

Niagara County Industrial Development Agency

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

ANNUAL NCIDA/NCDC/NADC BOARD MEETING

DATE: March 18, 2026

TIME: 9:00 a.m.

**PLACE: Niagara County Center for Economic Development
6311 Inducon Corporate Drive
Sanborn, NY 14132**

Board of Directors:

___ **Mark A. Onesi**, Chairman
___ **Jason Krempa**, First Vice Chairman
___ **William L. Ross**, Secretary
___ **Mark Berube**, Assistant Secretary
___ **Ryan Mahoney**, Member
___ **David J. Masse**, Member
___ **William Fekete**, Member
___ **Susan C. Langdon**, Member
___ **Deanna Alterio Brennen**, Member

Staff Members:

___ **Andrea Klyczek**, Executive Director
___ **Michael S. Dudley**, Director of Finance & Real Estate
___ **Susan Barone**, Grants, Loans & Compliance Manager
___ **Jeremy Geartz**, Director of Business Development & Retention
___ **Julie Lamoreaux**, Office & HR Administrator
___ **Joseph Grenga**, Project Manager
___ **Mark J. Gabriele**, Agency Counsel
___ **Elizabeth C. Hughes**, Agency Counsel

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- 1.0 Meeting Called to Order – *M. Onesi***
 - 2.0 Roll Call – *J.Lamoreaux***
 - 3.0 Introduction of Guests – *M. Onesi***
 - 4.0 Pledge of Allegiance – *M. Onesi***
 - 5.0 Approval of Meeting Minutes**
 - 5.1 Regular NCIDA/NCDC/NADC – February 18, 2026**
 - 6.0 Committee Reports**
 - 6.1 Finance & Audit Committee – *J. Krempa***
 - 6.1.1 Audit Report – *Lumsden & McCormick CPAs***
 - 6.1.2 Agency Payables**
 - 6.1.3 Budget Variance Report**
 - 6.2 Governance Committee – *W. Ross***
 - 6.2.1 Annual Board Evaluations – *M. Gabriele***
 - 6.2.1 Agency Policies – *M. Gabriele***

7.0 Annual Meetings of the NCIDA, NCDC, and NADC

- 7.1 Election of Chairperson – *M. Gabriele***
- 7.2 Election of Officers**
 - 7.2.1 First Vice Chairperson**
 - 7.2.2 Secretary**
 - 7.2.3 Assistant Secretary**
 - 7.2.4 Treasurer**
- 7.3 Appointment of Committee Members and Committee Chairpersons**
 - 7.3.1 Finance & Audit Committee**
 - 7.3.2 Governance Committee**
 - 7.3.3 NCDC Loan/Micro Grant Committee**
 - 7.3.4 Cataract Tourism Fund Committee**
- 7.4 Ratify Board Meeting Dates/Time**
 - 7.4.1 Second (2nd) Wednesday of the Month**
- 7.5 Reaffirm Committee Charters – *M. Gabriele***
 - 7.5.1 Finance & Audit Committee Charter**
 - 7.5.2 Governance Committee Charter**
- 7.6 Reaffirm Mission Statement – *M. Gabriele***
- 7.7 Reaffirm Uniform Tax-Exempt Policy – *M. Gabriele***
- 7.8 Niagara Industrial Incubator Associates (“NIIA”) - *M. Gabriele***
 - 7.8.1 Appointment of Andrea Klyczek**
- 7.9 Niagara Industrial Incubator Company (“NIIC”) - *M. Gabriele***
 - 7.9.1 Appointment of Andrea Klyczek**
- 7.10 Niagara Economic Development Fund (“NEDF”) - *M. Gabriele***
 - 7.10.1 Appointment of Andrea Klyczek**
- 7.11 Risk Assessment and Risk Management Letter – *M. Dudley***
- 7.12 NCIDA Real Property Assessment – *M. Dudley***
- 7.13 Annual Investment Reports – *M. Dudley***
- 7.14 Affirm Administrative Policies for 2026 – *M. Gabriele***
- 7.15 2025 Annual Report Summaries – *M. Gabriele***
- 7.16 2025 Annual Measurement Reports – *M. Gabriele***

8.0 Unfinished Business

8.1 Somerset Solar, LLC – *A.Klyczek*

8.1.1 Final Resolution

8.2 Voss Manufacturing, Inc. – *M.Gabriele*

8.2.1 Inducement Extension

9.0 New Business

9.1 NCDC Loan Modification – *A.Klyczek*

9.1.1 Bairco, Inc.

9.2 Cataract Fund Grant Approval Amendment – *J. Geartz*

9.2.1 The Center for Kashmir, Inc. – Phase 2

9.3 Armstrong Fluid Technologies – *A. Klyczek*

9.3.1 FTZ - Approval to enter into Operators Agreement in FTZ

10.0 Agency Counsel – *M. Gabriele*

11.0 Information Items

12.0 Any Other Matters the Board Wishes to Discuss

13.0 Next Regular NCIDA/NCDC/NADC Meeting:

DATE: April 8, 2026

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

PLACE: Niagara County Center for Economic Development

14.0 Adjournment - *M. Onesi*

5.1

MEETING MINUTES

REGULAR NCIDA/NCDC/NADC BOARD MEETING

DATE: February 18, 2026
MEETING TIME: 9:00 a.m.
MEETING PLACE: Niagara County Industrial Development Agency
Vantage Center, Suite One
6311 Inducon Corporate Drive
Sanborn, NY 14132

1.0 Meeting Called to Order

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

2.0 Roll Call

Mark A. Onesi, Chairperson	Present
Jason Krempa, First Vice Chairman	Present
William L. Ross, Secretary	Excused
Mark Berube, Assistant Secretary	Present
Ryan J. Mahoney, Member	Present
David J. Masse, Member	Present
William Fekete, Member	Excused
Susan C. Langdon, Member	Present

3.0 Introduction of Guests

Rob Creenan, Niagara Gazette
Jim Fink, WBEN Radio
Jonathan Epstein, Buffalo News
Robert Panasci, Somerset Solar, LLC

Staff Present

Andrea Klyczek, Executive Director
Jeremy Geartz, Director of Business Development & Retention
Michael S. Dudley, Director of Finance & Real Estate
Susan Barone, Grants, Loans, & Compliance Manager
Julie Lamoreaux, Office & HR Administrator
Joseph Grenga, Project Manager
Mark J. Gabriele, Agency Counsel
Elizabeth Hughes, Agency Counsel

4.0 Pledge of Allegiance

Mr. Krempa led the pledge of allegiance.

5.0 Approval of Meeting Minutes

5.1 Regular NCIDA/NCDC/NADC – January 14, 2026

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

6.0 Finance & Audit Committee Reports

6.1 Agency Payables – January 31, 2026

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

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

6.2 Budget Variance Report – January 31, 2026

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

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

7.0 Unfinished Business

7.1 Neofab Robotics Corp.

Mr. Geartz stated that a public hearing was held for Neofab Robotics Corp. on January 27, 2026 at 2:00 p.m. at the Center for Economic Development. There were no comments made at the Public Hearing.

7.1.1 Final Resolution

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

Mr. Krempa made a motion to approve the Final Resolution, Ms. Langdon seconded the motion. The Motion passed.

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

	<u>Yea</u>	<u>Nay</u>	<u>Abstain</u>	<u>Absent</u>
Mark Onesi	x			
Jason Krempa	x			
William L. Ross				x
Mark Berube	x			
Ryan Mahoney	x			
David J. Masse	x			
William Fekete				x
Susan C. Langdon	x			

The Resolution was thereupon duly adopted.

7.2 Woodstream Landing LLC

Mr. Gabriele stated that Woodstream Landing LLC has requested to increase the mortgage tax exemption because of rising costs.

7.2.1 Amended Final Resolution

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

Ms. Langdon made a motion to approve the Resolution, Mr. Masse seconded the motion. The Motion passed.

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

	<u>Yea</u>	<u>Nay</u>	<u>Abstain</u>	<u>Absent</u>
Mark Onesi	x			
Jason Krempa	x			
William L. Ross				x
Mark Berube	x			
Ryan Mahoney	x			
David J. Masse	x			
William Fekete				x
Susan C. Langdon	x			

The Resolution was thereupon duly adopted.

8.0 New Business

8.1 Somerset Solar, LLC

Ms. Klyczek stated that Somerset Solar, LLC will be constructing a 125MWac Utility Scale solar project in the Town of Somerset. This project will connect to the existing 345 kV Kintigh Substation. The construction of this facility will lead to 98 construction jobs, and 2 permanent positions to maintain the facility.

A resolution unanimously passed by the Town of Somerset Board supporting the Somerset Solar, LLC application to the Niagara County Industrial Development Agency for a Property Tax & Sales Tax Agreement. The resolution also states that this project is subject to Real Property Tax Law 575-b, which mandates solar projects of at least one megawatt to be assessed for real property tax values under the Discounted Cash Flow methodology using a model formula and discounted rates established by the NY State Department of Taxation and Finance. This assessment determination enables the Town to define tax payments, providing property tax stability to each of the affected taxing jurisdictions, which will be provided through the NCIDA application process.

Mr. Panasci stated that Somerset Solar, LLC has entered into an agreement to lease the land. They are hoping to start construction by the end of the year. He anticipates the project will be complete in two years.

8.1.1 Preliminary Resolution

RESOLUTION OF THE NIAGARA COUNTY INDUSTRIAL DEVELOPMENT AGENCY (i) ACCEPTING THE APPLICATION OF SOMERSET SOLAR, LLC WITH RESPECT TO A CERTAIN PROJECT (AS MORE FULLY DEFINED BELOW) TO BE UNDERTAKEN BY THE AGENCY FOR THE BENEFIT OF SOMERSET SOLAR, LLC OR AN ENTITY FORMED OR TO BE FORMED; (ii) AUTHORIZING A PUBLIC HEARING WITH RESPECT TO THE PROJECT; AND (iii) DESCRIBING THE FORMS OF FINANCIAL ASSISTANCE BEING CONTEMPLATED BY THE AGENCY.

Mr. Krempa made a motion to approve the Preliminary Resolution, Mr. Mahoney seconded the motion. The Motion passed.

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

	<u>Yea</u>	<u>Nay</u>	<u>Abstain</u>	<u>Absent</u>
Mark Onesi	x			
Jason Krempa	x			
William L. Ross				x
Mark Berube	x			
Ryan Mahoney	x			
David J. Masse	x			
William Fekete				x
Susan C. Langdon	x			

The Resolution was thereupon duly adopted.

8.1.2 Authorize Public Hearing

Mr. Onesi stated that there will be a Public Hearing for Somerset Solar, LLC on March 11, 2026 at 2:00 p.m. at the Town of Somerset Town Hall.

Mr. Berube made a motion to approve the Public Hearing, Mr. Krempa seconded the motion. The Motion passed.

9.0 Agency Counsel

Agency Counsel had no comments at this time.

10.0 Information Items

There were no information items at this time.

11.0 Any Other Matters the Board Wishes to Discuss

There were no other matters the Board wished to discuss.

12.0 Next Regular NCIDA/NCDC/NADC Meeting:

DATE: March 18, 2026

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

PLACE: Niagara County Center for Economic Development

13.0 Adjournment

Mr. Berube made a motion to adjourn; Mr. Krempa seconded the motion. The meeting adjourned at 9:12 p.m.

Respectfully Submitted:

Reviewed By:

Approved By:

Julie Lamoreaux
Recording Secretary

Andrea Klyczek
Executive Director

Mark Berube
Assistant Secretary

6.1.1

AUDIT

REPORT

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**NIAGARA AREA DEVELOPMENT CORPORATION
A Component Unit of
Niagara County Industrial Development Agency**

FINANCIAL STATEMENTS

DECEMBER 31, 2025

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INDEPENDENT AUDITORS' REPORT

The Board of Directors
Niagara Area Development Corporation

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Niagara Area Development Corporation (the Corporation), a business-type activity and a component unit of Niagara County Industrial Development Agency (NCIDA), as of and for the years ended December 31, 2025 and 2024, and the related notes to the financial statements, which collectively comprise the Corporation's basic financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Corporation as of December 31, 2025 and 2024, and the respective changes in financial position and cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America (GAAP).

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Corporation, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with GAAP, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Corporation's ability to continue as a going concern for one year beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Corporation's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audits.

Required Supplementary Information

The Corporation has omitted management's discussion and analysis that GAAP requires to be presented to supplement the basic financial statements. Such missing information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the financial statements in an appropriate operational, economic, or historical context. Our opinion on the financial statements is not affected by this missing information.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 18, 2026 on our consideration of the Corporation's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Corporation's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Corporation's internal control over financial reporting and compliance.

March 18, 2026

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NIAGARA AREA DEVELOPMENT CORPORATION
(a Component Unit of Niagara County Industrial Development Agency)

Balance Sheets

December 31,	2025	2024
Assets		
Current assets:		
Cash	\$ 501	\$ 501
Liabilities and Net Position		
Current liabilities:		
Affiliate payable	\$ 501	\$ 501
Net position:		
Unrestricted	-	-
	<u>\$ 501</u>	<u>\$ 501</u>

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NIAGARA AREA DEVELOPMENT CORPORATION
(a Component Unit of Niagara County Industrial Development Agency)

Statements of Revenues, Expenses, and Changes in Net Position

For the years ended December 31,	2025	2024
Operating revenues:		
Administrative fees	\$ -	\$ -
Operating expenses:		
Transfer to NCIDA	-	-
Change in net position	-	-
Net position - beginning of year	-	-
Net position - end of year	\$ -	\$ -

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NIAGARA AREA DEVELOPMENT CORPORATION
(a Component Unit of Niagara County Industrial Development Agency)

Statements of Cash Flows

For the years ended December 31,	2025	2024
Operating activities:		
Transfer to NCIDA	\$ -	\$ (150,906)
Net change in cash	-	(150,906)
Cash - beginning of year	501	151,407
Cash - end of year	\$ 501	\$ 501
Reconciliation of change in net position to net cash flows from operating activities:		
Adjustments to reconcile change in net position to net cash flows from operating activities:		
Change in affiliate payable	-	(150,906)
Net operating activities	\$ -	\$ (150,906)

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NIAGARA AREA DEVELOPMENT CORPORATION
(A Component Unit of Niagara County Industrial Development Agency)

Notes to Financial Statements

1. Summary of Significant Accounting Policies

Nature of Organization

Niagara Area Development Corporation (the Corporation), a governmental entity, was organized to undertake and promote economic development initiatives in the Niagara County, New York area.

The Corporation is empowered to issue industrial revenue bonds that meet the definition of conduit debt obligations. Such bonds provide not-for-profit entities within Niagara County with access to capital for the acquisition, rehabilitation, and construction of industrial and commercial facilities. The bonds are secured by the properties they finance and are payable solely by the not-for-profit entities. For providing this service, the Corporation receives bond administration fees from the borrowing companies, which are recognized immediately upon issuance of bonds. The Corporation's administrative agreement with Niagara County Industrial Development Agency (NCIDA) requires that all earnings generated by the Corporation be remitted to NCIDA. At December 31, 2025, previously issued bonds have an aggregate outstanding principal amount payable of \$284,000,000, none of which is recognized as a liability by the Corporation. No tax-exempt bonds were issued in 2025 or 2024.

In accordance with accounting standards, the Corporation is considered a component unit of NCIDA. The Corporation is included in the statements of NCIDA as a blended component unit.

Basis of Presentation

The financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

Measurement Focus

The Corporation reports as a special-purpose government engaged in business-type activities. Business-type activities are those that are financed in whole or in part by fees charged to external parties for goods or services. The Corporation's financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred.

The Corporation's policy for defining operating activities in the statements of revenues, expenses, and changes in net position are those that generally result from exchange transactions such as payments received for services and payments made to purchase those goods or services. Certain other transactions are reported as nonoperating activities and include the Corporation's interest income, if any.

Subsequent Events

The Corporation has evaluated events and transactions for potential recognition or disclosure in the financial statements through March 18, 2026, the date the financial statements were available to be issued.

Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Cash

Cash management is governed by State laws and as established in the Corporation's written policies. Cash resources must be deposited in FDIC-insured commercial banks or trust companies located within the State. Management is authorized to use demand accounts and certificates of deposit. Permissible investments include obligations of the United States Treasury and its Agencies, repurchase agreements, and obligations of the State or its localities.

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Custodial credit risk is the risk that, in the event of a bank failure, the Corporation's deposits may not be returned to it. Collateral is required for demand and time deposits and certificates of deposit not covered by Federal Deposit Insurance. Obligations that may be pledged as collateral are obligations of the United States and its agencies and obligations of the State and its municipalities and school districts.

At December 31, 2025 and 2024, the Corporation's bank deposits were fully insured by FDIC coverage.

Net Position

The Corporation is required to classify net position into three categories: net investment in capital assets, restricted, and unrestricted. The Corporation does not currently maintain any capital assets nor are restrictions imposed by external organizations, therefore net position (if available) is deemed to be unrestricted for general use by the Corporation.

Income Taxes

The Corporation is a governmental entity exempt from income taxes under §115 of the Internal Revenue Code. No tax filings are required and accordingly, no tax is paid.

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INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

The Board of Directors
Niagara Area Development Corporation

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Niagara Area Development Corporation (the Corporation), a business-type activity and a component unit of Niagara County Industrial Development Agency, as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the Corporation's basic financial statements, and have issued our report thereon dated March 18, 2026.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Corporation's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control. Accordingly, we do not express an opinion on the effectiveness of the Corporation's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Corporation's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Corporation's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Corporation's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

March 18, 2026

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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH SECTION 2925(3)(f) OF THE NEW YORK STATE PUBLIC AUTHORITIES LAW

The Board of Directors
Niagara Area Development Corporation

We have audited, in accordance with auditing standards generally accepted in the United States of America, the balance sheet of Niagara Area Development Corporation (the Corporation), a business-type activity and a component unit of Niagara County Industrial Development Agency (NCIDA), as of December 31, 2025, and the related statements of revenues, expenses, and changes in net position and cash flows for the year then ended, and the related notes to the financial statements, and we have issued our report thereon dated March 18, 2026.

In connection with our audit, nothing came to our attention that caused us to believe that the Corporation failed to comply with §2925(3)(f) of the New York State Public Authorities Law regarding investment guidelines during the year ended December 31, 2025. However, our audit was not directed primarily toward obtaining knowledge of such noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding the Corporation's noncompliance with the above rules and regulations.

The purpose of this report is solely to describe the scope and results of our testing. This communication is not suitable for any other purpose.

March 18, 2026

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**NIAGARA COUNTY
DEVELOPMENT CORPORATION
A Component Unit of
Niagara County Industrial Development Agency**

FINANCIAL STATEMENTS

DECEMBER 31, 2025

DRAFT

INDEPENDENT AUDITORS' REPORT

The Board of Directors
Niagara County Development Corporation

Opinion

We have audited the financial statements of Niagara County Development Corporation (NCDC), a component unit of Niagara County Industrial Development Agency, as of and for the years ended December 31, 2025 and 2024, and the related notes to the financial statements, which collectively comprise the basic financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of NCDC as of December 31, 2025 and 2024, and the changes in its net assets and cash flows for the years then ended, in accordance with accounting principles generally accepted in the United States of America (GAAP).

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of NCDC, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with GAAP, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about NCDC's ability to continue as a going concern for one year after the date that the financial statements are issued.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of NCDC's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about NCDC's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Additional Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying balance sheets by loan account, statements of activities by loan account, and schedules of each of NCDC's revolving loan accounts are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

March 18, 2026

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NIAGARA COUNTY DEVELOPMENT CORPORATION
(a Component Unit of Niagara County Industrial Development Agency)

Balance Sheets

December 31,	2025	2024
Assets		
Current assets:		
Cash	\$ 1,219,118	\$ 741,716
Investments	1,900,000	1,680,000
Loans receivable (Note 2)	171,134	538,767
	<u>3,290,252</u>	<u>2,960,483</u>
Noncurrent assets:		
Loans receivable (Note 2)	490,831	667,336
Allowance for estimated credit losses (Note 2)	(179,008)	(48,933)
	<u>311,823</u>	<u>618,403</u>
	<u>\$ 3,602,075</u>	<u>\$ 3,578,886</u>
Liabilities and Net Assets		
Current liabilities:		
Accounts payable		
Third parties	\$ 3,086	\$ 3,429
NCIDA	330,316	219,495
	<u>333,402</u>	<u>222,924</u>
Net assets without donor restrictions	<u>3,268,673</u>	<u>3,355,962</u>
	<u>\$ 3,602,075</u>	<u>\$ 3,578,886</u>

See accompanying notes.

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NIAGARA COUNTY DEVELOPMENT CORPORATION
(a Component Unit of Niagara County Industrial Development Agency)

Statements of Activities

For the years ended December 31,	2025	2024
Net assets without donor restrictions		
Revenues and support:		
Interest from loans	\$ 27,872	\$ 25,191
Application fees	1,250	3,500
Interest income	47,331	10,019
Contributions and grants	660,000	580,419
Credit loss recoveries	11,925	23,256
Total revenues and support	<u>748,378</u>	<u>642,385</u>
Expenses:		
Program services		
Consultants and training	29,580	24,774
Grant expense	412,000	230,521
Provision for estimated credit losses	142,000	-
	<u>583,580</u>	<u>255,295</u>
General and administrative		
Administrative fees - NCIDA	60,000	45,000
Professional fees and other	42,087	43,944
Transfer to NCIDA	150,000	150,000
	<u>252,087</u>	<u>238,944</u>
Total expenses	<u>835,667</u>	<u>494,239</u>
Change in net assets	(87,289)	148,146
Net assets - beginning	<u>3,355,962</u>	<u>3,207,816</u>
Net assets - ending	\$ 3,268,673	\$ 3,355,962

See accompanying notes.

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NIAGARA COUNTY DEVELOPMENT CORPORATION
(a Component Unit of Niagara County Industrial Development Agency)

Statements of Cash Flows

For the years ended December 31,	2025	2024
Operating activities:		
Change in net assets	\$ (87,289)	\$ 148,146
Adjustments to reconcile change in net assets to net operating activities:		
Estimated credit losses (recovery) on loans	130,075	(23,256)
Changes in other assets and liabilities:		
Accounts payable	110,478	180,578
Net operating activities	153,264	305,468
Investing activities:		
Payments collected on loans receivable	816,138	606,119
Loans awarded	(272,000)	(584,000)
Maturities of investments	1,680,000	-
Purchase of investments	(1,900,000)	(1,680,000)
Net investing activities	324,138	(1,657,881)
Net change in cash	477,402	(1,352,413)
Cash - beginning	741,716	2,094,129
Cash - ending	\$ 1,219,118	\$ 741,716

See accompanying notes.

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NIAGARA COUNTY DEVELOPMENT CORPORATION
(a Component Unit of Niagara County Industrial Development Agency)

Notes to Financial Statements

1. Summary of Significant Accounting Policies

Nature of Organization

Niagara County Development Corporation (NCDC) is a not-for-profit corporation which promotes economic growth and business prosperity in the County of Niagara, New York (the County). NCDC's function is to make loans at favorable interest rates to small businesses that are located in the County, thus encouraging startup of new businesses and relocation and expansion of existing businesses within the County.

In accordance with governmental accounting standards, NCDC is considered a component unit of Niagara County Industrial Development Agency (NCIDA). NCDC includes the federal funding it receives under the Single Audit Act together with NCIDA.

The membership of NCDC consists of the nine Board members of NCIDA. The governing board approves loans after giving consideration to the major criteria, including enhancement of the economic environment. Normally, these loans are made in conjunction with third-party lender financing through financial institutions. The businesses' assets and personal guarantees of the owners collateralize most of these loans; however, in many instances, NCDC's collateral interest is subordinated to the third-party lender. These loans have variable maturities dependent upon use, such as working capital or equipment acquisition. Interest income is recognized on these loans as it is earned.

Cash

At various times, cash in financial institutions may exceed federally insured limits and subject NCDC to concentrations of credit risk. NCDC has reached agreements with its financial institutions whereby amounts in excess of federal depository coverage are collateralized by investments held by the pledging bank's agent in NCDC's name.

Investments

Investments are comprised of bank certificates of deposit with original maturities of six months that are stated at fair value.

Loans Receivable

Loans receivable are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a provision for estimated credit losses and an adjustment to an allowance based on its assessment of the current status of individual loans, historical trends, and forecasted economic conditions.

Balances still outstanding after management has used reasonable collection efforts are written off through a charge to the allowance and a credit to loans receivable.

Interest on loans receivable is accrued as required by the terms of the agreement; management considers that collection is probable based on the current economic condition of the borrower. Interest accrual stops when a loan becomes past due and does not commence again until the loan is current.

Net Assets

NCDC's financial position and activities are reported according to two classes of net assets: net assets with donor restrictions and net assets without donor restrictions. Net assets with donor restrictions are those whose use has been limited by donors for a specific time period, purpose, or to be maintained by NCDC in perpetuity. At December 31, 2025 and 2024, NCDC's financial statements do not include any net assets with donor restrictions.

Revenue Recognition

Contributions and Grants

Contributions, including government grants, are reported at fair value at the date the contribution is made. Contributions in the form of grants received from government agencies generally consist of conditional contributions, and the revenue is recognized as NCDC meets required conditions. Any funding received before required conditions are met is reported as a refundable advance on the accompanying balance sheets.

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Application Fees

NCDC charges a standard application fee at the time an applicant applies for a loan. Such fees are non-refundable and are recognized as revenue when received.

Income Taxes

NCDC is a 501(c)(4) organization exempt from income taxes under §501(a) of the Internal Revenue Code.

Subsequent Events

Subsequent events have been evaluated by management for potential recognition or disclosure in the financial statements through March 18, 2026, the date the financial statements were available to be issued.

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

2. Revolving Loan Accounts

NCDC maintains revolving loan accounts that were originally funded through the U.S. Economic Development Administration (EDA) and the U.S. Department of Housing and Urban Development (HUD). The original funding is no longer subject to such federal requirements. NCDC was awarded Coronavirus Aid, Relief, and Economic Security (CARES) Act funds of \$737,000 from EDA and received \$567,895 through December 31, 2025. NCDC established the Hospitality Emergency Loan Program (HELP) which provides loans to the hospitality industry payable over 60 months with 12 months of interest-only payments and interest at 1.5%.

NCDC also maintains a Microenterprise Revolving Loan Fund, the primary objectives of which are to assist in the establishment and expansion of microenterprise business activities within the County, create employment opportunities for residents with low to moderate income, and preserve and expand the County's tax base.

Loans made to local businesses complement private financing at interest rates ranging from 1.5% to 6.4% and with varying repayment terms. All loans are classified as commercial loans.

The following is a summary of the loans receivable:

	<u>2025</u>	<u>2024</u>
Current status	\$ 529,507	\$ 1,050,720
Non-accrual	132,458	155,383
	<u>661,965</u>	1,206,103
Less current portion	171,134	538,767
	<u>\$ 490,831</u>	\$ 667,336

The allowance for estimated credit losses totaled \$179,008 and \$48,933 at December 31, 2025 and 2024.

3. Related Party Transactions

Administrative Fees

NCIDA charges NCDC administration fees for maintaining and managing the loan portfolio and grant administration. The fees have been computed under applicable guidelines.

Fees for the Microenterprise Revolving Loan Account totaled \$60,000 and \$45,000 for the years ended December 31, 2025 and 2024.

4. Financial Assets Available for Operations

NCDC obtains financial assets generally through loan principal and interest repayments. The financial assets are acquired throughout the year to meet NCDC's cash needs for general expenditures.

NCDC's financial assets available within one year of the balance sheet date to meet cash needs for general expenditures consist of the following at December 31, 2025 and 2024:

	<u>2025</u>	<u>2024</u>
Cash	\$ 1,219,118	\$ 741,716
Investments	1,900,000	1,680,000
Loans receivable – current	171,134	538,767
	<u>\$ 3,290,252</u>	\$ 2,960,483

5. Commitments

As of December 31, 2025 NCDC has been awarded \$240,000 of Community Development Block Grant funds to provide loans to eligible small businesses. As of December 31, 2025, no amounts have been disbursed.

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NIAGARA COUNTY DEVELOPMENT CORPORATION
(a Component Unit of Niagara County Industrial Development Agency)

Additional Information Balance Sheets - By Loan Account

December 31, 2025

	Revolving Loan Account			Total
	EDA	HUD	Micro Enterprise	
Assets				
Current assets:				
Cash	\$ 650,819	\$ 224,580	\$ 343,719	\$ 1,219,118
Investments	900,000	1,000,000	-	1,900,000
Loans receivable	120,350	45,487	5,297	171,134
	<u>1,671,169</u>	<u>1,270,067</u>	<u>349,016</u>	<u>3,290,252</u>
Noncurrent assets:				
Loans receivable	271,075	207,579	12,177	490,831
Allowance for estimated credit losses	(37,008)	(142,000)	-	(179,008)
	<u>\$ 1,905,236</u>	<u>\$ 1,335,646</u>	<u>\$ 361,193</u>	<u>\$ 3,602,075</u>
Liabilities and Net Assets				
Current liabilities:				
Accounts payable				
Third parties	\$ -	\$ 2,675	\$ 411	\$ 3,086
NCIDA	310,000	10,000	10,316	330,316
	<u>310,000</u>	<u>12,675</u>	<u>10,727</u>	<u>333,402</u>
Net assets without donor restrictions	<u>1,595,236</u>	<u>1,322,971</u>	<u>350,466</u>	<u>3,268,673</u>
	<u>\$ 1,905,236</u>	<u>\$ 1,335,646</u>	<u>\$ 361,193</u>	<u>\$ 3,602,075</u>

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NIAGARA COUNTY DEVELOPMENT CORPORATION
(a Component Unit of Niagara County Industrial Development Agency)

Additional Information Statements of Activities - By Loan Account

For the year ended December 31, 2025

	Revolving Loan Account			Total
	EDA	HUD	Micro Enterprise	
Net assets without donor restrictions:				
Revenues and support:				
Interest from loans	\$ 22,074	\$ 4,922	\$ 876	\$ 27,872
Application fees	1,250	-	-	1,250
Interest income	27,124	20,207	-	47,331
Contributions and grants	-	360,000	300,000	660,000
Credit loss recoveries	11,925	-	-	11,925
Total revenues and support	62,373	385,129	300,876	748,378
Expenses:				
Program services				
Consultants and training	4,366	22,214	3,000	29,580
Grant expense	-	172,000	240,000	412,000
Provision for uncollectible loans	-	142,000	-	142,000
	4,366	336,214	243,000	583,580
General and administrative				
Administrative fees - NCIDA	-	-	60,000	60,000
Professional fees and other	15,471	15,175	11,441	42,087
Transfer to NCIDA	150,000	-	-	150,000
	165,471	15,175	71,441	252,087
Total expenses	169,837	351,389	314,441	835,667
Change in net assets	(107,464)	33,740	(13,565)	(87,289)
Net assets - beginning	1,702,700	1,289,231	364,031	3,355,962
Net assets - ending	\$ 1,595,236	\$ 1,322,971	\$ 350,466	\$ 3,268,673

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NIAGARA COUNTY DEVELOPMENT CORPORATION
(a Component Unit of Niagara County Industrial Development Agency)

Additional Information
Schedule of EDA Revolving Loan Account

For the year ended December 31, 2025

	Loan Closing Date	Loan Balance 01/01/25	Loans Made	Principal Paid	Loans Written Off	Loan Balance 12/31/25	Reserve for Uncollectible Loans	Interest Received
Lake Effect Ice Cream Wholesale, LLC	08/29/17	\$ 11,513	\$ -	\$ 11,513	\$ -	\$ -	\$ -	\$ 278
Niagara Shores Campground and Conference Center, LLC	08/14/18	48,933	-	11,925	-	37,008	37,008	1,784
Diverse Development Corp.	07/06/20	7,754	-	7,754	-	-	-	39
Falls Hotel LLC	07/06/20	13,915	-	13,915	-	-	-	65
Galloping Falls Corp.	07/06/20	3,750	-	3,750	-	-	-	19
Kalika Hotel LLC	07/06/20	15,043	-	15,043	-	-	-	102
Neelkanth Hotel LLC	07/06/20	11,049	-	11,049	-	-	-	62
REHC1 Inc.	07/06/20	28,347	-	28,347	-	-	-	160
Lewiston Hotel LLC	07/09/20	5,998	-	5,998	-	-	-	48
Kasturi Hotel LLC	07/24/20	28,439	-	28,439	-	-	-	142
Sairam Hotel LLC	07/24/20	17,720	-	17,720	-	-	-	100
SAI Lodging LLC	07/27/20	12,649	-	12,649	-	-	-	71
Niagara Falls Hospitality, Inc.	10/30/20	10,930	-	10,930	-	-	-	83
Jaihanumant, Inc.	10/30/20	27,545	-	27,545	-	-	-	209
Reena & Aimee, Inc.	10/30/20	20,443	-	20,443	-	-	-	154
NCRAS Five, Inc.	11/03/20	5,817	-	5,817	-	-	-	45
Shree Ganpati LLC	11/03/20	9,144	-	9,144	-	-	-	54
AMBE Corp.	11/06/20	4,410	-	583	-	3,827	-	44
Wandering Gypsy Brewing Company	11/06/20	107,302	-	23,794	-	83,508	-	1,199
Indian Ocean, LLC	08/31/21	45,395	-	27,476	-	17,919	-	572
Rupal Corporation	08/31/21	27,279	-	16,511	-	10,768	-	344
Graham Bros. Enterprises, LLC	04/10/24	150,000	-	4,301	-	145,699	-	7,819
1500 James, LLC	09/25/24	148,998	-	148,998	-	-	-	6,234
Barico Inc.	06/16/25	-	100,000	7,304	-	92,696	-	2,447
		\$ 762,373	\$ 100,000	\$ 470,948	\$ -	\$ 391,425	\$ 37,008	\$ 22,074

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NIAGARA COUNTY DEVELOPMENT CORPORATION
(a Component Unit of Niagara County Industrial Development Agency)

Additional Information Schedule of HUD Revolving Loan Account

For the year ended December 31, 2025

	Loan Closing Date	Loan Balance 01/01/25	Loans Made	Principal Paid	Loans Written Off	Loan Balance 12/31/25	Reserve for Uncollectible Loans	Interest Received
Daniel McMahon d/b/a MCM Landscaping	09/19/18	\$ 7,887	\$ -	\$ 2,351	\$ -	\$ 5,536	\$ -	\$ 599
GAM Trucking Corporation	12/12/18	5,845	-	3,865	-	1,980	-	133
LaSalle Hospitality, Inc.	07/06/20	24,598	-	24,598	-	-	-	139
Merani Hospitality, Inc.	07/06/20	40,106	-	40,106	-	-	-	226
Merani Holdings, LLC	07/06/20	53,877	-	53,877	-	-	-	303
Kabir Group Inc.	07/09/20	5,693	-	5,693	-	-	-	30
Deva Development Inc.	07/27/20	6,719	-	6,719	-	-	-	38
Pemm Niagara, LLC	06/21/24	133,075	-	29,525	-	103,550	-	3,237
Pemm Niagara, LLC	06/21/24	142,000	-	-	-	142,000	142,000	-
Brent Industries LLC	01/22/25	-	172,000	172,000	-	-	-	217
		\$ 419,800	\$ 172,000	\$ 338,734	\$ -	\$ 253,066	\$ 142,000	\$ 4,922

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NIAGARA COUNTY DEVELOPMENT CORPORATION
(a Component Unit of Niagara County Industrial Development Agency)

Additional Information
Schedule of Micro Enterprise Revolving Loan Account

For the year ended December 31, 2025

	Loan Closing Date	Loan Balance 01/01/25	Loans Made	Principal Paid	Loans Written Off	Loan Balance 12/31/25	Reserve for Uncollectible Loans	Interest Received
Legacy Dance Studio, Inc.	01/23/18	\$ 17,494	\$ -	\$ 2,598	\$ -	\$ 14,896	\$ -	\$ 734
Caribbean Flava	08/10/18	6,436	-	3,858	-	2,578	-	142
		\$ 23,930	\$ -	\$ 6,456	\$ -	\$ 17,474	\$ -	\$ 876

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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH SECTION 2925(3)(f) OF THE NEW YORK STATE PUBLIC AUTHORITIES LAW

The Board of Directors
Niagara County Development Corporation

We have audited, in accordance with auditing standards generally accepted in the United States of America, the financial statements of Niagara County Development Corporation (NCDC), a component unit of Niagara County Industrial Development Agency, as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the basic financial statements, and we have issued our report thereon dated March 18, 2026.

In connection with our audit, nothing came to our attention that caused us to believe that NCDC failed to comply with §2925(3)(f) of the New York State Public Authorities Law regarding investment guidelines during the year ended December 31, 2025. However, our audit was not directed primarily toward obtaining knowledge of such noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding NCDC's noncompliance with the above rules and regulations.

The purpose of this report is solely to describe the scope and results of our testing. This communication is not suitable for any other purpose.

March 18, 2026

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**NIAGARA COUNTY
INDUSTRIAL DEVELOPMENT AGENCY**

FINANCIAL STATEMENTS

DECEMBER 31, 2025

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NIAGARA COUNTY INDUSTRIAL DEVELOPMENT AGENCY

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INDEPENDENT AUDITORS' REPORT

The Board of Directors
Niagara County Industrial Development Agency

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Niagara County Industrial Development Agency (the Agency), a business-type activity, as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Agency as of December 31, 2025, and its changes in financial position and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America (GAAP).

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Agency, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with GAAP, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Agency's ability to continue as a going concern for one year beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Agency's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

GAAP requires that management's discussion and analysis and other required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplementary information as listed in the table of contents, including the schedule of expenditures of federal awards required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the accompanying supplementary information is fairly stated in all material respects in relation to the basic financial statements as a whole.

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Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 18, 2026 on our consideration of the Agency's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Agency's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Agency's internal control over financial reporting and compliance.

March 18, 2026

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NIAGARA COUNTY INDUSTRIAL DEVELOPMENT AGENCY

Management's Discussion and Analysis (Unaudited)

December 31, 2025

BACKGROUND

Niagara County Industrial Development Agency (NCIDA) is a not-for-profit public benefit corporation established in 1972 by the Niagara County (the County) Legislature. Under the provisions of the New York Industrial Development Agency Act, NCIDA is empowered to actively attract and develop economically sound commerce and industry, thereby fostering job opportunities, general prosperity, and economic welfare for all residents of the County. Management's Discussion and Analysis (MD&A) of NCIDA provides an overview of its financial activities and performance for the year ended December 31, 2025.

At the time of its creation, the primary economic development tool of NCIDA was the industrial revenue bond. Throughout the years, NCIDA received various grants from the U.S. Department of Housing and Urban Development (HUD) to establish revolving loan funds. The loan funds grew as additional grants from the U.S. Economic Development Administration and other sources helped to further capitalize it in ensuing years. NCIDA utilizes its resources to plan, implement, and support economic development within the County by promoting the stability and growth of the County's present business base, supporting the retention and creation of jobs, establishing regional and international collaborations, and attracting capital investment and new business ventures.

Niagara County Development Corporation (NCDC), a non-profit organization, was organized as a local development corporation to promote economic growth and business prosperity in the County. NCDC's function is to make loans at favorable interest rates to businesses located within the County, thus encouraging startup of new businesses and relocation and expansion of existing businesses within the County. In accordance with accounting standards, NCDC is considered a blended component unit of NCIDA. NCDC also has separate audited financial statements for the year ended December 31, 2025 that express an unmodified opinion.

Niagara Area Development Corporation (NADC) was organized to undertake and promote economic development initiatives in the County. The Legislature appointed the NCIDA Board as the NADC Board. NADC is empowered to issue industrial revenue bonds for the benefit of not-for-profit organizations. The bonds are not obligations of NADC, NCIDA, nor New York State. Neither NADC nor NCIDA record the assets or liabilities resulting from completed bond and note issues in its accounts since its primary function is to arrange financing between the borrowing companies and the bondholders. Funds arising from these agreements are controlled by trustees or banks acting as fiscal agents. For providing this service, NADC receives bond administration fees from the borrowing companies. Such administrative fee income is recognized immediately upon issuance of bonds. NADC has entered into an administrative agreement with NCIDA which requires that all fees generated by NADC be remitted to NCIDA. In accordance with accounting standards, NADC is considered a blended component unit of NCIDA.

As management of NCIDA and its component units, NCDC and NADC, we offer the readers of NCIDA's financial statements this narrative overview and analysis of the financial activities of NCIDA for the year ended December 31, 2025. We encourage readers to consider the information presented here in conjunction with NCIDA's audited financial statements.

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FINANCIAL ANALYSIS OF NCIDA

Overview of the Financial Statements

The financial statements in this annual report are those of a special-purpose government and its component units. The following statements are included:

- Balance Sheets – report NCIDA’s current and long-term financial resources, including capital assets and long-term obligations.
- Statements of Revenues, Expenses, and Changes in Net Position – report NCIDA’s operating and nonoperating revenues by major source, along with operating and nonoperating expenses.
- Statements of Cash Flows – reports NCIDA’s cash flows from operating, capital and related financing, and investing activities.

The following table summarizes NCIDA’s balance sheets at December 31, 2025 and 2024:

	2025	2024	Change	
			\$	%
Current assets	\$ 9,961,000	\$ 10,403,000	\$ (442,000)	(4.2%)
Capital assets, net	2,420,000	2,485,000	(65,000)	(2.6%)
Other noncurrent assets	1,153,000	1,155,000	(2,000)	(0.2%)
Deferred outflows of resources	179,000	205,000	(26,000)	(12.7%)
Total assets and deferred outflows of resources	\$ 13,713,000	\$ 14,248,000	\$ (535,000)	(3.8%)
Current liabilities	\$ 2,087,000	\$ 3,136,000	\$ (1,049,000)	(33.5%)
Noncurrent liabilities	159,000	116,000	43,000	37.1%
Deferred inflows of resources	865,000	591,000	274,000	46.4%
Total liabilities and deferred inflows of resources	3,111,000	3,843,000	(732,000)	(19.0%)
Total net position	10,602,000	10,405,000	197,000	1.9%
Total liabilities, deferred inflows of resources, and net position	\$ 13,713,000	\$ 14,248,000	\$ (535,000)	(3.8%)

- Current assets decreased by \$442,000 mainly as a result of a decrease in loans receivable.
- Amounts related to NCIDA’s participation in the New York State and Local Employees’ Retirement System include the net pension liability included with other noncurrent liabilities, deferred outflows of resources, and deferred inflows of resources related to pensions. The net change was an decrease of \$7,000.
- Leases receivable, included with current and other noncurrent assets, and deferred inflows of resources related to leases increased \$336,000. This increase was due to new leases offset by current year payments.
- Current liabilities decreased \$1,050,000 primarily due to NCIDA’s recognition of grant revenue previously received for the Downtown Niagara Falls Tourism Target Zone Program.
- See page 4 of this MD&A for an analysis of capital assets.

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The following table summarizes NCIDA's changes in net position for the years ended December 31, 2025 and 2024:

	2025	2024	Change	
			\$	%
Operating revenues:				
Fees, program income, and lease revenue	\$ 1,224,000	\$ 1,431,000	\$ (207,000)	(14.5%)
Grant revenue	1,813,000	846,000	967,000	114.3%
Other income	123,000	180,000	(57,000)	(31.7%)
Total operating revenues	3,160,000	2,457,000	703,000	28.6%
Operating expenses:				
Salaries, benefits, contractual, and occupancy	1,290,000	1,143,000	147,000	12.9%
Grant expense	1,565,000	496,000	1,069,000	215.5%
Depreciation and bad debts	364,000	213,000	151,000	70.9%
Total operating expenses	3,219,000	1,852,000	1,367,000	73.8%
Operating income (loss)	(59,000)	605,000	(664,000)	(109.8%)
Nonoperating revenues (expenses):				
Interest income	272,000	86,000	186,000	216.3%
Transfers to NFTA	(16,000)	(113,000)	97,000	(85.8%)
Total nonoperating revenues (expenses)	256,000	(27,000)	283,000	(1048.1%)
Change in net position	197,000	578,000	(381,000)	(65.9%)
Net position – beginning	10,405,000	9,827,000	578,000	5.9%
Net position – ending	\$ 10,602,000	\$ 10,405,000	\$ 197,000	1.9%

- Operating revenues increased \$703,000 (\$20,000 increase in 2024) due to an increase in grant revenue of \$967,000 offset by a decrease in lease revenue of \$135,000.
- NCIDA provided grants to subrecipients of \$1,153,000 from the Downtown Niagara Falls Tourism Target Fund Program and recognized corresponding revenue (\$265,000 in 2024). NCDC recognized \$660,000 of Community Development Block grant funds (\$580,000 in 2024), of which \$412,000 was provided to subrecipients in 2025 (\$231,000 in 2024) and \$172,000 was provided as loans (\$300,000 in 2024).
- Operating expenses increased \$1,367,000 (\$253,000 decrease in 2024) primarily due to \$1,565,000 in grant funds disbursed during 2025 compared to \$496,000 disbursed during 2024 as discussed above.
- Transfers to the Niagara Frontier Transportation Authority (NFTA) are based on the results of operations of Niagara Industrial Suites (NIS). Annual transfers are required based on the lease agreement between NFTA and NCIDA.

LEASEBACK, IRB PROJECTS, AND LOAN PORTFOLIO TRANSACTIONS

NCIDA's and NADC's leaseback projects and industrial revenue bond (IRB) programs closed on four new projects in 2024, which represent \$556,281,000 in new capital investments in the County. In comparison, eleven projects were closed in the prior year, which represented \$101,016,000 in capital investments.

NCDC has three Revolving Loan Funds (RLFs); separate revolving loan fund accounts were established to segregate the initial funding sources. The three accounts were established through federal grants from the Economic Development Administration and the Department of Housing and Urban Development.

NCDC's revolving loan activities included two new loans for 2025. There were four new loans made during 2024.

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CAPITAL ASSETS

	<u>2025</u>	<u>2024</u>
Land improvements	\$ 104,000	\$ 104,000
Buildings and improvements	7,551,000	7,393,000
Furniture and equipment	272,000	272,000
Infrastructure	110,000	110,000
	<u>8,037,000</u>	<u>7,879,000</u>
Accumulated depreciation	(5,617,000)	(5,394,000)
	<u>\$ 2,420,000</u>	<u>\$ 2,485,000</u>

The decrease in capital assets is attributed to \$223,000 of depreciation expense, offset by \$158,000 of building improvements.

FUTURE EVENTS AND OTHER CURRENTLY KNOWN FACTS, DECISIONS, OR CONDITIONS

NCIDA aggressively markets its services and available industrial sites throughout the County. These activities are intended to stimulate new construction, increase the local tax base, and create employment opportunities for area residents.

Target industries include computer and electronic products manufacturing; electrical equipment, appliances, and component manufacturing; food and beverage manufacturing and processing; warehouse/distribution; and logistics and defense-related industries. These sectors were chosen to complement and not duplicate the efforts of Invest Buffalo Niagara, whose main Canadian target sectors include life sciences, medical devices, and pharmaceuticals.

NIAGARA COUNTY INDUSTRIAL DEVELOPMENT AGENCY

Mark A. Onesi, Chairperson

Andrea Klyczek, Executive Director/Treasurer

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NIAGARA COUNTY INDUSTRIAL DEVELOPMENT AGENCY

Balance Sheets

December 31, 2025

(with summarized comparative totals as of December 31, 2024)

	Primary Government Business-Type Activity	Component Unit Niagara County Development Corporation (Not-for-Profit)	Total Blended	Total 2024 Summarized
Assets				
Current assets:				
Cash and cash equivalents				
Unrestricted	\$ 5,727,913	\$ 1,219,118	\$ 6,947,031	\$ 1,810,159
Restricted	500,035	-	500,035	378,103
Investments	-	1,900,000	1,900,000	7,280,000
Receivables				
Trade	23,534	-	23,534	15,629
Internal balances	330,316	(330,316)	-	-
Leases (Note 6)	360,770	-	360,770	329,284
Prepaid expenses	58,186	-	58,186	51,421
Loans receivable (Note 2)	-	171,134	171,134	538,767
	<u>7,000,754</u>	<u>2,959,936</u>	<u>9,960,690</u>	<u>10,403,363</u>
Noncurrent assets:				
Loans receivable, net (Note 2)	-	311,823	311,823	618,403
Leases receivable (Note 6)	498,436	-	498,436	193,834
Capital assets, net (Note 3)	2,420,438	-	2,420,438	2,484,670
Investment in affiliate (Note 4)	342,500	-	342,500	342,500
	<u>3,261,374</u>	<u>311,823</u>	<u>3,573,197</u>	<u>3,639,407</u>
	<u>10,262,128</u>	<u>3,271,759</u>	<u>13,533,887</u>	<u>14,042,770</u>
Deferred Outflows of Resources				
Deferred outflows of resources related to pensions (Note 7)	179,158	-	179,158	204,837
	<u>179,158</u>	<u>-</u>	<u>179,158</u>	<u>204,837</u>
Total assets and deferred outflows of resources	\$ 10,441,286	\$ 3,271,759	\$ 13,713,045	\$ 14,247,607
Liabilities				
Current liabilities:				
Accounts payable	\$ 116,767	\$ 3,086	\$ 119,853	\$ 144,440
Due to other governments	129,010	-	129,010	113,244
Unearned revenue (Note 5)	1,796,035	-	1,796,035	2,836,267
Security deposits	41,855	-	41,855	41,835
	<u>2,083,667</u>	<u>3,086</u>	<u>2,086,753</u>	<u>3,135,786</u>
Long-term liabilities:				
Net pension liability (Note 7)	159,094	-	159,094	115,680
	<u>159,094</u>	<u>-</u>	<u>159,094</u>	<u>115,680</u>
	<u>2,242,761</u>	<u>3,086</u>	<u>2,245,847</u>	<u>3,251,466</u>
Deferred Inflows of Resources				
Deferred inflows of resources related to leases (Note 6)	859,206	-	859,206	523,118
Deferred inflows of resources related to pensions (Note 7)	5,836	-	5,836	67,839
	<u>865,042</u>	<u>-</u>	<u>865,042</u>	<u>590,957</u>
Net Position				
Net investment in capital assets	2,420,438	-	2,420,438	2,484,670
Restricted	-	566,446	566,446	543,569
Unrestricted	4,913,045	2,702,227	7,615,272	7,376,945
	<u>7,333,483</u>	<u>3,268,673</u>	<u>10,602,156</u>	<u>10,405,184</u>
Total liabilities, deferred inflows of resources, and net position	\$ 10,441,286	\$ 3,271,759	\$ 13,713,045	\$ 14,247,607

See accompanying notes.

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NIAGARA COUNTY INDUSTRIAL DEVELOPMENT AGENCY

Statements of Revenues, Expenses, and Changes in Net Position

For the year ended December 31, 2025

(with summarized comparative totals for December 31, 2024)

	Primary Government Business-Type Activity	Component Unit Niagara County Development Corporation (Not-for-Profit)	Total Blended	Total 2024 Summarized
Operating revenues:				
Fees	\$ 725,919	\$ 1,250	\$ 727,169	\$ 800,965
Program income	-	27,872	27,872	25,191
Lease revenue and common area charges	469,327	-	469,327	604,466
Administrative fees from affiliates	133,055	(60,000)	73,055	55,304
Grant revenue	1,152,750	660,000	1,812,750	845,591
Credit loss recoveries	-	11,925	11,925	23,256
Miscellaneous	38,068	-	38,068	102,875
Total operating revenues	2,519,119	641,047	3,160,166	2,457,648
Operating expenses:				
Personnel services	513,007	-	513,007	477,004
Program and contractual	301,699	71,667	373,366	361,279
Occupancy	252,081	-	252,081	158,168
Employee benefits	151,362	-	151,362	146,534
Grant expense	1,152,750	412,000	1,564,750	495,693
Provision for estimated credit losses	-	142,000	142,000	-
Depreciation	222,382	-	222,382	213,072
Total operating expenses	2,593,281	625,667	3,218,948	1,851,750
Operating income (loss)	(74,162)	15,380	(58,782)	605,898
Nonoperating revenues (expenses):				
Interest income	224,189	47,331	271,520	86,048
Transfer to Niagara Frontier Transportation Authority	(15,766)	-	(15,766)	(113,244)
Transfers	150,000	(150,000)	-	-
Total nonoperating revenues (expenses)	358,423	(102,669)	255,754	(27,196)
Net income (loss)	284,261	(87,289)	196,972	578,702
Net position - beginning	7,049,222	3,355,962	10,405,184	9,826,482
Net position - ending	\$ 7,333,483	\$ 3,268,673	\$ 10,602,156	\$ 10,405,184

See accompanying notes.

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NIAGARA COUNTY INDUSTRIAL DEVELOPMENT AGENCY

Statements of Cash Flows

For the year ended December 31, 2025
(with summarized comparative totals for December 31, 2024)

	Primary Government Business-Type Activity	Component Unit Niagara County Development Corporation (Not-for-Profit)	Total Blended	Total 2024 Summarized
Operating activities:				
Cash received from loan and administrative fees	\$ 740,248	\$ 52,071	\$ 792,319	\$ 842,974
Cash received from lease, occupancy, and common area charges	469,347	-	469,347	607,872
Cash received from loan repayments, interest, and fees	-	844,010	844,010	631,310
Cash received from grantors and other sources	150,586	660,000	810,586	734,922
Payments to employees and related benefits	(657,279)	-	(657,279)	(626,135)
Loan disbursements	-	(272,000)	(272,000)	(584,000)
Payments to grantees	(1,152,750)	(412,000)	(1,564,750)	(495,693)
Payments to suppliers and other	(584,789)	(72,010)	(656,799)	(511,997)
Net operating activities	(1,034,637)	800,071	(234,566)	599,253
Capital and related financing activities:				
Purchases of equipment	(158,150)	-	(158,150)	(13,854)
Investing activities:				
Cash payments to Niagara Frontier Transportation Authority	-	-	-	(119,495)
Transfers	150,000	(150,000)	-	-
Maturities of investments	5,600,000	1,680,000	7,280,000	-
Purchase of investments	-	(1,900,000)	(1,900,000)	(7,280,000)
Interest income	224,189	47,331	271,520	86,048
Net investing activities	5,974,189	(322,669)	5,651,520	(7,313,447)
Net change in cash and cash equivalents	4,781,402	477,402	5,258,804	(6,728,048)
Cash and cash equivalents - beginning	1,446,546	741,716	2,188,262	8,916,310
Cash and cash equivalents - ending	\$ 6,227,948	\$ 1,219,118	\$ 7,447,066	\$ 2,188,262
Reconciliation of operating income (loss) to net cash flows from operating activities:				
Operating income (loss)	\$ (74,162)	\$ 15,380	\$ (58,782)	\$ 605,898
Adjustments to reconcile operating income (loss) to net cash flows from operating activities:				
Depreciation	222,382	-	222,382	213,072
Net pension activity	7,090	-	7,090	(2,597)
Provision for uncollectible loans (recovery)	-	(130,075)	(130,075)	(23,256)
Changes in other assets and liabilities:				
Accounts receivable and prepaid expenses	(14,670)	-	(14,670)	(15,691)
Loans receivable	-	804,288	804,288	22,119
Accounts payable and other liabilities	(1,175,277)	110,478	(1,064,799)	(200,292)
Net operating activities	\$ (1,034,637)	\$ 800,071	\$ (234,566)	\$ 599,253

See accompanying notes.

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NIAGARA COUNTY INDUSTRIAL DEVELOPMENT AGENCY

Notes to Financial Statements

1. Summary of Significant Accounting Policies

Nature of Organization

Niagara County Industrial Development Agency (the Agency) is a public benefit corporation authorized under the laws of the State of New York (the State). The Agency was formed under the State Industrial Development Agency Act, constituting Title I of Article 18-A of the General Municipal Law; Chapter 24 of the Consolidated Laws of New York, as amended; and Chapter 569 of the 1962 Laws of New York (collectively, the “Act”). Its purpose is to promote, develop, encourage, and assist in the acquiring, constructing, reconstructing, importing, maintaining, equipping, and furnishing of industrial, manufacturing, warehousing, commercial, and research facilities and thereby advance the job opportunities, general prosperity, and economic welfare of the people of the State, particularly Niagara County (the County), and to improve their prosperity and standard of living. The Agency is governed by a Board of Directors appointed by the County Legislature.

The Agency is empowered to issue industrial revenue bonds for the purpose of constructing, acquiring, equipping, and furnishing industrial, manufacturing, warehousing, and certain commercial research and recreational facilities. To accomplish the purposes of the Act, the Agency may acquire property and enter into lease agreements, mortgage agreements, and pledge agreements.

Basis of Presentation

The financial statements of the Agency have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

Financial Reporting Entity

In evaluating how to define the Agency for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the Agency’s reporting entity is based on several criteria set forth in accounting standards, including legal standing, fiscal dependency, and financial accountability. Based on the application of these criteria, the following entities are included in the Agency’s financial statements:

Niagara Area Development Corporation (NADC):

NADC is a governmental entity formed to undertake and promote economic development initiatives in the County. Its functions include real estate leasing, acquisition, development, and management; real estate project financing; and other community-based economic development activities for the benefit of nonprofit organizations.

NADC was formed by the County, which requires the Directors of the Agency to serve as the directors of NADC. In addition, the Agency is entitled to all financing fees generated by NADC in exchange for providing ongoing management and administrative services to NADC. As a result, NADC is presented as a blended component unit of the Agency. Internal balances have been eliminated for purposes of this presentation in the accompanying financial statements to avoid the impact of “grossing-up” the affected financial statement line items. In addition, separate financial statements for NADC are available from the Agency.

Niagara County Development Corporation (NCDC):

NCDC is a nonprofit corporation formed to promote economic growth and prosperity in the County. Its function is to make loans at favorable interest rates to small businesses that are located within the County, thus encouraging startup of new businesses and relocation and expansion of existing businesses within the County.

These loans are made at favorable interest rates that vary with the prime rate. The governing board approves these loans after giving consideration to the major criteria, including enhancement of the economic environment. Normally, these loans are made in conjunction with third-party lender financing. The businesses’ assets and personal guarantees of the owners collateralize most of these loans; however, in many instances, NCDC’s collateral interest is subordinated to the primary lender. These loans have variable maturities dependent upon use, such as working capital or equipment acquisition. Interest is recognized on these loans as it is paid.

The membership of NCDC consists of the nine Board members of the Agency. In accordance with accounting standards, NCDC is also reflected as a blended component unit of the Agency. Separate financial statements for NCDC are available from the Agency.

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Grants

Under the terms of grant agreements, revenues are recognized to the extent of program expenditures. Cash received in advance of program expenditures is recorded as unearned revenue. Typically, grants received are passed through to other entities less an administrative fee charged by the Agency if permissible.

Measurement Focus

The Agency reports as a special-purpose government engaged in business-type activities. Business-type activities are those that are financed in whole or in part by fees charged to external parties for goods or services. The Agency's financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred.

The Agency's policy for defining operating activities in the statements of revenues, expenses, and changes in net position are those that generally result from exchange transactions such as payments received for services and payments made to purchase those goods or services. Certain other transactions are reported as nonoperating activities and include interest income and exchange transactions with related entities or joint ventures.

Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Cash, Cash Equivalents, and Investments

Cash and investment management is governed by State laws and as established by the Agency's written policies. Cash resources must be deposited in FDIC-insured commercial banks or trust companies located within the State. Management is authorized to use demand accounts and certificates of deposit. Permissible investments include obligations of the United States Treasury and its Agencies, repurchase agreements, and obligations of the State or its localities.

Cash equivalents include certificates of deposit with original maturities of less than three months and investments include those with original maturities in excess of three months.

Custodial credit risk is the risk that, in the event of a bank failure, the Agency's deposits may not be returned to it. Collateral is required for demand and time deposits and certificates of deposit not covered by Federal Deposit Insurance. Obligations that may be pledged as collateral are obligations of the United States and its agencies and obligations of the State and its municipalities and school districts. At December 31, 2025, the Agency's bank deposits were fully collateralized by FDIC coverage and securities held by the pledging institution's agent in the Agency's name.

Restricted cash includes security deposits, grant funds not yet expended, and cash whose use is limited by legal requirements.

Allowance for Uncollectible Loans and Receivables (NCDC)

Loans receivable are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a provision for estimated credit losses and an adjustment to an allowance based on its assessment of the current status of individual loans, historical trends, and forecasted economic conditions.

Balances still outstanding after management has used reasonable collection efforts are written off through a charge to the allowance and a credit to loans receivable.

Interest on loans receivable is accrued as required by the terms of the agreement; management considers that collection is probable based on the current economic condition of the borrower. Interest accrual stops when a loan becomes past due and does not commence again until the loan is current.

Capital Assets

Capital assets are recorded at cost. Contributed assets are recorded at fair value at the time received. Depreciation is provided over estimated useful lives using the straight-line method. Maintenance and repairs are expensed as incurred; significant improvements are capitalized.

Capitalization thresholds for determining which assets are added to capital accounts and the estimated useful lives of capital assets are:

	Capitalization Policy	Estimated Useful Life
Buildings and improvements	\$ 5,000	3-40 years
Furniture and equipment	\$ 1,000	5-40 years
Infrastructure	\$ 5,000	25 years

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Pension

The Agency has elected to participate in the New York State and Local Employees' Retirement System (ERS). ERS recognizes benefit payments when due and payable in accordance with benefit terms; investment assets are reported at fair value. The Agency recognizes its proportionate share of net pension position, deferred outflows and deferred inflows of resources, pension expense, and information about and changes in the fiduciary net position (Note 7) on the same basis as reported by the defined benefit pension plan.

Net Position

The Agency is required to classify net position into three categories:

- *Net investment in capital assets* – consists of capital assets, net of accumulated depreciation, reduced by outstanding balances of any related debt obligations attributable to the acquisition, construction, or improvement of those assets.
- *Restricted* – consists of restricted assets and deferred outflows of resources reduced by related liabilities and deferred inflows of resources. Restrictions are imposed by external organizations such as federal or state laws or, in the case of NCDC, amounts represent certain revolving loan funds from the U.S. Economic Development Administration (EDA) received from the Coronavirus Aid, Relief, and Economic Security (CARES) Act.
- *Unrestricted* – the net amount of assets and deferred outflows of resources less liabilities and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of net position and therefore are available for general use.

Tax Incentive Transactions

The Agency maintains an economic development incentive program to provide sales, property, and/or mortgage recording tax benefits for qualified construction, renovation, or expansion projects or other economic development activities within the County. Under this program, the Agency may take title to or a leasehold interest in the real and/or personal property involved in the project for the term of the incentive period. The Agency simultaneously leases the property under a lease agreement back to the private-sector entity undertaking the project (lessee). The Agency receives administrative fees from the lessee for providing these tax incentives which are recognized according to the terms of the fee agreement. For the year ended December 31, 2025, the Agency received fees totaling \$704,000 for providing this service.

The Agency also issues bonds that meet the definition of conduit debt obligations. Such bonds provide private-sector entities with access to capital for the acquisition, rehabilitation, and construction of industrial and commercial facilities. The bonds are secured by the properties they finance and are payable solely by the private-sector entities. The Agency receives administrative fees from these entities for providing bond issues which are recognized according to the terms of the fee agreement. The Agency also has a shared services agreement with NADC under which administrative and staffing services are provided to NADC in connection with its bond issuances to nonprofit organizations in exchange for the related bond issuance fees received by NADC. At December 31, 2025, previously issued bonds have an aggregate outstanding principal amount payable of \$284,182,000, which includes \$245,148,000 of bonds issued by NADC, none of which is recognized as a liability by the Agency.

Subsequent Events

The Agency has evaluated events and transactions for potential recognition or disclosure in the financial statements through March 18, 2026, the date the financial statements were available to be issued.

2. Loans Receivable (NCDC)

Various notes receivable from companies with operations in Niagara County, due in monthly installments plus interest at rates ranging from 1.5% to 6.4%, generally secured by secondary position on assets and personal guarantees, due through July 2030.	\$ 661,965
Less allowance for uncollectible loans	179,008
Less current portion	171,134
	<u>\$ 311,823</u>

NCDC administers three revolving loan programs offering low interest commercial loans to area businesses. The programs' original funding was from a variety of sources, including the EDA and U.S. Department of Housing and Urban Development (HUD). The governing board approves loans after giving consideration to the major criteria, including enhancement of the economic environment. During 2020, NCDC was awarded an EDA grant totaling \$737,000 as part of the CARES Act. In response, NCDC established the Hospitality Emergency Loan Program (HELP) which provides loans to the hospitality industry payable over 60 months with 12 months of interest-only payments and interest at 1.5%.

Non-accrual loans amounted to \$132,458 at December 31, 2025. The allowance for uncollectible loans totaled \$179,008 at December 31, 2025.

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3. Capital Assets

	January 1, 2025	Increases	Retirements/ Reclassifications	December 31, 2025
Depreciable capital assets:				
Land improvements	\$ 104,014	\$ -	\$ -	\$ 104,014
Buildings and improvements	7,392,689	158,150	-	7,550,839
Furniture and equipment	272,338	-	-	272,338
Infrastructure	110,097	-	-	110,097
Total depreciable assets	7,879,138	158,150	-	8,037,288
Less accumulated depreciation:				
Land improvements	(100,154)	(1,706)	-	(101,860)
Buildings and improvements	(4,976,062)	(213,600)	-	(5,189,662)
Furniture and equipment	(252,006)	(2,825)	-	(254,831)
Infrastructure	(66,246)	(4,251)	-	(70,497)
Total accumulated depreciation	(5,394,468)	(222,382)	-	(5,616,850)
Net depreciable assets	\$ 2,484,670	\$ (64,232)	\$ -	\$ 2,420,438

4. Investment in Affiliate

Niagara Industrial Incubator Associates (NIIA) is a limited partnership and related party, formed for the purpose of developing an incubator facility in the area designated as a foreign trade zone. The partnership is comprised of the general partner, Niagara Industrial Incubator Company (itself a partnership between the Agency and Niagara Frontier Transportation Authority (NFTA)) and two limited partners, the Agency and NFTA. The Agency's total interest at book value in NIIA at December 31, 2025 is \$342,500 and represents 50% ownership of NIIA. Separate audited financial statements for NIIA are available from the Agency.

The Agency leases space at two of its multi-tenant/incubator facilities to multiple tenants under the terms of noncancelable leases ranging from 36 to 60 months with interest rates ranging from 4.75% at 5.13%. Leases receivable and deferred inflows of resources related to leases amounted to \$859,206 at December 31, 2025. The Agency expects \$360,770 will be received during 2026.

Lease revenue totaled \$384,155 and related interest income totaled \$37,964 for the year ended December 31, 2025. The Agency also charges common area expenses to tenants that amounted to \$85,172 for the year ended December 31, 2025. Intra-Agency charges have been eliminated in the accompanying financial statements.

5. Unearned Revenue

The Agency received funds allocated from New York State under the Miscellaneous Financial Assistance Program. These funds were used to establish the Downtown Niagara Falls Tourism Target Zone Program. Funds totaling \$1,729,295 are recognized on the balance sheet and included in unearned revenue as of December 31, 2025. During 2025, grants amounting to \$1,152,750 were disbursed and at December 31, 2025, \$783,000 has been committed to specific projects.

6. Leases

Leases receivable are reported at the present value of future receipts related to assets the Agency has conveyed a noncancellable right to use for a period over one year. Related deferred inflows of resources are initially recognized at the original present value of the lease receivable and recognized as operating revenue over the lease term.

7. Pension

The Agency participates in ERS, a cost-sharing, multiple employer, public employee retirement system. ERS provides retirement benefits as well as death and disability benefits. New York State Retirement and Social Security Law governs obligations of employers and employees to contribute and provide benefits to employees. ERS issues a publicly available financial report that includes financial statements and required supplementary information. This report may be obtained from the New York State and Local Retirement System at www.osc.state.ny.us/retire.

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Benefits: ERS provides retirement, disability, and death benefits for eligible members, including automatic cost of living adjustments. In general, retirement benefits are determined based on an employee's individual circumstances using a pension factor, an age factor, and final average salary. The benefits vary depending on the individual's employment tier. Pension factors are determined based on tier and an employee's years of service, among other factors.

Contribution requirements: No employee contribution is required for those hired prior to July 1976. ERS requires employee contributions of 3% of salary for the first 10 years of service for those employees who joined between July 1976 and December 2009. Participants hired on or after January 1, 2010 through March 31, 2012 are required to contribute 3% of compensation throughout their active membership. Participants hired on or after April 1, 2012 are required to contribute a percentage ranging from 3% to 6% each year, based on their level of compensation. The Comptroller annually certifies the rates used, expressed as a percentage of the wages of participants, to compute the contributions required to be made by the Agency to the pension accumulation fund. For 2025, these rates ranged from 12.6% - 19.3%.

Net Pension Position, Pension Expense, and Deferred Outflows and Deferred Inflows of Resources Related to Pensions

At December 31, 2025, the Agency reported a liability of \$159,094 for its proportionate share of the net pension position.

The total pension liability at the March 31, 2025 measurement date was determined by an actuarial valuation as of April 1, 2024, with update procedures applied to roll forward the total pension liability to March 31, 2025. The Agency's proportion of the net pension position was based on the ratio of its actuarially determined employer contribution to ERS's total actuarially determined employer contributions for the fiscal year ended on the measurement date. At March 31, 2025, the Agency's proportion was 0.0009279%, an increase of 0.0001422 from its proportion measured as of March 31, 2024.

For the year ended December 31, 2025, the Agency recognized pension expense of \$60,302. At December 31, 2025, the Agency reported deferred outflows and deferred inflows of resources as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 39,488	\$ 1,863
Changes of assumptions	6,672	-
Net difference between projected and actual earnings on pension plan investments	12,482	-
Changes in proportion and differences between Agency contributions and proportionate share of contributions	67,303	3,973
Agency contributions subsequent to the measurement date	53,213	-
	\$ 179,158	\$ 5,836

Agency contributions subsequent to the measurement date will be recognized as an addition to (a reduction of) the net pension asset (liability) in the subsequent year. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Years ending December 31,	
2026	\$ 47,900
2027	60,286
2028	1,880
2029	10,043
	\$ 120,109

Actuarial Assumptions

The actuarial assumptions used in the April 1, 2024 valuation, with update procedures used to roll forward the total pension liability to March 31, 2025, were based on the results of an actuarial experience study for the period April 1, 2015 to March 31, 2020. These assumptions are:

Inflation - 2.9%

Salary increases - 4.3%

Cost of living adjustment - 1.5% annually

Investment rate of return - 5.9% compounded annually, net of investment expense, including inflation

Mortality - Society of Actuaries' Scale MP-2021

Discount rate - 5.9%

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The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected return, net of investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Investment Asset Allocation

Best estimates of arithmetic real rates of return (net of the long-term inflation assumption) for each major asset class and ERS's target asset allocations as of the valuation date are summarized as follows:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic equities	25%	3.5%
International equities	14%	6.6%
Private equities	15%	7.3%
Real estate equities	12%	5.0%
Domestic fixed income securities	22%	2.0%
Cash and cash equivalents	1%	0.3%
Other	11%	5.3%-5.6%
	<u>100%</u>	

Discount Rate

The discount rate projection of cash flows assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The Agency's proportionate share of its net pension position is calculated using the discount rate of 5.9%. The impact of using a discount rate that is 1% lower (4.9%) than the current rate would result in a net pension liability of \$460,437 and a 1% higher (6.9%) rate would result in a net pension asset of \$92,528.

8. Related Party Transactions

Administration Fees

During 2025, the Agency received \$50,000 in administration fees from Niagara Economic Development Fund (NEDF), a business trust whose membership consists of representatives of the Empire State Development Corporation, the New York Power Authority, the City of Niagara Falls, and the Agency. The Agency serves as its trustee and NCDC as the loan fund administrator.

Other

The Agency and NCDC have entered into various borrowing arrangements with each other. All short-term borrowings are of an interest-free nature. Borrowings are reflected as internal balances in the accompanying financial statements and appropriately eliminated for the total blended presentation.

9. Risk Management

The Agency purchases commercial insurance for various risks of loss due to torts, theft, damage, injuries to employees, errors and omissions, and natural disasters. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three years.

10. Contingencies

Grants

The Agency receives financial assistance from federal and state agencies in the form of grants. The expenditure of grant funds generally requires compliance with the terms and conditions specified in the agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the Agency. Based on prior experience, management expects any such amounts to be immaterial.

Litigation

The Agency is subject to claims and lawsuits that arise in the ordinary course of business. In the opinion of management, these claims and lawsuits will not have a material adverse effect upon the financial position of the Agency.

11. Commitments

At December 31, 2025, NCDC has been awarded \$240,000 of Community Development Block Grant funds to provide loans to eligible small businesses. As of December 31, 2025, no amounts have been disbursed.

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NIAGARA COUNTY INDUSTRIAL DEVELOPMENT AGENCY

**Required Supplementary Information (Unaudited)
Schedule of the Agency's Proportionate Share of the Net Pension Position
New York State and Local Employees' Retirement System**

As of the measurement date of March 31,	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Agency's proportion of the net pension position	0.0009279%	0.0007857%	0.0006505%	0.0005519%	0.0007604%	0.0007706%	0.0011325%	0.0012323%	0.0011593%	0.0011675%
Agency's proportionate share of the net pension asset (liability)	\$ (159,094)	\$ (115,680)	\$ (139,492)	\$ 45,112	\$ (757)	\$ (204,072)	\$ (80,244)	\$ (39,773)	\$ (108,929)	\$ (187,381)
Agency's covered payroll	\$ 454,777	\$ 407,275	\$ 337,579	\$ 315,689	\$ 384,867	\$ 340,518	\$ 363,500	\$ 365,099	\$ 334,923	\$ 324,634
Agency's proportionate share of the net pension asset (liability) as a percentage of its covered payroll	(34.98%)	(28.40%)	(41.32%)	14.29%	(0.20%)	(59.93%)	(22.08%)	(10.89%)	(32.52%)	(57.72%)
Plan fiduciary net position as a percentage of the total pension liability	93.08%	93.88%	90.78%	103.65%	99.95%	86.39%	96.27%	98.24%	94.70%	90.70%

The following is a summary of changes of assumptions:

Inflation	2.9%	2.9%	2.9%	2.7%	2.7%	2.5%	2.5%	2.5%	2.5%	2.5%
Salary increases	4.3%	4.4%	4.4%	4.4%	4.4%	4.2%	4.2%	3.8%	3.8%	3.8%
Cost of living adjustments	1.5%	1.5%	1.5%	1.4%	1.4%	1.3%	1.3%	1.3%	1.3%	1.3%
Investment rate of return	5.9%	5.9%	5.9%	5.9%	5.9%	6.8%	7.0%	7.0%	7.0%	7.0%
Discount rate	5.9%	5.9%	5.9%	5.9%	5.9%	6.8%	7.0%	7.0%	7.0%	7.0%
Society of Actuaries' mortality scale	MP-2021	MP-2021	MP-2021	MP-2020	MP-2020	MP-2018	MP-2014	MP-2014	MP-2014	MP-2014

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NIAGARA COUNTY INDUSTRIAL DEVELOPMENT AGENCY

Required Supplementary Information (Unaudited) Schedule of Agency Contributions New York State and Local Employees' Retirement System

For the years ended December 31,	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Contractually required contribution	\$ 53,213	\$ 69,283	\$ 50,589	\$ 37,605	\$ 50,488	\$ 57,072	\$ 51,782	\$ 55,331	\$ 55,940	\$ 51,292
Contribution in relation to the contractually required contribution	(53,213)	(69,283)	(50,589)	(37,605)	(50,488)	(57,072)	(51,782)	(55,331)	(55,940)	(51,292)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Agency's covered payroll	\$ 333,679	\$ 454,777	\$ 407,275	\$ 337,579	\$ 315,689	\$ 384,867	\$ 340,518	\$ 363,500	\$ 365,099	\$ 334,923
Contributions as a percentage of covered payroll	15.95%	15.23%	12.42%	11.14%	15.99%	14.83%	15.21%	15.22%	15.32%	15.31%

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NIAGARA COUNTY INDUSTRIAL DEVELOPMENT AGENCY

Supplementary Information Schedules of Intra-Agency Balance Sheets by Operating Unit

December 31, 2025

(with summarized comparative totals as of December 31, 2024)

	Operating	Multi-Tenant Facility Operating	VIP Multi-Tenant Operating	Total	Total 2024 Summarized
Assets					
Current assets:					
Cash and cash equivalents					
Unrestricted	\$ 4,430,305	\$ 429,681	\$ 867,927	\$ 5,727,913	\$ 1,068,443
Restricted	458,180	24,761	17,094	500,035	378,103
Investments	-	-	-	-	5,600,000
Receivables					
Trade	4,599	13,079	5,856	23,534	15,629
Internal balances	330,316	-	-	330,316	219,495
Leases	-	138,240	222,530	360,770	329,284
Prepaid expenses	31,381	9,543	17,262	58,186	51,421
Due from other operating units	483,711	-	-	483,711	674,989
	<u>5,738,492</u>	<u>615,304</u>	<u>1,130,669</u>	<u>7,484,465</u>	<u>8,337,364</u>
Noncurrent assets:					
Leases receivable	-	115,235	383,201	498,436	193,834
Capital assets, net	17,506	431,121	1,971,811	2,420,438	2,484,670
Investment in affiliate	342,500	-	-	342,500	342,500
	<u>360,006</u>	<u>546,356</u>	<u>2,355,012</u>	<u>3,261,374</u>	<u>3,021,004</u>
	<u>6,098,498</u>	<u>1,161,660</u>	<u>3,485,681</u>	<u>10,745,839</u>	<u>11,358,368</u>
Deferred Outflows of Resources:					
Deferred outflows of resources related to pensions	179,158	-	-	179,158	204,837
	<u>\$ 6,277,656</u>	<u>\$ 1,161,660</u>	<u>\$ 3,485,681</u>	<u>\$ 10,924,997</u>	<u>\$ 11,563,205</u>
Liabilities					
Current liabilities:					
Accounts payable	\$ 86,270	\$ 8,884	\$ 21,613	\$ 116,767	\$ 141,011
Due to other governments	-	129,010	-	129,010	113,244
Unearned revenue	1,796,035	-	-	1,796,035	2,836,267
Security deposits	-	24,761	17,094	41,855	41,835
Due to other operating units	-	141,670	342,041	483,711	674,989
	<u>1,882,305</u>	<u>304,325</u>	<u>380,748</u>	<u>2,567,378</u>	<u>3,807,346</u>
Long-term liabilities:					
Net pension liability	159,094	-	-	159,094	115,680
	<u>2,041,399</u>	<u>304,325</u>	<u>380,748</u>	<u>2,726,472</u>	<u>3,923,026</u>
Deferred Inflows of Resources					
Deferred inflows of resources related to leases	-	253,475	605,731	859,206	523,118
Deferred inflows of resources related to pensions	5,836	-	-	5,836	67,839
	<u>5,836</u>	<u>253,475</u>	<u>605,731</u>	<u>865,042</u>	<u>590,957</u>
Net Position					
Net investment in capital assets	17,506	431,121	1,971,811	2,420,438	2,484,670
Unrestricted	4,212,915	172,739	527,391	4,913,045	4,564,552
	<u>4,230,421</u>	<u>603,860</u>	<u>2,499,202</u>	<u>7,333,483</u>	<u>7,049,222</u>
Total liabilities, deferred inflows of resources, and net position	<u>\$ 6,277,656</u>	<u>\$ 1,161,660</u>	<u>\$ 3,485,681</u>	<u>\$ 10,924,997</u>	<u>\$ 11,563,205</u>

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NIAGARA COUNTY INDUSTRIAL DEVELOPMENT AGENCY

Supplementary Information Schedules of Intra-Agency Revenues, Expenses, and Changes in Net Position by Operating Unit

For the year ended December 31, 2025
(with summarized comparative totals for December 31, 2024)

		Multi-Tenant Facility Operating	VIP Multi-Tenant Operating	Eliminations	Total	Total 2024 Summarized
Operating revenues:						
Fees	\$ 725,919	\$ -	\$ -	\$ -	\$ 725,919	\$ 797,465
Lease revenue and common area charges	-	140,527	341,777	(12,977)	469,327	604,466
Administrative fees from affiliates	144,407	-	-	(11,352)	133,055	100,304
Grant revenue	1,152,750	-	-	-	1,152,750	265,172
Miscellaneous	29,298	8,770	-	-	38,068	102,875
Total operating revenues	2,052,374	149,297	341,777	(24,329)	2,519,119	1,870,282
Operating expenses:						
Personnel services	513,007	-	-	-	513,007	477,004
Contractual expenses	265,871	16,374	19,454	-	301,699	292,561
Occupancy	45,060	109,320	122,030	(24,329)	252,081	158,168
Employee benefits	151,362	-	-	-	151,362	146,534
Grant expense	1,152,750	-	-	-	1,152,750	265,172
Depreciation	2,825	80,476	139,081	-	222,382	213,072
Total operating expenses	2,130,875	206,170	280,565	(24,329)	2,593,281	1,552,511
Operating income (loss)	(78,501)	(56,873)	61,212	-	(74,162)	317,771
Nonoperating revenues (expenses):						
Interest income	146,596	17,429	60,164	-	224,189	76,029
Transfer to Niagara Frontier Transportation Authority	-	(15,766)	-	-	(15,766)	(113,244)
Transfers	250,000	-	(100,000)	-	150,000	150,000
Income from joint venture	15,766	(15,766)	-	-	-	-
Total nonoperating revenues (expenses)	412,362	(14,103)	(39,836)	-	358,423	112,785
Net income (loss)	333,861	(70,976)	21,376	-	284,261	430,556
Net position - beginning	3,896,560	674,836	2,477,826	-	7,049,222	6,618,666
Net position - ending	\$ 4,230,421	\$ 603,860	\$ 2,499,202	\$ -	\$ 7,333,483	\$ 7,049,222

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NIAGARA COUNTY INDUSTRIAL DEVELOPMENT AGENCY

Supplementary Information Schedule of Expenditures of Federal Awards

For the year ended December 31, 2025

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Assistance Listing Number</u>	<u>Grantor Number</u>	<u>Expenditures</u>
<u>U.S. Department of Housing and Urban Development:</u>			
Passed through Niagara County			
Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii	14.228	806ED993-21	\$ 360,000
	14.228	806ME529-23	<u>300,000</u>
			660,000
<u>U.S. Department of Commerce:</u>			
Passed through Niagara County			
Economic Development Cluster:			
COVID-19 - Economic Adjustment Assistance	11.307	806CVSB17-21	<u>566,446</u>
Total Expenditures of Federal Awards			<u>\$ 1,226,446</u>

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NIAGARA COUNTY INDUSTRIAL DEVELOPMENT AGENCY

Notes to Schedule of Expenditures of Federal Awards

1. Summary of Significant Accounting Policies

Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (SEFA) presents the activity of all federal award programs administered by Niagara County Industrial Development Agency (the Agency) and its component unit, Niagara County Development Corporation (NCDC), entities defined in Note 1 to the Agency's basic financial statements. Federal awards received directly from federal agencies, as well as federal awards passed through from other governmental agencies, are included on the SEFA.

Expenditures are calculated as required by the Uniform Guidance or the applicable program and do not constitute actual program disbursements.

The Agency was awarded \$737,000 (\$67,000 for administrative costs) through the U.S Economic Development Administration (EDA) during 2020 from the Supplemental Appropriations for Coronavirus Aid, Relief, and Economic Security Act (CARES Act). The award is 100% funded through EDA. The amount on the SEFA is calculated as follows:

Balance of loans outstanding	\$ 270,908
Cash	295,538
Administrative expenses	-
	<u>\$ 566,446</u>

Basis of Accounting

The Agency and NCDC use the accrual basis of accounting for each federal program, consistent with the financial statements.

The amounts reported as federal expenditures generally were obtained from the appropriate federal financial reports for the applicable programs and periods. The amounts reported in these federal financial reports are prepared from records maintained for each program, which are periodically reconciled with the Agency's financial reporting system.

Indirect Costs

The Agency and NCDC have elected not to use the de minimis indirect cost rate as allowed under the Uniform Guidance. Furthermore, neither the Agency nor NCDC has received Federal awards including indirect cost reimbursement for the year ended December 31, 2025.

2. Revolving Loan Funds

Loans outstanding at December 31, 2025 for NCDC's federally restricted EDA revolving loan fund amounted to \$270,908.

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INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

The Board of Directors
Niagara County Industrial Development Agency

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Niagara County Industrial Development Agency (the Agency), a business-type activity, as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements, and have issued our report thereon dated March 18, 2026.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Agency's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control. Accordingly, we do not express an opinion on the effectiveness of the Agency's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Agency's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Agency's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Agency's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

March 18, 2026

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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

The Board of Directors
Niagara County Industrial Development Agency

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the compliance of Niagara County Industrial Development Agency (the Agency), a business-type activity, with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the Agency's major federal programs for the year ended December 31, 2025. The Agency's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Agency complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2025.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report. We are required to be independent of the Agency and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Agency's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Agency's federal programs.

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Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Agency's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Agency's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Agency's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Agency's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

March 18, 2026

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NIAGARA COUNTY INDUSTRIAL DEVELOPMENT AGENCY

Schedule of Findings and Questioned Costs

For the year ended December 31, 2025

Section I. Summary of Auditors' Results

Financial Statements

Type of auditors' report issued: *Unmodified*

Internal control over financial reporting:

- Material weakness(es) identified? No
- Significant deficiency(ies) identified? None reported

Noncompliance material to financial statements noted? No

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? No
- Significant deficiency(ies) identified? None reported

Type of auditors' report issued on compliance for major programs: *Unmodified*

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? No

Identification of major programs:

<u>Name of Federal Program or Cluster</u>	<u>Assistance Listing Number</u>	<u>Amount</u>
Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii	14.228	<u>\$ 660,000</u>

Dollar threshold used to distinguish between type A and type B programs: \$1,000,000

Auditee qualified as low-risk auditee? Yes

Section II. Financial Statement Findings

No findings were reported.

Section III. Federal Award Findings and Questioned Costs

No matters were reported.

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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH SECTION 2925(3)(f) OF THE NEW YORK STATE PUBLIC AUTHORITIES LAW

The Board of Directors
Niagara County Industrial Development Agency

We have audited, in accordance with auditing standards generally accepted in the United States of America, the financial statements of Niagara County Industrial Development Agency (the Agency), a business-type activity, as of and for the year ended December 31, 2025, and the related notes to the financial statements, and we have issued our report thereon dated March 18, 2026.

In connection with our audit, nothing came to our attention that caused us to believe that the Agency failed to comply with §2925(3)(f) of the New York State Public Authorities Law regarding investment guidelines during the year ended December 31, 2025. However, our audit was not directed primarily toward obtaining knowledge of such noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding the Agency's noncompliance with the above rules and regulations.

The purpose of this report is solely to describe the scope and results of our testing. This communication is not suitable for any other purpose.

March 18, 2026

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**NIAGARA ECONOMIC
DEVELOPMENT FUND**

FINANCIAL STATEMENTS

DECEMBER 31, 2025

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INDEPENDENT AUDITORS' REPORT

The Board of Directors
Niagara Economic Development Fund

Opinion

We have audited the financial statements of Niagara Economic Development Fund (the Trust), a business-type activity, as of and for the years ended December 31, 2025 and 2024, and the related notes to the financial statements, which collectively comprise the Trust's basic financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Trust as of December 31, 2025 and 2024, and the changes in its financial position and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America (GAAP).

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Trust, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with GAAP, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Trust's ability to continue as a going concern for one year beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Trust's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audits.

Required Supplementary Information

The Trust has omitted management's discussion and analysis that GAAP requires to be presented to supplement the basic financial statements. Such missing information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedule of revolving loan funds on page 8 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

March __, 2026

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NIAGARA ECONOMIC DEVELOPMENT FUND

Balance Sheets

December 31,	2025	2024
Assets		
Current assets:		
Cash and cash equivalents	\$ 4,035,627	\$ 277,994
Investments	-	3,900,000
Prepaid expenses	2,777	2,898
Loans receivable (Note 2)	405,919	104,460
	<u>4,444,323</u>	<u>4,285,352</u>
Noncurrent assets:		
Loans receivable (Note 2)	610,343	598,281
	<u>610,343</u>	<u>598,281</u>
	\$ 5,054,666	\$ 4,883,633
Liabilities and Net Position		
Current liabilities:		
Accounts payable	\$ -	\$ 60
Net position:		
Unrestricted	5,054,666	4,883,573
	<u>5,054,666</u>	<u>4,883,573</u>
	\$ 5,054,666	\$ 4,883,633

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NIAGARA ECONOMIC DEVELOPMENT FUND

Statements of Revenues, Expenses, and Changes in Net Position

For the years ended December 31,	2025	2024
Operating revenues		
Interest from loans	\$ 26,948	\$ 17,474
Fees	5,000	1,000
	<u>31,948</u>	<u>18,474</u>
Operating expenses		
Administrative fees	50,000	50,000
Insurance and office expenses	3,150	3,258
Professional fees	8,935	12,790
Loan origination fees	6,250	1,250
Total operating expenses	<u>68,335</u>	<u>67,298</u>
Operating loss	(36,387)	(48,824)
Nonoperating revenues		
Interest income	<u>207,480</u>	<u>71,741</u>
Change in net position	171,093	22,917
Net position - beginning	<u>4,883,573</u>	<u>4,860,656</u>
Net position - ending	\$ 5,054,666	\$ 4,883,573

See accompanying notes.

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NIAGARA ECONOMIC DEVELOPMENT FUND

Statements of Cash Flows

For the years ended December 31,

2025

2024

Operating activities:

Cash received from loan repayments, interest, and fees	\$ 218,427	\$ 103,035
Loan disbursements	(500,000)	(100,000)
Payments to suppliers and other	(68,274)	(67,142)
Net operating activities	(349,847)	(64,107)

Investing activities:

Purchase of investments	-	(3,900,000)
Maturity of investments	3,900,000	-
Interest income	207,480	71,741
Net investing activities	4,107,480	(3,828,259)

Change in cash

3,757,633 (3,892,366)

Cash and cash equivalents - beginning

277,994 4,170,360

Cash and cash equivalents - ending

\$ 4,035,627 \$ 277,994

Reconciliation of operating loss to net cash flows from operating activities:

Operating loss	\$ (36,387)	\$ (48,824)
Adjustments to reconcile operating loss to net cash flows from operating activities:		
Changes in other assets and liabilities:		
Prepaid expenses	121	96
Loans receivable	(313,521)	(15,439)
Accounts payable	(60)	60
Net operating activities	\$ (349,847)	\$ (64,107)

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NIAGARA ECONOMIC DEVELOPMENT FUND

Notes to Financial Statements

1. Summary of Significant Accounting Policies

Nature of Organization

Niagara Economic Development Fund (the Trust) was organized under Sections 1001 and 1005 of the Power Authority Act as a local economic development loan program in order to improve the area's economic climate.

The Trust is organized as a business trust whose membership consists of representatives of the Empire State Development Corporation, the New York Power Authority, the City of Niagara Falls, and Niagara County Industrial Development Agency (NCIDA).

The Trust makes loans to businesses located in the City of Niagara Falls and throughout Niagara County. These loans are made at favorable interest rates that vary with the prime rate. The governing board approves these loans after giving consideration to the major criteria, including enhancement of the economic environment. Normally, these loans are made in conjunction with other third party lender financing.

The businesses' assets and personal guarantees of the owners collateralize most of these loans; however, in many instances, the Trust's collateral interest is subordinated to an institutional lender. These loans have variable maturities dependent upon use, such as working capital or equipment acquisition. Interest is recognized on these loans as it is earned.

Basis of Presentation

The financial statements of the Trust have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

Measurement Focus

The Trust reports as a special-purpose government engaged in business-type activities. Business-type activities are those that are financed in whole or in part by fees charged to external parties for goods or services. The Trust's financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when liability is incurred.

The Trust's policy for defining operating activities in the statements of revenues, expenses, and changes in net position are those that generally result from exchange transactions such as payments received for services and payments made to purchase those goods or services. Certain other transactions are reported as nonoperating activities and include interest income.

Subsequent Events

The Trust has evaluated events and transactions for potential recognition or disclosure in the financial statements through March __, 2026, the date the financial statements were available to be issued.

Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Cash and Cash Equivalents

The Trust's cash management policies are governed by the trustee (NCIDA) who is governed by State statutes that authorize the Trust to invest in certificates of deposit and special time deposit accounts. At December 31, 2025, the Trust's bank deposits were fully collateralized by FDIC coverage and securities held by the pledging institution's agent in the Trust's name.

Cash equivalents are comprised of bank certificates of deposit with original maturities of three months or less and are stated at fair value.

Investments

Investments as of December 31, 2024 were comprised of a bank certificate of deposit with an original maturity of six months, stated at fair value, and matured during 2025.

Loans Receivable

Loans receivables are stated at the principal amount outstanding, net of an allowance for uncollectible loans, if necessary, that includes loan forgiveness. The allowance method is used to compute the provision for uncollectible loans.

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Determination of the allowance for uncollectible loans is based on an analysis of the loan portfolio and reflects an amount that, in management's judgment, is adequate to provide for potential loan losses. Management provides for probable uncollectible amounts through a charge to expenses and a credit to a valuation allowance based on its assessment of the current status of individual accounts, historical trends, and reasonable forecasts. Loans are written off through a charge to the valuation allowance and a credit to loans receivable after management has used reasonable collection efforts and no legal recourse is available to collect the amount owed.

Interest on loans receivable is accrued as required by the terms of the agreement, and management considers that collection is probable, based on the current economic condition of the borrower. Interest accrual stops when a loan becomes more than three months past due and does not commence again until the loan is current.

2. Revolving Loan Funds

Pursuant to an agreement between NCIDA and the Trust, the New York State Job Development Authority transferred its existing loans into the Trust's Revolving Loan Funds. All loans are made to commercial businesses.

The loans have varying terms and maturity dates from 2026 through 2039 with interest rates ranging from 2.5% to 6.4%. Security interests include buildings, machinery, and equipment and vary by loan. The amount of principal and interest payments expected to be received in 2026 totals \$442,000.

The following is a summary of the loans receivable:

	2025	2024
Current status	\$ 1,016,262	\$ 632,131
Non-accrual	-	70,610
	1,016,262	702,741
Less current portion	405,919	104,460
	\$ 610,343	\$ 598,281

There was no allowance for uncollectible loans at December 31, 2025 and 2024.

3. Related Party Transactions

Administration Fees

NCIDA charges the Trust administration fees to maintain and manage the loan fund. These fees have been computed per the Trust's administrative agreement. Fees for each of the years ended December 31, 2025 and 2024 totaled \$50,000.

Loan Origination Fees

NCIDA charges the Trust loan closing origination fees of 1.25% of the value of each loan initiated. The amount is recognized as an expense in the year the loan is closed. One loan closed in 2025 and 2024 each, resulting in loan origination fees of \$6,250 and \$1,250 respectively.

4. Commitments

The Trust was previously provided with \$2,000,000 of grant funds to be used towards the USA Niagara Grant Program. No new grants were disbursed by the Trust during 2025 and 2024. At December 31, 2025 and 2024, grants amounting to \$1,960,000 have been disbursed.

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NIAGARA ECONOMIC DEVELOPMENT FUND

Supplementary Information Schedule of Revolving Loan Funds

For the year ended December 31, 2025

	Loan Closing Date	Loan Balance 01/01/25	Loans Made	Principal Paid	Loans Written Off	Loan Balance 12/31/25	Reserve for Uncollectible Loans	Interest Received
210 Walnut Street, LLC	06/25/14	\$ 293,383	\$ -	\$ 19,939	\$ -	\$ 273,444	\$ -	\$ 7,107
Woodcock Brothers Brewing Company, Inc.	09/10/19	66,826	-	27,700	-	39,126	-	1,618
Go Go Pak USA, Inc.	05/08/20	70,610	-	3,246	-	67,364	-	3,080
Huron Sprinklers/AMP Real Estate of Erie County, LLC	05/28/21	172,590	-	21,115	-	151,475	-	3,923
1500 James, LLC	09/25/24	99,332	-	99,332	-	-	-	4,155
Polaris Cold Storage, Inc.	08/08/25	-	500,000	15,147	-	484,853	-	7,065
		<u>\$ 702,741</u>	<u>\$ 500,000</u>	<u>\$ 186,479</u>	<u>\$ -</u>	<u>\$ 1,016,262</u>	<u>\$ -</u>	<u>\$ 26,948</u>

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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH THE NIAGARA ECONOMIC DEVELOPMENT FUND TRUST AGREEMENT

The Board of Directors
Niagara Economic Development Fund

We have audited, in accordance with auditing standards generally accepted in the United States of America, the financial statements of Niagara Economic Development Fund (the Trust), as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the Trusts basic financial statements, and we have issued our report thereon dated March __, 2026.

In connection with our audit, nothing came to our attention that caused us to believe that the Trust failed to comply with paragraphs 3, 4, and 5 of the Niagara Economic Development Fund Trust Agreement for the year ended December 31, 2025 insofar as it relates to accounting matters over loan management. However, our audit was not directed primarily toward obtaining knowledge of such noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding the Trust's noncompliance with paragraphs 3, 4, and 5 of the Niagara Economic Development Fund Trust Agreement, insofar as it relates to accounting matters over loan management.

This report is intended solely for the information and use of the Board of Directors and management of the Trust and is not intended to be and should not be used by anyone other than those specified parties.

March __, 2026

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**NIAGARA INDUSTRIAL
INCUBATOR ASSOCIATES**

FINANCIAL STATEMENTS

DECEMBER 31, 2025

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INDEPENDENT AUDITORS' REPORT

The Partners
Niagara Industrial Incubator Associates

Opinion

We have audited the financial statements of Niagara Industrial Incubator Associates (a partnership), which comprise the statements of assets, liabilities, and partners' capital – modified cash basis as of December 31, 2025 and 2024, and the related statements of revenue and expenses – modified cash basis and changes in partners' capital accounts – modified cash basis for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the assets, liabilities, and partners' capital of Niagara Industrial Incubator Associates as of December 31, 2025 and 2024, and the results of its operations, its revenue and expenses, and its changes in partners' capital accounts for the years then ended, in accordance with the modified cash basis of accounting as described in Note 1.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Niagara Industrial Incubator Associates, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter - Basis of Accounting

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the modified cash basis of accounting described in Note 1, and for determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Niagara Industrial Incubator Associates' ability to continue as a going concern for one year after the date that the financial statements are issued.

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Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Niagara Industrial Incubator Associates' internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Niagara Industrial Incubator Associates' ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

March __, 2026

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NIAGARA INDUSTRIAL INCUBATOR ASSOCIATES

Statements of Assets, Liabilities, and Partners' Capital - Modified Cash Basis

December 31,	2025	2024
Assets		
Rental property:		
Building and improvements	\$ 2,345,875	\$ 2,345,875
Land improvements	9,167	9,167
	<u>2,355,042</u>	<u>2,355,042</u>
Less: accumulated depreciation	1,855,961	1,810,447
Net rental property	<u>499,081</u>	<u>544,595</u>
Other assets:		
Cash	446,120	300,668
Cash held for building improvements	675,895	4,213
Cash - security deposits	16,372	11,041
Investments held for building improvements	-	640,000
	<u>1,138,387</u>	<u>955,922</u>
	<u>\$ 1,637,468</u>	<u>\$ 1,500,517</u>
Liabilities and Partners' Capital		
Liabilities		
Security deposits	\$ 16,372	\$ 11,041
Partners' capital		
	<u>1,621,096</u>	<u>1,489,476</u>
	<u>\$ 1,637,468</u>	<u>\$ 1,500,517</u>

See accompanying notes.

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NIAGARA INDUSTRIAL INCUBATOR ASSOCIATES

Statements of Revenue and Expenses - Modified Cash Basis

For the years ended December 31,

2025

2024

Revenue

Rental income	\$ 289,313	\$ 293,825
Other income	31,682	11,329
Total revenue	<u>320,995</u>	<u>305,154</u>

Expenses

Occupancy	69,464	56,730
Repairs and maintenance	65,164	13,467
Depreciation	45,514	45,514
Professional and other fees	9,233	8,502
Total expenses	<u>189,375</u>	<u>124,213</u>

Excess of revenue over expenses	<u>\$ 131,620</u>	<u>\$ 180,941</u>
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NIAGARA INDUSTRIAL INCUBATOR ASSOCIATES

Statements of Changes in Partners' Capital Accounts - Modified Cash Basis

For the years ended December 31, 2025 and 2024

	Niagara Industrial Incubator Company (General)	NCIDA (Limited)	NFTA (Limited)	Total
Balance - December 31, 2023	\$ 925,397	\$ 191,569	\$ 191,569	\$ 1,308,535
Excess of revenue over expenses	120,627	30,157	30,157	180,941
Balance - December 31, 2024	1,046,024	221,726	221,726	1,489,476
Excess of revenue over expenses	87,746	21,937	21,937	131,620
Balance - December 31, 2025	\$ 1,133,770	\$ 243,663	\$ 243,663	\$ 1,621,096

See accompanying notes.

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NIAGARA INDUSTRIAL INCUBATOR ASSOCIATES

Notes to Financial Statements - Modified Cash Basis

1. Summary of Significant Accounting Policies

Nature of Organization

Niagara Industrial Incubator Associates (the Partnership) is a limited partnership pursuant to the provisions of Article 8 of the New York State Partnership Law. The general partner is Niagara Industrial Incubator Company (NIIC), a New York general partnership and joint venture between Niagara Frontier Transportation Authority (NFTA) and Niagara County Industrial Development Agency (NCIDA).

NFTA previously acquired and leased five acres of unimproved land located in the Town of Wheatfield, Niagara County, New York, to NIIC, which in turn leases it to NIIA. NIIA then built an industrial incubator facility on the land for lease to industrial users.

Basis of Accounting

The accompanying financial statements have been prepared on the modified cash basis of accounting, which is a special purpose framework of accounting other than accounting principles generally accepted in the United States of America (GAAP). That basis differs from GAAP in that rental income is recognized when received rather than when earned and expenses are recognized when paid instead of when goods or services are received.

Rental Property

Rental property is stated at cost net of accumulated depreciation. Depreciation is provided over estimated useful lives using straight-line and accelerated methods.

Cash

At various times, cash in financial institutions may exceed federally insured limits and subject the Partnership to concentrations of credit risk. The Partnership has reached agreements with its financial institutions whereby amounts in excess of federal depository coverage are collateralized by investments held by the pledging bank's agent in the Partnership's name.

Investments

Investments are comprised of a bank certificate of deposit with an original maturity of six months that is stated at fair value.

Income Distribution

Income is allocated to partners based on the Partnership agreement.

Income Taxes

Income taxes are not payable by, or provided for, the Partnership. Partners are taxed individually on their share of Partnership earnings, as applicable.

Subsequent Events

The Partnership has evaluated events and transactions for potential recognition or disclosure in the financial statements through March 31, 2026, the date the financial statements were available to be issued.

Estimates

The preparation of financial statements in conformity with a special purpose framework of accounting requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

2. Lease Arrangements

The Partnership leases its multi-tenant building located at the Niagara Falls International Airport to multiple tenants under the terms of noncancelable and monthly operating leases. Rental income under these leases for the years ended December 31, 2025 and 2024 amounted to \$289,313 and \$293,825, respectively.

DRAFT

Future annual rental receipts anticipated under noncancelable leases are:

2026	\$	302,900
2027		221,234
2028		34,960
	\$	<u>559,094</u>

3. Related Party Transactions

NFTA and NCIDA provide various services to the Partnership that include administration and bookkeeping, and also at times perform labor which may result in leasehold improvements to accommodate new tenants. These services are not recorded in the accompanying financial statements as the estimated value cannot readily be determined.

6.1.2

**AGENCY
PAYABLES**

Niagara County Industrial Devel. Agency
Check Register
 For the Period From Feb 1, 2026 to Feb 28, 2026

Filter Criteria includes: Report order is by Date.

Check #	Date	Payee	Cash Account	Amount
30588	2/3/26	Amazon Capital Services	10001.100	176.39
30589	2/3/26	First Choice Coffee Services	10001.100	174.22
30590	2/3/26	THE HARTFORD	10001.100	328.99
30591	2/3/26	M&T Bank	10001.100	323.82
30592	2/3/26	National Grid	10001.100	512.75
30593	2/3/26	Pitney Bowes Global Financial Services	10001.100	275.85
2/5/26	2/5/26	PAYCHEX, INC.	10001.100	119.02
2/6/26	2/6/26	NYS DEFERRED COMPENSATION PLAN	10001.100	885.35
30594	2/11/26	360 PSG.com	10001.100	60.00
30595	2/11/26	Cintas Corporation LOC. 067P	10001.100	108.56
30596	2/11/26	Jeremy Geartz	10001.100	86.28
30597	2/11/26	Joseph Grenga	10001.100	117.53
30598	2/11/26	Summit MSP, LLC	10001.100	433.00
30599	2/17/26	Amazon Capital Services	10001.100	61.40
30600	2/17/26	County of Niagara	10001.100	2,216.34
30601	2/17/26	Guardian	10001.100	199.50
2/19/26	2/19/26	PAYCHEX, INC.	10001.100	93.95
2/20/26	2/20/26	PAYCHEX, INC.	10001.100	134.00
2/21/26	2/20/26	NYS DEFERRED COMPENSATION PLAN	10001.100	974.20
30602	2/24/26	Charter Communications	10001.100	130.00
30603	2/24/26	FedEx	10001.100	9.93
30604	2/24/26	Harris Beach Murtha Cullina PLLC	10001.100	11,019.93
30605	2/24/26	Independent Health	10001.100	4,366.89
30606	2/24/26	Joseph Grenga	10001.100	407.02
30607	2/24/26	Professional Janitorial Services, Inc.	10001.100	823.00
Total				24,037.92

NCIDA - MTF - Operating Fund
Check Register
For the Period From Feb 1, 2026 to Feb 28, 2026

Filter Criteria includes: Report order is by Date.

Check #	Date	Payee	Cash Account	Amount
3327	2/3/26	Grand Island Waste Solutions LLC	10001.600	5,325.00
3328	2/3/26	National Fuel	10001.600	1,465.54
3329	2/3/26	National Grid	10001.600	310.08
3330	2/3/26	Niagara Falls Water Board	10001.600	471.07
3331	2/11/26	National Grid	10001.600	1,492.86
3332	2/17/26	VERIZON	10001.600	139.71
3333	2/24/26	H.W. Bryk & Sons, Inc.	10001.600	787.50
Total				<u><u>9,991.76</u></u>

NCIDA VIP-MTF Operating
Check Register
For the Period From Feb 1, 2026 to Feb 28, 2026

Filter Criteria includes: Report order is by Date.

Check #	Date	Payee	Cash Account	Amount
5130	2/3/26	Grand Island Waste Solutions LLC	10001.600	11,675.00
5131	2/3/26	National Grid	10001.600	398.31
5132	2/11/26	Frontier	10001.600	254.31
5133	2/11/26	Modern Disposal Services, Inc.	10001.600	214.50
5134	2/17/26	County of Niagara	10001.600	1,427.52
5135	2/17/26	Town of Wheatfield	10001.600	67.50
5136	2/24/26	H.W.BRYK & SONS, INC.	10001.600	280.00
5137	2/24/26	Professional Janitorial Services, Inc.	10001.600	346.00
Total				<u>14,663.14</u>

Niagara Industrial Incubator Associates
Check Register
For the Period From Feb 1, 2026 to Feb 28, 2026

Filter Criteria includes: Report order is by Date.

Check #	Date	Payee	Cash Account	Amount
1519	2/3/26	Grand Island Waste Solutions LLC	10000.100	9,175.00
1520	2/3/26	Gratwick Pest Control	10000.100	80.00
1521	2/3/26	National Grid	10000.100	410.64
1522	2/3/26	Niagara Falls Water Board	10000.100	1,608.07
1523	2/3/26	Thomas Fedeson	10000.100	560.00
1524	2/24/26	H.W. Bryk & Sons, Inc.	10000.100	3,865.00
Total				15,698.71

NIAG ECONOMIC DEV FUND

Check Register

For the Period From Feb 1, 2026 to Feb 28, 2026

Filter Criteria includes: Report order is by Date.

Check #	Date	Payee	Cash Account	Amount
1373	2/3/26	M&T Bank	10000-200	13.39
Total				13.39

NCDC - CDBG/HUD - RLF

Check Register

For the Period From Feb 1, 2026 to Feb 28, 2026

Filter Criteria includes: Report order is by Date.

Check #	Date	Payee	Cash Account	Amount
298	2/3/26	H. Sicherman & Company, Inc.	10200-300	4,455.50
Total				<u>4,455.50</u>

Niag. Cnty Dev. Corp. - EDA RLF
Check Register
For the Period From Feb 1, 2026 to Feb 28, 2026

Filter Criteria includes: Report order is by Date.

Check #	Date	Payee	Cash Account	Amount
1370	2/3/26	M&T Bank	10001.100	60.00
Total				60.00

Niag. Cnty Dev. Corp. - Micro RLF

Check Register

For the Period From Feb 1, 2026 to Feb 28, 2026

Filter Criteria includes: Report order is by Date.

Check #	Date	Payee	Cash Account	Amount
2162	2/24/26	Niagara Gazette Lockport Union Sun	10004.400	<u>256.00</u>
Total				<u><u>256.00</u></u>

6.1.3

BUDGET

VARIANCE

REPORT

NIAGARA COUNTY INDUSTRIAL DEVELOPMENT AGENCY
BUDGET VARIANCE REPORT AS OF February 28, 2026
UN-AUDITED STATEMENT FOR INTERNAL MANAGEMENT USE ONLY

	Current Month Actual	Current Month Budget	Year To Date Actual	Year To Date Budget	Year To Date Variance	Total Budget
<u>Operating Revenues</u>						
Project Administrative Fees	\$ 7,500.00	\$ 76,619.00	\$ 365,000.00	\$ 208,677.00	156,323.00	\$ 589,316.00
Project Application Fees	1,000.00	1,000.00	3,000.00	2,000.00	1,000.00	12,000.00
NEDF RLF Administrative Fee	4,166.67	4,166.67	8,333.34	8,333.34	0.00	50,000.00
Administrative Fees - Other	0.00	0.00	0.00	0.00	0.00	37,087.00
Interest Earnings	382.72	3,678.33	805.77	7,356.66	(6,550.89)	44,140.00
Miscellaneous Income	14,936.53	14,822.92	29,873.06	29,645.84	227.22	177,875.00
Distributions From Affiliates	0.00	0.00	0.00	0.00	0.00	150,000.00
Distribution from VIP MTF	0.00	0.00	0.00	0.00	0.00	150,000.00
Total Operating Revenues	27,985.92	100,286.92	407,012.17	256,012.84	150,999.33	1,210,418.00
<u>Operating Expenses</u>						
Salaries	32,831.35	34,703.06	68,107.49	69,406.12	(1,298.63)	451,140.00
Benefits	5,130.72	7,619.17	10,668.43	15,238.34	(4,569.91)	91,430.00
Retirement Benefits	5,245.59	5,245.58	10,491.18	10,491.16	0.02	62,947.00
Payroll Taxes	2,535.31	2,613.05	5,280.61	5,226.10	54.51	33,759.00
Unemployment Taxes	708.36	672.31	1,474.37	1,438.31	36.06	1,638.00
Consultants	2,500.00	2,500.00	5,000.00	5,000.00	0.00	30,000.00
Executive Director	8,864.17	8,864.17	17,728.34	17,728.34	0.00	106,370.00
Legal Services	5,488.15	7,333.33	4,447.93	14,666.66	(10,218.73)	88,000.00
Accounting Services	20,000.00	17,940.00	20,000.00	17,940.00	2,060.00	24,180.00
Accounting Services - NADC	0.00	0.00	0.00	0.00	0.00	1,820.00
Advertising & Promotion	0.00	8.33	0.00	16.66	(16.66)	100.00
Marketing	60.00	2,183.33	120.00	4,366.66	(4,246.66)	26,200.00
Sponsorships	0.00	83.33	0.00	166.66	(166.66)	1,000.00
Printing	509.60	83.33	509.60	166.66	342.94	1,000.00
Office Supplies	92.30	166.67	160.19	333.34	(173.15)	2,000.00
Postage	125.45	234.00	774.79	808.00	(33.21)	4,454.00
Telephone & Fax	148.10	145.17	262.87	290.34	(27.47)	1,742.00
Internet Service	186.99	227.33	373.98	454.66	(80.68)	2,728.00
Common Area Charges	908.25	908.25	1,816.50	1,816.50	0.00	10,899.00
Energy	2,618.87	2,273.00	5,347.96	4,828.00	519.96	21,220.00
Conference & Travel	750.75	1,250.00	903.87	2,500.00	(1,596.13)	15,000.00
Employee Training	0.00	500.00	0.00	1,000.00	(1,000.00)	6,000.00
Depreciation Expense	0.00	0.00	0.00	0.00	0.00	6,462.00
Insurance Expense	2,354.33	2,049.08	4,708.66	4,098.16	610.50	24,589.00
Library & Membership	0.00	325.25	1,920.00	650.50	1,269.50	3,903.00
General Office	1,131.61	1,154.33	2,246.16	2,308.66	(62.50)	13,852.00
Repairs & Maintenance	894.50	1,155.08	1,897.56	2,310.16	(412.60)	13,861.00
Computer Support	0.00	500.00	0.00	1,000.00	(1,000.00)	6,000.00
Public Hearings	0.00	25.00	0.00	50.00	(50.00)	300.00
Furniture & Equipment Purchase	0.00	166.67	340.92	333.34	7.58	2,000.00
Other Expense	0.00	83.33	0.00	166.66	(166.66)	1,000.00
Total Operating Expenses	93,084.40	101,012.15	164,581.41	184,799.99	(20,218.58)	1,055,594.00
Net Operating Income/(Loss)	(65,098.48)	(725.23)	242,430.76	71,212.85	171,217.91	154,824.00
<u>Non-Operating Revenue & Expense</u>						
Grant Rev- City NF Initiative	0.00	0.00	0.00	0.00	0.00	1,395,609.00
Grant Sub-City NF Initiative	0.00	0.00	0.00	0.00	0.00	1,395,609.00
Net Non-Operating Income/(Loss)	0.00	0.00	0.00	0.00	0.00	0.00
Total Net Income/(Loss)	(\$ 65,098.48)	(\$ 725.23)	\$ 242,430.76	\$ 71,212.85	171,217.91	\$ 154,824.00

NIAGARA COUNTY INDUSTRIAL DEVELOPMENT AGENCY

Balance Sheet
February 28, 2026

ASSETS

Current Assets		
Cash - Checking	\$	359,469.72
Petty Cash		300.00
Certificates of Deposit		2,671,925.42
Mmkt Acct. - M&T Bank		249,652.60
Cash - First Response		66,766.82
Cash - City of N.F.		2,213.56
Cataract Tourism C/D		1,337,854.99
Mmkt Acct. - Cataract Tourism		390,488.10
Accts Rec - Public Hearings		3,156.63
Accounts Rec. EDA - RLF		335,833.29
Due To/From Micro RLF		11,149.69
Accounts Rec - NEDF		8,333.34
Due To/From VIP - MTF		339,912.77
Due From NCDC CDBG/HUD		10,833.42
Due To/Due From NADC		500.56
Due To/From MTF Operating		141,670.32
Prepaid Insurance		<u>26,478.15</u>
Total Current Assets		5,956,539.38
Other Assets		
Deferred Outflows		179,158.00
Investment in NIIA		<u>342,500.00</u>
Total Other Assets		521,658.00
Fixed Assets		
Furniture & Equipment		231,672.18
Furn & Fixtures - Fed purchase		5,861.08
Accum Dep. - Furn & Equip		(214,165.75)
Accum Dep. - F&F Fed Purch		<u>(5,861.08)</u>
Total Fixed Assets		17,506.43
Total Assets		<u>\$ 6,495,703.81</u>

LIABILITIES AND NET ASSETS

Current Liabilities		
NYS Retirement W/H 414(H)	\$	856.52
Accrued Retirement		10,491.18
Deferred Rev. - First Repsonse		66,766.82
Def. Rev. - City of N.F.		1,730,556.65
Accounts Payable		31,523.43
Acct. Payable - Niag. County		<u>17,728.34</u>
Total Current Liabilities		1,857,922.94
Long-Term Liabilities		
Pension Liability		159,094.00
Deferred Inflows of Resources		<u>5,836.00</u>
Total Long-Term Liabilities		164,930.00
Total Liabilities		2,022,852.94
Net Assets		
Fund Balance - Operating Fund		4,230,420.11
Net Income		<u>242,430.76</u>
Total Net Assets		<u>4,472,850.87</u>
Total Liabilities & Net Assets		<u>\$ 6,495,703.81</u>

**Niagara County Industrial
Development Agency
Aged Payables
As of February 28, 2026**

Vendor ID Vendor	Invoice #	Amount Due
FCCoffee First Choice Coffee Service	1090825	239.22
LUM Lumsden & McCormick, LLP	224919	20,000.00
M&TBUS M&T Bank	Feb 2026	837.72
NATGRID National Grid	39004 2/26	538.79
NIAGLOCKPORT Niagara Gazette Lokceport Union S 359886	359509	145.36
		145.36
STAPLES STAPLES CONTRACT & COMMERCIAL	7008780104	92.30
sum Summit MSP, LLC	70366	76.60
Report Total		<u>22,075.35</u>

Adjusting Journal Entries

Estimated Feb 2026 Legal Fees	4,428.00
Estimated Jan-Feb 2026 Copier usage	380.00
Estimated Jan-Feb 2026 Telephone	60.00
Estimated Feb 2026 Niagara County Electric	1,230.08
Estimated Feb 2026 Niagara County Gas	850.00
Estimated Feb 2026 Consulting	2,500.00
	<u><u>31,523.43</u></u>

NIAGARA COUNTY INDUSTRIAL DEVELOPMENT AGENCY

3/11/2026

**Project Income - 2026
Lease/Lease Back and Bonds**

Closed 2026	Project Type	Total Project Amount	IDA Project Amount	Admin. Fees	Application Fees	Amount Received to Date	Date Received	Balance Due	Date Closed
Amazon.com Services LLC	L/L Back			357,500		357,500	1/12/26	-	
Precision Industrial, LLC	L/L Back	1,277,000	1,265,000	7,500	1,000	8,500	2/25/26	-	

TOTAL

365,000

Fees received in prior year -

Total fees received to date in 2026 365,000

Total 2026 Budgeted Fees 589,316

Balance of Budgeted Fees 224,316

Projected 2026	Project Type	Total Project Amount	IDA Project Amount	Anticipated Fees	Application Fee	Amount Received to Date	Date Received	Anticipated Balance Due	Inducement Expiration
Hotel Niagara Development, LLC	L/L Back	43,959,500	41,709,500	220,000	1,000	1,000	7/5/24	220,000	7/15/26
Saint-Gobain Ceramics & Plastics Inc.	L/L Back	41,523,000		TBD	1,000	0		1,000	
235 River Road LLC	L/L Back	36,665,978	28,426,762	190,000	1,000	1,000	9/11/24	190,000	4/30/26
Rock One Development - 614 River Road	Sales Tax C	1,985,720	79,712	7,971	1,000	1,000	7/25/25	7,971	8/31/26
Voss Manufacturing, Inc.	L/L Back	4,731,000	2,700,000	27,000	1,000	1,000	1/3/25	27,000	2/28/26
Woodstream Landing LLC	L/L Back	14,295,000	13,795,000	118,750	1,000	1,000	9/4/25	118,750	10/31/26
Buffalo Transformer Services, LLC	L/L Back	2,440,000	1,340,000	13,400	1,000	1,000	10/27/25	13,400	11/30/26
Allegheny Manufacturing, LLC	L/L Back	1,336,000	416,000	4,160	1,000	1,000	11/6/25	4,160	12/31/26
Americarb, Inc.	L/L Back	29,000,000	24,000,000	240,000	1,000	1,000	11/12/25	240,000	12/31/26
NEOFAB Robotics Corp	L/L Back	4,626,000	3,476,000		1,000	1,000	12/24/25	-	2/28/27
National Vacuum Environmental Services Corp	Sales Tax C	1,164,020			1,000	1,000	1/2/26	-	1/31/27
Somerset Solar, LLC	Sales Tax & Mtg Tax Only	276,621,091			1,000	1,000	2/25/26	-	

TOTAL

821,281 12,000 11,000

822,281 0

TOTAL - Projected Income 2026

1,186,281 12,000 11,000

822,281 365,000

Projected 2027	Project Type	Total Project Amount	IDA Project Amount	Anticipated Fees	Application Fee	Amount Received to Date	Date Received	Anticipated Balance Due	Inducement Expiration

TOTAL

0 0 0

0 0

* Pending Board Approval

Cataract Tourism Fund Grant Program

Grantee Name	Grant Awards	Outst'd'g Awards	Approval Date	Disbursement Date	Disbursement Amount	Offer Expiration	Project Description
Niagara County Dept. of Economic Development	37,667	0	10/11/2017	1/23/2018	37,667.00		Feasibility study for Niagara Falls area multi-use facility.
Niagara Aquarium Foundation	88,147	0	2/14/2018	7/15/2019	88,147.00		Jellyfish exhibit and equipment.
The Tourism Research Entrepreneurship Center (TReC)	176,600	0	8/8/2018	6/2/2020	176,600.00		Buildout, audio/visual equipment and network connectivity hardware.
Niagara Aquarium Foundation	16,717	0	2/12/2020	10/21/2020	16,717.00		Renovations to second floor event room.
Niagara Aquarium Foundation	370,000	0	8/14/2019	2/9/2021	370,000.00		Interactive touch pools adjacent to main entrance of the Aquarium.
Red Star Builders, LLC (The Niagara Club)	64,403	0	7/10/2019	9/7/2021	64,403.00		Spot Coffee.
Niagara Falls Center for Tourism LLC	1,000,000	0	6/12/2019	7/7/2023	598,661.03	3/1/2026	Construction of an indoor family entertainment center and outdoor improvements.
The Center for Kashmir, Inc.	573,000	300,000	6/14/2023	8/9/2023	273,000.00		Renovations to vacant church for a museum of art and culture for Kashmir.
Savarino Companies, LLC	155,000	0	4/14/2021	4/26/2023	155,000.00		Rehabilitation of 4,000 square feet of commercial/retail storefront space.
Niagara Aquarium Foundation	900,000	0	2/9/2022	3/6/2025	900,000.00		Renovations to the Niagara Gorge Discovery Center for expanded programming.
Niagara Aquarium Foundation	35,000	0	2/8/2023	1/2/2024	35,000.00		Sea turtle exhibit.
Burger Factory Niagara Falls, Inc.	185,250	0	2/8/2023	1/11/2024	185,250.00		Facade renovations.
Niagara Falls International Cuisine, Inc.	76,500	0	2/8/2023	1/11/2024	44,922.31		Dining area renovations.
TM Montante Development(Radio Niagara)	0	0	3/22/2023	Removed 11/1/2025	0.00		Renovations for restaurant, bar, game space, bowling lounge and boutique hotel.
Live-USA Incorporated	450,000	450,000	8/14/2024	To Be Disbursed	0.00		Renovation of restaurant, bar and music entertainment venue.
Niagara Falls Urban Renewal Agency	204,000	0	10/9/2024	1/29/2025	204,000.00	12/31/2027	Acquisition of properties along Main Street in Niagara Falls.
Niagaras Krispy Crunchy Fried Chicken, LLC	48,750	0	6/11/2025	11/17/2025	48,750.00		Open a Niagaras Krispy Crunchy Fried Chicken restaurant in the Hyatt Hotel in downtown Niagara Falls.
Hammer & Crown BC	33,000	33,000	3/22/2023	To Be Disbursed	0.00		Kitchen buildout, bar and dining area remodeling.
To Date Sub-Total	<u>4,414,034</u>	<u>783,000</u>			<u>3,198,117.34</u>		

Cash on hand as of 2/28/2026 1,730,556.65

Less: Outstanding Awards (783,000.00)

Available for awarding grants 947,556.65

Grant Fund Balance -

Grant Funding from NYS 11/22/2016 1,600,000.00

Grant Funding from NYS 10/16/2017 1,440,000.00

Grant Funding from NYS 10/12/2018 1,600,000.00

Bank Interest 288,717.25

Bank Fees (43.26)

Grant Disbursements (3,198,117.34)

Grant Fund Balance 1,730,556.65

6.2.1
ANNUAL
BOARD
EVALUATIONS

**2025 Summary of NCIDA, NCDC, and NADC
Confidential Evaluation of Board Performance**

Criteria	Agree	Somewhat Agree	Somewhat Disagree	Disagree
Board members have a shared understanding of the mission and purpose of the Authority.	7			
The policies, practices and decisions of the Board are always consistent with this mission.	7			
Board members comprehend their role and fiduciary responsibilities and hold themselves and each other to these principals.	7			
The Board has adopted policies, by-laws, and practices for the effective governance, management and operations of the Authority and reviews these annually.	7			
The Board sets clear and measurable performance goals for the Authority that contribute to accomplishing its mission.	7			
The decisions made by Board members are arrived at through independent judgment and deliberation, free of political influence, pressure or self-interest.	7			
Individual Board members communicate effectively with executive staff so as to be well informed on the status of all important issues.	7			
Board members are knowledgeable about the Authority's programs, financial statements, reporting requirements, and other transactions.	7			
The Board meets to review and approve all documents and reports prior to public release and is confident that the information being presented is accurate and complete.	7			
The Board knows the statutory obligations of the Authority and if the Authority is in compliance with state law.	6	1		
Board and committee meetings facilitate open, deliberate and through discussion, and the active participation of members.	7			
Board members have sufficient opportunity to research, discuss, question and prepare before decisions are made and votes taken.	7			
Individual Board members feel empowered to delay votes, defer agenda items, or table actions if they feel additional information or discussion is required.	7			

The Board exercises appropriate oversight of the CEO and other executive staff, including setting performance expectations and reviewing performance annually.	7			
The Board has identified the areas of most risk to the Authority and works with management to implement risk mitigation strategies before problems occur.	6	1		
Board members demonstrate leadership and vision and work respectfully with each other.	6	1		

7.3

**COMMITTEE
MEMBERS**

**Niagara County Industrial Development Agency
Niagara County Development Corporation
Niagara Area Development Corporation
Committee Members
2026**

Audit & Finance Committee

Jason Krempa, Chairperson
Ryan Mahoney
William Fekete

Governance Committee

William L. Ross, Chairperson
David J. Masse
Mark Berube

NCDC Loan Committee/Micro Grant Committee

Jason Krempa, Chairperson
Mark Onesi, NCIDA Board Chairman
Michael Taylor, Pursuit Lending
VACANCY, Accountant
Eric C. Tudor, Coldwell Bank Meridian
Kevin McMullen, Small Business Owner
Andrea L. Klyczek, NCIDA Executive Director

Cataract Grant Fund

Honorable Robert G. Ortt, NYS Senator – 62nd District
Honorable Angelo J. Morinello, NYS Assembly – 145th District
Mayor Robert Restaino, City of Niagara Falls
Mark Onesi, NCIDA Chairman
William L. Ross, NCIDA Board Member
Paul Brown, President, NC Building Trades Council
Andrea L. Klyczek, NCIDA Executive Director

7.4

BOARD

MEETING

DATES

NCIDA BOARD MEETING DATES FOR 2026

2nd Wednesday of the Month
(All Meetings begin at 9 a.m.)

January 14, 2026

February 18, 2026
(3rd Wednesday)

****March 18, 2026****
(3rd Wednesday)

April 8, 2026

May 13, 2026

June 10, 2026

July 8, 2026

August 12, 2026

September 9, 2026

October 14, 2026

****November 18, 2026****
(3rd Wednesday)

December 9, 2026

**A Finance and Audit Committee Meeting is held prior to all Board Meetings
at 8:45 a.m.**

All Board Members are welcome to attend this meeting as well.

2026 NCIDA Governance Committee Meetings

Governance Committee Meetings are held at least once a year;

Additional meetings as needed.

7.5.1

FINANCE & AUDIT COMMITTEE CHARTER

&

GOVERNANCE COMMITTEE CHARTER

NIAGARA COUNTY INDUSTRIAL DEVELOPMENT AGENCY ("NCIDA")

FINANCE & AUDIT COMMITTEE CHARTER

This Charter shall also serve as the charter for the Financial & Audit Committee of the Niagara County Industrial Development Agency ("Agency"), upon approval by the Board of the corporation.

ARTICLE I Core Functions

The core functions of the Financial & Audit Committee are set forth include: (i) providing assistance to members of the Agency in fulfilling their fiduciary responsibilities relating to accounting, reporting and regulatory compliance practices; (ii) maintaining, by way of regularly scheduled meetings, a direct line of communication between the members of the Agency and the Agency's independent accountants and auditors to provide for exchanges of views and information; (iii) maintaining, as appropriate, a direct line of communication between the members of the Agency and the governmental authorities having audit authority or fiscal oversight of the Agency; (iv) approving the budget of the Agency for submission to the Board; (v) approving and/or directing the transfers of moneys under the budget; and (vi) recommending to the Board the level of cash reserves and the level of fund balances of the Agency.

ARTICLE II Composition

Members of the Financial & Audit Committee shall be appointed in accordance with the Bylaws. The Board shall designate one member of the Financial & Audit Committee to serve as chair of the Financial & Audit Committee. Each member of the Financial & Audit Committee shall serve for a term of one (1) year and until his or her successor shall be appointed and qualified.

At least three members of the Financial & Audit Committee must be an "independent member" within the meaning of, and to the extent required by, Section 2825 of the New York Public Authorities Law, as amended from time to time. Financial & Audit Committee members shall be prohibited from being an employee of the Agency or an immediate family member of an employee of the Agency. Members of the Financial & Audit Committee shall not engage in any private business transactions with the Agency or receive compensation from any private entity that has material business relationships with the Agency, or be an immediate family member or an individual that engages in private business transactions with the Agency or receives compensation from an entity that has material business relationships with the Agency. In addition, Financial & Audit Committee members who are members of the Agency shall comply

with the conflict of interest provisions applicable to public officers under Article 18 of the New York General Municipal Law.

ARTICLE III Committee Meetings

The Financial & Audit Committee will meet a minimum of twice each calendar year (at least once prior to the commencement of the annual audit process and once after completion of the annual audit process). Additional meetings may be necessary or appropriate to adequately fulfill the obligations and duties outlined in this Charter. All committee members are expected to attend each meeting, in person or via videoconference. The Financial & Audit Committee may invite other individuals, such as members of management, auditors or other technical experts to attend meetings and provide pertinent information, as necessary.

Meeting notices and agendas will be prepared for each meeting and provided to Financial & Audit Committee members by electronic or regular mail at least five (5) days in advance of the scheduled meeting. A quorum of the Finance & Audit Committee shall consist of a majority of the members then serving on the Finance & Audit Committee. The affirmative vote of a majority of the members then serving on the Finance & Audit Committee shall constitute an act of the Financial & Audit Committee. Minutes of all meetings shall be recorded by the Secretary or any Assistant Secretary of the Agency. All meetings shall comply with the requirements of the Open Meetings Law.

ARTICLE IV Committee Responsibilities

The Finance & Audit Committee shall have responsibilities related: (a) the independent auditor and annual financial statements; (b) oversight of management's internal controls, compliance and risk assessment practices; (c) special investigations and whistleblower policies; (d) miscellaneous issues related to the financial practices of the Agency; and (e) shall review proposals for the issuance of debt by the Agency and make recommendations regarding such proposed debt issuance.

A. Independent Auditors and Financial Statements

The Finance & Audit Committee shall:

- (i) Recommend to the Board the hiring of independent auditors, establish the compensation to be paid to the auditors retained by the Agency and provide oversight of the audit services provided by the independent auditor.
- (ii) Establish procedures for the engagement of the independent auditor to provide permitted audit services. The Agency's independent auditor shall be prohibited from providing non-audit services unless having received previous written approval from the Finance & Audit Committee. Non-

audit services include tasks that directly support the Agency's operations, such as (a) bookkeeping or other services related to the accounting records or financial statements of the Agency; (b) financial information systems design and implementation; (c) appraisal or valuation services, fairness opinions, or contribution-in-kind reports; (d) actuarial services; (e) internal audit outsourcing services; (f) management functions or human resource services; (g) broker or dealer, investment advisor, or investment banking services; and (h) legal services and expert services unrelated to the audit function.

- (iii) Review and approval the Agency's audited financial statements, associated management letter and all other auditor communications.
- (iv) Review significant accounting and reporting issues, including complex or unusual transactions and management decisions, and recent professional and regulatory pronouncements, and understand their impact on the financial statements of the Agency.
- (v) Meeting with the Agency's independent auditor at least annually to discuss the financial statements of the Agency, and on an as-needed basis to discuss any significant issues that may have surfaced during the course of the audit.
- (vi) Review and discuss any significant risks reported in the independent audit findings and recommendations and assess the responsiveness and timeliness of management's follow-up activities pertaining to the same.

B. Internal Controls, Compliance and Risk Assessment

The Finance & Audit Committee shall review management's assessment of the effectiveness of the Agency's internal controls and review the actions taken by management on the independent accountants' and auditors' suggestions for correcting weaknesses, if any, in the Agency's internal controls, regulatory compliance, organizational structure and operations, and if applicable, any weaknesses noted.

C. Special Investigations

The Finance & Audit Committee shall:

- (i) Ensure that the Agency has an appropriate confidential mechanism for individuals to report suspected fraudulent activities, allegations of corruption, fraud, criminal activity, conflicts of interest or abuse by the directors, officers or employees of the Agency or any persons having business dealings with the Agency or breaches of internal control.
- (ii) Develop procedures for the receipt, retention, investigation and/or referral of complaints concerning accounting, internal controls and auditing.

- (iii) Request and oversee special investigations as needed and/or refer specific issues to the Board or appropriate committee of the Board for further investigation.

D. Other Responsibilities

The Finance & Audit Committee shall obtain information and training needed to enhance the committee members' understanding of the role of the independent auditor, the risk management process, internal controls and a certain level of familiarity in financial reporting standards and processes.

E. Debt Issuance

The Finance & Audit Committee shall review proposals for the issuance of debt and make recommendations regarding such proposed debt issuance.

ARTICLE V
Committee Reports

The Finance & Audit Committee shall:

- A. Report its actions and recommendations to the Board at each regular meeting of the Board following a meeting of the Finance & Audit Committee and when otherwise requested by the Board;
- B. Report to the Board, at least annually, regarding any proposed changes to this Charter;
- C. Provide a self-evaluation of the Finance & Audit Committee's functions to the Board on an annual basis; and
- D. Report to the Board on a periodic basis, at least annually, the findings of its independent auditors. These reports shall include careful consideration of the actions taken by management on the independent auditors' suggestions for correcting weaknesses, if any, in the Agency's internal controls, regulatory compliance, organizational structure and operations. These reports may include the adequacy of the audit effort by the Agency's independent auditors, the financial and regulatory compliance reporting decisions of management, the adequacy of disclosure of information essential to a fair presentation of the financial affairs and regulatory compliance efforts of the Agency, and the organization and quality of the Agency's system of management and internal accounting controls.

ARTICLE VI
Amendments

This Charter may be amended upon affirmative vote of a majority of the Board of the Agency.

NIAGARA COUNTY INDUSTRIAL DEVELOPMENT AGENCY ("NCIDA")

GOVERNANCE COMMITTEE CHARTER

This Charter shall also serve as the charter for the Governance Committee of the Niagara County Industrial Development Agency ("Agency"), upon approval by the Board of the corporation.

ARTICLE I

Establishment of Governance Committee; Core Responsibilities

The Board of Directors of the Agency authorized the establishment of the Governance Committee. The core responsibilities of the Governance Committee, as mandated under Section 2824(7) of the New York Public Authorities Law, include: (i) keeping the Board informed of current best governance practices; (ii) reviewing corporate governance trends; (iii) updating the Agency's corporate governance principles; and (iv) advising those responsible for appointing members to the Board on the skills and experiences necessary required of potential Board members.

ARTICLE II

Composition of the Governance Committee

The members of the Governance Committee shall be appointed in accordance with the Bylaws. Individuals appointed to the Governance Committee should be knowledgeable, or have expressed a willingness to become knowledgeable, in manners pertaining to governance. The Board shall designate one member of the Governance Committee to serve as chair of the Governance Committee. Each member of the Governance Committee shall serve for a term of one (1) year and until his or her successor shall be appointed and qualified.

At least three members of the Governance Committee must be an "independent member" within the meaning of, and to the extent required by, Section 2825 of the New York Public Authorities Law, as amended from time to time. Governance Committee members shall be prohibited from being an employee of the Agency or an immediate family member of an employee of the Agency. Members of the Governance Committee shall not engage in any private business transactions with the Agency or receive compensation from any private entity that has material business relationships with the Agency, or be an immediate family member or an individual that engages in private business transactions with the Agency or receives compensation from an entity that has material business relationships with the Agency. In addition, Governance Committee members who are members of the Agency shall comply with the conflict of interest provisions applicable to public officers under Article 18 of the New York General Municipal Law.

ARTICLE III
Committee Meetings

The Governance Committee will meet a minimum of once (1) each calendar year. Additional meetings may be necessary or appropriate to adequately fulfill the obligations and duties outlined in this Charter. All committee members are expected to attend each meeting in person or via videoconference.

Meeting notices and agendas will be prepared for each meeting and provided to Governance Committee members by electronic or regular mail at least five (5) days in advance of the scheduled meeting. A quorum of the Governance Committee shall consist of a majority of the members then serving on the Governance Committee. The affirmative vote of a majority of the members then serving on the Governance Committee shall constitute an act of the Governance Committee. Minutes of all meetings shall be recorded by the Secretary or any Assistant Secretary of the Agency. All meetings shall comply with the requirements of the Open Meetings Law.

ARTICLE IV
Committee Duties and Responsibilities

To accomplish the objectives of good governance and accountability, the Governance Committee has the following responsibilities as set forth below:

- A. The Board of Directors has delegated to the Governance Committee the responsibility to review, develop, draft, revise or oversee policies and practices for which the Governance Committee has specific expertise, as follows:
- (i) Develop the Agency's governance practices, which should address transparency, independence, accountability, fiduciary responsibilities and management oversight;
 - (ii) Develop a statement of the competencies and personal attributes required of Board members to assist those authorized to appoint members to the Board in identifying qualified individuals (it being acknowledged that membership in the Agency is determined pursuant to Section 891-a of the General Municipal Law);
 - (iii) Develop and recommend to the Board any revisions to the number and/or structure of Board committees;

- (iv) Develop and provide recommendations to the Board regarding Board member education, including new member orientation and regularly scheduled Board member training to be obtained from state-approved trainers as required under Section 2824(2) of the New York Public Authorities Law;
 - (v) Examine ethical and conflicts of interest; and
 - (vi) Perform full Board self-evaluations.
- B. The Governance Committee shall develop, review and recommend to the Board the adoption and/or revisions to the following:
- (i) The Agency's Code of Ethics;
 - (ii) Written policies regarding conflicts of interest;
 - (iii) Written policies regarding the protection of whistleblowers from retaliation;
 - (iv) Equal opportunity and affirmative action policies;
 - (v) Written policies regarding procurement of goods and services, including policies relating to the disclosure of persons who attempt to influence the Agency's procurement process;
 - (vi) Written policies regarding the disposition of real and personal property and the acquisition of property;
 - (vii) Committee charters, including this Charter; and
 - (viii) Any other policies or documents relating to the governance of the Agency, including rules and procedures for conducting the business of the Agency's Board, including the Agency's Bylaws. The Governance Committee will oversee the implementation and effectiveness of the Bylaws and other governance documents and recommend modifications to the Board as necessary or appropriate.

ARTICLE V

Committee Reports

The Governance Committee shall:

- A. Report its actions and recommendations to the Board at each regular meeting of the Board following a meeting of the Governance Committee and when otherwise requested by the Board;

- B. Report to the Board, at least annually, regarding any proposed changes to this Charter; and
- C. Provide a self-evaluation of the Governance Committee's functions to the Board on an annual basis.

ARTICLE VI
Amendments

This Charter may be amended upon affirmative vote of a majority of the Board of the Agency.

7.6

MISSION

STATEMENT

MISSION STATEMENT

The Mission of the Niagara County Industrial Development Agency (“Agency”) is to undertake projects and programmatic initiatives in furtherance of and to advance the job opportunities, health, general prosperity and economic welfare of the people of the County and to improve their recreation opportunities, prosperity and standard of living. In addition, and in doing so, the Agency shall adhere to its adopted policies and applicable statutory requirements, including PAAA, PARA, OML, FOIL, and SEQRA. Further, and in accordance with GML Section 916-a, the Agency shall take into consideration the local zoning and planning regulations as well as the regional and local comprehensive land use plans. The Agency’s goals include continued compliance with current obligations and responsibilities associated with ongoing projects and programs, in addition to identifying new projects and programs that will achieve the Agency’s purposes and Mission. With these stated goals established, the Agency’s values are to maintain the highest ethical standards applicable to public officials and public benefit corporations.

7.7

**UNIFORM
TAX-EXEMPT
POLICY**

NIAGARA COUNTY INDUSTRIAL DEVELOPMENT AGENCY UNIFORM TAX EXEMPTION POLICY AND GUIDELINES

Pursuant to the authority vested in it by Article 18-A of the General Municipal Law of the State of New York, the Niagara County Industrial Development Agency (the Agency”) is exempt from real property, sales and mortgage taxes. The Agency may participate in certain projects and confer on those projects the advantages of such exemptions to encourage project success and enhance a project’s ability to provide a positive impact on the economy and people of the County of Niagara (“County”). The Agency may provide financial assistance in the form of issuance of its tax-exempt or taxable bonds or by participation in straight lease transactions. The general policy of the Agency is to grant applicants financial assistance in the form of real property tax abatements and exemptions from sales, use and mortgage recording taxes to promote economic development, prevent economic deterioration and advance job opportunities and the general prosperity and economic welfare of the people of the County through the creation or retention of jobs, and the expansion and diversification of the County’s tax base.

I. Qualifications

In order to be eligible for Agency benefits, the applicant must demonstrate to the satisfaction of the Agency’s Board of Directors the following:

1. That there is a need within the County for the project or the services offered by the applicant; and/or
2. That the project will lead to the creation or retention of jobs and investment; the project will expand and diversify the County’s tax base or the project will prevent economic deterioration in the County, or the project will add to the general prosperity and economic welfare of the people of the County; and/or
3. That the benefits derived by the transaction are necessary to induce and encourage the construction, expansion and retention of the project in the County.

The Agency has adopted this Uniform Tax Exemption policy to provide the applicant guidelines for the claiming of real property, sales and use tax and mortgage recording tax abatements.

II. Exemption from Real Property Taxes: Payments in Lieu of Taxes

The Agency maintains a policy for the provision of real property tax exemptions. Each project receiving an abatement will be subject to a Payment In Lieu Of Tax Agreement (“PILOT Agreement”) in a form acceptable to the Agency. The abatement may be for new construction or renovation of the existing improvement. The payments under a PILOT Agreement will involve a phase in to a full tax equivalent over a period of twenty (20) years or less depending on the needs of the Project as determined solely by the Agency’s Board of Directors (“Board”).

Any deviations from the standard policy will be made only with the specific approval of the Agency's Board after giving consideration to one or more factors listed in Section VI, below, and those described in the New York State General Municipal Law Section 874(4)(a). The above factors are for Board member consideration only. Additionally, the Agency shall notify the affected local taxing jurisdictions of the proposed deviation from such policy and the reasons therefore.

The Agency will use existing tax data to negotiate the payment in lieu of tax agreement and, therefore, appraisals will not normally be required.

A copy of the PILOT Agreement will be forwarded to each of the affected taxing jurisdictions within fifteen (15) days of complete execution. Unless otherwise agreed by the affected taxing jurisdictions, such payments shall be allocated among the affected taxing jurisdictions in proportion to the amount of real property tax and other taxes which would have been received by each affected taxing jurisdiction had the project not been tax exempt due to the status of the Agency being involved in the project.

Pursuant to Section 874 of the New York General Municipal Law and Section 412-a of the Real Property Tax Law, no real estate tax exemption with respect to a particular project shall be effective until an Exemption Form is filed with the assessor of the county, city, town, village and school district in which such project is located (each, a "Taxing Jurisdiction"). Once an exemption form with respect to a particular project is filed with a particular Taxing Jurisdiction, the real property tax exemption for such project does not take effect until (1) a tax status date for such Taxing Jurisdiction occurs subsequent to such filing, (2) an assessment roll for such Taxing Jurisdiction is finalized subsequent to such tax status date, (3) such assessment roll becomes the basis for the preparation of a tax roll for such Taxing Jurisdiction, and (4) the tax year to which such tax roll relates commences.

III. Exemption from Sales and Use Taxes

The Agency maintains a policy for the provision of sales and use tax exemptions.

Personal property that is purchased in connection with a qualified project shall be exempt from local and State sales and use taxes for the period commencing on the date the Agent and Financial Services and Project Agreement are fully executed and ending on the date (as such date may be extended in the sole discretion of the Agency) by which project documents require completion to occur in respect of the undertaking of the project or other project activities. For purposes of this exemption, "personal property" may include building materials, fixtures, furnishings and equipment, as well as certain services that may relate to any of the foregoing, provided that such purchases and equipment rentals and services are made by an entity as agent for the Agency. As such, such purchases will then be afforded full exemption from local and New York State Sales and Use Taxes until the project is completed (ie. certificate of occupancy). Operating and maintenance expenses of projects are not incurred as agent of the Agency, and no sales tax exemption is provided thereof.

All project applicants must agree in writing to file with the New York State Department of Taxation, in form and at times required, an annual statement of the value of all sales and use taxes exemption claimed in connection with the facility in full compliance with Section 874(8) of the General Municipal Law.

IV. Exemption from Mortgage Recording Taxes

The Agency maintains a policy for the provision of a mortgage recording tax exemption.

The Agency's Mortgage Recording Tax Exemption policy is to permit mortgage recording tax exemptions on all project related financing to the full extent permitted by New York State Law, whether or not the Agency has issued its bonds to finance the Project. The Agency's Mortgage Recording Tax Exemption will be granted for the life of the project commencing upon the initial closing.

In addition, the Agency may, in its sole discretion, permit mortgage recording tax exemptions on non-project related financings, (eg. second mortgages on the project to secure subordinated indebtedness of the project applicant). In determining whether to permit such exemptions on non-project related financing, the Agency shall consider such factors as it deems appropriate, including but not limited to the use of the property, the degree of investment, the degree and nature of the employment and the economic condition of the areas in which the facility is located.

V. PILOT Mortgage

The Agency shall require the establishment of a PILOT Mortgage as a condition within the closing documents in order to create a secured position for PILOT payments versus an unsecured claim. The purpose of a PILOT Mortgage is to secure unpaid PILOT payments with a lien against the project real estate. The Agency may negotiate alternative forms of security to insure payments under the PILOT.

VI. Deviations

An Industrial Development Agency is required under Article 18-A of the New York General Municipal Law to establish a procedure for deviation from its uniform tax exemption policy. The Agency may determine, on a case-by-case basis, to deviate from the guidelines and policies established herein. In addition to those factors referenced herein in Section II, the Agency shall also consider the following:

- (1) Economy: Local and regional economic conditions at the time of application;
- (2) Jobs: The extent to which the project will directly create or retain permanent private sector jobs as well as "temporary" jobs during the construction period. In addition, the level of secondary "multiplier" jobs that will be created or retained as a result of the project.

- (3) Project Cost/Payroll: Level of direct annual payroll that results from the project as well as secondary “multiplier” payroll and payroll during the initial construction period.
- (4) Project Purpose: Type of industrial or commercial activity proposed for the facility.
- (5) Site Alternatives: Likelihood that the project will locate elsewhere resulting in subsequent real economic losses for retention projects and possible failure to realize future economic benefits for attraction projects.
- (6) Project Location: Nature of the property before the project (vacant land, vacant buildings, distressed community, Economic Development Zone).
- (7) Project Benefits: Amount of private sector investment as a result of the project and the level of additional revenues for local taxing jurisdictions.
- (8) Project Costs: Impact of the project and the proposed abatements/exemptions on local taxing jurisdictions and extent to which project will require additional services from local government entities.

The Agency shall set forth in writing the reasons for the deviation from such policy, and shall further notify the affected local taxing jurisdictions of the proposed deviation from such policy and the reasons therefor.

VII. Termination and Recapture of Benefits

The Agency, in its sole discretion and on a project-by-project basis, may determine (but shall not be required to do so) that a project has failed to meet its intended goals and may require the recapture of the value of any or all exemptions from taxation granted with respect to the project by virtue of the Agency's involvement. The Agency has adopted a Termination and Recapture Policy. Events, in the sole determination of the Agency, that trigger recapture may include, but are not limited to, the:

1. Sale or closure of facility;
2. Significant employment reduction or failure to reach employment obligations;
3. Significant change in use of Facility;
4. Significant deficiencies in achievement of economic benefits as described in the Application (as defined in the Agent Agreement) and the failure of the Company to provide an explanation satisfactory to the Agency for such deficiencies;
5. Significant change in business activities or project applicant or operator; or
6. Material noncompliance with or breach of terms of Agency transaction documents or of zoning or land use laws or regulations or federal, state or local environmental laws or regulations.

If the Agency determines to provide for the recapture with respect to a particular project, the Agency also shall, in its sole discretion and on a case-by-case basis, determine the timing and percentage of recapture.

In the event that the Agency shall determine (i) that a project applicant has submitted an application or documentation in support of an application, which contained a false or misleading statement as to any fact which is material to the project applicant's application for benefits or which omitted any information which, if included, would have rendered any information in the application or supporting documentation false or misleading in any material respect, and (ii) that such false or misleading statement or omission was made knowingly and intentionally for the purpose of obtaining financial assistance, then the project applicant shall forfeit any future tax exemptions or abatements and shall be required to pay to the appropriate taxing authority the amount of any real property, mortgage or sales tax abatements or exemptions received. The amount of benefits recaptured shall be: (i) for real property taxes, the difference between the amount of payment in lieu of taxes paid and the amount that would have been paid in real estate taxes if the Agency did not have an interest in the project; (ii) for sales taxes, the value of the sales tax exemption received and (iii) for the mortgage tax, the value of any mortgage recording tax for which an exemption was granted.

VIII. Effective Date

This Uniform Tax Exemption Policy is reaffirmed annually at the Agency's Annual meeting.

IX. Amendments

The Agency, by resolution of its Board, as may be required by law, may amend or modify the foregoing policy as it may, from time to time, in its sole discretion determine need.

7.11
RISK
ASSESSMENT
LETTER

RISK ASSESSMENT AND RISK MANAGEMENT LETTER

**For Fiscal Year Ending
December 31, 2025**

Executive Summary

The underlying premise of risk management is that every organizational entity exists to provide value for its beneficiaries, stakeholders, stockholders, or owners. All organizational entities have varying degrees of uncertainty to accept as it grows that value. Uncertainty presents both risk and opportunity, with the potential to erode or enhance value. Risk management enables the organizational entity to effectively deal with uncertainty and the associated risk and opportunity, thereby enhancing the capacity to build value.

Value is enhanced when planned for by setting objectives enabling a balance between growth and return on assets and related risks while efficiently and effectively utilizing organizational resources.

The assessment of probability of risk and the planning of the appropriate mitigation actions in order to limit risk can be further enhanced by the procurement of commercial liability insurance. The Agency has developed an insurance package with coverage for employee practices and public officials; bond for criminal; errors and omissions (professional and lender liability); general liability umbrella; multi-tenant facility properties contents and liability.

Risk management helps ensure effective reporting, regulatory compliance and assists in prevention of adverse public perception and any associated consequences. In summary, risk management provides additional opportunity for an organizational entity in avoidance of pitfalls and surprises enabling further enhancement of creating value.

Sincerely,

**Niagara County Industrial Development Agency (“NCIDA”)
And its Component Units
The Niagara County Development Corporation (“NCDC”)
And
The Niagara Area Development Corporation (“NADC”)**

Mark A. Onesi, Chairperson

Andrea L. Klyczek, Executive Director & Treasurer

Risk Assessment

1. Generation of annual revenues from a concentration of receivables creating a dependency on large projects from the traditional core industrial/manufacturing, as well as assembly, warehousing and wholesale distribution sectors.
 - a. Risk Rating: Moderate
2. Recognizing annual expenses and effective cost containment.
 - a. Risk Rating: Low/Moderate
3. Identification of operational liabilities from external and internal activities.
 - a. Risk Rating: Moderate
4. Effective recognition of tangible and intangible assets with efficient utilization.
 - a. Risk Rating: Moderate
5. Economies of scale: Regional, Domestic, Global
 - a. Risk Rating: Moderate
6. Internal Controls:
 - a. Risk Rating: Low

Risk Management

1. Concentration of receivables is a common risk assessment relative to annual revenue recognition. Mitigation of risk can be found in the diversification of project type through transitioning from traditional core project activities of manufacturing, assembly, warehousing and wholesale distribution.

The Agency and its component units, the Niagara County Development Corporation (“NCDC”) and the Niagara Area Development Corporation (“NADC”), have diversified the core project base of economic development projects to include the below named:

- Retirement Communities; and
- Aged Person Projects; and
- Retail Projects; and
- Technology Based; and
- Commercial Services; and
- Medical Facilities; and
- Environmental/Alternative Energy (Green Industry); and
- Increased Income Sources from Program Income; and
- Administrative Fees, and Multi-tenant Facility Activities; and
- Not-for- Profits (Hospitals, Colleges)

Fiscal Year 2025 had 11 Projects close, representing approximately \$59,990,981 in capital investments, resulting in 160 new jobs to be created. Total operating revenues reported for Fiscal year 2025, inclusive of the Agency’s Component Units, was \$3,160,166 with total operating expenses of \$3,218,948 resulting in operating loss of \$58,782 as compared to the prior fiscal period with operating income of \$605,898. The operating loss for Fiscal year 2025 was due in part from the loss of rental income due to vacancies in one of the Agency owned and operated multitenant buildings.

Risk Management Continued

2. Defining expenses from operational and non-operational activities, as well as effective cost containment is critical to prudent fiscal management.

The risk rating is low/moderate due to the Agency's development and implementation of a successful budget process inclusive of revenue and expense tracking, periodic reporting and monitoring budget variances to actual revenue and expense line items.

3. Defining and recognizing operational liabilities are essential to risk management and preservation of Agency assets.

Activities that merit recognition are those associated with the Lease/IRB portfolio, Revolving Loan Fund ("RLF") portfolio, three multi-tenant facilities, development of Vantage International Pointe Park, as well as grant program administration, audit compliance issues under the Federal Sarbane/Oxley Act of 2002, the New York State Public Authorities Accountability Acts of 2005, and the Public Authorities Reform Act of 2009.

Mitigation of risk is identified in the following management activities:

- Continued implementation of project origination and review procedures as determined by Agency Counsel at the direction of the Board enabling Staff's recommendations to the Board of Directors.
- Continued implementation of Revolving Loan Fund Management Plan(s) defining eligible lending activities and project costs as defined by the applicable capitalization source with terms and conditions of the commitment to lend as determined by a financial analysis and a loan review process enabling the appropriate recommendations for approval or declination to the NCDC Board of Directors.
- Facilities management has been implemented by common Lease Agreements with indemnification provisions, evidence of the appropriate commercial liability insurance, property maintenance and capital improvement programs as administered by experienced staff.

Management of Vantage International Pointe Park has been premised on the determination of the highest and best use of the real estate relative to established economic development criteria.

Facilitation of the aforementioned is by terms and conditions as put forth in a land purchase agreement inclusive of defining eligible land uses and development as further implemented in deed restrictions enabling the proper monitoring of development projects within the park.

4. The effective and efficient use of an organization's fixed (tangible) assets, as well as the skill sets of its employees (intangible) will result in an acceptable return on asset and increased revenue producing activities.

The Agency's Return on Assets (ROA) has been improving over the past several fiscal periods as evidenced by one hundred percent (100%) Multi-tenant Facilities ("MTF") occupancy rate, thus resulting in excess revenues over expenses for the MTFs.

5. The cyclical nature of the economies of scale, whether regional, domestic, or global, directly affects the Agency's ability to generate and sustain cash flow.

The Agency has mitigated risk by increasing reserve positions to compensate for non-revenue producing periods.

Risk Management Continued

As a result of the cyclical nature of the Agency's revenue producing activities, the Agency has established "reserve funds" from prior fiscal periods' excess operating revenues over expenses for the purpose of funding cash flow or off setting operating losses.

6. Risk Assessment can be associated with internal controls identified in four different areas:
 1. Cash Receipts and Accounts Receivable
 2. Cash Disbursements and Accounts Payable
 3. Payroll
 4. Board/Committee Oversight

Risk Mitigation is found in the establishment of internal control procedures and the implementation of said procedures as described below:

Cash Receipts & Accounts Receivable Processing

Handling of cash is restricted to a small amount of petty cash requiring a sign-off by two (2) individuals. Receipts (checks) are logged into a check register by the individual responsible for opening and distribution of the daily mail.

The checks, with the check register, are then given to the accounting staff for posting to the General Ledger and preparation for deposit to the appropriate bank account.

The Director of Finance and Real Estate then reviews the General Ledger postings and reconciles deposits to the bank statements.

Cash Disbursements and Accounts Payable

Payables are processed on a weekly basis. Approval of payables originates with the applicable staff member's approval of the statement, billing or invoice, as well as providing the evidence of prior authorization.

The accounting staff then posts invoices to the General Ledger, a Purchase Journal is prepared and reviewed by the Director of Finance and Real Estate prior to submitting checks for authorized signatures.

Check disbursements are then reviewed by the Agency Treasurer and signed by two (2) authorized check signers on a weekly basis.

There is further review done by the Agency's financial consultant relative to the reconciliation of bank statements, general ledger and adjusting journal entries as prepared by the Director of Finance and Real Estate.

Risk Management Continued

Payroll

The bi-weekly payroll is prepared by the Director of Finance and Real Estate, via a payroll service. Payroll entry into the general ledger is done by the Director of Finance and Real Estate and is reviewed monthly by the Agency's financial consultant.

Board/Committee Oversight

Additional Board control is done on a monthly basis via staff reports to the Finance / Audit Committee for review and recommendation to the Board. The monthly reports are: cash disbursements, receivable aging, payable aging, budget variance, project income, and a balance sheet.

Annual Independent Auditor's Report

The Agency and its component unit's annual financial statements are audited in accordance with standards applicable to Governmental Auditing Standards issued by the Comptroller General of the United States. Those standards require that the Audit is planned and performed to obtain reasonable assurance that said financial statements are free of material misstatement.

The audit plan includes examining, on test basis, evidence supporting the amounts and disclosures in the financial statements. The annual audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

7.12
REAL
PROPERTY

**Niagara County Industrial Development Agency
Real Property Assessment for
Fiscal Year 2025**

Niagara Industrial Suites Multi-tenant Facility

Building: 50,000 square foot multi-tenant industrial building located at 2055 Niagara Falls Blvd. Niagara Falls, New York on a 6.1 acre parcel. Building is 40% leased to 2 tenants.

Funding:	<u>Sources of Funds</u>	<u>Uses of Funds</u>
	USDC – EDA (Grant) \$1,100,000	Bldg. Const. & Land \$1,983,000
	NCDC Loan 310,000	Arch., Eng. 74,000
	NYS JDA 700,000	Project Inspect. 43,000
	NCIDA 291,000	Admin. Expense 301,000
	NEDF <u>250,000</u>	Contingency <u>250,000</u>
	Total <u>\$2,651,000</u>	Total <u>\$2,651,000</u>

Additional Building & Other Improvements (1993-2025):

Building	\$238,443
Landscaping	\$ 66,629
Infrastructure	<u>\$ 42,235</u>
Total	<u>\$347,307</u>

Vantage Center Multi-tenant Facility

Building: 50,000 square foot industrial and multi-tenant building located at 6311 Inducon Corp. Drive, Vantage International Point, on 8.3 acres (675' x 535'). One hundred (100%) percent leased to several tenant companies.

Funding:	<u>Sources of Funds</u>	<u>Uses of Funds</u>
	USDC – EDA (Grant) \$1,000,000	Land Acquisition \$ 150,000
	Bank of America* 950,000	Arch., Eng. & Con Manag. 200,000
	NYS Job Development Au. 950,000	Building 3,545,000
	Niagara County (HUD Grant) 400,000	Contingency 175,000
	Niagara County IDA 675,000	Soft Costs 115,000
	NCDC Loan (NCIDA) <u>475,000</u>	Other <u>265,000</u>
	Total <u>\$4,450,000</u>	Total <u>\$4,450,000</u>

* Formerly Fleet Bank

**Niagara County Industrial Development Agency
Real Property Assessment for
Fiscal Year 2025**

Additional Building & Other Improvements (2001-2025):

Building	\$329,455
Building Improvements	\$151,004
Landscaping	\$ 8,625
Land Improvements	\$ 28,760
Infrastructure	\$ 67,862
<u>Total</u>	<u>\$585,706</u>

Vantage International Point Park

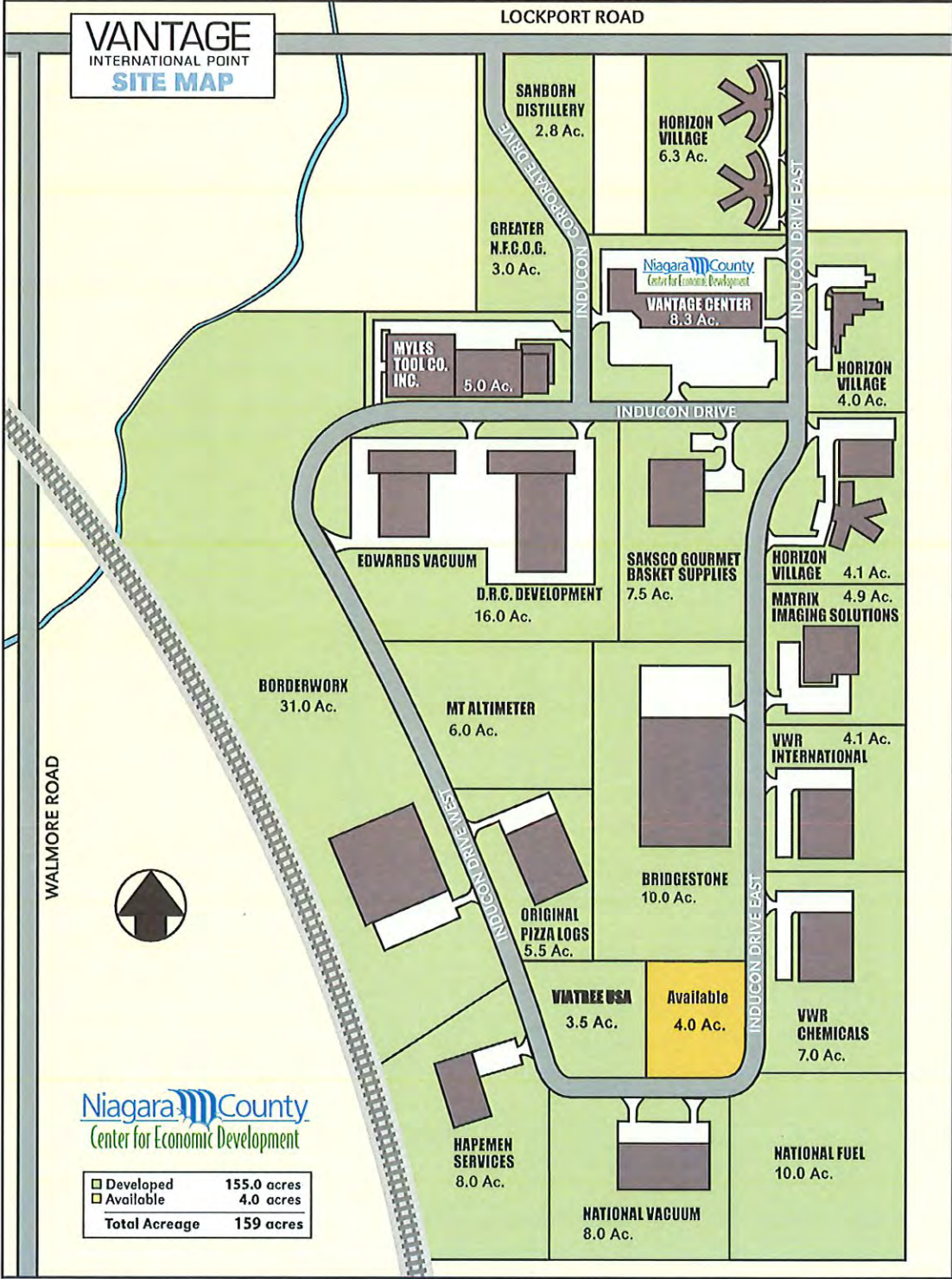
Under Existing Ownership:

Horizon	14.40 acres
Myles Tool	5.00 acres
NCIDA Vantage Center	8.30 acres
Matrix Imaging	4.90 acres
VWR International	4.10 acres
VWR Chemicals	7.00 acres
Saksco Gourmet Baskets	7.50 acres
National Fuel	10.00 acres
National Vacuum Environmental Services	8.00 acres
DRC Development LLC	16.00 acres
Hapeman Services	8.00 acres
MT Altimeter, LLC	6.00 acres
Original Pizza Logs	5.50 acres
Borderworx Logistics	31.00 acres
Vantage Point LLC (Bridgestone)	10.00 acres
Greater N.F.C.O.G.	3.00 acres
Leon Safir (Sanborn Distillery, Inc.)	2.80 acres
Viatree USA Inc.	3.50 acres

Total Developed 155.0 acres

See Attached Vantage International Point Site MAP

VANTAGE
INTERNATIONAL POINT
SITE MAP



Niagara County
Center for Economic Development

Developed	155.0 acres
Available	4.0 acres
Total Acreage	159 acres

7.13

**ANNUAL
INVESTMENT
REPORTS**

Niagara County Industrial Development Agency
Investment Report
For the year ended December 31, 2025

Niagara County Industrial Development Agency

2025 Investment Report

Purpose of Report:

Under Section 2925 of the Public Authorities Law, the NCIDA is required to prepare and approve an annual Investment Report. The Investment Report is to include: the investment guidelines (see below), the results of the annual independent investment audit (see below), a list of the total investment income received by the corporation and a list of the fees, commissions or other charges paid to each investment banker, broker, agent, dealer and advisor rendering investment associated services to the corporation since the last Investment Report.

The attached schedule details the corporation's investment income and related fees for the year ended December 31, 2025 and was approved by the NCIDA membership on March 18, 2026.

Investment Guidelines:

In accordance with Section 2925 of the Public Authorities Law, the NCIDA is required to adopt Investment Guidelines which detail its operative policy and instructions to staff regarding the investing, monitoring and reporting of funds of the Agency. In addition, the NCIDA is subject to the deposit and investment restrictions contained in Sections 10 and 11 of the General Municipal Law.

The Investment Guidelines were approved by the NCIDA membership on March 18, 2026 and are posted on the NCIDA website. The Investment Guidelines are consistent with the prior guidelines adopted on March 19, 2025.

Investment Audit:

The auditors for the NCIDA have audited the corporation's compliance with the Investment Guidelines for Public Authorities. In their report dated March 18, 2026, Lumsden & McCormick indicated that the Agency complied, in all material respects, with these investment guidelines.

Niagara County Industrial Development Agency (NCIDA)

Annual Investment Report

For the year ended December 31, 2025

Account Type	Financial Institution	G/L Balance 1/1/2025	G/L Balance 12/31/2025	Interest Rate** Dec 2025	2025			Restricted	Purpose
					Investment Income	Fees			
1 Corporate Checking	M&T Bank	117,231	170,877	0.00%	-	-	No	General operating account	
2 Municipal Money Market Savings	M&T Bank	73,689	248,847	2.00%	14,281	-	No	General cash reserves	
3 Certificate of Deposit	M&T Bank	2,500,000	2,671,925	3.42%	132,315	-	No	General cash reserves	
4 Municipal Checking With Interest	M&T Bank	66,447	66,740	0.25%	293	-	Yes	Grant funds - Unearned Revenue	
5 Municipal Checking With Interest	M&T Bank	823	2,213	0.25%	140	-	Yes	Grant funds - Unearned Revenue	
6 Municipal Money Market Savings	M&T Bank	268,998	389,228	2.00%	13,840	-	Yes	Grant funds - Unearned Revenue	
7 Certificate of Deposit	M&T Bank	2,500,000	1,337,855	3.42%	98,245	-	Yes	Grant funds - Unearned Revenue	
8 Corporate Checking	M&T Bank	197,204	170,155	0.00%	-	-	No	MTF general operating account	
9 Municipal Money Market Savings	M&T Bank	244,576	259,525	2.00%	4,949	-	No	MTF capital reserve account	
10 M&T Escrow Services	M&T Bank	24,749	24,761	0.05%	12	-	Yes	MTF escrow account	
11 Corporate Checking	M&T Bank	325,159	113,463	0.00%	-	-	No	VIP MTF general operating account	
12 Municipal Money Market Savings	M&T Bank	109,784	240,632	2.00%	6,354	-	No	VIP MTF capital reserve account	
13 Certificate of Deposit	M&T Bank	600,000	513,832	3.65%	28,325	-	No	VIP MTF capital reserve account	
14 M&T Escrow Services	M&T Bank	17,086	17,094	0.05%	9	-	Yes	VIP MTF escrow account	
		<u>\$7,045,746</u>	<u>\$6,227,147</u>		<u>\$298,763</u>	<u>\$0</u>			

Notes:

** The Interest Rate is the annualized rate for the month of December 2025 and is prior to the deduction of any fees.

Niagara County Development Corporation
Investment Report
For the year ended December 31, 2025

Niagara County Development Corporation

2025 Investment Report

Purpose of Report:

Under Section 2925 of the Public Authorities Law, the NCDC is required to prepare and approve an annual Investment Report. The Investment Report is to include: the investment guidelines (see below), the results of the annual independent investment audit (see below), a list of the total investment income received by the corporation and a list of the fees, commissions or other charges paid to each investment banker, broker, agent, dealer and advisor rendering investment associated services to the corporation since the last Investment Report.

The attached schedule details the corporation's investment income and related fees for the year ended December 31, 2025 and was approved by the NCDC membership on March 18, 2026.

Investment Guidelines:

In accordance with Section 2925 of the Public Authorities Law, the NCDC is required to adopt Investment Guidelines which detail its operative policy and instructions to staff regarding the investing, monitoring and reporting of funds of the NCDC. In addition, the NCDC is subject to the deposit and investment restrictions contained in Sections 10 and 11 of the General Municipal Law.

The Investment Guidelines were approved by the NCDC membership on March 18, 2026 and are posted on the NCIDA website. The Investment Guidelines are consistent with the prior guidelines adopted on March 19, 2025.

Investment Audit:

The auditors for the NCDC have audited the corporation's compliance with the Investment Guidelines for Public Authorities. In their report dated March 18, 2026, Lumsden & McCormick indicated that the NCDC complied, in all material respects, with these investment guidelines.

Niagara County Development Corporation (NCDC)

Annual Investment Report

For the year ended December 31, 2025

Account Type	Financial Institution	G/L Balance 1/1/2025	G/L Balance 12/31/2025	Interest Rate** Dec 2025	2025			Restricted	Purpose
					Investment Income	Fees			
1 Municipal Checking With Interest	M&T Bank	112,229	224,580	0.25%	1,516	-	No	HUD CDBG RLF General operating account	
2 Certificate of Deposit	M&T Bank	780,000	1,000,000	3.42%	18,691	-	No	HUD CDBG RLF General operating account	
3 Municipal Checking With Interest	M&T Bank	165,851	355,281	0.25%	1,896	-	No	EDA RLF General operating account	
4 Certificate of Deposit	M&T Bank	900,000	900,000	3.42%	21,605	-	No	EDA RLF General operating account	
5 Municipal Money Market Savings	M&T Bank	93,608	295,538	2.00%	3,624	-	Yes	EDA RLF Grant 2020 General operating account	
6 Corporate Checking	M&T Bank	75,380	78,692	0.00%	-	-	No	Micro III RLF General operating account	
7 Corporate Checking	M&T Bank	294,648	265,027	0.00%	-	-	No	Micro IV RLF General operating account	
		<u>\$2,421,716</u>	<u>\$3,119,118</u>		<u>\$47,332</u>	<u>\$0</u>			

Notes:

** The Interest Rate is the annualized rate for the month of December 2025 and is prior to the deduction of any fees.

Niagara Area Development Corporation
Investment Report
For the year ended December 31, 2025

Niagara Area Development Corporation

2025 Investment Report

Purpose of Report:

Under Section 2925 of the Public Authorities Law, the NADC is required to prepare and approve an annual Investment Report. The Investment Report is to include: the investment guidelines (see below), the results of the annual independent investment audit (see below), a list of the total investment income received by the corporation and a list of the fees, commissions or other charges paid to each investment banker, broker, agent, dealer and advisor rendering investment associated services to the corporation since the last Investment Report.

The attached schedule details the corporation's investment income and related fees for the year ended December 31, 2025 and was approved by the NADC membership on March 18, 2026.

Investment Guidelines:

In accordance with Section 2925 of the Public Authorities Law, the NADC is required to adopt Investment Guidelines which detail its operative policy and instructions to staff regarding the investing, monitoring and reporting of funds of the NADC. In addition, the NADC is subject to the deposit and investment restrictions contained in Sections 10 and 11 of the General Municipal Law.

The Investment Guidelines were approved by the NADC membership on March 18, 2026 and are posted on the NCIDA website. The Investment Guidelines are consistent with the prior guidelines adopted on March 19, 2025.

Investment Audit:

The auditors for the NADC have audited the corporation's compliance with the Investment Guidelines for Public Authorities. In their report dated March 18, 2026, Lumsden & McCormick indicated that the NADC complied, in all material respects, with these investment guidelines.

Niagara Area Development Corporation (NADC)

Annual Investment Report

For the year ended December 31, 2025

Account Type	Financial Institution	G/L Balance 1/1/2025	G/L Balance 12/31/2025	Interest Rate** Dec 2025	2025		Restricted	Purpose
					Investment Income	Fees		
Corporate Checking	M&T Bank	501	501	0.00%	-	-	No	General operating account
		<u>\$501</u>	<u>\$501</u>		<u>\$0</u>	<u>\$0</u>		

7.15
ANNUAL
REPORT
SUMMARIES

2025 Annual Report Summary

This report is being submitted in accordance with the PAAA of 2005.

Operations and Accomplishments

Operations

The Niagara County Industrial Development Agency (the “Agency”) is a public benefit corporation established by an act of the New York State Legislature in 1972 under Section 1916 of the General Municipal Law. The agency operates for the benefit of the County of Niagara and its populace to accomplish any or all of the purposes specified in Title 1 of Article 18A. Specific powers and duties are conferred to the agency with respect to the acquisition of real property, whether by purchase, condemnation or otherwise, within the corporate limits of the County of Niagara. All of the local zoning and planning regulations, as well as the regional and local comprehensive land use plans, are taken into consideration to carry out the duties of the agency.

Organized in a manner consistent with the statute, the Niagara County Legislature appoints a nine (9) member Board of Directors. This Board governs the IDA by establishing official policies, reviewing and approving requests for financial assistance. Operations and activities of the agency, its members, officers and employees are carried out in accordance with State law.

The Mission of the Agency is to undertake projects and programmatic initiatives in furtherance of and to advance the job opportunities, health, general prosperity and economic welfare of the people of the County and to improve their recreation opportunities, prosperity and standard of living. In addition, and in doing so, the Agency shall adhere to its adopted policies and applicable statutory requirements, including PAAA, PARA, OML, FOIL, and SEQRA. Further, and in accordance with GML Section 916-a, the Agency shall take into consideration the local zoning and planning regulations as well as the regional and local comprehensive land use plans. The Agency’s goals include continued compliance with current obligations and responsibilities associated with ongoing projects and programs, in addition to identifying new projects and programs that will achieve the Agency’s purposes and Mission. With these stated goals established, the Agency’s values are to maintain the highest ethical standards applicable to public officials and public benefit corporations.

Accomplishments

In 2025, the Agency closed on 11 new projects during the year.

- 1. Duncan Heating and Cooling** – will be expanding their business and capability, through the purchasing of additional equipment and machinery. This purchase will fulfill newly created jobs and increase the amount of business contracts. Capital investment for the project will be \$1,300,000 along with the creation of 12 jobs.

- 2. Shoaib & Sons-** will convert a vacant building in downtown Niagara Falls into a multi-level dining hub, with recognizable brands at street level (Church's Chicken, Carvel Ice Cream, Cinnabon Dessert Coffee), and the creation of a Mediterranean restaurant on the second floor. Capital investment for the project will be \$2,550,000 along with the creation of 30 jobs.
- 3. MT Altimeter-** will be completing the build out of an 80,000 square foot, state-of-the-art cold storage and micro-fulfillment facility. The facility will include 5 separate freezer storage areas, totaling 32,000 square feet and 4 separate coolers totaling 16,000 square feet. The remaining space will be able to accommodate dry goods as well. Capital investment for the project is \$13,450,000 and will create 8 jobs.
- 4. Rainbow Sweet Cravings-** Also known as Jamba Juice and Carvel Ice Cream, the project will create a dining attraction at the Wingate Hotel in downtown Niagara Falls, through the purchase of necessary equipment. Capital investment for the project is \$460,000 and will lead to the creation of 13 jobs.
- 5. Niagara's Krispy Crunchy Fried Chicken LLC-** Also known as Church's Chicken, the project will allow for the purchase of necessary equipment for a dining attraction in the Hyatt hotel in downtown Niagara Falls. Capital investment for the project will be \$410,000 and lead to the creation of 17 jobs.
- 6. Indian Ocean, LLC-** The project will be upgrading the existing Courtyard by Marriot hotel in downtown Niagara Falls with a 45,000 sf expansion, creating an additional 85-88 rooms in the tourism area. The expansion will include a new restaurant, patio space and a new façade. Capital investment for the project is \$10,000,000 and will lead to the creation of 8 jobs.
- 7. National Vacuum Environment Services Corp-** will be expanding their business and capability through the purchase of state-of-the-art equipment, consisting of an additional vacuum truck and combination sewer/flusher system. The purchase will lead to the creation of 6 additional jobs, with the capital investment being \$1,164,020.
- 8. Bogart Sinatra Development LLC-** the project will expand their facility at 1212 Erie Avenue with the addition of 2 new buildings, totaling 12,000 square feet, offering storage and business solutions for local companies. The capital investment is \$1,625,000 and will lead to the creation of 13 new jobs.
- 9. MGA Construction (Villas at Forest Parkway)-** will be creating a mixed use facility consisting of first floor retail and 20 market rate housing units above. The site will be 60,000 square feet in total, with a capital investment of \$11,027,000 and leading to the creation of 2 additional jobs.
- 10. Niagara Club, LLC-** the project will be restoring and renovating the historic Niagara Club building in downtown Niagara Falls. The restoration will consist of a banquet hall, bar and restaurant while maintaining the original 1930's charm of the location. The capital investment is \$2,004,961 and will create 21 new jobs.

11. Live-USA Incorporated- the project will be renovating the vacant, former Howard Johnson hotel in downtown Niagara Falls. The 80 unit hotel will include a music venue, celebrity endorsed restaurant and bar, featuring daily concerts and live events. Capital investment is \$16,000,000 and will lead to the creation of 42 new jobs.

Other Accomplishments

Niagara Area Development Corporation was created by the Niagara County IDA in 2011 to provide certain taxable and tax-exempt financial assistance on occasions where these incentives are no longer provided by the Agency, or in instances where the Agency's ability to assist economic development projects has been significantly limited. NADC's purpose, to promote the creation and preservation of employment opportunities, is in line with the IDA's overall objectives and, in some cases, we may deliver financial assistance in a more cost-effective manner through this not-for-profit corporation.

2025 Niagara County Industrial Development Agency Annual Report

CERTIFICATE OF CHAIRMAN AND THE EXECUTIVE DIRECTOR

Niagara County Industrial Development Agency

The undersigned, being the duly appointed Chairman and Executive Director of the Niagara County Industrial Development Agency (the “Agency”), hereby certify, pursuant to subdivision 3 of Section 2800 of the Public Authorities Law, as follows:

The financial information provided within the Annual Report of the Agency, dated as of March 19, 2025, is accurate, correct, and does not contain any untrue statement of material fact. The Annual Report does not omit any material fact which, if omitted, would cause the report to be misleading in light of the circumstances under which the report and any such statements made therein are made. The Annual Report fairly represents in all material respects the financial condition and results of operations of the Corporation as of, and for, the period presented in said report.

The Annual Report is hereby approved.

IN WITNESS WHEREOF, the undersigned Chairman and Executive Director have executed this Certificate as of the 18th day of March, 2026.

Mark A. Onesi, Chairman

Andrea L. Klyczek, Executive Director

2025 Annual Report Summary

This report is being submitted in accordance with the PAAA of 2005.

Operations and Accomplishments

Operations

The Niagara County Development Corporation (the “NCDC”) is a not-for-profit corporation established under Section 402 of the Not-for-Profit Corporation Law of New York. The NCDC operates for the benefit of Niagara County and its populace. Specific powers and duties are conferred to the NCDC, and such purposes are mandatory and exclusive upon this corporation pursuant to said Section 1411. Those purposes are: to relieve and reduce unemployment, to promote and provide for additional and maximum employment, to maintain job opportunities and to better said job opportunities, to lease, purchase or otherwise acquire real property to be utilized and developed for commercial and industrial purposes to construct new industrial or manufacturing plants or new research and development plants and acquire machinery and equipment deemed related thereto, or acquire, rehabilitate, and improve for use by others, industrial or manufacturing plants within Niagara County, New York, to assist financially in such construction, acquisition, rehabilitation and improvement and to maintain such plans, buildings and equipment for others, to study and promote, either alone or in concert with other local officials and interested local groups, the economic growth and business prosperity of the County of Niagara, and the solution of other civic problems within the County of Niagara, to instruct or train individuals to improve or to develop their capabilities for jobs, to carry on scientific research for the purpose of aiding the community or geographical area by attracting industry to the community or area, or by encouraging the development of business concerns including small business. The public objective of each and every of the purposes enumerated above is to promote the general and public welfare of the people of the County of Niagara.

The Mission of the NCDC is to undertake projects and programmatic initiatives in furtherance of and to advance the job opportunities, health, general prosperity and economic welfare of the people of the County and to improve their recreation opportunities, prosperity and standard of living. In addition, and in doing so, the NCDC shall adhere to its adopted policies and applicable statutory requirements, including PAAA, PARA, OML, FOIL, and SEQRA. The NCDC’s goals include continued compliance with current obligations and responsibilities associated with ongoing loan programs, in addition to identifying new loan projects that will achieve the NCDC’s purposes and Mission.

Accomplishments

In 2025, the NCDC closed eleven (11) grants and three (3) loans.

1. **Brent Industries, LLC** is an online retailer for two industries – power sports performance parts and components for outdoor boilers, solar and geothermal systems. In order to accommodate the company’s growth and continue to provide efficiency in two different markets, they have constructed a single 100,000 sq. ft. facility with associated parking, loading dock and storm water management in the Town of Royalton. A CDBG Economic Development Deferred Loan (Grant) for \$172,000 was provided and the funds will be used for building construction, the purchase of furnishings, fixtures and equipment, and working capital associated with the project and the start-up of operations. The business will create 12 full-time equivalent jobs of which all 9 will be low-to-moderate income persons.
2. **Brent Industries, LLC** is an online retailer for two industries – power sports performance parts and components for outdoor boilers, solar and geothermal systems. In order to accommodate the company’s growth and continue to provide efficiency in two different markets, they have constructed a single 100,000 sq. ft. facility with associated parking, loading dock and storm water management in the Town of Royalton. A CDBG Economic Development Term Loan for \$172,000 was provided and the funds will be used for building construction, the purchase of furnishings, fixtures and equipment, and working capital associated with the project and the start-up of operations. The business will create 12 full-time equivalent jobs of which all 9 will be low-to-moderate income persons.
3. **Bairco Inc.** is a distributor and manufacturer of specialty filtration products for industrial and commercial purposes. In order to support its growing demand and need to increase production capacity, they are procuring new equipment and making improvements to the production floor for increased production while maintaining their distribution services. An EDA Revolving Loan Fund Term Loan for \$100,000 was provided and the funds will be used to procure previously used filter manufacturing equipment and inventory for distribution. The business will create 2.5 full-time equivalent jobs of which all will be low-to-moderate income persons.

The Niagara County Microenterprise program provides resources to support and foster the development of microbusinesses by providing grants in conjunction with capacity building and entrepreneurial assistance. Awards to individual businesses were up to \$25,000. Eligible businesses qualified as private for-profit businesses located in Niagara County with five or fewer employees that are a start-up or expanding business. They needed to contribute at least 10% in cash equity of the total project and create a job for at least one full-time equivalent low-to-moderate income individual or show the business is owned by a low-to-moderate income individual.

1. **Falcon Aircraft Maintenance, LLC** is a start-up company that will be providing aircraft maintenance services for small aircraft in WNY including repairs, inspections, avionics installation and advanced mechanical services. A grant for \$25,000 was provided and the funds were used for equipment and working capital. The business hired a full-time apprentice mechanic who qualifies as a low-to-moderate income individual.
2. **Timothy R. Woodean Chiropractic and Massage Therapy PLLC** recently opened his business named Nautical Alignment in Wilson. They will offer comprehensive and quality chiropractic care, massage therapy, and wellness services. This will include cold laser therapy, infrared saunas, shockwave therapy, neuromuscular re-education and therapeutic ultrasound. A grant for \$25,000 was provided and the funds used to procure state-of-the-art equipment, furnishings, and accessories. The business is owned by a low-to-moderate income individual.

3. **BeOK LLC** is a fitness studio, a sauna and cold plunge room. Be OK Cafe will be a smoothie and juice bar located within BeOk Studio also serving health-conscious food. In addition, they will be adding a patio space to the studio. They have been in business six years. A grant for \$25,000 was provided for kitchen equipment and smallwares, furnishings, and inventory. The business is owned by a low-to-moderate income individual and also hired five part-time low-to-moderate income individuals for the new café.
4. **Cakes by Katya LLC** is a café and bakery offering specialty baked goods as well as custom cakes. They have been in business five years and have expanded with a new location in Wheatfield. A grant for \$25,000 was provided to procure equipment including a touchscreen automatic coffee and espresso machine and a refrigerated display cooler for the baked goods along with inventory. The business is owned by a low-to-moderate income individual and also hired four part-time low-to-moderate income individuals for the bakery/café.
5. **Release & Restore Therapy** is a new myofascial release therapy practice which will provide specialty massage therapy intended for clients that suffer from chronic pain due to injury or stress as well as holistic health and wellness. A grant for \$13,000 was provided for equipment such as hi-low therapy tables, therapy and massage supplies, laptop and printer, as well as working capital including continuing education for the owners. The business is owned by low-to-moderate income individuals.
6. **B's Flowers LLC** specializes in fresh cut and custom flowers. They are in their third season of providing flowers and floral arranging services for special occasions and events. A grant for \$21,000 was provided to improve their farming methods for a higher yield harvest and to meet higher demands of their expansion. The funds were used to purchase machinery and equipment as well as inventory. The business is owned by low-to-moderate income individual.
7. **Kunkle's Landscaping** is a landscaper that has provided lawn services and snowplowing for over 5 years. They are expanding with additional services such as trim work, garden bed design, construction and preparation. A grant for \$25,000 was provided for equipment upgrades and additional landscaping materials and equipment. The business is owned by low-to-moderate income individual.
8. **Prime Legacy Inc.** is a photography business operated by a husband and wife team who are both experienced photographers. Currently they provide photography services for various occasions and portraits. The business plans to diversify the company's offerings by expanding their portfolio to different types of photography; such as, real estate and fashion photography. A grant for \$25,000 was provided for photography equipment upgrades and additional lighting and printing equipment and supplies. The business is owned by low-to-moderate income individuals.
9. **NickNats Landscaping LLC** has been in business over three years and specializes in lawn and landscaping services. The company is expanding to offer concrete curbing services to add decorative and functional landscape edging. A grant for \$25,000 was provided to purchase the specialized curbing equipment for an efficient installation process. The business hired one full-time and one part-time laborer who qualify as low-to-moderate income individuals.

10. Harmony Spa Head to Toe LLC is a start-up salon offering manicures and pedicures and facials. The owner has been a cosmetologist for over eight years and will provide a calming atmosphere for services along with specials and programs to promote the business and grow the clientele. A grant of \$18,000 was provided to assist in equipping the spa with equipment and furnishings as well as inventory and supplies. The business is owned by a low-to-moderate income individual.

11. Senek Farms Cider Co. is a start-up business that is opening a new cider house and custom press services for other local orchards. They will offer their own apple cider and diversify their cider line by adding different flavors from fruit grown on their family farm and will sell year-round at farmers markets in Niagara and Erie counties and expand to retail and wholesale. A grant of \$18,000 was provided to assist in procuring a UV treatment system necessary for the production of cider. The business is owned by a low-to-moderate income individual.

2025 Niagara County Development Corporation Annual Report

CERTIFICATE OF CHAIRMAN AND THE EXECUTIVE DIRECTOR

Niagara County Development Corporation

The undersigned, being the duly appointed Chairman and Executive Director of the Niagara County Development Corporation (the “NCDC”), hereby certify, pursuant to subdivision 3 of Section 2800 of the Public Authorities Law, as follows:

The financial information provided within the Annual Report of the NCDC, dated as of March 19, 2025, is accurate, correct, and does not contain any untrue statement of material fact. The Annual Report does not omit any material fact which, if omitted, would cause the report to be misleading in light of the circumstances under which the report and any such statements made therein are made. The Annual Report fairly represents in all material respects the financial condition and results of operations of the Corporation as of, and for, the period presented in said report.

The Annual Report is hereby approved.

IN WITNESS WHEREOF, the undersigned Chairman and Executive Director have executed this Certificate as of the 18th day of March, 2026.

Mark A. Onesi, Chairman

Andrea L. Klyczek, Executive Director

2025 Annual Report Summary

This report is being submitted in accordance with the PAAA of 2005.

Operations and Accomplishments

Operations

The Niagara Area Development Corporation (the “NADC”) is a not-for-profit corporation established under Section 1411 of the New York Not-for-Profit Corporation Law. The NADC operates for the benefit of Niagara County and its populace. Specific powers and duties are conferred to the NADC, including:

- (a) To foster the creation, retention and expansion of jobs and economic opportunities for the benefit of Niagara County, New York State and local economies.
- (b) To construct, acquire, rehabilitate and improve for use by others, facilities in the territory in which its operations are principally to be conducted, to assist financially in such construction, acquisition, rehabilitation and improvement, to maintain and/or lease such facilities on its behalf or for others in such territory; to disseminate information and furnish advice, technical assistance and liaison with federal, state and local authorities with respect there;
- (c) To acquire by purchase, lease, gift, bequest, devise or otherwise real or personal property or interests therein;
- (d) To apply for loans and borrow money without limit as to amount; to make, draw, accept, endorse, execute and issue negotiable bonds, debentures, notes and other obligations therefore;
- (e) To sell, lease, mortgage and or otherwise dispose of or encumber any such facilities or any of its real or personal property or any interest therein upon such terms as it may determine;
- (f) To enter into covenants and agreements and to comply with all the terms, conditions and provisions thereof, and otherwise to carry out its corporate purposes and to foster and encourage the location or expansion of facilities and related business in the territory in which the operations of the NADC are principally to be conducted;
- (g) To apply for and make grants and loan and to execute any and all documents necessary in connection therewith;

- (h) To do any other act or thing incidental to or connected with the foregoing purpose or in advancement thereof, but not for the pecuniary profit or financial gain of its members, directors, officers or any private person.
- (i) In general, to perform any and all acts and things, and exercise any and all powers which may now or hereafter be lawful for the NADC to do or exercise under and pursuant to the laws of the State of New York for the purpose of accomplishing any of the foregoing purposes of the NADC.

The Mission of the NADC is to undertake projects and programmatic initiatives in furtherance of and to advance the job opportunities, health, general prosperity and economic welfare of the people of the County and to improve their recreation opportunities, prosperity and standard of living. In addition, and in doing so, the NADC shall adhere to its adopted policies and applicable statutory requirements, including PAAA, PARA, OML, FOIL, and SEQRA. Further, and in accordance with GML Section 916-a, the NADC shall take into consideration the local zoning and planning regulations as well as the regional and local comprehensive land use plans. The NADC's goals include continued compliance with current obligations and responsibilities associated with ongoing projects and programs, in addition to identifying new projects and programs that will achieve the NADC's purposes and Mission. With these stated goals established, the NADC's values are to maintain the highest ethical standards applicable to public officials and public benefit corporations.

Accomplishments

No projects were closed in 2025

2025 Niagara Area Development Corporation Annual Report

CERTIFICATE OF CHAIRMAN AND THE EXECUTIVE DIRECTOR

Niagara Area Development Corporation

The undersigned, being the duly appointed Chairman and Executive Director of the Niagara Area Development Corporation (the “NADC”), hereby certify, pursuant to subdivision 3 of Section 2800 of the Public Authorities Law, as follows:

The financial information provided within the Annual Report of the NADC, dated as of March 18, 2026, is accurate, correct, and does not contain any untrue statement of material fact. The Annual Report does not omit any material fact which, if omitted, would cause the report to be misleading in light of the circumstances under which the report and any such statements made therein are made. The Annual Report fair presents in all material respects the financial condition and results of operations of the Corporation as of, and for, the period presented in said report.

The Annual Report is hereby approved.

IN WITNESS WHEREOF, the undersigned Chairman and Executive Director have executed this Certificate as of the 18th day of March, 2026.

Mark A. Onesi, Chairman

Andrea L. Klyczek, Executive Director

7.16

**ANNUAL
MEASUREMENT
REPORTS**

2025 Measurement Report

Local Public Authority Name: Niagara County Industrial Development Agency
Fiscal Year: January 1, 2025 – December 31, 2025

Below are the measurement goals for the Niagara County Industrial Development Agency.

1. Assist new development projects that create construction jobs and/or permanent full-time positions. Assisted in five(5) new development projects:

Duncan Heating and Cooling – expanding their business located at 3507 Hyde Park Blvd through the purchase of additional equipment and machinery. Capital investment will be \$1,300,000 and the creation of 12 additional jobs.

MT Altimeter – will be constructing an 80,000 square foot cold storage and micro-fulfillment facility at 6410 Inducon Corporate Drive. Capital investment is \$13,450,000 and creation of 8 jobs.

National Vacuum Environmental Services Corp. – purchasing an additional vacuum truck and combination sewer/flusher system. Capital investment is \$1,164,020 and the creation of 6 additional jobs.

Bogart-Sinatra Development LLC – will be expanding the facility located at 1212 Erie Avenue with two new buildings, totaling 12,000 square feet. Capital investment is \$1,625,000 and the creation of 13 additional jobs.

2. Assist redevelopment projects that improve distressed areas and bring business to underutilized locations. Assisted in six(6) redevelopment projects:

Shoab & Sons – will be renovating a vacant building at 222 Rainbow Blvd, to create a dining hub, including Cinnabon, Carvel Ice Cream and Church's Chicken, as well as a Mediterranean restaurant on the second level. Capital investment is \$2,550,000 and the creation of 30 jobs.

Rainbow Sweet Cravings LLC – Also known as Jamba Juice and Carvel Ice Cream, will create a dining attraction at the Wyngate Hotel in downtown Niagara Falls. Capital Investment is \$460,000 and the creation of 13 jobs.

Niagara's Krispy Crunchy Fried Chicken LLC – Also known as Church's Chicken, will create a dining attraction at the Hyatt hotel in downtown Niagara Falls. Capital investment is \$410,000 and the creation of 17 jobs.

Indian Ocean LLC – will be upgrading the Courtyard by Marriot hotel located at 900 Buffalo Avenue with a 45,000 square foot expansion. Capital investment is \$10,000,000 and the creation of 8 additional jobs.

Niagara Club LLC – Will restore and upgrade the Niagara Club event hall located at 24 Buffalo Avenue with a banquet hall, bar and restaurant. Capital investment is \$2,004,961 and the creation of 21 jobs.

Live-USA Incorporated – will renovate the vacant 80 room (former) Howard Johnson hotel located at 472 Main Street. Capital investment is \$16,000,000 and the creation of 42 jobs.

3. Assist in the creation of quality workforce housing. Assisted in one(1) housing project:

MGA Construction (Villas at Forest Parkway) – will create a 60,000 square foot mixed use building with 20 market rate units. Capital investment is \$11,027,000 and creation of 2 additional jobs.

4. Assist Niagara County businesses to keep them viable, thereby retaining jobs.

None

5. Issue Tax exempt bonds for qualified projects.

None

2025 Measurement Report

Local Public Authority Name: Niagara County Development Corporation
Fiscal Year: January 1, 2025 – December 31, 2025

Below are the measurement goals for the Niagara County Development Corporation.

1. Assist new development projects that create construction jobs and/or permanent Full-time positions.
1. **Brent Industries, LLC** is an online retailer for two industries – power sports performance parts and components for outdoor boilers, solar and geothermal systems. In order to accommodate the company’s growth and continue to provide efficiency in two different markets, they have constructed a single 100,000 sq. ft. facility with associated parking, loading dock and storm water management in the Town of Royalton. A CDBG Economic Development Deferred Loan (Grant) for \$172,000 was provided and the funds will be used for building construction, the purchase of furnishings, fixtures and equipment, and working capital associated with the project and the start-up of operations. The business will create 12 full-time equivalent jobs of which all 9 will be low-to-moderate income persons.
2. **Brent Industries, LLC** is an online retailer for two industries – power sports performance parts and components for outdoor boilers, solar and geothermal systems. In order to accommodate the company’s growth and continue to provide efficiency in two different markets, they have constructed a single 100,000 sq. ft. facility with associated parking, loading dock and storm water management in the Town of Royalton. A CDBG Economic Development Term Loan for \$172,000 was provided and the funds will be used for building construction, the purchase of furnishings, fixtures and equipment, and working capital associated with the project and the start-up of operations. The business will create 12 full-time equivalent jobs of which all 9 will be low-to-moderate income persons.
3. **Bairco Inc.** is a distributor and manufacturer of specialty filtration products for industrial and commercial purposes. In order to support its growing demand and need to increase production capacity, they are procuring new equipment and making improvements to the production floor for increased production while maintaining their distribution services. An EDA Revolving Loan Fund Term Loan for \$100,000 was provided and the funds will be used to procure previously used filter manufacturing equipment and inventory for distribution. The business will create 2.5 full-time equivalent jobs of which all will be low-to-moderate income persons.

The Niagara County Microenterprise program provides resources to support and foster the development of microbusinesses by providing grants in conjunction with capacity building and entrepreneurial assistance. Awards to individual businesses will range up to \$25,000. Eligible businesses qualified as private for-profit business located in Niagara County with five or fewer employees that are a start-up or expanding business. They need to contribute at least 10% in cash equity of the total project and create a job for at least one full-time equivalent low-to-moderate income individual or show the business is owned by a low-to-moderate income individual.

1. **Falcon Aircraft Maintenance, LLC** is a start-up company that will be providing aircraft maintenance services for small aircraft in WNY including repairs, inspections, avionics installation and advanced mechanical services. A grant for \$25,000 was provided and the funds were used for equipment and working capital. The business hired a full-time apprentice mechanic who qualifies as a low-to-moderate income individual.
2. **Timothy R. Woodean Chiropractic and Massage Therapy PLLC** recently opened his business named Nautical Alignment in Wilson. They will offer comprehensive and quality chiropractic care, massage therapy, and wellness services. This will include cold laser therapy, infrared saunas, shockwave therapy, neuromuscular re-education and therapeutic ultrasound. A grant for \$25,000 was provided and the funds used to procure state-of-the-art equipment, furnishings, and accessories. The business is owned by a low-to-moderate income individual.
3. **BeOK LLC** is a fitness studio, a sauna and cold plunge room. Be OK Cafe will be a smoothie and juice bar located within BeOk Studio also serving health-conscious food. In addition, they will be adding a patio space to the studio. They have been in business six years. A grant for \$25,000 was provided for kitchen equipment and smallwares, furnishings, and inventory. The business is owned by a low-to-moderate income individual and also hired five part-time low-to-moderate income individuals for the new café.
4. **Cakes by Katya LLC** is a café and bakery offering specialty baked goods as well as custom cakes. They have been in business five years and have expanded with a new location in Wheatfield. A grant for \$25,000 was provided to procure equipment including a touchscreen automatic coffee and espresso machine and a refrigerated display cooler for the baked goods along with inventory. The business is owned by a low-to-moderate income individual and also hired four part-time low-to-moderate income individuals for the bakery/café.
5. **Release & Restore Therapy** is a new myofascial release therapy practice which will provide specialty massage therapy intended for clients that suffer from chronic pain due to injury or stress as well as holistic health and wellness. A grant for \$13,000 was provided for equipment such as hi-low therapy tables, therapy and massage supplies, laptop and printer, as well as working capital including continuing education for the owners. The business is owned by low-to-moderate income individuals.
6. **B's Flowers LLC** specializes in fresh cut and custom flowers. They are in their third season of providing flowers and floral arranging services for special occasions and events. A grant for \$21,000 was provided to improve their farming methods for a higher yield harvest and to meet higher demands of their expansion. The funds were used to purchase machinery and equipment as well as inventory. The business is owned by low-to-moderate income individual.
7. **Kunkle's Landscaping** is a landscaper that has provided lawn services and snowplowing for over 5 years. They are expanding with additional services such as trim work, garden bed design, construction and preparation. A grant for \$25,000 was provided for equipment upgrades and additional landscaping materials and equipment. The business is owned by low-to-moderate income individual.

8. **Prime Legacy Inc.** is a photography business operated by a husband and wife team who are both experienced photographers. Currently they provide photography services for various occasions and portraits. The business plans to diversify the company's offerings by expanding their portfolio to different types of photography; such as, real estate and fashion photography. A grant for \$25,000 was provided for photography equipment upgrades and additional lighting and printing equipment and supplies. The business is owned by low-to-moderate income individuals.
9. **NickNats Landscaping LLC** has been in business over three years and specializes in lawn and landscaping services. The company is expanding to offer concrete curbing services to add decorative and functional landscape edging. A grant for \$25,000 was provided to purchase the specialized curbing equipment for an efficient installation process. The business hired one full-time and one part-time laborer who qualify as low-to-moderate income individuals.
10. **Harmony Spa Head to Toe LLC** is a start-up salon offering manicures and pedicures and facials. The owner has been a cosmetologist for over eight years and will provide a calming atmosphere for services along with specials and programs to promote the business and grow the clientele. A grant of \$18,000 was provided to assist in equipping the spa with equipment and furnishings as well as inventory and supplies. The business is owned by a low-to-moderate income individual.
11. **Senek Farms Cider Co.** is a start-up business that is opening a new cider house and custom press services for other local orchards. They will offer their own apple cider and diversify their cider line by adding different flavors from fruit grown on their family farm and will sell year-round at farmers markets in Niagara and Erie counties and expand to retail and wholesale. A grant of \$18,000 was provided to assist in procuring a UV treatment system necessary for the production of cider. The business is owned by a low-to-moderate income individual.

2. Assist redevelopment projects that improve distressed areas, and bring business back to underutilized locations.

None

3. Assist in the development of quality workforce housing.

None

4. Assist Niagara County businesses to keep them viable thereby retaining jobs.

None

5. Issue tax exempt bonds for qualified projects.

None

2025 Measurement Report

Local Public Authority Name: Niagara Area Development Corporation
Fiscal Year: January 1, 2025 – December 31, 2025

Below are the measurement goals for the Niagara Area Development Corporation.

1. Assist new development projects that create construction jobs and/or permanent full time positions.

None

2. Assist redevelopment projects that improve distressed areas, and bring business back to underutilized locations.

None

3. Assist in the development of quality workforce housing.

None

4. Assist Niagara County businesses to keep them viable thereby retaining jobs.

None

5. Issue tax exempt bonds for qualified projects.

None

8.1

SOMERSET

SOLAR, LLC

PROJECT SUMMARY
Somerset Solar, LLC



Applicant:	Somerset Solar, LLC	
Project Location:	Lake Rd, Somerset NY (SBL's attached)	
Assistance:	20 Year Scheduled Tax Agreement (STA) Sales Tax Abatement Mortgage Recording Tax Abatement	
Description:	<p>Somerset Solar LLC will be constructing a 125MWac Utility Scale solar project in the Town of Somerset. This project will connect to the existing 345kV Kintigh Substation. The construction of this facility will lead to 98 construction jobs, and 2 permanent positions to maintain the facility.</p> <p>The proposed Project will play a key role in advancing this market transformation and signify the responsiveness of the private sector to the State's articulated goals for more renewable energy generation. Construction and operation of the Facility will contribute to meeting New York State energy policy targets.</p> <p>A resolution unanimously passed by the Town of Somerset Board supports the Somerset Solar, LLC application to the Niagara County Industrial Development Agency for a property tax agreement. The resolution also states that this project is subject to Real Property Tax Law 575-b, which mandates solar projects of at least one megawatt be assessed for real property tax values under the Discounted Cash Flow methodology using a model formula and discounted rates established by the NY State Department of Taxation and Finance. This assessment determination enables the Town to define tax payments, providing property tax stability to each of the affected taxing jurisdictions, which will be provided through the NCIDA application process.</p>	
Project Costs:	Construction/Improvements	\$ 169,222,181
	Furniture, Fixtures & Equipment	\$ 100,863,553
	Soft costs (i.e. engineering, architectural)	\$ 6,535,357
	TOTAL	\$ 276,621,091
Project Benefits:	Host Community Payment: (\$2,000 per mw)	\$ 5,831,326
	Tax Payment: (\$3,000 per mw)	\$ 8,747,053
	Total Revenue to Taxing Jurisdictions:	\$ 14,578,421
Employment:	Current jobs in Niagara County: 0 Construction Jobs: 78 -117 FTE construction positions Permanent Jobs: 2 Estimated Annual Payroll for New Jobs: \$102,500 Skills: Construction, Operations & Maintenance	
Evaluative Criteria:	Energy Production – advances renewable energy, provides capacity for local demands.	

Niagara County Industrial Development Agency

MRB Cost Benefit Calculator

Date: March 10, 2026
 Project Title: Somerset Solar, LLC
 Project Location: Lake Road Somerset



Economic Impacts

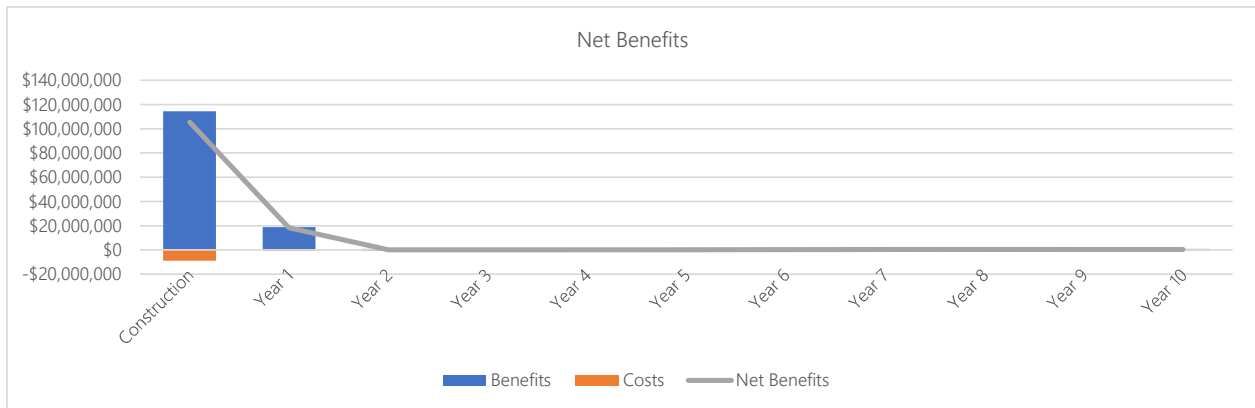
Summary of Economic Impacts over the Life of the PILOT

Project Total Investment
 \$276,621,091

	Temporary (Construction)		
	Direct	Indirect	Total
Jobs	1262	437	1699
Earnings	\$84,966,797	\$23,163,006	\$108,129,803
Local Spend	\$221,296,873	\$79,759,612	\$301,056,484

	Ongoing (Operations) Aggregate over life of the PILOT		
	Direct	Indirect	Total
Jobs	2	3	5
Earnings	\$13,708,955	\$15,287,587	\$28,996,542

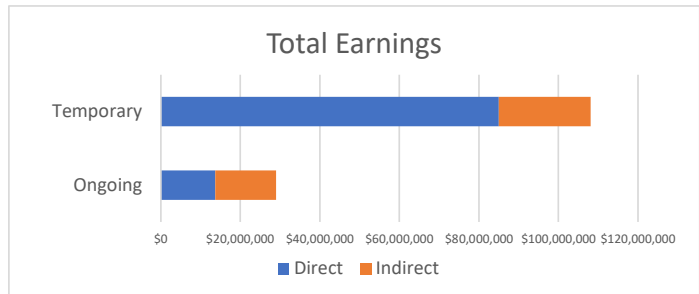
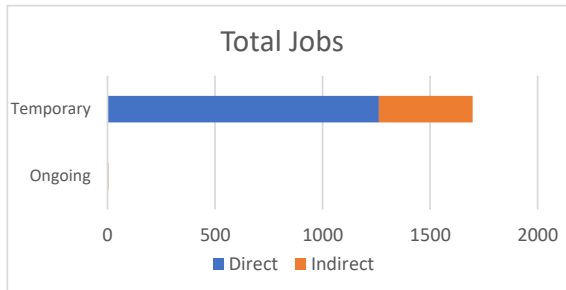
Figure 1



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

Figure 2

Figure 3



Fiscal Impacts



Cost-Benefit Analysis Tool powered by MRB Group

Estimated Costs of Exemptions

	Nominal Value	Discounted Value*
Property Tax Exemption	\$8,693,755	\$7,415,502
Sales Tax Exemption	\$8,583,615	\$8,583,615
Local Sales Tax Exemption	\$4,291,808	\$4,291,808
State Sales Tax Exemption	\$4,291,808	\$4,291,808
Mortgage Recording Tax Exemption	\$414,932	\$414,932
Local Mortgage Recording Tax Exemption	\$138,311	\$138,311
State Mortgage Recording Tax Exemption	\$276,621	\$276,621
Total Costs	\$17,692,302	\$16,414,049

State and Local Benefits

	Nominal Value	Discounted Value*
Local Benefits	\$151,607,787	\$146,355,250
To Private Individuals	\$137,126,345	\$134,501,915
Temporary Payroll	\$108,129,803	\$108,129,803
Ongoing Payroll	\$28,996,542	\$26,372,112
Other Payments to Private Individuals	\$0	\$0
To the Public	\$14,481,442	\$11,853,335
Increase in Property Tax Revenue	\$7,447,215	\$6,009,861
Temporary Jobs - Sales Tax Revenue	\$756,909	\$756,909
Ongoing Jobs - Sales Tax Revenue	\$202,976	\$184,605
Other Local Municipal Revenue	\$6,074,342	\$4,901,961
State Benefits	\$7,130,570	\$6,994,100
To the Public	\$7,130,570	\$6,994,100
Temporary Income Tax Revenue	\$4,865,841	\$4,865,841
Ongoing Income Tax Revenue	\$1,304,844	\$1,186,745
Temporary Jobs - Sales Tax Revenue	\$756,909	\$756,909
Ongoing Jobs - Sales Tax Revenue	\$202,976	\$184,605
Total Benefits to State & Region	\$158,738,356	\$153,349,350

Benefit to Cost Ratio

	Benefit*	Cost*	Ratio
Local	\$146,355,250	\$11,845,620	12:1
State	\$6,994,100	\$4,568,429	2:1
Grand Total	\$153,349,350	\$16,414,049	9:1

*Discounted at 2%

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

Additional Revenues:

County	\$2,675,715
City/Town/Village	\$6,841,597
School District	\$5,647,842

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

Additional Comments from IDA

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

Somerset Solar, LLC

PUBLIC HEARING SCRIPT

Public Hearing to be held in the Town of Somerset

at the Town of Somerset Town Hall Conference Room, 8700 Haight Road, Barker New York 14012

Welcome: Call to Order and Identify Hearing Officer.

Hearing Officer: Welcome. This public hearing is now open; it is Wednesday, March 11, 2026 at 2:00p.m. My name is Andrea Klyczek, I am the Executive Director of the Niagara County Industrial Development Agency, 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.niagaracountybusiness.com.

Notification: Notice of Public Hearing.

Hearing Officer: Notice of this public hearing is hereby given that a public hearing pursuant to Article 18-A subdivision 2, Section 859-a of the New York General Municipal Law will be held by the Niagara County Industrial Development Agency (the "Agency"), in connect with Somerset Solar, LLC

Notice of thi s hearing appeared in The Niagara Gazette on February 28, 2026

Purpose: Purpose of Hearing.

Hearing Officer: We are here to hold the public hearing on the Somerset Solar, LLC and/or individual(s) or Affiliate(s), subsidiary(ies), or entity(ies) formed or to be formed on its behalf. The transcript of this hearing will be reviewed and considered by the Agency in determination of this project.

The purpose of this hearing is to solicit comments, both written and oral, for Somerset Solar, LLC. The project application and project summary are posted in the Agency's website at niagaracountybusiness.com and I have copies with me today.

Project Summary: **Description of Project and Contemplated Agency Benefits.**

Hearing Officer: Somerset Solar LLC will be constructing a 125MWac Utility Scale solar project in the Town of Somerset. This project will connect to the existing 345kv Kintigh Substation. The construction of this facility will lead to 98 construction jobs, and 2 permanent positions to maintain the facility.

A resolution unanimously passed by the Town of Somerset Board supports the Somerset Solar, LLC application to the Niagara County Industrial Development Agency for a property tax agreement. The resolution also states that this project is subject to Real Property Tax Law 575-b, which mandates solar projects of at least one megawatt be assessed for real property tax values under the Discounted Cash Flow methodology using a model formula and discounted rates established by the NY State Department of Taxation and Finance. This assessment determination enables the Town to define tax payments, providing property tax stability to each of the affected taxing jurisdictions, which will be provided through the NCIDA application process.

Format of Hearing: **Review rules and manner in which the hearing will proceed.**

Hearing Officer: All those in attendance are required to register by signing the sign-in sheet at the front of the room; you will not be permitted to speak unless you have registered. Everyone who has registered will be given an opportunity to make statements and/or comments on the Project.

If you have a written statement or comment to submit for the record, you may leave it at this public hearing, submit it on the Agency's website, or deliver it to the agency at 6311 Inducon Corporate Dr., Sanborn, NY 14132. The comment period closes on March 12, 2026. There are no limitations on written statements or comments.

Public Comment: **Hearing officer gives the public opportunity to speak.**

Hearing Officer: If anyone is interested in making a statement or comment, please raise your hand, state your name and address; if you are representing a company, please identify the company. I request that speakers keep statements and/or comments to three minutes.

Adjournment: **Closing the hearing.**

Are there any comments? Hearing none, I will now adjourn the meeting. It is now 3:16 p.m. Thank you.

NIAGARA COUNTY INDUSTRIAL DEVELOPMENT AGENCY

PUBLIC HEARING FOR:
SOMERSET SOLAR, LLC

HELD:
March 11, 2026
2:00 p.m.

LOCATION:
TOWN OF SOMERSET TOWN HALL CONFERENCE ROOM
8700 Haight Road
Barker, New York 14012

1 PRESENT:

2
3 ANDREA KLYCZEK
4 Executive Director
5 Niagara County Industrial Development Agency
6 Appearing as Hearing Officer.

7 Additional attendance noted on sign-in sheets.

8 Index to speakers included on page 64.

9 MS. KLYCZEK: Welcome. This
10 public hearing is now open. It is March 11, 2026 at
11 2:00 p.m. My name is Andrea Klyczek. I'm the
12 Executive Director of the Niagara County Industrial
13 Development Agency. I have been designated by the
14 agency to be the Hearing Officer to conduct this
15 public hearing.

16 This public hearing is being
17 live-streamed and made accessible on the Agency's
18 website at www.niagaracountybusiness.com.

19 Notice of the public hearing is
20 hereby given that a public hearing pursuant to
21 Article 18-A Subdivision 2 Section 859-a of the New
22 York General Municipal Law will be held by the
23 Niagara County Industrial Development Agency (the

1 Agency) in connection with the Somerset Solar, LLC
2 project.

3 Notice of this hearing appeared in
4 The Niagara Gazette on February 28, 2026.

5 We are here to hold the public
6 hearing on the Somerset Solar, LLC and/or
7 individuals, affiliates, subsidiaries or entities
8 formed or to be formed on its behalf. The
9 transcript of this hearing will be reviewed and
10 considered by the Agency in determination of the
11 project.

12 The purpose of the hearing is to
13 solicit comments, both written and oral, for
14 Somerset Solar, LLC. The project application and
15 project summary are posted on the Agency's website
16 at niagaracountybusiness.com. I have copies with me
17 today.

18 Somerset Solar, LLC will be
19 constructing a 125-megawatt utility-scale utility
20 solar project in the Town of Somerset. The
21 construction of this facility will lead to 98
22 construction jobs and two permanent positions to
23 maintain the facility.

1 A resolution passed by the Town
2 of Somerset Board supports the Somerset Solar, LLC
3 application to the Niagara County Industrial
4 Development Agency for a tax agreement. The
5 resolution also states that this project is subject
6 to Real Property Tax Law 575-b, which mandates solar
7 projects of at least one megawatt be assessed for
8 real property tax values under the Discounted Cash
9 Flow Methodology using a model formula and
10 discounted rates established by the New York State
11 Department of Taxation and Finance. This assessment
12 determination enables the Town to define tax
13 payments providing property tax stability to the
14 each of the affected taxing jurisdictions, which
15 will be provided through the NCIDA application
16 process.

17 All those in attendance are
18 required to register by signing in at the sign-in
19 sheet at the lectern. You will not -- you will be
20 permitted -- you will not be permitted to speak
21 unless you have registered. Everyone who is
22 registered will be given the opportunity to make
23 statements and/or comments on the project.

1 If you have a written statement or
2 comments to submit for the record, you may leave it
3 at this public hearing, submit it on the Agency's
4 website, or deliver it to the Agency as 6311 Inducon
5 Corporate Drive in Sanborn, New York 14132. The
6 comment period closes on March 12, 2026. There are
7 no limitations on written statements or comments.

8 If anyone is interested in making
9 a statement or comment, please raise your hand,
10 state your name and address. If you are
11 representing a company, please identify the company.

12 I request that the speakers please
13 keep statements and/or comments to three minutes.

14 Supervisor?

15

16 MR. SUPERVISOR: Thank you,
17 Andrea.

18 Just a few things. I want
19 everybody to understand that we were not in favor
20 of this project. This project got rammed down our
21 throats by New York State, our lovely governor. I
22 just need you to understand that. This has not been
23 of our doing.

1 So with that being said, it was
2 like we're going to go after and get the most money
3 we can get out of this project for our town. And if
4 the HCA and the partial PILOT is the way to get the
5 max money for this town, that's what we're shooting
6 for.

7 Now, just some numbers on that.
8 The taxing on this for the -- the life of this deal
9 is 20 years, we would get 1.47 million out of it.
10 With doing it this way, with the HCA and the partial
11 PILOT -- and that goes up two percent every year on
12 that number with the HCA and the PILOT -- we'd end
13 up with a little over 6.5 million dollars over the
14 life of the contract. So there's, you know, five
15 million if we take it with just straight taxes or
16 whatever.

17 But just so you understand this.
18 This, hopefully, is all in the best interest to do
19 this with the IDA Board, with the partial PILOT and
20 the HCA here for the us, for the Town.

21 UNIDENTIFIED SPEAKER: So instead
22 of getting five million over the 20 years, you
23 get six?

1 MR. SUPERVISOR: 6.5, because
2 you've got a little over five million for the HCA
3 and then 750,000 for the partial PILOT. So that
4 equates to a little over 6.5, and it comes right to
5 the Town.

6 (Inaudible cross talk)

7 MS. KLYCZEK: Can we -- I'm
8 sorry. We can't have a discussion. We can't have a
9 discussion. We can just have comments for the
10 purposes of this hearing. We can certainly have a
11 discussion following the hearing.

12 UNIDENTIFIED SPEAKER: Why
13 wouldn't those numbers be available to us right now?

14 MS. KLYCZEK: I can provide
15 those numbers to you.

16 All right. Ms. Ray, Marcia Ray.

17 UNIDENTIFIED SPEAKER: Excuse me.
18 But before the comments, shouldn't we know how much
19 the school's getting, how much the Town is getting?

20 MS. KLYCZEK: All that
21 information is available on the Agency's website and
22 the Project Summary and -- I believe it's in the
23 Project Summary, as well. So we can --

1 UNIDENTIFIED SPEAKER: So do you
2 know how much does the school get? Do you have it
3 right there?

4 MS. KLYCZEK: Yes, I do.
5 Ms. Ray?

6 MARCIA RAY: We came here
7 to listen, to hear a proposal, but we never got much
8 information for that.

9 MS. KLYCZEK: Can you come
10 up? I'm sorry to interrupt you. Can you come up?

11 MARCIA RAY: Where do you
12 want me?

13 MS. KLYCZEK: Right up to
14 the lectern. Just because we have an obligation
15 to --

16 MARCIA RAY I should speak
17 to you?

18 MS. KLYCZEK: Yes.

19 MARCIA RAY: Well, I hope
20 you listen to everyone's concerns. We have a good
21 turnout. That shows we care.

22 The area along Lake Ontario from
23 Hartland Road to Hess Road in the Towns of Somerset

1 and Newfane have been desecrated. This portion of
2 New York State was settled over 200 years ago by
3 people looking for prime farmland for raising crops,
4 for moderate climate for producing fruit, and fresh
5 air for rural family living.

6 In the last 70 years it has been
7 taken away from farmers and has become a major
8 industrial area.

9 As a family that has lived here
10 for over 200 years, and we have eight generations in
11 our family, we are truly disgusted and heartbroken
12 with the ravaging of our natural resources and
13 habitat, not to benefit us as residents, but to
14 provide service to larger cities in our state and
15 country.

16 What a sacrifice you have asked of
17 us. What a destruction to our rural charm and
18 beauty.

19 This property was obtained by
20 eminent domain and has continued to be destroyed by
21 stripping of trees, building of concrete and steel
22 and changing trends of the times.

23 First, a state-of-the-art

1 coal-fired generating plant, a whole new railroad
2 system, and now the largest AI center in the
3 country. Our community does not want to be
4 recognized as industrial. We are an earth-loving
5 township that protects habitat for wildlife, bird
6 migration, fruit-growing and encouraging tourist
7 travel.

8 How can New York State designate
9 Route 18 as a Seaway Trail after the hundreds of
10 overloaded truck dumps and 18-wheelers pound the
11 pavement continuously and with excessive speeds.

12 We have given Lake Mariner and
13 AES nearly exclusive use of our highways, with no
14 safety measures being taken whatsoever. The
15 disturbance caused by this enormous construction
16 cannot be underestimated. Excessive noise and
17 rumbling for miles, upsetting human sleep patterns
18 and pets. Traffic of trucks, equipment at all hours
19 of the day and weekends with no traffic lights or
20 warnings. Lights that distract sleep, cause alarm
21 to unknowing passer-bys.

22 And local benefits? The employees
23 come from a distance, only to grab a sandwich at the

1 convenience store. There's no consideration for our
2 township at all.

3 And you're asking for us to
4 approve a PILOT that gives a mere six million
5 dollars to maybe the town, with no consideration to
6 the school, with no consideration to our environment
7 or infrastructure. Please, take that into
8 consideration. Please. Thank you.

9 MS. KLYCZEK: Thank you.
10 Mr. Ray. Richard Ray.

11 RICHARD RAY: Yeah, I'm
12 here.

13 I hate to tell you how many
14 meetings like this I have attended in the last four
15 years.

16 MS. KLYCZEK: Sir, could
17 you -- we have to have this recorded, so if you
18 could stand up here.

19 RICHARD RAY: You know,
20 that's kind of an interesting fact, since we can't
21 hear you. And you know, maybe you should have taken
22 some consideration for making sure that everybody on
23 both sides could hear.

1 I'm going to stand right where I
2 am. If it doesn't get recorded, tough.

3 I come to these meetings and
4 they're all basically the same. The decision's been
5 made, we'll get shortchanged. We'll have it in the
6 middle of the day. No, we'll change it from Monday
7 to Wednesday. Hopefully, nobody will turn up. I'm
8 appreciative of all of the people that have turned
9 up. And when we get all said and done, we will do
10 want we want to do.

11 I am upset that we don't get more
12 consideration. I'm also upset that when you have
13 the figures in front of you and a question is asked,
14 you cannot tell us that the school will get X number
15 of dollars. You've got it right in front of you.
16 What the hell's the matter with you?

17 I leave it at that. Carry on your
18 little charade.

19 MS. KLYCZEK: Thank you.

20 I'm sorry. I can't read this
21 name. It's Lake Road, 6737.

22 JOE MOORE: Excuse me.

23 Can I just say something?

1 MS. KLYCZEK: Yeah. Sure.
2 Do you want to go next?

3 JOE MOORE: I have to
4 leave and I do want to speak. Everybody okay with
5 that?

6 My name is Joe Moore. I live at
7 1449 Hosmer Road at the north end, right down by the
8 plant, right by Lake Road, all right.

9 I know this isn't the place for
10 the noise and all that as far as like 1985. I've
11 been dealing with the noise at that power plant
12 since 1985, with the dump trucks backing into the
13 plant, with the trains banging across the street on
14 the railroads all night long, rattling my windows
15 and door frames and knocking pictures off my walls
16 when -- the trains all the way down the tracks.

17 And now, here we are in today's
18 society dealing with the dump trucks for this
19 project, the AI that's going on, the building, the
20 construction, the noise, the diesel smell of the
21 fuel that we're dealing with down here from the
22 diesels, the smell -- the smell of diesel, the
23 noise, again, like I said.

1 And I own 89 acres from Lake Road
2 to Haight Road. And my property is going to be
3 surrounded by these solar panels. Surrounded by
4 them. Okay.

5 And I agree 100 percent with what
6 the Rays said, spot on, both of you. You hit the
7 nail right on the head. But, you know, this stuff
8 is already in. Their minds are already made up. We
9 don't get a chance to really -- we can speak and say
10 what we want, but nothing's going to be done about
11 it because the mind's already made up, everything's
12 done.

13 And I just wish -- I don't know
14 how we're going to manage as far as spreading out
15 this tax money. But as far as I'm concerned, the
16 people that live down there in front of that project
17 dealing with the noise and the pollution and all
18 that stuff going on, I'm hoping we get a bigger tax
19 break than a lot of other people because we've been
20 dealing with it our whole lives down there.

21 And another -- one last thing I
22 have to say about that is, you know, everything is
23 hidden. It's a secret. You can't find out any

1 information. They don't ever send out any flyers to
2 anybody to let people know when things are going on.
3 We have to jump through hoops to try to find out
4 information.

5 And the last thing I want to say
6 is, I hope when it comes time -- I don't know if
7 everybody knows about it, but -- this isn't the
8 place for it, also, but what's going to happen when
9 they want to bring these nuclear generators, these
10 nuclear reactors for the energy plant? I hope they
11 give us a time and a chance to speak about that.
12 Because you know what? They probably won't have
13 anything to say about that either because it's just
14 going to be done. But that's coming in the future,
15 I believe. Okay. That's all I've got to say.
16 Thank you.

17 **MS. KLYCZEK:** Thank you.
18 Mr. Jordan.

19 **MICHAEL JORDAN:** Yes. I live
20 at 1413 Hosmer Road, three houses from the power
21 plant.

22 We have had to deal with the
23 trucks, just like everybody else.

1 My biggest issue is everybody
2 outside of our area is getting the tax break. We're
3 the ones that have to deal with this. What are we
4 getting out of it? Nothing.

5 I mean, we'll get a pittance of a
6 tax break maybe, but we're the ones that have to --
7 I've got -- I'll have solar panels on two sides of
8 my -- on the front side of my property and on the
9 north side of my property. I'm used to seeing deer
10 and animals and stuff coming through the fields.
11 Now I won't be able to see that.

12 I just -- and like Joe and
13 everybody else, the Rays, we're not informed about
14 what's going here whatsoever. I mean, I don't know
15 what's going on.

16 I know there's an AI plant going
17 on, you know, where the old power plant is. I live
18 right there and I don't know. Along where the
19 tracks were, they got a bunch of -- I don't know
20 what they're storing out there. (Inaudible cross
21 talk.) Along the railroad tracks it's transformers
22 and things like that, electrical equipment for the
23 power plant or for the AI.

1 I just -- I would like the IDA to
2 consider the residents and what we have to put up
3 with. We have to live with this. The rest of my
4 life, you know, I'm going to have to look at these
5 solar panels.

6 And the buffers that we were told
7 way back when, is that going to happen? I mean, is
8 there still going to be woods in front along the
9 road so we don't have to see those panels? I mean,
10 when they built the power plant, there was no woods.
11 Now it's grown up. Now they're going to rip out all
12 those woods, put probably little pine trees there,
13 and we're going to have to see it.

14 So I know that's not your thing,
15 but I just -- I just think the residents that have
16 to deal with it, the ones that are right there,
17 should see something out of it, you know.

18 That's what I've got to say.

19 **MS. KLYCZEK:** Thank you.

20 Ms. Koerner. Marsha Koerner. Marsha.

21 **MARSHA KOERNER:** My writing is
22 terrible, and I think there was a water spot there.

23 So I've been pretty ignorant about

1 this whole thing. I still don't understand what an
2 AI facility is. So it would have been nice if
3 somebody would please explain that whole thing to us
4 at some point.

5 But I did -- I was able to come up
6 with some information for today's meeting.

7 And I guess, Mr. Supervisor,
8 wherever you are back there, I know that we aren't
9 in favor of this. We fought very hard against this.
10 And so I'm still trying to wrap around my head when
11 the State overrode us that they wanted -- and let
12 me see it's 125 -- 12.5 million is what you want,
13 not you, but they want from Niagara County 12.5
14 million for a tax exemption towards a planned 276.6
15 million. I'm taking this from your -- what you just
16 read. Okay. Or maybe not. Somerset Solar, nope,
17 that's from this one over here.

18 So this document is from -- oh,
19 the paper. The paper article, February 19th. The
20 proposed 12 -- 125 millawatt Somerset Solar project
21 has -- may have received its site permit from the
22 State in 2024, but now it's looking for county
23 incentives. Project developer AES is seeking 12.5

1 million in Niagara County Industrial Development
2 Agency tax exemptions for its planned 276.6 million.

3 And I just find it very ironic,
4 very ironic, that the State overrode us and we're
5 stuck with this thing out here. And yet -- and in
6 addition, to add insult to injury, they want exempts
7 from taxes.

8 So taken from the project -- or
9 was it the application -- from the project summary,
10 that 12.5 total cost in tax exemption, three and a
11 half from property tax exemption, sales tax
12 exemption 8.5 million in tax exemptions, mortgage
13 recording tax exemption, 414 hundred -- 414 hundred
14 thousand, or whatever. I'm saying it wrong because
15 I'm a little ticked off.

16 Local benefits, our benefits,
17 nominal value, 34.6 million dollars, discounted
18 value -- which I don't understand that -- is 29.9
19 million. To private individuals, here's our
20 whopping 21.6 million for the nominal value, and
21 then discounted value, it went up for some reason,
22 19.3 million.

23 I don't think that it's been

1 explained very well to us. So unless you had access
2 to a computer and you could go onto the website, I
3 don't know how many people here have seen the
4 project summary or the application for financial
5 assistance.

6 I just think it's -- in blunt
7 language, it sucks. This whole process sucks.
8 We're not in favor of this.

9 I may not live immediately close
10 to the project plant -- to the plant. However,
11 every morning I take our dogs out for a walk in the
12 woods and I get to hear boom, boom, boom. And I'm
13 trying to figure out, what in the world are they
14 doing over there. The only time that I knew that
15 something was happening is when they imploded the
16 stack. And that's only because that was big news
17 around here.

18 I don't think that our community
19 has been treated fairly or just in any way at all.
20 And I think it's very sad that now we're having to
21 fight for moneys that never should have been taken
22 from us, and that we didn't want their contribution
23 to begin with. And I don't know anything else to

1 say. Thank you.

2 MS. KLYCZEK: Thank you.
3 Mr. Snyder.

4 FLOYD SNYDER: I'm a resident
5 of 8464 Chapman Road, and I'm not a resident of the
6 Town of Somerset.

7 I have provided my -- and I'll
8 just read who I am, give you a little background.
9 My name is Floyd Snyder. I live at 8464 Chapman
10 Road. My background allows me the advantage to
11 make statements on energy and the economics of
12 agriculture communities like ours.

13 I attended SUNY Cobleskill.
14 Graduated there and when to the University of
15 Georgia and got a degree in economics.

16 I came home from Georgia. And
17 I'm proud to wear this coat right now. I wasn't
18 afterwards. And obviously, we know why. But I
19 ended up in the -- I enlisted in the United States
20 Navy Seabees in construction.

21 I didn't want to sit behind a
22 desk. So I spent 24 years in heavy construction.
23 Helped build and worked on a lot of engineering

1 projects in the coal plant here in Somerset while
2 working at Lockport Cogen and -- for 15 years. And
3 then I learned a great deal after I had to buy fuel
4 for a small plant in Niagara Falls.

5 So I feel I have a very good sound
6 understanding of the power grid, what's going on and
7 everything. I don't think any of us here do. It's
8 the worst kept secret in the State of New York.

9 Today everybody is totally excited
10 about their power bill, okay, including mine.
11 Mine doubled. I don't know what yours is. I have
12 solar panels on my house, so I'm breathing with a
13 little bit of fresh air.

14 I have taken all this information
15 from several sources, the New York State ISO, which
16 you're total able to get on, it's called dashboard.
17 It gives you -- it tells you what the price was when
18 Somerset was running and Lockport was running. We
19 had a fixed contract powered into the grid, meaning
20 every day that our plant ran, every day it was
21 cha-ching cha-ching. Money was going to NYSEG at
22 the time, because that's who billed it.

23 Pricing of electricity comes --

1 and you probably don't understand this, but comes
2 like -- now we're on a demand market. So we have a
3 daily demand -- so back up. So when you turn your
4 lights on, somebody has to generate power. So we've
5 got a day -- so it goes up in the morning and falls
6 off at 11:00 when everybody goes to bed.

7 Also, we have a weekly demand in
8 the grid now, where the power starts Monday, ramps
9 up because of the use, and dies off on Friday.

10 And then we have a seasonal
11 demand that is causing havoc because of lack of
12 understanding of it, is that spring and fall is
13 your high months, and power generation needed is the
14 greatest.

15 And giving you an example, summer
16 of '25, the demand on the power grid was 32,000
17 megawatts. Spring was 16, 17. Winter is 25. Oh,
18 fall is 16,17 and summertime is 32 thousand.

19 MS. KLYCZEK: Mr. Snyder,
20 I'm sorry. I don't mean to cut you off. But we --
21 I do have your comments, and I'll make sure that I
22 put them into the record.

23 FLOYD SNYDER: I go off.

1 That's my problem. I've got to stay with this
2 because I'm liable to get shot.

3 So what I'm saying is, the future
4 demand for power generation in New York State is
5 going to ramp up three to seven percent in the next
6 three years.

7 I won't get into politics, because
8 it has nothing to do with it.

9 To give you an example right
10 now -- I took this off of the gold book -- they
11 estimated in '24 that we were going to need 27
12 hundred megawatts. A lot of this is for chip
13 manufacturing, Syracuse, (inaudible) obviously,
14 there's several others across the state. Okay.
15 Now, I'm not going to put everybody to sleep.

16 This problem needs to be
17 addressed. We have not upgraded the natural gas
18 system in New York State. We haven't got a plan in
19 New York State for new development for plants. And
20 at that 32,000 last summer, 68 percent of the total
21 power of the grid came from natural gas and oil,
22 eight percent from solar and wind, and the rest from
23 nuclear and water.

1 Now, I left -- I've got to comment
2 here -- to build a new gas fire plant, which I was
3 part involved in this plant down here.

4 MS. KLYCZEK: Mr. Snyder,
5 I'm sorry. I hate to interrupt, I have --

6 FLOYD SNYDER: All I'm going
7 to say is this. I will say this to you. I want to
8 finish this point. Solar is the main in the
9 short-term to get around this problem. There's no
10 other way. PILOTs, and I am in favor of the county
11 to guarantee the fixed source of revenue for 12, 20
12 years -- financially better off than Niagara County
13 to control the taxes based on -- or should we state
14 let the State of New York control our taxes. That's
15 up to you people. But I am -- you know what I say
16 in this. It's not a good picture. Thank you very
17 much.

18 MS. KLYCZEK: Thank you,
19 Mr. Snyder.

20 FLOYD SNYDER: And I've got
21 copies here if anybody wants it.

22 MS. KLYCZEK: Thank you.
23 Mr. Reimer.

1 JACOB REIMER: Good afternoon.
2 I am Dr. Jacob Reimer, Superintendant of Barker
3 Central School District.

4 All I wish to do today is provide
5 information on the affects of the PILOT structure
6 and the harm it will cause the town and school
7 district by not having this project put directly on
8 the tax rolls and taxed at the same rates as the
9 rest of the community.

10 Per calculations provided to us
11 based upon the expected tax evaluation of the
12 project, if this project were allowed to be fully
13 taxed under the evaluation process set forth within
14 Section 487, referred to earlier, of the Real
15 Property Tax Law, it did receive approximately
16 11.6 million dollars over 20 years for annual
17 average of 581 thousand dollars.

18 Under the proposed exemption
19 PILOT application the calculation is reduced to an
20 average of 278,000 which is more than a six million
21 dollar loss in potential revenue. It's more than a
22 50 percent reduction that the school will receive
23 under the current application and how it's structured.

1 Due to the decline in revenues
2 from the Energy Cessation Mediation Fund each year,
3 we've have access to limited increases in State aid
4 and a substantial challenge of increasing the school
5 levy by more than two or three percent each year
6 under the current tax cap laws, the district will
7 fall into a true structural deficit in the next two
8 years.

9 In the past when the plant did not
10 pay their agreed-upon amounts under the previous
11 PILOTs, and we had minimal State aid and local tax
12 levy increases, see the commonality here, is nearly
13 identical to what we face now.

14 The district made significant
15 reductions and changes in how we restructure. We
16 reconfigured the campus to be more efficient. We
17 eliminated bus runs. We have shared -- more shared
18 programs than ever with other schools, just to name
19 a few. Many of these decisions were not popular,
20 but they allowed us to continue to provide services
21 to our students and our learning community.

22 The potential revenues from this
23 entity, if this property were on the tax rolls,

1 would merely supplant the loss of the revenue coming
2 from the Energy Cessation Mitigation Fund in our
3 last year of eligibility.

4 The proposed exemption or PILOT
5 structured as it currently is ensures we will not
6 be structurally balanced for some time and will be
7 required to exhaust all of our reserves in a few
8 short years to maintain the current levels of
9 programing that we have for our students and our
10 community.

11 The only recourse we see with this
12 reduction of the anticipated revenue would be to ask
13 our community to exceed the tax cap and increase our
14 tax levy potentially between 10 to 20 percent,
15 depending on how things go.

16 For a frame of reference, across
17 New York State since the tap cap has been in place
18 for schools, 80 percent of all votes have gone down.
19 If this was somehow to be done here, the entire cost
20 of this tax increase would fall on the backs of our
21 taxpayers, not on this entity.

22 While the town and IDA may be
23 making out very well with this proposed exemption

1 and PILOT application, the school, our students and
2 our learning communities, of course, simply will
3 not. This decision we have will have a
4 substantially has a long-term impact on our
5 students, our staff and the entire learning
6 community.

7 We truly hope the IDA will meet
8 with myself and our Board of Education prior to
9 making any decisions so we can truly show you the
10 impact this will have upon the school system, both
11 short and long term.

12 To date, we have not received a
13 single communication from the IDA related to this
14 matter, other than the notices of the hearing, and
15 have largely been left out of the discussions,
16 except for a few perfunctory discussions with the
17 town and the Somerset plant and AES attorneys.

18 Our hope is that additional
19 discussions and the sharing of information will let
20 you see the full impact of this decision and its
21 effect on our entire school, our community and our
22 taxpayers.

23 I do have a written statement

1 that's a bit longer. I will leave this with you.

2 And thank you for your time.

3 MS. KLYCZEK: Thank you.

4 Mr. -- I'm sorry if I mispronounce this -- Atwater,
5 Carmen Road; is that right?

6 RANDY ATWATER: Yes.

7 MS. KLYCZEK: I'm sorry. I
8 couldn't really read it.

9 RANDY ATWATER: My name is
10 Randy Atwater, a long-time resident of the Town of
11 Somerset and member of the Barker Central School
12 Board of Education and proudly serving as President.

13 I'm speaking as a private citizen
14 and taxpayer and not on behalf of the school today.

15 I have multiple concerns with the
16 PILOT for the Somerset Solar project, the subject of
17 today's hearing. The evolution of this PILOT has
18 largely been below the radar. The school was not
19 informed from the outset of the development of
20 negotiations behind the proposal we're here to
21 discuss today.

22 I recently learned that the Town
23 endorsed the proposed PILOT at the July 9, 2025

1 meeting. Not following the Town Board meeting
2 minutes more carefully, the development of this
3 magnitude that impacts the school should have been
4 communicated with the school in a timely fashion and
5 the potential impacts considered far earlier in the
6 process.

7 Dr. Reimer received notice of the
8 rescheduled hearing only a week ago today. I was
9 interested to note the Notice was submitted to the
10 Niagara Gazette, which I trust is the official paper
11 of record for the NCIDA. However, I doubt many town
12 or district residents are subscribers to this paper.

13 The Notice says attached is a copy
14 of the Notice of Public Hearing describing the
15 project and the financial assistance contemplated by
16 the Agency. Other than the Notice itself, no such
17 additional information was included. It's unclear
18 how the average citizens of Somerset would be aware
19 of the scale or any of the details thereof.

20 I do not understand why this PILOT
21 is even being considered. As you know, wind and
22 solar projects are automatically exempt from normal
23 property taxes under RPTL 487, unless opted out by

1 the affected municipalities.

2 The Town, Barker Central Schools
3 and Niagara County all opted out of RPTL 487 years
4 ago. According to the NYSERDA Solar Guidebook For
5 Local Governments, Section 6, there is no provision
6 I could find that allows for a PILOT if the
7 municipalities have opted out with this section.

8 From the guidebook, payment in
9 lieu, or PILOTs, are an alternative revenue source
10 that allows municipalities to receive annual
11 payments from renewable developers in place of
12 property taxes for projects eligible for property
13 tax exemptions. On page six it says local
14 governments that do not want to use property
15 exemptions can opt of RPTL 487 by passing a law or
16 resolution to opt out and filing copies accordingly.

17 If a municipality has opted out
18 all applicable solar and energy solar projects in
19 its jurisdiction are subject to local property
20 taxes.

21 In spite of the clear direction of
22 the Solar Guidebook, I have been told that the IDA
23 may have the authority to grant a solar project a

1 PILOT under RPTL 412-a.

2 It seems clear that the town,
3 school and county opted out with the full intent to
4 keep the renewable projects on the tax rolls. What
5 has changed?

6 It's my understanding that the
7 state requires the assessment of solar projects for
8 property tax purposes to be based on the method
9 outlined in RPTL 575-b. The total cost of
10 installation is estimated to be 276 million.
11 The assessment calculation under 575 is reported
12 to be about 31 million. Clearly, the State has
13 already made a favorable assessment (inaudible) for
14 solar systems. To grant a PILOT that gives further
15 substantial discounts seems unnecessary and
16 inappropriate.

17 I'm not coming at this out of
18 opposition for renewable energy. For our home we
19 have solar panels and a geothermal HVAC system. I
20 have often read how the cost of solar power has come
21 down dramatically and is very competitive with other
22 forms of energy. As such, tax breaks should be
23 subject to great scrutiny.

1 Dr. Reimer has already spoken
2 about the potential impact on the school. I'd like
3 to elaborate on that. It appears that the town
4 budget for 2026 is on the order of 5.4 million.
5 The current school year tax -- current school
6 year budget is 22.5 million dollars. The school
7 employment (inaudible) with a direct impact on over
8 600 students school and their families. The tax
9 rate for the town is about 13 percent of that of the
10 school. Both provide essential services to the
11 community.

12 With the current proposal for the
13 PILOT, the school would lose over six million
14 dollars over 20 years, and actually received less
15 from the solar project than would the town.

16 MS. KLYCZEK: Excuse me.
17 Mr. Reimer. You've exceeded three minutes. I can
18 take your comments and --

19 RANDY ATWATER: My wife will
20 finish my statement.

21 MS. KLYCZEK: That's fine.
22 I can also take your comments to put, you know,
23 into --

1 PAM ATWATER: Okay. I'm Pat
2 Atwater, not Reimer.

3 MS. KLYCZEK: Oh, Atwater.
4 Sorry.

5 PAM ATWATER: Okay. He just
6 said school employment will have a direct impact on
7 over 600 students and their families.

8 The tax rate for the town is about
9 13 percent of that of the school. Both provide
10 essential services to the community.

11 The current proposal for the PILOT
12 Host Community Agreement for the town, the school
13 would lose over six million over 20 years and
14 actually receive less from the solar project than
15 would the town. Under the current proposal the
16 town would come out ahead by over five million over
17 20 years relative to having this project on the tax
18 rolls.

19 Congratulations to the town for
20 savvy negotiations. But the school has, to date,
21 not been given the same opportunity and consideration.

22 Randy's been on the school board
23 for nearly 38 years, and has seen the glory days of

1 tax revenue from the power project in the NYSEG
2 days. With the elimination of coal-fired power
3 plants in the state, it's understandable that those
4 days wouldn't last forever.

5 However, the challenges of dealing
6 with the multiple PILOTs and loss of major revenue
7 for the district put us in a structural deficit for
8 years. With the advent of the Energy Cessation
9 Mitigation money we've been able to get back on our
10 feet, and even finance major capital projects,
11 improvements to the campus with the help of major
12 state support without raising local taxes.

13 As the mitigation funds drop off
14 completely in a couple of years, we're again looking
15 at a structural deficit and loss of revenue from
16 this proposed PILOT. And the loss of revenue from
17 this proposed PILOT would clearly be harmful
18 relative to having this project on the tax rolls.

19 Sadly, the PILOT as currently
20 proposed would actually work against the school due
21 to tax cap calculations. According, again to the
22 Solar Guidebook, page S6.16, PILOTs may limit the
23 ability for local governments to increase their

1 property tax revenue while the PILOTs are in effect.

2 In summary, Randy finds this
3 entire proposal does not comport with the guidelines
4 as published by NYSERDA, and as it's currently
5 structured would be a great disservice to the school
6 district that is so integral to our community.

7 Thank you.

8 MS. KLYCZEK: Thank you.

9 Lyndsy Payne.

10 LYNSY PAYNE: Hello. I live
11 at 7482 Lake Road. If you have no idea where that
12 is, it's directly across from the power plant. So
13 I deal all day with the construction that they're
14 doing.

15 To add to that, they will be then
16 wanting to add another road to the other side of my
17 property. And then fill three sides of my property
18 with solar panels because they couldn't abide by the
19 town's 400 feet or 350 or 250.

20 Are you guys answering questions,
21 or is it just solely comments?

22 MS. KLYCZEK: We're just
23 taking, yeah, comments. Thank you.

1 LYNDSY PAYNE: Okay. So I
2 guess my comment is I just don't understand how
3 the -- it can be justified for a tax break for 20
4 years for two permanent jobs, which I believe is
5 part of the IDA and getting back the environmental,
6 everything, all for two jobs for this area.

7 My other question I guess I can't
8 ask is, if the PILOT didn't go through, would this
9 still be able to happen? They're getting 50 percent
10 of funding from the federal government. So they're
11 already getting substantial amounts. So why, as a
12 community who's going to have two permanent jobs, do
13 we need to also back that?

14 And I guess my other comment is
15 the loss of the tax revenue over the 20 years or
16 what we would potentially get is how long is this
17 plant going to last? I mean, are they going to be
18 out of there? Is it going to be a waste to
19 literally all of our farmland down there? For what?

20 And I guess everyone's asked about
21 the difference between host payments and how that
22 affects it.

23 I think that that's all my

1 comments. Thank you. I guess, just really consider
2 what we're getting to what they're getting.

3 My other comment is I've heard --
4 it might be the rumor mill -- but Somerset Solar is
5 owned by AES, who's owned by (inaudible). And
6 they're all -- they're leasing it to themselves.
7 You know, everyone's been passed down, AES, filed
8 bankruptcy. (Inaudible) so now AES is back, this
9 and that.

10 So that's what, you know, I'm
11 confused about, the entire situation. But as you
12 know, they don't even want the solar panels because
13 there's -- the amount they're trying to do inside
14 the AES facility will be too big for the solar
15 panels to even be worth it. So are they going to
16 start this project, go as the other man said, go to
17 nuclear energy, and then again, what? We're left
18 again with nothing but my home that few want.

19 Drive down Lake Road by the power
20 plant, you'll see my house. It's only one that's
21 in like a certain distance, and you'll see the
22 construction on one side, listen to the noise, and
23 then look at -- literally, through my property line

1 there's a little field where they want to put
2 another road. So just sit down there and see.

3 MS. KLYCZEK: Thank you,
4 Lyndsy.

5 Ms. Betty Wolanyk, did you want to
6 speak?

7 BETTY WOLANYK: Oh, yes.
8 Please excuse my back. I will use my teacher voice
9 so you can hear me.

10 Both this town and the Niagara
11 County IDA have experience with AES, of which
12 Somerset Solar is a subsidiary. Because of this,
13 I'm surprised that the Niagara County IDA would
14 seriously consider giving Somerset Solar a panel.

15 Need I remind you of how AES has
16 behaved in the recent past? Perhaps, I do.

17 Let's start with the
18 trustworthiness of AES Somerset Solar and see how
19 they pay attention to detail with a couple of
20 examples.

21 In their application to New York
22 State through the 94C process, AES Somerset Solar
23 claimed that 250 full-time equivalent construction

1 jobs would be created. Yet, in pages three and 13
2 of Exhibit 18 in your state proposal, that number
3 appears as 205 and 203. In their proposal to you
4 they claim that 99 full-time equivalent construction
5 jobs would be created. So which number is true; 99,
6 250, 205?

7 And how many construction jobs did
8 they claim when they spoke to the various labor
9 unions? I fully expected this room to be full with
10 labor unions.

11 What about full-time jobs? In
12 their application to New York State AES Somerset
13 Solar claimed 3.6 full-time equivalent jobs on pages
14 nine and 13 in Exhibit 18, that they will be
15 created. To you, they claim only two full-time
16 equivalent jobs. Again, which number is true?

17 They paint whatever picture they
18 think will get them what they want.

19 And how wonderful will those
20 not-very-high-paying jobs be with a payroll of
21 102,000 dollars for two jobs, or even worse, 3.6
22 jobs? After state and federal taxes and FICA these
23 will be minimum wage jobs. These jobs will be

1 mowing the grass and shoveling snow, and perhaps
2 brushing snow off the solar panels, and
3 troubleshooting problems so that people with
4 some sort of expertise can be called in to do
5 repairs.

6 AES Somerset Solar does not pay
7 attention to detail in any way, shape or form. A
8 good example can be found on their website in their
9 community involvement demonstration to the public,
10 where they claim they want to be a good community
11 partner.

12 And I would appreciate it if you'd
13 get off your phone and listen to me.

14 They have -- on their website they
15 have a PowerPoint presentation that's supposed to be
16 a representation of the Town Hall meeting they held
17 here. But if you'll look at that, there's a
18 problem. The PowerPoint on their website is of
19 Riverside Solar in Jefferson County.

20 If they can't even post the
21 correct town meeting, how can you consider them to
22 be credible at all?

23 Their proposal for you indicates

1 to me that they expect Niagara County IDA to
2 actually own the Somerset Solar facility and lease
3 it back to them. Knowing their past behavior, what
4 a perfect way for AES Somerset Solar to declare
5 bankruptcy when they choose to do so, and leave the
6 Niagara County IDA holding the bag. When the
7 subsidies end, or they discover that this is a poor
8 area to generate electricity and they aren't making
9 the money they thought they would, they will
10 disappear.

11 In their application to the State,
12 they claim that they own and operate Somerset Solar.
13 Another discrepancy. A fairly large one to me.

14 MS. KLYCZEK: Ms. Wolanyk,
15 you've exceeded the three minutes. If you'd like I
16 can take your comments --

17 BETTY WOLANYK: No, I'm going
18 to finish.

19 Your legal authorization is to
20 attract business and creates jobs. AES Somerset
21 Solar is already planning to come, and they're not
22 creating good jobs after construction.

23 They're already receiving

1 subsidies, a guaranteed market, a state limiting the
2 assessed value of the facility. Why do they need
3 more tax breaks?

4 You are a public benefit
5 corporation. This project is not wanted here.
6 It's being shoved down our throat in New York State.

7 AES Somerset Solar claims they're
8 improving the land. They are industrializing prime
9 farmland. They claim that after decommissioning the
10 land will be returned to its pristine condition and
11 that they're saving it from other development.
12 This is prime farmland and it has a forest of
13 200-year-old trees that they plan to cut down.

14 If this project is built, it will
15 never be prime farmland again. You cannot undo five
16 miles of gravel roads, nor change the substructure
17 with miles of underground cables.

18 This land has already been
19 productive growing food. There's very little prime
20 farmland in the world, and in Western New York it's
21 being industrialized at a shocking rate. There will
22 come a time when this is deeply regretted.

23 I ask that you not give a PILOT to

1 AES Somerset Solar, and certainly not take on any
2 ownership of this project.

3 MS. KLYCZEK: Thank you.
4 Is there anybody else that would like to make a
5 comment?

6 Please, come on up, sir. And if
7 you could state your name and address.

8 DOUG LEWIS: My name is
9 Doug Lewis, 8456 Haight Road. I just have a couple.
10 I'm very disappointed in the -- I
11 understood that they would -- you'd give a
12 presentation to us about the -- no, doesn't happen
13 that way, huh? Wow.

14 Okay. How much is the IDA getting
15 out of this project? Can you answer anything? No.
16 Just stand and look on your phone again.

17 So we don't know how much they're
18 getting. Probably what? Four or five million,
19 ballpark. Yeah. Yeah. Ballpark. They're getting
20 four million and the school is getting stiffed. My
21 biggest taxes is the school, not the town.

22 Let's give -- let's -- this is
23 ridiculous. It ought to be shut down -- or no, I

1 mean they shouldn't be given any tax break. And
2 that's my comment.

3 And I don't think they're going to
4 leave. Twenty-five cents a kilowatt to my electric
5 bill, they're not going to leave if you don't give
6 them a tax break. They're going to be right there
7 getting their 25 cents a kilowatt out of that
8 hundred and whatever it is.

9 MS. KLYCZEK: Thank you, sir.
10 Come on up to the lectern. If you could just state
11 your name and address.

12 JAMES HOFFMAN: 8737 Lake
13 Road, Mr. James Hoffman. Long-time resident of the
14 Town of Somerset, and spent many years on the
15 planning board, among other things.

16 Most of what I was going to touch
17 on has already been reported in The Union Sun and
18 The Buffalo News because about a week ago I spouted
19 off on the whole project. So I will be drawing on
20 that. And I have a handout for you.

21 But it's very clear listening to
22 the people that live here, the residents of
23 Somerset, this nice quiet rural facility is being

1 totally violated currently by a big project, and
2 what we don't need is another project superimposed
3 on us. Our community is being overrun already.

4 Point of information: The Union
5 Sun and Journal is our town newspaper. I saw
6 nothing in The Union Sun. And I was grasping to
7 figure out when and where this meeting would be.

8 Now, I totally oppose any
9 financial incentives for this project. If it can't
10 economically stand on its own, it shouldn't go
11 forward. And the project should be fully assessed
12 and be on the tax rolls. And this may be contrary
13 to all the fancy rules and regulations that come
14 forth.

15 And Somerset is already a low-tax
16 area. Look at the Town of Lockport. Look at
17 Lewiston. Look at all those towns. And then here
18 we are, rural, because we're rural, a lower tax
19 situation to start with. And then people come in,
20 industries come in and want more tax breaks yet.

21 Now, the whole project should be
22 re-overhauled, because one of the major concerns I
23 have is if you go back to the construction of the

1 power plant, coal plant originally, a green space
2 was created around it in protection of our
3 community. That green space has been totally
4 violated and will be totally eliminated under this
5 current project.

6 They're going to be clearing the
7 trees. That's already been mentioned. That's
8 counterproductive. Trees, among other things, put
9 oxygen in the air. We're destroying 247 acres of
10 prime farmland that's currently being farmed, and if
11 removed from production, will be a negative impact
12 on this town.

13 We always hear about how many
14 houses a solar project like this is going to light.
15 Only when the sun shines. Only when the sun
16 shines. You need fossil fuel backup. You need
17 nuclear backup. You need hydro backup. So the
18 whole solar idea is very felicitous.

19 And in summary, I'd like to make a
20 point that I made before again. As a township we
21 are unable to absorb another major project like
22 this. And if the project were totally scuttled at
23 this time, I believe we'd all be ahead of the game.

1 Thank you very much.

2 MS. KLYCZEK: Thank you, sir.

3 If you could just state your name
4 and address, please.

5 JOHN WOLANYK: John Wolanyk,
6 7792 Haight Road, Barker, New York 14012.

7 Their project is going to directly
8 affect me and my property. We have a 101-acre farm,
9 and those solar panels are going to be directly
10 north of my house. So therefore, those black panels
11 are going to be facing my windows, my north windows
12 on the house.

13 It's going to raise the heat. I
14 don't know how much damage it might cause trying to
15 grow crops on the farm because of the heat.

16 There's a setback of 250 foot to
17 neighboring properties. And from what I was told
18 it's a thousand foot before you can discharge a
19 firearm. So that's going to affect both neighbors,
20 and all neighbors, actually.

21 And it's a lot of crap. You guys
22 keep taking away.

23 Plus, it's going to drop my

1 property value, because if I ever sell that house,
2 nobody's going to want to live across the street
3 from solar panels and look at them all day long
4 sitting on the front porch in the shade. That's
5 baloney.

6 Now, our power vista, the last
7 time I had noted they were producing -- they were at
8 65 percent of production. Wouldn't it be better to
9 invest that money into the power vista and produce
10 at least 20 percent more than what they're producing
11 now?

12 I shoot this down. And I'm going
13 to be very upset. I'm going to lose property value.
14 Who's going to want to buy that property?

15 So what do I do? AES, a
16 subsidiary from AES, am I going to have to sue them
17 for damages caused to me? Do I have to go after you
18 people because you allowed it and you gave them a
19 tax break? When am I going to get a tax break?

20 New York State is destroying our
21 community. They took away -- they took away home
22 rule. And our town board said nothing south of 18.
23 You can take the brown fields north of 18, do what

1 you want with them basically.

2 But no, money speaks. Now they
3 cry for tax breaks. Baloney.

4 And I hold every one of you
5 responsible if you allow this tax break to go
6 through. Thank you very much.

7 MS. KLYCZEK: Thank you, sir.
8 Come on up.

9 JEANNE DARSOW: Jean Darsow.
10 3095 Johnson Creek Road.

11 I live in the Town of Hartland.
12 And I am in with the solar project. I signed up for
13 that on my personal property. I also own Ravenwood
14 Farm and I Sheep You Not.

15 And what I do is I take rescue
16 sheep and I do solo grazing. And I know that this
17 is going to take a lot of prime farmland. My sheep
18 are going to be going in a brown field to try and
19 remediate the soil at Niagara University at their
20 front entrance so that that soil might be good again
21 to grow low crops. You can grow low crops
22 underneath the solar panels.

23 I want to know if there will be

1 any incentives or any tax breaks or anything,
2 grants, for me to get smaller farm machinery that
3 actually fits between the rows of solar panels so I
4 can grow hay for my sheep in the winter.

5 And then my sheep also provide
6 lambs for food, wool for clothing, the soil
7 remediations. They're a rescue animal I get at
8 local auctions. They're doing their purpose.

9 I'm just trying to farm where I
10 can. I don't have a lot of money. I don't have a
11 lot of room. And solar paneled areas can be farmed.
12 I know it's not great, but it can be done, just to
13 let you know.

14 MS. KLYCZEK: Thank you.
15 Yes.

16 JUDE HINTON: Hi. I'm Jude
17 Hinton from 7440 Lake Road, right across from --
18 right basically across from the property where the
19 stone house is, the historical society.

20 And I've kind of maybe come late
21 a little bit to this project, because at the other
22 town meetings and board meetings I've been to here
23 the solar thing was like a done deal, there's

1 nothing we can do about it.

2 And then less than a week ago I
3 heard about this meeting. And I saw in the paper,
4 in The Buffalo News, an article that I thought was
5 not only important, but full of a lot of errors and
6 misconceptions.

7 The land that these panels are
8 going to be put on was described as like abandoned
9 unused land. I don't think that would ever be the
10 case. Everything is being planted and harvested if
11 it can be. It's, again, awesome agricultural land.

12 Sid Silsby and his family, his son
13 Jeremy and his family, have rented property for
14 cropping on our farm over the years. And he has
15 also rented or leased much of the property that's
16 going to be going to these thousands of acres of
17 solar panels.

18 So to describe them as abandoned
19 or unused is really very much misinformation, except
20 for that this past year the Silsbys were told that
21 they were not allowed to plant crops on those
22 properties. So it's not by the nature that they
23 were just abandoned.

1 Also, I think I'm going to kind of
2 repeat what other people have said. If this solar
3 project is not viable on its own, without multiple
4 levels of tax breaks from the federal, state,
5 counties, local municipalities, then it should not
6 be built if it can't make it on its own.

7 They're counting on tax dollars
8 for us to give up what revenues we can get from
9 them. And in that scenario, we're experiencing and
10 getting all the downsides and taking all the risks,
11 as Betty said, about you know, they're going to
12 abandon, go bankrupt and dump this eyesore on us
13 eventually. And it will happen, I believe, and
14 you're never going to get farmland back again. So
15 we take all the downsides. We take all the risks
16 without getting any of the benefits.

17 And adding insult to injury that
18 we must foot the bill for building this energy
19 structure, as well as having our individual, our
20 own utility bills, being saddled with paying for
21 this once-in-a-century upgrade of the electrical
22 grid. It's on all of our bills, you know, the
23 system upgrades.

1 So not only are these power-hungry
2 structures, like the AI that's happening, not paying
3 their fair share, they're getting tax breaks from
4 the power authority that we don't get. And we are
5 expected to pay for all these upgrades because the
6 whole system everywhere in the whole country can't
7 keep up, mostly with the IA -- AI and that type of
8 build-out.

9 So what they're getting out of
10 over 20 years is a very valuable commodity. A
11 commodity that will have increasing value. We see
12 it going up on our bills practically monthly. So
13 they're going to have that in their pocket.

14 Meanwhile, they throw us a
15 pittance over 20 years and expect us to be
16 gung ho and appreciative of it, which I believe
17 nobody is, nobody in this room possibly. So
18 they're basically throwing us crumbs and kind of a
19 like it or not, this is happening, your hands are
20 tied.

21 So I just feel like I'm totally
22 against it. This community has been ravaged by
23 different things like this before, including the

1 original coal plant, which as a child I, you know,
2 went down striking against it with my little sign.
3 So this has been a part of our lives for a long
4 time. Thank you.

5 MS. KLYCZEK: Thank you,
6 Ms. Hinton.

7 UNIDENTIFIED SPEAKER: What do
8 you intend to do with the information you've gotten
9 today? What's the next step? I just think we need
10 communication. And what are you going to do with
11 what you've heard from this meeting?

12 MS. KLYCZEK: So all the
13 public comments that have been submitted, and I've
14 taken some notes of summary, and that will all be
15 provided to our Board and taken into consideration
16 when they are deciding whether or not to approve the
17 tax agreement.

18 UNIDENTIFIED SPEAKER: Now, do
19 you have another Board meeting that we could come to
20 when they make that decision?

21 MS. KLYCZEK: Yes. Our
22 Board meeting is next Wednesday. And it's posted on
23 our website.

1 UNIDENTIFIED SPEAKER: I know,
2 but we don't get the website. So I mean,
3 communication has been lax. I would love it if you
4 would mail our residents information about meetings,
5 because communication has not been good enough for
6 us. We haven't -- I mean, I feel like we're on the
7 back burner of whatever's happening in our
8 neighborhood.

9 Please help us find a way to get
10 more information from you. How is that possible?

11 MS. KLYCZEK: Hold on one
12 second. Is there any other public speakers?

13 Can I get back to you after we
14 finish the public speakers, please?

15 UNIDENTIFIED SPEAKER: Yes.

16 MS. KLYCZEK: Thank you.
17 Come on up.

18 CARMEN ALLEN: Hi. I think
19 I spoke with you yesterday.

20 MS. KLYCZEK: Oh, okay.

21 CARMEN ALLEN: I'm Carmen
22 Allen. I do not live in this town. I live in the
23 neighboring Town of Olcott.

1 I'm here on behalf of my sister.
2 My chickens also live here. So I'm here quite a
3 lot.

4 And I'd like to apologize to
5 everybody in this room because nobody else is going
6 to. You want them to accept this and give them a
7 tax break, and they know exactly what they've done
8 to this town. They've already given them enough of
9 a break. They've taken the value of their homes.
10 Now you want them to let them have a tax break.

11 How do we get ahold of the
12 Environmental Impact Study, because surely one was
13 done?

14 MS. KLYCZEK: I can try to
15 get that.

16 CARMEN ALLEN: This is also a
17 migration corridor. So there are endangered species
18 of fireflies. It takes three years for them to
19 cultivate.

20 They're destroying everything,
21 including the value of their properties and your
22 health. Your health will be next. They've done
23 nothing for the community.

1 MS. KLYCZEK: Is there any
2 other public speakers? Come on up, sir.

3 ALLEN ISRAEL: My name is Al
4 Israel. I live at 7830 Lake Road.

5 I was wondering if I could
6 petition Niagara County for a tax break?

7 I farm. I grow apples. Do you
8 have kids, grandkids? Yeah, everybody does.
9 Great-grandkids? I grow fruit for a living.

10 We can give a tax break to the
11 people who are generating power. How long can you
12 survive without food? Let me give you the answer;
13 roughly 40 days.

14 Maybe you could also help me out
15 with a little land-clearing expense, that way I can
16 plant more trees to feed your kids and grandkids.
17 Just a thought.

18 I'm being a little facetious here.
19 I hope you understand that.

20 But I'd really like to see full
21 tax breaks, not full tax breaks on this project.
22 The property owners around this project don't
23 deserve the devaluation of their property. Thank

1 you.

2 MS. KLYCZEK: Thank you,
3 sir.

4 ALLEN ISRAEL: Oh, one more
5 comment. Instead of artificial intelligence, why
6 don't we try a little almighty intelligence.

7 MS. KLYCZEK: Any other
8 public speakers?

9 MIKE HENNIGAN: I just want to
10 make a comment. They consider this green energy?
11 All right. Last year they didn't plant a lot --
12 whatever, the power plant's property. Okay. Last
13 season, they didn't plant. So therefore, the crops
14 didn't eat any CO2 (inaudible). Okay. So now, they
15 want to take trees and forests down. Next they want
16 to stop growing on that property.

17 It's going to take from eating up
18 our CO2, and that's going to cause global warming.
19 If they're so concerned about global warming, then
20 they should leave the farmland alone and let the
21 farmers farm it. Sell it back to the farmers.

22 This solar plant has no -- no
23 right to be in this community, none. (Inaudible).

1 Thank you.

2 MS. KLYCZEK: Thank you.

3 UNIDENTIFIED SPEAKER: Do you
4 have the time and date and place of that meeting?

5 MS. KLYCZEK: Yes. Yes.
6 Are there any other public comments? Come on up.

7 It's next Wednesday, sir. It's --
8 I'll give you my business card. The address is on
9 there.

10 UNIDENTIFIED SPEAKER: Can you
11 just say it out?

12 MS. KLYCZEK: I did. It's
13 next Wednesday at nine a.m. And here's my business
14 card. It has --

15 UNIDENTIFIED SPEAKER: Where?

16 MS. KLYCZEK: It has my
17 address on here. 6311 Inducon Corporate Drive.
18 6311 Inducon Corporate Drive in Sanborn.

19 JENNIE MEYERS: Hi. My name
20 is Jennie Meyers and I live at 1946 Hartland Road.

21 I just wanted to say from
22 everything I've heard tonight, I don't think the
23 revenue that's going to be brought in is worth them

1 getting this tax reduction that they're asking for.

2 The school, it benefits my
3 children. And what from he said, that it would
4 actually not get as much in funds and it would
5 actually affect us as taxpayers in the school.

6 So I'm against it for those
7 reasons. Thanks.

8 MS. KLYCZEK: Thank you.
9 Any other public speakers? Come on up, sir.

10 This isn't a -- I'd be glad to
11 speak to you after the public hearing.

12 Is there any other public speakers?

13 UNIDENTIFIED SPEAKER: We have a
14 town attorney who's looking after that. And like
15 Mr. Hoffman stated, you have green space that was
16 signed legally years ago, and it's not being
17 acknowledged. Why don't -- and the majority of the
18 people, the residents, why isn't there some
19 significant consideration for that? And why don't
20 we get our town attorneys looking after that?
21 That's my question.

22 MS. KLYCZEK: Okay. Any
23 other public comments?

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All right. Hearing none now, I
will adjourn this meeting. It is now 3:16 p.m.

The hearing is now closed.

* * * *

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In Regards To: AES Solar Project at Somerset, NY

Dear Niagara County Industrial Development Agency,

My name is Floyd D. Snyder, residing at 8464 Chapman Road, Gasport NY for the last 50 years.

My background allows me the vantage to make a statement on energy and economics in an agricultural communities like ours.

I attended SUNY Cobleskill Ag and Tech and graduated from University of Georgia with a degree in economics.

I served in the United States Military as a Navy Seabees, a construction battalion, and was deployed to Vietnam in active duty.

For 24 years I worked in heavy construction operation, and helped to engineer and helped to build the Somerset Coal Plant. Following, I worked at the Lockport Generation Plant in Lockport, NY, for 15 years, on a fixed electric contract. Following, I had to purchase fuel on the day ahead market at the Niagara Generation Plant in Niagara Falls, NY.

Today, everyone is feeling the cost of electric bills rise and struggling to understand why bills are rising.

I would like to explain this rise in costs by discussing how the power grid works using data from the NY ISO Gold Book and Dashboard, and the Henry Hub in Louisiana.

Pricing of electricity comes at daily, weekly, and seasonal intervals. This change happened when NYS deregulated the power market and changed from fixed contracts, like the Lockport Generation Plant.

Pricing now works on demand.

During the day, peak demand for energy hits in the morning when people wake up, and in the evening when they come home from work and down during the night.

During the week, demand goes up Monday, and goes down Friday evening.

Seasonally, demand is up in the winter and summer and down in the spring and fall.

Last summer, demand for electrical energy rose 32,000 MW and at peak periods, gas and oil accounted for 68% and wind and solar 8%, with hydro and nuclear with the remainder.

Future demand will continue to increase at 3%-7% within the next three years due to the current AI, data chip or other large load centers, totaling a projected 2700 MW. Lake Mariner right here is approved for 750MW of electric use. This can balance the energy grid through seasonal demand by providing a stable load and bring costs down.

What we need to keep energy affordable in NYS is more energy on the grid. That means improving natural gas infrastructure and accepting solar as the cheapest and quickest way to get energy on the grid today at 15cents/kw. New gas plants take at least ten years to come online, nuclear at least 15, depending on regulations.

We need ownership of the utilities and there is a real need to audit the utilities who are making 15% profits or more.

And finally, we need new growth and planning. An economy needs 5% growth per year to offset the cost of government and day-to-day inflation. And a plan for future growth, including energy demand.

Solar is a means to help rural towns meet this growth and keep the cost of living affordable for their residents.

With a negotiated PILOT, Niagara County will have a guaranteed and fixed source of revenue for twenty years. Are we financially better off in Niagara County to control this tax base or should the state control the tax base for Niagara County?

Thank you for your time,

Floyd D. Snyder

Please if you have any questions on any of the information presented contact me at (716)-255-4162 or floydsnyder1@aol.com

IDA Hearing Somerset Solar

Both this town and the N.C. IDA have had experience with AES of which Somerset Solar, LLC. is a subsidiary. Because of that I am surprised that NC IDA would seriously consider giving Somerset Solar a PILOT. Need I remind you of how AES has behaved in the recent past?

Let's start with the trustworthiness of AES/Somerset Solar and how they pay attention to detail with a couple of examples:

1. In its application to New York State through the 94 (C) process. AES/Somerset Solar claimed that 250 FTE construction jobs would be created. Yet in pages 3 and 13 of exhibit 18 in their state proposal that number appears as 205 and 203.

In their proposal to you they claim that 99 FTE construction jobs would be created. Which number is true – 99?, 205?. 250? And how many construction jobs did they claim when they spoke to the various labor unions?

2. What about full-time jobs?

In their application to New York, State AES Somerset Solar claimed 3.6 FTE full-time jobs on pages 9 and 13 in exhibit 18 would be created, to you they claim 2 FTE full-time jobs. Again, which number is true? They paint whatever picture they think will get them what they want.

And how wonderful will those not very high paying jobs be? (With a payroll of \$102,000 for 2 jobs even worse for 3.6). After State and Federal Taxes and FICA these will be minimum wage jobs. These jobs will be mowing the grass and shoveling snow, perhaps brushing snow off the solar panels and troubleshooting problems so people with expertise can be called to do repairs.

3. AES somerset solar does not pay attention to detail in any way, shape or form. A good example can be found on their Web site. In their community involvement demonstration to the public, they have a PowerPoint presentation that is supposed to be of the town hall meeting they held here. But there is a problem. The PowerPoint is of Riverside Solar up in Jefferson county. If they can't even post the correct town meeting how can you consider them credible at all.

Their proposal to you indicates to me that they expect the Niagara County IDA to actually own the Somerset Solar facility and lease it back to AES Somerset Solar. Knowing their past behavior, what a perfect way for AES Somerset Solar to declare bankruptcy when they so choose and leave the NC IDA holding the bag. When the subsidies end or they discover that this is a poor area to generate electricity and they aren't making the money they thought they would, they will disappear.

In their application to the state they claim that they will own and operate Somerset Solar. Another discrepancy, a fairly large one to me.

Your legal authorization is for you to attract businesses and create jobs. AES Somerset Solar is already planning to come and they are not creating good jobs after construction. They are already receiving subsidies, a guaranteed market, the state is limiting the assessed value of the facility already. Why do they need more tax breaks.

You are a PUBLIC BENEFIT corporation. This project is not wanted here. It is being shoved down our throat by New York State. AES Somerset Solar claims that they are improving the land. They are industrializing prime farmland. They claim that after decommissioning the land will be returned to its pristine condition that they are saving it from other development. This is prime farmland and it has a forest with 200-year-old trees that they plan to cut down. If this project is built it will never be prime farmland again. You cannot undo 5 miles of gravel roads nor change the substructure with miles of underground cables. This land has already been productive - growing food. There is very little prime farmland in the WORLD and in Western New York it is being industrialized at a shocking rate. There will come a time when this is deeply regretted.

I ask that you not give any PILOT to AES Somerset Solar. And certainly not take on any ownership of this project.

Respectfully Submitted
Elizabeth Holenagh
7792 Haight Rd
Barker

March 11, 2026

NCIDA public hearing comments relative to Somerset Solar as submitted by Randy Atwater

My name is Randy Atwater, longtime resident of the Town of Somerset and member of the Barker Central School Board of Education, currently serving as president. I am speaking as a private citizen and taxpayer and not on behalf of the school.

I have multiple concerns with the PILOT for Somerset Solar, the subject of today's hearing. The evolution of this PILOT has largely been below the radar. The school was not informed from the outset of the development and negotiations behind the proposal we are here to discuss today. I recently learned that the Town endorsed the proposed PILOT at the July 9, 2025 meeting. I regret not following the Town board meeting minutes more carefully, but a development of this magnitude that impacts the school should have been communicated to the school in a timely fashion and the potential impacts considered far earlier in the process.

Dr. Reimer, our superintendent of schools, received notice of the rescheduled hearing only a week ago today. I was interested to note that the notice was submitted to the Niagara Gazette, which I trust is the official paper of record for the NCIDA. However, I doubt many town and district residents are subscribers to this paper. The notice letter says, "Attached is a copy of the Notice of Public Hearing describing the project and the financial assistance contemplated by the Agency." Other than the Notice itself, no such additional information was included. It is unclear how the average citizen of Somerset would be aware of this hearing and/or the details thereof.

I do not understand why this PILOT is even being considered. As you know, wind and solar projects are automatically exempt from normal property taxes under RPTL § 487 unless opted out of by the affected municipalities. The Town of Somerset, Barker Central School and Niagara County all opted out of RPTL § 487 years ago. According to the NYSERDA Solar Guidebook for Local Governments, Section 6, there is no provision I could find that allows for a PILOT if the municipalities have opted out of this Section.

Quoting from the NYSERDA Solar Guidebook for Local Governments:

pg S6.3: Payment-in-lieu of taxes (PILOTs) are an alternate revenue source that allows municipalities to receive annual payments from renewable developers in place of property taxes for projects eligible for property tax exemptions.

pg S6.6: Local governments that do not want to use tax exemptions can opt out of the RPTL § 487 by passing a law or resolution to opt out of RPTL § 487 and filing copies of the local laws and resolutions to the Department of Taxation and Finance and NYSERDA. If a municipality has opted out, all applicable solar and energy storage projects in its jurisdiction are subject to local property taxes.

pg S6.14: If a solar project is not exempt from property taxes, the project developer or owner will be required to pay property taxes on the solar project. The property taxes would be based on the assessed value of the solar project, which can be estimated using an income-based method such as the discounted cash flow, a market-based approach such as the market comparables method, or a cost-based approach.

In spite of the clear direction of the Solar Guidebook, I have been told that the IDA may have the authority to grant a solar project a PILOT under RPTL § 412-A. It seems clear that the town, school and county opted out of RPTL § 487 with the full intent to keep renewable projects on the tax rolls. What has changed?

It is my understanding that NYS requires the assessment of solar projects for property tax purposes to be based on the method outlined in RPTL § 575-B. The total cost of installation documented in the Somerset Solar application is about \$276 million. The assessment calculation under RPTL 575-B is reported to be about \$31 million. Clearly, the state has already baked a favorable assessment into the cake of assessment for solar systems. To grant a PILOT that gives further substantial discount seem unnecessary and inappropriate.

I am not coming at this out of opposition to renewable energy. For our home, we have two banks of solar panels and a geothermal HVAC system. I have often read how the cost of solar power has come down dramatically and is very competitive with other forms of energy. As such, tax breaks should be subject to great scrutiny.

Dr. Reimer has already spoken about the potential impact on the school. I would like to elaborate on that. It appears that the total Town of Somerset budget for 2026 is on the order of \$5.4 million. The current year school budget is \$22.5 million. School employment is several times that of the Town with direct impact on well over 600 students and their families. The tax rate for the Town is about 13% of that of the school. Both provide essential services to the community. With the current proposal for the PILOT and Host Community Agreement for the Town, the school would lose over \$6 million over 20 years and actually receive less from the solar project than would the Town. Under the current proposal, the Town would come out ahead by over \$5 million over 20 years relative to having this project on the tax rolls. Congratulations to the Town for savvy negotiations, but the school has to date not been given the same opportunity or consideration.

I have been on the school board for nearly 38 years and have seen the glory days of tax revenue from the power plant back in the NYSEG days. With the elimination of coal fired power plants in the state, it was understandable that those days would not last forever. However, the challenges of dealing with the multiple PILOTs and loss of major revenue for the district put us in a structural deficit for years. With the advent of the Energy Cessation Mitigation money, we have been able to get back on our feet and even finance major capital improvements to the campus with the help of major state support without raising local taxes. As the Mitigation funds drop off completely in a couple years, we are again looking at a structural deficit and the loss of revenue from this proposed PILOT would clearly be harmful relative to having this project on the tax rolls. Sadly, the PILOT as currently proposed could actually work against us due to tax cap calculations. Quoting again from the Solar Guidebook:

Pg S6.16: PILOTs may limit the ability for local governments to increase their property tax revenue while PILOTs are in effect.

In summary, I find that this entire proposal does not comport with the guidelines as published by NYSERDA and that as currently structured would be a great disservice to the school district that is so integral to our community.

March 11, 2026

RE: NCIDA hearing 3/11/26 Somerset Solar. A 24/365 residents' point of view

Opposed

- Project should stand on its own financially or not move forward
- Project should be fully assessed and on the tax rolls
- Somerset is a low tax area because of its rural character. Why more tax breaks?

Considerations detrimental to Somerset

- Greenspace buffer established under article 8 to shield the community from coal operations is being destroyed. It should remain intact.
- clearing of trees and forested areas is counterproductive to clean air.
- 247 acres of active farmland is being removed forever from future use at a cost to the community. Reclamation is a farce.
- Providing power to 25,000 houses as claimed is misleading as the intermittent nature of solar requires back up by hydro, nuclear or fossil fuels.

SOMERSET IS UNABLE TO ABSORB ANOTHER MAJOR CONSTRUCTION PROJECT AS THE CURRENT AI PROJECT AS CURRENTLY STRUCTURED IS OVERWHELMING OUR COMMUNITY

Reference: James Hoffman letter to the editors of the US&J, Buffalo News, Orleans Hub, and Niagara Gazette on March 2nd

James C. Hoffman

March 2, 2026

Re: Somerset Solar Project Tax Incentives

The Somerset Solar project is a 125 megawatt installation proposed for the Town of Somerset on part of the site of the shuttered coal fired powerplant.

Financially, the project should stand on its own and not receive tax breaks or financial incentives from the Niagara County Industrial Development Agency (NCIDA) or other organizations. Those that argue for incentives claim Somerset Solar will help meet the New York State Energy Policy Goals. These goals are under question as to how realistic they are and raise issues that were ignored in the original State Office of Renewable Energy Siting (ORES) decision. Claims made that the Somerset Town Board is on record as approving the project are false. More power to our Governor who has begun to raise questions about certain of the issues surrounding "clean Energy." Further a greenspace barrier was required by the Article 8 siting process for the coal operations. That barrier is being destroyed to the detriment of those living in the area.

ORES has recently issued a deficiency judgement for the project allowing the clearing of trees to begin on the proposed site. There is nothing more counterproductive to clean air than cutting down trees and clearing forested lands. Trees absorb carbon dioxide (CO2) from the atmosphere, store it and release oxygen to the atmosphere. Exactly the process wanted to clean our air. Further, trees act to deaden sounds and form a sight barrier, a much desired effect to preserve the Rural Character of our area. The Nature Conservancy in its Spring 2026 issue indicated that New York State has a plan to plant 680 million trees by 2040. Part of this plan should be to stop the arbitrary destruction of forested areas for unreliable clean energy projects.

The Somerset Solar Project will remove 247 acres from active farming. The 2022 Agricultural Census of Niagara County estimated the average yearly value of agricultural products sold in the County is \$1291 per acre. Over the projected life of 35 years the total loss in agricultural production in Somerset will exceed eleven million dollars in 2022 year dollars. How will this sum ever be recovered? Farmland and all green spaces should never be used for solar projects. Secure landfills, rooftops, abandoned shopping centers and parking lots, and brownfields located in cities and suburban areas closer to the electrical demand are far better sites.

An examination of details of construction of Somerset Solar puts the lie to any possibility of rehabilitation of the site after it outlives its useful life. Hundreds of buried pilings will be constructed to support the thousands of solar panels. Five miles of crushed stone trails and roads will be constructed, eliminating any notion of ever farming the site again. The claim is that Somerset Solar will supply power to 25,000 homes. This is at best half-truth as power is only generated when the sun shines. Reliable clean burning natural gas, reliable clean hydropower and reliable carbon free nuclear power come to the rescue.

The Niagara County Industrial Development Agency must deny the request of Somerset Solar for all manner of tax exemptions and financial incentives. Hopefully this action will be enough to kill the project. We will all benefit!!

James C. Hoffman

Resident: Town of Somerset

Barker Central School



1628 QUAKER ROAD, BARKER, NEW YORK 14012-0328

Fax 716.795.3394

Jacob L. Reimer Ed.D.

Superintendent of Schools

716.795.3832

jreimer@barkercsd.net

March 11, 2026

Andrea L. Klyczek
Executive Director, NCIDA
6311 Inducon Corporate Drive
Sanborn, NY 14132-9099

Dear Mrs. Klyczek,

This letter is being sent to you, as well as to the Town of Somerset, as a follow up to my comments at the public hearing at the Town of Somerset Town Hall on March 11, 2026 related to Somerset Solar, LLC's application for an IDA exemption/PILOT.

As noted in my comments at the hearing, I am not writing this letter in favor or against the application for the exemption/PILOT being requested by AES for this solar project. All I wish to do today is to provide information on the effects of the exemption/PILOT structure and the harm it will cause upon the district by not having this project put directly on the tax rolls and taxed at the same rates as the rest of the community.

Per calculations provided to us based upon the expected taxable valuation of the project, if this project were allowed to be fully taxed under the valuation process set forth within Section 487 RPTL Law, the district would receive \$11,625,337 over 20 years for an annual average of \$581,000. Under the proposed exemption/PILOT application, the calculation is reduced to a total of \$5,573,334 over 20 years, or an average of \$278,667. This is more than a 50% reduction in funding flowing directly to the school and more than a \$6,000,000 loss in potential revenues over those 20 years.

It must be noted that while the school district is receiving funding from the Energy Cessation Mitigation Fund, those funds currently are set to stop after the 2027-2028 school year with an estimated revenue of approximately \$650,000 in the final year. Further, due to the decline in revenues from the Energy Cessation Mitigation Fund each year, limited increases in State Aid, and the substantial challenge of increasing the school tax levy by more than 2-3% each year under the current tax cap laws, the district will fall into a true structural deficit within the next two years. We will simply not be bringing in revenues equal to our annual operating expenses.

In the past, when the plant did not pay their agreed upon amounts under previous PILOTS, and we had minimal state aid and local tax levy increases (nearly identical to what we are about to face yet

again), the district made significant restructuring decisions. We reduced positions, we reconfigured the campus to be more efficient, we eliminated bus runs, and we have shared more programs than ever with other schools, just to name a few. Many of these decisions were not popular, but they allowed the district to continue providing educational services to our students at similar levels to what was done in the past. The issue is that we no longer can make substantial structural changes to further cut costs if funding continues to dwindle.

The potential revenues from this entity, if this property were on the tax roll, would nearly supplant the loss of revenue coming from the Energy Cessation Mitigation Fund in our last year of eligibility. The proposed exemption and PILOT, structured as it is currently, ENSURES we will not be structurally balanced for some time and will be required to exhaust all reserves in a few short years to maintain current levels of programming.

The only recourse we see with this reduction of anticipated revenue will be to ask our community to exceed the tax cap and increase our tax levy to cover our rising costs, or to actually cut programs for students and the community. The continued use of reserves is not sustainable.

If this exemption/PILOT is approved by the IDA, we anticipate potentially requiring a 20% or higher increase to the school tax levy and the tax rate which, by the way, would require a super majority of our voters to secure. For context, since the inception of current school tax cap law, approximately 80% of all school budget votes that have sought to override the tax cap in New York State have failed. If an override of the tax cap is somehow approved by our voters, this then would place the entire cost of the increase in taxes on the taxpayers as the solar project would be exempt from this increase. Again, this puts the cost of continuing to provide services to our students and learning community solely on the backs of every taxpayer other than this business entity.

While the town and IDA may be making out very well with this proposed exemption/PILOT application, the school, the students, and the learning community it supports, simply will not. This decision will have a substantial long-term impact on our students, staff and the entire learning community.

We truly hope that the IDA will meet with myself and the Board of Education prior to making any decisions so we can further show you the impact this will have upon the school system both in the short and long term. To date, we have not received any communication from the IDA related to this matter, other than the notices of the hearing, and have largely been left out of this discussion except for a few perfunctory discussions with the town and the Somerset Plant/AES. Our hope is that additional discussion and sharing of information will let you see the full impact of this decision and its effect on our school and taxpayers.

I appreciate your time and consideration in this matter.

Sincerely,



Jacob L. Reimer, Ed.D.
Superintendent of Schools

Susan Barone

Subject: FW: Somerset Solar

From: Elizabeth Wolanyk <bettywolanyk@gmail.com>

Sent: Tuesday, March 17, 2026 1:44 PM

To: Susan Barone <susan.barone@niagaracounty.gov>

Subject: Somerset Solar

I am requesting that the Niagara County IDA Not approve the application for financial assistance from Somerset Solar. AES (the parent company) and Terawulf (owner of the property that will be leased to Somerset Solar) are unreliable.

Yesterday a complaint was filed against TeraWulf with the SEC. The complaint was that Terawulf lied on its Feb 26, 2025 investor presentation. This is the LLC that the Niagara County IDA will be dealing with if you approve the Application for assistant and become a leaseholder. Another lie that is documented among those that I raised during the hearing for the project held here in Somerset.

Further, many people believe that Trump eliminated subsidies for all renewable energy. This is not true. The federal investment tax credit of 50% is still in place for Solar. How much more money has to be poured into this project?

The claim that Somerset Solar will not be built if this application is not approved is a lie. This project is going to be built and will provide two very poor jobs.

Please do not approve this application.

Elizabeth Wolanyk

--

Elizabeth Wolanyk

7792 Haight Road

Barker, NY 14012

(716) 795-9426

(716) 449-7293 mobile

bettywolanyk@gmail.com

Fw: Somerset Solar

From: Andrea L Klyczek <Andrea.Klyczek@niagaracounty.gov>

Date: Tue 3/17/2026 10:54 PM

To: Julie Lamoreaux <Julie.Lamoreaux@niagaracounty.gov>

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From: Tamara Pessah <tamarapessah@gmail.com>

Sent: Tuesday, March 17, 2026 4:30:27 PM

To: Andrea L Klyczek <andrea.klyczek@niagaracounty.com>

Subject: Somerset Solar

You don't often get email from tamarapessah@gmail.com. [Learn why this is important](#)

[EXTERNAL MESSAGE]

This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

- Niagara County IT

This project is out of date. We have the technology to put these solar panels high above the ground and graze animals or grow crops underneath them.

We have parking lots by the church, the school, the park where we could put raised solar panels and provide much needed shelter for automobiles as well as EV charging stations.

The unchecked, unregulated development currently uglifying our beautiful lake road is not what the majority of the people in Somerset want. It affects our environment and our health negatively.

To proceed in such a rushed fashion without considering logic and more contemporary solar farm models is folly.

I hope you will reconsider before rubber stamping this project.

Best,

Tamara Pessah
9142 Coleman Rd, Barker, NY 14012

Fw: No To PILOT In Somerset For Solar

From: Andrea L Klyczek <Andrea.Klyczek@niagaracounty.gov>
Date: Tue 3/17/2026 10:55 PM
To: Julie Lamoreaux <Julie.Lamoreaux@niagaracounty.gov>

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From: Michael Booth <mikebooth213@gmail.com>
Sent: Tuesday, March 17, 2026 6:21:01 PM
To: Andrea L Klyczek <andrea.klyczek@niagaracounty.com>
Subject: No To PILOT In Somerset For Solar

You don't often get email from mikebooth213@gmail.com. [Learn why this is important](#)

[EXTERNAL MESSAGE]

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- Niagara County IT

Hi Andrea,

Thank you for coming to Somerset last week.

As you know, the overwhelming majority of the residents don't support solar (in this fashion), let alone a PILOT for said solar. It starts with accountability and doing what's right. Please help the community do what's right.

If solar was a viable solution, there's many sunnier areas of the country that could welcome the idea. If for some asinine reason they insist in WNY, then go for it, but NOT on any farm land ever. Does it make sense to you why they wouldn't install them on vacant strip malls, or vacant parking lots, or on schools, hospitals, landfills, and the like? It doesn't make sense. So, start making them make more sense before the IDA loses every last bit of sense and credibility.

Heck no to the PILOT scam. Do what's right for your own posterity. Regenerative farming is the only solution in communities like Somerset. Thank you.

Best,
Mike

Fw: Somerset solar

From: Andrea L Klyczek <Andrea.Klyczek@niagaracounty.gov>

Date: Tue 3/17/2026 10:56 PM

To: Julie Lamoreaux <Julie.Lamoreaux@niagaracounty.gov>

Get [Outlook for iOS](#)

From: jlstewart198852@yahoo.com <jlstewart198852@yahoo.com>

Sent: Tuesday, March 17, 2026 9:43:50 PM

To: Andrea L Klyczek <andrea.klyczek@niagaracounty.com>

Subject: Somerset solar

You don't often get email from jlstewart198852@yahoo.com. [Learn why this is important](#)

[EXTERNAL MESSAGE]

This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

- Niagara County IT

Please reconsider the solar farms in Somerset. I have lived here for 10 years and enjoy the beauty of this rural community, and would hate to see these solar farms constructed literally in my back yard. These solar panels do nothing but hurt the environment and decrease property value, all while having a low output of energy.

The unchecked, unregulated development currently uglifying our area is not what the majority of the people in Somerset want. It affects our environment and our health negatively.

To proceed in such a rushed fashion without considering logic and more contemporary solar farm models is folly.

I hope you will reconsider before rubber stamping this project.

Regards,

Jessica Rohring
7899 Haight rd Barker NY

**SIGN IN SHEET
PUBLIC HEARING**

regarding:

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

March 11, 2024 – 2:00 p.m.
Town of Somerset Town Hall

Name	Company and/or Address	X box to speak/ comment
Marcia Ray	Resident / 7406 Lake Rd	X
Richard Ray	7406 Lake Rd	X
Chris Zelenka	1643 Hosmer Rd	
James C Hoff	6737 Lake Rd	X
MICHAEL JORDAN	1413 Hosmer Rd	X
Nick Williams	Hoffman Rd.	
MARSHALL KOERNER	9159 Lake Rd Bath	X
Floyd Koerner	" " " "	
Floyd Snyder	8764 Chapman Rd Grafton	X
Jacob Reimer	Barkner Central School	X
Randy Atwater	1097 Carmen Rd.	X
Pam Atwater	1097 Carmen Rd	X
Fred Leuer	8791 Lake Rd	X
Jessica Rohring	7899 Haight Rd	
Lyndsy Payne	7482 Lake Rd	X
Tracy Farren & Alissa Orth	NCR Real Property Tax Services	

X to COMPS

Shawn Foti 3856 Coomer rd
Newland
JON HOLDING 1965 QUARTER RD

Gail Damon 9142 Lower Lake Barker
Allen Israel 7830 Lake Rd Barker
Jill M Ant

Kevin Britton 8776 Coleman Rd NO
Ann Hinton Assessor

+ Betty Wolaryk 7792 Haight Road

ANNY ROSE 9180 SOMERSET DRIVE

**SIGN IN SHEET
PUBLIC HEARING**

regarding:

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

March 11, 2024 – 2:00 p.m.
Town of Somerset Town Hall

Name	Company and/or Address	X box to speak/ comment
Dennis Meyers Jennie Meyers	1946 Hartland Rd. Appleton, NY 14008	
Agnes La Porte	9184 Coleman Rd Barber NY 14012	
Doug Lewis	456 HAIGHT RD BARBER NY	Ado 4/10
William Witsa	1710 County Line Rd 14098	
John Wolanyk	7792 Haight Rd 14012	
Mark & Judy Remington	1492 Carmen Rd Barber 14012	
Joseph Moore	1449 Husmer Road Barber	
John Haight	8453 Haight Rd	
Karen Price	7885 Haight Rd	

8.2

VOSS

MANUFACTURING, INC.

PROJECT SUMMARY
Voss Manufacturing, Inc.



Applicant:	Voss Manufacturing, Inc.	
Project Location:	6292 Walmore Road, Niagara Falls, NY 14305	
Assistance:	Sales Tax Abatement 10 Real Property Tax Abatement (PILOT) Mortgage Recording Tax Exemption	
Description:	<p>Voss Manufacturing, Inc. founded in 1967, is a three-generation family owned manufacturer currently located at 2345 Lockport Road, in the Town of Wheatfield. The company, which started as a small tool and die shop has grown and diversified into a company which designs and builds tooling, equipment, fabrications and machined components for the heat transfer and the custom machinery market.</p> <p>Voss Manufacturing, Inc. wishes to acquire the property at 6292 Walmore Rd primarily for expanding sheet metal fabrication capacity and capabilities Also providing appropriate space to invest into new state-of-the-art technology, incorporating automation to accommodate their growing market demand. The acquisition will allow Voss to free space at 2345 Lockport Rd and meet the time demands of customers, many of which are local manufacturing companies.</p>	
Project Costs:	Construction/Improvements	\$ 200,000
	Furniture, Fixtures & Equipment	\$ 2,500,000
	Soft costs	\$ 0
	Property Acquisition	\$ 2,031,000
	TOTAL	\$ 4,731,000
Employment:	Current jobs in Niagara County: 107 New Jobs in Niagara County within 3 years: 5 Estimated Annual Payroll for New Jobs: \$300,000 Skills: Production Direct, Production Indirect (Supervision)	
Evaluative Criteria:	Regional wealth creation, Job Creation and Retention, In region purchases	

Niagara County Industrial Development Agency

MRB Cost Benefit Calculator

Date: January 8, 2025
 Project Title: Voss Manufacturing, Inc.
 Project Location: 6292 Walmore Road, Niagara Falls, NY 14305



Economic Impacts

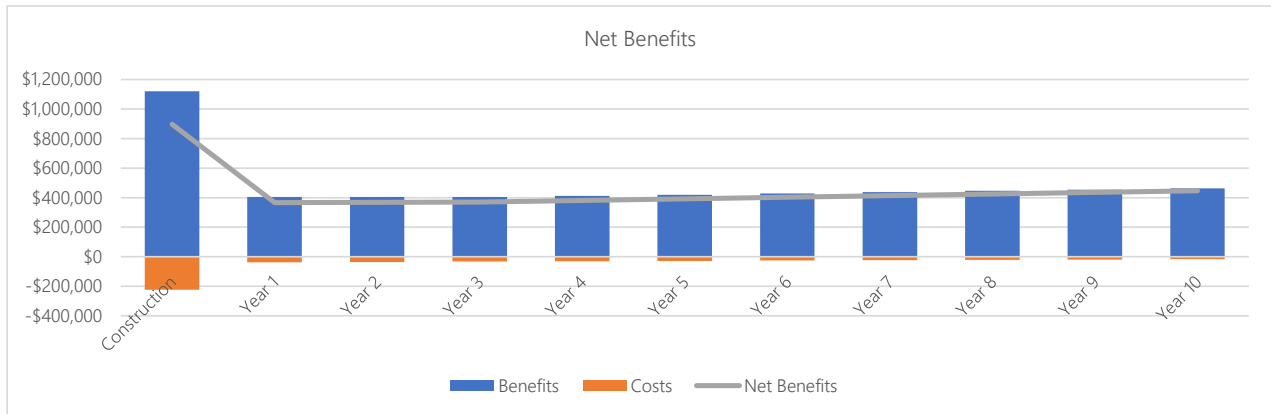
Summary of Economic Impacts over the Life of the PILOT

Project Total Investment
 \$2,700,000

Temporary (Construction)			
	Direct	Indirect	Total
Jobs	10	4	14
Earnings	\$832,416	\$225,457	\$1,057,873
Local Spend	\$2,160,000	\$776,134	\$2,936,134

Ongoing (Operations)			
Aggregate over life of the PILOT			
	Direct	Indirect	Total
Jobs	5	2	7
Earnings	\$3,174,891	\$859,907	\$4,034,798

Figure 1



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

Figure 2

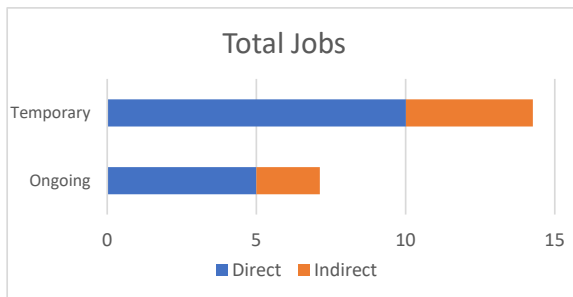
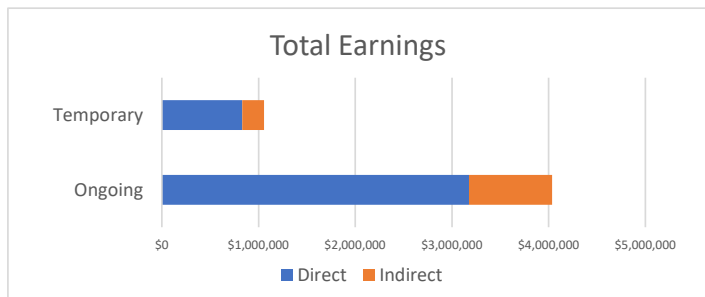


Figure 3



Fiscal Impacts



Cost-Benefit Analysis Tool powered by MRB Group

Estimated Costs of Exemptions

	Nominal Value	Discounted Value*
Property Tax Exemption	\$269,696	\$245,696
Sales Tax Exemption	\$208,000	\$208,000
Local Sales Tax Exemption	\$104,000	\$104,000
State Sales Tax Exemption	\$104,000	\$104,000
Mortgage Recording Tax Exemption	\$15,233	\$15,233
Local Mortgage Recording Tax Exemption	\$5,078	\$5,078
State Mortgage Recording Tax Exemption	\$10,155	\$10,155
Total Costs	\$492,929	\$468,929

State and Local Benefits

	Nominal Value	Discounted Value*
Local Benefits	\$5,235,340	\$4,797,879
To Private Individuals	\$5,092,670	\$4,672,212
Temporary Payroll	\$1,057,873	\$1,057,873
Ongoing Payroll	\$4,034,798	\$3,614,340
Other Payments to Private Individuals	\$0	\$0
To the Public	\$142,670	\$125,667
Increase in Property Tax Revenue	\$107,021	\$92,961
Temporary Jobs - Sales Tax Revenue	\$7,405	\$7,405
Ongoing Jobs - Sales Tax Revenue	\$28,244	\$25,300
Other Local Municipal Revenue	\$0	\$0
State Benefits	\$264,819	\$242,955
To the Public	\$264,819	\$242,955
Temporary Income Tax Revenue	\$47,604	\$47,604
Ongoing Income Tax Revenue	\$181,566	\$162,645
Temporary Jobs - Sales Tax Revenue	\$7,405	\$7,405
Ongoing Jobs - Sales Tax Revenue	\$28,244	\$25,300
Total Benefits to State & Region	\$5,500,159	\$5,040,834

Benefit to Cost Ratio

	Benefit*	Cost*	Ratio
Local	\$4,797,879	\$354,774	14:1
State	\$242,955	\$114,155	2:1
Grand Total	\$5,040,834	\$468,929	11:1

*Discounted at 2%

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

Additional Revenues:

County	\$108,603
City/Town/Village	\$0
School District	\$325,256

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

Additional Comments from IDA

0

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

9.1

NCDC LOAN MODIFICATION

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

Loan Applicant: Bairco, Inc.

Tax ID#: 88-2340401

Business Address: 2055 Niagara Falls Blvd., Suite #1
Niagara Falls, NY 14304

Project Address: Same as above

Telephone: 716-330-0104

Website: www.bairco.com

Ownership: Matthew Brooks – 100%

Business: Manufacturing and distribution of filtration systems.

NAICS: 333413 - Industrial and Commercial Fan and Blower and Air Purification
Equipment Manufacturing

Date of Review: May 5, 2025

Loan Request: \$100,000

Project Description: Bairco is embarking on an expansion project to support its growing demand and need to increase production capacity. This project will involve investment in new equipment and improvements to the production floor, the addition of new employees, and focused marketing efforts.

History and Background of the Applicant/Management

Bairco Inc. was established in April 2022 by Matthew Brooks with the purpose of building a filtration manufacturing and distribution company in Western New York. During the first full year of operations in 2023, the business operated out of 1,000 sq. ft. of leased space at 889 Erie Ave. in North Tonawanda. The primary goal during the year was to establish modernized business processes, supply agreements, and a presence in the market. The owner felt this was achieved and by 2024, the company had determined that on-site manufacturing was feasible and moved to a larger space at 2055 Niagara Falls Blvd. to accommodate that need.

Matthew Brooks has 15 years of experience in the filtration industry. He began his career in 2010 with John W. Danforth, learning the technical side of the business and helping grow the filtration division with direct customer sales. In 2015, Matt was recruited by R.P. Fedder Industrial to establish a Buffalo office for a manufacturing and distribution company based out of Rochester, NY. He averaged 35% growth each year for five consecutive years while managing that territory. He believes this experience in building a market presence from the ground up will allow him to be successful in this venture.

History and Background of the Applicant/Management (cont.)

In addition to his prior work experience, Mr. Brooks also builds his network in the industry through membership in the National Air Filtration Association. He’s been a member since 2022 and currently serves as the Chair of the Education and Training Committee.

Bairco offers a wide range of air filtration solutions, including:

- Custom OEM Filters:** Tailored filtration solutions for equipment manufacturers.
- HVAC Filters:** Standard, high-purity, and custom-sized filters for commercial and industrial use.
- Spray Finishing Filters:** High-performance filters designed for the spray finishing market.
- Custom-Packed and Scheduled Filters:** A unique system that simplifies filter changeouts for contractors and facility managers by providing pre-packed filters on a scheduled timeline.

Currently, Mr. Brooks is the only employee of the company. The need to focus on business development and administrative tasks has limited the time he can devote to manufacturing products. The overall purpose of this project is to scale the business to allow for the hiring of employees and a shift in focus to higher volume manufacturing. This requires an upgrade to more efficient equipment with a larger capacity and working capital support to expand marketing efforts and pay / train new employees until increased revenue is realized. More specific information on the project budget is detailed below in the review of sources and uses of funds.

Sources and Uses of Funds

Sources	
Isolation Systems	\$141,000
NCDC EDA-RLF Loan	\$100,000
Pursuit Lending	\$59,000
Borrower Equity	\$35,000
Total	\$335,000
Uses	
Equipment	\$158,000
Working Capital / Closing Costs	\$121,000
Inventory	\$41,000
Leasehold Improvements	\$15,000
Total	\$335,000

Isolation Systems is a vendor providing the company with \$100,000 worth of used filter manufacturing equipment and \$41,000 worth of inventory. They have agreed, in writing, to provide financing over 10 years for the equipment and 2 years for the inventory.

A commitment letter is on file for the Pursuit financing and the owner has stated that the loan has been closed. Those funds will be designated towards working capital and closing costs.

Sources and Uses of Funds (cont.)

The NCDC funds will be used to purchase various pieces of new manufacturing equipment in the amount of approximately \$58,000. Invoices to support those costs are on file. The pieces of equipment all cost between \$5k and \$25k and included items like hot melt roll coaters, pleat cutters, and drying tables. The remainder of the NCDC funds will be used along with Borrower equity towards working capital to cover operating expenses as manufacturing ramps up and new employees are hired.

Financial Analysis

Bairco has provided its 2022 and 2023 federal tax returns along with a management prepared income statement for 2024. Note that the company was formed in April 2022. The company also provided three years of projections (income statement, balance sheet, cash flow). The financial statements are displayed on the following pages (with commentary).

Bairco - Historical Income Statement		
Year	2023	2024
Source	FTR	Mgmt
Income		
Sales	254,251	344,188
COGS	(176,555)	(150,866)
Gross Income	77,696	193,322
Expenses		
Payroll	0	13,607
Rent	0	44,796
Travel	5,807	13,001
Communication	3,395	4,531
Dues & Subscriptions	2,220	2,095
Insurance	1,998	1,738
Supplies	1,303	5,198
Other	5,412	17,283
Total Expenses	20,135	102,249
Net Income	57,561	91,073

Historical Income Statement Comments:

- 2022 results not included as it was a stub year, and the company didn't generate significant revenue. Revenue to date has mostly been generated through distribution.
- Payroll was for a part time worker to help fulfill orders during a busy time. That person is not currently employed.
- COGS improved through larger orders and less contracted labor.
- Using 2024 net income, DSCR on the full debt load required for the proposed project would be 1.29X.

**BAIRCO INC.
PRO FORMA BALANCE SHEETS**

Assets	12/31/2024	Project	Year 1	Year 2	Year 3
Current Assets:					
Bank & Cash Accounts	11,402	75,792	49,442	65,111	305,912
Accounts Receivable	41,656	0	41,656	41,656	41,656
Inventory	49,780	41,751	91,531	91,531	91,531
Total Current Assets	102,839	117,543	182,630	198,298	439,099
Fixed Assets:					
Equipment	0	158,208	158,208	158,208	158,208
Leasehold Improvements	0	15,000	15,000	15,000	15,000
	0	173,208	173,208	173,208	173,208
Less: Accumulated Depreciation	0	0	24,744	49,488	74,232
Net Fixed Assets	0	173,208	148,464	123,720	98,976
Intangible Assets:					
Closing Costs & Professional Fees	0	10,000	10,000	10,000	10,000
Less Amortization	0	0	3,333	6,667	10,000
Total Intangible Assets	0	10,000	6,667	3,333	0
Total Assets	102,839	300,751	337,760	325,352	538,075
Liabilities & Shareholders' Equity					
Current Liabilities:					
Accounts Payable	7,449	0	7,449	7,449	7,449
Credit Cards Payable	1,926	0	1,926	1,926	1,926
Pursuit Loan, Current Portion	0	9,233	10,821	11,661	12,567
NCIDA Loan, Current Portion	0	16,604	17,411	18,256	19,142
Inventory Loan, Current Portion	0	18,517	21,393	1,841	0
Total Current Liabilities	9,376	44,355	59,001	41,134	41,084
Long Term Liabilities:					
Equipment Loan, Private	0	100,000	90,833	80,833	80,833
Bank Loan	0	49,767	38,945	27,284	14,717
NCIDA Loan	0	83,396	65,985	47,729	28,587
Inventory Loan, Private	0	23,234	1,841	0	0
Total Long Term Liabilities	0	256,397	197,605	155,846	124,138
Owners' Equity:					
Common Stock	100	0	100	100	100
Additional Paid in Capital	4,275	0	4,275	4,275	4,275
Current Earnings	0	0	-12,308	47,216	244,482
Retained Earnings	89,088	0	89,088	76,780	123,996
Total Owners' Equity	93,463	0	81,155	128,371	372,853
Total Liabilities & Owners' Equity	102,839	300,751	337,760	325,352	538,075

Balance Sheet Comments:

- Current cash on hand under "project" supported by bank statement.
- \$100k equipment loan from vendor Isolation Systems is interest free.
- Borrower has no debt prior to commencement of this project.

BAIRCO INC.
PRO FORMA INCOME STATEMENT
THREE YEARS

	Year 1	% of Sales	Year 2	% of Sales	Year 3	% of Sales
Sales:						
Reseller	228,000	26.48%	619,920	40.00%	929,880	40.00%
Original Equipment Manufacturer	273,000	31.71%	309,960	20.00%	464,940	20.00%
End User	360,000	41.81%	619,920	40.00%	929,880	40.00%
Total Sales	861,000	100.00%	1,549,800	100.00%	2,324,700	100.00%
Cost of Sales:						
Beg. Inventory	49,780	5.78%	91,531	5.91%	91,531	3.94%
Purchases, Reseller	164,900	19.15%	402,948	26.00%	604,422	26.00%
Purchases, OEM	172,150	19.99%	185,976	12.00%	278,964	12.00%
Purchases, End User	196,700	22.85%	309,960	20.00%	464,940	20.00%
Freight-In	16,013	1.86%	146,518	9.45%	219,777	9.45%
Shop Supplies	21,525	2.50%	38,745	2.50%	38,745	1.67%
	621,069	72.13%	1,175,678	75.86%	1,698,379	73.06%
Less: Ending Inventory	91,531	10.63%	91,531	5.91%	91,531	3.94%
Total Cost of Sales	529,538	61.50%	1,084,147	69.95%	1,606,848	69.12%
Gross Profit	331,462	38.50%	465,653	30.05%	717,852	30.88%
Operating Expenses:						
Owner's Salary	50,000	5.81%	50,000	3.23%	53,000	2.28%
Salaries & Wages	124,880	14.50%	190,426	12.29%	235,859	10.15%
Payroll Taxes	26,232	3.05%	36,064	2.33%	43,329	1.86%
Rent	72,000	8.36%	72,000	4.65%	72,000	3.10%
Telephone & Internet	3,500	0.41%	3,675	0.24%	3,859	0.17%
Repairs and Maintenance	400	0.05%	420	0.03%	441	0.02%
Insurance	2,100	0.24%	2,205	0.14%	2,315	0.10%
Professional Fees	1,750	0.20%	1,838	0.12%	1,929	0.08%
Meals	2,400	0.28%	2,520	0.16%	2,646	0.11%
Dues & Subscriptions	2,220	0.26%	2,331	0.15%	2,448	0.11%
Office Supplies	4,057	0.47%	4,260	0.27%	4,473	0.19%
Utilities	4,611	0.54%	4,842	0.31%	5,084	0.22%
Travel	4,844	0.56%	5,086	0.33%	5,341	0.23%
Bank Fees	300	0.03%	315	0.02%	331	0.01%
Website	1,250	0.15%	1,313	0.08%	1,378	0.06%
Advertising & Promotion	1,200	0.14%	1,260	0.08%	1,323	0.06%
Postage, Shipping & Printing	800	0.09%	840	0.05%	882	0.04%
Miscellaneous	3,396	0.39%	3,566	0.23%	3,744	0.16%
Interest, NCIDA Loan	4,028	0.47%	3,222	0.21%	2,377	0.10%
Interest, Pursuit Loan	3,771	0.44%	3,366	0.22%	2,525	0.11%
Interest, Inventory Loan Private	1,954	0.23%	812	0.05%	9	0.00%
Amortization	3,333	0.39%	3,333	0.22%	3,333	0.14%
Depreciation	24,744	2.87%	24,744	1.60%	24,744	1.06%
Total Operating Expenses	343,771	39.93%	418,437	27.00%	473,370	20.36%
Pre-tax Profit	-12,308	-1.43%	47,216	3.05%	244,482	10.52%

**BAIRCO INC.
PRO FORMA CASH FLOW STATEMENT
THREE YEARS**

	Year 1	Year 2	Year 3
Cash Sources:			
Beginning Balance	11,402	49,442	65,111
Net Sales	861,000	1,549,800	2,324,700
Owners' Investment	0	0	0
Owners' Investment,	0	0	0
Line of Credit	0	0	0
Pursuit Loan	59,000	0	0
NCIDA Loan	100,000	0	0
Equipment Loan, Private	100,000	0	0
Inventory Loan, Private	41,751	0	0
Total Cash Sources	1,173,154	1,599,242	2,389,811
Cash Uses:			
Purchases, Materials	529,538	1,084,147	1,606,848
Operating Expenses	315,693	390,359	445,292
Principal Pmt., Pursuit Loan	9,233	10,821	11,661
Principal Pmt., NCIDA Loan	16,604	17,411	18,256
Principal Pmt., Inventory, Private	18,517	21,393	1,841
Principal Pmt., Equip, Private	9,167	10,000	0
Project Costs:			
Used Equipment	100,000	0	0
New Equipment	58,208	0	0
Leasehold Improvements	15,000	0	0
Inventory	41,751	0	0
Closing Costs/Prof. Fees	10,000	0	0
Total Cash Uses	1,123,711	1,534,131	2,083,899
Cash Balance	49,442	65,111	305,912

Debt Service Coverage - Bairco				
	Year 1	Year 2	Year 3	
Sources				
Net Income	(12,308)	47,216	244,482	
Depreciation / Amort	28,077	28,077	28,077	
Interest	9,753	7,400	4,902	
Total	25,522	82,693	277,461	
Uses				
NCDC (5 yrs, 5.625%)	22,991	22,991	22,991	
Iso. Systems (10 yrs, 0%)	10,000	10,000	10,000	
Iso. Systems (2 yrs, 5.5%)	23,283	23,283	23,283	
Pursuit (1 yr I/O, then 5 yrs, 7.50%)	2,723	14,222	14,222	
Total	58,997	70,496	70,496	
DSCR	0.43	1.17	3.94	

Projected Income Statement, Cash Flow, and DSCR Comments:

- Revenue projections are based upon the owner’s experience in the market, and the void left by the sale of his former employer (R.P. Fedder). Additionally, the equipment being purchased from Isolation Systems will be accompanied by their client list, which the owner believes will result in significant growth opportunities.
- Gross profit margin is within the expected range for a manufacturing company.
- DSCR is below 1 to 1 in the first year, however cash flow is still positive from loan assistance.
- DSCR is projected to be sufficient to cover all debt in year 2, with significant excess cash flow after debt service in year 3.
- Salary and wage line is consistent with hiring required by the proposed loan.

Personal Guarantor Financials

The personal credit report from Equifax for **Matthew Brooks** was obtained on May 2, 2025. His FICO score is reported at 562 which is considered poor credit. The report shows a number of late payments and one collection account which has since been paid. The majority of the late payments are on a \$3k credit card and an auto loan obtained through the Kenmore Teachers Credit Union by Mr. Brooks’ wife. While he was a signer, he was not managing the accounts and indicated that the lack of payment was due to mismanagement, not lack of funds. Those accounts now have a zero balance. There is one account, an education loan, currently past due in the amount of \$697.

A signed personal financial statement for Mr. Brooks dated March 7, 2025 is on file. His primary residence is the only significant asset he holds, along with a modest amount of cash on hand. His liabilities consist of the mortgage on his personal residence, a student loan, and several credit cards. His 2024 federal income tax return is on file, showing an adjusted gross income of \$124,537.

Matthew Brooks - 3/7/25	
Assets	
Cash on Hand	\$ 3,000
Real Estate	325,000
Total Assets	\$ 328,000
Liabilities	
Installment Debt	9,000
Revolving Debt	11,000
Real Estate Mortgages	176,000
Total Liabilities	\$ 196,000
Net Worth	\$ 132,000

Employment

The owner, Matthew Brooks, is currently the only employee of the company. As a result of this project, the company will immediately hire two full-time employees. Over a two-year period, the company plans to hire five full-time employees. According to the Revolving Loan Fund guidelines, the maximum loan amount on a project cannot exceed \$40,000 per full time job created over a two-year period. Based on the proposed \$100,000 loan amount, the company must create at least 2.5 full-time equivalent positions in order to be compliant. A schedule of the positions the company plans to create is below:

Job Classification	Pay Range*	Number of Employees Per Category			
		Presently	6 months	1 year	2 years
Manufacturing Engineer	60,000	0.0	0.0	0.0	1.0
Office Manager	50,000	0.0	1.0	1.0	1.0
Warehouse	37,440	0.0	1.0	1.0	1.0
Machine operator	37,440	0.0	1.0	0.0	0.0
Assembly	37,440	0.0	0.0	1.0	1.0
Owner	50,000	1.0	1.0	1.0	1.0

The warehouse worker and the machine operator are the first two positions the company plans to hire immediately when the project commences.

Summary & Recommendations

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

Strengths:

- Owner has industry experience and contacts in the region from previously building a book of business in the same territory.
- Business has been profitable in its first two years of operation.
- Creation of five jobs that will pay at least a living wage.
- Projections show potential for a company that could grow significantly beyond the required job creation.

Weaknesses:

- Owner has a poor credit score with a history of delinquency and minimal liquidity to support operations, if necessary.
- Owner will continue to need access to credit in order to support growth, which could strain both the company's balance sheet and the owner's personal resources.
- Upcoming growth in the scale of the business will present increased operational challenges.

Analyst Summary:

Bairco is a relatively new company entering a growth phase in its business cycle. The owner's industry knowledge and experience, having previously built a book of business in this territory, is the primary strength of the company. Bairco's strong financial performance over its first two full years of operation speaks to this. While the company is off to a strong start, it's been operated by the owner as the sole employee and with very low overhead. As the scale of the business changes and overhead increases, the operational challenges will increase. The owner's past experience should theoretically help him continue to successfully navigate those challenges. Another risk to consider is the personal financial profile of the owner. The history of delinquency and lack of personal liquidity suggests that the owner will struggle to cover cash flow shortfalls in the event that projections are not met.

In summary, the analyst believes the proposed loan presents a moderate but acceptable level of credit risk and recommends approval of the loan as presented. The recommendation is based primarily upon the owner's experience, the financial performance of the company to date, the projected job creation, and the potential for significant growth moving forward as shown in the projections. If approved, the analyst recommends the following structure:

Recommended Loan Structure

Lender:	Niagara County Development Corporation ("NCDC") as Administrator of the EDA Revolving Loan Fund
Borrower:	Bairco Inc.
Loan Amount:	\$100,000
Interest Rate:	75% of the prime interest rate listed in the <i>Wall Street Journal</i> , to be fixed at closing. Based on today's WSJP of 7.50%, the calculation would yield a 5.625% interest rate.
Loan Term & Amortization:	60 months resulting in approximate monthly principal and interest payments of \$1,915.89.
Use of Proceeds:	Funds will be used towards the purchase of equipment and for working capital.
Collateral/Security:	A general security interest in all business assets of Bairco Inc. to be evidenced by UCC-1 filings. It's noted that NYBDC Local Development Corporation dba Pursuit Community Finance also took a filing on all assets of the company as part of their loan agreement.
Personal Guarantors:	Unlimited joint and several personal guaranty of Matthew Brooks.
Loan Disbursement:	Disbursed or reimbursed at closing with documented project costs.

Financial Reporting: The Borrower shall submit their federal income tax return and financial statements (if available) annually within 60 days of completion.

Prepared by: Michael G. Thomas, Vice President – Commercial Finance
The Harrison Studio
May 5, 2025

9.2

**CATARACT FUND
GRANT
APPROVAL
AMENDMENT**

The Center for
KASHMIR

To,

Cataract Tourism Fund

Niagara County Industrial Agency

Sanborn, NY 14132

March 11, 2026

RE: Grant Amendment Request – The Center for Kashmir Inc. Construction Project

Dear Members of the Cataract Tourism Board,

On behalf of The Center for Kashmir, I would like to extend our sincere gratitude for the Fund's ongoing support for this project to complete and open doors to the public. The previous two grants awarded for our construction have been instrumental in bringing this cultural landmark closer to reality. We respectfully request the Board of the Cataract Tourism Fund consider amending the phase II grant from 8.25% of the project amount to a 20% allocation.

We believe this adjustment is vital for us to complete the project and open doors in spring of 2027. The Center for Kashmir Inc. remains committed to transparency and excellence in the execution of this project.

Thank you for your time, your consideration, and your continued belief in our project. We look forward to your favorable response.

Sincerely,



Khurshid A. Guru

Chair, Board of Directors

Cataract Fund Project Summary

Applicant: The Center for Kashmir, Inc.

Project Location: 650 Park Place

Project Description: The Kashmir Museum project continues the redevelopment of a vacant historic church located in the downtown. The property has been placed on the National Register of Historic Places and serves as the bridge between the tourist district and Main Street. The church was purchased in 2020 and a not for profit board of directors was created. The board has been engaged in the design stages and fundraising efforts through private donations. The initial phase of work included the removal of asbestos, roof replacement, masonry repairs, and strategic demolition.

Phase II of the project includes the general construction, mechanical, plumbing and electrical. This work is underway and nearing completion. The next phase of construction, will include finishing work such as paint, wood flooring, wall tile, guard rails, general fixtures etc. This phase is expected to be finalized within the last quarter of 2023. Upon the completion of construction, artifacts and museum displays will be brought on site. The museum displays are projected to be in place by September 2024.

The existing project shortfall is approximately \$1.1M. The museum board of directors have raised over \$2M in private donations from across the County. In addition to this grant request, additional fundraising efforts are planned.

A more detailed timeline and budget is included with the project application.

Total Project Cost: \$5,000,000

Project Equity: \$2,418,153 (48%)

Previous Cataract Award: \$273,000 (5.4%)

Cataract Award Options: \$727,000 (20%), \$500,000 (15%)

Estimated Project Completion Date: September 2024

CATARACT TOURISM FUND APPLICATION

APPLICANT INFORMATION							
		✓					
Name of Applicant:	The Center for Kashmir, Inc.		Corporation	Year		State	
Business Address:	650 Park Place Niagara Falls, NY 14301		Partnership	Year		State	
		✓	LLC	Year	2020	State	NY
Contact Person:	Dr. Khurshid Guru 8100 Floss Lane E. Amherst, NY 14051		LLP	Year		State	
Federal ID #:	85-0588827		Sole Proprietorship	Year			
Phone:	716.541.4401	Email:	khurshid.guru@centerforkashmir.org				
Business Description:	<p>The Kashmir Museum will be housed in a 97-year-old abandoned church on the National Register of Historic Places, in the heart of downtown Niagara Falls, NY. Progress made in reshaping the landscape of Main St in Niagara Falls (DRI 2020 winner) continues to leverage removal of the expressway and high-level overpass of the Niagara Scenic Parkway. The location of the museum becomes a vital bridge between a bustling 3rd St. and planned developments for Main and Pine St. The new nature paths developed via state grants open access to the Niagara Gorge, the Aquarium and ultimately connect with the proposed developments between 3rd, Pine and Main streets. The Center for Kashmir Inc. is fully invested in its Museum project. We purchased an abandoned historic building (2020) in downtown Niagara Falls with completion and doors expected to open by the fall of 2024.</p>						

OWNERSHIP			
Shareholders/Partners	% Interest	Company Officers	Position
		Dr. Khurshid A. Guru	Chairman, Board of Trustees
		Dr. Lubna S. Guru	Vice Chair, Board of Trustees
		Dr. Shuja Yousuf	Secretary, Board of Trustees
		Mr. Umar Sayed	Treasurer, Board of Trustees
		Dr. Masroor Mustafa	FundRaising/Public Outreach, Member, Board of Trustees
		Mr. Ali Muzammil	COO (interim)

PROJECT INFORMATION

Summary Project Description:

We purchased the historic, abandoned, church building in the summer of 2020. The Center for Kashmir Inc. board of directors set up a building committee and started planning and hiring teams for the project (Phase 0 - III). Phase I was initiated after Zaxis Architectural, P.C was hired in December 2020. Phase I that included asbestos removal, roof replacement, masonry repairs and demolition has been completed. Phase IIA is at 80% (includes general construction, all electric, HVAC, mezzanine, elevator and plumbing) and is to be completed by July, 2023. We plan to start Phase IIB immediately and complete this phase if funding is available and it will culminate upon obtaining a shell CO. The attached document from Zaxis architectural PC includes details of timelines and events as they have progressed to date. The internal design (Phase III) will start simultaneously during phase IIB (depending on the availability of funds) and is being developed by another local firm, Hadley Exhibits Inc.

Fundraising

The fundraising team has been successful in raising approximately \$2 million during the COVID pandemic. The donations have been private and have come from across the country. Unfortunately, we still have a shortfall of \$1.1 million at this crucial stage as we are transitioning to start phase IIB of our project.

Plan

We will continue to aggressively fundraise and have been successful till now, our plan is to not let the project stall (cost escalation, significant delays in opening). If this funding gap is supported and contractor schedules and availability of material fall in place we expect to open the museum by fall of 2024.

Estimated Project State Date:	July, 2020	Estimated Project Completion Date:	September, 2024
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SOURCES & USES OF FUNDS

Project Costs		Sources of Funds	
Property Acquisition	Donated	LSNY Holdings, LLC	-
New Construction	\$1,935,000	Cataract Tourism Grant*	\$273,000 (pending reimbursement)
Machinery/Equipment	\$494,000	Private Donations	\$1,784,153
Furniture/Fixtures	\$200,000	Other: Pending Grants WNYPPAB/ESD	\$1,225,000
Fees/Soft Costs	\$371,000	Private Donations (Pledges)	\$634,000
Internal Design/Exhibits	\$2,000,000	Other: (Specify)	-
TOTAL	\$5,000,000	TOTAL	\$3,916,153

*Based on previous total renovation budget of USD 1.365 Million

HOLD HARMLESS AGREEMENT

Applicant hereby releases the NIAGARA COUNTY INDUSTRIAL DEVELOPMENT AGENCY and the members, officers, servants, agents and employees thereof (the "Agency") from, agrees that the Agency shall not be liable for and agrees to indemnify, defend and hold the Agency harmless from and against any and all liability arising from or expense incurred by (A) the Agency's examination and processing of, and action pursuant to or upon, the attached Application, regardless of whether or not the Application or the Project described therein or the tax exemptions and other assistance requested therein are favorably acted upon by the Agency, (B) the Agency's acquisition, construction and/or installation of the Project described therein and (C) any further action taken by the Agency with respect to the Project; including without limiting the generality of the foregoing, all causes of action and attorneys' fees and any other expenses incurred in defending any suits or actions which may arise as a result of any of the foregoing. If, for any reason, the Applicant fails to conclude or consummate necessary negotiations, or fails, within a reasonable or specified period of time, to take reasonable, proper or requested action, or withdraws, abandons, cancels or neglects the Application, or if the Agency or the Applicant are unable to reach final agreement with respect to the Project, then, and in the event, upon presentation of an invoice itemizing the same, the Applicant shall pay to the Agency, its agents or assigns, all costs incurred by the Agency in processing of the Application, including attorneys' fees, if any.

Khurshid Guru

(Applicant Signature)

By: The Center for Kashmir Inc.

Name: Khurshid A. Guru

Title: Chairperson, Board of Directors

Deborah A. Donaldson

(Notary Public)

Sworn to before me this 25th day

(stamp)

of May, 2013

Deborah A. Donaldson
Notary Public, State of New York
Commission #: 01D06355625
Qualified in Erie County
Commission Expires: March 13, 2015

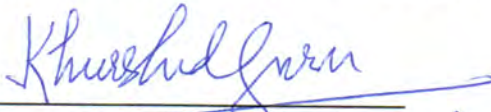
COMPANY ACKNOWLEDGEMENT

The Applicant and the individual executing this Application on behalf of applicant acknowledge that the Agency and its counsel will rely on the representations made in this Application when acting hereon and hereby represents that the statements made herein do not contain any untrue statement of a material fact and do not omit to state a material fact necessary to make the statements contained herein not misleading. The applicant hereby acknowledges that the Agency charges a fee of 3% of the grant amount, which is inclusive of Agency Counsel fees.

STATE OF NEW YORK)
COUNTY OF Erie) ss.:


I, Khurshid A. Guru, being first duly sworn, deposes and says:

1. That I am the Chairperson of The Board of Directors (Corporate Office) of The Center for Kashmir (Applicant) and that I am duly authorized on behalf of the Applicant to bind the Applicant.
2. That I have read the attached Application, I know the contents thereof, and that to the best of my knowledge and belief, this Application and the contents of this Application are true, accurate and complete.



 (Signature of Officer)

Subscribed and affirmed to me under penalties of perjury
this 25th day of May, 2023.



 (Notary Public)

Deborah A. Donaldson
 Notary Public, State of New York
 Commission #: 01DO6355625
 Qualified in Erie County
 Commission Expires: March 13, 2025

AMENDED RESOLUTION

(The Center for Kashmir, Inc Cataract Grant Phase 2)

A regular meeting of Niagara County Industrial Development Agency (the "Agency") was convened in public session at the offices of the Agency located at 6311 Inducon Corporate Drive, Suite 1, Sanborn, New York on the 18th day of March, 2026 at 9:00 a.m., local time.

PRESENT:

ABSENT:

THE FOLLOWING PERSONS WERE ALSO PRESENT:

The following resolution was offered by _____, seconded by _____, to wit:

Resolution No. _____

RESOLUTION AUTHORIZING A MODIFICATION TO THE
GRANT TO THE CENTER FOR KASHMIR, INC. PHASE 2
RELATING TO THE KASMIR MUSEUM PROJECT

WHEREAS, by Title 1 of Article 18-A of the General Municipal Law of the State of New York, as amended, and Chapter 569 of the Laws of 1972 of the State of New York, as amended (hereinafter collectively called the "Act"), the **NIAGARA COUNTY INDUSTRIAL DEVELOPMENT AGENCY** (hereinafter called "Agency") was created with the authority and power to own, lease and sell property for the purpose of, among other things, acquiring, constructing and equipping civic, industrial, manufacturing and commercial facilities as authorized by the Act; and

WHEREAS the 2016-2017 New York State Aid to Localities Government Assistance Budget Bill awarded the Niagara County Industrial Development Agency with Government Assistance funds to establish a downtown economic development program for the City of Niagara Falls. The purpose of this Program is to provide reimbursable grant funding for eligible projects that support increased tourism traffic in downtown Niagara Falls; and

WHEREAS, the Agency has determined that the best use of the funds was to establish the Cataract Grant Fund (the "Grant Fund") which awards reimbursement grants to various projects submitting applications pursuant to specific grant criteria.

WHEREAS, the Agency has formed the Cataract Grant Fund Advisory Committee ("Advisory Committee") for purpose of reviewing all applications and making recommendations to the Board of the Agency.

WHEREAS, on or about May 25, 2023, The Center for Kashmir Inc. ("Company") submitted an application to the Grant Fund requesting further funding for the expansion of the Kashmir Museum project.

WHEREAS the Agency Board approved a grant to the Company in the amount of \$300,000.00 representing 8.25% of qualified project costs; and

WHEREAS the Company is now requesting and staff is recommending that the Board approve an increase to the grant to the Company from 8.25% to 20.0% of qualified project costs.

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

Section 1. The Agency hereby approves an increase to the grant to the Company from 8.25% to 20.0% of qualified project costs relating to Phase 2 of the Kashmir Museum project. An Amended Grant Agreement shall be prepared and executed to reflect the terms of this amended grant.

Section 2. The Agency hereby sets the expiration date for the grant on December 31, 2026.

Section 3. The Chairman, Vice Chairman, Treasurer, Assistant Treasurer, Secretary, Assistant Secretary and the Executive Director are each individually authorized to execute and deliver any and all other documents reasonably required to implement this resolution in form and content acceptable to the Agency and its counsel, together with any amendments or modifications thereto provided, however, that such modifications do not materially alter the risk to the Agency.

Section 4. This resolution shall take effect immediately.

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

Yea Nay Abstain Absent

The Resolution was thereupon duly adopted.

STATE OF NEW YORK)
) SS.:
COUNTY OF NIAGARA)

I, the undersigned (Assistant) Secretary of Niagara County Industrial Development Agency (the "Agency"), do hereby certify that I have compared the foregoing extract of the minutes of the meeting of the members of the Agency, including the resolution contained therein, held on March 18, 2026 with the original thereof on file in my office, and that the same is a true and correct copy of said original and of such resolution set forth therein and of the whole of said original so far as the same relates to the subject matters therein referred to.

I FURTHER CERTIFY that (A) all members of the Agency had due notice of said meeting; (B) said meeting was in all respects duly held; (C) pursuant to Article 7 of the Public Officers Law (the "Open Meetings Law"), said meeting was open to the general public, and due notice of the time and place of said meeting was duly given in accordance with such Open Meetings Law; and (D) there was a quorum of the members of the Agency present throughout said meeting.

I FURTHER CERTIFY that, as of the date hereof, the attached resolution is in full force and effect and has not been amended, repealed or rescinded.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Agency this 18th day of March 2026.

[SEAL]

(Assistant) Secretary

9.3

ARMSTRONG

FLUID

TECHNOLOGIES

RESOLUTION

(Armstrong Fluid Technologies)

A regular meeting of Niagara County Industrial Development Agency (the "Agency") was convened in public session at the offices of the Agency located at 6311 Inducon Corporate Drive, Suite One, Sanborn, New York on the 18th day of March 2026 at 9:00 a.m., local time.

The meeting was called to order by the (Vice) Chairman and, upon roll being called, the following members of the Agency were:

PRESENT:

ABSENT:

THE FOLLOWING PERSONS WERE ALSO PRESENT:

Andrea Klyczek
Michael Dudley
Susan Barone
Jeremy Geartz
Julie Lamoreaux
Mark Gabriele, Esq.

The following resolution was offered by _____, seconded by _____, to wit:

Resolution No. _____

RESOLUTION OF THE NIAGARA COUNTY INDUSTRIAL DEVELOPMENT AGENCY DESIGNATING ARMSTRONG FLUID TECHNOLOGIES AS OPERATOR OF FOREIGN TRADE ZONE #34

WHEREAS, by Title 1 of Article 18-A of the General Municipal Law of the State of New York, as amended, and Chapter 569 of the Laws of 1972 of the State of New York (the "Act"), **NIAGARA COUNTY INDUSTRIAL DEVELOPMENT AGENCY** (the "Agency") was created with the authority and power to own, lease and sell property and to issue its bonds as authorized by the Act; and

WHEREAS, Niagara County, New York ("Niagara County") was granted federal authorization in 1977 to establish Foreign Trade Zone #34; and

WHEREAS, in furtherance of that authorization, the federal government named Niagara County as the grantee of Foreign Trade Zone #34; and

WHEREAS, Niagara County was given federal authorization in 1992 and in 2001 to expand Foreign Trade Zone #34; and

WHEREAS, Niagara County named the Niagara County Industrial Development Agency ("NCIDA") as the Designated Administrator of Foreign Trade Zone #34; and

WHEREAS, an operator for the Foreign Trade Zone #34 has now been identified as Armstrong Fluid Technologies ("Armstrong"), a manufacturer of fluid technology pumps and equipment as an additional operator for Foreign Trade Zone #34; and

NOW THEREFORE BE IT

Section 1. The Agency as administrator of the Foreign Trade Zone #34 designate Armstrong, a manufacturer of fluid technology pumps and equipment as an additional operator for Foreign Trade Zone #34; and

Section 2. The Agency is authorized to enter into an operator's agreement with Armstrong which will set forth the terms and conditions of the operations of Foreign Trade Zone #34 as in accordance to the United States Customs and Border Protection (Customs) standards.

Section 3. This resolution shall take effect immediately upon adoption.

The question of the adoption of the foregoing resolution was duly put to a vote on roll call, which resulted as follows:

Yea

Nay

Abstain

Absent

The resolution was thereupon duly adopted.

NIAGARA COUNTY LEGISLATURE

FROM: Economic Development Committee DATE: 02/17/26 RESOLUTION # ED-004-26

APPROVED CO. ATTORNEY REVIEWED CO. MANAGER COMMITTEE ACTION ED - 2/4/26 LEGISLATIVE ACTION Approved: Ayes Abs. Noes 0 Rejected: Ayes Abs. Noes Referred:

[Handwritten signature]

RESOLUTION DESIGNATING ARMSTRONG FLUID TECHNOLOGIES AS AN OPERATOR OF FOREIGN TRADE ZONE #34

WHEREAS, Niagara County was granted federal authorization in 1977 to establish Foreign Trade Zone #34, and

WHEREAS, the federal government granted Niagara County "Grantee" of Foreign Trade Zone #34, and

WHEREAS, the "Grantee" (Niagara County) was given federal authorization in 1992 and in 2001 to expand the Foreign Trade Zone, and

WHEREAS, the "Grantee" (Niagara County) named the Niagara County Industrial Development "Designated Administrator", and

WHEREAS, the "Designated Administrator" (NCIDA) entered into operating agreements from 1989 through 2004, and

WHEREAS, operations within the Foreign Trade Zone ceased in 2004, and

WHEREAS, the NCIDA has been seeking an operator(s) for the Foreign Trade Zone #34 since 2004, and

WHEREAS, the NCIDA identified Borderworx Logistics, a full-service Canadian logistics company as an "Operator" for Foreign Trade Zone #34 in 2016, and

WHEREAS, the NCIDA has also identified Armstrong Fluid Technologies, a manufacturer of fluid technology pumps and equipment, as an additional "Operator" for Foreign Trade Zone #34, now, therefore, be it

RESOLVED, that "Grantee" (Niagara County) recognize the NCIDA as "Administrator" of Foreign Trade Zone #34, and be it further

RESOLVED, that the "Grantee" (Niagara County) authorize the "Administrator" (NCIDA) to designate Armstrong Fluid Technologies as an "Operator" within Foreign Trade Zone #34, and be it further

RESOLVED, that "Grantee" (Niagara County), "Administrator" (NCIDA), and the "Operator" (Armstrong Fluid Technologies) will enter into an "Operators Agreement", which will set forth the terms and conditions in accordance to the United States Customs and Border Protection (Customs) standards, and be it further

RESOLVED, that following the County Attorney's review, the Chairman of the Legislature is authorized to execute the "Operators Agreement" on behalf of Niagara County.

[Handwritten signature] ECONOMIC DEVELOPMENT COMMITTEE

ATTACHMENTS

Provide the documents listed below (items 10 and 11, plus item 12 if applicable) as attachments at the end of the application.

10. A clear and detailed site map showing existing and planned structures. The proposed site boundaries must be outlined clearly **in red**. Note that if streets or similar landmarks are not legible on the site map, you will also need to provide a detailed street map with the proposed site's boundaries **in red**. Any map should be no larger than letter-sized (8 1/2" x 11") and clearly labeled, with legends provided for any markings.

attached

11. Comments from U.S. Customs and Border Protection (CBP): The application should include comments from CBP. Alternatively, the grantee may provide a copy of its request to CBP for comments at the time the application is submitted to the FTZ Board, in which case the grantee should also communicate with CBP regarding the 20-day timeframe in the FTZ Board's regulations for CBP to provide comments to the FTZ Board.

12. If your state (such as TX, KY, AZ) has one or more taxes for which collections will be affected by the proposed FTZ designation of the new site(s), please attach all of the following:

- A. An explanation of the specific local taxes that will be affected;
- B. A stand-alone letter that:
 - Lists all of the affected parties;
 - Includes a statement below the list certifying that this is a complete list of all parties that would be affected by this particular request; and,
 - Is signed by an official of the grantee organization.
- C. Correspondence from all of the affected parties (such as a local school board) indicating their concurrence (or non-objection) regarding the proposed FTZ designation.

Not applicable

Alternative Site Framework

APPLICATION FOR SUBZONE OR USAGE-DRIVEN DESIGNATION (“MINOR BOUNDARY MODIFICATION”)

QUESTIONS

1. Please mark the appropriate space below to indicate whether you are requesting “Subzone” or “Usage-Driven” designation for the proposed site(s):

Subzone Usage-Driven

2. List the full address of the site(s), including the jurisdiction in which the site(s) falls (town, city, county, and zip code).

Armstrong Pumps Inc., 2221 Niagara Falls Boulevard, Niagara Falls, NY Niagara County, 14304

3. State the grantee’s approved ASF service area and explain how the proposed site(s) is within that ASF service area.

2221 Niagara Falls Boulevard, Niagara Falls, NY resides in Niagara County. Zone 034 consists of Niagara County With the facility residing in the county covered under zone 034, it is within the Grantee’s approved service area.

4. State the acreage of the proposed site(s).

The Niagara Falls Boulevard site is 0.91827365 acres

5. Indicate the company for which the site(s) will be designated.

The site will be designated to Armstrong Pumps Inc.

6. Provide a summary of the company’s planned activities.

THE MERCHANDISE TO BE RECEIVED AND HANDLED UNDER FOREIGN-TRADE-ZONE (FTZ) PROCEDURES WILL CONSIST PRIMARILY OF INDUSTRIAL WATER PUMP COMPONENTS, SUBASSEMBLIES AND FINISHED CENTRIFUGAL PUMPS, SOURCED FROM BOTH DOMESTIC AND FOREIGN SUPPLIERS. OPERATIONS CONDUCTED AT THE FTZ SITE I WILL INCLUDE THE RECEIPT, INSPECTION, STORAGE, INVENTORY CONTROL, PAINTING, LIMITED SUBASSEMBLY AND FINAL ASSEMBLY, FUNCTIONAL TESTING, LABELING, PACKAGING AND PREPARATION OF MERCHANDISE FOR DOMESTIC & EXPORT. FTZ PROCEDURES WILL BE UTILIZED TO SUPPORT EFFICIENT INVENTORY MANAGEMENT AND LOGISTICS OPERATIONS,

DEFER OR ELIMINATE CUSTOMS DUTIES WHERE APPLICABLE AND ENSURE FULL COMPLIANCE WITH U.S. CUSTOMS AND BORDER PROTECTION AND FTZ BOARD REGULATIONS.

7. Indicate the current zoning and the existing and planned buildings (including square footage) for the site(s). (Note: Areas with inappropriate zoning – such as agricultural, retail, or residential – are not eligible for FTZ status and should not be proposed in any MBM request.)

The current site is zoned as Industrial. The zone site is a portion of the existing complex. The site for the zone is 200' x 200', therefore 40,000 square feet. There are no plans to add buildings to the site.

8. Is FTZ designation or the use of FTZ procedures a requirement or a precondition for future activity or construction at the site(s)?

Yes No

9. List the owner(s) of the property. If not owned by the grantee or the company for which the site(s) will be designated, then provide a "Right to Use" letter: either a signed letter from the company on its letterhead attesting to its right to use the property or a letter from the owner of the proposed site(s) attesting to the company's right to use the property.

**The owner of the site at 2221 Niagara Falls Boulevard is Industrial Reality Group, Inc, 4020 Kinross Lakes Parkway, Suite 200, Richfield, OH 44286.
A Right to Use Letter is attached.**

