

Cost-Benefit Analysis for American Recycling Management LLC

Prepared by Schoharie County IDA using InformAnalytics

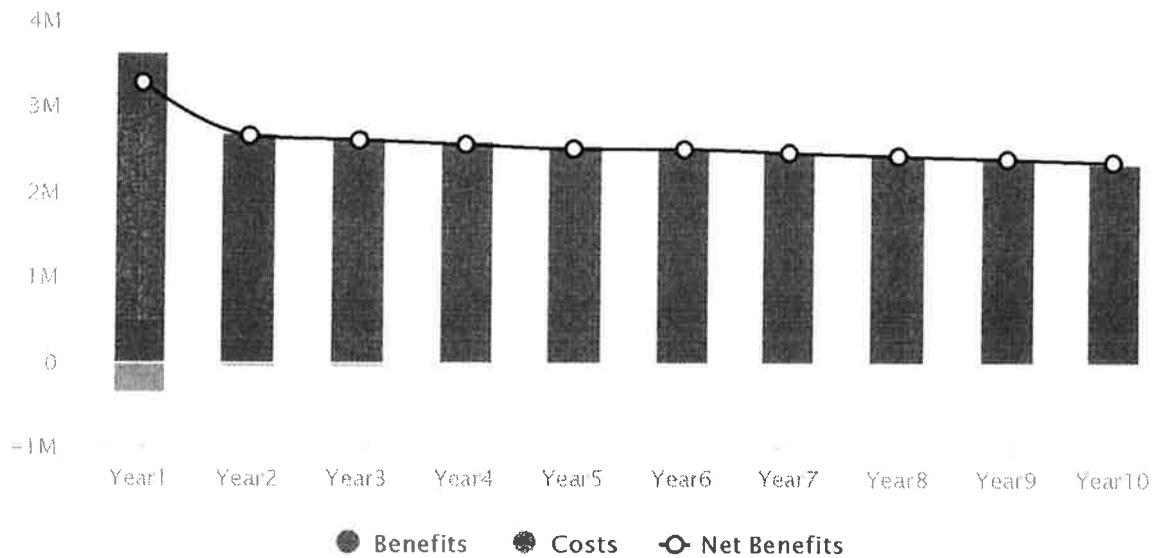
Executive Summary

INVESTOR	TOTAL INVESTED	LOCATION	TIMELINE
American Recycling Management LLC	\$4.8 Million	Corner of routes 7 and 30A and Zicha Road in the Town of Schoharie, Schoharie County	10 Years

F1 FIGURE 1

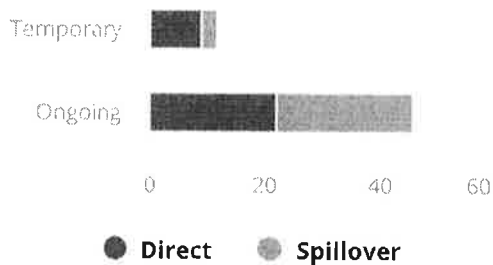
Discounted* Net Benefits for American Recycling Management LLC by Year

Total Net Benefits: \$25,787,000



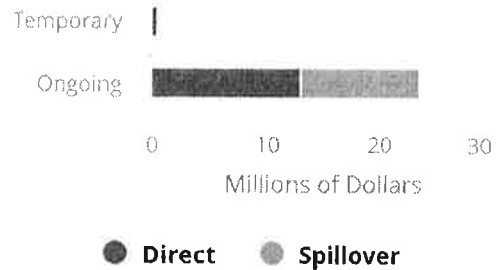
F2 FIGURE 2

Total Jobs



F3 FIGURE 3

Total Payroll



Proposed Investment

American Recycling Management LLC proposes to invest \$4.8 million at Corner of routes 7 and 30A and Zicha Road in the Town of Schoharie, Schoharie County over 10 years. Schoharie County IDA staff summarize the proposed with the following: To develop a trucking terminal and purchase equipment to carry recycled goods from Jamaica, Queens to facilities in upstate NY

T1 TABLE 1

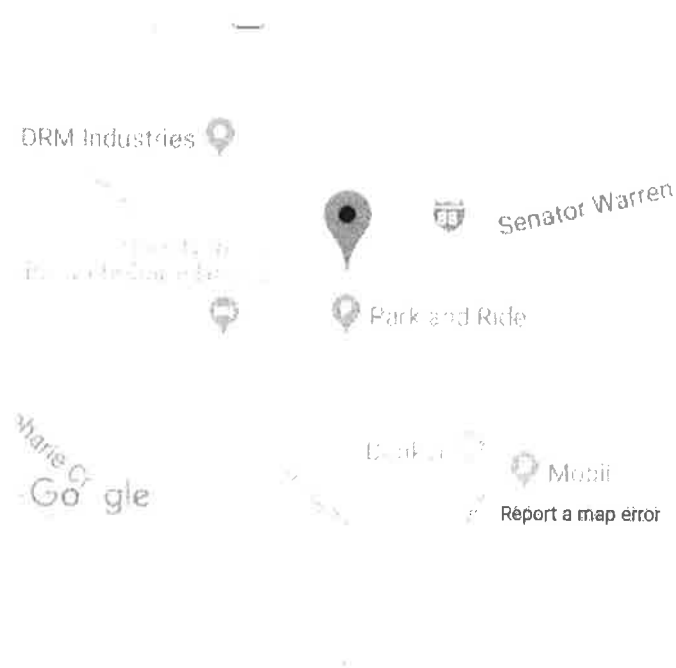
Proposed Investments

Description	Amount
CONSTRUCTION SPENDING	
20,000 square foot building and equipment purchases	\$1,250,000
OTHER SPENDING	
equipment	\$2,500,000
land	\$200,000
construction, loans and fees	\$875,000
Total Investments	\$4,825,000
Discounted Total (2%)	\$4,825,000

May not sum to total due to rounding.

F4 FIGURE 4

Location of Investment



Cost-Benefit Analysis

A cost-benefit analysis of this proposed investment was conducted using InformAnalytics, an economic impact model developed by CGR. The report estimates the impact that a potential project will have on the local economy based on information provided by Schoharie County IDA. The report calculates the costs and benefits for specified local taxing districts over the first 10 years, with future returns discounted at a 2% rate.

T2 TABLE 2

Estimated Costs or Incentives

Schoharie County IDA is considering the following incentive package for American Recycling Management LLC.

Description	Nominal Value	Discounted Value*
Property Tax Exemption	\$303,000	\$286,000
Sales Tax Exemption	\$106,000	\$106,000
Mortgage Recording Tax Exemption	\$9,000	\$9,000
Other Incentives	\$200,000	\$200,000
Total Costs	\$618,000	\$601,000

May not sum to total due to rounding.

* Discounted at 2%

T3 TABLE 3

State & Regional Impact (Life of Project)

The following table estimates the total benefits from the project over its lifetime.

Description	Direct	Spillover	Total
REGIONAL BENEFITS	\$14,944,000	\$12,010,000	\$26,954,000
To Private Individuals	\$14,516,000	\$11,869,000	\$26,385,000
Temporary Payroll	\$478,000	\$163,000	\$640,000
Ongoing Payroll	\$14,038,000	\$11,706,000	\$25,744,000
To the Public	\$429,000	\$141,000	\$570,000
Property Tax Revenue	\$163,000	N/A	\$163,000
Temporary Sales Tax Revenue	\$6,000	\$2,000	\$8,000
Ongoing Sales Tax Revenue	\$167,000	\$139,000	\$306,000
Purchases Sales Tax Revenue	\$93,000	N/A	\$93,000
STATE BENEFITS	\$1,028,000	\$724,000	\$1,751,000
To the Public	\$1,028,000	\$724,000	\$1,751,000
Temporary Income Tax Revenue	\$24,000	\$8,000	\$32,000
Ongoing Income Tax Revenue	\$719,000	\$564,000	\$1,283,000
Temporary Sales Tax Revenue	\$6,000	\$2,000	\$8,000
Ongoing Sales Tax Revenue	\$179,000	\$149,000	\$328,000
Purchases Sales Tax Revenue	\$100,000	N/A	\$100,000
Total Benefits to State & Region	\$15,972,000	\$12,734,000	\$28,705,000

Discounted Total Benefits (2%)	\$14,707,000	\$11,682,000	\$26,388,000
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May not sum to total due to rounding.

T4 TABLE 4

Benefit to Cost Ratio

The following benefit to cost ratios were calculated using the discounted totals.

Description	Benefit*	Cost*	Ratio
Region	\$24,772,000	\$341,000	73:1
State	\$1,616,000	\$59,000	27:1
Grand Total	\$26,388,000	\$601,000	44:1

May not sum to total due to rounding.

* Discounted at 2%

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