



MEMORANDUM

TO: Village of Ossining Planning Board

DATE: June 18, 2018

FROM: Gina Martini, AICP
VHB Engineering

RE: Hidden Cove

The purpose of this Memorandum is to respond to the letter from the Ossining Union Free School District (School District) to Members of the Village of Ossining Planning Board dated May 22, 2018. Substantive and relevant comments from the Ossining Union Free School District ("School District") fall into three general categories:

- 1) The School District claims it was never notified of the Project.
- 2) The School District questions the accuracy of the projections of the number of school students identified in the FSEIS.
- 3) The School District disagrees with the methodology used to estimate the fiscal impact to the School District from project residents.

This Memorandum will respond to each of these three areas of concern in the order listed above.

1) Prior Notification of the Project

The School District claims it has no record that indicates that the School District was provided notice of the Proposed Project and the School District claims there was never an attempt to seek School District input pertaining to School District operations.

The School District was notified of the Project, in writing, by letter from VHB dated June 3, 2013, in which we requested the number of school children in certain developments in the School District. The School District provided a written response dated July 11, 2013. The School District's response is detailed in FSEIS Response 2.2.1. Documentation to and from the School District is attached. The School District was also included in the mailing to Involved and Interested Agencies for the Planning Board's May 22, 2018 Public Hearing on the Draft Final Supplemental Environmental Impact Statement ("FSEIS" or "2018 FSEIS"). Representatives of the District testified



during the May 22nd Public Hearing, as well as appeared and provided comments during the Board's April 24, 2018 meeting.

School District sources consulted for the Hidden Cove EIS are detailed later in this Memorandum.

2) Projections of Site Generated School Student

The School District questions the accuracy of the projections of the number of school students identified in the FSEIS.

The draft FSEIS, dated April 9, 2018, included an updated analysis of the number of public school students residing at the proposed residential building that would attend schools in the Ossining Union Free School District. As mentioned in the School District's comments, the draft FSEIS used generation rates provided by Rutgers University, Center for Urban Policy Research (CUPR), June 2006. Specifically, the generation rates utilized in the draft FSEIS are for multi-family (5+ units) rental housing. The generation rates estimate the number of school age children **attending public schools**. Since the purpose of this analysis is to determine the direct impact of this project on Ossining Union Free School District, these generation rates do not include the number of school age children attending private or parochial schools. The following table illustrates the projections included in the draft FSEIS:

Table 1 School-Age Children in Public Schools (PSAC)

Unit Type	# of Units	Multiplier	Total
1-Bedroom	34	0.07	2.38
2-Bedroom	103	0.16	16.48
<i>Total</i>	<i>137</i>		<i>18.86</i>

Source: Multipliers - Estimates of the Occupants of New Housing, Number of School-Age Children in Public School (PSAC), by Rutgers University, Center for Urban Policy Research, June 2006.

The draft FSEIS estimated that the Project would generate approximately 19 public school students. It should be noted that use of the Rutgers Study generation rates to project the increase in school district enrollment is a standard methodology utilized in development impact assessments. The School District claims the Rutgers model is outdated and inaccurate for purposes of estimating the number of students generated. In an effort to be responsive to the School District's complaints about the Rutgers methodology, the Applicant has expanded the analysis to include actual local data from similar developments.

To accomplish this, we considered recently constructed developments most directly comparable to Hidden Cove – i.e., multi-family residential developments with comparable location, rents, and



amenities. Accordingly, the 2018 FSEIS submitted to the Board on this date includes an updated school children analysis that incorporated data from Harbor Square – the one truly comparable development that has been built and fully occupied in the Village.

Harbor Square is a recently constructed multi-family rental project offering views of the Hudson River, and comparable building amenities to those to be offered at Hidden Cove. In order to evaluate how the projected number of school children might vary based on more localized experience, data from Harbor Square was requested from Harbor Square's Property Management. Harbor Square is a 188-unit rental apartment building (including 10% affordable), consisting of 11-studio apartments, 26 1-BR apartments, 52 1-BR + den apartments, and 97 2-BR + den apartments. It generated 15 school-age children.¹

Harbor Square resulted in 0.079 school-age children per unit. This figure is substantially below (i.e., 42% below) the CUPR multipliers noted above.

Also analyzed for this Memorandum and included in the FSEIS submitted on this date are several multi-family rental projects located in other school districts in Westchester County. This data is from developments with similar bedroom count mixes (i.e., 1 and 2-bedrooms). The Hidden Cove project was revised in 2017 to eliminate all 3-bedroom units, resulting in 30% fewer school-age children (8 fewer students) attending the public schools based on standard demographic multipliers. Thus, other developments that included a significant number of 3-bedroom units (or larger) would not be a reasonable comparable development because units larger than 2-bedrooms typically generate significantly more school-age children. For this reason, Avalon Ossining is not a reasonable comparable development as it contains significant number of 3-bedroom units.

In contrast, Avalon Green in Elmsford, for example, had 4 total school children in 105 units (consisting of 1 and 2-bedroom units). Avalon Willow in Mamaroneck had 15 total children in 227 units (consisting of 1 and 2-bedroom units). The Avalon in Bronxville had seven total children in 100 units (consisting of 1, 2 and 3-bedroom units). These three projects gave very consistent results, ranging from 0.06 to 0.079 school children per unit.

¹ Information for Harbor Square was provided by Brian Dashnaw, Vice President of Property Management for GDC, on May 24, 2018, and reflects data as of that date.



Table 2 Projected School-Age Children Based on Comparable Developments (2018 Data)

Number of Units Proposed at Hidden Cove	Generation Rate (child/per unit)	Potential School Children in Hidden Cove
137	0.079 (Harbor Square) ¹	11
137	0.070 (Avalon Willow)	10
137	0.070 (Avalon Green)	10
137	0.060 (The Avalon)	8

Information for Harbor Square provided by Brian Dashnaw, Vice President of Property Management for GDC.

Information for Avalon Willow, Avalon Green and The Avalon provided by AvalonBay Communities on June 9, 2018.

The four projects above resulted in projections for the generation of school-age children at the proposed Hidden Cove ranging from **8 to 11 children**. This is **less than the 19 school-age children projected by using the Rutgers multipliers**. Given that the majority of units in the four residential developments were similar to those of the Hidden Cove, it could be anticipated that the proposed Project would also result in a similar generation rate.

The School District suggests “the inclusion of affordable housing could yield additional school aged children and, in turn, additional costs to the School District”. The proposed Project will include 10% affordable housing (14 units). The School District also indicates that “the DFSEIS does not appear to categorize these 14 units by unit type.”

The affordable housing will be provided in compliance with Ossining Code § 62-3 (“Inclusion of affordable dwelling units in rental housing required), such that the affordable housing units shall:

- (1)** *Be generally distributed throughout the rental housing;*
- (2)** *Not be distinguished as a class from the Market-Rate rental housing;*
- (3)** *Be distributed among one-, two- and three-bedroom units, etc., in the same proportion as the dwelling units in the market-rate rental housing; and*
- (4)** *Each have a floor area of not less than 80% of the average floor area of the dwelling units in the market-rate rental housing.*

While it is accurate that more affordable housing typically results in higher student generation rates, it should be noted that all the multi-family projects listed in Table 2 have an affordable housing component - - in most cases, ten percent (10%) of the units were set-aside as affordable



housing. Harbor Square provides 19 affordable units. Thus, students from affordable units clearly factored into these projections.

3) Methodology used to estimate the fiscal impact to the School District from project residents.

In accordance with the DEIS scope adopted by the Planning Board as Lead Agency, the DEIS for Hidden Cove included a school impact analysis. This analysis was updated in the 2018 FSEIS based on the School District's 2017-2018 budget and enrollment figures. A list of data sources consulted for the School District data is included at the end of this Memorandum. In addition, property tax projections were also updated in the FSEIS using the most current (2017-2018) tax rates.

Tax Revenue Projections

With regard to property tax projections, the Project will not receive a final, official tax assessment until the Project is constructed. For purposes of fiscal impact analysis, the typical methodology for estimating property taxes is to use a comparable development in the same taxing jurisdictions. Therefore, property tax projections were estimated based on the current taxes paid by AvalonBay Communities for the Avalon Ossining project ("Avalon"). Avalon is a relatively recently constructed rental project in the Village of Ossining. Avalon comprises two tax parcels with a combined assessed value of \$30,499,600. Based on the current tax rates, Avalon's property taxes are approximately \$1,280,779. Avalon has 168 units averaging \$7,624 in annual property taxes per unit. Assuming a similar assessment for Hidden Cove, and assuming the Hidden Cove Project would likely pay approximately \$7,624 per unit similar to Avalon, the 137 proposed units at Hidden Cove would generate approximately \$1,044,445 in total annual property taxes.

To be clear, the purpose of estimating taxes for Hidden Cove is to provide a reasonable baseline for a fiscal impact analysis under SEQRA. The tax assessment figures contained in the fiscal analysis are not intended to be official or verified assessments.

Actual Cost to Educate Hidden Cove Residents

The other side of the tax revenue analysis is a projection of the educational costs likely to be incurred by the School District in absorbing the 19 new students conservatively estimated to reside at Hidden Cove based on the standard multipliers, and the portion of the per pupil cost paid by local tax levy. According to the 2017-2018 adopted budget for the Ossining School District, approximately 83% of the per pupil cost is paid by local tax levy; the remainder of the budget comes from the State or other sources. The analysis below also calculates the projected educational costs for the estimated up to 11 students based on comparable projects located in Ossining and elsewhere in Westchester County. As shown below, the proposed Hidden Cove Project would not cause an adverse fiscal impact on the School District under either scenario.



The total Ossining School District budget for 2017/2018 is \$125,675,900 – a 0.36% increase from the prior year. Based on a total school district enrollment of 5,151 students, the average cost per pupil for 2017/2018 would be approximately \$24,398.

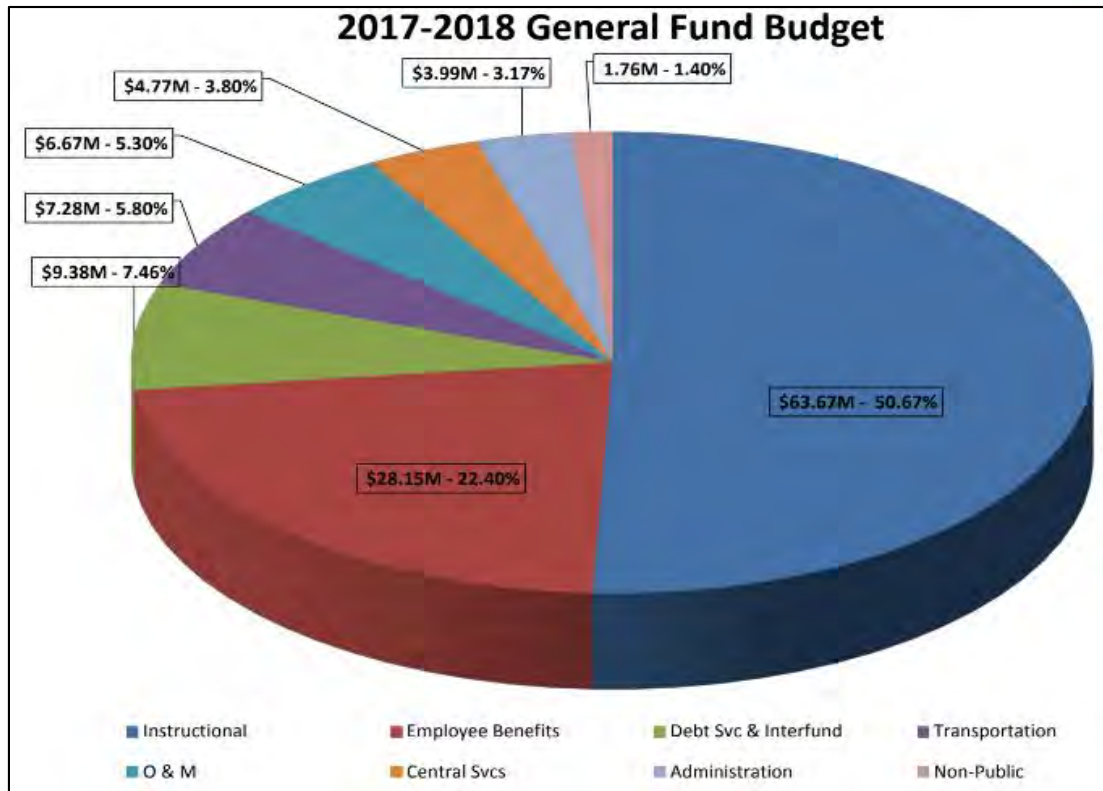
Table 3 Average Cost Per Pupil (2017/2018)		
A	B	C
2017/18 Budget	2017/18 Enrollment	Cost Per Pupil (A ÷ B)
\$125,675,900	5,151	\$24,398

According to information provided by the Ossining School District, approximately 83% of the per pupil cost is paid by local tax levy; the remainder of the budget comes from the State or other sources.

Table 4 Tax Levy Per Pupil (2017/2018)		
A	B	C
Cost per Pupil	% of Per Pupil Cost Paid by Local Tax Levy	Tax Levy Per Pupil (A x B)
\$24,398	83%	\$20,250

While analysis of the per pupil tax levy assists in determining the allocation of tax levies based on projected enrollment, it is the marginal expense for new students that must be analyzed under SEQRA when calculating the true impact of the development. Simply using the per pupil tax levy as a basis for estimating the total cost of additional students generated overestimates the marginal cost of educating an additional student. The marginal cost is defined as all of the actual costs of educating these students. There are many items in the school budget that are fixed and would not be affected by a modest increase of additional students. These fixed items include administrative services such as district clerk; district meetings; central administration, business administration, auditing and treasurer, public information, data processing, curriculum development and supervision.

The School District 2017-2018 Budget includes costs for administrative, program and capital costs. Approximately 50.67% of the total budget, or \$63.67 million is allocated for instructional costs. This is illustrated in the chart below, which is taken from the School District's 2017-2018 budget:



Source: Ossining Union Free School District 2017-2018 Budget.

Based on a 2017/2018 School District student population of 5,151, the instruction costs per pupil are approximately \$12,360, of which 83% or \$10,259 is paid by local tax levy.

Table 5 Program Costs and Tax Levy per Pupil

A	B	C	D	E
Instructional Costs (50.67% of total budget)	2017/18 Enrollment	Instructional Costs Per Pupil (A ÷ B)	% Paid by Local Tax Levy	Per Pupil Instructional Costs Paid by Local Tax Levy (C x D)
\$63,670,000	5,151	\$12,360	83%	\$10,259

Based on VHB's experience in preparing and reviewing similar fiscal analysis, the Hidden Cove projected education cost of \$10,259 per new school-age child accurately reflects the above-mentioned methodology, consistent with how such costs are calculated in typical SEQRA reviews.



In fact, this same method of projecting costs was utilized in the DEISs for Avalon Ossining and Harbor Square.

Utilizing this estimate of 19 public school children, this total would have a minimal impact. With a \$10,259 average cost per child, 19 new students would cost approximately \$194,921.

Utilizing an estimated range of 8-11 public school children based on the actual data provided by comparable developments in the Village and elsewhere in the County, there would be even less of an impact. With a \$10,259 average cost per child, 8-11 new students would cost approximately \$82,072- \$112,849.

As detailed in the FSEIS, the Current Project would generate an estimated \$617,580 in total taxes to the Ossining Union Free School District. This tax revenue would result in a net fiscal benefit of \$422,659 based on 19 new students, or \$535,508 based on 8 students and \$504,731 based on 11 students.

Special Education Costs

The School District letter of May 22, 2018, also suggests that the analysis contained in the draft FSEIS does not reflect the additional costs associated with special education students.

Importantly, this cost has already been reflected in the 2017-2018 Ossining School District Budget and, in turn, special education costs are already reflected in the fiscal analysis contained in the draft FSEIS.

In fact, the 2017-2018 School District Budget addresses special education and English-as-Second Language students. Special Education Instructional costs are ***already included*** in the overall School District Budget (refer to the 2017-2018 School District Budget, Budget Summary by Function, Total Instructional Budget), as follows:

Special Education - Instructional	\$8,002,374
Special Education - Tuition and Related Services	\$3,367,406
Special Education – Speech and Language	\$1,094,713
Special Education – Placements	\$2,229,408
Special Education – Resource Educ./Consultant Teacher	\$690,500

Since 12% of the K-12th grade student population are special education students, it is reasonable to assume that 12% of Hidden Cove student residents would likely be special education students. As such, this has already been factored into the draft FSEIS budget consistent with the manner in which the budget is allocated for instructional costs in the 2017-2018 School District Budget.



NYS Education Department Data

The School District letter of May 22, 2018, cites the NYS Education Department data for determining annual costs. Typically, the State data is not used in SEQRA analysis and the accepted SEQRA methodology is to use the local School District's budget and enrollment data and compare this information to the project generated taxes to determine the impact of an individual project.

However, in an effort to be responsive to the concerns expressed on behalf of the School District, the following analysis uses NYS Education Department Fiscal Accountability Summary (2016-2017) for the Ossining School District to determine the impact to the School District.

As shown below, based on the NYS Fiscal Accountability Summary, instructional expenditures are \$13,203 for general education students and \$42,950 for special education students. According to Westchester Putnam School Boards Association Facts & Figures for 2018, information provided by the Ossining School District, approximately 83% of the per pupil cost is paid by local tax levy; the remainder of the budget comes from the State or other sources. Since the purpose of this analysis is to determine the direct impact of this project on the local School District, the portion of the educational costs to be paid by local tax levy would be 83% of \$13,203 or \$10,958 for general education students and 83% of \$42,950 or \$35,649 for special education students.



FISCAL ACCOUNTABILITY SUMMARY (2016 - 17)

INFORMATION ABOUT EXPENDITURE RATIOS (2015 - 16)

(Data are lagged a year.)

Commissioner's Regulations require that certain expenditure ratios for general-education and special-education students be reported and compared with ratios for similar districts and all public schools. The required ratios for this district are reported below.

The numbers used to compute the statistics on this page were collected on the State Aid Form A, the State Aid Form F, the School District Annual Financial Report (ST-3), and from the Student Information Repository System (SIRS).

THIS SCHOOL DISTRICT

GENERAL EDUCATION	SPECIAL EDUCATION
INSTRUCTIONAL EXPENDITURES	INSTRUCTIONAL EXPENDITURES
\$61,778,293	\$23,794,398
PUPILS	PUPILS
4,679	554
EXPENDITURES PER PUPIL	EXPENDITURES PER PUPIL
\$13,203	\$42,950

<https://data.nysed.gov/fiscal.php?year=2017&instid=800000035059>

Based on the NYS Education Department data shown above, the District has a general education enrollment of 4,679 students and a special education enrollment of 554 students, or 10.6% of the total district enrollment.

Utilizing the Rutgers generation rates, the project would result in a total of 19 school children including 17 general education students at a cost of \$186,286 (17 x \$10,958) plus two special education students at a cost of \$71,298 (2 x \$35,649). As a result, based on the NYS Education Department data and the very conservative Rutgers generation rates, the cost to educate the additional students, which will be paid by local tax levy is \$257,584 (\$186,286 + \$71,298). As detailed in the FSEIS, the Current Project would generate an estimated \$617,580 in total taxes to the Ossining Union Free School District. This tax revenue would result in a **net fiscal benefit of \$359,996** based on 19 new students (including two special education students) when utilizing NYS Education Department data.



Utilizing an estimated range of 8-11 public school children based on the actual data provided by comparable developments in the Village and elsewhere in the County, there would be even less of an impact.

With a cost to educate paid by local tax levy of \$10,958 for general education students and \$35,649 for special education students, the addition of eight students (including seven general education students and one special education student) would be \$112,355 ($7 \times \$10,958 + \$35,649$). With a cost of \$112,355 to educate eight new students paid by local tax levy, the **net benefit to the school district would be \$505,225** (\$617,580 generated in property taxes minus the cost of \$112,355).

If the project results in 11 new school children, based on the actual data and generation rates provided by Harbor Square, the addition of 11 students (including ten general education students and one special education student) would be \$145,229 ($10 \times \$10,958 + \$35,649$). With a cost of \$145,229 to educate 11 new students paid by local tax levy, the net **benefit to the school district would be \$472,351** (\$617,580 generated in property taxes minus the cost of \$145,229).

State Aid/PILOT

State Aid is based on many factors. It is not possible to determine the exact impact this one Project will have on State Aid to the School District. With regard to the property tax cap, the formula for determining the tax levy limits for school districts is complicated and based on many factors not known to the developer, including the prior year reserve offset, total of PILOTs receivable in the prior fiscal year and in the coming fiscal year, available carryover, and certain exclusions. The formula for tax increase is attached for reference.

Hidden Cove may affect the tax base growth factor, which is based on NYS Tax and Finance determination of "quantity change," such as new construction, newly taxable status of existing property, or measurable improvements to taxable property within Ossining. State Aid to the OUFSD is also based on state-wide equalization factors that cannot be quantified based on the limited information available to the developer.

The most significant direct impact from development to State Aid and the Property Tax Cap comes from PILOTs. The School District letter of May 22, 2018, inquires as to whether the Applicant seeks any form of abatement of taxes or PILOT. The Applicant does **not** seek any form of abatement of taxes or PILOT. A PILOT has never been proposed as part of this project.



Conclusion

Based on actual school district enrollment figures for comparable, recent multi-family rental developments in the Ossining School District and elsewhere in the County, the Rutgers generation rates are likely to be high. In reality, Hidden Cove will likely generate far fewer school children than suggested by the Rutgers generation rates. Based on valid, actual enrollment data for comparable developments using updated 2018 information, Hidden Cove is likely to generate approximately 8-11 school age children rather than the 19 students estimated based on Rutgers data. Rutgers data can be considered very conservative, resulting in a "worst case scenario".

Moreover, the information presented in the FSEIS regarding projected education costs of \$10,259 per pupil is accurate, and was derived by using a widely accepted method in SEQRA analysis for projecting education costs. Even using the NYS Education Department budget data, as suggested by the School District, there is a substantial net benefit to the School District from the property taxes to be generated by the project.

The Applicant appreciates the comments and input provided by the School District. The accurate analysis of costs was based on the current School District budget, using reasonable assumptions to evaluate how the overall budget might be impacted by the Hidden Cove development. Future budgets will be affected by policies that may be adopted and decisions that will be made by the District and its local voters, as well as by laws that may be adopted at the State level.

As noted above, we have made a good faith effort to respond to questions and concerns raised by the School District as to the potential impact of the proposed development on the School District. In doing so, we have sought out data from a range of sources, including the District itself. By clearly indicating the sources we utilized, explaining our assumptions and stating our conclusions, we have presented the Planning Board and the public with an accurate representation of potential impacts, subject to the limitations of any study that must project future conditions. We stand by the analyses and conclusions in the FSEIS.



Sources:

Ossining Union Free School District Budget 2017-2018, <https://ossiningufsd.org/district/2017-2018-budget.html>.

2018 Facts & Figure\$, Westchester-Putnam School Boards Association; OUFSD.

Slide Presentation: *Long Range Planning Study for the Ossining Union Free School District* prepared for the District by the *Western Suffolk BOCES, Office of School Planning and Research.*

Ossining Union Free School District Long Range Plan, School Years 2016-2017 through 2018-2019, Office of the Superintendent, Adopted July 28, 2016.

Letter dated March 17, 2017 from Ossining Union Free School District Superintendent Raymond Sanchez to the Ossining Planning Board.

Correspondence to and from the OUFSD (also included as FSEIS Appendix 5.12).

Fiscal Accountability Summary (2016-2017) for the Ossining Union Free School District by the NYS Education Department.

New York State Education Department, Fiscal Accountability Summary (2016-2017), <https://data.nysed.gov/fiscal.php?year=2017&instid=800000035059>



June 3, 2013

Raymond Sanchez
Superintendent
Ossining Union Free School District
190 Croton Avenue
Ossining, NY 10562

Dear Mr. Sanchez:

VHB Engineering, Surveying and Landscape Architecture, P.C. is preparing an Environmental Impact Statement on behalf of Plateau Associates relative to a proposed 137-unit residential apartment building. The Village of Ossining Planning Board is acting as Lead Agency in this matter. As part of the Final Environmental Impact Statement, the Planning Board has directed us to provide a few Ossining School District examples for the number of school children that a development such as this one has produced.

To that end, we have identified the following developments located in the Ossining School District, for which we request the number of school children in each development.

	Name	Location
1	The Orchid	73 Spring Street, Ossining
2	Jefferson House South	71 Charter Circle, Ossining
3	Jefferson Highlands Apartments	151 South Highland Avenue, Ossining
4	Clinton Terrace	70 Croton Avenue, Ossining
5	Scarborough Manor	16 Rockledge Avenue, Scarborough

If you have any questions or require further information, please feel free to contact me. Thank you for your attention in this matter. I look forward to receiving your response to the above items.

Sincerely,
VHB Engineering, Surveying and Landscape Architecture, P.C.

Gina Martini, AICP
Senior Project Manager



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Superintendent of Schools

July 11, 2013

Via Email: gmartini@vhb.com

Gina Martini, AICP
Senior Project Manager
VHB Engineering, Surveying and
Landscape Architecture, P.C.
50 Main Street, Suite 360
White Plains, NY 10606

Re: F.O.I.L. Request

Dear Ms. Martini:

We have compiled your FOIL request regarding certain information pursuant to the Freedom of Information Law (FOIL).

Below is the information we have available.

Development Complex: The Orchid, 73 Spring Street, Ossining

There are 216 students residing within these Spring Street addresses: 43 – 338 Spring Street

Development Complex: Jefferson House South, 71 Charter Circle, Ossining

There are 55 students residing within these Charter Circle addresses: 12 – 192 Charter Circle

Development Complex: Jefferson Highlands Apartments, 151 So. Highland Avenue, Ossining

There are 209 students residing within these So. Highland Avenue addresses: 40-294 So. Highland Avenue

Development Complex: Clinton Terrace, 70 Croton Avenue, Ossining

There are 187 students residing within these Croton Avenue addresses: 2 – 205 Croton Avenue

Development Complex: Scarborough Manor, 16 Rockledge Avenue, Scarborough Manor There are 4 students residing within these Rockledge Avenue addresses: 2 – 16 Rockledge Avenue

If you have any questions, please contact me at 914-941-7700, ext. 1317.

Sincerely yours,

Ileana Ortiz
Records Access Officer

Office of the New York State Comptroller

Thomas P. DiNapoli • State Comptroller



Property Tax Cap

Formula for Determining Tax Levy Limit: School Districts

Base Formula

$$\left(\left[\left(\begin{array}{c} \text{Total taxes} \\ \text{levied for} \\ \text{prior} \\ \text{fiscal} \\ \text{year} \end{array} + \begin{array}{c} \text{Prior year} \\ \text{reserve} \\ \text{offset} \end{array} - \begin{array}{c} \text{Reserve} \\ \text{amount} \\ \text{(including} \\ \text{interest} \\ \text{earned)} \end{array} \right) \times \begin{array}{c} \text{Tax base} \\ \text{growth} \\ \text{factor}^1 \end{array} \right] + \begin{array}{c} \text{PILOTs} \\ \text{receivable in the} \\ \text{prior fiscal year} \end{array} - \begin{array}{c} \text{Capital tax levy} \\ \text{exclusion, prior} \\ \text{fiscal year} \end{array} - \begin{array}{c} \text{Tort exclusion,} \\ \text{prior fiscal} \\ \text{year} \end{array} \right) \times \begin{array}{c} \text{Allowable levy} \\ \text{growth factor} \\ \text{(1.00 to 1.02)}^2 \end{array} - \begin{array}{c} \text{PILOTs} \\ \text{receivable in} \\ \text{coming fiscal} \\ \text{year} \end{array} + \begin{array}{c} \text{Available} \\ \text{carryover, if} \\ \text{any} \end{array} = \text{Tax Levy Limit}$$

+ Exclusions

$$\begin{array}{c} \text{Tax Levy} \\ \text{Limit} \end{array} + \begin{array}{c} \text{Tax levy necessary for} \\ \text{expenditures resulting} \\ \text{from court} \\ \text{orders/judgments} \\ \text{arising out of tort} \\ \text{actions for any amount} \\ \text{in excess of 5\% of the} \\ \text{total taxes levied in} \\ \text{the prior fiscal year} \end{array} + \text{Capital tax levy} + \begin{array}{c} \text{Tax levy necessary to pay} \\ \text{for increases to the system} \\ \text{average actuarial} \\ \text{contribution rate (ERS) or} \\ \text{normal contribution rate} \\ \text{(TRS) of pension funds over} \\ \text{2 percentage points} \end{array} = \text{Tax Levy Limit,} \\ \text{with Exclusions} \\ \text{(if applicable)}^3$$

¹ Tax base growth factor: Based on Tax and Finance determination of "quantity change," such as new construction, newly taxable status of existing property, or measurable improvements to taxable property within the boundaries of the local government or school district.

² Allowable levy growth factor: Lesser of 1.02 or inflation factor (percent change in CPI for the 12 month period ending 6 months before the start of the coming fiscal year over the prior 12-month period), but never lower than 1.00.

³ If school districts propose to exceed this, they must get 60% voter approval for an override.



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