

467 Richmond Avenue, LLC/Rosanna Elizabeth Visual & Performing Arts Campus (REVPAC)
\$10,775,636
INDUCEMENT RESOLUTION

ELIGIBILITY

- NAICS Section - 531110

COMPANY INCENTIVES

- Approximately \$345,625 in sales tax savings.
- Up to \$50,000 in mortgage recording tax exemption.

EMPLOYMENT

- Current Employment - 3
- The project is anticipated to create 1 additional job after project completion

PROJECT HISTORY

- 5/31/2017 - Public hearing held. Transcript attached
- 6/28/2017 - Inducement Resolution presented to Board of Directors adopting a Negative Declaration in accordance with SEQRA.
- 6/28/2017 - Lease/Leaseback Inducement Resolution presented to the Board of Directors

Project Title: 467 Richmond Avenue, LLC/Rosanna Elizabeth Visual & Performing Arts Campus (REVPAC)

Project Address: 467 Richmond Avenue
 Buffalo, New York 14222
 (Buffalo City School District)

Agency Request

A sales tax and mortgage tax exemption in connection with the redevelopment and adaptive reuse of the property.

Acquisition	\$ 192,026
Building Addition	\$ 300,000
Renovation	\$ 5,809,313
Equipment	\$ 1,246,400
Soft Costs	\$ 3,227,897

Total Project Cost \$10,775,636

85% \$ 9,159,290

Company Description

467 Richmond Avenue, LLC was formed by Rachel Ann and Ryan Heckl for the purpose of undertaking this project on behalf of the Rosanna Elizabeth Visual & Performing Arts Campus (“REVPAC”) The organization was formed specifically to support community-based projects that promote and support the arts and the social benefits derived from the arts, community development and other related social justice causes. REVPAC is an organization that will benefit performing arts groups by providing rehearsal space and a venue for performances for various artists and touring groups.

Project Description

The proposed project consists of the renovation and adaptive reuse of the property located at 467 Richmond Avenue which is the former Richmond Methodist Episcopal Church. The church is a historical structure and was constructed in the late 1800’s. The facility which consists of 36,000 sq. ft. will be a campus for the utilization by performing arts groups and will include corporate and business meeting space and a recording studio.

REVPAC currently has 3 employees that will be located at the facility and the plan is to hire one additional employee.

In addition to the performing arts venue, the company plans to construct several market rate apartments on an adjacent property which will serve to create a revenue stream to cover the expenses of the campus. ECIDA sales tax and mortgage tax benefits will be limited solely to the renovation of the church, and the corporate and business meeting space. No benefits will be provided to the new housing component.

Retail Determination

Use	Sq. Ft.	Cost	% of Project Cost
Performance/Event and Meeting Space	37,000	\$6,109,313	100%

On June 28, 2017, the Board determined that the project was a retail project and it was located in a highly distressed area and in compliance with Section 862 of the NY General Municipal Law, the chief executive officer of Erie County provided written confirmation confirming the financial assistance.

Impact on Taxes

Current Yearly Taxes	Estimated Increase in Assessed Value	Additional County Revenue over 485-a Abatement Period	Additional Local Revenue over 485-a Abatement Period	Additional Yearly Revenue Upon Expiration of Abatement Period
\$12,200	\$2,500,000	\$193,000	\$135,000	\$83,000
Combined Tax Rate: \$33.00				

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 = \$10,775,636 85% : \$9,159,290
Employment	See Recapture Term	Maintain Base: 3 Create 85% of Projected: Projected = 1 85% = 1 Recapture Employment: 4
Local Labor	Construction Period	Adherence to policy including quarterly reporting
Unpaid Taxes	See Recapture Term	Adherence to policy
Pay Equity	See Recapture Term	Adherence to policy
Recapture Period	2 years after project completion	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 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 3 positions and has created 1 additional position iii) adherence to ECIDA local labor policy during construction and iv) adherence to unpaid tax and pay equity policies for the recapture term.