

BOSCHE, LLC

\$5,800,000

INDUCEMENT RESOLUTION

HIGHLIGHTS

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

COMPANY INCENTIVES

- Up to \$ 32,000 in mortgage tax savings.
- Approximately \$223,000 in sales tax benefits
- Real property tax abatement to be provided through the City's 485-a exemption program



Project Title: BOSCHE, LLC

Project Address: 916-918 Main Street
Buffalo, New York 14202
(Buffalo City School District)

NAICS: 531110

Agency Request

A sales tax, and mortgage recording tax exemption in connection with the adaptive reuse of the property

Building Acquisition	\$300,000
Renovation	5,100,000
Soft Costs	400,000
Total Project Cost	\$5,800,000

Company Description

BOSCHE, LLC, a limited liability corporation was established for the purpose of owning and redeveloping the historic Bosche Building. James Swiezy, the general manager of Greenleaf & Company, a property management, construction and development company is 100% owner of BOSCHE, LLC.

Project Description

The Bosche Building is a four-story, Richardsonian Romanesque masonry building and is located in the Allentown Historic Preservation District south of Allen Street. It is a former carriage facility built in the 1880's and designed by Cyrus K. Porter, a well-known Buffalo architect.

Greenleaf & Co. (a James Swiezy company) was awarded designated developer status for the property in 2010. Prior to that, the building had been owned by the City of Buffalo. The plan is to combine 916 and 918 Main Street and develop both apartments and retail space.

The buildings have been vacant for almost 20 years. The developer proposes to convert the facility into 23 market rate apartments with approximately 2,000 sq. ft. of commercial space.

Project Benefits

The adaptive re-use of the building will fulfill an important need for housing to the Buffalo Niagara Medical Campus.

BOSCHE, LLC

Project Incentives

- Sales tax savings of approximately \$223,000
- 1% of Mortgage amount. At present time, the mortgage is estimated to be \$3,200,000 for a savings of \$32,000.
- Real property tax abatement to be provided through the City's 485-a exemption program

Employment

The proposed retail component will result in minimal job creation.

Material Terms

Condition	Term	Recapture Provision
Total Investment	At project completion	Investment amount equal to or greater than 85% of project amount. Total project Amount = \$5,800,000 85% = \$4,930,000
Employment	Construction Jobs	Total construction jobs = 25 85% of construction jobs = 21
Local Labor	Construction period	Adherence to policy including quarterly reporting
Recapture Period	The greater of 2 years or termination of sales tax package	Repayment of state & local sales tax & mortgage tax

Recapture applies to:

- State and Local Sales Taxes
- Mortgage Recording Taxes

Recapture

Pursuant to Section 875 of New York General Municipal Law, the agency may recover or recapture from the company any state sales 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 tax

At completion of project company must certify i) total investment amount equal to or greater than 85% of amount proposed ii) confirm that company has met 85% of its projected construction jobs iii) confirm adherence to ECIDA local labor hiring policy.

Project History

10/02/2013	Public Hearing conducted. Transcript on file at ECIDA.
10/21/2013	Resolution presented to Board of Directors authorizing adoption of a Negative Declaration in accordance with SEQRA.
10/21/2013	Lease/Leaseback Inducement Resolution presented to Board.