



Policy Committee

December 8, 2020

12:30 p.m.

New date and time

Via Conference Call & Live Streaming

1. Call Meeting to Order
2. Approval of the November 5, 2020 Policy Committee Minutes & November 9, 2020 Special Policy Committee Minutes (Pages 2-7)
3. Project Matrix (Page 8)
4. Project Presentation (Staff – Company Q&A)
 - a) Thermo Fisher West/Life Technologies (Pages 9-41)
5. Compliance
 - a) Zaepfel Development/Wythe Will Tzetzso/First Source (Pages 42-47)
6. MWBE Update
7. Adjournment – Next Meeting **January 7, 2021 at 9:00 a.m.**

**MINUTES OF A MEETING OF THE
POLICY COMMITTEE OF THE
ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY**

- MEETING:** November 5, 2020, at Erie County Industrial Development Agency (the “ECIDA” or “Agency”), meeting held via phone conference. Governor Cuomo’s Executive Order 202.1, as amended from time to time, issued in response to the Coronavirus (COVID-19) crisis, suspended Article 7 of the Public Officers Law to the extent necessary to permit any public body to take actions without permitting in public in-person access to such meetings and authorized such meetings to be held remotely by conference call or other similar service, provided the public has the ability to view or listen to such proceedings and that the meeting is recorded and transcribed.
- LIVE STREAMED:** This meeting is being live-audio streamed and made accessible on the Agency’s website at www.ecidany.com.
- PRESENT:** Hon. April Baskin, Rev. Mark E. Blue, Hon. William J. Krebs, Richard Lipsitz, Jr., Brenda McDuffie, Hon. Glenn R. Nellis, Laura Smith, David J. State and Lavon Stephens
- ABSENT:** Denise Abbott, Hon. Byron W. Brown, Hon. Johanna Coleman, Richard Cummings, Colleen DiPirro and Maria Whyte
- OTHERS PRESENT:** John Cappellino, President & CEO; Atiqah Abidi, Assistant Treasurer; Karen M. Fiala, Vice President/Secretary; Dawn Boudreau, Director of Compliance; Grant Lesswing, Business Development Officer; Brian Krygier, Systems Analyst; Carrie Hocieniec, Administrative Assistant; Robbie Ann McPherson, Director of Marketing; and Robert G. Murray, Esq., General Counsel/Harris Beach PLLC
- GUESTS:** Andrew Federick, Erie County Senior Economic Development Specialist; Alex Carducci on behalf of the City of Buffalo; Lisa Hicks on behalf of the City of Buffalo; Leo Schultz on behalf of Tight Holdings; Gregory Zaepfel on behalf of Zaepfel Development; Dean Burrows on behalf of Gear Motions and Joseph Deck on behalf of Hanna CRE

There being a quorum present at 9:03 a.m., the Meeting of the Policy Committee was called to order by Mr. Lipsitz.

MINUTES

The minutes of the September 3, 2020 Policy Committee meeting and September 30, 2020 Special Policy Committee meeting were presented. Upon motion made by Ms. McDuffie and seconded by Mr. Nellis, the aforementioned Policy Committee meeting minutes were then unanimously approved.

PROJECT MATRIX

Mr. Cappellino reviewed the Agency’s Project Matrix. Mr. Lipsitz directed that the report be received and filed.

PROJECT PRESENTATIONS

At this point in time Mr. Blue joined the meeting.

Tight Holdings, LLC, 2505 Main Street, Buffalo, New York. Mr. Cappellino presented this proposed sales tax and real property tax abatement benefits project involving the adaptive re-use of the former Ken-Ton Fabricators building on Main Street in the City of Buffalo. The facility is 26,000 sq. ft. and will provide offices for Mean Guppy LLC as well as five non-revenue producing apartments for Mean Guppy employees coming to Buffalo from outside the area, for convenience purposes. In addition, a café/dining room is planned.

Mr. Cappellino stated that in exchange for providing the sales and use tax and real property tax abatement benefits, the approval of this project will be conditioned upon adherence to certain material terms and conditions with respect to the potential modification, recapture and/or termination of financial assistance as follows:

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	Recapture of state and local sales tax, real property taxes
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General discussion ensued. Ms. McDuffie moved and Mr. Stevens seconded to recommend the project as proposed be forwarded to the members of the ECIDA for approval. Mr. Lipsitz called for the vote and the project was then unanimously approved.

Tonawanda Pirson/Gear Motions, North Youngmann Commerce Park, Pirson Parkway, Tonawanda, New York. Mr. Cappellino presented this proposed sales tax, mortgage recording tax exemption and real property tax abatement benefits project consisting of the construction of an approximately 56,000 sq. ft. manufacturing facility that will be leased to Gear Motions. The company will be combining both the Niagara Street and Military Road operations into one facility within an industrial park.

Mr. Cappellino stated that in exchange for providing the sales and use tax, mortgage recording tax exemption and real property tax abatement benefits, the approval of this project will be conditioned upon adherence to certain material terms and conditions with respect to the potential modification, recapture and/or termination of financial assistance as follows:

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 = \$4,299,040 85% = \$3,654,184
Employment	Coincides with 10-year PILOT	Maintain base: 35 Create 85% of Projected Projected = 2 85% = 2 Recapture Employment = 37
Local Labor	Construction Period	Adherence to policy including quarterly reporting
Pay Equity	Coincides with 10-year PILOT	Adherence to policy
Unpaid Tax	Coincides with 10-year PILOT	Adherence to policy
Recapture Period	Coincides with 10-year PILOT	Recapture of state and local sales tax, mortgage recording tax and real property taxes

General discussion ensued. Ms. Smith moved and Mr. Krebs seconded to recommend the project as proposed be forwarded to the members of the ECIDA for approval. Mr. Lipsitz called for the vote and the project was then unanimously approved.

WMBE UPDATE

Mr. Lipsitz provided an update to Committee members regarding WMBE policy discussions.

There being no further business to discuss, Mr. Lipsitz adjourned the meeting at 9:53 a.m.

Dated: November 5, 2020

Karen M. Fiala, Secretary

**MINUTES OF A SPECIAL MEETING OF THE
POLICY COMMITTEE OF THE
ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY**

- MEETING:** November 9, 2020, at Erie County Industrial Development Agency (the “ECIDA” or “Agency”), meeting held via phone conference. Governor Cuomo’s Executive Order 202.1, as amended from time to time, issued in response to the Coronavirus (COVID-19) crisis, suspended Article 7 of the Public Officers Law to the extent necessary to permit any public body to take actions without permitting in public in-person access to such meetings and authorized such meetings to be held remotely by conference call or other similar service, provided the public has the ability to view or listen to such proceedings and that the meeting is recorded and transcribed.
- LIVE STREAMED:** This meeting is being live-audio streamed and made accessible on the Agency’s website at www.ecidanv.com.
- PRESENT:** Hon. April Baskin; Denise Abbott; Johanna Coleman; Colleen DiPirro; Hon. William Krebs; Richard Lipsitz; Brenda W. McDuffie; Laura Smith; David State; Lavon Stephens and Maria Whyte
- EXCUSED:** Rev. Mark E. Blue; Hon. Bryon W. Brown; Richard Cummings and Glenn R. Nellis;
- OTHERS PRESENT:** John Cappellino, President & CEO; Mollie Profic, Chief Financial Officer; Atiqa Abidi, Assistant Treasurer; Karen M. Fiala, Vice President/Secretary; Dawn Boudreau, Director of Compliance; Grant Lesswing, Business Development Officer; Brian Krygier, Systems Analyst; Carrie Hocieniec, Administrative Coordinator; Robbie Ann McPherson, Director of Marketing and Communications; and Robert G. Murray, Esq., General Counsel/Harris Beach PLLC
- GUESTS:** Andrew Federick, Erie County Senior Economic Development Specialist; Alex Carducci on behalf of the City of Buffalo; Lisa Hicks on behalf of the City of Buffalo and Felicia Beard on behalf of Community Foundation for Greater Buffalo

There being a quorum present at 11:35 a.m., the Meeting of the Special Policy Committee was called to order by Mr. Lipsitz.

At this point in time, Ms. Baskin joined the meeting.

GUEST PRESENTATION

Mr. Lipsitz introduced guest speaker, Ms. Beard., who is the Senior Director of Racial Equity Initiatives Community Foundation for Greater Buffalo. Ms. Beard presented her report on Diversity Equity and Inclusion. General discussion ensued regarding the Business Purchasing Initiative.

Ms. Smith briefly reviewed the Buffalo Niagara Partnership results of its recent diversity, equity, and inclusion report findings.

Ms. Whyte reviewed the most recent iteration of the ECIDA draft MWBE Policy, with a focus on “usage goals” for MBWE utilization goals.

There being no further business to discuss, Mr. Lipsitz adjourned the meeting at 12:50 p.m.

Dated: November 9, 2020

Karen M. Fiala, Secretary

Project Matrix/Material Factors/Clawbacks

Count	Project Name	Approval Date	Project Amount	Investment	Jobs Retained	Job Creation	Jobs Created	Clawback	Local Labor	Length of Term	Additional Findings	* Incentive Amount	Adaptive Reuse	Pay Equity
1	Barcalo Living & Commerce	Feb-20	\$34,727,449	85% threshold \$29,518,331	9	85%-New 25 Jobs	30	Mortgage Sales Tax	Yes	2 Years after Project Completion		\$1,003,750	Adaptive Reuse	YES
1	3510 Bending Road, LLC/Marathon Drains	Mar-20	\$725,000	85% threshold \$616,250	15	85%-New 2 Jobs	2	PILOT Sales Tax	Yes	Period of PILOT 7 Years		\$92,000		YES
1	637 Linwood, LLC/1275 Delaware, LLC	Mar-20	\$12,460,993	85% threshold \$10,591,844	0	85%-New 8 Jobs	10	Mortgage Sales Tax	Yes	2 Years after Project Completion		\$380,911	Adaptive Reuse	YES
1	Jemal's Seneca, LLC	Mar-20	\$45,000,000	85% threshold \$38,250,000	0	85%-New 4.5 Jobs	5	Mortgage	Yes	2 Years after Project Completion		\$337,500		YES
1	Steubben Foods Incorporated	Mar-20	\$25,621,494	85% threshold \$21,778,269	604	85%-New 17 Jobs	20	PILOT Sales Tax	Yes	Period of PILOT 10 Years		\$967,505		YES
1	6700 Transit Road, LLC/Big Ditch	May-20	\$32,300,055	85% threshold \$27,455,046	0	85%-New 142 FTE Jobs	168	Mortgage	Yes	Period of PILOT 10 Years		\$1,883,581		YES
1	Kamax, LLC/Raine Logistics, LLC	Jun-20	\$2,214,000	85% threshold \$1,881,900	12	85%-New 1 Job	1	PILOT Sales Tax	Yes	Period of PILOT 7 Years		\$424,250		YES
1	Great Point Opportunity Fund B OOZB, LLC	Aug-20	\$15,984,800	85% threshold \$13,587,080	0	85%-New 10 Jobs	12	PILOT Sales Tax	Yes	Period of PILOT 7 Years		\$1,172,625		YES
1	Related Affordable/Elmwood Square Apartments	Sep-20	\$15,826,891	85% threshold \$13,452,857	4	no new jobs	0	Mortgage Sales Tax	Yes	2 Years after Project Completion		\$392,500		YES
1	Fisher Price	Oct-20	\$4,925,058	85% threshold \$4,186,299	274	85%-New 4 Jobs	5	Sales Tax	Yes	2 Years after Project Completion	Amendatory	\$341,277		Yes
1	Tight Holdings, LLC/Mean Guppy	Nov-20	\$2,215,000	85% threshold \$1,882,750	34	no new jobs	0	PILOT Sales Tax	Yes	Period of PILOT 7 Years		\$171,000	Adaptive Reuse	Yes
1	Tonawanda Prison/Gear Motions	Nov-20	\$4,299,040	85% threshold \$3,654,184	35	85%-New 2 Jobs	2	PILOT Sales Tax	Yes	Period of PILOT 10 Years		\$1,099,366		Yes
Count			Project Amount	Investment	Jobs Retained	Job Creation	Jobs Created					Incentive Amount		
3			\$49,403,442		43		40					\$1,555,661		
2020 Total			\$1,96,299,780		987		255					\$8,266,265		

**Life Technologies Corporation- West Expansion
\$90,000,000
INDUCEMENT RESOLUTION**

ELIGIBILITY

- NAICS Section - 3254

COMPANY INCENTIVES

- Approximately \$2,187,500 in sales tax savings
- Approximately \$226,000 in real property tax savings

EMPLOYMENT

- Current Jobs - 818
- Projected New Jobs - 60
- Total Jobs After Project Completion: 878
- Annual payroll: \$52,400,000
- Estimated salary of jobs to be created: \$45,875
- Estimated salary of jobs to be retained: \$59,940

PROJECT HISTORY

- 11/24/2020 - Public hearing held.
- 12/16/2020 - Inducement Resolution presented to Board of Directors adopting a Negative Declaration in accordance with SEQRA.
- 12/16/2020 - Lease/Leaseback Inducement Resolution presented to the Board of Directors

COMPANY HISTORY

1972 - \$1,000,000
 1975 - \$600,000
 1976 - \$300,000
 1988 - \$4,500,000
 1990 - \$492,000
 1995 - \$3,675,000
 2002 - \$10,042,000
 2005 - \$4,910,000
 2008 - \$2,500,000
 2009 - \$8,000,000

Project Title: Life Technologies Corporation-West Expansion
(subsidiary of Thermo Fisher Scientific, Inc.)

Project Address: 3175 Staley Road
Grand Island, New York 14072
(Grand Island Central School District)

Agency Request

A sales tax and real property tax exemption in connection with the construction of a 50,000 sq. ft. addition to the company's existing facility.

New Building Addition	\$36,200,000
Renovations	\$ 7,200,000
Manufacturing Equipment	\$25,000,000
Non-Manufacturing Equipment	\$ 500,000
Soft Costs/Other	\$21,100,000
Total Project Cost	\$90,000,000
85%	\$76,500,000

Company Description

Life Technologies, formerly known as Grand Island Biological was established in 1962 in Grand Island. Over the decades the company has undergone ownership changes including in November, 2008 when Life Technologies was created from the merger of Invitrogen Corporation and Applied Biosystems, Inc. In 2014, the acquisition of Life Technologies by Thermo Fisher Scientific, Inc. was completed, with Life Technologies Corporation remaining as a corporation and becoming part of the Life Sciences Solutions Group of Thermo Fisher Scientific.

The company is one of the premier global suppliers of cell culture products. These products are used for a wide variety of applications in basic and applied life sciences research and in medical, diagnostic, therapeutic, and large scale industrial biotechnology applications.

52% of the company's sales are to customers located outside of New York State and 45% outside the United States.

Project Description

Life Technologies' current facility in Grand Island is approximately 300,000 sq. ft. The proposed expansion project would increase the company's footprint by 50,000 sq. ft. The new facility will be utilized for the production of liquid animal origin free (AOF) products.

Along with the purchase of approximately \$25M of manufacturing equipment, the company will also be making improvements to 12,000 sq. ft. of existing space.

New Tax Revenue Estimated

Current Yearly Taxes	Estimated New Assessed Value	Additional County Revenue over 10-year abatement period	Additional Local Revenue over 10-year abatement period	New Yearly Taxes Upon Expiration of Abatement Period
\$0	\$1,000,000	\$11,700	\$48,000	\$28,600
Combined Tax Rate: \$28.16				

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 = \$90,000,000 85% = \$76,500,000
Employment	Coincides with 10-year PILOT	Maintain base:818 Create 85% of Projected Projected =60 85% = 51 Recapture Employment = 869
Local Labor	Construction period	Adherence to policy including quarterly reporting
Pay Equity	Coincides with 10-year PILOT	Adherence to Policy
Unpaid Tax	Coincides with 10-year PILOT	Adherence to Policy
Recapture Period	Coincides with 10-year PILOT	Real Property Taxes and State and Local Sales Taxes

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

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 maintained 818 FTE and created an additional 60 FTE jobs, iii) confirm adherence to local labor policy during construction and iv) its adherence to unpaid tax/pay equity policies for recapture term.

ADDENDUM TO PROJECT LOG

Life Technologies, Corporation – West Expansion

Evaluative Criteria	Notes
Wage Rate (above median wage for area)	Erie County median worker income: \$33,350 Company estimated average salary of jobs to be retained: \$59,940 Company estimated average salary of jobs to be created: \$45,875
Regional Wealth Creation (% sales/customers outside area)	Sales: Outside NYS and within U.S.: 52% International: 45%
In Region Purchases (% of overall purchases)	Approximately 5%
Research & Development Activities	While the overall facility includes research and development activities, the new project expansion does not involve R&D.
Investment in Energy Efficiency	New purchases of energy efficient chillers and high efficiency air handlers are planned.
Locational Land Use Factors, Brownfields or Locally Designated Development Areas	Site is zoned industrial.
LEED/Renewable Resources	Not applicable.
Retention/Flight Risk	The Grand Island facility competes in the life sciences industry against companies such as Merck (Germany), Millipore (MA), Lonza (MD) and GE/Hyclone (UT). Company manufacturing operations are located in Europe and other locations within the U.S. The Grand Island facility faces both internal and external competition to retain market share as well as compete for future growth. Recapture criteria currently in place requires a company this size to retain 95% of its base FTE jobs.

<p>MBE/WBE Utilization</p>	<p>Through our Diversity and Inclusion Recruiting Council, we have developed relationships with select external diversity-focused organizations to recruit top talent from underrepresented ethnic groups such as African-Americans and Hispanic-Latinos. We consider candidates from various career levels, including recent graduates, mid-level managers and senior executives. Organizations worked with in the past include Prospanica (Hispanic MBA's) and the National Black MBA Associates.</p>
<p>Workforce Access – Proximity to Public Transportation</p>	<p>The closest bus stop is 4 miles from the facility. This service is provided by bus line 40A Niagara Falls.</p>

December 16, 2020

PILOT Worksheet: Estimate of Real Property Tax Abatement Benefits* and Percentage of Project Costs financed from Public Sector sources**

**** The PILOT Worksheet will be: (i) completed by IDA Staff based upon information contained within the Application, and (ii) provided to the Applicant for ultimate inclusion as part of this completed Application.**

PILOT Estimate Table Worksheet-Thermo Fisher West - 2020

Dollar Value of New Construction and Renovation Costs	Estimated New Assessed Value of Property Subject to IDA*	County Tax Rate/1000	Local Tax Rate (Town/City/Village)/1000	School Tax Rate/1000
\$43,400,000	\$1,000,000	\$5.59	\$2.92	\$20.09

*Apply equalization rate to value

PILOT Year	% Payment	County PILOT Amount	Local PILOT Amount	School PILOT Amount	Total PILOT	Full Tax Payment w/o PILOT	Net Exemption
1	10%	\$559	\$292	\$2,009	\$2,860	\$28,600	\$25,740
2	10%	\$559	\$292	\$2,009	\$2,860	\$28,600	\$25,740
3	10%	\$559	\$292	\$2,009	\$2,860	\$28,600	\$25,740
4	20%	\$1,118	\$584	\$4,018	\$5,720	\$28,600	\$22,880
5	20%	\$1,118	\$584	\$4,018	\$5,720	\$28,600	\$22,880
6	20%	\$1,118	\$584	\$4,018	\$5,720	\$28,600	\$22,880
7	30%	\$1,677	\$876	\$6,027	\$8,580	\$28,600	\$20,020
8	30%	\$1,677	\$876	\$6,027	\$8,580	\$28,600	\$20,020
9	30%	\$1,677	\$876	\$6,027	\$8,580	\$28,600	\$20,020
10	30%	\$1,677	\$876	\$6,027	\$8,580	\$28,600	\$20,020
Total		\$11,739	\$6,132	\$42,189	\$60,060	\$286,000	\$225,940

***** Estimates provided are based on current property tax rates and assessment value (current as of date of application submission) and have been calculated by IDA staff**

Percentage of Project Costs financed from Public Sector Table Worksheet:

Total Project Cost	Estimated Value of PILOT	Estimated Value of Sales Tax Incentive	Estimated Value of Mortgage Tax Incentive	Total of Other Public Incentives (Tax Credits, Grants, ESD Incentives, etc.)
\$90,000,000	\$225,940	\$2,187,500	\$0	\$0

Calculate %

(Est. PILOT + Est. Sales Tax+ Est. Mortgage Tax+ Other)/Total Project Costs: .03%

Cost-Benefit Analysis for Life Technologies Corporation

Prepared by Erie County IDA using InformAnalytics

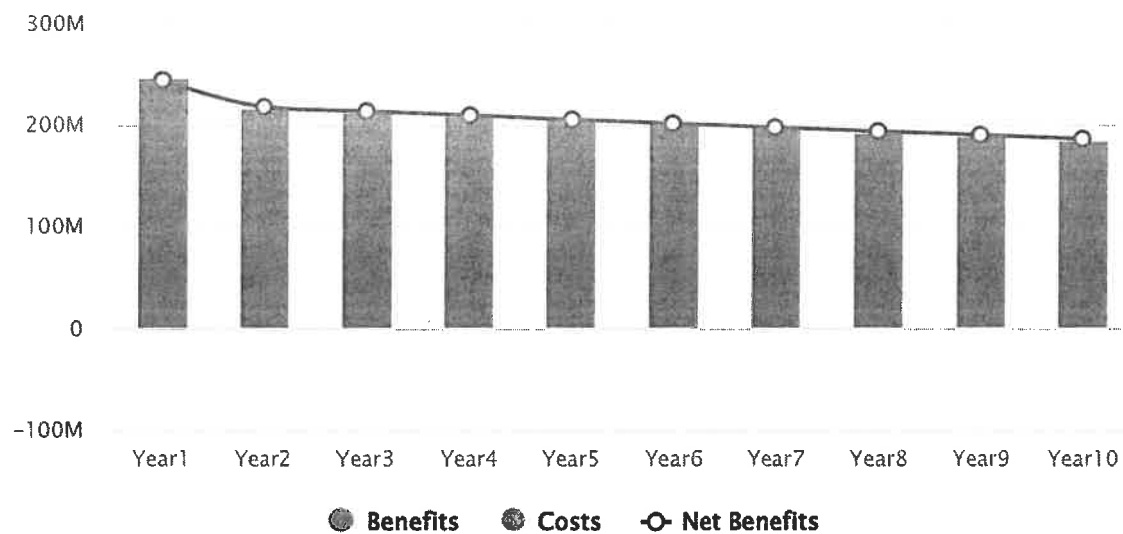
Executive Summary

INVESTOR Life Technologies Corporation - West Expansion	TOTAL INVESTED \$90.0 Million	LOCATION 3175 Staley Rd, Grand Island, NY 14072	TIMELINE 10 Years
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F1 FIGURE 1

Discounted* Net Benefits for Life Technologies Corporation by Year

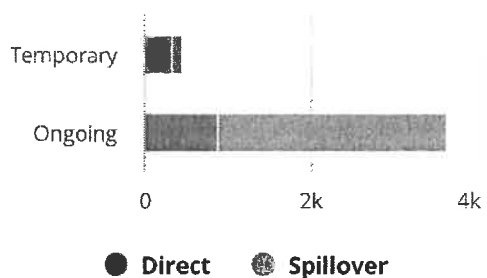
Total Net Benefits: \$2,056,436,000



Discounted at 2%

F2 FIGURE 2

Total Jobs



F3 FIGURE 3

Total Payroll



Proposed Investment

Life Technologies Corporation - West Expansion proposes to invest \$90.0 million at 3175 Staley Rd, Grand Island, NY 14072 over 10 years.

T1 TABLE 1

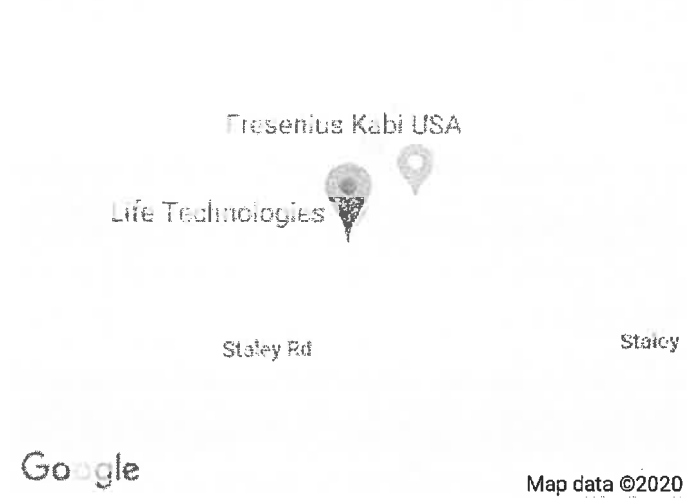
Proposed Investments

Description	Amount
CONSTRUCTION SPENDING	
Construction	\$43,400,000
OTHER SPENDING	
Manufacturing Equipment	\$25,000,000
Non-Manufacturing Equipment	\$500,000
Soft Costs	\$21,100,000
Total Investments	\$90,000,000
Discounted Total (2%)	\$90,000,000

May not sum to total due to rounding.

F4 FIGURE 4

Location of Investment



Cost-Benefit Analysis

A cost-benefit analysis of this proposed investment was conducted using InformAnalytics, an economic impact model developed by CGR. The report estimates the impact that a potential project will have on the local economy based on information provided by Erie County IDA. The report calculates the costs and benefits for specified local taxing districts over the first 10 years, with future returns discounted at a 2% rate.

T2 TABLE 2

Estimated Costs or Incentives

Erie County IDA is considering the following incentive package for Life Technologies Corporation - West Expansion.

Description	Nominal Value	Discounted Value*
Property Tax Exemption	\$193,000	\$177,000
Sales Tax Exemption	\$2,176,000	\$2,176,000
Total Costs	\$2,368,000	\$2,353,000

May not sum to total due to rounding.

* Discounted at 2%

T3 TABLE 3

State & Regional Impact (Life of Project)

The following table estimates the total benefits from the project over its lifetime.

Description	Direct	Spillover	Total
REGIONAL BENEFITS	\$489,109,000	\$1,625,301,000	\$2,114,410,000
To Private Individuals	\$481,212,000	\$1,599,225,000	\$2,080,437,000
Temporary Payroll	\$16,680,000	\$5,789,000	\$22,469,000
Ongoing Payroll	\$464,532,000	\$1,593,436,000	\$2,057,968,000
To the Public	\$7,897,000	\$26,075,000	\$33,973,000
Property Tax Revenue	\$51,000	N/A	\$51,000
Temporary Sales Tax Revenue	\$272,000	\$94,000	\$366,000
Ongoing Sales Tax Revenue	\$7,574,000	\$25,981,000	\$33,555,000
STATE BENEFITS	\$30,315,000	\$100,091,000	\$130,406,000
To the Public	\$30,315,000	\$100,091,000	\$130,406,000
Temporary Income Tax Revenue	\$815,000	\$283,000	\$1,098,000
Ongoing Income Tax Revenue	\$22,707,000	\$77,235,000	\$99,943,000
Temporary Sales Tax Revenue	\$235,000	\$82,000	\$317,000
Ongoing Sales Tax Revenue	\$6,557,000	\$22,491,000	\$29,048,000
Total Benefits to State & Region	\$519,424,000	\$1,725,392,000	\$2,244,816,000
Discounted Total Benefits (2%)	\$477,421,000	\$1,581,368,000	\$2,058,789,000

May not sum to total due to rounding.

T4 TABLE 4

Benefit to Cost Ratio

The following benefit to cost ratios were calculated using the discounted totals.

Description	Benefit*	Cost*	Ratio
Region	\$1,939,190,000	\$1,344,000	1443:1
State	\$119,600,000	\$1,010,000	118:1
Grand Total	\$2,058,789,000	\$2,353,000	875:1

May not sum to total due to rounding.

* Discounted at 2%

CGR has exercised reasonable professional care and diligence in the the production and design of the InformAnalytics™ tool. However, the data used is provided by users. InformAnalytics does not independently verify, validate or audit the data supplied by users. CGR makes no representations or warranties with respect to the accuracy of the data supplied by users.

VIRTUAL PUBLIC HEARING SCRIPT

**Life Technologies Corporation and/or
Individual(s) or Affiliate(s),
Subsidiary(ies), or Entity(ies) formed or
to be formed on its behalf
West Expansion Project**

Public Hearing to be held on November 24, 2020 at 11:00 a.m.
via Virtual Conference Software

ATTENDANCE:

Steve Schrader – Thermo Fisher
Scott Verost – Thermo Fisher
Karen Fiala – ECIDA
Carrie Hocieniec – ECIDA
Brian Krygier – ECIDA

1. WELCOME: Call to Order and Identity of Hearing Officer.

Hearing Officer: Welcome. This public hearing is now open; it is 11:01 a.m. My name is Grant Lesswing. I am the Business Development Officer of the Erie County Industrial Development Agency, and I have been designated by the Agency to be the hearing officer to conduct this virtual public hearing. This public hearing is being live-streamed and made accessible on the Agency's website at www.ecidany.com. Pre-registration for anyone wishing to speak at today's public hearing was required through our website. Today I am joined by Brian Krygier, ECIDA Systems Analyst who will be the Hearing Moderator and he will be managing the public comment portion of this hearing.

2. PURPOSE: Purpose of the Hearing.

Hearing Officer: We are here to hold the public hearing on the Life Technologies Corporation and/or Individual(s) or Affiliate(s), Subsidiary(ies), or Entity(ies) formed or to be formed on its behalf-West Expansion project. The transcript of this hearing will be reviewed and considered by the Agency in determination of this project. Notice of this hearing appeared in The Buffalo News on November 14, 2020.

3. PROJECT SUMMARY: Description of Project and Contemplated Agency Benefits.

Hearing Officer: The proposed project (the "Project") consists of: (i) the construction and equipping of a manufacturing facility addition totaling 48,000+/- SF to be utilized for the production of animal origin free (AOF) products, and the purchase and installation of new machinery equipment in order to increase production capacity. Installation of second Fluid Bed, two Fitz Mills, cold

storage and dispensary suites. Building design will be capable of being reconfigured to support expected future manufacturing growth, located at 3175 Staley Road, Town of Grand Island, Erie County, New York (the "Improvements"); and (ii) the acquisition and installation by the Company of certain items of machinery, equipment and other tangible personal property (the "Equipment"); and, collectively with the Improvements, the "Facility").

The proposed financial assistance contemplated by the Agency includes New York State and local sales and use tax exemption benefits and real property tax abatement benefits (in compliance with Agency's uniform tax exemption policy).

4. FORMAT OF HEARING: Review rules and manner in which the hearing will proceed.

Hearing Officer: All those who have joined this conference call were required to pre-register through our website (www.ecidany.com). Everyone who has pre-registered will be given an opportunity to make statements and/or comments on the Project.

If you have a written statement or comment to submit for the record, please submit it on the Agency's website or mail to the Agency at 95 Perry Street, Suite 403, Buffalo, New York 14203. The comment period closes on December 15, 2020. There are no limitations on written statements or comments.

5. PUBLIC COMMENT: Hearing Officer gives the Public an opportunity to speak.

Hearing Officer: Those interested in making a statement or comment will be called upon by Brian in the order that they registered for this meeting. Please begin by stating your name and address; if you are representing a company, please identify the company. I request that speakers keep statements and/or comments to 5 minutes, and if possible, 3 minutes.

The Hearing Moderator introduces each participant in the order they registered for this meeting.

Steve Schrader – I am Operations Director and Site Leader for Thermo Fisher the site we are speaking of. The site has been in existence since 1962. We are talking about a 48,000 sq. ft. facility addition to support our customer demand in our base business which directly supports the healthcare industry plus long-term support of a COVID-19 vaccine and therapy products. I look forward to continuing our production of products at this site.

6. ADJOURNMENT:

As there were no further statements and/or comments, the Hearing Officer closed the public hearing at 11:05 a.m.

**SIGN IN SHEET
VIRTUAL PUBLIC HEARING**

Public Hearing to be held on November 24, 2020 at 11:00 a.m.
via Virtual Conference Software

**Life Technologies Corporation and/or Individual(s) or Affiliate(s),
Subsidiary(ies), or Entity(ies) formed or to be formed on its behalf**

Project Location: 3175 Staley Road, Town of Grand Island, Erie County, New York

Name	Company and/or Address	X box to speak/ comment
Steve Schrader	Thermo Fisher 3175 Staley Road Grand Island, New York 14072	X
Scott Verost	Thermo Fisher 3175 Staley Road Grand Island, New York 14072	
Karen Fiala	ECIDA 95 Perry Street, Suite 403 Buffalo, New York 14203	
Carrie Hocieniec	ECIDA 95 Perry Street, Suite 403 Buffalo, New York 14203	
Brian Krygier	ECIDA 95 Perry Street, Suite 403 Buffalo, New York 14203	



AOF manufacturing expansion West

[Instructions and Insurance Requirements Document](#)

Section I: Applicant Background Information

Please answer all questions. Use "None" or "Not Applicable" where necessary. Information in this application may be subject to public review under New York State Law.

Applicant Information - Company Receiving Benefit

Project Name	AOF manufacturing expansion west
Project Summary	Adding building and equipment to expand operations of specific product lines to meet customer demand and to secure growth opportunities for the benefit of the western NY Economy.
Applicant Name	Life Technologies Corporation (subsidiary of Thermo Fisher Scientific Inc)
Applicant Address	3175 Staley Road
Applicant Address 2	
Applicant City	Grand Island
Applicant State	New York
Applicant Zip	14072
Phone	(716) 609-9712
Fax	(716) 774-6999
E-mail	Dan.Wemmell@thermofisher.com
Website	https://www.thermofisher.com/us/en/home.html
NAICS Code	3254

Business Organization

Type of Business	Public Corporation
Year Established	2008
State in which Organization is established	Delaware

Individual Completing Application

Name	Daniel Wemmell
Title	Manufacturing Engineer
Address	3175 Staley Road
Address 2	
City	Grand Island
State	New York
Zip	14072

Phone (716) 609-9712
Fax (716) 774-6999
E-Mail Dan.Wemmell@thermofisher.com

Company Contact (if different from individual completing application).

Name Mary McCormick
Title Sr. Finance Manager
Address 3175 Staley Road
Address 2
City Grand Island
State New York
Zip 14072
Phone (716) 464-0464
Fax (716) 774-6805
E-Mail mary.mccormick@thermofisher.com

Company Counsel

Name of Attorney Paul D. Meosky
Firm Name Hodgson Russ LLP
Address 140 Pearl Street
Address 2
City Buffalo
State New York
Zip 14202
Phone (716) 848-1482
Fax
E-Mail pmeosky@hodgsonruss.com

Benefits Requested (select all that apply).

Exemption from Sales Tax	Yes
Exemption from Mortgage Tax	No
Exemption from Real Property Tax	Yes
Tax Exempt Financing*	No

* (typically for not-for-profits & small qualified manufacturers)

Applicant Business Description

Describe in detail company background, history, products and customers. Description is critical in determining eligibility.

Grand Island Biological Company ("GIBCO") was established in 1962 in Grand Island, New York as an entrepreneurial effort to bring commercially prepared cell culture products to local markets such as Roswell Park Cancer Research Center and the State University of New York at Buffalo's biological and medical science research laboratories. Over the decades, the company has undergone ownership changes including in November 2008 when Life Technologies Corporation was created from the merger of Invitrogen Corporation and Applied Biosystems Inc. In 2014, the acquisition of Life Technologies Corporation by Thermo Fisher Scientific Inc. was completed, with Life Technologies Corporation remaining as a corporation and becoming part of the Life Sciences Solutions Group of Thermo Fisher Scientific Inc. The GIBCO brand is one of the premier global suppliers of cell culture products. Cell culture products manufactured at the Grand Island facility are used for a wide variety of applications in basic and applied life sciences research and in medical, diagnostic, therapeutic, and large-scale industrial biotechnology applications. Such applications include research into biological processes, cellular nutrition and genetic analyses, Covid research, cancer, AIDS research, and genetically-engineered pharmaceutical drug manufacturing. We compete in the life sciences industry against companies such as Merck (Germany), Millipore (MA), Lonza(MD), and GE/Hyclone (UT). The cell culture marketplace is growing at a fast pace. Company manufacturing operations are located in Europe and other locations in the United States besides Grand Island. As such, the Grand Island facility faces both internal and external competition to retain market share as well as compete for future growth. We need local development assistance to help secure these growth opportunities for the benefit of the Western New York Economy. Thermo Fisher Scientific is a U.S.-based provisioner of scientific instrumentation, reagents and consumables, and software and services to healthcare, life science, and other laboratories in academia, government, and industry (including in the biotechnology and pharmaceutical sectors).

Estimated % of sales within Erie County	1 %
Estimated % of sales outside Erie County but within New York State	2 %
Estimated % of sales outside New York State but within the U.S.	52 %
Estimated % of sales outside the U.S.	45 %

(*Percentage to equal 100%)

For your operations, company and proposed project what percentage of your total annual supplies, raw materials and vendor services are purchased from firms in Erie County?

5

Describe vendors within Erie County for major purchases

landscaping, outside council, uniforms, cleaning and lab supplies, raw materials

Section II: Eligibility Questionnaire - Project Description & Details

Project Location

Address of Proposed Project Facility

3175 Staley Road

Town/City/Village of Project Site

Grand Island

School District of Project Site

Grand Island Central

Current Address (if different)

Current Town/City/Village of Project Site (if different)

SBL Number(s) for proposed Project

36.00-4-31

What are the current real estate taxes on the proposed Project Site

263,000+/-

If amount of current taxes is not available, provide assessed value for each.

Land

\$

Building(s)

\$

If available include a copy of current tax receipt.

Are Real Property Taxes current at project location?

Yes

If no please explain

*The ECIDA has an unpaid tax policy and you will be required to certify all taxes and PILOTS are current.

Does the Applicant or any related entity currently hold fee title or have an option/contract to purchase the Project site?

Yes

If No, indicate name of present owner of the Project Site

Does Applicant or related entity have an option/contract to purchase the Project site?

No

Describe the present use of the proposed Project site (vacant land, existing building, etc.)

Existing manufacturing, research and development and office facility. Proposed development includes an expanded building on existing landscaped land with driveway, renovations to existing manufacturing (core liquid area) and office spaces to meet business demand, including a upgraded water for injection system and tanks to support the added capacity.

Provide narrative and purpose of the proposed project (new build, renovations) square footage of existing and new construction contemplated and/or equipment purchases. Identify specific uses occurring within the project. Describe any and all tenants and any/all end users: (This information is critical in determining project eligibility)

Existing building is ~300,000 sf site. The project involves the construction of a ~50,000+/- square foot (between 2 floors) addition to the existing manufacturing plant for the production of animal origin free (AOF) and Advanced Granulation Technology (AGT) products, and the purchase and installation of new machinery equipment and upgraded water for injection system in order to increase production capacity with renovated space of ~12,000. The design of the building addition will be capable of being reconfigured to support expected future manufacturing growth. New facility space and reconfigured existing spaces will allow for expansion of operations to meet customer demand.

Municipality or Municipalities of current operations

Grand Island, Erie County, NY

Will the Proposed Project be located within a Municipality identified above?

Yes

Will the completion of the Project result in the removal of an industrial or manufacturing plant of the project occupant from one area of the state to another area of the state OR in the abandonment of one or more plants or facilities of the project occupant located within the state?

No

If the Proposed Project is located in a different Municipality within New York State than that Municipality in which current operations are being undertaken, is it expected that any of the facilities in any other Municipality will be closed or be subject to reduced activity?

No

(If yes, you will need to complete the Intermunicipal Move Determination section of this application)

Is the project reasonably necessary to prevent the project occupant from moving out of New York State?

No

If yes, please explain and identify out-of-state locations investigated, type of assistance offered and provide supporting documentation available

Have you contacted or been contacted by other Local, State and/or Federal Economic Development Agencies?

Yes

If yes, please indicate the Agency and nature of inquiry below

preliminary meeting with various state agencies on possible incentives.

If the Project could be undertaken without Financial Assistance provided by the Agency, then provide a statement in the space provided below indicating why the Project should be undertaken by the Agency:

As stated above, without the agencies assistance the project may go elsewhere.

Describe the reasons why the Agency's financial assistance is necessary, and the effect the Project will have on the Applicant's business or operations. Focus on competitiveness issues, project shortfalls, etc... Your eligibility determination will be based in part on your answer (attach additional pages if necessary)

Although the facility itself will not move, this large expansion and business opportunity is dependent upon receiving assistance. This project will create ~60 new full time permanent jobs at the project location. The project will allow us to serve our existing customer's increasing demand for our products as well compete in the expanding life sciences industry and gain additional customers/business. The opportunity exists to build this expansion in our Scotland facility who currently produce like products where government agencies have provided assistance for similar projects. Our Florida facility is being considered.

Please confirm by checking the box, below, if there is likelihood that the Project would not be undertaken but for the Financial Assistance provided by the Agency

Yes

If the Applicant is unable to obtain Financial Assistance for the Project, what will be the impact on the Applicant and Erie County?

Obtaining this assistance will encourage the company to expand at the Grand Island location rather than outside the state. If the project moves out of GI the county will lose the opportunity for job creation and its economic impacts.

Will project include leasing any equipment?

No

If yes, please describe equipment and lease terms.

Site Characteristics

Is your project located near public transportation?

No

If yes describe if site is accessible by either metro or bus line (provide route number for bus lines)

Has a project related site plan approval application been submitted to the appropriate planning department?

Yes

If Yes, include the applicable municipality's and/or planning department's approval resolution, the related State Environmental Quality Review Act ("SEQR") "negative declaration" resolution, if applicable, and the related Environmental Assessment Form (EAF), if applicable.

If No, list the ECIDA as an "Involved Agency" on the related EAF that will be submitted to the appropriate municipality and/or planning department for site plan approval.

Will the Project meet zoning/land use requirements at the proposed location?

Yes

Describe the present zoning/land use

Industrial zoning

Describe required zoning/land use, if different

N/A

If a change in zoning/land use is required, please provide details/status of any request for change of zoning/land use requirements

N/A

Is the proposed Project located on a site where the known or potential presence of contaminants is complicating the development/use of the property?

No

If yes, please explain

Has a Phase I Environmental Assessment been prepared, or will one be prepared with respect to the proposed Project Site?

No

If yes, please provide a copy.

Have any other studies, or assessments been undertaken with respect to the proposed Project Site that indicate the known or suspected presence of contamination that would complicate the site's development?

No

If yes, please provide copies of the study.

If you are purchasing new machinery and equipment, does it provide demonstrable energy efficiency benefits?

Yes

If yes, describe the efficiencies achieved

Energy efficient Chillers and High Efficiency Air Handling Units.

You may also attach additional information about the machinery and equipment at the end of the application.

Does or will the company or project occupant perform research and development activities on new products/services at the project location?

Yes

If yes, include percentage of operating expenses attributed to R&D activities and provide details.

the large facility site includes RD, the new project expansion will not involve RD

Select Project Type for all end users at project site (you may check more than one)

For purposes of the following, the term "retail sales" means (i) sales by a registered vendor under Article 28 of the Tax Law of the State of New York (the "Tax Law") primarily engaged in the retail sale of tangible personal property (as defined in Section 1101(b)(4)(i) of the Tax Law), or (ii) sales of a service to customers who personally visit the Project.

Will customers personally visit the Project site for either of the following economic activities? If yes with respect to either economic activity indicated below, you will need to complete the Retail section of this application.

Retail Sales No Services No

Please check any and all end uses as identified below.

- No Acquisition of Existing Facility
- No Assisted Living
- No Back Office
- No Civic Facility (not for profit)
- No Commercial
- No Equipment Purchase
- No Facility for the Aging
- No Industrial
- No Life Care Facility (CCRC)

No Market Rate Housing No Mixed Use No Multi-Tenant
 No Retail No Senior Housing No Manufacturing
 Yes Other
 high-tech manufacturing facility

For proposed facility please include the square footage for each of the uses outlined below

If applicant is paying for FFE for tenants, include in cost breakdown.

			Cost	% of Total Cost
Manufacturing/Processing	62,000 square feet	\$	43,400,000	100%
Warehouse	square feet	\$	0	0%
Research & Development	square feet	\$	0	0%
Commercial	square feet	\$	0	0%
Retail	square feet	\$	0	0%
Office	square feet	\$	0	0%
Specify Other	square feet	\$	0	0%

If you are undertaking new construction or renovations, are you seeking LEED certification from the US Green Building Council?

No

If you answered yes to question above, what level of LEED certification do you anticipate receiving? (Check applicable box)

Standard

Provide estimate of additional construction cost as a result of LEED certification you are seeking < BLANK >

Will project result in significant utility infrastructure cost or uses Yes

What is the estimated project timetable (provide dates)

Start date : acquisition of equipment or construction of facilities

1/30/2021

End date : Estimated completion date of project

12/1/2022

Project occupancy : estimated starting date of occupancy

12/1/2022

Project Information

Estimated costs in connection with Project

Land and/or Building Acquisition

\$ 0 square feet acres

New Building Construction

\$ 0 square feet

New Building addition(s)

\$ 36,200,000 50,000 square feet

Reconstruction/Renovation

\$ 7,200,000

12,000 square feet

Manufacturing Equipment

\$ 25,000,000

Infrastructure Work

\$ 0

Non-Manufacturing Equipment: (furniture, fixtures, etc.)

\$ 500,000

Soft Costs: (Legal, architect, engineering, etc.)

\$ 17,100,000

Other Cost

\$ 4,000,000

Explain Other Costs Company Contingency

Total Cost 90,000,000

Construction Cost Breakdown:

Total Cost of Construction	\$ 43,400,000 (sum of 2, 3, 4 and 6 in Project Information, above)
Cost of materials	\$ 25,000,000.00
% sourced in Erie County	25%

Sales and Use Tax:

Gross amount of costs for goods and services that are subject to State and local sales and use tax- said amount to benefit from the Agency's sales and use tax exemption benefit \$ 25,000,000

Estimated State and local Sales and Use Tax Benefit (product of 8.75% multiplied by the figure, above): \$ 2,187,500

** Note that the estimate provided above will be provided to the New York State Department of Taxation and Finance. The Applicant acknowledges that the transaction documents may include a covenant by the Applicant to undertake the total amount of investment as proposed within this Application, and that the estimate, above, represents the maximum amount of sales and use tax benefit that the Agency may authorize with respect to this Application. The Agency may utilize the estimate, above, as well as the proposed total Project Costs as contained within this Application, to determine the Financial Assistance that will be offered.

Project refinancing estimated amount, if applicable (for refinancing of existing debt only) \$ 0

Have any of the above costs been paid or incurred as of the date of this Application? No

If Yes, describe particulars:

Sources of Funds for Project Costs:

Equity (excluding equity that is attributed to grants/tax credits): \$ 90,300,000

Bank Financing: \$ 0

Tax Exempt Bond Issuance (if applicable): \$ 0

Taxable Bond Issuance (if applicable): \$ 0

Public Sources (Include sum total of all state and federal grants and tax credits): \$ 0

Identify each state and federal grant/credit: (ie Historic Tax Credit, New Market Tax Credit, Brownfield, Cleanup Program, 0

ESD, other public sources)

Total Sources of Funds for Project Costs: \$90,300,000

Have you secured financing for the project? No

Mortgage Recording Tax Exemption Benefit:

Amount of mortgage, if any that would be subject to mortgage recording tax:

Mortgage Amount (include sum total of construction/permanent/bridge financing). 0

Lender Name, if Known

Estimated Mortgage Recording Tax Exemption Benefit (product of mortgage amount as indicated above multiplied by 3/4 of 1%): \$0

Real Property Tax Benefit:

Identify and describe if the Project will utilize a real property tax exemption benefit other than the Agency's PILOT benefit (485-a, 485-b, other):

IDA PILOT Benefit: Agency staff will indicate the estimated amount of PILOT Benefit based on estimated Project Costs as contained herein and anticipated tax rates and assessed valuation, including the annual PILOT Benefit abatement amount for each year of the PILOT benefit and the sum total of PILOT Benefit abatement amount for the term of the PILOT as depicted in the PILOT worksheet in the additional document section.

Percentage of Project Costs financed from Public Sector sources: Agency staff will calculate the percentage of Project Costs financed from Public Sector sources based upon the Sources of Funds for Project Costs as depicted above. The percentage of Project Costs financed from public sector sources will be depicted in the PILOT worksheet in the additional document section.

ECIDA encourages applicants to utilize MBE/WBE contractors for their projects. Describe your company's internal practices that promote MBE/WBE hiring and utilization

Thermo Fisher Scientific is committed to providing equal employment opportunity and ethical employment practices, including promoting human rights, within the Company's sphere of influence.

Is project necessary to expand project employment?

Yes

Is project necessary to retain existing employment?

Yes

Will project include leasing any equipment?

No

If yes, please describe equipment and lease terms.

Employment Plan (Specific to the proposed project location)

You must include a copy of the most recent NYS-45 Quarterly Combined Withholding, Wage Reporting and Unemployment Insurance Return. The Labor Market Area consists of the following six counties: Erie, Niagara, Chautauqua, Cattaraugus, Wyoming and Genessee.

By statute, Agency staff must project the number of FTE jobs that would be retained and created if the request for Financial Assistance is granted. Agency staff will project such jobs over the TWO Year time period following Project completion. Agency staff converts PT jobs into FTE jobs by dividing the number of PT jobs by two (2).

Current # of jobs at proposed project location or to be relocated at project location	If financial assistance is granted – project the number of FT and PT jobs to be retained	If financial assistance is granted – project the number of FT and PT jobs to be created upon	Estimate number of residents of the Labor Market Area in which the project is located that will fill the FT and
---	--	--	---

			24 months (2 years) after Project completion	PT jobs to be created upon 24 months (2 years) after project completion **
Full time	818	818	60	0
Part time	0	0	0	0
Total	818	818	60	

Salary and Fringe Benefits for Jobs to be Retained and Created

Category of Jobs to be Retained and/or Created	# of Employees Retained and/or Created	Average Salary for Full Time	Average Fringe Benefits for Full Time	Average Salary for Part Time (if applicable)	Average Fringe Benefits for Part Time (if applicable)
Management	20	\$ 197,620	\$ 35,496	\$ 0	\$ 0
Professional	189	\$ 94,655	\$ 26,221	\$ 0	\$ 0
Administrative	45	\$ 45,346	\$ 0	\$ 0	\$ 0
Production	564	\$ 41,502	\$ 20,675	\$ 0	\$ 0
Independent Contractor	0	\$ 0	\$ 0	\$ 0	\$ 0
Other	0	\$ 0	\$ 0	\$ 0	\$ 0

** Note that the Agency may utilize the foregoing employment projections, among other items, to determine the financial assistance that will be offered by the Agency to the Applicant. The Applicant acknowledges that the transaction documents may include a covenant by the Applicant to retain the number of jobs and create the number of jobs with respect to the Project as set forth in this Application.

Employment at other locations in Erie County: (provide address and number of employees at each location):

Address	1870 Whitehaven road grand island ny		
Full time	250	0	0
Part time	0	0	0
Total	250	0	0

Payroll Information

Annual Payroll at Proposed Project Site upon completion

52,406,723

Estimated average annual salary of jobs to be retained (Full Time)

59,940

Estimated average annual salary of jobs to be retained (Part Time)

0

Estimated average annual salary of jobs to be created (Full Time)

45,875

Estimated average annual salary of jobs to be created (Part Time)

0

Estimated salary range of jobs to be created

From (Full Time)	41,502	To (Full Time)	197,620
From (Part Time)	0	To (Part Time)	0

Section III: Environmental Questionnaire

INSTRUCTIONS: Please complete the following questionnaire as completely as possible. If you need additional space to fully answer any question, please attach additional page(s).

General Background Information

Address of Premises

3175 Staley Road Grand Island, NY 14072

Name and Address of Owner of Premises

Life Technologies Corp (subsidiary of Thermo Fisher Scientific), 3175 Staley Road Grand Island, NY 14072

Describe the general features of the Premises (include terrain, location of wetlands, coastlines, rivers, streams, lakes, etc.)

Flat level terrain

Describe the Premises (including the age and date of construction of any improvements) and each of the operations or processes carried out on or intended to be carried on at the Premises

Main plant constructed circa 1963 under GIBCO name. with multiple expansions over the years for warehouse, research and development and cell culture manufacturing

Describe all known former uses of the Premises

Horse farm prior to founding, circa 1963 construction

Does any person, firm or corporation other than the owner occupy the Premises or any part of it?

No

If yes, please identify them and describe their use of the property

Have there been any spills, releases or unpermitted discharges of petroleum, hazardous substances, chemicals or hazardous wastes at or near the Premises?

No

If yes, describe and attach any incident reports and the results of any investigations

Has the Premises or any part of it ever been the subject of any enforcement action by any federal, state or local government entity, or does the preparer of this questionnaire have knowledge of: a) any current federal, state or local enforcement actions; b) any areas of non-compliance with any federal, state or local laws, ordinances, rules or regulations associated with operations over the past 12 months?

No

If yes, please state the results of the enforcement action (consent order, penalties, no action, etc.) and describe the circumstances

Has there been any filing of a notice of citizen suit, or a civil complaint or other administrative or criminal procedure involving the Premises?

No

If yes, describe in full detail

Solid And Hazardous Wastes And Hazardous Substances

Does any activity conducted or contemplated to be conducted at the premises generate, treat or dispose of any petroleum, petroleum-related products, solid and hazardous wastes or hazardous substances?

Yes

If yes, provide the Premises' applicable EPA (or State) identification number

Have any federal, state or local permits been issued to the Premises for the use, generation and/or storage of solid and hazardous wastes?

Yes

If yes, please provide copies of the permits.

Identify the transporter of any hazardous and/or solid wastes to or from the Premises

Identify the solid and hazardous waste disposal or treatment facilities which have received wastes from the Premises for the past two (2) years

Does or is it contemplated that there will occur at the Premises any accumulation or storage of any hazardous wastes on-site for disposal for longer than 90 days?

<BLANK>

If yes, please identify the substance, the quantity and describe how it is stored

Discharge Into Waterbodies

Briefly describe any current or contemplated industrial process discharges (including the approximate volume, source, type and number of discharge points). Please provide copies of all permits for such discharges

Identify all sources of discharges of water, including discharges of waste water, process water, contact or noncontact cooling water, and stormwater. Attach all permits relating to the same. Also identify any septic tanks on site

Is any waste discharged into or near surface water or groundwaters?

No

If yes, please describe in detail the discharge including not only the receiving water's classification, but a description of the type and quantity of the waste

Air Pollution

Are there or is it contemplated that there will be any air emission sources that emit contaminants from the Premises?

No

If yes, describe each such source, including whether it is a stationary combustion installation, process source, exhaust or ventilation system, incinerator or other source

Are any of the air emission sources permitted?

No

If yes, attach a copy of each permit.

Storage Tanks

List and describe all above and under ground storage tanks at the Premises used to store petroleum or gasoline products, or other chemicals or wastes, including the contents and capacity of each tank. Please also provide copies of any registrations/permits for the tanks

Have there been any leaks, spills, releases or other discharges (including loss of inventory) associated with any of these tanks?

<BLANK>

If yes, please provide all details regarding the event, including the response taken, all analytical results or reports developed through investigation (whether internal or external), and the agencies which were involved

Polychlorinated Biphenyls ("PCB" or "PCBs") And Asbestos

Provide any records in your possession or known to you to exist concerning any on-site PCBs or PCB equipment, whether used or stored, and whether produced as a byproduct of the manufacturing process or otherwise.

Have there been any PCB spills, discharges or other accidents at the Premises?

<BLANK>

If yes, relate all the circumstances

Do the Premises have any asbestos containing materials?

<BLANK>

If yes, please identify the materials

Section IV: Facility Type - Single or Multi Tenant

Is this a Single Use Facility or a Multi-Tenant Facility?

Single Use Facility

For Single Use Facility.

Occupant Name Life Technologies Corp (subsidaury of Thermo Fisher Scientific)
Address 3175 Staley Road Grand Island, NY 14072
Contact Person Mary McCormick
Phone (716) 464-0464
Fax (716) 774-6805
E-Mail mary.mccormick@thermofisher.com
Federal ID # 33-037-3077
SIC/NAICS Code 3254

SS

Section VI: Retail Determination

To ensure compliance with Section 862 of the New York General Municipal Law, the Agency requires additional information if the proposed Project is one where customers personally visit the Project site to undertake either a retail sale transaction or to purchase services.

Please answer the following:

Will any portion of the project (including that portion of the costs to be financed from equity or other sources) consist of facilities or property that are or will be primarily used in making sales of goods or services to customers who personally visit the project site?

No

If yes, complete the Retail Questionnaire Supplement below.

Section VII: Adaptive Reuse Projects

Adaptive Reuse is the process of adapting old structures or sites for new purposes.

Are you applying for tax incentives under the Adaptive Reuse Program?

No

Section VIII: Inter-Municipal Move Determination

The Agency is required by state law to make a determination that, if completion of a Project benefiting from Agency Financial Assistance results in the removal of an industrial or manufacturing plant of the project occupant from one area of the state to another area of the state or in the abandonment of one or more plants or facilities of the project occupant located within the state, Agency financial Assistance is required to prevent the project occupant from relocating out of the state, or is reasonably necessary to preserve the project occupant's competitive position in its respective industry.

Current Address

3175 Staley Road

City/Town

Grand Island

State

New York

Zip Code

14072

Will the project result in the removal of an industrial or manufacturing plant of the Project occupant from one area of the state to another area of the state?

No

Will the project result in the abandonment of one or more plants or facilities of the Project occupant located within the state?

No

If Yes to either question, explain how, notwithstanding the aforementioned closing or activity reduction, the Agency's Financial Assistance is required to prevent the Project from relocating out of the State, or is reasonably necessary to preserve the Project occupant's competitive position in its respective industry:

Does this project involve relocation or consolidation of a project occupant from another municipality?

Within New York State

No

Within Erie County

No

If Yes to either question, please, explain

Will the project result in a relocation of an existing business operation from the City of Buffalo?

No

If yes, please explain the factors which require the project occupant to relocate out of the City of Buffalo (For example, present site is not large enough, or owner will not renew leases etc.)

What are some of the key requirements the project occupant is looking for in a new site? (For example, minimum sq. ft., 12 foot ceilings, truck loading docs etc.)

N/A

If the project occupant is currently located in Erie County and will be moving to a different municipality within Erie County, has the project occupant attempted to find a suitable location within the municipality in which it is currently located?

No

What factors have lead the project occupant to consider remaining or locating in Erie County?

N/A

If the current facility is to be abandoned, what is going to happen to the current facility that project occupant is located in?

N/A

Please provide a list of properties considered, and the reason they were not adequate. (Some examples include: site not large enough, layout was not appropriate, did not have adequate utility service, etc.) Please include full address for locations.

N/A

Section IX: Senior Housing

IDA tax incentives may be granted to projects under the Agency's Senior Citizen Rental Housing policy when the project consists of a multi-family housing structure where at least 90% of the units are (or are intended to be) rented to and occupied by a person who is 60 years of age or older.

Are you applying for tax incentives under the Senior Rental Housing policy?

No

TO: ECIDA Policy Committee

FROM: John Cappellino

DATE: December 8, 2020

REF: Zaepfel Development – Developer
 First Source – Tenant
 100 Pirson Parkway

History:

In 2013, ECIDA approved a sales tax, mortgage recording tax and real estate tax exemption for Zaepfel Development.

The benefits approved and received by the developer were/are as follows:

Mortgage Recording Tax	\$150,000
Sales Tax Savings	\$787,500
PILOT County and Town (2017-2026) School (2016/'17-2025/'26)	Appx. \$3,400,000 based on current values and rates

The project consisted of the construction of a 310,000 sq. ft. facility which would be leased to Wythe Will. They would utilize the facility as a warehouse, production, and office center. Upon completion, Wythe Will would consolidate 3 leased facilities into the newly constructed building. In 2016 Wythe Will became known as First Source.

The recapture terms associated with the approval were as follows:

- Investment equal to or greater than \$15,895,000 – confirmed
- Local Labor Reporting during construction period – confirmed
- Maintain 100% of First Source' 217 full time equivalents
- Hire an additional 29 employees

The investment into the project by Zaepfel was over \$18M and the tenant estimated 217 full time equivalent positions would be maintained and an additional 29 jobs created. Based on 2019-year end employment survey results, the average employment at the facility was 312 FTE's.

According to an article in the Business First (Jim Fink), *“a March 24 letter sent to vendors, and obtained by Buffalo Business First, First Source said it will be closing the 310,000-square-foot Pierson Parkway complex within the next 90 days. The letter cited a drop in sales related to the COVID-19 health crisis.”* According to an e-mail Dawn received from the company, the last

day of operations was in July of this year. According to Zaepfel, First Source vacated the building without giving prior notice to the developer. It is our understanding First Source' main facility in Virginia is closed as well. Since that time, the developer has been seeking another suitable tenant to fill the space.

A Rochester-area based company, Jemko Transport, has agreed to lease the entire facility subject to the continuation of the PILOT. They would be utilizing the facility for the assembly, storage and distribution of finished goods and raw materials, an eligible use under IDA guidelines. They plan to create 20 full time and 2 part time positions and are looking to former First Source employees to fill those positions.

Request:

The developer recognizes that employment recapture terms apply to both the tenant and the developer and request these terms be modified considering First Source vacated the facility through no fault of the developer. The current PILOT benefit to the developer is substantial. They are currently paying on 20% of the improved value and last year's bill was in the approximate amount of \$117,698 to the various taxing jurisdictions. Should the exemption be removed that payment increases to \$461,000.

Possible Remedies:

- #1: Repay all benefits previously granted which would amount to approximately \$2,437,000.
- #2: Modify material terms for employment to consider new tenant and revise PILOT from a 10-year to a 7-year term.

The estimated impact of #2 above is as follows:

	Total PILOT/Taxes
Current PILOT schedule – 10 year PILOT payments paid over 10 years (est.)	\$1,219,970
Modified to a 7-year PILOT term with last 3 years as 100% taxes (est.)	\$2,208,700
Estimated additional revenue to municipalities	\$988,730
Note: The above estimates are based on today's tax rates and assessed values	

In addition, a one time payment of \$42,988 can be made to ECIDA and shared pro rata with each of the three taxing entities. This payment represents the additional payment due for the percentage difference of abatement between years 3 and 4 of 10%.

ECIDA, in compliance with New York Law, has a policy for the suspension or discontinuance of financial assistance, or the modification of any payments in lieu of taxes to require increased payments, based upon a violation of the terms and conditions of the Inducement as memorialized in the Project Agreement. The difference between the 10-year PILOT schedule benefit and the 7-year PILOT schedule benefit would have required that the Company make an additional payment of \$42,988 for the 2020 County/Town Tax Year and the 2019/2020 School District tax year. If this “additional payment” is required to be made, such “additional payment” should be submitted to the Agency, and the Agency would then submit such “additional payment” pro rata to the affected taxing jurisdictions.

**Zaepfel Development /Wythe Will Tzetzso
 \$18,700,000
 INDUCEMENT RESOLUTION**

HIGHLIGHTS

- Eligibility: NAICS Section - **53 real Estate**

COMPANY INCENTIVES

- Up to \$160,000 in mortgage tax savings.
- Approximately \$4,200,000 in real property tax benefits
- Approximately \$787,500 in sales tax benefits



Project Title: Zaepfel Development /Wythe Will Tzetzso
 Project Address: A portion of 779 Two Mile Creek Road
 Tonawanda, New York 14150
 (Kenmore-TTN UFSD)
 SIC/NAICS: 6513/531110

Agency Request

A sales tax, mortgage tax and real property tax exemption in connection with the construction of an approximately 310,000 sq. ft. facility for lease to Wythe Will Tzetzso.

Land	\$ 500,000
New Building Construction	16,000,000
Manufacturing Equipment	200,000
Non-Manufacturing Equipment	1,000,000
Soft Costs	750,000
Other	250,000
Total Project Cost	\$18,700,000

Company Description

Zaepfel Development was founded in 1974 by James Zaepfel and is a full-service real estate development firm located in Williams-ville, New York. The Zaepfel team has more than 30 years of real estate development, real estate services, property management, leasing and brokerage, and construction management experience. They are ranked as one of Western New York's top five development firms.

Zaepfel has developed, owned, managed, built or sold nearly five million square feet of office, warehouse, industrial and flex space in Western New York, Pennsylvania and the southeast. They are currently developing new construction and renovation projects for the commercial, industrial, educational and institutional sectors.

Major construction undertaken by the company in recent years has included such high profile projects as the West Valley Nuclear Containment Facility and corporate headquarters for Wegmans Food Markets Inc. and Corning Glass.

Project Description

Zaepfel is constructing a 310,000 sq. ft. facility for lease to Wythe Will Tzetzso ("WWT"). WWT plans to establish a warehouse, production and office center in the facility which will initially employ 270 full time and part time employees.

Once the project is complete, the company will consolidate its 3 leased facilities into the newly constructed building. These three leased facilities are located in Tonawanda—Military Road, Cheektowaga—Broadway and Buffalo—3rd party leased facility on Clinton Street.

Zaepfel Development /Wythe Will Tzetzto

WWT was founded in 1961 and is based in Virginia. They are a national packager and distributor of branded, unbranded and private-label candy, confections and specialty foods. Some of their brands include Ghirardelli, Godiva, Jelly Belly and Harry and David.

WWT currently maintains locations throughout the country—Virginia—the company’s national headquarters—Tennessee—Operations Center and California. Once the project is complete, it is WWT’s intention to relocate its headquarters from Virginia to the new facility in Tonawanda. Manufacturing operations will remain in Virginia.

WWT has been approved by Empire State Development Corp. for the Excelsior Job Program which will provide tax credits in the amount of \$950,000.

Project Benefits

The project is expected to retain 165 full time and 105 part time jobs and increase that number 20 additional full time and 30 additional part time jobs.

Project Incentives

- An estimated \$950,000 in Excelsior Job Program tax credits.
- Real property tax savings of approximately \$4,200,000 over ten years
- Sales tax savings of approximately \$787,500
- Mortgage recording tax savings equal to 1% of final mortgage amount estimated up to \$160,000

Impact on Taxes

Current Yearly Taxes	Estimated New Assessed Value	Additional Revenue to taxing jurisdictions over 10 year PI-LOT period.	Full taxes in first year after abatement period expires
\$0	\$6,345,000	\$1,300,000	\$555,000
Combined Tax Rate: \$87.53			

*New assessment is determined by taking 73% of construction budget and applying equalization rate

Employment

<u>Current:</u> 217 FTE’s	<u>Year 2 (after completion of Project)</u> 252 FTE’s
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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 = \$18,700,000 85% = \$15,895,000
Employment	To coincide with PILOT term	100% of base (217 FTE) and 85% of projected (29) = 246
Local Labor	Construction period	Adherence to policy including quarterly reporting
PILOT	PILOT Term -10 years	Up to 100% recapture at Agency discretion
Recapture Period	Coincides with term of PILOT	Recapture of state and local sales taxes, mortgage recording tax and PI-LOT.

Recapture

Recapture applies to:

State and Local Sales Taxes
Mortgage Recording Taxes
Payment in Lieu of Taxes

Pursuant to Section 875 of New York General Municipal Law, the agency may recover or recapture from the company any state sales tax and use tax exemption benefits taken by the company that are in violation of the GML.

In addition, it is the recommendation of the ECIDA's Policy Committee to recapture the local share of sales tax and mortgage tax.

Project History

- | | |
|---------|--|
| 9/9/13 | Public Hearing conducted. |
| 9/16/13 | The project is in compliance with the Town of Tonawanda Generic Environmental Impact Statement and no further SEQRA compliance is required by ECIDA Board. |
| 9/16/13 | Lease/Leaseback Inducement Resolution presented to Board. |