



LABOR FORCE ASSESSMENT

Melville, NY

April 22, 2022

LABOR FORCE SUMMARY

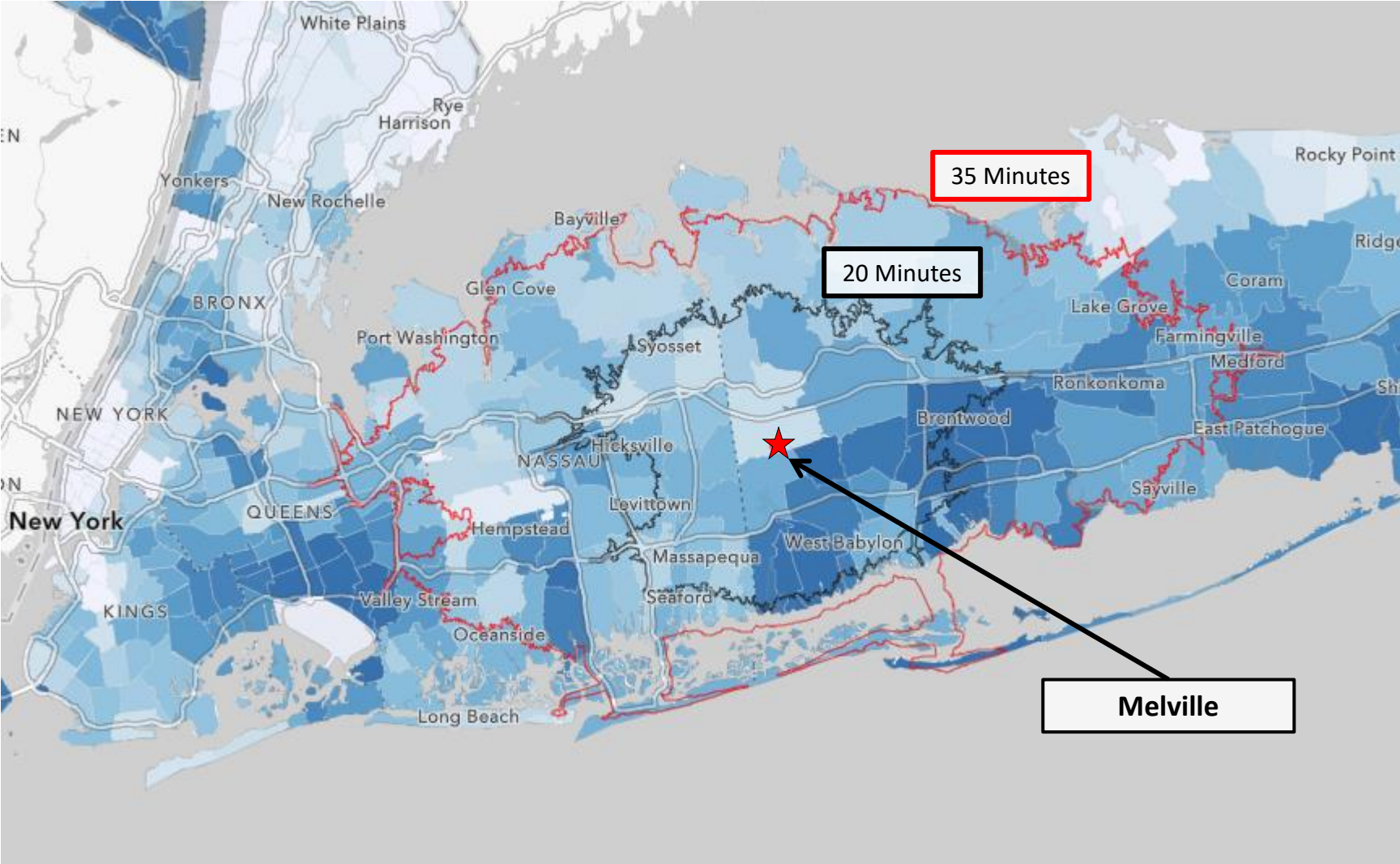
This labor force assessment identified and analyzed the labor shed (that is, the geographic area from which a company could reasonably hire workers from) for 235 Pinelawn Road, Melville, NY. The four key criteria analyzed included Labor Supply, Labor Demand, Labor Costs, and Organized Labor.

Based on the results, Site Selection Group believes the distribution labor force accessible to Melville to be favorable overall, and no major deficiencies were uncovered.

	POSITIVE ATTRIBUTES	NEGATIVE ATTRIBUTES	KEY TAKEAWAYS
LABOR SUPPLY	<ul style="list-style-type: none"> ✓ Access to a labor force of over 1,000,000. ✓ There is a favorable supply of supplemental (retail and food service workers) who can be trained for distribution. 	<ul style="list-style-type: none"> – Demographic data is mixed. Some metrics (age, income) are less favorable. – Occupational supply for warehousing workers is less favorable. 	<ul style="list-style-type: none"> ○ Current data shows a large available labor force that is relatively well aligned for distribution.
LABOR DEMAND	<ul style="list-style-type: none"> ✓ Job posting and industry growth data indicate lower demand in this labor shed. 	<ul style="list-style-type: none"> – While this labor shed looks favorable for demand using these metrics, the distribution market is growing rapidly around the U.S. so there could still be some competitive pressures. 	<ul style="list-style-type: none"> ○ Based on these labor demand metrics, there appears to be relatively low demand in this labor shed.
LABOR COST	<ul style="list-style-type: none"> ✓ Cost of living is lower in this labor shed compared to the metro. 	<ul style="list-style-type: none"> – Warehousing and forklift wages are elevated. – Cost of living in this labor shed is above the national average. 	<ul style="list-style-type: none"> ○ While wage rates for warehouse and forklift drivers are elevated in this region, the cost of living is lower in this labor shed compared to the metro.
ORGANIZED LABOR	<ul style="list-style-type: none"> ✓ There have been fewer union filings in this labor shed, compared to the metro area. 	<ul style="list-style-type: none"> – There is a union presence in this area as seen by the moderate unionization rate and count of filings. 	<ul style="list-style-type: none"> ○ Despite the moderate unionization rate, the count of filings is lower in the labor shed compared to the metro area. ○ There tends to be some organized labor risk in this region, in general.

COMMUTE & LABORSHED ANALYSIS

The map below shows warehouse and distribution occupation concentration by home ZIP code. Darker blue ZIP codes represent a higher percentage of the resident labor force working in the distribution occupation cluster.



The accurate laborshed around Melville is **35 minutes**. There are **327 warehouse laborers** that travel into the tighter **20-minute radius** around the area from outside the area, indicating that workers will commute for jobs in this area.

KEY LABOR FORCE CHARACTERISTICS

Melville, NY

POPULATION 2,040,165

35 - Minute Drive Time

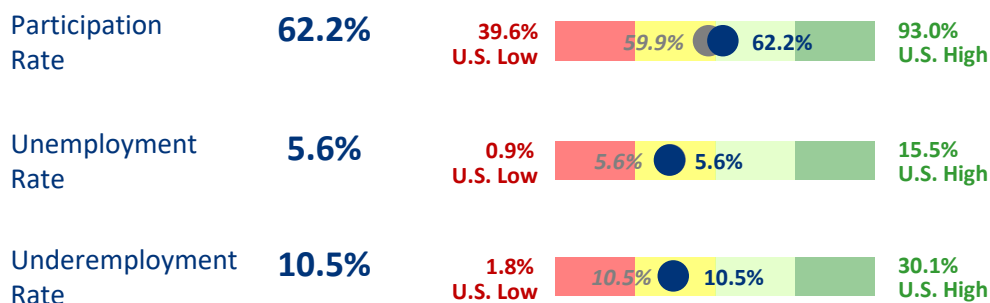
LABOR FORCE 1,032,603

35 - Minute Drive Time

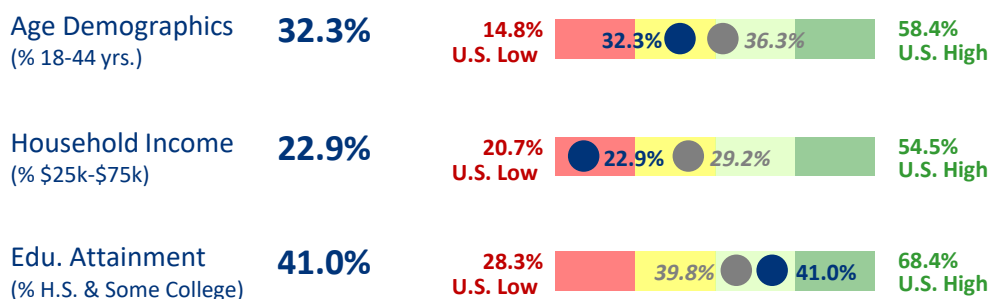
Key Labor Supply Takeaways

- Access to labor force of over 1,000,000 with slightly higher participation rate in immediate area than the broad metro area.
- Target demographic data is mixed. Education demographics are more favorable in the labor shed than metro, while age and income are less favorable.
- While the concentration of warehouse workers is below the national average and metro area, concentration of the supplemental labor force (retail and food service workers who can be trained) is more favorable.

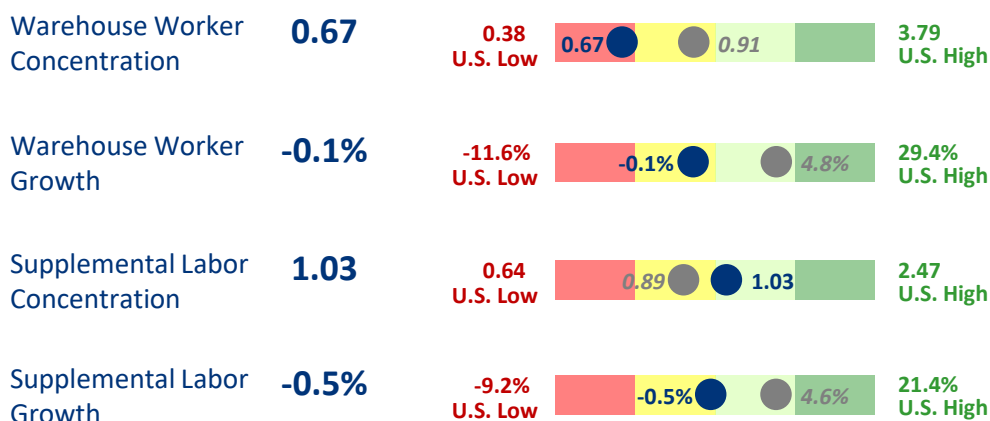
LABOR SCALABILITY



TARGET DEMOGRAPHICS



OCUPATION STATISTICS



● 35 - Minute Drive Time around Melville, NY

● Greater New York-Newark, NY-NJ-CT-PA Metro Area

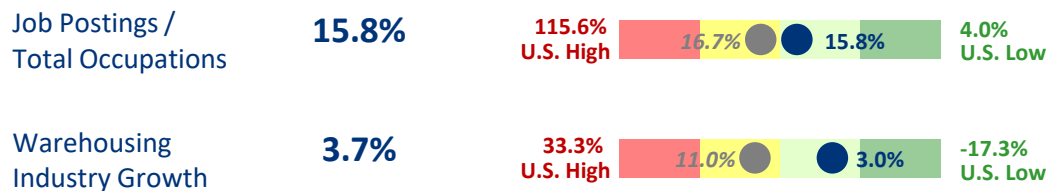
KEY LABOR FORCE CHARACTERISTICS

Melville, NY

Key Demand, Costs, and Union Takeaways

- Labor demand shows more favorably in the labor shed than metro, for both job posting and warehousing industry growth metrics.
- There is union activity in this area as seen by the unionization rate and count of filings.
- Median wages for warehouse workers are less favorable in the labor shed than metro, and wage escalation is moderate. Forklift wages are elevated in this region.
- While cost of living tends to be higher in this region, it is lower in this labor shed than metro.

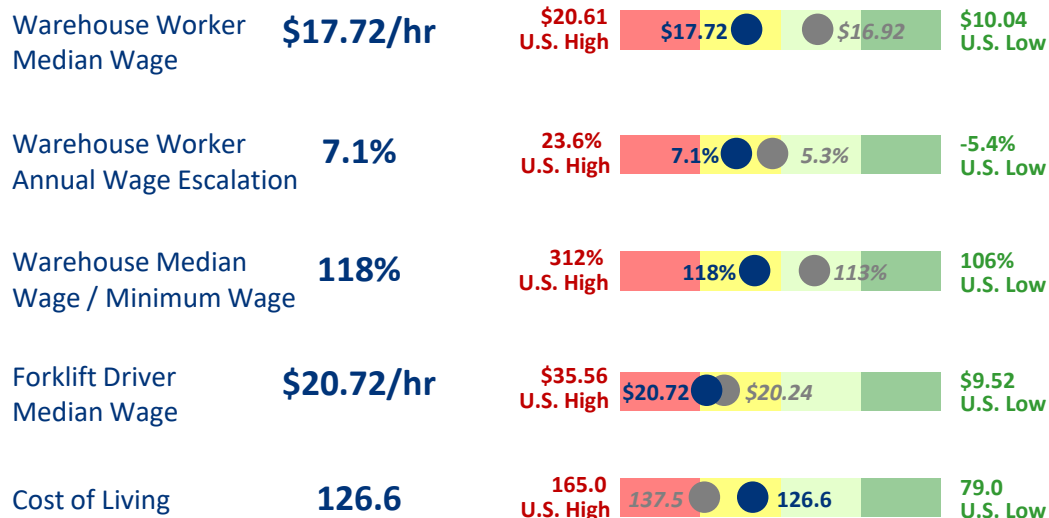
LABOR DEMAND



ORGANIZED LABOR



LABOR COST



● 35 - Minute Drive Time around Melville, NY

● Greater New York-Newark, NY-NJ-CT-PA Metro Area

LABOR FORCE VALUE PROPOSITION

Melville, NY



LABOR SUPPLY

Potential to leverage ~327 warehouse workers who commute into the area.

- ✓ There are over 1,000,000 workers in this labor force, and the participation rate is higher in the labor shed than metro.
- ✓ Target educational attainment is well aligned for distribution operations.



LABOR DEMAND

Labor demand is lower in this labor shed than metro.

- ✓ Based on both industry growth and job posting activity metrics, labor demand appears to be relatively lower in this labor shed.



LABOR COSTS

Cost of living is lower in this labor shed than metro.

- ✓ Employers can expect to pay warehouse workers wages of \$17.72 an hour on average.



ORGANIZED LABOR

The count of filings is lower in the labor shed than the metro.

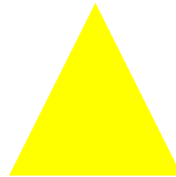
- ✓ While this region does have a moderate unionization rate, the count of union filings is lower in this labor shed compared to the metro area.

EXECUTIVE SUMMARY OF LABOR FORCE CONDITIONS

Melville, NY



Demand is lower in this area, which could indicate lower competitive pressures for employers who locate in this area.



This region tends to have elevated costs and some union presence. However, the cost of living in this labor shed is lower than in the broader metro area.



None – no major red flags.

GLOSSARY & DATA SOURCES

LABOR SUPPLY	DEFINITION	SOURCE
LABOR SCALABILITY		
Participation Rate	Number of workers in labor force divided by population	Experian 2021
Unemployment Rate	Both “official” unemployment rate and estimated rate for laborshed	Experian 2021 & BLS LAUS (February 2022)
Underemployment Rate	Percentage of workers employed but seeking better work opportunities	Experian 2021 & BLS CPS
TARGET DEMOGRAPHICS		
Age Demographics (% 18-44)	% of population in target age categories for warehouse work	Experian 2021
Household Income (% \$25k-\$75k)	% of population in target income categories for warehouse work	Experian 2021
Educational Attainment (% H.S. & Some College)	% of population in target educational levels for warehouse work	Experian 2021
OCCUPATION STATISTICS		
Warehouse Worker Occupation Concentration	Concentration of key direct warehouse labor where 1.00 equals the national average. Includes picker-packers, forklift, etc.	EMSI 1Q 2022
Warehouse Worker Occupational Growth	Projected five-year percentage growth for that occupational cluster	EMSI 1Q 2022
Supplemental Occupation Concentration	Concentration of other occupations applicable to warehouse work where 1.00 equals the national average. Includes retail, food service, etc.	EMSI 1Q 2022
Supplemental Occupation Growth	Projected five-year percentage growth for that occupational cluster	EMSI 1Q 2022

OTHER FACTORS	USE	SOURCE
LABOR DEMAND		
Job Postings / Occupations	Total	Annual online job postings for Warehouse Worker cluster divided by current cluster presence
Warehousing Industry Growth		Projected five-year employment growth in warehousing and related
ORGANIZED LABOR		
Most Recent Unionization Rate	Overall private union membership rate	BLS CPS via UnionStats
Total Count of Filings	Total number of organization attempts since January 1, 2014	National Labor Relations Board
LABOR COSTS		
Warehouse Worker Wage	Median wage for Warehouse Worker cluster	ERI & EMSI 1Q 2022
Warehouse Worker Wage Growth	Growth in wages for Warehouse Worker cluster	EMSI 1Q 2022
Warehouse Worker Wage / Minimum Wage	Dividing above by minimum wage to understand competitive positioning	ERI, EMSI, and multiple sources
Forklift Driver Wage	Median wage specifically for forklift drivers	ERI & EMSI 1Q 2022
Cost of Living	Cost of living in region	ERI (April 2022) EMSI 1Q 2022



8235 Douglas Avenue
Suite 500
Dallas, Tx 75225

siterelectiongroup.com