# Franklin County Industrial Development Agency MRB Cost Benefit Calculator



Date August 12, 2024

Project Title Tupper Lake MEWS, LLC Hotel Project

Project Location 124 Demars Boulevard, Tupper Lake, New York 12986

### **Economic Impacts**

Summary of Economic Impacts over the Life of the PILOT

**Project Total Investment** 

\$15,632,166

### Temporary (Construction)

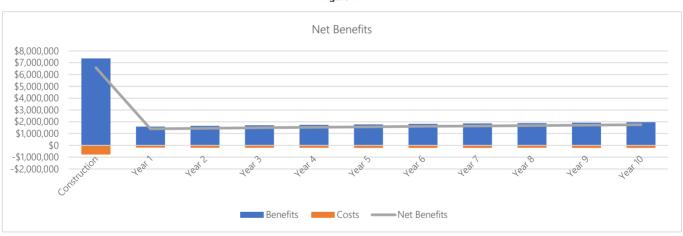
<u></u>	Direct	Indirect	Total
Jobs	91	19	110
Earnings	\$6,024,289	\$933,139	\$6,957,428
Local Spend	\$15,632,166	\$3,247,016	\$18,879,182

### Ongoing (Operations)

Aggregate over life of the PILOT

	Direct	Indirect	Total
Jobs	23	6	29
Earnings	\$17,812,879	\$5,658,240	\$23,471,119

### Figure 1



Net Benefits chart will always display construction through year 10, irrespective of the length of the PILOT. Figure 2

Total Jobs

Temporary

Ongoing

0 20 40 60 80 100 120

Direct Indirect

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Figure 3



Ongoing earnings are all earnings over the life of the PILOT.

## **Fiscal Impacts**



Estimated	l Costs	of	Exem	ptions

	Nominal Value	Discounted Value*
Property Tax Exemption	\$2,838,716	\$2,455,076
Sales Tax Exemption	\$692,800	\$692,800
Local Sales Tax Exemption	<i>\$346,400</i>	\$346,400
State Sales Tax Exemption	<i>\$346,400</i>	<i>\$346,400</i>
Mortgage Recording Tax Exemption	\$90,000	\$90,000
Local Mortgage Recording Tax Exemption	\$30,000	\$30,000
State Mortgage Recording Tax Exemption	\$60,000	\$60,000
Total Costs	\$3,621,516	\$3,237,876

### State and Local Benefits

		Nominal Value	Discounted Value*
Local Benefits		\$34,820,514	\$30,602,477
To Private Individual	ls	<u>\$30,428,547</u>	<u>\$26,911,764</u>
Temporary Payrol	I	\$6,957,428	\$6,957,428
Ongoing Payroll		\$23,471,119	\$19,954,336
Other Payments to	o Private Individuals	\$0	\$0
To the Public		<b>\$4,391,967</b>	\$3,690,713
Increase in Proper	ty Tax Revenue	\$625,752	\$491,020
Temporary Jobs -	Sales Tax Revenue	\$48,702	\$48,702
Ongoing Jobs - Sa	ales Tax Revenue	\$164,298	\$139,680
Other Local Munic	cipal Revenue	\$3,553,215	\$3,011,310
State Benefits		\$1,582,284	\$1,399,412
To the Public		\$1,582,284	\$1,399,412
Temporary Incom	e Tax Revenue	\$313,084	\$313,084
Ongoing Income		\$1,056,200	\$897,945
	Sales Tax Revenue	\$48,702	\$48,702
Ongoing Jobs - Sa		\$164,298	\$139,680
Total Benefits to Sta	te & Region	\$36,402,798	\$32,001,888

### Benefit to Cost Ratio

		Benefit*	Cost*	Ratio
	Local	\$30,602,477	\$2,831,476	11:1
	State	\$1,399,412	\$406,400	3:1
Grand Total		\$32,001,888	\$3,237,876	10:1

<sup>\*</sup>Discounted at 2%

### Additional Comments from IDA

Does the IDA believe that the project can be accomplished in a timely fashion?

Yes

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#### MRB Cost Benefit Calculator Franklin County Industrial Development Agency Date August 12, 2024 Project Title Tupper Lake MEWS, LLC Hotel Project Project Location 124 Demars Boulevard, Tupper Lake, New York 12986 Construction Phase - Project Assumptions Project Costs Project Costs Value nter total project costs \$15,632,166 Local Construction Spending \$15,632,166 In-region construction spending Construction Economic Impacts Industry NAICS % of Total Investment Investment by Type Commercial and Institutional Building Construction 236220 \$15,632,166 [Not Applicable] \$0 [Not Applicable] \$0 Most projects will only have one line related to construction type. \$15,632,166 New Household Spending - Residential and Mixed-Use Projects Only Unit Types and Household Income Brackets Unit Type 1 Description Unit Count Target Income (HH) [Not Applicable] Unit Type 2 Description Unit Count Target Income (HH) [Not Applicable] % Net New (See Instructions) 100% Total Units Total Local Household Spending Operation Phase - Project Assumptions Jobs and Earnings from Operations NAICS Lookup Year 1 - Enter NAICS NAICS Count Per Job Annual Earnings Total Earnings Hotels (except Casino Hotels) and Motels \$80,000 Hotels (except Casino Hotels) and Motels 721110 \$65,000 \$65,000 Hotels (except Casino Hotels) and Motels 721110 \$50,000 \$150,000 Hotels (except Casino Hotels) and Motels 721110 \$45,000 \$45,000 Hotels (except Casino Hotels) and Motels 721110 \$671,840 Total \$1,011,840 NAICS Count Per Job Annual Earnings Total Earnings Hotels (except Casino Hotels) and Motels Hotels (except Casino Hotels) and Motels 721110 \$66,950 \$66,950 721110 Hotels (except Casino Hotels) and Motels \$51,500 Hotels (except Casino Hotels) and Motels 721110 \$46,350 \$46,350 Hotels (except Casino Hotels) and Motels 17 \$40,706 \$692,002 Total 23 \$1,042,202 Year 3+ (Full Employment) NAICS Count Per Job Annual Earnings Total Earnings \$84,872 Hotels (except Casino Hotels) and Motels Hotels (except Casino Hotels) and Motels \$68,959 \$68,959 Hotels (except Casino Hotels) and Motels Hotels (except Casino Hotels) and Motels \$47,741 \$47,741 Hotels (except Casino Hotels) and Motels 721110 17 \$41,927 Total 23 \$1,073,466

		Fisca	al Impact Assumptions			
	E	stimated Cost	ts of Incentives	'	,	
	%	Value		PILOT Term (Years)	15	
Sales Tax Exemption		\$692,800				
Local Sales Tax Rate	4.00%	\$346,400		Escalation Factor	2%	
State Sales Tax Rate	4.00%	\$346,400				
				Discount Factor	2%	
Mortgage Recording Tax Exemption		\$90,000				
Local	0.25%	\$30,000				
State	0.50%	\$60,000				
Total Costs	\$3,621,516	ncludes PILOT exe	mption, calculated below.			

		Pro	perty Tax Exemption			
		Property Tax		Property Tax on Full	Difference in Current	Difference PILOT
Year #	Year	WITHOUT	Estimated PILOT	Assessment	vs. PILOT	vs Full Taxes
		Project		Assessment	VS. FILOT	vs ruii Taxes
1	2026	\$1,893	\$7,903	\$202,228	\$6,010	-\$194,324
2		\$1,931	\$8,061	\$206,272	\$6,131	-\$198,211
3	2028	\$1,969	\$8,223	\$210,398	\$6,253	-\$202,175
4		\$2,009	\$8,387	\$214,605	\$6,378	-\$206,218
5		\$2,049	\$8,555	\$218,898	\$6,506	-\$210,343
<u>6</u>		\$2,090	\$13,150	\$223,276	\$11,060	-\$210,126
8		\$2,132 \$2,174	\$13,413 \$25,187	\$227,741 \$232,296	\$11,281 \$23,013	-\$214,328 -\$207,109
9		\$2,174	\$25,691	\$236,942	\$23,473	-\$211,251
10		\$2,262	\$25,091	\$241,681	\$23,473	-\$215,476
11		\$2,308	\$51,149	\$246,514	\$48,842	-\$195,365
12		\$2,354	\$77,081	\$251,445	\$74,728	-\$174,363
13	2038	\$2,401	\$78,623	\$256,473	\$76,222	-\$177,851
14	2039	\$2,449	\$106,111	\$261,603	\$103,662	-\$155,492
15	2040	\$2,498	\$200,751	\$266,835	\$198,253	-\$66,084
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	Total	\$32,736	\$658,489	\$3,497,205	\$625,752	-\$2,838,716
				Discounted->	\$491,020	-\$2,455,076

Year #         Year         Other Local Municipal Revenue         Other Payments to Private Individuals           1         2026         \$183,303           2         2027         \$192,541           3         2028         \$201,946           4         2029         \$211,520           5         2030         \$221,265           6         2031         \$231,185           7         2032         \$233,496           8         2033         \$235,831           9         2034         \$238,189           10         2035         \$240,572           11         2036         \$267,275           12         2037         \$269,948           13         2038         \$272,646           14         2039         \$275,373           15         2040         \$278,127           -         -         -           -         -         -
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