

**Delaware Lodge, LLC**  
**\$1,246,000**  
**INDUCEMENT RESOLUTION**

**ELIGIBILITY**

- NAICS Section - 531110

**COMPANY INCENTIVES**

- Approximately \$10,000 in mortgage recording tax savings.
- Approximately \$49,350 in sales tax savings.

**PROJECT HISTORY**

- No Public hearing required since benefit amount is less than \$100,000.
- 04/26/2017-ECIDA Board adopts a Negative Declaration in accordance with SEQRA.
- 04/26/2017-Lease/Leaseback Inducement Resolution presented to the Board of Directors.

Project Title: Delaware Lodge, LLC  
 Project Address: 173 Delaware Road  
 Kenmore, New York 14217  
 (Kenmore-TTN UFSD)

**Agency Request**

A sales tax and mortgage recording tax exemption in connection with the redevelopment and adaptive reuse of the former Delaware Masonic Lodge.

Acquisition	\$ 175,000
Renovation	\$ 940,000
Soft Costs	\$ 131,000
 Total Project Cost	 \$1,246,000
 85%	 \$1,059,100

**Company Description**

Greg and Cheryl Rodems have established Delaware Lodge, LLC for the purpose of acquiring and renovating the former Delaware Masonic Lodge. Mr. Rodems owns Rodems Construction Company in Orchard Park which was established in 2003.

**Project Description**

The Masonic Lodge was built in 1930 and has been vacant for over 5 years. The project will include the renovation of the existing structure and upon completion will house seven 1 and 2 bedroom apartments. One bedroom apartments will be approximately 700 sq. ft. and rent for approximately \$1,100 per month while the 2 bedroom apartments would average 1,500 sq. ft. and rent for approximately \$1,900 per month.

Utilities in the building have been shut off or disconnected which has accelerated the building's deterioration.

The Village of Kenmore Board of Trustees approved the project as a planned unit development, only the second of its kind after a recent NY law allowed for municipalities to have greater impact on local zoning for projects such as this.

At this point it is anticipated that a part time building maintenance person will be made available on an as needed basis.

## Draft Recapture Material Terms

Condition	Term	Recapture Provision
Total Investment	At project completion	Investment amount equal to or greater than 85% of the project amount. Project Amount = \$1,246,000 85% = \$1,059,100
Employment	N/A	
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	2 Years After Project Completion	Mortgage Tax State and Local Sales Taxes

Recapture applies to:

- Mortgage Tax
- State and Local Sales Taxes

### 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 project completion the company must certify i) total investment is equal to or greater than 85% of the anticipated project amount; ii) adherence to ECIDA local labor policy during construction and iii) adherence to unpaid tax and pay equity policies for the recapture term.