

ECIDA INDUCEMENT RESOLUTION

Kanandague Interests, LLC

(West Huron Lofts)

\$1,862,000

HIGHLIGHTS

Eligibility—NAICS 53 - Real Estate

INCENTIVES

- Approximately \$62,600 in sales tax savings
- Up to \$18,000 in mortgage recording tax savings
- Real Estate tax savings will likely be provided thru a 485-a exemption



Project Title: Kanandague Interests, LLC
(West Huron Lofts)

Project Address: 201 West Huron Street
(Buffalo City School District)

SIC/NAICS: 6513/531110

Agency Request

Sales tax, mortgage recording tax and real property tax exemption in connection with the construction and/or renovation and equipping of an 11,000 sq. ft. facility for operation as an apartment facility.

Land Acquisition	\$40,000
Building Renovations	1,569,000
Equipment	10,000
Soft Costs	<u>243,000</u>
Total:	\$1,862,000

Company Description

Kanandague Interests, LLC is a real estate development company formed by Kissling Interests for the purpose of the proposed project. Kissling is a New York City based real estate developer and has shown particular interest in architecturally significant buildings. Anthony Kissling is the fourth generation owner of the business.

The West Huron Lofts follows the successful rehabilitation and adaptive reuse of the National Casket Company building at 430 Virginia Street which has been transformed into luxury work/live lofts.

Kanandague Interests, LLC (West Huron Lofts)

Project Description

201 West Huron Street is located in the West Village Local Historic District, and dates back to 1896. Since the building's first listing as '201 Apartments' in the Buffalo City Directory in 1929, it became the 'Darrow Apartments' in 1942, and subsequently, 'Delmar Hotel' in 1948. After becoming the 'Lake Hotel' in 1986, the structure has had no further listings since 1997, suggesting vacancy.

The existing plans for the building consist of 8 units, each averaging 1250 square feet. A unit will typically consist of two bedrooms, two bathrooms, top range appliances, custom cabinetry, heated tiled bathroom flooring, the use of energy efficient materials, and a high tech security system. Rear facing units will have balconies, and there will be a gated ground level garden sitting area for all tenants. In addition, the availability of off street parking is being negotiated. Situated in the West Village, the building is in a central location to an array of entertainment including bars, the theatre district, the business district.

Based on a market study conducted by Northeastern Appraisal Associates looking at housing trends & market demand for high end as well as market rate apartments the data suggests the investment in 201 West Huron is an economically viable & stable market penetrating product.

Project Incentives

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Employment

New Jobs - 1
Estimated Construction Jobs - 22

Project History

08/25/09	City of Buffalo Planning acting as lead agency issues Negative Declaration
12/9/09	Public hearing held. No oral or written comments. Transcript on file at the ECIDA.
02/08/10	\$1,300,000 Lease/Leaseback Resolution presented to Board of Directors .