

**Broome County Industrial Development Agency
Incentive Analysis**

*Project Name/Address: Pacemaker Steel Company / 172 Broad Avenue, Binghamton, NY 13903

Project Description: Pacemaker Steel and Piping Company, Inc. manufactures and distributes steel, aluminum, pipes, valves and fittings to fabricators, manufacturers and mechanical contractors. Pacemaker is looking to expand operations and to do this, seeks to purchase an existing building in the City of Binghamton. Pacemaker intends to acquire, renovate and equip the building. This will enable the company to add product offerings, added value services, expand existing product lines, and expand sales territory in the east and south. This expansion is expected to result in five (5) new jobs.

BENEFIT

Investment

Land Related Costs	\$0.00	
Building Related Costs	\$1,325,000.00	
Professional Fees/ Development Other Costs	\$287,570.00	
TOTAL INVESTMENT	\$1,612,570.00	<u>\$1,612,570.00</u>

New Mortgages \$0.00

Jobs

New	5
Retained	<u>-</u>

TOTAL JOBS 5

Annual Payroll (estimated with benefits)

Term # Years 10 years

TOTAL PAYROLL \$ 336,559 \$ 336,559

PILOT PAYMENTS \$ - (see Pilot Schedule)

TOTAL BENEFIT \$ 1,949,129

Cost

Pilot Schedule

Terms/Years	Tax	% Abatement	*Pilot Payment	Abatement
0-5	\$ 57,147	0%	\$ -	\$ 17,608.20
6-10	\$ 69,662	50%		\$ 24,590.20
11-15	\$ 76,916	25%		\$ 21,009.66
Total				

* Assume a 2% Tax Increase Per Year

TOTAL ABATEMENT		\$63,208.06
SALES TAX ABATEMENT		\$ -
MORTGAGE RECORDING TAX		
AGENCY FEE	(1% Total Project Cost)	<u>\$ (15,850)</u>
TOTAL COST		\$47,358.06
NET BENEFIT/COST		<u>\$ 1,901,770.94</u>
Benefit/Cost Ratio		41.16 to 1

Comments: This is a standard 15-year PILOT. Taxes will be frozen for years 0-5 and will be abated by 50% in years 6-10 and 25% in years 11-15.