The Villas at Glen Cove:
Cost-Benefit Analysis

Prepared by:

MRB group

Prepared for:
Glen Cove IDA

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Executive Summary

The Glen Cove Industrial Development Agency (the "Agency") received an application for financial assistance from 135 Glen Cove Ave. Corp. (the "Applicant") related to a proposed project located on the east side of Glen Cove Ave in Glen Cove, NY (the "Site"). The proposed project includes the construction of six buildings totaling 353,394 square feet, with 160 market-rate residential rental units and 16 affordable units and associated furniture, fixtures, and equipment (the "Project"). The Agency requested a cost-benefit analysis from MRB Group in conformity with GML Section 859-a(5) to enumerate the economic benefits and costs of the Project on the City of Glen Cove (the "City") and region, as part of the Agency's deliberations.

MRB conducted an assessment of the economic and fiscal impacts of the Project, for both one-time construction impacts and ongoing impacts of operations. The effects considered in this analysis include direct and indirect changes to jobs, sales, and expenditures in the region. Economic impacts associated with estimates of "net new" spending stem from household expenditures of future occupants of the Site. The fiscal impacts of the Project include one-time and ongoing new tax revenue as well as the presumed costs of the financial assistance being considered by the Agency. Below are the results of our analyses.

The Applicant provided estimates for both the level of spending and the percentage of locally-sourced materials and labor associated with the construction of the Project. Using these estimates, we were able to assess the one-time economic impact of construction[1]. The construction phase of the Project will create 58 direct, on-site construction jobs and 34 indirect jobs. Therefore, in total, the construction phase of the Project will create 92 jobs and generate $7.9 million in wages.

Summary of Economic Impacts

	Direct	Indirect	Total
Construction Jobs	58	34	92
Construction Wages	$5,668,885	$2,199,141	$7,868,026
Ongoing Jobs	45	3	48
Ongoing Wages*	$28,506,905	$2,803,362	$31,310,266

*Total wages paid over the 12-year term of the PILOT

Upon completion of the Project, we estimate that the spending of "net new" households, and the economic benefits associated with operating the new facility, will yield 48 total jobs and $31.3 million of earnings over the 12-year life of the proposed PILOT.

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[1] Note that the direct and indirect "Construction Wages" shown are with respect to Nassau County (the "County), as such jobs tend to be pulled from a larger labor shed. The direct and indirect "Ongoing Wages" shown are with respect to the City.

In terms of costs, the Applicant has requested a sales tax exemption, a mortgage recording tax exemption, and a property tax exemption. The cost of the sales tax exemption to the County and State is $1.9 million and the cost of the mortgage recording tax exemption is $317,591. The cost associated with the requested PILOT is $15.8 million. However, the Applicant has noted that, without this assistance from the Agency, the Project will not move forward. As such, these costs are only hypothetical in nature.

Summary of Fiscal Impacts

Costs Over Twelve Years	$
Sales Tax Exemption	$1,897,783
Mortgage Recording Tax Exemption	$317,591
PILOT Exemption	$15,839,918
Benefits Over Twelve Years	**$**
Sales Tax, Construction, County	$54,339
Sales Tax, Operations, County	$485,052
PILOT Payments, Increase Over Base	$2,745,483

In term of fiscal benefits,[2] based upon our estimated construction-phase earnings, we estimate a one-time sales tax revenue impact to the County of $54,339. Over the life of the PILOT agreement, we estimate that that County will benefit from sales tax revenues of $232,870 related to the new household spending and the new wages being earned from ongoing jobs.[3] Under the requested PILOT, the Project will generate $4.7 million in PILOT payments for the proposed 12-year life of the agreement, which represents a $2.7 million increase in payments over the base case (i.e. property taxes paid on the land without the Project.)

[2] Note that while we report the entire cost of the exemptions to both state and local government, we are reporting only the fiscal benefits that accrue to the County and City.

3 The County distributes a portion of its entire sales tax collections to its various municipalities based on population. Because of the presumed increase in City population due to the Project, we estimate the City will benefit from $10,985 in additional sales tax revenue distributions annually from the County. Over the 12-year team, increasing annual by 2%, this represents $147,355 in new revenue for the City.

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Introduction

The Glen Cove Industrial Development Agency (the "Agency") received an application for financial assistance from 135 Glen Cove Ave. Corp. (the "Applicant") related to a proposed project located on the east side of Glen Cove Ave in Glen Cove, NY (the "Site"). The proposed project includes the construction of six buildings totaling 353,394 square feet, with 160 market-rate residential rental units and 16 affordable units and associated furniture, fixtures, and equipment (the "Project"). The Agency requested a cost-benefit analysis from MRB Group in conformity with GML Section 859-a(5) to enumerate the economic benefits and costs of the Project on the City of Glen Cove (the "City") and region, as part of the Agency's deliberations.

MRB conducted an assessment of the economic and fiscal impacts of the Project, for both one-time construction impacts and ongoing impacts of operations. The effects considered in this analysis include direct and indirect changes to jobs, sales, and expenditures in the region. Economic impacts associated with estimates of "net new" spending stem from household expenditures of future occupants of the Site. The fiscal impacts of the Project include one-time and ongoing new tax revenue as well as the presumed costs of the financial assistance being considered by the Agency. Below are the results of our analyses.

Multifamily Real Estate Market Review

Prior to calculating the economic and fiscal impacts of the Project, we first determine how many of the future households of the Project can be considered "net new" to the City.

There are several circumstances for which households would be considered net new:

1) Out-of-area residents choosing to relocate to the City because of the Project.
2) Current City residents that would otherwise relocate outside of the City if the option to live in the Project were unavailable.
3) Current City residents that will move into the project, freeing up their former Glen Cove residences that will then be occupied by new City residents.

Therefore, this section of the report provides a review of certain key indicators relating to the current supply and demand trends of affordable housing units in the City of Glen Cove.

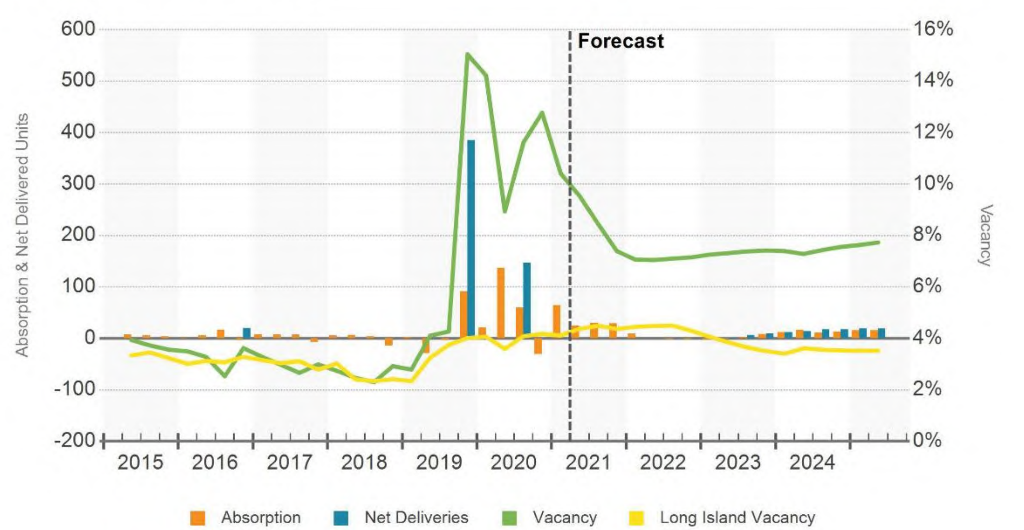
Multifamily Overview

The multifamily real estate market in the Northern Nassau submarket (pictured) has shown strong fundamentals historically, with vacancy rates ranging from 2% - 4% until the 4th quarter of 2019, consistent with the Long Island market overall.

Since that time, there were two substantial deliveries to the rental submarket, both in Glen Cove itself – Garvies Point and Village Square, accounting for 385 (Q4 2019) and 146 (Q3 2020) new units, respectively. With 531 new units brought online, vacancy rates fluctuated upwards to almost 15%, falling to just under 10% today and expected to drop to 7% by the end of this year. (No doubt the net absorption figures were impacted negatively by the COVID-19 pandemic.)

Despite this apparent overhang, rents have increased almost 7% over the past 12 months, indicating a strengthening market. Asking rent has hit $3.00/sf/month, the highest on record.

ABSORPTION, NET DELIVERIES & VACANCY



Housing Affordability

Housing statistics in the City of Glen Cove indicate strong unmet demand for rental units. The City scored a 68 on the Housing Affordability Index (HAI) in 2020, where a score of 100 represents the national average. Additionally, the average percentage-of-income-spent-on-mortgage[4] was 29%. As a general rule, households spending more than 28% of their income on housing-related costs are said to be "burdened." By analyzing the City's median home value, relative to median household income, we are able to further assess the housing burden of City residents. In the table to the right, we show that the household income threshold is $143,571, representative of the income level needed for a household to be considered "not burdened." This threshold is well above the City's median household income of $82,371, such that 58% of households would be deemed "burdened" in a home ownership scenario. Therefore, renter-occupied units play an important role in Glen Cove's housing market.

Household Income Threshold

	Glen Cove
Median Home Value, 2020	$567,290
10% Down Payment	$56,729
Loan Amount	$510,561
Avg. Mortgage Payment, 30 Yrs. @ 5%	$2,741
Est Additional Costs	$609
Avg Mortgage Payment and Estimated Additional Costs	$3,350
Household Income Threshold	$143,571
Median Household Income, 2020	$82,371

Source: ESRI, Zillow, MRB Group

[4] Source: Consumer Expenditure Survey, US Bureau of Labor Statistics.

Median contract rent in 2020 was $1,640 for the City of Glen Cove. Applying the same 28% rule, a household income of $70,286 is required to afford a median-priced rental unit without being considered burdened.

Likewise, "House and Home Expenditures," shown in the table below, encompass annual spending of households on mortgage/rent, insurance, tax, and property maintenance, where appropriate. The Spending Potential Index (SPI) is a composite measure of household expenditures for the specified region as compared to the national average, which is represented by an SPI of 100. Both owner- and renter-occupied units in Glen Cove have significantly higher home expenditures and spending potential as compared to national averages. These SPI figures again demonstrate that rental housing is in short supply/high demand in the City, indicating a need for additional supply in the market.

2020 Households by Income

	Glen Cove %
<$15,000	9.3%
$15,000 - $24,999	7.2%
$25,000 - $34,999	7.3%
$35,000 - $49,999	9.8%
$50,000 - $74,999	12.1%
$75,000 - $99,000	12.4%
$100,000 - $149,000	14.5%
$150,000 - $199,000	10.7%
$200,000+	16.8%

Source: ESRI, the vintage on the data is 202(

Net New Conclusion

Based on the best available regional data indicating strong demand for new units, falling vacancy rates, and increasing rent prices, we conclude that all units of the Project represent "net-new" households for the County.

Glen Cove House and Home Expenditures

	Average Amount Spent	SPI
Owned Dwelling	$18,557	136
Rented Dwelling	$8,388	161

Source: Consumer Spending data are derived from the 2017 and 2018 Consumer Expenditure Surveys, Bureau of Labor Statistics .

Economic Impact Analysis

The Project would have economic impacts on the County and City in a number of ways. This includes one-time impacts to jobs, earnings, and sales during the construction phase of the Project, which we estimate for the entire County. It also includes ongoing impacts related to household spending and the operations of the Project, which we estimate for the City.[5]

Methodology

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

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

For the operation phase:

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

To estimate the Direct and Indirect impacts, MRB Group employs the Emsi[6] economic modeling system. We used data from the Applicant, from the Agency, and from publicly-available and proprietary data sources as inputs to the Emsi modeling system. Where needed, we adjusted the Emsi model to best match the Project specifics. We then reported the results of the modeling.

[5] By their nature, construction-related impacts tend to be somewhat more diffuse, which is why we report them as County-level impacts. City-level impacts are measured based on the 11542 ZIP code, which closely approximates the City.

[6] Emsi, formerly "Economic Modeling Systems, Intl.," uses data from the US Bureau of Labor Statistics, the US Bureau of Economic Analysis, the US Census, and other public data sources to model out economic impacts.

Construction Phase

The Applicant provided estimates of the total cost of construction of the Project and the percentage of labor and materials to be sourced within the County. As shown in the table to the right, the Applicant estimates that at least 15% of its $22.0 million in materials costs and 50% of its $20.3 million in labor costs would be sourced within the County, for a total of $13.5 million of in-region construction spending.

Construction Spending In Region

	$ Total	% County	$ County
Materials	$22,003,280	15%	$3,300,492
Labor	$20,310,720	50%	$10,155,360
Total	**$42,314,000**	**32%**	**$13,455,852**

Source: Applicant, MRB

Nassau County construction spending of $13.5 million (direct "Sales" in the table) was used as an input into the Emsi economic modeling system. This spending creates 58 direct jobs and direct earnings of approximately $5.7 million. Indirect impacts resulting from direct spending were also modeled, with 34 new jobs, $2.2 million in new earnings and $6.1 million in new sales. Therefore, the total, one-time, construction-phase impacts would be 92 jobs, $7.9 million in wages, and $19.6 million in sales. We also note here that, based on the information provided by the Applicant, the Project timeline appears reasonable and should allow the Agency to conclude that the Project will be completed in a timely manner.

Economic Impact of Construction Phase, One-Time

	Direct	Indirect	Total
Jobs	58	34	92
Earnings	$5,668,885	$2,199,141	$7,868,026
Sales	$13,455,852	$6,139,054	$19,594,906

Source: Emsi, MRB

Operation Phase

An important distinction between construction and operation phase impacts is the geographical level at which impacts were measured. Because the operational impact will be significantly more localized relative to the County-level construction impacts, the economic impact of the operation phase was considered at the City level. In this case, we have used the 11542 ZIP Code, which is representative of the smallest unit of geography considered in our economic modelling system.

Operation phase impacts come from the effects of net-new household spending from the new units being brought onto the market by the Project and the employment at the Site.

According to the Applicant, this Project will bring 160 units of market-rate housing and 16 units affordable housing, all of which, as noted above, we consider "net new."

We used data from the Consumer Expenditure Survey (CEX) of the Bureau of Labor Statistics specific to the New York metropolitan area to arrive at annual spending estimates based on household income level. We used two different income brackets to accurately estimated household spending for the market-rate and affordable units. Households likely to occupy market-rate units will spend approximately $38,135 each on the goods listed in the table. Residents likely to occupy the affordable units will spend roughly $32,548 each on the goods listed.[7]

We have estimated that 65% of this spending would occur in the City of Glen Cove. Given 176 units and the spending profile and percentages own, we estimate that a total of $4.3 million of new household spending would occur annually in the City.

Total New Household Spending

	Annual per HH Spend	% Spent in City	Units	Total New Spending
Market-Rate				
Food	$9,460	65%	160	$983,840
Household Furnishings and Equipment	$1,987	65%	160	$206,648
Apparel and Services	$1,954	65%	160	$203,216
Transportation	$11,086	65%	160	$1,152,944
Healthcare	$5,307	65%	160	$551,928
Entertainment	$3,516	65%	160	$365,664
Education	$1,680	65%	160	$174,720
Personal Care Products and Services	$844	65%	160	$87,776
Miscellaneous	$849	65%	160	$88,296
Other	$1,452	65%	160	$151,008
Affordable Units				
Food	$7,922	65%	16	$82,389
Household Furnishings and Equipment	$3,152	65%	16	$32,781
Apparel and Services	$1,801	65%	16	$18,730
Transportation	$8,972	65%	16	$93,309
Healthcare	$4,419	65%	16	$45,958
Entertainment	$2,204	65%	16	$22,922
Education	$1,014	65%	16	$10,546
Personal Care Products and Services	$732	65%	16	$7,613
Miscellaneous	$1,116	65%	16	$11,606
Other	$1,216	65%	16	$12,646
Total			176	$4,304,539

Source: "Table 3004. Selected northeastern metropolitan statistical areas: Average annual expenditures and characteristics", New York, Consumer Expenditure Survey, U.S. Bureau of Labor Statistics.

[7] Affordable units are income-restricted to those earning up to 80% of the Area Median Income.

By matching the line items of household expenditures with corresponding industry codes in Emsi, we are able to assess the impact of this new household spending.[8]

Our analysis reveals that the impact of new household spending will result in an estimated 39 new direct jobs and $1.6 million in new earnings in the City. Taken together with an estimate of indirect impacts, total household spending impacts include 41 jobs, $1.8 in earnings, and $4.7 million in sales.

The Applicant also stated that the development would employ six fulltime employees with wages paid to these six employees of $487,500 in Year One of the Project. Together with a small amount of Indirect impacts, total impacts of operations and maintenance would be 7 jobs, $558,017 in earnings, and $1.8 million in sales.

By aggregating the impact of new household spending and operations of the facility, we see the combined impact displayed in the table to the right. As shown, we anticipate that the City will benefit from 48 jobs, $2.3 million in earnings, and $6.5 million in sales on an annual basis.

Finally, we calculate the cumulative earnings of the 12-year life of the proposed PILOT, below. Escalating wages at 2% annually, we arrive at total 12-year earnings of $31.3 million.

Economic Impact, New Household Spending

	Direct	Indirect	Total
Jobs	39	2	41
Earnings	$1,637,963	$138,501	$1,776,464
Sales	$4,304,539	$397,937	$4,702,476

Source: Emsi, MRB

Economic Impact, Operations and Maintenance of Project

	Direct	Indirect	Total
Jobs	6	1	7
Earnings	$487,500	$70,517	$558,017
Sales	$1,616,837	$174,549	$1,791,386

Source: Emsi, MRB

Economic Impact, Combined Annual Impact

	Direct	Indirect	Total
Jobs	45	3	48
Earnings	$2,125,463	$209,018	$2,334,481
Sales	$5,921,376	$572,486	$6,493,862

Source: Emsi, MRB

Economic Impact, Cumulative Combined Impact

	Direct	Indirect	Total
Jobs	45	3	48
Earnings, 12 Years @ 2%	$28,506,905	$2,803,362	$31,310,266

Source: Emsi, MRB

[8] For example, for the "Food" line item, we applied half of the spending to the "Supermarkets and other grocery" store NAICS code (North American Industrial Classification System) and half to the "Full service restaurants" NAICS code.

Fiscal Impact Analysis

The Project would also have fiscal impacts in terms of new tax revenues and the cost of tax exemptions, as described below.

Requested PILOT Schedule

As provided by the Applicant, the taxes on the full value of the land generate a tax bill of $161,499 per year, or $1.9 million over twelve years. Given the proposed PILOT schedule shown below, the Project would instead generate $4.7 million in PILOT payments. This represents an increase of $2.7 million in revenue over the life of the PILOT.

Increase In Property Tax Revenue

	Taxes w/o the Project (Land-Only)	% Abatement of Increase	PILOT Payment	Increase in Revenue
Year 1	$161,499	100.00%	$161,499	$0
Year 2	$161,499	100.00%	$161,499	$0
Year 3	$161,499	100.00%	$161,499	$0
Year 4	$161,499	88.35%	$322,998	$161,499
Year 5	$161,499	88.35%	$322,998	$161,499
Year 6	$161,499	88.35%	$322,998	$161,499
Year 7	$161,499	76.69%	$484,497	$322,998
Year 8	$161,499	76.69%	$484,497	$322,998
Year 9	$161,499	76.69%	$484,497	$322,998
Year 10	$161,499	76.69%	$484,497	$322,998
Year 11	$161,499	65.04%	$645,996	$484,497
Year 12	$161,499	65.04%	$645,996	$484,497
TOTAL	$1,937,988		$4,683,471	$2,745,483

Cost of PILOT Exemption

As per the requirements of GML Section 859-a(5), we calculate the hypothetical cost[9] of the property tax exemption by comparing the otherwise-applicable taxes to what the Project will generate in PILOT revenue.

In the table to the right, we report the estimated full value property taxes for the years in question in the column marked "Otherwise Applicable Property Tax." This column is the sum of the land-only taxes of the project and the estimated taxes based upon the value of improvements, escalated at 2% per year. We then compare the "Otherwise Applicable Property Tax" to the estimated PILOT payments from above. As shown, the hypothetical cost of the exemption is $15.8 million over twelve years.

Cost of PILOT Exemption

	Land-Only Taxes	As-Built Improvement Taxes	Otherwise Applicable Property Tax	PILOT Payment with Project	Difference
Year 1	$161,499	$1,385,720	$1,547,219	$161,499	($1,385,720)
Year 2	$161,499	$1,413,434	$1,574,933	$161,499	($1,413,434)
Year 3	$161,499	$1,441,703	$1,603,202	$161,499	($1,441,703)
Year 4	$161,499	$1,470,537	$1,632,036	$322,998	($1,309,038)
Year 5	$161,499	$1,499,948	$1,661,447	$322,998	($1,338,449)
Year 6	$161,499	$1,529,947	$1,691,446	$322,998	($1,368,448)
Year 7	$161,499	$1,560,546	$1,722,045	$484,497	($1,237,548)
Year 8	$161,499	$1,591,757	$1,753,256	$484,497	($1,268,759)
Year 9	$161,499	$1,623,592	$1,785,091	$484,497	($1,300,594)
Year 10	$161,499	$1,656,064	$1,817,563	$484,497	($1,333,066)
Year 11	$161,499	$1,689,185	$1,850,684	$645,996	($1,204,688)
Year 12	$161,499	$1,722,969	$1,884,468	$645,996	($1,238,472)
TOTAL	$1,937,988	$18,585,401	$20,523,389	$4,683,471	($15,839,918)

[9] We denote this cost as "hypothetical," as the Applicant has stated that, without the exemption, the Project cannot move forward and thus the value against which these taxes are levied would not exist.

Sales Tax Revenue, Construction Phase

As our economic impact analysis states, we anticipated approximately $7.9 million in total new earnings in the County during the construction phase of the project. We assume 65% of this newly generated construction phase earnings will be spent in Nassau County. From there, we estimate 25% of that spending amount will be subject to the sales tax. Applying the County's sales tax rate of 4.25%, we conclude that the construction phase earnings will likely lead to approximately $54,339 in County sales tax revenue.

Sales Tax Revenue - Construction Phase

Line	Value
Total New Earnings	$7,868,026
% Spent in County	65%
$ Spent in County	$5,114,217
% Taxable	25%
$ Taxable	$1,278,554
County Sales Tax Rate	4.25%
$ County Sales Tax Revenue	$54,339

Source: Applicant, MRB

Sales Tax Revenue, Operation Phase

During the operation phase, we estimated $558,017 in total new earnings and $4.3 million in new household spending occurring within the County. Using the same methodology as above (with a slightly higher in-County percentage), we estimate the Project will result in $36,165 in annual sales tax revenue to the County. Escalating that figure at 2% per year for the life of the PILOT, we estimate total operation phase sales tax revenue to be $485,052 over the twelve-year PILOT term.

Sales Tax Revenue - Operation Phase

Line	Value
Total New Earnings	$558,017
New Household Spending	$4,304,539
% Spent in County	70%
$ Spent in County	$3,403,789
% Taxable	25%
$ Taxable	$850,947
County Sales Tax Rate	4.25%
$ County Sales Tax Revenue	$36,165
Total - 12 Years @ 2%	**$485,052**

Source: MRB

New Sales Tax Distributions to City

The County's sales tax revenues are distributed to its constituent cities, towns, and villages according to a set distribution formula that is based on population.[10] Therefore, to the extent that the Project increases the population of the City, the City would receive additional sales tax distributions from the County.

New Sales Tax Distributions to City

Line	Value
Population (2010 Census)	26,964
New Households	176
Persons per HH	1.50
New Persons	264
% Increase in Population	0.97908%
Sales Tax Distributions to City (2021)	$1,121,996
Increase in Distributions to City (est.)	$10,985
Total - 12 Years @ 2%	**$147,335**

Source: City 2020 Budget, US Census, MRB

By using the population figure of 26,964 for the City of Glen Cove from the 2010 US Census, we are able to estimate the anticipated population increase and subsequent sales tax distribution stemming from the Project. Under the assumption of 1.5 persons per household, the 176 housing units will attract approximately 264 "net new" residents to the City of Glen Cove, representing an approximate 0.98% increase in population. Noting that the City has budgeted $1.1 million in "Nassau County Local Assistance" revenues in its 2021 budget (the name given by the County for these distributions of sales tax), we are able to estimate the increase in sales tax distributions, relative to the population increase. We estimate that the Project will lead to $10,985 in new annual revenues from these sales tax distributions from the County. Over 12 years and escalating at 2%, this equals $147,335 in revenue for the City over the life of the PILOT.

[10] Of the overall 4.25% tax rate imposed by the County, "First 3.00%: Retained by County. Additional 0.75%: The County distributes one-third to fund a local government assistance program for the three towns and two cities within the County. The assistance is distributed quarterly, on a per capita basis, based on the most recent decennial census. Villages also receive assistance, in an amount not to exceed one-sixth of the 0.75% remaining after the towns and cities have received their funding. Additional 0.50%: Retained by County." Source: "Local Government Sales Taxes in New York State: 2015 Update." New York State Comptroller, Division of Local Government and School Accountability, March 2015.

Cost of Exemptions

The Applicant has requested an exemption from the sales and use tax, which would result in a benefit of $1.9 million to the Applicant.[11] Note that this includes state and local sales tax. The Applicant is also requesting a mortgage recording tax exemption valued at $317,591. Finally, as noted above, the estimated cost of the PILOT exemption is $15.8 million.

Cost of Exemptions

Type	$
Sales Tax Exemption	$1,897,783
Mortgage Recording Tax Exemption	$317,591
PILOT Exemption	$15,839,918

Source: Applicant, MRB

[11] The cost of the sales tax exemption of $1,897,783 is spilt between the State, County, and Metropolitan Transit Authority based on current sales tax rates. We estimate the cost spilt of this exemption to be $880,131, $935,139, and $82,512 for New York State, Nassau County, and the Metropolitan Transit Authority respectively.