

III.J Fiscal Impacts

I. Former Project

The 2018 DEIS Chapter 3.J provided a fiscal impact analysis of the Former Project with 169 market-rate rental units and 19 affordable rental units. Based on the 2016 property tax rates at the time of the analysis, the DEIS estimated that the rental project would generate total tax revenues of \$1,019,277 to relevant town, county, and school district taxing jurisdictions (see Table III.J-1). The fiscal analysis additionally noted the potential for additional revenues generated by construction activity and by household spending of new residents at Former Project.

Table III.J-1
Tax Revenues of Former Project as Provided in 2018 DEIS

	89.08-1-83	89.12-2-13	90.05-1-27	Total Site
Westchester County	\$87,385	\$131	\$96	\$87,613
Town-wide General	\$18,720	\$28	\$21	\$18,769
Town Unincorporated	\$149,504	N/A	N/A	\$149,504
Ambulance District	\$5,561	\$8	\$6	\$5,576
County Solid Waste	\$7,990	\$12	\$9	\$8,011
County Sewer - Ossining	\$20,954	\$31	\$23	\$21,008
Refuse/Light/Fire	\$37,991	\$57	\$42	\$38,090
Town-wide Water	\$1,358	\$2	\$1	\$1,361
Ossining Central School District	\$660,802	\$991	\$729	\$662,522
Ossining Library	\$26,020	\$39	\$29	\$26,088
Village of Ossining	N/A	\$423	\$311	\$734
Total	\$1,016,285	\$1,723	\$1,268	\$1,019,277

Source: River Knoll Draft Environmental Impact Statement, Table III.J-6, prepared by AKRF, Inc., dated January 26, 2018.

On the cost side, the 2018 DEIS estimated demographic impacts of 373 new residents generated by the Former Project, including between 22 to 29 school age children. As noted in Chapter 3.I “Community Facilities” and Chapter 3.F “Infrastructure and Utilities,” the increase in the residential and school children population were found to have marginal increase in demand for services.

Although school taxes generated by the Previous Project more than covered the average cost of the 22-29 students to be generated, in acknowledgment of programming and space challenges facing the OUFSD, the Applicant and school administration and school board agreed to a voluntary payment of \$350,000 to be used for school capital improvements.

The 2018 DEIS concluded that the tax revenues would more than offset the costs generated by the Former Project, and that the Former Project would have a beneficial fiscal effect on the community. Therefore, no mitigations were required.

2. Proposed Project

Current Taxes Generated by the Site

The Proposed Project will continue to utilize the same three parcels as the Former Project. The three parcels and their current assessments as of the 2020 Assessment Roll are summarized below:

- Tax Lot 89.08-1-83: 16.2 acres; \$1,900,000 in taxable value; located within the unincorporated portion of the Town of Ossining.
- Tax Lot 89.12-2-13: 0.64 acres; \$39,500 in taxable value; located within the Village of Ossining.
- Tax Lot 90.05-1-27: 0.6 acres; \$28,700 in taxable value; located within the Village of Ossining.

2020 tax rates for all affected taxing jurisdictions are summarized in Table III.J-2 and the resulting tax revenues generated under current conditions are summarized in Table III.J-3. Under the existing conditions, the Project Site current generates revenues totaling \$75,628. This includes \$6,076 to Westchester County, \$11,838 to the Town of Ossining, \$49,568 to the Ossining Central School District, \$740 to the Village of Ossining, and \$7,406 to various special districts.

Table III.J-2
Current Tax Rates, 2020

	Town of Ossining (Unincorporated)	Village of Ossining
Westchester County	3.087031	3.087031
Town-wide General	0.759922	0.759922
Town Unincorporated	5.442916	N/A
Ambulance District	0.210429	0.210429
County Solid Waste	0.258273	0.258273
County Sewer - Ossining	0.730160	0.730160
Refuse/Light/Fire	1.518174	1.518174
Town-wide Water	0.031102	0.031102
Ossining Central School District	25.184193	25.184193
Ossining Library	1.014945	1.014945
Village of Ossining	N/A	10.849200
Total Applicable Tax Rates	38.237145	43.643429

Source: Westchester County Tax Commission, 2020 Property Tax Rates.

Table III.J-3
Current Tax Revenues Generated by Site, 2020

	89.08-1-83	89.12-2-13	90.05-1-27	Total Site
Total Taxable Value	\$1,900,000	\$39,500	\$28,700	\$1,968,200
Westchester County	\$5,865	\$122	\$89	\$6,076
Town-wide General	\$1,444	\$30	\$22	\$1,496
Town Unincorporated	\$10,342	N/A	N/A	\$10,342
Ambulance District	\$400	\$8	\$6	\$414
County Solid Waste	\$491	\$10	\$7	\$508
County Sewer - Ossining	\$1,387	\$29	\$21	\$1,437
Refuse/Light/Fire	\$2,885	\$60	\$44	\$2,989
Town-wide Water	\$59	\$1	\$1	\$61
Ossining Central School District	\$47,850	\$995	\$723	\$49,568
Ossining Library	\$1,928	\$40	\$29	\$1,997
Village of Ossining	N/A	\$429	\$311	\$740
Total Property Taxes	\$72,651	\$1,724	\$1,253	\$75,628

Source: Town of Ossining 2020 Final Assessment Roll; Westchester County Tax Commission,

*2020 Property Tax Rates; Analysis by Phillips Preiss.*Economic Impacts during Construction

Economic impacts of the construction activity of the Proposed Project were estimated using the 2019 RIMS-II multipliers (most recent available) for Westchester County developed by the US Bureau of Economic Analysis. During the construction phase of the Project, there are three types of economic impacts: direct impacts to the construction sector; indirect impacts to sectors that provide goods and services to the construction sector (e.g., design and engineering, wholesale, transportation, real estate and financial services, etc.); and induced impacts to other sectors as a result of the increase in household spending by workers (e.g., retail, food and beverage services, etc.). It should be noted, however, because construction is not an ongoing economic activity, the impacts generated during the construction phase are temporary and limited to the construction stage. It should be further noted that, because the RIMS-II multipliers were developed in 2019 dollars, all inputs for calculating employment impacts were deflated from 2021 to 2019 dollars (with a deflator ratio of 1.051) based on the Consumer Price Index.

According to the Applicant, the estimated total construction cost (not including land acquisition) for the Project is \$50,825,000 (\$48,358,706 in 2019 dollars). Because the construction budget encompasses all commodities and services purchased in relation to the construction activity, the total construction budget represents the total value of industry sales in the construction sector generated as a result of the Project. Based on the RIMS-II multipliers for the residential construction sector, it is estimated that this increase in industry sales (i.e., the final demand) will generate approximately 206 direct jobs in the construction sector. The construction will additionally generate 51 indirect jobs in related sectors that support construction, and 63 induced jobs as result of increase in household spending (see Table III.J-4).

Table III.J-4
Construction Phase Employment Impacts of Proposed Project to
Westchester County

	Multiplier (per \$1M of Final Demand)*	Final Demand (2019 Dollars)	Employment Impact
Direct Impact (to Construction Sector)	4.2592	\$48,358,706	206
Indirect Impact (to Sectors that Support Construction)	1.0549	\$48,358,706	51
Induced Impact (From Household Spending)	1.3128	\$48,358,706	63
Total			320

* The breakdown of direct, indirect, and induced impact multipliers were derived using “final demand” and “direct effect” multipliers from both Type I and Type II models in RIMS-II.

Sources: US Bureau of Economic Analysis, 2019 RIMS-II Multipliers for Westchester County; Analysis by Phillips Preiss LLC.

The construction activity will also generate economic output and labor income to the region. As mentioned previously, the total industry sale during the construction phase is \$50,825,000, which represents the direct economic output impacts of the construction phase of the proposed Project. Based on the RIMS-II multipliers for the construction sector, it is estimated that this increase in industry sales in the residential construction sector (i.e., the final demand) will additionally generate approximately \$15,420,305 in indirect economic output in related sectors that provide goods and services for construction, as well as \$15,186,510 in induced economic output in other sectors as result of increase in household spending. In terms of increase in labor income, the new jobs generated as result of the construction activity will amount to approximately \$14,591,858 in direct impact, \$2,851,283 in indirect impact, and \$2,978,345 in induced impact (see Table III.J-5).

Table III.J-5
Construction Phase Economic Impacts of Proposed Project to
Westchester County

	Economic Output Multipliers*	Economic Output Impacts	Labor Income Multipliers*	Labor Income Impacts
Direct Impact (to Construction Sector)	1.0000	\$50,825,000	0.2871	\$14,591,858
Indirect Impact (to Sectors that Support Construction)	0.3034	\$15,420,305	0.0561	\$2,851,283
Induced Impact (From Household Spending)	0.2988	\$15,186,510	0.0586	\$2,978,345
Total		\$81,431,815		\$20,421,485

* The breakdown of direct, indirect, and induced impact multipliers were derived using “final demand” and “direct effect” multipliers from both Type I and Type II models in RIMS-II.

Sources: US Bureau of Economic Analysis, 2019 RIMS-II Multipliers for Westchester County; Analysis by Phillips Preiss LLC.

In summary, the proposed Project during construction stage would generate significant economic benefits to Westchester County, including new economic output totaling over \$81 million, 320 new jobs, and over \$20 million in labor income growth.

Fiscal Benefits at Full-Buildout

The Town of Ossining assesses properties held in condominium ownership as income-producing property. In accordance with this practice, the value of the proposed development was estimated using the Income Capitalization Approach, and the project is treated as a rental product for purposes of this analysis. Based on the average monthly rents estimated by the Applicant, and further assuming a vacancy/collection loss factor of 5%, operating expenses of 18% (excluding real estate

taxes), an equalized capitalization rate¹ of 10.32%, and the 2020 Town of Greenburgh equalization ratio of 100%, the portion of the project on Tax Lot 89.08-1-83 is estimated to have total assessed value of \$29,343,847 (see Table III.J-6). Because no improvements are proposed on Tax Lots 89.12-2-13 & 90.05-1-27 in the Village of Ossining, it is assumed that they will retain the current assessment value.

Table III.J-6
Assessed Value of the Proposed Project (Tax Lot 89.08-1-83), 2020

Tax Lot 89.08-1-83	Units	Monthly Rent	Annual Income
Market Rate			
2BR	67	\$3,450	\$2,773,800
3BR	18	\$4,250	\$918,000
Affordable			
2BR	8	\$1,550	\$148,800
3BR	2	\$1,950	\$46,800
Gross Income			\$3,887,400
Vacancy/Collection Loss (5%)			\$194,370
Effective Income			\$3,693,030
Expenses w/o Taxes (18%)			\$664,745
Net Operating Income			\$3,028,285
Base Capitalization Rate			6.50%
Town of Greenburgh Effective Tax Rate (Unincorporated)			3.82%
Equalized Capitalization Rate			10.32%
Estimated Market Value			\$29,343,847
2020 Town of Greenburgh Equalization Ratio			100%
Estimated Assessed Value			\$29,343,847

Source: Hudson Park Group, LLC; Westchester County Tax Commission, 2020 Property Tax Rates; Analysis by Phillips Preiss.

¹ Real estate taxes are excluded from the operating expenses. In order to account for the equitable burden of taxes for the project at completion, the effective tax rate is added to the base capitalization rate as a “load factor” to derive the equalized capitalization rate. This method is alternatively referred to as the “assessor’s formula” and is a common method of valuation for real estate tax certiorari proceedings in NY State. The effective tax rate is the total municipal tax rate multiplied by the state equalization ratio.

Based on the 2020 property tax rates for each of the affected taxing jurisdictions as detailed in Table III.J-2, this increase in the ratable base from the Project will generate aggregate tax revenues of \$1,125,002 across the three parcels (see Table III.J-7).

Table III.J-7
Estimated Tax Revenue of Proposed Project by Taxing Jurisdiction, 2020

	89.08-1-83	89.12-2-13	90.05-1-27	Combined
Total Taxable Value	\$29,343,847	\$39,500	\$28,700	\$29,412,047
Westchester County	\$90,585	\$122	\$89	\$90,796
Town-wide General	\$22,299	\$30	\$22	\$22,351
Town Unincorporated	\$159,716	N/A	N/A	\$159,716
Ambulance District	\$6,175	\$8	\$6	\$6,189
County Solid Waste	\$7,579	\$10	\$7	\$7,596
County Sewer - Ossining	\$21,426	\$29	\$21	\$21,476
Refuse/Light/Fire	\$44,549	\$60	\$44	\$44,653
Town-wide Water	\$913	\$1	\$1	\$915
Ossining Central School District	\$739,001	\$995	\$723	\$740,719
Ossining Library	\$29,782	\$40	\$29	\$29,851
Village of Ossining	N/A	\$429	\$311	\$740
Total Property Taxes	\$1,122,025	\$1,724	\$1,253	\$1,125,002

Source: Westchester County Tax Commission, 2020 Property Tax Rates; Analysis by Phillips Preiss.

On the cost side, as noted in Chapter 3.I “Community Facilities,” the Proposed Project is not anticipated to have significant impacts on community facilities or require significant capital investments by the public service providers. Further, because the Proposed Project is age-restricted, there are no anticipated impacts to the school district. To confirm this, the Applicant looked at the number of school children sourcing from similar projects in northern Westchester. These projects include:

- Glassbury Court at Hunterbrook, Yorktown: Active Adult luxury townhome condominium community. No school children.
- Glassbury Court at Cold Spring: Semi-attached homes for Active Adults. No school children.
- Woodcrest Village, Mount Kisco: Senior condominium community. No school children.

None of these Active Adult communities produce school children.

~~As such, the~~The service cost per resident under current operating conditions is a reasonable estimate of future per capita service costs for residents of the Proposed Project.

Per capita costs (see Table III.J-8) were estimated using the “proportional valuation” method, which assumes that the allocation of service costs is roughly proportional to the share of the total tax base represented by residential and non-residential uses within a service area. The percentage of the tax base attributable to residential uses (including apartments) within each taxing jurisdiction was estimated by averaging the percentage of total tax parcels and the percentage of total assessed valuation attributable to residential uses. The percentage of tax base attributable to residential uses was then applied to the tax levy to derive the total service costs for residential uses supported by property taxes within each taxing jurisdiction. Finally, the property tax supported residential costs were divided by the total serviced residential population to derive the per capita cost. Because no impacts are anticipated to the school district or to the Village of Ossining, costs for these taxing jurisdictions were not considered for this analysis.

Table III.J-8
Estimated Per Capita Service Cost by Taxing Jurisdiction, 2020

	Local Tax Levy	% Residential Tax Base	Serviced Residents	Per Capita Cost
Westchester County	\$15,360,032	78.33%	37,702	\$319

Town-wide General	\$3,800,357	78.33%	37,702	\$79
Town Unincorporated	\$5,244,814	71.83%	4,796	\$786
Ambulance District	\$668,363	74.71%	20,016	\$25
County Solid Waste	\$1,315,452	78.33%	37,702	\$27
County Sewer - Ossining	\$3,996,271	76.71%	39,757	\$77
Refuse/Light/Fire	\$1,477,550	74.71%	4,796	\$230
Town-wide Water	\$33,486	74.71%	4,796	\$5
Ossining Library	\$4,163,175	75.73%	34,230	\$92

Sources: Westchester County GIS Boundary & District Data; New York State Office of Real Property Tax Services, Westchester County Parcel GIS data; US Census American Community Survey 2015-2019 Five-Year Estimates; Analysis by Phillips Preiss LLC.

As shown in Table III.J-9, the Proposed Project at full build-out is expected to generate a combined public service cost of \$249,280 across all affected jurisdictions.

Table III.J-9
Estimated Service Costs of Project by Taxing Jurisdiction, 2020

	Per Capita Cost	Project Residents	Total Cost
Westchester County	\$319	152	\$48,488
Town-wide General	\$79	152	\$12,008
Town Unincorporated	\$786	152	\$119,472
Ambulance District	\$25	152	\$3,800
County Solid Waste	\$27	152	\$4,104
County Sewer - Ossining	\$77	152	\$11,704
Refuse/Light/Fire	\$230	152	\$34,960
Town-wide Water	\$5	152	\$760
Ossining Library	\$92	152	\$13,984
Combined			\$249,280

Sources: Westchester County GIS Boundary & District Data; New York State Office of Real Property Tax Services, Westchester County Parcel GIS data; US Census American Community Survey 2015-2019 Five-Year Estimates; Analysis by Phillips Preiss LLC.

It should be noted, however, that these costs represent a highly conservative estimate. In reality, certain costs associated with general government staffing and other fixed-cost, budgeted items like employee benefits and debt service are unlikely to be impacted by the proposed Project. Additionally, services such as snow removal and road maintenance within the project site will be privately handled. Thus, it is likely that the actual service demands generated by the new residents will be lower than the estimate utilized in this analysis.

The cost-revenue comparison and net fiscal impact for each taxing jurisdiction is summarized in Table III.J-10. The Proposed Project will result in net positive fiscal impact for all taxing jurisdictions. The total annual net fiscal impact of the Proposed Project is \$875,722. Compared to the existing conditions, the Proposed Project will result in a total increase of approximately \$800,094 in annual net surplus revenue. In short, the Proposed Project will bring substantial fiscal benefits (see Table III.J-11).

Table III.J-10
Net Fiscal Impact of Proposed Project by Taxing Jurisdiction, 2020

	Tax Revenues	Service Costs	Net Fiscal Impacts
Westchester County	\$90,796	\$48,488	\$42,308
Town-wide General	\$22,351	\$12,008	\$10,343
Town Unincorporated	\$159,716	\$119,472	\$40,244
Ambulance District	\$6,189	\$3,800	\$2,389
County Solid Waste	\$7,596	\$4,104	\$3,492
County Sewer - Ossining	\$21,476	\$11,704	\$9,772
Refuse/Light/Fire	\$44,653	\$34,960	\$9,693
Town-wide Water	\$915	\$760	\$155
Ossining Central School District	\$740,719	\$0	\$740,719
Ossining Library	\$29,851	\$13,984	\$15,867
Village of Ossining	\$740	\$0	\$740
Total	\$1,125,002	\$249,280	\$875,722

Source: Analysis by Phillips Preiss LLC.

Table III.J-11
Net Fiscal Impact of Proposed Project vs Existing Conditions

	Proposed Project	Existing Conditions	Net Increase in Surplus Revenue
Westchester County	\$42,308	\$6,076	\$36,232
Town-wide General	\$10,343	\$1,496	\$8,847
Town Unincorporated	\$40,244	\$10,342	\$29,902
Ambulance District	\$2,389	\$414	\$1,975
County Solid Waste	\$3,492	\$508	\$2,984
County Sewer - Ossining	\$9,772	\$1,437	\$8,335
Refuse/Light/Fire	\$9,693	\$2,989	\$6,704
Town-wide Water	\$155	\$61	\$94
Ossining Central School District	\$740,719	\$49,568	\$691,151
Ossining Library	\$15,867	\$1,997	\$13,870
Village of Ossining	\$740	\$740	\$0
Total	\$875,722	\$75,628	\$800,094

Source: Analysis by Phillips Preiss LLC.

Comparison of Fiscal Impacts of the Proposed Project with Former Project

As Table III.J-12 shows, compared to the former project, the Proposed Project would generate \$105,725 more in combined property taxes across all taxing jurisdictions. It should be noted, however, that the DEIS for the Former Project mainly considered the property tax revenues generated by the former project, but did not conduct a detailed analysis of the net fiscal impacts for each taxing jurisdiction as in this SDEIS. However, the DEIS noted that the Former Project was estimated to add 373 residents, whereas the Proposed Project would generate only 152 residents. As such, the public service costs for the Former Project would likely have been more than 2 times that of the Proposed Project. Additionally, the Former Project would generate between 22 and 29 school aged children, requiring costs ranging from \$426,184 to \$561,788 annually. In contrast, the Proposed Project with age-restricted units will generate no such costs, allowing the school district to retain the full amount of property taxes generated by the project. As such, the currently Proposed Project represents a significant increase in not only property taxes, but also net fiscal benefits, compared

to the Former Project.

Table III.J-12
Property Taxes of Proposed Project vs Former Project

	Proposed Project	Existing Conditions Former Project	Net Difference in Property Taxes
Westchester County	\$90,796	\$87,613	\$3,183
Town-wide General	\$22,351	\$18,769	\$3,582
Town Unincorporated	\$159,716	\$149,504	\$10,212
Ambulance District	\$6,189	\$5,576	\$613
County Solid Waste	\$7,596	\$8,011	-\$415
County Sewer - Ossining	\$21,476	\$21,008	\$468
Refuse/Light/Fire	\$44,653	\$38,090	\$6,563
Town-wide Water	\$915	\$1,361	-\$446
Ossining Central School District	\$740,719	\$662,522	\$78,197
Ossining Library	\$29,851	\$26,088	\$3,763
Village of Ossining	\$740	\$734	\$6
Total	\$1,125,002	\$1,019,277	\$105,725

Source: Analysis by Phillips Preiss LLC.

3. **Mitigation**

As noted above, the Proposed Project is expected to result in fiscal benefits to local taxing jurisdictions. The Town of Ossining, the Ossining School District, and various special districts would all receive surplus revenues from the Proposed Project. Because the service costs required to support the new residents are more than offset by the tax revenues, no adverse fiscal impacts are expected. Therefore, no mitigation measures are necessary and proposed at this time.

As noted above, the Previous Project anticipated generating between 22 to 29 school age children, in contrast to none for the Proposed Project. Because of this difference in the Proposed Project versus the Previous Project, the voluntary payment of \$350,000 to be used for school capital improvements agreed to by the Previous Project is no longer valid and pertinent. The Proposed Project will not impact the

School District other than paying an additional approximately \$691,151 in school taxes in excess of the approximately \$49,568 paid by the existing Site. There are no costs to the School District as a result of the Proposed Project.

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