

## **Regional Economic Impact Analysis – Motivair Corporation**

Utilizing *informAnalytics* modeling software, an economic impact analysis was conducted to measure new investment by Motivair Corp. in the Town of Lancaster. *informAnalytics* is a model developed by CGR and 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 generated can be measured on an annual basis except for finite activities, such as economic activity occurring as a result of construction investment. Other activities, such as ongoing operation of the facility, accrue benefits as long as the facility remains operating at forecasted levels.

### **New Capital Investment:**

Land & Building Purchase	\$3,018,000
Building Renovation	\$350,000
Non-Manufacturing Equipment	\$232,000
Manufacturing Equipment	\$150,000
Soft Costs	\$50,000

### **Employment:**

Retained Jobs	31
New Jobs	9

### **New Investment Impact:**

- New capital investment in materials, labor and equipping the renovated building creates 4 construction and supplier positions.
- The fully operational manufacturing facility, which will employ 40 full-time workers, generates 156 indirect and induced jobs through its annual supplier relationships and employee spending patterns.
- \$39,900,000 of labor income results from this investment, which continues to impact the area annually.

### **New Operation Impact (Over 5-Years):**

- The permanent employment at the facility and construction positions create \$2,009,000 in income taxes.
- The new operation generates \$1,371,000 in sales taxes from construction, operations and employee spending.

Motivair Corp.	Applicant Benefit	Community Benefit
PILOT agreement to phase in payment in lieu of taxes, thereby generating additional revenues  *Utilization of Town services would be minimal *No increased burden to schools	0	0
Property Tax Exemptions	178,000	
Sales Tax Exemptions	308,000	
Mortgage Recording Tax Exemption	29,000	
Investment in Lancaster creates and retains jobs and income taxes.		2,009,000
Investment in Lancaster generates and retains sales taxes.		1,371,000
<b>TOTAL</b>	<b>515,000</b>	<b>3,380,000</b>

\*\*Output = Value Added + Intermediate Purchases and represents the total impact of the entire operation including such metrics as labor income, proprietor income, property income and taxes.  
 Construction and Equipment Employment is measured on an annual basis even though many projects are complete before 12 months is up.