

**City of Long Beach
Engel Burman at the Beach Analysis**

Net Impact to City of Long Beach

Fiscal Year	2024	2025	2026	2027	2028	2029	2030	2031	2032
City Portion of Condo Tax	\$ 622,568	\$ 1,245,137	\$ 1,267,674	\$ 1,290,619	\$ 1,313,979	\$ 1,337,762	\$ 1,361,975	\$ 1,386,627	\$ 1,411,725
City Expenses for Condo Property	(102,420)	(206,888)	(208,957)	(211,047)	(213,157)	(215,289)	(217,441)	(219,616)	(221,812)
City Portion of Rental Tax/PILOT	45,597	46,422	47,262	48,118	48,989	49,875	50,778	51,697	52,633
City Expenses for Rental Property	(89,423)	(90,317)	(91,220)	(92,132)	(93,054)	(93,984)	(94,924)	(95,873)	(96,832)
Net Impact	\$ 476,323	\$ 994,354	\$ 1,014,759	\$ 1,035,558	\$ 1,056,757	\$ 1,078,365	\$ 1,100,388	\$ 1,122,835	\$ 1,145,714

Fiscal Year	2033	2034	2035	2036	2037	2038	2039	2040	2041
City Portion of Condo Tax	\$ 1,437,277	\$ 1,463,292	\$ 1,489,777	\$ 1,516,742	\$ 1,544,196	\$ 1,572,145	\$ 1,600,601	\$ 1,629,572	\$ 1,659,067
City Expenses for Condo Property	(224,030)	(226,270)	(228,533)	(230,819)	(233,127)	(235,458)	(237,813)	(240,191)	(242,593)
City Portion of Rental Tax/PILOT	53,586	78,400	103,232	128,082	152,951	177,838	202,743	227,668	252,612
City Expenses for Rental Property	(97,800)	(98,778)	(99,766)	(100,764)	(101,771)	(102,789)	(103,817)	(104,855)	(105,904)
Net Impact	\$ 1,169,032	\$ 1,216,643	\$ 1,264,711	\$ 1,313,243	\$ 1,362,248	\$ 1,411,736	\$ 1,461,715	\$ 1,512,194	\$ 1,563,184

Fiscal Year	2042	2043	2044	2045	2046	2047	2048	Total
City Portion of Condo Tax	\$ 1,689,097	\$ 1,719,669	\$ 1,750,795	\$ 1,782,485	\$ 1,814,748	\$ 1,847,594	\$ 1,881,036	\$ 37,636,159
City Expenses for Condo Property	(245,019)	(247,469)	(249,943)	(252,443)	(254,967)	(257,517)	(260,092)	(5,682,909)
City Portion of Rental Tax/PILOT	277,577	302,561	327,567	352,593	377,640	402,710	427,801	4,286,933
City Expenses for Rental Property	(106,963)	(108,032)	(109,113)	(110,204)	(111,306)	(112,419)	(113,543)	(2,525,580)
Net Impact	\$ 1,614,692	\$ 1,666,730	\$ 1,719,306	\$ 1,772,431	\$ 1,826,115	\$ 1,880,368	\$ 1,935,202	\$ 33,714,603

Assumptions

1. Construction will begin in FY 2021, with half of condo units and rental units completed in FY 2023. Completion of remaining condo units in FY 2024. All units will be fully occupied upon completion and taxes/PILOT payments beginning in the following year.
2. Prior to completion, condo property will continue paying current taxes, increasing by 1.81% per annum. Half of anticipated condo property taxes will be realized beginning in FY 2024, with remainder beginning in FY 2025.
3. Half of anticipated City expenses for condo property will be realized beginning in FY 2024, with remainder beginning in FY 2025.
4. Prior to completion, rental property will continue paying current taxes, increasing by 1.81% per annum. Rental property taxes will begin increasing in FY 2024, following construction completion, as per the proposed PILOT structure (FY 2024 - 2048). Note the PILOT structure has not been finalized and is subject to change.
5. All City expenses for rental property will be incurred beginning in FY 2024.
6. All expenses will increase by 1% per annum, the City's average annual expense growth rate from FY 2015 - 2019.
7. No indirect costs or fees from/to the City, such as building permit fees, were considered in this analysis.
8. City is expected to receive 19.20% of total PILOT revenue, Nassau County will receive 13.00% and Long Beach School District will receive 67.80%.

Sources: Nelson, Pope & Voorhis, LLC "Fiscal and Economic Impact and Household Buying Power Analysis" dated June 14, 2020 & National Development Council "PILOT Summary for Engel Burman at the Beach" dated July 1, 2020.