

Date: July 18, 2023

At a meeting of the Town of Hempstead Industrial Development Agency (the “Agency”), held at Town Hall Old Courtroom, 1 Washington Street, Hempstead, New York 11550, on the 18th day of July, 2023, at 9:00 a.m., the following members of the Agency were present:

Present: Florestano Girardi, Chairman
Thomas J. Grech, Vice Chairman
Rev. Dr. Eric C. Mallette, Treasurer
Jack Majkut, Secretary
Jerry Kornbluth, Member

Excused: Robert Bedford, Member
Jill Ann Mollitor, Member

Also Present: Frederick E. Parola, Chief Executive Officer
Edie Longo, Chief Financial Officer
Michael Lodato, Deputy Executive Director
Lorraine Rhoads, Agency Administrator
Laura Tomeo, Deputy Agency Administrator
John Ryan, Esq., Agency Counsel
Paul V. O’Brien, Esq., Transaction Counsel

After the meeting had been duly called to order, the Chairman announced that among the purposes of the meeting was to consider and take action on certain matters pertaining to acquisition of a leasehold interest in or title to a certain industrial development facility more particularly described herein (Ocean Avenue Marina Inc. 2023 Facility), and the leasing of the Facility to Ocean Avenue Marina Inc. The following resolution was duly moved, seconded, discussed and adopted with the following members voting:

Voting Aye

F. Girardi
T. Grech
E. Mallette
J. Majkut
J. Kornbluth

Voting Nay

Abstaining

RESOLUTION OF THE TOWN OF HEMPSTEAD
INDUSTRIAL DEVELOPMENT AGENCY TAKING
OFFICIAL ACTION TOWARD APPOINTING OCEAN
AVENUE MARINA INC., A NEW YORK CORPORATION,
ON BEHALF OF ITSELF AND/OR THE PRINCIPALS OF
OCEAN AVENUE MARINA INC. AND/OR AN ENTITY
FORMED OR TO BE FORMED ON BEHALF OF ANY OF
THE FOREGOING AS AGENT OF THE AGENCY FOR THE
PURPOSE OF ACQUIRING, CONSTRUCTING,
INSTALLING AND EQUIPPING AN INDUSTRIAL
DEVELOPMENT FACILITY AND MAKING CERTAIN
FINDINGS AND DETERMINATIONS WITH RESPECT TO
THE FACILITY

WHEREAS, Ocean Avenue Marina Inc., a corporation organized and existing under the laws of the State of New York, on behalf of itself and/or the principals of Ocean Avenue Marina Inc. and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, the "**Company**"), submitted an application for financial assistance (the "**Application**") to the Town of Hempstead Industrial Development Agency (the "**Agency**") to enter into a transaction in which the Company has requested that the Agency assist in the acquisition of an interest in an approximately 3.58 acre parcel of land located at 50 & 80 Waterfront Boulevard, Island Park, Town of Hempstead, Nassau County, New York, including the discontinuance of town roads for portions of Beach Avenue and Waterfront Boulevard (collectively, the "**Land**"), the demolition of the existing structures and improvements on the Land, the construction of an approximately 135,406 square foot four-story building on the Land consisting of approximately 117 residential rental units (consisting of approximately 74 one-bedroom apartments and 43 two-bedroom apartments), lobby, club room, grilling and pool areas and garage parking on the Land for approximately 196 vehicles (the "**Improvements**"), and the acquisition of certain fixtures, equipment and personal property necessary for the completion thereof (the "**Equipment**"; and together with the Land and the Improvements, the "**Facility**"), which Facility would be subleased by the Agency to the Company and further sub-subleased by the Company to future tenants for use as a transit-oriented market-rate rental housing facility (the "**Project**"); and

WHEREAS, the Agency will acquire a leasehold interest in the Land and the Improvements and title to the Equipment and will sublease the Land and the Improvements and lease the Equipment to the Company all pursuant to Title 1 of Article 18-A of the General Municipal Law of the State of New York, as amended, and Chapter 529 of the Laws of 1971 of the State of New York, as the same may be amended from time to time (collectively, the "**Act**"); and

WHEREAS, the Agency contemplates that it will provide financial assistance to the Company in connection with the Facility, in the form of exemptions from mortgage recording taxes, exemptions from sales and use taxes and abatement of real property taxes, all to be more particularly described in a Final Authorizing Resolution to be adopted by the Agency prior to any closing of the transaction described herein; and

WHEREAS, as of the date of this resolution, no determination for financial assistance has been made; and

WHEREAS, the Act authorizes and empowers the Agency to promote, develop, encourage and assist projects such as the Facility and to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York; and

WHEREAS, prior to any closing of the transaction described herein, a public hearing (the "**Hearing**") will be held so that all persons with views in favor of or opposed to either the financial assistance contemplated by the Agency or the location or nature of the Facility can be heard; and

WHEREAS, notice of the Hearing will be given prior to any closing of the transaction described herein, and such notice (together with proof of publication) will be substantially in the form annexed hereto as Exhibit A; and

WHEREAS, the minutes of the Hearing will be annexed hereto as Exhibit B; and

WHEREAS, the Agency has given due consideration to the Application and to representations by the Company that the proposed financial assistance is either an inducement to the Company to construct, install and equip the Facility in the Town of Hempstead or is necessary to maintain the competitive position of the Company in its industry; and

WHEREAS, the Agency has required the Company to provide to the Agency a feasibility report (the "**Feasibility Study**") and, together with the other below listed items, collectively, the "**Requisite Materials**"), to enable the Agency to make findings and determinations that the Facility qualifies as a "project" under the Act and that the Facility satisfies all other requirements of the Act, and such Requisite Materials are listed below and attached as Exhibit C hereof:

1. Feasibility Study last dated June 26, 2023 prepared by MRB Group;
2. Economic and Fiscal Impact Analysis dated July 7, 2023 prepared by Camoin Associates;
3. New York Law Journal Article dated March 22, 2017 on Eligibility of Residential Developments for IDA Benefits by Anthony Guardino, Esq.; and
4. Ryan et al. v. Town of Hempstead Industrial Development Agency et al.; and

WHEREAS, the Agency's Uniform Tax Exemption Policy and Guidelines, as amended to date (the "**UTEP**"), which UTEP is annexed hereto as Exhibit D, provides for the granting of financial assistance by the Agency for certain housing projects pursuant to Section I.A.(II), and the Agency contemplates that the proposed financial assistance with respect the granting of an abatement of real property taxes, if approved, would constitute a deviation from the UTEP; and

WHEREAS, pursuant to Article 8 of the New York Environmental Conservation Law, Chapter 43-B of the Consolidated Laws of New York, as amended (the “**SEQR Act**”) and the regulations adopted pursuant thereto by the Department of Environmental Conservation of the State of New York (“**NYSDEC**”), being 6 N.Y.C.R.R. Part 617, et. seq., as amended (the “**Regulations**” and collectively with the SEQR Act, “**SEQRA**”), the Agency must satisfy the requirements contained in SEQRA prior to making a final determination whether to undertake the Project; and

WHEREAS, pursuant to SEQRA, to aid the Agency in determining whether the Project may have a significant adverse impact upon the environment, the Agency has completed, received and/or reviewed: (1) the Application; (2) a Full Environmental Assessment Form dated January 5, 2020 (“**EAF**”); (3) NYSDEC’s Environmental Resource Mapper (“**ERM Mapper**”); (4) the New York State Cultural Resource Information System (“**CRIS**”); (5) two resolutions by the Town of Hempstead Town Council granting a petition for rezoning of the Land resolution and finding no significant adverse environmental impacts (“**Town Resolutions**”); (6) a Letter of No Effect from the New York State Office of Parks, Recreation and Historic Preservation (“**SHPO No Effect Letter**”); and (7) other relevant environmental information (collectively, (1)-(7) shall be referred to as the “**Environmental Information**”); and

WHEREAS, prior to making a recommendation about the potential environmental significance of the Project, the Agency has reviewed the Environmental Information, consulted various information sources, and considered the list of activities that are Type I Actions outlined in Section 617.4 of the Regulations, the list of activities that are Type II Actions outlined in Section 617.5 of the Regulations and the criteria for determining significance outlined in Section 617.7 of the Regulations; and

WHEREAS, a thorough analysis of the Environmental Information and potential environmental impacts associated with the Project reveals that the Project will not have any potentially significant adverse environmental impacts; and

WHEREAS, it is appropriate that the Agency issue a negative declaration pursuant to SEQRA for the Project; and

WHEREAS, the Company has agreed to indemnify the Agency against certain losses, claims, expenses, damages and liabilities that may arise in connection with the transaction contemplated by the transfer of leasehold title to the Facility.

NOW, THEREFORE, BE IT RESOLVED by the Town of Hempstead Industrial Development Agency (a majority of the members thereof affirmatively concurring) that:

Section 1. Based upon the Agency’s review of the Environmental Information and investigations of the potential environmental impacts associated with the Project, considering both the magnitude and importance of each potential environmental impact indicated, and upon the Agency’s knowledge of the Land and surrounding area and such further investigations of the Project and its environmental effects as the Agency has deemed appropriate, the Agency has made the following findings:

- (a) The Project is an Unlisted Action pursuant to SEQRA, as the Project does not exceed any of the thresholds set forth in the Type I list;
- (b) The Agency has undertaken an uncoordinated review of the Project in accordance with the requirements of SEQRA;
- (c) No potentially significant adverse impacts on the environment are noted in the Environmental Information and none are known to the Agency and, therefore, the Project will not have a significant adverse impact upon the environment. The reasons supporting this determination are attached as Exhibit E.
- (d) Since the Project will not have a significant adverse impact on the environment, a negative declaration (the “**Negative Declaration**”) pursuant to SEQRA is hereby issued. This Negative Declaration has been prepared pursuant to and in accordance with the requirements of SEQRA. This Resolution shall serve as the Negative Declaration (as defined in 6 N.Y.C.R.R. 617.2(y)) for the Project, and is issued by the Agency, pursuant to and in accordance with SEQRA in an uncoordinated environmental impact review, and shall take effect immediately.

Section 2. In connection with the acquisition, construction, installation and equipping of the Facility the Agency hereby makes the following determinations and findings based upon the Agency’s review of the information provided by the Company with respect to the Facility, including, the Application, the Requisite Materials and other public information:

- (a) There is a lack of safe, clean and modern rental housing in the Town of Hempstead, Nassau County;
- (b) Such lack of rental housing has resulted in individuals leaving the Town of Hempstead and therefore adversely affecting employers, businesses, retailers, banks, financial institutions, insurance companies, health and legal services providers and other merchants in the Town of Hempstead and otherwise adversely impacting the economic health and well-being of the residents of the Town of Hempstead, employers, and the tax base of the Town of Hempstead;
- (c) The Facility, by providing such rental housing will enable persons to remain in the Town of Hempstead and thereby to support the businesses, retailers, banks, and other financial institutions, insurance companies, health care and legal services providers and other merchants in the Town of Hempstead which will increase the economic health and well-being of the residents of the Town of Hempstead, help preserve and increase permanent private sector jobs in furtherance of the Agency’s public purposes as set forth in the Act, and therefore the Agency finds and determines that the Facility is a commercial project within the meaning of Section 854(4) of the Act; and

- (d) The Facility will provide services, i.e., rental housing, which but for the Facility, would not otherwise be reasonably accessible to the residents of the Town of Hempstead.

Section 3. The acquisition, construction, installation and equipping of the Facility by the Agency, the subleasing of the Land and the Improvements to the Company, the leasing of the Equipment to the Company and the provision of financial assistance pursuant to the Act will promote job opportunities, health, general prosperity and the economic welfare of the inhabitants of the Town of Hempstead and the people of the State of New York and improve their standard of living, and thereby serve the public purposes of the Act, and subject to the provisions of this resolution, the same is, therefore, approved.

Section 4. Subject to the provisions of this resolution, the Agency shall (i) acquire, construct, install and equip the Facility; and (ii) lease and sublease the Facility to the Company.

Section 5. The Company is hereby notified that it will be required to comply with Section 875 of the Act. The Company shall be required to agree to the terms of Section 875 pursuant to the Lease and Project Agreement, dated a date to be determined (the "**Lease Agreement**"), by and between the Company and the Agency. The Company is further notified that the tax exemptions and abatements provided pursuant to the Act and the appointment of the Company as agent of the Agency pursuant to this resolution are subject to termination and recapture of benefits pursuant to Sections 859-a and 875 of the Act and the recapture provisions of the Lease Agreement.

Section 6. Counsel to the Agency is authorized and directed to work with Transaction Counsel (Phillips Lytle LLP) to prepare, for submission to the Agency, all documents necessary to affect the transfer of the real estate and personal property described in the foregoing resolution.

Section 7. Notwithstanding the foregoing provisions hereof, this resolution is subject to the Company obtaining any necessary building permits for the acquiring, constructing, installing, equipping and operation of the Facility.

Section 8. The Chairman, the Chief Executive Officer, the Deputy Executive Director and all members of the Agency are hereby authorized and directed (i) to distribute copies of this resolution to the Company and to such other parties as may be required by applicable laws and regulations, and (ii) to do such further things or perform such acts as may be necessary or convenient to implement the provisions of this resolution.

Section 9. Any expenses incurred by the Agency and Transaction Counsel with respect to the Facility shall be paid by the Company. The Company agrees to pay such expenses and further agree to indemnify the Agency, its members, directors, employees and agents and hold the Agency and such persons harmless against claims for losses, damage or injury or any expenses or damages incurred as a result of action taken by or on behalf of the Agency in good faith with respect to the Facility.

Section 10. The Agency may publish and issue notices of a public hearing and conduct such public hearing with respect to the location and nature of the Project and the financial assistance, if any, to be granted by the Agency to the Company, in accordance with the provisions of Sections 857 and 859-a of the Act.

Section 11. This resolution shall take effect immediately.

ADOPTED: July 18, 2023

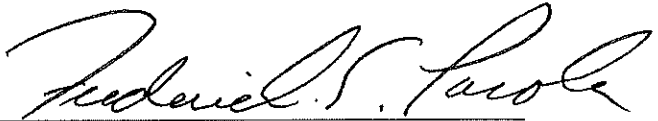
STATE OF NEW YORK)
 : SS.:
COUNTY OF NASSAU)

We, the undersigned Chief Executive Officer and Chairman of the Town of Hempstead Industrial Development Agency (the "Agency"), DO HEREBY CERTIFY:

That we have compared the annexed extract of the minutes of the meeting of the Agency, including the resolutions contained therein, held on July 18, 2023, with the original thereof on file in the office of the Agency, and that the same is a true and correct copy of the proceedings of the Agency and of such resolutions set forth therein and of the whole of said original insofar as the same related to the subject matters therein referred to.

WE FURTHER CERTIFY that (i) all members of the Agency had due notice of said meeting, pursuant to Sections 103a and 104 of the Public Officers Law (Open Meetings Law), (ii) public notice of the time and place of said meeting was duly given in accordance with such Sections 103a and 104, (iii) the meeting in all respects was duly held and was open to the general public, and (iv) there was a quorum present throughout.

IN WITNESS WHEREOF, we have hereunto set our hands as of the 18th day of July, 2023.

By: 
Frederick E. Parola
Chief Executive Officer

By: 
Florestano Girardi
Chairman

EXHIBIT A

NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that a public hearing pursuant to Title 1 of Article 18-A of the New York State General Municipal Law (the “**Hearing**”) will be held by the Town of Hempstead Industrial Development Agency (the “**Agency**”) on the ____ day of _____, 2023, at ____ a.m., local time, at _____, Island Park, Town of Hempstead, New York, in connection with the following matters:

Ocean Avenue Marina Inc., a corporation organized and existing under the laws of the State of New York, on behalf of itself and/or the principals of Ocean Avenue Marina Inc. and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, the “**Company**”), submitted an application for financial assistance (the “**Application**”) to the Town of Hempstead Industrial Development Agency (the “**Agency**”) to enter into a transaction in which the Company has requested that the Agency assist in the acquisition of an interest in an approximately 3.58 acre parcel of land located at 50 & 80 Waterfront Boulevard, Island Park, Town of Hempstead, Nassau County, New York, including the discontinuance of town roads for portions of Beach Avenue and Waterfront Boulevard (collectively, the “**Land**”), the demolition of the existing structures and improvements on the Land, the construction of an approximately 135,406 square foot four-story building on the Land consisting of approximately 117 residential rental units (consisting of approximately 74 one-bedroom apartments and 43 two-bedroom apartments), lobby, club room, grilling and pool areas and garage parking on the Land for approximately 196 vehicles (the “**Improvements**”), and the acquisition of certain fixtures, equipment and personal property necessary for the completion thereof (the “**Equipment**”; and together with the Land and the Improvements, the “**Facility**”), which Facility would be subleased by the Agency to the Company and further sub-subleased by the Company to future tenants for use as a transit-oriented market-rate rental housing facility (the “**Project**”).

The Agency contemplates that it would provide financial assistance to the Company in the form of exemptions from mortgage recording taxes in connection with the financing or any subsequent refinancing of the Facility, exemptions from sales and use taxes and abatement of real property taxes.

The Company has requested that the Agency provide financial assistance to the Company in the form of an abatement of real property taxes for a term of up to twenty (20) years (the “**PILOT Benefit**”). The proposed PILOT Benefit deviates from the Agency’s Uniform Tax Exemption Policy and Guidelines, as amended to date (the “**Policy**”), because the proposed PILOT Benefit would be for a term of up to twenty (20) years instead of ten (10) years. Copies of the proposed PILOT payment schedule are available on the Agency’s website at www.tohida.org. The Agency is considering the proposed deviation from the Policy due to the current nature of the property and because the Company would not undertake the Project and the Project would not be economically viable without a PILOT Benefit for a term of up to twenty (20) years.

A representative of the Agency will, at the above-stated time and place, hear and accept oral comments from all persons with views in favor of or opposed to either the Project or the

financial assistance requested by the Company. Comments may also be submitted to the Agency in writing or electronically prior to or during the Hearing by e-mailing them to [_____]. Minutes of the Hearing will be transcribed and posted on the Agency's website.

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

To the extent practicable, the Hearing will be streamed on the Agency's website in real-time in accordance with Section 857 of the New York State General Municipal Law. A video recording of the Hearing will be posted on the Agency's website, all in accordance with Section 857 of the New York State General Municipal Law.

The Agency anticipates that the members of the Agency will consider a resolution to approve the Project and the financial assistance requested by the Company, including the proposed twenty (20) year PILOT Benefit, at the Agency's Board Meeting (the "**Board Meeting**") to be held on [_____, 2023, at 9:00 a.m. local time, at 1 Washington Street, Town Hall Pavilion, Hempstead, New York 11550.

Dated: _____, 2023

TOWN OF HEMPSTEAD INDUSTRIAL
DEVELOPMENT AGENCY

By: Frederick E. Parola
Title: Chief Executive Officer

EXHIBIT B

Minutes of the Public Hearing
on File With the Agency

EXHIBIT C

Requisite Materials

1. Feasibility Study last dated June 26, 2023 prepared by MRB Group (Exhibit C-1);
2. Economic and Fiscal Impact Analysis dated July 7, 2023 prepared by Camoin Associates (Exhibit C-2);
3. New York Law Journal Article, dated March 22, 2017 on Eligibility of Residential Developments for IDA Benefits by Anthony Guardino, Esq. (Exhibit C-3); and
4. Ryan et al. v. Town of Hempstead Industrial Development Agency et al. (Exhibit C-4).

Feasibility Study dated June 26, 2023 prepared by MRB Group

Ocean Avenue Marina, Inc.
Economic and Fiscal Impact Analysis Update June 2023

Prepared by:

MRB | *group*

Prepared for:
Ocean Avenue Marina, Inc.

Date:
June 26, 2023

Executive Summary

Ocean Avenue Marina, Inc. (the "Developer") is proposing a real estate development project at 50 & 80 Waterfront Boulevard in Island Park, NY (the "Site"). The Project consists of the construction of 117 market-rate residential apartments with associated furniture, fixtures, machinery, and equipment (the "Project"). The Developer has submitted an application to the Town of Hempstead Industrial Development Agency (IDA) requesting incentives to induce this Project and has indicated that the Project will not move forward without the IDA's assistance. The following analysis includes an examination of the impact of the development on school enrollment, demand in the local market to support the Project, and the extent of economic impacts associated with the Project on the Town of Hempstead (the "Town"), and associated fiscal benefits.

Market Review Conclusions

The Project appears to be well-positioned in a strong market. Despite the COVID-19 pandemic, over 600 units were delivered to the market last year and were almost entirely absorbed upon delivery. The local market overall also had consistently low vacancy rates, even upon new deliveries. Therefore, we conclude that the market data support the Project's success.

Impact of School Enrollment

A 2019 study from Stony Brook University's Real Estate Institute (REI) measured the impact of market-rate apartments on local school enrollment. They compared data from 14 recent multi-family developments to analyze the number of school children living in each property. According to the REI study, multi-family developments of a similar size and scope house approximately 0.09 students per unit on average.

Therefore, we estimate the 117 units included in the Project would generate approximately 11 students, assuming full occupancy.

Estimated Impact on Enrollment

Item	Value
Units	117
Average Students per Unit*	0.09
Students	11

Source: *2019 REI Study, MRB Group

Economic Impacts

In terms of economic impacts, we estimate that there will be 128 direct, on-site local construction jobs, 78 indirect jobs, and, therefore, 206 local construction-phase jobs, collectively earning \$18.6 million in wages.

Once the Project is complete and occupied, we estimate a total of 38 ongoing (permanent) jobs will be created due to the spending of the new households and two full-time positions for ongoing operations, with total annual earnings of \$1,903,517.¹

Fiscal Impacts

The terms of fiscal benefits, the Project will increase tax revenues for the County, Town, and School District. We estimate that the County will earn sales tax revenue of \$150,180 during the construction phase, resulting from a portion of the construction phase earnings being spent locally. During the operation phase of the Project, we estimate the County will receive \$27,184 in sales tax from operation phase earnings being spent locally and \$1.3 million in sales tax from new household spending. Over the life of the proposed PILOT, the Project will generate \$8.0 million *more* in revenue than the Site would without the Project, revenue that will be proportionally allocated to the applicable taxing jurisdictions. Therefore, we estimate the fiscal benefit from the Project over the 20 years of the presumed PILOT, including construction and operation phases, would be \$9.5 million.

Summary of Economic Impacts

	Direct	Indirect	Total
Construction Jobs	128	78	206
Construction Wages	\$12,873,209	\$5,681,898	\$18,555,107
Ongoing Jobs	30	8	38
Ongoing Wages	\$1,338,124	\$565,393	\$1,903,517

Summary of Fiscal Benefits, Local Government

Source	Total
Sales Tax, Construction, One-time	\$150,180
Sales Tax, Operations, 20 Years	\$27,184
Sales Tax, Households, 20 Years	\$1,328,165
Increase in Property Tax Revenue, 20 Years	\$8,023,737
Total Fiscal Benefits Over 20 Years	\$9,529,267

¹ Note that the direct and indirect "Construction Jobs" and "Construction Wages" shown are with respect to Nassau County (the "County"), as such jobs tend to be pulled from a larger labor shed. The direct and indirect "Ongoing Jobs" and "Ongoing Wages" shown are with respect to the Town.

In terms of fiscal costs, the Applicant has requested a sales tax exemption and a mortgage recording tax exemption of \$1,002,396 and \$189,239, respectively (County portion only). We also estimate the cost of the PILOT exemption to be \$11.2 million over 20 years. The "cost" of the PILOT exemption is the difference between the anticipated PILOT payments and the estimated taxes on the full assessment. However, this cost is theoretical by nature, as the Applicant has stated that the Project cannot move forward absent a PILOT inducement.

Summary of Exemptions

	Total
Cost of Sales Tax Exemption, One-Time	\$1,002,396
Mortgage Recording Tax Exemption	\$189,239
PILOT Exemption, 20 Years	\$11,228,328

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Introduction

Ocean Avenue Marina, Inc. is proposing a real estate development project at 50 & 80 Waterfront Boulevard in Island Park, NY. The Project consists of the construction of 117 market-rate residential apartments with associated furniture, fixtures, machinery, and equipment. The Developer has submitted an application to the Town of Hempstead Industrial Development Agency (IDA) requesting incentives to induce this Project and has indicated that the Project will not move forward without the IDA's assistance. The following analysis includes an examination of the impact of the development on school enrollment, demand in the local market to support the Project, and the extent of economic impacts associated with the Project on the Town of Hempstead (the "Town"), and associated fiscal benefits.

Multifamily Real Estate Market Review

Demographics

The subject Project of this study is a proposed 117-unit residential development in the Town of Hempstead. Current trends in demographic data suggest that the demand for housing is expected to increase through 2026. Esri, a leading international firm in GIS and socioeconomic modeling, projects that median household income will grow through 2026. Over that same time, the percentage of renter-occupied units is projected to decline slightly.

Hempstead Profile

	2021	2026	2021-2026 Growth
Population	769,962	769,997	0.0%
Median Household Income	\$113,492	\$126,771	11.7%
Total Renter-Occupied Housing Units	18.9%	18.4%	-3.4%

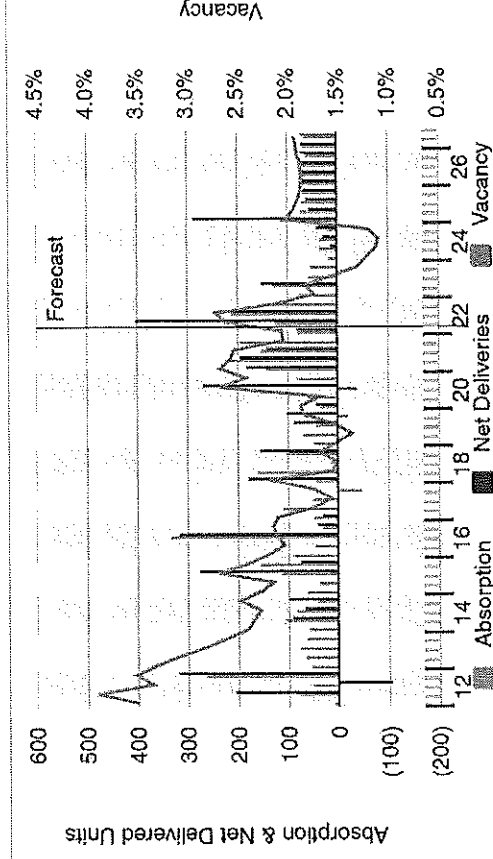
Source: ESRI

Hempstead's Local Real Estate Market

The chart to the right displays supply and demand trends for the Town of Hempstead's residential real estate market. From 2011-2020, multifamily (for-rent and for-sale) vacancy rates for the Town were persistently low and declining. Vacancy rates were running below 4% and were generally lower than vacancy rates from Long Island as a whole. Over the last five years, several residential development projects have brought nearly 1,300 rental units to the market, most of which have been fully absorbed.

According to CoStar, our real estate data provider, delivery of 600 residential units is expected by Q1 2023, adding to the supply. Historical data shows that newly delivered units are quickly absorbed in the tight housing market. Though a spike in vacancy rates in 2019 and 2020 occurred due to new deliveries and a short-term shock from COVID-19, rates have since returned to roughly 2% and are forecasted to drop below 2% through 2026.

Absorption, Net Deliveries & Vacancy



Source: CoStar

As of Q1 2021, there were approximately 262,229 residential units in the Town of Hempstead. While primarily owner-occupied, approximately 18.9% of Hempstead's housing stock comprises renter-occupied units. The composition of housing types is similar to Nassau County as a whole.

Rental Units

	Total Housing Units	% of all Occupied Units	Renter-Occupied Units
Hempstead	262,229	18.9%	49,561
Nassau County	360,578	19.0%	68,510

Source: ESRI

Affordability

Housing affordability in the Town of Hempstead also indicates demand for additional multi-family residential units. "House and Home Expenditures," shown in the table, encompasses the average annual spending of households on mortgage, insurance, tax, and property maintenance for owned dwellings. The Spending Potential Index (SPI) is a composite measure of household expenditures for the specified region compared to national averages. A high SPI means expenditures are relatively high compared to national averages. An SPI of 100 means expenditures are the same as the national average. For the Town, owned dwellings have significantly higher home expenditures than national averages. The Town's SPI of 178 suggests owner-occupied housing may be in short supply/high demand in the Town. In this case, the tight housing market drives up the price of owner-occupied housing, indicating that any new market-rate rental units would attract "Net New" households to the area that would otherwise be priced out of the market. Housing costs associated with rental properties are also higher than national averages, with the median contract rent in the Town of \$18,720 per year (\$1,560 per month compared to \$1,062 per month nationally; source: 2015-2019 American Community Survey.)

Hempstead House and Home Expenditures

	Average Amount Spent	SPI
Owened Dwelling	\$25,358	178

Source: Consumer Spending data are derived from the 2018 and 2019 Consumer Expenditure Surveys, Bureau of Labor Statistics.

Conclusions of The Market Review

We used the market statistics to make conclusions regarding both (a) the level of support in the market for the Project, and (b) the extent to which any of the units of the Project can be considered "Net New" to the Town of Hempstead (which will factor into the economic impact analysis that follows).

Determination of Market Support

Based on the data and analysis presented above, the Project appears to be well-positioned to meet demand in a strong market. Despite the COVID-19 pandemic, over 600 units were delivered to the market last year and were almost entirely absorbed upon delivery. The local market overall also had consistently low vacancy rates, even upon new deliveries. Therefore, we conclude that the market data support the Project's success.

Determination of "Net New"

Before calculating the Project's economic impacts, we must determine how many of the future households of the Project can be considered "Net New" to the Town. There are several circumstances for which households would be regarded as "Net New":

- 1) Out-of-area residents choosing to relocate to the Town because of the Project.
- 2) Current Town residents that would otherwise relocate outside of the Town if the option to live in the Project were unavailable.
- 3) Current Town residents that will move into the Project, freeing up their Hempstead residential space that new Town residents will then occupy.

As per our market review, we consider all units of the Project as "Net New" households for the Town.

Economic Impact Analysis

The Project would have economic impacts on the County and Town in several ways. This includes one-time impacts on jobs, earnings, and sales during the construction phase of the Project, which we estimate for the entire County. The Project will have other impacts related to household spending and operations of the facility, which we estimate for the Town².

Methodology

Both one-time, construction-phase impacts and ongoing, operation-phase impacts have “Direct” and “Indirect” components. For the construction phase:

- Direct jobs, wages, and sales are those that occur on-site related to labor and materials used in the construction of the Project.
- Indirect jobs, wages, and sales are those caused by the Direct impacts, and result from business-to-business purchases (e.g. a contractor buying a piece of equipment from a dealer) and from employees spending a portion of their wages locally.

For the operation phase:

- Direct jobs, wages, and sales are those jobs created from the operations of the Project (e.g., on-site employment of a maintenance person) and from new household spending occurring as a result of the Project.
- Indirect jobs, wages, and sales are those caused by the Direct impact, such as business-to-business purchases (e.g. a grocery store serving the new households buying goods from a distributor) and employees of such businesses spending a portion of their wages locally.

To estimate the Direct and Indirect impacts, MRB Group employs the Emsi³ economic modeling system. We used data from the Developer and publicly-available and proprietary data sources as inputs to the Emsi modeling system. Where needed, we adjusted the Emsi model to best match the Project specifics. We then reported the results of the modeling.

² By their nature, construction-related impacts tend to be somewhat more diffuse, which is why we report them as county-level impacts. Town level impacts are measured based on the 29 ZIP codes, which closely approximates the Town.

³ Emsi, formerly “Economic Modeling Systems, Intl.” uses data from the US Bureau of Labor Statistics, the US Bureau of Economic Analysis, the US Census, and other public data sources to model out economic impacts.

Construction Phase

The developer provided us with estimates of the total cost of construction of the Project and the percentage of labor and materials expected to be sourced within the County. As shown in the table to the right, the Developer estimates a total project cost of \$40.1 million, 85% of which will be spent locally. In total, the Project will induce \$34.7 million in local spending for the construction phase.

Construction Spending In Region

	\$ Total	% County	\$ County
Materials & Labor	\$40,819,642	85%	\$34,696,696

Source: Developer, MRB

We used the \$34.7 million local spending level (direct "Sales" in the table) as the input into the Emsi economic modeling system, assigning the County as the geography of study. We estimate this spending creates 128 direct jobs and direct earnings of \$12.9 million. The model estimates that this will cause indirect impacts of 78 jobs, \$5.7 million in earnings, and \$16.2 million in indirect sales. Therefore, the total one-time construction-phase impacts would be 206 jobs, \$18.6 million in wages, and \$51 million in sales.

Economic Impact of Construction Phase, One-Time

	Direct	Indirect	Total
Jobs	128	78	206
Earnings	\$12,873,209	\$5,681,898	\$18,555,107
Sales	\$34,696,696	\$16,162,653	\$50,859,349

Source: Emsi, MRB

Operation Phase

Unlike the construction phase impacts, which we estimated at the County level to account for their dispersed nature, we estimated operation phase impacts at the Town level. To do so, we have used 29 ZIP Codes to best approximate the Town of Hempstead to model operational impacts⁴.

Operation phase impacts come from two sources. The primary driver of operation phase impacts is "Net New" household spending from the new units being brought onto the market by the Project. The second source of operation phase impacts results from the employment on the Site resulting from the operations of the Project; in this case, two full-time employees. The Project will bring 117 units of market-rate housing to market, all of which, as noted above, we consider "Net New." We used data from the Consumer Expenditure Survey (CEX) of the Bureau of Labor Statistics as of September 2021, specific to both the Northeast and the Town's Area Median Income (AMI) of \$113,492.

⁴ A full list of ZIP Codes included in the economic impact analysis are listed in Appendix A, and are compared to the Town's boundaries.

The table to the right displays the estimated annual spending of households for the baskets of goods shown. According to the most recent CEX Survey, households earning the Town's AMI will spend \$35,767 annually, on average.

The large expanse of the Town's geographical boundaries and the high concentration of retailers suggest that most of the households' needs will be served by local businesses. We conservatively estimate that 80% of this spending will occur in the Town of Hempstead. Therefore, given 117 total units and the associated household spending, we estimate a total of \$3.3 million of new household spending would occur annually in the Town.

Total New Annual Household Spending

	Annual per HH Spend	% Spent in Town	Units	Total Spending
Food	\$8,720	80%	117	\$816,192
Household Furnishings and Equipment	\$2,644	80%	117	\$247,478
Apparel and Services	\$1,474	80%	117	\$137,966
Transportation	\$10,495	80%	117	\$982,332
Healthcare	\$5,272	80%	117	\$493,459
Entertainment	\$3,145	80%	117	\$294,372
Education	\$1,594	80%	117	\$149,198
Personal Care Products and Services	\$802	80%	117	\$75,067
Miscellaneous	\$1,093	80%	117	\$102,305
Other	\$528	80%	117	\$49,421
Total	\$35,767	80%	117	\$3,347,791

Source: Consumer Expenditure Survey, U.S. Bureau of Labor Statistics, September, 2021 "Table 3104. Northeastern region by income before taxes: Average annual expenditures and characteristics, Consumer Expenditure Surveys, 2019-

To estimate the resulting impacts on employment caused by the new spending, we applied the spending levels within categories (Food, Household Furnishings, and Equipment, etc.) to one or more industry codes in Emsi⁵. This resulted in an estimate of 28 direct jobs and \$1.2 million in direct earnings. Taken together with an estimate of indirect impacts, total household spending impacts include 35 jobs, \$1.8 million in earnings, and \$4.7 million in sales.

Economic Impact, Household Expenditures

	Direct	Indirect	Total
Jobs	28	7	35
Earnings	\$1,238,124	\$527,162	\$1,765,286
Sales	\$3,347,791	\$1,379,813	\$4,727,604

Source: Emsi, MRB

Economic Impact, Operations of Project

	Direct	Indirect	Total
Jobs	2	1	3
Earnings	\$100,000	\$38,231	\$138,231
Sales	\$357,171	\$190,147	\$547,317

Source: Emsi, MRB

Economic Impact, Combined Annual Impact

	Direct	Indirect	Total
Jobs	30	8	38
Earnings	\$1,338,124	\$565,393	\$1,903,517
Sales	\$3,704,962	\$1,569,960	\$5,274,922

Source: Emsi, MRB

The combined impacts of household spending and impacts from operations are displayed in the table to the right. We calculate that the Town will benefit from 38 jobs, \$1.9 million in earnings, and \$5.3 million in sales annually.

⁵ For example, for the "Food" line item, we applied half of the spending to the "Supermarkets and other grocery" store NAICS code (North American Industrial Classification System) and half to the "Full service restaurants" NAICS code.

Fiscal Impact Analysis

The Project would also have fiscal impacts in terms of new tax revenues, as described below.

PILOT Schedule

The table to the right displays the Applicant's proposed PILOT schedule. The Applicant has requested a 20-year PILOT term that would abate a portion of the improvement value associated with the Project. Under the requested terms, in Years 1 through 3, PILOT payments would be based on the land assessed value-only. From Year 4, PILOT payments will increase each year through Year 20.

PILOT Schedule

Year	General Tax Year	School Tax Year	Estimated PILOT Payment
Year 1	2025	2024/25	\$57,424
Year 2	2026	2025/26	\$57,424
Year 3	2027	2026/27	\$57,424
Year 4	2028	2027/28	\$125,000
Year 5	2029	2028/29	\$175,000
Year 6	2030	2029/30	\$240,000
Year 7	2031	2030/31	\$300,000
Year 8	2032	2031/32	\$350,000
Year 9	2033	2032/33	\$400,000
Year 10	2034	2033/34	\$460,000
Year 11	2035	2034/35	\$520,000
Year 12	2036	2035/36	\$580,000
Year 13	2037	2035/37	\$650,000
Year 14	2038	2035/38	\$760,000
Year 15	2039	2035/39	\$830,000
Year 16	2040	2035/40	\$900,000
Year 17	2041	2035/41	\$965,000
Year 18	2042	2035/42	\$1,050,000
Year 19	2043	2035/43	\$1,130,000
Year 20	2044	2035/44	\$1,250,000
			\$10,857,272

*First year full taxes

Source: Applicant MRB Group

PILOT Revenue

Absent the Project moving forward, the parcels in their current form will generate an estimated \$2.8 million over 20 years. According to the Applicant's proposed PILOT schedule, the Project will generate \$10.9 million in PILOT payments over the 20-year term. As shown to the right, the proposed PILOT payment would generate \$8.0 million more in revenue for the local taxing jurisdictions than the Site without the Project. (Figures may not sum, due to rounding.)

PILOT Revenue				
Year	Taxes w/o Project	Estimated PILOT Payment	Increase in Revenue	
Year 1	\$116,619	\$57,424	-\$59,195	
Year 2	\$118,951	\$57,424	-\$61,527	
Year 3	\$121,330	\$57,424	-\$63,906	
Year 4	\$123,757	\$125,000	\$1,243	
Year 5	\$126,232	\$175,000	\$48,768	
Year 6	\$128,757	\$240,000	\$111,243	
Year 7	\$131,332	\$300,000	\$168,668	
Year 8	\$133,959	\$350,000	\$216,041	
Year 9	\$136,638	\$400,000	\$263,362	
Year 10	\$139,371	\$460,000	\$320,629	
Year 11	\$142,158	\$520,000	\$377,842	
Year 12	\$145,001	\$580,000	\$434,999	
Year 13	\$147,901	\$650,000	\$502,099	
Year 14	\$150,859	\$760,000	\$609,141	
Year 15	\$153,876	\$830,000	\$676,124	
Year 16	\$156,954	\$900,000	\$743,046	
Year 17	\$160,093	\$965,000	\$804,907	
Year 18	\$163,295	\$1,050,000	\$886,705	
Year 19	\$166,561	\$1,130,000	\$963,439	
Year 20	\$169,892	\$1,250,000	\$1,080,108	
TOTAL	\$2,833,535	\$10,857,272	\$8,023,737	

Source: Applicant, MRB

Sales Tax Revenue, Construction Phase

As our economic impact analysis on page 11 states, we anticipate approximately \$18.6 million in direct and indirect earnings in the County will be generated during the Project's construction phase. We assume 70% of the newly generated earnings will be spent in Nassau County. We estimate that 25% of that spending amount will be subject to the sales tax. Applying the County's sales tax rate of 4.625%, we conclude that the construction phase earnings will lead to approximately \$150,180 in County sales tax revenue throughout construction.

Sales Tax Revenue - Construction Phase

Line	Value
Total New Earnings	\$18,555,107
% Spent in County	70%
\$ Spent in County	\$12,988,575
% Taxable	25%
\$ Taxable	\$3,247,144
County Sales Tax Rate	4.625%
\$ County Sales Tax Revenue	\$150,180
Revenue, one-time	\$150,180

Source: MRB

Sales Tax Revenue, Operation Phase

We estimate \$138,321 in total new earnings occurring annually within the County during the operation phase associated with new direct and indirect job creation. (Page 13). Using the same methodology for estimating sales tax revenue for the construction phase, we estimate the Project will result in \$1,119 in annual sales tax revenue to the County. Escalated at 2% per year for 20 years, this totals \$27,184 in revenue over the term of the proposed PILOT.

Sales Tax Revenue - Operation Phase

Line	Annual Value
Total New Earnings	\$138,321
% Spent in County	70%
\$ Spent in County	\$96,762
% Taxable	25%
\$ Taxable	\$24,190
County Sales Tax Rate	4.625%
\$ County Sales Tax Revenue	\$1,119
Revenue Over 20 Years	\$27,184

Source: MRB

Sales Tax Revenue, New Household Spending

As identified in our analysis on page 12, we anticipate over \$4.7 million of direct and indirect sales in the Town associated with new household spending by residents of the Site. Assuming that 25% of those sales are subject to sales tax, we estimate the Project will result in \$54,663 in annual sales tax revenue to the County. Escalated at 2% per year for 20 years, this totals \$1.3 million in revenue over the term of the proposed PILOT.

Sales Tax Revenue - Household Spending

Line	Annual Value
New Household Spending	\$4,727,604
% Taxable	25%
\$ Taxable	\$1,181,901
County Sales Tax Rate	4.625%
\$ County Sales Tax Revenue	\$54,663
Revenue Over 20 Years	\$1,328,165

Source: MRB

Fiscal Costs

The table below displays the difference in PILOT payments under the proposed terms and the estimated property tax revenue on the full assessment of the Project post-construction. Over 20 years, the Project will have a fiscal "cost" of \$11.2 million. However, the Developer has indicated that the Project cannot move forward absent an inducement, so this "cost" is theoretical by nature.

Cost of Abatement - Full Taxes vs. PILOT Revenue

Year	Full Taxes	Estimated PILOT Revenue	Cost of Abatement
Year 1	\$908,971	\$57,424	\$851,547
Year 2	\$927,150	\$57,424	\$869,726
Year 3	\$945,693	\$57,424	\$888,269
Year 4	\$964,607	\$125,000	\$839,607
Year 5	\$983,899	\$175,000	\$808,899
Year 6	\$1,003,577	\$240,000	\$763,577
Year 7	\$1,023,649	\$300,000	\$723,649
Year 8	\$1,044,122	\$350,000	\$694,122
Year 9	\$1,065,004	\$400,000	\$665,004
Year 10	\$1,086,304	\$460,000	\$626,304
Year 11	\$1,108,030	\$520,000	\$588,030
Year 12	\$1,130,191	\$580,000	\$550,191
Year 13	\$1,152,795	\$650,000	\$502,795
Year 14	\$1,175,851	\$760,000	\$415,851
Year 15	\$1,199,368	\$830,000	\$369,368
Year 16	\$1,223,355	\$900,000	\$323,355
Year 17	\$1,247,822	\$965,000	\$282,822
Year 18	\$1,272,779	\$1,050,000	\$222,779
Year 19	\$1,298,234	\$1,130,000	\$168,234
Year 20	\$1,324,199	\$1,250,000	\$74,199
	\$22,085,600	\$10,857,272	\$11,228,328

Source: Applicant, MRB

Other Fiscal Costs

The Developer indicated that they would be seeking a sales tax exemption of \$2.0 million and a mortgage recording tax exemption of \$283,858. The tables below show the local share of these costs.

Cost of Sales Tax Exemption, County

Type	Value
Sales Tax Exemption	\$2,034,274
Local	4.250%
State	4.000%
MCTD	0.375%
Local Exemption	\$1,002,396

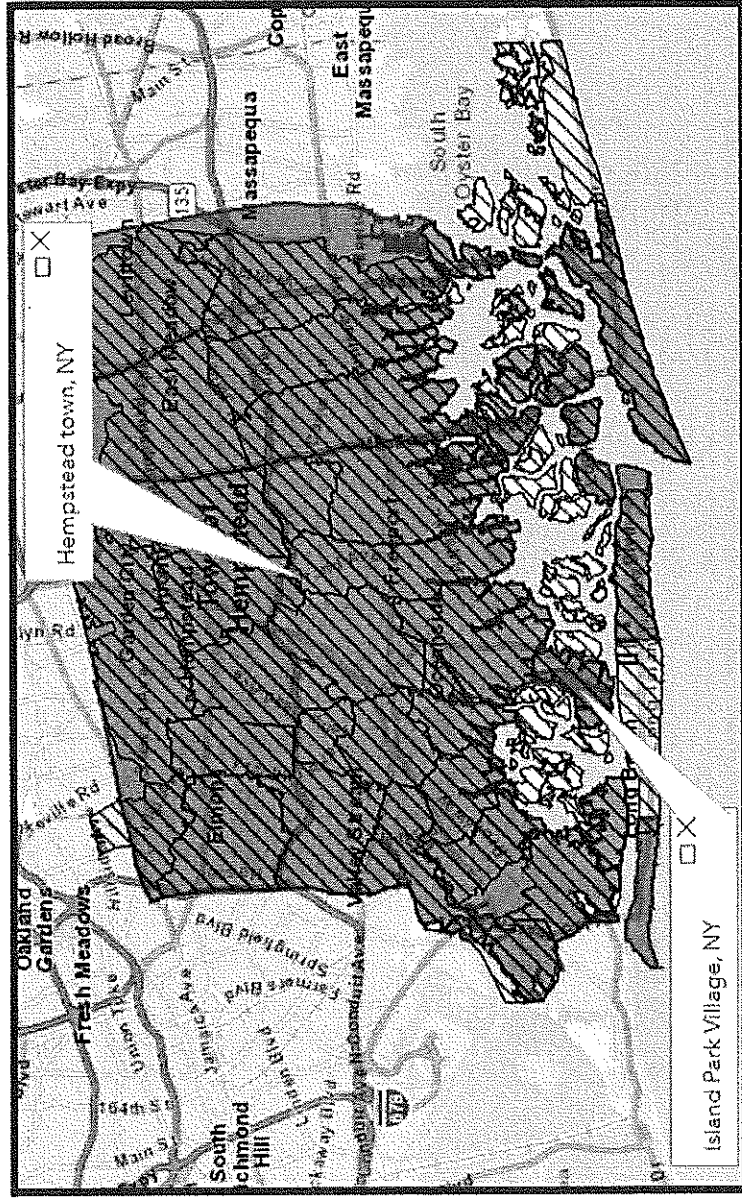
Source: Applicant

Cost of MRTE Exemption, County

Type	Value
MRTE	\$283,858
Local	0.50%
State	0.25%
Local Exemption	\$189,239

Source: Applicant

Appendix A



Town of Hempstead (green) and 29 ZIP Code approximation (red)

ZIP Code	Description
11001	Floral Park, NY (in Nassau county)
11003	Elmont, NY (in Nassau county)
11010	Franklin Square, NY (in Nassau county)
11096	Inwood, NY (in Nassau county)
11510	Baldwin, NY (in Nassau county)
11518	East Rockaway, NY (in Nassau county)
11520	Freeport, NY (in Nassau county)
11530	Garden City, NY (in Nassau county)
11549	Hempstead, NY (in Nassau county)
11550	Hempstead, NY (in Nassau county)
11552	West Hempstead, NY (in Nassau county)
11553	Uniondale, NY (in Nassau county)
11554	East Meadow, NY (in Nassau county)
11557	Hewlett, NY (in Nassau county)
11558	Island Park, NY (in Nassau county)
11559	Lawrence, NY (in Nassau county)
11561	Long Beach, NY (in Nassau county)
11563	Lynbrook, NY (in Nassau county)
11565	Malverne, NY (in Nassau county)
11566	Merrick, NY (in Nassau county)
11570	Rockville Centre, NY (in Nassau county)
11572	Oceanside, NY (in Nassau county)
11575	Roosevelt, NY (in Nassau county)
11580	Valley Stream, NY (in Nassau county)
11581	Valley Stream, NY (in Nassau county)
11598	Woodmere, NY (in Nassau county)
11710	Belmore, NY (in Nassau county)
11756	Levittown, NY (in Nassau county)
11793	Wantagh, NY (in Nassau county)

Economic and Fiscal Impact Analysis dated July 7, 2023 prepared by Camoin Associates

PREPARED FOR:

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

Economic and Fiscal Impact

OCEAN AVENUE MARINA, INC

Town of Hempstead
Industrial Development Agency

JULY 7, 2023

PREPARED BY:



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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 Ocean Avenue Marina, LLC. The proposed project involves construction of a 117-unit four story residential apartment building at 50 & 80 Waterfront Blvd. Island Park, NY 11558. The goal of this analysis is to provide a complete assessment of the total economic, employment and tax impact of the project on the Town of Hempstead that result from the new household spending and on-site operations.

The primary tool used in this analysis is the input-output model developed by Lightcast (formerly 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:
Ocean Avenue Marina, INC
Application for Assistance and the
Town of Hempstead Industrial
Development Agency

Geography:
Town of Hempstead

Study Period:
2022

Modeling Tool:
Lightcast

DIRECT IMPACTS

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

INDIRECT IMPACTS

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

INDUCED IMPACTS

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

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CAMOIN ASSOCIATES

EXECUTIVE SUMMARY

The Town of Hempstead Industrial Development Agency (the "Agency") received an application for financial assistance from Ocean Avenue Marina, Inc (the "Applicant") for the construction of a 117-unit four story residential apartment building (the "Project") at 50 & 80 Waterfront Blvd. Island Park, NY 11558 (the "Site"). The development will consist of 74 1-bedroom units and 43 2-bedroom units, along with on-site parking and amenities. The Applicant is seeking a sales tax exemption, mortgage recording tax exemption, and a 20-year PILOT 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 79% of the units (or 92 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	26
Direct Jobs	19
Total Earnings	\$ 1,460,319
Direct Earnings	\$ 959,970
Annual Sales Tax Revenue to County	\$ 46,839
Annual Sales Tax Revenue to Town	\$ 4,133
Average Annual PILOT Payment	\$ 542,864
Average Annual PILOT Payment to Town	\$ 115,160
Average Annual PILOT Benefit	\$ 401,187
Average Annual PILOT Benefit to Town	\$ 85,105
Average Annual Net Benefit to Town	\$ 89,238

- ♦ The Project supports 26 net new jobs in the town, with over \$1.4 million in associated earnings. These figures include net new jobs resulting from both maintenance and operation of the facility as well as economic activity that results from new household spending.
- ♦ The Applicant has negotiated terms of a proposed PILOT agreement for a term of 20 years with the Agency, where the Applicant would pay an average of \$542,864 each year, of which \$115,160 will be allocated to the Town. The PILOT represents an average annual benefit to the Town of \$85,105.
- ♦ Through negotiations with the Agency the Applicant could have access to a sales tax exemption valued at up to \$2,034,274 and a mortgage recording tax exemption valued at up to \$283,858. However, if we assume that the Project would not occur absent IDA benefits, this is not actually a "cost" to the state and county since no future revenue stream would exist without the exemptions.

Table 2

Summary of Costs to Affected Jurisdictions

	State and County	
Sales Tax Exemption	\$	2,034,274
Mortgage Tax Exemption	\$	283,858

Source: Applicant, Camoin Associates

CAMOIN ASSOCIATES

ECONOMIC IMPACT ANALYSIS

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

The Project would have economic impacts upon the Town of Hempstead as a result of Project operation, new permanent jobs, 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 \$40.8 million¹, of which 70%² is assumed to be sourced from within the town. This means that there will be nearly \$28.6 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	\$ 40,819,642
Percent Sourced from Town	70%
Net New Construction Spending	\$ 28,573,749

Source: Applicant, Camoin Associates

Based on over \$28.5 million worth of net new direct spending associated with the construction phase of the Project, Camoin Associates determined that there would be over \$36.3 million in total one-time construction related spending supporting 156 total jobs and an associated over \$13.8 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	119 \$	11,166,409 \$	28,573,749
Indirect	18 \$	1,276,877 \$	4,142,730
Induced	20 \$	1,395,512 \$	3,636,445
Total	156 \$	13,838,798 \$	36,352,924

Source: Lightcast, Camoin Associates

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

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

CAMOIN ASSOCIATES

IMPACTS OF NEW HOUSEHOLD SPENDING

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

The Applicant proposes to construct 117 market rate units. Camoin Associates conducted a rental demand analysis for the Project site and found that 79% of the units, or 92 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
Residential Units	117	79%	92
Total	117	79%	92

Source: Esri, Camoin Associates

SPENDING BY NEW TENANTS

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

The 92 units will be market rate units, which are typically affordable to households making at least 120% of the area median income. The Town of Hempstead AMI is \$122,805. Therefore, we will consider spending for tenants to be in the \$100,000 to \$149,999 spending basket, per the Bureau of Labor Statistics' 2020 Consumer Expenditure Survey.

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

It is assumed that 60%³ 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 Based on an analysis of goods and services available within the town, using Esri Business Analyst. Every category of retail exists within the town, but some portion of the retail expenditure occurs outside the town limits.

CAMOIN ASSOCIATES

Table 6

Tenant Spending Basket**Residential Apartment 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 (92 net new units)
Food	\$ 9,901	\$ 5,941	\$ 546,535
Household furnishings and equipment	\$ 2,909	\$ 1,745	\$ 160,577
Apparel and services	\$ 2,037	\$ 1,222	\$ 112,442
Transportation	\$ 14,888	\$ 8,933	\$ 821,818
Health care	\$ 6,508	\$ 3,905	\$ 359,242
Entertainment	\$ 4,331	\$ 2,599	\$ 239,071
Personal care products and services	\$ 934	\$ 560	\$ 51,557
Education	\$ 1,494	\$ 896	\$ 82,469
Miscellaneous	\$ 1,186	\$ 712	\$ 65,467
Total Tenant Spending	\$ 44,188	\$ 26,513	\$ 2,439,178

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 the town by the number of net new units. As shown in the table above, spending in the town by all new households totals \$2.4 million per year. We used the above spending basket amounts to calculate the direct, indirect, and total impact of the Project on the town.

Using \$2.4 million as the new sales input, Camoin Associates employed Lightcast to determine the indirect, induced, and total impact of the Project on the Town of Hempstead.⁴ Table 7 outlines the findings of this analysis.

Table 7

Town Economic Impact - Household Spending

	Jobs	Earnings	Sales
Direct	17 \$	859,970 \$	2,439,178
Indirect	3 \$	207,644 \$	573,870
Induced	3 \$	215,685 \$	557,347
Total	23 \$	1,283,299 \$	3,570,395

Source: Lightcast, Camoin Associates

IMPACTS OF ON-SITE EMPLOYMENT

The Applicant anticipates that 2 jobs (both full-time) will be on-site within one years following Project completion. Since 79% of the housing units are considered net new to the town, 79% of the jobs, are considered to be net new. The table below detail the impact that these 2 jobs will have on the Town of Hempstead (Table 8).

⁴ Analysis uses the 34 zip codes that are predominantly located within the Town of Hempstead (see Attachment C).

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Table 8

Town Economic Impact - On-Site Operations

	Jobs	Earnings	Sales
Direct	2 \$	100,000 \$	361,384
Indirect	1 \$	54,023 \$	156,116
Induced	0 \$	22,997 \$	59,645
Total	3 \$	177,020 \$	577,145

Source: Lightcast, Camoin Associates

TOTAL ANNUAL ECONOMIC IMPACT

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

Table 9

Town Total Annual Economic Impact

	Jobs	Earnings	Sales
Direct	19 \$	959,970 \$	2,800,562
Indirect	4 \$	261,667 \$	729,986
Induced	3 \$	238,682 \$	616,992
Total	26 \$	1,460,319 \$	4,147,540

Source: Lightcast, 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 PILOT (20 years) 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 Town of Hempstead and other applicable jurisdictions.⁵

Table 10

Tax Payments with PILOT

	Total		Portion of Payment by Jurisdiction			
Year	PILOT Payments		Town	County	School District	Special Districts
1	\$	57,424	\$ 12,182	\$ 14,261	\$ 27,713	\$ 3,268
2	\$	57,424	\$ 12,182	\$ 14,261	\$ 27,713	\$ 3,268
3	\$	57,424	\$ 12,182	\$ 14,261	\$ 27,713	\$ 3,268
4	\$	125,000	\$ 26,517	\$ 31,044	\$ 60,325	\$ 7,114
5	\$	175,000	\$ 37,123	\$ 43,462	\$ 84,455	\$ 9,960
6	\$	240,000	\$ 50,912	\$ 59,604	\$ 115,824	\$ 13,659
7	\$	300,000	\$ 63,640	\$ 74,505	\$ 144,780	\$ 17,074
8	\$	350,000	\$ 74,247	\$ 86,923	\$ 168,910	\$ 19,920
9	\$	400,000	\$ 84,853	\$ 99,341	\$ 193,040	\$ 22,766
10	\$	460,000	\$ 97,581	\$ 114,242	\$ 221,997	\$ 26,180
11	\$	520,000	\$ 110,309	\$ 129,143	\$ 250,953	\$ 29,595
12	\$	580,000	\$ 123,037	\$ 144,044	\$ 279,909	\$ 33,010
13	\$	650,000	\$ 137,887	\$ 161,428	\$ 313,691	\$ 36,994
14	\$	760,000	\$ 161,221	\$ 188,747	\$ 366,777	\$ 43,255
15	\$	830,000	\$ 176,071	\$ 206,132	\$ 400,559	\$ 47,239
16	\$	900,000	\$ 190,920	\$ 223,516	\$ 434,341	\$ 51,222
17	\$	965,000	\$ 204,709	\$ 239,659	\$ 465,710	\$ 54,922
18	\$	1,050,000	\$ 222,740	\$ 260,769	\$ 506,731	\$ 59,760
19	\$	1,130,000	\$ 239,711	\$ 280,637	\$ 545,339	\$ 64,313
20	\$	1,250,000	\$ 265,167	\$ 310,439	\$ 603,251	\$ 71,142
Total	\$	10,857,272	\$ 2,303,192	\$ 2,696,419	\$ 5,239,732	\$ 617,929
Average	\$	542,864	\$ 115,160	\$ 134,821	\$ 261,987	\$ 30,896

Source: Town of Hempstead IDA, Camoin Associates

⁵ It is assumed that the jurisdictions will continue to receive the same portion of the PILOT payments as they do from the property's 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. The following table displays the estimated property tax payments without the Project.

Table 11

Tax Payments without Project

Year	Total Property Tax Payment Without Project*		Portion of Payment by Jurisdiction			
			Town	County	School District	Special Districts
1	\$	116,619	\$ 24,739	\$ 28,962	\$ 56,280	\$ 6,637
2	\$	118,951	\$ 25,234	\$ 29,542	\$ 57,406	\$ 6,770
3	\$	121,330	\$ 25,738	\$ 30,133	\$ 58,554	\$ 6,905
4	\$	123,757	\$ 26,253	\$ 30,735	\$ 59,725	\$ 7,043
5	\$	126,232	\$ 26,778	\$ 31,350	\$ 60,920	\$ 7,184
6	\$	128,757	\$ 27,314	\$ 31,977	\$ 62,138	\$ 7,328
7	\$	131,332	\$ 27,860	\$ 32,616	\$ 63,381	\$ 7,475
8	\$	133,959	\$ 28,417	\$ 33,269	\$ 64,649	\$ 7,624
9	\$	136,638	\$ 28,985	\$ 33,934	\$ 65,942	\$ 7,777
10	\$	139,371	\$ 29,565	\$ 34,613	\$ 67,260	\$ 7,932
11	\$	142,158	\$ 30,156	\$ 35,305	\$ 68,606	\$ 8,091
12	\$	145,001	\$ 30,760	\$ 36,011	\$ 69,978	\$ 8,253
13	\$	147,901	\$ 31,375	\$ 36,731	\$ 71,377	\$ 8,418
14	\$	150,859	\$ 32,002	\$ 37,466	\$ 72,805	\$ 8,586
15	\$	153,876	\$ 32,642	\$ 38,215	\$ 74,261	\$ 8,758
16	\$	156,954	\$ 33,295	\$ 38,980	\$ 75,746	\$ 8,933
17	\$	160,093	\$ 33,961	\$ 39,759	\$ 77,261	\$ 9,112
18	\$	163,295	\$ 34,640	\$ 40,554	\$ 78,806	\$ 9,294
19	\$	166,561	\$ 35,333	\$ 41,366	\$ 80,382	\$ 9,480
20	\$	169,892	\$ 36,040	\$ 42,193	\$ 81,990	\$ 9,669
Total	\$	2,833,535	\$ 601,088	\$ 703,713	\$ 1,367,467	\$ 161,267
Average	\$	141,677	\$ 30,054	\$ 35,186	\$ 68,373	\$ 8,063

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. Over \$401,187 more in PILOT revenue will be received annually than property taxes that would be received without the Project. The total benefit would be \$8.0 million 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	\$ 116,619	\$ 57,424	\$ (59,195)
2	\$ 118,951	\$ 57,424	\$ (61,527)
3	\$ 121,330	\$ 57,424	\$ (63,906)
4	\$ 123,757	\$ 125,000	\$ 1,243
5	\$ 126,232	\$ 175,000	\$ 48,768
6	\$ 128,757	\$ 240,000	\$ 111,243
7	\$ 131,332	\$ 300,000	\$ 168,668
8	\$ 133,959	\$ 350,000	\$ 216,041
9	\$ 136,638	\$ 400,000	\$ 263,362
10	\$ 139,371	\$ 460,000	\$ 320,629
11	\$ 142,158	\$ 520,000	\$ 377,842
12	\$ 145,001	\$ 580,000	\$ 434,999
13	\$ 147,901	\$ 650,000	\$ 502,099
14	\$ 150,859	\$ 760,000	\$ 609,141
15	\$ 153,876	\$ 830,000	\$ 676,124
16	\$ 156,954	\$ 900,000	\$ 743,046
17	\$ 160,093	\$ 965,000	\$ 804,907
18	\$ 163,295	\$ 1,050,000	\$ 886,705
19	\$ 166,561	\$ 1,130,000	\$ 963,439
20	\$ 169,892	\$ 1,250,000	\$ 1,080,108
Total	\$ 2,833,535	\$ 10,857,272	\$ 8,023,737
Average	\$ 141,677	\$ 542,864	\$ 401,187

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 \$85,105 more in PILOT revenue annually than it would receive in property taxes without the Project. The total benefit to the Town would be over \$1.7 million 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	\$ 24,739	\$ 12,182	\$ (12,557)
2	\$ 25,234	\$ 12,182	\$ (13,052)
3	\$ 25,738	\$ 12,182	\$ (13,557)
4	\$ 26,253	\$ 26,517	\$ 264
5	\$ 26,778	\$ 37,123	\$ 10,345
6	\$ 27,314	\$ 50,912	\$ 23,598
7	\$ 27,860	\$ 63,640	\$ 35,780
8	\$ 28,417	\$ 74,247	\$ 45,830
9	\$ 28,985	\$ 84,853	\$ 55,868
10	\$ 29,565	\$ 97,581	\$ 68,016
11	\$ 30,156	\$ 110,309	\$ 80,153
12	\$ 30,760	\$ 123,037	\$ 92,278
13	\$ 31,375	\$ 137,887	\$ 106,512
14	\$ 32,002	\$ 161,221	\$ 129,219
15	\$ 32,642	\$ 176,071	\$ 143,429
16	\$ 33,295	\$ 190,920	\$ 157,625
17	\$ 33,961	\$ 204,709	\$ 170,748
18	\$ 34,640	\$ 222,740	\$ 188,100
19	\$ 35,333	\$ 239,711	\$ 204,378
20	\$ 36,040	\$ 265,167	\$ 229,127
Total	\$ 601,088	\$ 2,303,192	\$ 1,702,104
Average	\$ 30,054	\$ 115,160	\$ 85,105

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 \$99,635 more in PILOT revenue annually than it would receive in property taxes without the Project. The total benefit to the County would be over \$1.9 million 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	\$ 28,962	\$ 14,261	\$ (14,701)
2	\$ 29,542	\$ 14,261	\$ (15,280)
3	\$ 30,133	\$ 14,261	\$ (15,871)
4	\$ 30,735	\$ 31,044	\$ 309
5	\$ 31,350	\$ 43,462	\$ 12,112
6	\$ 31,977	\$ 59,604	\$ 27,627
7	\$ 32,616	\$ 74,505	\$ 41,889
8	\$ 33,269	\$ 86,923	\$ 53,654
9	\$ 33,934	\$ 99,341	\$ 65,406
10	\$ 34,613	\$ 114,242	\$ 79,629
11	\$ 35,305	\$ 129,143	\$ 93,838
12	\$ 36,011	\$ 144,044	\$ 108,033
13	\$ 36,731	\$ 161,428	\$ 124,697
14	\$ 37,466	\$ 188,747	\$ 151,281
15	\$ 38,215	\$ 206,132	\$ 167,916
16	\$ 38,980	\$ 223,516	\$ 184,537
17	\$ 39,759	\$ 239,659	\$ 199,900
18	\$ 40,554	\$ 260,769	\$ 220,215
19	\$ 41,366	\$ 280,637	\$ 239,272
20	\$ 42,193	\$ 310,439	\$ 268,246
Total	\$ 703,713	\$ 2,696,419	\$ 1,992,707
Average	\$ 35,186	\$ 134,821	\$ 99,635

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 \$193,613 more in PILOT revenue annually than it would receive in property taxes without the Project. The total benefit to the school district would be over \$3.8 million over the 20-year period.

Table 15

Tax Policy Comparison for School District

Year	Property Tax Payment Without Project	PILOT Payment	Benefit (Cost) of Project
1	\$ 56,280	\$ 27,713	\$ (28,568)
2	\$ 57,406	\$ 27,713	\$ (29,693)
3	\$ 58,554	\$ 27,713	\$ (30,841)
4	\$ 59,725	\$ 60,325	\$ 600
5	\$ 60,920	\$ 84,455	\$ 23,535
6	\$ 62,138	\$ 115,824	\$ 53,686
7	\$ 63,381	\$ 144,780	\$ 81,399
8	\$ 64,649	\$ 168,910	\$ 104,262
9	\$ 65,942	\$ 193,040	\$ 127,099
10	\$ 67,260	\$ 221,997	\$ 154,736
11	\$ 68,606	\$ 250,953	\$ 182,347
12	\$ 69,978	\$ 279,909	\$ 209,931
13	\$ 71,377	\$ 313,691	\$ 242,313
14	\$ 72,805	\$ 366,777	\$ 293,972
15	\$ 74,261	\$ 400,559	\$ 326,298
16	\$ 75,746	\$ 434,341	\$ 358,595
17	\$ 77,261	\$ 465,710	\$ 388,449
18	\$ 78,806	\$ 506,731	\$ 427,925
19	\$ 80,382	\$ 545,339	\$ 464,957
20	\$ 81,990	\$ 603,251	\$ 521,261
Total	\$ 1,367,467	\$ 5,239,732	\$ 3,872,264
Average	\$ 68,373	\$ 261,987	\$ 193,613

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 \$22,833 more in PILOT revenue annually than it would receive in property taxes without the Project. The total benefit to the special districts would be over \$456,662 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	\$ 6,637	\$ 3,268	\$ (3,369)
2	\$ 6,770	\$ 3,268	\$ (3,502)
3	\$ 6,905	\$ 3,268	\$ (3,637)
4	\$ 7,043	\$ 7,114	\$ 71
5	\$ 7,184	\$ 9,960	\$ 2,776
6	\$ 7,328	\$ 13,659	\$ 6,331
7	\$ 7,475	\$ 17,074	\$ 9,600
8	\$ 7,624	\$ 19,920	\$ 12,296
9	\$ 7,777	\$ 22,766	\$ 14,989
10	\$ 7,932	\$ 26,180	\$ 18,248
11	\$ 8,091	\$ 29,595	\$ 21,504
12	\$ 8,253	\$ 33,010	\$ 24,757
13	\$ 8,418	\$ 36,994	\$ 28,576
14	\$ 8,586	\$ 43,255	\$ 34,669
15	\$ 8,758	\$ 47,239	\$ 38,481
16	\$ 8,933	\$ 51,222	\$ 42,290
17	\$ 9,112	\$ 54,922	\$ 45,810
18	\$ 9,294	\$ 59,760	\$ 50,466
19	\$ 9,480	\$ 64,313	\$ 54,833
20	\$ 9,669	\$ 71,142	\$ 61,473
Total	\$ 161,267	\$ 617,929	\$ 456,662
Average	\$ 8,063	\$ 30,896	\$ 22,833

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 renovation materials and furniture, fixtures, and equipment as well as a mortgage recording tax exemption. Tax exemptions are for the state and county taxes and are not applicable to the town.

Table 17

Summary of Costs to Affected Jurisdictions

	State and County	
Sales Tax Exemption	\$	2,034,274
Mortgage Tax Exemption	\$	283,858

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%⁶ 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	\$	13,838,798
Amount Spent in County (70%)	\$	9,687,159
Amount Taxable (25%)	\$	2,421,790
Nassau County Sales Tax Revenue (4.25%)	\$	102,926
New Town Sales Tax Revenue Portion*		0.375%
New Town Sales Tax Revenue	\$	9,082

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.

⁶ According to Lightcast, 70% demand for industries in a typical household spending basket is met within Nassau County.

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SALES TAX REVENUE – NEW HOUSEHOLD SPENDING

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

Table 19

Annual Sales Tax Revenue, Household Spending	
Total New Spending	\$ 3,570,395
Amount Taxable (30%)	\$ 1,071,118
Nassau County Sales Tax Revenue (4.25%)	\$ 45,523
New Town Sales Tax Revenue Portion*	0.375%
New Town Tax Revenue	\$ 4,017

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	\$ 177,020
Amount Spent in County (70%)	\$ 123,914
Amount Taxable (25%)	\$ 30,978
Nassau County Sales Tax Revenue (4.25%)	\$ 1,317
New Town Sales Tax Revenue Portion*	0.375%
New Town Tax Revenue	\$ 116

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.

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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	\$	4,017
On-Site Operations	\$	116
New Town Tax Revenue	\$	4,133

Source: Town of Hempstead IDA, Camoin Associates

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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.

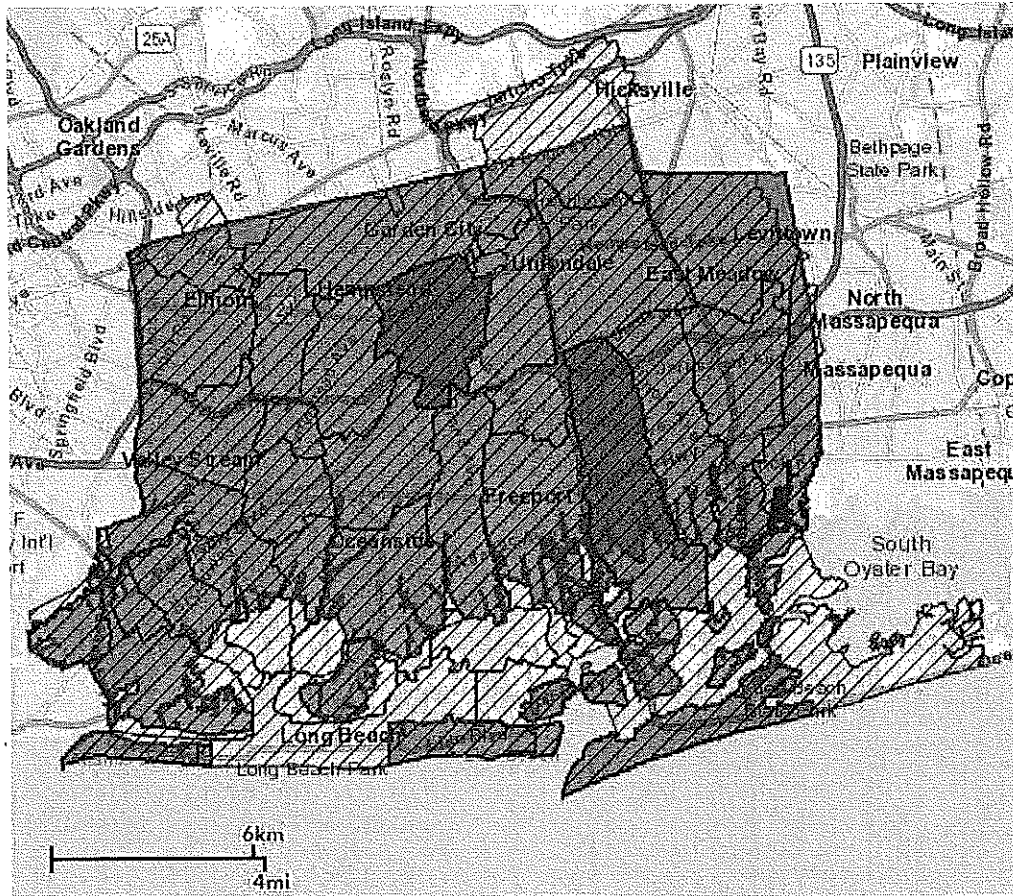
The following steps outline our process for calculating net new households. All data is drawn from Esri Business Analyst.

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.

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ATTACHMENT C: STUDY AREAS

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



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ABOUT CAMOIN ASSOCIATES

Camoin Associates has provided economic development consulting services to municipalities, economic development agencies, and private enterprises since 1999. Through the services offered, Camoin Associates has had the opportunity to serve EDOs and local and state governments from Maine to California; corporations and organizations that include Lowes Home Improvement, FedEx, Amazon, Volvo (Nova Bus) and the New York Islanders; as well as private developers proposing projects in excess of \$6 billion. Our reputation for detailed, place-specific, and accurate analysis has led to projects in 43 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**.

THE PROJECT TEAM

Rachel Selsky
Vice President

Connor Allen
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Leading action to grow your economy

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New York Law Journal Article, dated March 22, 2017 on Eligibility of Residential Developments for IDA Benefits by Anthony Guardino, Esq



Eligibility of Residential Developments for IDA Benefits

March 22, 2017

A court decision upholds what has long been understood to be the rule: Residential developments are eligible to receive IDA benefits.

It has been nearly 50 years since the New York State Legislature enacted legislation authorizing industrial development agencies ("IDAs") for the purpose of promoting economic development. Now, towns, cities, and counties throughout the state have created their own IDAs under General Municipal Law ("GML") Article 18-A (the "IDA Act") and use them to encourage – and to financially assist – a wide variety of real estate developments, often to great success.

In many instances, however, an IDA's efforts are met with objections, both in and out of court. Recently, for example, tax benefits afforded by a town's IDA to the Green Acres Mall on Long Island aroused community criticism, and led New York State Comptroller Thomas P. DiNapoli to announce that he would audit the IDA to determine its compliance with policies and procedures related to its approval of the project.

There also continue to be disputes over the scope of projects that may receive IDA benefits. Last August, the Supreme Court, Seneca County, rejected a challenge to a decision by the Seneca County IDA to provide tax benefits for a casino being built in the county. *Nearpass v. Seneca County Industrial Development Agency*, 53 Misc. 3d 737 (Sup.Ct.

Seneca Co. 2016). The petitioners argued that the casino was not a project defined in the IDA Act and, therefore, that it was ineligible for IDA benefits. They pointed out, among other things, that when the IDA Act first was enacted, casinos were prohibited in New York, and after casinos were allowed by amendment to the New York Constitution, the IDA Act was not amended to include casinos as a project entitled to IDA benefits.

The court was not persuaded and decided, instead, that the casino facility was a commercial project under the IDA Act and, in particular, that it also was a recreation facility within the purview of GML Section 854(9).

Perhaps more surprising than a dispute over the eligibility of a casino to receive IDA benefits was a recent court case that asked whether a residential development could qualify for IDA benefits – an issue of statewide significance. In *Matter of Ryan v. Town of Hempstead Industrial Development Agency*, Index No. 5324/16 (Sup.Ct. Nassau Co. Jan. 27, 2017), the Supreme Court, Nassau County, held that a residential apartment building project fell within the definition of a project for which IDA benefits may be granted.

After first providing background on the IDA Act, this column will discuss the court's decision in *Matter of Ryan* and its implications.

The IDA Act

When the legislation governing the governing the creation, organization, and powers of IDAs in New York State was enacted in 1969, it provided that its general purpose was “to promote the economic welfare of [the state’s] inhabitants and to actively promote, attract, encourage and develop economically sound commerce and industry through governmental action for the purpose of preventing

unemployment and economic deterioration." This intent was further evidenced by the original provision of GML Section 858, which provided that:

The purposes of the agency shall be to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing industrial, manufacturing, warehousing, commercial and research facilities and thereby advance the job opportunities, general prosperity and economic welfare of the people of the state of New York and to improve their standard of living.

In approving the bill, then-Governor Nelson Rockefeller noted that "industrial development agencies provide one means for communities to attract new industry, encourage plant modernization and create new job opportunities." McKinney's 1969 Session Laws, Vol. 2, p. 2572.

The original legislation has been amended a number of times since 1969 to broaden the scope of permissible IDA activities. For example, the definition of project was expanded to specifically include construction of industrial pollution control facilities (L 1971, ch 978), winter recreation facilities and then recreation facilities generally (L 1974, ch 954; L 1977, ch 630), horse racing facilities (L 1977, ch 267), railroad facilities (L 1980, ch 803) and educational or cultural facilities (L 1982, ch 541).

As noted above, however, it has not been amended to specifically include casinos. And it also does not specifically include residential developments.

In 1985, however, the New York State Comptroller's Office was asked by the village attorney for the village of Port Chester whether construction of an apartment complex was a commercial purpose within the meaning of GML Section 854(4) and, thereby, whether it was a proper project for

industrial development bond financing. In response, the Comptroller issued Opinion No. 85-51, 1985 N.Y. St. Comp. 70 (Aug. 16, 1985) (the "Comptroller's Opinion").

In the Comptroller's Opinion, the Comptroller's Office explained that, at its inception, the IDA Act's primary thrust was to promote the development of commerce and industry as a means of increasing employment opportunities.

The Comptroller's Opinion then reasoned that for an apartment complex to qualify as an eligible project under Article 18-A, it had to promote employment opportunities and prevent economic deterioration in the area served by the IDA.

The Comptroller's Opinion added that the Comptroller's Office was "not in a position to render an opinion" as to whether a project that consisted of the construction of an apartment complex was a commercial activity within the meaning of Article 18-A. Rather, it continued, such a determination "must be made by local officials based upon all the facts relevant to the proposed project."

Any such determination, the Comptroller's Opinion concluded, had to take into account the stated purposes of the IDA Act: "the promotion of employment opportunities and the prevention of economic deterioration."

When this issue reached the court in *Triple S. Realty Corp. v. Village of Port Chester*, Index No. 22355/86 (Sup.Ct. Westchester Co. Aug. 19, 1987), the Westchester County Supreme Court held that residential construction may be eligible for industrial development agency benefits if such construction "would increase employment opportunities and prevent economic determination in the area served by the IDA."

The decision by the Nassau County Supreme Court in *Matter of Ryan* provides further confirmation that residential developments certainly are eligible to receive IDA benefits.

Matter of Ryan

The case arose after the Town of Hempstead Industrial Development Agency (TOHIDA) granted financial and tax benefits and assistance to Renaissance Downtowns UrbanAmerica, LLC, with respect to the construction of a new 336-unit residential apartment complex in the village of Hempstead on Long Island. That was Phase 1 of a multi-phase revitalization project that was planned to include additional mixed-use buildings and parking facilities.

The financial benefits and assistance granted by the TOHIDA included:

- exemptions from mortgage recording taxes for one or more mortgages
- securing the principal amount not to exceed \$70,000,000;
- a sales and use tax exemption up to \$3,450,000 in connection with the purchase/lease of building materials, services, or other personal property for the project; and
- abatement of real property taxes for an initial term of 10 years pursuant to a Payment in Lieu of Taxes ("PILOT") Agreement.
- The court then pointed out that the TOHIDA had approved Renaissance's application for assistance with respect to the first phase of the revitalization project based on the TOHIDA's findings, that, among other things:
- In its decision, the court noted that the Comptroller's Opinion had observed that the determination of whether construction of an apartment complex was a commercial activity within the meaning of the IDA Act had to be made by local officials based on facts relevant to the proposed project.

- The court agreed with the respondents and dismissed the petition.
- For their part, the respondents contended that the development of a residential rental building fell within the ambit of the statutory definition of a project entitled to receive an IDA's financial assistance and benefits in that it promoted "employment opportunities" and prevented "economic deterioration" in the area served by the IDA.
- Six petitioners, including a trustee for the village of Hempstead, challenged the TOHIDA's resolution in an Article 78 proceeding, arguing that an IDA could not grant benefits for a project that was residential, either in whole or in part, in nature.
- the town of Hempstead was in need of attractive multi-family housing to retain workers in the town and attract new business;
- a healthy residential environment located in the town was needed to further economic growth;
- there was a lack of affordable, safe, clean multi-family housing within the town; and
- the facility would provide the nucleus of a healthy residential environment, and would be instrumental and vital in the further growth of the town.

Moreover, the court continued, the TOHIDA also found that the development of the first phase of the facility would "promote and maintain the job opportunities, health, general prosperity and economic welfare" of the town's citizens and "improve their standard of living."

Given that the project promoted employment opportunities and served to combat economic deterioration in the area served by the TOHIDA, the court upheld the TOHIDA's decision as rationally based and not arbitrary or capricious, an abuse of discretion, or an error of law.

Conclusion

IDA benefits can play an important role in real estate development. For nearly five decades, they have benefited New Yorkers in numerous situations. As the Comptroller's Office and the courts have recognized, a project – including a residential project – that demonstrates that it promotes employment opportunities and prevents economic deterioration is eligible to receive IDA benefits.

*Reprinted with permission from New York Law Journal,
March 22, 2017 issue, vol. 257, No. 54*

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Related Practice Areas: Land Use & Municipal

Featured Attorneys: Anthony S. Guardino

Publications: New York Law Journal

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Ryan et al. v. Town of Hempstead Industrial Development Agency et al.

SHORT FORM ORDER

SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF NASSAU

P R E S E N T : HON. JEFFREY S. BROWN
JUSTICE

-----X TRIAL/IAS PART 13
In the Matter of DONALD L. RYAN, FLAVIA
IANNACONE, JAMES DENON, JOHN M. WILLAMS,
REGINAL LUCAS and ROBERT DeBREW, JR.,

INDEX # 5324/16

Petitioners,

Mot. Seq. 1

Mot. Date 9.13.16

Submit Date 11.17.16

For A Judgment Pursuant to Article 78 of the New York
Civil Practice and Rules,

XXX

-against-

TOWN OF HEMPSTEAD INDUSTRIAL DEVELOPMENT
AGENCY, RENAISSANCE DOWNTOWNS
URBANAMERICA, LLC, and RDU A PARCEL 1 LLC,

Respondents.

-----X

The following papers were read on this motion:

Papers Numbered

Notice of Petition, Affidavits, Exhibits, Memorandum Annexed.....	1,2
Verified Answers.....	3,4,5
Opposing Affidavits.....	6,7,8,9,10,11,12
Reply Affidavits.....	13, 14
Sur-Reply Affidavit.....	15
Hearing Record (3 Vols.).....	16

Application by petitioners pursuant to Article 78 to invalidate as *ultra vires* and to void the May 18, 2016 resolution passed by the Town of Hempstead Industrial Development Agency (TOHIDA) is decided as hereinafter provided.

In this Article 78 proceeding, petitioners seek to invalidate the resolution passed by respondent TOHIDA on May 18, 2016, which granted financial and tax benefits and assistance to respondent Renaissance Downtowns UrbanAmerica, LLC (Renaissance) *vis-a-vis* construction of a new 336 unit residential apartment complex on the northwest corner of the intersection of Washington and Front Streets (Phase 1 of the multi-phase Village of Hempstead downtown revitalization project¹ which was planned to include additional mixed use buildings/parking facilities). The Phase I property was a tax exempt Village property for at least 50 years until December 15, 2015 when it was acquired by respondent Renaissance.

The financial benefits and assistance granted include:

exemptions from mortgage recording taxes for one or more mortgages securing the principal amount not to exceed \$70,000,000;

sales and use tax exemption up to \$3,450,000 in connection with the purchase/lease of building materials, services or other personal property for the project;

abatement of real property taxes for an initial term of ten years pursuant to Payment in Lieu of Taxes Agreement (PILOT).

Based on the theory that the resolution was affected by an error of law, i.e., that residential apartment buildings are not included in the type of project or facility that is eligible for financial assistance under the General Municipal Law Article 18-A (Industrial Development Act [the IDA or the Act]), petitioners seek to invalidate the subject resolution as *ultra vires*/void.

In opposition, respondents first seek dismissal of the petition based on its alleged multiple fatal flaws including petitioners' lack of standing; failure to raise the *ultra vires* issue in the administrative proceeding before respondent TOHIDA; and failure to serve the attorney general in accordance with CPLR 7804(e).

The alleged flaws are not fatal and do not provide a basis for dismissal. Petitioners have standing to maintain an action for equitable or declaratory relief under State Finance Law § 123-b *vis-a-vis* the issue of whether the project herein falls within the definition of a "project" for which IDA benefits may be granted (*see Nearpass v Seneca County Indus. Dev. Agency*, 52 Misc 3d 533 [Sup Ct, Seneca County 2016 Falvey, J.]; *Dudley v. Kerwick*, 52 NY2d 542 [1981]; *cf.*

¹The development as outlined in the Appraisal Report (Exhibit "2" to the Petition) was approved in a unanimous 5-0, bi-partisan vote by the Village of Hempstead Board. It includes the construction of, among other things: residential units, structured parking, retail space, medical office building, mixed used artist loft with grade and basement level supermarket, surface parking office space, senior independent living apartment building, hotel and restaurant space.

Kadish v. Roosevelt Raceway Assoc., 183 AD2d 874, 875 [2d Dept 1992] [no standing under State Finance Law § 123-b (1) to challenge financing and acquisition of property by TOHIDA through bond issuance because statute specifically excludes bond issuance by a public benefit corporation). Further, the *ultra vires* issue was, in fact, raised in the administrative proceeding before respondent TOHIDA (Record: Vol. 3 Tab 25, pp 113-114), and the Nassau County Regional Office of the New York State Attorney General rejected service of the petition on the ground that the office did not represent respondent TOHIDA.

In further support of its dismissal, movants argue that the petition fails to state a viable cause of action as it is based on the false premise that an Industrial Development Agency may not grant benefits for a commercial project that is residential, either in whole or in part, in nature.

For the reasons which follow, the petition must be dismissed.

Pursuant to General Municipal Law § 858, an Industrial Development Agency

“shall be to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing industrial, manufacturing, warehousing, commercial, research and recreation facilities . . . and thereby advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York and to improve their recreation opportunities, prosperity and standard of living.”

An Industrial Development Agency is thus a “governmental agenc[y] or instrumentalit[y] created for the purpose of preventing unemployment and economic deterioration (General Municipal Law § 852) and to “provide one means for communities to attract new industry, encourage plant modernization and create new job opportunities” (Governor’s Mem., 1969 McKinney’s Session Laws of N.Y. at 2572).

According to respondents, the development of a residential rental building falls within the ambit of the statutory definition of a project,² entitled to financial assistance and benefits, as set forth in § 854(4) of the General Municipal Law in that it “promotes employment opportunities and prevents economic deterioration in the area served by the industrial development agency” (Opns. St. Comp. No. 85-51 [N.Y.S. Cptr., 1985 WL 25843]).

In the opinion of the State Comptroller, the determination of whether construction of an apartment complex is a commercial activity within the meaning of the statute must be made by

²As set forth in § 854(4) the term “project” is broadly defined to include, in relevant part, “any land, any building or other improvement, and all real and personal properties located within the state of New York and within or outside or partially within and partially outside the municipality for whose benefit the agency was created. . . .”

local officials based upon facts relevant to the proposed project (*Id.* [“Local officials must determine, based upon all the relevant facts, whether construction of an apartment complex will promote employment opportunities and prevent economic deterioration. . . .”]). Respondents argue that TOHIDA acted within the scope of its authority in resolving to provide IDA assistance to the project since it would promote job creation and growth in a distressed area of the Village of Hempstead and serve as the first physical manifestation of the Village’s Downtown Revitalization plan and a catalyst for future phases.

Here, the record establishes that a duly noticed public hearing was held regarding respondent Renaissance’s application for TOHIDA assistance with respect to the first phase of the \$2.5 billion Hempstead Revitalization project for which site plan approval was already in place and a building permit issued. The resolution was granted based on respondent TOHIDA’s findings, that, among other things:

- (a) The Town of Hempstead is in need of attractive multi-family housing to retain workers in the Town and attract new business;
- (b) a healthy residential environment located in the Town of Hempstead is needed in order to further economic growth;
- (c) there is a lack of affordable, safe, clean multi-family housing within the Town of Hempstead;
- (d) the facility will provide the nucleus of a healthy residential environment, and will be instrumental and vital in the further growth of the Town of Hempstead.

Respondent TOHIDA also found that:

the acquisition, construction and equipping of the Phase I Facility will promote and maintain the job opportunities, health, general prosperity and economic welfare of the citizens of the Town of Hempstead and the State of New York and improve their standard of living and thereby serve the public purposes of the Act;

the project conformed with local zoning laws and planning regulations of the Town of Hempstead; and

the project will not have a significant effect on the environment as determined in accordance with Article 8 of the Environmental Conservation Law and regulations promulgated thereunder.

The allegations proffered in opposition to the resolution, regarding traffic congestion; additional garbage/sewage; additional burden of increased student population in an already overcrowded/underfunded school district; burden of increased financial costs of municipal services to support increased population, are speculative and lack merit in the face of reasoned evaluation of the project by respondent TOHIDA as set forth in the record. As stated in the affidavit of Wayne J. Hall, Sr., Mayor of the Incorporated Village of Hempstead and Chairman of the Village Community Development Agency:

“the IDA benefits awarded to Renaissance for this particular Phase I of the development are critically important to the revitalization of the Village of Hempstead’s downtown area, and are essential to the twin goals of preventing any further physical and economic deterioration of the area, as well as promoting employment opportunities to the Village.”

As stated in the Socio-Economic Impact of the Village of Hempstead’s Revitalization Plan report, dated March 31, 2016, (Exhibit “A” to the Affidavit of Donald Monti in Opposition to Petition):

“Upon completion, the overall revitalization of the Village of Hempstead will have generated an estimated \$4 billion in economic activity, comprised of economic activity during and after the construction period.

Nearly \$3 billion of primary and secondary economic activity will be generated from construction of the development encompassing 5 million square feet, comprising 2.8 million square feet of 3,500 residential units and 2.2 million square feet of mixed use, retail, hospitality, office and other commercial uses.

This will result in new socio-economic improvements to the Village of Hempstead that will provide much needed housing for Long Island’s young professionals and active adults, and create during the construction period as many as 22,000 temporary construction and secondary jobs generating nearly \$1.4 billion in wages.

When completed, the revitalization will create approximately 6,000 permanent and 4,500 secondary jobs generating \$498 million in wages of which 1,500 of the permanent jobs generating \$125 million in wages projected to be held by Village of Hempstead residents. Thus, in total, the construction activity and resulting permanent jobs and their related secondary economic impacts are expected to generate nearly \$4 billion in primary and secondary economic impact, and over the 20 year PILOT period \$142 million in new county, town, school and village property taxes, and \$43.5 million in new county sales taxes.”

In reviewing the actions of an administrative agency, courts must assess whether the determination was the result of an error of law or was arbitrary, capricious, or an abuse of discretion such that the actions at issue were taken without sound basis in reason and without regard to the facts (*Matter of County of Monroe v Kaladjian*, 83 NY2d 185, 189 [1994], citing *Matter of Pell v Bd. of Educ.*, 34 NY2d 222, 231 [1974]; *Akpan v Koch*, 75 NY2d 561, 570-71 [1990]; *Matter of Calvi v Zoning Bd. of Appeals of the City of Yonkers*, 238 AD2d 417, 418 [2d Dept 1997]). The agency's determination need only be supported by a rational basis (*Matter of County of Monroe v Kaladjian*, *supra*; *Matter of Jennings v Comm. N.Y. Dept. of Social Svcs.*, 71 AD3d 98, 108 [2d Dept 2010]). If the determination is rationally based, a reviewing court may not substitute its judgment for that of the agency even if the court might have decided the matter differently (*Matter of Savetsky v Zoning Bd. of Appeals of Southampton*, 5 AD3d 779, 780 [2d Dept 2004]; *Matter of Calvi v Zoning Bd. of Appeals of the City of Yonkers*, *supra*). It is not for the reviewing court to weigh the evidence or reject the choice made by the agency where the evidence conflicts and room for choice exists (*Matter of Calvi v Zoning Bd. of Appeals of the City of Yonkers*, *supra*, citing *Toys "R" Us v Silva*, 89 NY2d 411, 424 [1996]; *Akpan v Koch*, *supra*).

The record at bar establishes that in adopting the challenged resolution following a public hearing, review of Renaissance's application, and the environmental effects, respondent TOHIDA did not act in excess of its jurisdiction or beyond the scope of its authority; i.e., *ultra vires*. Nor was TOHIDA's decision after review of all of the circumstances to adopt the resolution finding that the Phase I facility constituted a "project" under the IDA affected by an error of law as would warrant relief under Article 78.

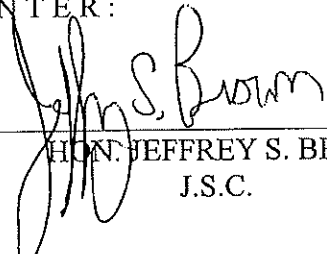
Where, as here, the project at issue promotes employment opportunities and serves to combat economic deterioration in an area served by an industrial development agency, a finding that the project falls within the ambit of the IDA is rationally based; neither arbitrary or capricious or an abuse of discretion, nor an error of law.

Accordingly, the petition is **denied** and the proceeding is hereby **dismissed**.

This constitutes the decision and order of this court. All applications not specifically addressed herein are denied.

Dated: Mineola, New York
January 25, 2017

ENTER :



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EXHIBIT D

Town of Hempstead Industrial Development Agency Uniform Tax Exemption Policy

TOWN OF HEMPSTEAD INDUSTRIAL DEVELOPMENT AGENCY

UNIFORM TAX EXEMPTION POLICY AND GUIDELINES

Pursuant to the authority vested in it by Section 874(4)(a) of Title One of Article 18-A of the General Municipal Law of the State of New York, the Town of Hempstead Industrial Development Agency (HIDA) may provide financial assistance to qualified applicants for qualified projects in the form of issuance of its tax-exempt or taxable bonds or by participating in straight lease transactions.

HIDA has adopted this Uniform Tax Exemption Policy to provide guidelines for the claiming of real property, sales and use tax and mortgage recording tax abatements.

I. A. Real Property Taxes:

HIDA general policy is to grant applicants real property tax abatements for projects involving the purchase and renovation of existing buildings and the construction of new facilities. This program provides for a ten-year period phase-in on the real property taxes. The purchase price in an arms-length transaction can be used to determine the fair market value and assessed value of the property. The phase in will apply to the increased assessment/taxes resulting from the renovation of existing buildings or new construction. HIDA's general policy is to consider freezing the first three years of the taxes at an amount usually based on the current taxes as it, in its sole discretion determines considering the factors listed in Paragraph B, hereof, not one of which is determinative, provided, however that a determination to freeze or fix the assessed value/taxes shall not be considered a deviation from HIDA's uniform tax exemption policy. In addition; it is the general policy of HIDA, that it may grant full or partial tax exemptions for a period up to fifteen years, on a case- by-case basis for (I) manufacturing facilities; (II) senior housing, affordable housing, health care/assisted living facilities; (III) vacant facilities or facilities which HIDA, in its discretion, determines to be in an area of economic distress or having higher than average unemployment or similar circumstances; or (IV) facilities that will create or retain a significant number of full time jobs; or (v) qualifying retail facilities.* A determination by HIDA to grant such exemptions shall not be considered a deviation from policy.

*Retail facilities may be permitted if less than one-third of the total project cost is used for retail sales or services, or meets one of the exceptions, i.e.; a tourism destination, located in a highly distressed area or provide goods or services not otherwise readily available to the residents of the Town.

In determining payments under a payment in lieu of tax ("PILOT") agreement, HIDA will, in consultation with the Nassau County Assessor's Office, through the use of tax roll rates, the Town of Hempstead Office of Receiver of Taxes, and any Village within which the project is located, determine appropriate fixed dollar amounts for PILOT payments under the PILOT Agreement for each tax year that the PILOT Agreement is in effect, as well as the proportionate allocation of such payments amount the taxing jurisdiction.

For Urban Renewal Plans and/or Overlay Zones, the PILOT Agreement may set flat PILOT payments per unit, per year for a term of up to 10 to 15 years, or in the case of such facilities financed with tax-exempt bonds, for the term of the tax-exempt bonds.

Assisted living facilities may be granted a PILOT Agreement for a term of up to 10 to 15 years with fixed PILOT Payments to be determined by the Agency in its sole discretion. However, in the event the Assisted Living Facility is financed by tax exempt bonds, the PILOT Agreement may run concurrently with the term of the bond financing.

Senior living facilities may be granted a PILOT Agreement for a term of up to 10 to 15 years with fixed PILOT Payments to be determined by the Agency in its sole discretion. However, in the event the Senior Living Facility is financed by tax exempt bonds, the PILOT Agreement may run concurrently with the term of the bond financing.

Affordable housing projects may be granted a PILOT for a term of up to 10 to 15 years, which is calculated using a "10% Shelter Rent calculation", whereby the Applicant provides HIDA with figures equal to 10% of the annual total revenues minus the total utilities of the affordable housing project in the application, and thereafter on an annual basis.

In the event an affordable housing project is financed by tax-exempt bonds or 9% Low Income Housing Tax Credits or the project is subject to a recorded Regulatory Agreement recorded by a Municipality or a governmental entity restricting the income levels of the residents of the housing project and the amount of rent payable by the residents, the PILOT Agreement may, at the sole discretion of the Agency, run concurrently with the term of the bond financing or the term of the Regulatory Agreement or such period as may be required by a

state or federal housing agency or authority that is also providing financing or benefits to such project or such lesser period as the Agency shall determine.

Market Rate Housing Projects may be granted a PILOT for a term of 10 to 15 years, and be required to include a minimum of 10% affordable units and 10% workforce units to be maintained as such for the life of the Lease and Project Agreement. Each of the "affordable" units shall rent at a reduced rate to tenants with an annual income at or below 80% of the median income for the Nassau-Suffolk primary metropolitan statistical area as defined by the Federal Department of Housing and Urban Development. Each of the "workforce" units shall rent at a reduced rent to tenants with an annual income at or below 120% of the median income for the Nassau-Suffolk primary metropolitan statistical area as defined by the Federal Department of Housing and Urban Development.

Market Rate Housing Projects project shall provide the Agency with the number of affordable units and workforce units on a yearly basis as part of the Agency's Annual Compliance, attested to under penalty of perjury by signed affidavit.

Market Rate Housing Projects may receive additional years in a PILOT Agreement if they are located in a highly distressed or blighted area, a block grant area, a local development zone, an opportunity zone, or a transit-oriented zone.

Approval of all housing projects will be at the sole discretion of the Agency's Board Members. All project applicants for Market Rate Housing Projects, Senior Housing Living Facilities, Assisted Living Facilities and Affordable Housing Projects must submit a feasibility study to the Agency demonstrating the need for the project, other existing or planned housing projects, the impact on the local taxing jurisdictions, the impact on the local school district and the expected number of children, if any, who are likely to attend the local school district, and demonstrating that the housing project complies with the Act.

B. Deviations:

In addition to, or in lieu of, the aforesaid abatement policy HIDA can determine, on a case-by-case basis, to deviate from the guidelines described above or provide enhanced benefits for a project whose scope, size or potential is expected to have a major impact for the Town of Hempstead. Enhanced benefits may exceed fifteen years, as HIDA deems appropriate. The decision of HIDA to grant or deny any such deviation shall be within the sole discretion of HIDA.

HIDA may consider any or all of the following factors in making such determination, no single one of which is determinative:

- The nature of the proposed project (i.e. manufacturing, commercial, civic, retail).
- The nature of the property before the project begins (i.e. vacant land, vacant buildings, brownfield sites, etc.).
- The economic condition of the area at the time of the application and positive economic effect that the project will have on the area.
- The extent to which a project will create or retain permanent, private sector jobs and the number of jobs to be created or retained and the salary ranges of such jobs.
- The estimated value of tax exemptions to be provided.
- The economic impact of the project and the proposed tax exemptions on affected tax jurisdictions.
- The impact of the proposed project on existing and proposed businesses and economic development projects in the vicinity.
- The amount of private sector investment generated or likely to be generated by the proposed project.
- The likelihood of accomplishing the proposed project in a timely fashion.
- The effect of the proposed project upon the environment and the surrounding area.
- The extent to which the project will utilize to the fullest extent practicable and economically feasible, resource conservation, energy efficiency, green technologies, and alternative and renewable energy measures.
- The extent to which the proposed project will require the provision of additional services, including, but not limited to, educational, transportation, police, emergency medical or fire services.
- The extent to which the proposed project will provide additional sources of revenue or taxes for the State, County, Town, municipalities and school districts in which the project is located.
- The extent to which the proposed project will provide a benefit (economic or otherwise) not otherwise available within the municipality in which the project is located.
- The number of construction jobs to be created during the construction or renovation of the project and whether the project applicant will pay prevailing wages on such construction jobs.

II. **Sales Taxes:**

Purchase of construction related equipment (by applicant) or rental or lease of construction related equipment (by applicants or contractors and subcontractors), purchases of construction and building material and purchase, rental or lease of project related equipment, furnishings and other items of personal property are made as agent for HIDA, and are, therefore, afforded full exemption from New York State sales and use tax. Operating expenses of the projects are not to be incurred as agent of HIDA and no sales tax exemption is provided therefore. Sales and use tax exemption will not be granted for the purchase, rental or lease of motor vehicles and trailers registered for over the road use.

All project applicants must agree in writing to timely filing with the New York State Department of Taxation, and HIDA of an annual statement, (and all other forms and reports as maybe required by NYS Department of Taxation including ST-60's, ST-123 and ST-340), of the value of all sales and use tax exemptions claimed in connection with facility in full compliance with the New York State General Municipal Law, in the form and at the time required thereby. The agreement will also include a total exemption amount.

Sales and use tax exemption agreements will have an expiration date based upon the estimated project completion date plus a window (i.e. six months, one year, etc.) to allow for possible delays. The duration will also be determined by the maximum total exemption dollar amount. The window period will be set on the basis of the project and any extensions of the expiration dates or increases in the dollar amount of the exemption must be approved by the HIDA board prior to the expiration date of the exemptions or the date on which the dollar amount of exemptions has been expended.

III. Mortgage Recording Tax:

Mortgages executed by HIDA in connection with project related financing are provided an exemption from New York State mortgage recording taxes. Mortgages executed by HIDA in connection with non-project related financing may be exempt from New York State mortgage recording taxes, at the discretion of HIDA. In determining whether to permit such exemptions on non-project related financing, HIDA shall consider such factors, as it deems appropriate including, but not limited to, the use of the property, the degree of investment, the degree and nature of employment and the economic condition of the area in which the facility is located.

IV. A. Recapture of Benefits:

HIDA, with respect to a particular project that receives real property tax abatements, sales and use tax exemptions or mortgage recording tax

exemptions shall require the project applicant to agree to the recapture of such benefits by HIDA pursuant to the following schedule:

Within first 4 years	100%
Within first 6 years	75%
Within first 8 years	50%
Within first 9 years	25%
After first 9 years	0%

Events that HIDA may determine will trigger recapture may include, but shall not be limited to, the following:

- Sale or closure of facility;
- Significant employment reduction or failure to meet employment goals;
- Significant change in use of facility;
- Significant change in business activities of project applicant or operator;
- Material noncompliance with or breach of terms of Agency transaction documents; or
- Failure to create or retain the number of private sector full time (or full time equivalent) or part time jobs that the company represented it would in the Company's application to HIDA.
- Failure to pay PILOT payment.
- Event of Default under the Bond or Lease Documents.

If HIDA determine to provide for recapture with respect to a particular project, HIDA also may, in its sole discretion and on a case-by-case basis, determine the timing and percentage of recapture, either prospectively or retroactively.

B. Additional Recapture Provisions

In addition to the provision for recapture set forth in Paragraph IV.A, HIDA may, in its sole discretion, and on a case-by-case basis, require recapture of benefits (either retroactively or prospectively as it determines to be appropriate in its best judgment) with respect to any project or project applicant for:

- failure to respond to HIDA inquiries concerning payments of principal and interest;

- failure to respond to HIDA inquiries concerning insurance coverage or failure to provide insurance certificates when and as required by HIDA transaction documents;
- failure to respond to HIDA inquiries regarding payment in lieu of taxes or sales and use tax exemptions;
- failure to respond to HIDA inquiries or to provide facts requested by HIDA in connection with any proceedings or determinations pursuant to Paragraph C or Paragraph D of this policy;
- failure to respond to inquiries of HIDA or failure to provide HIDA with any information or documents requested by HIDA in order to provide any federal, state or local agency with information or reports required under any applicable law, rule or regulation including without limitation information required under PAAA and PARA, number of jobs, total payroll etc.; or
- failure to provide any other information concerning the project or the project applicant or any project operator requested by HIDA.

Upon the occurrence of any of the events listed in this Paragraph IV.B, HIDA will, upon at least ten calendar days written notice to the project applicant, hold a hearing before the IDA Board, at which the project applicant will have the opportunity to provide, or explain its failure to provide, the information requested by HIDA. Within 30 calendar days after the hearing, HIDA will determine whether and to what extent it will require recapture of the value of tax exemptions granted with respect to the project by virtue of HIDA involvement.

V: VIDEO RECORDINGS OF MEETINGS

The Agency shall, to the extent practicable, stream all open meetings and public hearings on its website in real-time. The agency shall post video recordings of all open meetings and public hearings on its website within five business days of the meeting or hearing and shall maintain such recordings for a period of no less than five years.

VI: EFFECTIVE DATE

This Uniform Tax Exemption Policy shall apply to all projects for which HIDA has adopted or adopts an Inducement Resolution including refinancings after January 1, 2023, and all refinancing of any project induced or closed before January 1, 2024.

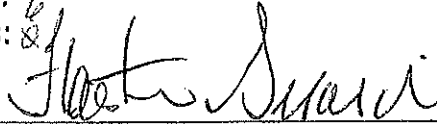
HIDA, by resolution of its Members, and upon notice to all affected tax jurisdictions as may be required by law, may amend or modify the foregoing policy as it may, from time to time, in its sole discretion determine.

Resolution: 040-2022

Adopted: 12/20/22

Ayes: 6

Nays: 0



Chairman Flo Girardi

11/21/19 – adopted by the Governance Committee

1/2/20 - Public Hearing

2/27/20 – adopted by Board of Directors

10/22/20 – Re-adopted (unchanged) by Board of Directors

9/22/21 – adopted by the Governance Committee – Resolution #045-2021 but public hearing postponed and not adopted by Board in 2021

9/20/22 – adopted by the Governance Committee

12/7/22 – Public Hearing

EXHIBIT E

REASONS SUPPORTING THE DETERMINATION OF SIGNIFICANCE FOR A CERTAIN PROJECT FOR OCEAN AVENUE MARINA INC.

Name of Project: Ocean Avenue Marina Inc.

Location: 50 & 80 Waterfront Boulevard, Island Park, Town of Hempstead,
Nassau County, New York

SEQR Status: Unlisted

**Determination
of Significance:** Negative Declaration

1. Impact on Land. The Project consists of the demolition of the existing structures and improvements on the Land, the construction of an approximately 135,406 square foot four-story building on the Land consisting of approximately 117 residential rental units (consisting of approximately 74 one-bedroom apartments and 43 two-bedroom apartments), lobby, club room, grilling and pool areas and garage parking on the Land for approximately 196 vehicles. Presently, the Land contains a banquet hall and yacht club with overwater decking south of Waterfront Boulevard and a parking lot to the north of Waterfront Boulevard. A roundabout will be constructed at the intersection of Waterfront Boulevard and Beach Avenue.

A zoning classification change necessary for the Project was approved by the Town of Hempstead in 2022, as shown in the Town Resolutions. The EAF notes that existing land uses in the vicinity of the Project site include industrial, commercial, aquatic and residential uses, as well as transportation (highways and bridges). According to the Town Resolutions, the Land has been rezoned Residence "CA-S" District. Multifamily dwellings are a permitted use in the CA-S District. Thus, the Project is consistent with the Land's existing zoning classification and will not impact or deter existing or future adjacent land use.

Approximately 2.73 acres of the total roughly 3.58 acres will be physically disturbed by the Project. According to the EAF, the Land is made up of urban land (Ug), is level, does not consist of steep slopes and contains moderately well-drained site soils. The majority of the Land currently is non-vegetated and impervious surfaces. The EAF notes that surface waters and non-vegetated areas will remain unchanged and there will be a net decrease in the acreage of the Land covered by paved and impervious surfaces as a result of the Project, which be converted into grass covertype. Construction for the Project is slated to last approximately 24 months; however, construction activities will be conducted in a single phase and during weekday daytime hours of 7:00 AM to 6:00 PM.

During operation, the Project is not anticipated to significantly impact adjacent land uses considering the size and scale of the Project in relation to its surroundings

particularly when compared to existing uses of the Land as an event venue. Accordingly, the Project will not create any potentially significant adverse impacts to land resources or land use.

2. Impact on Geological Features. The Project does not contain, and is not adjacent to, any unique geologic features or National Natural Landmarks. Accordingly, the Project will not create any potentially significant adverse impacts to geological features.
3. Impact on Surface Water. The Project is in a well-developed area adjacent to existing commercial, urban and residential development. The EAF notes the presence of tidal wetlands and Federal waters, and the southern part of the Land overlooks Reynolds Channel, which is classified as SB marine waters. The ERM Mapper notes that the segment of Reynolds Channel near the Land is an impaired waterbody due to nitrogen. Despite this, the Project will improve stormwater management on the Land by upgrading the existing stormwater infrastructure. During construction, the stormwater will be managed pursuant to a stormwater pollution prevention plan, as noted in the EAF. Further, as mentioned above, the Project will result in a net decrease in overall impervious surface coverage. The EAF further notes that no stormwater runoff flows to adjacent properties.

Although the EAF notes tidal wetlands may be present on the Land, the Land is already developed. Additionally, as noted in the EAF, the Project does not propose any changes to the existing decking over Reynolds Channel. As such, the Project does not propose any direct disturbance or impact to any waterbody or wetland area. Accordingly, the Project will not create any significant adverse impacts on surface water.

4. Impact on Groundwater. The EAF states that the Project includes additional demand for water, and the generation of liquid waste of approximately 27,916 gallons per day in the form of sanitary wastewater. However, existing water and sewer lines with adequate capacity service the Land. No expansion of the water or sewer districts will be required in connection with the Project. While the Project site is located above the Nassau-Suffolk Sole Source Aquifer, the Project does not involve the bulk storage of petroleum or chemical products, or any other activities which would entail any substantial risk to the Aquifer. Accordingly, the Project will not create any potentially significant adverse impacts to groundwater.
5. Impact on Flooding. The EAF states that the Project is not located within a designated floodway, however, the Project is located within the 100 year floodplain, and the Application notes that the Land floods somewhat regularly. Nevertheless, as detailed above, the Project will involve stormwater infrastructure upgrades to provide for sufficient stormwater management controls to mitigate runoff associated with the Project. Additionally, the Project will elevate the grade of the Land and raise the habitable spaces to approximately 18 feet above sea level. In addition, the Project will comply with the requirements for construction in flood prone areas found in Section 352 of the Town of Hempstead Building Zone Ordinance. Accordingly, the Project will not create any potentially significant adverse impacts to flooding.

6. Impact on Air. The Project will not be a significant source of air emissions. The Project does not entail the types of activities or operations that require the Applicant to acquire air registration permits or that are associated with a significant potential for air emissions. Any impacts to air quality from construction activities will be minor and temporary in nature. Accordingly, the Project will not create any significant adverse impacts to air resources.
7. Impact on Plants and Animals. The Land is in a well-developed area and is itself developed. The Land consists primarily of impervious surfaces and is without significant existing vegetation or areas that could serve as suitable habitat for plants or animals. The EAF notes that the Land does not serve as an existing or suitable habitat for any threatened or endangered species. While the EAF notes that the potential presence of natural communities, including low salt marsh (168 acres), high salt marsh (724 acres) and salt panne (292 acres), the EAF describes the investigation conducted by the Applicant, which found that these natural communities do not exist on the Land. Accordingly, the Project will not create any significant adverse impacts to plants, animals or natural communities, or wildlife habitat.
8. Impact on Agricultural Land Resources. The Project is not located within an Agricultural District, and the Land is neither currently used for agricultural purposes nor zoned to be used as such. Therefore, the Project will not create any significant adverse impacts to agricultural land resources.
9. Impact on Aesthetic Resources. The EAF lists a number of area parks and highways which are scenic or aesthetic resources. All of these resources are far enough away from the Land that Project will not be visible from or otherwise adversely impact these resources. Moreover, during operation, the Project will enhance the aesthetic quality of the area and will be consistent with adjacent development. Accordingly, the Project will not create any significant adverse impacts to aesthetic resources.
10. Impact on Historic and Archaeological Resources. The Land does not contain, nor is it adjacent to, a building or district which is listed on, or that has been nominated to, the State or National Register of Historic Places. While the EAF states that the Land is located in an area flagged as sensitive for archaeological resources, a review of CRIS reveals that the Land was part of an archeological survey for an offshore wind project. Further, as shown by the SHPO Letter of No Effect, the Project is not likely to have any adverse impacts to historic properties or archeological resources. Accordingly, the Project will not create any significant impacts to historic or archaeological resources.
11. Impact on Open Space and Recreation. The Project does not include the reduction of any open or recreational spaces. Accordingly, the Project will not create any significant impacts to open space or recreational resources.
12. Impact on Critical Environmental Areas. The Project is not located in or substantially contiguous to any Critical Environmental Areas. As such, the Project will not create any significant adverse impacts to Critical Environmental Areas.

13. Impact on Transportation. The EAF notes that the Project is not expected to result in a substantial increase in traffic above present levels. The Land is presently developed and often used for traffic-intensive events, and the traffic resulting from the residential units associated with the Project is not expected to appreciably increase traffic levels. Further, the Project includes on-site parking for residents, thereby mitigating any potential impact to existing parking resources. The reconfiguration of the intersection of Waterfront Boulevard and Beach Avenue into a roundabout will increase traffic flow and mitigate traffic impacts. Moreover, the Project is a transit-oriented development with close access to the Island Park train station. As such, the Project will not create any significant adverse impacts to transportation.
14. Impact on Energy. The Project will not result in substantial increase in the use of energy, and no significant energy infrastructure improvements are necessary to accommodate the Project. While energy usage may slightly increase as a result of the Project, the Project is replacing the existing event use on the Property and will likely be more sustained energy usage but at a lesser intensity. As such, the Project will not create any significant adverse impacts to energy resources.
15. Impact on Noise, Odor and Light. The Project is consistent with surrounding land uses and is not expected to appreciably increase ambient noise levels or to create odors or excessive lighting as the Land is previously developed. Further, any impacts to noise and/or odor from construction activities including heavy equipment will be minor, temporary in nature and limited to weekday daytime hours. New lighting will be added near walkways, parking areas, driveways, facades and in the courtyard. All light fixtures will comply with the requirements of Section 70-217 of the Town of Hempstead Building Zone Code concerning height, placement and glare. Accordingly, the Project will not create any significant adverse impacts relating to noise, odors or light.
16. Impact on Public Health. The Project does not entail the types of activities or operations that are associated with a significant potential for affecting public health, such as storing large amounts of hazardous or toxic materials. While the EAF notes that during operation the Project will store calcium hypochlorite for pool maintenance, the containers holding the chemical will be stored properly in a storage room. The EAF identifies six remedial sites near the Land, however, these sites are all over 1,100 feet from the Land and will not be impacted by the Project. Accordingly, the Project will not create any significant adverse impact to public health.
17. Impact on Character of the Community, and Community Plans. The Project is consistent with existing adjacent uses, as detailed in the EAF, and the Town of Hempstead previously rezoned the Land for the Project. Specifically, the Project is near a diverse mix of commercial and residential land uses and will contribute to the area's character by replacing the current buildings with a four-story residential structure. Additionally, by rezoning the Land to the CA-S District, the Town of Hempstead Town Board showed its clear intent to increase density on the Land. This, according to the Town Building Zone Code, is in the best interest of the community in order to encourage redevelopment. Accordingly, the Project will not create any significant adverse impacts to the character of the community or community plans.