

**Kamax, LLC/Raine Logistics, Inc.**  
**\$2,214,000**  
**INDUCEMENT RESOLUTION**

**ELIGIBILITY**

- NAICS Section - 488510

**COMPANY INCENTIVES**

- Approximately \$96,250 in sales tax savings
- Approximately \$316,000 in real property tax savings
- Approximately \$12,000 in mortgage tax savings

**EMPLOYMENT**

- Current Jobs: 12
- Projected New Jobs: 1
- Annual payroll: \$818,000
- Estimated salary of jobs to be retained: \$65,000
- Estimated salary of jobs to be Created: \$63,000

**PROJECT HISTORY**

- 05/26/2020 - Public hearing held. Transcript attached.
- 06/24/2020 - ECIDA ratification of Town determination that Project is consistent with 1991 FEIS
- 06/24/2020 - Lease/Leaseback Inducement Resolution presented to the Board of Directors

Project Title: Kamax, LLC/Raine Logistics, Inc.  
 Project Address: 2890 North America Drive  
 West Seneca, NY 14224  
 (West Seneca Central School District)

**Agency Request**

A sales tax, real property tax and mortgage recording tax exemption in connection with the construction of a 14,380 sq. ft. truck terminal.

Land Acquisition	\$ 304,000
New Building Construction	\$1,810,000
Non-Manufacturing Equipment	\$ 50,000
Soft Costs/Other	\$ 50,000
Total Project Cost	\$2,214,000

85% \$1,881,900

**Company Description**

Kamax, LLC was formed in 2019 for the purpose of undertaking the project on behalf of Raine Logistics, Inc. ("Raine"). Raine is currently a Buffalo based trucking company which was established in 2007. The company is a hauler of dry freight originating in the Buffalo, Rochester and Syracuse areas and ships to 48 states. Customers include companies such as Iovate Health, Nut Butter and Tesla. Items shipped include food products, electronics, auto parts and solar products to name just a few.

**Project Description**

Raine is currently located in the City of Buffalo in a 6,000 sq. ft. leased facility on Hamburg Street. After reviewing several sites within the City of Buffalo, the company has made the decision to construct a 14,380 sq. ft. truck terminal in the Town of West Seneca. Since the project involves movement of a company from the City of Buffalo to the Town of West Seneca, the ECIDA has followed its Inter-Municipal Move Policy and have notified both the Mayor and the Supervisor of the respective municipalities.

**New Tax Revenue Estimated**

Current Yearly Taxes	Estimated New Assessed Value	Additional County Revenue Over 7-year PILOT Period	Additional Local Revenue Over 7-year PILOT Period	New Yearly Taxes Upon Expiration of Abatement Period
\$0	\$720,000	\$14,380	\$71,760	\$57,400
Combined Tax Rate: \$80				

## 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 = \$2,214,000 85% = \$1,881,900
Employment	Coincides with 7-year PILOT	Maintain base: 12 Create 85% of Projected Projected = 1 85% = 1 Recapture Employment = 13
Local Labor	Construction period	Adherence to policy including quarterly reporting
Pay Equity	Coincides with 7-year PILOT	Adherence to Policy
Unpaid Tax	Coincides with 7-year PILOT	Adherence to Policy
Recapture Period	Coincides with 7-year PILOT	State and Local Sales Taxes, Real Property Taxes, Mortgage Tax

Recapture applies to:  
 State and Local Sales Taxes  
 Real Property Tax Savings  
 Mortgage 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 12 jobs and created an additional 1 job, iii) confirm adherence to local labor policy during construction and iv) its adherence to unpaid tax/pay equity policies for recapture term.