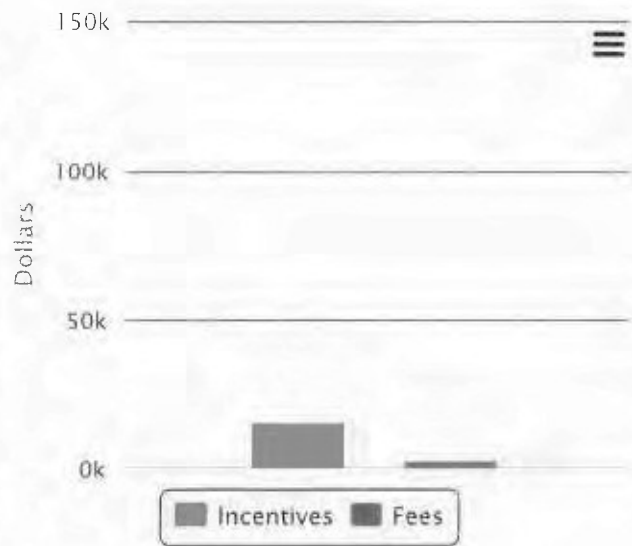


# Incentives for the Ken Wendt's Propane Gas Service Inc Leroy Project Project

MAY 7/2019

Table 1: Estimated Incentives & Fees\*

<b>Total Project Incentives</b>	<b>\$125,967</b>
Mortgage Tax	\$9,000
Property Tax	\$65,767
Sales Tax	\$51,200
Other State Incentives	\$0
Other Local Incentives	\$0
<b>Total Project Fees</b>	<b>\$21,250</b>
Fixed Fee	\$16,250
Legal Fees	\$5,000
<b>Net Project Incentives</b>	<b>\$104,717</b>



\* Figures over 10 years and discounted by 2%.

Table 2: Estimated Property Tax Paid\*\*

Year	Total
1	\$0
2	\$0
3	\$2,331
4	\$2,331
5	\$4,662
6	\$4,662
7	\$6,994
8	\$6,994
9	\$9,325
10	\$9,325
Total	\$46,623

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

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MAN  
2/13/19

# Internal Report: Ken Wendt's Propane Gas Service Inc - Leroy Project

Table 1: Basic Information

Project Name	Leroy Project
Project Applicant	Ken Wendt's Propane Gas Service Inc
Project Description	Company is building a 9600-sf facility at the corner of route 19 and North Rd in the town of Leroy. The company will be expanding its propane service to local residential, commercial, industrial and agricultural customers. GCEDC seeking to assist with Sales tax exemption valued at \$51,200, Mortgage Tax Exemption valued at \$9,000 and Property tax abatement valued at \$65,767 with a traditional 60% PILOT schedule.
Project Industry	Nonstore Retailers
Municipality	Le Roy Town
School District	Le Roy
Type of Transaction	Tax Exemptions
Project Cost	\$1,300,000
Mortgage Amount	\$900,000

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

	State	Region
<b>Total Employment</b>	<b>12</b>	<b>12</b>
Direct**	4 ✓	4 ✓
Indirect***	0	0
Induced****	0	0
Temporary Construction (Direct and Indirect)	8	8

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

	State Labor Income	Region Labor Income	Average Salary
<b>Total</b>	<b>\$530,110</b>	<b>\$530,110</b>	<b>\$44,381</b>
Direct**	\$140,000	\$140,000	\$35,000
Indirect***	\$0	\$0	\$0

3.4

56

Induced****	\$0	\$0	\$0
Temporary Construction (Direct and Indirect)	\$390,110	\$390,110	\$49,104

Table 4: Cost/Benefit Analysis (Discounted Present Value\*)

<b>Total Costs to State and Region</b>	<b>\$109,717</b>
Mortgage Tax Revenue Forgone	\$9,000
State	\$6,750
County	\$2,250
Local	\$0
Property Tax Revenue Forgone	\$65,767
485-B Property Tax Abatement	\$30,240
Above 485-B	\$35,527
Sales Tax Revenue Forgone	\$51,200
Construction Materials	\$38,400
Other Items	\$12,800
Other State Incentives	\$0
Other Local Incentives	\$0
Less IDA Fee	-\$16,250
<b>Total Benefits to State and Region</b>	<b>\$1,796,551</b>
<b>Total State Benefits</b>	<b>\$1,736,788</b>
Income Tax Revenue	\$45,230
Direct**	\$32,068
Indirect***	\$0
Induced****	\$0
Construction (Direct and Indirect, over 0 years)	\$13,162
Sales Tax Revenue	\$18,736
Direct**	\$14,366
Indirect***	\$0
Induced****	\$0
Construction (Direct and Indirect, over 0 years)	\$4,369
Labor Income	\$1,672,823
<b>Total Regional Benefits</b>	<b>\$59,762</b>
Property Tax/PILOT Revenue	\$41,027
Sales Tax Revenue	\$18,736
Direct**	\$14,366
Indirect***	\$0
Induced****	\$0
Construction (Direct and Indirect, over 0 years)	\$4,369

3.4

58



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

Total Local Client Incentives	\$77,367
Total Anticipated Local Revenue (Property Tax plus Local Sales Tax)	\$59,762
Net Local Revenue	\$-17,604
Total Anticipated Labor Income	\$1,672,823
Benefit to Cost Ratio	22.4:1

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

<b>Total Property Tax</b>	<b>\$41,027</b>
<b>County Property Tax</b>	<b>\$11,886</b>
<b>Town Property Tax</b>	<b>\$1,064</b>
<b>School District Property Tax</b>	<b>\$28,077</b>

\* 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

Table 1: Basic Information

Project Name	Leroy Project
Project Applicant	Ken Wendt's Propane Gas Service Inc
Project Description	Company is building a 9600-sf facility at the corner of route 19 and North Rd in the town of Leroy. The company will be expanding its propane service to local residential, commercial, industrial and agricultural customers. GCEDC seeking to assist with Sales tax exemption valued at \$51,200, Mortgage Tax Exemption valued at \$9,000 and Property tax abatement valued at \$65,767 with a traditional 60% PILOT schedule.
Project Industry	Nonstore Retailers
Municipality	Le Roy Town
School District	Le Roy
Type of Transaction	Tax Exemptions
Project Cost	\$1,300,000
Mortgage Amount	\$900,000
Direct Employment Expected to Result from Project (Annual FTEs)	4

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

<b>Total State and Regional Benefits</b>	<b>\$1,796,551</b>
Income Tax Revenue	\$45,230
Property Tax/PILOT Revenue	\$41,027
Sales Tax Revenue	\$37,471
Labor Income	\$1,672,823

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

<b>Total Project Incentives</b>	<b>\$109,717</b>
Mortgage Tax	\$9,000
Property Tax	\$65,767
Sales Tax	\$51,200
Other State Incentives	\$0
Other Local Incentives	\$0
Less IDA Fee	-\$16,250

\* 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.

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

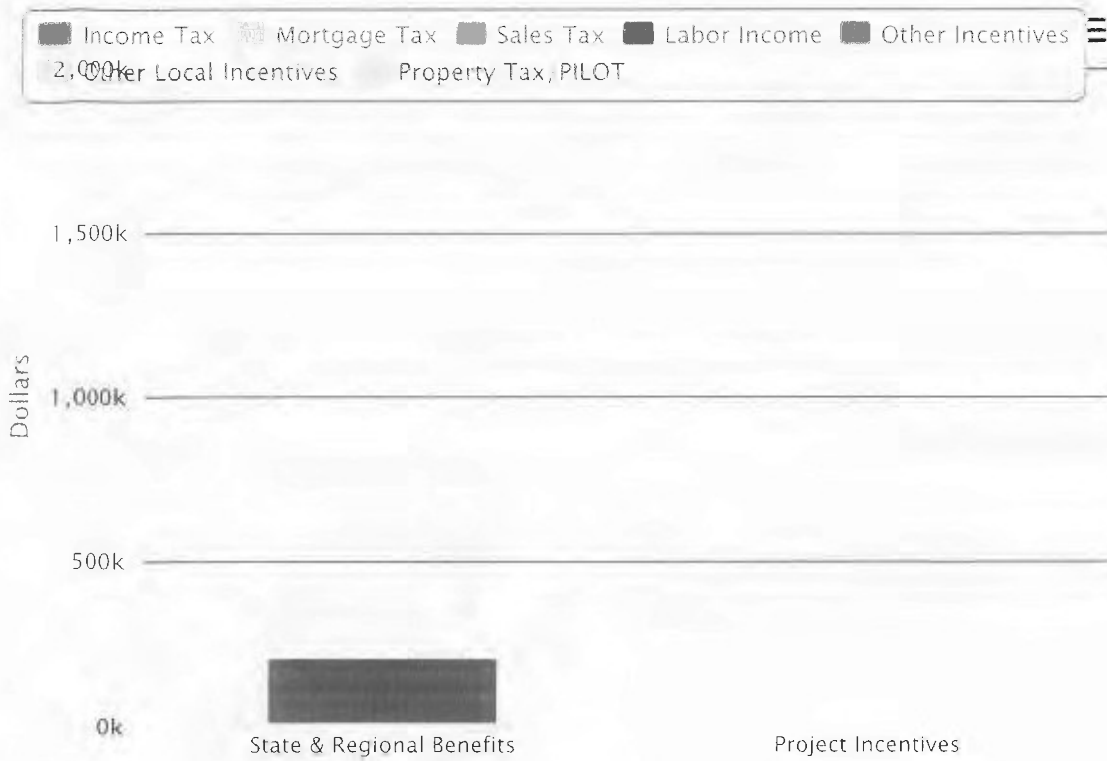


Table 2: Estimated State & Regional Benefits / Estimated Project Incentives Analysis (Discounted Present Value\*)

<b>Total State and Regional Benefits</b>	<b>\$1,796,551</b>	
<b>Total Project Incentives</b>	<b>\$109,717</b>	
<b>Benefit to Cost Ratio</b>	<b>16.4:1</b>	
<b>Projected Employment</b>	<b>State</b>	<b>Region</b>
<b>Total Employment</b>	<b>12</b>	<b>12</b>
Direct**	4	4
Indirect***	0	0
Induced****	0	0
Temporary Construction (Direct and Indirect)	8	8