

# LCo Building, LLC / U Building \$8,418,265 ECIDA INDUCEMENT RESOLUTION

## HIGHLIGHTS

Eligibility: NAICS Section - 53—  
**Real Estate**

## COMPANY INCENTIVES

- Approximately \$1,700,000 in property tax savings.
- Approximately \$330,000 in sales tax savings
- Up to \$75,000 in mortgage recording tax savings.



**Project Title:** LCo Building, LLC / U Building

**Project Address:** 239 Van Rensselaer  
719 Seneca Street  
Buffalo, New York 14210  
(Buffalo City School District)

**SIC/NAICS:** 6513/531110

## Agency Request

Sales tax, mortgage recording tax and real property tax abatements in connection with the adaptive reuse of the facility.

Facility Acquisition:	\$ 835,734
Building Renovation	7,498,531
Soft Costs	84,000
<b>Total Projects Costs</b>	<b>\$8,418,265</b>

## Company Description

LCo Building, LLC is a commercial real estate owner/developer which offers an urban campus setting for its tenants. Tenants in the related Larkin Building are provided with a unique experience as smaller firms such as Inside Designs and Taurus Capital Partners are nestled side-by-side with larger companies like Kaleida Health and the newly-relocated corporate headquarters of First Niagara Financial Group.

LCo Building, LLC is 100% owned by 598 Main Street, LLC , a corporation primarily owned by Howard Zemsky.

## Project Description

The project consists of the adaptive reuse of two contiguous vacant buildings, the site of the former Par Foam Products. The facility located on Van Rensselaer is a 3-story, 54,000 sq. ft. brick constructed facility adjacent to the Larkin Building. This portion of the project involves the extensive rehabilitation of the building to provide approximately 42,000 sq. ft. of single tenant, Class A office space, as well as 12,000 sq. ft. of basement storage and office space. The Seneca Street building is a 2,000 sq. ft. former service station, which will be rehabilitated, the final use which has not yet been determined.

## Project Incentives

## LCo Building, LLC / U Building

- Approximately \$330,000 in sales tax savings.
- Approximately \$1,700,000 property tax savings utilizing the 10-year PILOT schedule
- Up to approximately \$75,000 in mortgage recording tax savings

### **Project Benefit**

The project will generate approximately \$450,000 of revenue to the local taxing jurisdictions over the abatement period representing \$63,000 to the County of Erie, and \$387,000 to the City of Buffalo.

### **Employment**

To be determined based on tenants at the site.

### **Project History**

10/13/2010	Public hearing held. No oral or written comments. Transcript on file at ECIDA.
10/18/2010	Special Resolution presented to Board of Directors authorizing adoption of a Negative Declaration in accordance with SEQRA.
10/18/2010	Lease/Leaseback Inducement Resolution presented to Board of Directors.