be relocated to the proposed project location is true and correct.**

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

Address			
Full time	0	0	0
Part time	0	0	0
<b>Total</b>	0	0	0

Payroll Information

**Annual Payroll at Proposed Project Site upon completion**

975,000

**Estimated average annual salary of jobs to be retained (Full Time)**

0

**Estimated average annual salary of jobs to be retained (Part Time)**

0

**Estimated average annual salary of jobs to be created (Full Time)**

48,750

**Estimated average annual salary of jobs to be created (Part Time)**

0

**Estimated salary range of jobs to be created**

<b>From (Full Time)</b>	40,000	<b>To (Full Time)</b>	75,000
<b>From (Part Time)</b>	0	<b>To (Part Time)</b>	0

## Section III: Environmental Questionnaire

INSTRUCTIONS: Please complete the following questionnaire as completely as possible. If you need additional space to fully answer any question, please attach additional page(s).

### General Background Information

#### **Address of Premises**

Gibson Street Tonawanda, NY 14150

#### **Name and Address of Owner of Premises**

Joseph Paolini 6500 Ward Rd Sanborn, NY 14132

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

The property is generally flat-lying. 4 acres of vacant land.

#### **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**

No improvements, vacant land at this present time. Five warehouse/light manufacturing buildings to be built on premises.

#### **Describe all known former uses of the Premises**

On the premises was a factory that was demolished at least 10 years ago and the property has been vacant since.

#### **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**

n/a

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

n/a

**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**

n/a

**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**

n/a

**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**

n/a

**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 IV: Facility Type - Single or Multi Tenant**

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

Multi-Tenant Facility

Multi-Tenant Facility (to be filled out by developer)

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

In the Erie County region, there is an increase in demand for warehouse and manufacturing space, and with no other developers building small facilities for manufacturing company's (small footprint of 1,000 to 5,000 sq ft of space needed). This project will build five facilities of 10,000 square feet with a total of 50,000 square feet overall, approximately.

**Have any tenant leases been entered into for this project?**

No

If yes, please list below and provide square footage (and percent of total square footage) to be leased to tenant and NAICS Code for tenant and nature of business

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.
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\*fill out table for each tenant and known future tenants

## **Section VI: Retail Determination**

To ensure compliance with Section 862 of the New York General Municipal Law, the Agency requires additional information if the proposed Project is one where customers personally visit the Project site to undertake either a retail sale transaction or to purchase services.

Please answer the following:

**Will any portion of the project (including that portion of the costs to be financed from equity or other sources) consist of facilities or property that are or will be primarily used in making sales of goods or services to customers who personally visit the project site?**

No

If yes, complete the Retail Questionnaire Supplement below. **If no, proceed to the next section.**

## **Section VII: Adaptive Reuse Projects**

Adaptive Reuse is the process of adapting old structures or sites for new purposes.

**Are you applying for tax incentives under the Adaptive Reuse Program?**

No



## Section VIII: 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.

### Current Address

#### City/Town

#### State

#### Zip Code

**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?**

**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?**

Need for warehouse spaces for light manufacturing and distribution companies 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?**

n/a

**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/a

## **Section IX: Senior Housing**

IDA tax incentives may be granted to projects under the Agency's Senior Citizen Rental Housing policy when the project consists of a multi-family housing structure where at least 90% of the units are (or are intended to be) rented to and occupied by a person who is 60 years of age or older.

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

No