

346 Connecticut, LLC /Horsefeather \$3,775,000 INDUCEMENT RESOLUTION

HIGHLIGHTS

Eligibility: NAICS Section - 53 Real Estate

COMPANY INCENTIVES

- Approximately \$130,000 in sales tax savings
- Up to \$37,000 in mortgage recording tax savings.
- Real property tax abatements are anticipated to be provided by the City of Buffalo through their Section 485-a exemption program



Project Title: 346 Connecticut, LLC /Horsefeather

Project Address: 346 Connecticut Street
Buffalo, New York 14213
(Buffalo City School District)

SIC/NAICS: 6513/531110

Agency Request

Sales tax, mortgage recording tax and real property tax exemption in connection with the conversion of a 5-story vacant warehouse building into commercial and residential units.

Land Acquisition	\$475,000
Building Renovations	2,400,000
Equipment	300,000
Soft Costs	600,000
Total	\$3,775,000

Company Description

346 Connecticut, LLC is a corporation specifically formed by Frizlen Group for the project. The Frizlen Group provides a full range of architectural services including planning, design and implementation. They have a significant portfolio in projects such as housing, retail and commercial offices, public and civic buildings, restoration and urban infill, master planning and urban revitalization.

Project Description

The developer will be converting a 5-story, 30,000 sq. ft. historic warehouse building, built in 1896, into a state-of-the-art, energy efficient, green building with commercial and residential units serving the neighborhood. The building is currently empty and has been underutilized for the past several years. The building had been utilized for furniture storage with one small heated office.

The transformation of the existing structure will dramatically benefit the commercial district and surrounding neighborhoods in several important ways.

1. A local food market will be on site—this will include 10,000 sq. ft. of space leased to the White Cow Dairy—a 5-year old family owned business. White Cow Dairy is based in East Otto, NY and works in conjunction with other small, local farmers (Native Offerings, Helen's Hens, etc.) to offer their community fresh raw honey, maple syrup, herbs, fruits and vegetables as

346 Connecticut, LLC /Horsefeather

well as eggs and dairy derived from grass fed chickens and cows.

2. Sixteen loft-style apartments will be constructed which will provide housing geared toward students and families.
3. A surface parking lot will be added to the lot next to the building.

Project Benefits

Placing a vacant blighted building back into use will greatly enhance the neighborhood's perception of safety, security & desirability.

Increasing the population density with the addition of 16 new lofts (32-48 new residents) will improve the safety of the neighborhood.

An estimated 30-40 construction jobs will be created as a result of the construction of the project.

Project Incentives

- Approximately \$130,000 in sales tax savings
- Up to \$37,000 in mortgage recording tax savings.
- Real property tax abatements are anticipated to be provided by the City of Buffalo through their Section 485-a exemption program

Employment

It is anticipated that the facility will employ 15 full time and 20 part time people once the facility is complete.

Project History

3/3/2010	Public hearing held. No oral or written comments. Transcript on file at ECIDA.
6/15/2010	City of Buffalo as lead agency adopts negative declaration
7/12/2010	\$3,775,000 Lease/leaseback Resolution presented to Board of Directors