



Sutton Place Preservation

[Instructions and Insurance Requirements Document](#)

Section I: Applicant Background Information

Please answer all questions. Use "None" or "Not Applicable" where necessary. Information in this application may be subject to public review under New York State Law.

Applicant Information - Company Receiving Benefit

Project Name Sutton Place
Project Summary LIHTC rehab utilizing 4% noncompetitive bonds from Amherst IDA.
Applicant Name Sutton Place Preservation, Ltd.
Applicant Address 401 Wilshire Blvd Ste 1070
Applicant Address 2
Applicant City Santa Monica
Applicant State California
Applicant Zip 90401
Phone (323) 229-2076
Fax (323) 229-2076
E-mail alex@lincolnavecap.com
Website www.lincolnavecap.com
NAICS Code

Business Organization

Type of Business Partnership
Year Established 2021
State in which Organization is established New York

Individual Completing Application

Name Alex Wood
Title Development Associate
Address 401 Wilshire Blvd Ste 1070
Address 2
City Santa Monica
State California
Zip 90401

Phone (323) 229-2076
Fax
E-Mail alex@lincolnavecap.com

Company Contact (if different from individual completing application).

Name Wes McLean
Title Vice President
Address 401 Wilshire Blvd Ste 1070
Address 2
City Santa Monica
State California
Zip 90401
Phone (303) 870-6332
Fax
E-Mail wmclean@lincolnavecap.com

Company Counsel

Name of Attorney Eleor Cohen
Firm Name Levitt & Boccio, LLP
Address 423 West 55th Street, 8th Floor
Address 2
City New York
State New York
Zip 10019
Phone (212) 801-3936
Fax (212) 801-3762
E-Mail ecohen@levittboccio.com

Benefits Requested (select all that apply).

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

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

Applicant Business Description

Describe in detail company background, history, products and customers. Description is critical in determining eligibility. Also list all stockholders, members, or partners with % ownership greater than 20%.

Lincoln Avenue Capital is a mission driven, family owned, affordable housing developer and investor. Founded in 2017, our portfolio has grown to include 95 properties with over 17,000 units across 16 states. Our experienced and agile team works to provide low-income families with quality affordable housing through federal, state, and local programs. Our affiliation with the Bronfman family office provides flexibility and unique access to capital; we utilize our balance sheet for acquisitions and can execute quickly. The applicant is Sutton Place Preservation, Ltd. which is a single purpose entity controlled and operated by individuals and entities related to Lincoln Avenue Capital. Jeremy Bronfman is CEO and Managing Partner of Lincoln Avenue Capital, one of the nation's fastest-growing developers, investors, and operators of affordable housing. Previously, Jeremy served as CEO of Enigma Technologies Inc., a software company with major Fortune 500 investors and an Investment Associate at Island Capital (the parent entity of CIII Capital Partners) and JANA Partners. Jeremy began his career at Iroquois Capital, where he became a Partner and identified opportunities in PIPE investments in small cap public companies. Jeremy holds a B.A. from Stanford University and an M.B.A with distinction from Harvard University.

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

(*Percentage to equal 100%)

For your operations, company and proposed project what percentage of your total annual supplies, raw materials and vendor services are purchased from firms in Erie County?

100

Describe vendors within Erie County for major purchases

Appliances, repair supplies, office supplies, and landscaping supplies.

Section II: Eligibility Questionnaire - Project Description & Details

Project Location

Address of Proposed Project Facility

113 Travers Blvd

Town/City/Village of Project Site

Amherst

School District of Project Site

Sweet Home Central School District

Current Address (if different)**Current Town/City/Village of Project Site (if different)****SBL Number(s) for proposed Project****What are the current real estate taxes on the proposed Project Site**

\$399,663.56

If amount of current taxes is not available, provide assessed value for each.

Land

\$ 0

Building(s)

\$ 0

If available include a copy of current tax receipt.

Are Real Property Taxes current at project location?

Yes

If no please explain**Does the Applicant or any related entity currently hold fee title or have an option/contract to purchase 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, existing building, etc.)

Existing 246-unit affordable multifamily housing. The property is fully occupied.

Provide narrative and purpose of the proposed project (new build, renovations) square footage of existing and new construction contemplated 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)

LAC intends to close on an acquisition/rehab of the Property in the 2nd quarter of 2022 utilizing tax exempt bonds fully cash collateralized by a new FHA loan from Harper Capital, 4% Low-Income Housing Tax Credits from NYSHCR, and deferred developer fee. Pursuant to a Nominee Agreement, the fee interest of the property is held by Sutton Place Housing Development Fund Company, Inc., a New York not-for-profit corporation (the "HDFC"). Sutton Place of Amherst LLC, a New York limited liability company, (the "Current Owner") holds a beneficial interest in the Project and currently serves as the beneficial owner of the real property for the purposes of operating the Project, including the obligations of the HAP Contract. Sutton Place Preservation Limited Partnership, a New York limited partnership (the "Purchaser") will acquire the beneficial interest from the Current Owner at closing. The full site renovation of approximately \$20,000,000 (\$81,300/unit) will encompass the following. • In-unit work will include replacement of the kitchen cabinets; kitchen countertops; kitchen appliances; bathroom vanity mirrors; blinds; entry doors; and painting in kitchens and bathrooms. • In-unit electrical appliances will be upgraded to Energy Star rated appliances. • Water fixtures will be replaced with more efficient low-flow toilets, showerheads, and aerators. • Lighting fixtures in the units and common areas will be upgraded to energy efficient LED fixtures. • External work will include replacing all roofs; windows; siding; masonry repairs; painting; steps to apartment buildings; concrete patios; sidewalk improvements; parking lot improvements; playground improvements. • Clubhouse will be redesigned to include a new space for community events separate from leasing offices.

Municipality or Municipalities of current operations

Town of Amherst

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

Yes

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 within New York State 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 Intermunicipal Move Determination section of this application)

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, type of assistance offered and provide supporting documentation available

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

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:

Describe the reasons why the Agency's financial assistance is necessary, and the effect the Project will have on the Applicant's business or operations. Focus on competitiveness issues, project shortfalls, etc... Your eligibility determination will be based in part on your answer (attach additional pages if necessary)

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

Yes

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

If we are unable to obtain tax exempt bonds from the Amherst IDA we will not qualify for low income housing tax credits. The project will not receive a much needed renovation and the affordability will not be further extended.

Will project include leasing any equipment?

No

If yes, please describe equipment and lease terms.

Site Characteristics

Is your project located near public transportation?

Yes

If yes describe if site is accessible by either metro or bus line (provide route number for bus lines)

The project is located on bus route 34. Stop ID 51280 located at the intersection of Sundridge Dr and Travers Blvd.

Has a project related site plan approval application been submitted to the appropriate planning department?

No

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

Yes

Describe the present zoning/land use

The current use is permitted as multifamily. Zoning Jurisdiction: Town of Amherst, NY Zoning District: MFR-5 (Multifamily Residential District 5)

Describe required zoning/land use, if different

N/A

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

N/A

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?

No

If yes, describe the efficiencies achieved

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, include percentage of operating expenses attributed to R&D activities and provide details.

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

For purposes of the following, 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.

Will customers personally visit the Project site for either of the following economic activities? If yes with respect to either economic activity indicated below, you will need to complete the Retail section of this application.

Retail Sales	No	Services	No
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Please check any and all end uses as identified below.

- | | | |
|---|---------------------------|-------------------------------------|
| Yes Acquisition of Existing Facility | No Assisted Living | No Back Office |
| No Civic Facility (not for profit) | No Commercial | No Equipment Purchase |
| No Facility for the Aging | No Industrial | No Life Care Facility (CCRC) |
| No Market Rate Housing | No Mixed Use | No Multi-Tenant |
| No Retail | No Senior Housing | No Manufacturing |
| No Renewable Energy | Yes Other | |
| | Affordable Housing | |

For proposed facility please include the square footage for each of the uses outlined below

If applicant is paying for FFE for tenants, include in cost breakdown.

			Cost	% of Total Cost
Manufacturing/Processing	square feet	\$	0	0%
Warehouse	square feet	\$	0	0%
Research & Development	square feet	\$	0	0%
Commercial	square feet	\$	0	0%
Retail	square feet	\$	0	0%
Office	square feet	\$	0	0%
Specify Other	square feet	\$	0	0%

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 < BLANK >

Will project result in significant utility infrastructure cost or uses No

What is the estimated project timetable (provide dates).

Start date : acquisition of equipment or construction of facilities

6/1/2022

End date : Estimated completion date of project

6/1/2023

Project occupancy : estimated starting date of occupancy

6/1/2022

Capital Project Plan / Budget

Estimated costs in connection with Project

1.) Land and/or Building Acquisition

\$ 40,770,000 square feet acres

2.) New Building Construction

\$ 0 square feet

3.) New Building addition(s)

\$ 0 square feet

4.) Reconstruction/Renovation

\$ 23,457,084 square feet

5.) Manufacturing Equipment

\$ 0

6.) Infrastructure Work

\$ 0

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

\$ 0

8.) Soft Costs: (Legal, architect, engineering, etc.)

\$ 469,210

9.) Other Cost

\$ 12,488,588

Explain Other Costs	Financial Costs \$4,601,278 Developer Financing \$7,887,310
Total Cost	\$ 77,184,882

Construction Cost Breakdown:

Total Cost of Construction	\$ 23,457,084 (sum of 2, 3, 4 and 6 in Project Information, above)
Cost of materials	\$ 7,000,000
% sourced in Erie County	75%

Sales and Use Tax:

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	\$ 9,000,000
Estimated State and local Sales and Use Tax Benefit (product of 8.75% multiplied by the figure, above):	\$ 787,500

** Note that the estimate provided above will be provided to the New York State Department of Taxation and Finance. The Applicant acknowledges that the transaction documents may include a covenant by the Applicant to undertake the total amount of investment as proposed within this Application, and that the estimate, above, represents the maximum amount of sales and use tax benefit that the Agency may authorize with respect to this Application. The Agency may utilize the estimate, above, as well as the proposed total Project Costs as contained within this Application, to determine the Financial Assistance that will be offered.

Project refinancing estimated amount, if applicable (for refinancing of existing debt only)	\$ 0
Have any of the above costs been paid or incurred as of the date of this Application?	No
If Yes, describe particulars:	

Sources of Funds for Project Costs:

Equity (excluding equity that is attributed to grants/tax credits):	\$ 26,056,373
Bank Financing:	\$ 6,128,509
Tax Exempt Bond Issuance (if applicable):	\$ 45,000,000
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: (ie Historic Tax Credit, New Market Tax Credit, Brownfield, Cleanup Program, ESD, other public sources)	0
Total Sources of Funds for Project Costs:	\$77,184,882
Have you secured financing for the project?	Yes

Mortgage Recording Tax Exemption Benefit:

Amount of mortgage, if any that would be subject to mortgage recording tax:

Mortgage Amount (include sum total of construction/permanent/bridge financing).	15,700,000
Lender Name, if Known	

Estimated Mortgage Recording Tax Exemption Benefit (product of mortgage amount as indicated above multiplied by 3/4 of 1%): \$117,750

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 (485-a, 485-b, other):

IDA PILOT Benefit: Agency staff will indicate the estimated amount of PILOT Benefit based on estimated Project Costs as contained herein and anticipated tax rates and assessed valuation, including the annual PILOT Benefit abatement amount for each year of the PILOT benefit and the sum total of PILOT Benefit abatement amount for the term of the PILOT as depicted in the PILOT worksheet in the additional document section.

Percentage of Project Costs financed from Public Sector sources: Agency staff will calculate the percentage of Project Costs financed from Public Sector sources based upon the Sources of Funds for Project Costs as depicted above. The percentage of Project Costs financed from public sector sources will be depicted in the PILOT worksheet in the additional document section.

Is project necessary to expand project employment?

No

Is project necessary to retain existing employment?

No

Will project include leasing any equipment?

No

If yes, please describe equipment and lease terms.

Employment Plan (Specific to the proposed project location).

The Labor Market Area consists of the following six counties: Erie, Niagara, Chautauqua, Cattaraugus, Wyoming and Genessee.

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).

	Current # of jobs at proposed project location or to be relocated at project location	If financial assistance is granted – project the number of FT and PT jobs to be retained	If financial assistance is granted – project the number of FT and PT jobs to be created upon 24 months (2 years) after Project completion	Estimate number of residents of the Labor Market Area in which the project is located that will fill the FT and PT jobs to be created upon 24 months (2 years) after project completion **
Full time	5	5	0	0
Part time	0	0	0	0
Total	5	5	0	

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.)

According to a study completed in 2015 by the National Association of Home Builders¹, \$1M of residential remodeling/rehab has significant impacts of the local economy and job support. \$1M investment in a rehabilitation of a multifamily project leads to \$840k in local income, \$250k in local business owners' income, \$585k of local salaries, \$70k of local taxes, and 11.5 of local jobs supported. The benefits come in two phases: 1) direct and indirect impact of construction activity and 2) ripple effect of spending income and taxes from Phase I. Based on our current development budget, an estimated 18 jobs are expected to be supported by the project.

Salary and Fringe Benefits for Jobs to be Retained and Created

Category of Jobs to be Retained and/or Created	# of Employees Retained and/or Created	Average Salary for Full Time	Average Fringe Benefits for Full Time	Average Salary for Part Time (if applicable)	Average Fringe Benefits for Part Time (if applicable)
Management	1	\$ 65,000	\$ 16,025	\$ 0	\$ 0
Professional	2	\$ 47,500	\$ 11,875	\$ 0	\$ 0
Administrative	2	\$ 45,000	\$ 11,250	\$ 0	\$ 0
Production	0	\$ 0	\$ 0	\$ 0	\$ 0
Independent Contractor	0	\$ 0	\$ 0	\$ 0	\$ 0
Other	0	\$ 0	\$ 0	\$ 0	\$ 0

** Note that the Agency may utilize the foregoing employment projections, among other items, to determine the financial assistance that will be offered by the Agency to the Applicant. The Applicant acknowledges that the transaction documents may include a covenant by the Applicant to retain the number of jobs and create the number of jobs with respect to the Project as set forth in this Application.

No **By checking this box, I certify that the above information concerning the current number of jobs at the proposed project location or to be relocated to the proposed project location is true and correct.**

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

Address			
Full time	0	0	0
Part time	0	0	0
Total	0	0	0

Payroll Information

Annual Payroll at Proposed Project Site upon completion

320,000

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

50,000

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

0

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

50,000

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

0

Estimated salary range of jobs to be created

From (Full Time) 0 To (Full Time) 0

From (Part Time) 0 To (Part Time) 0

Section III: Facility Type - Single or Multi Tenant

Is this a Single Use Facility or a Multi-Tenant Facility?

Multi-Tenant Facility

Multi-Tenant Facility (to be filled out by developer).

Please explain what market conditions support the construction of this multi-tenant facility

Sutton Place Apartments is an existing 246-unit affordable multifamily property. It is consistently 99% occupied and we will not be building additional units. There is no retail or commercial space.

Have any tenant leases been entered into for this project?

No

If yes, please list below and provide square footage (and percent of total square footage) to be leased to tenant and NAICS Code for tenant and nature of business

Tenant Name	Current Address (city, state, zip)	# of sq ft and % of total to be occupied at new project site	SIC or NAICS-also briefly describe type of business, products services, % of sales in Erie Co.
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*fill out table for each tenant and known future tenants

Section V: Retail Determination

To ensure compliance with Section 862 of the New York General Municipal Law, the Agency requires additional information if the proposed Project is one where customers personally visit the Project site to undertake either a retail sale transaction or to purchase services.

Please answer the following:

Will any portion of the project (including that portion of the costs to be financed from equity or other sources) consist of facilities or property that are or will be primarily used in making sales of goods or services to customers who personally visit the project site?

No

If yes, complete the Retail Questionnaire Supplement below. **If no, proceed to the next section.**

Section VI: Adaptive Reuse Projects

Adaptive Reuse is the process of adapting old structures or sites for new purposes.

Are you applying for tax incentives under the Adaptive Reuse Program?

No

Section VII: Inter-Municipal Move Determination

The Agency is required by state law to make a determination that, if completion of a Project benefiting from Agency Financial Assistance results 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, Agency financial Assistance is required to prevent the project occupant from relocating out of the state, or is reasonably necessary to preserve the project occupant's competitive position in its respective industry.

Current Address

City/Town

State

Zip Code

Will 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?

No

Will the project result in the abandonment of one or more plants or facilities of the Project occupant located within the state?

No

If Yes to either question, explain how, notwithstanding the aforementioned closing or activity reduction, the Agency's Financial Assistance is required to prevent the Project from relocating out of the State, or is reasonably necessary to preserve the Project occupant's competitive position in its respective industry:

Does this project involve relocation or consolidation of a project occupant from another municipality?

Within New York State

No

Within Erie County

No

If Yes to either question, please, explain

Will the project result in a relocation of an existing business operation from the City of Buffalo?

No

If yes, please explain the factors which require the project occupant to relocate out of the City of Buffalo (For example, present site is not large enough, or owner will not renew leases etc.)

What are some of the key requirements the project occupant is looking for in a new site? (For example, minimum sq. ft., 12 foot ceilings, truck loading docs etc.)

If the project occupant is currently located in Erie County and will be moving to a different municipality within Erie County, has the project occupant attempted to find a suitable location within the municipality in which it is currently located?

No

What factors have lead the project occupant to consider remaining or locating in Erie County?

If the current facility is to be abandoned, what is going to happen to the current facility that project occupant is located in?

Please provide a list of properties considered, and the reason they were not adequate. (Some examples include: site not large enough, layout was not appropriate, did not have adequate utility service, etc.) Please include full address for locations.

Section VIII: Senior Housing

IDA tax incentives may be granted to projects under the Agency's Senior Citizen Rental Housing policy when the project consists of a multi-family housing structure where at least 90% of the units are (or are intended to be) rented to and occupied by a person who is 60 years of age or older.

Are you applying for tax incentives under the Senior Rental Housing policy?

No