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3 IN THE MATTER OF A NOTICE OF

4 PUBLIC HEARING

5 RE: ESTELLA HOUSING LLC

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8

9 350 Front Street
10 Hempstead, New York

11 February 15, 2022
12 10:00 a.m.

13

14

B E F O R E:

15

MICHAEL LODATO, Hearing Officer

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Julia Giannakopoulos,
Court Stenographer

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FEVOLA REPORTING & TRANSCRIPTION INC (631) 724-7576

2 A P P E A R A N C E S :

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4 TOWN OF HEMPSTEAD
INDUSTRIAL DEVELOPMENT AGENCY
5 350 Front Street
Hempstead, New York 11550
6 BY: FREDERICK E. PAROLA, CEO

7

8 ALSO PRESENT:

9

Grant Newburger,

10

Building & Construction Trades Council

11

Daniel Deegan, ESQ.

12

Tiffany Robinson

13

Bishop Phillip Elliott

14

Terry Winston

15

Tim Lin

16

Katherine Garry

17

Doris Sharpe

18

Frank Amalfitano

19

Kevin F. Ascencio

20

Jamal Scott

21

Shelly Bradley

22

Sey Edwards

23

Jeremy Longo

24

Reginald Benjamin

25

Aubrey Muhammad

1 Estella Housing 176 Main Street

2 A P P E A R A N C E S (Ctd.)

3 Alicia Thompson

4 Terrell Huddleston

5 Derek Armstrong

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FEVOLA REPORTING & TRANSCRIPTION INC (631) 724-7576

1 Estella Housing 176 Main Street

2 HEARING OFFICER LODATO: It's Mike
3 Lodato from the Town of Hempstead IDA.
4 I'm the deputy executive director, and
5 I'm accompanied by Frederick E. Parola,
6 who is a CEO. We are looking here to
7 open up a public hearing for Estella
8 Housing LLC.

9 Today's date is February 15th,
10 10:00 a.m., and we are here for a
11 public hearing to talk about benefits
12 granted to Estella Housing LLC.

13 Now I'll read The Notice into the
14 record, and we'll have people up to
15 testify. Thank you.

16 Notice is hereby given that a
17 public hearing pursuant to Title 1 of
18 Article 18-A of the New York State
19 General Municipal Law (the "Hearing")
20 will be held by the Town of Hempstead
21 Industrial Development Agency on the
22 15th day of February, 2022, at 10:00
23 a.m., local time, at 350 Front Street,
24 Old Town Hall Courtroom, Village of
25 Hempstead, Town of Hempstead, New York,

1 Estella Housing 176 Main Street

2 in connection with the following
3 matters:

4 Estella Housing LLC, a New York
5 limited liability company, on behalf of
6 itself and/or the principals of Estella
7 Housing LLC and/or an entity formed or
8 to be formed on behalf of any of the
9 foregoing (collectively, the
10 "Company"), submitted its application
11 for financial assistance (the
12 "Application") to the Town of Hempstead
13 Industrial Development Agency (the
14 "Agency") to enter into a transaction
15 in which the Agency will assist in the
16 acquisition of an interest in an
17 approximately 0.6193 acre parcel of
18 land located at 176 Main Street,
19 Village of Hempstead, Town of
20 Hempstead, Nassau County, New York (the
21 "Land"), the construction of one (1)
22 five-story approximately 125,911 square
23 foot building consisting of
24 approximately 96 residential rental
25 units (consisting of approximately 42

1 Estella Housing 176 Main Street
2 studio apartments, 34 one-bedroom
3 apartments, 19 two-bedroom apartments
4 and 1 superintendent's unit),
5 approximately 10,468 square feet of
6 residential amenity and support service
7 space for tenants, 5,538 square feet of
8 community service facility space, and
9 parking spaces for 92 vehicles (the
10 "Improvements"), and the acquisition of
11 certain fixtures, equipment and
12 personal property necessary for the
13 completion thereof (the "Equipment";
14 and together with the Land and the
15 Improvements, the "Facility"), which
16 Facility is to be subleased by the
17 Agency to the Company and further
18 sub-subleased by the Company to future
19 tenants for use as a transit-oriented,
20 affordable, mixed-use multifamily
21 housing and commercial complex (the
22 "Project"). The Facility would be
23 initially owned, operated and/or
24 managed by the Company.

25 The Agency contemplates that it

1 Estella Housing 176 Main Street

2 would provide financial assistance to
3 the Company in the form of an abatement
4 of real property taxes.

5 The Company has requested that the
6 Agency provide financial assistance to
7 the Company in the form of an abatement
8 of real property taxes for a term of up
9 to thirty (30) years (the "PILOT
10 Benefit"). The proposed PILOT Benefit
11 deviates from the Agency's Uniform Tax
12 Exemption Policy and Guidelines, as
13 amended to date (the "Policy"), because
14 the proposed PILOT Benefit would be for
15 a term of up to thirty (30) years
16 instead of ten (10) years. Copies of
17 the proposed PILOT payment schedule are
18 available on the Agency's website at
19 www.tohida.org. The Agency is
20 considering the proposed deviation from
21 the Policy due to the current nature of
22 the property and because the Project
23 would not be economically viable
24 without a PILOT Benefit for a term of
25 up to thirty (30) years.

1 Estella Housing 176 Main Street

2 A representative of the Agency
3 will, at the above-stated time and
4 place, hear and accept oral comments
5 from all persons with views in favor of
6 or opposed to either the Project or the
7 financial assistance requested by the
8 Company. Comments may also be
9 submitted to the Agency in writing or
10 electronically prior to or during the
11 Hearing by e-mailing them to
12 idamail@tohmail.org. Minutes of the
13 Hearing will be transcribed and posted
14 on the Agency's website.

15 Members of the public have the
16 opportunity to review the application
17 for financial assistance filed by the
18 Company with the Agency and an analysis
19 of the costs and benefits of the
20 proposed Project, which can be found on
21 the Agency's website at www.tohida.org.

22 The Agency anticipates that the
23 members of the Agency will consider a
24 resolution to approve the Project and
25 the financial assistance requested by

1 Estella Housing 176 Main Street

2 the Company, including the proposed
3 thirty (30) year PILOT Benefit, at the
4 Agency's Board Meeting (the "Board
5 Meeting") to be held on February 24,
6 2022, at 9:00 a.m. local time, at 1
7 Washington Street, Town Hall Pavilion,
8 Hempstead, New York 11550.

9 MR. DEEGAN: Good morning. My
10 name is Dan Deegan with the law firm of
11 Forchelli, Deegan & Terrana on behalf
12 of the applicant. The law firm is in
13 Uniondale, New York, for the record.

14 I'm here to represent the Estella
15 project at 176 Main Street. I also
16 have with me today Mr. Ralph Fasano
17 from Concern for Independent Living and
18 also Tiffany Robinson, I expect them
19 both here today. There's a line of
20 security downstairs. I don't know if
21 that's delaying people, but they also
22 will be here today as part of the
23 public record.

24 So the project we are here to talk
25 about at this public hearing is a joint

1 Estella Housing 176 Main Street
2 venture between Concern for Independent
3 Living and Georgica Green, which is a
4 joint venture between those two
5 companies. Concern for Independent
6 Living is a non-for-profit which is
7 committed to providing high-quality
8 housing. They currently have 200
9 locations serving over 1,100 residents
10 in the New York/Long Island area. They
11 provide affordable housing options and
12 support services including targeting
13 housing for veterans.

14 Georgica, the other joint venture
15 partner, is a well-regarded, well-known
16 affordable housing developer who
17 constructs projects and develops and
18 operates across Long Island and in the
19 New York area generally.

20 The project we are here to talk
21 about is a vacant piece of property on
22 the corner of Bedell and Main Street
23 which is currently owned by Concern for
24 Independent Living and is off the tax
25 rolls producing no revenue at this

1 Estella Housing 176 Main Street

2 time.

3 The proposal is to construct 96
4 units of affordable housing with the
5 first floor being 5,500 square feet of
6 community service space. The project
7 is being built pursuant to the
8 Village's Downtown overlay zoning
9 district and would entail a \$50 million
10 investment in the downtown.

11 The 96 units would break down as
12 42 studio units, 34 one-bedroom units,
13 and 19 two-bedroom units. All of the
14 units would be workforce, slash,
15 affordable housing. The key to the
16 vibrancy of any downtown or any
17 community is to have a range of income
18 levels, and this particular building
19 calls for a range of income levels
20 within the building.

21 The studio incomes are made for
22 individuals earning between \$26,000 a
23 year and \$45,000 a year. The
24 one-bedroom and two-bedrooms are
25 \$43,000 to \$78,000 a year meaning that

1 Estella Housing 176 Main Street

2 that's the target income that the
3 residents would have.

4 The supportive units, which is an
5 additional component, targets -- which
6 is going to be targeting -- it's a
7 total of 42 units -- is going to either
8 have a preference or a set-aside for
9 veterans, and those veterans would pay
10 30 percent of their income to live
11 there.

12 So, one of the interesting things
13 to note hearing those incomes is that
14 while the AMI -- people in the village
15 would think about the area median
16 income for the village, it really is
17 expressed as Nassau and Suffolk County,
18 so the numbers are higher. So
19 50 percent AMI for the Nassau County,
20 Suffolk County AMI may translate to be
21 a lower -- basically, a higher AMI for
22 people living in the village, meaning
23 that these are working people, they
24 would be living there who are making a
25 good living.

1 Estella Housing 176 Main Street

2 The plan here is to build a very
3 high-quality building. There's a high
4 construction cost that is planned here.
5 It's a \$50 million project. It's going
6 to provide service that's not currently
7 really available in the village, which
8 is brand-new high-quality construction
9 and housing for existing residents.
10 It's going to be targeted for existing
11 residents and veterans. The plan is to
12 market it there.

13 It should be noted that all the
14 village approvals are currently in
15 place. The state funding for the
16 project has already been awarded, and
17 this construction project will bring in
18 a hundred construction jobs at least
19 and seven full-time jobs when it's up
20 and running.

21 Very importantly, the applicant,
22 Concern, has pledged \$2-million-dollar
23 contribution to the village towards
24 sewer and water infrastructure which
25 not only benefits this project, but

1 Estella Housing 176 Main Street

2 will benefit the entire downtown.

3 For a project like this to work,
4 it requires -- because the rents are
5 regulated and kept at a certain level,
6 the affordable level, it needs a PILOT
7 agreement which is commensurate and
8 coterminous with the term of financing.
9 So we are looking for a 30-year PILOT
10 which ultimately calls for payments
11 equivalent to 10 percent of gross
12 shelter rent meaning 10 percent of the
13 revenue received by the building
14 ultimately will go back in taxes.

15 As I pointed out earlier, this
16 property is currently off the tax rolls
17 and producing zero right now.

18 So I see Ralph is here and also
19 Tiffany has come, and I would just ask
20 if they would like to say anything on
21 the record.

22 Tiffany, who is from the applicant
23 as well.

24 MS. ROBINSON: Good morning.

25 Tiffany Robinson, I'm the program

1 Estella Housing 176 Main Street
2 director of our Riverhead site for
3 Concern Housing.

4 Good morning. I'm here today also
5 as a resident of Hempstead. My family
6 has lived in Hempstead for over 25
7 years, homeowners, taxpayers. I've
8 worked for Concern for over 10 years,
9 and I have seen -- I worked in
10 Brooklyn, now I'm in Long Island. I've
11 seen quality of houses that we do
12 produce for residents. I've seen
13 residents come in with a sense of pride
14 knowing that they have this beautiful
15 housing to give their families.

16 We also partner with the
17 community. I have, when I worked in
18 Brooklyn and also out here, brought in
19 mobile vans for the community for
20 health services, food drives, clothing
21 drives, STD testing, which also helps
22 everyone in the community. We also
23 provide jobs, job training for our
24 residents as well. We are also now
25 getting ready to open up a bagel shop

1 Estella Housing 176 Main Street
2 for one of our residents in Coney
3 Island. So again, I'm speaking as an
4 employee and a resident that I think
5 that this project will bring new lives,
6 new housing, a lot of support. Like I
7 said, my family lives out here,
8 prominent members of the community, and
9 we all discuss how housing is kind of
10 lacking for our aging individuals as
11 well and veterans.

12 Thank you.

13 MR. NEWBURGER: Grant Newburger,
14 Building & Construction Trades Council,
15 Nassau and Suffolk Counties.

16 It's a big construction project.
17 I just want to make sure that we are
18 including the building trades in the
19 discussion, and I want to make sure
20 that on the record or included in the
21 discussion for prevailing wage, and we
22 would also like to see this project to
23 have a project labor agreement.

24 Thank you.

25 MS. WINSTON: My name is Terry

1 Estella Housing 176 Main Street

2 Winston. I'm a resident of the Village
3 of Hempstead.

4 What gives Nassau County, the Town
5 of Hempstead IDA, and the Incorporated
6 Village of Hempstead administration the
7 right to determine what is in the best
8 interests of the residents of the
9 Village of Hempstead when an
10 overwhelming amount of them don't live
11 in the village and not even if they
12 want to. They will have you believe
13 the lie that PILOTs are advantageous
14 and serve to bolster the
15 less-than-stellar economy. They will
16 have you believe that Hempstead is in a
17 much better fiscal shape because of
18 them. I beg to differ.

19 PILOTs physically have crippled
20 the Hempstead economy. In addition,
21 Hempstead has not a leg to stand on
22 because former mayor, Wayne Hall, gave
23 away village parking lots to RXR who,
24 in turn, has made millions off of the
25 sale of these parking lots. The new

1 Estella Housing 176 Main Street

2 owners, as if they are doing the
3 residents a favor, are asking for
4 PILOTs, another tax break.

5 Hempstead has 27-plus PILOTs
6 lasting between 30, 25, and 15 years,
7 on an average. It is the norm that the
8 Town of Hempstead IDA gives extensions
9 on these PILOTs. This revolving
10 backdoor benefit far exceeds its
11 uselessness. PILOTs are a scam and
12 serve the benefits of developers,
13 corporations, so-called attorneys, and
14 Nassau County. PILOTs in Hempstead
15 have created a slew of slumlords who
16 are made to believe they are above the
17 law. Segregated Nassau County is
18 notorious for preying upon the poor,
19 elderly, and disenfranchised.

20 It is also politically
21 advantageous to prey specifically upon
22 decrepit villages to dump what is
23 considered a financial burden to other
24 neighborhoods. Great Neck was
25 successful in blocking the Great Neck

1 Estella Housing 176 Main Street

2 Tower Ford project because they have
3 money and they are some of the
4 individuals converging on villages like
5 Hempstead and Valley Stream. Garden
6 City is exempt because Tom Suozzi said
7 so.

8 I say no to this project and any
9 other pending project. Current
10 projects need to be revisited for a
11 noncompliance of their respective
12 contracts and disposed of.

13 MS. GARRY: Good morning,
14 everyone.

15 My name is Catherine Garry. I'm a
16 member of the Many Races Cultural
17 Foundation as well the Concerned
18 Citizens Coalition of Hempstead.

19 I bring to your attention that at
20 a time when racial tension is at a high
21 peak in America, it is truly not wise
22 to be giving out these discriminatory
23 PILOTs to a community already suffering
24 under 30 such discriminatory PILOTs
25 already. It is morally wrong to even

1 Estella Housing 176 Main Street

2 propose such a PILOT for Hempstead.

3 And so I appeal to you in the name
4 of justice for all to strongly reject
5 the PILOT for this applicant.

6 History shows that apartment house
7 PILOTS have been a disaster for
8 Hempstead. They go back to 1968, and
9 The village has lost over \$300 million
10 in tax revenue. This is a disgrace, a
11 discriminatory disgrace.

12 The fact is Village of Hempstead
13 homeowners already are subsidizing
14 2,400 units of housing, more than any
15 other village. Homeowners are
16 subsidizing 7,500 residents of
17 Hempstead. The village homeowners are
18 doing the subsidizing under a PILOT.

19 The village tax loss of
20 \$300 million, that's the village tax
21 loss. The school district of Hempstead
22 tax loss is another 600 million.
23 Estella does not stand alone. In
24 addition to all these other PILOTS, 30
25 of them causing this economic disaster

1 Estella Housing 176 Main Street
2 in Hempstead. Estella is also part of
3 an even bigger plan of racial
4 discrimination. Village of Hempstead
5 documents show the intent to apply for
6 an additional 35 PILOTS to overcrowd
7 the village with 10,000 to 15,000 new
8 residents when this community is
9 already overcrowded and everyone knows
10 that.

11 These new PILOTS they want would
12 create 3,800 new apartment units in
13 Hempstead when all the documents show
14 and tell you right out that Hempstead
15 has more apartment buildings than
16 anyplace else in Nassau County. This
17 is a travesty that must be rejected.

18 And finally, I point out that this
19 PILOT is also premature. The village
20 has put in an application for Estella
21 and all the other 35 PILOTS for a
22 \$10 million sewer and water grant.
23 That \$10 million sewer and water grant
24 has been rejected by the Long Island
25 Regional Council. Therefore, this

1 Estella Housing 176 Main Street

2 project does not have the sewer and
3 water that is needed for construction,
4 and it's questionable as to when it
5 will and ever have that ability.

6 Therefore, these 30 -- this
7 Estella and other projects must be
8 rejected until such time and if such
9 time that the proper sewer and water is
10 available.

11 And the donation, a so-called
12 donation of \$2 million for sewer and
13 water is not enough to provide for the
14 proper sewer and water and is really a
15 bribe. It's a bribe that this
16 developer put before the village to
17 make them make themselves look like
18 that they are some kind of charity.
19 They are not a charity; they are a
20 nonprofit, but a very wealthy nonprofit
21 that pay \$3 million for the land that
22 they are talking about. And they took
23 \$3 million to pay for that land, and
24 then it says it's a charity.

25 MR. LIM: Hi, my name is Tim Lin,

1 Estella Housing 176 Main Street
2 and I'm the owner of Master Kitchen &
3 Bath right here on 228 Front Street.
4 We opened our doors in 2006. I also do
5 a lot of business outside of the
6 county, mainly in Flushing now. Most
7 of my business is in Flushing. If you
8 know how Flushing had developed
9 compared to Hempstead, he look at
10 Hempstead hoping that this place, this
11 city would be, you know, something that
12 can galvanize Nassau County into
13 something beautiful; that had never
14 happened. We went to Renaissance, we
15 went to RXR, and nothing happened.

16 Now, you look at what Flushing has
17 done in the past 10 years. It has
18 turned nothing and now it is basically
19 a metropolis within the city.

20 Now, I'm not saying reject the
21 project outright. I'm sure there's
22 something that can be negotiated.
23 Something that we can come to some kind
24 of agreement because definitely in
25 Hempstead something is needed. You

1 Estella Housing 176 Main Street

2 cannot keep having empty parking lots,
3 no business.

4 I do not want my kids to be here.

5 I want my kids to live in Flushing
6 because opportunities are there,
7 businesses are there. People are
8 surviving; they can make money. It's
9 not about me; it's about your
10 offsprings, your future. Would you
11 rather retire in a community that has
12 nothing going on, nobody walking down
13 the street? No I want a vibrant
14 community.

15 We don't have to reject this
16 outright. You know, looking at
17 Hempstead since 2006, over 15, 17 years
18 now, what has happened? Nothing. You
19 look at Flushing, countless buildings
20 go up. When most of them went up,
21 people bought the land on 421A, tax
22 abatement, 15, 25 years, okay? But now
23 they are all paying back to the city.
24 The city generates so much money from
25 Flushing, from the city, from people.

1 Estella Housing 176 Main Street

2 It's not just about the taxes;
3 it's also about people living there.
4 They go downstairs they are buying
5 food, they are supporting businesses.
6 It goes all around.

7 You know, the Chinese people have
8 a saying, rising tide lifts all boats.
9 Okay? If you put development, not only
10 it's creating jobs to the construction
11 workers, but when people move in, they
12 are supporting businesses. Right? You
13 do not want that? You do not want them
14 to come build and to be able to spend
15 money? When they come, they buy
16 groceries. Right? They support
17 supermarkets down there. Everything
18 goes up.

19 MS. SHARPE: Good morning, I'm
20 Doris Sharpe. I've been a resident
21 here for 29 years, a community leader.

22 Let's be clear, I understand
23 PILOTs are necessary evil. It's my
24 understanding that originally PILOTs
25 were created as an incentive for

1 Estella Housing 176 Main Street

2 developers to bring in commercial
3 businesses which would create jobs for
4 people in the community and benefit our
5 tax base.

6 How many PILOTs are there in the
7 Village of Hempstead, do you know?
8 Right now it's about 30. How many more
9 are there in 10 years? How many have
10 been renewed and why? Is there a limit
11 to the number of PILOTs one community
12 can endure? Why would any PILOT be
13 more than 10 years? We have 30,
14 35 percent of the village off the tax
15 roll.

16 What is the purpose of a PILOT?
17 Is it to give the developers an
18 opportunity to become financially
19 solvent allowing the developers time to
20 achieve full occupancy at approximately
21 92 percents. PILOTs are also being
22 used to help developers renovate
23 existing apartment buildings. Who is
24 responsible to ensure the work is
25 getting done? Beverly House received

1 Estella Housing 176 Main Street
2 an extended PILOT for 5 years. The
3 first thing they did is charge the
4 people for parking. About 9600 got rid
5 of the union workers and didn't
6 complete any of their agreements.
7 After many years, it took Trusty
8 Jeffreys to get the PILOTS stopped.
9 The developers are the only ones in the
10 Village of Hempstead that really
11 benefited and the residents have
12 suffered here.

13 We are inundated with social
14 services. Do we need more? Is it okay
15 to overwhelm the Village of Hempstead
16 with more than 60 percent of social
17 services, more than any other
18 surrounding area? Is the social
19 service the golden ticket for veteran
20 houses?

21 Yes, this developer is welcome,
22 was not welcome here ten years ago by
23 the mayor in the community. Take this
24 development to Rockville Centre, Garden
25 City, anywhere where you are helping

1 Estella Housing 176 Main Street

2 them out in the community. This does
3 not benefit the residents here.

4 I am imploring upon the IDA board
5 to do your fiduciary duty to not give
6 any social services developments tax
7 breaks after tax breaks. We know after
8 developers get the tax break, they will
9 ask for another one when that one is
10 done.

11 The way I see it, they are
12 expecting approximately 35 new
13 developments in this village, and that
14 to the all buildings -- every new
15 development will ask for at least
16 30-year tax break. Add that to the old
17 building will be getting more tax
18 breaks as Ample Beverly Houses
19 (phonetic) on 9600 Martin Luther King
20 Drive. Who is responsible for stopping
21 this injustice to the residents? IDA
22 board? Village of Hempstead board? Or
23 lawsuits like the Valley Stream Green
24 Acres Mall, by the residents and the
25 legislator, slash, lawyer, Sallage

1 Estella Housing 176 Main Street

2 (phonetic)? I'm not for this project.

3 MR. AMALFITANO: Hello, my name is
4 Frank Amalfitano. I'm the president
5 and CEO of United Veterans Beacon
6 House.

7 We've assisted approximately
8 40,000 veterans over the last 25 years,
9 and I've been involved with Beacon
10 House, and for the last 20 years I've
11 been associated with Ralph Fasano and
12 Concern. Is there a need in Nassau
13 County for housing for veterans? There
14 is. We started in Suffolk. I've been
15 in Suffolk County for many, many years.
16 We've tried to come into Nassau to
17 develop housing, and we've hit a lot of
18 roadblocks, and we were unable to.

19 So my testimony is yes, there's a
20 need for the housing, and Concern's
21 housing is by far the best that you can
22 imagine. They use quality products;
23 they have services. No other housing
24 program that I know affords the
25 services to the residents that Concern

1 Estella Housing 176 Main Street
2 does, and it's my personal experience
3 for the past 20 years. And the proof
4 they are putting is their first veteran
5 project in Suffolk County, in
6 Amityville. It's still going strong
7 for about seven years now, and with the
8 assistance of Concern and Ralph, we've
9 been able to develop one program in
10 Nassau on Henry Street. We took a
11 broken-down area and we turned it into
12 a vital housing for five veteran
13 families and seven single male veterans
14 on the two plots of land. We could
15 have never done it without the
16 assistance of Concern.

17 As far as the economy goes of the
18 village, I've ran into that problem
19 also with the village, but we brought
20 in -- you know, we've got families in
21 there. The families are going to be in
22 this project, and they bring vital
23 income into the area, and I'm sure the
24 area has developed jobs. If not,
25 Concern has developed several jobs and

1 Estella Housing 176 Main Street

2 will in this project also.

3 So yes, am I in support of Concern
4 for this project? I certainly am. And
5 the veterans that we house -- by the
6 way, we house about 250 veterans a day,
7 in emergency transitional and group
8 home permanent housing.

9 Many of these veterans will be
10 able to move into this housing because
11 many of these veterans are residents of
12 Nassau County and are living in Suffolk
13 County.

14 So I thank you for your time.

15 MR. ASCENCIO: Good morning is
16 Kevin F. Ascencio. It's my first time
17 speaking. Right now, I'm like -- I'm
18 an owner of a company called Triangle
19 Haulers. It's supposed to be like a
20 freight shipping business. So I'm the
21 owner of freight shipping business.
22 It's not really working right now
23 because, like, I'm running low on
24 money, and I never really, like, ask
25 for people for help and stuff like

1 Estella Housing 176 Main Street

2 that, and I was a little scared to go
3 to ABBA, a program that Reverend
4 Benjamin is the owner of, and it has
5 helped me and the community because it
6 gave work to people who live in the
7 community and wanted to give to the
8 community.

9 What I learned is that the people
10 of Hempstead, they are very prideful of
11 their beliefs. They like everything to
12 stay the same and keep the business
13 amongst us because we never look for
14 handouts and we don't take gifts from
15 people that want to force it on us, and
16 I'm against the policies that other
17 people have been against.

18 My grandfathers were wealthy
19 businessmen, and they -- they weren't
20 quite the smartest people. They had
21 like ADHD and a lot of depression, and
22 one of my grandfathers is Portuguese,
23 so, like, European white, and my
24 grandfather is from Central America
25 which is Guatemalan, and he once came

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2 to the United States and tried to make
3 it for his family, and it didn't work
4 out quite as he thought.

5 He came to a country where it was
6 predominantly racist. He was a pretty
7 big guy, and he was about my size, I'm
8 like 6'3", and he was just an animal,
9 and he came from disabilities himself.
10 One of his feet was angled backwards,
11 and a lot of people used to pick on him
12 for it, and when he tried to make it in
13 the United States, he felt like they
14 were always giving him a double
15 meanings on how he should act and how
16 he should be, so he actually went back
17 to his country to be around his own
18 culture because he doesn't like how
19 America was so driven to changing as a
20 person. So I'm against the project.

21 HEARING OFFICER LODATO: Thank
22 you, sir.

23 MS. BRADLEY: Good morning. My
24 name is Shelly Bradley. I am a
25 resident of Hempstead.

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2 I understand Concern is a
3 tremendous company. I know the
4 projects that they've done around the
5 area, and they all have positive
6 outcomes, but I'm here as a resident
7 and a homeowner in the Incorporated
8 Village of Hempstead, and I'm concerned
9 about the environmental impact of
10 another apartment building of a more
11 building, more building and not
12 restoring what we actually already have
13 in our community.

14 In the Village of Hempstead, the
15 median income for an individual is
16 \$27,000 as opposed to the County of
17 Nassau, the median income for an
18 individual is \$45,000. When we look at
19 household income, for Nassau County
20 it's \$116,000; for the Incorporated
21 Village of Hempstead is \$62,000.

22 I believe that our community has
23 been exploited. We keep bringing in --
24 when we talk about affordable housing,
25 affordable to whom? The average person

1 Estella Housing 176 Main Street
2 in Nassau County or the average person
3 in the Incorporated Village of
4 Hempstead?

5 When we start looking at these
6 PILOTS -- I'm looking on this sheet
7 that we have. The first three years,
8 they are going to pay \$37,442 in taxes.
9 I have a single family home in
10 Hempstead, and my taxes are \$22,000,
11 and I can't count on a PILOT.

12 We have an unprecedented number of
13 PILOTS in the Incorporated Village of
14 Hempstead. They are primarily a
15 partner buildings which really do not
16 bring jobs and car dealerships. Now,
17 if we were a city, this would make
18 sense because at least we could keep
19 some of the sales tax, we could keep
20 some of the benefit, but we are not.
21 If we were a village that had good code
22 enforcement, we might benefit from it,
23 but we are not a village that has good
24 code enforcement.

25 I'm a former school board member.

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2 When I was on a school board, I asked
3 the superintendent for enrollment by
4 street address, I didn't want a name.
5 On average, in the Incorporated Village
6 of Hempstead, in all these apartments,
7 they get PILOTs, it's two to three
8 families in each apartment going to the
9 school district. Single family homes,
10 there's three to four families.

11 According to the guesstimates of
12 our population in Hempstead -- because
13 most of the people in Hempstead don't
14 want to be counted, so they are not
15 going to be counted -- so according to
16 guesstimate, we have 55,000 -- this is
17 2019 numbers, 55,000 residents, so we
18 know there has to be at least 70,
19 right? Okay.

20 The Incorporated Village of
21 Hempstead with these numbers, these
22 guesstimated numbers, is four times
23 more dense than our neighbor, Garden
24 City, and twice as dense as Queens.
25 Are we going to be a suburb or are we

1 Estella Housing 176 Main Street
2 going to be a city? And if so, why
3 does the Incorporated Village of
4 Hempstead have to have all of the low
5 income housing for the County of Nassau
6 and the Town of Hempstead?

7 I think as residents, these are
8 questions that we must ask, and as
9 the IDA board, we would appreciate you
10 considering these points before you
11 make your decision. It is not fair to
12 the residents that live in Hempstead.
13 We can't park. We don't have water.
14 We don't have sewage. Our schools are
15 overcrowded. It's too much. It's too
16 much.

17 Thank you.

18 BISHOP PHILLIP ELLIOTT: My name
19 is Bishop Phillip Elliott. I'm the
20 pastor of the Antioch Church Baptist
21 Church of Hempstead, Hempstead Heights
22 for the past 27 years, also president
23 of the Minister's Conference of
24 Hempstead and Vicinity. I was married
25 in Hempstead in 1973, and our family

1 Estella Housing 176 Main Street

2 and my wife's family have been very
3 involved. I've served on the Community
4 Development Board when the development
5 took place for Shop & Stop as well as
6 the development where -- that took
7 place at Times Square, the old Times
8 Square facility. Not much development
9 has taken place since then.

10 The question, the elephant in the
11 room is why does Hempstead pay so much
12 higher taxes than everyone else? It's
13 been alluded to, that's the problem we
14 have to be jumping up and down trying
15 to fix. That's not anybody's fault in
16 here. The sales revenue that comes
17 through Hempstead, car dealership, a
18 lot of the taxes there and other, does
19 not come back to the village; it goes
20 to the other area. And that's a big
21 area where we need to be jumping up and
22 down protesting.

23 Most people talk about what they
24 don't want, but very few people talk
25 about what they want, which means some

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2 people don't want anything, just keep
3 things where it was.

4 What's not being said is that
5 PILOTs is not to take property off the
6 tax roll. It means that they have a
7 reduction in the taxes, and nobody has
8 proffered today except for Ms. Bradley
9 about how much money would be coming
10 into the village through the Estella
11 project.

12 Also, four, five, or six
13 storefronts will be there, and I
14 personally, as I was involved with MWBE
15 for eight years in Nassau County, will
16 make certain as my own initiative that
17 minority or women business enterprises
18 would be able to be in those
19 storefronts which also will be
20 contributing to the tax base. So, we
21 are not looking at the numbers.

22 I'm talking to people every day.
23 I am the owner of the Antioch Housing
24 Fund Corporation which is
25 not-for-profit. We had that built 22

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2 years ago or more. I opened up the
3 doors in 1990, and there's no more
4 room. I mean, people are coming to
5 me -- I'm talking about people's
6 parents, their mothers, their
7 grandparents and who can no longer
8 afford to own the home because of
9 taxes. The taxes is the issue that we
10 all need to be attacking, and the only
11 way to attack this is for us to become
12 a city, but nobody wants to deal with
13 that.

14 As long as we are the village, we
15 won't have our share of the sales tax
16 that comes through the expenditures
17 here.

18 So I'm here to support the project
19 because there is a lack of housing.
20 People who built this village are not
21 able to stay in this village because --
22 I mean, if we want to gentrify, none of
23 us in here hardly can afford to pay
24 \$3,700 a month. That's what we are
25 headed for if we take all of the

1 Estella Housing 176 Main Street
2 affordable housing -- I didn't say low
3 income housing, I said affordable
4 housing -- and gentrification, is the
5 door -- like 303 Main and down there by
6 the train station on Front Street in
7 West Hempstead, that's \$3,700-a-month
8 rents for people to come in here, and
9 most of us cannot afford it.

10 Thank you, sir.

11 MR. EDWARDS: Sey Edwards, I'm a
12 long-term resident of the Hempstead
13 Village.

14 And the first thing is that about
15 four, five years ago, I approached this
16 Board and I requested that these
17 meetings be held after five o'clock
18 because people are working and they
19 have to sacrifice work to come to these
20 meetings on a weekday. So I'm sure you
21 guys know that, so I'm calling for a
22 recall again for this thing to be put
23 at 5:00, 6:00, 6:30, when people are
24 coming from work so they can attend
25 these meetings.

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2 Secondly, I definitely oppose this
3 project because we have enough PILOTs
4 in Hempstead already. We don't need
5 any more here. The developers are
6 pushing this project, and they push
7 this as affordable housing, fine.
8 Please put it in your community if it's
9 affordable so we can believe that. We
10 have enough here already. Garden City
11 is right next door; put it in Garden
12 City.

13 I think they tried in Garden City
14 many years ago, and I think there's a
15 lawsuit, and the lawsuit was won by the
16 people, but implementation today has
17 not been forthcoming in Garden City.
18 Rockville Centre, East Meadow, all
19 around us. We have enough here
20 already, and we can't support any more
21 here.

22 And any village officials or
23 anybody here trying to support this
24 project, they are trying to say it's
25 affording housing, they are sellouts.

1 Estella Housing 176 Main Street

2 Please don't pay attention to them.

3 They are selling you out left and
4 right.

5 Thank you very much.

6 MR. LONGO: Good morning,
7 everyone. Jeremy Longo.

8 I'm here to speak on behalf of
9 Concern as contractor of record for the
10 project. And to give you a little
11 history that we have, we've built many
12 successful projects together. And my
13 company, Belfor, is -- we happen to be
14 an international company, but we really
15 are a local company. We have offices
16 in every states all around the country,
17 and ultimately our local offices are
18 the community, and we tend to
19 participate in communities, obviously,
20 where we are doing work, where we are
21 actively doing things. And this
22 project for us started some years ago,
23 and we've been actively involved in the
24 community ever since. And we tend to
25 stay active in the community where we

1 Estella Housing 176 Main Street

2 perform projects, and we get to know
3 people, and it stays that way as well
4 as I know Concern, knowing them for so
5 long, we tend to stay with them.

6 With this project, they tend to
7 bring a lot of good benefits that come
8 to the project that I understand some
9 are more short-term and some are more
10 of long-term. I can speak to some of
11 the things that I would look at that
12 are kind of an intermediate thing which
13 is that we are providing as the
14 contractor a lot of jobs to the
15 community.

16 I understand that there's
17 different forms of jobs. There's
18 longer-term jobs and shorter-term jobs,
19 but I can tell you how a lot of these
20 short-term jobs that we sometimes bring
21 in, and short-term is still pretty long
22 meaning this project is not a short
23 project. It will take a couple of
24 years from ramping up to completing the
25 project.

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2 Some of the things with this
3 project that are -- with a lot of the
4 projects that Concern does is that
5 there are both requirements that are
6 coming from the State, there are also
7 requirements that are coming from the
8 local community.

9 So there's an MBE/WBE requirement
10 on this, so 30 percent of the contract
11 has to get fulfilled by those
12 businesses. So we work hard on that,
13 not just with the community, with the
14 state and making sure that we can find
15 these contractors and put them to
16 fulfill the requirements. We never had
17 an issue ever fulfilling, and there's a
18 lot of ways to do it when you actually
19 want to do it, and we always -- we
20 exceed the requirements on fulfilling
21 it, and there's lot of ways to do it
22 when you really want to do it, and we
23 always follow the intent of doing it
24 that there's -- sometimes you are
25 hiring a bigger contractors, and we are

1 Estella Housing 176 Main Street
2 doing it with the idea of using a
3 smaller contractor. We are doing
4 purchasing from the smaller contractor,
5 so everybody will get the opportunity
6 to do that.

7 Separately, there's a community --
8 a CBA agreement, a Community Benefits
9 Agreement for this project. That's
10 something that was implements that
11 Ralph had taken on when he took on the
12 project. And we did early on, when we
13 thought we were going to start the
14 project, you know, it was new, I think,
15 no development really occurred under
16 this it. It was new for everybody,
17 that we took our own latitude to make
18 sure that we implemented our internal
19 program to make sure it's successful,
20 'cause sometimes -- part of the problem
21 is sometimes people get apprehensive.
22 People say they are going to do these
23 things and then finally not do them or
24 they put in a relief 'cause they say
25 they can't fulfill them.

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2 We really went out of our way in
3 our first round when we first thought
4 we were going to proceed with the
5 project and made sure we were going to
6 fulfill it, not just working locally
7 with the community to help us, but we
8 did advertising, we did certified mail,
9 right? You don't have to do that.
10 They don't give it to you, the rules to
11 that extent.

12 We've reached out to these
13 contractors, subcontractors, and we put
14 together a program, but we made sure
15 that our outreach was actually there.
16 That we could actually -- even when
17 people said they didn't respond, we did
18 what we had to do to physically tell us
19 why they don't want to promote the
20 project.

21 So the CBA on this project is
22 30 percent of the entire contract
23 value, and then on top of that, even
24 the contractors beyond the 30 percent,
25 everybody has to hire 30 percent local

1 Estella Housing 176 Main Street
2 workforce on top of that. So there's a
3 heavy, heavy requirement to hire
4 locally on the project, hire locally,
5 get everybody from vendor suppliers,
6 material suppliers all the way down to
7 all the subcontractors.

8 So where I found in this doing
9 this for a number of years that's
10 different is that sometimes it's great,
11 right, the projects ramp up and ramp
12 down. At some point, we'll be
13 running -- typically, forces on the job
14 like this are 150 employees a day will
15 be on that job working full-time for
16 the duration of the project.

17 What happens is a lot of times you
18 get a company that maybe isn't
19 technically a local company, but they
20 hire somebody locally, and although
21 this project finishes and moves on and
22 Ralph gives permanent jobs to a certain
23 amount of people through his building
24 operating and so on, these people
25 retain jobs. So they get a job with a

1 Estella Housing 176 Main Street
2 plumbing company that's doing the major
3 plumbing, and they hire 30 percent
4 local, and those locals retain their
5 job. They get an opportunity they
6 didn't have originally to learn a
7 craft, to get into a skill, and then
8 they retain the job, and so then they
9 move on to -- although that project
10 ends, they move on and they are working
11 now for so-and-so plumbing or so-and-so
12 contracting, and they have a job.

13 That's where the long-term jobs
14 come out of what I do separate from
15 what Ralph would provide in operating
16 the facility, that people sometimes
17 find careers out of this. You know,
18 because they got the opportunity to
19 work with them, and these are heavy,
20 heavy amount of local workforce
21 requirement that's put onto this.

22 All of our subcontractors that we
23 work with when we did the first round,
24 all well aware of it. They are bound
25 to it within our contract, they

1 Estella Housing 176 Main Street
2 understand that they have to hire
3 30 percent local when they are hiring.
4 So 30 percent of the workforce on a
5 job, even if it's not a local
6 contractor, would be local workforce.
7 It would be somebody that we worked
8 with Reginald Benjamin on or somebody
9 that we trained. He's got programs for
10 training people. They got the
11 opportunity that they wouldn't have
12 had, and now they got a job well beyond
13 Estella.

14 It create more that sometimes
15 people think in terms of opportunity
16 and longevity, and it gives back to the
17 community. And we find that once we
18 are involved in the community, we've
19 gotten relationships. Just because
20 they have no project after this one,
21 the relationship is there. We are
22 consistently contributing, we are
23 contributing to school fundraisers, so
24 everything -- at the end, I think
25 you'll find that the project will bring

1 Estella Housing 176 Main Street
2 a lot to it, to the community as a
3 whole.

4 I appreciate your time.

5 MR. REGINALD BENJAMIN: My name is
6 Elder Reginald Benjamin. I'm the
7 executive director of ABBA Leadership
8 Center, which is a not-for-profit
9 community-based organization dedicated
10 to helping people in the local
11 communities.

12 I also spent 20 years working in
13 Nassau County jail as a chaplain. I've
14 worked with several organizations
15 through three administrations. I've
16 worked with -- partnered with several
17 other groups including the people that
18 are here today. We have LGI that is
19 here. We have Derek over there with
20 Renaissance. We have amazing
21 contractor over here. We have several
22 other community advocates right here
23 today. We would like to see the
24 development move forward. That's my
25 position in terms of that.

1 Estella Housing 176 Main Street

2 And in terms of jobs, let me say
3 this: We have worked on the Twin Oaks.
4 From the Twin Oaks we went to South
5 Franklin Street to help build those
6 properties. We were over there to
7 help. Even at 303, which is an
8 overpriced thing, we was there. We
9 helped build the charter school; we
10 have had people working there. We had
11 people come in that didn't have skills
12 that are now electricians, carpenters,
13 and professional laborers. We
14 have over -- I would say over 300, 400
15 people that have gotten jobs as a
16 result of the efforts that we've put
17 in. We have partnered with businesses,
18 and we insist that they hire locally.

19 People call the jobs temporary,
20 but our people do not work temporary
21 jobs. They just go from different
22 sites as the new projects comes up. So
23 this story about temporary work is -- I
24 have my son here, and he started a new
25 organization called Black Jobs Matter.

1 Estella Housing 176 Main Street

2 He is training already over 200
3 people giving them free OSHA training
4 to make sure they are prepared and
5 ready to go to work. We have trained
6 well over 1,200 people. We've been
7 waiting for these projects like this to
8 go forward for the last 10 years.

9 Some people we had trained,
10 because they have no work in the
11 Village of Hempstead, they have to go
12 to work in the city as electricians,
13 carpenters. Many of the people who
14 started as workers, like this young man
15 who started his own business, we have
16 several people like that. We have been
17 in the newspapers several times in
18 terms of -- for the work that we have
19 done in the community. I stopped
20 taking citations and awards 'cause it
21 ain't about that. It's about helping
22 the local community, and many of the
23 young people are forced to leave here
24 because they can't afford to live here.

25 I have my sons right now, two

1 Estella Housing 176 Main Street
2 sons, one son is 31 the other one is
3 34, both work, but can't find
4 affordable place to live -- I wish I
5 had a couple more minutes, but let me
6 tell you this: I'm in support of this,
7 and I know Ralph. I've known him for
8 years. He had funded a lot of those
9 training programs that have enabled
10 people to go to work. Those are the
11 times that people we want, developers
12 we want in the Village of Hempstead,
13 and I am going to tell you now if they
14 decide to move this project forward, I
15 guarantee you we will be there.

16 MR. AUBREY MUHAMMAD: My name is
17 Aubrey Muhammad.

18 This development is being
19 misrepresented today. It's being
20 presented as affordable housing when in
21 fact it is a ploy. It is a part of a
22 bigger plan, the scope that is 279
23 acres, that's 12 percent of the village
24 that is gentrification. LaMont Johnson
25 had the audacity to appear before the

1 Estella Housing 176 Main Street
2 last Hempstead village Board meeting
3 and present this case as affordable
4 housing that kills the narrative of
5 gentrification. How ironic that this
6 urbanization of Hempstead has been
7 going on -- have been planned since the
8 early '80s. Since the
9 Harrisburgs(phonetic), brothers, that
10 owned Winthrop Terrace wanted to build
11 two 10-story buildings back in 1983.
12 They've been planning urbanization for
13 decades in Hempstead. They've been
14 given tax breaks. \$20 million a year
15 has been syphoned, and the economic
16 blood has been sucked out of this
17 village. That's why our property taxes
18 are sky high.

19 I know people pay \$2,700 a month
20 in property taxes. How are you going
21 to invest in the community with that?
22 That's by design.

23 Now, the hypocrite, Don Clavin --
24 is that his name, Don Clavin -- and Tom
25 Suozzi, I have to say his name,

1 Estella Housing 176 Main Street

2 Suozzi -- democrats and republicans
3 have teamed up together. They found
4 they have something in common, keeping
5 black Hempstead a permanent underclass.

6 Governor Hochul -- did I pronounce
7 her name, Hochul -- just called for
8 urbanization of suburban Caucasian Long
9 Island. These two representatives
10 stood up and want everybody to oppose
11 it. They don't want urbanization in
12 Caucasian areas, but all of this is
13 enabled by this board in urbanizing
14 black Hempstead.

15 Seven jobs will come from Estella,
16 all these temporary construction jobs
17 you are bragging about. That career
18 is, in essence, a career knowledge; you
19 can take that anywhere. We do not want
20 this in Hempstead.

21 Thank you.

22 MR. SCOTT: Good morning. My name
23 is Jamal Scott. I am assistant
24 superintendent for Hempstead Public
25 Schools.

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2 The question for the district and
3 the public school is how does this
4 affect the children, how does this
5 affect the school district? I
6 understand that this development is
7 maybe 75 percent studios and
8 one-bedrooms which most people will say
9 that children will probably not live
10 there, not many children live there,
11 but we know that children live
12 everywhere. We know that there will be
13 children throughout this project. We
14 know that a development that has over a
15 hundred dwellings will probably have at
16 least maybe 30 to 40 children on an
17 average from historical data that's in
18 the community where there are partner
19 buildings.

20 So if you take the PILOTs and you
21 look at how much taxes the PILOTs, they
22 are going to be paying, if you look at
23 that dollar amount, how does that
24 equate to the cost of educating a
25 child? Right, in public schools or in

1 Estella Housing 176 Main Street
2 charter schools or in general in
3 Hempstead. So we have to look at that.
4 I'm not saying that the Hempstead
5 Public Schools is for or against the
6 PILOT or against the development. What
7 I'm saying is that when we are bringing
8 PILOTs and we are bringing developments
9 into the community, we have to look at
10 holistically, not just for -- the way
11 the community is looking, for jobs and
12 things of that nature. We also have to
13 look at how it's going to affect the
14 school district and the taxes.

15 You know, someone mentioned about
16 the taxes for the schools, it's \$600
17 millions. Let me just clarify, the
18 levy amount that we levy for the
19 district, for the community, the
20 village, the Hempstead public schools
21 is 75 million. It's been 75.9 million
22 for at least six years in a row; it has
23 not increased. If your taxes
24 increased, it has nothing to do with
25 the amount that the school district is

1 Estella Housing 176 Main Street

2 levying. It has other factors
3 involved.

4 So, keep -- with that in mind we
5 have to ask ourselves, how does that
6 affect the school district when it
7 comes up to giving developers' PILOTs
8 coming into the district, into the
9 village. Because that directly effects
10 the school districts. I see that
11 there's a \$2 million contribution to
12 the village sewage. Where is the
13 contribution that's going to help
14 educate the children that are going to
15 live in this development?

16 That's all I have. Thank you.

17 MS. THOMPSON: My name is Alicia
18 Thompson.

19 I want to say before I leave that
20 I am against this project. I don't go
21 for it; it's unfair. As we know,
22 Hempstead is very, very crowded. The
23 traffic, the people -- and I don't
24 think that is right that this project
25 is going to try to go forward, and we

1 Estella Housing 176 Main Street

2 don't need no more PILOTs. Please be
3 considerate because it's very, very
4 unfair. Hempstead has been a dumping
5 ground; everything is being dumped on
6 Hempstead.

7 I oppose this project, and I'm not
8 for it. So that's my opinion before I
9 leave. Thank you.

10 MR. HUDDLESTON: Hi, my name is
11 Terrell Huddleston. I'm the executive
12 director of Black Jobs Matter. I
13 started the business with an idea of
14 how to create jobs, training, be very
15 successful in that. I come to a lot of
16 these meetings, and I see a lot of
17 people come in here, and they are
18 always against projects, but I never
19 see them offer anything else, and I
20 never see anything else going on in
21 Hempstead.

22 I'm for the project because of the
23 jobs that it brings and opportunities
24 it brings. People come up here and say
25 temporary jobs, but jobs can always be

1 Estella Housing 176 Main Street

2 temporary dependent on how you build
3 relationships. The only thing we can
4 do is put people in a position to be
5 successful, but you have to make it be
6 something else. I seen people come out
7 of jail from doing 25 years, and now
8 that same guy, his name is Keith
9 Inghram, he is in the city now driving
10 trucks. He started off with us working
11 in projects and getting into the union,
12 and he diverted, he did something else,
13 but he started working through these
14 jobs and through these opportunities.
15 Again, like I said, I'm for development
16 and I'm for Hempstead changing, and I
17 feel like -- not to be disrespectful to
18 anybody, but older people don't want to
19 see any change. And how do we move
20 forward without change or without
21 growth or without any type of
22 development?

23 I see them stop projects, but I
24 don't see them bringing alternative
25 ideas that's going to bring money into

1 Estella Housing 176 Main Street
2 the economy, that's going to bring jobs
3 into the Hempstead and going to change
4 it. The problem, in my opinion, is
5 that people that we have in place that
6 are supposed to make sure that when
7 development comes in, that they do
8 things they are supposed to. They take
9 these little side deals and they don't
10 hold people accountable, and I think
11 one of the things I've seen over the
12 years is we've been able to hold them
13 accountable -- when I say we, I'm
14 talking about ABBA Leadership Center
15 and Black Jobs Matter, and the things
16 that we've been able to do. And I
17 think the people that we have already
18 in place, we need to have them do their
19 job as far as keeping the people
20 accountable to doing what they are
21 supposed to do when it comes to the
22 Village of Hempstead. That's what I
23 think the problem is, it's more so
24 in-house than the outside. So that's
25 what I have to say, I'm for the

1 Estella Housing 176 Main Street
2 development of the project. Thank you.

3 MR. ARMSTRONG: My name is Derek
4 Armstrong, I'm from Renaissance
5 Construction. I think this project
6 should go on. We've been trying to get
7 this project, I think, since 2016. I'm
8 a contractor in the Town of Hempstead.
9 I've been a contractor for over 30
10 years, and people talk about taxes and
11 taxes going up, but let me say this: I
12 bought my house in 1986. I paid \$3,500
13 a year, and now I'm paying close to
14 \$18,000 a year. What's the difference?
15 I can't understand why people are
16 complaining about project. There ain't
17 no projects going on, that's the
18 problem. You go to Rockville Centre,
19 there's a project. You go to Garden
20 City, there's projects. You go to
21 Amityville, there's projects going on.
22 It ain't nothing going on in the
23 Village of Hempstead.

24 When there was projects going on,
25 we had people in the village working.

1 Estella Housing 176 Main Street

2 I have built the charter school on
3 North Franklin. I had over 22
4 employees, and 17 of them was from the
5 Village of Hempstead. I got them from
6 ABBA center. And I just can't
7 understand why they keep holding the
8 project up which is going to benefit
9 the Village of Hempstead.

10 You keep talking about taxes,
11 taxes going up every year and not
12 projects. So why are we complaining
13 about taxes? Let's make this project
14 go on so we can put some people to
15 work, so we can make things happen and
16 put people in home. Because you've got
17 families, you've got two, three
18 families living in a house.

19 You get to a point where Long
20 Island become like Queens where you
21 can't even find parking, people parking
22 in front of your house because you got
23 three, four families living in one
24 house. Come on, let's make things
25 happen. People need to stop knocking

1 Estella Housing 176 Main Street
2 this project down and look at the big
3 picture of this and make this thing
4 happen. That's my opinion on this
5 project.

6 HEARING OFFICER LODATO: Anyone
7 else would like to speak before I close
8 the meeting?

9 (No response.)

10 HEARING OFFICER LODATO: Okay,
11 thank you very much, everyone, for
12 attending and testifying.

13 We are observing it's 11:07 a.m.,
14 and we are closing this hearing for
15 Estella Housing. Thank you.

16

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19 (Time noted: 11:07 a.m.)

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CERTIFICATION

I, JULIA GIANNAKOPOULOS, a Notary Public in and
for the State of New York, do hereby certify:

THAT the within transcript is a true record of
the testimony given by said witness.

I further certify that I am not related either
by blood or marriage, to any of the parties to this
action; and

THAT I am in no way interested in the outcome
of this matter.

IN WITNESS WHEREOF, I have hereunto set my hand
this 16th day of February 2022.

JULIA GIANNAKOPOULOS

Hempstead

FORD LINCOLN

February 17, 2022

Michael Lodato

Town Of Hempstead

IDA and Local Development Corp.

Dear Michael:

We are refinancing our balloon mortgage with Ford Motor Credit Corp. The payoff as of today is \$2858490.24. We are also taking an additional \$500,000.00 for additional renovations.

We would like the mortgage recording tax exemption on this, if possible, please.

Thank You;

A handwritten signature in black ink, appearing to read "John Billard", with a stylized flourish at the end.

John Billard

President

PROJECT ABSTRACT
TOWN OF HEMPSTEAD INDUSTRIAL DEVELOPMENT AGENCY

Parabit Realty, LLC & Parabit Systems, INC
Project: 2802-21-22A

Application Date: 11/24/21 Contact: Richard Kick

Applicant Name and Address 2677 Grand Avenue
Bellmore, NY 11710

Project Address: 33-35 Debevoise Avenue
Roosevelt, NY 11575

Project:

The applicant intends to construct a 7,820 square foot addition on a piece of vacant land which had been purchased from the Town of Hempstead which will bring the total square feet of the building to 28,825. This expansion is necessary to meet the demands of the current growth in manufacturing kiosks and ATM access control systems for Banks.

Project Costs:

Land acquisition	\$130,000
Building Demo/Construction	\$1,250,000
Building Renovation	\$150,000
Machinery and Equipment	\$1,310,000
Legal Fees	\$50,000
Architectural/Engineering Fees	\$100,000
Financial Charges	\$35,000
 Total	 \$3,025,000

Employment:

	Full	Part
Present	57	0
1 st Year	63	0
2 nd Year	70	0

LMA: 85%

Creation: of 13 FTE by year 2

Average Salary: \$95,542.40

Benefits Sought: 10 Year PILOT in addition to remaining PILOT (2 years), Sales Tax Exemption, Mortgage Recording Tax Exemption

Benefit Analysis:

Sales Tax Exemption Renovation, Furnishing and Fixture:
 $\$2,150,000 \times 8.625\% = \$185,437.50$

Mortgage $\$2,525,000 \times .75\% = \$18,937.50$

Section; 55, Block: 415, Lots: 260 (261), 1, & 2

Parcels: 3
SD- Roosevelt

Lots: 260 and 261 are currently within an IDA PILOT

Full Assessed Value: \$ 1,935,400
Total Assessment: \$ 19,354

Current Tax Information: Part of property currently within a PILOT
If it were not within a PILOT (Inclusive of new land): \$104,427.74
School: \$47,054.83
General: \$57,372.91
Village: N/A

Estimated Taxes Once Built: \$125,000

Applicant Counsel: Dan Baker
Transaction Counsel: Bill Weir

Parabit Realty, LLC & Parabit Systems, INC

Project: 2802-21-22A

DRAFT PILOT

EXTENSION

Section; 55, Block: 415, Lots: 260 (261), 1, & 2

Parcels: 3

SD- Roosevelt

Lots: 260 and 261 are currently within an IDA PILOT

Current PILOT Payments Remaining:

2022 Gen/2021-2022 School \$81,451.00

2023 Gen/2022-2023 School \$84,709.00

Current Taxes if property was not within a PILOT/previously owned by TOH: \$104,427.74

Estimated As Built Taxes: \$125,000.00

Year	Total
Current Year	
2022 Gen/2021-2022 School	\$81,451.00
1	\$84,709.00
2	\$84,709.00
3	\$84,709.00
4	\$91,327.00
5	\$100,000.00
6	\$105,000.00
7	\$110,000.00
8	\$120,000.00
9	\$130,000.00
10	\$140,000.00
11	\$145,000.00

1/11/22 – DRAFT

1/14/22 – SECOND DRAFT

This Pilot has NOT been approved by the Hempstead IDA Board

Economic and Fiscal Impact

PARABIT REALTY, LLC &
PARABIT SYSTEMS, INC

Town of Hempstead
Industrial Development Agency

JANUARY 21, 2022

PREPARED BY:



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

Parabit Realty, LLC & Parabit Systems Inc.

The Project

7,820 SF expansion of an existing facility at 33-35 Debevoise Avenue, Roosevelt, NY 11575 to meet the demands of current growth in manufacturing kiosks and ATM Access Control systems for banks.

Requested Financial Assistance

- ◆ **PILOT:** 10-year extension to an existing PILOT, which has 2-years remaining.
- ◆ **Sales Tax Exemption:** \$185,437.5050
- ◆ **Mortgage Tax Abatement:** \$18,937.50

Total Annual Economic Impact

- ◆ **Jobs:** 17
- ◆ **Earnings:** \$1,346,359
- ◆ **Sales:** \$4,618,310

Fiscal Benefit or Cost to Town

- ◆ **Annual Sales Tax Revenue:** \$884
- ◆ **Average Annual PILOT Payment:** \$18,777
- ◆ **Average Annual PILOT Cost:** \$1,334

Summary of Benefits to Town

Total Jobs	17
Direct Jobs	13
Total Earnings	\$ 1,346,359
Direct Earnings	\$ 991,685
Annual Sales Tax Revenue to County	\$ 10,014
Annual Sales Tax Revenue to Town	\$ 884
Average Annual PILOT Payment	\$ 111,075
Average Annual PILOT Payment to Town	\$ 18,777
Average Annual PILOT Cost	\$ (7,891)
Average Annual PILOT Cost to Town	\$ (1,334)

Economic and Fiscal Impacts of Construction Phase

Construction Phase Spending - Town

Total Construction Cost	\$ 2,810,000
Percent Sourced from Town	70%
Net New Construction Spending	\$ 1,967,000

Source: Applicant, Camoin Associates

Town Economic Impact - Construction Phase

	Jobs	Earnings	Sales
Direct	11	\$ 813,427	\$ 1,967,000
Indirect	1	\$ 94,816	\$ 302,930
Induced	1	\$ 102,738	\$ 260,595
Total	13	\$ 1,010,981	\$ 2,530,525

Source: Emsi, Camoin Associates

One-Time Sales Tax Revenue, Construction Phase

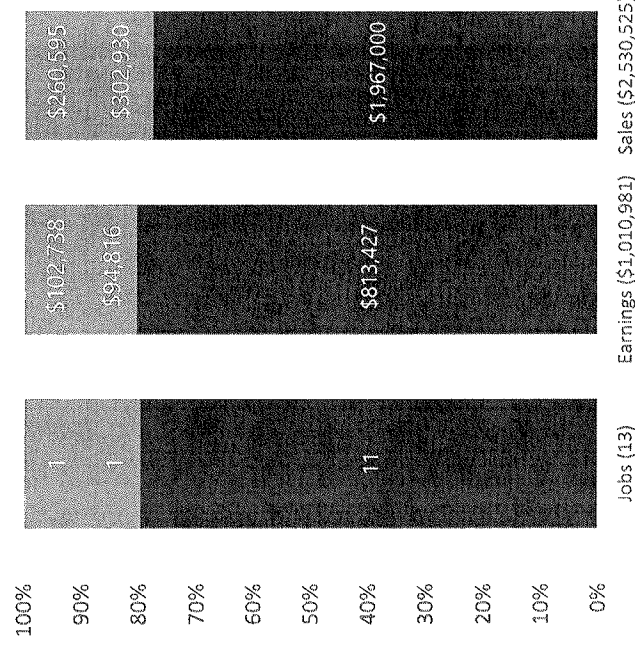
Total New Earnings	\$ 1,010,981
Amount Spent in County (70%)	\$ 707,687
Amount Taxable (25%)	\$ 176,922
Nassau County Sales Tax Revenue (4.25%)	\$ 7,519
New Town Sales Tax Revenue Portion*	0.375%
New Town Sales Tax Revenue	\$ 663

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 Economic Impact - Construction Phase

■ Direct ■ Indirect ■ Induced



Economic and Fiscal Impacts of Annual Operations

Town Economic Impact - On-Site Operations

	Jobs	Earnings	Sales
Direct	13	\$ 991,685	\$ 3,701,244
Indirect	2	\$ 197,891	\$ 517,844
Induced	2	\$ 156,784	\$ 399,223
Total	17	\$ 1,346,359	\$ 4,618,310

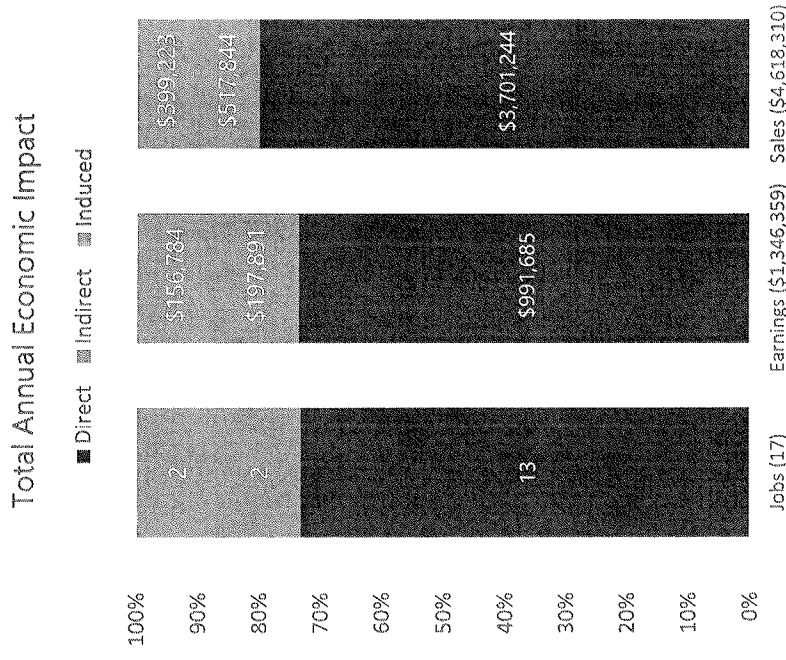
Source: Emsi, Camoin Associates

Annual Sales Tax Revenue, On-Site Operations

Total New Earnings	\$ 1,346,359
Amount Spent in County (70%)	\$ 942,452
Amount Taxable (25%)	\$ 235,613
Nassau County Sales Tax Revenue (4.25%)	\$ 10,014
New Town Sales Tax Revenue Portion*	0.375%
New Town Tax Revenue	\$ 884

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.



PILOT Payments

Tax Payments with PILOT

Year	PILOT Payments	Total	Town Portion
Existing PILOT	\$ 81,451	\$	13,769
Existing PILOT	\$ 84,709	\$	14,320
1	\$ 84,709	\$	14,320
2	\$ 84,709	\$	14,320
3	\$ 91,327	\$	15,439
4	\$ 100,000	\$	16,905
5	\$ 105,000	\$	17,750
6	\$ 110,000	\$	18,595
7	\$ 120,000	\$	20,286
8	\$ 130,000	\$	21,976
9	\$ 140,000	\$	23,667
10	\$ 145,000	\$	24,512
Total	\$ 1,110,745	\$	187,769
Average	\$ 111,075	\$	18,777

Source: Town of Hempstead IDA, Camoin Associates

Tax Payments without Project

Year	Property Tax Payment Without Project*	Total	Town Portion
Existing PILOT	\$ 104,428	\$	17,653
Existing PILOT	\$ 106,516	\$	18,006
1	\$ 108,647	\$	18,366
2	\$ 110,820	\$	18,734
3	\$ 113,036	\$	19,108
4	\$ 115,297	\$	19,491
5	\$ 117,603	\$	19,880
6	\$ 119,955	\$	20,278
7	\$ 122,354	\$	20,684
8	\$ 124,801	\$	21,097
9	\$ 127,297	\$	21,519
10	\$ 129,843	\$	21,950
Total	\$ 1,189,650	\$ 1,189,650	
Average	\$ 118,965	\$ 20,111	

Source: Town of Hempstead IDA, Camoin Associates

*Note: Assumes an average annual increase of 2.00%

The current total property tax payment without project is calculated based on a 2.00% annual increase to value of what the current taxes would be without the current PILOT, as provided by the applicant.

Tax Policy Comparison

Tax Policy Comparison (All Jurisdictions)

Year	Property Tax Payment Without Project	PILOT Payment	Benefit (Cost) of Project
1	\$ 108,647	\$ 84,709	\$ (23,938)
2	\$ 110,820	\$ 84,709	\$ (26,111)
3	\$ 113,036	\$ 91,327	\$ (21,709)
4	\$ 115,297	\$ 100,000	\$ (15,297)
5	\$ 117,603	\$ 105,000	\$ (12,603)
6	\$ 119,955	\$ 110,000	\$ (9,955)
7	\$ 122,354	\$ 120,000	\$ (2,354)
8	\$ 124,801	\$ 130,000	\$ 5,199
9	\$ 127,297	\$ 140,000	\$ 12,703
10	\$ 129,843	\$ 145,000	\$ 15,157
Total	\$ 1,189,650	\$ 1,110,745	\$ (78,905)
Average	\$ 118,965	\$ 111,075	\$ (7,891)

Source: Town of Hempstead IDA, Camoin Associates

Tax Policy Comparison for Town

Year	Property Tax Payment Without Project	PILOT Payment	Benefit (Cost) of Project
1	\$ 18,366	\$ 14,320	\$ (4,047)
2	\$ 18,734	\$ 14,320	\$ (4,414)
3	\$ 19,108	\$ 15,439	\$ (3,670)
4	\$ 19,491	\$ 16,905	\$ (2,586)
5	\$ 19,880	\$ 17,750	\$ (2,130)
6	\$ 20,278	\$ 18,595	\$ (1,683)
7	\$ 20,684	\$ 20,286	\$ (398)
8	\$ 21,097	\$ 21,976	\$ 879
9	\$ 21,519	\$ 23,667	\$ 2,147
10	\$ 21,950	\$ 24,512	\$ 2,562
Total	\$ 201,108	\$ 187,769	\$ (13,339)
Average	\$ 20,111	\$ 18,777	\$ (1,334)

Source: Town of Hempstead IDA, Camoin Associates

Summary of Costs to Affected Jurisdictions - Other

Exemptions

	State and County
Sales Tax Exemption	\$ 185,438
Mortgage Tax Exemption	\$ 18,938

Source: Applicant, Camoin Associates

THE PROJECT TEAM

Rachel Selsky

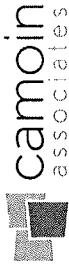
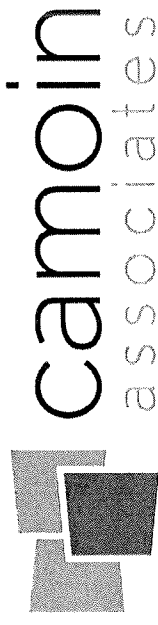
Vice President, Project Principal

Jessica Tagliafierro

Senior Analyst

Leading action to
grow your economy

Saratoga Springs, NY
Richmond, VA
Portland, ME
Boston, MA



2 -----X

3 IN THE MATTER OF A NOTICE OF

4 PUBLIC HEARING

5 RE: PARABIT REALTY LLC

6

7 -----X

8

9 350 Front Street
10 Hempstead, New York

11 February 15, 2022
12 11:14 a.m.

13

14

15 B E F O R E:

16 MICHAEL LODATO, Hearing Officer

17

18

19 Julia Giannakopoulos,
20 Court Stenographer

21

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2 A P P E A R A N C E S :

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4 TOWN OF HEMPSTEAD
INDUSTRIAL DEVELOPMENT AGENCY
5 350 Front Street
Hempstead, New York 11550
6 BY: FREDERICK E. PAROLA, CEO

7

8

9 ALSO PRESENT:

10 George Peters, ESQ.,

11 Certilman, Balin, Adler & Hyman

12 Grant Newburger,

13 Building & Construction Trades Council

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FEVOLA REPORTING & TRANSCRIPTION INC (631) 724-7576

1 Parabit Realty 33-35 Debevoise Ave

2 HEARING OFFICER LODATO: Good
3 morning. It is 11:14 a.m. on
4 February 15, 2022, and we are opening a
5 public hearing for Parabit.

6 This is the project that is
7 already part of the IDA and is looking
8 to get more benefits, extend more
9 benefits to them because they are
10 expanding their facility.

11 My name is Mike Lodato. I'm the
12 deputy executor director, and I'm
13 accompanied by Frederick E. Parola, the
14 CEO.

15 I will now read the Notice into
16 the record, and we will open the
17 hearing.

18 Notice is hereby given that a
19 public hearing pursuant to Title 1 of
20 Article 18-A of the New York State
21 General Municipal Law will be held by
22 the Town of Hempstead Industrial
23 Development Agency ("the Agency") on
24 the 15th day of February, 2022, at
25 10:30 a.m., local time, at 350 Front

1 Parabit Realty 33-35 Debevoise Ave
2 Street, Old Town Hall Courtroom, 2nd
3 Floor, Hempstead, New York in
4 connection with the following matters:

5 The Agency has previously provided
6 its assistance to Parabit Realty LLC, a
7 limited liability company duly
8 organized and validly existing under
9 the laws of the State of New York (the
10 "Company"), consisting of the
11 acquisition of an approximately 1.45
12 acre parcel of land located at 33-35
13 Debevoise Avenue, Roosevelt, Town of
14 Hempstead, Nassau County, New York (the
15 "Original Land"), and the renovation
16 and equipping of an approximately
17 25,000 square foot existing building
18 located thereon (the "Original
19 Improvements"), and leased by the
20 Agency to the Company, and subleased by
21 the Company to, and used by, Parabit
22 Systems, Inc., a New York business
23 corporation (the "Sublessee"), for the
24 manufacture and servicing of security,
25 telecommunication, kiosks and enclosure

1 Parabit Realty 33-35 Debevoise Ave

2 equipment (the "Original Facility").

3 The Company has now applied to the
4 Agency for assistance in (a) the
5 acquisition of an approximately
6 0.32-acre parcel of land located at 19
7 & 23 Debevoise Avenue, Roosevelt, New
8 York 11575 (the "2022 Land", and
9 together with the Original Land, the
10 "Land"), the construction and equipping
11 thereon of an approximately 7,820
12 square foot building and the renovation
13 and equipping of an approximately
14 21,005 square foot portion of the
15 Original Improvements (the "2022
16 Improvements", and together with the
17 Original Improvements, the
18 "Improvements") and the acquisition and
19 installation of certain equipment not
20 part of the Equipment (as hereinafter
21 defined) (the "Facility Equipment", and
22 together with the Land and
23 Improvements, the "Company Facility"),
24 all to be leased by the Agency to the
25 Company, for further sublease by the

1 Parabit Realty 33-35 Debevoise Ave
2 Company to the Sublessee; and (b) the
3 acquisition and installation of certain
4 equipment (the "Equipment", and
5 together with the Company Facility, the
6 "Facility"), which Equipment is to be
7 leased by the Agency to the Sublessee
8 for use as (i) research and development
9 operations and (ii) the manufacture and
10 servicing of security,
11 telecommunication, kiosks and enclosure
12 equipment, including the following as
13 they relate to the acquisition,
14 renovation and equipping of such
15 Facility, whether or not any materials
16 or supplies described below are
17 incorporated into or become an integral
18 part of such Facility (the "Project").
19 The Facility will be owned by the
20 Company and will be operated and
21 managed by the Sublessee.

22 The Facility will be leased by the
23 Company to the Agency pursuant to a
24 certain Company Lease and will be
25 subleased by the Agency to the Company

1 Parabit Realty 33-35 Debevoise Ave
2 pursuant to a certain Lease and Project
3 Agreement.

4 The Agency contemplates that it
5 will provide financial assistance to
6 the Company in the form of exemptions
7 from mortgage recording taxes in
8 connection with the financing or any
9 subsequent refinancing of the Facility,
10 exemptions from sales and use taxes and
11 abatement of real property taxes,
12 consistent with the policies and
13 resolutions of the Agency.

14 A representative of the Agency
15 will, at the above-stated time and
16 place, hear and accept written comments
17 from all persons with views in favor of
18 or opposed to either the proposed grant
19 of financial assistance to the Company
20 by the Agency or the location or nature
21 of the Facility. Prior to the hearing,
22 all persons will have the opportunity
23 to review on the Agency's website
24 (<https://tohida.org/>) the application
25 for financial assistance filed by the

1 Parabit Realty 33-35 Debevoise Ave
2
3 Company with the Agency and an analysis
4 of the costs and benefits of the
5 construction and on-going operation of
6 the proposed Facility.

7 And I will see now if anyone would
8 like to come up and state your name.

9 MR. PETERS: Good morning. My
10 name is George Peters. I'm from the
11 law firm of Certilman, Balin, Adler &
12 Hyman, 90 Merrick Avenue, East Meadow,
13 New York 11554, appearing on behalf of
14 the applicant. I will hear the
15 comments from the public. Thank you.

16 MR. NEWBURGER: Grant Newburger
17 again from the Building Construction
18 Trades Counsel of Nassau Suffolk. Even
19 though this project is less than 30,000
20 square feet, still just want to put a
21 comment into the public records, you
22 know, we want to make sure that
23 prevailing wage is included and the
24 project agreement is the discussion to
25 be had.

 Thank you.

2 HEARING OFFICER LODATO: We are
3 closing the meeting on Parabit at 11:35
4 a.m.

5 Thank you.

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7 (Time noted: 11:35 a.m.)
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CERTIFICATION

I, JULIA GIANNAKOPOULOS, a Notary Public in and
for the State of New York, do hereby certify:

THAT the within transcript is a true record of
the testimony given by said witness.

I further certify that I am not related either
by blood or marriage, to any of the parties to this
action; and

THAT I am in no way interested in the outcome
of this matter.

IN WITNESS WHEREOF, I have hereunto set my hand
this 16th day of February 2022.

JULIA GIANNAKOPOULOS

PROJECT ABSTRACT
TOWN OF HEMPSTEAD INDUSTRIAL DEVELOPMENT AGENCY

Inwood Property Development, LLC

Project: 2802-21-21A

Application Date: 11/24/21 Contact: Isaiah Moultrie

Applicant Name and Address 216 Cedar Avenue
Hewlett, New York 11557

Project Address: 360-370 Bayview Avenue
Inwood, New York 11096

Project:

The applicant intends to construct a 48 Unit, 52,582 square foot building on.23 acres of land. The building will be comprised of 20 one bedroom units, 15 two bedroom units, and 12 three bedroom units, as well as 1 Studio. 25% of the units will be affordable based off of an 80% AMI or less.

Project Costs:

Land acquisition	\$2,200,000
Building construction	\$14,950,455
Site Work	\$518,477
Machinery and Equipment	\$3,715,641
Legal Fees	\$53,000
Architectural/Engineering Fees	\$234,000
Financial Charges	\$125,000
 Total	 \$21,796,573

Employment:

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

LMA: 1

Creation: of 2 FTE by year 2

Full Time: \$35,000 - \$95,000 Average: \$65,000

Benefits Sought: 20 Year PILOT, Sales Tax Exemption, Mortgage Recording Tax Exemption

Benefit Analysis:

Sales Tax Exemption Renovation, Furnishing and Fixture:

$\$12,997,000.20 \times 8.625\% = \$1,120,991.26$

Mortgage $\$17,437,258.40 \times .75\% = \$130,779.43$

Section; 40, Block: 157, Lots: 2, 212, 214, 615, 616, 623

Parcels: 6

SD- Lawrence

Full Assessed Value: \$ 2,357,000

Total Assessment: \$8,018

Current Tax Information: \$64,616.60

General 21: \$33,915.08

School 21/22: \$30,701.52

Village: N/A

Estimated Taxes Once Built: \$150,000.00

Applicant Counsel: Dan Baker

Transaction Counsel: Paul O'Brien

Inwood Property Development, LLC
Project: 2802-21-21A
DRAFT PILOT

Section; 40, Block: 157, Lots: 2, 212, 214, 615, 616, 623

Parcels: 6

SD- Lawrence

Current Tax Information: \$64,616.60

Land Only Value as per Opinion Letter: \$42,945

Estimated Taxes Once Built: \$150,000.00 -

Year	Total
1	\$42,945.00
2	\$42,945.00
3	\$42,945.00
4	\$65,000.00
5	\$70,000.00
6	\$75,000.00
7	\$80,000.00
8	\$85,000.00
9	\$95,000.00
10	\$100,000.00
11	\$115,000.00
12	\$125,000.00
13	\$135,000 .00
14	\$145,000.00
15	\$155,000.00
16	\$165,000.00
17	\$175,000.00
18	\$180,000.00
19	\$190,000.00
20	\$200,000.00

1/11/22 - DRAFT

1/12/22 – SECOND DRAFT

1/12/22 – THIRD 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

INWOOD PROPERTY DEVELOPMENT, LLC

Town of Hempstead
Industrial Development Agency

JANUARY 21, 2022

PREPARED BY:

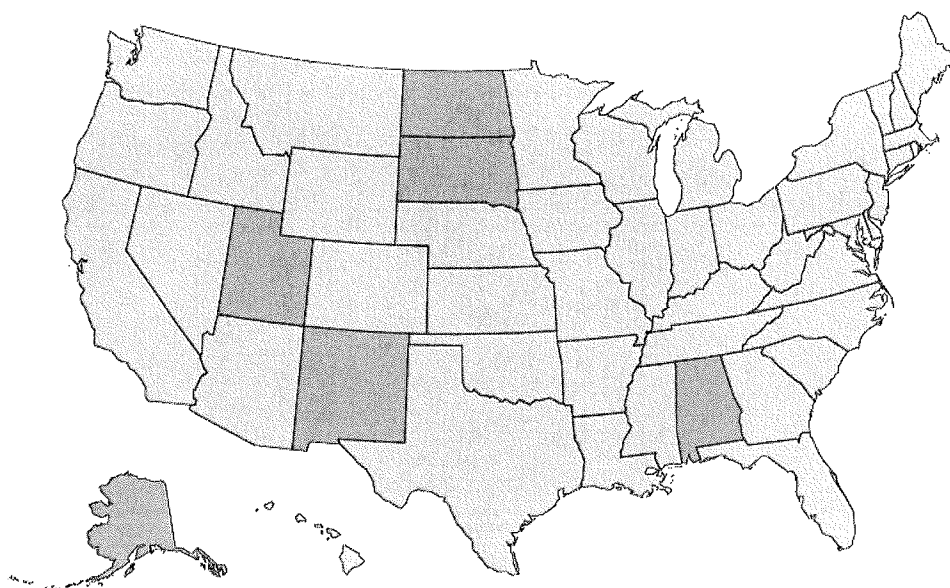


PO Box 3547
Saratoga Springs, NY 12866
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Camoin Associates has provided economic development consulting services to municipalities, economic development agencies, and private enterprises since 1999. Through the services offered, Camoin Associates has 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).

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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 Inwood Property Development, LLC. The proposed project involves construction of a 48-unit apartment building with 25% of units affordable for tenants earning up to 80% of AMI 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 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:

Inwood Property Development,
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 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.

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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 20 one-bedroom units, 15 two-bedroom units, 12 three-bedroom units, and one studio unit (the "Project") at 360-370 Bayview Avenue, Inwood, New York 11096 (the "Site"). 25% of units will be affordable housing units for tenants earning up to 80% of AMI. 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 market-rate and affordable units (or 40 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	13
Direct Jobs	10
Total Earnings	\$ 712,486
Direct Earnings	\$ 457,469
Annual Sales Tax Revenue to County	\$ 19,971
Annual Sales Tax Revenue to Town	\$ 1,762
Average Annual PILOT Payment	\$ 114,192
Average Annual PILOT Payment to Town	\$ 10,066
Average Annual PILOT Benefit	\$ 35,691
Average Annual PILOT Benefit to Town	\$ 3,146
Average Annual Net Benefit to Town	\$ 4,908

- ◆ The Project would support 13 net new jobs in the town, with over \$712,000 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 \$10,066 will be allocated to the Town.
- ◆ The annual net benefit to the Town is estimated to be \$4,908. 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 \$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.

Table 2

Summary of Costs to Affected Jurisdictions

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

Source: Applicant, Camoin Associates

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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 Construction 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.

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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.

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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).

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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

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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.

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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%

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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

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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

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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

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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

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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

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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.

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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.

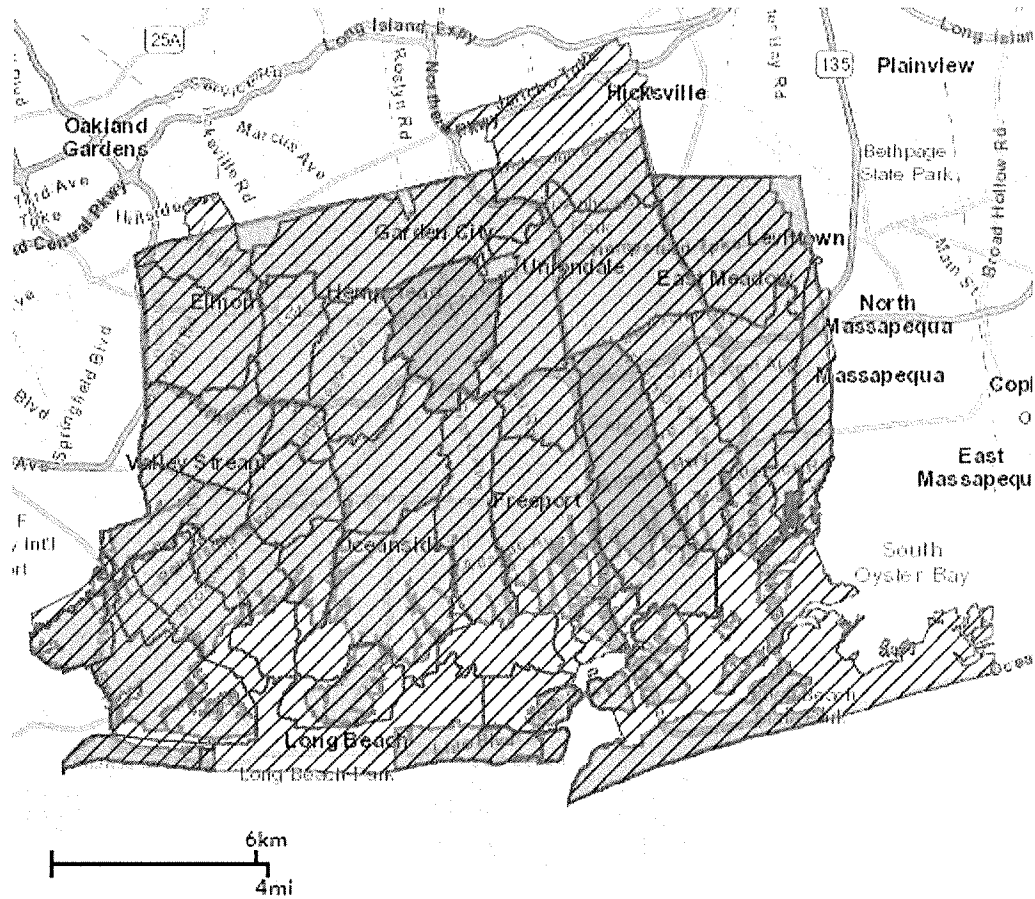
Our housing market research indicates that housing is heavily affected by demand, with households in different demographic groups seeking diverse housing price points and amenities. Our estimates of net new households take into consideration demographic and economic differences among renters, and price 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.

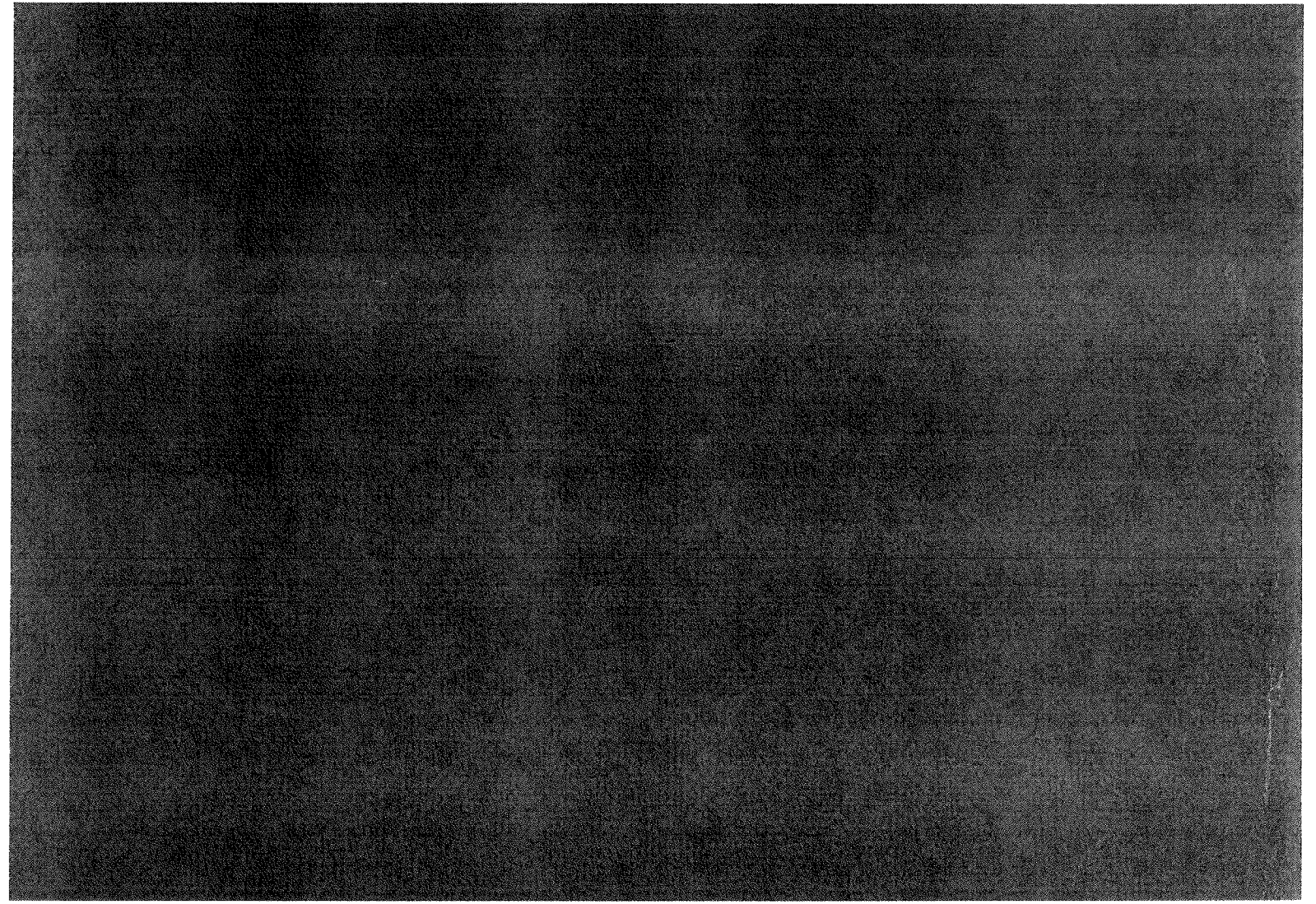
The following steps outline our process for calculating net new households. All data is drawn from Esri Business Analyst.

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.

ATTACHMENT C: STUDY AREAS

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





Leading action to grow your economy

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