

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

- DATE AND PLACE:** December 8, 2022 at the Erie County Industrial Development Agency, 95 Perry Street, 4<sup>th</sup> Floor Conference Room, Buffalo, New York 14203
- PRESENT:** Denise Abbott; Hon. April Baskin; Zachary Evans; Richard Lipsitz, Jr.; Brenda W. McDuffie; Hon. Glenn R. Nellis; Laura Smith, and Lavon Stephens
- EXCUSED:** Rev. Mark E. Blue; Hon. Bryon W. Brown; Colleen DiPirro; David J. State; Hon. John Tobia and Paul Vukelic
- OTHERS PRESENT:** John Cappellino, Chief Executive Officer; Beth O’Keefe, Vice President of Operations; Grant Lesswing, Director of Business Development; Andy Federick, Business Development Officer; Soma Hawramee, Compliance Portfolio Manager; Brian Krygier, Director of Information Technology; Carrie Hocieniec, Operations Assistant; and Robert G. Murray, General Counsel/Harris Beach PLLC
- GUESTS:** Alex Carducci on behalf of the City of Buffalo; Tom Colella on behalf of Highway Rehab Corp and James Panepinto on behalf of 132 Dingens Street, LLC

There being a quorum present at 9:16 a.m., the Meeting of the Policy Committee was called to order by Mr. Lipsitz.

Mr. Lipsitz introduced new Policy Committee member, Zachary Evans.

**MINUTES**

The minutes of the October 6, 2022 Policy Committee meeting were presented. Upon motion made by Ms. McDuffie to approve of the minutes, and seconded by Mr. Nellis, the aforementioned Policy Committee meeting minutes were unanimously approved.

**PROJECT MATRIX**

Mr. Cappellino reviewed the Agency’s 2022 Tax Incentives Project Matrix. Mr. Lipsitz directed that the report be received and filed.

**PROJECT PRESENTATIONS**

132 Dingens Street, LLC, 132 Dingens Street, Buffalo, New York 14206. Ms. O’Keefe presented this proposed sales tax, mortgage recording tax and real property tax abatement benefits project involving the construction of an approximately 81,000+/- sq. ft. addition to a newly constructed spec warehouse intended for both warehouse and light manufacturing uses.

General discussed ensued.

Ms. O’Keefe confirmed that 132 Dingens Street, LLC is seeking approximately \$985,798 in assistance including sales tax exemption, mortgage tax exemption and real property tax exemption. Total payroll is projected at \$12,669,797 for the direct and indirect jobs created including 41 construction jobs. The resulting cost benefit is 13:1 so for every \$1 of incentives the community benefit is \$13 in payroll & tax revenue. Erie County: for every \$1 of incentives the community benefit is \$19 in benefits to the community.

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 = \$9,300,000 85% = \$7,905,000
Employment	Coincides with 7-year PILOT	Create 85% of Projected Projected = 18 85% = 15 Recapture Employment = 15 FTE
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 taxes

Ms. McDuffie moved, and Ms. Baskin 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.

Highway Rehabilitation Corporation, 11061 Walden Avenue, Alden, New York 14004.  
 Ms. O’Keefe presented this proposed sales tax, mortgage recording tax and real property tax abatement benefits project involving the construction of an approximately 23,000+/- sq. ft. building to be used to manufacture and maintain equipment.

General discussed ensued.

Ms. O’Keefe confirmed that Highway Rehabilitation Corporation is seeking approximately \$700,587 in assistance including sales tax exemption, mortgage tax exemption and real property tax exemption. Total payroll is projected at \$78,588,597 for the direct and indirect jobs created including 20 construction jobs. The resulting cost benefit is 1:114 so for every \$1 of incentives the community benefit is \$114 in payroll & tax revenue. Erie County: for every \$1 of incentives the community benefit is \$143 in benefits to the community.

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 = \$5,225,000 85% = \$4,441,250
Employment	Coincides with 7-year PILOT	Maintain Base = 67 FTE Create 85% of Projected Projected = 15 FTE 85% = 12 FTE Recapture Employment = 79 FTE
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 taxes

Ms. Abbott moved, and Mr. Evans 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.

There being no further business to discuss, Mr. Lipsitz adjourned the meeting at 9:44 a.m.

Dated: December 8, 2022

  
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Elizabeth A. O'Keefe, Secretary