

PROJECT SUMMARY

Plati Niagara Inc.



Applicant:	Plati Niagara Inc., LLC	
Project Location:	333 Rainbow Boulevard Niagara Falls, New York	
Assistance:	10 year PILOT Sales Tax Exemptions Mortgage Recording Tax Exemption	
Description:	<p>The Strangio family has owned and operated a Quality Inn hotel franchise and Antonio’s Banquet and Conference Center at 7708 Niagara Falls Boulevard since 1991. The Strangios wish to expand into the downtown Niagara Falls market with construction of an upscale hotel under another national franchise. The company has acquired a parcel of vacant land on Rainbow Boulevard and Fourth Street in Niagara Falls. They will construct a 65,000 square foot hotel with 110 upscale rooms and up to 4,000 square feet of retail space to be leased.</p>	
Project Costs:	Land Construction/sitework Furniture and fixtures Soft costs <div style="text-align: right;">TOTAL</div>	\$ 1,100,000 \$ 7,675,000 \$ 505,000 <u>\$ 325,000</u> \$ 9,605,000
Employment:	New Jobs to be created: 28 FTE’s Total payroll end year 3: \$500,000 Skills: Managerial, Guest Services, Housekeeping, Maintenance	

REGIONAL ECONOMIC IMPACT ANALYSIS
Plati Niagara Inc., LLC

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.

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 & improvements)	\$7,675,000
Direct Employment: New Jobs Annual New Payroll	28 Full Time Equivalents \$500,000
New Jobs Impact: The new jobs will: <ul style="list-style-type: none"> ➤ Support additional 13 indirect and induced effect jobs in the county at an estimated value of \$600,000 ➤ Contribute \$32,000 in sales taxes annually 	

COST BENEFIT ANALYSIS

Plati Niagara Inc. 333 Rainbow Blvd. Niagara Falls, New York	Applicant Benefit	Community Benefit
Estimated Property Tax Exemptions (10 year PILOT)	\$1,100,000	
Estimated Sales Tax Exemptions on construction and furnishing building	\$ 414,000	
Annual payroll for 27 full time equivalent new jobs created		\$ 500,000
Estimated total annual value of indirect and induced jobs created		\$ 600,000
New sales taxes generated annually		\$ 32,000
Total property taxes paid during PILOT		\$ 812,000
TOTAL	\$1,514,000	\$1,944,000

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. Inform Analytics 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.