

NYCIDA PROJECT COST/BENEFIT ANALYSIS
January 26, 2012

APPLICANT

Fresh Direct, LLC and U.T.F. Trucking, Inc.
 23-30 Borden Avenue
 Long Island City, NY 11101-4515

PROJECT LOCATION

East 132nd Street
 Bronx, NY 10454
 Block 2543, Lot 1 and Block 2260, Lot 62,

Fresh Direct, LLC and U.T.F. Trucking, Inc. (“Fresh Direct” or the “Company”) is an internet grocery service that manufactures and delivers food, meals and staples to consumers. The Company currently occupies approximately 300,000 square feet at several locations in Long Island City, Queens.

The Company is seeking Agency assistance in connection with its proposal to relocate all of its business operations and functions to a newly constructed facility (the “Facility”) at Harlem River Yards, the Bronx. The Facility will consist of an approximately 500,547 square foot industrial, manufacturing and distribution facility and the acquisition and/or leasing and installation of machinery, equipment, furniture, fixtures and other tangible personal property all for use therein. In addition, the Company’s operations at Harlem River Yards will include a satellite truck facility with an approximately 10,000 square foot maintenance building, a parking structure of one to three stories and another separate small satellite parking facility. The total project cost is estimated to be approximately \$112.6 million. Fresh Direct expects operations at the Facility to commence in 2015.

Fresh Direct currently has 1,963 full-time equivalent employees. The Company expects to have 2,307 full-time equivalent employees at the Facility by June 30, 2015. The Company expects to add the following number of full-time equivalent employees: 190 by June 30, 2016, 230 by June 30, 2017, 50 by June 30, 2018, 50 by June 30, 2019 and 100 by June 30, 2020, bringing its total full-time equivalent employment to 2,927 at that time.

B. Cost to the City	
Sales and Use Tax Exemption	\$2,670,686
Mortgage Recording Tax Deferral	\$975,000
Savings on Payments in Lieu of Taxes	\$67,758,360
Acquisition of assets by NYCIDA for use at the Facility	\$9,500,000
Total Cost to NYC Net of NYCIDA Financing Fee	\$80,164,983

C. Benefits to the City – Estimated direct and indirect New York City taxes to be generated by the Company (NPV, 6.25%)	\$254,984,285
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