
ECONOMIC & FISCAL IMPACT ANALYSIS

**203-213 East Main Street
Riverhead, NY**

NPV No.16166.

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EXECUTIVE SUMMARY

This analysis examines the economic and fiscal impacts that currently occur and are anticipated to occur through the construction and annual operations of a mixed use multifamily residential and retail development known as 203-213 East Main Street. This analysis focuses on the economic and fiscal impacts related to the dominant residential component of the proposed project. The report further includes demographic and budget information, as well as a school district impact analysis, that further support the need for the proposed project.

The subject property consists of four tax parcels known as Suffolk County Tax Map Numbers (SCTM) 600-129-1-17, 18, 19 & 20 and is located at 203-213 East Main Street in the Town of Riverhead, Suffolk County, New York. The property is within the downtown area of the hamlet of Riverhead and is surrounded by a mix of commercial, residential, religious, and park uses fronting East Main Street and including the Peconic riverfront to the south of the subject site. The proposed project will provide a **165-unit multifamily residential development**, consisting of 52 studio units, 80 one-bedroom units, 33 two-bedroom units and 5,828 square feet of retail/amenity/leasing/lobby space on the ground floor fronting East Main Street.

Proposing market rate rental apartments in a development that conforms to the standards of the Downtown Center 1: Main Street Zoning Use District is the Applicant's response to the expressed Town and community action to provide for these types of residences, as a means to achieve the broader goal to renew, revive and rehabilitate the downtown Riverhead hamlet area. A mixed-use development of the type proposed at 203-213 East Main Street is well-grounded in the planning efforts of the Town as embodied in the EMSURP, the 2003 Town Comprehensive Plan, and the Town of Riverhead Peconic River/Route 25 Corridor Step II Brownfields Opportunity Area (BOA) plan, and is consistent with Town initiatives to revitalize downtown Riverhead, including the proposed Downtown Pattern Book and Downtown Parking Study. The project will provide needed quality housing, in a pedestrian-friendly downtown environment. Consumer activity from the increase in residents will ripple through the Riverhead community, creating beneficial economic and fiscal impacts throughout downtown Riverhead, the Town, Suffolk County, and the region as a whole.

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 30-month construction period, and annually upon stabilized operations of the proposed project. During **construction**, direct, indirect, and induced impacts of the proposed project will result in **\$75,042,918** in **total output**, **269.81 jobs** (total full-time equivalent [FTE] jobs), and **\$34,087,497** in **labor income** (total wages). During **annual operations**, direct, indirect, and induced impacts of the proposed project will result in **\$7,430,422** in **output** (total revenue), **10.25 jobs** (total FTE jobs), and **\$874,699** in **labor income** (total wages), which represents a significant increase as there is currently no economic activity or benefit stemming from the property.

The proposed project will generate substantial tax revenue at full occupancy. The Applicant will apply to the Town of Riverhead Industrial Development Authority (IDA) for tax deferral similar to other recent residential downtown developments. IDA tax deferral promotes beneficial development/redevelopment and creates jobs while supplementing taxes and meeting other goals such as providing increased housing options. The IDA will review the application and determine the conditions for consideration of approval including a Payment in Lieu of Taxes (PILOT). The tax analysis included herein provides useful information regarding fiscal benefits at full taxation/occupancy, as well as information to be used for negotiation of a PILOT.

Since the exact terms of the PILOT have not yet been determined, this study analyzes the projected fiscal impacts based on a stabilized year of operations and full taxation based on current assessments and projected revenues. At full build-out and during annual operations, the proposed project is projected to generate significantly more tax revenue than the current conditions of the property. In addition, it is anticipated that any approved PILOT would also increase the tax revenue generated by the property as compared to the existing conditions, although the exact increase cannot be determined at this time. It is estimated that the proposed project will generate **\$649,514** in **annual taxes** under full taxation of the property, of which **\$359,570** would be allocated to the **Riverhead Central School District**. The current taxes generated by the four parcels that comprise the property are \$24,379 in annual taxes, of which \$13,496 is allocated to the school district.

In summary, the proposed project is beneficial to economic conditions in the downtown Riverhead, the Town, Suffolk County, and the region, as a result of job creation (construction and operations), and provides an increase in housing opportunities and increased revenue to local taxing jurisdictions. The proposed project will increase the assessed value of the property and will increase taxes revenue at full occupancy. Overall, the project is economically and socially beneficial as discussed in more detail in the full report.

1.0 INTRODUCTION AND PURPOSE

Nelson Pope Voorhis (NPV) has been requested to prepare an economic and fiscal impact analysis for the proposed mixed use multifamily residential and retail development, known as 203-213 East Main Street, in the downtown area of Riverhead, in the Town of Riverhead, Suffolk County, New York. This analysis focuses solely on the economic and fiscal impacts related to the residential component of the proposed project. The location can be more specifically described as Suffolk County Tax Map District 600; Section 129; Block 1; Lots 17, 18, 19 and 20.

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**.

This analysis examines the fiscal and economic impacts that are anticipated to occur through the construction and annual operations of the proposed 165-unit multifamily residential development, consisting of 52 studio units, 80 one-bedroom units, 33 two-bedroom units and 5,828 square feet of retail/amenity/leasing/lobby space on the ground floor fronting East Main Street.

The proposed project responds to the public need for additional quality housing opportunities in downtown Riverhead. The proposed project addresses the Town's stated goal to provide market rate rental housing opportunities in the area, as a means to achieve the broader goal to renew, revive and rehabilitate the downtown Riverhead hamlet area. Based on input obtained during the initial site plan application process that Riverhead has an abundance of affordable housing, the 203 Main Street development is proposed to contain all market rate units.

A mixed-use development of the type proposed at 203-213 East Main Street is well-grounded in the planning efforts of the Town as embodied in the EMSURP, the 2003 Town Comprehensive Plan, and the Town of Riverhead Peconic River/Route 25 Corridor Step II Brownfields Opportunity Area (BOA) plan, and is consistent with Town initiatives to revitalize downtown Riverhead, including the proposed Downtown Pattern Book and Downtown Parking Study. The project will provide needed quality housing, in a pedestrian-friendly downtown environment. Consumer activity from the increase in residents will ripple through the local community, creating beneficial economic and fiscal impacts throughout downtown Riverhead, the Town, Suffolk County, and the region as a whole.

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 jobs and housing that will help in the post-pandemic recovery. The residents of the proposed housing units will support local businesses in the community, bringing increased patronage and spending

power to the community. The proposed project will also create a short- and long-term economic benefit by providing increased revenue to taxing jurisdictions.

The following analysis examines and quantifies the fiscal and economic impacts that are anticipated to result from the proposed 203-213 East Main Street development. **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** outlines the direct economic impacts, as well as those indirect and induced impacts that are estimated to occur – on output, employment and labor income – during both the 30-month construction period, and annually upon stabilized operations of the proposed development. These projections anticipate stabilization of the economy in post-pandemic conditions. A summary of these key economic findings is provided in **Table 1**.

TABLE 1
SUMMARY OF KEY ECONOMIC FINDINGS

Impact Type	Output (Total Revenue)	Employment (Total Number of FTE Jobs)	Labor Income (Total Wages)
<i>Economic Impacts during Construction</i>			
Direct Impact	\$52,039,217	150.60	\$26,019,609
Indirect Impact	\$7,136,095	35.02	\$2,535,445
Induced Impact	\$15,867,605	84.19	\$5,532,443
Total Impact	\$75,042,918	269.81	\$34,087,497
<i>Projected Economic Impacts during Annual Operations</i>			
Direct Impact	\$5,808,750	4.00	\$340,000
Indirect Impact	\$1,207,935	4.10	\$390,346
Induced Impact	\$413,738	2.16	\$144,354
Total Impact	\$7,430,422	10.25	\$874,699

Source: Data provided by 203 Riverhead LLC; Analysis by Nelson, Pope & Voorhis, LLC, via IMPLAN software.

Section 3.0 also summarizes the existing fiscal conditions – including enrollment, budget, and current tax rates and levies for the Riverhead Central School District (CSD). This section summarizes the land use and tax base composition, detailed budgets and the current tax rates and levies for the Town of Riverhead and Suffolk County. Moreover, this section summarizes the fiscal impacts that are anticipated to result from the proposed project. These include tax revenues that would be allocated to each of the local taxing jurisdictions.

The proposed project will generate substantial tax revenue at full occupancy. The Applicant will apply to the Town of Riverhead Industrial Development Authority (IDA) for tax deferral similar to other recent residential downtown developments. IDA tax deferral promotes beneficial development/redevelopment and creates jobs while supplementing taxes and meeting other goals such as providing increased housing options. The IDA will review the application and

determine the conditions for consideration of approval including a Payment in Lieu of Taxes (PILOT). The tax analysis included herein provides useful information regarding fiscal benefits at full taxation/occupancy, as well as information to be used for negotiation of a PILOT.

Since the exact terms of the PILOT have not yet been determined, this study analyzes the projected fiscal impacts based on a stabilized year of operations and full taxation based on current assessments and projected revenues. This projection of tax revenues is useful in assisting with an understanding of existing and future taxes to help structure a PILOT agreement. Any tax deferral programs will phase-in full taxation.

At full build-out and during annual operations, the proposed project is projected to generate significantly more tax revenue than the current conditions of the property. It is estimated that the proposed project will generate **\$649,514** in **annual taxes** under full taxation of the property, of which **\$359,570** would be allocated to the **Riverhead Central School District**. The current taxes generated by the four parcels that comprise the property are \$24,379 in annual taxes, of which \$13,496 is allocated to the school district. This represents an estimated annual increase of \$625,135 in total tax revenue and, more specifically, an estimated **annual increase of \$346,074 in tax revenue for the Riverhead CSD**. The distribution of current and anticipated tax revenues is shown in **Table 2**.

TABLE 2
TAX REVENUE COMPARISON

Taxing Jurisdiction	Current Tax Revenue ¹	Projected Tax Revenue (Full Taxes)	Change between Projected Full Taxes and Existing Taxes	Tax Revenue Percent Distribution
Total School Taxes	\$14,005	\$373,133	\$359,128	57%
Riverhead CSD #2	\$13,496	\$359,570	\$346,074	55%
Riverhead Free Library	\$507	\$13,498	\$12,991	2%
Baiting Hollow Free Library	\$2	\$65	\$62	0%
Total County Taxes	\$178	\$4,736	\$4,558	1%
County General Fund	\$161	\$4,288	\$4,127	1%
SC Community College Tax	\$17	\$447	\$431	0%
Total Town Taxes	\$6,477	\$172,552	\$166,075	27%
Riverhead Town Tax	\$5,598	\$149,145	\$143,547	23%
Highway 1, 2, 3 & 4	\$879	\$23,407	\$22,529	4%
Other Taxes	\$3,719	\$99,093	\$95,374	15%
NYS Real Property Tax Law	\$457	\$12,165	\$11,708	2%
New York State MTA Tax	\$6	\$148	\$143	0%
Out of County Tuition	\$32	\$852	\$820	0%
Riverhead Ambulance District	\$243	\$6,463	\$6,221	1%
Bus Improvement District 1	\$552	\$14,701	\$14,149	2%
Riverhead Fire Zone 1	\$931	\$24,802	\$23,871	4%
Light District	\$148	\$3,934	\$3,786	1%
Parking	\$1,090	\$29,029	\$27,939	4%
Riverhead Full Sewer Cap	\$99	\$2,650	\$2,551	0%
Riverhead Water	\$163	\$4,350	\$4,187	1%
TOTAL: ALL TAXING JURISDICTIONS	\$24,379	\$649,514	\$625,135	100.0%

Source: Data provided by the Town of Riverhead Assessor; Analysis by Nelson, Pope & Voorhis, LLC.

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**.

¹ Current tax revenue for all parcels that comprise of the subject property.

2.0 METHODOLOGY

Various data and information from federal, state, local, and commercial data sources was used to analyze the existing conditions and project fiscal and economic impacts stemming from the construction and annual operation of the proposed development at 203-213 East Main Street.

203 Riverhead LLC supplied information regarding the estimated rental rates, proposed PILOT payment schedule, unit mix, construction cost and construction schedule, as well as the estimated employment and employee salaries during the annual operations of the proposed project.

Riverhead Central School District provided data pertaining to the district budget, enrollment trends and per-pupil education costs.

The Town of Riverhead and Suffolk County provided information regarding approved budgets and current tax rates for the parcels that comprise 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 and full taxation of proposed project.

Vision Long Island and the Real Estate Institute at Stony Brook University College of Business provided residential demographic multipliers specific to the number of school aged children residing within multifamily housing developments on Long Island that was utilized when determining an appropriate school-aged children multiplier for the proposed project.

New York State Education Department provided New York State District Report Cards and the Fiscal Transparency Report reports specific to the Riverhead CSD. This information allows for an analysis of how the development may affect the school district's enrollment.

New York State Office of Real Property Services supplied data pertaining to the existing tax base and tax revenues for the Town of Riverhead. This information was used to better understand how local budgets and taxing jurisdictions will be affected by the proposed project.

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.

United States Census Bureau provided the latest population counts and other pertinent demographic data for the Riverhead Central School District, Riverhead Census Designated Place (CDP), and the Town of Riverhead.

IMPLAN (formerly known as the Minnesota IMPLAN Group) developed an economic impact modeling system called IMPLAN, short for “impact 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 546 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 multifamily residential structures" industry were analyzed to determine the direct, indirect and induced economic impacts during the construction period of the proposed project. Moreover, multipliers specific to socio-economic data in Suffolk County's "Tenant-occupied housing" industry was analyzed to determine the direct, indirect and induced economic impacts during the annual operations of the proposed project. A summary of these economic impacts can be found in **Section 3.0** of this analysis.

3.0 ECONOMIC AND FISCAL IMPACTS

As noted in **Section 1.0**, this analysis summarizes the existing conditions and the fiscal and economic impacts that are associated with the proposed development of 203-213 East Main Street in Riverhead. Economic impacts include direct, indirect and induced benefits on output, employment and associated labor income during the 30-month 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, based upon the full taxation/occupancy of the proposed development.

The proposed project will generate immediate construction jobs as well as permanent employment opportunities for Town and area residents. In addition, the proposed project will increase the distribution of tax ratables throughout the Riverhead CSD, the Town of Riverhead and Suffolk County. Such fiscal and economic benefits are most crucial for the economic well-being throughout the Riverhead community and the greater Long Island region.

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 standard for such fiscal and economic impact analyses.

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, construction, purchase of materials, engineering, architecture, and environmental consultants. During operations, direct impacts include the salaries of employees of the development (such as maintenance and management), and direct output would be in the form of monthly rental revenue.

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.

3.1 Economic Impacts of Construction

A detailed analysis of direct, indirect and induced impacts generated during the 30-month construction period is outlined below. It is important to note that each of these impacts are temporary and are projected to occur only while the proposed project is being constructed.

- For the purpose of this analysis, it is anticipated that construction of the proposed project will commence in 2024, with the construction period anticipated to occur over a period of approximately 30 months, culminating in 2026.²
- The proposed project is projected to represent approximately \$52.0 million³ in construction costs over the 30-month construction period.⁴ This \$52.0 million in direct annual output is projected to generate an indirect impact of over \$7.1 million, and an induced impact of an additional \$15.8 million, bringing the total economic impact on output to over \$75.0 million during the 30-month construction period.⁵
- 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 150.6 full time equivalent (FTE) jobs, which are anticipated to last the entire duration of the 30-month construction period.
- The 150.6 FTE jobs created during the construction period will have an indirect impact of 35.02 FTE employees and an induced impact of 84.19 FTE employees in other industry sectors, bringing the total impact of the 30-month construction period to 269.81 FTE jobs.⁶ This job creation – direct, as well as indirect and induced – is most crucial during Long Island’s present economic state, 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 50% of the cost of residential construction; the remaining portion represents the cost of materials.⁷
- Labor income is projected to total \$67,121 per year, per employee.⁸ When applied to the 30-month construction period, this represents approximately \$167,000 per employee,

² Construction schedule provided by 203 Riverhead LLC, in December 2022.

³ For the purpose of this analysis, this figure and all other figures in the construction portion of this analysis reflect 2024 dollars, the year in which construction is assumed to commence.

⁴ Construction costs provided by 203 Riverhead LLC, in December 2022. It is important to note that all costs are estimates based upon market conditions as of the date of preparation of this analysis.

⁵ According to IMPLAN, a multiplier of 1.538445 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 multifamily residential structures” (IMPLAN Sector 58) in Suffolk County, New York.

⁶ According to IMPLAN, a multiplier of 9.64 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 through the “Construction of new multifamily residential structures” (IMPLAN Sector 58) in Suffolk County, New York.

⁷ Construction/renovations labor and materials estimates per architectural design group Nelson + Pope.

⁸ New York State Department of Labor’s Occupational Employment Statistics survey reports a median wage of \$63,268 among those employed within construction and extraction occupations in the Long Island labor market. Data was collected between

and over \$26.0 million in collective earnings among the 150.6 FTE employees. This labor income is projected to have an indirect impact of over \$2.5 million and an induced impact of over \$5.5 million, bringing the total economic impact of the 30-month construction period to over \$34.0 million in labor income.⁹

A summary of key economic findings projected to occur during the 30-month construction period is provided in **Table 3**.

TABLE 3
SUMMARY OF KEY ECONOMIC FINDINGS
DURING 30-MONTH CONSTRUCTION PERIOD

Impact Type	Output (Total Revenue)	Employment (Total Number of FTE Jobs)	Labor Income (Total Wages)
Direct Impact	\$52,039,217	150.60	\$26,019,609
Indirect Impact	\$7,136,095	35.02	\$2,535,445
Induced Impact	\$15,867,605	84.19	\$5,532,443
Total Impact	\$75,042,918	269.81	\$34,087,497

Source: Data provided by 203 Riverhead LLC; Analysis by Nelson, Pope & Voorhis, LLC, via IMPLAN software.

3.2 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.

- It is assumed that the proposed project will begin the operational phase of development upon the completion of the 30-month construction period, with the first full year of operations in 2027. For the purpose of this analysis, the first year of stabilized operations is assumed to occur in 2028, which is the second year of operations.
- Annual output will be generated in the form of monthly rental income, which is based on the following rates¹⁰:

November 2018 and May 2021, and then updated to the first quarter of 2022 by making cost-of-living adjustments. An additional annual inflation factor of three percent (3%) was applied to the median wage, to reflect wages at the commencement of the construction period – estimated to occur in 2024 for the purpose of this analysis.

⁹ According to IMPLAN, a multiplier of 0.822728 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 multifamily residential structures” (IMPLAN Sector 58) in Suffolk County, New York.

¹⁰ Assumptions pertaining to monthly rental rates provided by 203 Riverhead LLC. It is important to note that all costs are estimates based upon market conditions as of the date of preparation of this analysis.

- \$2,400 for each studio unit,
- \$2,800 for each one-bedroom unit, and
- \$3,400 for each two-bedroom unit.
- Annual rental income is anticipated to total \$5.5 million.
- The annual operational revenues are projected to generate an indirect impact of over \$1.2 million and an induced impact of over \$400,000 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 \$7.4 million during annual operations.¹¹
- The proposed project is anticipated to generate 4.0 FTE jobs on site.¹² The 4.0 FTE jobs will have an indirect impact of 4.1 FTE employees and an induced impact of 2.16 FTE employees in other industry sectors, bringing the total economic impact of employment to 10.25 FTE jobs during annual operations.¹³
- The 4.0 FTE jobs will generate a total of \$340,000 in collective labor income. This labor income includes total base salaries of \$272,000¹⁴ and benefits equal to approximately \$68,000.
- The \$340,000 in labor income will have an indirect impact of over \$390,000 and an induced impact of over \$144,000, bringing the total economic impact of labor income to \$874,699 during annual operations.¹⁵

A summary of key economic findings projected to occur during annual operations is provided in **Table 4**.

¹¹ According to IMPLAN, a multiplier of 1.296519 represents the total dollar change in output that occurs in all industries for each additional dollar of output delivered to final demand by the “Tenant-occupied housing” (IMPLAN Sector 448) industry, in Suffolk County, New York.

¹² Assumptions pertaining to the direct employment of the proposed project provided by 203 Riverhead LLC.

¹³ According to IMPLAN, a multiplier of 6.91 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 “Tenant-occupied housing” (IMPLAN Sector 448) in Suffolk County, New York.

¹⁴ Assumptions pertaining to the annual salaries of the operations employees of the proposed project provided by 203 Riverhead LLC.

¹⁵ According to IMPLAN, a multiplier of 0.170305 represents the total dollar change in labor income of households employed by all industries for each additional dollar of output delivered to final demand by “Tenant-occupied housing” (IMPLAN Sector 448), in Suffolk County, New York.

TABLE 4
SUMMARY OF KEY ECONOMIC FINDINGS DURING ANNUAL OPERATIONS

Impact Type	Output (Total Revenue)	Employment (Total Number of FTE Jobs)	Labor Income (Total Wages)
Direct Impact	\$5,808,750	4.00	\$340,000
Indirect Impact	\$1,207,935	4.10	\$390,346
Induced Impact	\$413,738	2.16	\$144,354
Total Impact	\$7,430,422	10.25	\$874,699

Source: Data provided by 203 Riverhead LLC; Analysis by Nelson, Pope & Voorhis, LLC, via IMPLAN software.

3.3 Existing Fiscal Conditions

- There are approximately 14,315 persons residing within 5,504 housing units in the Riverhead CDP. Likewise, there are approximately 35,630 persons residing within 16,540 housing units in the Town of Riverhead.¹⁶
- The vast majority of assessed parcels in the Town of Riverhead are residential properties, comprising 75.8% of the total number of parcels. However, such properties only comprise 51.3% of the Town’s tax base¹⁷ and cause the greatest burden on community services.
- The Town of Riverhead prepared a 2023 tentative budget of over \$103.1 million, compared to a 2022 adopted budget of over \$100.0 million.¹⁸
- Suffolk County prepared a recommended operating budget for 2023 with expenditures of \$4.053 billion and revenues of \$5.047 billion, compared to a 2022 adopted operating budget with expenditures of \$4.018 billion and revenues of \$4.738 billion.¹⁹
- The proposed project is located within the boundaries of the Riverhead CSD. The latest Census estimates suggest that 92.3%²⁰ of all school-aged children who are enrolled in school and reside within the school district boundaries attended public schools; the remaining 7.7% of school-aged children attend private schools.
- Student enrollment within the Riverhead CSD has increased by 414 students, or 8.3% – over the ten (10) years between the 2011-12 and 2020-21 academic years.²¹
- According to the New York State School Financial Transparency report for the Riverhead CSD, expenditures averaged \$19,730 per student during the 2020-21 academic year.

¹⁶ Census Bureau, American Community Survey 2021 Five-Year Estimates.

¹⁷ New York State Office of Real Property Services, 2021 Annual Assessment Rolls, 2021 Parcel Counts by Individual Property Class Code.

¹⁸ Town of Riverhead, “2023 Tentative Operating Budget.”

¹⁹ Suffolk County, “2023 Recommended Operating Budget Suffolk County Volume 1,” 2022.

²⁰ Census Bureau, American Community Survey 2021 Five-Year Estimates.

²¹ New York State Department of Education.

- For the 2021 fiscal year, school district expenditures totaled over \$151.2 million, of which over \$96.2 million was spent on education and over \$30.5 million was spent on employee benefits. The total revenue for this year was over \$170.9 million, of which over \$98.1 million was levied through real property taxes and assessments, over \$35.6 million through state aid, and over \$6.5 million through federal aid.²²
- The Riverhead CSD adopted a balanced budget for the 2022-2023 academic year, with revenues and expenditures totaling over \$169.7 million.²³
- Prior to the coronavirus pandemic of 2020-23, unemployment had been decreasing substantially since its peak in 2010-2012. Unemployment rates in the Town, County, Long Island and New York State increased significantly in 2020; but started to decline in 2021 and have continued to decline throughout 2022. As of November 2022 (the most recent data available), approximately 500 persons – 3.0% of the Town’s labor force – were unemployed. While it is important to note that this data has not been seasonally adjusted, the November 2022 unemployment rate for the Town was slightly higher than Suffolk County’s unemployment rate (2.5% of the labor force – or 20,300 people) and Long Island’s unemployment rate (2.5% of the labor force – or 37,300 persons). The Town, County, and Long Island unemployment rates are all lower than New York State’s overall unemployment rate of 3.8% (355,700 persons).
- The project site is currently taxed at a rate of 210.526 per \$100 of assessed valuation. This translates into a current generation of \$24,379 in property tax revenues for the four tax parcels that comprise the subject property.²⁴ The existing distribution of tax revenues is shown in **Table 5**.

²² Office of the New York State Comptroller.

²³ Riverhead CSD.

²⁴ Town of Riverhead Assessor.

**TABLE 5
EXISTING TAX REVENUES**

Taxing Jurisdiction	Current Tax Rate (per \$100 Assessed Valuation)	Current Tax Revenue ²⁵	Tax Revenue Percent Distribution
Total School Taxes	120.943	\$14,005	57%
Riverhead CSD #2	116.547	\$13,496	55%
Riverhead Free Library	4.375	\$507	2%
Baiting Hollow Free Library	0.021	\$2	0%
Total County Taxes	1.535	\$178	1%
County General Fund	1.390	\$161	1%
SC Community College Tax	0.145	\$17	0%
Total Town Taxes	55.929	\$6,477	27%
Riverhead Town Tax	48.342	\$5,598	23%
Highway 1, 2, 3 & 4	7.587	\$879	4%
Other Taxes	32.119	\$3,719	15%
NYS Real Property Tax Law	3.943	\$457	2%
New York State MTA Tax	0.048	\$6	0%
Out of County Tuition	0.276	\$32	0%
Riverhead Ambulance District	2.095	\$243	1%
Bus Improvement District 1	4.765	\$552	2%
Riverhead Fire Zone 1	8.039	\$931	4%
Light District	1.275	\$148	1%
Parking	9.409	\$1,090	4%
Riverhead Full Sewer Cap	0.859	\$99	0%
Riverhead Water	1.410	\$163	1%
TOTAL: ALL TAXING JURISDICTIONS	210.526	\$24,379	100.0%

Source: Data provided by the Town of Riverhead Assessor; Analysis by Nelson, Pope & Voorhis, LLC.

²⁵ Current tax revenue for all parcels that comprise of the subject property.

3.4 Projected Fiscal Impacts

- The Applicant will apply to the Town of Riverhead Industrial Development Authority (IDA) for tax deferral similar to other recent residential downtown developments. IDA tax deferral promotes beneficial development/redevelopment and creates jobs while supplementing taxes and meeting other goals such as providing increased housing options. The IDA will review the application and determine the conditions for consideration of approval including a Payment in Lieu of Taxes (PILOT). The tax analysis included herein provides useful information regarding fiscal benefits at full taxation/occupancy, as well as information to be used for negotiation of a PILOT.
- The proposed project will generate substantial tax revenue at full occupancy, and it is projected there will be a substantial increase with a PILOT or full taxation. For taxing purposes, the total estimated market valuation of the proposed project is based upon rental rates ranging from \$2,400 to \$3,400 per month for the residential units. As shown in **Table 6**, monthly rental revenue for the proposed 165 residential units totals \$5.5 million per year.

**TABLE 6
 RENTAL RATES**

Unit Type	Number of Units	Monthly Rental Rate	Annual Rent per Unit	Total Gross Rent
Studio	52	\$2,400	\$28,800	\$1,497,600
One-Bedroom	80	\$2,800	\$33,600	\$2,688,000
Two-Bedroom	33	\$3,400	\$40,800	\$1,346,400
TOTAL	165	-	-	\$5,532,000

Source: Data provided by 203 Riverhead LLC; Analysis by Nelson, Pope & Voorhis, LLC.

- After applying estimated loss from vacancies of 5%, as well as an expense ratio of 40%, a capitalization rate of 0.1 and a Town equalization rate of 10.14%, the estimated assessed valuation of the proposed project upon full build-out and occupancy is approximately \$3,085,196. This is shown in **Table 7**.

TABLE 7
ESTIMATED ASSESSED VALUATION

Parameter	Value
Gross Annual Rents	\$5,532,000
Estimated Loss from Vacancies	5%
Expense Ratio	40%
Net Income	\$3,042,600
Capitalization Rate	0.1
Estimated Market Value	\$30,426,000
Equalization Rate	10.14%
Assessed Value	\$3,085,196

- When the assessed valuation of \$3,085,196 is applied to the current tax rates, the proposed project is projected to generate \$649,514 in annual taxes under full build-out and full taxation of the property. This represents a net increase of over \$625,135 per year when compared to existing site conditions. The distribution of tax revenues is shown in **Table 8**.

TABLE 8
ANTICIPATED TAX REVENUE GENERATION

Taxing Jurisdiction	Current Tax Revenue ²⁶	Projected Tax Revenue (Full Taxes)	Change between Projected Full Taxes and Existing Taxes
Total School Taxes	\$14,005	\$373,133	\$359,128
Riverhead CSD #2	\$13,496	\$359,570	\$346,074
Riverhead Free Library	\$507	\$13,498	\$12,991
Baiting Hollow Free Library	\$2	\$65	\$62
Total County Taxes	\$178	\$4,736	\$4,558
County General Fund	\$161	\$4,288	\$4,127
SC Community College Tax	\$17	\$447	\$431
Total Town Taxes	\$6,477	\$172,552	\$166,075
Riverhead Town Tax	\$5,598	\$149,145	\$143,547
Highway 1, 2, 3 & 4	\$879	\$23,407	\$22,529
Other Taxes	\$3,719	\$99,093	\$95,374
NYS Real Property Tax Law	\$457	\$12,165	\$11,708
New York State MTA Tax	\$6	\$148	\$143
Out of County Tuition	\$32	\$852	\$820
Riverhead Ambulance District	\$243	\$6,463	\$6,221
Bus Improvement District 1	\$552	\$14,701	\$14,149
Riverhead Fire Zone 1	\$931	\$24,802	\$23,871
Light District	\$148	\$3,934	\$3,786
Parking	\$1,090	\$29,029	\$27,939
Riverhead Full Sewer Cap	\$99	\$2,650	\$2,551
Riverhead Water	\$163	\$4,350	\$4,187
TOTAL: ALL TAXING JURISDICTIONS	\$24,379	\$649,514	\$625,135

Source: Data provided by the Town of Riverhead Assessor; Analysis by Nelson, Pope & Voorhis, LLC.

- An analysis of housing occupancy estimates allows for the determination of the number of school-aged children that would likely result from the proposed project. Various publications regarding residential demographic multipliers were analyzed, including a report titled “Market Rate Apartment School Aged Children Study” published by the Real Estate Institute at Stony Brook University College of Business in 2019 and the “Preliminary Review of School District Impacts from Transient Oriented Developments on Long Island” (undated) report, prepared by Vision Long Island. The REI Stony Brook study projected 0.09 school-aged children per unit (SAC) with a weighted average unit size of 1,090 sf. The developments analyzed in the Vision Long Island had an average of 0.03 SAC/unit and a weighted average unit size of 930 sf. Based on these data, it is apparent that few

²⁶ Current tax revenue for all parcels that comprise of the subject property.

children reside with individuals and families occupying multifamily communities.

- The average proposed unit size of the 203-213 East Main Street development is 751 sf, less than the averages of both the REI Stony Brook and Vision Long Island Studies. A mathematical analysis was used to adjust the REI Stony Brook ratio of 0.09 school aged children per unit to 0.07 school aged children per unit based on the smaller unit sizes.
- The project is proposed to include the development of 165 multifamily residential units. Based on a multiplier of 0.07 school aged children per unit, it is projected that 12 school-aged children would reside in the proposed development.
- Approximately 92.3% of all school-aged children who are enrolled in school and reside within the Riverhead CSD boundaries attended public schools; the remaining 7.7% of school-aged children residing within the district attend private schools. For the purpose of this analysis, and when applying this factor to the 12 school-aged children projected to reside within the proposed project, it is estimated that one student will attend private schools; the remaining 11 students are likely to attend public schools within the Riverhead CSD.
- According to the New York State School Report Card, Fiscal Accountability Supplement for the Riverhead CSD, expenditures averaged \$19,730 per student during the 2020-21 academic year.²⁷ Given these assumptions, it is estimated that the 11 public-school students will result in additional costs to the Riverhead CSD amounting to approximately \$217,026 per academic year; however, this cost will be offset by the school tax revenue generated by the proposed project and state-aid as demonstrated in **Table 9**, resulting in a net surplus to the school district. Assuming state aid remains constant to current levels, and when applied to the 11 additional school-aged children, it is assumed that state aid will generate an additional \$72,364 in supplemental revenues to the Riverhead CSD.
- The Riverhead CSD is estimated to receive tax revenues of \$346,074, which would fully cover the costs to educate the projected 11 school children enrolled in public schools, resulting in a net revenue of \$129,048. When considering the estimated increase in state aid to the Riverhead CSD, the projected net revenue increases to \$201,412, representing a significant increase over the current tax revenue of the property and a significant benefit to the school district.

²⁷ This data reflects the most recently published data as of the date of submission of this analysis.

TABLE 9
FISCAL IMPACT ON SCHOOL DISTRICT

Parameter	Value
Number of Additional Students in Public Schools: Projected	11
Expenditure per Pupil: Existing Conditions	19,730
Additional Expenditures: Proposed Project	\$217,026
Projected Tax Revenue Allocated to School District: Proposed Project	\$346,074
Net Additional Revenue (without state aid)	\$129,048
Estimated State Aid	\$72,364
Net Additional Revenue (with state aid)	\$201,412

Source: Riverhead CSD; New York State Education Department; Analysis by Nelson, Pope & Voorhis, LLC.

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ATTACHMENT A
Nelson, Pope & Voorhis, LLC
Economic Analysis Qualifications

STATEMENT OF QUALIFICATIONS ECONOMIC AND FISCAL IMPACT ANALYSIS



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environmental • land use • planning

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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.