



Internal Report: Buffalo Material Handling - Buffalo Material Handling

Table 1: Basic Information

Project Name	Buffalo Material Handling
Project Industry	(42) Wholesale Trade
Municipality	Depew Village, Lancaster Town
School District	Lancaster
Project Cost	\$1,315,000
Construction Budget	\$1,200,000
Direct Employment Expected	33 (3 created and 30 retained)
Direct Labor Income	\$990,000
Direct Construction Jobs	9
Direct Construction Labor Income	\$461,190
Total Labor Income	\$1,451,190

Table 2: Estimated State & Regional Benefits*

Region	
New Property Tax Revenue (PILOT or Improvements)	\$32,339
Sales Tax Revenue	\$218,781
State	
Income Tax Revenue	\$497,366
Sales Tax Revenue	\$184,236
TOTAL Estimated Revenue	\$932,722

Table 3: Estimated Project Incentives*

Property Tax Savings	\$122,484
Sales Tax Savings	\$61,250
Mortgage Tax Savings	\$6,750
TOTAL Estimated Incentives	\$190,484



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Table 1: Basic Information

Project Name	Buffalo Material Handling
Project Applicant	Buffalo Material Handling
Project Industry	Wholesale Trade
Municipality	Depew Village, Lancaster Town
School District	Lancaster
Type of Transaction	Lease
Project Cost	\$1,315,000
Mortgage Amount	\$675,000

Table 2: Permanent New/Retained Employment (Annual FTEs)

	State	Region
Total Employment	78	78
Direct**	33 (3 created and 30 retained)	33 (3 created and 30 retained)
Indirect***	14	14
Induced****	19	19
Temporary Construction (Direct and Indirect)	12	12

Table 3: Permanent New/Retained Labor Income (Annual) & Average Salary (Annual)

	State Labor Income	Region Labor Income	Average Salary
Total	\$3,121,678	\$3,121,678	\$40,092
Direct**	\$990,000	\$990,000	\$30,000
Indirect***	\$742,658	\$742,658	\$54,518
Induced****	\$767,762	\$767,762	\$39,797
Temporary Construction (Direct and Indirect)	\$621,259	\$621,259	\$51,991

Table 4: Permanent New/Retained Labor Income (Discounted Present Value*)

	State Labor Income	Region Labor Income
Total	\$16,449,673	\$16,449,673
Direct**	\$6,267,001	\$6,267,001

Indirect***	\$4,701,248	\$4,701,248
Induced****	\$4,860,165	\$4,860,165
Temporary Construction (Direct and Indirect)	\$621,259	\$621,259

Table 5: Cost/Benefit Analysis (Discounted Present Value^{*})

Total Costs to State and Region	\$190,484
Mortgage Tax Revenue Forgone	\$6,750
State	\$5,063
County	\$1,688
Local	\$0
Property Tax Revenue Forgone	\$122,484
485-B Property Tax Abatement	\$30,018
Above 485-B	\$92,466
Sales Tax Revenue Forgone	\$61,250
Construction Materials	\$52,500
Other Items	\$8,750
Total Benefits to State and Region	\$17,382,395
Total State Benefits	\$17,131,275
Income Tax Revenue	\$497,366
Direct ^{**}	\$169,209
Indirect ^{***}	\$173,946
Induced ^{****}	\$131,224
Construction (Direct and Indirect, over 0 years)	\$22,987
Sales Tax Revenue	\$184,236
Direct ^{**}	\$70,190
Indirect ^{***}	\$52,654
Induced ^{****}	\$54,434
Construction (Direct and Indirect, over 0 years)	\$6,958
Labor Income	\$16,449,673
Total Regional Benefits	\$251,119
Property Tax/PILOT Revenue	\$32,339
Sales Tax Revenue	\$218,781
Direct ^{**}	\$83,351
Indirect ^{***}	\$62,527
Induced ^{****}	\$64,640
Construction (Direct and Indirect, over 0 years)	\$8,263
Benefit to Cost Ratio	17382308.2:1
Overall ROI	91.3:1

Table 6: Regional Fiscal Impact (Discounted Present Value*)

Total Local Client Incentives	\$154,040
Total Anticipated Local Revenue (Property Tax plus Local Sales Tax)	\$251,119
Net Local Revenue	\$97,079
Benefit to Cost Ratio	1.6:1
Overall ROI	108.4:1

Table 7: Property Tax Revenue (Discounted Present Value*)

Total Property Tax	\$32,339
County Property Tax	\$4,767
City/Village Property Tax	\$10,586
Town Property Tax	\$2,217
School District Property Tax	\$14,768

* Figures over 7 years and discounted by 3.49%

** 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.

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Table 4: Employment Breakdown

Project	
Direct**	33 (3 created and 30 retained)
Indirect***	14
Induced****	19
Construction	
Direct	9
Indirect	3

Table 5: Ratios

Benefit to Cost Ratio	4.9:1
Overall ROI	91.3:1

* Figures over 7 years and discounted by 3.49%

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