



Internal Report: WNY Foreign Trade Zone Operators - Punto Franco, Ltd.

Table 1: Basic Information

Project Name	Punto Franco, Ltd.
Project Industry	(42) Wholesale Trade
Municipality	Lackawanna City
School District	Lackawanna
Project Cost	\$1,760,000
Construction Budget	\$1,600,000
Direct Employment Expected	8
Direct Labor Income	\$507,651
Direct Construction Jobs	12
Direct Construction Labor Income	\$614,919
Total Labor Income	\$1,122,570

Table 2: Estimated State & Regional Benefits*

Region	
New Property Tax Revenue (PILOT or Improvements)	\$67,085
Sales Tax Revenue	\$84,586
State	
Income Tax Revenue	\$233,173
Sales Tax Revenue	\$71,230
TOTAL Estimated Revenue	\$456,075

Table 3: Estimated Project Incentives*

Property Tax Savings	\$254,089
Sales Tax Savings	\$84,000
Mortgage Tax Savings	\$15,000
TOTAL Estimated Incentives	\$353,089



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Table 1: Basic Information

Project Name	Punto Franco, Ltd.
Project Applicant	WNY Foreign Trade Zone Operators
Project Industry	Wholesale Trade
Municipality	Lackawanna City
School District	Lackawanna
Type of Transaction	Lease
Project Cost	\$1,760,000
Mortgage Amount	\$1,500,000

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

	State	Region
Total Employment	32	32
Direct**	8	8
Indirect***	3	3
Induced****	5	5
Temporary Construction (Direct and Indirect)	16	16

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

	State Labor Income	Region Labor Income	Average Salary
Total	\$1,702,158	\$1,702,158	\$53,340
Direct**	\$507,651	\$507,651	\$63,456
Indirect***	\$180,038	\$180,038	\$54,518
Induced****	\$186,124	\$186,124	\$39,797
Temporary Construction (Direct and Indirect)	\$828,345	\$828,345	\$51,991

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

	State Labor Income	Region Labor Income
Total	\$6,359,847	\$6,359,847
Direct**	\$3,213,584	\$3,213,584

Indirect ^{***}	\$1,139,696	\$1,139,696
Induced ^{****}	\$1,178,222	\$1,178,222
Temporary Construction (Direct and Indirect)	\$828,345	\$828,345

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

Total Costs to State and Region	\$353,089
Mortgage Tax Revenue Forgone	\$15,000
State	\$11,250
County	\$3,750
Local	\$0
Property Tax Revenue Forgone	\$254,089
485-B Property Tax Abatement	\$8,912
Above 485-B	\$245,176
Sales Tax Revenue Forgone	\$84,000
Construction Materials	\$70,000
Other Items	\$14,000
Total Benefits to State and Region	\$6,815,921
Total State Benefits	\$6,664,250
Income Tax Revenue	\$233,173
Direct ^{**}	\$128,543
Indirect ^{***}	\$42,169
Induced ^{****}	\$31,812
Construction (Direct and Indirect, over 0 years)	\$30,649
Sales Tax Revenue	\$71,230
Direct ^{**}	\$35,992
Indirect ^{***}	\$12,765
Induced ^{****}	\$13,196
Construction (Direct and Indirect, over 0 years)	\$9,277
Labor Income	\$6,359,847
Total Regional Benefits	\$151,671
Property Tax/PILOT Revenue	\$67,085
Sales Tax Revenue	\$84,586
Direct ^{**}	\$42,741
Indirect ^{***}	\$15,158
Induced ^{****}	\$15,670
Construction (Direct and Indirect, over 0 years)	\$11,017
Benefit to Cost Ratio	6815903.3:1
Overall ROI	19.3:1

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

Total Local Client Incentives	\$298,025
Total Anticipated Local Revenue (Property Tax plus Local Sales Tax)	\$151,671
Net Local Revenue	\$-146,354
Benefit to Cost Ratio	0.5:1
Overall ROI	21.8:1

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

Total Property Tax	\$67,085
County Property Tax	\$5,216
City/Village Property Tax	\$31,386
School District Property Tax	\$30,483

* 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**	8
Indirect***	3
Induced****	5
Construction	
Direct	12
Indirect	4

Table 5: Ratios

Benefit to Cost Ratio	1.3:1
Overall ROI	19.3:1

* Figures over 7 years and discounted by 3.49%

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