

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

DATE AND PLACE: March 13, 2025 at the Erie County Industrial Development Agency, 95 Perry Street, 4th Floor Conference Room, Buffalo, New York 14203

PRESENT: Denise Abbott, A.J. Baynes, Rev. Mark E. Blue, Zachary Evans, Gregory R. Inglut, Richard Lipsitz, Jr., Dr. Susan McCartney, Brenda W. McDuffie¹, Hon. Glenn R. Nellis, Laura Smith, David State and Lavon Stephens

EXCUSED: None.

OTHERS PRESENT: John Cappellino, President & CEO; Mollie Profic, Chief Financial Officer; Beth O’Keefe, Vice President of Operations; Brian Krygier, Director of Information Technology; Carrie Hocieniec, Operations Assistant/ Assistant Secretary; Soma Hawramee, Compliance Portfolio Manager, Robbie Ann McPherson, Director, Marketing & Communications; and Robert G. Murray, Esq., as General Counsel/Harris Beach Murtha

GUESTS: Yessica Vasquez on behalf of the City of Buffalo; Nathan Hayes on behalf of Deckorators Inc.; Randy Bernick, Greg Setter and Mike Driscoll on behalf of Rosina and Chuck Clark on behalf of the City of Lackawanna

There being a quorum present at 9:02 a.m., the Meeting of the Policy Committee was called to order by Chair Lipsitz.

MINUTES

The minutes of the October 3, 2024 Policy Committee meeting were presented. Upon motion made by Mr. Evans to approve of the minutes, and seconded by Mr. State, the Policy Committee meeting minutes were unanimously approved.

¹ Ms. McDuffie participated via video conference pursuant to Section 103-A of the New York State Public Officer’s Law and the Agency’s Videoconferencing Participation Policy.

PROJECT MATRIX

Mr. Cappellino presented the project matrix to the Committee. Mr. Lipsitz directed that the report be received and filed.

5-YEAR APPROVAL HISTORY REPORTS: TAX INCENTIVE PROJECTS/ADAPTIVE RE-USE PROJECTS

Ms. O’Keefe presented the 5-Year Approval History Report to the Committee. Mr. Lipsitz directed that the report be received and filed.

PROJECT PRESENTATION

Deckorators, Inc. / UFP Industries, Inc., 300 Commerce Drive, Lackawanna, New York 14218. Ms. O’Keefe presented this proposed sales and use tax and real property tax abatement benefits project consisting of the expansion of the company’s manufacturing facilities which will consist of two buildings on approximately 31 acres. The main building is 168,310 SF of manufacturing space and 19,000 SF addition is planned for future manufacturing. A secondary 85,000 SF open wall warehouse building on site is considered for future development.

At this point in time, Rev. Blue joined the meeting.

Ms. O’Keefe confirmed that Deckorators is seeking approximately \$1,822,636 in assistance including sales tax exemption and real property tax exemption. Annual payroll at the site upon project completion is projected at \$3,600,000. The resulting cost benefit is 64:1 so for every \$1 of incentives the community benefit is \$64 in payroll & tax revenue. For Erie County, for every \$1 of incentives the community benefit is \$112 in benefits to the community.

Ms. O’Keefe stated that in exchange for providing the sales and use tax 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 = \$77,225,524 85% = \$65,641,695
Employment	Coincides with 10-Year PILOT	Create 85% of Projected Projected = 50 FTE 85% = 42 FTE Recapture Employment = 42 FTE
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 and real property tax

Mr. Hayes spoke on behalf of the company and described the business expansion plan and new investment.

Rev. Blue queried as to the percentage of employees who are minority and women. Mr. Hayes responded he will follow-up and get that information to the Agency.

Ms. Abbott queried as to the average wage figures and salary ranges. Mr. Cappellino referred to the wage figures as contained in the application.

Mr. Stephens queried as to the company’s recruiting processes. Mr. Hayes expressed that the company is receptive to obtaining local hiring assistance.

Mr. Baynes expressed support for the 50 new manufacturing jobs and queried as to how they chose Lackawanna. Mr. Hayes stated the geographic location for distribution and workforce quality were big factors in choosing this site.

Rev. Blue asked about education background for employees. Mr. Hayes replied that chemistry and engineering degrees are desirable but the Company is also looking for people who can flourish with on-the-job training and who have no formal trainings and backgrounds.

Mr. Evans spoke in support of the project.

Rev. Blue moved and Mr. Baynes seconded to recommend the project as proposed be forwarded to the members of the ECIDA Board for approval. Mr. Lipsitz called for the vote and the motion was then unanimously approved.

Rosina Food Products, Inc., 3100 Clinton Street, West Seneca, New York 14224. Ms. O’Keefe presented this proposed sales and use tax, mortgage recording tax and real property tax abatement benefits project involving the 32,000 SF expansion to its 105,000 SF existing manufacturing facility to allow the company to relocate out-of-state production from existing co-packers.

Ms. O’Keefe confirmed that Rosina Food Products is seeking approximately \$2,693,039 in assistance including sales tax exemption, mortgage tax exemption and real property tax exemption. Total payroll is projected at \$11,942,000 which includes the direct and indirect jobs for both the temporary and ongoing positions over the life of the PILOT. Created jobs include 118 construction jobs. The resulting cost benefit is 1:105 so for every \$1 of incentives the community benefit is \$105 in payroll & tax revenue. Erie County, for every \$1 of incentives the community benefit is \$138 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 = \$30,000,000 85% = \$25,500,000
Employment	Coincides with 10-Year PILOT	Maintain Base = 184 Create 85% of Projected Projected = 53 FTE 85% = 45 FTE Recapture Employment = 45 FTE
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

Mr. Bernick spoke on behalf of the company and described the business and the expansion project.

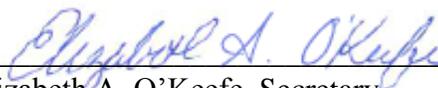
General discussion ensued.

Mr. Baynes and Mr. Evans both spoke in favor of the project.

Rev. Blue moved and Ms. McCartney seconded to recommend the project as proposed be forwarded to the members of the ECIDA Board for approval. Mr. Lipsitz called for the vote and the motion was then unanimously approved.

There being no further business to discuss, Mr. Lipsitz adjourned the meeting.

Dated: March 13, 2025



 Elizabeth A. O’Keefe, Secretary