



Policy Committee

May 1, 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 April 3, 2025 Policy Committee Meeting Minutes (Pages 2-7)
3. Project Matrix (Informational) (Page 8)
4. Project Presentation (Staff – Company Q&A)
 - a) 619 Exchange/PG Larkinsville, LLC (Pages 9-51)
5. Management Team Report
6. Adjournment - Next Meeting June 5, 2025 at 9:00 a.m.

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

- DATE AND PLACE:** April 3, 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, Zachary Evans, Richard Lipsitz, Jr., Dr. Susan McCartney, Hon. Glenn R. Nellis, Laura Smith, and David State
- EXCUSED:** Denise Abbott, Gregory R. Inglut, Brenda W. McDuffie, and Lavon Stephens
- OTHERS PRESENT:** John Cappellino, President & CEO; Beth O’Keefe, Vice President of Operations; Grant Lesswing, Director of Business Development; Brian Krygier, Director of Information Technology; Carrie Hocieniec, Operations Assistant/ Assistant Secretary; Soma Hawramee, Compliance Portfolio Manager, Michelle Moore, Compliance Associate; Robbie Ann McPherson, Director, Marketing & Communications; Andy Federick, Property and Business Development Officer; and Robert G. Murray, Esq., as General Counsel/Harris Beach Murtha
- GUESTS:** Ryan McGinnis, Greg Bala, Kurt Wolfanger on behalf of Big Heart Pet Brands; Kate Ritenour and Sue Vriesen on behalf of Eaton Mission Systems; Byron DeLuke and Marco Riccioni on behalf of IMA Life; and Yessica Vasquez on behalf of the City of Buffalo;

There being a quorum present at 9:13 a.m., the Meeting of the Policy Committee was called to order by Chair Lipsitz.

MINUTES

The minutes of the March 13, 2025 Policy Committee meeting were presented. Upon motion made by Mr. Nellis to approve of the minutes, and seconded by Mr. Baynes, 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

Big Heart Pet Products, 243 Urban Street, Buffalo, New York 14211. Ms. O'Keefe presented this proposed sales and use tax benefits project consisting of the 897 SF expansion of the company's 550,000 SF facility through the addition of a Soft n' Chewy processing line.

General discussion ensued.

Ms. O'Keefe confirmed that Big Heart Pet Products is seeking approximately \$1,085,175 in sales tax exemption assistance. Annual payroll at the site upon project completion is projected at \$194,643,166. The resulting cost benefit is 184:1 so for every \$1 of incentives the community benefit is \$184 in payroll & tax revenue. For Erie County, for every \$1 of incentives the community benefit is \$322 in benefits to the community.

Ms. O'Keefe stated that in exchange for providing the sales and use tax benefit, 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 = \$52,660,000 85% = \$44,761,000 |
| Employment | 2 years after project completion | Maintain Base = 283 FTE Create 85% of Projected Projected = 17 FTE 85% = 9 FTE Recapture Employment = 292 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 |
| Recapture Period | 2 years after project completion | Recapture of state and local sales taxes |

Mr. Evans moved and Mr. Blue 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.

Eaton Mission Systems Orchard Park / Eaton Corporation, 10 Cobham Drive, Orchard Park, New York 14127. Ms. O'Keefe presented this proposed sales and use tax and real property tax abatement benefits project involving the 50,000 SF expansion to its current facility to allow

the company to add additional production capacity on critical aerospace defense programs. The Company has also applied for inclusion within the Agency's Economic Inclusion Program.

Ms. O'Keefe confirmed that Eaton Mission Systems is seeking approximately \$1,309,348 in assistance including sales tax exemption and real property tax exemption. Total payroll is projected at \$958,226,322 which includes the direct and indirect jobs for both the temporary and ongoing positions over the life of the PILOT. Created jobs include 88 construction jobs. The resulting cost benefit is 713:1 so for every \$1 of incentives the community benefit is \$713 in payroll & tax revenue. Erie County, for every \$1 of incentives the community benefit is \$992 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 = \$21,600,000 85% = \$18,360,000 |
| Employment | Coincides with 10-Year PILOT | Maintain Base = 453 FTE Create 85% of Projected Projected = 77 FTE 85% = 65 FTE Recapture Employment = 518 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. Baynes moved and Mr. Nellis 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.

IMA Life North America/IMA Life Colvin Woods, 700 Colvin Woods Parkway, Tonawanda, New York 14150. Ms. O'Keefe reviewed this proposed amendment to the sales tax benefit.

Mr. DeLuke provided a presentation of the amended project to the Committee. General discussion ensued.

Ms. O'Keefe confirmed that IMA Life North America is seeking approximately \$3,614,444 in amended assistance including sales tax exemption and real property tax exemption. Total payroll is projected at \$259,982,586 which includes the direct and indirect jobs for both the temporary and ongoing positions over the life of the PILOT. Created jobs include 124 construction jobs. The resulting cost benefit is 74:1 so for every \$1 of incentives the community benefit is \$74 in payroll & tax revenue. Erie County, for every \$1 of incentives the community benefit is \$84 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 = \$33,681,290 85% = \$28,629,097 |
| Employment | Coincides with 10-Year PILOT | Maintain Base = 120 FTE Create 85% of Projected Projected = 30 FTE 85% = 25 FTE Recapture Employment = 145 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. Blue moved and Dr. 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.

IMA Life North America / IMA Group, 700 Colvin Woods, Tonawanda, New York 14150.
Ms. O'Keefe presented this proposed sales and use tax and real property tax abatement benefits project involving the 36,500 SF expansion to the company's 80,000 SF facility to allow for additional production capacity.

Ms. O'Keefe confirmed that IMA Life North America is seeking approximately \$1,516,824 in assistance including sales tax exemption and real property tax exemption. Total payroll is projected at \$63,780,885 which includes the direct and indirect jobs for both the

temporary and ongoing positions over the life of the PILOT. Created jobs include 49 construction jobs. The resulting cost benefit is 45:1 so for every \$1 of incentives the community benefit is \$45 in payroll & tax revenue. Erie County, for every \$1 of incentives the community benefit is \$49 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 = \$12,500,000 85% = \$10,625,000 |
| Employment | Coincides with 10-Year PILOT | Maintain Base = 75 FTE Create 85% of Projected Projected = 40 FTE 85% = 34 FTE Recapture Employment = 109 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 |

Ms. Smith moved and Mr. Blue 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.

SUMITOMO RECAPTURE DISCUSSION

Mr. Cappellino reviewed the 2017 and 2021 Sumitomo projects, the facility closures, the applicable “recapture of financial assistance” material terms, the amount of sales tax and real property tax benefits claimed and potentially subject to recapture, the rationale for calculating the amount of sales tax and real property tax benefits that could be recaptured, and the community payment proposed from the Town of Tonawanda and the affected school districts as recommended in lieu of a sales tax recapture.

General discussion ensued regarding the real property tax benefit recapture and the sales tax benefit recapture concepts including the community payment option.

Draft
Subject to Committee Approval

Mr. Baynes moved and Mr. Evans seconded to recommend that the real property tax abatement benefits be recaptured as applicable to the year in which the violation of the material factors occurred, and recommended the proposed “pro-rata” approach be applied to sales tax benefit amounts to be recaptured based on the percentage of time of non-compliance multiplied by the amount of benefit claimed, and further proposed that the “recaptured” sales tax amount be paid to the Town and Schools to be used for the Town’s Cherry Farms Recreational Park improvements as school athletic fields improvements as proposed by the Towns and the School District, respectfully. Mr. Lipsitz called for the vote and the motion was then unanimously approved, and as such, the approved recapture proposal will be forward to the ECIDA Board of Directors for ultimate approval.

There being no further business to discuss, Mr. Lipsitz adjourned the meeting at 10:25 a.m.

Dated: April 3, 2025

Elizabeth A. O’Keefe, Secretary

[illegible]

| Totals: | | Private Investment/ Project Amount | FT Jobs Retained | PT Jobs Retained | FT Jobs Created | PT Jobs Created | Constion Jobs | Spillover Jobs | Incentive Amount | |
|-------------------------|--|---------------------------------------|---------------------|---------------------|--------------------|--------------------|------------------|-------------------|------------------|--------------|
| Adaptive Reuse Subtotal | | | | | | | | | | |
| 2025 Total | | 6 | \$227,956,814 | 1,040 | - | 267 | 0 | 835 | 2,619 | \$18,041,465 |

¹ Adaptive Reuse

²Amendatory Inducement

619 Exchange Street / PG Larkinvillle, LLC
\$ 30,209,411

PRIVATE INVESTMENT INDUCEMENT RESOLUTION

ELIGIBILITY

- NAICS Section - 531390

COMPANY INCENTIVES

- Approximately \$ 1,801,510 in real property tax savings
- Up to \$ 1,180,463 in sales tax savings
- 3/4 of 1% of the final mortgage amount up to \$ 223,125

JOBS & ANNUAL PAYROLL

- Projected new jobs:1 FT, 1 PT
- Est. salary/yr. of jobs created: \$65,000 / \$35,000
- Annual Payroll: \$ 121,000
- Total jobs after project completion:1.5
- Construction Jobs: 226

PROJECTED COMMUNITY BENEFITS*

- Term: 10 YEARS
 - NET Community Benefits: \$ 38,589,042
 - Spillover Jobs: 114
- Total Payroll: \$ 35,825,752

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

Incentives: \$ 3,031,620

Community Benefit: \$ 36,475,452

Cost: Benefit Ratio

- 1:12

Project Title: 619 Exchange Street

Project Address 619 Exchange St. Buffalo, NY 14210
(Buffalo Public School District)

Agency Request

A sales tax, mortgage recording tax and real property tax abatement regarding the **adaptive reuse** of a 104,000 SF historical building into 64 apartments. In compliance with the ECIDA Adaptive Reuse policy affordable housing requirement, ten apartment units (15%) will be available at 80% AMI.

| | |
|------------------------------|---------------------|
| Building Purchase | \$ 1,450,000 |
| Renovation | \$21,885,557 |
| Infrastructure | \$ 349,469 |
| Non- Manufacturing Equipment | \$ 150,000 |
| Soft Costs/Other | <u>\$ 6,374,385</u> |
| Total Project Cost | \$ 30,209,411 |
| 85% | \$ 25,677,999 |

Company Description

The applicant, PG Larkinvillle, LLC is an affiliate of Park Grove Realty LLC. Formed in 2015 by Andrew Crossed and Andrew Bodewes, Park Grove Realty, a real estate development and management company focuses on multi-family residential and mixed-use development in NY, NJ and the North Carolina Research Triangle region. Park Grove Realty has 1,500+ apartment units and over 230,000 SF of commercial space under management. They currently own and manage two properties in Erie County that total 150 residential units.

Project Description

The Iroquois Lofts project is a historic adaptive reuse of the former Iroquois Door Company – a four-story structure, built in 1904 and designed by famed female architect, Louise Bethune. The project will have 64 high-quality apartments, including 10 (15%) units reserved at 80% AMI. The building has been vacant since 2020 and has been underutilized for nearly four decades. The project scope includes full interior and exterior rehabilitation, historic façade restoration, new mechanical and electrical systems. The site is enrolled in the NYS Brownfield Cleanup Program (BCP), is a designated historic landmark and has received NYS SHPO Part I and Part II approval. The project will receive Federal and State Historic Tax Credits.

| Market Rate | # of Units | SF Range | Rent Avg | Tenant Utilities | Rent + Utilities |
|----------------------|------------|-----------|----------|------------------|------------------|
| Other (Jr 1 bedroom) | 9 | 559-728 | \$ 1,625 | \$ 65 | \$ 1,690 |
| 1 bedroom | 34 | 692-1117 | \$ 1,900 | \$ 85 | \$ 1,985 |
| 2 bedroom | 11 | 1054-1907 | \$ 3,083 | \$ 115 | \$ 3,198 |

54 UNITS

| Affordable (80% AMI) | # of Units | SF Range | Rent Avg | Tenant Utilities | Rent + Utilities |
|----------------------|------------|-----------|----------|------------------|------------------|
| Other (Jr 1 bedroom) | 5 | 559-728 | \$ 1,350 | \$ 65 | \$ 1,415 |
| 1 bedroom | 3 | 692-1117 | \$ 1,330 | \$ 85 | \$ 1,415 |
| 2 bedroom | 2 | 1054-1907 | \$ 1,500 | \$ 115 | \$ 1,615 |

10 UNITS

*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 | \$ 1,801,510 |
| | Sales | \$ 1,180,463 |
| | Mortgage Recording | \$ 223,125 |
| | Total | \$3,205,098 |
| | Discounted at 2% | \$3,031,620 |

Benefit: Projected Community Benefit*

| BENEFITS | Region | Recipient | Revenue Type | \$ Amount ** |
|----------|----------------|-------------|-------------------------------|--------------|
| | Erie County | Individuals | Payroll Construction | \$17,499,603 |
| | | | Payroll Permanent | \$18,326,149 |
| | | Public | Property Taxes | \$ 450,377 |
| | | | Sales Taxes | \$ 340,033 |
| | | | Other Muni Revenue (NFTA) | \$ 74,375 |
| | New York State | Public | Income Taxes | \$ 1,612,159 |
| | | | Sales Taxes | \$ 286,344 |
| | | | Total Benefits to EC + NYS*** | \$38,589,042 |
| | | | Discounted at 2% | \$36,475,452 |

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

Discounted Cost \$ 3,031,620
Discounted Benefit \$ 36,475,452
Ratio 1:12

Conclusion: The Cost Benefit for this project is: 1:12. For every \$1 in costs (incentives), this project provides \$ 12 in benefits (payroll & tax revenue). **Note: For Erie County, every \$1 in costs (incentives) provides \$ 15 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 |
|---------------------------------|------------------------------|---|--|--|
| \$ 30,647 | \$9,600,000 | \$ 94,717 | \$ 355,660 | \$255,836 |
| Combined Tax Rate: \$ 26.649555 | | | | |

Retail Determination

| Project Use | Sq Ft | Cost | % Project Cost |
|--|---------|--------------|----------------|
| Residential housing + building amenities | 104,000 | \$30,209,411 | 100% |

The retail component of the project is less than 30% of the project costs and therefore no sign off is required.

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 PT 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 |
| <u>Recapture Period</u> | Coincides with 10-year PILOT | Recapture of Real Property Tax, 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 created 1.5 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

- 3/24/2025 City of Buffalo determination of no significant adverse effect on the quality of the environment. SEQRA not required.
- 4/23/2025 Public hearing held.
- 5/28/2025 Lease/Leaseback Inducement Resolution presented to the Board of Directors

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-619 Exchange / PG Larkinsville 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 (City)/1000 |
|---|--|----------------------|----------------------------|
| \$ 21,885,557 | \$9,600,000 | 5.604583 | 21.044972 |

*Apply equalization rate to value

| PILOT Year | % Payment | County PILOT Amount | Town PILOT Amount | Total PILOT | Full Tax Payment w/o PILOT | Net Exemption |
|------------|-----------|---------------------|-------------------|-------------|----------------------------|---------------|
| 1 | 0.05 | \$8,813 | \$33,093 | \$41,906 | \$255,836 | \$213,929 |
| 2 | 0.1 | \$11,181 | \$41,985 | \$53,166 | \$255,836 | \$202,670 |
| 3 | 0.15 | \$13,549 | \$50,876 | \$64,425 | \$255,836 | \$191,410 |
| 4 | 0.15 | \$13,549 | \$50,876 | \$64,425 | \$255,836 | \$191,410 |
| 5 | 0.2 | \$15,917 | \$59,768 | \$75,685 | \$255,836 | \$180,151 |
| 6 | 0.2 | \$15,917 | \$59,768 | \$75,685 | \$255,836 | \$180,151 |
| 7 | 0.25 | \$18,285 | \$68,659 | \$86,944 | \$255,836 | \$168,892 |
| 8 | 0.25 | \$18,285 | \$68,659 | \$86,944 | \$255,836 | \$168,892 |
| 9 | 0.3 | \$20,653 | \$77,551 | \$98,204 | \$255,836 | \$157,632 |
| 10 | 0.35 | \$23,021 | \$86,442 | \$109,463 | \$255,836 | \$146,373 |
| TOTAL | | \$159,170 | \$597,677 | \$756,847 | \$2,558,357 | \$1,801,510 |

***** 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.) |
|--------------------|--------------------------|--|---|--|
| \$ 30,209,411 | \$1,801,510 | 1,180,463 | 223,125 | \$11,691,381 |

Note: special district taxes are not subject to PILOT abatement

Calculate % = Est. PILOT + Est. Sales Tax+ Est. Mortgage Tax+ Other)/Total Project Costs: 49%

EVALUATIVE CRITERIA ADAPTIVE REUSE

Project: 619 Exchange LLC, Park Grove LLC

| CRITERIA | COMMENTS |
|---|---|
| Age of Structure: must be at least 20 years old and present functional challenges to redevelopment | Iroquois Door Company building was built in 1904. Challenges to redevelopment include costs to meet modern building and energy codes |
| Structure has been vacant or underutilized for a minimum of 3 years (defined as a minimum of 50% of the rentable square footage of the structure being utilized for a use for which the structure was not designed or intended). Project promotes the elimination of slum and blight. | Iroquois Door Company building was built in 1904 and has been vacant since 2020 (5 years) and underutilized for nearly four decades |
| Structure is not generating significant rental income defined as 50% or less than the market rate income average for that property class | There is no rental income being generated at this property. |
| Project is in compliance with the investment and growth criteria of the Framework for Regional Growth. The redevelopment supports or aligns with Regional or Local Development Plans | The project is compliant with the Framework for Regional Growth |
| Demonstrated evidence of financial obstacle(s) to development without ECIDA or other public assistance (cash flow projections documenting costs, expenses and revenues indicating below average return on investment rate as compared to regional industry averages) | Cash flow projects have been provided. An analysis revealed below average return on investment of: ROI with ECIDA assistance = 2.4% ROI without ECIDA assistance = 1.8% |
| Demonstrated support of local government entities | Support Letter for project received – provided by City of Buffalo - Mayor Scanlon. |
| LEED/Renewable Resources | New mechanical and electrical systems include an energy efficient ductless mini split system, window repair or replacement and installation of energy star appliances. |
| Building or site has historic designation | Project is designated a historic landmark and has received NYS SHPO Part 1 and Part II approval. |

EVALUATIVE CRITERIA ADAPTIVE REUSE

| | |
|---|--|
| Site or structure has delinquent property or other local taxes | N/A |
| DEI Questionnaire | See attached information regarding Pike Construction company and their commitment to DEI. |
| Transit Oriented Development | Project is located less than .25 miles from the Exchange & Van Rensselaer bus stop and the Hamburg and Seneca St bus stop |
| Onsite child daycare facilities on the project site | No. |
| OTHER FACTORS TO CONSIDER: | |
| Environmental/Safety Issues: Structure or site presents significant public safety hazard and or environmental remediation costs | Site presents significant public safety concerns due to years of vacancy and deterioration. This status has led to compromised building systems, water filtration, and other hazards that pose ongoing risks to the surrounding area. Water damage has severely compromised the buildings masonry leading to crumbling bricks that present and immediate health and safety risk. |
| Site or structure is located in a distressed census tract | Located in NY Empire Zone - Census tract 164.00 |
| Structure presents significant costs associated w/ building code compliance. | Iroquois Loft project faces significant financial obstacles that cannot be overcome without public assistance. The project carries significant construction costs that exceed those of conventional new construction. |

*U.S. Census Bureau

DATE OF INDUCEMENT: May 28, 2025

EVALUATIVE CRITERIA

ADAPTIVE REUSE

Return on Investment – Applicant Name

Regional Return on Investment (ROI) numbers vary depending on the interest rate environment, investor availability and risk associated with a project.

The National Development Council, which has experience financing projects in higher risk urban areas across the Northeast, uses 10% - 12% as a benchmark rate of return for urban high-risk projects.

Empire State Development financing officials when reviewing similar projects in the City of Buffalo have used 12% as an acceptable ROI for development projects.

Adaptive Reuse Projects

Many Adaptive Reuse Projects are hampered by upfront development costs that are not typical in new build green field development projects. These upfront costs can hinder the ability of the projects to attract financing and provide cash flow. The upfront costs associated with site contamination, asbestos removal, code compliance, structural deficiencies can make Adaptive Reuse projects difficult to undertake and attract private investment and financing, particularly in real estate markets where rental values are relatively low. Historically real estate projects in the region are difficult to undertake, local real estate developers have indicated that the typical ROI investors and developers seek to achieve in mixed use development projects are in the 10% - 12% range, although they can run higher for projects with significant risk.

Public Incentives Requested

- ECIDA Real Property Tax Abatement in an approximate value of \$1,801,510
- Sales Tax Savings in the amount of \$ 1,180,463
- Mortgage Tax Savings in the estimated amount of \$ 223,125

ROI

Applicant has submitted a proforma documenting the expenses and revenues and ROI for the project.

Stated ROI for the project with ECIDA assistance is 2.4%

Stated ROI for the project without ECIDA assistance is 1.8%

Erie County Industrial Development Agency

MRB Cost Benefit Calculator



Date April 22, 2025
 Project Title 619 Exchange LLC / PG Larkinville LLC
 Project Location Buffalo NY

Economic Impacts

Summary of Economic Impacts over the Life of the PILOT

Project Total Investment

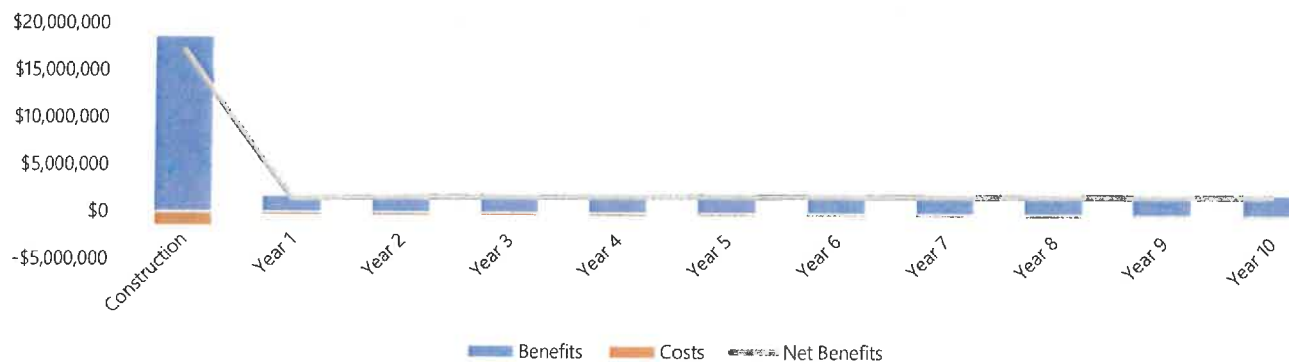
\$30,209,411

| Temporary (Construction) | | | |
|--------------------------|--------------|--------------|--------------|
| | Direct | Indirect | Total |
| Jobs | 226 | 102 | 327 |
| Earnings | \$11,105,152 | \$6,394,451 | \$17,499,603 |
| Local Spend | \$28,759,411 | \$19,844,297 | \$48,603,708 |

| Ongoing (Operations) | | | |
|----------------------------------|--------------|-------------|--------------|
| Aggregate over life of the PILOT | | | |
| | Direct | Indirect | Total |
| Jobs | 20 | 12 | 32 |
| Earnings | \$10,271,338 | \$8,054,810 | \$18,326,149 |

Figure 1

Net Benefits

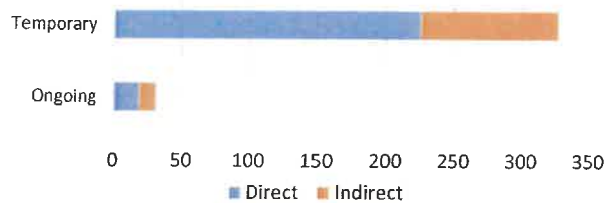


Net Benefits chart will always display construction through year 10, irrespective of the length of the PILOT.

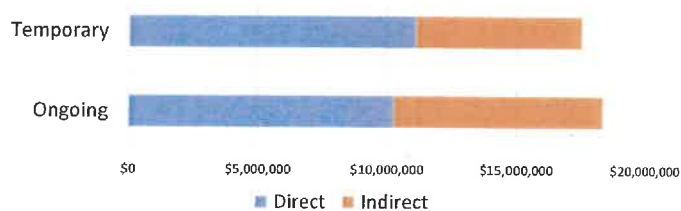
Figure 2

Figure 3

Total Jobs



Total Earnings



Fiscal Impacts

Estimated Costs of Exemptions

| | Nominal Value | Discounted Value* |
|--|--------------------|--------------------|
| Property Tax Exemption | \$1,801,513 | \$1,628,032 |
| Sales Tax Exemption | \$1,180,463 | \$1,180,463 |
| Local Sales Tax Exemption | \$640,823 | \$640,823 |
| State Sales Tax Exemption | \$539,640 | \$539,640 |
| Mortgage Recording Tax Exemption | \$223,125 | \$223,125 |
| Local Mortgage Recording Tax Exemption | \$74,375 | \$74,375 |
| State Mortgage Recording Tax Exemption | \$148,750 | \$148,750 |
| Total Costs | \$3,205,101 | \$3,031,620 |

State and Local Benefits

| | Nominal Value | Discounted Value* |
|---|---------------------|---------------------|
| Local Benefits | \$36,690,539 | \$34,681,127 |
| To Private Individuals | <u>\$35,825,752</u> | <u>\$33,893,908</u> |
| Temporary Payroll | \$17,499,603 | \$17,499,603 |
| Ongoing Payroll | \$18,326,149 | \$16,394,304 |
| Other Payments to Private Individuals | \$0 | \$0 |
| To the Public | <u>\$864,786</u> | <u>\$787,220</u> |
| Increase in Property Tax Revenue | \$450,377 | \$394,748 |
| Temporary Jobs - Sales Tax Revenue | \$145,465 | \$145,465 |
| Ongoing Jobs - Sales Tax Revenue | \$194,568 | \$174,090 |
| Other Local Municipal Revenue | \$74,375 | \$72,917 |
| State Benefits | \$1,898,503 | \$1,794,325 |
| To the Public | <u>\$1,898,503</u> | <u>\$1,794,325</u> |
| Temporary Income Tax Revenue | \$787,482 | \$787,482 |
| Ongoing Income Tax Revenue | \$824,677 | \$737,744 |
| Temporary Jobs - Sales Tax Revenue | \$122,497 | \$122,497 |
| Ongoing Jobs - Sales Tax Revenue | \$163,847 | \$146,602 |
| Total Benefits to State & Region | \$38,589,042 | \$36,475,452 |

Benefit to Cost Ratio

| | Benefit* | Cost* | Ratio |
|--------------------|---------------------|--------------------|-------------|
| Local | \$34,681,127 | \$2,343,230 | 15:1 |
| State | \$1,794,325 | \$688,390 | 3:1 |
| Grand Total | \$36,475,452 | \$3,031,620 | 12:1 |

*Discounted at 2%

Additional Comments from IDA

0

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



Diversity, Equity and Inclusion Questionnaire

1. MWBE Contractors - Construction

The ECIDA encourages applicants to utilize MWBE contractors and suppliers for their projects and when feasible, to set a goal for MWBE participation during the construction period of the project. Below are links to the NYS and Erie County certified MWBE lists, including contractors, that can assist you with your utilization goals:

- New York State MWBE Certified List: <https://ny.newnycontracts.com/>
- Erie County MWBE Certified List: <https://www3.erie.gov/eeo/mbe-wbe-resource-list>

Please provide detailed information regarding your company's plan to utilize MWBE contractors and suppliers for your project. Please include your project's MWBE utilization goals, what process and resources you plan to use or have utilized in the past to find and hire MWBEs, a list of the specific MWBE firms used on previous projects and/or firms you plan to use on the current project, and any history the company has of setting and meeting MWBE goals on past projects. The company may also include details with respect to the foregoing related to any MWBE policy and utilization goals that its general contractor has committed to implementing for the project.

See attached.

2. Minority & Women Employment - Current Workforce & Hiring Practices

The ECIDA encourages the hiring of a diverse workforce, especially for jobs created and retained as part of an ECIDA induced project. Below are some links to sites and organizations that will be helpful in achieving a diverse workforce:

- Northland Workforce Training Center: <https://northlandwtc.org/employers/>

- Workforce Buffalo: <https://www.workforcebuffalo.org/business-services/employer-services>
- New York State Job Bank: <https://myjobsny.usnlx.com/>
- Local Minority Newspapers: <https://www3.erie.gov/eeo/minority-newspaper>

Please provide detailed information regarding your company's current workforce and hiring practices as it relates to minority and women employees, including, if applicable, the company's Diversity, Equity and Inclusion plan and goals, any strategic partnerships the company has with educational and/or workforce development entities, and company strategies regarding outreach to minorities and women with the dissemination of job openings to the public:

See attached.

3. Economic Inclusion Program

The ECIDA's Economic Inclusion Program (EIP) is a voluntary "opt in" program providing an enhanced real property tax abatement to applicants who commit to implementing and meeting MWBE utilization and minority and women employment goals. The mission of the EIP is to enhance the beneficial public impact of projects receiving ECIDA assistance and to further the ECIDA's goal of advancing opportunities for MWBE businesses and minorities and women, in general, in the Erie County workforce. Please note, for a company to be considered an MWBE under the EIP it must be certified as an MWBE by New York State or Erie County.

Under the EIP, the standard ECIDA PILOT Agreement real property tax abatement schedules are enhanced by extending both the term and abatement percentages of the PILOT Agreement.

Please note the EIP is a *voluntary opt-in program* providing enhanced incentives in exchange for meeting MWBE utilization and minority and women employment goals. The applicant shall not engage in any unlawful discrimination against any employee or applicant by reason of race, creed, religion, color, age, disability, national origin, sex, gender, or any other characteristic protected by law, including, but not limited to, Title VII of the Civil Rights Act, the Americans with Disabilities Act, the Age Discrimination in

Employment Act, the Genetic Information Nondiscrimination Act, the New York State Human Rights Law, and any other similar laws, rules, or regulations. Applicants may bypass the EIP while still pursuing the ECIDA's standard PILOT Agreement.

☒ Please check the box indicating that you have read the Economic Inclusion Program summary above and the attached FAQ document that can be found at the end of the questionnaire.

☐ Please check the box if you are interested in tentatively opting into the Economic Inclusion Program (nonbinding) and would like further, detailed information on the program and process from your ECIDA business development officer.

MWBE/SDVOB COMMITMENT

MWBE Commitment

Pike is committed to providing minorities, women, Minority and Women-owned businesses (MWBE), Service Disabled Veteran-owned Business (SDVOB), and disadvantaged businesses with equal opportunities in the performance of contracts. Our in-house Diversity & Community Engagement Manager, Kathy Rooney, oversees supplier diversity management, compliance/regulatory requirements, community development, and diversity communications. Kathy, along with the rest of the Pike team, support our communities through mentoring and outreach events to ensure we are continuously creating inclusion opportunities in support of our workforce and trade partners. It is our policy to utilize and help grow MWBE/SDVOB subcontractors on all private and public projects.

Pike acknowledges and supports MWBE utilization goals and will ensure that these groups are afforded equal employment opportunities without discrimination. We will work closely with the Owner to pre-qualify all MWBE/SDVOB participants. Additionally, we will develop bid packages that will allow MWBE/SDVOB participants to be successful. Upon the receipt of bids, the team will perform a detailed review of each bid with each subcontractor and make the award based on the team's review of the bidder that meets the goals of the project. Our project staff will be advocates for the MWBE/SDVOB firms engaged on this project while diligently working to ensure that all regulations, policies, and laws are enforced. Our operations team assigned to the project will do their due diligence to follow through on participation goals. Our project team will ensure all MWBE/SDVOB participation is tracked and submitted monthly, or as requested by Owner.

ADVOCATES FOR MWBE/SDVOB FIRMS

Our project staff will be advocates for the M/WBE / SDVOB firms engaged on this project while diligently working to ensure that all regulations, policies, and laws are enforced. Pike's operations team assigned to the project will do their due diligence to follow through on participation goals. Our project team will ensure all M/WBE / SDVOB and EEO participation is tracked and submitted monthly, or as requested by Owner.



MWBE/SDVOB COMMITMENT



MWBE/SDVOB PARTICIPATION

Pike has extensive experience working with qualified subcontractors that are MWBE/SDVOB businesses as well as continually advertise and encourage participation in our bid proposals. Current practice includes:

- Working with the State and Local EEO Officers to keep our list of MWBE/SDVOB business current and make direct contact with firms to encourage participation in projects.
- Advertising in area and local publications and quarterly in different MWBE/SDVOB publications throughout New York State.
- Create bids packages for the project into manageable/smaller tasks to increase participation of MWBE/SDVOB businesses.
- Hosting pre-bid meetings for upcoming work and post-bid meetings for projects we have been awarded.
- Invite the businesses to virtual webinars to review upcoming projects and offer to make copies of drawings and specs if needed.
- Mentoring business in proper document tracking, scheduling, billing and cash flow management. If necessary, Pike will set up joint payments for the MWBE/SDVOB with their suppliers to help build their credit, we will allow (when necessary) early payment to help with their cash flow.
- Arranging and attending meetings between State Agency EEO Officers and MWBE/SDVOB firms that are looking to grow their firms.



MWBE/SDVOB COMMITMENT

MINORITY AND FEMALE WORKFORCE DEVELOPMENT

Pike understands the importance of continuing to develop and foster the growth of our next generation of trade workers and leaders in the construction industry. Our industry faces labor shortages and has historically been underrepresented by minority and female workers in both the trades and management positions. We understand that our development of minority and female workers is an important part of diversity, which is interconnected with inclusion and equity. Furthermore, we recognize that our industry suffers from a lack of sufficient resources and an aging population of skilled workers. The investment, recruitment and promotion of historically underrepresented persons is an important step in solving the workforce challenges our industry faces.

Kathleen Rooney, our Manager of Diversity and Community Engagement, routinely participates in career fairs and other workforce development events such as:

- Builders Exchange Construction Day
- The UNICON Careers in Construction Day
- Finger Lakes Youth Apprenticeship ROC with your Hands

In addition, Kathleen works with the Multi-Craft Apprenticeship Program (MAPP) and organizes and leads job site tours for the Urban League Youth Build Program. Kathleen will also identify trade specific leaders within our organization and work with them as guest speakers for these programs as well as presenting to junior and senior classes at the high school level to help promote and bring awareness about the various trade opportunities available to our youth. During these interactions, we help connect those interested with an opportunity to the various Union organizations in taking the next step. With our self-performed capabilities, we are able to fast track those interested in a carpentry position by providing a position within our self-performed carpentry teams.

Kathleen will develop a project specific workforce development campaign, that will leverage many of the same resources noted above for MBE and WBE Business development, to develop a strategy that will focus more specifically on our minority and female workforce within the local area. This will include efforts such as ad campaigns to ensure awareness of opportunity, meet and greets that connect the workforce with our subcontractors as well as general educational events aimed and maintaining awareness of upcoming and future opportunities.





CITY OF BUFFALO
OFFICE OF THE MAYOR

CHRISTOPHER P. SCANLON
MAYOR

March 26, 2025

Erie County Industrial Development Agency
95 Perry Street Suite 403
Buffalo, NY 14203

RE: Iroquois Lofts Redevelopment at 619 Exchange St

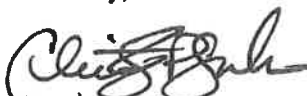
Dear Mr. Cappellino:

The City of Buffalo supports the proposed adaptive reuse of the historic Iroquois Door Company building, located at 619 Exchange Street in Buffalo's Larkinville neighborhood. The project, known as Iroquois Lofts, will transform this significant historic structure into 64 units of high-quality residential housing, including 10 workforce housing units reserved for individuals and families earning up to 80% of the Area Median Income (AMI). This redevelopment represents a transformative investment and aligns closely with the City of Buffalo's goals of advancing neighborhood reinvestment, increasing the availability of diverse housing options, and preserving historic assets.

Originally constructed in 1904 and designed by Louise Bethune, the first female practicing architect in the United States, the Iroquois Door Company building is an important piece of the region's architectural and cultural heritage. However, the building has been largely underutilized for nearly 40 years and is now experiencing serious structural deterioration, including damage from long-term water infiltration. Timely construction and rehabilitation are critical, as any further delays could accelerate deterioration and significantly increase already high historic rehabilitation costs. Preserving this building through adaptive reuse not only protects a valuable historic resource but also supports the continued resurgence of the Larkinville neighborhood and the broader Buffalo community.

We respectfully urge the Erie County Industrial Development Agency to give this project their full support. The adaptive reuse of this building is a welcome addition to the impressive revitalization efforts that contribute to the growth of our local economy.

Sincerely,


Christopher P. Scanlon
Mayor

PUBLIC HEARING SCRIPT

**PG Larkinville, 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 April 23, 2025 at 9:00 a.m. at the Agency's offices,
at 95 Perry Street, Suite 403, Buffalo, NY 14203

ATTENDANCE:

Mythea Mazzola – Park Grove Realty
Tim Crilly – Park Grove Realty

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

Hearing Officer: Welcome. This public hearing is now open; it is 9:02 a.m. My name is Andrew Federick. I am the Property and Business Development Officer 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.

☒ 2. PURPOSE: Purpose of the Hearing.

Hearing Officer: We are here to hold the public hearing on the PG Larkinville, 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 Tuesday, April 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 on 619 Exchange Street, City of Buffalo, Erie County, New York and all other lands in the City of Buffalo where, by license or easement or other agreement, the Company or its designees are making improvements that benefit the Project (the "Land"), (ii) renovation of the former Iroquois Door Company historic adaptive reuse 100,000 sq. ft. building into 64 high-quality market-rate apartments including 10 units reserved at 80% AMI including full interior and exterior rehabilitation, new mechanical and electrical systems including window repair and installation of Energy Star appliances (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 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 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 May 27, 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, and if possible, 3 minutes.

Tim Crilly, Vice President of Development, Park Grove Realty. Iroquois Lofts project is located at 619 Exchange Street in the Larkinville district. This is a historic adaptive re-use project that will redevelop an old industrial building into 64 high quality apartments. The existing building is a 4-story masonry structure that was built in 1904. The building has been vacant and underutilized for a long period of time. The building was designed by Louis Bethune, the nation's 1st practicing woman architect. The building is a deteriorating structure. Masonry, structural components, windows and other key building elements have deteriorated significantly over the years. The building has received code violations for public safety issues from the City of Buffalo. It is a blighted structure in the re-vitalized Larkinville District. The redevelopment project will re-use and revitalize the industrial building into 64 high-quality apartments. The urban in-fill development project will include 15% of the units set aside for individuals and families earning up to 80% of AMI. The project will include a great room with kitchen, fitness center, and also a dog wash. Units will have high-end finishes including quartz countertops, stainless steel energy star appliances, and maintain the historic integrity of the building. The project has received its Part 1 and Part 2 approvals from SHPO and National Parks Service. At the project's completion it will be listed on the National Register of Historic Places.

The project has also been accepted into the Brownfield Cleanup Program. The Project has not been without challenges. It has faced significant financial and economic hurdles over the last 6 years of development. Construction costs have increased 40% and interest rates have risen over 200% as a result of the COVID-19 pandemic. There are substantial costs to bring the building up to code and address structural issues of the building. The cost to preserve the building and to renovate to Historic Standards drive the costs even higher. These factors have created a financing gap. Financial assistance from the ECIDA is needed to make the project financially viable. Impending tariffs from the current administration threatens to further escalate material costs, making it imperative that construction begin immediately. The development team has invested significant resources in the project. Without assistance from ECIDA the project will not be able to move forward and would result in a financial loss to the project, stalled community development momentum in the Larkinville District, eliminating economic benefits to the County and to the City, and loss of a Historic asset. Despite these challenges, we remain excited about this project and the economic impact this project will have on the County and City of Buffalo. The total project investment is over \$20M. It will create 200 construction phase jobs. Upon its completion it will create one full-time and part-time position. Over time the project will contribute to the County's and City's tax base. Importantly the project will provide high quality housing stock within the County and the City of Buffalo, supporting the urgent need for additional housing stock across New York State. The restoration of a historic building will encourage future investment and economic growth in the Larkinville neighborhood. ECIDA's support for financial assistance with this project will be transformative. We can move forward immediately and eliminate public safety and environmental concerns, restore and revitalize a historic community asset, increase housing stock, create jobs, and expand the tax base within the County.

☒ 6. ADJOURNMENT:

As there are no further statements and/or comments, I will close the public hearing at 9:09 a.m.

**SIGN IN SHEET
PUBLIC HEARING**

April 23, 2025 at 9:00 a.m. at the Agency's offices,
at 95 Perry Street, Suite 403, Buffalo, NY 14203
regarding:

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

Project Location: 619 Exchange Street, Buffalo, New York 14210

| Name | Company and/or Address | X box to speak/ comment |
|----------------|--|--|
| Mythea Mazzola | Park Grove Realty 46 Prince Street, Suite 2003 Rochester, New York 14607 | |
| Tim Crilly | Park Grove Realty 46 Prince Street, Suite 2003 Rochester, New York 14607 | X |
| | | |
| | | |
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| | | |



619 Exchange Street

[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 | 619 Exchange Street |
| Project Summary | Adaptive reuse of historic Iroquois Door Company building into 64 units of market rate housing, 10 units will be reserved for individuals and households at 80% of the Area Median Income or less |
| Applicant Name | PG Larkinvillle, LLC |
| Applicant Address | 46 Prince St |
| Applicant Address 2 | Suite 2003 |
| Applicant City | Rochester |
| Applicant State | New York |
| Applicant Zip | 14607 |
| Phone | (585) 435-4766 |
| Fax | |
| E-mail | mmazzola@parkgrovelc.com |
| Website | https://www.parkgrovelc.com/ |
| NAICS Code | |

Business Organization

Type of Business

Limited Liability Company

Year Established

2015

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 Mythea Mazzola
Title Project Director
Address 46 Prince St
Address 2 Suite 2003
City Rochester
State New York
Zip 14607
Phone (585) 703-0932
Fax
E-Mail mmazzola@parkgrovelc.com

Company Contact- Authorized Signer for Applicant

Contact is same as individual completing application No
Name Andrew I. Crossed
Title Managing Member
Address 46 Prince St
Address 2 Suite 2003
City Rochester
State New York
Zip 14607
Phone
Fax
E-Mail

Company Counsel

Name of Attorney
Firm Name
Address
Address 2
City
State New York
Zip
Phone
Fax
E-Mail

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%.

PG Larkinsville, LLC is the applicant and an affiliate entity of Park Grove Realty, LLC. Formed in 2015 by Andrew Crossed and Andrew Bodewes, Park Grove Realty is a real estate development and management company focusing on multi-family residential and mixed use development in NY, NJ, and the North Carolina Research Triangle region. Park Grove Realty has 1,500+ apartment units and over 230,000 SF of commercial space under management. Park Grove Realty currently owns and manages two properties in Erie County totaling 150 units.

Estimated % of sales within Erie County 100 %

Estimated % of sales outside Erie County but within New York State 0 %

Estimated % of sales outside New York State but within the U.S. 0 %

Estimated % of sales outside the U.S. 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?

15

Describe vendors within Erie County for major purchases

Red Rose Landscaping will provide snow removal and landscaping services and Twin City Glass will provide window repair services. Both vendors are Erie County based.

Section II: Eligibility Questionnaire - Project Description & Details

Project Location

Address of Proposed Project Facility

619 Exchange Street

Town/City/Village of Project Site

Buffalo

School District of Project Site

Buffalo Public Schools

Current Address (if different)

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

SBL Number(s) for proposed Project

122.25-0002-011

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

32,943

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?

No

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

The project site consists of a long-vacant, deteriorating industrial building that has been underutilized for nearly 40 years and completely vacant since 2020. Structural deficiencies, primarily caused by water damage, have led to buckling floors and crumbling exterior masonry. This crumbling masonry has started to fall off the exterior leading to significant safety concerns. The building has historically been in violation of the City of Buffalo's building code and has become a blight on the community, with significant deterioration over the past five years.

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 Iroquois Lofts project is a historic adaptive reuse and renovation of the former Iroquois Door Company building, located at 619 Exchange Street in Buffalo, NY, within distressed census tract (164.00) in the Larkinville neighborhood. The project will transform the approximately 100,000-square-foot, four-story structure, originally built in 1904 and designed by the first practicing female architect in the U.S., Louise Bethune, into 64 high-quality market-rate apartments, including 10 (15%) units reserved at 80% AMI, meeting the ECIDA's affordable housing goals. This residential-only redevelopment is an urban infill development and is located within .25 miles of two bus stops, meeting transit-oriented goals. The building has been vacant since 2020 and has been underutilized for nearly four decades. The proposed project will take a former industrial building and convert it to a residential use. The project scope includes full interior and exterior rehabilitation, historic façade restoration, new mechanical and electrical systems including an energy efficient ductless mini split system, window repair or replacement, and installation of Energy Star appliances. The site is enrolled in the NYS Brownfield Cleanup Program (BCP), with a Brownfield Cleanup Agreement executed in December 2024, ensuring environmental remediation and eligibility for tax credits. The project is a designated historic landmark and has received NYS State Historic Preservation Office Part I and Part II approval. The project will receive Federal and State Historic Tax Credits. The total project investment exceeds \$20 million, and construction is expected to generate 200+ construction jobs. Once the project is under operation, the development will require 1 full time property manager and 1 part-time maintenance technician. The development team will meet all Local Labor requirements and seek to engage MWBEs to the great extent possible. Financing will include a combination of federal and state historic tax credits, Brownfield tax credits, developer equity, and conventional bank financing. Construction is anticipated to begin in Spring/Summer 2025, with completion by the end of 2026, delivering much-needed housing and contributing meaningfully to the ongoing revitalization of Larkinville.

Municipality or Municipalities of current operations

N/A

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:

N/A

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)

In order for the project to proceed it is necessary to secure an approval for a PILOT, sales tax exemption, and mortgage tax exemption. Without this support, the project would face significant financial shortfalls that would directly jeopardize its ability to proceed, particularly in the current economic and construction environment. Without approval of a PILOT, the project will not be able to secure financing from a conventional lender. The project involves the adaptive reuse of a vacant, historically significant building that has experienced steady deterioration over time and now requires substantial investment to meet current building codes and energy efficiency standards. Urgent structural repairs are needed due to extensive water infiltration, which has caused significant damage to the building's masonry. The scope of work includes window repair and replacement to ensure code compliance, as well as comprehensive masonry repointing to address ongoing deterioration and eliminate safety hazards caused by crumbling brick. Additionally, restoring the building's historic features to meet NY SHPO standards, such as original windows and flooring adds considerable cost to the project and further contributes to an already large renovation budget. Since the property's acquisition in 2019, construction costs have risen by more than 40%. Cost escalations are driven by inflation, labor shortages, and material supply chain disruptions. The potential for additional tariffs threatens to further escalate material costs, making it imperative that construction begins immediately. The project will be funded by federal and state historic tax credits, Brownfield Tax Credits, conventional bank financing and developer equity, but given the 40%+ increases in construction costs over the past 5 years as well as an approximately 5%+ increase to the Federal Funds rate since 2020, there remains a financing gap that must be closed to make the project viable. The Agency's financial assistance, including a PILOT agreement, sales tax exemption, and mortgage recording tax exemption, is critical to bridging this gap. Without this assistance, the project will be financially infeasible, and the opportunity to activate a key historic asset in a growing district will not be able to proceed. In turn, this would negatively impact the broader economic and community development momentum in Larkinville.

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?

If the Applicant is unable to obtain financial assistance for the Iroquois Lofts project, the project will not advance and the Iroquois Door Company building will remain a vacant and dilapidated blight on the Larkinville neighborhood. The cost of redeveloping this historic property and remediated the site is significant. Despite leveraging multiple funding sources, including federal and state historic tax credits, Brownfield Tax Credits, developer equity, and conventional financing, the project faces a significant funding gap driven by rising construction costs and interest rates. Furthermore, additional tariffs on imported materials will further drive up costs, making it critical the the project receive approvals and commence construction as soon as possible. Without critical support from the Agency in the form of a PILOT agreement, sales tax exemption, and mortgage recording tax exemption, the project is financially infeasible. The inability to secure this assistance would result in the indefinite shelving of the project, leaving the property at 619 Exchange Street vacant and deteriorating. The building would continue to generate minimal tax revenue, provide no housing benefit to the community, and represent a missed opportunity for infill development, historic preservation, and neighborhood revitalization. This outcome would not only eliminate the potential for job creation and workforce housing, it would continue to serve as a blight on the Larkinville community and could discourage future investment in the neighborhood. The implications for both the Applicant and Erie County are significant. The Applicant has already invested considerable pre-development capital into architectural design, engineering, and environmental investigation. A stalled project would result in a direct financial loss to the Applicant and the forfeiture of meaningful community and economic development opportunities for the region. Erie County would lose out on the economic, environmental, and social benefits the project would deliver including job creation, tax base expansion, housing supply growth, and the productive reuse of a long-neglected historic asset.

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)

Yes, the project is located less than .25 miles from the Exchange St & Van Rensselaer bus stop and the Hamburg and Seneca Street bus stop

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

Yes

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.

3/24/25

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

Yes

Describe the present zoning/land use

N-1S- Secondary Employment

Describe required zoning/land use, if different

N/A- Rezoning not required. Multifamily development is a permitted use.

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

N/A

Is the proposed Project located on a site where the known or potential presence of contaminants is complicating the development/use of the property?

Yes

If yes, please explain

The proposed project entered into a Brownfield Cleanup Agreement with the NYS DEC on December 2024. This will allow the project to access Brownfield Tax Credits to help finance the remediation of the site soils.

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?

Yes

If yes, describe the efficiencies achieved

Yes, the project will modernize all mechanical, HVAC, and electrical systems ensuring the building meets modern code regulations. The project will feature an energy efficient air source heat pump duct less mini split system. The roof includes R-30 insulation, above the the building code minimum set at R-20. All windows will be repaired in kind or replaced, further securing the building envelope and helping reduce energy usage. Furthermore, the project will feature Energy Star appliances including energy efficient refrigerators, dishwashers, stoves and microwaves.

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.

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

<BLANK>

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.

Retail Sales No

Services No

Please check any and all end uses as identified below.

No Acquisition of Existing Facility **No Assisted Living** **No Back Office**
No Civic Facility (not for profit) **No Commercial** **No Equipment Purchase**
No Facility for the Aging **No Industrial** **No Life Care Facility (CCRC)**
Yes Market Rate Housing **No Mixed Use** **No Multi-Tenant**
No Retail **No Senior Housing** **No 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.

| | | Cost | % of Total Cost |
|-----------------------------------|---------------------|---------------|------------------------|
| Manufacturing/Processing | square feet | \$ 0 | 0% |
| Warehouse | square feet | \$ 0 | 0% |
| Research & Development | square feet | \$ 0 | 0% |
| Commercial | square feet | \$ 0 | 0% |
| Retail | square feet | \$ 0 | 0% |
| Office | square feet | \$ 0 | 0% |
| Specify Other | 104,361 square feet | \$ 30,209,411 | 100% |

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

6/1/2025

End date : Estimated completion date of project

12/15/2026

Project occupancy : estimated starting date of occupancy

1/1/2027

Capital Project Plan / Budget

Estimated costs in connection with Project

1.) Land and/or Building Acquisition

\$ 1,450,000

104,361 square feet

1 acres

2.) New Building Construction

\$ 0

square feet

3.) New Building addition(s)

\$ 0

square feet

4.) Reconstruction/Renovation

\$ 21,885,557

104,361 square feet

5.) Manufacturing Equipment

\$ 0

6.) Infrastructure Work

\$ 349,469

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

\$ 150,000

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

\$ 1,383,900

9.) Other Cost

\$ 4,990,485

**Explain Other
Costs**Financing Fees, Construction Interest, Hard Cost Contingency, Soft
Cost Contingency, Carrying Costs**Total Cost**

\$ 30,209,411

Construction Cost Breakdown:

| | |
|-----------------------------------|--|
| Total Cost of Construction | \$ 22,235,026 (sum of 2, 3, 4 and 6 in Project Information, above) |
| Cost of materials | \$ 13,341,015 |
| % sourced in Erie County | 75% |

Sales and Use Tax:

**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**

\$ 13,491,015

**Estimated State and local Sales and Use Tax Benefit (product of
8.75% multiplied by the figure, above):**

\$ 1,180,463

**** 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:

| | |
|--|--|
| Equity (excluding equity that is attributed to grants/tax credits): | \$ 7,268,030 |
| Bank Financing: | \$ 11,250,000 |
| Tax Exempt Bond Issuance (if applicable): | \$ 0 |
| Taxable Bond Issuance (if applicable): | \$ 0 |
| Public Sources (Include sum total of all state and federal grants and tax credits): | \$ 11,691,381 |
| Identify each state and federal grant/credit: (ie Historic Tax Credit, New Market Tax Credit, Brownfield, Cleanup Program, ESD, other public sources) | Federal Historic Tax Credit, State Historic Tax Credit, NYS Brownfield Clean Up Tax Credit |
| Total Sources of Funds for Project Costs: | \$30,209,411 |
| 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). | 29,750,000 |
| Lender Name, if Known | |
| Estimated Mortgage Recording Tax Exemption Benefit (product of mortgage amount as indicated above multiplied by 3/4 of 1%): | \$223,125 |

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): | No, the Project will not utilize a tax exemption other than the Agency's PILOT. The Applicant is requesting approval for an ECIDA PILOT. |
|---|--|

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?

No

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 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).

| | 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 24 months (2 years) after Project completion | 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 ** |
|-----------|---|--|---|--|
| Full time | 0 | 0 | 1 | 1 |
| Part time | 0 | 0 | 1 | 1 |
| Total | 0 | 0 | 2 | |

Salary and Fringe Benefits for Jobs to be Retained and Created

| Job Categories | # of Full Time Employees retained and created | Average Salary for Full Time | Average Fringe Benefits for Full Time | # of Part Time Employees retained and created | Average Salary for Part Time | Average Fringe Benefits for Part Time |
|------------------------|---|------------------------------|---------------------------------------|---|------------------------------|---------------------------------------|
| Management | 1 | \$ 65,000 | \$ 13,650 | 0 | \$ 0 | \$ 0 |
| Professional | 0 | \$ 0 | \$ 0 | 0 | \$ 0 | \$ 0 |
| Administrative | 0 | \$ 0 | \$ 0 | 0 | \$ 0 | \$ 0 |
| Production | 0 | \$ 0 | \$ 0 | 0 | \$ 0 | \$ 0 |
| Independent Contractor | 0 | \$ 0 | \$ 0 | 0 | \$ 0 | \$ 0 |
| Other | 0 | \$ 0 | \$ 0 | 1 | \$ 35,000 | \$ 7,350 |
| Total | 1 | | | 1 | | |

** 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

121,000

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)

65,000

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

35,000

Estimated salary range of jobs to be created

| | | | |
|-------------------------|--------|-----------------------|--------|
| From (Full Time) | 65,000 | To (Full Time) | 65,000 |
| From (Part Time) | 35,000 | To (Part Time) | 35,000 |

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

619 Exchange Street, Buffalo, NY 14850

Name and Address of Owner of Premises

PG Larkinville, LLC 46 Prince St, Suite 2003 Rochester, NY 14607

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

The site is a .72 acres urban site at the corner of Larkin and Exchange St. The site features a historic, industrial building that is 4 stories tall. An addition to the building was completed in 1925 and is 3 stories tall. The project site recently entered into a Brownfield Cleanup Agreement (December 2024) with NYS DEC. The project team is currently undergoing testing to determine the scope of remediation. There are no wetlands, coastlines, rivers, streams, or any other bodies of water on the site.

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 existing 4-story structure was completed in 1904. A three story addition was added in 1925. The project has remaining largely underutilized for 40+ years and has been vacant since 2020. The proposed project will include the rehabilitation and adaptive reuse of the structure into 64 apartments.

Describe all known former uses of the Premises

The site was originally occupied by the Iroquois Door Company with operations including mill work, storage, planning, wood working and lumber storage until approximately 1986. Other occupants have included K.W. Textiles, a textile distributor, from 2001 to 2020. The property has remained vacant since 2020.

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

We are not aware of any aboveground or underground storage tanks at the site.

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?

Yes

If yes, please identify the materials

All asbestos will be abated or encapsulated as part of the building rehabilitation.

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

The project will include 64 residential apartments, with 10 units designated for individuals and households earning up to 80% of the Area Median Income (AMI) and the remaining 54 units offered at market-rate rents. Market conditions strongly support the addition of 64 new housing units in Buffalo's revitalizing Larkinville neighborhood. There is increasing demand for high-quality rental housing both statewide and locally, as Buffalo's urban housing market continues to evolve. Many residents, particularly young professionals and students, are actively seeking modern, amenity-rich apartments in walkable, mixed-use neighborhoods. New residential development in Larkinville will not only help meet this demand but also support the continued growth of local businesses by increasing the area's residential population and boosting consumer spending. Iroquois Lofts addresses this market need by delivering thoughtfully designed units with high-end finishes and desirable amenities, all within a uniquely restored historic building.

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, # 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. |
|-------------|---|--|
|-------------|---|--|

*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?

Yes

What is the age of the structure (in years)? 121

Has the structure been vacant or underutilized for a minimum of 3 years? (Underutilized is defined as a minimum of 50% of the rentable square footage of the structure being utilized for a use for which the structure was not designed or intended)

Yes

If vacant, number of years vacant.

5

If underutilized, number of years underutilized.

40

Describe the use of the building during the time it has been underutilized:

The project has been underutilized since approximately 1986. Since that time, K.W. Textiles leased a portion of the building from 2001 to 2020. The building has remained vacant since 2020.

Is the structure currently generating insignificant income? (Insignificant income is defined as income that is 50% or less than the market rate income average for that property class)

Yes

If yes, please provide dollar amount of income being generated, if any

\$0

If apartments are planned in the facility, please indicate the following:

| | Number of Units | Sq. Ft. Range Low to High | Rent Range Low to High |
|-----------|-----------------|---------------------------|------------------------|
| 1 Bedroom | 37 | - 825 | \$1,630- \$1,900 |
| 2 Bedroom | 13 | 1,150- 2,000 | \$1,833- \$3,450 |
| 3 Bedroom | | - | \$- \$ |
| Other | 14 | - 650 | \$1,426- \$1,625 |

Does the site have historical significance?

Yes

If yes, please indicate historical designation

Yes, the project received Part I and Part II approval from NY State Historic Preservation Office and National Parks Service in 2019 and 2022 respectively .

Are you applying for either State/Federal Historical Tax Credit Programs?

Yes

If yes, provide estimated value of tax credits

\$7,885,721

Briefly summarize the financial obstacles to development that this project faces without ECIDA or other public assistance. Please provide the ECIDA with documentation to support the financial obstacles to development (you will be asked to provide cash flow projections documenting costs, expenses and revenues with and without IDA and other tax credits included indicating below average return on investment rates compared to regional industry averages)

The Iroquois Lofts project faces significant financial obstacles that cannot be overcome without public assistance from the ECIDA. As a historic, adaptive reuse development, the project carries significant construction costs that exceed those of conventional new construction. Rising interest rates, persistent construction cost inflation, material tariffs, and soft costs associated with the Brownfield Cleanup Program and historic preservation compliance have further increased the financial burden. Furthermore, the costs associated with bringing the project to meet modern building and energy codes is significant. These challenges have resulted in a financing gap that materially impacts project feasibility and significantly reduces projected returns below industry averages for similar residential developments in the region. Despite leveraging multiple funding sources including federal and state historic tax credits, Brownfield Tax Credits, developer equity, and conventional debt financing the project's return remains below standard market benchmarks. Without ECIDA assistance in the form of a PILOT agreement, sales tax exemption, and mortgage recording tax exemption, the project will not be able to secure conventional lender financing. Even with ECIDA tax incentives, the project is expected to yield a below-market return. Without ECIDA assistance, the project cannot proceed, and the building, which is already in an advanced state of deterioration, will continue to decline.

Briefly summarize the demonstrated support that you intend to receive from local government entities. Please provide ECIDA with documentation of this support in the form of signed letters from these entities

Attached please find a letter of support from the City of Buffalo for the redevelopment of 619 Exchange St. In 2020, the Iroquois Lofts project received site plan approval from the City of Buffalo for a mixed use development featuring both residential and commercial uses. Due to changes in the market as a result of the Covid-19 pandemic, the project has been reimaged as a 100% residential project with 64 units of housing. The project team met with City of Buffalo development and planning staff in Summer 2024 who expressed support for the development. The original site plan approval has expired and the project received site plan re-approval on March 24, 2025.

Indicate other factors that you would like the Agency to consider such as: structure or site presents significant public safety hazard and or environmental remediation costs, structure presents significant costs associated with building code compliance

In addition to the financial challenges outlined, there are several critical factors that should be considered when evaluating the project. The existing structure at 619 Exchange Street presents significant public safety concerns due to years of vacancy and deterioration. The building has been largely unused for more than two decades and has remained completely vacant for the past five years, leading to compromised building systems, water infiltration, and other hazards that pose ongoing risks to the surrounding area if left unaddressed. Water damage has severely compromised the building's masonry, leading to crumbling bricks that present an immediate health and safety risk. As a result, the property is currently in violation of multiple City of Buffalo building codes and represents a growing liability for the neighborhood. Furthermore, the property requires substantial environmental remediation, as evidenced by its acceptance into the New York State Brownfield Cleanup Program (BCP). The site has documented environmental impacts that must be fully mitigated prior to redevelopment, adding both cost and complexity to the project. The development team has already executed a Brownfield Cleanup Agreement with the NYS Department of Environmental Conservation in December 2024. Finally, due to the age and condition of the building, the project faces considerable costs associated with meeting current building codes and life safety standards, including full upgrades to electrical, plumbing, HVAC, fire protection, accessibility, and elevator systems. These improvements, while essential, significantly increase the cost basis of the project and are not typical for standard residential development. These public safety and compliance challenges, combined with remediation obligations and high rehabilitation costs, underscore the need for ECIDA assistance to make this project viable.

Indicate census tract of project location

164

Indicate how project will eliminate slum and blight

The Iroquois Lofts project will directly eliminate slum and blight by transforming a long-vacant, deteriorating industrial building at 619 Exchange Street into a vibrant, high-quality residential community. The structure has been underutilized for over two decades and completely vacant for the past five years, resulting in significant physical decay, environmental concerns, and visual blight that negatively impact the surrounding Larkinville neighborhood. Through comprehensive rehabilitation, including historic restoration, environmental remediation, and modern code-compliant upgrades, the project will return the property to productive use, enhancing the neighborhood and contributing to the revitalization of Larkinville. The addition of 64 high quality, residential units with active on-site management will attract new residents, support local businesses, stabilize property values, and serve as a catalyst for further revitalization in the area.

If project will be constructed to LEED standards indicate renewable resources utilized

N/A

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.)

N/A

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?

N/A

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

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