



# 145 GLEN COVE OWNER OZ, LLC COST-BENEFIT ANALYSIS

PREPARED FOR THE GLEN COVE INDUSTRIAL DEVELOPMENT AGENCY

PREPARED MARCH 2026

# EXECUTIVE SUMMARY

The Glen Cove Industrial Development Agency (the “IDA”) is considering providing financial assistance to a real estate development project in the City of Glen Cove (the “City”) in Nassau County (“the County”) as proposed by 145 Glen Cove Owner OZ, LLC (the “Applicant”). The Applicant plans to construct six new residential buildings with 162 units (the “Project”) on multiple parcels on Ralph Young Avenue, Craft Avenue, and Glen Cove Avenue (the “Site”). The IDA engaged MRB Group to provide certain advisement and analysis, including the completion of a cost-benefit analysis (CBA) of the Project that conforms to the requirements of Section 859-a(5) of General Municipal Law. A summary of our findings is below.

## Economic Impact

Using an estimate of locally sourced labor and materials, we assessed the one-time economic impact of construction.<sup>1</sup> Combining direct and indirect impacts, the construction phase of the Project would create 225 jobs earning \$23.4 million in wages. Upon completion of the Project, we estimate the resulting employment would be 33 jobs, earning \$2.1 million in wages annually. Escalated at 2% over 18 years, this equates to \$45.4 million in earnings.<sup>2</sup>

Summary of Economic Impacts			
	Direct	Indirect	Total*
Construction Jobs	138	87	225
Construction Wages	\$16,421,694	\$6,992,894	\$23,414,589
Ongoing Jobs, Annual	30	3	33
Ongoing Wages, Annual	\$1,896,354	\$226,085	\$2,122,439
<b>Ongoing Wages, 18 Years**</b>	<b>\$40,605,332</b>	<b>\$4,840,999</b>	<b>\$45,446,332</b>

\*Totals may not sum due to rounding. \*\*Escalated at 2% annually.

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

<sup>2</sup> While the proposed PILOT has a term of 20 years, the first two years are construction-only. Therefore, the ongoing wages are escalated for the remaining period, or 18 years.

### Fiscal Impact

In terms of fiscal benefits, we estimate that the County and City would benefit from additional, one-time sales tax revenue of \$174,146 associated with the wages earned during the Project’s construction, with \$21,951 to the City and \$152,195 to the County. Upon completion of the Project’s construction, we estimate the County and City would benefit from the additional sales tax revenue of \$1.1 million over the 18-year operational portion of the PILOT term related to the new wages earned from ongoing jobs and new household spending, with \$132,834 to the City and \$920,983 to the County.

Under the proposed PILOT terms, we estimate the Project would generate an increase of \$18 million in property tax revenue for the affected taxing jurisdictions. Therefore, in total, the fiscal benefits of the proposed Project would be approximately \$19.2 million over the life of the PILOT.

Summary of Local Fiscal Benefits			
	City*	County	Total
Sales Tax - Construction, One-time	\$21,951	\$152,195	\$174,146
Sales Tax - Operations, 18 Years	\$132,834	\$920,983	\$1,053,817
Increase in Property Tax Revenue, 20 Years	\$4,553,326	\$13,435,428	\$17,988,754
<b>Total Fiscal Benefits</b>	<b>\$4,708,111</b>	<b>\$14,508,605</b>	<b>\$19,216,717</b>

\*Property tax revenue to the City is estimated as the share of City taxes (25.31%)

In terms of the Project’s costs, the Applicant has requested a sales tax exemption and a mortgage recording tax exemption. The estimated cost to the County and City of the sales tax exemption is \$2.7 million, and the mortgage recording tax exemption costs \$281,916 to the County alone. The proposed PILOT schedule includes net total exemptions of

Summary of Local Exemptions			
	City*	County	Total
Sales Tax Exemption, One-time	\$939,441	\$1,722,308	\$2,661,749
Mortgage Tax Exemption, One-time	\$0	\$281,916	\$281,916
Real Property Tax Exemption, 20 Years	\$5,028,359	\$14,837,100	\$19,865,459
<b>Total Exemptions</b>	<b>\$5,967,800</b>	<b>\$16,841,324</b>	<b>\$22,809,124</b>

\*Property tax revenue to the City is estimated as the share of City taxes (25.31%)

\$19.9 million over 20 years. Therefore, the total value of all proposed exemptions would be approximately \$22.8 million over the life of the PILOT.

### Local Cost-Benefit Analysis Results

The table below summarizes all costs and benefits of the Project.

Cost-Benefit Analysis, Local Impact			
	City	County	Total
<b>Costs</b>	\$5,967,800	\$16,841,324	\$22,809,124
Sales Tax Exemption, One-time	\$939,441	\$1,722,308	\$2,661,749
Mortgage Tax Exemption, One-time	\$0	\$281,916	\$281,916
Real Property Tax Exemption, 20 Years	\$5,028,359	\$14,837,100	\$19,865,459
<b>Benefits</b>	\$4,708,111	\$14,508,605	\$88,077,637
Sales Tax - Construction, One-time	\$21,951	\$152,195	\$174,146
Sales Tax - Operations, 18 Years	\$132,834	\$920,983	\$1,053,817
Increase in Property Tax Revenue, 20 Years	\$4,553,326	\$13,435,428	\$17,988,754
<b>Sub-Total Tax Benefits</b>	<b>\$4,708,111</b>	<b>\$14,508,605</b>	<b>\$19,216,717</b>
Total New Earnings - Construction, One-time	-	-	\$23,414,589
Total New Earnings - Operations, 18 Years	-	-	\$45,446,332
<b>Sub-Total (New Earnings)</b>	-	-	<b>\$68,860,921</b>
Tax Benefits to Costs Ratio	0.79	0.86	0.84
<b>Total Benefits to Costs Ratio</b>	-	-	<b>3.86</b>

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## INTRODUCTION

The Glen Cove Industrial Development Agency is considering providing financial assistance to a real estate development project in the City of Glen Cove in Nassau County as proposed by 145 Glen Cove Owner OZ, LLC. The Applicant plans to construct six new residential buildings with 162 units on multiple parcels on Ralph Young Avenue, Craft Avenue, and Glen Cove Avenue. The IDA engaged MRB Group to provide certain advisement and analysis, including the completion of a cost-benefit analysis (CBA) of the Project that conforms to the requirements of Section 859-a(5) of General Municipal Law.

MRB Group assessed both one-time construction impacts and ongoing operations impacts. The economic impacts considered in this analysis include direct and indirect changes to jobs, wages, and sales associated with the construction of the Project. There would also be ongoing economic impacts associated with the anticipated new household spending and ongoing employment at 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 under consideration by the IDA.

# ECONOMIC IMPACT ANALYSIS

The Project would have economic impacts on the County and City in several ways. These include one-time effects on jobs, earnings, and sales during the construction phase of the Project, which we estimate for the entire County. They also include ongoing impacts related to the Project's operations, which we estimate for the City.<sup>3</sup>

## Methodology

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

- Direct: Jobs, wages, and sales that occur on-site related to labor and materials used in the construction of the Project.
- Indirect: Jobs, wages, and sales caused by the Direct impacts, and results from business-to-business purchases and from employees spending a portion of their wages locally.

For the operation phase:

- Direct: Jobs, wages, and sales created from the operations and household spending of the Project.
- Indirect: Jobs, wages, and sales caused by the Direct impact, such as business-to-business purchases and employees spending a portion of their wages locally.

MRB Group employs the Lightcast economic modeling system to estimate the direct and indirect impacts.<sup>4</sup> We used data from the IDA and the Applicant, as well as publicly available and proprietary data sources, as inputs to the Lightcast modeling system. We adjusted the Lightcast model where needed to best match the Project specifics. We then reported the modeling results.

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<sup>3</sup> 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 ZIP code 11542, which closely approximates the City of Glen Cove. A map of ZIP Code 11542 in relation to the City's boundaries is included in the Appendix.

<sup>4</sup> Lightcast, 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 Project's total construction costs to be sourced locally, defined as occurring within Nassau County. As shown in the table to the right, the Applicant estimates that \$21.9 million will be spent on local materials and \$20.9 million on local labor, for a total of \$42.8 million in local spending.

We use the \$42.8 million in local construction spending (direct "Sales" in the table below) as an input into the Lightcast economic modeling system. According to Lightcast, this level of local spending would yield approximately 138 direct construction jobs earning \$16.4 million in direct earnings in Nassau County. Modeling the indirect impacts results in 87 new indirect jobs, \$7 million in new earnings, and \$19.8 million in sales.

Combining direct and indirect impacts, the total one-time construction-phase impacts would be 225 jobs, \$23.4 million in wages, and \$62.6 million in sales.

Local Construction Spending			
	\$ Total	% Local	\$ Local
Materials	\$62,629,398	35%	\$21,920,289
Labor	\$41,752,932	50%	\$20,876,466
<b>Total</b>	<b>\$104,382,330</b>	<b>41%</b>	<b>\$42,796,755</b>

Source: Applicant

Economic Impact of Construction, One-Time			
	Direct	Indirect	Total
Jobs	138	87	225
Earnings	\$16,421,694	\$6,992,894	\$23,414,589
Sales	\$42,796,755	\$19,819,578	\$62,616,333

Source: Applicant; Lightcast; MRB

### Operation Phase

An essential distinction between construction and operation phase impacts is the geographic level at which impacts are measured. Primarily driven by ongoing employment and new household spending at the Site, operational impacts are more localized relative to the County-level construction impacts. Because of this, we consider the economic impact of the operation phase at the City level. In this case, we used ZIP code 11542 to approximate the City’s boundaries, as ZIP codes are the smallest unit of geography considered in our economic modeling system.

### On-Site Employment

In terms of on-site employment, the Applicant has stated that the Project would create approximately four full-time equivalent (FTE) jobs, including professional, administrative, supervisory, and laborer positions. The Applicant further provided salary ranges and fringe benefits for each of these positions. Using the provided ranges, we estimate \$439,203 in total annual earnings paid to the four positions.

On-site employment would result in the economic impacts shown in the table to the right. The four on-site jobs would generate an estimated \$439,203 in direct earnings and \$1.4 million in sales. Together with the indirect impacts, the total impact of on-site employment is estimated at five jobs, \$501,050 in annual wages, and \$1.5 million in sales.

On-Site Employment			
	Jobs	Average Earnings*	Total Earnings
Professional	1	\$96,289	\$96,289
Administrative	1	\$102,190	\$102,190
Supervisor	1	\$141,114	\$141,114
Laborer	1	\$99,610	\$99,610
<b>Total FTE</b>	<b>4</b>	<b>\$109,801</b>	<b>\$439,203</b>

Source: Applicant. \*Inclusive of annual salaries and all fringe benefits.

Economic Impact of Operations, Annual			
	Direct	Indirect	Total
Jobs	4	1	5
Earnings	\$439,203	\$61,847	\$501,050
Sales	\$1,363,449	\$165,533	\$1,528,982

Source: Applicant; Lightcast; MRB.

### Household Spending

According to the Applicant, the Project will create 162 new apartment units, 17 of which will be reserved for households earning at or below 80% AMI (Area Median Income). The remaining 145 units will be market-rate, including 17 “workforce” units, and we assume that the typical tenant household will fall in the 120%+ AMI bracket.

Using data from the Bureau of Labor Statistics’ Consumer Expenditure Survey (CES), the annual spending estimates were calculated based on household income level. The data used is specific to the Northeastern Region of the United States. Residents earning 80% of AMI would spend \$49,469 yearly on the goods listed in the table to the right. Those at or above 120% AMI would spend \$66,711 per year per unit. The Applicant estimates that 45% of the new household spending will occur locally in the City.

Therefore, given the 162 total units and household spending profiles, and assuming the Project would reach 95% occupancy, we conclude that a total of \$4.5 million in new household spending would result annually from the Project.

Total New Household Spending						
	Annual per HH Spend	% Spent Locally	# of Units	% Occ.	# of Occupied Units	Total New Spending
<b>Affordable - 80% AMI</b>						
Food	\$12,552	45%	17	95%	16	\$91,222
Household Furnishings	\$3,219	45%	17	95%	16	\$23,394
Apparel and Services	\$2,408	45%	17	95%	16	\$17,500
Transportation	\$15,442	45%	17	95%	16	\$112,225
Healthcare	\$7,317	45%	17	95%	16	\$53,176
Entertainment	\$3,695	45%	17	95%	16	\$26,853
Personal Care Products and Services	\$1,004	45%	17	95%	16	\$7,297
Education	\$1,796	45%	17	95%	16	\$13,052
Miscellaneous	\$1,451	45%	17	95%	16	\$10,545
Other*	\$585	45%	17	95%	16	\$4,251
<b>Total</b>	<b>\$49,469</b>	<b>45%</b>	<b>17</b>	<b>95%</b>	<b>16</b>	<b>\$359,516</b>
<b>Market Rate - 120% AMI</b>						
Food	\$15,837	45%	145	95%	138	\$981,696
Household Furnishings	\$4,430	45%	145	95%	138	\$274,605
Apparel and Services	\$3,203	45%	145	95%	138	\$198,546
Transportation	\$22,469	45%	145	95%	138	\$1,392,797
Healthcare	\$7,583	45%	145	95%	138	\$470,051
Entertainment	\$6,893	45%	145	95%	138	\$427,280
Personal Care Products and Services	\$1,605	45%	145	95%	138	\$99,490
Education	\$2,499	45%	145	95%	138	\$154,907
Miscellaneous	\$1,654	45%	145	95%	138	\$102,527
Other*	\$538	45%	145	95%	138	\$33,349
<b>Total</b>	<b>\$66,711</b>	<b>45%</b>	<b>145</b>	<b>95%</b>	<b>138</b>	<b>\$4,135,248</b>
<b>Total Spending</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>154</b>	<b>\$4,494,764</b>

Source: Table 3104. Northeastern region by income before taxes: Average annual expenditures and characteristics, Consumer Expenditure Surveys, 2022-2023; MRB.

\* Other includes Reading, and Tobacco products and smoking supplies.

Annual new household spending of \$4.5 million would result in 26 new direct jobs and \$1.5 million in new earnings in the City. Taken together with an estimate of indirect impacts, the annual economic impact of new household spending in the City would be 28 FTE jobs, \$1.6 million in earnings, and \$5 million in sales.

Economic Impact of Household Spending, Annual			
	Direct	Indirect	Total
Jobs	26	2	28
Earnings	\$1,457,151	\$164,238	\$1,621,389
Sales	\$4,494,764	\$480,588	\$4,975,352

Source: Applicant; CES; Lightcast; MRB

### Combined Impacts

Together, on-site employment and new household spending would support 33 jobs, earning \$2.1 million in wages annually, and generating \$6.5 million in sales. Escalated at 2% annually, this would generate \$45.4 million in total earnings over 18 years.<sup>5</sup>

Combined Economic Impact, Annual			
	Direct	Indirect	Total
Jobs	30	3	33
Earnings	\$1,896,354	\$226,085	\$2,122,439
Sales	\$5,858,213	\$646,121	\$6,504,333
<b>Earnings, 18 Years*</b>	<b>\$40,605,332</b>	<b>\$4,840,999</b>	<b>\$45,446,332</b>

Source: Applicant; CES; Lightcast; MRB. \*Escalated at 2% annually.

<sup>5</sup> While the PILOT term is a 20-year period, the Site would not be operational until year 3. Therefore, we escalate earnings over the 18 years of operation during the PILOT term.

# FISCAL IMPACT ANALYSIS

The Project would also have fiscal impacts in terms of various new tax revenues as described below.

## PILOT Schedule

The table below displays the Applicant's proposed PILOT schedule. A PILOT term has not been finalized, but the anticipated schedule is a 20-year PILOT term that will abate a portion of the improvement value associated with the Project, starting in 2027.

According to the Applicant, the current taxes generated at the site total to \$134,967. The Real Property Assessment Analysis prepared by SVS estimates that the total future taxes will be \$1.8 million upon completion of the Project. The assessed value of the Site would not increase until construction is complete. Therefore, at an annual escalation rate of 2% per year, the future taxes will be \$1.9 million when the Site is operational in Year 3 of the PILOT term.

Under the proposed PILOT agreement, the Project would generate \$21.3 million in PILOT payments. This represents an increase in property tax revenue of \$18 million from what would be generated by the Site without the Project.

Property Tax Revenue					
Year	Current Taxes	Future Taxes	Proposed Exemption	Estimated PILOT Revenue	Increase in Revenue
Year 1 (Construction)	\$137,667	\$137,667	100%	\$137,667	\$0
Year 2 (Construction)	\$140,420	\$140,420	100%	\$140,420	\$0
Year 3*	\$143,228	\$1,911,100	100%	\$143,228	\$0
Year 4	\$146,093	\$1,949,322	100%	\$146,093	\$0
Year 5	\$149,015	\$1,988,308	94%	\$257,533	\$108,518
Year 6	\$151,995	\$2,028,074	88%	\$373,373	\$221,377
Year 7	\$155,035	\$2,068,636	82%	\$491,829	\$336,794
Year 8	\$158,136	\$2,110,009	77%	\$616,826	\$458,690
Year 9	\$161,298	\$2,152,209	71%	\$746,626	\$585,328
Year 10	\$164,524	\$2,195,253	65%	\$881,372	\$716,847
Year 11	\$167,815	\$2,239,158	59%	\$1,021,208	\$853,393
Year 12	\$171,171	\$2,283,941	53%	\$1,166,286	\$995,115
Year 13	\$174,595	\$2,329,620	47%	\$1,314,603	\$1,140,008
Year 14	\$178,087	\$2,376,212	41%	\$1,470,585	\$1,292,498
Year 15	\$181,648	\$2,423,737	35%	\$1,632,279	\$1,450,631
Year 16	\$185,281	\$2,472,211	29%	\$1,799,854	\$1,614,573
Year 17	\$188,987	\$2,521,656	24%	\$1,973,478	\$1,784,492
Year 18	\$192,767	\$2,572,089	18%	\$2,153,328	\$1,960,561
Year 19	\$196,622	\$2,623,530	12%	\$2,337,155	\$2,140,533
Year 20	\$200,554	\$2,676,001	6%	\$2,529,950	\$2,329,395
<b>Total</b>	<b>\$3,344,939</b>	<b>\$41,199,152</b>	<b>-</b>	<b>\$21,333,693</b>	<b>\$17,988,754</b>

Source: Applicant; Grow America CBA; MRB; SVS. \*By Year 3, construction will be completed, and the assessed value of the Site will have increased.

### Cost of Property Tax Exemption

The table to the right displays the difference in estimated property tax revenue under the proposed PILOT and ‘Full Taxes’ absent an exemption (i.e., the “Cost of Abatement”). We calculate the fiscal cost of the abatement to be approximately \$19.9 million over the life of the PILOT.

Cost of Abatement - Full Taxes vs. PILOT Revenue			
Year	Future Taxes	Estimated PILOT Revenue	Cost of Abatement
Year 1 (Construction)	\$137,667	\$137,667	\$0
Year 2 (Construction)	\$140,420	\$140,420	\$0
Year 3*	\$1,911,100	\$143,228	(\$1,767,871)
Year 4	\$1,949,322	\$146,093	(\$1,803,229)
Year 5	\$1,988,308	\$257,533	(\$1,730,775)
Year 6	\$2,028,074	\$373,373	(\$1,654,702)
Year 7	\$2,068,636	\$491,829	(\$1,576,807)
Year 8	\$2,110,009	\$616,826	(\$1,493,183)
Year 9	\$2,152,209	\$746,626	(\$1,405,583)
Year 10	\$2,195,253	\$881,372	(\$1,313,881)
Year 11	\$2,239,158	\$1,021,208	(\$1,217,950)
Year 12	\$2,283,941	\$1,166,286	(\$1,117,655)
Year 13	\$2,329,620	\$1,314,603	(\$1,015,017)
Year 14	\$2,376,212	\$1,470,585	(\$905,628)
Year 15	\$2,423,737	\$1,632,279	(\$791,457)
Year 16	\$2,472,211	\$1,799,854	(\$672,357)
Year 17	\$2,521,656	\$1,973,478	(\$548,177)
Year 18	\$2,572,089	\$2,153,328	(\$418,761)
Year 19	\$2,623,530	\$2,337,155	(\$286,375)
Year 20	\$2,676,001	\$2,529,950	(\$146,051)
<b>Total</b>	<b>\$41,199,152</b>	<b>\$21,333,693</b>	<b>(\$19,865,459)</b>

Source: Applicant; Grow America CBA; MRB; SVS. \*By Year 3, construction will be completed, and the assessed value of the Site will have increased.

### Sales Tax Revenue, Construction City Sales Tax Revenue, Construction

As our economic impact analysis states, we anticipate approximately \$23.4 million in direct and indirect earnings in the County during the Project’s construction phase. We assume 25% of the newly generated earnings would be spent in the City of Glen Cove. From there, we estimate that 25% of that spending amount would be subject to the sales tax, resulting in approximately \$1.5 million in taxable sales during construction.

Applying the City’s anticipated 1.5% sales tax rate, we conclude that construction-phase earnings would yield approximately \$21,951 in City sales tax revenue.<sup>6</sup>

City Sales Tax Revenue, Construction	
	Value
Total Construction Earnings	\$23,414,589
% Spent in City	25%
\$ Spent in City	\$5,853,647
% Taxable	25%
\$ Taxable	\$1,463,412
City Sales Tax Rate	1.50%
<b>\$ City Sales Tax Revenue</b>	<b>\$21,951</b>

Source: NYS Dept of Taxation & Finance; Lightcast; MRB

### County Sales Tax Revenue, Construction

To calculate sales tax revenue for the County, we assume 70% of the newly generated earnings would be spent in Nassau County. Of this amount, we assume 25% would be spent in the City of Glen Cove and 45% would be spent in the County but outside the City. From there, we estimate that 25% of each spending amount would be subject to the sales tax.

Applying the County’s 2.75% share of the sales tax rate to the spending in the City, and the County’s 4.25% full sales tax rate to the spending outside of the City, we conclude that construction-phase earnings would yield \$152,195 in County sales tax revenue.

County Sales Tax Revenue, Construction		
	In City	Outside City
Total Construction Earnings	\$23,414,589	\$23,414,589
% Spent in County	25%	45%
\$ Spent in County	\$5,853,647	\$10,536,565
% Taxable	25%	25%
\$ Taxable	\$1,463,412	\$2,634,141
County Sales Tax Rate	2.75%	4.25%
<b>\$ County Sales Tax Revenue</b>	<b>\$40,244</b>	<b>\$111,951</b>
<b>Total Sales Tax Revenue</b>	<b>\$152,195</b>	

Source: NYS Dept of Taxation & Finance; Lightcast; MRB.

<sup>6</sup> The City Council is presently considering imposing a local sales tax which would preempt a share of Nassau County’s local sales tax and redirect tax revenue to the city that, in the past, has gone to the county. Of the County’s total 4.25% sales tax rate, 1.5% would accrue to the City. If adopted, the City’s sales tax would commence, at the earliest, March 1, 2027.

## Sales Tax Revenue, Operation Phase

### City Sales Tax Revenue, Operations

Using a similar methodology to the construction phase, we estimated that a total of \$6.9 million in annual new earnings from on-site employment (\$2.2 million) and household spending (\$4.7 million) would occur within the County during the operation phase, and about \$1.7 million of that would be spent in the City. Given the projected earnings, we estimate the Project would generate \$6,505 in annual sales tax revenue for the City. Escalated at 2% per year for 18 years, this totals \$139,296 in revenue over the term of the proposed PILOT.<sup>7</sup>

City Sales Tax Revenue, Operations	
	Value
Total Operations Earnings - Year 1	\$6,939,107
% Spent in City	25%
\$ Spent in City	\$1,734,777
% Taxable	25%
\$ Taxable	\$433,694
City Sales Tax Rate	1.50%
<b>\$ City Sales Tax Revenue - Year 1</b>	<b>\$6,505</b>
<b>\$ City Sales Tax Revenue - 18 Years*</b>	<b>\$139,296</b>

Source: NYS Dept of Taxation & Finance; Lightcast; MRB.

\*Escalated at 2% annually.

### County Sales Tax Revenue, Operations

Given the projected earnings and households spending, we estimate the Project would generate \$11,927 in annual County sales tax revenue within the City of Glen Cove and \$33,178 outside the City's bounds. Escalated at 2% per year for 18 years, this totals \$965,785 in revenue over the term of the proposed PILOT.

County Sales Tax Revenue, Operations		
	In City	Outside City
Total Operations Earnings - Year 1	\$6,939,107	\$6,939,107
% Spent in County	25%	45%
\$ Spent in County	\$1,734,777	\$3,122,598
% Taxable	25%	25%
\$ Taxable	\$433,694	\$780,649
County Sales Tax Rate	2.75%	4.25%
<b>\$ County Sales Tax Revenue - Year 1</b>	<b>\$11,927</b>	<b>\$33,178</b>
<b>Total Sales Tax Revenue - 18 Years*</b>	<b>\$965,785</b>	

Source: NYS Dept of Taxation & Finance; Lightcast; MRB.

\*\*Escalated at 2% annually.

<sup>7</sup> While the PILOT term is a 20-year period, the Site would not be operational until year 3. Therefore, we escalate sales tax revenue over the 18 years of operation during the PILOT term.

### Cost of Mortgage Recording Tax Exemption

The Applicant has also requested a mortgage recording tax exemption (“MRTE”) valued at \$592,023. This amount is composed of a state portion (0.5%), a County portion (0.5%), and an MCTD portion (0.05%). Isolating the County exemption from the total amount reported, we arrive at a local cost of \$281,916.

Local Cost of MRTE	
	Value
MRTE	\$592,023
County	0.5%
State	0.5%
MCTD	0.05%
<b>Local Exemption</b>	<b>\$281,916</b>

Source: Applicant; NYS Dept of Taxation & Finance; MRB

### Cost of Sales Tax Exemption

The Applicant has requested an exemption for construction-phase sales and use tax valued at \$5.4 million. This is composed of county sales tax which is split between the County (2.75%) and the City (1.5%), state sales tax (4%), and the metropolitan commuter transportation district’s (“MCTD”) tax (0.375%). Isolating the cost to the County and the City (“Total Local Exemption”) from the total amount reported, we arrive at the local cost of \$1.7 million for the County and \$939,441 for the City.

Local Cost of Sales Tax Exemption	
	Value
Sales Tax Exemption	\$5,401,786
State Sales Tax Rate	4%
MCTD Sales Tax Rate	0.375%
County Sales Tax Rate	2.75%
City Sales Tax Rate	1.50%
<i>County Exemption</i>	<i>\$1,722,308</i>
<i>City Exemption</i>	<i>\$939,441</i>
<b>Total Local Exemption</b>	<b>\$2,661,749</b>

Source: Applicant; NYS Dept of Taxation & Finance; MRB

# APPENDIX

The City of Glen Cove (blue) is approximated by ZIP code 11542 (orange).

