

PREPARED FOR:

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

# Economic and Fiscal Impact

INWOOD PROPERTY DEVELOPMENT, LLC

Town of Hempstead  
Industrial Development Agency

FEBRUARY 15, 2024

PREPARED BY:

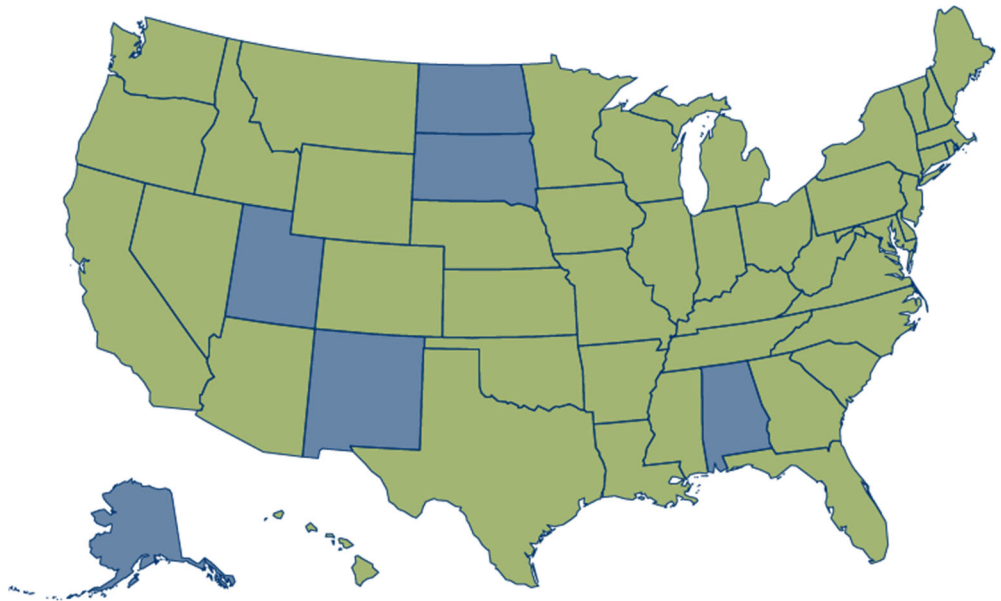


PO Box 3547  
Saratoga Springs, NY 12866  
518.899.2608  
[www.camoinassociates.com](http://www.camoinassociates.com)

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](http://www.camoinassociates.com). You can also find us on Twitter [@camoinassociate](https://twitter.com/camoinassociate) and on [Facebook](https://www.facebook.com/camoinassociate).

Rachel Selsky  
*Vice President*

Connor Allen  
*Analyst*



# 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 Inwood Property Development, LLC. The proposed project involves construction of a 48-unit apartment building with 100% of units designated as affordable at 360-370 Bayview Avenue, Inwood, New York 11096. 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 Lightcast. 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:**  
Inwood Property Development,  
LLC Application for Assistance  
and the Town of Hempstead  
Industrial Development Agency

**Geography:**  
Town of Hempstead

**Study Period:**  
2022

**Modeling Tool:**  
Lightcast

## 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 Areas .....	18

*This page intentionally left blank.*

# EXECUTIVE SUMMARY

The Town of Hempstead Industrial Development Agency (the "Agency") received an application for financial assistance from Inwood Property Development, LLC (the "Applicant") for the construction of a 48-unit residential rental building consisting of 15 one-bedroom units, 18 two-bedroom units, 14 three-bedroom units, and one studio unit (the "Project") at 360-370 Bayview Avenue, Inwood, New York 11096 (the "Site"). 100% of units will be designated as affordable. 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").

Camoin Associates conducted a market analysis and determined that 82% of the units (or 39 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 to Town

Total Jobs	10
Direct Jobs	7
Total Earnings	\$ 575,390
Direct Earnings	\$ 371,007
Annual Sales Tax Revenue to County	\$ 15,652
Annual Sales Tax Revenue to Town	\$ 1,381
Average Annual PILOT Payment	\$ 114,192
Average Annual PILOT Payment to Town	\$ 10,159
Average Annual PILOT Benefit	\$ 43,990
Average Annual PILOT Benefit to Town	\$ 3,914
<b>Average Annual Benefit (Cost) to Town of Project with PILOT compared to No Project</b>	<b>\$ 3,914</b>
<b>Average Annual Benefit (Cost) to Town of Project with PILOT compared to Project Without PILOT</b>	<b>\$ (6,053)</b>

- ◆ The Project would support 10 net new jobs in the town, with over \$575,390 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 20-year PILOT agreement with the Agency, where the applicant would pay an average of \$114,192 each year, of which \$10,159 will be allocated to the Town.
- ◆ The annual net benefit to the Town is estimated to be \$5,295. 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.
- ◆ If the Project were to occur without a PILOT the Town would receive \$6,053 less per year than with the PILOT.
- ◆ Through negotiations with the Agency the Applicant could have access to a sales tax exemption valued at up to \$1,120,991 and a mortgage recording tax exemption valued at up to \$130,779. 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.

# 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 (Lightcast) to calculate total economic impacts. Lightcast 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 million<sup>1</sup>, of which 70%<sup>2</sup> 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 2

<b>Construction Phase Spending - Town</b>	
Total Construction Cost	\$ 19,418,573
Percent Sourced from Town	70%
<b>Net New Construction Spending</b>	<b>\$ 13,593,001</b>

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<sup>3</sup> jobs and an associated nearly \$7.1 million in earnings over the construction period throughout the town. Table 3 outlines the economic impacts of construction.

Table 3

<b>Town Economic Impact - Construction Phase</b>			
	<b>Jobs</b>	<b>Earnings</b>	<b>Sales</b>
Direct	57 \$	5,697,093 \$	13,593,001
Indirect	9 \$	658,489 \$	2,100,454
Induced	10 \$	702,785 \$	1,782,415
<b>Total</b>	<b>76 \$</b>	<b>7,058,367 \$</b>	<b>17,475,871</b>

Source: Lightcast, Camoin Associates

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

<sup>2</sup> According to Lightcast, approximately 70% of construction industry demand is met within the town.

<sup>3</sup> Based the total construction costs and county level spending, our analysis found there to be an estimated 57 direct jobs, lower than the 67 FTE construction jobs mentioned in the application.

## 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 100% (or 48 units) designated as affordable. Camoin Associates conducted a rental demand analysis for the Project site and found that 82% of the market-rate and affordable units, or 39 units, are net new to the town (Table 4). This is based on a review of the data and an understanding of the proposed Project as detailed above.

Table 4

### Net New Households

	Total Households	Percent Net New	Net New Households
Affordable Units	48	82%	39
<b>Total</b>	<b>48</b>	<b>82%</b>	<b>39</b>

Source: Lightcast, 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 net new affordable units will be available to households earning up to 100% of AMI.<sup>4</sup> 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.

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 affordable units have annual expenditures (excluding housing and utility costs) of \$33,157.

It is assumed that 60%<sup>5</sup> 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.

<sup>4</sup> According to the Applicant.

<sup>5</sup> According to Lightcast, 60% of demand for industries in a typical household spending basket is met within the Town of Hempstead.



## CAMOIN ASSOCIATES

Table 5

**Tenant Spending Basket****Affordable Units (\$70,000 to \$99,999 Annual Household Income)**

Category	Annual per Unit Spending Basket	Amount Spent in Town (60%)	Total Net New Town Spending (39 net new units)
Food	\$ 7,475	\$ 4,485	\$ 174,915
Household furnishings and equipment	\$ 2,396	\$ 1,438	\$ 56,066
Apparel and services	\$ 1,145	\$ 687	\$ 26,793
Transportation	\$ 11,098	\$ 6,659	\$ 259,693
Health care	\$ 5,745	\$ 3,447	\$ 134,433
Entertainment	\$ 2,694	\$ 1,616	\$ 63,040
Personal care products and services	\$ 652	\$ 391	\$ 15,257
Education	\$ 893	\$ 536	\$ 20,896
Miscellaneous	\$ 1,059	\$ 635	\$ 24,781
<b>Total Tenant Spending</b>	<b>\$ 33,157</b>	<b>\$ 19,894</b>	<b>\$ 775,874</b>

**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 \$775,000. We used the above spending basket amounts to calculate the direct, indirect, and total impact of the Project on the town.

Using \$775,874 as the new sales input, Camoin Associates used Lightcast to determine the indirect, induced, and total impact of the Project on the Town of Hempstead.<sup>6</sup> Table 6 outlines the findings of this analysis.

Table 6

**Town Economic Impact - Household Spending**

	Jobs	Earnings	Sales
Direct	5 \$	269,980 \$	775,874
Indirect	1 \$	64,955 \$	178,373
Induced	1 \$	66,566 \$	171,941
<b>Total</b>	<b>7 \$</b>	<b>401,500 \$</b>	<b>1,126,188</b>

**Source:** Lightcast, 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 7).

<sup>6</sup> Analysis uses the 33 zip codes that are predominantly located within the Town of Hempstead (see Attachment C).

## CAMOIN ASSOCIATES

Table 7

**Town Economic Impact - On-Site Operations**

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

**Source:** Lightcast, 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 8.

Table 8

**Town Total Annual Economic Impact**

	<b>Jobs</b>		<b>Earnings</b>		<b>Sales</b>
Direct	7	\$	371,007	\$	1,115,665
Indirect	2	\$	116,341	\$	317,669
Induced	1	\$	88,042	\$	226,280
<b>Total</b>	<b>10</b>	<b>\$</b>	<b>575,390</b>	<b>\$</b>	<b>1,659,614</b>

**Source:** Lightcast, 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.<sup>7</sup>

Table 9

### Tax Payments with PILOT

Year	Total		Portion of Payment by Jurisdiction			
	PILOT Payments		Town	County	School District	Special Districts
1	\$ 42,945	\$ 3,821	\$ 10,300	\$ 20,785	\$ 8,039	
2	\$ 42,945	\$ 3,821	\$ 10,300	\$ 20,785	\$ 8,039	
3	\$ 42,945	\$ 3,821	\$ 10,300	\$ 20,785	\$ 8,039	
4	\$ 65,000	\$ 5,783	\$ 15,590	\$ 31,459	\$ 12,167	
5	\$ 70,000	\$ 6,228	\$ 16,790	\$ 33,879	\$ 13,103	
6	\$ 75,000	\$ 6,673	\$ 17,989	\$ 36,299	\$ 14,039	
7	\$ 80,000	\$ 7,117	\$ 19,188	\$ 38,719	\$ 14,975	
8	\$ 85,000	\$ 7,562	\$ 20,388	\$ 41,139	\$ 15,911	
9	\$ 95,000	\$ 8,452	\$ 22,786	\$ 45,979	\$ 17,783	
10	\$ 100,000	\$ 8,897	\$ 23,985	\$ 48,399	\$ 18,719	
11	\$ 115,000	\$ 10,231	\$ 27,583	\$ 55,659	\$ 21,527	
12	\$ 125,000	\$ 11,121	\$ 29,982	\$ 60,499	\$ 23,398	
13	\$ 135,000	\$ 12,011	\$ 32,380	\$ 65,339	\$ 25,270	
14	\$ 145,000	\$ 12,900	\$ 34,779	\$ 70,179	\$ 27,142	
15	\$ 155,000	\$ 13,790	\$ 37,177	\$ 75,019	\$ 29,014	
16	\$ 165,000	\$ 14,680	\$ 39,576	\$ 79,859	\$ 30,886	
17	\$ 175,000	\$ 15,569	\$ 41,974	\$ 84,698	\$ 32,758	
18	\$ 180,000	\$ 16,014	\$ 43,174	\$ 87,118	\$ 33,694	
19	\$ 190,000	\$ 16,904	\$ 45,572	\$ 91,958	\$ 35,566	
20	\$ 200,000	\$ 17,794	\$ 47,971	\$ 96,798	\$ 37,438	
<b>Total</b>	<b>\$ 2,283,835</b>	<b>\$ 203,188</b>	<b>\$ 547,785</b>	<b>\$ 1,105,356</b>	<b>\$ 427,506</b>	
<b>Average</b>	<b>\$ 114,192</b>	<b>\$ 10,159</b>	<b>\$ 27,389</b>	<b>\$ 55,268</b>	<b>\$ 21,375</b>	
<b>Present Value*</b>	<b>\$ 1,093,610</b>	<b>\$ 97,296</b>	<b>\$ 262,306</b>	<b>\$ 529,297</b>	<b>\$ 204,711</b>	

Source: Town of Hempstead IDA, Camoin Associates

\*Note: Assumes a 6.25% discount rate.

<sup>7</sup> 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.

Without financial assistance from the Agency, Camoin Associates assumes the Applicant would not undertake the Project. Table 10 displays the property tax payment associated with the Project.

Table 10

Year	Total		Portion of Payment by Jurisdiction			
	Property Tax Payment Without Project**		Town	County	School District	Special Districts
1	\$	57,785	\$ 5,141	\$ 13,860	\$ 27,967	\$ 10,817
2	\$	58,941	\$ 5,244	\$ 14,137	\$ 28,527	\$ 11,033
3	\$	60,120	\$ 5,349	\$ 14,420	\$ 29,097	\$ 11,254
4	\$	61,322	\$ 5,456	\$ 14,708	\$ 29,679	\$ 11,479
5	\$	62,548	\$ 5,565	\$ 15,002	\$ 30,273	\$ 11,708
6	\$	63,799	\$ 5,676	\$ 15,302	\$ 30,878	\$ 11,942
7	\$	65,075	\$ 5,790	\$ 15,609	\$ 31,496	\$ 12,181
8	\$	66,377	\$ 5,905	\$ 15,921	\$ 32,126	\$ 12,425
9	\$	67,704	\$ 6,024	\$ 16,239	\$ 32,768	\$ 12,673
10	\$	69,059	\$ 6,144	\$ 16,564	\$ 33,424	\$ 12,927
11	\$	70,440	\$ 6,267	\$ 16,895	\$ 34,092	\$ 13,185
12	\$	71,848	\$ 6,392	\$ 17,233	\$ 34,774	\$ 13,449
13	\$	73,285	\$ 6,520	\$ 17,578	\$ 35,470	\$ 13,718
14	\$	74,751	\$ 6,650	\$ 17,929	\$ 36,179	\$ 13,993
15	\$	76,246	\$ 6,783	\$ 18,288	\$ 36,902	\$ 14,272
16	\$	77,771	\$ 6,919	\$ 18,654	\$ 37,641	\$ 14,558
17	\$	79,327	\$ 7,058	\$ 19,027	\$ 38,393	\$ 14,849
18	\$	80,913	\$ 7,199	\$ 19,407	\$ 39,161	\$ 15,146
19	\$	82,531	\$ 7,343	\$ 19,795	\$ 39,944	\$ 15,449
20	\$	84,182	\$ 7,489	\$ 20,191	\$ 40,743	\$ 15,758
<b>Total</b>	<b>\$</b>	<b>1,404,025</b>	<b>\$ 124,913</b>	<b>\$ 336,760</b>	<b>\$ 679,536</b>	<b>\$ 262,817</b>
<b>Average</b>	<b>\$</b>	<b>70,201</b>	<b>\$ 6,246</b>	<b>\$ 16,838</b>	<b>\$ 33,977</b>	<b>\$ 13,141</b>
<b>Present Value*</b>	<b>\$</b>	<b>758,681</b>	<b>\$ 67,498</b>	<b>\$ 181,972</b>	<b>\$ 367,195</b>	<b>\$ 142,016</b>

**\*\*Note:** Assumes an average annual increase of 2.00%

## CAMOIN ASSOCIATES

The following table calculates the property tax payments that would be made assuming the Project occurs, but no PILOT is received. This is simply for illustrative purposes as it is assumed that without financial assistance, the Project would not be completed.

Table 11

Tax Payments with Project without PILOT						
Year	Total		Portion of Payment by Jurisdiction			
	Property Tax Payment		Town	County	School District	Special Districts
	Without Project**					
1	\$ 150,000	\$	13,345	\$ 35,978	\$ 72,599	\$ 28,078
2	\$ 153,000	\$	13,612	\$ 36,698	\$ 74,051	\$ 28,640
3	\$ 156,060	\$	13,884	\$ 37,432	\$ 75,532	\$ 29,213
4	\$ 159,181	\$	14,162	\$ 38,180	\$ 77,042	\$ 29,797
5	\$ 162,365	\$	14,445	\$ 38,944	\$ 78,583	\$ 30,393
6	\$ 165,612	\$	14,734	\$ 39,723	\$ 80,155	\$ 31,001
7	\$ 168,924	\$	15,029	\$ 40,517	\$ 81,758	\$ 31,621
8	\$ 172,303	\$	15,329	\$ 41,327	\$ 83,393	\$ 32,253
9	\$ 175,749	\$	15,636	\$ 42,154	\$ 85,061	\$ 32,898
10	\$ 179,264	\$	15,949	\$ 42,997	\$ 86,762	\$ 33,556
11	\$ 182,849	\$	16,268	\$ 43,857	\$ 88,497	\$ 34,227
12	\$ 186,506	\$	16,593	\$ 44,734	\$ 90,267	\$ 34,912
13	\$ 190,236	\$	16,925	\$ 45,629	\$ 92,073	\$ 35,610
14	\$ 194,041	\$	17,263	\$ 46,541	\$ 93,914	\$ 36,322
15	\$ 197,922	\$	17,609	\$ 47,472	\$ 95,792	\$ 37,049
16	\$ 201,880	\$	17,961	\$ 48,422	\$ 97,708	\$ 37,790
17	\$ 205,918	\$	18,320	\$ 49,390	\$ 99,662	\$ 38,545
18	\$ 210,036	\$	18,686	\$ 50,378	\$ 101,656	\$ 39,316
19	\$ 214,237	\$	19,060	\$ 51,385	\$ 103,689	\$ 40,103
20	\$ 218,522	\$	19,441	\$ 52,413	\$ 105,763	\$ 40,905
<b>Total</b>	<b>\$ 3,644,605</b>	<b>\$</b>	<b>324,252</b>	<b>\$ 874,171</b>	<b>\$ 1,763,956</b>	<b>\$ 682,226</b>
<b>Average</b>	<b>\$ 182,230</b>	<b>\$</b>	<b>16,213</b>	<b>\$ 43,709</b>	<b>\$ 88,198</b>	<b>\$ 34,111</b>
<b>Present Value*</b>	<b>\$ 1,969,403</b>	<b>\$</b>	<b>175,213</b>	<b>\$ 472,368</b>	<b>\$ 953,173</b>	<b>\$ 368,649</b>

Source: Town of Hempstead IDA, Camoin Associates

\*Note: Assumes a 6.25% discount rate.

\*\*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 \$44,000 more in PILOT revenue will be received annually than property taxes that would be received without the Project. The total benefit would be nearly \$879,810 over the 20-year period. The Applicant will pay \$68,039 less on average per year under the PILOT compared to paying full taxes on the final development.

Table 12

**Tax Policy Comparison (All Jurisdictions)**

	A	B	C			
Year	Property Tax Payment Without Project	PILOT Payment	Property Tax Payment With Project and No PILOT	Benefit (Cost) of Project to Municipalities (B-A)	Benefit (Cost) of PILOT to Applicant (C-B)	
1	\$ 57,785	\$ 42,945	\$ 150,000	\$ (14,840)	\$ 107,055	
2	\$ 58,941	\$ 42,945	\$ 153,000	\$ (15,996)	\$ 110,055	
3	\$ 60,120	\$ 42,945	\$ 156,060	\$ (17,175)	\$ 113,115	
4	\$ 61,322	\$ 65,000	\$ 159,181	\$ 3,678	\$ 94,181	
5	\$ 62,548	\$ 70,000	\$ 162,365	\$ 7,452	\$ 92,365	
6	\$ 63,799	\$ 75,000	\$ 165,612	\$ 11,201	\$ 90,612	
7	\$ 65,075	\$ 80,000	\$ 168,924	\$ 14,925	\$ 88,924	
8	\$ 66,377	\$ 85,000	\$ 172,303	\$ 18,623	\$ 87,303	
9	\$ 67,704	\$ 95,000	\$ 175,749	\$ 27,296	\$ 80,749	
10	\$ 69,059	\$ 100,000	\$ 179,264	\$ 30,941	\$ 79,264	
11	\$ 70,440	\$ 115,000	\$ 182,849	\$ 44,560	\$ 67,849	
12	\$ 71,848	\$ 125,000	\$ 186,506	\$ 53,152	\$ 61,506	
13	\$ 73,285	\$ 135,000	\$ 190,236	\$ 61,715	\$ 55,236	
14	\$ 74,751	\$ 145,000	\$ 194,041	\$ 70,249	\$ 49,041	
15	\$ 76,246	\$ 155,000	\$ 197,922	\$ 78,754	\$ 42,922	
16	\$ 77,771	\$ 165,000	\$ 201,880	\$ 87,229	\$ 36,880	
17	\$ 79,327	\$ 175,000	\$ 205,918	\$ 95,673	\$ 30,918	
18	\$ 80,913	\$ 180,000	\$ 210,036	\$ 99,087	\$ 30,036	
19	\$ 82,531	\$ 190,000	\$ 214,237	\$ 107,469	\$ 24,237	
20	\$ 84,182	\$ 200,000	\$ 218,522	\$ 115,818	\$ 18,522	
Total	\$ 1,404,025	\$ 2,283,835	\$ 3,644,605	\$ 879,810	\$ 1,360,770	
Average	\$ 70,201	\$ 114,192	\$ 182,230	\$ 43,990	\$ 68,039	
Present Value*	\$ 758,681	\$ 1,093,610	\$ 1,969,403	\$ 334,929	\$ 875,793	

**Source:** Town of Hempstead IDA, Camoin Associates

**\*Note:** Assumes 6.25% discount rate.

## CAMOIN ASSOCIATES

**TOWN**

Table 13 calculates the benefit (or cost) to the Town. The Town would receive approximately \$3,914 more in PILOT revenue annually than it would receive in property taxes without the Project. The total benefit to the Town would be \$78,275 over the 20-year period.

Table 13

**Tax Policy Comparison for Town**

	A	B	C			
Year	Property Tax Payment Without Project	PILOT Payment	Property Tax Payment With Project and No PILOT	Benefit (Cost) of Project to Municipalities (B-A)	Benefit (Cost) of PILOT to Applicant (C-B)	
1	\$ 5,141	\$ 3,821	\$ 13,345	\$ (1,320)	\$ 9,524	
2	\$ 5,244	\$ 3,821	\$ 13,612	\$ (1,423)	\$ 9,791	
3	\$ 5,349	\$ 3,821	\$ 13,884	\$ (1,528)	\$ 10,064	
4	\$ 5,456	\$ 5,783	\$ 14,162	\$ 327	\$ 8,379	
5	\$ 5,565	\$ 6,228	\$ 14,445	\$ 663	\$ 8,217	
6	\$ 5,676	\$ 6,673	\$ 14,734	\$ 996	\$ 8,062	
7	\$ 5,790	\$ 7,117	\$ 15,029	\$ 1,328	\$ 7,911	
8	\$ 5,905	\$ 7,562	\$ 15,329	\$ 1,657	\$ 7,767	
9	\$ 6,024	\$ 8,452	\$ 15,636	\$ 2,428	\$ 7,184	
10	\$ 6,144	\$ 8,897	\$ 15,949	\$ 2,753	\$ 7,052	
11	\$ 6,267	\$ 10,231	\$ 16,268	\$ 3,964	\$ 6,036	
12	\$ 6,392	\$ 11,121	\$ 16,593	\$ 4,729	\$ 5,472	
13	\$ 6,520	\$ 12,011	\$ 16,925	\$ 5,491	\$ 4,914	
14	\$ 6,650	\$ 12,900	\$ 17,263	\$ 6,250	\$ 4,363	
15	\$ 6,783	\$ 13,790	\$ 17,609	\$ 7,007	\$ 3,819	
16	\$ 6,919	\$ 14,680	\$ 17,961	\$ 7,761	\$ 3,281	
17	\$ 7,058	\$ 15,569	\$ 18,320	\$ 8,512	\$ 2,751	
18	\$ 7,199	\$ 16,014	\$ 18,686	\$ 8,816	\$ 2,672	
19	\$ 7,343	\$ 16,904	\$ 19,060	\$ 9,561	\$ 2,156	
20	\$ 7,489	\$ 17,794	\$ 19,441	\$ 10,304	\$ 1,648	
Total	\$ 124,913	\$ 203,188	\$ 324,252	\$ 78,275	\$ 121,065	
Average	\$ 6,246	\$ 10,159	\$ 16,213	\$ 3,914	\$ 6,053	
Present Value*	\$ 67,498	\$ 97,296	\$ 175,213	\$ 29,798	\$ 77,917	

**Source:** Town of Hempstead IDA, Camoin Associates

**\*Note:** Assumes 6.25% discount rate.



## CAMOIN ASSOCIATES

**COUNTY**

Table 14 calculates the benefit (or cost) to the County. The County would receive approximately \$10,551 more in PILOT revenue annually than it would receive in property taxes without the Project. The total benefit to the County would be \$211,025 over the 20-year period.

Table 14

**Tax Policy Comparison for County**

	A		B		C	
Year	Property Tax Payment Without Project	PILOT Payment	Property Tax Payment With Project and No PILOT	Benefit (Cost) of Project to Municipalities (B-A)	Benefit (Cost) of PILOT to Applicant (C-B)	
1	\$ 13,860	\$ 10,300	\$ 35,978	\$ (3,559)	\$ 25,677	
2	\$ 14,137	\$ 10,300	\$ 36,698	\$ (3,837)	\$ 26,397	
3	\$ 14,420	\$ 10,300	\$ 37,432	\$ (4,119)	\$ 27,131	
4	\$ 14,708	\$ 15,590	\$ 38,180	\$ 882	\$ 22,590	
5	\$ 15,002	\$ 16,790	\$ 38,944	\$ 1,787	\$ 22,154	
6	\$ 15,302	\$ 17,989	\$ 39,723	\$ 2,687	\$ 21,734	
7	\$ 15,609	\$ 19,188	\$ 40,517	\$ 3,580	\$ 21,329	
8	\$ 15,921	\$ 20,388	\$ 41,327	\$ 4,467	\$ 20,940	
9	\$ 16,239	\$ 22,786	\$ 42,154	\$ 6,547	\$ 19,368	
10	\$ 16,564	\$ 23,985	\$ 42,997	\$ 7,421	\$ 19,012	
11	\$ 16,895	\$ 27,583	\$ 43,857	\$ 10,688	\$ 16,274	
12	\$ 17,233	\$ 29,982	\$ 44,734	\$ 12,749	\$ 14,752	
13	\$ 17,578	\$ 32,380	\$ 45,629	\$ 14,802	\$ 13,249	
14	\$ 17,929	\$ 34,779	\$ 46,541	\$ 16,849	\$ 11,763	
15	\$ 18,288	\$ 37,177	\$ 47,472	\$ 18,889	\$ 10,295	
16	\$ 18,654	\$ 39,576	\$ 48,422	\$ 20,922	\$ 8,846	
17	\$ 19,027	\$ 41,974	\$ 49,390	\$ 22,948	\$ 7,416	
18	\$ 19,407	\$ 43,174	\$ 50,378	\$ 23,766	\$ 7,204	
19	\$ 19,795	\$ 45,572	\$ 51,385	\$ 25,777	\$ 5,813	
20	\$ 20,191	\$ 47,971	\$ 52,413	\$ 27,779	\$ 4,442	
Total	\$ 336,760	\$ 547,785	\$ 874,171	\$ 211,025	\$ 326,385	
Average	\$ 16,838	\$ 27,389	\$ 43,709	\$ 10,551	\$ 16,319	
Present Value*	\$ 181,972	\$ 262,306	\$ 472,368	\$ 80,334	\$ 210,062	

**Source:** Town of Hempstead IDA, Camoin Associates

**\*Note:** Assumes 6.25% discount rate.



## CAMOIN ASSOCIATES

**SCHOOL DISTRICT**

Table 15 calculates the benefit (or cost) to the school district. The school district would receive approximately \$21,291 more in PILOT revenue annually than it would receive in property taxes without the Project. The total benefit to the school district would be \$425,820 over the 20-year period.

Table 15

**Tax Policy Comparison for School District**

	A	B	C			
Year	Property Tax Payment Without Project	PILOT Payment	Property Tax Payment With Project and No PILOT	Benefit (Cost) of Project to Municipalities (B-A)	Benefit (Cost) of PILOT to Applicant (C-B)	
1	\$ 27,967	\$ 20,785	\$ 72,599	\$ (7,182)	\$ 51,814	
2	\$ 28,527	\$ 20,785	\$ 74,051	\$ (7,742)	\$ 53,266	
3	\$ 29,097	\$ 20,785	\$ 75,532	\$ (8,312)	\$ 54,747	
4	\$ 29,679	\$ 31,459	\$ 77,042	\$ 1,780	\$ 45,583	
5	\$ 30,273	\$ 33,879	\$ 78,583	\$ 3,606	\$ 44,704	
6	\$ 30,878	\$ 36,299	\$ 80,155	\$ 5,421	\$ 43,855	
7	\$ 31,496	\$ 38,719	\$ 81,758	\$ 7,223	\$ 43,039	
8	\$ 32,126	\$ 41,139	\$ 83,393	\$ 9,013	\$ 42,254	
9	\$ 32,768	\$ 45,979	\$ 85,061	\$ 13,211	\$ 39,082	
10	\$ 33,424	\$ 48,399	\$ 86,762	\$ 14,975	\$ 38,363	
11	\$ 34,092	\$ 55,659	\$ 88,497	\$ 21,567	\$ 32,838	
12	\$ 34,774	\$ 60,499	\$ 90,267	\$ 25,725	\$ 29,768	
13	\$ 35,470	\$ 65,339	\$ 92,073	\$ 29,869	\$ 26,734	
14	\$ 36,179	\$ 70,179	\$ 93,914	\$ 34,000	\$ 23,735	
15	\$ 36,902	\$ 75,019	\$ 95,792	\$ 38,116	\$ 20,774	
16	\$ 37,641	\$ 79,859	\$ 97,708	\$ 42,218	\$ 17,850	
17	\$ 38,393	\$ 84,698	\$ 99,662	\$ 46,305	\$ 14,964	
18	\$ 39,161	\$ 87,118	\$ 101,656	\$ 47,957	\$ 14,537	
19	\$ 39,944	\$ 91,958	\$ 103,689	\$ 52,014	\$ 11,730	
20	\$ 40,743	\$ 96,798	\$ 105,763	\$ 56,055	\$ 8,964	
Total	\$ 679,536	\$ 1,105,356	\$ 1,763,956	\$ 425,820	\$ 658,601	
Average	\$ 33,977	\$ 55,268	\$ 88,198	\$ 21,291	\$ 32,930	
Present Value*	\$ 367,195	\$ 529,297	\$ 953,173	\$ 162,103	\$ 423,876	

**Source:** Town of Hempstead IDA, Camoin Associates

**\*Note:** Assumes 6.25% discount rate.

## CAMOIN ASSOCIATES

**SPECIAL DISTRICTS**

Table 16 calculates the benefit (or cost) to the special districts. The special districts would receive approximately \$8,234 more in PILOT revenue annually than it would receive in property taxes without the Project. The total benefit to the special districts would be \$164,690 over the 20-year period.

Table 16

**Tax Policy Comparison for Special Districts**

Year	A		B		C		Benefit (Cost) of Project to Municipalities (B-A)	Benefit (Cost) of PILOT to Applicant (C-B)
	Property Tax Payment Without Project	PILOT Payment	Property Tax Payment With Project and No PILOT	Benefit (Cost) of Project to Municipalities (B-A)	Benefit (Cost) of PILOT to Applicant (C-B)			
1	\$ 10,817	\$ 8,039	\$ 28,078	\$ (2,778)	\$ 20,039			
2	\$ 11,033	\$ 8,039	\$ 28,640	\$ (2,994)	\$ 20,601			
3	\$ 11,254	\$ 8,039	\$ 29,213	\$ (3,215)	\$ 21,174			
4	\$ 11,479	\$ 12,167	\$ 29,797	\$ 688	\$ 17,630			
5	\$ 11,708	\$ 13,103	\$ 30,393	\$ 1,395	\$ 17,290			
6	\$ 11,942	\$ 14,039	\$ 31,001	\$ 2,097	\$ 16,961			
7	\$ 12,181	\$ 14,975	\$ 31,621	\$ 2,794	\$ 16,646			
8	\$ 12,425	\$ 15,911	\$ 32,253	\$ 3,486	\$ 16,342			
9	\$ 12,673	\$ 17,783	\$ 32,898	\$ 5,109	\$ 15,115			
10	\$ 12,927	\$ 18,719	\$ 33,556	\$ 5,792	\$ 14,837			
11	\$ 13,185	\$ 21,527	\$ 34,227	\$ 8,341	\$ 12,701			
12	\$ 13,449	\$ 23,398	\$ 34,912	\$ 9,949	\$ 11,513			
13	\$ 13,718	\$ 25,270	\$ 35,610	\$ 11,552	\$ 10,340			
14	\$ 13,993	\$ 27,142	\$ 36,322	\$ 13,150	\$ 9,180			
15	\$ 14,272	\$ 29,014	\$ 37,049	\$ 14,742	\$ 8,034			
16	\$ 14,558	\$ 30,886	\$ 37,790	\$ 16,328	\$ 6,904			
17	\$ 14,849	\$ 32,758	\$ 38,545	\$ 17,909	\$ 5,787			
18	\$ 15,146	\$ 33,694	\$ 39,316	\$ 18,548	\$ 5,622			
19	\$ 15,449	\$ 35,566	\$ 40,103	\$ 20,117	\$ 4,537			
20	\$ 15,758	\$ 37,438	\$ 40,905	\$ 21,680	\$ 3,467			
<b>Total</b>	<b>\$ 262,817</b>	<b>\$ 427,506</b>	<b>\$ 682,226</b>	<b>\$ 164,690</b>	<b>\$ 254,720</b>			
<b>Average</b>	<b>\$ 13,141</b>	<b>\$ 21,375</b>	<b>\$ 34,111</b>	<b>\$ 8,234</b>	<b>\$ 12,736</b>			
<b>Present Value*</b>	<b>\$ 142,016</b>	<b>\$ 204,711</b>	<b>\$ 368,649</b>	<b>\$ 62,695</b>	<b>\$ 163,938</b>			

**Source:** Town of Hempstead IDA, Camoin Associates

**\*Note:** Assumes 6.25% discount rate.

## 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**

	<b>State and County</b>	
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%<sup>8</sup> 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
<b>Nassau County Sales Tax Revenue (4.25%)</b>	<b>\$</b>	<b>52,497</b>
New Town Sales Tax Revenue Portion*		0.375%
<b>New Town Sales Tax Revenue</b>	<b>\$</b>	<b>4,632</b>

**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.

<sup>8</sup> According to Lightcast, 70% demand for industries in a typical household spending basket is met within Nassau County.

## CAMOIN ASSOCIATES

Table 19

**Annual Sales Tax Revenue, Household Spending**

Total New Spending	\$	1,126,188
Amount Taxable (30%)	\$	337,856
<b>Nassau County Sales Tax Revenue (4.25%)</b>	<b>\$</b>	<b>14,359</b>
New Town Sales Tax Revenue Portion*		0.375%
<b>New Town Tax Revenue</b>	<b>\$</b>	<b>1,267</b>

**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
<b>Nassau County Sales Tax Revenue (4.25%)</b>	<b>\$</b>	<b>1,293</b>
New Town Sales Tax Revenue Portion*		0.375%
<b>New Town Tax Revenue</b>	<b>\$</b>	<b>114</b>

**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	\$	1,267
On-Site Operations	\$	114
<b>New Town Tax Revenue</b>	<b>\$</b>	<b>1,381</b>

**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.

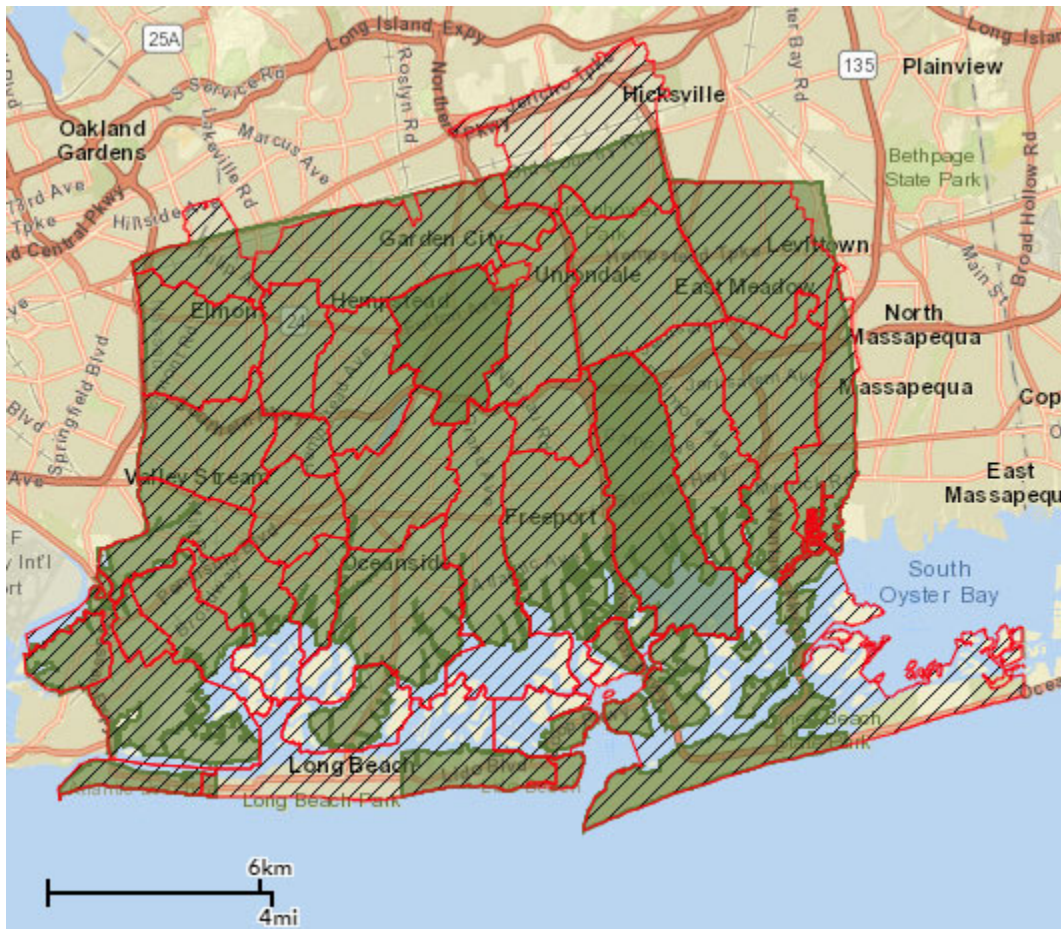
The following steps outline our process for calculating net new households. All data is drawn from Esri Business Analyst.

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.



## 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](http://www.camoinassociates.com)  
@camoinassociate