Internal Report: Aviagen North America - Hatchery

Table 1: Basic Information

Project Name	Hatchery
Project Applicant	Aviagen North America
Project Description	Convert chicken hatchery to breeder hatchery.
Project Industry	Animal Production
Municipality	Watertown Town
School District	Watertown
Type of Transaction	Tax Exemptions
Project Cost	$5,000,000

Table 2: Permanent New/Retained Employment (Annual FTEs)

	State	Region
Total Employment	**66**	**66**
Direct**	38	38
Indirect***	10	10
Induced****	2	2
Temporary Construction (Direct and Indirect)	17	17

Table 3: Permanent New/Retained Labor Income (Annual) & Average Salary (Annual)

	State Labor Income	Region Labor Income	Average Salary
Total	**$2,355,407**	**$2,355,407**	**$35,596**
Direct**	$1,330,000	$1,330,000	$35,000
Indirect***	$217,699	$217,699	$21,818
Induced****	$57,762	$57,762	$34,899
Temporary Construction (Direct and Indirect)	$749,947	$749,947	$45,349

Table 4: Cost/Benefit Analysis (Discounted Present Value*)

Total Costs to State and Region	**$497,476**

Property Tax Revenue Forgone	$477,676
485-B Property Tax Abatement	$0
Above 485-B	$477,676
Sales Tax Revenue Forgone	$55,800
Construction Materials	$55,800
Other Items	$0
Less IDA Fee	-$36,000
Total Benefits to State and Region	**$1,001,951**
Total State Benefits	**$677,313**
Income Tax Revenue	$433,248
Direct**	$383,489
Indirect***	$11,413
Induced****	$16,655
Construction (Direct and Indirect, 1 year)	$21,691
Sales Tax Revenue	$244,065
Direct**	$195,231
Indirect***	$31,956
Induced****	$8,479
Construction (Direct and Indirect, 1 year)	$8,399
Total Regional Benefits	**$324,638**
Property Tax/PILOT Revenue	$95,827
Sales Tax Revenue	$228,811
Direct**	$183,029
Indirect***	$29,959
Induced****	$7,949
Construction (Direct and Indirect, 1 year)	$7,874

Table 5: Regional Fiscal Impact (Discounted Present Value*)

Total Local Client Incentives	$468,676
Total Anticipated Local Revenue (Property Tax plus Local Sales Tax)	$324,638
Net Local Revenue	$-144,038

Table 6: Property Tax Revenue (Discounted Present Value*)

Total Property Tax	**$135,041**

County Property Tax	**$55,700**
Property Tax on Existing Property	$16,682
Property Tax on Improvement to Property	$39,018
School District Property Tax	**$79,342**
Property Tax on Existing Property	$22,532
Property Tax on Improvement to Property	$56,809

* Figures over 15 years and discounted by 2%
** Direct - The recipient of IDA assistance adds new jobs to the regional economy and/or retains jobs at risk of being lost to another region. Investments that result in displacing existing jobs (e.g., most retail and many service sector industries) do not fall under this definition.
*** Indirect - The recipient of IDA assistance makes purchases from regional firms, which stimulates suppliers to add jobs and payroll that are new to the regional economy or are saved from being lost to competitors outside the region.
**** Induced - The recipient of IDA assistance by adding to and/or retaining payroll stimulates household spending that is new to the regional economy and/or saved from being lost to competitors outside the region.

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Board Report

Table 1: Basic Information

Project Name	Hatchery
Project Applicant	Aviagen North America
Project Description	Convert chicken hatchery to breeder hatchery.
Project Industry	Animal Production
Municipality	Watertown Town
School District	Watertown
Type of Transaction	Tax Exemptions
Project Cost	$5,000,000
Direct Employment Expected to Result from Project (Annual FTEs)	38

Figure 1: Estimated State & Regional Benefits / Estimated Project Incentives (Discounted Present Value*)

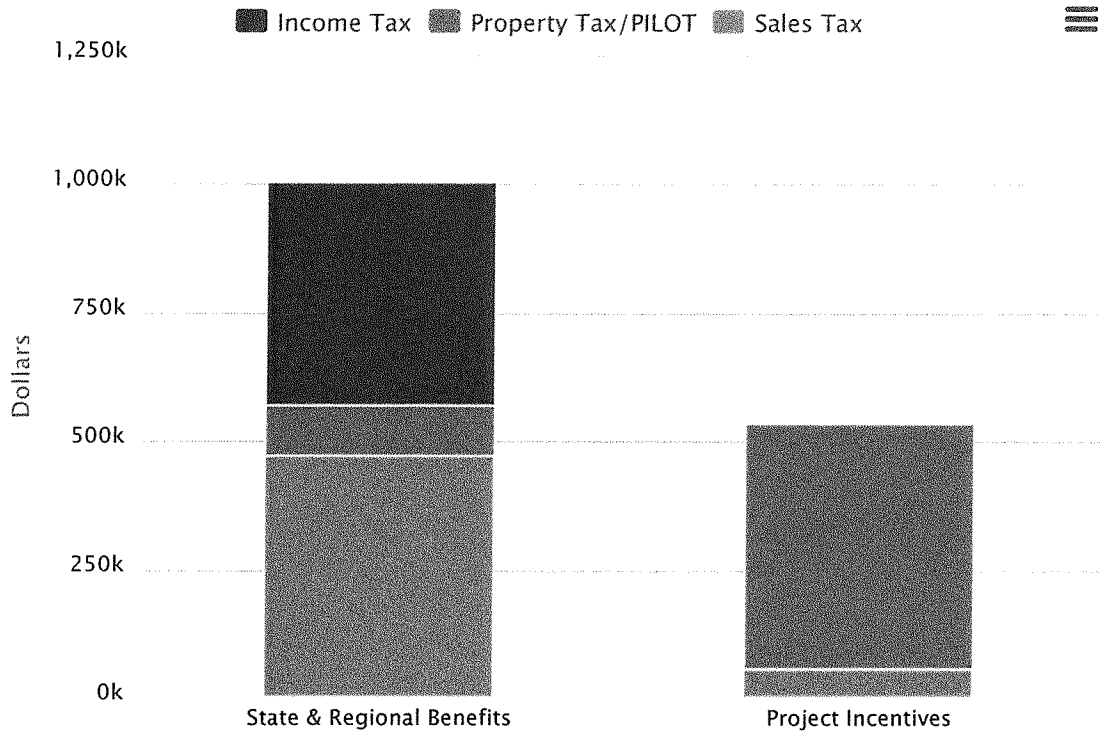

Table 2: Estimated State & Regional Benefits / Estimated Project Incentives Analysis (Discounted Present Value*)

Total State and Regional Benefits		**$1,001,951**
Total Project Incentives		**$497,476**
Projected Employment	**State**	**Region**
Total Employment	**66**	**66**
Direct**	38	38
Indirect***	10	10
Induced****	2	2
Temporary Construction (Direct and Indirect)	17	17

Table 3: Estimated State & Regional Benefits (Discounted Present Value*)

Total State and Regional Benefits	**$1,001,951**
Income Tax Revenue	$433,248
Property Tax/PILOT Revenue	$95,827
Sales Tax Revenue	$472,876

Table 4: Estimated Project Incentives (Discounted Present Value*)

Total Project Incentives	**$497,476**
Property Tax	$477,676
Sales Tax	$55,800
Less IDA Fee	-$36,000

* Figures over 15 years and discounted by 2%
** Direct - The recipient of IDA assistance adds new jobs to the regional economy and/or retains jobs at risk of being lost to another region. Investments that result in displacing existing jobs (e.g., most retail and many service sector industries) do not fall under this definition.
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Incentives for the Aviagen North America Hatchery Project

Table 1: Estimated Incentives & Fees*

Total Project Incentives	**$533,476**
Property Tax 159,827	$477,676
Sales Tax	$55,800
Total Project Fees	**$36,000**
Net Project Incentives	**$497,476**

* Figures over 15 years and discounted by 2%.

PILOT - EXISTING = IMPROVEMENT

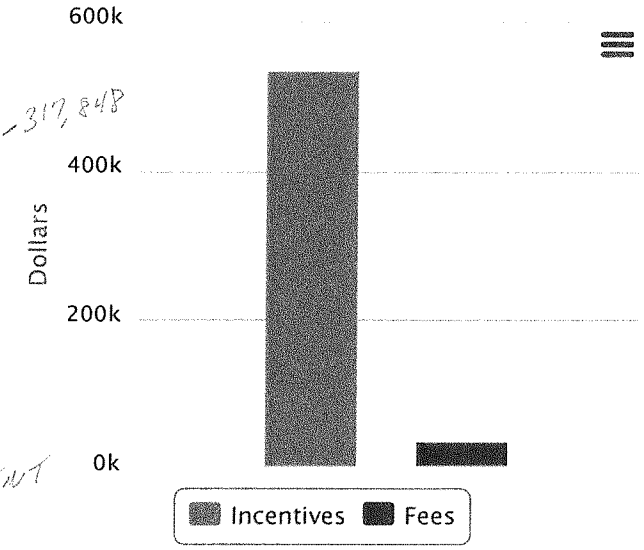

Table 2: Estimated Property Tax Paid**

PILOT PAYMENT

Year	Existing Property AT ASSESSED VALUE $80,000.	Improvement	Total
1	$2,992	$2,335	$5,327
2	$2,992	$2,335	$5,327
3	$2,992	$2,335	$5,327
4	$2,992	$2,335	$5,327
5	$2,992	$2,335	$5,327
6	$2,992	$7,663	$10,655
7	$2,992	$7,663	$10,655
8	$2,992	$7,663	$10,655
9	$2,992	$7,663	$10,655
10	$2,992	$7,663	$10,655
11	$2,992	$12,990	$15,982
12	$2,992	$12,990	$15,982
13	$2,992	$12,990	$15,982
14	$2,992	$12,990	$15,982
15	$2,992	$12,990	$15,982

Total	$44,880	$114,940	$159,820

** Figures are not discounted.

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