

# **Cost-Benefit Analysis for Acropolis Framing, Inc (DBA Parthenon Framing)**

Prepared by Town of Brookhaven using InformAnalytics

# Executive Summary

**INVESTOR**  
**Acropolis Framing, Inc**  
**(DBA Parthenon Framing)**

**TOTAL INVESTED**  
**\$1.7 Million**

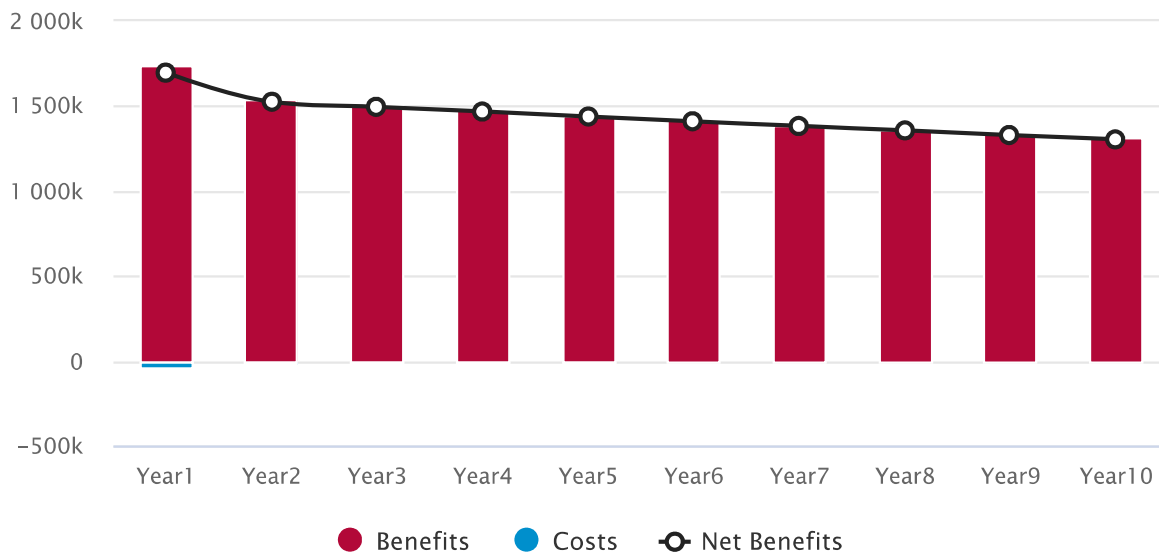
**LOCATION**  
**15 Commercial Blvd**  
**Medford, NY**

**TIMELINE**  
**10 Years**

F1 FIGURE 1

Discounted\* Net Benefits for Acropolis Framing, Inc (DBA Parthenon Framing) by Year

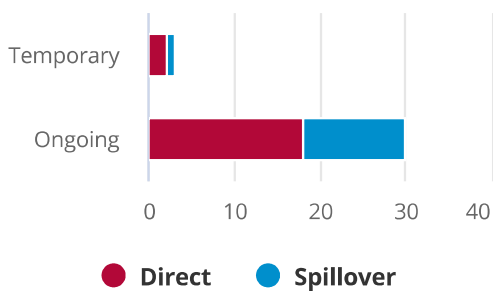
Total Net Benefits: \$14,402,000



Discounted at 2%

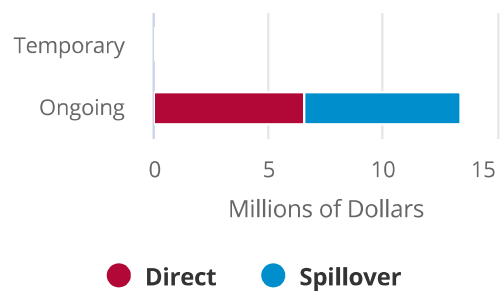
F2 FIGURE 2

## Total Jobs



F3 FIGURE 3

## Total Payroll



# Proposed Investment

Acropolis Framing, Inc (DBA Parthenon Framing) proposes to invest \$1.7 million at 15 Commercial Blvd Medford, NY over 10 years. Town of Brookhaven staff summarize the proposed with the following: Acropolis Framing, Inc., a manufacturer of picture frames primarily for art consultants and designers, proposes to purchase a 10,000 sf building located at 15 Commercial Blvd in Medford. This \$1.675 million project will result in retention of their 15 employees, creation of 2.5 new FTE, and expansion of their services. The company will be vacating space they lease in Bohemia. We expect that this project will be completed in a timely fashion. As per our Uniform Project Evaluation Criteria Policy, the criteria met for this project include, but are not limited to, job creation and regional wealth creation by the applicant.

T1 TABLE 1

## Proposed Investments

Description	Amount
<b>CONSTRUCTION SPENDING</b>	
Rehab existing building	\$300,000
<b>OTHER SPENDING</b>	
Building	\$1,250,000
machinery and equipment	\$20,000
site work, legal, architectural and financial charges	\$105,000
<b>Total Investments</b>	<b>\$1,675,000</b>
Discounted Total (2%)	\$1,675,000

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 Town of Brookhaven. 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.

T2 TABLE 2

## Estimated Costs or Incentives

Town of Brookhaven is considering the following incentive package for Acropolis Framing, Inc (DBA Parthenon Framing).

Description	Nominal Value	Discounted Value*
Property Tax Exemption	\$116,000	\$107,000
Sales Tax Exemption	\$19,000	\$19,000
Mortgage Recording Tax Exemption	\$12,000	\$12,000
<b>Total Costs</b>	<b>\$146,000</b>	<b>\$137,000</b>

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

\* Discounted at 2%

### 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>\$7,422,000</b>	<b>\$7,548,000</b>	<b>\$14,970,000</b>
<b>To Private Individuals</b>	<b>\$7,324,000</b>	<b>\$7,449,000</b>	<b>\$14,773,000</b>
Temporary Payroll	\$124,000	\$35,000	\$159,000
Ongoing Payroll	\$7,200,000	\$7,414,000	\$14,614,000
<b>To the Public</b>	<b>\$98,000</b>	<b>\$99,000</b>	<b>\$197,000</b>
Temporary Sales Tax Revenue	\$2,000	\$466	\$2,000
Ongoing Sales Tax Revenue	\$96,000	\$99,000	\$195,000
<b>STATE BENEFITS</b>	<b>\$419,000</b>	<b>\$464,000</b>	<b>\$883,000</b>
<b>To the Public</b>	<b>\$419,000</b>	<b>\$464,000</b>	<b>\$883,000</b>
Temporary Income Tax Revenue	\$6,000	\$2,000	\$8,000
Ongoing Income Tax Revenue	\$328,000	\$376,000	\$704,000
Temporary Sales Tax Revenue	\$1,000	\$403	\$2,000
Ongoing Sales Tax Revenue	\$83,000	\$86,000	\$169,000
<b>Total Benefits to State &amp; Region</b>	<b>\$7,841,000</b>	<b>\$8,012,000</b>	<b>\$15,853,000</b>
<b>Discounted Total Benefits (2%)</b>	<b>\$7,195,000</b>	<b>\$7,344,000</b>	<b>\$14,539,000</b>

May not sum to total due to rounding.

**Benefit to Cost Ratio**

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

Description	Benefit*	Cost*	Ratio
Region	\$13,730,000	\$117,000	117:1
State	\$810,000	\$20,000	40:1
<b>Grand Total</b>	<b>\$14,539,000</b>	<b>\$137,000</b>	<b>106:1</b>

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

\* Discounted at 2%

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