

County of Cattaraugus
Industrial Development Agency

BOARD OF DIRECTORS MEETING - AGENDA

Wednesday, January 18, 2023
CCIDA Office
9 E. Washington Street
Ellicottville, NY
11:15 a.m.

To access the Board meeting via Zoom/Conference Call, please see the applicable information at the end of the agenda to do so.

-Call the Meeting to Order-Time:

-Roll Call- Board of Directors of the CCIDA:

-Approval of Dec. 13, 2022 CCIDA Board of Directors Meeting Minutes:

Resolution from a Prior Applications/Projects in Process

-Olean Manor, Inc.: "Field of Dreams" – Olean Manor has requested to have documents amended to include the second phase of their project at Field of Dreams in Allegany, NY. When this application was originally submitted it included single family assisted living homes within the project. Due to Covid this part of the project was halted. They are now in the process of completing this phase of the project.

The Total Project Investment: \$1,700,000(+, -).

✓ Amendatory Resolution – Olean Manor, Inc.

-Olean 2020, LLC. (*Application was made to the IDA on 12/13/22*) Olean 2020, LLC. has asked the IDA to support its commercial (new build) project in the City of Olean. The project location is 2101 W. State Street.

Phase 1 would include the construction of two (2) 2-story 12-unit multi-family buildings. Phase 2 would include the construction of a 2-story 8-unit multi-family building and a 2-story, 12-unit multi-family market rate building.

-The Total Project Investment: \$11,091,043(+,-).

A Public Hearing was held on January 9, 2023 at 10:15 a.m. in the City of Olean Conference Room in Olean, NY. No one was in attendance at this Public Hearing in regards to the Olean 1010, LLC project. A copy of the minutes has been provided to each Board Member in their packets for review along with the Cost Benefits Analysis for this particular project.

✓ Inducement Resolution – Olean 2020, LLC.

-9154 Group, LLC. (*Application was made to the IDA on 12/13/22*) -9154 Group, LLC. has asked the IDA to support its commercial (new build) project in the Town of Allegany. The project location is 3139 W. State Street.

Located on border of City of Olean and Town of Allegany, the developer is proposing to constructing a 10-unit, 2-story apartment building. Totalling approximately 12,000 square feet, the building will house 8 market-rate apartments and 2 townhome units. The property is within walking distance of St Bonaventure University, Walmart, BJ's Wholesale Club, Tops and numerous other retail stores and restaurants offering convenience to our future residents. (Harbor Freight is in the "front" of this parcel, the former DeSoto Motel, which was demolished in late 2015).

-The Total Project Investment: \$3,030,181(+,-).

A Public Hearing was held on January 9, 2023 at 10:30 a.m. in the Town Hall in the Town of Allegany, NY. Supervisor Mr. Michael Higgins and Kathy Martin were in attendance. Both people in attendance were in favor of the 9154 Group LLC Project in the Town of Allegany. A copy of the minutes has been provided to each Board Member in their packets for review along with the Cost Benefits Analysis for their particular project.

✓ Inducement Resolution – 9154 Group, LLC.

***CCIDA Financial Reports:**

-Approval of Financial Reports – **December 2022**

-December 2022 the Agency had income of \$3,000.00 for application fees on Olean 2020 LLC and 9154 Group LLC.

-General update on projects in process. (Cimolai, Campground, Russell's, etc.) (7).

***Executive Directors Reports:**

-Internal (IDA Meetings/Discussions):

- ✓ Met with some County Legislators and Department Heads at the County Building relating to a very sizeable and multi-dimensional project within the County that is looking to start early this year. More details to follow over the next few months.

- ✓ Met with a **local brewer** who will be submitting a project application to the IDA later this year. More details to follow on this very exciting project and investment. This project will be great for the County. This proposed project has unique project dimensions to it!
- ✓ Had a Zoom meeting with Diana Chiak and members of a very large proposed project within the County to discuss very levels of State and Federal funding and incentives that could play a large role in the development of their project.
- ✓ **We have spent much time with an out of the area Manufacturing company** that is looking for Industrial land & buildings in the Olean/Portville, NY area. The business is looking to make a significant investment, we are hoping to land this Company. More details to follow as we work on the infrastructure needs of the proposed Company. Application submitted, will proceed when able*
- ✓ Met again with an **International Developer who is looking to do a project in the Town of Ellicottville**. The developer is currently working on some further plans and has been in touch with the Town as well. We look forward to a Summer 2023 Application to the IDA.
- ✓ I was present at the December 21, 2022 Town Board meeting in Ellicottville to update their Board on the IDA's solar moratorium and updated general solar topics that have come about since the IDA's moratorium was put in place.
- ✓ Met with a local developer relating to a commercial project in the north part of the County. An application is in to the IDA and the developer looks to break ground in the Spring of 2023. Very nice little project!
- ✓ I met with a local Company who is looking to possibly build a new building in the Olean area for their current workforce and project.
- ✓ Attended an introductory wind project meeting with Kevin Sheen who is with Terra Gen, LLC. relating to a wind project that they are proposing in the town. The project is a long way off, as this was just a general introductory meeting.
- ✓ We held a **Meeting** with Mark Storch, with Storch Development who is assisting the IDA with securing Funds for the road improvements that the NYSDOT is requiring on Route 16, a small adaptive reuse project and small manufacturing project within the County as well.
- ✓ Reviewed a few resumés and had an interview for a potential new hire to replace Sandy Andrew's as she has recently retired but has graciously agreed to stay on for a bit to help train the new employee.
- ✓ Met with Bob Forness from OBDC to discuss project updates and workforce topics. Excellent meeting and I look forward to additional upcoming meetings with Bob and his Team!

Adjournment:

Motion-

:
:

Time:

*** Next CCIDA Board of Directors Meeting is scheduled for February 8, 2023 at 11:15 a.m. at the CCIDA Offices in Ellicottville, NY.**

Zoom Meeting access Information:

Topic: CCIDA January Board Meeting

Time: Jan. 18, 2022 11:15 AM Eastern Time EST

Join Zoom Meeting:

Topic: CCIDA Board Meeting

Time: Jan 18, 2023 11:15 AM Eastern Time (US and Canada)

Join Zoom Meeting:

<https://us02web.zoom.us/j/87416228147?pwd=dzVlMlNEK3dIWUlxclFFdjNQMXNBUT09>

Meeting ID: 874 1622 8147

Passcode: 731057

One tap mobile

+19292056099,,87416228147#,,,^731057# US (New York)

Dial by your location

+1 929 205 6099 US (New York)

Meeting ID: 874 1622 8147

Passcode: 731057

**COUNTY OF CATTARAUGUS
INDUSTRIAL DEVELOPMENT AGENCY**

BOARD MEETING MINUTES

**December 13, 2022
CCIDA Offices
9 East Washington Street
Ellicottville NY 14731
11:15 a.m. In Person or via Teleconference Call/Zoom**

Roll Call: -Taken-

Members

Present:

Mr. Thomas Buffamante - Chairman
Mr. Joseph Higgins
Mr. Brent Driscoll
Mr. John Stahley
Ms. Ginger Schroder

Excused:

Mr. Joseph Snyder
Mr. Michael Wimer

CCIDA Staff/Counsel:

Mr. Corey R. Wiktor, Executive Director CCIDA
Mr. Robert Murray, Harris Beach PLLC Legal Counsel

Presenters/Guests:

Ms. Crystal Abers – *Economic Development, Planning & Tourism*
Ms. Diana Chiak – *Upper Edge Consulting LLC – via zoom*

Chairman, Thomas Buffamante called the meeting to order at 11:17 a.m.

A roll call of the Board of Directors of the CCIDA was taken Mr. Buffamante, Mr. Higgins, Ms. Schroder, Mr. Driscoll, and Mr. Stahley were present. Mr. Wimer and Mr. Snyder were excused.

A Motion was made by Brent Driscoll seconded Ginger Schroder to accept the Board Meeting Minutes from November 21, 2022 as presented to the Board. Mr. Wimer and Mr. Snyder were excused. All in favor. **Motion Carried.**

New Applications/Projects

(#1.) Pierce Steel Fabricators, Inc.:

- Pierce Steel plans to relocate its current manufacturing facilities to the former Sanzo Beverage warehouse in Hinsdale, NY. The proposed project calls for retrofitting the building's interior for steel fabrication for the Company. The current facility is roughly 45,000 sq. ft. Modifications included installing cranes throughout the facility, HVAC and electrical upgrades, new overhead doors, etc. all to constitute the expansion project for Pierce Steel.

-The Total Project Investment: \$3,400,000(+,-).

A Public Hearing was held on January 9, 2023 at 9:00 a.m. in the Hinsdale Town Hall, Hinsdale, NY. Two people were in attendance, Mr. Jeff VanDeCar the Town Supervisor of Hinsdale, NY and a representative from Hinsdale Central School. A copy of the minutes has been provided to each Board Member in their packets for review.

(#2.) Olean 2020, LLC:

-Olean 2020, LLC. (Ellicott Development affiliation) has asked the IDA to support its commercial (new build) project in the City of Olean. The project location is 2101 W. State Street.

Phase 1 would include the construction of two (2) 2-story 12-unit multi-family buildings. Phase 2 would include the construction of a 2-story 8-unit multi-family building and a 2-story, 12-unit multi-family market rate building.

-The Total Project Investment: \$11,091,043(+,-).

A Public Hearing was held on January 9, 2023 at 10:15 a.m. in the City of Olean Conference Room in Olean, NY. No one was in attendance at this Public Hearing in regards to the Olean 1010, LLC project. A copy of the minutes have been provided to each Board Member in their packets for review.

(#3) 9154 Group, LLC:

-9154 Group, LLC. (Ellicott Development affiliation) has asked the IDA to support its commercial (new build) project in the Town of Allegany. The project location is 3139 W. State Street.

Located on border of City of Olean and Town of Allegany, the developer is proposing to constructing a 10-unit, 2-story apartment building. Totalling approximately 12,000 square feet, the building will house 8 market-rate apartments and 2 townhome units. The property is within walking distance of St Bonaventure University, Walmart, BJ's Wholesale Club, Tops and numerous other retail stores and restaurants offering convenience to our future residents. (Harbor Freight is in the "front" of this parcel, the former DeSoto Motel, which was demolished in late 2015).

-The Total Project Investment: \$3,030,181(+,-).

A Public Hearing was held on January 9, 2023 at 10:30 a.m. in the Town Hall in the Town of Allegany, NY. Supervisor Mr. Michael Higgins and Kathy Martin were in attendance. Both people in attendance were in favor of the 9154 Group LLC Project in the Town of Allegany. A copy of the minutes have been provided to each Board Member in their packets for review.

(#4.) Jeff Russell:

-Mr. Jeff Russell has asked the IDA to support its commercial (new build) project in West Valley. The project location is Connoisarauley Road

House of Steel (former IDA Project) will be building a 48' x 160' x 16' structure which will then be used to store RV's. The project will allow campers who travel with their campers in County run campgrounds and RV Parks. This will give a great option for "seasonal" and "weekenders" campers who may not want to trailer their camper back home. The project will construct 10 bays in Phase 1.

-The Total Project Investment: \$321,000(+,-).

Resolution:

A Motion was made by Joseph Higgins, seconded by Brent Driscoll RESOLUTION OF THE COUNTY OF CATTARAUGUS INDUSTRIAL DEVELOPMENT AGENCY: (i) ACCEPTING THE APPLICATION OF JEFF AND KELLI RUSSELL, AND/OR INDIVIDUAL(S) OR AFFILIATE(S), SUBSIDIARY(IES), OR ENTITY(IES) FORMED OR TO BE FORMED ON THEIR BEHALF (INDIVIDUALLY, AND/OR COLLECTIVELY, THE "COMPANY") IN CONNECTION WITH A CERTAIN PROJECT DESCRIBED BELOW; (ii) MAKING A DETERMINATION PURSUANT TO THE STATE ENVIRONMENTAL QUALITY REVIEW ACT; (iii) APPOINTING THE COMPANY, OR ITS DESIGNEE, AS ITS AGENT TO UNDERTAKE THE PROJECT; (iv) AUTHORIZING THE UNDERTAKING OF THE PROJECT TO PROVIDE FINANCIAL ASSISTANCE TO THE COMPANY IN THE FORM OF (A) A SALES TAX EXEMPTION BENEFIT FOR PURCHASES AND RENTALS RELATED TO THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF THE PROJECT, (B) A MORTGAGE RECORDING TAX EXEMPTION BENEFIT FOR FINANCING RELATED TO THE PROJECT, AND (C) A PARTIAL ABATEMENT FROM REAL PROPERTY TAXES BENEFIT THROUGH THE PILOT AGREEMENT; AND (vi) AUTHORIZING THE NEGOTIATION AND EXECUTION OF A LEASE AGREEMENT, LEASEBACK AGREEMENT, A PAYMENT-IN-LIEU-OF-TAX AGREEMENT, AN AGENT AND FINANCIAL ASSISTANCE PROJECT AGREEMENT, AND RELATED DOCUMENTS. A roll call of the Board of Directors of the CCIDA was taken Mr. Buffamante, Mr. Higgins, Ms. Schroder, Mr. Driscoll and Mr. Stahley were present. Mr. Wimer and Mr. Snyder were excused. **Motion Carried**

Resolution from Prior Application/Project in Process

-Campground Adventures, LLC.:

(Application was made to the IDA on 10/27/22 – General improvements to the infrastructure, power grid, roads and building a new "store".

The Total Project Investment: \$150,000 (+,-)

Resolution:

A Motion was made by Joseph Higgins, seconded by Brent Driscoll RESOLUTION OF THE COUNTY OF CATTARAUGUS INDUSTRIAL DEVELOPMENT AGENCY: (i) ACCEPTING THE APPLICATION OF CAMPGROUND ADVENTURES LLC, AND/OR INDIVIDUAL(S) OR AFFILIATE(S), SUBSIDIARY(IES), OR ENTITY(IES) FORMED OR TO BE FORMED ON ITS BEHALF (INDIVIDUALLY, AND/OR COLLECTIVELY, THE "COMPANY") IN CONNECTION WITH A CERTAIN PROJECT DESCRIBED BELOW; (ii) RATIFYING THE SCHEDULING, NOTICING, AND CONDUCTING OF A PUBLIC HEARING IN CONNECTION WITH THE PROJECT; (iii) MAKING A DETERMINATION PURSUANT TO THE STATE ENVIRONMENTAL QUALITY REVIEW ACT; (iv) APPOINTING THE COMPANY, OR ITS DESIGNEE, AS ITS AGENT TO UNDERTAKE THE PROJECT; (v) AUTHORIZING THE UNDERTAKING OF THE PROJECT TO PROVIDE FINANCIAL ASSISTANCE TO THE COMPANY IN THE FORM OF (A) A SALES TAX EXEMPTION BENEFIT FOR PURCHASES AND RENTALS RELATED TO THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF THE PROJECT, AND (B) A PARTIAL ABATEMENT FROM REAL PROPERTY TAXES BENEFIT THROUGH THE PILOT AGREEMENT; AND (vi) AUTHORIZING THE NEGOTIATION AND EXECUTION OF A LEASE AGREEMENT, LEASEBACK AGREEMENT, A PAYMENT-IN-LIEU-OF-TAX AGREEMENT, AN AGENT AND FINANCIAL ASSISTANCE PROJECT AGREEMENT, AND RELATED DOCUMENTS. A roll call of the Board of Directors of the CCIDA was taken Mr. Buffamante, Mr. Higgins, Ms. Schroder, Mr. Driscoll and Mr. Stahley were present. Mr. Wimer and Mr. Snyder were excused. **Motion Carried**

Upper Edge Consulting:

Dianna Chiak from Upper Edge Consulting was on the phone to give a brief overview on what she has been working on. She just recently submitted a grant application to the Ralph Wilson Legacy Fund relating to the Rail Bike Project in Cattaraugus. Dianna and our team are working on a second grant application to be submitted to be considered for another grant in respect to this same project. We should be hearing something in the near future.

***CCIDA Financial Reports:**

A Motion was made by Joseph Higgins seconded by Brent Driscoll to accept the November 2022 Operating Statement as presented to the Board. Mr. Wimer and Mr. Snyder were excused. **All in Favor - Motion Carried.**

No income to report for November 2022.

Mr. Wiktor gave a general update of the CD's and investment accounts. It was recommended that we take some funds from the checking account at CCB and transfer it to Five Star Bank in Ellicottville into a CD for a better return on our investments.

*Executive Directors Report:

Internal (IDA Meetings/Discussions):

- ✓ Met with a **local brewer** who will be submitting a project application to the IDA later this year. More details to follow on this very exciting project and investment. This project will be great for the County. This proposed project has unique project dimensions to it!
- ✓ I had a business update meeting with Ben Heckathorn and Mike Giardini with Kinley Construction to discuss several project updates and how things are going for them this year and next. Very good meeting and some exciting projects to come.
- ✓ **We have spent much time with an out of the area Manufacturing company** that is looking for Industrial land & buildings in the Olean/Portville, NY area. The business is looking to make a significant investment, we are hoping to land this Company. More details to follow as we work on the infrastructure needs of the proposed Company. Application submitted, will proceed when able*
- ✓ Met with a **Regional Developer is looking to do a project in the Village of Ellicottville**. The developer is currently working on some further plans and has been in touch with the Village as well. We look forward to a Winter 2023 Application to the IDA.
- ✓ I met with some key **Leaders and Stakeholders regarding two (2) projects** within Cattaraugus County. Both of the projects are in the Greater Olean Area and have significant upside in jobs and economic development opportunity. I wish I could say more, but at this time I have to be confidential about who we met with. Fingers crossed. These two projects would be huge!
- ✓ Met with a local developer relating to a commercial project in the north part of the County. An application is in to the IDA and the developer looks to break ground in the Spring of 2023. Very nice little project!
- ✓ I met with a local manufacture who is looking to purchase an existing building in the Olean area and is looking to expand his operation and workforce. This proposed project has also submitted an application to the IDA and hopes to start work in the Winter 2023. Awesome news for a great project!
- ✓ Continued discussion with Bill Paladino from **Ellicott Development** to discuss their County owned properties and sites, and ways the IDA can assist potential clients and redevelopment opportunities. Two new projects submitted and a third will be in 2023.
- ✓ We held a **Meeting** with Mark Storch, with Storch Development who is assisting the IDA with securing Funds for the road improvements that the NYSDOT is requiring on Route 16, a small adaptive reuse project and small manufacturing project within the County as well.
- ✓ Met with Mayor Aiello in the City of Olean for a project and development update meeting.
- ✓ Attended the WNY IDA Roundtable meeting that includes all of the IDA's in WNY to discuss updates, projects, Legislative dealings etc.
- ✓ Had a conference call with Senator Borrello and Assemblyman Giglio and a project developer who is looking at the Olean area. More to follow.

- ✓ We have a standing Monday morning Zoom with Diana and myself and “Project Fox”, a project that we have been working on for some time that we can not necessarily go public at this time. Fingers crossed as this proposed project progresses.
- ✓ Met with Don Benson for an update meeting relating to his project that is in process, 351 Johnson St., LLC.
- ✓ Met with perspective business Team relating to a new manufacturing project in the Olean Area. Much more to follow on this project. Currently this proposed project is very confidential.
- ✓ Attended OBDC Monthly meeting.
- ✓ Met with a WNY Real Estate investor who is looking at a property and building in Cattaraugus County. The proposed buyer is very interested in the property, and we discussed ways the IDA can help on the purchase and investment. Warehousing use.
- ✓ Continue to work with a local real estate commercial broker on finding a location within the County for a client of theirs for a lease project with about 20 retained and new jobs.
- ✓ The IDA has been extremely busy working on a few very confidential projects at this time. More information and details will be provided when we are able to convey them to the open public. Fingers crossed on these projects that could be truly transformational and very positive for economic development in the County.

-External (Points of Interest relating to the CCIDA):

- ✓ **Buffalo News:** “How remote work is making rural WNY the hottest part of the region’s housing market.” This allows professionals and other occupations to have the ability to live and work remotely.

An interesting article that highlights a business owner who resides in Ellicottville. Key maps also show the uptick in County Residents living here while working remotely.
- ✓ **Olean Times Herald Article:** “Wind developers eye towns of Olean, Allegany.”
Projects could reach from Chipmunk to Rock City.
- ✓ **Ellicottville Town Hall Meeting:** Corey was asked by Town Board Member Greg Fitzpatrick to update the Ellicottville Town Board on the IDA’s Solar Moratorium at their December 21, 2022 Town Board Meeting.
- ✓ **Spectrum Local News Article:** “New York added thousands of clean energy jobs in 2021.”

A Motion was made by Brent Driscoll, seconded by Ginger Schroder to go into Executive Session

A Motion was made by Brent Driscoll, seconded by Joseph Higgins to exit Executive Session and return to the regular meeting at 12:54 p.m.

A Motion was made by Joseph Higgins, seconded by Ginger Schroder to increase Corey Wictor’s salary by 7% effective January 1, 2023 to \$128,400.00. Mr. Wimer and Mr. Snyder were excused. **All in favor. Motion Carried**

Adjournment:

A **Motion** was made by Joseph Higgins seconded by Brent Driscoll to adjourn the meeting at 12:55 p.m. Mr. Wimer and Mr. Snyder were excused. **All in Favor – Motion Carried**

*** Next CCIDA Board of Directors Meeting: Wednesday, January 18, 2023 at 11:15 a.m. at the CCIDA Offices, 9 E. Washington Street, Ellicottville, NY, and also via Zoom.**

**COUNTY OF CATTARAUGUS
INDUSTRIAL DEVELOPMENT AGENCY
AMENDATORY RESOLUTION**

OLEAN MANOR, INC.

A regular meeting of the County of Cattaraugus Industrial Development Agency was convened on Wednesday, January 18, 2023 at 11:15 a.m.

The following resolution was duly offered and seconded, to wit:

RESOLUTION OF THE COUNTY OF CATTARAUGUS INDUSTRIAL DEVELOPMENT AGENCY AUTHORIZING THE NEGOTIATION, EXECUTION, AND DELIVERY OF CERTAIN DOCUMENTS RELATED TO THE EXTENSION OF THE SALES TAX EXEMPTION BENEFIT FOR THE OLEAN MANOR, INC. (THE "COMPANY") PROJECT INCLUDING THE AMENDED AND RESTATED UNIFORM PROJECT BENEFITS AND AGENT AGREEMENT AND OTHER RELATED DOCUMENTS

WHEREAS, the County of Cattaraugus Industrial Development Agency (the "Agency") is authorized and empowered by the provisions of Chapter 1030 of the 1969 Laws of New York, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended (the "Enabling Act") and Chapter 536 of the 1971 Laws of New York, as amended, constituting Section 890-b of said General Municipal Law (said Chapter and the Enabling Act being hereinafter collectively referred to as the "Act") to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of manufacturing, warehousing, research, commercial and industrial facilities, among others, for the purpose of promoting, attracting and developing economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York, to improve their prosperity and standard of living, and to prevent unemployment and economic deterioration; and

WHEREAS, to accomplish its stated purposes, the Agency is authorized and empowered under the Act to acquire, construct, reconstruct and install one or more "projects" (as defined in the Act), or to cause said projects to be acquired, constructed, reconstructed and installed, and to convey said projects or to lease said projects with the obligation to purchase; and

WHEREAS, by Resolution adopted on February 2, 2017 (the "Resolution") the Agency authorized the Company to act as its agent for the purposes of undertaking a certain project (the "Project") consisting of: (i) acquisition of an interest in an approximately 31.50 acre parcel of land located on 3260 N. Seventh Street in the Town of Allegany, Cattaraugus County, New York (Tax Map 4 94.037-1-24.2) (the "Land"), (ii) the construction on the Land of approximately 10-12 buildings containing in the aggregate approximately 112,000 square feet (collectively, the "Facility"), and (iii) the acquisition and installation therein and thereon of certain machinery and equipment (collectively, the "Equipment"), all of the foregoing to constitute a unified senior housing and adult assisted living facility (the Land, the Facility and the Equipment being collectively referred to as the "Project Facility"); and

WHEREAS, by its Resolution, the Agency has conferred on the Company in connection with the Project certain benefits, exemptions and other financial assistance consisting of: (a) an exemption benefit from all New York State and local sales and use tax for purchases related to the Project with respect to the qualifying personal property included in or incorporated into the Project Facility or used in the acquisition, construction or equipping of the Project Facility; (b) an exemption benefit from mortgage recording taxes and (c) a real property taxes abatement benefit in the form of a Payment-in-lieu-of Taxes Agreement (the "PILOT Agreement" and collectively with the sales and use tax exemption benefit and the exemption benefit from mortgage recording taxes, the "Financial Assistance"); and

WHEREAS, the Company's appointment as Agent of the Agency for purposes of undertaking the Project and making purchases exempt from New York State and local sales and use tax exemption benefits expired December 31, 2019 (the "Original Sales Tax Benefit"); and

WHEREAS, the Company was unable to complete the Project by the Original Sales Tax Benefit expiration date of December 31, 2019, and the Agency, on December 10, 2019, authorized and approved an extension of the Original Sales Tax Benefit and entered into that certain Modification Agreement dated January 1, 2020 for purposes of extending the New York State and local sales and use tax exemption benefits expiration date from December 31, 2019 to December 31, 2021 (the "Amended Sales Tax Benefit"); and

WHEREAS, the Company has confirmed that it has not completed making purchases as so approved by the Agency for the benefit of the Project and has requested an additional extension of time to utilize the Agency's New York State and local sales and use tax exemption benefit beyond the December 31, 2021 termination date until December 31, 2024, for purposes of completing the Project.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF COUNTY OF CATTARAUGUS INDUSTRIAL DEVELOPMENT AGENCY, AS FOLLOWS:

Section 1. Subject to the terms of this Amendatory Resolution, and upon the Agency's receipt and approval of the Company's insurance certificates evidencing compliance with the Agency's insurance requirements, the Executive Director is hereby authorized to act on behalf of the Agency and to negotiate, execute, and deliver the Amended and Restated Uniform Project Benefits and Agent Agreement, all other sales and use tax exemption benefit extension documents, and other related documents necessary to effectuate the foregoing, all in such form and order as so determined by counsel to the Agency, to extend the sales and use tax exemption benefit term through December 31, 2024, to enable the Company to complete the Project.

Section 2. Any and all references to the term "Completion Date" as so related to the Agency's provision of Financial Assistance shall mean December 31, 2024.

Section 3. The officers, employees and agents of the Agency are hereby authorized and directed for and in the name and on behalf of the Agency to do all acts and things required and to execute and deliver all such certificates, instruments and documents, to pay all such fees, charges and expenses and to do all such further acts and things as may be necessary or, in the opinion of the officer, employee or agent acting, desirable and proper to effect the purposes of the foregoing resolutions and to cause compliance by the Agency with all of the terms, covenants and provisions of the documents executed for and on behalf of the Agency.

Section 4. These Resolutions shall take effect immediately.

Dated: January 18, 2023

PUBLIC HEARING SCRIPT

**Olean 2020, LLC and/or Individual(s) or
Affiliate(s), Subsidiary(ies), or Entity(ies)
formed or to be formed on its behalf
Project**

Public Hearing to be held on January 9, 2023 at 10:15 a.m.
at the Olean City Municipal Building, Conference Room #119, 101 East State Street, Olean,
New York 14760

ATTENDANCE:

None

Members of the General Public

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

Hearing Officer: Welcome. This public hearing is now open; it is 10:15 a.m. My name is Corey R. Wiktor. I am the Executive Director of the County of Cattaraugus 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 www.ccidany.com.

2. PURPOSE: Purpose of the Hearing.

Hearing Officer: We are here to hold the public hearing on the Olean 2020, LLC and/or Individual(s) or Affiliate(s), Subsidiary(ies), or Entity(ies) formed or to be formed on its behalf. This public hearing is being recorded and will be transcribed for the Board Members of the Agency for their review and comments before they take any further action. We have a sign in sheet for anyone who would like to participate in this public hearing either by presenting oral comments or we would be happy to take written statements. Notice of this hearing appeared in Olean Times Herald on Friday, December 23, 2022.

3. PROJECT SUMMARY: Description of Project and Contemplated Agency Benefits.

Hearing Officer: The proposed project (the "Project") consists of: (i) the acquisition by the Agency of a leasehold interest in certain property located at 2101 West State Street in the City of Olean, Cattaraugus County, New York and all other lands in the City of Olean where, by license or easement or other agreement, the Company or its designees are making improvements that benefit the Project (the "Land"), (ii) Phase I will be the construction of

two 2-story 24 unit multi-family buildings and Phase II will be the construction of a 2-story 8-unit multi-family building and a 2-story 12-unit multi-family building (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, the "Project 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 rules and manner in which the hearing will proceed.

Hearing Officer: All those who have joined this conference call will be given an opportunity to make statements and/or comments on the Project if they so desire.

Minutes of the Public Hearing will be transcribed and posted on the Agency's website (www.cattcoida.com). Additional information can be obtained from, and written comments may be addressed to: Corey R. Wiktor, Executive Director, County of Cattaraugus Industrial Development Agency, 9 East Washington Street, P.O. Box 1749, Ellicottville, New York 14731; Telephone: 716-699-2005 and electronically at corey@cattcoida.com or Info@cattcoida.com.

5. PUBLIC COMMENT: Hearing Officer gives the Public an opportunity to speak.

Hearing Officer: Those interested in making a statement or comment will be called upon. Please begin by stating 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.

The Hearing Moderator introduces each participant in the order they registered for this meeting.

[Insert transcription of public comments here.]

-OR-

Hearing Officer: Note that no one in attendance wished to make a statement or comment.

6. ADJOURNMENT:

As there were no further statements and/or comments, the Hearing Officer closed the public hearing at 10:21 a.m.

MRB Cost Benefit Calculator

Cattaraugus County Industrial Development Agency

Date: December 28, 2022
 Project Title: Clean 2020, LLC
 Project Location: 2101 West State Street, Clean NY

Construction Phase - Project Assumptions

Project Costs

Value: \$10,090,084
 Local Construction Spending*: 100%
 % of locally sourced materials and labor: \$10,090,084
 In-region construction spending

Construction Economic Impacts

Industry	NAICS	Count	Value	% of Total Investment	Investment by Type
Industrial Building Construction		1	236210	300%	\$10,090,084
(Not Applicable)			0		\$0
(Not Applicable)			0		\$0

Most projects will only have one line related to construction type.

Operation Phase - Project Assumptions

Jobs and Earnings from Operations

NAICS Lookup

Year 1 - Enter NAICS	NAICS	Count	Per Job Annual Earnings	Total Earnings
Lessors of Residential Buildings and Dwelling	531110	1	\$35,360	\$35,360
				\$0
				\$0
				\$0
				\$0
				\$0
Total		1		\$35,360

Year 2

Lessors of Residential Buildings and Dwelling	NAICS	Count	Per Job Annual Earnings	Total Earnings
	531110	1	\$35,360	\$35,360
				\$0
				\$0
				\$0
				\$0
				\$0
Total		1		\$35,360

Year 3+ (Full Employment)

	NAICS	Count	Per Job Annual Earnings	Total Earnings
Lessors of Residential Buildings and Dwellings	531110	1	\$35,360	\$35,360
	0	0		\$0
	0	0		\$0
	0	0		\$0
	0	0		\$0
	0	0		\$0
Total		1		\$35,360

Fiscal Impact Assumptions

Estimated Costs of Incentives

Sales Tax Exemption	%	Value	PILOT Term (Years)
Local Sales Tax Rate	4.00%	\$440,000	10
State Sales Tax Rate	4.00%	\$220,000	Escalation Factor
			2%
Mortgage Recording Tax Exemption			Discount Factor
Local	0.75%	\$102,980	2%
State	0.50%	\$61,788	
		\$41,192	
Total Costs		\$2,850,695	

-	-			\$0
-	-			\$0
-	-			\$0
-	-			\$0
-	-			\$0
-	-			\$0
Total				\$0

Notes

Qualified Commercial Facility (New Construction) PILOT

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

Yes

**COUNTY OF CATTARAUGUS INDUSTRIAL
DEVELOPMENT AGENCY
INDUCEMENT RESOLUTION**

**OLEAN 2020, LLC, AND/OR INDIVIDUAL(S) OR AFFILIATE(S), SUBSIDIARY(IES),
OR ENTITY(IES) FORMED OR TO BE FORMED ON ITS BEHALF**

A regular meeting of the County of Cattaraugus Industrial Development Agency was convened on Wednesday, January 18, 2023 at 11:15 a.m.

The following resolution was duly offered and seconded, to wit:

RESOLUTION OF THE COUNTY OF CATTARAUGUS INDUSTRIAL DEVELOPMENT AGENCY: (i) ACCEPTING THE APPLICATION OF OLEAN 2020, LLC, AND/OR INDIVIDUAL(S) OR AFFILIATE(S), SUBSIDIARY(IES), OR ENTITY(IES) FORMED OR TO BE FORMED ON ITS BEHALF (INDIVIDUALLY, AND/OR COLLECTIVELY, THE "COMPANY") IN CONNECTION WITH A CERTAIN PROJECT DESCRIBED BELOW; (ii) RATIFYING THE SCHEDULING, NOTICING, AND CONDUCTING OF A PUBLIC HEARING IN CONNECTION WITH THE PROJECT; (iii) MAKING A DETERMINATION PURSUANT TO THE STATE ENVIRONMENTAL QUALITY REVIEW ACT; (iv) APPOINTING THE COMPANY, OR ITS DESIGNEE, AS ITS AGENT TO UNDERTAKE THE PROJECT; (v) AUTHORIZING THE UNDERTAKING OF THE PROJECT TO PROVIDE FINANCIAL ASSISTANCE TO THE COMPANY IN THE FORM OF (A) A SALES TAX EXEMPTION BENEFIT FOR PURCHASES AND RENTALS RELATED TO THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF THE PROJECT, (B) A MORTGAGE RECORDING TAX EXEMPTION BENEFIT FOR FINANCING RELATED TO THE PROJECT, AND (C) A PARTIAL ABATEMENT FROM REAL PROPERTY TAXES BENEFIT THROUGH THE PILOT AGREEMENT; AND (vi) AUTHORIZING THE NEGOTIATION AND EXECUTION OF A LEASE AGREEMENT, LEASEBACK AGREEMENT, A PAYMENT-IN-LIEU-OF-TAX AGREEMENT, AN AGENT AND FINANCIAL ASSISTANCE PROJECT AGREEMENT, AND RELATED DOCUMENTS

WHEREAS, County of Cattaraugus Industrial Development Agency (the "Agency") is authorized and empowered by the provisions of Chapter 1030 of the 1969 Laws of New York, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended (the "Enabling Act") and Chapter 536 of the 1971 Laws of New York, as amended, constituting Section 890-b of said General Municipal Law (said Chapter and the Enabling Act being hereinafter collectively referred to as the "Act") to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of manufacturing, warehousing, research, commercial and industrial facilities, among others, for the purpose of promoting, attracting and developing

economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York, to improve their prosperity and standard of living, and to prevent unemployment and economic deterioration; and

WHEREAS, to accomplish its stated purposes, the Agency is authorized and empowered under the Act to acquire, construct, reconstruct and install one or more "projects" (as defined in the Act), or to cause said projects to be acquired, constructed, reconstructed and installed, and to convey said projects or to lease said projects with the obligation to purchase; and

WHEREAS, the Company has submitted an application to the Agency (the "Application") requesting the Agency's assistance with a certain project (the "Project") consisting of: (i) the acquisition by the Agency of a leasehold interest in certain property located at 2101 West State Street in the City of Olean, Cattaraugus County, New York and all other lands in the City of Olean where, by license or easement or other agreement, the Company or its designees are making improvements that benefit the Project (the "Land"), (ii) Phase I will be the construction of two 2-story 24 unit multi-family buildings and Phase II will be the construction of a 2-story 8-unit multi-family building and a 2-story 12-unit multi-family building (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, the "Project Facility"). The Facility will be initially operated and/or managed by the Company; and

WHEREAS, pursuant to General Municipal Law Section 859-a, on January 9, 2023 at 10:15 a.m. at the Olean City Municipal Building, Conference Room #119, 101 East State Street, Olean, New York 14760, the Agency held a public hearing with respect to the Project and the proposed Financial Assistance (as hereinafter defined) being contemplated by the Agency (the "Public Hearing") whereat interested parties were provided a reasonable opportunity, both orally and in writing, to present their views; and

WHEREAS, it is contemplated that the Agency will (i) designate the Company as its agent for the purpose of undertaking the Project pursuant to an Agent and Financial Assistance Project Agreement (the "Agent Agreement"), (ii) negotiate and enter into a lease agreement (the "Lease Agreement") and related leaseback agreement (the "Leaseback Agreement") with the Company, pursuant to which the Agency will retain a leasehold interest in the Land, the Existing Improvements, the Improvements, the Equipment and personal property constituting the Facility; and (iii) provide Financial Assistance to the Company in the form of (a) an exemption benefit from all New York State and local sales and use taxes for purchases and rentals related to the Project with respect to the qualifying personal property included in or incorporated into the Facility or used in the acquisition, construction, reconstruction and/or renovation, rehabilitation or equipping of the Facility, (b) a mortgage recording tax exemption benefit for the financing related to the Project, and (c) a partial abatement from real property taxes benefit through a ten (10) year term PILOT Agreement for the benefit of each municipality and school district having taxing jurisdiction over the Project, (collectively, the sales and use tax exemption benefit, the mortgage recording tax exemption benefit, and the partial abatement from real property taxes benefit, are hereinafter collectively referred to as the "Financial Assistance"); and

WHEREAS, pursuant to and in accordance with Article 8 of the New York Environmental Conservation Law and the regulations promulgated thereto in 6 N.Y.C.R.R. Part 617 (collectively referred to as the "State Environmental Quality Review Act" and/or "SEQR"), the Company has submitted to the Agency a Short Environmental Assessment Form (the "EAF") with respect to the Project; and

WHEREAS, the City of Olean Planning Board (the "Planning Board") in accordance SEQR, undertook uncoordinated review with respect to the Project, established itself as Lead Agency as defined in SEQR, determined that the Project was an Unlisted Action, and issued a negative declaration ("Planning Board Negative Declaration") under SEQR on November 9, 2022 with respect to the Project; and

WHEREAS, pursuant to Article 18-A of the Act, the Agency desires to adopt a resolution describing the Project and the Financial Assistance that the Agency is contemplating with respect to the Project.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE COUNTY OF CATTARAUGUS INDUSTRIAL DEVELOPMENT AGENCY AS FOLLOWS:

Section 1. The Company has presented an application in a form acceptable to the Agency. Based upon the representations made by the Company to the Agency in the Company's application and any other correspondence submitted by the Company to the Agency, public hearing comments, if any, and Agency board member review of and recommendations related to the Project and its resolution to approve the Project subject to the terms and conditions as described herein, the Agency board member review of the Project's cost benefit ratio, the costs of incentives so applied for, the anticipated new tax revenues to be generated by the Project, as well as the Project's contemplated community benefits, and Agency board member review, discussion, and consideration of same, the Agency hereby finds and determines that:

(A) By virtue of the Act, the Agency has been vested with all powers necessary and convenient to carry out and effectuate the purposes and provisions of the Act and to exercise all powers granted to it under the Act; and

(B) It is desirable and in the public interest for the Agency to appoint the Company as its agent for purposes of acquiring, constructing and/or renovating and equipping the Project; and

(C) The Agency has the authority to take the actions contemplated herein under the Act; and

(D) The action to be taken by the Agency will induce the Company to develop the Project, thereby increasing and/or retaining employment opportunities in Cattaraugus County, New York and otherwise furthering the purposes of the Agency as set forth in the Act; and

(E) The Project will not result in the removal of a civic, commercial, industrial, or manufacturing plant of the Company or any other proposed occupant of the Project from one area of the State of New York (the "State") to another area of the State or result in the abandonment of one or more plants or facilities of the Company or any other proposed occupant

of the Project located within the State; and the Agency hereby finds that, based on the Company's application, to the extent occupants are relocating from one plant or facility to another, the Project is reasonably necessary to discourage the Project occupants from removing such other plant or facility to a location outside the State and/or is reasonably necessary to preserve the competitive position of the Project occupants in their respective industries, and, to the extent occupants are relocating from one plant or facility to another in another area of the State, the Agency has complied with the Intermunicipal Movement procedures as required in the Countywide Industrial Development Agency Uniform Tax Exemption Policy; and

(F) The Agency has assessed all material information included in connection with the Application necessary to afford a reasonable basis for the decision by the Agency to provide Financial Assistance for the Project as described herein; and

(G) The Agency has prepared a written cost-benefit analysis satisfactorily identifying the extent to which the Project will create or retain permanent, private sector jobs, the estimated value of any tax exemption to be provided, the amount of private sector investment generated or likely to be generated by the Project, the likelihood of accomplishing the Project in a timely fashion, and the extent to which the Project will provide additional sources of revenue for municipalities and school districts, and any other public benefits that might occur as a result of the Project; and

(H) The Company has provided a written statement confirming that the Project as of the date of the Application is in substantial compliance with all provisions the Act.

(I) Based upon a thorough and complete review of the Application and its accompanying materials and information, the EAF submitted by the Company, and the SEQR proceedings conducted by the Agency and the Planning Board, including the Planning Board Negative Declaration, the Agency finds and determines that: (i) the Project constitutes an "Unlisted Action" within the meaning of SEQR and a coordinated review is optional; (ii) the Agency has conducted an uncoordinated review of the Project under SEQR; (iii) the Project will result in no major impacts to the land, air quality, surface water, noise, order and have no impacts on lighting, flora, fauna, critical environmental areas, historic or archeological resources, will have no impacts on transportation, will not impact flooding, based upon issuance of zoning variances the Project will only have a minor adverse impact upon the community character related to newly approved lot width and side yard setbacks, will not result in any impacts to human health or aesthetic resources, will not encourage or attract a large number of people to the site, will not involve changes in two or more elements of the environment, no one of which has a significant adverse impact on the environment, but when considered together, results in a substantial adverse impact, and the Project does not include two or more related actions undertaken, funded, or approved by an agency, none of which that has or would have a significant impact on the environment, but when considered cumulatively would meet one or more of the criteria for determining a significant impact, and therefore, the Project is one which may not cause significant damage to the environment; (iv) construction work and interior fit-out related impacts are short term and do not have a significant magnitude or effect; (v) the Project will not have a "significant effect on the environment" as such quoted term is defined in SEQR; and (vi) no "environmental impact statement" as such quoted term is defined in SEQR, need be prepared for this action. The Agency thus issues a Negative Declaration pursuant to 6

N.Y.C.R.R. § 617.7 of the SEQR regulations, which concludes the Agency's uncoordinated review of the Project.

(J) The Project constitutes a commercial facility as defined in the General Municipal Law and will promote employment opportunities and prevent economic deterioration in the City of Olean. The Agency has reviewed the opinion of the State Comptroller (OSC Op. 85-51) and hereby specifically finds that the Project will create temporary construction jobs and approximately one (1) full-time job and will be a physical and economic improvement to this sensitive area of the City of Olean; and

(K) The Project qualifies for Agency Financial Assistance as it meets the Agency's general uniform criteria for project evaluation, said criteria established by New York State and the Agency as required under General Municipal Law Section 859-a(5) as evidenced by the following:

- (i) Extent to which the Project will create or retain jobs: The Project will retain 1 FTE employee position create 1 new FTE employee position.
- (ii) The estimated total value of Financial Assistance is approximately \$2,850,695 over the 10-year real property tax abatement benefit period.
- (iii) The estimated amount of private sector investment to be made by the Company is \$11,091,043.
- (iv) Likelihood of the Project being accomplished in a timely fashion: There is a high likelihood that the Project will be completed in a timely manner, by the first quarter of 2024.
- (v) Extent of new revenue provided to local taxing jurisdictions: New real property tax revenue will be generated beyond what would otherwise be received in the absence of the Project.
- (vi) The Project will provide new and attractive housing stock to the City of Olean.
- (vii) The Project will create local construction jobs.

Section 2. The Agency hereby authorizes the undertaking of the Project and the provision of the Financial Assistance to the Company as described herein.

Section 3. Subject to the Company executing an Agent Agreement and the delivery to the Agency of a binder, certificate or other evidence of insurance for the Project satisfactory to the Agency, the Agency hereby authorizes the Company to proceed with the acquisition, construction and equipping of the Project and hereby appoints the Company as the true and lawful agent of the Agency: (i) to acquire, construct and/or renovate and equip the Project; (ii) to make, execute, acknowledge and deliver any contracts, orders, receipts, writings and instructions, as the stated agent for the Agency with the authority to delegate such agency, in whole or in part, to agents, subagents, contractors, and subcontractors of such agents and

subagents and to such other parties as the Company chooses; and (iii) in general, to do all things which may be requisite or proper for completing the Project, all with the same powers and the same validity that the Agency could do if acting in its own behalf; provided, however, the appointment of the Company as agent of the Agency, if utilized, shall expire one year from the date of this resolution (unless extended for good cause by the Chair, the Vice Chair, and/or the Executive Director).

A. Financial Assistance. With respect to the foregoing, and based upon the representations and warranties made by the Company in its application for Financial Assistance, the Agency hereby:

(i) authorizes and approves the Company, as its agent, to make purchases of goods and services relating to the Project and that would otherwise be subject to New York State and local sales and use tax in an amount estimated up to \$5,500,000, and, therefore, the value of the sales and use tax exemption benefits ("sales and use tax exemption benefits") authorized and approved by the Agency cannot exceed \$440,000, however, the Agency may consider any requests by the Company for increases to the amount of sales and use tax exemption benefits authorized by the Agency upon being provided with appropriate documentation detailing the additional purchases of property or services; and

(ii) authorizes and approves that the value of the mortgage recording tax exemption benefit ("mortgage recording tax exemption benefits") shall not exceed \$102,980; and

(iii) authorizes and approves that the real property tax abatement benefits ("PILOT benefits") to be provided over the term of the PILOT Agreement are estimated to be approximately \$2,307,715 resulting in estimated total PILOT payments of \$2,345,719 over the term of the PILOT Agreement.

B. Terms and Conditions of Financial Assistance. Pursuant to Section 875(3) of the New York General Municipal Law, and per the policies of the Agency, the Agency may recover or recapture from the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, any New York State and local sales and use tax exemption benefits, and/or mortgage recording tax exemption benefits, and/or partial abatements from real property taxes benefits taken or purported to be taken by the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, if it is determined that: (i) the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, is not entitled to the New York State and local sales and use tax exemption benefits; (ii) the New York State and local sales and use tax exemption benefits are in excess of the amounts authorized to be taken by the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project; (iii) the New York State and local sales and use tax exemption benefits are for property or services not authorized by the Agency as part of the Project; (iv) the Company has made a material false statement on its application for Financial Assistance; and/or (v) the New York State and local sales and use tax exemption benefits and/or mortgage recording tax exemption benefits, and/or the partial abatement from

real property taxes benefits are taken in cases where the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, fails to comply with the Investment Commitment and/or the Employment Commitment as described below, being a material term or condition to use property or services in the manner approved by the Agency in connection with the Project.

As a condition precedent of receiving Financial Assistance, the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, must cooperate with the Agency in its efforts to recover or recapture any Financial Assistance, and promptly pay over any such amounts to the Agency that the Agency demands.

C. Commitments. As an additional condition precedent of receiving Financial Assistance, and as a material term or condition as approved by the Agency in connection with the Project, the Company covenants and agrees and understands that it must, subject to potential modification, termination and/or recapture of Financial Assistance for failure to meet and maintain the commitments and thresholds as described below, submit, on an annual basis or as otherwise indicated below through the termination of the PILOT Agreement, a certification, as so required by the Agency, confirming:

- (i) Investment Commitment - the total investment actually made with respect to the Project at the time of Project completion equals or exceeds \$11,091,043, being the total project cost as stated in the Company's application for Financial Assistance.
- (ii) Employment Commitment – that there are at least 1 existing full time equivalent (“FTE”) employees located at, or to be located at, the Facility as stated in the Company's application for Financial Assistance (the “Baseline FTE”); and
 - the number of current FTE employees in the then current year at the Facility; and
 - that within two (2) years of Project completion, the Company has maintained and created FTE employment at the Facility equal to 1 FTE employee.

Section 4. Subject to the terms of this Inducement Resolution, the Chair, the Vice Chair, and/or the Executive Director, are hereby authorized, on behalf of the Agency, to negotiate, execute and deliver (A) an Agent Agreement, (B) the Lease Agreement whereby the Company leases the Project to the Agency, (C) the related Leaseback Agreement whereby the Agency leases the Project back to the Company, and (D) the PILOT Agreement and (E) related documents; provided, however, that (i) the rental payments under the Leaseback Agreement to the Company include payments of all costs incurred by the Agency arising out of or related to the Project and indemnification of the Agency by the Company for actions taken by the Company and/or claims arising out of or related to the Project; and (ii) the terms of the PILOT Agreement are consistent with the Agency's Uniform Tax Exemption Policy, or procedures for deviation have been complied with accordingly.

Section 5. Subject to the terms of this Inducement Resolution, the Chair, the Vice Chair, and/or the Executive Director, are hereby authorized, on behalf of the Agency, to

negotiate, execute and deliver any mortgage, assignment of leases and rents, security agreement, UCC-1 Financing Statements and all documents reasonably contemplated by these resolutions or required by any lender identified by the Company (the "Lender") up to a maximum principal amount necessary to undertake the Project, acquire the Facility and/or finance or refinance acquisition and Project costs or equipment and other personal property and related transactional costs (hereinafter, with the Lease Agreement, Leaseback Agreement, and related documents, collectively called the "Agency Documents"); and, where appropriate, the Secretary or the Assistant Secretary of the Agency is hereby authorized to affix the seal of the Agency to the Agency Documents and to attest the same, all with such changes, variations, omissions and insertions as the Chair, the Vice Chair, and/or the Executive Director of the Agency shall approve, the execution thereof by the Chair, the Vice Chair, and/or the Executive Director of the Agency to constitute conclusive evidence of such approval; provided in all events recourse against the Agency is limited to the Agency's interest in the Project.

Section 6. The officers, employees and agents of the Agency are hereby authorized and directed for and in the name and on behalf of the Agency to do all acts and things required and to negotiate, execute and deliver all such certificates, instruments and documents, to pay all such fees, charges and expenses and to do all such further acts and things as may be necessary or, in the opinion of the officer, employee or agent acting, desirable and proper to effect the purposes of the foregoing resolutions and to cause compliance by the Agency with all of the terms, covenants and provisions of the documents executed for and on behalf of the Agency.

Section 7. The provision by the Agency of Financial Assistance with respect to the Project as described herein is subject to the Agency's policies.

Section 8. This resolution shall take effect immediately, and shall expire one (1) year from the date hereof unless extended for good cause by the Chair, the Vice Chair, and/or the Executive Director.

Dated: January 18, 2023

Thurs
@ 1:00
Town of Allegany
W Main Street
Kevin
Sherrin

PUBLIC HEARING SCRIPT

**9154 Group, LLC and/or Individual(s) or
Affiliate(s), Subsidiary(ies), or Entity(ies)
formed or to be formed on its behalf
Project**

Public Hearing to be held on January 9, 2023 at 10:30 a.m.
at the Town of Allegany Town Hall, 52 West Main Street, Allegany, New York

ATTENDANCE:

Supervisor Michael Higgins
Kathy Martin

Members of the General Public

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

Hearing Officer: Welcome. This public hearing is now open; it is 10:32 a.m. My name is Corey R. Wiktor. I am the Executive Director of the County of Cattaraugus 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 www.ccidany.com.

2. PURPOSE: Purpose of the Hearing.

Hearing Officer: We are here to hold the public hearing on the 9154 Group, LLC and/or Individual(s) or Affiliate(s), Subsidiary(ies), or Entity(ies) formed or to be formed on its behalf. This public hearing is being recorded and will be transcribed for the Board Members of the Agency for their review and comments before they take any further action. We have a sign in sheet for anyone who would like to participate in this public hearing either by presenting oral comments or we would be happy to take written statements. Notice of this hearing appeared in Olean Times Herald on Friday, December 23, 2022.

3. PROJECT SUMMARY: Description of Project and Contemplated Agency Benefits.

Hearing Officer: The proposed project (the "Project") consists of: (i) the acquisition by the Agency of a leasehold interest in certain property located at 3139 West State Street in the Town of Allegany, Cattaraugus County, New York and all other lands in the Town of Allegany where, by license or easement or other agreement, the Company or its designees are making improvements that benefit the Project (the "Land"), (ii) the construction of a 12,000+/- SF 2-story 10-unit apartment building on the vacant land at the rear of the

property (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, the "Project 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 rules and manner in which the hearing will proceed.

Hearing Officer: All those who have joined this conference call will be given an opportunity to make statements and/or comments on the Project if they so desire.

Minutes of the Public Hearing will be transcribed and posted on the Agency's website (www.cattcoida.com). Additional information can be obtained from, and written comments may be addressed to: Corey R. Wiktor, Executive Director, County of Cattaraugus Industrial Development Agency, 9 East Washington Street, P.O. Box 1749, Ellicottville, New York 14731; Telephone: 716-699-2005 and electronically at corey@cattcoida.com or Info@cattcoida.com.

5. PUBLIC COMMENT: Hearing Officer gives the Public an opportunity to speak.

Hearing Officer: Those interested in making a statement or comment will be called upon. Please begin by stating 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.

The Hearing Moderator introduces each participant in the order they registered for this meeting.

[Insert transcription of public comments here.]

-OR-

Hearing Officer: Note that no one in attendance wished to make a statement or comment.

6. ADJOURNMENT:

As there were no further statements and/or comments, the Hearing Officer closed the public hearing at 11:15 a.m.

MRB Cost Benefit Calculator

Cattaraugus County Industrial Development Agency

Date:
 Project Title:
 Project Location:

Construction Phase - Project Assumptions

Project Costs

Enter total project costs:
 Local Construction Spending*
 % of locally sourced materials and labor
 In-region construction spending

Value:
 % of locally sourced materials and labor:
 In-region construction spending:

Construction Economic Impacts

Industry	NAICS	% of Total Investment	Investment by Type
Industrial Building Construction		236270	\$3,030,381
(Not Applicable)		0	\$0
(Not Applicable)		0	\$0

Most projects will only have one line related to construction type.

Operation Phase - Project Assumptions

Jobs and Earnings from Operations

Year 1 - Enter NAICS	NAICS Looking			Per Job Annual Earnings	Total Earnings
	NAICS	Count			
Lessors of Residential Buildings and Dwellings	53110	1	\$35,360	\$35,360	
			\$0	\$0	
			\$0	\$0	
			\$0	\$0	
			\$0	\$0	
			\$0	\$0	
Total		1		\$35,360	

Year 2	NAICS	Count	Per Job Annual Earnings	Total Earnings
Lessors of Residential Buildings and Dwellings	53110	1	\$35,360	\$35,360
			\$0	\$0
			\$0	\$0
			\$0	\$0
			\$0	\$0
			\$0	\$0
			\$0	\$0
Total		1		\$35,360

Year 3+ (Full Employment)				
Lessors of Residential Buildings and Dwelling	NAICS	Count	Per Job Annual Earnings	Total Earnings
0	531110	1	\$35,360	\$35,360
0	0			\$0
0	0			\$0
0	0			\$0
0	0			\$0
0	0			\$0
Total				\$35,360

Fiscal Impact Assumptions

Estimated Costs of Incentives

Sales Tax Exemption	%	Value	PILOT Term (Years)
Local Sales Tax Rate	4.00%	\$100,207	10
State Sales Tax Rate	4.00%	\$50,104	Escalation Factor
		\$50,104	2%
Mortgage Recording Tax Exemption			Discount Factor
Local	0.75%	\$28,408	2%
State	0.50%	\$17,045	
		\$11,363	
Total Costs		\$311,490	

-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
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-	-	-	-	-	-	-	-	-	-
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Total	\$451,161	\$610,958	\$793,833 Discounted ->	\$159,796	\$182,875				
				\$138,056	\$168,748				

-	-	-	-
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-	-	-	-
-	-	-	-
Total			\$0
			\$25,802

Notes

Special district taxes (fire and light district) are not exempted under PILOT, Qualified Commercial Facility (New Construction) PILOT

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

Yes

**COUNTY OF CATTARAUGUS INDUSTRIAL
DEVELOPMENT AGENCY
INDUCEMENT RESOLUTION**

**9154 GROUP, LLC, AND/OR INDIVIDUAL(S) OR AFFILIATE(S), SUBSIDIARY(IES),
OR ENTITY(IES) FORMED OR TO BE FORMED ON ITS BEHALF**

A regular meeting of the County of Cattaraugus Industrial Development Agency was convened on Wednesday, January 18, 2023 at 11:15 a.m.

The following resolution was duly offered and seconded, to wit:

RESOLUTION OF THE COUNTY OF CATTARAUGUS INDUSTRIAL DEVELOPMENT AGENCY: (i) ACCEPTING THE APPLICATION OF 9154 GROUP, LLC, AND/OR INDIVIDUAL(S) OR AFFILIATE(S), SUBSIDIARY(IES), OR ENTITY(IES) FORMED OR TO BE FORMED ON ITS BEHALF (INDIVIDUALLY, AND/OR COLLECTIVELY, THE "COMPANY") IN CONNECTION WITH A CERTAIN PROJECT DESCRIBED BELOW; (ii) RATIFYING THE SCHEDULING, NOTICING, AND CONDUCTING OF A PUBLIC HEARING IN CONNECTION WITH THE PROJECT; (iii) MAKING A DETERMINATION PURSUANT TO THE STATE ENVIRONMENTAL QUALITY REVIEW ACT; (iv) APPOINTING THE COMPANY, OR ITS DESIGNEE, AS ITS AGENT TO UNDERTAKE THE PROJECT; (v) AUTHORIZING THE UNDERTAKING OF THE PROJECT TO PROVIDE FINANCIAL ASSISTANCE TO THE COMPANY IN THE FORM OF (A) A SALES TAX EXEMPTION BENEFIT FOR PURCHASES AND RENTALS RELATED TO THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF THE PROJECT, (B) A MORTGAGE RECORDING TAX EXEMPTION BENEFIT FOR FINANCING RELATED TO THE PROJECT, AND (C) A PARTIAL ABATEMENT FROM REAL PROPERTY TAXES BENEFIT THROUGH THE PILOT AGREEMENT; AND (vi) AUTHORIZING THE NEGOTIATION AND EXECUTION OF A LEASE AGREEMENT, LEASEBACK AGREEMENT, A PAYMENT-IN-LIEU-OF-TAX AGREEMENT, AN AGENT AND FINANCIAL ASSISTANCE PROJECT AGREEMENT, AND RELATED DOCUMENTS

WHEREAS, County of Cattaraugus Industrial Development Agency (the "Agency") is authorized and empowered by the provisions of Chapter 1030 of the 1969 Laws of New York, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended (the "Enabling Act") and Chapter 536 of the 1971 Laws of New York, as amended, constituting Section 890-b of said General Municipal Law (said Chapter and the Enabling Act being hereinafter collectively referred to as the "Act") to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of manufacturing, warehousing, research, commercial and industrial facilities, among others, for the purpose of promoting, attracting and developing

economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York, to improve their prosperity and standard of living, and to prevent unemployment and economic deterioration; and

WHEREAS, to accomplish its stated purposes, the Agency is authorized and empowered under the Act to acquire, construct, reconstruct and install one or more “projects” (as defined in the Act), or to cause said projects to be acquired, constructed, reconstructed and installed, and to convey said projects or to lease said projects with the obligation to purchase; and

WHEREAS, the Company has submitted an application to the Agency (the “Application”) requesting the Agency’s assistance with a certain project (the “Project”) consisting of: (i) the acquisition by the Agency of a leasehold interest in certain property located at 3139 West State Street in the Town of Allegany, Cattaraugus County, New York and all other lands in the Town of Allegany where, by license or easement or other agreement, the Company or its designees are making improvements that benefit the Project (the “Land”), (ii) the construction of a 12,000+/- SF 2-story 10-unit apartment building on the vacant land at the rear of the property (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, the “Project Facility”. The Facility will be initially operated and/or managed by the Company; and

WHEREAS, pursuant to General Municipal Law Section 859-a, on January 9, 2023, at 10:30 a.m., at the Town of Allegany Town Hall, 52 West Main Street, Allegany, New York, the Agency held a public hearing with respect to the Project and the proposed Financial Assistance (as hereinafter defined) being contemplated by the Agency (the “Public Hearing”) whereat interested parties were provided a reasonable opportunity, both orally and in writing, to present their views; and

WHEREAS, it is contemplated that the Agency will (i) designate the Company as its agent for the purpose of undertaking the Project pursuant to an Agent and Financial Assistance Project Agreement (the “Agent Agreement”), (ii) negotiate and enter into a lease agreement (the “Lease Agreement”) and related leaseback agreement (the “Leaseback Agreement”) with the Company, pursuant to which the Agency will retain a leasehold interest in the Land, the Existing Improvements, the Improvements, the Equipment and personal property constituting the Facility; and (iii) provide Financial Assistance to the Company in the form of (a) an exemption benefit from all New York State and local sales and use taxes for purchases and rentals related to the Project with respect to the qualifying personal property included in or incorporated into the Facility or used in the acquisition, construction, reconstruction and/or renovation, rehabilitation or equipping of the Facility, (b) a mortgage recording tax exemption benefit for the financing related to the Project, and (c) a partial abatement from real property taxes benefit through a ten (10) year term PILOT Agreement for the benefit of each municipality and school district having taxing jurisdiction over the Project, (collectively, the sales and use tax exemption benefit, the mortgage recording tax exemption benefit, and the partial abatement from real property taxes benefit, are hereinafter collectively referred to as the “Financial Assistance”); and

WHEREAS, pursuant to and in accordance with Article 8 of the New York Environmental Conservation Law and the regulations promulgated thereto in 6 N.Y.C.R.R. Part

617 (collectively referred to as the "State Environmental Quality Review Act" and/or "SEQR"), the Company has submitted to the Agency a Full Environmental Assessment Form (the "EAF") with respect to the Project; and

WHEREAS, the Town of Allegany Planning Board (the "Planning Board") in accordance SEQR, undertook coordinated review with respect to the Project, established itself as Lead Agency as defined in SEQR, determined that the Project was a Type 1 Action, and issued a negative declaration ("Negative Declaration") under SEQR on April 11, 2022 with respect to the Project; and

WHEREAS, pursuant to Article 18-A of the Act, the Agency desires to adopt a resolution describing the Project and the Financial Assistance that the Agency is contemplating with

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE COUNTY OF CATTARAUGUS INDUSTRIAL DEVELOPMENT AGENCY AS FOLLOWS:

Section 1. The Company has presented an application in a form acceptable to the Agency. Based upon the representations made by the Company to the Agency in the Company's application and any other correspondence submitted by the Company to the Agency, public hearing comments, if any, and Agency board member review of and recommendations related to the Project and its resolution to approve the Project subject to the terms and conditions as described herein, the Agency board member review of the Project's cost benefit ratio, the costs of incentives so applied for, the anticipated new tax revenues to be generated by the Project, as well as the Project's contemplated community benefits, and Agency board member review, discussion, and consideration of same, the Agency hereby finds and determines that:

(A) By virtue of the Act, the Agency has been vested with all powers necessary and convenient to carry out and effectuate the purposes and provisions of the Act and to exercise all powers granted to it under the Act; and

(B) It is desirable and in the public interest for the Agency to appoint the Company as its agent for purposes of acquiring, constructing and/or renovating and equipping the Project; and

(C) The Agency has the authority to take the actions contemplated herein under the Act; and

(D) The action to be taken by the Agency will induce the Company to develop the Project, thereby increasing and/or retaining employment opportunities in Cattaraugus County, New York and otherwise furthering the purposes of the Agency as set forth in the Act; and

(E) The Project will not result in the removal of a civic, commercial, industrial, or manufacturing plant of the Company or any other proposed occupant of the Project from one area of the State of New York (the "State") to another area of the State or result in the abandonment of one or more plants or facilities of the Company or any other proposed occupant of the Project located within the State; and the Agency hereby finds that, based on the Company's application, to the extent occupants are relocating from one plant or facility to

another, the Project is reasonably necessary to discourage the Project occupants from removing such other plant or facility to a location outside the State and/or is reasonably necessary to preserve the competitive position of the Project occupants in their respective industries, and, to the extent occupants are relocating from one plant or facility to another in another area of the State, the Agency has complied with the Intermunicipal Movement procedures as required in the Countywide Industrial Development Agency Uniform Tax Exemption Policy; and

(F) The Agency has assessed all material information included in connection with the Application necessary to afford a reasonable basis for the decision by the Agency to provide Financial Assistance for the Project as described herein; and

(G) The Agency has prepared a written cost-benefit analysis satisfactorily identifying the extent to which the Project will create or retain permanent, private sector jobs, the estimated value of any tax exemption to be provided, the amount of private sector investment generated or likely to be generated by the Project, the likelihood of accomplishing the Project in a timely fashion, and the extent to which the Project will provide additional sources of revenue for municipalities and school districts, and any other public benefits that might occur as a result of the Project; and

(H) The Company has provided a written statement confirming that the Project as of the date of the Application is in substantial compliance with all provisions the Act.

(I) Based upon a thorough and complete review of the Application and its accompanying materials and information, the EAF submitted by the Company, and the proceedings conducted by the Planning Board, to date, pursuant to SEQR, the Agency hereby:

(i) consents to and affirms the status of the Planning Board as "Lead Agency" within the meaning of and for all purposes of complying with SEQR and determines that the proceedings undertaken by the Planning Board under SEQR with respect to the undertaking of the Project by the Company (as agent of the Agency) satisfy the requirements of SEQR;

(ii) affirms that the Project involves a Type 1 action as that term is defined under SEQR;

(iii) reviews, considers, ratifies, and adopts such proceedings by the Planning Board, including the "Negative Declaration";

(iv) determines that the Project will result in no major impacts and, therefore, is one which will not cause significant damage to the environment, that the Project will not have a "significant effect on the environment" as such quoted terms are defined in SEQR, and that no "environmental impact statement" as such quoted term is defined in SEQR need be prepared for this action; and

(v) determines that all the provisions of SEQR that are required to be complied with as a condition precedent to the approval of the Financial Assistance contemplated by the Agency with respect to the Project, and the participation by the Agency in undertaking the Project, have been satisfied. This determination constitutes a

"negative declaration" (as such quoted terms are defined under SEQR) for purposes of SEQR.

(J) The Project constitutes a commercial facility as defined in the General Municipal Law and will promote employment opportunities and prevent economic deterioration in the Town of Allegany. The Agency has reviewed the opinion of the State Comptroller (OSC Op. 85-51) and hereby specifically finds that the Project will create temporary construction jobs and approximately one (1) full-time job and will be a physical and economic improvement to this sensitive area of the Town of Allegany City; and

(K) The Project qualifies for Agency Financial Assistance as it meets the Agency's general uniform criteria for project evaluation, said criteria established by New York State and the Agency as required under General Municipal Law Section 859-a(5) as evidenced by the following:

- (i) Extent to which the Project will create or retain jobs: The Project will retain 1 FTE employee position create 1 new FTE employee position.
- (ii) The estimated total value of Financial Assistance is approximately \$311,490 over the 10-year real property tax abatement benefit period.
- (iii) The estimated amount of private sector investment to be made by the Company is \$3,030,181.
- (iv) Likelihood of the Project being accomplished in a timely fashion: There is a high likelihood that the Project will be completed in a timely manner, by the fourth quarter of 2023.
- (v) Extent of new revenue provided to local taxing jurisdictions: New real property tax revenue will be generated beyond what would otherwise be received in the absence of the Project.
- (vi) The Project will provide new and attractive housing stock to the Town of Alleghany.
- (vii) The Project will create local construction jobs.

Section 2. The Agency hereby authorizes the undertaking of the Project and the provision of the Financial Assistance to the Company as described herein.

Section 3. Subject to the Company executing an Agent Agreement and the delivery to the Agency of a binder, certificate or other evidence of insurance for the Project satisfactory to the Agency, the Agency hereby authorizes the Company to proceed with the acquisition, construction and equipping of the Project and hereby appoints the Company as the true and lawful agent of the Agency: (i) to acquire, construct and/or renovate and equip the Project; (ii) to make, execute, acknowledge and deliver any contracts, orders, receipts, writings and instructions, as the stated agent for the Agency with the authority to delegate such agency, in whole or in part, to agents, subagents, contractors, and subcontractors of such agents and

subagents and to such other parties as the Company chooses; and (iii) in general, to do all things which may be requisite or proper for completing the Project, all with the same powers and the same validity that the Agency could do if acting in its own behalf; provided, however, the appointment of the Company as agent of the Agency, if utilized, shall expire one year from the date of this resolution (unless extended for good cause by the Chair, the Vice Chair, and/or the Executive Director).

A. Financial Assistance. With respect to the foregoing, and based upon the representations and warranties made by the Company in its application for Financial Assistance, the Agency hereby:

(i) authorizes and approves the Company, as its agent, to make purchases of goods and services relating to the Project and that would otherwise be subject to New York State and local sales and use tax in an amount estimated up to \$1,252,591, and, therefore, the value of the sales and use tax exemption benefits ("sales and use tax exemption benefits") authorized and approved by the Agency cannot exceed \$100,207, however, the Agency may consider any requests by the Company for increases to the amount of sales and use tax exemption benefits authorized by the Agency upon being provided with appropriate documentation detailing the additional purchases of property or services; and

(ii) authorizes and approves that the value of the mortgage recording tax exemption benefit ("mortgage recording tax exemption benefits") shall not exceed \$28,408; and

(iii) authorizes and approves that the real property tax abatement benefits ("PILOT benefits") to be provided over the term of the PILOT Agreement are estimated to be approximately \$182,175 resulting in estimated total PILOT payments of \$610,958 over the term of the PILOT Agreement.

B. Terms and Conditions of Financial Assistance. Pursuant to Section 875(3) of the New York General Municipal Law, and per the policies of the Agency, the Agency may recover or recapture from the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, any New York State and local sales and use tax exemption benefits, and/or mortgage recording tax exemption benefits, and/or partial abatements from real property taxes benefits taken or purported to be taken by the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, if it is determined that: (i) the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, is not entitled to the New York State and local sales and use tax exemption benefits; (ii) the New York State and local sales and use tax exemption benefits are in excess of the amounts authorized to be taken by the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project; (iii) the New York State and local sales and use tax exemption benefits are for property or services not authorized by the Agency as part of the Project; (iv) the Company has made a material false statement on its application for Financial Assistance; and/or (v) the New York State and local sales and use tax exemption benefits and/or mortgage recording tax exemption benefits, and/or the partial abatement from

real property taxes benefits are taken in cases where the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, fails to comply with the Investment Commitment and/or the Employment Commitment as described below, being a material term or condition to use property or services in the manner approved by the Agency in connection with the Project.

As a condition precedent of receiving Financial Assistance, the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, must cooperate with the Agency in its efforts to recover or recapture any Financial Assistance, and promptly pay over any such amounts to the Agency that the Agency demands.

C. Commitments. As an additional condition precedent of receiving Financial Assistance, and as a material term or condition as approved by the Agency in connection with the Project, the Company covenants and agrees and understands that it must, subject to potential modification, termination and/or recapture of Financial Assistance for failure to meet and maintain the commitments and thresholds as described below, submit, on an annual basis or as otherwise indicated below through the termination of the PILOT Agreement, a certification, as so required by the Agency, confirming:

- (i) Investment Commitment - the total investment actually made with respect to the Project at the time of Project completion equals or exceeds \$3,030,181, being the total project cost as stated in the Company's application for Financial Assistance.
- (ii) Employment Commitment – that there are at least 1 existing full time equivalent (“FTE”) employees located at, or to be located at, the Facility as stated in the Company's application for Financial Assistance (the “Baseline FTE”); and
 - the number of current FTE employees in the then current year at the Facility; and
 - that within two (2) years of Project completion, the Company has maintained and created FTE employment at the Facility equal to 1 FTE employee.

Section 4. Subject to the terms of this Inducement Resolution, the Chair, the Vice Chair, and/or the Executive Director, are hereby authorized, on behalf of the Agency, to negotiate, execute and deliver (A) an Agent Agreement, (B) the Lease Agreement whereby the Company leases the Project to the Agency, (C) the related Leaseback Agreement whereby the Agency leases the Project back to the Company, and (D) the PILOT Agreement and (E) related documents; provided, however, that (i) the rental payments under the Leaseback Agreement to the Company include payments of all costs incurred by the Agency arising out of or related to the Project and indemnification of the Agency by the Company for actions taken by the Company and/or claims arising out of or related to the Project; and (ii) the terms of the PILOT Agreement are consistent with the Agency's Uniform Tax Exemption Policy, or procedures for deviation have been complied with accordingly.

Section 5. Subject to the terms of this Inducement Resolution, the Chair, the Vice Chair, and/or the Executive Director, are hereby authorized, on behalf of the Agency, to

negotiate, execute and deliver any mortgage, assignment of leases and rents, security agreement, UCC-1 Financing Statements and all documents reasonably contemplated by these resolutions or required by any lender identified by the Company (the "Lender") up to a maximum principal amount necessary to undertake the Project, acquire the Facility and/or finance or refinance acquisition and Project costs or equipment and other personal property and related transactional costs (hereinafter, with the Lease Agreement, Leaseback Agreement, and related documents, collectively called the "Agency Documents"); and, where appropriate, the Secretary or the Assistant Secretary of the Agency is hereby authorized to affix the seal of the Agency to the Agency Documents and to attest the same, all with such changes, variations, omissions and insertions as the Chair, the Vice Chair, and/or the Executive Director of the Agency shall approve, the execution thereof by the Chair, the Vice Chair, and/or the Executive Director of the Agency to constitute conclusive evidence of such approval; provided in all events recourse against the Agency is limited to the Agency's interest in the Project.

Section 6. The officers, employees and agents of the Agency are hereby authorized and directed for and in the name and on behalf of the Agency to do all acts and things required and to negotiate, execute and deliver all such certificates, instruments and documents, to pay all such fees, charges and expenses and to do all such further acts and things as may be necessary or, in the opinion of the officer, employee or agent acting, desirable and proper to effect the purposes of the foregoing resolutions and to cause compliance by the Agency with all of the terms, covenants and provisions of the documents executed for and on behalf of the Agency.

Section 7. The provision by the Agency of Financial Assistance with respect to the Project as described herein is subject to the Agency's policies.

Section 8. This resolution shall take effect immediately, and shall expire one (1) year from the date hereof unless extended for good cause by the Chair, the Vice Chair, and/or the Executive Director.

Dated: January 18, 2023

	A	B	C	D	E	F
2	CCIDA December 2022		OPERATING STATEMENT			
3						
4		2022	2022	2022	2022	2021
5		APPROVED	M-T-D	Y-T-D	BALANCE	Y-T-D
6		BUDGET	ACTUAL	ACTUAL	REMAINING	COMPARISON
7		ADJUSTED				
8	INCOME:					
9	Interest on Accounts	\$250	\$0	\$236	\$14	\$60
10	Apps & Fees	\$334,325	\$3,000	\$703,932	-\$369,607	\$343,776
11	CCCRC/Other Misc. Income	\$0	\$0	\$226,778	-\$226,778	\$5,077
12	Total	\$334,575	\$3,000	\$930,948	-\$596,371	\$348,913
13						
14						
15	EXPENSES:					
16	Wages	\$157,250	\$20,520	\$181,578	-\$24,328	\$156,992
17	Fringe Benefits	\$87,400	\$2,547	\$78,892	\$8,508	\$83,574
18						
19	Board Meeting/Operations	\$2,000	\$417	\$2,131	-\$131	\$1,286
20	Business Development (E)	\$15,000	\$121	\$37,329	-\$22,329	\$13,946
21	Office Supplies/Service Contracts	\$2,000	\$134	\$1,839	\$161	\$1,739
22	Office Maint./Repairs/Equip.(A)	\$5,000	\$282	\$18,946	-\$13,946	\$11,148
23	Office Phones/Cell/fax/internet service	\$6,000	\$634	\$8,246	-\$2,246	\$7,459
24	Postage	\$1,500	\$98	\$1,932	-\$432	\$1,710
25	Public Hearings	\$800	\$0	\$1,875	-\$1,075	\$914
26	Travel/Mileage	\$4,500	\$13	\$1,670	\$2,830	\$2,854
27						
28	Rent	\$16,200	\$1,425	\$16,500	-\$300	\$16,200
29	Real Estate Taxes	\$150	\$0	\$90	\$60	\$88
30	Utilities	\$2,500	\$427	\$3,383	-\$883	\$2,359
31	Property/Fire/Liability Insurance	\$5,200	\$0	\$4,702	\$498	\$5,177
32						
33	Professional Associations (F)	\$7,000	\$850	\$13,277	-\$6,277	\$5,201
34	Professional Services (C)	\$10,000	\$117	\$25,934	-\$15,934	\$9,262
35	Publications	\$200	\$0	\$379	-\$179	\$369
36						
37	Railroad Services	\$25	\$0	\$0	\$25	\$0
38	Miscellaneous	\$100	\$0	\$0	\$100	\$0
39	Project Expenses - (D)	\$1,000	\$3,985	\$29,370	-\$28,370	\$26,975
40	Consulting Expense (G)	\$0	\$0	\$42,000	-\$42,000	\$0
41	Great Lakes Cheese Expenses- (B)	\$0	\$0	\$71,407	-\$71,407	\$12,875
42	Total Expenses	\$323,825	\$31,570	\$541,480	-\$217,655	\$360,128
43						
44	Net Difference	\$10,750	-\$28,570	\$389,466	-\$378,716	-\$11,215
45						
46	A - Overage due to Computer Repairs & Painting Office					
47	B - Expenses for GLC Project - over amount funded by Catt. County.					
48	C - Professional Services for Paris Reporting/Policies and Procedure					
49	D - Project Expenses - GLC add'l development expense.					
50	E - Bus. Dev. - Add'l expenses due to GLC & other projects.					
51	F - Prof. Assoc. - Annual Invest Buffalo Niagara dues					
52	G - Consulting Exp. - Added Grant writer on month to month basis					
53						

COUNTY OF CATTARAUGUS IDA
Balance Sheet
December 31, 2022

ASSETS

Current Assets		
CATT CO. BANK	\$	313,611.73
SAVINGS CCB		5,214.52
SAVINGS FT		8,292.13
CATT. CO. CAPITAL RES. CORP.		437,310.69
Five Star CD		150,000.00
CD's		625,077.00
KeyBank Investment		103,031.63
PETTY CASH		120.40
SECURITY DEPOSIT - RENT		1,350.00
Deferred Outflows		127,554.00
ACCTS RECEIVABLE		267.53
PREPAID EXPENSES		3,000.00
		<hr/>
Total Current Assets		1,774,829.63
Property and Equipment		
EQUIPMENT		38,423.95
LEASEHOLD IMPROVEMENTS		22,173.08
LAND		149,298.92
RAILROAD/IMPROVEMENTS		907,199.96
ACCUM DEPRECIATION		(869,286.65)
		<hr/>
Total Property and Equipment		247,809.26
Other Assets		
		<hr/>
Total Other Assets		0.00
		<hr/>
Total Assets	\$	<u>2,022,638.89</u>

LIABILITIES AND CAPITAL

Current Liabilities		
Employee Health Ins Payable	\$	(2,365.88)
Federal Payroll Taxes		(2,540.74)
NYS WITHHOLDING		14,500.28
NYS Retirement Employer Portio		40,800.00
Deferred Inflows		14,768.00
ACCOUNTS PAYABLE		(10.00)
ACCRUED PAYROLL		3,504.81
		<hr/>
Total Current Liabilities		68,656.47
Long-Term Liabilities		
Pension Liability		175,874.00
		<hr/>
Total Long-Term Liabilities		175,874.00
		<hr/>
Total Liabilities		244,530.47
Capital		
Retained Earnings		1,078,570.59
CONTRIBUTED CAPITAL		310,072.06
Net Income		389,465.77
		<hr/>
Total Capital		1,778,108.42

Unaudited - For Management Purposes Only

COUNTY OF CATTARAUGUS IDA
Balance Sheet
December 31, 2022

Total Liabilities & Capital

\$ 2,022,638.89

COUNTY OF CATTARAUGUS IDA
Balance Sheet
December 31, 2021

ASSETS

Current Assets		
CATT CO. BANK	\$	267,589.19
SAVINGS CCB		5,228.73
SAVINGS FT		8,291.51
CATT. CO. CAPITAL RES. CORP.		212,144.79
CD's		625,077.00
KeyBank Investment		103,031.63
PETTY CASH		120.40
SECURITY DEPOSIT - RENT		1,350.00
Deferred Outflows		127,554.00
ACCTS RECEIVABLE		273.08
PREPAID EXPENSES		3,000.00
		<hr/>
Total Current Assets		1,353,660.33
Property and Equipment		
EQUIPMENT		38,423.95
LEASEHOLD IMPROVEMENTS		22,173.08
LAND		149,298.92
RAILROAD/IMPROVEMENTS		907,199.96
ACCUM DEPRECIATION		(869,286.65)
		<hr/>
Total Property and Equipment		247,809.26
Other Assets		
		<hr/>
Total Other Assets		0.00
		<hr/>
Total Assets	\$	<u><u>1,601,469.59</u></u>

LIABILITIES AND CAPITAL

Current Liabilities		
Employee Health Ins Payable	\$	(2,365.88)
Federal Payroll Taxes		(7,686.37)
NYS WITHHOLDING		6,302.38
NYS Retirement Employer Portio		22,440.00
Deferred Inflows		14,768.00
ACCOUNTS PAYABLE		(10.00)
ACCRUED PAYROLL		3,504.81
		<hr/>
Total Current Liabilities		36,952.94
Long-Term Liabilities		
Pension Liability		175,874.00
		<hr/>
Total Long-Term Liabilities		175,874.00
		<hr/>
Total Liabilities		212,826.94
Capital		
Retained Earnings		1,034,211.22
CONTRIBUTED CAPITAL		310,072.06
Net Income		44,359.37
		<hr/>
Total Capital		1,388,642.65
		<hr/>

Unaudited - For Management Purposes Only

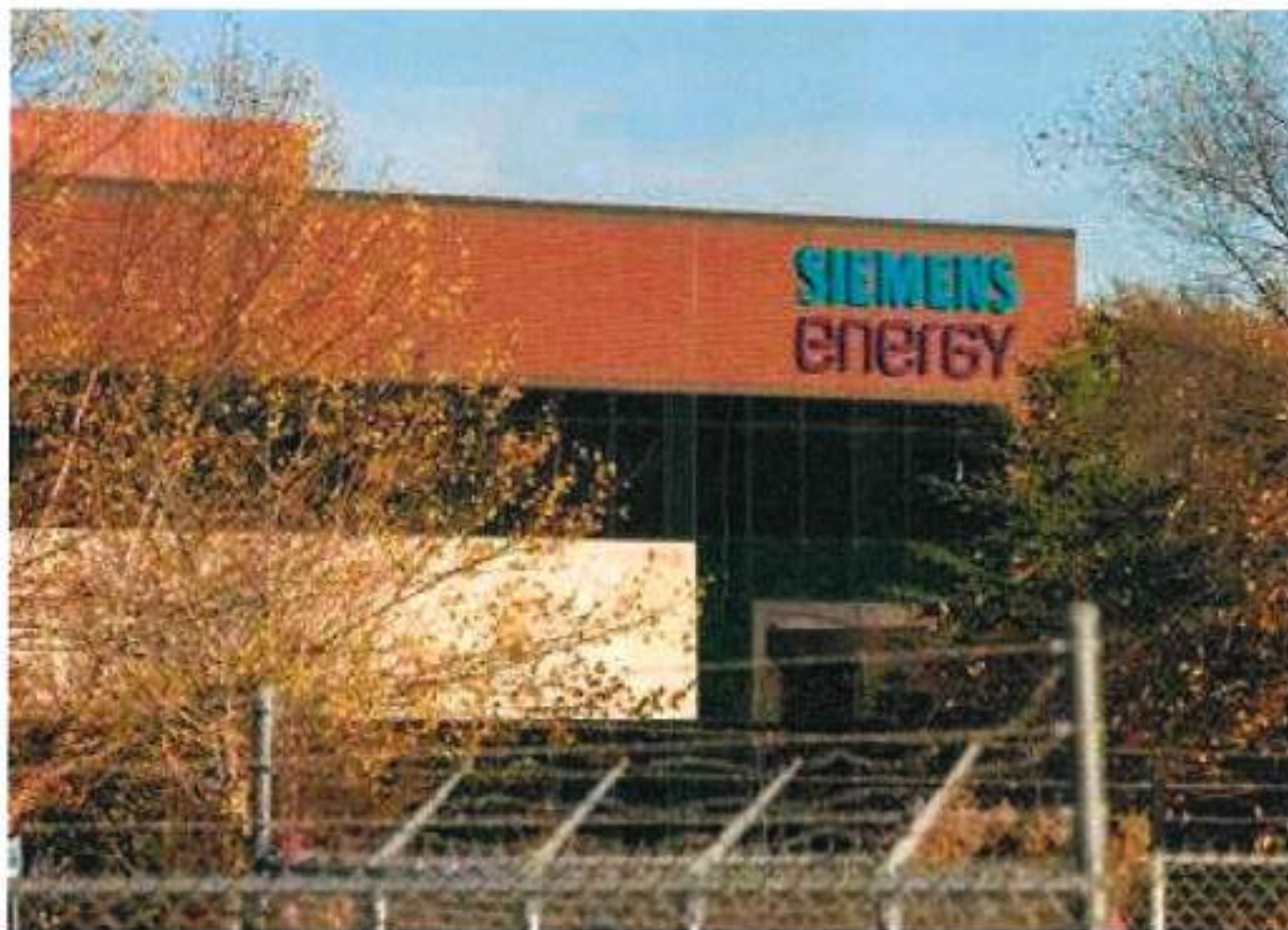
COUNTY OF CATTARAUGUS IDA
Balance Sheet
December 31, 2021

Total Liabilities & Capital

\$ 1,601,469.59

Cattaraugus County IDA aids \$147 million in projects in 2022

By RICK MILLER Olean Times Herald Dec 26, 2022



The \$7.25 million sale of the former Siemens Energy campus in North Olean has been completed, development officials reported, and the Cattaraugus County Industrial Development Agency has completed its financial assistance package for the redevelopment of the site into a structural steel fabrication plant.

Olean Times Herald file photo

ELLICOTTVILLE — The Cattaraugus County Industrial Development Agency offered tax incentives to 16 projects in 2022, supporting investments of around \$147 million across the county.

Leading the list of Olean projects is the Cimolai-HY Project to purchase and renovate the 80-acre former Dresser-Rand site in North Olean for a steel fabrication plant for \$56 million. The company has pledged to create 225 skilled trade jobs and 25-30 office positions.

"What we're happy about over the past two years is the manufacturing, tourism and housing projects," said Corey Wiktor, IDA executive director. "The projects are a great barometer of growing economic development."

The list also includes the \$25 million Olean Centre Mall redevelopment with senior citizen housing in a new building to be constructed on the site of the former Bon Ton store, which will be demolished.

The IDA is also expected to approve inducements to a \$14 million investment by affiliate companies of Buffalo developer Ellicott Development in two West State Street Housing projects with 54 market rate apartments in Olean and Allegany.

The \$147 million in project applications in 2022 may seem to pale in comparison to the \$560 million in 2021, but that included the \$500 million Great Lakes Cheese Co. plant near Franklinville with 230 new jobs on top of the 250 jobs coming over from the plant in Cuba that will be closing.

In 2020, the first year of COVID-19 pandemic, the IDA induced \$120 million worth of projects.

The new Ellicott Development apartment projects come on the heels of the market rate apartments at the Manny Hanny Bank project.

"We're already discussing workforce housing in Ellicottville," Wiktor said. "It's a great step in moving the economic development needle. These are barometers that show developers have confidence in housing in Cattaraugus County."

Wiktor said, "The Olean Mall project is huge in 2023. It's a phenomenal project, a community-based walkable project."

Manufacturing and tourism projects as well as brownfield cleanup show the county leadership has taken the right steps forward, Wiktor said. The IDA helps companies maximize their investment.

Wiktor credited the Cattaraugus County Legislature for investing critical funding "to get them across the goal line, and cited the Great Lakes Cheese Co., and Cimolai-HY buying the former Dresser-Rand site from Siemens Energy.

"Kudos to the Cattaraugus County Legislature for understanding" what it takes to pay economic development dividends, Wiktor said.

The economic losses that took place among manufacturers from the 1970s to the 1990s and now the closing by Siemens Energy of the Dresser-Rand complex are starting to turn around, Wiktor said.

"We are starting to see a new manufacturing commitment in Cattaraugus County," he said. "This county has found a way and the right investors to do this."

THE IDA's 2022 projects include:

- St. Bonaventure University, \$25 million to renovate housing and academic buildings.
- Olean Centre Mall housing/retail project, \$25 million.
- Cimolai HY (manufacturing) \$56 million

- 351 Franklin Street LLC, \$6.4 million.
- Penn Turf — Lebanon Seaboard Corp., \$4 million.
- Win-Sum Ski Corp., \$2.9 million.
- Olean Manor Inc., \$2.8 million.
- Marquee Brewing (Megalomania LLC), \$130,000.
- Country Line Recovery, \$1 million.
- Otto CSG 1 (solar), mortgage tax exemption.
- Ellicottville Greens, \$720,000.
- HollMont Inc., \$646,332.
- Campground Adventures, \$115,000.
- 2101 W. State Street (housing), \$11 million.
- 3139 W. State Street (housing), \$3 million.
- Pierce Steel Co., \$3.4 million.
- Russell's RV Storage, \$312,000.

NYATEP

Voice - Knowledge - Progress
For Workforce Development

STATE OF THE WORKFORCE

2022 Labor Market Snapshot of New York



Prepared by the New York State Association of Training and Employment Professionals
www.nyatep.org | P.O. Box 648, Albany, NY 12201 | Registered 501(c)3 non-profit

QUESTIONS RAISED BY THIS BRIEF:

- How can New York City and the State proactively connect their economic development priorities and investments to train for the emerging sectors?
- What New York City and State policies can be enacted to expand and align quality job training opportunities for New Yorkers?
- What New York City and State policies can support removing barriers for low income or underutilized populations?
- What evidence-based practices should be scaled to increase the availability of skilled workers, primarily from non-traditional educational pathways or underutilized labor pools to meet the surging employer demand?
- How is New York City and the State tracking and measuring resources and programs related to workforce development to understand what is working and where to make improvements?



Launched in the late 1970s, the New York Association of Training and Employment Professionals (NYATEP) was founded by a small group of professionals dedicated to collaborating to increase the effectiveness of federally funded workforce programs. In the last 40 years, the organization has grown to be New York's statewide workforce development association. NYATEP is a membership based, 501c3 non-profit, intermediary that provides leadership, vision, and advocacy for a thriving workforce development network across New York State. Our members help more than a million New Yorkers achieve good or better jobs through job training, education, economic and workforce development.

Visit www.nyatep.org to learn more about being coming a member!

A special thank you to our data partners and sources



EXECUTIVE SUMMARY

ABOUT THE REPORT

The State of the Workforce Brief is an annual snapshot, of publicly available data, to inform communities about the dynamics of their regional economy and the workforce impact. The New York Association of Training and Employment Professionals (NYATEP) used readily available data to understand who is working and who isn't, what sectors and occupations are growing across the State, and the number of potential workers produced by New York's education and training systems.

KEY FINDINGS FOR NEW YORK STATE

New York must tap all potential labor market pools

- Nearly all regions, with the exception of Long Island and the Hudson Valley, saw a decline in their labor force.
- Approximately 25 percent of New York's labor force is 55+, compared to 23.4 percent nationally.
- There are 1 million working age adults with a disability, however only 33 percent are employed.
- Formerly incarcerated individuals face a unemployment rate of 27 percent nationally.

As the economy recovers, low wage jobs and remote work continue to dominate

- In New York City, 37 percent of employees are working remotely, predominantly in households making more than \$100,000 annually.
- Eight of the top ten largest occupations in New York, which account for nearly 2 million jobs, pay less than \$30,000 annually.
- Home Health and Personal Care Aides positions are expected to grow by 122,000 jobs in the next 10 years paying \$33,500 annually.

Emerging sectors will create new opportunities for mobility

- The semiconductor industry is expected to create nearly 40,000 construction and supply chain jobs and 9,000 industry specific jobs in New York once Micron Technologies begins to fully operate.
- Increased federal investment in infrastructure spending could lead to nearly 900,000 jobs in New York State.
- The cannabis industry is expected to create 50,000 jobs by 2027.
- Clean energy continues to be a priority in New York, with the largest concentration of jobs in energy efficiency and renewable electric power generation.

To truly recover, more New Yorkers need skills in demand

- Approximately 36.4 percent of New Yorkers (5.1 million) 25 years or older have a high school diploma/equivalency or less, and nearly 1.7 million New Yorkers have less than a 9th grade education.
- 24 percent of New Yorkers, 1.6 million people, have some college but not a degree.
- Nationally, the most commonly funded Workforce Innovation and Opportunity (WIOA) training includes Heavy Tractor-Trailer Truck Driving; Registered Nurses; Licensed Practical Nurses; Nursing Assistants and Medical Assistants.

WHO IS WORKING IN NEW YORK

9.1%

UNEMPLOYMENT RATE IN NEW YORK STATE WHEN INCLUDING PART-TIME AND MARGINALLY ATTACHED WORKERS

1M

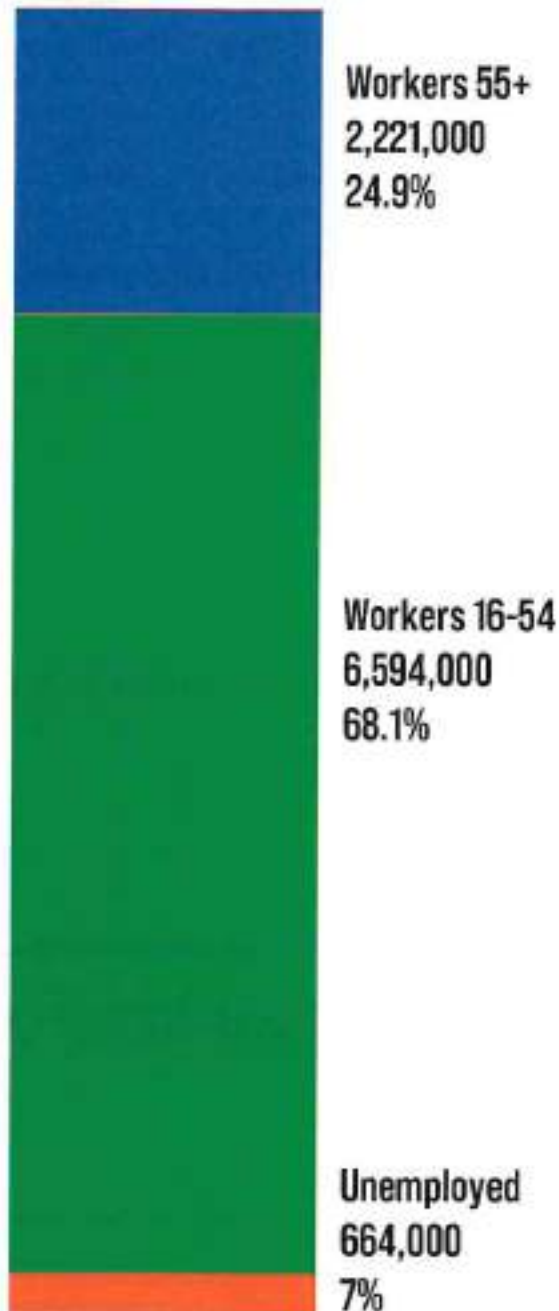
WORKING-AGE ADULTS WITH A DISABILITY IN NEW YORK STATE

25%

OF WORKERS ARE 55 YEARS OLD OR OLDER

NEW YORK'S LABOR FORCE¹

9,481,000 New Yorkers over the age of 16 are in the workforce



According to the New York State Department of Labor, New York's seasonally adjusted unemployment rate was 4.3 percent in November 2022. New York City's unemployment rate, the highest in the State, remained at 5.8 percent, while Upstate's unemployment rate was unchanged at 3.3 percent². However if we consider the total unemployed persons (U-6) in New York, including marginally attached workers and the total employed part time for economic reasons, the overall unemployment rate increases significantly to 9.1 percent.

Over the last decade, regional labor force participation has declined nearly a full percentage point³. The share of people available for work in a region influences the dynamics of the labor force and New York's downward trend started before the COVID-19 pandemic, largely driven by lower birth rates and outmigration. This reduction in available labor force creates a very tight labor market across New York, meaning the State must maximize underutilized potential labor.

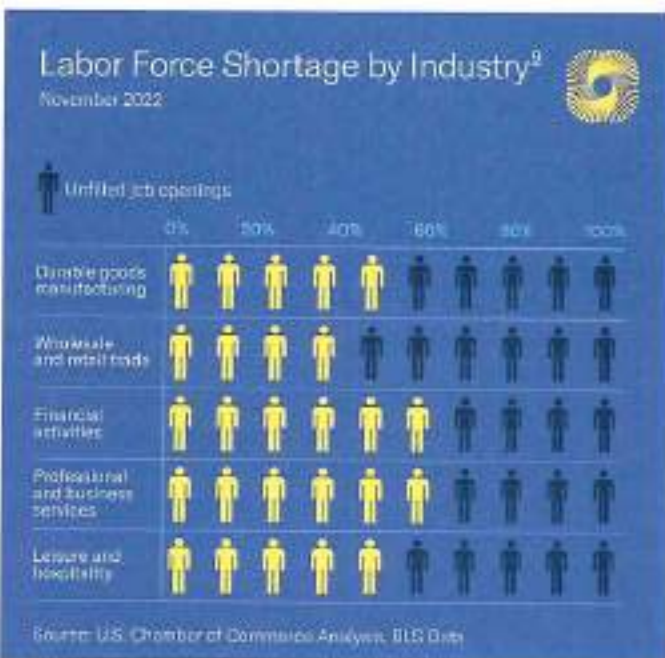
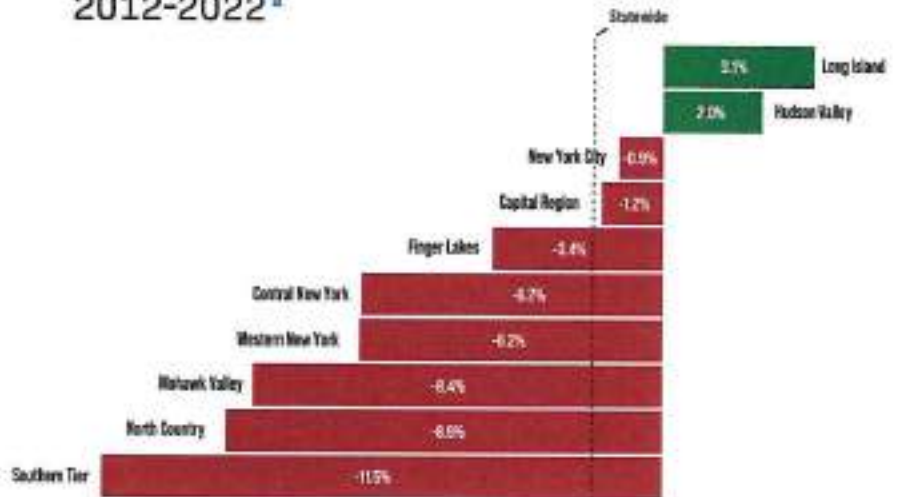
The State's overall labor force (seasonally adjusted) decreased by 1,000, holding at 60.5 percent in November 2022⁴. There are regional differences in the percentage of working age adults. Nearly all regions in New York experienced a decline in available workers between 2012-2022. Long Island and the Hudson Valley regions experienced nominal growth; the remaining regions ranged from -0.9 percent in New York City to -11.5 percent in the Southern Tier⁵.

New York is relatively more reliant on workers 55 and older. They make up 24.9 percent of New York's workforce compared to 23.4 percent nationally. New York's retirement eligible workforce participates at the same level as nationally, while the rate for 16-24 year olds was nine points below the national average in 2021 (55.5 percent nationally, 46.4 percent in New York)⁶.

■ 55+ working ■ 16-54 working ■ 16-54 unemployed

However, despite significant gains over the last year in the employment rate, New York, as much of the United States, is still contending with significant impacts from the "Great Resignation." In a recent article, the Society of Human Resource Managers shared that "Turnover has not been distributed evenly across the country. The South has the highest percentage of workers quitting their jobs, at 3.1 percent. Meanwhile, 2.6 percent and 2.5 percent of workers have quit in the Midwest and the West, respectively, while only 1.9 percent of those in the Northeast have quit²¹."

REGIONAL CHANGES IN THE LABOR FORCE: 2012-2022⁸



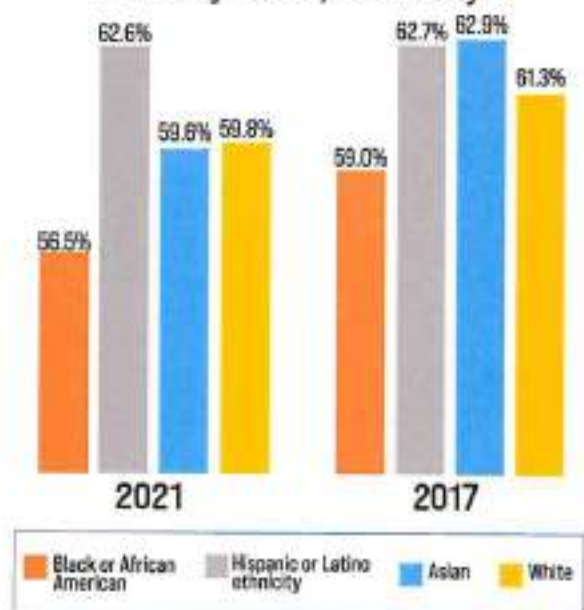
In a tight labor market, employers may need to tap into often underutilized talent pools. These are individuals who are willing and able to work, but are often overlooked or may lack the appropriate skills, experience, and opportunities to access better employment. This includes individuals with disabilities or New Yorkers that are formerly incarcerated.

Labor market participation has recovered to pre-pandemic rates for Hispanic and Latino workers; attributed to essential jobs being dominated by Hispanic workers. Per the U.S. Bureau of Labor Statistics, the Hispanic labor force participation rate is higher than non-Hispanics because they tend to be younger and in the prime age working group, 25-54 years old¹⁰. Conversely, workers identifying as Black or African American and Asian, have not yet recovered.

In a report issued by the NYS Comptroller's Office, there are an estimated 1 million working-age adults with a disability in New York, however only 33 percent are employed¹². Although the COVID-19 pandemic greatly impacted unemployment for all New Yorkers, people with disabilities suffered a significant increase. The unemployment rate for people with a disability averaged 16.2 percent through March of 2021, an increase of 8.9 percent over the prior year, according to NYS Department of Labor data¹³.

Another overlooked population are people who are formerly incarcerated. The Prison Policy Institute has reported that long before the COVID-19 pandemic, formerly incarcerated people, on average faced an unemployment rate of 27 percent nationally¹⁴. Research has indicated that having a job following release has been shown to reduce recidivism, and individuals are less likely to commit crimes when they have stable, full-time employment.

Labor Force Participation Rate by Race/Ethnicity¹¹



NEW YORK'S ECONOMIC LANDSCAPE

8M

JOBS ARE WITHIN THE TOP 8 SECTORS ACROSS NEW YORK

8 OUT OF 10

OF NEW YORK'S LARGEST OCCUPATIONS PAY LESS THAN \$30K PER YEAR

37%

OF NEW YORK CITY RESIDENTS ARE WORKING REMOTELY

According to the NYS Department of Labor, in November 2022 the number of private sector jobs in the State was 8,080,900, of which around 8 million jobs are within the top sectors in the State: Accommodations & Food Services, Construction; Finance and Insurance; Government; Healthcare; Manufacturing; Professional Services; and Retail¹⁵. Education and Health Services saw the largest increase of approximately 78,000 jobs over the year. However, Leisure and Hospitality was close behind with a 9 percent increase or approximately 71,700 jobs¹⁶. Private sector growth in the State was 3.6 percent exceeding national growth¹⁷.

Other trends include continued growth in material moving across the nation. Per to the American Trucking Associations, the industry's current shortage of over 80,000 truck drivers

TOP 5 SECTORS BY REGION¹⁸

Capital Region					
Central NY					
Finger Lakes					
Hudson Valley					
Long Island					
Mohawk Valley					
New York City					
North Country					
Southern Tier					
Western NY					
Statewide					



CHANGE IN JOBS BY SECTOR (NOVEMBER 2022)²¹

Educational & Health Services*	+77,900
Leisure & Hospitality	+71,700
Professional & Business Services	+66,100
Government**	+21,400
Other Services	+17,300
Information	+12,800
Trade, Transportation & Utilities	+12,000
Financial Activities	+9,800
Manufacturing	+7,600
Construction	+5,700
National Resources & Mining	+100

*Educational and health services is in the private sector. **Government includes public education and public health services.

could grow to over 160,000 by 2030¹⁹. The sector considers the following contributing factors in the national driver shortage: retirements, the challenging lifestyle, and regulatory pressures leading some drivers to leave the industry²⁰.

A sector of the labor market typically insulated from turnover is municipal government, however it has been widely reported that from the start of the COVID-19 pandemic through March 2022 municipal employment fell by 300,300 jobs or 4.8 percent²². The Citizens Budget Commission, by comparison, reported that the City of New York had nearly an 8 percent vacancy rate, attributed to workers quitting due to interest in remote working or retirement²³.

As the U.S. enters the third year of the COVID-19 pandemic it has become clear that remote work has impacted the working habits of many Americans. In April 2020, the U.S. Census Bureau launched the Household Pulse Survey, to measure how the COVID-19 pandemic is impacting





households across the country from a social and economic perspective. The data shows an uneven distribution of remote work dependent on job and wages. Throughout the COVID-19 pandemic, more than half of U.S. households earning at least \$100,000 annually reported an individual working from home. Whereas, less than a quarter of households with income below \$50,000 reported remote working²⁴.




According to the Household Pulse survey, 4.5 percent of people in New York City reported remote working in 2019. This jumped to 45.2 percent in August 2020. It has remained relatively stable at 36.6 percent as of August 2022, 7.4 percent higher than the national average²⁵. Due to the sheer volume of more than 9 million workers concentrated in New York City, the changes to worker commutation patterns and public transit use are concerning²⁶.

The ability to work remotely varies greatly by sector. The U.S. Bureau of Labor Statistics conducted the Business Response Survey to assess how employers responded to the COVID-19 pandemic. Among service sector firms, an average of 30 percent of employees were estimated to now work remotely at least some of the time—up from 9 percent before the COVID-19 pandemic²⁷. In contrast, among manufacturers only 9 percent were said to be doing some work remotely, versus 3 percent before the COVID-19 pandemic. Looking ahead to a year from now, the average firm expected this percentage share to decline only moderately to 18 percent, whereas the average manufacturer saw it holding steady at 7 percent²⁸.

Eight of the ten largest occupations statewide, accounting for 2 million jobs, require a high school diploma or less. And, even at the median pay only two occupations, which require a bachelor's degree, exceeds New York's 2022-2023 Income Guideline poverty level of \$55,500 for a family of four²⁹.

10 LARGEST OCCUPATIONS STATEWIDE AND EDUCATION FOR ENTRY³¹

	# of Jobs	Entry Pay	Median Pay	Experienced Pay
Home Health and Personal Care Aides 	479K	 \$29K	 \$34K	 \$37K
Retail Salespersons 	221K	 \$28K	 \$37K	 \$37K
General and Operations Managers 	197K	 \$48K	 \$145K	 \$206K
Registered Nurses 	183K	 \$61K	 \$93K	 \$102K
Cashiers 	178K	 \$26K	 \$32K	 \$34K
Fast Food and Counter Workers 	162K	 \$28K	 \$31K	 \$31K
Janitors and Cleaners, Except Maids and Housekeeping Cleaners 	161K	 \$29K	 \$39K	 \$47K
Secretaries and Administrative Assistants, Except Legal, Medical and Executive 	157K	 \$30K	 \$45K	 \$49K
Customer Service Representatives 	141K	 \$29K	 \$45K	 \$49K
Office Clerks, General 	134K	 \$29K	 \$42K	 \$47K

 Bachelor's degree  High school diploma or equivalent  No formal educational credential

REMOTE WORK BY SECTOR³²

IN-PERSON	
Agriculture	94.3%
Retail trade	93.1%
Construction	90.8%
Transportation	89.1%
Manufacturing	87.6%
Arts	85.9%
Wholesale trade	73.5%
POTENTIALLY REMOTE WORK ELIGIBLE	
Wholesale trade	73.5%
Educational Services	63.7%
Finance and Insurance	54.9%
Professional, Scientific & Management	53.7%
Information	32.0%

2022-2023 Federal Income Guidelines Identify New York's poverty level for a family of four at \$55,500³²

EMERGING OPPORTUNITIES

165K

ESTIMATED JOBS IN CLEAN ENERGY
ACROSS NEW YORK STATE

\$5B

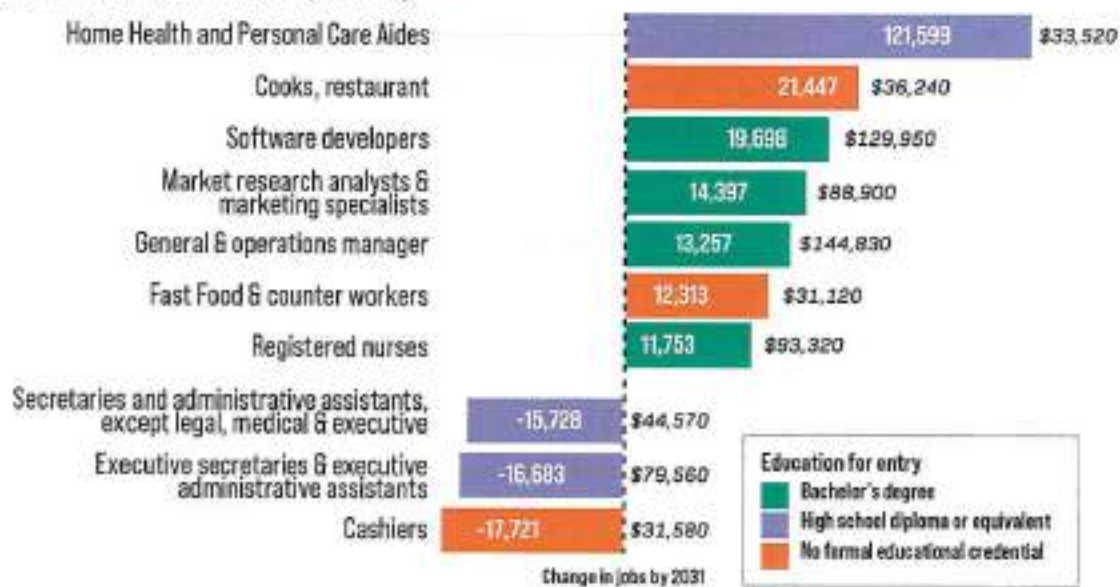
ESTIMATED FEDERAL
INFRASTRUCTURE INVESTMENT
IN NEW YORK STATE

\$35K

THE AVERAGE WAGE OF
THE TOP TWO GROWING
OCCUPATIONS IN NYS

By 2031, some of the occupations that will make up the largest share of jobs, like Secretaries and Administrative Assistants and Cashiers, are expected to see a decline in openings, most likely due to automation. However, the highest paid occupations, including software developers and general operations managers require significant postsecondary education. Additionally, Home Health and Personal Care Aide positions are expected to grow by over 120,000 jobs and pay well under a living wage³³.

CHANGE IN JOBS IN NYS BY 2031 BY REQUIRED EDUCATION LEVEL AND AVERAGE ANNUAL PAY (2021)³⁴

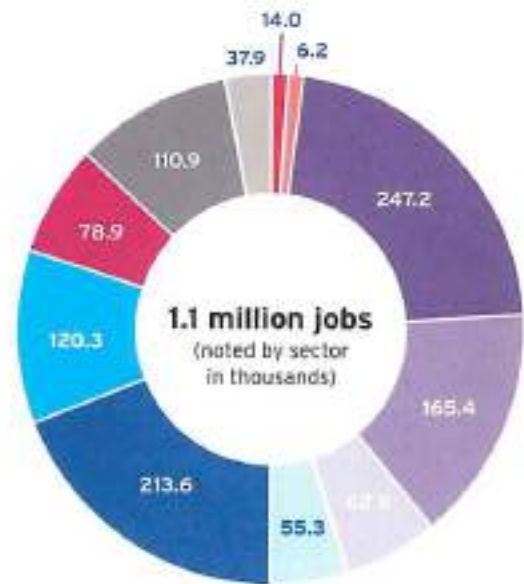


Several industries including clean energy, semiconductor manufacturing, infrastructure, and cannabis are emerging in New York State providing new opportunities for work and economic mobility.

On November 5, 2021, the U.S House of Representatives passed the Infrastructure Investment and Jobs Act (IIJA)³⁵, bipartisan legislation to invest in the nation's infrastructure, including funding for roads and bridges, rail, transit, ports, airports, the electric grid, water systems, broadband, and other priorities. It is expected that close to \$5 billion dollars will be allocated to New York³⁶. The Georgetown Center for Education and Workforce estimates that in New York alone, this could lead to nearly 900,000 jobs³⁷. This is concerning because in 2020, New York State had the fourth-largest construction sector in the nation, but also had the highest job losses. The loss of 44,400 construction jobs was the State's worst annual decline in more than 25 years. New York City accounted for more than half the industry's statewide job losses. The City's construction employment declined by 14.4 percent in 2020, worse than for the private sector overall³⁸.

According to the Semiconductor Industry Association the estimated size of the U.S. workforce in the sector was approximately 1.85 million in 2020³⁹. This included workers in jobs such as research and fabrication facilities where semiconductors are designed and manufactured, integrated device manufacturers, foundries, and other establishments involved in supporting the industry. Nationally, the workforce is expected to grow by another 2.13 million jobs by 2027⁴⁰. New York will be seeing a share of this growth as Micron Technology announced it would be building a new megafab starting in 2024 potentially creating nearly 40,000 supply chain and construction jobs in New York⁴¹, and approximately 9,000 jobs once the fab opens⁴².

Nationally in 2020, cannabis provided between 240,000 and 321,000 full-time jobs. This means that there are roughly as many cannabis workers in states with legal markets as there are professional firefighters (294,520) in the entire United States⁴³. In a recent report, the New School estimates more than 50,000 jobs will be created by 2027 as a result of adult-use legalization in New York⁴⁵. Most jobs will require some training and are expected to range from bud tenders and construction workers to chemists, botanists and engineers⁴⁶. In an effort to better communicate the potential opportunities, Cornell University and the Workforce Development Institute have launched the NYS Cannabis Workforce Initiative. This work includes a job catalog of over thirty common occupations, and details about the education and experience needed⁴⁷.



Jobs impact by sector of a \$50 billion federal semiconductor manufacturing incentive program, 2021-2026

- Natural resources and mining
- Construction
- Manufacturing
- Trade, transportation, and utilities
- Information
- Financial activities
- Professional and business services
- Education and health services
- Leisure and hospitality
- Other services
- Government

CLEAN ENERGY EMPLOYMENT BY TECHNOLOGY (NUMBER OF JOBS, DECEMBER 2021)⁴⁸

123K	Renewable Electric Power Generation: 8% job increase* Includes solar, wind, geothermal, low-impact hydropower, and other renewable generation technologies.
25K	Energy Efficiency: 2% job increase* Energy efficiency technologies are commercially available throughout the State. Includes lighting, ENERGY STAR(R) appliances (including HVAC), insulation, advanced building materials, renewable heating and cooling, and other efficient technologies.
11K	Clean and Alternative Transportation: 26% job increase** Includes electric, hybrid, plug-in hybrid, and fuel cell/hydrogen vehicles, natural gas and other alternative fuel buses, and transportation storage.
2.7K	Renewable Fuels: 3% job increase** Includes renewable biofuels such as wood pellets and ethanol.
2.5K	Grid Modernization and Energy Storage: 8% job increase* Includes smart grid, microgrid, demand response management, and energy storage.

*Compared to 2020 numbers

According to the NYS Energy Research Development Authority (NYSERDA), the State continues to see growth in clean energy jobs – topping 165,000 in 2021⁴⁹. The largest concentration is in energy efficiency, accounting for 76 percent of the jobs, followed by renewable electric power generation at 15 percent of the jobs. NYSERDA also expects that over the next decade the State will see significant growth in its offshore wind labor market. By 2030, this industry is expected to grow to just over 6,000 offshore wind workers. Most offshore wind jobs will be concentrated in the construction and manufacturing industries⁵⁰.

PATHWAYS TO WORK

36.4%

NEW YORKERS WITH A HIGH SCHOOL DIPLOMA OR LESS

69

NEW APPRENTICESHIP PROGRAMS

61%

OF ENGLISH LANGUAGE LEARNERS IN NEW YORK GRADUATE HIGH SCHOOL

In September, the National Assessment of Education Progress released its long-term trend scores, which indicated that student learning saw the biggest drops in math and reading in 30 years⁵¹. Based on the latest available data, approximately 86 percent of public high school students graduated in 2021. A high school diploma is a critical credential in today's economy, and completing high school and being prepared for college is essential to college success. Students from low-income families graduate at a rate of 10 percent less than their counterparts, while only 64 percent of students with disabilities graduate and only 61 percent of English Language Learners graduate. Students with the lowest graduation rates are foster youth at 49 percent⁵².

Currently, jobs requiring a high school diploma have the greatest share of jobs in New York (911K); however, wages are significantly lower compared to jobs requiring an Associates Degree or higher. Approximately 36.4 percent (5.1 million) of New Yorkers 25+ have a high school diploma/equivalency or less⁵³.

EDUCATIONAL ATTAINMENT BY REGION⁵⁴

	Less than HS/HSE	HS/HSE	AA or Some College	BA or Greater
Statewide	12.0%	24.4%	14.9%	22.2%
Western New York	7.7%	28.9%	32.1%	31.4%
Southern Tier	8.0%	31.0%	31.4%	29.7%
North Country	8.8%	32.6%	31.7%	26.9%
New York City	13.9%	24.0%	23.1%	38.9%
Mohawk Valley	9.2%	31.2%	33.8%	25.8%
Long Island	8.5%	24.8%	24.0%	42.8%
Hudson Valley	9.5%	22.7%	24.3%	43.5%
Finger Lakes	8.7%	25.0%	30.5%	35.8%
Central New York	8.4%	27.2%	31.7%	32.7%
Capital Region	7.1%	26.0%	29.7%	37.2%

NEW YORKERS SERVED IN PROGRAM YEAR 2020

175,755⁵⁵

Under WIOA Adult, Dislocated Worker, Youth and Wagner Peyser programs

38,991⁵⁶

Under WIOA Title II Adult Education Programs

Of the population 25 years and over in New York, 24 percent have some College or Associates Degree with 1,609,752 people have some college but no degree⁵⁸.

Another pathway to access education, training, and employment is the federally funded Workforce Innovation and Opportunity Act (WIOA) programs. WIOA programs provide services through a network of Career Centers, also known as American Job Centers, ranging from prevocational services, like resume writing and job coaching through employment, to occupational training services. The bulk of services are provided to adults over age 18 and the vast majority are unemployed at enrollment.

WIOA FUNDED TRAINING MOST COMMON OCCUPATIONS NATIONALLY, 2020⁵⁹

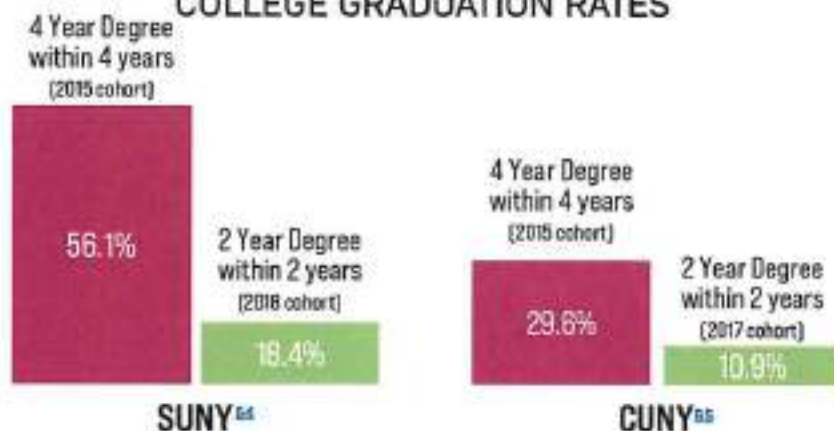
- | | |
|---|--|
| 1. Heavy and Tractor-Trailer Truck Drivers | 11. Electricians |
| 2. Registered Nurses | 12. Security Guards |
| 3. Licensed Practical and Licensed Vocational Nurses | 13. Production Workers, All Other |
| 4. Nursing Assistants | 14. Helper—Production Workers |
| 5. Medical Assistants | 15. Medical Secretaries |
| 6. Welders, Cutters, Solderers, and Brazers | 16. Emergency Medical Technicians and Paramedics |
| 7. Dental Assistants | 17. Computer User Support Specialists |
| 8. Medical Records and Health Information Technicians | 18. Engineering Technicians, Except Drafters, All Others |
| 9. Heating, Air Conditioning and Refrigeration Mechanics and Installers | 19. Pharmacy Technicians |
| 10. Phlebotomists | 20. Customer Service Representatives |

In Program Year 2020, 175,755 New Yorkers were served under the WIOA Adult, Dislocated Worker, Youth and Wagner Peyser programs, and nearly 40,000 New Yorkers were served under the WIOA Title II Adult Education Programs. Nationally, healthcare occupations dominated the most funded WIOA training, which is unsurprising as Healthcare is a top employment sector in the U.S. and in every region of New York.

Apprenticeships are another tool used to increase the pipeline of skilled workers. In New York, apprenticeships continue to be largely focused in the trades. At the end of 2021 the New York State Apprenticeship program had 17,498 active apprentices, including 4,300 new apprentices at 636 sponsors. Of the 954 programs, 69 were new programs, of which 45 were outside of the building and construction trades. The State issued 3,832 Certificates of Completion in 2021⁶⁰. By comparison, California had nearly 80,000 active apprentices in 866 programs, and nearly 13,000 Completions in 2021⁶¹.

Almost 2 million people are enrolled at SUNY and CUNY, of which over half of students are in continuing education and adult programs. Enrollment across all institutions has declined by nearly 100,000 students at SUNY⁶² and 10,000 students at CUNY in the last decade⁶³ causing concern about the ability to train enough New Yorkers for good jobs.

COLLEGE GRADUATION RATES



SOURCES

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From the Buffalo Business First:

<https://www.bizjournals.com/buffalo/news/2023/01/10/ellicottville-brewing-expands-little-valley.html>

Ellicottville Brewing Co. expands with Little Valley pub

Jan 10, 2023, 6:00am EST

Ellicottville Brewing Co. has expanded again, opening a new taproom in Little Valley the day after Christmas.

The Little Valley Pub & Pizzeria offers a full selection of craft beer, as well as a food menu offering Neopolitan-style pizza, salads and sandwiches. The site is open Thursdays through Sunday.

Founded in Ellicottville in 1995, EBC has brewpub operations throughout the region in Fredonia and Bemus Point on Chautauqua Lake, and it also operates the EBC Tap + Bottle Taqueria shop in Ellicottville.

The Little Valley site in Cattaraugus County opened as a brewing and packaging operation in 2017, becoming the primary production facility for the company. The 75,000-square-foot facility was previously home to Salamanca Beverage Co.'s distribution center.



COURTESY: ELLICOTTVILLE BREWING CO.

Ellicottville Brewing Co. opened the Little Valley Pub & Pizzeria in late December.

Initial plans called for opening a public pub in fall 2020, said Peter Kreinheder, managing member/founder.

"As we worked through the delay due to Covid, we just had our debut Monday, Dec. 26," he said. "It's a very beautiful space nestled in the valley."

With 150 employees, EBC is the region's second largest craft brewery, producing 20,000 barrels in 2021. The company expanded its distribution across the state in a 2020 deal when it acquired Empire Brewing Co.

Tracey Drury

Reporter

Buffalo Business First





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NAVIGATOR RURAL WORKFORCE DEVELOPMENT

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Word on the Street: Workforce Concerns in Rural Communities

December 6, 2022 [Patricia Stanley](#) [in](#) [🐦](#) [f](#)



I regularly talk to C-Suite executives at companies of different sizes all over the country as part of my job and many have felt some sort of hit during the workforce crisis of the past couple of years, but especially since COVID-19. One of the major concerns I and my colleagues have heard from them as we emerged from the pandemic is their growing difficulty finding people to fill open positions and challenges retaining existing employees.

Where are the qualified workers?

This question is most often asked by small- to medium-sized companies in rural communities, especially in Manufacturing and other industries that need employees with specific trade skills. Interest has also been waning in many physically demanding job types since well before the pandemic.

In order to keep their companies operating and, ideally, growing, many companies located in rural communities are becoming more proactive when it comes to building and retaining their workforce. They understand that it's time to "put their pioneering hat on" and think about ways to promote and support the local workforce so they can maximize their growth opportunities.

Many of these companies already offer good-paying jobs that may especially appeal to young people just entering the workforce who have no plans to go to college. But how does a company go about tapping into this potential labor pool before they all move out of the area or find other jobs? Companies that are looking for workforce stability and are willing to invest in training and retaining their workforce are finding that one solution to this problem is to make investments in their communities that will help them achieve their goals and increase the size of the local talent pool.

What should those investments be? Some companies are inviting local high schools, trade schools, and community colleges to work with them more proactively to promote apprenticeship opportunities for students. They are promoting involvement with parents, schools, and education systems and are seeking ways to help build communities with built-in talent resources and more attractive reasons for young people to stay after graduation and for new people to move to the area.

At Camoin Associates, we have seen many small businesses close their doors not only because of the pandemic but also because they cannot run without the right workforce. It takes an entire community to build and promote local opportunities for prosperity. It is time for community pioneers (elected officials, educators, business owners, labor union leaders, parents, and other community leaders) to take action, collaborate, and innovate to ensure a stable future for their children and their economy.

Learn more about Camoin Associates' lead generation, business attraction and retention, and workforce analytics services.

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THE FUTURE OF FINANCE

The Public Finance Outlook for 2023: Prepare to Slog

Disinflation and economic deceleration will dominate state and local budgets and investments. Cash is king, at least for a while. Payroll costs will outrace revenues. It's going to be a year for muddling through.

OPINION | Jan. 3, 2023 • **Girard Miller**



(Shutterstock)

Last year's [New Year's column](#) capsulized the outlook for public finance for 2022 in one word: inflation. For 2023, it's almost the reverse, as [disinflation](#) — a slowing in the rise of prices — will be the backstory. But it will be a sticky and murky disinflation. With 12-month CPI measures still running hot, workers are not going to still for 2 percent pay increases, as much as the Federal Reserve might aspire

to that number as its long-term inflation target.

Meanwhile, state and local government budget squeezes are coming, as softer revenues are expected from income, sales and property taxes. A soft landing for the economy is possible, but there is still a credible risk of worse. By spring, the global economy and business environment will feel like a muddy, mucky Ukrainian battlefield: prepare to slog.

Although it's now highly probable that the Federal Reserve will soon be able to escalate its overnight Fed funds interest rate to levels higher than the latest core inflation rates, that is just the first salvo in the central bank's battle to tame the multi-headed inflation hydra. As long as workers expect to see 5 percent pay raises this year, the overnight interest rate needs to hover at that level or above. Whether that pinches pocketbooks enough to auger a soft landing or pushes the U.S. economy into a recession, nobody truly knows. The two most important and encouraging mile markers that I'm now watching are the M2 money supply, which [has gone flatline](#) for six months now, and the private sector's unit labor cost increases, which [declined to 2.4 percent](#) in the third quarter. Now, that's genuine disinflation, which tells me we're on the right and cautious path.

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But there are still far too many exogenous variables, including the Ukraine war, Putin's manipulative meddling with petro and grain supplies, and erratic Chinese COVID-19 policies, with their impact on both supply chains and consumer demand. Those are just the known unknowns. Sprinkle in some unknown unknowns like the China-Taiwan impasse, and it's clear that there just isn't a simple road map to get us from 5 percent core inflation to 2 percent in 2023.

Peaking Rates

What we do know, at least for now, is that cash is king — short-term investments now pay higher rates than longer-term, high-quality bonds, and consequently many stock investors now dread recession risk. By summer you'll be weary of hearing the new history of [inverted yield curves](#). Whereas we began last year with many

public treasurers foolishly investing their cash as long term as they could, trying to scrape up a few extra nickels in yield, the exact opposite is probably the dominant scenario for coming months as overnight rates become the shiny new objects. It's a pretty safe bet that money market interest rates will peak at somewhere around 5 percent this year, barring a tumultuous Crazy Ivan move by Putin.

So what does all this portend for budgeting revenues and maximizing returns on public funds? Long-bond yields can drift lower, but only a little: The Fed still holds over \$3 trillion of long-maturity Treasury bonds and mortgage-backed securities it bought during the pandemic, and will likely liquidate only a third of that this year, so there is still a massive long-bond supply overhanging this market. I struggle mentally to see less than 3 percent yields on the 10-year Treasury this year, which is only a half point below today's levels.

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By December, mortgage rates can soften to maybe the lower 5 percent range, which is helpful to local property values and that tax base, and muni bond yields can drift slightly lower in tandem with Treasury's. But the Fed's quantitative tightening must continue all year in the long end, to flatten out the M2 money supply enough to make 2 percent inflation a viable target credible to monetary hawks. That won't shrink the money supply, and given the risk of recession I don't expect active open-market sales of its portfolio T-bonds by the Fed, but the runoff of maturing bonds must continue. That puts a floor under longer bond yields as new and replacement buyers at the weekly Treasury debt auctions must surface to buy the incessant supply of new U.S. bonds. In case you've forgotten, Capitol Hill is still running a \$1 trillion annual budget deficit, which requires ever more debt issuance and somebody other than the Fed to buy that paper.

We'll have to see how many of the underwater public treasury portfolio managers — those who last year proclaimed themselves to be driven by the benefits of “investing as long as possible under their cash forecast” — will continue to do so when yields are relatively lower on longer maturities. In 2022, they declared allegiance to their cover-up story of buy long and hold, come hell or high water, and got both. Now we'll get to see just how many were actually just grabbing the

highest rates that brokers quoted them. Don't be surprised if some continue to chase yields and that we start to see those elongated average portfolio maturity statistics shrink as this rate cycle peaks. Strategically, most cash managers will be bobbing like corks in the ocean this year, with no real sense of direction.

Budgeters' Quandary

Another professional challenge with interest rates this year will be the budgeters' quandary of how long these higher rates will persist into 2024 to fund ongoing operational costs. With interest income becoming an increasingly important sliver in state and local budgets, this is a non-trivial problem. Some financial teams may decide to take the plunge and lock in the best yields they can into the following fiscal year, even if it means a modest revenue haircut from the tempting short-term rates that prevail this spring, but that requires a team effort by the treasury and budget staff that doesn't always prevail in the oft-compartmentalized world of state and local government financial functions.

For debt managers, this year should bring an eventual normalization of the muni bond market, as disinflation should enable tax-exempt yields to revert to historical relationships with the federal government bond market. With a partisan-divided Congress, there might be some trivial tinkering in federal tax laws for muni bonds, but don't expect anything major. Eventually, sagacious muni investors may begin to focus on what will happen when the upper-bracket Trump-era tax cuts expire in 2025, and rediscover the beauty of tax-exempt paper, but only a few will actually think that far ahead of the next election. Said simply, it's business as usual now.

Shorter term, the [talk on the street](#) is that muni bond maturities in early 2023 will outstrip new supply, adding to the demand for those bonds, so issuers face a favorable market tone even before interest rates overall begin to soften along with disinflation. Relatively happier times are here again, at least for some issuers, until June when foreseeable new supply will exceed maturities while competing taxable market yields likely trend a bit lower.

Strategic Planning, Anyone?

For months now, the debate among economists has been whether (a) we're gliding a soft landing, as the Fed steers the economy into a tepid lower-growth (or

zero-growth) pace, or (b) if its creaky monetary brakes and oversteering will eventually drive a shrinking economy into a recession with a measurable, painful decline in total economic activity, job losses and higher unemployment. Nobody talks about what's in between.

My outlook is that we face a year with weakening **real GDP**, bringing higher unemployment rates but not a full-blown recession. In the 1970s they called this "stagflation"; for now I call it a slog. Prudent budgeters should now avoid new fiscal commitments and keep dry powder just in case. This all makes for a good year for strategic planning, which can keep competing constituencies occupied with long-term economics instead of vying for short-term budget gimmies. It also sets the table for smarter multiyear labor deals, as discussed below.

At the local level, what is clear is that **the unliked-but-reliable property tax** has probably seen its best days in this cycle, as that revenue item is likely to fall short of the salary and pension-cost pressures that most governments will face by 2024. Whether that squeeze begins to impact their budgets in 2023 is situationally dependent and defies generalization. Property assessment practices vary widely, and often with a long lag. In some states, tax caps will bite.

If a full-fledged recession hits, then sales and income tax revenues will surely fall short of budget, but by how much? My view is that at worst we face a soft, sloggy recession in which the GDP stalls out; many companies will "trim the fat" and lay off some workers or freeze hiring to "right-size" their workforces. Notably, this scenario does not necessarily imply that state and local governments will endure heavy layoffs. More likely, we'd first see governmental hiring freezes, suspended animation in salary increases, rainy-day reserve drawdowns, and other short-term measures to keep public employees on the payroll and service levels sustained.

Labor negotiators will call this a year of "collective bickering." Public employers might be wise to proffer two-tiered pay increases this year: a base-pay hike that can be sustained and tolerated over time, perhaps something less than 5 percent, along with a one-time stipend or a contingent, supplemental pay increase that can be canceled or reversed if the employer's budget suffers serious damage from a shrinking economy. The second tier could be reinstated or triggered in the future when revenues solidify sufficiently to assure fiscal stability without layoffs.

Tempests in Pension Teapots

This economic scenario is not positive for public pension funds. They and their employer sponsors will eventually see some sticker shock when the results of recent inflation coupled with investment market-value losses have worked their way through the actuarial meat grinder. Five-year rolling investment average values in the stock and bond markets slumped last month vs. the prior year and may decline further this year, which bodes trouble for pension actuaries. But those resulting unfunded liabilities won't hit payroll contribution rates until 2024 or beyond. It's a good time for three-year budget planning by public employers and for pension cost-sharing with the unions (who reflexively ask for gain-sharing). Hopefully, stocks may recover beautifully in 2024-2025 and beyond, easing actuarial pressures after this period of belt-tightening and fat-trimming, but hope is not a strategy.

No matter what happens on pensions' fiscal front, the funds will continue **to be politicized**. From left field, fund boards may again find themselves drawn back into the culture wars this year as activists prod public-fund trustees to join proxy fighters on the issue of social media companies' corporate policies regarding hate speech and content moderation. From right field, there will be more noise about environmental-social-governance policies, with pushes to use red-state pension funds and muni bond underwriter blackballs as their weaponry against such exercises in "woke culture."

Much of this is just symbolic statehouse political theater, but pension trustees in several states will face spirited debates about their fiduciary vs. civic responsibilities. Ultimately, though, none of these **Kabuki antics** by noisy actors seeking to use pension boards as megaphones will move the needle on actuarial calculations, payments to retirees or employer payroll contribution rates.

In the end, it's still too soon to imagine a world without COVID-19 variants and budget-pinching inflation, but the trend toward normality on both of those fronts looks hopeful. In this intervening year between the noisy midterms and the next big general election, this should be a quieter period best suited for domestic housekeeping, long-term planning and fiscal prudence.

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From the Albany Business Review:

<https://www.bizjournals.com/albany/news/2023/01/12/schodack-amazon-development-real-estate.html>

When Amazon comes to town

Jan 12, 2023, 1:30pm EST

Jason Grant moved to rural Schodack when he was around 10 years old to a home close to where — 35 years later — a mammoth Amazon distribution facility was built.

Grant now owns a home around the corner from where his parents live in town.

He also owns a business, The Crisp Cannoli Bakery & Cafe in East Greenbush, just 3.5 miles north of the 1 million-square-foot fulfillment center at 1835 Route 9.

Grant embodies the contrasts of what happens when the world's largest retailer plants a big flag in a tiny town (population 13,000).

It's a dynamic playing out elsewhere in the Albany region and across the country as Amazon continues building out its logistics network — though the expansion has slowed in recent months.

Hundreds of jobs are created. Fleets of trucks rumble through streets. More money is spent at some businesses. But it can be



DONNA ABBOTT-VLAHOS | ALBANY BUSINESS REVIEW

The Amazon fulfillment center in Schodack opened in 2020.

years before the local economy is fully transformed, if at all.

On one hand, The Crisp Cannoli has seen a direct financial benefit from the huge investment — both during construction and after the Schodack facility opened in September 2020 and hired more than 800 people.

"I started way back with them after they broke ground," Grant said. "I reached out to everybody and anybody to find out how to work with them. I drove over and dropped off a box of pastries and breakfast sandwiches [for free] and from then on out they'd call and say they need this or that. It turned out many of them would come back down to the shop. We became friends."

He catered hundreds of meals during the first few weeks of the company's employee recruitment drive. These days, he gets large orders once or twice a week from the administrative staff.

"It's really good," he said.

On the other hand, while there's undoubtedly been changes in the Rensselaer County town, such as increased traffic and the construction of a second, smaller warehouse about a mile away from Amazon (Nasdaq: AMZN), Schodack's main roads look very much the same today.

Small retail plazas, gas stations, pizza parlors and businesses such as Schodack Diner, Guns Inc., and Reliable Storage dot Routes 9 and 20 between Exits 11 and 12 of Interstate 90.

Among the larger places are the Pilot Travel Center (a popular stop for truckers to refuel, eat and rest) and the 580,000-square-foot Hannaford distribution center — both of which were built years before Amazon's arrival.

"Honestly, for the size of the [Amazon] building and the number of people, I don't think it's changed anything other than there's a new red light," Grant said. "That's big news in Schodack. If you put trees in front of it, you wouldn't know it's there."

Of course, the recent unionization drive drew a lot of attention from organizers and the news media. The effort to form a union

failed in an October vote of the workforce. Another organizing drive is possible.

Although there were strong feelings on both sides, it's not as if the unionization vote split the town apart, said Schodack Supervisor Charles Peter.

"I haven't seen anything like people getting into fights," Peter said. "It's not a political debate."

What has been noticeable, he said, is the increase in business at some local stores, such as the new Stewart's that was built about a mile from Amazon, along with a big jump in sales tax revenue.

The town's share of the state/county sales tax was \$1.72 million in 2021 and is expected to surpass \$1.9 million in 2022 — far exceeding the \$1.35 million budgeted for the year.

The largest single sources of the sales taxes are the gasoline and other items sold at the Pilot Travel Center, Peter said. That's another indication of how many more truckers are passing through town.

Additional development could be on the horizon. There are signs advertising land for sale or lease along Routes 9 and 20.

Ikon Realty Group, for instance, is marketing about 40 acres at 1814 Route 9, directly across from Amazon. The two parcels have more than 1,200 feet of frontage and are accessible from the traffic signal at the Amazon entrance.

The list price is \$2.25 million, nearly \$57,000 per acre.

Bruce Ginsburg, broker/principal at Ikon, said there have been some inquiries since the property hit the market in early November.

Amazon's presence and the proximity to the two I-90 exits in Schodack are among the selling features, Ginsburg said.

The challenges include higher interest rates to finance an acquisition and rising costs for construction materials.

"All the things that have affected all things, in all sectors, come into play here," Ginsburg said.

For Peter, the town supervisor, the biggest limiting factor for any further development is the lack of water and sewer pipes on Route 9 south of the Amazon fulfillment center.

"It's not impossible for people to come in and work with wells and septic [systems], but from my experience whenever people can come into a site, if it has water and sewer, it checks a lot of boxes," Peter said.

The town is working with Rensselaer County to extend the water lines for several miles on Route 9. The project would be partially paid for by the federal American Rescue Plan Act [ARPA]. Bids are expected to be sought in spring/summer 2023.

Extending the sewer lines is a more involved process because Schodack has to work with surrounding towns to treat the waste.

Combined, the water/sewer improvements are expected to cost about \$15 million, Peter said.

The new infrastructure will create more opportunities for investment, whether it's housing developments or businesses, and further alter the landscape.

Peter, 38, grew up in Schodack. He knows a few people who work at the Amazon facility, including friends and his brother-in-law.

Like many, Peter has farming roots. His family's dairy farm was started in 1912. After a barn fire a decade ago, cows were milked on a neighboring farm until 2017.

"At that point it was no longer lucrative," he said. "It's still a family farm, mostly hay, pork, turkey, chickens and beef."

The dairy industry in town has virtually dried up. There are still family farms, but the local economy has changed considerably.

"We still have a healthy farm economy," he said, "but it's certainly not what it was."

'It's made a difference in our business'

If you walk into the Stewart's next to the Schodack police station at various times of the day you're bound to see someone wearing a neon green or orange safety vest paying for a cup of coffee, food and/or gasoline.

Most likely, they work at the Amazon fulfillment center a mile away.

"We get a pretty heavy flow," said Andy Basile, store manager. "They come on different shifts throughout the day."

The Malta-based chain built the shop on the site of what was formerly a Sunoco gas station/convenience store. Stewart's opened Dec. 30, 2020, about three months after the Amazon facility opened.

Amazon wasn't the only reason Stewart's Shops made the investment. The location serves the local community and is convenient to commuter traffic off the interstate highway, a company spokeswoman said.

Basile moved to the town 14 years ago from Long Island, and knows some Amazon employees by name. Some are local residents; others are from outside Schodack.

He hears mostly positive feedback about having Amazon in town.

"The only thing I can tell you is it's made a difference in our business," he said. "Obviously we're not the only place they go to. I'm sure other businesses in the area have some kind of enhancement in their being here."

What about that second warehouse?

As far as Schodack town officials know, Amazon still intends to occupy a 278,670-square-foot warehouse that was just built about a mile from the company's 1 million-square-foot fulfillment center.

But as of late December, the company wasn't disclosing its plans publicly.

A spokesman told the Albany Business Review at that time there was no update.

Questions first arose last spring whether Amazon will be the tenant in the warehouse at 1710 Schodack Valley Road because a site supervisor informed a town official the plans may change.

Officials at Amazon and the developer, Scannell Properties of Indianapolis, declined comment.

Amazon announced last spring it was pulling back on some of its aggressive warehouse expansion efforts nationwide as a result of third-quarter revenue growth that was its slowest in about two decades.

The only indication of a possible change were revisions to the site plan that were approved by the town planning board in the fall.

Those changes include shrinking the employee parking area from 438 spaces to 130; reducing the paved tractor-trailer parking area from 290 spaces to 212; eliminating the guard houses at the truck entrances and exits; and eliminating electric-truck charging stations.

Supervisor Charles Peter said that while it would be good to know whether the tenant will be Amazon, ultimately it doesn't make a big difference to the town.

"Obviously, when you have the largest [retailer] in the world that has a base in your town that matters, but it doesn't mean the taxes go up or down," he said. "It doesn't make a difference to the services we have to provide."

ARCO National Construction of St. Louis, Missouri, built Amazon's fulfillment center at 1835 Route 9 and the smaller warehouse on Schodack Valley Road.

He lives next door to Amazon

Willis Martin can't miss the Amazon fulfillment center in Schodack — it's literally his next-door neighbor.

Martin has lived in a small apartment building on Route 9 for the past 10 years. He used to ride on a go-cart track in the fields where the 1 million-square-foot warehouse was built.

"I used to ride all around," Martin said. "It wasn't my property but still I wasn't destroying it like these guys did."

He handles the maintenance at the three-unit apartment building where he lives, and at the two adjacent properties that house six other apartments and a business, Dirty Bird Antiques & Uniques.

He doesn't like the truck noise and increased traffic that Amazon brought, and said he's witnessed crashes. Some people walk across the yard to get to work.

He has no interest in getting a job there.

"I'm a roofer," he said. "I'll stay on the roof."

Amazon Schodack facts and figures

More than 800 people work at the 1 million-square-foot Amazon fulfillment center in Schodack. Most live in Rensselaer, Albany and Columbia counties

On average, employees earn more than \$19 an hour

All full-time Amazon customer fulfillment employees earn \$16 to \$26 per hour

Employment in the Albany region's warehousing and storage sector has grown significantly in recent years. There were an average of 6,185 jobs during the first quarter of 2022, twice as many as the first quarter of 2016.

Sources: First three: Amazon; Last item: Center for Economic Growth analysis of data from the New York State Department of Labor and U.S. Bureau of Labor Statistics

Michael DeMasi

Reporter

Albany Business Review





OCTOBER 17, 2022 / [NEWS RELEASES](#), [UNCATEGORIZED](#), [UPDATES](#)

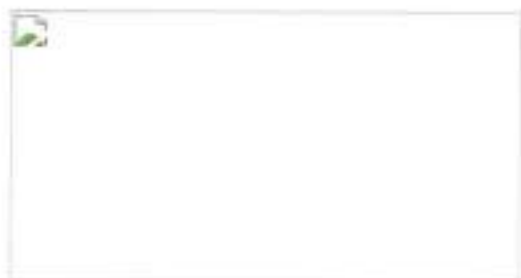


NYS MANUFACTURING LITTLE CHANGED

According to the Federal Reserve Bank of NY's monthly Empire State Manufacturing Survey, statewide manufacturing activity was little changed from last month. The

<https://insyte-consulting.com/nys-manufacturing-little-changed/>

consistent with contraction). The index has been gyrating between positive and negative since declining significantly at the end of last year. Prices Paid inched up after declining for the last few months with most other measures falling between 10.0 and -10.0. Respondents expect little improvement over the next six months based on the future conditions index of -1.8 down -10.0 points from last month. [See the full report here.](#)

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READY TO WORK WITH IIS?

Empire State Manufacturing Survey

Survey responses were collected between October 3 and October 11.

Business activity declined modestly in New York State, according to firms responding to the October 2022 *Empire State Manufacturing Survey*. The headline general business conditions index fell eight points to -9.1. New orders, unfilled orders, and shipments were all little changed from last month. Delivery times held steady, and inventories inched higher. Labor market indicators pointed to a small increase in employment and the average workweek. Input price increases picked up, while the pace of selling price increases held steady. Looking ahead, firms do not expect business conditions to improve over the next six months.

Conditions Weaken

Manufacturing activity declined in New York State, according to the October survey. The general business conditions index fell eight points to -9.1. Twenty-three percent of respondents reported

that conditions had improved over the month, and thirty-two percent reported that conditions had worsened. The new orders index was unchanged at 3.7, indicating a slight increase in orders, while the shipments index plunged twenty points to -0.3, pointing to a levelling off of shipments after they increased significantly last month. The unfilled orders index came in at -3.7, indicating that unfilled orders were slightly lower. The delivery times index held near zero for a third consecutive month, indicating that delivery times held steady. The inventories index edged down to 4.6, a sign that inventories increased just slightly.

Input Price Increases Pick Up

The index for number of employees was little changed at 7.7, pointing to a modest increase in employment levels, and the average workweek index climbed to 3.3, signaling a slight increase in hours

worked. After falling significantly over the prior three months, the prices paid index rose nine points to 48.6. The prices received index held steady at 22.9.

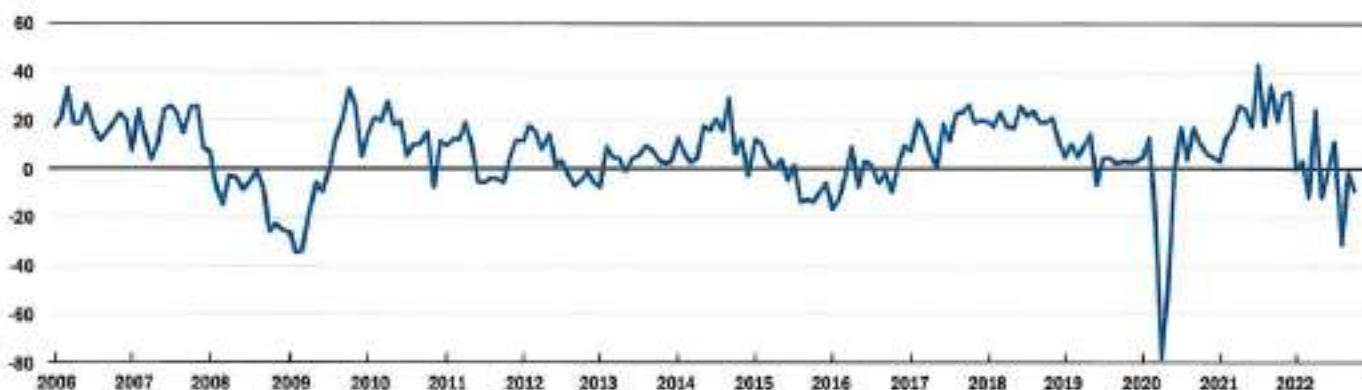
Conditions Not Expected to Improve

The index for future business conditions fell ten points to -1.8, indicating that firms do not expect conditions to improve over the next six months. The indexes for future new orders and shipments remained depressed, though employment is expected to continue to increase. Delivery times are expected to shorten, and increases in capital spending are planned for the months ahead. ■

General Business Conditions

Seasonally Adjusted

Diffusion Index

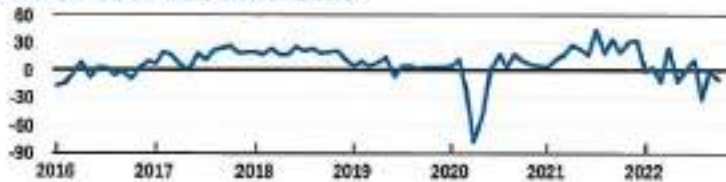


Note: The shaded areas indicate periods designated as recessions by the National Bureau of Economic Research.

Current Indicators

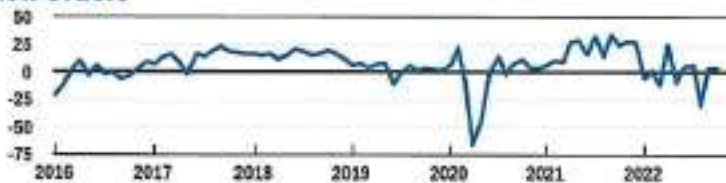
Change from Preceding Month

General Business Conditions



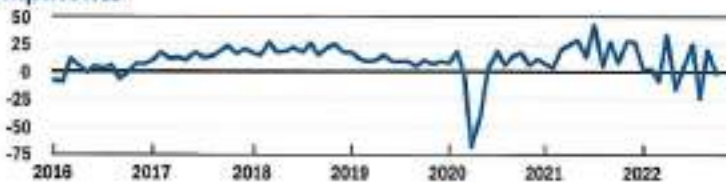
	Percent Reporting		Index
	Higher	Lower	
Sep	30.4	31.8	-1.5
Oct	22.8	31.9	-9.1
Change			-7.6

New Orders



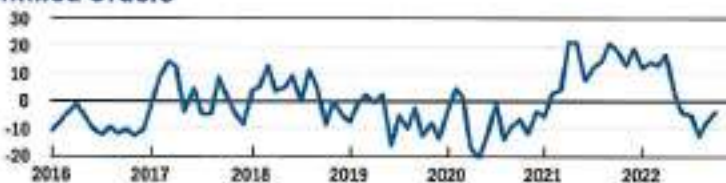
	Percent Reporting		Index
	Higher	Lower	
Sep	35.5	31.7	3.7
Oct	29.7	26.0	3.7
Change			0.0

Shipments



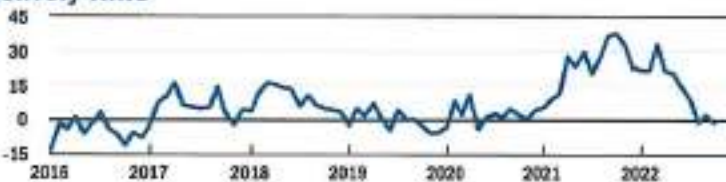
	Percent Reporting		Index
	Higher	Lower	
Sep	43.8	24.1	19.6
Oct	27.5	27.8	-0.3
Change			-19.9

Unfiled Orders



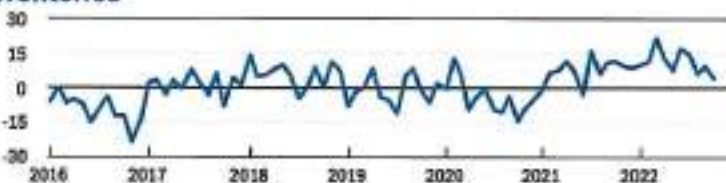
	Percent Reporting		Index
	Higher	Lower	
Sep	17.9	25.5	-7.5
Oct	16.5	20.2	-3.7
Change			3.8

Delivery Time



	Percent Reporting		Index
	Higher	Lower	
Sep	13.2	11.3	1.9
Oct	17.4	18.3	-0.9
Change			-2.8

Inventories

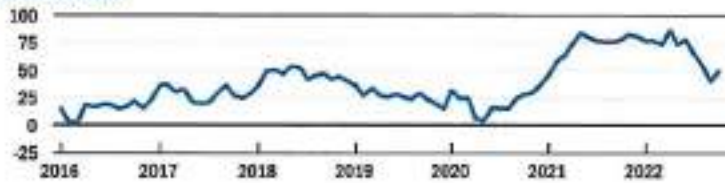


	Percent Reporting		Index
	Higher	Lower	
Sep	24.5	15.1	9.4
Oct	24.8	20.2	4.6
Change			-4.8

Current Indicators, *continued*

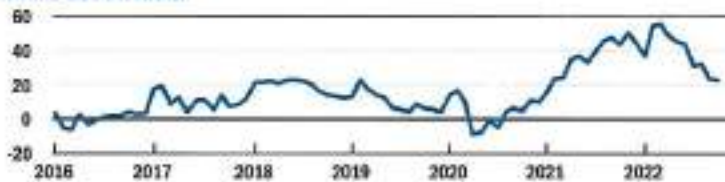
Change from Preceding Month

Prices Paid



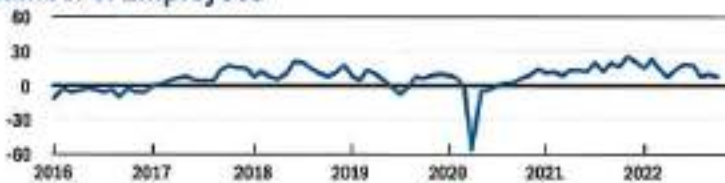
	Percent Reporting		Index
	Higher	Lower	
Sep	48.1	8.5	39.6
Oct	55.0	6.4	48.6
Change			9.0

Prices Received



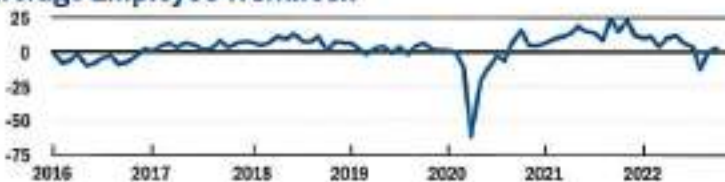
	Percent Reporting		Index
	Higher	Lower	
Sep	28.3	4.7	23.6
Oct	29.4	6.4	22.9
Change			-0.7

Number of Employees



	Percent Reporting		Index
	Higher	Lower	
Sep	17.3	7.5	9.7
Oct	20.5	12.8	7.7
Change			-2.0

Average Employee Workweek



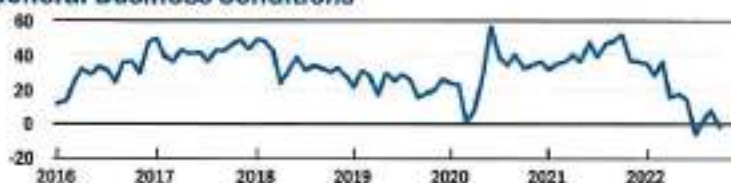
	Percent Reporting		Index
	Higher	Lower	
Sep	9.1	9.3	-0.1
Oct	12.6	9.3	3.3
Change			3.4

Note: Data are seasonally adjusted.

Forward-Looking Indicators

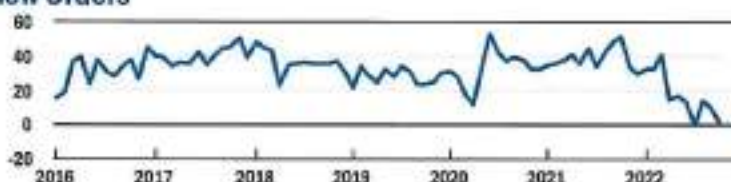
Expectations Six Months Ahead

General Business Conditions



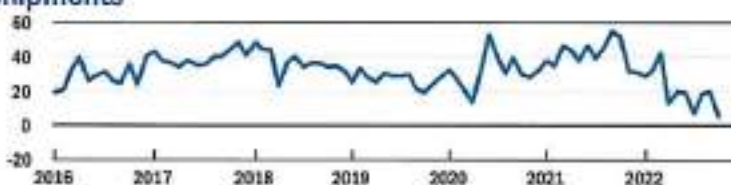
	Percent Reporting		Index
	Higher	Lower	
Sep	40.4	32.2	8.2
Oct	33.9	35.8	-1.8
Change			-10.0

New Orders



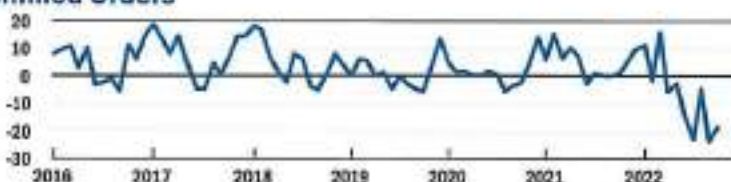
	Percent Reporting		Index
	Higher	Lower	
Sep	40.9	30.2	10.7
Oct	36.8	34.5	2.4
Change			-8.3

Shipments



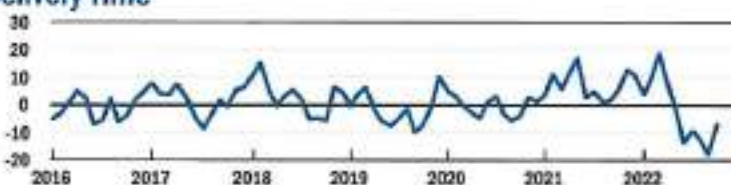
	Percent Reporting		Index
	Higher	Lower	
Sep	48.3	28.3	20.1
Oct	37.2	31.6	5.6
Change			-14.5

Unfilled Orders



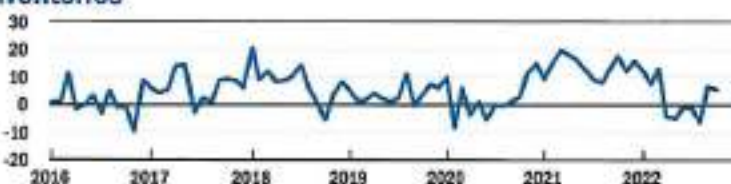
	Percent Reporting		Index
	Higher	Lower	
Sep	8.5	32.1	-23.6
Oct	8.3	26.6	-18.3
Change			5.3

Delivery Time



	Percent Reporting		Index
	Higher	Lower	
Sep	11.3	29.2	-17.9
Oct	15.6	22.9	-7.3
Change			10.6

Inventories

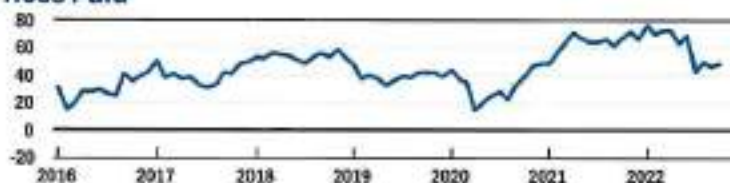


	Percent Reporting		Index
	Higher	Lower	
Sep	27.4	20.8	6.6
Oct	28.4	22.9	5.5
Change			-1.1

Forward-Looking Indicators, *continued*

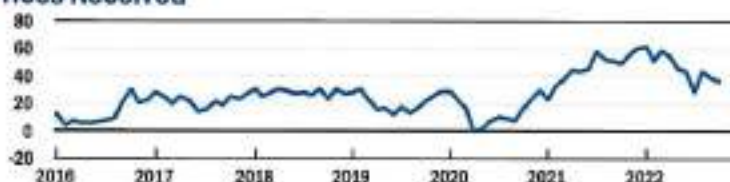
Expectations Six Months Ahead

Prices Paid



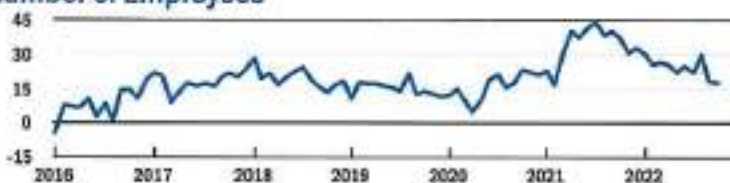
	Percent Reporting		Index
	Higher	Lower	
Sep	53.8	6.6	47.2
Oct	57.8	9.2	48.6
Change			1.4

Prices Received



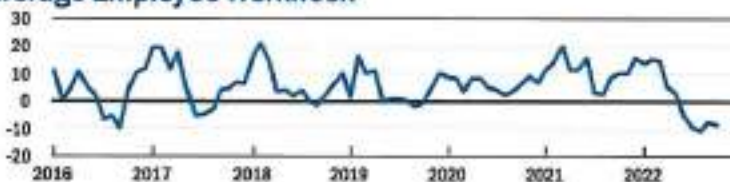
	Percent Reporting		Index
	Higher	Lower	
Sep	45.3	5.7	39.6
Oct	45.9	9.2	36.7
Change			-2.9

Number of Employees



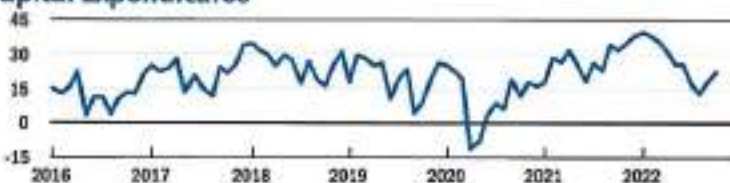
	Percent Reporting		Index
	Higher	Lower	
Sep	25.9	7.7	18.1
Oct	28.1	10.3	17.8
Change			-0.3

Average Employee Workweek



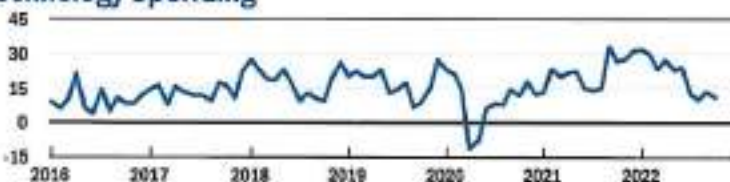
	Percent Reporting		Index
	Higher	Lower	
Sep	8.5	16.0	-7.5
Oct	8.3	16.5	-8.3
Change			-0.8

Capital Expenditures



	Percent Reporting		Index
	Higher	Lower	
Sep	29.2	11.3	17.9
Oct	33.9	11.9	22.0
Change			4.1

Technology Spending



	Percent Reporting		Index
	Higher	Lower	
Sep	21.7	8.5	13.2
Oct	22.9	11.9	11.0
Change			-2.2

Note: Data are seasonally adjusted.



The year 2022 has been an interesting year for Canadian exports in general. Overall, exporting businesses have been very successful during 2022 and intend to carry the momentum into 2023. Certain exports have been holding strong during the previous years, and 2022 was no different. If you're interested in joining the Canadian exports business in 2023, you might want to know the 2022 statistics. After all, these stats can inform your decisions and help you turn a profit. In the long run, using stats like this is vital to your success. So, to help you out, we've compiled a list of the biggest Canadian exports in 2022.

Aircraft, engine & parts manufacturing

One of the biggest Canadian exports in 2022 is the aircraft, engine & parts manufacturing industry. However, even though the exports were good for 2022, the industry took a big hit because of the covid-19 pandemic. Because of this, the overall revenue of the aircraft, engine & parts manufacturing industry will probably drop in the coming years. In total, the industry earned \$13,2B in 2022, most of it coming from aircraft manufacturing: specifically commercial planes, business aircraft, and civil helicopters. While the industry is still doing well, and the Canadian aircraft, engine & parts manufacturing industry is currently leading globally, it will probably decline. If you are interested in joining the export business, consider [how to reduce commercial warehousing costs](#). Knowing how to reduce costs where you can is helpful no matter what you want to export.

Refined petroleum

Generally speaking, refined petroleum exports in Canada have been highly volatile over the past five years. This is because crude oil is the primary part of the industry's products. As such, the price of crude oil drives the industry's revenue, which has been, as we mentioned, very volatile. In 2022, the industry made \$20,6B in total. Dealing with refined petroleum exports in Canada is a very risk-reward business. While the revenues are highly volatile year to year, the industry did make it onto the biggest Canadian exports in the 2022 list. So, going into 2023, no one can say what refined petroleum export revenues will look like. So, if you're planning on joining this line of business, keep in mind the [pros and cons of maritime shipping](#). Try to stick with the most reliable ways of exporting going into 2023.



The wood products industry in Canada has always been a strong contender, and in recent years there's been a steady growth in revenue for the industry. While there were many complications because of the covid-19 pandemic, the industry is still strong. This is because there is always a steady demand for wood worldwide. As such, exporters dealing in wood have had their work cut out for them. Going into 2023, the industry is showing promising signs of revenue increasing further. Out of the biggest Canadian exports in 2022, the wood products business is one of the safer options for anyone looking to get into the business. However, if you plan to deal with the US, keep in mind the [common US customs clearance issues & overcoming them](#). No matter what you export, this knowledge will serve you well in the long run.

and light truck production

SUV and light truck production industries have been doing very well in the past few years regarding exports. In 2022, this trend has continued, with the industry earning \$32.6B globally. However, due to complications with the covid-19 pandemic, experts are projecting the overall revenue of the industry is going to drop going into 2023. That said, most of the exports in this industry (95%) were headed into the US. While the revenue is projected to drop, the overall decrease probably won't be too significant, making this another fairly safe business to enter into 2023, keeping in mind that no one can tell exactly how the year will go. However, when it comes to export businesses, it's generally better to be more cautious, especially when predictions are that revenue will drop in the coming year.

Oil drilling and gas extraction

The biggest export in Canada in 2022 has, by far, been the oil drilling and gas extraction industry. While this industry heavily relies on global crude oil and natural gas prices, the industry has shown massive growth over the past few years. In 2022, the industry made \$104.2B, completely overshadowing any other export in Canada. Of course, rising prices have led to many investments and general growth in the industry. However, going into 2023, the industry shows no signs of slowing down, and investors keep flocking to any opportunities which involve oil drilling and gas extraction. If you're considering joining the export business, you can't go wrong with investing in oil drilling and gas extraction. That said, you should always be careful no matter what kind of business you invest in.

The biggest Canadian exports in 2022 – wrap up

Canada is a strong contender for a number of exports worldwide and shows no signs of slowing down. While the most prominent industry completely overshadows the other top exports, potential investors have quite a few choices if they're interested. Anyone looking to join the export business can invest in several industries relatively safely and make quite a bit of profit. That said, no one can tell precisely how the next year will go business-wise, so we recommend you still be careful when planning your business dealing. We hope that this list of the biggest Canadian exports in 2022 helps you better understand the topic.

Author bio

Henry Lee is a business investor specializing in export businesses and works closely with [professionalmover.ca](#). In his spare time, he blogs to spread his knowledge to other potential business investors.

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