

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

- DATE AND PLACE:** April 13, 2023 at the Erie County Industrial Development Agency, 95 Perry Street, 4th Floor Conference Room, Buffalo, New York 14203
- PRESENT:** Denise Abbott; Hon. April Baskin; Rev. Mark E. Blue; Zachary Evans; Richard Lipsitz, Jr.; Brenda W. McDuffie; Hon. Glenn R. Nellis; David J. State¹; Lavon Stephens and Hon. John Tobia
- EXCUSED:** Hon. Bryon W. Brown; Colleen DiPirro; Laura Smith and Paul Vukelic
- OTHERS PRESENT:** John Cappellino, President and Chief Executive Officer; Mollie Profic, Chief Financial Officer; Grant Lesswing, Director of Business Development; Soma Hawramee, Compliance Portfolio Manager; Brian Krygier, Director of Information Technology; Carrie Hocieniec, Operations Assistant; and Pietra G. Zaffram, General Counsel/Harris Beach PLLC
- GUESTS:** Josh Veronica on behalf of Buffalo Niagara Partnership; Dale Shoemaker on behalf of Investigative Post; and Ryan McCarthy on behalf of Wood and Brooks Properties, LLC

At 9:18 a.m., Mr. Lipsitz called the meeting to order, noting that there was no quorum, and the members assembled would proceed with informational items on the agenda.

PROJECT MATRIX

Mr. Cappellino reviewed the Agency's 2023 Tax Incentives Project Matrix. Mr. Cappellino advised that the economic uncertainty has impacted project flow. Mr. Evans queried as does the year historically get busier at year end. Mr. Cappellino advised that the trend is to see an increase in the fall because construction season is ending. Mr. Lipsitz directed that the report be received and filed.

MWBE UPDATE

Mr. Cappellino advised members that MWBE, UTEP notification and public meetings are complete and that approval by the Board is expected in April.

At this point in time, Mr. Blue joined the meeting and a quorum was established.

¹ Mr. State participated via video conference, and counted for quorum purposes, pursuant to Section 103-A of the New York State Public Officer's Law and the Agency's Videoconferencing Participation Policy.

Ms. McDuffie queried regarding a company coming back to the Board to request consideration under the new policy. Mr. Cappellino advised that it can be done but the Agency would have to closely look at notifications, etc.

There being a quorum present at 9:27 a.m., the Meeting of the Policy Committee was called to order by Mr. Lipsitz.

MINUTES

The minutes of the March 9, 2023 Policy Committee meeting were presented. Upon motion made by Ms. McDuffie to approve of the minutes, and seconded by Mr. Blue, the aforementioned Policy Committee meeting minutes were unanimously approved.

PROJECT PRESENTATION

Wood and Brooks Properties, LLC, 2101 Kenmore Avenue, Tonawanda, New York 14207. Mr. Cappellino presented this proposed sales tax and mortgage recording tax benefits project involving the adaptive reuse of the historic Wood & Brooks piano factory complex in converting over 98,000+/- sq. ft. of vacant/underutilized space into residential and commercial uses.

Mr. Cappellino confirmed that Wood and Brooks Properties LLC is seeking approximately \$1,164,447 in assistance including sales tax exemption and mortgage recording tax exemption. Total payroll is projected at \$14,964,518 for the direct and indirect jobs created including 161 construction jobs. The resulting cost benefit is 1:14 so for every \$1 of incentives the community benefit is \$14 in payroll & tax revenue. Erie County: for every \$1 of incentives the community benefit is \$25 in benefits to the community.

Mr. Cappellino stated that in exchange for providing the sales and use tax and mortgage recording tax exemption 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 = \$23,127,638 85% = \$19,658,492 |
| Employment | Coincides with recapture period | Maintain Base = 0 FTE Projected = 1 FTE, 2 PTE Create 85% of Projected = 1 FTE Recapture Employment = 1 FTE |

| | | |
|------------------|----------------------------------|---|
| Local Labor | Construction Period | Adherence to policy including quarterly reporting |
| Pay Equity | Coincides with recapture period | Adherence to policy |
| Unpaid Tax | Coincides with recapture period | Adherence to policy |
| Recapture Period | 2 years after project completion | Recapture of state and local sales taxes and mortgage recording tax |

Mr. McCarthy, representing the company, gave a brief description of the project.

Mr. Evans queried if studio or 1-bedroom apartments would be available for tenants at 80% AMI. Mr. McCarthy advised that all apartments would be available to such tenants and would be dependent on need.

Ms. McDuffie provided her support for the project, noting the property has been vacant for 50 years. She encouraged the company to place close attention to workforce housing availability and is pleased that the Construction Exchange has been active in training and will be one of the tenants.

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

Mr. Tobia queried if the company will be keeping any historic pieces of the property. Mr. Evans advised that exterior would look the same. The company is trying to keep certain original industrial components.

Mr. Tobia advised that he likes the fact that BOCES will be in the building and there will be multi-bedroom units.

Ms. Baskin queried about 485-a exemptions and asked whether parking would qualify. Mr. Evans advised that the building improvements would be upgraded at Town level for approval.

Ms. McDuffie moved and Mr. Nellis 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 9:40 a.m.

Dated: April 13, 2023


 Elizabeth A. O'Keefe, Secretary