

# **Cost-Benefit Analysis for 8615 Roll Road, LLC**

Prepared by this agency using InformAnalytics

# Executive Summary

INVESTOR

8615 Roll Road, LLC

TOTAL INVESTED

\$2.3 Million

LOCATION

8615 Roll Road,  
Clarence, NY

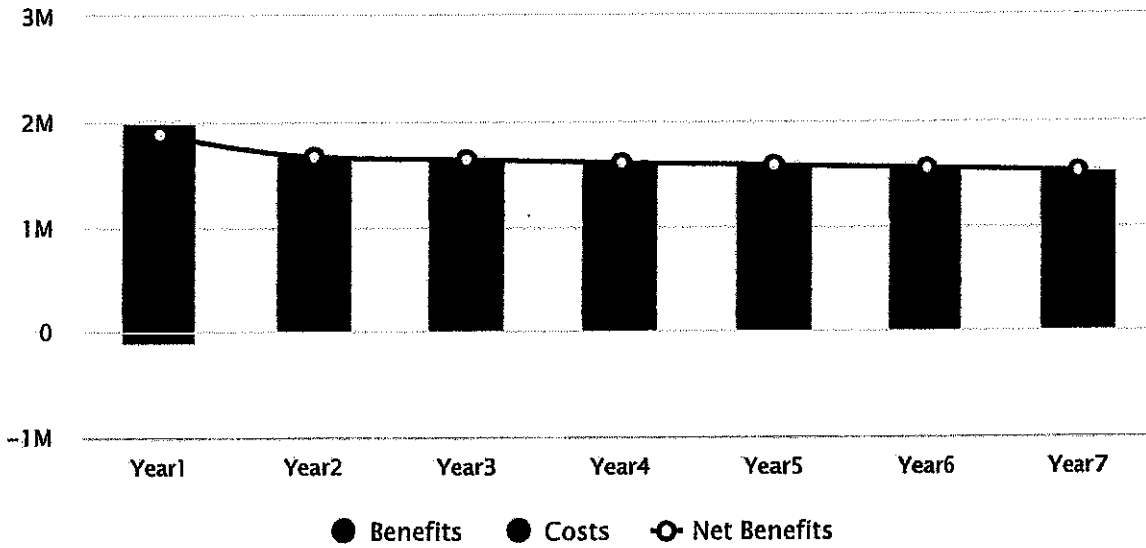
TIMELINE

7 Years

FIGURE 1

Discounted\* Net Benefits for 8615 Roll Road, LLC by Year

Total Net Benefits: \$11,430,000



Discounted at 2%

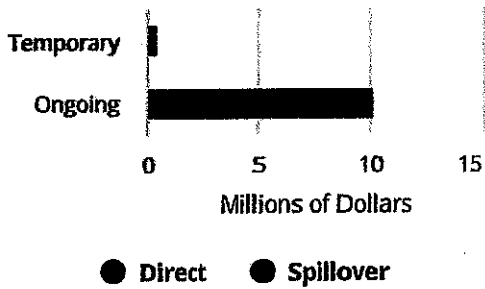
FIGURE 2

Total Jobs



FIGURE 3

Total Payroll



# Proposed Investment

8615 Roll Road, LLC proposes to invest \$2.3 million at 8615 Roll Road, Clarence, NY over 7 years. Agency staff summarize the proposed with the following: New Construction of 27,000 light manufacturing/warehouse space and renovation of existing space for a total footprint of 39,000 square feet.

TABLE 1

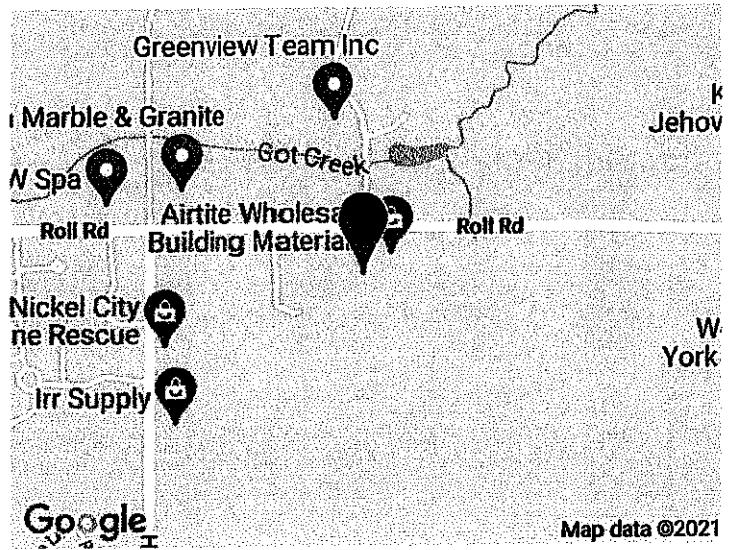
## Proposed Investments

Description	Amount
<b>CONSTRUCTION SPENDING</b>	
Project Development	\$1,100,000
<b>OTHER SPENDING</b>	
Land Acquisition	\$320,000
Infrastructure	\$200,000
Renovations	\$600,000
Soft Costs	\$100,000
<b>Total Investments</b>	<b>\$2,320,000</b>
<b>Discounted Total (2%)</b>	<b>\$2,320,000</b>

May not sum to total due to rounding.

FIGURE 4

## Location of Investment



# Cost-Benefit Analysis

A cost-benefit analysis of this proposed investment was conducted using InformAnalytics, an economic impact model developed by CGR. The report estimates the impact that a potential project will have on the local economy based on information provided by the agency. The report calculates the costs and benefits for specified local taxing districts over the first 7 years, with future returns discounted at a 2% rate.

 TABLE 2


## Estimated Costs or Incentives

The agency is considering the following incentive package for 8615 Roll Road, LLC.

Description	Nominal Value	Discounted Value <sup>*</sup>
Property Tax Exemption	\$121,000	\$114,000
Sales Tax Exemption	\$74,000	\$74,000
Mortgage Recording Tax Exemption	\$14,000	\$14,000
Total Costs	\$209,000	\$202,000

May not sum to total due to rounding.

\* Discounted at 2%

 TABLE 3

**State & Regional Impact (Life of Project)**

The following table estimates the total benefits from the project over its lifetime.

Description	Direct	Spillover	Total
<b>REGIONAL BENEFITS</b>	<b>\$11,431,000</b>	<b>\$149,000</b>	<b>\$11,580,000</b>
To Private Individuals	\$11,210,000	\$147,000	\$11,357,000
Temporary Payroll	\$423,000	\$147,000	\$569,000
Ongoing Payroll	\$10,788,000	\$0	\$10,788,000
To the Public	\$221,000	\$2,000	\$223,000
Property Tax Revenue	\$33,000	N/A	\$33,000
Temporary Sales Tax Revenue	\$7,000	\$2,000	\$10,000
Ongoing Sales Tax Revenue	\$181,000	\$0	\$181,000
<b>STATE BENEFITS</b>	<b>\$726,000</b>	<b>\$9,000</b>	<b>\$736,000</b>
To the Public	\$726,000	\$9,000	\$736,000
Temporary Income Tax Revenue	\$21,000	\$7,000	\$28,000
Ongoing Income Tax Revenue	\$547,000	\$0	\$547,000
Temporary Sales Tax Revenue	\$6,000	\$2,000	\$8,000
Ongoing Sales Tax Revenue	\$152,000	\$0	\$152,000
<b>Total Benefits to State &amp; Region</b>	<b>\$12,157,000</b>	<b>\$158,000</b>	<b>\$12,316,000</b>
<b>Discounted Total Benefits (2%)</b>	<b>\$11,474,000</b>	<b>\$158,000</b>	<b>\$11,632,000</b>

May not sum to total due to rounding.

 TABLE 4

**Benefit to Cost Ratio**

The following benefit to cost ratios were calculated using the discounted totals.

Description	Benefit*	Cost*	Ratio
Region	\$10,937,000	\$159,000	69:1
State	\$695,000	\$43,000	16:1
Grand Total	\$11,632,000	\$202,000	58:1

**May not sum to total due to rounding.**

\* Discounted at 2%

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