ITT-Enidine
$1,200,000
INDUCEMENT RESOLUTION

Eligibility

- NAICS Section - 333612

Company Incentives

- Approximately $109,000 in real property tax savings.
- Approximately $61,250 in sales tax savings.

Employment

- Current FT Jobs - 261
- Projected Jobs - 10
- Total Jobs 2 Years After Project Completion - 271

Project History

- 8/29/17- Public Hearing held. No oral or written comments
- 9/27/2017 - Inducement Resolution presented to Board of Directors adopting a Negative Declaration in accordance with SEQRA.
- 9/27/2017- Inducement Resolution presented to Board of Directors adopting a Negative Declaration in accordance with SEQRA.

Company History

- 1984 - $1,684,000 Bond
- 1989 - $160,000 RDC Loan
- 1991 - $300,000 RDC Loan
- 2007 - $1,300,000 Tax Incentive
- 2008 - $2,900,000 Tax Incentive

Project Title: ITT-Enidine

Project Address: 7 Centre Road
Orchard Park, New york 14127
(Orchard Park Central School District)

Agency Request

A real property and sales tax exemption in connection with the construction of an 11,000 sq. ft. addition to an existing engineering and manufacturing facility.

New Building Addition	$1,100,000
Soft Costs	$ 100,000
Total Project Cost	$1,200,000
85%	$1,020,000

Company Description

ITT Enidine Inc. was established in 1996 and provides differentiated products and services to the Industrial, Aerospace, Defense, Rail and Transportation markets throughout the world. ITT's global resources provide the tools to stay at the forefront of new technologies, research & development and high quality production for customers around the world. The company is a leading designer and manufacturer of energy absorption, vibration isolation and noise attenuation products for a wide variety of commercial aircraft, business jet and helicopter applications. Major customers include Boeing, Rotocraft and Raytheon.

The company is publicly owned. The majority of sales are to customers located outside of New York State with worldwide customers accounting for 29% of sales.

ITT owns several other manufacturing locations within the USA as well as in Mexico, Europe and Asia.

Project Description

The proposed project consists of the construction of an 11,000 sq. ft. addition to the company's existing 100,000 sq. ft. manufacturing plant. The additional space will be used for expanded manufacturing operations.

New Tax Revenue Estimated

Current Yearly Taxes	Estimated New Assessed Value	Additional County Revenue over 7 Year PILOT Term	Additional City Revenue over 7 Year PILOT Term	New Yearly Taxes Upon Expiration of Abatement Period
N/A	$400,000	$5,600	$24,000	$20,000
Combined Tax Rate: $50				

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 = $1,200,000 85% : $1,020,000
Employment	Coincides with 7 Year PILOT Term	Maintain base: 261 Create 85% of projected: Projected: 10 85% = 8 Recapture Employment: 268
Local Labor	Construction period	Adherence to policy including quarterly reporting
Unpaid Taxes	Coincides with 7 Year PILOT Term	Adherence to policy
Pay Equity	Coincides with 7 Year PILOT Term	Adherence to policy
Recapture Period	Coincides with 7 Year PILOT Term	State and Local Sales Taxes Real Property Tax

Recapture applies to:

- State and Local Sales Tax
- 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 project completion the company must certify i) total investment is equal to or greater than 85% of the anticipated project amount; ii) confirm company has maintained 261employees at the facility and created 8 additional jobs; iii) its adherence to ECIDA local labor policy during construction and iv) adherence to unpaid tax and pay equity policies for the recapture term.