

**157 Great Arrow, LLC**  
**\$15,285,000**  
**INDUCEMENT RESOLUTION**

**ELIGIBILITY**

- NAICS Section - 531110

**COMPANY INCENTIVES**

- Approximately \$525,000 in sales tax savings.
- Up to 3/4 of 1% of the final mortgage amount estimated at \$90,000

**EMPLOYMENT**

- The project is anticipated to create 1 additional job (two years after project completion).

**PROJECT HISTORY**

- 10/02/2017 - Public Hearing held
- 10/25/2017 - ECIDA ratifies and confirms City of Buffalo Negative Declaration.
- 10/25/2017- Inducement Resolution presented to Board of Directors adopting a Negative Declaration in accordance with SEQRA.

Project Title: 157 Great Arrow, LLC  
 Project Address: 157 Great Arrow Avenue  
 Buffalo, New York 14207  
 (Buffalo City School District)

**Agency Request**

A sales tax and mortgage recording tax exemption in connection with the adaptive reuse of a portion of the former Pierce Arrow complex.

Building Addition	\$ 3,000,000
Renovation	\$11,875,000
Soft Costs	\$ 410,000
 Total Project Cost	 \$15,285,000
 85%	 \$12,992,250

**Company Description**

157 Great Arrow, LLC is a corporation formed by Sinatra & Company Real Estate (“Sinatra”) for the purpose of undertaking the project. Sinatra is a privately held, full-service real estate firm with a broad-based portfolio of real estate assets.

The company relies on a value-added approach to properties that have not yet met, or no longer meet full potential.

**Project Description**

The proposed project includes the renovation and adaptive reuse of a portion of the Pierce Arrow complex. The historic warehouse is 95,000 sq. ft. and eligible for historic tax credits and is currently under review by the State Historic Parks office. When complete, the building will house 72 1 & 2 bedroom apartments. One bedroom apartments are planned to be in the 700 sq. ft. to 1,100 sq. ft. range and two bedroom apartments will range in size from 1,100 sq. ft. to 1,450 sq. ft. Rents for the one bedroom apartments will average between \$882 - \$1,386. Rents for the two bedroom apartments will average between \$1,386 and \$2,000.

Approximately 3,000 sq. ft. of space will be marked to an amenity-based tenant. Parking for approximately 100 cars will be made available at the exterior of the property.

Additional landscaping and new paving along the exterior of the building will increase the overall aesthetic of the dilapidated structure and the surrounding areas.

The project requires an extensive level of upgrades to an underutilized building that has never been used for residential purposes.

Current Yearly Taxes	Estimated New Assessed Value	Additional County Revenue over 485-a Abatement Period	Additional Local Revenue over 485-a Abatement Period.	New Yearly Taxes Upon Expiration of Abatement Period
\$6,600	\$7,300,000	\$565,000	\$390,000	\$242,000
Combined Tax Rate: \$33				

### 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 = \$15,285,000 85% : \$12,992,250
Employment	Same as Recapture Period	Create 85% of projected: Projected: 1 Recapture Employment: 1
Local Labor	Construction period	Adherence to policy including quarterly reporting
Unpaid Taxes	Same as Recapture Period	Adherence to policy
Pay Equity	Same as Recapture Period	Adherence to policy
Recapture Period	2 Years After Project Completion	Mortgage Recording Tax State and Local Sales Taxes

Recapture applies to:

- Mortgage Recording Tax
- 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 project completion the company must certify i) total investment is equal to or greater than 85% of the anticipated project amount; ii) confirm company has maintained 1 full time employee at the facility iii) confirm adherence to ECIDA local labor policy during construction and iv) adherence to unpaid tax and pay equity policies for the recapture term.