

# Cost-Benefit Analysis for Vantage on Roosevelt

Prepared by Hempstead IDA using InformAnalytics

# Executive Summary

**INVESTOR**  
**The Vantage on Roosevelt**

**TOTAL INVESTED**  
**\$5.0 Million**

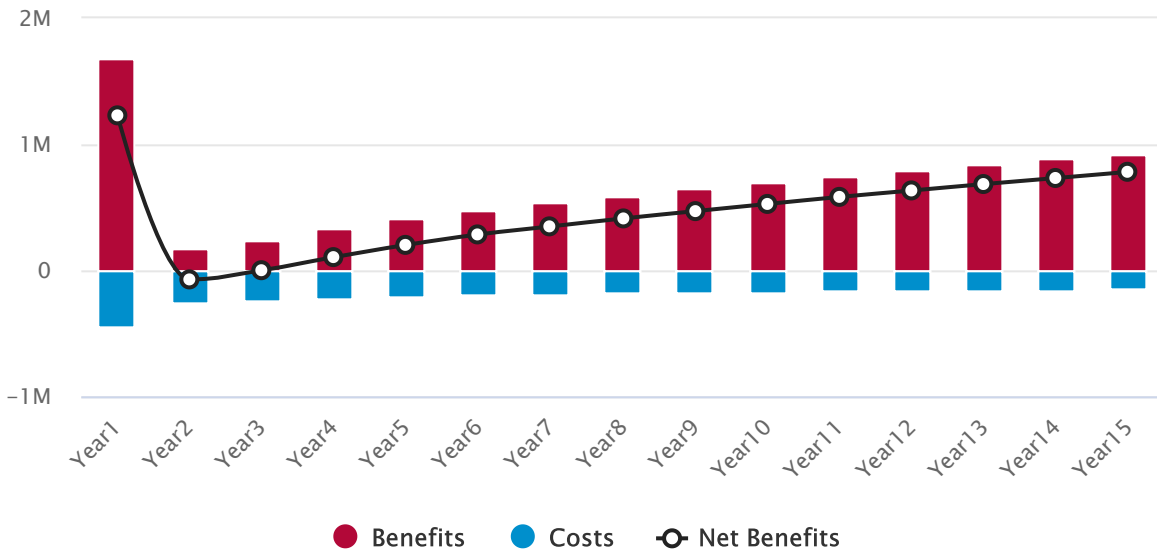
**LOCATION**  
**46-54 Roosevelt Avenue  
, Valley stream**

**TIMELINE**  
**15 Years**

F1 FIGURE 1

Discounted\* Net Benefits for Vantage on Roosevelt by Year

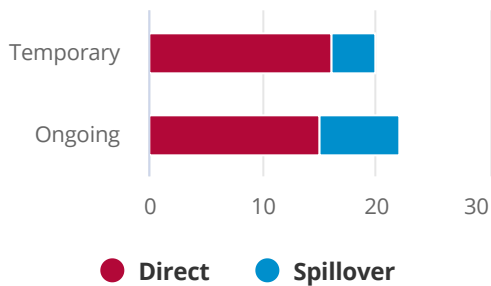
Total Net Benefits: \$6,924,000



Discounted at 2%

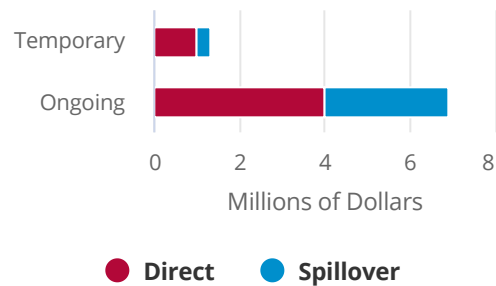
F2 FIGURE 2

Total Jobs



F3 FIGURE 3

Total Payroll



# Proposed Investment

The Vantage on Roosevelt proposes to invest \$5.0 million at 46-54 Roosevelt Avenue, Valley Stream over 15 years.

Hempstead IDA staff summarize the proposed with the following: The applicant is seeking to construct a ground up development of a 3 story building with 17 residential units and parking on the ground floor level. The property currently consists of an approx. 14,967 square foot irregular corner lot on the corner of Roosevelt Avenue and Cochran Place. The new building will be 14,912 square feet.

T1 TABLE 1

## Proposed Investments

Description	Amount
<b>CONSTRUCTION SPENDING</b>	
The property currently consists of an approx. 14,967 square foot irregular corner lot on the corner of Roosevelt Avenue and Cochran Place. The new building will be 14,912 square feet.	\$2,363,000
<b>OTHER SPENDING</b>	
Land	\$717,000
Sitework	\$300,000
Machinery and Equipment	\$700,000
Legal Fees	\$55,000
Architectural and Engineering	\$165,000
Financial Fees	\$360,000
Other (Misc and Insurance)	\$340,000
<b>Total Investments</b>	<b>\$5,000,000</b>
<b>Discounted Total (2%)</b>	<b>\$5,000,000</b>

May not sum to total due to rounding.

F4 FIGURE 4

## Location of Investment



# Cost-Benefit Analysis

A cost-benefit analysis of this proposed investment was conducted using InformAnalytics, an economic impact model developed by CGR. The report estimates the impact that a potential project will have on the local economy based on information provided by Hempstead IDA. The report calculates the costs and benefits for specified local taxing districts over the first 15 years, with future returns discounted at a 2% rate.

T2 TABLE 2

## Estimated Costs or Incentives

Hempstead IDA is considering the following incentive package for The Vantage on Roosevelt.

Description	Nominal Value	Discounted Value*
Property Tax Exemption	\$3,236,000	\$2,849,000
Sales Tax Exemption	\$157,000	\$157,000
Mortgage Recording Tax Exemption	\$42,000	\$42,000
<b>Total Costs</b>	<b>\$3,435,000</b>	<b>\$3,048,000</b>

**May not sum to total due to rounding.**

\* Discounted at 2%

T3 TABLE 3

**State & Regional Impact (Life of Project)**

The following table estimates the total benefits from the project over its lifetime.

Description	Direct	Spillover	Total
<b>REGIONAL BENEFITS</b>	<b>\$7,015,000</b>	<b>\$3,757,000</b>	<b>\$10,772,000</b>
<b>To Private Individuals</b>	<b>\$5,779,000</b>	<b>\$3,707,000</b>	<b>\$9,486,000</b>
Temporary Payroll	\$979,000	\$275,000	\$1,253,000
Ongoing Payroll	\$4,800,000	\$3,432,000	\$8,232,000
<b>To the Public</b>	<b>\$1,237,000</b>	<b>\$50,000</b>	<b>\$1,286,000</b>
Property Tax Revenue	\$1,037,000	N/A	\$1,037,000
Temporary Sales Tax Revenue	\$13,000	\$4,000	\$17,000
Ongoing Sales Tax Revenue	\$64,000	\$46,000	\$110,000
Purchases Sales Tax Revenue	\$122,000	N/A	\$122,000
<b>STATE BENEFITS</b>	<b>\$441,000</b>	<b>\$230,000</b>	<b>\$671,000</b>
<b>To the Public</b>	<b>\$441,000</b>	<b>\$230,000</b>	<b>\$671,000</b>
Temporary Income Tax Revenue	\$50,000	\$14,000	\$64,000
Ongoing Income Tax Revenue	\$218,000	\$173,000	\$391,000
Temporary Sales Tax Revenue	\$11,000	\$3,000	\$14,000
Ongoing Sales Tax Revenue	\$55,000	\$40,000	\$95,000
Purchases Sales Tax Revenue	\$105,000	N/A	\$105,000
<b>Total Benefits to State &amp; Region</b>	<b>\$7,456,000</b>	<b>\$3,987,000</b>	<b>\$11,443,000</b>
<b>Discounted Total Benefits (2%)</b>	<b>\$6,600,000</b>	<b>\$3,372,000</b>	<b>\$9,972,000</b>

**May not sum to total due to rounding.**

T4 TABLE 4

**Benefit to Cost Ratio**

The following benefit to cost ratios were calculated using the discounted totals.

Description	Benefit*	Cost*	Ratio
Region	\$9,382,000	\$2,933,000	3:1
State	\$590,000	\$115,000	5:1
<b>Grand Total</b>	<b>\$9,972,000</b>	<b>\$3,048,000</b>	<b>3:1</b>

**May not sum to total due to rounding.**

\* Discounted at 2%

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