

Chautauqua County Industrial Development Agency

MRB Cost Benefit Calculator



Date: March 16, 2023
 Project Title: Cummins Inc
 Project Location: 4720 Baker Street ext. Lakewood NY 14750

Economic Impacts

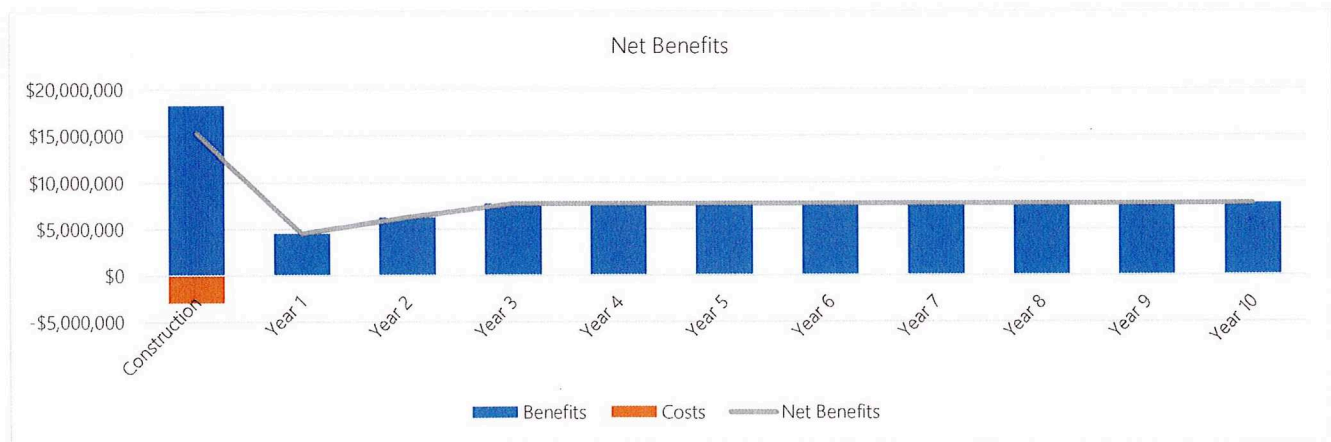
Summary of Economic Impacts over the Life of the PILOT

Project Total Investment
 \$452,100,000

| | Temporary (Construction) | | |
|-------------|--------------------------|--------------|--------------|
| | Direct | Indirect | Total |
| Jobs | 352 | 79 | 431 |
| Earnings | \$13,648,078 | \$3,578,559 | \$17,226,637 |
| Local Spend | \$33,003,300 | \$11,740,971 | \$44,744,271 |

| | Ongoing (Operations) | | |
|----------|----------------------|--------------|--------------|
| | Direct | Indirect | Total |
| Jobs | 90 | 92 | 182 |
| Earnings | \$43,118,400 | \$25,404,651 | \$68,523,051 |

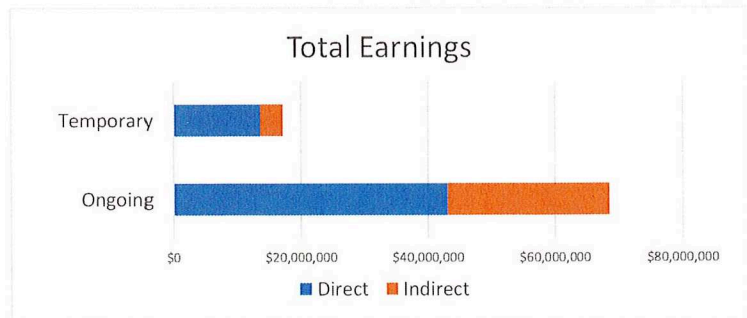
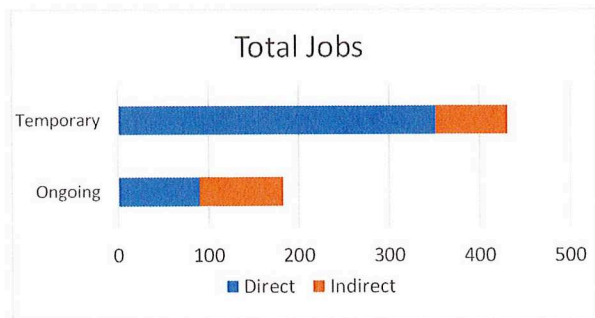
Figure 1



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 | \$0 | \$0 |
| Sales Tax Exemption | \$3,000,000 | \$3,000,000 |
| Local Sales Tax Exemption | \$1,500,000 | \$1,500,000 |
| State Sales Tax Exemption | \$1,500,000 | \$1,500,000 |
| Mortgage Recording Tax Exemption | \$0 | \$0 |
| Local Mortgage Recording Tax Exemption | \$0 | \$0 |
| State Mortgage Recording Tax Exemption | \$0 | \$0 |
| Total Costs | \$3,000,000 | \$3,000,000 |

State and Local Benefits

| | Nominal Value | Discounted Value* |
|---|---------------------|---------------------|
| Local Benefits | \$86,349,936 | \$78,990,650 |
| To Private Individuals | \$85,749,688 | \$78,441,559 |
| Temporary Payroll | \$17,226,637 | \$17,226,637 |
| Ongoing Payroll | \$68,523,051 | \$61,214,921 |
| Other Payments to Private Individuals | \$0 | \$0 |
| To the Public | \$600,248 | \$549,091 |
| Increase in Property Tax Revenue | \$0 | \$0 |
| Temporary Jobs - Sales Tax Revenue | \$120,586 | \$120,586 |
| Ongoing Jobs - Sales Tax Revenue | \$479,661 | \$428,504 |
| Other Local Municipal Revenue | \$0 | \$0 |
| State Benefits | \$4,458,984 | \$4,078,961 |
| To the Public | \$4,458,984 | \$4,078,961 |
| Temporary Income Tax Revenue | \$775,199 | \$775,199 |
| Ongoing Income Tax Revenue | \$3,083,537 | \$2,754,671 |
| Temporary Jobs - Sales Tax Revenue | \$120,586 | \$120,586 |
| Ongoing Jobs - Sales Tax Revenue | \$479,661 | \$428,504 |
| Total Benefits to State & Region | \$90,808,920 | \$83,069,611 |

Benefit to Cost Ratio

| | Benefit* | Cost* | Ratio |
|--------------------|---------------------|--------------------|-------------|
| Local | \$78,990,650 | \$1,500,000 | 53:1 |
| State | \$4,078,961 | \$1,500,000 | 3:1 |
| Grand Total | \$83,069,611 | \$3,000,000 | 28:1 |

*Discounted at 2%

Additional Comments from IDA

Sales Tax Incentive only.

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