

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

ELIGIBILITY
<ul style="list-style-type: none"> • NAICS Section - 3254
COMPANY INCENTIVES
<ul style="list-style-type: none"> • Approximately \$2,187,500 in sales tax savings • Approximately \$226,000 in real property tax savings
EMPLOYMENT
<ul style="list-style-type: none"> • 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
<ul style="list-style-type: none"> • 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

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.