

3200 Clinton Street, LLC / Agile Cold Storage
\$ 46,530,000

PRIVATE INVESTMENT INDUCEMENT RESOLUTION

ELIGIBILITY

- NAICS Section – 311

COMPANY INCENTIVES

- Approximately \$7,319,083 in real property tax savings
- Up to \$ 2,452,625 in sales tax savings
- 3/4 of 1% of the final mortgage amount up to \$ 262,500

JOBS & ANNUAL PAYROLL

- Current Jobs: 0
- Projected new jobs: 55 FT
- Est. salary/yr. of jobs created: \$66,510
- Annual Estimate Payroll: \$3,259,000
- Total jobs after project completion: 55 FT
- Construction Jobs: 245

PROJECTED COMMUNITY BENEFITS*

- Term: 10 YEARS
- NET Community Benefits: \$ 111,023,254
- Spillover Jobs: 248
- Total Payroll: \$103,112,256

INCENTIVE COST / COMMUNITY BENEFIT RATIO (discounted at 2%)*

Incentives: \$9,329,400
 Community Benefit: \$101,789,953
 Cost: Benefit Ratio
 • 1:11

Project Title: 3200 Clinton Street, LLC
 Project Address 3200 Clinton St, West Seneca, NY 14224
 (West Seneca Central School District)

Agency Request

A sales, mortgage recording and real property tax abatement in connection with the construction of a 115,000 SF cold storage warehouse and manufacturing facility.

Land Acquisition	\$ 500,000
New Building Construction	\$ 43,000,000
Manufacturing Equipment	\$ 2,000,000
Non- Manufacturing Equipment	\$ 30,000
Soft Costs/Other	\$ 1,000,000
Total Project Cost	\$ 46,530,000
85%	\$ 39,550,500

Company Description

3200 Clinton Street, LLC is an entity of Agile Cold Storage – a business formed in 2020 by cold storage industry veterans. Agile has 3 operating facilities in GA and a 4th in DE which will open in Oct 2024. Agile’s core values ensure that products will be stored safely, handled efficiently, tracked seamlessly and reported on a timely basis. Agile is based out of Gainesville, GA with partner ownership including: AIMPERRA (45%), Continental Grain (45%) and Agile Management and small investors (10%).

Project Description

The proposed facility will be used as both additional manufacturing space for Rosina Foods (16,000 SF) and a cold storage warehouse for Agile Cold Storage (99,000 SF). The project applicant has partnered with Rosina Foods (a tenant), allowing Rosina to increase their production space and to utilize a cold storage warehouse. The warehouse is strategically placed to service the distribution needs for Rosina’s entire frozen line of products as well as provide options for other frozen and refrigerated food manufacturers in the area. This state-of-the-art facility will bring new jobs with competitive pay to the community as well as adding healthy competition in the marketplace.

* Cost Benefit Analysis Tool powered by MRB Group

Economic Impact: Inform Analytics Cost-Benefit Analysis

The Erie County Industrial Development Agency uses the Cost Benefit Analysis Tool powered by MRB Group to assess the economic impact of a project applying for incentives. A Cost-Benefit Analysis is required by Section 859-a (5)(b) of General Municipal Law. For the complete Cost Benefit Analysis – please see the attached MRB Cost Benefit Calculator.

Cost: Incentives

COSTS	Tax Exemption	Amount
	Property	\$ 7,319,083
	Sales	\$ 2,452,625
	Mortgage Recording	\$ 262,500
	Total	\$10,034,208
	Discounted at 2%	\$ 9,329,400

Benefit: Projected Community Benefit*

BENEFITS	Region	Recipient	Revenue Type	\$ Amount **
	Erie County	Individuals	Payroll Construction	\$ 27,819,113
			Payroll Permanent	\$ 75,293,456
		Public	Property Taxes	\$ 1,829,767
			Sales Taxes	\$ 631,564
			Other Muni Revenue (NFTA)	\$ 87,500
	New York State	Public	Income Taxes	\$ 4,640,066
			Sales Taxes	\$ 721,788
			Total Benefits to EC + NYS***	\$111,023,254
			Discounted at 2%	\$101,789,953

* Cost Benefit Analysis Tool powered by MRB Group ** includes direct & indirect \$ over project period *** may not sum to total due to rounding

Discounted Cost \$ 9,329,400
 Discounted Benefit \$101,789,953
 Ratio 1:11

Conclusion: The Cost Benefit for this project is: 11:1. For every \$1 in costs (incentives), this project provides \$11 in benefits (payroll & tax revenue). **Note: For Erie County, every \$1 in costs (incentives) provides \$12 in benefits to the community.**

New Tax Revenue Estimated

Current Yearly Taxes	Estimated New Assessed Value	Additional County Revenue over abatement period	Additional Town Revenue Over abatement period	Additional School Revenue Over abatement period	New Yearly Taxes Upon Expiration of Abatement Period
\$9,773	\$11,117,500	\$303,426	\$408,822	\$1,045,523	\$924,658
Combined Tax Rate: \$83.17					

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 = \$ 46,530,000 85% = \$ 39,550,500
Employment	Coincides with 10-year PILOT	Maintain Base = 0 FTE Create 85% of Projected Projected = 45 FTE 85% = 38 FTE Recapture Employment = 38 FTE
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
<u>Recapture Period</u>	Coincides with 10-year PILOT	Recapture of Real Property Tax, Mortgage recording tax, state and local sales taxes

Recapture applies to:

State and Local Sales Taxes
Real Property Tax
Mortgage Recording 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 created 38 FTE jobs, iii) confirm adherence to local labor policy during construction and iv) its adherence to unpaid tax/pay equity policies for recapture term.

Project ECIDA History

- 7/25/24: Public hearing held.
- 8/28/24: Inducement Resolution presented to Board of Directors adopting a Negative Declaration in accordance with SEQRA resolution dtd 7-11-2024
- 8/28/24: Lease/Leaseback Inducement Resolution presented to the Board of Directors