

CELEBRATING  
**76**  
YEARS

# Island Dispatch

August 14, 2020 \$1.25 16 Pages

773-7676 Vol. 76/ No. 21

**Kayak Rentals now available at  
Beaver Island Marina  
\$20/hour  
Packages available.  
Call 800-3954 for more details.**

MI  
Montana International Guest Services Provider - Grand Island State Parks

## Project Olive

# Amazon withdraws application for e-commerce warehouse

BY MICHAEL J. BILLONI  
Contributor

The decision by Amazon and its developer Trammell Crow Co. to withdraw its application to build a 3.8 million-square-foot national distribution center on a 145.4-acre site at 2780 Long Road on Grand Island essentially came down to growing and potentially uncertain costs, according to Town Supervisor John Whitney and the president of the Chamber of Commerce.

Whitney was finalizing plans for Thursday evening's socially distant public hearing in Town Hall about this project when he received a phone call from Trammell Crow representatives late Wednesday afternoon. "They decided to pull the plug and withdraw their application," he said from his office.

"They had just concluded a meeting with upper-level personnel and they cited costs and specifically, the IDA (Erie County Industrial Development Agency) numbers. They said they will pursue other sites," Whitney added.

Eric Fiebelkorn, president of the Grand Island Chamber of Commerce, was a strong advocate of the proposed \$300 million Amazon warehouse and distribution center since Trammell Crow (TC Buffalo) submitted a nearly 2,500-page plan in February to build what would have been one of the world's largest warehouses on the former farmland off the I-190, owned by William and Michael Huntress of Acquest Development.

Fiebelkorn, who is disappointed Grand Island and Erie County will lose a combined estimated \$51 million in property and school tax revenue over Amazon's first 15 years and a potential 1,000 or more good-paying jobs, along with the \$10 million the company had offered the town for public projects such as a possible community center, contacted TC Buffalo Wednesday evening to

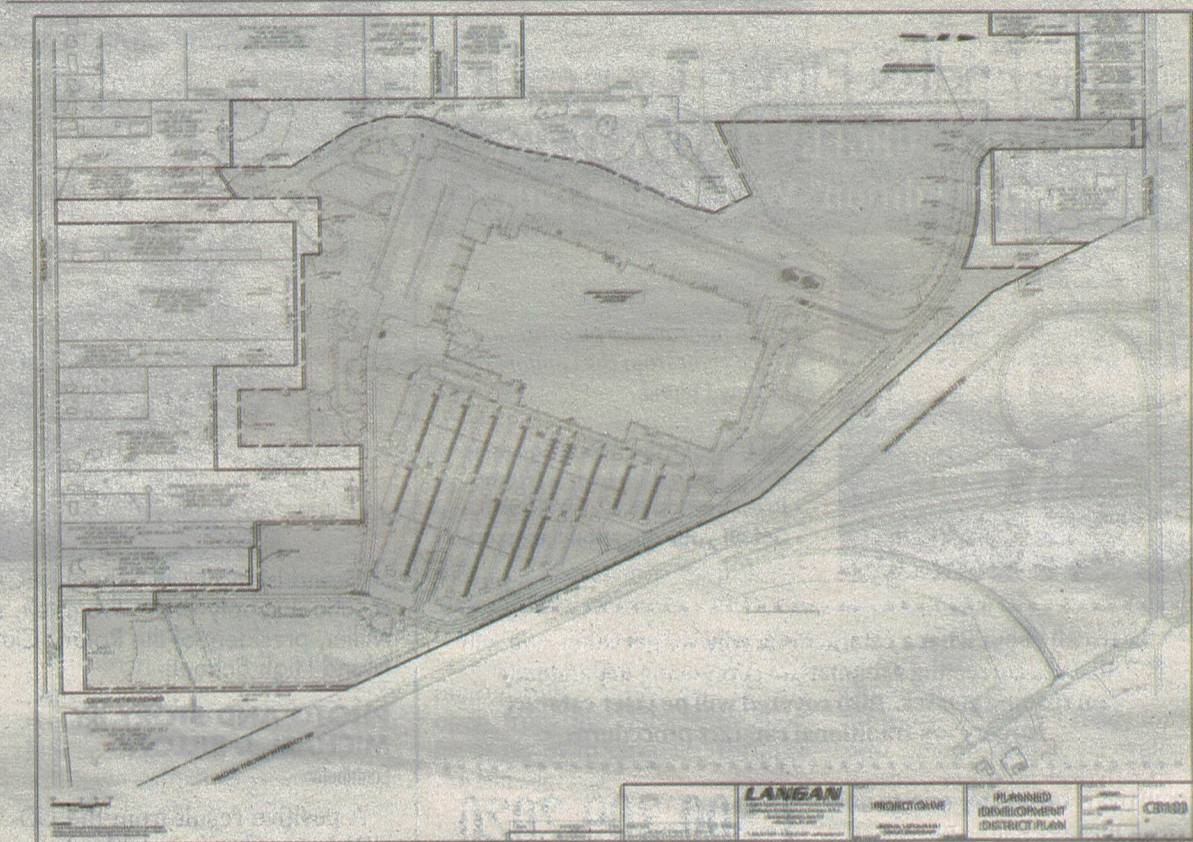
see if anything could be done to change its mind. It was expected Grand Island's share of the tax revenues over the 15 years would have been \$9.5 million and \$25.4 million to the school board.

Erie County Executive Mark C. Poloncarz said in a statement Wednesday evening: "My administration has worked hard over the past several years to bring Amazon to Erie County, but we were informed today that after further consideration Amazon has decided to halt their planned project on Grand Island.

"This is an unfortunate development as this project would have brought over 1,000 new jobs paying a living wage to our community and would have generated tens of millions of dollars more in taxes for the county, the town, and the school district, but Amazon has decided that the fit is not right at the current time," he added. "Amazon has created jobs in Erie County and invested in our workforce at their two other local facilities, so while the Grand Island location is now off the table my team is prepared to work with them if necessary to identify another possible location for this regionally-important project or any other project. Our focus on economic development and job creation in Erie County remains as strong as ever, as evidenced by today's topping-off event at the new TMP Technologies facility in Lackawanna."

The project, wherever it is built, is expected to bring \$200 million in construction wages and benefits and \$32.6 million in annual payroll from the workers at the center.

Fiebelkorn said TC Buffalo, representing its client, Amazon, which had been known only as "Project Olive," until it was revealed by Poloncarz in late July after the project was placed "on pause" by the developer, said a decision by Gov. Andrew Cuomo to extend the time to file an Article 78 lawsuit also played



Pictured is the plan for Project Olive, a 3.8 million-square-foot e-commerce facility on Long Road that would have housed an Amazon warehouse.

heavily into their decision.

Article 78 of the New York State Civil Practice Law and Rules has a statute of limitations for filing of four months. TC Buffalo had put that time into the project's timeline. However, because of COVID-19, Cuomo, in Executive Order 202.8 "temporarily suspends or modifies various time frames," which included Article 78.

"From the developer's standpoint, anyone could have filed a frivolous lawsuit and hold up this project for an extended period of time," Fiebelkorn explained. "When this became open-ended, it suddenly added a huge risk to their business model."

The other concern was the local labor policy at the Erie County Industrial Development Agency that states at least 85 percent of all the construction workers on a project must come from the eight counties of West-

ern New York. "If they do not adhere to that, they could potentially add considerable costs to the project," Fiebelkorn added.

Fiebelkorn said the final decision was made during a Project Olive risk meeting with Amazon officials. "When they added the additional risk factors, including a \$10 million incentive to Grand Island and the costs they would have incurred to fix Bedell and Long Roads along with the massive landscaping projects they proposed, this became a very expensive project for them and outside their financial model," he added.

Both Fiebelkorn and Whitney stated the developer never put the reason for the final decision on the Grand Island Town Board or the anti-project group (Coalition for Responsible Economic Development for Grand Island).

Representatives for CRED4GI

said they will wait until they see a formal letter from TC Buffalo or Amazon stating the project will not be built here before commenting. They cited TC Buffalo's "pause" they placed on the project late last month as a reason for their apprehension to comment.

"The opposition's threats of lawsuits over this project did factor into their decision now that Article 78 has no end date," Fiebelkorn said. "They could not risk having this multi-billion project having held up any further if they had decided to move forward."

Sources have said TC Buffalo is now focusing its attention on two Niagara County sites: the Summit Mall property, which is very close to the Niagara Falls International Airport and property on Rt. 31A near the Medina Business Park and one in Genesee County in the Town of Alabama.



Niagara  
Frontier  
Publications  
wnypapers.com

Island Dispatch  
Niagara-Wheatfield Tribune  
Lewiston-Porter Sentinel  
Grand Island PennySaver



## Sneak Peek Inside this issue...

**PAGE 3**  
Golden Agers  
**PAGES 4-6**  
Opinions  
**PAGE 7**  
Let's Go Back  
**PAGES 8-9**

Picture Page  
**PAGES 10-13**  
Classifieds  
**PAGE 14**  
Service Directory  
Fire call log  
**PAGE 15**

Sports  
Pictured, Logan Sionko,  
Jake Ford and Will Soos  
captured the Ford Field  
Wiffle Ball Tournament  
Saturday.

