

Cost-Benefit Analysis for City of Poughkeepsie - Main Mall Partners

Prepared by Dutchess County IDA using InformAnalytics

Executive Summary

INVESTOR
387 - 397 Main Mall Partners, LLC

TOTAL INVESTED
\$4.8 Million

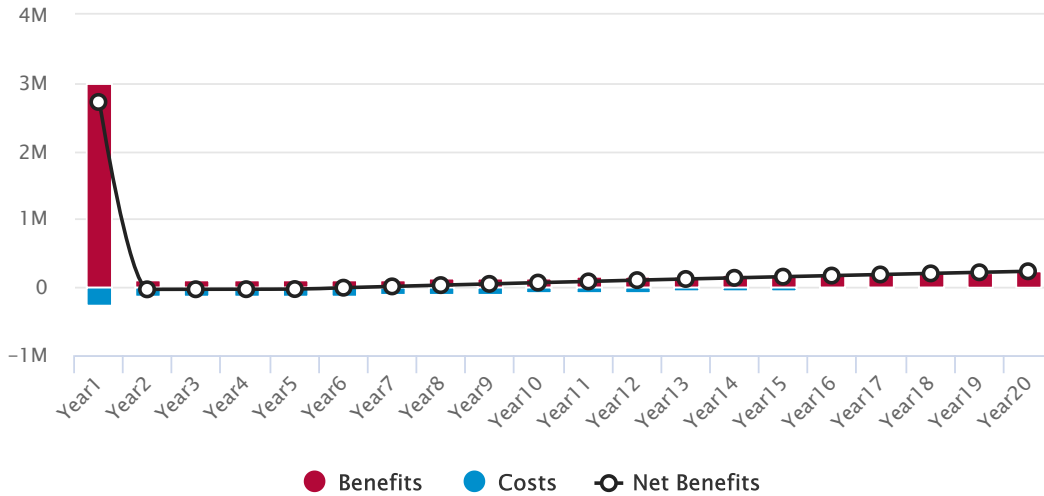
LOCATION
387 Main Street, Poughkeepsie, NY 12601

TIMELINE
20 Years

F1 FIGURE 1

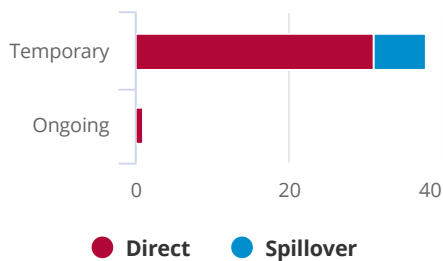
Discounted* Net Benefits for City of Poughkeepsie - Main Mall Partners by Year

Total Net Benefits: **\$4,333,000**



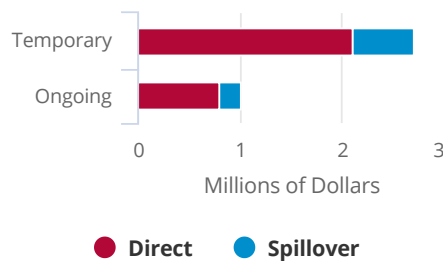
F2 FIGURE 2

Total Jobs



F3 FIGURE 3

Total Payroll



Proposed Investment

387 - 397 Main Mall Partners, LLC proposes to invest \$4.8 million at 387 Main Street, Poughkeepsie, NY 12601 over 20 years. Dutchess County IDA staff summarize the proposed with the following: The applicant intends to redevelop the property and convert the vacant building into a mixed use retail and residential project. The project as described in the application includes 22 residential units and 2 retail spaces.

T1 TABLE 1

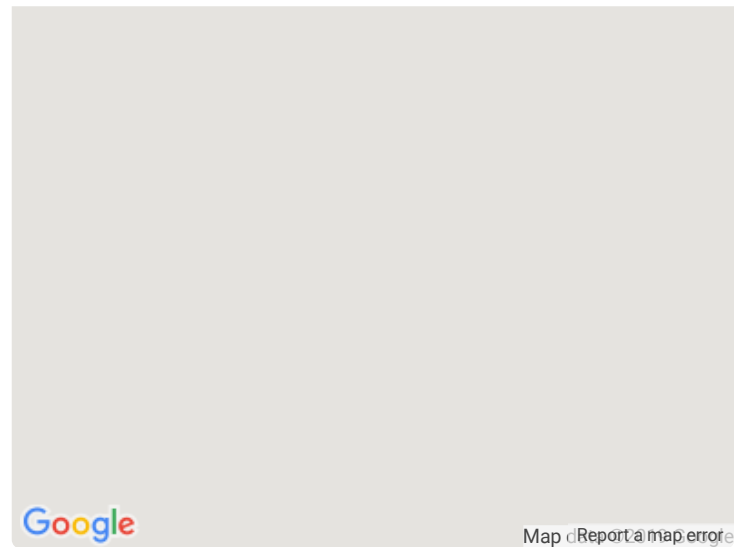
Proposed Investments

Description	Amount
CONSTRUCTION SPENDING	
Residential Units	\$3,677,000
Retail Units	\$1,148,000
Total Investments	\$4,825,000
Discounted Total (2%)	\$4,825,000

May not sum to total due to rounding.

F4 FIGURE 4

Location of Investment



Cost-Benefit Analysis

A cost-benefit analysis of this proposed investment was conducted using InformAnalytics, an economic impact model developed by CGR. The report estimates the impact that a potential project will have on the local economy based on information provided by Dutchess County IDA. The report calculates the costs and benefits for specified local taxing districts over the first 20 years, with future returns discounted at a 2% rate.

T2 TABLE 2

Estimated Costs or Incentives

Dutchess County IDA is considering the following incentive package for 387 - 397 Main Mall Partners, LLC.

Description	Nominal Value	Discounted Value*
Property Tax Exemption	\$1,719,000	\$1,524,000
Sales Tax Exemption	\$84,000	\$84,000
Mortgage Recording Tax Exemption	\$37,000	\$37,000
Total Costs	\$1,840,000	\$1,645,000

May not sum to total due to rounding.

* Discounted at 2%

T3 TABLE 3

State & Regional Impact (Life of Project)

The following table estimates the total benefits from the project over its lifetime.

Description	Direct	Spillover	Total
REGIONAL BENEFITS	\$5,133,000	\$846,000	\$5,953,000
To Private Individuals	\$2,998,000	\$818,000	\$3,816,000
Temporary Payroll	\$2,098,000	\$589,000	\$2,686,000
Ongoing Payroll	\$900,000	\$230,000	\$1,130,000
To the Public	\$2,135,000	\$27,000	\$2,137,000
Property Tax Revenue	\$2,101,000	N/A	\$2,101,000
Temporary Sales Tax Revenue	\$20,000	\$6,000	\$25,000
Ongoing Sales Tax Revenue	\$8,000	\$2,000	\$11,000
STATE BENEFITS	\$174,000	\$50,000	\$225,000
To the Public	\$174,000	\$50,000	\$225,000
Temporary Income Tax Revenue	\$105,000	\$31,000	\$136,000
Ongoing Income Tax Revenue	\$39,000	\$11,000	\$51,000
Temporary Sales Tax Revenue	\$21,000	\$6,000	\$27,000
Ongoing Sales Tax Revenue	\$9,000	\$2,000	\$11,000
Total Benefits to State & Region	\$5,307,000	\$896,000	\$6,178,000
Discounted Total Benefits (2%)	\$5,148,000	\$855,000	\$5,978,000

May not sum to total due to rounding.

T4 TABLE 4

Benefit to Cost Ratio

The following benefit to cost ratios were calculated using the discounted totals.

Description	Benefit*	Cost*	Ratio
Region	\$5,764,000	\$1,565,000	4:1
State	\$214,000	\$80,000	3:1
Grand Total	\$5,978,000	\$1,645,000	4:1

May not sum to total due to rounding.

* Discounted at 2%

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