

Triad Recycling
\$2,993,000
INDUCEMENT RESOLUTION

ELIGIBILITY

- NAICS Section - 562920

COMPANY INCENTIVES

- Approximately \$46,000 in real property tax savings
- Approximately \$97,000 in sales tax savings
- Approximately \$6,300 in mortgage recording tax savings

PROJECT INCENTIVES

- The project will generate approximately \$12,600 of revenue to the local taxing jurisdictions over the abatement period representing \$1,600 to the County of Erie, \$4,700 to the Town of Tonawanda and \$6,300 to the Kenmore-TNN Union Free School District.
- Current Jobs at New Project

EMPLOYMENT

Site - 0

- New Jobs Projected - 3
- Current Jobs at Existing Project Site - 15
- New Payroll \$75,000
- 12/22/2015 - Public hearing held. Transcript attached

PROJECT HISTORY

- 1/27/2015 - ECIDA Board of Directors adopts a Negative Declaration in accordance with SEQRA.
- 1/27/2015 - Lease/Leaseback Inducement Resolution presented to the Board of Directors

Project Title: Triad Recycling

Project Address: 3701 River Road
Tonawanda, New York 14150
(Kenmore-TNN UFSD)

Agency Request

A sales tax , mortgage recording tax and real property tax abatement in connection with the acquisition of an adjacent property, renovation and construction of a processing building.

Building Acquisition	\$625,000	
New Building Construction	\$275,000	
Renovation	\$325,000	
Manufacturing Equipment	\$438,000	
Non-Manufacturing Equipment	\$400,000	
Soft Costs	\$ 50,000	
Other Costs	\$880,000	(site work/wind turbine)
Total Project Cost	\$2,993,000	
85%	\$2,544,050	

Company Description

Triad Recycling was founded in 2010 to recycle roofing shingles into asphalt roads. Triad received a Beneficial Use Determination from the New York State Department of Environment Conservation in 2010 to provide recycled asphalt shingles to the asphalt market. However, market acceptance of shingles in roads was delayed by extensive DOT testing. Triad then developed markets for wood, metals, cardboard, vinyl siding, glass, etc. to better recycle all types of construction materials. By 2012 Triad was able to recycle 29 materials typically found in dumpsters going to landfills. They are currently providing zero landfill services to 3 manufacturing plants including DuPont and Goodyear. Triad has been the first in New York State to recycle mattresses, shingles, vinyl siding and gypsum wall board.

Project Description

Triad has purchased the property adjacent to its existing plant consisting of 15 acres of land and 2 abandoned buildings. The project will involve the repair and renovation of the two existing buildings and the construction of a new 4,000 sq. ft. processing center. Additionally, a wind turbine to generate electricity to the site will be added. The project requires extensive site work including berms, plantings, storm water management, gates, fences and fire hydrants.

New Tax Revenue Estimated

Current Yearly Taxes	Estimated New Assessed Value	Additional County Revenue Over 7-Year Abatement	Additional Local Revenue Over 7-Year PILOT Period	New Yearly Taxes Upon Expiration of Abatement Period
\$0	\$90,475	\$1,600	\$11,000	\$8,400
Combined Rate: \$93.00				

PILOT

Table

The project will generate approximately \$12,600 of revenue to the local taxing jurisdictions over the abatement period representing \$1,600 to the County of Erie, \$4,700 to the Town of Tonawanda and \$6,300 to the Kenmore-TNN Union Free School District.

Draft Recapture Material Terms

Year	% payment under PI-LOT	Est. County PILOT	Est. Town PILOT	Est. School PILOT	Est. Total PILOT	Full Taxes with-out PILOT	Net Exemption
1	0.1	\$107	\$315	\$419	\$841	\$8,410	\$7,569
2	0.1	\$107	\$315	\$419	\$841	\$8,410	\$7,569
3	0.2	\$215	\$630	\$837	\$1,682	\$8,410	\$6,728
4	0.2	\$215	\$630	\$837	\$1,682	\$8,410	\$6,728
5	0.3	\$233	\$945	\$1,265	\$2,523	\$8,410	\$5,887
6	0.3	\$322	\$845	\$1,265	\$2,523	\$8,410	\$5,887
7	0.3	\$322	\$945	\$1,265	\$2,523	\$8,410	\$5,887
TOTAL PAYMENTS		\$1,609	\$4,726	\$6,279	\$12,615	\$58,869	\$46,254

Condition	Term	Recapture Provision
Total Investment	At project completion	Investment amount equal to or greater than 85% of project amount Total Project Amount = \$2,993,000 85% of total project amount = \$2,544,050
Employment	Coincides with 7-Year PILOT term	Create 85% of projected Jobs = 3 85% of projected jobs = 2 Recapture Employment = 2
Local Labor	Construction Period	Adherence to policy including quarterly reporting
Pay Equity	Coincides with 7-Year PILOT term	Adherence to Policy
Recapture Period	Coincides with 7-Year PILOT term	Recapture of Real Property Taxes, State and Local Sales Tax and Mortgage Tax.

Recapture applies to:

- State and local sales taxes
- Real property taxes
- Mortgage Tax

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, real property taxes and mortgage recording tax..

At completion of project company must certify i) total investment amount equal to or greater than 85% of amount proposed ii) confirm that company will create an additional 3 jobs (85% = 2) iii) confirm adherence to ECIDA local labor hiring policy and iv) adherence to Pay Equity Policy.