

Economic and Fiscal Impact

2 ENDO BOULEVARD, LLC

Town of Hempstead
Industrial Development Agency

FEBRUARY 20, 2023

PREPARED BY:



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2 Endo Boulevard, LLC

The Project

Renovation of an existing 77,000 SF building at 2 Endo Blvd, Hempstead, NY 11550 to be used as a printing and publishing facility for the Long Island Herald

Requested Financial Assistance

- ◆ **PILOT:** 7-year extension to an existing PILOT, which expired on 12/31/22.
- ◆ **Sales Tax Exemption:** \$44,764
- ◆ **Mortgage Tax Exemption:** \$5,063

Total Annual Economic Impact

- ◆ **Jobs:** 151
- ◆ **Earnings:** \$9,041,076
- ◆ **Sales:** \$29,387,942

Fiscal Cost to Town

- ◆ **Annual Sales Tax Revenue:** \$5,933
- ◆ **Average Annual PILOT Payment:** \$277,143
- ◆ **Average Annual Net Cost:** \$13,171

Summary of Benefits/Costs to Town

Total Jobs	151
Direct Jobs	114
Total Earnings	\$ 9,041,076
Direct Earnings	\$ 6,465,490
Annual Sales Tax Revenue to County	\$ 67,243
Annual Sales Tax Revenue to Town	\$ 5,933
Average Annual PILOT Payment	\$ 277,143
Average Annual PILOT Payment to Town	\$ 48,928
Average Annual PILOT Cost	\$ (125,098)
Average Annual PILOT Cost to Town	\$ (19,105)
Average Annual Net Cost to Town	\$ (13,171)

Economic and Fiscal Impacts of Renovation Phase

Renovation Phase Spending - Town

Total Renovation Cost	\$	655,000
Percent Sourced from Town		70%
Net New Renovation Spending	\$	458,500

Source: Applicant, Camoin Associates

Town Economic Impact - Renovation Phase

	Jobs	Earnings	Sales
Direct	2 \$	173,173 \$	458,500
Indirect	0 \$	21,810 \$	67,626
Induced	0 \$	24,478 \$	63,265
Total	2 \$	219,461 \$	589,391

Source: Lightcast, Camoin Associates

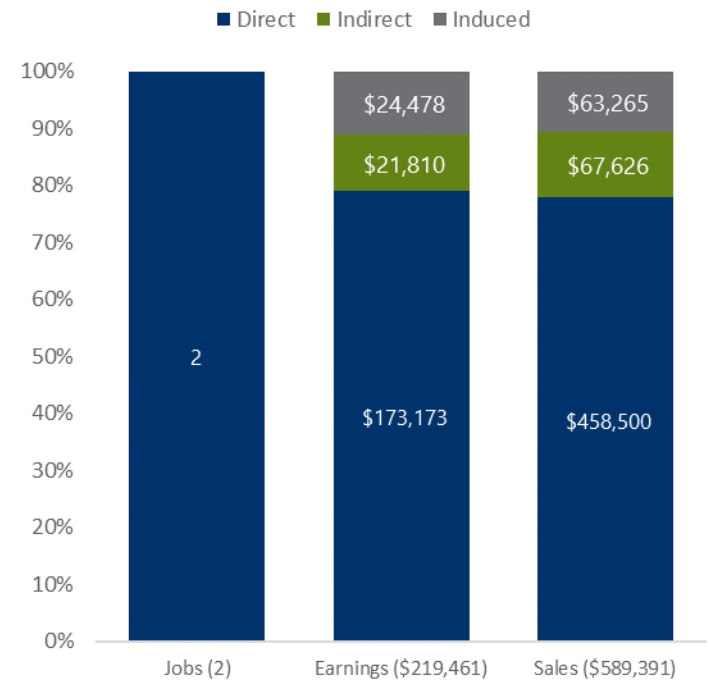
One-Time Sales Tax Revenue, Renovation Phase

Total New Earnings	\$	219,461
Amount Spent in County (70%)	\$	153,623
Amount Taxable (25%)	\$	38,406
Nassau County Sales Tax Revenue (4.25%)	\$	1,632
New Town Sales Tax Revenue Portion*		0.375%
New Town Sales Tax Revenue	\$	144

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 - Renovation Phase



Economic and Fiscal Impacts of Annual Operations

Town Economic Impact - On-Site Operations

	Jobs	Earnings	Sales
Direct	114 \$	6,465,490 \$	22,622,252
Indirect	19 \$	1,231,540 \$	3,262,458
Induced	18 \$	1,344,046 \$	3,503,232
Total	151 \$	9,041,076 \$	29,387,942

Source: Lightcast, Camoin Associates

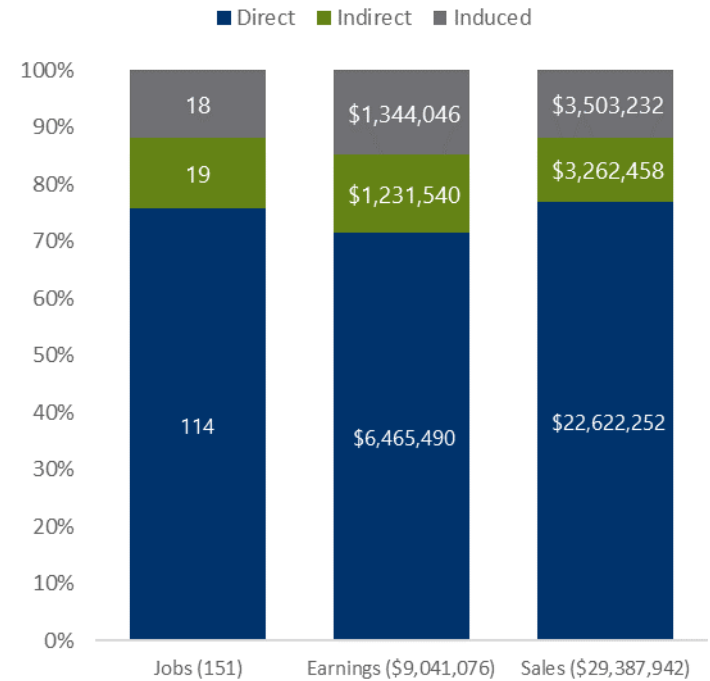
Annual Sales Tax Revenue, On-Site Operations

Total New Earnings	\$ 9,041,076
Amount Spent in County (70%)	\$ 6,328,753
Amount Taxable (25%)	\$ 1,582,188
Nassau County Sales Tax Revenue (4.25%)	\$ 67,243
New Town Sales Tax Revenue Portion*	0.375%
New Town Tax Revenue	\$ 5,933

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 Economic Impact



PILOT Payments

Tax Payments with PILOT

Year	Total		Portion of Payment by Jurisdiction			
	PILOT Payments		Town	County	School District	Special District
1	\$ 230,000	\$	\$ 38,901	\$ 44,733	\$ 130,742	\$ 15,624
2	\$ 240,000	\$	\$ 40,592	\$ 46,678	\$ 136,427	\$ 16,303
3	\$ 260,000	\$	\$ 43,975	\$ 50,568	\$ 147,796	\$ 17,661
4	\$ 280,000	\$	\$ 47,358	\$ 54,458	\$ 159,165	\$ 19,020
5	\$ 310,000	\$	\$ 52,432	\$ 60,293	\$ 176,218	\$ 21,058
6	\$ 335,000	\$	\$ 56,660	\$ 65,155	\$ 190,429	\$ 22,756
7	\$ 370,000	\$	\$ 62,580	\$ 71,962	\$ 210,325	\$ 25,134
Total	\$ 2,025,000	\$	\$ 342,496	\$ 393,847	\$ 1,151,101	\$ 137,556
Average	\$ 289,286	\$	\$ 48,928	\$ 56,264	\$ 164,443	\$ 19,651

Source: Town of Hempstead IDA, Camoin Associates

Tax Payments without Project

Year	Total		Portion of Payment by Jurisdiction			
	Property Tax Payment Without Project*		Town	County	School District	Special District
1	\$ 378,744	\$	\$ 64,058	\$ 73,663	\$ 215,295	\$ 25,728
2	\$ 386,319	\$	\$ 65,340	\$ 75,136	\$ 219,601	\$ 26,242
3	\$ 394,045	\$	\$ 66,646	\$ 76,639	\$ 223,993	\$ 26,767
4	\$ 401,926	\$	\$ 67,979	\$ 78,172	\$ 228,473	\$ 27,302
5	\$ 409,965	\$	\$ 69,339	\$ 79,735	\$ 233,042	\$ 27,848
6	\$ 418,164	\$	\$ 70,726	\$ 81,330	\$ 237,703	\$ 28,405
7	\$ 426,527	\$	\$ 72,140	\$ 82,956	\$ 242,457	\$ 28,973
Total	\$ 2,815,689	\$	\$ 476,229	\$ 547,630	\$ 1,600,564	\$ 191,266
Average	\$ 402,241	\$	\$ 68,033	\$ 78,233	\$ 228,652	\$ 27,324

Source: Town of Hempstead IDA, Camoin Associates

*Note: Assumes an average annual increase of 2.00%

Tax Policy Comparison

Tax Policy Comparison (All Jurisdictions)

Year	Property Tax Payment Without Project	PILOT Payment	Benefit (Cost) of Project
1	\$ 378,744	\$ 230,000	\$ (148,744)
2	\$ 386,319	\$ 240,000	\$ (146,319)
3	\$ 394,045	\$ 260,000	\$ (134,045)
4	\$ 401,926	\$ 280,000	\$ (121,926)
5	\$ 409,965	\$ 310,000	\$ (99,965)
6	\$ 418,164	\$ 310,000	\$ (108,164)
7	\$ 426,527	\$ 310,000	\$ (116,527)
Total	\$ 2,815,689	\$ 1,940,000	\$ (875,689)
Average	\$ 402,241	\$ 277,143	\$ (125,098)

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	\$ 64,058	\$ 38,901	\$ (25,158)
2	\$ 65,340	\$ 40,592	\$ (24,747)
3	\$ 66,646	\$ 43,975	\$ (22,672)
4	\$ 67,979	\$ 47,358	\$ (20,622)
5	\$ 69,339	\$ 52,432	\$ (16,907)
6	\$ 70,726	\$ 56,660	\$ (14,066)
7	\$ 72,140	\$ 62,580	\$ (9,561)
Total	\$ 476,229	\$ 342,496	\$ (133,732)
Average	\$ 68,033	\$ 48,928	\$ (19,105)

Source: Town of Hempstead IDA, Camoin Associates

Tax Policy Comparison

Tax Policy Comparison for County

Year	Property Tax Payment Without Project	PILOT Payment	Benefit (Cost) of Project
1	\$ 73,663	\$ 44,733	\$ (28,930)
2	\$ 75,136	\$ 46,678	\$ (28,458)
3	\$ 76,639	\$ 50,568	\$ (26,071)
4	\$ 78,172	\$ 54,458	\$ (23,714)
5	\$ 79,735	\$ 60,293	\$ (19,442)
6	\$ 81,330	\$ 65,155	\$ (16,175)
7	\$ 82,956	\$ 71,962	\$ (10,994)
Total	\$ 547,630	\$ 393,847	\$ (153,783)
Average	\$ 78,233	\$ 56,264	\$ (21,969)

Source: Town of Hempstead IDA, Camoin Associates

Tax Policy Comparison for School District

Year	Property Tax Payment Without Project	PILOT Payment	Benefit (Cost) of Project
1	\$ 215,295	\$ 130,742	\$ (84,553)
2	\$ 219,601	\$ 136,427	\$ (83,174)
3	\$ 223,993	\$ 147,796	\$ (76,197)
4	\$ 228,473	\$ 159,165	\$ (69,308)
5	\$ 233,042	\$ 176,218	\$ (56,824)
6	\$ 237,703	\$ 190,429	\$ (47,274)
7	\$ 242,457	\$ 210,325	\$ (32,133)
Total	\$ 1,600,564	\$ 1,151,101	\$ (449,463)
Average	\$ 228,652	\$ 164,443	\$ (64,209)

Source: Town of Hempstead IDA, Camoin Associates

Tax Policy Comparison

Tax Policy Comparison for Special District

Year	Property Tax Payment Without Project	PILOT Payment	Benefit (Cost) of Project
1	\$ 25,728	\$ 15,624	\$ (10,104)
2	\$ 26,242	\$ 16,303	\$ (9,939)
3	\$ 26,767	\$ 17,661	\$ (9,106)
4	\$ 27,302	\$ 19,020	\$ (8,282)
5	\$ 27,848	\$ 21,058	\$ (6,790)
6	\$ 28,405	\$ 22,756	\$ (5,649)
7	\$ 28,973	\$ 25,134	\$ (3,840)
Total	\$ 191,266	\$ 137,556	\$ (53,711)
Average	\$ 27,324	\$ 19,651	\$ (7,673)

Source: Town of Hempstead IDA, Camoin Associates

Summary of Costs to Affected Jurisdictions

	State and County
Sales Tax Exemption	\$ 44,764
Mortgage Tax Exemption	\$ 5,063

Source: Applicant, Camoin Associates

THE PROJECT TEAM

Jessica Tagliaferro
Senior Analyst

Leading action to
grow your economy

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

