

PROJECT SUMMARY

Taylor Devices



Applicant:	Taylor Devices	
Project Location:	222 Ironton St. North Tonawanda	
Assistance:	15 Year Industrial PILOT Sales tax abatements Mortgage Recording tax abatement	
Description:	<p>Incorporated in 1955, Taylor Devices, Inc. is the leading manufacturer of Shock Absorbers, Liquid Springs, Shock Isolation Systems, Seismic Isolators, Vibration Dampers, Powerplant Snubbers, and other types of Hydro-Mechanical Management Products. Taylor Devices' products form the cutting edge of technology in the marketplace, and are backed by 50+ years of successful experience in the shock and vibration control field. Customers are provided with turn-key solutions to shock and vibration problems, with Taylor Devices providing full analysis, development, manufacturing and testing capabilities.</p> <p>The company will purchase 3 buildings on Ironton Street in North Tonawanda. The buildings will be renovated to be used by Taylor Devices as a manufacturing site to expand their capacity and to consolidate operations from a site in the Town of Tonawanda. The renovation will include the upgrade of the power in the building and the addition of cranes for material handling. Taylor Devices intends to move the machining processes from its existing site on Tonawanda Island.</p>	
Project Costs:	Land Building acquisition Renovation Site work and preparation Soft costs <div style="text-align: right;">TOTAL</div>	\$ 38,000 \$ 285,000 \$2,200,000 \$ 62,000 \$ <u>120,000</u> \$2,705,000
Employment:	Currently at Facility: 92 FT, 3 PT New Jobs at Facility: 20 Total Annual Payroll: \$5,200,000 Skills: Production, Machining, Supervisory	

REGIONAL ECONOMIC IMPACT ANALYSIS

Taylor Devices, Inc.

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: Renovation	\$ 2,200,000
Direct Employment: New Jobs New Annual Payroll	20 \$ 1,000,000
<p>New Jobs Impact: The new jobs will:</p> <ul style="list-style-type: none"> ➤ Support an additional 5 indirect effect jobs in the county at an estimated value of \$265,000 ➤ Support an additional 7 induced effect jobs in the county at an estimated value of \$240,000 ➤ Contribute \$37,000 in sales taxes annually 	

COST BENEFIT ANALYSIS

Taylor Devices, Inc. 222 Ironton Street North Tonawanda	Applicant Benefit	Community Benefit
Estimated Property Tax Exemptions for improvements (15-year PILOT)	\$400,000	
Estimated Annual Real Property Taxes paid at conclusion of PILOT		\$63,000
Estimated Sales Tax Exemptions on construction and furnishing building	\$90,000	
Project will add 20 new jobs and new annual payroll of \$1,000,000		\$1,000,000
Estimated annual labor income of indirect and induced jobs created		\$505,000
The new jobs will pay an estimated \$37,000 in sales tax annually		\$37,000
The new facility and permanent jobs will have a positive effect on community businesses such as restaurants, stores, entertainment, transportation, and professional service providers		\$425,000
TOTAL	\$ 490,000	\$ 2,030,000

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.