

**NATIVE DEVELOPMENT ASSOCIATES LLC Application**  
**As Refers To The Specialty Sales LLC HoofStrong Project For Benefits From The**  
**WARREN And WASHINGTON INDUSTRIAL DEVELOPMENT AGENCY**

From: Chuck Barton, WWIDA Chief Executive Officer

Date: July 10, 2023

The purpose of this memorandum is to set forth the facts and considerations utilized by the Counties of Warren and Washington Industrial Development Agency (“WWIDA”) in rendering a decision to provide financial assistance via investment incentives to Native Development Associates LLC (“NDA LLC”) to be passed along to a park tenant, Specialty Sales LLC for the HoofStrong project (“Project”) in Queensbury, NY. This is a dairy cattle hoof health company that manufactures equipment and provides treatment solutions.

This document recognizes several factors considered by the WWIDA and is intended to provide a concise record of the issues considered as well as the justification for the investment incentive package, if offered by the WWIDA Board.

**COMPANY AND PROJECT DESCRIPTIONS and PROJECT FEASIBILITY**

Native Development Associates LLC, of Wilton, NY owns Native Park located at 24 Native Drive in Queensbury, New York with one major tenant, Sheet Labels and multiple lots available for development.

NDA LLC attracted Specialty Sales LLC (SS LLC) of Fresno, California, with a ten-year agreement to build and lease a 25,000 SF facility at 26 Native



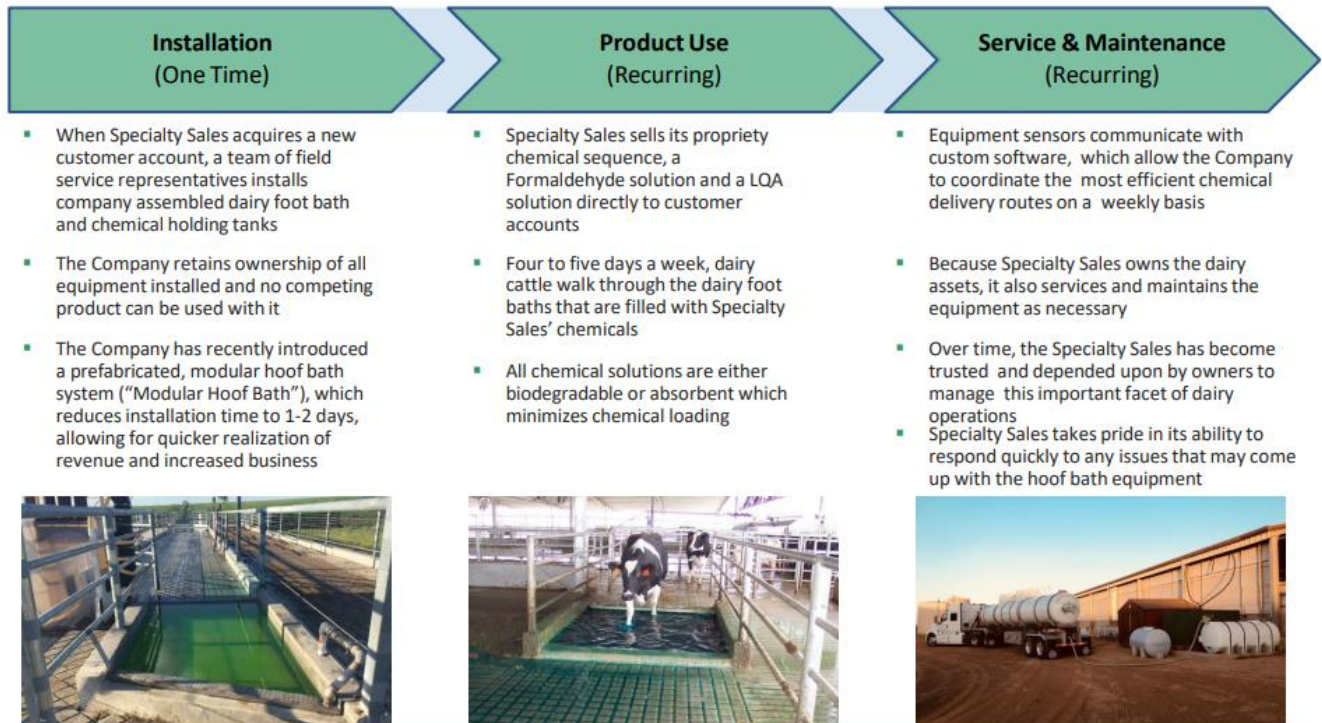
Drive in Queensbury (highlighted in yellow below). The Warren County Economic Development Corporation assisted NDA LLC and referenced the project to the WWIDA.



Native Park Buildings

- #1 Sheet Labels
- #2 Specialty Sales LLC (Tax Parcel 308-20-1-9.22)
- #3 Not Yet Built
- #4 Not Yet Built
- #5 Not Yet Built

SS LLC was founded in 1999 and has facilities located in Fresno, CA; Jerome, ID; Dumas, TX; and Plymouth, WI. The company, under the brand name HoofStrong, manufactures and installs footbath systems and supplies proprietary reagents/solutions to commercial dairies to improve the health of cows and to increase milk production. According to SS LLC, for the average sized dairy customer, using Specialty Sales products saves approximately \$220,000 per year versus an average untreated dairy. SS LLC claims 28% of the United States dairy herd under contract and a 97% customer retention rate since 2001.



**Consistent product quality and reliability of service has been the key to Specialty Sales' success**





and the assessed value as determined by the assessor. Consequently, the actual benefit may vary from the projected estimate.)

2. **State and County sales tax abatement** totaling 7% based on up to \$1,314,285 subject to sales tax. The WWIDA calculates this estimated savings at **\$92,000**.
3. **Mortgage tax abatement** of 1.25% from an estimated financing loan of \$2,700,000. The WWIDA calculates this estimated savings at **\$33,750**.

The proposed investment incentives for NDA LLC assisted with the attraction of SS LLC to the Queensbury site. The incentives reduced triple net charges to approximately \$1.50 per square foot, a low cost versus the norm. **NDA LLC stated the investment incentives were a key point in reaching agreement with SS LLC, confirming the necessity of the incentives.**

## **COMMUNITY AND ECONOMIC IMPACTS:**

Specific community and economic benefits of the Project include:

1. **Support the regional dairy industry and improve the health and productivity of regional cattle.**
2. **Generate an estimated 20 construction jobs** from August 2023 to March 2023.
3. **Source construction materials estimated at \$1,051,428 within Warren County and New York State.**
4. **Generate an estimated 8 Full-Time Equivalent employment positions** with estimated total annual wages and benefits is \$586,161.
5. **Generate estimated PILOT payments of \$160,885** over ten years.
6. **Generate Community Cost Benefit Ratio estimated at 1 to 11** over the ten years. The estimated “cost” of all State, County, and Town incentives is \$608,406. The estimated “benefits” to the community is \$6.8 million. (See analysis in the Appendix.)
7. **Generate Community Net Benefit estimated at \$5.1 million** over ten years, adjusted to net present value at 3%. (See analysis in the Appendix.)

In conclusion, approving the NDA LLC application would enable the SS LLC HoofStrong project and be in the economic and community interests of the residents of Warren and Washington Counties.



Warren-Washington Counties Industrial Development Agency

5 Warren Street, Glens Falls, NY 12801

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IDA Project Applicant: Native Development Associates LLC

Project Name: Specialty Sales LLC - HoofStrong

Project Type: Manufacturing Facility For Cattle Hoof Health Baths

Project Street Location: 26 Native Drive

Project Municipality: Town of Queensbury

Parcel Identification: 308-20-1-9.22

Project Description: Construction of 25,000 SF facility

Total Project Investment: \$3,631,207

Project Material Terms: \$3,081,207 in equipment and infrastructure

IDA Benefits Provided: Mortgage, Sales and Use Tax Exemptions, and PILOT

Community Benefits:  
(over ten years)

- a. Support regional dairy industry.
- b. Support at least 20 construction jobs.
- c. Generate local construction materials sales over \$1.0M.
- d. Create at least 8 Full-Time Equivalent jobs.
- e. PILOT payments of \$161K.
- h. Community Cost Benefit Ratio: 1 to 11.
- i. Net Community Benefit: \$5.2M (NPV @ 3%).

# Appendix

**NATIVE DEVELOPMENT HOOFFSTRONG INCENTIVES ESTIMATION**  
 100% FIRST FIVE YEARS AND 50% SECOND FIVE YEARS

Section V - WWIDA Application  
 06 15 2023

Base Land	Est. New Construction Dollar Value	Estimated New Assessed	2023 County Tax Rate / 1000	2023 Town Tax Rate / 1000	Village Tax Rate /1000	2022-23 School Tax rate / 1000		
\$135,000	\$3,081,207	\$3,216,207	\$3.97400	\$0.82100		\$16.09100		
PILOT YEAR	% PAYMENT	COUNTY PILOT AMOUNT	TOWN PILOT AMOUNT	VILLAGE PILOT AMOUNT	SCHOOL PILOT AMOUNT	TOTAL PILOT	FULL PAYMENT W/O PILOT	ESTIMATED NET EXEMPTION
1	0%	\$0	\$0	\$0	\$0	\$0	\$64,354	\$64,354
2	0%	\$0	\$0	\$0	\$0	\$0	\$64,354	\$64,354
3	0%	\$0	\$0	\$0	\$0	\$0	\$64,354	\$64,354
4	0%	\$0	\$0	\$0	\$0	\$0	\$64,354	\$64,354
5	0%	\$0	\$0	\$0	\$0	\$0	\$64,354	\$64,354
6	50%	\$6,122	\$1,265	\$0	\$24,790	\$32,177	\$64,354	\$32,177
7	50%	\$6,122	\$1,265	\$0	\$24,790	\$32,177	\$64,354	\$32,177
8	50%	\$6,122	\$1,265	\$0	\$24,790	\$32,177	\$64,354	\$32,177
9	50%	\$6,122	\$1,265	\$0	\$24,790	\$32,177	\$64,354	\$32,177
10	50%	\$6,122	\$1,265	\$0	\$24,790	\$32,177	\$64,354	\$32,177
Totals		\$30,612	\$6,324	\$0	\$123,949	\$160,885	\$643,541	\$482,656
FULL ANNUAL PAYMENT		\$12,245	\$2,530	\$0	\$49,580	====>	\$64,354	
<b>Estimated Tax Exemptions:</b>		<b>Estimated Cost Benefit Ratio:</b>			<i>I have read and reviewed the Section V information completed by the WWIDA.</i>			
Improvements	\$482,656	Estimated Total Project Cost		\$3,631,207	Name:			
Sales & Use 7%	\$92,000	Gross Benefit All Incentives		\$608,406	Signature:			
Mortgage 1.25%	\$33,750	Benefit / Cost Ratio		16.8%	Date:			
Gross Benefit	\$608,406							
Fee 0.9%	(\$32,681)							
<b>Net Benefit</b>	<b>\$575,725</b>							

**Native Development Associates Hoofstrong WWIDA Application**  
**Community Cost Benefit Analysis**  
**June 28, 2023**

Year	Community "Cost"					Community "Benefit"				Net "Benefit"
	State 4% Sale Tax Exempt.	County 3% Sale Tax Exempt.	Mortgage Tax Exempt.	Net Property Exempt.	TOTAL Exempt.	8 FTE Wages & Benefits	20 Const. Jobs Wages & Ben. for 6 months	PILOT Payments	TOTAL	
0	(\$52,571)	(\$39,429)	(\$33,750)		(\$125,750)		\$750,000		\$750,000	\$624,250
1				(\$64,354)	(\$64,354)	\$586,616		\$0	\$586,616	\$522,262
2				(\$64,354)	(\$64,354)	\$586,616		\$0	\$586,616	\$522,262
3				(\$64,354)	(\$64,354)	\$586,616		\$0	\$586,616	\$522,262
4				(\$64,354)	(\$64,354)	\$586,616		\$0	\$586,616	\$522,262
5				(\$64,354)	(\$64,354)	\$586,616		\$0	\$586,616	\$522,262
6				(\$32,177)	(\$32,177)	\$586,616		\$32,177	\$618,793	\$586,616
7				(\$32,177)	(\$32,177)	\$586,616		\$32,177	\$618,793	\$586,616
8				(\$32,177)	(\$32,177)	\$586,616		\$32,177	\$618,793	\$586,616
9				(\$32,177)	(\$32,177)	\$586,616		\$32,177	\$618,793	\$586,616
10				(\$32,177)	(\$32,177)	\$586,616		\$32,177	\$618,793	\$586,616
<b>TOTAL</b>	(\$52,571)	(\$39,429)	(\$33,750)	(\$482,656)	<b>(\$608,406)</b>	\$5,866,160	\$750,000	\$160,885	<b>\$6,777,045</b>	<b>\$6,168,640</b>
The Cost to Benefit Ratio is ==>					<b>1</b>	to =====>			<b>11.1</b>	

**Net Benefits - Net Present Value @ 3%    \$5,178,137**