



## Internal Report: 722 Group LLC - 722 Group, LLC

Table 1: Basic Information

Project Name	722 Group, LLC
Project Industry	(531) Real Estate
Municipality	Buffalo City
School District	Buffalo
Project Cost	\$5,760,000
Construction Budget	\$3,920,000
Direct Employment Expected	2
Direct Labor Income	\$62,419
Direct Construction Jobs	29
Direct Construction Labor Income	\$1,506,553
Total Labor Income	\$1,568,972

Table 2: Estimated State & Regional Benefits\*

Region	
New Property Tax Revenue (PILOT or Improvements)	\$1,150,102
Sales Tax Revenue	\$54,885
State	
Income Tax Revenue	\$142,815
Sales Tax Revenue	\$46,219
<b>TOTAL Estimated Revenue</b>	<b>\$1,394,022</b>

Table 3: Estimated Project Incentives\*

Property Tax Savings	\$0
Sales Tax Savings	\$171,500
Mortgage Tax Savings	\$45,000
<b>TOTAL Estimated Incentives</b>	<b>\$216,500</b>



## Internal Report: 722 Group LLC - 722 Group, LLC

Table 1: Basic Information

Project Name	722 Group, LLC
Project Applicant	722 Group LLC
Project Industry	Real Estate
Municipality	Buffalo City
School District	Buffalo
Type of Transaction	Tax Exemptions
Project Cost	\$5,760,000
Mortgage Amount	\$4,500,000

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

	State	Region
<b>Total Employment</b>	<b>45</b>	<b>45</b>
Direct**	2	2
Indirect***	2	2
Induced****	1	1
Temporary Construction (Direct and Indirect)	39	39

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

	State Labor Income	Region Labor Income	Average Salary
<b>Total</b>	<b>\$2,272,998</b>	<b>\$2,272,998</b>	<b>\$50,816</b>
Direct**	\$62,419	\$62,419	\$31,209
Indirect***	\$128,892	\$128,892	\$54,136
Induced****	\$52,242	\$52,242	\$39,751
Temporary Construction (Direct and Indirect)	\$2,029,445	\$2,029,445	\$51,991

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

	State Labor Income	Region Labor Income
<b>Total</b>	<b>\$4,126,727</b>	<b>\$4,126,727</b>
Direct**	\$537,502	\$537,502
Indirect***	\$1,109,915	\$1,109,915

Induced****	\$449,866	\$449,866
Temporary Construction (Direct and Indirect)	\$2,029,445	\$2,029,445

Table 5: Cost/Benefit Analysis (Discounted Present Value\*)

<b>Total Costs to State and Region</b>	<b>\$216,500</b>
Mortgage Tax Revenue Forgone	\$45,000
State	\$33,750
County	\$11,250
Local	\$0
Sales Tax Revenue Forgone	\$171,500
Construction Materials	\$171,500
Other Items	\$0
<b>Total Benefits to State and Region</b>	<b>\$5,520,749</b>
<b>Total State Benefits</b>	<b>\$4,315,762</b>
Income Tax Revenue	\$142,815
Direct**	\$14,513
Indirect***	\$41,067
Induced****	\$12,146
Construction (Direct and Indirect, over 0 years)	\$75,089
Sales Tax Revenue	\$46,219
Direct**	\$6,020
Indirect***	\$12,431
Induced****	\$5,038
Construction (Direct and Indirect, over 0 years)	\$22,730
Labor Income	\$4,126,727
<b>Total Regional Benefits</b>	<b>\$1,204,987</b>
Property Tax/PILOT Revenue	\$1,150,102
Sales Tax Revenue	\$54,885
Direct**	\$7,149
Indirect***	\$14,762
Induced****	\$5,983
Construction (Direct and Indirect, over 0 years)	\$26,992
<b>Benefit to Cost Ratio</b>	<b>5520729.7:1</b>
<b>Overall ROI</b>	<b>25.5:1</b>

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

Total Local Client Incentives	\$100,644
Total Anticipated Local Revenue (Property Tax plus Local Sales Tax)	\$1,204,987
Net Local Revenue	\$1,104,343
Benefit to Cost Ratio	12:1
Overall ROI	53:1

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

<b>Total Property Tax</b>	<b>\$1,150,102</b>
<b>County Property Tax</b>	<b>\$182,060</b>
<b>City/Village Property Tax</b>	<b>\$477,130</b>
<b>School District Property Tax</b>	<b>\$490,912</b>

\* 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.

© Center for Governmental Research 2021. All rights reserved.

Powered by **informANALYTICS** 

## Table 4: Employment Breakdown

Project	
Direct**	2
Indirect***	2
Induced****	1
Construction	
Direct	29
Indirect	10

## Table 5: Ratios

Benefit to Cost Ratio	<b>6.4:1</b>
Overall ROI	<b>25.5:1</b>

\* 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.

© Center for Governmental Research 2021. All rights reserved.

Powered by **informANALYTICS** 