

The Uniland Partnership of Delaware, I.P.
\$ 21,058,095
INDUCEMENT RESOLUTION

ELIGIBILITY

- NAICS Section - 531110

COMPANY INCENTIVES

- Approximately \$948,940 in sales tax savings
- Approximately \$2,800,000 in real property tax savings
- A mortgage tax savings in the estimated amount of \$172,500

PROJECT BENEFITS

- The project is anticipated to retain 511 Sodexo jobs in Erie County
- The project will generate approximately \$744,000 of revenue to the local taxing jurisdictions over the abatement period representing \$124,000 to the County of Erie, \$224,000 to the Town of Cheektowaga and \$396,000 to the Lancaster Central School District

EMPLOYMENT

- Tenant Sodexo - Retain 511 jobs

PROJECT HISTORY

- 7/27/2015- Public hearing held. Transcript attached
- 8/18/2015 - ECIDA Board ratifies and confirm Town of Cheektowaga negative declaration
- 8/18/2015 - Lease/Leaseback Inducement Resolution presented to the Board of Directors

Project Title: The Uniland Partnership of Delaware, L.P.

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

Agency Request

A sales tax, mortgage tax and real property tax exemption in connection with the construction of a 110,000 sq. ft. facility for lease to Sodexo.

Land Acquisition	\$ 928,500
Building Construction	\$16,187,221
Soft Costs	\$ 2,267,264
Other	\$ 1,675,110
 Total Project Cost	 \$21,058,095
 85%	 \$17,899,380
 Estimated Mortgage Amount	 \$17,250,000

Company Description

The Uniland Partnership of Delaware, L.P. engages in real estate development, construction, leasing and management of various industrial and commercial properties throughout the Western New York region. The most recent project undertaken by the developer involved the construction of the new headquarters facility for Delaware North Company.

Project Description

Uniland is proposing to construct a 110,000 sq. ft. facility for lease to Sodexo. Sodexo currently leases approximately 126,000 sq. ft. of space in four separate facilities in the Amherst International Park which leases expire in November, 2015. In pursuit of a location where all offices could be merged into one facility, they have identified a site in Cheektowaga at 400 Airborne. Sodexo's U.S. headquarters are located in Gaithersburg, Maryland. They are a global provider facilities and food services to many industries including corporate, education, government and healthcare.

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

In accordance with the ECIDA's Inter-Municipal Move Policy, the Supervisors of both the Town of Cheektowaga and Amherst have been notified of the company's intention to move.

PILOT Table

The project will generate approximately \$744,000 of revenue to the local taxing jurisdictions over the abatement period representing \$124,000 to the County of Erie, \$224,000 to the Town of Cheektowaga and \$396,000 to the Lancaster Central School District

Year	% payment under PILOT	Est. County PILOT	Est. Town PILOT	Est. School PILOT	Est. Total PILOT	As if Owned	Net Exemption
1	0.1	\$5,928	\$10,679	\$18,846	\$35,453	\$354,526	\$319,074
2	0.1	\$5,928	\$10,679	\$18,846	\$35,453	\$354,526	\$319,074
3	0.1	\$5,928	\$10,679	\$18,846	\$35,453	\$354,526	\$319,074
4	0.2	\$11,856	\$21,357	\$37,692	\$70,905	\$354,526	\$283,621
5	0.2	\$11,856	\$21,357	\$37,692	\$70,905	\$354,526	\$283,621
6	0.2	\$11,856	\$21,357	\$37,692	\$70,905	\$354,526	\$283,621
7	0.3	\$17,784	\$32,036	\$56,538	\$106,358	\$354,526	\$248,168
8	0.3	\$17,784	\$32,036	\$56,538	\$106,358	\$354,526	\$248,168
9	0.3	\$17,784	\$32,036	\$56,538	\$106,358	\$354,526	\$248,168
10	0.3	\$17,784	\$32,036	\$56,538	\$106,358	\$354,526	\$248,168
TOTAL PAYMENTS		\$124,488	\$224,249	\$395,769	\$744,505	\$3,545,262	\$2,800,757

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 = \$21,058,095 85% = \$17,899,380
Employment	To coincide with PILOT period	Uniland is committing to the retention of Sodexo's 511 jobs
Local Labor	Construction Period	Adherence to policy including quarterly reporting
PILOT	PILOT Term 10 years	Up to 100% recapture at Agency discretion
Recapture Period	Coincides with 10 year PILOT term	Recapture of state and local sales tax, real property tax and mortgage recording tax

Recapture applies to:

State and Local Sales Taxes
Payment in Lieu of Taxes
Mortgage Recording Tax

Recapture

Pursuant to Section 875 of New York General Municipal Law, the agency may recover or recapture from the company any state sales tax 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 share of 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 tenant (Sodexo) has retained 511 jobs and iii) adherence to local labor policy.