

Proposed Syosset Park Development Update

- More Detailed Review of DEIS

Syosset CSD Board of Education

Public Board Meeting

May 7, 2018

Note: 5/8/18

The Town of Oyster Bay is the lead agency in the approval process of the Syosset Park Development. On March 27th, the Town started the public comment process on the developer's "Draft Environmental Impact Statement" (DEIS).

In response, the Syosset Board of Education initiated a review process involving administration, consultants, and other experts to analyze the impact on the school district. At their April 17th meeting, a preliminary presentation of concerns was shared with the Board and a work-plan for the additional analysis necessary was outlined and a progress report was scheduled for the May 7th Board of Education meeting.

This presentation was given by Carrie Anne Tondo, Esq. (the school district's attorney) and Dr. Rogers at the May 7, 2018 meeting. It outlines the preliminary conclusions that have been reached based on the District's and consultants' analysis.

In discussion after the presentation, each member of the Board expressed opposition to the proposed project. Dr. Rogers and Ms. Tondo were directed to indicate the Board's opposition in the formal written comments to be submitted to the Town before the close of the comment period.

Syosset Park Update

Timeline

- November 14, 2016:
 - Developer Presentation to Syosset Board of Education
 - BOE directs administration to meet with developer to understand proposal in more detail
 - The District staff critiqued assumptions made by Developer.
 - District staff pursued independent enrollment projections.
- January 22, 2018:
 - District staff and attorney present preliminary list of concerns to Board of Education arising from these conversations with Developer.
- April 17, 2018
 - District staff and attorney present preliminary list of concerns to Board of Education arising from initial review of the DEIS accepted by the Town on 3/27/18.
- May 1, 2018
 - Town of Oyster Bay Department of Environmental Resources Public Hearing
 - Board of Education officers enumerate list of concerns to Town of Oyster Bay
- May 7, 2018
 - Last scheduled Board of Education meeting prior to June 4, 2018
- June 4, 2018
 - Deadline to submit formal public comments

Preliminary Conclusions from District Analysis of DEIS

PROGRESS REPORT

Work Plan

(from April BOE Meeting)

Preliminary DEIS Review—Next Steps

- The District will independently evaluate the DEIS; verify DEIS data with state and county offices, and prepare comments for submittal to the Town of Oyster Bay
 - H2M – Review of DEIS Traffic Study
 - H2M - Review of Construction Impacts
 - Update Enrollment Study Projections
 - Explore and identify physical plant needs based on various levels of enrollment
 - Confer with NYS ORPTS (Office of Real Property Tax Services)
 - Confer with Nassau County Department of Assessment
- Update on the above to be provided at May 7th, Board Meeting

Note: On 5/10/18, the District issued a statement expressing concern that H2M was performing environmental testing for the Town of Oyster Bay on the former Syosset landfill. The letter can be found here:

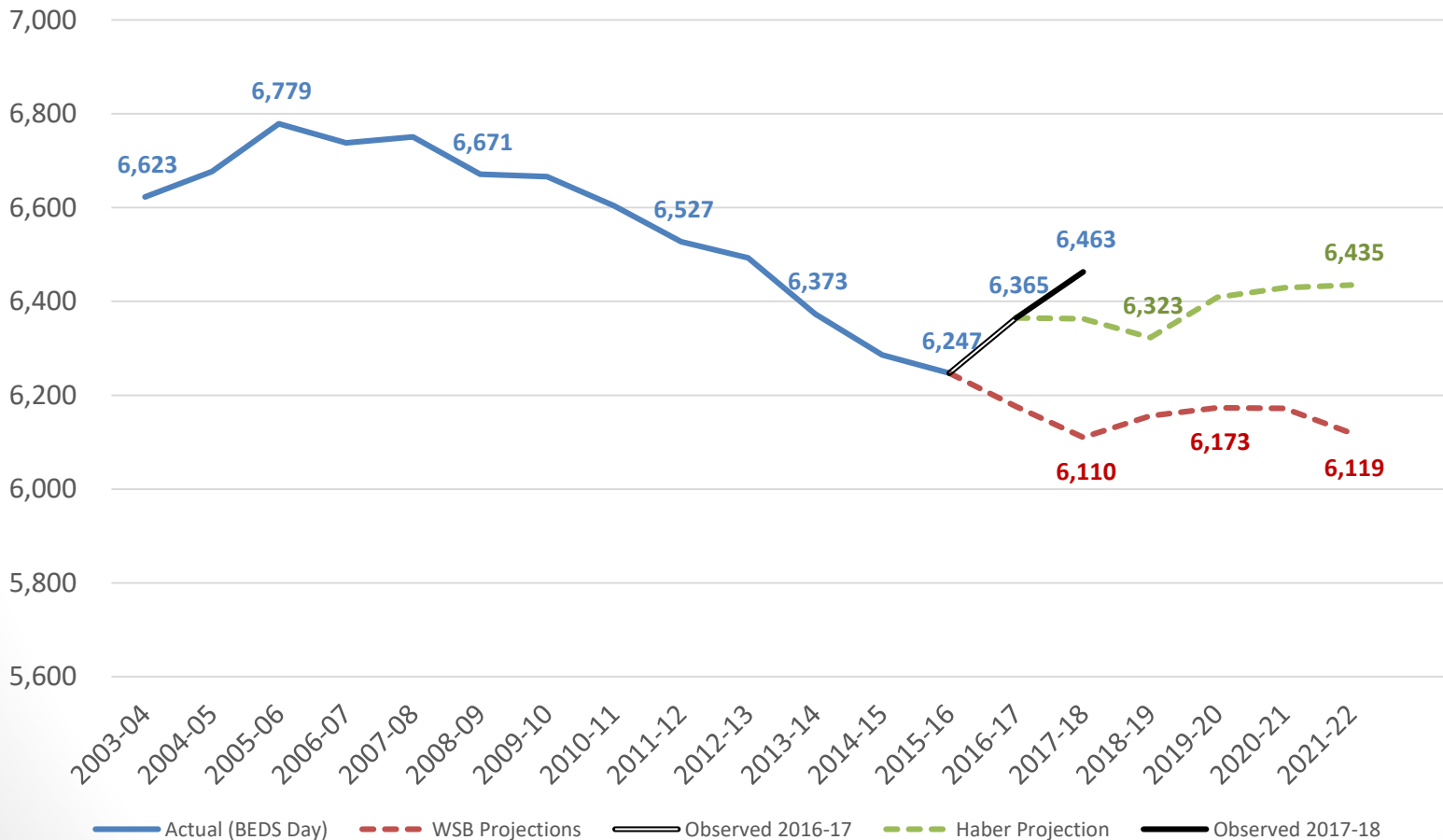
http://www.syossetschools.org/Assets/Syosset_Park/051118_letter.pdf?t=636616331934630000

Preliminary Draft Enrollment Projections

ENROLLMENT ANALYSIS

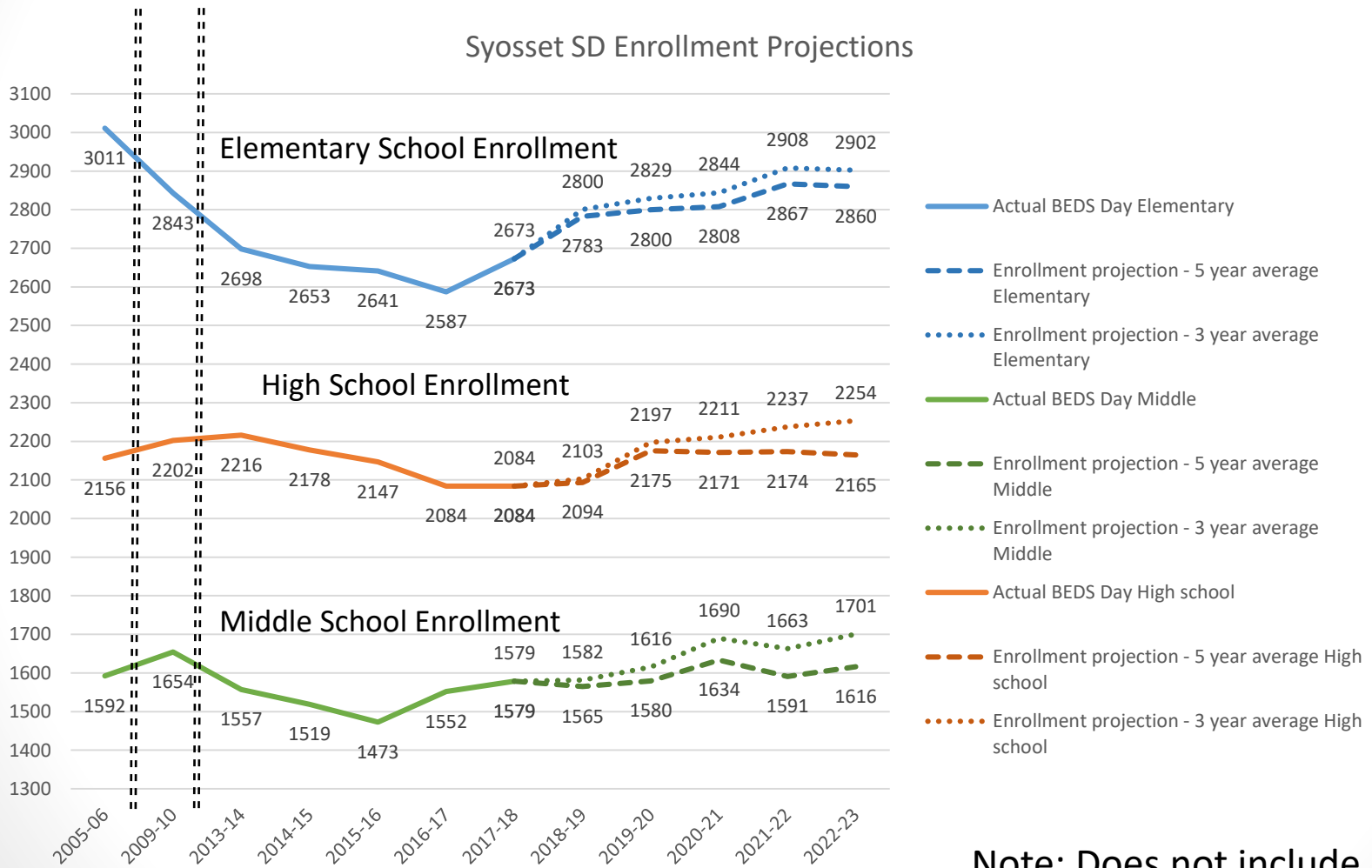
Enrollment History/Projections

Enrollment Actual and Projected



Enrollment Projections

5-year average vs. 3-year average



Note: Does not include ungraded students.

Enrollment Considerations

- Factors that could impact projections:
 - Changing housing market;
 - Impact of reduced SALT (State and Local Tax) deductibility;
 - Increasing mortgage interest rates;
 - Nassau County property tax re-assessment.

New Syosset Park Estimates

- 355 students (Haber & Associates, September 2017)
- 381 total students (Haber & Associates, DRAFT May 2018)
 - 38 high school
 - 76 middle school
 - 267 elementary school
- Developer’s estimated rate of residential buildout (DEIS p.466):

	2019	2020	2021	2022	2023	2024	2025	Net New Students
Developer's Est. Residential Buildout	6.6%	22.6%	25.9%	18.9%	16.0%	9.1%	0.8%	
Haber Enrollment Projection	25	86	99	72	61	34	3	381

Preliminary Conclusion - Enrollment

- Enrollment growth from pre-existing housing stock appears to have rebounded from a 10-year decline.
- Enrollment projections for Syosset Park significantly exceed Developer's estimates (381 vs. 243 students).
 - District secondary (middle and high) schools may have some excess capacity.
 - District elementary schools do not have adequate additional capacity.
- Preliminary Conclusion: The District will have to monitor enrollment growth as it begins to return to historical levels. The District does not have excess capacity at the elementary level to absorb a large number of new students from Syosset Park.

Preliminary Facilities Analysis

FACILITIES ANALYSIS

Syosset Park Update

Impact to District Facilities

Developer's Comments

- DEIS (p.465)
 - Enrollment would only increase 243 students.
 - The District could “evaluate the potential school-aged population from Syosset Park annually”
- Appendix M – CGR Report P. 4
 - “District enrollment fell by nearly a third... 29%” ... “two elementary schools ... dropped by a third... 32%”

District Response

- Regardless of the enrollment estimate used, insufficient elementary school capacity exists to accommodate this influx of students
- School facilities require long-range planning (for example, assume a 4-year lead time for new school construction –actual construction)
- Enrollment conclusion based on flawed data. Actual 10-year enrollment change at South Grove = + 9.2%

Potential Facilities Needs

- Elementary Facilities Needed
 - 267 projected elementary students
 - Average class size of 20
 - 14 classrooms required
- Configuration needed
 - Minimum of 7 classrooms per wing (1 section x 6 grades, plus special education)
 - Additions to and/or expansions of and to the common areas (cafeteria, media center, gymnasiums, auditoriums and additional parking)
 - Approximately 17,000 sq. feet per group of 7 classrooms + additional space.
- Cost Estimating – 2 classroom wings
 - Estimated current cost provided by District architect is \$500 per sq. foot
 - 1 Wing @ 17,000 sq. foot x \$500/sq. foot = \$8,500,000
 - 1 Wing @ 17,000 sq. foot x \$500/sq. foot = \$8,500,000
- Total Estimated Cost of Capital Improvements due to increased enrollment:
 - **\$17,000,000 (2018 Dollars)**

Preliminary Conclusion - Facilities

- Regardless of the enrollment estimate used, insufficient elementary school capacity exists to accommodate this influx of students
- Additional capacity would have to be constructed in advance of the new students arriving.
- Public/state approval processes require 3-4 years of lead time before new space can be available for use.
- Based on District enrollment estimates, 2 classroom wings are needed at \$8,500,000 each.
- Annual debt service on \$17 million = \$1.25 million

- Preliminary Conclusion: The District would have to undertake a significant capital campaign well in advance of the new enrollment in order to ensure adequate space for new students and to minimize impact on existing students.

Preliminary Financial Analysis

FINANCIAL ANALYSIS

Developer's Assertions

- Developer estimates \$12 million in new revenue (2018 dollars) to school district at completion.
- Assumes that the school district could fully capture the taxes generated.
- The Developer projects that this new revenue would be sufficient to offset the costs of the additional enrollment that might result.

District Property Tax Analysis

- Met with officials from Nassau County
 - Unable to confirm potential tax assessment figures because of the upcoming County-wide re-assessment
 - Some multi-family dwellings may be in Class 2
 - Unclear how taxes will shift between Classes (Residential, Condo, Commercial)
- Tax abatements (PILOTs)
 - Tax revenue in DEIS (\$12 million) calculated without tax abatements
 - Developer indicates they intend to seek tax abatements
 - Legislation to incorporate new PILOTs into the TBGF was vetoed by Governor Cuomo

Revenue Estimates – Tax Cap

- Developer assumes school district will exhaust full additional taxing authority
- “Quantity Change” and Tax Base Growth Factor (TBGF)
 - Calculation of tax cap is based on CPI and new construction (“quantity change”)
 - NYS Tax and Finance calculates a TBGF above the 2% tax cap
 - To achieve full taxation of new property, District must propose and pass a tax levy well above 2% each year

	Tax Levy Cap – Maximum Allowable	Actual Tax Levy
2018-19 Proposed	3.57%	2.26%
2017-18	2.24%	2.12%
2016-17	0.30%	0.14%
2015-16	1.56%	0.91%
2014-15	1.39%	1.33%
2013-14	3.08%	2.84%
2012-13	2.26%	2.26%

Annual Cost Estimates

- Operating Costs
 - NYS Education Department calculation of per pupil instructional expenditures:
 - General Education - \$19,400 (2016-17)
 - Special Education - \$61,901 (2016-17)
 - Syosset Park Enrollment Estimate 381 Students (13% special education)
 - General Education Cost: 331 students @ \$19,400 = \$6.4 million
 - Special Education Cost: 50 students @ \$61,901 = \$3.1 million
 - Non-instructional Cost: 381 students @ \$3,280 = \$1.25 million*
 - Total Annual Operating Cost = \$10.75 million
- Facilities Costs
 - \$ 1.25 million in annual debt service (\$17 million new construction)
- Total = \$12.0 million annual costs**

Preliminary Conclusion - Financial

- District enrollment projections significantly exceed Developer's estimates. Operating costs are similarly higher.
- Costs of new facilities will be significant and require lead time to construct in advance of new enrollment.
- Developer's assessment of potential tax revenue to District:
 - Cannot be independently verified at this time;
 - May be overstated since tax abatements were not incorporated into the \$12 million annual projection;
 - May not cover increased operating costs for students and facilities.
 - May be difficult to fully realize due to the tax cap.
- Preliminary Conclusion: It is unlikely that this project will result in a windfall of net revenue to the District.

Preliminary Analysis of Construction Impact

ENVIRONMENTAL ANALYSIS

Construction Activities and Impact

- Environmental Technical Analyses:
 - Noise levels and mitigation
 - Air Quality
 - Construction vehicles, excavation, construction activity.
 - Traffic
 - During construction (timing of traffic vs. busing)
 - Impact on busing post-construction
 - Pedestrian school crossings
 - Public Health
 - Water
- Displacement – Will the relocation of the Town DPW have any impact on the District?
- Mitigation
 - Reporting, communication, resolving exceedances

Preliminary Environmental Concerns

- Any construction will have significant environmental impacts (noise, traffic, dust, etc.);
 - Given the site's history, and the potential for an accidental breach of the landfill cap, safety is of paramount concern;
 - We are currently researching whether the mitigation measures proposed by the developer are the most robust and stringent possible.
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- Preliminary Conclusion: Work by District consultants is still underway. Given the complexity and potential risks, this aspect of our analysis will take the most time.

Evaluation of Developer's Proposed Mitigation

PROPOSED MITIGATION

Enrollment/Facilities

Proposed Mitigation (DEIS p. 491, 509)

- Developer estimates 243 students.
- Developer suggests: “evaluate the ... school-aged population from Syosset Park annually”.
- Create space as needed.
- Developer notes enrollment drop since 2006-07.
- Fund design of additional space; use space in Syosset Park for staff parking at South Grove.

District Comment

- District estimates 381 students.
- Schools have a 4-year lead time to build new space and require a public vote.
- Space must be built in clusters of classrooms.
- Enrollment drop in DEIS is overstated, facilities usage has changed since 2006-07.

Next Steps

- Meet with consultants and representatives
- Finalize DRAFT studies and figures
- Finalize environmental analysis
- Finalize preliminary conclusions
- Prepare written comments for submission to the Town of Oyster Bay before the close of the comment period.