

APPENDIX 3

Public School System & Municipal Revenues

The following is the projected tax revenue generated by the Smaller Plan broken down by County, Town and School tax. The analysis further calculates the cost to educate a student, as compared to the allocated school tax portion of the total tax generation projections, and provides an updated worst-case-scenario based on actual operating statistics of a luxury multi-family community virtually identical to the proposed Hudson Hills, Hudson Preserve in the Town of Colonie. The below discussion mirrors the format of the prior analysis regarding the Current Plan contained in section 3.2 of the FEIS.

Section 3.7.2 of the DEIS contains a projected tax analysis of the Original Plan based on existing multi-family residential developments in the Town of Brunswick. The *Information Regarding The Modified Hudson Hills Planned Development District* attached to the FEIS as Appendix E contains the same analysis with respect to the Current Plan. Of the projected total tax revenue, 65% is dedicated to the Brunswick Central School District, while the 35% remaining tax revenue is shared by Rensselaer County and the Town of Brunswick on an approximately 60%/40% split respectively, depending on the applicable special district charges.

If construction commenced this year (2007), the Smaller Plan could be completed in two years (2009). Using a conservative annual escalator of 5%, based on historical data, the annual total tax revenue generated by the Smaller Plan upon completion is approximately \$373,250. Of these approximate total tax dollars, \$242,612 is allocated to the Brunswick Central School District and the remaining revenue of \$130,637 is realized by the Town of Brunswick and Rensselaer County. These figures will inevitably increase every year.

Based on the New York State School Report Card Fiscal Accountability Supplement attached to the FEIS as Appendix H, the approximate cost to educate a child in the Brunswick Central School District is \$6,700 per student. Utilizing an annual escalator of 5%, the cost to educate a child at the anticipated completion of 2009 is approximately \$7,386. It should be noted that unlike the Current Plan, the Smaller Plan does not propose any residences in the Lansingburgh Central School District.

Each type of residential development is designed and constructed to attract specific segment(s) of the general population. Therefore, in order to forecast the anticipated number of public school children generated by Hudson Hills in the most reasonable and accurate manner, it is important to utilize historical data generated by like and similar residential development of equivalent design and quality. Consequently, Hudson Hills must be compared with a new top-of-the-market luxury multi-family community, as opposed to the traditional suburban garden-style apartments built in the Capital District over the last forty years. New upscale multi-family developments generate less school children than existing multi-family developments of lesser quality. Moreover, luxury multi-family communities that limit their residences to one and two bedroom floor plans generate less school age children than traditional apartment complexes with three (and more) bedroom units.

The analysis of the projected number of public school children associated with the Current Plan in section 3.2 of the FEIS utilizes actual data from Hudson Preserve. The Hudson Preserve luxury multi-family community in the Town of Colonie was designed in the same vein as Hudson Hills. Hudson Preserve has strikingly similar design, character, unit mix and target demographic as Hudson Hills. Like Hudson Hills, Hudson Preserve is a luxury apartment community catering primarily to empty-nesters and young professionals. Both groups are accustomed to, and demand, quality housing. Importantly, both groups typically have no, or minimal, school aged children in the public school system. Because Hudson Preserve and Hudson Hills are of similar design, character, unit mix and target demographic, it is reasonable to rely in its actual generation of school age children to estimate the number of school age children associated with Hudson Hills.

Hudson Preserve has a total of 348 luxury residences. Full build-out of Hudson Preserve will be completed later this year. The first 176 residences of Hudson Preserve have recently become occupied. A total of only ten children live in the 176 residences. Of the ten total children, six are school age. Dividing six school age children by the total number of occupied residential units (176) calculates to .03 school age children per unit. Hence, upon completion of all 348 units it can be anticipated that Hudson Preserve will generate only ten school age children ($348 \times .03$).

Utilizing this same ratio, the anticipated number of school age children generated by Hudson Hills under completion of the Smaller Plan is only eight children ($.03 \times 250$). In order to remain conservative, the results of the analysis have not been discounted for the fact that not all of these school age children will attend *public* school.

Multiplying the number of total anticipated school age children (8) by the cost to educate a child at the anticipated time of completion (\$7,386) results in a total annual cost of approximately \$59,088 to the school district. However, as previously discussed, Hudson Hills will generate approximately \$242,612 in school tax revenue at that same time. Therefore, upon completion, the Brunswick Central School District will realize an annual surplus of over \$183,000.

In order to provide a worst-case-scenario, we have assumed that the school age children generated by Hudson Hills will be double that of Hudson Preserve (i.e. .06 children per unit). Multiplying .06 by the total number of residential units under the Smaller Plan (250) would result in a total of 15 school age children. Were this scenario to occur, however unlikely it is, there would still be a significant annual tax revenue surplus to the school district. The annual cost to educate the 15 children would be \$110,790 ($15 \times \$7,386$) while the annual school tax revenue, as previously discussed, remains \$242,612. Therefore, even under a worst-case-scenario, the school district would realize an annual surplus of \$131,822 ($\$242,612 - 110,790$).

Moreover, the Brunswick Central School District will see a surplus as long as the total number of public school children generated by Hudson Hills is less than 33. In order to reach this number, the public school children associated with Hudson Hills would have to be over four times the anticipated students based on the projections stemming from the

Hudson Preserve. Based on Hudson Preserve's actual operations and Hudson Hills' similarity to it, it is unreasonable to expect these numbers. In sum, the Brunswick Central School District will experience a significant monetary benefit from Hudson Hills as proposed under the Smaller Plan each and every year.