

Fisher Price
\$4,925,058
AMENDATORY INDUCEMENT RESOLUTION

ELIGIBILITY	Project Title:	Fisher Price																		
<ul style="list-style-type: none">• NAICS Section - 339932	Project Address:	636 East Girard Avenue East Aurora, New York 14052 (East Aurora Union Free School District)																		
COMPANY INCENTIVES																				
<ul style="list-style-type: none">• Original -Approximately \$260,572 in sales tax savings• Amended - Approximately \$341,277 in sales tax savings	Amended Agency Request	To increase the sales tax benefit from \$260,572 to \$341,277 and overall project investment from \$4,025,058 to \$4,925,058.																		
EMPLOYMENT	Agency Request	A sales tax savings in connection with upgrades to the company’s Team Center operations.																		
<ul style="list-style-type: none">• Retained Jobs: 274• Projected New Jobs: 5• Total Jobs 2 Years After Project Completion: 279• Annual payroll: \$28,300,000• Estimated salary of jobs to be created: \$89,000• Estimated salary of jobs to be retained: \$103,000	<table><tr><td></td><td>Prior</td><td>Current</td></tr><tr><td>Renovation</td><td>\$1,948,400</td><td>\$2,523,400</td></tr><tr><td>Equipment</td><td>\$1,497,000</td><td>\$1,497,000</td></tr><tr><td>Soft Costs/Other</td><td>\$ 579,658</td><td>\$ 904,658</td></tr><tr><td>Total Project Cost</td><td>\$4,025,058</td><td>\$4,925,058</td></tr><tr><td>85%</td><td>\$3,421,299</td><td>\$4,186,299</td></tr></table>		Prior	Current	Renovation	\$1,948,400	\$2,523,400	Equipment	\$1,497,000	\$1,497,000	Soft Costs/Other	\$ 579,658	\$ 904,658	Total Project Cost	\$4,025,058	\$4,925,058	85%	\$3,421,299	\$4,186,299	
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PROJECT HISTORY	Company Description	Fisher Price, Inc. is a manufacturer of toys and children’s products which are sold worldwide. The company was established in East Aurora in 1930. This location is the corporate headquarters and research and development center for the world’s leading brand of infant and preschool toys that enhance early childhood development. Fisher Price’s Play Lab was the first child research center of its kind in the toy industry. Fisher price is also a leading developer of baby gear products (nursery monitors, infant swings, high chairs) and character-based toys.																		
<ul style="list-style-type: none">• 7/8/2019—Public hearing held.• 7/24/2019 - Inducement Resolution presented to Board of Directors.• 7/24/2019 - Lease/Leaseback Inducement Resolution presented to the Board of Directors• 10/28/2020 - Amendatory Inducement Resolution presented to the Board of Directors	<p>Although diminished in size, Fisher Price remains among the top non-governmental employers in Western New York with approximately 650 people working at the East Aurora plant. In 1997, the company was acquired by Mattel, Inc., a publicly traded company headquartered in El Segundo, California. Toy assembly is conducted in plants located in China and Mexico.</p> Amended Project Description	While less building supplies are being manufactured due to covid, supply and demand issues have increased the cost of materials. As a result , the costs for renovating the Team Center,, which focuses on Mattel’s infant and pre-school toy development, have increased. Specifically, the equipment needed to support the Play Lab observation room requires the installation of data cabling to work with the existing network. In addition, employee workspaces need to be re-designed to allow for social-distancing.																		
	Project Description	The proposed project consists of renovations to the Team Center which focuses on Mattel’s infant and pre-school toy development. The Play Lab space will be renovated into a Center of Early Childhood Development research. The project is intended to upgrade the functionality and branded-look of the Team Center.																		
		While Fisher Price employs approximately 650 employees in East Aurora, this project focuses solely on the employees associated with the Team Center.																		
		In addition, the Team Center solidifies the existing workforce and helps provide state of the art facilities for research & development.																		

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 = \$4,925,058 85% = \$4,186,299
Employment	Coincides with Recapture Period	Maintain Base: 274 Create 85% of Projected Projected: 5 85% : 4 Recapture Employment: 278
Local Labor	Construction period	Adherence to policy including quarterly reporting
Pay Equity	Coincides with Recapture Period	Adherence to Policy
Unpaid Tax	Coincides with Recapture Period	Adherence to Policy
Recapture Period	2 years after project completion	State and Local Sales Taxes

Recapture applies to:
State and Local Sales Taxes

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 is equal to or greater than 85% of the anticipated project amount; ii) Company has maintained 274 FTE and created 5 FTE jobs, iii) confirm adherence to local labor policy during construction and iv) its adherence to unpaid tax/pay equity policies for recapture term.