

# Cost-Benefit Analysis for South Gate Flats,LTD.

Prepared by Orange County IDA using InformAnalytics

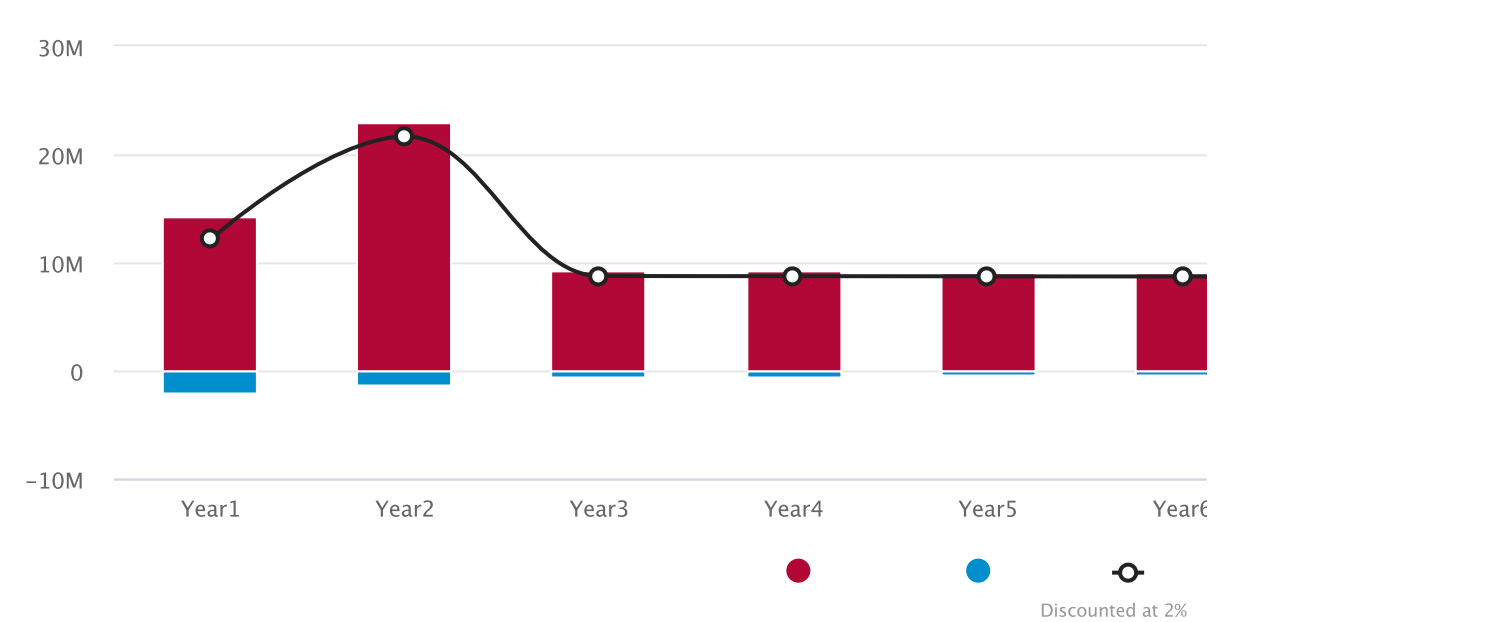
# Executive Summary

INVESTOR	TOTAL JOBS	TOTAL INVESTED	LOCATION	TIMELINE
Rich Minicozzi	123 Ongoing; 368 Temporary	\$56.3 Million	479 Main Street, Highland Falls, NY, 10928	10 Years

F1 FIGURE 1

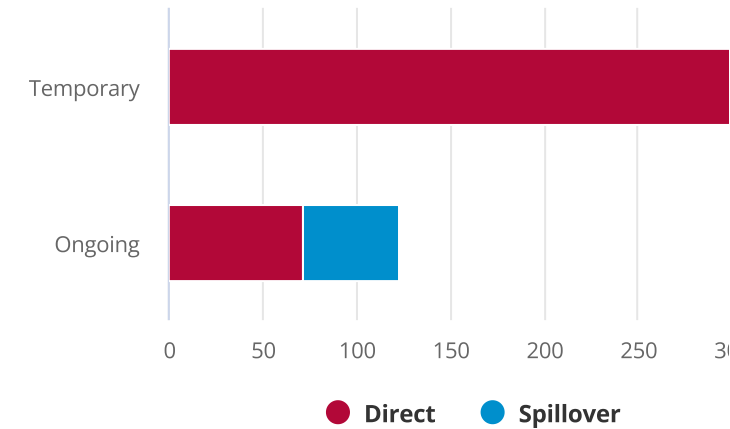
Discounted\* Net Benefits for South Gate Flats,LTD. by Year

Total Net Benefits: \$103,329,000



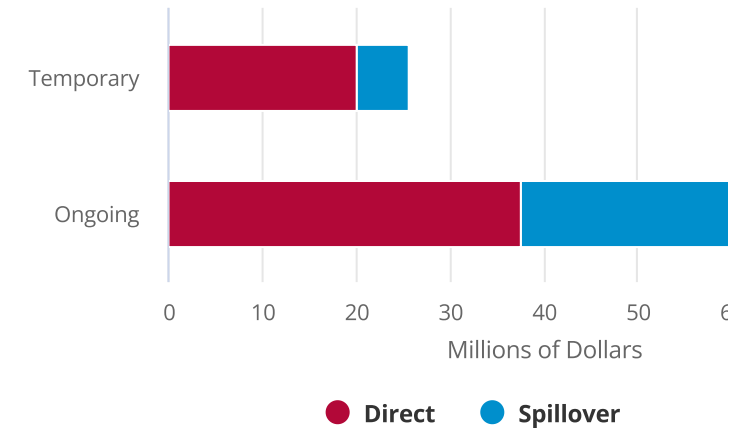
F2 FIGURE 2

Total Jobs



F3 FIGURE 3

Total Payroll



# Proposed Investment

Rich Minicozzi proposes to invest \$56.3 million at 479 Main Street, Highland Falls, NY, 10928 over 10 years. Orange County IDA staff summarize the proposed with the following: 30,000 sq ft Hotel and Spa with a conference center, pool and Restaurant

T1 TABLE 1

## Proposed Investments

Description	Amount
<b>CONSTRUCTION SPENDING</b>	
30,000 sq ft Hotel and Spa	\$46,551,000
<b>OTHER SPENDING</b>	
equipment	\$460,000
other costs	\$3,109,000
soft cost	\$2,809,000
acquire property	\$3,323,000
<b>Total Investments</b>	<b>\$56,252,000</b>
<b>Discounted Total (2%)</b>	<b>\$55,795,000</b>

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 Orange County 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.

T2 TABLE 2

## Estimated Costs or Incentives

Orange County IDA is considering the following incentive package for Rich Minicozzi.

Description	Nominal Value	Discounted Value*
Property Tax Exemption	\$3,586,000	\$3,363,000
Sales Tax Exemption	\$1,979,000	\$1,965,000
Mortgage Recording Tax Exemption	\$444,000	\$444,000
Total Costs	\$6,008,000	\$5,771,000

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
<b>REGIONAL BENEFITS</b>	<b>\$72,225,000</b>	<b>\$38,464,000</b>	<b>\$110,689,000</b>
To Private Individuals	\$61,606,000	\$38,105,000	\$99,711,000
Temporary Payroll	\$20,239,000	\$5,679,000	\$25,917,000
Ongoing Payroll	\$41,367,000	\$32,427,000	\$73,793,000
To the Public	\$10,620,000	\$359,000	\$10,978,000
Property Tax Revenue	\$10,040,000	N/A	\$10,040,000
Temporary Sales Tax Revenue	\$190,000	\$53,000	\$244,000
Ongoing Sales Tax Revenue	\$389,000	\$305,000	\$694,000
<b>STATE BENEFITS</b>	<b>\$3,695,000</b>	<b>\$2,337,000</b>	<b>\$6,033,000</b>
To the Public	\$3,695,000	\$2,337,000	\$6,033,000
Temporary Income Tax Revenue	\$1,011,000	\$297,000	\$1,308,000
Ongoing Income Tax Revenue	\$2,067,000	\$1,659,000	\$3,726,000
Temporary Sales Tax Revenue	\$203,000	\$57,000	\$260,000
Ongoing Sales Tax Revenue	\$415,000	\$325,000	\$740,000
<b>Total Benefits to State &amp; Region</b>	<b>\$75,920,000</b>	<b>\$40,801,000</b>	<b>\$116,721,000</b>
<b>Discounted Total Benefits (2%)</b>	<b>\$71,590,000</b>	<b>\$37,510,000</b>	<b>\$109,100,000</b>

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	\$103,499,000	\$4,314,000	24:1
State	\$5,602,000	\$1,457,000	4:1
Grand Total	\$109,100,000	\$5,771,000	19:1

May not sum to total due to rounding.  
\* Discounted at 2%

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