

Sodexo
\$6,076,002
INDUCEMENT RESOLUTION

ELIGIBILITY

- NAICS Section - 722310

COMPANY INCENTIVES

- Approximately \$467,000 in sales tax savings

PROJECT BENEFITS

- Securing an Erie County location and the retention of 511 employees

EMPLOYMENT

- Retained Jobs - 511

PROJECT HISTORY

- 7/27/2015 - Public hearing conducted. Transcript attached
- 8/18/2015 - Lease/Leaseback Inducement Resolution presented to the Board of Directors

Project Title: Sodexo, Inc.

Project Address: 400 Airborne Parkway
 Cheektowaga, New York 14225
 (Lancaster School District)

Agency Request

A sales tax savings in connection with the acquisition and installation of machinery and equipment.

Equipment	\$ 5,336,464
Soft Costs	739,538

Total Project Cost	\$6,076,002
--------------------	-------------

85%	\$5,164,600
-----	-------------

Company Description

Sodexo, Inc. is a public corporation founded in 1966 and is recognized globally as one of the largest providers of quality life services in the world. Services provided to corporate, education, government and healthcare industries include sustainable energy programs, efficiently designed workspaces, and wellness and nutrition programs. Sodexo USA employs over 130,000 employees. Over 80% of the company's sales are outside of New York State and 10% of sales are to customers located outside the U.S.

Project Description

Uniland Development is proposing to construct a new office building for lease to Sodexo. The company would be merging offices currently in two different buildings in the Town of Amherst into a single 110,000 sq. ft. facility located at 400 Airborne Drive in the Town of Cheektowaga. This project would include the acquisition and installation of machinery and equipment for the HR, Finance and IT functions. The current multi-location footprint has been deemed inefficient by Sodexo.

In 2013, the company hired consultants Mohr Partners to investigate possible sites for this project and reached out the Buffalo Niagara Enterprise. An incentive package which includes a \$750,000 grant from Empire State Development was offered which is integral to securing Sodexo's long term presence and the retention of 511 employees in Erie County.

Other viable alternatives were considered including expansion in Gaithersburg, Maryland which is the location of Sodexo's headquarters.

Project Benefits

Securing an Erie County location and the retention of 511 employees.

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 = \$6,076,002 85% of total project amount = \$5,164,600
Employment	See recapture period	Maintain 100% of existing 511 employees
Recapture Period	Coincides with Uniland's 10-year PILOT term	Recapture of state and local sales taxes

Recapture applies to:

- State and local sales taxes

Pursuant to Section 875 of New York General Municipal Law, the agency may recover or recapture from the company any state sales and use tax exemption benefits taken by the company that are in violation of the GML.

In addition, it is the recommendation of the ECIDA's Policy Committee to recapture the local portion of the sales tax.

At completion of project company must certify i) total investment amount equal to or greater than 85% of amount proposed and ii) confirm that company has retained 100% of jobs (511).