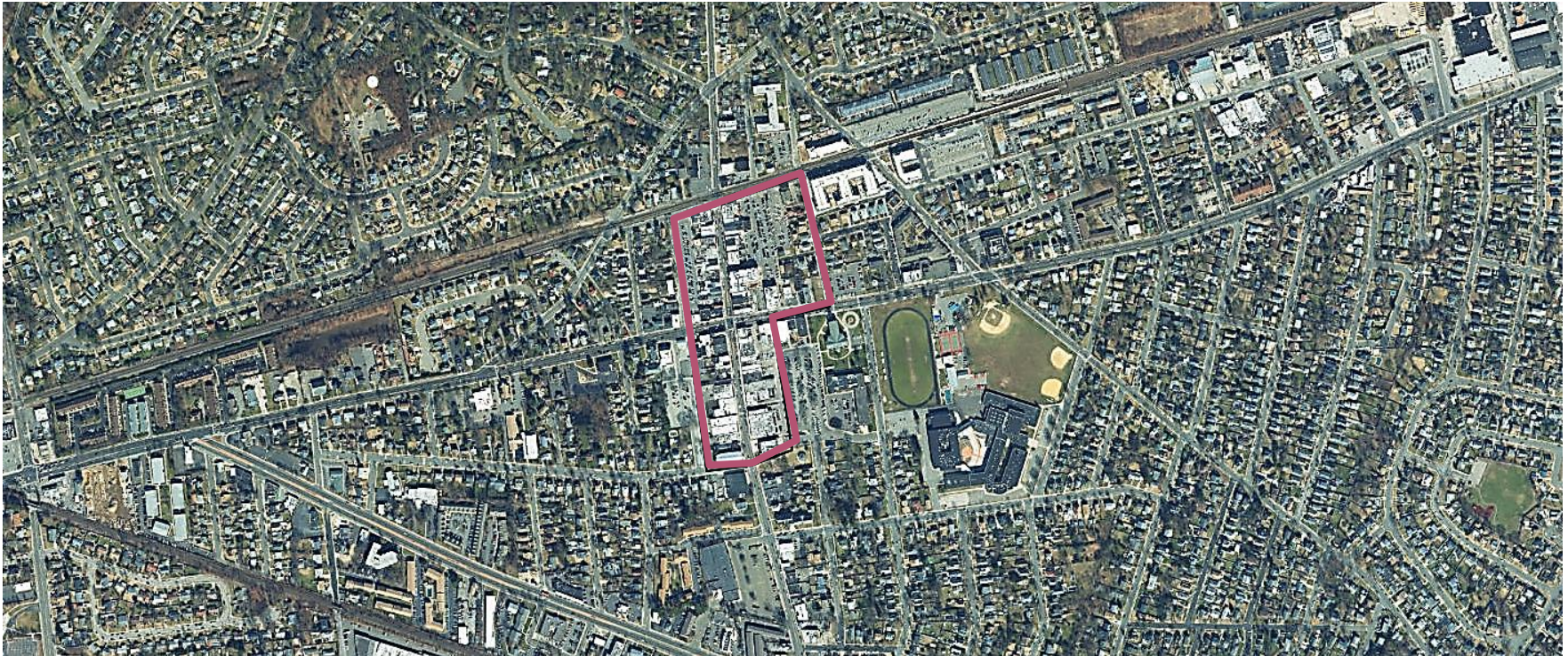




Village of Farmingdale Economic & Fiscal Impact Analyses

Prepared for: Long Island Regional Planning Council



ECONOMIC AND REAL ESTATE ANALYSIS FOR SUSTAINABLE LAND USE OUTCOMES™

Table of Contents

Executive Summary	4
Interviews with Main Street Businesses	17
Economic Impact Analysis	21
Capital Improvement Projects	24
Multi-Family Housing Development Projects	30
Downtown Business	37
Fiscal Impacts	39
Multi-Family Housing Development Projects	41
Appendix	61
Interview Contacts	62

Acknowledgements

The Long Island Regional Planning Council acknowledges and appreciates the support of Nassau County in producing this Study.

4ward Planning wishes to thank the following individuals for providing invaluable insights and for, particularly, helping to facilitate the study process over a period of several months:

Mayor Ralph Ekstrand

Brian Harty, Village Administrator/Clerk

We also thank the Unified Farmingdale School District for its generous assistance with identifying school student enrollment data, pertaining to newly developed multi-family housing in the Village.

Executive Summary

ECONOMIC AND REAL ESTATE ANALYSIS FOR SUSTAINABLE LAND USE OUTCOMES™



Introduction

The LIRPC's Initiative

In the latter half of 2018, 4ward Planning was hired by the Long Island Regional Planning Council (LIRPC) to analyze the economic and fiscal impacts associated with public sector investments in the Village of Patchogue over the preceding 15 years. This project was propelled by the LIRPC's interest in demonstrating if and to what extent public investments, such as spending on utility and roadway infrastructure, influence private business investment within Long Island's local communities. Recognizing the swift, substantive revitalization that had occurred in Patchogue, it was the logical first focus of the LIRPC's larger inquiry.

Incorporating both quantitative and qualitative techniques, 4ward Planning reviewed tax assessment data associated with commercial and residential properties within Patchogue and neighboring communities, and interviewed municipal officials, real estate professionals, and business owners who had made local investments within the 15-year timeframe. Our subsequent economic and fiscal impact analyses determined the direct and indirect local and regional impacts of public investments. The story that emerged from our study of Patchogue was one of a burgeoning community driven by infrastructure improvements; partnerships with developers; active pursuit of grant funding; creation of an arts and cultural scene; and the engagement of its civic, business, and elected leaders.

Introduction (continued)

Focus on the Village of Farmingdale

The results of the Patchogue study encouraged the LIRPC to examine other Long Island communities to understand whether comparable methods and actions led to similar economic revitalization results. Thus, the LIRPC hired 4ward Planning to study the Village of Farmingdale, to measure and analyze the economic impacts associated with Farmingdale's redevelopment and to identify key factors of the Village's success.

Through our study efforts, Farmingdale's revitalization story revealed itself as distinct from Patchogue's – both in terms of research methodology efficacy and the circumstances driving its success. While our analysis of Patchogue relied heavily on quantitative data, our study of Farmingdale is necessarily more qualitative in nature – with anecdotal and interview feedback playing a significant role in its depiction. Farmingdale's story provides the LIRPC with an alternative model of economic progress, one in which the local government encourages private investment by allowing it to flourish and attract more of the same.

The underpinnings of Farmingdale's revitalization can be found in the administration's active support of business and development - highlighted by its straightforward planning review and permitting process; its facilitation of new residential development; and a growing regional economy. Since 2012, several key initiatives, in the form of policies and ordinances enacted by the Village, have promoted private investment in multi-family housing and commercial space.

Introduction (continued)

For example, Farmingdale's creation and adoption of the Downtown Mixed-Use (DMU) zoning code in the fall of 2011; relaxation of the Business D code, allowing the development of blighted properties along targeted corridors; and its efforts to increase and improve parking infrastructure have enabled such investment. The re-emergence of Farmingdale's Main Street business corridor and the low vacancy rates among its new housing units suggest a revitalizing economy – a village that created enough recent success to allow room for more. Farmingdale's business and community-friendly environment has been an important driving force behind its economic progress and will likely remain so in the years to come.



Economic and Fiscal Impact Analysis: Overview

- 
- Background Review
- Business Growth
 - Capital Investments
 - Multi-Family Development Projects

Interviews

- 7 Village of Farmingdale Main Street business owners
- Mayor & Business Administrator
- Local real estate professional

Economic Impact Analysis

- From 2012 to 2022, the \$18.8 million in capital improvement projects
- From 2013 to 2022, five housing development projects with \$93.8 million in construction costs and an estimated 241 new non-local households

Fiscal Impacts of Multi-Family Housing Development

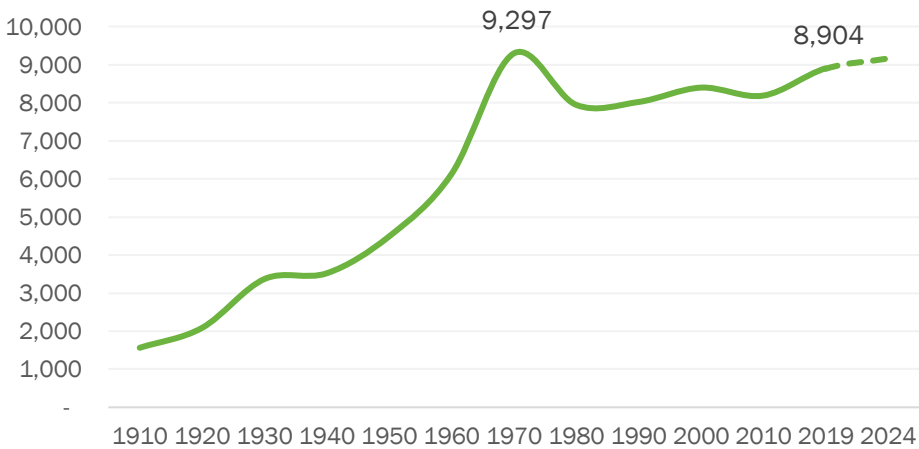
- Examined five housing development projects built from 2013 to 2021
- Identified the estimated total number of new residents and public school-age children
- Identified the net fiscal impacts to the school district

Executive Summary: Background Review

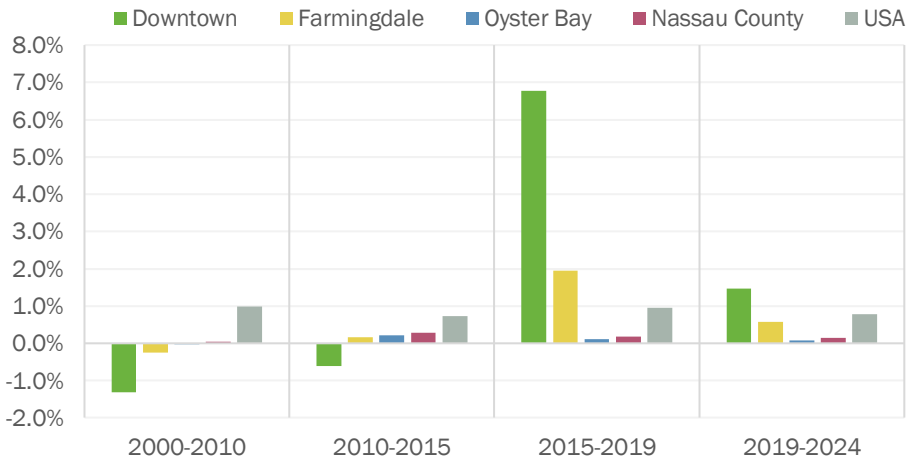
Recent Period of Decline: 2000 to 2010

Incorporated in 1904, Farmingdale Village is located within the Town of Oyster Bay in Nassau County, New York. Although Farmingdale grew by 380 residents from 1990 to 2000, it lost approximately 210 residents from 2000 to 2010, partially due to the economic recession of 2009 and 2010. Specifically, there was a decrease in young professionals, as reasonable housing options were scarce. Retail also suffered, with increasing competition from Amazon and the rise of online shopping. During this period, signage and lighting in Farmingdale were poor, parking fields were outdated, drainage was problematic, sidewalks were in disrepair, property values were down, and business growth was stagnant. Residents who needed to move to find work couldn't sell their homes because they were worth less than their outstanding mortgages. In short, Farmingdale was in great need of revitalization.

Historic and Projected Population



Annualized Population Change



Source: Census, Esri, 4ward Planning Inc., 2020

Executive Summary: Background Review (continued)

Vision and Planning Process: 2006 to 2010

In 2006, the Revitalization plan began with a visualization process which included Village residents, small business owners, and volunteer groups. There were walking tours and public workshops, involving over 200 people. In 2010, the Farmingdale Village master plan was completed. The goal of the plan was to coordinate a long-range approach to downtown Farmingdale, diversifying the economy to be more competitive, creating a more vibrant and unique destination, increasing the mix of uses, and making Farmingdale more attractive to resident shoppers and employees. Other objectives included increasing social amenities such as open-space areas, providing downtown workforce housing, enhancing the connection between the train station and Main Street, and improving the efficiency of transportation and parking. One of the key elements in accomplishing the goals of the master plan was the modification of building codes in the Downtown Mix Use area (DMU).

Farmingdale's Renaissance: 2010 to Present

In 2012, Mayor Ralph Ekstrand was elected. Since then, 35 new businesses have opened in Downtown, with more than 60 percent of these businesses being either limited- or full-service restaurants. Since 2016, vacancies along Main Street have declined while the Village's population has grown (6.8 percent per year from 2015 to 2019). Further, housing options expanded to accommodate different lifestyles, including empty nesters, couples without children, and singles. In 2018, the Metropolitan Transportation Authority (MTA) renovated the Farmingdale train station, extended its hours, and improved overall station security. In 2019, the Farmingdale school district unveiled new softball and baseball facilities as part of its \$36 million sports complex – contributing to an increase in spectators, civic pride and, likely, additional spending in the downtown. Finally, downtown Farmingdale hosts a variety of events including the annual St. Patrick's Day Parade (attracting up to 6,000 people) and Music on Main (attracting 6,000 to 8,000 people for the event).

Executive Summary: Economic Impact Analysis

Capital Improvement-Related Project Impacts

From 2012 to 2022 (programmed), the Village of Farmingdale invested or dedicated over \$22.5 million in capital improvement projects (e.g., parking lots, water, electrical, roadwork, and park and streetlight improvements) and equipment (e.g., fire trucks, ambulances, and public works equipment). 4ward Planning utilized IMPLAN, a preferred economic impact assessment software system, to conduct an economic impact analysis of capital improvement-related projects within Nassau County. Over this 10-year period, the \$18.8 million in capital improvement construction projects (for modeling purposes excludes land costs and equipment purchases like trucks) are expected to support an average of 20 total (direct, induced, and indirect) temporary jobs (part- and full-time) per year, and generate \$17.57 million in total labor income, \$18.72 million in total value added, and \$32.8 million in total output within the County. For every \$1.00 invested in capital improvement-related construction projects, another \$1.74 is generated in output within Nassau County.

Summary of Capital Improvement Projects: Nassau County

Impact	Employment (Cumulative)	Employment (Average)	Labor Income	Value Added	Output
Direct	141.13	12.8	\$12,284,248	\$9,959,592	\$18,810,674
Indirect	31.61	2.9	\$2,482,384	\$3,918,796	\$6,211,558
Induced	46.91	4.3	\$2,806,114	\$4,838,338	\$7,747,790
Total	219.6	20.0	\$17,572,747	\$18,716,726	\$32,770,022
ROI					\$1.74

Executive Summary: Economic Impact Analysis (continued)

Multi-Family Related Project Impacts

Between 2013 and 2016, Terwilliger & Bartone Properties invested \$83.3 million dollars into downtown Farmingdale during the construction of four multi-family projects. Currently, a \$10 million dollar workforce development housing project is expected to be constructed in downtown Farmingdale in 2021. These five projects combined will create 280 new housing units and 23,600 square feet of new retail space (e.g., small food store, restaurant, dry cleaner, and coffee shop). The table below compares the total economic impacts (direct, indirect, and induced) of the five housing projects within Nassau County from 2013 to 2022 (during both project construction and operation). From 2013 to 2022 (projected), the \$93.3 million in project investment supported an average of 273 total jobs per year (part- and full-time), and generated \$162.3 million in total labor income, \$255.6 million in total value added, and \$389.2 million in total output within Nassau County. The economic impact of housing development in downtown Farmingdale is likely much larger, as an additional six multi-family projects were not included in this analysis due to the lack of available project details (e.g., 231 Main Street, 285 Eastern Parkway, 155 Main Street, 776-780 Fulton Street, 168-178 Fulton Street, and 769 Fulton Street).

Summary of Impacts from 4 Multi-Family Projects in Nassau County: Construction and Operation, 2013-2022

Impact	Employment (Annual Average)	Labor Income	Value Added	Output
Direct	134.6	\$76.8	\$110.9	\$155.3
Indirect	22.4	\$15.1	\$23.2	\$40.2
Induced	116.0	\$70.4	\$121.4	\$193.7
Total	273.0	\$162.3	\$255.6	\$389.2

Executive Summary: Economic Impact Analysis (continued)

Downtown Business Impacts

Since 2012, 35 new businesses have opened in Downtown, with more than 60 percent of these businesses being either limited- or full-service restaurants. Of the 81 businesses currently operating in Downtown with known opening dates, approximately half were opened before 2012 (e.g., Moby Drugs, Mikes Barber Shop, and Farmingdale Meat Market) and half were opened after 2012 (e.g., Main Street Pizza Company, Farmingdale Brew, and Thyme on Your Side Antiques). While some of these businesses backfilled vacant storefronts, others expanded into two formerly vacant storefronts (e.g., Main Street Pizza Company replaced Uncle Tony's Pizzeria and Ristorante; Harley's American Grille expanded into an adjacent restaurant space after that business closed).

It should be noted that restaurants replacing those forced to close during the economic recession were not included in net new restaurant business calculations. It is likely some of the new businesses created net new jobs and retail sales revenue for downtown Farmingdale. However, more detailed information on net new business growth would be necessary to calculate net new jobs and sales. Furthermore, most of these businesses are likely serving Nassau County residents, and not necessarily attracting net new sales revenue from outside the County.

Executive Summary: Fiscal Impacts (public school children)

Residential Project	Years Open ¹	Total PSAC ²	Total Annual Average per Pupil Cost ³	Total Educational Service Cost Since Project Opening
Farmingdale Village 1 & 2	6	10	\$6,635	\$398,100
100 Secatogue Avenue	4	0	\$6,635	\$0
The Lofts at 231 Main Street	3	1	\$6,635	\$19,905
The Lofts at 285 Eastern Parkway	2	0	\$6,635	\$0
155 Main Street	5	9	\$6,635	\$358,290
168-178 Fulton Street	4	1	\$6,635	\$26,540
Totals		21		\$802,835

¹Source: Nassau County Tax Assessor's Office

²Source: Farmingdale Superintendent's Office

³Derived from adjusting the 2019-20 FSD budget and dividing by 2019-20 estimated enrollment

Analysis of the six multi-family residential projects (323 dwelling units) which are not age restricted indicates 21 public school-age children (K-12) are linked to these residential projects, based on data provided by the Farmingdale School District (FSD). As exhibited in the above table, not all multi-family apartment buildings generate public school-age children (100 Secatogue Avenue and The Lofts at 285 Main Street).

Further, not all of the students identified in the above table enrolled in the year the apartment building was opened and, therefore, the estimated total educational service costs are overstated. However, so as to be conservative in its cost estimate, 4ward Planning assumes all students were enrolled concurrent with the opening of the apartment building.

Executive Summary: Fiscal Impacts (public school children)

Residential Project	Years Open	Total FSD Tax Revenues
Fairfield Plaza at Farmingdale Village 1	6	\$1,024,236
100 Secatogue Avenue	4	\$161,514
The Lofts at 231 Main Street	3	\$45,676
The Lofts at 285 Eastern Parkway	2	\$80,967
155 Main Street	5	\$252,931
168-178 Fulton Street	4	\$552,937
Totals		\$2,118,261

Based on a review real property tax data, the six multi-family projects examined have generated a cumulative total of just over \$2.1 million in school property tax revenue over the seven-year period studied (this is direct funding to the FSD and excludes revenues associated with the Farmingdale Public Library and Youth Council, which are also collected within the school levy).

Executive Summary: Fiscal Impacts (public school children)

\$2,118,261 in estimated tax levies over six years
minus...

\$802,835 in estimated educational costs over the
same six years =

\$1,315,426 estimated net surplus revenues to the
School District



Interviews with Main Street Businesses

ECONOMIC AND REAL ESTATE ANALYSIS FOR SUSTAINABLE LAND USE OUTCOMES™



Interviews: Background & Methodology

From the Village of Farmingdale's provided list of eight local businesses located along Main Street, some of which were established before 2012 (e.g., Runner's Edge) and some after 2012 (e.g., 317 Main Street), 4ward Planning successfully contacted seven (detailed in the Appendix), five of which were interviewed in person and two by telephone. Our conversations were an attempt to gather a comprehensive portrait of Farmingdale's recent economic history from the perspectives of businesses located along the study area. Participants were asked for their insights on Farmingdale's business climate – levels of private investment, employee profiles, ease of business establishment, visitor attractions and events, and suggestions for improvement – with focus on their reasons for ultimately choosing to locate in Farmingdale. The following two slides include the most salient feedback from our discussions.



Interviews: Takeaways

Business and community-friendly atmosphere

The proprietors with whom we spoke largely credited Farmingdale's business and community-friendly atmosphere as a primary driver in their decisions to locate there. The Village was credited with offering assistance, recommendations, and "open arms" to prospective business owners – facilitating the permitting process, access to grant funding, and participation in the façade improvement program, among other avenues of support.

Attraction of other businesses and new housing development

Several respondents indicated that both existing businesses and the development of new housing in Farmingdale also played a role in their decisions to locate there, as thriving retail and the promise of incoming residents are indicators of a relatively healthy economy. Efforts by the local government - including its rezoning initiative for transit-oriented development (TOD) housing and the creation of the Farmingdale Village Merchants' Association, encouraging support among local businesses – may be credited in making the Village more attractive to prospective private investors.

Village events benefit local businesses

Every proprietor with whom we spoke indicated Village events are beneficial to business, drawing more customers and publicity. Among those events most often noted were *Music on Main*, Columbus Day weekend celebration, Saint Patrick's Day parade, Christmas events, Spring Fair, Farmingdale Restaurant Week, and the Farmingdale Farmer's Market.

Interviews: Takeaways (continued)

Saturation of restaurants but room for other retail

There was a consensus among the proprietors with whom we spoke regarding Farmingdale's current oversupply of dining establishments, with several suggesting a moratorium on the number of restaurants and bars permitted. Many believe Farmingdale would benefit from attracting a more diverse mix of retail – such as a bakery, coffee shop, movie theater, and small bookstore that could host cultural events.

Parking solutions still needed

While recognizing Farmingdale's targeted improvement of parking options, most respondents indicated that parking is still an issue, particularly on the weekends. A couple proprietors suggested establishing a no-parking or alternate-side-of-the-street parking rule on Main Street on weekdays, when business is slower, but visibility of retail fronts is still important.

Economic Impact Analysis

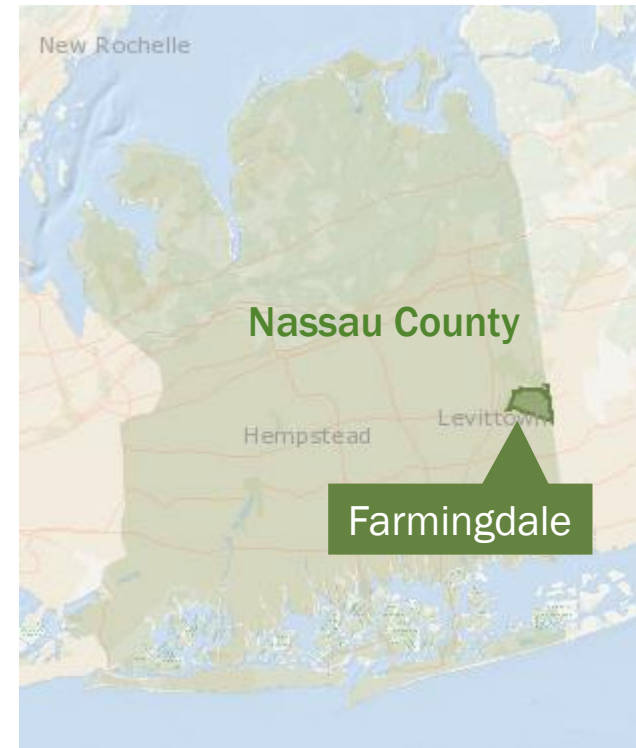
ECONOMIC AND REAL ESTATE ANALYSIS FOR SUSTAINABLE LAND USE OUTCOMES™



Methodology: Model Overview

IMPLAN is an input-output (I/O) software program that collects data from a variety of economic data sources to generate average output, employment, and productivity for 546 industry sectors. IMPLAN combines this data to generate a series of economic multipliers (e.g., employment, labor income, value added, and output) that measure total economic activity generated by a specific industry in a given area. Based on IMPLAN's multipliers, it can estimate a given event's direct, indirect, and induced impacts. More detail regarding IMPLAN is provided below and on the following page.

4ward Planning utilized IMPLAN to conduct an economic impact analysis of \$21.3 million in capital improvement projects and \$93.8 million in multi-family housing projects in downtown Farmingdale. Dollar values are presented in 2020 dollars.

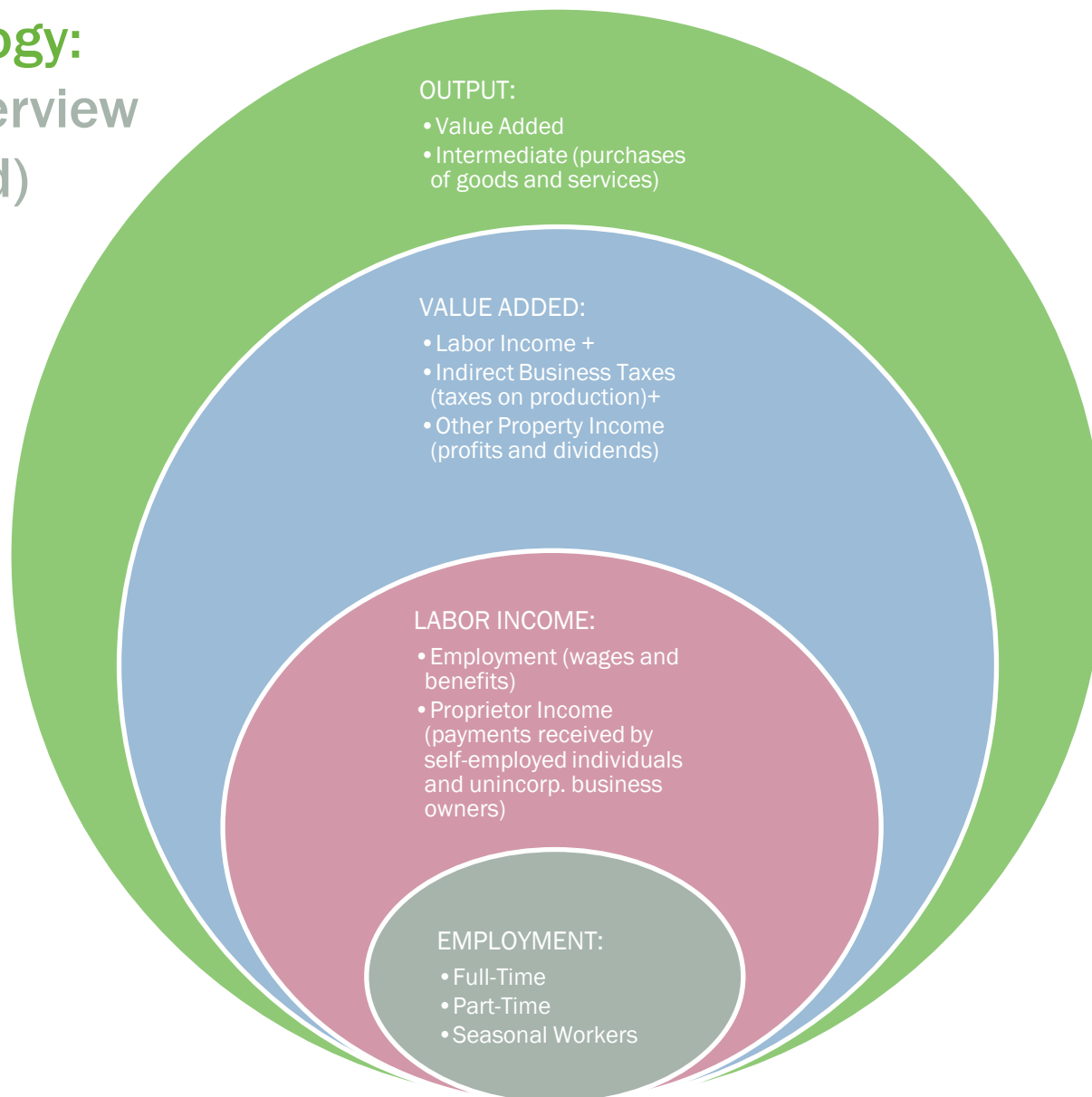


IMPLAN Model Effects

Effects		Description
Direct	=	Expenditures or Spending: Production change associated with a change in demand for the good itself
Indirect	=	Supply Chain Spending: The impact of local industries buying goods and services from other local industries (e.g. intermediate expenditures)
Induced	=	Household Spending: Changes in household spending due to the additional employment generated by direct and indirect effects

Methodology:

Model Overview (continued)



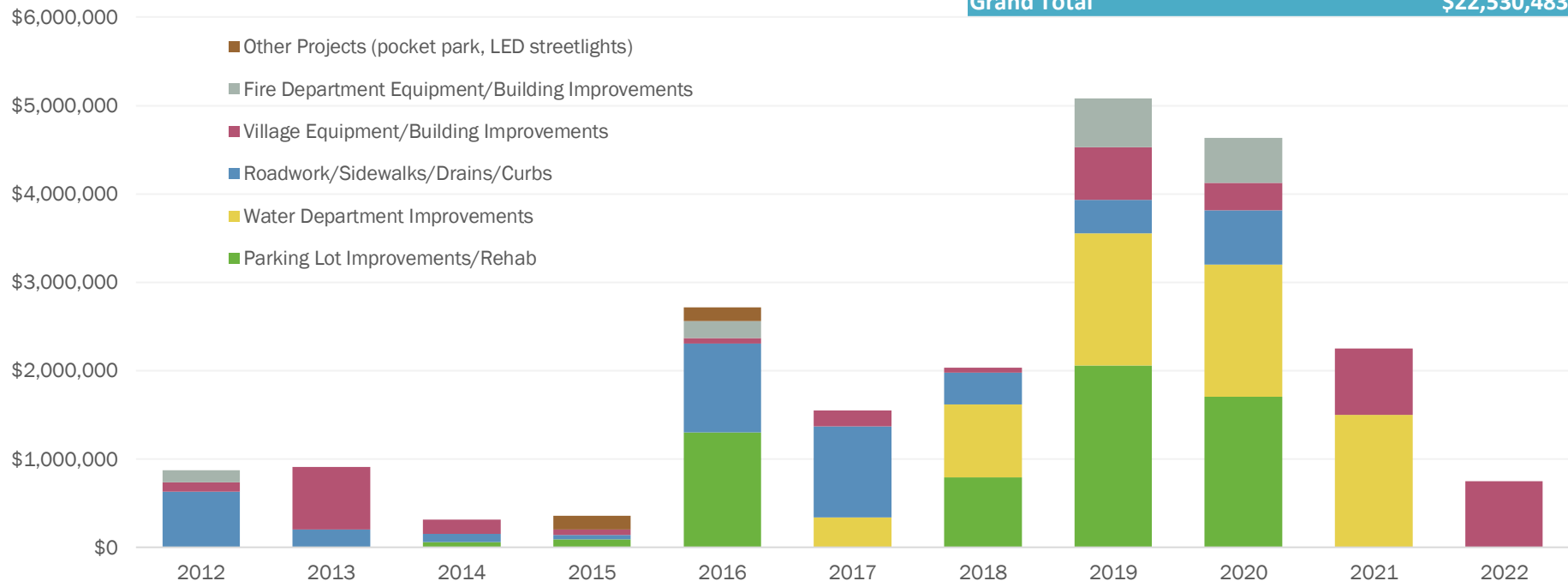
Capital Improvement Projects

Timeline of Investments: Capital Improvement Projects

As illustrated below and summarized in the table to the right, from 2012 to 2022, The Village of Farmingdale has invested or dedicated over \$22.5 million in capital improvement projects (e.g., parking lots, water, electrical, roadwork, park and streetlight improvements) and equipment (e.g., fire trucks, ambulances, public works equipment).

Capital Project Summary, 2012-2022

Type	Total
Parking Lot Improvements/Rehab	\$6,170,494
Water Department Improvements	\$6,144,866
Roadwork/Sidewalks/Drains/Curbs	\$4,358,158
Village Equipment/Building Improvements	\$3,741,561
Fire Depart. Equipment/Building Improv.	\$1,396,684
Other Projects (pocket park, LED streetlights)	\$718,720
Grand Total	\$22,530,483



Source: Village of Farmingdale, 2020

Methodology: Capital Improvement Project Assumptions

Using capital improvement project costs provided by Farmingdale Village, 4ward Planning modeled \$21.3 million in direct project investment as *industry changes* in IMPLAN, based on the sectors identified below. Because IMPLAN models measure the value of production, land purchase costs can not be modeled and were separated out for two parking lot projects (assumed to represent 15 percent of total costs). For analysis purposes, three projects without a known year of spending were omitted, while costs for projects spanning multiple years were split evenly across years.

IMPLAN Inputs by Sector and Year

Year	Maintenance and repair construction of highways, streets, bridges, and tunnels (Sector 62)	Water, sewage and other systems (Sector 49)	Retail - Motor vehicle and parts dealers (Sector 402)	Construction of other new nonresidential structures (Sector 56)	Maintenance and repair construction of nonresidential structures (Sector 60)	Total
2012	\$628,949	-	\$246,280	-	-	\$875,229
2013	\$205,035	-	\$166,272	-	\$539,418	\$910,725
2014	\$155,837	-	\$161,193	-	-	\$317,030
2015	\$294,698	-	\$66,066	-	-	\$360,763
2016	\$2,265,720	-	\$256,852	-	-	\$2,522,572
2017	\$1,029,699	\$340,648	\$179,450	-	-	\$1,549,797
2018	\$1,148,200	\$830,882	\$53,807	-	-	\$2,032,888
2019	\$2,432,388	\$1,500,000	\$838,468	\$162,500	\$150,000	\$5,083,356
2020	\$2,314,201	\$1,500,000	\$505,441	\$162,500	\$150,000	\$4,632,141
2021	-	\$1,500,000	-	\$750,000	-	\$2,250,000
2022	-	-	-	\$750,000	-	\$750,000
Total	\$10,474,726	\$5,671,530	\$2,473,828	\$1,825,000	\$839,418	\$21,284,502

Source: Farmingdale Village; 4ward Planning, 2020

Capital Improvement Projects: Impacts (2012-2022)

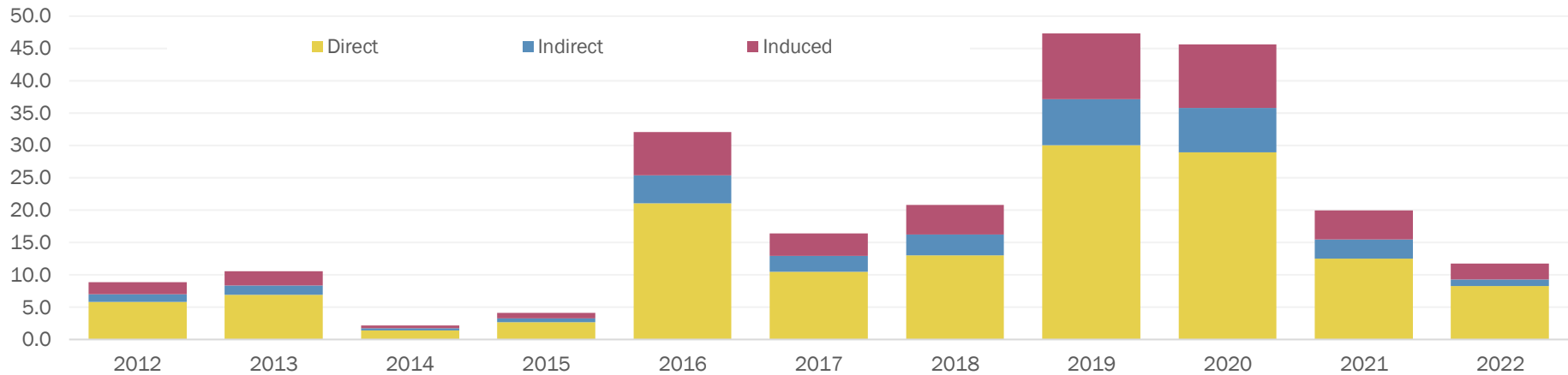
The tables below compare the economic impacts of the Village of Farmingdale's capital improvement projects (e.g., parking lots, water, electrical, roadwork, and streetlight improvements) within Nassau County. From 2012 to 2022, the \$18.8 million in capital improvement projects (excludes land costs and vehicle purchases) are expected to support an average of 20 total (direct, induced, and indirect) temporary jobs (part- and full-time) per year, and generate \$17.57 million in total labor income, \$18.72 million in total value added, and \$32.77 million in total output within the County. For every \$1.00 invested in capital improvement projects, another \$1.74 is generated in output within Nassau County.

Summary of Capital Improvement Projects: Nassau County, 2012-2022

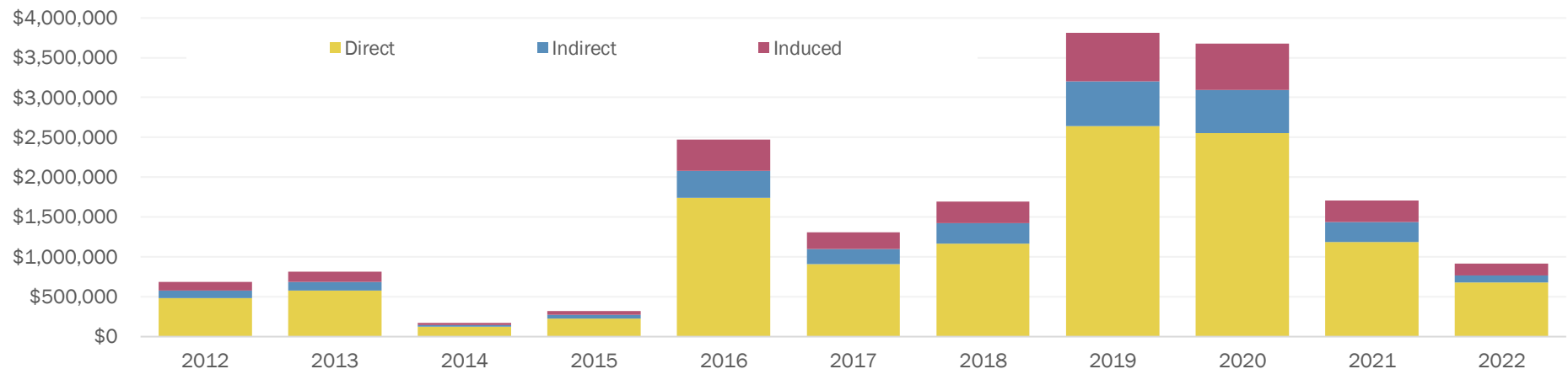
Impact	Employment (Cumulative)	Employment (Average)	Labor Income	Value Added	Output
Direct	141.13	12.8	\$12,284,248	\$9,959,592	\$18,810,674
Indirect	31.61	2.9	\$2,482,384	\$3,918,796	\$6,211,558
Induced	46.91	4.3	\$2,806,114	\$4,838,338	\$7,747,790
Total	219.6	20.0	\$17,572,747	\$18,716,726	\$32,770,022
ROI					\$1.74

Capital Improvement Projects: Impacts (2021-2022) (continued)

Employment Impacts by Year

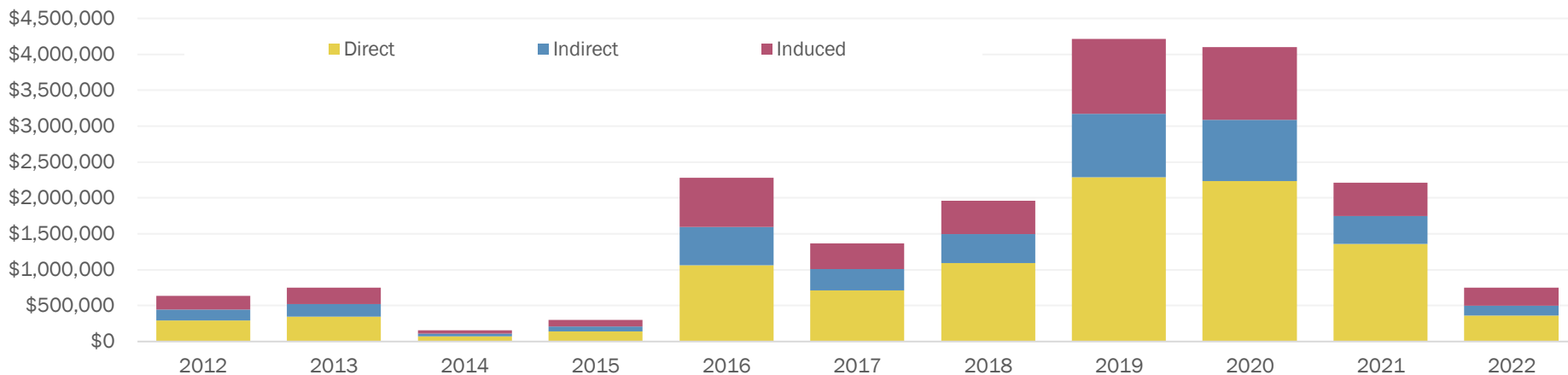


Labor Income Impacts by Year

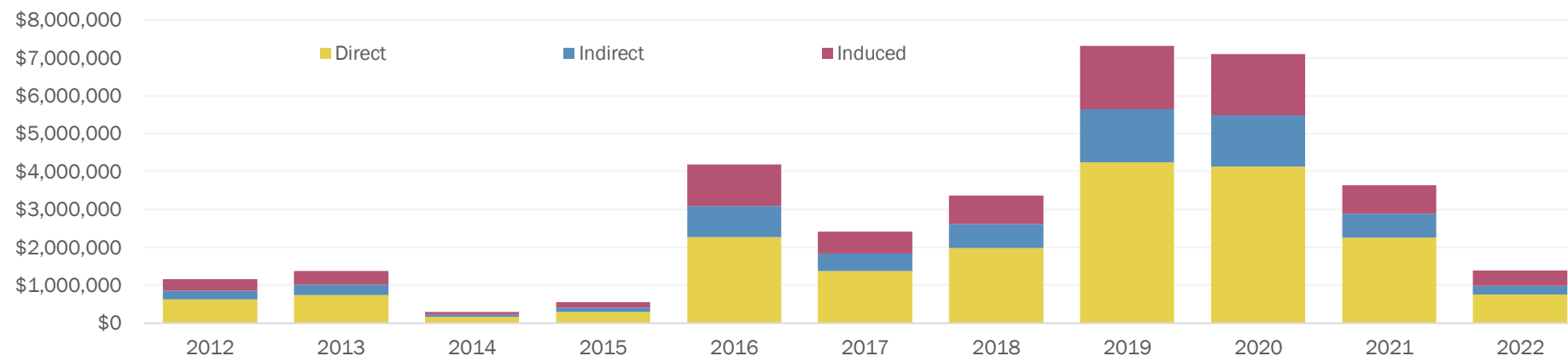


Capital Improvement Projects: Impacts (2021-2022) (continued)

Value Added Impacts by Year



Economic Output Impacts by Year



Multi-Family Housing Development Projects

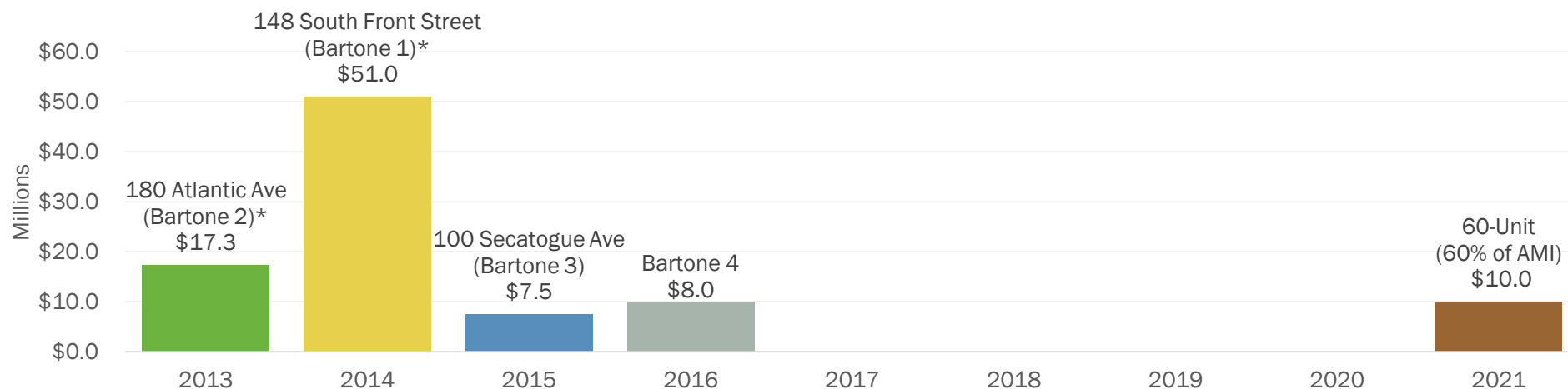
Timeline of Investments: Multi-Family Housing Development Projects

As illustrated below and summarized in the table to the right, from 2013 to 2016, Terwilliger & Bartone Properties invested over \$83.8 million in the construction of four apartment projects within downtown Farmingdale. Another 60-unit workforce housing development project is expected to be constructed in 2021 in downtown. Combined these five projects represent \$93.8 million dollars in private investment.

**Multi-Family Housing Development
Construction Costs, 2013-2021 (Millions)**

Type	Total (Millions)
180 Atlantic Ave: (Bartone 2)*	\$17.3
148 South Front Street: (Bartone 1)*	\$51.0
100 Secatogue Ave (Bartone 3)	\$7.5
Bartone 4	\$8.0
60-Unit (60% of AMI)	\$10
Grand Total	\$93.8

Farmingdale Multi-family Housing Project Construction Investment



* Since soft and hard construction costs were provided for these two projects combined, construction costs by project were broken out on a per-unit basis.

Source: Terwilliger & Bartone Properties, 2020

Methodology: Multi-Family Housing Project Assumptions

From 2013 to 2016, four market rate multi-family apartment projects were developed in downtown Farmingdale by Terwilliger & Bartone Properties. Another 60-unit workforce housing project is expected to be under construction in 2021. As presented in the table on the following page (top), these five projects are anticipated to invest \$93.3 million dollars into downtown Farmingdale, adding 280 new housing units and 23,600 square feet of retail space (e.g., small food store, restaurant, dry cleaner, and coffee shop).

To represent the temporary impacts during construction, 4ward Planning modeled hard cost under IMPLAN sector 58: *Construction of new multi-family residential structures* and soft costs under IMPLAN sector 457: *Architectural, engineering, and related services*. To model impacts from new household spending during project operation, 4ward Planning assumed a natural vacancy rate of five percent to calculate occupied households and assumed 90 percent of new households are non-local (coming from outside the county).

Using available online asking rents by bedroom size (e.g., Apartments.com), 4ward Planning calculated average household incomes for the four market rate apartment projects assuming asking rents represent a third of household incomes. As presented in the table on the following page (bottom), median area incomes for Nassau County provided by HUD were utilized to calculate average household incomes by bedroom type for the workforce housing project, assuming units are affordable to households earning 60 percent of Area Median Income (AMI) and two persons for the 2-bedroom household and three persons per 3-bedroom household. Annual household income for new non-local households were modeled in IMPLAN as Household Income Change

4ward Planning estimated annual retail sales based on square footage and modeled impacts under IMPLAN sectors 510: *Limited-service restaurants*, 406: *Retail - Food and beverage stores*, 519: *Dry-cleaning and laundry services*, and 509: *Full-service restaurants*. Dollars are presented in 2020 dollars.

Methodology: Multi-Family Housing Project Assumptions

Project Assumptions

Project	Timeline		Construction Costs Minus Land Acquisition (Millions)			Units by Bedroom				Non-Local Households by Bedroom (90%)				Annual Non-Local Household Spending		Retail SF
	Construction	Occupied	Hard (IMPLAN Sector 58)	Soft (IMPLAN Sector 457)	Total	Studio	1 Bdr.	2 Bdr.	Total Units	Studio	1 Bdr.	2 Bdr.	Total HHs	Average	Total (Millions)	
Bartone 2	2013	2014	\$13.6	\$3.7	\$17.3	-	25	14	39	-	21	12	33	\$111,535	\$3.7	5,600
Bartone 1	2014	2015	\$40.0	\$11.0	\$51.0	-	58	57	115	-	50	49	99	\$114,891	\$11.4	18,000
Bartone 3	2015	2016	\$6.0	\$1.5	\$7.5	28	10	4	42	24	9	3	36	\$101,010	\$3.6	-
Bartone 4	2016	2017	\$6.0	\$2.0	\$8.0	-	-	24	24	-	-	21	21	\$127,800	\$2.7	-
60-Unit	2021	2022	\$8.0	\$2.0	\$10.0	-	30	30	-	-	26	26	52	\$64,566	\$3.4	-
Total			\$73.6	\$20.2	\$93.8	28	123	129	280	24	106	111	241		\$24.7	23,600

Nassau County Median Household Income Assumptions: 60 Percent of AMI

Nassau County Median Household Income by Household Size						
	Median Area Income	One	Two	Three	Four	Five
Nassau County	\$126,600	\$53,172	\$60,768	\$68,364	\$75,960	\$82,037

Source: Terwilliger & Bartone Properties, 2020

Multi-Family Housing Projects: Impacts (2013-2022)

The tables below compare the total economic impacts (direct, indirect, and induced) of the five multi-family projects within Nassau County during project construction, the first year of project operation (varies by project), and for all years. From 2013 to 2022, the \$93.3 million in multi-family project private investment supported an average of 273 total jobs (part- and full-time) per year, and generated \$162.34 million in total labor income, \$255.55 million in total value added, and \$389.24 million in total output within the County.

Summary of Total Temporary Impacts from Multi-Family Projects in Nassau County: Construction

Impact	Year	Employment	Labor Income	Value Added	Output
180 Atlantic Ave (Bartone 2)	2013	161	\$12,564,430	\$18,505,520	\$25,388,569
148 South Front Street (Bartone 1)	2014	458	\$35,758,984	\$52,608,617	\$72,275,940
100 Secatogue Ave (Bartone 3)	2015	83	\$6,475,428	\$9,533,250	\$13,086,007
Bartone 4	2016	85	\$6,650,348	\$9,678,759	\$13,475,240
60-Unit	2021	93	\$7,279,380	\$10,694,690	\$14,717,761

Summary of Total Permanent Impacts from Multi-Family Projects in Nassau County: First Year Operation

Impact	Year	Employment	Labor Income	Value Added	Output
180 Atlantic Ave (Bartone 2)	2014	68	\$3,018,790	\$5,092,100	\$8,730,130
148 South Front Street (Bartone 1)	2015	140	\$7,187,767	\$11,584,369	\$18,326,010
100 Secatogue Ave (Bartone 3)	2016	20	\$1,211,569	\$2,092,567	\$3,334,433
Bartone 4	2017	14	\$877,660	\$1,515,856	\$2,415,463
60-Unit	2022	20	\$1,195,880	\$2,107,700	\$3,367,316

Summary of Impacts from Multi-Family Projects in Nassau County: 2013-2022

Impact	Employment (Average)	Labor Income	Value Added	Output
Direct	134.6	\$76,770,745	\$110,936,821	\$155,340,775
Indirect	22.4	\$15,134,730	\$23,240,607	\$40,222,894
Induced	116.0	\$70,443,363	\$121,373,692	\$193,678,449
Total	273.0	\$162,348,838	\$255,551,121	\$389,242,118

Multi-Family Housing Projects: Total Impacts by Project (2013-2022)

Construction
Operation

Total Employment Impacts by Year

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	Average (2013-2022)
Bartone 2	161.2	67.6	66.1	64.8	63.3	62.0	60.9	59.8	59.0	58.0	72.3
Bartone 1	0.0	458.4	140.0	137.3	134.7	132.0	130.1	128.3	126.4	124.6	151.2
Bartone 3	0.0	0.0	83.0	19.9	19.6	19.1	18.9	18.6	18.4	18.2	21.6
Bartone 4	0.0	0.0	0.0	84.6	14.4	14.1	13.9	13.7	13.6	13.4	16.8
60-Unit	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	93.2	19.8	11.3

Total Labor Income Impacts by Year (Millions)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	Total (2013-2022)
Bartone 2	\$12.6	\$3.0	\$3.0	\$2.9	\$2.8	\$2.8	\$2.7	\$2.7	\$2.6	\$2.6	\$37.7
Bartone 1	\$0.0	\$35.8	\$7.2	\$7.1	\$6.9	\$6.8	\$6.7	\$6.6	\$6.5	\$6.4	\$89.9
Bartone 3	\$0.0	\$0.0	\$6.5	\$1.2	\$1.2	\$1.2	\$1.1	\$1.1	\$1.1	\$1.1	\$14.5
Bartone 4	\$0.0	\$0.0	\$0.0	\$6.7	\$0.9	\$0.9	\$0.8	\$0.8	\$0.8	\$0.8	\$11.7
60-Unit	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$7.3	\$1.2	\$8.5

Total Value Added Impacts by Year (Millions)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	Total (2013-2022)
Bartone 2	\$18.5	\$5.1	\$5.0	\$4.9	\$4.8	\$4.7	\$4.6	\$4.5	\$4.4	\$4.4	\$60.9
Bartone 1	\$0.0	\$52.6	\$11.6	\$11.4	\$11.2	\$10.9	\$10.8	\$10.6	\$10.5	\$10.3	\$140.0
Bartone 3	\$0.0	\$0.0	\$9.5	\$2.1	\$2.1	\$2.0	\$2.0	\$2.0	\$1.9	\$1.9	\$23.5
Bartone 4	\$0.0	\$0.0	\$0.0	\$9.7	\$1.5	\$1.5	\$1.5	\$1.4	\$1.4	\$1.4	\$18.4
60-Unit	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$10.7	\$2.1	\$12.8

Total Economic Output Impacts by Year (Millions)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	Total (2013-2022)
Bartone 2	\$25.4	\$8.7	\$8.5	\$8.4	\$8.2	\$8.0	\$7.9	\$7.7	\$7.6	\$7.5	\$98.0
Bartone 1	\$0.0	\$72.3	\$18.3	\$18.0	\$17.7	\$17.3	\$17.1	\$16.8	\$16.6	\$16.4	\$210.5
Bartone 3	\$0.0	\$0.0	\$13.1	\$3.3	\$3.3	\$3.2	\$3.2	\$3.1	\$3.1	\$3.0	\$35.3
Bartone 4	\$0.0	\$0.0	\$0.0	\$13.5	\$2.4	\$2.4	\$2.3	\$2.3	\$2.3	\$2.2	\$27.4
60-Unit	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$14.7	\$3.4	\$18.1

Multi-Family Housing Projects: Impacts by Type (2013-2020)

Employment Impacts by Year

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	Average (2013-2022)
Direct	110.9	350.5	151.9	149.7	90.4	88.8	87.2	85.7	148.1	82.7	134.6
Indirect	33.8	54.1	23.1	23.6	13.9	13.7	13.4	13.2	22.7	12.7	22.4
Induced	16.5	121.4	114.1	133.3	127.7	124.7	123.1	121.5	139.5	138.2	116.0
Total	161.2	526.0	289.1	306.6	232.0	227.2	223.8	220.4	310.3	233.6	273.0

Labor Income Impacts by Year (Millions)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	Total (2013-2022)
Direct	\$9.4	\$27.6	\$8.1	\$8.1	\$3.2	\$3.1	\$3.0	\$3.0	\$8.4	\$2.9	\$76.8
Indirect	\$2.0	\$3.9	\$1.6	\$1.6	\$0.9	\$0.9	\$0.9	\$0.9	\$1.6	\$0.8	\$15.1
Induced	\$1.2	\$7.3	\$6.9	\$8.1	\$7.7	\$7.6	\$7.5	\$7.4	\$8.4	\$8.4	\$70.4
Total	\$12.6	\$38.8	\$16.6	\$17.8	\$11.8	\$11.6	\$11.4	\$11.2	\$18.4	\$12.1	\$162.3

Value Added Impacts by Year (Millions)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	Total (2013-2022)
Direct	\$13.3	\$39.4	\$11.8	\$11.7	\$4.7	\$4.6	\$4.6	\$4.5	\$12.1	\$4.3	\$110.9
Indirect	\$3.5	\$5.7	\$2.4	\$2.4	\$1.4	\$1.4	\$1.4	\$1.3	\$2.4	\$1.3	\$23.2
Induced	\$1.8	\$12.6	\$11.9	\$13.9	\$13.4	\$13.1	\$12.9	\$12.7	\$14.6	\$14.5	\$121.4
Total	\$18.5	\$57.7	\$26.1	\$28.1	\$19.5	\$19.1	\$18.8	\$18.6	\$29.0	\$20.1	\$255.6

Economic Output Impacts by Year (Millions)

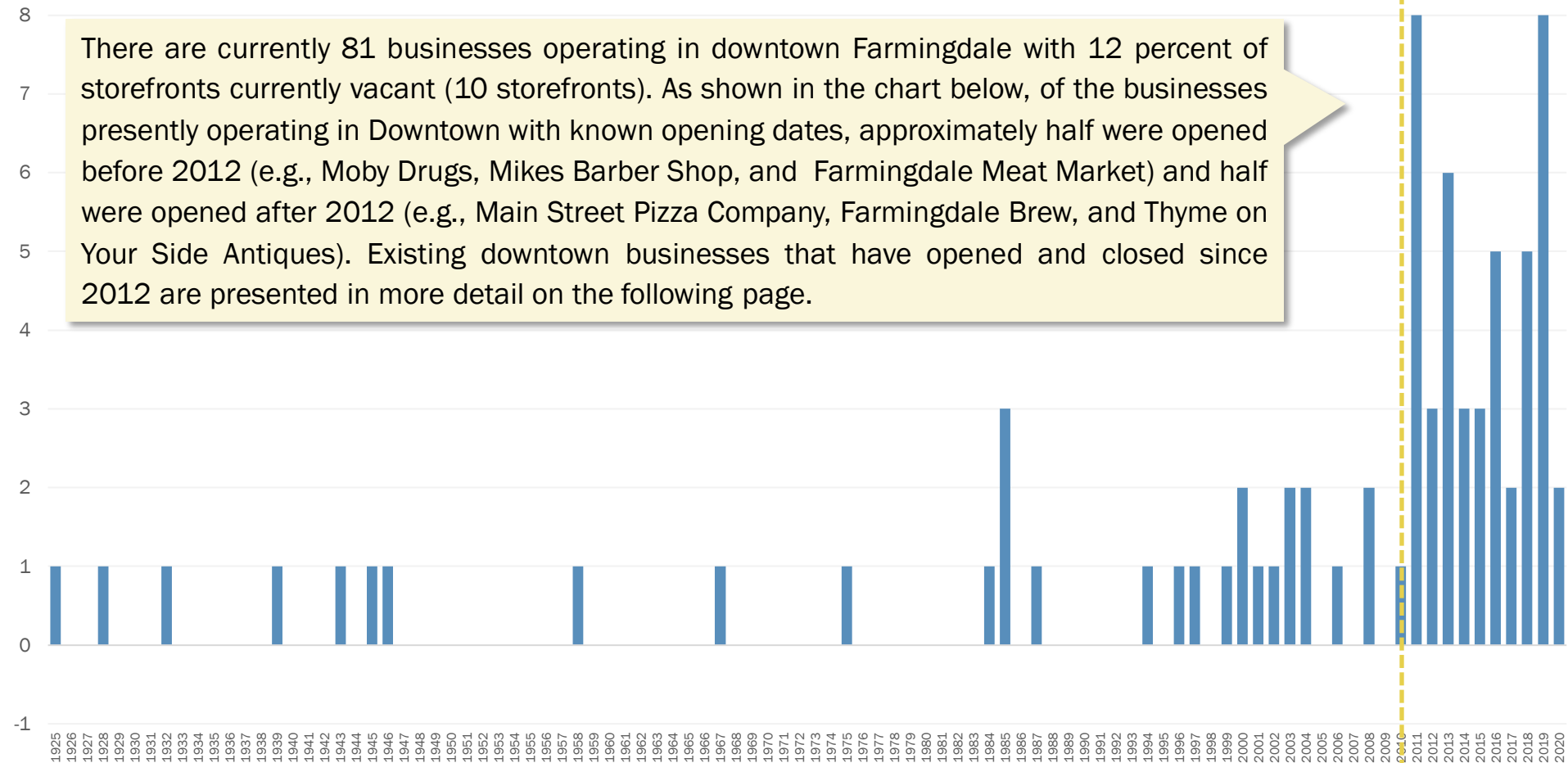
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	Total (2013-2022)
Direct	\$17.0	\$51.4	\$16.7	\$16.7	\$7.6	\$7.5	\$7.4	\$7.2	\$16.9	\$7.0	\$155.3
Indirect	\$5.6	\$9.5	\$4.2	\$4.3	\$2.6	\$2.6	\$2.5	\$2.5	\$4.1	\$2.4	\$40.2
Induced	\$2.9	\$20.1	\$19.0	\$22.2	\$21.3	\$20.8	\$20.6	\$20.3	\$23.3	\$23.1	\$193.7
Total	\$25.4	\$81.0	\$40.0	\$43.2	\$31.6	\$30.9	\$30.4	\$30.0	\$44.3	\$32.5	\$389.2

Downtown Business

Timeline of Investments:

Existing Downtown Business by Year Opened

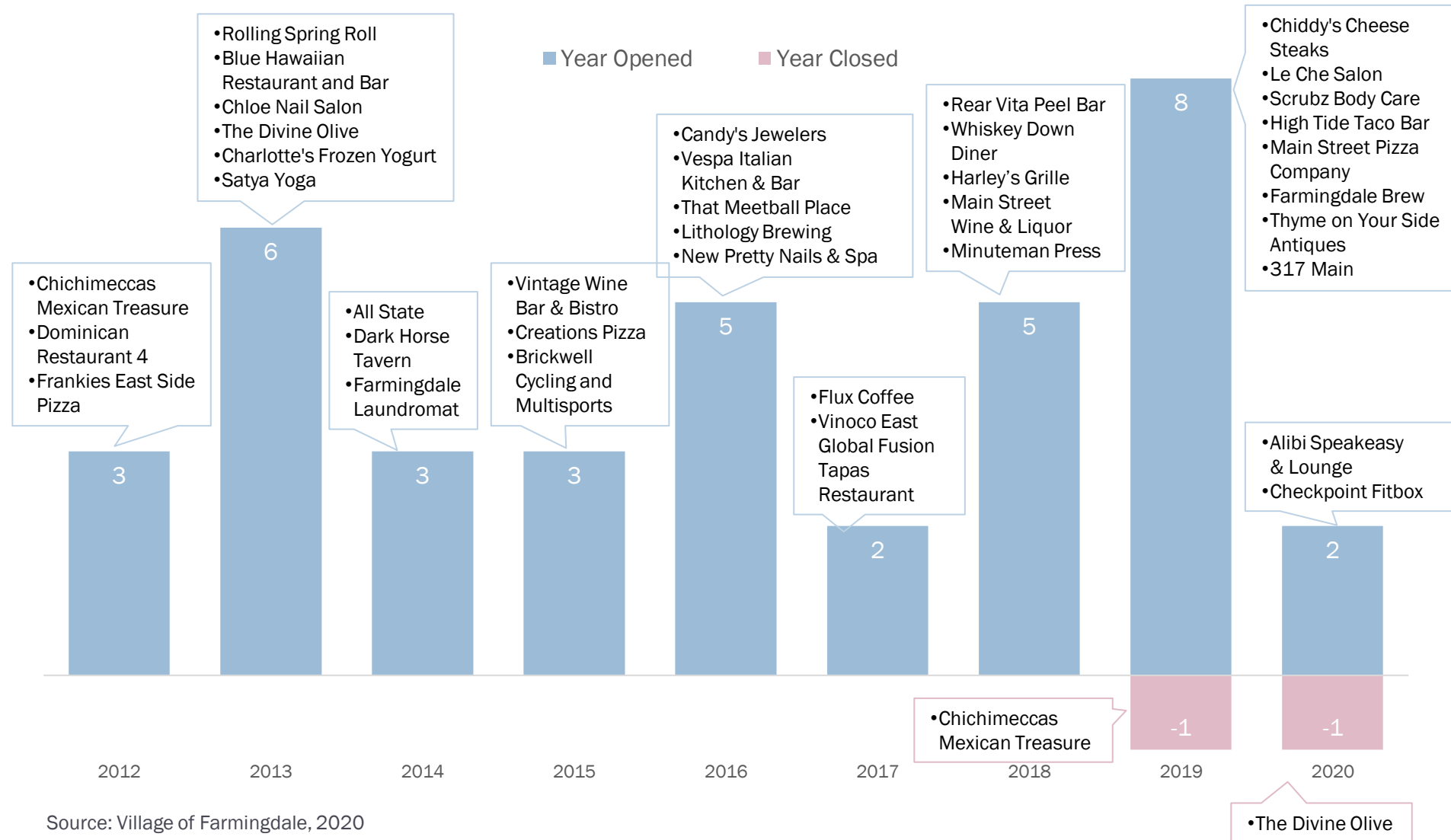
There are currently 81 businesses operating in downtown Farmingdale with 12 percent of storefronts currently vacant (10 storefronts). As shown in the chart below, of the businesses presently operating in Downtown with known opening dates, approximately half were opened before 2012 (e.g., Moby Drugs, Mikes Barber Shop, and Farmingdale Meat Market) and half were opened after 2012 (e.g., Main Street Pizza Company, Farmingdale Brew, and Thyme on Your Side Antiques). Existing downtown businesses that have opened and closed since 2012 are presented in more detail on the following page.



Source: Village of Farmingdale, 2020

Timeline of Investments:

New Downtown Business by Year Opened/Closed



Fiscal Impacts

ECONOMIC AND REAL ESTATE ANALYSIS FOR SUSTAINABLE LAND USE OUTCOMES™



Multi-Family Housing Development Projects Built Since 2012

Fiscal Impacts: Multi-Family Housing Development

Overview

A fiscal impact analysis (FIA) examines the linkage between local government revenue generated by new development and its resultant municipal service costs (e.g., police, fire, schools, sanitation, etc.). The outcome of such an analysis is to produce a project-related estimate of community service costs to projected revenues - a “cost-revenue ratio” - which will either be positive (a revenue surplus), negative (a revenue shortfall), or neutral (break-even).

Generally, fiscal impact analysis is performed prior to the development and occupancy of a particular project (residential, office, retail, or industrial) for purposes of anticipating net new service costs and revenues for a given municipality and school district. However, 4ward Planning’s charge for this study is to perform a post-development FIA on the major residential development projects constructed and occupied in Farmingdale since 2012. This approach offers the benefit of evaluating actual service costs incurred and revenues generated, as opposed to projecting these metrics.

Further, the two analytic methods critical to performing a post development FIA are the per capita method and case study method, each of which is more fully described on the following page.

Fiscal Impacts: Multi-Family Housing Development (continued)

Per Capita Method – Quite simply, this FIA approach determines public service costs on an average unit basis – per pupil for the school district and per capita and per employee for the municipality. It is, generally, a straightforward division of known annual service costs divided by either total students, residents, or workers. This method is the most widely used FIA approach due to both its simplicity and its low cost to perform. The recommended multipliers for population and student enrollment changes are derived from U.S. Census based data (e.g., persons per household, dependent upon housing unit type (single-family detached, single-family detached, multi-family, etc.) and housing tenure (owner-occupied or renter-occupied)).

Case Study Method – The case study approach relies on site-specific interviews of public officials knowledgeable of local service and capacity conditions as the primary means of determining the effects of population growth on public services and costs. The interviews identify the anticipated marginal costs of growth given conditions of excess or deficient service capacity. In the case of excess capacity (capacity beyond that needed to accommodate the existing population at current service levels), development induced growth will add to costs at lower-than-average per capita/student/employee levels. In the case of deficient capacity (capacity below that needed to accommodate the existing population at current service levels), development induced growth will add to costs at higher-than-average per capital/student/employee levels.

This fiscal impact analysis focuses exclusively on the number of public-school-age children associated with multi-family residential projects developed since 2012, and, thus, examines seven such housing projects.

Fiscal Impacts: Multi-Family Housing Development (continued)

The residential development projects included in this FIA are exhibited below:

Year Opened	Multi-Family Housing Developments	Units
2014	Fairfield Plaza at Farmingdale Village 1	115
2014	Fairfield Plaza at Farmingdale Village 2	39
2017	100 Secatogue Avenue	42
2017	The Lofts at 231 Main Street	26
2018	The Lofts at 285 Eastern Parkway	27
2014	155 Main Street	14
2016	168-178 Fulton Street	60
Totals		323

To estimate the number of persons (inclusive of school-age children) occupying the above 323 multi-family residential units, 4ward Planning used research findings from a 2019 report produced by The Real Estate Institute at Stony Brook University (REI). REI, in collaboration with Cushman and Wakefield, and Rampart Insurance Services, examined “the probable enrollment effect that new residential developments on Long Island might have on local school districts.” REI, utilizing CoStar’s proprietary real estate database, randomly selected 14 multi-family apartment complexes (five within Nassau County and nine within Suffolk County) which were developed and occupied since 2003. Each apartment complex had a minimum of 200 units, and a total of 10 public school districts were associated with the 14 complexes (see *Market Rate Apartment School Aged Children Study*, REI at Stony Brook University College of Business, April 2019).

Fiscal Impacts: Multi-Family Housing Development (continued)

Below is a listing of the 14 complexes included in the REI study, along with the associated number of units per complex, year built, and municipal and the school district jurisdictions:

Apartment Complex	Units	Year Built	Municipal Jurisdiction	School District
Avalon at Glen Cove	367	2004	Glen Cove	Glen Cove
Avalon Westbury	396	2004	Westbury	Uniondale
Fairfield Knolls at Port Jefferson	291	2004	Port Jefferson Station	Brookhaven-Comsewogue
The Point at Pine Ridge	450	2006	Coram	Longwood
Medford Pond	200	2007	Medford	Patchogue-Medford
Enclave at Charles Pond	200	2009	Coram	Longwood
Avalon Garden City	204	2012	Garden City	Uniondale
Avalon Huntington	303	2014	Huntington Station	Huntington
New Village at Patchogue	291	2014	Patchogue	Patchogue-Medford
The Allure Mineola	275	2015	Mineola	Mineola
The Jefferson at Farmingdale	154	2015	Farmingdale	Farmingdale
The Reserve at the Boulevard	240	2016	Yaphank	Longwood
One Third Avenue	315	2016	Mineola	Mineola
The Cornerstone at Farmingdale	42	2016	Farmingdale	Farmingdale

Source: *Market Rate Apartment School Aged Children Study*; REI at Stony Brook University College of Business, 2019

Fiscal Impacts: Multi-Family Housing Development (continued)

The below table presents the highest number of school-age children that any one complex reported over the period of time since opened, along with the ratio of these students to total units of the subject property:

<u>Apartment Complex</u>	<u>Units</u>	<u>Highest Number of Students</u>	<u>Student/unit Ratio</u>	<u>School District</u>
Avalon at Glen Cove	367	32	.09	Glen Cove
Avalon Westbury	396	46	.12	Uniondale
Fairfield Knolls at Port Jefferson	291	2	.01	Brookhaven-Comsewogue
The Point at Pine Ridge	450	71	.16	Longwood
Medford Pond	200	53	.27	Patchogue-Medford
Enclave at Charles Pond	200	33	.17	Longwood
Avalon Garden City	204	13	.06	Uniondale
Avalon Huntington	303	56	.18	Huntington
New Village at Patchoge	291	20	.07	Patchogue-Medford
The Allure Mineola	275	7	.03	Mineola
The Jefferson at Farmingdale	154	6	.04	Farmingdale
The Reserve at the Boulevard	240	25	.10	Longwood
One Third Avenue	315	15	.05	Mineola
The Cornerstone at Farmingdale	<u>42</u>	<u>3</u>	<u>.07</u>	<u>Farmingdale</u>
Mean¹	266	27	.10	
Median¹	283	23	.08	

¹ Values are rounded up to the nearest whole number.

Source: *Market Rate Apartment School Aged Children Study*; REI at Stony Brook University College of Business, 2019

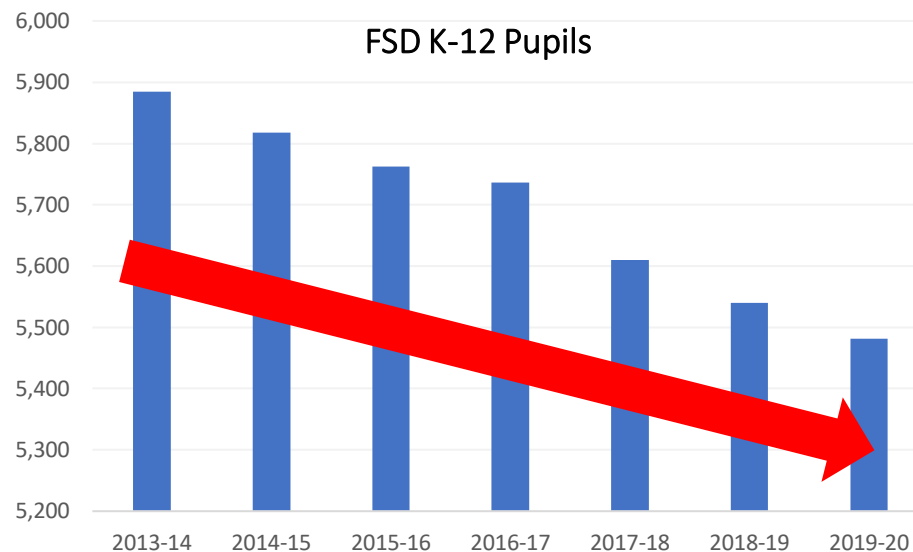
Fiscal Impacts: Multi-Family Housing Development (continued)

As exhibited on the preceding page, the reported number of school-age children per every 100 units of multi-family rental housing is relatively low. Based on the metrics presented, the mean number of school-age children per 100 units is approximately 10; the median is slightly lower, at eight per 100 units.

This relatively low ratio of school-age children per 100 multi-family housing units has important implications, insofar as school service costs are concerned. Specifically, arguments are often made (with little factual support) that multi-family development complexes will significantly impact a local school district (e.g., create overcrowding and substantially increase the district's operating and capital costs). While there are certainly instances where a new multi-family development complex may have contributed to a significant increase in a local school district's operating and capital budgets, over the past 15 years, it is more the exception than the rule, based on 4ward Planning's considerable analysis of a variety of urban and suburban school district enrollment trends within the northeastern U.S.

Indeed, more often than not, declining enrollments over the past 10 to 15 years has meant there is increasing slack (in terms of school building space and professional personnel) in many of these school systems, such that the addition of a few new students (spread over grade levels and years of enrollment) has relatively little impact on a school system's budget. However, this is not to say that school district budgets are not likely to rise; it is simply to point out that it is rare that a new multi-family apartment building will result in a significant financial impact to the local school district.

Fiscal Impacts: Multi-Family Housing Development (continued)



An examination of school district enrollment data since the first multi-family projects opened in 2014 through the current academic year shows a steady declining enrollment trend, notwithstanding 323 new apartment units developed during this time period.

Source: data.nysed.gov, 2020; Farmingdale School District; 2020

The above table illustrates student enrollment trends within the Farmingdale School District (FSD) from academic years 2013-14 through 2019-20. Student enrollment in the district has declined by 404 since the 2013-14 school year (a nearly seven-percent decrease). This student enrollment decline is surprising, given that total population within the Village has increased by nearly six percent since 2010, according to U.S. Census estimates.

Further, given the highest reported number of students (21) associated with the seven multi-family projects developed within Farmingdale over this period is modest, it would appear that little, if any, service cost burden was placed on the district.

Fiscal Impacts: Multi-Family Housing Development (continued)

To report accurate public-school enrollment figures related to each of the Farmingdale multi-family housing projects examined, 4ward Planning reached out to the Farmingdale School District superintendent's office and requested school enrollment figures associated with each of the complexes, as exhibited below. We have also estimated the number of school-age children, based on the foregoing REI study ratio – in this case, we utilize .09 children per unit, which is between the median and mean values observed.

Residential Project	Units	Projected School Children @ .09 per 10 Units ¹	Actual Number of School Children Reported ²
Fairfield Plaza at Farmingdale Village 1	115	10	8
Fairfield Plaza at Farmingdale Village 2	39	6	2
100 Secatogue Avenue	42	4	0
The Lofts at 231 Main Street	26	2	1
The Lofts at 285 Eastern Parkway	27	2	0
155 Main Street	14	1	9
168-178 Fulton Street	60	5	1
Totals	323	30	21

¹Values are rounded to the nearest whole integer

²Source: Farmingdale School District Superintendent's Office (maximum number of students in any given year)

Fiscal Impacts: Multi-Family Housing Development (continued)

Farmingdale School District Service Costs

Based on an interview with the Farmingdale School District's business administration's office, the seven multi-family residential projects developed in the Village since 2013 have generated a maximum of 21 students in any year since opening.

As the school district realized a seven percent drop in student enrollment over this period (slightly more than a 400 student decline), it is reasonable to assume that the addition of 21 students, associated with subject multi-family projects examined in this analysis, had little if any financial impact on school district service costs. Indeed, the school district, through its office of business administration, confirmed that it did not realize any noticeable financial impact associated with the seven multi-family development projects.

Fiscal Impacts: Adjusting Service District Budgets

The most widely used technique for performing fiscal impact analyses (the per capita approach) has, with few exceptions, included all line item expenditures within municipal and school district annual budgets. Ostensibly, this approach makes sense, as, if the objective is to derive a per capita budget expenditure cost, the sum total of all expenditure line items should be included when dividing by the current jurisdiction's population or households. However, this approach grossly overestimates the likely per capita/per household cost due to the inclusion of salaries, wages, and fringe benefit costs of municipal and school district personnel, as well as the inclusion of capital outlays, fund transfers, and debt service payments by municipal government and school districts.

The underlying theory of the per capita approach is that a pro rata share of goods and services are exhausted (worn out) by each resident's (or household's) consumption of said goods, services, and natural resources over some period of time (whether a month, a year or five years). For, example, a municipality has a certain number of housing units, each of which will receive notices over the course of the year from the municipality (e.g., tax notices, water and/or sewer bill notices, health department notices, etc.). These notices are mailed and, thus, consume paper, ink and postage, in addition to the labor involved in processing said notices. Separating out labor cost, for the moment, there is a known total cost for producing these notices and, via a simple calculation, the cost per household (recognizing that regardless of the number of household members, there is, with few exceptions, only one notice sent per household). Consequently, should additional households form within that municipality, the increase in total costs associated with sending public notices should, ostensibly, be known in advance, as the additional cost is simply a function of the per household cost multiplied by the number of new households.

Fiscal Impacts: Adjusting Service District Budgets (continued)

Similarly, a school district will purchase a certain number of textbooks based on the student enrollment within its district. If there is an influx of new residents and the number of students is projected to increase over the current student enrollment figure, then more textbooks will be purchased and a known additional cost can be derived (note: where the school district has a sufficient number of textbooks prior to new students arriving, either due to an unexpected decrease in enrollment in prior years or its having purchased more text books than necessary, no incremental textbook cost should be attributed to each new student, as the textbook costs are already amortized over the existing student body in place, prior to the arrival of the new students). Additionally, the same logic would apply to other supplies, such as paper, pens and pencils, notebooks, chalk, staples, markers, etc.) that a school district would purchase.

While a case is easily made for the consumption of municipal and school district supplies and materials associated with residents, households and students, the consumption or wearing out of personnel (whether municipal- or school district-associated) cannot be calculated in a similar manner. Specifically, the addition of residents and households to a municipality doesn't diminish the physical capacities of the town clerk, public works director, health department director, or their staffs. While they may have to spend a marginal amount of additional time in providing service to additional residents, each of these workers will continue to work an eight-hour shift and earn the same wage or salary, regardless of whether the municipality experienced an increase in 100 households or a decrease 100 households (this is an economies of scale effect). The same can be said of school district personnel – an increase or decrease in enrollment, generally, will have little practical impact on the capacity and cost of a district employee.

Fiscal Impacts: Adjusting Service District Budgets (continued)

However, while municipal and school district personnel are not “consumed” in the same way as office supplies, there comes a point at which additional residents (in the case of a municipal employee) or additional students (in the case of a school district employee) necessitates greater capacity than can be provided by existing personnel (most municipal and school district employees are full-time salaried personnel and, thus, for all intents and purposes, their service delivery per day, week, month, and year remains relatively fixed, regardless of the change in population (municipal) or student enrollment (school district)). It is in these situations that additional personnel are, generally, hired and an attendant increase in personnel cost incurred by the municipality and/or school district.

Conducting interviews with the municipal business administrator and school district superintendent (the case study approach) for purposes of understanding existing service delivery capacities and how these capacities might be over-burdened with an increase of residents and public school students is a superior approach to identifying the prospective municipal and school district personnel impact (staffing and associated costs) than using the per capita method, which automatically assumes each new resident and student will require additional personnel and associated costs.

For example, while 100 new households may form within a municipality (and an assumed 250 new residents in total), it is highly unlikely that new professional and administrative staff (e.g., clerk, tax collector, health department personnel, engineering staff, business administrator, etc.) would need to be increased, given the economies of scale for delivering service (principally, made possible by computer technology and modern administrative methods). Sending an additional 100 public notices or processing an additional 100 tax payments is relatively simple in the digital age.

Fiscal Impacts: Adjusting Service District Budgets (continued)

Similarly, two or three new students assigned to a classroom which has four or five available desks, extra textbooks, and a teacher already present are not likely to cause the school district to increase personnel or associated costs; that is, sufficient capacity to accommodate these students is evident.

Finally, the exclusion of capital outlays, fund transfers, and debt service payments from budget expenditures, in advance of performing a fiscal impact analysis is only logical, as these expenditures, while real, are not influenced by the increase or decrease in the number of residents, households, or enrolled students in a given jurisdiction – the amount of debt payments will not fluctuate if four hundred new residents arrive or four hundred residents leave. To include these budget expenditures in the analysis is to overestimate service costs associated with new residents, households, and students.

Consequently, this analysis excludes personnel cost (salaries, wages, and benefits), capital outlays, fund transfers, and debt service from the budget expenditures used in deriving the fiscal impacts to both the Village and school district. It is assumed that if additional personnel are required, surplus revenues (assuming there will be a surplus) would offset said personnel costs.

The above described method is exhibited on the following two pages.

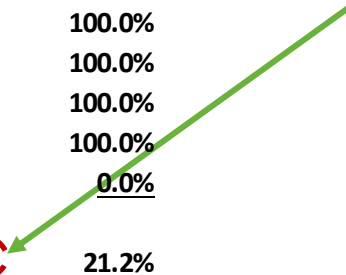
Fiscal Impacts: Adjusting Service District Budgets (continued)

Based on the foregoing methodological approach, the below table identifies the adjusted FSD budget value used for deriving the estimated expenditure per new student to Farmingdale.

FY 2020-21 School District Expenditures

Complete Expenditures		Expenditures Less Salaries, Benefits, Debt Service & Capital Projects	
Salaries	\$89,144,736	\$0	0.0%
Employee Benefits	\$42,001,844	\$0	0.0%
BOCES	\$12,728,394	\$12,728,394	100.0%
Contract Transportation	\$8,791,970	\$8,791,970	100.0%
Debt Service	\$3,866,913	\$0	0.0%
Contract Services	\$6,507,690	\$6,507,690	100.0%
Utilities	\$1,897,000	\$1,897,000	100.0%
Materials & Supplies	\$3,442,860	\$3,442,860	100.0%
Tuitions	\$1,280,000	\$1,280,000	100.0%
Insurance	\$984,000	\$984,000	100.0%
Textbooks	\$150,000	\$150,000	100.0%
Equipment	\$717,200	\$717,200	100.0%
Legal Fees	\$414,000	\$414,000	100.0%
Capital Projects	<u>\$2,200,000</u>	<u>\$0</u>	<u>0.0%</u>
Total Expenditures	\$174,126,607	<u>\$36,913,114</u>	21.2%

Adjusted budget value
used in deriving the
estimated expenditure
per new student



Source: FSD 2021 Projected Budget

Fiscal Impacts: Multi-Family Housing Development

Accordingly, and based on demonstrated student capacity within the FSD, we utilize an average per pupil cost of \$6,635, based on the earlier identified adjusted school budget of \$36,913,114 and 2019-2020 enrollment figure 5,481 to estimate the likely educational service costs associated with the seven new multi-family housing complexes developed and opened since 2014.

Residential Project	Total Actual PSAC ¹	Estimated Annual per Pupil Cost ²	Years of Attendance ³	Estimated Total Cost
Farmingdale Village 1 & 2	10	\$6,635	6	\$398,100
100 Secatogue Avenue	0	\$6,635	0	\$0
The Lofts at 231 Main Street	1	\$6,635	3	\$19,905
The Lofts at 285 Eastern Parkway	0	\$6,635	0	\$0
155 Main Street	9	\$6,635	6	\$358,290
168-178 Fulton Street	1	\$6,635	4	\$26,540
Totals	21			\$802,835

¹Represents highest one-year total (Source: FSD); ²Estimated cost is based on the adjusted 2020-21 FSD budget ³High estimate

Fiscal Impacts: Multi-Family Housing Development (continued)

The below table exhibits the FSD tax levies for each of the multi-family residential projects examined and based on when these projects were placed on the tax rolls.

Tax Year	Fairfield Village 1&2 ¹	100 Secatogue Avenue ¹	The Lofts at 231 Main Street	The Lofts at 285 Eastern Parkway ¹	155 Main Street	168-178 Fulton Street
2015	\$100,887				\$35,723	
2016	\$118,261				\$36,902	\$13,487
2017	\$133,489	\$22,747			\$41,371	\$14,133
2018	\$192,469	\$22,716	\$16,026	\$21,373	\$32,737	\$14,782
2019	\$221,366	\$48,311	\$14,805	\$22,814	\$28,490	\$200,561
2020	\$257,764	\$67,740	\$14,845	\$36,780	\$77,708	\$309,974
Totals	\$1,024,236	\$161,514	\$45,676	\$80,967	\$252,931	\$552,937

¹Properties which have received a payment-in-lieu-of taxes (PILOT) designation; values exclude payments made to the Farmingdale Public Library and Youth Council; values are rounded to the nearest whole number.

Source: Nassau County Tax Assessor's Office

Fiscal Impacts: Multi-Family Housing Development (continued)

The below table summarizes the cumulative school district tax related levies, estimated school district service costs and net difference associated with each of the multi-family residential projects examined and since they were first placed in service. As identified, only one property (155 Main Street) exhibits a cumulative net negative revenue impact (\$105,359). All other properties exhibit net positive cumulative revenue impacts, with the estimated total net revenue impact to the FSD at just over \$1.3 million.

Residential Project	Years Open	Total FSD Revenues ¹	Cumulative Estimated School District Costs	Net Difference
Farmingdale Village 1 & 2	6	\$1,024,236	\$398,100	\$626,136
100 Secatogue Avenue	3	\$161,514	\$0	\$161,514
The Lofts at 231 Main Street	3	\$45,676	\$19,905	\$25,771
The Lofts at 285 Eastern Parkway	2	\$80,967	\$0	\$80,967
155 Main Street	6	\$252,931	\$358,290	(\$105,359)
168-178 Fulton Street	5	\$552,937	\$26,540	\$526,397
Totals		\$2,118,261	\$802,835	\$1,315,426

Sources: Nassau County Tax Assessor; 2020

Fiscal Impacts: Proposed Multi-family Project

As part of its scope, 4ward Planning is tasked with estimating the school district impacts associated with a proposed development project in the village of Farmingdale. 4ward Planning was made aware of one proposed project currently under consideration by the Village – a 60-unit multi-family “workforce housing” rental project.

The apartments are projected to be equally distributed as one- and two-bedroom units. The estimated total project cost for the project is \$10 million (no rental rates have been established, at this time).

As the subject development is yet built and operational, 4ward Planning makes the following assumptions for purposes of conducting the school district impact analysis:

- The 60-unit development will generate a share of public school-age children at ratio equivalent to that observed for the six multi-family residential developments earlier examined. So, for example, a total of 21 public school students were generated, out of 323 total apartment units developed, for a ratio of 0.07 public school students per unit. Or, for every 100 units, seven public school students were generated (this ratio is fairly close to the ratio observed in the REI study, where 0.09 students were generated, on average, per residential unit);
- The 60-unit development, as it is a “workforce housing” project, will receive a PILOT and pay a school district related charge per unit which is an average of the unit charge paid by the three residential developments currently receiving a PILOT in Farmingdale (the average is \$1,550 per annum per unit).

Fiscal Impacts: Proposed Multi-family Project

- The basis for the estimated per pupil school district service cost is the adjusted 2019-20 FSD budget, as earlier outlined and utilized for the existing six multi-family residential projects examined - \$6,635 per student

Based on the foregoing assumptions, the estimated one-year school district service cost, PILOT payment and net revenue impact to the FSD is set forth, below:

Estimated School District Service Costs:

- 60 units at 0.07 public school-students per unit = 4.2 or rounding up 5 students
- 5 students at an estimated annual cost of \$6,635 = \$33,175

Estimated School District PILOT

- 60 units at an average PILOT of \$1,550 per unit = \$93,000

Net Revenue Impact

- $\$93,000 - \$33,175 = \$59,825$

The above finding indicates that the proposed workforce housing residential project is likely to produce a revenue surplus to the local school district.

APPENDIX

ECONOMIC AND REAL ESTATE ANALYSIS FOR SUSTAINABLE LAND USE OUTCOMES™



Interview Contacts

- **Bob Cook**, Proprietor, Runner's Edge, 242 Main Street, Farmingdale, NY 11735
- **Nick Devito**, Proprietor, Charlotte's Speakeasy, 294 Main Street, Farmingdale, NY 11735
- **Ralph Ekstrand**, Mayor, Village of Farmingdale
- **Joe Fortuna**, Proprietor, 317 Main Street, 317 Main Street, Farmingdale, NY 11735 and Nutty Irishman, 323 Main Street, Farmingdale, NY 11735
- **Brian Harty**, Administrator, Village of Farmingdale
- **Peter Kaneras**, Proprietor, Whiskey Down Diner, 252 Main Street, Farmingdale, NY 11735
- **Tony Karapiltis**, Proprietor, Caracara Mexican Grill, 354 Main Street, Farmingdale, NY 11735
- **Steve Kent**, Proprietor, Dark Horse Tavern, 273 Main Street, Farmingdale, NY 11735
- **Ben Lomanta**, Proprietor, Harley's American Grille, 283 Main Street, Farmingdale, NY 11735 and Vespa Italian Kitchen and Bar, 282 Main Street, Farmingdale, NY 11735
- **Larry Theodore**, Associate Real Estate Broker, Century 21 American Homes, 392 Conklin Street, Farmingdale, NY 11735

General & Limiting Conditions

4ward Planning Inc. has endeavored to ensure that the reported data and information contained in this report are complete, accurate, and relevant. All estimates, assumptions, and extrapolations are based on methodological techniques employed by 4ward Planning Inc. and believed to be reliable. 4ward Planning Inc. assumes no responsibility for inaccuracies in reporting by the client, its agents, representatives, or any other third-party data source used in the preparation of this report.

Further, 4ward Planning Inc. makes no warranty or representation concerning the manifestation of the estimated or projected values or results contained in this study. This study may not be used for purposes other than that for which it is prepared or for which prior written consent has first been obtained from 4ward Planning Inc. This study is qualified in its entirety by, and should be considered in light of, the above limitations, conditions, and considerations.



For more information, please contact:

Todd Poole
646.383.3611
tpoole@landuseimpacts.com