

City of Memphis, Shelby County, TN
Enclara Phamacia, Inc.
Economic Impact and Benefit/Cost Analysis

One Time Expansion Impact		
Total Capital Investment	\$	9,465,550
Building - Real Property (construction/renovation)	\$	-
Economic Impact Multiplier ⁶		1.8064
Economic Impact	\$	-
Equipment Purchase/Set-up - Personal Property	\$	9,465,550
Economic Impact Multiplier ⁷		1.7100
Economic Impact	\$	16,186,091
Total Economic Impact	\$	16,186,091
Sales Tax Revenue ³	\$	75,455
Other Tax Revenue ⁴	\$	23,089
Total Tax Revenue	\$	98,544

Enclara Phamacia, Inc.

Shelby County Tax Schedule

Shelby County Tax Rate: \$4.11	Real Property - Existing Facility*			
	Full Taxes	% of taxes paid	Taxes Paid after Abatement	Taxes Abated
Value	\$ 1,121,066			
Year 1	\$ 18,430	100%	\$ 18,430	\$ -
Year 2	\$ 18,430	100%	\$ 18,430	\$ -
Year 3	\$ 18,430	100%	\$ 18,430	\$ -
Year 4	\$ 18,430	100%	\$ 18,430	\$ -
Year 5	\$ 18,430	100%	\$ 18,430	\$ -
Year 6	\$ 18,430	100%	\$ 18,430	\$ -
Year 7	\$ 18,430	100%	\$ 18,430	\$ -
Year 8	\$ 18,430	100%	\$ 18,430	\$ -
Year 9	\$ 18,430	100%	\$ 18,430	\$ -
Year 10		100%	\$ -	\$ -
Year 11		100%	\$ -	\$ -
Year 12		100%	\$ -	\$ -
Year 13		100%	\$ -	\$ -
Year 14		100%	\$ -	\$ -
Year 15		100%	\$ -	\$ -
Total	\$ 165,870		\$ 165,870	\$ -

City of Memphis Tax Schedule

City of Memphis Tax Rate: \$3.271481	Real Property - Existing Facility*			
	Full Taxes	% of taxes paid	Taxes Paid after Abatement	Taxes Abated
Value	\$ 1,121,066			
Year 1	\$ 14,670	100%	\$ 14,670	\$ -
Year 2	\$ 14,670	100%	\$ 14,670	\$ -
Year 3	\$ 14,670	100%	\$ 14,670	\$ -
Year 4	\$ 14,670	100%	\$ 14,670	\$ -
Year 5	\$ 14,670	100%	\$ 14,670	\$ -
Year 6	\$ 14,670	100%	\$ 14,670	\$ -
Year 7	\$ 14,670	100%	\$ 14,670	\$ -
Year 8	\$ 14,670	100%	\$ 14,670	\$ -
Year 9	\$ 14,670	100%	\$ 14,670	\$ -
Year 10		100%	\$ -	\$ -
Year 11		100%	\$ -	\$ -
Year 12		100%	\$ -	\$ -
Year 13		100%	\$ -	\$ -
Year 14		100%	\$ -	\$ -
Year 15		100%	\$ -	\$ -
Total	\$ 132,030		\$ 132,030	\$ -

Total Real Property Taxes Abated: \$ -
 Payments Made in Lieu of Taxes: \$ 297,900

**Not included in PILOT incentive.*

Enclara Phamacia, Inc.

Shelby County Tax Schedule

Shelby County Tax Rate: \$4.11	Personal Property - All Categories				
	Full Taxes	Depreciation Rate	% of taxes paid	Taxes Paid after Abatement	Taxes Abated
Value	\$ 9,465,550				
Year 1	\$ 102,705	0.88	25%	\$ 25,676	\$ 77,029
Year 2	\$ 87,533	0.75	25%	\$ 21,883	\$ 65,650
Year 3	\$ 73,527	0.63	25%	\$ 18,382	\$ 55,145
Year 4	\$ 58,355	0.50	25%	\$ 14,589	\$ 43,766
Year 5	\$ 44,350	0.38	25%	\$ 11,088	\$ 33,262
Year 6	\$ 29,178	0.25	25%	\$ 7,295	\$ 21,883
Year 7	\$ 23,342	0.20	25%	\$ 5,836	\$ 17,506
Year 8	\$ 23,342	0.20	25%	\$ 5,836	\$ 17,506
Year 9	\$ 23,342	0.20	25%	\$ 5,836	\$ 17,506
Year 10		0.20	25%	\$ -	\$ -
Year 11		0.20	25%	\$ -	\$ -
Year 12		0.20	25%	\$ -	\$ -
Year 13		0.20	25%	\$ -	\$ -
Year 14		0.20	25%	\$ -	\$ -
Year 15		0.20	25%	\$ -	\$ -
Total	\$ 465,674			\$ 116,421	\$ 349,253

City of Memphis Tax Schedule

City of Memphis Tax Rate: \$3.271481	Personal Property - All Categories				
	Full Taxes	Depreciation Rate	% of taxes paid	Taxes Paid after Abatement	Taxes Abated
Value	\$ 9,465,550				
Year 1	\$ 81,751	0.88	25%	\$ 20,438	\$ 61,313
Year 2	\$ 69,674	0.75	25%	\$ 17,419	\$ 52,255
Year 3	\$ 58,526	0.63	25%	\$ 14,632	\$ 43,894
Year 4	\$ 46,450	0.50	25%	\$ 11,613	\$ 34,837
Year 5	\$ 35,302	0.38	25%	\$ 8,826	\$ 26,476
Year 6	\$ 23,225	0.25	25%	\$ 5,806	\$ 17,419
Year 7	\$ 18,580	0.20	25%	\$ 4,645	\$ 13,935
Year 8	\$ 18,580	0.20	25%	\$ 4,645	\$ 13,935
Year 9	\$ 18,580	0.20	25%	\$ 4,645	\$ 13,935
Year 10		0.20	25%	\$ -	\$ -
Year 11		0.20	25%	\$ -	\$ -
Year 12		0.20	25%	\$ -	\$ -
Year 13		0.20	25%	\$ -	\$ -
Year 14		0.20	25%	\$ -	\$ -
Year 15		0.20	25%	\$ -	\$ -
Total	\$ 370,668			\$ 92,669	\$ 277,999

Total Personal Property Taxes Abated: \$ 627,252

Payments Made in Lieu of Taxes: \$ 209,090

For the purpose of this analysis all personal property is included into one group using a standard depreciation table.

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Payback Summary

Length of PILOT (years)		9
Total Taxes Forgone	\$	627,252
Hard Costs	\$	-
Total Taxes Forgone and Hard Costs	\$	627,252
Tax Revenues From Construction	\$	98,544
Tax Revenues From Operations During PILOT Period	\$	7,338,240
Property Tax Revenues Received During PILOT Period	\$	506,990
Total Tax Revenues Received During PILOT Period	\$	7,943,774
Benefit/Cost Ratio		12.66

Projected Costs:
Hard Costs (land, infrastructure, etc.)
 None.
Opportunity Costs
 Local government is requested to forgo for a period of years the opportunity to collect taxes on site improvement, building, and industrial equipment that are a part of the project.
 Benefit/Cost Ratio: The sum of tax revenues from construction, operations and property during the PILOT period divided by the total taxes forgone.

**City of Memphis, Shelby County, Tennessee
Enclara Phamacia, Inc.**

Estimated Fees	
Application Fee	\$ 3,000
Closing Fees - 5% of Total Taxes Forgone (Maximum of \$300,000) (Less Application Fee)	\$ 28,363
City of Memphis Personal Property Fees for PILOT (5% of Taxes Abated) (Maximum \$50,000)	\$ 13,900
Shelby County Personal Property Fees for PILOT (5% of Taxes Abated) (Maximum \$50,000)	\$ 17,463
Total Fees	\$ 62,726