

A REPORT OF THE ECONOMIC IMPACT OF THE THOMAS EDISON INN MIXED-USE PROJECT IN CITY OF PORT HURON, MI

October 27, 2011

Prepared for:

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PROJECT SUMMARY

Introduction

This report presents the results of an economic impact analysis performed by Impact DataSource, an Austin, TX based economic consulting, research and analysis firm. The report estimates the impact of the Thomas Edison Inn Mixed-Use project may have on the City of Port Huron area economy. The report calculates the revenues for specified local taxing districts over the first 10 years.

City	City of Port Huron
County	St. Clair County
Tourism District	Tourism & Convention Center
School District	Port Huron SD
Intermediate School	St. Clair ISD
College District	St. Clair Community College
Transit Authority	Blue Water Area Transit

Description of the Project

The proposed project is a mixed-use development project that will include renovations to the Thomas Edison Inn, an expanded restaurant, a convention center and new culinary school. In total, these components will involve a \$27.8 million investment in buildings and equipment. The development will support approximately 200 direct jobs in Port Huron at the hotel, restaurant, convention center and culinary school.

The hotel and restaurant renovations are expected to be completed by June 2012 and the convention center and culinary school will be completed by May 2013.

A national hotel chain will make approximately \$9.5 million in renovations to the hotel and add an additional \$800,000 in restaurant equipment. The improved hotel and restaurant will serve the new convention center to be constructed in Port Huron. The convention center will be owned and operated by St. Clair County and its Building Authority and the convention center's property will not be added to tax rolls. In addition, the mixed-use facilities will also include a culinary school which will serve approximately 200 students and also include student housing. As a non-profit entity, the culinary school's property will not be subject to property tax.

Total Economic Impact During Operations

The mixed-use development will have a significant economic impact on the City of Port Huron and St. Clair County. The following table shows the total impact on St. Clair County over the first 10 years of operations of the hotel/restaurant, the convention center and the culinary school.

Economic Impact Over the First 10 Years of Operations of the Hotel/Restaurant, Convention Center and Culinary School			
	Direct	Indirect & Induced	Total
Sales (Economic Output) in the County	\$171,826,675	\$77,703,545	\$249,530,221
Employment in the County	200	48	248
Workers' Earnings in the County	\$61,936,422	\$26,217,890	\$88,154,311

The individual economic impact of each component is detailed later in this report.

PROJECT SUMMARY

Total Fiscal Impact During Operations

The mixed-use development will generate additional revenue for local taxing districts. The following table shows the estimated revenue generated by the operations of the hotel/restaurant, convention center and culinary school over the first 10 years of operations.

Additional Revenues for Local Taxing Districts Over the First 10 Years of Operations of the Hotel/Restaurant, Convention Center and Culinary School					
	Property Taxes*	Income Taxes	Building Permits and Fees	Lodging Taxes	Total Additional Revenue
City of Port Huron	\$729,658	\$771,350	\$0		\$1,501,008
St. Clair County	\$331,208			\$313,676	\$644,884
Tourism & Convention Center				\$1,592,193	\$1,592,193
Port Huron SD	\$362,858				\$362,858
St. Clair ISD	\$155,557				\$155,557
St. Clair Community College	\$85,684				\$85,684
Blue Water Area Transit	\$28,185				\$28,185
Total	\$1,693,150	\$771,350	\$0	\$1,905,870	\$4,370,371

* Property taxes are based on the taxing districts total property tax rate.

Economic Impact During Construction

The renovations and construction related to the mixed-use development described above will have an additional temporary economic impact on the county during the construction period. The combined expenditures of \$27.8 million on construction and equipment will support construction employment during the two years of construction activity. The following table shows the economic impact during construction to occur in 2012 and 2013.

Economic Impact During Construction/Renovation of the Hotel/Restaurant, Convention Center and Culinary School			
	Direct	Indirect & Induced	Total
Sales (Economic Output) in the County	\$18,070,000	\$10,117,393	\$28,187,393
Employment in the County	128	77	206
Workers' Earnings in the County	\$5,287,171	\$2,529,911	\$7,817,082

Fiscal Impact During Construction

The economic activity will result in additional income taxes for the City of Port Huron. The table below shows the additional local income taxes generated during construction.

Additional Revenues During Construction/Renovation of the Hotel/Restaurant, Convention Center & Culinary School	
	Income Taxes
City of Port Huron	\$68,399
Total	\$68,399

PROJECT SUMMARY

Total Fiscal Impact During Construction and the First 10 Years of Operations

The construction and first 10 years of operations of the hotel/restaurant, convention center and culinary school is estimated to result in more than \$4.4 million in additional revenue for local taxing districts as shown below.

Additional Revenues for Local Taxing Districts During Construction and the First 10 Years of Operations of the Hotel/Restaurant, Convention Center and Culinary School					
	Property Taxes*	Income Taxes	Building Permits and Fees	Lodging Taxes	Total Additional Revenue
City of Port Huron	\$729,658	\$839,750	\$0		\$1,569,407
St. Clair County	\$331,208			\$313,676	\$644,884
Tourism & Convention Center				\$1,592,193	\$1,592,193
Port Huron SD	\$362,858				\$362,858
St. Clair ISD	\$155,557				\$155,557
St. Clair Community College	\$85,684				\$85,684
Blue Water Area Transit	\$28,185				\$28,185
Total	\$1,693,150	\$839,750	\$0	\$1,905,870	\$4,438,770

* Property taxes are based on the taxing districts total property tax rate.

SUMMARY OF IMPACTS

Hotel & Restaurant

Private developers plan to renovate and expand the Thomas Edison Inn and restaurant. The improved hotel and additional staff will enable it to better serve guests and make it the main hotel for guests visiting the new convention center to be constructed. The hotel currently employs approximately 100 workers in the City of Port Huron. The improved hotel will require net staff additions of 66 workers. The hotel anticipates providing 35,000 room nights per year. Sales or economic output generated by the hotel and restaurant is estimated using RIMS II multipliers from the US Department of Commerce as discussed in the Methodology section of this report.

Economic Impact of the Hotel & Restaurant

The hotel's direct activity supports indirect and induced economic activity in the county. As the hotel purchases supplies, services and inputs from local businesses, it will spur additional economic activity in the county through additional sales, employment and workers' earnings. The total economic impact of the hotel and restaurant is shown below.

Economic Impact Over the First 10 Years of Operations of the Hotel & Restaurant			
	Direct	Indirect & Induced	Total
Sales (Economic Output)	\$131,672,176	\$61,148,559	\$192,820,735
Employment	166	38	204
Workers' Earnings	\$48,128,700	\$19,515,173	\$67,643,874

The table below shows the average annual economic impact related to the hotel and restaurant.

Average Annual Economic Impact Over the First 10 Years of Operations of the Hotel & Restaurant			
	Direct	Indirect & Induced	Total
Average Annual Sales (Economic Output)	\$13,167,218	\$6,114,856	\$19,282,074
Average Employment	166	38	204
Average Annual Workers' Earnings	\$4,812,870	\$1,951,517	\$6,764,387

Fiscal Impact of the Hotel & Restaurant

The hotel and restaurant will generate property taxes, income taxes and lodging taxes for local taxing districts. The following table summarizes the additional revenue to be collected over the first 10 years of operations.

Additional Revenues for Local Taxing Districts Over the First 10 Years of Operations of the Hotel & Restaurant					
	Property Taxes*	Income Taxes	Building Permits and Fees	Lodging Taxes	Total Additional Revenue
City of Port Huron	\$729,658	\$591,884	\$0		\$1,321,542
St. Clair County	\$331,208			\$313,676	\$644,884
Tourism & Convention Center				\$1,592,193	\$1,592,193
Port Huron SD	\$362,858				\$362,858
St. Clair ISD	\$155,557				\$155,557
St. Clair Community College	\$85,684				\$85,684
Blue Water Area Transit	\$28,185				\$28,185
Total	\$1,693,150	\$591,884	\$0	\$1,905,870	\$4,190,904

* Property taxes are based on the taxing districts total property tax rate.

SUMMARY OF IMPACTS

Convention Center

St. Clair County and its Building Authority will construct and operate a new convention center near the Thomas Edison Inn. The convention center will employ 4 employees starting in 2013. The center will generate revenues from rentals, food service and other services and fees. The convention center's property will not be subject to property tax. The convention center estimates revenues of approximately \$640,000 in the first partial-year of operations. The analysis assumes revenues will increase to approximately \$960,000 in the first full year of operations and 3% per year after Year 2.

Economic Impact of the Convention Center

The convention center's direct activity supports indirect and induced economic activity in the county. As the convention center purchases supplies, services and inputs from local businesses, it will spur additional economic activity in the county through additional sales, employment and workers' earnings. The total economic impact of the convention center is shown below.

Economic Impact Over the First 10 Years of Operations of the Convention Center			
	Direct	Indirect & Induced	Total
Sales (Economic Output)	\$10,417,100	\$2,438,643	\$12,855,743
Employment	4	1	5
Workers' Earnings	\$1,305,892	\$720,591	\$2,026,483

The table below shows the average annual economic impact related to the convention center.

Average Annual Economic Impact Over the First 10 Years of Operations of the Convention Center			
	Direct	Indirect & Induced	Total
Average Annual Sales (Economic Output)	\$1,041,710	\$243,864	\$1,285,574
Average Employment	4	1	5
Average Annual Workers' Earnings	\$130,589	\$72,059	\$202,648

Fiscal Impact of the Convention Center

The convention center's economic activity will result in additional income taxes for the City of Port Huron. The table below shows the additional local income taxes generated by the convention center.

Additional Revenues During Construction/Renovation of the Convention Center	
	Income Taxes
City of Port Huron	\$17,732
Total	

SUMMARY OF IMPACTS

Culinary School

A culinary school will also be constructed and operated near the Thomas Edison Inn and convention center. The culinary school will employ 20 employees in 2012 and 30 by 2013. The school expects to have enrollment of approximately 200 students and offer student housing to some students. The culinary school's property will not be subject to property tax. Sales or economic output generated by the culinary school is estimated using RIMS II multipliers from the US Department of Commerce as discussed in the Methodology section of this report.

Economic Impact of the Culinary School

The culinary school's direct activity supports indirect and induced economic activity in the county. As the culinary school purchases supplies, services and inputs from local businesses, it will spur additional economic activity in the county through additional sales, employment and workers' earnings. The total economic impact of the culinary school is shown below.

Economic Impact Over the First 10 Years of Operations of the Culinary School			
	Direct	Indirect & Induced	Total
Sales (Economic Output)	\$29,737,399	\$14,116,343	\$43,853,743
Employment	30	9	39
Workers' Earnings	\$12,501,829	\$5,982,125	\$18,483,955

The table below shows the average annual economic impact related to the culinary school.

Average Annual Economic Impact Over the First 10 Years of Operations of the Culinary School			
	Direct	Indirect & Induced	Total
Average Annual Sales (Economic Output)	\$2,973,740	\$1,411,634	\$4,385,374
Average Employment	30	9	39
Average Annual Workers' Earnings	\$1,250,183	\$598,213	\$1,848,395

Fiscal Impact of the Culinary School

The culinary school's economic activity will result in additional income taxes for the City of Port Huron. The table below shows the additional local income taxes generated by the culinary school.

Additional Revenues During Construction/Renovation of the Culinary School	
	Income Taxes
City of Port Huron	\$161,735
Total	\$161,735

METHODOLOGY

Conduct of the Analysis

This analysis was conducted by Impact DataSource. The analysis used information about the mixed-use project collected by the Economic Development Alliance of St. Clair County about the planned development project. The analysis uses certain estimates and assumptions as well as data about the city, county and local tax rates.

Using this data, the economic impact from the project and additional revenues for relevant taxing districts were calculated for a 10-year period.

The economic impact as calculated in this report can be categorized into two main types of impacts.

1. Direct economic impacts are the immediate economic activities generated by the firm or project. These impacts include the employment at the firm and salaries paid to the firm's workers as well as expenditures made by the firm.
2. Indirect and induced economic impacts represent the additional economic activity that is supported by the firm or 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 to the firm. 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.

Note: This report labels the combined indirect and induced impacts as simply "Indirect".

To estimate the indirect and induced economic impact of the individual components and the employees, regional economic multipliers were used. Regional economic multipliers for Michigan and areas of the state are included in the US Department of Commerce's Regional Input-Output Modeling System (RIMS II). This study uses multipliers for St. Clair County.

Several types of regional economic multipliers were used in this analysis. The RIMS II multipliers used in this analysis are shown below.

RIMS II Multipliers for St. Clair County, Michigan (Type II)					
	Final Demand			Direct Effect	
	Output	Earnings	Employment	Earnings	Employment
Construction	1.5599	0.4326	11.3802	1.4785	1.6007
Other educational services	1.4747	0.3809	16.4296	1.4824	1.3179
Hotels and motels	1.4644	0.4149	17.7989	1.4021	1.2707
Food services and drinking places	1.4876	0.4133	24.3943	1.4100	1.1760
Real estate	1.2341	0.1619	9.6130	1.5518	1.2372

METHODOLOGY

About Impact DataSource

Impact DataSource is a 17-year-old Austin, Texas economic consulting, research and analysis firm. The company has conducted over 2,500 economic impact analyses of firms, projects and activities in most industry groups throughout the U.S.

In addition, Impact DataSource has prepared and customized over 50 economic impact models for its clients to perform their own analyses of economic development projects. These clients include the New Mexico Economic Development and the Metro Orlando (Florida) Economic Development Commission.

The New Mexico Department of Economic Development uses Impact DataSource's computer model to project the economic impact of new or expanding firms in the state and costs and benefits for the State of New Mexico and each local taxing district. The model also calculates the amount of eligible state and local incentives and calculates a rate of return and payback period for these incentives.

Appendix A
Data and Rates

APPENDIX A

Local Tax Rates:

Property tax rates, per \$1,000 of valuation:

City of Port Huron	16.0869
St. Clair County	7.3022
Port Huron SD	20.0000
St. Clair ISD	3.4296
St. Clair Community College	1.8891
Blue Water Area Transit	0.6214

Income tax rates

City Residents	1.0%
Nonresidents	0.5%

Area hotel occupancy tax rate

5%

Note: 1% of the 5% will go to the County after the Convention Center is completed.

Relevant Community Rates:

Expected inflation rate over the first ten years 3.0%

Discount rate used in analysis to compute discounted cash flows 6.0%

Average taxable value of a new single family residence in the community that will be built for some individuals moving to the county \$107,700

Percent annual increase in the taxable value of residential and commercial real property on local tax rolls over the first ten years 2.0%

Depreciation rates:

To estimate the annual taxable or depreciable value of furniture, fixtures and equipment at the facility being analyzed in this analysis, this analysis uses straight line depreciation, an ten year life and a 20% residual value. Therefore, property taxes on the facility's furniture, fixtures and equipment are calculated on the following percentages of the costs of such equipment purchased each year:

Year 1	100%
Year 2	90%
Year 3	80%
Year 4	70%
Year 5	60%
Year 6	50%
Year 7	40%
Year 8	30%
Year 9	20%
Year 10	20%

APPENDIX A

The Projects Investments, Assets and Construction:

Construction Costs:

<u>Part of Project</u>	<u>Begin</u>	<u>End</u>	<u>Amount</u>
Hotel	2012	2012	\$9,500,000
Restaurant Equipment	2012	2012	\$800,000
Convention Center	2012	2013	\$9,000,000
Culinary School	2012	2012	\$4,000,000
Culinary School Student Housing	2013	2013	\$4,500,000

Property added to tax rolls:

Note: As public facilities, the Convention Center and Culinary School will not be added to property tax rolls. The property added to tax rolls shown below represents the additional taxable property added by the hotel and restaurant.

	Land	Buildings and Other Real Property Improvements	Furniture, Fixtures, and Equipment	Total
2012	\$0	\$6,175,000	\$4,125,000	\$10,300,000
2013	\$0	\$0	\$0	\$0
2014	\$0	\$0	\$0	\$0
2015	\$0	\$0	\$0	\$0
2016	\$0	\$0	\$0	\$0
2017	\$0	\$0	\$0	\$0
2018	\$0	\$0	\$0	\$0
2019	\$0	\$0	\$0	\$0
2020	\$0	\$0	\$0	\$0
2021	\$0	\$0	\$0	\$0
Total	\$0	\$6,175,000	\$4,125,000	\$10,300,000

The restaurant's \$800,000 in equipment will be added to the tax rolls as furniture fixtures and equipment. In addition, the analysis assumes that 65% of the hotel construction cost is added as real property and 35% is furniture, fixtures and equipment.

APPENDIX A

Building permits and fees to be paid to the city:

2012	\$0
2013	\$0
2014	\$0
2015	\$0
2016	\$0
2017	\$0
2018	\$0
2019	\$0
2020	\$0
2021	\$0

Number of existing and new workers hired each year:

Year	Hotel & Restaurant	Convention Center	Culinary School	Total
2012	166	0	20	186
2013	0	4	10	14
2014	0	0	0	0
2015	0	0	0	0
2016	0	0	0	0
2017	0	0	0	0
2018	0	0	0	0
2019	0	0	0	0
2020	0	0	0	0
2021	0	0	0	0
Total	166	4	30	200

Number of new workers who will move to the city to take job at the facility:

Estimated percent of total new workers moving to the county 10.0%

2012	19
2013	0
2014	0
2015	0
2016	0
2017	0
2018	0
2019	0
2020	0
2021	0
Total	19

Percent of workers in the city that live in the city 75.0%

APPENDIX A

Average annual salaries of workers

Hotel:	Employees	Average Salary
Existing	100	\$24,960
Beverage/Catering	60	\$24,960
Hospitality	11	\$31,200
Gym/Pool/Travel	5	\$22,880
Convention Center	4	\$31,200
Culinary School:		
Staff/Faculty	20	\$37,440
Student Housing	10	\$37,440

Percent of expected increase in employee salaries after year 1 3.0%

Percent employees to be hired in spin-off jobs created at the facility who will move to the county to take a job 5%

Percent of workers who move to the community that will buy a new home or require that new residential property be built for them 0%

The number of people in a typical worker's household 3.0

The number of school children in a typical worker's household 0.65

Annual hotel room stays at the renovated hotel 35,000

Average price of hotel room night \$95

Average spending per visitor in addition to hotel/restaurant spending \$35

Students enrolled at Culinary School 200

Appendix B

Detailed Economic Impact Calculations

APPENDIX B

All Components of Mixed-Use Project Economic Impact During Construction

Construction Expenditures:

<u>Part of Project</u>	<u>Begin</u>	<u>End</u>	<u>Amount</u>
Hotel	2012	2012	\$9,500,000
Restaurant Equipment	2012	2012	\$800,000
Convention Center	2012	2013	\$9,000,000
Culinary School	2012	2012	\$4,000,000
Culinary School Student Housing	2013	2013	\$4,500,000

Estimated Total Construction Spending	
	Construction Expenditure
2012	\$18,800,000
2013	\$9,000,000

Estimated Economic Impact on Output, Employment and Earnings in the County			
	Direct Construction Expenditure	Indirect & Induced Output	Total Construction Output
2012	\$12,220,000	\$6,841,978	\$19,061,978
2013	\$5,850,000	\$3,275,415	\$9,125,415
	Direct Construction Employment	Indirect & Induced Output	Total Construction Employment
2012	87	52	139
2013	42	25	67
	Direct Construction Workers' Earnings	Indirect & Induced Workers' Earnings	Total Construction Workers' Earnings
2012	\$3,575,497	\$1,710,875	\$5,286,372
2013	\$1,711,674	\$819,036	\$2,530,710

APPENDIX B

Hotel & Restaurant Economic Output (sales) in the County

Year	Direct Output	Indirect Output	Total Output
2012	\$11,485,831	\$5,334,020	\$16,819,850
2013	\$11,830,406	\$5,494,040	\$17,324,446
2014	\$12,185,318	\$5,658,862	\$17,844,179
2015	\$12,550,877	\$5,828,627	\$18,379,505
2016	\$12,927,404	\$6,003,486	\$18,930,890
2017	\$13,315,226	\$6,183,591	\$19,498,817
2018	\$13,714,682	\$6,369,099	\$20,083,781
2019	\$14,126,123	\$6,560,171	\$20,686,294
2020	\$14,549,907	\$6,756,977	\$21,306,883
2021	\$14,986,404	\$6,959,686	\$21,946,090

Hotel & Restaurant Number of local jobs added each year and worker salaries to be paid:

Year	Direct Jobs	Indirect Jobs	Total Jobs	Direct Salaries	Indirect Salaries	Total Salaries
2012	166	38	204	\$4,198,291	\$1,702,318	\$5,900,609
2013	0	0	0	\$4,324,240	\$1,753,388	\$6,077,628
2014	0	0	0	\$4,453,967	\$1,805,990	\$6,259,956
2015	0	0	0	\$4,587,586	\$1,860,169	\$6,447,755
2016	0	0	0	\$4,725,213	\$1,915,974	\$6,641,188
2017	0	0	0	\$4,866,970	\$1,973,454	\$6,840,423
2018	0	0	0	\$5,012,979	\$2,032,657	\$7,045,636
2019	0	0	0	\$5,163,368	\$2,093,637	\$7,257,005
2020	0	0	0	\$5,318,269	\$2,156,446	\$7,474,715
2021	0	0	0	\$5,477,817	\$2,221,139	\$7,698,957
Total	166	38	204	\$48,128,700	\$19,515,173	\$67,643,874

APPENDIX B

Hotel & Restaurant

Number of direct and indirect workers and their families who will move to the area and their children who will attend local public schools:

Year	New Workers Moving to the Area	Total New Residents	Total New Students
2012	19	56	12
2013	0	0	0
2014	0	0	0
2015	0	0	0
2016	0	0	0
2017	0	0	0
2018	0	0	0
2019	0	0	0
2020	0	0	0
2021	0	0	0
Total	19	56	12

Hotel & Restaurant

Number of new residential properties that may be built in the county for direct and indirect workers who will move to the community:

Year	New Residential Properties
2012	0
2013	0
2014	0
2015	0
2016	0
2017	0
2018	0
2019	0
2020	0
2021	0
Total	0

APPENDIX B

Hotel & Restaurant Spending by out-of-town visitors:

Year	General Spending in the City*	Spending on Lodging
2012	\$1,225,000	\$3,325,000
2013	\$1,261,750	\$3,424,750
2014	\$1,299,603	\$3,527,493
2015	\$1,338,591	\$3,633,317
2016	\$1,378,748	\$3,742,317
2017	\$1,420,111	\$3,854,586
2018	\$1,462,714	\$3,970,224
2019	\$1,506,595	\$4,089,331
2020	\$1,551,793	\$4,212,011
2021	\$1,598,347	\$4,338,371
Total	\$14,043,252	\$38,117,399

*Excludes spending on lodging.

APPENDIX B

Hotel & Restaurant

Market value of new residential property built for direct and indirect workers who move to the community and the value of the facility's property on local tax rolls:

Year	New Residential Property	Value of Property at the Facility on Local Tax Rolls	Total Market Value of Property
2012	\$0	\$10,300,000	\$10,300,000
2013	\$0	\$10,011,000	\$10,011,000
2014	\$0	\$9,724,470	\$9,724,470
2015	\$0	\$9,440,459	\$9,440,459
2016	\$0	\$9,159,019	\$9,159,019
2017	\$0	\$8,880,199	\$8,880,199
2018	\$0	\$8,604,053	\$8,604,053
2019	\$0	\$8,330,634	\$8,330,634
2020	\$0	\$8,059,997	\$8,059,997
2021	\$0	\$8,204,697	\$8,204,697

Hotel & Restaurant

State Equalized Value of new residential property built for direct and indirect workers who move to the community and the value of the facility's property on local tax rolls:

Year	New Residential Property	Value of Property at the Facility on Local Tax Rolls	Total Taxable Property
2012	\$0	\$5,150,000	\$5,150,000
2013	\$0	\$5,005,500	\$5,005,500
2014	\$0	\$4,862,235	\$4,862,235
2015	\$0	\$4,720,230	\$4,720,230
2016	\$0	\$4,579,509	\$4,579,509
2017	\$0	\$4,440,099	\$4,440,099
2018	\$0	\$4,302,026	\$4,302,026
2019	\$0	\$4,165,317	\$4,165,317
2020	\$0	\$4,029,998	\$4,029,998
2021	\$0	\$4,102,348	\$4,102,348

APPENDIX B

Convention Center Economic Output (sales) in the County

Year	Direct Output	Indirect Output	Total Output
2012	\$641,500	\$150,175	\$791,675
2013	\$962,250	\$225,263	\$1,187,513
2014	\$991,118	\$232,021	\$1,223,138
2015	\$1,020,851	\$238,981	\$1,259,832
2016	\$1,051,477	\$246,151	\$1,297,627
2017	\$1,083,021	\$253,535	\$1,336,556
2018	\$1,115,511	\$261,141	\$1,376,653
2019	\$1,148,977	\$268,975	\$1,417,952
2020	\$1,183,446	\$277,045	\$1,460,491
2021	\$1,218,950	\$285,356	\$1,504,306

Convention Center Number of local jobs added each year and worker salaries to be paid:

Year	Direct Jobs	Indirect Jobs	Total Jobs	Direct Salaries	Indirect Salaries	Total Salaries
2012	0	0	0	\$0	\$0	\$0
2013	4	1	5	\$128,544	\$70,931	\$199,475
2014	0	0	0	\$132,400	\$73,058	\$205,459
2015	0	0	0	\$136,372	\$75,250	\$211,623
2016	0	0	0	\$140,463	\$77,508	\$217,971
2017	0	0	0	\$144,677	\$79,833	\$224,510
2018	0	0	0	\$149,018	\$82,228	\$231,246
2019	0	0	0	\$153,488	\$84,695	\$238,183
2020	0	0	0	\$158,093	\$87,236	\$245,329
2021	0	0	0	\$162,836	\$89,853	\$252,688
Total	4	1	5	\$1,305,892	\$720,591	\$2,026,483

APPENDIX B

Convention Center

Number of direct and indirect workers and their families who will move to the area and their children who will attend local public schools:

Year	New Workers Moving to the Area	Total New Residents	Total New Students
2012	0	0	0
2013	0	0	0
2014	0	0	0
2015	0	0	0
2016	0	0	0
2017	0	0	0
2018	0	0	0
2019	0	0	0
2020	0	0	0
2021	0	0	0
Total	0	0	0

Convention Center

Number of new residential properties that may be built in the county for direct and indirect workers who will move to the community:

Year	New Residential Properties
2012	0
2013	0
2014	0
2015	0
2016	0
2017	0
2018	0
2019	0
2020	0
2021	0
Total	0

APPENDIX B

Culinary School

Economic Output (sales) in the County

Year	Direct Output	Indirect Output	Total Output
2012	\$1,781,129	\$845,502	\$2,626,630
2013	\$2,751,844	\$1,306,300	\$4,058,144
2014	\$2,834,399	\$1,345,489	\$4,179,888
2015	\$2,919,431	\$1,385,854	\$4,305,285
2016	\$3,007,014	\$1,427,429	\$4,434,443
2017	\$3,097,224	\$1,470,252	\$4,567,476
2018	\$3,190,141	\$1,514,360	\$4,704,501
2019	\$3,285,845	\$1,559,791	\$4,845,636
2020	\$3,384,420	\$1,606,584	\$4,991,005
2021	\$3,485,953	\$1,654,782	\$5,140,735

Culinary School

Number of local jobs added each year and worker salaries to be paid:

Year	Direct Jobs	Indirect Jobs	Total Jobs	Direct Salaries	Indirect Salaries	Total Salaries
2012	20	6	26	\$748,800	\$358,301	\$1,107,101
2013	10	3	13	\$1,156,896	\$553,575	\$1,710,471
2014	0	0	0	\$1,191,603	\$570,182	\$1,761,785
2015	0	0	0	\$1,227,351	\$587,287	\$1,814,638
2016	0	0	0	\$1,264,171	\$604,906	\$1,869,078
2017	0	0	0	\$1,302,097	\$623,053	\$1,925,150
2018	0	0	0	\$1,341,160	\$641,745	\$1,982,904
2019	0	0	0	\$1,381,394	\$660,997	\$2,042,392
2020	0	0	0	\$1,422,836	\$680,827	\$2,103,663
2021	0	0	0	\$1,465,521	\$701,252	\$2,166,773
Total	30	9	39	\$12,501,829	\$5,982,125	\$18,483,955

APPENDIX B

Culinary School

Number of direct and indirect workers and their families who will move to the area and their children who will attend local public schools:

Year	New Workers Moving to the Area	Total New Residents	Total New Students
2012	2	6	1
2013	0	0	0
2014	0	0	0
2015	0	0	0
2016	0	0	0
2017	0	0	0
2018	0	0	0
2019	0	0	0
2020	0	0	0
2021	0	0	0
Total	2	6	1

Culinary School

Number of new residential properties that may be built in the county for direct and indirect workers who will move to the community:

Year	New Residential Properties
2012	0
2013	0
2014	0
2015	0
2016	0
2017	0
2018	0
2019	0
2020	0
2021	0
Total	0

Appendix C

Detailed Additional Revenue Calculations

APPENDIX C

During Construction Revenue for City of Port Huron

Income tax collections during Construction:

Year	Residents		Nonresidents		Total
	Direct Workers	Indirect Workers	Direct Workers	Indirect Workers	
2012	\$26,816	\$12,832	\$4,469	\$2,139	\$46,256
2013	\$12,838	\$6,143	\$2,140	\$1,024	\$22,144
Total	\$39,654	\$18,974	\$6,609	\$3,162	\$68,399

APPENDIX C

Hotel & Restaurant Revenue for City of Port Huron

Property tax collections on Hotel & Restaurant property:

Year	New Residential Property*	Property at the Facility			Total
		Taxes Collected	Taxes Abated	Total Taxes After Abatement	
2012	\$0	\$82,848	\$0	\$82,848	\$82,848
2013	\$0	\$80,523	\$0	\$80,523	\$80,523
2014	\$0	\$78,218	\$0	\$78,218	\$78,218
2015	\$0	\$75,934	\$0	\$75,934	\$75,934
2016	\$0	\$73,670	\$0	\$73,670	\$73,670
2017	\$0	\$71,427	\$0	\$71,427	\$71,427
2018	\$0	\$69,206	\$0	\$69,206	\$69,206
2019	\$0	\$67,007	\$0	\$67,007	\$67,007
2020	\$0	\$64,830	\$0	\$64,830	\$64,830
2021	\$0	\$65,994	\$0	\$65,994	\$65,994
Total	\$0	\$729,658	\$0	\$729,658	\$729,658

* Assumes 40% of workers moving to the county will live in the city.

Income tax collections and building permits and fees related to the Hotel & Restaurant:

Year	Residents		Nonresidents		Building Permits and Fees	Total
	Direct Workers	Indirect Workers	Direct Workers	Indirect Workers		
2012	\$31,487	\$12,767	\$5,248	\$2,128	\$0	\$51,630
2013	\$32,432	\$13,150	\$5,405	\$2,192	\$0	\$53,179
2014	\$33,405	\$13,545	\$5,567	\$2,257	\$0	\$54,775
2015	\$34,407	\$13,951	\$5,734	\$2,325	\$0	\$56,418
2016	\$35,439	\$14,370	\$5,907	\$2,395	\$0	\$58,110
2017	\$36,502	\$14,801	\$6,084	\$2,467	\$0	\$59,854
2018	\$37,597	\$15,245	\$6,266	\$2,541	\$0	\$61,649
2019	\$38,725	\$15,702	\$6,454	\$2,617	\$0	\$63,499
2020	\$39,887	\$16,173	\$6,648	\$2,696	\$0	\$65,404
2021	\$41,084	\$16,659	\$6,847	\$2,776	\$0	\$67,366
Total	\$360,965	\$146,364	\$60,161	\$24,394	\$0	\$591,884

APPENDIX C

Hotel & Restaurant Revenue for City of Port Huron - Continued

Total Revenue for City of Port Huron

Year	Total Revenue	Cumulative Revenue
1	\$134,478	\$134,478
2	\$133,702	\$268,180
3	\$132,993	\$401,173
4	\$132,352	\$533,525
5	\$131,781	\$665,305
6	\$131,281	\$796,586
7	\$130,856	\$927,442
8	\$130,506	\$1,057,948
9	\$130,234	\$1,188,182
10	\$133,360	\$1,321,542
Total	\$1,321,542	

APPENDIX C

Hotel & Restaurant Revenue for St. Clair County

Property tax collections on Hotel & Restaurant property:

Year	New Residential Property	Property at the Facility			Lodging Taxes Collected	Total
		Taxes Collected	Taxes Abated	Total Taxes After Abatement		
1	\$0	\$37,606	\$0	\$37,606	\$0	\$37,606
2	\$0	\$36,551	\$0	\$36,551	\$0	\$36,551
3	\$0	\$35,505	\$0	\$35,505	\$35,275	\$70,780
4	\$0	\$34,468	\$0	\$34,468	\$36,333	\$70,801
5	\$0	\$33,440	\$0	\$33,440	\$37,423	\$70,864
6	\$0	\$32,422	\$0	\$32,422	\$38,546	\$70,968
7	\$0	\$31,414	\$0	\$31,414	\$39,702	\$71,116
8	\$0	\$30,416	\$0	\$30,416	\$40,893	\$71,309
9	\$0	\$29,428	\$0	\$29,428	\$42,120	\$71,548
10	\$0	\$29,956	\$0	\$29,956	\$43,384	\$73,340
Total	\$0	\$331,208	\$0	\$331,208	\$313,676	\$644,884

Hotel & Restaurant Revenue for Tourism & Convention Center

Lodging taxes collected on out-of-town visitors to the hotel

Year	Lodging Taxes Collected
1	\$166,250
2	\$171,238
3	\$141,100
4	\$145,333
5	\$149,693
6	\$154,183
7	\$158,809
8	\$163,573
9	\$168,480
10	\$173,535
Total	\$1,592,193

APPENDIX C

Hotel & Restaurant Revenue for Port Huron SD

Property tax collections on Hotel & Restaurant property:

Year	New Residential Property	Property at the Facility			Total
		Taxes Collected	Taxes Abated	Total Taxes After Abatement	
1	\$0	\$41,200	\$0	\$41,200	\$41,200
2	\$0	\$40,044	\$0	\$40,044	\$40,044
3	\$0	\$38,898	\$0	\$38,898	\$38,898
4	\$0	\$37,762	\$0	\$37,762	\$37,762
5	\$0	\$36,636	\$0	\$36,636	\$36,636
6	\$0	\$35,521	\$0	\$35,521	\$35,521
7	\$0	\$34,416	\$0	\$34,416	\$34,416
8	\$0	\$33,323	\$0	\$33,323	\$33,323
9	\$0	\$32,240	\$0	\$32,240	\$32,240
10	\$0	\$32,819	\$0	\$32,819	\$32,819
Total	\$0	\$362,858	\$0	\$362,858	\$362,858

Hotel & Restaurant Revenue for St. Clair ISD

Property tax collections on Hotel & Restaurant property:

Year	New Residential Property	Property at the Facility			Total
		Taxes Collected	Taxes Abated	Total Taxes After Abatement	
1	\$0	\$17,662	\$0	\$17,662	\$17,662
2	\$0	\$17,167	\$0	\$17,167	\$17,167
3	\$0	\$16,676	\$0	\$16,676	\$16,676
4	\$0	\$16,188	\$0	\$16,188	\$16,188
5	\$0	\$15,706	\$0	\$15,706	\$15,706
6	\$0	\$15,228	\$0	\$15,228	\$15,228
7	\$0	\$14,754	\$0	\$14,754	\$14,754
8	\$0	\$14,285	\$0	\$14,285	\$14,285
9	\$0	\$13,821	\$0	\$13,821	\$13,821
10	\$0	\$14,069	\$0	\$14,069	\$14,069
Total	\$0	\$155,557	\$0	\$155,557	\$155,557

APPENDIX C

Hotel & Restaurant Revenue for St. Clair Community College

Property tax collections on Hotel & Restaurant property:

Year	New Residential Property	Property at the Facility			Total
		Taxes Collected	Taxes Abated	Total Taxes After Abatement	
1	\$0	\$9,729	\$0	\$9,729	\$9,729
2	\$0	\$9,456	\$0	\$9,456	\$9,456
3	\$0	\$9,185	\$0	\$9,185	\$9,185
4	\$0	\$8,917	\$0	\$8,917	\$8,917
5	\$0	\$8,651	\$0	\$8,651	\$8,651
6	\$0	\$8,388	\$0	\$8,388	\$8,388
7	\$0	\$8,127	\$0	\$8,127	\$8,127
8	\$0	\$7,869	\$0	\$7,869	\$7,869
9	\$0	\$7,613	\$0	\$7,613	\$7,613
10	\$0	\$7,750	\$0	\$7,750	\$7,750
Total	\$0	\$85,684	\$0	\$85,684	\$85,684

Hotel & Restaurant Revenue for Blue Water Area Transit

Property tax collections on Hotel & Restaurant property:

Year	New Residential Property	Property at the Facility			Total
		Taxes Collected	Taxes Abated	Total Taxes After Abatement	
1	\$0	\$3,200	\$0	\$3,200	\$3,200
2	\$0	\$3,110	\$0	\$3,110	\$3,110
3	\$0	\$3,021	\$0	\$3,021	\$3,021
4	\$0	\$2,933	\$0	\$2,933	\$2,933
5	\$0	\$2,846	\$0	\$2,846	\$2,846
6	\$0	\$2,759	\$0	\$2,759	\$2,759
7	\$0	\$2,673	\$0	\$2,673	\$2,673
8	\$0	\$2,588	\$0	\$2,588	\$2,588
9	\$0	\$2,504	\$0	\$2,504	\$2,504
10	\$0	\$2,549	\$0	\$2,549	\$2,549
Total	\$0	\$28,185	\$0	\$28,185	\$28,185

APPENDIX C

Convention Center Revenue for City of Port Huron

Income tax collections related to the Convention Center:

Year	Residents		Nonresidents		Total
	Direct Workers	Indirect Workers	Direct Workers	Indirect Workers	
2012	\$0	\$0	\$0	\$0	\$0
2013	\$964	\$532	\$161	\$89	\$1,745
2014	\$993	\$548	\$166	\$91	\$1,798
2015	\$1,023	\$564	\$170	\$94	\$1,852
2016	\$1,053	\$581	\$176	\$97	\$1,907
2017	\$1,085	\$599	\$181	\$100	\$1,964
2018	\$1,118	\$617	\$186	\$103	\$2,023
2019	\$1,151	\$635	\$192	\$106	\$2,084
2020	\$1,186	\$654	\$198	\$109	\$2,147
2021	\$1,221	\$674	\$204	\$112	\$2,211
Total	\$9,794	\$5,404	\$1,632	\$901	\$17,732

Culinary School Revenue for City of Port Huron

Income tax collections related to the Culinary School:

Year	Residents		Nonresidents		Total
	Direct Workers	Indirect Workers	Direct Workers	Indirect Workers	
2012	\$5,616	\$2,687	\$936	\$448	\$9,687
2013	\$8,677	\$4,152	\$1,446	\$692	\$14,967
2014	\$8,937	\$4,276	\$1,490	\$713	\$15,416
2015	\$9,205	\$4,405	\$1,534	\$734	\$15,878
2016	\$9,481	\$4,537	\$1,580	\$756	\$16,354
2017	\$9,766	\$4,673	\$1,628	\$779	\$16,845
2018	\$10,059	\$4,813	\$1,676	\$802	\$17,350
2019	\$10,360	\$4,957	\$1,727	\$826	\$17,871
2020	\$10,671	\$5,106	\$1,779	\$851	\$18,407
2021	\$10,991	\$5,259	\$1,832	\$877	\$18,959
Total	\$93,764	\$44,866	\$15,627	\$7,478	\$161,735