



Internal Report: Aakron Rule - Aakron Rule

Table 1: Basic Information

Project Name	Aakron Rule
Project Industry	(321) Wood Product Manufacturing
Municipality	Akron Village
School District	Akron
Project Cost	\$2,670,000
Construction Budget	\$1,715,000
Direct Employment Expected	13
Direct Labor Income	\$420,784
Direct Construction Jobs	13
Direct Construction Labor Income	\$659,117
Total Labor Income	\$1,079,901

Table 2: Estimated State & Regional Benefits*

Region	
New Property Tax Revenue (PILOT or Improvements)	\$63,087
Sales Tax Revenue	\$109,987
State	
Income Tax Revenue	\$251,600
Sales Tax Revenue	\$92,620
TOTAL Estimated Revenue	\$517,295

Table 3: Estimated Project Incentives*

Property Tax Savings	\$248,820
Sales Tax Savings	\$97,344
Mortgage Tax Savings	\$26,200
TOTAL Estimated Incentives	\$372,364



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Table 1: Basic Information

Project Name	Aakron Rule
Project Applicant	Aakron Rule
Project Industry	Wood Product Manufacturing
Municipality	Akron Village
School District	Akron
Type of Transaction	Lease
Project Cost	\$2,670,000
Mortgage Amount	\$2,620,000

Table 2: Permanent New/Retained Employment (Annual FTEs)

	State	Region
Total Employment	40	40
Direct**	13	13
Indirect***	4	4
Induced****	5	5
Temporary Construction (Direct and Indirect)	17	17

Table 3: Permanent New/Retained Labor Income (Annual) & Average Salary (Annual)

	State Labor Income	Region Labor Income	Average Salary
Total	\$1,745,115	\$1,745,115	\$43,982
Direct**	\$420,784	\$420,784	\$32,368
Indirect***	\$225,753	\$225,753	\$52,558
Induced****	\$210,695	\$210,695	\$39,715
Temporary Construction (Direct and Indirect)	\$887,882	\$887,882	\$51,991

Table 4: Permanent New/Retained Labor Income (Discounted Present Value*)

	State Labor Income	Region Labor Income
Total	\$8,269,679	\$8,269,679
Direct**	\$3,623,453	\$3,623,453
Indirect***	\$1,944,005	\$1,944,005

Induced****	\$1,814,340	\$1,814,340
Temporary Construction (Direct and Indirect)	\$887,882	\$887,882

Table 5: Cost/Benefit Analysis (Discounted Present Value^{*})

Total Costs to State and Region	\$372,364
Mortgage Tax Revenue Forgone	\$26,200
State	\$19,650
County	\$6,550
Local	\$0
Property Tax Revenue Forgone	\$248,820
485-B Property Tax Abatement	\$17,149
Above 485-B	\$231,671
Sales Tax Revenue Forgone	\$97,344
Construction Materials	\$75,031
Other Items	\$22,313
Total Benefits to State and Region	\$8,786,974
Total State Benefits	\$8,613,900
Income Tax Revenue	\$251,600
Direct ^{**}	\$97,833
Indirect ^{***}	\$71,928
Induced ^{****}	\$48,987
Construction (Direct and Indirect, over 0 years)	\$32,852
Sales Tax Revenue	\$92,620
Direct ^{**}	\$40,583
Indirect ^{***}	\$21,773
Induced ^{****}	\$20,321
Construction (Direct and Indirect, over 0 years)	\$9,944
Labor Income	\$8,269,679
Total Regional Benefits	\$173,074
Property Tax/PILOT Revenue	\$63,087
Sales Tax Revenue	\$109,987
Direct ^{**}	\$48,192
Indirect ^{***}	\$25,855
Induced ^{****}	\$24,131
Construction (Direct and Indirect, over 0 years)	\$11,809
Benefit to Cost Ratio	8786951.8:1
Overall ROI	23.6:1

Table 6: Regional Fiscal Impact (Discounted Present Value*)

Total Local Client Incentives	\$302,559
Total Anticipated Local Revenue (Property Tax plus Local Sales Tax)	\$173,074
Net Local Revenue	\$-129,485
Benefit to Cost Ratio	0.6:1
Overall ROI	27.9:1

Table 7: Property Tax Revenue (Discounted Present Value*)

Total Property Tax	\$63,087
County Property Tax	\$11,997
City/Village Property Tax	\$13,375
Town Property Tax	\$3,095
School District Property Tax	\$34,620

* Figures over 10 years and discounted by 3.49%

** Direct - The recipient of IDA assistance adds new jobs to the regional economy and/or retains jobs at risk of being lost to another region. Investments that result in displacing existing jobs (e.g., most retail and many service sector industries) do not fall under this definition.

*** Indirect - The recipient of IDA assistance makes purchases from regional firms, which stimulates suppliers to add jobs and payroll that are new to the regional economy or are saved from being lost to competitors outside the region.

**** Induced - The recipient of IDA assistance by adding to and/or retaining payroll stimulates household spending that is new to the regional economy and/or saved from being lost to competitors outside the region.

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Table 4: Employment Breakdown

Project	
Direct**	13
Indirect***	4
Induced****	5
Construction	
Direct	13
Indirect	5

Table 5: Ratios

Benefit to Cost Ratio	1.4:1
Overall ROI	23.6:1

* Figures over 10 years and discounted by 3.49%

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