

3.11 Fiscal Analysis

3.11.1 Fiscal Conditions

3.11.1.1 Project Background

The proposed action is a 149 unit residential development, including a private road and appurtenances, on a 29.3 acre parcel in the Village of Monroe. Adjacent and surrounding land use is primarily residential. The project site is located in the UR-M (Urban Multi-Family Residential) zones. The project site is currently served by public water supply lines. The site is located in Village of Monroe Water District No. 5 and the Orange County Sewer District #1.

The residences are proposed to have approximately 1,390 square feet, with one to two bedrooms. Building heights and dimensions will conform to the Village's zoning requirements. The proposed residential development will have 149 multifamily residential with 105 units (two bedrooms) having an estimated sales price of \$225,000 and 44 units (one bedroom) to be sold at an estimated \$175,000. Other than the relative affordability of these units compared to the existing housing stock, there is no provision for affordable housing or handicapped accessible housing as part of this application.

Based upon current demographic multipliers, as found in the Urban Land Institute's Development Impact Assessment Handbook, projected household size will be approximately 2.07 persons per household in the two bedroom units and 1.0 persons in the one bedroom units of the multifamily residences. As noted in the Project Description and in DEIS Section 3.7, Community Services, the proposed Hidden Creek development is projected to increase the Town's population by 261 persons, including 21 school aged children.

The demographic multipliers used for this project, source: Urban Land Institute's Development Impact Assessment Handbook, made the following assumptions as to region and user type: Townhouse development specific to the Northeast region projects 2.0685 persons for each two bedroom unit, and 1.0 person for each one bedroom unit. This analysis resulted in a projection of population increase of 261 persons.

In order to provide a conservative analysis of the projected school children population a factor of .1393 students per two bedroom townhouses in the northeast region unit was used for all 149 townhouse units. The results of this projection indicate, of the 261 new persons living in the Village of Monroe, 21 of them could be expected to be school age children.

The data provided in the Urban Land Institute's Development Impact Assessment Handbook, published in 1994 is based upon the 1987 American Housing Survey. Data for the computation of demographic multipliers is from the American Housing Survey (AHS) conducted by the bureau of the census for the U.S. Department of Housing and Urban Development. The handbook states that "Housing unit size continues to be the dominant criteria affecting both household size and number of school age children." The multipliers were derived based upon extensive research of population trends as it relates to housing type.

Since 1981 the survey of characteristics of housing units and the people that live in them has been conducted in every odd numbered year.

Upon discussion with Rutgers University Center for Urban Policy Research, the 1994 Urban Land Institute's Development Impact Assessment Handbook is their latest published source of demographic multipliers. Although the raw data is collected biannually, analysis of demographic trends, and a recalculation of the multiplier formulas is a complex process. Dr. Robert Burchell and David Listokin of the Rutgers University Center for Urban Policy Research, are in the process of preparing an updated version of the Handbook, based upon 2000 census data, scheduled for publication in late 2004 or early 2005.

3.11.1.2 Existing and Projected Tax Revenues

Table 3.8-1 provides a summary of the taxes generated by the property at this time and compares these to a projection of taxes under the proposed development scenario.

The projected revenues presented are based on current 2002 tax rates (2002-2003 tax rate for the Monroe-Woodbury Central School District). With no changes in assessments, these rates are likely to increase over time.

Current and Projected Assessed Value

The current assessed valuation of the project site totals \$172,100. According to the Assessor's office, Village of Monroe, Lot 7 has a current assessment of \$121,100, Lot 8 is vacant and is assessed at \$7,500, Lot 9 contains a house and is assessed at \$38,100 and Lot 11.1 is vacant and is assessed at \$5,400. The net annual property taxes currently generated by the project site and paid to the Village of Monroe are \$3,130.17, while the net annual property taxes paid to the school district are \$14,093.20.

The projection of future taxes for the proposed development is based on the average selling prices of the units. The proposed residential development will have 149 multifamily residences with 105 units having an estimated sales price of \$225,000 and 44 units to be sold at an estimated \$175,000.

Based on the information above, the projected total market value of the proposed project would be \$31,325,000. Using the current residential assessment ratio (RAR) of 23.66 or 0.2366, the total assessed value of the proposed project would be \$7,411,495. The projected, future assessed valuation under the proposed residential development plan will be approximately \$7,239,395 above the current assessment of \$172,100.

Current and Projected Tax Revenues

As presented in the table below, the net project-generated annual tax revenues to the Village of Monroe would be approximately \$133,926 or approximately 43 times the revenues currently generated by the property. The net increase between the total current tax revenues generated by the site and paid to the Village and the total future project-generated revenues for the subdivision is projected to be approximately \$130,796. According to the Village of Monroe Receiver of Taxes, the Village taxes includes highway maintenance and police, fire and emergency medical services.

The net project-generated annual tax revenues to the Town of Monroe would be approximately \$40,910 or approximately 43 times the revenues currently generated by the property. The net increase between the total current tax revenues generated by the site and paid to the Town of Monroe and the total future project-generated revenues for the subdivision is projected to be approximately \$39,960.

| Table 3.11-1 Current & Projected Taxes Generated by Project Site | | | | |
|---|--------------------------------|---------------------------|-------------------------------------|--|
| Taxing Authority | Tax Rate ⁽¹⁾ | Current Taxes (\$) | Projected Taxes - Total (\$) | Difference Between Current & Projected Taxes (\$) |
| Orange County** | \$11.26 | \$1,937 | \$83,435 | \$81,498 |
| Town of Monroe** | \$5.52 | \$950 | \$40,910 | \$39,960 |
| Village of Monroe | \$18.07 | \$3,130 | \$133,926 | \$130,796 |
| Monroe Refuse** ⁽²⁾ | \$1.034/unit | \$414 | ⁽³⁾ | (\$414) ⁽³⁾ |
| OC Sewer Dist. 1 - Usage/O & M | \$330.28 ⁽⁴⁾ | N/A | \$49,212 | \$49,212 |
| OC Sewer Dist. 1 (Bonding) | \$0.8649 | N/A | \$6,410 | \$6,410 |
| OC Sewer Dist. 1 (Laterals) | \$0.5247 | N/A | \$3,889 | \$3,889 |
| Monroe Village Water ⁽⁵⁾ | \$2.80/\$3.40 per 1,000 g/qtr. | \$134 | \$24,230 | \$24,096 |
| Monroe-Woodbury Central Schools | \$81.89 | \$14,093 | \$606,924 | \$592,831 |
| TOTAL | | \$20,658 | \$948,936 | \$928,278 |
| Notes: ** - Existing taxes based on current AV and tax rate; information from the Town and Village of Monroe was incomplete. Such records must be requested from the Orange County Commissioner of Finance for a fee of \$25/lot. ⁽¹⁾ - Tax Rate per \$1,000 of Assessed Valuation, unless otherwise noted. ⁽²⁾ - SF & Townhomes=200 refuse units/home; rate is per unit or \$1.0344 x 200 per home or approximately \$207/residence. ⁽³⁾ - Condominiums and commercial development are not eligible for Town Pick-up - private carters must be contracted. ⁽⁴⁾ - Rate is per residential unit (i.e. SF residence, condo, townhouse); users are billed \$165.14 every six months. ⁽⁵⁾ - Rate is \$2.80/1,000 gallons/quarter up to 30,000 gallons; beyond 30,000 gallons the rate is \$3.40/1,000 gallons/quarter. Current taxes derived from current water bill. | | | | |

The net project-generated annual tax revenues to Orange County would be approximately \$83,435 or approximately 43 times the revenues currently generated by the property. The net increase between the total current tax revenues generated by the site and paid to the County and the total future project-generated revenues for the subdivision is projected to be approximately \$81,498.

The net project-generated annual tax revenues to the Monroe-Woodbury Central School District would be approximately \$606,924 or approximately 43 times the revenues currently generated by the property. The net increase between the total current tax revenues generated by the site and paid to the County and the total future project-generated revenues for the subdivision is projected to be approximately \$592,831.

3.11.2 Costs Associated with the Proposed Project

Village of Monroe

An estimate of costs to the Village of Monroe associated with the proposed residential development may be provided by obtaining a reasonably accurate composite of current taxpayer costs on a per capita basis and multiplying this amount by the anticipated population of the proposed project.

Residentially induced municipal expenditures have been segregated from non-residentially induced expenditures in order to determine a meaningful estimate of costs per resident. The most straightforward means of dividing municipal expenditures into these categories is to subtract from the total assessed valuation in the Village of Monroe the amount of assessed valuation assigned to nonresidential uses.

After determining the approximate percentage of expenditures to be assigned to residential uses, the amount of expenditures can be calculated and, by dividing the population into the amount of expenditures calculated, thus the per capita cost can be determined. Finally, to estimate the portion of the per capita cost which is paid for by property tax revenues (as opposed to other forms of income to the Village), the per capita cost is multiplied by the proportion that property tax revenue comprises of the overall income stream.

In this instance, the adopted 2003 municipal budget for the Village of Monroe including the *General Government Support, Public Safety, Health, Transportation, Culture and Recreation, Home and Community Services, Employee Benefits, Debt Service and Interfund Transfers* has been used which amounts to \$4,611,000. The General Government Support, Public Safety and Health components of the Village budget amount to \$411,025, \$2,065,018 and \$1,000. The Transportation, Culture and Recreation and Home and Community Services components amount to \$637,592, \$241,006 and \$225,237. The remaining components of the budget total \$1,030,122. The 2000 estimated service area population for the Village is 7,780. Dividing the overall budget by the appropriate 2000 estimated population ($\$4,611,000/7,780 = \593) provides an estimate of per capita municipal costs of \$593. Approximately 58 percent of this amount, or \$2,691,791, would be raised by the property tax. This amounts to approximately \$345 per capita.

As described in more detail in Chapter 3.7, Community Services, the proposed subdivision is projected to increase the population of the Village of Monroe by 261 persons, including 21 school aged children. With the current annual per capita property tax levy for municipal services estimated at \$345, the additional costs payable through the property tax which would be induced by the proposed Hidden Creek residential development to the Village of Monroe are projected to be approximately \$90,045.

As presented in Table 3.11-1, overall revenues to the Village from the proposed Hidden Creek development would amount to a total of \$133,926. Thus, a surplus of \$43,881 is projected to the Village of Monroe.

Monroe-Woodbury Central School District

The budget for the 2002-2003 school year for the Monroe-Woodbury School District totaled approximately \$94,376,532. With a current enrollment of approximately 7,000 students, per-student costs based on the budget are \$13,482. Approximately 2/3 or 66 percent of the school district's budget is met through the property tax levy. Thus, the portion of the budget to be raised through taxation is approximately \$62,288,511, or approximately \$8,898 per student.

Based on one and two bedrooms per multifamily residential unit, 21 school-age children are projected to live within the proposed Hidden Creek residential development after all homes have been are constructed and occupied.

Based on the \$8,898 figure calculated above, projected costs to the school district as a result of these children would be \$186,858.

As noted earlier, the proposed Hidden Creek development is projected to generate \$606,924 in property tax revenue to the school district. Thus, the overall effect on the district's budget is projected to be positive with a surplus of \$420,066.

Summary of Revenues and Costs

Table 3.11-2 summarizes the revenues and costs projected for the Hidden Creek residential development to the Village of Monroe, and the Monroe-Woodbury School District.

| Table 3.11-2 Revenue & Cost Summary: Hidden Creek Estates | | | |
|--|----------------------|----------------------|-----------------|
| Jurisdiction | Projected Taxes (\$) | Projected Costs (\$) | Surplus/Deficit |
| <i>Village of Monroe</i> | \$133,926 | (\$90,045) | \$43,881 |
| <i>Monroe-Woodbury Schools</i> | \$606,924 | (\$186,858) | \$420,066 |
| Source: Tim Miller Associates, Inc. | | | |

3.11.3 Mitigation Measures

As no potentially significant adverse effects have been identified, no mitigation measures are proposed.