

## PROJECT SUMMARY

### Impressive Development Inc/holding company to be formed



|                          |  |  |
|--------------------------|--|--|
| <b>Applicant:</b>        | Impressive Development Inc/holding company to be formed  |  |
| <b>Project Location:</b> | 525 Wheatfield Street<br>North Tonawanda, New York   |  |
| <b>Assistance:</b>       | 15 Year Industrial PILOT on vacant building<br>Sales tax abatement<br>Mortgage recording tax abatement   |  |
| <b>Description:</b>      | <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> |  |
| <b>Project Costs:</b>    | Acquisition<br>Renovations<br>Site Work<br>M & E<br>Soft Costs<br><br><div style="text-align: right;">TOTAL</div>  | \$ 320,000<br>\$ 400,000<br>\$ 50,000<br>\$ 150,000<br><u>\$ 40,000</u><br>\$960,000 |
| <b>Employment:</b>       | Currently at Company: 20<br>New Jobs to be created: 4<br>Total Annual Payroll: \$720,000<br>Skills: Production   |  |

**REGIONAL ECONOMIC IMPACT ANALYSIS**  
**Impressive Development Inc/holding company to be formed**

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:<br>Construction (renovations, site work)                            | \$ 450,000     |
| Direct Employment:<br>New Jobs<br>Annual New Payroll  | 4<br>\$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<br>525 Wheatfield Street<br>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         |
| <b>TOTAL</b>   | <b>\$149,000</b>  | <b>\$ 519,000</b> |

## 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.