

Shevlin Land and Cattle Co.
\$1,700,000
INDUCEMENT RESOLUTION

ELIGIBILITY

- NAICS Section - 53110

COMPANY INCENTIVES

- Approximately \$65,625 in sales tax savings
- Approximately \$174,000 in real property tax savings

PROJECT BENEFITS

- The project will generate approximately \$47,000 of revenue to the local taxing jurisdictions over the abatement period representing \$8,000 to the County of Erie, \$12,000 to the Town of West Seneca and \$27,000 to the West Seneca Central School District

EMPLOYMENT

- Retained = 70
- Projected Jobs = 10

PROJECT HISTORY

- 6/25/2015 - Public hearing held. - Transcript attached
- 9/16/2015 - ECIDA Board Confirming project is consistent with 1991 FEIS
- 9/16/2015 - Lease/Leaseback Inducement Resolution presented to the Board of Directors

Project Title: Shevlin Land and Cattle Company

Project Address: 1900 North America Drive
 West Seneca, New York 14224
 West Seneca Center School District)

Agency Request

A sales tax and real property tax abatement in connection with construction of a 15,000 sq. ft. facility for lease to Upstate Pharmacy.

Land Acquisition	\$ 100,000
New Building Construction	1,500,000
Soft Costs	100,000
 Total Project Cost	 \$1,700,000
85%	\$1,445,000

Company Description

Shevlin Land and Cattle Co. (“Shevlin”) is a limited liability corporation formed by Concept Construction for the purpose of the proposed project. Concept Construction is a WNY general contractor specializing in general construction, construction management and design and build services. The company has been in business since 1974 and has focused on hospitals, health care facilities, office buildings, hospitality and lodging, restaurants, schools, hotels and retail development.

Project Description

The developer, Shevlin, is proposing to construct a 15,000 sq. ft. regional dispensary facility for lease to Upstate Pharmacy (“Upstate”).

Upstate provides pharmacy services to residential group homes for people with developmental disabilities and emotional challenges and pharmacy services to cancer patients referred to them by their oncologist or cancer care system like Roswell Park Cancer Institute. They are not a retail, walk-in pharmacy for consumers.

Since 1988, Upstate has provided pharmacy services and supplies to 230 residential group homes in the following counties: Chautauqua, Cattaraugus, Allegheny, Erie, Wyoming, Livingston, Niagara, Genesee, Orleans and Monroe. The company also services 1100 cancer patients in these counties referred to by local physicians and the Roswell Park Cancer Institute.

PILOT Table

The project will generate approximately \$47,000 of revenue to the local taxing jurisdictions over the abatement period representing \$8,000 to the County of Erie, \$12,000 to the Town of West Seneca and \$27,000 to the West Seneca Central School District.

Year	% payment under PILOT	Est. County PI-LOT	Est. Town PILOT	Est. School PILOT	Est. Total PILOT	Full Taxes without PILOT	Net Exemption
1	0.1%	\$550	\$814	\$1,800	\$3,164	\$31,640	\$28,476
2	0.1%	\$550	\$814	\$1,800	\$3,164	\$31,640	\$28,476
3	0.2%	\$1,101	\$1,627	\$3,600	\$6,328	\$31,640	\$25,312
4	0.2%	\$1,101	\$1,627	\$3,600	\$6,328	\$31,640	\$25,312
5	0.3%	\$1,651	\$2,441	\$5,400	\$9,492	\$31,640	\$22,148
6	0.3%	\$1,651	\$2,441	\$5,400	\$9,492	\$31,640	\$22,148
7	0.3%	\$1,651	\$2,441	\$5,400	\$9,492	\$31,640	\$22,148
TOTAL PAYMENTS		\$8,255	\$12,205	\$27,000	\$47,461	\$221,483	\$174,022

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 = \$1,700,000 85% = \$1,445,000
Employment	To coincide with PILOT period	Maintain base: 70 Create 85% of projected: 10 85%: 8 Recapture Employment: 78
Local Labor	Construction Period	Adherence to policy including quarterly reporting
Pay Equity	See recapture period	Adherence to pay equity policy
Recapture Period	Coincides with 7 year PI-LOT term	Recapture of state and local sales taxes and real property taxes

Recapture applies to:
State and Local Sales Taxes
Payment in Lieu of Taxes

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 and real property taxes.

At completion of project company must certify i) total investment amount equal to or greater than 85% of amount proposed ii) confirm that company has maintained base employment of 70 and created 8 additional jobs iii) adherence to local labor policy.