The Alexandre Apartments, LLC
$4,269,606
INDUCEMENT RESOLUTION

Eligibility

- NAICS Section - 531110

Company Incentives

- Approximately $142,000 in sales tax savings
- Up to .75% of the final mortgage amount. At this time, the estimated amount of the mortgage is $2,550,000 for a savings of $19,125
- The company will be utilizing the City's 485-a exemption program for real property tax abatement

Employment Impact

- Current Jobs = 0
- Projected Jobs = 5

Project History

- Public Hearing held. Transcript attached.
- 11/30/2016 - ECIDA Board of Directors adopts a Negative Declaration in accordance with SEQRA.
- 11/30/2016- Lease/Leaseback Inducement Resolution presented to the Board of Directors.

Project Title: The Alexandre Apartments, LLC

Project Address: 510 Washington Street
Buffalo, New York 14203
(Buffalo City School District)

Agency Request

A sales tax and mortgage recording tax exemption in connection with the adaptive reuse of an existing building

Land and Building Acquisition	$ 340,000
Renovation	$ 3,159,003
Equipment	$ 68,728
Soft Costs	$ 701,875
Total Project Cost	$4,269,606
85%	$3,629,165

Company Description

The Alexandre Apartments, LLC is a woman-owned business. Amy Judd holds a 51% ownership stake and Mark Judd a 49% stake in the LLC.

Project Description

The project entails the adaptive reuse of the former Loew's Theater Warehouse in the City of Buffalo. The building which has been vacant for 19 years is approximately 24,000 sq. ft. and will include a residential and commercial component. The developer plans to construct 12 apartments with 1 and 2 bedroom configurations. The square feet of the apartments are 887 to 1,100 and rents are estimated at between $1,500 - $2,000.

A commercial bakery is expected to occupy the first floor retail space when available and is expected to create 5 new full time jobs.

Project Use	Sq. Ft.	Cost	% of Project Cost
Residential	22,500	$2,716,742	86%
Commercial/Retail	1,356	$442,261	14%
Total	23,856	$3,159,003	100%

Retail Determination

Since less than 1/3 of the total project cost is associated with a potential retail tenant, a retail finding by the County Executive is not required.

New Tax Revenue Estimated

Current Yearly Taxes	Current Assessment	Estimated New Assessed Value	Additional County Revenue over 485-a Abatement Period	Additional City Revenue over 485-a Abatement Period	New Yearly Taxes Upon Expiration of Abatement Period
$3,600	$100,000	$1,400,000	$92,000	$70,000	$42,000
Combined Tax Rate: $33.00					

Draft Recapture Material Terms

Condition	Term	Recapture Provision
Total Investment: review with company	At project completion	Investment amount equal to or greater than 85% of project amount Total Project Amount = $4,269,606 85% of total project amount = $3,629,165
Employment	Coincides with recapture period	New job creation of - 5 Recapture Employment - 4
Local Labor	Construction Period	Adherence to policy including quarterly reporting
Pay Equity	Coincides with recapture period	Adherence to policy
Unpaid Taxes	Coincides with recapture period	Adherence to policy
Recapture Period	2 years after project completion	State and Local Taxes, mortgage tax

Recapture applies to:
State and Local Sales Taxes
Mortgage Recording Tax

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 project company must certify i) total investment amount equal to or grater than 85% of amount proposed ii) confirm that company will create 5 jobs (85% = 4) iii) adherence to local labor policy, iv) adherence to unpaid tax policy and v) adherence to pay equity policy.