

Customer Information

Potential Customer:	Yancey's Fancy, Inc./D & Y Cheeses, Inc	Opportunity Type:	Tax Incentive Lease
Proj. St. Address:	BETP	Opportunity Product:	Property, Sales & Mortgage Recording Taxes Only
Town:	Pembroke	Type of Project:	Expansion
Proj. Description:	2013- Expansion	New Jobs:	50
Total Capital Investment:	\$20,671,000	Retained Jobs:	108
Incentive Amount:	\$1,607,332	School District:	Pembroke
Benefited Amount:	\$20,671,000	PILOT Applicable:	

Project Information

Organization:	GCEDC		
Opportunity Source:	Direct/Personal Contact	Date of Public Hearing:	4/16/13- initial public hearing on original project request
			New Public Hearing held Sept. 25

Opportunity Summary:

Discussion: Proposed sales tax and mortgage tax exemptions and property tax abatement

Yancey Fancy has updated their project specifications since submission of their original application for incentives. The original application was received by the GCEDC in April, 2013. According to the original application Yancey's was planning an 112,000 sq. ft. expansion at their existing facility, 857 Main Rd. Corfu, NY. After moving forward with planning and permitting for the expansion the company has decided to build a new facility within the Buffalo East Technology Park (BETP) located in Pembroke, NY. Yancey's Fancy would like to purchase approximately 12 acres within the BETP, and build an 112,000 sq. ft. facility. The capital investment is estimated to be \$18.2 million.

The company plans to keep their artisan cheese operations and retail store in the current location (857 Main Rd.), and to undertake an expansion at this location as well. The second part of the project will include the addition of 3500 sq. ft. at the 857 Main Rd. location where they will install a new reverse osmosis system. The installation of a reverse osmosis system will allow whey produced during the cheese making process to be dried and sold. Currently whey is transported by local farmers at a cost to Yancey's. By utilizing reverse osmosis technology, it is possible to concentrate the solid content enough to sell whey to processors and animal feed operations. Recent technological advances also allow the water removed from the whey to be pumped back into plant operations. These advances, as well as the expansion of the town and village sewer system, have made the reverse osmosis project a viable opportunity in the overall growth strategy that Yancey's Fancy in undertaking. The capital investment of this project is estimated to be \$2.5 million.

The total capital investment for Yancey's project is estimated at \$20.7 million. The company currently has 108 full time equivalent (FTE) employees and expects to add 50 more over three years after the certificate of occupancy is obtained for this new facility. A public hearing was held since incentive sought by the company is over \$100,000 and no public comments resulted.

Board Action Request: Approval of final resolution for the Yancey's Fancy project. The estimated sales tax exemption is valued at \$638,608, and the estimated mortgage tax exemption is valued at \$233,388. The new building and land located within the Buffalo East Technology Park will have an estimated property tax savings of \$686,314, and the incremental increase in assessed value that will apply to the additional square footage at the 857 Main Rd. location will have an estimated property tax savings of \$49,022. The total estimated property tax exemption is valued at \$735,336.

Economic Impact:

19:1 For every \$1 of public benefit the company is investing \$19 into the local economy.

Project Detail (Total Capital Investment)

Building Cost:	\$12,751,000.00	Capital Improvements:	\$0.00
Equipment:	\$4,720,000.00	Other:	\$1,250,000
Land Cost:	\$1,950,000.00		

Total Capital Investment: \$20,671,000.00

Estimated Benefits Provided

Sales Tax Exempt:	\$638,608.00	Tax Exempt Bond:	\$0.00
Mortgage Tax Exempt:	\$233,388.00	Land Sale Subsidy:	\$0.00
Property Tax Exempt:	\$735,336.00		
Total Estimated Tax Incentives Provided:	\$1,607,332.00		

Total Amount Finance: \$0.00

Mortgage Amount: \$0.00 ESD-JDA:

GCEDC RLF: \$0.00 Other Name:

City of Batavia: \$0.00 Other Amount: \$0.00

Chamber of Commerce: