

Auburn Industrial Development Authority
Cost-Benefit Analysis: Dill Street Commons
Public Hearing Date: August 12, 2025

Project Description:

Renovation and adaptive reuse of the former Citizen building on the corner of Dill and State Streets, to be used as a multi-tenant commercial building. The renovation will include both interior and exterior improvements.

Project Budget:

Land Aquisition	\$600,000
Building Construction/ Renovation	\$1,765,000
Site Work	\$125,000
Machinery & Equipment	\$50,000
Furniture & Fixtures	\$200,000
Soft Costs	\$350,000
Financial Charges	\$100,000
Project Management	\$100,000
Tenant Finishes	\$300,000
TOTAL	\$3,590,000

Is it likely that the project can be completed in a timely fashion?	Yes
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Will the project provide onsite childcare?	No
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AIDA Abatements & Incentives	Total Benefits
Property Tax Abatements (estimated)	Additional Property Tax (estimated)
City	City
School	School
County	County
TOTAL	TOTAL
Sales & Use Tax Exemption (maximum)	Additional Sales Tax Collected (annual, est.)
Estimated taxable costs	Anticipated growth in sales
Local Sales Tax	Est. 2025 sales tax (pre)
State Sales Tax	Est. 2027 sales tax (post)
TOTAL	Growth in sales tax revenue
Mortgage Recording Tax Exemption	Additional payroll (estimated)
Mortgage amount	Anticipated job creation
Mortgage Recording Tax	Anticipated payroll increase
TOTAL	
TOTAL ABATEMENT	Net Benefits (life of PILOT)
Property Tax	Property Tax Revenues
Sales & Use Tax	Job Creation
Mortgage Recording Tax	Payroll
TOTAL	Sales Tax*

Qualitative: Tenants are likely to create 50-70 jobs, depending on the tenant mix. Considering the likely types of tenants and the average annual sales of those business types in Cayuga County and surrounding counties, it is estimated that the

tenants will generate roughly \$711,850 of sales tax annually starting in 2027. This sales tax is split evenly between the state and local municipalities, meaning a local benefit of roughly \$356,000 annually. Over the course of 13 years (2027 through the end of the PILOT), that amounts to about \$9.25m* of total sales tax (\$4.63m would be local).

***Sales Tax Generation Estimation Methodology:**

Determined average annual sales of likely tenants types: Used Lightcast 2024 Number of Business Locations and Total Sales for 2024 for likely tenant types within the Retail, Professional Services, Entertainment, and Food Service industries. This was limited to businesses in Cayuga, Oswego, Madison, Wayne, and Seneca Counties. Data was used to determine average annual sales for each category of business.

Assumptions:

- 3 tenants each for retail, professional services, and food service. 1 entertainment tenant.
- Retail and food service sales will be 90% sales taxable, professional services will be 10% sales taxable, and entertainment will be 100% sales taxable.
- Limited or no sales tax in year 1 (2026/27) due to renovation and ramp up.

Calculation:

- Multiplied total anticipated taxable sales by 8% (sales tax rate) to get total estimated annual sales tax (\$711,850).
- Multiplied annual sales tax by 13 to get sales tax generation for life of the PILOT (\$9.25m).