Cost-Benefit Analysis for ROTH EXPANSION 2021

Prepared by Jefferson County LDC using InformAnalytics

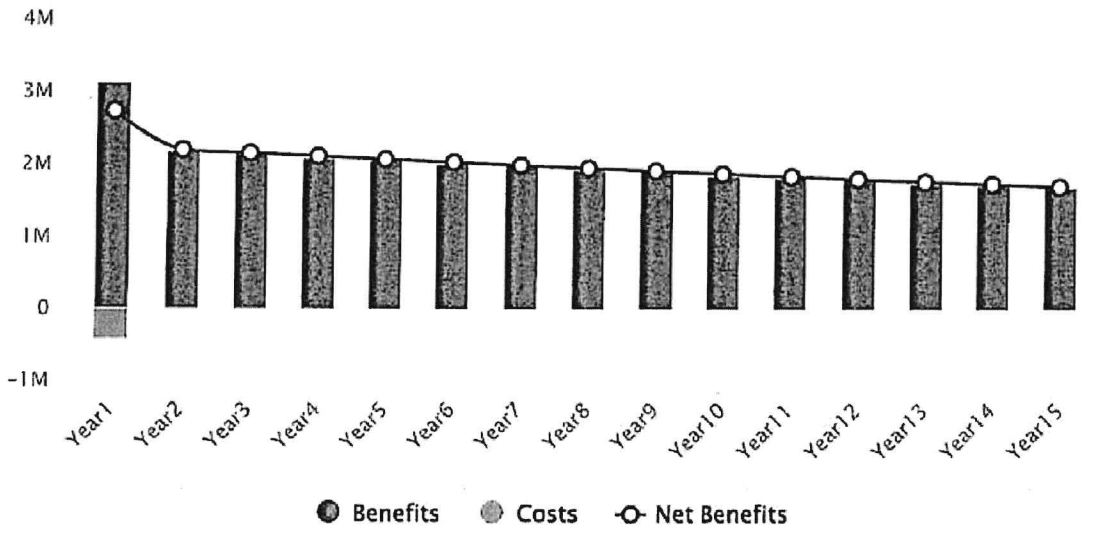
Executive Summary

INVESTOR	TOTAL INVESTED	LOCATION	TIMELINE
Roth Industries Inc.	**$6.0 Million**	**268 Bellew Ave. Watertown, NY 13601**	**15 Years**

F1 FIGURE 1

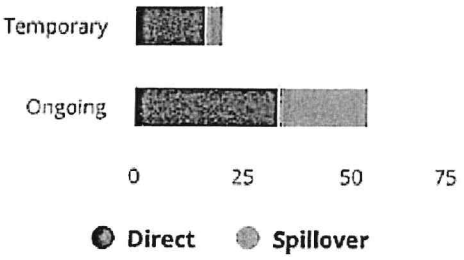
Discounted* Net Benefits for ROTH EXPANSION 2021 by Year

Total Net Benefits: $29,885,000



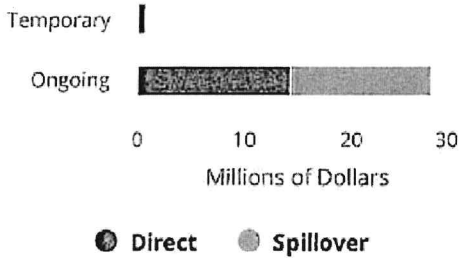
F2 FIGURE 2

Total Jobs



F3 FIGURE 3

Total Payroll



Proposed Investment

Roth Industries Inc. proposes to invest $6.0 million at 268 Bellew Ave. Watertown, NY 13601 over 15 years. Jefferson County LDC staff summarize the proposed with the following: Expansion of existing factory located in Watertown, NY

T1 TABLE 1

Proposed Investments

Description	Amount
CONSTRUCTION SPENDING	
16,700 Square Foot Addition	$1,960,000
OTHER SPENDING	
Manufacturing Equip	$4,040,000
Total Investments	$6,000,000
Discounted Total (2%)	**$5,000,000**

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 Jefferson County LDC. 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

Jefferson County LDC is considering the following incentive package for Roth Industries Inc..

Description	Nominal Value	Discounted Value*
Sales Tax Exemption	$386,000	$386,000
Mortage Recording Tax Exemption	$30,000	$30,000
Total Costs	$416,000	$416,000

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	**$17,607,000**	**$15,236,000**	**$32,843,000**
To Private Individuals	$17,012,000	$15,043,000	$32,054,000
Temporary Payroll	$677,000	$167,000	$843,000
Ongoing Payroll	$16,335,000	$14,876,000	$31,211,000
To the Public	$595,000	$193,000	$788,000
Property Tax Revenue	$377,000	N/A	$377,000
Temporary Sales Tax Revenue	$9,000	$2,000	$11,000
Ongoing Sales Tax Revenue	$209,000	$191,000	$400,000
STATE BENEFITS	**$803,000**	**$848,000**	**$1,651,000**
To the Public	$803,000	$848,000	$1,651,000
Temporary Income Tax Revenue	$30,000	$7,000	$37,000
Ongoing Income Tax Revenue	$555,000	$648,000	$1,203,000
Temporary Sales Tax Revenue	$9,000	$2,000	$11,000
Ongoing Sales Tax Revenue	$209,000	$191,000	$400,000
Total Benefits to State & Region	$18,410,000	$16,084,000	$34,494,000
Discounted Total Benefits (2%)	$16,225,000	$14,076,000	$30,300,000

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	$28,852,000	$203,000	142:1
State	$1,449,000	$213,000	7:1
Grand Total	$30,300,000	$416,000	73:1

May not sum to total due to rounding.
* Discounted at 2%

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