

PROJECT UPDATE:
Bayview Road Associates, LLC
co-applicant: Amazon.com Services, LLC

August 15, 2022



Economic Progress: \$9 of economic benefit to \$1 of incentive

HISTORY

- Resolution Adopted February 16, 2021
- Construction start April 2021
- Project Completion March 2022

PROJECT BENEFITS (EST.)

- Property Taxes = \$599,725
- Income Taxes = \$1,944,720
- Sales Taxes = \$645,691
- New assessed value = \$5,600,000

COMPANY INCENTIVES (EST.)

- Property Tax = \$5,059,645
- Mortgage Tax = \$253,200
- Sales Tax = \$1,767,500
- Total (net of fees)= \$6,848,345

EMPLOYMENT

- Local Labor Construction commitment complete for core and shell
- **Employment commitment required within 2 years of project completion, March 2024.**

Project Address:

Lake Erie Commerce Center
 Hamburg, New York 14219



← BEFORE 68 ACRES UNDEVELOPED

Lake Erie Commerce Center

AFTER 167,815 SQ FT DISTRIBUTION FACILITY ON APPROX 60 ACRES

SUBDIVIDED PARCEL—A 2.5 ACRE AND A 6.2 ACRE PARCEL STILL TO BE DEVELOPED



Project Benefits and Incentives to Date

Investment	Benefits	Incentives
84,000 Local construction labor hours	\$13,460,603 wages \$648,791 tax revenue	\$1,314,000
Mortgage Recording Tax	\$84,400	\$253,200
Property Tax	\$11,951	\$0*
TOTALS	\$14,205,745	\$1,567,200

*Property tax discount (PILOT) begins 2023

Extension Request

Amazon.com Services, LLC Request:

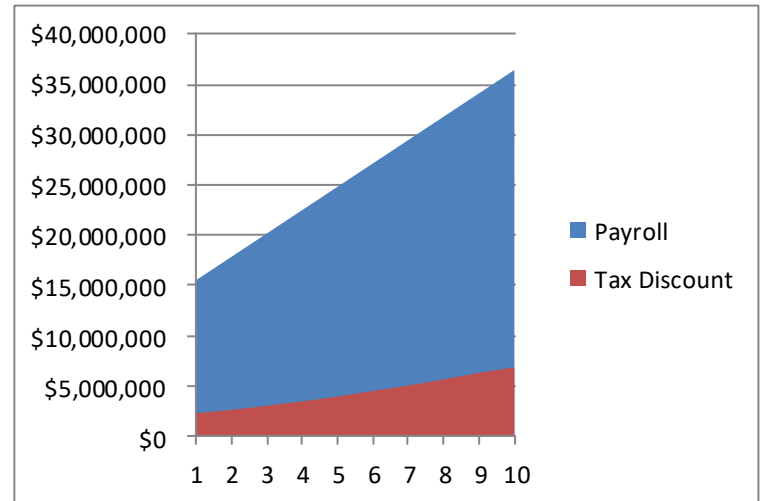
August 2022—”Amazon requests an extension for its sales tax exemption for the construction of its delivery station to be located in Hamburg, NY. Due to various macroeconomic issues such as industry-wide supply chain challenges and inflationary pressures that have impacted not only this site but Amazon’s entire network of facilities, the construction timeline for the site has been delayed. While Amazon remains committed to the site and the community, Amazon requests a two-year extension for the sales tax exemption for the site due to the previously mentioned issues.

As we also discussed, the two year period will allow time for full fit-out, and we can avoid having to go back to the board one year from now. As I believe you know, it is not uncommon for a Sales Tax benefit period to run for more than one year.”

Highlight of Material Terms:

1. Achievement of 75 new full-time equivalent jobs at the project location two years after project completion, and retention of such jobs for duration of the PILOT. —Due by March 2024
2. Investment of not less than \$39,200,000 at the project location as noted in the application.—Complete
3. Compliance with the Agency’s Local Labor Policy in connection with the construction of the Project - Partially Complete

Accrued incentives vs. Accrued Payroll



Discount vs. Investment Comparison

