

Cost-Benefit Analysis for Global Tissue Group

Prepared by Town of Brookhaven using InformAnalytics

Executive Summary

INVESTOR
Global Tissue Group

TOTAL INVESTED
\$0

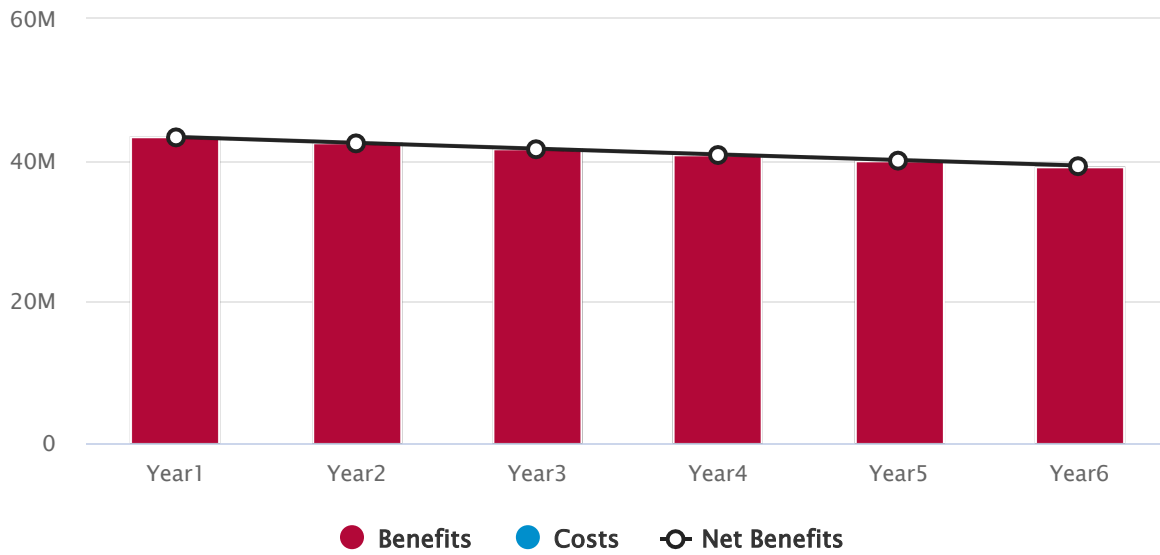
LOCATION

TIMELINE
6 Years

F1 FIGURE 1

Discounted* Net Benefits for Global Tissue Group by Year

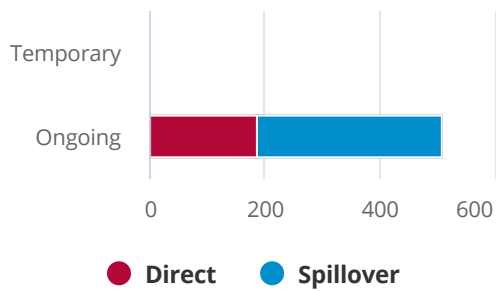
Total Net Benefits: **\$247,249,000**



Discounted at 2%

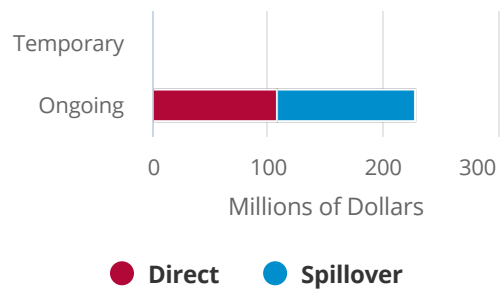
F2 FIGURE 2

Total Jobs



F3 FIGURE 3

Total Payroll



Proposed Investment

Global Tissue Group proposes to invest \$0 at over 6 years. Town of Brookhaven staff summarize the proposed with the following: Global Tissue Group has 185 employees at their Medford, NY facility. They also have a facility in Jacksonville, FL. They are requesting additional years of PILOT benefits. They are considering consolidating their operations to the Florida location or taking advantage of a \$1.7 million incentive offer from Ohio. They plan to hire an additional 40 employees and may expand the footprint of their current building in the future. 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 retention.

T1 TABLE 1

Proposed Investments

Description	Amount
Total Investments	\$0
Discounted Total (2%)	\$0

F4 FIGURE 4

Location of Investment

May not sum to total due to rounding.

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 6 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 Global Tissue Group.

Description	Nominal Value	Discounted Value*
Total Costs	\$0	\$0

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
REGIONAL BENEFITS	\$114,590,000	\$128,792,000	\$243,382,000
To Private Individuals	\$113,026,000	\$127,094,000	\$240,121,000
Ongoing Payroll	\$113,026,000	\$127,094,000	\$240,121,000
To the Public	\$1,564,000	\$1,697,000	\$3,261,000
Property Tax Revenue	\$54,000	N/A	\$54,000
Ongoing Sales Tax Revenue	\$1,510,000	\$1,697,000	\$3,207,000
STATE BENEFITS	\$8,179,000	\$8,085,000	\$16,264,000
To the Public	\$8,179,000	\$8,085,000	\$16,264,000
Ongoing Income Tax Revenue	\$6,873,000	\$6,617,000	\$13,490,000
Ongoing Sales Tax Revenue	\$1,306,000	\$1,468,000	\$2,774,000
Total Benefits to State & Region	\$122,769,000	\$136,877,000	\$259,646,000
Discounted Total Benefits (2%)	\$116,909,000	\$130,340,000	\$247,249,000

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	\$231,762,000	\$0	N/A
State	\$15,487,000	\$0	N/A
Grand Total	\$247,249,000	\$0	N/A

May not sum to total due to rounding.

* Discounted at 2%

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