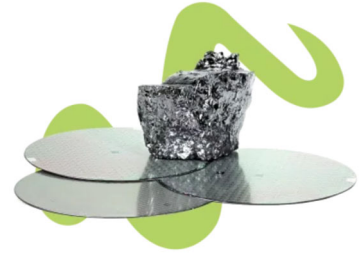


PROJECT SUMMARY

Niacet Corporation



Applicant:	Niacet Corporation	
Project Location:	400 47 th Street Niagara Falls (25,000 sq. ft. new construction at site, renovations to building 108-12,300 sq. ft., renovations to building 107- 4,600 sq. ft.)	
Assistance:	15 Year PILOT Sales Tax Abatement	
Description:	<p>Niacet Corporation (“Niacet” or “Company”) is a leading global specialty chemical manufacturer. Niacet’s Niagara Falls operations can be traced back to 1924, when its first semi-commercial chemical plant was put into operation in Niagara Falls. The Company maintains two primary manufacturing sites, one in Niagara Falls, NY and the other in Tiel, the Netherlands. In September 2021, Niacet was acquired by Kerry Group, an Ireland based global company with over 35 US manufacturing locations.</p> <p>The Niagara Falls facility produces ultra-high purity Anhydrous Hydrogen Chloride (aHCL), a colorless, corrosive, toxic, nonflammable gas that is necessary to create epitaxial semiconductor wafers and is used to etch semiconductor crystals. As the US Department invests CHIPS Act funds to expand manufacturing facilities for leading edge CHIPS in the United States, an increased supply of ultra-high purity aHCL will be a critical component.</p> <p>Niacet’s facility services the semiconductor industry and meets a critical need in the semiconductor supply chain; however, rapid expansion is necessary to fill new demand for defense and commercial purposes. If this demand cannot be met it will encourage foreign investment and force activity outside of the United States.</p> <p>In deciding whether to pursue this expansion, Niacet will consider the total costs of capital expenditures, the possibility for future semiconductor market growth, and the availability of federal, state and local incentives.</p>	
Project Costs:	Construction/Improvements	\$ 53,000,000
	FF/Equipment	\$ 36,000,000
	Soft costs	\$ 32,000,000
	TOTAL	\$ 121,000,000
Employment:	Current jobs in Niagara County:	102
	New Jobs in Niagara County within 3 years:	37
	Skills: Operators, engineers, chemists, mechanics, electrician, production managers, material handlers	
Evaluative Criteria:	Regional Wealth Creation, Research and Development Activities, Locational Land Use Factors, Retention, Workforce Access	

Niagara County Industrial Development Agency

MRB Cost Benefit Calculator

Date: January 31, 2023
 Project Title: Niacet Corporation
 Project Location: 400 47st Street Niagara Falls NY 14304



Economic Impacts

Summary of Economic Impacts over the Life of the PILOT

Project Total Investment

\$121,000,000

Temporary (Construction)

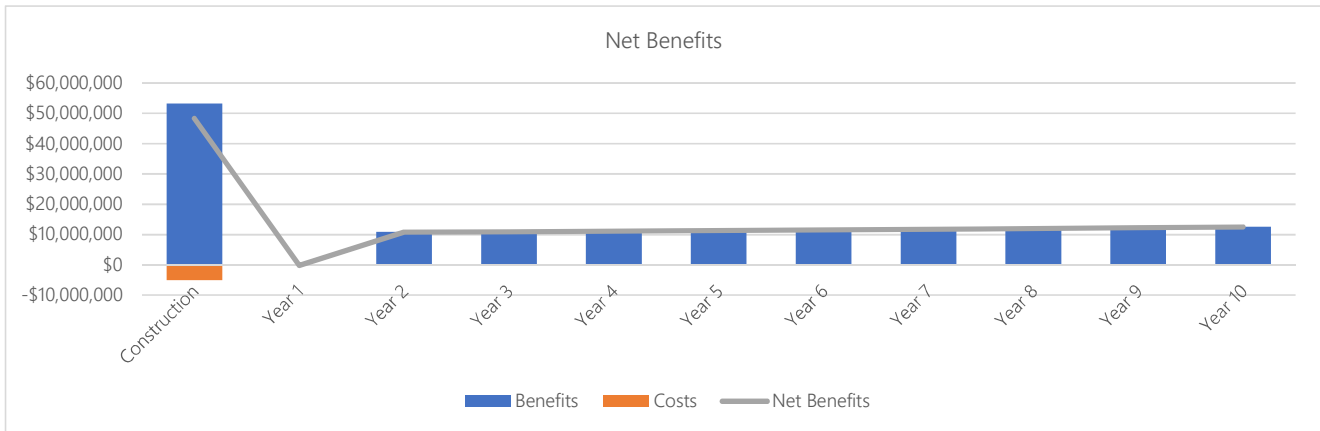
	Direct	Indirect	Total
Jobs	491	210	701
Earnings	\$40,030,360	\$10,319,646	\$50,350,006
Local Spend	\$96,800,000	\$35,003,799	\$131,803,799

Ongoing (Operations)

Aggregate over life of the PILOT

	Direct	Indirect	Total
Jobs	37	175	212
Earnings	\$52,215,504	\$111,345,716	\$163,561,220

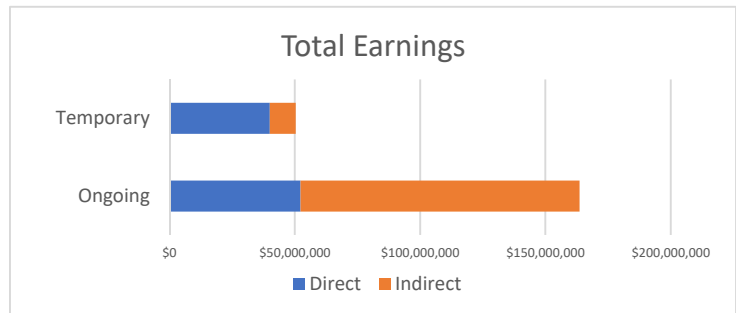
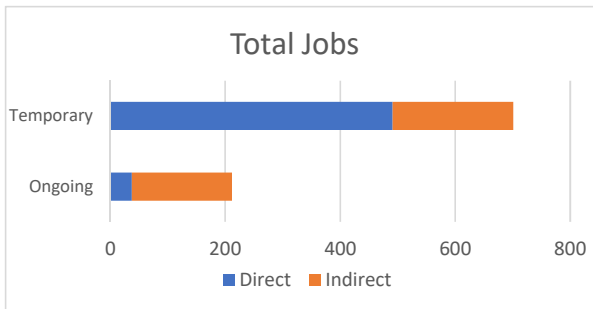
Figure 1



Net Benefits chart will always display construction through year 10, irrespective of the length of the PILOT.

Figure 2

Figure 3



Fiscal Impacts



Cost-Benefit Analysis Tool powered by MRB Group

Estimated Costs of Exemptions

	Nominal Value	Discounted Value*
Property Tax Exemption	\$611,332	\$530,893
Sales Tax Exemption	\$5,000,000	\$5,000,000
Local Sales Tax Exemption	\$2,500,000	\$2,500,000
State Sales Tax Exemption	\$2,500,000	\$2,500,000
Mortgage Recording Tax Exemption	\$0	\$0
Local Mortgage Recording Tax Exemption	\$0	\$0
State Mortgage Recording Tax Exemption	\$0	\$0
Total Costs	\$5,611,332	\$5,530,893

State and Local Benefits

	Nominal Value	Discounted Value*
Local Benefits	\$213,226,250	\$187,614,037
To Private Individuals	\$213,911,226	\$188,157,425
Temporary Payroll	\$50,350,006	\$50,350,006
Ongoing Payroll	\$163,561,220	\$137,807,419
Other Payments to Private Individuals	\$0	\$0
To the Public	(\$684,976)	(\$543,388)
Increase in Property Tax Revenue	(\$2,182,354)	(\$1,860,490)
Temporary Jobs - Sales Tax Revenue	\$352,450	\$352,450
Ongoing Jobs - Sales Tax Revenue	\$1,144,929	\$964,652
Other Local Municipal Revenue	\$0	\$0
State Benefits	\$11,123,384	\$9,784,186
To the Public	\$11,123,384	\$9,784,186
Temporary Income Tax Revenue	\$2,265,750	\$2,265,750
Ongoing Income Tax Revenue	\$7,360,255	\$6,201,334
Temporary Jobs - Sales Tax Revenue	\$352,450	\$352,450
Ongoing Jobs - Sales Tax Revenue	\$1,144,929	\$964,652
Total Benefits to State & Region	\$224,349,634	\$197,398,223

Benefit to Cost Ratio

	Benefit*	Cost*	Ratio
Local	\$187,614,037	\$3,030,893	62:1
State	\$9,784,186	\$2,500,000	4:1
Grand Total	\$197,398,223	\$5,530,893	36:1

*Discounted at 2%

Does the IDA believe that the project can be accomplished in a timely fashion? Yes

Additional Revenues:

County	\$57,533
City/Town/Village	\$232,544
School District	\$117,478

Estimated Value of Goods and Services to be exempt from sales and use tax as a result of the Agency's involvement in the Project. PLEASE NOTE: These amounts will be verified and there is potential for a recapture of sales tax exemptions (see "Recapture" on page 11 of the Application).

(To be used on the NYS ST-60)

Additional Comments from IDA