

**Broome County Industrial Development Agency
Incentive Analysis**

Project Name/Address: Scannell Properties #96 LLC (with sublease to FedEx Ground Package System, Inc.)
299 Broome Corporate Parkway
Conklin, NY 13748

Project Description: The relocation, consolidation and expansion of FedEx Ground's Binghamton, New York area business-to-business and business-to-residential small package transportation operations.

Benefit

Investment

Land	\$	700,000
Building	\$	5,000,000
M&E/Materials	\$	1,170,000
Other/Labor	\$	<u>1,150,000</u>

TOTAL INVESTMENT	\$	8,020,000	\$8,020,000
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Jobs

New 77.5 (11 f.t., 24.5 p.t., 42 f.t. Independent Contractor)

Retained 55.5 (7 f.t., 13.5 p.t., 35 Independent Contractor)

TOTAL JOBS 133 (18 f.t., 38 p.t., 77 Independent Contractor)

Annual Payroll \$ 4,345,000 (estimated with benefits)

Term # Years 10

TOTAL PAYROLL	\$	43,450,000
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PILOT PAYMENTS	(see PILOT Schedule)	\$ <u>436,695</u>
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TOTAL BENEFIT	\$51,906,695
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Cost

*Property Tax Estimate

Fair Market Value \$ 1,854,000 (61800 sq.ft.x \$30=\$1,854,000)

Equalization Rate 78.4%

Assessment \$1,453,536

Tax Rates

Town/County	13.25	Annual Tax	\$	19,259
School	<u>34.82</u>	Annual Tax	\$	50,612

ANNUAL TAX 48.07 \$ 69,871

Pilot Schedule

Terms/Years	Tax	% Abatement	*Pilot Payment	Abatement
1-5	\$ 349,555	25%	\$ 262,017	\$ 87,338
6-10	\$ 349,555	50%	\$ 174,678	\$ 174,678
11-15	\$ -			
Total	\$ 698,710		\$ 436,695	\$ 262,016

TOTAL ABATEMENT \$262,016

SALES TAX ABATEMENT (8% x 50% material cost)= (8%x50%x\$2,300,000)= \$ 92,000

MORTGAGE RECORDING TAX 1% (\$5,000,000 x 1.0%)= \$ 50,000

AGENCY FEE 1 % (\$8,020,000 x 1.0%) = \$ (80,200)

TOTAL COST \$ 323,816

NET BENEFIT/COST \$ 51,582,879

Benefit/Cost Ratio 159 to 1

Comments: