

Sector - 283

Regional Economic Impact Analysis – General Motors / GM Powertrain Group

Utilizing IMPLAN Pro modeling software, an economic impact analysis was conducted to measure new investment and employment for the General Motors / GM Powertrain Group 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	\$ 17,800,000
New	\$700,000,000

Employment:

New Jobs	530
New Payroll	\$ 34,191,768
One Time Construction/equipment Jobs	3,677
Economic Impact of New Capital Investment	\$299,428,088

New Jobs Impact:

- The 530 new jobs will support additional 636.6 jobs in the county annually.
- The 530 new jobs will contribute \$9,607,300 in sales tax over PILOT period.
- The 530 new jobs support \$11,811,840 in property taxes over PILOT period.
- \$ 240,367,200 of new direct economic output is introduced to the region which generates an additional \$98,497,636 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.

General Motors / GM Powertrain Group	Applicant Benefit	Community Benefit
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	\$4,815,241	\$7,025,262
Sales Tax Exemptions	\$880,000	
Expansion in Tonawanda will add 530 new jobs and new payroll of \$34.2MM		\$34,191,768
The 530 new jobs will pay an estimated \$9,607,300 in sales tax over PILOT period.		\$9,607,300
The 530 jobs will pay an estimated \$11,811,840 in property tax over PILOT period.		\$11,811,840
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.		\$98,497,636
Project will generate "annual" construction/equipment supply jobs for one year, creating an additional \$299,248,088 in economic activity.		\$299,248,088
TOTAL	\$5,695,241	\$460,389,894

**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.