

PROJECT SUMMARY
Shipman Properties LLC



Applicant:	Shipman Properties LLC	
Project Location:	6120 Lendell Road Town of Wheatfield	
Assistance:	15 Year Industrial PILOT Sales tax abatements Mortgage Recording tax abatement	
Description:	<p>Shipman Properties LLC is a real estate holding company for Shipman Printing Industries, Inc. The Company originated as Wahl Printing and Binding in 1906. It was subsequently expanded by Frank Shipman and added cut sheets, additional envelope product and commercial print capabilities under Shipman Printing Industries. The company was purchased by Gary Blum in 2000 and now operates under the dba Shipman Print Solutions.</p> <p>The company, currently located at 2424 Niagara Falls Boulevard in the Town of Wheatfield, desired to expand at that location, but physical expansion of the plant was not feasible. Consequently, the company has purchased a long-vacant building at 6120 Lendell Road, also in the Town of Wheatfield. Renovations and upgrades to the building are needed to allow it to house production, storage and administrative operations.</p> <p>The new facility will allow space for new presses and a better manufacturing environment, with better product flow and storage through the production process.</p>	
Project Costs:	Acquisition Renovation (HVAC) New construction Utilities and Road Soft costs <p style="text-align: right;">TOTAL</p>	\$ 450,000 \$ 125,000 \$ 85,000 \$ 85,000 \$ 20,000 <hr/> \$ 765,000
Employment:	Currently at Company: 28 FT, 2 PT New Jobs at Facility: 2 FT within 2 years Total Annual Payroll: \$1,250,000 Skills: Production, Office, Supervisory and Managerial	

REGIONAL ECONOMIC IMPACT ANALYSIS
Shipman Properties LLC

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 and Construction	\$ 295,000
Direct Employment: New Jobs New Annual Payroll	2 Full Time Equivalents \$ 90,000
New Jobs Impact: The 2 new jobs will:	
➤ Support one additional indirect and induced effect job in the county at an estimated value of \$36,000	
➤ Contribute \$ 2,700 in sales taxes annually	

COST BENEFIT ANALYSIS

Shipman Properties LLC 6120 Lendell Road Wheatfield	Applicant Benefit	Community Benefit
Estimated Property Tax Exemptions for improvements (15-year PILOT)	\$200,000	
Estimated Annual Real Property Taxes paid at conclusion of PILOT		\$ 24,000
Estimated Sales Tax Exemptions on construction and furnishing building	\$ 12,000	
Project will add 2 new jobs and to annual payroll		\$ 90,000
Estimated annual labor income of indirect and induced job created		\$ 36,000
The new jobs will pay an estimated \$2,700 in sales tax annually		\$ 2,700
The new facility and permanent jobs will have a positive effect on community businesses such as restaurants, stores, entertainment, transportation, and professional service providers		\$ 33,000
TOTAL	\$ 212,000	\$ 210,000

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.