



Internal Report: Orchard Heights, Inc. - Orchard Heights, Inc.

Table 1: Basic Information

Project Name	Orchard Heights, Inc.
Project Industry	(623) Nursing and Residential Care Facilities
Municipality	Orchard Park Town
School District	Orchard Park
Project Cost	\$27,620,000
Construction Budget	\$24,246,600
Direct Employment Expected	88 (15 created and 73 retained)
Direct Labor Income	\$2,652,710
Direct Construction Jobs	177
Direct Construction Labor Income	\$9,318,567
Total Labor Income	\$11,971,276

Table 2: Estimated State & Regional Benefits*

Region	
New Property Tax Revenue (PILOT or Improvements)	\$555,461
Sales Tax Revenue	\$479,472
State	
Income Tax Revenue	\$1,110,977
Sales Tax Revenue	\$403,766
TOTAL Estimated Revenue	\$2,549,677

Table 3: Estimated Project Incentives*

Property Tax Savings	\$2,103,830
Sales Tax Savings	\$892,679
Mortgage Tax Savings	\$286,000
TOTAL Estimated Incentives	\$3,282,508



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Table 1: Basic Information

Project Name	Orchard Heights, Inc.
Project Applicant	Orchard Heights, Inc.
Project Industry	Nursing and Residential Care Facilities
Municipality	Orchard Park Town
School District	Orchard Park
Type of Transaction	Lease
Project Cost	\$27,620,000
Mortgage Amount	\$28,600,000

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

	State	Region
Total Employment	355	355
Direct**	88 (15 created and 73 retained)	88 (15 created and 73 retained)
Indirect***	5	5
Induced****	20	20
Temporary Construction (Direct and Indirect)	241	241

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

	State Labor Income	Region Labor Income	Average Salary
Total	\$16,264,783	\$16,264,783	\$45,859
Direct**	\$2,652,710	\$2,652,710	\$30,144
Indirect***	\$272,699	\$272,699	\$49,815
Induced****	\$786,533	\$786,533	\$39,817
Temporary Construction (Direct and Indirect)	\$12,552,841	\$12,552,841	\$51,991

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

	State Labor Income	Region Labor Income
Total	\$36,050,561	\$36,050,561
Direct**	\$16,792,458	\$16,792,458

Indirect ^{***}	\$1,726,267	\$1,726,267
Induced ^{****}	\$4,978,995	\$4,978,995
Temporary Construction (Direct and Indirect)	\$12,552,841	\$12,552,841

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

Total Costs to State and Region	\$3,282,508
Mortgage Tax Revenue Forgone	\$286,000
State	\$214,500
County	\$71,500
Local	\$0
Property Tax Revenue Forgone	\$2,103,830
485-B Property Tax Abatement	\$948,979
Above 485-B	\$1,154,850
Sales Tax Revenue Forgone	\$892,679
Construction Materials	\$848,631
Other Items	\$44,048
Total Benefits to State and Region	\$38,600,238
Total State Benefits	\$37,565,305
Income Tax Revenue	\$1,110,977
Direct ^{**}	\$453,396
Indirect ^{***}	\$58,693
Induced ^{****}	\$134,433
Construction (Direct and Indirect, over 0 years)	\$464,455
Sales Tax Revenue	\$403,766
Direct ^{**}	\$188,076
Indirect ^{***}	\$19,334
Induced ^{****}	\$55,765
Construction (Direct and Indirect, over 0 years)	\$140,592
Labor Income	\$36,050,561
Total Regional Benefits	\$1,034,933
Property Tax/PILOT Revenue	\$555,461
Sales Tax Revenue	\$479,472
Direct ^{**}	\$223,340
Indirect ^{***}	\$22,959
Induced ^{****}	\$66,221
Construction (Direct and Indirect, over 0 years)	\$166,953
Benefit to Cost Ratio	38600227.1:1
Overall ROI	11.8:1

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

Total Local Client Incentives	\$2,617,895
Total Anticipated Local Revenue (Property Tax plus Local Sales Tax)	\$1,034,933
Net Local Revenue	\$-1,582,962
Benefit to Cost Ratio	0.4:1
Overall ROI	14.2:1

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

Total Property Tax	\$555,461
County Property Tax	\$114,280
Town Property Tax	\$34,216
School District Property Tax	\$406,965

* Figures over 7 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**	88 (15 created and 73 retained)
Indirect***	5
Induced****	20
Construction	
Direct	177
Indirect	64

Table 5: Ratios

Benefit to Cost Ratio	0.8:1
Overall ROI	11.8:1

* Figures over 7 years and discounted by 3.49%

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