



WESTFIELD REDEVELOPMENT ECONOMIC AND FISCAL BENEFITS STUDY

EXECUTIVE SUMMARY

This summary presents estimates of the economic and fiscal benefits that will be generated by the planned redevelopment of the former Lord & Taylor store site, located at 609 North Avenue West, and related parcels in the Town of Westfield, New Jersey (the “proposed project”). In total, the proposed project includes: 205 DUs; 310,000 gross square feet (gsf) of office space; 27,410 gsf of retail space; and 1,817 parking spaces.

Construction Benefits (see Table 1)

- The proposed project will create a total of 2,168 person-year jobs¹ in the Town of Westfield, which will generate \$212.24 million in labor income and to \$316.48 million in economic output.
- In New Jersey overall, the proposed project will support 3,006 person-year jobs, generate \$275.26 million in total labor income, and \$496.38 million in economic output for New Jersey, of which \$402.14 million will be realized in Union County.
- During construction, the proposed project will generate \$190,000 in local tax revenue, \$20,000 in tax revenue for Union County and \$9.94 million for the State of New Jersey.

Operational Benefits (see Table 2)

- The proposed project will support 1,371 direct on-site jobs in the residential and office buildings and generate \$148.55 million in direct labor income.
- In New Jersey overall, the proposed project will support 2,798 total jobs, \$246.88 million in labor income, and will generate \$558.36 million annually in total economic output for New Jersey, of which \$442.57 million will be realized in Union County.
- Annually, the proposed project will generate \$250,000 in local tax revenues, \$30,000 in tax revenue for Union County and \$11.38 million in tax revenue for the State of New Jersey.

Resident and Worker Local Spending

- In addition to the impacts described above, new residents will spend an estimated \$5.63 million each year which will support 33 full- and part-time local retail jobs in the Town of Westfield and generate \$2.83 million in local economic output.
- The new office workers generated by the proposed project will support economic activity through \$5.94 million in local spending.²

¹ A person-year is the equivalent of one person working full-time for one year.

² This amount does not account for economic output for retail industries, which are less than total local spending due to retail margins. Economic impact for retail industries is total consumer expenditure minus the cost of goods. This economic activity is captured in the induced (household spending) benefits for Union County and New Jersey.

Table 1
Economic and Fiscal Benefits of Project Construction

	Westfield	Union County ¹	New Jersey ¹
Economic Benefits			
Employment (person-years)²			
Direct	2,152 ³	2,152	2,152
Indirect	6	202	305
Induced	10	211	549
Total	2,168	2,565	3,006
Labor Income⁴ (in millions of 2022 dollars)			
Direct	\$211.12	\$211.12	\$211.12
Indirect	\$0.50	\$16.42	\$26.27
Induced	\$0.62	\$14.00	\$37.87
Total	\$212.24	\$241.55	\$275.26
Economic Output⁵ (in millions of 2022 dollars)			
Direct	\$313.76	\$313.76	\$313.76
Indirect	\$1.12	\$46.90	\$73.45
Induced	\$1.60	\$41.48	\$109.16
Total	\$316.48	\$402.14	\$496.38
Fiscal Benefits (in millions of 2022 dollars)			
Local	\$0.19		
Union County	\$0.02		
State of New Jersey	\$9.94		

Notes:

1. Westfield economic benefits are included within the total for Union County, and Union County economic benefits are included within the total New Jersey economic benefits.
2. A person-year is the equivalent of one person working full-time for one year.
3. Direct, on-site construction employees are unlikely to reside within the Town of Westfield.
4. Labor income is the sum of wages and salary, benefits, and proprietor income.
5. Output is the total value of industry production.

Totals may not sum as presented due to rounding. Jobs are rounded to the nearest whole job and dollar values are rounded to the nearest ten thousand.

Sources: 2019 IMPLAN model, AKRF, Inc.; Construction costs provided to AKRF by Streetworks Development.

Table 2
Annual Economic Benefits of Project Operations

	Westfield ⁴	Union County	New Jersey
Economic Benefits			
Employment (full- and part-time)			
Direct	1,371	1,371	1,371
Indirect	26	567	744
Induced	4	259	683
Total	1,401	2,197	2,798
Labor Income¹ (in millions of 2022 dollars)			
Direct	\$148.55	\$148.55	\$148.55
Indirect	\$1.66	\$41.44	\$56.12
Induced	\$0.23	\$15.38	\$42.21
Total	\$150.44	\$205.37	\$246.88
Economic Output² (in millions of 2022 dollars)			
Direct	\$291.73	\$291.73	\$291.73
Indirect	\$3.99	\$105.09	\$144.80
Induced	\$0.60	\$45.75	\$121.83
Total	\$296.31	\$442.57	\$558.36
Fiscal Benefits (in millions of 2022 dollars)³			
Local	\$0.25		
Union County	\$0.03		
State of New Jersey	\$11.38		

Notes:

1. Labor income is the sum of wages and salary, benefits, and proprietor income.
2. Output is the total value of industry production.
3. Fiscal benefits exclude property taxes.
4. Induced impacts are reported based on where the worker lives. The induced economic benefits to Westfield include only the household spending of the proposed project's workers who will also live in Westfield. The household spending of workers who commute into Westfield is captured in the induced effects for Union County and New Jersey overall. The household spending of the proposed project's residents is not captured in **Table 2**. Spending in Westfield for the proposed project's residents and non- Westfield-resident workers are calculated separately.

Totals may not sum as presented due to rounding. Jobs are rounded to the nearest whole job and dollar values are rounded to the nearest ten thousand.

Sources: 2019 IMPLAN model, AKRF, Inc.; Construction costs provided to AKRF by Streetworks Development.