



# Policy Committee

June 5, 2025  
At 9:00 a.m.

ECIDA Offices  
95 Perry Street, 4th Floor Conference Room  
Buffalo, New York 14203

1. Call Meeting to Order
2. Approval of the May 1, 2025 Policy Committee Meeting Minutes (Pages 2-4)
3. Project Matrix (Informational) (Page 5)
4. Project Presentation (Staff – Company Q&A)
  - a) Pfannenberger USA = Project Modification (Pages 6-34)
5. Management Team Report
6. Adjournment - Next Meeting July 10, 2025 at 9:00 a.m.

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

**DATE AND PLACE:** May 1, 2025 at the Erie County Industrial Development Agency, 95 Perry Street, 4th Floor Conference Room, Buffalo, New York 14203

**PRESENT:** A.J. Baynes, Rev. Mark E. Blue, Zaque Evans, Gregory R. Inglut, Richard Lipsitz, Jr., Dr. Susan McCartney, Brenda W. McDuffie, Hon. Glenn R. Nellis, Hon. Brian Nowak, Pete Petrella, David State and Lavon Stephens

**EXCUSED:** Denise Abbott, Hon. Christopher Scanlon and Laura Smith

**OTHERS PRESENT:** John Cappellino, President & CEO; Beth O'Keefe, Vice President of Operations; Brian Krygier, Director of Information Technology; Carrie Hocieniec, Operations Assistant/ Assistant Secretary; Soma Hawramee, Compliance Portfolio Manager, Andy Federick, Property and Business Development Officer; and Robert G. Murray, Esq., as General Counsel/Harris Beach Murtha

**GUESTS:** Yessica Vasquez on behalf of the City of Buffalo; Mythea Mazzola and Tim Crilly on behalf of PC Larkinvile/619 Exchange Street

There being a quorum present at 9:02 a.m., the Meeting of the Policy Committee was called to order by Mr. Lipsitz, who presided over the meeting in the absence of Chair Abbott.

Mr. Lipsitz introduced new Policy Committee members: Mr. Petrella, Mr. Scanlon and Mr. Nowak.

**MINUTES**

The minutes of the April 3, 2025 Policy Committee meeting were presented. Upon motion made by Mr. Nellis to approve of the minutes, and seconded by Dr. McCartney, the Policy Committee meeting minutes were unanimously approved.

**PROJECT MATRIX**

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

## PROJECT PRESENTATION

Ms. O’Keefe provided some general background with respect to the ECIDA’s Adaptive Reuse Policy including its workforce housing units requirement.

619 Exchange/PG Larkinville, LLC, 619 Exchange Street, Buffalo, New York 14210. Ms. O’Keefe presented this proposed sales and use tax, mortgage recording tax and real property tax abatement benefits project involving the adaptive reuse of the former Iroquois Door Company 4-story structure into 64 high-quality apartments, including 10 units reserved at 80% AMI together with interior and exterior rehabilitation, historic façade restoration, new mechanical and electrical systems.

Ms. O’Keefe confirmed that PG Larkinville LLC is seeking approximately \$3,205,098 in assistance including sales tax exemption, mortgage tax exemption and real property tax exemption benefits. Total payroll is projected at \$35,825,752 which includes the direct and indirect jobs for both the temporary and ongoing positions over the life of the PILOT. Created jobs include 226 construction jobs. The resulting cost benefit is 1:12 so for every \$1 of incentive the community benefit is \$12 in payroll & tax revenue. Within Erie County, for every \$1 of incentive the community benefit is \$15 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 = \$30,209,411 85% = \$25,677,999
Employment	Coincides with 10-year PILOT	Create 85% of Projected Projected = 1 FTE / 1 PTE 85% = 1 FTE Recapture Employment = 1 FTE
Affordable Housing Units	Coincides with 10-year PILOT	A total of 10 apartment units (15%) will be offered at 80% AMI
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

General discussion ensued. Mr. Crilly and Ms. Mazzola spoke on behalf of the company and further discussed the proposed project.

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

Ms. McCartney queried if the project is pursuing local City of Buffalo historic preservation status and encouraged the Company to do so.

Ms. McDuffie asked if bank financing is conditional on ECIDA approval, and the Company responded their lender is requiring the ECIDA PILOT as a lending condition.

Mr. Nowak spoke in favor of the project but queried as to ability to provide 3-bedroom unit offerings. Mr. Crilly confirmed there is a market for 3-bedroom units, but noted the physical constraints and floor plate challenges unique to this particular building make it extremely difficult to establish a 3-bedroom unit offering.

Mr. Inglut spoke in favor of the project and confirmed that all residents have access to project amenities and covered parking is available to all residents for an additional fee.

Mr. Evans spoke in favor of the project and commended the company for exceeding the ECIDA's minimum work-force housing percentage requirements as well as providing 1- and 2-bedroom units within the mix of workforce housing units instead of just establishing studio units.

Ms. McCartney moved and Mr. Nowark 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 at 9:45 a.m.

Dated: May 1, 2025

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



**Pfannenbergs Expansion / Pfannenbergs USA**  
**\$ 15,850,000**  
**AMENDATORY INDUCEMENT RESOLUTION**

**ELIGIBILITY**

- NAICS Section – 334512

**COMPANY INCENTIVES**

- **ORIGINAL:** Up to \$ 176,750 in sales tax savings
- **AMENDED:** Up to \$411,250 in sales tax savings

**JOBS & ANNUAL PAYROLL**

- Current Jobs: 120 FT, 7 PT (123 FTE)
- Est. salary/yr. of jobs retained: \$84,050
- Projected new jobs: 23 FT, 0 PT (23 FTE)
- Est. salary/yr. of jobs created: \$74,435
- Total jobs after project completion: 146
- Annual Payroll: \$ 10,335,959

- Construction Jobs: 43

**PROJECTED COMMUNITY BENEFITS\***

- Term: 2 YEARS after project completion.
- NET Community Benefits: \$44,847,911
- Spillover Jobs: 43
- Total Payroll: \$42,296,881

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

Incentives: \$411,250  
Community Benefit: \$43,343,915  
Cost: Benefit Ratio  

- 1:105

Project Title: Pfannenbergs Expansion / Relocation

Project Address 13595 Broadway, Alden, NY 14004  
(Alden Central School District)

**Agency Request**

A sales tax abatement increase associated with the renovation of a vacant facility in Alden, NY. Overall project costs increased by more than \$4 M due to various new requirements, upgrades and a rise in materials costs.

	Prior	Current
Land / Building Acquisition	\$ 5,050,000	\$ 5,050,000
Reconstruction/Renovation	\$ 5,000,000	\$ 9,400,000
Manufacturing Equipment	\$ 600,000	\$ 600,000
Non- Manufacturing Equipment	\$ 300,000	\$ 300,000
Soft Costs/Other	\$ 500,000	\$ 500,000
<b>Total Project Cost</b>	<b>\$11,500,000</b>	<b>\$15,850,000</b>
<b>85%</b>	<b>\$ 9,775,000</b>	<b>\$13,472,500</b>

**Company Description**

Pfannenbergs is a global company HQ in Hamburg, Germany with the North American HQ located in Lancaster, NY. Pfannenbergs is a manufacturer of Thermal Management, Liquid Cooling Solutions and Signaling Technologies. Pfannenbergs Thermal Management products are used by some of the largest companies worldwide to keep their electronics cool and safe, protecting critical manufacturing processes. Liquid Cooling Solutions provide the critical cooling required for manufacturing processes including machine tooling, plastic injection molding equipment and many other uses. Their visual and acoustic signaling devices protect personnel and equipment satisfying numerous alarm, warning and induction requirements.

**Project Description**

Pfannenbergs has plans to grow its business. Their current location at 68 Ward Road, Lancaster cannot accommodate an expansion due to the parcel size and existing wetlands on the property. After an extensive search (in compliance with the ECIDA's Countywide Intermunicipal Move policy), Pfannenbergs chose 13595 Broadway in the Village of Alden for its new location.

This request for additional incentives results from a rise in material costs and additional / unanticipated costs per the updated architectural, site/civil and MEP (mechanical / engineering / plumbing). Changes include: 1) increased costs per engineering, code, regulatory requirements, 2) replacement and/or addition of building attributes and upgrades, and 3) construction material increases

\* 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	\$ 0
	Sales	\$411,250
	Mortgage Recording	\$ 0
	Total	\$411,250
	Discounted at 2%	\$411,250

### Benefit: Projected Community Benefit\*

BENEFITS	Region	Recipient	Revenue Type	\$ Amount **
	Erie County	Individuals	Payroll Construction	\$ 6,527,187
			Payroll Permanent	\$35,769,694
		Public	Property Taxes	\$ 0
			Sales Taxes	\$ 351,593
			Other Muni Revenue (NFTA)	\$ 0
	New York State	Public	Income Taxes	\$ 1,903,359
			Sales Taxes	\$ 296,078
			Total Benefits to EC + NYS***	\$44,847,911
			Discounted at 2%	\$43,343,915

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

Discounted Cost       \$ 411,250  
Discounted Benefit   \$43,343,915  
Ratio                    1:105

**Conclusion:** The Cost Benefit for this project is: 105:1. For every \$1 in costs (incentives), this project provides \$105 in benefits (payroll & tax revenue). **Note: For Erie County, every \$1 in costs (incentives) provides \$185 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
\$ 78,687	NA / limited value change expected	\$ n/a	\$ n/a	\$ n/a
Combined Tax Rate: \$ 28.289138				

### 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 = \$15,850,000 85% = \$ 13,472,500
Employment	2 years after project completion	Maintain Base = 123 FTE Create 85% of Projected Projected = 23 FTE 85% = 19 FTE Recapture Employment = 142 FTE
Local Labor	Construction period	Adherence to policy including quarterly reporting
Pay Equity	2 years after project completion	Adherence to Policy
Unpaid Tax	2 years after project completion	Adherence to Policy
<u>Recapture Period</u>	2 years after project completion	Recapture of state and local sales taxes

#### Recapture applies to:

State and Local Sales Taxes

#### 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 123 FTE jobs and created 23 FTE 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

- 5/28/25: Public hearing held – amendatory request
- 6/25/25: Inducement Resolution presented to Board of Directors adopting a Negative Declaration in accordance with SEQRA – amendatory request
- 6/25/25: Lease/Leaseback Inducement Resolution presented to the Board of Directors – amendatory request

#### Original Request:

- 10/01/24: Public hearing held.
- 12/18/24: Inducement Resolution presented to Board of Directors adopting a Negative Declaration in accordance with SEQRA
- 12/18/24: Lease/Leaseback Inducement Resolution presented to the Board of Directors



# Erie County Industrial Development Agency

## MRB Cost Benefit Calculator

Date May 7, 2025  
 Project Title Pfannenberg USA - Porject Modification  
 Project Location 13595 Broadway, Alden, New York 14004

## Economic Impacts

Summary of Economic Impacts over the Life of the PILOT

Project Total Investment

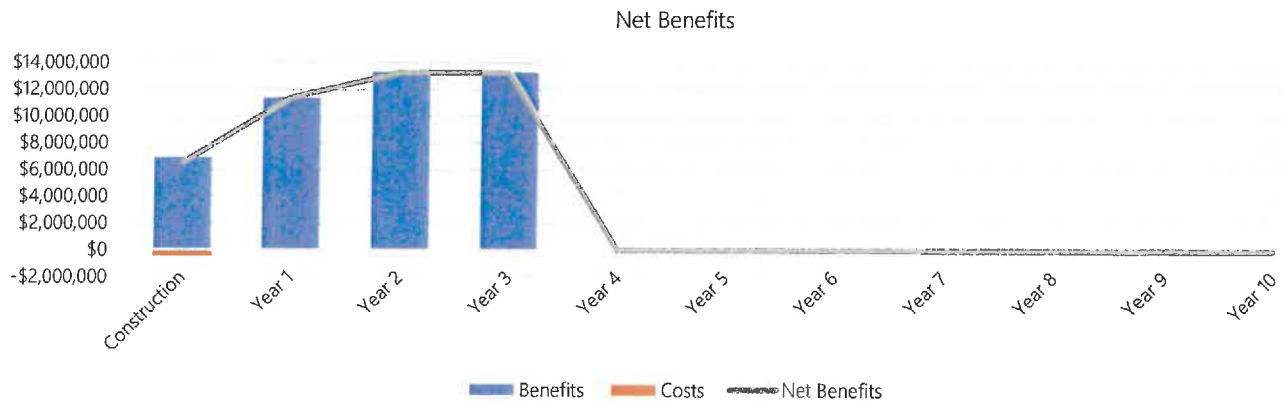
\$15,850,000

Temporary (Construction)			
	Direct	Indirect	Total
Jobs	43	38	81
Earnings	\$4,124,776	\$2,402,411	\$6,527,187
Local Spend	\$10,800,000	\$7,459,982	\$18,259,982

Ongoing (Operations)			
Aggregate over life of the PILOT			
	Direct	Indirect	Total
Jobs	146	5	151
Earnings	\$34,438,460	\$1,331,234	\$35,769,694

Figure 1



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

Figure 2

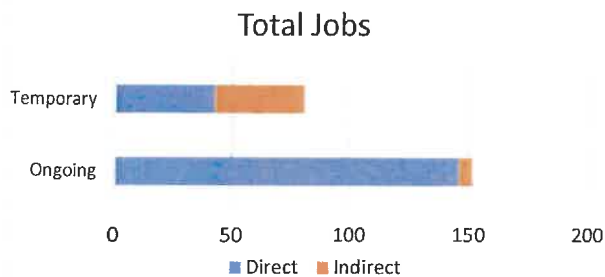


Figure 3



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

## Fiscal Impacts

### Estimated Costs of Exemptions

	Nominal Value	Discounted Value*
Property Tax Exemption	\$0	\$0
Sales Tax Exemption	\$411,250	\$411,250
Local Sales Tax Exemption	\$223,250	\$223,250
State Sales Tax Exemption	\$188,000	\$188,000
Mortgage Recording Tax Exemption	\$0	\$0
Local Mortgage Recording Tax Exemption	\$0	\$0
State Mortgage Recording Tax Exemption	\$0	\$0
<b>Total Costs</b>	<b>\$411,250</b>	<b>\$411,250</b>

### State and Local Benefits

	Nominal Value	Discounted Value*
<b>Local Benefits</b>	<b>\$42,648,473</b>	<b>\$41,218,237</b>
<b>To Private Individuals</b>	<b>\$42,296,881</b>	<b>\$40,878,435</b>
Temporary Payroll	\$6,527,187	\$6,527,187
Ongoing Payroll	\$35,769,694	\$34,351,248
Other Payments to Private Individuals	\$0	\$0
<b>To the Public</b>	<b>\$351,593</b>	<b>\$339,802</b>
Increase in Property Tax Revenue	\$0	\$0
Temporary Jobs - Sales Tax Revenue	\$54,257	\$54,257
Ongoing Jobs - Sales Tax Revenue	\$297,336	\$285,545
Other Local Municipal Revenue	\$0	\$0
<b>State Benefits</b>	<b>\$2,199,438</b>	<b>\$2,125,679</b>
<b>To the Public</b>	<b>\$2,199,438</b>	<b>\$2,125,679</b>
Temporary Income Tax Revenue	\$293,723	\$293,723
Ongoing Income Tax Revenue	\$1,609,636	\$1,545,806
Temporary Jobs - Sales Tax Revenue	\$45,690	\$45,690
Ongoing Jobs - Sales Tax Revenue	\$250,388	\$240,459
<b>Total Benefits to State &amp; Region</b>	<b>\$44,847,911</b>	<b>\$43,343,915</b>

### Benefit to Cost Ratio

	Benefit*	Cost*	Ratio
Local	\$41,218,237	\$223,250	185:1
State	\$2,125,679	\$188,000	11:1
<b>Grand Total</b>	<b>\$43,343,915</b>	<b>\$411,250</b>	<b>105:1</b>

\*Discounted at 2%

### Additional Comments from IDA

0

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

## PUBLIC HEARING SCRIPT

**Pfannenbergl US Realty LLC project  
and/or Individual(s), Affiliate(s),  
Subsidiary(ies), or Entity(ies) formed or  
to be formed on its behalf**

Public Hearing to be held on May 28, 2025 at 9:00 a.m.  
at the Village of Alden, located at 13336 Broadway, Alden, NY 14004

### **ATTENDANCE:**

Robert Kapilevich – Pfannenbergl USA

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

**Hearing Officer:** Welcome. This public hearing is now open; it is 9:00 a.m. My name is Grant Lesswing. I am the Director of Business Development for 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 [ecidany.com](http://ecidany.com).

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

**Hearing Officer:** We are here to hold the public hearing on the Pfannenbergl US Realty LLC project and/or Individual(s), Affiliate(s), Subsidiary(ies), or Entity(ies) formed or to be formed on its behalf. 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 Thursday, May 8, 2025.

#### ☒ 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 at 13595 Broadway, Village of Alden, Erie County, New York and all other lands in the Village of Alden where, by license or easement or other agreement, the Company or its designees are making improvements that benefit the Project (the "Land"), (ii) the renovation on the Land of an existing 143,000 square-foot facility for continued manufacturing and warehousing operations and related office and laboratory purposes (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 and the Existing Improvements, the "Facility"). The Facility will be initially owned and operated by the Company.

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

☒ 4. **FORMAT OF HEARING:** Review the 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 at 4:00 p.m. on June 24, 2024. 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 or less.

Robert Kapilevich – President of Pfannenbergl Manufacturing, LLC. Thank you for allowing me to speak here on behalf of Pfannenbergl. This is my second time appearing in this setting. We previously applied for tax benefits to help us with the project that you described earlier. Pfannenbergl is excited to expand its operations in the Village of Alden. We are looking forward to being a long-time partner here to the community. The reason for me to come back and speak in this meeting in this forum is that the renovation project which was originally estimated at \$5M at the early stages of construction is now slated to be double if not more and with that in mind we have submitted an application for an extension of the benefits so that's why I am here and I appreciate your time and consideration.

☒ 6. **ADJOURNMENT:**

As there are no further statements and/or comments, I will close the public hearing at 9:04 a.m.

**SIGN IN SHEET  
SECOND PUBLIC HEARING**

May 28, 2025 at 9:00 a.m. at the at the Village of Alden,  
located at 13336 Broadway, Alden, NY 14004  
regarding:

**Pfannenbergl US Realty LLC project and/or Individual(s), Affiliate(s),  
Subsidiary(ies), or Entity(ies) formed or to be formed on its behalf**

Project Location: 13595 Broadway, Alden, New York 14004

<b>Name</b>	<b>Company and/or Address</b>	<b>X box to speak/ comment</b>
Robert Kapilevich	Pfannenbergl USA 68 Ward Rad Lancaster, New York 14086	X



## Pfannenbergs - Modification

[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>	Big Foot
<b>Project Summary</b>	Purchase New facility for relocation of manufacturing operations and America's Sales HQ Project costs have substantially increased from original approval
<b>Applicant Name</b>	Pfannenbergs INC & Pfannenbergs US Reality LLC
<b>Applicant Address</b>	68 Ward Rd
<b>Applicant Address 2</b>	
<b>Applicant City</b>	Lancaster
<b>Applicant State</b>	New York
<b>Applicant Zip</b>	14086
<b>Phone</b>	(716) 685-6866
<b>Fax</b>	
<b>E-mail</b>	robert.kapilevich@pfannenbergsusa.com
<b>Website</b>	<a href="https://www.pfannenbergsusa.com/">https://www.pfannenbergsusa.com/</a>
<b>NAICS Code</b>	334512

#### Business Organization

##### **Type of Business**

Corporation

##### **Year Established**

2016

##### **State**

New York

##### **Indicate if your business is 51% or more (Check all boxes that apply)**

☐ [No] Minority Owned

☐ [No] Woman Owned

##### **Indicate Minority and/or Woman Owned Business Certification if applicable (Check all boxes that apply)**

☐ [No] NYS Certified

☐ [No] Erie Country Certified

Individual Completing Application

**Name** Robert Kapilevich  
**Title** President, Factory  
**Address** 68 Ward Rd  
**Address 2**  
**City** Lancaster  
**State** New York  
**Zip** 14086  
**Phone** (716) 685-6866  
**Fax**  
**E-Mail** robert.kapilevich@pfannenbergsusa.com

Company Contact- Authorized Signer for Applicant

**Contact is same as individual completing application** No  
**Name** Robert Kapilevich  
**Title** President  
**Address** 68 Ward Rd  
**Address 2**  
**City** Lancaster  
**State** New York  
**Zip** 14086  
**Phone** (716) 685-6866  
**Fax**  
**E-Mail** robert.kapilevich@pfannenbergsusa.com

Company Counsel

**Name of Attorney** Kevin Talbot  
**Firm Name** Hodgson Russ LLP  
**Address** The Guaranty Building | 140 Pearl Street, Suite 100  
**Address 2**  
**City** Buffalo  
**State** New York  
**Zip** 14021  
**Phone** (716) 856-4000  
**Fax**  
**E-Mail** ktalbot@hodgsonruss.com

Benefits Requested (select all that apply).

**Exemption from Sales Tax** Yes  
**Exemption from Mortgage Tax** No

**Exemption from Real Property Tax** No

**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%.**

Pfannenberg is a Global Manufacturer of Thermal Management, Liquid Cooling Solutions and Signaling Technologies. Our Thermal Management products are used by some of the largest companies worldwide to keep their electronics cool and safe, protecting critical manufacturing processes. Our Liquid Cooling solutions provide the critical cooling required for manufacturing processes including machine tooling, plastic injection molding equipment, food & beverage extrusion equipment and x-ray/vision systems, to name a few. Our visual and acoustic signaling devices protect personnel and equipment satisfying numerous alarm, warning, and indication requirements, including: machinery operating status, process monitoring, system startup, and building or area evacuation due to fire, toxic gas leak, chemical spill, or intruder alert. We are global, with our international Headquarters located in Hamburg, Germany and our North-American Headquarters located in Lancaster, NY.

**Estimated % of sales within Erie County** 1 %

**Estimated % of sales outside Erie County but within New York State** 3 %

**Estimated % of sales outside New York State but within the U.S.** 91 %

**Estimated % of sales outside the U.S.** 5 %

(\*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?**

17

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

Building renovation Sheet Metal Corrugate Seals & Gaskets



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

### Project Location

**Address of Proposed Project Facility**

13595 Broadway Alden, NY 14004

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

Alden

**School District of Project Site**

Alden

**Current Address (if different)****Current Town/City/Village of Project Site (if different)****SBL Number(s) for proposed Project**

119.08-3-15

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

104,335

**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.)**

Existing Building & Land Prior manufacturing 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)**

Renovate existing Office spaces to accommodate full work staff along with creating a cafeteria space for staff. The manufacturing space is in need of renovation to accommodate our operations and setup for future growth. Examples of renovation are loading dock upgrades and full creation of a graded dock that trucks can back into. There are areas of demolition needed, 2 large scaffold areas along with a testing lab, and creation of manufacturing/ quality/ warehousing. The site will be gutted and rebuilt to suite Pfannenbergs needs After completing the architectural, site/civil and MEP plans, the following represents the latest estimate of the projected construction costs. Updated estimate is \$9.4 million, up \$4 million over the original estimate of \$5 million DEMO \$119,900.00: The steel structure (awning) on the East side of building interferes with new entrances and window. It needs to be removed STRUCTURAL STEEL, METAL DECKING & MISC. METALS \$520,000.00. This cost increase stems from previously unanticipated construction needs (e.g. construction of the new, smaller awning on the East side of the building) PEMB \$443,000.00 This cost increase is due to previously unanticipated need to relace the metal siding on the East side of the building INTERIOR CONCRETE FOOTINGS & SLAB ON DECK \$490,000.00 This change to the projected cost resulted from a consultation with a structural engineer during development of plans for new office space and 2nd floor conference room space within the warehouse building. DRYWALL PARTITIONS & CEILING ASSEMBLIES \$835,000.00 This cost increase is due to the need to increase office space (new construction within the warehouse building) and an increase in cost of materials INTERIOR DOORS/FRAMES/HARDWARE \$185,000.00 Cost of materials was higher than anticipated ALUMINUM STOREFRONT & GLAZING \$165,000.00 Cost of materials was higher than anticipated TILE FLOORING \$395,000.00 Cost of materials was higher than anticipated HIGH PERFORMANCE COATINGS (EPOXY) \$101,954.00 Decision was made to upgrade flooring in the warehouse offices from bare concrete to epoxy INTERIOR PAINTING \$134,101.97 Decision was made to paint interior wall and columns in the warehouse to improve the appearance of the building ELEVATOR \$125,500.00 Replacements of hardware are needed: Motor is (>20 years old) and control card (is no longer supported) FIRE PROTECTION \$728,000.00. Cost to install fire protection in the warehouse/assembly building is higher than the original projection. Fire protection in the office building exists but has to be replaced to meet code requirements. PLUMBING \$423,000.00 This cost is needed to support additional bathroom spaces and to comply with environmental regulations (handling of process water from the R&D lab) MECHANICAL \$872,000.00 This cost increase is due to higher than expected cost of materials and due decision to upgrade the fire pump to diesel model with 100-gallon fuel tank ELECTRICAL/FIRE ALARM/COMMUNICATIONS & DATA \$2,300,000 Cost to update electrical infrastructure was significantly higher than anticipated. New transformer (from 300 kVa to 1,000 kVa) will be needed. Transformer upgrade requires changes to infrastructure (new conduit, fuse panels etc). Cost of hardware is also higher than expected SITEWORK & UTILITIES \$620,000.00 This cost increase includes additions of paving to accommodate extra parking spaces, addition of safety/efficiency features such as steps in truck ramps and removal/capping of unused sewer lines SITE FENCING \$184,000.00 Decision was made to add privacy fence around the perimeter of the entire property (previous plans included only a partial fence) MILLWORK/SPECIALITIES \$342,000.000 MASONRY \$194,000.00 OVERHEAD DOORS \$61,000 FIRE PUMP REPLACEMENT \$200,000 Replacing existing electrical pump with new diesel pump and 100 gallon fuel tank. Fully rebuilding the fire pump room to meet fire code (2 hour protection)

#### **Municipality or Municipalities of current operations**

Lancaster

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

No

#### **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?**

Yes

#### **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?**

Yes

(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:**

Current Ownership evaluating various scenario's and locations for future operations. Assistance would help guarantee the manufacturing stays in Erie county and we can continue to grew and expand our operations.

**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)**

Without assistance Pfannenberger potentially will not be able to add the needed expansion to manufacturing lines/ capabilities and create the needed warehousing space required to operate to future needs to stay competitive and viable in this industry.

**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?**

Potential Move to area providing financial support.

**Will project include leasing any equipment?**

Yes

If yes, please describe equipment and lease terms.

Forklifts 5 year term

### Site Characteristics

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

No

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

**Has your local municipality and/or its planning board made a determination regarding the State Environmental Quality Review (SEQR) for your project?**

No

**If YES indicate in the box below the date the SEQR determination was made. Also, please provide us with a copy of the approval resolution and the related Environmental Assessment Form (EAF) if applicable.**

**If NO indicate in the box below the date you anticipate receiving a SEQR determination for your project. Also, please insure that the ECIDA has been listed as an "involved agency" on the related EAF submitted to the appropriate municipality and/or planning department.**

September 2024

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

Yes

**Describe the present zoning/land use**

Manufacturing/ Industrial

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

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

**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?**

Yes

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?**

Yes

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

25%

**Will onsite child daycare facilities be available on the project site?**

No

If yes, please describe.

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
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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>No Industrial</b>	<b>No Life Care Facility (CCRC)</b>
<b>No Market Rate Housing</b>	<b>No Mixed Use</b>	<b>No Multi-Tenant</b>
<b>No Retail</b>	<b>No Senior Housing</b>	<b>Yes Manufacturing</b>
<b>No Renewable Energy</b>	<b>No Other</b>	

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>	50,000 square feet	\$	3,290,000	35%
<b>Warehouse</b>	64,000 square feet	\$	4,230,000	45%
<b>Research &amp; Development</b>	4,000 square feet	\$	282,000	3%
<b>Commercial</b>	square feet	\$	0	0%
<b>Retail</b>	square feet	\$	0	0%
<b>Office</b>	25,000 square feet	\$	1,598,000	17%
<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** Yes

What is the estimated project timetable (provide dates).

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

10/31/2024

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

9/30/2025

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

10/1/2025

### Capital Project Plan / Budget

#### **Estimated costs in connection with Project**

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

\$ 5,050,000

143,000 square feet

12 acres

##### **2.) New Building Construction**

\$ 0

square feet

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

\$ 0

square feet

##### **4.) Reconstruction/Renovation**

\$ 9,400,000

127,200 square feet

##### **5.) Manufacturing Equipment**

\$ 600,000

##### **6.) Infrastructure Work**

\$ 0

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

\$ 300,000

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

\$ 400,000

##### **9.) Other Cost**

\$ 100,000

**Explain Other Costs** Enviromental

**Total Cost** \$ 15,850,000

Construction Cost Breakdown:

<b>Total Cost of Construction</b>	\$ 9,400,000 (sum of 2, 3, 4 and 6 in Project Information, above)
<b>Cost of materials</b>	\$ 4,700,000
<b>% sourced in Erie County</b>	95%

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>	\$ 4,700,000
<b>Estimated State and local Sales and Use Tax Benefit (product of 8.75% multiplied by the figure, above):</b>	\$ 411,250

\*\* 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.

**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>	\$ 15,850,000
<b>Bank Financing:</b>	\$ 0
<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>	
<b>Total Sources of Funds for Project Costs:</b>	\$15,850,000
<b>Have you secured financing for the project?</b>	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).**

**Lender Name, if Known**

**Estimated Mortgage Recording Tax Exemption Benefit (product of mortgage amount as indicated above multiplied by 3/4 of 1%):** \$0

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.

**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.

Forklifts 5 year term

**Employment Plan (Specific to the proposed project location)**

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

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).

	<b>Current # of jobs at proposed project location or to be relocated at project location</b>	<b>If financial assistance is granted – project the number of FT and PT jobs to be retained</b>	<b>If financial assistance is granted – project the number of FT and PT jobs to be created upon 24 months (2 years) after Project completion</b>	<b>Estimate number of residents of the Labor Market Area in which the project is located that will fill the FT and PT jobs to be created upon 24 months (2 years) after project completion **</b>
<b>Full time</b>	120	120	23	23
<b>Part time</b>	7	7	0	0
<b>Total</b>	127	127	23	

**Salary and Fringe Benefits for Jobs to be Retained and Created**

<b>Job Categories</b>	<b># of Full Time Employees retained and created</b>	<b>Average Salary for Full Time</b>	<b>Average Fringe Benefits for Full Time</b>	<b># of Part Time Employees retained and created</b>	<b>Average Salary for Part Time</b>	<b>Average Fringe Benefits for Part Time</b>
<b>Management</b>	16	\$ 149,450	\$ 47,840	0	\$ 0	\$ 0
<b>Professional</b>	47	\$ 102,851	\$ 32,912	0	\$ 0	\$ 0
<b>Administrative</b>	23	\$ 65,145	\$ 19,250	0	\$ 0	\$ 0
<b>Production</b>	57	\$ 58,683	\$ 16,405	7	\$ 26,500	\$ 0
<b>Independent Contractor</b>	0	\$ 0	\$ 0	0	\$ 0	\$ 0
<b>Other</b>	0	\$ 0	\$ 0	0	\$ 0	\$ 0
<b>Total</b>	143			7		

\*\* 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			
Full time	0	0	0
Part time	0	0	0
Total	0	0	0

Payroll Information

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

10,335,959

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

72,435

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

26,500

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

74,435

**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>	45,000	<b>To (Full Time)</b>	100,000
<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**

13595 Broadway Alden, NY 14004

**Name and Address of Owner of Premises**

Broadway Alden LLC

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

Land with structures

**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 full building will be getting renovated with all existing walls and structures being demolished. This site will be a multi use site that will be the primary location for manufacturing, warehousing for all USA produced items. It will also be home to the Pfannenberger America's Sales group who will fully be operating out of this site. This is also home for the customer care and service centers.

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

Manufacturing

**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**

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**

Town of Alden waste water management system

**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**

None

**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** Pfannenberger INC.  
**Address** 68 Ward Rd  
**Contact Person** Robert Kapilevich  
**Phone** (716) 510-7535  
**Fax**  
**E-Mail** robert.kapilevich@pfannenbergerusa.com  
**Federal ID #** 16-1531241  
**SIC/NAICS Code** 811412

SS

## 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**

68 Ward Rd

### **City/Town**

Lancaster

### **State**

New York

### **Zip Code**

14086

**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?**

Yes

**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:**

Pfannenbergs has outgrown the square footage capacity of the current facility and in order to remain competitive, needs a larger office and production space to support current and future growth. Pfannenbergs has spent more than a year looking at various options to expand within the current location, including building an addition within the current property and acquiring neighbor properties. These efforts were not successful and therefore a decision was made to relocate to the different location, which offers more than 2X the amount of production and office space

**Does this project involve relocation or consolidation of a project occupant from another municipality?**

**Within New York State**

Yes

**Within Erie County**

Yes

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

Moving from one town in Erie county to another, we did explore expansion opportunities but current site does not allow for needed growth,

**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 docks etc.)**

More square footage to expand manufacturing lines. Increased warehouse space with higher ceilings. More office space to expand sales & service along with support of expanded operations.

**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?**

Yes

**What factors have lead the project occupant to consider remaining or locating in Erie County?**

Geographical location of existing work force

**If the current facility is to be abandoned, what is going to happen to the current facility that project occupant is located in?**

Selling on open Market

**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.**

68 Ward Rd Lancaster NY- Too small for current operations



## **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

## Section X: Tax Exempt Bonds

In order to receive the benefits of a tax-exempt interest rate bond, private borrowers and their projects must be eligible under one of the federally recognized private active bond categories (Fed Internal Rev Code IRC sections 142-144, and 1394).

**Are you applying for tax exempt bonds / refinancing of bonds related to a residential rental facility project?**

No

*From the desk of Richard Lipsitz*

May 28, 2025

Dear Brenda,

In the Spring of 2012, at the initiative of then newly-elected County Executive Mark Poloncarz, you and I joined the Erie County Industrial Development Agency Board of Directors. Subsequently, in 2014 you were appointed as Chair and I was appointed as Vice Chair and elected as Chair of the Policy Committee. As such, I am very proud of the work we have accomplished over these 13-plus years—work that was at times quite challenging, but well worth the effort. It has been a pleasure working with you. Your leadership has been of the highest quality.

The time has come for me, however, to step down from my roles on the ECIDA, RDC and ILDC Boards in all aspects. Thirteen years is a long time to serve on a volunteer board of any kind, let alone one as demanding and as public as the ECIDA. My resignation from the ECIDA Board, RDC Board and ILDC Board will be effective May 31, 2025, and my resignation from the ECIDA Policy Committee will be effective on June 6, 2025.

Accepting a seat on the ECIDA Board twelve years ago was not an easy decision for me; at the time I was President of the Western New York Area Labor Federation, AFLCIO—a position I held for 10 years. I was also a staff member of the International Brotherhood of Teamsters. Both positions demanded significant time commitments.

While the question of time spent was important to me, even more so was the question of what strategic direction “economic development” should take in Erie County. The County Executive felt that the working people should have stronger voice in this process, and I agreed. In my opinion the time had come to examine potential reforms to ECIDA policy that would create the best chance at what we called “high road” economic development. I was honored to work with the County Executive on such an effort, and I credit his leadership and inspiration for helping to steer the ECIDA in the right direction.

As Chair of the ECIDA Policy Committee, I felt it was important to create policies that would provide real, tangible community benefits when ECIDA tax incentives were approved for a project. Since the ECIDA doesn’t “write checks” or “award” cash, the agency can only exercise its statutory imperative to approve tax benefits for qualified projects that meet certain criteria. Therefore, real change in ECIDA policy meant adding important “community benefit” material conditions that must be met in order for those projects to be approved for ECIDA tax benefits.

With you as Chair setting the Board agenda and also serving as a fellow member of the Policy Committee, the ECIDA implemented during our tenure a series of thoughtful, mandatory policies designed to encourage high road economic growth.

These include:

2013

- A “Local Labor” requirement that sets a strict guideline for the mandated use of local labor on ECIDA projects.

2014

- A “Recapture” policy that claws back benefits when material conditions aren’t met. This ECIDA policy pre-dated statewide statutory changes that were adopted the following year.

2015

- A “Pay Equity” policy that requires applicants to implement pay equity across gender lines.
- An “Unpaid Tax” policy that ensures no incentives will be granted if the applicant owes any back property taxes.

2022

- Revised Uniform Tax Exemption Policy to include Renewable Energy PILOT and modify regular PILOT schedule.

2023

- An “Economic Inclusion” opt-in policy that offers enhanced PILOT incentives to applicants who meet certain minority and women-owned business engagement and individual hiring goals.

2024

- An addition to our “Adaptive Reuse” policy that requires adaptive re-use projects to include affordable housing.

I am proud to have played a leadership role in creating these positive economic policy improvements, even when the process was at times very challenging. I felt, and still feel, that the best use of my time on the ECIDA Board was to utilize the ECIDA’s state-granted powers not just to create economic growth, but to also provide life-enriching opportunities for the working people of Erie County. It is my thinking that by attaching real, tangible community benefits to the public incentives, we improve the overall quality of life for our business community, our workforce, and the taxpayers.

I am grateful to my fellow Board members and to the ECIDA staff, especially President and CEO John Cappellino. John's unwavering commitment to this public agency's high standard of ethics and transparency is in line with my own. Working with him and his team has been a real pleasure.

I've had a number of extraordinary long-term work commitments in my life and career, and ECIDA is one of them. Our community needs economic development that betters the lives of Erie County's working people, and if my time at ECIDA helped to move that goal forward, it was time well used.

As I step away from the ECIDA Board and look back on these great strides in policy and practice that the agency made during my term, I do so with pride and gratitude.

Respectfully submitted,

A handwritten signature in dark ink, appearing to read "Richard Lipsitz".

Richard Lipsitz

5/28/25