

# Cost-Benefit Analysis for S&S Atlantic Realty, INC (UPDATED 2021)

Prepared by Hempstead IDA using InformAnalytics

# Executive Summary

### INVESTOR

**S&S Atlantic Realty, LLC  
(2021 Update)**

### TOTAL INVESTED

**\$4.7 Million**

### LOCATION

**418 Atlantic Ave,  
Oceanside, NY**

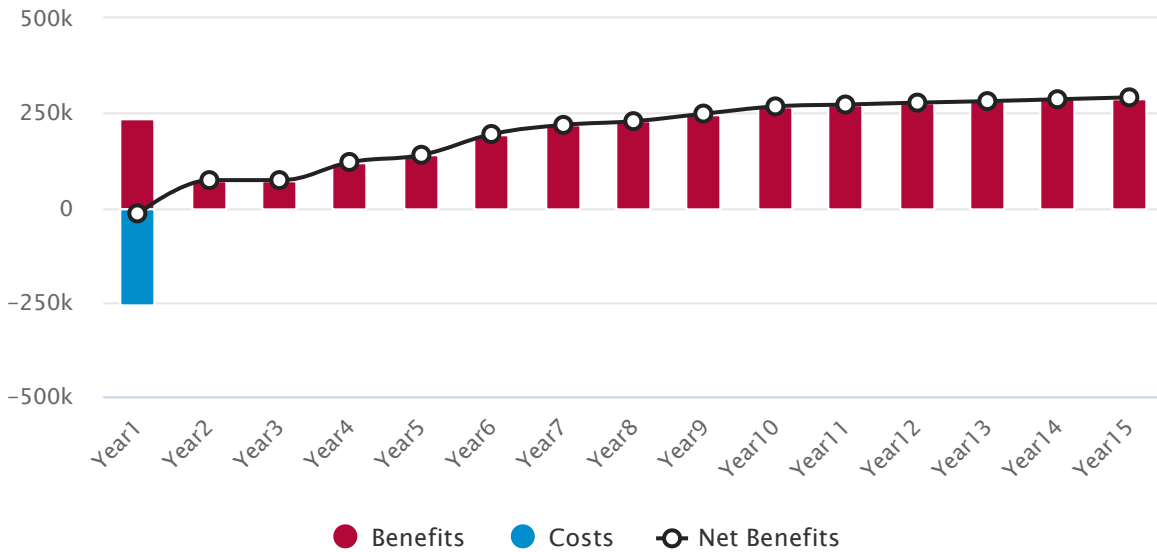
### TIMELINE

**15 Years**

F1 FIGURE 1

Discounted\* Net Benefits for S&S Atlantic Realty, INC (UPDATED 2021) by Year

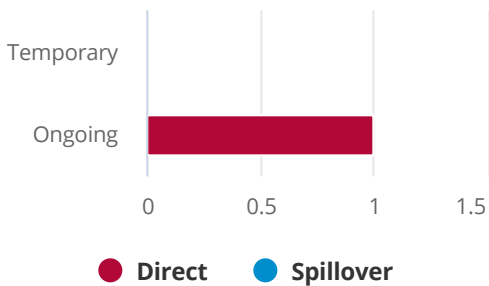
Total Net Benefits: \$2,948,000



Discounted at 2%

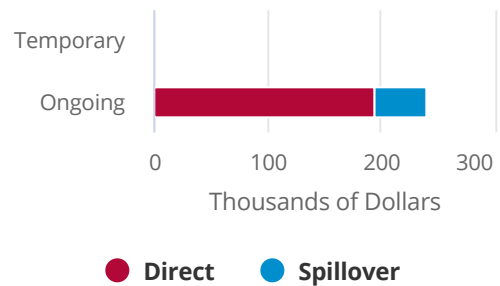
F2 FIGURE 2

Total Jobs



F3 FIGURE 3

Total Payroll



# Proposed Investment

S&S Atlantic Realty, LLC (2021 Update) proposes to invest \$4.7 million at 418 Atlantic Ave, Oceanside, NY over 15 years.

Hempstead IDA staff summarize the proposed with the following: The applicant seeks to construct a residential rental complex of approximately 22,500 square feet. The project will consist of 22 two bedroom apartments and 1 one bedroom apartment. The project is located in a transit oriented district approved by the Town of Hempstead. The site is less than one half mile from both the Oceanside and East Rockaway Long Island Railroad Stations. The project will also set aside ten percent of all units as affordable workforce housing.

T1 TABLE 1

## Proposed Investments

Description	Amount
<b>OTHER SPENDING</b>	
Hard Costs	\$4,126,000
Legal Fees	\$25,000
Architectural / Engineering Fees	\$138,000
Civil Engineer	\$52,000
Advertising and Model Kit	\$15,000
Insurance Consultants	\$25,000
Financing Fees	\$185,000
Real Estate Taxes	\$108,000
<b>Total Investments</b>	<b>\$4,674,000</b>
Discounted Total (2%)	\$4,674,000

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 S&S Atlantic Realty, LLC (2021 Update).

Description	Nominal Value	Discounted Value*
Sales Tax Exemption	\$217,000	\$217,000
Mortgage Recording Tax Exemption	\$37,000	\$37,000
<b>Total Costs</b>	<b>\$254,000</b>	<b>\$254,000</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>\$3,093,000</b>	<b>\$54,000</b>	<b>\$3,147,000</b>
<b>To Private Individuals</b>	<b>\$224,000</b>	<b>\$53,000</b>	<b>\$277,000</b>
Ongoing Payroll	\$224,000	\$53,000	\$277,000
<b>To the Public</b>	<b>\$2,869,000</b>	<b>\$713</b>	<b>\$2,869,000</b>
Property Tax Revenue	\$2,766,000	N/A	\$2,766,000
Ongoing Sales Tax Revenue	\$3,000	\$713	\$4,000
Purchases Sales Tax Revenue	\$100,000	N/A	\$100,000
<b>STATE BENEFITS</b>	<b>\$92,000</b>	<b>\$3,000</b>	<b>\$95,000</b>
<b>To the Public</b>	<b>\$92,000</b>	<b>\$3,000</b>	<b>\$95,000</b>
Ongoing Income Tax Revenue	\$3,000	\$3,000	\$6,000
Ongoing Sales Tax Revenue	\$3,000	\$617	\$3,000
Purchases Sales Tax Revenue	\$86,000	N/A	\$86,000
<b>Total Benefits to State &amp; Region</b>	<b>\$3,185,000</b>	<b>\$57,000</b>	<b>\$3,242,000</b>
<b>Discounted Total Benefits (2%)</b>	<b>\$3,153,000</b>	<b>\$50,000</b>	<b>\$3,203,000</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	\$3,109,000	\$116,000	27:1
State	\$94,000	\$138,000	1:1
<b>Grand Total</b>	<b>\$3,203,000</b>	<b>\$254,000</b>	<b>13:1</b>

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

\* Discounted at 2%

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