



# Internal Report: Buffalo High Technology Centre, Inc. - \_

Table 1: Basic Information

Project Name	—
Project Industry	(531) Real Estate
Municipality	Buffalo City
School District	Buffalo
Project Cost	\$7,877,447
Construction Budget	\$4,495,687
Direct Employment Expected	4
Direct Labor Income	\$124,838
Direct Construction Jobs	33
Direct Construction Labor Income	\$1,727,803
Total Labor Income	\$1,852,641

Table 2: Estimated State & Regional Benefits\*

Region	
New Property Tax Revenue (PILOT or Improvements)	\$76,962
Sales Tax Revenue	\$71,967
State	
Income Tax Revenue	\$185,691
Sales Tax Revenue	\$60,603
<b>TOTAL Estimated Revenue</b>	<b>\$395,223</b>

Table 3: Estimated Project Incentives\*

Property Tax Savings	\$291,498
Sales Tax Savings	\$333,529
Mortgage Tax Savings	\$48,426
<b>TOTAL Estimated Incentives</b>	<b>\$673,453</b>



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Table 1: Basic Information

Project Name	—
Project Applicant	Buffalo High Technology Centre, Inc.
Project Industry	Real Estate
Municipality	Buffalo City
School District	Buffalo
Type of Transaction	Lease
Project Cost	\$7,877,447
Mortgage Amount	\$4,842,600

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

	State	Region
<b>Total Employment</b>	<b>56</b>	<b>56</b>
Direct**	4	4
Indirect***	5	5
Induced****	3	3
Temporary Construction (Direct and Indirect)	45	45

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

	State Labor Income	Region Labor Income	Average Salary
<b>Total</b>	<b>\$2,814,593</b>	<b>\$2,814,593</b>	<b>\$50,120</b>
Direct**	\$124,838	\$124,838	\$31,209
Indirect***	\$257,784	\$257,784	\$54,136
Induced****	\$104,484	\$104,484	\$39,751
Temporary Construction (Direct and Indirect)	\$2,327,487	\$2,327,487	\$51,991

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

	State Labor Income	Region Labor Income
<b>Total</b>	<b>\$5,411,016</b>	<b>\$5,411,016</b>
Direct**	\$790,262	\$790,262
Indirect***	\$1,631,852	\$1,631,852

Induced****	\$661,415	\$661,415
Temporary Construction (Direct and Indirect)	\$2,327,487	\$2,327,487

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

<b>Total Costs to State and Region</b>	<b>\$673,453</b>
Mortgage Tax Revenue Forgone	\$48,426
State	\$36,320
County	\$12,107
Local	\$0
Property Tax Revenue Forgone	\$291,498
485-B Property Tax Abatement	\$131,487
Above 485-B	\$160,011
Sales Tax Revenue Forgone	\$333,529
Construction Materials	\$196,686
Other Items	\$136,843
<b>Total Benefits to State and Region</b>	<b>\$5,806,239</b>
<b>Total State Benefits</b>	<b>\$5,657,310</b>
Income Tax Revenue	\$185,691
Direct**	\$21,337
Indirect***	\$60,379
Induced****	\$17,858
Construction (Direct and Indirect, over 0 years)	\$86,117
Sales Tax Revenue	\$60,603
Direct**	\$8,851
Indirect***	\$18,277
Induced****	\$7,408
Construction (Direct and Indirect, over 0 years)	\$26,068
Labor Income	\$5,411,016
<b>Total Regional Benefits</b>	<b>\$148,929</b>
Property Tax/PILOT Revenue	\$76,962
Sales Tax Revenue	\$71,967
Direct**	\$10,510
Indirect***	\$21,704
Induced****	\$8,797
Construction (Direct and Indirect, over 0 years)	\$30,956
<b>Benefit to Cost Ratio</b>	<b>5806230.9:1</b>
<b>Overall ROI</b>	<b>8.6:1</b>

Table 6: Regional Fiscal Impact (Discounted Present Value<sup>\*</sup>)

Total Local Client Incentives	\$475,245
Total Anticipated Local Revenue (Property Tax plus Local Sales Tax)	\$148,929
Net Local Revenue	\$-326,316
Benefit to Cost Ratio	0.3:1
Overall ROI	11.7:1

Table 7: Property Tax Revenue (Discounted Present Value<sup>\*</sup>)

<b>Total Property Tax</b>	<b>\$76,962</b>
<b>County Property Tax</b>	<b>\$12,183</b>
<b>City/Village Property Tax</b>	<b>\$31,929</b>
<b>School District Property Tax</b>	<b>\$32,851</b>

\* 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**	4
Indirect***	5
Induced****	3
Construction	
Direct	33
Indirect	12

## Table 5: Ratios

Benefit to Cost Ratio	<b>0.6:1</b>
Overall ROI	<b>8.6:1</b>

\* 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.

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