

Gemcor II, LLC \$3,130,000 INDUCEMENT RESOLUTION

HIGHLIGHTS

- Eligibility: NAICS Section - 33

COMPANY INCENTIVES

- Approximately \$440,000 in property tax savings.
- Approximately \$112,000 in sales tax savings
- Up to \$31,300 in mortgage recording tax savings.
- Eligible for 10-year Standard PILOT



Project Title: Gemcor II, LLC

Project Address: 100 Gemcor Drive
West Seneca, New York 14224
(West Seneca Central School District)

SIC/NAICS: 3721/336411

Agency Request

Real property, sales tax and mortgage recording tax exemption in connection with the proposed project.

Building Addition:	\$2,555,000
Manufacturing Equipment	250,000
Soft Costs	325,000
 Total Project Cost	 \$3,130,000

Company Description

Gemcor was founded in 1937 and first developed the Drivmatic™ process in the early 1940's. This process is used around the world for automatically fastening airframe assemblies. Throughout the world Gemcor equipment and systems are used by virtually every commercial aircraft. The company's facility encompasses 60,000 sq. ft. devoted to manufacturing and 20,000 sq. ft. of office. The facility, which is Gemcor's main headquarters, houses its engineering, sales, service, parts and manufacturing operations.

As part of its venture capital investment program the ECIDA holds a 1/3 equity interest in Gemcor II, LLC. Counsel for the ECIDA has expressed the opinion that this ownership interest does not constitute a conflict of interest with respect to the project.

Project Description

The project consists of the expansion of the company's existing 80,000 sq. ft. complex with the construction of a 27,000 sq. ft. addition for use as additional manufacturing space.

Project Incentives

- Approximately \$440,000 in property tax savings.
- Approximately \$112,000 in sales tax savings
- Up to \$31,300 in mortgage recording tax savings.
- Eligible for 10-year Standard PILOT.

Gemcor II, LLC

Project Benefit

The project is anticipated to create 11 additional jobs.

The project will generate approximately \$116,800 of revenue to the local taxing jurisdictions over the abatement period representing \$21,300 to the County of Erie, \$31,000 to the Town of West Seneca and \$64,500 to the West Seneca Central School District.

Employment

<u>Current:</u>	<u>Projected (2 Years)</u>
55	66

Project History

9/12/2011	Public Hearing held. No oral or written comments. Transcript on file at ECIDA.
9/19/2011	Inducement Resolution presented to Board of Directors authorizing adoption of a Negative Declaration in accordance with SEQRA.
9/19/2011	Lease/Leaseback Inducement Resolution presented to Board of Directors.

Company History

05/09/1997	\$4,500,000 Bond Closed
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