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February 3, 2021

City of Newburgh Industrial Development Agency

RE: IDA Benefits
The Foundry
City of Newburgh, NY

Dear IDA Board Members:

On behalf of The Foundry Phase 3, LP (the "Applicant"), we hereby supply supporting material with respect to its request for a PILOT and other ancillary IDA benefits for the Applicant's planned completion and rental of residential property located at 43-45 Edward Street, Newburgh, NY 12550.

Beckmann Appraisals is a real property appraisal and real property tax and assessment consultant that performs such services within the area of the lower Hudson Valley, including Orange County, NY. We have reviewed the proforma operating statement and have prepared the accompanying PILOT schedule for enhanced PILOT benefits. As real property consultants, we find them reasonable and market oriented.

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INTRODUCTION: THE SUBJECT DEVELOPMENT

The subject development provides much needed Class A residential apartments to the historic water view area of the City of Newburgh (“the City”). In so doing, it will offer rental rates at market levels, thereby enhancing the local market housing sector and the City’s opportunity to grow the tax base. The City seeks the revitalization of the existing housing stock in conjunction with the adaptive re-use of older buildings.

The project is part of a factory complex residential conversion that is roughly half complete (61/120 units). The rehabilitation/adaptive re-use project originally commenced in 1988. The complex (commonly known as “The Foundry”) was designed to be developed in phases. Phases I and II collectively comprise 61 units and a superintendent’s apartment, and they were successfully rehabilitated by prior developers. However, at least two prior developers failed to complete the construction/rehabilitation of the 59 residential units planned for Phase III. The Applicant intends to end decades of futility by finally completing the project. Furthermore, the prior developers and The Foundry’s Condominium Association's Board of Managers have not completed the common area amenities, including the central courtyard. The Applicant intends to exercise its authority as a successor Sponsor of The Foundry to revitalize its common area amenities.

The Foundry is a highly visible contributing member to the East End Historic District. The completion of Phase III will further assist the City’s renaissance and contribute to the City, school, town, and county tax base. Finally, it will provide the current residents of The Foundry

with the necessary funds to complete the courtyard and improve the other common areas, as necessary, restoring value to the existing (completed) property.

MUNICIPAL IMPACTS

We first turn to the analysis of the potential impact on the school district and whether the project is anticipated to be a financial burden to it. The number of potential school aged children upon completion of the 59 units has been estimated using the Rutgers multipliers based upon the anticipated income level of the residents and the size of the unit by number of bedrooms. This is the accepted standard in estimating school age children expected from a residential multi-family development.

The Rutgers guidance to estimating the number of School-Age Children is contained in a White Paper entitled School-Age Children in Rental Units in New Jersey: Results from a Survey of Developers and Property Managers, dated July 2018. Based upon table 1 set forth below:

Table 1: School-Age Children per 100 Units

	Affordable All Units	Market Rate Units – Average HH Income						
		<\$50K*		\$50K - \$100K*		>\$100K*		
		High-rise or Mid-rise	Low-rise	High-rise or Mid-rise	Low-rise	High-rise	Mid-rise	Low-rise
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
studio or 1br	10.3	2.6	11.4	1.6	7.6	0.4	1.3	1.9
2br	72.1	43.6	126.4	13.4	56.7	2.2	8.9	28.2
3br and larger	108.9	100.0	137.9	17.6	63.0	4.3	23.9	61.8

* Values refer to the average household income of residents of market-rate units in the building.

We project that the income of the residents would be in the \$50-\$100K per year category above, assuming a cost of 30% of income for shelter rent. This results in income between \$66,600 and

\$88,000 per year based on projected project rents. These are household incomes that are higher than the household income average for the City of Newburgh that is reported as \$41,679 for the period 2015-2019 in QuickFacts from the U.S. Census Bureau. We apply the formula to estimate potential student population impact, as follows:

- Multiplying 1.6 per 100 by 21 one-bedroom units yields 0.33 potential school-age children;
- Multiplying 13.4 per 100 by 35 two-bedroom units yields 4.69 potential school-age children;
- Multiplying 17.6 per 100 by 3 three-bedroom units yields 0.5 potential school-age children.

This is a potential total of 5.42 school age children

We have reviewed the out of district tuition rate for students. We employ this tuition as representative of the marginal cost to educate a student in the school district. The charges are:

K-6 \$4,835 per pupil

7-12 \$7,824 per pupil

Special Education:

K-6 \$29,576

7-12 \$32,567

Being very conservative, we estimate that there will potentially be:

2 pupils in K-6 (\$9,670)

2 pupils in 7-12 (\$15,646)

1 7-12 Special Education pupil (\$32,567)

This results in a total school district expense of \$57,883. If we assume 2% inflation, then compared to the projected school tax payments in our PILOT projections, this expense would be covered by the school tax in year 10 of the PILOT and would increase each year until a projected full tax payment in year 15 of our analysis of \$280,638 per year and will largely exceed the any financial burdens of the project on the City thereafter and for the foreseeable future. Overall, there will be a hugely positive impact on the school district net revenues over time. Simply put, there will be a windfall of revenue generated for the municipality starting in year 10 through the end of the proposed IDA PILOT that should continue thereafter, in perpetuity.

As reflected in the Applicant's PILOT analysis, the development of this project would increase net revenues for the City. To be conservative, and as a show of the Applicant's good faith, the proposed PILOT is predicated on applying the current \$80,000 maximum assessed value of the existing units of Phases I & II, as the basis for tax payments during the 15-year period. It is clear that the tax revenues the City will collect from the Applicant, even with the PILOT, will be significantly higher than the tax revenues the City would otherwise collect if Phase III remains undeveloped. Since Phase III is currently undeveloped and unoccupied, the taxes paid to the City by its current owner are negligible. Over the next 15 years, the projected tax payments by the owner of an undeveloped Phase III range from \$5,802 in year one to \$7,656 in year 15.

Collectively, the total projected tax revenues for an undeveloped Phase III would be \$100,336 for the next 15 years. In contrast, if Phase III is completed by the Applicant, and the Applicant is granted the proposed PILOT, then the annual tax payments of Phase III are significantly higher than the in-place taxes assuming no development and would range from \$6,969 in year one to

\$280,638 in year 15. Collectively, the total projected tax revenues would be \$1,273,625 for the 15-year PILOT period. Accordingly, if the Applicant develops Phase III and is granted the proposed PILOT, the City will receive incremental tax revenues of \$1,173,289 over the 15-year PILOT period. As discussed, the Applicant anticipates that developing Phase III would result in five school-aged children moving to the City and becoming residents of Phase III. While additional pupils moving to the City would result in a marginal financial burden to the school district, the enhanced tax revenues flowing to the City from granting the PILOT to the Applicant and enabling the Applicant to develop Phase III will more than compensate the City for the cost of the tuition. The annual financial burden on the school district to educate the five additional pupils will range from \$57,883 in year three, once Phase III's units become occupied by the school-aged children, to \$73,410 in year 15. The total projected expense for educating the additional pupils is anticipated to be \$849,742 over the 15-year PILOT period. Nevertheless, the City will collect incremental net revenues of \$323,547 because of the City's increased tax revenues over the proposed PILOT period. Notably, this analysis does not take into consideration the potential additional tax revenues that may result from increased assessed values of the Phase I/II units and other comparable properties in the area.

Our analysis is set forth below:

Impact of the PILOT on City's Tax Base					
Tax payments under PILOT year	Proposed PILOT payments at \$80k assessed value per unit	In-place taxes assuming no development	Incremental gross tax revenue	Estimated burden on school district from estimated additional pupils	Minimum increased benefit from PILOT
1	\$6,969	\$5,802	\$1,167	\$0	\$1,167
2	\$7,143	\$5,918	\$1,225	\$0	\$1,225
3	\$17,389	\$6,036	\$11,353	\$57,883	-\$46,530
4	\$17,824	\$6,157	\$11,667	\$59,041	-\$47,374
5	\$18,269	\$6,280	\$11,989	\$60,221	-\$48,232
6	\$29,568	\$6,406	\$23,162	\$61,426	-\$38,264
7	\$30,307	\$6,534	\$23,773	\$62,654	-\$38,881
8	\$53,845	\$6,665	\$47,181	\$63,908	-\$16,727
9	\$55,191	\$6,798	\$48,393	\$65,186	-\$16,792
10	\$104,439	\$6,934	\$97,505	\$66,489	\$31,016
11	\$107,050	\$7,073	\$99,978	\$67,819	\$32,158
12	\$160,018	\$7,214	\$152,804	\$69,176	\$83,628
13	\$164,018	\$7,358	\$156,660	\$70,559	\$86,101
14	\$220,956	\$7,506	\$213,450	\$71,970	\$141,480
15	\$280,638	\$7,656	\$272,982	\$73,410	\$199,573
Total	\$1,273,625	\$100,336	\$1,173,289	\$849,742	\$323,547

We do not project any additional financial impact on the school district from the small number of potential school age children from the subject development. Based on the total school population of 12,791 pupils, these five potential students represent a potential of four hundredths of a percent increase (0.0004) in overall school population.

CITY, TOWN & COUNTY IMPACTS

We have initially determined that there will be few, if any negative impacts on any municipality that provides services to the proposed project. The Foundry is a long existing building. It is on improved streets with drainage, sewer and water already available for all the three Phases of the development.

THE IMPACT OF THE PROJECT ON CONSUMPTION

We have reviewed 2019 National household income and expenditure statistics provided by the US Bureau of Labor Statistics based on HH income of \$82,852. Of this amount, \$63,036 is devoted to consumption (after deducting for income taxes and savings)¹. We only employ the 2019 column, the most recent in our analysis.

Table A. Average income and expenditures of all consumer units, 2017-19

Item	2017	2018	2019	Percent change	
				2017-18	2018-19
Number of consumer units (000's).....	130,001	131,439	132,242	1.1	0.6
Average income before taxes.....	\$73,573	\$78,635	\$82,852	6.9	5.4
Average annual expenditures.....	60,060	61,224	63,036	1.9	3.0
Food.....	7,729	7,923	8,169	2.5	3.1
Food at home.....	4,363	4,464	4,643	2.3	4.0
Food away from home.....	3,365	3,459	3,526	2.8	1.9
Housing.....	19,884	20,091	20,679	1.0	2.9
Shelter.....	11,895	11,747	12,190	-1.2	3.8
Owned dwellings.....	6,947	6,678	6,797	-3.9	1.8
Rented dwellings.....	4,167	4,249	4,432	2.0	4.3
Apparel and services.....	1,833	1,866	1,883	1.8	0.9
Transportation.....	9,576	9,761	10,742	1.9	10.1
Vehicle purchases.....	4,054	3,975	4,394	-1.9	10.5
Gasoline, other fuels, and motor oil.....	1,968	2,109	2,094	7.2	-0.7
Healthcare.....	4,928	4,968	5,193	0.8	4.5
Health insurance.....	3,414	3,405	3,529	-0.3	3.6
Entertainment.....	3,203	3,226	3,050	0.7	-4.2
Personal care products and services.....	762	768	786	0.8	2.3
Education.....	1,491	1,407	1,443	-5.6	2.6
Cash contributions.....	1,873	1,888	1,995	0.8	5.7
Personal insurance and pensions.....	6,771	7,296	7,165	7.8	-1.8
Pensions and Social Security.....	6,353	6,831	6,645	7.5	-2.7
All other expenditures.....	2,010	2,030	1,891	1.0	-6.8

Note: Only selected subcategories are shown; as a result the subcategories do not sum to their respective major item category.

¹ < <https://www.bls.gov/news.release/pdf/cesan.pdf>>, 1/18/21

We further reduce this amount by pension contribution and social security of \$7,165 that results in a net consumption available for spending of \$55,921. This represents, what is known in economics as Consumption. It is the amount that individuals pay to support their general needs.

The above established \$55,921 is the Average Consumption on a National basis for average household income of \$82,852. We then determine the percentage consumption to household income. This calculates to 67.5% SAY 67% average. This is the typical marginal propensity to consume (MPC) the portion of household income consumed. We next estimate the Income Multiplier effect. This represents how spending on consumption affects the economy. The equation is:

$$\text{Multiplier} = 1/1-\text{MPC}$$

$$\text{Multiplier} = 1/1-0.67 = 3.03$$

The income multiplier is therefore 3.03. That means that for each dollar on income \$3.03 flows through the economy. We judge this Income Multiplier as reasonable and conservative to the lower income of households projected for the subject property occupants. Typically, lower incomes have a higher marginal propensity to consume that results in a higher income multiplier.

We next estimate the consumption of the 59 new households at the subject property. Incomes far greater than the average City household income of \$41,769 would be required to support the rental rates at the subject property. Applying a typical 30% of income spent on rent to the subject

property's estimated stabilized total rent roll of \$1,251,600 per year (as provided by the developer) and dividing by 0.3, results in a total household income for the project of \$4,172,000. Then dividing by 59 units results in a projected average household income of \$70,712. This is \$28,942 greater than the present City household income average, but lower than employed by EPI. The anticipated higher income for this project will immensely benefit the City. To provide the projected income multiplier, we conservatively employ the same 0.67 marginal consumption rate to projected total income as follows: $\$4,172,000 \times 0.67 = \$2,795,240$.

We apply the income multiplier to estimated consumption as follows:

$$3.03 \times \$2,795,240 = \$8,469,577, \text{ or approximately } \$8.5 \text{ million.}$$

No matter how you view the appropriate incomes, consumption patterns and multipliers there will likely be an additional \$8.5 million that is spent on consumption after completion and leasing of the project. Though it is important to note, that it unlikely all of the aforementioned spending will take place locally, there is no denying the local economy will benefit from increased consumption, the employment market will be enhanced and increased streams of revenue will flow to government operations.

EMPLOYMENT MULTIPLIERS

The effect on employment from the rehabilitation of Phase III of The Foundry will also be positive. There are several sources to estimate this employment multiplier effect. We annex a copy from the Economic Policy Institute's "Employment Multipliers per \$1 Million in Final

Demand, By Major Private-Sector Industry Group” The correct heading is “Construction”². It reports as follows:

Employment multipliers per \$1 million in final demand, all private-sector industries

Industry	Direct jobs	Supplier jobs*	Induced jobs**	Total indirect jobs
Construction				
Construction	5.45	4.80	4.88	9.68

A review of the budget for the planned development of the subject property is approximately \$21,000,000. However, all items in the budget are not direct construction items. We, accordingly, have deducted all items that are not appropriate; and in the interest of making a conservative estimate, we rely solely on “Building Improvements/Hard Costs” of \$13,900,000 that we rounded up to \$14 million. We then multiply each of the first 3 columns by 14 (the number of direct, supplier and induced jobs per \$1 million) to yield:

Direct Jobs	Supplier Jobs	Induced Jobs	TOTAL
76.3	67.2	68.3	211.8

We conclude that from a municipal and economics point of view with such a modest increase in the number of households and a very small estimated potential school population increase, there will only be positive economic and financial benefits to the City and the school district. The immediate financial benefit for the school district will be delayed until the 10th year of the PILOT but will be positive thereafter and virtually forever. All taxing districts will be positively affected since currently the assessments are very low. As the amount of the PILOT increases above 100%

² < <https://www.epi.org/publication/updated-employment-multipliers-for-the-u-s-economy/>, 1/18/2021

exemption in the first years, all jurisdictions will benefit by increased assessments represented as a portion of the increased value by reason of the construction of improvements to the shell structure and amenities.

To support these analyses, we annex a study in April 2015 by the National Association of Home Builders (NAHB)³ entitled “The Economic Impact of Home Building in a Typical Local Area”. This study provides an analysis (among others that are not relevant to this analysis) of all the potential typical impacts of the construction of 100 rental apartments. As it is just a general study, we provide it for illustrative purposes only. Nevertheless, it shows the significant contribution that a residential project provides to local income and jobs, and to local government revenues in its Phase I analysis of the construction period. In Phase I, it provides the estimate of the Construction Induced effects on jobs to the local municipality. This is the previously mentioned employment multiplier effect. In Phase II, it reports the local income and jobs and local government revenue resulting from the occupancy of the completed rental project. These estimates are not an analysis of the potentially larger impacts of the subject project, as the NAHB project is a construction project with only a \$6,100,000 construction cost, while our project is more than two times larger at a construction budget of \$14,000,000.

As can be seen, a substantial investment is being made to complete the Phase III development which, in turn, will provide a significant and perpetual return to the City’s tax base and economy.

It is the proverbial “cash cow”.

³< <https://www.nahb.org/News-and-Economics/Housing-Economics/Housings-Economic-Impact/The-Local-Economic-Impact-of-Home-Building>>, 1/18/2021

ENHANCED BENEFITS ARE APPROPRIATE

We now turn to the project attributes that support enhanced benefits to the project. The project undertakes the acquisition and completion of a former industrial building that has been partially improved for use as residential units. Approximately ½ of the project, 59 potential units of the complex's total 120 units, remain unimproved. The applicant will renovate this vacant portion of the building. This will provide a stabilization of the entire development that has been left incomplete for approximately 34 years. It will permit the entire 120 units to provide income to the Condominium Association's Board of Managers to complete and maintain the common areas. As they stand, the common areas are dilapidated, and they have been in this state for decades. They are a sign of the prior failed projects. Completing the development of Phase III of The Foundry will end years of futility.

The development is the adaptive re-use of an historic building, The Foundry, in the City's Historic East End. It is in an area that the City is investing in rehabilitating and using as a driving force for transition to a more vibrant City economy. The significant income multiplier effect will assist in stabilizing the employment base and will likely provide additional employment in the City. See, the NAHB analysis, discussed above.

As shown earlier, there will be a substantial positive fiscal effect on the tax jurisdictions. There will be little to no additional municipal services required. With the proposed PILOT taxes will increase annually and provide a surplus of revenues in perpetuity. Furthermore, the effect of the construction of the project and the predicted income multiplier effect will provide additional revenues throughout the area and provide additional private, public and government revenues.

The project cost of \$21 million will constitute a direct private sector investment.

There will be no adverse environmental effects from the completion of the substantially interior construction.

The fiscal and other benefits of the project are fully discussed previously. They are beneficial.

The completion of the redevelopment of the historic Foundry building will preserve an historic building and support the Historic East End District.

The Applicant plans to commence the construction and rehabilitation of Phase III in 2022. While the Applicant has advanced in its planning of construction, financing and rental plans, due to the considerable tax burden on property owners in the Municipality, the Applicant sees no other path forward to continuing with the project without being afforded the PILOT it is seeking from the Newburgh IDA.

CONCLUSION

The subject property proposed development is the conclusion of a failed adaptive re-use of an historic factory building within the City's East End Historic District. There is already a municipal infrastructure that supports the entire development. The developers are investing over \$21 million in this renovation project. The economics of the project are such that in order to justify the completion of Phase III, that the taxing entities contribute to the project by reducing real property taxes, reducing the upfront expenses with respect to sales tax of materials and necessary equipment and by substantially reducing the mortgage tax. When comparing the overwhelming benefits to the community compared with the minimal associated costs, the successful completion of the project is largely in the interests of all stakeholders. We recommend without hesitation the adoption by the IDA of the Applicant's requested PILOT.

Respectfully yours,



William R. Beckmann, MAI, CRE, FRICS

cc.

Annex #1

Employment multipliers per \$1 million in final demand, all private-sector industries

	Industry	Direct jobs	Supplier jobs*	Induced jobs**	Total indirect jobs
Agriculture, forestry, fishing, and hunting					
1	Crop production	6.96	5.18	3.84	9.02
2	Animal production and aquaculture	5.13	5.77	3.49	9.26
3	Forestry	2.62	7.49	3.26	10.74
4	Logging	5.45	8.18	4.80	12.98
5	Fishing, hunting, and trapping	3.03	3.53	1.79	5.32
6	Support activities for agriculture and forestry	5.09	4.06	2.61	6.66
Mining					
7	Oil and gas extraction	0.72	2.72	1.17	3.89
8	Coal mining	1.27	4.19	2.15	6.34
9	Metal ore mining	1.17	3.73	1.81	5.54
10	Nonmetallic mineral mining and quarrying	2.69	3.72	2.60	6.31
11	Support activities for mining	3.55	4.31	3.74	8.06
Utilities					
12	Electric power generation, transmission, and distribution	1.06	4.23	1.75	5.98
13	Natural gas distribution	0.99	4.52	1.80	6.32
14	Water, sewage, and other systems	0.67	10.46	2.02	12.48
Construction					
15	Construction	5.45	4.80	4.88	9.68
Nondurable manufacturing					
16	Animal food manufacturing	0.98	6.72	2.84	9.55
17	Grain and oilseed milling	0.69	7.38	2.95	10.33
18	Sugar and confectionery product manufacturing	2.59	5.52	3.07	8.58
19	Fruit and vegetable preserving and specialty food manufacturing	2.50	6.75	3.59	10.34

ANNEX #2



**The Economic Impact of Home
Building in a Typical Local Area**

**Income, Jobs, and
Taxes Generated**

**Detailed Tables
on
Multifamily
Construction**

Impact of Building 100 Rental Apartments In a Typical Local Area

Summary

Total One-Year Impact: Sum of Phase I and Phase II:

Local Income	Local Business Owners' Income	Local Wages and Salaries	Local Taxes ¹	Local Jobs Supported
\$11,693,000	\$3,620,500	\$8,072,300	\$2,211,200	161

Phase I: Direct and Indirect Impact of Construction Activity:

Local Income	Business Owners' Income	Local Wages and Salaries	Local Taxes ¹	Local Jobs Supported
\$7,403,300	\$2,750,500	\$4,652,700	\$1,699,600	90

Phase II: Induced (Ripple) Effect of Spending the Income and Taxes from Phase I:

Local Income	Business Owners' Income	Local Wages and Salaries	Local Taxes ¹	Local Jobs Supported
\$4,289,700	\$870,000	\$3,419,600	\$511,600	71

Phase III: Ongoing, Annual Effect that Occurs When New Homes are Occupied:

Local Income	Local Business Owners' Income	Local Wages and Salaries	Local Taxes ¹	Local Jobs Supported
\$2,640,600	\$623,200	\$2,016,900	\$503,500	44

¹ The term local taxes is used as a shorthand for local government revenue from all sources: taxes, fees, fines, revenue from government-owned enterprises, etc.

Impact of Building 100 Rental Apartments in a Typical Local Area
Phase I—Direct and Indirect Impact of Construction Activity
A. Local Income and Jobs by Industry

Industry	Local Income	Local Business Owners' Income	Local Wages and Salaries	Wages & Salaries per Full-time Job	Number of Local Jobs Supported
Construction	\$6,100,800	\$2,346,500	\$3,754,300	\$55,000	68
Manufacturing	\$400	\$0	\$400	\$54,000	0
Transportation	\$200	\$100	\$100	\$29,000	0
Communications	\$39,500	\$13,600	\$25,900	\$77,000	0
Utilities	\$9,300	\$2,000	\$7,300	\$97,000	0
Wholesale and Retail Trade	\$674,400	\$148,800	\$525,600	\$33,000	16
Finance and Insurance	\$36,000	\$1,400	\$34,600	\$102,000	0
Real Estate	\$152,500	\$131,300	\$21,200	\$55,000	0
Personal & Repair Services	\$24,900	\$5,900	\$19,000	\$40,000	0
Services to Dwellings / Buildings	\$15,000	\$5,800	\$9,200	\$37,000	0
Business & Professional Services	\$272,500	\$66,600	\$205,900	\$63,000	3
Eating and Drinking Places	\$7,800	\$1,200	\$6,500	\$29,000	0
Automobile Repair & Service	\$5,600	\$1,700	\$3,900	\$40,000	0
Entertainment Services	\$2,400	\$200	\$2,200	\$33,000	0
Health, Educ. & Social Services	\$700	\$0	\$700	\$51,000	0
Local Government	\$18,000	\$0	\$18,000	\$78,000	0
Other	\$43,300	\$25,400	\$17,900	\$47,000	0
Total	\$7,403,300	\$2,750,500	\$4,652,700	\$52,000	90

B. Local Government General Revenue by Type

TAXES:		USER FEES & CHARGES:	
Business Property Taxes	\$35,300	Residential Permit / Impact Fees	\$1,367,200
Residential Property Taxes	\$0	Utilities & Other Govt. Enterprises	\$77,100
General Sales Taxes	\$80,400	Hospital Charges	\$35,700
Specific Excise Taxes	\$5,200	Transportation Charges	\$14,000
Income Taxes	\$16,100	Education Charges	\$14,500
License Taxes	\$3,900	Other Fees and Charges	\$47,200
Other Taxes	\$2,800	TOTAL FEES & CHARGES	\$1,555,800
TOTAL TAXES	\$143,800	TOTAL GENERAL REVENUE	\$1,699,600

Impact of Building 100 Rental Apartments in a Typical Local Area
Phase II—Induced Effect of Spending Income and Tax Revenue from Phase I
 A. Local Income and Jobs by Industry

Industry	Local Income	Local Business Owners' Income	Local Wages and Salaries	Wages & Salaries per Full-time Job	Number of Local Jobs Supported
Construction	\$231,600	\$85,300	\$146,300	\$55,000	3
Manufacturing	\$900	\$0	\$900	\$52,000	0
Transportation	\$10,500	\$5,100	\$5,400	\$29,000	0
Communications	\$210,600	\$87,000	\$123,600	\$81,000	2
Utilities	\$71,500	\$15,100	\$56,400	\$97,000	1
Wholesale and Retail Trade	\$554,000	\$93,600	\$460,300	\$31,000	15
Finance and Insurance	\$121,100	\$4,700	\$116,300	\$90,000	1
Real Estate	\$380,400	\$157,700	\$222,700	\$55,000	4
Personal & Repair Services	\$145,400	\$52,200	\$93,200	\$40,000	2
Services to Dwellings / Buildings	\$53,000	\$20,500	\$32,500	\$37,000	1
Business & Professional Services	\$533,000	\$153,200	\$379,900	\$58,000	7
Eating and Drinking Places	\$254,900	\$50,000	\$204,900	\$27,000	8
Automobile Repair & Service	\$111,700	\$33,600	\$78,100	\$40,000	2
Entertainment Services	\$30,800	\$5,800	\$25,000	\$30,000	1
Health, Educ. & Social Services	\$599,800	\$66,700	\$533,100	\$55,000	10
Local Government	\$900,400	\$0	\$900,400	\$60,000	15
Other	\$80,100	\$39,500	\$40,600	\$43,000	1
Total	\$4,289,700	\$870,000	\$3,419,600	\$48,000	71

B. Local Government General Revenue by Type

TAXES:		USER FEES & CHARGES:	
Business Property Taxes	\$124,400	Residential Permit / Impact Fees	\$0
Residential Property Taxes	\$0	Utilities & Other Govt. Enterprises	\$178,800
General Sales Taxes	\$43,900	Hospital Charges	\$40,100
Specific Excise Taxes	\$18,400	Transportation Charges	\$8,100
Income Taxes	\$14,000	Education Charges	\$8,400
License Taxes	\$11,900	Other Fees and Charges	\$54,100
Other Taxes	\$9,500	TOTAL FEES & CHARGES	\$289,500
TOTAL TAXES	\$222,100	TOTAL GENERAL REVENUE	\$511,600

**Impact of Building 100 Rental Apartments in a Typical Local Area
 Phase III—Ongoing, Annual Effect That Occurs Because Units Are Occupied
 A. Local Income and Jobs by Industry**

Industry	Local Income	Local Business Owners' Income	Local Wages and Salaries	Wages & Salaries per Full-time Job	Number of Local Jobs Supported
Construction	\$86,900	\$32,900	\$53,900	\$55,000	1
Manufacturing	\$600	\$0	\$500	\$52,000	0
Transportation	\$5,900	\$2,800	\$3,000	\$29,000	0
Communications	\$146,800	\$60,800	\$85,900	\$81,000	1
Utilities	\$29,300	\$6,200	\$23,100	\$97,000	0
Wholesale and Retail Trade	\$436,800	\$65,200	\$371,600	\$34,000	11
Finance and Insurance	\$80,500	\$3,100	\$77,400	\$87,000	1
Real Estate	\$499,100	\$206,800	\$292,200	\$55,000	5
Personal & Repair Services	\$77,700	\$28,300	\$49,500	\$40,000	1
Services to Dwellings / Buildings	\$33,100	\$12,800	\$20,300	\$37,000	1
Business & Professional Services	\$271,300	\$76,300	\$194,900	\$53,000	4
Eating and Drinking Places	\$194,200	\$38,100	\$156,100	\$27,000	6
Automobile Repair & Service	\$94,200	\$28,300	\$65,800	\$40,000	2
Entertainment Services	\$35,400	\$4,800	\$30,600	\$29,000	1
Health, Educ. & Social Services	\$367,200	\$38,500	\$328,800	\$55,000	6
Local Government	\$243,800	\$0	\$243,800	\$60,000	4
Other	\$37,800	\$18,300	\$19,500	\$42,000	0
Total	\$2,640,600	\$623,200	\$2,016,900	\$46,000	44

B. Local Government General Revenue by Type

TAXES:		USER FEES & CHARGES:	
Business Property Taxes	\$91,100	Residential Permit / Impact Fees	\$0
Residential Property Taxes	\$146,900	Utilities & Other Govt. Enterprises	\$106,200
General Sales Taxes	\$32,100	Hospital Charges	\$41,500
Specific Excise Taxes	\$13,500	Transportation Charges	\$5,000
Income Taxes	\$9,200	Education Charges	\$5,200
License Taxes	\$8,700	Other Fees and Charges	\$37,100
Other Taxes	\$7,000	TOTAL FEES & CHARGES	\$194,900
TOTAL TAXES	\$308,500	TOTAL GENERAL REVENUE	\$503,500