

PREPARED FOR:

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

Economic and Fiscal Impact

DOVER FREEPORT, LLC

Town of Hempstead
Industrial Development Agency

OCTOBER 16, 2023

PREPARED BY:



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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 Dover Freeport, LLC. The proposed project involves the renovation of an approximately 39,000 SF warehouse and office space at 27 St. John's Place and 8 Maple Place, Freeport, New York 11520. 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 renovation phase and on-site operations.

The primary tool used in this analysis is the input-output model developed by Lightcast. Primary data used in this study was obtained from the developer's application for financial assistance to the Town of Hempstead Industrial Development Agency and included the following data points: on-site jobs, exemptions, and PILOT schedule.

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:
Dover Freeport, LLC Application
for Assistance and the Town of
Hempstead Industrial
Development Agency

Geography:
Town of Hempstead

Study Period:
2023

Modeling Tool:
Lightcast

DIRECT IMPACTS

This initial round of impacts is generated as a result of spending on operations and renovation.

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 the facility.

INDUCED IMPACTS

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

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EXECUTIVE SUMMARY

The Town of Hempstead Industrial Development Agency (the "Agency") received an application for financial assistance from Dover Freeport, LLC (the "Applicant") for the renovation of an approximately 39,000 SF warehouse and office space (the "Project") at 27 St. Johns Place and 8 Maple Place, Freeport, New York 11520 (the "Site"). The Applicant is seeking a 15-year PILOT agreement from the Agency as well as a sales tax exemption. The Agency commissioned Camoin Associates to conduct an economic and limited fiscal impact analysis of the Project on the Town of Hempstead (the "Town").

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	227
Direct Jobs	158
Total Earnings	\$13,382,858
Direct Earnings	\$ 8,570,552
Annual Sales Tax Revenue to County	\$ 99,535
Annual Sales Tax Revenue to Town	\$ 8,783
Average Annual PILOT Payment	\$ 140,796
Average Annual PILOT Payment to Town	\$ 1,007
Average Annual PILOT Cost	\$ (31,606)
Average Annual PILOT Cost to Town	\$ (226)
Average Annual Net Benefit to Town	\$ 8,556

- ◆ The Project would support 227 net new jobs in the town, of which 158 are direct jobs, with \$8,570,552 in associated earnings.
- ◆ The Applicant has negotiated terms of a proposed 15-year PILOT agreement with the Agency, where the applicant would pay an average of \$138,568 each year, of which \$1,007 will be allocated to the Town. The average annual benefit of the PILOT will be \$226 less than the property tax payments without the PILOT to the Town.
- ◆ The annual net benefit to the Town is estimated to be \$8,556. In this case, this is the sum of the average annual PILOT benefit to the Town and new annual sales tax revenue to the Town.
- ◆ Through negotiations with the Agency the Applicant could have access to a sales tax exemption valued at up to \$155,250. 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	\$ 155,250

Source: Applicant, Camoin Associates

ECONOMIC IMPACT ANALYSIS

The estimates of direct economic activity generated by facility operation 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 renovation and operation.

RENOVATION PHASE IMPACTS

The Applicant estimates that private sector investment in the renovation of the Project would cost approximately \$1.9 million¹, of which 70%² would be sourced from within the town. This means that there will be over \$1.3 million in net new spending in the town associated with the renovation phase of the Project.

Table 3

Renovation Phase Spending - Town	
Total Renovation Cost	\$ 1,950,000
Percent Sourced from Town	70%
Net New Renovation Spending	\$ 1,365,000

Source: Applicant, Camoin Associates

Based on over \$1.365 million worth of net new direct spending associated with the renovation phase of the Project, Camoin Associates determined that there would be over \$1.7 million in total one-time renovation related spending supporting 6³ jobs and an associated \$656,246 in earnings over the renovation period throughout the town. Table 4 outlines the economic impacts of renovation.

Table 4

Town Economic Impact - Renovation Phase			
	Jobs	Earnings	Sales
Direct	4 \$	526,041 \$	1,365,000
Indirect	1 \$	61,962 \$	201,596
Induced	1 \$	68,244 \$	177,541
Total	6 \$	656,246 \$	1,744,137

Source: Lightcast, Camoin Associates

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

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

³ While the application estimated 20 renovation jobs, based on the renovation spending our analysis determined this total to be 6 with 4 direct renovation jobs.

IMPACTS OF ON-SITE EMPLOYMENT

According to the Applicant, 158 jobs will be on-site following Project completion. The table below details the impact that these net new jobs will have on the Town of Hempstead (Table 5).

Table 5

Town Economic Impact - On-Site Operations

	Jobs	Earnings	Sales
Direct	158 \$	8,570,552 \$	28,958,496
Indirect	44 \$	2,832,873 \$	7,094,326
Induced	26 \$	1,979,432 \$	5,173,747
Total	227 \$	13,382,858 \$	41,226,568

Source: Lightcast, Camoin Associates

Note: Number off due to rounding

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 15-year PILOT payment schedule based on the current tax rate, taxable value, and assessed value of the Project. Based on the terms of the PILOT as proposed, Camoin Associates calculated the potential impact on the affected jurisdictions.⁴

Table 6

Tax Payments with PILOT

Year	Total		Portion of Payment by Jurisdiction			
	PILOT Payments		Town	County	School District	Special District
1	\$ 121,649	\$	870	\$ 9,338	\$ 71,520	\$ 39,920
2	\$ 121,649	\$	870	\$ 9,338	\$ 71,520	\$ 39,920
3	\$ 121,649	\$	870	\$ 9,338	\$ 71,520	\$ 39,920
4	\$ 126,000	\$	901	\$ 9,672	\$ 74,079	\$ 41,348
5	\$ 128,000	\$	916	\$ 9,825	\$ 75,254	\$ 42,004
6	\$ 130,000	\$	930	\$ 9,979	\$ 76,430	\$ 42,661
7	\$ 132,000	\$	944	\$ 10,132	\$ 77,606	\$ 43,317
8	\$ 137,000	\$	980	\$ 10,516	\$ 80,546	\$ 44,958
9	\$ 141,000	\$	1,009	\$ 10,823	\$ 82,897	\$ 46,270
10	\$ 145,000	\$	1,037	\$ 11,130	\$ 85,249	\$ 47,583
11	\$ 153,000	\$	1,095	\$ 11,744	\$ 89,953	\$ 50,208
12	\$ 156,000	\$	1,116	\$ 11,975	\$ 91,716	\$ 51,193
13	\$ 161,000	\$	1,152	\$ 12,358	\$ 94,656	\$ 52,834
14	\$ 166,000	\$	1,188	\$ 12,742	\$ 97,596	\$ 54,474
15	\$ 172,000	\$	1,231	\$ 13,203	\$ 101,123	\$ 56,443
Total	\$ 2,111,946	\$	15,110	\$ 162,114	\$ 1,241,667	\$ 693,055
Average	\$ 140,796	\$	1,007	\$ 10,808	\$ 82,778	\$ 46,204

Source: Town of Hempstead IDA, Camoin Associates

⁴ It is assumed that each jurisdiction will continue to receive the same portion of the PILOT that they currently receive from the full tax bill.

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TAX POLICY COMPARISON

Without financial assistance from the Agency, Camoin Associates assumes the Applicant would not undertake the Project. Table 7 displays the property tax payment associated with the Project without the pilot. A 2% annual increase on current payments is assumed. Tax payments without the pilot total \$2,586,034 over the next 15 years or on average \$172,402 a year.

Table 7

Tax Payments without Project

Year	Total		Portion of Payment by Jurisdiction			
	Property Tax Payment Without Project*		Town	County	School District	Village
1	\$ 149,539	\$	1,070	\$ 11,479	\$ 87,918	\$ 49,072
2	\$ 152,529	\$	1,091	\$ 11,708	\$ 89,676	\$ 50,054
3	\$ 155,580	\$	1,113	\$ 11,942	\$ 91,469	\$ 51,055
4	\$ 158,692	\$	1,135	\$ 12,181	\$ 93,299	\$ 52,076
5	\$ 161,865	\$	1,158	\$ 12,425	\$ 95,165	\$ 53,118
6	\$ 165,103	\$	1,181	\$ 12,673	\$ 97,068	\$ 54,180
7	\$ 168,405	\$	1,205	\$ 12,927	\$ 99,009	\$ 55,264
8	\$ 171,773	\$	1,229	\$ 13,185	\$ 100,990	\$ 56,369
9	\$ 175,208	\$	1,254	\$ 13,449	\$ 103,009	\$ 57,496
10	\$ 178,712	\$	1,279	\$ 13,718	\$ 105,070	\$ 58,646
11	\$ 182,287	\$	1,304	\$ 13,992	\$ 107,171	\$ 59,819
12	\$ 185,932	\$	1,330	\$ 14,272	\$ 109,314	\$ 61,015
13	\$ 189,651	\$	1,357	\$ 14,558	\$ 111,501	\$ 62,236
14	\$ 193,444	\$	1,384	\$ 14,849	\$ 113,731	\$ 63,480
15	\$ 197,313	\$	1,412	\$ 15,146	\$ 116,005	\$ 64,750
Total	\$ 2,586,034	\$	18,502	\$ 198,505	\$ 1,520,395	\$ 848,631
Average	\$ 172,402	\$	1,233	\$ 13,234	\$ 101,360	\$ 56,575

Source: Town of Hempstead IDA, Camoin Associates

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

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Table 8 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. In total, \$31,606 less in PILOT revenue will be received annually than property taxes that would be received without the Project. The total benefit would be \$474,088 less over the 15-year period.

Table 8

Tax Policy Comparison (All Jurisdictions)

Year	Property Tax Payment Without Project	PILOT Payment	Benefit (Cost) of Project
1	\$ 149,539	\$ 121,649	\$ (27,890)
2	\$ 152,529	\$ 121,649	\$ (30,881)
3	\$ 155,580	\$ 121,649	\$ (33,931)
4	\$ 158,692	\$ 126,000	\$ (32,692)
5	\$ 161,865	\$ 128,000	\$ (33,865)
6	\$ 165,103	\$ 130,000	\$ (35,103)
7	\$ 168,405	\$ 132,000	\$ (36,405)
8	\$ 171,773	\$ 137,000	\$ (34,773)
9	\$ 175,208	\$ 141,000	\$ (34,208)
10	\$ 178,712	\$ 145,000	\$ (33,712)
11	\$ 182,287	\$ 153,000	\$ (29,287)
12	\$ 185,932	\$ 156,000	\$ (29,932)
13	\$ 189,651	\$ 161,000	\$ (28,651)
14	\$ 193,444	\$ 166,000	\$ (27,444)
15	\$ 197,313	\$ 172,000	\$ (25,313)
Total	\$ 2,586,034	\$ 2,111,946	\$ (474,088)
Average	\$ 172,402	\$ 140,796	\$ (31,606)

Source: Town of Hempstead IDA, Camoin Associates

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TOWN

Table 9 calculates the benefit (or cost) to the Town. The Town would receive approximately \$226 less in PILOT revenue annually than it would receive in property taxes without the Project. The total impact to the Town would be \$3,392 less over the 15-year period.

Table 9

Tax Policy Comparison for Town

Year	Property Tax Payment Without Project	PILOT Payment	Benefit (Cost) of Project
1	\$ 1,070	\$ 870	\$(200)
2	\$ 1,091	\$ 870	\$(221)
3	\$ 1,113	\$ 870	\$(243)
4	\$ 1,135	\$ 901	\$(234)
5	\$ 1,158	\$ 916	\$(242)
6	\$ 1,181	\$ 930	\$(251)
7	\$ 1,205	\$ 944	\$(260)
8	\$ 1,229	\$ 980	\$(249)
9	\$ 1,254	\$ 1,009	\$(245)
10	\$ 1,279	\$ 1,037	\$(241)
11	\$ 1,304	\$ 1,095	\$(210)
12	\$ 1,330	\$ 1,116	\$(214)
13	\$ 1,357	\$ 1,152	\$(205)
14	\$ 1,384	\$ 1,188	\$(196)
15	\$ 1,412	\$ 1,231	\$(181)
Total	\$ 18,502	\$ 15,110	\$(3,392)
Average	\$ 1,233	\$ 1,007	\$(226)

Source: Town of Hempstead IDA, Camoin Associates

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COUNTY

Table 10 calculates the benefit (or cost) to the County. The County would receive approximately \$2,426 less in PILOT revenue annually than it would receive in property taxes without the Project. The total impact to the County would be \$36,391 less over the 15-year period.

Table 10

Tax Policy Comparison for County

Year	Property Tax Payment Without Project	PILOT Payment	Benefit (Cost) of Project
1	\$ 11,479	\$ 9,338	\$ (2,141)
2	\$ 11,708	\$ 9,338	\$ (2,370)
3	\$ 11,942	\$ 9,338	\$ (2,605)
4	\$ 12,181	\$ 9,672	\$ (2,509)
5	\$ 12,425	\$ 9,825	\$ (2,600)
6	\$ 12,673	\$ 9,979	\$ (2,695)
7	\$ 12,927	\$ 10,132	\$ (2,794)
8	\$ 13,185	\$ 10,516	\$ (2,669)
9	\$ 13,449	\$ 10,823	\$ (2,626)
10	\$ 13,718	\$ 11,130	\$ (2,588)
11	\$ 13,992	\$ 11,744	\$ (2,248)
12	\$ 14,272	\$ 11,975	\$ (2,298)
13	\$ 14,558	\$ 12,358	\$ (2,199)
14	\$ 14,849	\$ 12,742	\$ (2,107)
15	\$ 15,146	\$ 13,203	\$ (1,943)
Total	\$ 198,505	\$ 162,114	\$ (36,391)
Average	\$ 13,234	\$ 10,808	\$ (2,426)

Source: Town of Hempstead IDA, Camoin Associates

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SCHOOL DISTRICT

Table 11 calculates the benefit (or cost) to the school district. The school district would receive approximately \$18,582 less in PILOT revenue annually than it would receive in property taxes without the Project. The total impact to the school district would be \$278,728 less over the 15-year period.

Table 11

Tax Policy Comparison for School District

Year	Property Tax Payment Without Project	PILOT Payment	Benefit (Cost) of Project
1	\$ 87,918	\$ 71,520	\$ (16,397)
2	\$ 89,676	\$ 71,520	\$ (18,156)
3	\$ 91,469	\$ 71,520	\$ (19,949)
4	\$ 93,299	\$ 74,079	\$ (19,220)
5	\$ 95,165	\$ 75,254	\$ (19,910)
6	\$ 97,068	\$ 76,430	\$ (20,638)
7	\$ 99,009	\$ 77,606	\$ (21,403)
8	\$ 100,990	\$ 80,546	\$ (20,444)
9	\$ 103,009	\$ 82,897	\$ (20,112)
10	\$ 105,070	\$ 85,249	\$ (19,820)
11	\$ 107,171	\$ 89,953	\$ (17,218)
12	\$ 109,314	\$ 91,716	\$ (17,598)
13	\$ 111,501	\$ 94,656	\$ (16,845)
14	\$ 113,731	\$ 97,596	\$ (16,135)
15	\$ 116,005	\$ 101,123	\$ (14,882)
Total	\$ 1,520,395	\$ 1,241,667	\$ (278,728)
Average	\$ 101,360	\$ 82,778	\$ (18,582)

Source: Town of Hempstead IDA, Camoin Associates

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VILLAGE

Table 12 calculates the benefit (or cost) to the special districts. The special districts would receive approximately \$10,519 less in PILOT revenue annually than they would receive in property taxes without the Project. The total impact to the special districts would be \$147,270 less over the 15-year period.

Table 12

Tax Policy Comparison for Village

Year	Property Tax Payment Without Project	PILOT Payment	Benefit (Cost) of Project
1	\$ 49,072	\$ 39,920	\$ (9,152)
2	\$ 50,054	\$ 39,920	\$ (10,134)
3	\$ 51,055	\$ 39,920	\$ (11,135)
4	\$ 52,076	\$ 41,348	\$ (10,728)
5	\$ 53,118	\$ 42,004	\$ (11,113)
6	\$ 54,180	\$ 42,661	\$ (11,519)
7	\$ 55,264	\$ 43,317	\$ (11,947)
8	\$ 56,369	\$ 44,958	\$ (11,411)
9	\$ 57,496	\$ 46,270	\$ (11,226)
10	\$ 58,646	\$ 47,583	\$ (11,063)
11	\$ 59,819	\$ 50,208	\$ (9,611)
12	\$ 61,015	\$ 51,193	\$ (9,823)
13	\$ 62,236	\$ 52,834	\$ (9,402)
14	\$ 63,480	\$ 54,474	\$ (9,006)
15	\$ 64,750	\$ 56,443	\$ (8,307)
Total	\$ 783,881	\$ 636,611	\$ (147,270)
Average	\$ 55,991	\$ 45,472	\$ (10,519)

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. Tax exemptions are for the state and county taxes and are not applicable to the town.

Table 13

Summary of Costs to Affected Jurisdictions

	State and County	
Sales Tax Exemption	\$	155,250

Source: Applicant, Camoin Associates

The additional incentives offered by the Agency would benefit the Applicant but will not negatively affect the taxing jurisdictions because, without the Project, the jurisdictions by definition would not be receiving any associated sales tax or mortgage tax revenue.

SALES TAX REVENUE

SALES TAX REVENUE – RENOVATION PHASE

The one-time renovation phase earnings described by the total economic impact of the renovation work (described in the above section) would lead to additional sales tax revenue for the Town. It is assumed that 70%⁵ of the renovation phase earnings would be spent within the county and that 25% of those purchases would be taxable.

Table 14

One-Time Sales Tax Revenue, Renovation Phase		
Total New Earnings	\$	656,246
Amount Spent in County (70%)	\$	459,372
Amount Taxable (25%)	\$	114,843
Nassau County Sales Tax Revenue (4.25%)	\$	4,881
New Town Sales Tax Revenue Portion*		0.375%
New Town Sales Tax Revenue	\$	431

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.

⁵ 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 – 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 15 displays the annual tax revenue that the Town will receive.

Table 15

Annual Sales Tax Revenue, On-Site Operations	
Total New Earnings	\$ 13,382,858
Amount Spent in County (70%)	\$ 9,368,001
Amount Taxable (25%)	\$ 2,342,000
Nassau County Sales Tax Revenue (4.25%)	\$ 99,535
New Town Sales Tax Revenue Portion*	0.375%
New Town Tax Revenue	\$ 8,783

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.

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.

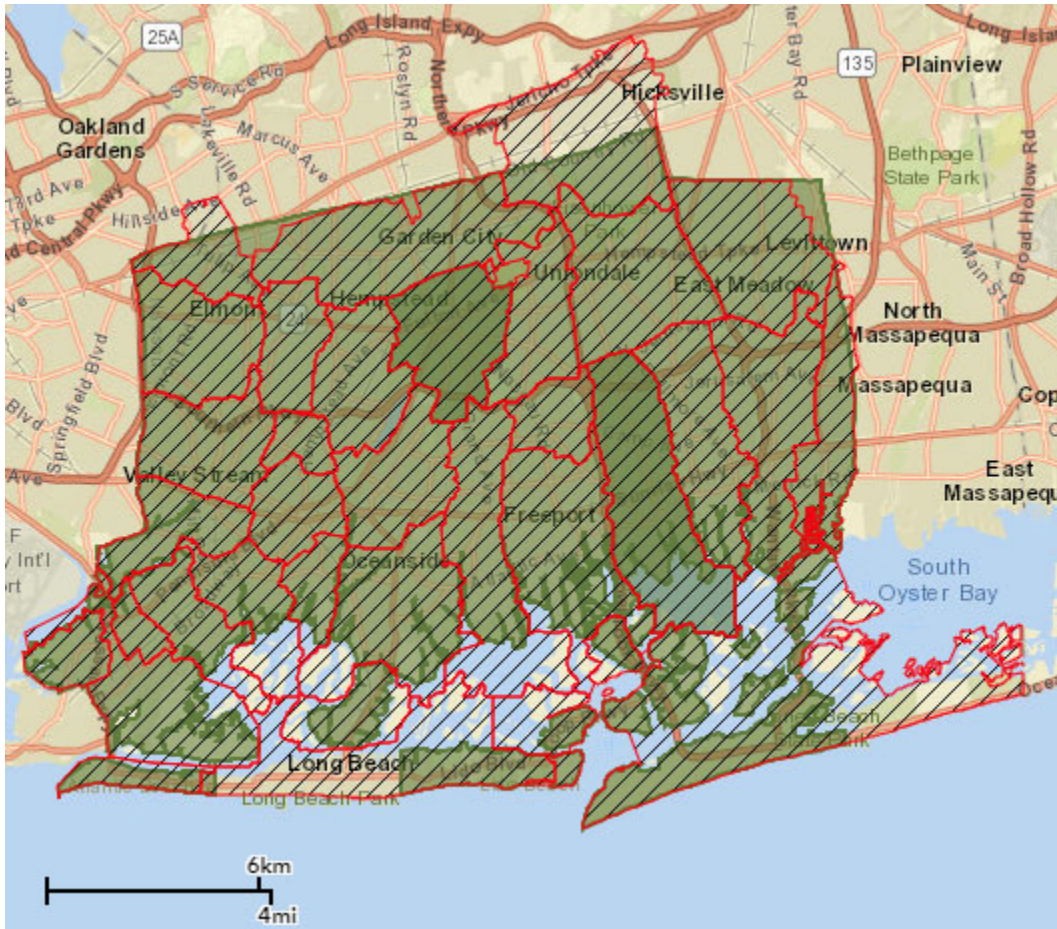
Therefore, the total economic impact resulting from the new widget manufacturer is the initial \$1 million of new money (i.e. Direct Effects) flowing in the US economy, plus the Indirect Effects. The ratio of Total Effects to Direct Effects is called the “multiplier effect” and is often reported as a 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: STUDY AREAS

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



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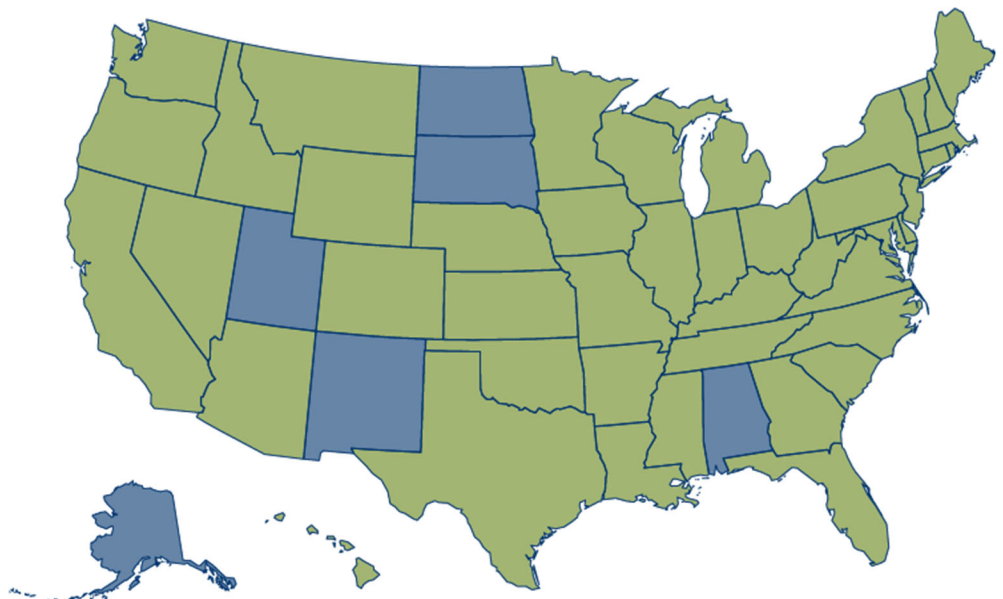
ABOUT CAMOIN ASSOCIATES

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](https://www.facebook.com/camoinassociates).

THE PROJECT TEAM

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Leading action to grow your economy

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