

Rosina Food Products, Inc.
\$1,544,000
INDUCEMENT RESOLUTION

ELIGIBILITY

- NAICS Section - 311612

COMPANY INCENTIVES

- Approximately \$17,000 in real property tax savings
- Approximately \$65,100 in sales tax savings

PROJECT BENEFITS

- The project will generate approximately \$4,700 of revenue to the local taxing jurisdictions over the abatement period representing \$790 to the County of Erie, \$1,300 to the Town of Cheektowaga and \$2,600 to the West Seneca Central School District.

EMPLOYMENT

- Jobs at App = 217
- Retained Jobs = 29 (associated with building expansion)
- New Jobs Projected = 4
- Total Jobs - 2 years after project completion = 221

PROJECT HISTORY

- No public hearing required as benefits are below \$100,000
- 10/26/2016 - ECIDA Board of Directors adopts a Negative Declaration in accordance with SEQRA.
- 10/26/2016- Lease/Leaseback Inducement Resolution presented to the Board of Directors.

Project Title: Rosina Food Products, Inc.

Project Address: 190 Industrial Parkway
Cheektowaga, New York 14227
(West Seneca Central)

Agency Request

A sales tax and possible real property tax abatement in connection with the conversion of the project site into a Customer Care Center.

Building Renovation	\$1,248,000
Soft Costs	\$ 296,000
Total Project Cost	\$1,544,000
85%	\$1,312,400

Company Description

Rosina Food Products was founded in 1963 and is a manufacturer of frozen foods such as pre-cooked meatballs, sausages and pastas.

Rosina markets its products to retail and food service industries throughout North America and internationally. The company sells to 95% of the nation's largest supermarkets including Wegmans and Publix. Over 60% of its products are sold to companies located outside of New York State.

Project Description

The company plans to renovate 10,000 sq. ft. of existing space to consolidate the following activities: customer service, supply chain, research & development and sales and marketing. 30 current employees are associated with these activities.

The renovated facility will also include a test kitchen for corporate chefs to prepare and present cooked samples when hosting key customers in the new hospitality suite.

Centralizing all activities in one area it will provide for better collaboration and communication among Rosina's professionals.

New Tax Revenue Estimated

Current Yearly Taxes	Estimated New Assessed Value	Additional County Revenue over 7-year abatement period	Additional Local Revenue over 7-year abatement period	New Yearly Taxes Upon Expiration of Abatement
\$7,600	\$100,000	\$791	\$3,946	\$3,159
Combined Tax Rate: \$32.00				

PILOT Table

The project will generate approximately \$4,700 of revenue to the local taxing jurisdictions over the abatement period representing \$790 to the County of Erie, \$1,300 to the Town of Cheektowaga and \$2,600 to the West Seneca Central School District.

Year	% payment under PILOT	Est. County PILOT	Est. Town PILOT	Est. School PILOT	Est. Total PILOT	Full Taxes without PILOT	Net Exemption
1	10%	\$53	\$87	\$176	\$316	\$3,159	\$2,843
2	10%	\$53	\$87	\$176	\$316	\$3,159	\$2,843
3	20%	\$106	\$174	\$352	\$632	\$3,159	\$2,527
4	20%	\$106	\$174	\$352	\$632	\$3,159	\$2,527
5	30%	\$158	\$261	\$529	\$948	\$3,159	\$2,211
6	30%	\$158	\$261	\$529	\$948	\$3,159	\$2,211
7	30%	\$158	\$261	\$529	\$948	\$3,159	\$2,211
TOTAL PAYMENTS		\$791	\$1,303	\$2,643	\$4,738	\$22,112	\$17,373

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 = \$1,544,000 85% of total project amount = \$1,312,400
Employment	Coincides with 7-Year PILOT term	Maintain base: 217 Create 85% of projected: Projected Jobs: 4 85% of projected jobs = 3 Recapture Employment: 220
Local Labor	Construction Period	Adherence to policy including quarterly reporting
Pay Equity	Coincides with 7-Year PILOT term	Adherence to Policy
Unpaid Taxes	Coincides with 7-Year PILOT term	Adherence to Policy
Recapture Period	Coincides with 7– Year PILOT term Recapture will be 2 years after project completion if no PILOT	Real Property Taxes, State and Local Taxes,

Recapture applies to:

State and Local Sales Taxes
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 completion of project company must certify i) total investment amount equal to or greater than 85% of amount proposed ii) confirm that company will retain 217 jobs and create 3 additional jobs iii) adherence to local labor policy, iv) adherence to unpaid tax policy and v) adherence to pay equity policy.