



**NATIVE DEVELOPMENT ASSOCIATES LLC** Application For 40,000 Square Feet Manufacturing and Warehousing Addition At 24 Native Drive, Queensbury, New York For Investment Incentives From The WARREN & WASHINGTON INDUSTRIAL DEVELOPMENT AGENCY

From: Chuck Barton, Chief Executive Officer

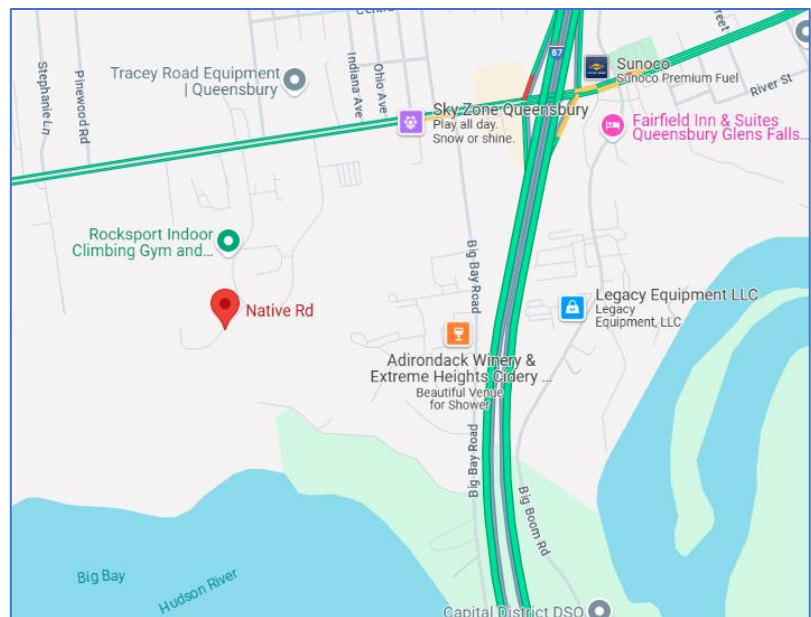
Date: April 23, 2025

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 to Native Development Associates LLC ("NDA LLC") for the construction and development of 40,000 square foot manufacturing and warehousing addition located at 24 Native Drive in the Town of Queensbury. 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.

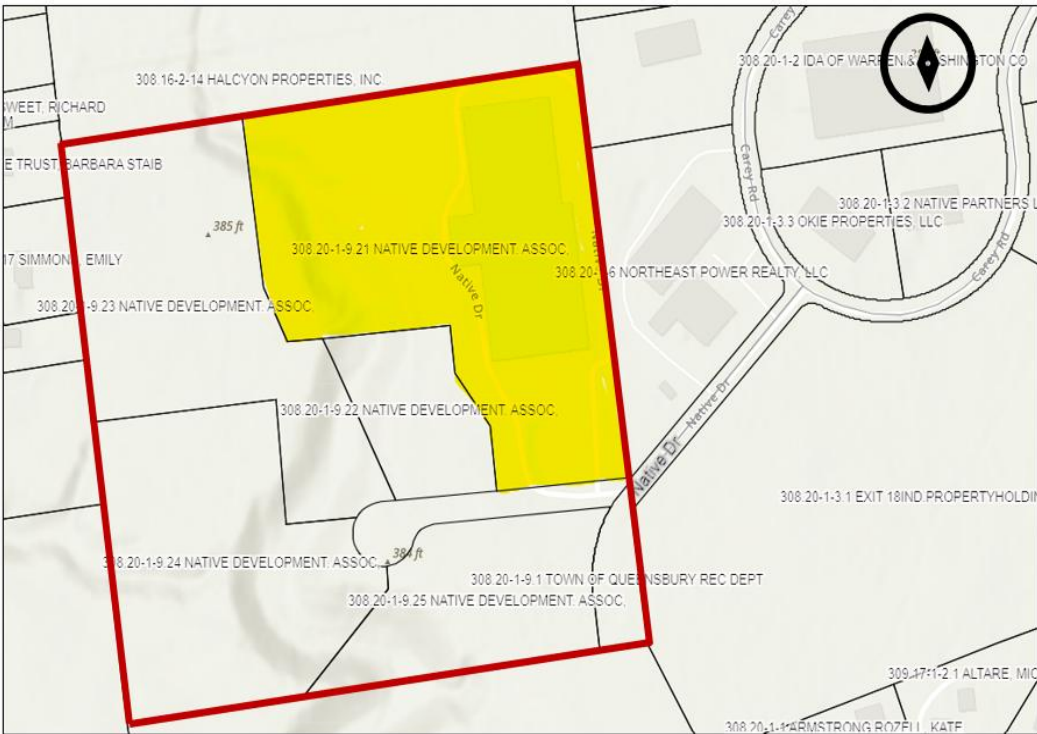
## COMPANY DESCRIPTION

Native Development Associates LLC, of Wilton, New York owns Native Park. It is located at Native Drive, slightly more than a mile west from Exit 18 off Interstate 87.

Native Park has over 33 acres with five lots zoned Commercial Light Industrial for manufacturing and warehouse



distribution. The Park is outlined in red below. The highlighted lot below contains Building #1 and the proposed 40,000 SF addition.



Building #1 is 136,320 SF with a few tenants: Sheet Labels, AngioDynamics, Medline Industries, and Northeast Power Systems Incorporated (NEPSI). Building #2 is ~25,000 SF and leased to Specialty Sales, from California. (The company recently underwent restructuring, and the lease may be terminated for another lessee – discussions are underway.) NDA LLC is seeking tenants to construct Building #3, #4, and #5 in the future.



Stephen Springer is a managing partner and co-owner of Native Development Associates LLC, a real estate development firm. He collaborates with Tim Barber, president of JAG Group, on various projects, including the redevelopment of the former Native Textiles mill into Native Park, a relatively new industrial complex. Nick Taylor and Richard Taylor are also LLC members.

## **PROJECT DESCRIPTION**

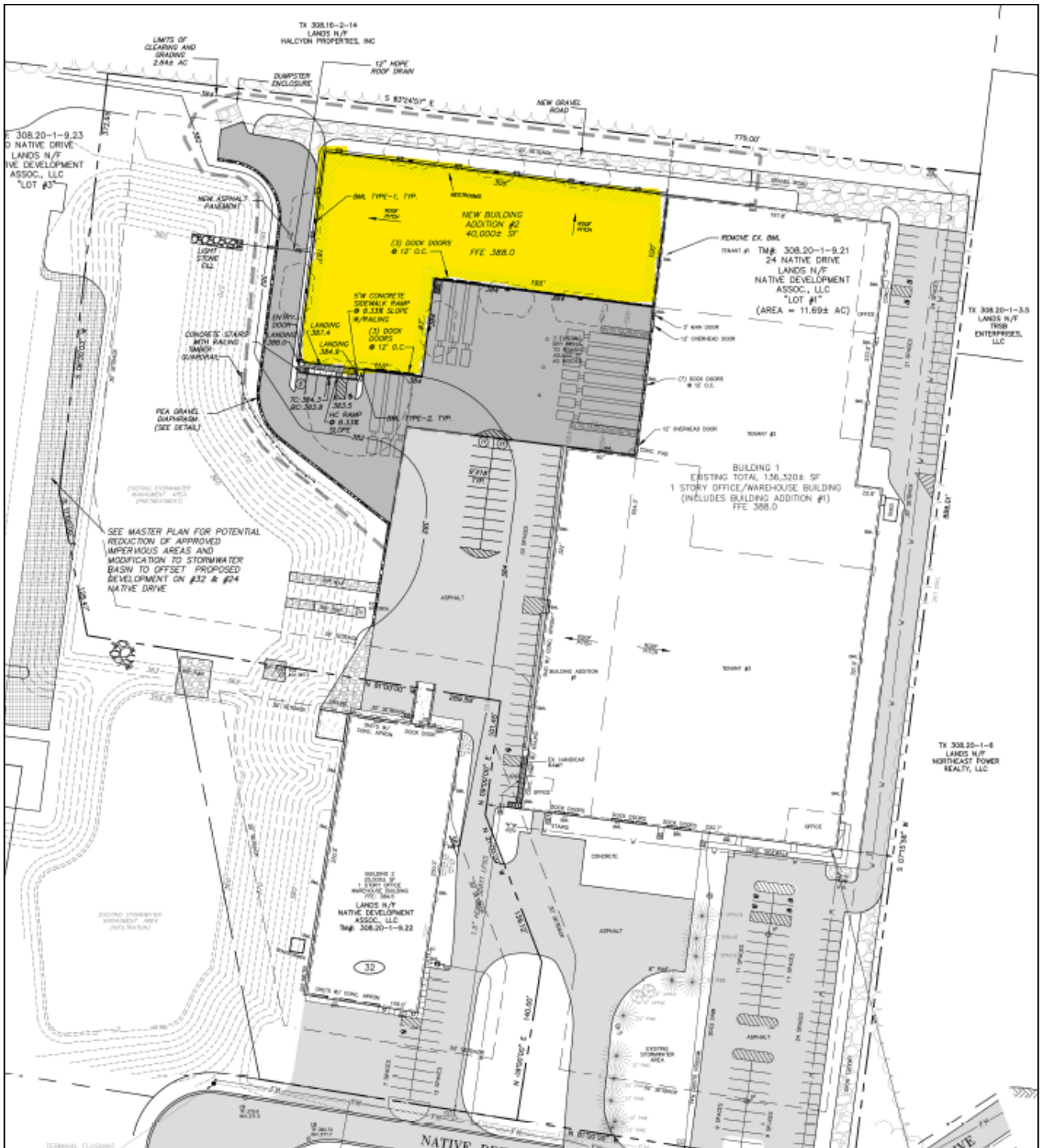
Native Development Associates, LLC is proposing to construct a 40,000 SF building addition to the existing 136,320 SF manufacturing and warehouse facility on tax map lot 308.20-1-9.21. The 11.69-acre parcel is located within the Commercial Light Industrial (CLI) Zoning District. The proposed site improvements are intended to increase the manufacturing/storage area of the building, and provide a newer, more modern office area for employees, along with additional parking. Six new loading docks are to be installed to better accommodate trailer deliveries. The building addition is highlighted on the site plan on the next page.

The current land use of the parcel is compatible with the CLI Zoning District, and no change of use is proposed. The building addition conforms to the approved master site plan for 24 Native Drive. No sewer or water service modifications are proposed at this time, and stormwater will be directed to the site's stormwater management area, which is currently sized appropriately for this project. The master SWPPP for this site requires no amendment. Approximately 2.64 acres of disturbance will occur during construction. The project will be constructed in a single phase, over an estimated 6-month time period.

The proposed project was approved by the Queensbury Planning Board on February 18, 2025. The Planning Board also reviewed the potential environmental impacts of the project and adopted a SEQRA Negative Declaration Determination of Non- Significance.

The project total investment is expected to be \$3,751,000. The major cost elements are building construction for \$2,766,600; infrastructure work (earthwork, parking lot, & utilities) for \$794,400; and soft costs (design, fees, insurance, & other) for \$190,000.

These project costs exclude the acquisition of the property and installation of roads and basic industrial utilities estimated at \$1,500,000 which were incurred in 2017.



Financing for the project is expected via Arrow Bank. NDA LLC recognizes the WWIDA closing for investment incentives is contingent upon the bank closing.

NDA LLC has established a Letter of Intent with a well-established manufacturing company based in Queensbury that is intending to expand under a triple net lease including the benefits of the WWIDA incentives. NDA LLC recognizes the leasing arrangement needs to be finalized for a WWIDA closing.

The total assessment value of the lot 308.20-1-9.21 in 2025 was \$5,890,000 (before the addition). “Base” 2025 property taxes on the lot total \$114,860. “Base” annual property taxes will continue each year.

## **ANALYSIS OF PILOT AND ABATEMENT REQUEST**

Native Development Associates LLC requested investment incentives for the 40,000 SF Addition project are:

1. **Property tax incentives** in the form of a Payment In Lieu of Taxes (PILOT). The project qualifies for a PILOT within WWIDA’s Uniform Tax Exemption Policy. The PILOT payments will be for a term of 10 years with a 100% exemption of real property taxes on the value of the improvements for years 1 through 5 and a 50% exemption of real property taxes on the value of the improvements for years 6 through 10, after construction is completed. This totals an estimated \$153,311 in payments over ten years versus an estimated \$613,246 without the investment incentive. **The estimated property tax benefit is \$459,934 over 10 years** (see Appendix for details.).
2. State and County **sales tax abatement** totaling 7% based on \$2,176,00 in purchases subject to sales tax. **The estimated benefit is \$152,362.**
3. Mortgage tax abatement of 1.00% from an estimated mortgage loan of \$3,751,000. **The estimated mortgage tax benefit is \$37,510.**

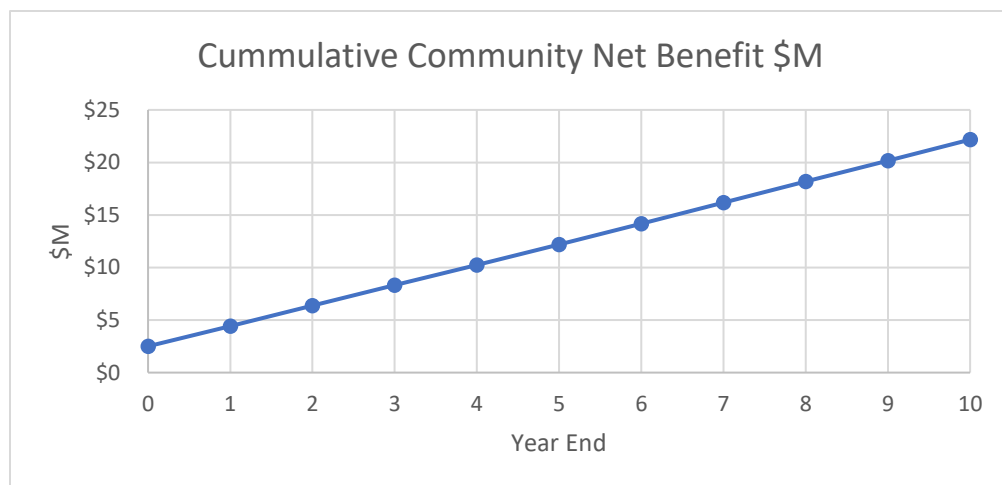
The proposed total gross investment incentive for NDA LLC is an estimated \$649,806 before fees. The WWIDA administrative fee is \$33,759 for servicing the incentives including the 10-year PILOT. The estimated legal fee is \$15,000. **The estimated total net investment incentive is \$601,047.**

NDA LLC explains that financial assistance from WWIDA will enable the company to attract business and associated jobs. The application states, “To do this we need to be competitive with our Triple Net rates. There are several other IDA-sponsored facilities currently for lease at Exit 9 [south off Interstate 87]. We are negotiating a lease at a rate assuming WWIDA participation which lowers the cost [by] \$1.50 [per] square foot on the Triple Nets.”

## COMMUNITY IMPACT SUMMARY and APPLICATION RECOMMENATION

The community and economic benefits of the proposed NDA LLC project **over ten years**:

1. Support and encourage the local manufacturing and warehousing industries.
2. Generate an estimated 35-45 local construction jobs valued at \$1,384,400.
3. Generate construction materials sales with an estimated value of \$2,176,600 with 60% sourced in the Counties and New York State.
4. Create an estimated 30 full-time equivalent employment positions with estimated total wages and benefits of \$19,980,000.
5. Generate PILOT payments estimated at over \$153,311.
6. Generate a Community Cost Benefit Ratio estimated at 1 to 35.
7. The Community Net Benefit Value is estimated at \$22.1 million (or \$17.1 million at a 4% net present value rate).



In conclusion, approving the Native Development Associates LLC application and supporting the construction of the 40,000 SF Addition would be in the community and economic interests of the residents of Warren and Washington Counties.



5 Warren Street, Glens Falls, NY 12801

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IDA Project Applicant: Native Development Associates LLC

Project Name: 40,000 SF Addition

Project Type: Manufacturing and Warehousing

Project Street Location: 24 Native Drive

Project Municipality: Town of Queensbury

Parcel Identification: 308.20-1-9.21

Project Description: Facility Expansion

Total Project Investment: \$3,751,000

Project Material Terms: Construct 40,000 SF facility expansion on 11.7-acre site

IDA Benefits Provided: PILOT  
Sales Tax Exemption  
Mortgage Tax Exemption

Estimated  
Community Benefits  
Over Ten Years:

- a. Support regional manufacturing and warehousing
- b. Generate \$2.7M local construction activity
- c. Generate 30 full positions valued at \$2.0M/year
- d. Community Incremental Cost Benefit Ratio: 1 to 15
- f. Net Community Benefit of \$17.7M (NPV @ 4%)

# Appendix



**Native Development 40,000 SF Addition INCENTIVES Estimation**  
 PILOT 100% INCENTIVE YEARS 1-5, 50% INCENTIVE YEARS 6-10

**FINAL**  
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| 308.20-1-9.21<br>Property Base<br>2024 Value | Estimated New<br>Construction \$<br>Value | Estimated<br>New Assessed<br>Value | 2025 County<br>Tax Rate /<br>1000 | 2025 Town<br>Tax Rate /<br>1000      | Village Tax Rate<br>/1000 | 2024-25 Qby<br>School Tax<br>Rate / 1000 |                              |                               |  |
|--|---|------------------------------------|-----------------------------------|--------------------------------------|---------------------------|--|------------------------------|-------------------------------|--|
| \$5,890,000                                  | \$3,561,000                               | \$9,451,000                        | \$3.26100                         | \$0.64900                            |                           | \$13.31117                               |                              |                               |  |
| PILOT YEAR                                   | % PAYMENT                                 | COUNTY<br>PILOT                    | TOWN PILOT                        | VILLAGE<br>PILOT                     | SCHOOL PILOT              | TOTAL PILOT                              | FULL<br>PAYMENT w/o<br>PILOT | ESTIMATED<br>NET<br>EXEMPTION |  |
| 1  | 0%  | \$0                                | \$0                               | \$0                                  | \$0                       | \$0                                      | \$61,325                     | \$61,325                      |  |
| 2  | 0%  | \$0                                | \$0                               | \$0                                  | \$0                       | \$0                                      | \$61,325                     | \$61,325                      |  |
| 3  | 0%  | \$0                                | \$0                               | \$0                                  | \$0                       | \$0                                      | \$61,325                     | \$61,325                      |  |
| 4  | 0%  | \$0                                | \$0                               | \$0                                  | \$0                       | \$0                                      | \$61,325                     | \$61,325                      |  |
| 5  | 0%  | \$0                                | \$0                               | \$0                                  | \$0                       | \$0                                      | \$61,325                     | \$61,325                      |  |
| 6  | 50%                                       | \$5,806                            | \$1,156                           | \$0                                  | \$23,701                  | \$30,662                                 | \$61,325                     | \$30,662                      |  |
| 7  | 50%                                       | \$5,806                            | \$1,156                           | \$0                                  | \$23,701                  | \$30,662                                 | \$61,325                     | \$30,662                      |  |
| 8  | 50%                                       | \$5,806                            | \$1,156                           | \$0                                  | \$23,701                  | \$30,662                                 | \$61,325                     | \$30,662                      |  |
| 9  | 50%                                       | \$5,806                            | \$1,156                           | \$0                                  | \$23,701                  | \$30,662                                 | \$61,325                     | \$30,662                      |  |
| 10   | 50%                                       | \$5,806                            | \$1,156                           | \$0                                  | \$23,701                  | \$30,662                                 | \$61,325                     | \$30,662                      |  |
| Totals                                       |   | \$29,031                           | \$5,778                           | \$0                                  | \$118,503                 | \$153,311                                | \$613,246                    | \$459,934                     |  |
| FULL ANNUAL PAYMENT                          |   | \$11,612                           | \$2,311                           | \$0                                  | \$47,401                  | ====>                                    | \$61,325                     |                               |  |
| <b>Estimated Tax Exemptions:</b>             |   |                                    |                                   | <b>Estimated Cost Benefit Ratio:</b> |                           |  |                              |                               |  |
| Assumptions:                                 |   |                                    |                                   |                                      |                           |  |                              |                               |  |
| Property                                     | \$459,934                                 |                                    |                                   | Estimated Total Project Cost         | \$3,751,000               |  |                              |                               |  |
| Sales & Use 7%                               | \$152,362                                 | \$2,176,600                        |                                   | Gross Benefit All Incentives         | \$649,806                 |  |                              |                               |  |
| Mortgage 1.0%                                | \$37,510                                  | \$3,751,000                        |                                   | Gross Benefit / Cost Ratio           | 17.3%                     |  |                              |                               |  |
| Gross Benefit                                | \$649,806                                 |                                    |                                   | Net Benefit All Incentives           | \$601,047                 |  |                              |                               |  |
| IDA Fee                                      | (\$33,759)                                | See below.                         |                                   | Net Benefit / Cost Ratio             | 16.0%                     |  |                              |                               |  |
| IDA Legal Est.                               | (\$15,000)                                |                                    |                                   |                                      |                           |  |                              |                               |  |
| <b>Net Benefit</b>                           | <b>\$601,047</b>                          |                                    |                                   |                                      |                           |  |                              |                               |  |

| WWIDA Fee   | % Project | Project \$  | Fee \$   |
|-------------|-----------|-------------|----------|
| First \$10M | 0.90%     | \$3,751,000 | \$33,759 |
| Next \$10M  | 0.65%     | \$0         | \$0      |
| Next \$30M  | 0.40%     | \$0         | \$0      |
| Over \$50M  | 0.25%     | \$0         | \$0      |
| TOTAL       |           | \$3,751,000 | \$33,759 |

Native Development 40,000 SF Addition INCENTIVES Estimation  
 Community Cost Benefit Analysis  
 PILOT 100% INCENTIVE YEARS 1-5, 50% INCENTIVE YEARS 6-10

FINAL  
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| Year                             | Community Tax Exemption "Costs" |                                  |                            |                            |                           | Community Gross "Benefits"              |                                 |   |                  |                     | Net "Benefit"       |
|----------------------------------|---------------------------------|----------------------------------|----------------------------|----------------------------|---------------------------|---|---------------------------------|---|------------------|---------------------|---------------------|
|                                  | State 4%<br>Sale Tax<br>Exempt. | County 3%<br>Sale Tax<br>Exempt. | Mortgage<br>Tax<br>Exempt. | Net<br>Property<br>Exempt. | TOTAL<br>Gross<br>Exempt. | Incremental*<br>Wages &<br>Fringes Ben. | Construction<br>Jobs<br>35 - 45 | Construction<br>Materials<br>in NYS (60%) | PILOT            | TOTAL<br>Benefit    |                     |
| 0                                | (\$87,064)                      | (\$65,298)                       | (\$37,510)                 |                            | (\$189,872)               | \$0                                     | \$1,384,400                     | \$1,305,960                               | \$0              | \$2,690,360         | \$2,500,488         |
| 1                                |                                 |                                  |                            | (\$61,325)                 | (\$61,325)                | \$1,998,000                             |                                 |   | \$0              | \$1,998,000         | \$1,936,675         |
| 2                                |                                 |                                  |                            | (\$61,325)                 | (\$61,325)                | \$1,998,000                             |                                 |   | \$0              | \$1,998,000         | \$1,936,675         |
| 3                                |                                 |                                  |                            | (\$61,325)                 | (\$61,325)                | \$1,998,000                             |                                 |   | \$0              | \$1,998,000         | \$1,936,675         |
| 4                                |                                 |                                  |                            | (\$61,325)                 | (\$61,325)                | \$1,998,000                             |                                 |   | \$0              | \$1,998,000         | \$1,936,675         |
| 5                                |                                 |                                  |                            | (\$61,325)                 | (\$61,325)                | \$1,998,000                             |                                 |   | \$0              | \$1,998,000         | \$1,936,675         |
| 6                                |                                 |                                  |                            | (\$30,662)                 | (\$30,662)                | \$1,998,000                             |                                 |   | \$30,662         | \$2,028,662         | \$1,998,000         |
| 7                                |                                 |                                  |                            | (\$30,662)                 | (\$30,662)                | \$1,998,000                             |                                 |   | \$30,662         | \$2,028,662         | \$1,998,000         |
| 8                                |                                 |                                  |                            | (\$30,662)                 | (\$30,662)                | \$1,998,000                             |                                 |   | \$30,662         | \$2,028,662         | \$1,998,000         |
| 9                                |                                 |                                  |                            | (\$30,662)                 | (\$30,662)                | \$1,998,000                             |                                 |   | \$30,662         | \$2,028,662         | \$1,998,000         |
| 10                               |                                 |                                  |                            | (\$30,662)                 | (\$30,662)                | \$1,998,000                             | \$0                             | \$0                                       | \$30,662         | \$2,028,662         | \$1,998,000         |
| <b>TOTAL</b>                     | <b>(\$87,064)</b>               | <b>(\$65,298)</b>                |                            | <b>(\$459,934)</b>         | <b>(\$649,806)</b>        | <b>\$19,980,000</b>                     | <b>\$1,384,400</b>              | <b>\$1,305,960</b>                        | <b>\$153,311</b> | <b>\$22,823,671</b> | <b>\$22,173,865</b> |
| The Cost to Benefit Ratio is ==> |                                 |                                  |                            |                            | <b>1</b>                  | to =====>                               |                                 |   |                  | <b>35.1</b>         |                     |

Net Benefits - Net Present Value @ 4% \$17,724,088