

PROJECT SUMMARY
Jacobs Ladder LLC



| | | |
|--------------------------|--|---------------------|
| Applicant: | Jacobs Ladder LLC | |
| Project Location: | 6292 Walmore Road Town of Wheatfield | |
| Assistance: | 15 Year Industrial PILOT Mortgage Recording Tax Abatement Sales Tax Abatement | |
| Description: | <p>Jacobs Ladder is a patented, commercial cardio machine designed for fitness enthusiasts, health club clientele and training athletes. In 2004, Robert Palka purchased the patent and assets of the company and started production in leased manufacturing space at 908 Niagara Falls Boulevard in North Tonawanda.</p> <p>The company has added additional products to its line and sales have steadily grown. As a result of this growth, the company has been looking for a building to purchase in Niagara County for some time. They wish to purchase the former Motorad building at 6292 Walmore Road, which has been vacant for over two years. Since the property has been vacant for that period of time, the company is requesting that the existing building be included in the PILOT agreement.</p> <p>The company anticipates continued growth and will nearly double its current workforce within 3 years.</p> | |
| Project Costs: | Land/building purchase | \$ 800,000 |
| | Construction/renovation | \$ 225,000 |
| | Furniture, Fixtures, Equipment | \$ 60,000 |
| | Manufacturing Equipment | \$ <u>15,000</u> |
| | TOTAL | \$ 1,100,000 |
| Employment: | Existing jobs in Niagara County | 15 |
| | New jobs | 10 FTE's |
| | Skills: production | |

REGIONAL ECONOMIC IMPACT ANALYSIS
Jacobs Ladder LLC

| Estimated State & Regional Benefits / Estimated Project Incentives Analysis | | |
|--|-------------|--------|
| Total State and Regional Benefits | \$1,738,448 | |
| Total Project Incentives | \$ 421,160 | |
| Benefit to Cost Ratio | 4.1:1 | |
| Projected Employment | State | Region |
| Total Employment | 65 | 65 |
| Direct* | 25 | 25 |
| Indirect** | 11 | 11 |
| Induced*** | 19 | 19 |
| Temporary Construction (Direct and Indirect) | 10 | 10 |

| Estimated State and Regional Benefits | |
|--|-------------|
| Total State and Regional Benefits | \$1,738,448 |
| Income Tax Revenue | \$ 858,008 |
| Property Tax/PILOT Revenue | \$ 242,124 |
| Sales Tax Revenue | \$ 638,316 |

| Estimated Project Incentives | |
|-------------------------------------|-----------|
| Total Project Incentives | \$421,160 |
| Mortgage Tax | \$ 7,600 |
| Property Tax | \$375,960 |
| Sales Tax | \$ 37,600 |

** 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.