

598 Main Street, LLC or an Affiliated Entity \$8,423,960 INDUCEMENT RESOLUTION

HIGHLIGHTS

Eligibility: NAICS Section - 53- Real estate

COMPANY INCENTIVES

- Approximately \$1,460,000 in property tax savings.
- Approximately \$282,000 in sales tax savings
- Up to \$86,000 in mortgage recording tax savings.
- The project will generate approximately \$388,000 to the taxing jurisdictions over the abatement period representing \$55,000 to the County of Erie and \$333,000 to the City of Buffalo.



Project Title: 598 Main Street, LLC or an affiliated Entity

Project Address: 111 Hydraulic Street
Buffalo, New York 14210
(Buffalo Public School District)

SIC/NAICS: 6513/53110

Agency Request

Sales tax, mortgage recording tax and real property tax abatements in connection with the construction of an approximately 56,000 sq. ft addition of manufacturing space.

Land Acquisition	\$480,000
New Building Construction	6,445,546
Soft Costs	1,498,414
Total Projects Costs	8,423,960

Company Description

598 Main Street, LLC is a commercial real estate corporation whose primary members are Howard Zemsky and Doug Swift.

Project Description

The project site is know as 111 Hydraulic Building consists of a series of seven properties bounded by Seneca, Carroll, Hydraulic and Griffin Streets and includes 797/799 Seneca Street (most recently known as the "Good Door Store"). The former Good Door Store conducted car repairs by stock piling doors, radiators and gas tanks removed form local vehicles as well as imported southern cars and included such activities as painting, repairing gas tanks, bumpers, doors and incineration and improper disposal of waste materials and sand blasting sands.

The project consists of the brownfield cleanup, complete teardown (already completed) and construction of a new 57,000 sq. ft.

The facility will be leased to Capital Management which is currently located on the 7th floor of the Larkin Building. The company operates 3 different shifts. The site will provide parking as well as outdoor green space for employee use.

598 Main Street, LLC or Entity to be Formed

Project Incentives

- Approximately \$1,460,000 in property tax savings.
- Approximately \$282,000 in sales tax savings
- Up to \$86,000 in mortgage recording tax savings.

Project Benefits

The project will generate approximately \$388,000 to the taxing jurisdictions over the abatement period representing \$55,000 to the County of Erie and \$333,000 to the City of Buffalo. In addition further economic impacts are more fully reflected in the Implan model attached.

Employment

	<u>Current</u>	<u>Year 2</u>
Full-Time	561	561
Part-Time	44	44

Project History

02/07/2011	Public hearing held. No oral or written comments. Transcript of file at ECIDA.
02/14/2011	Inducement Resolution presented to Board of Directors authorizing adoption of a Negative Declaration in accordance with SEQRA.
02/14/2011	Lease/Leaseback Inducement Resolution presented to Board.