

Tecumseh Redevelopment, Inc.
\$3,455,556
INDUCEMENT RESOLUTION

ELIGIBILITY	Project Title: Tecumseh Redevelopment, Inc.				
NAICS Section - 531110	Project Address: 2303 Hamburg Turnpike Lackawanna, New York 14218 (Lackawanna CSD)				
COMPANY INCENTIVES	Agency Request				
Approximately \$175,000 in sales tax savings.	A sales tax savings in connection with the capping of land and related infrastructure improvements for shovel ready commercial and light industrial development. <table> <tr> <td>Capping</td><td style="text-align: right;">\$3,455,556</td></tr> <tr> <td>Total Project Cost</td><td style="text-align: right;">\$3,455,556</td></tr> </table>	Capping	\$3,455,556	Total Project Cost	\$3,455,556
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PROJECT HISTORY	Company Description				
03/28/2017-Public hearing conducted. Transcript attached. 04/26/2017-Lease/Leaseback Inducement Resolution presented to the Board of Directors.	Tecumseh Redevelopment is a wholly-owned subsidiary of ArcelorMittal USA, the US steel manufacturing corporation. Tecumseh purchased the non-steel making assets of Bethlehem Steel Corporation in Lackawanna out of bankruptcy in 2003. Project Description The project consists of the construction of a 12" thick slag cover over approximately 100 acres of the former Bethlehem Steel site. The project includes clearing, subgrade, preparation, placement of a plastic demarcation layer and a 12" cap over the subgrade, construction related stormwater controls, community air monitoring and related engineering and documentation under the Brownfield Cleanup Program. ECIDA benefits will be in the form of a sales tax savings on the materials required in capping the property. The proposed project is related to and contingent upon the land purchase agreement being negotiated between the applicant and the Buffalo and Erie County Industrial Land Development Corporation ("ILDC"). Erie County has spent and appropriated for future expenditures, millions of dollars to improve rail and road access and utility infrastructure for the benefit of the real property and the ILDC has, as a condition of its purchase of the real property, negotiated with Tecumseh for the environmental remediation of the real property, with the goal of creating a twenty-first century commercial/industrial park, with tri-modal access and with pre-certified New York State tax incentives. The sales tax benefit will directly benefit the ILDC as the savings will be passed on to the ILDC in the form of a reduced purchase price.				

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: \$3,455,556 85% : \$2,937,222
Local Labor	Construction Period	Adherence to Policy Including Quarterly Reporting
Unpaid Tax Policy	Through Project Completion	Adherence to policy
Equal Pay Policy	Through Project Completion	Adherence to policy
Recapture Period	Project Completion	

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 project company must certify i) total investment amount equal to or greater than 85% of the anticipated project amount proposed ii) adherence to local labor policy during construction and iii) confirm adherence to ECIDA unpaid taxes and pay equity policy for the recapture term.