

**Broome County Industrial Development Agency  
Incentive Analysis**

\*Project Name/Address: Washington Development Associates, LLC  
College Suites of Binghamton

Project Description: Construction of a new 113 unit (386 bed) student housing residential complex.

**Benefit**

Investment

Land	}	
Building		\$ 18,797,000
M&E/Materials		\$ 990,000
Other/Labor		<u>\$ 4,213,000</u>

TOTAL INVESTMENT	\$ 24,000,000	<u>\$ 24,000,000</u>
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**Jobs**

New	5
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Retained	<u>-</u>
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TOTAL JOBS	5
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Annual Payroll	\$ 190,000	(estimated with benefits)
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Term # Years	20	years
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TOTAL PAYROLL	\$ 4,057,207	\$ 4,057,207
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PILOT PAYMENTS	\$ 8,127,997	(see Pilot Schedule)	<u>\$ 8,127,997</u>
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TOTAL BENEFIT		\$ 36,185,204
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\* Reflects 2% Annual Increase in Payroll

Cost

\*Property Tax Estimate

2010

Fair Market Value \$ 10,649,350

Equalization Rate 77%

Assessment \$ 8,200,000 per city assessor/income approach to value

Tax Rates

2010

Town/County \$ 45.59 Annual tax \$ 373,838

School \$ 35,711,777 Annual tax \$ 292,837

**ANNUAL TAX \$ 666,675**

Pilot Schedule

Terms/Years	Tax	% Abatement	*Pilot Payment	Abatement
1-5				
6-10				
11-15				
<b>Total</b>	<b>\$ 14,355,784</b>	<b>43%</b>	<b>\$ 8,127,997</b>	<b>\$ 6,227,787</b>

**TOTAL ABATEMENT \$ 6,227,787**

**SALES TAX ABATEMENT (8% on Sales Tax Items) \$ 3,730,000.00 \$ 298,400**

**MORTGAGE RECORDING TAX (1% on Mortgage Recorded) \$ 203,950**

**AGENCY FEE (1% Total Project Cost) \$ (203,950)**

**TOTAL COST \$ 6,526,187**

**NET BENEFIT/COST \$ 29,659,017**

**Benefit/Cost Ratio**

5.54 to 1

Comments:

- \* Total reflects 3% annual increase in taxes.
- Major Brownfield redevelopment in Downtown Binghamton.
- The addition of 386 new student residents.
- Significant economic impact adding to the revitalization of the city and its downtown businesses.