

Appendix B

“Downtown Comparative Revitalization Fiscal Impact Analysis (FIA)”

Downtown Revitalization Comparative Fiscal Impact analysis

A fiscal impact analysis estimates the tax revenues that will be produced from development on a given parcel or parcels of land and compares these revenues to the expected expenditures for services given current rates per capita for residential development and per \$1000 of assessed value for commercial development for Municipal and School District taxes. These estimates are prepared under existing conditions as well as for a potential or planned development in order to provide the municipality with an estimate of the net benefits of a variety of development alternatives.

A hypothetical distribution of forecasted commercial and residential growth over the next 20 years to 18 selected downtowns was performed¹. It is hoped that moderate density development in established downtown centers that desire such development will raise enough additional tax revenue that the current property tax burden may be alleviated. A rough estimate of potential additional tax revenues from the focused development in the 18 downtown centers was \$100 million.

The purpose of this scope of work is to perform a more detailed fiscal impact assessment of this hypothetical growth, including both potential tax revenues as well as service expenditures for three representative area types: a city, a village and an unincorporated segment of a town. Along with municipal and school district taxes, this memo also includes County levies and services in the analysis. The analysis compares the fiscal impacts of existing conditions with two alternative future development scenarios including commercial and residential build-out per existing zoning parameters, and the hypothetical allocation of forecasted county-wide residential and commercial growth to 18 established downtown centers.

This is solely a fiscal impact analysis and does not include the economic benefits that may be derived from increased employment, income taxes and the secondary and tertiary impacts of consumer spending.

The selected representative downtowns are those in the City of Glen Cove, the Village of Hempstead, and the Hamlet of Hicksville, located in the Town of Oyster Bay. The table below shows the Downtown Growth Memorandum allocation of commercial and residential floorspace for the selected representative areas.

¹ Growth Distribution Memo, September 10, 2009

Table 1: Downtown Growth Memorandum Allocation of Future Commercial and Residential Floorspace [20 year horizon]

Downtown	Commercial Floorspace	Residential Floorspace	Multi-Family Residential Units
Glen Cove	721,067	787,668	788
Village of Hempstead	758,450	828,504	829
Hicksville	709,178	774,680	775

Source: Growth Allocation Memo

Existing Conditions Assessed Value

The Nassau County Planning Department defined the boundaries of each of the downtowns. Through an examination of tax parcel records within these boundaries, vacant and underdeveloped sites (under current FAR) with potential for massing as larger soft sites were chosen as locations for the development distribution. The sites were chosen strictly as a basis for comparison of revenues and expenditures under existing conditions vs. those at maximum FAR or given a “concentrated growth allocation” scenario and do not represent any actual planned development.

The following table shows the 2010 assessed values by property class of the selected development sites as provided by the Nassau County Assessor’s office. Class 1 is single family residential; Class 2 is multi-family residential; Class 3 is utilities; and Class 4 is Commercial. The County Assessor values property for taxation purposes at 1.0 percent of market value for commercial properties and 0.25 percent of market value for single-family residential properties.

Table 2: Nassau County Taxable Assessed Value by Property Class 2010 of Hypothetical Development Sites

Downtown	Total	Class 1	Class 2	Class 3	Class 4
Glen Cove Parcels	266,358	877	0	0	265,471
Village of Hempstead Parcels	238,509	14,859	0	0	223,650
Hicksville Parcels	152,563	0	0	0	152,563

Source: Nassau County Assessor’s Data

In the case of Glen Cove and the Village of Hempstead, the municipality also performs assessments of all properties. As shown below, the municipal assessment is prepared on a very different rate scale. The Town of Oyster Bay, which includes Hicksville, uses the County assessment as the basis for municipal taxes.

Table 3: Municipal Taxable Assessed Value by Property Class 2010-2011 of Hypothetical Development Sites

Downtown	Total	Class 1	Class 2	Class 3	Class 4
Glen Cove	31,352,100	354,800	0	0	30,997,300
Village of Hempstead	764,335	44,800	0	0	719,535
Hicksville	152,563	0	0	0	152,563

Source: Nassau County, City of Glen Cove, Village of Hempstead

Alternative Scenarios Floorspace

For both of the alternative development scenarios, maximum buildout and Concentrated Growth Allocation, new floorspace was estimated and the average total² assessed value psf by property class was applied. It should be noted that exempt properties under existing conditions were assumed to be taxable under the alternative scenarios.

The maximum buildout under current zoning was applied to the selected parcels to establish the potential for development under existing zoning. The possible floorspace was reduced by the parking requirement.

² The more common methodology is to apply the assessed value per square foot of improvement to the new floorspace and add that to the existing assessed value of the land; some of the municipal assessments did not include the land/improvement breakdown, so the method described above was used instead.

Table 4: Hypothetical Floorspace of Development Sites by Alternative (sf)

Downtown	Total	Class 1	Class 2	Class 3	Class 4
Maximum FAR					
Glen Cove	513,070	12,370	0	0	500,700
Village of Hempstead	2,293,460	37,056	0	0	2,256,404
Hicksville	527,650	0	0	0	527,650
Concentrated Growth Allocation					
Glen Cove	1,508,735	0	787,668	0	721,067
Village of Hempstead	1,586,954	0	828,504	0	758,450
Hicksville	1,483,858	0	774,680	0	709,178

Source: Nassau County Assessor's Office, Urbanomics

Alternative Scenarios Assessed Value

For the two alternative scenarios estimates of County assessed values are based on an assumption that the market value of the improvements will be \$350 psf for commercial space (Class 4) and \$300 psf for residential space (Classes 1 or 2). The market value is then multiplied by a factor of .01 for commercial properties and .0025 for residential properties to achieve the County assessed values.

Table 5: Nassau County Assessed Value by Property Class of Hypothetical Development Sites by Alternative

Downtown	Total	Class 1	Class 2	Class 3	Class 4
Maximum FAR					
Glen Cove	1,761,728	9,278	0	0	1,752,450
Village of Hempstead	7,925,206	27,792	0	0	7,897,414
Hicksville	2,276,575	0	0	0	2,276,575
Concentrated Growth Allocation					
Glen Cove	3,114,486	0	590,751	0	2,523,735
Village of Hempstead	3,275,953	0	621,378	0	2,654,575
Hicksville	3,063,133		581,010		2,482,123

Source: Nassau County Assessor's Office, Urbanomics

Municipal Assessed Values

As stated previously, Glen Cove and the Village of Hempstead assess property values differently than the County while Hicksville uses the County's assessments. To achieve estimates of municipal assessed values under the alternative scenarios, the ratio of municipal assessed value to County assessed value under existing conditions was applied to the estimate of County assessed value under the alternative scenarios. The estimates of assessed values to be used as the basis for municipal revenues and expenditures are shown in the table that follows.

Table 6: Municipal Assessed Value by Property Class of Hypothetical Development Sites by Alternative

Downtown	Total	Class 1	Class 2	Class 3	Class 4
Maximum FAR					
Glen Cove	82,440,798	11,347,600	0	0	71,093,198
Village of Hempstead	25,491,644	83,793	0	0	25,407,851
Hicksville	2,276,575	0	0	0	2,276,575
Concentrated Growth Allocation					
Glen Cove	198,564,215	0	96,181,629	0	102,382,586
Village of Hempstead	10,413,856	0	1,873,459	0	8,540,396
Hicksville	3,063,133	0	581,010	0	2,482,123

Source: Nassau County Assessor's Office, City of Glen Cove, Village of Hempstead, Urbanomics

County, Municipal and Special District Tax Rates and Expenditures

In Nassau County there is a very complex system of individualized, almost a la carte, taxation which incorporates County and Municipal governments with more than 260 special districts for schools, fire protection, police, sanitation, lighting, water, sewer, parks, power, and even parades. Each of these districts, some controlled by the County or Municipality, some controlled by Commissioners, levy taxes on their constituent service areas.

The table on the following page shows County taxes assessed for each of the three study areas. Each area of Nassau is taxed by the County to support the General Operating Fund, Fire Prevention (including mobile 911 call service), Nassau Community College, County Police Headquarters and the County Environmental Bond Fund.

The County also provides and levies taxes for other services to areas that do not have municipal or special districts doing so. In the case of Hempstead, this includes a County Sewage Disposal District. In Hicksville, an unincorporated area, the County provides even more services including Sewage Collection and Police.

Table 7: Nassau County Tax Rates by Service by Study Area Property Class

Applied per \$100 of Assessed Value (County rates are not exactly the same in each category due to property tax caps.)

County Tax Breakdown	Glen Cove				Hempstead				Hicksville			
	Class 1	Class 2	Class 3	Class 4	Class 1	Class 2	Class 3	Class 4	Class 1	Class 2	Class 3	Class 4
General Fund	22.085	15.795	23.274	13.748	22.067	15.777	23.256	13.731	22.068	15.778	23.257	13.732
County Environmental Bond Fund	0.678	0.536	0.705	0.49	0.678	0.536	0.705	0.49	0.678	0.536	0.705	0.49
Fire Prevention	2.088	1.65	2.171	1.508	2.088	1.65	2.171	1.508	2.088	1.65	2.171	1.508
Nassau County Community College	6.911	5.463	7.184	4.992	6.911	5.463	7.184	4.992	6.911	5.463	7.184	4.992
County Police Headquarters	38.662	30.56	40.194	27.924	38.662	30.56	40.194	27.924	38.662	30.56	40.194	27.924
County Sewage Disposal*	NA	NA	NA	NA	12.212	11.948	34.658	13.846	12.212	11.913	33.197	13.243
County Sewage District	NA	NA	NA	NA	NA	NA	NA	NA	5.204	5.496	14.473	5.973
County Police	NA	NA	NA	NA	NA	NA	NA	NA	49.561	49.182	138.637	55.504

*Hempstead is in County Sewage Disposal District #2 and Hicksville is in County Sewage Disposal District #3.

Source: Nassau County Assessor's Office

Municipal and Special District Tax Rates

Glen Cove

As a City, Glen Cove is the least complicated of our study areas in terms of local taxes. The School District is coterminous with the City and all of the utilities and protective services are under the auspices of the City.

Table 8: Glen Cove Municipal and School District Tax Rates

Applied per \$1000 of Assessed Value

	Class 1	Class 2	Class 4
Combined Municipal Tax	14.5178	14.5178	40.5022
General Fund	4.4398	4.4398	12.2511
School/Library	10.078	10.078	28.2511

Source: Nassau County Assessor's Office

Village of Hempstead

The Village of Hempstead has some taxes derived from the Town of Hempstead (using the County Assessment) as well as Village Districts which use the Village Assessment.

Table 9: Village of Hempstead Municipal and Special District Tax Rates by Class

Applied per \$1000 of Assessed Value

	Class 1	Class 2	Class 3	Class 4
Combined Municipal Tax	623.017	503.973	668.328	468.785
General Fund	4.959	4.024	4.969	3.818
Town Refuse Disposal	20.545	19.561	56.291	21.292
School/Library	597.513	480.388	607.068	443.675

Source: Nassau County Assessor's Office

Hicksville

Hicksville is an unincorporated area of the Town of Oyster Bay. As such, its residents and business owners contribute to no fewer than nine Town Funds and four Special Districts. In our study area, these include the General Fund, "Part Town", Highway, Drainage District 1, Lighting District, Park District, Sanitary District, Solid Waste Disposal District, Public Parking District, Fire District, Water District, Library District and the Hicksville Union Free School District.

Table 10: Hicksville Municipal and Special District Tax Rates by Class

Applied per \$100 of Assessed Value

	Class 1	Class 2	Class 3	Class 4
Combined Municipal Rate	528.53	574.62	847.763	475.625
General Fund	13.098	9.992	13.94	8.276
Part Town	1.859	1.497	2.023	1.321
Highway	25.554	20.568	27.809	18.158
Drainage District 1	4.103	4.298	10.84	4.809
Lighting	3.034	3.179	8.016	3.556
Parks	10.533	12.988	26.004	13.192
Sanitary	27.036	41.832	83.705	29.88
Solid Waste Disposal	10.503	11.389	27.24	12.277
Public Parking	1.546	1.62	4.085	1.811
Special Districts				
Fire	19.791	24.427	48.905	24.812
Water	12.897	15.915	31.866	16.158
School & Library	398.579	426.916	563.33	341.375

Source: Nassau County Assessor's Office

Most of these districts have boundaries that are not coterminous and do not correspond to particular census geographies. As such, it is difficult to ascertain per capita expenditure rates for the districts (with the exception of the School and Library Districts, assessed on a per student basis), thus all of the municipal taxes will be applied as a rate per \$100 of assessed value by property class.

County and Municipal Property Tax Revenues

Applying the tax rates described above to the three development scenarios for each of the representative downtowns yields the following results:

Table 11: Nassau County Property Tax Revenues by Study Area Property Class and Scenario (per \$100 of AV)

	Glen Cove					Hempstead					Hicksville				
	Class 1	Class 2	Class 3	Class 4	Total	Class 1	Class 2	Class 3	Class 4	Total	Class1	Class2	Class 3	Class 4	Total
County Combined Total	70.42	54.00	73.53	48.66	na	82.62	65.93	108.17	62.49	na	137.38	120.58	259.82	123.366	na
Existing Conditions															
AV	887	0	0	265,471	266,358	14,859	0	0	223,650	238,509	0	0	0	152,563	152,563
Revenues	625	0	0	129,183	129,808	12,276	0	0	139,761	152,037	0	0	0	188,211	188,211
Max FAR															
AV	9,278	0	0	1,752,450	1,761,727	27,792	0	0	7,897,414	7,925,206	0	0	0	1,846,775	1,846,775
Revenues	6,534	0	0	852,777	859,311	22,961	0	0	4,935,173	4,958,134	0	0	0	2,278,292	2,278,292
Concentrated Growth Allocation															
AV	0	590,751	0	2,523,735	3,114,486	0	621,378	0	2,654,575	3,275,953	0	581,010	0	2,482,123	3,063,133
Revenues	0	319,029	0	1,228,100	1,547,129	0	409,699	0	1,658,870	2,068,570	0	700,570	0	3,062,096	3,762,666

*Hempstead is in County Sewage Disposal District #2 and Hicksville is in County Sewage Disposal District #3.

Source: Nassau County Assessor's Office

Table 12: Municipal Property Tax Revenues by Study Area Property Class and Scenario

Class 3 Rates have been excluded as no Class 3 Properties were chosen as soft sites

	Glen Cove (Applied per \$1000 AV)				Hempstead (Applied per \$1000 AV)				Hicksville (Applied per \$100 AV)			
	Class 1	Class 2	Class 4	Total	Class 1	Class 2	Class 4	Total	Class 1	Class 2	Class 4	Total
Municipal Combined Total	4.4398	4.4398	12.251	na	648.521	527.558	493.895	na	658.484	722.325	609.88	na
School/Library	10.078	10.078	28.251	na	597.51	480.388	443.68	na	398.58	426.92	341.375	na
Existing Conditions												
Assessed Value	354,800	-	30,997,300	31,352,100	44,800	-	719,535	764,335	-	-	152,563	152,563
Municipal Revenues	1,575	-	379,748	381,323	29,054	-	355,375	384,428	-	-	930,451	930,451
School/Library Revenues	3,575	-	875,705	879,280	26,768	-	319,243	346,012	-	-	520,812	520,812
Max FAR												
Assessed Value	3,711,200	-	204,622,043	208,333,243	83,793	-	25,407,851	25,491,644	-	-	2,276,575	2,276,575
Municipal Revenues	16,477	-	2,506,845	2,523,322	54,342	-	12,548,810	12,603,152	-	-	13,884,376	13,884,376
School/Library Revenues	37,401	-	5,780,798	5,818,199	50,067	-	11,272,955	11,323,022	-	-	7,771,658	7,771,658
Concentrated Growth Allocation												
Assessed Value	-	68,978,103	294,679,912	363,658,015	-	1,873,459	8,540,396	10,413,856	-	581,010	2,482,123	3,063,133
Municipal Revenues	-	306,249	3,610,153	3,916,402	-	988,359	4,218,059	5,206,418	-	858,210	15,137,972	15,996,182
School/Library Revenues	-	695,161	8,325,032	9,020,193	-	1,119,411	3,789,203	4,908,614	-	2,480,448	8,473,347	10,953,795

*Includes all applicable special district tax rates.

Sales and Hotel Taxes

In addition to property taxes, a portion of the County's revenues are achieved through retail sales and hotel taxes. It is assumed that some of the Concentrated Growth Allocation development will be devoted to retail establishments (30 %) and hotels (10%). At average retail sales performance of \$350 per square foot, assuming that 80% of sales are taxable, the taxable sales will be subject to a 4.25 percent county tax rate. Hotel rooms are currently taxes at 3 percent of room rates. It is assumed that over an average year, occupancy will represent 75 percent of room days at an average price of \$175 per night. The following table shows an estimate of retail space and hotel rooms for each of the proposed Concentrated Growth Allocation.

Table 13: Concentrated Growth Allocation Development Sales and Hotel Tax Revenues

Downtown	Retail sf (30% of Non Res Total)	Taxable Sales (80% of \$350 psf)	County Sales Tax Revenues (4.25%)	Hotel Rms	Annual Average Occupancy (75%)	County Hotel Tax Revenues (3% of Room Rates \$175)	Total County Sales and Hotel Tax Revenues
Existing Conditions*							
Glen Cove	85,491	\$23,937,480	\$1,017,343	0	0	0	\$1,017,343
Village of Hempstead	167,000	\$46,760,000	\$1,987,300	0	0	0	\$1,987,300
Hicksville	37,326	\$10,451,280	\$444,179	0	0	0	\$444,179
Maximum FAR							
Glen Cove	79,641	\$22,299,564	\$947,731	0	0	0	\$947,731
Village of Hempstead	676,921	\$189,537,936	\$8,055,362	0	0	0	\$8,055,362
Hicksville	158,295	\$44,322,600	\$1,883,711	0	0	0	\$1,883,711
Concentrated Growth Allocation							
Glen Cove	216,320	\$60,569,600	\$2,574,208	300	82,125	\$431,156	\$3,005,364
Village of Hempstead	227,535	\$63,709,800	\$2,707,667	316	86,505	\$454,151	\$3,161,818
Hicksville	212,753	\$59,570,952	\$2,531,765	295	80,756	\$423,969	\$2,955,734

*Retail floorspace under existing conditions is derived from Nassau County parcel GIS

Source: Growth Allocation Memo/Urbanomics

Economic Impacts of Construction

In addition to fiscal revenues, the County could expect to benefit from the economic impacts of construction in each of the three downtowns. The Bureau of Economic Analysis' RIMS II Multipliers were used to estimate this benefit to Nassau County over an estimated 20-year buildout period. For every dollar of construction value, \$1.6418 in spending ripples through the County's economy and \$0.3434 in additional earnings are created. In addition, 8.2171 jobs are created for each million dollars spent. *It should be noted that the RIMS Multipliers are on a 2006\$ basis, so construction value was deflated to correspond.*

The table below shows the average annual impacts of the hypothetical construction for each year of the 20-year buildout horizon.

Table 14. Annual Economic Impacts of Construction Activity

Annual Average for 20 year buildout				
	Total Construction Value (000s)*	Annual Output (\$000s)	Annual Earnings (\$000s)	Annual jobs
Maximum FAR				
Glen Cove	\$137,737	\$11,307	\$2,365	57
Hempstead	\$616,398	\$50,600	\$10,584	253
Hicksville	\$142,141	\$11,668	\$2,441	58
Concentrated Growth Areas				
Glen Cove	\$376,119	\$30,876	\$6,458	155
Hempstead	\$395,618	\$32,476	\$6,793	163
Hicksville	\$369,917	\$30,366	\$6,351	152

*Construction Value deflated to 2006\$

Source: RIMS II Multitpliers, Growth Allocation Memo and Urbanomics

Under full buildout at maximum FAR conditions, Glen Cove would expend \$138 million on a 2006 basis for construction, resulting in an additional \$11.3 million in output, \$2.4 million in earnings and 57 jobs for each of the 20 buildout years. Under the Concentrated Growth scenario, the annual output would be \$30.9 million and the County would see 155 additional jobs and \$6.5 million in earnings.

In Hempstead, the properties at maximum FAR would have a construction value of \$616.4 million, creating an additional \$50.6 million in output, \$10.6 million in annual earnings and 253 jobs for the 20 year construction horizon. Under the less ambitious Concentrated Growth scenario, the County would see 163 jobs per year with \$6.8 million in earnings and overall output of an additional \$32.5 million each year.

The 2006 value of construction in Hicksville under maximum FAR is \$142.1 million. These expenditures would engender an average \$11.7 million of economic activity each year for the next 20 years. In addition, the County would subsequently see \$2.4 million in earnings and 58 jobs. Under the Concentrated Growth scenario, the economic benefits of construction would almost triple to \$30.4 million in output, \$6.4 million in earnings and 152 jobs.

County, Municipal and School District Expenditures

Fiscal 2009 expenditures of Nassau County, the School Districts, the City of Glen Cove, the Town of Oyster Bay, the Town and Village of Hempstead were adopted for variable functions such as public safety, public works, human services, transportation, culture & recreation, and education (general government and debt service were not included). Expenditures were expressed per capita for residential development and per \$ of assessed commercial value for commercial development

County Expenditures

County expenditures were defined by the variable service components of the County's budget. These include Law Enforcement and Public Safety, Health and Human Services as well as Parks and Public Works. Administrative services are fixed, and as such were excluded. Further, these expenditures were refined by the total share of value attributable to the corresponding tax classes in the County Budget. (I.e., Per capita expenditures were determined for Class 2 properties and Value per dollar of assessed value for Class 4 properties.)

Single-family/Class 1 residential development population was derived from the Rutgers University Center for Urban Policy Research Residential Demographic Multipliers for 3-bedroom homes. Multi-family residential development population were estimated based upon average household size by bedroom mix of proposed development (studio @ 1 person/0 children, 1 bedroom @ 1.5 persons/0.1 children, 2 bedrooms @ 3 persons/0.19 children) based upon comparable multi-family developments recently constructed in Garden City.

The same county expenditure rates were applied to all three scenarios of each of the study areas. County per capita expenditures are estimated at \$926.15 for residential development and at \$2.16 per dollar of assessed value for commercial development. These estimates are conservative in that it is expected that there are economies of scale to be had for more densely situated development.

Table 15: County Expenditures by Development Scenario

	Class 1/Single Family Home Residential Components		Multi-Family Residential Components						Total Persons	Per Capita Expenditures	Commercial Components		Total County Expenditures
	3-BR	Persons per 3-BR	Studios	1-BR	2-BR	Persons per Studio	Persons per 1-BR	Persons per 2-BR			Commercial Assessed Value	Expenditures per \$AV	
Glen Cove													
Existing Conditions*	0	3.06	6	0	0	1	1.5	3	6	\$926.15	266,358	2.16	\$580,890
Max FAR	3	3.06	7	0	0	1	1.5	3	16	\$926.15	371,735	2.16	\$817,766
Concentrated Growth Allocation	0	3.06	104	373	311	1	1.5	3	1,596	\$926.15	2,523,735	2.16	\$6,929,403
Village of Hempstead													
Existing Conditions*	0	3.06	0	0	0	1	1.5	3	0	\$926.15	223,650	2.16	\$483,084
Max FAR	15	3.06	0	0	0	1	1.5	3	46	\$926.15	7,897,414	2.16	\$17,101,017
Concentrated Growth Allocation	0	3.06	296	390	200	1	1.5	3	1,481	\$926.15	2,654,575	2.16	\$7,105,510
Hicksville													
Existing Conditions*	0	3.06	0	0	0	1	1.5	3	0	\$926.15	152,563	2.16	\$329,536
Max FAR	0	3.06	0	0	0	1	1.5	3	0	\$926.15	2,276,575	2.16	\$4,917,402
Concentrated Growth Allocation	0	3.06	219	400	189	1	1.5	3	1,386	\$926.15	2,482,123	2.16	\$6,645,030

Source: Nassau County Budget, Rutgers Center for Urban Policy Research Residential Demographic Multipliers, Urbanomics

School District Expenditures

Expenditures per student are derived by dividing property tax-based operating expenditures by total enrollment. The expenditures per student estimates follow.

Table 16: Expenditures per Student

	2010 School Budget	2010 Students	Expenditures per Student
Glen Cove	\$56,984,902	3,030	\$18,807
Village of Hempstead	\$157,620,584	6,007	\$26,239
Hicksville	\$90,251,891	5,243	\$17,214

Sources: Glen Cove UFSD, Hempstead UFSD and Hicksville UFSD budgets

Table 17: Estimated School District Expenditures by Development Scenario

	Class 1/Single Family Homes		Multi-Family Dwellings						Total Students	Expenditures per Student	Total School Expenditures
	3 Bedroom Homes	Children per Home	Studios	1-BR	2-BR	Children per Studio	Children per 1-BR	Children per 2-BR			
Existing Conditions*	0	0.71	6	0	0	0	0.1	0.19	0	\$18,807	\$0
Max FAR	3	0.71	7	0	0	0	0.1	0.19	2	\$18,807	\$37,614

Concentrated Growth	0	0.71	104	373	311	0	0.1	0.19	109	\$18,807	\$1,802,472
Village of Hempstead											
Existing Conditions*	0	0.71	0	0	0	0	0.1	0.19	0	\$26,239	0
Max FAR	15	0.71	0	0	0	0	0.1	0.19	11	\$26,239	\$288,629
Concentrated Growth	0	0.71	296	390	200	0	0.1	0.19	81	\$26,239	\$2,125,359
Hicksville											
Existing Conditions*	0	0.71	0	0	0	0	0.1	0.19	0	\$17,214	\$0
Max FAR	0	0.71	0	0	0	0	0.1	0.19	0	\$17,214	\$0
Concentrated Growth	0	0.71	219	400	189	0	0.1	0.19	86	\$17,214	\$1,480,404

Sources: Glen Cove UFSD, Hempstead UFSD and Hicksville UFSD budgets, Rutgers Center for Urban Policy Research Residential Demographic Multipliers, Urbanomics

Municipal and Special District Expenditures

Glen Cove and Hempstead

For Glen Cove and the Village of Hempstead residential development population were estimated based upon average household size by bedroom mix of proposed development as stated on page 14. Municipal expenditures were applied on a per capita basis for the residential properties and on an amount per dollar of assessed value for commercial properties.

Hicksville

In Hicksville, the eleven different municipal districts have eight different geographic areas, so one cannot apply a single population variable with any degree of accuracy. In addition, not all of the district boundaries were available, thus a population estimate for these areas was not possible. However, while the exact boundaries of each district were not available, the total assessed valuation by property class was known for each district. Instead of the per capita multiplier method, the Class 2 share of total valuation was applied to the expenditures of each district to determine a dollar value of expenditure for each dollar of Class 2 assessed value for each of the development scenarios, in much the same manner as Class 4.

Table 18: Municipal Expenditures by Development Scenario

	Class 1/Single Family Homes		Multi-Family Dwellings						Total Persons	Per Capita Expenditures	Commercial Components		Total Municipal Expenditures
	3 Bedroom Homes	Persons per Home	Studios	1-BR	2-BR	Persons per Studio	Persons per 1-BR	Persons per 2-BR			Commercial Assessed Value	Expenditures per \$AV	
Glen Cove													
Existing Conditions*	0	3.06	6	0	0	1	1.5	3	6	1,148.52	30,997,300	0.0076	242,095
Max FAR	3	3.06	7	0	0	1	1.5	3	16	1,148.52	71,093,198	0.0076	557,824
Concentrated Growth Allocation	0	3.06	104	373	311	1	1.5	3	1,596	1,148.52	102,382,586	0.0076	2,609,904
Village of Hempstead													
Existing Conditions*	0	3.06	0	0	0	1	1.5	3	0	427.58	719,535	0.48036	345,636
Max FAR	15	3.06	0	0	0	1	1.5	3	46	427.58	25,407,851	0.48036	12,224,584
Concentrated Growth Allocation	0	3.06	296	390	200	1	1.5	3	1,481	427.58	8,540,396	0.48036	4,735,711
Hicksville													
	Residential Assessed Value					Expenditures per Residential \$AV					Commercial Assessed Value	Expenditures per Commercial \$AV	Total Municipal Expenditures
Existing Conditions*	0					\$1.72					152,563	\$1.72	262,540
Max FAR	0					\$1.72					2,276,575	\$1.72	3,917,667
Concentrated Growth Allocation	581,010					\$1.72					2,482,123	\$1.72	4,271,386

Sources: Glen Cove, Village of Hempstead and Oyster Bay budgets, Rutgers Center for Urban Policy Research Residential Demographic Multipliers, Urbanomics

Summary of Revenues and Expenditures

All three areas in question show a net benefit under all three scenarios. The County Cost-Benefit ratio is often in the negative because the majority of County revenues are derived from sources other than property and sales taxes. The greatest impact is seen in terms of School District benefits, indicating that the hypothetical development including multi-family residences would allow for the alleviation of some of the school district tax burden. Table 18 on the final page of this report summarizes the revenues, costs and net benefits of existing conditions and the two hypothetical scenarios.

Glen Cove

Under all three development scenarios, Glen Cove shows a net tax benefit. Under existing conditions the tax benefit is \$1.6 million. At maximum FAR, the benefit would be slightly more than \$8.7 million. Under the Concentrated Growth Allocation scenario, the benefit would be just over \$6 million.

In Glen Cove, the school district stands to gain almost \$6 million in additional revenues under maximum FAR while expending only \$38,000 more. Under the still-more beneficial Concentrated Growth Allocation scenario, the district would gain \$9 million over current conditions while expending only \$1.8 million for an overall net benefit to the schools of \$7.2 million.

Village of Hempstead

The Village of Hempstead shows a net benefit under all three scenarios as well. Because the Village has very liberal commercial zoning regulations, the floorspace at maximum allowable FAR for the massed soft sites is almost triple that of the Concentrated Growth Allocation scenario; to this end, the net benefit is \$7.3 million.

The net benefit under existing conditions is \$2 million while under the Concentrated Growth Allocation scenario the benefit would be slightly less: \$1.4 million. Under the future Concentrated Growth Allocation alternative, the net benefit is 10 times greater than existing conditions for the school district and the municipality—the disparity comes at the county level due to the larger share of selected soft sites that are currently retail, thus providing more retail sales taxes to the county than assumed under the future build out scenarios.

The majority of the benefit is to the School District under all three scenarios. The County shows a net disbenefit in all but the existing conditions scenario. The Municipal net benefit is marginal, ranging from \$39,000 under existing conditions to \$379,000 for the Maximum FAR scenario and \$471,000 for the Concentrated Growth Allocation scenario.

Hicksville

Under all three development scenarios, Hicksville shows a net tax benefit. Under existing conditions the tax benefit is \$1.5 million. At maximum FAR, the benefit would be \$17 million. Under the Concentrated Growth Allocation scenario, the benefit would be \$21.3 million.

In Hicksville, the school district stands to gain an additional \$7 million under maximum FAR while expending nothing more than under existing conditions. Under the Concentrated Growth Allocation scenario, the district would net more than \$9 million over current conditions. The Town of Oyster Bay would net \$2 million more in the Concentrated Growth Allocation scenario than it would under maximum FAR conditions (\$11.7 million to \$10.0 million, respectively.)

Conclusion:

All three of the representative downtown municipalities and school districts would benefit fiscally from the hypothetical development each year. The greatest benefits would amass to the **Hamlet of Hicksville**; the City of Glen Cove, which already has some of the lowest tax rates in the County, would see a marginal benefit; the Village of Hempstead would benefit the least from the increased development.

It should be noted that the fiscal benefits identified in this report would be an annual benefit. The excess from this income could be used to offset taxes for current residents, lowering overall school tax rates for all three systems.

Table 19: Summary of Revenues and Expenditures (\$000)

Scenario	Tax Revenues					Expenditures				Net Benefit/Disbenefit			
	County Property	County Sales/Hotel	School District	Other Municipal	Total	County	School District	Other Municipal	Total	County	School District	Other Municipal	Total
Glen Cove													
Existing Conditions	\$129.8	\$1,017.3	\$879.3	\$381.3	\$2,407.7	\$580.9	\$0	\$242.1	\$823.0	\$566.2	\$879.3	\$139.2	\$1,584.7
Maximum FAR	\$859.3	\$947.7	\$5,818.2	\$2,523.3	\$10,148.5	\$817.8	\$37.6	\$557.8	\$1,413.2	\$989.3	\$5,780.6	\$1,965.5	\$8,735.3
Concentrated Growth Allocation	\$1,547.1	\$3,005.4	\$9,020.2	\$3,916.4	\$17,489.1	\$6,929.4	\$1,802.5	\$2,609.9	\$11,341.8	\$(2,376.9)	\$7,217.7	\$1,306.5	\$6,147.3
Village of Hempstead													
Existing Conditions	\$152.0	\$1,987.3	\$346.0	\$384.4	\$2,869.8	\$483.1	\$0	\$345.6	\$828.7	\$1,656.3	\$346.0	\$38.8	\$2,041.1
Maximum FAR	\$4,958.1	\$8,055.4	\$11,322.9	\$12,603.2	\$36,939.5	\$17,101.0	\$288.6	\$12,224.6	\$29,614.2	\$(4,087.5)	\$11,034.3	\$378.6	\$7,325.3
Concentrated Growth Allocation	\$2,068.6	\$3,161.8	\$4,908.6	\$5,206.4	\$15,345.4	\$7,105.5	\$2,125.4	\$4,735.7	\$13,966.6	\$(1,875.1)	\$2,783.2	\$470.7	\$1,378.8
Hicksville													
Existing Conditions	\$188.2	\$444.2	\$520.8	\$930.5	\$2,083.7	\$329.5	\$0	\$262.5	\$592.1	\$302.9	\$520.8	\$667.9	\$1,491.6
Maximum FAR	\$2,278.3	\$1,883.7	\$7,771.7	\$13,884.4	\$25,818.0	\$4,917.4	\$0	\$3,917.7	\$8,835.1	\$(755.4)	\$7,771.7	\$9,966.7	\$16,983.0
Concentrated Growth Allocation	\$3,762.7	\$2,955.7	\$10,953.8	\$15,996.2	\$33,668.4	\$6,645.0	\$1,480.4	\$4,271.4	\$12,396.8	\$73.4	\$9,473.4	\$11,724.8	\$21,271.6