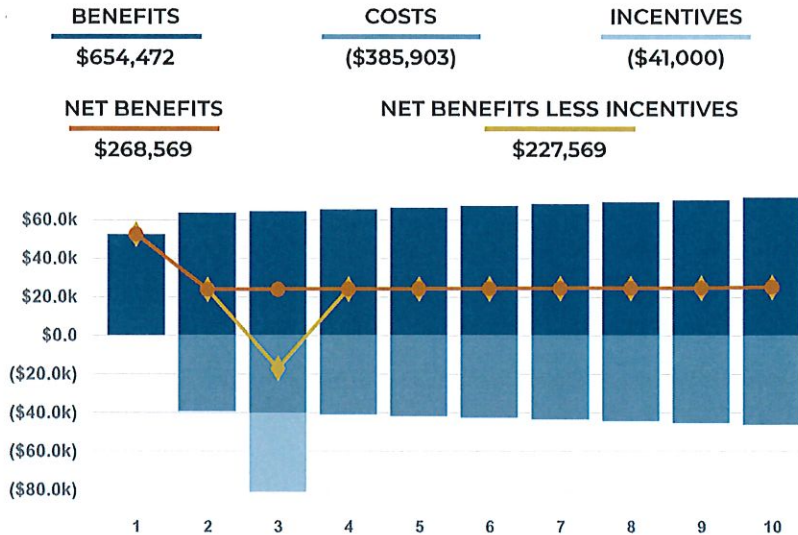


IMPACT REPORT

PROJECT MIKE

Project Mike - Incentive

Charlotte County



NET BENEFITS LESS INCENTIVES \$227,569

Present Value \$176,701

NET BENEFITS \$268,569

Present Value \$212,119

BENEFITS

Sales Taxes	\$18,160
Real Property Taxes	\$87,963
FF&E Property Taxes	\$17,642
New Residential Property Taxes	\$4,593
Tourist Development Taxes	\$0
Building Permits and Fees	\$8,857
Impact Fees	\$27,060
Charges for services	\$367,965
Operating grants and contributions	\$25,827
Capital grants and contributions	\$35,676
Other Benefits	\$60,728
Benefits Subtotal	\$654,472

COSTS

General government	(\$41,255)
Public Safety	(\$122,248)
Other Costs	(\$222,400)
Costs Subtotal	(\$385,903)

INCENTIVES

Non-Tax Incentive	(\$41,000)
Incentives Subtotal	(\$41,000)

JOB

32.9 Total
21.0 Direct
11.9 Spin-off

SALARIES

\$40,574 Avg
\$43,333 Direct
\$35,685 Spin-off

CAPITAL INVEST.

\$1,600,000
Buildings + FF&E

RESIDENTIAL DEV.

0.4 Homes
4.4 Relocations

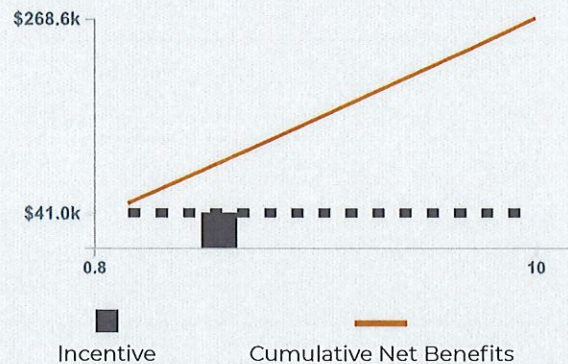
INCENTIVE ANALYSIS

\$41,000
Total Incentive

\$1,952
Per Job

65.5%
Rate of Return

0.8 Yrs
Payback Period



NET BENEFITS LESS INCENTIVES OVER 10 YEARS

COUNTY \$227,569

SCHOOL DISTRICT \$127,525

PUBLIC SAFETY UNIT \$44,789

OTHER \$7,501

Project Mike - Impact Report

Project Mike - Incentive



Prepared By: Charlotte County Economic Development Office

Purpose & Limitations

This report presents the results of an economic and fiscal analysis undertaken by Charlotte County Economic Development Office using Impact DashBoard, a customized web application developed by Impact DataSource, LLC.

Impact DashBoard utilizes estimates, assumptions, and other information developed by Impact DataSource from its independent research effort detailed in a custom user guide prepared for Charlotte County Economic Development Office.

This report, generated by the Impact DashBoard application, has been prepared by Charlotte County Economic Development Office to assist economic development stakeholders in making an evaluation of the economic and fiscal impact of business activity in the community. This report does not purport to contain all of the information that may be needed to conclude such an evaluation. This report is based on a variety of assumptions and contains forward-looking statements concerning the results of operations of the subject firm. Charlotte County Economic Development Office made reasonable efforts to ensure that the project-specific data entered into Impact DashBoard reflects realistic estimates of future activity. Estimates of future activity involve known and unknown risks and uncertainties that could cause actual results, performance, or events to differ materially from those expressed or implied in this report.

Charlotte County Economic Development Office and Impact DataSource make no representation or warranty as to the accuracy or completeness of the information contained herein, and expressly disclaim any and all liability based on or relating to any information contained in, or errors or omissions from, this information or based on or relating to the use of this information.

Introduction

This report presents the results of an economic impact analysis performed using Impact DashBoard, a model developed by Impact DataSource. The report estimates the impact that a potential project will have on the local economy and estimates the costs and benefits for local taxing districts over a 10-year period.

Description of the Project

A fiberglass boat manufacturer is looking to relocate to Charlotte County. They are proposing construction of a 20,000 sf manufacturing facility at a total cost of \$1,600,000 and purchasing 5 acres for \$175,000 (proposed property is now on the tax rolls as AG valued at \$1,080). They anticipate closing on the property September of 2020 with an immediate construction start. Anticipated opening date of September 2021.

Asking for a \$41,000 total incentive package, paid in cash after 1 year of operations (anticipated October 2022).

Economic Impact Overview

The table below summarizes the economic impact of the project over the first 10 years in terms of job creation, salaries paid to workers, and taxable sales.

SUMMARY OF ECONOMIC IMPACT OVER 10 YEARS IN CHARLOTTE COUNTY			
IMPACT	DIRECT	SPIN-OFF	TOTAL
Permanent jobs created	21.0	11.9	32.9
Salaries or wages paid to workers	\$8,876,644	\$4,124,976	\$13,001,620
Taxable sales and purchases expected in Charlotte County	\$1,560,497	\$464,060	\$2,024,557

Totals may not sum due to rounding

summarized below.

SUMMARY OF POPULATION IMPACT OVER 10 YEARS IN CHARLOTTE COUNTY			
IMPACT	DIRECT	SPIN-OFF	TOTAL
Workers who will move to Charlotte County	2.8	1.6	4.4
New residents in Charlotte County	7.4	4.2	11.5
New residential properties constructed in Charlotte County	0.3	0.2	0.4
New students to attend local school district	1.4	0.8	2.2

Totals may not sum due to rounding

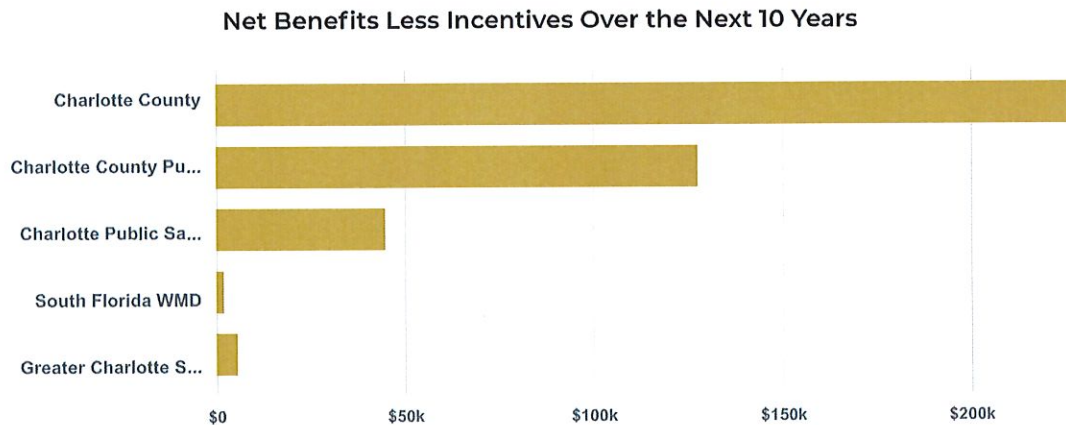
The new taxable property to be supported by the Project over the next 10 years is summarized in the following table.

SUMMARY OF TAXABLE PROPERTY OVER THE FIRST 10 YEARS IN CHARLOTTE COUNTY						
YR.	NEW RESIDENTIAL PROPERTY	LAND	BUILDINGS...	FF&E	NON-RESIDENTIAL PROPERTY	TOTAL PROPERTY
2020	\$0	\$175,000	\$1,100,000	\$500,000	\$1,775,000	\$1,775,000
2021	\$74,728	\$178,500	\$1,122,000	\$450,000	\$1,750,500	\$1,825,228
2022	\$76,223	\$182,070	\$1,144,440	\$400,000	\$1,726,510	\$1,802,733
2023	\$77,747	\$185,711	\$1,167,329	\$350,000	\$1,703,040	\$1,780,787
2024	\$79,302	\$189,426	\$1,190,675	\$300,000	\$1,680,101	\$1,759,403
2025	\$80,888	\$193,214	\$1,214,489	\$250,000	\$1,657,703	\$1,738,591
2026	\$82,506	\$197,078	\$1,238,779	\$200,000	\$1,635,857	\$1,718,363
2027	\$84,156	\$201,020	\$1,263,554	\$150,000	\$1,614,574	\$1,698,730
2028	\$85,839	\$205,040	\$1,288,825	\$100,000	\$1,593,866	\$1,679,705
2029	\$87,556	\$209,141	\$1,314,602	\$100,000	\$1,623,743	\$1,711,299

The Project will generate additional benefits and costs, a summary of which is provided below. The source of specific benefits and costs are provided in greater detail for each taxing district on subsequent pages.

FISCAL NET BENEFITS OVER THE NEXT 10 YEARS					
	BENEFITS	COSTS	INCENTIVES	NET BENEFITS LESS INCENTIVES	PRESENT VALUE*
Charlotte County	\$654,472	(\$385,903)	(\$41,000)	\$227,569	\$176,701
Charlotte County Public Schools	\$182,902	(\$55,377)	\$0	\$127,525	\$98,715
Charlotte Public Safety Unit	\$44,789	\$0	\$0	\$44,789	\$34,707
South Florida WMD	\$1,945	\$0	\$0	\$1,945	\$1,509
Greater Charlotte Street Lighting District	\$5,556	\$0	\$0	\$5,556	\$4,307
Total	\$889,663	(\$441,280)	(\$41,000)	\$407,383	\$315,940

*The Present Value of Net Benefits expresses the future stream of net benefits received over several years as a single value in today's dollars. Today's dollar and a dollar to be received at differing times in the future are not comparable because of the time value of money. The time value of money is the interest rate or each taxing entity's discount rate. This analysis uses a discount rate of 5.0% to make the dollars comparable.



Public Support Overview

A summary of the total Public Support modeled in this analysis is shown below.

VALUE OF PUBLIC SUPPORT UNDER CONSIDERATION		
	NON-TAX INCENTIVE	TOTAL
Charlotte County	\$41,000	\$41,000
Charlotte County Public Schools	\$0	\$0
Charlotte Public Safety Unit	\$0	\$0
South Florida WMD	\$0	\$0
Greater Charlotte Street Lighting District	\$0	\$0
Total	\$41,000	\$41,000

The table below displays the estimated additional benefits, costs, and net benefits to be received by Charlotte County over the next 10 years of the Project.

NET BENEFITS OVER 10 YEARS: CHARLOTTE COUNTY			
BENEFITS	PROJECT	HOUSEHOLDS	TOTAL
Sales Taxes	\$5,040	\$13,120	\$18,160
Real Property Taxes	\$87,963	\$0	\$87,963
FF&E Property Taxes	\$17,642	\$0	\$17,642
New Residential Property Taxes	\$0	\$4,593	\$4,593
Tourist Development Taxes	\$0	\$0	\$0
Building Permits and Fees	\$8,857	\$0	\$8,857
Impact Fees	\$27,060	\$0	\$27,060
Charges for services	\$288,761	\$79,204	\$367,965
Operating grants and contributions	\$20,268	\$5,560	\$25,827
Capital grants and contributions	\$27,999	\$7,678	\$35,676
Gasoline taxes	\$4,597	\$4,942	\$9,539
Other taxes	\$20,268	\$5,560	\$25,827
Miscellaneous	\$17,551	\$4,810	\$22,361
State Shared Revenue	\$0	\$3,000	\$3,000
Benefits Subtotal	\$526,005	\$128,467	\$654,472
COSTS	PROJECT	HOUSEHOLDS	TOTAL
General government	(\$32,386)	(\$8,869)	(\$41,255)
Public Safety	(\$95,905)	(\$26,343)	(\$122,248)
Physical Environment	(\$12,119)	(\$3,309)	(\$15,428)
Transportation	(\$49,102)	(\$13,502)	(\$62,604)
Economic Environment	(\$5,641)	(\$265)	(\$5,906)
Human Services	(\$1,880)	(\$4,059)	(\$5,940)
Culture and Recreation	(\$3,552)	(\$8,031)	(\$11,583)
Interest on Long-Term Debt	(\$2,298)	(\$662)	(\$2,960)
Water and Sewer	(\$69,578)	(\$19,106)	(\$88,684)
Solid Waste Collection and Disposal	(\$22,984)	(\$6,310)	(\$29,294)
Costs Subtotal	(\$295,447)	(\$90,456)	(\$385,903)
Net Benefits	\$230,558	\$38,011	\$268,569
INCENTIVES	PROJECT	HOUSEHOLDS	TOTAL
Non-Tax Incentive	(\$41,000)	\$0	(\$41,000)
Incentives Subtotal	(\$41,000)	\$0	(\$41,000)
Net Benefits Less Incentives	\$189,558	\$38,011	\$227,569

BENEFITS

\$654,472

COSTS

(\$385,903)

INCENTIVES

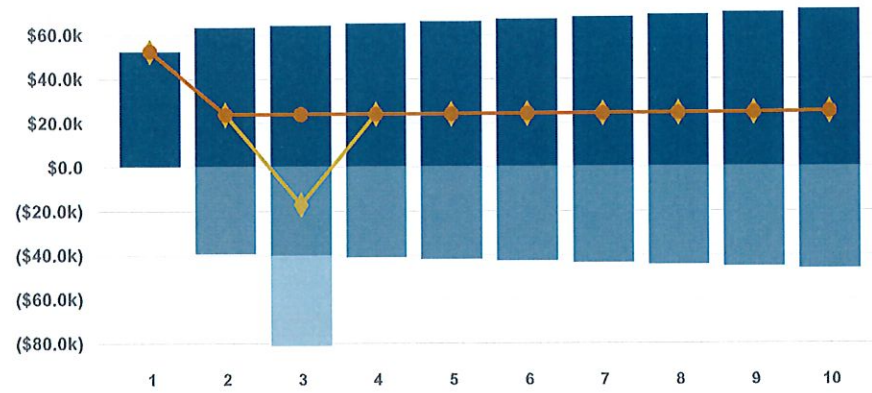
(\$41,000)

NET BENEFITS

\$268,569

NET BENEFITS LESS INCENTIVES

\$227,569

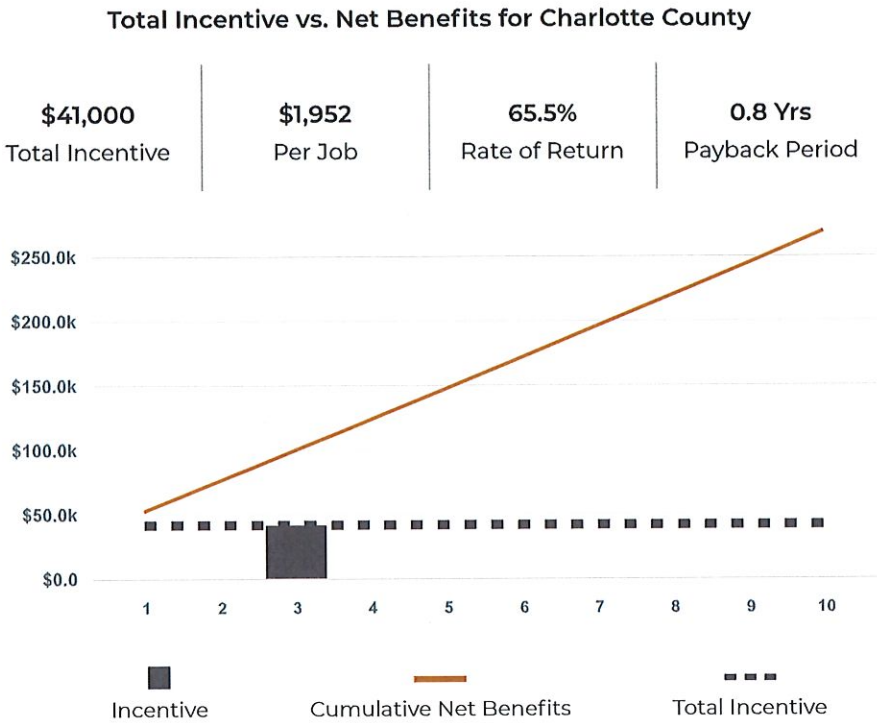


Total Incentives

Charlotte County is considering the following incentives for the Project.

INCENTIVES UNDER CONSIDERATION		
YEAR	NON-TAX INCENTIVE	TOTAL
1	\$0	\$0
2	\$0	\$0
3	\$41,000	\$41,000
Total	\$41,000	\$41,000

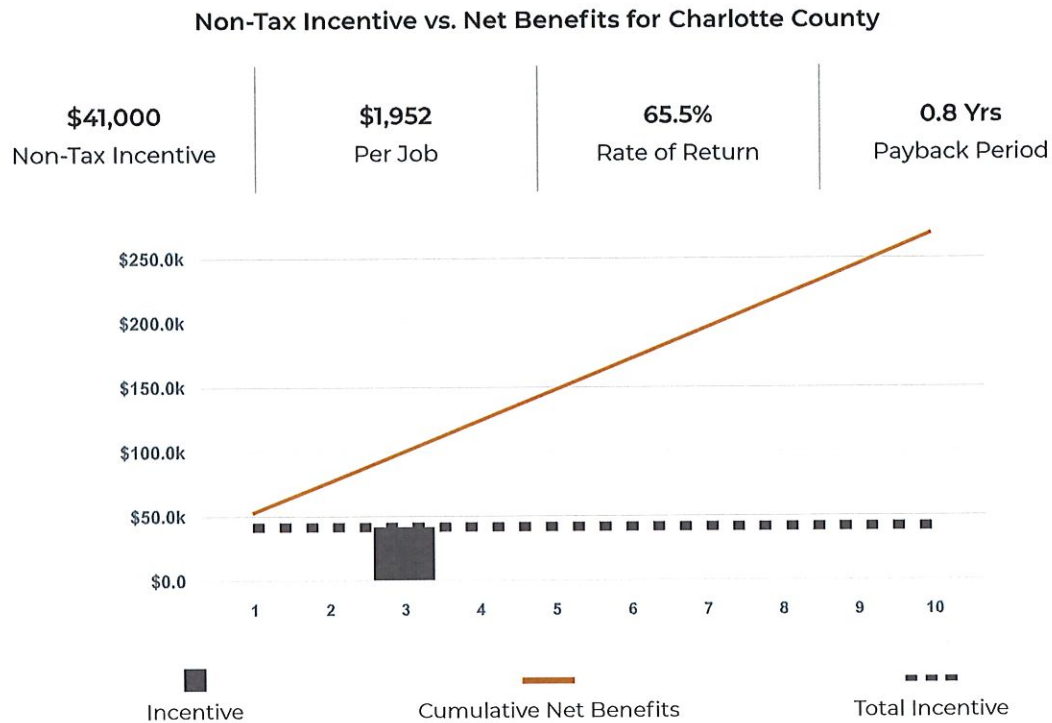
The graph below depicts the total incentives currently under consideration versus the cumulative net benefits to Charlotte County. The intersection indicates the length of time until the incentives are paid back.



Charlotte County is considering the following non-tax incentives for the Project.

NON-TAX INCENTIVES UNDER CONSIDERATION	
YEAR	NON-TAX INCENTIVE
1	\$0
2	\$0
3	\$41,000
Total	\$41,000

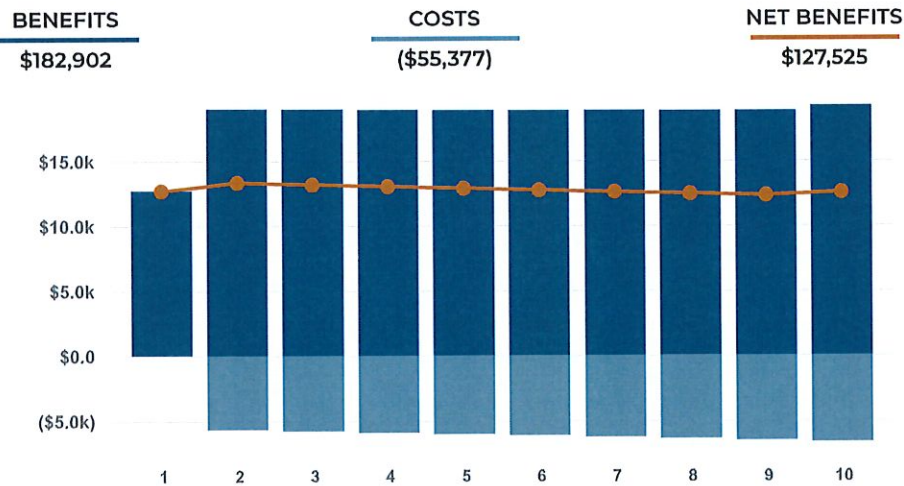
The graph below depicts the non-tax incentives modeled in this analysis versus the cumulative net benefits to Charlotte County. The intersection indicates the length of time until the incentives are paid back.



The table below displays the estimated additional benefits, costs, and net benefits to be received by Charlotte County Public Schools over the next 10 years of the Project.

NET BENEFITS OVER 10 YEARS: CHARLOTTE COUNTY PUBLIC SCHOOLS			
BENEFITS	PROJECT	HOUSEHOLDS	TOTAL
Real Property Taxes	\$99,681	\$0	\$99,681
FF&E Property Taxes	\$19,992	\$0	\$19,992
New Residential Property Taxes	\$0	\$5,205	\$5,205
Addtl. State & Federal School Funding	\$0	\$58,024	\$58,024
Benefits Subtotal	\$119,673	\$63,229	\$182,902
COSTS	PROJECT	HOUSEHOLDS	TOTAL
Cost to Educate New Students	\$0	(\$55,377)	(\$55,377)
Costs Subtotal	\$0	(\$55,377)	(\$55,377)
Net Benefits	\$119,673	\$7,852	\$127,525

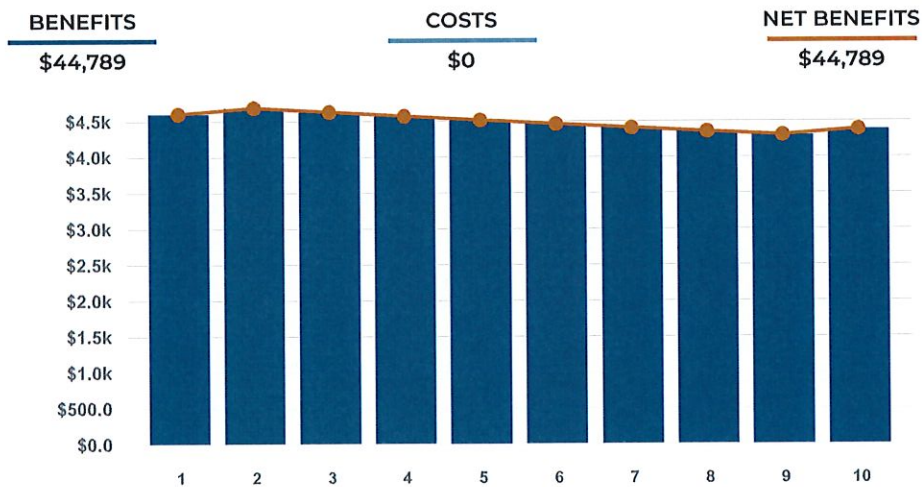
Annual Fiscal Net Benefits for Charlotte County Public Schools



The table below displays the estimated additional benefits, costs, and net benefits to be received by Charlotte Public Safety Unit over the next 10 years of the Project.

NET BENEFITS OVER 10 YEARS: CHARLOTTE PUBLIC SAFETY UNIT			
BENEFITS	PROJECT	HOUSEHOLDS	TOTAL
Real Property Taxes	\$36,096	\$0	\$36,096
FF&E Property Taxes	\$7,239	\$0	\$7,239
New Residential Property Taxes	\$0	\$1,453	\$1,453
Benefits Subtotal	\$43,335	\$1,453	\$44,789
COSTS	PROJECT	HOUSEHOLDS	TOTAL
None Estimated	\$0	\$0	\$0
Costs Subtotal	\$0	\$0	\$0
Net Benefits	\$43,335	\$1,453	\$44,789

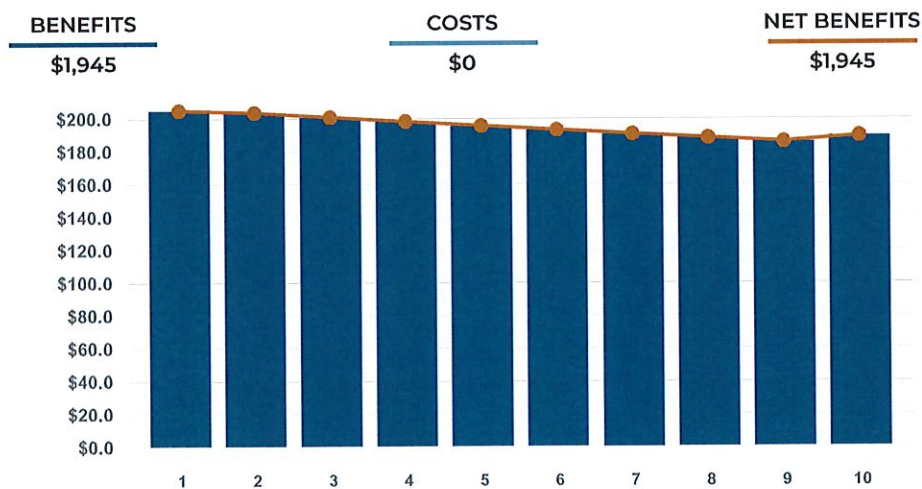
Annual Fiscal Net Benefits for Charlotte Public Safety Unit



The table below displays the estimated additional benefits, costs, and net benefits to be received by South Florida WMD over the next 10 years of the Project.

NET BENEFITS OVER 10 YEARS: SOUTH FLORIDA WMD			
BENEFITS	PROJECT	HOUSEHOLDS	TOTAL
Real Property Taxes	\$1,608	\$0	\$1,608
FF&E Property Taxes	\$323	\$0	\$323
New Residential Property Taxes	\$0	\$14	\$14
Benefits Subtotal	\$1,931	\$14	\$1,945
COSTS	PROJECT	HOUSEHOLDS	TOTAL
None Estimated	\$0	\$0	\$0
Costs Subtotal	\$0	\$0	\$0
Net Benefits	\$1,931	\$14	\$1,945

Annual Fiscal Net Benefits for South Florida WMD

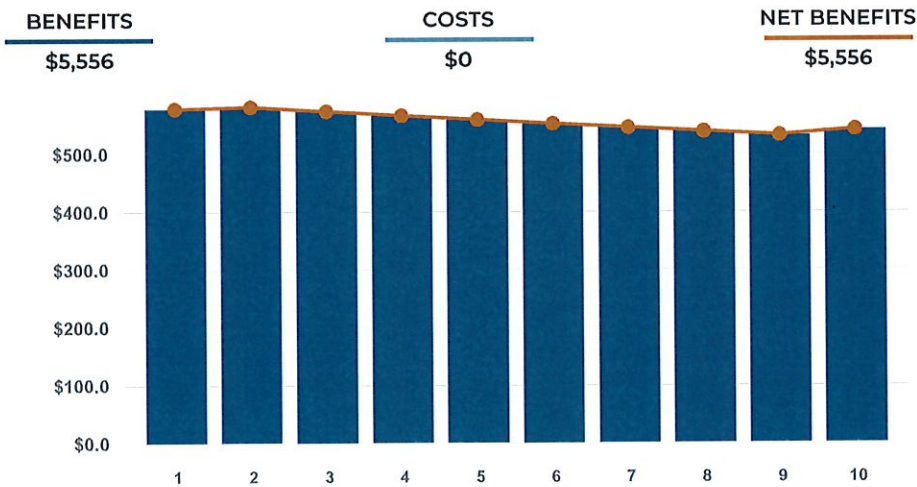


Greater Charlotte Street Lighting District Fiscal Impact

The table below displays the estimated additional benefits, costs, and net benefits to be received by Greater Charlotte Street Lighting District over the next 10 years of the Project.

NET BENEFITS OVER 10 YEARS: GREATER CHARLOTTE STREET LIGHTING DISTRICT			
BENEFITS	PROJECT	HOUSEHOLDS	TOTAL
Real Property Taxes	\$4,537	\$0	\$4,537
FF&E Property Taxes	\$910	\$0	\$910
New Residential Property Taxes	\$0	\$109	\$109
Benefits Subtotal	\$5,447	\$109	\$5,556
COSTS	PROJECT	HOUSEHOLDS	TOTAL
None Estimated	\$0	\$0	\$0
Costs Subtotal	\$0	\$0	\$0
Net Benefits	\$5,447	\$109	\$5,556

Annual Fiscal Net Benefits for Greater Charlotte Street Lighting District



Overview of Methodology

The Impact DashBoard model combines project-specific attributes with community data, tax rates, and assumptions to estimate the economic impact of the Project and the fiscal impact for local taxing districts over a 10-year period.

The economic impact as calculated in this report can be categorized into two main types of impacts. First, the direct economic impacts are the jobs and payroll directly created by the Project. Second, this economic impact analysis calculates the spin-off or indirect and induced impacts that result from the Project. Indirect jobs and salaries are created in new or existing area firms, such as maintenance companies and service firms, that may supply goods and services for the Project. In addition, induced jobs and salaries are created in new or existing local businesses, such as retail stores, gas stations, banks, restaurants, and service companies that may supply goods and services to new workers and their families.

The economic impact estimates in this report are based on the Regional Input-Output Modeling System (RIMS II), a widely used regional input-output model developed by the U. S. Department of Commerce, Bureau of Economic Analysis. The RIMS II model is a standard tool used to estimate regional economic impacts. The economic impacts estimated using the RIMS II model are generally recognized as reasonable and plausible assuming the data input into the model is accurate or based on reasonable assumptions. Impact DataSource utilizes adjusted county-level multipliers to estimate the impact occurring at the sub-county level.

Two types of regional economic multipliers were used in this analysis: an employment multiplier and an earnings multiplier. An employment multiplier was used to estimate the number of indirect and induced jobs created or supported in the area. An earnings multiplier was used to estimate the amount of salaries to be paid to workers in these new indirect and induced jobs. The employment multiplier shows the estimated number of total jobs created for each direct job. The earnings multiplier shows the estimated amount of total salaries paid to these workers for every dollar paid to a direct worker. The multipliers used in this analysis are listed below:

336612 BOAT BUILDING		CHARLOTTE COUNTY
Employment Multiplier	(Type II Direct Effect)	1.5643
Earnings Multiplier	(Type II Direct Effect)	1.4647

Most of the revenues estimated in this study result from calculations relying on (1) attributes of the Project, (2) assumptions to derive the value of associated taxable property or sales, and (3) local tax rates. In some cases, revenues are estimated on a per new household, per new worker, or per new school student basis.

The company or Project developer was not asked, nor could reasonably provide data for calculating some other revenues. For example, while the city will likely receive revenues from fines paid on speeding tickets given to new workers, the company does not know the propensity of its workers to speed. Therefore, some revenues are calculated using an average revenue approach.

This approach uses relies on two assumptions:

1. The taxing entity has two general revenue sources: revenues from residents and revenues from businesses.
2. The taxing entity will collect (a) about the same amount of miscellaneous taxes and user fees from each new household that results from the Project as it currently collects from existing households on average, and (b) the same amount of miscellaneous taxes and user fees from the new business (on a per worker basis) will be collected as it collects from existing businesses.

In the case of the school district, some additional state and federal revenues are estimated on a per new school student basis consistent with historical funding levels.

Additionally, this analysis sought to estimate the additional expenditures faced by local jurisdictions to provide services to new households and new businesses. A marginal cost approach was used to calculate these additional costs.

This approach relies on two assumptions:

1. The taxing entity spends money on services for two general groups: revenues from residents and revenues from businesses.
2. The taxing entity will spend slightly less than its current average cost to provide local government services (police, fire, EMS, etc.) to (a) new residents and (b) businesses on a per worker basis.

In the case of the school district, the marginal cost to educate new students was estimated based on a portion of the school's current expenditures per student and applied to the headcount of new school students resulting from the Project.

About Impact DataSource

Established in 1993, Impact DataSource is an Austin, Texas-based economic consulting firm. Impact DataSource provides high-quality economic research, specializing in economic and fiscal impact analyses. The company is highly focused on supporting economic development professionals and organizations through its consulting services and software. Impact DataSource has conducted thousands of economic impact analyses of new businesses, retention and expansion projects, developments, and activities in all industry groups throughout the U.S.

For more information on Impact DataSource, LLC and our product Impact DashBoard, please visit our website www.impactdatasource.com

