



Economic Impact Study for Relocation of Cooksey Warehousing to Jefferson County Ind. Park Assumptions, supplied by Jefferson Co. EDC and Sarah Cooksey:

Projected cost of building and grounds is \$700,000. The Cookseys convey 7.4 acres back to County and allow County to use \$59,200 purchase price towards construction cost. Also providing architectural plans and drawings for which they paid approximately \$20,000.

Will lease with option to purchase.

Years 1-4 \$7500 per month 90,000 per Annum \$360,000 through year 4

Years 5-6 \$7800 per month 93,600 per Annum \$187,200; \$547,200 through year 6

If purchased back from County at FMV, \$700,000 County investment in structure is repaid.

Ad Valorem Value: On Purchase to Client
Taxable 2011 value of acreage: \$125,282

Ad Valorem taxes paid in 2011: \$2,027

Net loss of \$2,027 per annum while under construction and lease.

After conveyance back to owner, Jefferson Property Appraiser anticipates Ad Valorem revenues of \$12,247 per year

2011 gross annual sales: 2.6 million Cost of Goods Value added Output ≈ \$900,000

Direct Employment: General warehouse labor, customer service reps, IT employees, bookkeeper, floor manager, wholesale sales manager and team, custodian.

Jobs retained: 9 Relocated positions from Leon County

Jobs created: 5 @ year 1, 10 by year 5 15 by year 10

Total 14 19 24

Average salary (2012): \$26,000

Initial Payroll paid out in Jefferson County in 2014: 14 x 26000 ≈ \$375,000

No.Employees	14	14	19	24	24
Annual Payroll	2014	2015	2020	2025	2030
w/ 1.5% COLA	\$ 375,002	\$ 380,627	\$ 547,559	\$ 733,153	\$ 777,142
w/ 1.3% COLA	\$ 386,168	\$ 397,753	\$ 620,778	\$ 901,762	\$ 1,037,026

Induced Employment: REMI PI+[®] predicts induced non-farm employment of approximately 1 position per five positions at facility, elsewhere in Jefferson County.

2010 gross annual sales ≈ \$2.6M Cost of Goods ≈ \$1.7M; Value added Output ≈ \$900,000

Regional Effects on Jefferson County: REMI BizDev[®] is an economic analytical tool that uses known relationships between economic forces to predict external effects of the project. The scenario was set up using the following inputs based on information from the developer:

After start up, the current employment would increase from nine to 14 with increases programmed increases of 5 additional employees at 5-yr intervals. This is considered conservative and is entirely dependent on an improving economy. There is also an assumed 1.5% COLA increase in salaries, this is considered minimal to maintain a workforce. The model also includes a current value of sales over cost of goods and expands the company by only 5% per year, (less than recent expansion). These revenues come into the County from the nation and are external inputs to the local economy. The temporary impacts of construction are not modeled and as the variables of short vs. long term lease are undetermined, those impacts are not modeled. A fifteen year run was selected from 2014 through 2029.

Based on the above assumptions, BizDev's results show an increase in employment above the baseline of 24 new Jefferson County positions employed by the developer. Bringing the operation would increase GDP of the County from about \$0.7M initially to over \$2M in 2029. General welfare of the County's population would be affected as well with increases in Personal Income and Disposable Personal Income as shown on the attached Biz Dev report.