

Cost-Benefit Analysis for Parkside Houses Affordable Renovation Project

Prepared by this agency using InformAnalytics

Executive Summary

INVESTOR
Parkside Amherst
Preservation, L.P.

TOTAL JOBS
5 Ongoing;
111 Temporary

TOTAL INVESTED
\$11.1 Million

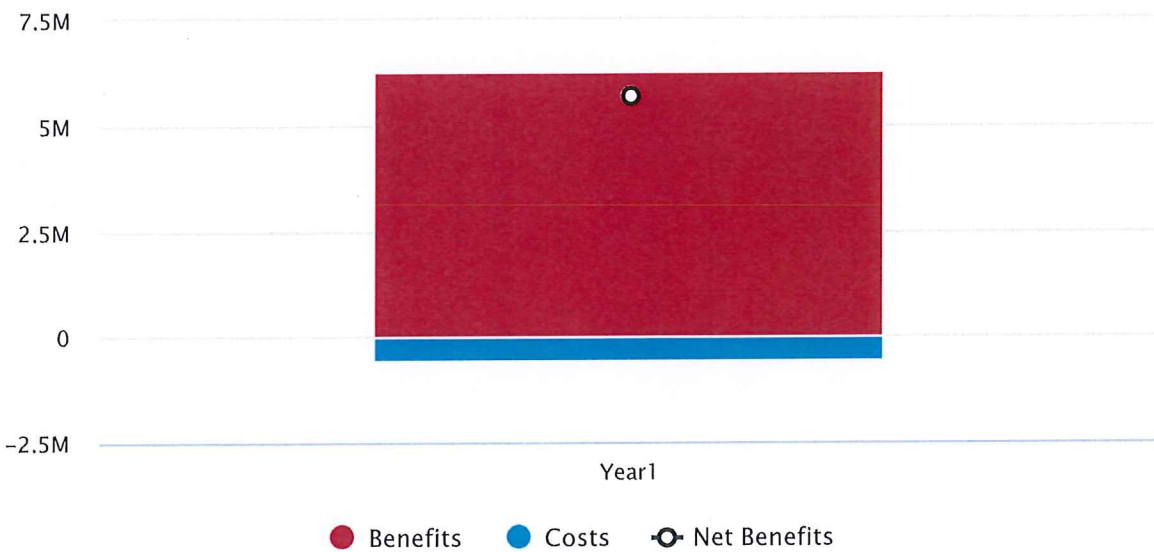
LOCATION
925 Robin Road,
Amherst, NY
14228

TIMELINE
1 Years

F1 FIGURE 1

Discounted* Net Benefits for Parkside Houses Affordable Renovation Project by Year

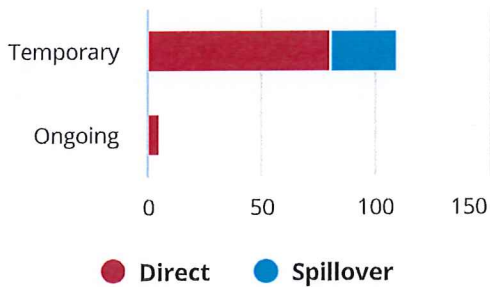
Total Net Benefits: \$5,694,000



Discounted at 2%

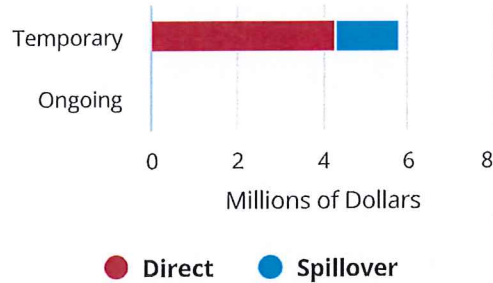
F2 FIGURE 2

Total Jobs



F3 FIGURE 3

Total Payroll



Proposed Investment

Parkside Amherst Preservation, L.P. proposes to invest \$11.1 million at 925 Robin Road, Amherst, NY 14228 over 1 years. Agency staff summarize the proposed with the following: Parkside Houses is a 180 unit affordable, Section 8 property for families constructed in 1974. The purpose of the project is to improve 33 two-story buildings through significant renovations and preserve an important affordable housing resource in Amherst.

T1 TABLE 1

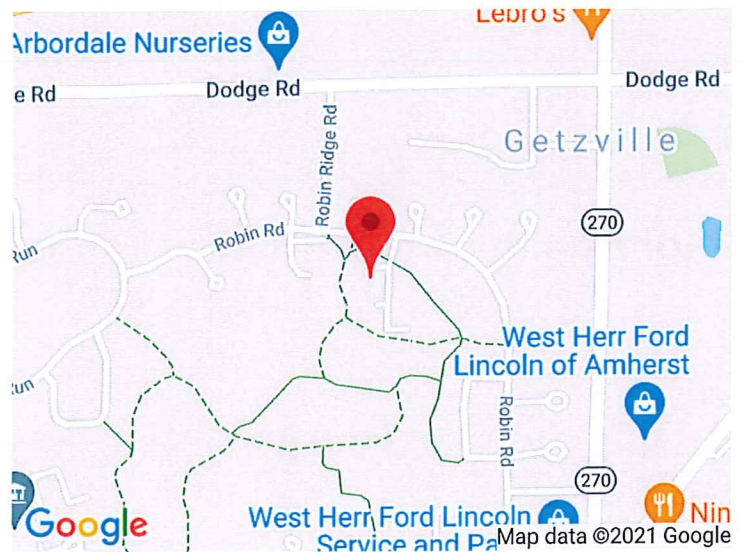
Proposed Investments

Description	Amount
CONSTRUCTION SPENDING	
Construction/Renovation	\$11,100,000
Total Investments	\$11,100,000
Discounted Total (2%)	\$11,100,000

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 Parkside Amherst Preservation, L.P..

Description	Nominal Value	Discounted Value*
Sales Tax Exemption	\$569,000	\$569,000
Total Costs	\$569,000	\$569,000

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	\$4,382,000	\$1,517,000	\$5,899,000
To Private Individuals	\$4,309,000	\$1,492,000	\$5,802,000
Temporary Payroll	\$4,266,000	\$1,481,000	\$5,747,000
Ongoing Payroll	\$43,000	\$12,000	\$55,000
To the Public	\$72,000	\$25,000	\$97,000
Temporary Sales Tax Revenue	\$72,000	\$25,000	\$96,000
Ongoing Sales Tax Revenue	\$725	\$194	\$919
STATE BENEFITS	\$270,000	\$94,000	\$364,000
To the Public	\$270,000	\$94,000	\$364,000
Temporary Income Tax Revenue	\$209,000	\$72,000	\$281,000
Ongoing Income Tax Revenue	\$716	\$443	\$1,000
Temporary Sales Tax Revenue	\$60,000	\$21,000	\$81,000
Ongoing Sales Tax Revenue	\$610	\$164	\$774
Total Benefits to State & Region	\$4,652,000	\$1,611,000	\$6,263,000
Discounted Total Benefits (2%)	\$4,652,000	\$1,611,000	\$6,263,000

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	\$5,899,000	\$309,000	19:1
State	\$364,000	\$260,000	1:1
Grand Total	\$6,263,000	\$569,000	11:1

May not sum to total due to rounding.

* Discounted at 2%

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