

1238 Group, LLC. (Tapestry Charter School)- Phase II \$7,579,066 INDUCEMENT RESOLUTION

HIGHLIGHTS

Eligibility: NAICS Section - 53—Real Estate

COMPANY INCENTIVES

- Approximately \$263,000 in sales tax savings.
- Approximately \$61,000 in Mortgage Recording tax savings.



Project Title:	1238 Group, LLC. (Tapestry Charter School)
Project Address:	65 Great Arrow Drive Buffalo, New York 14216 (Buffalo City School District)
SIC/NAICS:	6512/531120

Agency Request

Sales tax, mortgage recording tax and real property tax exemption in connection with the construction, renovation, expansion, upgrading and equipping of a vacant building for operation of a charter school.

Building Construction	\$6,562,166
Soft Costs	681,900
Other	335,000
Total	\$7,579,066

Company Description

Ellicott Development has formed a corporation (1238 Group, LLC.) for the purpose of constructing this project.

Project Description

The developer will construct a new 43,000 sq. ft. elementary school adjacent to the existing high school facility at 65 Great Arrow. This project will provide Tapestry with substantial cost savings by allowing it to consolidate its high school and elementary school facilities into one location. Tapestry will be vacating its current elementary school and administrative facilities located at 40 North Street at the end of its existing lease term.

Tapestry Charter School is a not-for-profit corporation for children, parents and teachers who believe in weaving together the humanities, sciences, arts and social responsibility. The school received approval from the State University of New York Board of Trustees and New York State Education Department to open in September, 2001.

Project Incentives

- Approximately \$262,000 in sales tax savings
- Up to \$61,000 in mortgage recording tax savings

1238 Group, LLC.
(Tapestry Charter School)

It is anticipated that the company will receive a Section 408 Real Property Tax Exemption. RPTL 408 provides that real property owned by a school district and all improvements thereon leased by such district are exempt from taxation provided that leased improvements are used for educational purposes and provided further that the lease provides that such district is liable for all taxes.

If the company is denied benefits under RPTL 408, an ECIDA standard PILOT will be granted.

Employment

Current
25

Year 2
50

Project History
Phase I

1/17/08	\$12,000,000 Inducement Resolution passed by the Board for the issuance of tax-exempt and taxable bonds to finance the construction of a charter school
2/12/08	City of Buffalo, acting as lead agency, issues negative declaration
9/09/09	Public hearing held. No oral or written comments. Transcript on file at ECIDA.
9/14/09	\$6,457,000 Lease/Leaseback Inducement Resolution presented to Board of Directors

Phase II

10/6/10	Public hearing held. No oral or written comments. Transcript on file at ECIDA.
10/18/10	Special Resolution presented to Board of Directors authorizing adoption of a Negative Declaration in accordance with SEQRA.
10/18/10	\$7,579,066 Lease/Leaseback Resolution presented to Board of Directors