

ROAR Logistics, Inc.
\$3,425,000
AMENDATORY INDUCEMENT RESOLUTION

ELIGIBILITY

- NAICS Section - 488510

COMPANY INCENTIVES

- Approximately \$149,000 in real property tax savings.
- Original -Approximately \$87,500 in sales tax savings
- Amended - Approximately \$140,000 in sales tax savings

PROJECT BENEFITS

The project will generate approximately \$40,500 of revenue to the local taxing jurisdictions over the abatement period representing \$8,500 to the County of Erie, \$32,000 to the City of Buffalo.

EMPLOYMENT

- Current: 49
- New Jobs Projected: 14
- Total Jobs after project completion: 63

PROJECT HISTORY

- 05/21/2018 - Public hearing held. Transcript attached.
- 06/27/2018 - Inducement Resolution presented to Board of Directors adopting a Negative Declaration in accordance with SEQRA.
- 06/27/2018 - Lease/Leaseback Inducement Resolution presented to the Board of Directors
- 01/23/2019 - Amendatory Inducement Resolution presented to the Board of Directors

Project Title: ROAR Logistics, Inc.

Project Address: 535 Exchange Street
 Buffalo, NY 14204
 (Buffalo City Schools)

Amended Agency Request

To increase the sales tax benefit from \$87,500 to \$140,000 and overall project cost from \$2,160,00 to \$3,425,000

Prior Agency Request

A real property and sales tax exemption in connection with the construction of a 12,400 +/- sq. ft. facility for use as a back office operation.

	Prior	Current
Land Acquisition	\$100,000	\$453,000
Building	\$2,100,000	\$2,362,000
Equipment	\$200,000	\$250,000
Soft Costs	\$210,000	\$260,000
Total Project Costs	\$2,610,000	\$3,425,000
85%	\$2,218,500	\$2,911,250

Company Description

ROAR Logistics is a 3rd party logistics provider specializing in truckload, intermodal, rail and international freight forwarding services. Corporate headquarters are in Buffalo with additional offices located in Georgia, Illinois, California and Texas. ROAR's headquarter operations provide back office operations and administrative services.

Approximately 90% of the company's services are provided on a national basis. The company is owned 100% by Rich Family Holding.

New Project Description

The project consists of the construction and equipping of a 15,200 sq. ft. facility for use as back office operations.

ROAR is currently located in the Adam's Mark Hotel where they lease just under 9,000 sq. ft. Roar has outgrown its space at its existing location, and will exercise its right to terminate its lease upon construction completion. The additional space provided by the new facility will allow for the company to remain competitive with other national locations.

New Tax Revenue Estimated

Current Yearly Taxes	Estimated New Assessed Value	Additional County Revenue Over 7-Year Abatement Period	Additional Local Revenue over 7-Year Abatement Period	New Yearly Taxes Upon Expiration of Abatement Period
\$750	\$800,000	\$8,500	\$32,000	\$27,000
Combined Tax Rate: \$34				

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: \$3,425,000 85% : \$2,911,250
Employment	Coincides with 7-Year PILOT	Maintain Base: 49 Create 85% pf Projected Projected: 14 85%: 12 Recapture Employment: 61
Local Labor	Construction Period	Adherence to policy including quarterly reporting
Pay Equity/Unpaid Tax	Coincides with 7-Year PILOT project completion	Adherence to Policy
Recapture Period	7-Year PILOT Term	Recapture of State and Local Sales Taxes and Real Property 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 equal to or greater than 85% of the amount proposed; ii) confirm company has maintained 49 employees and created an additional 14 jobs iii) confirm adherence to local labor policy during construction and iv) its adherence to unpaid tax/pay equity policies for recapture term.