

PROJECT SUMMARY
Geise Properties, LLC – Old City Hall



Applicant:	Geise Properties, LLC – Old City Hall	
Project Location:	2 Pine Street Lockport, New York	
Assistance:	5 Year Opportunity Zone PILOT Sales tax exemptions	
Description:	<p>For the past 5 years “Old City Hall”, located in the heart of the City of Lockport’s tourism district, has been underutilized. This project will renovate space within the building to be leased to the Flight of Five Winery, as well as other food and tourism operations.</p> <p>With the removal of the adjacent municipal parking garage, the building is expected to gain additional exposure and interest. The building’s owner plans to promote the canal and its history by maintaining a late 1800’s feel to the décor.</p> <p>Future projects will showcase the rich history that exists not only in downtown Lockport, but within the building itself. Birdsill Holly, a renowned Lockport inventor, designed and built his first functional water turbine in this building, and the machinery still exists today. The owner plans to renovate the original power source in the building.</p>	
Project Costs:	Land acquisition Renovations Site Work Equipment, furniture & fixtures Soft Costs <p style="text-align: right;">TOTAL</p>	\$ 2,800 130,000 25,000 30,000 <u>12,200</u> \$ 200,000
Employment: (Flight of Five Winery)	Currently at Facility: 0 New Jobs at Facility: 20 FTE’s (end year 3) Total Annual Payroll: \$350,000 (end year 3) Skills: Sales, Retail	

REGIONAL ECONOMIC IMPACT ANALYSIS
Geise Properties, LLC – Old City Hall

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 (renovations)	\$ 165,000
Direct Employment (end year 3): New Jobs Annual New Payroll	20 FTE's \$350,000
New Jobs Impact: The 20 new FTE jobs will: <ul style="list-style-type: none"> ➤ Support an additional 2 indirect and induced effect jobs in the county at an estimated value of 80,000 ➤ Contribute \$41,000 in sales taxes annually 	

COST BENEFIT ANALYSIS

Geise Properties, LLC – Old City Hall 2 Pine Street Lockport, New York	Applicant Benefit	Community Benefit
Estimated Property Tax Exemptions for existing assessment and improvements (5-year PILOT)	\$70,000	
Estimated Annual Real Property Taxes paid at conclusion of PILOT		\$14,000
Estimated Sales Tax Exemptions on construction and furnishing building	\$ 9,000	
Expansion will add 20 new jobs and new annual payroll of \$350,000		\$350,000
Estimated total annual value of indirect and induced jobs created		\$80,000
The 20 new jobs will generate an estimated \$41,000 in sales tax annually		\$41,000
Project will generate an additional \$660,000 in economic activity		\$660,000
TOTAL	\$79,000	\$1,145,000

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.