

Business



Rendering shows \$90.5 million conversion of Trico building into a 114-room extended stay hotel, 150 apartments, commercial and retail space and a new Buffalo Culinary School.

\$90.5 million Trico redevelopment project gets \$3.6 million in tax breaks **Approval clears a major hurdle in \$90.5 million conversion**

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The \$90.5 million conversion of the former Trico Products Corp. windshield wiper plant into a complex with a hotel, cooking school and apartments cleared one of its final hurdles on Wednesday when the Erie County Industrial Development Agency approved \$3.6 million in tax breaks for the long-awaited project.

The project by Buffalo developer Krog Corp. would transform a hulking industrial structure in a highly visible location near the Kensington Expressway into a commercial and residential hub.

Preliminary work, mostly involving environmental cleanup and abatement, is expected to begin in September, with the hotel, school and commercial space scheduled to be finished by August 2018, said Peter Krog, the Orchard Park developer who has pursued the project for nearly four years.

When completed, the factory, whose legacy is linked to John Oishei's development of the windshield wiper during the early days of the automobile, will be home to:

- A 114-room extended-stay hotel, targeting Medical Campus patients and visitors, that will be operated in partnership with Buffalo-based Hart Hotels Corp.
- About 150 apartments, ranging from studio units to two-bedroom apartments, that will be targeted toward workers and students at the new University at Buffalo medical school being built on the Medical Campus, as well as Medical Campus employees.
- More than 100,000 square-feet of commercial and retail space – taking up slightly less than a quarter of a revamped complex that will span 479,000 square feet in all.
- A new Buffalo Culinary School, as part of an expansion of the city's Emerson School of Hospitality. The school will occupy about a fifth of the space in the renovated complex, said Paul Neureuter, Krog's president.
- Indoor parking for about 300 cars.

"It's a big job," Krog said. "It will be a big improvement."

The Trico building has been largely vacant ever since the windshield wiper manufacturer shut down the Washington Street factory in 1998. Plans by Erie, Pa., developer Steve McGarvey to redevelop the factory into his mixed use City Centre project were derailed by McGarvey's death in 2005. The building was purchased by the Buffalo Brownfield Restoration Corp. in a bankruptcy auction in 2007 and was facing possible demolition after five years passed without the emergence of a viable development plan.

Krog then stepped forward in 2013 with a redevelopment plan and reached an agreement the following year to buy the property, which has been extended through September.

The project will be funded partly through \$6.2 million in brownfield tax credits and \$16.3 million in historic tax credits. While the IDA incentives include savings on sales and mortgage taxes, the project also will receive property tax breaks through a program administered by Buffalo.

Buffalo Mayor Bryon W. Brown said the project will bolster a highly visible site that straddles the Medical Campus and downtown Buffalo, as well as the edges of the East and West sides of the city. The hotel will benefit the Medical Campus, while the apartments will move the city closer to meeting Brown's goal of adding 2,000 new housing units by 2018.

"It's a good project," said Erie County Executive Mark C. Poloncarz. "It is a needed project at a key entry point to the city."

Krog plans to demolish a portion of the complex, which currently spans about 600,000 square feet of space and includes five separate buildings built between 1890 and 1954, reducing the overall size of the structure by about 20 percent.

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