

Lafayette Group / West Buffalo Charter School

\$3,836,028

INDUCEMENT RESOLUTION

HIGHLIGHTS

- Eligibility: NAICS Section - 53
Real Estate

COMPANY INCENTIVES

- Approximately \$ 88,000 in sales tax savings
- Up to \$34,000 in mortgage recording tax savings.
- Since the charter school is 501(C)(3) organization they are not subject to any real estate taxes.



Project Title: Lafayette Group/West Buffalo Charter School
 Project Address: 113 Lafayette Avenue
 Buffalo, New York 14213
 (Buffalo City School District)
 SIC/NAICS: 6513/531110

Agency Request

A sales and mortgage tax exemption in connection with the construction of the former Lafayette Tower apartment complex for use by West Buffalo Charter School.

Land/Building Acquisition:	\$1,500,000
Building Re-Construction	1,908,628
Soft Costs	<u>427,400</u>
 Total Project Cost	 \$3,836,028

Company Description

Ellicott Development will be forming a corporation (Lafayette Group, Inc.) for the purpose of constructing the project on behalf of West Buffalo Charter School.

West Buffalo Charter School's Charter was approved on March 9, 2010 and was created to meet students' needs and offer a choice for parents and the community.

The West Side neighborhood where WBCS will be located, possess two of the four highest poverty zip codes in the city (as measured by concentration of recipients of TANF, Low Income Day Care, Medicaid and Food Stamps). The area possesses the second most diverse zip code in all of New York State. One half of the students enrolled are Burmese refugees.

The proposed elementary school levels (K-4) will emphasize development of proficiency in core early literacy languages skills. These skills are the foundation for the "reading to learn" that is required in upper grade levels, post secondary education and beyond. Language and literacy form the cornerstone of the WBCS's education philosophy.

Some statistics:

- Disadvantaged students in the first grade have a vocabulary that is approximately half that of an advantaged student. The National Center for Education Statistics reports that the gap between children from low and high income families on reading comprehension scores is over 40 points.
- Children from low income families, on average, score 27 points below the mean reading level score for all students.
- Poor reading and writing skills have a devastating, lifelong impact; seventy five percent of school dropouts report reading difficulties.

Lafayette Group / West Buffalo Charter School

Collaborating Organizations:

The following organizations are partnering with the school:

- D'Youville College - offering mentoring and best practices to teachers; sharing expertise in diverse cultures, community connections and social services.
- Buffalo Hearing and Speech - providing speech language pathologists
- BPO Music Education Department - concert experiences
- Massachusetts Avenue Project - nutrition, community service and sustainability programs

Enrollment Targets:

	Year 1	Year 2	Year 3	Year 4	Year 5
Grades served per year	K-2 2012	K-3 2013	K-4 2014	K-4 2014	K-4 2014
# Students per year	162	216	270	270	270

Project Description

The developer intends to convert the former Lafayette Tower apartment building into the new home of the West Buffalo Charter School. The initial phase of the project will include renovation of the first four floors (approximately 27,600 sq. ft.) into educational facilities for grades K-2, which will house 162 students. The next phase will include the renovation of the fifth floor (approximately 6,900 sq. ft.) in order to accommodate the addition of another 110 students and the fourth grade.

This location meets the schools' desire for a facility on the West Side that can target the many new immigrants who continue to locate in this area of the City. The facility will give children who speak English as a second language an education focused on improving communication skills.

The West Buffalo Charter School lease with Ellicott Development will contain an option to purchase the facility. Ellicott Development originally purchased the property in 1988 and converted the former hospital into an apartment complex. When the charter school was interested in utilizing the facility, the developer assisted all residents in finding other suitable housing options.

Project Benefit

- Once complete the school anticipates having 28 full time and 5 part time employees.
- The charter school will provide children from one of the poorest neighborhoods in the City with the opportunity to be successful in their academic career.
- The exemption being provided to the project is equal to the exemption the Charter School would have enjoyed had they been able to access traditional financing on their own.

Project Incentives

- Approximately \$ 88,000 in sales tax savings
- Up to \$34,000 in mortgage recording tax savings.

Lafayette Group / West Buffalo Charter School

Employment (K-3)

Full Time
28

Part Time
5

Project History

- 4/24/2012 City of Buffalo Planning Board, as lead agency adopts a Negative Declaration in accordance with SEQRA.
- 07/03/2012 Public Hearing held. Transcript on file at ECIDA.
- 07/16/2012 Lease/Leaseback Inducement Resolution presented to Board of Directors.