

Project Summary Sheet

Project Name: Kajen LLC – Virgil School Project

TOTAL PROJECT INVESTMENT	\$2,398,150
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Total est. tax due over 10 years with no PILOT agreement: **\$421,921**
(Property tax; sales tax; mortgage recording tax)

Total exemptions requested in 10-year PILOT **\$221,278**

Sales Tax Exemption: \$*70,000
Mortgage Recording Taxes: \$*15,000
Real Property Taxes \$**136,278

Total estimated taxes paid in a 10-year PILOT **\$200,643**

Details for the above:

Real Property Tax with No PILOT **\$336,921**

*Year 1 at current assessment \$380,000 (\$): 15,098
(current assessment is purchase price)
Years 2-10 build out complete (\$): 321,823
(assessment estimated @ \$900,000)*

Real Property Tax under PILOT proposal **\$*200,643**

Years 1-5 freeze current assessment (\$15,098 yr) **\$ 75,489**

Years 6-10 % of actual assessment each year:

<i>Year 6 50% assess est @ \$900,000</i>	\$ 17,879
<i>Year 7 60% " " " @ \$900,000</i>	21,455
<i>Year 8 70% " " " " " "</i>	25,031
<i>Year 9 80% " " " " " "</i>	28,607
<i>Year 10 90% " " " " " "</i>	32,182

Year 11 100% back on tax rolls

** These are estimates. Years 1-5 will be calculated each year using current tax rates and freezing the assessment @ the purchase price - \$380,000. Years 6-10 will be calculated with current tax rates and current assessment and the % paid as noted above.*

Value of Real Property Tax incentive:
(40% reduction to what would be paid without a PILOT)

\$ 136,278

Cost benefit ratio investment/exemption: .09

Project Rationale

This project meets all of the qualifying criteria as noted in the Development Policy as follows:

- *The timeline for projected investment and job creation is within the first two years of application;*
- *The applicant procures goods and services locally and regionally as often as possible during the construction phase of the project;*
- *The level and type of investment to be made by the applicant exceeds the minimum investment of \$500,000;*
- *The project enhances the strategic goals identified in the BDC's economic development plan and will enhance the overall regional economic climate*
- *The project enhances strategic goals identified in the BDC Development Plan and will enhance the overall regional economic climate by providing housing to seniors and community services to all ages.*