



Final Report

# Economic Impact Analysis for the Western New York Science & Technology Advanced Manufacturing Park

April 1, 2011

Prepared for:  
Town of Alabama, New York



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## Executive Summary

- At full build-out, the STAMP project will comprise approximately **6.1 million square feet** of employment supporting space with a total estimated assessable value of **\$760.5 million**
  - 5-year build-out: 1 million square feet valued at \$150 million
  - 10-year build-out: 3.6 million square feet valued at \$458.1 million
  - 15-year build-out: 6.1 million square feet valued at \$760.5 million
- STAMP will support **9,330 full-time-equivalent (FTE) jobs** at full build-out and occupancy
  - 5-year build-out: 1,275 direct FTE jobs
  - 10-year build-out: 5,328 direct FTE jobs
  - 15-year build-out: 9,330 direct FTE jobs
- STAMP employment is projected generate **direct annual wages of \$531.9 million** at full build-out and occupancy (in 2011 dollars)
  - 5-year build-out: 1,275 direct FTE jobs
  - 10-year build-out: 5,328 direct FTE jobs
  - 15-year build-out: 9,330 direct FTE jobs
- **Total economic output is projected to equal approximately \$4.6 billion at full build-out and occupancy**, which includes secondary economic impacts
- Indirect wages are projected to equal approximately \$761.3 million at build-out and occupancy, reflecting indirect employment of 7,191
- Construction phases are projected to support 1,400 to 2,900 direct and indirect FTE jobs during the duration of development, with total earnings ranging from \$40.8 million to \$83.8 million
- **Property tax rates are projected to decrease due to significant increases in the tax base from STAMP:**
  - The Town of Alabama could realize a decrease in the tax rate per \$1,000 in value from \$1.11 to \$0.11.
  - Genesee County could realize a decrease in the tax rate per \$1,000 in value from \$9.82 to \$7.97
  - Oakfield-Alabama School District could realize a decrease in the tax rate per \$1,000 in value from \$23.73 to \$16.94.

- Total recurring **annual state income taxes are projected to equal approximately \$33.6 million** at full build-out and occupancy
- Retail operations are projected to generate **annual sales taxes of \$2.3 million each to the county and state**

## **Section 1 Introduction**

The following report was prepared by BBP & Associates LLC (BBP) as an element to the Draft Generic Environmental Impact Statement for the Western New York Science & Technology Advanced Manufacturing Park, for which BBP subcontracted to the lead firm, CH2M Hill. The report is divided into two main sections, the Existing Conditions Analysis and an Economic / Fiscal Impact Analysis.

The Existing Conditions Analysis examines the following: delineation of the overall study area; an economic and demographic profile of the study area; labor and workforce characteristics; higher educational institutions, and: transportation.

The Economic and Fiscal Impact analysis contains the following subsections: a summary of the proposed building program broken down by phase, and containing calculations of square footage by use type; projected employment and wages; indirect economic impacts; impacts from the construction phases of the project; real estate property tax revenues; state income tax revenues, and; sales tax revenues from retail operations.





### *Economic & Demographic Profile*

To evaluate the depth and characteristics of potential demand presented by households and firms for commercial uses, an assessment of the demographic and economic conditions of Genesee County and its impacted market areas was performed. The chart below provides a summary demographic and economic profile of Genesee County and surrounding study areas.

<b>Demographic &amp; Economic Profile (2009)</b>					
	<b>Town of Alabama</b>	<b>Genesee County</b>	<b>Orleans County</b>	<b>Niagara County (Within 25-Mile of Town)</b>	<b>Erie County (Within 25-Mile of Town)</b>
<b>Population</b>	1,786	58,547	42,947	114,875	420,044
<b>Households</b>	642	22,519	15,338	45,304	168,149
<b>Average Household Size</b>	2.78	2.54	2.61	2.5	2.42
<b>Labor Force</b>	925	31,680	17,940	55,401	203,465
<b>At-Place Employment</b>	127	27,263	11,048	40,118	215,086
<b>Median Household Income</b>	\$49,505	\$51,586	\$49,228	\$54,578	\$59,375
<b>Per Capita Income</b>	\$18,643	\$23,230	\$21,205	\$25,532	\$29,235
<b>Median Age</b>	36.3	39.7	35.6	40.4	41.5
<b>Median Home Value</b>	\$121,875	\$133,548	\$106,713	\$145,248	\$159,574
<i>Source: ESRI Business Solutions</i>					

### *Population*

In 2009, Genesee County was home to an estimated 58,547 residents. Genesee County has experienced a slight decrease of population in recent years, similar to that of other surrounding geographies including the Town of Alabama, Orleans County, and the eastern portion of Erie County.

- Census-based projections indicate Genesee County could lose approximately 1,290 residents by 2014, if past trends in household growth were to continue.
- Between 2000 and 2009, Genesee County has experienced a population loss of -0.34 percent annually, similar to that of the Town of Alabama (-0.57 percent), Orleans County (-0.31 percent), and the eastern part of Erie County (-0.12 percent). The only study area analyzed in this study that experienced a growth in population was the eastern portion of Erie County, growing at 0.02 percent annually.

- Of course, the realization of the loss of residents in large part is contingent upon availability of jobs, the provision of housing, availability of public services to accommodate population, and existing zoning regulations.
- Loss of the permanent population recognizes the need to attract new and retain existing employers, as residents expand the labor force and offer disposable income to fuel local businesses.

<b>Population in Comparison</b>			
	<b>2000</b>	<b>2009</b>	<b>2014</b>
<b>Town of Alabama</b>	1,881	1,786	1,731
<b>Genesee County</b>	60,370	58,547	57,257
<b>Orleans County</b>	44,171	42,947	42,226
<b>Niagara County (Within 25-Mile of Town)</b>	114,643	114,875	113,884
<b>Erie County (Within 25-Mile of Town)</b>	424,563	420,044	412,283
<i>Source: ESRI Business Solutions</i>			

<b>Average Annual Population Growth Rate (2000-2009)</b>	
<b>Town of Alabama</b>	-0.57%
<b>Genesee County</b>	-0.34%
<b>Orleans County</b>	-0.31%
<b>Niagara County (Within 25-Mile of Town)</b>	0.02%
<b>Erie County (Within 25-Mile of Town)</b>	-0.12%
<i>Source: ESRI Business Solutions</i>	

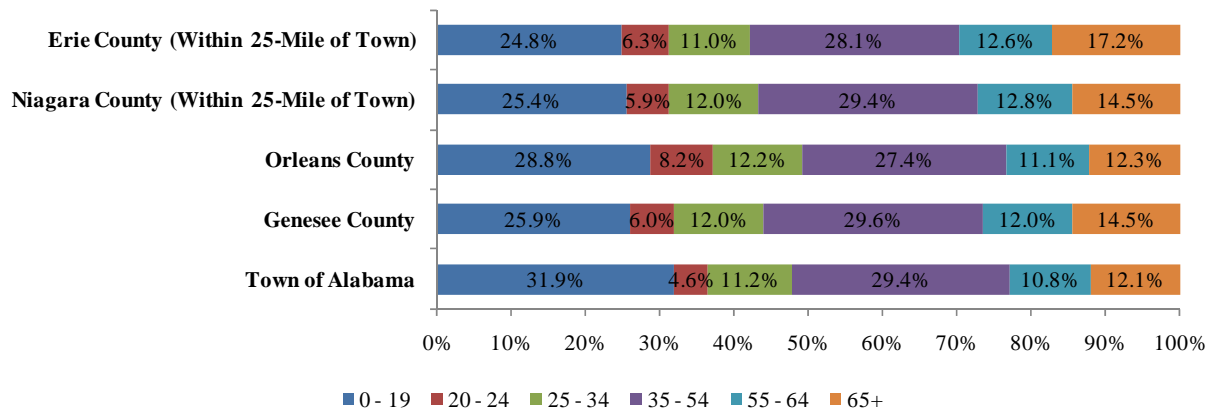
### Age Levels

The median Genesee County resident, at age 37.9, is relatively on par with the median resident in surrounding geographies (35.6 in Orleans County, 36.3 in the Town of Alabama, 40.4 in the eastern portion of Niagara County, and 41.5 in the eastern portion of Erie County). Each of these areas have many residents in the 35 to 55+ age groups.

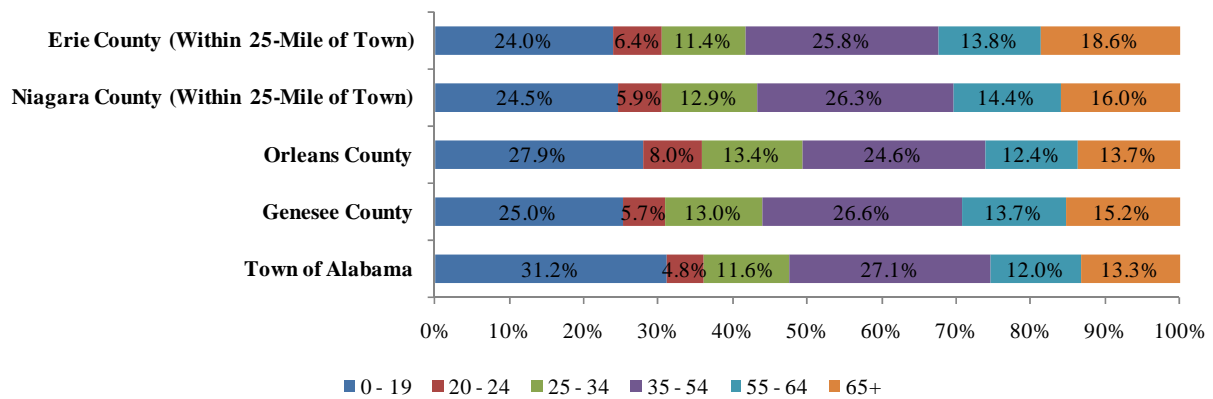
- Over the next five years, the proportion of residents in the 55+ age group is expected to increase in the County as well as in surrounding geographies, while the number of residents in the 0 to 19 age group is expected to slightly decrease.
- If these trends continue into the future, Genesee County as well as surrounding geographies could be faced with a shortage of young workers to replace the existing workforce as they retire.

Median Age (2009)	
	Median Age
Town of Alabama	36.3
<b>Genesee County</b>	<b>37.9</b>
Orleans County	35.6
Niagara County (Within 25-Mile of Town)	40.4
Erie County (Within 25-Mile of Town)	41.5
<i>Source: ESRI Business Solutions</i>	

Age Cohort (2009)



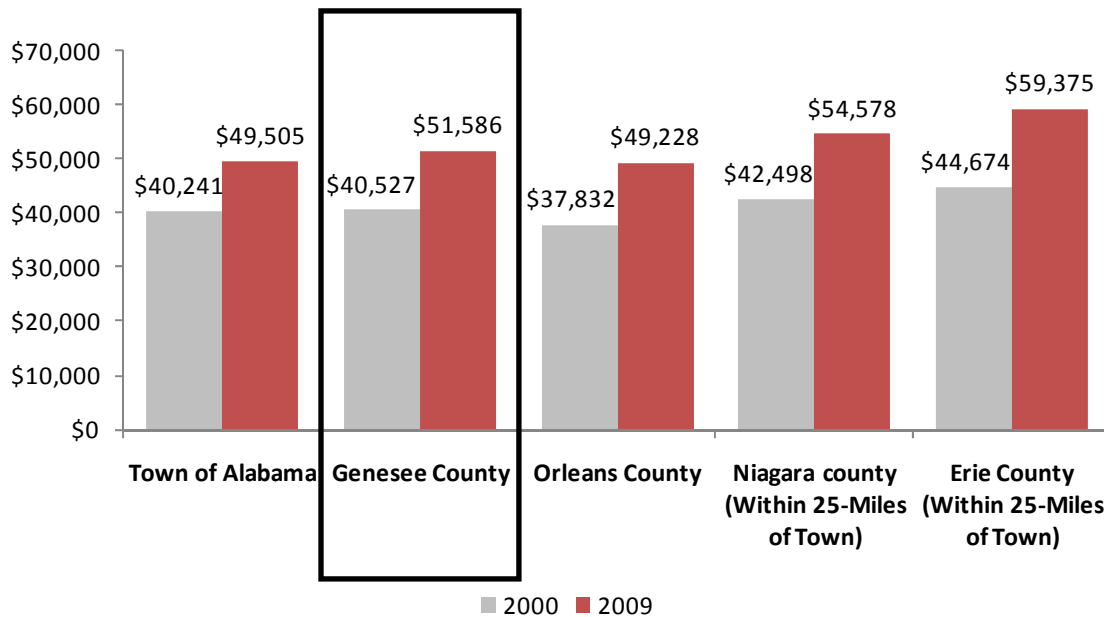
Age Cohort (2014)



**Income**

Median household income has increased in Genesee County at a slower pace than surrounding geographies over the past several years.

- Genesee County’s median household income grew from \$40,527 in 2000 to an estimated \$51,586 in 2009.
- Genesee County’s median household income of \$51,586 (2009) is higher than that of Orleans County (\$49,228) and the Town of Alabama (\$49,505), but is lower than that of the eastern portion of Niagara County (\$54,578), and the eastern portion of Erie County (\$59,375).
- Genesee County’s median household income compound annual growth rate of 2.72 percent is higher than that of the Town of Alabama (2.33 percent), but lower than that of the eastern part of Niagara County (2.82 percent), Orleans County (2.97 percent), and the eastern part of Erie County (3.21 percent).



Source: ESRI Business Solutions

When analyzing households by income in Genesee County, 8.1 percent of the households earn between \$35,000 and \$99,999 annually. Similar to that of surrounding geographies, majority, or 25.7 percent of the households in Genesee County earn between \$50,000 and \$74,999.

<b>Households by Income (2009)</b>					
	<b>Town of Alabama</b>	<b>Genesee County</b>	<b>Orleans County</b>	<b>Niagara County (Within 25-Mile of Town)</b>	<b>Erie County (Within 25-Mile of Town)</b>
<b>&lt;\$15,000</b>	6.7%	8.4%	9.7%	9.3%	9.0%
<b>\$15,000 - \$24,999</b>	12.1%	10.0%	11.5%	10.2%	9.2%
<b>\$25,000 - \$34,999</b>	13.2%	12.1%	10.3%	10.4%	10.4%
<b>\$35,000 - \$49,999</b>	18.5%	17.8%	18.8%	16.0%	13.3%
<b>\$50,000 - \$74,999</b>	32.6%	25.7%	29.0%	22.9%	22.5%
<b>\$75,000 - \$99,999</b>	9.3%	14.6%	10.5%	15.7%	16.8%
<b>\$100,000 - \$149,999</b>	7.2%	8.6%	7.6%	11.1%	11.9%
<b>\$150,000 - \$199,999</b>	0.4%	1.5%	1.5%	3.0%	3.9%
<b>\$200,000 +</b>	0.0%	1.3%	1.1%	1.4%	3.0%

*Source: ESRI Business Solutions*

### **At-Place Employment & Establishments**

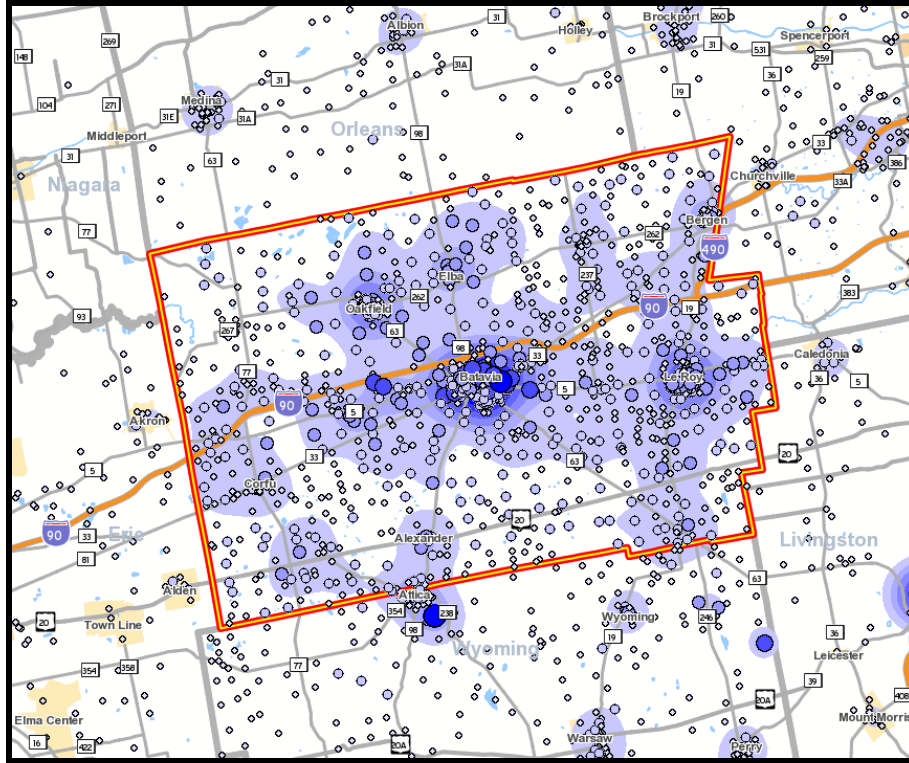
At-place employment refers to all employees of establishments located in a specific geography, and is distinctive from the labor force in that an at-place employee may or may not reside in that specific geography (and a member of the labor force may or may not work in that specific geography).

- Genesee County consists of 27,263 at-place employees and 2,158 at-place businesses, compared to a labor force of nearly 31,680 working residents. The larger labor force compared to at-place employment suggests that the Town has a relatively higher number of out-commuters (e.g. residents that work outside the County) than in-commuters (e.g. at-place employees that live outside the County).
- Of the 27,263 employees who work in Genesee County, services (47 percent), retail trade (18 percent), and manufacturing (10 percent) industries account for 75 percent of the employment in the county.

<b>At-Place Employees &amp; Businesses</b>		
	<b>At-Place Employees</b>	<b>At-Place Businesses</b>
<b>Town of Alabama</b>	127	32
<b>Genesee County</b>	27,263	2,158
<b>Orleans County</b>	11,048	1,089
<b>Niagara County (Within 25-Mile of Town)</b>	40,118	3,369
<b>Erie County (Within 25-Mile of Town)</b>	215,086	15,180
<i>Source: ESRI Business Solutions</i>		

<b>At-Place Employment by Industry</b>										
	<b>Town of Alabama</b>		<b>Genesee County</b>		<b>Orleans County</b>		<b>Niagara County (Within 25-Mile of Town)</b>		<b>Erie County (Within 25-Mile of Town)</b>	
	<b>Emp</b>	<b>%</b>	<b>Emp</b>	<b>%</b>	<b>Emp</b>	<b>%</b>	<b>Emp</b>	<b>%</b>	<b>Emp</b>	<b>%</b>
<b>Agriculture</b>	9	7%	467	2%	158	1%	651	2%	1,507	1%
<b>Construction</b>	3	2%	778	3%	360	3%	1,416	4%	8,332	4%
<b>Manufacturing</b>	6	5%	2,640	10%	1,603	15%	8,599	21%	18,882	9%
<b>Wholesale Trade</b>	0	0%	2,026	7%	580	5%	1,488	4%	15,880	7%
<b>Retail Trade</b>	20	16%	4,952	18%	1,304	12%	6,651	17%	46,254	22%
<b>Transportation / Utilities</b>	12	9%	656	2%	437	4%	3,051	8%	7,721	4%
<b>Finance, Insurance, Real Estate</b>	0	0%	684	3%	246	2%	2,017	5%	15,530	7%
<b>Services</b>	24	19%	12,902	47%	4,892	44%	12,846	32%	95,356	44%
<b>Government</b>	53	42%	2,158	8%	1,468	13%	3,399	8%	5,624	3%
<b>Total</b>	<b>127</b>	<b>100%</b>	<b>27,263</b>	<b>100%</b>	<b>11,048</b>	<b>100%</b>	<b>40,118</b>	<b>100%</b>	<b>215,086</b>	<b>100%</b>
<i>Source: ESRI Business Solutions</i>										

Of the 27,263 at-place employees who work in Genesee County, 53.5 percent live in Genesee County and 35.1 percent residing in surrounding counties of Monroe (9.6 percent), Erie (8.2 percent), Wyoming (8.2 percent), Livingston (3.8 percent), Orleans (3.3 percent), and Niagara (2.0 percent).



<b>Location of Residence of Genesee County At-Place Employment</b>			
<b>Town</b>	<b>% Share</b>	<b>County</b>	<b>% Share</b>
<b>Batavia</b>	15.7%	<b>Genesee County</b>	53.5%
<b>LeRoy</b>	3.7%	<b>Monroe County</b>	9.6%
<b>Oakfield</b>	2.0%	<b>Erie County</b>	8.2%
<b>Rochester</b>	1.6%	<b>Wyoming County</b>	8.2%
<b>New York</b>	1.6%	<b>Livingston County</b>	3.8%
<b>Buffalo</b>	1.2%	<b>Orleans County</b>	3.3%
<b>Elba</b>	0.8%	<b>Niagara County</b>	2.0%
<b>Warsaw</b>	0.8%	<b>Ontario County</b>	0.9%
<b>Attica</b>	0.7%	<b>Onondaga County</b>	0.8%
<b>Bergen</b>	0.7%	<b>Chautauqua County</b>	0.8%
<b>All Other Locations</b>	71.2%	<b>All Other Locations</b>	8.9%
<b>Total</b>	<b>100.0%</b>	<b>Total</b>	<b>100.0%</b>

*Source: US Longitudinal Employer-Household Dynamics*

Genesee County consists of several large employers, of which Six Flags Darien Lake Theme Park is the largest employer in Genesee County, consisting of 2,000 seasonal employees. Genesee County Government, United Memorial Medical Center, and various other manufacturing, retail and services industry firms are the largest employers in Genesee County.

<b>Genesee County Largest Employers</b>	
<b>Employer</b>	<b>Employees</b>
<b>Six Flags Darien Lake</b>	2,000
<b>Genesee County Government</b>	750
<b>United Memorial Medical Center</b>	706
<b>Genesee Valley BOCES</b>	540
<b>Batavia Board of Education</b>	440
<b>Hanson Aggregates</b>	400
<b>US Veterans Hospital</b>	400
<b>O-AT-KA Milk Products</b>	305
<b>Genesee ARC</b>	300
<b>Graham Corporation</b>	282
<b>Chapin Manufacturing, Inc.</b>	273
<b>PW Minor &amp; Sons, Inc.</b>	240
<b>U.S. Immigration &amp; Naturalization Services</b>	240
<b>Lapp Insulator Company</b>	202
<b>Allen's - Bergen</b>	167
<b>Wal-Mart</b>	165
<b>Top Friendly Market</b>	158
<b>Angelica Textile</b>	120
<b>Pioneer Credit</b>	110
<i>Source: Genesee County Website</i>	

### **Labor Force**

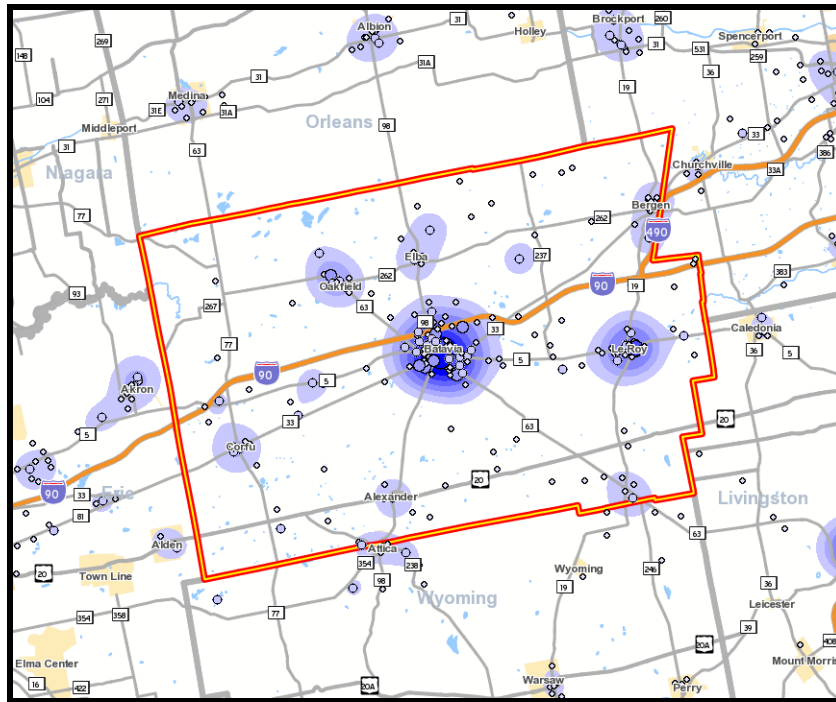
Labor force is defined as every individual of working age residing within a specific geography. Genesee County's labor force consists of nearly 31,680 residents.

- Of the 31,680 individuals who are of working age who live in Genesee County, services (48 percent), manufacturing (14 percent), and the retail trade (11 percent) industries account for 73 percent residents employment industries

<b>Labor Force</b>	
	<b>Labor Force</b>
Town of Alabama	925
<b>Genesee County</b>	<b>31,680</b>
Orleans County	17,940
Niagara County (Within 25-Mile of Town)	55,401
Erie County (Within 25-Mile of Town)	203,465
<i>Source: ESRI Business Solutions</i>	

<b>Labor Force by Industry</b>										
	Town of Alabama		Genesee County		Orleans County		Niagara County (Within 25-Mile of Town)		Erie County (Within 25-Mile of Town)	
	Emp	%	Emp	%	Emp	%	Emp	%	Emp	%
Agriculture	59	6%	1,045	3%	520	3%	609	1%	407	0%
Construction	55	6%	1,901	6%	1,041	6%	2,992	5%	8,342	4%
Manufacturing	149	16%	4,340	14%	2,763	15%	8,310	15%	18,515	9%
Wholesale Trade	52	6%	1,236	4%	466	3%	1,884	3%	8,546	4%
Retail Trade	132	14%	3,548	11%	2,171	12%	6,814	12%	23,805	12%
Transportation / Utilities	49	5%	1,426	5%	915	5%	2,992	5%	9,766	5%
Finance, Insurance, Real Estate	47	5%	1,521	5%	933	5%	3,435	6%	17,498	9%
Services	340	37%	15,143	48%	8,037	45%	26,260	47%	108,447	53%
Government	42	5%	1,521	5%	1,094	6%	1,994	4%	8,139	4%
<b>Total</b>	<b>925</b>	<b>100%</b>	<b>31,680</b>	<b>100%</b>	<b>17,940</b>	<b>100%</b>	<b>55,401</b>	<b>100%</b>	<b>203,465</b>	<b>100%</b>
<i>Source: ESRI Business Solutions</i>										

Of the 31,680 individuals who are of working age who live in Genesee County, 42.3 percent work in Genesee County and 49.2 percent work in surrounding counties of Monroe (21.1 percent), Erie (18.0 percent), Wyoming (3.1 percent), Livingston (2.6 percent), Orleans (2.3 percent), and Niagara (2.1 percent).



Location of Employment of Genesee County Labor Force			
Town	% Share	County	% Share
Batavia	20.7%	Genesee County	42.3%
Rochester	7.2%	Monroe County	21.1%
LeRoy	4.3%	Erie County	18.0%
Buffalo	2.8%	Wyoming County	3.1%
Cheektowaga	2.1%	Livingston County	2.6%
Brighton	1.2%	Orleans County	2.3%
Akron	1.1%	Niagara County	2.1%
Albion	0.9%	Onondaga County	1.2%
Corfu	0.9%	Ontario County	1.0%
West Seneca	0.8%	Cattaraugus County	0.6%
All Other Locations	58.0%	All Other Locations	5.7%
<b>Total</b>	<b>100.0%</b>	<b>Total</b>	<b>100.0%</b>

*Source: US Longitudinal Employer-Household Dynamics*

### *Amenities & Other Quality of Life Factors*

#### Amenities / Attractions

Genesee County provides a broad variety of local area attractions for residents and visitors to the area. Local attractions consist of various arts and culture centers, family entertainment centers, golf courses and country clubs, museums, outdoor adventures, and sporting events and facilities.

<b>Area Attractions</b>		
	<b>Attraction</b>	<b>Location</b>
<b>Arts &amp; Culture Centers</b>	Darien Lake Performing Arts Center	Darien Center
	Genesee Center for the Arts	Batavia
	GO Art! Cultural Center	Batavia
	OATKA School of Glass & Glass Studio	Batavia
<b>Family Entertainment</b>	Holiday Hollow	Corfu
	Lei-Ti Campground - Mini Golf	Batavia
	Terry Hills Miniature Golf	Batavia
	The Gravel Pit Family Entertainment Center	Batavia
	Darien Lake Theme Park Resort	Darien Center
	Batavia Downs Gaming & Racing	Batavia
<b>Golf &amp; Country Clubs</b>	Batavia Country Club	Batavia
	Chestnut Hill Country Club	Darien Center
	LeRoy Country Club	LeRoy
	Terry Hills Golf Course	Batavia
<b>Museums</b>	Historical LeRoy House	LeRoy
	Holland Land Office Museum	Batavia
	JELL-O Gallery Museum	LeRoy
	Medina Railroad Museum	Medina
	Stafford Museum of History	Stafford
<b>Nature &amp; Outdoors</b>	Batavia Boogie - Frontier Skydivers	Batavia
	Genesee County Park & Forest and Interpretive Center	East Bethany
	Iroquois National Wildlife Refuge	Basom
<b>Sports</b>	Batavia Muckdogs Baseball @ Dwyer Stadium	Batavia
	Falletti Ice Arena	Batavia
	Mancuso's Bowling Alley	Batavia
<i>Source: Genesee County Website</i>		

Higher Education Resources

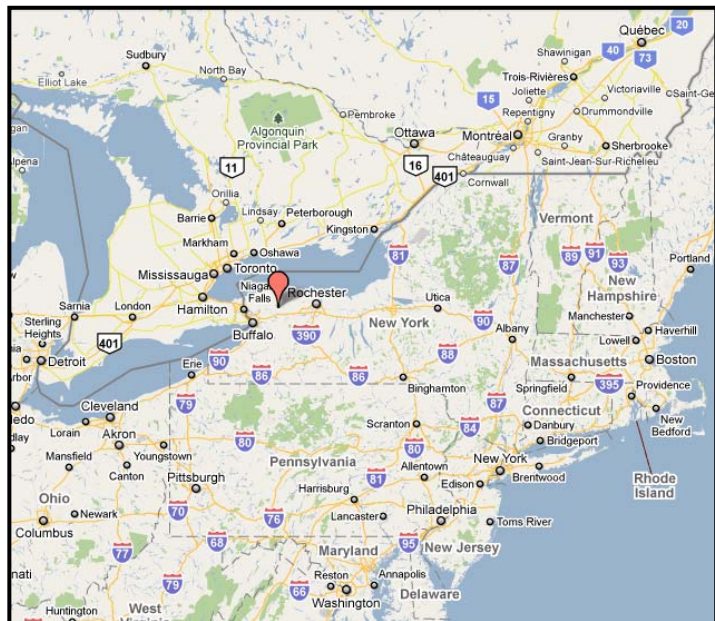
Founded in 1966 as a member of the State University of New York educational system (SUNY), Genesee Community College is located just outside of Batavia. Consisting of approximately 3,124 full-time students, along with nearly 3,548 part-time students and 108 international students from more than 19 countries, Genesee Community College is ranked among the highest in student satisfaction earning acclaim for innovative academic programs, powerful technology tools available to students both in and outside the classroom, and a growing distance learning program. Offering approximately 63 academic programs of either two-year associate's degree programs or one-year certificate programs, over 90 percent of graduates obtain immediate employment or transfer to a four-year college.

Transportation

Genesee County is situated within driving distance of various major population centers, including the Buffalo / Niagara Falls and Rochester metropolitan areas. Within a half day drive from Genesee County, one can reach approximately a dozen metropolitan areas located in the New England, North East, and Mid Atlantic regions. Access to these interregional destinations as well as local attractions is provided by road, air, transit, and rail.

Drive-Time Distance to Major Cities	
Major City	Drivetime Distance (Hours)
Buffalo, NY	0.5
Rochester, NY	0.5
Syracuse, NY	1.5
Corning, NY	2
Toronto, ONT	2
Binghamton, NY	2.5
Albany, NY	4
Cleveland, OH	4
Kingston, ONT	4
Pittsburgh, PA	4
Philadelphia, PA	5.5
Hartford, CT	7
Montreal, QUE	7
Boston, MA	7.5
Burlington, VT	7.5
New York City, NY	7.5
Washington, DC	7.5

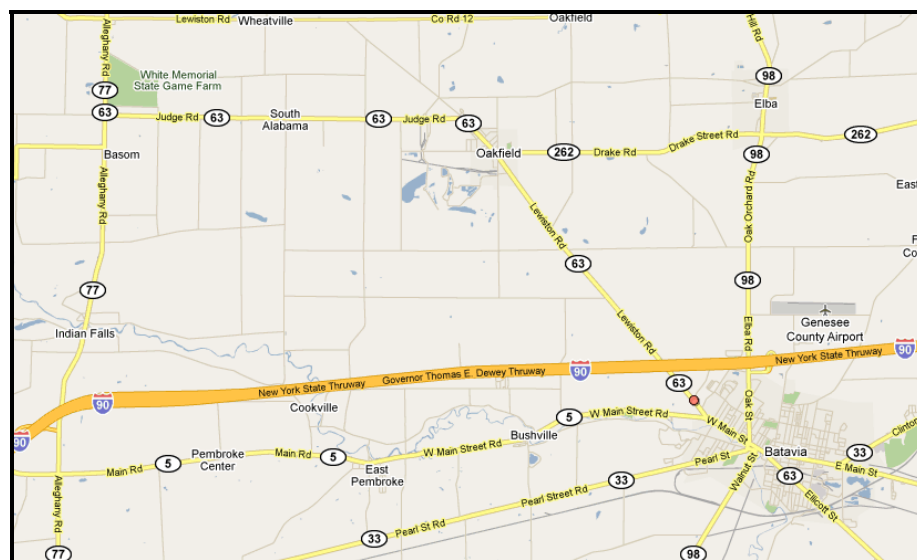
*Source: Genesee County Website*



### Highways and Major Arterial Roadways

Most of the Town of Alabama and Genesee County's roads are rural two lane roadways, but include several highways and major arterial roadways. Major roadways around the Town and County include Interstate 90, State Route 70, and State Route 63.

- Interstate 90 (I-90): I-90 is part of the interstate highway system that runs from Seattle, Washington to Boston, Massachusetts. Extending approximately 385 miles in the state of New York from the Town of Ripley, Pennsylvania to Canaan, Massachusetts. For most of its length in New York, I-90 runs parallel to the former Erie Canal route and the CSX railroad mainline that traverses the state.
- State Route 77 (NY 77): NY 77 is a state highway in the western part of New York which is 46 miles in length and is a general north-south alignment. The highway runs between its southern terminus at Java Center in Wyoming County and its northern terminus is in the City of Lockport in Niagara County.
- State Route 63 (NY 63): NY 63 is a state highway in the western part of New York which is 82 miles in length and is much of a southeast-northwesterly alignment for much of its routing. The southern terminus of the route is in the Village of Wayland in Steuben County and ends in the Town of Yates in Orleans County, 2 miles south of the Lake Ontario shoreline.



### Airports

Genesee County is served by four airports and airfields, with Genesee County Airport, located two miles north of Batavia, serving as the primary airport. Along with Genesee County Airport, LeRoy Airport is located two miles east of the Town of LeRoy and serves as another public use airport to the county. All regional, commercial and international aviation services are available at two airports located within a 30-minute drive time from Genesee County, and include Buffalo Niagara International Airport and Greater Rochester International Airport.

<b>Airports &amp; Airfields</b>	
<b>Airport</b>	<b>Type</b>
<b>Buffalo Niagara International Airport</b>	Commercial / International Aviation
<b>Greater Rochester International Airport</b>	Commercial / International Aviation
<b>Genesee County Airport</b>	General Aviation
<b>LeRoy Airport</b>	General Aviation
<i>Source: Genesee County Website</i>	



Transit Services

In addition to travel by air, other transit service in Genesee County includes rail and bus services. As part of the Rochester Genesee Regional Transportation Authority, Batavia Bus Service (BBS) is a rural transportation system which provides service to all of Genesee County, the City of Batavia, and the thirteen surrounding towns located throughout the County. The bus service also provides inter-county bus service between Batavia and LeRoy throughout the week. Regional transit options are also available through Amtrak (rail), located in a suburb outside Buffalo, and Greyhound (bus) which is located in the City of Batavia.

<b>Transit Service</b>		
<b>Service Provider</b>	<b>Location</b>	<b>Type</b>
<b>Amtrak</b>	Depew	Rail transportation
<b>Greyhound</b>	Batavia	Bus transportation
<b>Enterprise Rent-A-Car</b>	Batavia	Car rental
<b>S&amp;S Limousines, Inc.</b>	LeRoy	Limousine services
<b>Batavia Cab Company</b>	Batavia	Taxi services
<b>Batavia Bus Service</b>	Batavia	Bus services
<i>Source: Genesee County Website</i>		

### Section 3 Economic / Fiscal Impact Analysis

The following section assesses the net economic and fiscal benefits that will accrue to the local jurisdictions to be impacted by the development of the Western New York Science and Technology Advanced Manufacturing Park (STAMP), a 1,336-acre commerce park projected to attract large-scale, advanced manufacturing companies such as the manufacturers of semiconductors and computer chips.

#### Proposed Building Program

Table 3.1 shows the Phase 1 and Phase 2 building programs for STAMP, with estimated assessable values (based on projected replacement costs), and full-time-equivalent (FTE) jobs, based on calculations contained in Table 3.3. Based on the preliminary development program for STAMP, we estimate assessable values of approximately \$150 million for Phase 1 and \$610.5 million for Phase 2, for a total assessable value of \$760.5 million. The STAMP development is projected to support a total of 9,330 FTE jobs.

Table 3.1

<b>WNY STAMP Master Plan - Buildout by Phase</b>				
<b>Tenant</b>	<b>Building (SF)</b>	<b>Cost/SF</b>	<b>Assessable Value</b>	<b>FTE Jobs</b>
<i>PHASE 1</i>				
Technology Manufacturing	1,000,000	\$150	\$150,000,000	1,275
<b>TOTAL PHASE 1</b>	<b>1,000,000</b>	<b>\$150</b>	<b>\$150,000,000</b>	<b>1,275</b>
<i>PHASE 2</i>				
Technology Manufacturing	3,000,000	\$150	\$450,000,000	3,825
Flex Space	1,400,000	\$60	\$84,000,000	2,333
Office	500,000	\$120	\$60,000,000	1,667
Retail	180,000	\$60	\$10,800,000	180
Demonstration Center	50,000	\$114	\$5,700,000	50
<b>Phase 2 Total</b>	<b>5,130,000</b>		<b>\$610,500,000</b>	<b>8,055</b>
<b>TOTAL ALL PHASES</b>	<b>6,130,000</b>		<b>\$760,500,000</b>	<b>9,330</b>

Source: IDC Architects; BBP 2010

Table 3.2 shows projected build-out for STAMP at five-year intervals, based on a 15-year build-out period. Projected future build-out also includes an additional 3 million square feet of technology manufacturing, 1.4 million square feet of flex space, 500,000 square feet of office space, 180,000 square feet of retail, and a 50,000-square-foot demonstration center.

Table 3.2

<b>WNY STAMP Master Plan - Buildout by 5-Year Intervals</b>				
<b>Tenant</b>	<b>Building (SF)</b>	<b>Cost/SF</b>	<b>Assessable Value</b>	<b>FTE Jobs</b>
<i>YEAR 5</i>				
Technology Manufacturing	1,000,000	\$150	\$150,000,000	1,275
<b>TOTAL YEAR 5</b>	<b>1,000,000</b>		<b>\$150,000,000</b>	<b>1,275</b>
<i>YEAR 10</i>				
Technology Manufacturing	1,500,000	\$150	\$225,000,000	1,913
Flex Space	700,000	\$60	\$42,000,000	1,167
Office	250,000	\$120	\$30,000,000	834
Retail	90,000	\$60	\$5,400,000	90
Demonstration Center	50,000	\$114	\$5,700,000	50
<b>Year 10 Subtotal</b>	<b>2,590,000</b>		<b>\$308,100,000</b>	<b>4,053</b>
<b>TOTAL YEAR 10</b>	<b>3,590,000</b>		<b>\$458,100,000</b>	<b>5,328</b>
<i>YEAR 15</i>				
Technology Manufacturing	1,500,000	\$150	\$225,000,000	1,913
Flex Space	700,000	\$60	\$42,000,000	1,167
Office	250,000	\$120	\$30,000,000	834
Retail	90,000	\$60	\$5,400,000	90
<b>Year 15 Subtotal</b>	<b>2,540,000</b>		<b>\$302,400,000</b>	<b>4,003</b>
<b>TOTAL YEAR 15</b>	<b>6,130,000</b>		<b>\$760,500,000</b>	<b>9,330</b>
<i>Source: IDC Architects; BBP 2010</i>				

### Employment and Wages

Table 3.3 calculates estimates of annual wages for a **semiconductor fabrication plant**. Hourly wages are derived from the Bureau of Labor Statistics (BLS) *May 2008 Metropolitan and Nonmetropolitan Area Occupational Employment and Wage Estimates for Buffalo-Niagara Falls NY*. These classifications could also apply to other high-tech industries such as bio-manufacturing or photo-voltaic manufacturing. This analysis assumes build-out of Phase 1 within five years. The job classifications correspond to BLS occupational titles as shown in italics:

- Managers: *Computer and Information Systems Managers*
- Engineering: *Engineering Managers*
- Technicians: *Industrial Engineers*
- Operators: *Technicians*
- Administrative Support: *Office & Administrative Support*
- O&M Supervisors: *First-Line Supervisors/Managers of Production and Operating Workers*
- O&M Technicians: *Industrial Engineering Technicians*

Table 3.3

Annual Employment Estimate Worksheet: WNY STAMP Year 5							
Job Classification	No. of FTE Jobs	% of Total Emp.	Annual Hours	Total Hours	Avg. Hourly Wage <sup>1</sup>	Avg. Annual Wage	Total Annual Wages
<b>Technology Manufacturing</b>							
Managers	26	2%	2,080	53,040	\$53.21	\$110,677	\$2,822,258
Engineering	102	8%	2,080	212,160	\$48.11	\$100,069	\$10,207,018
Technicians	230	18%	2,080	477,360	\$35.38	\$73,590	\$16,888,997
Operators	740	58%	2,080	1,538,160	\$23.83	\$49,566	\$36,654,353
Administrative Support	77	6%	2,080	159,120	\$15.10	\$31,408	\$2,402,712
O & M Supervisors	11	1%	2,080	22,542	\$26.79	\$55,723	\$603,900
O & M Technicians	89	7%	2,080	185,640	\$22.25	\$46,280	\$4,130,490
<b>TOTAL</b>	<b>1,275</b>	<b>100%</b>	<b>2,080</b>	<b>2,439,840</b>	<b>\$30.21</b>	<b>\$57,812</b>	<b>\$73,709,728</b>

<sup>1</sup> Bureau of Labor Statistics Data for Buffalo MSA Area (2010 \$)

Source: Bureau of Labor Statistics; BBP 2010

Based on 1,275 full-time-equivalent jobs in the semiconductor fabrication plant projected for Phase 1 of STAMP, we project total annual wages of approximately \$73.7 million in Year 5 of build-out in 2010 dollars.

The following two tables calculate estimates of annual wages for job classifications that would be consistent with operations occupying other space in the high technology campus, including flex, office, retail and the Demonstration Center. Tables 3.4 and 3.5 show estimated annual wages in aggregate for Years 10 and 15 of build-out and occupation of STAMP properties of \$304.6 million and \$531.9 million, respectively.

Table 3.4

Annual Employment Estimate Worksheet: WNY STAMP Year 10							
Job Classification	No. of FTE Jobs	% of Total Emp.	Annual Hours	Total Hours	Avg. Hourly Wage <sup>1</sup>	Avg. Annual Wage	Total Annual Wages
<b>Technology Manufacturing</b>							
Managers	38	2%	2,080	79,560	\$53.21	\$110,677	\$4,233,388
Engineering	153	8%	2,080	318,240	\$48.11	\$100,069	\$15,310,526
Technicians	344	18%	2,080	716,040	\$35.38	\$73,590	\$25,333,495
Operators	1,109	58%	2,080	2,307,240	\$23.83	\$49,566	\$54,981,529
Administrative Support	115	6%	2,080	238,680	\$15.10	\$31,408	\$3,604,068
O & M Supervisors	16	1%	2,080	33,813	\$26.79	\$55,723	\$905,850
O & M Technicians	134	7%	2,080	278,460	\$22.25	\$46,280	\$6,195,735
<b>Subtotal</b>	<b>1,913</b>	<b>100%</b>		<b>3,659,760</b>	<b>\$30.21</b>	<b>\$57,812</b>	<b>\$110,564,592</b>
<b>Flex Space</b>							
Managers	117	10%	2,080	242,632	\$49.00	\$101,920	\$11,888,968
Professional	525	45%	2,080	1,091,844	\$34.68	\$72,134	\$37,865,150
Technicians	292	25%	2,080	606,580	\$23.83	\$49,566	\$14,454,801
Administrative Support	233	20%	2,080	485,264	\$15.10	\$31,408	\$7,327,486
<b>Subtotal</b>	<b>1,167</b>	<b>100%</b>		<b>2,426,320</b>	<b>\$29.48</b>	<b>\$61,326</b>	<b>\$71,536,406</b>
<b>Office</b>							
Managers	83	10%	2,080	173,368	\$49.64	\$103,251	\$8,605,988
Professional	375	45%	2,080	780,156	\$28.84	\$59,987	\$22,499,699
Administrative Support	375	45%	2,080	780,156	\$15.10	\$31,408	\$11,780,356
<b>Subtotal</b>	<b>834</b>	<b>100%</b>		<b>1,733,680</b>	<b>\$24.74</b>	<b>\$51,453</b>	<b>\$42,886,042</b>
<b>Retail</b>							
Managers	9	10%	2,080	18,720	\$19.27	\$40,082	\$360,734
Sales	72	80%	2,080	149,760	\$11.54	\$24,003	\$1,728,230
Administrative Support	9	10%	2,080	18,720	\$10.56	\$21,965	\$197,683
<b>Subtotal</b>	<b>90</b>	<b>100%</b>		<b>187,200</b>	<b>\$12.22</b>	<b>\$25,407</b>	<b>\$2,286,648</b>
<b>Demonstration Center</b>							
Managers	5	10%	2,080	208	\$49.64	\$103,251	\$516,256
Associates	40	80%	2,080	1664	\$35.38	\$73,590	\$2,943,616
Administrative Support	5	10%	2,080	208	\$15.10	\$31,408	\$157,040
<b>Subtotal</b>	<b>50</b>	<b>100%</b>		<b>2,080</b>	<b>\$34.78</b>	<b>\$72,338</b>	<b>\$3,616,912</b>
<b>Subtotal, Year 5</b>	<b>1,275</b>			<b>2,439,840</b>			<b>\$73,709,728</b>
<b>TOTAL YEAR 10</b>	<b>5,328</b>			<b>10,448,880</b>	<b>\$29.15</b>	<b>\$57,175</b>	<b>\$304,600,327</b>

<sup>1</sup> Bureau of Labor Statistics Data for Buffalo MSA Area (2010 \$)

Source: Bureau of Labor Statistics; BBP 2010

Table 3.5

Annual Employment Estimate Worksheet: WNY STAMP Year 15							
Job Classification	No. of FTE Jobs	% of Total Emp.	Annual Hours	Total Hours	Avg. Hourly Wage <sup>1</sup>	Avg. Annual Wage	Total Annual Wages
<b>Technology Manufacturing</b>							
Managers	38	2%	2,080	79,560	\$53.21	\$110,677	\$4,233,388
Engineering	153	8%	2,080	318,240	\$48.11	\$100,069	\$15,310,526
Technicians	344	18%	2,080	716,040	\$35.38	\$73,590	\$25,333,495
Operators	1,109	58%	2,080	2,307,240	\$23.83	\$49,566	\$54,981,529
Administrative Support	115	6%	2,080	238,680	\$15.10	\$31,408	\$3,604,068
O & M Supervisors	16	1%	2,080	33,813	\$26.79	\$55,723	\$905,850
O & M Technicians	134	7%	2,080	278,460	\$22.25	\$46,280	\$6,195,735
<b>Subtotal</b>	<b>1,913</b>	<b>100%</b>		<b>3,659,760</b>	<b>\$30.21</b>	<b>\$57,812</b>	<b>\$110,564,592</b>
<b>Flex Space</b>							
Managers	117	10%	2,080	242,632	\$49.00	\$101,920	\$11,888,968
Professional	525	45%	2,080	1,091,844	\$34.68	\$72,134	\$37,865,150
Technicians	292	25%	2,080	606,580	\$23.83	\$49,566	\$14,454,801
Administrative Support	233	20%	2,080	485,264	\$15.10	\$31,408	\$7,327,486
<b>Subtotal</b>	<b>1,167</b>	<b>100%</b>		<b>2,426,320</b>	<b>\$29.48</b>	<b>\$61,326</b>	<b>\$71,536,406</b>
<b>Office</b>							
Managers	83	10%	2,080	173,368	\$49.64	\$103,251	\$8,605,988
Professional	375	45%	2,080	780,156	\$28.84	\$59,987	\$22,499,699
Administrative Support	375	45%	2,080	780,156	\$15.10	\$31,408	\$11,780,356
<b>Subtotal</b>	<b>834</b>	<b>100%</b>		<b>1,733,680</b>	<b>\$24.74</b>	<b>\$51,453</b>	<b>\$42,886,042</b>
<b>Retail</b>							
Managers	9	10%	2,080	18,720	\$19.27	\$40,082	\$360,734
Sales	72	80%	2,080	149,760	\$11.54	\$24,003	\$1,728,230
Administrative Support	9	10%	2,080	18,720	\$10.56	\$21,965	\$197,683
<b>Subtotal</b>	<b>90</b>	<b>100%</b>		<b>187,200</b>	<b>\$12.22</b>	<b>\$25,407</b>	<b>\$2,286,648</b>
<b>Subtotal, Year 10</b>	<b>5,328</b>			<b>10,448,880</b>			<b>\$304,600,327</b>
<b>TOTAL YEAR 15</b>	<b>9,330</b>			<b>18,455,840</b>	<b>\$28.82</b>	<b>\$57,007</b>	<b>\$531,874,015</b>

<sup>1</sup> Bureau of Labor Statistics Data for Buffalo MSA Area (2010 \$)

Source: Bureau of Labor Statistics; BBP 2010

**Indirect Economic Impacts**

The U.S. Department of Commerce's *Regional Input-Output Modeling System* (RIMS II) estimates how much a one-time or sustained increase in economic activity in a particular region will be supplied by industries located in the region. The RIMS II model is utilized within this analysis to estimate direct and indirect economic impacts from commercial operations and construction activity. The RIMS II model employs regional input-output (I-O) multipliers which account for inter-industry relationships within regions.

The first step in the calculation of indirect economic impacts is to estimate the change in output brought on by new industries. The calculation of output is based on projected output per employee, which is the national average for their corresponding industry category as defined by the BLS. Output per employee is calculated by dividing the number of employees in that industry by gross sales. The estimated output is subsequently used to calculate economic impacts.

Table 3.6 shows an estimated output of approximately \$595.5 million in Year 5 of build-out and full operations. Estimated output in Year 10 and Year 15 is \$1.7 billion and \$2.9 billion, respectively. See Table 3.6.

Table 3.6

<b>WNY STAMP Calculation of Annual Output (Sales in 2010 \$)</b>			
<i>YEAR 5</i>			
<b>Technology Manufacturing</b>	<b>Employment</b>	<b>Output/ Employee</b>	<b>Estimated Output</b>
<b>Computer and electronic product manufacturing</b>	<b>1,275</b>	<b>\$467,072</b>	<b>\$595,516,800</b>
<i>YEAR 10</i>			
<b>Technology Manufacturing</b>	<b>Employment</b>	<b>Output/ Employee</b>	<b>Estimated Output</b>
Computer and electronic product manufacturing	1,913	\$467,072	\$893,275,200
<b>Flex Space</b>			
Professional, scientific, and technical services	1,167	\$100,241	\$116,931,127
<b>Office</b>			
Professional, scientific, and technical services	834	\$137,350	\$114,481,225
<b>Retail</b>			
Retail trade	90	\$208,905	\$18,801,450
<b>Demonstration Center</b>			
Professional, scientific, and technical services	50	\$100,241	\$5,012,050
<b>Subtotal</b>	<b>4,053</b>		<b>\$1,148,501,052</b>
<b>TOTAL YEAR 10</b>	<b>5,328</b>		<b>\$1,744,017,852</b>
<i>YEAR 15</i>			
<b>Technology Manufacturing</b>	<b>Employment</b>	<b>Output/ Employee</b>	<b>Estimated Output</b>
Computer and electronic product manufacturing	1,913	\$467,072	\$893,275,200
<b>Flex Space</b>			
Professional, scientific, and technical services	1,167	\$100,241	\$116,931,127
<b>Office</b>			
Professional, scientific, and technical services	834	\$137,350	\$114,481,225
<b>Retail</b>			
Retail trade	90	\$208,905	\$18,801,450
<b>Subtotal</b>	<b>4,003</b>		<b>\$1,143,489,002</b>
<b>TOTAL YEAR 15</b>	<b>9,330</b>		<b>\$2,887,506,853</b>

Source: RIMS II; BBP 2010

The following direct-effect multiplier table shows the change in output in the local economy resulting from the change in output from the new industries. Change in output is calculated using the U.S. Department of Commerce's Regional Input-Output multipliers (RIMS II). Change in output by five-year intervals is as follows, in 2010 dollars: Year 5, \$834 million; Year 10, \$2.8 billion; Year 15, \$4.7 billion.

Table 3.7

<b>WNY STAMP Change in Output</b>			
<b>YEAR 5</b>			
	<b>Estimated Output (1,000s)</b>	<b>RIMS II Multipliers</b>	<b>Change in Output (\$1000s)</b>
<b>Technology Manufacturing</b>			
Computer and electronic product manufacturing	\$595,517	1.4009	\$834,259
<b>YEAR 10</b>			
	<b>Estimated Output (1,000s)</b>	<b>RIMS II Multipliers</b>	<b>Change in Output (\$1000s)</b>
<b>Technology Manufacturing</b>			
Computer and electronic product manufacturing	\$893,275	1.4009	\$1,251,389
<b>Flex Space</b>			
Professional, scientific, and technical services	\$233,862	1.3906	\$325,208
<b>Office</b>			
Professional, scientific, and technical services	\$228,962	1.3906	\$318,395
<b>Retail</b>			
Retail trade	\$10,445	1.3708	\$14,318
<b>Demonstration Center</b>			
Professional, scientific, and technical services	\$5,012	1.3906	\$6,970
<b>Subtotal</b>	<b>\$1,371,556</b>		<b>\$1,916,280</b>
<b>TOTAL YEAR 10</b>	<b>\$1,967,073</b>		<b>\$2,750,539</b>
<b>YEAR 15</b>			
	<b>Estimated Output (1,000s)</b>	<b>RIMS II Multipliers</b>	<b>Change in Output (\$1000s)</b>
<b>Technology Manufacturing</b>			
Computer and electronic product manufacturing	\$893,275	1.4009	\$1,251,389
<b>Flex Space</b>			
Professional, scientific, and technical services	\$233,862	1.3906	\$325,208
<b>Office</b>			
Professional, scientific, and technical services	\$233,862	1.3906	\$325,208
<b>Retail</b>			
Retail trade	\$5,012	1.3708	\$6,870
<b>Subtotal</b>	<b>\$1,366,011</b>		<b>\$1,908,677</b>
<b>TOTAL YEAR 15</b>	<b>\$3,333,084</b>		<b>\$4,659,216</b>

Source: RIMS II; BBP 2010

Local employment also benefits from the impact of new industries. The following employment multiplier table shows the change in employment in the local economy resulting from the change in employment in the new industries. Change in employment by five-year intervals is as follows: Year 5, 2,816; Year 10, 10,095; Year 15, 17,286.

**Table 3.8**

<b>WNY STAMP Employment Impact</b>			
<i>YEAR 5</i>			
	<b>Employment</b>	<b>RIMS II Multipliers</b>	<b>Change in Employment</b>
<b>Technology Manufacturing</b>			
Computer and electronic product manufacturing	1,275	2.2086	2,816
<b>Computer and electronic product manufacturing</b>	<b>1,275</b>		<b>2,816</b>
<i>YEAR 10</i>			
	<b>Employment</b>	<b>RIMS II Multipliers</b>	<b>Change in Employment</b>
<b>Technology Manufacturing</b>			
Computer and electronic product manufacturing	1,913	2.2086	4,224
<b>Flex Space</b>			
Professional, scientific, and technical services	1,167	1.5629	1,823
<b>Office</b>			
Administrative and support services	834	1.2404	1,034
<b>Retail</b>			
Retail trade	90	1.2199	110
<b>Demonstration Center</b>			
Rental and leasing services	50	1.7740	89
<b>Subtotal</b>	<b>4,053</b>		<b>7,279</b>
<b>TOTAL YEAR 10</b>	<b>5,328</b>		<b>10,095</b>
<i>YEAR 15</i>			
	<b>Employment</b>	<b>RIMS II Multipliers</b>	<b>Change in Employment</b>
<b>Technology Manufacturing</b>			
Computer and electronic product manufacturing	1,913	2.2086	4,224
<b>Flex Space</b>			
Professional, scientific, and technical services	1,167	1.5629	1,823
<b>Office</b>			
Administrative and support services	834	1.2404	1,034
<b>Retail</b>			
Retail trade	90	1.2199	110
<b>Subtotal</b>	<b>4,003</b>		<b>7,191</b>
<b>TOTAL YEAR 15</b>	<b>9,330</b>		<b>17,286</b>

Source: RIMS II; BBP 2010

The following direct-effect earnings multiplier table shows the change in household earnings in the local economy resulting from the change in earnings in the new industries. Change in earnings by five-year intervals is as follows: Year 5, \$112.5 million; Year 10, \$440.8 million; Year 15, \$761.3 million.

**Table 3.9**

<b>WNY STAMP Earnings Impact (2010 \$)</b>			
<i>YEAR 5</i>			
<b>Technology Manufacturing</b>	<b>Earnings</b>	<b>RIMS II Multipliers</b>	<b>Change in Earnings</b>
<b>Computer and electronic product manufacturing</b>	<b>\$73,709,728</b>	<b>1.5265</b>	<b>\$112,517,899</b>
<i>YEAR 10</i>			
<b>Technology Manufacturing</b>	<b>Earnings</b>	<b>RIMS II Multipliers</b>	<b>Change in Earnings</b>
Computer and electronic product manufacturing	\$110,564,592	1.5265	\$168,776,849
<b>Flex Space</b>			
Professional, scientific, and technical services	\$71,536,406	1.2989	\$92,918,637
<b>Office</b>			
Professional, scientific, and technical services	\$42,886,042	1.3008	\$55,786,164
<b>Retail</b>			
Retail trade	\$2,286,648	1.3224	\$3,023,863
<b>Demonstration Center</b>			
Professional, scientific, and technical services	\$3,616,912	2.1443	\$7,755,744
<b>Subtotal</b>	<b>\$230,890,600</b>		<b>\$328,261,258</b>
<b>TOTAL YEAR 10</b>	<b>\$304,600,327</b>		<b>\$440,779,157</b>
<i>YEAR 15</i>			
<b>Technology Manufacturing</b>	<b>Earnings</b>	<b>RIMS II Multipliers</b>	<b>Change in Earnings</b>
Computer and electronic product manufacturing	\$110,564,592	1.5265	\$168,776,849
<b>Flex Space</b>			
Professional, scientific, and technical services	\$71,536,406	1.2989	\$92,918,637
<b>Office</b>			
Professional, scientific, and technical services	\$42,886,042	1.3008	\$55,786,164
<b>Retail</b>			
Retail trade	\$2,286,648	1.3224	\$3,023,863
<b>Subtotal</b>	<b>\$227,273,688</b>		<b>\$320,505,514</b>
<b>TOTAL YEAR 15</b>	<b>\$531,874,015</b>		<b>\$761,284,671</b>

Source: RIMS II; BBP 2010

**Impacts of Construction**

The construction phase of WNY STAMP will impact the local economy in terms of supporting construction jobs and wages as shown in the following tables. Separate tables show construction impacts for development over a fifteen-year period at five-year intervals. Construction impacts are non-recurring.

**Table 3.10**

<b>Economic Impacts: Construction Period Year 5</b>	
<b>Direct Impacts</b>	
Construction Costs <sup>1</sup>	\$150,000,000
Labor Hours per \$1,000 <sup>2</sup>	8.1
Total Hours	1,215,000
<b>Total FTE Jobs</b>	<b>584</b>
Average Earnings/Hr. <sup>3</sup>	\$21.85
<b>Total Annual Earnings</b>	<b>\$26,547,750</b>
<b>Indirect Impacts</b>	
Output (\$)	\$150,000,000
Output Multiplier	1.4865
Change in Output, All Industries	\$222,975,000
<b>Total Output</b>	<b>\$372,975,000</b>
Total FTE Jobs	584
Employment Multiplier <sup>4</sup>	1.4112
Indirect Employment Impact	824
<b>Total Employment Impact</b>	<b>1,408</b>
Total Annual Earnings	\$26,547,750
Earnings Multiplier <sup>4</sup>	1.5378
Indirect Earnings Impact	\$14,277,380
<b>Total Earnings Impact</b>	<b>\$40,825,130</b>

<sup>1</sup> Values based on hard construction costs only. Excludes soft construction costs such as land value, A&E, contingency, financing, legal, insurance, taxes, etc.

<sup>2</sup> 1993 Ratios-Urban Land Institute

<sup>3</sup> May 2008 Bureau of Labor Statistics Occupational Wage Estimates for Construction Sector in Buffalo MSA

<sup>4</sup> RIMS II Multipliers for Construction Sector, 2006

Source: BBP 2010

Table 3.11

<b>Economic Impacts: Construction Period Year 10</b>	
<b>Direct Impacts</b>	
Construction Costs <sup>1</sup>	\$308,100,000
Labor Hours per \$1,000 <sup>2</sup>	8.1
Total Hours	2,495,610
<b>Total FTE Jobs</b>	<b>1,200</b>
Average Earnings/Hr. <sup>3</sup>	\$21.85
<b>Total Annual Earnings</b>	<b>\$54,529,079</b>
<b>Indirect Impacts</b>	
Output (\$)	\$308,100,000
Output Multiplier	1.4865
Change in Output, All Industries	\$457,990,650
<b>Total Output</b>	<b>\$766,090,650</b>
Total FTE Jobs	1,200
Employment Multiplier <sup>4</sup>	1.4112
Indirect Employment Impact	1,693
<b>Total Employment Impact</b>	<b>2,893</b>
Total Annual Earnings	\$54,529,079
Earnings Multiplier <sup>4</sup>	1.5378
Indirect Earnings Impact	\$29,325,738
<b>Total Earnings Impact</b>	<b>\$83,854,817</b>

<sup>1</sup>Values based on hard construction costs only. Excludes soft construction costs such as land value, A&E, contingency, financing, legal, insurance, taxes, etc.

<sup>2</sup>1993 Ratios-Urban Land Institute

<sup>3</sup>May 2008 Bureau of Labor Statistics Occupational Wage Estimates for Construction Sector in Buffalo MSA

<sup>4</sup>RIMS II Multipliers for Construction Sector, 2006

Source: BBP 2010

Table 3.12

<b>Economic Impacts: Construction Period Year 15</b>	
<b>Direct Impacts</b>	
Construction Costs <sup>1</sup>	\$302,400,000
Labor Hours per \$1,000 <sup>2</sup>	8.1
Total Hours	2,449,440
<b>Total FTE Jobs</b>	<b>1,178</b>
Average Earnings/Hr. <sup>3</sup>	\$21.85
<b>Total Annual Earnings</b>	<b>\$53,520,264</b>
<b>Indirect Impacts</b>	
Output (\$)	\$302,400,000
Output Multiplier	1.4865
Change in Output, All Industries	\$449,517,600
<b>Total Output</b>	<b>\$751,917,600</b>
Total FTE Jobs	1,178
Employment Multiplier <sup>4</sup>	1.4112
Indirect Employment Impact	1,662
<b>Total Employment Impact</b>	<b>2,839</b>
Total Annual Earnings	\$53,520,264
Earnings Multiplier <sup>4</sup>	1.5378
Indirect Earnings Impact	\$28,783,198
<b>Total Earnings Impact</b>	<b>\$82,303,462</b>

<sup>1</sup>Values based on hard construction costs only. Excludes soft construction costs such as land value, A&E, contingency, financing, legal, insurance, taxes, etc.

<sup>2</sup>1993 Ratios-Urban Land Institute

<sup>3</sup>May 2008 Bureau of Labor Statistics Occupational Wage Estimates for Construction Sector in Buffalo MSA

<sup>4</sup>RIMS II Multipliers for Construction Sector, 2006

Source: BBP 2010

**Real Estate Property Tax Impacts**

The significant property improvements proposed for the STAMP project will increase the tax base for the town, the county and the school district, and will effectively lower the tax rates by build-out and occupancy in Year 15, accounting for both increases in costs for municipal services and additional sales tax allocated to the town and county. The Town of Alabama could realize a decrease in the tax rate per \$1,000 in value from \$1.11 to \$0.11.

**Table 3.13**

<b>Calculation of Estimated Property Tax Rate: Town of Alabama</b>		
	<b>Tax Levy</b>	<b>Tax rate per 1,000</b>
	\$ 88,153	\$ 1.112553
5 Year increase in municipal services for STAMP	25,000	
	\$ 113,153	\$ 1.096073
10 Year increase in municipal services for STAMP	50,000	
Less: additional sales tax allocated	(29,054)	
	\$ 134,099	\$ 0.513437
15 Year increase in municipal services for STAMP	80,000	
Less: additional sales tax allocated	(160,066)	
<b>Property Tax Rate in Year 15</b>	<b>\$ 54,033</b>	<b>\$ 0.106723</b>

*Source: Genesee County Economic Development Center; BBP 2011*

Based on the increased tax base from STAMP, Genesee County could realize a decrease in the tax rate per \$1,000 in value from \$9.82 to \$7.97

**Table 3.14**

<b>Calculation of Estimated Property Tax Rate: Genesee County</b>		
	<b>Tax Levy</b>	<b>Tax rate per 1,000</b>
	\$ 24,574,601	\$ 9.819918
5 Year increase in municipal services for STAMP	<u>200,000</u>	
	\$ 24,774,601	\$ 9.805797
10 Year increase in municipal services for STAMP	400,000	
Less: additional sales tax collected	<u>(945,000)</u>	
	\$ 24,229,601	\$ 9.025841
15 Year increase in municipal services for STAMP	1,000,000	
Less: additional sales tax collected	(1,890,000)	
<b>Property Tax Rate in Year 15</b>	<b>\$ 23,339,601</b>	<b>\$ 7.966870</b>

Source: Genesee County Economic Development Center; BBP 2011

Based on the increased tax base from STAMP, Oakfield-Alabama School District could realize a decrease in the tax rate per \$1,000 in value from \$23.73 to \$16.94.

**Table 3.15**

<b>Calculation of Estimated Property Tax Rate: Oakfield-Alabama School District</b>		
	<b>Tax Levy</b>	<b>Tax rate per 1,000</b>
	\$ 4,632,127	\$ 23.733797
5 Year increase in municipal services for STAMP	<u>-</u>	
	\$ 4,632,127	\$ 21.134851
10 Year increase in municipal services for STAMP	<u>2,173,788</u>	
	\$ 6,805,915	\$ 18.047363
15 Year increase in municipal services for STAMP	3,734,623	
<b>Property Tax Rate in Year 15</b>	<b>\$ 10,540,538</b>	<b>\$ 16.940045</b>

Source: Genesee County Economic Development Center; BBP 2011

### State Income Tax Revenues

Net new income taxes will accrue to the state from new jobs created at the STAMP commerce park. By Year 15, annual income taxes revenue is projected to equal approximately \$33.6 million in 2010 dollars.

Table 3.16

State Income Tax Receipts - Annual Operations (At Build Out, 2010 \$)									
Employee Category	Base line Estimated Number of FTE Jobs/HH	Weighted Average Earnings/Hour <sup>1</sup>	Estimated Annual Earnings Per FTE/Income Per HH	Assumed Standard Deductions Per FTE/HH <sup>2</sup>	Estimated FTE/HH Taxable Income <sup>2</sup>	Total Taxable Income	BASELINE Realized Taxes STATE <sup>3</sup>		
YEAR 5									
Technology Manufacturing	1,275	\$27.79	\$57,812	\$4,400	\$53,412	\$68,099,728	\$4,664,831		
<b>TOTAL YEAR 5</b>	<b>1,275</b>					<b>\$68,099,728</b>	<b>\$4,664,831</b>		
YEAR 10									
Technology Manufacturing	1,913	\$27.79	\$57,812	\$4,400	\$53,412	\$102,149,592	\$6,997,247		
Flex Space	1,167	\$29.48	\$61,326	\$4,400	\$56,926	\$66,403,806	\$4,548,661		
Office	834	\$24.74	\$51,453	\$4,400	\$47,053	\$39,218,642	\$2,686,477		
Retail	90	\$12.22	\$25,407	\$4,400	\$21,007	\$1,890,648	\$129,509		
Demonstration Center	50	\$34.78	\$72,338	\$4,400	\$67,938	\$3,396,912	\$232,688		
<b>Subtotal</b>	<b>4,053</b>					<b>\$213,059,600</b>	<b>\$14,594,583</b>		
<b>TOTAL YEAR 10</b>	<b>5,328</b>					<b>\$281,159,327</b>	<b>\$19,259,414</b>		
YEAR 15									
Technology Manufacturing	1,913	\$27.79	\$57,812	\$4,400	\$53,412	\$102,149,592	\$6,997,247		
Flex Space	1,167	\$29.48	\$61,326	\$4,400	\$56,926	\$66,403,806	\$4,548,661		
Office	834	\$24.74	\$51,453	\$4,400	\$47,053	\$39,218,642	\$2,686,477		
Retail	90	\$12.22	\$25,407	\$4,400	\$21,007	\$1,890,648	\$129,509		
<b>Subtotal</b>	<b>4,003</b>					<b>\$209,662,688</b>	<b>\$14,361,894</b>		
<b>TOTAL YEAR 15</b>	<b>9,330</b>					<b>\$490,822,015</b>	<b>\$33,621,308</b>		

<sup>1</sup> See tables on preliminary economic impact of operations (at build out)

<sup>2</sup> Based on filing as head of household

<sup>3</sup> Assumes New York income tax rate of 6.85% for incomes over \$8,000

Sources: New York dept. of Taxation and Finance; BBP 2010

**Retail Component Sales Tax Revenue**

Sales in the retail component in WNY STAMP will generate tax revenues to the town and state. Retail sales are estimated to average approximately \$325 per square foot. It is projected that in Year 10 of build-out, 90,000 square feet of retail will generate approximately \$1.2 million to the Town and State, each. At full build-out of 180,000 square feet, sales tax revenues are projected to equal approximately \$2.3 million to the Town and \$2.3 million to the State. Based on annual output of approximately \$58.5 million in Year 15, retail operations are projected to generate \$21.7 million in indirect impact.

**Table 3.17**

<b>WNY STAMP Projected Annual Sales Tax Revenues Year 10 (2010 \$)</b>	
Retail Square Feet	90,000
Average Sales per Square Foot <sup>1</sup>	\$325
Total Annual Sales	\$29,250,000
Genesee County Tax Rate	4%
State of New York Sales Tax Rate	4%
<b>Annual Sales Tax Revenue County</b>	<b>\$1,170,000</b>
<b>Annual Sales Tax Revenue State</b>	<b>\$1,170,000</b>

<sup>1</sup> HDL Companies 2007 Retail Store Taxable Sales Estimates

Source: BBP 2010

<b>WNY STAMP Projected Annual Sales Tax Revenues Year 15 (2010 \$)</b>	
Retail Square Feet	180,000
Average Sales per Square Foot <sup>1</sup>	\$325
Total Annual Sales	\$58,500,000
Genesee Sales Tax Rate	4%
State of New York Sales Tax Rate	4%
<b>Annual Sales Tax Revenue County</b>	<b>\$2,340,000</b>
<b>Annual Sales Tax Revenue State</b>	<b>\$2,340,000</b>

<sup>1</sup> HDL Companies 2007 Retail Store Taxable Sales Estimates

Source: BBP 2010

<b>WNY STAMP Projected Indirect Impact from Retail</b>	
Annual Output from Retail Operations <sup>1</sup>	\$58,500,000
RIMS II Output Multiplier	1.3708
<b>Total Impacts from Retail Operations</b>	<b>\$80,191,800</b>
<b>Indirect Impacts from Retail Operations</b>	<b>\$21,691,800</b>

Source: BBP 2010