

# Cost-Benefit Analysis for BANTA HOSPITALITY, LLC

Prepared by Orange County IDA using InformAnalytics

# Executive Summary

**INVESTOR**  
George Banta

**TOTAL INVESTED**  
\$14.4 Million

**LOCATION**  
935 Union Ave, New Windsor NY

**TIMELINE**  
10 Years

FIGURE 1

Discounted\* Net Benefits for BANTA HOSPITALITY, LLC by Year

Total Net Benefits: \$27,616,000

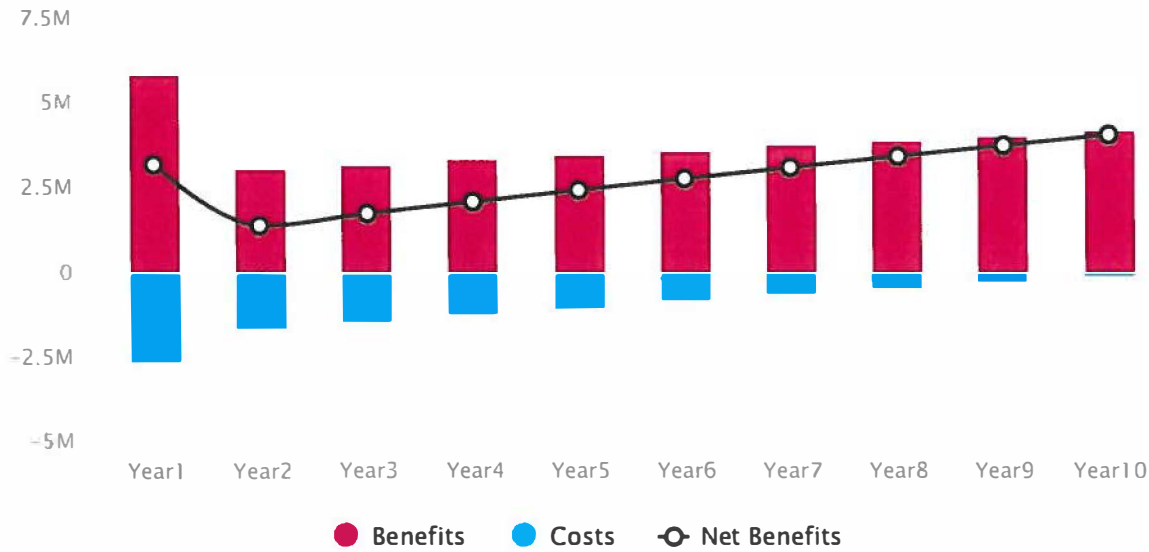


FIGURE 2

Total Jobs

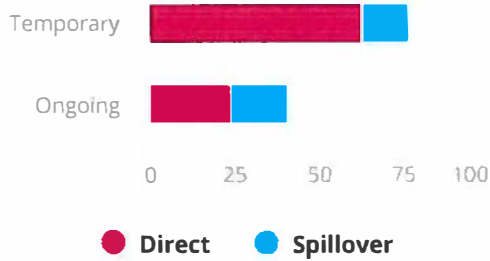
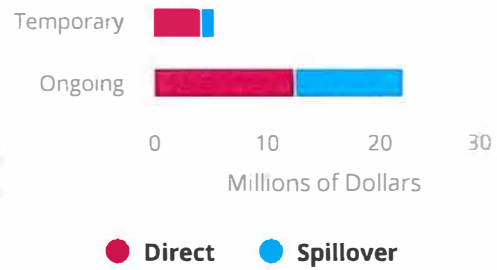


FIGURE 3

Total Payroll



# Proposed Investment

George Banta proposes to invest \$14.4 million at 935 Union Ave, New Windsor NY over 10 years. Orange County IDA staff summarize the proposed with the following: 4 Story, 93 room Holiday Inn Express

TABLE 1

## Proposed Investments

Description	Amount
<b>CONSTRUCTION SPENDING</b>	
93 room hotel	\$9,800,000
<b>OTHER SPENDING</b>	
Acquire Property	\$3,200,000
equipment	\$900,000
engineer/ architect	\$300,000
soft cost	\$150,000
<b>Total Investments</b>	<b>\$14,350,000</b>
Discounted Total (2%)	\$14,350,000

May not sum to total due to rounding.

FIGURE 4

## Location of Investment



Map | Report a map error

# 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 Orange County IDA. The report calculates the costs and benefits for specified local taxing districts over the first 10 years, with future returns discounted at a 2% rate.

TABLE 2

## Estimated Costs or Incentives

Orange County IDA is considering the following incentive package for George Banta.

Description	Nominal Value	Discounted Value*
Property Tax Exemption	\$10,560,000	\$9,963,000
Sales Tax Exemption	\$657,000	\$657,000
Mortgage Recording Tax Exemption	\$110,000	\$110,000
<b>Total Costs</b>	<b>\$11,327,000</b>	<b>\$10,730,000</b>

**May not sum to total due to rounding.**

\* Discounted at 2%

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
<b>REGIONAL BENEFITS</b>	<b>\$26,871,000</b>	<b>\$12,157,000</b>	<b>\$38,977,000</b>
<b>To Private Individuals</b>	<b>\$18,050,000</b>	<b>\$12,004,000</b>	<b>\$30,054,000</b>
Temporary Payroll	\$4,261,000	\$1,195,000	\$5,456,000
Ongoing Payroll	\$13,789,000	\$10,809,000	\$24,598,000
<b>To the Public</b>	<b>\$8,821,000</b>	<b>\$153,000</b>	<b>\$8,923,000</b>
Property Tax Revenue	\$8,640,000	N/A	\$8,640,000
Temporary Sales Tax Revenue	\$40,000	\$11,000	\$51,000
Ongoing Sales Tax Revenue	\$130,000	\$102,000	\$231,000
<b>STATE BENEFITS</b>	<b>\$1,083,000</b>	<b>\$736,000</b>	<b>\$1,818,000</b>
<b>To the Public</b>	<b>\$1,083,000</b>	<b>\$736,000</b>	<b>\$1,818,000</b>
Temporary Income Tax Revenue	\$213,000	\$62,000	\$275,000
Ongoing Income Tax Revenue	\$689,000	\$553,000	\$1,242,000
Temporary Sales Tax Revenue	\$43,000	\$12,000	\$55,000
Ongoing Sales Tax Revenue	\$138,000	\$108,000	\$247,000
<b>Total Benefits to State &amp; Region</b>	<b>\$27,953,000</b>	<b>\$12,893,000</b>	<b>\$40,795,000</b>
<b>Discounted Total Benefits (2%)</b>	<b>\$26,581,000</b>	<b>\$11,816,000</b>	<b>\$38,345,000</b>

May not sum to total due to rounding.

TABLE 4

**Benefit to Cost Ratio**

The following benefit to cost ratios were calculated using the discounted totals.

Description	Benefit*	Cost*	Ratio
Region	\$36,666,000	\$10,281,000	4:1
State	\$1,680,000	\$449,000	4:1
<b>Grand Total</b>	<b>\$38,345,000</b>	<b>\$10,730,000</b>	<b>4:1</b>

**May not sum to total due to rounding.**

\* Discounted at 2%

CGR has exercised reasonable professional care and diligence in the the production and design of the InformAnalytics™ tool. However, the data used is provided by users. InformAnalytics does not independently verify, validate or audit the data supplied by users. CGR makes no representations or warranties with respect to the accuracy of the data supplied by users.

# Incentives for BANTA HOSPITALITY, LLC

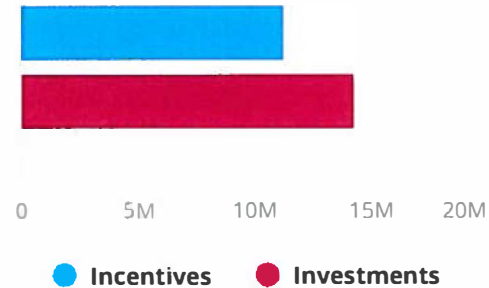
TABLE 1

## Estimated Incentives & Fees

Description	Amount
Property Tax Exemption	\$10,560,000
Sales Tax Exemption	\$657,000
Mortgage Recording Tax Exemption	\$110,000
<b>Total Project Incentives</b>	<b>\$11,327,000</b>
Discounted Total (2%)	\$10,730,000

FIGURE 1

## Incentives & Investments



May not sum to total due to rounding.

TABLE 2

## Estimated Property Tax Paid by Year\*

Year	Total
1	\$46,000
2	\$238,000
3	\$430,000
4	\$622,000
5	\$814,000
6	\$1,006,000
7	\$1,198,000
8	\$1,390,000
9	\$1,582,000
10	\$1,774,000

May not sum to total due to rounding. \* Figures assume constant property tax rates and are not discounted.

CGR has exercised reasonable professional care and diligence in the the production and design of the InformAnalytics™ tool. However, the data used is provided by users. InformAnalytics does not independently verify, validate or audit the data supplied by users. CGR makes no representations or warranties with respect to the accuracy of the data supplied by users.