

Pilgrim Village Associates, III, LP, (“PVIII”), Campus Square Housing Development Fund Company, Inc. (“HDFC”) and Pilgrim Village Associates IV L.P. (“PVIV”)
\$95,907,387

Amendatory Inducement Resolution

ELIGIBILITY
<ul style="list-style-type: none"> • NAICS Section - 53110
COMPANY INCENTIVES
<ul style="list-style-type: none"> • Approximately \$2,100,000 in sales tax savings.
EMPLOYMENT
<ul style="list-style-type: none"> • Current Jobs = 4 • Projected Jobs = 35
PROJECT HISTORY
<ul style="list-style-type: none"> • 11/15/14 -City of Buffalo adopts a Negative Declaration in accordance with SEQRA. • 12/2/15 - TEFRA Public hearing held. Transcript attached. • 12/16/2015 - Lease/Leaseback Inducement Resolution presented to the Board of Directors. • 03/29/2017 - Public hearing held. Transcript attached. • 04/26/2017 - Lease/Leaseback Amendatory Inducement Resolution presented to Board.

Project Title: Pilgrim Villages Associates, III, LP, (PVIII”), Campus Square Housing Development Fund Company, Inc. (“HDFC”) and Pilgrim Village Associates IV L.P. (“PVIV”)

Project Address: 903 Ellicott Street, Buffalo, New York 14209 (Buffalo City Schools)

Amended Agency Request

A sales tax savings in connection with the demolition and reconstruction of the Pilgrim Village Housing complex. IDA benefits are limited to only the affordable housing units being renovated and constructed.

	Overall Project Budget		Affordable Units Only
Land and Building Acquisition	\$6,800,000		\$5,990,030
New Building Construction	\$60,348,835	(housing and parking ramp)	\$42,002,925
Soft Costs	\$28,758,552		\$14,251,396
Total Project Cost	\$95,907,387		\$62,244,351

Company Description

The applicant and its related entities were formed by Mark H. Trammell as the general partner and McGuire Campus Square, LLC as the special limited partner.

Project Description

Pilgrim Village was built in 1980 and consists of a 90-unit subsidized housing complex located in the City of Buffalo and bounded by Michigan, Best, North and Ellicott Streets. The redevelopment of Pilgrim Village is a carefully planned urban redevelopment strategy which will reposition one of Buffalo’s private Section 8 housing developments into a multi-use, mixed-income, multigenerational living center.

The first phase of Pilgrim Village’s redevelopment is known as Campus Square. It involves the demolition of five buildings comprising 25 affordable units. In its place will be a 161 unit, mixed income apartment complex comprised of 106 affordable and 55 market rate units. In addition, 57 existing affordable apartments will undergo renovation. When complete, Pilgrim Village will have 218 total apartments of which 163 will be affordable. A new parking structure is also planned. It should be noted that no tenants will be displaced by the project.

The location of the project is near the Buffalo Niagara Medical Campus - within walking distance from Buffalo General and Roswell Park. Public transportation, including bus and light rail are located nearby.

As noted above, ECIDA sales tax benefits will be limited to the renovation of the affordable housing units only.

Offered below is a breakdown of the project's housing components:

Type of Unit Monthly Rent

Low Income (60% of median income) Studios, 1, 2 & 3 Bedroom's	\$650-\$906
Student Affordable (90% of Median Income) Studios, 2, 3 & 4 bedroom's	\$517-\$711 Per Student
Market Rate - Studios, 1,2, 3 & 4 Bedroom's	\$969-\$3,591

Income limits & rental rates are regulated through HUD's Section 8 guidelines

Offered below is the project budget broken out by the affordable and market rate components of the project.

	Affordable	Market Rate	Total
Units	163	55	218
Project Budget	\$62,244,351	\$33,633,036	\$95,907,387

COMMERCIAL SPACE:

In connection with the development of Campus Square - Phase I, approximately 37,000 sq. ft. of commercial space will be made available which will house a small grocery store, barber shop, dental office and coffee shop.

In addition to the commercial tenants, two cultural institutions central to the African American community in Buffalo will relocate to the Campus Square. They are the Muhammad School of Music and Miss Barbara's School of Dance.

Draft Recapture Material Terms

Condition	Term	Recapture Provision
Total Investment for Affordable Portion of Project	At Project Completion	Investment Amount Equal to or Greater Than 85% of Project Amount. Total Project Amount = \$62,244,351 85% = \$52,907,698
Employment	See Recapture Period	Maintain Base = 4 31 Projected 85% of Projected = 26 Recapture Jobs = 30
Local Labor	Construction Period	Adherence to Policy Including Quarterly Reporting
Pay Equity	See Recapture Period	Adherence to Pay Equity Policy
Recapture Period	2 Years after Project Completion	Recapture of State and Local Sales Taxes and Mortgage Recording Taxes

Recapture applies to:

State and Local Sales Taxes

Recapture

Pursuant to Section 875 of New York General Municipal Law, the agency may recover or recapture from the company any state sales tax and use tax exemption benefits taken by the company that are in violation of the GML.

In addition, it is the recommendation of the ECIDA's Policy Committee to recapture the local share of sales tax and mortgage recording tax.

At completion of project company must certify i) total investment amount equal to or greater than 85% of amount proposed ii) confirm that the company has maintained base jobs and created 85% of projected jobs iii) adherence to local labor policy iv) adherence to pay equity policy.

