# Town of Brookhaven Industrial Development Agency
# MRB Cost Benefit Calculator

*Cost-Benefit Analysis Tool powered by MRB Group*

Date 11.10.26
Project Title Watch Hill Hotel Group, LLC
Project Location 138 West Ave Patchogue, NY 11772

## Economic Impacts

Summary of Economic Impacts over the Life of the PILOT

**Construction Project Costs**
$47,412,000

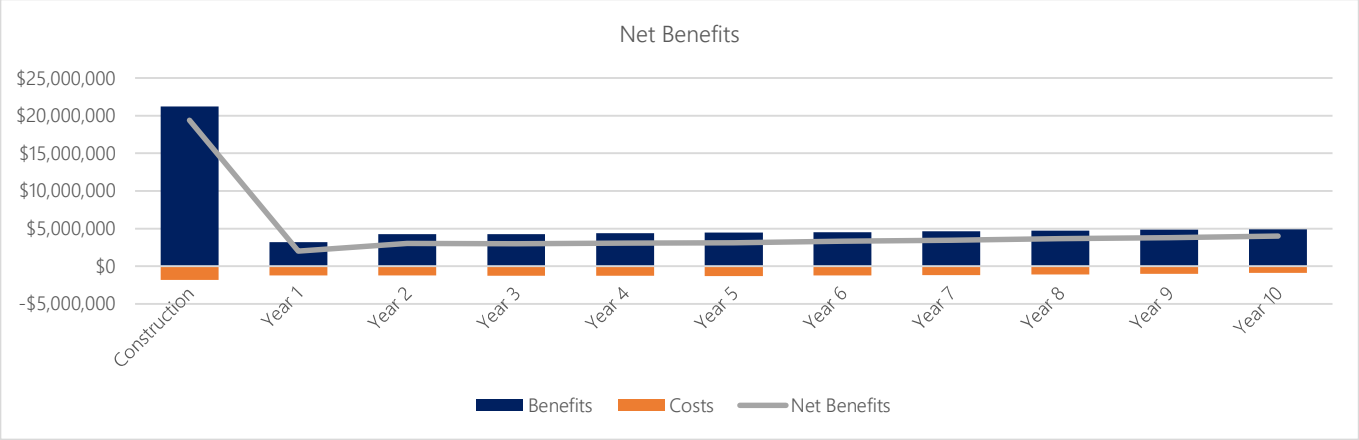
**Temporary (Construction)**

| | Direct | Indirect | Total |
|---|---|---|---|
| Jobs | 106 | 95 | 200 |
| Earnings | $12,782,466 | $7,224,448 | $20,006,914 |
| Local Spend | $33,188,400 | $24,076,235 | $57,264,635 |

**Ongoing (Operations)**
Aggregate over life of the PILOT

| | Direct | Indirect | Total |
|---|---|---|---|
| Jobs | 40 | 33 | 73 |
| Earnings | $30,231,810 | $36,079,168 | $66,310,978 |

**Figure 1**




*Net Benefits chart will always display construction through year 10, irrespective of the length of the PILOT.*

**Figure 2**

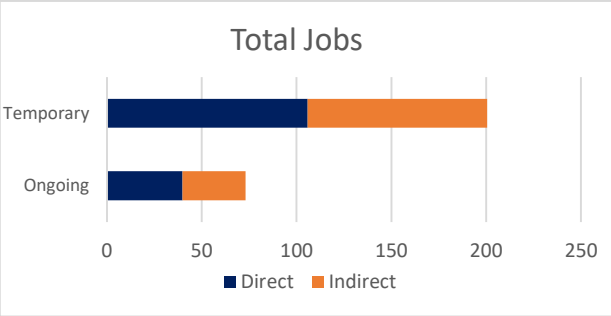
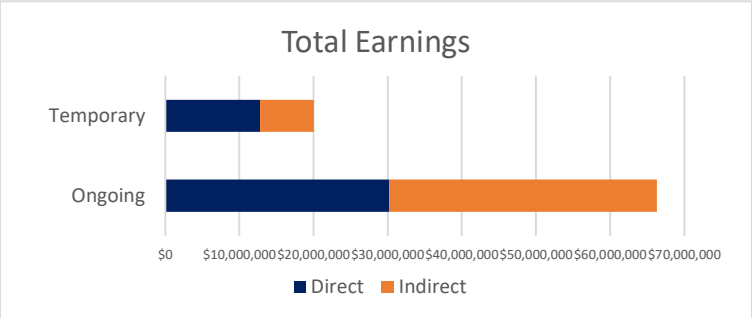



**Figure 3**




*Ongoing earnings are all earnings over the life of the PILOT.*

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# Fiscal Impacts

MRB Group

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## Estimated Costs of Exemptions

| | Nominal Value | Discounted Value* |
|---|---|---|
| Property Tax Exemption | $14,886,473 | $13,053,901 |
| Sales Tax Exemption | $1,818,250 | $1,818,250 |
| Local Sales Tax Exemption | *$987,050* | *$987,050* |
| State Sales Tax Exemption | *$831,200* | *$831,200* |
| Mortgage Recording Tax Exemption | $0 | $0 |
| Local Mortgage Recording Tax Exemption | *$0* | *$0* |
| State Mortgage Recording Tax Exemption | *$0* | *$0* |
| Total Costs | **$16,704,723** | **$14,872,151** |

## State and Local Benefits

| | Nominal Value | Discounted Value* |
|---|---|---|
| **Local Benefits** | **$93,322,408** | **$81,879,720** |
| To Private Individuals | $86,317,892 | $76,294,044 |
| Temporary Payroll | *$20,006,914* | *$20,006,914* |
| Ongoing Payroll | *$66,310,978* | *$56,287,131* |
| Other Payments to Private Individuals | *$0* | *$0* |
| To the Public | $7,004,516 | $5,585,676 |
| Increase in Property Tax Revenue | *$6,286,998* | *$4,951,482* |
| Temporary Jobs - Sales Tax Revenue | *$166,307* | *$166,307* |
| Ongoing Jobs - Sales Tax Revenue | *$551,210* | *$467,887* |
| Other Local Municipal Revenue | *$0* | *$0* |
| **State Benefits** | **$4,488,530** | **$3,967,290** |
| To the Public | $4,488,530 | $3,967,290 |
| Temporary Income Tax Revenue | *$900,311* | *$900,311* |
| Ongoing Income Tax Revenue | *$2,983,994* | *$2,532,921* |
| Temporary Jobs - Sales Tax Revenue | *$140,048* | *$140,048* |
| Ongoing Jobs - Sales Tax Revenue | *$464,177* | *$394,010* |
| **Total Benefits to State & Region** | **$97,810,938** | **$85,847,011** |

## Benefit to Cost Ratio

| | Benefit* | Cost* | Ratio |
|---|---|---|---|
| Local | $81,879,720 | $14,040,951 | 6:1 |
| State | $3,967,290 | $831,200 | 5:1 |
| **Grand Total** | **$85,847,011** | **$14,872,151** | **6:1** |

*Discounted at the public sector discount rate of: 2%

### Additional Comments from IDA

The Watch Hill Hotel Group, LLC project includes construction of a five-story, 124.189 square foot, 136-room hotel with commerical space and ammenities on a vacant 2-acre site adjacent to the Fire Island Ferry and one block to the Patchogue LIRR Station. The site was formerly a bowling alley. The hotel will include event space, a rooftop restaurant, a lobby bar, a cafe, a fitness room and retail space. As per the Brookhaven IDA Uniform Project Evaluation Criteria Policy, the criteria met for this project include, but are not limited to jobs created and capital investment by the applicant.

Does the IDA believe that the project can be accomplished in a timely fashion? Yes

Does this project provide onsite childcare facilities? No

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