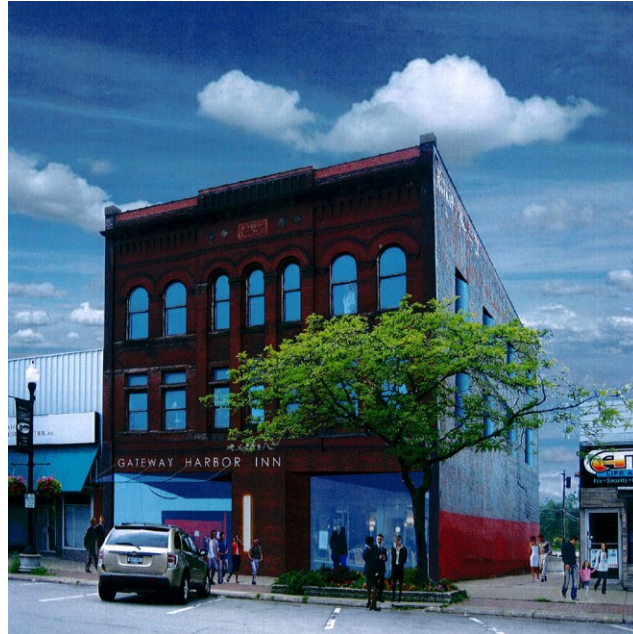


PROJECT SUMMARY

Gateway Harbor Inn



Applicant:	Gateway Harbor Inn	
Project Location:	62-64 Webster Street North Tonawanda	
Assistance:	10 Year Commercial PILOT Sales tax abatements Mortgage Recording tax abatement	
Description:	<p>The Gateway Harbor Inn, to be located at 64 Webster Street in North Tonawanda, will offer upscale accommodations and a 70 seat restaurant/lounge. The three-story brick structure was built in 1891 and is approximately 10,000 square feet. An addition consisting of 4,000 square feet will be added to the existing building.</p> <p>The Inn will attract three important market segments: leisure travel, community generated and the executive business traveler. The facility will consist of 17 rooms, each unique in shape, style and size. The owners will strive to achieve a combination of luxury, warmth, comfort and modern technology in the accommodations.</p>	
Project Costs:	New construction Demolition Site work and prep Machinery & equipment Soft costs Other <p style="text-align: right;">TOTAL</p>	\$2,985,200 \$ 82,300 \$ 462,303 \$ 500,000 \$ 255,000 \$ <u>200,000</u> \$ 4,484,803
Employment:	Currently at Facility: 0 New Jobs at Facility: 16 FT, 18 PT Total Annual Payroll: \$ 700,000 Skills: Clerks, Housekeepers, Maintenance, Foodservice	

REGIONAL ECONOMIC IMPACT ANALYSIS
Gateway Harbor Inn

Utilizing IMPLAN Pro modeling software, an economic impact analysis was conducted to measure new investment and employment for the 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 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	\$ 3,450,000
Direct Employment: New Jobs New Annual Payroll	25 Full Time Equivalents \$ 700,000
<p>New Jobs Impact: The 25 new jobs will:</p> <ul style="list-style-type: none"> ➤ Support an additional 4 indirect effect jobs in the county at an estimated value of \$200,000 ➤ Support an additional 4 induced effect jobs in the county at an estimated value of \$165,000 ➤ Contribute \$89,000 in sales taxes annually 	

COST BENEFIT ANALYSIS

Gateway Harbor Inn 62-64 Webster Street North Tonawanda	Applicant Benefit	Community Benefit
Estimated Property Tax Exemptions for improvements (10-year PILOT)	\$820,000	
Estimated Annual Real Property Taxes paid at conclusion of PILOT		\$140,000
Estimated Sales Tax Exemptions on construction and furnishing building	\$178,000	
Project will add 25 new FTE jobs and new annual payroll of \$700,000		\$700,000
Estimated annual labor income of indirect and induced jobs created		\$365,000
The 25 new jobs will pay an estimated \$89,000 in sales tax annually		\$89,000
The new facility and permanent jobs will have a positive effect on community businesses such as restaurants, stores, entertainment, transportation, and professional service providers		\$290,000
TOTAL	\$ 998,000	\$ 1,584,000

DEFINITIONS

Direct Effects

The set of expenditures applied to the predictive model for impact analysis. It is a series (or single) of production changes or expenditures made by producers/consumers as a result of an activity or policy. These initial changes are determined by an analyst to be a result of this activity or policy. Applying these initial changes to the multipliers in an IMPLAN model will then display how the region will respond, economically to these initial changes.

Indirect Effects

The impact of local industries buying goods and services from other local industries. The cycle of spending works its way backward through the supply chain until all money leaks from the local economy, either through imports or by payments to value added. The impacts are calculated by applying Direct Effects to the Type I Multipliers.

Induced Effects

The response by an economy to an initial change (direct effect) that occurs through re-spending of income received by a component of value added. IMPLAN's default multiplier recognizes that labor income (employee compensation and proprietor income components of value added) is not a leakage to the regional economy. This money is recirculated through the household spending patterns causing further local economic activity.

Note: Labor Income figures include benefit compensation.