

PROJECT SUMMARY

Impressive Development Inc/holding company to be formed



Applicant:	Impressive Development Inc/holding company to be formed	
Project Location:	525 Wheatfield Street North Tonawanda, New York	
Assistance:	10 Year Commercial PILOT on vacant building Sales tax abatement Mortgage recording tax abatement	
Description:	<p>Impressive Development has been in the embroidery and promotional products business for the past 20 years. The company is currently located at 601 Division Street in North Tonawanda. The company wishes to purchase an abandoned building located at 525 Wheatfield Street to increase its manufacturing business and allow it to add laser garment decoration (a new technology in printing on garments), along with traditional silk screening.</p> <p>The building will require major renovations, repairs and upgrades to the plumbing. The company expects that it will not occupy all of the new space and will make some space available for lease by other commercial or manufacturing tenants.</p>	
Project Costs:	Acquisition Renovations Site Work M & E Soft Costs <div style="text-align: right;">TOTAL</div>	\$ 320,000 \$ 400,000 \$ 50,000 \$ 150,000 <u>\$ 40,000</u> \$960,000
Employment:	Currently at Company: 20 New Jobs to be created: 4 Total Annual Payroll: \$720,000 Skills: Production	

REGIONAL ECONOMIC IMPACT ANALYSIS
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Utilizing IMPLAN Pro modeling software, an economic impact analysis was conducted to measure new investment and employment for the project. IMPLAN Pro is a widely accepted software application and an industry standard for economic impact modeling measuring employment and salary impacts and facility output on the community for a given project.

The impacts can be measured on an annual basis except for finite activities, such as economic activity occurring as a result of construction investment.

New Capital Investment: Construction (renovations, site work)	\$ 450,000
Direct Employment: New Jobs Annual New Payroll	4 \$120,000
New Jobs Impact: The 4 new jobs will:	
➤ Support an additional indirect effect job in the county at an estimated value of \$32,000	
➤ Support an additional induced effect job in the county at an estimated value of \$27,000	
➤ Contribute \$5,000 in sales taxes annually	

COST BENEFIT ANALYSIS

Impressive Development Inc/holding company to be formed 525 Wheatfield Street North Tonawanda, New York	Applicant Benefit	Community Benefit
Estimated Property Tax Exemptions for existing assessment and improvements (10-year PILOT)	\$119,000	
Estimated Annual Real Property Taxes paid at conclusion of PILOT		\$22,000
Estimated Sales Tax Exemptions	\$30,000	
Expansion will add 4 new jobs and new annual payroll of \$120,000		\$120,000
Estimated total annual value of indirect and induced jobs created		\$59,000
The 4 new jobs will pay an estimated \$5,000 in sales tax annually		\$5,000
The new facility and permanent jobs will have a positive effect on community businesses such as restaurants, stores, entertainment, transportation, and professional service providers		\$48,000
Project will generate an additional \$265,000 in economic activity		\$265,000
TOTAL	\$149,000	\$ 519,000

DEFINITIONS

Direct Effects

The set of expenditures applied to the predictive model for impact analysis. It is a series (or single) of production changes or expenditures made by producers/consumers as a result of an activity or policy. These initial changes are determined by an analyst to be a result of this activity or policy. Applying these initial changes to the multipliers in an IMPLAN model will then display how the region will respond, economically to these initial changes.

Indirect Effects

The impact of local industries buying goods and services from other local industries. The cycle of spending works its way backward through the supply chain until all money leaks from the local economy, either through imports or by payments to value added. The impacts are calculated by applying Direct Effects to the Type I Multipliers.

Induced Effects

The response by an economy to an initial change (direct effect) that occurs through re-spending of income received by a component of value added. IMPLAN's default multiplier recognizes that labor income (employee compensation and proprietor income components of value added) is not a leakage to the regional economy. This money is recirculated through the household spending patterns causing further local economic activity.