

**Broome County Industrial Development Agency
Incentive Analysis**

Project Name/Address: 50 Front Street Associates
 Project Start Date: December 2016
 Project End Date: June 2018
 Project Description: The project initially entails the remediation and demolition of 50 Front Street in Binghamton which was a former hotel and nursing facility. Once demolition is completed 122 market rate apartments will be constructed on the site with 7,500 square feet of commercial space. The project expects to create 40 construction jobs and 3 full time and 2 part time permanent jobs.

BENEFIT

Investment: Private/Equity

Land Related Costs	\$1,607,000.00	
Building Related Costs	\$22,143,000.00	
Machinery and Equipment	\$200,000.00	
Professional Fees/ Development	\$3,061,000.00	
Other Costs	\$3,830,000.00	
Agency Fee	\$309,000.00	
TOTAL INVESTMENT	\$31,150,000.00	<u>\$31,150,000.00</u>

New Mortgages \$25,000,000.00

Jobs

New (Full Time)	3
New (Part Time)	<u>2</u>

TOTAL JOBS 4

Annual Payroll \$140,000 (Year 1)

Term # Years 28 years

TOTAL PAYROLL \$ 3,920,000 \$ 3,920,000

PILOT PAYMENTS \$ 19,572,708 (see Pilot Schedule) \$ 19,572,708

TOTAL BENEFIT \$ **54,642,708**

Cost

Pilot Schedule (See attached Schedule)

Terms/Years	Tax*	% Abatement	*Pilot Payment	Abatement
Total	\$ -			\$ 16,280,909

TOTAL ABATEMENT	\$16,280,909
SALES TAX ABATEMENT	\$ 626,000
MORTGAGE RECORDING TAX	\$ 250,000
AGENCY FEE	<u><309,000></u>
TOTAL COST	\$ 16,847,909
NET BENEFIT/COST	<u>\$ 37,794,799</u>

Benefit/Cost Ratio 3.24 to 1

Comments/Additional Revenue: The project removes a blighted property currently owned by the Broome County Land Bank. The property has been off the tax rolls for a number of years. Year 1 taxes as per the PILOT are \$134,924 increasing proportionly over a 28 year term with final taxes being \$1,576,830. A significant increase in tax revenue to the municipality, school district and Broome County.

**Exhibit A
PILOT Payment Schedule**

Project Owner: 50 Front Street Associates, LLC
Project Name: River Landing at 50 Front
Location: 50 Front Street, Binghamton, NY

Year	Full Value	Assessed Value at 86% Equalization Rate	Tax Rates			PILOT Payment Amounts				Allocation of PILOT Payments			
			City	County	School	Total	Full Tax Amount	Abatement Percentage	Abatement Amount	ANNUAL PILOT PAYMENT	City	County	School
1	10,500,000	9,030,000	45.56381	9.59153	44.45651	99.61165	899,493	85.0%	764,569	134,924	61,716	12,992	60,216
2	10,500,000	9,030,000	46.70291	9.83132	45.56771	102.10194	921,981	85.0%	783,684	138,297	63,259	13,317	61,721
3	10,500,000	9,030,000	47.87048	10.07710	46.70691	104.65449	945,030	85.0%	803,276	141,754	64,840	13,649	63,265
4	10,500,000	9,030,000	49.06724	10.32903	47.87458	107.27085	968,656	85.0%	823,358	145,298	66,461	13,991	64,846
5	10,500,000	9,030,000	50.29393	10.58725	49.07144	109.93262	992,872	85.0%	843,941	148,931	68,123	14,340	66,468
6	10,500,000	9,030,000	51.55127	10.85193	50.29823	112.70144	1,017,694	70.0%	712,386	305,308	139,652	29,398	136,258
7	10,500,000	9,030,000	52.84006	11.12323	51.55568	115.51897	1,043,136	70.0%	730,195	312,941	143,144	30,133	139,664
8	10,500,000	9,030,000	54.16106	11.40131	52.84458	118.40695	1,069,215	70.0%	748,451	320,764	146,722	30,886	143,156
9	10,500,000	9,030,000	55.51508	11.68835	54.16569	121.36712	1,095,945	70.0%	767,162	328,783	150,390	31,658	146,735
10	10,500,000	9,030,000	56.90296	11.97850	55.51983	124.40130	1,123,344	70.0%	786,341	337,003	154,150	32,450	150,403
11	10,500,000	9,030,000	58.32553	12.27797	56.90783	127.51133	1,151,427	55.0%	633,285	518,142	237,006	49,891	231,245
12	10,500,000	9,030,000	59.78367	12.58492	58.33053	130.69911	1,180,213	55.0%	649,117	531,096	242,931	51,139	237,026
13	10,500,000	9,030,000	61.27826	12.89954	59.78879	133.96659	1,209,718	55.0%	665,345	544,373	249,004	52,417	242,952
14	10,500,000	9,030,000	62.81022	13.22203	61.28351	137.31576	1,239,961	55.0%	681,979	557,982	255,229	53,728	249,025
15	10,500,000	9,030,000	64.38048	13.55258	62.81560	140.74865	1,270,960	55.0%	699,028	571,932	261,610	55,071	255,251
16	10,500,000	9,030,000	65.98999	13.89139	64.38599	144.26737	1,302,734	40.0%	521,094	781,640	357,533	75,264	348,843
17	10,500,000	9,030,000	67.63974	14.23868	65.99564	147.87405	1,335,303	40.0%	534,121	801,182	366,472	77,145	357,565
18	10,500,000	9,030,000	69.33073	14.59464	67.64553	151.57090	1,368,685	40.0%	547,474	821,211	375,634	79,074	366,503
19	10,500,000	9,030,000	71.06400	14.95951	69.33666	155.36017	1,402,902	40.0%	561,161	841,741	385,025	81,051	375,665
20	10,500,000	9,030,000	72.84060	15.33350	71.07008	159.24418	1,437,975	40.0%	575,190	862,785	394,650	83,077	385,058
21	10,500,000	9,030,000	74.66161	15.71684	72.84683	163.22528	1,473,924	25.0%	368,481	1,105,443	505,646	106,442	493,355
22	10,500,000	9,030,000	76.52816	16.10976	74.66800	167.30591	1,510,772	25.0%	377,693	1,133,079	518,287	109,103	505,689
23	10,500,000	9,030,000	78.44136	16.51250	76.53470	171.48856	1,548,542	25.0%	387,136	1,161,406	531,244	111,831	518,331
24	10,500,000	9,030,000	80.40239	16.92531	78.44807	175.77578	1,587,255	25.0%	396,814	1,190,441	544,525	114,627	531,289
25	10,500,000	9,030,000	82.41245	17.34845	80.40927	180.17017	1,626,937	25.0%	406,734	1,220,203	558,139	117,492	544,572
26	10,500,000	9,030,000	84.47276	17.78216	82.41951	184.67443	1,667,610	10.0%	166,761	1,500,849	686,510	144,516	669,823
27	10,500,000	9,030,000	86.58458	18.22671	84.47999	189.29129	1,709,300	10.0%	170,930	1,538,370	703,673	148,128	686,569
28	10,500,000	9,030,000	88.74920	18.68238	86.59199	194.02357	1,752,033	10.0%	175,203	1,576,830	721,265	151,832	703,733
							35,853,617		16,280,909	19,572,708	8,952,840	1,884,642	8,735,226