



COUNTY OF ERIE

MARK C. POLONCARZ

COUNTY EXECUTIVE

February 26, 2016

Erie County Legislature
92 Franklin Street, 4th Floor
Buffalo, New York 14202

Re: Payment in Lieu of Taxes (PILOT) Agreement Extension for Hopkins Court Apartments, Town of Amherst – Affordable Senior Community

Dear Honorable Members:

Please find enclosed a proposed resolution and accompanying memorandum regarding a Payment in Lieu of Taxes (PILOT) Extension Agreement for Hopkins Court Apartments. The original PILOT agreement, dated June 12, 2000 ends in 2016. The resolution would extend the agreement for an additional fifteen years to match the duration of the affordability requirement of the project. The resolution authorizes the County Executive to execute an agreement with Hopkins Court Associates, L.P. and the Town of Amherst.

Should your Honorable Body require further information, I encourage you to contact Thomas J. Dearing, Commissioner, at the Department of Environment and Planning. Thank you for your consideration on this matter.

Sincerely yours,

A handwritten signature in cursive script that reads "Mark C. Poloncarz".

Mark C. Poloncarz, Esq.
Erie County Executive

DCE

MCP/jb
Enclosure

Cc: Thomas J. Dearing, Commissioner of Environment and Planning
Michael J. LoCurto, Deputy Commissioner of Environment and Planning

MEMORANDUM

To: Honorable Members of the Erie County Legislature
From: Environment and Planning
Re: Payment in Lieu of Taxes (PILOT) Agreement Extension for Hopkins Court Apartments,
Town of Amherst – Affordable Senior Community
Date: February 26, 2016

SUMMARY

The resolution authorizes the County Executive to execute a PILOT agreement with Hopkins Court Associates, L.P. and the Town of Amherst. The owner is seeking a PILOT from the Town of Amherst and Erie County consistent with the PILOT Policy adopted by the Erie County Legislature on December 16, 1999.

FISCAL IMPLICATIONS

In accordance with the PILOT policy, the proposed PILOT payment for Hopkins Court Apartments shall be based on a payment of \$46,342 in year 16 and would escalate by 3% each year for an additional fifteen-year term. The County would receive twenty-five percent (25%) of each annual payment, and the Town of Amherst would receive seventy-five percent (75%) of each annual payment. The attached payment Schedule A lists the complete payments over the first fifteen years of the current agreement and the next 15 years with this Agreement.

REASONS FOR RECOMMENDATION

The Town of Amherst supports extension of the PILOT and plans to vote in favor of the PILOT extension on March 7, 2016. The project conforms to the provisions of Article XI of the New York Private Finance Law.

BACKGROUND INFORMATION

The existing senior community consists of a two story, 105-unit elevator building designed and built for senior affordable housing. The community was originally built in 2000 utilizing tax credits. Extending the PILOT for another 15 years would match the duration of the affordability requirement. The project is located at 2250 North French Road in the Town of Amherst. One hundred percent of the Hopkins Court units are set aside for households at or below 60% of area median income and 100% of the units are rent restricted. The current rents are \$658 for a one-bedroom and \$783 for a two-bedroom.

CONSEQUENCES OF NEGATIVE ACTION

Without the PILOT extension, it would not be economically feasible for Hopkins Court Associates, L.P. to continue to operate the community as it is currently structured.

STEPS FOLLOWING APPROVAL

The County Executive will enter into a PILOT agreement with the noted parties.

**A RESOLUTION SUBMITTED BY:
ENVIRONMENT AND PLANNING**

**RE: Payment in Lieu of Taxes (PILOT) Agreement Extension for Hopkins Court Apartments,
Town of Amherst – Affordable Senior Community**

WHEREAS, Hopkins Court Apartments consists of a two story, 105-unit elevator building designed and built for senior affordable housing; and

WHEREAS, Hopkins Court was originally built in 2000 utilizing tax credits. One hundred percent of the units are set aside for households at or below 60% of the area median income and 100% of the units are rent restricted; and

WHEREAS, the Erie County Legislature adopted a policy on Payment in Lieu of Taxes (PILOT) on December 16, 1999, and the PILOT is consistent with said policy; and

WHEREAS, in order to make the Project economically feasible for Hopkins Court Apartments to continue to operate the community it is necessary to extend tax relief from the County of Erie and the Town of Amherst.

NOW, THEREFORE, BE IT

RESOLVED, that the County Executive is hereby authorized to execute a Payment in Lieu of Taxes (PILOT) Agreement extension with Hopkins Court Associates, L.P., the Town of Amherst, and any other organizations necessary to conclude this PILOT Agreement; and be it further

RESOLVED, that said Agreement extension shall include an annual PILOT in the amount of taxes due as set forth on Schedule A attached hereto; and be it further

RESOLVED, that certified copies of this resolution shall be forwarded to the County Executive; the Director of the Division of Budget and Management; the Director of Real Property Tax Services; the Commissioner of the Department of Environment and Planning; the County Comptroller; and the County Attorney.

SCHEDULE A
Hopkins Court Apartments

Hopkins Court Associates, L.P.

PILOT Payment Schedule

Proposed

	Year	PILOT Payment	County	Town
Actual	2002	29,475	7,436	22,039
	2003	30,637	7,659	22,978
	2004	31,556	7,889	23,667
	2005	32,503	8,126	24,377
	2006	33,479	8,370	25,109
	2007	34,483	8,621	25,862
	2008	35,517	8,879	26,638
	2009	36,583	9,146	27,437
	2010	37,680	9,420	28,260
	2011	38,811	9,703	29,108
	2012	39,975	9,994	29,981
	2013	41,175	10,294	30,881
	2014	42,409	10,602	31,807
	2015	43,681	10,920	32,761
	2016	44,992	11,248	33,744
Proposed	2017	46,342	11,585	34,756
	2018	47,732	11,933	35,799
	2019	49,164	12,291	36,873
	2020	50,639	12,660	37,979
	2021	52,158	13,040	39,119
	2022	53,723	13,431	40,292
	2023	55,334	13,834	41,501
	2024	56,995	14,249	42,746
	2025	58,704	14,676	44,028
	2026	60,465	15,116	45,349
	2027	62,279	15,570	46,710
	2028	64,148	16,037	48,111
	2029	66,072	16,518	49,554
	2030	68,054	17,014	51,041
	2031	70,096	17,524	52,572