PREPARED FOR:

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

Economic and Fiscal Impact

BDC BOSFA VALLEY STREAM LLC

Town of Hempstead
Industrial Development Agency

JULY 2026

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 BDC BOSFA Valley Stream, LLC. The proposed project involves the construction of a 132-unit multifamily residential building for seniors aged 55 and over on 1.49 acres at Hicks Street in the Village of Valley Stream, New York. Ten percent of the units will be designated as Affordable Workforce Housing. 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 results from this construction project.

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."

STUDY INFORMATION

Data Source:
BDC BOSFA Valley Stream LLC Application for Assistance and the Town of Hempstead Industrial Development Agency

Geography:
Town of Hempstead

Study Period:
2026

Modeling Tool:
Lightcast

DIRECT IMPACTS

This initial round of impacts is generated as a result of spending on construction, 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 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 BDC BOSFA Valley Stream, LLC (the "Applicant") for the construction of a 132-unit multifamily residential apartment building for seniors aged 55 and over (the "Project") at Hicks Street in the Village of Valley Stream, NY (the "Site"). The Site is currently occupied by a municipal parking lot owned by the Village of Valley Stream. The proposed project will include 16 studio units, 105 one-bedroom units, and 11 two-bedroom units, 10% of which will be designated as Affordable Workforce Housing, along with 112 parking spaces, an outdoor terrace, and indoor amenity space. The Applicant is seeking a sales tax exemption, a mortgage recording tax exemption, and a 30-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").

Table 1

Summary of Benefits to Town

Total Operations Jobs	51
Direct Jobs	37
Total Operations Earnings	$ 3,058,263
Direct Earnings	$ 2,051,024
Sales Tax Revenue to County	$ 74,277
Sales Tax Revenue to Town	$ 6,554
Average Annual PILOT Payment	$ 1,291,180
Average Annual PILOT Payment to Town	$ 189,933
Average Annual PILOT Benefit (Cost)	$ 1,291,180
Average Annual PILOT Benefit (Cost) to Town	$ 189,933
Average Annual Benefit (Cost) to Town of Project with PILOT compared to No Project - Property and Sales Tax	**$ 196,487**

The Applicant has negotiated the terms of a proposed 30-year PILOT agreement with the Agency. Under this agreement, the Applicant would pay an average of $1.3 million each year, of which $189,933 will be allocated to the Town.

Through negotiations with the Agency, the Applicant could have access to a sales tax exemption valued at up to $431,250 and a mortgage recording tax exemption valued at up to $271,336. 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	$ 431,250
Mortgage Tax Exemption	$ 271,336

Source: Applicant, Camoin Associates

ECONOMIC IMPACT ANALYSIS

Camoin Associates uses the input-output model designed by Lightcast 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 will affect the Town of Hempstead's economy. Details about these impacts are provided in the following sections.

CONSTRUCTION PHASE IMPACTS

The Applicant estimates that construction expenditures of the Project would total approximately $45.0 million[1], of which 25%[2] is assumed to be sourced from within the town. This means there will be $11.2 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	$ 44,972,644
Percent Sourced from Town	25%
Net New Construction Spending	**$ 11,243,161**

Source: Applicant, Lightcast, Camoin Associates

Based on $11.2 million worth of net new direct spending associated with the construction phase of the Project, Camoin Associates determined that there would be over $14.1 million in total one-time construction-related spending supporting 48[3] total jobs and an associated $5.3 million in earnings over the construction period throughout the town. Table 4 outlines the economic impacts of the construction phase.

Table 4

Town Economic Impact - Construction Phase

	Jobs	Earnings	Sales
Direct	34	$ 4,278,243	$ 11,243,161
Indirect	5	$ 399,990	$ 1,225,854
Induced	9	$ 644,998	$ 1,648,132
Total	**48**	**$ 5,323,231**	**$ 14,117,147**

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 25% of construction industry demand is met within the town.

[3] While the application indicated 100 direct construction jobs (25 from the Town of Hempstead based on 25% being sourced locally), based on the construction spending in region we found this number to be 34 direct construction jobs.

The Project is expected to have no negative impact on the State's renewable energy goals or emission reduction targets.

Based solely on the information in the application, the project timeline should allow the Agency to reach the conclusion that there is a likelihood of accomplishing the Project in a timely manner. Although we are not construction experts, nothing has come to our attention that would cause us to reach a contrary conclusion.

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's economy. In other words, the number of households that, but for the Project, would not exist in the Town of Hempstead. For this Project, net new households consist of those currently residing outside the town who will choose to move to the town because of the Project and who would otherwise continue to live elsewhere. For this study, we analyzed the demand for market rate rental apartments.

NET NEW HOUSEHOLDS

Since the units are specially designed and marketed for individuals over age 55, and the high demand for these kinds of units it is assumed that 100% of the units are net new to the town, or otherwise able to stay in the town. Therefore, 132 total households are considered to be net new.

Table 5

Net New Households

	Total Households	Percent Net New	Net New Households
55+ Units	132	100%	132
Total	**132**		**132**

Source: Lightcast, Camoin Associates

SPENDING BY NEW TENANTS

New residents would make purchases in the town, thereby adding new dollars to Hempstead's economy. For this analysis, we researched spending patterns by household income.

According to Esri, the Town of Hempstead's median household income in 2025 was $143,750. Therefore, we will consider spending for those residents in the market-rate units at 150% AMI to be in the $200,000+ spending basket, and the workforce units at 120% AMI in the $150,000 - $199,999 spending basket per the Bureau of Labor Statistics' 2024 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. The second column in the table below shows the household spending by category. It is assumed that 55% of total expenditures would occur within the Town of Hempstead and, therefore, impact the economy of the Town of Hempstead[4].

[4] Based on data from Lightcast, 55% of the demand for consumer goods is met in-region.

Table 6

Tenant Spending Baskets

Market Rate Units (150% AMI) ($200,000+ Annual Household Income)

Category	Annual per Unit Spending Basket	Amount Spent in Town (55%)	Total Net New Spending (119 net new units)
Food	$ 18,453	$ 10,149	$ 1,207,749
Household furnishings and equipment	$ 5,387	$ 2,963	$ 352,579
Apparel and services	$ 4,433	$ 2,438	$ 290,140
Transportation	$ 28,335	$ 15,584	$ 1,854,526
Health care	$ 3,918	$ 2,155	$ 256,433
Entertainment	$ 8,969	$ 4,933	$ 587,021
Personal care products and services	$ 2,020	$ 1,111	$ 132,209
Education	$ 5,938	$ 3,266	$ 388,642
Miscellaneous	$ 2,419	$ 1,330	$ 158,324
Annual Discrecretionary Spending	**$ 79,872**	**$ 43,930**	**$ 5,227,622**

Workforce Units (120% AMI) ($150,000-$199,99 Annual Household Income)

Category	Annual per Unit Spending Basket	Amount Spent in Town (55%)	Total Net New Spending (13 net new units)
Food	$ 14,546	$ 8,000	$ 104,004
Household furnishings and equipment	$ 3,517	$ 1,934	$ 25,147
Apparel and services	$ 2,945	$ 1,620	$ 21,057
Transportation	$ 20,611	$ 11,336	$ 147,369
Health care	$ 3,049	$ 1,677	$ 21,800
Entertainment	$ 5,710	$ 3,141	$ 40,827
Personal care products and services	$ 1,427	$ 785	$ 10,203
Education	$ 2,207	$ 1,214	$ 15,780
Miscellaneous	$ 1,566	$ 861	$ 11,197
Annual Discrecretionary Spending	**$ 55,578**	**$ 30,568**	**$ 397,383**
Total Tenant Spending			**$ 5,625,005**

Source: 2024 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 net new households would total approximately $5.6 million per year.

Using $5.6 million as the direct sales input, Camoin Associates used Lightcast to determine the Project's indirect, induced, and total impact on the Town of Hempstead. Table 7 outlines the findings of this analysis.

Table 7

Town Economic Impact - Household Spending

	Jobs		Earnings		Sales
Direct	33	$	1,846,205	$	5,625,005
Indirect	6	$	386,477	$	1,027,950
Induced	6	$	481,628	$	1,275,383
Total	**44**	**$**	**2,714,310**	**$**	**7,928,338**

Source: Lightcast, Camoin Associates

Total may be off due to rounding.

IMPACTS OF ON-SITE EMPLOYMENT

According to the application, four employees will be on-site following project completion. Since 100% of the housing units are considered net new to the town, 100% of the jobs are considered net new. The table below details the impact that these jobs will have on the Town of Hempstead.

Table 8

Town Economic Impact - On-Site Operations

	Jobs		Earnings		Sales
Direct	4	$	204,818	$	691,829
Indirect	1	$	94,147	$	254,085
Induced	1	$	44,988	$	117,029
Total	**6**	**$**	**343,953**	**$**	**1,062,942**

Source: Lightcast, Camoin Associates

Total may be off due to rounding.

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	37	$	2,051,024	$	6,316,834
Indirect	7	$	480,623	$	1,282,035
Induced	6	$	526,616	$	1,392,412
Total	**51**	**$**	**3,058,263**	**$**	**8,991,280**

Source: Lightcast, Camoin Associates

Total may be off due to rounding.

IMPACT ON SCHOOL DISTRICT ENROLLMENTS

Since the development is for citizens aged 55+, the impact on school district enrollment is expected to be minimal.

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 30-year PILOT, 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 11

Tax Payments with PILOT

Year	Total PILOT Payments	Portion of Payment by Jurisdiction: Town	County	School District	Village
1	$ 197,348	$ 29,030	$ 27,770	$ 126,699	$ 13,849
2	$ 197,348	$ 29,030	$ 27,770	$ 126,699	$ 13,849
3	$ 197,348	$ 29,030	$ 27,770	$ 126,699	$ 13,849
4	$ 259,694	$ 38,201	$ 36,543	$ 166,725	$ 18,224
5	$ 322,040	$ 47,372	$ 45,316	$ 206,752	$ 22,600
6	$ 384,386	$ 56,543	$ 54,089	$ 246,778	$ 26,975
7	$ 446,732	$ 65,715	$ 62,862	$ 286,805	$ 31,350
8	$ 509,078	$ 74,886	$ 71,636	$ 326,831	$ 35,725
9	$ 571,424	$ 84,057	$ 80,409	$ 366,858	$ 40,101
10	$ 600,000	$ 88,260	$ 84,430	$ 385,204	$ 42,106
11	$ 700,000	$ 102,970	$ 98,501	$ 449,405	$ 49,124
12	$ 800,000	$ 117,680	$ 112,573	$ 513,605	$ 56,141
13	$ 900,000	$ 132,391	$ 126,645	$ 577,806	$ 63,159
14	$ 1,000,000	$ 147,101	$ 140,716	$ 642,007	$ 70,177
15	$ 1,250,000	$ 183,876	$ 175,895	$ 802,508	$ 87,721
16	$ 1,500,000	$ 220,651	$ 211,074	$ 963,010	$ 105,265
17	$ 1,750,000	$ 257,426	$ 246,253	$ 1,123,511	$ 122,809
18	$ 1,825,000	$ 268,459	$ 256,807	$ 1,171,662	$ 128,072
19	$ 1,850,000	$ 272,136	$ 260,325	$ 1,187,712	$ 129,827
20	$ 1,900,000	$ 279,491	$ 267,361	$ 1,219,812	$ 133,335
21	$ 1,950,000	$ 286,846	$ 274,397	$ 1,251,913	$ 136,844
22	$ 2,000,000	$ 294,201	$ 281,433	$ 1,284,013	$ 140,353
23	$ 2,050,000	$ 301,556	$ 288,468	$ 1,316,113	$ 143,862
24	$ 2,100,000	$ 308,911	$ 295,504	$ 1,348,214	$ 147,371
25	$ 2,125,000	$ 312,589	$ 299,022	$ 1,364,264	$ 149,125
26	$ 2,150,000	$ 316,266	$ 302,540	$ 1,380,314	$ 150,880
27	$ 2,200,000	$ 323,621	$ 309,576	$ 1,412,414	$ 154,388
28	$ 2,250,000	$ 330,976	$ 316,612	$ 1,444,515	$ 157,897
29	$ 2,350,000	$ 345,686	$ 330,683	$ 1,508,715	$ 164,915
30	$ 2,400,000	$ 353,041	$ 337,719	$ 1,540,816	$ 168,424
Total	**$ 38,735,398**	**$ 5,698,000**	**$ 5,450,701**	**$ 24,868,379**	**$ 2,718,317**
Average	**$ 1,291,180**	**$ 189,933**	**$ 181,690**	**$ 828,946**	**$ 90,611**
Present Value*	**$ 12,157,389**	**$ 1,788,359**	**$ 1,710,742**	**$ 7,805,123**	**$ 853,164**

Source: Town of Hempstead IDA, Camoin Associates

***Note:** Assumes a 6.25% discount rate.

[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.

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 (Column A), the estimated PILOT Payments (Column B), and a hypothetical scenario where the Project occurs but there is no PILOT (Column C).

The far-right column subtracts the PILOT payment from the estimated taxes if the Project were to pay full property taxes (Column C – Column B) to calculate the benefit to the Applicant in terms of their property tax savings. The Applicant has stated that the Project will not be economically feasible without financial assistance. This analysis is, therefore, hypothetical, to provide a comparison only.

Table 12

Tax Policy Comparison (All Jurisdictions)

	A	B	C		
Year	**Property Tax Payment Without Project**	**PILOT Payment**	**Property Tax Payment With Project and No PILOT**	**Benefit (Cost) of Project to Municipalities (B-A)**	**Benefit (Cost) of PILOT to Applicant (C-B)**
1	$ -	$ 197,348	$ 1,880,691	$ 197,348	$ 1,683,343
2	$ -	$ 197,348	$ 1,918,305	$ 197,348	$ 1,720,957
3	$ -	$ 197,348	$ 1,956,671	$ 197,348	$ 1,759,323
4	$ -	$ 259,694	$ 1,995,804	$ 259,694	$ 1,736,110
5	$ -	$ 322,040	$ 2,035,720	$ 322,040	$ 1,713,680
6	$ -	$ 384,386	$ 2,076,435	$ 384,386	$ 1,692,049
7	$ -	$ 446,732	$ 2,117,964	$ 446,732	$ 1,671,232
8	$ -	$ 509,078	$ 2,160,323	$ 509,078	$ 1,651,245
9	$ -	$ 571,424	$ 2,203,529	$ 571,424	$ 1,632,105
10	$ -	$ 600,000	$ 2,247,600	$ 600,000	$ 1,647,600
11	$ -	$ 700,000	$ 2,292,552	$ 700,000	$ 1,592,552
12	$ -	$ 800,000	$ 2,338,403	$ 800,000	$ 1,538,403
13	$ -	$ 900,000	$ 2,385,171	$ 900,000	$ 1,485,171
14	$ -	$ 1,000,000	$ 2,432,874	$ 1,000,000	$ 1,432,874
15	$ -	$ 1,250,000	$ 2,481,532	$ 1,250,000	$ 1,231,532
16	$ -	$ 1,500,000	$ 2,531,162	$ 1,500,000	$ 1,031,162
17	$ -	$ 1,750,000	$ 2,581,786	$ 1,750,000	$ 831,786
18	$ -	$ 1,825,000	$ 2,633,421	$ 1,825,000	$ 808,421
19	$ -	$ 1,850,000	$ 2,686,090	$ 1,850,000	$ 836,090
20	$ -	$ 1,900,000	$ 2,739,812	$ 1,900,000	$ 839,812
21	$ -	$ 1,950,000	$ 2,794,608	$ 1,950,000	$ 844,608
22	$ -	$ 2,000,000	$ 2,850,500	$ 2,000,000	$ 850,500
23	$ -	$ 2,050,000	$ 2,907,510	$ 2,050,000	$ 857,510
24	$ -	$ 2,100,000	$ 2,965,660	$ 2,100,000	$ 865,660
25	$ -	$ 2,125,000	$ 3,024,973	$ 2,125,000	$ 899,973
26	$ -	$ 2,150,000	$ 3,085,473	$ 2,150,000	$ 935,473
27	$ -	$ 2,200,000	$ 3,147,182	$ 2,200,000	$ 947,182
28	$ -	$ 2,250,000	$ 3,210,126	$ 2,250,000	$ 960,126
29	$ -	$ 2,350,000	$ 3,274,329	$ 2,350,000	$ 924,329
30	$ -	$ 2,400,000	$ 3,339,815	$ 2,400,000	$ 939,815
Total	**$ -**	**$ 38,735,398**	**$ 76,296,021**	**$ 38,735,398**	**$ 37,560,623**
Average	**$ -**	**$ 1,291,180**	**$ 2,543,201**	**$ 1,291,180**	**$ 1,252,021**
Present Value*	**$ -**	**$ 12,157,389**	**$ 31,247,896**	**$ 12,157,389**	**$ 19,090,507**

Source: Town of Hempstead IDA, Camoin Associates

***Note:** Assumes 6.25% discount rate.

TOWN

Table 13 calculates the benefit (or cost) to the Town.

Table 13

Tax Policy Comparison for Town

	A	B	C		
Year	Property Tax Payment Without Project	PILOT Payment	Property Tax Payment With Project and No PILOT	Benefit (Cost) of Project to Municipalities (B-A)	Benefit (Cost) of PILOT to Applicant (C-B)
1	$ -	$ 29,030	$ 276,651	$ 29,030	$ 247,621
2	$ -	$ 29,030	$ 282,184	$ 29,030	$ 253,154
3	$ -	$ 29,030	$ 287,827	$ 29,030	$ 258,797
4	$ -	$ 38,201	$ 293,584	$ 38,201	$ 255,383
5	$ -	$ 47,372	$ 299,456	$ 47,372	$ 252,083
6	$ -	$ 56,543	$ 305,445	$ 56,543	$ 248,901
7	$ -	$ 65,715	$ 311,554	$ 65,715	$ 245,839
8	$ -	$ 74,886	$ 317,785	$ 74,886	$ 242,899
9	$ -	$ 84,057	$ 324,140	$ 84,057	$ 240,084
10	$ -	$ 88,260	$ 330,623	$ 88,260	$ 242,363
11	$ -	$ 102,970	$ 337,236	$ 102,970	$ 234,265
12	$ -	$ 117,680	$ 343,980	$ 117,680	$ 226,300
13	$ -	$ 132,391	$ 350,860	$ 132,391	$ 218,470
14	$ -	$ 147,101	$ 357,877	$ 147,101	$ 210,777
15	$ -	$ 183,876	$ 365,035	$ 183,876	$ 181,159
16	$ -	$ 220,651	$ 372,336	$ 220,651	$ 151,685
17	$ -	$ 257,426	$ 379,782	$ 257,426	$ 122,356
18	$ -	$ 268,459	$ 387,378	$ 268,459	$ 118,919
19	$ -	$ 272,136	$ 395,125	$ 272,136	$ 122,989
20	$ -	$ 279,491	$ 403,028	$ 279,491	$ 123,537
21	$ -	$ 286,846	$ 411,089	$ 286,846	$ 124,242
22	$ -	$ 294,201	$ 419,310	$ 294,201	$ 125,109
23	$ -	$ 301,556	$ 427,696	$ 301,556	$ 126,140
24	$ -	$ 308,911	$ 436,250	$ 308,911	$ 127,339
25	$ -	$ 312,589	$ 444,975	$ 312,589	$ 132,387
26	$ -	$ 316,266	$ 453,875	$ 316,266	$ 137,609
27	$ -	$ 323,621	$ 462,952	$ 323,621	$ 139,331
28	$ -	$ 330,976	$ 472,211	$ 330,976	$ 141,235
29	$ -	$ 345,686	$ 481,656	$ 345,686	$ 135,969
30	$ -	$ 353,041	$ 491,289	$ 353,041	$ 138,247
Total	**$ -**	**$ 5,698,000**	**$ 11,223,191**	**$ 5,698,000**	**$ 5,525,190**
Average	**$ -**	**$ 189,933**	**$ 374,106**	**$ 189,933**	**$ 184,173**
Present Value*	**$ -**	**$ 1,788,359**	**$ 4,596,584**	**$ 1,788,359**	**$ 2,808,225**

Source: Town of Hempstead IDA, Camoin Associates

***Note:** Assumes 6.25% discount rate.

COUNTY

Table 14 calculates the benefit (or cost) to the County.

Table 14

Tax Policy Comparison for County

	A	B	C		
Year	**Property Tax Payment Without Project**	**PILOT Payment**	**Property Tax Payment With Project and No PILOT**	**Benefit (Cost) of Project to Municipalities (B-A)**	**Benefit (Cost) of PILOT to Applicant (C-B)**
1	$ -	$ 27,770	$ 264,644	$ 27,770	$ 236,874
2	$ -	$ 27,770	$ 269,937	$ 27,770	$ 242,167
3	$ -	$ 27,770	$ 275,335	$ 27,770	$ 247,565
4	$ -	$ 36,543	$ 280,842	$ 36,543	$ 244,299
5	$ -	$ 45,316	$ 286,459	$ 45,316	$ 241,143
6	$ -	$ 54,089	$ 292,188	$ 54,089	$ 238,099
7	$ -	$ 62,862	$ 298,032	$ 62,862	$ 235,169
8	$ -	$ 71,636	$ 303,993	$ 71,636	$ 232,357
9	$ -	$ 80,409	$ 310,072	$ 80,409	$ 229,664
10	$ -	$ 84,430	$ 316,274	$ 84,430	$ 231,844
11	$ -	$ 98,501	$ 322,599	$ 98,501	$ 224,098
12	$ -	$ 112,573	$ 329,051	$ 112,573	$ 216,478
13	$ -	$ 126,645	$ 335,632	$ 126,645	$ 208,988
14	$ -	$ 140,716	$ 342,345	$ 140,716	$ 201,629
15	$ -	$ 175,895	$ 349,192	$ 175,895	$ 173,297
16	$ -	$ 211,074	$ 356,176	$ 211,074	$ 145,101
17	$ -	$ 246,253	$ 363,299	$ 246,253	$ 117,046
18	$ -	$ 256,807	$ 370,565	$ 256,807	$ 113,758
19	$ -	$ 260,325	$ 377,977	$ 260,325	$ 117,651
20	$ -	$ 267,361	$ 385,536	$ 267,361	$ 118,175
21	$ -	$ 274,397	$ 393,247	$ 274,397	$ 118,850
22	$ -	$ 281,433	$ 401,112	$ 281,433	$ 119,679
23	$ -	$ 288,468	$ 409,134	$ 288,468	$ 120,666
24	$ -	$ 295,504	$ 417,317	$ 295,504	$ 121,812
25	$ -	$ 299,022	$ 425,663	$ 299,022	$ 126,641
26	$ -	$ 302,540	$ 434,176	$ 302,540	$ 131,636
27	$ -	$ 309,576	$ 442,860	$ 309,576	$ 133,284
28	$ -	$ 316,612	$ 451,717	$ 316,612	$ 135,105
29	$ -	$ 330,683	$ 460,751	$ 330,683	$ 130,068
30	$ -	$ 337,719	$ 469,966	$ 337,719	$ 132,247
Total	**$ -**	**$ 5,450,701**	**$ 10,736,092**	**$ 5,450,701**	**$ 5,285,391**
Average	**$ -**	**$ 181,690**	**$ 357,870**	**$ 181,690**	**$ 176,180**
Present Value*	**$ -**	**$ 1,710,742**	**$ 4,397,088**	**$ 1,710,742**	**$ 2,686,345**

Source: Town of Hempstead IDA, Camoin Associates

***Note:** Assumes 6.25% discount rate.

SCHOOL DISTRICT

Table 15 calculates the benefit (or cost) to the School District.

Table 15

Tax Policy Comparison for School District

	A	B	C		
Year	**Property Tax Payment Without Project**	**PILOT Payment**	**Property Tax Payment With Project and No PILOT**	**Benefit (Cost) of Project to Municipalities (B-A)**	**Benefit (Cost) of PILOT to Applicant (C-B)**
1	$ -	$ 126,699	$ 1,207,416	$ 126,699	$ 1,080,717
2	$ -	$ 126,699	$ 1,231,564	$ 126,699	$ 1,104,866
3	$ -	$ 126,699	$ 1,256,196	$ 126,699	$ 1,129,497
4	$ -	$ 166,725	$ 1,281,319	$ 166,725	$ 1,114,594
5	$ -	$ 206,752	$ 1,306,946	$ 206,752	$ 1,100,194
6	$ -	$ 246,778	$ 1,333,085	$ 246,778	$ 1,086,306
7	$ -	$ 286,805	$ 1,359,746	$ 286,805	$ 1,072,942
8	$ -	$ 326,831	$ 1,386,941	$ 326,831	$ 1,060,110
9	$ -	$ 366,858	$ 1,414,680	$ 366,858	$ 1,047,822
10	$ -	$ 385,204	$ 1,442,974	$ 385,204	$ 1,057,770
11	$ -	$ 449,405	$ 1,471,833	$ 449,405	$ 1,022,429
12	$ -	$ 513,605	$ 1,501,270	$ 513,605	$ 987,665
13	$ -	$ 577,806	$ 1,531,295	$ 577,806	$ 953,489
14	$ -	$ 642,007	$ 1,561,921	$ 642,007	$ 919,915
15	$ -	$ 802,508	$ 1,593,160	$ 802,508	$ 790,652
16	$ -	$ 963,010	$ 1,625,023	$ 963,010	$ 662,013
17	$ -	$ 1,123,511	$ 1,657,523	$ 1,123,511	$ 534,012
18	$ -	$ 1,171,662	$ 1,690,674	$ 1,171,662	$ 519,012
19	$ -	$ 1,187,712	$ 1,724,487	$ 1,187,712	$ 536,775
20	$ -	$ 1,219,812	$ 1,758,977	$ 1,219,812	$ 539,165
21	$ -	$ 1,251,913	$ 1,794,157	$ 1,251,913	$ 542,244
22	$ -	$ 1,284,013	$ 1,830,040	$ 1,284,013	$ 546,027
23	$ -	$ 1,316,113	$ 1,866,641	$ 1,316,113	$ 550,527
24	$ -	$ 1,348,214	$ 1,903,973	$ 1,348,214	$ 555,760
25	$ -	$ 1,364,264	$ 1,942,053	$ 1,364,264	$ 577,789
26	$ -	$ 1,380,314	$ 1,980,894	$ 1,380,314	$ 600,580
27	$ -	$ 1,412,414	$ 2,020,512	$ 1,412,414	$ 608,097
28	$ -	$ 1,444,515	$ 2,060,922	$ 1,444,515	$ 616,407
29	$ -	$ 1,508,715	$ 2,102,140	$ 1,508,715	$ 593,425
30	$ -	$ 1,540,816	$ 2,144,183	$ 1,540,816	$ 603,367
Total	**$ -**	**$ 24,868,379**	**$ 48,982,546**	**$ 24,868,379**	**$ 24,114,166**
Average	**$ -**	**$ 828,946**	**$ 1,632,752**	**$ 828,946**	**$ 803,806**
Present Value*	**$ -**	**$ 7,805,123**	**$ 20,061,354**	**$ 7,805,123**	**$ 12,256,231**

Source: Town of Hempstead IDA, Camoin Associates

***Note:** Assumes 6.25% discount rate.

VILLAGE

Table 16 calculates the benefit (or cost) to the Village.

Table 16

Tax Policy Comparison for Village

Year	A Property Tax Payment Without Project	B PILOT Payment	C Property Tax Payment With Project and No PILOT	Benefit (Cost) of Project to Municipalities (B-A)	Benefit (Cost) of PILOT to Applicant (C-B)
1	$ -	$ 13,849	$ 131,980	$ 13,849	$ 118,131
2	$ -	$ 13,849	$ 134,620	$ 13,849	$ 120,771
3	$ -	$ 13,849	$ 137,312	$ 13,849	$ 123,463
4	$ -	$ 18,224	$ 140,059	$ 18,224	$ 121,834
5	$ -	$ 22,600	$ 142,860	$ 22,600	$ 120,260
6	$ -	$ 26,975	$ 145,717	$ 26,975	$ 118,742
7	$ -	$ 31,350	$ 148,631	$ 31,350	$ 117,281
8	$ -	$ 35,725	$ 151,604	$ 35,725	$ 115,879
9	$ -	$ 40,101	$ 154,636	$ 40,101	$ 114,536
10	$ -	$ 42,106	$ 157,729	$ 42,106	$ 115,623
11	$ -	$ 49,124	$ 160,883	$ 49,124	$ 111,760
12	$ -	$ 56,141	$ 164,101	$ 56,141	$ 107,960
13	$ -	$ 63,159	$ 167,383	$ 63,159	$ 104,224
14	$ -	$ 70,177	$ 170,731	$ 70,177	$ 100,554
15	$ -	$ 87,721	$ 174,145	$ 87,721	$ 86,425
16	$ -	$ 105,265	$ 177,628	$ 105,265	$ 72,363
17	$ -	$ 122,809	$ 181,181	$ 122,809	$ 58,372
18	$ -	$ 128,072	$ 184,804	$ 128,072	$ 56,732
19	$ -	$ 129,827	$ 188,501	$ 129,827	$ 58,674
20	$ -	$ 133,335	$ 192,271	$ 133,335	$ 58,935
21	$ -	$ 136,844	$ 196,116	$ 136,844	$ 59,272
22	$ -	$ 140,353	$ 200,038	$ 140,353	$ 59,685
23	$ -	$ 143,862	$ 204,039	$ 143,862	$ 60,177
24	$ -	$ 147,371	$ 208,120	$ 147,371	$ 60,749
25	$ -	$ 149,125	$ 212,282	$ 149,125	$ 63,157
26	$ -	$ 150,880	$ 216,528	$ 150,880	$ 65,648
27	$ -	$ 154,388	$ 220,858	$ 154,388	$ 66,470
28	$ -	$ 157,897	$ 225,276	$ 157,897	$ 67,378
29	$ -	$ 164,915	$ 229,781	$ 164,915	$ 64,866
30	$ -	$ 168,424	$ 234,377	$ 168,424	$ 65,953
Total	**$ -**	**$ 1,204,258**	**$ 3,206,778**	**$ 1,204,258**	**$ 2,002,520**
Average	**$ -**	**$ 60,213**	**$ 160,339**	**$ 60,213**	**$ 100,126**
Present Value*	**$ -**	**$ 529,135**	**$ 1,732,818**	**$ 529,135**	**$ 1,203,683**

Source: Town of Hempstead IDA, Camoin Associates

***Note:** Assumes 6.25% discount rate.

OTHER EXEMPTIONS

There are additional benefits to working with the Agency, including a one-time sales tax exemption on construction materials and furniture, fixtures, and equipment, as well as a mortgage recording tax exemption. Tax exemptions are for the state and county taxes and are not applicable to the Town.

Table 17

Summary of Costs to Affected Jurisdictions

		State and County
Sales Tax Exemption	$	431,250
Mortgage Tax Exemption	$	271,336

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. The portion of sales tax revenue allocated to the town is 0.375%. As a result, there is estimated to be $3,493 in new sales tax revenue to the Town as a result of the construction phase.

Table 18

One-Time Sales Tax Revenue, Construction Phase

Total New Earnings	$	5,323,231
Amount Spent in County (70%)	$	3,726,262
Amount Taxable (25%)	$	931,565
Nassau County Sales Tax Revenue (4.25%)	**$**	**39,592**
New Town Sales Tax Revenue Portion*		0.375%
New Town Sales Tax Revenue	**$**	**3,493**

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.

SALES TAX REVENUE – NEW HOUSEHOLD SPENDING

As a result of the Project, the Town would receive sales tax revenue from household purchases. Table 18 displays the new sales tax revenue that the Town of Hempstead would receive annually based on in-town spending by new households. The portion of sales tax revenue allocated to the town is 0.375%. As a result, there is estimated to be $6,328 in new sales tax revenue to the town as a result of the new household spending.

Table 19

Annual Sales Tax Revenue, Household Spending

Total New Spending	$	5,625,005
Amount Taxable (30%)	$	1,687,502
Nassau County Sales Tax Revenue (4.25%)	**$**	**71,719**
New Town Sales Tax Revenue Portion		0.375%
New Town Tax Revenue	**$**	**6,328**

Source: Town of Hempstead IDA, Camoin Associates

Note that the household spending figure has already been adjusted to account for 55% of total spending within the town (see table entitled "Tenant Spending Baskets"). 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, increasing the remaining portion taxable, 30% of purchases are assumed to be taxable.

SALES TAX REVENUE – EMPLOYEE EARNINGS

The earnings generated by on-site jobs resulting from building operations 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 would 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	$	343,953
Amount Spent in County (70%)	$	240,767
Amount Taxable (25%)	$	60,192
Nassau County Sales Tax Revenue (4.25%)	**$**	**2,558**
New Town Sales Tax Revenue Portion		0.375%
New Town Tax Revenue	**$**	**226**

Source: Town of Hempstead IDA, Camoin Associates

***Note:** Nassau County's sales tax rate is 4.25%, of which 0.75% is allocated to the towns and cities within the county. For this analysis we assume half of the 0.75% is allocated to the Town of Hempstead.

ANNUAL SALES TAX REVENUE

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	$	6,328
On-Site Operations	$	226
New Town Tax Revenue	**$**	**6,554**

Source: Town of Hempstead IDA, Camoin Associates

ATTACHMENT A: WHAT IS ECONOMIC IMPACT ANALYSIS?

The purpose of conducting an economic impact study is to ascertain the total cumulative changes in employment, earnings, and output in a given economy due to some initial "change in final demand". To understand the meaning of "change in final demand", consider the installation of a new widget manufacturer in Anytown, USA. The widget manufacturer sells $1 million worth of its widgets per year exclusively to consumers in Canada. Therefore, the annual change in final demand in the United States is $1 million because dollars are flowing in from outside the United States and are therefore "new" dollars in the economy.

This change in final demand translates into the first round of buying and selling that occurs in an economy. For example, the widget manufacturer must buy its inputs of production (electricity, steel, etc.), must lease or purchase property, and pay its workers. This first round is commonly referred to as the "Direct Effects" of the change in final demand and is the basis of additional rounds of buying and selling described below.

To continue this example, the widget manufacturer's vendors (the supplier of electricity and the supplier of steel) will enjoy additional output (i.e. sales) that will sustain their businesses and cause them to make additional purchases in the economy. The steel producer will need more pig iron and the electric company will purchase additional power from generation entities. In this second round, some of those additional purchases will be made in the US economy and some will "leak out". What remains will cause a third round (with leakage) and a fourth (and so on) in ever-diminishing rounds of industry-to-industry purchases. Finally, the widget manufacturer has employees who will naturally spend their wages. Again, those wages spent will either be for local goods and services or will "leak" out of the economy. The purchases of local goods and services will then stimulate other local economic activity. Together, these effects are referred to as the "Indirect Effects" of the change in final demand.

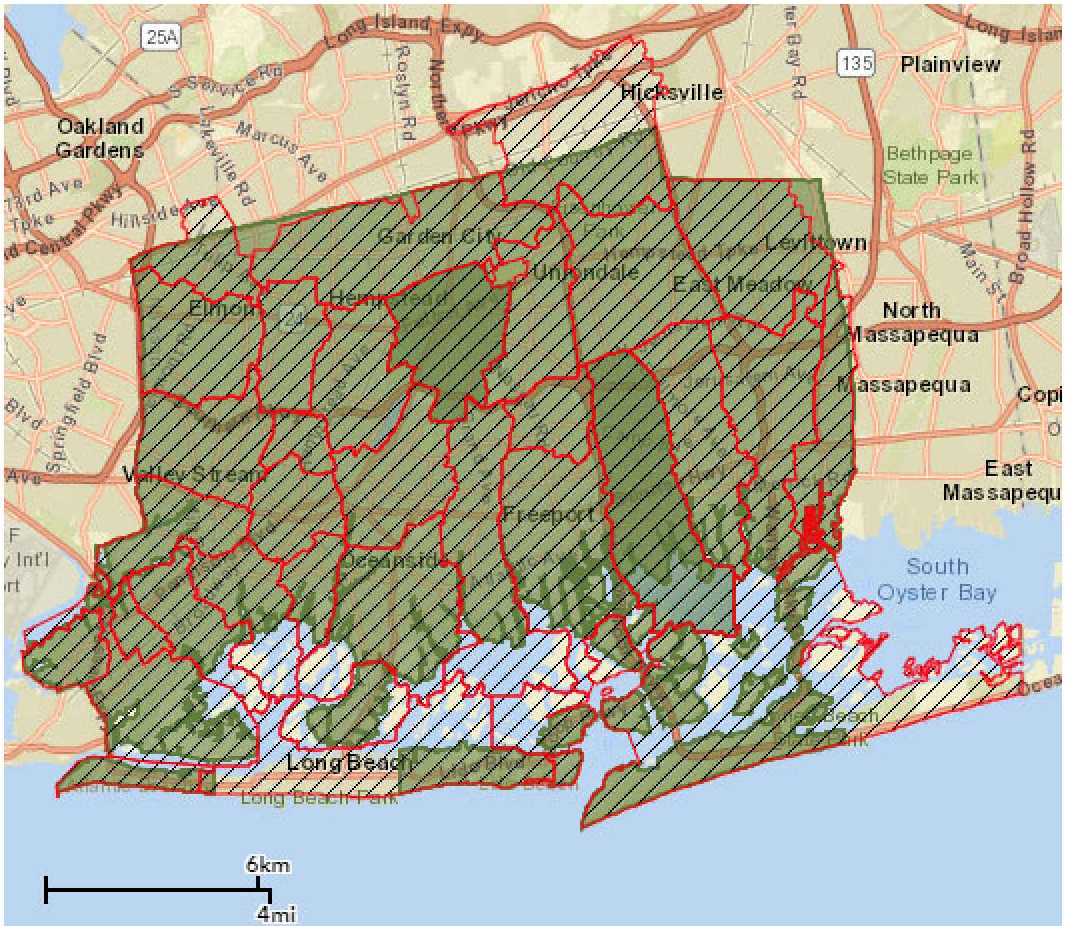
Therefore, the total economic impact resulting from the new widget manufacturer is the initial $1 million of new money (i.e. Direct Effects) flowing in the US economy, plus the Indirect Effects. The ratio of Total Effects to Direct Effects is called the "multiplier effect" and is often reported as a dollar-of-impact per dollar-of-change. Therefore, a multiplier of 2.4 means that for every dollar ($1) of change in final demand, an additional $1.40 of indirect economic activity occurs for a total of $2.40.

Key information for the reader to retain is that this type of analysis requires rigorous and careful consideration of the geography selected (i.e. how the "local economy" is defined) and the implications of the geography on the computation of the change in final demand. If this analysis wanted to consider the impact of the widget manufacturer on the entire North American continent, it would have to conclude that the change in final demand is zero and therefore the economic impact is zero. This is because the $1 million of widgets being purchased by Canadians is not causing total North American demand to increase by $1 million. Presumably, those Canadian purchasers will have $1 million less to spend on other items and the effects of additional widget production will be cancelled out by a commensurate reduction in the purchases of other goods and services.

Changes in final demand, and therefore Direct Effects, can occur in a number of circumstances. The above example is easiest to understand: the effect of a manufacturer producing locally but selling globally. If, however, 100% of domestic demand for a good is being met by foreign suppliers (say, DVD players being imported into the US from Korea and Japan), locating a manufacturer of DVD players in the US will cause a change in final demand because all of those dollars currently leaving the US economy will instead remain. A situation can be envisioned whereby a producer is serving both local and foreign demand, and an impact analysis would have to be careful in calculating how many "new" dollars the producer would be causing to occur domestically.

ATTACHMENT B: STUDY AREAS

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



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. To learn more about our experience and projects in all of our service lines, please visit our website at **www.camoinassociates.com**.

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