



**EDD**

ECONOMIC  
DEVELOPMENT  
DEPARTMENT

11/9/2022

## FISCAL IMPACT ANALYSIS AND ECONOMIC IMPACT OF ACTUAL LEDA PROJECT

This analysis is of a project that is 5 years into its expansion  
years 1-5 are actual numbers years 6-10 anticipate no new  
growth just a flat line during those 5 years







## Purpose and Limitations:

This report and analysis, provided by the New Mexico Economic Development Department, relies on prospective estimates of business activity. These estimates, which are provided by the company, may not be realized due to unforeseen events that are outside the control of the company and unknown to the New Mexico Economic Development Department.

The New Mexico Economic Development Department made reasonable efforts to ensure that the estimates provided by the company, are realistic estimates of future activity.

The model was created by the New Mexico Economic Development Economists and used assumptions to generate the final report. The report and analysis provided by the New Mexico Economic Development Department is not a guarantee that any of the estimates or results contained in this report will actually be achieved.

## Introduction:

This report and analysis presents the results of an economic impact analysis performed using a model developed by the New Mexico Economic Development Department. The report estimates the impact that a potential project may have on the state and local economies and estimates the costs and benefits for the state and local economies over a 10-year period. The report and analysis uses RIMS II Multipliers produced by the U.S. Bureau of Economic Analysis (BEA).

Most projects produce a growth in population and/or a growth in the workforce in a City, County and the State of New Mexico. All growth comes at a cost, the additional economic activity and population growth stimulated by the project will generate additional costs in terms of providing basic infrastructure (roadways, bridges and utilities) and public services (including public safety, schools and administrative services). For example, if the applicant hires employees from outside the State, County and City, those workers who end up relocating their residence to within one or all of those areas, the population for which the government must provide services also increases. The costs associated with the expansion are broken down into two categories: 1) New residents to the State, County and City. 2) New Mexican residents hired to work for the company. The analysis assumes that all workers will live in the area of the expansion.

## Description of the Company:

0

## Description of the Project:

0





# Total Impacts

## Fiscal Impact of Existing and Expanded Operations Over the Next Ten Years

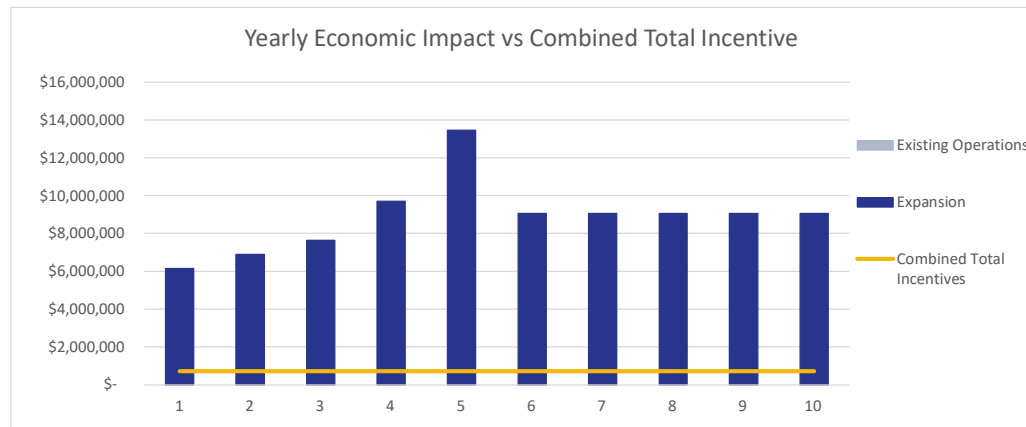
Cumulative Net Benefits					
	Existing Operations	Expansion	Existing & Expanded Operations	Present Value of Net Benefits*	
State of New Mexico	\$ -	\$ 3,708,866	\$ 3,708,866	\$	2,945,965
County	\$ -	\$ 729,953	\$ 729,953	\$	605,103
City	\$ -	\$ 1,475,664	\$ 1,475,664	\$	1,235,466
School District	\$ -	\$ 174,198	\$ 174,198	\$	137,951
Special Taxing District	\$ -	\$ 159,984	\$ 159,984	\$	126,695
<b>Total</b>	<b>\$ -</b>	<b>\$ 6,248,665</b>	<b>\$ 6,248,665</b>	<b>\$</b>	<b>5,051,180</b>

\* 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% to make the dollars comparable.

\*\* In the cumulative net benefits of the existing and expanded operations for the State of New Mexico, corporate income tax has been removed from the existing operations total to avoid double counting.

## Total Economic Impact

	Total
Estimated Economic Impact Over 10 Years:	\$ 89,110,169
Combined Total Incentive Over 10 Years:	\$ 717,000
Economic Impact Rate of Return:	12,328%

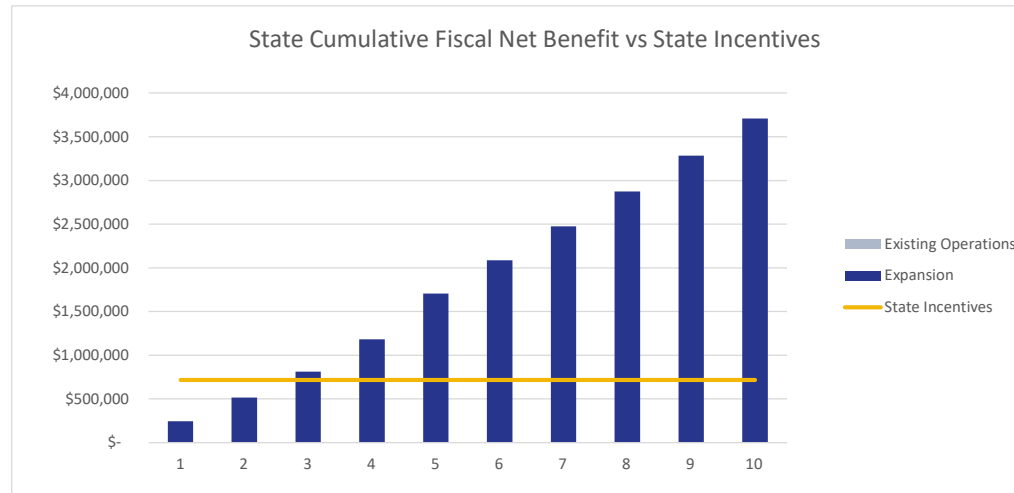


## Workers and New Residents over 10 years

	Direct	Indirect and Induced
Number of Jobs Created:	150	173
Estimated Number of Construction Workers:	25	
Estimated Number of New Residents to the State:	0	
Estimated Number of New Residents to the County:	0	
Estimated Number of New Residents to the City:	0	

# State Impacts





#### Incentives

Total State Incentive:	\$ 717,000
State Incentive Per Job:	\$ 4,780

#### Combined Payback and Return

State Payback Period Combined:	2.67 Years
State Rate of Return Combined:	311%

#### Expansion Only Payback and Return

State Payback Period Expansion:	2.67 Years
State Rate of Return Expansion:	311%

#### State Net Benefits Of Current Operations

Year	Benefits		Costs		Net Benefits		Cumulative Net Benefits
1	\$	-	\$	-	\$	-	\$ -
2	\$	-	\$	-	\$	-	\$ -
3	\$	-	\$	-	\$	-	\$ -
4	\$	-	\$	-	\$	-	\$ -
5	\$	-	\$	-	\$	-	\$ -
6	\$	-	\$	-	\$	-	\$ -
7	\$	-	\$	-	\$	-	\$ -
8	\$	-	\$	-	\$	-	\$ -
9	\$	-	\$	-	\$	-	\$ -
10	\$	-	\$	-	\$	-	\$ -



### State Net Benefits Of Expansion

Year	Benefits	Costs	Net Benefits	Cumulative Net Benefits
1	\$ 247,903	\$ -	\$ 247,903	\$ 247,903
2	\$ 271,652	\$ -	\$ 271,652	\$ 519,555
3	\$ 293,284	\$ -	\$ 293,284	\$ 812,839
4	\$ 370,896	\$ -	\$ 370,896	\$ 1,183,735
5	\$ 525,053	\$ -	\$ 525,053	\$ 1,708,788
6	\$ 378,233	\$ -	\$ 378,233	\$ 2,087,021
7	\$ 388,824	\$ -	\$ 388,824	\$ 2,475,845
8	\$ 399,711	\$ -	\$ 399,711	\$ 2,875,556
9	\$ 410,903	\$ -	\$ 410,903	\$ 3,286,458
10	\$ 422,408	\$ -	\$ 422,408	\$ 3,708,866

### State Combined Net Benefits

Year	Benefits	Costs	Net Benefits	Cumulative Net Benefits
1	\$ 247,903	\$ -	\$ 247,903	\$ 247,903
2	\$ 271,652	\$ -	\$ 271,652	\$ 519,555
3	\$ 293,284	\$ -	\$ 293,284	\$ 812,839
4	\$ 370,896	\$ -	\$ 370,896	\$ 1,183,735
5	\$ 525,053	\$ -	\$ 525,053	\$ 1,708,788
6	\$ 378,233	\$ -	\$ 378,233	\$ 2,087,021
7	\$ 388,824	\$ -	\$ 388,824	\$ 2,475,845
8	\$ 399,711	\$ -	\$ 399,711	\$ 2,875,556
9	\$ 410,903	\$ -	\$ 410,903	\$ 3,286,458
10	\$ 422,408	\$ -	\$ 422,408	\$ 3,708,866

### State Breakdown of Combined Benefits, Costs, and Net Benefits Over the Next 10 Years

#### Taxes and Revenue

Gross Receipt Taxes	\$ 1,722,800
Personal Income Taxes	\$ 1,986,066
Corporate Income Taxes	\$ -
Misc. Taxes and Revenue	\$ -
<b>Subtotal of Benefits</b>	<b>\$ 3,708,866</b>

#### Costs

Costs	\$ -
<b>Subtotal of Costs</b>	<b>\$ -</b>

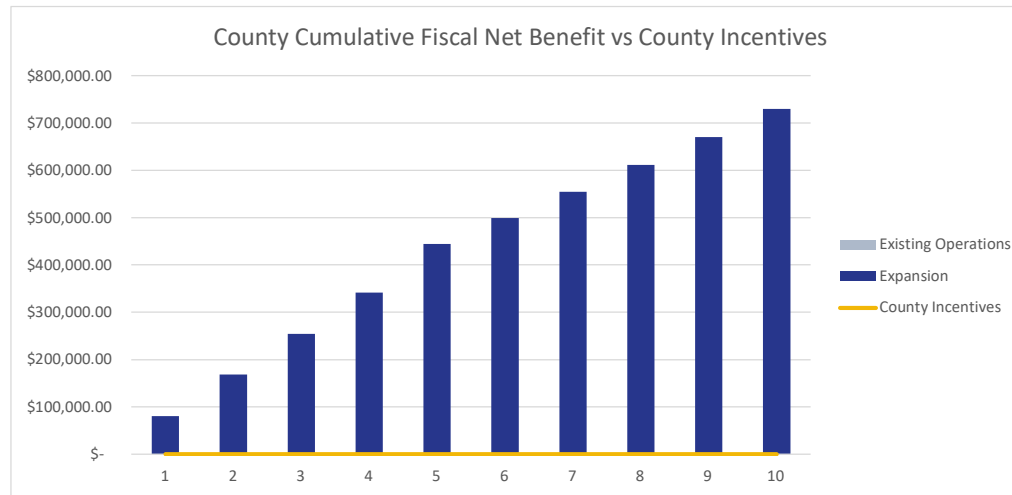
#### Net Benefits

<b>Net Benefits</b>	<b>\$ 3,708,866</b>
<b>Present Value</b>	<b>\$ 2,945,965</b>



# County Impacts





#### Incentives

Total County Incentive:	\$	-
County Incentive Per Job:	\$	-

#### Combined Payback and Return

County Payback Period Combined:	-	Years
County Rate of Return Combined:	N/A	

#### Expansion Only Payback and Return

County Payback Period Expansion:	-	Years
County Rate of Return Expansion:	N/A	

#### County Net Benefits Of Current Operations

Year	Benefits	Costs	Net Benefits	Cumulative Net Benefits
1	\$ -	\$ -	\$ -	\$ -
2	\$ -	\$ -	\$ -	\$ -
3	\$ -	\$ -	\$ -	\$ -
4	\$ -	\$ -	\$ -	\$ -
5	\$ -	\$ -	\$ -	\$ -
6	\$ -	\$ -	\$ -	\$ -
7	\$ -	\$ -	\$ -	\$ -
8	\$ -	\$ -	\$ -	\$ -
9	\$ -	\$ -	\$ -	\$ -
10	\$ -	\$ -	\$ -	\$ -

### County Net Benefits Of Expansion

Year	Benefits		Costs	Net Benefits		Cumulative Net Benefits
1	\$	80,356	\$ -	\$	80,356	\$ 80,356
2	\$	88,494	\$ -	\$	88,494	\$ 168,850
3	\$	85,597	\$ -	\$	85,597	\$ 254,447
4	\$	87,555	\$ -	\$	87,555	\$ 342,003
5	\$	102,496	\$ -	\$	102,496	\$ 444,498
6	\$	54,364	\$ -	\$	54,364	\$ 498,863
7	\$	55,693	\$ -	\$	55,693	\$ 554,556
8	\$	57,057	\$ -	\$	57,057	\$ 611,613
9	\$	58,452	\$ -	\$	58,452	\$ 670,065
10	\$	59,887	\$ -	\$	59,887	\$ 729,953

### County Combined Net Benefits

Year	Benefits		Costs	Net Benefits		Cumulative Net Benefits
1	\$	80,356	\$ -	\$	80,356	\$ 80,356
2	\$	88,494	\$ -	\$	88,494	\$ 168,850
3	\$	85,597	\$ -	\$	85,597	\$ 254,447
4	\$	87,555	\$ -	\$	87,555	\$ 342,003
5	\$	102,496	\$ -	\$	102,496	\$ 444,498
6	\$	54,364	\$ -	\$	54,364	\$ 498,863
7	\$	55,693	\$ -	\$	55,693	\$ 554,556
8	\$	57,057	\$ -	\$	57,057	\$ 611,613
9	\$	58,452	\$ -	\$	58,452	\$ 670,065
10	\$	59,887	\$ -	\$	59,887	\$ 729,953

### County Breakdown of Combined Benefits, Costs, and Net Benefits Over the Next 10 Years

#### Taxes and Revenue

Gross Receipt Taxes	\$	541,940
Misc. Taxes and Revenue	\$	-
Property Taxes	\$	188,012
<b>Subtotal of Benefits</b>	<b>\$</b>	<b>729,953</b>

#### Costs

Costs	\$	-
<b>Subtotal of Costs</b>	<b>\$</b>	<b>-</b>

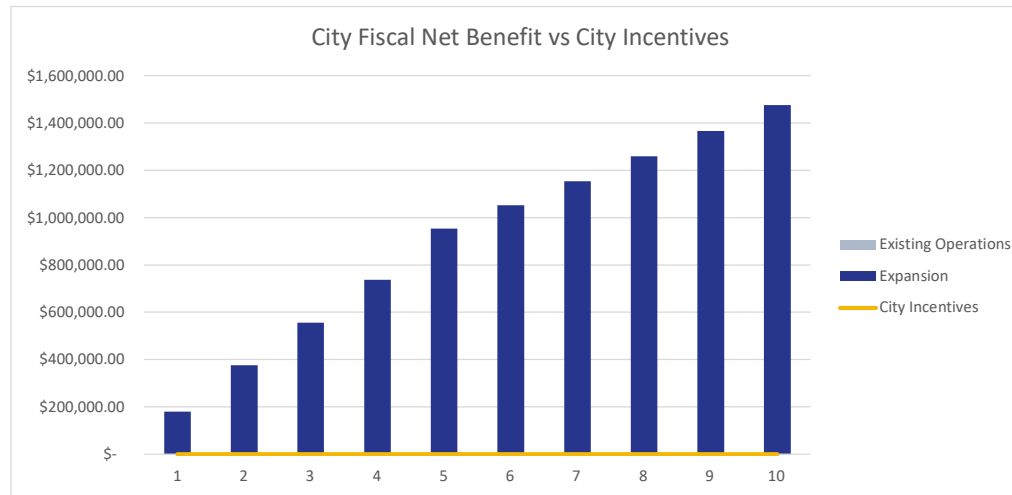
#### Net Benefits

<b>Net Benefits</b>	<b>\$</b>	<b>729,953</b>
<b>Present Value</b>	<b>\$</b>	<b>605,103</b>



# City Impacts





#### Incentives

Total City Incentive:	\$	-
City Incentive Per Job:	\$	-

#### Combined Payback and Return

City Payback Period Combined:	-	Years
City Rate of Return Combined:	N/A	

#### Expansion Only Payback and Return

City Payback Period Expansion:	-	Years
City Rate of Return Expansion:	N/A	

#### City Net Benefits Of Current Operations

Year	Benefits		Costs		Net Benefits		Cumulative Net Benefits
1	\$	-	\$	-	\$	-	\$ -
2	\$	-	\$	-	\$	-	\$ -
3	\$	-	\$	-	\$	-	\$ -
4	\$	-	\$	-	\$	-	\$ -
5	\$	-	\$	-	\$	-	\$ -
6	\$	-	\$	-	\$	-	\$ -
7	\$	-	\$	-	\$	-	\$ -
8	\$	-	\$	-	\$	-	\$ -
9	\$	-	\$	-	\$	-	\$ -
10	\$	-	\$	-	\$	-	\$ -

### City Net Benefits Of Expansion

Year	Benefits		Costs	Net Benefits		Cumulative Net Benefits
1	\$	177,026	\$ (3,278)	\$	180,304	\$ 180,304
2	\$	192,970	\$ (3,404)	\$	196,374	\$ 376,678
3	\$	175,576	\$ (3,438)	\$	179,013	\$ 555,691
4	\$	178,058	\$ (3,472)	\$	181,530	\$ 737,221
5	\$	212,629	\$ (3,507)	\$	216,136	\$ 953,357
6	\$	99,133	\$ -	\$	99,133	\$ 1,052,490
7	\$	101,727	\$ -	\$	101,727	\$ 1,154,217
8	\$	104,391	\$ -	\$	104,391	\$ 1,258,608
9	\$	107,123	\$ -	\$	107,123	\$ 1,365,731
10	\$	109,933	\$ -	\$	109,933	\$ 1,475,664

### City Combined Net Benefits

Year	Benefits		Costs	Net Benefits		Cumulative Net Benefits
1	\$	177,026	\$ (3,278)	\$	180,304	\$ 180,304
2	\$	192,970	\$ (3,404)	\$	196,374	\$ 376,678
3	\$	175,576	\$ (3,438)	\$	179,013	\$ 555,691
4	\$	178,058	\$ (3,472)	\$	181,530	\$ 737,221
5	\$	212,629	\$ (3,507)	\$	216,136	\$ 953,357
6	\$	99,133	\$ -	\$	99,133	\$ 1,052,490
7	\$	101,727	\$ -	\$	101,727	\$ 1,154,217
8	\$	104,391	\$ -	\$	104,391	\$ 1,258,608
9	\$	107,123	\$ -	\$	107,123	\$ 1,365,731
10	\$	109,933	\$ -	\$	109,933	\$ 1,475,664

### City Breakdown of Combined Benefits, Costs, and Net Benefits Over the Next 10 Years

#### Taxes and Revenue

Gross Receipt Taxes	\$	1,272,134
Misc. Taxes and Revenue	\$	9,218
Property Taxes	\$	177,213
<b>Subtotal of Benefits</b>	<b>\$</b>	<b>1,458,565</b>

#### Costs

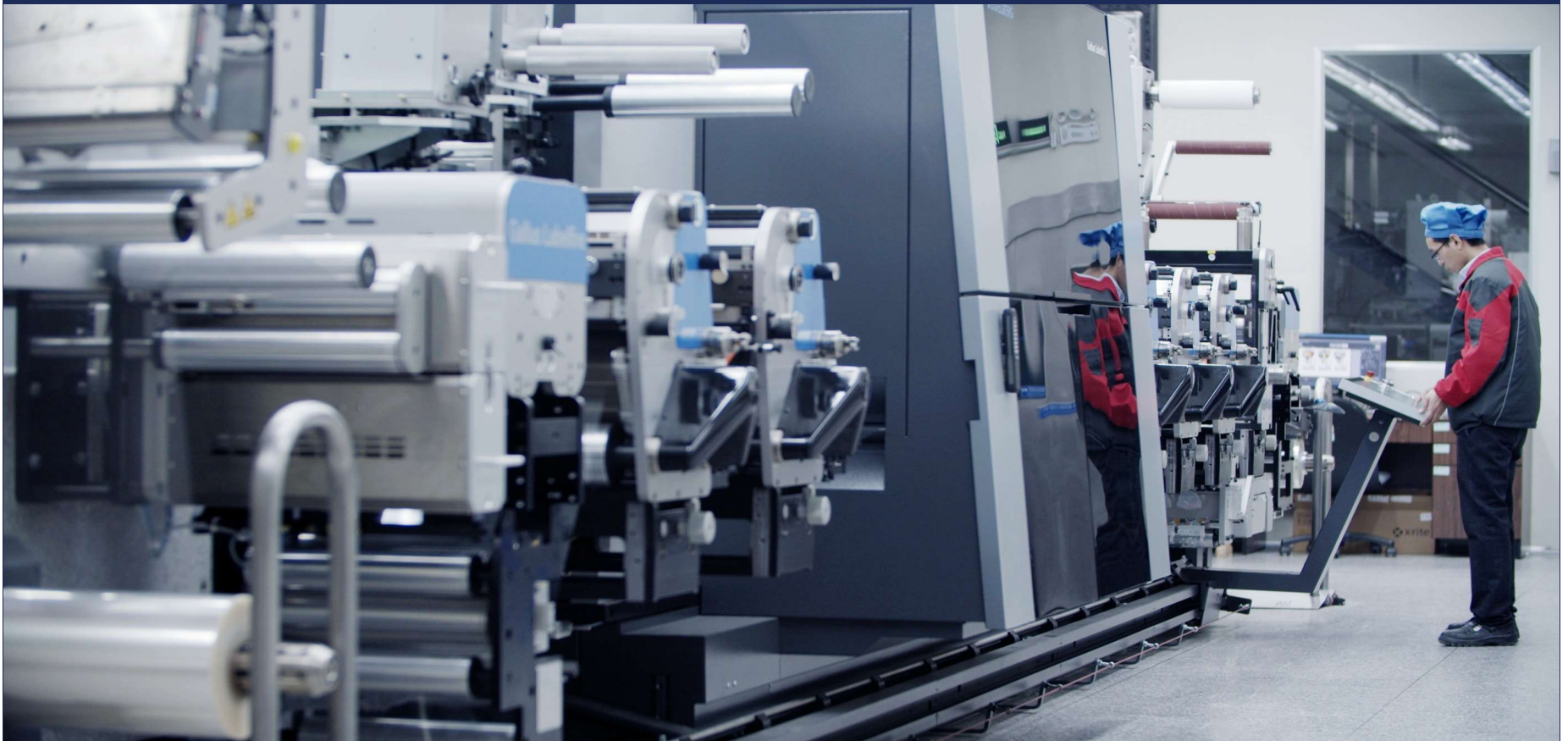
Costs	\$	(17,098)
<b>Subtotal of Costs</b>	<b>\$</b>	<b>(17,098)</b>

#### Net Benefits

<b>Net Benefits</b>	<b>\$</b>	<b>1,475,664</b>
<b>Present Value</b>	<b>\$</b>	<b>1,235,466</b>



# Special Taxing District and Public Schools



# Special Taxing District

## Special Taxing District Net Benefits of Current Operations

Year	Benefits		Costs		Net Benefits		Cumulative Net Benefits
1	\$	-	\$	-	\$	-	\$ -
2	\$	-	\$	-	\$	-	\$ -
3	\$	-	\$	-	\$	-	\$ -
4	\$	-	\$	-	\$	-	\$ -
5	\$	-	\$	-	\$	-	\$ -
6	\$	-	\$	-	\$	-	\$ -
7	\$	-	\$	-	\$	-	\$ -
8	\$	-	\$	-	\$	-	\$ -
9	\$	-	\$	-	\$	-	\$ -
10	\$	-	\$	-	\$	-	\$ -

## Special District Net Benefits of Expansion

Year	Benefits		Costs		Net Benefits		Cumulative Net Benefits
1	\$	7,026	\$	-	\$	7,026	\$ 7,026
2	\$	13,543	\$	-	\$	13,543	\$ 20,569
3	\$	16,337	\$	-	\$	16,337	\$ 36,906
4	\$	16,637	\$	-	\$	16,637	\$ 53,543
5	\$	16,940	\$	-	\$	16,940	\$ 70,483
6	\$	17,251	\$	-	\$	17,251	\$ 87,734
7	\$	17,569	\$	-	\$	17,569	\$ 105,303
8	\$	17,895	\$	-	\$	17,895	\$ 123,198
9	\$	18,224	\$	-	\$	18,224	\$ 141,422
10	\$	18,563	\$	-	\$	18,563	\$ 159,984

## Special District Combined Net Benefits

Year	Benefits		Costs		Net Benefits		Cumulative Net Benefits
1	\$	7,026	\$	-	\$	7,026	\$ 7,026
2	\$	13,543	\$	-	\$	13,543	\$ 20,569
3	\$	16,337	\$	-	\$	16,337	\$ 36,906
4	\$	16,637	\$	-	\$	16,637	\$ 53,543
5	\$	16,940	\$	-	\$	16,940	\$ 70,483
6	\$	17,251	\$	-	\$	17,251	\$ 87,734
7	\$	17,569	\$	-	\$	17,569	\$ 105,303
8	\$	17,895	\$	-	\$	17,895	\$ 123,198
9	\$	18,224	\$	-	\$	18,224	\$ 141,422
10	\$	18,563	\$	-	\$	18,563	\$ 159,984

# Public Schools

## Public Schools Net Benefits of Current Operations

Year	Benefits		Costs		Net Benefits		Cumulative Net Benefits
1	\$	-	\$	-	\$	-	\$ -
2	\$	-	\$	-	\$	-	\$ -
3	\$	-	\$	-	\$	-	\$ -
4	\$	-	\$	-	\$	-	\$ -
5	\$	-	\$	-	\$	-	\$ -
6	\$	-	\$	-	\$	-	\$ -
7	\$	-	\$	-	\$	-	\$ -
8	\$	-	\$	-	\$	-	\$ -
9	\$	-	\$	-	\$	-	\$ -
10	\$	-	\$	-	\$	-	\$ -

## Public Schools Net Benefits of Expansion

Year	Benefits		Costs		Net Benefits		Cumulative Net Benefits
1	\$	7,651	\$	-	\$	7,651	\$ 7,651
2	\$	14,746	\$	-	\$	14,746	\$ 22,397
3	\$	17,788	\$	-	\$	17,788	\$ 40,185
4	\$	18,115	\$	-	\$	18,115	\$ 58,300
5	\$	18,445	\$	-	\$	18,445	\$ 76,745
6	\$	18,784	\$	-	\$	18,784	\$ 95,528
7	\$	19,130	\$	-	\$	19,130	\$ 114,659
8	\$	19,485	\$	-	\$	19,485	\$ 134,143
9	\$	19,843	\$	-	\$	19,843	\$ 153,986
10	\$	20,212	\$	-	\$	20,212	\$ 174,198

## Public Schools Combined Net Benefits

Year	Benefits		Costs		Net Benefits		Cumulative Net Benefits
1	\$	7,651	\$	-	\$	7,651	\$ 7,651
2	\$	14,746	\$	-	\$	14,746	\$ 22,397
3	\$	17,788	\$	-	\$	17,788	\$ 40,185
4	\$	18,115	\$	-	\$	18,115	\$ 58,300
5	\$	18,445	\$	-	\$	18,445	\$ 76,745
6	\$	18,784	\$	-	\$	18,784	\$ 95,528
7	\$	19,130	\$	-	\$	19,130	\$ 114,659
8	\$	19,485	\$	-	\$	19,485	\$ 134,143
9	\$	19,843	\$	-	\$	19,843	\$ 153,986
10	\$	20,212	\$	-	\$	20,212	\$ 174,198



# Property Tax Exemptions and Industrial Revenue Bonds



### Property Tax Exemptions and Industrial Revenue Bonds

The City and/or the County is considering abating taxes on the Project's property. Below is a table that identifies the types of property that are under consideration for property tax abatement:

Land:	No
Building and Property Improvements:	No
Furniture, Fixtures and Equipment:	No

### Property Tax Percentage Exemptions On Land and Building

County	City	Schools	Special Taxing District
0%	0%	0%	0%

### Property Tax Percentage Exemptions On Furniture, Fixtures and Equipment

County	City	Schools	Special Taxing District
0%	0%	0%	0%

Value of Exemption Through 10 Years:	\$	-	\$	-	\$	-	\$	-
*Value of Payment in Lieu of Taxes Through 10 Years:	\$	-	\$	-	\$	-	\$	-

\*The model assumes that the payment in lieu of taxes will be administered to the either the county or city, and the local government will disperse the amounts to the appropriate districts.

### Percentage of Gross Receipt Taxes Foregone on Newly Purchased Furniture, Fixtures and Equipment Over 10 Years

Year	State	County	City
1	0%	0%	0%
2	0%	0%	0%
3	0%	0%	0%
4	0%	0%	0%
5	0%	0%	0%
6	0%	0%	0%
7	0%	0%	0%
8	0%	0%	0%
9	0%	0%	0%
10	0%	0%	0%
Value of Exemption Through 10 Years:	\$ -	\$ -	\$ -