

Economic and Fiscal Impact

CARMAN PLACE APARTMENTS, LLC
RESIDENTIAL PORTION

Town of Hempstead
Industrial Development Agency

FEBRUARY 14, 2022

PREPARED BY:



P.O. Box 3547
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Carman Place Apartments, LLC (residential)

The Project

Construction of 228 affordable rental units on Main Street, Bedell Street, and Columbia Street, Hempstead, NY 11550. All units will be income restricted to tenants earning up to \$116,910.

Requested Financial Assistance

- ◆ **PILOT:** 30-year
- ◆ **Sales Tax Exemption:** \$3,415,199
- ◆ **Mortgage Tax Abatement:** \$451,627.88

Total Annual Economic Impact

- ◆ **Jobs:** 47 in town, 18 in village
- ◆ **Earnings:** \$2,444,399 in town, \$843,230 in village
- ◆ **Sales:** \$6,747,859 in town, \$2,405,771 in village

Fiscal Benefit or Cost to Town

- ◆ **Annual Sales Tax Revenue:** \$6,619
- ◆ **Average Annual PILOT Payment:** \$8,667
- ◆ **Average Annual Net Benefit:** \$9,273

**Note that town economic impacts are inclusive of village impacts; the two should not be added together.*

Summary of Benefits to Town

Total Jobs	47
Direct Jobs	34
Total Earnings	\$ 2,444,399
Direct Earnings	\$ 1,594,158
Annual Sales Tax Revenue to Town	\$ 6,619
Average Annual PILOT Payment	\$ 420,254
Average Annual PILOT Payment to Town	\$ 8,667
Average Annual PILOT Benefit	\$ 128,677
Average Annual PILOT Benefit to Town	\$ 2,654
Average Annual Net Benefit to Town	\$ 9,273

Summary of Benefits to Village

Total Jobs	18
Direct Jobs	17
Total Earnings	\$ 843,230
Direct Earnings	\$ 768,982
Average Annual PILOT Payment (Residential)	\$ 420,254
Average Annual PILOT Payment to Village	\$ 168,395
Average Annual PILOT Benefit (Residential)	\$ 128,677
Average Annual PILOT Benefit to Village	\$ 51,561
Average Annual Net Benefit to Village	\$ 51,561

Economic and Fiscal Impacts of Construction Phase

Construction Phase Spending

Total Construction Cost	\$ 88,977,449
Percent Sourced from Town	70%
Net New Constuction Spending	\$ 62,284,214

Source: Applicant, Camoin Associates

Construction Phase Spending

Total Construction Cost	\$ 88,977,449
Percent Sourced from Village	30%
Net New Constuction Spending	\$ 26,693,235

Source: Applicant, Camoin Associates

Town Economic Impact - Construction Phase

	Jobs	Earnings	Sales
Direct	260 \$	26,104,535 \$	62,284,214
Indirect	42 \$	3,017,250 \$	9,624,449
Induced	47 \$	3,220,217 \$	8,167,169
Total	349 \$	32,342,002 \$	80,075,833

Source: Emsi, Camoin Associates

Village Economic Impact - Construction Phase

	Jobs	Earnings	Sales
Direct	129 \$	11,726,133 \$	26,693,235
Indirect	0 \$	16,554 \$	66,406
Induced	0 \$	26 \$	101
Total	129 \$	11,742,714 \$	26,759,742

Source: Emsi, Camoin Associates

One-Time Sales Tax Revenue, Construction Phase

Total New Earnings	\$ 32,342,002
Amount Spent in County (70%)	\$ 22,639,401
Amount Taxable (25%)	\$ 5,659,850
Nassau County Sales Tax Revenue (4.25%)	\$ 240,544
New Town Sales Tax Revenue Portion*	0.375%
New Town Sales Tax Revenue	\$ 21,224

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.

Net New Household Spending

Net New Households

	Total Households	Percent Net New	Net New Households
Workforce	228	85%	194
Total	228	85%	194

Source: Esri, Camoin Associates

Tenant Spending Basket

Workforce Units for Tenants Earning at or below \$116,910 (\$70,000 to \$99,999 Annual Household Income)

Category	Annual per Unit Spending Basket	Amount Spent in Town (60%)	Total Net New Town Spending (194 net new units)	Amount Spent in Village (25%)	Total Net New Village Spending (194 net new units)
Food	\$ 7,475	\$ 4,485	\$ 870,090	\$ 1,869	\$ 362,538
Household furnishings and equipment	\$ 2,396	\$ 1,438	\$ 278,894	\$ 599	\$ 116,206
Apparel and services	\$ 1,145	\$ 687	\$ 133,278	\$ 286	\$ 55,533
Transportation	\$ 11,098	\$ 6,659	\$ 1,291,807	\$ 2,775	\$ 538,253
Health care	\$ 5,745	\$ 3,447	\$ 668,718	\$ 1,436	\$ 278,633
Entertainment	\$ 2,694	\$ 1,616	\$ 313,582	\$ 674	\$ 130,659
Personal care products and services	\$ 652	\$ 391	\$ 75,893	\$ 163	\$ 31,622
Education	\$ 893	\$ 536	\$ 103,945	\$ 223	\$ 43,311
Miscellaneous	\$ 1,059	\$ 635	\$ 123,268	\$ 265	\$ 51,362
Total Tenant Spending	\$ 33,157	\$ 19,894	\$ 3,859,475	\$ 8,289	\$ 1,608,115

Source: 2020 Consumer Expenditure Survey, Bureau of Labor Statistics

Annual Economic Impact

Town Economic Impact - On-Site Operations

	Jobs	Earnings	Sales
Direct	4 \$	202,055 \$	679,583
Indirect	2 \$	102,772 \$	278,592
Induced	1 \$	42,953 \$	108,678
Total	7 \$	347,779 \$	1,066,852

Source: Emsi, Camoin Associates

Town Economic Impact - Household Spending

	Jobs	Earnings	Sales
Direct	30 \$	1,392,103 \$	3,859,475
Indirect	6 \$	363,628 \$	961,787
Induced	4 \$	340,889 \$	859,745
Total	40 \$	2,096,619 \$	5,681,006

Source: Emsi, Camoin Associates

Town Total Annual Economic Impact

	Jobs	Earnings	Sales
Direct	34 \$	1,594,158 \$	4,539,057
Indirect	8 \$	466,400 \$	1,240,378
Induced	5 \$	383,841 \$	968,423
Total	47 \$	2,444,399 \$	6,747,859

Source: Emsi, Camoin Associates

Village Economic Impact - On-Site Operations

	Jobs	Earnings	Sales
Direct	4 \$	182,181 \$	577,904
Indirect	0 \$	1,252 \$	1,943
Induced	0 \$	0 \$	1
Total	4 \$	183,433 \$	579,848

Source: Emsi, Camoin Associates

Village Economic Impact - Household Spending

	Jobs	Earnings	Sales
Direct	13 \$	586,801 \$	1,608,115
Indirect	1 \$	33,251 \$	90,557
Induced	0 \$	39,745 \$	127,252
Total	14 \$	659,797 \$	1,825,923

Source: Emsi, Camoin Associates

Village Total Annual Economic Impact

	Jobs	Earnings	Sales
Direct	17 \$	768,982 \$	2,186,018
Indirect	1 \$	34,503 \$	92,500
Induced	0 \$	39,746 \$	127,254
Total	18 \$	843,230 \$	2,405,771

Source: Emsi, Camoin Associates

**Note that town economic impacts are inclusive of village impacts; the two should not be added together.*

PILOT Payments

Tax Payments with PILOT

Year	Total		Portion of Payment by Jurisdiction			
	PILOT Payments	Town	County	School District	Village	
1	\$ 215,620	\$ 4,447	\$ 13,625	\$ 111,150	\$ 86,399	
2	\$ 215,620	\$ 4,447	\$ 13,625	\$ 111,150	\$ 86,399	
3	\$ 215,620	\$ 4,447	\$ 13,625	\$ 111,150	\$ 86,399	
4	\$ 341,276	\$ 7,038	\$ 21,565	\$ 175,924	\$ 136,749	
5	\$ 347,913	\$ 7,175	\$ 21,984	\$ 179,346	\$ 139,408	
6	\$ 354,676	\$ 7,315	\$ 22,411	\$ 182,832	\$ 142,118	
7	\$ 361,569	\$ 7,457	\$ 22,847	\$ 186,385	\$ 144,880	
8	\$ 368,594	\$ 7,602	\$ 23,291	\$ 190,006	\$ 147,695	
9	\$ 375,753	\$ 7,749	\$ 23,743	\$ 193,697	\$ 150,564	
10	\$ 383,049	\$ 7,900	\$ 24,204	\$ 197,458	\$ 153,487	
11	\$ 390,485	\$ 8,053	\$ 24,674	\$ 201,291	\$ 156,467	
12	\$ 398,062	\$ 8,210	\$ 25,153	\$ 205,197	\$ 159,503	
13	\$ 405,784	\$ 8,369	\$ 25,641	\$ 209,177	\$ 162,597	
14	\$ 413,653	\$ 8,531	\$ 26,138	\$ 213,234	\$ 165,750	
15	\$ 421,672	\$ 8,696	\$ 26,645	\$ 217,368	\$ 168,963	
16	\$ 429,844	\$ 8,865	\$ 27,161	\$ 221,580	\$ 172,238	
17	\$ 438,171	\$ 9,037	\$ 27,687	\$ 225,873	\$ 175,574	
18	\$ 446,657	\$ 9,212	\$ 28,223	\$ 230,247	\$ 178,975	
19	\$ 455,304	\$ 9,390	\$ 28,770	\$ 234,705	\$ 182,440	
20	\$ 464,116	\$ 9,572	\$ 29,327	\$ 239,247	\$ 185,971	
21	\$ 473,095	\$ 9,757	\$ 29,894	\$ 243,876	\$ 189,568	
22	\$ 482,244	\$ 9,946	\$ 30,472	\$ 248,592	\$ 193,234	
23	\$ 491,567	\$ 10,138	\$ 31,061	\$ 253,398	\$ 196,970	
24	\$ 501,067	\$ 10,334	\$ 31,661	\$ 258,295	\$ 200,777	
25	\$ 510,747	\$ 10,533	\$ 32,273	\$ 263,285	\$ 204,656	
26	\$ 520,611	\$ 10,737	\$ 32,896	\$ 268,370	\$ 208,608	
27	\$ 530,661	\$ 10,944	\$ 33,531	\$ 273,550	\$ 212,635	
28	\$ 540,901	\$ 11,155	\$ 34,178	\$ 278,829	\$ 216,738	
29	\$ 551,335	\$ 11,371	\$ 34,838	\$ 284,208	\$ 220,919	
30	\$ 561,966	\$ 11,590	\$ 35,510	\$ 289,688	\$ 225,179	
Total	\$ 12,607,632	\$ 260,016	\$ 796,652	\$ 6,499,105	\$ 5,051,859	
Average	\$ 420,254	\$ 8,667	\$ 26,555	\$ 216,637	\$ 168,395	

Source: Town of Hempstead IDA, Camoin Associates

Tax Payments Without Project

Tax Payments without Project

Year	Total Property Tax Payment		Portion of Payment by Jurisdiction			
	Without Project*		Town	County	School District	Village
1	\$ 215,621	\$	4,447	\$ 13,625	\$ 111,150	\$ 86,399
2	\$ 219,933	\$	4,536	\$ 13,897	\$ 113,373	\$ 88,127
3	\$ 224,332	\$	4,627	\$ 14,175	\$ 115,641	\$ 89,889
4	\$ 228,819	\$	4,719	\$ 14,459	\$ 117,954	\$ 91,687
5	\$ 233,395	\$	4,813	\$ 14,748	\$ 120,313	\$ 93,521
6	\$ 238,063	\$	4,910	\$ 15,043	\$ 122,719	\$ 95,391
7	\$ 242,824	\$	5,008	\$ 15,344	\$ 125,173	\$ 97,299
8	\$ 247,681	\$	5,108	\$ 15,650	\$ 127,677	\$ 99,245
9	\$ 252,634	\$	5,210	\$ 15,963	\$ 130,230	\$ 101,230
10	\$ 257,687	\$	5,314	\$ 16,283	\$ 132,835	\$ 103,255
11	\$ 262,841	\$	5,421	\$ 16,608	\$ 135,492	\$ 105,320
12	\$ 268,097	\$	5,529	\$ 16,941	\$ 138,201	\$ 107,426
13	\$ 273,459	\$	5,640	\$ 17,279	\$ 140,965	\$ 109,575
14	\$ 278,929	\$	5,753	\$ 17,625	\$ 143,785	\$ 111,766
15	\$ 284,507	\$	5,868	\$ 17,977	\$ 146,660	\$ 114,002
16	\$ 290,197	\$	5,985	\$ 18,337	\$ 149,594	\$ 116,282
17	\$ 296,001	\$	6,105	\$ 18,704	\$ 152,586	\$ 118,607
18	\$ 301,921	\$	6,227	\$ 19,078	\$ 155,637	\$ 120,979
19	\$ 307,960	\$	6,351	\$ 19,459	\$ 158,750	\$ 123,399
20	\$ 314,119	\$	6,478	\$ 19,849	\$ 161,925	\$ 125,867
21	\$ 320,401	\$	6,608	\$ 20,246	\$ 165,164	\$ 128,384
22	\$ 326,809	\$	6,740	\$ 20,650	\$ 168,467	\$ 130,952
23	\$ 333,345	\$	6,875	\$ 21,063	\$ 171,836	\$ 133,571
24	\$ 340,012	\$	7,012	\$ 21,485	\$ 175,273	\$ 136,242
25	\$ 346,813	\$	7,153	\$ 21,914	\$ 178,778	\$ 138,967
26	\$ 353,749	\$	7,296	\$ 22,353	\$ 182,354	\$ 141,747
27	\$ 360,824	\$	7,442	\$ 22,800	\$ 186,001	\$ 144,582
28	\$ 368,040	\$	7,590	\$ 23,256	\$ 189,721	\$ 147,473
29	\$ 375,401	\$	7,742	\$ 23,721	\$ 193,515	\$ 150,423
30	\$ 382,909	\$	7,897	\$ 24,195	\$ 197,386	\$ 153,431
Total	\$ 8,747,323	\$	180,402	\$ 552,726	\$ 4,509,155	\$ 3,505,039
Average	\$ 291,577	\$	6,013	\$ 18,424	\$ 150,305	\$ 116,835

Source: Town of Hempstead IDA, Camoin Associates

Tax Policy Comparison

Tax Policy Comparison (All Jurisdictions)

Year	Property Tax Payment Without Project	PILOT Payment	Benefit (Cost) of Project
1	\$ 215,621	\$ 215,620	\$ (1)
2	\$ 219,933	\$ 215,620	\$ (4,313)
3	\$ 224,332	\$ 215,620	\$ (8,712)
4	\$ 228,819	\$ 341,276	\$ 112,457
5	\$ 233,395	\$ 347,913	\$ 114,518
6	\$ 238,063	\$ 354,676	\$ 116,613
7	\$ 242,824	\$ 361,569	\$ 118,745
8	\$ 247,681	\$ 368,594	\$ 120,913
9	\$ 252,634	\$ 375,753	\$ 123,119
10	\$ 257,687	\$ 383,049	\$ 125,362
11	\$ 262,841	\$ 390,485	\$ 127,644
12	\$ 268,097	\$ 398,062	\$ 129,965
13	\$ 273,459	\$ 405,784	\$ 132,325
14	\$ 278,929	\$ 413,653	\$ 134,724
15	\$ 284,507	\$ 421,672	\$ 137,165
16	\$ 290,197	\$ 429,844	\$ 139,647
17	\$ 296,001	\$ 438,171	\$ 142,170
18	\$ 301,921	\$ 446,657	\$ 144,736
19	\$ 307,960	\$ 455,304	\$ 147,344
20	\$ 314,119	\$ 464,116	\$ 149,997
21	\$ 320,401	\$ 473,095	\$ 152,694
22	\$ 326,809	\$ 482,244	\$ 155,435
23	\$ 333,345	\$ 491,567	\$ 158,222
24	\$ 340,012	\$ 501,067	\$ 161,055
25	\$ 346,813	\$ 510,747	\$ 163,934
26	\$ 353,749	\$ 520,611	\$ 166,862
27	\$ 360,824	\$ 530,661	\$ 169,837
28	\$ 368,040	\$ 540,901	\$ 172,861
29	\$ 375,401	\$ 551,335	\$ 175,934
30	\$ 382,909	\$ 561,966	\$ 179,057
Total	\$ 8,747,323	\$ 12,607,632	\$ 3,860,309
Average	\$ 291,577	\$ 420,254	\$ 128,677

Source: Town of Hempstead IDA, Camoin Associates

Tax Policy Comparison

Tax Policy Comparison for Town

Year	Property Tax Payment Without Project	PILOT Payment	Benefit (Cost) of Project
1	\$ 4,447	\$ 4,447	\$ (0)
2	\$ 4,536	\$ 4,447	\$ (89)
3	\$ 4,627	\$ 4,447	\$ (180)
4	\$ 4,719	\$ 7,038	\$ 2,319
5	\$ 4,813	\$ 7,175	\$ 2,362
6	\$ 4,910	\$ 7,315	\$ 2,405
7	\$ 5,008	\$ 7,457	\$ 2,449
8	\$ 5,108	\$ 7,602	\$ 2,494
9	\$ 5,210	\$ 7,749	\$ 2,539
10	\$ 5,314	\$ 7,900	\$ 2,585
11	\$ 5,421	\$ 8,053	\$ 2,633
12	\$ 5,529	\$ 8,210	\$ 2,680
13	\$ 5,640	\$ 8,369	\$ 2,729
14	\$ 5,753	\$ 8,531	\$ 2,779
15	\$ 5,868	\$ 8,696	\$ 2,829
16	\$ 5,985	\$ 8,865	\$ 2,880
17	\$ 6,105	\$ 9,037	\$ 2,932
18	\$ 6,227	\$ 9,212	\$ 2,985
19	\$ 6,351	\$ 9,390	\$ 3,039
20	\$ 6,478	\$ 9,572	\$ 3,093
21	\$ 6,608	\$ 9,757	\$ 3,149
22	\$ 6,740	\$ 9,946	\$ 3,206
23	\$ 6,875	\$ 10,138	\$ 3,263
24	\$ 7,012	\$ 10,334	\$ 3,322
25	\$ 7,153	\$ 10,533	\$ 3,381
26	\$ 7,296	\$ 10,737	\$ 3,441
27	\$ 7,442	\$ 10,944	\$ 3,503
28	\$ 7,590	\$ 11,155	\$ 3,565
29	\$ 7,742	\$ 11,371	\$ 3,628
30	\$ 7,897	\$ 11,590	\$ 3,693
Total	\$ 180,402	\$ 260,016	\$ 79,614
Average	\$ 6,013	\$ 8,667	\$ 2,654

Source: Town of Hempstead IDA, Camoin Associates

Tax Policy Comparison for Village

Year	Property Tax Payment Without Project	PILOT Payment	Benefit (Cost) of Project
1	\$ 86,399	\$ 86,399	\$ (0)
2	\$ 88,127	\$ 86,399	\$ (1,728)
3	\$ 89,889	\$ 86,399	\$ (3,491)
4	\$ 91,687	\$ 136,749	\$ 45,062
5	\$ 93,521	\$ 139,408	\$ 45,887
6	\$ 95,391	\$ 142,118	\$ 46,727
7	\$ 97,299	\$ 144,880	\$ 47,581
8	\$ 99,245	\$ 147,695	\$ 48,450
9	\$ 101,230	\$ 150,564	\$ 49,334
10	\$ 103,255	\$ 153,487	\$ 50,232
11	\$ 105,320	\$ 156,467	\$ 51,147
12	\$ 107,426	\$ 159,503	\$ 52,077
13	\$ 109,575	\$ 162,597	\$ 53,022
14	\$ 111,766	\$ 165,750	\$ 53,984
15	\$ 114,002	\$ 168,963	\$ 54,962
16	\$ 116,282	\$ 172,238	\$ 55,956
17	\$ 118,607	\$ 175,574	\$ 56,967
18	\$ 120,979	\$ 178,975	\$ 57,995
19	\$ 123,399	\$ 182,440	\$ 59,041
20	\$ 125,867	\$ 185,971	\$ 60,104
21	\$ 128,384	\$ 189,568	\$ 61,184
22	\$ 130,952	\$ 193,234	\$ 62,282
23	\$ 133,571	\$ 196,970	\$ 63,399
24	\$ 136,242	\$ 200,777	\$ 64,534
25	\$ 138,967	\$ 204,656	\$ 65,688
26	\$ 141,747	\$ 208,608	\$ 66,861
27	\$ 144,582	\$ 212,635	\$ 68,054
28	\$ 147,473	\$ 216,738	\$ 69,265
29	\$ 150,423	\$ 220,919	\$ 70,496
30	\$ 153,431	\$ 225,179	\$ 71,748
Total	\$ 3,505,039	\$ 5,051,859	\$ 1,546,820
Average	\$ 116,835	\$ 168,395	\$ 51,561

Source: Town of Hempstead IDA, Camoin Associates

Additional Fiscal Impacts

Annual Sales Tax Revenue, On-Site Operations

Total New Earnings	\$	347,779
Amount Spent in County (70%)	\$	243,446
Amount Taxable (25%)	\$	60,861
Nassau County Sales Tax Revenue (4.25%)	\$	2,587
New Town Sales Tax Revenue Portion*		0.375%
New Town Tax Revenue	\$	228

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.

Annual Sales Tax Revenue, Household Spending

Total New Spending	\$	5,681,006
Amount Taxable (30%)	\$	1,704,302
Nassau County Sales Tax Revenue (4.25%)	\$	72,433
New Town Sales Tax Revenue Portion*		0.375%
New Town Tax Revenue	\$	6,391

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

Household Spending	\$	6,391
On-Site Operations	\$	228
New Town Tax Revenue	\$	6,619

Source: Town of Hempstead IDA, Camoin Associates

Summary of Costs to Affected Jurisdictions

	State and County	
Sales Tax Exemption	\$	3,415,199
Mortgage Tax Exemption	\$	451,628

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

