

## Zenger Development Corporation & Related Entities

### \$4,000,000

## INDUCEMENT RESOLUTION

#### HIGHLIGHTS

- Eligibility: NAICS Section - 32 Manufacturing

#### COMPANY INCENTIVES

- Approximately \$ 62,000 in sales tax savings,
- Approximately \$20,000 in mortgage recording tax savings.



**Zenger Group**

Smart. Print. Now.

Project Title: Zenger Development Corporation & Related Entities

Project Address: 777 East Park Drive  
Tonawanda, NY 14150  
(Kenmore-TTN UFSD)

SIC/NAICS: 2750/323111

#### Agency Request

Sales tax, mortgage tax and real estate tax abatement in connection with the acquisition of the Science Kit building in the Town of Tonawanda.

Land/Building Acquisition	\$2,600,000
Building Renovation	500,000
Manufacturing Equipment	150,000
Non-Manufacturing Equipment	450,000
Soft Costs	75,000
 Total Project Cost	 \$4,000,000

#### Company Description

Zenger is a locally owned printing company founded in 1980 and currently employs 89 people in facilities located in Buffalo, Orchard Park and Hamburg.

Zenger Group is a commercial printing group of companies with a focus on direct mail product markets. The group includes Zenger Group, Downtown Graphics, Zenger Boncraft and Zenger Partners. Primarily products include commercial printing and bindery, finishing, lettershop services, packaging printing, large format poster printing and photography. Clients include many local businesses and non-profits as well as many clients throughout the Eastern United States. 20% of the company's sales are to clients located outside of New York State and a small percentage outside of the U.S.

#### Project Description

Zenger will be consolidating production operations from 3 of its 5 production facilities in WNY into a single facility located at 777 East Park Drive in the Town of Tonawanda (former Science Kit facility). The facilities which will be consolidated into the new facility are:

525 Hertel Avenue, Buffalo  
5222 S. Taylor Road, Orchard Park  
3556 Lakeview Road, Hamburg

The Hertel Avenue and Taylor Road facilities will be placed on the market for sale. Zenger will continue to own the Lakeview Road building and utilize it as needed for surplus warehouse and/or expanded use as a retail self-storage operation currently operating on the site.

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The project will involve significant interior build-out and reconfiguration, infrastructure upgrades, machinery acquisition and energy efficiency upgrades including a solar array installation and lighting upgrades. The current building occupant, Science Kit, will remain along with their 60 employees via a leaseback arrangement and will occupy 10,000 sq. ft. of space.

## Project Incentives

- Approximately \$62,000 in sales tax savings
- Up to \$20,000 in mortgage recording tax savings.

## Project Benefit

The capital investment in the Tonawanda facility and consolidation of the 3 operations into one updated, reconfigured space will anchor the company and improve its competitive position within the industry.

## Employment

Current:  
89

Projected (2 Years)  
109

## Project History

No public hearing was required since project benefits are below \$100,000.

8/20/2012

Lease/Leaseback Inducement Resolution presented to Board of Directors.