



camoin associates
ECONOMIC DEVELOPMENT

To: Town of New Scotland
From: R. Michael N'dolo
RE: Property Tax Revenue from Vista
Date: February 9, 2007

Saratoga Office:

PO Box 3367
Saratoga Springs, NY 12866
Phone: 518.899.2608
Fax: 518.899.9642
www.camoinassociates.com

Camoin Associates ("CA") has completed an economic and fiscal impact analysis of the proposed Vista Technology Campus ("Vista") on the economy of Albany County and on the fiscal resources of the Town of Bethlehem and the Bethlehem Central School District. As an addendum to this report, CA was asked to prepare a memo detailing the anticipated property tax revenues that Vista would generate for the Town of New Scotland ("Town").

Property Tax Revenue Analysis

Currently, all property within the Town is assessed at full market value. All calculations in this addendum assume that property will continue to be assessed at full market value in future years. Further, the current property tax rate in the Town (outside the Village) is \$1.63 of tax for each \$1,000 of taxable value. For purposes of this analysis, this rate is assumed to remain constant.

As detailed in the original analysis, CA estimates that 20% of the total office space at the Vista site would not be eligible for Empire Zone certification in the Albany County Empire Zone. Therefore, businesses located in this office space would not be able to claim an Empire Zone Real Property Tax Credit. Instead, the Industrial Development Agency (IDA) would most likely provide a property tax abatement for these companies through a PILOT agreement (Payment in Lieu of Taxes). Because of this, CA estimated the value of property that is not eligible for real property taxes due to the PILOT, and excluded the value of this property from the calculations detailing future revenues.

The table on the following page shows the anticipated value of taxable property at Vista in the Town over a period of twenty years. "Year 1" in the table is the first year that construction occurs in the Town of New Scotland's portion of the Vista project. The "Town Revenues" listed in the table are calculated from the Town millage rate multiplied by the taxable value of real property. As the table shows, the Vista Technology Campus will generate more than \$800,000 in revenues for the Town of New Scotland over the 20-year period. Upon full build-out, this project will result in over \$37 million of additional taxable property within the Town.

Property Tax Revenues Town of New Scotland				
Year	Total Property Value	Taxable Value¹	Town Millage Rate²	Town Revenues
1	\$ -	\$ -	\$ 1.63	\$ -
2	\$ 3,386,364	\$ 3,140,909	\$ 1.63	\$ 5,120
3	\$ 6,772,727	\$ 6,281,818	\$ 1.63	\$ 10,239
4	\$ 10,159,091	\$ 9,447,273	\$ 1.63	\$ 15,399
5	\$ 13,545,455	\$ 12,637,273	\$ 1.63	\$ 20,599
6	\$ 16,931,818	\$ 15,851,818	\$ 1.63	\$ 25,838
7	\$ 20,318,182	\$ 19,090,909	\$ 1.63	\$ 31,118
8	\$ 23,704,545	\$ 22,354,545	\$ 1.63	\$ 36,438
9	\$ 27,090,909	\$ 25,642,727	\$ 1.63	\$ 41,798
10	\$ 30,477,273	\$ 28,955,455	\$ 1.63	\$ 47,197
11	\$ 33,863,636	\$ 32,292,727	\$ 1.63	\$ 52,637
12	\$ 37,250,000	\$ 35,654,545	\$ 1.63	\$ 58,117
13	\$ 37,250,000	\$ 35,900,000	\$ 1.63	\$ 58,517
14	\$ 37,250,000	\$ 36,145,455	\$ 1.63	\$ 58,917
15	\$ 37,250,000	\$ 36,366,364	\$ 1.63	\$ 59,277
16	\$ 37,250,000	\$ 36,562,727	\$ 1.63	\$ 59,597
17	\$ 37,250,000	\$ 36,734,545	\$ 1.63	\$ 59,877
18	\$ 37,250,000	\$ 36,881,818	\$ 1.63	\$ 60,117
19	\$ 37,250,000	\$ 37,004,545	\$ 1.63	\$ 60,317
20	\$ 37,250,000	\$ 37,102,727	\$ 1.63	\$ 60,477
Total Revenues				\$ 821,599

1: Total Property Value minus abatements

2: Per \$1,000 of assessed value.