

**Tight Holdings, LLC/Mean Guppy**  
**\$2,215,000**  
**INDUCEMENT RESOLUTION**

**ELIGIBILITY**

- NAICS Section - 531110

Project Title: Tight Holdings, LLC/Mean Guppy  
 Project Address: 2505 Main Street  
 Buffalo, New York 14214  
 (Buffalo City School District)

**COMPANY INCENTIVES**

- Approximately \$105,000 in sales tax savings
- Approximately \$66,000 in real property tax savings

A sales tax and a real property tax exemption in connection with the adaptive reuse of the former Ken-Ton Fabricators building.

Acquisition	\$ 375,000
Renovation	\$1,200,000
Equipment	\$ 500,000
Soft Costs/Other	\$ 140,000
Total Project Cost	\$2,215,000

**EMPLOYMENT**

- Jobs Retained - 34
- Annual payroll: \$7,000,000
- Estimated salary of jobs to be retained - \$60,000

85% \$1,882,750

**Company Description**

The applicant - Tight Holdings, LLC is a real estate holding company fully owned by Leo Schultz. Mr. Schultz is also the owner of Mean Guppy an engineering and design firm that provides services to many large corporations as well as the United States government. In addition, Mr. Schultz is the co-founder of Burner Fitness which won the 43 North competition in 2017.

**Project Description**

The project entails the adaptive re-use of the former Ken-Ton Fabricators building on Main Street in in the City of Buffalo. The facility is 26,000 sq. ft., over 100 years old and has been vacant for approximately 8 years.

Mean Guppy will relocate its offices currently leased from 43 North on Ellicott Street and Washington Street. Five non-revenue producing apartments will be used by engineers coming from outside the area. In addition, a café/dining area is planned. The apartments will alleviate the company having to house people in other apartment buildings throughout the City. The project will retain the 34 existing jobs. No new jobs are being proposed and layoffs due to pandemic are not anticipated. However, the company is optimistic that there will be job creation in the future.

**Retail Determination**

Project Use	Sq. Ft.	Cost	% of Project Cost
Mean Guppy	23,000	\$1,580,000	93%
Retail Café	3,000	\$ 120,000	7%
<b>Total</b>	<b>26,000</b>	<b>\$1,700,000</b>	<b>100%</b>

Since the retail component of the project represents less than 33% of the project cost, no sign off by the County is required.

**PROJECT HISTORY**

- 10/29/2020 - Public hearing held.
- 11/18/2020 - Inducement Resolution presented to Board of Directors adopting a Negative Declaration in accordance with SEQRA.
- 11/18/2020 - Lease/Leaseback Inducement Resolution presented to the Board of Directors

### New Tax Revenue Estimated

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
\$6,500	\$500,000	\$5,500	\$12,500	\$12,000
Combined Tax Rate: \$24.00				

### 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 = \$2,215,000 85% = \$1,882,750
Employment	Same as recapture period	Maintain 100% of retained jobs: 34 Recapture Employment: 34
Local Labor	Construction period	Adherence to policy including quarterly reporting
Pay Equity	Same as recapture period	Adherence to Policy
Unpaid Tax	Same as recapture period	Adherence to Policy
Recapture Period	Either 2 years after project completion or expiration of 7-year PILOT term	State and Local Sales Taxes, Real Property Taxes

Recapture applies to:  
State and Local Sales Taxes  
Real Property Tax Savings

### 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 is equal to or greater than 85% of the anticipated project amount; ii) Company has retained 34 jobs, iii) confirm adherence to local labor policy during construction and iv) its adherence to unpaid tax/pay equity policies for recapture term.