

Cost-Benefit Analysis for 8615 Roll Road, LLC

Prepared by this agency using InformAnalytics

Executive Summary

INVESTOR
8615 Roll Road,
LLC

TOTAL JOBS
25 Ongoing;
11 Temporary

TOTAL INVESTED
\$2.3 Million

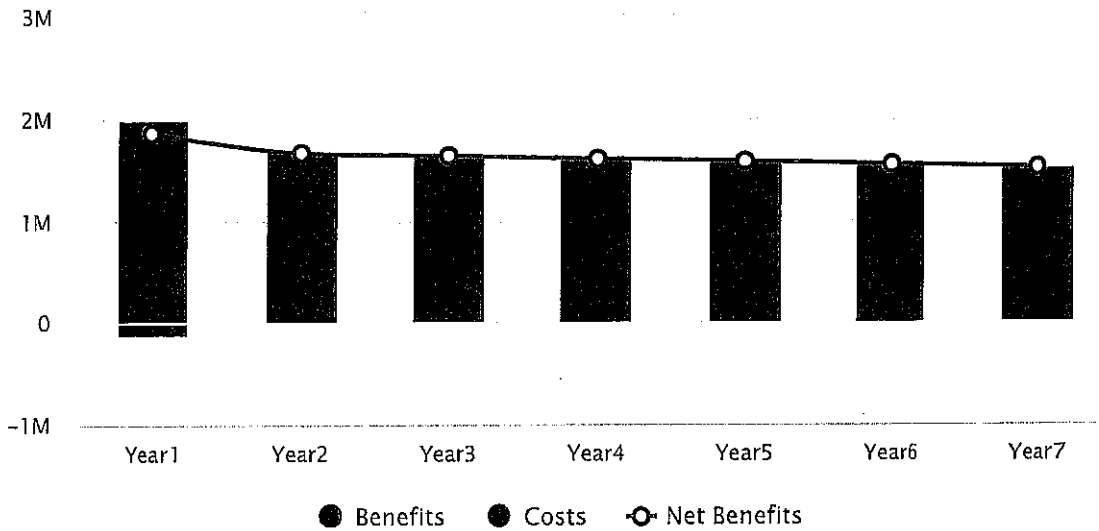
LOCATION
8615 Roll Road,
Clarence, NY

TIMELINE
7 Years

FIGURE 1

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

Total Net Benefits: \$11,406,000



Discounted at 2%

FIGURE 2

Total Jobs

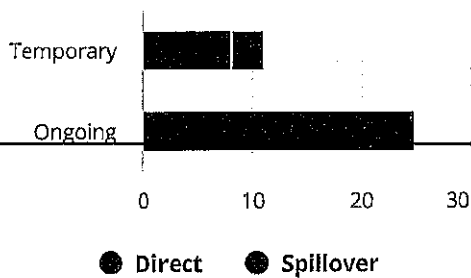
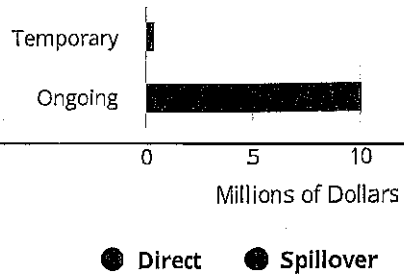


FIGURE 3

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.

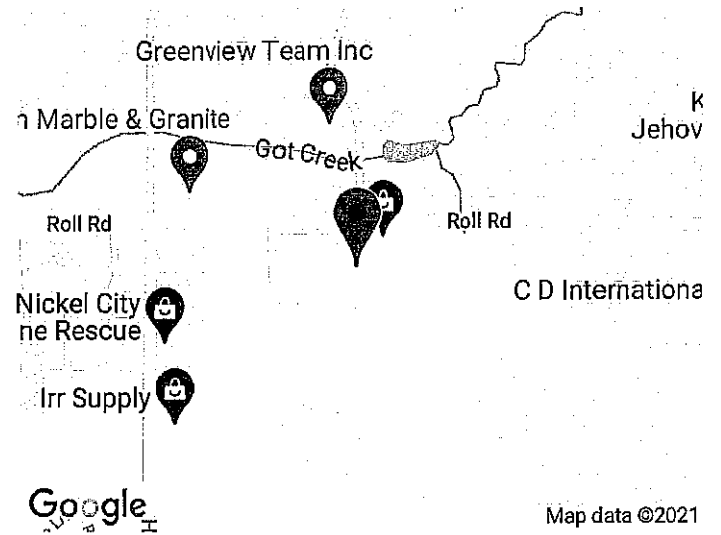
TABLE 1

Proposed Investments

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

FIGURE 4

Location of Investment



May not sum to total due to rounding.

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*
Property Tax Exemption	\$121,000	\$114,000
Sales Tax Exemption	\$95,000	\$95,000
Mortgage Recording Tax Exemption	\$17,000	\$17,000
Total Costs	\$232,000	\$226,000

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
REGIONAL BENEFITS	\$11,431,000	\$149,000	\$11,580,000
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
STATE BENEFITS	\$726,000	\$9,000	\$736,000
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
Total Benefits to State & Region	\$12,157,000	\$158,000	\$12,316,000
Discounted Total Benefits (2%)	\$11,474,000	\$158,000	\$11,632,000

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	\$171,000	64:1
State	\$695,000	\$54,000	13:1
Grand Total	\$11,632,000	\$226,000	52:1

May not sum to total due to rounding.

* Discounted at 2%

CGR has exercised reasonable professional care and diligence in the production and design of the InformAnalytics™ tool. However, the data used is provided by users. InformAnalytics does not independently verify, validate or audit the data supplied by users. CGR makes no representations or warranties with respect to the accuracy of the data supplied by users.