

Niagara Blower Company \$1,035,000 INDUCEMENT RESOLUTION

HIGHLIGHTS

- Eligibility: NAICS Section - **33 Manufacturer**

COMPANY INCENTIVES

- Approximately \$61,250 in sales tax savings



Project Title: Niagara Blower Company

Project Address: 91 Sawyer Avenue
 Tonawanda, New York 14150
 (Kenmore-Town of Tonawanda Union Free School District)

SIC/NAICS: 3340/333319

Agency Request

A sales tax exemption only in connection with the renovation and equipping of the facility.

Renovations	\$300,000
Manufacturing Equipment	\$120,000
Non-Manufacturing Equipment	\$400,000
Soft Costs	\$ 65,000
Other	\$150,000
 Total Project Cost	 \$1,035,000

Company Description

Niagara Blower Company was founded in 1904 and began as a manufacturer of high quality industrial and heating equipment. Since that time Niagara Blower has transformed into other heat transfer ventures and has earned a reputation for developing innovative engineered solutions for heat transfer applications.

Project Description

The company has been located in Ontario Street in the City of Buffalo and has been at that location for over 100 years.

As a result of the explosive growth they've encountered in the past 3 years, their employment has increased substantially from 55 to 110 full time employees.

In order to accommodate the company's growth they are expanding operations. They have acquired a facility on Sawyer Avenue in the Town of Tonawanda. The building consists of 110,000 sq. ft. - a tripling of the company's operations. Niagara Blower is moving approximately 75% of manufacturing operations and 40% of the office staff to the Tonawanda site.

The Sawyer Avenue building will require extensive renovations to the office and manufacturing areas. In the plant area new cranes will be purchased and existing ones renovated, new power and compressed air infrastructure is also required. In addition, improvements to the parking area are planned.

Once the move is completed, the company will own facilities in Buffalo, Tonawanda as well as a 25,000 of leased space in Cheektowaga.

Niagara Blower Company

Project Benefits

The tripling of the company's manufacturing and office footprint in Erie County.

The addition of 20 jobs over a 2-year period.

Project Incentives

- Approximately \$61,250 in sales tax savings

Employment

<u>Current:</u>	<u>Year 2 (after completion of Project)</u>
110	130

Project History

No public hearing required since project benefits are below \$100,000

04/22/2013 Inducement Resolution presented to Board of Directors authorizing adoption of a Negative Declaration in accordance with SEQRA.

04/22/2013 Lease/Leaseback Inducement Resolution presented to Board of Directors.

Recapture

Pursuant to Section 875 of New York GML and pursuant to Agency Policy, The Agency may recover or recapture from the company any state and local sales and use tax exemption benefit taken by the company that are in violation of the GML or Agency Policy.

At completion of project company must certify the total investment made at the project and for five years thereafter confirm that company has met 85% of its projected FTE employment while maintaining 100% of its base employment.