

PROJECT SUMMARY (Revised)
Robert & Karen Muscarella/Ultimate Physique Inc.



Applicant:	Robert & Karen Muscarella/Ultimate Physique Inc.	
Project Location:	50 Rogers Avenue Lockport, New York	
Assistance:	10 year PILOT Mortgage Recording Tax Abatement Sales Tax Abatement	
Description:	<p>Robert and Karen Muscarella have operated Ultimate Physique for the past 18 years. This gym, currently located at 20 Ann Street in the City of Lockport, has been expanded three times to its current 15,000 square feet. Much of the current building is over 100 years old and has become structurally unstable, forcing the company to find a more suitable building for future operations and growth.</p> <p>Washington Hunt School, located at 50 Rogers Avenue no longer serves as a school and has been sitting vacant. In late July, voters in the City of Lockport School District approved the sale by the District to the Muscarellas, who plan to relocate Ultimate Physique as well as renovate parts of the building for other commercial ventures. New fitness options such as basketball, steam rooms, yoga studio and additional fitness rooms will be available. Kandyland Day Care will open a second location in the building and will offer babysitting services for gym members. The Muscarella's goal is to increase gym memberships with these enhanced amenities and services.</p> <p>The building will require extensive renovations, including significant asbestos remediation.</p>	
Project Costs:	Building purchase Sitework Construction/renovation Equipment Soft costs <p align="right">TOTAL</p>	\$ 65,000 \$ 100,000 \$ 750,000 \$ 225,000 <u>\$ 70,000</u> \$1,210,000
Employment:	Existing jobs in Niagara County New jobs New Jobs at Kandyland Skills: manager, trainers, instructors, floor and counter personnel, daycare	4 FTE's 5 FTE's 20 FTE's

REGIONAL ECONOMIC IMPACT ANALYSIS (REVISED)
Robert & Karen Muscarella/Ultimate Physique Inc.

Estimated State & Regional Benefits / Estimated Project Incentives Analysis (Discounted Present Value*)

Total State and Regional Benefits		\$599,000
Total Project Incentives		\$140,000
Projected Employment	State	Region
Total Employment	56	56
Direct**	29	29
Indirect***	10	10
Induced****	8	8
Temporary Construction (Direct and Indirect)	8	8

Estimated State & Regional Benefits (Discounted Present Value*)

Total State and Regional Benefits	\$599,000
Income Tax Revenue	\$ 307,338
Sales Tax Revenue	\$ 276,874
Property Tax/PILOT Revenue	\$ 14,788

Estimated Project Incentives (Discounted Present Value*)

Total Project Incentives	\$140,000
Mortgage Tax	\$ 12,000
Property Tax	\$ 76,000
Sales Tax	\$ 52,000

* Figures over 15 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.

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.