

PROJECT SUMMARY
ADJ Realty LLC (ADJ Machining LLC)



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|--------------------------|---|------------------|
| Applicant: | ADJ Realty LLC (ADJ Machining LLC) | |
| Project Location: | 76 Industrial Drive City of North Tonawanda | |
| Assistance: | 15 Year PILOT Sales Tax Abatement | |
| Description: | <p>ADJ Machining will acquire a vacant 38,000 square foot facility for the development of ultra-precision parts and prototypes for aerospace, medical, industrial, and other market fields by CNC and conventional machining. The facility has been vacant since Besthung Carbide moved out of the area in 2013.</p> <p>ADJ Machining has been operating for 25 years, and is relocating from Erie County due to outgrowing their current 8,000 square foot facility.</p> <p>The majority of building will be used as a CNC (Computer Numerical Control) machine shop by ADJ Machining LLC.</p> | |
| Project Costs: | Acquisition | \$ 940,000 |
| | Construction/Improvements | \$ 25,000 |
| | Furniture, Fixtures & Equipment | <u>\$ 10,000</u> |
| | TOTAL | \$ 975,000 |
| Employment: | Current jobs in Niagara County | 0 |
| | New Jobs added in Niagara County within 3 years | 9 |
| | Total Annual Payroll End Year 3: | \$401,000 |
| | Skills: Production, Management, Administrative | |

REGIONAL ECONOMIC IMPACT ANALYSIS

ADJ Realty LLC (ADJ Machining LLC)

Estimated State & Regional Benefits / Estimated Project Incentives Analysis

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|--|-------------------|
| Total State and Regional Benefits | \$ 820,609 |
| Total Project Incentives | \$ 240,957 |
| Benefit to Cost Ratio | 3.41:1 |

| Projected Employment | State | Region |
|--|--------------|---------------|
| Total Employment | 23 | 23 |
| Direct** | 9 | 9 |
| Indirect*** | 6 | 6 |
| Induced**** | 7 | 7 |
| Temporary Construction (Direct and Indirect) | 0 | 0 |

Estimated State & Regional Benefits (Discounted Present Value*)

| | |
|--|-------------------|
| Total State and Regional Benefits | \$ 820,609 |
| Income Tax Revenue | \$ 465,232 |
| Property Tax/PILOT Revenue | \$ 198,556 |
| Sales Tax Revenue | \$ 156,821 |

Estimated Project Incentives (Discounted Present Value*)

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|---------------------------------|-------------------|
| Total Project Incentives | \$ 240,957 |
| Property Tax | \$ 239,157 |
| Sales Tax | \$ 1,800 |

* Figures over 15 years and discounted by 3.49%

** Direct - The recipient of IDA assistance adds new jobs to the regional economy and/or retains jobs at risk of being lost to another region. Investments that result in displacing existing jobs (e.g., most retail and many service sector industries) do not fall under this definition.

*** Indirect - The recipient of IDA assistance makes purchases from regional firms, which stimulates suppliers to add jobs and payroll that are new to the regional economy or are saved from being lost to competitors outside the region.

**** Induced - The recipient of IDA assistance by adding to and/or retaining payroll stimulates household spending that is new to the regional economy and/or saved from being lost to competitors outside the region.

Utilizing informANALYTICS modeling software, an economic impact analysis was conducted to measure new investment and employment for the project. This software is a widely accepted and an industry standard for economic impact modeling measuring employment and salary impacts and facility output on the community for a given project.