

Town of Montgomery Industrial Development Agency

MRB Cost Benefit Calculator

Date: September 28, 2022
 Project Title: Milk Factory, LLC
 Project Location: 2860 State Route 208



Economic Impacts

Summary of Economic Impacts over the Life of the PILOT

Project Total Investment

\$26,525,000

Temporary (Construction)

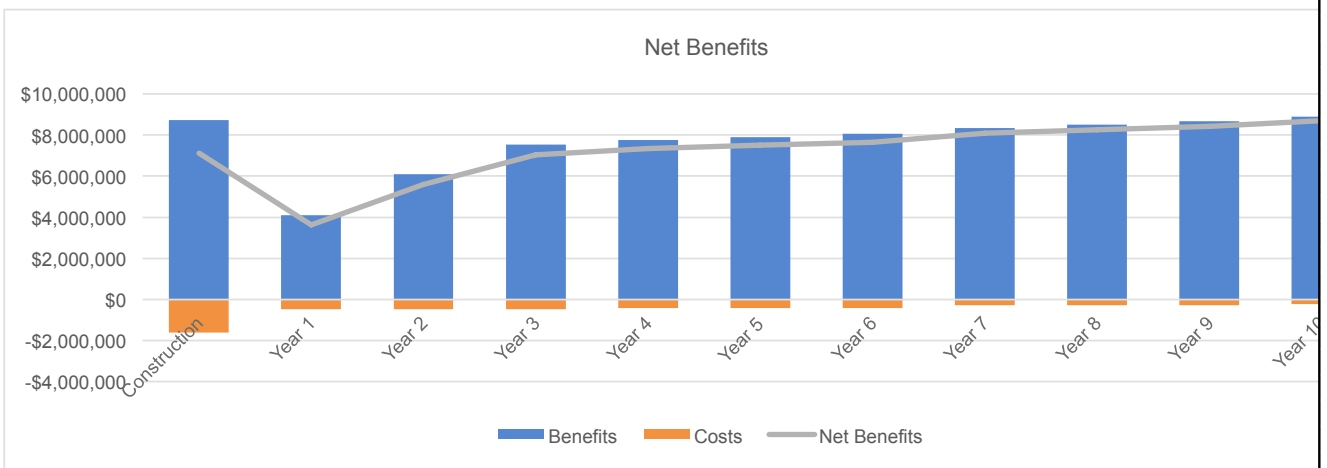
	Direct	Indirect	Total
Jobs	101	27	128
Earnings	\$6,943,269	\$1,295,425	\$8,238,694
Local Spend	\$21,220,000	\$5,474,539	\$26,694,539

Ongoing (Operations)

Aggregate over life of the PILOT

	Direct	Indirect	Total
Jobs	90	33	123
Earnings	\$73,971,533	\$39,288,357	\$113,259,890

Figure 1



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

Figure 2

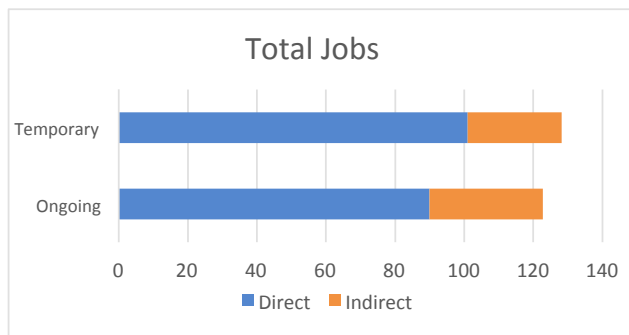
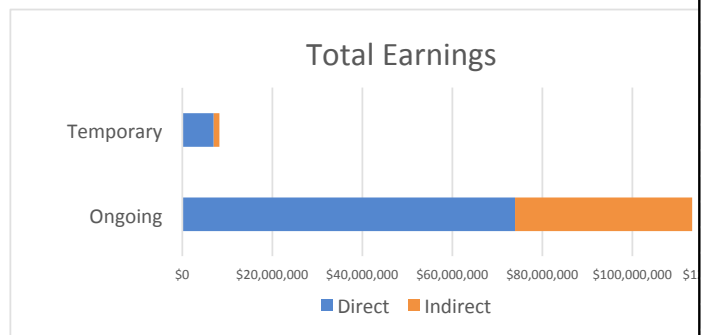


Figure 3



Fiscal Impacts

Estimated Costs of Exemptions

	Nominal Value	Discounted Value*
Property Tax Exemption	\$4,066,000	\$3,654,808
Sales Tax Exemption	\$1,500,000	\$1,500,000
Local Sales Tax Exemption	\$761,538	\$761,538
State Sales Tax Exemption	\$738,462	\$738,462
Mortgage Recording Tax Exemption	\$105,000	\$105,000
Local Mortgage Recording Tax Exemption	\$35,000	\$35,000
State Mortgage Recording Tax Exemption	\$70,000	\$70,000
Total Costs	\$5,671,000	\$5,259,808

State and Local Benefits

	Nominal Value	Discounted Value*
Local Benefits	\$126,086,057	\$107,792,999
To Private Individuals	\$121,498,584	\$104,033,855
Temporary Payroll	\$8,238,694	\$8,238,694
Ongoing Payroll	\$113,259,890	\$95,795,161
Other Payments to Private Individuals	\$0	\$0
To the Public	\$4,587,473	\$3,759,143
Increase in Property Tax Revenue	\$3,710,405	\$3,008,149
Temporary Jobs - Sales Tax Revenue	\$59,473	\$59,473
Ongoing Jobs - Sales Tax Revenue	\$817,595	\$691,521
Other Local Municipal Revenue	\$0	\$0
State Benefits	\$6,317,926	\$5,409,760
To the Public	\$6,317,926	\$5,409,760
Temporary Income Tax Revenue	\$370,741	\$370,741
Ongoing Income Tax Revenue	\$5,096,695	\$4,310,782
Temporary Jobs - Sales Tax Revenue	\$57,671	\$57,671
Ongoing Jobs - Sales Tax Revenue	\$792,819	\$670,566
Total Benefits to State & Region	\$132,403,983	\$113,202,759

Benefit to Cost Ratio

	Benefit*	Cost*	Ratio
Local	\$107,792,999	\$4,451,347	24:1
State	\$5,409,760	\$808,462	7:1
Grand Total	\$113,202,759	\$5,259,808	22:1

*Discounted at 2%

Additional Comments from IDA

Milk Factory, LLC will create long term jobs in beverage manufacturing and hospitality, and also has plans for coworking and short term rentals that would help drive tourism to the area, projecting 90-100 long term jobs and 100 short-term construction jobs. This is an adaptive reuse project under the TMIDA UTEP Policy 15 year PILOT for adaptive reuse of existing historical structure, and the structure is currently dilapidated. Client has also committed to collaborating with local vendors for produce, meat, and all furnishings as much as possible while also maintaining the historical significance of the site with an on-site museum.

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