24. Growth Inducing Aspects of the Proposed Action

The economic analysis in Section 19 describes the secondary growth that could be associated with the development of this project. In addition to secondary growth during the development phase, the permanent direct growth onsite which includes approximately 2,300 new residents and 4,300 new jobs would be expected to generate secondary growth related to services to support these new residents and businesses. This would consist of employment and tax revenues. Information from Section 19 relating to growth inducement is summarized below.

24.1. Development Phase

The secondary or multiplier impact of projected spending during the 20-year development phase was estimated to generate approximately 11,400 secondary support jobs throughout the local economy. These are jobs that would not exist in the absence of the proposed project. Local earnings could increase by almost $475 million. The local output of goods and services could increase by more than $1.5 billion, including the original expenditure. This is equivalent to a net output increase of more than $771 million.

24.2. Discretionary Spending by New Residents

The projected 2,361 residents could bring considerable purchasing power to the local community, with an estimated aggregate discretionary income ranging from $15 to $26 million. Most of this spending is likely to remain within the immediate community and subject to the multiplier process. The RIMS II input-output model of the Long Island economy estimated the ripple or multiplier effect of potential discretionary spending by residents of the development as a net output increase of about $3.85 to 6.4 million. Local earnings would increase by about $5.27 to 8.8 million and 148 to 247 secondary jobs would be created within a broad array of local industries. To the extent that some of this spending “leaks out” as when residents take vacations elsewhere in the country or abroad or patronize New York City restaurants and theaters, the multiplier effect described above would be commensurately reduced.

24.3. Spending by New Workers

Workers at the proposed development will spend their earnings at local business establishments, thereby triggering the multiplier process. Onsite businesses will purchase goods and services from other local businesses thereby creating additional ripple effects. Multipliers from the RIMS II input-output model estimated that this ripple or multiplier effect could generate another 3,581 secondary (indirect) jobs throughout the economy with $157.4 million in payrolls.

24.4. Tax Revenues

Projected total annual real property taxes for the proposed development are approximately $12 million based on current market conditions, equalization and tax rates. These taxes would benefit the Town, the County, and the school, police, fire and ambulance districts. In addition, the proposed development could generate approximately $2 million in sales taxes annually with about one half going to Suffolk County.