

Herkimer County Industrial Development Agency

MRB Cost Benefit Calculator



Date: March 24, 2023
 Project Title: Herkimer Solar, LLC
 Project Location: 149 School Lane Road, Frankfort, NY (Parcel: 104.4-1-64.1)

Economic Impacts

Summary of Economic Impacts over the Life of the PILOT

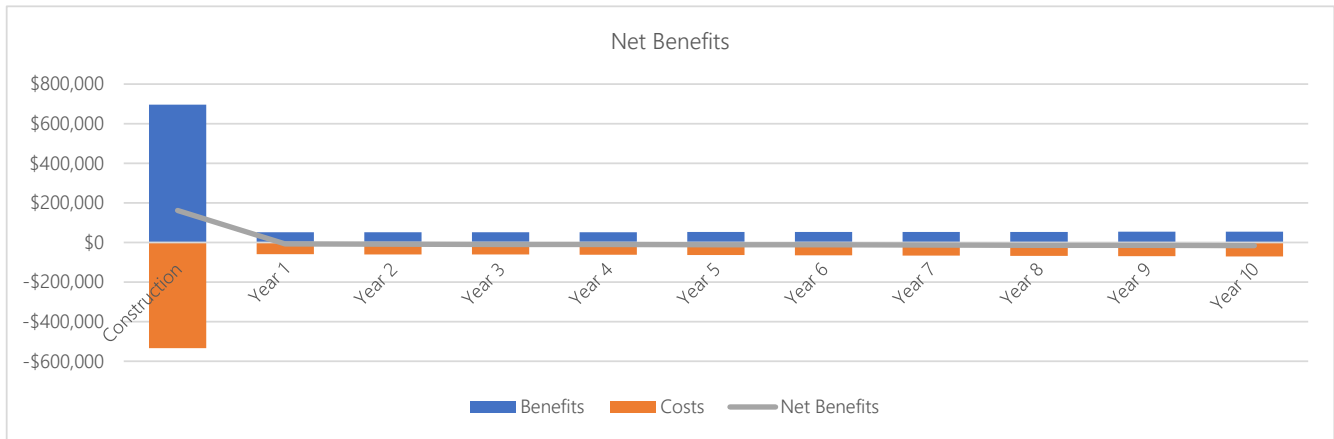
Project Total Investment
 \$7,185,941

| | | Temporary (Construction) | | |
|-------------|--|--------------------------|-----------|-------------|
| | | Direct | Indirect | Total |
| Jobs | | 5 | 2 | 7 |
| Earnings | | \$569,883 | \$86,733 | \$656,616 |
| Local Spend | | \$1,365,329 | \$328,255 | \$1,693,584 |

| | | Ongoing (Operations) | | |
|----------|--|----------------------|----------|-------|
| | | Direct | Indirect | Total |
| Jobs | | 0 | 0 | 0 |
| Earnings | | \$0 | \$0 | \$0 |

Aggregate over life of the PILOT

Figure 1



Net Benefits chart will always display construction through year 10, irrespective of the length of the PILOT.

Figure 2

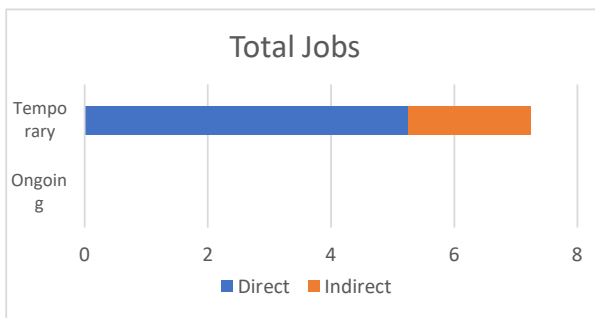
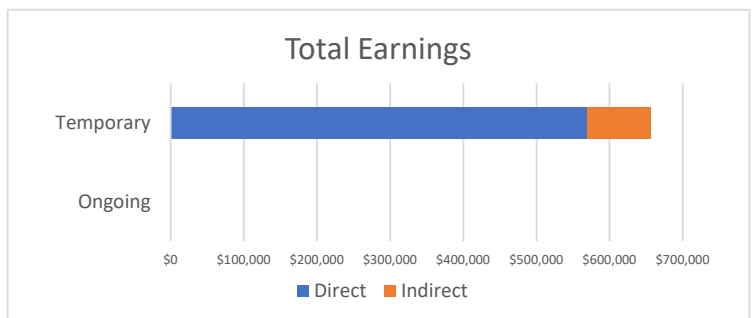


Figure 3



Fiscal Impacts



Cost-Benefit Analysis Tool powered by MRB Group

Estimated Costs of Exemptions

| | Nominal Value | Discounted Value* |
|--|--------------------|--------------------|
| Property Tax Exemption | \$1,017,332 | \$865,113 |
| Sales Tax Exemption | \$533,991 | \$533,991 |
| Local Sales Tax Exemption | \$275,086 | \$275,086 |
| State Sales Tax Exemption | \$258,905 | \$258,905 |
| Mortgage Recording Tax Exemption | \$0 | \$0 |
| Local Mortgage Recording Tax Exemption | \$0 | \$0 |
| State Mortgage Recording Tax Exemption | \$0 | \$0 |
| Total Costs | \$1,551,323 | \$1,399,104 |

State and Local Benefits

| | Nominal Value | Discounted Value* |
|---|--------------------|--------------------|
| Local Benefits | \$1,464,347 | \$1,347,456 |
| To Private Individuals | \$1,174,936 | \$1,100,618 |
| Temporary Payroll | \$656,616 | \$656,616 |
| Ongoing Payroll | \$0 | \$0 |
| Other Payments to Private Individuals | \$518,320 | \$444,002 |
| To the Public | \$289,411 | \$246,838 |
| Increase in Property Tax Revenue | \$227,616 | \$193,559 |
| Temporary Jobs - Sales Tax Revenue | \$4,884 | \$4,884 |
| Ongoing Jobs - Sales Tax Revenue | \$0 | \$0 |
| Other Local Municipal Revenue | \$56,911 | \$48,396 |
| State Benefits | \$34,144 | \$34,144 |
| To the Public | \$34,144 | \$34,144 |
| Temporary Income Tax Revenue | \$29,548 | \$29,548 |
| Ongoing Income Tax Revenue | \$0 | \$0 |
| Temporary Jobs - Sales Tax Revenue | \$4,596 | \$4,596 |
| Ongoing Jobs - Sales Tax Revenue | \$0 | \$0 |
| Total Benefits to State & Region | \$1,498,491 | \$1,381,600 |

Benefit to Cost Ratio

| | Benefit* | Cost* | Ratio |
|--------------------|--------------------|--------------------|------------|
| Local | \$1,347,456 | \$1,140,200 | 1:1 |
| State | \$34,144 | \$258,905 | :1 |
| Grand Total | \$1,381,600 | \$1,399,104 | 1:1 |

*Discounted at 2%

Additional Comments from IDA

Other Municipal Revenue: Host Community Benefit to the Town of Frankfort for 15 years, the company will make annual payments of \$3,154 with a 2% annual escalator;
 Other Municipal Revenue: Town of Frankfort Fire Tax Rate 2.648437 (2023); Other payments to Private individuals: Lease Payments throughout the life of the PILOT total: \$518,320.14 = \$34,554.68/year

Does the IDA believe that the project can be accomplished in a timely fashion? Yes