



Notice Criteria Tool

Notice Criteria Tool - Desk Reference Guide V_2018.2.0

The requirements for filing with the Federal Aviation Administration for proposed structures vary based on a number of factors: height, proximity to an airport, location, and frequencies emitted from the structure, etc. For more details, please reference [CFR Title 14 Part 77.9](#).

You must file with the FAA at least 45 days prior to construction if:

- your structure will exceed 200ft above ground level
- your structure will be in proximity to an airport and will exceed the slope ratio
- your structure involves construction of a traverseway (i.e. highway, railroad, waterway etc...) and once adjusted upward with the appropriate vertical distance would exceed a standard of 77.9(a) or (b)
- your structure will emit frequencies, and does not meet the conditions of the [FAA Co-location Policy](#)
- your structure will be in an instrument approach area and might exceed part 77 Subpart C
- your proposed structure will be in proximity to a navigation facility and may impact the assurance of navigation signal reception
- your structure will be on an airport or heliport
- filing has been requested by the FAA

If you require additional information regarding the filing requirements for your structure, please identify and contact the appropriate FAA representative using the [Air Traffic Areas of Responsibility map](#) for Off Airport construction, or contact the [FAA Airports Region / District Office](#) for On Airport construction.

The tool below will assist in applying Part 77 Notice Criteria.

*** Structure Type:** ▼

Please select structure type and complete location point information.

Latitude: Deg M S ▼

Longitude: Deg M S ▼

Horizontal Datum: ▼

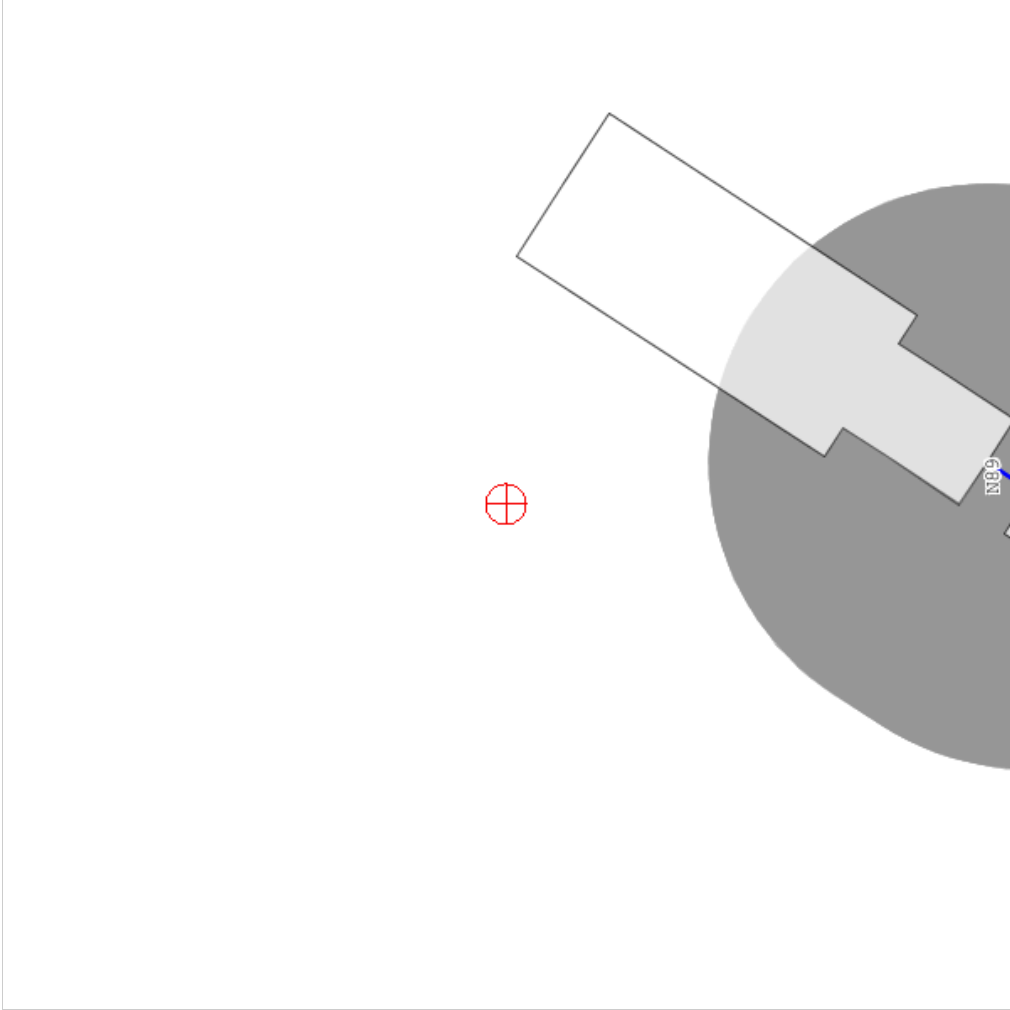
Site Elevation (SE): (nearest foot)

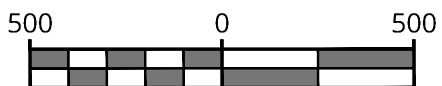
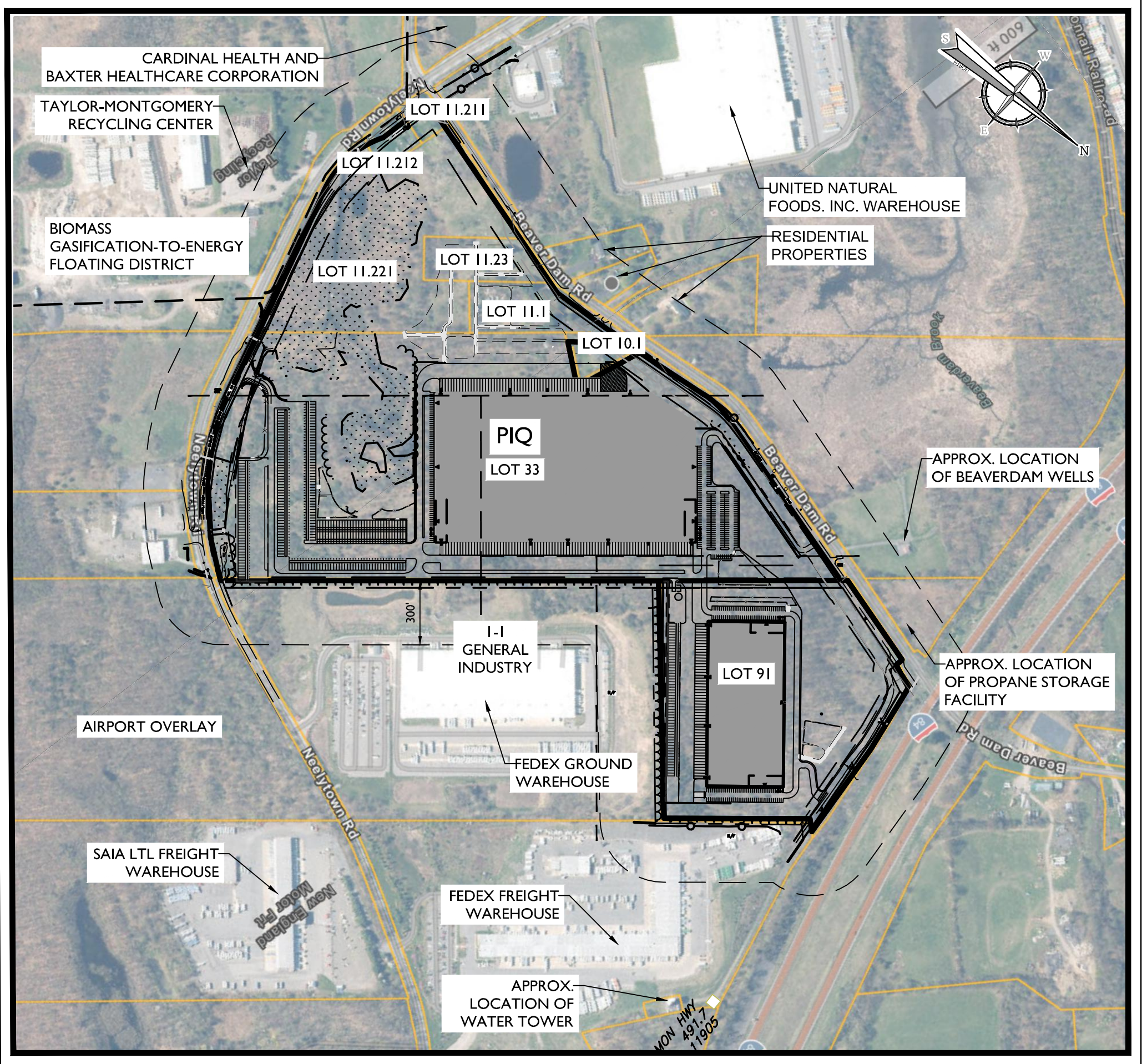
Structure Height : (nearest foot)

Is structure on airport: No Yes

Results

You do not exceed Notice Criteria.





SCALE: 1" = 500'

2021\21\000327A\Engineering\Exhibits\C-EXBT-ADJT-USSES.dwg\C-01-Surrounding Uses EXHIBIT By: JWAGNER

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REV	DATE	BY	DESCRIPTION

SITE EXHIBIT
FOR
RDM GROUP, LLC
36-1-33, 36-1-11.221,
36-1-11.23, 36-1-11.212,
36-1-11.211, 36-1-11.1,
36-1-10.1, 33-1-91
TOWN OF MONTGOMERY
ORANGE COUNTY
NEW YORK

Colliers WOODCLIFF LAKE
300 Tice Boulevard
Suite 101
Woodcliff Lake, NJ 07677
Phone: 845.352.0411
Engineering & Design

SCALE: AS SHOWN DATE: 8/30/24 DRAWN BY: JW CHECKED BY: JF
PROJECT NUMBER: 21000327A DRAWING NAME: C-EXBT-ADJT-USSES

SHEET TITLE:
**SURROUNDING LAND USE
MAP EXHIBIT**

SHEET NUMBER:
1 of 1

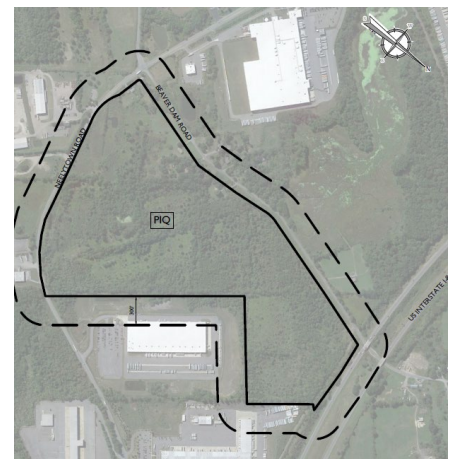
NEELYTOWN BUSINESS PARK DEVELOPMENT

Neelytown & Beaver Dam Road
Montgomery, New York 12549

APPRAISAL REPORT

Date of Report: April 14, 2023; Revised: November 5, 2024

Colliers File #: JFK230401

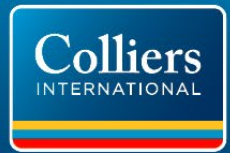


PREPARED FOR
Daniel Bloch
Regional Discipline Leader
Colliers Engineering and Design
53 Frontage Road
Hampton, NJ 08827

PREPARED BY
COLLIERS INTERNATIONAL
VALUATION & ADVISORY SERVICES

LETTER OF TRANSMITTAL

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April 14, 2023

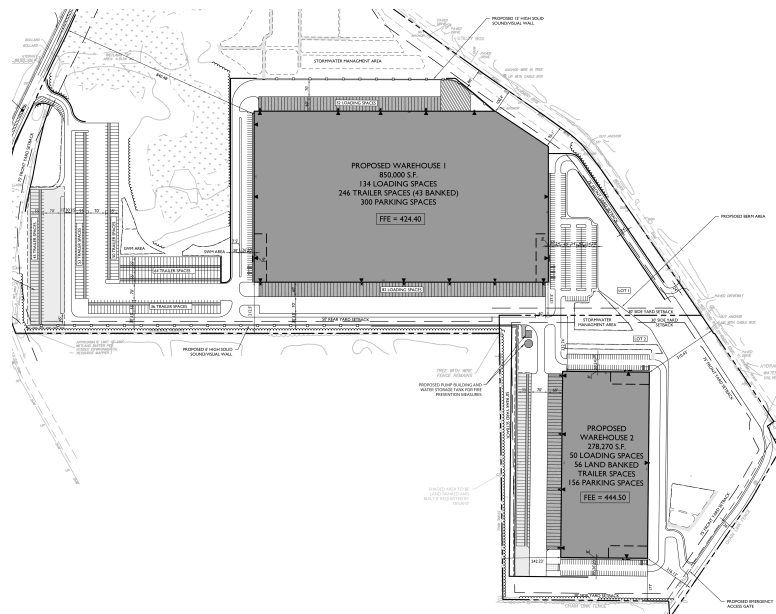
Daniel Bloch
Regional Discipline Leader
Colliers Engineering and Design
53 Frontage Road
Hampton, NJ 08827

RE: Restricted Fiscal Impact Analysis of a proposed industrial distribution facility (Neelytown Business Park Development) on property values within a ½ mile radius in Montgomery, Orange County, NY
Neelytown & Beaver Dam Road
Montgomery, New York 12549

Colliers File #: JFK230401

Mr. Bloch:

The subject of this report is a 112.4-acre (94.34-acre usable per Town of Montgomery code) development site at the intersection of Neelytown & Beaver Dam Road in Montgomery, New York. According to documents provided, the subject is a proposed warehouse distribution development which would upon completion, contain 1,128,270 SF of gross building area within two , free-standing warehouse structures. A summary of the development is illustrated below.



We have also included a table of bulk requirements under the subject’s I-1 zoning which indicates the proposed development complies with the current zoning requirements in the district.

<p style="text-align: center;">TABLE OF BULK REQUIREMENTS ZONE: I-1 DISTRICT (GENERAL INDUSTRY)</p>				
ITEM	REQUIRED ⁽¹⁾	PROVIDED (LOT 1) ⁽¹⁾	PROVIDED (LOT 2) ⁽¹⁾	COMPLIES
MIN. LOT AREA	5.0 AC ⁽³⁾	3,012,410 SF (69.16 AC) ⁽⁴⁾	1,090,918 (25.04 AC) ⁽⁴⁾	YES
MIN. LOT WIDTH	200 FT	2,751.83'	733.71'	YES
MIN. FRONT YARD SETBACK	75' ⁽⁴⁾	95.1'	216.13'	YES
MIN. SIDE YARD (ONE) SETBACK	30'	N/A	177'	YES
MIN. SIDE YARD (BOTH) SETBACK	60'	N/A	409.57'	YES
MIN. REAR YARD SETBACK	50'	212.50'	242.23'	YES
MAX. BLDG. HGHT.	55'	55'	55'	YES
LOT COVERAGE	40%	± 28.22%	± 25.51%	YES

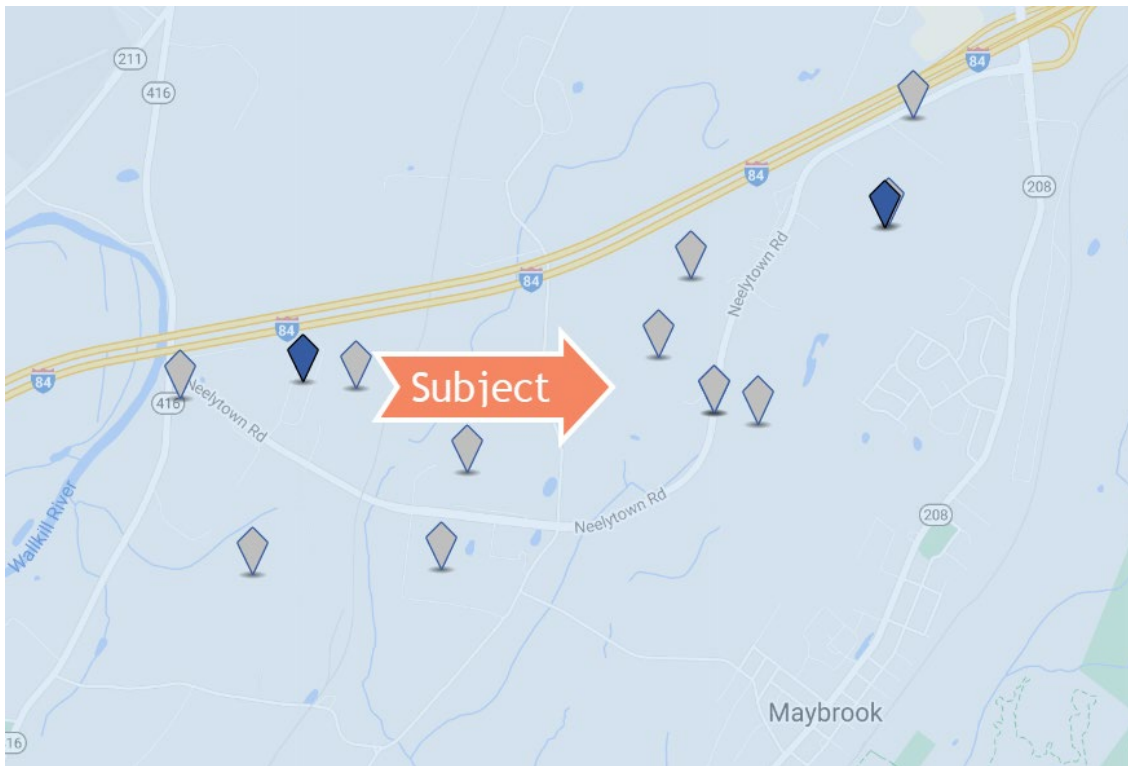
The purpose of this report is to analyze the potential impact of the proposed warehouse development on property values with ½ mile of the development site.

Orange County Industrial Development/Supply

According to former Town of Montgomery Historian Bob Williams, industrial development in the town has been substantial over the past 30 years. It started when the first major distribution center occupied by Baxter HealthCare was built on Neelytown Road in 1992.

We have highlighted existing and proposed industrial development (1992-present) along Neelytown Road. The majority of industrial development has taken place in the past 10 years.

Address ↑	Type	City	Market	RBA/GLA	Land(AC)	Year Built
132 Neelytown Rd	Industrial	Montgomery	New York	312,500	42.30	2024
134 Neelytown Rd	Industrial	Montgomery	New York	312,567	50.44	2023
191 Neelytown Rd	Industrial	Montgomery	New York	118,335	42.80	2002
<u>201 Neelytown Rd</u>	Industrial	Montgomery	New York	248,370	43.72	2017
230A Neelytown Rd	Industrial	Montgomery	New York	100,000	14.66	
230B Neelytown Rd	Industrial	Montgomery	New York	245,000	62.96	2023
250 Neelytown Rd	Industrial	Montgomery	New York	147,675	40.59	2024
500 Neelytown Rd	Industrial	Montgomery	New York	650,000	70.80	1992
525 Neelytown Rd	Industrial	Montgomery	New York	500,000	112.03	2014
600 Neelytown Rd	Industrial	Montgomery	New York	340,000	38.00	2016
601 Neelytown Rd	Industrial	Montgomery	New York	780,000	51.60	2002
645 Neelytown Rd	Industrial	Montgomery	New York	120,000	30.66	2000



Lou Heimbach, former Orange County Executive, and an architect of the corridor plan, said he envisioned the Town of Montgomery as an economic hub that would bring businesses and jobs into the county.

Over the years, the Neelytown Road industrial corridor has housed nearly 20 warehouses and distribution centers. Montgomery is always considered a prime location for the logistics industry thanks to its easy access to highways and local roadways.

That vision has been turned into reality. Over the decades, warehouses and distribution centers on the Neelytown Road corridor have brought tens of thousands of jobs and tax revenue to the area. For the year of 2019 alone, businesses along Neelytown Road generated 1,445 jobs and more than \$7 million in taxes for Orange County and the Valley Central School District, according to a report compiled by Orange County Partnership.

As many municipalities in the region face a budget deficit and are grappling with tough budget choices amid economic downturn during the COVID-19 pandemic, the Town of Montgomery proposed a tax decrease for 2021. Supervisor Brian Maher previously said the town estimates that mortgage tax revenue and building fees that come in from major developments like Medline and Amazon are likely to make up a shortfall in sales tax revenue and contribute to the fund balance for next year.

“Most people have no idea about the economic impact the Neelytown Road industrial corridor has on the tax base,” said Bill Fioravanti, director of Orange County Economic Development. “It’s tremendous. It’s a great asset to the town and the county.”

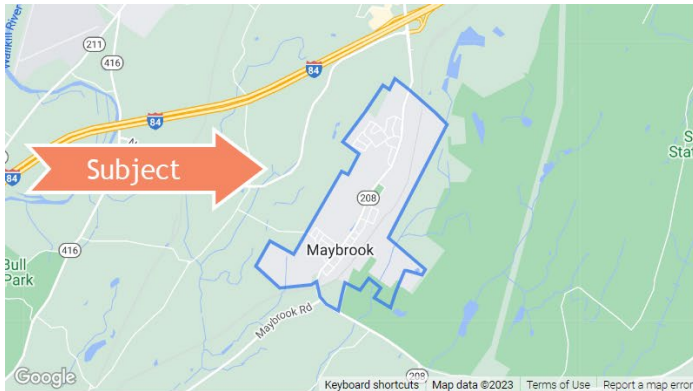
Neelytown Corridor Traffic

Most if not all tenants along the Neelytown corridor have agreed that truck traffic will not be permitted to go through the Village of Montgomery and have measures to prevent truck traffic from impacting the Village. These measures are detailed in the Environmental Impact Statements for most of the projects.

The prohibition of truck traffic through the Village is typically enforced by the Town and is usually a condition of a tenant’s use of the properties. As a further incentive, some tenants upgrade - at their own expense - known and pre-existing road safety conditions in the Neelytown Road corridor and vicinity.

Existing Residential Supply Analysis

According to tax records on file, there are 119 residential properties within a ½ mile of the subject. The majority are located south of the subject in Maybrook, NY as illustrated below:



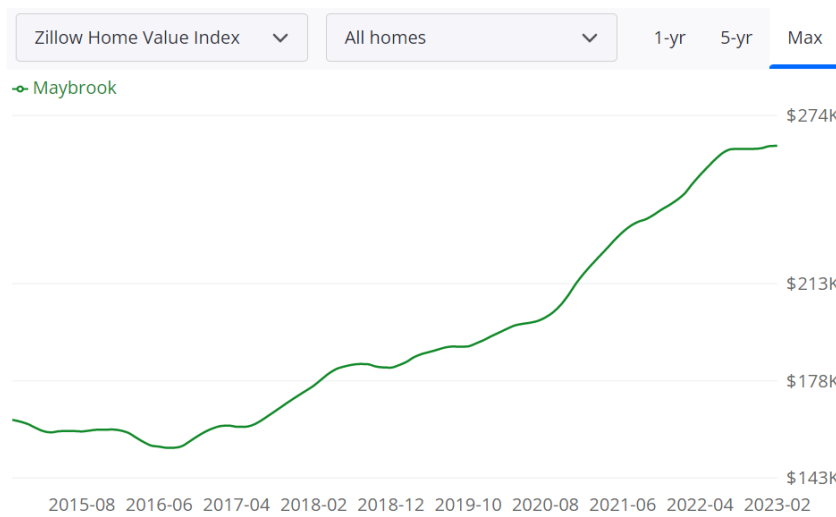
Maybrook Key Takeaways

Typical Home Values: \$263,559

1-year Value Change: +7.0%

(Data through February 28, 2023)

We have also included a summary of residential housing prices within the Town of Maybrook from 2015 to present.



It is apparent from the Zillow Home Value Index, there has been a marked increase in residential home values within Maybrook from 2017 to present. It is noted, these increases coincided with the development of over 1.5M square feet of industrial property along the Neelytown corridor, providing a clear indication that the ongoing development of this sector of Montgomery for industrial use has no fiscal impact on residential home prices

Furthermore, the truck traffic along the Neelytown corridor has little to no impact to the residential areas located within a ½ mile, as residents of Maybrook have access to Interstate 84 via Route 208, while all commercial truck traffic directly access the I-84 directly from Neelytown Road. The section of Neelytown Road, from the subject site, is primarily improved with similar warehouse distribution facilities and truck-related businesses such as truck services. Therefore, any potential increase in truck traffic from the development of the subject property will have no impact on local residents and retail businesses.

Conclusions

The purpose of this report is to analyze the potential impact of the proposed warehouse development on property values of residences with ½ mile of the subject’s development site on Neelytown & Beaver Dam Road in Montgomery, NY.

As illustrated above, industrial development in the area coincided with increases in residential housing prices in the Town of Maybrook. Therefore, it is our opinion that there is a positive impact to residential values from industrial development within a ½ mile of the subject.

The signature below indicates my assurance to the client that the development process and extent of analysis for this assignment adhere to the scope requirements and intended use of the appraisal. If Colliers International Valuation & Advisory Services can be of additional assistance, please contact the individuals listed below.

Sincerely,

**COLLIERS INTERNATIONAL
VALUATION & ADVISORY SERVICES**



Lawrence Munck, MAI, MRICS
Valuation Services Director
Certified General Real Estate Appraiser
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LETTER OF TRANSMITTAL

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CERTIFICATION**ASSUMPTIONS & LIMITING CONDITIONS****ADDENDA**

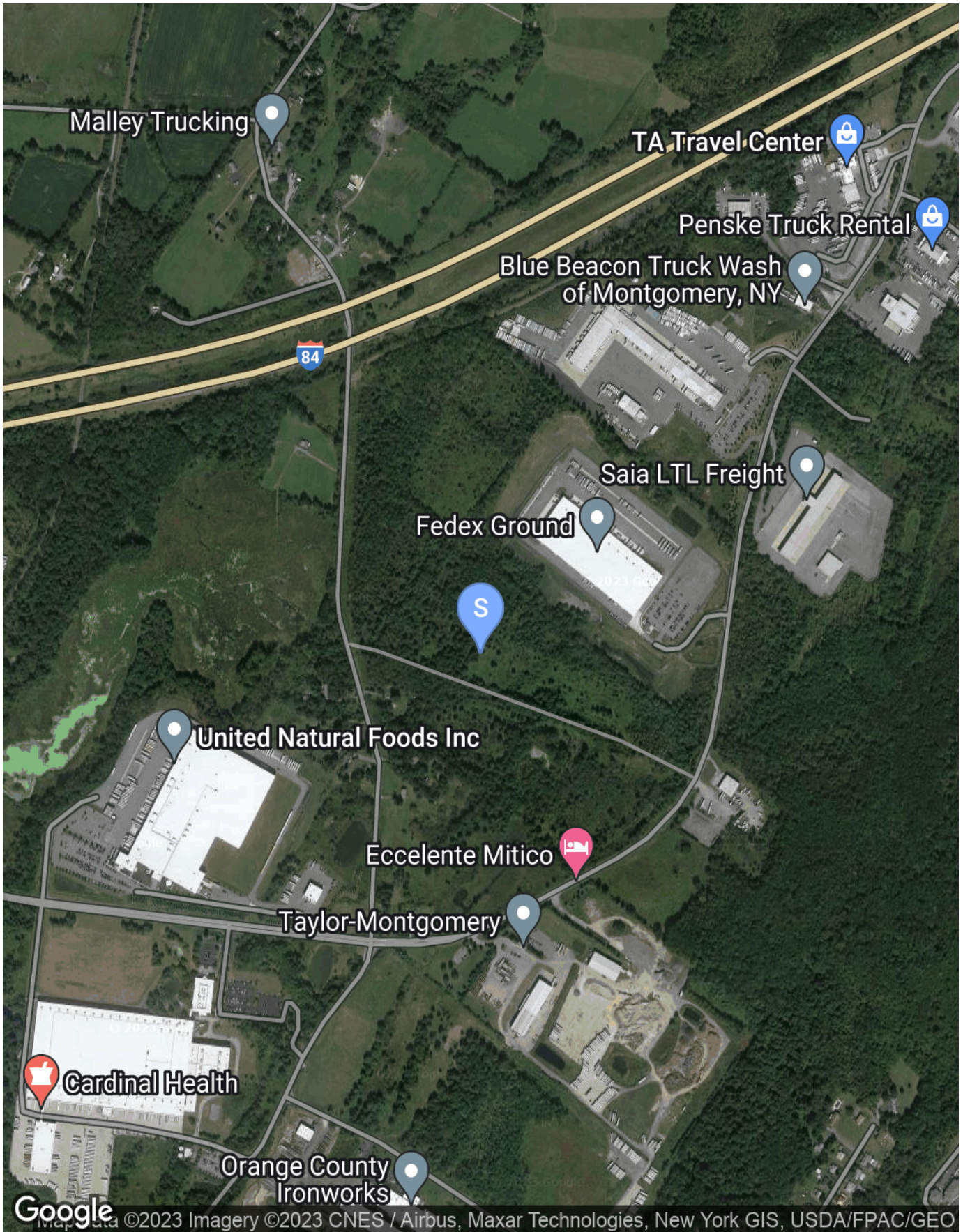
- Engagement Letter
- Preliminary Title Report
- Valuation Glossary
- Qualifications of Appraiser
- Qualifications of Colliers International Valuation & Advisory Services

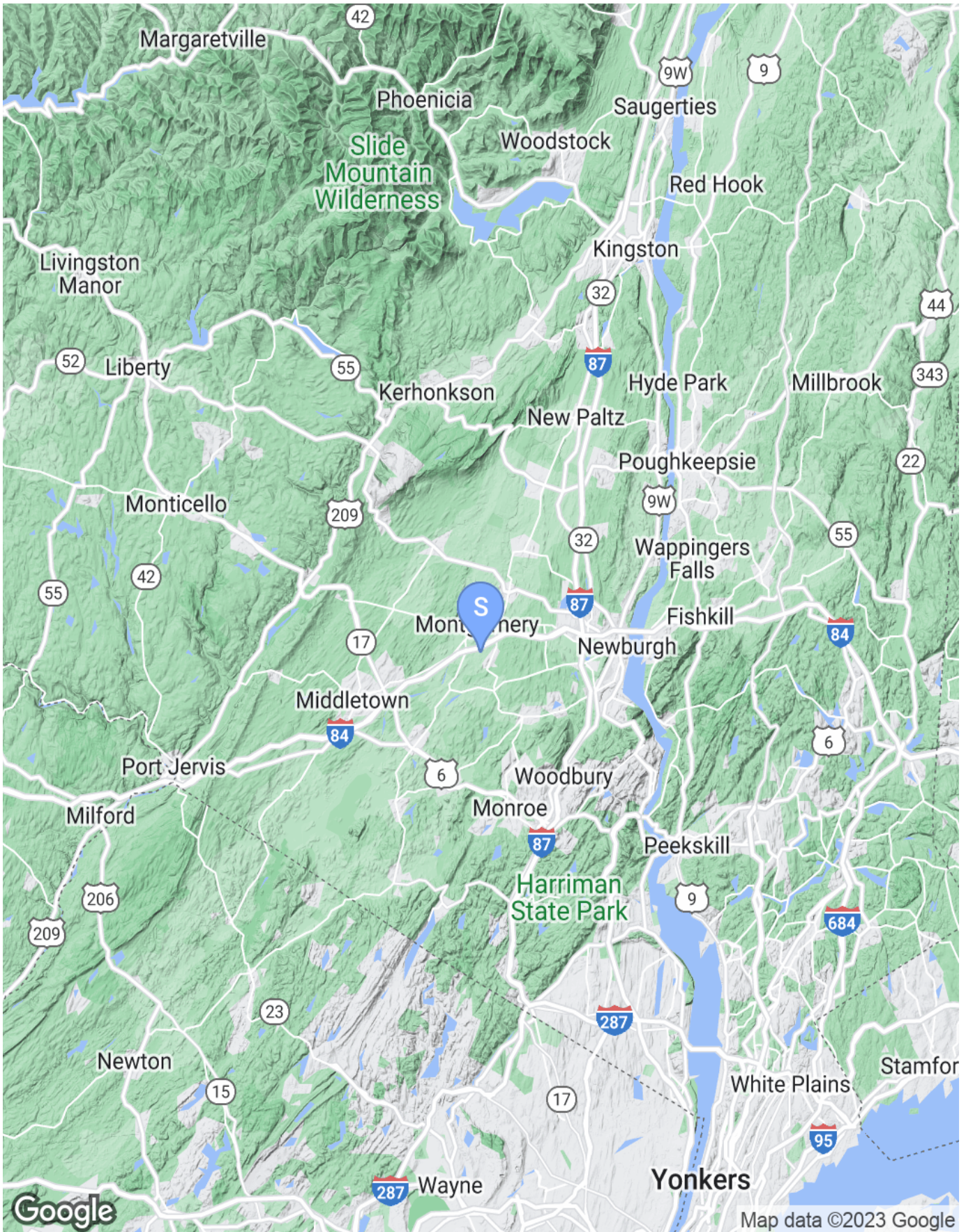
GENERAL INFORMATION

Property Name	Neelytown Development
Property Type	Land - Industrial Land
Address	Neelytown & Beaver Dam Road
Town	Montgomery
State	New York
Zip Code	12549
County	Orange
Core Based Statistical Area (CBSA)	Poughkeepsie-Newburgh-Middletown, NY
Market	Northern New Jersey
Submarket	Orange County
Latitude	41.496189
Longitude	-74.229256
Number Of Parcels	multiple

SITE INFORMATION

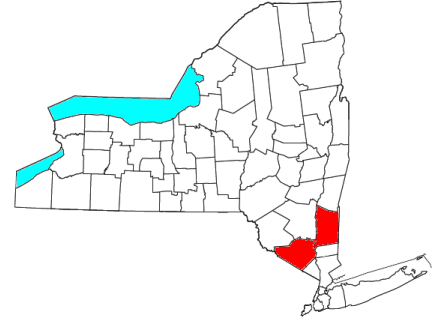
Land Area	Acres	Square Feet
Usable	94.34	4,109,410
Unusable	0.00	0
Excess	0.00	0
<u>Surplus</u>	<u>0.00</u>	<u>0</u>
Total	94.34	4,109,410
Topography	Sloping at street grade	
Shape	Irregular	
Access	Good	
Exposure	Good	
Current Zoning	General Industry District (I)	
Flood Zone	Zone X (Unshaded)	
Seismic Zone	Medium Risk	





INTRODUCTION

The Poughkeepsie-Newburgh-Middletown, NY Metropolitan Statistical Area (MSA) is comprised of two counties: Dutchess and Orange. The region had a population of 697,221 at the 2020 census. The anchor cities are Poughkeepsie, Newburgh, and Middletown. The MSA's main thoroughfares include Interstates 84 and 87, U.S. Routes 6, 9, and 44, and State Route 55. The region is home to several national protected areas, including Eleanor Roosevelt National Historic Site and a portion of Walkkill River National Wildlife Refuge. The economy of the region is based on the education, healthcare/social assistance, and wholesale/retail trade industries.



DEMOGRAPHIC ANALYSIS

The following is a demographic study of the region sourced by *Pitney Bowes/Gadberry Group - GroundView®*, an on-line resource center that provides information used to analyze and compare the past, present, and future trends of geographical areas. Demographic changes are often highly correlated to changes in the underlying economic climate. Periods of economic uncertainty necessarily make demographic projections somewhat less reliable than projections in more stable periods. These projections are used as a starting point, but we also consider current and localized market knowledge in interpreting them within this analysis. Please note that our demographics provider sets forth income projections in constant dollars which, by definition, reflect projections after adjustment for inflation. We are aware of other prominent demographic data providers that project income in current dollars, which do not account for inflation. A simple comparison of projections for a similar market area made under the constant and current dollar methodologies can and likely will produce data points that vary, in some cases, widely. Further, all forecasts, regardless of demographer methodology(ies), are subjective in the sense that the reliability of the forecast is subject to modeling and definitional assumptions and procedures.

Population

According to Pitney Bowes/Gadberry Group - GroundView®, a Geographic Information System (GIS) Company, Orange County had a 2021 total population of 386,539 and experienced an annual growth rate of 0.3%, which was higher than the New York annual growth rate decrease of 0.02%. The county accounted for 2.0% of the total New York population (19,332,297). Within the county the population density was 462 people per square mile compared to the lower New York population density of 398 people per square mile and the lower United States population density of 92 people per square mile.

POPULATION			
YEAR	US	NY	COUNTY
2020 Total population	331,501,080	20,154,933	401,322
2022 Total Population	334,017,687	19,878,133	407,220
2027 Total Population	344,637,383	20,089,258	420,694
2020 - 2022 CAGR	0.4%	(0.69%)	0.7%
2022 - 2027 CAGR	0.6%	0.2%	0.7%

Source: Pitney Bowes/Gadberry Group - GroundView®

POPULATION DENSITY			
YEAR	US	NY	COUNTY
2022 Per Square Mile	93	405	486
2027 Per Square Mile	96	410	502

Source: Pitney Bowes/Gadberry Group - GroundView®

The 2022 median age for the county was 36.52, which was 5.07% younger than the United States median age of 38.38 for 2022. The median age in the county is anticipated to grow by 0.48% annually, increasing the median age to 37.41 by 2027.

MEDIAN AGE			
YEAR	US	NY	COUNTY
2022	38.38	39.10	36.52
2027	39.16	39.93	37.41
CAGR	0.40%	0.42%	0.48%

Source: Pitney Bowes/Gadberry Group - GroundView®

Education

The Poughkeepsie-Newburgh-Middletown, NY MSA is home to several institutions of higher education, including Dutchess Community College (SUNY Dutchess), Orange County Community College (SUNY Orange), Marist College, and Vassar College. SUNY Dutchess is a public community college in Poughkeepsie, offering associate degrees and certificates in over 60 academic programs. The college has an annual enrollment of approximately 8,600 students. SUNY Orange is a public community college with two campuses: one in Middletown and one in Newburgh. The college offers associate degrees and certificates in over 40 areas of study. It has an annual enrollment of approximately 7,000 students. Marist College and Vassar College are both private liberal arts colleges in Poughkeepsie with a prominent impact in the region. Marist College offers 56 undergraduate/graduate degree programs and 21 certificate programs. It had an endowment of \$312.9 million as of 2020, as well as an annual enrollment of approximately 6,600 students. Vassar College offers bachelor's degrees in over 50 majors. It had an endowment of \$1.10 billion in 2020 and an enrollment of 2,435 students.

Household Trends

The 2022 number of households in the county was 137,867. The number of households in the county is projected to grow by 0.7% annually, increasing the number of households to 142,621 by 2027. The 2021 average household size for the county was 2.80, which was 8.93% larger than the United States average household size of 2.57 for 2021. The average household size in the county is anticipated to decrease by 0.22% annually, reducing the average household size to 2.77 by 2026.

NUMBER OF HOUSEHOLDS			
YEAR	US	NY	COUNTY
2022	129,171,249	7,733,088	137,867
2027	134,179,366	7,912,536	142,621
CAGR	0.8%	0.5%	0.7%

Source: Pitney Bowes/Gadberry Group - GroundView®

AVERAGE HOUSEHOLD SIZE			
YEAR	US	NY	COUNTY
2022	2.53	2.50	2.87
2027	2.51	2.47	2.87
CAGR	(0.11%)	(0.23%)	0.01%

Source: Pitney Bowes/Gadberry Group - GroundView®

Orange County had 32.37% renter occupied units, compared to the higher 46.43% in New York and the higher 35.54% in the United States.

HOUSING UNITS			
	US	NY	COUNTY
Owner Occupied	64.46%	53.57%	67.63%
Renter Occupied	35.54%	46.43%	32.37%

Source: Pitney Bowes/Gadberry Group - GroundView®

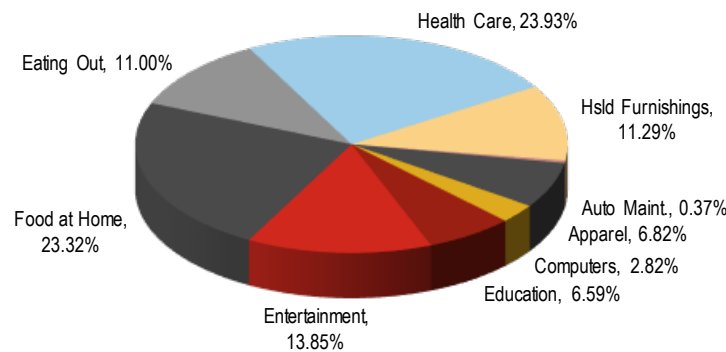
The 2022 median household income for the county was \$85,858, which was 20.3% higher than the United States median household income of \$71,362. The median household income for the county is projected to grow by 4.6% annually, increasing the median household income to \$107,283 by 2027.

As is often the case when the median household income levels are higher than the national average, the cost-of-living index is also higher. According to the American Chamber of Commerce Researchers Association (ACCRA) Cost of Living Index, the Poughkeepsie-Newburgh-Middletown, NY MSA's cost of living is 122.9 compared to the national average score of 100. The ACCRA Cost of Living Index compares groceries, housing, utilities, transportation, health care and miscellaneous goods and services for over 300 urban areas.

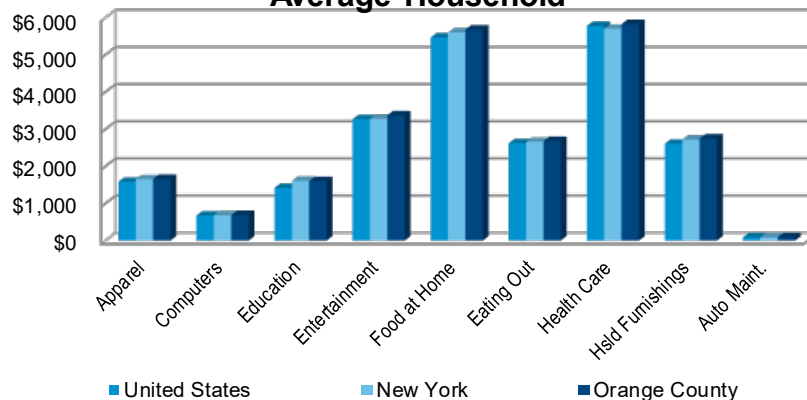
MEDIAN HOUSEHOLD INCOME			
YEAR	US	NY	COUNTY
2022	\$71,362	\$79,353	\$85,858
2027	\$89,318	\$99,282	\$107,283
CAGR	4.6%	4.6%	4.6%

Source: Pitney Bowes/Gadberry Group - GroundView®

Consumer Spending Orange County



Consumer Spending Comparison Average Household



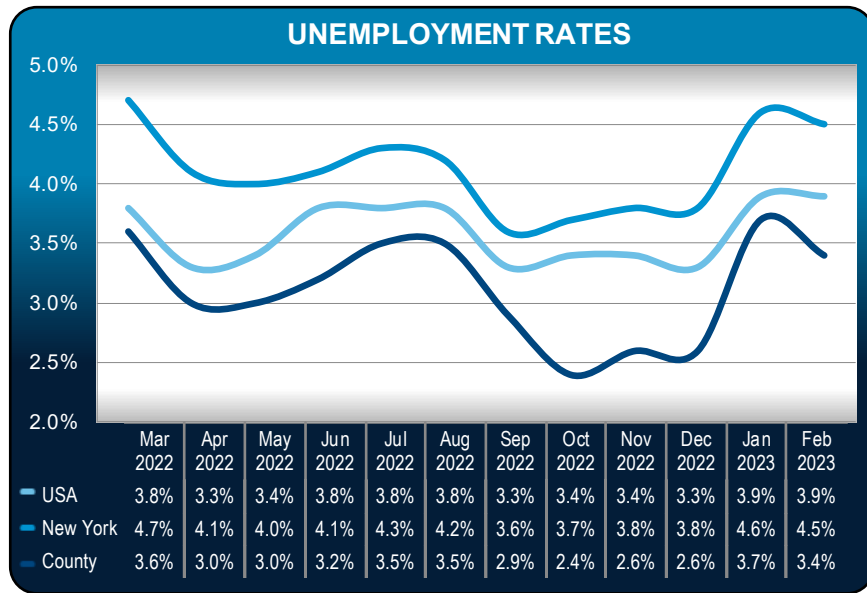
EMPLOYMENT

Total employment has increased annually over the past decade in the state of New York by 0.01% and increased annually by 0.7% in the county. From 2020 to 2021 unemployment decreased in New York by 3.0% and decreased by 3.3% in the county. In the state of New York and in the area unemployment has increased over the previous month by 0.2%.

EMPLOYMENT & UNEMPLOYMENT STATISTICS 2012 - 2021

Year	TOTAL EMPLOYMENT				UNEMPLOYMENT RATE		
	New York		Orange County, NY		United States*	New York	Orange County, NY
	Total	% Δ Yr Ago	Total	% Δ Yr Ago			
2012	8,775,083	0.4%	164,966	(0.1%)	8.1%	8.6%	8.0%
2013	8,880,792	1.2%	166,198	0.7%	7.4%	7.8%	7.0%
2014	8,925,328	0.5%	165,500	(0.4%)	6.2%	6.3%	5.5%
2015	9,035,989	1.2%	169,318	2.3%	5.3%	5.2%	4.7%
2016	9,062,866	0.3%	171,096	1.1%	4.9%	4.9%	4.4%
2017	9,382,750	3.5%	175,754	2.7%	4.4%	4.6%	4.5%
2018	9,424,212	0.4%	180,244	2.6%	3.9%	4.1%	3.9%
2019	9,474,510	0.5%	184,535	2.4%	3.7%	3.9%	3.6%
2020	8,645,489	(8.8%)	171,729	(6.9%)	8.1%	9.8%	8.0%
2021	8,886,155	2.8%	175,160	2.0%	5.3%	7.0%	4.7%
CAGR	0.14%	-	0.7%	-	-	-	-

Source: U.S. Bureau of Labor Statistics *Unadjusted Non-Seasonal Rate



The preceding chart depicts unemployment trends in the region, New York and the U.S. Overall levels of unemployment in the region experienced minor fluctuations throughout the past three months. By the end of February 2023, unemployment in the region was 1.1% lower than New York’s and 0.5% lower than the national average.

TOP EMPLOYERS

EMPLOYER NAME	EMPLOYEES	INDUSTRY
United States Military Academy at West Point	4,000	Public Administration
Orange Regional Medical Center	2,524	Healthcare/Social Assistance
Orange County	2,084	Public Administration
Crystal Run Health	2,050	Healthcare/Social Assistance
Access: Supports for Living	1,400	Healthcare/Social Assistance
St. Luke's Cornwall Hospital	1,247	Healthcare/Social Assistance
Elant, Inc.	1,200	Healthcare/Social Assistance
SUNY Orange	968	Education
Amscan, Inc.	800	Manufacturing
C & S Wholesale Grocers, Inc.	800	Wholesale/Retail Trade

Source: <https://www.orangecountygov.com>

The preceding chart depicts the top employers in Orange County. Principal employers are spread throughout diverse sectors, including public administration and healthcare/social assistance. The largest employer is the United States Military Academy at West Point. The four-year federal service academy educates cadets for commissioning into the United States Army with an annual undergraduate enrollment of approximately 4,500 students/cadets. The second largest employer is Orange Regional Medical Center. The non-profit hospital has 383 beds, and its outpatient services include diagnostic imaging and laboratory services. The third largest employer is Orange County with a workforce of 2,084 people.

AIRPORT STATISTICS

The following chart summarizes the local airport statistics.

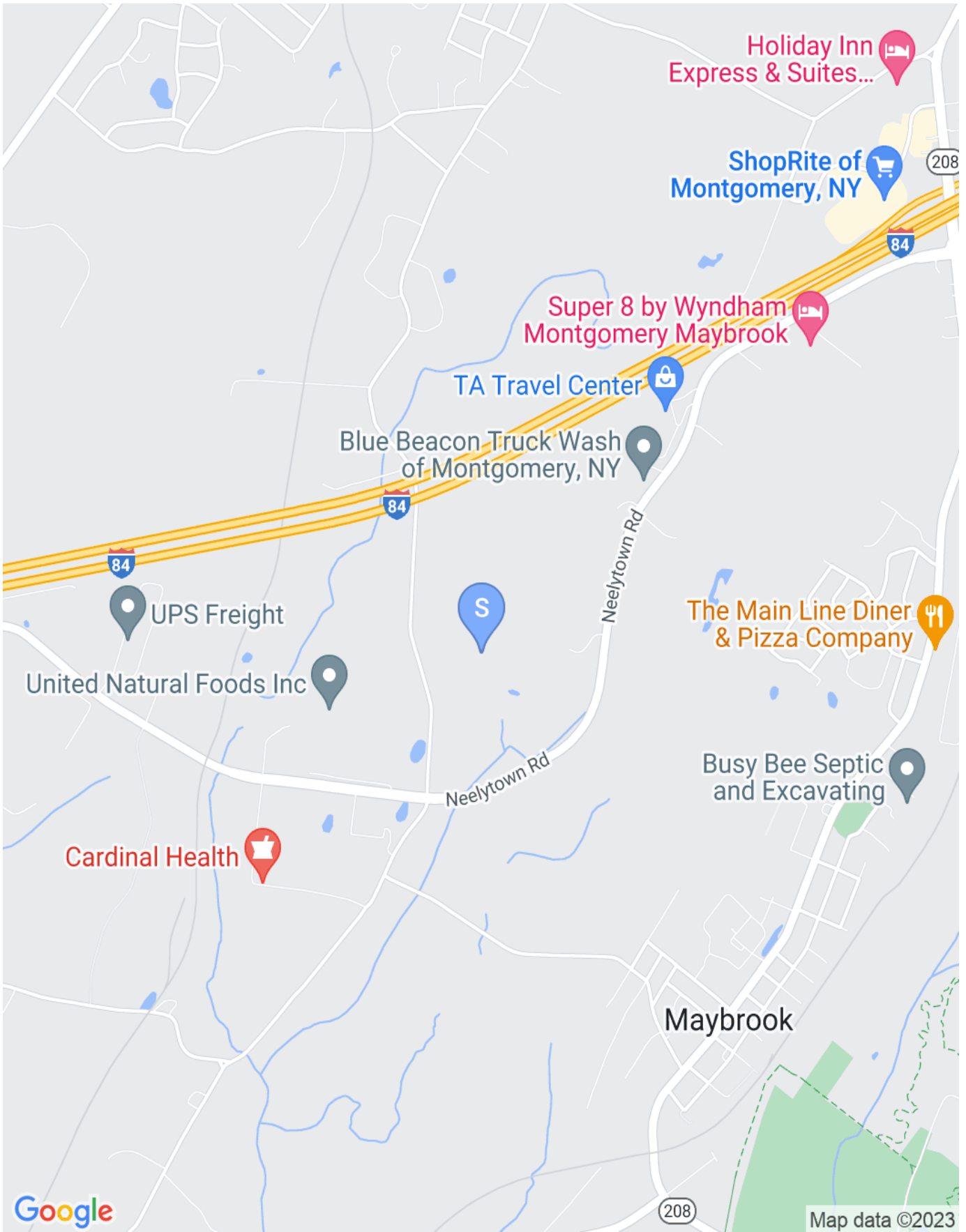
STEWART INTERNATIONAL AIRPORT (SWF)

YEAR	ENPLANED PASSENGERS	% CHG
2011	209,966	-
2012	185,389	(11.7%)
2013	163,815	(11.6%)
2014	158,556	(3.2%)
2015	142,603	(10.1%)
2016	140,328	(1.6%)
2017	228,640	62.9%
2018	354,869	55.2%
2019	268,083	(24.5%)
2020	50,030	(81.3%)
2021	69,649	39.2%

Source: U.S. Department of Transportation

SUMMARY

The Poughkeepsie-Newburgh-Middletown, NY Metropolitan Statistical Area is home to a diverse economy that has strong influences in the services and healthcare industries. The region benefits from Poughkeepsie's economy and the presence of many institutions of higher education. The education industry in the MSA has a significant impact on the economic development of the area. This should have a positive impact and will benefit the growth in the regional economy for years to come.



INTRODUCTION

In this section of the report, I provide details about the local area and describe the influences that bear on the real estate market as well as the subject property. A map of the local area is presented on the prior page. Below are insights into the local area based on fieldwork, interviews, demographic data and experience working in this market.

LOCAL AREA PROFILE

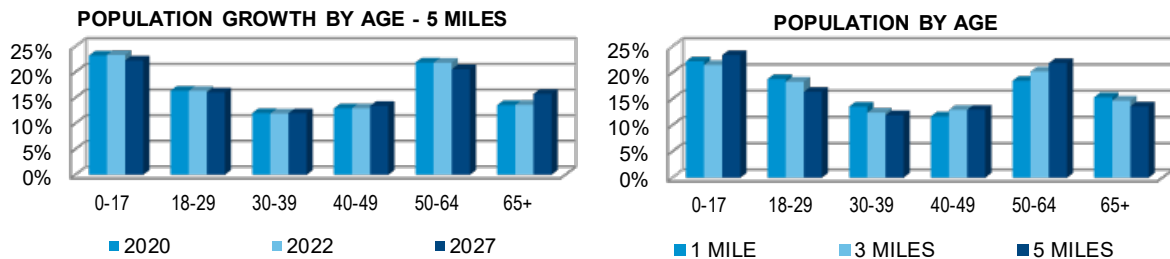
The subject property is in Montgomery, New York, within Orange County. According to the 2020 census, the population was 23,322. The town is in the northern portion of the county, approximately 12 miles west of Newburgh and 21 miles southwest of Poughkeepsie. Interstate 84 and State Route 52 intersect the town. Air transportation is provided by Orange County Airport, approximately six miles southwest of the town's central business district.

DEMOGRAPHIC PROFILE

Below is a demographic study of the area, sourced by *Pitney Bowes/Gadberry Group - GroundView®*, an on-line resource center that provides information used to analyze and compare the past, present, and future trends of properties and geographical areas. Please note that our demographics provider sets forth income projections in constant dollars which, by definition, reflect projections after adjustment for inflation. We are aware of other prominent demographic data providers that project income in current dollars, which do not account for inflation. A simple comparison of projections for a similar market area made under the constant and current dollar methodologies can and likely will produce data points that vary, in some cases, widely. Further, all forecasts, regardless of demographer methodology(ies), are subjective in the sense that the reliability of the forecast is subject to modeling and definitional assumptions and procedures.

LOCAL AREA DEMOGRAPHICS							
DESCRIPTION	1 MILE	3 MILES	5 MILES	DESCRIPTION	1 MILE	3 MILES	5 MILES
POPULATION				AVERAGE HOUSEHOLD INCOME			
2010 Population	2,949	9,074	24,099	2022	\$104,972	\$115,142	\$127,144
2020 Population	3,262	9,719	24,946	2027	\$134,137	\$144,323	\$159,658
2022 Population	3,338	10,323	26,056	Change 2022-2027	27.78%	25.34%	25.57%
2027 Population	3,566	10,662	26,530	MEDIAN HOUSEHOLD INCOME			
Change 2010-2020	10.61%	7.11%	3.51%	2022	\$83,507	\$92,327	\$95,544
Change 2020-2022	2.33%	6.21%	4.45%	2027	\$97,155	\$111,209	\$120,438
Change 2022-2027	6.83%	3.28%	1.82%	Change 2022-2027	16.34%	20.45%	26.05%
POPULATION 65+				PER CAPITA INCOME			
2020 Population	500	1,433	3,387	2022	\$40,319	\$41,709	\$44,604
2022 Population	512	1,517	3,542	2027	\$51,665	\$52,556	\$56,253
2027 Population	612	1,781	4,177	Change 2022-2027	28.14%	26.01%	26.12%
Change 2020-2022	2.40%	5.86%	4.58%	2022 HOUSEHOLDS BY INCOME			
Change 2022-2027	19.53%	17.40%	17.93%	<\$15,000	8.8%	8.8%	9.0%
NUMBER OF HOUSEHOLDS				\$15,000-\$24,999	7.4%	5.4%	4.2%
2010 Households	1,110	3,336	8,284	\$25,000-\$34,999	3.3%	3.8%	3.1%
2020 Households	1,309	3,668	8,737	\$35,000-\$49,999	8.4%	8.7%	7.6%
2022 Households	1,309	3,680	8,801	\$50,000-\$74,999	17.0%	15.2%	14.9%
2027 Households	1,402	3,824	9,006	\$75,000-\$99,999	14.6%	11.8%	13.6%
Change 2010-2020	17.93%	9.95%	5.47%	\$100,000-\$149,999	24.5%	24.5%	20.7%
Change 2020-2022	0.00%	0.33%	0.73%	\$150,000-\$199,999	5.5%	10.2%	11.2%
Change 2022-2027	7.10%	3.91%	2.33%	\$200,000 or greater	10.2%	11.7%	15.7%
HOUSING UNITS (2022)				MEDIAN HOME VALUE			
Owner Occupied	735	2,427	6,617	\$188,789	\$256,087	\$283,471	
Renter Occupied	570	1,259	2,182	AVERAGE HOME VALUE			
HOUSING UNITS BY YEAR BUILT				\$226,027 \$302,739 \$333,635			
Built 2010 or later	92	254	438	HOUSING UNITS BY UNITS IN STRUCTURE			
Built 2000 to 2009	89	406	1,111	1, detached	432	2,044	6,072
Built 1990 to 1999	112	571	1,404	1, attached	321	447	611
Built 1980 to 1989	239	487	1,003	2	52	137	309
Built 1970 to 1979	287	664	1,215	3 or 4	199	412	663
Built 1960 to 1969	112	288	838	5 to 9	120	184	308
Built 1950 to 1959	125	303	843	10 to 19	121	209	383
Built 1940 to 1949	19	32	200	20 to 49	34	68	70
Built 1939 or earlier	234	674	1,749	50 or more	28	158	209
				Mobile home	0	12	158
				Boat, RV, van, etc.	0	15	15

Source: Pitney Bowes/Gadberry Group - GroundView®



Transportation Routes

Major traffic arteries are shown in the chart below:

MAJOR ROADWAYS & THOROUGHFARES			
HIGHWAY	DIRECTION	FUNCTION	DISTANCE FROM SUBJECT
interstate 87	north-south	Interstate Highway	This is within 10 miles of the subject property.
Interstate 84	east-west	Interstate Highway	This is within one mile of the subject property.
State Route 52	east-west	Local Highway	This is within six miles of the subject property.
SURFACE STREETS	DIRECTION	FUNCTION	DISTANCE FROM SUBJECT
Neelytown Road	east-west	Secondary Arterial	The subject property fronts this street.

Public transportation is not available near the subject property.

Economic Factors

Montgomery is a suburban community for the Poughkeepsie metropolitan area, with the economic environment impacted by the greater economy of Orange County. Montgomery’s industrial parks are home to United Natural Foods Incorporated, The Home Depot Distribution Center, and McKesson Corporation Distribution Center. The town also benefits from the presence of Orange County Airport, which serves a transportation hub for the region. Retail presence consists of restaurants, big-box stores, lodging, and locally owned businesses.

Community Services

Community services and facilities are readily available in the surrounding area. These include public services such as fire stations, hospitals, police stations, and schools (all ages).

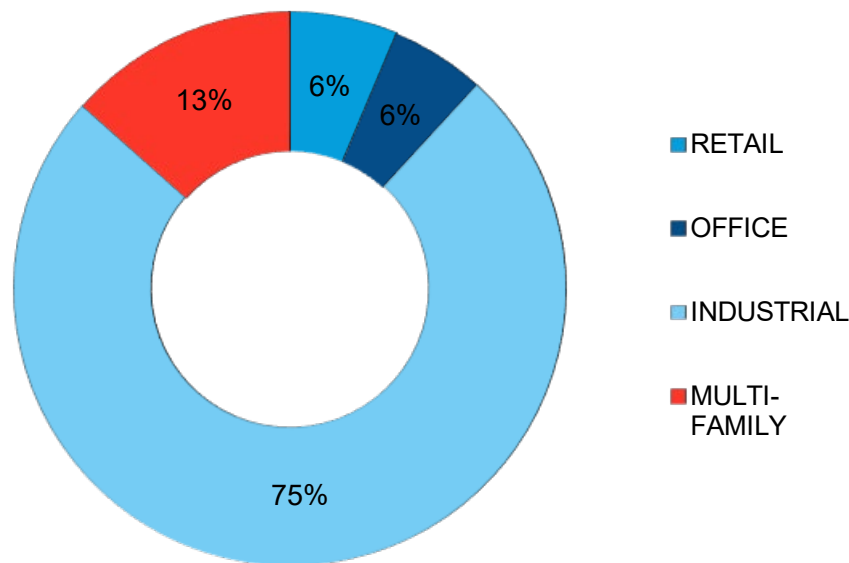
IMMEDIATE AREA PROFILE

This section discusses uses and development trends in the immediate area that directly impact the performance and appeal of the subject property.

Predominant Land Uses

Significant development in the immediate area consists of industrial uses along major arterials that are interspersed with multi-family complexes and single-family residential development removed from arterials. The local area has a mix of commercial uses nearby and the composition is shown in the following graph.

COMMERCIAL AREA COMPOSITION



©CoStar

Multi-Family Development

The following chart shows a summary of multi-family data by type in the immediate area from CoStar.

MULTI-FAMILY SUMMARY			
CLASS	PROPERTIES	NRA (SF)	AVG YR BLT
A	2	312,129	2018
B	12	946,940	1983
C	35	744,270	1942
TOTAL	49	2,003,339	1955

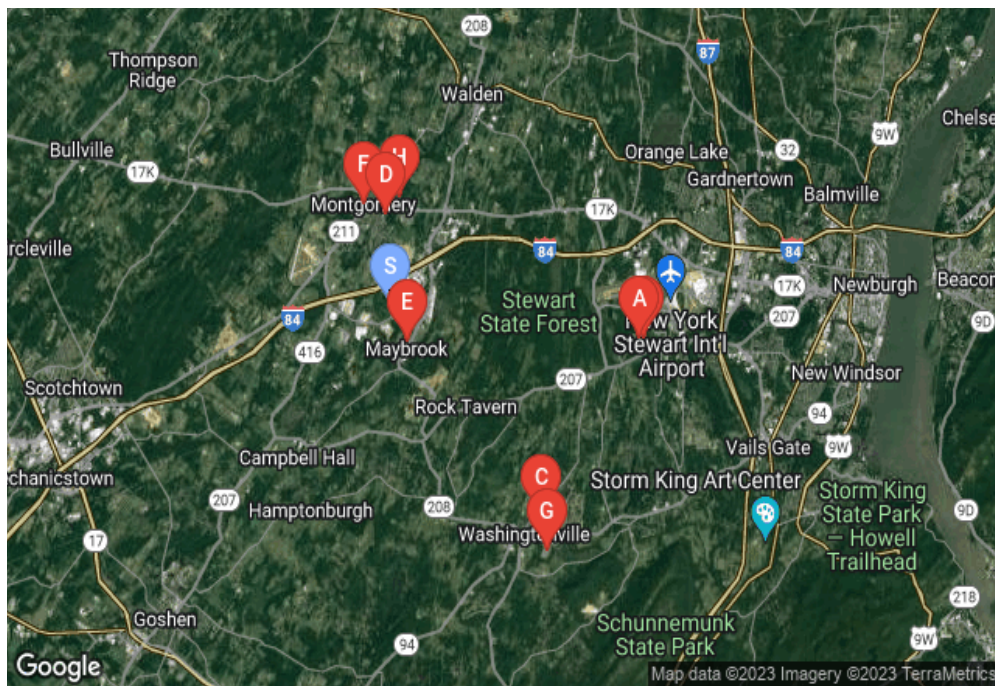
Source: CoStar

The largest three multi-family properties are at 46 Sluga Drive, 1000 Clark Street and 1 Stone Hill Road with an NRA of 315,000 SF, 270,000 SF and 139,599 SF that were built in 2005, 2015 and 0, respectively. The closest large multi-family property in proximity to the subject is at 103 Schimpf Court with an NRA of 98,000 SF that was built in 2014. The majority of properties were constructed after 2000. The following chart and map show the subject property and its location relative to the eight largest multi-family properties in the immediate area from CoStar.

LARGEST MULTI-FAMILY PROPERTIES

NAME	ADDRESS	DISTANCE	MAP PIN	CLASS	NRA (SF)	STORIES	YEAR BUILT
Stewart Terrace	46 Sluga Drive	5.6 Miles	A	B	315,000	2	2005
Summit Terrace Luxury Apartments	1000 Clark Street	5.7 Miles	B	A	270,000	3	2015
Stone Hill Apartments	1 Stone Hill Road	5.5 Miles	C	B	139,599	3	-
Montgomery Manor	4-6 Brescia Way	1.9 Miles	D	B	100,005	3	2007
Bluestone Commons Senior Apartments	103 Schimpf Court	0.8 Miles	E	B	98,000	2	2014
Water Wheel Apartments	211 Ward Street	2.2 Miles	F	C	86,964	2	1973
Washingtonville Manor	18 Park Circle	6.2 Miles	G	C	82,000	1	1990
Loosestrife Fields	500 Patchett Way	2.2 Miles	H	B	81,068	2	1996

Source: CoStar



Retail Development

The following chart shows a summary of retail data by type in the immediate area from CoStar.

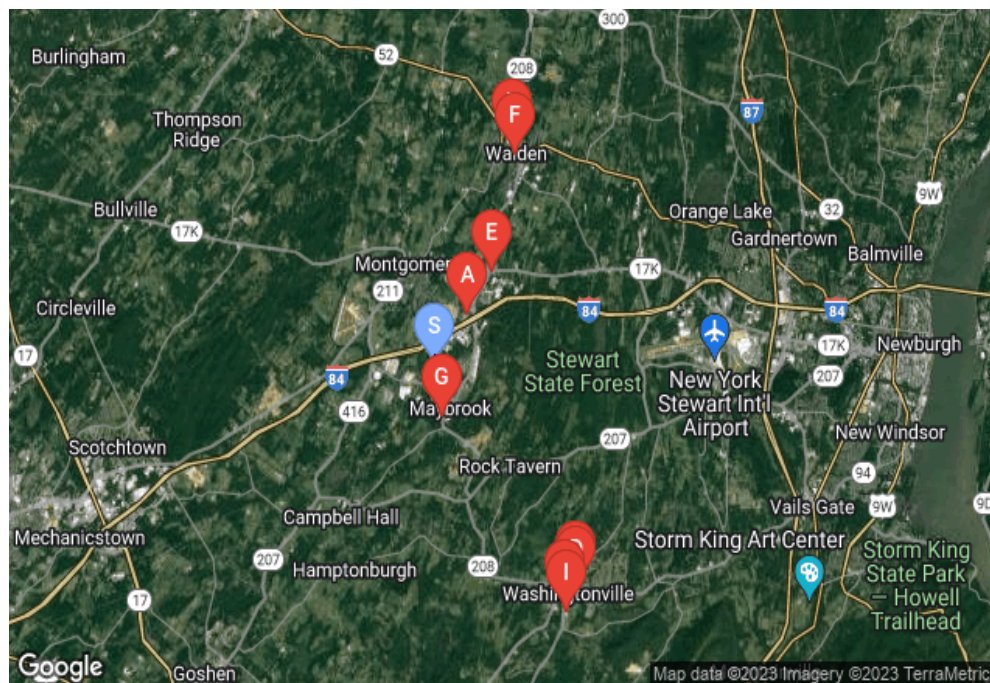
RETAIL SUMMARY					
TYPE	PROPERTIES	NRA (SF)	AVG YR BLT	OCCUPANCY	AVG RENT
General Retail	184	934,172	1955	98.2	\$21.00
TOTAL	184	934,172	1955	98.2	\$21.00

Source: CoStar

The largest three retail properties are at 99-139 Hawkins Drive, 78 Oak Street and 60 Brotherhood Plaza Drive with an NRA of 100,125 SF, 89,372 SF and 42,162 SF that were built in 1995, 1955 and 0, respectively. The closest large retail property in proximity to the subject is at 87-97 Homestead Avenue with an NRA of 25,000 SF that was built in 1972. The majority of properties were constructed before 2000. The following chart and map show the subject property and its location relative to the 10 largest retail properties in the immediate area from CoStar.

LARGEST SHOPPING CENTERS								
NAME	ADDRESS	DISTANCE	MAP PIN	TYPE	NRA (SF)	% LEASED	YEAR BUILT	AVG RENT
Montgomery Towne Square	99-139 Hawkins Drive	1.2 Miles	A	Neighborhood Center	100,125	100.0	1995	N/Av
Thruway Shopping Center Plaza	78 Oak Street	4.9 Miles	B	Neighborhood Center	89,372	82.8	1955	\$11.29
Brotherhood Plaza	60 Brotherhood Plaza Drive	5.5 Miles	C	Neighborhood Center	42,162	100.0	-	N/Av
Retail Building	10-54 Brotherhood Plaza Drive	5.6 Miles	D	Neighborhood Center	36,625	79.9	1992	\$19.00
Retail Building	1101-1031 State Route 17K	2.3 Miles	E	Strip Center	35,713	100.0	1958	N/Av
Retail Building	53-59 Main Street	4.7 Miles	F	General Retail	26,395	100.0	1979	N/Av
Retail Building	87-97 Homestead Avenue	1.1 Miles	G	Strip Center	25,000	40.0	1972	\$7.50
Retail Building	97 Homestead Avenue	1.1 Miles	H	General Retail	25,000	100.0	1965	N/Av
Retail Building	37 South Street	5.9 Miles	I	General Retail	23,510	100.0	-	N/Av
Retail Building	6 Depot Street	5.7 Miles	J	Strip Center	21,940	93.7	2007	\$22.00

Source: CoStar



Office Development

The following chart shows a summary of office data by class in the immediate area from CoStar.

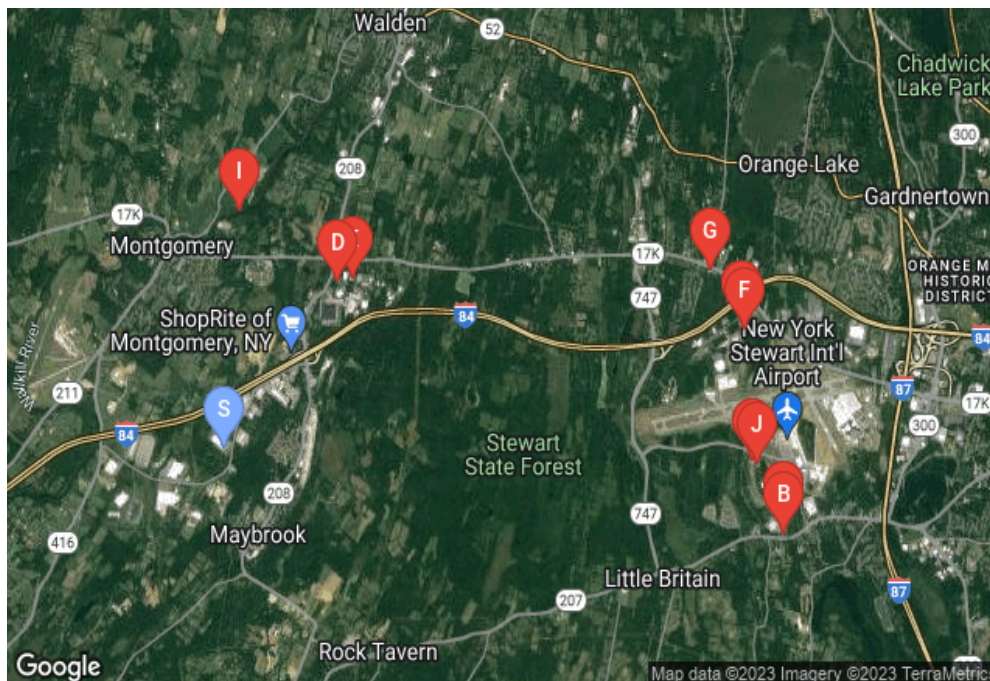
OFFICE SUMMARY					
CLASS	PROPERTIES	NRA (SF)	AVG YR BLT	OCCUPANCY	AVG RENT
A	2	93,447	2004	89.5	-
B	37	405,060	1965	98.1	\$16.32
C	67	325,127	1951	95.3	\$54.75
TOTAL	106	823,634	1956	96.2	\$41.08

Source: CoStar

The largest three office properties are at 555 Hudson Valley Avenue, 575 Hudson Valley Avenue and 33 Airport Center Drive with an NRA of 48,000 SF, 45,447 SF and 39,135 SF that were built in 2005, 2002 and 1975, respectively. The closest large office property in proximity to the subject is at 110-112 Bracken Road with an NRA of 38,624 SF that was built in 0. The majority of properties were constructed before 2000. The following chart and map show the subject property and its location relative to the 10 largest office properties in the immediate area from CoStar.

LARGEST OFFICE BUILDINGS								
NAME	ADDRESS	DISTANCE	MAP PIN	CLASS	NRA (SF)	% LEASED	YEAR BUILT	AVG RENT
New York Int'l Plaza	555 Hudson Valley Avenue	6.3 Miles	A	A	48,000	100.0	2005	N/Av
Office Building	575 Hudson Valley Avenue	6.3 Miles	B	A	45,447	79.0	2002	N/Av
Office Building	33 Airport Center Drive	5.9 Miles	C	B	39,135	91.4	1975	\$14.86
Office Building	110-112 Bracken Road	2.1 Miles	D	B	38,624	100.0	-	N/Av
Office Building	118 Bracken Road	2.2 Miles	E	B	38,000	100.0	1988	N/Av
Office Building	51 Assembly Way	5.9 Miles	F	C	35,000	6.4	1994	N/Av
Office Building	263 Route 17K	5.7 Miles	G	B	33,000	46.1	1970	\$17.50
Office Building	15 Governor Drive	5.9 Miles	H	B	30,000	100.0	1988	N/Av
Office Building	15 Scotts Corner Drive	2.5 Miles	I	B	22,000	100.0	2001	N/Av
Office Building	4 Crotty Lane	6.0 Miles	J	B	20,000	100.0	2009	\$19.50

Source: CoStar



Industrial Development

The following chart shows a summary of industrial data by type in the immediate area from CoStar.

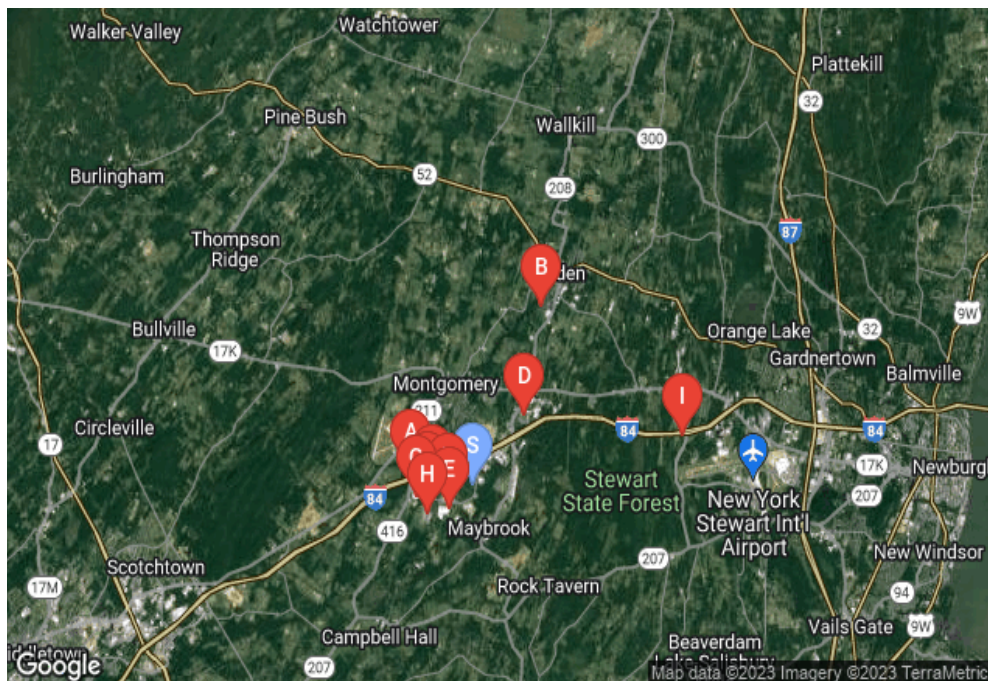
INDUSTRIAL SUMMARY					
TYPE	PROPERTIES	NRA (SF)	AVG YR BLT	OCCUPANCY	AVG RENT
Industrial	126	10,935,098	1980	98.2	\$11.89
Flex	12	168,812	1970	100.0	-
TOTAL	138	11,103,910	1979	98.3	\$11.89

Source: CoStar

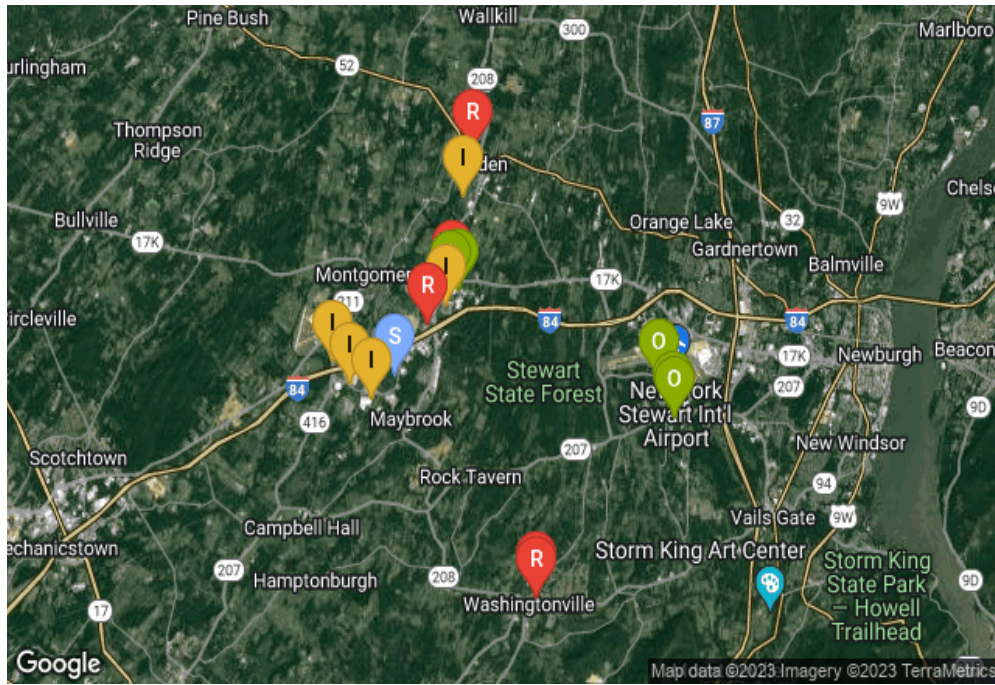
The largest three industrial properties are at 494 Route 416, 635 International Drive and 601 Neelytown Road with an NRA of 1,295,557 SF, 1,000,000 SF and 780,000 SF that were built in 2021, 2021 and 2002, respectively. The closest large industrial property in proximity to the subject is at 525 Neelytown Road with an NRA of 500,000 SF that was built in 2014. The majority of properties were constructed after 2000. The following chart and map show the subject property and its location relative to the 10 largest industrial properties in the immediate area from CoStar.

LARGEST INDUSTRIAL PROPERTIES								
NAME	ADDRESS	DISTANCE	MAP PIN	TYPE	NRA (SF)	% LEASED	YEAR BUILT	AVG RENT
Industrial Building	494 Route 416	1.6 Miles	A	Industrial	1,295,557	100.0	2021	N/Av
Industrial Building	635 International Drive	4.0 Miles	B	Industrial	1,000,000	100.0	2021	N/Av
Home Depot Distribution Center	601 Neelytown Road	1.2 Miles	C	Industrial	780,000	100.0	2002	N/Av
Staples Warehouse	100 Hadden Drive	1.8 Miles	D	Industrial	766,484	100.0	1985	N/Av
Allegiance Healthcare	500 Neelytown Road	0.9 Miles	E	Industrial	650,000	100.0	1992	N/Av
Panattoni Crossroads Distribution	525 Neelytown Road	0.7 Miles	F	Industrial	500,000	100.0	2014	N/Av
Do it Best	650 Neelytown Road	1.4 Miles	G	Industrial	400,000	100.0	1998	N/Av
Industrial Building	9 Hudson Crossing Drive	1.3 Miles	H	Industrial	360,000	100.0	2013	N/Av
Industrial Building	3 Enterprise Drive	4.8 Miles	I	Industrial	348,673	100.0	1985	N/Av
Industrial Building	600 Neelytown Road	1.1 Miles	J	Industrial	340,000	100.0	2016	N/Av

Source: CoStar



The following map shows the subject property and the five largest retail, office, and industrial properties in the immediate area from CoStar.





Engineering
& Design

Community Impact Statement

October 30, 2024

Proposed Warehouse

Property Tax ID: Lot 36-1-33, 36-1-11.221, 36-1-11.23, 36-1-11.212, 36-1-11.211, 36-1-11.11, 36-1-10.1 and 33-1-91

Town of Montgomery, Orange County, New York

Prepared for:

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Project No. 21000327A

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Introduction

Colliers Engineering & Design is pleased to submit this Community Impact Statement ("CIS") on behalf of the Applicant, RDM Group, LLC in support of an application to the Montgomery Planning Board for a proposed warehouse development on the subject properties known as Tax Lots 36-1-33, 36-1-11.221, 36-1-11.23, 36-1-11.212, 36-1-11.211, 36-1-11.11, 36-1-10.1 and 33-1-91. The property in question is located at 296 Neelytown Road, containing approximately 112.46 acres of vacant land with frontage along Neelytown Road to the east and Beaver Dam Road to the west in the Town of Montgomery, New York.

The project site is located in the Town's I-1 General Industry zoning district. The property is proposed to be developed with two (2) warehouse buildings containing 850,000 square feet, 278,270 square feet of gross floor area. Other related site improvements including accessory parking for employee vehicles and trucks, stormwater control measures, utility lines, dark-sky compliant lighting, signage and landscaping. The Proposed Action would be served by municipal sewer and water services.

The proposed development will also require a two-lot subdivision and merging of the existing parcels into an 85.62-acre lot ("Lot 1"), a 26.83-acre lot ("Lot 2"). Lot 1 will have frontage on Neelytown Road and Beaver Dam Road and contains a 850,000 square foot warehouse/distribution facility. Lot 2 will have frontage on Beaver Dam Road and will contain a 278,270 square foot warehouse/distribution facility.

This Community Impact Statement analyzes the existing economic conditions and examines the anticipated impacts of the overall development with information pertaining to the occupancy of the proposed warehouse development. Specifically, the analysis examines the anticipated revenues and costs expected to be generated from the development.

Employment Impact

The proposed development contains a total of 1,128,270 square feet of floor area. Typical to warehouses, it is assumed that there will be three shifts, with an estimated total of 898 employees expected. These will be warehouse jobs with supporting office and managerial staff. Nationally, management roles tend to occupy 2.43 percent of warehousing positions, office and administrative roles 12.35 percent, and transportation and material moving the largest percentage of 74.89 percent.

Although specific tenants have not yet been retained, it is reasonable to assume that warehouse jobs will align with the national and county average of approximately \$18 per hour (\$41,660 annually), or more specifically broken down to an average national salary of \$109,910 for management; \$42,440 for administrative roles; and \$38,240 for transportation and material moving positions.

The 2021 ACS 5-year Estimates Census data indicates that Montgomery has 11,937 residents aged 16 or older in the workforce, and Orange County has 196,910.¹ The most recent employment estimates for Montgomery are from the U.S. Census Bureau, OnTheMap Application, which estimates that Montgomery had 8,214 private sector employees in 2021. Approximately 6,690 employees live outside of Montgomery and commute into the town for work. The projected 898 employees associated with the proposed development would increase the employment to 9,112 employees, representing an 10.9 percent increase of the town's 2021 employment.

An estimated 4 percent of the Montgomery residents are unemployed, as are 5.4 percent of county residents.² An estimated 11.3 percent of Montgomery workforce and 6.6 percent of the Orange County workforce is employed in "transportation, warehousing & utilities."³

Data from the New York State Department of Labor Local Plan of Orange County⁴ indicates a substantial existing labor force from which the Proposed Action can attract potential employees. The county labor force is drawn from an area including Orange, Dutchess, Rockland, Sullivan and Ulster Counties in New York, Pike and Wayne Counties in Pennsylvania, and Sussex County, New Jersey. Many of these counties are along the Interstate 84 corridor adjacent to the Project Site, which is important since twenty-two percent of the county workforce commutes into Orange County from elsewhere.⁵

The collective civilian labor force in these counties is approximately 564,000 people, of which approximately 30,000 are actively seeking work.⁶ Roughly 60,000 employees commute into Orange County from elsewhere for work opportunities, with a mean travel time of 34.4 minutes,⁷ demonstrating an available workforce within commuting distance without expected measurable increases in resident population.

As such, while 898 new employees are expected, these numbers show that there is an opportunity to find local employees with minimal increases in population, or businesses to support them.

¹ 2021 US Census ACS 5-year Estimates, Table DP03.

² Ibid.

³ 2021 US Census ACS 5-year Estimates, Table DP03.

⁴ Orange County, NY Local Plan for 2021 through 2025, July 1, 2021
<https://dol.ny.gov/system/files/documents/2021/12/orange-county-local-plan-combined-11-24-2021.pdf>

⁵ Ibid.

⁶ US Census OnTheMap, Orange County, accessed April 17, 2023

⁷ 2020 US Census ACS 5-year Estimates, Commuting Characteristics Table S0801.

Population Impact

The proposed development consists of nonresidential warehouse/distribution and office space only. There are no residences proposed on site and, therefore, there will be no direct impact to the existing population of Montgomery.

As indicated in the previous section, there is opportunity for local employees to commute to the town. Warehouse facilities typically draw employees from existing residents within the local community and surrounding region. While there may be a slight increase in housing demand, it is expected that the employees would occupy the existing housing stock rather than generating a demand for new construction. It is expected that potential employees would commute less than 35 minutes to work at the proposed warehouse, which is the average commute time for all jobs in Orange County according to the US Census⁸. Employees are unlikely to relocate to Montgomery for employment with the possible exception of executives or high-level managers.

School Impact

The proposed development has no residential component and, therefore, there will be no direct impact to the current school enrollment of the Valley Central School District as a result of the proposed development. Additionally, the school district will net over \$2.2 million in additional revenue with no associated service costs since there is no residential component proposed for this project.

Facilities Impact

Municipal Facilities

Municipal facilities generally consist of parks, recreation facilities, municipal offices, community buildings, libraries, and the like. The use of many of these places (community buildings, libraries, etc.) is typically limited to community residents or municipal employees. Parks, while generally open to the public, would have limited increased usage from new non-residential development. Therefore, the proposed commercial development is not expected to require any significant additional municipal investment in recreational facilities or other municipal facilities or services since no residential aspect is proposed.

Police Services

The police department is located on Bracken Road adjacent to Town Hall. As of March 7, 2022, the Town of Montgomery had 10 full-time police officers, 27 part-time police officers, 1 detective, 1 lieutenant, 4 sergeants and 1 chief. Assuming two part-time police officers equal one full-time

⁸ US Census Bureau, American Community Survey 2021, Table S0802 Means of Transportation to Work by Selected Characteristics.

officer, the Town has 23.5 police officers. That is one police officer for every 880 residents, utilizing the 2020 population of 23,322 persons.

Chief John Hank of the Town of Montgomery Police anticipates an increase of 100 calls per year resulting from the proposed development, which he indicated would not unduly burden the existing force. The nature of these calls can range from property damage accidents, employee disputes, and medical emergencies. Information regarding the Town Police Department was received from Chief John Hank on October 31, 2024 and March 7, 2022.

The Proposed Action would result in an increased demand for police services due to the new activity at the Project Site, however the existing force is able to accommodate the demand. The tax revenue generated by the Proposed Action is anticipated to be a net positive for the Town and address any potential additional costs to the Police Department. Based on the 2022 Town budget of \$17,028,814.35, approximately 16 percent (\$2,733,000) is directly budgeted for the Police Department payroll, equipment, and expenses. Furthermore, the demand for police service is expected to be mitigated by the security measures that would be implemented by the developer.

Fire & EMS Services

The subject property is serviced by the Maybrook Fire District. Maybrook Engine Company No. 1, located at 205 Wallace Avenue, serves 4,000 people living in a 4.2-square mile area, including the Village of Maybrook, Town of Montgomery, and parts of the Town of New Windsor.

There are approximately 74 active members of the Maybrook Fire Department, which is a 100 per cent volunteer force. The department has two engines, one ladder, one tanker, one heavy rescue, one mini rescue, one brush truck, one traffic management/transport truck, and two chief vehicles.

The Town of Montgomery and its incorporated villages are provided with emergency services through the Town of Montgomery Ambulance, a 501(c)(3) not for profit volunteer organization located at 22 South Montgomery Street in Walden. The Town of Montgomery Ambulance has 20 volunteers, 12 full time equivalent staff, and 7 volunteer trustees.⁹ They operate one ambulance out of the main station in Walden, NY, and a second ambulance which may be stationed at Walden or from a location in Montgomery. From either location, response time would be 15 to 20 minutes.

A phone discussion was had on March 18, 2022, with Kyle Shorette, President of the Town of Montgomery Ambulance, to discuss the existing services and its ability to service the Proposed Action, followed by an email and memorandum. This memorandum is included in Appendix A.

The Town of Montgomery Ambulance primarily transports to two local area hospitals, Garnet Health Medical Center located at 707 E Main Street and St. Luke's Medical Center located at 70 Dubois Street. While Town of Montgomery Ambulance provides basic life support, more urgent "advanced life support" needs are provided by Mobile Life Support Services, Inc., a privately-owned commercial ambulance service with approximately 500 EMS professionals, 73 ambulances and other vehicles,

⁹ Town of Montgomery Ambulance correspondence, Eric Shorette, Captain. February 21, 2023.

and 24 stations across the Hudson Valley Region.¹⁰ Mobile Life has a station located at 1 Hudson Bluff Circle just north of the Hamlet of Marlboro.

It is assumed that the proposed development would require the same level of service as other existing commercial developments in the Town and would not require any additional EMS personnel or equipment to service the proposed development.

Water & Sewer Service

Lot 33-1-91 is located in Water District 1 and Lots 36-1-33, 36-1-11.221, 36-1-11.212, and 36-1-11.211 are located in Neelytown West Water District. The residential properties on Lots 36-1-11.212 and 36-1-11.211 use private domestic wells to provide water service. During the construction process, these wells will be properly abandoned in accordance with the Orange County Department of Health (OCDOH) requirements and all applicable laws. Currently there is a 12" PVC water main under Neelytown Road servicing the existing industrial businesses adjacent to the subject site. The applicant anticipates connecting both water and fire service to this existing water main.

Lots 36-1-33, 36-1-11.221, 36-1-11.212, and 36-1-11.211 are all located in Sewer District 1 and have access to sanitary service via the 6" PVC sewer force main under Neelytown Road. The sewer main in Neelytown Road also services the surrounding industrial uses and the residential properties on Lots 36-1-11.212 and 36-1-11.211. Any existing wastewater improvements associated with the residential properties will be abandoned and/or removed in accordance with New York State Department of Health (NYSDOH) guidelines and all applicable laws. The applicant is anticipating to discharge sewerage effluent to an on-site pump station before being pumped via force main to the existing 6" force main within Neelytown Road.

Table 1: Wastewater Demand Estimate

Land Use	Code	Employees/ 1,000 SF	Bldg Area (SF)	Estimated # of Employees	Demand Rate*	Estimate Demand (gpd)
General Light Industrial	110	0.83	1,096,270	910	15 gpd / employee/shift	13,649
Industrial Park	130	1.11		1,217		18,253
Manufacturing	140	1		1,096		16,444
Warehousing	150	0.24		263		3,947
Office Building	701	3.4	32,000	109	15 gpd / employee	1,632

*Demand rate based on section B.6.b., Table B-3 in the Design Standards for Intermediate Sized Wastewater Treatment Systems, March 5 2014, by the New York State Department of Environmental Conservation.

¹⁰ Mobile Life Support Services, Inc., <https://www.mobilelife.com/about/>, accessed 12/29/2022.

The increase in sewer demand for the project will come in the form of restrooms within the warehouse buildings. For the proposed action, adequate sewer collection lines for sewage disposal will be installed to supply the increase in demand. Pumping stations will be used to transfer the sewage from the collection pipes to the existing force main running within Neelytown Road. Similar to the proposed utilities mentioned above, the proposed sewer connections will be run underground the proposed driveways which need to be excavated to be constructed. Therefore, no anticipated impacts to the roadway infrastructure will be created from the increase in sewerage demand.

Other Municipal Services

All infrastructure within the site will be maintained by the property owner. Solid waste, recycling, and snowplowing services will be privately contracted. Therefore, the proposed project will have no adverse impact on these municipal services.

Fiscal Impact

Anticipated Tax Revenues

This section analyzes the existing economic conditions and examines the anticipated impacts of the proposed development. Specifically, the analysis examines the existing revenues and costs generated by the subject property as well as the anticipated revenues and costs expected to be generated from the proposed development.

It should be noted that, to determine the financial impacts, all dollars used were based on the 2022 municipal budget. The anticipated fiscal impacts shown reflect the forecasted impact as if the proposed development was completed, occupied and assessed during 2022.

The financial benefits to the Town of Montgomery as presented in this report are based upon quantifiable data which is used as input to a fiscal impact model. It must be realized that not all benefits and impacts of a given project can be so easily quantified. In terms of quantifiable benefits of the proposed development, this report finds that the proposed development would result in a positive financial impact on municipal finances.

The subject site, as combined, had an overall tentative assessed property value of \$844,400 based on the 2022 tax records. The total tax rate per \$1,000 is actually comprised of six individual taxes. There are tax line items for Orange County, the Town of Montgomery, Highway, Town Property Tax, Maybrook Fire District, and Valley Central School. Table 2 shows the tax rates and annual tax contribution for 2022.^{11, 12}

Table 2: 2022 Tax Contribution Breakdown (all lots combined)

¹¹ Town of Montgomery Tax Office, Phone call with Gina, March 7, 2022.

¹² Town of Montgomery Online Tax Search System, <https://egov.basgov.com/montgomery/>, accessed 12/1/22.

Tax Type	Existing Assessed Property Value	Tax Rate Per \$1000 of Assessed Value	Annual Tax Contribution
County	\$844,400	6.118900	\$5,166.80
Town	↓	1.375600	\$1,161.56
Highway		2.269800	\$1,916.62
PT Town		2.841000	\$2,398.94
Fire		2.593900	\$2,190.29
School		36.871908	\$31,134.64
Total			52.071108

The anticipated total market value of the improvements would be approximately \$126,546,763, which includes the proposed buildings and all site improvements (see Table 3 for a breakout of the project’s proposed value). The value of the project may be subject to change based on changing market conditions. Adjusting by the town’s 2022 equalization ratio of 49%, the equalized assessed value is estimated at around \$62 million.

Table 3: Projected Value of Proposed Development

Components	Square Footage	Value Per Square Foot ¹³	Value
Commercial Space	1,128,270	\$ 25.00	\$19,361,113.00
Site Improvements		\$ 95.00	\$107,185,650.00
Subtotal			\$126,546,763.00

Moreover, the cost of materials will incur a sales tax. Orange County and New York State have a combined sales tax rate of 8.13%, for a total sales tax collection of over \$7.2 million. Of this, 3.75%, or 3.34 million goes to the county, and 4%, or 3.57 million, goes to the state. Orange County shares the 3.75% with local governments. Approximately 26.384% of the \$3.34 million is distributed amongst towns and villages based on population.¹⁴

Table 4: Projected Sales Tax on Construction Materials

Building Square Footage	Materials Cost Per Square Foot	Total Cost of Construction Materials	Sales Tax rate	Total Sales Tax collected
1,128,270	\$ 60.00	\$67,696,200.00	8.13%	\$5,503,701.06

¹³ Value per square foot are averages of similar sized warehouses in Orange County and taking into consideration national averages.

¹⁴ Office of the New York State Comptroller, “Understanding Local Government Sales Tax in New York State, 2020 Update” Accessed April 19, 2023

The projected annual tax contribution by the proposed development would generate over \$3.23 million annually, as shown in Table 5.

2022 Equalization Rate	Estimated Improvements Value	Existing Equalized Land Value	Tax Rate Per \$1000 of Projected Value	Projected Annual Tax Contribution
49.00%	x \$126,546,763	+ \$844,400	x 52.0711	= \$3,238,193.08

Table 6 illustrates the 2022 tax contribution breakdown for each tax line item based on the current assessed value. The Town of Montgomery is projected to receive around \$85,298 per year, the county would receive around \$379,420, and the school system would receive \$2.28 million per year. Note that these estimated valuations are shown only for the purposes of this fiscal analysis and are ultimately determined by the Town Tax Assessor.

Tax Type	Value of Proposed Development	Tax Rate Per \$1000 of Assessed Value	Annual Tax Contribution
County	↓	6.118900	\$379,420.22
Town		1.375600	\$85,298.09
Highway		2.269800	\$140,745.56
PT Town		2.841000	\$176,164.48
Fire		2.593900	\$160,842.33
School		36.871908	\$2,286,350.10
Total		52.071108	\$3,228,820.78

In addition to the substantial tax rate generated each year, there will be significant one-time benefits as well. One-time impacts usually occur during the construction phase and include the jobs, wages and services associated with the actual construction of the development. One-time revenues to the Town include building permit, sewer and water connection and usage fees, and other one-time benefits.

Municipal Services Cost

The fiscal impacts of the proposed development can be evaluated by using the per capita multiplier method.¹⁵ This analysis assigns the costs of municipal services based on the relative percentage of the municipal tax base represented by non-residential properties versus residential properties. As seen in the Table 7, there were a total of 8,313 taxable parcels in the Town of Montgomery in 2022 (most current data available), which had a total assessed value of \$1.6 billion. This table shows the

¹⁵ This method for analyzing the fiscal impact of development is widely accepted and appears in *The New Practitioner's Guide to Fiscal Impact Analysis*, published by the Center for Urban Policy Research (CUPR), at Rutgers University, 1985 and the *Development Impact Assessment Handbook* published jointly by CURP and the Urban Land Institute in 1994.

columns of “Percentage of Tax Base” and “Percentage of Parcels” having only three values. The five individual tax classifications were grouped into smaller categories to determine the split between the residential versus non-residential base. Non-residential, non-vacant private properties compose only 6.4 percent of the town’s parcels and 31.3 percent of the tax base.

Given these distributions, 18.9 percent is the combined average percent $([6.4\% + 31.3\%] \div 2)$ of the total current municipal expenditures that would be assigned to the 525 non-residential, non-vacant, private properties within the town.

Table 7: Town of Montgomery 2021 Ratable Base

Classification	Parcels	Total Assessed Value	Percentage of Tax Base	Percentage of Parcels	Proportional Percentage
Residential - 200	6,690	\$1,035,345,049.00	64.5%	81.7%	73.1%
Agricultural - 100	133	\$30,873,400.00	4.2%	11.9%	8.0%
Vacant - 300	839	\$36,576,535.00			
Commercial - 400	497	\$477,257,173.00	31.3%	6.4%	18.9%
Industrial - 700	28	\$25,481,900.00			
Total	8,187	\$1,605,534,057.00	100%	100%	100%

Using the per capita multiplier method, the costs of municipal services for the year 2022 is estimated at \$152.57 per employee. This figure is calculated by multiplying the revenue to be raised by taxes in support of the municipal budget for 2022 (\$6,412,626) by the proportional percentage of the town’s ratable base attributed to private non-residential properties (18.9 percent) and then dividing by the Town’s total private employment estimate from 2022 (7,928).

Table 8: Cost of Municipal Services

Revenue to be Raised by Taxes for Municipal Purposes (2021)	\$6,412,625.80
÷ Estimated 2020 Private Employees	7,928
= Revenue of Municipal Services per Employee	\$808.86
x Share of Non-Residential-Associated Expenditures	18.9%
= Cost of Municipal Services per Employee	\$152.57
x Projected New Employees	898
= Projected Municipal Costs	\$137,007.86

The municipal operating expenditures required to serve the proposed non-residential development is estimated to be \$137,007.86. This is calculated by multiplying the projected number of employees by the average cost per capita for municipal operating expenses (898 employees x \$152.57).

However, these estimated municipal service costs associated with a development such as that proposed are likely overstated. New non-residential properties that are investor owned and professionally managed income producing properties, such as that proposed by RDM Group, LLC, typically have a much lower average per capita cost for municipal services. This is because many services, such as street maintenance, snow removal, trash collection, etc. are provided by the

property owner rather than municipal employees. Additionally, there are other line items in the municipal budget such as existing debt service and reserve for uncollected taxes that will not be increased as a result of this project. In our experience in fiscal impact analysis, the marginal costs associated with a new self-contained development such as that proposed are typically 60 percent of the average per capita costs (60 percent of the estimated \$152.57 per capita costs is around \$91.54). We have found this to generally be true, but it does vary by municipality.

It is also important to consider that a portion of municipal revenue is dedicated to services and costs that would not be utilized by the proposed development. Because the development is self-contained, only a portion of the average per capita costs would be applicable to the proposed development, resulting in a number that is lower than the town-wide average.

Public Education Cost

The proposed development does not have any residential units proposed. No additional school-aged children are expected as a result of this development. However, the property will contribute \$2.28 million to the Valley Central school tax each year. This is a \$2.25 million increase in tax revenue from the existing property.

County Services Cost

Orange County provides a broad range of services to residences, such as human services, public safety, open space and recreation, and education services. On a per capita proportional basis, the county services costs are pro-rated at \$253.35 per resident and \$87.54 per employee. This is based the 2022 Orange County budget¹⁶ of \$134,142,866 to be raised by county property taxes for a residential population of 404,525 residents¹⁷ and 110,329 private sector jobs¹⁸. As applied to the proposed project, the cost for county services would equate to \$78,610.92, offset by tax collected of \$379,420 (up from the existing revenue of \$5,167). It is anticipated that the existing county facilities and services could easily accommodate the proposed development without incurring any additional cost.

¹⁶ <https://www.orangecountygov.com/DocumentCenter/View/23003/2022-Legislative-Adopted-Budget-PDF>

¹⁷ US Census 2021 Population Estimates

¹⁸ U.S. Census Bureau, OnTheMap Application

Fiscal Impact Summary

The following chart provides a summary of the project's financial impacts when fully taxed, as set forth previously in this report:

Table 9: Financial Summary Comparison

Item	Existing Property	Proposed Development
Employees	0	898
Residents	14 (estimate)	0
Municipal Tax Revenue	\$7,667	\$563,050
Municipal Costs	\$2,764	\$137,008
Municipal Tax Surplus	\$4,904	\$426,043
Municipal School Tax Revenue	\$31,135	\$2,286,350
Municipal School Costs	\$1,348	\$0
Municipal School Profit	\$29,787	\$2,286,350
County Tax Revenue	\$5,167	\$379,420
County Costs	\$0	\$78,611
County Tax Surplus	\$5,167	\$300,809

At full occupancy, the proposed project will yield a surplus in both the municipal/county and school tax revenues. The net municipal tax revenue (Town, Highway, Fire, and PT Town) will be \$426,043 more than the costs associated with the proposed development. The net county tax revenue will be \$300,809 more than the costs associated with the proposed development. The net school tax revenue will be \$2,286,350 with no additional costs incurred as a result of the development. The total tax revenue generated for the town, county, and schools by the proposed development will be \$5,080,415 above the associated costs.

Exemptions

Industrial Development Agencies (IDA) are empowered by state law to issue tax exempt and taxable bonds for qualifying projects, offer real property tax abatements, exempt sales taxes for construction materials and equipment, and waive mortgage recording taxes. Under the Town of Montgomery IDA’s policy, businesses that receive incentives must hire market-rate local labor for projects. This includes vendors, material suppliers, subcontractors and professional services. In addition, businesses must agree to create a certain number of jobs. The Town of Montgomery IDA requires each project to use at least 85 percent of its construction workforce from the seven counties of the Hudson Valley. The developer is working with the Montgomery IDA on an application for PILOT. In the alternative, the developer could seek an exemption under New York State Tax Law 485-b, but would not be eligible for both PILOT and 485-b. An analysis of each program is provided below for informational purposes.

PILOT

A PILOT is a mechanism under which IDAs offer eligible businesses phased-in taxes for a specified time period as an incentive to locate in its jurisdiction. It is not a property tax exemption. In return for reduced taxes, IDAs negotiate payments to be made to the county, school district and local municipality. Typically, businesses start by making payments equal to the existing assessed value of the land. Payment on the improvements increase incrementally each year until 100 percent of the assessed value is reached by the end of the PILOT term. This provides a similar structure of reduced tax payments for warehouse and distribution projects, increasing over a 10-year period.

While a PILOT is not being pursued at this time, the Applicant is reserving the potential. The following is a summary if a PILOT is pursued. The existing assessed value of \$844,400 is subtracted from the proposed equalized assessed value of \$62,007,913.87, which results in an increase assessed value of \$61,163,513.87. The property assessment value increase will serve as the basis for calculating a partial tax exemption below. The tax assessed on the preexisting value is not exempted.

Tax Revenues during PILOT Period

Tax Type	Year 1 60%	Year 2 60%	Year 3 60%	Year 4 50%	Year 5 45%	Year 6 40%	Year 7 35%	Year 8 30%	Year 9 20%	Year 10 10%
County	\$154,868.17	\$154,868.17	\$154,868.17	\$192,293.51	\$211,006.18	\$229,718.85	\$248,431.53	\$267,144.20	\$304,569.54	\$341,994.88
Town	\$34,816.17	\$34,816.17	\$34,816.17	\$43,229.82	\$47,436.65	\$51,643.47	\$55,850.30	\$60,057.13	\$68,470.78	\$76,884.43
Highway	\$57,448.20	\$57,448.20	\$57,448.20	\$57,448.20	\$71,331.09	\$78,272.54	\$85,213.99	\$92,155.43	\$99,096.88	\$112,979.77
PT Town	\$71,905.16	\$71,905.16	\$71,905.16	\$89,281.71	\$97,969.99	\$106,658.27	\$115,346.54	\$124,034.82	\$141,411.37	\$158,787.93
Fire	\$65,651.10	\$65,651.10	\$65,651.10	\$81,516.31	\$89,448.91	\$97,381.51	\$105,314.11	\$113,246.72	\$129,111.92	\$144,977.12
School	\$933,220.82	\$933,220.82	\$933,220.82	\$1,158,742.37	\$1,271,503.14	\$1,384,263.91	\$1,497,024.69	\$1,609,785.46	\$1,835,307.00	\$2,060,828.55
TOTAL	\$1,317,909.62	\$1,317,909.62	\$1,317,909.62	\$1,622,511.92	\$1,788,695.96	\$1,947,938.56	\$2,107,181.16	\$2,266,423.75	\$2,577,967.50	\$2,896,452.69

New York State 485-b Exemptions

In the alternative to the PILOT (Payment in Lieu of Taxes), the developer may wish to avail themselves of an exemption under New York State Tax Law 485-b. New York State Tax Law 485-b provides for business investment exemptions for real property constructed, altered, installed or improved for the purpose of commercial, business or industrial activity. These investments shall be exempt from taxation and special ad valorem levies, except for special ad valorem levies for fire district, fire protection district and fire alarm district purposes.

Such real property shall be exempt for a period of one year to the extent of 50 percent of the increase in assessed value thereof attributable to such improvement and for an additional period of nine years provided, however, that the extent of such exemption shall be decreased by 5 percent each year during such additional period of nine years and such exemption shall be computed with respect to the "exemption base." The exemption base shall be the increase in assessed value as determined in the initial year of such ten-year period following the filing of an original application.

The existing assessed value of \$844,400 is subtracted from the proposed equalized assessed value of \$62,007,913.87, which results in an increase assessed value of \$61,163,513.87. The property assessment value increase will serve as the basis for calculating a partial tax exemption below. The tax assessed on the preexisting value is not exempted.

Tax Revenues during Partial Tax Exemption Period										
Tax Type	Year 1 50%	Year 2 45%	Year 3 40%	Year 4 35%	Year 5 30%	Year 6 25%	Year 7 20%	Year 8 15%	Year 9 10%	Year 10 5%
County	\$192,293.51	\$211,006.18	\$229,718.85	\$248,431.53	\$267,144.20	\$285,856.87	\$304,569.54	\$323,282.21	\$341,994.88	\$360,707.55
Town	\$43,229.82	\$47,436.65	\$51,643.47	\$55,850.30	\$60,057.13	\$64,263.95	\$68,470.78	\$72,677.61	\$76,884.43	\$81,091.26
Highway	\$140,745.56	\$71,331.09	\$78,272.54	\$85,213.99	\$92,155.43	\$99,096.88	\$106,038.33	\$112,979.77	\$119,921.22	\$126,862.67
PT Town	\$89,281.71	\$97,969.99	\$106,658.27	\$115,346.54	\$124,034.82	\$132,723.10	\$141,411.37	\$150,099.65	\$158,787.93	\$167,476.21
Fire	\$81,516.31	\$89,448.91	\$97,381.51	\$105,314.11	\$113,246.72	\$121,179.32	\$129,111.92	\$137,044.52	\$144,977.12	\$152,909.73
School	\$902,086.18	\$1,271,503.14	\$1,384,263.91	\$1,497,024.69	\$1,609,785.46	\$1,722,546.23	\$1,835,307.00	\$1,948,067.78	\$2,060,828.55	\$2,173,589.32
TOTAL	\$1,449,153.10	\$1,788,695.96	\$1,947,938.56	\$2,107,181.16	\$2,266,423.75	\$2,425,666.35	\$2,584,908.95	\$2,744,151.54	\$2,903,394.14	\$3,062,636.74

Sales Tax Exemptions

Purchases made by the IDA, or its agents, are exempt from the 8.125% State and County Sales and Use Tax. If approved by the IDA, a company is designated as an agent of the IDA and is issued a Sales Tax Exemption (STE) package. This allows the Company to acquire materials, equipment and some services needed to construct or equip the project without having to pay sales tax. The STE package is limited in its duration and expires at the completion of the project. The package applies solely to the approved project and provides a description of the project to the vendors and specifies that the Company is acting as an agent of the IDA.

While cost of construction can vary dramatically based on construction type and finishes, this analysis assumes a cost of \$60 per square foot based on national averages, bringing the estimated

total to \$67,696,200. The project may apply for sales tax exemption through the Town of Montgomery IDA, which would be exempt from paying an estimated \$5,500,316 in sales taxes.

Conclusion

The proposed warehouse will provide a number of significant benefits to the local economy. These benefits can be categorized as “one-time impacts” or “ongoing impacts.” One-time impacts usually occur during the construction phase and include the jobs, wages and services associated with the actual construction of the development. One-time revenues to the Town include building permit, utility connection and other fees. The ongoing benefits are the economic benefits to local providers of various goods and services and their employees. This project as proposed will have a positive ongoing impact on the current tax base for the Town of Montgomery by generating a surplus in total tax revenues. Additionally, there will be no substantial impact on population, schools, community facilities or municipal services.



Engineering
& Design

Community Impact Statement

August 14, 2024

Proposed Warehouse

Property Tax ID: Lot 36-1-33, 36-1-11.221, 36-1-11.23, 36-1-11.212, 36-1-11.211, 36-1-11.11, 36-1-10.1 and 33-1-91

Town of Montgomery, Orange County, New York

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Project No. 21000327A

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Introduction

Colliers Engineering & Design is pleased to submit this Community Impact Statement (“CIS”) on behalf of the Applicant, RDM Group, LLC in support of an application to the Montgomery Planning Board for a proposed warehouse development on the subject properties known as Tax Lots 36-1-33, 36-1-11.221, 36-1-11.23, 36-1-11.212, 36-1-11.211, 36-1-11.11, 36-1-10.1 and 33-1-91. The property in question is located at 296 Neelytown Road, containing approximately 112.46 acres of vacant land with frontage along Neelytown Road to the east and Beaver Dam Road to the west in the Town of Montgomery, New York.

The project site is located in the Town’s I-1 General Industry zoning district. The property is proposed to be developed with two (2) warehouse buildings containing 850,000 square feet, 278,270 square feet of gross floor area. Other related site improvements including accessory parking for employee vehicles and trucks, stormwater control measures, utility lines, dark-sky compliant lighting, signage and landscaping. The Proposed Action would be served by municipal sewer and water services.

The proposed development will also require a two-lot subdivision and merging of the existing parcels into an 85.62-acre lot (“Lot 1”), a 26.83-acre lot (“Lot 2”). Lot 1 will have frontage on Neelytown Road and Beaver Dam Road and contains a 850,000 square foot warehouse/distribution facility. Lot 2 will have frontage on Beaver Dam Road and will contain a 278,270 square foot warehouse/distribution facility.

This Community Impact Statement analyzes the existing economic conditions and examines the anticipated impacts of the overall development with information pertaining to the occupancy of the proposed warehouse development. Specifically, the analysis examines the anticipated revenues and costs expected to be generated from the development.

Employment Impact

The proposed development contains a total of 1,128,270 square feet of floor area. Typical to warehouses, it is assumed that there will be three shifts, with an estimated total of 898 employees expected. These will be warehouse jobs with supporting office and managerial staff. Nationally, management roles tend to occupy 2.43 percent of warehousing positions, office and administrative roles 12.35 percent, and transportation and material moving the largest percentage of 74.89 percent.

Although specific tenants have not yet been retained, it is reasonable to assume that warehouse jobs will align with the national and county average of approximately \$18 per hour (\$41,660 annually), or more specifically broken down to an average national salary of \$109,910 for management; \$42,440 for administrative roles; and \$38,240 for transportation and material moving positions.

The most recent employment estimates for Montgomery are from the U.S. Census Bureau, OnTheMap Application, which estimates that Montgomery had 7,928 private sector employees in

2020. The projected 898 employees associated with the proposed development would increase the employment to 8,826 employees, representing an 11.33 percent increase of the town's 2020 employment.

Population Impact

The proposed development consists of nonresidential warehouse/distribution and office space only. There are no residences proposed on site and, therefore, there will be no direct impact to the existing population of Montgomery.

The 2021 ACS 5-year Estimates Census data indicates that Montgomery has 11,937 residents aged 16 or older in the workforce, and Orange County has 196,910.¹ An estimated 4 percent of the Montgomery residents are unemployed, as are 5.4 percent of county residents.² An estimated 11.3 percent of Montgomery workforce and 6.6 percent of the Orange County workforce is employed in "transportation, warehousing & utilities."³

Data from the New York State Department of Labor Local Plan of Orange County⁴ indicates a substantial existing labor force from which the Proposed Action can attract potential employees. The county labor force is drawn from an area including Orange, Dutchess, Rockland, Sullivan and Ulster Counties in New York, Pike and Wayne Counties in Pennsylvania, and Sussex County, New Jersey. Many of these counties are along the Interstate 84 corridor adjacent to the Project Site, which is important since twenty-two percent of the county workforce commutes into Orange County from elsewhere.⁵

The collective civilian labor force in these counties is approximately 564,000 people, of which approximately 30,000 are actively seeking work.⁶ Roughly 60,000 employees commute into Orange County from elsewhere for work opportunities, with a mean travel time of 34.4 minutes,⁷ demonstrating an available workforce within commuting distance without expected measurable increases in resident population.

As such, while 898 new employees are expected, these numbers show that there is an opportunity to find local employees with minimal increases in population, or businesses to support them.

¹ 2021 US Census ACS 5-year Estimates, Table DP03.

² Ibid.

³ 2021 US Census ACS 5-year Estimates, Table DP03.

⁴ Orange County, NY Local Plan for 2021 through 2025, July 1, 2021
<https://dol.ny.gov/system/files/documents/2021/12/orange-county-local-plan-combined-11-24-2021.pdf>

⁵ Ibid.

⁶ US Census OnTheMap, Orange County, accessed April 17, 2023

⁷ 2020 US Census ACS 5-year Estimates, Commuting Characteristics Table S0801.

School Impact

The proposed development has no residential component and, therefore, there will be no direct impact to the current school enrollment of the Valley Central School District as a result of the proposed development. Additionally, the school district will net over \$2.2 million in additional revenue with no associated service costs since there is no residential component proposed for this project.

Facilities Impact

Municipal Facilities

Municipal facilities generally consist of parks, recreation facilities, municipal offices, community buildings, libraries, and the like. The use of many of these places (community buildings, libraries, etc.) is typically limited to community residents or municipal employees. Parks, while generally open to the public, would have limited increased usage from new non-residential development. Therefore, the proposed commercial development is not expected to require any significant additional municipal investment in recreational facilities or other municipal facilities or services since no residential aspect is proposed.

Police Services

The police department is located on Bracken Road adjacent to Town Hall. As of March 7, 2022, the Town of Montgomery had 8 full-time police officers, 25 part-time police officers, 5 sergeants and 1 chief. Assuming two part-time police officers equal one full-time officer, the Town has 26.5 police officers. That is one police officer for every 880 residents, utilizing the 2020 population of 23,322 persons.

Chief John Hank of the Town of Montgomery Police anticipates an increase of 75 to 100 calls per year resulting from the proposed development, which he indicated would not unduly burden the existing force. Information regarding the Town Police Department was received from Chief John Hank on March 7, 2022 and December 2, 2022.

The Proposed Action would result in an increased demand for police services due to the new activity at the Project Site. However, the tax revenue generated by the Proposed Action is anticipated to be a net positive for the Town and address any potential additional costs to the Police Department. Based on the 2022 Town budget of \$17,028,814.35, approximately 16 percent (\$2,733,000) is directly budgeted for the Police Department payroll, equipment, and expenses. Furthermore, the demand for police service is expected to be mitigated by the security measures that would be implemented by the developer.

Fire & EMS Services

The subject property is serviced by the Maybrook Fire District. Maybrook Engine Company No. 1, located at 205 Wallace Avenue, serves 4,000 people living in a 4.2-square mile area, including the Village of Maybrook, Town of Montgomery, and parts of the Town of New Windsor.

There are approximately 74 active members of the Maybrook Fire Department, which is a 100 per cent volunteer force. The department has two engines, one ladder, one tanker, one heavy rescue, one mini rescue, one brush truck, one traffic management/transport truck, and two chief vehicles.

The Town of Montgomery and its incorporated villages are provided with emergency services through the Town of Montgomery Ambulance, a 501(c)(3) not for profit volunteer organization located at 22 South Montgomery Street in Walden. The Town of Montgomery Ambulance has 20 volunteers, 12 full time equivalent staff, and 7 volunteer trustees.⁸ They operate one ambulance out of the main station in Walden, NY, and a second ambulance which may be stationed at Walden or from a location in Montgomery. From either location, response time would be 15 to 20 minutes.

A phone discussion was had on March 18, 2022, with Kyle Shorette, President of the Town of Montgomery Ambulance, to discuss the existing services and its ability to service the Proposed Action, followed by an email and memorandum. This memorandum is included in Appendix A.

While Town of Montgomery Ambulance provides basic life support, more urgent "advanced life support" needs are provided by Mobile Life Support Services, Inc., a privately-owned commercial ambulance service with approximately 500 EMS professionals, 73 ambulances and other vehicles, and 24 stations across the Hudson Valley Region.⁹ Mobile Life has a station located at 1 Hudson Bluff Circle just north of the Hamlet of Marlboro.

It is assumed that the proposed development would require the same level of service as other existing commercial developments in the Town and would not require any additional fire or EMS personnel or equipment to service the proposed development.

Water & Sewer Service

Lot 33-1-91 is located in Water District 1 and Lots 36-1-33, 36-1-11.221, 36-1-11.212, and 36-1-11.211 are located in Neelytown West Water District. The residential properties on Lots 36-1-11.212 and 36-1-11.211 use private domestic wells to provide water service. During the construction process, these wells will be properly abandoned in accordance with the Orange County Department of Health (OCDOH) requirements and all applicable laws. Currently there is a 12" PVC water main under Neelytown Road servicing the existing industrial businesses adjacent to the subject site. The applicant anticipates connecting both water and fire service to this existing water main.

Lots 36-1-33, 36-1-11.221, 36-1-11.212, and 36-1-11.211 are all located in Sewer District 1 and have access to sanitary service via the 6" PVC sewer force main under Neelytown Road. The sewer main in

⁸ Town of Montgomery Ambulance correspondence, Eric Shorette, Captain. February 21, 2023.

⁹ Mobile Life Support Services, Inc., <https://www.mobilelife.com/about/>, accessed 12/29/2022.

Neelytown Road also services the surrounding industrial uses and the residential properties on Lots 36-1-11.212 and 36-1-11.211. Any existing wastewater improvements associated with the residential properties will be abandoned and/or removed in accordance with New York State Department of Health (NYSDOH) guidelines and all applicable laws. The applicant is anticipating to discharge sewerage effluent to an on-site pump station before being pumped via force main to the existing 6" force main within Neelytown Road.

Table 1: Wastewater Demand Estimate

Land Use	Code	Employees/ 1,000 SF	Bldg Area (SF)	Estimated # of Employees	Demand Rate*	Estimate Demand (gpd)
General Light Industrial	110	0.83	1,096,270	910	15 gpd / employee/shift	13,649
Industrial Park	130	1.11		1,217		18,253
Manufacturing	140	1		1,096		16,444
Warehousing	150	0.24		263		3,947
Office Building	701	3.4	32,000	109	15 gpd / employee	1,632

**Demand rate based on section B.6.b., Table B-3 in the Design Standards for Intermediate Sized Wastewater Treatment Systems, March 5 2014, by the New York State Department of Environmental Conservation.*

The increase in sewer demand for the project will come in the form of restrooms within the warehouse buildings. For the proposed action, adequate sewer collection lines for sewage disposal will be installed to supply the increase in demand. Pumping stations will be used to transfer the sewage from the collection pipes to the existing force main running within Neelytown Road. Similar to the proposed utilities mentioned above, the proposed sewer connections will be run underground the proposed driveways which need to be excavated to be constructed. Therefore, no anticipated impacts to the roadway infrastructure will be created from the increase in sewerage demand.

Other Municipal Services

All infrastructure within the site will be maintained by the property owner. Solid waste, recycling, and snowplowing services will be privately contracted. Therefore, the proposed project will have no adverse impact on these municipal services.

Fiscal Impact

Anticipated Tax Revenues

This section analyzes the existing economic conditions and examines the anticipated impacts of the proposed development. Specifically, the analysis examines the existing revenues and costs

generated by the subject property as well as the anticipated revenues and costs expected to be generated from the proposed development.

It should be noted that, to determine the financial impacts, all dollars used were based on the 2022 municipal budget. The anticipated fiscal impacts shown reflect the forecasted impact as if the proposed development was completed, occupied and assessed during 2022.

The financial benefits to the Town of Montgomery as presented in this report are based upon quantifiable data which is used as input to a fiscal impact model. It must be realized that not all benefits and impacts of a given project can be so easily quantified. In terms of quantifiable benefits of the proposed development, this report finds that the proposed development would result in a positive financial impact on municipal finances.

The subject site, as combined, had an overall tentative assessed property value of \$844,400 based on the 2022 tax records. The total tax rate per \$1,000 is actually comprised of six individual taxes. There are tax line items for Orange County, the Town of Montgomery, Highway, Town Property Tax, Maybrook Fire District, and Valley Central School. Table 2 shows the tax rates and annual tax contribution for 2022.^{10, 11}

Table 2: 2022 Tax Contribution Breakdown (all lots combined)

Tax Type	Existing Assessed Property Value	Tax Rate Per \$1000 of Assessed Value	Annual Tax Contribution
County	\$844,400	6.118900	\$5,166.80
Town	↓	1.375600	\$1,161.56
Highway		2.269800	\$1,916.62
PT Town		2.841000	\$2,398.94
Fire		2.593900	\$2,190.29
School		36.871908	\$31,134.64
Total			52.071108

The anticipated total market value of the improvements would be approximately \$126,546,763, which includes the proposed buildings and all site improvements (see Table 3 for a breakout of the project’s proposed value). The value of the project may be subject to change based on changing market conditions. Adjusting by the town’s 2022 equalization ratio of 49%, the equalized assessed value is estimated at around \$62 million.

¹⁰ Town of Montgomery Tax Office, Phone call with Gina, March 7, 2022.

¹¹ Town of Montgomery Online Tax Search System, <https://egov.basgov.com/montgomery/>, accessed 12/1/22.

Table 3: Projected Value of Proposed Development

Components	Square Footage	Value Per Square Foot	Value
Commercial Space	1,128,270	\$ 25.00	\$19,361,113.00
Site Improvements		\$ 95.00	\$107,185,650.00
Subtotal			\$126,546,763.00

Moreover, the cost of materials will incur a sales tax. Orange County and New York State have a combined sales tax rate of 8.13%, for a total sales tax collection of over \$7.2 million. Of this, 3.75%, or 3.34 million goes to the county, and 4%, or 3.57 million, goes to the state. Orange County shares the 3.75% with local governments. Approximately 26.384% of the \$3.34 million is distributed amongst towns and villages based on population.¹²

Table 4: Projected Sales Tax on Construction Materials

Building Square Footage	Materials Cost Per Square Foot	Total Cost of Construction Materials	Sales Tax rate	Total Sales Tax collected
1,128,270	\$ 60.00	\$67,696,200.00	8.13%	\$5,503,701.06

The projected annual tax contribution by the proposed development would generate over \$3.23 million annually, as shown in Table 5.

Table 5: Projected Tax Contribution

2022 Equalization Rate	Estimated Improvements Value	Existing Equalized Land Value	Tax Rate Per \$1000 of Projected Value	Projected Annual Tax Contribution
49.00%	x \$126,546,763	+ \$844,400	x 52.0711	= \$3,238,193.08

Table 6 illustrates the 2022 tax contribution breakdown for each tax line item based on the current assessed value. The Town of Montgomery is projected to receive around \$85,298 per year, the county would receive around \$379,420, and the school system would receive \$2.28 million per year. Note that these estimated valuations are shown only for the purposes of this fiscal analysis and are ultimately determined by the Town Tax Assessor.

¹² Office of the New York State Comptroller, "Understanding Local Government Sales Tax in New York State, 2020 Update" Accessed April 19, 2023

Table 6: Projected Annual Tax Contribution Breakdown

Tax Type	Value of Proposed Development	Tax Rate Per \$1000 of Assessed Value	Annual Tax Contribution
County	↓ \$62,007,914	6.118900	\$379,420.22
Town		1.375600	\$85,298.09
Highway		2.269800	\$140,745.56
PT Town		2.841000	\$176,164.48
Fire		2.593900	\$160,842.33
School		36.871908	\$2,286,350.10
Total			52.071108

In addition to the substantial tax ratable generated each year, there will be significant one-time benefits as well. One-time impacts usually occur during the construction phase and include the jobs, wages and services associated with the actual construction of the development. One-time revenues to the Town include building permit, sewer and water connection and usage fees, and other one-time benefits.

Municipal Services Cost

The fiscal impacts of the proposed development can be evaluated by using the proportional valuation method and a hybrid of the per capita multiplier method.¹³ This analysis assigns the costs of municipal services based on the relative percentage of the municipal tax base represented by non-residential properties versus residential properties. As seen in the Table 7, there were a total of 8,313 taxable parcels in the Town of Montgomery in 2022 (most current data available), which had a total assessed value of \$1.6 billion. This table shows the columns of “Percentage of Tax Base” and “Percentage of Parcels” having only three values. The five individual tax classifications were grouped into smaller categories to determine the split between the residential versus non-residential base. Non-residential, non-vacant private properties compose only 6.4 percent of the town’s parcels and 31.3 percent of the tax base.

Given these distributions, 18.9 percent is the combined average percent $[(6.4\% + 31.3\%) \div 2]$ of the total current municipal expenditures that would be assigned to the 525 non-residential, non-vacant, private properties within the town.

¹³ This method for analyzing the fiscal impact of development is widely accepted and appears in *The New Practitioner’s Guide to Fiscal Impact Analysis*, published by the Center for Urban Policy Research (CUPR), at Rutgers University, 1985 and the *Development Impact Assessment Handbook* published jointly by CURP and the Urban Land Institute in 1994.

Table 7: Town of Montgomery 2021 Ratable Base

Classification	Parcels	Total Assessed Value	Percentage of Tax Base	Percentage of Parcels	Proportional Percentage
Residential - 200	6,690	\$1,035,345,049.00	64.5%	81.7%	73.1%
Agricultural - 100	133	\$30,873,400.00	4.2%	11.9%	8.0%
Vacant - 300	839	\$36,576,535.00			
Commercial - 400	497	\$477,257,173.00	31.3%	6.4%	18.9%
Industrial - 700	28	\$25,481,900.00			
Total	8,187	\$1,605,534,057.00	100%	100%	100%

Using a hybrid of the proportional valuation method and the per capita multiplier method, the costs of municipal services for the year 2022 is estimated at \$152.57 per employee. This figure is calculated by multiplying the revenue to be raised by taxes in support of the municipal budget for 2022 (\$6,412,626) by the proportional percentage of the town’s ratable base attributed to private non-residential properties (18.9 percent) and then dividing by the Town’s total private employment estimate from 2022 (7,928).

Table 8: Cost of Municipal Services

Revenue to be Raised by Taxes for Municipal Purposes (2021)	\$6,412,625.80
÷ Estimated 2020 Private Employees	7,928
= Revenue of Municipal Services per Employee	\$808.86
x Share of Non-Residential-Associated Expenditures	18.9%
= Cost of Municipal Services per Employee	\$152.57
x Projected New Employees	898
= Projected Municipal Costs	\$137,007.86

The municipal operating expenditures required to serve the proposed non-residential development is estimated to be \$137,007.86. This is calculated by multiplying the projected number of employees by the average cost per capita for municipal operating expenses (898 employees x \$152.57).

However, these estimated municipal service costs associated with a development such as that proposed are likely overstated. New non-residential properties that are investor owned and professionally managed income producing properties, such as that proposed by RDM Group, LLC, typically have a much lower average per capita cost for municipal services. This is because many services, such as street maintenance, snow removal, trash collection, etc. are provided by the property owner rather than municipal employees. Additionally, there are other line items in the municipal budget such as existing debt service and reserve for uncollected taxes that will not be increased as a result of this project. In our experience in fiscal impact analysis, the marginal costs associated with a new self-contained development such as that proposed are typically 60 percent of the average per capita costs (60 percent of the estimated \$152.57 per capita costs is around \$91.54). We have found this to generally be true, but it does vary by municipality.

It is also important to consider that a portion of municipal revenue is dedicated to services and costs that would not be utilized by the proposed development. Because the development is self-contained, only a portion of the average per capita costs would be applicable to the proposed development, resulting in a number that is lower than the town-wide average.

Public Education Cost

The proposed development does not have any residential units proposed. No additional school-aged children are expected as a result of this development. However, the property will contribute \$2.28 million to the Valley Central school tax each year. This is a \$2.25 million increase in tax revenue from the existing property.

County Services Cost

Orange County provides a broad range of services to residences, such as human services, public safety, open space and recreation, and education services. On a per capita proportional basis, the county services costs are pro-rated at \$253.35 per resident and \$87.54 per employee. This is based on the 2022 Orange County budget¹⁴ of \$134,142,866 to be raised by county property taxes for a residential population of 404,525 residents¹⁵ and 110,329 private sector jobs¹⁶. As applied to the proposed project, the cost for county services would equate to \$78,610.92, offset by tax collected of \$379,420 (up from the existing revenue of \$5,167). It is anticipated that the existing county facilities and services could easily accommodate the proposed development without incurring any additional cost.

¹⁴ <https://www.orangecountygov.com/DocumentCenter/View/23003/2022-Legislative-Adopted-Budget-PDF>

¹⁵ US Census 2021 Population Estimates

¹⁶ U.S. Census Bureau, OnTheMap Application

Fiscal Impact Summary

The following chart provides a summary of the project's financial impacts when fully taxed, as set forth previously in this report:

Table 9: Financial Summary Comparison

Item	Existing Property	Proposed Development
Employees	0	898
Residents	14 (estimate)	0
Municipal Tax Revenue	\$7,667	\$563,050
Municipal Costs	\$2,764	\$137,008
Municipal Tax Surplus	\$4,904	\$426,043
Municipal School Tax Revenue	\$31,135	\$2,286,350
Municipal School Costs	\$1,348	\$0
Municipal School Profit	\$29,787	\$2,286,350
County Tax Revenue	\$5,167	\$379,420
County Costs	\$0	\$78,611
County Tax Surplus	\$5,167	\$300,809

At full occupancy, the proposed project will yield a surplus in both the municipal/county and school tax revenues. The net municipal tax revenue (Town, Highway, Fire, and PT Town) will be \$426,043 more than the costs associated with the proposed development. The net county tax revenue will be \$300,809 more than the costs associated with the proposed development. The net school tax revenue will be \$2,286,350 with no additional costs incurred as a result of the development. The total tax revenue generated for the town, county, and schools by the proposed development will be \$5,080,415 above the associated costs.

Exemptions

Industrial Development Agencies (IDA) are empowered by state law to issue tax exempt and taxable bonds for qualifying projects, offer real property tax abatements, exempt sales taxes for construction materials and equipment, and waive mortgage recording taxes. Under the Town of Montgomery IDA’s policy, businesses that receive incentives must hire market-rate local labor for projects. This includes vendors, material suppliers, subcontractors and professional services. In addition, businesses must agree to create a certain number of jobs. The Town of Montgomery IDA requires each project to use at least 85 percent of its construction workforce from the seven counties of the Hudson Valley. The developer is working with the Montgomery IDA on an application for PILOT. In the alternative, the developer could seek an exemption under New York State Tax Law 485-b, but would not be eligible for both PILOT and 485-b. An analysis of each program is provided below for informational purposes.

PILOT

A PILOT is a mechanism under which IDAs offer eligible businesses phased-in taxes for a specified time period as an incentive to locate in its jurisdiction. It is not a property tax exemption. In return for reduced taxes, IDAs negotiate payments to be made to the county, school district and local municipality. Typically, businesses start by making payments equal to the existing assessed value of the land. Payment on the improvements increase incrementally each year until 100 percent of the assessed value is reached by the end of the PILOT term. This provides a similar structure of reduced tax payments for warehouse and distribution projects, increasing over a 10-year period.

While a PILOT is not being pursued at this time, the Applicant is reserving the potential. The following is a summary if a PILOT is pursued. The existing assessed value of \$844,400 is subtracted from the proposed equalized assessed value of \$62,007,913.87, which results in an increase assessed value of \$61,163,513.87. The property assessment value increase will serve as the basis for calculating a partial tax exemption below. The tax assessed on the preexisting value is not exempted.

Tax Revenues during PILOT Period

Tax Type	Year 1 60%	Year 2 60%	Year 3 60%	Year 4 50%	Year 5 45%	Year 6 40%	Year 7 35%	Year 8 30%	Year 9 20%	Year 10 10%
County	\$154,868.17	\$154,868.17	\$154,868.17	\$192,293.51	\$211,006.18	\$229,718.85	\$248,431.53	\$267,144.20	\$304,569.54	\$341,994.88
Town	\$34,816.17	\$34,816.17	\$34,816.17	\$43,229.82	\$47,436.65	\$51,643.47	\$55,850.30	\$60,057.13	\$68,470.78	\$76,884.43
Highway	\$57,448.20	\$57,448.20	\$57,448.20	\$57,448.20	\$71,331.09	\$78,272.54	\$85,213.99	\$92,155.43	\$99,096.88	\$112,979.77
PT Town	\$71,905.16	\$71,905.16	\$71,905.16	\$89,281.71	\$97,969.99	\$106,658.27	\$115,346.54	\$124,034.82	\$141,411.37	\$158,787.93
Fire	\$65,651.10	\$65,651.10	\$65,651.10	\$81,516.31	\$89,448.91	\$97,381.51	\$105,314.11	\$113,246.72	\$129,111.92	\$144,977.12
School	\$933,220.82	\$933,220.82	\$933,220.82	\$1,158,742.37	\$1,271,503.14	\$1,384,263.91	\$1,497,024.69	\$1,609,785.46	\$1,835,307.00	\$2,060,828.55
TOTAL	\$1,317,909.62	\$1,317,909.62	\$1,317,909.62	\$1,622,511.92	\$1,788,695.96	\$1,947,938.56	\$2,107,181.16	\$2,266,423.75	\$2,577,967.50	\$2,896,452.69

New York State 485-b Exemptions

In the alternative to the PILOT (Payment in Lieu of Taxes), the developer may wish to avail themselves of an exemption under New York State Tax Law 485-b. New York State Tax Law 485-b provides for business investment exemptions for real property constructed, altered, installed or improved for the purpose of commercial, business or industrial activity. These investments shall be exempt from taxation and special ad valorem levies, except for special ad valorem levies for fire district, fire protection district and fire alarm district purposes.

Such real property shall be exempt for a period of one year to the extent of 50 percent of the increase in assessed value thereof attributable to such improvement and for an additional period of nine years provided, however, that the extent of such exemption shall be decreased by 5 percent each year during such additional period of nine years and such exemption shall be computed with respect to the "exemption base." The exemption base shall be the increase in assessed value as determined in the initial year of such ten-year period following the filing of an original application.

The existing assessed value of \$844,400 is subtracted from the proposed equalized assessed value of \$62,007,913.87, which results in an increase assessed value of \$61,163,513.87. The property assessment value increase will serve as the basis for calculating a partial tax exemption below. The tax assessed on the preexisting value is not exempted.

Tax Revenues during Partial Tax Exemption Period										
Tax Type	Year 1 50%	Year 2 45%	Year 3 40%	Year 4 35%	Year 5 30%	Year 6 25%	Year 7 20%	Year 8 15%	Year 9 10%	Year 10 5%
County	\$192,293.51	\$211,006.18	\$229,718.85	\$248,431.53	\$267,144.20	\$285,856.87	\$304,569.54	\$323,282.21	\$341,994.88	\$360,707.55
Town	\$43,229.82	\$47,436.65	\$51,643.47	\$55,850.30	\$60,057.13	\$64,263.95	\$68,470.78	\$72,677.61	\$76,884.43	\$81,091.26
Highway	\$140,745.56	\$71,331.09	\$78,272.54	\$85,213.99	\$92,155.43	\$99,096.88	\$106,038.33	\$112,979.77	\$119,921.22	\$126,862.67
PT Town	\$89,281.71	\$97,969.99	\$106,658.27	\$115,346.54	\$124,034.82	\$132,723.10	\$141,411.37	\$150,099.65	\$158,787.93	\$167,476.21
Fire	\$81,516.31	\$89,448.91	\$97,381.51	\$105,314.11	\$113,246.72	\$121,179.32	\$129,111.92	\$137,044.52	\$144,977.12	\$152,909.73
School	\$902,086.18	\$1,271,503.14	\$1,384,263.91	\$1,497,024.69	\$1,609,785.46	\$1,722,546.23	\$1,835,307.00	\$1,948,067.78	\$2,060,828.55	\$2,173,589.32
TOTAL	\$1,449,153.10	\$1,788,695.96	\$1,947,938.56	\$2,107,181.16	\$2,266,423.75	\$2,425,666.35	\$2,584,908.95	\$2,744,151.54	\$2,903,394.14	\$3,062,636.74

Sales Tax Exemptions

Purchases made by the IDA, or its agents, are exempt from the 8.125% State and County Sales and Use Tax. If approved by the IDA, a company is designated as an agent of the IDA and is issued a Sales Tax Exemption (STE) package. This allows the Company to acquire materials, equipment and some services needed to construct or equip the project without having to pay sales tax. The STE package is limited in its duration and expires at the completion of the project. The package applies solely to the approved project and provides a description of the project to the vendors and specifies that the Company is acting as an agent of the IDA.

While cost of construction can vary dramatically based on construction type and finishes, this analysis assumes a cost of \$60 per square foot based on national averages, bringing the estimated

total to \$67,696,200. The project may apply for sales tax exemption through the Town of Montgomery IDA, which would be exempt from paying an estimated \$5,500,316 in sales taxes.

Conclusion

The proposed warehouse will provide a number of significant benefits to the local economy. These benefits can be categorized as “one-time impacts” or “ongoing impacts.” One-time impacts usually occur during the construction phase and include the jobs, wages and services associated with the actual construction of the development. One-time revenues to the Town include building permit, utility connection and other fees. The ongoing benefits are the economic benefits to local providers of various goods and services and their employees. This project as proposed will have a positive ongoing impact on the current tax base for the Town of Montgomery by generating a surplus in total tax revenues. Additionally, there will be no substantial impact on population, schools, community facilities or municipal services.