

52 Chippewa LLC / Calumet Project \$2,925,000 INDUCEMENT RESOLUTION

HIGHLIGHTS

Eligibility: NAICS Section - 53 -
Adaptive Reuse

COMPANY INCENTIVES

- Approximately \$330,000 in property tax savings.
- Approximately \$100,000 in sales tax savings
- Up to \$29,250 in mortgage recording tax savings.



Project Title: 52 Chippewa LLC / Calumet Project
Project Address: 52 West Chippewa, Buffalo, New York 14203
(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, expansion, upgrading and equipping of a 24,000 square foot building, formerly known as the Calumet Building, for operation of a mixed use facility to include ground floor restaurant/s and upper two floors as office space and the acquisition of machinery and equipment.

Land Acquisition	\$ 725,000
Building Renovation	1,800,000
Building Addition (1,400 sq. ft.)	300,000
Soft Costs	100,000
Total Projects Costs	\$2,925,000

Company Description

Natale Building Corporation will be forming a limited liability company to undertake the project. The members of the LLC include Angelo Natale, Frank Parisi and the Kenny, Shelton, Liptak & Nowak Law Firm.

Project Description

The historic Calumet building currently houses 3 restaurants on the first floor while the upper two floors have been vacant for more than 15 years. In order to prepare the building for tenancy by the KSL&N Law Firm, an elevator shaft will be installed and the upper floors will be renovated. KSL&N is a mid-sized firm which has grown significantly over the past 10 years and has outgrown their present space in the Rand Building. They are headquartered in Buffalo had have offices in Albany, Corning, New York City and Rochester.

Based on the amount of renovations needed to bring the structure back to marketability while also following the guidelines for preserving the historic nature of the building, the revenue needed to finance the project exceeds what it would cost to build new.

Project Incentives

52 Chippewa LLC / Calumet Project

- Approximately \$330,000 in property tax savings.
- Approximately \$100,000 in tax savings
- Up to \$29,250 in mortgage recording tax savings.

Project Benefit

- The project is anticipated to create 15 additional jobs.
- Project will restore the Calumet Building to it's original beauty.
- The project will generate approximately \$90,000 of revenue to the local taxing jurisdictions over the abatement period representing \$13,000 to the County of Erie, and \$77,000 to the City of Buffalo.

Employment

Current:
30

Projected (2 Years)
45

Project History

5/4/2010	Public hearing held. No oral or written comments. Transcript on file at ECIDA.
11/8/2010	The City of Buffalo has acted as lead agency for the purpose of adopting of a Negative Declaration in accordance with SEQRA.
11/08/2010	\$2,925,000 Lease/Leaseback Inducement Resolution presented to Board of Directors.