

David E. Pawlik / 1055 Genesee Street \$1,430,000 INDUCEMENT RESOLUTION

HIGHLIGHTS

Eligibility: NAICS Section - **53 - Real estate**

COMPANY INCENTIVES

- Approximately \$48,000 in sales tax savings
- Up to \$12,000 in mortgage recording tax savings.
- Real property tax exemption will be provided thru the State's 485-b exemption program



Project Title: David E. Pawlik

Project Address: 1055 Genesee Street, Buffalo, NY 14211
(Buffalo City School District)

SIC/NAICS: 6513/531110

Agency Request

Sales tax savings and a mortgage recording tax savings in conjunction with the construction of a Dollar General Store.

Land Acquisition:	\$230,000
Building Construction	1,100,000
Soft Costs	100,000
Total Project Cost	\$1,430,000

Company Description

David Pawlik is a local developer. He is presently renovating the North Park Presbyterian Church located at 700 Parkside Avenue in the City of Buffalo.

Project Description

This project location includes the adaptive reuse of a location which was formerly used as a NOCO gas station. NOCO, under the DEC's Brownfield Clean Up program has remediated the site. Mr. Pawlik will be demolishing the site and constructing a new 10,640 sq. ft. single story building which will be leased to Dollar General.

There is currently no prohibition at the state level for IDA's assisting retail projects. However, the more stringent Erie County Uniform Tax Exemption Policy states that a "Local Request" Retail Incentive Program is available for retail projects making a capital investment in a highly distressed area. These types of projects require a letter of support of the Chief Elected Official of the affected municipality, which is attached. Real property tax exemptions will be provided through use of the State's 485-b exemption program. IDA assistance is therefore limited to only sales tax and mortgage tax abatement.

Based on the 2000 Census, census tract 27.02 contains a high percentage of households that are headed by females (59.4%) with a median income well below the poverty level (\$12,063). Further, vehicle availability in this section of the City is very low compared to adjoining areas and the City. 31.9% of workers within the tract use public transportation to commute to work, 29% of owner-occupied units have no vehicle available and 70.9% of renter occupied units have no vehicle. We have determined based on the demographics of the population to be served, that this retail project will serve to enhance the area and more importantly the general well being of its residents.

Project Justification
(as taken from ECIDA's Retail Policy for Projects in Highly Distressed Areas)

In an effort to revitalize and renovate the highly distressed areas with Erie County (especially in recognition of the difficulty of revitalizing and encouraging investment, including retail investment, in the City of Buffalo's urban core and to stimulate such retail activity), the ECIDA establishes a retail project incentive as follows:

A "Local Request" Retail Incentive Program is available for retail projects making capital investment in a highly distressed area that do not otherwise qualify for the Standard Retail Incentive Program provided a written letter of support and request for ECIDA benefits is submitted to the ECIDA by the Chief Elected Official of the municipality in which the project is located. Upon ECIDA approval, these projects will be eligible for ECIDA sales tax benefits and mortgage recording tax benefits. Also, these retail projects may be eligible to apply for abatement from real property taxes permitted under Real Property Tax Law Section 485-b. If the local taxing jurisdictions do not participate in the 485-b program, the ECIDA will provide a PILOT with an abatement schedule equivalent to the 485-b program.

Project Benefit

The project is anticipated to create 10 full time and 5 part time jobs.

The former site of a gas station will be demolished to make way for a new general merchandise store which will service the population of the surrounding area.

Project Incentives

- Approximately \$48,000 in sales tax savings.
- Up to \$12,000 in mortgage recording tax savings.

Employment

<u>At Application</u>		<u>Year 2</u>
0	Full Time	10
	Part Time	5

Project History

No public hearing was required since benefits are below \$100,000.

12/07/2010 City of Buffalo Planning Board as lead agency adopts a Negative Declaration.

01/10/2011 Lease/Leaseback Inducement Resolution presented to Board of Directors.