

3.15 Fiscal Resources

3.15.1 Existing Fiscal Resources

In order to assess the potential fiscal impacts of the project on the Town budget, an analysis was completed consistent with the Per Capita Multiplier Method discussed in The New Practitioners Guide to Fiscal Impact Analysis.⁹⁶ This analysis assumed that costs per resident will not differ for new Legacy Ridge residents, and that the level of services will remain constant.

These steps involved:

- The budgets of each of the taxing jurisdiction for the most recent available tax year were obtained.
- Census figures were obtained to determine the current population within each taxing authority.
- Per capita costs for the jurisdiction were estimated based on this data.
- The Legacy Ridge population was estimated at build-out.
- The new population was multiplied by the per capita costs of the taxing authority to give a cost estimate.
- The revenue was compared to the costs on an annual basis.

The 2005 assessed value is determined by the equalization rate (2004 equalization rate in the Town of Woodbury is 36%) multiplied by the sales price for new construction or recent purchase price.⁹⁷ The assessment calculation is based on the value of the property on the beginning of the tax assessment year which is July 1, 2004 for the 2005 year. The 2006 tax assessments will be based on the value of the property on July 1, 2005 and may not reflect recent construction or selling price.⁹⁸

The County and Town taxes include Highway, Police, Fire, Building Department, and the Library. The current 2005 tax rates for the property are as follows:

- County of Orange and Town of Woodbury
 - The County and Town Tax Rate is \$21.22 per \$1,000 of Assessed Value
- Cornwall Central School District
 - The School District Tax Rate is \$46.6565 per \$1,000 of Assessed Value.⁹⁹
 - The School District Tax Rate is \$46.6565 per \$1,000 of Assessed Value.¹⁰⁰

⁹⁶ The New Practitioners Guide to Fiscal Impact Analysis, Burchell, Robert W., David Listokin, and William R. Dolphin 1985, Rutgers, The State University of New Jersey, page 9.

⁹⁷ Equalization rate for 2005 is 40%; 2006 is estimated at 36%. Actual equalization rate can be lower based on high purchase price. Woodbury Assessor Office January 27, 2005.

⁹⁸ Personal communication between Roland Tiffany, Town of Woodbury Assessor's Department and Ms. Barbara Gerlach, LMS Engineers, LLP, May 27, 2005.

⁹⁹ Personal communication between Eileen Longinott, Receiver of taxes for Village of Cornwall and Ms. Barbara Gerlach of LMS Engineers, LLP on June 23, 2005.

¹⁰⁰ Personal communication between Eileen Longinott, Receiver of taxes for Village of Cornwall and Ms. Barbara Gerlach of LMS Engineers, LLP on June 23, 2005.

Table 49 - Legacy Ridge Estimated House Sales			
Quantity	Bedrooms	Selling Price	Total Selling Price
287	4	\$625,000	\$179,375,000.00

Table 50 - Legacy Ridge Assessed Value	
Total Home Sales	Total Assessed Value Based on 2004 36% Equalization Rate
\$179,375,000.00	\$64,575,000.00

Alternatively, the Residential Assessment Ratio (RAR) could be used to predict the assessed value of the Legacy Ridge homes. The RAR is Assessed Value/Sales Price. In 2005, the Woodbury RAR was 39.12. If the RAR were used to determine the taxable levy instead of the 36% equalization rate, based on the total projected sales of \$179,375,000 and a RAR of 39.12, the taxable value would be \$70,171,500.

Table 51 - Legacy Ridge Assessed Value, Residential Assessment Ratio	
Total Home Sales	Total Assessed Value Based on 2005 39.12 Residential Assessment Ratio
\$179,375,000.00	\$70,171,500.00

Table 52 - Woodbury Budget Categories			
2004 Woodbury Budget	\$12,901,039		
Total Special Districts	\$4,061,230		
Expenditures by Category		Expenditure	Percentage of Total
	General Government	\$2,288,318	25.89%
	Public Safety	\$3,343,779	37.83%
	Public Works ¹⁰¹	\$1,934,360	21.88%
	Health and Welfare	\$138,567	1.57%
	Recreation and Culture ¹⁰²	\$1,134,785	12.84%
	Subtotal	\$8,839,809	

Town-wide there are 3,316 residential properties, with a total 2004 assessed value of \$405,274,598.¹⁰³ Total valuation in the Town is \$751,281,715.00.¹⁰⁴ Therefore, the ratio of non-residential to residential values is 54%. The New Practitioners Guide instructs practitioners using the Per Capita Multiplier Method to determine the total expenditures attributable to non-residential uses by multiplying the total municipal expenditures by the simple proportion of nonresidential to total local real property value multiplied by a refinement coefficient. The refinement coefficient is taken from an exhibit in the New

¹⁰¹ Includes Highway Department Funds.

¹⁰² Includes Library Funds.

¹⁰³ Personal communication between Barbara Gerlach, LMS and the Town of Woodbury Tax Assessor's Department.

¹⁰⁴ Personal communication between Barbara Gerlach, LMS and Mr. Roland Tiffany, Woodbury Tax Assessor's Department June 7, 2005.

Practitioners Guide. Based on this analysis, a refinement coefficient of 1.70 is used to determine the appropriate amount of residential expenditures. The residential share of expenditures by category is reduced by this same percentage as shown in Table 53 below.

Table 53 - Woodbury Budget – Residential Share			
2004 Woodbury Budget	\$12,901,039		
Total Special Districts	\$4,061,230		
Expenditures by Category		Expenditure	Less non-residential share
	General Government	\$2,288,318	\$496,691
	Public Safety	\$3,343,779	\$725,785
	Public Works	\$1,934,360	\$419,863
	Health and Welfare	\$138,567	\$30,077
	Recreation and Culture	\$1,134,785	\$246,311
	Subtotal	\$8,839,809	\$1,918,727

3.15.2 Potential Impacts to Fiscal Resources

The School District tax impact is addressed in Section 3.11 above. The impact to the Town Budget is addressed below.

The net annual per-capita costs for the categories defined above were then calculated, based on a town-wide population of 9,460.

Table 54 - Woodbury Budget – Per Capita Costs for Residential Share			
Expenditures by Category		Expenditure	Per Capita Cost
	General Government	\$496,691	\$52.50
	Public Safety	\$725,785	\$76.72
	Public Works	\$419,863	\$44.38
	Health and Welfare	\$30,077	\$3.18
	Recreation and Culture	\$246,311	\$26.04
	Subtotal	\$1,918,727	\$202.82

The population for Legacy Ridge upon build-out is 1,166 residents.¹⁰⁵

¹⁰⁵ Data from the New Practitioner’s Guide to Fiscal Impact Analysis, 1985 Rutgers. See Table 3.14, 1-1.

Based on this population, and the current Per Capita costs, the total increase, by category, of the Town budget is described in Table 55 below.

Table 55 - Estimated Costs to Town from Legacy Ridge Residents				
Expenditures by Category		Expenditure	Per Capita Cost	Legacy Ridge costs
	General Government	\$496,691	\$52.50	\$61,215.00
	Public Safety	\$725,785	\$76.72	\$89,455.52
	Public Works	\$419,863	\$44.38	\$51,747.08
	Health and Welfare	\$30,077	\$3.18	\$3,707.88
	Recreation and Culture	\$246,311	\$26.04	\$30,362.64
	Subtotal	\$1,918,727	\$202.82	\$236,488.12

The net fiscal impact to the Town is the total anticipated taxes, less the anticipated increase in costs. The assumptions include that the level of non-property tax income remains stable, and the relative percentages of expenditure remain constant across categories. Table 59 below describes the net impact by category using both the 2005 equalization rate and the RAR.

Based on the experience of the Project Sponsor, the size of the building lots is a factor in determining the size of the house. The 1 acre +/- lots on the Legacy Ridge site are appropriate for 4-bedroom homes. Larger lots, including 2 or 3 acres, are more typical for 5 and 6 bedrooms. Therefore, smaller lots usually result in smaller houses. As many of the multipliers for household size are dependant on the number of bedrooms to make the assessment, it is clear that smaller houses, equating to fewer bedrooms, will have a reduced impacts on the Town services than larger lots, more bedrooms, and more residents.

Table 56 - Net Impact of Legacy Ridge Project by Town Budget Category					
Category	Legacy Ridge Costs	Taxes Raised under Equalization Rate Method	Net	Taxes Raised under RAR Method	Net
General Gov't	\$61,215.00	\$195,867.69	\$134,652.69	\$212,842.73	\$151,627.73
Public Safety	\$89,455.52	\$286,198.33	\$196,742.81	\$311,001.94	\$221,546.42
Public Works	\$51,747.08	\$165,530.51	\$113,783.43	\$179,876.36	\$128,129.28
Health and Welfare	\$3,707.88	\$11,877.65	\$8,169.77	\$12,907.03	\$9,199.15
Recreation and Culture	\$30,362.64	\$97,139.48	\$66,776.84	\$105,558.15	\$75,195.51
Subtotal	\$236,488.12	\$756,613.66	\$520,125.54	\$822,186.21	\$585,698.09

3.15.3 Fiscal Resources Mitigation Measures

In round numbers, based on 2005 tax and assessment rates, the 287 homes on the Legacy Ridge site would generate an additional \$520,000 to \$585,000 beyond the Town costs annually. No additional mitigation is required.

Alternative Plans

Below, the Town taxes generated under alternate development scenarios have been estimated. The alternate plans include development at the existing R-3A zoning, and development at the proposed R-2A zoning, without use of the conservation cluster. It is assumed that the number of units is identical under the R-3A with or without conventional clustering (155 total units). Under the R-2A conventional, a total of 233 homes are estimated. See Section 5.0 for further details. It was assumed all homes would be sold for the same amount as homes within the preferred plan Conservation Cluster plan (\$625,000), and all of the homes would be 4-bedroom.

R-3A Zoning

Table 57 - Alternative Plan R-3A Zoning, Town Tax Estimate			
Number of Houses	Average Sales Price	Annual Taxes Based on 2004 Tax rates	Annual Total Taxes Based on 2005 RAR
155	\$625,000	\$740,047.50	\$804,184.95

Using the same calculations as above, based on 2004 tax and assessment rates, the 155 homes developed under R-3A zoning, cluster or non-cluster would generate approximately an additional \$380,000 to \$417,000 beyond the Town costs annually (See Fiscal Analysis in Appendix 9.21, Volume III).

R-2A Zoning

Table 58 - Alternative Plan R-2A Zoning, Town Tax Estimate			
Number of Houses	Average Sales Price	Annual Taxes Based on 2005 Tax Rates	Annual Total Taxes Based on 2005 RAR
233	\$625,000	\$1,112,458.50	\$1,208,871.57

Again, using the same calculations as above, based on 2005 tax and assessment rates, the 233 homes developed under R-2A zoning would generate approximately an additional \$605,000 to \$760,000 beyond the Town costs annually. See Appendix 9.21, Volume III for detailed spreadsheets.

As shown, each of these scenarios has a positive impact on the Town budget due to the fact that the anticipated taxes for the homes on site far exceeds the average. This positive impact will likely be even greater under the preferred plan, as the difference in the level of services the Town may provide Legacy Ridge residents is different for the preferred plan than for the alternative plans.

- Under the preferred plan, with a gated community, regular police patrols for speeding, parking, etc. would not be required, therefore reducing impacts on the Police Department budget (public safety is 37.83% of the entire Town Budget).

- Under the preferred plan, all roads (except the first 600 feet of the main entrance) will be owned and maintained by the HOA, significantly reducing impacts on the Highway Department budget (Public Works is 21.88% of the entire Town budget) as compared to a conventional R-3A or R-2A development. The Town road will be owned and maintained by the Town as per NYS Town Law and the Town of Woodbury Town Code. Any areas dedicated for drop off and parking outside the Town right-of-way will be owned and maintained by the HOA.
- The Legacy Ridge plan includes recreational alternatives including a clubhouse, and significant passive recreational alternatives which will reduce the need for Town recreational services.

The increased budget available to the Town will allow the town to increase services to town residents, or decrease the tax levy on all parcels in the Town.