

Lewis County Industrial Development Agency
Project Cost-Benefit Analysis
Project Name: Johnson Lumber

Benefit period in Years: 15

Cost to Community

Notes

Estimated Property Taxes forgiven		\$208,897	
Full Property Taxes for proposed project (over benefit period)	\$404,467		Based on \$1M assessment
Reduced Property Tax for proposed project (over benefit Period)	\$195,570		Based on LCIDA UTEP
Sales Taxes Forgiven		\$24,000	Based on \$300,000 taxable materials
Mortgage Tax Forgiven		\$12,000	
Estimated benefits provided/Tax Revenue Not Received by the Community		\$244,897	

Benefits to the Community

Notes

Property taxes received that would not have been generated without project		\$175,508	
Property taxes received without the project	\$20,062		Taxes that would have been paid if project did not occur
Property taxes received with PILOT	\$195,570		Taxes paid as result of PILOT
Salaries resulting from new permanent employment (over 15 year period)		\$1,482,624	
# of jobs created	3		Estimate obtained from application
Expected annual salary	\$24,960		Based on \$12/hr wage provided in application
Multiplier to project salary over project period (2% increase per year)	1.32		
Salaries Generated From Temporary/Construction Jobs		\$374,400	
# of jobs created (FTE)	20		
Expected annual salary	\$37,440		Based on \$18/hr wage rate
Project duration in years	0.5		
Lease Payments to property owners for wind towers (Wind project specific)	N/A	\$0	
# of wind towers			
Annual payment per tower			
Lease duration in years			
Impact to Municipality (Wind project specific)	N/A	\$0	
Fee payment to LCIDA		\$30,000	Based on \$3M project value
Estimated Community Benefit Received		\$2,062,532	
Benefit minus Cost Differential		\$1,817,635	

Other Factors - Not able to be calculated or intangible

Notes

Impact to other Lewis County Businesses (Restaurants, Lodging,, Local Stores, etc.)	Medium
Amount of Private Sector Investment	
Timeframe of Project	Aug-Dec 2017
Likelihood of Completion	High