

# Erie County Industrial Development Agency

## MRB Cost Benefit Calculator



Date: October 16, 2023  
 Project Title: Plant Modernization & Infrastructure Upgrades – Western NY  
 Project Location: 2375 South Park Ave., Buffalo, NY 14220

### Economic Impacts

Summary of Economic Impacts over the Life of the PILOT

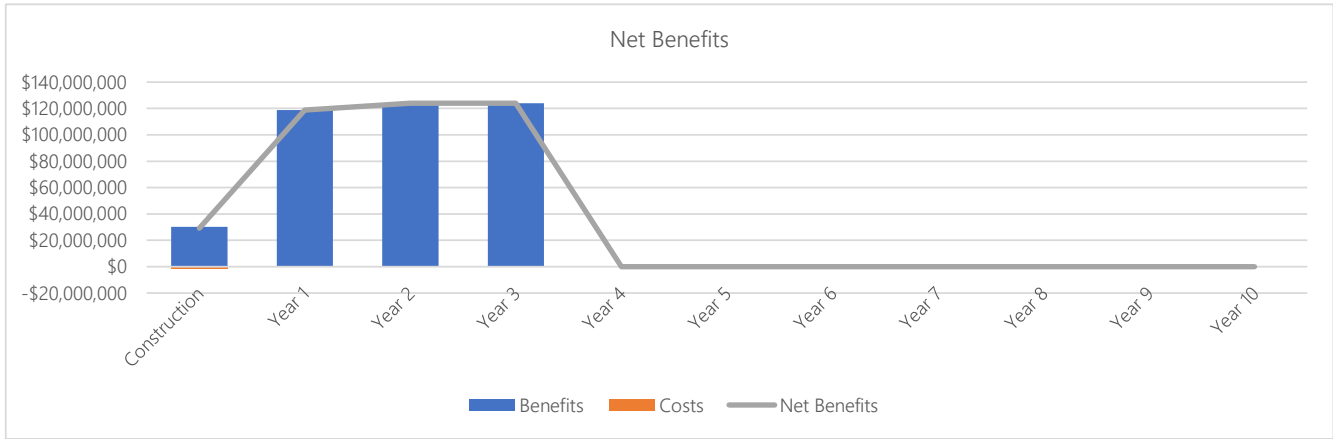
Project Total Investment  
 \$44,526,000

|             |  | Temporary (Construction) |              |              |
|-------------|--|--------------------------|--------------|--------------|
|             |  | Direct                   | Indirect     | Total        |
| Jobs        |  | 195                      | 177          | 372          |
| Earnings    |  | \$18,413,138             | \$10,159,542 | \$28,572,681 |
| Local Spend |  | \$44,526,000             | \$31,524,243 | \$76,050,243 |

|          |  | Ongoing (Operations) |               |               |
|----------|--|----------------------|---------------|---------------|
|          |  | Direct               | Indirect      | Total         |
| Jobs     |  | 402                  | 1545          | 1947          |
| Earnings |  | \$89,316,810         | \$256,535,353 | \$345,852,163 |

Figure 1



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

Figure 2

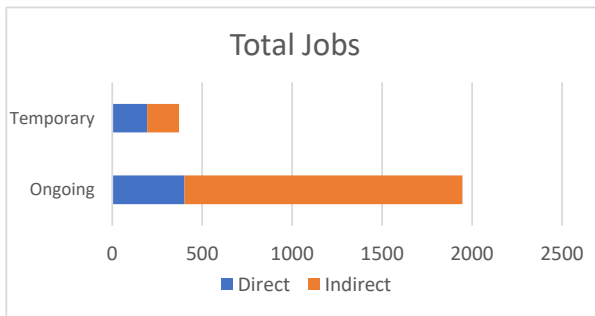
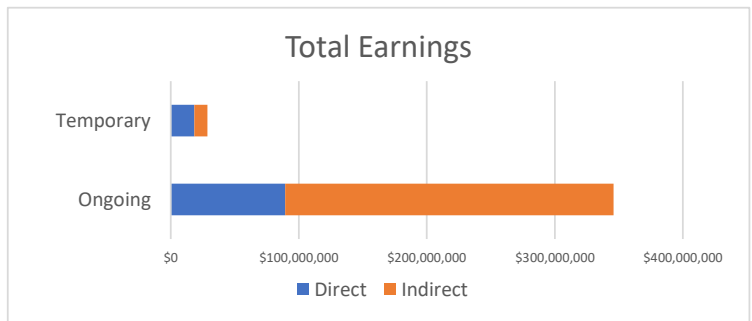


Figure 3



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

# Fiscal Impacts



Cost-Benefit Analysis Tool powered by MRB Group

## Estimated Costs of Exemptions

|  | Nominal Value      | Discounted Value*  |
|--|--------------------|--------------------|
| Property Tax Exemption                 | \$0                | \$0                |
| Sales Tax Exemption                    | \$1,203,247        | \$1,203,247        |
| Local Sales Tax Exemption              | \$653,191          | \$653,191          |
| State Sales Tax Exemption              | \$550,056          | \$550,056          |
| Mortgage Recording Tax Exemption       | \$0                | \$0                |
| Local Mortgage Recording Tax Exemption | \$0                | \$0                |
| State Mortgage Recording Tax Exemption | \$0                | \$0                |
| <b>Total Costs</b>                     | <b>\$1,203,247</b> | <b>\$1,203,247</b> |

## State and Local Benefits

|   | Nominal Value        | Discounted Value*    |
|---|----------------------|----------------------|
| <b>Local Benefits</b>                       | <b>\$377,537,250</b> | <b>\$363,943,909</b> |
| <b>To Private Individuals</b>               | <b>\$374,424,843</b> | <b>\$360,943,565</b> |
| Temporary Payroll                           | \$28,572,681         | \$28,572,681         |
| Ongoing Payroll                             | \$345,852,163        | \$332,370,885        |
| Other Payments to Private Individuals       | \$0                  | \$0                  |
| <b>To the Public</b>                        | <b>\$3,112,407</b>   | <b>\$3,000,343</b>   |
| Increase in Property Tax Revenue            | \$0                  | \$0                  |
| Temporary Jobs - Sales Tax Revenue          | \$237,510            | \$237,510            |
| Ongoing Jobs - Sales Tax Revenue            | \$2,874,896          | \$2,762,833          |
| Other Local Municipal Revenue               | \$0                  | \$0                  |
| <b>State Benefits</b>                       | <b>\$19,470,092</b>  | <b>\$18,769,065</b>  |
| <b>To the Public</b>                        | <b>\$19,470,092</b>  | <b>\$18,769,065</b>  |
| Temporary Income Tax Revenue                | \$1,285,771          | \$1,285,771          |
| Ongoing Income Tax Revenue                  | \$15,563,347         | \$14,956,690         |
| Temporary Jobs - Sales Tax Revenue          | \$200,009            | \$200,009            |
| Ongoing Jobs - Sales Tax Revenue            | \$2,420,965          | \$2,326,596          |
| <b>Total Benefits to State &amp; Region</b> | <b>\$397,007,342</b> | <b>\$382,712,974</b> |

## Benefit to Cost Ratio

|                    | Benefit*             | Cost*              | Ratio        |
|--------------------|----------------------|--------------------|--------------|
| Local              | \$363,943,909        | \$653,191          | 557:1        |
| State              | \$18,769,065         | \$550,056          | 34:1         |
| <b>Grand Total</b> | <b>\$382,712,974</b> | <b>\$1,203,247</b> | <b>318:1</b> |

\*Discounted at 2%

## Additional Comments from IDA

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