

Cost-Benefit Analysis for Rolling Frito-Lay Sales LP

Prepared by Dutchess County IDA using InformAnalytics

Executive Summary

INVESTOR
Rolling Frito-Lay Sales LP

TOTAL JOBS
104 Ongoing;
245 Temporary

TOTAL INVESTED
\$100.0 Million

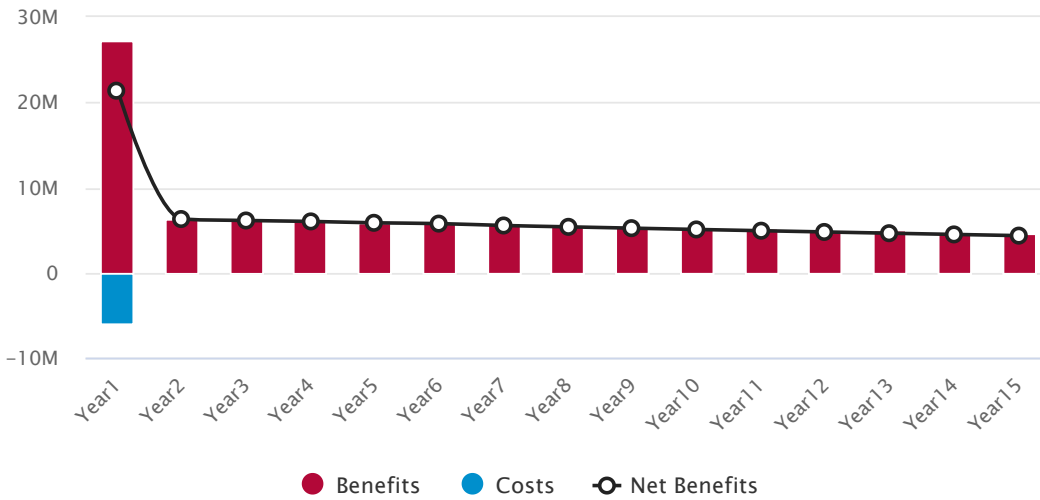
LOCATION
10-350 North Drive,
East Fishkill, NY
12533

TIMELINE
15 Years

F1 FIGURE 1

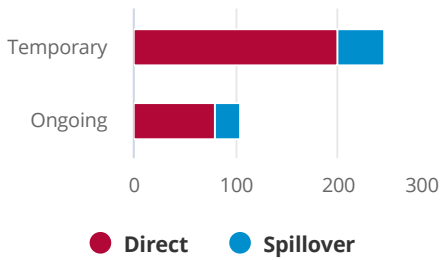
Discounted* Net Benefits for Rolling Frito-Lay Sales LP by Year

Total Net Benefits: \$95,549,000



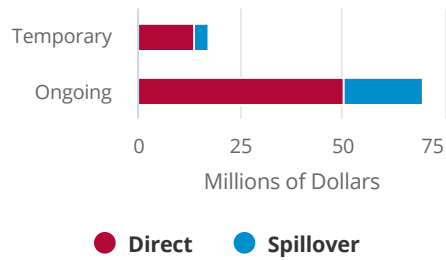
F2 FIGURE 2

Total Jobs



F3 FIGURE 3

Total Payroll



Proposed Investment

Rolling Frito-Lay Sales LP proposes to invest \$100.0 million at 10-350 North Drive, East Fishkill, NY 12533 over 15 years. Dutchess County IDA staff summarize the proposed with the following: The Applicant is proposing to invest \$100 million to construct a 158,000 sq. ft. fulfillment center, fleet center and guard house in the Town of East Fishkill.

T1 TABLE 1

Proposed Investments

Description	Amount
CONSTRUCTION SPENDING	
Fulfillment Center	\$31,000,000
OTHER SPENDING	
Real Estate	\$17,900,000
Equipment	\$49,600,000
Professional Services	\$1,500,000
Total Investments	\$100,000,000
Discounted Total (2%)	\$100,000,000

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 Dutchess County IDA. The report calculates the costs and benefits for specified local taxing districts over the first 15 years, with future returns discounted at a 2% rate.

T2 TABLE 2

Estimated Costs or Incentives

Dutchess County IDA is considering the following incentive package for Rolling Frito-Lay Sales LP.

Description	Nominal Value	Discounted Value*
Property Tax Exemption	\$3,432,000	\$2,853,000
Sales Tax Exemption	\$5,900,000	\$5,900,000
Total Costs	\$9,332,000	\$8,753,000

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	\$80,698,000	\$26,327,000	\$107,025,000
To Private Individuals	\$71,478,000	\$26,082,000	\$97,560,000
Temporary Payroll	\$13,478,000	\$3,782,000	\$17,259,000
Ongoing Payroll	\$58,000,000	\$22,300,000	\$80,300,000
To the Public	\$9,220,000	\$245,000	\$9,466,000
Property Tax Revenue	\$5,956,000	N/A	\$5,956,000
Temporary Sales Tax Revenue	\$127,000	\$36,000	\$162,000
Ongoing Sales Tax Revenue	\$546,000	\$210,000	\$756,000
Purchases Sales Tax Revenue	\$2,592,000	N/A	\$2,592,000
STATE BENEFITS	\$6,900,000	\$1,573,000	\$8,473,000
To the Public	\$6,900,000	\$1,573,000	\$8,473,000
Temporary Income Tax Revenue	\$673,000	\$197,000	\$871,000
Ongoing Income Tax Revenue	\$2,750,000	\$1,114,000	\$3,864,000
Temporary Sales Tax Revenue	\$135,000	\$38,000	\$173,000
Ongoing Sales Tax Revenue	\$581,000	\$223,000	\$805,000
Purchases Sales Tax Revenue	\$2,760,000	N/A	\$2,760,000
Total Benefits to State & Region	\$87,598,000	\$27,900,000	\$115,498,000
Discounted Total Benefits (2%)	\$79,516,000	\$24,786,000	\$104,302,000

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	\$96,439,000	\$5,710,000	17:1
State	\$7,863,000	\$3,043,000	3:1
Grand Total	\$104,302,000	\$8,753,000	12:1

May not sum to total due to rounding.

* Discounted at 2%

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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.