

2460 Bowen Road, LLC. (Sylvia's Place) \$3,800,000 INDUCEMENT RESOLUTION

HIGHLIGHTS

Eligibility: NAICS Section - **65** - Senior Housing

PROJECT INCENTIVES

- Approximately \$114,000 in tax savings
- Up to \$30,000 in mortgage recording tax savings
- Approximately \$270,000 in property tax savings.



Project Title: 2460 Bowen Road, LLC
(Sylvia's Place)

Project Address: 2460 Bowen Road
Elma New York 14059
(Iroquois Central School District)

SIC/NAICS: 6513/531110

Agency Request

Sales tax, mortgage recording tax and real property tax exemption in connection with the acquisition of approximately 2.22 acres of land and demolition of an existing structure and construction and equipping of a 47,056 sq. ft. facility for operation of a 48-unit senior housing complex and the acquisition and installation of machinery and equipment.

Land/building Acquisition	\$ 300,000
New Building Construction	3,177,000
Equipment	97,000
Soft Costs	226,000
 Total	 \$3,800,000

Company Description

The project is being undertaken by Young Development Corporation. The company has been involved in the development & management of multi tenant apartment buildings located primarily in West Seneca and Lancaster.

Project Description

The company is constructing a 48- unit senior apartment complex. The facility will have a 1 and 2 bedroom units. There will be a centralized gathering area complete with a full kitchen. There will be laundry facilities on each floor and a fitness center. Each apartment will have emergency pull-chains that are monitored with an alarm company.

Project Benefits

According to the Countywide Eligibility Policy facilities including elderly housing, nursing homes, adult homes and assisted and/or assistive living centers are eligible for assistance provided that the developer proves a demonstrated need for such facilities within Erie County.

An independent market study was performed by Carr Marketing Communications, Inc. which indicated a need for this type of housing in the Elma area. The trade market area been defined as a five-mile circle with the center in the Town of West Seneca. The trade area includes the entire Town of West Seneca and portions of the Villages and Towns of Lancaster, Orchard Park and East Aurora, the Village of Depew, the Cities of Buffalo and Lackawanna and the Towns of Cheektowaga and Elma.

There is an estimated 30,546 households in the defined trade market area led by individuals aged 55 and older. Over the past 8 years

2460 Bowen Road, LLC. (Sylvia's Place)

the greatest growth has been among older households—householders between the ages of 55-64 (+19.2%) and 75+ (+20.3%). This trend is expected to continue over the next five years.

Vacancy is extremely low at most competing senior citizen projects and many have extensive waiting lists. The 11 market rate senior projects reported a maximum of 10 vacancies, or an extremely low 0.73 percent vacancy rate.

Project Incentives

- Approximately \$114,000 in tax savings
- Up to \$30,000 in mortgage recording tax savings
- Approximately \$270,000 in property tax savings.

Employment

It is anticipated that the project will employ 1-2 full time individuals

Project History

06/06/11	Public hearing held. Transcript attached.
06/15/11	The Town of Elma, acting as the lead agency, adopted a Negative Declaration in accordance with SEQRA.
06/20/11	Lease/Leaseback Resolution presented to Board of Directors

Company History

09/08/09	\$5,450,000 lease closed
03/31/10	\$9,900,000 lease closed