

A. INTRODUCTION

This section discusses current economic activity on the project site and anticipated changes in economic and fiscal activity that may occur in the future as a consequence of the proposed project. The site's economic activity is analyzed regionally, as well as in terms of fiscal impacts to the Town of Hamptonburgh.

B. EXISTING CONDITIONS

The economic and fiscal effects of the project site are derived primarily from the real property taxes assessed on the land and existing improvements by the affected taxing jurisdictions, as discussed below.

EXISTING PROPERTY TAX PAYMENTS

The proposed project site is composed of three tax lots: Section 1, Block 1, Lots 21.21, 21.22, and 21.23. The proposed wastewater treatment facility would be constructed on a portion of Section 1, Block 1, Lot 20.2.

According to the most recently paid county, town, and school real property tax bills, the Town of Hamptonburgh Assessor has estimated a full Market Value of Lot 21.21 at \$1,945,500, Lot 21.22 at \$4,243,900, and Lot 21.23 at \$690,300, for a total project site full Market Value of \$6,879,700.¹ The subject parcels are currently subject to an agricultural assessment that reduces the assessment for taxation purposes. Due to this adjustment, the *Taxable Assessed Values* of the parcels are \$681,012, \$837,378, and \$431,772, respectively, or a total taxable assessed value of \$1,950,154.² The taxes currently paid on these parcels are based on the taxable assessed value.

The project site is located within the taxing jurisdictions of Orange County, the Town of Hamptonburgh (including the Hamptonburgh Highway Department and Part Town), the Hamptonburgh Fire District, and the Valley Central School District.

As shown in Table 3.14-1, based on the current fiscal year tax bills, the project site generated total Town and County property tax payments of \$9,579. This total includes \$2,433 for the Town of Hamptonburgh (including the Highway Department and Part Town taxes), \$1,217 for the Hamptonburgh Fire District, \$5,929 for Orange County. In addition, the project site generated \$30,396 for the Valley Central School District. These taxes reflect the reduction in

¹ The 2006 County and Town Real Property Tax Bills for the three subject parcels were (paid on January 31, 2006), and the 2005-2006 School Real Property Tax Bill was paid on September 22, 2005.

² Conversation with Town of Hamptonburgh Assessors Office, April 19, 2006. These assessed values were established of record as of June 23, 2005.

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assessed valuation, and therefore the reduction in taxes paid, due to the Agricultural District adjustment.¹

**Table 3.14-1
Existing Property Taxes**

Taxing Jurisdiction	Tax Rate Per \$1,000	Tax Amount			
		Lot 21.21 AV \$1,945,500 TAV \$681,012	Lot 21.22 AV \$4,243,900 TAV \$837,378	Lot 21.23 AV \$690,300 TAV \$431,772	Total Taxes
Town of Hamptonburgh ¹	\$1.2478	\$850	\$1,045	\$539	\$2,433
Hamptonburgh Fire District	\$0.6241	\$425	\$523	\$269	\$1,217
Orange County	\$3.0402	\$2,070	\$2,546	\$1,313	\$5,929
Subtotal		\$3,345	\$4,113	\$2,121	\$9,579
Valley Central School District ²	\$15.5200	\$10,675	\$13,126	\$6,768	\$30,569
Total		\$14,020	\$17,239	\$8,889	\$40,148
<p>Notes: "AV" is full Market Value Assessed Value at 100% equalization rate. TAV" is Taxable Assessed Value reflecting Agricultural District exemption. The actual taxes are based on this adjusted assessment. Footnote #1: Includes Highway and Part Town. Footnote #2: Tax amount includes 1% collection fee.</p> <p>Sources: 2006 County and Town Real Property Tax Bills as paid January 31, 2006; 2005-2006 School Real Property Tax Bill as paid September 22, 2005; Hamptonburgh Town Clerk and Tax Collector; Valley Central School District; Orange County Real Property Tax Service; and New York State Office of Real Property Services.</p>					

ECONOMIC ACTIVITY

PROJECT SITE

The approximately 400-acre project site consists of cleared, vacant and pasture lands, woodlands, horse farms, and related outbuildings. The majority of the project site has been used for agricultural purposes from as early as 1940, and currently much of the project site is used as horse farms, with the exception of the undeveloped woodlands.

STUDY AREA

The one-half mile study area for the proposed Four Seasons at Hamptonburgh is characterized predominantly by residential uses, vacant land, parkland, and agricultural land. The economic activity within the study area can be described as mainly industrial in nature. There is a quarry

¹ For the sake of presentation all amounts have been rounded up to the nearest whole dollar.

located adjacent to the southern edge of the project site, and there are two commercial warehouses located adjacent to the northwestern edge of the project site.

In order to get a better sense of the economic activity within the study area, the United States Business Census was examined for the 10916 zip code (which includes the Town of Hamptonburgh). According to the Census's 2003 Industry Code Summary, there were a total of 73 business establishments within the entire zip code.¹ (Keep in mind that this Census includes the entire Town of Hamptonburgh, some of which is outside of the study area.) Table 3.14-2 below shows the business establishments broken down by industry code.

Table 3.14-2
U.S. Business Census Industry Code Summary for Zip Code 10916

Industry Code Description	Total Establishments
Forestry, fishing, hunting, and agriculture	1
Construction	21
Manufacturing	1
Wholesale Trade	7
Retail Trade	6
Transportation and Warehousing	2
Information	2
Real Estate and Rental and Leasing	2
Professional, Scientific, and Technical Services	9
Administrative, Support, Waste Management, and Remediation Services	4
Educational Services	3
Health Care and Social Assistance	5
Arts, Entertainment, and Recreation	1
Accommodation and Food Services	3
Other Services (Except Public Administration)	6
Total	73
Notes: This Business Census was conducted in 2003.	
Sources: U.S. Census Bureau, 2003.	

To get a more localized sense of the businesses in the vicinity of the project site and throughout the study area, field surveys were conducted in September 2005. Based on survey observations,

¹ U.S. Census Bureau, <http://censtats.census.gov/cgi-bin/zbpnaic/zbsecto.pl>, September 21, 2005.

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it was determined that the majority of the businesses in the immediate vicinity of the project site are related to trucking activities. However, the northern portion of the project site itself is currently occupied by horse farms and vacant land.

To the north of the project site, along Neelytown Road (County Route 99), there are several truck storage and distribution facilities, including Do It Best Corporation, Overnite, Cardinal Health, and an Import Distribution Center. Near the intersection of Neelytown Road and State Route 416, a variety of economy activity exists, including an electrical contracting company (Storm King Contracting), the County Recycling facility, a Farm Stand, and a hay farm.

The portion of the study area west of the project site is characterized mainly by agricultural uses (horse farms) and Thomas Bull Memorial Park, within which the Stony Ford Golf Course and Hill-Hold Museum are located.

Directly south of the project site is a quarry, located at the intersection of Neelytown and Quarry Roads. Moving north along Neelytown Road, east of the project site, there is a wood products manufacturer, some small family farms (including Windfall Farms, which sells some of its products), an electrical contractor, and some larger corn-producing farms.

VILLAGES IN THE VICINITY OF THE PROJECT SITE

There are two villages located outside of the study area that were examined to show the different types of economic activities within those villages as compared to the Town of Hamptonburgh. These areas are considered within the general area likely to be frequented by residents of the proposed project.

The Village of Maybrook (zip code 12543), located approximately 4.5 miles east of the project site, contains a total of 33 business establishments, according to the U.S. Business Census. The majority of the businesses within the Village of Maybrook were in the retail trade, manufacturing, administration, support, waste management, and remediation services, and health care and social assistance sectors. Based on a field survey, it was found that there are several delis in the Village, as well as private doctors' offices and a family medical group, an electrical contractor, a building materials manufacturer, a uniform store, and a couple of clock repair shops. Similar to the Town of Hamptonburgh, a section of Maybrook contains several trucking facilities, including a truck wash, a Yellow Truck storage area, and auto body shops. There is also a small museum called the Maybrook Railroad Museum, which is located in the rear of the library, which includes photos and videotapes of stories told by senior citizens. In addition, there is a senior citizens housing development located within the Village of Maybrook, called "The Evergreens – Community Living for Active Adults."

The Village of Montgomery is located approximately 5.5 miles north of the project site. It did not seem reasonable to rely on the U.S. Business Census, as the Village of Montgomery is not separated from the Town of Montgomery in terms of its zip code, and the Industry Code Summary is categorized by zip code. Therefore, field surveys were conducted to determine the types of businesses in this Village. The Village of Montgomery is an historic village, with many of the businesses emphasizing the historic feel to the community, such as antique shops and an "old-fashioned luncheonette." In addition, several gift stores and restaurants, as well as a florist, jeweler, consignment shop, gallery, hardware store, and hair salon, can be found within the Village. There are also cafes and delis scattered throughout the Village. In terms of office uses, there are a couple of banks, real estate offices, accountants, and a dentist's office. There are two bed and breakfasts located on the main street of the Village, In terms of some of the more

institutional uses, the Village Hall, a church, a senior citizen center, a library, and the Orange County Firefighters Museum are all located within the Village.

C. FUTURE WITHOUT THE PROPOSED PROJECT

In the future without the project, there are several residential subdivisions currently before the Planning Board. None of these subdivisions have been approved, but to be conservative, if all projects are built out, there could be an additional 194 lots of residential uses within the Town of Hamptonburgh.

In addition to these potential residential developments, five projects for non-residential developments are either under consideration or currently under discussion within the one-half mile study area. East of the project site, on the west side of Neelytown Road (County Route 99), there are two applications currently under consideration by the Town of Hamptonburgh Planning Board, one of which is for an industrial subdivision known as the Hamptonburgh Business Center, which would include 120,000 square feet of flex office/warehouse space located within five buildings, and the second of which is the proposed construction of a 13,250-square foot building for office/warehouse/shop use.

East of the project site on the east side of Neelytown Road, two site plans were approved by the Hamptonburgh Planning Board, one of which is a 3,040-square foot office and garage for an electrical service company, and the second of which consists of 11,750 square feet for the manufacture of pallets and wood chips.

Plans have also been considered for an industrial park being proposed on a site adjacent to and immediately north of the project site. Known as the Pyramid Industrial Park, plans indicate four warehouses within 1.27 million square feet of space.

D. POTENTIAL IMPACTS OF THE PROPOSED PROJECT

CONSTRUCTION PERIOD ECONOMIC EFFECTS

OVERVIEW OF METHODOLOGY

Construction of the proposed residential project would result in activity in the Orange County and New York State economies. Effects during construction would stem from the direct construction employment and spending from the project, as well as the secondary, or indirect, economic activity generated throughout the economy by the direct spending (often referred to as the “ripple” effect). This analysis examines the effect of the project in terms of employment, wages and salaries, and tax dollars generated during the construction period.

For this analysis, the method used for modeling the indirect (or generated) effects of construction activity on the Orange County economy was the Regional Input-Output Modeling System, known as RIMS II, developed by the U.S. Department of Commerce, Bureau of Economic Analysis. The model contains data on 473 economic sectors, showing how each sector affects every other sector as a result of a change in the quantity of its product or service. The model for Orange County was developed for the project using the latest available data in February 2005. A similar RIMS II model for New York State, also developed by the U.S. Department of Commerce, has been used to trace the effects on the State economy. Using these models and the specific characteristics of the proposed project, the total economic effect of the project has been estimated.

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Construction Cost

Development of the proposed project would be undertaken by a private investment of funds into the area. Based on preliminary estimates, the investment for construction of the project would cost approximately \$78.5 million. This construction cost estimate includes the construction of the residential development and associated elements (approximately \$76 million), and the construction of the wastewater treatment facility (approximately \$2.5 million). The estimated total construction cost of \$78.5 million reflects the cost of physical improvements to the affected properties, including site preparation and hard costs (actual construction), and design, legal, and related costs. This cost estimate therefore excludes other values (such as financing, marketing, etc.) not directly a part of the expenditures for construction. The total cost—including financing, management, initial marketing expenditures, and similar expenditures—would be substantially more.

ECONOMIC BENEFITS

Table 3.14-3 presents an overview of the projected employment and fiscal benefits resulting from construction of the Four Seasons at Hamptonburgh residential development. Jobs during the construction period for any particular component of the project would include many different specialty contractors, some employed for only a brief period and others, such as those employed by the general contractors, employed for longer periods of time. For this reason, jobs during the construction period are measured in “person-years.” A person-year is the equivalent of one person working full time for one year. The table shows the estimated cumulative effects of the project’s investments over the construction period.

**Table 3.14-3
Employment and Fiscal Benefits from Construction
of Four Seasons at Hamptonburgh**

	Portion in Orange County	Total County and State
Employment (Person-years)*		
Direct (Construction)	593	593
Indirect (Secondary and Induced)	474	513
Total	1,067	1,106
Wages and Salaries (Millions)		
Direct (Construction)	\$24.04	\$24.04
Indirect (Secondary and Induced)	\$15.74	\$17.06
Total	\$39.78	\$41.10
Total Economic Output or Demand** (Millions)		
Direct (Construction)	\$78.50	\$78.50
Indirect (Secondary and Induced)	\$65.02	\$73.51
Total	\$143.52	\$152.01
	Amount	
Estimated Sales Tax*** (Constant 2005 dollars)		

Orange County	\$1,189,800
MTA Taxes	\$79,300
New York State Taxes	\$1,348,400
Total	\$2,617,500

Notes:

* A person-year is the equivalent of one person working full-time for a year.

** The economic output or total effect on the local economy derived from the direct construction spending.

*** Includes only sales tax on construction materials; other tax revenues from construction activities would include personal income taxes, corporate and business taxes, numerous other taxes on construction and secondary expenditures, and for local taxing jurisdictions, property tax during the construction period.

Sources: The characteristics and construction cost of the proposed development; the Regional Input-Output Modeling System (RIMS II), U.S. Department of Commerce, Bureau of Economic Analysis; and the tax rates by applicable jurisdiction.

Employment

Based on \$78.5 million in direct expenditures on construction activities, the construction phase of the proposed project is forecast to directly create 593 person-years of employment. Although the workers would be drawn from throughout the region, it is anticipated that the employees drawn for the construction of Four Seasons at Hamptonburgh would be largely drawn from Orange County.

In addition to this direct employment resulting from the construction activities, the total employment resulting from these construction expenditures would include jobs in business establishments providing goods and services to the contractors and workers, thereby resulting in the creation of indirect, or generated employment. As shown in Table 3.14-3, based on the RIMS II model's economic multipliers for Orange County's industrial sectors, construction of the proposed project would indirectly generate another 474 person-years of employment, bringing the total direct and generated jobs from the construction of the proposed project to 1,067 person-years. In the broader New York State economy, the model estimates that the proposed project would generate 513 person-years of indirect employment, bringing the total direct and generated jobs from construction of the proposed project to 1,106 person-years of employment.

Construction workers generally travel to work sites and do not change residences as a result of construction activities. As a consequence, the construction of the proposed project would draw from a construction trade labor pool within the region and, as a consequence, the construction jobs related to the proposed project would not be expected to result in new permanent residences in Hamptonburgh or the surrounding area.

Wages and Salaries

The direct and indirectly-generated employment attributed to the construction activities would result in the creation of wages and salaries earned by the workers. Direct wages and salaries generated by the capital improvement expenditures are estimated at \$24.04 million. In total, including indirect and generated wages and salaries, construction of the proposed project is projected to have wages and salaries equaling approximately \$39.78 million in Orange County.

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In the broader New York State economy, total direct and generated wages and salaries from construction of the proposed project are estimated at \$41.10 million.

Economic Activity

Based on the RIMS II model for Orange County, the total economic activity that would result from the construction of the proposed project, including indirect expenditures, is estimated at \$143.52 million. This figure is a measure of the estimated output, or demand, for local industries, and expresses the amount of total effect of the proposed project on the economy. In the broader New York State economy, the total effect of constructing the proposed project is estimated at \$152.01 million.

Fiscal Benefits

Construction of the proposed project would also generate tax revenues, including sales tax revenues on construction materials and other taxes. As shown on Table 3.14-3, in total, construction of the proposed project is estimated to create more than \$2.6 million in sales tax revenue during the construction period, including approximately \$1.19 million for Orange County, \$79,300 for the Metropolitan Transportation Authority (MTA), and \$1.35 million for New York State. Other taxes during the construction period would include property tax payments for local jurisdictions, and for New York State, personal income tax, corporate and business taxes, sales tax on indirectly generated activity, and numerous other taxes.

OPERATION PERIOD ECONOMIC EFFECTS

ECONOMIC BENEFITS

The economic benefits from the operation of the proposed project would include the effects of expenditures from operations, as well as from property taxes paid to the town and county.

Economic Activity of New Residents

The proposed project is projected to have a direct effect on the local economy, measured as economic output or demand from the direct spending during the ongoing operation of the residential community. The proposed project will provide contractual opportunities to local and regional firms for the hauling of solid waste, landscape management, and other grounds and physical plant operation and maintenance services. In addition, the development is expected to result in the need for ongoing residential maintenance and repair services, including plumbing, carpentry, roofing, paint, and other related trades. This expected demand will represent opportunities for local and regional businesses on a retained or as-needed basis.

The new residents occupying the 307 units comprising the Four Seasons at Hamptonburgh will expend money in the local and regional economies as they make purchases of goods and services. The anticipated primary consumer expenditures are shown in Table 3.14-4. These expenditures will result in the investment of new dollars in the economy, and will consequently result in increased sales and service activity by existing businesses. Further, these new expenditures represent new demands for goods and services that may stimulate the establishment of new businesses within the Hamptonburgh/Montgomery area.

Table 3.14-4

Estimated Resident Annual Expenditures in Local Economy

Expenditure Category	Expenditures Per Unit		Average Expenditure per Unit	Total Expenditures (307 Units)
	55 – 64 years old	65 + years old		
Food at Home (e.g., groceries)	\$3,555	\$2,547	\$3,051	\$936,657
Health Care	\$2,900	\$3,071	\$2,986	\$916,702
Food Away from Home (e.g., restaurants)	\$2,825	\$1,424	\$2,127	\$652,989
Entertainment	\$2,409	\$1,278	\$1,844	\$566,108
Furnishings	\$1,653	\$767	\$1,210	\$371,470
Clothing	\$1,231	\$673	\$952	\$292,264
Automotive Gas & Oil	\$1,213	\$640	\$929	\$285,203
Personal Care Products & Services	\$559	\$402	\$481	\$147,667
TOTAL				\$4,169,060
Sources: U.S. Department of Labor, Bureau of Labor Statistics, Consumer Expenditure Survey, Tables 3840 and 3850, 2002-2003.				

Table 3.14-4 estimates the major categories of consumer expenditures expected to be incurred annually per residential unit of the proposed development project. An estimated total of \$4.2 million will be spent by residents on an annual basis, with the bulk of these expenditures going toward food, including groceries and eating away from home, in restaurants. The second largest expenditure category is expected to be on health care-related goods and services. Entertainment would represent another major category of expenditures made by Four Seasons residents.

As discussed in Chapter 3.12, “Community Facilities”, there are ample commercial services located in close proximity to the project site which would be able to accommodate the additional residents who would potentially be moving into the Town of Hamptonburgh as a result of the proposed Four Seasons at Hamptonburgh development. Therefore, there would not be any significant adverse impacts on the community’s access to shopping, banking, the post office, and other services. The additional economic activity resulting from new residents to the local area may stimulate existing businesses to expand to meet a perceived increase in market demand for goods and services. In addition, new businesses may elect to locate within the general area as a result of an increased residential population. Consistent with local comprehensive plans and zoning or other regulations, new business locations would be subject to local regulatory oversight and land use policies.

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Employment

The Four Seasons at Hamptonburgh residential development will not result in significant economic activity resulting from the creation of permanent jobs. The development would, however, maintain a small staff of approximately equal to three full-time employees responsible for managing security, property and physical plant operations and maintenance, and administrative functions. In addition, there is the likelihood that seasonal employees would be retained during summer months to provide on-site recreational programming and activities management. The wages and salaries of these employees would represent a contribution to the overall economy in Hamptonburgh and Orange County. Employees would be expected to come from within the existing Orange County labor pool and would commute to their jobs. As a result, jobs related to the operations of the proposed project would not be expected to result in new permanent residences in Hamptonburgh or the surrounding area.

Property Tax Benefits

The improvement of the project site resulting from the construction of 300 residential units and related amenities and infrastructure would result in an increase in the assessed value of the project site. Since the property taxes are based on assessed valuation, increased assessed value would result in increased real property tax payments to the affected taxing jurisdictions. As discussed above, these jurisdictions include Orange County, the Town of Hamptonburgh (including the Hamptonburgh Highway Department and Part Town), the Hamptonburgh Fire District, and the Valley Central School District.

In addition to an increased assessed valuation, the project site would no longer be eligible for Agricultural Assessment-related tax benefits, and would therefore be taxed at its Full Market Assessed Valuation. Under the agricultural assessment law, the withdrawal of the project site from this program could result in a one-time “roll-back” tax payment to the affected taxing jurisdictions.¹ Town of Hamptonburgh Assessor is responsible for establishing the assessed value of the proposed Four Seasons at Hamptonburgh. The estimation of the proposed project’s assessed valuation will occur at some point in the future to be determined by the Assessor. For the purposes of this fiscal analysis, however, an attempt has been made to estimate the potential real property taxes that might be generated from the project site as a result of the proposed improvements. This estimation assumes full market assessed valuation (e.g., no agricultural exemption or abatement), continuation of the current 100 percent equalization rate. In addition, this fiscal analysis assumes that the current real property tax rates would remain the same.

The proposed residential units are expected to be condominium units, not units owned “in fee.” Under the condominium form of ownership, each resident owns their particular unit, but the land on which the unit sits and the common areas (e.g., open space, clubhouse, infrastructure, etc.) are owned by a homeowners’ association to which every resident owner must belong and pay a fee. When property is owned in fee, the owner holds title to the structure, as well as the land on which it is sited. From a real property taxation perspective, condominium units are assessed differently than homes owned in fee, and the assessment of condominium units is usually lower than for units owned in fee, resulting in lower rates of tax generation.

¹ Agricultural and Markets Law §305, et seq.

To determine the assessed value, it is necessary for the assessor to evaluate the individual units in terms of square footage, architectural configuration, income stream, and other detailed factors that have not yet been determined.

While the anticipated form of ownership is anticipated to be condominium, this analysis utilizes a methodology to establish an anticipated range of tax revenues, with the “low” end of the range approximating the lowest tax revenues generated by the condominium form of ownership, and the “high” end of range approximating the taxes generated by fee ownership. This approach has been discussed with and recommended by the Town of Hamptonburgh Assessor.¹

At the “low” end of the range, roughly approximating the condominium form of ownership, the assessed value is assumed to be one-quarter (25 percent) of the estimated gross sales realized from the full sell-out of the project. The gross sales revenues are estimated to be \$137 million, and one-quarter of this amount yields an estimated taxable assessed valuation of \$34.25 million. At the “high” end of the range, roughly approximating fee ownership of the units, the assessed value is assumed to be 70 percent of the estimated construction cost. As noted above (see 3.14-3), the estimated construction cost is \$78.5 million; 70 percent of this yields an estimated taxable assessed value of \$54.95 million.

Applying these assumptions and values, the real property taxes generated by the proposed project upon completion were estimated, and are shown in Table 3.14-5, below. This table presents the potential range of real property taxes that potentially would be generated by the project site as a result of the proposed project. As noted above, the actual taxes would be determined in the future upon the Town’s formal valuation, and the tax rates may differ from those shown below. However, it is believed that the range of property tax revenues represents a realistic estimation of the future tax generation of the project site as a consequence of completing the proposed project.

**Table 3.14-5
Estimated Future Property Taxes at Project Completion**

		Condo Ownership	Fee Ownership	
Estimated Taxable Assessed Value		\$34.25 million	\$54.95 million	
Taxing Jurisdiction	Tax Rate Per \$1,000	Est. Taxes	Est. Taxes	Current Taxes (see Table 3.14-1)
Town of Hamptonburgh	\$1.2478	\$42,737	\$68,567	\$2,433
Hamptonburgh Fire District	\$0.6241	\$21,375	\$34,294	\$1,217
Orange County	\$3.0402	\$104,127	\$167,059	\$5,929
Subtotal		\$168,239	\$269,920	\$9,579
Valley Central School District	\$15.5200	\$536,876	\$861,352	\$30,569
Total		\$705,115	\$1,131,272	\$40,148

¹ Telephone conversations with Mr. Thomas Masten, Town of Hamptonburgh Assessor, April 27 and April 28, 2006.

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Notes: Taxes do not include reductions resulting from potential exemptions, nor do these taxes reflect additional taxes resulting from taxation of amenities or infrastructure.
Tax rates per 2005 Property Tax warrants; rates are rounded.

Sources: Town of Hamptonburgh Receiver of Taxes and Assessor; estimates developed by AKRF, Inc.

As shown in Table 3.14-5 (and Table 3.14-1), the project site's current property taxes amount to \$2,433 in Town taxes, \$1,217 in fire district taxes, \$5,929 in county taxes, and \$30,569 in school taxes. Upon the completion of the proposed project, the Town tax collections are projected to increase from the current \$2,433 to between an estimated \$42,737 and \$68,567; fire district taxes are projected to increase from the current \$1,217 to between an estimated \$21,375 and \$34,294; and the county share of taxes are projected to increase from the current \$5,929 to between an estimated \$104,127 and \$167,059. The estimated amounts represent an increase of approximately \$158,660 to \$260,341 more than the current Town, fire district, and county taxes now generated by the project site.

In addition, the Valley Central School District would be a substantial beneficiary of increased revenues due to proposed development of the project site. Estimated school district taxes are expected to increase from the current \$30,569 to between \$536,876 and \$861,352.

The District's proposed 2005-2006 budget is \$67.3 million, a 4.33 percent increase over the adopted budget for 2004-2005. Assuming that the proposed budget amount remains flat, the school tax amount of the proposed project would represent between an estimated 0.8 and 1.28 percent of the entire district budget. As discussed in Chapter 2, "Project Description," the proposed project will be an active adult age-restricted residential complex, and the proposed residential units must be occupied by persons who are 55 years of age or older and their children over the age of 18. Therefore, no additional school-age children would move into the school district as a result of the proposed project.

The proposed project would provide existing residents who are 55-years old or above with the opportunity to down-size their living quarters from larger homes to the smaller residential units available at the proposed Four Seasons at Hamptonburgh. To the extent that these vacated larger houses provided residences for new residents with school-age children, the project will result in secondary, or induced effects to the school system. However, the number of such moves by existing residents to the proposed project is expected to be minimal, and therefore the effects on school enrollment would be negligible. Further, the existing residents likely to relocate in this manner would likely relocate without the proposed project, and the potential secondary effects would potentially occur even in the absence of the proposed project.

The overall effect of the project on the Valley Central School District will be to provide real property tax revenues with no discernable direct associated costs, representing a net gain to the district.

As discussed in Chapter 5, "Alternatives," an alternate approach to developing the project site could rely on the site's existing underlying zoning, resulting in a conventional as-of-right subdivision. The As-of-Right Alternative, presented as Alternative 2 in Chapter 5, assumes that a conventional, single-family residential subdivision of 65 detached houses would be developed in accordance with existing zoning regulations. These 65 homes would not be age-restricted, and the anticipated family ownership would house approximately 47 school-age children.

As shown in Table 5-2 in Chapter 5, "Alternatives," the 65-unit single house development plan would generate approximately \$127,364 in town and county taxes, and approximately \$402,863

in school district taxes. Due to the added expense to the school district resulting from these children, the net tax revenues to the school district would be approximately \$92,887.

Table 3.14-6, below, compares the estimated range of taxes generated by the proposed project with the estimated taxes generated by the conventional development of the site as a 65 single family home residential subdivision, as presented in Alternative 2, Chapter 5, “Alternatives.” Regardless of the ownership configuration, the proposed project would be anticipated to generate higher property taxes than the 65 single family home alternative, largely due to an anticipated higher assessed taxable value of the proposed project as either condominiums or fee ownership units. Either development scenario – the proposed project and Alternative 2 – would be expected to result in substantially higher taxes than the current taxes generated by the site in its existing conditions.

Table 3.14-6

Comparison of Estimated Future Property Taxes with As-of-Right Development and Current Tax Revenues

	Proposed Project		“Alternative 2” (65 Single Family Units)	Current Taxes (see Table 3.14-1)
	Condo Ownership	Fee Ownership		
Estimated Taxable Assessed Value	\$34.25 million	\$54.95 million	\$25.7 million	
Taxing Jurisdiction	Estimated Real Property Taxes			
Town of Hamptonburgh	\$42,737	\$68,567	\$32,068	\$2,433
Hamptonburgh Fire District	\$21,375	\$34,294	\$16,039	\$1,217
Orange County	\$104,127	\$167,059	\$78,133	\$5,929
Subtotal	\$168,239	\$269,920	\$126,240	\$9,579
Valley Central School District	\$536,876	\$861,352	\$402,853	\$30,569
Total	\$705,115	\$1,131,272	\$529,093	\$40,148
Notes:	Taxes do not include reductions resulting from potential exemptions, nor do these taxes reflect additional taxes resulting from taxation of amenities or infrastructure. Tax rates per 2005 Property Tax warrants.			
Sources:	Town of Hamptonburgh Receiver of Taxes and Assessor; estimates developed by AKRF, Inc.			

As noted above, the proposed project would result in an age-restricted community, and as such, would not result in the generation of any school-age children. As discussed in Chapter 3.12, “Community Facilities,” the per student cost incurred by the Valley Central School District, excluding state and federal aid, is approximately \$6,595 for the 2004-2005 academic year. The 65 single family home alternative is expected to generate 47 school-age children, representing a gross annual cost to the school district of approximately \$309,965, resulting in a net positive gain of approximately \$92,887 per year to the school district. This compares to an anticipated net gain of between \$705,115 and \$1,131,272 resulting from the proposed project.

Further, the apparent gain resulting from the 65 home alternative, however, could be further reduced by unforeseen expenses necessary to accommodate the additional enrollment load of 47 children. Potential capital costs to the school district are not reflected in the current per student

Four Seasons at Hamptonburgh

cost, which would increase as a result should capital expenses be necessary. Because the middle school level of the Valley Central School District is operating at capacity, increases in enrollment would likely necessitate capital improvements and other costs. Therefore, to the extent that schools operating at capacity would have make capital investments to accommodate additional students, it is anticipated that the 65 single family home alternative would negatively affect the Valley Central School District.

Displacement

Construction of the proposed project will potentially result in the demolition of three residential structures, all of which are occupied by tenant farmers related to the horse farm operations on site. As discussed in Chapter 3.16, “Agricultural Resources”, this displacement is not expected to result in any significant adverse impacts to the agricultural economy. Because these rental units are tenanted by specialty renters – horse farmers – their removal from the housing stock of the Town of Hamptonburgh is not considered to represent a significant adverse impact to the Town’s housing supply.

The proposed project would, however, contribute to the Town of Hamptonburgh’s overall mix of residential housing opportunities. The proposed project would provide existing residents who are 55-years old or above with the opportunity to down-size their living quarters from larger homes to the smaller residential units available at the proposed Four Seasons at Hamptonburgh.

No commercial or industrial operations or community institutions will be displaced as a result of the proposed project.

E. MITIGATION

No negative socioeconomic effects are anticipated as a result of the proposed project, therefore no mitigation is required. The proposed project is expected to result in an increased demand on municipal services, such as police patrols and potential fire and emergency services, as well create a demand on town hall services, particularly on the Town Clerk’s office, as well as on the senior center, the Assessor and the Tax Collector (see Chapter 3.12, “Community Facilities). It is believed, however, that the additional costs incurred by these service providers would be offset by increased tax revenues to the Town and fire district, and increases to department budgets necessary to accommodate new service demands would be handled through the annual Town of Hamptonburgh budget process.

The proposed project is not expected to result in the migration of new residents to Hamptonburgh or the surrounding area as a result of employment opportunities or increased economic activities. As a result, no increased demand on local schools or other community facilities associated with permanent residents would be expected. As a result, the positive fiscal and economic benefits to the Town, school district, County, and New York State are expected. Therefore, no mitigation is required.

Any potential displacement effects on the area’s business climate are anticipated to be temporary due to the current vibrant business climate evident in Hamptonburgh. In addition, existing and potential future business vacancies are expected to be re-occupied by new or expanded businesses due to the increased vitality and consumer spending potential in Hamptonburgh resulting from the proposed project.