

LONG ISLAND CENTER FOR SOCIO-ECONOMIC POLICY

**THE ECONOMIC IMPACT OF 20-26 SECATOAG AVENUE:
TWO MIXED-USE BUILDINGS CONSISTING OF 18 RESIDENTIAL UNITS AND
FOUR COMMERCIAL UNITS IN THE VILLAGE OF MANORHAVEN, TOWN OF
NORTH HEMPSTEAD**

Prepared for

Secatoag 20-26 LLC

Prepared by

Dr. Martin R. Cantor, CPA

September 2018

**Long Island Center for Socio-Economic Policy
28 Woodmont Road
Melville, New York 11747
Tel: (631) 491-1388
Fax: (631) 491-6744
E-Mail: EcoDev1@aol.com
Website: www.MartinCantor.com**

**The Economic Impact of 20-26 Secatoag Avenue:
Two Mixed-Use Buildings Consisting of 18 Residential Units and Four Commercial Units
in the Village of Manorhaven, Town of North Hempstead**

September 2018

Table of Contents

Abstract	Page 3
Introduction	Page 4
Village of Manorhaven: Population - Slight Growth and Aging	Page 5
Households – Shrinking and More Crowded	Page 5
Economic Growth - Increase in Median Income, Decrease in Lower and Middle Income Households	Page 7
Economic Impact of 20-26 Secatoag Avenue on the Village of Manorhaven	Page 7
Conclusion	Page 9
Bio Martin R. Cantor, CPA, Ed.D	Page 10

ABSTRACT

The proposed mixed-use buildings at 20-26 Secatoag Avenue will bring new wealth and economic activity to the Village of Manorhaven. Created will be 100 construction jobs with a direct payroll of \$4.93 million, 130 secondary jobs with an aggregate payroll of \$4.55 million and nearly \$431,507 in new sales tax revenues from construction jobs and material purchases.

The permanent economic activity from the 18 households at 20-26 Secatoag Avenue will attract at least \$2.55 million in aggregate gross household income to the Village of Manorhaven community, at least \$2.35 million of after tax primary and secondary spendable income and wealth, generate 37 permanent jobs with a projected annual payroll of \$1.3 million, and over \$305,406 of new annual tax revenues comprised of \$85,406 of sales taxes and \$220,000 of property taxes.

The population growth from the new residents of 20-26 Secatoag Avenue will not be a burden to the Village of Manorhaven and can easily be absorbed into the community which since 2010 has had slight growth, an aging population, and decreasing households that have become more crowded.

The 18 residential units at 20-26 Secatoag, with an average projected gross household income of \$141,000, will bring new wealth and economic activity to the Village of Manorhaven where since 2010 there has been a decrease in lower and middle-income households.

While marginally adding to the population and households, the presented socio-economic factors offer a compelling argument for granting of the requested Special Permit for Mixed-Use and miscellaneous area and bulk variances.

INTRODUCTION

This analysis is in support of Secatoag 20-26 LLC application for a requested Special Permit for Mixed-Use and miscellaneous area and bulk variances for the property located at 20-26 Secatoag Avenue and 22 Sagamore Hill Drive in the Village of Manorhaven currently governed by existing Enterprise District (E-1) zoning. The Enterprise District (E-1) zoning seeks to facilitate a mixture of commercial, residential, water dependent, and water-related enterprises that will be compatible with the surrounding residential and commercial districts.

The analysis evaluates the positive economic impact of the proposed 31,962 square foot mixed-use buildings at 20-26 Secatoag Avenue in the Village of Manorhaven. The proposed mixed-use building will contain 18 residential units and four commercial spaces situated on a 26,000 square foot land parcel located on the east side of Sagamore Hill Drive, between Secatoag and Matinecock Avenues, where once industrial buildings of approximately 26,336 square feet had previously existed.

The 18 residential units at 20-26 Secatoag Avenue will all be two-bedroom apartments covering 29,216 square feet in two four story buildings that will also contain 2,560 square feet of commercial space. The West building on Sagamore Hill Drive will house 9 residential units and two commercial spaces totaling 848 square feet and the North building on Secatoag Avenue will contain 9 residential units and two commercial spaces aggregating 1,712 square feet. The ground floor will house the commercial spaces, the entrance lobby, elevator, stairs and 40 parking spaces. Floors two, three and four of each building will contain the residential units, with the roof having a resident accessible roof deck providing passive recreation space for building residents

The analysis will include, but not be limited to, housing options in the village, population and demographic data, the primary and secondary economic impact on the local economy of the construction jobs and materials generated by the construction of 20-26 Secatoag Avenue, and the permanent primary and secondary wealth, economic impact, and new state and local taxes generated by the residents of 20-26 Secatoag Avenue.

VILLAGE OF MANORHAVEN: POPULATION, HOUSEHOLDS, ECONOMY: 2010 – 2016

Village of Manorhaven Population: Slight Growth and Aging

The Village of Manorhaven is in the Town of North Hempstead in the County of Nassau. As reflected in Table 1, the 2016 Village of Manorhaven population of 6,601 increased by 45 persons, or 0.69 percent from the 6,556 residents in 2010. The growth was accounted for by a 3.1 percent decrease in males from 3,227 in 2010 to 3,127 by 2016 offset by a 4.4 percent increase in females from 3,329 in 2010 to 3,474 by 2016.

The Village of Manorhaven also got older with the largest decrease in the 20-35 age group which decreased by 3.2 percent from 1,235 in 2010 to 1,195 by 2016, while the over 65 population increased by 9.8 percent to 865 in 2016 from 788 in 2010. Furthermore, the median age increased by 3.6 percent from 38.8 years of age in 2010 to 40.2 in 2016. Another illustration of the Village of Manorhaven's aging population was that households with individuals 65 and over increased by 152.6 percent from 135 in 2010 to 341 in 2016.

Village of Manorhaven Households: Shrinking and More Crowded

While Table 1 reflects the insignificant growth in the Village of Manorhaven population, households in the village decreased by 191 between 2010 and 2016 to 2,401 households, a 7.3 percent decrease from the 2,592 households in 2010. The 2,401 households in 2016 include 889 owner-occupied housing units with 1,512 units renter-occupied. The 889 owner-occupied units represents a 153 unit or 14.7 percent decrease from the 1,042 owner occupied housing units in 2010, as compared to a 38 unit or 2.5 percent decrease in renter occupied units from the 1,550 rental housing units in 2010. These decreases in occupied housing units occurred while vacant housing units increased by 134.9 percent from 126 in 2010 to 170 in 2016, with vacant housing units now 11.0 percent of 2016 housing units, a 139 percent increase from the 4.6 percent of 2010 housing units.

The average household size in owner-occupied housing units during the period between 2010 and 2016 were almost comparable with 2.81 persons in 2010 decreasing by 2.1 percent to 2.75 persons in 2016. In contrast, rental-occupied housing units had a 21.7 percent increase from 2.26 persons in 2010 to 2.75 by 2016. In another measurement of persons per residence, aggregate average household and family sizes also increased between 2010 and 2016. Average household

sizes increased by 10.9 percent to 2.75 persons in 2016 from 2.48 in 2010, while average family size increased to 3.29 persons in 2016, a 6.8 percent increase from 3.08 in 2010.

Table 1: Demographics Village of Manorhaven						
Subject	2010		2016		2010 – 2016	
	Number	Percent	Estimate	Percent	Change	% Change
Total population	6,556	100.0%	6,601	100%	45	.69%
Male	3,227	49.2%	3,127	47.4%	-100	-3.1%
Female	3,329	50.8%	3,474	52.6%	145	4.4%
Under 20	1,613	24.6%	1,597	24.2%	-16	-.99%
20-35 years	1,235	18.8%	1,195	18.1%	-40	-3.2%
35 - 65 years	2,920	44.6%	2,944	44.6%	24	.82%
Over 65 years	788	12.0%	865	13.1%	77	9.8%
Median age (years)	38.8	(X)	40.2	(X)	1.4	3.6%
HOUSEHOLDS BY TYPE						
Households	2,592	100.0%	2,401	100%	-191	-7.3%
Family households (families)	1,644	63.4%	1,654	68.9%	10	.61%
Nonfamily households	948	36.6%	747	31.1%	-201	-21.2%
Households with individuals under 18 years	811	31.3%	869	36.2%	58	7.2%
Households - individuals 65 years and over	135	5.2%	341	14.2%	206	152.6%
Average household size	2.48	(X)	2.75	(X)	.27	10.9%
Average family size	3.08	(X)	3.29	(X)	.21	6.8%
HOUSING TENURE						
Occupied housing units	2,592	100.0%	2,401	100%	-191	-7.3%
Owner-occupied housing units	1,042	40.2%	889	37.0%	-153	-14.7%
Renter-occupied housing units	1,550	59.8%	1,512	63.0%	-38	-2.5%
Average household size-owner-occupied	2.81	(X)	2.75	(X)	-0.06	-2.1%
Average household size renter-occupied unit	2.26	(X)	2.75	(X)	.49	21.7%
HOUSING OCCUPANCY						
Total housing units	2,718	100.0%	2,697	100%	-21	-.78%
Occupied housing units	2,592	95.4%	2,401	89.0%	-191	-7.4%
Vacant housing units	126	4.6%	296	11.0%	170	134.9%
HOUSEHOLD INCOME						
Households	2,592	100.0%	2,401	100%	-191	-7.3%
Under \$25,000	307	11.8%	187	7.8%	-120	-39.1%
\$25,000 - \$50,000	456	17.6%	488	20.3%	32	7.0%
\$50,000 - \$100,000	868	33.5%	698	29.1%	-170	-19.6%
Over \$100,000	961	37.1%	1,028	42.8%	67	7.0%
Median Household Income	\$75,744	----	\$89,144	----	\$13,400	17.7%
Median Household Income (2010 dollars)	\$75,744	----	\$81,242	----	\$ 5,498	7.3%
Median Family Income	\$76,903	----	\$94,207	----	\$17,304	22.5%
Median Family Income (2010 dollars)	\$76,903	----	\$85,856	----	\$ 8,953	11.6%

QT-P1: Age Groups and Sex 2010 Census Summary File 1, SO101: Age and Sex 2012-2016 American Community Survey 5 Yr Estimate
 DP04: Selected Housing Characteristics 2006-2010 and 2012-2016 American Community Survey 5 Year. Estimates

DP03: Selected Economic Characteristics; 2006-2010 and 2012-2016 American Community Survey 5-Year Estimates

S1101: Households and Families; 2006-2010 and 2012-2016 American Community Survey 5-Year Estimates

Median Household and Family Income Stated In 2010 Dollars from Consumer Price Index, U.S. Bureau of Labor Statistics. Consumer Price Index NY Area (1982-84)=100; Dec 2010=241.874, Dec 2016=265.4.

Village of Manorhaven Economy: Increase in Median Income and Decreases in Lower and Middle Income Households

The 2016 nominal and adjusted for inflation median household and family incomes in the Village of Manorhaven, as illustrated in Table 1, reflected increases from 2010. Adjusting for inflation is presenting the 2016 nominal household income in 2010 dollars by using changes in the Consumer Price Index. This allows for comparison of increases and decreases in median household and family income using the same dollar basis.

The nominal median household income increased by \$13,400 or 17.7 percent from \$75,744 in 2010 to \$89,144 in 2016, while the 2016 adjusted for inflation median income expressed in 2010 dollars increased by \$5,498 or 7.3 percent to \$81,242. Nominal family income increased by \$17,304 or 22.5 percent from \$76,903 in 2010 to \$94,207 in 2016 while the adjusted for inflation median family in 2016 increased \$8,953 or 11.6 percent to \$85,856.

A closer look at the components of the 2016 household and family income growth reflects that in 2016 the 187 households earning less than \$25,000 decreased by 120 or 39.1 percent between 2010 and 2016, while the 698 middle income households earning between \$50,000 and \$100,000 in 2016 decreased by 19.6 percent or 170 from 2010. Offsetting these decreases was the 1,028 households in 2016 earning over \$100,000. This cohort comprised 42.8 percent of 2016 households, increasing by 67 or 7.0 percent from 2010 where the over \$100,000 households were 37.1 percent of all households

For the Village of Manorhaven to sustain its economic base it needs to not only retain, but to attract residents to the village with the level of household income that prospers in the village.

ECONOMIC IMPACT:20-26 SECATOAG AVENUE ON THE VILLAGE OF MANORHAVEN

The approximately 50 new occupants of 20-26 Secatoag Avenue, a slight 0.8 percent of the 2016 Village of Manorhaven population, will expand the tax base and economic activity in the Village of Manorhaven while only marginally adding to the village's population. The 18 new households at 20-26 Secatoag Avenue are only 0.7 percent of 2016 households. As illustrated in Table 1, these new households will begin to reverse the 7.3 percent or 191 decrease in Village of Manorhaven households between 2010 and 2016 as well as the 170 unit increase in vacant housing units since 2010 from 126 units in 2010 to 296 units in 2016. The economic impact of the increase in vacant housing units and decrease in all housing units in the Village of Manorhaven will be

offset by the new economic activity generated by the 18 new households at 20-26 Secatoag Avenue.

For the Village of Manorhaven to sustain its economic base it needs to not only retain, but to attract residents to the village with the level of household income that prospers in the village. Illustrating this, in Table 1, are the household incomes of those currently living in the village. Since 2010, households with incomes exceeding \$100,000 and households with incomes between \$25,000 and \$50,000 were the only income levels to increase between 2010 and 2016. Households in these two cohorts both increased by 7.0 percent each between 2010 and 2016, with households exceeding \$100,000 income increasing by 67 and households with incomes between \$25,000 and \$50,000 increasing by 32. During this same period Village of Manorhaven households earning between \$50,000 and \$100,000 decreased by 19.6 percent or 170, while households earning under \$25,000 decreased by 120 or 39.1 percent.

Table 2: Economic Impact From 20-26 Secatoag Avenue-Village of Manorhaven

	Temporary Economic Activity		Permanent Economic Impact
	From Construction Activity		Residents of 20-26 Secatoag
	Primary	Secondary	
Jobs	100	130	37
Direct Payroll	\$4,932,414	\$4,550,000	\$1,279,133
Constr.Materials	\$3,288,276	\$1,397,517	-----
Sales Taxes	\$220,582	\$210,925	\$85,406
Household Inc.	-----	-----	\$2,548,800
Property Taxes	-----	-----	\$220,000

As presented in Table 2, the 18 residential units at 20-26 Secatoag Avenue will create 100 construction jobs with a direct payroll of \$4.93 million. The primary construction jobs will in turn generate 130 secondary jobs with a projected payroll of \$4.55 million. Also generated by the primary and secondary economic activity created by the construction at 20-26 Secatoag Avenue will be nearly \$431,500 in sales tax revenues.

Table 2 also illustrates the permanent and recurring economic activity and wealth that the residents of 20-26 Secatoag Avenue will bring to the Village of Manorhaven. The residents of 20-26 Secatoag Avenue will bring at least \$2.55 million in aggregate gross household income and up to \$2.35 million of after tax primary and secondary spendable income creating 37 permanent jobs with \$1.3 million in projected payroll. This will help sustain the vibrancy of the economy of the

Village of Manorhaven while generating an estimated \$220,000 in annual property taxes and \$85,406 in new recurring sales taxes.

CONCLUSION

While marginally adding to the Village of Manorhaven's slightly growing and aging population, with households that have been shrinking and becoming more crowded, 20-26 Secatoag will create 100 construction jobs with a direct payroll of \$4.93 million, which in turn will generate 130 secondary jobs with a total payroll of \$4.55 million and nearly \$431,500 in sales tax revenues.

The residents attracted to 20-26 Secatoag Avenue will bring permanent and recurring economic activity of at least \$2.55 million in aggregate gross household income, generating after tax primary and secondary economic impact of \$2.35 million which will create 37 permanent jobs with \$1.3 million of projected payroll. This will contribute to the vibrancy of the economy of the Village of Manorhaven while generating an estimated \$220,000 in annual property taxes and nearly \$86,000 of new recurring sales taxes.

The above discussion illustrates that the residents of the 18 units at 20-26 Secatoag, with an average projected household income of \$141,000, will bring new wealth and economic activity to the Village of Manorhaven, which since 2010 has seen a decrease in lower and middle-income households.

The illustrated socio-economic data in this analysis presents a compelling argument for granting of the requested Special Permit for Mixed-Use and miscellaneous area and bulk variances for the mixed-use buildings at 20-26 Secatoag Avenue in the Village of Manorhaven

Dr. Martin R. Cantor, CPA
September 7, 2018

Dr. MARTIN R. CANTOR, CPA
Director, Long Island Center for Socio-Economic Policy
28 Woodmont Road, Melville, New York 11747

www.martincantor.com

Tel: (631) 491-1388 - Fax: (631) 491-6744-E - Mail: EcoDev1@aol.com

Martin R. Cantor has a Bachelor of Science Degree in Accounting from Brooklyn College of the City University of New York, a Master of Arts Degree in Interdisciplinary Studies from Hofstra University focusing on the socio-economic relationships between education, household income, community and workforce development, and a Doctor of Education Degree from Dowling College. He has served as Suffolk County Economic Development Commissioner (New York State's largest suburban county), brought Computer Associates to Suffolk County, and created over 23,000 jobs with an estimated \$1.4 billion annual payroll economic impact. He has served as: Chief Economist-New York State Assembly Subcommittee for the Long Island Economy; Senior Fellow at the White Plains, New York based Institute for Socioeconomic Studies - a public policy think tank concentrating on poverty in America and senior citizen quality of life; Chair and Chief Economist of the Long Island Development Corp; Chief Economist for Destination Long Island; a building trades labor/management arbitrator; a consultant to the Nassau Interim Financial Authority; a faculty member in the Brooklyn College Department of Economics; Executive Director of the Patchogue Village Business Improvement District; and Director of Economic Development and Chief Economist for Sustainable Long Island, and the Long Island Fund for Sustainable Development, providing financial, technical assistance to businesses and not-for-profit organizations His work is included in the *National Tax Rebate-A New America With Less Government*, and has prepared downtown revitalization plans for Long Island and New York City neighborhoods featuring arts districts, economic restructuring, waterfront projects and community organizing. He was the architect of the Nassau County Comptroller's debt restructuring plan for resolving Nassau County's fiscal crisis; has been a Long Island Business Journal columnist; has authored: federal, state and local legislation; economic impact analyses; analysis of Long Island's economic, demographic, employment, tax, and educational bases; a convention center feasibility study; taxpayer cost of acquiring open space; and health care reform; and Director of Dowling College's Long Island Economic and Social Policy Institute; and an Adjunct Associate Professor of Economics

He is a Certified Public Accountant in private practice; Director of the Long Island Center for Socio-Economic Policy, a consulting economist and economic development consultant to public officials, counties, towns, villages, Industrial Development Agencies, and communities; and Chairman of the Suffolk County Judicial Facilities Agency which financed the acquisition of the Cohalan State Court Complex, oversaw the construction of the Suffolk County Jail in Yaphank and financed the \$70 million purchase/leaseback of the Dennison Building to Suffolk County. He provides economic and business commentary on television and radio; was Co-host of Focus 55, a public affairs program on Channel 55, is a columnist for the Long Island Business News, Long Island's largest business weekly, and Networking Newspaper for Women, has appeared in the New York Times, Newsday, and LI Pulse, and has been syndicated nationally by Newsday, Bridge News and Knight-Ridder/Tribune News Service. He is an Honorary Member of Delta Mu Delta - The National Honor Society in Business Administration and has been recognized by the National Association of Counties for innovative uses of Industrial Revenue Bonds, for international trade promotion initiatives, for downtown revitalization policies, and for minority business incubator initiatives. He was invited by Dr. William Julius Wilson of Harvard University's John F. Kennedy School of Government to present his paper entitled *Race Neutral Sustainable Economic Development*. He is the author of the recently published *Long Island, The Global Economy and Race: The Aging of America's First Suburb*.