

**PROJECT SUMMARY**  
**Big Ditch Brewing Company LLC**



|                             |   |              |
|-----------------------------|---|--------------|
| <b>Applicant:</b>           | <b>Big Ditch Brewing Company LLC</b>  |              |
| <b>Project Location:</b>    | 1 East Avenue, Lockport, NY 14094   |              |
| <b>Assistance:</b>          | Sales Tax Abatement   |              |
| <b>Description:</b>         | Big Ditch Brewing Company is seeking a sales tax only exemption for the purchase of furniture, fixtures and equipment for a micro-brewery, tap room/restaurant with event space to be located in leased space in the historic Post Office Building in downtown Lockport. Big Ditch Brewing is one of the largest craft breweries in New York state which brand is linked to the Erie Canal. As such, the proposed approximately 15,000 square foot space will serve as a destination and build upon the local tourism industry that has been built around the Erie Canal. |              |
| <b>Project Costs:</b>       | Furniture, Fixtures & Equipment   | \$ 1,200,000 |
| <b>Employment:</b>          | Current jobs in Niagara County: 0<br>New Jobs in Niagara County within 3 years: 10 FT / 10PT<br>Estimated Annual Payroll for New Jobs: \$500,000<br>Skills: Management, production, hospitality service   |              |
| <b>Evaluative Criteria:</b> | Regional wealth creation, support and proximity to regional attractions, in region purchases, local vendors, and generation of local revenues   |              |

# Niagara County Industrial Development Agency

## MRB Cost Benefit Calculator

Date February 5, 2024  
 Project Title Big Ditch Brewing Company LLC  
 Project Location 1 East Avenue, Lockport, NY 14094



### Economic Impacts

Summary of Economic Impacts over the Life of the PILOT

#### Project Total Investment

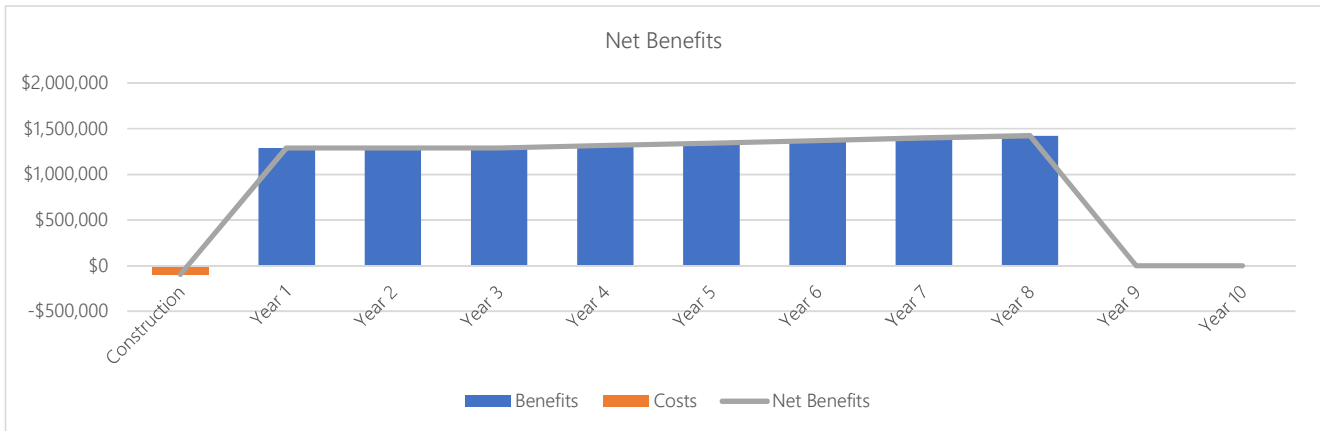
\$1,200,000

| Temporary (Construction) |        |          |       |
|--------------------------|--------|----------|-------|
|                          | Direct | Indirect | Total |
| Jobs                     | 0      | 0        | 0     |
| Earnings                 | \$0    | \$0      | \$0   |
| Local Spend              | \$0    | \$0      | \$0   |

| Ongoing (Operations)             |             |             |              |
|----------------------------------|-------------|-------------|--------------|
| Aggregate over life of the PILOT |             |             |              |
|                                  | Direct      | Indirect    | Total        |
| Jobs                             | 15          | 12          | 27           |
| Earnings                         | \$4,361,764 | \$5,757,970 | \$10,119,733 |

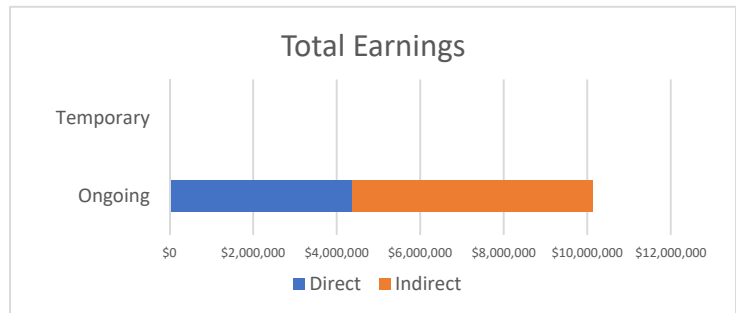
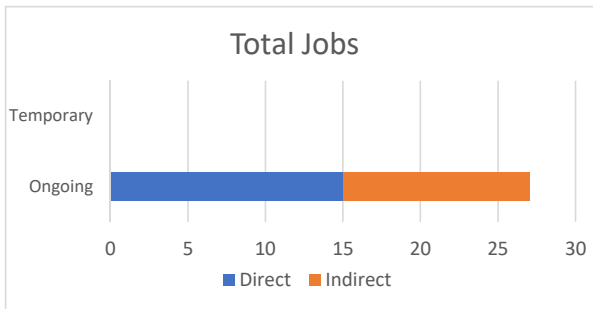
Figure 1



Net Benefits chart will always display construction through year 10, irrespective of the length of the PILOT.

Figure 2

Figure 3



# Fiscal Impacts



Cost-Benefit Analysis Tool powered by MRB Group

## Estimated Costs of Exemptions

|  | Nominal Value   | Discounted Value* |
|--|-----------------|-------------------|
| Property Tax Exemption                 | \$0             | \$0               |
| Sales Tax Exemption                    | \$96,000        | \$96,000          |
| Local Sales Tax Exemption              | \$48,000        | \$48,000          |
| State Sales Tax Exemption              | \$48,000        | \$48,000          |
| Mortgage Recording Tax Exemption       | \$0             | \$0               |
| Local Mortgage Recording Tax Exemption | \$0             | \$0               |
| State Mortgage Recording Tax Exemption | \$0             | \$0               |
| <b>Total Costs</b>                     | <b>\$96,000</b> | <b>\$96,000</b>   |

## State and Local Benefits

|   | Nominal Value       | Discounted Value*  |
|---|---------------------|--------------------|
| <b>Local Benefits</b>                       | <b>\$10,190,571</b> | <b>\$9,316,479</b> |
| To Private Individuals                      | \$10,119,733        | \$9,251,717        |
| Temporary Payroll                           | \$0                 | \$0                |
| Ongoing Payroll                             | \$10,119,733        | \$9,251,717        |
| Other Payments to Private Individuals       | \$0                 | \$0                |
| To the Public                               | \$70,838            | \$64,762           |
| Increase in Property Tax Revenue            | \$0                 | \$0                |
| Temporary Jobs - Sales Tax Revenue          | \$0                 | \$0                |
| Ongoing Jobs - Sales Tax Revenue            | \$70,838            | \$64,762           |
| Other Local Municipal Revenue               | \$0                 | \$0                |
| <b>State Benefits</b>                       | <b>\$526,226</b>    | <b>\$481,089</b>   |
| To the Public                               | \$526,226           | \$481,089          |
| Temporary Income Tax Revenue                | \$0                 | \$0                |
| Ongoing Income Tax Revenue                  | \$455,388           | \$416,327          |
| Temporary Jobs - Sales Tax Revenue          | \$0                 | \$0                |
| Ongoing Jobs - Sales Tax Revenue            | \$70,838            | \$64,762           |
| <b>Total Benefits to State &amp; Region</b> | <b>\$10,716,797</b> | <b>\$9,797,568</b> |

## Benefit to Cost Ratio

|                    | Benefit*           | Cost*           | Ratio        |
|--------------------|--------------------|-----------------|--------------|
| Local              | \$9,316,479        | \$48,000        | 194:1        |
| State              | \$481,089          | \$48,000        | 10:1         |
| <b>Grand Total</b> | <b>\$9,797,568</b> | <b>\$96,000</b> | <b>102:1</b> |

\*Discounted at 2%

Does the IDA believe that the project can be accomplished in a timely fashion?  Yes

### Additional Revenues:

|                   |     |
|-------------------|-----|
| County            | \$0 |
| City/Town/Village | \$0 |
| School District   | \$0 |

Estimated Value of Goods and Services to be exempt from sales and use tax as a result of the Agency's involvement in the Project. PLEASE NOTE: These amounts will be verified and there is potential for a recapture of sales tax exemptions (see "Recapture" on page 11 of the Application).

(To be used on the NYS ST-60)

### Additional Comments from IDA