

**Broome County Industrial Development Agency  
Cost Benefit Incentive Analysis**

Date: 1.12.2021  
Project Name/Address: EJ Victory Building, LLC

Project Start Date: 2020

Project Description: The historic rehabilitation of the former EJ Victory Building into a mixed-use commercial building will revitalize an iconic "anchor asset" in the Central Johnson City neighborhood and serve as a catalyst for economic development in Johnson City. When the rehabilitation is completed, the building will provide the neighborhood with 108 market-rate apartments and 7,500 square feet of commercial space for prospective businesses. The creation of a more business-friendly community in this neighborhood will connect the area north of Main Street in Johnson City with the area south of Main Street in Johnson City, which is currently home to the Southern Tier Health Sciences and Technology Innovation Park.

**BENEFIT**

Investment: Public/Private/Equity

Building Related Costs	\$ 22,200,000.00		
Working Capital	\$ 500,000.00		
Professional Fees/ Development	\$ 2,858,870.00		
Other Costs	\$ 4,141,130.00		
<b>TOTAL INVESTMENT</b>	<b>\$29,700,000.00</b>		<b><u>\$29,700,000.00</u></b>
New Mortgages	\$25,000,000.00		
Jobs			
New			
Retained	<u>0.0</u>		
<b>TOTAL JOBS</b>	<b>0.0</b>		
Term # Years	30	years	
TOTAL PAYROLL	\$ -		\$ -
PILOT PAYMENTS	\$ 2,292,889.00	(see Pilot Schedule)	\$ 2,292,889.00
<b>TOTAL BENEFIT</b>	<b>\$ 31,992,889.00</b>		<b>\$ 31,992,889.00</b>

**Cost**

Property Tax Estimate

Fair Market Value	\$ 1,850,000.00	During construction and lease-up
Fair Market Value	\$ 3,000,000.00	Upon completion
Equalization Rate	4.11%	
Taxable Assessment	\$ 76,035.00	During construction and lease-up
Taxable Assessment	\$ 123,300.00	Upon completion

Tax Rates

County	171.021463	Annual tax	\$	13,003.62	
School	638.660289	Annual tax	\$	48,560.54	
Village	362.615	Annual tax	\$	27,571.43	
Town	28.149066	Annual tax	\$	2,140.31	
Union Library	15.750177	Annual tax	\$	1,197.56	
Union Ambulance	2.15195	Annual tax	\$	163.62	
<b>ANNUAL TAX</b>	<b>1218.347945</b>		\$	<b>92,637.08</b>	number based on 1st year at \$76,035 taxable assessment

Tax Rates

County	171.021463	Annual tax	\$	21,086.95	
School	638.660289	Annual tax	\$	78,746.81	
Village	362.615	Annual tax	\$	44,710.43	
Town	28.149066	Annual tax	\$	3,470.78	
Union Library	15.750177	Annual tax	\$	1,942.00	
Union Ambulance	2.15195	Annual tax	\$	265.34	
<b>ANNUAL TAX</b>	<b>1218.347945</b>		\$	<b>150,222.31</b>	number based on 6th year at \$123,300 taxable assessment

Terms/Years	Tax	% Abatement	*Pilot Payment	Abatement
			\$ -	
<b>SEE PILOT SCHEDULE</b>				
Total				

\* Assume a 2% Tax Increase Per Year

PROPERTY TAX ABATEMENT	\$ 2,700,537.92		
SALES TAX ABATEMENT	\$ 1,440,000.00		
MORTGAGE RECORDING TAX	\$ 250,000.00		
AGENCY FEE	\$ 297,000.00		
<b>TOTAL COST</b>	<b>\$ 4,687,537.92</b>		<b>\$ 4,687,537.92</b>

**NET BENEFIT/COST** \$ 27,305,351.08

**Benefit/Cost Ratio** 6.83 to 1

Comments/Additional Revenue:

Any Additional Public Benefits:

Proposed 30-YEAR Payment-In-Lieu of Tax  
 59 Lester Avenue, Johnson City, New York

Assessed Value	\$ 1,850,000	*Assessed Value during construction and lease-up
Assessed Value	\$ 3,000,000	*Assessed Value during PILOT
Equalization Rate	0.0411	*2020 Rate for Town of Union

PILOT Year	PILOT assessment	PILOT Assessment to be paid	Annual PILOT Paymnet TOTAL	Annual PILOT County	Annual PILOT Town	Annual PILOT Village	Annual PILOT School	Annual PILOT Library	Annual PILOT Ambulance	Taxable Assessment	County Tax Rate	Town Tax Rate	Village Tax Rate	School Tax Rate	Union Library Tax Rate	Union Ambulance Tax Rate	Total Tax Rate	Difference		
2021	76,035	0.20	18,527.42	2,600.72	428.06	5,514.29	9,712.11	239.51	32.72	76,035.00	13,003.62	2,140.31	27,571.43	48,560.54	1,197.56	163.62	92,637.09	74,109.67		
2022	76,035	0.20	18,805.33	2,639.73	434.48	5,597.00	9,857.79	243.11	33.22	76,035.00	13,198.67	2,172.42	27,985.00	49,288.94	1,215.53	166.08	94,026.64	75,221.31		
2023	76,035	0.20	19,087.41	2,679.33	441.00	5,680.96	10,005.66	246.75	33.71	76,035.00	13,396.65	2,205.01	28,404.78	50,028.28	1,233.76	168.57	95,437.04	76,349.63		
2024	76,035	0.20	19,373.72	2,719.52	447.62	5,766.17	10,155.74	250.45	34.22	76,035.00	13,597.60	2,238.08	28,830.85	50,778.70	1,252.27	171.10	96,868.60	77,494.88		
2025	76,035	0.20	19,664.33	2,760.31	454.33	5,852.66	10,308.08	254.21	34.73	76,035.00	13,801.57	2,271.65	29,263.31	51,540.38	1,271.05	173.66	98,321.63	78,657.30		
2026	123,300	0.20	30,044.46	4,217.39	694.16	8,942.09	15,749.36	388.40	53.07	123,300.00	21,086.95	3,470.78	44,710.43	78,746.81	1,942.00	265.34	150,222.30	120,177.84		
2027	123,300	0.21	32,019.88	4,494.68	739.80	9,530.03	16,784.88	413.94	56.56	123,300.00	21,403.25	3,522.84	45,381.09	79,928.02	1,971.13	269.32	152,475.64	120,455.75		
2028	123,300	0.22	34,047.81	4,779.35	786.65	10,133.60	17,847.93	440.15	60.14	123,300.00	21,724.30	3,575.68	46,061.80	81,126.94	2,000.69	273.36	154,762.77	120,714.96		
2029	123,300	0.23	36,129.37	5,071.54	834.74	10,753.13	18,939.08	467.06	63.81	123,300.00	22,050.16	3,629.32	46,752.73	82,343.84	2,030.70	277.46	157,084.21	120,954.84		
2030	123,300	0.24	38,265.71	5,371.42	884.10	11,388.96	20,058.96	494.68	67.59	123,300.00	22,380.92	3,683.76	47,454.02	83,579.00	2,061.16	281.62	159,440.48	121,174.76		
2031	123,300	0.25	40,458.02	5,679.16	934.75	12,041.46	21,208.17	523.02	71.46	123,300.00	22,716.63	3,739.02	48,165.83	84,832.68	2,092.08	285.84	161,832.08	121,374.06		
2032	123,300	0.28	45,171.38	6,340.78	1,043.65	13,444.29	23,678.92	583.95	79.79	123,300.00	23,057.38	3,795.10	48,888.32	86,105.17	2,123.46	290.13	164,259.56	119,088.18		
2033	123,300	0.30	50,017.04	7,020.97	1,155.61	14,886.49	26,219.03	646.59	88.34	123,300.00	23,403.24	3,852.03	49,621.64	87,396.75	2,155.32	294.48	166,723.46	116,706.42		
2034	123,300	0.33	54,997.90	7,720.14	1,270.69	16,368.94	28,830.00	710.98	97.14	123,300.00	23,754.29	3,909.81	50,365.97	88,707.70	2,187.65	298.90	169,224.31	114,226.41		
2035	123,300	0.35	60,116.94	8,438.71	1,388.96	17,892.51	31,513.41	777.16	106.18	123,300.00	24,110.60	3,968.45	51,121.46	90,038.32	2,220.46	303.38	171,762.67	111,645.74		
2036	123,300	0.38	65,377.17	9,177.10	1,510.49	19,458.10	34,270.83	845.16	115.47	123,300.00	24,472.26	4,027.98	51,888.28	91,388.89	2,253.77	307.93	174,339.11	108,961.95		
2037	123,300	0.40	70,781.68	9,935.74	1,635.36	21,066.64	37,103.89	915.03	125.02	123,300.00	24,839.35	4,088.40	52,666.60	92,759.73	2,287.57	312.55	176,954.20	106,172.52		
2038	123,300	0.43	76,333.62	10,715.07	1,763.63	22,719.06	40,014.23	986.80	134.83	123,300.00	25,211.94	4,149.73	53,456.60	94,151.12	2,321.89	317.24	179,608.51	103,274.90		
2039	123,300	0.45	82,036.19	11,515.55	1,895.39	24,416.30	43,003.52	1,060.52	144.90	123,300.00	25,590.12	4,211.97	54,258.45	95,563.39	2,356.71	322.00	182,302.64	100,266.45		
2040	123,300	0.48	87,892.66	12,337.63	2,030.70	26,159.36	46,073.50	1,136.23	155.24	123,300.00	25,973.97	4,275.15	55,072.33	96,996.84	2,392.07	326.83	185,037.18	97,144.52		
2041	123,300	0.50	93,906.37	13,181.79	2,169.64	27,949.21	49,225.90	1,213.97	165.87	123,300.00	26,363.58	4,339.28	55,898.41	98,451.79	2,427.95	331.73	187,812.74	93,946.37		
2042	123,300	0.53	100,080.71	14,048.49	2,312.29	29,786.87	52,462.50	1,293.79	176.77	123,300.00	26,759.03	4,404.37	56,736.89	99,928.57	2,464.37	336.71	190,629.93	90,549.22		
2043	123,300	0.55	106,419.16	14,938.23	2,458.74	31,673.37	55,785.12	1,375.73	187.97	123,300.00	27,160.42	4,470.43	57,587.94	101,427.50	2,501.33	341.76	193,489.38	87,070.22		
2044	123,300	0.60	117,835.03	16,540.69	2,722.49	35,071.06	61,769.35	1,523.31	208.13	123,300.00	27,567.82	4,537.49	58,451.76	102,948.91	2,538.85	346.88	196,391.72	78,556.69		
2045	123,300	0.65	129,569.44	18,187.87	2,993.61	38,563.55	67,920.54	1,675.01	228.86	123,300.00	27,981.34	4,605.55	59,328.54	104,493.14	2,576.93	352.09	199,337.60	69,768.16		
2046	123,300	0.70	141,629.36	19,880.74	3,272.25	42,152.93	74,242.38	1,830.91	250.16	123,300.00	28,401.06	4,674.64	60,218.47	106,060.54	2,615.59	357.37	202,327.66	60,698.30		
2047	123,300	0.75	154,021.93	21,620.31	3,558.57	45,841.31	80,738.59	1,991.12	272.05	123,300.00	28,827.08	4,744.76	61,121.74	107,651.45	2,654.82	362.73	205,362.57	51,340.64		
2048	123,300	0.85	177,176.56	24,870.56	4,093.54	52,732.78	92,876.29	2,290.45	312.94	123,300.00	29,259.48	4,815.93	62,038.57	109,266.22	2,694.64	368.17	208,443.01	31,266.45		
2049	123,300	0.85	179,834.21	25,243.62	4,154.94	53,523.78	94,269.43	2,324.80	317.64	123,300.00	29,698.37	4,888.17	62,969.15	110,905.21	2,735.06	373.69	211,569.66	31,735.45		
2050	123,300	0.90	193,268.88	27,129.46	4,465.34	57,522.32	101,311.91	2,498.48	341.37	123,300.00	30,143.85	4,961.49	63,913.68	112,568.79	2,776.09	379.30	214,743.20	21,474.32		
			\$ 2,292,889.68																\$ 4,993,427.59	\$ 2,700,537.92