

Lewis County Industrial Development Agency

Project Cost-Benefit Analysis

Project Name: **Tug Hill Roasters - Old Jail Reuse**

Project Timeframe: **January - June 2022**

1/26/2022

Exemption Schedule:	A	We are considering this under Schedule A because the food product manufacturing, incubator/producer/maker space and revitalization of a downtown building aspects are all high priority for Lewis County.
Benefit period in Years:	15	
Current Assessed Value:	\$158,000	
Anticipated Assessed Value:	\$500,000	This is a guess based on current assessment and project costs
Increase in Assessed Value:	\$342,000	
Current County/Town Tax Rate (\$/1000)	9.780499 Lowville	
Current School Tax Rate (\$/1000)	7.356037 LACS	
Current Village Tax Rate (\$/1000)	9.608973 Lowville	
	26.74551 Total per 1000	
Total Project Cost	\$526,866	
Sales Tax Applicable Project Costs	\$499,366	
Predicted Mortgage Amount	\$147,898	

Cost to Community

Notes

Estimated Property Taxes forgiven		\$91,149
Full Property Taxes for proposed project (over benefit period)	\$191,444	
Payment in lieu of Taxes for proposed project (over benefit Period)	\$100,296	
Sales Taxes Forgiven		\$39,949
Mortgage Recording Tax Forgiven		\$1,109
Estimated benefits provided/Tax Revenue Not Received by the Community		\$132,207

Benefits to the Community

Notes

Property taxes received that would not have been generated without project		\$36,909
Property taxes received without the project	\$63,387	Assuming it remained at current assessment and became non-tax exempt (current)
Property taxes received with PILOT	\$100,296	
Salaries resulting from new permanent employment (over benefit period)		\$1,310,400
# of jobs created	3	
Expected annual salary	\$31,200	Based on \$15/hr
Salaries Generated From Temporary/Construction Jobs		\$62,400
# of jobs created (FTE)	2	
Expected annual salary	\$62,400	Based on \$30/hr
Lodging & Dining	\$0	Based on \$50/day, 4 days per week for 0% of workers
Project duration in years	0.5	
Fee payment to LCIDA		\$5,269 Based on 1% project value
Estimated Community Benefit Received		\$1,414,977
Benefit minus Cost Differential		\$1,282,770

Universal Project Evaluation Policy - Evaluation Criteria

Adaptive Reuse, Community Development

NYS Required Evaluation Criteria

Response

1. Extent to which the project will create or retain permanent jobs	yes captured above
2. Estimated value of tax exemptions	\$132,207 captured above
3. Amount of private sector investment	45% of project costs
4. Likelihood of project being accomplished in a timely fashion	moderate
5. Extent of new revenue provided to local taxing jurisdictions	\$36,909 captured above
6. Any other misc public benefits	creating access to office/makers space, improving downtown, better positioning for DRI

Material Terms

Response

1. Private Sector Investment	45% of project costs
2. Create or Retain Jobs	yes captured above
3. Local Labor Construction	yes captured above
4. Increased Property Value	\$342,000 captured above
5. Increased Revenue to Local Taxing Jurisdictions	\$36,909 captured above
6. Community Benefit	creates foot traffic downtown, improves deteriorated neighborhood, puts a property back on the "tax roll"

LCIDA Evaluative Criteria

Response

1. Distressed Census Tracts	yes
2. Age of Structure	aged
3. Elimination of Slum and Blight	yes
4. Building or Facility Vacancy	yes, for many years
5. Redevelopment Supports Local Community Development Plan	yes, in line with Town/Village Comprehensive Plan and Naturally Lewis Strategic Plan
6. Environmental or Safety Issues	yes, abatement is needed
7. LEED/Renewable Resources	none specified
8. Building or site has Historic designation	no
9. Site or Structure has delinquent Property or other local Taxes	no, but isn't currently taxed due to 501(c)(3) ownership
10. Project/Developer's Return on Investment	this will be owner developed
11. Impediments to Conventionally Finance Project	scale of project vs current assets