



# Internal Report: Sumitomo Rubber - Sumitomo Rubber

## Table 1: Basic Information

Project Name	Sumitomo Rubber
Project Industry	(332) Fabricated Metal Product Manufacturing
Municipality	Kenmore Village
School District	Kenmore-Town of Tonawanda
Project Cost	\$9,109,000
Construction Budget	\$3,609,000
Direct Employment Expected	1,241
Direct Labor Income	\$83,147,000
Direct Construction Jobs	26
Direct Construction Labor Income	\$1,387,028
Total Labor Income	\$84,534,028

## Table 2: Estimated State & Regional Benefits\*

Region	
New Property Tax Revenue (PILOT or Improvements)	\$201,395
Sales Tax Revenue	\$17,757,948
State	
Income Tax Revenue	\$48,684,220
Sales Tax Revenue	\$14,954,062
<b>TOTAL Estimated Revenue</b>	<b>\$81,597,624</b>

## Table 3: Estimated Project Incentives\*

Property Tax Savings	\$794,310
Sales Tax Savings	\$245,394
<b>TOTAL Estimated Incentives</b>	<b>\$1,039,704</b>



# Internal Report: Sumitomo Rubber - Sumitomo Rubber

Table 1: Basic Information

Project Name	Sumitomo Rubber
Project Applicant	Sumitomo Rubber
Project Industry	Fabricated Metal Product Manufacturing
Municipality	Kenmore Village
School District	Kenmore-Town of Tonawanda
Type of Transaction	Lease
Project Cost	\$9,109,000

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

	State	Region
<b>Total Employment</b>	<b>2,768</b>	<b>2,768</b>
Direct**	1,241	1,241
Indirect***	655	655
Induced****	836	836
Temporary Construction (Direct and Indirect)	36	36

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

	State Labor Income	Region Labor Income	Average Salary
<b>Total</b>	<b>\$156,703,589</b>	<b>\$156,703,589</b>	<b>\$56,610</b>
Direct**	\$83,147,000	\$83,147,000	\$67,000
Indirect***	\$38,410,816	\$38,410,816	\$58,636
Induced****	\$33,277,337	\$33,277,337	\$39,799
Temporary Construction (Direct and Indirect)	\$1,868,435	\$1,868,435	\$51,991

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

	State Labor Income	Region Labor Income
<b>Total</b>	<b>\$1,335,184,079</b>	<b>\$1,335,184,079</b>
Direct**	\$715,995,000	\$715,995,000
Indirect***	\$330,763,016	\$330,763,016
Induced****	\$286,557,628	\$286,557,628

Temporary Construction (Direct and Indirect)	\$1,868,435	\$1,868,435
--	-------------	-------------

Table 5: Cost/Benefit Analysis (Discounted Present Value\*)

<b>Total Costs to State and Region</b>	<b>\$1,039,704</b>
Property Tax Revenue Forgone	\$794,310
485-B Property Tax Abatement	\$287,881
Above 485-B	\$506,429
Sales Tax Revenue Forgone	\$245,394
Construction Materials	\$157,894
Other Items	\$87,500
<b>Total Benefits to State and Region</b>	<b>\$1,416,781,703</b>
<b>Total State Benefits</b>	<b>\$1,398,822,360</b>
Income Tax Revenue	\$48,684,220
Direct**	\$28,639,800
Indirect***	\$12,238,232
Induced****	\$7,737,056
Construction (Direct and Indirect, over 0 years)	\$69,132
Sales Tax Revenue	\$14,954,062
Direct**	\$8,019,144
Indirect***	\$3,704,546
Induced****	\$3,209,445
Construction (Direct and Indirect, over 0 years)	\$20,926
Labor Income	\$1,335,184,079
<b>Total Regional Benefits</b>	<b>\$17,959,343</b>
Property Tax/PILOT Revenue	\$201,395
Sales Tax Revenue	\$17,757,948
Direct**	\$9,522,733
Indirect***	\$4,399,148
Induced****	\$3,811,216
Construction (Direct and Indirect, over 0 years)	\$24,850
<b>Benefit to Cost Ratio</b>	<b>1416780418.9:1</b>
<b>Overall ROI</b>	<b>1362.7:1</b>

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

Total Local Client Incentives	\$913,528
Total Anticipated Local Revenue (Property Tax plus Local Sales Tax)	\$17,959,343
Net Local Revenue	\$17,045,815
Benefit to Cost Ratio	19.7:1
Overall ROI	1481.2:1

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

<b>Total Property Tax</b>	<b>\$201,395</b>
<b>County Property Tax</b>	<b>\$20,309</b>
<b>City/Village Property Tax</b>	<b>\$82,233</b>
<b>Town Property Tax</b>	<b>\$23,568</b>
<b>School District Property Tax</b>	<b>\$75,284</b>

\* Figures over 10 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.

© Center for Governmental Research 2021. All rights reserved.

Powered by **informANALYTICS** 

## Table 4: Employment Breakdown

Project	
Direct**	1,241
Indirect***	655
Induced****	836
Construction	
Direct	26
Indirect	10

## Table 5: Ratios

Benefit to Cost Ratio	<b>78.5:1</b>
Overall ROI	<b>1362.7:1</b>

\* Figures over 10 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.

© Center for Governmental Research 2021. All rights reserved.

Powered by **informANALYTICS** 