



## Phillips Lytle LLP

Via Email

June 21, 2023

Town of Guilderland Industrial Development  
Agency  
Guilderland Town Hall  
P.O. Box 339  
Guilderland, NY 12084  
Attn: Donald Csaposs, CEO  
(csapossd@togny.org)

Re: Crossgates Releaseco, LLC - Town of Guilderland Industrial Development  
Agency Costco Project

Dear Mr. Csaposs, Chair Johnston, and Members of the Town of Guilderland Industrial Development Agency:

On behalf of Pyramid Management Group, LLC, and its affiliate Crossgates Releaseco, LLC ("Applicant"), we write to provide the Guilderland Industrial Development Agency ("IDA") with additional information regarding the proposed construction of a new Costco project ("Project") located at the northeast corner of Western Avenue and Crossgates Mall Road in Guilderland.

### IDA Consideration of the Project

As you are likely aware, Industrial Development Agencies across New York State have provided various Costco projects with traditional financial assistance and additional support. By way of example, both the County of Monroe Industrial Development Agency ("COMIDA") and the Onondaga County Industrial Development Agency ("OCIDA") have approved Costco projects, providing not only the requested sales and mortgage recording taxes, but also a property tax reduction and the sale of bonds to help facilitate infrastructure improvements associated with the project. *See* supporting material, attached hereto as Exhibit A.

ATTORNEYS AT LAW

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CRAIG A. LESLIE, PARTNER DIRECT 716 847 7012 CLESLIE@PHILLIPSLYTLLE.COM

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Here, the Sales and Mortgage Recording Tax exemption requested, as modified, represents a fraction of the financial assistance that Costco projects have been provided in other approved IDA developments. Similarly, given the project cost of \$41,400,100, the amount of the requested benefits are within the reasonable and standard range for similar projects we have assisted with. As has been reported publicly, the rise in inflation, escalation in interest rates, supply chain challenges and overall financial market turbidity provides further evidence for the granting of the requested benefits.

Although IDAs are generally limited in their ability to give financial assistance to retail projects, Section 862 of the NY General Municipal Law provides an exception if a project "is likely to attract a significant number of visitors from outside the economic development region." Here, the economic development region is Warren, Washington, Saratoga, Schenectady, Rensselaer, Albany, Greene and Columbia counties.

Ample evidence was entered into the record of the Public Hearing that Costco is a retail tourism destination, and typically attracts customers from a 50-100 mile radius. As a result, the Guiderland Costco is likely to attract a significant number of visitors from outside of the local economic development region, which is comprised of Warren, Washington, Saratoga, Schenectady, Rensselaer, Albany, Greene and Columbia Counties. *See* Map attached as Exhibit B. Guiderland and Albany County will directly benefit from the retail sales of customers who travel to experience a Costco, and it will also see expansions in industries catering to tourists, including hotels and restaurants.

Impact to Local Businesses: There is no evidence to support the argument that a Guiderland Costco would negatively impact local businesses. In fact, evidence suggests that adding a retailer such as Costco actually increases customer traffic for existing local businesses. As evidenced by letters submitted by the Capital Region Chamber of Commerce, the Guiderland Chamber of Commerce, and the Albany County Convention & Visitors Bureau, Inc., there is conviction that Costco will positively impact local businesses. *See* letters attached as Exhibit C. Again, it is relevant to point out that other IDAs in New York State have approved Costco projects.



Moreover, while Costco offers a wide range of diverse products, they typically only have a limited number of items carried at any given time. Specifically, Costco warehouses carry about 4,000 SKUs (stock keeping units) compared to the 30,000 found at most supermarkets. Therefore, Costco can only fulfill part of the shopping demands of customers, who must also use conventional supermarkets and smaller stores to round out weekly and/or monthly consumption. In practice, Costco members complement their Costco shopping trips with visits to other destinations in the area of the Costco they are visiting.

Additionally, it is very common for there to be several competing gas stations within a few miles radius of similar retail membership stores. See map attached as Exhibit D.

Discontinuance of the Roadways: The IDA's acquisition of the Discontinued Town Roads is an entirely appropriate exercise of its powers of eminent domain. An agency's power of eminent domain is "inherent in its sovereignty," and subject only to the restrictions set forth by statute and within the U.S. Constitution and the New York State Constitution.

Pursuant to Highway Law Section 207, the Town of Guilderland has the ability to discontinue a roadway if it is deemed to be "unnecessary for highway purposes." A town's discontinuance of a road is not a certification that the roads are no longer used at all, rather that they are "practically useless" to the general public. *In Re Trask* 45 Misc. 244, 92 N.Y. Supp. 156, (Sup. Ct. Montgomery Cnty. 1904); *In re Howland*, 108 NYS 1122, 1123 (Sup Ct. Ontario Cnty. 1908). A town's decision to discontinue a road is solely within its authority and is not a matter subject to permissive referendum.

It is also well-established that a town board may not submit a matter to referendum unless it is expressly authorized or required to so by State statute. 1991 Opns St Comp No. 91-58, p 160 and citations therein. The Agency will note that Highway Law Section 207 does not authorize or permit a town to submit the discontinuance of a road to referendum.





Some comments received by the Guilderland Industrial Development Agency incorrectly referenced that the Town would not be paid for the land. Consistent with all EDPL acquisitions, the Town will be compensated the fair market value for the property being acquired by the IDA.

Public Use, Benefit, or Purpose of the Project: Much of the testimony submitted in the record of the Public Hearing in support of the Project established the substantial public uses, benefits, and purposes associated with the Project beyond mere retail sales. In particular, a representative from Camoin Associates presented evidence of the Project's impact on, *inter alia*, job creation, infrastructure (including traffic improvements, lighting, and multi-use trail development), tax bases, and the local economies. See Camoin Report, attached as Exhibit E. The IDA's use of eminent domain to aide in the accomplishment of the Project is entirely appropriate given the Project's substantial public uses, benefits, and purposes.

It is also well settled that economic development related to retail projects can qualify as a public use, benefit, or purpose. What qualifies as a "public purpose" or "public use" in the context of eminent domain is broadly defined as encompassing virtually any project that may confer upon the public a benefit, utility, or advantage. *Syracuse University v. Project Orange Associates Services Corp.*, 71 A.D.3d 1432 (4th Dep't 2010); *Goldstein v. New York State Urban Development Corp.*, 64 A.D.3d 168 (2d Dep't 2009), *aff'd*, 13 N.Y.3d 511 (2009). A "public purpose," as would justify the taking of property by eminent domain, encompasses any use which contributes to the health, safety, general welfare, convenience, or prosperity of the community. *225 Front Street, Ltd. v. City of Binghamton*, 61 A.D.3d 1155 (3d Dep't 2009). Public use or purpose is not limited to public needs. *Rocky Point Realty, LLC v. Town of Brookhaven*, 36 A.D.3d 708 (2d Dep't 2007). The test is whether the exercise of the eminent domain power here is "rationally related to a conceivable public purpose." *Matter of Jackson v. New York State Urban Dev. Corp.*, 67 N.Y.2d 400, 424 (1986) (emphasis added); see *Matter of Pfohl v. Village of Sylvan Beach*, 26 A.D.3d 820, 821 (4th Dep't 2006); *Centerport Bird Sanctuary v. Town of Huntington*, 125 A.D.2d 521 (2d Dep't).





For example, in *Kaufmann's Carousel, Inc. v City of Syracuse Indus. Dev. Agency*, the Fourth Department found that the acquisition of land for the use of a private developer to expand a shopping mall was held to be a proper exercise of the power of eminent domain because the IDA sought to advance job opportunities, general prosperity, public welfare, economic development, and tourism. *Kaufmann's Carousel*, 301 A.D.2d 292, 303 (4th Dept 2002).

Here, the substantial public uses, benefits, and purposes associated with the Project justify the IDA's acquisition of the Property pursuant to its powers of eminent domain.

Impact to local economy and tax base: Evidence presented at the Public Hearing demonstrated that the Project will have substantial positive impact on the economies and tax bases of Guilderland, Albany County, and New York state.

Specifically, analysis shows that the Project will generate:

- 101 net new jobs in Albany County and 152 net new jobs to the Town of Guilderland;
- \$10.7 million in annual employment earnings;
- \$188,208,906 in annual stabilized sales, with \$94.1 million in net new sales for Albany County and \$141.4 million in net new sales in the Town of Guilderland;
- \$3.1 million in annual net new sales tax in Albany County, with \$166,114 retained by Town of Guilderland;
- Over \$141,707 in property taxes split between the Town of Guilderland, School District and Albany County, based on the new investment. See Camoin Report, Exhibit E.



Conclusion

As demonstrated in the record of the Public Hearing, the Project will beneficially develop currently-vacant land in the Town and create substantial public uses, benefits, and purposes in the Town. We look forward to the IDA's authorization of the Resolutions to approve the Costco Project.

Very truly yours,

Phillips Lytle LLP

By 

Craig A. Leslie

CALjew  
Enclosures

c w/ encl: A. Joseph Scott, III, Esq. (via email - AScott@hodgsonruss.com)  
Shannon E. Wagner, Esq. (via email - SWagner@hodgsonruss.com)  
Charles W. Malcomb, Esq. (via email - CMalcomb@hodgsonruss.com)  
David M. Aitken (via email - DavidAitken@pyramidmg.com)  
James L. Soos (via email - JamesSoos@pyramidmg.com)



# Exhibit A

## APPLICATION SUMMARY

**DATE:** August 27, 2013

**APPLICANT:**

Costco Wholesale Corporation  
45940 Horseshoe Drive, Suite 150  
Sterling, Virginia 20166

**PROJECT ADDRESS:**

350 East Henrietta Road  
Rochester, New York 14624

**PROJECT SUMMARY:**



Costco Wholesale Corporation, which began operations in 1983, operates a chain of 622 warehouses in 41 states and Puerto Rico, Canada, Mexico, the United Kingdom, Japan, Korea, Taiwan and Australia. Costco is proposing to build a 150,000 square foot store in the CityGate Development located at the southeast corner of the intersection of East Henrietta Road and Westfall Road in the City of Rochester. The property is currently owned by the County of Monroe. The \$30,190,000 project is projected to create 225 new FTEs over the next three years. The City of Rochester has asked COMIDA to approve a custom property tax abatement program for this project.

**PROJECT AMOUNT:**

\$30,190,000 – Lease/Leaseback with custom abatement

**JOBS:**

**EXISTING:**

0 FTEs

**NEW:**

225 FTEs

**REQUIREMENT:**

1 FTE

**PUBLIC HEARING DATE:**

August 27, 2013

**RECOMMENDATION:**

Staff recommends Board approval of incentives for this project based on the following: Financial assistance may be provided to a project where the facilities or property that are primarily used in making retail sales of goods or services, are located in a highly distressed area. Undertaking the project will serve the public by increasing the overall number of permanent private sector jobs and has the support of the City of Rochester. The project has a benefit/incentive ratio of 3:1. The net increase in property taxes or PILOTS paid is approximately \$3,899,978 over a fourteen year period. Staff has reviewed the Lead Agency's SEQR documents and has determined that the SEQR process is complete.





# Board Report

Table 1: Basic Information

Project Applicant	Costco Wholesale Corporation
Project Name	New Store
Project Industry	General Merchandise Stores
Municipality	Rochester City
School District	Rochester
Type of Transaction	Lease
Project Cost	\$30,190,000
Employment at Application (Annual FTEs)	0
Direct Employment Expected to Result from Project (Annual FTEs)	225
Direct Employment Required for PILOT (Annual FTEs)	1

Table 2: Estimated State & Regional Benefits / Estimated Project Incentives Analysis (Discounted Present Value<sup>\*</sup>)

<b>Total State and Regional Benefits</b>	<b>\$10,646,239</b>	
<b>Total Project Incentives</b>	<b>\$3,572,800</b>	
<b>State and Regional Benefits to Incentives Ratio</b>	<b>3:1</b>	
<b>Projected Employment</b>	<b>State</b>	<b>Region</b>
<b>Total Employment</b>	<b>416</b>	<b>416</b>
Direct **	225	225
Indirect ***	0	0
Induced ****	0	0
Temporary Construction (Direct and Indirect)	191	191

Table 3: Estimated State & Regional Benefits (Discounted Present Value<sup>\*</sup>)

<b>Total State and Regional Benefits</b>	<b>\$10,646,239</b>
Income Tax Revenue	\$3,886,192
Property Tax/PILOT Revenue	\$3,899,978
Sales Tax Revenue	\$2,633,293
IDA Fee	\$226,775

Table 4: Estimated Project Incentives (Discounted Present Value<sup>\*</sup>)

<b>Total Project Incentives</b>	<b>\$3,572,800</b>
Property Tax Above 485-b	\$2,528,320
Sales Tax	\$1,044,480

\* Figures over 14 years and discounted by 3.49%

\*\* Direct - The recipient of IDA assistance adds new jobs to the regional economy and/or retains jobs at risk of being lost to another region. Investments that result in displacing existing jobs (e.g., most retail and many service sector industries) do not fall under this definition.

\*\*\* Indirect - The recipient of IDA assistance makes purchases from regional firms, which stimulates suppliers to add jobs and payroll that are new to the regional economy or are saved from being lost to competitors outside the region.

\*\*\*\* Induced - The recipient of IDA assistance by adding to and/or retaining payroll stimulates household spending that is new to the regional economy and/or saved from being lost to competitors outside the region.



# Onondaga County Industrial Development Agency

## Application

**Return to:**

Mary Beth Primo  
Executive Director, OCIDA  
333 W. Washington Street, Suite 130  
Syracuse, NY 13202  
Phone: 315-435-3770  
Fax: 315-435-3669



## **ONONDAGA COUNTY INDUSTRIAL DEVELOPMENT AGENCY APPLICATION INSTRUCTIONS**

1. Fill in all blanks, using "none", "not applicable" or "N/A" where the question is not appropriate to the Project, which is the subject of this Application (the "Project"). If you have any questions about the way to respond, please call the Agency at (315) 435-3770.

2. If an estimate is given as the answer to a question, put "(est.)" after the figure or answer, which is estimated.

3. If more space is needed to answer any specific question, attach a separate sheet.

4. When completed, return this application by mail or fax to the Agency at the address indicated on the cover page of this Application. A signed application may also be submitted electronically in PDF format to the Agency Secretary, Kristi Smiley at [ksmiley@ongov.net](mailto:ksmiley@ongov.net), however the application will not be considered by the Agency until the application fee has been received.

5. The Agency will not give final approval for this Application until the Agency receives a completed NYS Full Environmental Assessment Form concerning the Project, which is the subject of this Application. The form is available on [syracusecentral.com](http://syracusecentral.com).

6. Please note that Article 6 of the Public Officers Law declares that all records in the possession of the OCDC (with certain limited exceptions) are open to public inspection and copying. If the Applicant feels that there are elements of the Project which are in the nature of trade secrets which, if disclosed to the public or otherwise widely disseminated, would cause substantial injury to the Applicant's competitive position, this Applicant may identify such elements in writing and request that such elements be kept confidential. In accordance with Article 6 of the Public Officers Law, the OCDC may also redact personal, private, and/or proprietary information from publicly disseminated documents.

7. The Applicant will be required to pay the Agency Application fee and, if accepted as a project of the agency, all administrative fees as stated in Section V (H) of the Application, as well as legal fees of the Agency.

8. A complete application consists of the following nine documents:

The Application

Attachment I (C) - Corporate schematic, if a subsidiary

Attachment II (C) - Description of project, Site Plans/Sketches, and Map

Attachment II (K) - NYS Full Environmental Assessment Form

Attachment III (C) - Company Financial Information

Attachment IV (F) - Employment Plan

Attachment V (F) - Conflict of Interest Statement

Attachment V (G) - Local Access Agreement

A check payable to the Agency in the amount of \$1000

**It is the policy of the Agency that any project receiving benefits from the Agency will utilize 100% of local contractors and local labor for the construction period of the project unless a waiver is granted in writing by the Agency.**

## Onondaga County Industrial Development Agency Application

Please answer all questions by filling in the blanks. Use attachments as necessary.

### I. Applicant Data

#### A. Contact Information

Company Name:	Hinsdale Road Group LLC			
Mailing Address:	6007 Fair Lakes Road, Suite 100			
City:	East Syracuse	State:	New York	Zip: 13057
Phone:	(315) 362-8824	Fax:	(315) 362-8808	
Contact Person:	Michael Francis, CFO			
Email Address:	Michael.Francis@cameronllc.com			
NAICS Code:				
FEIN:	20-2824628			

#### B. Principal Stakeholders

List principal owners/officers/directors owning 5% or more in equity holdings with percentage ownership. Public companies should list corporate officers.

Name	% Ownership	Business Address	Phone	Email
Tom Valenti	TBD	6007 Fair Lakes Rd E Syracuse	(315) 362-8813	
Joe Goethe	TBD	6007 Fair Lakes Rd E Syracuse	(315) 362-8814	
Michael Francis	TBD	6007 Fair Lakes Rd E Syracuse	(315) 362-8824	
Jon Dower	TBD	6007 Fair Lakes Rd E Syracuse	(315) 362-8811	
Kevin Eldred	TBD	6007 Fair Lakes Rd E Syracuse	(315) 362-8822	

C. Corporate Structure: Attach a schematic if Applicant is a subsidiary or otherwise affiliated with another entity.

<input type="checkbox"/> Corporation <input type="checkbox"/> Private <input type="checkbox"/> Public	Date and Location of Incorporation/Organization	
<input type="checkbox"/> Partnership <input type="checkbox"/> General <input type="checkbox"/> Limited	If a foreign organization, is the Applicant authorized to do business in the State of New York?	
<input type="checkbox"/> Not For Profit <input type="checkbox"/> Sole Proprietorship		
<input checked="" type="checkbox"/> Limited Liability Company/Partnership		

D. Applicant's Counsel

Name:	Kevin R. McAuliffe, Esq.		
Firm:	Hiscock & Barclay, LLP		
Mailing Address:	One Park Place, 300 South State Street		
City:	Syracuse	State:	New York
		Zip:	13202
Phone:	(315) 425-2875	Fax:	(315) 425-8593
Email Address:	kmcauliffe@hblaw.com		

E. Applicant's Accountant

Name:	Dick Pascarella		
Firm:	DiMarco Group, LLC		
Mailing Address:	4 Clinton Square		
City:	Syracuse	State:	New York
		Zip:	13202
Phone:	(315) 475-6954	Fax:	(315) 475-2937
Email Address:			

F. Has the applicant received Agency (or related entity) assistance in the past? If yes, please give year, description of benefits, and locations of project.

Yes       No

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II. Project Information

A. Location

Address:	Bennett and Hinsdale Roads		
City:		Village/Town:	Camillus
Zip		School District(s):	West Genesee
Tax Map Parcel ID(s):	See Attached.		

B. Type (Check all that apply):

- |  |   |
|--|---|
| <input checked="" type="checkbox"/> New Construction               | <input type="checkbox"/> Purchase of machinery and/or equipment |
| <input type="checkbox"/> Expansion/Addition to Current Facility    | <input type="checkbox"/> Central Business District              |
| <input type="checkbox"/> Renovation of Existing Facility           | <input type="checkbox"/> Greenfield Development                 |
| <input type="checkbox"/> Acquisition of Existing facility/property | <input type="checkbox"/> LEED Certification                     |
| <input type="checkbox"/> Brownfield/Remediated Brownfield          |   |
| <input type="checkbox"/> Other                                     |   |

C. Description of Project: Describe the project in detail including proposed acquisitions, construction and renovation, building and site improvements, and equipment. Indicate square feet by usage, as well as the operations to be conducted at the premises, product lines, and market demands. Attach a cope of site plans/ sketches and a map. (Attach additional sheets if necessary):

The proposed project is to develop Township 5, a mixed-use lifestyle center including office and retail, entertainment and housing in more than 500,000 square feet of buildings.

D. Is the Applicant the owner of this project and property?

- Yes       No

If not, by what means will the site be acquired?

E. On-site Infrastructure: Please indicate if the following are onsite, need to be constructed, or need to be renovated/expanded:

Water	Onsite	Electric	Onsite
Sanitary/Storm Sewer	Onsite	Private Roads	
Gas	Onsite	Telecommunication	

F. Zoning Classification: Please list current and proposed zoning.

Current Zoning	Mixed Use	Proposed Zoning	Mixed Use
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G. Are there variances needed?

- Yes       No

If yes, describe and is the applicant working with the municipality regarding zoning, permits, etc?

H. What will be the primary use of the project upon completion?

Mixed-Use Lifestyle Facility

I. Has the applicant sought sites or facilities outside Onondaga County?

- Yes       No



J. 1. Are there any other companies or related facilities within the county/state that will close or be subject to reduced activity as a result of this project? If so, list the location(s).

Yes  No

2. Will the Completion of the project result in the removal of a plant or facility of the project occupant from one area of the State of New York to another area of the State of New York?

Yes  No

3. Will the completion of the project result in the abandonment of one or more plants or facilities of the project applicant located in the State of New York?

Yes  No

i. If any answer to questions 2 or 3 above is yes, is the project reasonably necessary to discourage the project applicant from removing such other plant or facility to a location outside the State of New York?

Yes  No

ii. If any answer to questions 2 or 3 above is yes, is the project reasonably necessary to preserve the competitive position of the project applicant in its respective industry?

Yes  No

4. Will the project primarily consist of recreation, medical, or retail facilities?

Yes  No

i. If yes, will the cost of these facilities exceed one-third of the total project cost?

Yes  No

K. For the Agency to consider this project, please provide the following information:

1. Does the project consist of new construction, expansion of an existing facility, or substantial renovation?

Yes  No

2. Will the project create new employment opportunities or retain existing jobs that may otherwise be lost?

Yes  No

3. Please describe the method of calculation and approximate savings to be realized by Agency participation and the need for such savings:

\$1,249,280 in sales tax savings plus \$350,000 in mortgage tax savings

4. Please describe any compelling reasons that support this project:

This project brings to the Town facilities not otherwise available

L. Environmental Information

1. The Agency must make a determination of environmental significance for the project. Are there any known environmental issues on the property?

Yes  No

If yes, please explain:

\* Please note a full Environmental Assessment Form (EAF) MUST be completed and submitted along with this application.

2. Has the Town/Village or any public body issued a SEQRA determination for this project?

Yes       No

M. Construction

\* Please read the Agency's *Local Access Policy* CAREFULLY, noted in Appendix C of this application. Noncompliance may result in the revocation or recapturing of benefits.

1. Project Timeline (approximate):

Construction Commencement	Spring 2013
Construction Completion	Spring 2016
Date of Occupancy	

2. Please list other key dates in the progress of the project:

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III. Project Costs and Financing

A. Estimated Project Costs:

Land	\$6,000,000
Building Construction/Renovation	\$32,358,680
Site Work	\$10,779,150
Engineering	\$350,000
Financial Charges	\$2,260,000
Legal Fees	\$200,000
Machinery and Equipment	
Other	\$6,000,000
Total Investment	\$57,947,830

B. Financial Assistance being applied for (estimated values):

<input checked="" type="checkbox"/>	Real Property Tax Abatement	\$0 - PILOT will approximate taxes
<input checked="" type="checkbox"/>	Mortgage Tax Exemption	\$350,000
<input checked="" type="checkbox"/>	Sales and Use Tax Exemption	\$1,599,280
<input type="checkbox"/>	Green PILOT Tax Credit	
<input type="checkbox"/>	NYS Pass Thru Grant	
<input type="checkbox"/>	Tax Exempt Bond Financing	
<input checked="" type="checkbox"/>	Taxable Bond Financing	\$6,000,000

C. Company Financial Information Attachment:

1. Copies of two most recent financial statements
2. Copy of most recent Annual Report
3. Sales and income projections for future years, if available

IV. Employment and Payroll Information

A. Are there people currently employed at the site:

Yes

No

If yes, indicate how many:

\* Full Time Equivalent (FTE) is defined as one employee working no less than 35 hours per week or two or more employees together working a total of 35 hours per week.

B. Estimate how many full time equivalent (FTE) jobs will be retained as a result of this project:

C. Estimate how many full time equivalent (FTE) jobs will be added as a result of this project:

D. Annual Payroll

Current (Actual):	0
First Year After Project Completion (Projected):	\$10,250,000
Second Year After Project Completion (Projected):	\$19,026,000

E. Annual Average Wage

	Current (Actual):	First Year After Project Completion (Projected):	Second Year After Project Completion (Projected):
Total \$:	\$0.00	\$27,257	\$27,257

F. Benefits: Please list, if any, benefits that will be available to either full and/or part-time employees:

Provided by various employers.

G. Employment Plan: Please complete the employment plan located in Appendix A.

V. REPRESENTATIONS BY THE APPLICANT

The Applicant understands and agrees with the Agency as follows:

A. Jobs Listings: In accordance with Section 858-b(2) of the New York General Municipal Law, the Applicant understands and agrees that if the Project receives any Financial Assistance from the Agency, except as otherwise provided by collective bargaining agreements, new employment opportunities created as a result of the Project will be listed with the New York State Department of Labor Community Services Division (the "DOL") and with the administrative entity of the service delivery area created by the Workforce Investment Act of 1998 (the "WIA") in which the Project is located.

B. First Consideration for Employment: In accordance with Section 858-b (2) of the New York Municipal Law, the Applicant understands and agrees that if the Project receives any Financial Assistance from the Agency, except as otherwise provided by collective bargaining agreements, where practicable, the Applicant will first consider persons eligible to participate in WIA programs who shall be referred by the WIA Entities for new employment opportunities created as a result of the Project.

C. Annual Sales Tax Filings: In accordance with Section 874(8) of the New York General Municipal Law, the Applicant understands and agrees that if the Project receives any sales tax exemptions as part of the Financial Assistance from the Agency, the Applicant agrees to file, or cause to be filed, with the New York State Department of Taxation and Finance, the annual form prescribed by the Department of Taxation and Finance, describing the value of all sales tax exemptions claimed by the Applicant and all consultants or subcontractors retained by the Applicant.

D. Annual Employment Reports and Outstanding Bonds: The Applicant understands and agrees that if the Project receives any Financial Assistance from the Agency, the applicant agrees to file, or cause to be filed, with the Agency, on an annual basis, reports regarding the number of FTE at this project site. The applicant also understands and agrees to provide on an annual basis any information regarding bonds, if any, issued by the Agency for the project that is requested by the Comptroller of the State of New York.

E. Recapture of Tax Abatements/Exemptions: The Applicant understands and agrees that the benefits received from tax abatements/exemptions shall be subject to recapture in accordance with the Agency's tax exemption policy.

F. Absence of Conflicts of Interest: The Applicant has received from the Agency a list of the members, officers and employees of the Agency. No member, officer or employee of the Agency has an interest, whether direct or indirect, in any transaction contemplated by this Application, except as hereinafter described in Appendix B.

G. Local Access Policy: The Applicant understands and agrees that local labor and contractors must be used for the construction of the Project, as stated in the Agency Local Access Policy located in Appendix C. Local Access Policy:

H. Fees: This application should be submitted with a non-refundable \$ 1000 application fee to the Onondaga County Industrial Development Agency, 333 W. Washington Street, Suite 130, Syracuse, New York 13202 (attn: Mary Beth Primo). The Agency will collect administrative fee based on the Fee Schedule.

- Fee for Manufacturing Projects under \$10 million , except those requesting a PILOT- .0075 of the bond amount or project cost
- Fee for Library Association Projects - .0075 of the bond amount or project cost
- Fee for all other agency projects except those with PILOT agreements - .01 of the bond amount or project cost
- Additional Fee for PILOT Agreement Projects - .0025 of bond amount or project cost
- Fee for additional financing subject to mortgage recording tax for a project of the Agency - .01 of the amount of the additional financing
- Fee for bond refinancing & refunding - .0025 of refinancing or refunding amount
- Fee for conduit grant administration - .0025 of grant amount
- All other Agency Transactions: Negotiated, not to exceed 1% of benefit amount.

I. Payment terms:

- Application fee: Payable at the time of application
- Agency fee for Bond Projects: Payable at Closing
- Agency fee for Sales Tax Only Projects: Payable at Inducement
  - \* A sales tax certificate will not be issued until the Agency Fee is paid in full
- Agency fee for all other projects: Payable at project inducement or by arrangement with the Agency



The Applicant and the individual executing this Application on behalf of the Applicant acknowledge that the Agency will rely on the representations made herein when acting on this Application and hereby represent that the statements made herein do not contain any untrue statement of a material fact and do not omit to state a material fact necessary to make the statements contained herein misleading.

I have read the paragraph 6 in the instructions and understand that the applicant must identify in writing to OCIDA any information it deems proprietary and requests not be made publicly available.

Please check here if you have marked information as confidential/proprietary

Name of Applicant Company	Hinsdale Road Group, LLC
Signature of Company Representative	<i>[Handwritten Signature]</i> , member
Name & Title of Company Representative	Kevin Eldred, Member
Date	3/22/13

**VI. Hold Harmless Agreement**

Applicant hereby releases Onondaga County Industrial Development Agency and the members, officers, servants, agents and employees thereof (the "Agency") from, agrees that the Agency shall not be liable for and agrees to indemnify, defend and hold the Agency harmless from and against any and all liability arising from or expense incurred by (A) the Agency's examination and processing of, and action pursuant to or upon, the attached Application, regardless of whether or not the Application or the Project described therein or the tax-exemptions and other assistance requested therein are favorably acted upon by the Agency, (B) the Agency's acquisition, construction, and/or installation of the Project described therein and (C) any further action taken by the Agency with respect to the Project, including without limiting the generality of the foregoing, all cause of action and attorney's fees and any other expenses incurred in defending any suits or action which may arise as a result of any of the foregoing. If, for any reason, the Applicant fails to conclude or consummate necessary negotiations, or fails, within a reasonable or specified period of time, to take reasonable, proper or requested action, or withdraws, abandons, cancels or neglects the Application, or if the Agency or the Applicant are unable to reach final agreement with respect to the Project, then, and in the event, upon presentation of an invoice itemizing the same, the Applicant shall pay to the Agency, its agents or assigns, all costs incurred by the Agency in the process of the Application, including attorney's fees, if any.

Name of Applicant Company	Hinsdale Road Group, LLC
Signature of Company Representative	<i>[Handwritten Signature]</i> , member
Name & Title of Company Representative	Kevin Eldred, Member
Date	3/22/13

STATE OF NEW YORK

COUNTY OF Onondaga ss:

On the 22<sup>nd</sup> day of March in the year 2013 before me, the undersigned, a notary public in and for the said State, personally appeared satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual or the person upon behalf of which the individual acted, executed this instrument.

Notary Public

*[Handwritten Signature]*

ERIC M. ALDERMAN  
 Notary Public, State of New York  
 No. 02AL6144606  
 Qualified in Onondaga County  
 Commission Expires April 20, 2010 ~~2010~~ 2014

Onondaga County Industrial Development Agency Application  
Appendix A  
Employment Plan  
Part 1

Company Name:	Hinsdale Road Group, LLC			
Mailing Address:	6007 Fair Lakes Road			
City:	East Syracuse	State:	New York	Zip: 13057
Phone:	(315) 579-4422	Fax:	(315) 701-3335	
Contact Person:	Kevin Eldred			
Email Address:	Kevin@cameronllc.com			
Type of Business:				

Please complete the following chart describing your projected employment plan following receipt of financing:

Current and Planned Full Time Occupations in Company	Current Number Full Time Jobs Per Occupation	Estimated Number of Full Time Jobs After Completion of the Project		
		1 Year	2 Year	3 Year
Employees of Tenants within the Project	0	500	698	

Are the employees of your firm currently covered by a collective bargaining agreement?

Yes

No

If yes, Name and Local:

Indicate whether labor pool in Onondaga County is adequate to fill new jobs:

Under current Industrial Development Agency (IDA) law, an IDA must consider such things as job retention when approving projects.

Name of Applicant Company

Hinsdale Road Group, LLC

Signature of Company Representative

*Kevin Eldred, Member*

Name & Title of Company Representative

Kevin Eldred, Member

Date

3/22/13

ONONDAGA COUNTY INDUSTRIAL DEVELOPMENT AGENCY APPLICATION  
**APPENDIX A**  
**EMPLOYMENT PLAN**  
**PART 2**

*(Enter Company Name in three (3) places below and sign by an authorized company officer)*

In consideration of the benefits provided by the Onondaga County Industrial Development Agency,

Hinsdale Road Group, LLC project beneficiary, agrees to cause any new employment opportunities created in connection with industrial or commercial projects financed by the proceeds of such obligations to be listed with the New York State Department of Labor Community Services Division (DOL) and with the CNY Works.

Hinsdale Road Group, LLC, project beneficiary, also agrees to report to the Onondaga County Industrial Development Agency on or before March 1 of each year on the status employment opportunities filed with DOL, including the number of new employment opportunities created, the number listed and the number filled for the year ending the prior December 31.

Hinsdale Road Group, LLC, project beneficiary, further agrees that, to the extent practical and feasible, and subject to the requirements of any existing collective bargaining agreement, shall fill at least ten percent of new employment opportunities with persons eligible for service under the Workforce Investment Act.

Name of Applicant Company

Hinsdale Road Group, LLC

Signature of Company Representative

*[Handwritten Signature]*, member

Name & Title of Company Representative

Kevin Eldred, Member

Date

3/22/13

ONONDAGA COUNTY INDUSTRIAL DEVELOPMENT AGENCY APPLICATION  
**APPENDIX B**  
**CONFLICT OF INTEREST STATEMENT**

Agency Board Members

1. Donna DeSiato
2. Dan Queri
3. Victor Ianno
4. Dale Sweetland
5. Michael Allen
6. Jance Herzog
7. Jessica Crawford

Agency Officers/Staff (Employees)

1. Mary Beth Primo
2. Kristi Smiley
3. Chris Cox
4. Karen Doster

Agency Legal Counsel Audit

1. Anthony Rivizzigno, Esq.
2. Gilberti Stinziano Heintz & Smith, P.C.
3. Testone, Marshall & Discenza

The Applicant has received from the Agency a list of members, officers and staff of the Agency. To the best of my knowledge, no member, officers or employee of the Agency has an interest, whether direct or indirect, in any transaction contemplated by this Application, except as hereinafter described:

By:	Hinsdale Road Group, LLC
Name:	<i>KELL</i> , member
Title:	Kevin Eldred, Member
Date:	3/22/13



## ONONDAGA COUNTY INDUSTRIAL DEVELOPMENT AGENCY APPLICATION

PLEASE READ THE "Local Access Policy & Agreement" carefully before agreeing to its terms (Page 17).

Failure to comply with the Policy can lead to the revocation or recapture of benefits awarded to the project by the Agency.

Please call the Agency staff at (315) 435-3770, if you have questions about the policy before you submit the application.

**ONONDAGA COUNTY INDUSTRIAL DEVELOPMENT AGENCY APPLICATION  
APPENDIX C**

**Local Access Policy Agreement**


In absence of a waiver permitting otherwise, every project seeking the assistance of the Onondaga County Industrial Development Agency (Agency) must use local general contractors, sub-contractors, and labor for one-hundred percent (100%) of the construction of new, expanded, or renovated facilities. The project's construction or project manager need not be a local company. All projects of the Agency will be subject to monitoring by the Agency. **Noncompliance may result in the revoking and/or recapture of all benefits extended to the project by the Agency. Local Labor is defined as laborers permanently residing in the State of New York counties of Cayuga, Cortland, Herkimer, Jefferson, Madison, Oneida, Onondaga, Oswego, Tompkins and Wayne.** Local (General/Sub) Contractor is defined as a contractor operating a permanent office in the State of New York counties of Cayuga, Cortland, Herkimer, Jefferson, Madison, Oneida, Onondaga, Oswego, Tompkins and Wayne. The Agency may determine on a case-by-case basis to waive the local access policy for a project or for a portion of a project where consideration of warranty issues, necessity of specialized skills, significant cost differentials between local and non-local services or other compelling circumstances exist.

In consideration of the extension of financial assistance by the Agency Hinsdale Road Group, LLC  
(the Company) understands the Local Access Policy and agrees to complete Appendix C of the Agency application at the time of the application to the the Agency and as part of a request to extend the valid date of the Agency's tax-

exempt certificate for the Township 5 - Camillus Project project. The Company understands an Agency tax-exempt certificate is valid for 90 days effective the date of the project inducement and extended for 90 day periods thereafter upon request by the Company.. The Company further understands any request for a waiver to this policy must be submitted in writing and approved by the Agency before a tax-exempt certificate is issued or extended.

I agree to the conditions of this agreement and certify all information provided regarding the construction and employment activities for the project as of 3/22/13, (date).

<b>Company</b>	Hinsdale Road Group, LLC				<b>General Contractor</b>						
<b>Representative for Contract Bids/Awards</b>	Michael Francis				<b>Contact</b>						
<b>Address</b>	6007 Fair Lakes Road, Suite 100				<b>Address</b>						
<b>City:</b>	<u>East Syrac</u>	<b>State:</b>	<u>New York</u>	<b>Zip:</b>	<u>13057</u>	<b>City:</b>		<b>State:</b>	<u>New York</u>	<b>Zip:</b>	
<b>Phone</b>	<u>(315) 362-81</u>	<b>Fax</b>	<u>+1 (315) 362-8808</u>			<b>Phone</b>		<b>Fax</b>			
<b>Email</b>	<u>Michael.francis@cameronllc.com</u>				<b>Email</b>						
<b>Project Address</b>	<u>Bennett and Hinsdale Roads</u>				<b>Construction Start Date</b>						
<b>City</b>	<u>Camillus</u>	<b>ST</b>	<u>New Y</u>	<b>Zip</b>		<b>Occupancy Date</b>					

**Name** Kevin Eldred **Title** Member  
**Signature** 

Project Components

<u>Item</u>	<u>Contract (Sub)</u>	<u>Address</u>	<u>Email</u>	<u>Phone</u>	<u>Amount</u>
Site work/ Demolition					
Foundation & Footings					
Building					
Masonry					
Metals					
Wood/Casework					
Thermal/ Moisture proof					
Doors, windows, glazing					
Finishes					
Electrical					
HVAC					
Plumbing					
Specialities					
Machinery & Equipment					
Furniture & Fixtures					
Utilities					
Paving					
Landscaping					

ONONDAGA COUNTY INDUSTRIAL DEVELOPMENT AGENCY APPLICATION

**Application Attachments Listing**

Section I (C): Corporate Schematic (if applicable)

Section II (C): Description of Project, if additional space needed; site plans/sketches for the new facility or floor plans for existing facility, and a map

Section II (K): NYS Full Environmental Assessment Form

Section III (C): Company Financial Information

Section IV (F): Employment Plan, Parts 1 & 2 (Appendix A)

Section V (F): Conflict of Interest Statement (Appendix B)

Section V (F): Local Access Agreement (Appendix C)



## **HRG,LLC**

### **Tax Map Number**

**312089 017.-04-07.0**  
**312089 017.-05-03.0**  
**312089 017.-05-42.0**  
**312089 017.-05-43.0**  
**312089 017.-05-44.0**  
**312089 017.-05-46.0**  
**312089 017.-05-49.0**  
**312089 017.-05-50.0**  
**312089 017.-05-51.0**  
**312089 017.-05-52.0**  
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**312089 017.-05-60.0**  
**312089 017.-05-65.1**  
**312089 017.-05-66.1**  
**312089 017.-05-71.0**

HINSDALE ROAD GROUP, LLC - CAMILLUS PROJECT

Township 5  
Hinsdale Road  
Camillus, NY

<b>Year</b>	<b>Project's estimated PILOT payments</b>
1	\$ 627,699
2	1,175,432
3	1,210,695
4	1,247,016
5	1,284,427
6	1,322,959
7	1,362,648
8	1,403,528
9	1,445,633
10	1,489,002
11	1,533,672
12	1,579,683
13	1,627,073
14	1,675,885
15	1,726,162
16	1,777,947
17	1,831,285
18	1,886,224
19	1,942,810
20	2,001,095
21	2,061,128
22	2,122,961
23	2,186,650
24	2,252,250
25	2,319,817
<b>TOTAL</b>	<b>\$ 41,093,682</b>

Onondaga County Industrial Development Agency  
Finance Committee Meeting Minutes  
April 19, 2013

A Finance Committee meeting of the Onondaga County Industrial Development Agency was held on Friday, April 19, 2013 at the 333 West Washington Street, Syracuse, New York in the large conference room on the first floor.

Chairperson Daniel Queri called the meeting to order at 7:40 am with the following:

PRESENT:

Donna DeSiato  
Daniel Queri  
Mike Allen

ALSO PRESENT:

Mary Beth Primo, OCIDA, Executive Director  
Kristi Smiley, OCIDA, Secretary & Treasurer  
Karen Doster, Recording Secretary, Agency  
Nora Spillane, Office of Economic Development  
Tony Rivizzigno, Gilberti Law Firm  
William Marquardt, Trespacz & Marquardt  
Kevin McAuliffe, Hiscock & Barclay  
Joe Goethe, Hinsdale Road Group  
Kevin Eldred, Hinsdale Road Group  
Sarah Wisnewski, Gilberti Law Firm

APPROVAL OF MEETING MINUTES – NOVEMBER 6, 2012 FINANCE COMMITTEE

Upon a motion by Mike Allen, seconded by Donna DeSiato, the OCIDA Finance Committee approved the November 6, 2012 meeting minutes. Motion was carried.

REVIEW PROPOSED FINANCING STRUCTURE OF HISDALE ROAD GROUP, LLC

Kevin McAuliffe stated that supplementing what was done at the prior meeting and at the public hearing, the primary thing they wanted to address today was the issue of the project being a tourism destination. He stated that they had estimated before that they would draw from counties well outside the economic development region and they have verified that with confidential information they received from Costco. He stated that they have reviewed their draw from stores in New Hampshire, Vermont, Virginia and Maryland and at a minimum they will draw from the countless counties that he enumerated at the public hearing. He stated that they estimated a

minimum of 50 mile draw and they think that his quite conservative because 50 miles north brings you up to Adams. He stated that they know people from Watertown and north of that will come. He stated that similarly as you head south on 81, they know that draw will extend to Binghamton. He stated that they have found in other places like the Burlington, Vermont store that it draws from the Adirondacks so people are driving 45 minutes. He stated that they wanted to present additional information to the Board showing their capture areas. An accurate estimation, based on the research, is that the store will draw from the counties outside the region and that will include Wayne, Seneca, Schuyler, Tompkins, Chemung, Tioga, Broome, Chenango, Oneida, Lewis, Jefferson, Herkimer, Otsego, Delaware and Hamilton all of which are outside the defined Central New York economic development region. He stated that the balance of the information remains the same, they are ready to go, moving forward on all leasing opportunities. He stated that everything is now all set with all the agencies including the school district and unanimously approved the PILOT as well. He stated that all the resolutions are in place in support of all the taxing jurisdictions.

Donna DeSiato stated that it is exciting because it brings a new interest to this area and new entity that will draw both tremendous interest and support and it will draw other types of resources to the area and other types of opportunities. She stated that it will hopefully reawaken the fact that when you are outside this region you realize that the people that come here love the fact that we have beautiful rolling hills, beautiful landscape, wonderful changing seasons, beautiful lakes, terrific schools and great colleges and universities. She stated that she thinks it is a great opportunity for folks to see something of this nature grow and come to the very heart of Central New York so she thinks this is really exciting.

Mike Allen stated that he thinks they underestimate the draw. Kevin McAuliffe stated that, for example, he did the work on the Finger Lakes Outlet Center when they first opened in the 90's and at the time the average round trip was 132 miles. He stated that they were overwhelmed at how far people would drive to that facility and it was because there wasn't anything like it.

Daniel Queri confirmed that Costco requires memberships. Joe Goethe agreed.

Daniel Queri stated that because of that what you are going to get is a 50-70 mile radius of consistent visitation. He stated that he thinks it is important to know that it is beyond just going

to Destiny once because you are going to shop for the day; it is a bigger radius commitment when you are buying a membership. He stated that they are not going to buy the membership to shop one time, so it is going to continually bring more people into the area. Joe Goethe stated that there are people who live here that are Costco members because they live elsewhere too.

Tony Rivizzigno stated that he and William Marquardt, who is bond counsel, have looked at the maps and the information provided by Mr. Goethe and Mr. McAuliffe and they can comfortably say that this project will draw people from outside the economic development area.

William Marquardt stated that the inducement resolution is the first step down the path toward issuing the bonds. He stated that he will be back before the Board with a formal bond resolution.

Donna DeSiato stated that the other part is the fact that it is located in the western part of Onondaga County. She stated that there is much more retail development on the East side of the County than on the west and she thinks it very strategic.

Upon a motion by Mike Allen, seconded by Donna DeSiato, the OCIDA Finance Committee approved a resolution recommending approval of up to \$6,000,000 in taxable bonds for the Hinsdale Road Group, LLC. Motion was carried.

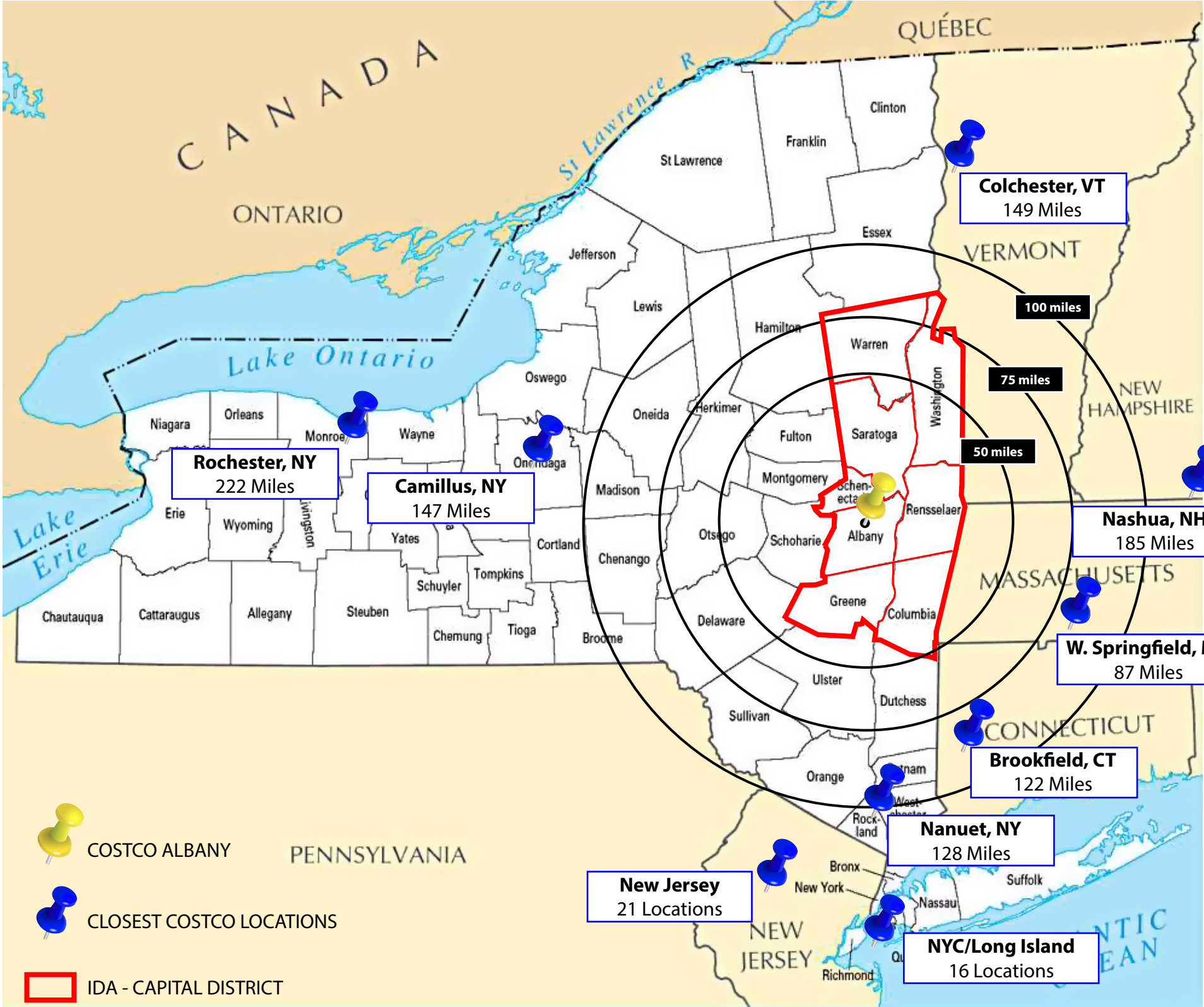
Upon a motion by Mike Allen, seconded by Donna DeSiato, the OCIDA Finance Committee adjourned the meeting at 7:50 am. Motion was carried.

---

Kristi Smiley, Secretary

# Exhibit B





CANADA

QUÉBEC

ONTARIO

VERMONT

NEW HAMPSHIRE

MASSACHUSETTS

CONNECTICUT

PENNSYLVANIA

NEW JERSEY

ATLANTIC OCEAN

**Rochester, NY**  
222 Miles

**Camillus, NY**  
147 Miles

**Colchester, VT**  
149 Miles

**Nashua, NH**  
185 Miles

**W. Springfield, MA**  
87 Miles

**Brookfield, CT**  
122 Miles

**Nanuet, NY**  
128 Miles

**New Jersey**  
21 Locations

**NYC/Long Island**  
16 Locations

100 miles

75 miles

50 miles

Niagara

Orleans

Monroe

Wayne

Oswego

Oneida

Madison

Cortland

Chenango

Otsego

Schoharie

Greene

Columbia

Rensselaer

Washington

Saratoga

Warren

Erie

Wyoming

Livingston

Yates

Chemung

Tioga

Broome

Delaware

Ulster

Sullivan

Dutchess

Orange

Putnam

Rockland

Westchester

Albany

Schenectady

Chautauqua

Cattaraugus

Allegany

Steuben

Schuyler

Tompkins

Jefferson

Lewis

Hamilton

Franklin

Clinton

Essex

St Lawrence

St Lawrence R.

Lake Ontario

Lake Erie

Albany

New York

Richmond

Nassau

Suffolk

Bronx

New York

Queens

Westchester

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Suffolk

# Exhibit C



June 8, 2023

Donald Csaposs, Chief Executive Officer  
Town of Guilderland Industrial Development Agency  
Guilderland Town Hall  
5209 Western Turnpike  
Guilderland, New York 12084

Dear Mr. Csaposs:

On behalf of the Capital Region Chamber, I write to inform you that the Chamber strongly supports the Pyramid Management Group's proposed construction and location of the region's only Costco on land already owned by Pyramid, as well as the requests that are now before the IDA for its consideration.

The Chamber believes that the proposed project is the perfect use of this site. This project has been under a planning and review period for several years and has received approvals from the Town on multiple occasions. It is now time to move this development forward. The IDA's approval is therefore needed.

As you know, the Capital Region Chamber represents over 2,600 businesses and organizations from throughout the region that employ more than 150,000 area residents, including here in the Town of Guilderland. Our Chamber's membership is diverse. We represent for-profits and not-for-profits; large corporations and small family-owned businesses.

Over the years, Crossgates has become a premiere tourist destination by providing visitors with a balanced mix of shopping, dining, entertainment and lodging options. By bringing in Costco, Pyramid is providing the diversity that the Capital Region both values and demands. Pyramid has developed this plan deliberately and with input from stakeholders throughout the county and the Town of Guilderland. And Pyramid has listened. They have thoughtfully revised their plans to mitigate concerns and they have enhanced the project for the betterment of our community. The project includes several community benefits: a roundabout for CDTA and local traffic; new sidewalks; and a multi-use trail along Crossgates Mall Road. Pyramid has clearly acted as a very responsible and responsive member of our Capital Region community.

Based on the normal trade area for a Costco, the Guilderland Costco will attract a significant number of visitors from outside of the local economic development region. The Chamber looks forward to welcoming visitors from around the state, Massachusetts, Connecticut, Vermont and beyond. The Guilderland Costco will not result in the cannibalization of local businesses. On the contrary, we believe that Costco will attract new customers for our local businesses.

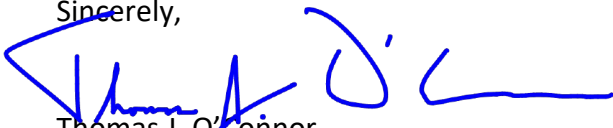
The Chamber cannot ignore the tremendous impact this project will have in terms of our region's economy and tax revenue. The Costco development will create 142 new jobs and over \$1.8 million in new sales tax revenue in Albany County. It will also create 187 new jobs and over

\$157,000 in new sales tax revenue for the Town of Guilderland. Additionally, the town and the Guilderland Central School District will realize over \$500,000 in new property tax revenue. The Chamber fully supports development projects that create jobs and broaden the tax base for our municipal governments. This would be a tremendous win for Capital Region job seekers and taxpayers.

The Capital Region Chamber strongly supports the proposed Costco. As the Vice President of Government Relations for the Capital Region Chamber and as a proud resident of the Town of Guilderland, I respectfully ask that the IDA provides swift approval to the related request that are now before you.

Thank you for your consideration of the Capital Region Chamber's perspective.

Sincerely,



Thomas J. O'Connor

Vice President, Government Relations

**UNITED TO DRIVE ECONOMIC PROSPERITY WITH  
ONE VOICE, ONE MISSION, ONE REGION.**

capitalregionchamber.com | 518.431.1400

Dear Don,

Please see the letter below.

Best,

Sandra

### **Why the Guilderland Chamber of Commerce and I Support Costco**

The Guilderland Chamber and I support Costco because it will be a huge boost to our local economy and will support smaller businesses such as our restaurants, breweries, wineries, and retail establishments. I have spoken with many of our chamber members who are thrilled that Costco is coming to our area, and look forward to the increase in their businesses.

Costco is well-known for its customer loyalty, and many customers regularly travel for hours to reach a Costco store (much like Albany residents would travel to Trader Joe's in Hadley, MA before convincing the company to set up shop in Colonie.) The nearest Costco is in West Springfield, MA, over 90 miles away.

Costco customers I have spoken to often make it a day trip, taking advantage of other shopping and dining opportunities. Guilderland is a vast and beautiful area with a wide variety of shopping, dining, and tourism resources for visitors to enjoy.

In these uncertain economic times, our community needs this revenue source. Property tax and sales tax are the only revenue sources to pay for our roads, schools, library, emergency services, and more, and increased sales tax revenue will help keep commercial and residential property taxes in check.

Also, Costco's building site did not need any variances from the town to build their store, and they made all the changes to their site plan that the town requested. We have a choice to continue to debate this project, holding up the benefits to our community, or we can move forward. The Guilderland Chamber and I support moving forward.

Thank you.

Sandra Dollard  
Executive Director  
Guilderland Chamber of Commerce



June 13, 2023

Donald Csaposs, Chief Executive Officer  
Town of Guilderland Industrial Development Agency  
Guilderland Town Hall  
5209 Western Turnpike  
Guilderland, New York 12084

Dear Mr. Csaposs:

On behalf of Discover Albany, Albany County's Convention & Visitor's Bureau, I write to inform you that the Bureau strongly supports the Pyramid Management Group's proposed construction and location of the region's only Costco on land already owned by Pyramid, as well as the requests that are now before the IDA for its consideration.

Discover Albany believes that the proposed project is the perfect use of this site. This project has been under a planning and review period for several years and has received approvals from the Town on multiple occasions. It is now time to move this development forward. The IDA's approval is therefore needed.

Over the years, Crossgates has become a premiere tourist destination by providing visitors with a balanced mix of shopping, dining, entertainment, and lodging options. By bringing in Costco, Pyramid is providing the diversity that the Capital Region and its visitors value. Pyramid has developed this plan with input from stakeholders throughout the county and the Town of Guilderland. They have listened and have thoughtfully revised their plans to ease concerns and they have enhanced the project for the betterment of our community. The project includes several community benefits: a roundabout for CDTA and local traffic; new sidewalks; and a multi-use trail along Crossgates Mall Road. Pyramid has clearly acted as a very responsible and responsive member of our Capital Region community.

As you likely know, Discover Albany is responsible for bringing not only meetings and conventions to Albany County, but visitors as well. We track visitation through a variety of statistics, including cell phone and credit card data, which demonstrate that a large percentage of our day trip guests come from Plattsburgh and Vermont, and head to Crossgates Mall. The addition of an entity such as Costco will surely encourage visitors to not only come more often, but many will want to stay longer, leading to overnight hotel stays – a key marker for a destination's success and driver of tax revenue.

Discover Albany fully supports development projects that create jobs and broaden the tax base for our municipal governments. This would be a tremendous win for Capital Region job seekers and taxpayers.

Thank you for your consideration of the Capital Region Chamber's perspective.

Sincerely,

A handwritten signature in black ink, appearing to read "Jill Delaney", with a long horizontal flourish extending to the right.

Jill Delaney, President & CEO

# Exhibit D





## GAS STATIONS NEAR COSTCO WESTERN AVE. & CROSSGATES MALL RD. – ALBANY, NY

#	GAS STATION	ADDRESS	DISTANCE (In Miles)
1	Mobil	Western Ave.	0.3
2	USA Gas	Western Ave.	0.5
3	Cumberland Farms	Western Ave.	1.2
4	Sunoco	Western Ave.	1.7
5	Mobil	Western Ave.	1.9
6	Sunoco	Washington Ave.	1.9
7	Sunoco	Western Ave.	2.0

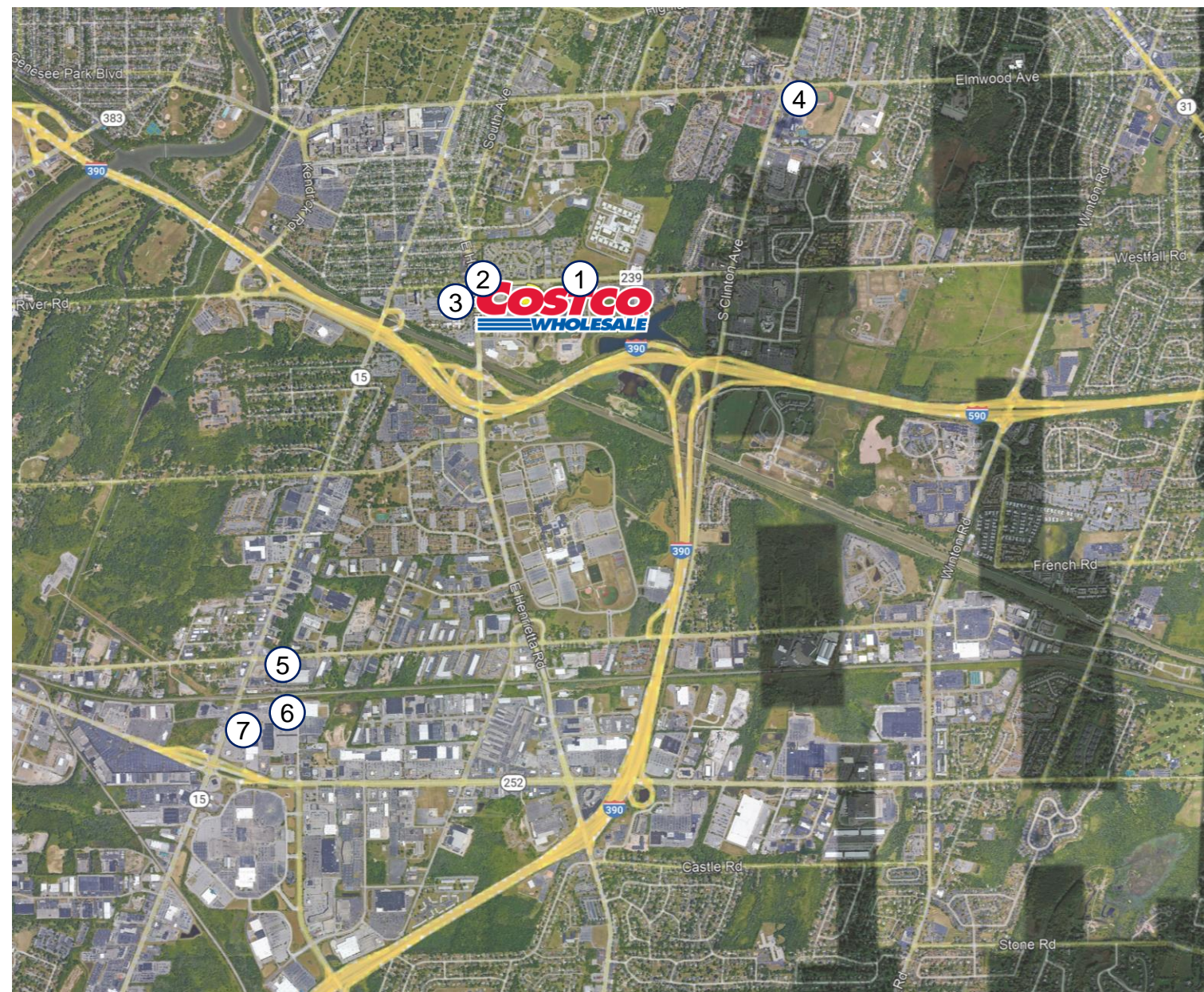




### GAS STATIONS NEAR COSTCO TOWNSHIP 5 CAMILLUS, NY

#	GAS STATION	ADDRESS	DISTANCE (In Miles)
1	Fastrac	Hinsdale Rd.	0.4
2	Sunoco	Milton Ave.	0.5
3	Byrne Dairy	Milton Ave.	1.8
4	Speedway	W. Genesee St.	1.9
5	Sunoco	W. Genesee St.	2.0
6	Citgo	Genesee St.	2.4

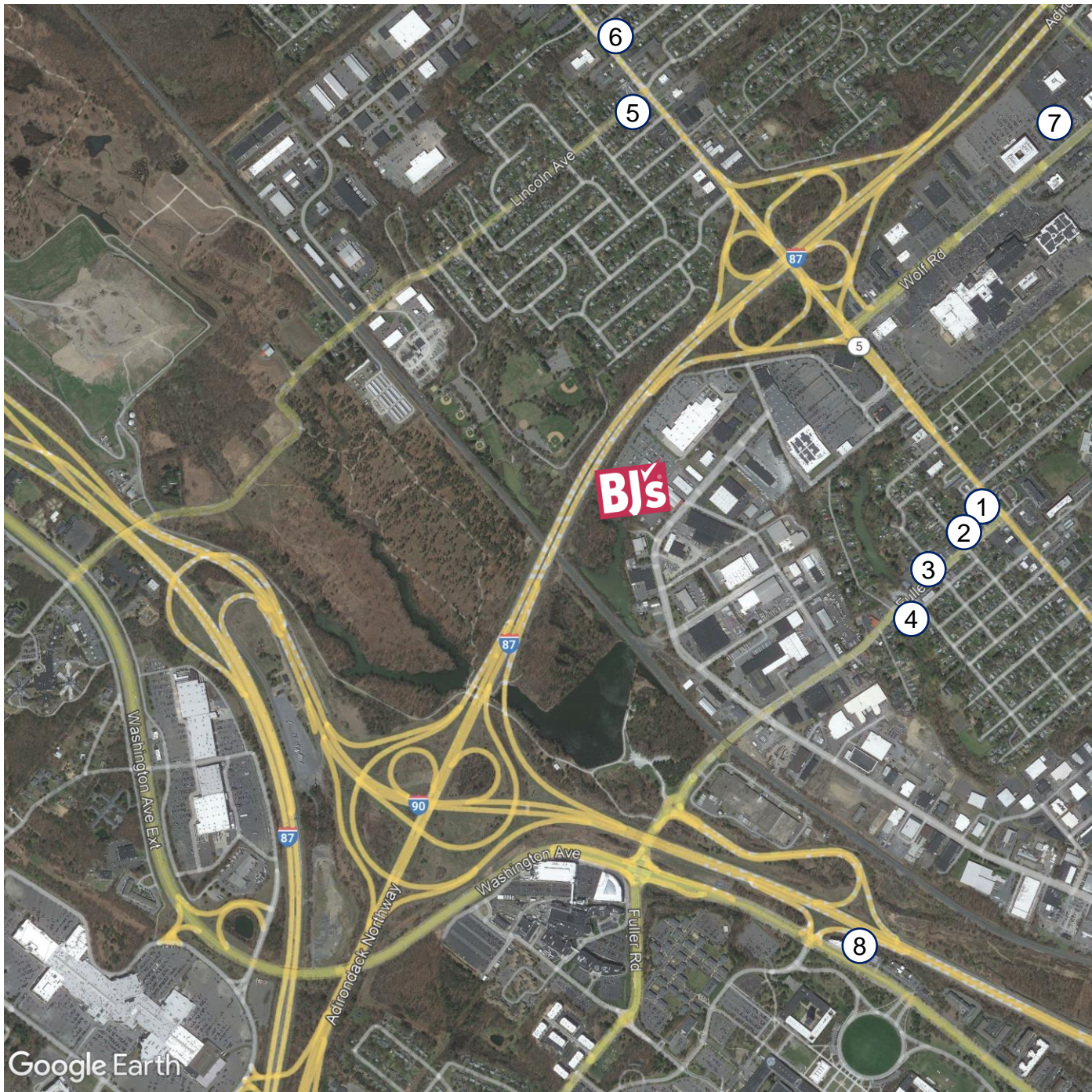




## GAS STATIONS NEAR COSTCO WESTFALL RD. ROCHESTER, NY

#	GAS STATION	ADDRESS	DISTANCE (In Miles)
1	Valero	E. Henrietta Rd.	0.3
2	Speedway	Mt. Hope Ave.	0.6
3	Kwik Fill	Mt. Hope Ave.	0.6
4	Speedway	Elmwood Ave.	1.7
5	Delta Sonic	NY-15	2.2
6	BJ's Wholesale Club	Jay Scutti Blvd.	2.4
7	Kwik Fill	W. Henrietta Rd.	2.4

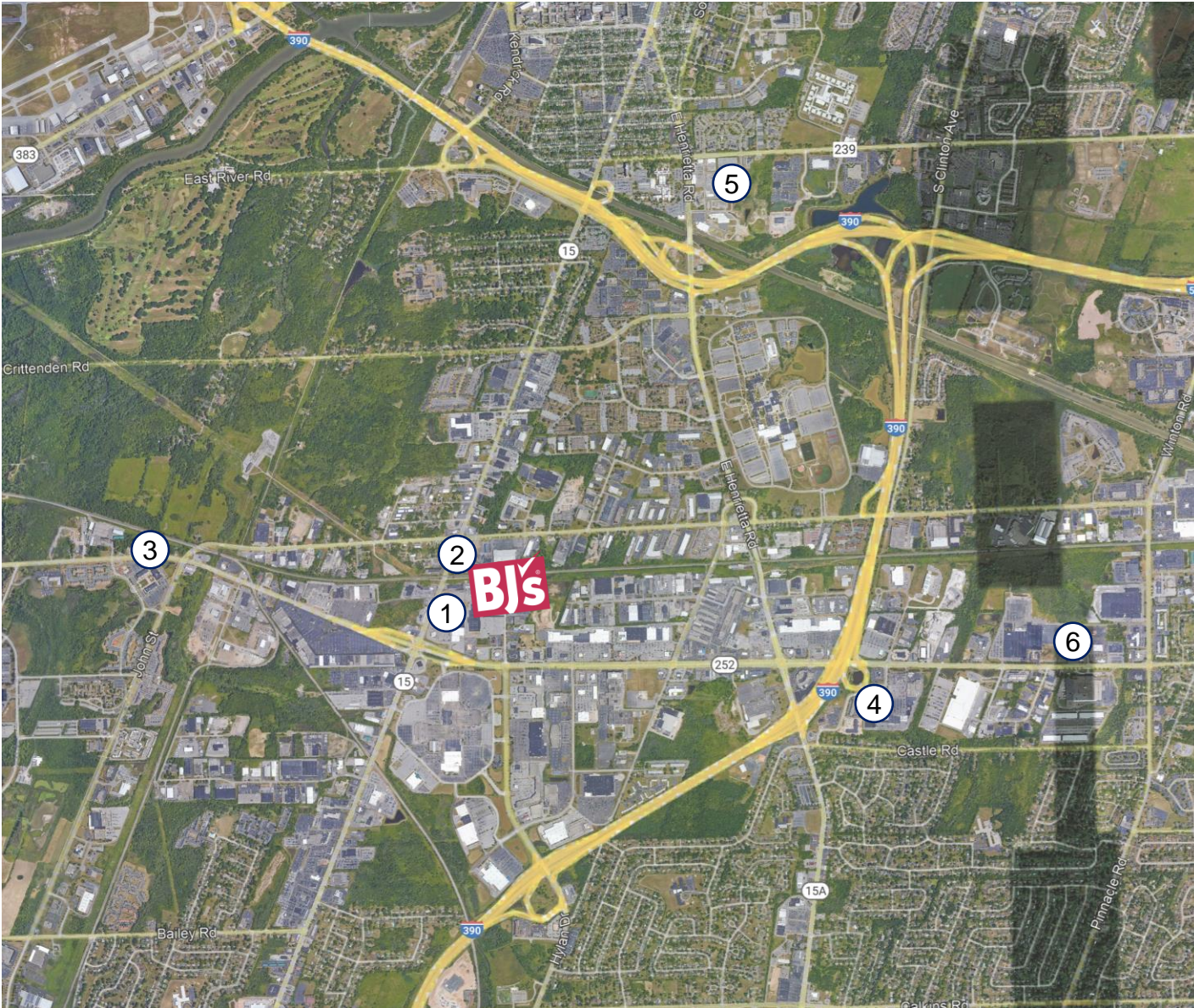




## GAS STATIONS NEAR BJ'S WHOLESALE CLUB – CENTRAL AVE. ALBANY, NY

#	GAS STATION	ADDRESS	DISTANCE (In Miles)
1	Mobil	Central Ave.	1.0
2	Sunoco	Central Ave.	1.1
3	Stewart's Shops	Fuller Rd.	1.2
4	Valero	Fuller Rd.	1.5
5	Stewart's Shops	Central Ave.	1.5
6	USA Gasoline	Central Ave.	1.7
7	Wolf Road J&L	Wolf Rd.	1.7
8	Sunoco	Washington Ave.	2.4

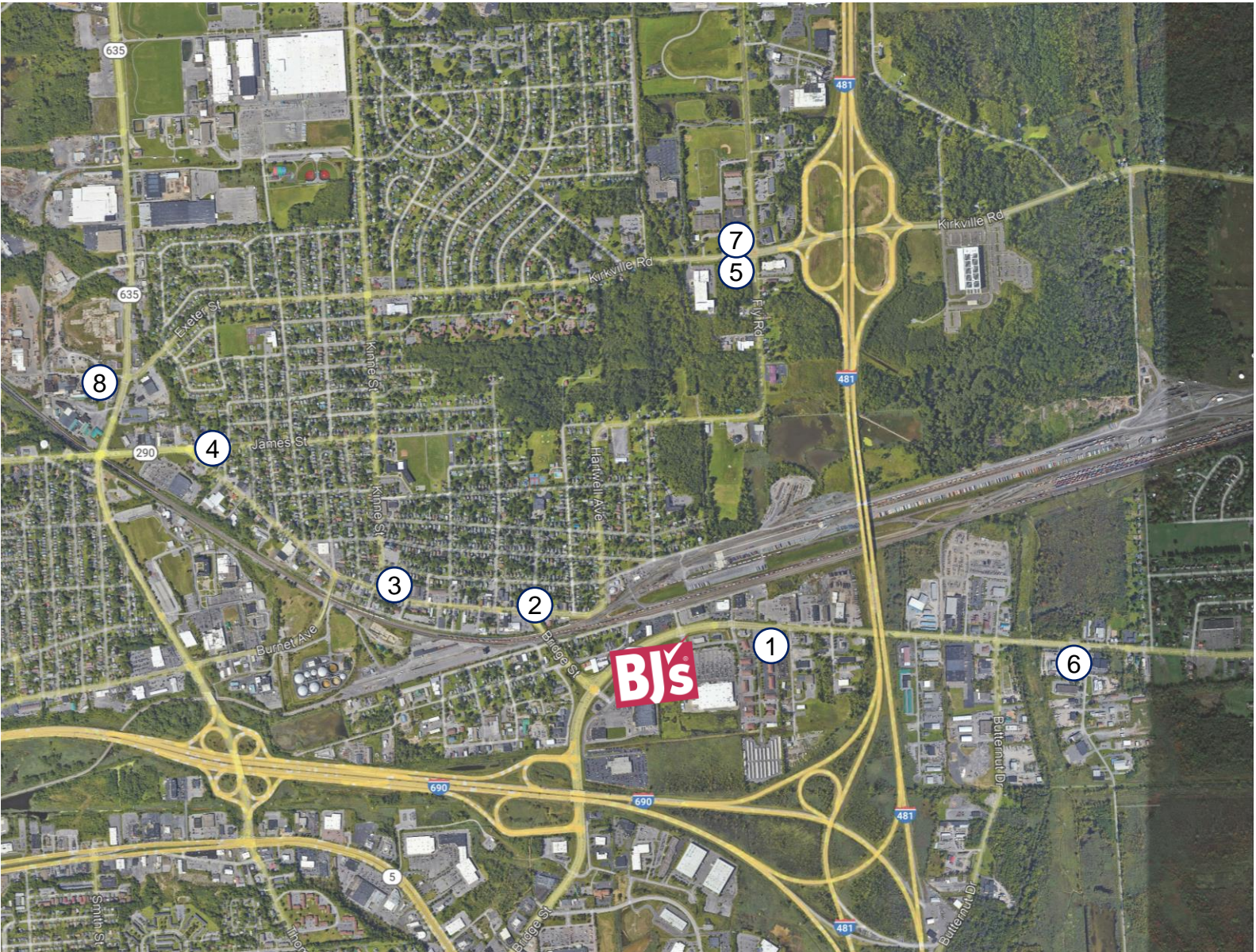




## GAS STATIONS NEAR BJ'S WHOLESALE CLUB – JAY SCUTTI BLVD. ROCHESTER, NY

#	GAS STATION	ADDRESS	DISTANCE (In Miles)
1	Kwik Fill	W. Henrietta Rd.	0.4
2	Delta Sonic	NY-15	0.5
3	Speedway	Jefferson Rd.	1.7
4	Tops	Jefferson Rd.	1.8
5	Costco	Westfall Rd.	2.4
6	Sunoco	Jefferson Rd.	2.5





## GAS STATIONS NEAR BJ'S WHOLESALE EAST SYRACUSE, NY

#	GAS STATION	ADDRESS	DISTANCE (In Miles)
1	Kwik Fill	Manlius Center Rd.	0.4
2	Citgo	E. Manlius St.	0.4
3	Byrne Dairy	W. Manlius St.	0.7
4	Citgo A&A Mini Mart	W. Manlius St.	1.3
5	Kwik Fill	Fly Rd.	1.7
6	Kwik Fill	Manlius Center Rd.	1.8
7	Sunoco	Kirkville Rd.	1.8
8	Byrne Dairy	Thompson Rd.	2.2

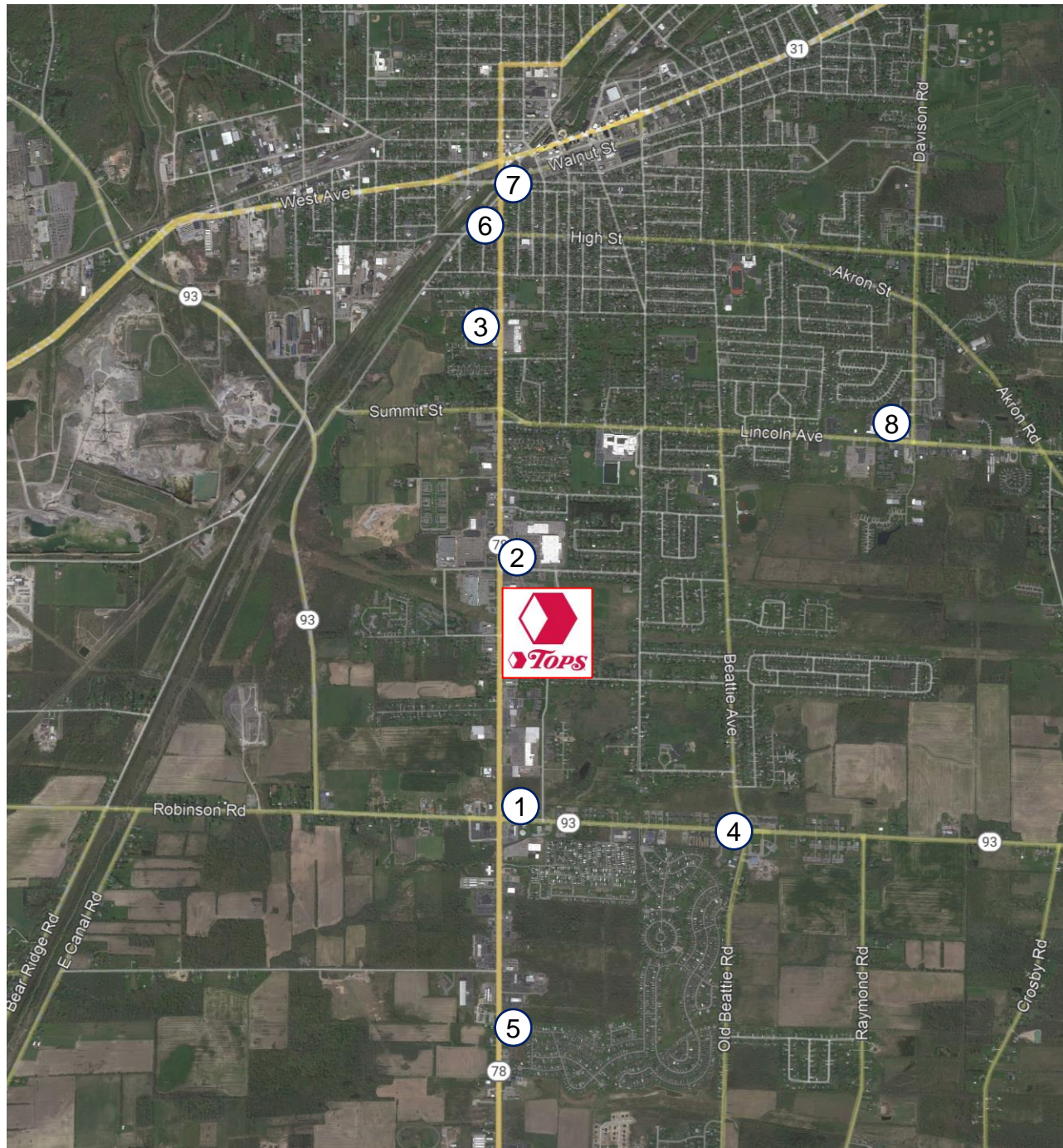




## GAS STATIONS NEAR BJ'S WHOLESALE ONEONTA, NY

#	GAS STATION	ADDRESS	DISTANCE (In Miles)
1	Mirabito	NY-23	0.2
2	Speedway	NY-23	0.2
3	Sunoco	Main St.	0.9
4	Stewart's Shops	Main St.	0.9
5	Speedway	Main St.	0.9
6	Citgo	Main St.	1.2
7	Kwik Fill	Chestnut St.	1.3
8	Mirabito	NY-23	1.3
9	Apple Express	Main St.	1.5

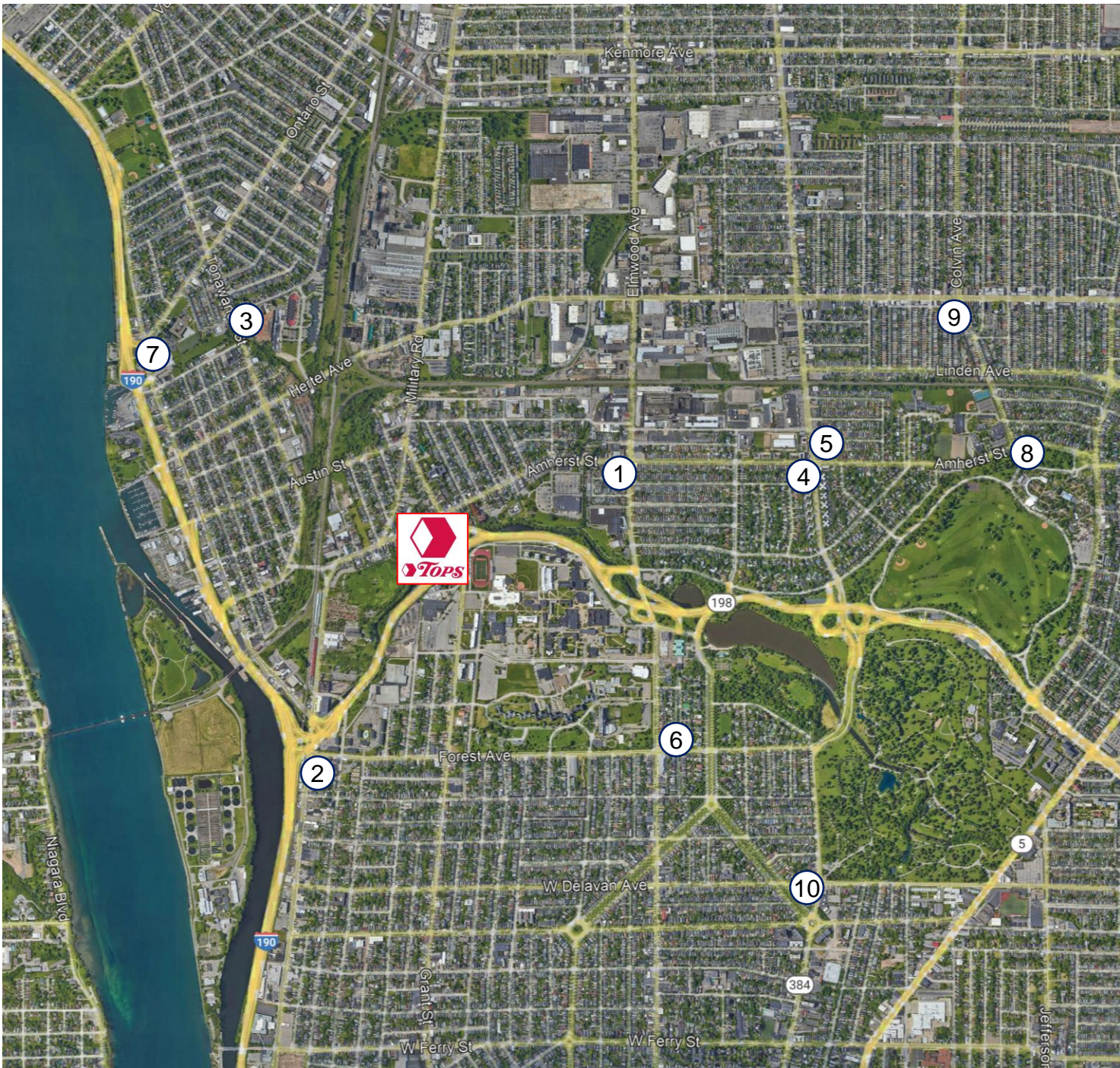




## GAS STATIONS NEAR TOPS S. TRANSIT RD. LOCKPORT, NY

#	GAS STATION	ADDRESS	DISTANCE (In Miles)
1	Sunoco	S. Transit Rd.	0.7
2	Mobil	S. Transit Rd.	0.8
3	Kwik Fill	S. Transit Rd.	1.4
4	Marathon	Robinson Rd.	1.5
5	Speedway	S. Transit Rd.	1.6
6	Marathon	S. Transit Rd.	1.8
7	Exxon	S. Transit Rd.	1.9
8	Marathon	Lincoln Ave.	2.7

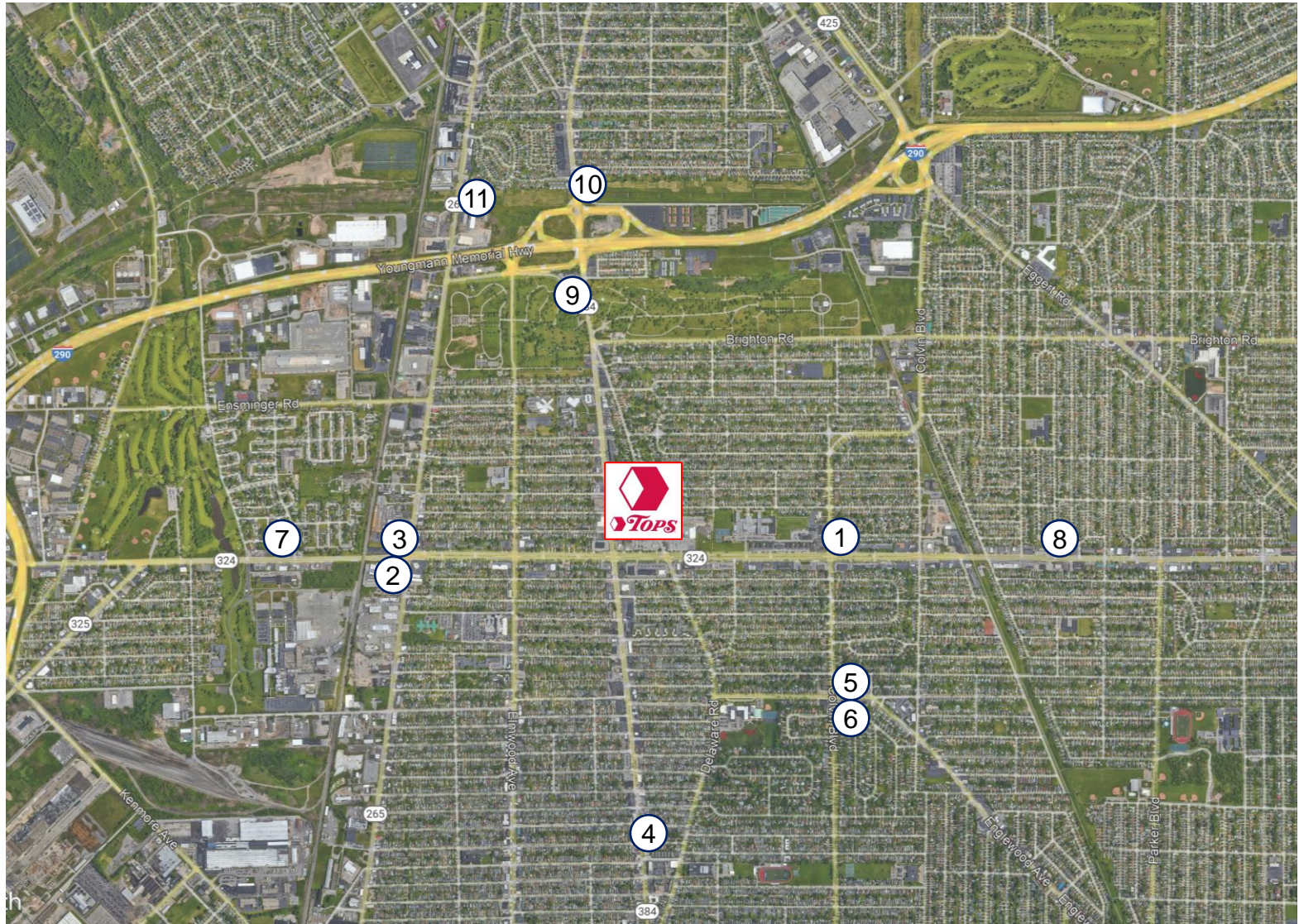




## GAS STATIONS NEAR TOPS AMHERST ST. BUFFALO, NY

#	GAS STATION	ADDRESS	DISTANCE (In Miles)
1	Sunoco	Elmwood Ave.	0.8
2	First Line	Niagara St.	1.1
3	Minitz Tonawanda	Tonawanda St.	1.3
4	Speedway	Delaware Ave.	1.4
5	Sunoco	Delaware Ave.	1.4
6	Speedway	Elmwood Ave.	1.5
7	Kwik Fill	Niagara St.	1.5
8	Marathon	Colvin Ave.	2.2
9	Sunoco	Hertel Ave.	2.4
10	Sunoco	Delaware Ave.	2.5





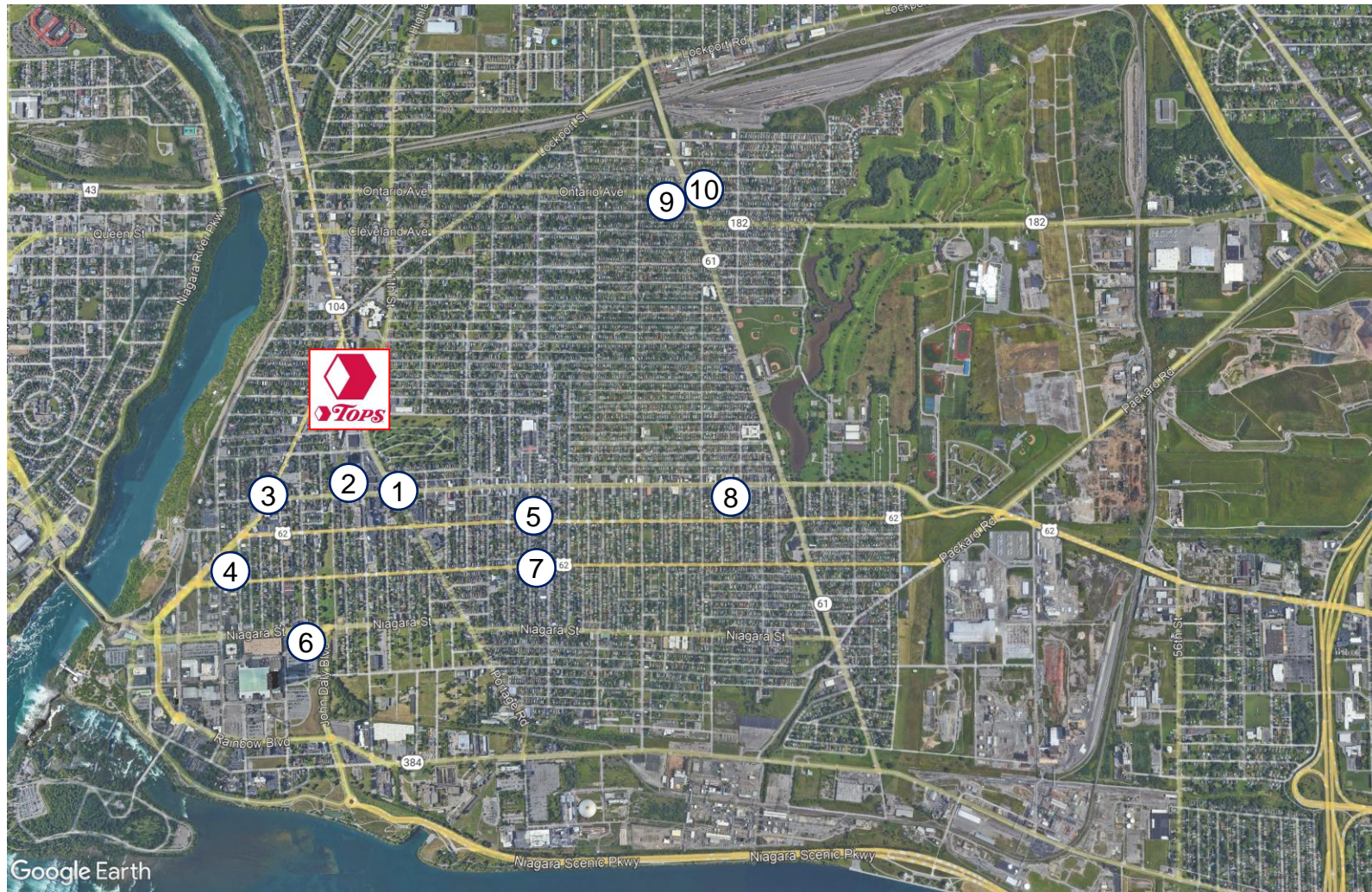
## GAS STATIONS NEAR TOPS SHERIDAN DRIVE BUFFALO, NY

#	GAS STATION	ADDRESS	DISTANCE (In Miles)
1	Mobil	Sheridan Dr.	0.7
2	Sunoco	Sheridan Dr.	0.9
3	Mobil	Sheridan Dr.	0.9
4	7-Eleven/Sunoco	Delaware Ave.	0.9
5	Citgo	Colvin Blvd.	1.0
6	Exxon	Delaware Ave.	1.1
7	Speedway	Colvin Blvd.	1.1
8	Kwik Fill	Delaware Ave.	1.2
9	Valero	Sheridan Dr.	1.3
10	Kwik Fill	Military Rd.	1.6
11	Speedway	Sheridan Dr.	1.8

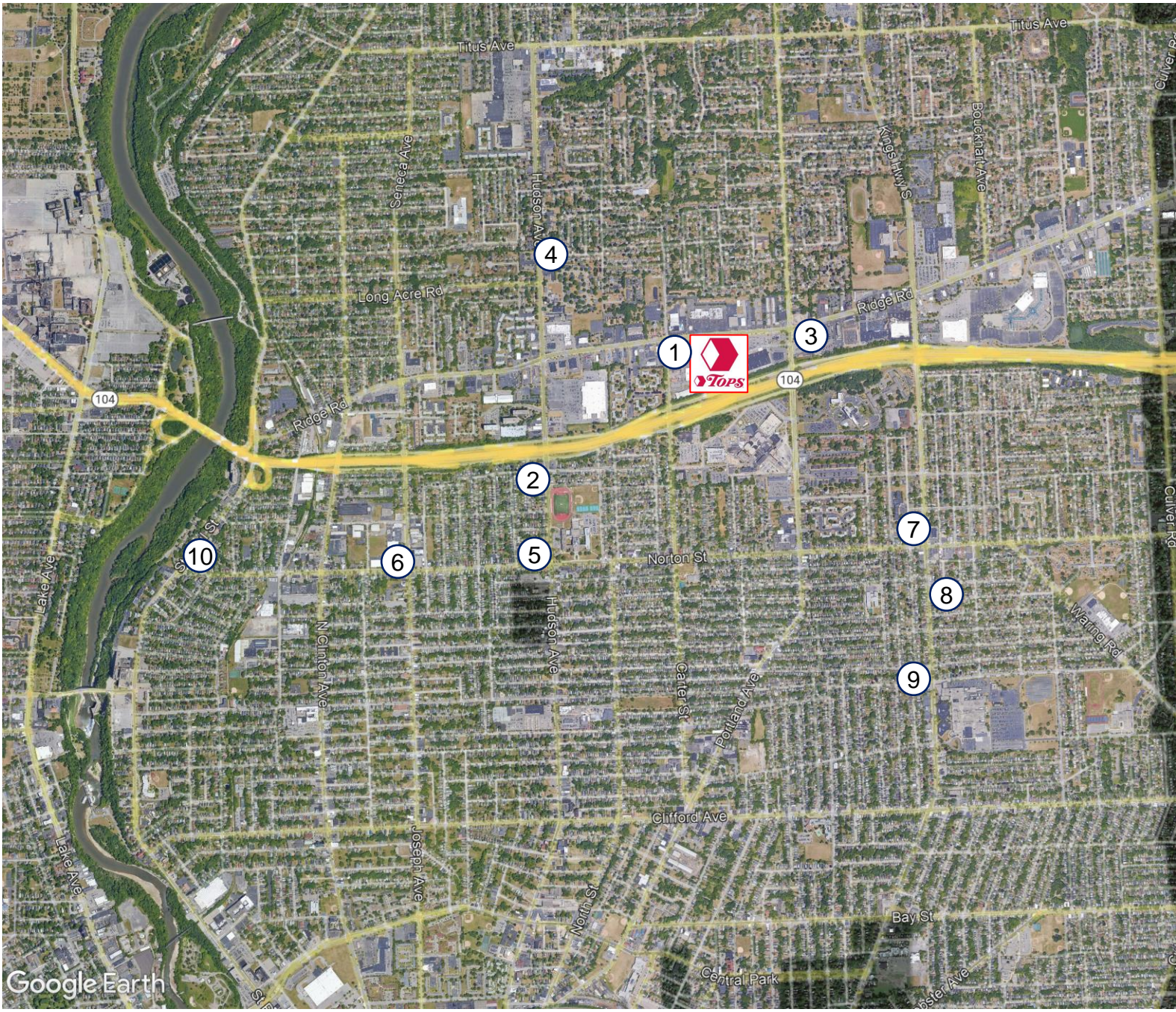


## GAS STATIONS NEAR TOPS PORTAGE RD. NIAGARA FALLS, NY

#	GAS STATION	ADDRESS	DISTANCE (In Miles)
1	United Gas Mart	Portage Rd.	0.3
2	Sunoco	Pine Ave.	0.3
3	Citgo	Main St.	0.4
4	Sunoco	Main St.	0.8
5	Coastal	19 <sup>th</sup> St.	0.9
6	Seneca One Stop	Niagara St.	0.9
7	Valero	Ferry Ave.	1.0
8	Pine Fuel	Pine Ave.	1.5
9	Sunoco	Hyde Park Blvd.	1.5
10	Marathon	Hyde Park Blvd.	1.6







## GAS STATIONS NEAR TOPS IRONDEQUOIT IRONDEQUOIT, NY

#	GAS STATION	ADDRESS	DISTANCE (In Miles)
1	Speedway	East Ridge Rd.	0.2
2	Sunoco	Hudson Ave.	0.8
3	Kwik Fill	East Ridge Rd.	0.8
4	Kwik Fill	Hudson Ave.	1.0
5	Kwik Fill	Hudson Ave.	1.1
6	Valero	Norton St.	1.6
7	Gulf	Norton St.	1.6
8	Mobil	N. Goodman St.	1.7
9	Sunoco	N. Goodman St.	2.0
10	Sunoco	St. Paul St.	2.0



# Exhibit E



**Mailing Address:**  
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 Fax: 512.777.5045

**Regional Offices:**  
 Boston, MA  
 Richmond, VA  
 Portland, ME  
 Brattleboro, VT

**MEMORANDUM**

To: Crossgates ReleaseCo, LLC  
 From: Rachel Selsky and Jessica Tagliafierro, Camoin Associates  
 Date: 8/11/2022  
 Re: **Project Benefits Development of Costco at Crossgates Site (Western Avenue/Rapp Road Crossgates Mall Road and Gabrielle Terrace)**

---

Summary of Benefits

Crossgates ReleaseCo, LLC (the Developer) is proposing a project at the intersection of Crossgates Mall Road and Western Avenue that will provide +/- 160,000 square feet of retail including a Costco and fueling stations on a currently vacant and underutilized +/- 16-acre site and will result in infrastructure upgrades and connectivity improvements for the Town of Guilderland (the Project). Camoin Associates was engaged by the Developer to provide a third-party evaluation of the project benefits.

**Expected Annual Fiscal Benefit of Project**

	Benefits Within Guilderland	Indirect Benefits (School/County/State)	Total
Estimated Net New Real Property Taxes	\$19,630	\$122,077	\$141,707
Estimated Total Direct Project Payroll (assumes 50% residing in Town)	\$4,741,429	\$4,741,429	\$9,482,858
Estimated Total Indirect Project Payroll (assumes 50% residing in Town)	\$600,059	\$600,059	\$1,200,118
Estimated NYS Income Tax at 4%		\$427,319	\$427,319
Estimated Sales Tax Revenue from on-site sales and employee earnings	\$166,114	\$3,078,306	\$3,244,420
<b>Total</b>	<b>\$5,527,232</b>	<b>\$8,969,190</b>	<b>\$14,496,422</b>

**Source:** Developer, Camoin Associates

**Note:** Property tax revenue based on the SEQR Findings Statement for the Rapp Road Residential/Western Avenue Mixed Use Redevelopment Projects.

Our evaluation finds that upon opening, the estimated total annual financial benefit, including net new property taxes, permanent payroll, income taxes, and net new sales taxes will be nearly \$14.5 million. The calculation of impacts is discussed in further detail in later sections of this memo.

*Visitation and Spending Benefits*

The Project will fill a market demand for one-stop retail within the Town of Guilderland and contribute to the overall vibrancy of the Crossgates Mall area. Given the ongoing transformation of the retail industry, diversifying product offerings around Crossgates Mall is critical to its success. Although e-commerce has redefined the public’s expectations of how and where they can purchase everyday goods, the demand for retail as an amenity that contributes to the development and competitiveness of other markets is strong. The integration of Costco into the Crossgates Mall area will be a new offering for the Town that helps support the viability of the mall and other businesses in the surrounding community.

Costco is known to carry quality, brand-name merchandise at lower prices than are typically found at conventional wholesale or retail sources. Costco warehouses present one of the largest product category selections to be found under a single roof. Categories include groceries, candy, appliances, electronics, automotive supplies, tires, toys, hardware, sporting goods, jewelry, watches, cameras, books, housewares, apparel, health and beauty aids, furniture, office supplies, and office equipment. Although Costco is known for carrying top quality national and regional brands, members can also shop Costco's private label, Kirkland Signature. The brand's major competitors include BJs, Sam's Club, and Restaurant Depot.

There is not currently a Costco in the Town of Guilderland, Albany County, or in the economic development region. Brand-loyal customers who would typically shop at Costco in other municipalities that are geographically distant from the site due to a lack of Costco in the Town of Guilderland and Albany County are likely to shop at the Project. Revenues from these customers would be net new to the Town as these goods and services are not currently reasonably accessible to the residents of the Town of Guilderland.

The nearest Costco location is over an hour and a half east of the site in West Springfield, MA. In the other directions, the nearest Costco locations are further away. To the north, there is a Costco located in Colchester, VT, which is 153 miles from the site. 108 miles to the South there is a Costco in Nanuet, NY and 147 miles to the west there is a Costco in Camillus, NY. Given the lack of Costco locations in and around Guilderland, it is likely that the proposed Costco will capture the market of Costco brand-loyal customers that exist between the site and halfway between these other locations.

The Project could potentially also attract customers who would typically shop at similar mass merchandisers outside of the market area or who would choose to shop at Costco over other smaller chains if there was one available. Revenue from these shoppers would be considered net new to the Town. Costco's low prices and good values have helped it to amass a customer base that will, at times, travel up to an hour to shop at its locations rather than at retailers closer to home. There are four similar retailers within a 30-minute drive of the site, however none of these retailers are within the Town of Guilderland. Shoppers with a preference towards Costco might shift their purchasing from the other mass merchandise stores or other retailers to the new Costco. The existing comparable retailers include:

- ◆ Sam's Club (Latham, Albany County)
- ◆ BJ's Wholesale Club (Albany, Albany County)
- ◆ Restaurant Depot (Albany, Albany County)
- ◆ BJ's Wholesale Club (Schenectady, Schenectady County)

Based on the foregoing, we believe that the Project is likely to attract a significant number of visitors from outside the economic development region.

#### *Transportation and Infrastructure Benefits*

In addition to visitor attraction, the Project will contribute to increased connectivity in and around Crossgates Mall. The Project includes plans for pedestrian and bicycle connectivity from Costco to the mall and other proposed residential and retail developments on neighboring sites, all of which will be funded by

the Developer, Costco, and other private developers. A Complete Streets approach will be used to enable usage and support mobility for all users, through development of amenities such as sidewalks, crosswalks, pedestrian control signals, bicycle lanes, and dedicated bus lanes, among others. Both Rapp Road and Crossgates Mall Road will receive "Road Diets." This aligns with goals from the Town of Guilderland's Comprehensive Plan and Transit Oriented Development District (2018) which includes goals of increasing connections to shopping opportunities by providing sidewalks and/or trails, and improving the pedestrian environment.

Furthermore, a new roundabout at Crossgates Mall Road and Fuller Road Alternate (I-87/I-90 ramps) will be constructed and operational prior to the opening of Costco to customers. The roundabout has been part of the Capital District Transit Authority's (CDTA) plan for several years, and will be funded by CDTA through grant funds with the Developer covering the remaining gaps in funding. The roundabout will be designed to accommodate vehicles of all sizes and to increase traffic capacity while slowing and directing traffic. Construction of the roundabout in partnership with the Costco project and the Developer makes this long desired traffic improvement financially feasible. Improving traffic access to Crossgates Mall also satisfies recommendations made in the town's Comprehensive Plan.

The increased connectivity supported by the Project, through pedestrian walkways and the construction of the roundabout, will help support the entire Crossgates Mall area as a place that Guilderland residents can easily access and want to spend their time.

### Role of Camoin Associates and Scope of Engagement

Camoin Associates has been engaged as an objective third party to evaluate quantitative and qualitative benefits to the Town of Guilderland that are expected as a result of the redevelopment of a vacant 16-acre site the intersection of Crossgates Mall Road and Western Avenue as a +/- 160,000 square foot Costco with fueling stations (the Project). Services include the provision of an objective, third-party analysis that will assist the Town of Guilderland Industrial Development Agency (the IDA) with its of the Project's future application for financial assistance from the IDA.

In preparing this memo and previous reports, Camoin Associates has relied upon information provided by the Developer, including project description, costs, and workforce. Information was gathered during the preparation of an economic and fiscal impact of the Project in 2019 and has been supplemented by additional materials including the Project's 2020 SEQR Findings Statement, and additional information received in 2022.

### Project Description

The Project includes the construction of a +/- 160,000 square foot Costco and fueling stations, with connectivity improvements to Crossgates Mall and other neighboring sites. The location of the Project at the intersection of Crossgates Mall Road and Western Avenue in Guilderland will provide residents of the Town access to goods and services that are not currently available in the Town along with supporting the future vitality of Crossgates Mall and the surrounding area. The Project is complementary to the mall and proposed residential and retail developments on neighboring parcels, all of which will help the area adapt

to a changing retail landscape and new consumer preferences for how and where goods and services are consumed. The Economic and Fiscal Impact analysis completed by Camoin Associates in October 2019 identified strong demand for a store such as Costco in Guilderland and the surrounding region. This report determined that the Project, as designed, would offer residents access to goods that are not currently available in Guilderland and would attract consumers from outside of the town. Camoin Associates reviewed the assumptions used in the 2019 report and determined that they are still reasonable.

*Economic Impact Analysis*

Using the assumptions generated in the 2019 report along with updated jobs and sales information provided by the Developer, Camoin Associates updated the previously calculated economic impact analysis.

As discussed in the 2019 report, assigning a specific figure to the proportion of “net new” activity is imprecise in this case, but using the market information summarized in the above *Visitation and Spending Benefits* section and our professional judgment, we estimate that 50% of sales at Costco will be net new to Albany County and 75% of sales will be net new to the Town.

According to the Developer, \$188,208,906 in annual, stabilized sales are projected at the new Costco. Based on the net new assumptions, this means that there will be over \$94.1 million in net new sales in Albany County and nearly \$141.2 million in net new sales in the Town of Guilderland. Based on comparable facilities in the Northeast there will be approximately 202 employees on site upon stabilization. Using the same net new assumptions, this means that 101 employees will be considered net new to Albany County and 152 will be considered to be net new to the Town of Guilderland.

**Net New Sales**

	<b>Albany County</b>	<b>Town of Guilderland</b>
Annual Sales	\$188,208,906	\$188,208,906
% Net New	50%	75%
Net New Sales	\$94,104,453	\$141,156,679

**Net New Jobs**

	<b>Albany County</b>	<b>Town of Guilderland</b>
New Jobs	202	202
% Net New	50%	75%
Net New Jobs	101	152

**Source:** Developer, Costco, Camoin Associates



The table below shows the impact that the new jobs and sales would have on the Town of Guilderland in terms of the direct, indirect, and total impact on employment and wages. The total impact is expected to be 168 jobs, nearly \$10.7 million in earnings, and over \$169.6 million in sales, annually.

**Annual Economic Impact of Costco on the Town of Guilderland**

	Direct	Indirect	Total
Jobs	152	16	168
Earnings	\$9,482,858	\$1,200,117	\$10,682,976
Sales	\$141,156,679	\$28,451,839	\$169,608,518

**Source:** Lightcast (formerly Emsi), Camoin Associates

*Fiscal Benefit Analysis*

In addition to the economic impacts, a positive impact on municipal revenues in the form of new property and sales tax revenue will occur as a result of the Project. According to the Developer, the site is currently vacant and underutilized, generating \$16,645 in property taxes for the Town. The Town will benefit from an additional estimated \$19,630 in property taxes, annually, following completion of the Project.

New sales tax revenue will be generated in two ways: from on-site sales and from employee earnings. As discussed previously, over \$188.0 million in annual, stabilized sales are projected at the new Costco. As detailed in the *Economic Impact Analysis* section, 50% of these sales will be considered to be net new to Albany County and wouldn't be expected to happen without the project. Therefore, the \$94.1 million in net new sales will result in new sales tax revenue to Albany County and the Town of Guilderland. Tax revenue collected by New York State based on this new Albany County spending was also calculated. Sales tax revenue generated for the state is included for illustrative purposes only.

It is assumed that the vast majority of goods sold on-site will be taxable, while a small amount of goods will not be taxable. According to the developer, 85% is a conservative assumption of the portion of sales that will be taxable. Using these assumptions, the county will collect nearly \$3.2 million in net new sales tax revenue. The Town of Guilderland is estimated to receive \$163,817 of the sales tax revenue collected by Albany County.<sup>1</sup>

<sup>1</sup> According to the NYS Comptroller's Office Division of Local Government and School Accountability, Albany County keeps 60% of sales tax revenue and distributes 40% of sales tax revenue to the cities and towns on the basis of population. Based on population, approximately 12% of the 40% that is distributed to the cities and towns will be distributed to the Town of Guilderland.

**Annual Sales Tax Revenue - On-Site Sales**

Total Net New Sales	\$94,104,453
Amount Taxable (85%)	\$79,988,785
Total Sales Tax Rate	8.00%
Total NYS Sales Tax Associated with Costco (4.00%)	\$3,199,551
Total <b>New</b> County Sales Tax Generated (4.00%)	\$3,199,551
Amount Distributed to Town	\$163,817

**Source:** Camoin Associates, NYS Comptroller

**Note:** Sales tax revenue collected by the state and associated with this project is calculated for illustrative purposes only.

The new earnings generated by the on-site jobs that will occur as a result of the new Costco would lead to additional annual sales tax revenue for the taxing jurisdictions. To avoid double counting sales tax that is already accounted for in the on-site sales, spending that would occur on-site are deducted from total earnings. Based on the mix of retail goods offered by Costco, and an analysis of spending baskets of typical U.S. households, 40% of household spending would occur on-site. Therefore, 60% of total new earnings will not be spent on-site and therefore represent additional new tax revenue. Of these earnings, it is assumed that 70% will be spent in the County, 90% in New York State, and that 25% of these purchases will be taxable. Under these assumptions, the County would collect \$44,868, with \$2,297 of that being distributed to the Town. Again, sales tax revenue generated for the state is included for illustrative purposes only.

**Annual Sales Tax Revenue - On-Site Jobs**

Total New Earnings	\$10,682,976
Earnings Not Spent On-Site (60%)	\$6,409,785
Amount Taxable (25%)	\$1,602,446
Amount Spent in County (70%)	\$1,121,712
Total <b>New</b> County Sales Tax Generated (4.00%)	\$44,868
Amount Distributed to Town	\$2,297
Amount Spent in State (90%)	\$1,442,202
Total NYS Sales Tax Associated with Costco (4.00%)	\$57,688

**Source:** Camoin Associates, NYS Comptroller

**Note:** Sales tax revenue collected by the state and associated with this project is calculated for illustrative purposes only.

In total, the Town of Guilderland will benefit from an estimated \$166,114 in new annual sales tax revenue. Albany County and will collect an estimated nearly \$3.1 million in new sales tax revenue, annually, as a result of the project.

**Total Annual Sales Tax Revenue**

	Town of Guilderland Albany County	
On-Site Sales	\$163,817	\$3,035,734
On-Site Employee Earnings	\$2,297	\$42,571
<b>New Tax Revenue</b>	<b>\$166,114</b>	<b>\$3,078,306</b>

**Source:** Camoin Associates, NYS Comptroller

Memorandum

8/11/2022

Project Benefits Development of Costco at Crossgates Site (Western Avenue/Rapp Road Crossgates Mall Road and Gabrielle Terrace)

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*Transportation and Infrastructure Impact*

Beyond the economic and fiscal benefits of the Project, the development of pedestrian walkways and multi-use paths around the site, as well as a new roundabout for vehicular traffic, will improve connectivity to the mall and neighboring sites that are also in the process of being developed. Today, the Project site is vacant and the Crossgates Mall area is not easily accessible, except by vehicle. The improved connectivity will be transformative, helping to create a vibrant, mixed-use center that serves a variety of needs for Town residents and creates a destination for new visitors from within and beyond the economic development region.

# Economic and Fiscal Impact

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Crossgates Rapp Road  
Development

OCTOBER 2019

PREPARED BY:



120 West Avenue, Suite 303  
Saratoga Springs, NY 12866  
518.899.2608  
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CAMOIN 310

# ABOUT CAMOIN ASSOCIATES

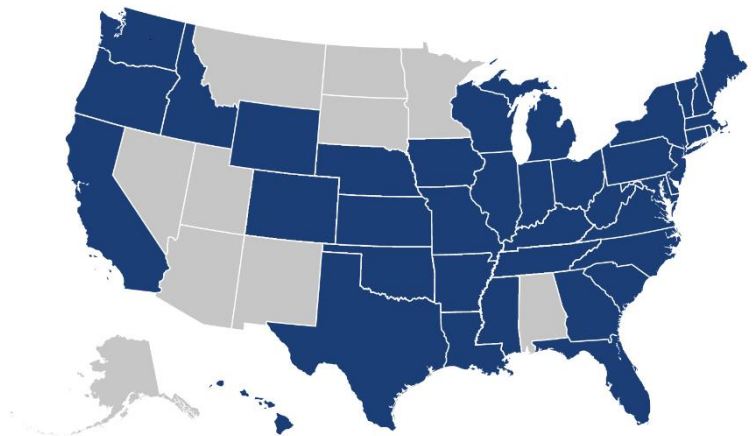
Camoin Associates has provided economic development consulting services to municipalities, economic development agencies, and private enterprises since 1999. Through the services offered, Camoin Associates has had the opportunity to serve EDOs and local and state governments from Maine to California; corporations and organizations that include Lowes Home Improvement, FedEx, Amazon, Volvo (Nova Bus) and the New York Islanders; as well as private developers proposing projects in excess of \$6 billion. Our reputation for detailed, place-specific, and accurate analysis has led to projects in 40 states and garnered attention from national media outlets including Marketplace (NPR), Forbes magazine, The New York Times and The Wall Street Journal. Additionally, our marketing strategies have helped our clients gain both national and local media coverage for their projects in order to build public support and leverage additional funding. We are based in Saratoga Springs, NY, with regional offices in Portland, ME; Boston, MA; Richmond, VA and Brattleboro, VT. To learn more about our experience and projects in all of our service lines, please visit our website at [www.camoinassociates.com](http://www.camoinassociates.com). You can also find us on Twitter [@camoinassociate](https://twitter.com/camoinassociate) and on **Facebook**.

## THE PROJECT TEAM

Dan Gundersen  
*Senior Vice President, Project Principal*

Rachel Selsky  
*Vice President, Project Manager*

Jessica Ulbricht  
*Analyst, Project Staff*



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# EXECUTIVE SUMMARY

Rapp Road Development, LLC (the “Client,” or the “Developer”) is proposing three major mixed-use developments (the “Projects”) on three sites that they own in the Town of Guilderland (the “Town”) in the vicinity of Crossgates Mall. As part of the State Environmental Quality Review (SEQR) process, this study evaluates the scope of potential fiscal impacts to the Town as a result of the three separate proposed projects. The Developer also seeks to demonstrate the positive benefit of the Projects on the Town in terms of new economic activity and job creation. The first of the three sites (Site 1) includes 222 new mid- to high- end one and two-bedroom apartment units complete with a fitness center, community space, pool, and covered parking. Site 2 is comprised of approximately 160,000 square feet of retail including a Costco and fueling stations, and Site 3 will include a mix of retail space, office space, and 48 1- and 2- bedroom apartments. Collectively, we will refer to the three development sites as “the Sites”.<sup>1</sup>

This Study analyzes the impact that the Project at each of the three sites would have on the Town of Guilderland and Albany County (the “County”) economies, net of any economic activity that would occur even if the Projects were not completed. In other words, we seek to capture the amount of economic activity that will be “net new” to the Town and the County as a result of the Projects, after accounting for the proportion of economic activity that draws on demand already being satisfied within the region.

The following is a summary of our findings from this study, with details below. Given the ongoing transformation of the retail industry, Camoin 310 found that diversifying product offerings around Crossgates Mall is critical to its success. Although e-commerce has redefined the public’s expectations of how and where they can purchase everyday goods, the demand for retail as an amenity that contributes to the development and competitiveness of other markets is strong. Retail succeeds when it is thoughtfully integrated into communities and positioned as a “lifestyle center” that combines malls and shopping centers with residential, office, and other uses. Creating this type of environment is the new normal for malls, and necessary for them to remain viable.

There will be positive fiscal impacts that result from these developments for the County and the Town in the form of new property and sales tax revenue. Given the high level of investment into the development of these three sites, we anticipate that the taxable assessed value upon completion will be significantly higher than it currently is. In addition to property tax, the Projects will generate new sales tax. As part of this study, Camoin 310 modeled the estimated sales tax impacts of the development of each of the sites. These, too, represent a positive impact for Albany County and the Town of Guilderland. The total annual sales tax impacts of each site are summarized in Table 1.<sup>2</sup>

---

<sup>1</sup> Camoin 310 analyzed the current housing stock of the Town of Guilderland and Albany County using data from the 2013-2017 American Community Survey. Based on the extremely unique nature of this development and a lack of any similar developments in the areas, most of these units will be net new. Camoin 310 determined that 95% of the residential units will be net new, to account for a percentage of in-migration of existing Town and County residents. More details can be found on pages 11 and 12 of this analysis.

<sup>2</sup> According to the NYS Comptroller’s Office Division of Local Government and School Accountability, Albany County keeps 60% of sales tax revenue and distributes 40% of sales tax revenue to the cities and towns on the basis of population. The “Amount Kept by County” and the “Amount Distributed to Town” are calculated to reflect this. Based on population, approximately 12% of the 40% that is distributed to the cities and towns will be distributed to the Town of Guilderland. This methodology is used throughout the entire report in all sales tax calculations.



## CAMOIN 310

Table 1

Total Annual Sales Tax Impact		
	Albany County	Town of Guilderland
Site 1	\$ 55,255	\$ 4,420
Household Spending	\$ 53,217	\$ 4,257
On-Site Employee Earnings	\$ 2,037	\$ 163
Site 2	\$ 1,845,892	\$ 157,516
On-Site Sales	\$ 1,836,000	\$ 156,672
On-Site Employee Earnings	\$ 9,892	\$ 844
Site 3	\$ 119,905	\$ 9,592
Household Spending	\$ 11,602	\$ 928
On-Site Sales	\$ 93,150	\$ 7,452
On-Site Employee Earnings	\$ 15,153	\$ 1,212

Source: Camoin 310

In addition to the fiscal impacts of the Project, there will be positive economic impacts that result as well. Table 2 summarizes the total annual economic impact, including both the direct and indirect impacts, on Albany County and the Town of Guilderland, of each of the three sites. Indirect effects are the result of new employees and households receiving and spending their wages in the economy. A more detailed summary of the impacts at each of the three sites follows.

Table 2

Total* Economic Impact Summary						
	Albany County			Town of Guilderland		
	Jobs	Earnings	Sales	Jobs	Earnings	Sales
Site 1	76	\$ 3,010,294	\$ 9,149,648	46	\$ 1,678,412	\$ 5,077,611
Site 2	142	\$ 3,925,207	\$ 114,429,795	187	\$ 5,140,925	\$ 133,312,798
Site 3	119	\$ 6,563,509	\$ 14,664,943	144	\$ 10,313,308	\$ 19,111,696

Source: EMSI, Camoin 310

\*Includes direct and indirect impacts

## SITE 1

The economic and fiscal impacts of Site 1 are outlined below. Site 1 is expected to begin construction in spring 2020 and will be completed within 24 months. This phase includes the development of 222 mid- to high- end apartment buildings, with related amenities.

### Annual Fiscal Impact

Upon project completion and occupation, Site 1 will have the following ongoing annual economic impacts:

- ◆ Significant contribution of new property tax revenue to Albany County and the Town of Guilderland.
- ◆ New sales tax revenue resulting from household spending and on-site employee earnings of \$55,255 to Albany County.
- ◆ New sales tax revenue resulting from household spending and on-site employee earnings of \$4,420 to the Town of Guilderland.

Table 3

Total Annual Sales Tax Revenue - Site 1		
	Albany County	Town of Guilderland
Household Spending	\$ 53,217	\$ 4,257
On-Site Employee Earnings	\$ 2,037	\$ 163
New Tax Revenue	\$ 55,255	\$ 4,420

Source: Camoin 310, NYS Comptroller

### Annual Economic Impact

Upon Project completion and occupation, Site 1 will have the following ongoing annual economic impacts:

- ◆ 76 new jobs along with an associated over \$3.0 million in new wages and over \$9.1 million in new sales in Albany County.
- ◆ Of these, 46 new jobs, nearly \$1.7 million in new wages and nearly \$5.1 million in new sales will be in the Town of Guilderland.

Table 4

Total Economic Impact - Site 1			
Albany County			
	Direct	Indirect	Total
Jobs	58	18	76
Earnings	\$ 2,027,101	\$ 983,194	\$ 3,010,294
Sales	\$ 6,331,368	\$ 2,818,280	\$ 9,149,648
Town of Guilderland			
	Direct	Indirect	Total
Jobs	45	1	46
Earnings	\$ 1,606,007	\$ 72,405	\$ 1,678,412
Sales	\$ 4,834,758	\$ 242,853	\$ 5,077,611

Source: EMSI, Camoin 310

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**Construction Impact<sup>3</sup>**

The construction phase of Site 1 will result in the following one-time benefits:

- ◆ 489 new jobs along with an associated nearly \$19.5 million in new wages and over \$50.9 million in new sales in Albany County.
- ◆ 159 new jobs along with an associated over \$10.6 million in new wages and nearly \$25.5 million in new sales in the Town of Guilderland.

Table 5

Economic Impact - Construction Phase - Site 1			
Albany County			
	Direct	Indirect	Total
Jobs	410	79	489
Earnings	\$ 14,952,679	\$ 4,535,731	\$ 19,488,410
Sales	\$ 37,620,000	\$ 13,297,273	\$ 50,917,273
Town of Guilderland			
	Direct	Indirect	Total
Jobs	156	3	159
Earnings	\$ 10,480,247	\$ 134,035	\$ 10,614,283
Sales	\$ 25,080,000	\$ 379,787	\$ 25,459,787

Source: EMSI, Camoin 310

<sup>3</sup> A retail leakage analysis of Albany County and the Town of Guilderland suggests that a vast majority of the goods and services that will be purchased for the construction period are available within the County and a large amount are available within the town, but there will still be some outside spending through purchases made in other municipalities. Based on third party proprietary retail spending data, 90% is a reasonable assumption for the amount of in-county construction spending and 60% for the amount of in-town spending. The construction spending assumptions are used throughout the analysis of all Project Sites. Source: Esri

## SITE 2

### Annual Fiscal Impact

Upon project completion and occupation, Site 2 will have the following ongoing annual fiscal impacts:

- ◆ Significant contribution of new property tax revenue to Albany County and the Town of Guilderland.
- ◆ New sales tax revenue resulting from on-site sales and employee earnings of \$1,845,892 to Albany County.
- ◆ New sales tax revenue resulting from on-site sales and employee earnings of \$157,516 to the Town of Guilderland.

Table 6

Total Annual Sales Tax Revenue - Site 2		
	Albany County	Town of Guilderland
On-Site Sales	\$ 1,836,000	\$ 156,672
On-Site Employee Earnings	\$ 9,892	\$ 844
<b>New Tax Revenue</b>	<b>\$ 1,845,892</b>	<b>\$ 157,516</b>

Source: Camoin 310, NYS Comptroller

### Annual Economic Impact

Upon Project completion and occupation, Site 2 will have the following ongoing annual economic impacts:

- ◆ 142 new jobs along with an associated over \$3.9 million in new wages and over \$114.4 million in new sales in Albany County.
- ◆ 187 new jobs along with an associated over \$5.1 million in new wages and over \$133.3 million in new sales in the Town of Guilderland.

Table 7

Total Economic Impact - Site 2			
Albany County			
	Direct	Indirect	Total
Jobs	123	19	142
Earnings	\$ 2,888,457	\$ 1,036,750	\$ 3,925,207
Sales	\$ 85,000,000	\$ 29,429,795	\$ 114,429,795
Town of Guilderland			
	Direct	Indirect	Total
Jobs	184	3	187
Earnings	\$ 4,972,887	\$ 168,038	\$ 5,140,925
Sales	\$ 127,500,000	\$ 5,812,798	\$ 133,312,798

Source: EMSI, Camoin 310

### Construction Impact

The construction of Site 2 will result in the following one-time benefits:

- ◆ 181 new jobs along with an associated nearly \$13.2 million in new wages and over \$34.6 million in new sales in Albany County.

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- ◆ 75 new jobs along with an associated over \$7.2 million in new wages and nearly \$17.3 million in new sales in the Town of Guilderland.

Table 8

Economic Impact - Construction Phase - Site 2			
Albany County			
	Direct	Indirect	Total
Jobs	127	54	181
Earnings	\$10,077,839	\$3,094,141	\$13,171,980
Sales	\$25,560,000	\$9,068,457	\$34,628,457
Town of Guilderland			
	Direct	Indirect	Total
Jobs	74	1	75
Earnings	\$ 7,120,551	\$ 91,855	\$ 7,212,406
Sales	\$17,040,000	\$ 259,546	\$17,299,546

Source: EMSI, Camoin 310

## SITE 3

### Annual Fiscal Impact

Upon Project completion and occupation, Site 3 will have the following ongoing annual fiscal impacts:

- ◆ Significant contribution of new property tax revenue to Albany County and the Town of Guilderland.
- ◆ New sales tax revenue resulting from household spending, on-site sales and on-site employee earnings of \$119,905 to Albany County.
- ◆ New sales tax revenue resulting from household spending, on-site sales and on-site employee earnings of \$9,592 to the Town of Guilderland.

Table 9

Total Annual Sales Tax Revenue - Site 3		
	Albany County	Town of Guilderland
Household Spending	\$ 11,602	\$ 928
On-Site Sales	\$ 93,150	\$ 7,452
On-Site Employee Earnings	\$ 15,153	\$ 1,212
New Tax Revenue	\$ 119,905	\$ 9,592

Source: Camoin 310, NYS Comptroller

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**Annual Economic Impact**

Upon Project completion and occupation, Site 3 will have the following ongoing annual economic impacts:

- ◆ 119 new jobs along with an associated nearly \$6.6 million in new wages and nearly \$14.7 million in new sales in Albany County.
- ◆ 144 new jobs, over \$10.3 million in new wages and over \$19.1 million in new sales in the Town of Guilderland.

Table 10

Total Economic Impact - Site 3 Albany County			
	Direct	Indirect	Total
Jobs	92	27	119
Earnings	\$ 5,014,579	\$ 1,548,931	\$ 6,563,509
Sales	\$ 10,386,461	\$ 4,278,482	\$ 14,664,943
Town of Guilderland			
	Direct	Indirect	Total
Jobs	140	4	144
Earnings	\$ 10,022,919	\$ 290,389	\$ 10,313,308
Sales	\$ 18,253,022	\$ 858,674	\$ 19,111,696

Source: EMSI, Camoin 310

**Construction Impact**

The construction of Site 3 will result in the following one-time benefits:

- ◆ 509 new jobs along with an associated nearly \$20.3 million in new wages and nearly \$53.0 million in new sales in Albany County.
- ◆ 165 new jobs along with an associated over \$11.0 million in new wages and nearly \$26.5 million in new sales in the Town of Guilderland.

Table 11

Economic Impact - Construction Phase - Site 3 Albany County			
	Direct	Indirect	Total
Jobs	426	83	509
Earnings	\$15,560,802	\$ 4,720,199	\$20,281,001
Sales	\$39,150,000	\$13,838,071	\$52,988,071
Town of Guilderland			
	Direct	Indirect	Total
Jobs	162	3	165
Earnings	\$10,906,477	\$ 139,487	\$11,045,964
Sales	\$26,100,000	\$ 395,232	\$26,495,232

Source: EMSI, Camoin 310



# SITE 1 IMPACT ANALYSIS

Site 1, which is to be developed into a mid- to high- end multifamily apartment complex is expected to commence in spring 2020 will involve the construction of 222 residential units. Site 1 is expected to be completed 24 months after the project commences.

## Fiscal Impact

### SALES TAX REVENUE

#### NEW HOUSEHOLD SPENDING

Albany County and the Town of Guilderland will receive sales tax revenue from the purchases made by the new households at Site 1. Based on in-County and in-Town spending by new households, Albany County would receive approximately \$53,217 and the Town of Guilderland would receive approximately \$4,257 in new sales tax revenue, annually, following the completion of Site 1.

Table 12

Annual Sales Tax Revenue Household Spending - Site 1	
Total New Spending	\$ 7,391,301
Amount Taxable (30%)	\$ 2,217,390
County Sales Tax Rate	4.00%
Total County Sales Tax Generated	\$ 88,696
Amount Kept by County	\$ 53,217
Amount Distributed to Town	\$ 4,257

Source: Camoin 310, NYS Comptroller

Note that the household spending figure has already been adjusted to account for 70% of total spending occurring within the County and 50% of total spending occurring within the Town (see table titled "Tenant Spending Baskets" in the Economic Impact section). Also note that a higher value for "Amount Taxable" as compared to the following table (30% rather than 25%) was used since certain non-taxable items (related to housing expenses) have been removed from the total spending line, thus increasing the remaining portion taxable.

#### EMPLOYEE EARNINGS

The new earnings generated by on-site jobs that will occur as a result of building occupation at the Project would lead to additional annual sales tax revenue for the County and the Town. It is assumed that 70% of the earnings would be spent within Albany County and 50% would be spent within the Town of Guilderland<sup>4</sup>. It is also assumed that 25% of those purchases will be taxable.

<sup>4</sup> Based on an analysis of available goods and services within the geographies (source: ESRI). These assumptions are used throughout the analysis for all sales tax calculations.

Table 13

Annual Sales Tax Revenue On-Site Jobs - Site 1	
Total New Earnings	\$ 485,066
Percent Spent in County	70%
Amount Spent in County	\$ 339,546
Amount Taxable (25%)	\$ 84,887
County Sales Tax Rate	4.00%
Total County Sales Tax Generated	\$ 3,395
Amount Kept by County	\$ 2,037
Amount Distributed to Town	\$ 163

Source: Camoin 310, NYS Comptroller

Under these assumptions, the County and the Town would receive approximately \$2,037 and \$163, respectively, each year in new tax revenue as a result of on-site jobs at Site 1.

### TOTAL ANNUAL SALES TAX REVENUE

In total, we estimate that the County would receive \$55,255 and the Town would receive \$4,420 in annual sales tax related to Site 1 of the Project.

Table 14

Total Annual Sales Tax Revenue - Site 1		
	Albany County	Town of Guilderland
Household Spending	\$ 53,217	\$ 4,257
On-Site Employee Earnings	\$ 2,037	\$ 163
New Tax Revenue	\$ 55,255	\$ 4,420

Source: Camoin 310, NYS Comptroller

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## Economic Impact

**CONSTRUCTION PHASE IMPACTS**

The Developer estimates that construction costs of Site 1 will be approximately \$41.8 million. All of this cost represents private sector investment generated by the Project. Based on a market analysis of available goods and services in Albany County and the Town of Guilderland, Camoin 310 assumes that 90% of the construction spending would be sourced from within the County and 60% will be sourced from within the Town. Using these assumptions, we can project that there will be over \$37.6 million in net new spending in the County and over \$25.0 million in net new spending in the Town associated with the construction phase of Site 1.

Table 15

Construction Phase Spending - Site 1	
Total Construction Cost	\$ 41,800,000
Percent Sourced from County	90%
Net New County Spending	\$ 37,620,000
Percent Sourced from Town	60%
Net New Town Spending	\$ 25,080,000

Source: Applicant, Camoin 310

Based on \$37,620,000 of net new spending in the County and \$25,080,000 of net new spending in the Town, Camoin 310 determines that there would be a total of over \$50.9 million in one-time construction related spending supporting 489 jobs and nearly \$19.5 million in earnings in the County. Of this, nearly \$25.5 million in one-time construction related spending, 159 jobs, and over \$10.6 million in earnings will be new to the Town of Guilderland.

Table 16

Economic Impact - Construction Phase - Site 1			
Albany County			
	Direct	Indirect	Total
Jobs	410	79	489
Earnings	\$ 14,952,679	\$ 4,535,731	\$ 19,488,410
Sales	\$ 37,620,000	\$ 13,297,273	\$ 50,917,273
Town of Guilderland			
	Direct	Indirect	Total
Jobs	156	3	159
Earnings	\$ 10,480,247	\$ 134,035	\$ 10,614,283
Sales	\$ 25,080,000	\$ 379,787	\$ 25,459,787

Source: EMSI, Camoin 310

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## HOUSEHOLD SPENDING IMPACTS

In order to determine the annual economic impact of Site 1 on the Town of Guilderland and Albany County, the first step is to calculate the number of households that can be considered “net new” to the area’s economy. In other words, the number of households that, but for the Project, would not exist in the town or county. With respect to this Project, net new households consist of (1) those currently residing outside of the town or the county who will choose to move to the area because of the Project, and who would otherwise continue to live elsewhere, (2) current residents who will move into the Project and would leave the area if the Project is not built, and (3) current residents of the town and county who will move into the Project and free up other housing in the town/county which will then be occupied by new residents. This includes people looking for ease of access to entertainment and public transit. The following data informs the analysis related to determining the percent of residents that will be net new to the Town and County.

Currently, the Town of Guilderland’s housing stock is aging. Less than 10% of the Town’s housing stock has been built since 2000, the same is true for Albany County.

Table 17

Housing Units by Year Structure Built				
	Town of Guilderland		Albany County	
	#	%	#	%
2014 or later	81	1%	730	1%
2010-2013	195	1%	1,729	1%
2000-2009	920	6%	7,346	6%
1980-1999	4,926	34%	23,088	18%
1960-1979	4,190	29%	30,546	24%
1940-1959	2,766	19%	25,653	20%
1939 or earlier	1,218	9%	36,284	29%
<b>Total</b>	<b>14,296</b>	<b>100%</b>	<b>125,376</b>	<b>100%</b>

Source: American Community Survey 5-year Estimates, 2013-2017

Additionally, the number of high-end multifamily apartment buildings are limited in both geographies. More than half of the housing stock of both geographies is single family units. Millennials and empty nesters, the target demographics for this development, are attracted to multifamily complexes complete with quality amenities and easy access to retail, restaurants, and other businesses. Apartments in the area are limited and lack the amenities that are demanded by these groups.

Table 18

Housing Units by Units in Structure				
	Town of Guilderland		Albany County	
	#	%	#	%
1, detached	8,753	61%	65,748	52%
1, attached,	914	6%	5,060	4%
2 apartments	696	5%	18,540	15%
3 or 4 apartments	702	5%	11,585	9%
5 to 9 apartments	1,400	10%	7,644	6%
10 or more	1,729	12%	15,358	12%
Mobile homes or other	102	1%	1,441	1%
<b>Total</b>	<b>14,296</b>	<b>100%</b>	<b>125,376</b>	<b>100%</b>

Source: American Community Survey 5-year Estimates, 2013-2017

Given the unique mixed-use nature of this development including its access to multi-modal public transportation, walkability, and proximity to retail and entertainment options, the project will likely capture a vast amount of the Town and County's pent-up rental housing demand, attracting new residents to and/or retaining residents within the area. This analysis therefore conservatively assumes that 95% of the 222 new rental units to be constructed at Site 1, or 211 will be net new to both the Town and the County.<sup>5</sup> This percentage accounts for any potential in-county migration or rehousing that may occur that would not result in a direct new household.

## Spending by New Tenants

Site 1 consists of 222 mid-to-high end apartment units, with an even split between one-bedroom and two-bedroom units. As noted above, Camoin 310 considers that 211 units will be occupied by new households.

New residents would make purchases in the Town and the County, thereby adding new dollars to the economy. For this analysis, we researched spending patterns by household income to determine total spending by potential new tenants. Albany County median household income in 2019 is estimated at \$66,211 while the Town of Guilderland median household income is estimated at \$91,679.<sup>6</sup> Additionally, rent of these units will average \$1,858 per month.<sup>7</sup> Using the generally accepted principle that housing costs should not exceed 30% of income, potential tenants should have a minimum income of approximately \$74,000. Therefore, we will consider spending of potential tenants to be in the \$70,000 to \$99,999 range.

Using a spending basket for the region which details household spending in individual consumer categories by income level, we analyzed likely tenant spending. According to the Bureau of Labor Statistics 2017 Consumer Expenditure Survey, households with an income between \$70,000 and \$99,999 have annual expenditures (excluding housing and utility costs) of \$35,482. Given the range of goods that are available for purchase in Albany County, it is assumed that 70% of total expenditures would occur within Albany County and, therefore, have an impact on the Albany County economy. A lesser portion of the expenditures, 50%, would occur within the Town of Guilderland. The following table shows that total new County spending will be over \$5.2 million and total new Town spending

<sup>5</sup> Based on an analysis of the existing housing stock and the extremely unique nature of the new development. Sources: American Community Survey, Developer.

<sup>6</sup> ESRI

<sup>7</sup> Developer

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will be over \$3.7 million. This was calculated by multiplying the amount spent in the county (or town) by all new households.

Table 19

Tenant Spending Basket - Site 1					
New Units (\$70,000 to \$99,999 Annual Household Income)					
Category	Annual per Unit Spending Basket	Amount Spent in County (70%)	Total Net New County Spending (211 net new units)	Amount Spent in Town (50%)	Total Net New Town Spending (211 net new units)
Food	\$ 8,385	\$ 5,870	\$ 1,238,465	\$ 4,193	\$ 884,618
Household furnishings and equipment	\$ 2,362	\$ 1,653	\$ 348,867	\$ 1,181	\$ 249,191
Apparel and services	\$ 1,981	\$ 1,387	\$ 292,594	\$ 991	\$ 208,996
Transportation	\$ 10,795	\$ 7,557	\$ 1,594,422	\$ 5,398	\$ 1,138,873
Health care	\$ 5,639	\$ 3,947	\$ 832,880	\$ 2,820	\$ 594,915
Entertainment	\$ 3,466	\$ 2,426	\$ 511,928	\$ 1,733	\$ 365,663
Personal care products and services	\$ 836	\$ 585	\$ 123,477	\$ 418	\$ 88,198
Education	\$ 1,115	\$ 781	\$ 164,686	\$ 558	\$ 117,633
Miscellaneous	\$ 903	\$ 632	\$ 133,373	\$ 452	\$ 95,267
<b>Annual Discretionary Spending</b>	<b>\$ 35,482</b>	<b>\$ 24,837</b>	<b>\$ 5,240,691</b>	<b>\$ 17,741</b>	<b>\$ 3,743,351</b>

Source: 2017 Consumer Expenditure Survey, Bureau of Labor Statistics

We use these spending basket amounts to calculate the direct, indirect, and total impact of the Project on the county and on the town. To do this, we attributed the various spending categories to the NAICS codes found in Table 20.

Table 20

Spending Basket Breakdown by NAICS Code		
NAICS Code	Industry	Spending Basket Category
445110	Supermarkets and Other Grocery (except Convenience) Stores	Food
722511	Full-Service Restaurants	Food
442299	All Other Home Furnishings Stores	Household furnishings and equipment
448140	Family Clothing Stores	Apparel and services
441110	New Car Dealers	Transportation
447110	Gasoline Stations with Convenience Stores	Transportation
811111	General Automotive Repair	Transportation
524114	Direct Health and Medical Insurance Carriers	Health care
622110	General Medical and Surgical Hospitals (Private)	Health care
512131	Motion Picture Theaters	Entertainment
452319	All Other General Merchandise Stores	Entertainment, Personal care products and services, Miscellaneous
	All Other General Merchandise Stores	Personal care products and services
	All Other General Merchandise Stores	Miscellaneous
611310	Colleges, Universities, and Professional Schools	Education

Source: Camoin 310



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Using \$5,240,691 and \$3,743,351 as the new sales inputs, Camoin 310 employed EMSI to determine the indirect and total impact of the Site 1. The following tables outline the findings of this analysis.

Spending from tenant households will result in a total of 66 net new jobs, over \$2.5 million in earnings, and nearly \$7.4 million in sales in Albany County, annually.

Table 21

Albany County Annual Economic Impact - Household Spending - Site 1			
	Direct	Indirect	Total
Jobs	53	13	66
Earnings	\$ 1,774,288	\$ 750,940	\$ 2,525,228
Sales	\$ 5,240,691	\$ 2,150,610	\$ 7,391,301

Source: EMSI, Camoin 310

Within the Town of Guilderland, household spending will create 41 new jobs, over \$1.1 million in earnings, and over \$3.9 million in sales, annually.

Table 22

Town of Guilderland Annual Economic Impact - Household Spending - Site 1			
	Direct	Indirect	Total
Jobs	40	1	41
Earnings	\$ 1,353,025	\$ 53,142	\$ 1,406,168
Sales	\$ 3,743,354	\$ 179,798	\$ 3,923,152

Source: EMSI, Camoin 310

## IMPACTS OF ON-SITE EMPLOYMENT

Additional annual impacts will result from the spending of new full-time employees. The impacts of this on-site employment is calculated below.

Based on the 222 total units to be constructed in this phase and the assumption that there are 41.7 units per employee in multifamily residences of this size<sup>8</sup>, we estimate that there will be 5 on-site jobs once Site 1 of the Project is complete. Since 95% of the housing units are considered to be net new to the Town and the County, all 5 of the on-site jobs would be net new.

Taking into account the additional indirect and induced economic impacts on Albany County from the 5 direct jobs, total employment created by Site 1 of the Project in the County is estimated at 10 jobs and over \$485,000 in annual earnings. Nearly \$1.8 million in total sales would be generated as a result of Site 1's on-site employment.

<sup>8</sup> National Apartment Association.

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Table 23

Albany County Annual Economic Impact - On-Site Jobs - Site 1			
	Direct	Indirect	Total
Jobs	5	5	10
Earnings	\$ 252,813	\$ 232,253	\$ 485,066
Sales	\$ 1,090,677	\$ 667,670	\$ 1,758,347

Source: EMSI, Camoin 310

In addition to the 5 new jobs, total impacts to the Town of Guilderland will equal over \$272,000 in earnings and over \$1.1 million in sales, annually.

Table 24

Town of Guilderland Annual Economic Impact - On-Site Jobs - Site 1			
	Direct	Indirect	Total
Jobs	5	-	5
Earnings	\$ 252,981	\$ 19,263	\$ 272,244
Sales	\$ 1,091,404	\$ 63,055	\$ 1,154,458

Source: EMSI, Camoin 310

## TOTAL ECONOMIC IMPACT – SITE 1

The complete economic impact of both new household spending as well as operation and maintenance of Site 1 is displayed in the tables below.

The total annual economic impact of Site 1 on Albany County will include 76 new jobs with over \$3.0 million in new earnings and over \$9.1 million in new sales.

Table 25

Albany County Annual Economic Impact - Household Spending - Site 1			
	Direct	Indirect	Total
Jobs	53	13	66
Earnings	\$ 1,774,288	\$ 750,940	\$ 2,525,228
Sales	\$ 5,240,691	\$ 2,150,610	\$ 7,391,301
Annual Economic Impact - On-Site Jobs - Site 1			
	Direct	Indirect	Total
Jobs	5	5	10
Earnings	\$ 252,813	\$ 232,253	\$ 485,066
Sales	\$ 1,090,677	\$ 667,670	\$ 1,758,347
Economic Impact - Combined Annual Impact - Site 1 Phase 1			
	Direct	Indirect	Total
Jobs	58	18	76
Earnings	\$ 2,027,101	\$ 983,194	\$ 3,010,294
Sales	\$ 6,331,368	\$ 2,818,280	\$ 9,149,648

Source: EMSI, Camoin 310

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The total annual economic impact on the Town of Guilderland will include approximately 46 new jobs, nearly \$1.7 million in earnings and over \$5.0 million in sales.

Table 26

Town of Guilderland			
Annual Economic Impact - Household Spending - Site 1			
	Direct	Indirect	Total
Jobs	40	1	41
Earnings	\$ 1,353,025	\$ 53,142	\$ 1,406,168
Sales	\$ 3,743,354	\$ 179,798	\$ 3,923,152
Annual Economic Impact - On-Site Jobs - Site 1			
	Direct	Indirect	Total
Jobs	5	-	5
Earnings	\$ 252,981	\$ 19,263	\$ 272,244
Sales	\$ 1,091,404	\$ 63,055	\$ 1,154,458
Economic Impact - Combined Annual Impact - Site 1			
	Direct	Indirect	Total
Jobs	45	1	46
Earnings	\$ 1,606,007	\$ 72,405	\$ 1,678,412
Sales	\$ 4,834,758	\$ 242,853	\$ 5,077,611

Source: EMSI, Camoin 310

# SITE 2 IMPACT ANALYSIS

Site 2 is to be developed as a retail store with an accessory fueling facility, is expected to begin construction in 2020 with completion 24 months following. Costco will occupy the space and operate both the retail store and the fueling facility. The fiscal and economic impacts of Site 2, Costco, are outlined below.

## Fiscal Impact

### SALES TAX REVENUE

#### NEW ON-SITE SALES

\$170.0 million in annual, stabilized sales are projected at the new Costco.<sup>9</sup> As detailed in the Economic Impact section on page 22, 50% of these sales will be considered to be net new to Albany County and wouldn't be expected to happen without this Project. Therefore, the \$85.0 million in net new sales will result in new sales tax revenue to Albany County and the Town of Guilderland. It is assumed that the vast majority of goods sold on-site will be taxable while a small amount of goods, namely prepared foods, will not be taxable. Therefore, this analysis considers 90% of on-site sales to be taxable. Under these assumptions, the County would receive over \$1.8 million and the Town would receive nearly \$157,000 in new tax revenue annually as a result of new sales at Site 2.

Table 27

Annual Sales Tax Revenue On-Site Sales - Site 2	
Total New Sales	\$ 85,000,000
Amount Taxable (90%)	\$ 76,500,000
County Sales Tax Rate	4.00%
Total County Sales Tax Generated	\$ 3,060,000
Amount Kept by County	\$ 1,836,000
Amount Distributed to Town	\$ 156,672

Source: Camoin 310, NYS Comptroller

#### EMPLOYEE EARNINGS

The new earnings generated by on-site jobs that will occur as a result of the new Costco at Site 2 would lead to additional annual sales tax revenue for the County and the Town. To avoid double counting sales tax that is already accounted for in the on-site sales, spending that would occur on-site are deducted from total earnings. Based on the mix of retail goods offered by Costco, and an analysis of spending baskets of typical U.S. households, 40% of household spending would occur on-site. Therefore, 60% of total new earnings will not be spent on-site and therefore represent additional new tax revenue. Of these earnings, it is assumed that 70% of earnings will be spent in the County and 25% of these purchases will be taxable. Under these assumptions, the County would receive approximately \$9,892 and the Town would receive approximately \$844 each year in new tax revenue as a result of the on-site employment at Site 2.

<sup>9</sup> The Developer estimates \$100.0 million in sales in the first year of operation. Following this, stabilized sales of \$150-\$180 million are projected. For the purposes of this analysis, we assumed \$170 million in stabilized sales.



Table 28

Annual Sales Tax Revenue On-Site Jobs - Site 2	
Total New Earnings	\$ 3,925,207
Earnings Not Spent On-Site (60%)	\$ 2,355,124
Percent Spent in County	70%
Amount Spent in County	\$1,648,586.83
Amount Taxable (25%)	\$ 412,147
County Sales Tax Rate	4.00%
Total County Sales Tax Generated	\$ 16,486
Amount Kept by County	\$ 9,892
Amount Distributed to Town	\$ 844

Source: Camoin 310, NYS Comptroller

**TOTAL ANNUAL SALES TAX REVENUE**

New total annual sales tax revenue that results from new sales and employee earnings at Site 2 is anticipated to be over \$1.8 million to the County and nearly \$158,000 to the Town.

Table 29

Total Annual Sales Tax Revenue - Site 2		
	Albany County	Town of Guilderland
On-Site Sales	\$ 1,836,000	\$ 156,672
On-Site Employee Earnings	\$ 9,892	\$ 844
New Tax Revenue	\$ 1,845,892	\$ 157,516

Source: Camoin 310, NYS Comptroller

## CAMOIN 310

## Economic Impact

## CONSTRUCTION PHASE IMPACTS

The Developer estimates that construction costs of Site 2 will be approximately \$28.4 million, representing private sector investment generated by the Project. As outlined with Site 1, Camoin 310 assumes that 90% of the construction spending will be sourced from within the County and 60% will be sourced from within the Town. We can therefore project that there will be nearly \$25.6 million in new spending in the County and over \$17.0 million in new spending in the Town associated with the construction phase of Site 2.

Table 30

Construction Phase Spending - Site 2	
Total Construction Cost	\$ 28,400,000
Percent Sourced from County	90%
Net New County Spending	\$ 25,560,000
Percent Sourced from Town	60%
Net New Town Spending	\$ 17,040,000

Source: Developer, Camoin 310

Based on \$25,560,000 of net new spending in the County and \$17,040,000 of net new spending in the Town, Camoin 310 calculates that there would be a total of over \$34.6 million in one-time construction related spending supporting 181 jobs and nearly \$13.2 million in earnings in the County. Of this, nearly \$17.3 million in one-time construction related spending, 75 jobs, and over \$7.2 million in earnings will be new to the Town of Guilderland.

Table 31

Economic Impact - Construction Phase - Site 2			
Albany County			
	Direct	Indirect	Total
Jobs	127	54	181
Earnings	\$ 10,077,839	\$ 3,094,141	\$ 13,171,980
Sales	\$ 25,560,000	\$ 9,068,457	\$ 34,628,457
Town of Guilderland			
	Direct	Indirect	Total
Jobs	74	1	75
Earnings	\$ 7,120,551	\$ 91,855	\$ 7,212,406
Sales	\$ 17,040,000	\$ 259,546	\$ 17,299,546

Source: EMSI, Camoin 310

## ANNUAL OPERATION IMPACTS

In order to conduct an economic impact analysis, an initial step is to determine what portion of the on-site jobs, sales, and earnings are net new to the region. In other words, what portion of the new jobs, sales, and earnings would not occur but for the Project. The direct impact of this Project is defined as the sales at the Site from customers who would have had to go outside of the Town or the County in order to buy the type of goods they desire. For example, a customer may prefer to buy food and household goods items close to their home in the Town of Guilderland, but if stores with the desired prices and selection are unavailable, the customer would have to go

## CAMOIN 310

outside the Town. By increasing the merchandise options available, the Project will allow Albany County and the Town of Guilderland to “capture” some of the sales that are currently going to adjacent municipalities. These captured sales are considered net new sales to the county and town and are used as the direct input for the economic impact model.

Costco is known to carry quality, brand-name merchandise at lower prices than are typically found at conventional wholesale or retail sources. Costco warehouses present one of the largest product category selections to be found under a single roof. Categories include groceries, candy, appliances, electronics, automotive supplies, tires, toys, hardware, sporting goods, jewelry, watches, cameras, books, housewares, apparel, health and beauty aids, furniture, office supplies, and office equipment. Although Costco is known for carrying top quality national and regional brands, members can also shop Costco’s private label, Kirkland Signature. The brand’s major competitors include BJ’s, Sam’s Club, and Restaurant Depot.

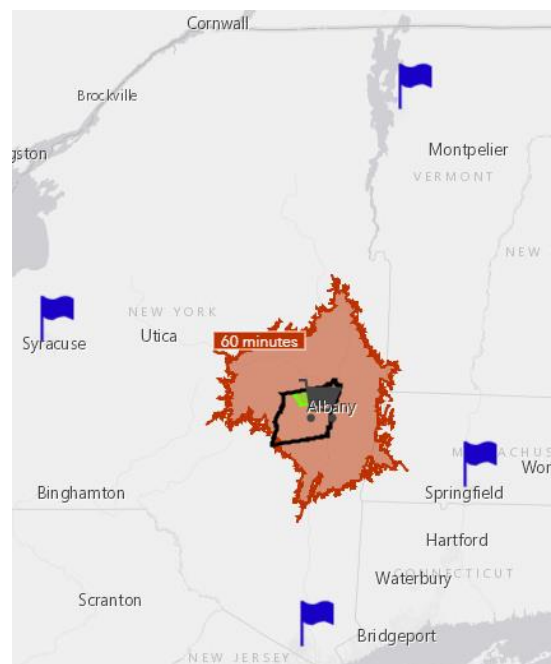
Camoin 310 conducted research on the Town of Guilderland and Albany County to determine the percentage of revenue generated by the new Costco that would be net new to the Town and to the County. Sales would be net new for two main reasons: (1) Customers who would typically shop outside of the municipalities would decide to shop at the Project because of loyalty to and preference for the Costco brand, and (2) the Project would be able to satisfy additional demand for mass merchandise retail by providing goods and services that are not currently offered in the Town or the County.

### NET NEW SALES FROM BRAND-LOYAL CUSTOMERS

Brand-loyal customers who would typically shop at Costco in other municipalities that are geographically distant from Site 2 due to a lack of Costco in the Town of Guilderland or Albany County are likely to shop at the Project. Revenues from these customers would be net new to both municipalities.

There is not currently a Costco in the Town of Guilderland or in Albany County. The nearest Costco location is over an hour and a half east of Site 2 in West Springfield, MA. In the other directions, the nearest Costco locations are further away. To the north, there is a Costco located in Colchester, VT, which is 153 miles from Site 2. 108 miles to the South there is a Costco in Nanuet, NY and 147 miles to the west there is a Costco in Camillus, NY. The flags in the map to the right denote the location of these existing stores. Given the lack of Costco locations in the middle of this radius, it is likely that the Costco to be developed at Site 2 will capture the market of Costco brand-loyal customers that exist between the site and halfway between these other locations, roughly a radius of a one-hour drive from Site 2. This radius will capture existing Costco customers who drive to get to the other existing locations as well as customers who do not current shop at Costco but would choose to shop there if there was a store location located closer to their home.

Figure 1: Costco Locations



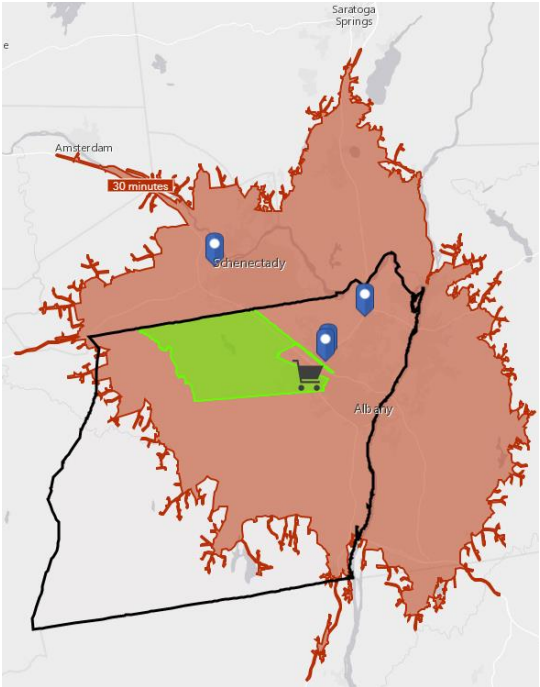
CAMOIN 310

The Project could potentially also attract loyal Costco customers who would typically shop at similar mass merchandisers outside of the market area or who would choose to shop at Costco over other smaller chains if there was one available. Revenue from these shoppers would be considered net new to the County and to the Town. Costco’s low prices and good values have helped it to amass a customer base that will, at times, travel up to an hour to shop at its locations rather than at retailers closer to home. As of May 2019, 53.1 million households were Costco members, with a membership renewal rate of 90%<sup>10</sup>.

There are four similar retailers within a 30-minute drive of Site 2 (Figure 2) <sup>11</sup>. None of these retailers are within the Town of Guilderland, although three are within Albany County. Shoppers with a preference towards Costco might shift their purchasing from the other mass merchandise stores or other retailers to the new Costco. The existing comparable retailers include:

- ◆ Sam’s Club (Latham, Albany County)
- ◆ BJ’s Wholesale Club (Albany, Albany County)
- ◆ Restaurant Depot (Albany, Albany County)
- ◆ BJ’s Wholesale Club(Schenectady, Schenectady County)

Figure 2: Similar Retailers in Market Area



**NET NEW SALES FROM INCREASED SUPPLY OF RETAIL GOODS**

The second way in which the Project could contribute net new revenue to Albany County and the Town of Guilderland is by increasing the supply of retail goods overall. A retail gap analysis shows that demand currently exceeds supply in both the County and Town for many of the goods that will be available at Costco. Specifically, there is a retail gap in Albany County of over \$84.3 million of Food and Beverage Stores and nearly \$192.0 million in Gasoline Stations. Within the Town of Guilderland, there is a gap of nearly \$20.9 million in Food and Beverage Stores, over \$38.7 million in Gasoline Stations, and over \$41.4 million in General Merchandise Stores.

<sup>10</sup> According to information provided by the Client.

<sup>11</sup> ESRI



Table 32

Retail Gap				
Albany County				
Industry Group	NAICS	Demand	Supply	Gap
Food & Beverage Stores	445	\$ 815,414,013	\$ 731,110,395	\$ 84,303,618
Gasoline Stations	447	\$ 463,768,994	\$ 271,776,649	\$ 191,992,345
Town of Guilderland				
Industry Group	NAICS	Demand	Supply	Gap
Food & Beverage Stores	445	\$ 116,627,143	\$ 95,747,797	\$ 20,879,346
Gasoline Stations	447	\$ 66,153,158	\$ 27,418,651	\$ 38,734,507
General Merchandise Stores	452	\$ 80,250,328	\$ 38,835,904	\$ 41,414,424

Source: ESRI

The retail gaps indicate that there is unmet demand in the County and in the Town for retail goods in these industries. The Project will supply goods in these industries and help to meet this demand, thus contributing to net new sales.

### IMPACT OF NET NEW SALES

Assigning a specific figure to the proportion of "net new" activity is imprecise in this case, but using the market figures provided and our professional judgment we estimate that 50% of sales at Site 2 will be net new to the County and 75% of sales will be net new to the Town. Net new sales will be driven by brand-loyal customers travelling from outside of the municipalities to shop at the new Costco and by additional purchases being made in the municipalities to satisfy unmet demand (i.e. purchases previously being made outside of the County and Town now being made at the new Costco due to increased supply of goods).

\$170 million in annual, stabilized sales are projected at the new Costco.<sup>12</sup> Based on the net new assumptions, this means that there will be \$85,000,000 in net new sales in Albany County and \$127,500,000 net new sales in the Town of Guilderland. Additionally, we assume that there will be approximately 245 employees on-site upon operation.<sup>13</sup> Using the same net new assumptions, this means that 123 employees will be considered to be net new to Albany County and 184 will be considered to be net new to the Town of Guilderland.

<sup>12</sup> The Developer estimates \$100 million in sales in the first year of operation. Following this, stabilized sales of \$150-\$180 million are projected. For the purposes of this analysis we assumed \$170 million in stabilized sales.

<sup>13</sup> Based on building square footage of 160,000 and the industry standard of 654 SF/employee. Source: Institute of Transportation Engineers.

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Table 33

Net New Sales		
	Albany County	Town of Guilderland
Annual Sales	\$170,000,000	\$170,000,000
% Net New	50%	75%
Net New Sales	\$85,000,000	\$127,500,000
Net New Jobs		
	Albany County	Town of Guilderland
New Jobs	245	245
% Net New	50%	75%
Net New Sales	123	184

Source: Developer, Camoin 310, Institute of Transportation Engineers

The tables below outline the impact that the new jobs and sales would have on Albany County and the Town of Guilderland in terms of the direct, indirect, and total impact on employment and wages. Taking into account the additional indirect and induced economic impacts of the new direct jobs and earnings, the total impact of the Project at Site 2 is estimated at 142 jobs, over \$3.9 million in earnings, and over \$114.4 million in sales in Albany County, annually.

Table 34

Albany County Annual Economic Impact - On-Site Jobs - Site 2			
	Direct	Indirect	Total
Jobs	123	19	142
Earnings	\$ 2,888,457	\$ 1,036,750	\$ 3,925,207
Sales	\$ 85,000,000	\$ 29,429,795	\$ 114,429,795

Source: EMSI, Camoin 310

Total impacts on the Town of Guilderland are 187 jobs, over \$5.1 million in earnings, and over \$133.3 million in sales, annually.

Table 35

Town of Guilderland Annual Economic Impact - On-Site Jobs - Site 2			
	Direct	Indirect	Total
Jobs	184	3	187
Earnings	\$ 4,972,887	\$ 168,038	\$ 5,140,925
Sales	\$ 127,500,000	\$ 5,812,798	\$ 133,312,798

Source: EMSI, Camoin 310

# SITE 3 IMPACT ANALYSIS

Site 3 will be a mixed-use development, complete with 48 new mid- to high- end apartment units, retail, and office space. Development of this site is projected to begin in 2020 and take 24 months to complete. The fiscal and economic impacts of Site 3 are outlined below.

## Fiscal Impact

### SALES TAX REVENUE

#### NEW HOUSEHOLD SPENDING

As outlined in the previous section regarding Site 1, the County and Town will receive sales tax revenue from the purchases made by the new households. Based on the in-County and in-Town spending, Albany County would receive approximately \$11,602 and the Town of Guilderland would receive approximately \$928 in new annual tax revenue.

Table 36

Annual Sales Tax Revenue Household Spending - Site 3	
Total New Spending	\$ 1,611,373
Amount Taxable (30%)	\$ 483,412
County Sales Tax Rate	4.00%
Total County Sales Tax Generated	\$ 19,336
Amount Kept by County	\$ 11,602
Amount Distributed to Town	\$ 928

Source: Camoin 310, NYS Comptroller

#### NEW ON-SITE SALES

The Developer anticipates that Site 3 will include approximately 115,000 square feet of retail space. Sales made by future tenants of this space will generate additional sales tax revenue to the County. Though the tenants of this space are currently unknown, based on an assumption of \$250 sales per square feet<sup>14</sup> Camoin 310 estimates that there will be over \$28 million in sales in this retail space. Since 15% of the sales will be net new to the County (see Table 45), this means that sales tax on over \$4.3 million of on-site sales will represent net new revenue. The County will receive approximately \$155,250 and the Town will receive approximately \$7,452 in new tax revenue as a result of on-site sales.

<sup>14</sup> Source: Developer

## CAMOIN 310

Table 37

Annual Sales Tax Revenue On-Site Sales - Site 3	
Total New Sales	\$ 4,312,500
Amount Taxable (90%)	\$ 3,881,250
County Sales Tax Rate	4.00%
Total County Sales Tax Generated	\$ 155,250
Amount Kept by County	\$ 93,150
Amount Distributed to Town	\$ 7,452

Source: Camoin 310, NYS Comptroller

### EMPLOYEE EARNINGS

Additionally, as described in the previous sections the new earnings generated by on-site jobs that will occur as a result of Site 3 occupation would lead to additional annual sales tax revenue for both municipalities. Using the same assumptions as outlined in the previous sections, the new annual sales tax revenue is calculated. Albany County will receive approximately \$15,153 and the Town of Guilderland will receive approximately \$1,212 in new revenue, annually.

Table 38

Annual Sales Tax Revenue On-Site Jobs - Site 3	
Total New Earnings	\$ 6,012,986
Earnings Not Spent On-Site (60%)	\$ 3,607,791
Percent Spent in County	70%
Amount Spent in County	\$ 2,525,453.98
Amount Taxable (25%)	\$ 631,363
County Sales Tax Rate	4.00%
Total County Sales Tax Generated	\$ 25,255
Amount Kept by County	\$ 15,153
Amount Distributed to Town	\$ 1,212

Source: Camoin 310, NYS Comptroller

### TOTAL ANNUAL SALES TAX REVENUE

In total, we estimate that the County would receive approximately \$84,508 and the Town would receive \$6,761 in new annual sales tax revenue related to Site 3 of the Project.

Table 39

Total Annual Sales Tax Revenue - Site 3		
	Albany County	Town of Guilderland
Household Spending	\$ 11,602	\$ 928
On-Site Sales	\$ 93,150	\$ 7,452
On-Site Employee Earnings	\$ 15,153	\$ 1,212
New Tax Revenue	\$ 119,905	\$ 9,592

Source: Camoin 310, NYS Comptroller



## CAMOIN 310

## Economic Impact

**CONSTRUCTION PHASE IMPACTS**

The Developer estimates that construction costs of Site 3 will total approximately \$43.5 million, all of which represents private sector investment generated by the Project. As discussed previously, Camoin 310 assumes that 90% of the construction spending would be sourced from within the County and 60% will be sourced from within the Town. Using these assumptions, we project that there will be nearly \$39.2 million in net new spending in the County and approximately \$26.1 million in net new spending in the Town associated with the construction phase of Site 3.

Table 40

Construction Phase Spending - Site 3	
Total Construction Cost	\$ 43,500,000
Percent Sourced from County	90%
Net New County Spending	\$ 39,150,000
Percent Sourced from Town	60%
Net New Town Spending	\$ 26,100,000

Source: Applicant, Camoin 310

Based on \$39,150,000 of net new spending in the County and \$26,100,000 of net new spending in the Town, Camoin 310 determined that there would be a total of nearly \$53 million in one-time construction related spending supporting 509 jobs and nearly \$20.3 million in earnings in Albany County. Of this, nearly \$26.5 million in one-time construction related spending, 165 jobs, and over \$11.0 million in earnings will occur in the Town of Guilderland.

Table 41

Economic Impact - Construction Phase - Site 3			
Albany County			
	Direct	Indirect	Total
Jobs	426	83	509
Earnings	\$ 15,560,802	\$ 4,720,199	\$ 20,281,001
Sales	\$ 39,150,000	\$ 13,838,071	\$ 52,988,071
Town of Guilderland			
	Direct	Indirect	Total
Jobs	162	3	165
Earnings	\$ 10,906,477	\$ 139,487	\$ 11,045,964
Sales	\$ 26,100,000	\$ 395,232	\$ 26,495,232

Source: EMSI, Camoin 310

**HOUSEHOLD SPENDING IMPACTS**

Impacts resulting from new household spending at Site 3 were calculated using the same methodology that was outlined in Site 1's household spending impact section. For the same reasons outlined in the previous section, this analysis assumes that 95% of the 48 new rental units to be constructed at Site 3 of the Project will be net new to both the Town and the County. Therefore, 46 units will be considered to be net new.

**SPENDING BY NEW TENANTS**

CAMOIN 310

Site 3 consists of 48 mid-to-high end one- and two-bedroom apartment units. As noted above, Camoin 310 considers that 46 of the units will be occupied by new households.

The apartments will be similar to those constructed at Site 1, and therefore, we consider spending of potential tenants to be in the same \$70,000 to \$99,999 range as those at Site 1. Using the spending basket from Table 20, as well as the same assumptions that 70% of total expenditures would occur within Albany County and 50% would occur within the Town of Guilderland, total new spending was calculated. The following table shows that total net new spending that results from the 46 new households at Site 3 will be over \$1.1 million in the County and approximately \$816,086 in the Town.

Table 42

Tenant Spending Basket					
New Units (\$70,000 to \$99,999 Annual Household Income)					
Category	Annual per Unit Spending Basket	Amount Spent in County (70%)	Total Net New County Spending (46 net new units)	Amount Spent in Town (50%)	Total Net New Town Spending (46 net new units)
Food	\$ 8,385	\$ 5,870	\$ 269,997	\$ 4,193	\$ 192,855
Household furnishings and equipment	\$ 2,362	\$ 1,653	\$ 76,056	\$ 1,181	\$ 54,326
Apparel and services	\$ 1,981	\$ 1,387	\$ 63,788	\$ 991	\$ 45,563
Transportation	\$ 10,795	\$ 7,557	\$ 347,599	\$ 5,398	\$ 248,285
Health care	\$ 5,639	\$ 3,947	\$ 181,576	\$ 2,820	\$ 129,697
Entertainment	\$ 3,466	\$ 2,426	\$ 111,605	\$ 1,733	\$ 79,718
Personal care products and services	\$ 836	\$ 585	\$ 26,919	\$ 418	\$ 19,228
Education	\$ 1,115	\$ 781	\$ 35,903	\$ 558	\$ 25,645
Miscellaneous	\$ 903	\$ 632	\$ 29,077	\$ 452	\$ 20,769
<b>Annual Discretionary Spending</b>	<b>\$ 35,482</b>	<b>\$24,837</b>	<b>\$ 1,142,520</b>	<b>\$ 17,741</b>	<b>\$ 816,086</b>

Source: 2017 Consumer Expenditure Survey, Bureau of Labor Statistics

We use these spending basket amounts to calculate the direct, indirect, and total impact of the Project on the County and on the Town. To do this, we attributed the various spending categories to the same NAICS codes that are outlined in Table 20. Using \$1,142,520 and \$816,086 as the new sales inputs, Camoin 310 employed EMSI to determine the indirect and total impacts of spending resulting from new households at Site 3.

Spending from tenant households will result in a total of 14 new jobs, nearly \$551,000 in earnings, and over \$1.6 million in sales in Albany County, annually.

Table 43

Albany County Annual Economic Impact - Household Spending - Site 3			
	Direct	Indirect	Total
Jobs	12	2	14
Earnings	\$ 386,811	\$ 163,712	\$ 550,524
Sales	\$ 1,142,520	\$ 468,853	\$ 1,611,373

Source: EMSI, Camoin 310

## CAMOIN 310

Within the Town of Guilderland, household spending will create 8 new jobs, over \$287,000 in earnings and nearly \$889,000 in new sales, annually.

Table 44

Town of Guilderland Annual Economic Impact - Household Spending - Site 3			
	Direct	Indirect	Total
Jobs	8	-	8
Earnings	\$ 276,236	\$ 10,929	\$ 287,165
Sales	\$ 851,568	\$ 37,145	\$ 888,713

Source: EMSI, Camoin 310

## IMPACTS OF ON-SITE EMPLOYMENT

In addition to the impacts related to new household spending, there will be additional impacts related to on-site jobs in the residential, retail, and office space. Based on the planned 48 residential, 115,000 square feet of retail space, and 50,000 square feet of office space Camoin 310 used assumptions of the number of units per employee and number of square feet per employee to calculate the estimated number of employees that will be on site upon project completion. The assumptions about the percentage of employees that will be net new were applied. Since 95% of the residential units are considered to be net new, 95% of the associated employment will be net new. Based upon current commercial offerings in Albany County and the Town of Guilderland, we conservatively assume that 15% of the new activity that occurs in the County and 25% of the new activity that occurs in the Town are net new. Therefore, 15% of the associated jobs are considered net new to the County and 25% of the associated jobs are considered net new for the Town. The following table outlines these assumptions and shows that the total number of net new jobs associated with Site 3 are 80 in Albany County and 132 in the Town of Guilderland.

Table 45

Net New Jobs				
	Residential	Retail	Office	Total
Size	48 units	115,000 SF	50,000 SF	
Assumptions	29 units/employee	383 SF/employee	228 SF/employee	
Employees	2	300	219	
% Net New				
Albany County	95%	15%	15%	
Town of Guilderland	95%	25%	25%	
Net New Employees				
Albany County	2	45	33	80
Town of Guilderland	2	75	55	132

Source: Camoin 310, National Apartment Association, San Diego Association of Governments

Taking into account the additional indirect and induced economic impacts on Albany County from the 80 new direct jobs, total employment created by Site 3 of the Project is estimated at 105 jobs and over \$6.0 million in annual earnings. Approximately \$13.0 million in total sales would be generated as a result.

## CAMOIN 310

Table 46

Albany County Annual Economic Impact - On-Site Jobs - Site 3			
	Direct	Indirect	Total
Jobs	80	25	105
Earnings	\$ 4,627,767	\$ 1,385,219	\$ 6,012,986
Sales	\$ 9,243,941	\$ 3,809,629	\$ 13,053,570

Source: EMSI, Camoin 310

In the Town of Guilderland, total economic impacts will result in the creation of 136 new jobs, over \$10.0 million in earnings, and over \$18.2 million in new sales.

Table 47

Town of Guilderland Annual Economic Impact - On-Site Jobs - Site 3			
	Direct	Indirect	Total
Jobs	132	4	136
Earnings	\$ 9,746,683	\$ 279,460	\$ 10,026,144
Sales	\$ 17,401,454	\$ 821,529	\$ 18,222,983

Source: EMSI, Camoin 310

## TOTAL ECONOMIC IMPACT – SITE 3

The complete economic impact of both new household spending as well as on-site employment of Site 3 is displayed in the tables below. The total annual economic impact on Albany County will include 119 new jobs, nearly \$6.6 million in earnings and nearly \$14.7 million in sales.

Table 48

Albany County Annual Economic Impact - Household Spending - Site 3			
	Direct	Indirect	Total
Jobs	12	2	14
Earnings	\$ 386,811	\$ 163,712	\$ 550,524
Sales	\$ 1,142,520	\$ 468,853	\$ 1,611,373
Annual Economic Impact - On-Site Jobs - Site 3			
	Direct	Indirect	Total
Jobs	80	25	105
Earnings	\$ 4,627,767	\$ 1,385,219	\$ 6,012,986
Sales	\$ 9,243,941	\$ 3,809,629	\$ 13,053,570
Economic Impact - Combined Annual Impact - Site 3			
	Direct	Indirect	Total
Jobs	92	27	119
Earnings	\$ 5,014,579	\$ 1,548,931	\$ 6,563,509
Sales	\$ 10,386,461	\$ 4,278,482	\$ 14,664,943

Source: EMSI, Camoin 310

The total annual economic impact on the Town of Guilderland will include approximately 144 new jobs, over \$10.3 million in earnings, and over \$19.1 million in sales.



CAMOIN 310

Table 49

Town of Guilderland			
Annual Economic Impact - Household Spending - Site 3			
	Direct	Indirect	Total
Jobs	8	-	8
Earnings	\$ 276,236	\$ 10,929	\$ 287,165
Sales	\$ 851,568	\$ 37,145	\$ 888,713
Annual Economic Impact - On-Site Jobs - Site 3			
	Direct	Indirect	Total
Jobs	132	4	136
Earnings	\$ 9,746,683	\$ 279,460	\$ 10,026,144
Sales	\$ 17,401,454	\$ 821,529	\$ 18,222,983
Economic Impact - Combined Annual Impact - Site 3			
	Direct	Indirect	Total
Jobs	140	4	144
Earnings	\$ 10,022,919	\$ 290,389	\$ 10,313,308
Sales	\$ 18,253,022	\$ 858,674	\$ 19,111,696

Source: EMSI, Camoin 310

## ATTACHMENT A: WHAT IS ECONOMIC IMPACT ANALYSIS?

The purpose of conducting an economic impact study is to ascertain the total cumulative changes in employment, earnings and output in a given economy due to some initial “change in final demand”. To understand the meaning of “change in final demand”, consider the installation of a new widget manufacturer in Anytown, USA. The widget manufacturer sells \$1 million worth of its widgets per year exclusively to consumers in Canada. Therefore, the annual change in final demand in the United States is \$1 million because dollars are flowing in from outside the United States and are therefore “new” dollars in the economy.

This change in final demand translates into the first round of buying and selling that occurs in an economy. For example, the widget manufacturer must buy its inputs of production (electricity, steel, etc.), must lease or purchase property and pay its workers. This first round is commonly referred to as the “Direct Effects” of the change in final demand and is the basis of additional rounds of buying and selling described below.

To continue this example, the widget manufacturer’s vendors (the supplier of electricity and the supplier of steel) will enjoy additional output (i.e. sales) that will sustain their businesses and cause them to make additional purchases in the economy. The steel producer will need more pig iron and the electric company will purchase additional power from generation entities. In this second round, some of those additional purchases will be made in the US economy and some will “leak out”. What remains will cause a third round (with leakage) and a fourth (and so on) in ever-diminishing rounds of industry-to-industry purchases. Finally, the widget manufacturer has employees who will naturally spend their wages. Again, those wages spent will either be for local goods and services or will “leak” out of the economy. The purchases of local goods and services will then stimulate other local economic activity. Together, these effects are referred to as the “Indirect Effects” of the change in final demand.

Therefore, the total economic impact resulting from the new widget manufacturer is the initial \$1 million of new money (i.e. Direct Effects) flowing in the US economy, plus the Indirect Effects. The ratio of Total Effects to Direct Effects is called the “multiplier effect” and is often reported as a dollar-of-impact per dollar-of-change. Therefore, a multiplier of 2.4 means that for every dollar (\$1) of change in final demand, an additional \$1.40 of indirect economic activity occurs for a total of \$2.40.

Key information for the reader to retain is that this type of analysis requires rigorous and careful consideration of the geography selected (i.e. how the “local economy” is defined) and the implications of the geography on the computation of the change in final demand. If this analysis wanted to consider the impact of the widget manufacturer on the entire North American continent, it would have to conclude that the change in final demand is zero and therefore the economic impact is zero. This is because the \$1 million of widgets being purchased by Canadians is not causing total North American demand to increase by \$1 million. Presumably, those Canadian purchasers will have \$1 million less to spend on other items and the effects of additional widget production will be cancelled out by a commensurate reduction in the purchases of other goods and services.

Changes in final demand, and therefore Direct Effects, can occur in a number of circumstances. The above example is easiest to understand: the effect of a manufacturer producing locally but selling globally. If, however, 100% of domestic demand for a good is being met by foreign suppliers (say, DVD players being imported into the US from Korea and Japan), locating a manufacturer of DVD players in the US will cause a change in final demand because all of those dollars currently leaving the US economy will instead remain. A situation can be envisioned whereby a producer is serving both local and foreign demand, and an impact analysis would have to be careful in calculating how many “new” dollars the producer would be causing to occur domestically.



# Leading action to grow your economy

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