

PROJECT SUMMARY
Somerset Operating Company, LLC



Applicant:	Somerset Operating Company, LLC	
Project Location:	7725 Lake Road Town of Somerset	
Assistance:	Extension of PILOT agreement for two years	
Description:	<p>The Company was formed in 2012 as a result of the bankruptcy proceeding of the predecessor in interest. At that time, the Agency and the Company entered into a PILOT agreement which was necessary for the Company to operate the facility in an economical manner and retain employment within Niagara County.</p> <p>The PILOT agreement was extended in February of 2015. This amended PILOT Agreement expires on December 31, 2016 and the Company states that if it is forced to pay full taxes, it may be forced to reduce current employment levels or, worse, cease its operations. The Company is seeking an extension of the existing amended PILOT agreement for an additional two (2) years and a downward adjustment of the current annual PILOT payment by \$500,000 per year.</p>	
Project Costs:	N/A	
Employment:	Jobs retained:	99
	Total payroll:	\$11,076,000

REGIONAL ECONOMIC IMPACT ANALYSIS
Somerset Operating Company, LLC

Estimated State & Regional Benefits / Estimated Project Incentives Analysis		
Total State and Regional Benefits	\$2,464,712	
Total Project Incentives	\$1,000,000	
Benefit to Cost Ratio	2.4:1	
Projected Employment	State	Region
Total Employment	259	259
Direct*	99	99
Indirect**	47	47
Induced***	113	113
Temporary Construction (Direct and Indirect)	0	0

Estimated State and Regional Benefits	
Total State and Regional Benefits	\$2,464,712
Income Tax Revenue	\$ 1,640,248
Sales Tax Revenue	\$ 824,464

Estimated Project Incentives	
Total Project Incentives	\$1,000,000
Property Tax	\$1,000,000

** 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.

Utilizing informANALYTICS modeling software, an economic impact analysis was conducted to measure new investment and employment for the project. This software is a widely accepted and an industry standard for economic impact modeling measuring employment and salary impacts and facility output on the community for a given project.