

Cost-Benefit Analysis for Princeton Court Affordable Renovation Project

Prepared by this agency using InformAnalytics

Executive Summary

INVESTOR
**Princeton
 Amherst
 Preservation, L.P.**

TOTAL JOBS
**8 Ongoing;
 197 Temporary**

TOTAL INVESTED
\$19.8 Million

LOCATION
**165 Princeton
 Avenue, Amherst,
 NY 14226**

TIMELINE
1 Years

F1 FIGURE 1

Discounted* Net Benefits for Princeton Court Affordable Renovation Project by Year

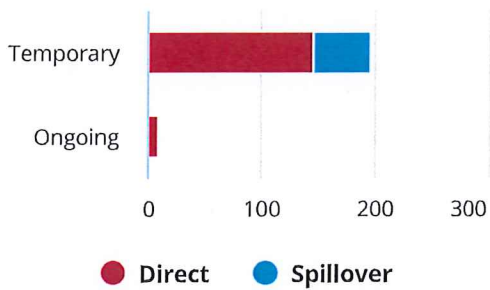
Total Net Benefits: \$10,193,000



Discounted at 2%

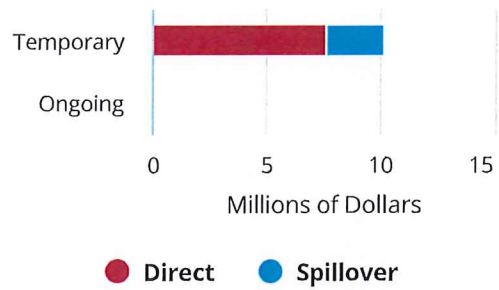
F2 FIGURE 2

Total Jobs



F3 FIGURE 3

Total Payroll



Proposed Investment

Princeton Amherst Preservation, L.P. proposes to invest \$19.8 million at 165 Princeton Avenue, Amherst, NY 14226 over 1 years. Agency staff summarize the proposed with the following: Princeton Court is a 304 unit affordable, Section 8 property constructed in 1949. The purpose of the project is to improve 24 two-story buildings and parking garage through significant renovations and preserve an important affordable housing resource in Amherst.

T1 TABLE 1

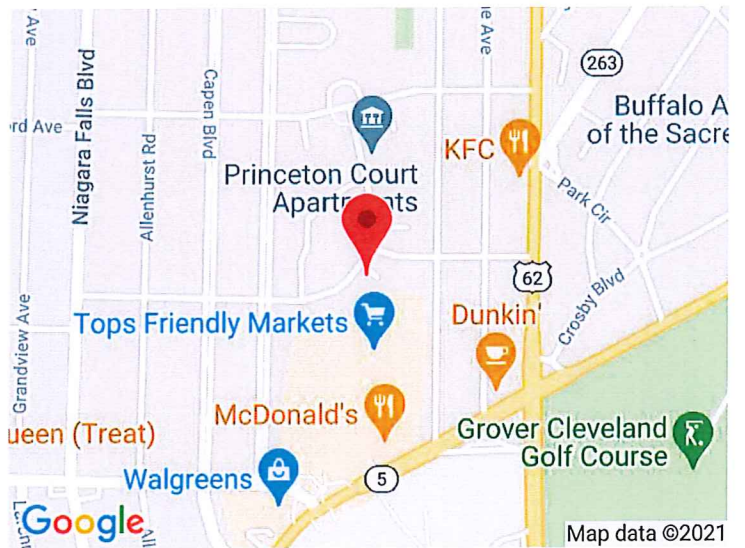
Proposed Investments

Description	Amount
CONSTRUCTION SPENDING	
Construction/Renovation	\$19,790,000
Total Investments	\$19,790,000
Discounted Total (2%)	\$19,790,000

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 the agency. The report calculates the costs and benefits for specified local taxing districts over the first 1 years, with future returns discounted at a 2% rate.

T2 TABLE 2

Estimated Costs or Incentives

The agency is considering the following incentive package for Princeton Amherst Preservation, L.P..

Description	Nominal Value	Discounted Value*
Sales Tax Exemption	\$963,000	\$963,000
Total Costs	\$963,000	\$963,000

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	\$7,804,000	\$2,703,000	\$10,507,000
To Private Individuals	\$7,675,000	\$2,658,000	\$10,334,000
Temporary Payroll	\$7,606,000	\$2,640,000	\$10,246,000
Ongoing Payroll	\$69,000	\$19,000	\$88,000
To the Public	\$129,000	\$45,000	\$173,000
Temporary Sales Tax Revenue	\$127,000	\$44,000	\$172,000
Ongoing Sales Tax Revenue	\$1,000	\$311	\$1,000
STATE BENEFITS	\$481,000	\$167,000	\$649,000
To the Public	\$481,000	\$167,000	\$649,000
Temporary Income Tax Revenue	\$372,000	\$129,000	\$501,000
Ongoing Income Tax Revenue	\$1,000	\$709	\$2,000
Temporary Sales Tax Revenue	\$107,000	\$37,000	\$145,000
Ongoing Sales Tax Revenue	\$977	\$262	\$1,000
Total Benefits to State & Region	\$8,285,000	\$2,870,000	\$11,155,000
Discounted Total Benefits (2%)	\$8,285,000	\$2,870,000	\$11,155,000

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	\$10,507,000	\$523,000	20:1
State	\$649,000	\$440,000	1:1
Grand Total	\$11,155,000	\$963,000	12:1

May not sum to total due to rounding.

* Discounted at 2%

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