
APPENDIX C

FISCAL AND ECONOMIC ANALYSIS

Nelson Pope Voorhis, LLC, August 23, 2024

ECONOMIC AND FISCAL ANALYSIS

SUFFOLK TECHNOLOGY PARK

Little East Neck Road & Long Island Avenue
Wyandanch, New York

NPV No. 21022

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TABLE OF CONTENTS

Executive Summary 3

1.0 INTRODUCTION 5

2.0 METHODOLOGY 9

3.0 SUMMARY OF ECONOMIC AND FISCAL IMPACTS 12

3.1 DEFINITION OF ECONOMIC IMPACTS 12

3.2 KEY FINDINGS 13

3.2.1 ECONOMIC IMPACTS OF CONSTRUCTION 13

3.2.2 ECONOMIC IMPACTS OF ANNUAL OPERATIONS 15

3.2.3 EXISTING FISCAL CONDITIONS 17

3.2.4 ANTICIPATED FISCAL IMPACTS 19

3.2.5 FISCAL IMPACTS TO COMMUNITY SERVICES 21

3.2.6 SALES TAX REVENUES 23

4.0 REFERENCES 25

ATTACHMENT A NPV ECONOMIC ANALYSIS QUALIFICATIONS

ATTACHMENT B CRONIN & CRONIN REAL ESTATE PROPERTY TAX PROJECTION REPORT

ATTACHMENT C ESTIMATED TAX GENERATION BASED ON HYPOTHETICAL PILOT
FROM CRONIN & CRONIN REAL ESTATE PROPERTY TAX PROJECTION REPORT, ANALYSIS BY NPV

EXECUTIVE SUMMARY

This analysis examines the economic and fiscal impacts that are anticipated to occur through the construction and annual operations of a multi-tenant, business/warehouse development consisting of a total of nine (9) shallow bay industrial buildings, totaling 1,596,921 SF, in a master-planned business park setting to be known as Suffolk Technology Park, to be located on the northeast corner of Little East Neck Road and Long Island Avenue, in the hamlet of Wyandanch, Town of Babylon, Suffolk County, New York.

It is noted that this analysis focuses on the "Preferred Alternative" development scenario. The Preferred Alternative is a modification of the Proposed Action Plan (submitted in Feb. 2024) which was modified based on comments received by the Town, involved/interested agencies and the public during on-going meetings with the local civic associations. The modified plan is included in the Draft EIS as the Preferred Alternative (i.e., the plan now proposed by the Applicant), and resulted in increased building setbacks from the residential neighborhood to the north, increased buffers and vegetative screening adjacent to residential neighborhoods and the existing cemetery interment areas, and a reduction in total building coverage from 1,617,471 SF to 1,596,921 SF (or a decrease of 20,550 SF, although, the total number of buildings would stay the same).

The proposed project will create strong economic activity by providing jobs and a solid tax base as quantified in this report. The new business/warehouse development proposed for development will support local businesses in Wyandanch and the surrounding areas, bringing increased patronage and spending power to the community. Consumer activity will ripple through the local community, creating beneficial economic and fiscal impacts throughout Wyandanch, the Town of Babylon, Suffolk County, and the region as a whole.

Economic Benefits

Economic benefit includes direct economic impacts, as well as those indirect and induced impacts that are projected to occur – on output, employment and labor income – during both the 48-month active construction period, and annually upon stabilized operations of the proposed project.

During Construction:

The proposed project is anticipated to result in total impacts¹ of:

- \$295,924,599 in output,
- 767.19 jobs (equivalent to 657.86 total full-time equivalent [FTE] jobs), and
- \$111,323,696 in labor income (total wages).

During Annual Operations:

The proposed project is anticipated to result in total impacts of:

¹ Total impacts refer to the sum of the direct, indirect, and induced impacts.

- \$118,855,707 in output (total revenue),
- 1,957.81 jobs (equivalent to 1,836.22 FTE jobs), and
- \$160,500,345 in labor income (total wages).

Fiscal Impacts

This report includes the fiscal impacts that are anticipated to result from the proposed project. At full build-out and during annual operations, the proposed project is projected to generate:

- \$5,617,898 in total annual taxes under full build-out and full taxation of the property (2024 dollars).
- \$3,686,720 of the taxes generated would be allocated to the Wyandanch Union Free School District.
- The property currently is tax exempt and therefore does not generate any taxes.

Sales Tax Revenue

In addition to property tax generation, the proposed project will result in the generation of significant sales tax revenues. Sales tax applies to retail sales of certain tangible personal property and services. Sales tax is collected for applicable items at the point of sale. It is noted that annual/ongoing sales tax revenues will occur as related to the final tenant mix and goods and services sold that are subject to sales (and use) tax; however, it is premature to determine this added value until owner/tenant occupancy is determined.

Sales are subject to the applicable sales tax rates applied in Suffolk County, which include NYS Sales Tax (4.00%), Suffolk County Sales Tax (4.25%), and Special Tax (0.375%).^{2,3} The total construction cost used for economic analysis was reported to be \$188,911,477 over the four year period of construction. Approximately 40% of this total involves labor related costs.⁴ Of the remaining 60%, it is expected that 50% involves construction material costs and 10% is unrelated to material costs and not subject to sales tax. As a result, the Preferred Alternative is anticipated to generate:

- Total Sales Tax of \$102,055,398 (or \$25,513,849 per year over the four year construction period).

In summary, the proposed project is beneficial to economic conditions of Wyandanch, the Town of Babylon, Suffolk County and the region, as a result of job creation (construction and operations) and tax generation. Overall, the project is economically and socially beneficial as discussed in more detail in the full report.

² <https://www.salestaxhandbook.com/new-york/rates/west-babylon>

³ www.tax-rates.org/new_york/suffolk-county_sales_tax; The Special District Sales Tax is used to fund transportation districts, local attractions, etc.

⁴ See Section 3.

1.0 INTRODUCTION

Nelson, Pope & Voorhis, LLC (NPV) has been requested to prepare an economic and fiscal impact analysis for a proposed technology, business and industrial park consisting of a total of nine (9) shallow bay industrial buildings in a master-planned business park setting. The business park, known as Suffolk Technology Park, is located in the hamlet of Wyandanch, Town of Babylon, Suffolk County, New York. The site location is more specifically described as lying at the northeast corner of Little East Neck Road and Long Island Avenue, immediately north of the Long Island Railroad (LIRR) track, south of Circle Drive, and west of North 28th Street. The Suffolk County Tax Map (SCTM) number of the subject site is: 100-38-1-1, 100-10-4, 43 & 44, and 100-11-1-11.

The subject site is owned by Pinelawn Cemetery and consists of approximately 111.39 acres of land. This analysis provides an update to a 2021 analysis of this project to reflect the most recent data and multipliers available for conducting fiscal and economic analyses. In addition, this analysis focuses on the "Preferred Alternative" development scenario. The Preferred Alternative involves a very similar project and approval process as the originally proposed and studied action but would be modified to address key issues raised by the public and involved and interested agencies during preliminary public outreach. This includes providing enhanced buffers and vegetative screening adjacent to residential neighborhoods and the cemetery interment area, and relocates the proposed stormwater recharge basin at the northeast side of the property farther to the west and away from North 28th Street. These changes would also require a reduction in total building coverage from 1,617,471 SF to 1,596,921 SF (or a decrease of 20,550 SF); although, the total number of buildings (nine) would stay the same. **Table 1** provides an overview of the comparison of the fiscal benefits anticipated from the originally proposed project and the preferred alternative, with additional detail on the methodology, assumptions, and findings provided throughout the report.

TABLE 1
FISCAL IMPACTS COMPARISON

Parameter	Proposed Project (Feb 2024)	Preferred Alternative (July 2024)	Change
Building Size (SF)	1,617,471	1,596,921	-20,550
Taxes Per SF	\$3.52	\$3.52	N/A
Total Taxes	\$5,690,192	\$5,617,898	-\$72,294
Taxes Allocated to School District	\$3,734,163	\$3,686,720	-\$47,443
Construction Cost per SF	\$118.35	\$118.35	N/A
Total Construction Costs	\$191,423,517	\$188,991,477	-\$2,432,039
Construction Jobs (FTE)	237	234	-3
SF per Operations Employees	1,065	1,065	N/A
Annual Operations Employment	1,519	1,500	-19

The property would be occupied by Suffolk Technology Park through a long-term lease (years) with the property owner since Pinelawn Cemetery Association does not anticipate needing to utilize the area for additional interment space until 100 to 200 years from now. The development of Suffolk Technology Park is expected to generate significant revenue for Pinelawn Memorial Park and Arboretum that may be placed in its permanent maintenance fund and used for cemetery projects and renovations. In its current state, the subject property does not provide any tax revenue to local jurisdictions; however, the Cemetery has significant on-going costs associated with the maintenance and security for the cemetery properties (addressing trespassing and vandalism) and staff time to address these issues. Additionally, these costs are required to be maintained over hundreds of years into the future, therefore maintaining an adequate fund for these on-going upkeep costs is important to the long term care of the properties. It is estimated that the current permanent maintenance fund would increase from just over \$81.2 million to \$378.6 million just based on income from this project as indicated in **Appendix B-2** of the DEIS. The permanent maintenance fund is used when a cemetery runs out of available interment space to maintain the cemetery's appearance and avoid abandonment to, and becoming a financial burden on, the Town pursuant to Town Law Section 291. Pinelawn Memorial Park and Arboretum also anticipates retaining some buildings for cemetery purposes at the conclusion of the lease. Finally, Pinelawn Memorial Park and Arboretum has indicated that it may seek Cemetery Board approval to use a portion of lease proceeds for capital projects, the cost of which, it asserts, exceeds its available unrestricted funds.

The proposed Suffolk Technology Park (Preferred Alternative) would consist of 1,596,921 SF of space to cater to businesses that provide a mix of quality jobs across office, administration, production and warehousing. It is intended to be an economic multiplier for the region that complements recent substantial investment projects (new residential/multi-family, retail, transportation district) in the immediate proximity of Wyandanch and the regional setting.

NPV is a professional environmental and planning firm with qualifications and expertise to prepare economic and fiscal impact analyses, and has a track record of similar completed projects, as well as residential and commercial market analysis and related economic development services to private and municipal clients. The economic qualifications of the firm and personnel are provided in **Attachment A**.

The proposed project is expected to contribute to the long-term economic health of the community, advance the planning goals of the Town, establish significant new construction and operational jobs for the local community, and a solid tax base. Consumer activity will ripple through the local community, creating beneficial economic and fiscal impacts throughout Wyandanch, the Town of Babylon, Suffolk County, and the region as a whole.

The following analysis examines and quantifies the economic and fiscal impacts that are anticipated to result from the proposed development at Suffolk Technology Center. **Section 2.0** outlines the methodology and the sources of data used to project the economic and fiscal

impacts generated in this analysis. **Section 3.0** summarizes the economic and fiscal conditions related to the proposed project. **Section 3.2** presents the key findings of the direct economic impacts, as well as those indirect and induced impacts that are projected to occur – on output, employment and labor income – during both the 48-month construction period, and annually upon stabilized operations of the proposed project. As previously noted, these projections anticipate stabilization of the economy in post-pandemic conditions. A summary of these key economic findings is provided in **Table 2**.

TABLE 2
SUMMARY OF KEY ECONOMIC FINDINGS

Impact Type	Output (Total Revenue)	Employment (Total Number Of Jobs)	Labor Income (Total Wages)
<i>Economic Impacts during Construction</i>			
Direct Impact	\$188,991,477	273.70	\$75,596,591
Indirect Impact	\$49,160,225	186.02	\$16,268,509
Induced Impact	\$57,772,897	307.47	\$19,458,596
Total Impact	\$295,924,599	767.19	\$111,323,696
<i>Economic Impacts during Annual Operations</i>			
Direct Impact	\$28,744,578	1,500.00	\$131,056,131
Indirect Impact	\$9,242,737	40.85	\$2,585,845
Induced Impact	\$80,868,392	416.96	\$26,858,368
Total Impact	\$118,855,707	1,957.81	\$160,500,345

Source: Data provided by Bristol Suffolk LLC; Analysis by Nelson, Pope & Voorhis, LLC, via IMPLAN software.

Section 3.2 also includes key fiscal findings, including enrollment trends/population, budget, and current tax rates and levies for the Wyandanch Union Free School District (UFSD). This section also summarizes the land use and tax base composition, detailed budgets and the current tax rates and levies for the Town of Babylon and Suffolk County. Moreover, this section summarizes the fiscal impacts that are anticipated to result from the proposed project, including the cost to the Town to provide services. These include beneficial property tax revenues allocated to each of the taxing jurisdictions that receive taxation from the site. At full build-out and during annual operations, the proposed project is projected to generate \$5,617,898⁵ in annual taxes under full build-out and full taxation of the property. This represents a net increase of \$5,617,898 per year when compared to existing site conditions because the property is currently tax-exempt. The distribution of anticipated tax revenues is shown in **Table 3**.

⁵ Projected taxes from “Real Estate Property Tax Projection Report” prepared by Cornin & Cronin Law Firm, PLLC, dated June 11, 2024. The full report is provided as **Attachment B**.

**TABLE 3
ANTICIPATED TAX REVENUE GENERATION**

Taxing Jurisdiction	Current Tax Revenue	Projected Tax Revenue – Preferred Alternative (Full Taxation)	Percent of Total Tax Revenue
School District - Wyandanch	-	\$3,686,720	65.62%
Library Tax - Wyandanch	-	\$324,171	5.77%
County General Fund	-	\$21,342	0.38%
County Police	-	\$551,479	9.82%
Suffolk County Community College Tax	-	\$2,578	0.05%
Out of County Tuition	-	\$11,288	0.20%
Town Tax	-	\$308,887	5.50%
Highway Tax No. 1	-	\$173,286	3.08%
Lighting District - Babylon Town	-	\$15,872	0.28%
NY State Real Property Tax Law	-	\$35,947	0.64%
Town Outside Villages	-	\$60,937	1.08%
Babylon Central Fire Alarm Tax	-	\$11,411	0.20%
FPD - Wyandanch No. 13	-	\$182,725	3.25%
FD - Firemans Service Award	-	\$9,160	0.16%
FPD - Wyandanch Amb. District	-	\$219,657	3.91%
FD - Ambulance Service Award	-	\$648	0.01%
NYS MTA Tax	-	\$890	0.02%
NYS MTA Tax Police	-	\$900	0.02%
TOTAL: ALL TAXING JURISDICTIONS	-	\$5,617,898	100.0%

The proposed project will not generate an increase in population or school-aged children, as the proposed project is for the development of a business/warehouse development, and therefore the proposed project is not anticipated to increase expenses to the school district. However, the proposed project is anticipated to levy tax revenues for the Wyandanch Union Free School District, estimated to total \$3,686,720 per year. This net revenue could ease the district's need to tap into additional fund balances and could also help alleviate an increased burden on other taxpayers throughout the district.

Lastly, **Section 4.0** outlines the references and sources of information utilized in this analysis, and as previously noted, the economic qualifications of the firm and personnel are provided in **Attachment A**.

2.0 METHODOLOGY

Various information from federal, state, local, and commercial data sources was used to analyze the existing conditions and project economic and fiscal impacts stemming from the construction and annual operation of the proposed development.

Bristol Suffolk LLC supplied information regarding the construction cost and construction schedule, as well as the rental rates during annual operations of the proposed project.

Cronin & Cronin Law Firm provided a real estate tax projection for the subject property under the proposed development scenario.

Wyandanch Union Free School District provided data pertaining to the district budget, enrollment trends and per-pupil education costs.

The Town of Babylon and Suffolk County provided information regarding approved budgets and current tax rates for the subject property. This tax information was used to compare the existing revenues to those that are projected to be generated upon full build-out of the proposed project.

New York State Education Department provide New York State District Report Cards and the Fiscal Accountability Summary reports specific to the Wyandanch Union Free School District.

United States Bureau of Labor Statistics and New York State Department of Labor publish the Occupational Employment Statistics survey. This survey was used to estimate the wages earned among those employed within “construction and extraction” occupations in the Long Island labor market. These wages were assumed for each of the workers responsible for the construction of the proposed project. In addition, this survey was utilized to estimate the wages of the operations employees based on the type of industries that could occupy the space. More specifically, the median salary earned among those employed in the “logisticians,” “stonemasons,” “drivers/sales workers,” “sales representatives, wholesale and manufacturing, technical and scientific products,” and “sales representatives, wholesale and manufacturing, except technical and scientific products,” occupations in the Long Island labor market were analyzed.

United States Census Bureau provides pertinent demographic data for the Wyandanch census-designated place (CDP) as well as the Wyandanch Union Free School District.

IMPLAN (formerly known as the Minnesota IMPLAN Group) developed an economic impact modeling system called IMPLAN, short for “IMppact analysis for PLANning.” The program was developed in the 1970s through the United States Department of Agriculture’s Forest Service and was privatized in 1993.

IMPLAN is built on a mathematical input-output (I-O) model to express relationships between various sectors of the economy in a specific geographic location. The I-O model assumes fixed relationships between producers and their suppliers based on demand, and the inter-industry relationships within a region largely determine how that economy will respond to change. In an I-O model, the increase in demand for a certain product or service causes a multiplier effect; increased demand for a product affects the producer of the product, the producer's employees, the producer's suppliers, the supplier's employees, and so on, ultimately generating a total impact in the economy that is greater than the initial change in demand.

The IMPLAN model is a method for estimating local economic multipliers, including those pertaining to production, value-added, employment, wage and supplier data. IMPLAN differentiates in its software and data sets between 576 sectors that are recognized by the United States Department of Commerce. Multipliers are available for all states, counties and zip codes, and are derived from production, employment and trade data from sources including the United States Census Bureau, County Business Patterns, Annual Survey of Government Employment, Annual Survey of Retail Trade; United States Bureau of Labor Statistics, Quarterly Census of Employment and Wages, Consumer Expenditure Survey; United States Department of Labor; Office of Management and Budget; United States Department of Commerce; Internal Revenue Service; United States Department of Agriculture, National Agricultural Statistical Service; Federal Procurement Data Center; and United States Bureau of Economic Analysis, Regional Economic Information System, Survey of Current Business, among other national, regional, state and local data sources.

IMPLAN is widely accepted as the industry standard for estimating how much a one-time or sustained increase in economic activity in a particular region will be supplied by industries located in the region. Federal government agencies such as the Army Corps of Engineers, Bureau of Economic Analysis, Bureau of Land Management, Environmental Protection Agency, Federal Reserve Bank, Fish and Wildlife Service, and National Park Service have used the multipliers to study the local impact of government regulation on specific industries and to assess the local economic impacts of Federal actions. State and local governments including New York State Department of Labor, New York State Division of the Budget, New York State Office of the State Comptroller, New York State Assembly and New York City Economic Development Corporation, have used the multipliers to estimate the regional economic impacts of government policies and projects and of events, such as the location of new businesses within their state, or to assess the impacts of tourism. Likewise, businesses, universities and private consultants have used the multipliers to estimate the economic impacts of a wide range of projects, such as building a new sports facility or expanding an airport; of natural disasters; of student spending; or of special events, such as national political conventions.

NPV personnel have received formal IMPLAN training through IMPLAN and possess the qualifications to project economic impacts for a multitude of project types using this software. For the purpose of this analysis, multipliers specific to socio-economic data in Suffolk County's "Construction of new manufacturing structures" industry were analyzed to determine the

direct, indirect and induced economic impacts during the proposed project's construction period. Moreover, multipliers specific to socio-economic data in Suffolk County's "Warehousing and Storage" industry were analyzed to determine the direct, indirect and induced economic impacts during the annual operations of the proposed project.

3.0 ECONOMIC IMPACTS

As noted in Section 1.0, this analysis summarizes the existing conditions and the economic and fiscal impacts that are associated with the development of a light industrial research and technology office park consisting of a total of nine (9) shallow bay industrial buildings totaling 1,596,921 SF in a master-planned business park setting (Preferred Alternative). Economic impacts include direct, indirect and induced benefits on output, employment and associated labor income during the construction phase and during a stabilized year of annual operations. Fiscal impacts include the generation of property tax revenues and their distribution among local taxing jurisdictions under full build-out and full taxation.

The proposed project will generate immediate construction jobs as well as permanent employment opportunities for area residents. The proposed project will also increase the distribution of tax ratables throughout the Town of Babylon and Suffolk County, upon full build-out and full-taxation of the development. Such economic and fiscal benefits are most crucial to the economic well-being throughout the Wyandanch community, the school district, the Town, the greater Long Island region and New York State.

A summary of findings is provided herein, with detailed methodologies and references provided throughout this analysis. This analysis was prepared using methods, data and information that are considered to be industry standards for such economic analyses.

3.1 Definition of Economic Impacts

A **direct impact** arises from the first round of buying and selling and includes the production of changes and expenditures made as a result of the proposed action. These direct impacts can be used to identify additional rounds of buying and selling for other sectors of the economy and to identify the impact of spending by local households. During construction, the direct impact includes the number of construction employees, their salaries, and most of the expenditures that are anticipated to be incurred by the developer. It generally includes expenditures related to demolition, site work, construction, purchase of materials, engineering, architecture, and environmental consultants. During operations, direct impacts include the salaries of employees of the development, and direct output would be in the form of rental revenue from the development.

An **indirect impact** refers to the increase in sales of other industry sectors stemming from business-to-business purchases in the supply chain due to the initial input purchases, which include further round-by-round sales. The indirect impacts on output related to construction include additional business to business rounds of buying and selling throughout the supply chain.

An **induced impact** accounts for the changes in household spending resulting from the labor income generated by the employees of the proposed action during construction and operations, resulting from direct and indirect impacts.

The **total impact** is the sum of the direct, indirect and induced impacts.

3.2 Key Findings

3.2.1 Economic Impacts of Construction

A detailed analysis of direct, indirect and induced impacts generated during the construction period is outlined below. It is important to note that each impact is temporary and is projected to occur only while the proposed project is being constructed. As previously noted, these projections anticipate stabilization of the economy in post-pandemic conditions.

- For the purpose of this analysis, it is anticipated that construction of the proposed project will commence in 2025, with the active construction period anticipated to occur over a period of 48 months.⁶
- The proposed project is projected to represent nearly \$189.0 million⁷ in construction costs over the 48-month construction period.⁸ This \$189.0 million in direct annual output is projected to generate an indirect impact of over \$49.1 million, and an induced impact of an additional \$57.7 million, bringing the total economic impact output to over \$295.9 million during the 48-month construction period.⁹
- During the construction period, direct employment refers to the number of short-term jobs necessary to complete the construction of the proposed project. The construction period is anticipated to generate 273.7 total jobs¹⁰ (which is equal to 234.7 full time equivalent (FTE) jobs), which are anticipated to last the entire duration of the 48-month construction period.
- The 273.7 jobs created during the construction period is anticipated to have an indirect impact of 186.02 employees and an induced impact of 307.47 employees in other industry sectors, bringing the total impact of the 48-month construction period to 767.19 jobs (or 657.86 FTE jobs).¹¹ This job creation – direct, as well as indirect and

⁶ Construction schedule provided by Bristol Suffolk LLC in June 2024.

⁷ For the purpose of this analysis, this figure and all other figures in the construction portion of this analysis reflect 2025 dollars, the year in which construction is assumed to commence.

⁸ Construction costs provided by Bristol Suffolk LLC in June 2024, and include the shell, office/warehouse improvements, site work, traffic/rail/sewer infrastructure, surveys, and legal services. It is important to note that all costs are estimates based upon market conditions as of the date of preparation of this analysis.

⁹ According to IMPLAN, a multiplier of 1.640402 represents the total dollar change in output that occurs in all industries for each additional dollar of output delivered to final demand through the “Construction of new manufacturing structures” (IMPLAN Sector 51) in Suffolk County, New York.

¹⁰ IMPLAN utilizes “total employment” for economic modeling and provides a multiplier of 0.857493857 to convert from full employment to full-time equivalent (FTE).

¹¹ According to IMPLAN, a multiplier of 8.9 represents the total change in the number of jobs that occurs in all

induced – is most crucial to Long Island’s economic well-being, and presents opportunities for persons who remain unemployed throughout the region.

- During the construction period, direct labor income refers to the annual earnings, wages, or salary paid to each of the workers responsible for the construction of the proposed project. Labor income typically comprises approximately 40% of the cost of industrial construction; the remaining portion represents the cost of materials.¹²
- Labor income is projected to average \$69,053 per year per employee¹³ for the 48-month construction period, resulting in nearly \$75.6 million in collective earnings among the 273.7 employees. This labor income is projected to have an indirect impact of over \$16.2 million and an induced impact of over \$19.4 million, bringing the total economic impact of the 48-month construction period to over \$111.3 million in labor income.¹⁴

A summary of key economic findings projected to occur during the 48-month construction period is provided in **Table 4**.

TABLE 4
SUMMARY OF KEY ECONOMIC FINDINGS DURING 48-MONTH CONSTRUCTION PERIOD

Impact Type	Output (Total Revenue)¹⁵	Employment (Total Number of Jobs)	Labor Income (Total Wages)
Direct Impact	\$188,991,477	273.70	\$75,596,591
Indirect Impact	\$49,160,225	186.02	\$16,268,509
Induced Impact	\$57,772,897	307.47	\$19,458,596
Total Impact	\$295,924,599	767.19	\$111,323,696

Source: Data provided by Bristol Suffolk LLC; Analysis by Nelson, Pope & Voorhis, LLC, via IMPLAN software.

industries for each additional one million dollars of output delivered to final demand through the “Construction of new manufacturing structures” (IMPLAN Sector 51) in Suffolk County, New York.

¹² Construction/renovations labor and materials estimates per architectural design group Nelson + Pope.

¹³ New York State Department of Labor’s Occupational Employment Statistics survey reports a median wage of \$67,042 among those employed within construction and extraction occupations in the Long Island labor market. The Occupational Employment and Wage Statistics (OEWS) program provides estimates of employment and wages for nearly 800 job titles across New York State. These are estimates of the number of workers by occupation and the typical wages paid to people in those jobs. Wage information has been updated to the first quarter of 2024 by making cost-of-living adjustments. An additional annual inflation factor of three percent (3%) per year was applied to the average wage, to reflect wages at the commencement of the construction period – estimated to occur in 2025 for the purpose of this analysis.

¹⁴ According to IMPLAN, a multiplier of 0.746851 represents the total dollar change in labor income of households employed by all industries for each additional dollar of output delivered to final demand through the “Construction of new manufacturing structures” (IMPLAN Sector 51) in Suffolk County, New York.

¹⁵ The direct impact of output is equal to the total construction cost of the proposed project over the 48-month construction period.

3.2.2 Economic Impacts of Annual Operations

A detailed analysis of direct, indirect and induced impacts generated annually during operations is outlined below. It is important to note that each of these impacts is permanent and on-going and they are projected on an annual basis, assuming continued stabilized operations.

- For the purpose of this analysis, the first year of stabilized operations is assumed to occur in 2030.
- Annual output will be generated primarily in the form of rent revenue based on an annual rent of \$18.00 per square foot for the nine (9) buildings of warehouse space, totaling over \$28.7 million.¹⁶
- The annual operational revenues are projected to generate an indirect impact of over \$9.2 million and an induced impact of over \$80.8 million per year. This additional output is generated through round-by-round sales made at various merchants in other sectors of the regional economy. These include local retailers, service providers, banks, grocers, restaurants, financial institutions, insurance companies, health and legal services providers, and other establishments in the region.
- The sum of the direct, indirect and induced impacts results in a total economic impact on output of over \$118.8 million during annual operations.¹⁷
- The proposed project is anticipated to generate 1,500 total jobs (which is equivalent to 1,406.84 FTE jobs) on site.¹⁸ Assumptions pertaining to the direct employment were estimated by NPV based on trip generation data from Heartland (which is anticipated to contain similar uses as Suffolk Technology Park) to develop a multiplier of employees per square foot to apply to the proposed Suffolk Technology Center project. The trip generation data for Heartland (Appendix D-1 of the DEIS) indicates that there are 3,969 exiting trips during the peak PM hours (between 3:30 and 6:30 pm), which primarily represents employees exiting the facility at the end of a typical workday. Based on the Heartland total development size of over 3.9 million SF, this results in an approximate trip generation of 0.94 trips per 1,000 SF. It was assumed that each trip involved one employee. When this multiplier is applied to the 1,596,921 SF of the proposed Suffolk Technology Park, it results in approximately 1,506.19 employees, which was then rounded to 1,500 jobs for the purposes of this analysis.
- The 1,500 total employment jobs will have an indirect impact of 40.85 employees and an induced impact of 416.96 employees in other industry sectors, bringing the total

¹⁶ Assumptions pertaining to annual revenue provided by Suffolk Technology Center, in June 2024. It is important to note that all costs are estimates based upon market conditions as of the date of preparation of this analysis.

¹⁷ According to IMPLAN, a multiplier of 1.754056 represents the total dollar change in output that occurs in all industries for each additional dollar of output delivered to final demand by “Warehousing and Storage” (IMPLAN Sector 422), in Suffolk County, New York.

¹⁸ It is important to note that all assumptions are estimates based upon market conditions as of the date of preparation of this analysis.

economic impact of employment to 1,957.81 total jobs (which is equivalent to 1,836.20 FTE jobs) during annual operations.¹⁹

- The 1,500 jobs are estimated to generate a total of over \$131.0 million in collective labor income.²⁰ This labor income will have an indirect impact of over \$2.5 million and an induced impact of over \$26.8 million, bringing the total economic impact of labor income to over \$160.5 million during a stabilized year of operations of the proposed project.²¹

A summary of key economic findings projected to occur during annual operations is provided in **Table 5**.

TABLE 5
SUMMARY OF KEY ECONOMIC FINDINGS DURING ANNUAL OPERATIONS

Impact Type	Output (Annual Revenue)	Employment (Number of Annual FTE Jobs)	Labor Income (Annual Wages)
Direct Impact	\$28,744,578	1,500.00	\$131,056,131
Indirect Impact	\$9,242,737	40.85	\$2,585,845
Induced Impact	\$80,868,392	416.96	\$26,858,368
Total Impact	\$118,855,707	1,957.81	\$160,500,345

Source: Data provided by Bristol Suffolk LLC; Analysis by Nelson, Pope & Voorhis, LLC, via IMPLAN software.

¹⁹ According to IMPLAN, a multiplier of 10.960 represents the total change in the number of jobs that occurs in all industries for each additional one million dollars of output delivered to final demand by “Warehousing and Storage” (IMPLAN Sector 422), in Suffolk County, New York.

²⁰ Annual wages totaling \$75,000 per employee was utilized for the economic analysis. To estimate the operations salaries, the NYS Department of Labor Occupational Employment Statistics survey was utilized to estimate the wages of the operations employees based on the type of industries that could occupy the space. More specifically, the median salary earned among those employed in the “logisticians,” “stonemasons,” “drivers/sales workers,” “sales representatives, wholesale and manufacturing, technical and scientific products,” and “sales representatives, wholesale and manufacturing, except technical and scientific products,” occupations in the Long Island labor market were analyzed. An additional multiplier of 1.164943388 was applied to this figure to reflect the average fringe benefits among those employed within the “Warehousing and Storage” (IMPLAN Sector 422), in Suffolk County, New York. It is important to note that all assumptions are estimates based upon market conditions as of the date of preparation of this analysis.

²¹ According to IMPLAN, a multiplier of 0.844552 represents the total dollar change in labor income of households employed by all industries for each additional dollar of output delivered to final demand of “Warehousing and Storage” (IMPLAN Sector 422), in Suffolk County, New York.

3.2.3 Existing Fiscal Conditions

- According to the U.S. Census Bureau, there are 13,601 persons residing within 4,061 housing units in the Wyandanch census-designated place (CDP).²²
- The vast majority of assessed parcels in the Town of Babylon are residential properties, comprising 78.6% of the total number of parcels. However, such properties comprise 63.1% of the Town's tax base and cause the greatest burden on community services.
- Industrial parcels comprise 2.5% of the total number of parcels in the Town of Babylon and 9.0% of the Town's tax base.²³
- The Town of Babylon adopted a 2024 budget with revenues of \$180.1 million and expenditures of \$185.6 million for the 2020-21 fiscal year²⁴, compared to an adopted 2023 budget of \$170.9 million in revenues and \$175.1 million in expenses.
- Suffolk County created a 2024 operating budget with expenditures of over \$4.1 billion and revenues of over \$5.1 billion, compared to a 2023 budget with \$3.9 billion in expenditures and \$5.1 billion in revenues.²⁵
- The proposed project is located within the boundaries of the Wyandanch Union Free School District. The latest Census estimates suggest that 95.1% of all school-aged children who are enrolled in school and reside within the school district boundaries attended public schools; the remaining 4.9% of school-aged children attend private schools.
- Student enrollment within the Wyandanch UFSD has increased by 467 students, or - 22.1%, over the ten (10) years between the 2013-14 and 2022-23 academic years.²⁶
- According to the New York State School Report Card Fiscal Accountability Summary for the Wyandanch UFSD, expenditures averaged \$26,857 per student during the 2022-23 academic year.²⁷
- The Wyandanch UFSD adopted a budget for the 2022-23 academic year, with revenues and expenditures totaling \$87.7 million.²⁸
- Prior to the coronavirus pandemic of 2020-22, unemployment had been decreasing substantially since its peak in 2010-2012. Unemployment in the Town, County, Long Island and New York State increased significantly in 2020; but started to decline in 2021 and continued to decline in 2022. Annual unemployment rates in the Town in 2023 (3.7%) were slightly higher than unemployment rates for 2022 (3.5%). As of May 2024, approximately 4,600 persons – 4.0% of the Town's labor force – are unemployed. While this townwide unemployment rate has decreased since the spike in unemployment

²² 2022 American Community Survey Demographics and Housing 5-Year Estimates, via the U.S. Census Bureau.

²³ NYS Office of Real Property Tax Services.

²⁴ Town of Babylon, "2024 Adopted Budget."

²⁵ Suffolk County, "2024 Adopted Operating Budget, Narrative Summary Volume 1."

²⁶ New York State Education Department.

²⁷ New York State Education Department. This data represents the most currently published data at the time of submission of this analysis.

²⁸Wyandanch Union Free School District.

observed in the spring and summer of 2020, it remains higher than the recorded rate over the past few years. While it is important to note that these data have not been seasonally adjusted, the trends recorded in the Town as of May 2024 (4.0%) were nonetheless slightly higher than that of Suffolk County (3.5%) and Long Island (3.4%) and slightly lower than statewide unemployment rates at that time (4.2%).²⁹

- Under existing conditions, the subject property is not currently on the Town’s tax roll and does not generate any tax revenues.³⁰ The existing distribution of tax revenues according to the tax bill is shown in **Table 6**.

**TABLE 6
ANTICIPATED TAX REVENUE GENERATION**

Taxing Jurisdiction	Current Tax Rate (per \$100 Assessed Valuation)	Current Tax Revenue	Percent of Total Tax Revenue
School District - Wyandanch	242.8074	-	65.62%
Library Tax - Wyandanch	21.3499	-	5.77%
County General Fund	1.4056	-	0.38%
County Police	36.3204	-	9.82%
Suffolk County Community College Tax	0.1698	-	0.05%
Out of County Tuition	0.7434	-	0.20%
Town Tax	20.3433	-	5.50%
Highway Tax No. 1	11.4126	-	3.08%
Lighting District - Babylon Town	1.0453	-	0.28%
NY State Real Property Tax Law	2.3675	-	0.64%
Town Outside Villages	4.0133	-	1.08%
Babylon Central Fire Alarm Tax	0.7515	-	0.20%
FPD - Wyandanch No. 13	12.0343	-	3.25%
FD - Firemans Service Award	0.6033	-	0.16%
FPD - Wyandanch Amb. District	14.4666	-	3.91%
FD - Ambulance Service Award	0.0427	-	0.01%
NYS MTA Tax	0.0586	-	0.02%
NYS MTA Tax Police	0.0593	-	0.02%
TOTAL: ALL TAXING JURISDICTIONS	369.995	-	100.0%

²⁹ New York State Department of Labor.

³⁰ Suffolk County Department of Assessment.

3.2.4 Anticipated Fiscal Impacts

- For taxing purposes, the total full market value of the proposed project is estimated to be \$6,194,030 per the Cronin & Cronin Real Estate Taxes Report shown as **Attachment B**. The report also includes estimates for annual property taxes generated during operations of the proposed project at full taxation and full buildout. The “most likely to occur” tax scenario totaling approximately \$5,617,898 in annual property taxes was used to determine distribution of tax revenues shown in **Table 7**.
- Fiscal impacts are projected based on a stabilized year of operations and full taxation based on current assessments and projected revenues. It is noted that any tax deferral programs will delay and phase-in full taxation. Bristol Suffolk LLC has never intended to apply for tax relief or a Payment in Lieu of Taxes (PILOT) agreement and remains committed to that agreement. However, Bristol Suffolk LLC as owners of the buildings cannot preclude any tenant from seeking their own agreements with the IDA (although no such plans are known at this time to Bristol Suffolk LLC). In order to analyze the potential fiscal impacts if individual tenants seek IDA relief, the Cronin & Cronin report (**Attachment B**) includes a PILOT payment schedule based on a hypothetical projection. The distribution of tax revenues for the initial and final years of the hypothetical PILOT are shown in **Attachment C**, which still demonstrate a positive fiscal impact resulting from the project; although not as large of a fiscal benefit as the full build-out and taxation scenario.
- It is important to note that the information provided in **Table 7** was derived from the current assessment factors and tax rates provided by the Town of Babylon. It is also important to note that all analyses are based on current tax dollars, and the revenue allotted among taxing jurisdictions will vary from year to year, depending on the annual tax rates, assessed valuation and equalization rates. Further, the final assessment and levy will be determined by the sole assessor at the time of occupancy. Projections included herein are as accurate as possible using fiscal impact methodologies, for the purpose of the planning and land use approval process.

**TABLE 7
ANTICIPATED TAX REVENUE GENERATION**

Taxing Jurisdiction	Current Tax Rate (per \$100 of Assessed Valuation)	Projected Tax Revenue (Full Taxation)	Percent of Total Tax Revenue
School District - Wyandanch	242.8074	\$3,686,720	65.62%
Library Tax - Wyandanch	21.3499	\$324,171	5.77%
County General Fund	1.4056	\$21,342	0.38%
County Police	36.3204	\$551,479	9.82%
Suffolk County Community College Tax	0.1698	\$2,578	0.05%
Out of County Tuition	0.7434	\$11,288	0.20%
Town Tax	20.3433	\$308,887	5.50%
Highway Tax No. 1	11.4126	\$173,286	3.08%
Lighting District - Babylon Town	1.0453	\$15,872	0.28%
NY State Real Property Tax Law	2.3675	\$35,947	0.64%
Town Outside Villages	4.0133	\$60,937	1.08%
Babylon Central Fire Alarm Tax	0.7515	\$11,411	0.20%
FPD - Wyandanch No. 13	12.0343	\$182,725	3.25%
FD - Firemans Service Award	0.6033	\$9,160	0.16%
FPD - Wyandanch Amb. District	14.4666	\$219,657	3.91%
FD - Ambulance Service Award	0.0427	\$648	0.01%
NYS MTA Tax	0.0586	\$890	0.02%
NYS MTA Tax Police	0.0593	\$900	0.02%
TOTAL: ALL TAXING JURISDICTIONS	369.995	\$5,617,898	100.0%

The proposed project includes the development of a light industrial research and technology office park and therefore, will not generate additional students to the Wyandanch Union Free School District. The proposed project is anticipated to levy approximately \$3,686,720 (under full taxation) in property tax revenues for the Wyandanch UFSD, without generating additional costs stemming from an increased student enrollment. This net revenue could ease the district's need to tap into additional fund balances and could also help alleviate an increased burden on other taxpayers throughout the district.

3.2.5 Fiscal Impacts to Community Services

The Preferred Alternative will result in additional costs to community service providers, including those provided by the Town of Babylon. To assess the costs associated with the Preferred Alternative, the per-capita method was used. This method is set forth in the “Development Impact Assessment Handbook” (1994) authored by the Urban Land Institute.

The residential share of costs was estimated by dividing the 2023 residential property values and number of residential parcels by the total property value and number of parcels in the City. Likewise, the non-residential share of costs was estimated by dividing the 2023 non-residential assessed values and number of non-residential parcels by the total property value and number of parcels within the boundaries of the Town.³¹ The residential and non-residential percentages of the total property value and total number of parcels were averaged, and the combined value was applied to the 2024 Town of Babylon Operating Budget’s General Fund of approximately \$78.4 million.³²

As seen in **Table 8**, the estimated share of residential-associated expenditures attributed to the provision of Town services total 76.2%, or \$59.7 million; the estimated share of non-residential-associated expenditures attributed to the provision of Town services total 23.8%, or \$18.6 million. The estimated share of residential-associated expenditures of \$59.7 million was divided by the estimated total population of the Town. As of the latest 2022 estimates published by the U.S. Census Bureau’s American Community Survey, this included an estimated 217,830 residents. Given these assumptions, this results in a per-capita expenditure of approximately \$274.34. Likewise, the estimated share of non-residential-associated expenditures of \$18.6 million was divided by the estimated total number of employees located within the Town. According to 2024 estimates from ESRI Business Analyst, this included 116,054 employees. Given these assumptions, this results in a per-employee expenditure of approximately \$160.87.

The Preferred Alternative does not include any residential units and therefore there is no additional expenditure associated with the provision of City services to residents. The per-employee expenditure of \$160.87 that is associated with the provision of Town services was applied to the 1,500 FTE persons projected to be employed through the development of the Preferred Alternative. Given these assumptions, the total fiscal impact on the Town of Babylon is projected to total \$241,311 per year.

Since only the tax revenue generation from the Preferred Alternative is being considered, it is important to note that this analysis presents a conservative projection on the costs of providing

³¹ For the purpose of this analysis, multi-family residential units (and their associated assessed valuation) that are classified with a commercial classification code by New York State Office of Real Property Services, were moved from the commercial land use classification to the residential land use classification. This allows for a more accurate projection of the share of residential vs. non-residential costs to the Town of Babylon, and the projected fiscal impact associated with the development of the Preferred Alternative.

³² Town of Babylon Adopted Budget, General Fund Only, 2024.

Town services – including those funded via the property and sales tax levy, as well as those funded from other sources. Other such revenues and various forms of aid will increase proportionately with the additional development; this is not considered in this analysis. There are also a number of budgetary line items associated with expenditures that will not increase proportionately with the increase in development (e.g., the number of Town clerks or other administrative positions, etc.)

Based on the foregoing, it is estimated that the costs of services associated with the full build out of the Preferred Alternative is approximately \$241,311 (operational costs). Although the revenues to the City must account for more than just property taxes, if compared to the projected tax revenue (\$921,303) allocated to the Town in isolation, a net benefit would result of nearly \$680,000 annually in net revenues. Therefore, the operating costs associated with community services are more than adequately covered by annual property tax revenues that would accrue. In addition, it is noted that the project will result in surplus revenue to the School District and other local taxing jurisdictions.

TABLE 8
FISCAL IMPACT ON THE TOWN OF BABYLON

Parameter	Residential	Non-Residential	Total
Town of Babylon 2024 Operating Budget General Fund	--	--	\$78,429,788
Total Number of Parcels in Town of Babylon (2023)	58,731	11,027	69,758
<i>Percentage of Parcels</i>	<i>84.2%</i>	<i>15.8%</i>	<i>100.0%</i>
Total Assessed Value: Town of Babylon (2023)	\$206,912,360	\$96,488,001	\$303,400,361
<i>Percentage of Assessed Valuation</i>	<i>68.2%</i>	<i>31.8</i>	<i>100.0%</i>
Estimated Share of Associated Expenditures: Town of Babylon (2023)	76.2%	23.8%	100.0%
Estimated Apportioned Expenditures	\$59,759,691	\$18,670,097	\$78,429,788
Number of Residents/Employees: Town of Babylon (2024 Estimates)	217,830 residents	116,054 employees	--
Per-Capita/Per-Employee Expenditure	\$274.34	\$160.87	--
Number of Persons Generated: Preferred Alternative	0 residents	1,500 employees	1,500 persons
Total Fiscal Impact on Town of Babylon: Preferred Alternative	\$0	\$241,311	\$241,311
Total Property Tax Revenues Generated to Town of Babylon: Preferred Alternative			\$921,303
Net Fiscal Impact: Town of Babylon			\$679,991

Source: Town of Babylon; New York State Office of Real Property Services; U.S. Census Bureau; ESRI Business Analyst; Analysis by Nelson, Pope & Voorhis, LLC, based upon methodology from Development Impact Assessment Handbook, Urban Land Institute, 1994.

3.2.6 Sales Tax Revenues

In addition to property tax generation, the proposed project will result in the generation of significant sales tax revenues. Sales tax applies to retail sales of certain tangible personal property and services. Sales tax is collected for applicable items at the point of sale. It is noted that annual/ongoing sales tax revenues will occur as related to the final tenant mix and goods and services sold that are subject to sales (and use) tax; however, it is premature to determine this added value until owner/tenant occupancy is determined.

Sales are subject to the applicable sales tax rates applied in Suffolk County, which include NYS Sales Tax (4.00%), Suffolk County Sales Tax (4.25%), and Special Tax (0.375%). The total construction cost used for economic analysis was reported to be \$188,911,477 over the four year period of construction. Approximately 40% of this total involves labor related costs. Of the remaining 60%, it is expected that 50% involves construction material costs and 10% is unrelated to material costs and not subject to sales tax. As a result, the Preferred Alternative is anticipated to generate:

- Total Sales Tax of \$102,055,398 (or \$25,513,849 per year over the four year construction period).

Table 9 presents the total anticipated sales tax revenue generated during the 48-month construction period.

Table 9
Anticipated Construction Sales Tax Revenue
During Construction

Parameters	Tax Rates	Taxable Sales
NYS Sales Tax	4.000%	\$4,082,216
Suffolk County Sales Tax	4.250%	\$4,337,354
Special District Sales Tax	0.375%	\$382,708
Total	8.625%	\$8,802,278

As seen, the total sales tax revenue is \$8.8 million with New York State receiving approximately \$4.1 million and Suffolk County receiving \$4.3 million of these revenues. Additional Special District Sales Tax is \$382,708; this tax is used to fund transportation districts, local attractions, etc. Revenue of course varies based on actual sales; however, given the construction cost breakdown, sales (and use) tax revenues are expected to provide a flow of revenues that are a substantial economic/fiscal benefit to New York State and Suffolk County during the period of construction.

The estimated average annual sales tax revenue is itemized as presented in **Table 10**.³³

Table 10
Anticipated Construction Sales Tax Revenue
AVERAGE ANNUAL REVENUES

Parameters	Tax Rates	Taxable Sales
NYS Sales Tax	4.000%	\$1,020,554
Suffolk County Sales Tax	4.250%	\$1,084,339
Special District Sales Tax	0.375%	\$95,677
Total	8.625%	\$2,200,570

The construction period provides substantial sales tax benefits that will accrue to New York, Suffolk County and the Special District Sales Tax. Total construction period sales tax revenue appears in **Table 9** and average annual revenue (which will be further dependent on actual time of sales) is estimated in **Table 10**. The Suffolk Technology Center will result in many significant economic and fiscal benefits to Wyandanch, the Town of Babylon, Suffolk County, the region and New York State. These benefits include:

- construction and operations employment and beneficial ripple effect on the economy (direct, indirect and induced economic output);
- sales (and use) tax revenue during construction (quantified herein);
- sales (and use) tax during operations (based on the future tenant mix and sale of taxable goods and services);
- real estate tax revenue (dependent upon land improvements within the subdivision), and
- mortgage recording tax revenue (dependent on land sales and mortgages for the future subdivision parcels and development).

³³ This will be further dependent on the actual time of sales.

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ATTACHMENT A
Nelson Pope Voorhis
Economic Analysis Qualifications

STATEMENT OF QUALIFICATIONS ECONOMIC AND FISCAL IMPACT ANALYSIS



NELSON POPE VOORHIS
environmental • land use • planning

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TABLE OF CONTENTS

INTRODUCTION	1
KEY PERSONNEL.....	3
RELEVANT EXPERIENCE.....	5

INTRODUCTION

Nelson, Pope & Voorhis, LLC (“Nelson Pope Voorhis” or “NPV”) is an environmental planning and consulting firm established in 1997 that serves governmental and private sector clients preparing creative solutions specialized in the area of complex environmental project management and land use planning/analysis. Our offices are strategically located in Melville, Long Island, NY and Suffern, NY in the Hudson River Valley. NPV consists of three divisions, created to better serve clients with high quality, innovative and responsive consulting services in all aspects of environmental planning. The three divisions are:

- **Environmental and Community Planning Division:** prepares comprehensive plans, long-term planning studies, corridor redevelopment studies, brownfield plans and comprehensive and strategic zoning amendments. The group is effective in the use of geographic information systems (GIS) mapping to evaluate issues and present baseline data. Effective community outreach strategies are developed and tailored for each project and the community in which the project is taking place. The group represents a number of planning boards in the region.
- **Phase I/II ESA and Remediation Division:** prepares Phase I/II Environmental Site Assessments with soil and groundwater sampling services, lead based paint, asbestos and radon inspection services, and all forms of environmental sampling. The division evaluates the implications of past and/or present contamination and property uses on future land uses.
- **Environmental Resource and Wetland Division:** conducts ecological assessment and planning, landscape and coastal restoration, wetland delineation and restoration, habitat assessment, conducts stormwater modeling and green infrastructure planning and implementation. This division assists clients through permitting and SEQRA processes.

The primary focus of the firm is to provide quality consulting services that meet the needs and goals of our clients while respecting the environment. We pride ourselves being extremely responsive to each client. Clients rely on NPV’s depth of experience and expertise to provide solutions to each unique project within budget and on schedule. Our clientele, some of whom we have represented for decades, recognize NPV’s capabilities and are secure in knowing that they receive quality professional services from project inception through completion. NPV’s multidisciplinary staff includes AICP-certified planners, economists, ecologists, hydrologists, certified environmental professionals, grants specialists, and GIS specialists.

As a local firm, NPV has significant expertise in performing both Economic and Fiscal Impact Analyses as well as Market Studies. We have served as a primary consultant to many private developers as well as municipalities and have established a solid track-record of completed projects and local government references throughout Long Island, with an emphasis on economic related projects.

NPV has the capabilities to provide the following services:

PHASE I/II ESA AND REMEDIATION	COMMUNITY AND LAND PLANNING	ENVIRONMENTAL AND WETLAND ASSESSMENT
<p><u>ENVIRONMENTAL AUDITS</u> Phase I ESA & Due Diligence Investigations Phase II ESA Groundwater Investigations Soil Sampling, Boring and Classifications Soil Gas Surveys Monitoring Wells & Piezometers Tank Sampling Pesticide Sampling & Plans Soil Management Plans Remediation Brownfield/Voluntary Cleanup Plans RCRA Closures Superfund Sites Asbestos Surveys Influent/Effluent Sampling Lead Based Paint Surveys Subsurface Investigations Ground Penetrating Radar (GPR) Dewatering Services Pipe Camera Magnetometer Groundwater Monitoring Studies Flow Studies Water Supply Studies Nitrogen Load/TMDL Evaluation</p> <p><u>ENVIRONMENTAL ANALYSIS</u> NYS SEQRA/NYC CEQR Administration NEPA Analysis/Documentation EIS/EAF Preparation GEIS & Regional Impact Analysis Noise Monitoring & Assessment Air Impact Analysis Visual Assessment</p>	<p><u>ECONOMIC</u> Fiscal Impact Analysis Economic Impact Analysis IMPLAN and RIMS II Economic Impact Modeling School District/Community Service Impact Analysis Market Studies Niche Market Analysis Demographic Studies Economic Development Planning Business Retention & Expansion Strategies Downtown Revitalization IDA Financing Assistance</p> <p><u>PLANNING</u> Development of Feasibility Studies LEED Planning Public Outreach Meetings Demographic Analysis Municipal Review Services Planning & Zoning Analysis Build Out Analysis GIS Analysis Code Preparation & Review Downtown Revitalization Regional Planning & Land Use Plans Recreation Planning LWRP & Harbor Management Plans Grant Writing & Administration Public Outreach & Community Surveys Community Visioning District Mapping Spatial Analysis of Call Database Needs Assessment Demographic Analysis</p>	<p><u>STORMWATER MANAGEMENT</u> Stormwater Permitting Stormwater Pollution Prevention Plans (SWPPP) Erosion & Sediment Control Plans NYSDEC “Qualified Inspectors” for Construction Field Monitoring Stormwater Management Programs NYSDEC Annual Reports Construction Stormwater Field Monitoring Outfall & Infrastructure Inventory GIS Mapping & Analysis Stormwater BMP’s Stormwater Management Planning Low Impact Design</p> <p><u>ECOLOGY & WETLANDS</u> Wetland Delineation and Permits Permit Plans Restoration/Mitigation Plans Ecological Studies and Surveys Endangered Species Surveys Pond Management Plans Invasive Species Control Water Quality Evaluation Habitat Management Watershed Management Plans Environmental Education /Outreach</p> <p><u>COASTAL & WATERFRONT MANAGEMENT</u> Waterfront Management Plans Waterfront Certifications Coastal Erosion Hazard Area FEMA Compliance Shoreline Restoration Planning Ecological Landscape Design</p>

Economic and Fiscal Impact Analyses & Market Studies

NPV performs economic impact analyses and utilizes the software IMPLAN (a model that combines a set of extensive databases, economic factors, multipliers, and demographic statistics) to estimate short and long-term employment projections generated by a development. Economic impacts are determined by inputting the anticipated direct spending from construction and operations of each of the development through the IMPLAN model which may be calibrated to reflect local spending patterns. The IMPLAN model estimates the full-time job creation during construction and under operation — and the direct, indirect and induced economic benefits related to purchase of goods and services. Direct effects are the immediate result of the project

implementation. Indirect benefits stem from the purchase by local businesses/industries of goods and services from other local businesses/industries (also known as intermediate expenditures). Induced benefits reflect the spending of wages from residents (accounting for household purchases made by paid employees or from new residents in housing developments).

For fiscal impact analyses, NPV identifies project benefits and/or impacts in terms of tax revenue projections and demand for community services from various providers – including the ramifications of development on local school districts.

NPV prepares market studies to evaluate the need for a particular type of development, which include housing needs assessments, evaluation of retail gaps and surpluses, and niche market and branding studies.



KEY PERSONNEL

All NPV professionals are available to assist on an as-needed basis. Kathy Eiseman will serve as the project coordinator, working as the primary contact and assigning projects to the various professionals on the team. Specific individuals expected to provide services and their individual roles for Economic and Fiscal Impact Analyses initiatives are noted as follows:

Personnel	Qualifications, Project Role
Kathryn J. Eiseman AICP Partner	Project Oversight
Charles J. Voorhis, CEP, AICP Principal	Project Coordination
Taylor Garner, AICP Senior Environmental Planner	Project Coordination, Preparation of Reports
Valerie Monastra Principal Planner	Preparation of Reports

Nelson Pope Voorhis is managed by a select group of partners. Each provides specific expertise in the field of environmental planning, land use planning/analysis, remediation, engineering and land surveying that is unique within the industry. The diverse leadership of NPV couples the experience of our senior partners with the innovation and enthusiasm of our younger staff. Many of the team’s staff have advanced technical degrees and/or technical certifications. Such as LEED Accredited Professional (LEED AP), OSHA 40 Hour HAZWOPER, and American Institute of Certified Planners (AICP), etc.

Kathryn J. Eiseman, AICP, Partner is a Partner and Division Manager of the Environmental & Community Planning Division. She has over 20 years of planning experience in environmental planning and manages both private and public planning projects. Current projects include the Local Waterfront Revitalization Program for the Town of Islip and Brownfield Opportunity Area (BOA) for the Town of Riverhead BOA. Ms. Eiseman is the planner for the Villages of Southampton and Sag Harbor Planning Boards and directs her staff to perform site plan and subdivision reviews and advises the Board on a regular basis. She is skillful in managing complex projects and working with team members both in house and as subconsultants. Her staff is proficient in the use of GIS and design software for preparation of high-quality graphic products. Ms. Eiseman is experienced in the art of public participation and education and tailors her approach to the unique needs of each project community. She is an enthusiastic and creative planner who endeavors to bring a fresh approach to each project as well as to her position as Treasurer for the Long Island Section of the American Planning Association.

Charles Voorhis, CEP, AICP is Principal of NPV and has over 40 years of experience in environmental planning on Long Island and in the New York metropolitan area. Mr. Voorhis is a member of the American Institute of Certified Planners (AICP) and is a Certified Environmental Professional (CEP). He has a wealth of experience in managing large scale municipal projects including regional environmental planning, downtown revitalization and action planning, Generic Environmental Impact Statements, stormwater management, wetlands and coastal management, and municipal consulting. Mr. Voorhis and his firm serve as environmental planning consultants to many of New York Towns and Villages and are currently in the process of preparing several long-range planning initiatives for several Towns in Nassau and Suffolk Counties.

Taylor Garner is an environmental planner with an undergraduate degree in Environmental Science from Villanova University and a master's degree in Urban Planning with a concentration in Sustainability and the Environment from Hunter College. Ms. Garner has undergone the Formal training course in the IMPLAN Economic Modeling System IMPLAN. She oversees the preparation of market analyses and feasibility studies, niche market studies and branding plans, school district analyses, economic development strategies, as well as fiscal (projecting taxes and the impact to local jurisdictions) and economic (projecting job creating and associated revenues circulating throughout the economy) impact analyses for residential, commercial, office, industrial, recreational, hospitality, tourism and mixed-use developments. She has experience in analyzing demographic data and preparing grant applications. Ms. Garner has been involved with comprehensive plans, local waterfront revitalization plans, brownfield development, zoning plans, and public participation and community visioning processes. Ms. Garner is also experienced in the preparation and review of environmental assessment documents, including SEQRA and CEQR documents, and site plan review for the Villages of Southampton and Sag Harbor and the Town of Oyster Bay.

Valerie Monastra is an is an AICP Certified Environmental Planner with over 18 years of experience throughout the Hudson Valley in management and planning pertaining to land use development, zoning, environmental review, affordable housing and community development projects. Her educational and employment history encompass both urban and environmental planning as well as governmental administration. Ms. Monastra has experience providing planning services to New York State agencies including DOS, DEC, OPRHP and ESD and is expert in the SEQRA and NEPA processes. Ms. Monastra serves as the President of the Westchester Municipal Planning Federation. She has vast experience working on the local level with municipalities to complete plans and navigate projects through the land use approval process.

Detailed resumes can be provided upon request.

RELEVANT EXPERIENCE

The following list of projects have been selected to demonstrate the team’s qualifications and capabilities.

City of New Rochelle Downtown Overlay Zone (DOZ) Zoning Amendments (New Rochelle, NY)

NPV prepared an economic and fiscal impact analysis for the proposed 2021 Amendments to the City of New Rochelle Downtown Overlay Zone (DOZ), located in the downtown area of New Rochelle, New York. The City is proposing updates to the Theoretical Development Scenario (TDS), which was originally evaluated as part of the 2015 Generic Environmental Impact Statement (GEIS). The GEIS was prepared to evaluate potential impacts that could result from the adoption of the DOZ. The 2021 TDS changes are proposed to address the shift in demand away from certain commercial uses and to provide for additional residential and live/work options, as well as retail and restaurant options designed to integrate the outdoors and new outdoor recreational opportunities into the DOZ. Additionally, the 2021 DOZ Amendments include the continuation of the DO Zones to the south and east to add a new “Waterfront Overlay District” (“DO-7 Zone”) to allow for development on or near a newly created publicly accessible waterfront. Collectively, the 2021 DOZ Amendments (the “Proposed Action”) are intended to continue the successful growth within the entire DOZ while re-balancing the potential development impacts of a revised TDS.

The analysis examines the economic and fiscal impacts that are anticipated to occur through the implementation, construction and annual operations of the revised TDS, intended to continue growth within various zoning districts within the City’s downtown and waterfront.

Greybarn Sayville (Sayville, NY)

NPV has updated this fiscal and economic impact analysis for the Greybarn-Sayville Planned Development District (PDD) as part of the Draft Environmental Impact Statement (DEIS). The proposed project is on the site of a former Country Club, a 114.33-acre property in the hamlet of Sayville of the Town of Islip. The proposed project will include the development of 1,365 multi-family residential rental units, on-site stormwater and sanitary wastewater treatment systems, connections to the public water supply, recreational and commercial amenities (limited to the site’s residents, and including small retail/commercial spaces, interior open spaces, outdoor pool/patio areas, and an internal walking trail network), and a 25±-acre public open space along the perimeter of the site, in which a pedestrian path is proposed. The proposed project also includes expanded wastewater treatment capabilities for wastewater from downtown Sayville, and installation of a sewer main from downtown Sayville to the on-site sewage treatment plant (STP).

The project responds to the public need for increased quality rental housing opportunities in the area. The proposed project has been designed using smart growth development principles, by incorporating features and characteristics including internal walkability, sense-of-place features, safe and convenient pedestrian access to on-site amenities (within the site and limited to use of the site’s residents), and on-site recreational amenities for its residents. In addition, the proposed project will create strong economic activity by providing jobs and a solid tax base.

Concern for Independent Living (Southampton, NY)

NPV prepared a fiscal and economic impact summary to examine the fiscal and economic impacts that are anticipated to occur through the construction and annual operations of a proposed residential development with 60 workforce rental apartment units to be located on County Road 39 in the Village of Southampton. Due to the generally affluent nature of the south fork of Long Island, and many parts of Southampton in particular, the demand for workforce housing units in Southampton is strong, and there is documented need for this type of housing in the community. The proposed project responds to the Town's and community's desire to provide such rental housing opportunities in the area, as recognized in various comprehensive planning documents and evidenced by current conditions within the surrounding community.

There also remains an unmet demand for veteran housing, including housing for disabled veterans who may have a need for accessible housing and supportive services. The units will be comprised of 36 one-bedroom and 24 two-bedroom apartment units, and the proposed project will also include a 5,000 square foot (SF) community building with a gym, computer room, and community room for use by residents and staff, as well as service provision for the supportive housing units. All of the units will be designated as "affordable" units under the Town Code and will be occupied by households that meet applicable economic standards as administered by the Town. A portion of the units will be occupied by veterans, including disabled veterans and disabled veterans in need of support. The project will benefit the community by transforming an overgrown and littered site into attractive, high-quality workforce housing that will enhance the community. As economic stability returns following the coronavirus pandemic of 2020, the proposed project is expected to contribute to the long-term economic health of the community.

Superblock Long Beach (Long Beach, NY)

NPV prepared a Fiscal Impact Analysis and a Household Buying Power Analysis for a residential development in Long Beach, New York. This analysis will assist the developer in quantifying the fiscal impact that the new residential development will have on the local tax base, and the economic impact that new household spending will have on the local economy. Economic impact including construction and operational job creation was addressed in detail in the Economic Impact Summary Analysis prepared by NPV earlier in 2020. This analysis examines the fiscal impacts and the household spending that is anticipated to occur during annual operations of a new residential development including: 200 one- and two-bedroom condominiums; and, 238 market-rate and workforce studio, one- and two-bedroom rental units.

Prior to the coronavirus pandemic of 2020, the condominium market in Long Beach has been quite attractive, with a strong demand and a supply of such housing units proximate to the boardwalk, and/or with water views. The rental market has suffered from a dearth of new transit-oriented communities. The proposed residential development is responsive to this demand in Long Beach, and as economic stability returns, is expected to contribute to the long-term economic health of the community through the provision of such newly constructed luxury housing opportunities. The proposed residential development is expected to create strong economic activity by providing a solid tax base upon completion and full taxation of the project. The new residents living within the 200 condominiums and 238 rental units proposed for development will patronize downtown establishments, bringing significant new disposable income to the merchants in the community. Consumer activity will ripple through the local community, creating beneficial fiscal and economic impacts throughout Long Beach, Nassau County, and the region as a whole. Consequently, economic activity including job creation and

consumer buying power will be generated by the project.

Storage Deluxe (Valley Stream, NY)

NPV prepared a market feasibility, fiscal and economic impact summary analysis for a commercial storage facility in Valley Stream, New York. This analysis examines the feasibility in the local market, as well as fiscal and economic impacts that are anticipated to occur through the construction and annual operations of a new four-story, 140,000 square foot (SF) commercial storage facility. With the decline in the number of warehouse facilities in the region, and rising commercial rents, many companies can no longer afford large warehouses. Such businesses have nowhere to store their inventory, which is a major roadblock to their success and growth. The proposed commercial storage facility is responsive to this need and anticipates serving the needs of hundreds of local businesses in Valley Stream and surrounding communities, in a cost-effective manner.

The proposed commercial storage facility will create strong economic activity by providing new employment opportunities and will provide a tax revenue and/or payment in lieu of taxes. The analysis served to accompany the IDA application to the Town of Hempstead.

RD Industrial Site (Yaphank, NY)

NPV prepared a series of economic and fiscal calculations as part of the Land Use Application being prepared for a 47+ acre project site is located the hamlet of Yaphank, Town of Brookhaven. The proposed project includes the development of two one-story distribution warehouses, as well as a three-story self-storage building. For the purpose of this analysis, it was assumed that both distribution warehouse buildings will be occupied by a mix of industrial and office uses, with a split of 90%/10% favoring pure industrial use.

As economic stability returns following the coronavirus pandemic of 2020-21, the proposed project is expected to contribute to the long-term economic health of the community. More specifically, the proposed project will establish many new construction and operational jobs that will help in the pre- and post-pandemic recovery, as well as a solid tax base upon full build-out and full-taxation of the property.

Canoe Place Inn and Hampton Boathouses (Hampton Bays, NY)

The Canoe Place Inn (CPI) has a longstanding history and serves as an important part of the character of the Hampton Bays community. The rehabilitation the formerly vacant CPI included synergistic uses on the site reminiscent of its history, working together to draw interest for destination weddings, charity events, business conferences and other special events.

In the 2014 preparation of the Environmental Impact Statement, NPV prepared a Fiscal Impact Analysis and Assessment of Needs and Benefits for the Canoe Place Inn and Hampton Boathouses properties. The study examined and quantified the beneficial impacts to the local school district as well as the generation of annual property tax revenues. Moreover, the analysis projected the economic impacts – on output, employment and labor income – during both the construction period and annually, upon a stabilized year of operations of the rehabilitated CPI and residential project components. NPV also prepared a Residential Market Analysis for the Hampton Boathouses property on Shinnecock Canal. The analysis analyzed the relationship between the demand for, and supply of, comparable residential developments and ultimately,

quantified the amount and type of housing units that could be supported by the target market – including both those for year-round residents and seasonal residents.

In 2019, NPV prepared a Market Feasibility Analysis for CPI, for submission to the Suffolk County Industrial Development Agency (SCIDA) for tax deferral and other financial assistance. The analysis examined the demand for CPI, the local and regional tourism market and forecasted growth, and determined that CPI will establish a tourism destination that is likely to attract a significant number of visitors from outside the economic development region, and therefore eligible for SCIDA assistance.

Danford’s Hotel, Marina & Spa: Economic Planning Analysis(Port Jefferson, NY)

Danford’s Hotel, Marina & Spa is an integrated water-dependent facility in Port Jefferson, New York, and is referred to as “the anchor of Port Jefferson.” The hotel, marina, spa and restaurant are inter-related uses that support recreational/commercial boating, marine trades, marine material suppliers and related industries. The combined facility is an economic engine for Port Jefferson and the region, with the annual maintenance to, and operations of, the facility creating strong economic activity. An abundant amount of consumer activity ripples through the

local community, contributing vastly to the economy of downtown Port Jefferson, and into the Town of Brookhaven, Suffolk County and the region as a whole.

NPV prepared an Economic Planning Analysis that quantified the beneficial economic impacts associated with Danford’s Hotel, Marina & Spa. The analysis examined the direct, indirect and induced impacts on output, employment and labor income, during the annual maintenance and repair construction of the facility, as well as during annual operations of the hotel, marina & spa.

TopGolf Market Feasibility Analysis (Holtsville, New York)

Topgolf is a global sports and entertainment community, which was first launched in the United States in 2005. It has served as the pioneer in the golf entertainment industry ever since. The most recent location in Holtsville, NY includes a 65,000 square foot, state-of-the-art, multi-level golf entertainment complex, and allows for a unique experience that can be enjoyed year-round. No such facility currently exists on Long Island. The synergistic uses provided at the Topgolf Holtsville location will work together to draw interest for local residents, college students and employers, as well as persons originating from outside of the area for patronage, corporate and charity events, business conferences and other special activities. This broad combination of guests will provide economic activity both at the site and into the surrounding community.

In 2016, NPV prepared a Economic and Fiscal Impact Analysis that examined and quantified the beneficial tax revenue benefits as well as economic impacts – on output, employment and labor income – during both the construction period and annually, upon a stabilized year of operations of the proposed Entertainment Recreation Facility. In 2019, NPV prepared a Market Feasibility Analysis for Topgolf, to accompany the Industrial Development Agency (IDA) application to the Town of Brookhaven. The analysis examined the strength of the regional entertainment recreation industry, the demand for this type of use, the lack of supply of comparable facilities in the local and regional economy, and various benefits that would be accrued to the local economy and community at large, through the annual operations of the Topgolf project. The analysis concluded that

Topgolf would provide a combined entertainment and recreation facility, that but for the project, would not be reasonably available to the residents of the Town of Brookhaven or Suffolk County, and therefore it was deemed eligible and appropriate for IDA assistance.

Economic Development Chapter of the Comprehensive Plan Update (Town of Southold)

In an effort to achieve the Town's vision, five goals and numerous objectives were formed to provide direction for future decision-making pertaining to the Town's economy. Much of the Town's economic vitality is based on the Town's unique rural, historic and maritime-based character as well as its natural resources. NP&V prepared the economic chapter of the Comprehensive Plan Update for the Town of Southold to allow for the formation of appropriate recommendations and implementation strategies focused on long-term economic sustainability throughout the Town.

One of the specific tasks involved with the economic chapter of the Town's Comprehensive Plan is the zoning/build-out analysis. The Town of Southold is facing development pressure and is concerned about the impact that the current zoning may have on the Town's resources. The Town of Southold prepared a build-out analysis of several zoning districts, and NP&V funneled these findings into a model to assess the regional impact of full build-out and modified development scenarios. Ensuring quality of life, protection of environmental resources, housing needs and maintenance of the tax base were key elements of the model. This project involved the creation of a model to synthesize multiple evaluation factors to analyze the impact of full build out of the Town of Southold under its current zoning.

Niche Market and Branding Plan & Build-Out/Tax Base Analysis(Bellport, NY)

NPV worked with the Town of Brookhaven on a niche market and branding plan for the Greater Bellport community. The focus of this plan was to form a set of recommendations that outlined the necessary steps that members in the Greater Bellport community can take in order to successfully create a sense of place, community pride and positive perceptions through a more niche-oriented position in the local market. NPV recommended various initiatives to make the Greater Bellport community unique and marketable, creating a place that people want to be, where people are comfortable, and a place that people remember and come back to time and again. The niche market and branding plan strives to promote the community's niche market to new residents, visitors and economic development opportunities alike, offering the Greater Bellport community the opportunity to develop a theme that they want to be known for. NPV worked with the Town of Brookhaven on a build-out/tax base analysis, to analyze how the local school district could be impacted by growth. NPV created a GIS model to compare tax assessments for various land use scenarios to ensure an adequate tax base to support increased growth in school population without disproportionate increases in residential tax rates. This model was used to test assumptions for future development and to analyze various alternatives in an automated fashion, allowing for easy comparison of scenarios and results. Ultimately, the model will provide a reality check for future planning with respect to provision of quality community services and may provide support for creating additional commercial tax base within the district.

ATTACHMENT B
Cronin & Cronin
Real Estate Property Tax Projection Report



**REAL ESTATE PROPERTY TAX
PROJECTION REPORT**

Suffolk Technology Center
Little East Neck Road & Long Island Avenue
Wyandanch
Town of Babylon

Prepared: 8/11/2021
Updated: June 11, 2024
Tax Years: 2025/2026

Prepared For:
Mr. Matt Morrison
Bristol Group, Inc.
350 Sansome Street, Suite 900
San Francisco, CA 94104

Prepared By:
Cronin & Cronin Law Firm, PLLC
100 E. Old Country Road, Suite 2
Mineola, New York 11501



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June 7, 2024

Mr. Matt Morrison
Bristol Group, Inc.
350 Sansome Street, Suite 900
San Francisco, CA 94104

Re: Suffolk Technology Center
Little East Neck Road & Long Island Ave, Wyandanch

Dear Matt,

As per your request, the following is a projection of the real estate taxes and a comparison to the actual taxes for the above-noted property.

The Town of Babylon is required under the Real Property Tax Law to assess all properties based upon their physical condition on March 1st of each tax year with a valuation date of July 1st of the previous year. Accordingly, for purposes of this projection, we are estimating the value of the subject property as of March 1, 2025 with a valuation date of July 1, 2024.

All estimates are based on the current New York State law and the facts as provided to our office. The real estate tax projection does not take into account any exemptions that the property may receive. If the physical plans change, the applicable law may also change and the estimate of real estate taxes will no longer be valid.

The courts have consistently ruled that the income approach is the preferred method for valuing commercial property in New York State. We have performed an analysis based on upon the projected rentals, as well as surrounding market rent to arrive at the estimated taxable assessed value of the property. A change in the projected rental income would impact our analysis.

We have enclosed charts illustrating the current taxes as well as the projected revenue relying upon our projected taxes that will be generated to the various taxing entities. Please note we have projected low, most likely/probable, and high versions of the taxes.

Should you require anything further, please do not hesitate to contact me.

Very truly yours,

Sean M. Cronin

SEAN M. CRONIN

Table of Contents

Section 1 – Property & Assessment Information	4-6
Purpose, Use, and Scope of Report.....	4
Property Description.....	4
Critical Study Dates.....	4
Tax Cycle, Fiscal Periods & Payment Dates.....	5
Suffolk County - Reassessment Program.....	5
Existing and Future Exemptions.....	6
Industrial Development Agency Financing.....	6
 Section 2 – Assumptions & Disclaimer	 7
Assumptions.....	7
Disclaimer.....	7
 Section 3 – Assessment Analysis, Tax Rate Increase & Comparable Properties	 8
Assessment Analysis.....	8
Tax Rate Increase.....	8
 Section 4 – Property Description & Tax Projection	 9-13
Property.....	9
Property Description.....	10
Tax Projection.....	10
Payment-in-Lieu-of-Taxes.....	11
Tax Estimate with PILOT.....	12
 Exhibits	 13-22
Exhibit A – Town Property Record.....	13-16
Exhibit B – Tax Map.....	17-18
Exhibit C – Satellite View.....	29-20
Exhibit D – Site Plan Rendering.....	21-22

SECTION 1
Property & Assessment Information

Purpose, Use, and Scope of Report

The purpose of this report is to provide the client with basic property tax information about the properties described below.

Property Description

Property Name: Suffolk Technology Center

Assessing Jurisdiction: Town of Babylon

General Description: Approximately 110.7 acres of vacant land, of which approximately 100.1 acres will be developed with approximately 1,596,921 sf of office/warehouse space.

Parcel Numbers: 100/38/1/1 Item 341124009

Year Built: Est. 2025 (for projection purposes)

Number of Units: Current: 110.70 acres
Estimated: 1,596,921 sf

Land Area: 110.70 acres

Critical Study Dates:

Study Prepared: June 11, 2024

Tax Year under Analysis: 2025/26

Tax Cycle, Fiscal Periods & Payment Dates

Tax Year: 2024/25
Fiscal Period: December 1, 2024 through November 30, 2025

Assessment Cycle

Assessment Date: Physical Condition: March 1, 2024
Valuation Date: July 1, 2023
Assessment Equalization Rate: 0.67%
Appeal Deadline: Application: May 21, 2024 (3rd Tuesday in May)
Petition: July 30, 2024
Tax Bill/Notices: Early December
Number of Tax Bill Installments: Two
Tax Bills Due: First Half: Payable January 10th without penalty
Second Half: Payable May 31st without penalty

Suffolk County – Reassessment Program

The Town of Babylon does not engage in annual revaluations and has not performed a town wide revaluation of all the parcels in over fifty years. A subject sale at a price above the current assessment would not result in an increased assessment since both the New York Supreme Court and the U.S. Supreme Court have ruled that reassessing a property based upon a sale under these circumstances is selective reassessment in violation of the “Equal Protection Clause” of their respective Constitutions.

The jurisdiction is able to increase your assessment based upon new construction, a physical change to the property, a change in zoning, or other similar change in use or condition.

As a new construction project, the assessor will be increasing the assessment on this property based on what is physically constructed as of March 1st of each tax year. Once construction is complete and the property is fully assessed, the assessor cannot put through additional increases in assessment unless there is additional construction, a change in use, or similar change to the property as detailed above.

Existing & Future Exemptions

New Construction – 485B

If construction is begun on any the property in excess of ten thousand dollars and the assessment is increased, the property may be eligible for a new construction exemption under the Real Property Tax Law Section 485-b.

As prescribed by state law, property must be used primarily for buying, selling, storing, or developing goods or services, for the manufacture or assembly of goods, for processing raw materials, or for hotel or motel purposes (but not for any other type of dwelling accommodations for residents or transients).

The exemption would apply to the increase in the building assessment. It reduces the assessment for new improvements to the property by 50%, then reduces that percentage by 5% each year (45% exempt in Year 2, 40% Year 3, etc.). While this can be a significant exemption, the County, Town and School District can opt out of the program, thereby reducing the benefit.

We have confirmed with the Town of Babylon Assessor that the School District does not participate in this program. Because the School does not participate, any savings would be nominal. Therefore, this report does not take into account the New Construction Exemption.

Industrial Development Agency Financing

This property may be eligible for tax relief through either the Town of Babylon or Suffolk County Industrial Development Agencies. The mission of these programs is to promote economic development in the County and Town. They can provide substantial real estate tax benefits.

IDA agreements generally cover a 10, 15, or 20-year term.

The Town of Babylon Industrial Agency typically applies a percentage exemption against the property assessment to arrive at the Payment In Lieu of Taxes (PILOT) amount. Over the last several years, the Town has generally used a 40% taxable AV in the first year of the IDA agreement, increasing by 5% each year until the property is 100% taxable. However, the terms of any agreement will be negotiated with and decided by the IDA on a case-by-case basis.

The County bases the exemption on the property assessment. In most cases, the property owner obtains a 50%-100% exemption on any increase in assessment in the first year of the PILOT. The percentage of the exemption decreases over the term of the PILOT.

SECTION 2
Assumptions & Disclaimer

Assumptions

The underlying assumptions relied upon to project the future real estate taxes for the above-noted property include, but are not limited to:

1. That the legal descriptions, parcel numbers, and financial information supplied by the client are accurate;
2. That the proposed number of buildings, building square footage and property use provided to our office by the client is accurate;
3. That the property will be developed with a business park consisting of 9 multi-tenanted buildings on the same tax lot, totaling approximately 1,596,921 square feet;
4. That the primary use of the property will be office/warehouse;
5. That the proposed rental income provided by the client is accurate.
6. That although the property is fully exempt at this time, upon commencement of the new construction and use by the leaseholder, the property will become fully-taxable;
7. That the leaseholder will be paying a ground lease rent to the property owner;
8. That the client advised that rents are projected at approximately \$18.00 NNN, which has been adjusted for the purposes of this report to reflect an effective rent of \$16.50 NNN after tenant improvements, rent concessions, and other market adjustments;
9. A market study of comparable rentals in the vicinity performed by our office;
10. That, for estimate purposes, the projection assumes the property will be fully completed and fully taxable as of March 1, 2025 for the 2025/26 tax year;
11. That the laws governing the assessing of Real Property as they currently exist in New York State will be in effect when the construction is completed.

Disclaimer

The foregoing represents our best opinion based upon the facts and figures given to us. Our opinion is not meant to be a legal representation and/or warranty. It represents our best estimate of what an assessment should be and not what an Assessor may arbitrarily choose to place on the subject property, which, of course, is subject to a tax certiorari proceeding.

SECTION 3
Assessment Analysis & Tax Rate Increase

Assessment Analysis

In general, the courts in New York have held that for income producing property, the Income Capitalization Approach is the most trusted method of valuation. We therefore look to market, as well as the actual income and expenses, at a location and value the property by applying those figures in an Income Capitalization analysis. The Income Capitalization analysis is the foundation of the majority of our negotiations with the respective taxing jurisdictions for tax certiorari purposes.

While the Income Capitalization Approach is the trusted method of valuation, the courts have held that if there is a recent, arm's length, subject sale of the property that cannot be explained away as abnormal, the sale price is the best indication of value. The courts have put the most weight on the sale price as an indication of the market and held that the subject sale supersedes the Income Capitalization Approach in these circumstances. New York Courts have also found that there is often a business component that can inflate a sale price making the sale not reflective of the market for assessment purposes to some degree. So while a subject sale can be critical in our negotiations, there are many factors we will review to determine if the sale is reflective of the market or rather a more complicated business that should not dictate the real estate value.

Since the Town of Babylon does not engage in annual revaluations and has no plans in the foreseeable future to perform a revaluation, absent a physical change to the property or in zoning, the assessment should remain stable and unchanging. The increase in your taxes over time would, therefore, be a result of a tax rate increase as indicated on the projections in this report.

Our assessment analysis is based upon the review of comparable properties in the area, the current market rent, the history of the practices and assessments for the subject property, as well as the rent provided to us in your pro forma analysis report.

Tax Rate Increase

For the purpose of this report we have used the 2023/24 tax rate. For future purposes, we analyzed the historical tax rate increase in the Town of Babylon over the past five years. The anticipated tax rate for the 2023/24 and subsequent tax years could increase by approximately 2% to 5% for Town, County, School and Special District taxes, with 3% being the most likely percentage increase.

Tax Cap: There is a 2% tax cap in New York State. The tax cap can be overridden by local governments, exempts pension costs, and applies only to municipal budgets- not to the tax rate.

SECTION 4
Property Description & Tax Projection

Little East Neck Road and Long Island Avenue

Wyandanch

Town of Babylon

DRAFT

SUFFOLK TECHNOLOGY CENTER

PROPERTY DESCRIPTION

Property Address	Little East Neck Road & Long Island Avenue Wyandanch
Assessing Jurisdiction	Town of Babylon
Tax Map #	100/38/1/1 Item 341124009
Property Type	Vacant Land to be developed with a Business Park
Year Built	Est. 2025
Building Square Footage	Proposed 1,596,921
Land Acreage	110.70 Acres
Assessment 2024/25	41,500
Equalization Rate 2024	0.67%
Full Market Value 2024/25	\$6,194,030
Taxes 2023/24	<i>Fully Exempt</i>
Tax Rate 2023/24	369.9948/100
Taxes 2023/24	\$153,547 (without exemption)

TAX PROJECTION

Low Estimate:	2023/24 Tax Rate	Est. Taxes	Est. Taxes PSF
	369.9948	\$5,216,400	\$3.27

Most Likely to Occur: (Based on Historical Data)	2023/24 Tax Rate	Est. Taxes	Est. Taxes PSF
	369.99487	\$5,617,898	\$3.52

High Estimate:	2023/24 Tax Rate	Est. Taxes	Est. Taxes PSF
	369.9948	\$5,968,825	\$3.74

PAYMENT-IN-LIEU-OF-TAXES AGREEMENT

If eligible for an IDA Agreement, the Town of Babylon IDA or Suffolk County IDA will negotiate the terms of the agreement with the property owner.

There are several different forms that the PILOT agreement can take. We have provided a projection for a 20-year PILOT based on an estimated full tax amount of \$5,617,898.

Please be aware that under the PILOT agreement, the exemption does not apply to Special Districts. The property would be fully-taxable for these districts. Because there are currently no Special Districts on the current tax bill, we have not adjusted for this in our estimate.

The estimates set forth below rely on the following assumptions:

- The tax rate, including the rates for any special districts, will increase by approximately 3% increase in the tax rate each year;
- The new assessment is estimated to be approximately 1,518,372;
- X represents the original AV of 41,500 and will be fully taxable for each tax year
- Y represents the estimated increase in assessment, 1,476,872, that would be eligible for an exemption under the PILOT agreement;
- The property is not currently located in any Special Districts ,and is therefore not included in our analysis.

TAX ESTIMATE WITH PILOT AGREEMENT

PILOT SCHEDULE - Sample

20-Year Pilot with 100% abatement of increase for year 1

Estimated AV: 1,518,372

<u>Year</u>	<u>X</u>	<u>Y</u>	<u>% Y Taxed</u>	<u>Y Taxed</u>	<u>Total Taxable</u>	<u>Total Rate</u>	<u>Est Taxes If NO PILOT</u>	<u>Estimated Taxes with PILOT</u>
1	41,500	1,476,872	0%	0	41,500	369.9948	\$5,617,897.86	\$153,547.84
2	41,500	1,476,872	5%	73,844	115,344	382.9446	\$5,814,524.28	\$441,702.13
3	41,500	1,476,872	10%	147,687	189,187	396.3477	\$6,018,032.63	\$749,839.12
4	41,500	1,476,872	15%	221,531	263,031	410.2198	\$6,228,663.78	\$1,079,004.62
5	41,500	1,476,872	20%	295,374	336,874	424.5775	\$6,446,667.01	\$1,430,293.15
6	41,500	1,476,872	25%	369,218	410,718	439.4378	\$6,672,300.35	\$1,804,850.09
7	41,500	1,476,872	30%	443,062	484,562	454.8181	\$6,905,830.87	\$2,203,873.91
8	41,500	1,476,872	35%	516,905	558,405	470.7367	\$7,147,534.95	\$2,628,618.46
9	41,500	1,476,872	40%	590,749	632,249	487.2125	\$7,397,698.67	\$3,080,395.38
10	41,500	1,476,872	45%	664,592	706,092	504.2649	\$7,656,618.12	\$3,560,576.63
11	41,500	1,476,872	50%	738,436	779,936	521.9142	\$7,924,599.76	\$4,070,597.08
12	41,500	1,476,872	55%	812,280	853,780	540.1812	\$8,201,960.75	\$4,611,957.25
13	41,500	1,476,872	60%	886,123	927,623	559.0875	\$8,489,029.38	\$5,186,226.16
14	41,500	1,476,872	65%	959,967	1,001,467	578.6556	\$8,786,145.40	\$5,795,044.24
15	41,500	1,476,872	70%	1,033,810	1,075,310	598.9086	\$9,093,660.49	\$6,440,126.46
16	41,500	1,476,872	75%	1,107,654	1,149,154	619.8704	\$9,411,938.61	\$7,123,265.51
17	41,500	1,476,872	80%	1,181,498	1,222,998	641.5658	\$9,741,356.46	\$7,846,335.13
18	41,500	1,476,872	85%	1,255,341	1,296,841	664.0206	\$10,082,303.94	\$8,611,293.63
19	41,500	1,476,872	90%	1,329,185	1,370,685	687.2613	\$10,435,184.58	\$9,420,187.46
20	41,500	1,476,872	95%	1,403,029	1,444,529	711.3155	\$10,800,416.04	\$10,275,155.03
21	41,500	1,476,872	100%	1,476,872	1,518,372	736.2115	\$11,178,430.60	\$11,178,430.60

EXHIBIT A

TOWN PROPERTY RECORD

DRAFT



Town of Babylon - Property Information

Rich Schaffer, Town Supervisor

Data as of: 1/15/2024

Property Information

Item Number: 341124009

Tax Map: 0100-038.00-01.00-001.000

Address: PINELAWN RD

Hamlet: WHEATLEY HEIGHTS

Postal Code: 11798

Owner Information

Name: PINELAWN CEMETERY ASSOC

Owner's Info.:

Address: 2030 WELLWOOD AV

City/State: E FARMINGDALE NY

Postal Code: 11735

Property Description

School District: SC009 SCHOOL DIST. - WYANDANCH

Library District: LD009 LIBRARY TAX - WYANDANCH

Full Assessment: 41500

Land Assessment: 41500

Property Character: 695 - CEMETERIES

Number of Units: 0

Year Built: 0

Dimensions:

Average: * 110.7

Square Footage: 0

Number of Rooms:

Full Baths: 0

Half Baths: 0

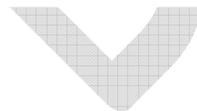
Zone Code 1: A - Residence

Zone Code 2:

Zone Code 3:

Sales Information

Sale Date	Sale Price	Sale Ratio	Arms Length



Tax Details

Tax Year: 2023

Levy	Description	% Change	Taxable	Tax Rate	Tax Amount
SC009	SCHOOL DIST. - WYANDANCH	-0.01	0	242.8074	\$0.00
LD009	LIBRARY TAX - WYANDANCH	3.76	0	21.3499	\$0.00
D001	COUNTY GENERAL FUND	0	0	1.4056	\$0.00
D003	COUNTY POLICE	0	0	36.3204	\$0.00
D001S	SCCC TAX	1.85	0	.1698	\$0.00
D002	OUT OF COUNTY TUITION	-51.93	0	.7434	\$0.00
D005	TOWN TAX	16.83	0	20.3433	\$0.00
D004	HIGHWAY TAX NO.1	1.41	0	11.4126	\$0.00
D055	LIGHTING DIST. - BABYLON TOWN	0	0	1.0453	\$0.00
D007	NY STATE REAL PROP TAX LAW	-0.12	0	2.3675	\$0.00
D006	TOWN OUTSIDE VILLAGES	15.35	0	4.0133	\$0.00
D008	BABYLON CENTRAL FIRE ALARM TAX	3.98	0	.7515	\$0.00
D018	FPD - WYANDANCH NO.13	2.52	0	12.0343	\$0.00
D018F	FD - FIREMENS SERVICE AWARD	-0.21	0	.6033	\$0.00
D018A	FPD - WYANDANCH AMB.DIST.	2.7	0	14.4666	\$0.00
D018S	FD - AMBULANCE SERVICE AWARD	28.61	0	.0427	\$0.00
D010	NY STATE MTA TAX	1.55	0	.0586	\$0.00
D011	NY STATE MTA TAX POLICE	3.13	0	.0593	\$0.00

First Half: \$0.00 Second Half: \$0.00 Total: \$0.00

Tax Exemptions

Code	Description	Exempt Amount	Savings Amount
40725	FULL	41,500	153,547.84

Before Exemption: \$153,547.84 After Exemption: \$0.00 Total Savings: \$153,547.84



Tax Summary

Tax Year 2023



- SCHOOL DIST. - WYANDANCH
- LIBRARY TAX - WYANDANCH
- COUNTY GENERAL FUND
- COUNTY POLICE
- SCCC TAX
- OUT OF COUNTY TUITION
- TOWN TAX
- HIGHWAY TAX NO.1
- LIGHTING DIST. - BABYLON TOWN
- NY STATE REAL PROP TAX LAW
- TOWN OUTSIDE VILLAGES
- BABYLON CENTRAL FIRE ALARM TAX
- FPD - WYANDANCH NO.13
- FD - FIREMENS SERVICE AWARD
- FPD - WYANDANCH AMB.DIST.
- FD - AMBULANCE SERVICE AWARD
- NY STATE MTA TAX
- NY STATE MTA TAX POLICE

Tax Payments

No data available.
Please contact tax office.

EXHIBIT B

TAX MAP

DRAFT

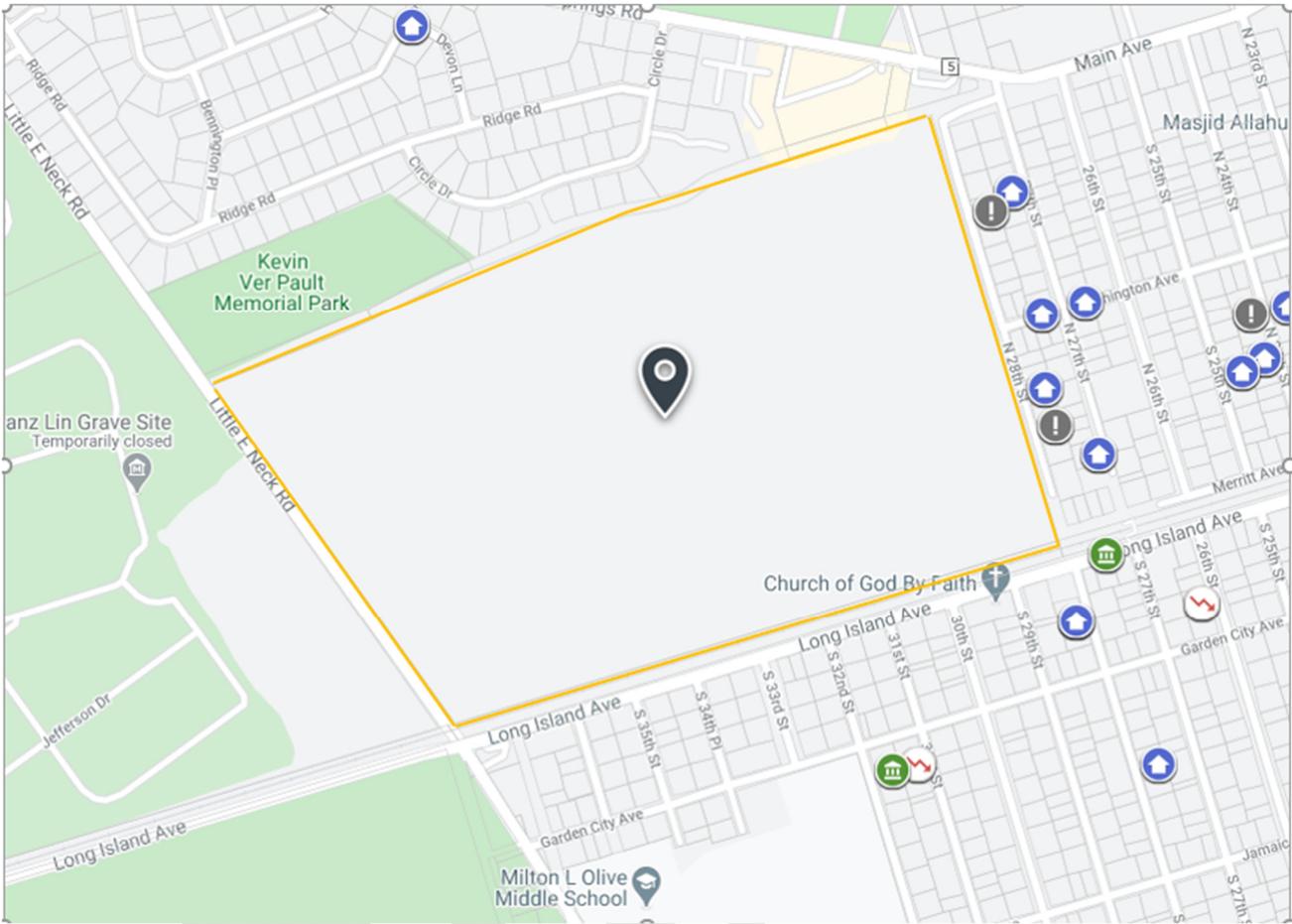


EXHIBIT C

SATELLITE VIEW OF PROPERTY

DRAFT

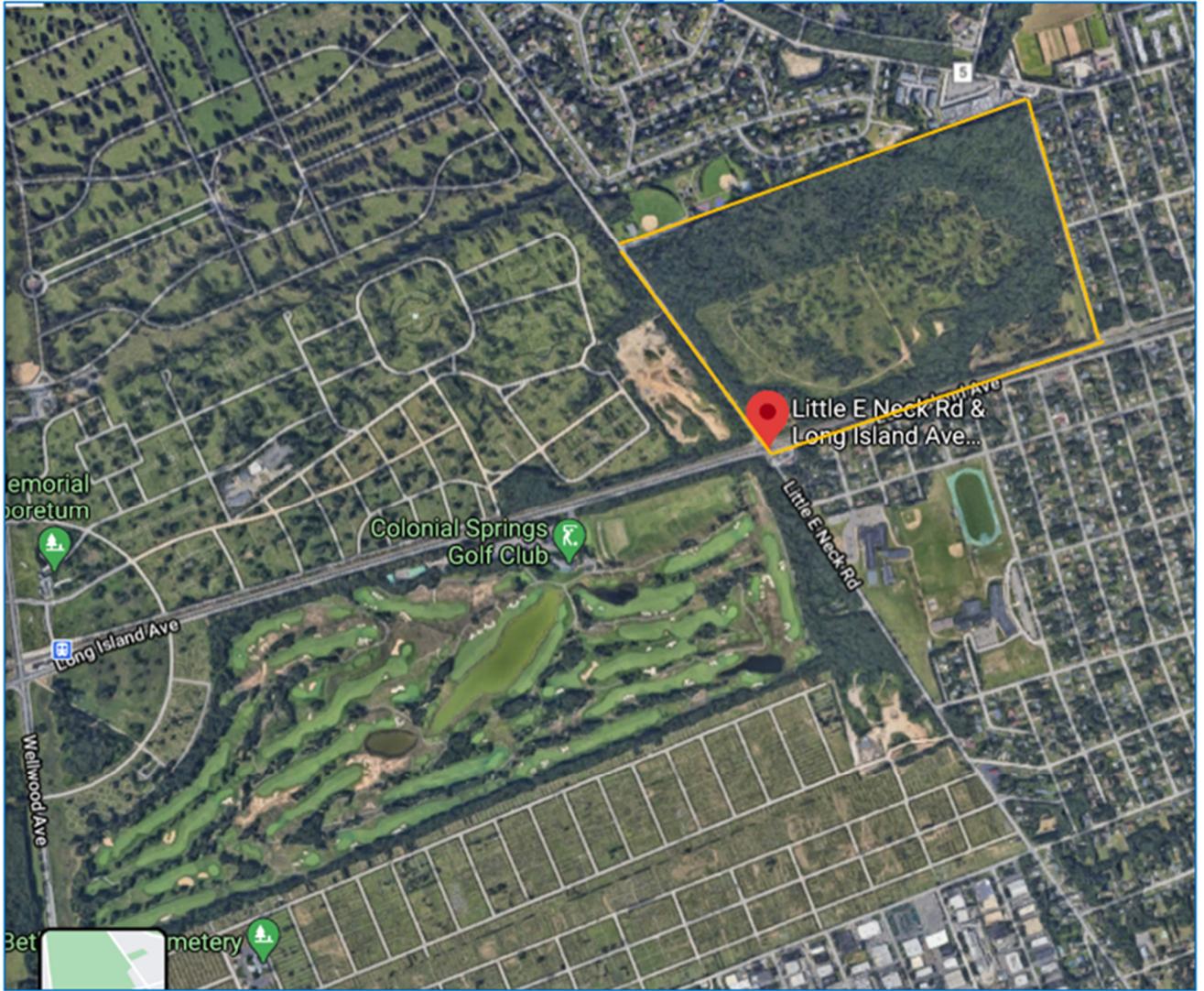


EXHIBIT D

SITE PLAN RENDERING

DRAFT

ATTACHMENT C
Estimated Tax Generation
based on Hypothetical PILOT
From Cronin & Cronin Real Estate Property Tax
Projection Report, Analysis by NPV

TAX REVENUE GENERATION WITH SAMPLE PILOT

Taxing Jurisdiction	Current Tax Rate (per \$100 of Assessed Valuation)	Projected Tax Revenue (Full Taxation)	Projected Tax Revenue (PILOT Initial Year)	Projected Tax Revenue (PILOT Final Year)	Percent of Total Tax Revenue
School District - Wyandanch	242.8074	\$3,686,720	\$100,765	\$7,335,794	65.62%
Library Tax - Wyandanch	21.3499	\$324,171	\$8,860	\$645,032	5.77%
County General Fund	1.4056	\$21,342	\$583	\$42,467	0.38%
County Police	36.3204	\$551,479	\$15,073	\$1,097,326	9.82%
Suffolk County Community College Tax	0.1698	\$2,578	\$70	\$5,130	0.05%
Out of County Tuition	0.7434	\$11,288	\$309	\$22,460	0.20%
Town Tax	20.3433	\$308,887	\$8,442	\$614,620	5.50%
Highway Tax No. 1	11.4126	\$173,286	\$4,736	\$344,802	3.08%
Lighting District - Babylon Town	1.0453	\$15,872	\$434	\$31,581	0.28%
NY State Real Property Tax Law	2.3675	\$35,947	\$983	\$71,528	0.64%
Town Outside Villages	4.0133	\$60,937	\$1,666	\$121,251	1.08%
Babylon Central Fire Alarm Tax	0.7515	\$11,411	\$312	\$22,705	0.20%
FPD - Wyandanch No. 13	12.0343	\$182,725	\$4,994	\$363,585	3.25%
FD - Firemans Service Award	0.6033	\$9,160	\$250	\$18,227	0.16%
FPD - Wyandanch Amb. District	14.4666	\$219,657	\$6,004	\$437,071	3.91%
FD - Ambulance Service Award	0.0427	\$648	\$18	\$1,290	0.01%
NYS MTA Tax	0.0586	\$890	\$24	\$1,770	0.02%
NYS MTA Tax Police	0.0593	\$900	\$25	\$1,792	0.02%
TOTAL: ALL TAXING JURISDICTIONS	369.995	\$5,617,898	\$153,548	\$11,178,431	100.0%