



## Project Summary for IDA Benefits

**Project:** Rolling Frito-Lay Sales LLP #13022104 **Location:** Town of East Fishkill

**Type of Business:** Warehouse / Distribution

### Agency Request

Sales Tax  Mortgage Tax Exemption  PILOT

### Company Description:

Rolling Frito-Lay Sales LP is the sales and distribution entity for Frito-Lay in the United States. Frito-Lay makes, markets, distributes and sells branded snack food such as Cheetos, Doritos, Fritos, Lay’s potato chips, Ruffles potato chips and Tostitos tortilla chips as well as branded dips. Frito-Lay is a wholly owned subsidiary of PepsiCo, a Fortune 50 company, and considered one of the World’s Most Admired Companies” by Fortune magazine.

### Project Description:

Rolling Frito-Lay Sales LP proposes to develop and own the facility to be located at 10-350 North Drive, in East Fishkill (parcel is currently owned by iPark). The proposed project would develop the property into a warehouse and distribution facility of approximately 158,000 square feet and parking for passenger vehicles and trucks, storm water management, landscaping, site lighting, and other utility infrastructure.

### Project Timeline:

Proposed date for commencement of acquisition or construction: Fourth Quarter 2021

The actual or expected dates of:

Construction completion: Q4 2024

Occupancy: Q4 2024

### Total Cost of Project:

Amount Private Investment

Total Project Cost \$ 100,000,000 Private Investment: \$ 100,000,000

Amount of other public financial assistance, grants and source \$ 0

Construction Costs: \$ 31,000,000 Equipment: \$ 49,600,000

### Company Incentives:

Amount of Sales tax benefits: \$5,900,000

Amount of Mortgage Recording Tax: \$0

Estimated real property tax exemption with PILOT\* \$3,4320,00 over 15 years

\* based on InformAnalytics algorithms

**Estimated amount of benefit to State & Region\*:**

Anticipated Property Tax revenue:	<u>\$5,956,000</u>
Anticipated Sales Tax revenue	<u>\$7,248,000</u>
Benefit to Cost Ratio	<u>12:1</u>

*\*figures based on InformAnalytics algorithms*

**Estimated Property Value Increase**

Current Assessed Value	Current Property Tax (2020)	Estimated New Assessed Value	Net Increase	Est. Year 1 Property Taxes Upon Expiration of PILOT
\$973,775	\$27,864	\$21,500,000	\$20,526,225	\$851,881

**Employment Impact**

**Committed total FTE jobs:**  80

Number of existing FTE jobs to be retained  0

Total Number of new FTE Jobs to be created  80 over  2 years.

Annualized Average Salary Range of FTE jobs \$  50,000

Estimated Hourly Wage Average: \$27/hr

Total Number of Construction Jobs to be created  80

Jobs created in the Warehouse and Distribution Industry and Construction is estimated to have the following spillover impact.

Impact Type	Temporary (Construction) Employment	Permanent (Operations) Impact
Initial	80	80
Direct	12	16
Indirect	4	5
Induced	23	11
Total Effect	119	112

*EMSI Impact Scenario Report 8.24.2021*

**Community Benefits:**

- *Revitalization:* The project is consistent the Town’s requirements and would develop what is currently an underutilized parking lot. The project is consistent with the town’s zoning code section 194.46.7 a special zoning code for the redevelopment of the iPark industrial park.
- *Target Industry:* Manufacturing / Distribution
- *Investment:* The project has an estimated project cost of approximately \$100 million.
- *Employment:* The project is committing to the creation of 80 direct permanent jobs and is projected to create 80 direct construction jobs.
- Use of Local Contractor(s) and Labor: Yes  X  No \_\_\_\_\_
- Use of resource conservation, energy efficiency, green technologies and alternative and renewable energy measures: Yes  X  No \_\_\_\_\_

**Project is consistent with Agency's Mission:** Yes, the project will promote economic development resulting in construction jobs and permanent employment.

**The Project has municipal support and PILOT:**

Municipal Support  X  PILOT  X  Request for UTEP Deviation  X  (15 years)

**CEO Comments of Importance**

The Applicant, Rolling Frito-Lay Sales LP proposes to construct a 158,000 square foot warehouse and distribution center at the former IBM West Campus. The site is currently an under-utilized parking lot.

The proposed project is consistent the special permitting and uses and meet the town's intent to develop the iPark Industrial Park site including logistics and distribution, a target industry for Dutchess County.

The Applicant has stated that the project would not be feasible without the assistance of the IDA and that IDA assistance is necessary to remain competitive with the regional economy. If the company is unable to secure IDA assistance, the company would seek a location outside of Dutchess County and/or New York State.

The project is projected to create 80 direct permanent jobs and 80 direct construction jobs. EMSI, the workforce analytics program estimates 39 additional construction jobs and 32 spillover jobs may be created as a result of the ripple effect of the project.

The average salaried positions is estimated at \$50,000/ per year. The company also offers a comprehensive benefits package and other employee benefits to its eligible employees.

The project is requesting a 15 year deviated PILOT which has the support of the Town of East Fishkill and the Wappingers School District.

**Mission Statement:**

The Dutchess County Industrial Development Agency [DCIDA] was created to further economic development in Dutchess County by providing financial assistance to private entities through tax incentives including the issuance of bonds to facilitate the building of capital projects with the resultant construction jobs and permanent follow on employment.