

Cost-Benefit Analysis for 23-28 Creek Drive LLC

Prepared by Dutchess County IDA using InformAnalytics

Executive Summary

INVESTOR
23-28 Creek Drive, LLC

TOTAL INVESTED
\$8.7 Million

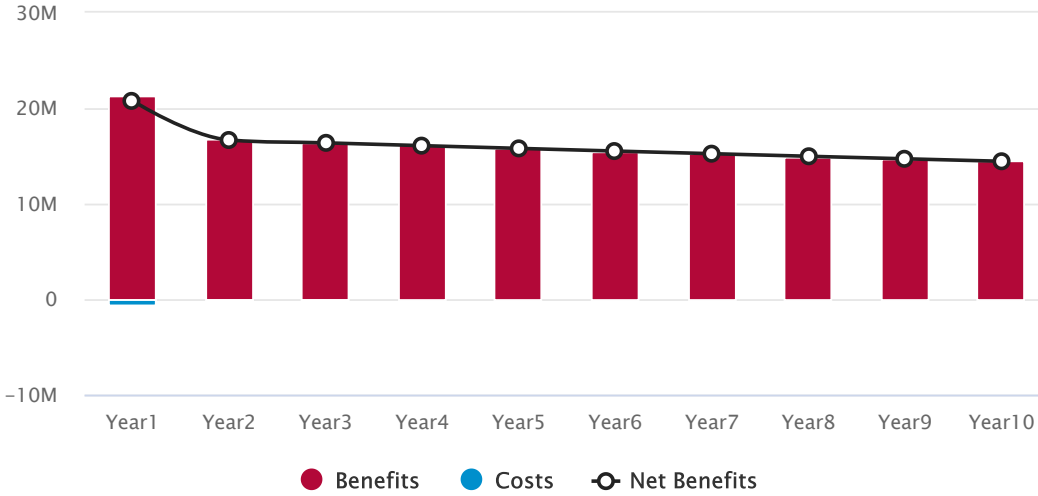
LOCATION
**23 Creek Drive, Beacon, NY
12508**

TIMELINE
10 Years

F1 FIGURE 1

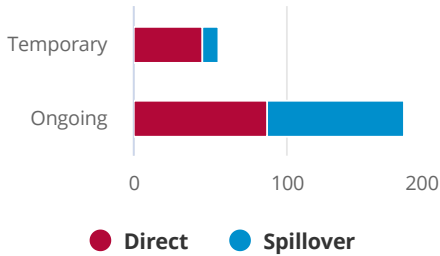
Discounted* Net Benefits for 23-28 Creek Drive LLC by Year

Total Net Benefits: \$160,480,000



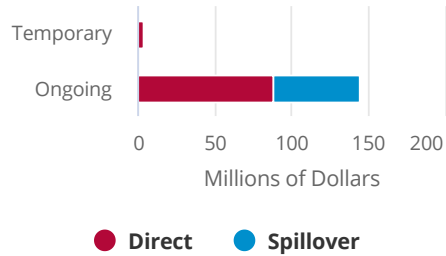
F2 FIGURE 2

Total Jobs



F3 FIGURE 3

Total Payroll



Proposed Investment

23-28 Creek Drive, LLC proposes to invest \$8.7 million at 23 Creek Drive, Beacon, NY 12508 over 10 years. Dutchess County IDA staff summarize the proposed with the following: The Applicant proposes to construct a 4-story mixed use building with an underground parking garage and a separate structure for a commercial workshop/garage. The total square footage of the project will create 20,000 square feet of commercial space and approximately 16,000 of residential rental apartments.

The project will also include an extension of the Greenway Trail along the Fishkill Creek, a public park attached to the trail and replacement of City pipes located on the property.

T1 TABLE 1

Proposed Investments

Description	Amount
CONSTRUCTION SPENDING	
Commercial	\$3,893,000
Residential	\$3,059,000
OTHER SPENDING	
Professional Fees	\$1,723,000
Total Investments	\$8,675,000
Discounted Total (2%)	\$8,675,000

May not sum to total due to rounding.

F4 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 Dutchess County IDA. The report calculates the costs and benefits for specified local taxing districts over the first 10 years, with future returns discounted at a 2% rate.

T2 TABLE 2

Estimated Costs or Incentives

Dutchess County IDA is considering the following incentive package for 23-28 Creek Drive, LLC.

Description	Nominal Value	Discounted Value*
Property Tax Exemption	\$727,000	\$686,000
Sales Tax Exemption	\$274,000	\$274,000
Mortgage Recording Tax Exemption	\$74,000	\$74,000
Total Costs	\$1,075,000	\$1,034,000

May not sum to total due to rounding.

* Discounted at 2%

T3 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	\$102,728,000	\$62,453,000	\$165,182,000
To Private Individuals	\$99,873,000	\$61,871,000	\$161,744,000
Temporary Payroll	\$3,022,000	\$848,000	\$3,871,000
Ongoing Payroll	\$96,850,000	\$61,023,000	\$157,873,000
To the Public	\$2,856,000	\$582,000	\$3,438,000
Property Tax Revenue	\$1,916,000	N/A	\$1,916,000
Temporary Sales Tax Revenue	\$28,000	\$8,000	\$36,000
Ongoing Sales Tax Revenue	\$911,000	\$574,000	\$1,486,000
STATE BENEFITS	\$6,770,000	\$3,777,000	\$10,546,000
To the Public	\$6,770,000	\$3,777,000	\$10,546,000
Temporary Income Tax Revenue	\$151,000	\$44,000	\$195,000
Ongoing Income Tax Revenue	\$5,618,000	\$3,112,000	\$8,730,000
Temporary Sales Tax Revenue	\$30,000	\$8,000	\$39,000
Ongoing Sales Tax Revenue	\$971,000	\$612,000	\$1,582,000
Total Benefits to State & Region	\$109,498,000	\$66,230,000	\$175,728,000
Discounted Total Benefits (2%)	\$100,756,000	\$60,758,000	\$161,514,000

May not sum to total due to rounding.

T4 TABLE 4

Benefit to Cost Ratio

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

Description	Benefit*	Cost*	Ratio
Region	\$151,831,000	\$818,000	186:1
State	\$9,682,000	\$215,000	45:1
Grand Total	\$161,514,000	\$1,034,000	156:1

May not sum to total due to rounding.

* Discounted at 2%

CGR has exercised reasonable professional care and diligence in the 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.