

# **Cost-Benefit Analysis for Brewfun Enterprises/Brazen Brewing LLC**

Prepared by this agency using InformAnalytics

# Executive Summary

**INVESTOR**  
**Brewfin Enterprises LLC**

**TOTAL INVESTED**  
**\$925.0 Thousand**

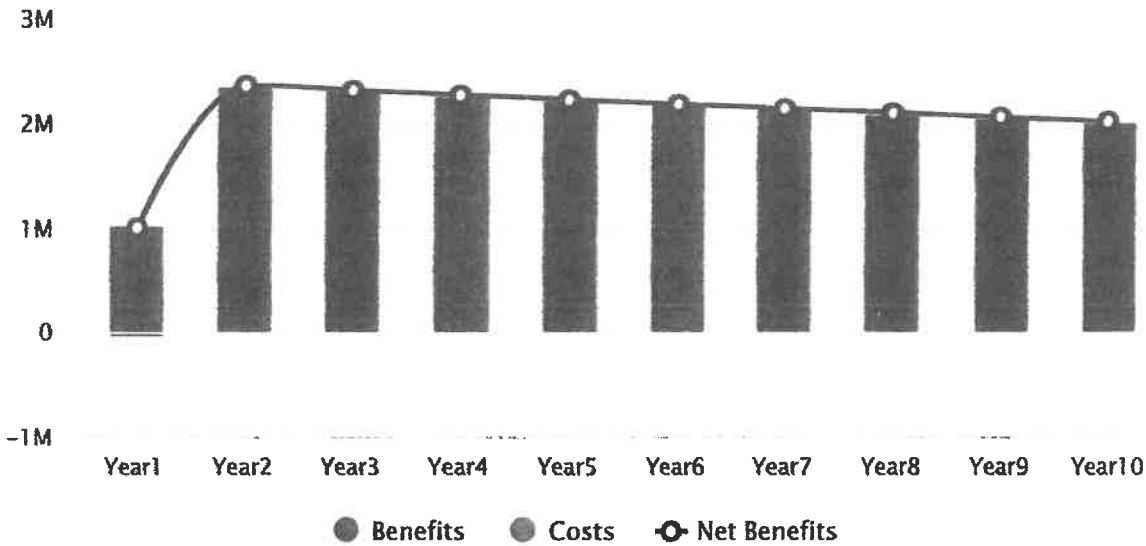
**LOCATION**  
**5839 Genesee Street**

**TIMELINE**  
**10 Years**

**FIGURE 1**

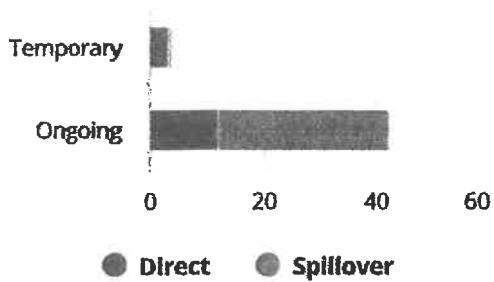
**Discounted\* Net Benefits for Brewfun Enterprises/Brazen Brewing LLC by Year**

**Total Net Benefits: \$20,665,000**



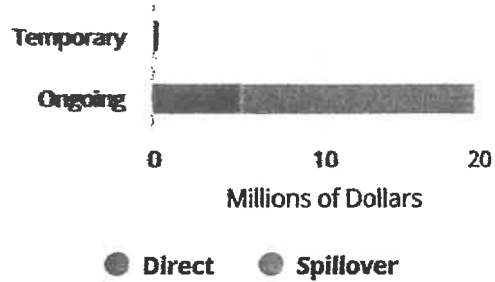
**FIGURE 2**

**Total Jobs**



**FIGURE 3**

**Total Payroll**



# Proposed Investment

Brewfin Enterprises LLC proposes to invest \$925.0 thousand at 5839 Genesee Street over 10 years.

TABLE 1

## Proposed Investments

Description	Amount
<b>CONSTRUCTION SPENDING</b>	
Headquarters and Brewery Building	\$400,000
<b>OTHER SPENDING</b>	
Land Purchase	\$90,000
Soft Costs	\$125,000
Non-Manufacturing Equipment	\$60,000
Manufacturing Equipment	\$250,000
<b>Total Investments</b>	<b>\$925,000</b>
<b>Discounted Total (2%)</b>	<b>\$925,000</b>

May not sum to total due to rounding.

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 the agency. The report calculates the costs and benefits for specified local taxing districts over the first 10 years, with future returns discounted at a 2% rate.

**TABLE 2**

## Estimated Costs or Incentives

The agency is considering the following incentive package for Brewfin Enterprises LLC.

Description	Nominal Value	Discounted Value*
Property Tax Exemption	\$9,000	\$8,000
Sales Tax Exemption	\$23,000	\$23,000
Mortgage Recording Tax Exemption	\$7,000	\$7,000
Total Costs	\$38,000	\$38,000

May not sum to total due to rounding.

\* Discounted at 2%

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
<b>REGIONAL BENEFITS</b>	<b>\$5,928,000</b>	<b>\$15,480,000</b>	<b>\$21,409,000</b>
To Private Individuals	\$5,754,000	\$15,225,000	\$20,979,000
Temporary Payroll	\$154,000	\$53,000	\$207,000
Ongoing Payroll	\$5,600,000	\$15,172,000	\$20,772,000
To the Public	\$175,000	\$255,000	\$430,000
Property Tax Revenue	\$78,000	N/A	\$78,000
Temporary Sales Tax Revenue	\$3,000	\$894	\$3,000
Ongoing Sales Tax Revenue	\$94,000	\$254,000	\$348,000
<b>STATE BENEFITS</b>	<b>\$362,000</b>	<b>\$943,000</b>	<b>\$1,306,000</b>
To the Public	\$362,000	\$943,000	\$1,306,000
Temporary Income Tax Revenue	\$8,000	\$3,000	\$10,000
Ongoing Income Tax Revenue	\$274,000	\$726,000	\$999,000
Temporary Sales Tax Revenue	\$2,000	\$753	\$3,000
Ongoing Sales Tax Revenue	\$79,000	\$214,000	\$293,000
<b>Total Benefits to State &amp; Region</b>	<b>\$6,291,000</b>	<b>\$16,424,000</b>	<b>\$22,714,000</b>
<b>Discounted Total Benefits (2%)</b>	<b>\$5,748,000</b>	<b>\$14,955,000</b>	<b>\$20,703,000</b>

May not sum to total due to rounding.

**TABLE 4**

**Benefit to Cost Ratio**

The following benefit to cost ratios were calculated using the discounted totals.

Description	Benefit <sup>+</sup>	Cost <sup>+</sup>	Ratio
Region	\$19,513,000	\$23,000	851:1
State	\$1,190,000	\$15,000	79:1
Grand Total	\$20,703,000	\$38,000	545:1

**May not sum to total due to rounding.**

<sup>+</sup> Discounted at 2%

---

CGR has exercised reasonable professional care and diligence in the production and design of the InformAnalytics™ tool. However, the data used is provided by users. InformAnalytics does not independently verify, validate or audit the data supplied by users. CGR makes no representations or warranties with respect to the accuracy of the data supplied by users.