

Town of Riverhead Industrial Development Agency

MRB Cost Benefit Calculator

Date: January 20, 2023
 Project Title: Restaurant Depot
 Project Location: 765 Old Country Road



Economic Impacts

Summary of Economic Impacts over the Life of the PILOT

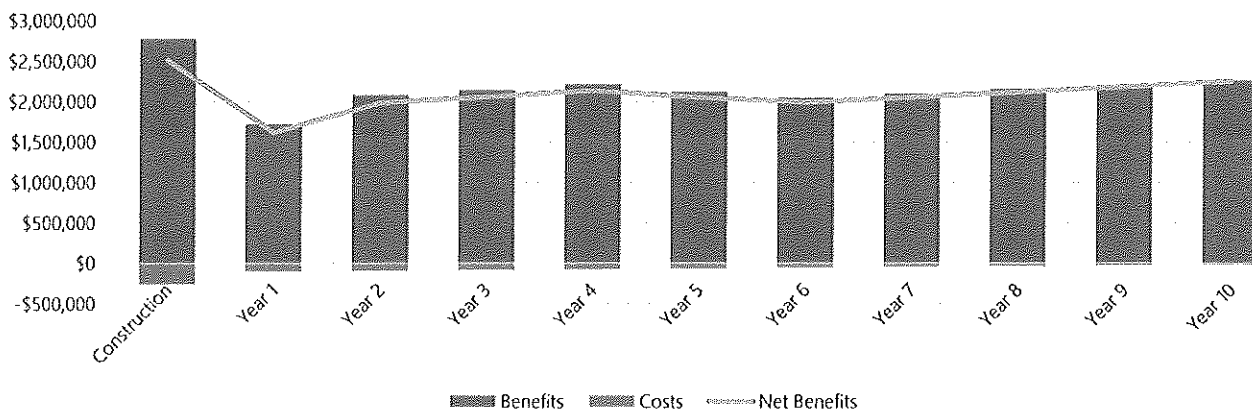
Project Total Investment
 \$6,000,000

		Temporary (Construction)		
		Direct	Indirect	Total
Jobs		22	2	24
Earnings		\$2,448,919	\$169,489	\$2,618,407
Local Spend		\$5,850,000	\$612,966	\$6,462,966

		Ongoing (Operations)		
		Direct	Indirect	Total
Jobs		33	13	46
Earnings		\$13,786,731	\$4,245,777	\$18,032,508

Figure 1

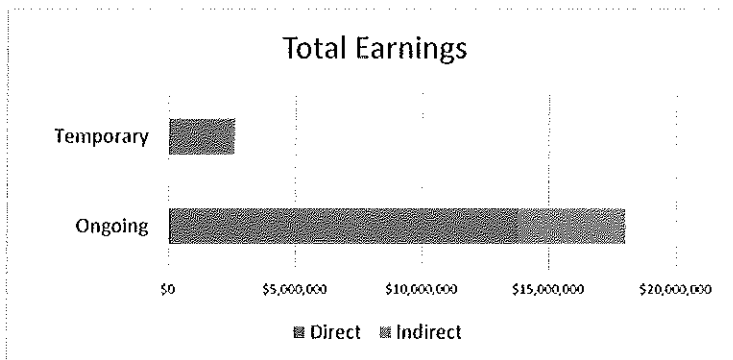
Net Benefits



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	\$600,148	\$553,786
Sales Tax Exemption	\$263,580	\$263,580
Local Sales Tax Exemption	\$141,340	\$141,340
State Sales Tax Exemption	\$122,240	\$122,240
Mortgage Recording Tax Exemption	\$0	\$0
Local Mortgage Recording Tax Exemption	\$0	\$0
State Mortgage Recording Tax Exemption	\$0	\$0
Total Costs	\$863,728	\$817,366

State and Local Benefits

	Nominal Value	Discounted Value*
Local Benefits	\$22,743,845	\$20,653,264
To Private Individuals	\$20,650,915	\$18,749,626
Temporary Payroll	\$2,618,407	\$2,618,407
Ongoing Payroll	\$18,032,508	\$16,131,219
Other Payments to Private Individuals	\$0	\$0
To the Public	\$2,092,929	\$1,903,637
Increase in Property Tax Revenue	\$968,345	\$850,576
Temporary Jobs - Sales Tax Revenue	\$21,193	\$21,193
Ongoing Jobs - Sales Tax Revenue	\$145,951	\$130,562
Other Local Municipal Revenue	\$957,441	\$901,306
State Benefits	\$1,073,848	\$974,981
To the Public	\$1,073,848	\$974,981
Temporary Income Tax Revenue	\$117,828	\$117,828
Ongoing Income Tax Revenue	\$811,463	\$725,905
Temporary Jobs - Sales Tax Revenue	\$18,329	\$18,329
Ongoing Jobs - Sales Tax Revenue	\$126,228	\$112,919
Total Benefits to State & Region	\$23,817,692	\$21,628,244

Benefit to Cost Ratio

	Benefit*	Cost*	Ratio
Local	\$20,653,264	\$695,126	30:1
State	\$974,981	\$122,240	8:1
Grand Total	\$21,628,244	\$817,366	26:1

*Discounted at 2%

Additional Comments from IDA

The tax and PILOT estimate is based on the percentage of the demised premise as it applies to the entire site on two tax lots and is not indicative of the entire project site, nor the entirety of taxes paid on both tax lots. The abatement only applies to the increase in assessed value based on the improvements to the 65,250 sq ft that lies within the two tax lots comprising the property. The remainder of the property is intended to pay the full tax load. PILOT payments include special district taxes within the calculation. Benefit to community calculation includes 5 years of estimated sales tax revenue.

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