



## Redevelopment of 3980 Bailey Avenue

### Section I: Applicant Background Information

#### Applicant Information - Company Receiving Benefit

<b>Project Name</b>	Redevelopment of 3980 Bailey Avenue
<b>Applicant Name</b>	3980 Bailey Avenue LLC
<b>Applicant Address</b>	5409 Main Street, 2nd Floor
<b>Applicant Address 2</b>	
<b>Applicant City</b>	Williamsville
<b>Applicant State</b>	New York
<b>Applicant Zip</b>	14221
<b>Phone</b>	716.932-7156
<b>Fax</b>	716.932-7873
<b>E-mail</b>	daves@design2build.com
<b>Website</b>	
<b>Federal ID#</b>	
<b>NAICS Code</b>	531110
<b>Will a Real Estate Holding Company be utilized to own the Project property/facility</b>	Yes
<b>What is the name of the Real Estate Holding Company</b>	3980 Bailey Avenue LLC
<b>Federal ID#</b>	
<b>State and Year of Incorporation/Organization</b>	2,018
<b>List of stockholders, members, or partners of Real Estate Holding Company</b>	David Sutton

#### Individual Completing Application

<b>Name</b>	David Sutton
<b>Title</b>	Managing Member
<b>Address</b>	5409 Main Street, 2nd Floor
<b>Address 2</b>	
<b>City</b>	Williamsville
<b>State</b>	New York
<b>Zip</b>	14221

**Phone**

716.932-7156

**Fax**

716.932-7873

**E-Mail**

daves@design2build.com

Company Contact (if different from individual completing application)

**Name** Sean Hopkins  
**Title** Project Attorney  
**Address** 5500 Main Street, Suite 343  
**Address 2**  
**City** Williamsville  
**State** New York  
**Zip** 14221  
**Phone** 716.510-4338  
**Fax**  
**E-Mail** shopkins@hsr-legal.com

Company Counsel

**Name of Attorney** Sean Hopkins  
**Firm Name** Hopkins Sorgi & Romanowski PLLC  
**Address** 5500 Main Street, Suite 343  
**Address 2**  
**City** Williamsville  
**State** New York  
**Zip** 14221  
**Phone** 716.510-4338  
**Fax**  
**E-Mail** shopkins@hsr-legal.com

Identify the assistance being requested of the Agency.

**Exemption from Sales Tax** Yes  
**Exemption from Mortgage Tax** Yes  
**Exemption from Real Property Tax** Yes  
**Tax Exempt Financing\*** No

\* (typically for not-for-profits & small qualified manufacturers)

Business Organization

**Type of Business** Limited Liability Company  
**Type of Ownership**  
**Year Established** 2019  
**State of Organization** New York

List all stockholders, members, or partners with % of ownership greater than 20%

**Please include name and % of ownership.**

David Sutton - 100%

Applicant Business Description

**Describe in detail company background, products, customers, goods and services. Description is critical in determining eligibility**

The focus of the company is the redevelopment of underutilized and obsolescent properties for residential and commercial purposes including but not limited to adaptive re-use projects.

<b>Estimated % of sales within Erie County</b>	100
<b>Estimated % of sales outside Erie County but within New York State</b>	0
<b>Estimated % of sales outside New York State but within the U.S.</b>	0
<b>Estimated % of sales outside the U.S.</b>	0

(\*Percentage to equal 100%)

**What percentage of your total annual supplies, raw materials and vendor services are purchased from firms in Erie County? Include list of vendors, raw material suppliers and percentages for each. Provide supporting documentation of the estimated percentage of local purchases**

Vendor services will be purchased from firms in Erie County and it is anticipated that at least 80% of construction materials for the redevelopment project will be purchased from firms in Erie County

## Section II: Eligibility Questionnaire - Project Description & Details

### Project Location

#### **Municipality or Municipalities of current operations**

Town of Amherst

#### **Will the Proposed Project be located within a Municipality identified above?**

Yes

#### **In which Municipality will the proposed project be located**

Town of Amherst

#### **Address**

3980 Bailey Avenue

#### **Will the completion of the Project result in the removal of an industrial or manufacturing plant of the project occupant from one area of the state to another area of the state OR in the abandonment of one or more plants or facilities of the project occupant located within the state?**

No

#### **If the Proposed Project is located in a different Municipality than that Municipality in which current operations are being undertaken, is it expected that any of the facilities in any other Municipality will be closed or be subject to reduced activity?**

No

(If yes, you will need to complete the Retail Section of this application)

#### **SBL Number for Property upon which proposed Project will be located**

79.25-1-3

#### **What are the current real estate taxes on the proposed Project Site**

The assessed value of the property is \$140,000.00

#### **Assessed value of land**

\$140,000.00

#### **Assessed value of building(s)**

\$0.00 [Vacant Land]

#### **Are Real Property Taxes current?**

Yes

#### **If no please explain**

#### **Town/City/Village of Project Site**

Town of Amherst

#### **School District of Project Site**

Amherst Central School District

#### **Does the Applicant or any related entity currently hold fee title to the Project site?**

Yes

#### **If No, indicate name of present owner of the Project Site**

#### **Does Applicant or related entity have an option/contract to purchase the Project site?**

Yes

#### **Describe the present use of the Proposed Project site**

Vacant land that was last utilized as a Pizza Hut restaurant.

**Please provide narrative of the proposed project and the purpose of the proposed project (new build, renovations, and/or equipment purchases). Identify specific uses occurring within the project. Describe any and all tenants and any/all end users: (This information is critical in determining project eligibility)**

The purpose of the proposed adaptive reuse redevelopment project is to redevelop the vacant site as an upscale project consisting of attached townhome style units for lease in accordance with the planning objectives in the Town's Comprehensive Plan and also in accordance with the applicable GB-TNB zoning standards contained in the Town's Zoning Code.

**If the Project could be undertaken without Financial Assistance provided by the Agency, then provide a statement in the space provided below indicating why the Project should be undertaken by the Agency:**

The financial assistance being sought from the Agency is necessary for the adaptive reuse redevelopment project to be economically feasible.

**Describe the reasons why the Agency's Financial Assistance is necessary and how the Financial Assistance enables the company to undertake the Project to facilitate investment, job creation and/or job retention. Focus on competitiveness issues, project shortfalls, etc... Your eligibility determination will be based in part on your answer (attach additional pages if necessary)**

The Agency's financial assistance is necessary since it will provide the Applicant with the ability to obtain necessary bank financing for the proposed adaptive reuse redevelopment project. In the absence of the financial assistance being sought, the substantial redevelopment costs necessary to construct the nine attached townhome style units [brownstone type building with upscale architecture and high quality materials] are too large for the project to be economically feasible. The layout of the project including the building type and materials is based on input that has been received and will result in a adaptive reuse project on an older section of Bailey Avenue in a format that has been encouraged by the Town since it created the TNB zoning district for the purpose of encouraging the redevelopment of older sections of the Town in manner that will encourage pedestrian friendly mixed-use neighborhoods.

**Please confirm by checking the box, below, if there is likelihood that the Project would not be undertaken but for the Financial Assistance provided by the Agency**

No

**If the Applicant is unable to obtain Financial Assistance for the Project, what will be the impact on the Applicant and Erie County?**

If the Applicant is unable to obtain the financial assistance that is being sought, it will have negative impacts on the Applicant and Erie County since it is very likely that the site will remain vacant and will continue to generate minimal tax revenues for Erie County and other tax jurisdictions.

**Will project include leasing any equipment?**

No

**If yes, please describe equipment and lease terms.**

#### Site Characteristics

**Will the Project meet zoning/land use requirements at the proposed location?**

Yes

**Describe the present zoning/land use**

The site is zoned GB-TNB-3 pursuant to the Town of Amherst Zoning Map.

**Describe required zoning/land use, if different**

Not applicable.

**If a change in zoning/land use is required, please provide details/status of any request for change of zoning/land use requirements**

Not applicable.

**Is the proposed Project located on a site where the known or potential presence of contaminants is complicating the development/use of the property?**

No

**If yes, please explain**

**Has a Phase I Environmental Assessment been prepared, or will one be prepared with respect to the proposed Project Site?**

Yes

If yes, please provide a copy.

**Have any other studies, or assessments been undertaken with respect to the proposed Project Site that indicate the known or suspected presence of contamination that would complicate the site's development?**

No

If yes, please provide copies of the study.

**If you are purchasing new machinery and equipment, does it provide demonstrable energy efficiency benefits?**

The proposed building will be constructed in accordance with the standards in the NYS Energy Code.

You may also attach additional information about the machinery and equipment at the end of the application.

**Does or will the company or project occupant perform research and development activities on new products/services at the project location?**

No

If yes, please explain.

**What percentage of annual operating expenses are attributed to the above referenced research and development activities?**

Select Project Type for all end users at project site (you may check more than one)

Will customers personally visit the Project site for either of the following economic activities? If yes with respect to either economic activity indicated below, complete the Retail Determination contained in Section IV of the Application.

Please check any and all end uses as identified below.

**Retail Sales**      No                                      **Services**      No

For purposes of this question, the term "retail sales" means (i) sales by a registered vendor under Article 28 of the Tax Law of the State of New York (the "Tax Law") primarily engaged in the retail sale of tangible personal property (as defined in Section 1101(b)(4) (i) of the Tax Law), or (ii) sales of a service to customers who personally visit the Project.

- |  |                        |   |
|--|------------------------|---|
| <b>No Manufacturing</b>                    | <b>No Multi-Tenant</b> | <b>No Mixed Use</b>                       |
| <b>No Acquisition of Existing Facility</b> | <b>No Commercial</b>   | <b>No Facility for the Aging</b>          |
| <b>Yes Housing</b>                         | <b>No Back Office</b>  | <b>No Civic Facility (not for profit)</b> |
| <b>No Equipment Purchase</b>               | <b>No Retail</b>       | <b>No Other</b>                           |



Project Information

**Estimated costs in connection with project**

**Land and/or Building Acquisition**

\$ 72,000 21,600 square feet acres

**New Building Construction**

\$ 3,500,000 square feet

**New Building addition(s)**

\$ 0 square feet

**Infrastructure Work**

\$ 300,000

**Renovation**

\$ 0 square feet

**Manufacturing Equipment**

\$ 0

**Non-Manufacturing Equipment: (furniture, fixtures, etc.)**

\$ 150,000

**Soft Costs: (professional services, etc.)**

\$ 210,000

**Other Cost**

\$ 0

**Explain Other Costs**

**Total Cost**

\$ 4,232,000

**Project Refinancing; estimated amount (for refinancing of existing debt only)**

\$ 0

**Have any of the above costs been paid or incurred as of the date of this Application?**

Yes

**If Yes, describe particulars:**

The property was acquired in late 2018 and soft costs of approximately \$30,000.00 have been incurred to date.

Sources of Funds for Project Costs:

**Equity (excluding equity that is attributed to grants/tax credits):**

\$ 600,000

**Bank Financing:**

\$ 3,632,000

**Tax Exempt Bond Issuance (if applicable):**

\$ 0

**Taxable Bond Issuance (if applicable):**

\$ 0

**Public Sources (Include sum total of all state and federal grants and tax credits):**

\$ 0

**Identify each state and federal grant/credit:**

**Total Sources of Funds for Project Costs:**

\$4,232,000

**Has a financing preapproval letter or loan commitment letter been obtained?**

No

Mortgage Recording Tax Exemption Benefit:

**Estimated Mortgage Amount (Sum total of all financing – construction and bridge).**

**\*Amount of mortgage, if any, that would be subject to mortgage recording tax.**

\$ 3,632,000

**Lender Name, if Known**

**Estimated Mortgage Recording Tax Exemption Benefit (% of estimated mortgage amount stated above):**

\$27,240

Construction Cost Breakdown:

**Total Cost of Construction**

\$ 3,500,000

(sum of 2,3,4,5, and/or 7 in Question K, above)

**Cost for materials**

\$ 2,100,000

**% sourced in Erie County**

80%

**% sourced in State**

80% (including Erie County)

**Gross amount of costs for goods and services that are subject to State and local sales and use tax- said amount to benefit from the Agency's sales and use tax exemption benefit**

\$ 2,100,000

**Estimated State and local Sales and Use Tax Benefit (product of 8.75% multiplied by the figure, above):**

\$ 183,750

Real Property Tax Benefit:

**Identify and describe if the Project will utilize a real property tax exemption benefit OTHER THAN the Agency's PILOT benefit:**

For proposed facility please include # of sq ft for each of the uses outlined below

		<b>Cost</b>	<b>% of Total Cost</b>
<b>Manufacturing/Processing</b>	square feet	\$ 0	0
<b>Warehouse</b>	square feet	\$ 0	0
<b>Research &amp; Development</b>	square feet	\$ 0	0
<b>Commercial</b>	square feet	\$ 0	0
<b>Retail</b>	square feet	\$ 0	0
<b>Office</b>	square feet	\$ 0	0
<b>Specify Other</b>	21,600 square feet	\$ 350,000,000	100

If you are undertaking new construction or renovations, are you seeking LEED certification from the US Green Building Council?

No

If you answered yes to question above, what level of LEED certification do you anticipate receiving? (Check applicable box)

<BLANK>

Provide estimate of additional construction cost as a result of LEED certification you are seeking

Will project result in significant utility infrastructure cost or uses

Yes

What is your project timetable (Provide dates)

**Start date : acquisition of equipment or construction of facilities**

6/1/2019

**End date : Estimated completion date of project**

7/1/2020

**Project occupancy : estimated starting date of operations**

8/1/2019

**Have construction contracts been signed?**

No

**Have site plans been submitted to the appropriate planning department for approval?**

No

**Has the Project received site plan approval from the appropriate planning department?**

No

**Is project necessary to expand project employment?**

No

**Is project necessary to retain existing employment?**

No

Employment Plan (Specific to the proposed project location):

	Current # of jobs at proposed project location or to be relocated at project location	IF FINANCIAL ASSISTANCE IS GRANTED – project the number of FTE and PT jobs to be RETAINED	IF FINANCIAL ASSISTANCE IS GRANTED – project the number of FTE and PT jobs to be CREATED upon TWO years after Project completion	Estimate number of residents of the Labor Market Area in which the Project is located that will fill the FTE and PT jobs to be created upon TWO Years after Project Completion **
<b>Full time</b>	0	0	0	0
<b>Part time</b>	0	0	1	1
<b>Total</b>	0	0	1	

\*\* The Labor Market Area includes the Counties of Erie, Niagara, Genesee, Cattaraugus, Wyoming and Chautauqua. For the purposes of this question, please estimate the number of FTE and PT jobs that will be filled, as indicated in the third column, by residents of the Labor Market Area, in the fourth column.

\*\*\*By statute, Agency staff must project the number of FTE jobs that would be retained and created if the request for Financial Assistance is granted. Agency staff will project such jobs over the TWO Year time period

following Project completion. Agency staff converts PT jobs into FTE jobs by dividing the number of PT jobs by two (2).

**If you estimated new job growth over the next 2 years, please provide a short description of how those estimates were calculated (i.e. jobs per square foot, new contracts/increased revenues, etc.)**

It is anticipated that a part-time job will be created for purpose of management of the adaptive reuse redevelopment project.

Salary and Fringe Benefits for Jobs to be Retained and Created:

<b>Category of Jobs to be Retained and Created</b>	<b># of Employees Retained and Created</b>	<b>Average Salary for Full Time</b>	<b>Average Fringe Benefits for Full Time</b>	<b>Average Salary for Part Time (if applicable)</b>	<b>Average Fringe Benefits for Part Time (if applicable)</b>
<b>Management</b>	1	\$ 0	\$ 0	\$ 15,000	\$ 0
<b>Professional</b>	0	\$ 0	\$ 0	\$ 0	\$ 0
<b>Administrative</b>	0	\$ 0	\$ 0	\$ 0	\$ 0
<b>Production</b>	0	\$ 0	\$ 0	\$ 0	\$ 0
<b>Independent Contractor</b>	0	\$ 0	\$ 0	\$ 0	\$ 0
<b>Other</b>	0	\$ 0	\$ 0	\$ 0	\$ 0

Employment at other locations in Erie County: (provide address and number of employees at each location):

<b>Address</b>			
<b>Full time</b>	0	0	0
<b>Part time</b>	0	0	0
<b>Total</b>	0	0	0

**Will any of the facilities described above be closed or subject to reduced activity?**

No

Payroll Information

**Annual Payroll at Proposed Project Site**

\$ 0

**Estimated average annual salary of jobs to be retained (Full Time)**

\$ 0

**Estimated average annual salary of jobs to be retained (Part Time)**

\$ 20,000

**Estimated average annual salary of jobs to be created (Full Time)**

\$ 0

**Estimated average annual salary of jobs to be created (Part Time)**

\$ 0

**Estimated salary range of jobs to be created**

<b>From (Full Time)</b>	\$ 0	<b>To (Full Time)</b>	\$ 0
<b>From (Part Time)</b>	\$ 1	<b>To (Part Time)</b>	\$ 20,000

**Is the project reasonably necessary to prevent the project occupant from moving out of New York State?**

No

**If yes, please explain and identify out-of-state locations investigated**

**What competitive factors led you to inquire about sites outside of New York State?**

**Have you contacted or been contacted by other Local, State and/or Federal Economic Development Agencies?**

No

**If yes, please indicate the Agency and nature of inquiry below**

**Do you anticipate applying for any other assistance for this project?**

No

**If yes, what type of assistance (Historic Tax Credits, 485(a), Grants, Utility Loans, Energy Assistance, Workforce Training)**