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Officials: NHL lockout could cost LI economy $60-million in revenue

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The local economy could lose more than $60 million in visitor spending, while Nassau County could take a $1 million hit in taxes and other revenues if the National Hockey League lockout that began Saturday persists through the season, according to county officials and business experts.

The league locked out players from the New York Islanders and other teams for the second time in eight years after failing to reach a new collective bargaining agreement. It is unclear how long the lockout will last, and the NHL has not announced whether any preseason or regular season home games will be scrapped.

If the dispute were to last the entire season, however, the impact could ripple through the region's economy, experts said.

"People who go to hockey games go to restaurants and they stay overnight in hotels in some cases," said Pearl Kamer, chief economist with the Long Island Association, the area's largest business group. "There is a multiplier effect for all sporting events."

But Nassau Comptroller George Maragos said the Coliseum was able to fill seats with concerts and other events during the 2004-2005 lockout. "It won't be the end of the world if the county does not have a hockey team," Maragos said.

According to a report by economic consultants Camoin Associates done for the county last year, Islanders games generated more than $60 million in local spending in the 2010 hockey season -- $26 million for tickets, $13 million for food and drink, $12 million on transportation and $10 million on hotels and retail.

Nassau also received $1.12 million in direct revenue from Islanders games at the Coliseum in 2010, including concessions, parking and the $1.50 tax per ticket, said Nassau Comptroller George Maragos.

Also vulnerable in a long standoff are vendors, parking attendants and security personnel who

work primarily on game days, said sports business professor Scott Rosner of the Wharton School at the University of Pennsylvania. The Coliseum has 2,000 full- and part-time union workers, said John Durso, president of the Long Island Federation of Labor.

"The lockout is bad for the fans, bad for the economy and I wish a speedy resolution to the contractual bickering," said Nassau County Executive Edward Mangano.

But Maragos said that during the 2004-2005 lockout, county revenues did not decline significantly because Coliseum manager SMG signed additional concerts and events at the arena in Uniondale. Without the hockey rink, the arena can also fit about 1,500 more seats, allowing for more revenue, he said.

Maragos said he suspects history could repeat itself during another lockout, proving, he said, that the arena can survive the season without its main tenant.

Rosner said replacing game dates with other events won't be easy, especially with concert tours already scheduled. He also noted new competition -- a spruced-up Madison Square Garden and the new Barclays Center in Brooklyn, where the Islanders are scheduled to play a preseason game next month. The Nassau Coliseum is 40 years old.

Islanders owner Charles Wang has said he will not stay in the current arena after his lease expires in 2015. Mangano is preparing to announce the selection of a master developer for the 77-acre Hub property that surrounds the arena, and for negotiating with Wang.

Islanders senior vice president Michael Picker did not return calls for comment.

Impact of Islanders

Visitor Spending*

Lodging: $3.1 million

Food and drink: $13.2 million

Transportation: $11.8 million

Recreation: $26.8 million

Retail: $7.3 million

TOTAL: $62.2 million

Nassau County

Ticket taxes: $689,000

Concessions: $328,006

Parking: $122,890

TOTAL: $1.1 million

**Assumes preseason total attendance of 11,597 and total full-season attendance of 451,000*

Sources: Camoin Associates; Nassau County comptroller

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