

432 Franklin LLC / VisoneCo Site Development, LLC
\$ 3,416,810

PRIVATE INVESTMENT INDUCEMENT RESOLUTION

ELIGIBILITY

- NAICS Section - 236220

COMPANY INCENTIVES

- Up to \$ 96,250 in sales tax savings

JOBS & ANNUAL PAYROLL

- Current / Retained Jobs: None
- Projected new jobs: 1 PT
- Est. salary/yr. of jobs created: \$20,000
- Total jobs after project completion: 1 PT
- Construction Jobs: 12

PROJECTED COMMUNITY BENEFITS*

- Term: 2 yrs from project completion
- NET Community Benefits: \$3,010,917
- Spillover Jobs: 14
- Total Payroll:\$2,834,641

INCENTIVE COST / COMMUNITY BENEFIT RATIO (discounted at 2%)*

Incentives: \$96,250
 Community Benefit: \$2,969,515
 Cost: Benefit Ratio
 • 1: 31

Project Title: Hamlin House

Project Address: 432 Franklin St, Buffalo, NY 14202
 Buffalo City School District

Agency Request

A sales tax abatement in connection with the adaptive reuse of a 44,000 sq ft commercial building located in the City of Buffalo's West Side.

Building Acquisition	\$ 375,000
Building Renovation	\$ 2, 478,132
Infrastructure	\$ 154,478
Soft Costs/Other	<u>\$ 409,200</u>
Total Project Cost	\$ 3,416,810
85%	\$ 2,904,288

Company Description

432 Franklin LLC is a single member LLC owned by Lou Visone. Lou Visone is the single member of VisoneCo Site Development, LLC – a premier General Contractor and Real Estate Developer with over 300,000 SF of real estate under management. Lou Visone is a seasoned construction industry heavy highway and general contractor with over 40 years of experience alongside his highly skilled and experienced team.

Project Description

This “Italian Villa” style historic structure was built in 1866 and served as the home of the Cicero Hamlin family until 1886. The building later was occupied by the German Orpheus Singing Society and was home to the American Legion Post 665 (bought in 1939). More recently, the Hamlin House restaurant opened inside the Post (1989) and operated there until 2022. The building has been vacant since 2022. The planned use for the facility includes 13 apartments units and 3,068 SF of commercial space.

Market Rate	# of Units	SF Avg	Rent Avg	Tenant Utilities	Rent + Utilities
Studio	1	413	1074	120	1194
1 Bedroom	5	672	1325	150	1475
2 Bedroom	5	1023	1834	200	2034

Affordable (80% AMI)	# of Units	SF Avg	Rent Avg	Tenant Utilities	Rent + Utilities
Studio	2	370	970	120	1090

The company is pursuing property tax savings through the City's 485 A program.

* Cost Benefit Analysis Tool powered by MRB Group

Economic Impact: Inform Analytics Cost-Benefit Analysis

The Erie County Industrial Development Agency uses the Cost Benefit Analysis Tool powered by MRB Group to assess the economic impact of a project applying for incentives. A Cost-Benefit Analysis is required by Section 859-a (5)(b) of General Municipal Law. For the complete Cost Benefit Analysis – please see the attached MRB Cost Benefit Calculator.

Cost: Incentives

COSTS	Tax Exemption	Amount
	Sales	\$96,250
	Total	\$96,250
	Discounted at 2%	\$96,250

Benefit: Projected Community Benefit*

BENEFITS	Region	Recipient	Revenue Type	\$ Amount**
	Erie County	Individuals	Payroll Construction	\$1,858,138
			Payroll Permanent	\$ 976,504
		Public	Property Taxes	\$ 0
			Sales Taxes	\$ 26,447
			Other - NFTA	\$ 0
	New York State	Public	Income Taxes	\$ 127,559
			Sales Taxes	\$ 22,271
			Total Benefits to EC + NYS***	\$3,010,917
			Discounted at 2%	\$2,969,515

* Cost Benefit Analysis Tool powered by MRB Group *includes direct & indirect \$ over project period *** may not sum to total due to rounding

Discounted Cost \$ 96,250
Discounted Benefit \$2,969,515
Ratio 1:31

Conclusion: The Cost Benefit for this project is: 1:31. For every \$1 in costs (incentives), this project provides \$31 in benefits (payroll & tax revenue). **Note: For Erie County, every \$1 in costs (incentives) provides \$54 in benefits to the community.**

Retail Determination

Project Uses of Space	Sq Ft	Cost	% Project Cost
Retail / Commercial	3,068	68,337	2%
Other: residential housing + building amenities	12,574	3,348,473	98%
Total	15,642	3,416,810	100%

The retail component of the project is less than 30% of the project costs and therefore no sign off is required.

Draft Recapture 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 = \$3,416,810 85% = 2,904,288
Employment	Coincides with recapture period	Projected = 1 PT Create 85% of Projected = 0 Recapture Employment = 1 PT
Affordable Housing Units	Coincides with recapture period	Total Housing Units = 13 # of 80% AMI units = 2 (meets required AMI units)
Local Labor	Construction period	Adherence to policy including quarterly reporting
Pay Equity	Coincides with recapture period	Adherence to Policy
Unpaid Tax	Coincides with recapture period	Adherence to Policy
<u>Recapture Period</u>	2 years after project completion	Recapture of state and local sales taxes

Recapture applies to:

State and Local Sales Taxes

Recapture

Pursuant to New York State General Municipal Law, the agency shall modify, recover, recapture or terminate any financial assistance taken by the company that is in violation of the GML.

At completion of the project company must certify i) total investment amount is equal to or greater than 85% of the anticipated project amount; ii) company has created 1 PT job, iii) confirm adherence to local labor policy during construction and iv) its adherence to unpaid tax/pay equity policies for recapture term.

Project ECIDA History

- 1/29/2026: Public hearing held.
- 2/25/2026: Inducement Resolution presented to Board of Directors - Minor Site Plan Review City of Buffalo Planning Board Approval – No SEQRA compliance required.
- 2/25/2026: Lease/Leaseback Inducement Resolution presented to the Board of Directors