



## Evaluation of Projects Requesting IDA Benefits

**Project:** 23-28 Creek Drive, LLC **Location:** City of Beacon

**Type of Business:** Mixed Use / Construction

### Agency Request

Sales Tax  Mortgage Tax Exemption  PILOT

### Company Description:

23-28 Creek Drive LLC is an entity owned by Weber Projects LLC. Weber Projects LLC has been building mixed use and residential projects in the City of Beacon since 2013.

### Project Description:

23-28 Creek Drive was identified and approved through the City of Beacon’s RFP to develop the former site of the City of Beacon Department of Public Work garages. The Applicant proposes to build a new 4-story mixed use building with an underground garage and an adjacent smaller commercial use building. The project will result in 20,000sq ft. of commercial space and approximately 15,700sq feet dedicated to rental apartments.

The project will also include replacement of the city pipes located on the property, creation of a public park and an extension of the Greenway Trail along Fishkill Creek.

### Project Timeline:

Proposed date for commencement of acquisition or construction: Spring 2020

The actual or expected dates of:

Construction completion: Early 2021

Occupancy: Early 2021

### Total Cost of Project:

Amount Private Investment

Total Project Cost \$ 8,675,000 Private Investment: \$ 8,675,000

Amount of other public financial assistance, grants and source \$ 0

Construction Costs: \$ 2,194,000 Equipment: \$ 3,376,000

### Company Incentives:

Amount of Sales tax benefits: \$274,300

Amount of Mortgage Recording Tax: \$52,500

Estimated real property tax exemption with PILOT \$729,728 over 10 years

**Estimated amount of benefit to State & Region\*:**

Anticipated Property Tax revenue:	\$1,916,000
Anticipated Sales Tax revenue	\$3,143,000
Benefit to Cost Ratio	156:1

*\*figures based on InformAnalytics algorithms*

**Estimated Revenue in first year of PILOT**

Current Assessed Value	Current Total Annual Property Taxes	Estimated New Assessed Value	Est. County PILOT Revenue Year 1	Est. Town PILOT Revenue Year 1	Est. School PILOT Revenue Year 1	Est. Year 1 Property Taxes Upon Expiration of PILOT
\$375,000	\$0	\$6,900,000	\$11,247	\$42,297	\$72,071	\$306,207

**Project is consistent with Agency’s Mission:** Yes, the project will promote economic development resulting in construction jobs and permanent employment.

**The Project has municipal support and PILOT:**

Municipal Support  PILOT  Request for UTEP Deviation

**Local Benefits:**

Use of Local Contractor(s) and Labor: Yes  No  (The project will use local contractors and labor where feasible however, the project is not subject to the Agency’s Local Labor Policy)

Use of resource conservation, energy efficiency, green technologies and alternative and renewable energy measures: Yes  No

**FTE Jobs:**  87

Number of existing FTE jobs to be retained  0

Total Number of new FTE Jobs to be created  87  over  2  years.

Annualized Salary Range of FTE jobs \$  51,000  to \$  226,000

Estimated Hourly Wage Average and Range: \$39/hr, Estimated Range \$28/hr to \$124/hr

**CEO Comments of Importance**

23-28 Creek Drive, LLC was selected as the Project Developer to re-adapt the city owned property as stated in the City’s Request for Proposal to develop the vacant parcel. Once completed the project will create new revenue for the taxing jurisdictions and eventually be returned to the tax rolls paying full assessed value.

The Applicant will use Silver LEED building standards however will not seek the official designation. The project is also expected to increase foot traffic by creating public spaces and extending the Greenway Trail along Fishkill Creek.

The Applicant has also identified and attracted a tenant who is expected to occupy the majority of the commercial portion of the project. The proposed tenant will create 87 high paying jobs

within the County's targeted industry group (Information Technology). However, despite identifying the commercial tenant the applicant has stated the project would not be feasible without the assistance of the DC IDA not only with construction costs but the project's ability to attract and retain tenants.

**\*Additional Criteria for Consideration of an Adaptive Re-use Project**

Adaptive Reuse projects are projects that prevent economic deterioration and promote employment opportunities.

- The age of the structure and the challenges to its redevelopment – *The project site is currently owned by the City of Beacon and has not been an abandoned site for a number of years. The property also contains several aging city pipes which will be replaced by the Developer as part of the project.*
- Time period the structure has been vacant or underutilized – *Site has been vacant for several years.*
- Appropriate evidence indicating financial obstacles to the development of the project with IDA or other public assistance – *proforma*
- Evidence of local taxing jurisdictions' support – *City of Beacon Approving Resolutions*
- Whether the structure or site present a significant public safety hazard or its re-use would involve significant environmental remediation costs – *The Highway Department garages remain on the property and are vacant and unused. If these buildings remain as is they can pose a safety hazard to the public.*
- Whether the site or structure is located in a distressed census tract – *the property is located adjacent to a distressed census tract qualifying it as a distressed area under Section 845 of Article 18-A of the General Municipal Law.*
- Whether the site or structure is presently delinquent in property tax payments – *the property is currently tax exempt and is not subject to tax payments.*