

Niagara County Industrial Development Agency

Niagara County Center for Economic Development • 6311 Inducon Corporate Drive, Ste. 1 • Sanborn, NY 14132

REGULAR NCIDA/NCDC/NADC BOARD MEETING

DATE: July 10, 2024
MEETING TIME: 9:00 a.m.
MEETING PLACE: Niagara County Industrial Development Agency
Vantage Center, Suite One
6311 Inducon Corporate Drive
Sanborn, NY 14132

Board of Directors:

___ **Mark A. Onesi**, Chairman
___ **Jason Krempa**, First Vice Chairman
___ **Clifford Scott**, Second Vice Chairman
___ **William L. Ross**, Secretary
___ **Mark Berube**, Assistant Secretary
___ **Ryan J. Mahoney**, Member
___ **Anne E. McCaffrey**, Member
___ **David J. Masse**, Member
___ **William Fekete**, Member

Staff Members:

___ **Andrea Klyczek**, Executive Director
___ **Michael S. Dudley**, Finance Manager
___ **Caroline Caruso**, Accounting Associate
___ **Susan Barone**, Grants & Operations Manager
___ **Jeremy Geartz**, Project Manager
___ **Julie Lamoreaux**, Administrative & HR Officer
___ **Mark J. Gabriele**, Agency Counsel

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- 1.0 Meeting Called to Order – *M. Onesi*
 - 2.0 Roll Call – *J. Lamoreaux*
 - 3.0 Introduction of Guests – *M. Onesi*
 - 4.0 Pledge of Allegiance – *M. Onesi*
 - 5.0 Approval of Meeting Minutes – *W. Ross*
 - 5.1 Regular NCIDA/NCDC/NADC – June 12, 2024
 - 6.0 Finance & Audit Committee Reports – *J. Krempa*
 - 6.1 Agency Payables – June 30, 2024
 - 6.3 Budget Variance Report – June 30, 2024

7.0 Unfinished Business

7.1 Live-USA Incorporated – *A.Klyczek*

7.1.1 Final Resolution

7.2 Hotel Niagara Development, LLC – *A.Klyczek*

7.2.1 Final Resolution

8.0 New Business

8.1 NCDC Request for Loan Approval – *A.Klyczek*

8.1.1 1500 James, LLC

8.2 Cataract Grant Extension – *M. Gabriele*

8.2.1 Aquarium of Niagara

8.3 Enterprise Lumber & Silo, LLC – *M.Gabiele*

8.3.1 Additional Sales Tax Exemption/Extension

8.4 Invest Buffalo Niagara – *A. Klyczek*

8.4.1 MOU between ECIDA, ESD, Invest Buffalo Niagara, NCIDA

8.5 Vantage International Park – *M.Gabriele*

8.5.1 Purchase of 4 Acres

9.0 Agency Counsel – *M. Gabriele*

10.0 Information Items

11.0 Any Other Matters the Board Wishes to Discuss

12.0 Next Regular NCIDA/NCDC/NADC Meeting:

DATE: August 14, 2024

TIME: ** 9:00 a.m. **

PLACE: Niagara County Center for Economic Development

13.0 Adjournment - *M. Onesi*

5.1

MEETING

MINUTES

REGULAR NCIDA/NCDC/NADC BOARD MEETING

DATE: June 12, 2024
MEETING TIME: 9:00 a.m.
MEETING PLACE: Niagara County Industrial Development Agency
Vantage Center, Suite One
6311 Inducon Corporate Drive
Sanborn, NY 14132

1.0 Meeting Called to Order

The regular meeting of the Niagara County Industrial Development Agency was called to order by Chairperson Onesi at 9:00 a.m.

2.0 Roll Call

Mark A. Onesi, Chairperson	Present
Jason Krempa, First Vice Chairman	Present
Clifford Scott, Second Vice Chairman	Present
William L. Ross, Secretary	Present
Mark Berube, Assistant Secretary	Present
Ryan J. Mahoney, Member	Present
Anne E. McCaffrey, Member	Present
David J. Masse, Member	Present
William Fekete, Member	Absent

3.0 Introduction of Guests

Cindy Winter, Live USA Incorporated
Tom Sukmanowski, Live USA Incorporated
Edward Riley, Hotel Niagara Development, LLC
Tom Zawadzki, Hotel Niagara Development, LLC
Guy Falsetti, District Council 4-IUPAT
Robert Creenan, Niagara Gazette
Jonathan Epstein, Buffalo News
Jacob Tierney, Buffalo Business First

4.0 Pledge of Allegiance

Mr. Geartz led the Pledge of Allegiance.

5.0 Approval of Meeting Minutes

5.1 Regular NCIDA/NCDC/NADC – May 8, 2024

Mr. Ross motioned to approve the meeting minutes; Mr. Berube seconded the motion. The motion passed.

6.0 Finance & Audit Committee Reports

6.1 Agency Payables – May 31, 2024

Mr. Krempa stated that the monthly payables have been reviewed and found to be in order.

Mr. Krempa made a motion to approve the monthly payables; Mr. Mahoney seconded the motion. The motion passed.

6.3 Budget Variance Report – May 31, 2024

Mr. Krempa stated that the budget variance reports have been reviewed and found to be in order.

Mr. Krempa made a motion to approve the Budget Variance Report; Ms. McCaffrey seconded the motion. The motion passed.

7.0 Unfinished Business

7.1 2429 Military Road, LLC

Mr. Geartz stated that a public hearing was held for 2429 Military Road, LLC on May 21, 2024. The public hearing was held at the Town of Niagara Town Hall. There were no attendees and no comments were made.

7.1.1 Final Resolution

RESOLUTION OF THE NIAGARA COUNTY INDUSTRIAL DEVELOPMENT AGENCY (i) UNDERTAKE A CERTAIN PROJECT FOR THE BENEFIT OF 2429 MILITARY ROAD, LLC AND/OR AN INDIVIDUAL(S) OR AFFILIATE, SUBSIDIARY, OR ENTITY FORMED OR TO BE FORMED ON ITS BEHALF (AS MORE FULLY DEFINED BELOW); (ii) NEGOTIATE AND EXECUTE AN AGENT AND FINANCIAL ASSISTANCE PROJECT AGREEMENT AND RELATED DOCUMENTS; AND (iii) PROVIDE FINANCIAL ASSISTANCE TO THE COMPANY IN THE FORM OF A SALES TAX EXEMPTION FOR PURCHASES AND RENTALS RELATED TO THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF THE PROJECT.

Mr. Ross made a motion to approve the Final Resolution; Mr. Masse seconded the motion. The motion passed.

The question of the approval of the Resolution as duly put to a vote on roll call, which resulted as follows:

	<u>Yea</u>	<u>Nay</u>	<u>Abstain</u>	<u>Absent</u>
Mark Onesi	x			
Jason Krempa	x			
Clifford Scott	x			
William L. Ross	x			
Mark Berube	x			
Ryan Mahoney	x			
Anne E. McCaffrey	x			
David J. Masse	x			
William Fekete				x

The Resolution was thereupon duly adopted.

7.2 MGA Construction, LLC

Mr. Geartz stated that a public hearing was held for MGA Construction, LLC on June 5, 2024. The public hearing was held at the Niagara County Center for Economic Development. There were no attendees and no comments were made.

7.2.1 Final Resolution

RESOLUTION OF THE NIAGARA COUNTY INDUSTRIAL DEVELOPMENT AGENCY (i) UNDERTAKE A CERTAIN PROJECT FOR THE BENEFIT OF MGA CONSTRUCTION, LLC AND/OR AN INDIVIDUAL(S) OR AFFILIATE, SUBSIDIARY, OR ENTITY FORMED OR TO BE FORMED ON ITS BEHALF (AS MORE FULLY DEFINED BELOW); (ii) DETERMINE THAT THE PROJECT WILL NOT HAVE A SIGNIFICANT EFFECT ON THE ENVIRONMENT; (iii) NEGOTIATE AND EXECUTE A LEASE AGREEMENT, LEASEBACK AGREEMENT, PAYMENT-IN-LIEU-OF-TAX AGREEMENT, PILOT MORTGAGE AND RELATED DOCUMENTS: AND (iv) PROVIDE FINANCIAL ASSISTANCE TO THE COMPANY IN THE FORM OF (A) A SALES TAX EXEMPTION FOR PURCHASES AND RENTALS RELATED TO THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF THE PROJECT, (B) A MORTGAGE RECORDING TAX EXEMPTION FOR THE FINANCING RELATED TO THE PROJECT; AND (C) A PARTIAL ABATEMENT OF REAL PROPERTY TAXES RELATED TO THE PROJECT, AND (D) A MORTGAGE RECORDING TAX EXEMPTION FOR THE MORTGAGE RELATED TO THE PILOT AGREEMENT.

Mr. Krempa made a motion to approve the Final Resolution; Mr. Mahoney seconded the motion. The motion passed.

The question of the approval of the Resolution as duly put to a vote on roll call, which resulted as follows:

	<u>Yea</u>	<u>Nay</u>	<u>Abstain</u>	<u>Absent</u>
Mark Onesi	x			
Jason Krempa	x			
Clifford Scott	x			
William L. Ross	x			
Mark Berube	x			
Ryan Mahoney	x			
Anne E. McCaffrey	x			
David J. Masse	x			
William Fekete				x

The Resolution was thereupon duly adopted.

8.0 New Business

8.1 Live-USA Incorporated

Mr. Geartz stated that Live-USA Incorporated plans to renovate the vacant 80 room Howard Johnson located on approximately 2 acres at 472 Main Street in Niagara Falls. The renovation will include a music venue, a celebrity-endorsed restaurant, and bar. The company plans to create an immersive “Rock & Roll” experience, complete with genre/artist-specific floors, containing an ultra-size bed and personalized recording studio with instruments and microphone. Guests will have VIP access to daily concerts and live events. The project will create 42 jobs over the next three years.

Cindy Winter added that there are no other hotels like this in the area and is anticipating success for the hotel’s future. There are plans of having karaoke and hosting live concerts that can hold up to 400 people. The hotel is expected to be open by June of 2025.

8.1.1 Preliminary Resolution

RESOLUTION OF THE NIAGARA COUNTY INDUSTRIAL DEVELOPMENT AGENCY (i) ACCEPTING THE APPLICATION OF LIVE-USA INCORPORATED WITH RESPECT TO A CERTAIN PROJECT (AS MORE FULLY DEFINED BELOW) TO BE UNDERTAKEN BY THE AGENCY FOR THE BENEFIT OF LIVE-USA INCORPORATED FOR ITSELF OR ON BEHALF OF AN ENTITY FORMED OR TO BE FORMED; (ii) AUTHORIZING A PUBLIC HEARING WITH RESPECT TO THE PROJECT; (iii) AUTHORIZING THE EXECUTIVE DIRECTOR OF THE AGENCY TO TAKE CERTAIN ACTIONS UNDER ARTICLE 8 OF THE ENVIRONMENTAL CONSERVATION LAW IN CONNECTION WITH THE PROJECT; (iv) DESCRIBING THE FORMS OF FINANCIAL ASSISTANCE BEING CONTEMPLATED BY THE AGENCY.

Mr. Krempa made a motion to approve the Preliminary Resolution; Mr. Scott seconded the motion. The motion passed.

The question of the approval of the Resolution as duly put to a vote on roll call, which resulted as follows:

	<u>Yea</u>	<u>Nay</u>	<u>Abstain</u>	<u>Absent</u>
Mark Onesi	x			
Jason Krempa	x			
Clifford Scott	x			
William L. Ross	x			
Mark Berube	x			
Ryan Mahoney	x			
Anne E. McCaffrey	x			
David J. Masse	x			
William Fekete				x

The Resolution was thereupon duly adopted.

8.1.2 Authorize Public Hearing

Mr. Krempa made a motion to approve the Public Hearing; Mr. Ross seconded the motion. The motion passed.

8.2 Hotel Niagara Development, LLC

Ms. Klyczek stated that USA Niagara Development Corporation, a subsidiary of New York State acquired the property in 2016, issued an RFP for developers and selected the applicant as the preferred developer.

Hotel Niagara Development, LLC will redevelop the Hotel into an upscale, full service hotel while maintaining its historic characteristics. When complete the hotel will include 160 guest rooms, a main and second ballroom, full service restaurant, a lounge that will be open to the sidewalk, as well as an exterior patio. The hotel will also feature a roof-top lounge and a space for private meeting and dining facilities.

The property is listed on the National Historic Register, therefore, the construction scope will include restoration of the exterior, including decorative terra cotta repair and/or replacement with original stone cleaned and polished and original decorative windows restored. The interior areas including the lobby, restaurant, ballroom, mezzanine, and meeting rooms will all be restored with original colors. The guest rooms and basement barbershop will also be subject to original restoration.

In addition to the restoration of the hotel, there will also be extensive mechanical upgrades needed. The HVAC, electrical, plumbing and sprinklers throughout the property all need replacing and or significant upgrading. The project plans on creating

67 jobs over the next 3 years.

Edward Riley informed the Board that this project had been previously brought to them in 2020. Because of the covid pandemic the projects financing fell through and caused the project to be delayed. It took several months to put the financing back in place, in addition to the historic tax credits, all of which are ready now. He added that this hotel will be ran as a 4 diamond hotel similar to the Marriott hotel he runs in Syracuse, NY. The hotel plans on hosting on average 120 weddings per year. The hotel will have valet parking, and plans on working with the hospitality students from Niagara University.

8.2.1 Preliminary Resolution

RESOLUTION OF THE NIAGARA COUNTY INDUSTRIAL DEVELOPMENT AGENCY (i) ACCEPTING THE APPLICATION OF HOTEL NIAGARA DEVELOPMENT, LLC WITH RESPECT TO A CERTAIN PROJECT (AS MORE FULLY DEFINED BELOW) TO BE UNDERTAKEN BY THE AGENCY FOR THE BENEFIT OF HOTEL NIAGARA DEVELOPMENT, LLC FOR ITSELF OR ON BEHALF OF AN ENTITY FORMED OR TO BE FORMED; (ii) AUTHORIZING A PUBLIC HEARING WITH RESPECT TO THE PROJECT; (iii) AUTHORIZING THE EXECUTIVE DIRECTOR OF THE AGENCY TO TAKE CERTAIN ACTIONS UNDER ARTICLE 8 OF THE ENVIRONMENTAL CONSERVATION LAW IN CONNECTION WITH THE PROJECT; (iv) PROVIDE SALES TAX EXEMPTION FOR PURCHASES AND RENTALS RELATED TO THE CONSTRUCTION AND EQUIPPING OF THE PROJECT; AND (v) DESCRIBING THE FORMS OF FINANCIAL ASSISTANCE BEING CONTEMPLATED BY THE AGENCY.

Mr. Krempa made a motion to approve the Preliminary Resolution; Mr. Ross seconded the motion. The motion passed.

The question of the approval of the Resolution as duly put to a vote on roll call, which resulted as follows:

	<u>Yea</u>	<u>Nay</u>	<u>Abstain</u>	<u>Absent</u>
Mark Onesi	x			
Jason Krempa	x			
Clifford Scott	x			
William L. Ross	x			
Mark Berube	x			
Ryan Mahoney	x			
Anne E. McCaffrey	x			
David J. Masse	x			
William Fekete				x

The Resolution was thereupon duly adopted.

8.2.2 Authorize Public Hearing

Mr. Masse made a motion to approve the Public Hearing; Mr. Berube seconded the motion. The motion passed.

8.3 NCDC Request for Grant Approval

8.3.1 Ya Ghada Have It, LLC

Ms. Barone stated that Ya Ghada Have It LLC is a recently established start-up business that is a food truck offering fresh Mediterranean food. The food truck will participate in local festivals and farmers markets as well as offering onsite lunch service to various business destinations around the Country. The owner qualifies as low-to-moderate income and will be hiring part-time help during the busy season. The company is requesting a \$21,000 microenterprise grant. This grant request was unanimously approved by the Committee for recommendation to the Board.

8.3.1 Ya Ghada Have It, LLC

RESOLUTION OF THE NIAGARA COUNTY INDUSTRIAL DEVELOPMENT AGENCY
 APPROVING MICRO ENTERPRISE FUND GRANT TO YA GHADA HAVE IT, LLC

Mr. Krempa made a motion to approve the Grant Request; Mr. Ross seconded the motion. The motion passed.

The question of the approval of the Resolution as duly put to a vote on roll call, which resulted as follows:

	<u>Yea</u>	<u>Nay</u>	<u>Abstain</u>	<u>Absent</u>
Mark Onesi	x			
Jason Krempa	x			
Clifford Scott	x			
William L. Ross	x			
Mark Berube	x			
Ryan Mahoney	x			
Anne E. McCaffrey	x			
David J. Masse	x			
William Fekete				x

The Resolution was thereupon duly adopted.

8.3.2 Jeffrey Barker dba Barker Outdoors

Ms. Barone stated that Jeffrey Barker dba Barker Outdoors is an outdoor sporting goods store specializing in unique thermal and night optics for hunting enthusiasts. They have been in business 4 years with an online store, and retail location in Youngstown. Recently the business has expanded to be an approved supplier on Amazon and other

retail websites. With this expansion, they are in need of increased inventory to provide more in-stock items for their supply chain. As an additional benefit to the business and the County, their specialty parts supplies are solely-manufactured in a local Niagara County machine shop. The owner qualifies as a low-to-moderate income. The business is requesting a \$20,000 Microenterprise Grant. This grant request was unanimously approved by the Committee for recommendation to the Board.

8.3.2 Jeffrey Barker dba Barker Outdoors

RESOLUTION OF THE NIAGARA COUNTY INDUSTRIAL DEVELOPMENT AGENCY
 APPROVING MICRO ENTERPRISE FUND GRANT TO JEFFREY BARKER D/B/A BARKER
 OUTDOORS

Mr. Krempa made a motion to approve the Grant Request; Mr. Masse seconded the motion. The motion passed.

The question of the approval of the Resolution as duly put to a vote on roll call, which resulted as follows:

	<u>Yea</u>	<u>Nay</u>	<u>Abstain</u>	<u>Absent</u>
Mark Onesi	x			
Jason Krempa	x			
Clifford Scott	x			
William L. Ross	x			
Mark Berube	x			
Ryan Mahoney	x			
Anne E. McCaffrey	x			
David J. Masse	x			
William Fekete				x

The Resolution was thereupon duly adopted.

8.4 Executive Director

Mr. Gabriele requested that the Board go into Executive Session.

Mr. Krempa made a motion to go into Executive Session; Mr. Berube seconded the motion. The motion passed.

Mr. Krempa made a motion to come out of Executive Session; Mr. Ross seconded the motion. The motion passed.

Mr. Gabriele stated that in the executive session it was decided that Andrea Klyczek would be promoted to the Executive Director. Her agreement will be a 5 year contract with a base salary of \$140,000 per year.

Mr. Cliffe made a motion to promote Andrea Klyczek as the Executive Director; Mr. Krempa seconded the motion. The motion passed.

The question of the approval of the Resolution as duly put to a vote on roll call, which resulted as follows:

	<u>Yea</u>	<u>Nay</u>	<u>Abstain</u>	<u>Absent</u>
Mark Onesi	x			
Jason Krempa	x			
Clifford Scott	x			
William L. Ross	x			
Mark Berube	x			
Ryan Mahoney	x			
Anne E. McCaffrey	x			
David J. Masse	x			
William Fekete				x

The Resolution was thereupon duly adopted.

9.0 Agency Counsel

Agency Counsel had no comments at this time.

10.0 Information Items

There were no information items at this time.

11.0 Any Other Matters the Board Wishes to Discuss

There were no other matters the Board wished to discuss.

12.0 Next Regular NCIDA/NCDC/NADC Meeting:

DATE: July 10, 2024

TIME: ** 9:00 a.m. **

PLACE: Niagara County Center for Economic Development

13.0 Adjournment

Mr. Onesi made a motion to adjourn; Mr. Ross seconded the motion. The meeting adjourned at 10:03 a.m.

Respectfully Submitted:

Reviewed By:

Approved By:

Julie Lamoreaux
Administrative Assistant

Andrea Klyczek
Executive Director

William L. Ross
Secretary

6.1

AGENCY

PAYABLES

Niagara County Industrial Devel. Agency
Check Register
For the Period From Jun 1, 2024 to Jun 30, 2024

Filter Criteria includes: Report order is by Date.

Check #	Date	Payee	Cash Account	Amount
30111	6/4/24	Cintas Corporation LOC. 067P	10001.100	93.80
30112	6/4/24	First Choice Coffee Services	10001.100	277.69
30113	6/4/24	Gabriele & Berrigan, P.C.	10001.100	5,000.00
30114	6/4/24	Gibson, McAskill & Crosby, LLP	10001.100	9.50
30115	6/4/24	THE HARTFORD	10001.100	176.25
30116	6/4/24	M&T Bank	10001.100	2,384.64
30117	6/4/24	National Grid	10001.100	596.53
30118	6/4/24	Niagara Gazette Lockport Union Sun	10001.100	137.60
6/4/24	6/4/24	NEW YORK STATE AND LOCAL	10001.100	964.23
30119	6/11/24	360 PSG.com	10001.100	60.00
30120	6/11/24	County of Niagara	10001.100	265.33
30121	6/11/24	Niagara Gazette Lockport Union Sun	10001.100	123.05
6/13/24	6/13/24	PAYCHEX, INC.	10001.100	99.38
6/14/24	6/14/24	NYS DEFERRED COMPENSATION PLAN	10001.100	769.75
30122	6/18/24	County of Niagara	10001.100	194.55
30123	6/18/24	Niag Cnty Dept of Economic Development	10001.100	390.06
30124	6/18/24	Niagara Gazette Lockport Union Sun	10001.100	118.65
30125	6/18/24	STAPLES CONTRACT & COMMERCIAL	10001.100	100.88
6/20/24	6/20/24	PAYCHEX, INC.	10001.100	128.00
30126	6/25/24	Charter Communications	10001.100	129.99
30127	6/25/24	County of Niagara	10001.100	300.63
30128	6/25/24	Guardian	10001.100	308.72
30129	6/25/24	Independent Health	10001.100	2,077.82
30130	6/25/24	Jeremy Geartz	10001.100	298.21
30131	6/25/24	Niagara Gazette Lockport Union Sun	10001.100	271.32
6/27/24	6/27/24	PAYCHEX, INC.	10001.100	100.53
6/28/24	6/28/24	NYS DEFERRED COMPENSATION PLAN	10001.100	697.75
Total				<u>16,074.86</u>

NCIDA VIP-MTF Operating
Check Register
For the Period From Jun 1, 2024 to Jun 30, 2024

Filter Criteria includes: Report order is by Date.

Check #	Date	Payee	Cash Account	Amount
4914	6/4/24	Frontier	10001.600	277.81
4915	6/4/24	National Grid	10001.600	509.53
4916	6/11/24	Beau Enterprises, Inc.	10001.600	641.00
4917	6/11/24	H.W.BRYK & SONS, INC.	10001.600	497.25
4918	6/11/24	DAVIS-ULMER Sprinkler Co.	10001.600	170.00
4919	6/11/24	County of Niagara	10001.600	222.00
4920	6/18/24	Modern Disposal Services, Inc.	10001.600	191.51
4921	6/18/24	County of Niagara	10001.600	110.31
4922	6/25/24	County of Niagara	10001.600	254.84
Total				2,874.25

NCIDA - MTF - Operating Fund
Check Register
For the Period From Jun 1, 2024 to Jun 30, 2024

Filter Criteria includes: Report order is by Date.

Check #	Date	Payee	Cash Account	Amount
3180	6/4/24	DAVIS-ULMER Sprinkler Co.	10001.600	180.00
3181	6/4/24	DOYLE SECURITY SYSTEMS, INC.	10001.600	511.80
3182	6/4/24	National Grid	10001.600	59.31
3183	6/11/24	Beau Enterprises, Inc.	10001.600	375.00
3184	6/18/24	VERIZON	10001.600	130.89
Total				<u><u>1,257.00</u></u>

NCDC - CDBG/HUD - RLF
Check Register
For the Period From Jun 1, 2024 to Jun 30, 2024

Filter Criteria includes: Report order is by Date.

Check #	Date	Payee	Cash Account	Amount
272	6/21/24	PEMM Niagara, LLC	10200-300	142,000.00
273	6/21/24	PEMM Niagara, LLC	10200-300	142,000.00
274	6/25/24	H. Sicherman & Company, Inc.	10200-300	16,000.00
Total				<u><u>300,000.00</u></u>

Niagara Industrial Incubator Associates
Check Register
For the Period From Jun 1, 2024 to Jun 30, 2024

Filter Criteria includes: Report order is by Date.

Check #	Date	Payee	Cash Account	Amount
1414	6/4/24	Chichester Inc.	10000.100	1,864.16
1415	6/4/24	National Grid	10000.100	224.64
1416	6/25/24	Town of Wheatfield	10000.100	55.19
Total				<u><u>2,143.99</u></u>

6.2

**BUDGET
VARIANCE
REPORTS**

NIAGARA COUNTY INDUSTRIAL DEVELOPMENT AGENCY

BUDGET VARIANCE REPORT AS OF June 30, 2024

UN-AUDITED STATEMENT FOR INTERNAL MANAGEMENT USE ONLY

	Current Month Actual	Current Month Budget	Year To Date Actual	Year To Date Budget	Year To Date Variance	Total Budget
<u>Operating Revenues</u>						
Project Administrative Fees	\$ 0.00	\$ 25,874.00	\$ 736,700.00	\$ 309,981.00	426,719.00	\$ 527,232.00
Project Application Fees	0.00	1,000.00	4,000.00	6,000.00	(2,000.00)	12,000.00
NEDF RLF Administrative Fee	4,166.67	4,166.67	25,000.02	25,000.02	0.00	50,000.00
Administratve Fees - Other	0.00	0.00	5,303.44	0.00	5,303.44	28,040.00
Interest Earnings	6,009.69	3,820.42	34,994.62	22,922.52	12,072.10	45,845.00
Miscellaneous Income	14,416.22	14,315.08	86,542.62	85,890.48	652.14	171,781.00
Distributions From Affiliates	0.00	0.00	0.00	0.00	0.00	100,000.00
Distribution from VIP MTF	0.00	0.00	0.00	0.00	0.00	100,000.00
Total Operating Revenues	24,592.58	49,176.17	892,540.70	449,794.02	442,746.68	1,034,898.00
<u>Operating Expenses</u>						
Salaries	26,947.62	35,793.76	224,082.61	232,659.44	(8,576.83)	465,319.00
Benefits	4,196.66	5,410.75	27,247.16	32,464.50	(5,217.34)	64,929.00
Retirement Benefits	5,310.92	5,310.92	31,865.52	31,865.52	0.00	63,731.00
Payroll Taxes	2,123.96	2,759.09	17,420.08	17,889.01	(468.93)	35,778.00
Unemployment Taxes	91.51	0.00	1,666.56	1,575.00	91.56	1,575.00
Consultants	2,500.00	2,500.00	15,000.00	15,000.00	0.00	30,000.00
Executive Director	6,516.17	0.00	13,032.34	0.00	13,032.34	0.00
Assisstant Director	0.00	6,516.17	26,064.68	39,097.02	(13,032.34)	78,194.00
Legal Services	5,833.33	5,833.33	47,922.30	34,999.98	12,922.32	70,000.00
Accounting Services	0.00	0.00	21,000.00	20,710.00	290.00	20,710.00
Accounting Services - NADC	0.00	0.00	1,500.00	1,500.00	0.00	1,500.00
Marketing	1,042.15	1,833.33	7,703.50	10,999.98	(3,296.48)	22,000.00
Sponsorships	250.00	0.00	250.00	0.00	250.00	0.00
Printing	0.00	100.00	0.00	600.00	(600.00)	1,200.00
Office Supplies	0.00	208.33	517.38	1,249.98	(732.60)	2,500.00
Postage	0.00	185.00	1,528.84	2,070.00	(541.16)	3,750.00
Telephone & Fax	122.60	107.08	683.85	642.48	41.37	1,285.00
Internet Service	169.99	195.67	1,019.94	1,174.02	(154.08)	2,348.00
Common Area Charges	874.50	874.50	5,247.00	5,247.00	0.00	10,494.00
Energy	1,050.00	1,212.00	7,330.70	9,575.00	(2,244.30)	18,081.00
Conference & Travel	1,474.55	666.67	7,244.08	4,000.02	3,244.06	8,000.00
Employee Training	0.00	500.00	1,450.00	3,000.00	(1,550.00)	6,000.00
Depreciation Expense	0.00	0.00	0.00	0.00	0.00	6,462.00
Insurance Expense	1,708.24	1,824.42	10,249.44	10,946.52	(697.08)	21,893.00
Library & Membership	0.00	326.92	2,067.94	1,961.52	106.42	3,923.00
General Office	748.99	993.33	6,624.79	5,959.98	664.81	11,920.00
Repairs & Maintenance	980.64	1,065.00	5,889.29	6,390.00	(500.71)	12,780.00
Computer Support	0.00	500.00	1,114.39	3,000.00	(1,885.61)	6,000.00
Public Hearings	0.00	25.00	118.65	150.00	(31.35)	300.00
Furniture & Equipment Purchase	0.00	166.67	0.00	1,000.02	(1,000.02)	2,000.00
Other Expense	0.00	83.33	5.29	499.98	(494.69)	1,000.00
Total Operating Expenses	61,941.83	74,991.27	485,846.33	496,226.97	(10,380.64)	973,672.00
Net Operating Income/<Loss>	(37,349.25)	(25,815.10)	406,694.37	(46,432.95)	453,127.32	61,226.00
<u>Non-Operating Revenue & Expense</u>						
Grant Rev- City NF Initiative	0.00	0.00	265,172.31	0.00	265,172.31	2,145,609.00
Grant Sub-City NF Initiative	0.00	0.00	265,172.31	0.00	265,172.31	2,145,609.00
Net Non-Operating Income/<Loss>	0.00	0.00	0.00	0.00	0.00	0.00
Total Net Income/<Loss>	(\$ 37,349.25)	(\$ 25,815.10)	\$ 406,694.37	(\$ 46,432.95)	453,127.32	\$ 61,226.00

NIAGARA COUNTY INDUSTRIAL DEVELOPMENT AGENCY

Balance Sheet
June 30, 2024

ASSETS

Current Assets	
Cash - Checking	\$ 443,681.02
Petty Cash	300.00
Mmkt Acct. - M&T Bank	2,566,152.41
Cash - First Response	66,279.93
Cash - City of N.F.	821.01
Mmkt Acct. - Cataract Tourism	2,758,889.74
Accts Rec - Public Hearings	2,312.48
Accounts Receivable Niag. Cnty	606.20
Accounts Rec. EDA - RLF	89,166.61
Due To/From Micro RLF	23,566.31
Due To/From VIP - MTF	471,114.40
Due From NCDC CDBG/HUD	14,166.78
Due To/Due From NADC	500.56
Due To/From MTF Operating	3,824.08
Prepaid Insurance	<u>11,415.72</u>
 Total Current Assets	 6,452,797.25
Other Assets	
Deferred Outflows	180,568.00
Investment in NHA	<u>342,500.00</u>
 Total Other Assets	 523,068.00
Fixed Assets	
Furniture & Equipment	231,672.18
Furn & Fixtures - Fed purchase	5,861.08
Accum Dep. - Furn & Equip	(208,515.61)
Accum Dep. - F&F Fed Purch	<u>(5,861.08)</u>
 Total Fixed Assets	 23,156.57
 Total Assets	 <u>\$ 6,999,021.82</u>

LIABILITIES AND NET ASSETS

Current Liabilities	
NYS Retirement W/H 414(H)	\$ 642.82
Accrued Retirement	31,865.52
Deferred Rev. - NEDF	24,999.98
Deferred Rev. - First Repsonse	66,279.93
Def. Rev. - City of N.F.	2,759,710.75
Accounts Payable	26,590.60
Acct. Payable - Niag. County	<u>39,097.02</u>
 Total Current Liabilities	 2,949,186.62
Long-Term Liabilities	
Pension Liability	139,492.00
Deferred Inflows of Resources	<u>22,355.00</u>
 Total Long-Term Liabilities	 <u>161,847.00</u>
 Total Liabilities	 3,111,033.62
Net Assets	
Fund Balance - Operating Fund	3,481,293.83
Net Income	<u>406,694.37</u>
 Total Net Assets	 <u>3,887,988.20</u>
 Total Liabilities & Net Assets	 <u>\$ 6,999,021.82</u>

**Niagara County Industrial
Development Agency
Aged Payables
As of June 30, 2024**

Vendor ID Vendor	Invoice #	Amount Due
CARUSO Caroline M. Caruso	5/2/24-6/24/24	47.17
cin Cintas Corporation #782	6777508;5356250	93.80
FCCoffee First Choice Coffee Service	380590	221.08
HART The Hartford	LDNY725958 Apr-Jun 24	832.39
M&TBUS M&T Bank	Jun 2024	3,141.66
NYSDLUI NYS Unemployment Insurance	2024 Interest Assessment	91.51
ProJan Professional	1480	823.00
Report Total		<u>5,250.61</u>
 <u>Adjusting Journal Entries</u>		
	Estimated Apr 2024 Legal Fees	5,833.33
	Estimated May 2024 Legal Fees	5,833.33
	Estimated Jun 2024 Legal Fees	5,833.33
	Estimated Jun 2024 Copier usage	200.00
	Estimated Apr-Jun 2024 Telephone	90.00
	Estimated Jun 2024 Niagara County Electric	400.00
	Estimated Jun 2024 Niagara County Gas	50.00
	Estimated Jun 2024 National Grid	600.00
	Estimated Aug 2023 Consulting	2,500.00
		<u><u>26,590.60</u></u>

**Cataract Tourism Fund
Grant Program**

Grantee Name	Grant Awards	Outst'd'g Awards	Approval Date	Disbursement Date	Disbursement Amount	Offer Expiration	Project Description
Niagara County Dept. of Economic Development	37,667	0.00	10/11/2017	1/23/2018	37,667.00		Feasibility study for Niagara Falls area multi-use facility.
Niagara Aquarium Foundation	88,147	0.00	2/14/2018	7/15/2019	88,147.00		Jellyfish exhibit and equipment.
The Tourism Research Entrepreneurship Center (TReC)	176,600	0.00	8/8/2018	6/2/2020	176,600.00		Buildout, audio/visual equipment and network connectivity hardware.
Niagara Aquarium Foundation	16,717	0.00	2/12/2020	10/21/2020	16,717.00		Renovations to second floor event room.
Niagara Aquarium Foundation	370,000	0.00	8/14/2019	2/9/2021	370,000.00		Interactive touch pools adjacent to main entrance of the Aquarium.
Red Star Builders, LLC (The Niagara Club)	64,403	0.00	7/10/2019	9/7/2021	64,403.00		Spot Coffee.
Niagara Falls Center for Tourism LLC	1,000,000	0.00	6/12/2019	7/7/2023	598,661.03		Construction of an indoor family entertainment center and outdoor improvements.
The Center for Kashmir, Inc.	573,000	300,000.00	6/14/2023	8/9/2023	273,000.00	12/31/2024	Renovations to vacant church for a museum of art and culture for Kashmir.
Savarino Companies, LLC	155,000	0.00	4/14/2021	4/26/2023	155,000.00		Rehabilitation of 4,000 square feet of commercial/retail storefront space.
Niagara Aquarium Foundation	900,000	900,000.00	2/9/2022	To Be Disbursed	0.00	12/31/2023	Renovations to the Niagara Gorge Discovery Center for expanded programming.
Niagara Aquarium Foundation	35,000	0.00	2/8/2023	1/2/2024	35,000.00		Sea turtle exhibit.
Burger Factory Niagara Falls, Inc.	185,250	0.00	2/8/2023	1/11/2024	185,250.00		Facade renovations.
Niagara Falls International Cuisine, Inc.	76,500	0.00	2/8/2023	1/11/2024	44,922.31		Dining area renovations.
Hammer & Crown BC	33,000	33,000.00	3/22/2023	To Be Disbursed	0.00	12/1/2023	Kitchen buildout, bar and dining area remodeling.
TM Montante Development(Radio Niagara)	912,609	912,609.00	3/22/2023	To Be Disbursed	0.00	11/1/2023	Renovations for restaurant, bar, game space, bowling lounge and boutique hotel.
To Date Sub-Total	4,623,893	2,145,609.00			2,045,367.34		
6/30/2024	2,759,710.75						
Less: Outstanding Awards	(2,145,609.00)						
Available for awarding grants	614,101.75						
Grant Fund Balance							
Grant Funding from NYS 11/22/2016	1,600,000.00						
Grant Funding from NYS 10/16/2017	1,440,000.00						
Grant Funding from NYS 10/12/2018	1,600,000.00						
Bank Interest	165,121.35						
Bank Fees	(43,26)						
Grant Disbursements	(2,045,367.34)						
Grant Fund Balance	2,759,710.75						

7.1

Live-USA

Incorporated

PROJECT SUMMARY
Live-USA Incorporated



Applicant:	Live-USA Incorporated	
Project Location:	472 Main Street, Niagara Falls, NY 14301	
Assistance:	10 Year PILOT Sales Tax Abatement Mortgage Recording Tax Abatement	
Description:	Live-USA Incorporated plans to renovate the vacant 80 room Howard Johnson located on approx. 2 acres at 472 Main Street in Niagara Falls. The renovation will include a music venue, a celebrity-endorsed restaurant, and bar. The company plans to create an immersive “Rock & Roll” experience, complete with genre/artist-specific floors, containing an ultra-size bed and personalized recording studio with instruments and microphone. Guests will have VIP access to daily concerts and live events.	
Project Costs:	Acquisition	\$ 5,000,000
	Construction/Improvements	\$ 4,500,000
	Furniture, Fixtures & Equipment	\$ 6,000,000
	Soft costs	\$ 500,000
	Other	\$ 0
	TOTAL	\$16,000,000
Employment:	Current jobs in Niagara County: 0 New Jobs in Niagara County within 3 years: 42 Estimated Annual Payroll for New Jobs: \$1,800,000 Skills: Management, Professional, Administrative, Line Employees, Sales	
Evaluative Criteria:	Redevelopment supports or aligns with regional or local development plans. Regional Wealth Creation, Proximity/Support of Regional Tourism Attractions/Facilities, Generation of Local Revenues (i.e. Hotel Bed Taxes), Supports Local Business or Cluster, In region Purchase, Local Vendors.	

Niagara County Industrial Development Agency

MRB Cost Benefit Calculator



Date: May 29, 2024
 Project Title: Live-USA Incorporated
 Project Location: 472 Main Street, Niagara Falls, NY 14301

Economic Impacts

Summary of Economic Impacts over the Life of the PILOT

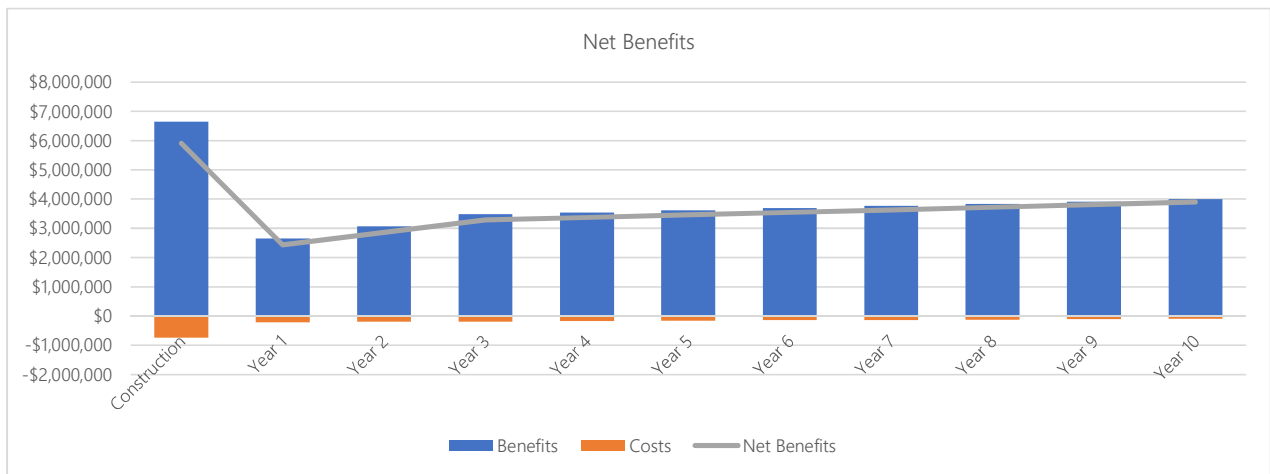
Project Total Investment

\$16,000,000

Temporary (Construction)			
	Direct	Indirect	Total
Jobs	59	25	85
Earnings	\$4,932,835	\$1,336,039	\$6,268,874
Local Spend	\$12,800,000	\$4,599,311	\$17,399,311

Ongoing (Operations)			
Aggregate over life of the PILOT			
	Direct	Indirect	Total
Jobs	42	15	57
Earnings	\$21,474,235	\$12,089,221	\$33,563,456

Figure 1



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

Figure 2

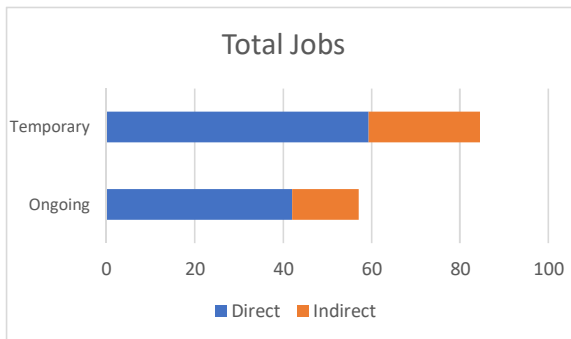
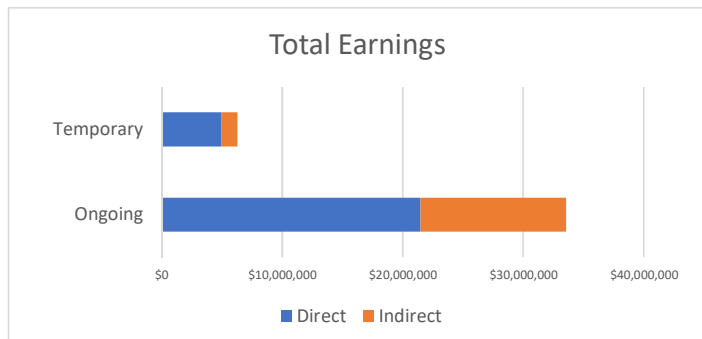


Figure 3



Fiscal Impacts



Cost-Benefit Analysis Tool powered by MRB Group

Estimated Costs of Exemptions

	Nominal Value	Discounted Value*
Property Tax Exemption	\$1,519,953	\$1,384,694
Sales Tax Exemption	\$660,000	\$660,000
Local Sales Tax Exemption	\$330,000	\$330,000
State Sales Tax Exemption	\$330,000	\$330,000
Mortgage Recording Tax Exemption	\$75,000	\$75,000
Local Mortgage Recording Tax Exemption	\$25,000	\$25,000
State Mortgage Recording Tax Exemption	\$50,000	\$50,000
Total Costs	\$2,254,953	\$2,119,694

State and Local Benefits

	Nominal Value	Discounted Value*
Local Benefits	\$40,088,628	\$36,460,498
To Private Individuals	\$39,832,330	\$36,243,092
Temporary Payroll	\$6,268,874	\$6,268,874
Ongoing Payroll	\$33,563,456	\$29,974,218
Other Payments to Private Individuals	\$0	\$0
To the Public	\$256,298	\$217,406
Increase in Property Tax Revenue	(\$22,528)	(\$36,296)
Temporary Jobs - Sales Tax Revenue	\$43,882	\$43,882
Ongoing Jobs - Sales Tax Revenue	\$234,944	\$209,820
Other Local Municipal Revenue	\$0	\$0
State Benefits	\$2,071,281	\$1,884,641
To the Public	\$2,071,281	\$1,884,641
Temporary Income Tax Revenue	\$282,099	\$282,099
Ongoing Income Tax Revenue	\$1,510,356	\$1,348,840
Temporary Jobs - Sales Tax Revenue	\$43,882	\$43,882
Ongoing Jobs - Sales Tax Revenue	\$234,944	\$209,820
Total Benefits to State & Region	\$42,159,909	\$38,345,139

Benefit to Cost Ratio

	Benefit*	Cost*	Ratio
Local	\$36,460,498	\$1,739,694	21:1
State	\$1,884,641	\$380,000	5:1
Grand Total	\$38,345,139	\$2,119,694	18:1

*Discounted at 2%

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

Yes

Additional Revenues:

County	\$158,754
City/Town/Village	\$649,546
School District	\$315,179

*Estimated Value of Goods and Services to be exempt from sales and use tax as a result of the Agency's involvement in the Project. PLEASE NOTE: These amounts will be verified and there is potential for a recapture of sales tax exemptions (see "Recapture" on page 11 of the Application). (To be used on NYS ST-60)

\$8,250,000

Additional Comments from IDA

0

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

Yes

Public Hearing for Live-USA Incorporated
July 3, 2024 at 2:00 p.m.
Niagara Falls City Hall

Jeremy Geartz; Welcome. This public hearing is now open; it is 2:00 p.m. My name is Jeremy Geartz. I am a Project Manager at the Niagara County Industrial Development Agency, and I will be the hearing officer to conduct this public hearing. Notice of this public hearing was published in the Niagara Gazette.

We are here to hold the public hearing on Live-USA Incorporated and/or Individual(s) or 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.

The proposed project (the "Project") includes the renovation of the vacant 80 room Howard Johnson located on approx.. 2 acres at 472 Main Street in Niagara Falls. The renovation will include a music venue, a celebrity-endorsed restaurant, and bar.

The proposed financial assistance contemplated by the Agency includes New York State and local sales and use tax exemption benefits in compliance with Agency's tax exemption policy. The project application and project summary are posted on the Agency's website at niagaracountybusiness.com and I have copies with me today.

If you have a written comment to submit for the record, you may do so. Written comments may also be delivered to Agency at 6311 Inducon Corporate Drive, Suite One, Sanborn, New York 14132 until the comment period closes on July 10, 2024.

If anyone is interested in making a comment, please, state your name and address; if you are representing a company, please identify the company.

Jeremy Geartz: Are there any comments? Hearing none, I will now adjourn the meeting.
It is now 2:03 p.m. Thank you.

**SIGN IN SHEET
PUBLIC HEARING**

July 3, 2024 – 2:00 p.m.
NCIDA offices

regarding:

**Live-USA Incorporated and/or Individual(s) or Affiliate(s), Subsidiary(ies),
or Entity(ies) formed or to be formed on its behalf**

Name	Company and/or Address	X box to speak/ comment
JAN SHOENIKER	NCRPTS	
Tracy Farnell	NCRPTS	
Alissa Crn	RPTS	

7.2

**Hotel Niagara
Development, LLC**

PROJECT SUMMARY
Hotel Niagara Development, LLC



Applicant:	Hotel Niagara Development, LLC
Project Location:	201 Rainbow Boulevard, Niagara Falls, NY 14303
Assistance:	15 Year PILOT Sales Tax Abatement Mortgage Recording Tax Abatement
Description:	<p>USA Niagara Development Corporation, a subsidiary of New York state acquired the property in 2016, issued an RFP for developers and selected the applicant as the preferred developer.</p> <p>Hotel Niagara Development, LLC will redevelop the Hotel into an upscale, full service hotel while maintaining its historic characteristics. When complete the hotel will include 160 guest rooms, a main ballroom and a second ballroom, full service restaurant, a lounge that will be open to the sidewalk, as well as an exterior patio. The hotel will also feature a roof-top lounge and a space for private meeting and dining facilities.</p> <p>The property is listed on the National Historic Register, therefore the construction scope will include restoration of the exterior, including a decorative terra cotta repair and/or replacement with original stone cleaned and polished and original decorative windows restored. The interior areas, including the lobby, restaurant, ballroom, mezzanine, and meeting rooms will all be restored with original colors. The guest rooms and basement barbershop will also be subject to original restoration.</p> <p>In addition to the restoration of the hotel, there will also be extensive mechanical upgrades needed. The HVAC, electrical, plumbing and sprinklers throughout the property all need replacing and or significant upgrading.</p>

Project Costs:	Construction/Improvements Furniture, Fixtures & Equipment Soft costs Other TOTAL	\$ 34,000,000 \$ 7,709,500 \$ 550,000 \$ 1,700,000 <hr/> \$ 43,959,500
Employment:	Current jobs in Niagara County: 0 New Jobs in Niagara County within 3 years: 67 Estimated Annual Payroll for New Jobs: \$3,350,000 Skills: Management, Professional, Administrative, Production	
Evaluative Criteria:	Redevelopment supports or aligns with regional or local development plans. Regional Wealth Creation, Proximity/Support of Regional Tourism Attractions/Facilities, Generation of Local Revenues (i.e. Hotel Bed Taxes), Supports Local Business or Cluster, In region Purchase, Local Vendors, and Restoration of historically significant property.	

Niagara County Industrial Development Agency

MRB Cost Benefit Calculator

Date: June 6, 2024
 Project Title: Hotel Niagara
 Project Location: 201 Rainbow, Niagara Falls NY



Economic Impacts

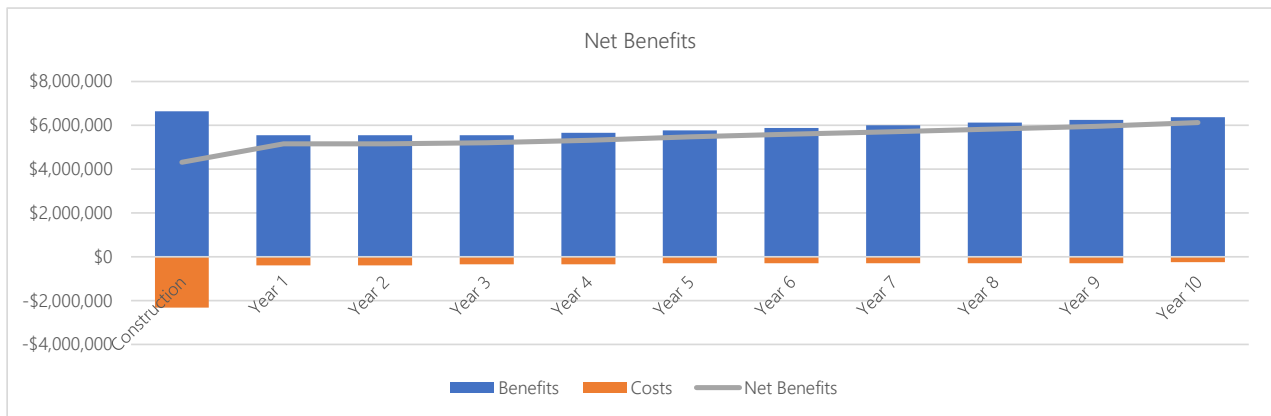
Summary of Economic Impacts over the Life of the PILOT

Project Total Investment
 \$16,000,000

	Temporary (Construction)		
	Direct	Indirect	Total
Jobs	59	25	85
Earnings	\$4,932,835	\$1,336,039	\$6,268,874
Local Spend	\$12,800,000	\$4,599,311	\$17,399,311

	Ongoing (Operations)		
	Direct	Indirect	Total
Jobs	67	24	91
Earnings	\$55,879,111	\$31,457,926	\$87,337,036

Figure 1



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

Figure 2

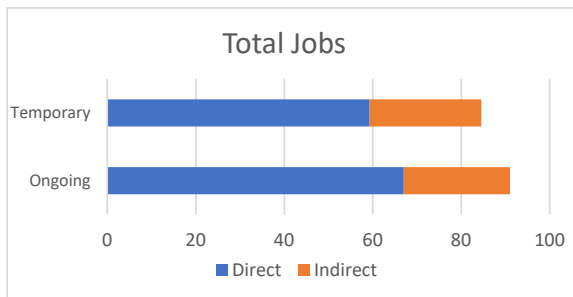
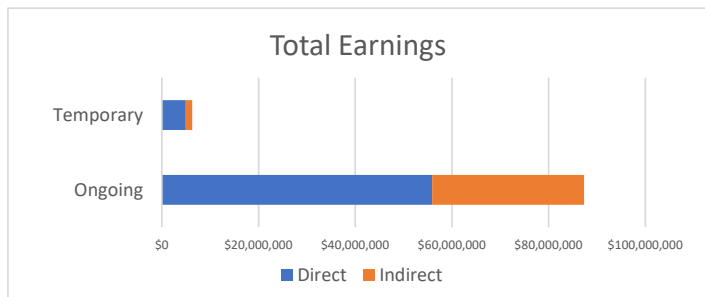


Figure 3



Fiscal Impacts



Cost-Benefit Analysis Tool powered by MRB Group

Estimated Costs of Exemptions

	Nominal Value	Discounted Value*
Property Tax Exemption	\$4,382,474	\$3,805,830
Sales Tax Exemption	\$1,976,760	\$1,976,760
Local Sales Tax Exemption	\$988,380	\$988,380
State Sales Tax Exemption	\$988,380	\$988,380
Mortgage Recording Tax Exemption	\$348,000	\$348,000
Local Mortgage Recording Tax Exemption	\$116,000	\$116,000
State Mortgage Recording Tax Exemption	\$232,000	\$232,000
Total Costs	\$6,707,234	\$6,130,590

State and Local Benefits

	Nominal Value	Discounted Value*
Local Benefits	\$97,044,458	\$83,473,278
To Private Individuals	\$93,605,911	\$80,575,880
Temporary Payroll	\$6,268,874	\$6,268,874
Ongoing Payroll	\$87,337,036	\$74,307,006
Other Payments to Private Individuals	\$0	\$0
To the Public	\$3,438,548	\$2,897,398
Increase in Property Tax Revenue	\$2,783,306	\$2,333,367
Temporary Jobs - Sales Tax Revenue	\$43,882	\$43,882
Ongoing Jobs - Sales Tax Revenue	\$611,359	\$520,149
Other Local Municipal Revenue	\$0	\$0
State Benefits	\$4,867,507	\$4,189,946
To the Public	\$4,867,507	\$4,189,946
Temporary Income Tax Revenue	\$282,099	\$282,099
Ongoing Income Tax Revenue	\$3,930,167	\$3,343,815
Temporary Jobs - Sales Tax Revenue	\$43,882	\$43,882
Ongoing Jobs - Sales Tax Revenue	\$611,359	\$520,149
Total Benefits to State & Region	\$101,911,966	\$87,663,224

Benefit to Cost Ratio

	Benefit*	Cost*	Ratio
Local	\$83,473,278	\$4,910,210	17:1
State	\$4,189,946	\$1,220,380	3:1
Grand Total	\$87,663,224	\$6,130,590	14:1

*Discounted at 2%

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

Additional Revenues:

County	\$412,860
City/Town/Village	\$1,689,223
School District	\$819,660

*Estimated Value of Goods and Services to be exempt from sales and use tax as a result of the Agency's involvement in the Project. PLEASE NOTE: These amounts will be verified and there is potential for a recapture of sales tax exemptions (see "Recapture" on page 11 of the Application) (To be used on NYS ST-60)

Additional Comments from IDA

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

Public Hearing for Hotel Niagara Development, LLC
July 3, 2024 at 2:15 p.m.
Niagara Falls City Hall

Jeremy Geartz; Welcome. This public hearing is now open; it is 2:15 p.m. My name is Jeremy Geartz. I am a Project Manager at the Niagara County Industrial Development Agency, and I will be the hearing officer to conduct this public hearing. Notice of this public hearing was published in the Niagara Gazette.

We are here to hold the public hearing on Hotel Niagara Development, LLC and/or Individual(s) or 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.

The proposed project (the "Project") includes the redevelopment of the hotel into an upscale, full service hotel while maintaining its historic characteristics. When complete the hotel will include 160 guest rooms, a main ballroom and a second ballroom, full service restaurant, a lounge, and a patio.

The proposed financial assistance contemplated by the Agency includes New York State and local sales and use tax exemption benefits in compliance with Agency's tax exemption policy. The project application and project summary are posted on the Agency's website at niagaracountybusiness.com and I have copies with me today.

If you have a written comment to submit for the record, you may do so. Written comments may also be delivered to Agency at 6311 Inducon Corporate Drive, Suite One, Sanborn, New York 14132 until the comment period closes on July 10, 2024.

If anyone is interested in making a comment, please, state your name and address; if you are representing a company, please identify the company.

Jeremy Geartz: Are there any comments? Hearing none, I will now adjourn the meeting.
It is now 2:20 p.m. Thank you.

**SIGN IN SHEET
PUBLIC HEARING**

June 3, 2024 – 2:15 p.m.
Niagara Falls City Hall

regarding:

**Hotel Niagara Development, LLC and/or Individual(s) or Affiliate(s), Subsidiary(ies),
or Entity(ies) formed or to be formed on its behalf**

Name	Company and/or Address	X box to speak/ comment
Jordan Bradley	St. Peter's Episcopal church 140 Rainbow Blvd.	X
Tracy Farrell	NCRPTS.	
Alissa Ork	NCRPTS	
JOHN SHERMAN	NCRPTS	

8.1

NCDC Request for Loan Approval

**Request for Loan Approval
Niagara County Development Corporation
As Administrator for the EDA Revolving Loan Fund**

Loan Applicant: 1500 James, LLC (to be created as a wholly owned subsidiary of Tecmotiv Holdings, LLC)

Tax ID#: 84-2253223

Business Address: 1500 James Avenue, Niagara Falls, NY 14305

Project Address: Same as above

Telephone: 716-282-1211

Website: www.tecmotiv.com

Ownership: Tecmotiv Investment Co. – 75%
Admiral Family Tecmotiv, LLC - 14%
RedNest Investment II, LLC – 10%
Gary Sheedy - 1%

Tecmotiv Investment Co. and Admiral Family Tecmotiv are comprised of individual equity investors into the company. RedNest represents Dave Krasne and Jack Nestor, who assembled the investor group and purchased the company in 2019. Gary Sheedy is the company's CEO. No individual has a greater than 20% ownership interest in the company.

Business: Tecmotiv operates in the military automotive industry. The range of specialty and common services in the industry that Tecmotiv has to offer includes remanufacture, rebuild and repair, spare parts and services, upgrades and modernization, design and manufacturing, testing and evaluation, technical support, training, and project management. Additional tangential services are available on a case-by-case basis.

NAICS: 336992 – armored military vehicle and parts manufacturing

Date of Review: June 24, 2024

Loan Request: \$150,000

Project Description: Tecmotiv Holdings, Inc. has leased its production facility located at 1500 James Avenue, Niagara Falls, NY 14305 since 1996. The property was recently inherited by next of kin of the former owner who does not wish to continue as landlord and put the property up for sale. The owner found a buyer whose plan was to evict Tecmotiv and move into the facility. This development has forced Tecmotiv to exercise its right of first refusal to purchase the property or face significant business disruption in either relocating elsewhere or shutting down. As the current owner has neglected general maintenance and upkeep of the property, several capital projects such as roof repair and HVAC replacement are required. These capital improvement costs and closing costs have been added to the property purchase price for a total project cost of \$1.31 million.

History and Background of the Applicant/Management

Founded in 1992, Tecmotiv is a leading provider of powertrain sustainment and modernization solutions for military ground vehicles operating worldwide. The Company primarily provides its products and services to the United States government and allied militaries and ministries of defense around the world. In addition to serving the U.S. government directly, Tecmotiv also supplies other prime defense contractors including BAE Systems, Raytheon, and others. The Company has been recognized as a top supplier and received multiple awards and letters of recognition and appreciation from customers.

Tecmotiv got its start by rebuilding engines and transmissions for the Patton M60 and M48 tanks, two of the most widely produced main battle tanks (MBTs). The Company's expertise has since expanded to cover more powertrain systems such as hydraulics, fuel, and suspension. Their other vehicle platforms and services include upgrades, part production, supply, and testing. In support of its powertrain refurbishment business, Tecmotiv has built a vast network of parts suppliers and has in-house component design and manufacturing capabilities to ensure it can source all the necessary components for an assembly. Furthermore, supplying spare parts directly to customers has turned into a growth driver for the company in recent years.

Notably, aside from the original equipment manufacturer, Tecmotiv is the only manufacturer certified by the United States Army's Tank Automotive & Armaments Command to remanufacture and upgrade the AVDS-1790 engine, which powers the M88 recovery vehicle. Obtaining this certification and recognition requires substantial investment in test equipment, sources of supply, and proprietary knowledge. In order to obtain such certification, Tecmotiv was required to build an AVDS-1790 engine and run a government supervised 400-hour test. This requirement was also met by Tecmotiv to become an official certified source of supply for a variety of the parts and components comprising the AVDS-1790. In addition to these certifications, Tecmotiv maintains an ISO 9001:2015 certification which is audited and renewed annually.

In 2019, Dave Krasne and Jack Nestor formed an investment group to purchase the company through their RedNest Investment partnership. Neither has a background in military vehicles, but both come from the private equity investment world and have substantial experience buying, selling and growing sustainable companies. Mr. Krasne's expertise lies more on the financial side, and he's played an integral role in determining performance metrics and debt structuring. Mr. Nestor brings logistics experience to the table and has helped the company improve its efficiency and quality control. The company's management team, which has industry specific experience and knowledge, is detailed below:

Gary Sheedy, President & CEO

Gary has been with Tecmotiv since its founding in 1992. He has extensive knowledge of the production and manufacturing process for new and rebuilt drivetrain components on military and commercial vehicles. As a Certified Change Management Professional, he gained Green Belt & Lean Six Sigma certifications which focus on increasing efficiency and reducing inconsistencies in the manufacturing process. His improvements to the operation were recognized nationally and published in Quality Progress Magazine. He supports business development efforts by marketing the company's capabilities, locally and internationally.

Fred Chronis (US Army Colonel – Retired), Director of Business Development

Fred has served as a senior military officer and has worked in the private sector for Raytheon, L3 and other prime defense contractors. Fred has worked extensively with the U.S. and international militaries. He has considerable experience dealing directly with governments all over the world on major defense programs and leads the company's sales and business development efforts.

Andrew Edwards, CPA, Chief Financial Officer

Andrew has been with Tecmotiv since 2017 and serves as the company's Chief Financial Officer. He has a background in public accounting having spent more than 7 years at KPMG in various audit and corporate restructuring roles.

Tecmotiv has been operating from a leased 21,500 square foot production facility at 1500 James Avenue in Niagara Falls, New York since 1996. It also leases space for its engineering department across the street at 1703 James Avenue and has a warehouse about a mile away at 3535 Hyde Park Boulevard. Ultimately, the Company would like to expand the facilities at 1500 James Ave to consolidate all functions at one location. When the owner of 1500 James Avenue passed away, his next-of-kin who inherited the property were not interested in the property management business. They quickly found a buyer whose intention would have been to remove Tecmotiv as a tenant. As a result, Tecmotiv has been forced to exercise their right of first refusal and purchase the property. Because of the industry they operate in, finding another property and relocating the business was not a viable option. The US military requires that all their supplier facilities undergo rigorous inspections for safety, quality and security. Shutting down operations and awaiting those inspectors to approve the new facility would likely result in the company becoming insolvent. Since they are being forced to purchase the property, Tecmotiv is inheriting the deferred maintenance of its former landlord and has incorporated some necessary property improvements into the project budget. The full sources and uses table is detailed below:

Sources and Uses of Funds

Sources

KeyBank Mortgage	\$750,000
EDA-RLF Loan	\$150,000
NEDF Loan	\$100,000
NYPA Power Proceeds Grant	\$150,000
Borrower Equity	\$160,000
Total	\$1,310,000

Uses

Purchase of 1500 James Ave	\$1,000,000
Closing Costs	\$50,000
Capital Improvements:	
Roof Repair	\$164,186
Concrete Repair	\$26,195
Exterior Painting	\$25,750
HVAC Replacement	\$16,900
Misc. Other Repairs	\$26,969
Total	\$1,310,000

Sources and Uses of Funds (cont.)

All capital improvements have been documented with written estimates and the property purchase contract is on file. The Key Bank mortgage has been approved (verified by Key Bank Loan Officer) and loan documents are expected by 6/28/24. Approval of this loan is contingent on NEDF loan approval (expected July 1, 2024) and approval of the NYPA Power Proceeds Grant. The Grant was recommended for approval by the WNY Power Proceeds Allocation Board on June 4, 2024, subject to final approval by the NYPA Board of Trustees.

Financial Analysis

The company has a fiscal year ending August 31 and has provided their audited financial statements for 2021, 2022 and 2023, along with a management prepared income statement / balance sheet for this fiscal year through May 31 that is limited in scope. A three-year income statement projection was also provided.

Historically, the company has been profitable and able to comfortably service their debt, as shown in the 2021 and 2022 statements. The company took a step back in 2023 due to a supply chain issue. One of their suppliers provided a faulty part that was used in 80 refurbished engines, representing approximately 35% of their revenue for the year. Once the mechanical issue was uncovered, the company was forced by warranty to rebuild those engines with a replacement for the faulty part. That additional time spent prevented them from filling new orders, leading to a significant negative impact on their revenue and a loss for the year. Management has since revamped the company's quality control processes in order to reduce the chances of a similar recurrence.

Tecmotiv has rebounded in 2024 with revenue on pace to increase slightly from the previous year and EBITDA of \$2.6MM through the first 9 months of their fiscal year. This represents debt service coverage of 1.47 when the proposed debt to purchase/repair the property is included.

The balance sheet remains well positioned despite the loss in 2023, with a positive net worth of \$14MM and a debt to worth ratio of approximately 1:1. The company has funded capital purchases with operating cash flow and their only significant debt is the acquisition loan funded through KeyBank that will be paid in full by January 2027. The company has a \$2MM revolving Line of Credit with KeyBank that operates with a sweep agreement. The LOC currently has availability of \$1.5MM, per management. Accounts Receivable are deemed highly collectible with zero bad debt allowance over the past three years and most accounts due being from US government entities, their allies, or private companies closely aligned with the United States military.

Management stated that the company has a backlog of orders in the amount of \$25MM, and projects to reach \$28MM in revenue in the next fiscal year with \$4.5MM EBITDA. That would be sufficient to service all debt at a ratio of 1.82 to 1. The company expects that level of revenue and profitability to remain consistent in the coming years, as shown in their three-year income statement projection (exhibit A).

Tecmotiv Balance Sheet (Rounded to nearest 000)	8/31/2021 Audit	8/31/2022 Audit	8/31/2023 Audit	5/31/2024 Mgmt
ASSETS				
Cash & Equivalents	2,678.4	2,834.9	1,287.9	130.0
Accounts Rec.-Trade	3,825.6	2,745.0	2,583.5	2,743.0
Inventory	17,150.4	15,401.0	15,896.3	17,820.0
Prepays	1,996.4	1,332.7	1,440.1	611.0
Other Current Assets	1.4	194.0	0.5	2.0
Total Current Assets	25,652.2	22,507.6	21,208.3	21,306.0
Fixed Assets				
Furniture, Fixtures and Equipment (net)	918.9	844.7	723.0	686.0
Total Net Fixed Assets	918.9	844.7	723.0	686.0
<i>Other Assets -</i>				
Goodwill (net)	11,025.4	9,417.6	7,893.2	6,893.0
Other	7.2	66.2	602.2	0.0
Total Net Other Assets	11,032.6	9,483.8	8,495.4	6,893.0
TOTAL ASSETS	37,603.7	32,836.1	30,426.7	28,885.0
LIABILITIES				
Current Portion of LTD	1,717.0	1,758.7	2,104.1	
Accounts Payable	871.9	695.8	1,586.9	
Accrued Payroll & Bonuses	983.2	693.9	169.4	
Accrued Expenses	648.5	862.2	896.2	
Accrued Interest	35.2	61.3	76.8	
Accrued Income Taxes	111.5	0.0	0.0	
Contract Liabilities	78.9	9.3	2,590.4	
Total Current Liabilities	4,446.2	4,081.2	7,423.8	6,040.0
Long Term Debt				
Long Term Notes Payable	16,209.2	11,405.8	8,580.1	
Operating Lease Liability	0.0	0.0	104.1	
Deferred Income Tax Liability	2.7	0.0	0.0	
Total Long Term Liabilities	16,211.9	11,405.8	8,684.2	8,171.0
TOTAL LIABILITIES	20,658.1	15,487.0	16,108.0	14,211.0
STOCKHOLDER EQUITY				
Paid-in-Capital	12,508.2	12,557.5	12,606.8	12,607.0
Retained Earnings	3,971.3	4,636.9	1,809.4	2,067.0
Accumulated Other Income	466.1	154.7	(97.7)	0.0
Total Shareholders' Equity	16,945.6	17,349.1	14,318.5	14,674.0
TOTAL LIABILITIES & EQUITY	37,603.7	32,836.1	30,426.5	28,885.0

Balance Sheet Comments

- Liability categories in management statements did not align with audited statements, so only total current liabilities and total long-term liabilities are shown above.
- Notable Account Receivable concentrations at 5/31/24 are as follows: Noble Federal Resources – 68%; DLA Land & Maritime – 14%; Government of Israel – 12%.
- Leverage of approximately 1:1, Current ratio of approximately 3:1 both compare favorably to industry standards.
- Management indicated that LOC has an approximate balance of \$500M, leaving availability of \$1.5MM.
- “Long Term Notes Payable” consists primarily of acquisition debt financed by KeyBank. It is on an aggressive amortization schedule with a final balloon payment of \$3.6MM due in 2027.

Tecmotiv Holdings Income Statement (Rounded to nearest 000)

Date	08/31/21	08/31/22	08/31/23	05/31/24	08/31/25
Source	Audit	Audit	Audit	Mgmt	Proj
Months	12	12	12	9	12
Revenue					
Total Sales	38,068.4	30,754.9	19,604.6	15,157.0	28,129.0
Cost of Goods Sold					
Materials	20,859.3	16,910.0	12,018.1		
Labor	2,117.8	2,016.1	2,069.9		
Plant Expenses	276.7	302.3	261.3		
Freight	301.0	254.3	239.8		
Utilities	76.5	113.5	116.0		
Other	456.6	488.9	1,468.4		
Total Costs of Good Sold	24,087.9	20,085.1	16,173.5	7,058.0	15,856.5
Gross Profit	13,980.5	10,669.8	3,431.1	8,099.0	12,272.5
Expenses					
Salaries & Wages	2,166.9	2,103.7	2,062.7		
Depreciation & Amortization	1,480.0	1,432.0	1,384.6	1,126.0	195.0
Employee Benefits	559.4	487.4	531.3		
In-Country Support	383.2	384.6	380.8		
Professional Fees	323.7	365.6	369.8		
Travel and Entertainment	12.1	114.5	291.0		
Interest Expense	1,060.6	695.9	885.1	648.0	577.2
Other	1,852.9	1,359.0	732.0	5,514.0	7,757.0
Total Operating Expenses	7,838.8	6,942.7	6,637.3	7,288.0	8,529.2
Net Income	6,141.7	3,727.1	(3,206.2)	811.0	3,743.3
Provision for Income Taxes	1,784.2	1,061.5	(378.8)		
Net Income After Taxes	4,357.5	2,665.6	(2,827.4)	811.0	3,743.3
Add Back:					
+ Depreciation & Amortization	1,480.0	1,432.0	1,384.6	1,126.0	195.0
+ Interest exp.	1,060.6	695.9	885.1	648.0	577.2
Cash Flow available for Debt Service	6,898.1	4,793.5	(557.7)	2,585.0	4,515.5
Current and Projected Debt Service:					
Current Debt:					
KeyBank Term Loan				1,502.2	2,198.4
KeyBank LOC (assume full usage \$2MM 6%)				120.0	120.0
Operating Leases				56.1	56.1
Projected Debt Service					
\$150M NCDC-EDA (P&I)				11.7	15.6
\$100M NEDF T/L (P&I)				7.8	10.4
\$750M KeyBank Comm. Mtg. (P&I)				56.5	75.3
Projected Debt Service				1,754.3	2,475.8
Projected Debt Service Coverage				1.47	1.82

Income Statement Comments

- COGS and expense categories in management prepared statement and projections did not align with the audited statements, so only top line totals are shown above.

Income Statement Comments (cont)

- Revenue decreased from 2021 to 2022 due to expiration of a significant contract for equipment no longer in use. The decrease from 2022 to 2023 was due to a supplier part defect, as previously mentioned. Management expects revenue to come in at approximately \$23MM in 2024, with an increase to \$28MM in 2025.
- Spike in “other” under COGS in 2023 was due to a \$1MM warranty expense caused by the part defect.
- Management plans to use improved processes and more favorable contract terms to realize better gross profit margins that will offset decreases in revenue and higher operating costs.
- The proposed new debt for the property purchase and repair will have a minimal effect on the company’s debt service coverage. The bulk of their obligation will remain due under the KeyBank acquisition note, which has a much higher loan amount and more aggressive amortization.
- As previously mentioned, the downturn in revenue in 2023 and continuing into 2024 was caused by a supplier part defect in an engine that represented about 35% of their revenue in 2023. The subsequent work to fix the issue left the company unable to take on new contracts, an issue that affected both 2023 and 2024. The projected revenue increase going forward is based on the significant backlog of work (\$25MM) that currently exists, combined with contracts for additional work that management expects to be signed in the near future.
- Full three-year income statement projection is attached as exhibit A. Since the company is well established and historical financials are available, the projections were not given significant weight by the analyst. Commentary on historical performance and rationale for future performance were more heavily considered.

Employment

The company currently employs 45 people locally. As shown in the table below, most of the jobs have a salary level above the median for the area. This loan request will enable all 45 jobs to be retained, which meets the requirements of this loan program (max of \$40,000 lent per job retained). Without this financing, the company would have to relocate, which would likely force them to cease operations due to the length of shut down that would ensue while awaiting US Military inspection of the new facility.

Job Title	Pay Range	Current Employees
Corporate	\$115k-\$215k	2
General / Admin	\$40k-\$76k	5
Direct Labor	\$15-\$35 / hour	24
Plant Support	\$16 / hour - \$75k / year	8
Quality Control	\$18 / hour - \$75k / year	3
Engineering	\$50-\$75k	3
Total		45

Summary & Recommendations

The proposed NCDC-EDA loan to 1500 James, LLC & Tecmotiv Holdings, Inc. represents a moderate degree of credit risk and an appropriate use of loan funds according to the EDA-RLF management plan. Below is a summary of the strengths and weaknesses of the Borrower's credit profile, along with the analyst's summary and recommended terms, if approved.

Strengths:

- Expertise and experience are evident across the investment group and management team.
- Historical financial performance in 2021 and 2022 had been strong prior to extenuating circumstances in 2023.
- Company has rebounded from 2023 with 2024 results that will adequately service the current and proposed debt.
- Company has historically been able to fund capital purchases from cash flow. Only significant debt on balance sheet is from the acquisition of the business, which is being amortized aggressively.
- Accounts Receivable are deemed highly collectible.
- Company has support of primary lender (KeyBank) and recently obtained approval for additional credit.
- Retention of 45 jobs, most of which pay above the median average for the region, that would be lost without NCDC support.

Weaknesses:

- Company had a component defect from a supplier that significantly impacted their 2023 results, causing loan covenant violations and straining cash flow and liquidity.
- Due to the highly specialized nature of the industry, significant customer concentration exists.
- Industry is highly regulated and subject to frequent inspections and changing geopolitical conditions.
- Supply chain issues and reliance on third party suppliers create potential for similar circumstances that impacted 2023 performance.

Analyst Summary:

Tecmotiv is a long-tenured company in a highly specialized industry with significant barriers to entry. The knowledge and experience of their management team and ownership/investment group appears to meet the needs of the company. Their financial performance in 2021-22 demonstrates that their business model can be effective, and the health of their balance sheet allowed them to navigate their down year in 2023. Even after absorbing that loss, the balance sheet remains in good position. Despite all of those positive factors, the transaction is not without risk. Tecmotiv has issues that are common amongst manufacturing and service companies of this size, primarily customer concentration and supply chain issues. Their industry is highly regulated and subject to changes in the geopolitical climate. The death of their landlord and subsequent sale of the property came at an inopportune time for the company. Given the logistical challenges with moving this type of business, the company had no choice but to purchase the property immediately and seek any available assistance to facilitate the transaction. The loss or retention of 45 quality jobs will have a substantial effect on the local economy. If approved, the analyst recommends the followings structure:

Recommended Loan Structure

Lender: Niagara County Development Corporation (“NCDC”) as Administrator of the EDA Revolving Loan Fund

Borrower: 1500 James, LLC

Loan Amount: \$150,000

Interest Rate: 75% of the prime interest rate listed in the *Wall Street Journal*, to be fixed at closing. Based on today’s WSJP of 8.50%, the calculation would yield a 6.375% interest rate.

Loan Term & Amortization: 180 months resulting in approximate monthly principal and interest payments of \$1,296.38.

Use of Proceeds: Funds will be used towards the acquisition and improvement of the company’s currently leased facility.

Collateral/Security: Co-equal position mortgage filing (with NEDF) on commercial property located at 1500 James Avenue, Niagara Falls, NY and a general security interest in all business assets of Tecmotiv Holdings, Inc. to be evidenced by UCC-1 filings. The NCDC-NEDF mortgage filing and general filings will be subordinated to any liens filed by the Bank as well as existing security interests.

Personal Guarantors: None.

Corporate Guaranty: Tecmotiv Holdings, Inc. (operating company)

Loan Disbursement: Disbursed or reimbursed at closing with documented project costs and provided other sources of financing (bank financing, NEDF loan and Power Proceeds Grant) are secured and committed.

Financial Reporting: The Borrower shall submit their audited statements annually within 60 days of completion.

Prepared by: Michael G. Thomas, Vice President – Commercial Finance
The Harrison Studio
June 24, 2024

Exhibit A:

TECMOTIV
PRO FORMA INCOME STATEMENT
THREE YEARS

	Year 1	Year 2	Year 3
Net Sales	28,129,000	29,535,000	31,012,000
Cost of Sales:			
Beginning Inventory	17,579,000	17,466,534	17,348,144
Purchases, Material Costs	15,471,000	16,244,000	17,057,000
Freight/Packaging	273,000	295,000	310,000
	<u>33,323,000</u>	<u>34,005,534</u>	<u>34,715,144</u>
Less: Ending Inventory	17,466,534	17,348,144	17,224,496
Total Cost of Sales	<u>15,856,466</u>	<u>16,657,390</u>	<u>17,490,648</u>
Gross Profit	12,272,534	12,877,610	13,521,352
Operating Expenses:			
Salaries & Wages	4,020,000	4,227,000	4,439,000
Overtime Wages	156,000	158,000	165,000
Sales Commissions	180,000	184,000	193,000
Payroll Taxes & Statutory Deductions	300,000	309,000	325,000
Payroll Benefits	360,000	378,000	397,000
Payroll Fees	36,000	32,000	33,000
Employee Bonuses	348,000	368,000	386,000
WCB Fees	120,000	120,000	126,000
Sales Consultant Fees	180,000	189,000	198,000
Rent	168,000	139,000	146,000
Utilities	120,000	126,000	132,000
Refuse	12,000	11,000	11,000
Building & Other Maintenance	12,000	11,000	11,000
Equipment Repairs & Maintenance	36,000	42,000	44,000
Plant Consumables	120,000	131,000	138,000
Advertising & Marketing	120,000	16,000	17,000
Shop Supplies, Tools & Equipment	156,000	158,000	165,000
Research & Development	120,000	131,000	138,000
Legal, Accounting & Consulting	84,000	84,000	88,000
Business Licenses & Permits	5,000	5,000	6,000
Telephone	12,000	16,000	17,000
Computer & Technology	96,000	105,000	110,000
Dues & Subscriptions	24,000	26,000	28,000
Office Supplies	12,000	16,000	17,000
Insurance	156,000	160,000	168,000
Travel	312,000	331,000	347,000
General Administrative	72,000	74,000	77,000
Bank Charges	36,000	32,000	33,000
Management Fees	252,000	250,000	250,000
Miscellaneous	132,000	155,000	175,000
Interest Expense, Existing	577,208	515,862	450,415
Depreciation & Amortization	195,000	195,000	195,000
Total Operating Expenses	<u>8,529,208</u>	<u>8,694,862</u>	<u>9,025,415</u>
Pre-tax Profit	3,743,326	4,182,748	4,495,937
Income Taxes	718,000	818,000	923,000
Total Other Expense	<u>718,000</u>	<u>818,000</u>	<u>923,000</u>
Net Income	3,025,326	3,364,748	3,572,937

8.2

**Cataract Grant
Extension**



July 1st, 2024

Board of Directors
Niagara County Industrial Development Agency
6311 Inducon Corporate Drive
Sanborn, NY 14132

Dear NCIDA Board of Directors,

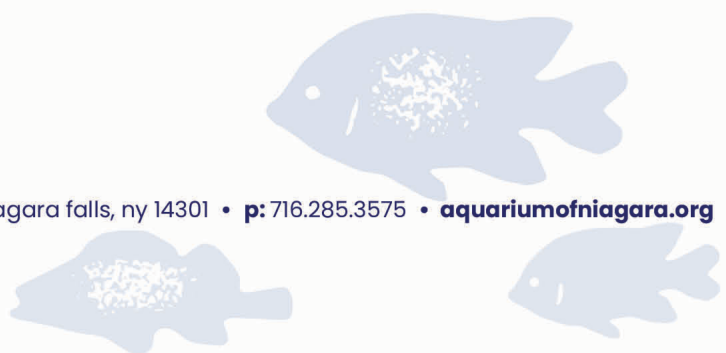
I am writing in regards to the Aquarium of Niagara's Cataract Grant Fund award of \$900,000 for the Discovery Center Renovation Project. The renovation of the former Niagara Gorge Discovery Center is in the final stages.

However, due to unforeseen delays during construction, the project will not be complete per the original timeline outlined in the funding contract. The Aquarium of Niagara respectfully requests an extension through August 31st, 2024 to submit necessary paperwork for reimbursement.

We appreciate your consideration of this request. Should you have any questions, I can be reached at cfifer@aquariumofniagara.org or (716) 285-3575 ext. 202.

Sincerely,

Chad Fifer
President/CEO
Aquarium of Niagara



8.3

**Enterprise
Lumber & Silo,
LLC**

PROJECT SUMMARY
Enterprise Lumber & Silo, LLC



Applicant:	Enterprise Lumber & Silo, LLC	
Project Location:	211 Main Street North Tonawanda, NY 14120	
Assistance:	10 Year PILOT Sales Tax Abatement Mortgage Recording Tax Abatement	
Description:	<p>Enterprise Lumber & Silo LLC is a real property holding company owned by the principals of KCB Architecture, P.C. and Joy Kuebler Landscape Architect, P.C. The project involves the adaptive reuse of a historic lumber warehouse at 211 Main Street in the City of North Tonawanda. The building was condemned in 2015 due to years of neglect and lack of maintenance.</p> <p>The new structure will be composed of 6,120 sq ft of Class A professional office space. The principals will occupy 40% of the building and 40% will be available for lease to other professional firms along with common areas. The existing heavy timber framing and foundations will be preserved in the new building.</p>	
Project Costs:	Acquisition/Construction/Improvements	\$ 1,996,559
	Furniture, Fixtures & Equipment	\$ 72,597
	Soft costs	\$ 166,672
	Other: Site Remediation	\$ 846,998
	TOTAL	\$ 3,082,826
Employment:	Current jobs in Niagara County:	9 FTE
	New Jobs in Niagara County within 3 years:	4 FTE
	Total Annual Payroll for New Jobs:	\$173,200
	Skills: Professional, Administrative, Marketing	
Evaluative Criteria:	Age of Structure, Building Vacancy, Redevelopment supports local development plans, Environmental and Safety issues, Building has historic designation.	

REGIONAL ECONOMIC IMPACT ANALYSIS
Enterprise Lumber & Silo LLC

Estimated Project Benefits / Estimated Project Incentives Analysis

Total Project Benefits	\$ 944,255
Total Project Incentives	\$ 335,814
Community Benefit to Cost Ratio	3:1
Projected Employment	
Total Employment	44
Direct**	13
Indirect***	12
Temporary Construction (Direct and Indirect)	19

Estimated Project Benefits

Total Project Benefit	\$ 994,255
Income Tax Revenue	\$ 655,000
Property Tax Revenue	\$ 144,255
Sales Tax Revenue	\$ 195,000

Estimated Project Incentives

Total Project Incentives	\$ 335,814
Property Tax	\$ 198,605
Sales Tax	\$ 114,950
Mortgage Tax	\$ 22,259

** Direct - The recipient of IDA assistance adds new jobs to the regional economy and/or retains jobs at risk of being lost to another region. Investments that result in displacing existing jobs (e.g., most retail and many service sector industries) do not fall under this definition.

*** Indirect - The recipient of IDA assistance makes purchases from regional firms, which stimulates suppliers to add jobs and payroll that are new to the regional economy or are saved from being lost to competitors outside the region.

Utilizing informANALYTICS modeling software, an economic impact analysis was conducted to measure new investment and employment for the project. This software is a widely accepted and an industry standard for economic impact modeling measuring employment and salary impacts and facility output on the community for a given project.

8.5

Vantage

International

Park

LAW OFFICES
ROSCETTI & DECASTRO, P.C.

JAMES G. ROSCETTI
DAMON A. DECASTRO

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DAMON A. DECASTRO II

730 MAIN STREET
NIAGARA FALLS, NEW YORK 14301-1773

TELEPHONE (716) 282-1242
TELEFAX (716) 282-5000

June 19, 2024

Mark Gabriele, Esq.
via e-mail: Mark.Gabriele@gabrieleberrigan.com

RE: Vitatree - purchase of approximately 4 acres

Dear Mark:

We are writing to you with respect to the above mentioned matter and furtherance of our prior communications.

Our client has authorized us to make an offer to the purchase of the north part of the property from which they recently purchased the south part.

The parcel is approximately 4 acres and are clients offer to purchase is \$60,000 firm. Kindly advise. If there is any additional information you desire, kindly feel free to contact us.

Thank you for your kind courtesies and cooperation.

Yours very truly,

ROSCETTI & DeCASTRO, P.C.

By: 

JCR:mk
cc: Sam Iannucci @ samuel@vitatree.com