

# Development on the rise in Lumber City

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NORTH TONAWANDA — Within the past year, about \$1 million in economic development has flowed into the city with help from loans through the Lumber City Development Corp.

The largest business development, the 40,000-square-foot Audubon Machinery Corp., which manufactures oxygen equipment, opened on a former brownfields site in Wurlitzer Industrial Park last December.

President Joseph McMahon said the company decided on North Tonawanda after the city's community development arm, which was created in 2004, offered an attractive package of incentives. They included a \$450,000 loan — \$250,000 of which came from the federal Department of Housing and Urban Development — toward equipment and training of employees in both of the company's divisions, Oxygen Generating Systems and Schlyer Machine.

When Oxygen Generating, which was renting space in Amherst, merged with Schlyer of Wilson, McMahon said, "It made sense to move both businesses into a new building."

"The city offered the site at a very attractive

See **Lumber City** on Page B2

# 'Getting a reputation as business-friendly'

LUMBER CITY • from B1

price and [LCDC Executive Director James A.] Sullivan offered more aid, which was effectively a second mortgage," McMahon said.

"We spent a lot in the design phase to achieve certification" from the U.S. Green Building Council, he said. Recycled materials were used in construction, and energy efficiency was a top priority.

If Audubon Machinery receives that certification, "We'll be one of the few 'green' buildings built on a remediated brownfield," he said.

McMahon said the company has already hired 13 of an additional 25 employees it promised to add to its work force over the next three years, "and I think we'll be close to 20 by the end of the year." The company employs about 35.

Audubon Machinery also received a 15-year payment-in-lieu-of-taxes agreement through the Niagara County Industrial Development Agency, "with a 5 percent enhancement because this is a former brownfield," added McMahon.

He said the company plans to add a third division within two to three months but declined to elaborate.

Other Lumber City Development loans include:

- \$150,000 to Impressive Imprints for equipment, furnishings and working capital for an increased inventory as part of a \$350,000 expansion that should add another 17 jobs within three years.

- \$150,000 to Gateway Food Services for a renovation project.

- \$50,000 to Jacobs Ladder for working capital and a marketing campaign for its exercise machine, which resembles a tread-



Charles Lewis/Buffalo News

**Joseph McMahon, president of Audubon Machinery Corp., built one of the few "green" buildings in the U.S. constructed on a remediated brownfield.**

mill/ladder.

- \$45,000 to Hideaway Grille for furniture, fixtures and equipment as part of a \$140,000 expansion.

- \$40,000 to Signature Salon and Spa, which relocated to 605 Division St. from Amherst.

- \$40,000 to Dockside Inn for machinery and equipment.

- \$20,000 to Sherwood Florists, 458 Oliver St., which is renovating the business.

"We are getting a reputation as business-friendly. And if you have the support of the mayor and Council, and the right makeup of corporate people, that's half the battle," Sullivan said.

Douglas P. Taylor, CEO of Taylor Devices and chairman of the LCDC's board of directors, said: "Over the last 40 years this city

has lost 8,000 jobs from steel mills, iron foundries, Wurlitzer and Remington-Rand. They left the state because of taxes and utility costs, and because of that we're starting from ground zero."

He said, "Whoever is viable and passes the rugged scrutiny of our board" the LCDC is interested in assisting with its program of low-interest loans for new and expanding businesses.

"For every one we've selected there's probably one we turned down for some reason or another," Taylor said. "So far we've been 100 percent successful."

The expanded and new businesses "put together with the whole tourism aspect" can rejuvenate the city, which was not "ripped down in the urban renewal craze of the 1960s, thank god,"

Taylor said.

"I see no reason why with a little bit of work and money we can't bring the city back to a semblance of what it used to be," he added.

Sullivan said there is "a lot of interest from solid developers in many other properties" downtown and in other areas of the city.

"Right now we're working with Aquasol, which just moved from an incubator building on Sweet Home Road in Amherst into a building it bought at 80 Thompson St.," he said.

The company, which makes high-tech welding products, plans to renovate the 44,000-square-foot building, Sullivan said.

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