

Double Eagle Kenmore, LLC
\$4,250,000
INDUCEMENT RESOLUTION

ELIGIBILITY

- NAICS Section - 531110

COMPANY INCENTIVES

- Up to \$40,000 in mortgage recording tax savings
- Approximately \$175,000 in sales tax savings.

EMPLOYMENT

- The project is anticipated to create 2 jobs.

PROJECT HISTORY

- 03/29/2017– Public hearing held. Transcript attached.
- 04/26/2017-ECIDA Board adopts a Negative Declaration in accordance with SEQRA.
- 04/26/2017-Lease/Leaseback Inducement Resolution presented to the Board of Directors.

Project Title: Double Eagle Kenmore, LLC

Project Address: 45 Victoria Boulevard
 Kenmore, New York 14217
 (Kenmore-TTN UFSD)

Agency Request

A sales tax and mortgage recording tax exemption in connection with the redevelopment and adaptive reuse of the former St. Paul’s school building.

Acquisition	\$ 500,000
Renovation	\$2,500,000
Building Addition	\$ 300,000
FF & E	\$ 250,000
Soft Costs	\$ 700,000

Total Project Cost \$4,250,000

85% \$3,612,500

Company Description

Double Eagle Kenmore, LLC was established to undertake the proposed project and is owned equally by Larry Bicz and Ken Vasile.

Project Description

The redevelopment plan for 45 Victoria Boulevard involves the conversion of the former 50,000 sq. ft. St. Paul school building into 37 market rate apartments. The makeup of the units will be 28 1-bedroom units, eight 2-bedroom units and one loft apartment. Average square feet of the apartments are 700 sq. ft. and the rents will be approximately \$1,000 per month.

The developers see this project as an option for residents looking to downsize from larger homes in the area which in turn makes their home available for new owners.

The Village of Kenmore Board of Trustees approved the project as a planned unit development, only the second of its kind after a recent NY law allowed for municipalities to have greater impact on local zoning for projects such as this.

As a school building this property has been exempt since the early 1900’s. The acquisition of the building by the developer will return the property to the tax rolls.

Estimated New Tax Revenue

Current Yearly Taxes	Estimated New Assessed Value	Additional County Revenue over 12-Year 485-a Abatement Period	Additional Local Revenue over 12-Year 485-a Abatement Period	New Yearly Taxes Upon Expiration of Abatement Period
N/A	\$500,000	\$80,000	\$118,000	\$66,000
Combined Tax Rate: \$132				

Draft Recapture Material Terms

Condition	Term	Recapture Provision
Total Investment	At project completion	Investment amount equal to or greater than 85% of the project amount. Project Amount = \$4,250,000 85% = \$3,612,500
Employment	2 Years After Project Completion	Create 85% of Projected: Projected: 2 85%: 2
Local Labor	Construction Period	Adherence to Policy Including Quarterly Reporting
Pay Equity	Same as Recapture Period	Adherence to Policy
Unpaid Tax	Same as Recapture Period	Adherence to Policy
Recapture Period	2 Years After Project Completion	Mortgage Recording Tax State and Local Sales Taxes

Recapture applies to:

- Mortgage Recording Tax
- State and Local Sales Taxes

Recapture

Pursuant to New York State General Municipal Law, the agency shall modify, recover, recapture or terminate any financial assistance taken by the company that is in violation of the GML.

At project completion the company must certify i) total investment is equal to or greater than 85% of the anticipated project amount; ii) confirm company has 2 employees at the facility; iii) its adherence to ECIDA local labor policy during construction and iv) adherence to unpaid tax and pay equity policies for the recapture term.