

# The Preserve at East Moriches, LLC Economic and Fiscal Impact Analysis

Prepared by:



Prepared for:  
Town of Brookhaven IDA  
The Preserve at East Moriches, LLC

Date:  
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## Executive Summary

The Preserve at East Moriches, LLC (the “Developer”) is proposing a real estate development project consisting of a 70-unit independent senior living rental apartment complex (the “Project”) in the Town of Brookhaven (the “Town”) on approximately 22 acres of land at 91 Montauk Highway, East Moriches, NY (the “Site”). The Project includes a total of 70 units, with 7 units reserved for households earning up to 120% of the area median income (AMI), 7 units reserved for households earning up to 80% of AMI, and 56 market-rate units. The Project will also include the construction of an on-site community building, several outdoor recreation areas, and a walking path.

The following analysis included an examination of the local market’s ability to support the Project and the expected economic and fiscal impacts associated with the Project on Suffolk County (the “County”) and the Town. MRB Group modeled the economic impacts of the construction of the Project in terms of direct and indirect jobs and earnings in the region. We also modeled the annual economic impacts post-construction based on our estimates of “net new” household spending from future occupants of the Site. In terms of fiscal impacts, we modeled the fiscal benefit of the increase in tax revenue generated by the Project and the fiscal costs associated with the Developer’s requested tax abatement.

### Market Review Conclusions

Demographic trends in the Town of Brookhaven suggest a growing need for independent senior housing options that will allow residents to downsize and age in place. From a real estate market point of view, the Project appears to be well-positioned in a market characterized by strong demand fundamentals. Over the last ten years, vacancy rates have remained below 5% in the multifamily rental market, despite several new deliveries.

### Impact on School Enrollment

The Project is an age-restricted 55+ apartment community targeted at seniors wanting to age in place. Therefore, we assume the project will have no impact on school enrollment for the local school district.

### Economic Impacts

During the Project’s construction phase, we estimate 106 direct jobs earning \$6.7 million in wages. When coupled with the indirect impacts, we estimate the total impact of the Project will be 158 jobs earning \$10.5 million in wages over the construction period.

Upon completion of the Project, we estimate a total of 28 ongoing (permanent) jobs will be created in the Town due to the spending of the new households and the operations of the Project, with total annual earnings of \$1.5 million (figures may not sum due to rounding).<sup>1</sup>

### Fiscal Impacts

In terms of fiscal benefits, the Project will increase tax revenues for the County, Town, and School District. We estimate that the County will earn sales tax revenue of approximately \$85,108 during the construction period, resulting from a portion of the construction phase earnings being spent locally. The Developer has proposed a PILOT abatement schedule for the Agency’s consideration with a 15-year term. Over the life of the PILOT, we estimate the County will receive \$30,545 in sales tax from the operation phase earnings being spent locally and \$517,174 in sales tax from new household spending. Over that same time, the Project will generate \$3.6 million more revenue than property taxes without the Project. This additional revenue will be allocated proportionally to the applicable taxing jurisdictions. Therefore, we estimate that the fiscal benefits of the Project over the 15-year PILOT, including construction and operation phases, would be approximately \$4.2 million.

### Summary of Economic Impacts

	Direct	Indirect	Total
Construction Jobs	106	52	158
Construction Wages	\$6,713,883	\$3,801,379	\$10,515,262
Ongoing Jobs	20	8	28
Ongoing Wages	\$1,086,926	\$423,270	\$1,510,196

### Summary of Fiscal Benefits, Local Government

Source	Total
Sales Tax, Construction, One-time	\$85,108
Sales Tax, Operations, 15 Years	\$30,545
Sales Tax, Households, 15 Years	\$517,174
Increase in Property Tax Revenue, 15 Years	\$3,575,556
<b>Total Fiscal Benefits Over 15 Years</b>	<b>\$4,208,383</b>

<sup>1</sup> Note that the direct and indirect “Construction Jobs” and “Construction Wages” shown are with respect to the County, as such jobs tend to be pulled from a larger labor shed. The direct and indirect “Ongoing Jobs” and “Ongoing Wages” shown are with respect to the Town of Brookhaven.

Regarding the fiscal costs, the Developer has requested a sales tax exemption and a mortgage recording tax exemption of \$561,000 and \$112,050, respectively (County portion only). We estimate the cost of the PILOT exemption to be \$3.3 million over 15 years. The “cost” of the PILOT exemption is the difference between the anticipated PILOT payments and the estimated taxes on the full assessment. This cost is necessarily theoretical, as the Developer has stated that the Project cannot move forward without a PILOT inducement.

Summary of Exemptions

	Total
Cost of Sales Tax Exemption, One-Time, Local	\$561,000
Mortgage Recording Tax Exemption, Local	\$112,050
PILOT Exemption, 15 Years	(\$3,260,169)

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## Introduction

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The following analysis included an examination of the local market's ability to support the Project and the expected economic and fiscal impacts associated with the Project on Suffolk County (the "County") and the Town. MRB Group modeled the economic impacts of the construction of the Project in terms of direct and indirect jobs and earnings in the region. We also modeled the annual economic impacts post-construction based on our estimates of "net new" household spending from future occupants of the Site. In terms of fiscal impacts, we modeled the fiscal benefit of the increase in tax revenue generated by the Project and the fiscal costs associated with the Developer's requested tax abatement.

# Multifamily Real Estate Market Review

## Demographics

There are nearly half a million residents in the Town of Brookhaven. More than one in every three residents in the Town of Brookhaven (38%) is over the age of 50. In terms of householders, over half of the householders (51%) in the Town are over the age of 55.

### Brookhaven Profile

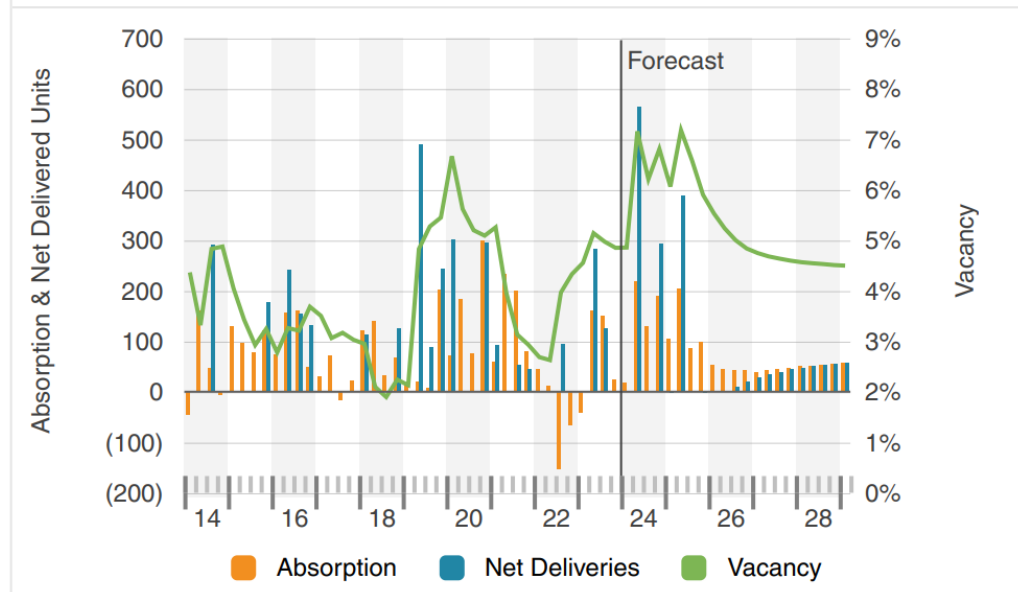
	2023
Total Population	485,642
Population 50+	185,024
% of Householders 55+	51%

Source: ESRI

## Local Real Estate Market

The Town of Brookhaven’s multifamily real estate market is characterized by strong fundamentals of high demand and low vacancy. In general, over the last ten years, multifamily (for-rent and for-sale) vacancy rates have largely remained below 5%. (An unusually high number of new deliveries contributed to a notable but temporary spike in the vacancy rate beginning in 2018.) Historical data from 2014 shows that newly delivered units are quickly absorbed in the area’s tight housing market.

### Absorption, Net Deliveries & Vacancy



Source: CoStar

As of Q1 2024, an estimated 168,990 housing units were occupied in the Town of Brookhaven. These housing units are primarily owner-occupied, with only 19%, or 32,108, of Brookhaven’s housing units estimated to be renter-occupied. In both the Town and County, there is a heavy reliance on owner-occupied housing, with limited renter options.

### Rental Units

	Total Occupied Housing Units	% of all Occupied Units	Renter-Occupied Units
Brookhaven	168,990	19.0%	32,108
Suffolk County	523,154	17.0%	88,936

Source: ESRI

### Affordability

Housing affordability in the Town of Brookhaven also indicates demand for additional multi-family residential units. “Brookhaven House and Home Expenditures,” shown in the table, encompasses the average annual spending of households on mortgage payments (or rent), insurance, tax, and property maintenance for owned dwellings. The Spending Potential Index (SPI) is a composite measure of household expenditures for the specified region compared to national averages. A high SPI means expenditures are relatively high compared to national averages, and an SPI of 100 means expenditures are the same as the national average. With a median home value of \$371,600, Owned Dwellings in the Town have significantly higher home expenditures than the national average. The Town’s SPI of 149 indicates owner-occupied housing may be in short supply/high demand. In this case, the tight housing market drives up the price of owner-occupied housing, indicating that new market-rate rental units would attract “net new” households to the area that would otherwise be priced out of the market. Median housing costs of \$1,775 per month for Rented Dwelling properties are also higher than the national average, with an SPI of 108.

### Brookhaven House and Home Expenditures

	Median Home Value / Contract Rent	SPI
Owned Dwelling	\$371,600	149
Rented Dwelling	\$1,775	108

Source: Consumer Spending data are derived from the 2021 and 2022 Consumer Expenditure Surveys, Bureau of Labor Statistics.

### Determination of Market Support

We used market statistics to make conclusions regarding a.) the level of support in the market for the Project and b.) the extent to which any of the units of the Project can be considered “net new” to the Town of Brookhaven. The consideration of “net new” units is a factor in the following economic impact analysis.



The Town's shifting demographics suggest an aging population, with over half of householders over 55. The Town's real estate market is characterized by strong fundamentals, as discussed previously. These trends and factors support the conclusion that the Project is well-positioned to be supported by the market.

### Determination of "Net New"

Before calculating the Project's economic impacts, we must determine how many of the future households of the Project can be considered "net new" to the Town. There are several circumstances under which households would be regarded as "net new":

- Out-of-area residents choosing to relocate to the Town because of the Project
- Current Town residents that would otherwise relocate outside of the Town if the option to live in the Project were unavailable
- Current Town residents that will move into the Project, freeing up their current Brookhaven residential space that will then be occupied by households relocating to the Town

Based on the project characteristics and market analysis, we consider all units of the Project as "net new" households for the Town.

## Economic Impact Analysis

The Project would have several economic impacts on the County and Town. These impacts include one-time impacts on jobs, earnings, and sales during the construction phase of the Project, which we estimate for the entire County. It also includes ongoing impacts related to household spending and the operations of the Project, which we estimate for the Town.<sup>2</sup>

### Methodology

Both one-time, construction-phase impacts and ongoing, operation-phase impacts have “Direct” and “Indirect” components. For the construction phase:

- Direct jobs, wages, and sales are those that occur on-site related to labor and materials used in the construction of the Project.
- Indirect jobs, wages, and sales are those caused by the Direct impacts and result from business-to-business purchases (e.g., a contractor buying a piece of equipment from a dealer) and from employees spending a portion of their wages locally.

For the operations phase:

- Direct jobs, wages, and sales are those jobs created from the operations of the Project (e.g., onsite employment of a maintenance person) and from new household spending occurring as a result of the Project.
- Indirect jobs, wages, and sales are those caused by the Direct impact, such as business-to-business purchases (e.g., a grocery store serving the new households will purchase goods from a distributor) and from employees of such businesses spending a portion of their wages locally.

To estimate the Direct and Indirect impacts, MRB Group employed the Lightcast<sup>3</sup> economic modeling system. We used data from the Developer and publicly available and proprietary data sources as inputs to the Lightcast modeling system. We adjusted the Lightcast model where needed to match the Project specifics.

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<sup>2</sup> By their nature, construction-related impacts tend to be somewhat more diffuse, which is why we report them as County-level impacts. Town-level impacts are measured based on the 37 ZIP codes that closely approximate the Town. See appendix.

<sup>3</sup> Lightcast, formerly “Emsi,” uses data from the U.S. Bureau of Labor Statistics, the U.S. Bureau of Economic Analysis, the U.S. Census, and other public data sources to model economic impacts.

## Construction Phase

The Developer has provided estimates of the total cost of construction of the Project and the percentage of labor and materials to be sourced from within the County. As shown in the table to the right, the Developer estimates that 85% of its \$20.5 million of materials and labor costs<sup>4</sup> would be spent locally, for a total of \$17.4 million of in-region construction spending.

### Construction Spending In Region

	\$ Total	% County	\$ County
Materials & Labor	\$20,500,000	85%	\$17,425,000

Source: Developer, MRB

In-region construction spending of \$17.4 million (direct “Sales” in the table) was then used as an input in the Lightcast economic modeling system, assigning the County as the geography of study. This spending results in 106 direct jobs and direct earnings of \$6.7 million. The model estimates that this will cause indirect impacts of 52 new jobs, \$3.8 million in new earnings, and \$11.2 million in new sales. Therefore, the total, one-time, construction-phase impacts would be 158 jobs, \$10.5 million in wages, and \$28.7 million in sales.

### Economic Impact of Construction Phase, One-Time

	Direct	Indirect	Total
Jobs	106	52	158
Earnings	\$6,713,883	\$3,801,379	\$10,515,262
Sales	\$17,425,000	\$11,239,750	\$28,664,750

Source: Lightcast, MRB

## Operation Phase

Construction phase impacts were measured at the County level to account for their dispersed nature. Conversely, the impacts of the operation phase are estimated at the Town level. We have used 37 ZIP Codes that approximate the Town of Brookhaven to model operational impacts.<sup>5</sup>

Operation phase impacts come from two sources. The largest source is the effect of “net new” household spending from the new units brought onto the market by the Project. The second source of operation phase impacts is the employment on Site that results from the operations of the Project, including maintenance and management personnel.

<sup>4</sup> Project budget from the Agency application, minus land, legal, and financing costs.

<sup>5</sup> A complete list of ZIP Codes included in the economic impact analysis is listed in Appendix A, where they are compared to the Town’s boundaries.

Households with differing incomes have different spending habits. As such, we have utilized different average annual household expenditures based on two relevant income brackets.<sup>6</sup> The first income bracket reflects the spending habits of households earning over \$100,000 - \$149,999 annually. We assume that the 63 households in this bracket will occupy all of the Project’s market-rate units and those workforce units reserved for households earning up to 120% of the area median income. The second income bracket displays the spending habits of households earning between \$70,000-\$99,999 annually, which we apply to the 7 units reserved for households earning no more than 80% of the area median income.

The large expanse of the Town’s geographical boundaries and the high concentration of retailers suggests that most of the households’ needs will be served by local businesses. To be conservative, we have estimated that 80% of this spending would occur in the Town of Brookhaven. Therefore, given 70 total units and the spending profiles and percentages shown, we estimate a total of \$2.6 million of new household spending would occur annually in the Town.

**Total New Household Spending**

	Annual per HH Spend	% Spent in Town	Units	Total New Spending
<b>Units with Household Incomes of \$100,000 - \$149,999</b>				
Food	\$12,381	80%	63	\$624,002
Household Furnishings and Equipment	\$3,006	80%	63	\$151,502
Apparel and Services	\$2,423	80%	63	\$122,119
Transportation	\$13,860	80%	63	\$698,544
Healthcare	\$7,029	80%	63	\$354,262
Entertainment	\$3,781	80%	63	\$190,562
Education	\$1,974	80%	63	\$99,490
Personal Care Products and Services	\$1,002	80%	63	\$50,501
Miscellaneous	\$1,324	80%	63	\$66,730
Other	\$459	80%	63	\$23,134
<b>Total, Market Rate Units</b>	<b>\$47,239</b>	<b>80%</b>	<b>63</b>	<b>\$2,380,846</b>
<b>Units with Household Incomes of \$70,000 - \$99,999</b>				
Food	\$9,214	80%	7	\$51,598
Household Furnishings and Equipment	\$2,744	80%	7	\$15,366
Apparel and Services	\$2,332	80%	7	\$13,059
Transportation	\$10,244	80%	7	\$57,366
Healthcare	\$5,451	80%	7	\$30,526
Entertainment	\$3,171	80%	7	\$17,758
Education	\$1,139	80%	7	\$6,378
Personal Care Products and Services	\$798	80%	7	\$4,469
Miscellaneous	\$1,056	80%	7	\$5,914
Other	\$566	80%	7	\$3,170
<b>Total, Affordable Units</b>	<b>\$43,049</b>	<b>80%</b>	<b>7</b>	<b>\$205,604</b>
<b>Grand Total</b>			<b>70</b>	<b>\$2,586,450</b>

Source: Consumer Expenditure Survey, U.S. Bureau of Labor Statistics, 2020 - 2021 "Table 3104. Northeastern region by income before taxes: Average annual expenditures and characteristics"

<sup>6</sup> We used data from the Consumer Expenditure Survey (CEX) of the Bureau of Labor Statistics as of December 2022, specific to the Northeast and the respective income levels.

MRB Group then took each of the above line items and applied that new household spending to one or more industry codes in Lightcast.<sup>7</sup> This resulted in an estimate of 17 direct jobs and \$906,926 in direct earnings that the spending of the new households will generate. Taken together with an estimate of indirect impacts, total household spending impacts include 23 jobs, \$1.3 million in earnings, and \$3.6 million in sales.

The Developer stated that it would hire 3 on-site employees for operations and maintenance with an average salary of \$60,000, totaling \$180,000 in annual earnings for the three positions. After combining the 3 direct jobs with the associated indirect impact of 2 jobs, the total impacts from operations and maintenance would be 5 jobs, \$218,231 in earnings, and \$911,828 in sales.

The combined impacts of household spending and impacts from operations and maintenance are displayed in the table to the right. As summarized in the last column, we anticipate that the Town will benefit from 28 jobs, \$1.5 million in earnings, and \$4.5 million in sales annually.

Economic Impact, New Household Spending

	Direct	Indirect	Total
Jobs	17	6	23
Earnings	\$906,926	\$385,039	\$1,291,966
Sales	\$2,586,450	\$1,041,603	\$3,628,053

Source: Lightcast, MRB

Economic Impact, Operations of Project

	Direct	Indirect	Total
Jobs	3	2	5
Earnings	\$180,000	\$38,231	\$218,231
Sales	\$598,042	\$313,786	\$911,828

Source: Lightcast, MRB

Economic Impact, Combined Annual Impact

	Direct	Indirect	Total
Jobs	20	8	28
Earnings	\$1,086,926	\$423,270	\$1,510,196
Sales	\$3,184,492	\$1,355,390	\$4,539,881

Source: Lightcast, MRB

<sup>7</sup> For example, for the "Food" line item, we applied one-half of the spending to the "supermarkets and other grocery stores" NAICS code (North American Industrial Classification System) and one-half to the "full service restaurants" NAICS code.

## Fiscal Impact Analysis

The Project would also have fiscal impacts in terms of new tax revenues.

### PILOT Schedule

The table to the right displays the Developer’s proposed PILOT schedule. The Developer has requested a 15-year PILOT term that would abate a portion of the improvement value associated with the Project. In Year 1, PILOT payments would include the Base Land Tax and 6.25% of the improvement value. Each year the percentage of the improvement value included in the PILOT payment will increase by 6.25% until the Project is fully taxable in Year 16.

### PILOT Schedule

Tax Year	Base Land Tax	Projected Improvement Tax	Improvement Phase-In	Total Improvement PILOT	Total PILOT
Year 1	\$9,259	\$395,279	6.25%	\$24,705	\$33,964
Year 2	\$9,444	\$403,185	12.50%	\$50,398	\$59,842
Year 3	\$9,633	\$411,248	18.75%	\$77,109	\$86,742
Year 4	\$9,826	\$419,473	25.00%	\$104,868	\$114,694
Year 5	\$10,022	\$427,863	31.25%	\$133,707	\$143,729
Year 6	\$10,223	\$436,420	37.50%	\$163,657	\$173,880
Year 7	\$10,427	\$445,148	43.75%	\$194,752	\$205,180
Year 8	\$10,636	\$454,051	50.00%	\$227,026	\$237,661
Year 9	\$10,848	\$463,132	56.25%	\$260,512	\$271,360
Year 10	\$11,065	\$472,395	62.50%	\$295,247	\$306,312
Year 11	\$11,287	\$481,843	68.75%	\$331,267	\$342,554
Year 12	\$11,512	\$491,480	75.00%	\$368,610	\$380,122
Year 13	\$11,743	\$501,309	81.25%	\$407,314	\$419,057
Year 14	\$11,978	\$511,336	87.50%	\$447,419	\$459,396
Year 15	\$12,217	\$521,562	93.75%	\$488,965	\$501,182
Year 16*	\$12,461	\$531,993	100.00%	\$531,993	\$544,455

\*First Year of Full Taxes

Source: Applicant; MRB Group

### PILOT Revenue

Absent the Project moving forward, the site will generate an estimated \$160,120 over 15 years. Under the proposed PILOT schedule, the Project will generate roughly \$3.7 million over 15 years. As shown in the table to the right, the proposed PILOT payments would generate \$3.6 million more in revenue for the local taxing jurisdictions than the Site without the Project. (Figures may not sum due to rounding.)

### PILOT Revenue

Tax Year	Base Land Tax	Total PILOT	Increase in Revenue
Year 1	\$9,259	\$33,964	\$24,705
Year 2	\$9,444	\$59,842	\$50,398
Year 3	\$9,633	\$86,742	\$77,109
Year 4	\$9,826	\$114,694	\$104,868
Year 5	\$10,022	\$143,729	\$133,707
Year 6	\$10,223	\$173,880	\$163,657
Year 7	\$10,427	\$205,180	\$194,752
Year 8	\$10,636	\$237,661	\$227,026
Year 9	\$10,848	\$271,360	\$260,512
Year 10	\$11,065	\$306,312	\$295,247
Year 11	\$11,287	\$342,554	\$331,267
Year 12	\$11,512	\$380,122	\$368,610
Year 13	\$11,743	\$419,057	\$407,314
Year 14	\$11,978	\$459,396	\$447,419
Year 15	\$12,217	\$501,182	\$488,965
	\$160,120	\$3,735,676	\$3,575,556

Source: Applicant; MRB Group

### Sales Tax Revenue, Construction Phase

As stated in the economic impact analysis on page 11, we anticipate approximately \$10.5 million in direct and indirect earnings in the County will be generated during the Project’s construction phase. We assume 70% of the newly generated earnings will be spent in Suffolk County. We estimate that 25% of that spending amount will be subject to the sales tax. Applying the County’s sales tax rate of 4.625%, we conclude that the construction phase earnings will lead to approximately \$85,108 in County sales tax revenue throughout construction.

### Sales Tax Revenue, Operation Phase

We estimate \$218,231 in total new earnings occurring annually within the County during the operation phase associated with new direct and indirect job creation (p. 13). Using the same methodology for estimating sales tax revenue for the construction phase, we estimate the Project will result in \$1,766 in annual sales tax revenue to the County. Escalated at 2% per year for 15 years, this totals \$30,545.

### Sales Tax Revenue - Construction Phase

Line	Value
Total New Earnings	\$10,515,262
% Spent in County	70%
\$ Spent in County	\$7,360,683
% Taxable	25%
\$ Taxable	\$1,840,171
County Sales Tax Rate	4.625%
\$ County Sales Tax Revenue	\$85,108
Revenue, one-time	\$85,108

Source: MRB

### Sales Tax Revenue - Operation Phase

Line	Annual Value
Total New Earnings	\$218,231
% Spent in County	70%
\$ Spent in County	\$152,762
% Taxable	25%
\$ Taxable	\$38,190
County Sales Tax Rate	4.625%
\$ County Sales Tax Revenue	\$1,766
Revenue Over 15 Years	\$30,545

Source: MRB



### Sales Tax Revenue, Household Spending

As identified on page 12, we estimate approximately \$2.6 million of annual direct and indirect sales in the Town associated with the new household spending by residents of the Project. Assuming 25% of those sales are subject to sales tax, we estimate the Project will result in \$29,906 in annual sales tax revenue. Over a 15-Year PILOT term, escalated at 2%, we estimate a total impact of \$517,174.

### Sales Tax Revenue - Household Spending

Line	Annual Value
New Household Spending	\$2,586,450
% Taxable	25%
\$ Taxable	\$646,612
County Sales Tax Rate	4.625%
\$ County Sales Tax Revenue	\$29,906
Revenue Over 15 Years	\$517,174

Source: MRB

### Fiscal Cost

Shown to the right is the difference in PILOT payments under the proposed terms and the estimated full property taxes of the project post-construction. Over 15 years, the project will have a fiscal “cost” of \$3.3 million. However, the Developer has indicated that the Project cannot move forward without an inducement, so this “cost” is theoretical.

### Cost of Abatement

Tax Year	Base Land Tax	Projected Improvement Tax	Full Taxes	Total PILOT	Cost of Abatement
Year 1	\$9,259	\$395,279	\$404,538	\$33,964	(\$370,574)
Year 2	\$9,444	\$403,185	\$412,629	\$59,842	(\$352,787)
Year 3	\$9,633	\$411,248	\$420,881	\$86,742	(\$334,139)
Year 4	\$9,826	\$419,473	\$429,299	\$114,694	(\$314,605)
Year 5	\$10,022	\$427,863	\$437,885	\$143,729	(\$294,156)
Year 6	\$10,223	\$436,420	\$446,643	\$173,880	(\$272,762)
Year 7	\$10,427	\$445,148	\$455,576	\$205,180	(\$250,396)
Year 8	\$10,636	\$454,051	\$464,687	\$237,661	(\$227,026)
Year 9	\$10,848	\$463,132	\$473,981	\$271,360	(\$202,620)
Year 10	\$11,065	\$472,395	\$483,460	\$306,312	(\$177,148)
Year 11	\$11,287	\$481,843	\$493,130	\$342,554	(\$150,576)
Year 12	\$11,512	\$491,480	\$502,992	\$380,122	(\$122,870)
Year 13	\$11,743	\$501,309	\$513,052	\$419,057	(\$93,996)
Year 14	\$11,978	\$511,336	\$523,313	\$459,396	(\$63,917)
Year 15	\$12,217	\$521,562	\$533,779	\$501,182	(\$32,598)
			\$6,995,845	\$3,735,676	(\$3,260,169)

Source: Applicant; MRB Group

### Other Fiscal Costs

Per the Agency application, the Developer is seeking a sales tax exemption of \$1.1 million, the local portion of which is \$561,000. The Developer is also requesting a mortgage recording tax exemption (MRTE) of \$168,075, the local portion of which is \$112,050. The tables below show the local share of these costs.

Cost of Sales Tax Exemption, County

Type	Value
Sales Tax Exemption	\$1,138,500
Local	4.250%
State	4.000%
MCTD	0.375%
Local Exemption	\$561,000

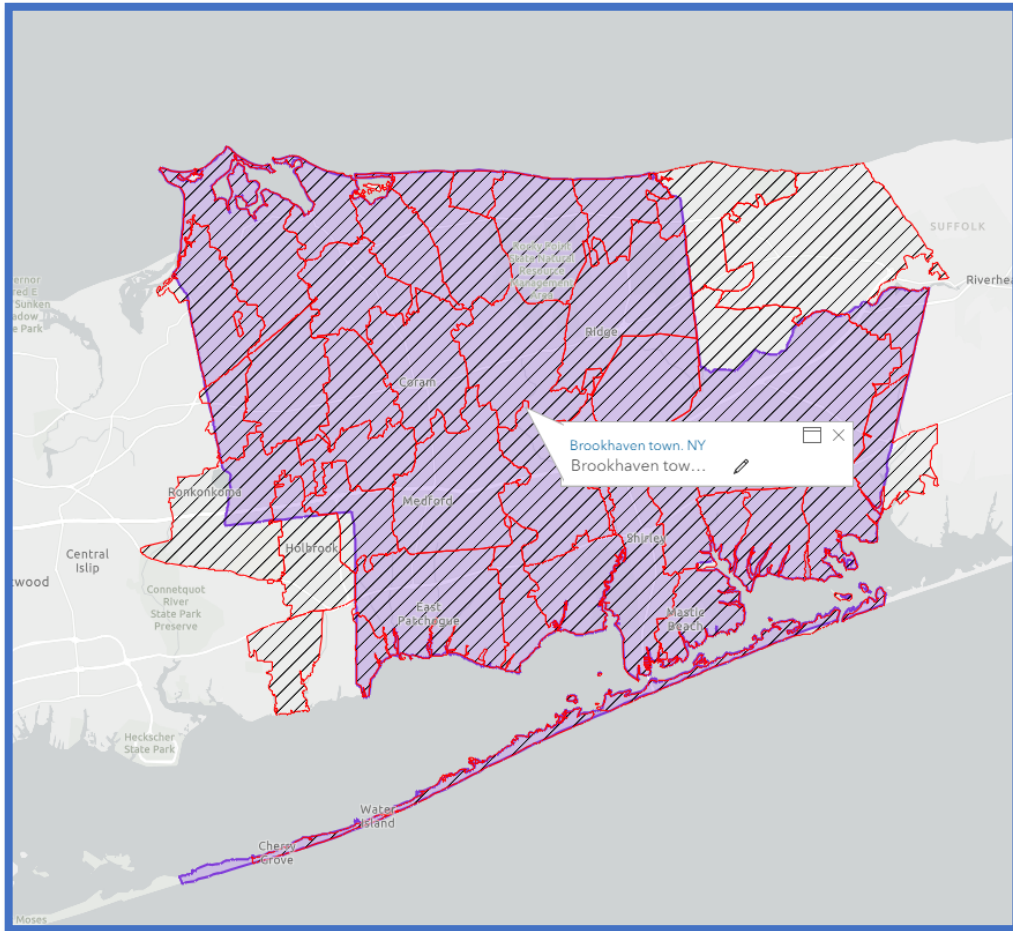
Source: Applicant

Cost of MRTE Exemption, County

Type	Value
MRTE	\$168,075
Local	0.50%
State	0.25%
Local Exemption	\$112,050

Source: Applicant

## Appendix A: Zip Codes Used



ZIP Code	Description
11713	Bellport
11715	Blue Point
11719	Brookhaven
11720	Centereach
11727	Coram
11733	East Setauket
11738	Farmington
11741	Holbrook
11742	Holtsville
11755	Lake Grove
11763	Medford
11764	Miller Place
11766	Mount Sinai
11772	Patchogue
11776	Port Jeff. Station
11777	Port Jefferson
11778	Rocky Point
11779	Ronkonkoma
11780	Saint James

ZIP Code	Description
11784	Seldan
11786	Shoreham
11789	Sound Beach
11790	Stony Brook
11792	Wading River
11933	Calverton
11934	Center Moriches
11940	East Moriches
11941	Eastport
11949	Manorville
11950	Mastic
11951	Mastic Beach
11953	Middle Island
11955	Moriches
11961	Ridge
11967	Shirley
11973	Upton
11980	Yapnik