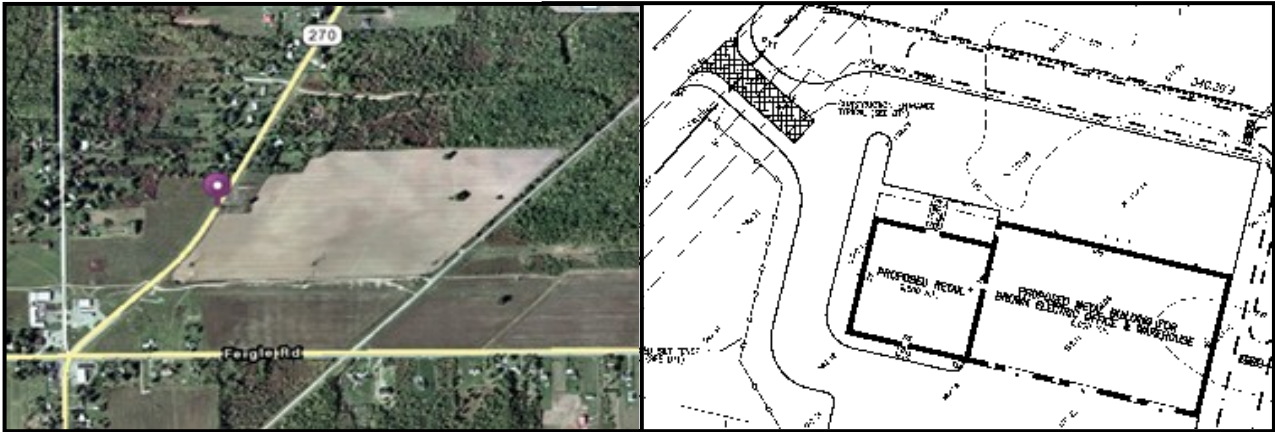


PROJECT SUMMARY

Brown Electric Inc.



Applicant:	Brown Electric Inc.	
Project Location:	6421 Campbell Boulevard Town of Pendleton	
Assistance:	10 Year Commercial PILOT Sales tax abatements Mortgage Recording tax abatement	
Description:	<p>Brown Electric Inc. is an industrial/commercial contractor providing electrical services throughout Western New York. The company has been in business for 30 years and has outgrown its current warehouse/shop facility in the Town of Tonawanda. Sharon Brown is company President and currently operates the company's office out of her home in Pendleton.</p> <p>Mrs. Brown wishes to consolidate operations by constructing an 8,500 square foot building in the Town of Pendleton. The facility will provide electrical office and warehouse space with a small portion in the front possibly available for lease to a commercial tenant.</p> <p>Brown Electric is a certified Women's Business Enterprise.</p>	
Project Costs:	Land New construction Site work & preparation Machinery & equipment Soft costs and other <p style="text-align: right;">TOTAL</p>	\$ 15,000 \$ 237,600 \$ 132,500 \$ 8,000 \$ <u>22,000</u> \$ 415,100
Employment:	Currently at Facility: 0 New Jobs at Facility: 10 Total Annual Payroll: \$206,600 Skills: Electricians, Office, Support	

REGIONAL ECONOMIC IMPACT ANALYSIS

Brown Electric, Inc.

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	\$ 415,100
Direct Employment: New Jobs Annual New Payroll	10 \$ 451,600
<p>New Jobs Impact: The 10 new jobs will:</p> <ul style="list-style-type: none"> ➤ Support an additional 1.6 indirect effect jobs in the county at an estimated value of \$74,400 ➤ Support an additional 2.8 induced effect jobs in the county at an estimated value of \$95,500 ➤ Contribute \$13,500 in sales taxes annually 	

COST BENEFIT ANALYSIS

Greater Lockport Development Corporation 6421 Campbell Boulevard Pendleton, New York	Applicant Benefit	Community Benefit
Estimated Property Tax Exemptions for existing assessment and improvements (10-year PILOT)	\$40,800	
Estimated Annual Real Property Taxes paid at conclusion of PILOT		\$ 7,500
Estimated Sales Tax Exemptions on construction and furnishing building	\$15,400	
Expansion will add 10 new jobs and new annual payroll of \$451,600		\$451,600
Estimated total annual value of indirect and induced jobs created		\$169,900
The 10 new jobs will pay an estimated \$13,500 in sales tax annually		\$ 13,500
The new facility and permanent jobs will have a positive effect on community businesses such as restaurants, stores, entertainment, transportation, and professional service providers		\$168,500
Project will generate an additional \$807,000 in economic activity		\$807,000
TOTAL	\$56,200	\$1,618,000

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.