



Nov 8/28/19

Internal Report: Graham Corporation - 2019

Table 1: Basic Information

Project Name	2019
Project Applicant	Graham Corporation
Project Description	The company has 3 projects on its city of Batavia campus which will renovate 8,000 sq.ft. of existing buildings and add 8,875 sq.ft. of new warehouse space: 1. Expand the welding school to meet the demand for welders. The company will require to double the current training capacity and will renovate 4,000 sq.ft. 2. An existing 4,000 sq. ft. manufacturing building will require to be repurpose. 3. A new 8,875 sq. ft. warehouse to store materials.
Project Industry	Fabricated Metal Product Manufacturing
Municipality	Batavia City
School District	Batavia City
Type of Transaction	Tax Exemptions
Project Cost	\$2,034,850
Mortgage Amount	\$2,034,850

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

	State	Region
Total Employment	13	13
Direct**	0	0
Indirect***	0	0
Induced****	0	0
Temporary Construction (Direct and Indirect)	13	13

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

	State Labor Income	Region Labor Income	Average Salary
Total	\$623,200	\$623,200	\$49,104
Direct**	\$0	\$0	\$0
Indirect***	\$0	\$0	\$0
Induced****	\$0	\$0	\$0

3.4

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Temporary Construction (Direct and Indirect)	\$623,200	\$623,200	\$49,104
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Table 4: Cost/Benefit Analysis (Discounted Present Value*)

Total Costs to State and Region	\$180,812
Mortgage Tax Revenue Forgone	\$20,349
State	\$15,261
County	\$5,087
Local	\$0
Property Tax Revenue Forgone	\$100,976
485-B Property Tax Abatement	\$46,429
Above 485-B	\$54,546
Sales Tax Revenue Forgone	\$84,924
Construction Materials	\$61,344
Other Items	\$23,580
Other State Incentives	\$0
Other Local Incentives	\$0
Less IDA Fee	-\$25,436
Total Benefits to State and Region	\$721,177
Total State Benefits	\$651,207
Income Tax Revenue	\$21,026
Direct**	\$0
Indirect***	\$0
Induced****	\$0
Construction (Direct and Indirect, over 0 years)	\$21,026
Sales Tax Revenue	\$6,980
Direct**	\$0
Indirect***	\$0
Induced****	\$0
Construction (Direct and Indirect, over 0 years)	\$6,980
Labor Income	\$623,200
Total Regional Benefits	\$69,971
Property Tax/PILOT Revenue	\$62,991
Sales Tax Revenue	\$6,980
Direct**	\$0
Indirect***	\$0
Induced****	\$0
3.4 Construction (Direct and Indirect, over 0 years)	\$6,980

Table 5: Regional Fiscal Impact (Discounted Present Value*)

Total Local Client Incentives	\$123,089
Total Anticipated Local Revenue (Property Tax plus Local Sales Tax)	\$69,971
Net Local Revenue	\$-53,118
Total Anticipated Labor Income	\$623,200
Benefit to Cost Ratio	5.6:1

Table 6: Property Tax Revenue (Discounted Present Value*)

Total Property Tax	\$62,991
County Property Tax	\$15,016
City/Village Property Tax	\$14,056
School District Property Tax	\$33,919

* Figures over 10 years and discounted by 2%

** 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.

Board Report

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Project Industry	Fabricated Metal Product Manufacturing
Municipality	Batavia City
School District	Batavia City
Type of Transaction	Tax Exemptions
Project Cost	\$2,034,850
Mortgage Amount	\$2,034,850
Direct Employment Expected to Result from Project (Annual FTEs)	0

Figure 1: Estimated State & Regional Benefits / Estimated Project Incentives (Discounted Present Value*)

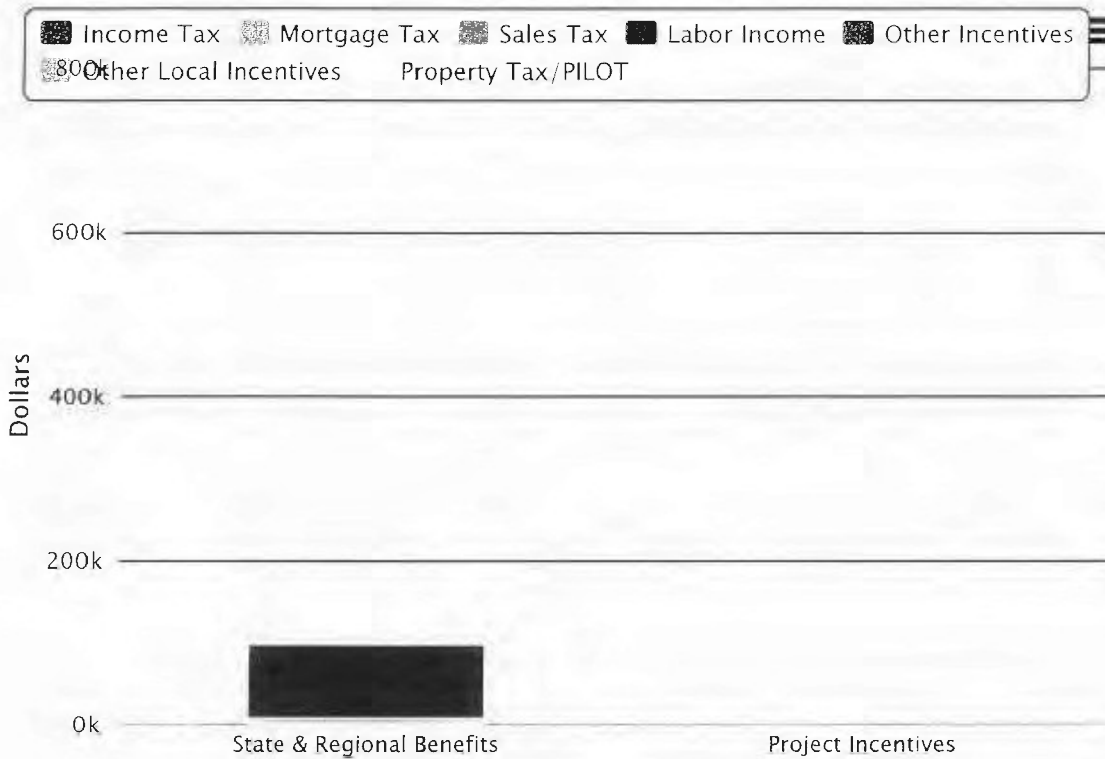


Table 2: Estimated State & Regional Benefits / Estimated Project Incentives Analysis (Discounted Present Value*)

Total State and Regional Benefits	\$721,177	
Total Project Incentives	\$180,812	
Benefit to Cost Ratio	4:1	
Projected Employment	State	Region
Total Employment	13	13
Direct**	0	0
Indirect***	0	0
Induced****	0	0
Temporary Construction (Direct and Indirect)	13	13

Table 3: Estimated State & Regional Benefits (Discounted Present Value*)

Total State and Regional Benefits	\$721,177
Income Tax Revenue	\$21,026
Property Tax/PILOT Revenue	\$62,991
Sales Tax Revenue	\$13,960
Labor Income	\$623,200

Table 4: Estimated Project Incentives (Discounted Present Value*)

Total Project Incentives	\$180,812
Mortgage Tax	\$20,349
Property Tax	\$100,976
Sales Tax	\$84,924
Other State Incentives	\$0
Other Local Incentives	\$0
Less IDA Fee	-\$25,436

* Figures over 10 years and discounted by 2%

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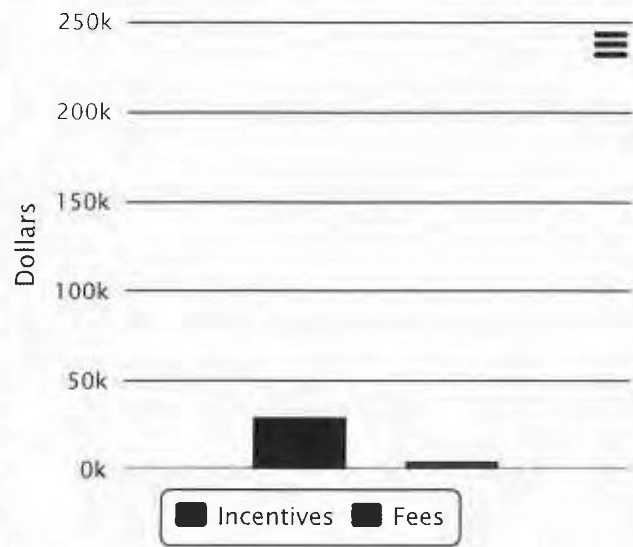
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Incentives for the Graham Corporation 2019 Project

Table 1: Estimated Incentives & Fees*

Total Project Incentives	\$206,248
Mortgage Tax	\$20,349
Property Tax	\$100,976
Sales Tax	\$84,924
Other State Incentives	\$0
Other Local Incentives	\$0
Total Project Fees	\$31,436
Fixed Fee	\$25,436
Legal Fees	\$6,000
Net Project Incentives	\$174,812



* Figures over 10 years and discounted by 2%.

Table 2: Estimated Property Tax Paid**

Year	Total
1	\$0
2	\$0
3	\$3,579
4	\$3,579
5	\$7,158
6	\$7,158
7	\$10,738
8	\$10,738
9	\$14,317
10	\$14,317
Total	\$71,584

** Figures assume constant property tax rates. Figures are not discounted.

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