



OSSINING UNION FREE SCHOOL DISTRICT

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Raymond Sanchez
Superintendent of Schools

March 17, 2017

Dear Planning Board Members:

This letter is sent on behalf of the Ossining Union Free School District, and in an effort to inform you of several important concerns of the School District as they relate to residential, commercial and mixed-use projects within the School District's geographical boundaries. Recently, there has been a noticeable influx of these developments in the Ossining community. Several of the developers for these projects have also sought financial assistance from the Westchester County Industrial Development Agency for real property tax abatements in the form of payments-in-lieu-of-taxes ("PILOTs"), as well as sales tax and mortgage recording tax exemptions. These projects and future projects have and may continue to negatively impact the School District, thereby creating unintended consequences for the School District's educational programs and its overall financial health. ***We urge you to take into account the concerns raised herein before considering any project that comes before you for consideration.***

At the outset, please note that the School District is mindful that certain projects may foster economic development and promote job creation in our community and across the County; however, as I am sure you can appreciate, the Board of Education and the School District Administration take very seriously any and all matters that could potentially have an adverse impact on the School District's educational programs and operations, decrease the limited sources of revenue available to the School District and/or impact the residents and taxpayers of the School District. The School District's primary source of revenue is raised through tax levies on the residential and commercial properties located within the School District boundaries. The School District relies almost exclusively on local, real property taxation to fund the public schools. Any increase to the budget resulting from a new project or a reduction to property taxes associated with a PILOT for new development is therefore of significant importance to the School District.

As noted above, new residential, commercial or mixed-use projects may negatively impact the educational services provided by the School District and the opportunities for our students. Notably, any increase of school-aged children to our already crowded schools may require the immediate alteration and expansion of our facilities and increased staffing costs, which in turn, could result in the elimination of instructional and educational programs. Of significance, School District enrollment has increased by 896 students, almost 25%, since 2006. Recently, our demographer provided us with our annual Long Range Planning Study. Gains are projected to continue during the next ten years, with an increase of 414 students expected by 2026. With the School District's facilities already at, or near, full capacity, the potential impact of a residential development should be carefully considered prior to moving forward with any project that generates additional school-age children.

In addition, PILOTs that subject or potentially subject the School District to a decrease in projected tax revenue present imminent and crucial concerns for the School District. Developments and resulting PILOT agreements could bring about yet another unintended consequence – a decrease to

the tax base of the School District and increase of taxes to the School District's taxpayers. It could likewise result in reduction to the School District's educational and instructional programs and place a burden on our facilities, budget and staffing requirements. The foregoing is compounded by the application of the tax cap formula under the Education Law, which limits the School District's ability to increase its year-to-year budget to account for the types of unintended consequences, including, but not limited to, those addressed in this letter. Simply stated, PILOTs do not equal taxes under the tax cap formula; this loss is compounded year over year and can never be recaptured.

With respect to the notice requirements, the Industrial Development Agencies are statutorily required to provide the School District with written notice of a public hearing wherein financial assistance has been requested by an applicant/developer, at which time the School District is provided with an opportunity to voice its concerns. We are respectfully requesting that you thoughtfully consider the concerns identified when a project comes before you in an effort to avoid the unintended consequences to our school system. We are also requesting that you require developers to meet with the School District to address all of our concerns, including those raised herein. We further request that you kindly notify School District officials at the inception of any proposed project so that the School District can participate in the process and work together with the affected jurisdictions to protect the School District's interests, programs, community and taxpayers. This type of notice will assist in affording the School District with an opportunity to conduct its independent analysis of the potential impacts associated with any project, including any unintended consequences that may arise therefrom.

I hope you find this information helpful as you consider any development in the Ossining community. While we share the vision of a flourishing, vibrant community in Ossining, I am sure we can both agree that a vital part of a vibrant community is having a healthy and financially secure School District. To that end, efforts should be made to ensure that our school system remains stable and grows for the benefit of our students and our collective future.

I remain available to meet with you to discuss these concerns further. As always, we truly appreciate your support. Please feel free to contact me if you have any questions.

Sincerely yours,

A handwritten signature in cursive script, appearing to read "Raymond S. Sanchez".

Raymond Sanchez