

## Sector - 206

### Regional Economic Impact Analysis – Derrick Corporation

Utilizing IMPLAN Pro modeling software, an economic impact analysis was conducted to measure new investment and employment for the Derrick Corporation 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 generated 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	\$12,000,000
New Equipment	\$ 7,250,000

#### Employment:

New Jobs	36
New Payroll	\$ 3,250,291
One Time Construction Jobs	276
Economic Impact of New Capital Investment	\$15,026,216

#### New Jobs Impact:

- The 36 new jobs will support an additional 72 jobs in the county annually.
- The 36 new jobs will contribute \$552,650 in sales over PILOT Period.
- The 36 new jobs support \$698,240 in property taxes over PILOT Period.
- \$18,620,796 of new direct economic output is introduced to the region which generates an additional \$10,509,493 in annual economic benefit.

\*Output = Value Added + Intermediate Purchases and represents the total impact of the entire operation including such metrics as labor income, proprietor income, property income and taxes.

<b>Derrick Corporation</b>	<b>Applicant Benefit</b>	<b>Community Benefit</b>
PILOT agreement to phase in payment in lieu of taxes, thereby generating additional revenues the first year  *Utilization of Town services would be minimal *No increased burden to schools		
Property Tax Exemptions/payments	\$2,240,000	\$595,000
Sales Tax Exemptions	\$547,000	
Expansion in Cheektowaga will add 36 new jobs and new payroll of \$3,250,291		\$3,250,291
The 36 new jobs will pay an estimated \$552,650 in sales tax over PILOT Period		\$552,650
The 36 jobs will pay an estimated \$698,240 in property tax over PILOT Period		\$698,240
The new facility and permanent jobs will have a positive effect on community business - Re: restaurants, stores, entertainment, transportation, service providers such as accountants, doctors, attorneys.		\$10,509,493
Project will generate "annual" equipment supply jobs for one year, creating an additional \$15,026,216 in economic activity.		\$15,026,216
<b>TOTAL</b>	<b>\$2,787,000</b>	<b>\$30,631,890</b>

\*Output = Value Added + Intermediate Purchases and represents the total impact of the entire operation including such metrics as labor income, proprietor income, property income and taxes.

\*\*Construction and Equipment Employment is measured on an annual basis even though many projects are complete before 12 months is up.