

Cost-Benefit Analysis for Gabrielli Inwood, LLC (EXPANSION)

Prepared by Hempstead IDA using InformAnalytics

Executive Summary

INVESTOR
Gabrielli Inwood, LLC

TOTAL INVESTED
\$11.1 Million

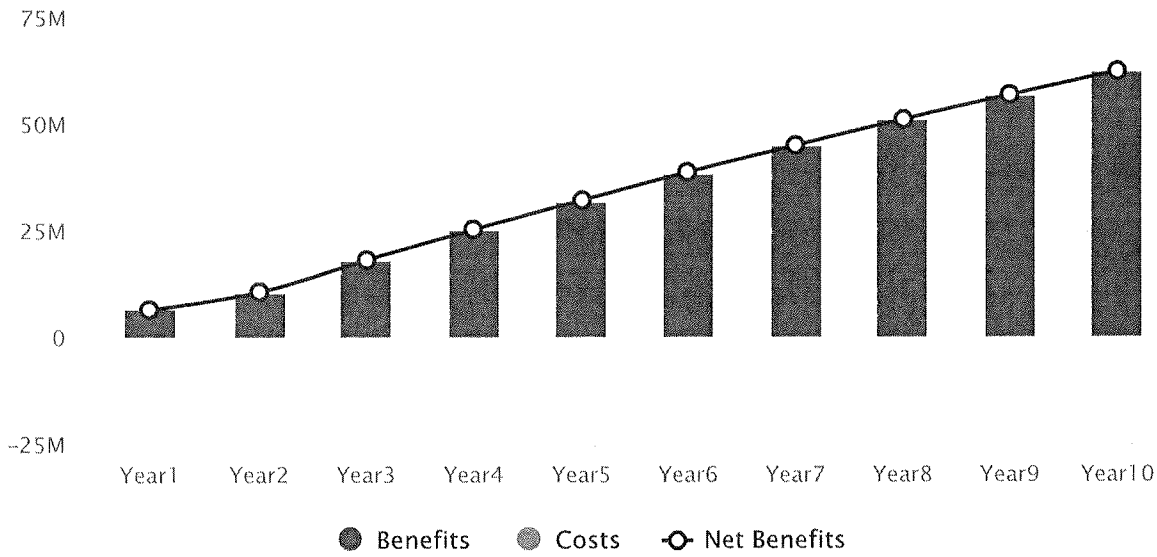
LOCATION
31 almeda street,
inwood, new york

TIMELINE
10 Years

FIGURE 1

Discounted* Net Benefits for Gabrielli Inwood, LLC (EXPANSION) by Year

Total Net Benefits: \$348,053,000



Discounted at 2%

FIGURE 2

Total Jobs

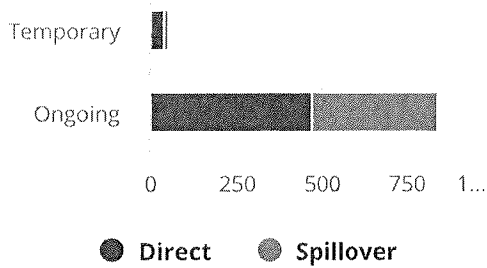
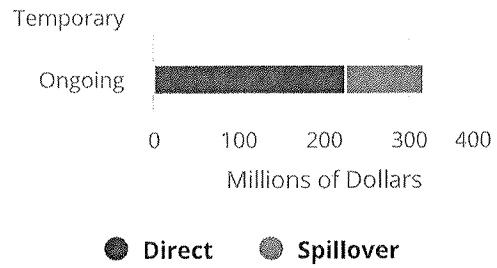


FIGURE 3

Total Payroll



Millions of Dollars

Proposed Investment

Gabrielli Inwood, LLC proposes to invest \$11.1 million at 31 Alameda Street, Inwood, New York over 10 years. Hempstead IDA staff summarize the proposed with the following: The applicant seeks to expand the current facility which is part of the PILOT program with the TOH IDA. The applicant intends to expand the facility by 10,000 square feet for a total of 20,230 square feet. With the increase of space this will also increase Gabrielli's employment figure. The applicant requires the expansion because it has outgrown its current facility, and will use the extra space to repair and service governmental agency vehicles.

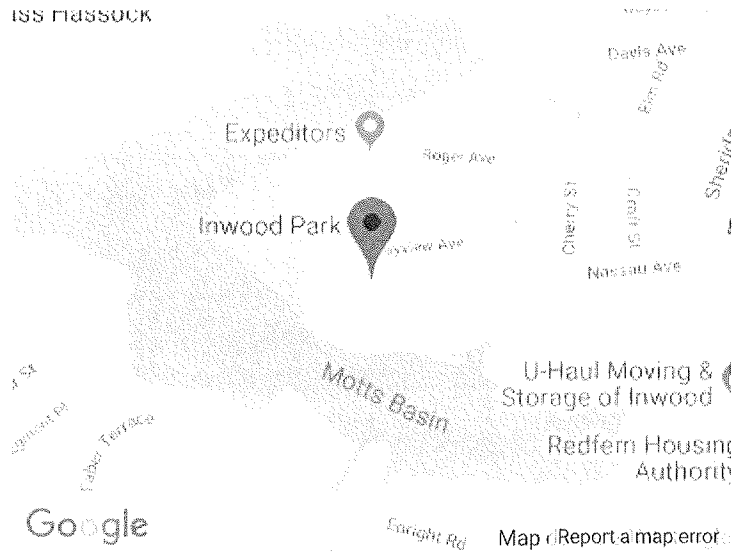
TABLE 1

Proposed Investments

Description	Amount
CONSTRUCTION SPENDING	
	\$6,298,000
OTHER SPENDING	
Land Work	\$3,325,000
Renovations	\$147,000
Site Work	\$944,000
Machinery	\$100,000
Legal Fees	\$35,000
Architectural	\$250,000
Total Investments	\$11,098,000
Discounted Total (2%)	\$11,098,000

FIGURE 4

Location of Investment



May not sum to total due to rounding.

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 Hempstead IDA. The report calculates the costs and benefits for specified local taxing districts over the first 10 years, with future returns discounted at a 2% rate.

TABLE 2


Estimated Costs or Incentives

Hempstead IDA is considering the following incentive package for Gabrielli Inwood, LLC.

Description	Nominal Value	Discounted Value*
Sales Tax Exemption	\$306,000	\$306,000
Total Costs	\$306,000	\$306,000

May not sum to total due to rounding.

* Discounted at 2%

 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	\$261,544,000	\$106,106,000	\$367,650,000
To Private Individuals	\$257,613,000	\$104,708,000	\$362,320,000
Temporary Payroll	\$2,608,000	\$732,000	\$3,340,000
Ongoing Payroll	\$255,004,000	\$103,976,000	\$358,980,000
To the Public	\$3,931,000	\$1,398,000	\$5,329,000
Property Tax Revenue	\$339,000	N/A	\$339,000
Temporary Sales Tax Revenue	\$35,000	\$10,000	\$45,000
Ongoing Sales Tax Revenue	\$3,406,000	\$1,389,000	\$4,794,000
Purchases Sales Tax Revenue	\$151,000	N/A	\$151,000
STATE BENEFITS	\$18,748,000	\$6,430,000	\$25,178,000
To the Public	\$18,748,000	\$6,430,000	\$25,178,000
Temporary Income Tax Revenue	\$134,000	\$38,000	\$172,000
Ongoing Income Tax Revenue	\$15,508,000	\$5,183,000	\$20,691,000
Temporary Sales Tax Revenue	\$30,000	\$8,000	\$39,000
Ongoing Sales Tax Revenue	\$2,946,000	\$1,201,000	\$4,147,000
Purchases Sales Tax Revenue	\$131,000	N/A	\$131,000
Total Benefits to State & Region	\$280,292,000	\$112,536,000	\$392,828,000
Discounted Total Benefits (2%)	\$248,610,000	\$99,749,000	\$348,359,000

May not sum to total due to rounding.

 TABLE 4

Benefit to Cost Ratio

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

Description	Benefit*	Cost*	Ratio
Region	\$326,023,000	\$164,000	1985:1
State	\$22,336,000	\$142,000	157:1
Grand Total	\$348,359,000	\$306,000	1137:1

May not sum to total due to rounding.

* Discounted at 2%

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