

## Hager Lofts, LLC \$7,450,000 INDUCEMENT RESOLUTION

### HIGHLIGHTS

- Eligibility: NAICS Section - **53 Real Estate**
- **Adaptive Reuse**

### COMPANY INCENTIVES

- Approximately \$ 208,000 in sales tax savings
- Up to \$74,000 in mortgage recording tax savings.



Project Title: Hager Lofts, LLC

Project Address: 456 Michigan Avenue, Buffalo, New York 14203  
(Buffalo School District)

SIC/NAICS: 6513/531110

### Agency Request

Sales tax, mortgage recording tax and real property tax abatements in connection with the construction of the vacant property into a mixed use facility.

Land/Building Acquisition:	650,000
Renovation	4,750,000
Soft Costs & Other	2,050,000
 Total Project Cost	 \$7,450,000

### Company Description

Hager Lofts is an LLC formed by Paul Kolkmeier and James Swiezy for the purposed of this project. Previously the duo had been involved in the renovation and adaptive reuse of the former Grace Manor Nursing Home located at 1040 Delaware Avenue.

### Project Description

The Hager building was originally built in 1883 to house a Planing Mill which played an important part in Buffalo's rich architectural history. The business which eventually took the name E.M. Hager & Sons produced window frames, sash, doors and miscellaneous millwork long before stock woodwork was a market commodity. Mr. Hager was involved in the construction of many of the City's largest factories, grain elevators, churches and schools and many still stand today as a tribute to his artistry. Some examples of his creativity can still be seen today at the Buffalo Club, City Hall, Canisius College, Temple Beth-El, the former Chancery at 35 Lincoln as well as the hand carved pulpit at St. Louis Church. The business was closed in 1970 and it remained empty until 1988 when the Spaghetti Warehouse converted it into a 15,000 square foot eatery. After the restaurant closed in 1996, it had brief runs as Your Father's Mustache, Sweetwater's and Sensation'z nightclub until the building became idle again in 2004. The current owners plan to convert the building into 36 one and two bedroom apartments with an additional 2,700 square feet of commercial space.

### Project Incentives

- Approximately \$208,000 in sales tax savings.
- Up to \$74,000 in mortgage recording tax savings.
- It is likely the developer will receive real property tax savings through the City of Buffalo 485-a or 485-e exemption program.

# Hager Lofts, LLC

## Project Benefit

Reconstruction and reuse of a facility which has been vacant for almost a decade.

Additional project impacts can be found on the attached IMPLAN analysis.

## Employment

It is likely the facility will employ 1 or 2 building managers. In addition, employment opportunities exist for potential commercial tenants.

## Project History

05/02/11      Public Hearing held. Transcript on file at ECIDA.

05/10/11      City of Buffalo, acting as lead agency, adopts a Negative Declaration in accordance with SEQRA.

06/20/11      Lease/Leaseback Inducement Resolution presented to Board of Directors.