
**SUPPLEMENTAL INDUSTRIAL MARKET TRENDS
AND DEMAND SUMMARY**

**AIREF Station Road Logistics Center LLC &
AIREF Station Road 2 LLC**

**Proposed Town of Brookhaven
Industrial Development Agency (“BIDA”) Project**

Bellport, NY

NPV No.16212

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- B Eastern Suffolk Submarket Overview, Newmark, 3/20/2024

1.0 INTRODUCTION AND PURPOSE

Nelson Pope Voorhis (NPV) has been requested to prepare additional information concerning market demand and pipeline for Class-A warehouse-distribution space as it relates to the AIREF Station Road Logistics Center LLC and AIREF Station Road 2 LLC industrial development project (aka “AIREF” or the “AIREF Bellport Project”) on the east side of Station Road, between Sunrise Highway to the south and Woodside Avenue to the north, in Bellport, NY. This report addresses that need in order to support AIREF’s application to the Town of Brookhaven Industrial Development Agency (IDA) for a PILOT and other related IDA incentives to facilitate this proposed project. This information supplements the Economic and Fiscal Impact Analyses for this project as contained in the NPV report referenced as follows:

- Economic and Fiscal Impact Analysis, AIREF Station Road Logistics Center, NPV, October 20, 2022 (attached as **Attachment A**)

The Economic and Fiscal Impact Analysis was included as part of the Project’s Draft and Final Impact Statement (DEIS/FEIS) and documents the construction and operational employment benefits and further quantifies the tax revenue benefits at full anticipated phased-in taxation of the project. Job creation and tax base support are important to the economic stability of the Town, County and region as documented in this prior report.

By way of background, the post-pandemic period has significantly increased e-commerce and the demand for trucking, storage and delivery of goods and services to commercial and residential consumers. This has spurred a need for local and regional warehouse and distribution facilities. The AIREF Bellport Project will assist in providing space related to this need as well as other industrial uses to service the e-commerce and distribution needs of the local and regional economy.

The IDA notes that there are several projects for warehouse use approved and/or pending in the Town of Brookhaven. The IDA has expressed concern that the application is currently speculative with no defined user at this time. As the IDA is being asked to support the project financially, the IDA seeks information to ensure that the project will be successful and that an excess of empty industrial warehouse space is not being created.

This document summarizes the local and regional conditions that drive the market for industrial warehouse/distribution space. Understanding the dynamics of this unique market is critical to determining the expected demand for such facilities. There are unique aspects to the construction and leasing of industrial warehouse space that drive the market demand for existing and proposed projects. This document provides additional supporting information to demonstrate that there remains a need for such facilities.

There is considerable tenant demand for the proposed AIREF Bellport Project that is addressed in this report. The data and information contained herein support the need for the proposed project and that even with completion of this project, there remains a demand for industrial warehouse space locally and regionally.

2.0 PROPOSED PROJECT AND LOCATION

The subject site is zoned L-Industrial-1 on the Town of Brookhaven zoning map. L-1 zoning permits light industrial use including warehouse/distribution buildings.

The proposed development consists of four single-story, Class-A warehousing-distribution buildings, known as AIREF Station Road Logistics Center LLC and AIREF Station Road 2 LLC, located in the hamlet of Bellport, Town of Brookhaven, Suffolk County, New York.

The site location is more specifically described as the east side of Station Road, between Sunrise Highway to the south and Woodside Avenue to the north.

This project involves the construction and annual operations of the four buildings, which are proposed to total approximately 528,000 square feet (SF) of warehouse/distribution space. The proposed project was the subject of a Draft and Final Environmental Impact Statement (DEIS/FEIS) under the State Environmental Quality Review Act (SEQRA Part 617), with the Planning Board acting as lead agency. The project's FEIS Was accepted by the Town of Brookhaven Planning Board in December 2023. The SEQRA process culminated with the adoption of a Statement of Findings to approve the project, issued by the Town of Brookhaven Planning Board with Conditional Approval of the Site Plan on February 26, 2024.

One of the findings included in the SEQRA Statement of Findings states that the project “involves nonresidential uses and therefore will not place any additional strain on the local school district or result in any adverse impacts. The project is expected to have an overall positive effect on local public education by generating additional property tax revenue for district funding.”

3.0 APPLICANT INFORMATION SUPPORTING NEED

The site is uniquely suited for the proposed use by virtue of its location and L-Industrial-1 zoning. The site has an approved Site Plan after completion of the SEQRA process and is ready for construction to meet the existing local and regional need for warehouse-distribution space at this location.

As noted in the IDA application, the applicant is in the business of developing and owning warehouse projects. The need for the project is based on demand for modern, Class-A warehousing and distribution space. The application further notes that the building will have features that users require such as high ceilings, efficient HVAC equipment, LED lighting, low flow water usage and efficient insulation and white roofing for energy efficiency. AIREF notes that many buildings across the region are older in nature with low ceilings that prevent maximizing distribution space for modern day logistics needs of e-commerce and distribution tenants and businesses. While new space has and is being constructed based on significant post-pandemic e-commerce demand, there remains a need for additional space that the AIREF project will help fulfill. Overall, the proposed project will result in the construction of state-of-the-art warehouse-distribution space to fill the region's needs and create new job opportunities (both construction and operational jobs).

As noted in the project's FEIS, the AIREF Bellport Project is held in an investment fund which is managed by a subsidiary of Ares Management Corporation ("Ares"). The underlying fund owns and manages millions of square feet of warehouse-distribution space either under development or in operation in key logistics markets throughout the United States. The project is being developed as a high-quality, Class-A, warehouse-distribution space to create the maximum flexibility for future leasing and to attract quality tenants to meet regional e-commerce and distribution demands in the local and regional market. Exact tenants are not known at this time, but the AIREF Bellport Project has been designed and tailored to offer modernized, high ceiling height, space geared toward companies seeking Class-A warehouse facilities. AIREF will seek to lease the facilities under a long-term lease agreement to quality tenants that have a track-record of financial stability and strong credit. Prior to lease-up, a reputable third-party property management company will be engaged, which together with AIREF's asset management team, will oversee the property.

Ares has significant experience and capabilities investing in Real Estate and specifically the industrial sector:^{1 2}

1 <https://www.aresmgmt.com/our-business/real-estate>

2 <https://www.aresmgmt.com/our-business/real-estate/industrial>

Ares Real Estate manages comprehensive public and private, equity and debt strategies. Backed by a vertically integrated platform, demonstrated track record, tenured team, thematic investment approach, access to proprietary deal flow, and synergies with the broader Ares platform, we are able to identify and execute on attractive opportunities with compelling risk-reward profiles.

We maintain a time-tested and consistent approach across our equity and debt strategies, focusing on major property types and adjacent sectors that have value creation opportunities, located in liquid markets with diversified economies.

We are a leading owner and operator of industrial real estate with regional offices located in eight key logistics markets throughout the U.S. and investments in major highway, rail, sea and air transportation hubs. Our decentralized and vertically-integrated acquisitions, asset management, and development teams have decades of experience transacting in the high conviction industrial sector, with proprietary sourcing capabilities and local relationships.

Our dynamic platform enables us to execute strategically across the risk spectrum, seeking to identify attractive risk adjusted returns through market cycles.

AIREF is committed to its investment in the AIREF Bellport Project. It is common for warehouse-distribution projects to be built on a speculative basis, to serve identified markets and ensure occupancy and project success.

The AIREF Bellport Project fulfills a critical role to deliver space to tenants requiring flexible warehouse buildings for occupancy and operations with modern specifications that are not found in the majority of the existing industrial warehouse market on Long Island. Having a long-term outlook and being able to deliver needed space will allow AIREF to work with many different types of users to serve their warehouse space needs. AIREF will work with a reputable, national brokerage firm to ensure that the Bellport project is marketed to a broad pool of prospective tenants through the brokerage firm's established national presence.

4.0 MARKET RESEARCH AND ANALYSIS

AIREF commissioned Newmark to perform market research and analysis for the existing and expected conditions related to industrial warehouse/distribution space within the market area of the Station Road project. Newmark has prepared the Eastern Suffolk Submarket Overview, dated 3/20/2024 and included as **Attachment B** of this document.

The Newmark report addresses the market research category specifically including the Eastern Suffolk – New Construction Pipeline, finding that: “Industrial Supply Grows as Pipeline Remains Robust.” This is based on the summary that: “With 2.5 million square feet proposed across 9 developments in the Eastern Suffolk submarket, the pipeline is expected to continue as demand for Class-A space remains strong. With notable tenants such as; National Grid, Iron Mountain and Tate’s Cookies all committing to long term & sizable leases, developers continue to push to get their projects underway.”

More specifically with respect to the new construction pipeline, Newmark found:

Delivered class A new construction makes up ~3.7% of the total industrial inventory in the Eastern Suffolk submarket. Long Island’s attractive demographics and densely populated region continue to demonstrate the need for national suppliers to have “hubs” or small distribution centers strategically located to service eastern Long Island. With current and projected vacancy rates well below the national average of 4.8%, Suffolk County continues to benefit from seasoned and established developers eager to invest in the region.

Further, the Town of Brookhaven submarket was examined by Newmark, finding that:

Trends continue to point towards an eastern migration for both consumers, and companies looking to service a growing population. Delivered class A new construction makes up ~4.7% of the total industrial inventory in the Brookhaven Township with the overall vacancy rate remaining at a healthy ~3%.”

Newmark further examined “Tenants in the Market” in Suffolk County based on current real estate data. The following findings of this search are relevant:

- The listing identifies twenty-one (21) individual large companies that are seeking industrial space in either western Suffolk, eastern Suffolk or either western or eastern Suffolk County.
- The total space demand for these tenants equals 2,220,000 SF of industrial space.

The table below is excerpted from the Newmark and identifies each tenant in the market and their space requirements.

Table 1 – Tenants in the Market – Suffolk County

MARKET	TENANT	REQUIREMENT (SF)	NOTES
Western Suffolk	Rivian	50,000	New Market Entrant
Eastern Suffolk	Home Depot	350,000- 500,000	New Market Entrant
Western Suffolk	Red Bull	60,000	New Market Entrant
Suffolk	Allen Machine Products	50,000	Relocation from Town of Smithtown
Eastern Suffolk	Modern Italian Bakery	75,000 - 100,000	Expansion from Town of Islip
Western Suffolk	Walkers Shortbread	50,000	Expansion from Town of Smithtown
Western Suffolk	Medysis	80,000- 125,000	Consolidation from Town of Huntington & Islip
Western Suffolk	AAR	60,000	Consolidation from Nassau County
Suffolk	GE	50,000	Relocation from Town of Islip
Suffolk	Energy Efficient Solutions	100,000	Relocation from Nassau County
Suffolk	Piece Mngt Inc.	100,000 - 125,000	New Market Entrant
Eastern Suffolk	Quality Enclosures	75,000	Expansion
Suffolk	Skyline Paper	50,000	Expansion
Eastern Suffolk	Premier Care	50,000 - 60,000	Expansion from Town of Smithtown
Eastern Suffolk	Blue Bird Warehouse	100,000 -125,000	Expansion/ Relocation from Town of Islip
Suffolk	Nationwide Displays	90,000	Expansion/ Relocation from Town of Islip
Suffolk	Nassau Candy	125,000	Expansion from Nassau County & Town of Islip
Suffolk	H&M USA	70,000 - 100,000	Expansion from Nassau County
Suffolk	Sam Tell	60,000 - 70,000	Expansion from Town of Babylon
Suffolk	Target	250,000 - 350,000	New Market Entrant
Suffolk	NTT Data	50,000	Relocation from Town of Huntington
Total		~ 2,220,000	

This list of tenants in the market provides further evidence of strong demand for industrial space, and quantifies the recognized needs of these tenants in the market.

5.0 SUMMARY OF MARKET ANALYSIS, DEMAND AND NEED

This report outlines current market conditions, existing leases and comparables, anticipated demand for industrial space and highlights the AIREF's market strategy and anticipated ability to lease space for multiple industrial users. Key market conditions supporting a strong demand and need for industrial warehouse space as presented in this report are as follows:

New Construction Pipeline – Eastern Suffolk County

- With 2.5 million square feet proposed across 9 developments in the Eastern Suffolk submarket, the pipeline is expected to continue as demand for Class-A space remains strong.
- With notable tenants such as; National Grid, Iron Mountain and Tate's Cookies all committing to long term & sizable leases, developers continue to push to get their projects underway.
- Delivered Class-A new construction makes up ~3.7% of the total industrial inventory in the Eastern Suffolk submarket.
- Long Island's attractive demographics and densely populated region continue to demonstrate the need for national suppliers to have "hubs" or small distribution centers strategically located to service eastern Long Island.
- With current and projected vacancy rates well below the national average of 4.8%, Suffolk County continues to benefit from seasoned and established developers eager to invest in the region.

Brookhaven Town Submarket

- Trends continue to point towards an eastern migration for both consumers, and companies looking to service a growing population.
- Delivered Class-A new construction makes up ~4.7% of the total industrial inventory in the Brookhaven Township with the overall vacancy rate remaining at a healthy ~3%.

Tenants in the Market – Suffolk County

- The listing identifies twenty-one (21) individual large companies that are seeking industrial space in either western Suffolk, eastern Suffolk or either western or eastern Suffolk County.
- The total space demand for these tenants equals 2,220,000 SF of industrial space.
- This list of tenants in the market provides further evidence of strong demand for industrial space, and quantifies the recognized needs of these tenants in the market.

In summary, Newmark offers the following market takeaways and conclusions regarding the eastern Suffolk County submarket:

- Although a new supply of inventory exists, the continued population migration eastward has sparked a flurry of new entrants into the Eastern Suffolk Submarket.
- As new national tenants enter the market, other industries will either directly or indirectly benefit. Those companies will bolster demand for the existing class B and C inventory.
- Historically low vacancy rates compared to the national average are forecasted to remain in place.
- Even with a robust pipeline of new development slated for delivery, alternative sites that are suitable for E-commerce and island-wide distribution remain limited for future development.

This report addresses the demand and need for industrial warehouse/distribution space in connection with the AIREF Bellport Project which will feature four (4) buildings totaling approximately 528,000 SF of new Class-A industrial space. The report includes information on the Applicant, AIREF, industry trends for leasing of industrial space, and an assessment of Long Island industrial market information, including planned projects, vacancy rates, and tenants in the market. Consideration is given to Ares, which has significant experience and capabilities investing in Real Estate and in the industrial sector, owning and operating extensive nationwide footprint of industrial holdings. Market information included in **Attachment B** addresses new construction in Suffolk County and Brookhaven as well as active tenants in the market seeking to lease Class-A, warehouse-distribution space. Overall, the factors above support the finding that there is a strong demand and need for additional new, quality, properly located industrial warehouse space in the Town of Brookhaven and Suffolk County to meet the modern needs of e-commerce and distribution tenants seeking to grow their presence and footprint in the broader Long Island market.

ATTACHMENT A
Economic and Fiscal Impact Analysis, NPV,
10/20/2022

ECONOMIC AND FISCAL IMPACT ANALYSIS

AIREF Station Road Logistics Center

Sunrise Highway Service Road, Woodside Avenue and
Bellport Station Road
Hamlet of Bellport, Town of Brookhaven, New York

NPV No. 16212

Prepared for:

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ATTACHMENT A NPV ECONOMIC ANALYSIS QUALIFICATIONS

EXECUTIVE SUMMARY

This analysis examines the economic and fiscal impacts that are anticipated to occur through the construction and annual operations of a warehouse development to be known as AIREF Station Road Logistics Center. The subject site is located on the north side of the Sunrise Highway North Service Road, east of Station Road, and south of Woodside Avenue, in the **Hamlet of Bellport**, Town of Brookhaven, Suffolk County, New York. The proposed project will provide four buildings with a total of **528,892 square-feet** of area, consisting of 497,052 square-feet of warehouse space and 31,840 square-feet of warehouse office space (of which, 5,392 square-feet is optional office), associated parking, and a drainage basin area. The project site lies in an area of mixed residential and commercial uses.

The proposed project will create strong economic activity by providing jobs and a solid tax base as quantified in this report. The proposed warehouse development will support local businesses in Bellport 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 Bellport, the Town of Brookhaven, 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 15-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 **\$76,876,937** in **total output**, **342.61 jobs** (total full-time equivalent [FTE] jobs), and **\$29,428,091** in **labor income** (total wages). During **annual operations**, direct, indirect, and induced impacts of the proposed project will result in **\$13,231,557** in **output** (total revenue), **167.8 jobs** (total FTE jobs), and **\$8,066,853** in **labor income** (total wages).

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 **\$1,309,510** in **annual taxes** under full build-out and full taxation of the property, of which **\$919,569** would be allocated to the **South Country Central School District** without introducing any new school aged children or increasing the costs of education for the district. The projected full taxation represents a net increase of over \$1.2 million when compared to existing site conditions of the subject parcels.

In summary, the proposed project is beneficial to economic conditions of the hamlet of Bellport, the Town of Brookhaven, 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.

1.0 INTRODUCTION

Nelson, Pope & Voorhis, LLC (NPV) has been requested to prepare an economic and fiscal impact analysis for a proposed warehouse development to be known as AIREF Station Road Logistics Center in the hamlet of Bellport, Town of Brookhaven. 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 economic and fiscal impacts that are anticipated to occur through the construction and annual operations of a warehouse use comprised of four buildings with a total of 528,892 square-feet of area, consisting of 497,052 square-feet of warehouse space and 31,840 square-feet of office space (of which, 5,392 square feet is optional warehouse office space), associated parking and a drainage basin, to be located on the north side of the Sunrise Highway North Service Road, east of Station Road, and south of Woodside Avenue, in the Hamlet of Bellport, Town of Brookhaven, Suffolk County, New York.

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 advance the planning goals of the Town and will establish many new construction and operations jobs that will help in the pre- and post-pandemic recovery. The proposed project will create strong economic activity by providing jobs and a solid tax base. Consumer activity will ripple through the local community, creating beneficial economic and fiscal impacts throughout Bellport, the Town of Brookhaven, 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. **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 3.1** defines economic impacts for the purpose of the report, and **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 15-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 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	\$51,852,187	211.20	\$20,740,875
Indirect Impact	\$10,198,091	43.96	\$3,575,518
Induced Impact	\$14,826,659	87.44	\$5,111,698
Total Impact	\$76,876,937	342.61	\$29,428,091
<i>Economic Impacts during Annual Operations</i>			
Direct Impact	\$6,875,596	132.2	\$5,945,261
Indirect Impact	\$2,237,315	12.2	\$699,208
Induced Impact	\$4,118,646	23.4	\$1,421,639
Total Impact	\$13,231,557	167.8	\$8,066,108

Source: Data provided by applicant; 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 South Country Central School District (CSD), Town, and County. Moreover, this section summarizes the fiscal impacts that are anticipated to result from the proposed project. 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 \$1,309,510 in annual taxes under full build-out and full taxation of the property. This represents a net increase of \$1,217,749 per year when compared to existing site conditions. The distribution of anticipated tax revenues is shown in **Table 2**.

TABLE 2
ANTICIPATED TAX REVENUE GENERATION

Taxing Jurisdiction	Current Tax Revenue (all parcels)	Projected Tax Revenue	Change in Tax Revenue	Percent of Total Tax Revenue
TOTAL SCHOOL TAXES	\$63,404	\$970,779	\$907,375	69.1%
School Tax	\$60,059	\$919,569	\$859,510	65.5%
Library Tax	\$3,345	\$51,210	\$47,865	3.6%
TOTAL COUNTY TAXES	\$11,441	\$175,179	\$163,738	12.5%
County of Suffolk	\$761	\$11,650	\$10,889	0.8%
County of Suffolk- Police	\$10,681	\$163,529	\$152,848	11.6%
TOTAL TOWN OF BROOKHAVEN TAXES	\$6,234	\$95,445	\$89,211	6.8%
Town - Town Wide Fund	\$1,484	\$22,728	\$21,243	1.6%
Highway- Town Wide Fund	\$403	\$6,170	\$5,767	0.4%
Town- Part Town Fund	\$481	\$7,361	\$6,880	0.5%
Highway- Part Town Fund/Snow Removal	\$3,866	\$59,185	\$55,320	4.2%
TOTAL OTHER TAXES	\$10,682	\$163,552	\$152,870	11.6%
New York State MTA Tax	\$37	\$561	\$524	0.0%
Open Space Preservation	\$566	\$8,670	\$8,104	0.6%
Fire Districts- Brookhaven	\$5,639	\$86,340	\$80,701	6.1%
Lighting Districts- Brookhaven	\$299	\$4,579	\$4,280	0.3%
Ambulance District- South Country	\$3,147	\$48,180	\$45,033	3.4%
Real Property Tax Law	\$768	\$11,757	\$10,989	0.8%
Out of County Tuition	\$173	\$2,648	\$2,475	0.2%
Suffolk County Community College Tax	\$53	\$817	\$763	0.1%
TOTAL: ALL TAXING JURISDICTIONS	\$91,761	\$1,309,510	\$1,217,749	100.0%

Source: Town of Brookhaven Statement of Taxes 2021-22; 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**.

2.0 METHODOLOGY

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

AIREF Station Road Logistics Center and AIREF Station Road 2 LLC supplied information regarding the construction cost and construction schedule, building size, and anticipated rental rates per square foot.

South Country Central School District (CSD) provided data pertaining to the district budget, enrollment trends and per-pupil education costs.

The Town of Brookhaven and Suffolk County provided information regarding approved budgets and current tax rates for the subject properties. 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 provided the New York State District Report Cards and the Fiscal Accountability Summary reports specific to the South Country CSD. This information allows for an analysis of how the school district's enrollment.

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," and the "laborers and freight, stock and material movers, hand" occupations in the Long Island labor market. These wages were assumed for each of the workers responsible for the construction and operations of the proposed project.

United States Census Bureau provides pertinent demographic data for the hamlet of North Bellport, Town of Brookhaven, and the South Country CSD.

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 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 commercial structures" industry, which includes warehouses according to IMPLAN descriptions, 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 "General warehousing and storage" industry were

analyzed to determine the direct, indirect, and induced economic impacts during the annual operations of the proposed project. A summary of these impacts can be found in **Section 3.2.1** and **Section 3.2.2** of this analysis.

3.0 ECONOMIC AND FISCAL IMPACTS

As noted in **Section 1.0**, this analysis summarizes the existing conditions and the economic and fiscal impacts associated with the development of a four-building warehouse use with a total of 528,892 square-feet of area, consisting of 497,052 square-feet of warehouse space and 31,840 square-feet of office space (of which, 5,392 square-feet is optional office space) in the hamlet of Bellport, Town of Brookhaven. 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 subject to any tax deferral and PILOT arrangements. It is noted that these analyses are based on conditions approximately 30 months into the coronavirus pandemic and therefore represent conditions as the construction industry regains momentum and the economy stabilizes in post-pandemic conditions.

The proposed project will generate immediate construction jobs as well as increased job opportunities related to the operations and management of the facility. The proposed project will create strong economic activity by providing jobs and a solid tax base. The proposed project will also increase the distribution of tax ratables throughout the Town and 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 Bellport community, the Town of Brookhaven, Suffolk County, and the region as a whole.

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 economic and fiscal impact analyses.

3.1 Definition of Economic Impacts

A *direct impact* arises from the first round of buying and selling. 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. An *indirect impact* refers to the increase in sales of other industry sectors, which include further round-by-round sales. An *induced impact* accounts for the changes in output and labor income by those employed within the region, 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 of these impacts are temporary and are 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 was assumed that construction of the proposed project will commence in September 2023, with the construction period anticipated to occur over a period of 15 months.¹
- The proposed project is projected to represent over \$51.8 million² in construction costs over the 15-month construction period.³ This \$51.8 million in direct annual output is projected to generate an indirect impact of nearly \$10.2 million, and an induced impact of an additional \$14.8 million, bringing the total economic impact output to over \$76.8 million during the 15-month construction period.⁴
- 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 211.2 full time equivalent (FTE) jobs, which are anticipated to last the entire duration of the 15-month construction period.
- The 211.2 FTE jobs created during the construction period will have an indirect impact of 43.96 FTE employees and an induced impact of 87.44 FTE employees in other industry sectors, bringing the total impact of the 15-month construction period to 342.61 FTE jobs.⁵
- 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.⁶

¹ Construction schedule provided by applicant in September 2021 and revised in October 2022.

² For the purpose of this analysis, this figure and all other figures in the construction portion of this analysis reflect 2023 dollars, the year in which construction is assumed to commence.

³ Construction costs provided by applicant in September 2021, and include construction of the buildings. It is important to note that all costs are estimates based upon market conditions as of the date of preparation of this analysis.

⁴ According to IMPLAN, a multiplier of 1.720035 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 commercial structures” (IMPLAN Sector 55) in Suffolk County, New York.

⁵ According to IMPLAN, a multiplier of 12.015997 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 commercial structures” (IMPLAN Sector 55) in Suffolk County, New York.

⁶ Construction/renovations labor and materials estimates per architectural design group Nelson + Pope.

- Labor income is projected to total \$94,990 per employee⁷ for the 15-month construction period, resulting in \$20.7 million in collective earnings among the 211.20 FTE employees. This labor income is projected to have an indirect impact of over \$3.5 million and an induced impact of over \$5.1 million, bringing the total economic impact of the 15-month construction period to over \$29.4 million in labor income.⁸

A summary of key economic findings projected to occur during the 15-month construction period is provided in **Table 3**.

TABLE 3
SUMMARY OF KEY ECONOMIC FINDINGS DURING 15-MONTH CONSTRUCTION PERIOD

Impact Type	Output (Total Revenue)	Employment (Total Number of FTE Jobs)	Labor Income (Total Wages)
Direct Impact	\$51,852,187	211.20	\$20,740,875
Indirect Impact	\$10,198,091	43.96	\$3,575,518
Induced Impact	\$14,826,659	87.44	\$5,111,698
Total Impact	\$76,876,937	342.61	\$29,428,091

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

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. As previously noted, these projections anticipate stabilization of the economy in post-pandemic conditions.

- It is assumed that the proposed project will begin the operational phase of development upon the completion of the 15-month construction period, which is anticipated to occur in late 2024/early 2025. For the purpose of this analysis, the first year of stabilized operations is assumed to occur in the second full year of operations in 2026.

⁷ New York State Department of Labor’s Occupational Employment Statistics survey reports a mean wage of \$71,630 among those employed within construction and extraction occupations in the Long Island labor market. Data was collected between November 2017 and May 2020, and then updated to the first quarter of 2021 by making cost-of-living adjustments. An additional 3% increase per year was added to the average annual wage to approximate salaries in 2023, the year construction is anticipated to commence.

⁸ According to IMPLAN, a multiplier of 0.849992 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 commercial structures” (IMPLAN Sector 55) in Suffolk County, New York.

- Annual output will be generated in the form of monthly rental rates for the facility totaling \$6,875,596 (direct impact).
- The annual operational revenues are projected to generate an indirect impact of \$2.2 million, and an induced impact of over \$4.1 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 \$13.2 million during annual operations.⁹
- The proposed project is anticipated to generate 132.2 FTE jobs on site.¹⁰
- The 132.2 FTE jobs will have an indirect impact of 12.2 FTE employees and an induced impact of 23.4 FTE employees in other industry sectors, bringing the total economic impact of employment to 167.8 FTE jobs during annual operations.¹¹
- The 132.2 FTE jobs will generate a total of \$5.9 million in collective labor income.¹² This labor income will have an indirect impact of nearly \$700,000 and an induced impact of over \$1.4 million, bringing the total economic impact of labor income to over \$8.0 million during a stabilized year of operations of the proposed project.¹³

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

⁹ According to IMPLAN, a multiplier of 1.771282 represents the total dollar change in output that occurs in all industries for each additional dollar of output delivered to final demand by the “General Warehousing and Storage” (IMPLAN Sector 422) in Suffolk County, New York.

¹⁰ Assumptions pertaining to the direct employment based on 1 employee per 4,000 square-feet of warehousing space, based on similar projects completed by the applicant. It is important to note that all assumptions are estimates based upon market conditions as of the date of preparation of this analysis.

¹¹ According to IMPLAN, a multiplier of 14.418539 represents the total dollar change in employment that occurs in all industries for each additional dollar of output delivered to final demand by the “General Warehousing and Storage” (IMPLAN Sector 422) in Suffolk County, New York.

¹² Assumptions pertaining to the employment compensation based on New York State Department of Labor’s Occupational Employment Statistics survey, which reports a mean wage of \$37,280 among those employed within “laborers and freight, stock, and material movers, hand” occupations in the Long Island labor market. Data was collected between November 2017 and May 2020, and then updated to the first quarter of 2021 by making cost-of-living adjustments. It is important to note that all assumptions are estimates based upon market conditions as of the date of preparation of this analysis. A multiplier of 1.206112962 was applied to the annual salary to account for benefits.

¹³ According to IMPLAN, a multiplier of 0.734022 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 the “General Warehousing and Storage” (IMPLAN Sector 422) 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	\$6,875,596	132.2	\$5,945,261
Indirect Impact	\$2,237,315	12.2	\$699,208
Induced Impact	\$4,118,646	23.4	\$1,421,639
Total Impact	\$13,231,557	167.8	\$8,066,108

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

3.2.3 Existing Fiscal Conditions

- According to the U.S. Census Bureau, there are 10,468 persons residing within 3,524 housing units in the hamlet of Bellport, and 482,671 persons residing within 175,957 housing units in the Town of Brookhaven.¹⁴
- The vast majority of assessed parcels in the Town of Brookhaven are residential properties, comprising 74.0% of the total number of parcels. However, such properties comprise 46.9% of the Town’s tax base and cause the greatest burden on community services.
- The Town of Brookhaven adopted a budget for 2021 of \$307.1 million¹⁵ and have prepared a tentative 2022 budget of \$316.8 million.¹⁶ Suffolk County adopted a 2021 budget of \$3.197 billion¹⁷ and prepared a recommended 2022 budget of \$4.742 billion.¹⁸
- The proposed project is located within the South Country CSD and will result in additional revenue for the school district. The latest Census estimates suggest that 90.5% of all school-aged children who are enrolled in school and reside within the school district boundaries attended public schools; the remaining 9.5% of school-aged children attend private schools.
- Student enrollment within the South Country CSD has decreased by 411 students, or - 9.3%, over the ten (10) years between the 2011-12 and 2020-21 academic years.¹⁹
- According to the New York State School Report Card Fiscal Accountability Summary for the South Country CSD, expenditures averaged \$14,730 per general education student and \$44,978 per special education student during the 2017-18 academic year. During

¹⁴ 2020 American Community Survey 5-Year Estimates, via the U.S. Census Bureau.

¹⁵ Town of Brookhaven, “2021 Adopted Budget.”

¹⁶ Town of Brookhaven, “2022 Tentative Budget.”

¹⁷ Suffolk County, “2021 Adopted Operating Budget.”

¹⁸ Suffolk County, “2022 Recommended Operating Budget.”

¹⁹ New York State Education Department.

this year, 663 students, or 13.7% of the students within the South Country CSD, were enrolled in the special education program.²⁰

- The South Country CSD adopted a 2020 budget with expenditures totaling \$140,522,757, of which over \$83.1 million is spent on education and over \$29.5 million is spent on employee benefits, and revenues totaling \$142,265,111, of which over \$58.5 million is levied through real property taxes and assessments, over \$56.2 million through state aid, and over \$6.5 million through federal aid.²¹
- The South Country CSD adopted a balanced budget for the 2021-22 academic year, with revenues and expenditures totaling \$142,798,980.²²
- Prior to the coronavirus pandemic of 2020-21, 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 through 2022. As of July 2022, approximately 9,400 persons – 3.6% of the Town’s labor force – are unemployed. While it is important to note that these data have not been seasonally adjusted, the trends recorded as of July 2022 were about the same as unemployment rates in Suffolk County (3.4%) and Long Island (3.3%) and slightly lower than statewide (4.8%) unemployment rates at that time.²³
- Under existing conditions, the parcels that comprise the subject property are estimated to generate existing taxes of \$91,761 per Town tax bills. The tax rates and distribution of existing taxes are provided in **Table 5**.

²⁰ New York State Education Department. These data represent the most currently published data at the time of submission of this analysis.

²¹ Office of the New York State Comptroller.

²² South Country Central School District.

²³ New York State Department of Labor.

**TABLE 5
 EXISTING TAX REVENUE GENERATION**

2021-22 Taxing Jurisdiction	Current Tax Rates (per \$100 Assessed Valuation)	Current Tax Revenue (all parcels)	Percent of Total Tax Revenue
TOTAL SCHOOL TAXES	254.400	\$63,404	69.1%
School Tax	240.980	\$60,059	65.5%
Library Tax	13.420	\$3,345	3.6%
TOTAL COUNTY TAXES	45.907	\$11,441	12.5%
County of Suffolk	3.053	\$761	0.8%
County of Suffolk- Police	42.854	\$10,681	11.6%
TOTAL TOWN OF BROOKHAVEN TAXES	25.012	\$6,234	6.8%
Town - Town Wide Fund	5.956	\$1,484	1.6%
Highway- Town Wide Fund	1.617	\$403	0.4%
Town- Part Town Fund	1.929	\$481	0.5%
Highway- Part Town Fund/Snow Removal	15.510	\$3,866	4.2%
TOTAL OTHER TAXES	42.860	\$10,682	11.6%
New York State MTA Tax	0.147	\$37	0.0%
Open Space Preservation	2.272	\$566	0.6%
Fire Districts- Brookhaven	22.626	\$5,639	6.1%
Lighting Districts- Brookhaven	1.200	\$299	0.3%
Ambulance District- South Country	12.626	\$3,147	3.4%
Real Property Tax Law	3.081	\$768	0.8%
Out of County Tuition	0.694	\$173	0.2%
Suffolk County Community College Tax	0.214	\$53	0.1%
TOTAL: ALL TAXING JURISDICTIONS	368.179	\$91,761	100.0%

Source: Town of Brookhaven Statement of Taxes 2021-22; Analysis by Nelson, Pope & Voorhis, LLC

3.2.4 Anticipated Fiscal Impacts

- For taxing purposes, the total estimated market valuation of the proposed project is based upon the anticipated rental rates of the proposed buildings during a stabilized year of operations, resulting in gross annual rents of over \$6.8 million.²⁴ A vacancy loss of 5% and a 20% expense ratio results in a net income of over \$5.1 million. When applying a capitalization rate of 0.1 and an equalization rate of 0.74%, the estimated assessed valuation of the proposed project during a stabilized year of operations is approximately \$381,596. This is shown in **Table 6**.

**TABLE 6
 PROJECTED ASSESSED VALUATION**

Parameter	Value
Gross Annual Rents	\$6,875,596
Vacancy Loss	5%
Expense Ratio	20%
Net Operating Income	\$5,156,697
Capitalization Rate	0.1
Estimated Market Value	\$51,566,970
2020-21 Equalization Rate	0.74%
Assessed Value: Proposed Project	\$381,596

Source: Applicant; Town of Brookhaven Assessor’s Office; Analysis by Nelson, Pope & Voorhis, LLC.

- 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. The projection of tax revenues is useful in determining future taxation and in assisting with an understanding of existing and future taxes to help structure a PILOT agreement.
- During a stabilized year of operations and full taxation, the proposed project is projected to generate approximately \$1,309,510 in annual property taxes. This represents a net increase of over \$1,217,749 per year when compared to existing site conditions. The distribution of tax revenues is shown in **Table 7**.
- 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 Brookhaven Assessors Office, as well as the total projected assessed valuation for the proposed project upon a stabilized year of operations. 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

²⁴ Annual rental rates of \$13 per square-foot provided by the applicant in September 2021.

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**

2021-22 Taxing Jurisdiction	Current Tax Revenue (all parcels)	Projected Tax Revenue	Change in Tax Revenue	Percent of Total Tax Revenue
TOTAL SCHOOL TAXES	\$63,404	\$970,779	\$907,375	69.1%
School Tax	\$60,059	\$919,569	\$859,510	65.5%
Library Tax	\$3,345	\$51,210	\$47,865	3.6%
TOTAL COUNTY TAXES	\$11,441	\$175,179	\$163,738	12.5%
County of Suffolk	\$761	\$11,650	\$10,889	0.8%
County of Suffolk- Police	\$10,681	\$163,529	\$152,848	11.6%
TOTAL TOWN OF BROOKHAVEN TAXES	\$6,234	\$95,445	\$89,211	6.8%
Town - Town Wide Fund	\$1,484	\$22,728	\$21,243	1.6%
Highway- Town Wide Fund	\$403	\$6,170	\$5,767	0.4%
Town- Part Town Fund	\$481	\$7,361	\$6,880	0.5%
Highway- Part Town Fund/Snow Removal	\$3,866	\$59,185	\$55,320	4.2%
TOTAL OTHER TAXES	\$10,682	\$163,552	\$152,870	11.6%
New York State MTA Tax	\$37	\$561	\$524	0.0%
Open Space Preservation	\$566	\$8,670	\$8,104	0.6%
Fire Districts- Brookhaven	\$5,639	\$86,340	\$80,701	6.1%
Lighting Districts- Brookhaven	\$299	\$4,579	\$4,280	0.3%
Ambulance District- South Country	\$3,147	\$48,180	\$45,033	3.4%
Real Property Tax Law	\$768	\$11,757	\$10,989	0.8%
Out of County Tuition	\$173	\$2,648	\$2,475	0.2%
Suffolk County Community College Tax	\$53	\$817	\$763	0.1%
TOTAL: ALL TAXING JURISDICTIONS	\$91,761	\$1,309,510	\$1,217,749	100.0%

Source: Town of Brookhaven Statement of Taxes 2021-22; Analysis by Nelson, Pope & Voorhis, LLC

- The proposed project includes the development of warehouse space and therefore, will not generate additional students to the South Country Central School District. The proposed project is anticipated to levy approximately \$919,569 in property tax revenues for the South Country Central School District, 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.

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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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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
Eastern Suffolk Submarket Overview, Newmark,
3/20/2024

Eastern Suffolk Submarket Overview

An architectural rendering of a modern, multi-story industrial building with a light grey facade and large glass windows. The building is set against a blue sky with scattered white clouds. In the foreground, there is a paved area with a few cars and people walking, suggesting a functional industrial or commercial site. A large, semi-transparent circular graphic is centered over the image, containing the text 'EASTERN SUFFOLK CLASS A INDUSTRIAL NEW CONSTRUCTION PIPELINE'.

**EASTERN SUFFOLK
CLASS A INDUSTRIAL
NEW CONSTRUCTION
PIPELINE**

Eastern Suffolk – New Construction Pipeline

With 2.5 million square feet proposed across 9 developments in the Eastern Suffolk submarket, the pipeline is expected to continue as demand for Class A space remains strong. With notable tenants such as; National Grid, Iron Mountain and Tate’s Cookies all committing to long term & sizable leases, developers continue to push to get their projects underway.

Eastern Suffolk Submarket – Defined as exits 59 to 73 on the Long Island Expressway

#	Address	Multi or Single Tenant Bldg.	Total SF	Available SF	Leased SF	Clear Ht (Ft)	Dock Doors	Drive Ins	Status (Existing, U/C, Proposed)	Delivery/Availability Year	Delivery/Availability Quarter	Car Parking	Trailer Parking	# of Access Points	Truck Yard Depth (Ft)	Owner	Comments
1	495 Logistics Center, Medford, NY	Multi / Single	228,000	228,000	-	36	39	2	Proposed	2026	TBD	570	TBD	2	140	Colin Development	
2	10 Donald’s Way, Medford, NY	Multi / Single	140,895	39,505	101,390	28	15	4	U/C - Partially Leased	2024	TBD	209	TBD	3	110	Rechler Equity Partners	101,390 SF Leased to National Grid with an additional 6.5 of useable land. Can accommodate up to 600,000+ SF of future construction situated on a 73 acre site Sewers Divisible from 30,000 SF and up.
3	Donald’s Way, Medford, NY	Multi / Single	600,000	600,000	-	28	TBD	TBD	Proposed	2025	TBD	TBD	TBD	TBD	TBD	Rechler Equity Partners	73 acre site Has sewers Divisible from 30,000 SF and up.
4	Medford Logistics Center 645 National Blvd, Medford, NY	Multi / Single	129,237	129,237	-	36	18	4	Delivered	2024	Q1	266 + 33 Land banked Stalls	TBD	2	TBD	Wildflower LTD	Divisions 30,000 SF and up.
5 A	Airef Station Road Logistic Center - Bellport, NY 11713	Multi / Single	110,617	110,617	-	36	20	TBD	Proposed	2026	TBD	70	8	2	140'	Ares Industrial	Proposed New Development
5 B	Airef Station Road Logistics Center - Bellport, NY 11713	Multi / Single	215,667	215,667	-	36	54	TBD	Proposed	2026	TBD	194	64	2	132	Ares Industrial	Proposed New Development
5 C	Airef Station Road Logistics Center - Bellport, NY 11713	Multi / Single	101,267	101,267	-	36	25	TBD	Proposed	2026	TBD	95	20	2	132	Ares Industrial	Proposed New Development
5 D	Airef Station Road Logistics Center - Bellport, NY 11713	Multi / Single	101,267	101,267	-	36	25	TBD	Proposed	2026	TBD	98	22	2	132	Ares Industrial	Proposed New Development
6	Airef Station Road Logistics Center II - Yaphank, NY 11980	Multi / Single	332,970	332,970	-	36	64	TBD	Proposed	2026	TBD	507	70	2	136'	Ares Industrial	Proposed New Development
7 A	LIE - Brookhaven Logistics Center (Building #1)	Multi / Single	203,548	203,548	-	36	38	4	Delivered	2024	Q1	263	TBD	2	80	Wildflower LTD	On the LIE (Exit 66) in an emerging tertiary market. Divisions 40,000 SF plus - On sewers
7 B	LIE - Brookhaven Logistics Center (Building #2)	Multi / Single	176,670	176,670	-	36	32	3	Delivered	2024	Q1	259	TBD	2	80	Wildflower LTD	On the LIE (Exit 66) in an emerging tertiary market. Divisions 40,000 SF plus - On sewers
7 C	LIE - Brookhaven Logistics Center (Building #3)	Multi / Single	169,724	169,724	-	36	30	3	Delivered	2024	Q1	245	TBD	2	80	Wildflower LTD	On the LIE (Exit 66) in an emerging tertiary market. Divisions 40,000 SF plus - On sewers
8	Northpoint - Long Island Rail Terminal	Multi / Single	584,872	584,872	-	40	58 Expandable to 120	3	Proposed	2025	TBD	384	138	4	130 (185 with trailer parking)	Northpoint	Project experiencing delays.
9 A	Precision Innovation Park Precision Drive, Shirley, NY (Building 1)	Single	150,000	-	150,000	36	28	2	Delivered - Leased	2023	Q2	150 + 100 Land banked Stalls	28	3	205	Scannell Properties	Leased to Tates Cookies a subsidiary of Mondelēz
9 B	Precision Innovation Park Precision Drive, Shirley, NY (Building 2)	Single	250,000	250,000	-	40	42	2	Proposed	2026	TBD	250	52	3	205	Scannell Properties	Site plan approved. Tax IDA available. Contiguous to Building 1 property.

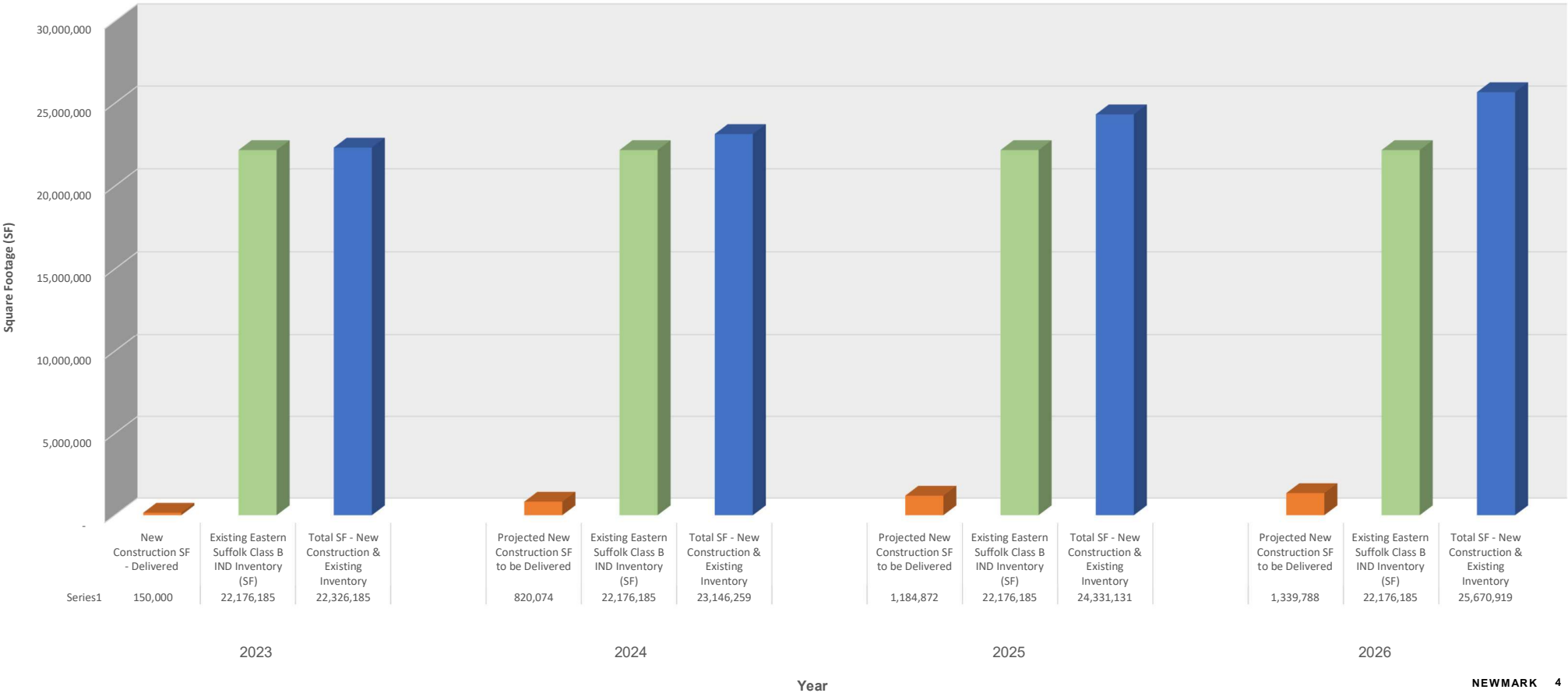
TOTALS	SF
Proposed:	2,524,660
Under Construction (U/C):	39,505
Leased/Pre-Leased:	251,390
Delivered & Available:	679,179
Total SF:	3,494,734

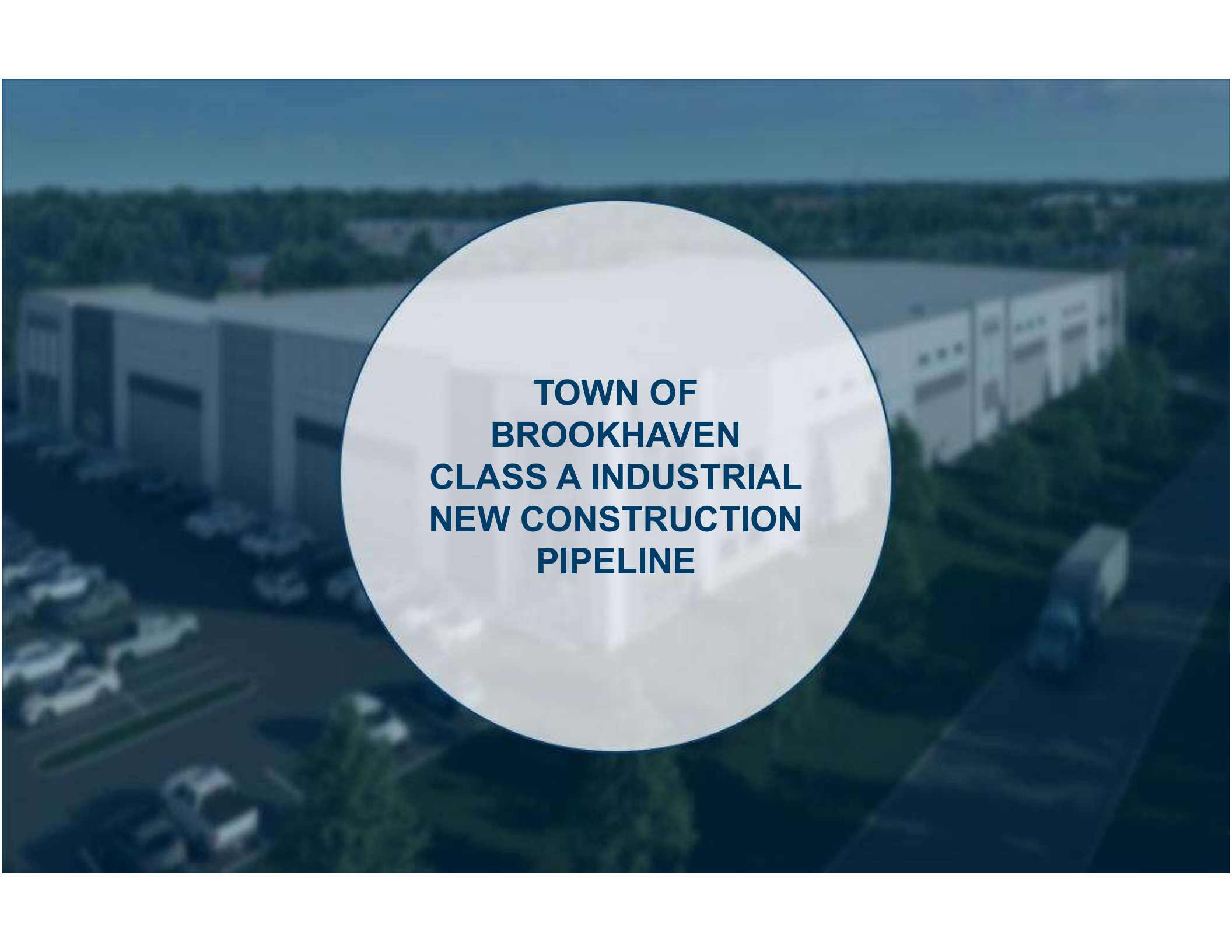
Industrial Supply Grows as Pipeline Remains Robust

Delivered class A new construction makes up ~3.7% of the total industrial inventory in the Eastern Suffolk submarket. Long Island's attractive demographics and densely populated region continue to demonstrate the need for national suppliers to have "hubs" or small distribution centers strategically located to service eastern Long Island. With current and projected vacancy rates well below the national average of 4.8%, Suffolk County continues to benefit from seasoned and established developers eager to invest in the region.

Eastern Suffolk Submarket – Defined as exits 59 to 73 on the Long Island Expressway

Eastern Suffolk Industrial Inventory



An aerial photograph of an industrial facility, likely a manufacturing plant or warehouse, with a large white circular overlay in the center. The overlay contains the following text:

**TOWN OF
BROOKHAVEN
CLASS A INDUSTRIAL
NEW CONSTRUCTION
PIPELINE**

Town of Brookhaven

NEWMARK

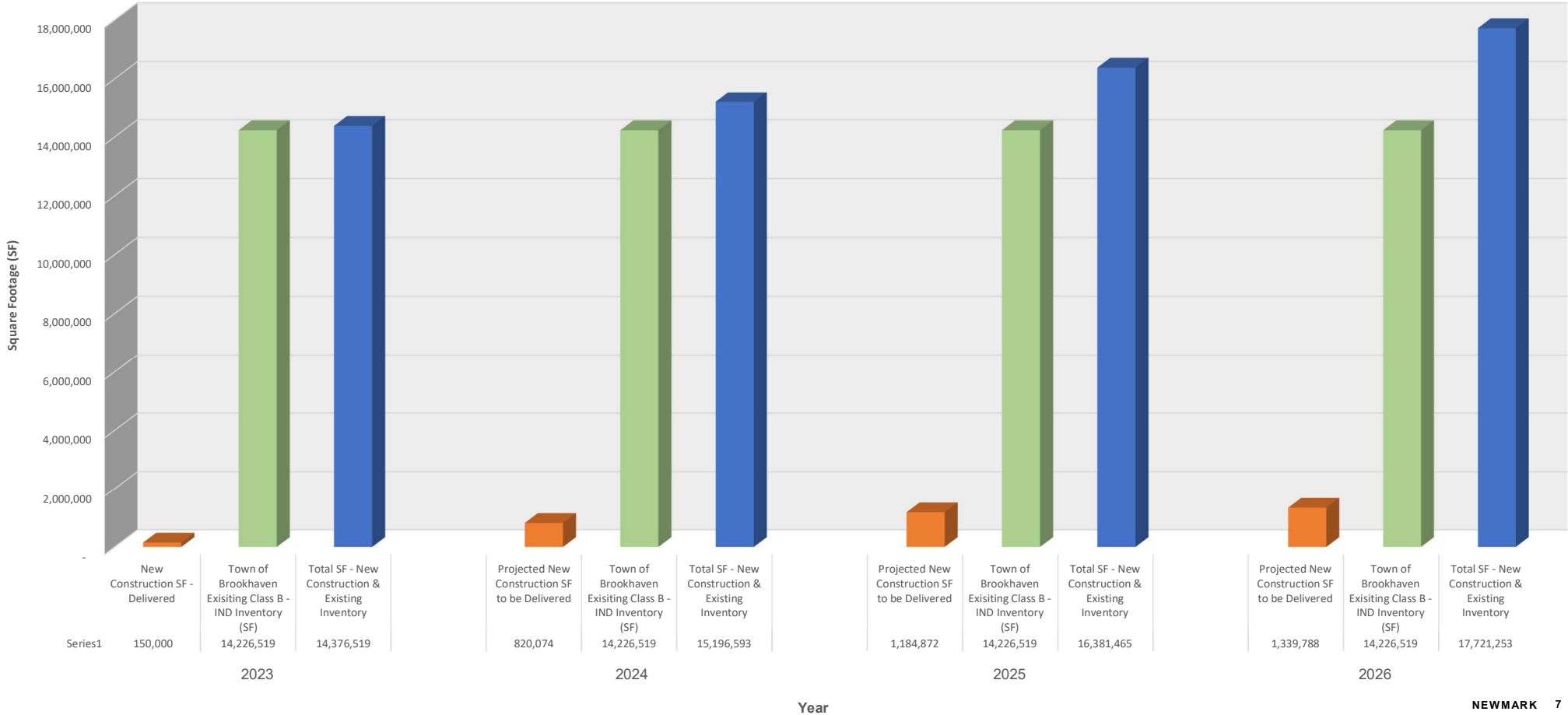


Town of Brookhaven

Trends continue to point towards an eastern migration for both consumers, and companies looking to service a growing population. Delivered class A new construction makes up ~4.7% of the total industrial inventory in the Brookhaven Township with the overall vacancy rate remaining at a healthy ~3%.

Town of Brookhaven Submarket

Town of Brookhaven Industrial Inventory



Suffolk County – “Tenants in the Market”



MARKET	TENANT	REQUIREMENT (SF)	NOTES
Western Suffolk	Rivian	50,000	New Market Entrant
Eastern Suffolk	Home Depot	350,000- 500,000	New Market Entrant
Western Suffolk	Red Bull	60,000	New Market Entrant
Suffolk	Allen Machine Products	50,000	Relocation from Town of Smithtown
Eastern Suffolk	Modern Italian Bakery	75,000 - 100,000	Expansion from Town of Islip
Western Suffolk	Walkers Shortbread	50,000	Expansion from Town of Smithtown
Western Suffolk	Medysis	80,000- 125,000	Consolidation from Town of Huntington & Islip
Western Suffolk	AAR	60,000	Consolidation from Nassau County
Suffolk	GE	50,000	Relocation from Town of Islip
Suffolk	Energy Efficient Solutions	100,000	Relocation from Nassau County
Suffolk	Piece Mngt Inc.	100,000 - 125,000	New Market Entrant
Eastern Suffolk	Quality Enclosures	75,000	Expansion
Suffolk	Skyline Paper	50,000	Expansion
Eastern Suffolk	Premier Care	50,000 - 60,000	Expansion from Town of Smithtown
Eastern Suffolk	Blue Bird Warehouse	100,000 -125,000	Expansion/ Relocation from Town of Islip
Suffolk	Nationwide Displays	90,000	Expansion/ Relocation from Town of Islip
Suffolk	Nassau Candy	125,000	Expansion from Nassau County & Town of Islip
Suffolk	H&M USA	70,000 - 100,000	Expansion from Nassau County
Suffolk	Sam Tell	60,000 - 70,000	Expansion from Town of Babylon
Suffolk	Target	250,000 - 350,000	New Market Entrant
Suffolk	NTT Data	50,000	Relocation from Town of Huntington
Total		~ 2,220,000	

Note: "Suffolk" delineates companies looking in either Western or Eastern Suffolk County.

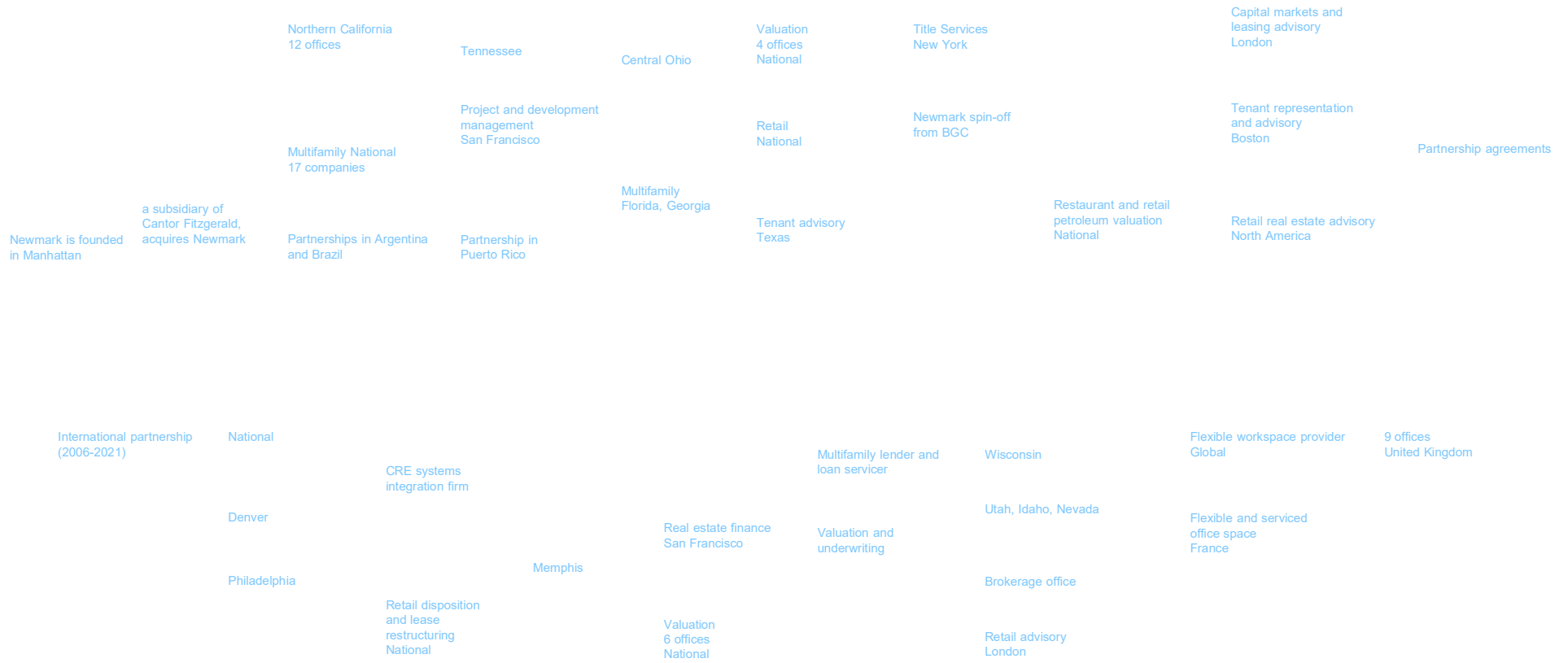


**MARKET
TAKEAWAYS AND
CONCLUSIONS**

EASTERN SUFFOLK SUBMARKET - TAKEAWAYS AND CONCLUSIONS

- Although a new supply of inventory exists, the continued population migration eastward has sparked a flurry of new entrants into the Eastern Suffolk Submarket.
- As new national tenants enter the market, other industries will either directly or indirectly benefit. Those companies will bolster demand for the existing class B and C inventory.
- Historically low vacancy rates compared to the national average are forecasted to remain in place.
- Even with a robust pipeline of new development slated for delivery, alternative sites that are suitable for E-commerce and island-wide distribution remain limited for future development.

COMPANY OVERVIEW



Newmark By The Numbers

6,700

PROFESSIONALS

~180

OFFICE LOCATIONS

\$2.7B

2022 REVENUES

~\$1T

TRANSACTION VOLUME
2021 + 2022

55+

COMPANIES ACQUIRED,
SINCE 2011

90+

YEARS IN BUSINESS,
FOUNDED IN 1929

INTEGRATED SERVICES PLATFORM

Capital
Markets

Landlord
Representation

Property
Management

Tenant
Representation

Global Corporate
Services

Valuation &
Advisory

Notes: Headcount and office locations include business partners. Excluding these business partners, we had nearly 7,000 employees in approximately 145 offices as of September 30, 2023. Our revenues and volumes are for Newmark company-owned offices only, for the trailing twelve months ending September 30, 2023. Volume figure is the notional value of all leasing, investments sales, mortgage brokerage, and GSE/FHA origination transacted by the Company as well as the estimated value of all properties appraised by our V&A business for the trailing two years.

Global Client Service Locations

Newmark's company-owned offices and business partners

As one of the fastest-growing capital markets practices in the world, Newmark equips clients for the future with dynamic thinking and unique insight into rapidly evolving market trends.

Newmark's fast-growing Capital Markets platform equips clients for the future with dynamic thinking and unique insight into rapidly evolving market trends. From our unmatched talent to our collaborative culture, the group provides clients with tailored advice to meet all their capital market needs. We bring innovative strategies to investment sales and debt placement as well as joint ventures, partial interest or preferred equity capital. Our superior reach and influence unlock unparalleled access to the most aggressive institutional and private capital globally.

\$151.2B

CAPITAL MARKETS & ORIGINATION VOLUME*

*Newmark's company-owned offices only, for the trailing twelve months ending 3/31/2022

Real Estate Alert Awards*

#2 TOP BROKERS OF MULTIFAMILY PROPERTIES 2021 & 2020

#4 TOP BROKERS IN SALES OF OFFICE PROPERTIES 2021

#4 TOP OVERALL BROKERS IN COMMERCIAL PROPERTIES 2021

#5 TOP BROKERS OF RETAIL PROPERTIES 2021

#5 TOP BROKERS OF INDUSTRIAL PROPERTIES 2021 & 2020

#5 TOP BROKERS OF HOTELS 2021

#5 TOP ORIGINATORS OF LOANS BACKING STRUCTURED AGENCY CMBS 2021

* Real Estate Alert – Brokers representing sellers in deals of at least \$25M

Our Full Range of Real Estate Capital Markets Services includes:

- Investment Sales
- Debt, Equity and Structured Finance
- Office Capital Markets
- Industrial Capital Markets
- Retail Capital Markets
- Multifamily Capital Markets
- Healthcare and Alternative
- Real Estate Assets
- Lodging Capital Markets
- Self-Storage Capital Markets
- Private Capital Markets
- Net Lease Capital Markets
- Loan Sales Advisory and Asset Resolution Services
- Corporate Capital Markets
- Life Science Capital Markets
- Medical Office Capital Markets