

CAMOIN ASSOCIATES

ECONOMIC IMPACT ANALYSIS

The estimates of direct economic activity generated by facility operation and new resident spending as provided by the Applicant were used as the direct inputs for the economic impact model. Camoin Associates uses the input-output model designed by Economic Modeling Specialists, International (Emsi) to calculate total economic impacts. Emsi allows the analyst to input the amount of new direct economic activity (spending or jobs) occurring within the town and uses the direct inputs to estimate the spillover effects that the net new spending or jobs have as these new dollars circulate through the Town of Hempstead's economy. This is captured in the indirect and induced impacts and is commonly referred to as the "multiplier effect." See Attachment A for more information on economic impact analysis.

The Project would have economic impacts upon the Town of Hempstead as a result of Project construction, operation, and spending by new tenant households.

CONSTRUCTION PHASE IMPACTS

The Applicant estimates that private sector investment in the construction of the Project would cost approximately \$19.4 million¹, of which 70%² would be sourced from within the town. This means that there will be nearly \$13.6 million in net new spending in the town associated with the construction phase of the Project.

Table 3

Construction Phase Spending - Town

Total Construction Cost	\$	19,418,573
Percent Sourced from Town		70%
Net New Constuction Spending	\$	13,593,001

Source: Applicant, Camoin Associates

Based on nearly \$13.6 million worth of net new direct spending associated with the construction phase of the Project, Camoin Associates determined that there would be nearly \$17.5 million in total one-time construction related spending supporting 76 jobs and an associated nearly \$7.1 million in earnings over the construction period throughout the town. Table 4 outlines the economic impacts of construction.

Table 4

Town Economic Impact - Construction Phase

	Jobs	Earnings	Sales
Direct	57 \$	5,697,093 \$	13,593,001
Indirect	9 \$	658,489 \$	2,100,454
Induced	10 \$	702,785 \$	1,782,415
Total	76 \$	7,058,367 \$	17,475,871

Source: Emsi, Camoin Associates

¹ Includes project costs as provided by the Applicant, excluding acquisition, legal fees, and financial charges.

² According to Emsi, approximately 70% of construction industry demand is met within the town.

CAMOIN ASSOCIATES

IMPACTS OF NEW HOUSEHOLD SPENDING

To determine the annual economic impact of the Project on the town, the first step is to calculate the number of households that can be considered "net new" to the town economy. In other words, the number of households that, but for the Project, would not exist in the Town of Hempstead. With respect to this Project, net new households consist of those who are able to live in the jurisdictions as a result of the Project and would otherwise choose to live elsewhere. See Attachment B for more information on this methodology.

The Applicant proposes to construct 48 units, with 25% (or 12 units) targeted to households earning up to 80% of AMI. Camoin Associates conducted a rental demand analysis for the Project site and found that 82% of the market-rate and affordable units, or 40 units, are net new to the town (Table 5). This is based on a review of the data and an understanding of the proposed Project as detailed above.

Table 5

Net New Households

	Total Households	Percent Net New	Net New Households
Market Rate	36	82%	30
Affordable	12	82%	10
Total	48	83%	40

Source: Esri, Camoin Associates

SPENDING BY NEW TENANTS

These residents make purchases in the town, thereby adding new dollars to the Town of Hempstead's economies. For this analysis, we researched spending patterns by household income to determine the spending by tenants.

The 10 net new affordable units will be available to households earning up to 80% of AMI.³ Therefore, we will consider spending for tenants to be in the \$70,000 to \$99,999 annual household income spending basket, the spending basket that most closely resembles likely tenants, per the Bureau of Labor Statistics' 2020 Consumer Expenditure Survey. Market-rate unit tenants are expected to fall in the \$100,000 to \$149,000 annual household income spending basket.

Using a spending basket for the region which details household spending in individual consumer categories by income level, we analyzed likely tenant spending. According to the 2020 Consumer Expenditure Survey, households in market-rate units have annual expenditures (excluding housing and utility costs) of \$44,188 and households in affordable units have annual expenditures of \$33,157.

It is assumed that 60%⁴ of total expenditures would occur within the Town of Hempstead and, therefore, have an impact on the town's economy. The total net new spending columns show the total amount spent in the town, based on the number of net new units.

³ According to the Applicant.

⁴ According to Emsi, 60% of demand for industries in a typical household spending basket is met within the Town of Hempstead.

CAMOIN ASSOCIATES

Table 6

Tenant Spending Basket**Market-Rate Units (\$100,000 to \$149,999 Annual Household Income)**

Category	Annual per Unit Spending Basket	Amount Spent in Town (60%)	Total Net New Town Spending (30 net new units)
Food	\$ 9,901	\$ 5,941	\$ 178,218
Household furnishings and equipment	\$ 2,909	\$ 1,745	\$ 52,362
Apparel and services	\$ 2,037	\$ 1,222	\$ 36,666
Transportation	\$ 14,888	\$ 8,933	\$ 267,984
Health care	\$ 6,508	\$ 3,905	\$ 117,144
Entertainment	\$ 4,331	\$ 2,599	\$ 77,958
Personal care products and services	\$ 934	\$ 560	\$ 16,812
Education	\$ 1,494	\$ 896	\$ 26,892
Miscellaneous	\$ 1,186	\$ 712	\$ 21,348
Total Tenant Spending	\$ 44,188	\$ 26,513	\$ 795,384

Affordable Units for Tenants Earning at or below 80% AMI (\$70,000 to \$99,999 Annual Household Income)

Category	Annual per Unit Spending Basket	Amount Spent in Town (60%)	Total Net New Town Spending (10 net new units)
Food	\$ 7,475	\$ 4,485	\$ 44,850
Household furnishings and equipment	\$ 2,396	\$ 1,438	\$ 14,376
Apparel and services	\$ 1,145	\$ 687	\$ 6,870
Transportation	\$ 11,098	\$ 6,659	\$ 66,588
Health care	\$ 5,745	\$ 3,447	\$ 34,470
Entertainment	\$ 2,694	\$ 1,616	\$ 16,164
Personal care products and services	\$ 652	\$ 391	\$ 3,912
Education	\$ 893	\$ 536	\$ 5,358
Miscellaneous	\$ 1,059	\$ 635	\$ 6,354
Total Tenant Spending	\$ 33,157	\$ 19,894	\$ 198,942
Total In-Town Spending			\$ 994,326

Source: 2020 Consumer Expenditure Survey, Bureau of Labor Statistics

The total net new spending in the town was calculated by multiplying the amount spent in each region by the number of net new units. As shown in the table above, spending in the town by all new households would total over \$994,000. We used the above spending basket amounts to calculate the direct, indirect, and total impact of the Project on the town.

Using \$994,326 as the new sales input, Camoin Associates used Emsi to determine the indirect, induced, and total impact of the Project on the Town of Hempstead.⁵ Table 7 outlines the findings of this analysis.

Table 7

Town Economic Impact - Household Spending

	Jobs	Earnings	Sales
Direct	8 \$	356,442 \$	994,326
Indirect	1 \$	93,764 \$	247,677
Induced	1 \$	88,390 \$	222,916
Total	10 \$	538,596 \$	1,464,919

Source: Emsi, Camoin Associates

⁵ Analysis uses the 33 zip codes that are predominantly located within the Town of Hempstead (see Attachment C).

CAMOIN ASSOCIATES

IMPACTS OF ON-SITE EMPLOYMENT

According to the Applicant, two (2) jobs will be on-site following Project completion. Since 82% of the housing units are considered net new to the town, 82% of the jobs, or two jobs (due to rounding), are considered to be net new. The table below detail the impact that these jobs will have on the Town of Hempstead (Table 8).

Table 8

Town Economic Impact - On-Site Operations

	Jobs	Earnings	Sales
Direct	2 \$	101,027 \$	339,791
Indirect	1 \$	51,386 \$	139,296
Induced	0 \$	21,476 \$	54,339
Total	3 \$	173,890 \$	533,426

Source: Emsi, Camoin Associates

TOTAL ANNUAL ECONOMIC IMPACT

The complete economic impact of both new household spending as well as on-site operation and maintenance of the Project on the Town of Hempstead in Table 9.

Table 9

Town Total Annual Economic Impact

	Jobs	Earnings	Sales
Direct	10 \$	457,469 \$	1,334,117
Indirect	2 \$	145,150 \$	386,972
Induced	1 \$	109,867 \$	277,255
Total	13 \$	712,486 \$	1,998,345

Source: Emsi, Camoin Associates

CAMOIN ASSOCIATES

FISCAL IMPACT ANALYSIS

In addition to the economic impact of the Project on the local economies (outlined above), there would also be a fiscal impact in terms of annual property tax and sales tax generation. The following section of the analysis outlines the impact of the completion of the Project on the local taxing jurisdictions in terms of the cost and/or benefit to municipal budgets.

PAYMENT IN LIEU OF TAXES (PILOT)

The Applicant has applied to the Agency for a Payment In Lieu of Taxes (PILOT) agreement. The Applicant has proposed a 20-year PILOT payment schedule based on the current tax rate, taxable value, and assessed value of the Project. Based on the terms of the PILOT as proposed, Camoin Associates calculated the potential impact on the affected jurisdictions.⁶

Table 10

Tax Payments with PILOT

Year	Total		Portion of Payment by Jurisdiction			
	PILOT Payments		Town	County	School District	Special Districts
1	\$ 42,945	\$	3,786	\$ 10,800	\$ 21,753	\$ 6,606
2	\$ 42,945	\$	3,786	\$ 10,800	\$ 21,753	\$ 6,606
3	\$ 42,945	\$	3,786	\$ 10,800	\$ 21,753	\$ 6,606
4	\$ 65,000	\$	5,730	\$ 16,346	\$ 32,925	\$ 9,999
5	\$ 70,000	\$	6,171	\$ 17,603	\$ 35,458	\$ 10,768
6	\$ 75,000	\$	6,611	\$ 18,860	\$ 37,991	\$ 11,538
7	\$ 80,000	\$	7,052	\$ 20,118	\$ 40,523	\$ 12,307
8	\$ 85,000	\$	7,493	\$ 21,375	\$ 43,056	\$ 13,076
9	\$ 95,000	\$	8,374	\$ 23,890	\$ 48,121	\$ 14,614
10	\$ 100,000	\$	8,815	\$ 25,147	\$ 50,654	\$ 15,384
11	\$ 115,000	\$	10,137	\$ 28,919	\$ 58,252	\$ 17,691
12	\$ 125,000	\$	11,019	\$ 31,434	\$ 63,318	\$ 19,229
13	\$ 135,000	\$	11,900	\$ 33,949	\$ 68,383	\$ 20,768
14	\$ 145,000	\$	12,782	\$ 36,464	\$ 73,448	\$ 22,306
15	\$ 155,000	\$	13,663	\$ 38,978	\$ 78,514	\$ 23,844
16	\$ 165,000	\$	14,545	\$ 41,493	\$ 83,579	\$ 25,383
17	\$ 175,000	\$	15,426	\$ 44,008	\$ 88,645	\$ 26,921
18	\$ 180,000	\$	15,867	\$ 45,265	\$ 91,177	\$ 27,690
19	\$ 190,000	\$	16,749	\$ 47,780	\$ 96,243	\$ 29,229
20	\$ 200,000	\$	17,630	\$ 50,295	\$ 101,308	\$ 30,767
Total	\$ 2,283,835	\$	201,322	\$ 574,323	\$ 1,156,856	\$ 351,334
Average	\$ 114,192	\$	10,066	\$ 28,716	\$ 57,843	\$ 17,567

Source: Town of Hempstead IDA, Camoin Associates

⁶ It is assumed that each jurisdiction will continue to receive the same portion of the PILOT that they currently receive from the full tax bill.

CAMOIN ASSOCIATES

TAX POLICY COMPARISON

Without financial assistance from the Agency, Camoin Associates assumes the Applicant would not undertake the Project. Table 11 displays the property tax payment associated with the Project.

Table 11

Tax Payments without Project

Year	Total Property Tax Payment		Portion of Payment by Jurisdiction			
	Without Project*		Town	County	School District	Special Districts
1	\$	64,617	\$ 5,696	\$ 16,249	\$ 32,731	\$ 9,940
2	\$	65,909	\$ 5,810	\$ 16,574	\$ 33,386	\$ 10,139
3	\$	67,227	\$ 5,926	\$ 16,906	\$ 34,053	\$ 10,342
4	\$	68,572	\$ 6,045	\$ 17,244	\$ 34,734	\$ 10,549
5	\$	69,943	\$ 6,166	\$ 17,589	\$ 35,429	\$ 10,760
6	\$	71,342	\$ 6,289	\$ 17,941	\$ 36,138	\$ 10,975
7	\$	72,769	\$ 6,415	\$ 18,299	\$ 36,860	\$ 11,194
8	\$	74,224	\$ 6,543	\$ 18,665	\$ 37,598	\$ 11,418
9	\$	75,709	\$ 6,674	\$ 19,039	\$ 38,350	\$ 11,647
10	\$	77,223	\$ 6,807	\$ 19,419	\$ 39,117	\$ 11,880
11	\$	78,767	\$ 6,943	\$ 19,808	\$ 39,899	\$ 12,117
12	\$	80,343	\$ 7,082	\$ 20,204	\$ 40,697	\$ 12,360
13	\$	81,949	\$ 7,224	\$ 20,608	\$ 41,511	\$ 12,607
14	\$	83,588	\$ 7,368	\$ 21,020	\$ 42,341	\$ 12,859
15	\$	85,260	\$ 7,516	\$ 21,441	\$ 43,188	\$ 13,116
16	\$	86,965	\$ 7,666	\$ 21,869	\$ 44,052	\$ 13,378
17	\$	88,705	\$ 7,819	\$ 22,307	\$ 44,933	\$ 13,646
18	\$	90,479	\$ 7,976	\$ 22,753	\$ 45,831	\$ 13,919
19	\$	92,288	\$ 8,135	\$ 23,208	\$ 46,748	\$ 14,197
20	\$	94,134	\$ 8,298	\$ 23,672	\$ 47,683	\$ 14,481
Total	\$	1,570,013	\$ 138,398	\$ 394,816	\$ 795,276	\$ 241,523
Average	\$	78,501	\$ 6,920	\$ 19,741	\$ 39,764	\$ 12,076

Source: Town of Hempstead IDA, Camoin Associates

*Note: Assumes an average annual increase of 2.00%

CAMOIN ASSOCIATES

Table 12 calculates the benefit (or cost) to the affected taxing jurisdictions as the difference between the PILOT payments associated with the Project and the property tax payments without the Project. Nearly \$36,000 more in PILOT revenue will be received annually than property taxes that would be received without the Project. The total benefit would be nearly \$714,000 over the 20-year period.

Table 12

Tax Policy Comparison (All Jurisdictions)

Year	Property Tax Payment Without Project	PILOT Payment	Benefit (Cost) of Project
1	\$ 64,617	\$ 42,945	\$ (21,672)
2	\$ 65,909	\$ 42,945	\$ (22,964)
3	\$ 67,227	\$ 42,945	\$ (24,282)
4	\$ 68,572	\$ 65,000	\$ (3,572)
5	\$ 69,943	\$ 70,000	\$ 57
6	\$ 71,342	\$ 75,000	\$ 3,658
7	\$ 72,769	\$ 80,000	\$ 7,231
8	\$ 74,224	\$ 85,000	\$ 10,776
9	\$ 75,709	\$ 95,000	\$ 19,291
10	\$ 77,223	\$ 100,000	\$ 22,777
11	\$ 78,767	\$ 115,000	\$ 36,233
12	\$ 80,343	\$ 125,000	\$ 44,657
13	\$ 81,949	\$ 135,000	\$ 53,051
14	\$ 83,588	\$ 145,000	\$ 61,412
15	\$ 85,260	\$ 155,000	\$ 69,740
16	\$ 86,965	\$ 165,000	\$ 78,035
17	\$ 88,705	\$ 175,000	\$ 86,295
18	\$ 90,479	\$ 180,000	\$ 89,521
19	\$ 92,288	\$ 190,000	\$ 97,712
20	\$ 94,134	\$ 200,000	\$ 105,866
Total	\$ 1,570,013	\$ 2,283,835	\$ 713,822
Average	\$ 78,501	\$ 114,192	\$ 35,691

Source: Town of Hempstead IDA, Camoin Associates

CAMOIN ASSOCIATES

TOWN

Table 13 calculates the benefit (or cost) to the Town. The Town would receive approximately \$3,146 more in PILOT revenue annually than it would receive in property taxes without the Project. The total benefit to the Town would be nearly \$63,000 over the 20-year period.

Table 13

Tax Policy Comparison for Town

Year	Property Tax Payment Without Project	PILOT Payment	Benefit (Cost) of Project
1	\$ 5,696	\$ 3,786	\$ (1,910)
2	\$ 5,810	\$ 3,786	\$ (2,024)
3	\$ 5,926	\$ 3,786	\$ (2,140)
4	\$ 6,045	\$ 5,730	\$ (315)
5	\$ 6,166	\$ 6,171	\$ 5
6	\$ 6,289	\$ 6,611	\$ 322
7	\$ 6,415	\$ 7,052	\$ 637
8	\$ 6,543	\$ 7,493	\$ 950
9	\$ 6,674	\$ 8,374	\$ 1,701
10	\$ 6,807	\$ 8,815	\$ 2,008
11	\$ 6,943	\$ 10,137	\$ 3,194
12	\$ 7,082	\$ 11,019	\$ 3,937
13	\$ 7,224	\$ 11,900	\$ 4,676
14	\$ 7,368	\$ 12,782	\$ 5,413
15	\$ 7,516	\$ 13,663	\$ 6,148
16	\$ 7,666	\$ 14,545	\$ 6,879
17	\$ 7,819	\$ 15,426	\$ 7,607
18	\$ 7,976	\$ 15,867	\$ 7,891
19	\$ 8,135	\$ 16,749	\$ 8,613
20	\$ 8,298	\$ 17,630	\$ 9,332
Total	\$ 138,398	\$ 201,322	\$ 62,924
Average	\$ 6,920	\$ 10,066	\$ 3,146

Source: Town of Hempstead IDA, Camoin Associates

CAMOIN ASSOCIATES

COUNTY

Table 14 calculates the benefit (or cost) to the County. The County would receive approximately \$8,975 more in PILOT revenue annually than it would receive in property taxes without the Project. The total benefit to the County would be nearly \$180,000 over the 20-year period.

Table 14

Tax Policy Comparison for County

Year	Property Tax Payment Without Project	PILOT Payment	Benefit (Cost) of Project
1	\$ 16,249	\$ 10,800	\$ (5,450)
2	\$ 16,574	\$ 10,800	\$ (5,775)
3	\$ 16,906	\$ 10,800	\$ (6,106)
4	\$ 17,244	\$ 16,346	\$ (898)
5	\$ 17,589	\$ 17,603	\$ 14
6	\$ 17,941	\$ 18,860	\$ 920
7	\$ 18,299	\$ 20,118	\$ 1,818
8	\$ 18,665	\$ 21,375	\$ 2,710
9	\$ 19,039	\$ 23,890	\$ 4,851
10	\$ 19,419	\$ 25,147	\$ 5,728
11	\$ 19,808	\$ 28,919	\$ 9,112
12	\$ 20,204	\$ 31,434	\$ 11,230
13	\$ 20,608	\$ 33,949	\$ 13,341
14	\$ 21,020	\$ 36,464	\$ 15,443
15	\$ 21,441	\$ 38,978	\$ 17,538
16	\$ 21,869	\$ 41,493	\$ 19,624
17	\$ 22,307	\$ 44,008	\$ 21,701
18	\$ 22,753	\$ 45,265	\$ 22,512
19	\$ 23,208	\$ 47,780	\$ 24,572
20	\$ 23,672	\$ 50,295	\$ 26,622
Total	\$ 394,816	\$ 574,323	\$ 179,507
Average	\$ 19,741	\$ 28,716	\$ 8,975

Source: Town of Hempstead IDA, Camoin Associates

CAMOIN ASSOCIATES

SCHOOL DISTRICT

Table 15 calculates the benefit (or cost) to the school district. The school district would receive approximately \$18,079 more in PILOT revenue annually than it would receive in property taxes without the Project. The total benefit to the school district would be nearly \$362,000 over the 20-year period.

Table 15

Tax Policy Comparison for School District

Year	Property Tax Payment Without Project	PILOT Payment	Benefit (Cost) of Project
1	\$ 32,731	\$ 21,753	\$ (10,978)
2	\$ 33,386	\$ 21,753	\$ (11,632)
3	\$ 34,053	\$ 21,753	\$ (12,300)
4	\$ 34,734	\$ 32,925	\$ (1,809)
5	\$ 35,429	\$ 35,458	\$ 29
6	\$ 36,138	\$ 37,991	\$ 1,853
7	\$ 36,860	\$ 40,523	\$ 3,663
8	\$ 37,598	\$ 43,056	\$ 5,458
9	\$ 38,350	\$ 48,121	\$ 9,772
10	\$ 39,117	\$ 50,654	\$ 11,538
11	\$ 39,899	\$ 58,252	\$ 18,353
12	\$ 40,697	\$ 63,318	\$ 22,621
13	\$ 41,511	\$ 68,383	\$ 26,872
14	\$ 42,341	\$ 73,448	\$ 31,107
15	\$ 43,188	\$ 78,514	\$ 35,326
16	\$ 44,052	\$ 83,579	\$ 39,528
17	\$ 44,933	\$ 88,645	\$ 43,712
18	\$ 45,831	\$ 91,177	\$ 45,346
19	\$ 46,748	\$ 96,243	\$ 49,495
20	\$ 47,683	\$ 101,308	\$ 53,625
Total	\$ 795,276	\$ 1,156,856	\$ 361,580
Average	\$ 39,764	\$ 57,843	\$ 18,079

Source: Town of Hempstead IDA, Camoin Associates

CAMOIN ASSOCIATES

SPECIAL DISTRICTS

Table 16 calculates the benefit (or cost) to the special districts. The special districts would receive approximately \$5,491 more in PILOT revenue annually than it would receive in property taxes without the Project. The total benefit to the special districts would be nearly \$110,000 over the 20-year period.

Table 16

Tax Policy Comparison for Special Districts

Year	Property Tax Payment Without Project	PILOT Payment	Benefit (Cost) of Project
1	\$ 9,940	\$ 6,606	\$ (3,334)
2	\$ 10,139	\$ 6,606	\$ (3,533)
3	\$ 10,342	\$ 6,606	\$ (3,735)
4	\$ 10,549	\$ 9,999	\$ (549)
5	\$ 10,760	\$ 10,768	\$ 9
6	\$ 10,975	\$ 11,538	\$ 563
7	\$ 11,194	\$ 12,307	\$ 1,112
8	\$ 11,418	\$ 13,076	\$ 1,658
9	\$ 11,647	\$ 14,614	\$ 2,968
10	\$ 11,880	\$ 15,384	\$ 3,504
11	\$ 12,117	\$ 17,691	\$ 5,574
12	\$ 12,360	\$ 19,229	\$ 6,870
13	\$ 12,607	\$ 20,768	\$ 8,161
14	\$ 12,859	\$ 22,306	\$ 9,447
15	\$ 13,116	\$ 23,844	\$ 10,728
16	\$ 13,378	\$ 25,383	\$ 12,004
17	\$ 13,646	\$ 26,921	\$ 13,275
18	\$ 13,919	\$ 27,690	\$ 13,771
19	\$ 14,197	\$ 29,229	\$ 15,031
20	\$ 14,481	\$ 30,767	\$ 16,286
Total	\$ 241,523	\$ 351,334	\$ 109,811
Average	\$ 12,076	\$ 17,567	\$ 5,491

Source: Town of Hempstead IDA, Camoin Associates

CAMOIN ASSOCIATES

OTHER EXEMPTIONS

There are additional benefits to working with the Agency including a one-time sales tax exemption on construction materials and furniture, fixtures, and equipment as well as a mortgage recording tax exemption. Tax exemptions are for the state and county taxes and are not applicable to the town.

Table 17

Summary of Costs to Affected Jurisdictions

		State and County
Sales Tax Exemption	\$	1,120,991
Mortgage Tax Exemption	\$	130,779

Source: Applicant, Camoin Associates

The additional incentives offered by the Agency will benefit the Applicant but will not negatively affect the taxing jurisdictions because, without the Project, the Town by definition would not be receiving any associated sales tax or mortgage tax revenue.

SALES TAX REVENUE

SALES TAX REVENUE – CONSTRUCTION PHASE

The one-time construction phase earnings described by the total economic impact of the construction work (described in the above section) would lead to additional sales tax revenue for the Town. It is assumed that 70%⁷ of the construction phase earnings would be spent within the county and that 25% of those purchases would be taxable.

Table 18

One-Time Sales Tax Revenue, Construction Phase

Total New Earnings	\$	7,058,367
Amount Spent in County (70%)	\$	4,940,857
Amount Taxable (25%)	\$	1,235,214
Nassau County Sales Tax Revenue (4.25%)	\$	52,497
New Town Sales Tax Revenue Portion*		0.375%
New Town Sales Tax Revenue	\$	4,632

Source: Town of Hempstead IDA, Camoin Associates

***Note:** Nassau County's sales tax rate is 4.25%, of which 0.75% is allocated to the towns and cities within the county. For this analysis we assume half of the 0.75% is allocated to the Town of Hempstead.

SALES TAX REVENUE – NEW HOUSEHOLD SPENDING

As a result of the Project, the Town would receive sales tax revenue from the purchases made by the households. Table 19 displays the new sales tax revenue that the Town of Hempstead would receive annually based on in-town spending by new households.

⁷ According to Emsi, 70% demand for industries in a typical household spending basket is met within Nassau County.

Table 19

Annual Sales Tax Revenue, Household Spending

Total New Spending	\$	1,464,919
Amount Taxable (30%)	\$	439,476
Nassau County Sales Tax Revenue (4.25%)	\$	18,678
New Town Sales Tax Revenue Portion*		0.375%
New Town Tax Revenue	\$	1,648

Source: Town of Hempstead IDA, Camoin Associates

***Note:** Nassau County's sales tax rate is 4.25%, of which 0.75% is allocated to the towns and cities within the county. For this analysis we assume half of the 0.75% is allocated to the Town of Hempstead.

Note that the household spending figure has already been adjusted to account for 60% of total spending occurring within the town (see table entitled "Tenant Spending Baskets"). It is assumed that 30% of purchases will be taxable, based on the spending baskets of tenants and the understanding that certain non-taxable items (related to housing expenses) have been removed from the total spending line, this increasing the remaining portion taxable.

SALES TAX REVENUE – EMPLOYEE EARNINGS

The earnings generated by on-site jobs that will occur as a result of building operation at the Project (described under Impacts of On-Site Employment) would lead to additional annual sales tax revenue for the town. It is assumed that 70% of the earnings would be spent within Nassau County and that 25% of those purchases will be taxable. Table 20 displays the annual tax revenue that the Town will receive.

Table 20

Annual Sales Tax Revenue, On-Site Operations

Total New Earnings	\$	173,890
Amount Spent in County (70%)	\$	121,723
Amount Taxable (25%)	\$	30,431
Nassau County Sales Tax Revenue (4.25%)	\$	1,293
New Town Sales Tax Revenue Portion*		0.375%
New Town Tax Revenue	\$	114

Source: Town of Hempstead IDA, Camoin Associates

***Note:** Nassau County's sales tax rate is 4.25%, of which 0.75% is allocated to the towns and cities within the county. For this analysis we assume half of the 0.75% is allocated to the Town of Hempstead.

TOTAL ANNUAL SALES TAX REVENUE

The total annual sales tax revenue that the Town will receive is summarized in Table 21.

Table 21

Total Annual Sales Tax Revenue

Household Spending	\$	1,648
On-Site Operations	\$	114
New Town Tax Revenue	\$	1,762

Source: Town of Hempstead IDA, Camoin Associates

ATTACHMENT A: WHAT IS ECONOMIC IMPACT ANALYSIS?

The purpose of conducting an economic impact study is to ascertain the total cumulative changes in employment, earnings and output in a given economy due to some initial "change in final demand". To understand the meaning of "change in final demand", consider the installation of a new widget manufacturer in Anytown, USA. The widget manufacturer sells \$1 million worth of its widgets per year exclusively to consumers in Canada. Therefore, the annual change in final demand in the United States is \$1 million because dollars are flowing in from outside the United States and are therefore "new" dollars in the economy.

This change in final demand translates into the first round of buying and selling that occurs in an economy. For example, the widget manufacturer must buy its inputs of production (electricity, steel, etc.), must lease or purchase property and pay its workers. This first round is commonly referred to as the "Direct Effects" of the change in final demand and is the basis of additional rounds of buying and selling described below.

To continue this example, the widget manufacturer's vendors (the supplier of electricity and the supplier of steel) will enjoy additional output (i.e. sales) that will sustain their businesses and cause them to make additional purchases in the economy. The steel producer will need more pig iron and the electric company will purchase additional power from generation entities. In this second round, some of those additional purchases will be made in the US economy and some will "leak out". What remains will cause a third round (with leakage) and a fourth (and so on) in ever-diminishing rounds of industry-to-industry purchases. Finally, the widget manufacturer has employees who will naturally spend their wages. Again, those wages spent will either be for local goods and services or will "leak" out of the economy. The purchases of local goods and services will then stimulate other local economic activity. Together, these effects are referred to as the "Indirect Effects" of the change in final demand.

Therefore, the total economic impact resulting from the new widget manufacturer is the initial \$1 million of new money (i.e. Direct Effects) flowing in the US economy, plus the Indirect Effects. The ratio of Total Effects to Direct Effects is called the "multiplier effect" and is often reported as a dollar-of-impact per dollar-of-change. Therefore, a multiplier of 2.4 means that for every dollar (\$1) of change in final demand, an additional \$1.40 of indirect economic activity occurs for a total of \$2.40.

Key information for the reader to retain is that this type of analysis requires rigorous and careful consideration of the geography selected (i.e. how the "local economy" is defined) and the implications of the geography on the computation of the change in final demand. If this analysis wanted to consider the impact of the widget manufacturer on the entire North American continent, it would have to conclude that the change in final demand is zero and therefore the economic impact is zero. This is because the \$1 million of widgets being purchased by Canadians is not causing total North American demand to increase by \$1 million. Presumably, those Canadian purchasers will have \$1 million less to spend on other items and the effects of additional widget production will be cancelled out by a commensurate reduction in the purchases of other goods and services.

Changes in final demand, and therefore Direct Effects, can occur in a number of circumstances. The above example is easiest to understand: the effect of a manufacturer producing locally but selling globally. If, however, 100% of domestic demand for a good is being met by foreign suppliers (say, DVD players being imported into the US from Korea and Japan), locating a manufacturer of DVD players in the US will cause a change in final demand because all of those dollars currently leaving the US economy will instead remain. A situation can be envisioned whereby a producer is serving both local and foreign demand, and an impact analysis would have to be careful in calculating how many "new" dollars the producer would be causing to occur domestically.

ATTACHMENT B: CALCULATING NET NEW HOUSEHOLDS

"Net new" households that move into a geography because of the availability of desired housing contribute to that geography's economy in measurable ways. Estimating the number of net new households, the households that would not otherwise live in the geography, is therefore a critical task for an economic and fiscal impact analysis for a project that includes housing.

Our housing market research indicates that housing is heavily affected by demand, with households in different demographic groups seeking diverse housing price points and amenities. Our estimates of net new households take into consideration demographic and economic differences among renters, and price points among units offered, identifying the existence and size of a housing gap (where more units are demanded than are available) or surplus (where there is oversupply) in the market segment to be served by the proposed project. Generally, where there is a significant housing gap outside the geography but within a reasonable distance for relocation, a project will draw a larger proportion of net new households into that geography. Each project may therefore have a different expectation for net new households, depending on price point, age restriction if any, and location.

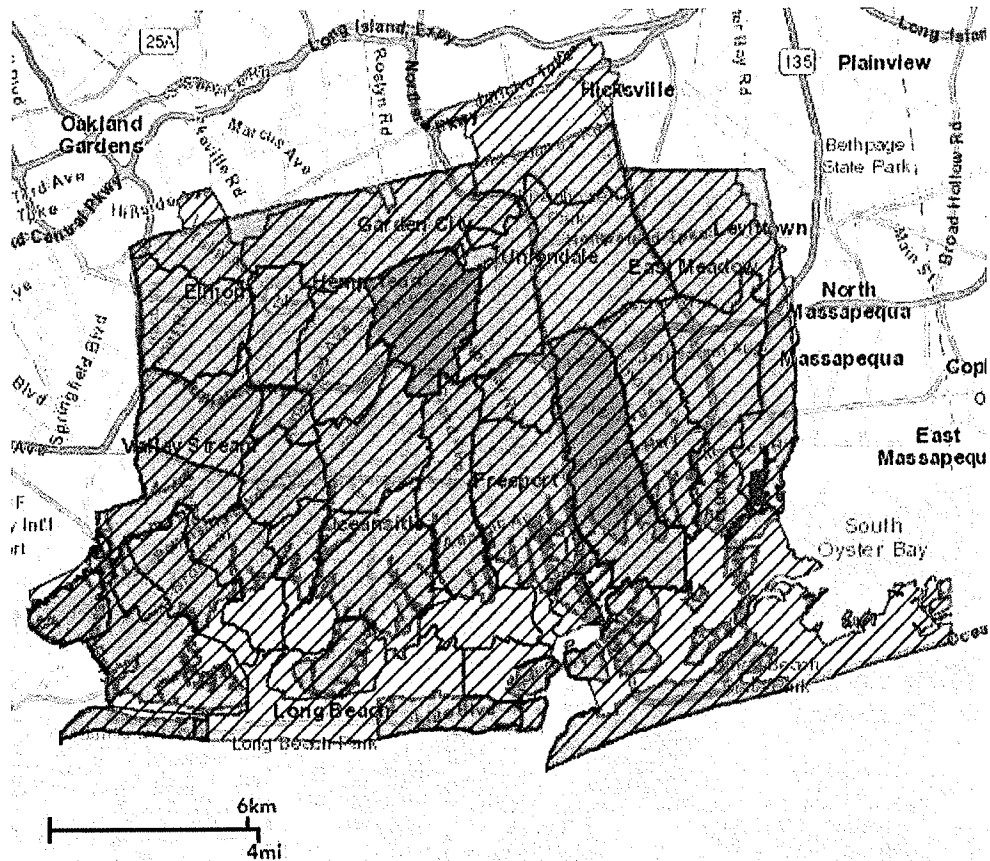
The following steps outline our process for calculating net new households. All data is drawn from Esri Business Analyst.

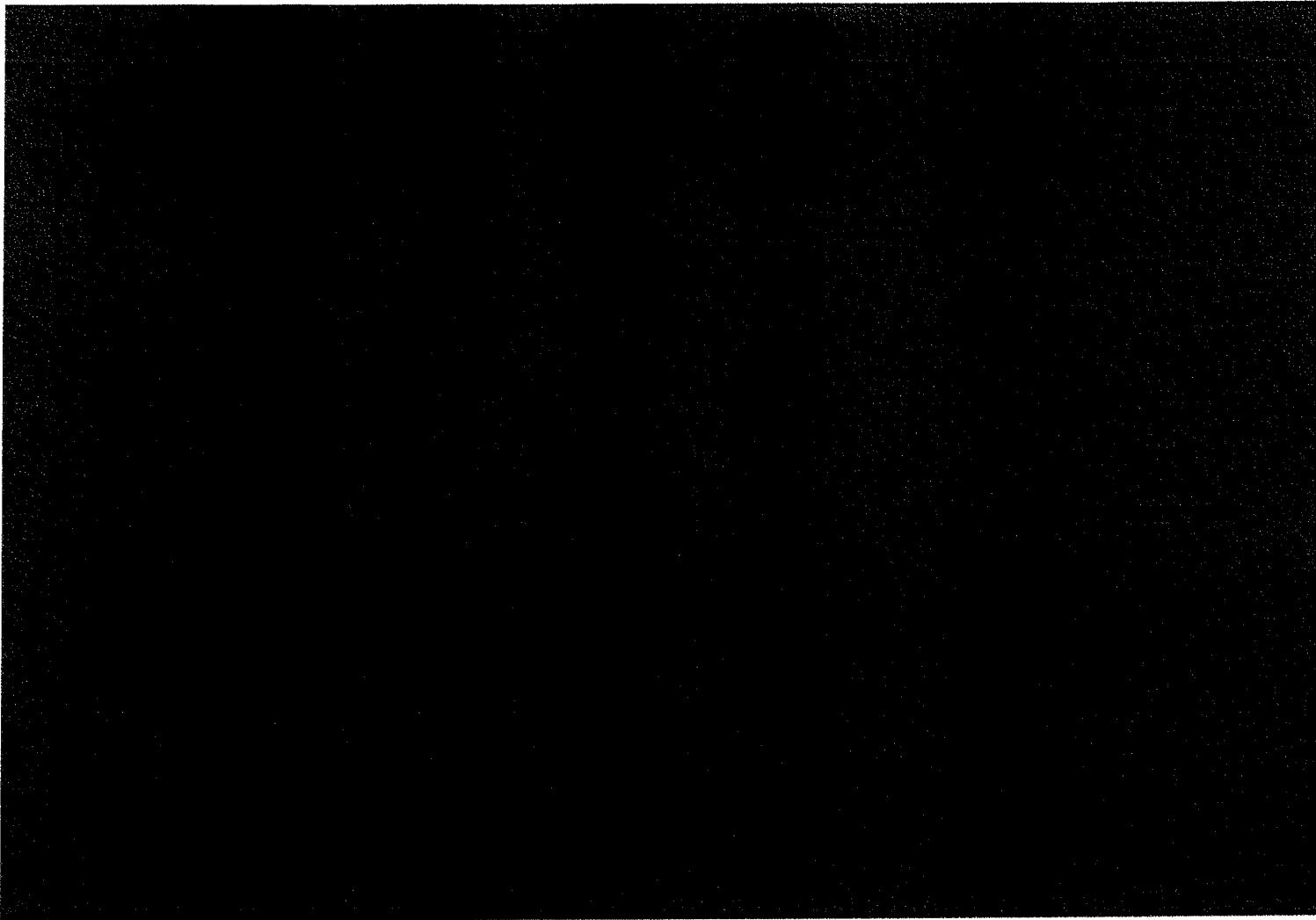
1. Identify where households are likely to come from. We expect that renters for a new project would consider housing within a reasonable driving time from their current location, creating a "renter-shed" for a new project. Households that are within the drive time but outside of the study area are net new.
2. Identify the existing rental housing supply at different price points. Using data from Esri, we identify rental housing units in the study area by price point and calculate the minimum household income expected to be necessary to afford rent by price range.
3. Identify the number of households at different income levels. We analyze households by income group and rental behavior to estimate an "implied number renting" for different income groups.
4. Calculate net housing surplus or gap by price point. Rental housing supply and rental housing demand is compared to calculate a "net gap," indicating excess demand for the project, or a "net surplus." To estimate net new households for a project, the net gap in the study area is compared to the net gap in the drive time.

CAMOIN ASSOCIATES

ATTACHMENT C: STUDY AREAS

Town of Hempstead (Green) and Zip Code Region (Red outline with dashes)





Leading action to grow your economy

Camoin Associates
PO Box 3547
Saratoga Springs, NY 12866
518.899.2608
www.camoinassociates.com
[@camoinassociate](https://twitter.com/camoinassociate)



PROJECT ABSTRACT
TOWN OF HEMPSTEAD INDUSTRIAL DEVELOPMENT AGENCY

Rock 50, LLC
Project: 2802-22-01A

Application Date: 1/6/22 Contact: Joshua Levine

Applicant Name and Address 40 Cutter Mill Road, Suite 206
Great Neck, NY 11201

Project Address: 50 North Park Avenue
Rockville Centre, NY 11970

Project:

The applicant intends to convert the current 60,011 square foot building into a Class A commercial office building. The lobby, lower level and five upper floors will be demolished in order to suit the needs of Class A Office Tenants. Building Systems will be upgraded and/or replaced. The building is 60,011 square feet on 1.04 acres located within the Village of Rockville Centre. The property is currently owned by the Diocese of Rockville Centre and is vacant. The property was purchased in 2021.

Project Costs:

Land acquisition	\$9,800,000
Building demo/construction	\$1,000,000
Building renovations	\$6,500,000
Site Work	\$82,000
Machinery and Equipment	\$650,000
Legal Fees	\$200,000
Architectural/Engineering Fees	\$200,000
Financial Charges	\$600,000
Total	\$19,132,000

Employment:

	Full	Part
Present	0	0
1 st Year	110	0
2 nd Year	223	0

LMA: 185

Creation: of 223 FTE by year 2

Full Time: \$50,000 - \$150,000 Average: \$100,000.00

Benefits Sought: 20 Year PILOT, Sales Tax Exemption, MRT

Benefit Analysis:

Sales Tax Exemption Renovation, Furnishing and Fixture:

\$5,199,200.00 x 8.625% = \$448,431.00

Mortgage \$6,175,000.40 x .75% = \$46,312.50

Section; 38, Block: 295, Lots: 9 (10, 12, 17, 35, 36)

Parcels: 1

SD- RVC

Full Assessed Value: \$ 9,369,000

Total Assessment: \$93,690

Currently Tax Exempt for being owned by a religious organization

Current Tax Information: \$903,025.67 (over assessed as it has been off the rolls for many years)

General 22: \$61,839.45

School 21/22: \$487,883.51

Village: \$353,302.71

Estimated Taxes Once Built: \$690,000.00

Applicant Counsel: Dan Baker

Transaction Counsel: Paul O' Brien

Rock 50, LLC
Project: 2802-22-01A
DRAFT PILOT

Section: 38, Block: 295, Lots: (9, 10, 12, 17, 35, 36)

Parcels: 1

SD- RVC

Current Tax Information: \$903,025.67 (based on an assessment done 50 years ago by the Village of RVC)

Estimated Taxes Once Built: \$690,262.00

Estimated

Year	Total
1	\$294,147.00
2	\$294,147.00
3	\$294,147.00
4	\$510,000.00
5	\$525,000.00
6	\$530,000.00
7	\$550,000.00
8	\$560,000.00
9	\$585,000.00
10	\$590,000.00
11	\$595,000.00
12	\$610,000.00
13	\$620,000.00
14	\$650,000.00
15	\$700,000.00
16	\$715,000.00
17	\$750,000.00
18	\$755,000.00
19	\$760,000.00
20	\$800,000.00

1/11/22 – DRAFT

1/12/22 – SECOND DRAFT

This Pilot has NOT been approved by the Hempstead IDA Board

PREPARED FOR:

Town of Hempstead Industrial Development Agency
350 Front Street, Room 234-A
Hempstead, NY 11550

Economic and Fiscal Impact

ROCK 50, LLC

Town of Hempstead
Industrial Development Agency

JANUARY 19, 2022

PREPARED BY:



PO Box 3547
Saratoga Springs, NY 12866
518.899.2608
www.camoinassociates.com

CAMOIN ASSOCIATES

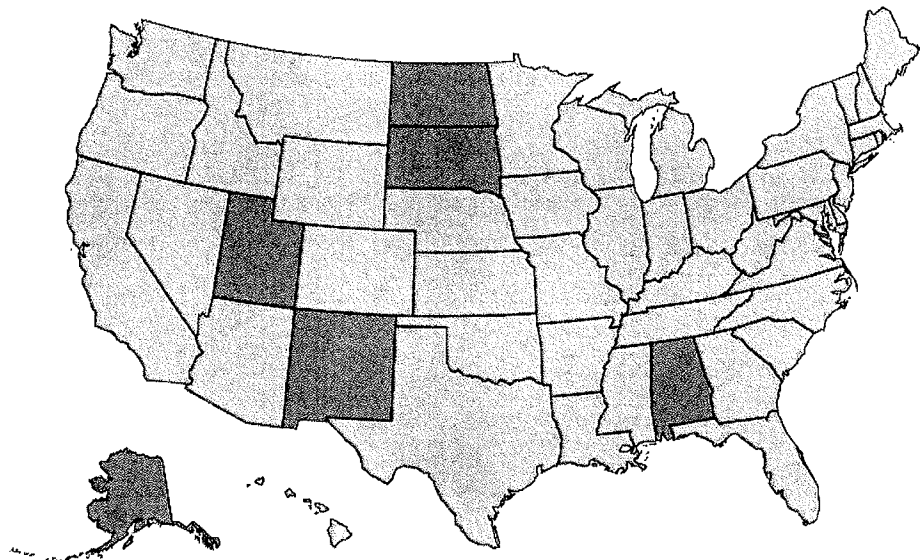
ABOUT CAMOIN ASSOCIATES

Camoin Associates has provided economic development consulting services to municipalities, economic development agencies, and private enterprises since 1999. Through the services offered, Camoin Associates has had the opportunity to serve EDOs and local and state governments from Maine to California; corporations and organizations that include Lowes Home Improvement, FedEx, Amazon, Volvo (Nova Bus) and the New York Islanders; as well as private developers proposing projects in excess of \$6 billion. Our reputation for detailed, place-specific, and accurate analysis has led to projects in 44 states and garnered attention from national media outlets including Marketplace (NPR), Crain's New York Business, Forbes magazine, The New York Times, and The Wall Street Journal. Additionally, our marketing strategies have helped our clients gain both national and local media coverage for their projects in order to build public support and leverage additional funding. We are based in Saratoga Springs, NY, with regional offices in Portland, ME; Boston, MA; Richmond, VA and Brattleboro, VT. To learn more about our experience and projects in all of our service lines, please visit our website at www.camoinassociates.com. You can also find us on Twitter [@camoinassociate](https://twitter.com/camoinassociate) and on [Facebook](https://www.facebook.com/camoinassociate).

THE PROJECT TEAM

Rachel Selsky
Vice President

Jessica Tagliafierro
Senior Analyst



CAMOIN ASSOCIATES

ABOUT THE STUDY

Camoin Associates was retained by the Town of Hempstead Industrial Development Agency to measure the potential economic and fiscal impacts of a project proposed by Rock 50, LLC. The proposed project involves construction of an over 60,000 SF Class A commercial office building at 50 North Park Avenue, Rockville Centre, New York 11970. The goal of this analysis is to provide a complete assessment of the total economic, employment and tax impact of the project on the Town of Hempstead that result from the construction phase and on-site operations.

The primary tool used in this analysis is the input-output model developed by Economic Modeling Specialists Intl. (Emsi). Primary data used in this study was obtained from the developer's application for financial assistance to the Town of Hempstead Industrial Development Agency and included the following data points: on-site jobs, exemptions, and PILOT schedule.

The economic impacts are presented in four categories: direct impact, indirect impact, induced impact, and total impact. The indirect and induced impacts are commonly referred to as the "multiplier effect." Note that previous impact reports commissioned by the Town of Hempstead Industrial Development Agency were presented in only three categories: direct impact, indirect impact, and total impact. Prior to 2020, Camoin Associates included both the indirect and induced impacts in the "indirect impact" category. Beginning in 2020, the indirect and induced impacts will be reported separately to allow for more accurate interpretation of results.

STUDY INFORMATION

Data Source:

Rock 50, LLC Application for Assistance and the Town of Hempstead Industrial Development Agency

Geography:

Town of Hempstead

Study Period:

2022

Modeling Tool:

Emsi

DIRECT IMPACTS

This initial round of impacts is generated as a result of spending on operations and and construction.

INDIRECT IMPACTS

The direct impacts have ripple effects through business to business spending. This spending results from the increase in demand for goods and services in industry sectors that supply the facility.

INDUCED IMPACTS

Impacts that result from spending by facility employees, employees of town businesses, and employees of suppliers. Earnings of these employees enter the economy as employees spend their paychecks in the town on food, clothing, and other goods and services.

CONTENTS

Executive Summary 1

Economic Impact Analysis..... 2

Fiscal Impact Analysis 4

Attachment A: What is Economic Impact Analysis?..... 13

Attachment B: Study Areas 14

This page intentionally left blank.

EXECUTIVE SUMMARY

The Town of Hempstead Industrial Development Agency (the "Agency") received an application for financial assistance from Rock 50, LLC (the "Applicant") for the construction of an over 60,000 SF Class A commercial office building (the "Project") at 50 North Park Avenue, Rockville Centre, New York 11970 (the "Site"). The Applicant is seeking a 20-year PILOT agreement from the Agency. The Agency commissioned Camoin Associates to conduct an economic and limited fiscal impact analysis of the Project on the Town of Hempstead (the "Town").

The following is a summary of our findings from this study, with details below and in the following sections.

Table 1

Summary of Benefits to Town

Total Jobs	339
Direct Jobs	223
Total Earnings	\$ 35,813,835
Direct Earnings	\$ 27,786,932
Annual Sales Tax Revenue to County	\$ 266,365
Annual Sales Tax Revenue to Town	\$ 23,503
Average Annual PILOT Payment	\$ 584,372
Average Annual PILOT Payment to Town	\$ 2,704
Average Annual PILOT Benefit	\$ 584,372
Average Annual PILOT Benefit to Town	\$ 2,704
Average Annual Net Benefit to Town	\$ 26,207

- ◆ The Project would support 339 net new jobs in the town, of which 223 are direct jobs, with over \$35.8 million in associated earnings.
- ◆ The Applicant has negotiated terms of a proposed 20-year PILOT agreement with the Agency, where the applicant would pay an average of \$584,372 each year, of which \$2,704 will be allocated to the Town. The property is currently tax exempt, therefore these figures represent the average annual benefit of the PILOT.
- ◆ The annual net benefit to the Town is estimated to be \$26,207. In this case, this is the sum of the average annual PILOT benefit to the Town and new annual sales tax revenue to the Town.
- ◆ Through negotiations with the Agency the Applicant could have access to a sales tax exemption valued at up to \$448,431 and a mortgage recording tax exemption valued at up to \$46,313. However, if we assume that the Project would not occur absent IDA benefits, this is not actually a "cost" to the state and county since no future revenue stream would exist without the exemptions.

Table 2

Summary of Costs to Affected Jurisdictions

	State and County	
Sales Tax Exemption	\$	448,431
Mortgage Tax Exemption	\$	46,313

Source: Applicant, Camoin Associates

ECONOMIC IMPACT ANALYSIS

The estimates of direct economic activity generated by facility operation and new resident spending as provided by the Applicant were used as the direct inputs for the economic impact model. Camoin Associates uses the input-output model designed by Economic Modeling Specialists, International (Emsi) to calculate total economic impacts. Emsi allows the analyst to input the amount of new direct economic activity (spending or jobs) occurring within the town and uses the direct inputs to estimate the spillover effects that the net new spending or jobs have as these new dollars circulate through the Town of Hempstead's economy. This is captured in the indirect and induced impacts and is commonly referred to as the "multiplier effect." See Attachment A for more information on economic impact analysis.

The Project would have economic impacts upon the Town of Hempstead as a result of Project construction and operation.

CONSTRUCTION PHASE IMPACTS

The Applicant estimates that private sector investment in the construction of the Project would cost approximately \$8.4 million¹, of which 70%² would be sourced from within the town. This means that there will be over \$5.9 million in net new spending in the town associated with the construction phase of the Project.

Table 3

Construction Phase Spending - Town

Total Construction Cost	\$	8,432,000
Percent Sourced from Town		70%
Net New Constuction Spending	\$	5,902,400

Source: Applicant, Camoin Associates

Based on over \$5.9 million worth of net new direct spending associated with the construction phase of the Project, Camoin Associates determined that there would be nearly \$7.6 million in total one-time construction related spending supporting 29 jobs and an associated over \$3.0 million in earnings over the construction period throughout the town. Table 4 outlines the economic impacts of construction.

Table 4

Town Economic Impact - Construction Phase

	Jobs	Earnings	Sales
Direct	21 \$	2,470,854 \$	5,902,400
Indirect	4 \$	284,152 \$	907,819
Induced	4 \$	306,546 \$	777,434
Total	29 \$	3,061,551 \$	7,587,653

Source: Emsi, Camoin Associates

¹ Includes project costs as provided by the Applicant, excluding acquisition, legal fees, and financial charges.

² According to Emsi, approximately 70% of construction industry demand is met within the town.

CAMOIN ASSOCIATES

IMPACTS OF ON-SITE EMPLOYMENT

According to the Applicant, 223 new jobs will be on-site following Project completion. The table below details the impact that these net new jobs will have on the Town of Hempstead (Table 5).

Table 5

Town Economic Impact - On-Site Operations

	Jobs		Earnings		Sales
Direct	223	\$	27,786,932	\$	50,200,099
Indirect	70	\$	4,910,732	\$	12,478,834
Induced	46	\$	3,116,170	\$	7,881,870
Total	339	\$	35,813,835	\$	70,560,803

Source: Emsi, Camoin Associates

CAMOIN ASSOCIATES

FISCAL IMPACT ANALYSIS

In addition to the economic impact of the Project on the local economies (outlined above), there would also be a fiscal impact in terms of annual property tax and sales tax generation. The following section of the analysis outlines the impact of the completion of the Project on the local taxing jurisdictions in terms of the cost and/or benefit to municipal budgets.

PAYMENT IN LIEU OF TAXES (PILOT)

The Applicant has applied to the Agency for a Payment In Lieu of Taxes (PILOT) agreement. The Applicant has proposed a 20-year PILOT payment schedule based on the current tax rate, taxable value, and assessed value of the Project. Based on the terms of the PILOT as proposed, Camoin Associates calculated the potential impact on the affected jurisdictions.³

Table 6

Tax Payments with PILOT

Year	Total		Portion of Payment by Jurisdiction			
	PILOT Payments		Town	County	School District	Village
1	\$ 294,147	\$	1,361	\$ 18,782	\$ 158,921	\$ 115,083
2	\$ 294,147	\$	1,361	\$ 18,782	\$ 158,921	\$ 115,083
3	\$ 294,147	\$	1,361	\$ 18,782	\$ 158,921	\$ 115,083
4	\$ 510,000	\$	2,360	\$ 32,565	\$ 275,541	\$ 199,534
5	\$ 525,000	\$	2,429	\$ 33,523	\$ 283,645	\$ 205,403
6	\$ 530,000	\$	2,452	\$ 33,842	\$ 286,347	\$ 207,359
7	\$ 550,000	\$	2,545	\$ 35,119	\$ 297,152	\$ 215,184
8	\$ 560,000	\$	2,591	\$ 35,758	\$ 302,555	\$ 219,096
9	\$ 585,000	\$	2,707	\$ 37,354	\$ 316,062	\$ 228,877
10	\$ 590,000	\$	2,730	\$ 37,673	\$ 318,763	\$ 230,834
11	\$ 595,000	\$	2,753	\$ 37,993	\$ 321,464	\$ 232,790
12	\$ 610,000	\$	2,822	\$ 38,951	\$ 329,569	\$ 238,658
13	\$ 620,000	\$	2,869	\$ 39,589	\$ 334,971	\$ 242,571
14	\$ 650,000	\$	3,008	\$ 41,505	\$ 351,180	\$ 254,308
15	\$ 700,000	\$	3,239	\$ 44,697	\$ 378,194	\$ 273,870
16	\$ 715,000	\$	3,308	\$ 45,655	\$ 386,298	\$ 279,739
17	\$ 750,000	\$	3,470	\$ 47,890	\$ 405,207	\$ 293,432
18	\$ 755,000	\$	3,493	\$ 48,209	\$ 407,909	\$ 295,389
19	\$ 760,000	\$	3,517	\$ 48,528	\$ 410,610	\$ 297,345
20	\$ 800,000	\$	3,702	\$ 51,083	\$ 432,221	\$ 312,995
Total	\$ 11,687,441	\$	54,078	\$ 746,281	\$ 6,314,449	\$ 4,572,633
Average	\$ 584,372	\$	2,704	\$ 37,314	\$ 315,722	\$ 228,632

Source: Town of Hempstead IDA, Camoin Associates

³ It is assumed that each jurisdiction will continue to receive the same portion of the PILOT that they would currently receive from the full tax bill, if the property were not currently tax exempt.

CAMOIN ASSOCIATES

TAX POLICY COMPARISON

Without financial assistance from the Agency, Camoin Associates assumes the Applicant would not undertake the Project. Table 7 displays the property tax payment associated with the residential portion of the Project. It is assumed that the property will continue to be tax exempt.

Table 7

Tax Payments without Project

Year	Total		Portion of Payment by Jurisdiction			
	Property Tax Payment	Without Project*	Town	County	School District	Village
1	\$	-	\$	-	\$	-
2	\$	-	\$	-	\$	-
3	\$	-	\$	-	\$	-
4	\$	-	\$	-	\$	-
5	\$	-	\$	-	\$	-
6	\$	-	\$	-	\$	-
7	\$	-	\$	-	\$	-
8	\$	-	\$	-	\$	-
9	\$	-	\$	-	\$	-
10	\$	-	\$	-	\$	-
11	\$	-	\$	-	\$	-
12	\$	-	\$	-	\$	-
13	\$	-	\$	-	\$	-
14	\$	-	\$	-	\$	-
15	\$	-	\$	-	\$	-
16	\$	-	\$	-	\$	-
17	\$	-	\$	-	\$	-
18	\$	-	\$	-	\$	-
19	\$	-	\$	-	\$	-
20	\$	-	\$	-	\$	-
Total	\$	-	\$	-	\$	-
Average	\$	-	\$	-	\$	-

Source: Town of Hempstead IDA, Camoin Associates

CAMOIN ASSOCIATES

Table 8 calculates the benefit (or cost) to the affected taxing jurisdictions as the difference between the PILOT payments associated with the Project and the property tax payments without the Project. Over \$584,000 more in PILOT revenue will be received annually than property taxes that would be received without the Project. The total benefit would be \$11.7 million over the 20-year period.

Table 8

Tax Policy Comparison (All Jurisdictions)

Year	Property Tax Payment Without Project	PILOT Payment	Benefit (Cost) of Project
1	\$ -	\$ 294,147	\$ 294,147
2	\$ -	\$ 294,147	\$ 294,147
3	\$ -	\$ 294,147	\$ 294,147
4	\$ -	\$ 510,000	\$ 510,000
5	\$ -	\$ 525,000	\$ 525,000
6	\$ -	\$ 530,000	\$ 530,000
7	\$ -	\$ 550,000	\$ 550,000
8	\$ -	\$ 560,000	\$ 560,000
9	\$ -	\$ 585,000	\$ 585,000
10	\$ -	\$ 590,000	\$ 590,000
11	\$ -	\$ 595,000	\$ 595,000
12	\$ -	\$ 610,000	\$ 610,000
13	\$ -	\$ 620,000	\$ 620,000
14	\$ -	\$ 650,000	\$ 650,000
15	\$ -	\$ 700,000	\$ 700,000
16	\$ -	\$ 715,000	\$ 715,000
17	\$ -	\$ 750,000	\$ 750,000
18	\$ -	\$ 755,000	\$ 755,000
19	\$ -	\$ 760,000	\$ 760,000
20	\$ -	\$ 800,000	\$ 800,000
Total	\$ -	\$ 11,687,441	\$ 11,687,441
Average	\$ -	\$ 584,372	\$ 584,372

Source: Town of Hempstead IDA, Camoin Associates

CAMOIN ASSOCIATES

TOWN

Table 9 calculates the benefit (or cost) to the Town. The Town would receive approximately \$2,704 more in PILOT revenue annually than it would receive in property taxes without the Project. The total benefit to the Town would be over \$54,000 over the 20-year period.

Table 9

Tax Policy Comparison for Town

Year	Property Tax Payment Without Project	PILOT Payment	Benefit (Cost) of Project
1	\$ -	\$ 1,361	\$ 1,361
2	\$ -	\$ 1,361	\$ 1,361
3	\$ -	\$ 1,361	\$ 1,361
4	\$ -	\$ 2,360	\$ 2,360
5	\$ -	\$ 2,429	\$ 2,429
6	\$ -	\$ 2,452	\$ 2,452
7	\$ -	\$ 2,545	\$ 2,545
8	\$ -	\$ 2,591	\$ 2,591
9	\$ -	\$ 2,707	\$ 2,707
10	\$ -	\$ 2,730	\$ 2,730
11	\$ -	\$ 2,753	\$ 2,753
12	\$ -	\$ 2,822	\$ 2,822
13	\$ -	\$ 2,869	\$ 2,869
14	\$ -	\$ 3,008	\$ 3,008
15	\$ -	\$ 3,239	\$ 3,239
16	\$ -	\$ 3,308	\$ 3,308
17	\$ -	\$ 3,470	\$ 3,470
18	\$ -	\$ 3,493	\$ 3,493
19	\$ -	\$ 3,517	\$ 3,517
20	\$ -	\$ 3,702	\$ 3,702
Total	\$ -	\$ 54,078	\$ 54,078
Average	\$ -	\$ 2,704	\$ 2,704

Source: Town of Hempstead IDA, Camoin Associates

CAMOIN ASSOCIATES

COUNTY

Table 10 calculates the benefit (or cost) to the County. The County would receive approximately \$37,314 more in PILOT revenue annually than it would receive in property taxes without the Project. The total benefit to the County would be over \$746,000 over the 20-year period.

Table 10

Tax Policy Comparison for County

Year	Property Tax Payment Without Project	PILOT Payment	Benefit (Cost) of Project
1	\$ -	\$ 18,782	\$ 18,782
2	\$ -	\$ 18,782	\$ 18,782
3	\$ -	\$ 18,782	\$ 18,782
4	\$ -	\$ 32,565	\$ 32,565
5	\$ -	\$ 33,523	\$ 33,523
6	\$ -	\$ 33,842	\$ 33,842
7	\$ -	\$ 35,119	\$ 35,119
8	\$ -	\$ 35,758	\$ 35,758
9	\$ -	\$ 37,354	\$ 37,354
10	\$ -	\$ 37,673	\$ 37,673
11	\$ -	\$ 37,993	\$ 37,993
12	\$ -	\$ 38,951	\$ 38,951
13	\$ -	\$ 39,589	\$ 39,589
14	\$ -	\$ 41,505	\$ 41,505
15	\$ -	\$ 44,697	\$ 44,697
16	\$ -	\$ 45,655	\$ 45,655
17	\$ -	\$ 47,890	\$ 47,890
18	\$ -	\$ 48,209	\$ 48,209
19	\$ -	\$ 48,528	\$ 48,528
20	\$ -	\$ 51,083	\$ 51,083
Total	\$ -	\$ 746,281	\$ 746,281
Average	\$ -	\$ 37,314	\$ 37,314

Source: Town of Hempstead IDA, Camoin Associates

CAMOIN ASSOCIATES

SCHOOL DISTRICT

Table 11 calculates the benefit (or cost) to the school district. The school district would receive approximately \$315,722 more in PILOT revenue annually than it would receive in property taxes without the Project. The total benefit to the school district would be over \$6.3 million over the 20-year period.

Table 11

Tax Policy Comparison for School District

Year	Property Tax Payment Without Project	PILOT Payment	Benefit (Cost) of Project
1	\$ -	\$ 158,921	\$ 158,921
2	\$ -	\$ 158,921	\$ 158,921
3	\$ -	\$ 158,921	\$ 158,921
4	\$ -	\$ 275,541	\$ 275,541
5	\$ -	\$ 283,645	\$ 283,645
6	\$ -	\$ 286,347	\$ 286,347
7	\$ -	\$ 297,152	\$ 297,152
8	\$ -	\$ 302,555	\$ 302,555
9	\$ -	\$ 316,062	\$ 316,062
10	\$ -	\$ 318,763	\$ 318,763
11	\$ -	\$ 321,464	\$ 321,464
12	\$ -	\$ 329,569	\$ 329,569
13	\$ -	\$ 334,971	\$ 334,971
14	\$ -	\$ 351,180	\$ 351,180
15	\$ -	\$ 378,194	\$ 378,194
16	\$ -	\$ 386,298	\$ 386,298
17	\$ -	\$ 405,207	\$ 405,207
18	\$ -	\$ 407,909	\$ 407,909
19	\$ -	\$ 410,610	\$ 410,610
20	\$ -	\$ 432,221	\$ 432,221
Total	\$ -	\$ 6,314,449	\$ 6,314,449
Average	\$ -	\$ 315,722	\$ 315,722

Source: Town of Hempstead IDA, Camoin Associates

CAMOIN ASSOCIATES

VILLAGE

Table 12 calculates the benefit (or cost) to the Village. The Village would receive approximately \$228,632 more in PILOT revenue annually than it would receive in property taxes without the Project. The total benefit to the Village would be nearly \$4.6 million over the 20-year period.

Table 12

Tax Policy Comparison for Village

Year	Property Tax Payment Without Project	PILOT Payment	Benefit (Cost) of Project
1	\$ -	\$ 115,083	\$ 115,083
2	\$ -	\$ 115,083	\$ 115,083
3	\$ -	\$ 115,083	\$ 115,083
4	\$ -	\$ 199,534	\$ 199,534
5	\$ -	\$ 205,403	\$ 205,403
6	\$ -	\$ 207,359	\$ 207,359
7	\$ -	\$ 215,184	\$ 215,184
8	\$ -	\$ 219,096	\$ 219,096
9	\$ -	\$ 228,877	\$ 228,877
10	\$ -	\$ 230,834	\$ 230,834
11	\$ -	\$ 232,790	\$ 232,790
12	\$ -	\$ 238,658	\$ 238,658
13	\$ -	\$ 242,571	\$ 242,571
14	\$ -	\$ 254,308	\$ 254,308
15	\$ -	\$ 273,870	\$ 273,870
16	\$ -	\$ 279,739	\$ 279,739
17	\$ -	\$ 293,432	\$ 293,432
18	\$ -	\$ 295,389	\$ 295,389
19	\$ -	\$ 297,345	\$ 297,345
20	\$ -	\$ 312,995	\$ 312,995
Total	\$ -	\$ 4,572,633	\$ 4,572,633
Average	\$ -	\$ 228,632	\$ 228,632

Source: Town of Hempstead IDA, Camoin Associates

CAMOIN ASSOCIATES

OTHER EXEMPTIONS

There are additional benefits to working with the Agency including a one-time sales tax exemption on construction materials and furniture, fixtures, and equipment as well as a mortgage recording tax exemption. Tax exemptions are for the state and county taxes and are not applicable to the town.

Table 13

Summary of Costs to Affected Jurisdictions

	State and County	
Sales Tax Exemption	\$	448,431
Mortgage Tax Exemption	\$	46,313

Source: Applicant, Camoin Associates

The additional incentives offered by the Agency would benefit the Applicant but will not negatively affect the taxing jurisdictions because, without the Project, the jurisdictions by definition would not be receiving any associated sales tax or mortgage tax revenue.

SALES TAX REVENUE

SALES TAX REVENUE – CONSTRUCTION PHASE

The one-time construction phase earnings described by the total economic impact of the construction work (described in the above section) would lead to additional sales tax revenue for the Town. It is assumed that 70%⁴ of the construction phase earnings would be spent within the county and that 25% of those purchases would be taxable.

Table 14

One-Time Sales Tax Revenue, Construction Phase

Total New Earnings	\$	3,061,551
Amount Spent in County (70%)	\$	2,143,086
Amount Taxable (25%)	\$	535,771
Nassau County Sales Tax Revenue (4.25%)	\$	22,770
New Town Sales Tax Revenue Portion*		0.375%
New Town Sales Tax Revenue	\$	2,009

Source: Town of Hempstead IDA, Camoin Associates

***Note:** Nassau County's sales tax rate is 4.25%, of which 0.75% is allocated to the towns and cities within the county. For this analysis we assume half of the 0.75% is allocated to the Town of Hempstead.

⁴ According to Emsi, 70% demand for industries in a typical household spending basket is met within Nassau County.

CAMOIN ASSOCIATES

SALES TAX REVENUE – EMPLOYEE EARNINGS

The earnings generated by on-site jobs that will occur as a result of building operation at the Project (described under Impacts of On-Site Employment) would lead to additional annual sales tax revenue for the town. It is assumed that 70% of the earnings would be spent within Nassau County and that 25% of those purchases will be taxable. Table 15 displays the annual tax revenue that the Town will receive.

Table 15

Annual Sales Tax Revenue, On-Site Operations

Total New Earnings	\$	35,813,835
Amount Spent in County (70%)	\$	25,069,684
Amount Taxable (25%)	\$	6,267,421
Nassau County Sales Tax Revenue (4.25%)	\$	266,365
New Town Sales Tax Revenue Portion*		0.375%
New Town Tax Revenue	\$	23,503

Source: Town of Hempstead IDA, Camoin Associates

***Note:** Nassau County's sales tax rate is 4.25%, of which 0.75% is allocated to the towns and cities within the county. For this analysis we assume half of the 0.75% is allocated to the Town of Hempstead.

ATTACHMENT A: WHAT IS ECONOMIC IMPACT ANALYSIS?

The purpose of conducting an economic impact study is to ascertain the total cumulative changes in employment, earnings and output in a given economy due to some initial "change in final demand". To understand the meaning of "change in final demand", consider the installation of a new widget manufacturer in Anytown, USA. The widget manufacturer sells \$1 million worth of its widgets per year exclusively to consumers in Canada. Therefore, the annual change in final demand in the United States is \$1 million because dollars are flowing in from outside the United States and are therefore "new" dollars in the economy.

This change in final demand translates into the first round of buying and selling that occurs in an economy. For example, the widget manufacturer must buy its inputs of production (electricity, steel, etc.), must lease or purchase property and pay its workers. This first round is commonly referred to as the "Direct Effects" of the change in final demand and is the basis of additional rounds of buying and selling described below.

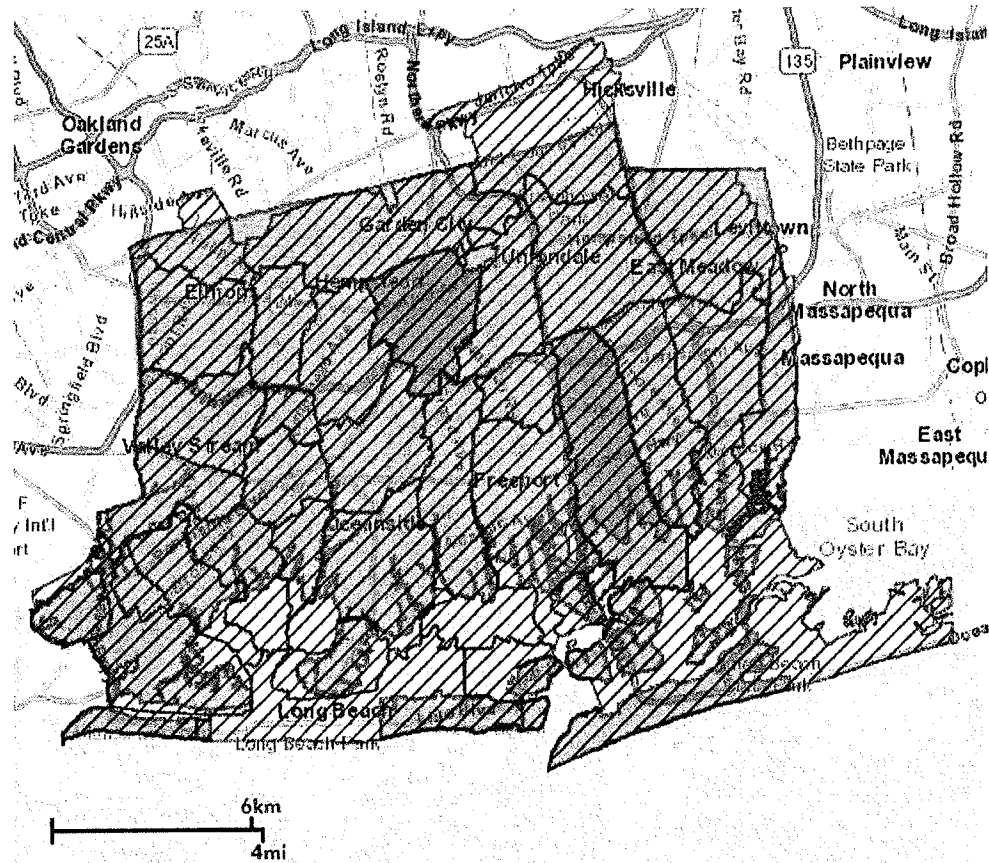
To continue this example, the widget manufacturer's vendors (the supplier of electricity and the supplier of steel) will enjoy additional output (i.e. sales) that will sustain their businesses and cause them to make additional purchases in the economy. The steel producer will need more pig iron and the electric company will purchase additional power from generation entities. In this second round, some of those additional purchases will be made in the US economy and some will "leak out". What remains will cause a third round (with leakage) and a fourth (and so on) in ever-diminishing rounds of industry-to-industry purchases. Finally, the widget manufacturer has employees who will naturally spend their wages. Again, those wages spent will either be for local goods and services or will "leak" out of the economy. The purchases of local goods and services will then stimulate other local economic activity. Together, these effects are referred to as the "Indirect Effects" of the change in final demand.

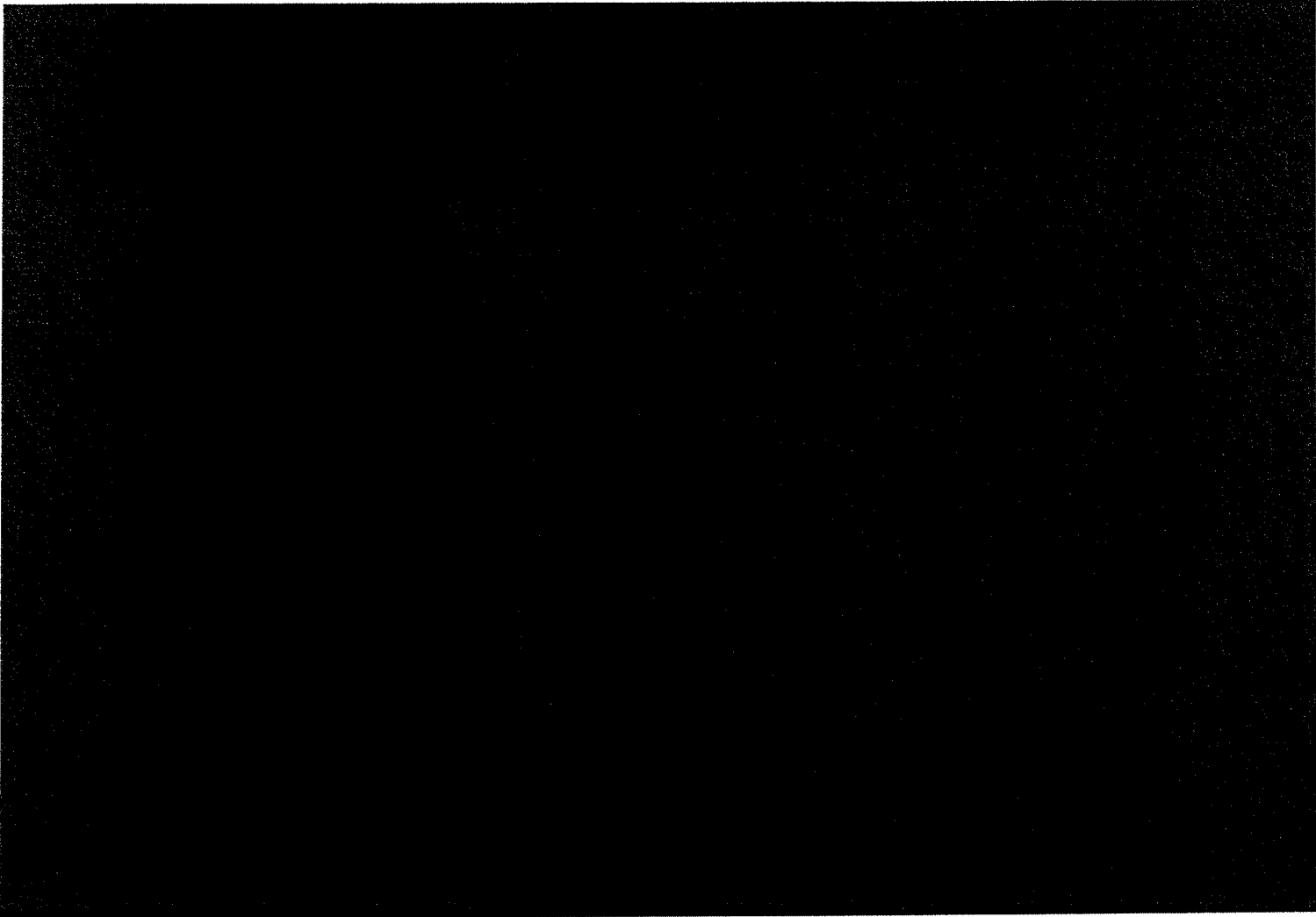
Therefore, the total economic impact resulting from the new widget manufacturer is the initial \$1 million of new money (i.e. Direct Effects) flowing in the US economy, plus the Indirect Effects. The ratio of Total Effects to Direct Effects is called the "multiplier effect" and is often reported as a dollar-of-impact per dollar-of-change. Therefore, a multiplier of 2.4 means that for every dollar (\$1) of change in final demand, an additional \$1.40 of indirect economic activity occurs for a total of \$2.40.

Key information for the reader to retain is that this type of analysis requires rigorous and careful consideration of the geography selected (i.e. how the "local economy" is defined) and the implications of the geography on the computation of the change in final demand. If this analysis wanted to consider the impact of the widget manufacturer on the entire North American continent, it would have to conclude that the change in final demand is zero and therefore the economic impact is zero. This is because the \$1 million of widgets being purchased by Canadians is not causing total North American demand to increase by \$1 million. Presumably, those Canadian purchasers will have \$1 million less to spend on other items and the effects of additional widget production will be cancelled out by a commensurate reduction in the purchases of other goods and services.

Changes in final demand, and therefore Direct Effects, can occur in a number of circumstances. The above example is easiest to understand: the effect of a manufacturer producing locally but selling globally. If, however, 100% of domestic demand for a good is being met by foreign suppliers (say, DVD players being imported into the US from Korea and Japan), locating a manufacturer of DVD players in the US will cause a change in final demand because all of those dollars currently leaving the US economy will instead remain. A situation can be envisioned whereby a producer is serving both local and foreign demand, and an impact analysis would have to be careful in calculating how many "new" dollars the producer would be causing to occur domestically.

Town of Hempstead (Green) and Zip Code Region (Red outline with dashes)





Leading action to grow your economy

Camoin Associates
PO Box 3547
Saratoga Springs, NY 12866
518.899.2608
www.camoinassociates.com
[@camoinassociate](https://twitter.com/camoinassociate)



*PROJECT ABSTRACT
TOWN OF HEMPSTEAD INDUSTRIAL DEVELOPMENT
AGENCY*

**MCRT Investments, LLC
Project: 2802-21-13A**

Application Date: 8/27/21
Amended 11/24/21

Contact: Blaine Kneeshaw

Applicant Name and Address:

MCRT Investments, LLC
One Evertrust Plaza, Ste 804
Jersey City, New Jersey 07302

Project Address: 103-129 Woodfield Road
West Hempstead, NY 11552

Project: The Applicant is proposing to construct a 176,912 square foot residential rental apartment building on a 2.34 acre site, located at 103-29 Woodfield Road, West Hempstead. The project will be comprised of 150 residential units of which there would be 90 one bedroom units, 49 two-bedroom units, and 11 three bedroom units, as well as 200 on-site parking spaces. Ten percent of the units will be set aside as affordable housing based on 80% of the area median income.

Project Costs: \$ 71,475,879

<u>Description</u>	<u>Amount</u>
Land and/or building acquisition	\$ 7,700,000
Building(s) demolition/construction	\$ 47,204,661
Site Work	\$ 3,453,335
Machinery and Equipment	\$ 750,000
Legal Fees	\$ 750,000
Architectural/Engineering Fees	\$ 3,050,000
Financial Charges	\$ 2,119,493
Other:	\$ 6,448,389

	<u>Present</u>	<u>First Year</u>	<u>Second Year</u>	<u>Residents of LMA</u>
Full-Time	0	5	5	5
Part-Time**	0	4	4	4

Employment Creation of new 7 FTE positions by year 2

Retention 0

Average Estimated Salary of jobs to be created: \$61,500.00

Average Salary Range for jobs to be created: \$48,000 – 75,000

Benefits Sought: Seeking 25 Year PILOT, Sales Tax Exemption, MRT

Benefit Analysis:

Mortgage: \$46,459,321 x .75% = \$348,444.90

Sales Tax Exemption Renovation, Furnishing and Fixture:

\$25,328,998 x 8.625% = \$2,184,626.07

Current Tax Information:

Section: 35, Block: 386, Lot: 231

Parcels: 1

SD- 27

Total Assessed Value: \$23,497

Total Full Value: \$2,349,700

Total Current Taxes: \$188,866.41

General 2021: \$89,119.29

School 2021/2022: \$99,747.12

Village: N/A

Taxes When Built: \$1,420,475.30

Estimated Land Only Value: \$129,630.81

Applicant Attorney: Elisabetta Coschignano

IDA Transaction Counsel: Paul O'Brien

MCRT Investments, LLC
DRAFT PILOT COUNTER

103-129 Woodfield Road
West Hempstead, NY 11552

Current Tax Information:
Section; 35, Block: 386, Lots: 231
Parcels: 1
SD- West Hempstead 27

Current Total Taxes Year: \$188,884.17
Estimated Taxes Once Built: \$1,420,475.30

Year	Total
1	\$129,630.81
2	\$129,630.81
3	\$129,630.81
4	\$190,000.00
5	\$207,100.00
6	\$225,739.00
7	\$246,055.51
8	\$268,200.51
9	\$292,338.55
10	\$318,649.02
11	\$347,327.43
12	\$378,586.90
13	\$412,659.72
14	\$449,799.10
15	\$490,281.02
16	\$534,406.31
17	\$582,502.88
18	\$634,928.14
19	\$692,071.67
20	\$761,278.83
21	\$899,019.51
22	\$996,421.85
23	\$1,169,456.69
24	\$1,319,180.62
25	\$1,502,057.72

12/7/21 – DRAFT
This Pilot has NOT been approved by the Hempstead IDA Board

PREPARED FOR:

Town of Hempstead Industrial Development Agency
350 Front Street, Room 234-A
Hempstead, NY 11550

Economic and Fiscal Impact

MCRT INVESTMENTS, LLC

Town of Hempstead
Industrial Development Agency

DECEMBER 22, 2021

PREPARED BY:



PO Box 3547
Saratoga Springs, NY 12866
518.899.2608
www.camoinassociates.com

CAMOIN ASSOCIATES

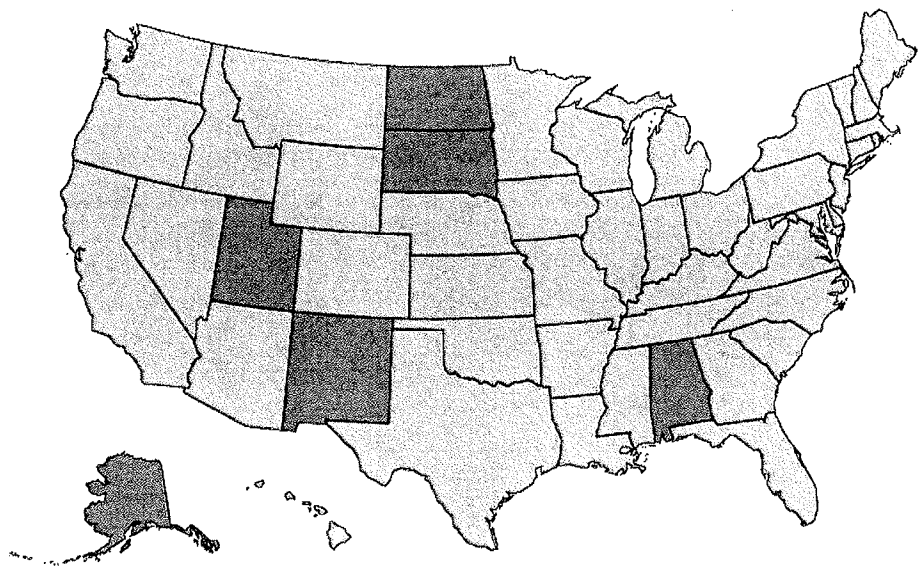
ABOUT CAMOIN ASSOCIATES

Camoin Associates has provided economic development consulting services to municipalities, economic development agencies, and private enterprises since 1999. Through the services offered, Camoin Associates has had the opportunity to serve EDOs and local and state governments from Maine to California; corporations and organizations that include Lowes Home Improvement, FedEx, Amazon, Volvo (Nova Bus) and the New York Islanders; as well as private developers proposing projects in excess of \$6 billion. Our reputation for detailed, place-specific, and accurate analysis has led to projects in 44 states and garnered attention from national media outlets including Marketplace (NPR), Crain's New York Business, Forbes magazine, The New York Times, and The Wall Street Journal. Additionally, our marketing strategies have helped our clients gain both national and local media coverage for their projects in order to build public support and leverage additional funding. We are based in Saratoga Springs, NY, with regional offices in Portland, ME; Boston, MA; Richmond, VA and Brattleboro, VT. To learn more about our experience and projects in all of our service lines, please visit our website at www.camoinassociates.com. You can also find us on Twitter [@camoinassociate](https://twitter.com/camoinassociate) and on [Facebook](https://www.facebook.com/camoinassociate).

THE PROJECT TEAM

Rachel Selsky
Vice President

Jessica Tagliafierro
Senior Analyst



CAMOIN ASSOCIATES

ABOUT THE STUDY

Camoin Associates was retained by the Town of Hempstead Industrial Development Agency to measure the potential economic and fiscal impacts of a project proposed by MCRT Investments, LLC. The proposed project involves construction of a 150-unit residential building at 103-129 Woodfield Road, West Hempstead, New York 11552. Ten percent (10%) of units will be set aside as affordable. The goal of this analysis is to provide a complete assessment of the total economic, employment and tax impact of the project on the Town of Hempstead that result from the new household spending and on-site operations.

The primary tool used in this analysis is the input-output model developed by Economic Modeling Specialists Intl. (Emsi). Primary data used in this study was obtained from the developer's application for financial assistance to the Town of Hempstead Industrial Development Agency and included the following data points: on-site jobs, exemptions, and PILOT schedule. Secondary data was collected by Camoin Associates and used to estimate spending by new households.

The economic impacts are presented in four categories: direct impact, indirect impact, induced impact, and total impact. The indirect and induced impacts are commonly referred to as the "multiplier effect." Note that previous impact reports commissioned by the Town of Hempstead Industrial Development Agency were presented in only three categories: direct impact, indirect impact, and total impact. Prior to 2020, Camoin Associates included both the indirect and induced impacts in the "indirect impact" category. Beginning in 2020, the indirect and induced impacts will be reported separately to allow for more accurate interpretation of results.

STUDY INFORMATION

Data Source:
MCRT Investments, LLC
Application for Assistance and the
Town of Hempstead Industrial
Development Agency

Geography:
Town of Hempstead

Study Period:
2021

Modeling Tool:
Emsi

DIRECT IMPACTS

This initial round of impacts is generated as a result of spending on operations and new household spending at town businesses.

INDIRECT IMPACTS

The direct impacts have ripple effects through business to business spending. This spending results from the increase in demand for goods and services in industry sectors that supply both the facility and the businesses receiving the new household spending.

INDUCED IMPACTS

Impacts that result from spending by facility employees, employees of town businesses, and employees of suppliers. Earnings of these employees enter the economy as employees spend their paychecks in the town on food, clothing, and other goods and services.

CONTENTS

Executive Summary	1
Economic Impact Analysis.....	2
Fiscal Impact Analysis	6
Attachment A: What is Economic Impact Analysis?	16
Attachment B: Calculating Net New Households	17
Attachment C: Study Area.....	18

This page intentionally left blank.

EXECUTIVE SUMMARY

The Town of Hempstead Industrial Development Agency (the "Agency") received an application for financial assistance from MCRT Investments, LLC (the "Applicant") for the construction of a 150-unit residential building (the "Project") at 103-129 Woodfield Road, West Hempstead, New York 11552 (the "Site"). Ten percent (10%) of units will be set aside as affordable. The Applicant is seeking a sales tax exemption, mortgage recording tax exemption, and a PILOT agreement. The Agency commissioned Camoin Associates to conduct an economic and limited fiscal impact analysis of the Project on the Town of Hempstead (the "Town").

Camoin Associates conducted a market analysis and determined that 86% of the market rate units (116 units) and 87% of the affordable units (13 units) would be considered as providing "net new" households to the town as they allow households to exist in the town that would otherwise locate elsewhere. We then computed the total spending associated with these households to derive job creation resulting from the Project. The following is a summary of our findings from this study, with details below and in the following sections.

Table 1

Summary of Benefits

Total Jobs	47
Direct Jobs	34
Total Earnings	\$ 2,500,741
Direct Earnings	\$ 1,598,171
Annual Sales Tax Revenue to Town	\$ 5,983
Average Annual PILOT Payment	\$ 532,278
Average Annual PILOT Payment to Town	\$ 47,351
Average Annual PILOT Benefit	\$ 290,300
Average Annual PILOT Benefit to Town	\$ 25,825
Average Annual Net Benefit to Town	\$ 31,808

- ◆ The Project would support 47 net new jobs in the town, with \$2.5 million in associated earnings. These figures include net new jobs resulting from both maintenance and operation of the facility as well as economic activity that results from new household spending.
- ◆ The Applicant has negotiated terms of a proposed 25-year PILOT agreement, where the applicant would pay an average of \$532,278 each year, of which \$47,351 will be allocated to the Town. As compared to the otherwise applicable property taxes this PILOT represents an average annual benefit to the Town of \$25,825.
- ◆ The annual net benefit to the Town is estimated to be \$31,808. In this case, this is the sum of the average annual PILOT benefit to the Town and new annual sales tax revenue to the Town.
- ◆ Through negotiations with the Agency the Applicant could have access to a sales tax exemption valued at up to \$2,184,626 and a mortgage recording tax exemption valued at up to \$348,445. However, if we assume that the Project would not occur absent IDA benefits, this is not actually a "cost" to the state and county since no future revenue stream would exist without the exemptions.

Table 2

Summary of Costs to Affected Jurisdictions

	State and County	
Sales Tax Exemption	\$	2,184,626
Mortgage Tax Exemption	\$	348,445

Source: Applicant, Camoin Associates

CAMOIN ASSOCIATES

ECONOMIC IMPACT ANALYSIS

The estimates of direct economic activity generated by facility operation and new resident spending as provided by the Applicant were used as the direct inputs for the economic impact model. Camoin Associates uses the input-output model designed by Economic Modeling Specialists, International (Emsi) to calculate total economic impacts. Emsi allows the analyst to input the amount of new direct economic activity (spending or jobs) occurring within the town and uses the direct inputs to estimate the spillover effects that the net new spending or jobs have as these new dollars circulate through the Town of Hempstead's economy. This is captured in the indirect and induced impacts and is commonly referred to as the "multiplier effect." See Attachment A for more information on economic impact analysis.

The Project would have economic impacts upon the Town of Hempstead as a result of Project construction, operation, and spending by new tenant households.

CONSTRUCTION PHASE IMPACTS

The Applicant estimates that private sector investment in the construction of the Project would cost approximately \$60.9 million¹, of which 70%² would be sourced from within the town. This means that there will be over \$42.6 million in net new spending in the town associated with the construction phase of the Project.

Table 3

Construction Phase Spending

Total Construction Cost	\$ 60,906,385
Percent Sourced from County	70%
Net New Constnction Spending	\$ 42,634,470

Source: Applicant, Camoin Associates

Based on over \$42.6 million worth of net new direct spending associated with the construction phase of the Project, Camoin Associates determined that there would be over \$54.8 million in total one-time construction related spending supporting 239 jobs and an associated over \$22.1 million in earnings over the construction period throughout the town. Table 4 outlines the economic impacts of construction.

Table 4

Economic Impact - Construction Phase

	Jobs	Earnings	Sales
Direct	178 \$	17,868,942 \$	42,634,470
Indirect	29 \$	2,065,352 \$	6,588,078
Induced	32 \$	2,204,286 \$	5,590,549
Total	239 \$	22,138,581 \$	54,813,097

Source: Emsi, Camoin Associates

¹ Includes project costs as provided by the Applicant, excluding acquisition, legal fees, and financial charges.

² According to Emsi, approximately 70% of construction industry demand is met within the town.

CAMOIN ASSOCIATES

IMPACTS OF NEW HOUSEHOLD SPENDING

To determine the annual economic impact of the Project on the town, the first step is to calculate the number of households that can be considered "net new" to the town economy. In other words, the number of households that, but for the Project, would not exist in the Town of Hempstead. With respect to this Project, net new households consist of those who are able to live in the town as a result of the Project and would otherwise choose to live elsewhere. See Attachment B for more information on this methodology.

The Applicant proposes to construct 150 units, 10% of which (15 units) would be affordable targeted to households earning up to 80% of AMI. Camoin Associates conducted a rental demand analysis for the Project site and found that 86% of the market rate units, or 116 units, and 87% of the affordable units, or 13 units, are net new to the town (Table 5). This is based on a review of the data and an understanding of the proposed Project as detailed above.

Table 5

Net New Households

	Total Households	Percent Net New	Net New Households
Market Rate	135	86%	116
Affordable	15	87%	13
Total	150	86%	129

Source: Esri, Camoin Associates

SPENDING BY NEW TENANTS

These residents make purchases in the town, thereby adding new dollars to the Town of Hempstead's economy. For this analysis, we researched spending patterns by household income to determine the spending by tenants.

The 13 net new affordable units will be available to households earning up to 80% of AMI.³ Therefore, we will consider spending for tenants to be in the \$70,000 to \$99,999 spending basket, the spending basket that most closely resembles likely tenants, per the Bureau of Labor Statistics' 2020 Consumer Expenditure Survey. Market rate tenants are expected to fall in the \$100,000 to \$149,999 spending basket.

Using a spending basket for the region which details household spending in individual consumer categories by income level, we analyzed likely tenant spending. According to the 2020 Consumer Expenditure Survey, households in market rate units will have annual expenditures (excluding housing and utility costs) of \$44,188 and household in affordable units will have annual expenditures of \$33,157.

It is assumed that 60%⁴ of total expenditures would occur within the Town of Hempstead and, therefore, have an impact on the town's economy. The total net new spending columns show the total amount spent in the town, based on the number of net new units.

³ According to the Applicant.

⁴ According to Emsi, 60% of demand for industries in a typical household spending basket is met within the Town of Hempstead.

CAMOIN ASSOCIATES

Table 6

Tenant Spending Basket**Market Rate Units (\$100,000 to \$149,999 Annual Household Income)**

Category	Annual per Unit Spending Basket	Amount Spent in Town (60%)	Total Net New Town Spending (116 net new units)
Food	\$ 9,901	\$ 5,941	\$ 689,110
Household furnishings and equipment	\$ 2,909	\$ 1,745	\$ 202,466
Apparel and services	\$ 2,037	\$ 1,222	\$ 141,775
Transportation	\$ 14,888	\$ 8,933	\$ 1,036,205
Health care	\$ 6,508	\$ 3,905	\$ 452,957
Entertainment	\$ 4,331	\$ 2,599	\$ 301,438
Personal care products and services	\$ 934	\$ 560	\$ 65,006
Education	\$ 1,494	\$ 896	\$ 103,982
Miscellaneous	\$ 1,186	\$ 712	\$ 82,546
Total Tenant Spending	\$ 44,188	\$ 26,513	\$ 3,075,485

Affordable Units for Tenants Earning 80% AMI (\$70,000 to \$99,999 Annual Household Income)

Category	Annual per Unit Spending Basket	Amount Spent in Town (60%)	Total Net New Town Spending (13 net new units)
Food	\$ 7,475	\$ 4,485	\$ 58,305
Household furnishings and equipment	\$ 2,396	\$ 1,438	\$ 18,689
Apparel and services	\$ 1,145	\$ 687	\$ 8,931
Transportation	\$ 11,098	\$ 6,659	\$ 86,564
Health care	\$ 5,745	\$ 3,447	\$ 44,811
Entertainment	\$ 2,694	\$ 1,616	\$ 21,013
Personal care products and services	\$ 652	\$ 391	\$ 5,086
Education	\$ 893	\$ 536	\$ 6,965
Miscellaneous	\$ 1,059	\$ 635	\$ 8,260
Total Tenant Spending	\$ 33,157	\$ 19,894	\$ 258,625
Total Spending, All Units			\$ 3,334,109

Source: 2020 Consumer Expenditure Survey, Bureau of Labor Statistics

The total net new spending in the town was calculated by multiplying the amount spent in each region by the number of net new units. As shown in the table above, spending in the town by all new households would total over \$3.3 million per year. We used the above spending basket amounts to calculate the direct, indirect, and total impact of the Project on the town.

Using \$3.3 million as the new sales input, Camoin Associates employed Emsi to determine the indirect, induced, and total impact of the Project on the Town of Hempstead.⁵ Table 7 outlines the findings of this analysis.

⁵ Analysis uses the 33 zip codes that are predominantly located within the Town of Hempstead (see Attachment C).

CAMOIN ASSOCIATES

Table 7

Economic Impact - Household Spending

	Jobs	Earnings	Sales
Direct	26 \$	1,194,061 \$	3,334,109
Indirect	5 \$	314,445 \$	830,434
Induced	4 \$	296,675 \$	748,195
Total	35 \$	1,805,182 \$	4,912,739

Source: Emsi, Camoin Associates

IMPACTS OF ON-SITE EMPLOYMENT

The Applicant estimates 9 on-site jobs upon Project completion. Since 86% of the housing units are considered net new to the town, 86% of the jobs, or 8 jobs (due to rounding), are considered to be net new. The table below detail the impact that these jobs will have on the Town of Hempstead (Table 8).

Table 8

Economic Impact - On-Site Operations

	Jobs	Earnings	Sales
Direct	8 \$	404,110 \$	1,359,165
Indirect	3 \$	205,544 \$	557,183
Induced	1 \$	85,905 \$	217,356
Total	12 \$	695,559 \$	2,133,705

Source: Emsi, Camoin Associates

TOTAL ANNUAL ECONOMIC IMPACT

The complete economic impact of both new household spending as well as on-site operation and maintenance of the Project on the Town of Hempstead in Table 9.

Table 9

Total Annual Economic Impact

	Jobs	Earnings	Sales
Direct	34 \$	1,598,171 \$	4,693,275
Indirect	8 \$	519,989 \$	1,387,618
Induced	5 \$	382,581 \$	965,551
Total	47 \$	2,500,741 \$	7,046,443

Source: Emsi, Camoin Associates

CAMOIN ASSOCIATES

FISCAL IMPACT ANALYSIS

In addition to the economic impact of the Project on the local economies (outlined above), there would also be a fiscal impact in terms of annual property tax and sales tax generation. The following section of the analysis outlines the impact of the completion of the Project on the local taxing jurisdictions in terms of the cost and/or benefit to municipal budgets.

PAYMENT IN LIEU OF TAXES (PILOT)

The Applicant has applied to the Agency for a Payment In Lieu of Taxes (PILOT) agreement. The Applicant has proposed a 25-year PILOT payment schedule based on the current tax rate, taxable value, and assessed value of the Project. Based on the terms of the PILOT as proposed, Camoin Associates calculated the potential impact on the affected jurisdictions.⁶

Table 10

Tax Payments with PILOT

Year	Total		Portion of Payment by Jurisdiction			
	PILOT Payments		Town	County	School District	Special Districts
1	\$ 129,631	\$	11,532	\$ 25,538	\$ 68,553	\$ 24,009
2	\$ 129,631	\$	11,532	\$ 25,538	\$ 68,553	\$ 24,009
3	\$ 129,631	\$	11,532	\$ 25,538	\$ 68,553	\$ 24,009
4	\$ 190,000	\$	16,902	\$ 37,431	\$ 100,477	\$ 35,190
5	\$ 207,100	\$	18,423	\$ 40,799	\$ 109,520	\$ 38,357
6	\$ 225,739	\$	20,082	\$ 44,471	\$ 119,377	\$ 41,809
7	\$ 246,056	\$	21,889	\$ 48,474	\$ 130,121	\$ 45,572
8	\$ 268,201	\$	23,859	\$ 52,836	\$ 141,832	\$ 49,673
9	\$ 292,339	\$	26,006	\$ 57,592	\$ 154,597	\$ 54,144
10	\$ 318,649	\$	28,347	\$ 62,775	\$ 168,511	\$ 59,017
11	\$ 347,327	\$	30,898	\$ 68,424	\$ 183,677	\$ 64,328
12	\$ 378,587	\$	33,679	\$ 74,583	\$ 200,208	\$ 70,118
13	\$ 412,660	\$	36,710	\$ 81,295	\$ 218,226	\$ 76,428
14	\$ 449,799	\$	40,014	\$ 88,612	\$ 237,867	\$ 83,307
15	\$ 490,281	\$	43,615	\$ 96,587	\$ 259,275	\$ 90,804
16	\$ 534,406	\$	47,540	\$ 105,280	\$ 282,609	\$ 98,977
17	\$ 582,503	\$	51,819	\$ 114,755	\$ 308,044	\$ 107,885
18	\$ 634,928	\$	56,483	\$ 125,083	\$ 335,768	\$ 117,594
19	\$ 692,072	\$	61,566	\$ 136,340	\$ 365,987	\$ 128,178
20	\$ 761,279	\$	67,723	\$ 149,974	\$ 402,586	\$ 140,996
21	\$ 899,020	\$	79,976	\$ 177,109	\$ 475,427	\$ 166,506
22	\$ 996,422	\$	88,641	\$ 196,298	\$ 526,937	\$ 184,546
23	\$ 1,169,457	\$	104,034	\$ 230,386	\$ 618,442	\$ 216,594
24	\$ 1,319,181	\$	117,354	\$ 259,882	\$ 697,621	\$ 244,324
25	\$ 1,502,058	\$	133,622	\$ 295,910	\$ 794,331	\$ 278,194
Total	\$ 13,306,953	\$	1,183,779	\$ 2,621,508	\$ 7,037,101	\$ 2,464,566
Average	\$ 532,278	\$	47,351	\$ 104,860	\$ 281,484	\$ 98,583

Source: Town of Hempstead IDA, Camoin Associates

⁶ It is assumed that each jurisdiction will continue to receive the same portion of the PILOT that they currently receive from the full tax bill.

CAMOIN ASSOCIATES

TAX POLICY COMPARISON

Without financial assistance from the Agency, Camoin Associates assumes the Applicant would not undertake the Project. Table 17 displays the property tax payment associated with the Project.

Table 11

Tax Payments without Project

Year	Total		Portion of Payment by Jurisdiction			
	Property Tax Payment Without Project*		Town	County	School District	Special Districts
1	\$ 188,866	\$	16,801	\$ 37,207	\$ 99,878	\$ 34,980
2	\$ 192,644	\$	17,137	\$ 37,951	\$ 101,876	\$ 35,679
3	\$ 196,497	\$	17,480	\$ 38,710	\$ 103,913	\$ 36,393
4	\$ 200,427	\$	17,830	\$ 39,485	\$ 105,991	\$ 37,121
5	\$ 204,435	\$	18,186	\$ 40,274	\$ 108,111	\$ 37,863
6	\$ 208,524	\$	18,550	\$ 41,080	\$ 110,273	\$ 38,620
7	\$ 212,694	\$	18,921	\$ 41,901	\$ 112,479	\$ 39,393
8	\$ 216,948	\$	19,300	\$ 42,739	\$ 114,728	\$ 40,181
9	\$ 221,287	\$	19,686	\$ 43,594	\$ 117,023	\$ 40,984
10	\$ 225,713	\$	20,079	\$ 44,466	\$ 119,363	\$ 41,804
11	\$ 230,227	\$	20,481	\$ 45,355	\$ 121,751	\$ 42,640
12	\$ 234,832	\$	20,890	\$ 46,262	\$ 124,186	\$ 43,493
13	\$ 239,528	\$	21,308	\$ 47,188	\$ 126,669	\$ 44,363
14	\$ 244,319	\$	21,734	\$ 48,132	\$ 129,203	\$ 45,250
15	\$ 249,205	\$	22,169	\$ 49,094	\$ 131,787	\$ 46,155
16	\$ 254,189	\$	22,613	\$ 50,076	\$ 134,423	\$ 47,078
17	\$ 259,273	\$	23,065	\$ 51,078	\$ 137,111	\$ 48,020
18	\$ 264,459	\$	23,526	\$ 52,099	\$ 139,853	\$ 48,980
19	\$ 269,748	\$	23,997	\$ 53,141	\$ 142,650	\$ 49,960
20	\$ 275,143	\$	24,477	\$ 54,204	\$ 145,503	\$ 50,959
21	\$ 280,646	\$	24,966	\$ 55,288	\$ 148,413	\$ 51,978
22	\$ 286,258	\$	25,465	\$ 56,394	\$ 151,382	\$ 53,018
23	\$ 291,984	\$	25,975	\$ 57,522	\$ 154,409	\$ 54,078
24	\$ 297,823	\$	26,494	\$ 58,672	\$ 157,498	\$ 55,160
25	\$ 303,780	\$	27,024	\$ 59,845	\$ 160,648	\$ 56,263
Total	\$ 6,049,448	\$	538,155	\$ 1,191,758	\$ 3,199,122	\$ 1,120,412
Average	\$ 241,978	\$	21,526	\$ 47,670	\$ 127,965	\$ 44,816

Source: Town of Hempstead IDA, Camoin Associates

*Note: Assumes an average annual increase of 2.00%

CAMOIN ASSOCIATES

Table 12 calculates the benefit (or cost) to the affected taxing jurisdictions as the difference between the PILOT payments associated with the Project and the property tax payments without the Project. Over \$290,000 more in PILOT revenue will be received annually than property taxes that would be received without the Project. The total benefit would be \$7.3 million over the 25-year period.

Table 12

Tax Policy Comparison (All Jurisdictions)

Year	Property Tax Payment Without Project	PILOT Payment	Benefit (Cost) of Project
1	\$ 188,866	\$ 129,631	\$ (59,236)
2	\$ 192,644	\$ 129,631	\$ (63,013)
3	\$ 196,497	\$ 129,631	\$ (66,866)
4	\$ 200,427	\$ 190,000	\$ (10,427)
5	\$ 204,435	\$ 207,100	\$ 2,665
6	\$ 208,524	\$ 225,739	\$ 17,215
7	\$ 212,694	\$ 246,056	\$ 33,361
8	\$ 216,948	\$ 268,201	\$ 51,252
9	\$ 221,287	\$ 292,339	\$ 71,051
10	\$ 225,713	\$ 318,649	\$ 92,936
11	\$ 230,227	\$ 347,327	\$ 117,100
12	\$ 234,832	\$ 378,587	\$ 143,755
13	\$ 239,528	\$ 412,660	\$ 173,131
14	\$ 244,319	\$ 449,799	\$ 205,480
15	\$ 249,205	\$ 490,281	\$ 241,076
16	\$ 254,189	\$ 534,406	\$ 280,217
17	\$ 259,273	\$ 582,503	\$ 323,230
18	\$ 264,459	\$ 634,928	\$ 370,470
19	\$ 269,748	\$ 692,072	\$ 422,324
20	\$ 275,143	\$ 761,279	\$ 486,136
21	\$ 280,646	\$ 899,020	\$ 618,374
22	\$ 286,258	\$ 996,422	\$ 710,163
23	\$ 291,984	\$ 1,169,457	\$ 877,473
24	\$ 297,823	\$ 1,319,181	\$ 1,021,357
25	\$ 303,780	\$ 1,502,058	\$ 1,198,278
Total	\$ 6,049,448	\$ 13,306,953	\$ 7,257,506
Average	\$ 241,978	\$ 532,278	\$ 290,300

Source: Town of Hempstead IDA, Camoin Associates

CAMOIN ASSOCIATES

TOWN

Table 13 calculates the benefit (or cost) to the Town. The Town would receive approximately \$25,825 more in PILOT revenue annually than it would receive in property taxes without the Project. The total benefit to the Town would be nearly \$646,000 over the 25-year period.

Table 13

Tax Policy Comparison for Town

Year	Property Tax Payment Without Project	PILOT Payment	Benefit (Cost) of Project
1	\$ 16,801	\$ 11,532	\$ (5,270)
2	\$ 17,137	\$ 11,532	\$ (5,606)
3	\$ 17,480	\$ 11,532	\$ (5,948)
4	\$ 17,830	\$ 16,902	\$ (928)
5	\$ 18,186	\$ 18,423	\$ 237
6	\$ 18,550	\$ 20,082	\$ 1,531
7	\$ 18,921	\$ 21,889	\$ 2,968
8	\$ 19,300	\$ 23,859	\$ 4,559
9	\$ 19,686	\$ 26,006	\$ 6,321
10	\$ 20,079	\$ 28,347	\$ 8,268
11	\$ 20,481	\$ 30,898	\$ 10,417
12	\$ 20,890	\$ 33,679	\$ 12,788
13	\$ 21,308	\$ 36,710	\$ 15,402
14	\$ 21,734	\$ 40,014	\$ 18,279
15	\$ 22,169	\$ 43,615	\$ 21,446
16	\$ 22,613	\$ 47,540	\$ 24,928
17	\$ 23,065	\$ 51,819	\$ 28,754
18	\$ 23,526	\$ 56,483	\$ 32,957
19	\$ 23,997	\$ 61,566	\$ 37,570
20	\$ 24,477	\$ 67,723	\$ 43,246
21	\$ 24,966	\$ 79,976	\$ 55,010
22	\$ 25,465	\$ 88,641	\$ 63,176
23	\$ 25,975	\$ 104,034	\$ 78,059
24	\$ 26,494	\$ 117,354	\$ 90,859
25	\$ 27,024	\$ 133,622	\$ 106,598
Total	\$ 538,155	\$ 1,183,779	\$ 645,624
Average	\$ 21,526	\$ 47,351	\$ 25,825

Source: Town of Hempstead IDA, Camoin Associates

CAMOIN ASSOCIATES

COUNTY

Table 14 calculates the benefit (or cost) to the County. The County would receive approximately \$57,190 more in PILOT revenue annually than it would receive in property taxes without the Project. The total benefit to the County would be over \$1.4 million over the 25-year period.

Table 14

Tax Policy Comparison for County

Year	Property Tax Payment Without Project	PILOT Payment	Benefit (Cost) of Project
1	\$ 37,207	\$ 25,538	\$ (11,670)
2	\$ 37,951	\$ 25,538	\$ (12,414)
3	\$ 38,710	\$ 25,538	\$ (13,173)
4	\$ 39,485	\$ 37,431	\$ (2,054)
5	\$ 40,274	\$ 40,799	\$ 525
6	\$ 41,080	\$ 44,471	\$ 3,391
7	\$ 41,901	\$ 48,474	\$ 6,572
8	\$ 42,739	\$ 52,836	\$ 10,097
9	\$ 43,594	\$ 57,592	\$ 13,997
10	\$ 44,466	\$ 62,775	\$ 18,309
11	\$ 45,355	\$ 68,424	\$ 23,069
12	\$ 46,262	\$ 74,583	\$ 28,320
13	\$ 47,188	\$ 81,295	\$ 34,107
14	\$ 48,132	\$ 88,612	\$ 40,480
15	\$ 49,094	\$ 96,587	\$ 47,493
16	\$ 50,076	\$ 105,280	\$ 55,204
17	\$ 51,078	\$ 114,755	\$ 63,677
18	\$ 52,099	\$ 125,083	\$ 72,984
19	\$ 53,141	\$ 136,340	\$ 83,199
20	\$ 54,204	\$ 149,974	\$ 95,770
21	\$ 55,288	\$ 177,109	\$ 121,821
22	\$ 56,394	\$ 196,298	\$ 139,904
23	\$ 57,522	\$ 230,386	\$ 172,865
24	\$ 58,672	\$ 259,882	\$ 201,210
25	\$ 59,845	\$ 295,910	\$ 236,064
Total	\$ 1,191,758	\$ 2,621,508	\$ 1,429,749
Average	\$ 47,670	\$ 104,860	\$ 57,190

Source: Town of Hempstead IDA, Camoin Associates

CAMOIN ASSOCIATES

SCHOOL DISTRICT

Table 15 calculates the benefit (or cost) to the school district. The school district would receive approximately \$153,519 more in PILOT revenue annually than it would receive in property taxes without the Project. The total benefit to the school district would be over \$3.8 million over the 25-year period.

Table 15

Tax Policy Comparison for School District

Year	Property Tax Payment Without Project	PILOT Payment	Benefit (Cost) of Project
1	\$ 99,878	\$ 68,553	\$ (31,325)
2	\$ 101,876	\$ 68,553	\$ (33,323)
3	\$ 103,913	\$ 68,553	\$ (35,361)
4	\$ 105,991	\$ 100,477	\$ (5,514)
5	\$ 108,111	\$ 109,520	\$ 1,409
6	\$ 110,273	\$ 119,377	\$ 9,104
7	\$ 112,479	\$ 130,121	\$ 17,642
8	\$ 114,728	\$ 141,832	\$ 27,104
9	\$ 117,023	\$ 154,597	\$ 37,574
10	\$ 119,363	\$ 168,511	\$ 49,147
11	\$ 121,751	\$ 183,677	\$ 61,926
12	\$ 124,186	\$ 200,208	\$ 76,022
13	\$ 126,669	\$ 218,226	\$ 91,557
14	\$ 129,203	\$ 237,867	\$ 108,664
15	\$ 131,787	\$ 259,275	\$ 127,488
16	\$ 134,423	\$ 282,609	\$ 148,187
17	\$ 137,111	\$ 308,044	\$ 170,933
18	\$ 139,853	\$ 335,768	\$ 195,915
19	\$ 142,650	\$ 365,987	\$ 223,337
20	\$ 145,503	\$ 402,586	\$ 257,083
21	\$ 148,413	\$ 475,427	\$ 327,014
22	\$ 151,382	\$ 526,937	\$ 375,555
23	\$ 154,409	\$ 618,442	\$ 464,033
24	\$ 157,498	\$ 697,621	\$ 540,123
25	\$ 160,648	\$ 794,331	\$ 633,684
Total	\$ 3,199,122	\$ 7,037,101	\$ 3,837,978
Average	\$ 127,965	\$ 281,484	\$ 153,519

Source: Town of Hempstead IDA, Camoin Associates

CAMOIN ASSOCIATES

SPECIAL DISTRICTS

Table 16 calculates the benefit (or cost) to the special districts. The special districts would receive approximately \$53,766 more in PILOT revenue annually than they would receive in property taxes without the Project. The total benefit to the special districts would be over \$1.3 million over the 25-year period.

Table 16

Tax Policy Comparison for Special Districts

Year	Property Tax Payment Without Project	PILOT Payment	Benefit (Cost) of Project
1	\$ 34,980	\$ 24,009	\$ (10,971)
2	\$ 35,679	\$ 24,009	\$ (11,671)
3	\$ 36,393	\$ 24,009	\$ (12,384)
4	\$ 37,121	\$ 35,190	\$ (1,931)
5	\$ 37,863	\$ 38,357	\$ 494
6	\$ 38,620	\$ 41,809	\$ 3,188
7	\$ 39,393	\$ 45,572	\$ 6,179
8	\$ 40,181	\$ 49,673	\$ 9,492
9	\$ 40,984	\$ 54,144	\$ 13,159
10	\$ 41,804	\$ 59,017	\$ 17,213
11	\$ 42,640	\$ 64,328	\$ 21,688
12	\$ 43,493	\$ 70,118	\$ 26,625
13	\$ 44,363	\$ 76,428	\$ 32,065
14	\$ 45,250	\$ 83,307	\$ 38,057
15	\$ 46,155	\$ 90,804	\$ 44,649
16	\$ 47,078	\$ 98,977	\$ 51,899
17	\$ 48,020	\$ 107,885	\$ 59,865
18	\$ 48,980	\$ 117,594	\$ 68,614
19	\$ 49,960	\$ 128,178	\$ 78,218
20	\$ 50,959	\$ 140,996	\$ 90,037
21	\$ 51,978	\$ 166,506	\$ 114,528
22	\$ 53,018	\$ 184,546	\$ 131,529
23	\$ 54,078	\$ 216,594	\$ 162,516
24	\$ 55,160	\$ 244,324	\$ 189,164
25	\$ 56,263	\$ 278,194	\$ 221,932
Total	\$ 1,120,412	\$ 2,464,566	\$ 1,344,155
Average	\$ 44,816	\$ 98,583	\$ 53,766

Source: Town of Hempstead IDA, Camoin Associates

CAMOIN ASSOCIATES

OTHER EXEMPTIONS

There are additional benefits to working with the Agency including a one-time sales tax exemption on construction materials and furniture, fixtures, and equipment as well as a mortgage recording tax exemption. Tax exemptions are for the state and county taxes and are not applicable to the town.

Table 17

Summary of Costs to Affected Jurisdictions

	State and County	
Sales Tax Exemption	\$	2,184,626
Mortgage Tax Exemption	\$	348,445

Source: Applicant, Camoin Associates

The additional incentives offered by the Agency will benefit the Applicant but will not negatively affect the taxing jurisdictions because, without the Project, the Town by definition would not be receiving any associated sales tax or mortgage tax revenue.

SALES TAX REVENUE**SALES TAX REVENUE – CONSTRUCTION PHASE**

The one-time construction phase earnings described by the total economic impact of the construction work (described in the above section) would lead to additional sales tax revenue for the Town. It is assumed that 70%⁷ of the construction phase earnings would be spent within the county and that 25% of those purchases would be taxable.

Table 18

One-Time Sales Tax Revenue, Construction Phase

Total New Earnings	\$	22,138,581
Amount Spent in County (70%)	\$	15,497,006
Amount Taxable (25%)	\$	3,874,252
Nassau County Sales Tax Revenue (4.25%)	\$	164,656
New Town Sales Tax Revenue Portion*		0.38%
New Town Sales Tax Revenue	\$	14,528

Source: Town of Hempstead IDA, Camoin Associates

***Note:** Nassau County's sales tax rate is 4.25%, of which 0.75% is allocated to the towns and cities within the county. For this analysis we assume half of the 0.75% is allocated to the Town of Hempstead.

⁷ According to Emsi, 70% demand for industries in a typical household spending basket is met within Nassau County.

CAMOIN ASSOCIATES

SALES TAX REVENUE – NEW HOUSEHOLD SPENDING

As a result of the Project, the Town would receive sales tax revenue from the purchases made by the households. Table 19 displays the new sales tax revenue that the Town of Hempstead would receive annually based on in-town spending by new households.

Table 19

Annual Sales Tax Revenue, Household Spending		
Total New Spending	\$	4,912,739
Amount Taxable (30%)	\$	1,473,822
Nassau County Sales Tax Revenue (4.25%)	\$	62,637
New Town Sales Tax Revenue Portion*		0.375%
New Town Tax Revenue	\$	5,527

Source: Town of Hempstead IDA, Camoin Associates

***Note:** Nassau County's sales tax rate is 4.25%, of which 0.75% is allocated to the towns and cities within the county. For this analysis we assume half of the 0.75% is allocated to the Town of Hempstead.

Note that the household spending figure has already been adjusted to account for total spending occurring within the town (see table entitled "Tenant Spending Baskets"). It is assumed that 30% of purchases will be taxable, based on the spending baskets of tenants and the understanding that certain non-taxable items (related to housing expenses) have been removed from the total spending line, this increasing the remaining portion taxable.

SALES TAX REVENUE – EMPLOYEE EARNINGS

The earnings generated by on-site jobs that will occur as a result of building operation at the Project (described under Impacts of On-Site Employment) would lead to additional annual sales tax revenue for the town. It is assumed that 70% of the earnings would be spent within Nassau County and that 25% of those purchases will be taxable. Table 20 displays the annual tax revenue that the Town will receive.

Table 20

Annual Sales Tax Revenue, On-Site Operations		
Total New Earnings	\$	695,559
Amount Spent in County (70%)	\$	486,891
Amount Taxable (25%)	\$	121,723
Nassau County Sales Tax Revenue (4.25%)	\$	5,173
New Town Sales Tax Revenue Portion*		0.375%
New Town Tax Revenue	\$	456

Source: Town of Hempstead IDA, Camoin Associates

***Note:** Nassau County's sales tax rate is 4.25%, of which 0.75% is allocated to the towns and cities within the county. For this analysis we assume half of the 0.75% is allocated to the Town of Hempstead.

CAMOIN ASSOCIATES

TOTAL ANNUAL SALES TAX REVENUE

The total annual sales tax revenue that the Town will receive is summarized in Table 21.

Table 21

Total Annual Sales Tax Revenue		
Household Spending	\$	5,527
On-Site Operations	\$	456
New Town Tax Revenue	\$	5,983

Source: Town of Hempstead IDA, Camoin Associates

ATTACHMENT A: WHAT IS ECONOMIC IMPACT ANALYSIS?

The purpose of conducting an economic impact study is to ascertain the total cumulative changes in employment, earnings and output in a given economy due to some initial "change in final demand". To understand the meaning of "change in final demand", consider the installation of a new widget manufacturer in Anytown, USA. The widget manufacturer sells \$1 million worth of its widgets per year exclusively to consumers in Canada. Therefore, the annual change in final demand in the United States is \$1 million because dollars are flowing in from outside the United States and are therefore "new" dollars in the economy.

This change in final demand translates into the first round of buying and selling that occurs in an economy. For example, the widget manufacturer must buy its inputs of production (electricity, steel, etc.), must lease or purchase property and pay its workers. This first round is commonly referred to as the "Direct Effects" of the change in final demand and is the basis of additional rounds of buying and selling described below.

To continue this example, the widget manufacturer's vendors (the supplier of electricity and the supplier of steel) will enjoy additional output (i.e. sales) that will sustain their businesses and cause them to make additional purchases in the economy. The steel producer will need more pig iron and the electric company will purchase additional power from generation entities. In this second round, some of those additional purchases will be made in the US economy and some will "leak out". What remains will cause a third round (with leakage) and a fourth (and so on) in ever-diminishing rounds of industry-to-industry purchases. Finally, the widget manufacturer has employees who will naturally spend their wages. Again, those wages spent will either be for local goods and services or will "leak" out of the economy. The purchases of local goods and services will then stimulate other local economic activity. Together, these effects are referred to as the "Indirect Effects" of the change in final demand.

Therefore, the total economic impact resulting from the new widget manufacturer is the initial \$1 million of new money (i.e. Direct Effects) flowing in the US economy, plus the Indirect Effects. The ratio of Total Effects to Direct Effects is called the "multiplier effect" and is often reported as a dollar-of-impact per dollar-of-change. Therefore, a multiplier of 2.4 means that for every dollar (\$1) of change in final demand, an additional \$1.40 of indirect economic activity occurs for a total of \$2.40.

Key information for the reader to retain is that this type of analysis requires rigorous and careful consideration of the geography selected (i.e. how the "local economy" is defined) and the implications of the geography on the computation of the change in final demand. If this analysis wanted to consider the impact of the widget manufacturer on the entire North American continent, it would have to conclude that the change in final demand is zero and therefore the economic impact is zero. This is because the \$1 million of widgets being purchased by Canadians is not causing total North American demand to increase by \$1 million. Presumably, those Canadian purchasers will have \$1 million less to spend on other items and the effects of additional widget production will be cancelled out by a commensurate reduction in the purchases of other goods and services.

Changes in final demand, and therefore Direct Effects, can occur in a number of circumstances. The above example is easiest to understand: the effect of a manufacturer producing locally but selling globally. If, however, 100% of domestic demand for a good is being met by foreign suppliers (say, DVD players being imported into the US from Korea and Japan), locating a manufacturer of DVD players in the US will cause a change in final demand because all of those dollars currently leaving the US economy will instead remain. A situation can be envisioned whereby a producer is serving both local and foreign demand, and an impact analysis would have to be careful in calculating how many "new" dollars the producer would be causing to occur domestically.

ATTACHMENT B: CALCULATING NET NEW HOUSEHOLDS

"Net new" households that move into a geography because of the availability of desired housing contribute to that geography's economy in measurable ways. Estimating the number of net new households, the households that would not otherwise live in the geography, is therefore a critical task for an economic and fiscal impact analysis for a project that includes housing.

Our housing market research indicates that housing is heavily affected by demand, with households in different demographic groups seeking diverse housing price points and amenities. Our estimates of net new households take into consideration demographic and economic differences among renters, and price points among units offered, identifying the existence and size of a housing gap (where more units are demanded than are available) or surplus (where there is oversupply) in the market segment to be served by the proposed project. Generally, where there is a significant housing gap outside the geography but within a reasonable distance for relocation, a project will draw a larger proportion of net new households into that geography. Each project may therefore have a different expectation for net new households, depending on price point, age restriction if any, and location.

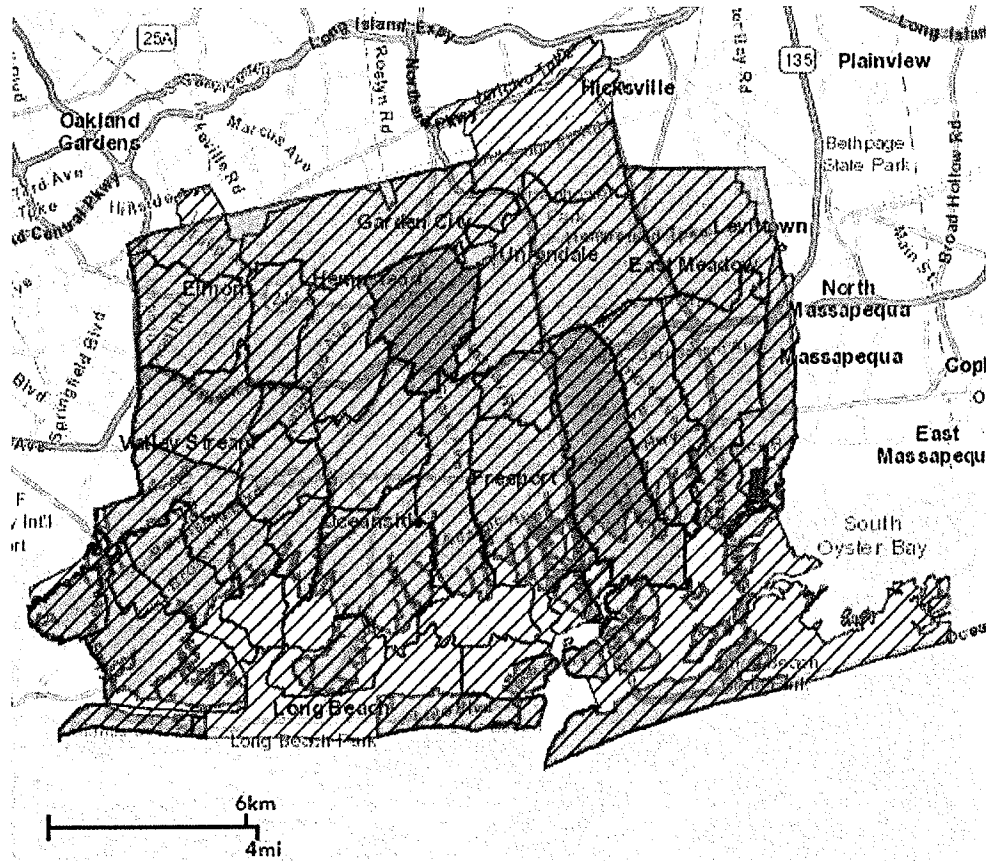
The following steps outline our process for calculating net new households. All data is drawn from Esri Business Analyst.

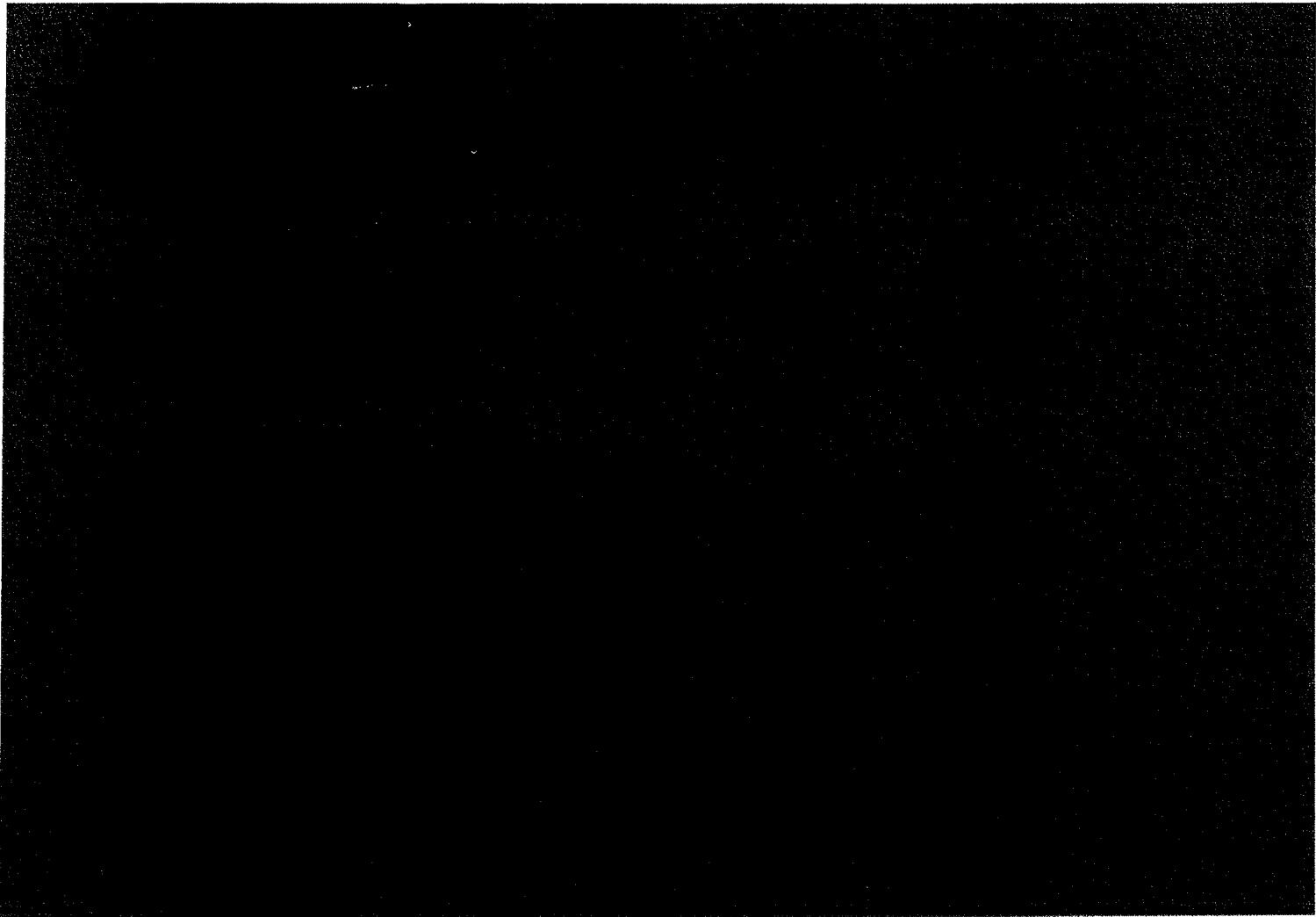
1. Identify *where* households are likely to come from. We expect that renters for a new project would consider housing within a reasonable driving time from their current location, creating a "renter-shed" for a new project. Households that are within the drive time but outside of the study area are net new.
2. Identify the existing rental housing supply at different price points. Using data from Esri, we identify rental housing units in the study area by price point and calculate the minimum household income expected to be necessary to afford rent by price range.
3. Identify the number of households at different income levels. We analyze households by income group and rental behavior to estimate an "implied number renting" for different income groups.
4. Calculate net housing surplus or gap by price point. Rental housing supply and rental housing demand is compared to calculate a "net gap," indicating excess demand for the project, or a "net surplus." To estimate net new households for a project, the net gap in the study area is compared to the net gap in the drive time.

CAMOIN ASSOCIATES

ATTACHMENT C: STUDY AREA

Town of Hempstead (Green) and Zip Code Region (Red outline with dashes)





Leading action to grow your economy

Camoin Associates
PO Box 3547
Saratoga Springs, NY 12866
518.899.2608
www.camoinassociates.com
@camoinassociate





December 29, 2021

Attn: Arlyn Eames, Deputy Financial Officer
Town of Hempstead Industrial Development Agency
350 Front Street
Hempstead, New York 11550

Re: IDA Approval of Tenant Sublease
Valley Stream Green Acres LLC 2015 Facility
2034 Green Acres Road South, Valley Stream, NY 11581

Dear Ms. Eames:

In accordance with instructions from Daniel Baker of Certilman Balin Adler & Hyman, LLP, attached please find sent directly to you a copy of the tenant sublease for your approval in accordance with Section 9.3 of the Lease Agreement dated May 1, 2015 for the above referenced location ("Valley Stream Green Acres Lease") related to the following:

- **Size of Premises:** 7 parking spaces for charging stations
- **Tenant:** Rivian LLC, a Delaware limited liability company, d/b/a Rivian
- **Address:** common areas of Green Acres
- **Estimated employees:** None
- **Estimated average salaries:** N/A

Note that this Lease includes all of the provisions of Exhibit G of the Valley Stream Green Acres Lease and therefore, no checklist is attached.

Please note, there is no NDA requested in connection with this Lease.

Please confirm your approval of the lease and execution of the resolution by the TOHIDA approving the lease by a reply email to me so I may proceed with execution of the tenant sublease as soon as possible. If you have any questions in the meantime, please do not hesitate to contact me at 972-352-1058.

Sincerely,

Kathy Sherwood

cc: Daniel J. Baker, Certilman et al., via email
Edie Longo (with copy of all attachments)
Terance Walsh, Nixon Peabody, via email (with a copy of all attachments)
Roz Doran, Nixon Peabody, via email (with a copy of all attachments)
Beth Wood, Nixon Peabody, via email (with a copy of all attachments)
Emma Feary, Nixon Peabody, via email (with a copy of all attachments)
Nancy Rendos (via email)
Joe Floccari (via email)

8214 Westchester Drive, Suite 500
Dallas, TX 75225
P: 214.373.5200
www.macerich.com | NYSE: MAC

Summary Results of Confidential Evaluation of Board Performance 2021 – TOH IDA

Criteria	Agree	Somewhat Agree	Somewhat Disagree	Disagree
Board members have a shared understanding of the mission and purpose of the Authority.	#	#	#	#
The policies, practices and decisions of the Board are always consistent with this mission.	3			
Board members comprehend their role and fiduciary responsibilities and hold themselves and each other to these principles.	3			
The Board has adopted policies, by-laws, and practices for the effective governance, management and operations of the Authority and reviews these annually.	3			
The Board sets clear and measurable performance goals for the Authority that contribute to accomplishing its mission.	2	1		
The decisions made by Board members are arrived at through independent judgment and deliberation, free of political influence or self-interest.	3			
Individual Board members communicate effectively with executive staff so as to be well informed on the status of all important issues.	3			
Board members are knowledgeable about the Authority's programs, financial statements, reporting requirements, and other transactions.	3			
The Board meets to review and approve all documents and reports prior to public release and is confident that the information being presented is accurate and complete.	3			
The Board knows the statutory obligations of the Authority and if the Authority is in compliance with state law.	3			
Board and committee meetings facilitate open, deliberate and thorough discussion, and the active participation of members.	3			
Board members have sufficient opportunity to research, discuss, question and prepare before decisions are made and votes taken.	3			
Individual Board members feel empowered to delay votes, defer agenda items, or table actions if they feel additional information or discussion is required.	3			
The Board exercises appropriate oversight of the CEO and other executive staff, including setting performance expectations and reviewing performance annually.	3			
The Board has identified the areas of most risk to the Authority and works with management to implement risk mitigation strategies before problems occur.	3			
Board members demonstrate leadership and vision and work respectfully with each other.	3			

Name of Authority: TOWN OF HEMPSTEAD INDUSTRIAL DEVELOPMENT AGENCY

Date Completed: 1/24/22

**INDIVIDUAL BOARD MEMBER SELF EVALUATION FORM
TOWN OF HEMPSTEAD INDUSTRIAL DEVELOPMENT AGENCY
2021 Review**

It is important that you complete all parts of the evaluation form.
Do not leave blanks

Part I:

Are you satisfied with **your** performance as a board member in the following areas?

	<u>Very Good</u>	<u>Adequate</u>	<u>Needs Work</u>
Input in policy development and Decision-making			
Committee Participation			
Business Outreach			

- What factors contribute to **your** performance or lack of performance in the areas above?
(Be specific)
- Here is what I would need from the IDA to maintain/increase **my** level of board commitment:

Part II:

	<u>Very Good</u>	<u>Adequate</u>	<u>Needs Work</u>
You have full understanding of the role and responsibility of the board			
You understand the IDA's mission and programs			
Board has clear goals and actions resulting from realistic strategic planning			
Board received regular reports on Finances, budget, programs, and other important matters			

Very Good

Adequate

Needs Work

Board effectively represents the organization to the community

Board regularly evaluates progress toward goals and program performance

Board has approved comprehensive personnel policies, which have been reviewed on an annual basis

Each member of the board feels involved and interested in the work of the IDA

All necessary skills and diversity are represented on the board

Part III

- List the three to five points on which **you** believe the board should focus its attention in the next year. **(Be Specific)**

Part IV

Very Good

Adequate

Needs Work

Does the board set clear expectations for the staff?

Is the board furnished with concise and necessary meeting material to make the most informed decision?

- What can staff do to improve the flow of information to the board to effectuate better communication, understanding and responsiveness to the Agency's projects, programs and mandates?
- Do you have any other comments or suggestions that will help the board and staff increase its effectiveness?

Name: _____

Signature: _____

Date: _____ Position: _____

Follow up:

Resolution

TOWN OF HEMPSTEAD
INDUSTRIAL DEVELOPMENT AGENCY

Appointment of Officers
2022

WHEREAS, pursuant to a special act of the Legislature, the Town of Hempstead Industrial Development Agency was established on June 17, 1971 and;

WHEREAS, at the Agency's Meeting on January 31, 2022, the Town of Hempstead Industrial Development Agency, appointed and serving at the pleasure of the Town of Hempstead Town Board, has elected the following members as officers for January 2022 – December 2022:

Chairman: Florestano Girardi
Vice Chairman: (open)
Secretary: Jack Majkut
Treasurer: Dr. Eric Mallette

NOW, THEREFORE, BE IT

RESOLVED, that the IDA board has hereby appointed the above named individuals as officers of the Town of Hempstead Industrial Development Agency for a term of January 2022 – December 2022.

Adopted: January 31, 2022

(ayes)
(nays)

Resolution Number: 001-2022

Chairman, Florestano Girardi

Industrial Development Agency Committees 2022

Advertising and Marketing: Thomas Grech, Chairman
Flo Girardi
Jack Majkut
Fred Parola
Laura Tomeo/Lorraine Rhoads
Mike Lodato

Time Certification Records
Personnel and Leave: Jack Majkut, Chairman
Flo Girardi
Laura Tomeo/Lorraine Rhoads
Michael Lodato
Thomas Grech
(open)

Audit Committee: Bob Bedford, Chairman
Eric Mallette
Jack Majkut
Laura Tomeo/Lorraine Rhoads
Fred Parola
(open)

Governance and Uniform Policies
And Guidelines: Eric Mallette, Chairman
Florestano Girardi
Robert Bedford
Edie Longo
Arlyn Eames
John Ryan

Finance and Investment Committee: Florestano Girardi, Chairman
Eric Mallette
Robert Bedford
Laura Tomeo/Lorraine Rhoads
Fred Parola
Thomas Grech

Note: The Board Chair and CEO shall be an ex-officio member of each standing committee.

Adopted: January 31, 2022

(ayes)

(nays)

Resolution Number: 002-2022

Chairman, Florestano Girardi

Resolution

TOWN OF HEMPSTEAD
INDUSTRIAL DEVELOPMENT AGENCY

Appointing
John E. Ryan, Esq.
Agency Counsel

WHEREAS, pursuant to a special act of the Legislature, the Town of Hempstead Industrial Development Agency was established on June 17, 1971 and;

WHEREAS John E. Ryan had previously served as Agency Counsel to the IDA since 1993 and was again selected by Request for Qualifications in 2019 and;

WHEREAS, the Town of Hempstead Industrial Development Agency appoints John E. Ryan, Esq., for the position of Agency Counsel with the Town of Hempstead Industrial Development Agency and;

NOW, THEREFORE, BE IT

RESOLVED, that John E. Ryan is hereby reappointed Agency Counsel to the Town of Hempstead Industrial Development Agency.

Adopted: January 31, 2022

(ayes)

(nays)

Resolution Number: 003-2022

Florestano Girardi, Chairman

Resolution

TOWN OF HEMPSTEAD
INDUSTRIAL DEVELOPMENT AGENCY

Appointing
Nixon Peabody LLP
Phillips Lytle LLP
Bond/Transaction Counsels

WHEREAS, pursuant to a special act of the Legislature, the Town of Hempstead Industrial Development Agency was established on June 17, 1971 and;

WHEREAS, the Town of Hempstead Industrial Development Agency previously received Request for Qualifications from both Nixon Peabody LLP and Phillips Lytle LLP and appointed both for the position of Bond/Transaction Counsel to the Town of Hempstead Industrial Development Agency, and;

NOW, THEREFORE, BE IT

RESOLVED, that Nixon Peabody LLP and Phillips Lytle LLP are hereby reappointed to serve as Bond/Transaction Counsel to the Town of Hempstead Industrial Development Agency.

Adopted: January 31, 2022

(ayes)

(nays)

Resolution Number: 004-2022

Florestano Girardi, Chairman

RESOLUTION

TOWN OF HEMPSTEAD
INDUSTRIAL DEVELOPMENT AGENCY

LONG ISLAND BUSINESS DEVELOPMENT COUNCIL
MEMBERSHIP FOR 2022

WHEREAS, the Town of Hempstead Industrial Development Agency endeavors to support business and community activities; and

WHEREAS, the Town of Hempstead Industrial Development Agency encourages its members and staff to interface with the business community; and

WHEREAS, the Agency seeks to promote the sharing and exchanging of information with other influential business leaders, bankers and real estate brokers in the Town of Hempstead and around Long Island and;

NOW, THEREFORE, BE IT

RESOLVED, that the Town of Hempstead Industrial Development Agency authorizes payment to the Long Island Business Development Council, PO Box 7609, Wantagh, New York 11793, in an amount not to exceed \$700.00 for a Gold Membership, and subject to the filing and approval of the necessary documentation, for the purpose of continuing the Agency's membership with the Long Island Business Development Council for 2022.

Adopted: January 31, 2022

(ayes)

(nays)

Resolution Number: 005-2022

Florestano Girardi, Chairman



January 5, 2022

Town of Hempstead
350 Front Street, Room 234A
Hempstead NY 11550
Attention: Laura Tomeo

(516) 489-5000 ext 4200

INVOICE 301-22

Long Island Business Development Council
CORPORATE/Gold Level -- \$700

- **One** member of company/organization attends all LIBDC dinners free of charge
- Additional members of company/organization or guests attend dinners at \$75 each
- Registration fee for LIBDC annual conference in Montauk included – Corporate/Gold member is not required to pay registration fee; additional members of company/organization pay reduced conference registration fee

MEMBERSHIP TERM: 1/22 to 12/22

TOTAL DUE: \$700

Make check payable and mail to:

Long Island Business Development Council

P.O. Box 7609
Wantagh, N. Y. 11793

**CONSTRUCTION WAGE POLICY
TOWN OF HEMPSTEAD
INDUSTRIAL DEVELOPMENT AGENCY
EFFECTIVE January 1, 2022**

This policy shall be in effect until it is superseded by New York State Legislation once it is in place.

The purpose of the Hempstead IDA is to provide benefits that reduce costs and financial barriers to the creation and to the expansion of business and enhance the number of jobs in the Town.

The Agency has consistently sought to ensure that skilled labor construction jobs in compliance with the state prevailing construction wage be encouraged in projects funded by the issuance of IDA tax exempt bonds in large projects.

The policy of the Town of Hempstead IDA with respect to prevailing construction wage shall apply to any project as defined in Article XIV of the General Municipal Law of the State of New York for which financial assistance is sought with anticipated hard construction costs in excess of \$5,000,000.00 per site received after January 1, 2022 & prior to January 1, 2023.

Any applicant to the Agency for tax-exempt bonds to finance all or a portion of the construction costs of a project shall agree to:

- a (i) Employ 90% of the workers for the project from within Nassau or Suffolk Counties; and purchase 90% of the building materials from within the bi-County Region.
- a (ii) Be governed by the prevailing construction wage requirements of Section 220 of Article 8 of the Labor Law of the State of New York; and when requested by the Agency, implement an apprenticeship program that considers the intent of Town of Hempstead IDA Resolution No. 006-2021 adopted January 21, 2021;

OR

- b (i) Provide to the Agency a fully executed project labor agreement with the Building & Construction Trades Council of Nassau & Suffolk Counties which shall cover all construction trade employees anticipated to work on the project; and
- b (ii) Such project labor agreement shall be binding upon all parties and applicable to all construction costs attendant to the project for which benefits have been provided.

Furthermore, this policy may be waived, at the sole and final discretion of the Agency, in the event that the applicant demonstrates to the Agency special circumstances or economic hardship to justify a waiver to be in the best interests of the town of Hempstead. This policy shall expire at the close of business (5:00 p.m. EST) on December 31, 2022.

Adopted: January 31, 2022
(ayes)
(nays)

Resolution Number: 006-2022

Chairman, Florestano Girardi



New York State
Department
of Economic
Development

January 10, 2022

Mr. Frederick Parola
Executive Director/CEO
Town of Hempstead IDA
350 Front Street, Room 240
Hempstead, NY 11550

Dear Mr. Frederick Parola,

I am pleased to inform you that, pursuant to the Private Activity Bond Allocation Act of 2020, your initial allocation for calendar year 2022 is \$14,543,187. This allocation is based upon the formula prescribed in Chapter 58, Laws of 2020, utilizing the most recent official population estimates of the U.S. Bureau of the Census.

If you have any questions or need additional information, please feel free to contact George LaPointe at _____ or _____

Sincerely yours,

A handwritten signature in cursive script, appearing to read "Hope Knight".

Hope Knight
President & CEO Designate, Empire State Development
Acting Commissioner, NYS Department of Economic Development

TOWN OF HEMPSTEAD
INDUSTRIAL DEVELOPMENT AGENCY
RESOLUTION

Amendment to Resolutions 024-1998 and 045-2003, 025-2004,
021-2008, 046-2015 and 062-2018 and 039-2021
RATIFYING, CONFIRMING AND AMENDING
APPROVAL OF CERTAIN RECURRING EXPENSES

WHEREAS, The Town of Hempstead Industrial Development Agency incurs repeated expenses from vendors, personnel and board members for items such as periodicals, copier toner, printer cartridges, computer upgrades and reimbursable expenses, including cellular telephone services, mileage, meals, tolls, parking, and;

WHEREAS, this amended resolution will include the name change of Poland Spring to Ready Refresh, and;

WHEREAS, this amended resolution will include the name change of Loyal Business Machines to Emerald Document Imaging, and;

WHEREAS, this amended resolution will include the name change of Cablevision to Optimum, and;

WHEREAS, the following expenses shall be paid immediately upon receipt of an invoice:

Emerald Document Imaging, 100 Milbar Boulevard, Farmingdale, NY 11735, for the purchase of copier toner, and the repair and maintenance of the Agency's copy machine.

ICP, 55 Broad Street, New York for the purchase of printer cartridges.

Quickbooks, PO Box 24789, Denver, Colorado for the purchase of bookkeeping program support and tax table updates.

Long Island Business News, Newsday, New York Time and the Wall Street Journal yearly subscriptions.

United States Internal Revenue Service for any amount withheld from the gross salary checks as "federal withholding tax" from the gross salaries of the employees of the Agency and any such other amount as the Executive Director certifies is properly payable.

New York State Department of Taxation and Finance for any amount withheld from the gross salary checks as "State Withholding Tax" from gross salaries of the employees of the Agency and any such other amount as the Executive Director certifies is properly payable.

New York State Retirement System for any amount withheld from the gross salary checks as "Retirement Contribution" from the gross salaries of the employees listed above and any such other amount as the Executive Director certifies is properly payable.

Federal Express, United Parcel Service and United States Postal Service or any like company for payment of bills for deliveries made on the Agency's behalf.

Town of Hempstead or any of its department for payment of employee health benefits, and reimbursement for worker's compensation, when accompanied by a bill, postage expenses when bill on an appropriate voucher or claim for by the Town; printing expenses, when properly billed by the department providing the service; and rent, pursuant to any lease agreement which has been authorized by resolution.

Bell Atlantic, Sprint, AT & T, Verizon or any like company for telephonic service within the Agency's office..

Deluxe Business Checks and Solutions, PO Box 742572, Cincinnati, Ohio 45274 , for the purchase of checks for use by the Agency.

Ready Refresh, 6661 Dixie Highway, Ste4, Louisville, KY 40258 for the delivery and purchase of water for the Agency's water cooler.

Staples for the ordering and delivery of office supplies. PO Box 689020, Des Moines, Iowa 50368

Optimum, PO Box 70340, Philadelphia, PA 17176-0340, for internet connection and cable connection in the IDA Office.

All Town of Hempstead School Districts for the disbursement of PILOT payments

All Villages located within the Town of Hempstead for the disbursement of PILOT payments

County of Nassau for the disbursement of PILOT payments

WHEREAS, expenses, in an amount not to exceed \$2,000.00, incurred by the Agency's board members and staff, in good standing, shall be reimbursable, upon submission of an original or photocopied receipt, issued contemporaneously by a vendor, as well as a signed Voucher form outlining the reason for the expense; and

WHEREAS, at a rate set by the Agency, in an amount not to exceed \$600.00, each board member in good standing, when accompanied by a claim form and Automobile Expense Report indicating the date of each trip, the point of departure and return and the business purpose of the trip, shall be reimbursed for mileage based on a schedule set by the Federal Government upon the submission of the appropriate documentation; and

WHEREAS, business meals, in an amount not to exceed \$1,000.00, when accompanied by a signed voucher form, indicating date, time, location, names and affiliation of those participating in the meal and business purpose of the meal, shall be reimbursed to Agency staff and board members in good standing. Any claim submitted for this purpose shall have attached an original or copy of a charge slip containing the signature of the agency employee seeking reimbursement and shall list the total price of the meal including any gratuity paid.

WHEREAS, cellular telephonic service, in an amount not to exceed \$200.00, shall be reimbursed to Agency staff and board members in good standing when accompanied by a

voucher form and original or copy of original invoice from company indicating date and time of call, reason of call, length of call and amount paid for call.

NOW, THEREFORE, BE IT

RESOLVED, the Town of Hempstead Industrial Development Agency hereby adopts this resolution outlining the payment of recurring and reimbursable expenses.

Adopted: January 31, 2022

Ayes:

Nays:

Resolution Number: 008-2022

RESOLUTION
TOWN OF HEMPSTEAD
INDUSTRIAL DEVELOPMENT AGENCY

Budget Line Transfers for 2021

WHEREAS, the Town of Hempstead Industrial Development Agency authorizes the following budget line transfers: from the 2021 Travel Line, Account #522-17 to the Postage and Delivery Line, Account #522-19 in the amount of \$263.00, from the Professional Fees Line, Account #522-01 to the Public Hearings Notices Expense Line, Account #522-22 in the amount of \$3,160.00, from the Accounting Fees Line, Account #522-04 to the Office Expenses Line, Account #522-07 in the amount of \$400.00, from the Printing Line, Account #522-21 to the Office Expenses Line, Account #522-07 in the amount of \$81.00, from the Bank Charges Line, Account #522-09 to the Meetings Expenses Line, Account #522-06 in the amount of \$540.00, from the Professional Fees Line, Account #522-01 to the Meetings Expenses Line, Account #522-06 in the amount of \$137.70, from the Cost Benefit Analysis Expense Line, Account #522-77 to the Worker's Compensation Line, Account #52276 in the amount of \$8,758.00,

NOW, THEREFORE, BE IT

RESOLVED, the Agency hereby authorizes the transfers outlined above.

Adopted: January 31, 2022

(ayes)

(nays)

Resolution Number: 007-2022

Flo Girardi, Chairman