

Column Development
\$3,000,000
INDUCEMENT RESOLUTION

ELIGIBILITY

- NAICS Section - 531110

COMPANY INCENTIVES

- Approximately \$174,000 in real property tax savings..
- Approximately \$131,250 in sales tax savings
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- Up to 3/4 of 1% of final mortgage. Estimated savings are \$18,000

EMPLOYMENT

- Current Jobs 30
- New Jobs Projected 8
- Total Jobs after project completion 38

PROJECT HISTORY

- 07/03/2018 - Public hearing held. Transcript attached.
- 07/25/2018- Inducement Resolution presented to Board of Directors adopting a Negative Declaration in accordance with SEQRA.
- 07/25/2018 - Lease/Leaseback Inducement Resolution presented to the Board of Directors.

Project Title: Column Development
 Project Address: 380 Dick Road
 Cheektowaga, New York 14043
 (Cheektowaga Central)

Agency Request

A sales tax, mortgage and real property tax exemption in connection with the construction of a 45,000 sq. ft. facility for lease to L&W Supply.

Land Acquisition	\$ 650,000
New Building Construction	\$1,935,000
Infrastructure	\$ 350,000
Soft Costs	\$ 65,000

Total Project Cost	\$3,000,000
85%	\$2,550,000

Company Description

Column Development is owned by Pano Georgoadis, John Kanustu and Roger Pasquarella. The company was established in 1989.

Project Description

In need of a new location along with additional warehouse space, Column Development will construct a new facility for L&W Supply at the Dick Road location. The proposed project involves the construction of a 45,000 sq. ft. building for lease to L&W Supply Corporation ("L&W"). L&W d/b/a Building Specialities is a building material supplier with almost 100% of its sales directly to contractors and delivered to job sites. A small percentage (less than 5%) of sales are for walk-in sales. L&W currently leases 26,000 sq. ft. at 675 Duke Road in the Town of Cheektowaga which facility was recently sold.

Current Yearly Taxes	Estimated New Assessed Value	Additional County Revenue over 7-Year Abatement Period	Additional Local Revenue over 7-Year Abatement Period	New Yearly Taxes Upon Expiration of Abatement Period
\$0	\$1,000,000	\$8,000	\$39,000	\$31,000
Combined Tax Rate: \$32				

New Tax Revenue Estimated

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 = \$3,000,000 85% = \$2,550,000
Employment	Construction Phase and PILOT Term or 2 years after project completion	Maintain Base = 30 Create 85% pf Projected Projected = 8 85% = 6 Recapture Employment = 36
Local Labor	Construction Period	Adherence to policy including quarterly reporting
Pay Equity	Coincides with 7-Year PILOT	Adherence to Policy
Unpaid Tax	Coincides with 7-Year PILOT	Adherence to Policy
Recapture Period	Coincides with 7-Year PILOT Term	Recapture of State and Local Sales Taxes, Real Property Tax and Mortgage Tax

Recapture applies to:

State and Local Sales Taxes
Real Property Tax
Mortgage 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 completion of the project company must certify i) total investment amount equal to or greater than 85% of the amount proposed; ii) confirm company has maintained 30 employees and created an additional 8 jobs iii) confirm adherence to local labor policy during construction and iv) its adherence to unpaid tax/pay equity policies for recapture term.