

## **Edgemont Village Exploratory Committee**

### **REPORT TO THE COMMUNITY ON VILLAGE INCORPORATION June 2005**

#### **A. INTRODUCTION**

Proposals to incorporate Edgemont as a village have been made and discussed as far back as 1920. More recently, the subject was raised in the early 1990's in response to a study known as Westchester 2000, which examined ways to save cost for the county. An effort at becoming a village in 1966 led to a special election vote in January 1967. The community voted 72% to 25% against becoming a village. In all cases the geographical area of the proposed village has been roughly that of the Fire District or Edgemont School District (Union Free School District No. 6), comprising the neighborhoods of Greenridge, Old Edgemont, Cotswold, South Greenville, Longview, Fort Hill and North Greenville, the area we know as Edgemont. Note that were Edgemont to become a village it would still be part of the Town of Greenburgh, the same as the six villages are today.

During the past eighteen months the question of incorporation has been studied by the Edgemont Village Exploratory Committee (EVEC) which has prepared this report and supporting materials which can be found on the web at [www.edgemontny.com](http://www.edgemontny.com). EVEC, after a pro-village start, evolved to be a more diverse group of Edgemont residents. Together, we examined the legal and economic ramifications of Edgemont incorporating as the seventh village in the Town of Greenburgh.

EVEC was born in the fall of 2003 after a small group of active residents, who were frustrated with their dealings with the town and dissatisfied with the Town's response to their entreaties, met to discuss how a village of Edgemont might be a desirable solution. As the committee grew in size and officers were elected, a broader group of Edgemont residents, including people pleased with the way the Town functions, joined the committee and were active in its work, thus EVEC was born. Different from the emphasis of the first meeting, EVEC has done its best to look objectively at every issue and present a factual view. When there are multiple interpretations of an issue, they are presented.

This report was written and compiled by EVEC under the chairmanship of Mark Rosenblatt. The two primary operating committees were the Economics Committee chaired by Charlie McNally and the Governance Committee chaired by Tom McCormack. Also spending many hours and making important contributions were made by Bob Bernstein, Sam Gandhi, Frank Kaiman, Chris Klerer, Bob Klerer, Arnold Laubich, Susan Newman, John Sganga, Don Siegel, David Stern, and Gerry Stoughton. In addition to these committees a publicity committee, web site committee, and real estate committee operated. About 15 people actively contributed considerable time and expertise to EVEC over the past year; they are listed in the appendix. Also many members of the Edgemont community contributed via comments and questions at various public EVEC meetings. Without the dedicated and diligent work of many people, this white paper could not have been produced.

The goal of EVEC is best stated by its mission, unanimously approved during our February 2004 meeting with over 120 people in attendance:

The Edgemont Village Exploratory Committee (EVEC) was created to investigate whether or not Edgemont should incorporate as its own village within the Town of Greenburgh. The EVEC intends its investigation to be fair, unbiased, and inclusive of all views.

EVEC is composed of Edgemont residents who represent a cross-section of the community in regards to neighborhood, size and type of home, age, children living at home or not, income, wealth, and political affiliation.

Edgemont has not undertaken a close examination of how it is governed, how it relates to the Town of Greenburgh, how its tax dollars are spent, or what alternative forms of government might be for some time. Within the framework of examining the pros and cons of becoming a village, the EVEC will assess both the viability and desirability of Edgemont becoming a village.

The committee is proceeding along a clearly defined path of issue identification, investigation, and analysis. A full analysis will be done before coming to any conclusion as to whether or not the committee will seek a vote to create a seventh village within the Town of Greenburgh. The analysis, when completed, including dissenting opinions, will be in the form of a written "white paper" available to Edgemont residents in hard copy and on the web

This report summarizes the current state of governance of Edgemont and the effect incorporation would likely have on Edgemont's services, governance including zoning and planning, and property taxes in Edgemont. The report also lays out the basics of the process by which incorporation takes place according to New York State law.

For many issues, there are not clear answers or conclusions. We have done our best to be factual about both the assumptions we have made as well as fair about the conclusions or range of possible conclusions which may result from Edgemont incorporation. Ultimately, were Edgemont to incorporate, decisions would be made by the new Mayor and Board of Trustees, after they are voted in. Such decisions may differ from the assumptions made here and, accordingly, could result in a different budget.

The report is organized in the following sections:

- A. Introduction.
- B. How we are governed.
- C. How administration, laws, services and law enforcement could be provided were we a village.
- D. How taxes would likely change were we a village.
- E. How would Edgemont go about becoming a village?
- F. How to Interpret the Results of this Exercise
- G. Appendix

## B. HOW WE ARE GOVERNED

Known primarily for its excellent school system, Edgemont lies in the southeast corner of the Town of Greenburgh in part of what is referred to as the “unincorporated area” or the Town Outside Villages (TOV). The Town of Greenburgh itself is about 31 square miles, bounded by Yonkers on the south, the Hudson River on the west, Mt. Pleasant on the north and Scarsdale and then White Plains on the east. Greenburgh’s population of 86,700 (2000 Census) makes it the largest town in Westchester County.

Unincorporated Greenburgh consists of a 19-square mile area that, besides Edgemont, includes Hartsdale, Fairview, the area southwest of Edgemont next to Ardsley, East Irvington, Mayfair-Knollwood, and an area near Elmsford known as North Greenburgh. The rest of Greenburgh is composed of six independent villages: Ardsley, Dobbs Ferry, Elmsford, Hastings-on-Hudson, Irvington and Tarrytown.

Edgemont’s borders lie within its nearly coterminous school district and fire district encompassing approximately two square miles within the unincorporated area. Edgemont represents about 20% of the area, 22% of the assessed property, and 17% of the population of unincorporated Greenburgh.

<b>Greenburgh Population</b>			
<b>Source: 2000 Census</b>			
	Population	Percent of Town entire	Percent of Unincorporated
<b>Villages</b>			
Ardsley	4,269	4.9%	
Elmsford	4,619	5.3%	
Irvington	6,631	7.6%	
Hastings	7,648	8.8%	
Dobbs Ferry	10,622	12.3%	
Tarrytown	11,090	12.8%	
<b>Villages Population Total</b>	<b>44,879</b>	<b>51.8%</b>	
<b>Unincorporated (TOV) Area</b>			
Edgemont	7,101	8.2%	17.0%
Rest of Unincorporated	34,727	40.1%	83.0%
<b>Unincorporated (TOV) Area Total</b>	<b>41,828</b>	<b>48.2%</b>	<b>100%</b>
<b>Total Unincorporated and Villages</b>	<b>86,707</b>	<b>100%</b>	

Greenburgh’s six villages all pay for and provide their own municipal services including police, sanitation and recycling, road maintenance, snowplowing, leaf collection, and parks and recreation. Villages, accordingly, receive few services from the Town. Village residents elect their own governments. Villages manage their budgets. Unincorporated area residents, including Edgemont residents, pay for and receive municipal services from the Town of Greenburgh. The Town provides these services to the unincorporated area only and taxes the unincorporated area only for them via the TOV or “B” budget. No town or village budget is voted on by residents; they are set and approved by their trustees, who are elected by the respective residents.

Villages self-govern. Each village elects a mayor and board of trustees. Village governments provide or procure village services, decide what level of service to receive, how much to tax, set and implement long-term and short term planning, and reflect on and seek to promote the character of their village – all aspects of local civic governance. Today, the Town provides these functions for Edgemont. Were Edgemont to become a village, it would have these responsibilities.

In addition to providing municipal services to the unincorporated area, the Town provides limited services to the entire town including, paramedic services, animal control services and tax collection. For these services, the entire town is taxed via the Town Entire or “A” budget.

One reason for the formation of EVEC is the disparity between Greenburgh’s political and fiscal accountability;

- Of the Town’s total budget, TOV (“B” Budget) is 95% and Town Entire (“A” Budget) is 5%. This is because Greenburgh supplies services to the unincorporated area that the villages provide and pay for themselves.
- Given the fact that unincorporated residents pay their share of both the TOV and Town Entire budgets, the **unincorporated residents actually contribute 96% of the budget dollars** under the control of the Town Board. Village residents pay taxes to their villages for services provided to them by their respective villages. The Unincorporated Area receives those services from the Town itself through the TOV Budget.
- The entire town, villagers and unincorporated residents, elects the Town Supervisor and the four-member Town Council. Population in Greenburgh is divided 52% in the villages and 48% in the unincorporated area. However, voter turnout in the unincorporated area for Town elections usually exceeds voter turnout from the villages. However, in any given year, a change in voter turnout in the villages could influence the outcome of an election.

<b>Town of Greenburgh 2004 Budget</b>	<b>Population Percent</b>	<b>Percent of Town Assessment</b>	<b>Town Entire Mil Rate</b>	<b>Town Outside Mil Rate</b>	<b>Total Town Mil Rate</b>	<b>Taxes Paid (\$ millions)</b>	<b>Percent of Total Town Taxes</b>
Unincorporated Area	<b>48%</b>	55%	5.9	106.0	111.9	\$ 36.8	<b>95.9%</b>
Villages	<b>52%</b>	45%	5.9	(pay villages)	5.9	\$ 1.6	<b>4.1%</b>
Total	100%	100%				\$ 38.3	100%

Village taxes are **not** included in the above table. See page 24 for a comparison of taxes paid by the villages and the unincorporated area.

In an effort to exert a role in its municipal government, Edgemont has long been an active participant in Town affairs, primarily through its civic associations. However, these civic associations have no formal role or position within the Town. Instead, their offices and directors attend meetings and speak either on behalf of their associations or on behalf of themselves. There is no elected municipal political entity, other than the Town, which represents Edgemont directly or represents Edgemont to the Town in any formal way.

Edgemont’s seven civic associations and umbrella organization, the Edgemont Community Council, are voluntary organizations which draw their membership from community residents.

These organizations, founded as early as 1947, act independently or together to bring issues important to the community to the Town's attention. They also stay informed of active and pending zoning, planning, budget, traffic, school district, and fire district issues and take a stand on these when warranted. These organizations also provide the impartial chairperson and members for the School Board Nominating Committee which solicits, interviews, and selects candidates for election to the Edgemont School Board. Membership and activity levels vary from time to time and from association to association; there is limited membership and even more limited participation in these organizations by the broader community.

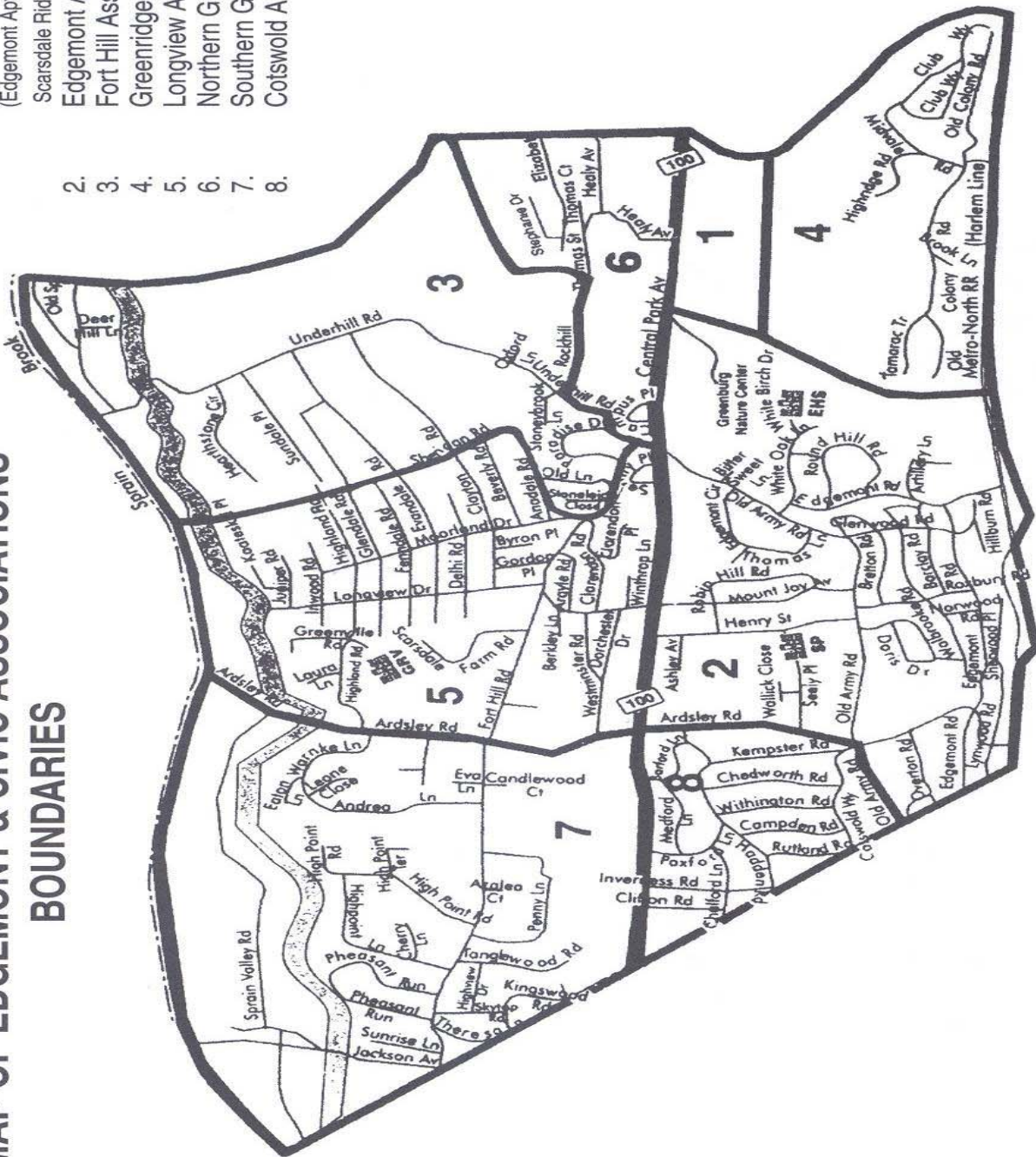
The Civic Associations are the Cotswold Association, Edgemont Association, Fort Hill Association, Greenridge Association, Longview Association, Northern Greenville Association, and Southern Greenville Association. The umbrella organization is the Edgemont Community Council. See the map on page two of this report.

There was once a Central Park Avenue Civic Association, representing most of the residents in Edgemont's apartments and condominiums. However, that association has not been active in a number of years and, as a result, its residents are generally not represented.

Many EVEC members are or have been active in their civic associations or at the Town level.

# MAP OF EDMONTON & CIVIC ASSOCIATIONS BOUNDARIES

1. Central Park Ave. Civic Assoc.  
(Edgemont Apt., Dill Hill Bldgs. B & C,  
Scarsdale Ridge I & II)
2. Edgemont Assoc.
3. Fort Hill Assoc.
4. Greenridge Assoc.
5. Longview Assoc.
6. Northern Greenville Assoc.
7. Southern Greenville Assoc.
8. Cotswold Assoc.



### **C. HOW ADMINISTRATION, LAWS, SERVICES, AND LAW ENFORCEMENT COULD BE PROVIDED WERE WE A VILLAGE**

After a transition period, the village would be responsible for all administration, law, services and law enforcement for its residents. These services would be provided by the village; shared with another municipal entity; outsourced to another municipal entity; or, except with respect to certain services, outsourced to a third-party provider. All villages and towns provide services using all of these methods to some degree. It would be up to a Village of Edgemont, if one is formed, to define whether and how these services are actually provided.

Incorporating as a village would have no impact on the operation or control of the Edgemont School District which by law operates independently of any municipality.

The Governance Committee performed extensive research and analysis for each topic, a summary of which appears here. The Committee segregated these topics into two areas, governing authorities and actual services. In the course of the Committee's analysis, a number of specific issues have emerged as pivotal to the discussion of the viability of incorporation. These issues are separately addressed below.

Two main authorities of governance would be the following:

- **Village Board of Trustees, Administrative and Judicial Services** – responsible for all village services and village law
- **Zoning Board and Planning Board** – responsible for approving applications for development both for responding to requests for variances from code and interpreting village law

Services the village would need to ensure are provided are the following:

- **Police Protection**
- **Fire Protection**
- **Ambulance Coverage**
- **Garbage and Recycling Pick-up**
- **Public Works** – Highway maintenance including paving, repair, snow clearing and leaf removal
- **Parks and Recreation**, including pools
- **Library**

This section of the document addresses the implication of becoming a village on these specific issues:

- **What would happen to the assets and the debt relating to the unincorporated section of the Town of Greenburgh (the “Town”)?**
- **Would Edgemont residents continue to have access to parking at the Hartsdale Train Station?**
- **Would the A.F. Veteran pool and tennis facilities (“AFV Town Park”) continue to be open for membership to Edgemont residents?**
- **Would Edgemont residents continue to have full access to the Theodore Young Community Center facility (“Young Center”)?**
- **What would happen to the Greenburgh Nature Center (“GNC”)?**
- **How would the zoning ramifications of being a village be different from being part of the Town of Greenburgh?**
- **Could Edgemont territory be “annexed” into the Town?**
- **Would Edgemont’s postal code or use of Scarsdale or Hartsdale change?**

How a Village of Edgemont might actually supply services and what services or access to services it may continue to receive from the Town of Greenburgh (such as AFV Town Park) would in many cases be based on a combination of law, state rulings, and negotiation between the Town and Edgemont.

## Summary of Governance Issues Conclusions

Issue	Were Edgemont to become a Village:	Commentary
<b>Who would provide:</b>		
Police Protection	Village can provide or require Town to provide	Town required to provide "ordinary and necessary", beyond which is negotiated
Fire Protection	Existing District becomes part of Village	
Ambulance Coverage	Village responsible, could source from Town or 3rd Party	Town could refuse to supply these services
Garbage Pick-up: Recycling	Village responsible, could source from Town or 3rd Party	Town could refuse to supply these services
Public Works (paving/repair/sidewalks/snow/leaves)	Village responsible, could source from Town or 3rd Party	Town could refuse to supply these services
<b>Access to:</b>		
Parks and Recreation excl. Young Center and AFV Town Pool	Village has full access to Town parks	Recent and pending court decisions may change these conclusions
AFV Town Pools	No access; Edgemont and Town could agree on access.	Recent and pending court decisions may change these conclusions
AFV Tennis Facilities	Access limited to 19 permits currently available.	Town has a total of 25 permits available to all village families; how many additional permits, <b>if any</b> , would be made available if Edgemont were a village is unknown. Recent and pending court decisions may change these conclusions
T. Young Community Center	Access unchanged, Edgemont loses first-come first serve program rights. Village rates slightly higher.	Recent and pending court decisions may change these conclusions
Library	No change to access	Recent Library vote commits Edgemont to new debt, making an Edgemont library unlikely.
Parking at the Hartsdale Train Station	Subject to negotiation	Access and price may or may not change; certain district property in Village creates negotiation leverage.
Greenburgh Nature Center	No change to access	
<b>Zoning issues:</b>		
Family and Group Child Care Centers	Determined by State regulations	Permits issued by State
Mental Health Centers	New York State sites these facilities	
Substance Abuse Centers	May ban from residential areas	
Affordable Housing and Senior Housing	May not exclude, depends on area needs and housing mix	
Cellular Phone Towers	May not exclude, depends on available coverage	
Adult Entertainment	May not exclude, can enact certain regulations	Must comply with State and Federal constitutional requirements
<b>Other:</b>		
Assets and debts from Unincorporated Greenburgh	Unlikely to obtain assets. Must pay share proportionate share of debt.	Negotiation based on assumption of "proportional share."
Annexation of Village Territory	Yes, although not easily.	Requires consent of Village and Town
Will or could Edgemont's postal code change?	No.	Edgemont could apply to receive its own zip code; no assurance.

**PLEASE READ THE DETAILED EXPLANATIONS ON THESE ITEMS THAT FOLLOW BELOW**

## ***Structural Authorities of Governance:***

### **VILLAGE BOARD OF TRUSTEES, ADMINISTRATIVE AND JUDICIAL SERVICES**

Villages require a mayor plus a board of trustees of at least four people. These officials would be elected subsequent to a vote for incorporation and during an interim period. Such elected officials may choose to hire a professional administrator/village manager and a staff to oversee village operations. These operations include administration, judicial, building, electrical, and plumbing inspection, and engineering.

The village would have a number of options to supply its administration and judicial services. Depending on how many other village services are outsourced, a village could choose to have a very small administration to a full administrative function including part-time judge and court. Villages may enact their own law or adopt town law. The village may decide to adopt Town law and modify it. These decisions would be made by the mayor and village board.

For the purposes of EVEC's analysis, we have assumed a Village of Edgemont would have a full administrative function, including a professional manager or administrator comparable to every other village in the Town.

### **ZONING BOARD AND PLANNING BOARD**

Zoning ordinances for the unincorporated area of Greenburgh, including Edgemont, are adopted into law by the Town Board, which is elected by all Town residents. Building inspection, land use planning, and other zoning matters are performed by building inspectors employed by the Town. In connection with zoning matters in unincorporated Greenburgh, the Town Board appoints a Planning Board and a Zoning Board of Appeal from among residents in unincorporated Greenburgh. These boards currently review and pass judgment on applications for permits and variances from Town codes.

If Edgemont were to become a village, the Town would no longer have jurisdiction over Edgemont with respect to planning, zoning, building and tree inspection. After incorporation, Edgemont would have legal authority over village zoning and master plan, subject to legal requirements. Town zoning ordinances would continue until village trustees passed the village's own zoning ordinances. Any carried-over town legislation would remain in effect in the village unless the village enacted local laws that cover the same subject matter of any town legislation. Until such local laws were approved, village boards and any inspectors would oversee and inspect construction and hear appeals under the Town zoning ordinances.

Certain specific zoning issues that would become relevant in the event of incorporation are set forth in the question and answer section below.

## *Town Services*

### **POLICE PROTECTION**

The Town currently provides police protection to the unincorporated area, including Edgemont; such service is paid for by taxpayers in unincorporated Greenburgh. The town also provides a range of services through the police department, including DARE, detectives, school-crossing guards, a jail and related services. Animal control is a town-wide function. SWAT is offered town-wide to villages at a fee.

Under the law, **a village may create and manage its own police force and, if it does so, the town of which it is part may no longer tax the village residents for the cost of maintaining the town police force.** Rather, the village would levy such taxes on village residents to pay for the services provided by the village police force. A village may also create a joint police force with another municipality, if another municipality was willing to do so.

Under the relevant legal precedents, **if the village were to decide not to create its own police force, the town would be obligated to provide “ordinary and necessary” police services** to the village, to provide police protection, and to enforce all applicable laws in the village, including the village’s laws. In that case, **the village would be obligated to pay its “proportionate share” of the cost of the town’s police department to the town.**

If the village wanted “extraordinary police protection” (defined in relevant legal precedent as “specialized police protection of a more intensive nature than usually supplied and including a greater outlay of money, power and equipment”), it could negotiate these services from the town, or another municipality, and pay for them as agreed. It is not clear where the line between “ordinary and necessary” police services and “extraordinary police protection” lies, and the scope of services to be provided by the town in the event the village did not create its own police force would have to be decided, all subject to the obligation of the village to pay the town its “proportionate share” of the costs associated with such services.

Currently, all villages within the Town provide their own police protection and have mutual aid agreements with each other and with the Town that call for assistance and cooperation as needed. Were Edgemont to become a village, such a mutual aid agreement, with the Town and/or other municipality, would be a logical arrangement to pursue.

### **FIRE PROTECTION**

Fire protection services for Edgemont are supplied by the Greenville Fire District, an independent municipal entity which serves only Edgemont. Protection is supplied primarily through a professional paid staff operating out of a single fire station on Central Avenue.

**After incorporation, fire protection would become the responsibility of the village.** Under the law, after incorporation of a village, a fire district located wholly within the village’s borders would cease to exist as a separate municipal entity, following an interim period of no more than eighteen months. It would become a village department at that time and its annual budget (approximately \$6 million in 2005) would be subject to the review and approval by the village mayor and trustees and included in the village budget.

## **AMBULANCE COVERAGE**

Certain emergency personnel and services are provided on a town-wide basis. The town-wide budget includes payments for a paramedic supervisor, eight paramedics and seven emergency service technicians, as well as at least one emergency vehicle to transport paramedics.

As for ambulances, the Town currently provides four ambulances for transport to hospitals, for use in the unincorporated area of Greenburgh. The villages provide their own ambulances. The Town's ambulance service for the unincorporated areas is provided through the Police Department. The Fire District also provides certain emergency medical services, including EMT Service, to Edgemont residents.

**In the event of incorporation, the emergency personnel and services provided by Greenburgh on a town-wide basis would not be affected.** After an interim period of no more than eighteen months, however, the **Village of Edgemont would have to arrange for ambulance coverage.** Such services could possibly be provided through the Police or Fire District (which would become a fire department in Edgemont), or through a third-party service provider, another municipality (if it were willing to do so), or the Town under certain circumstances. The pro-forma budget accounts for this transport in the Police budget.

## **PUBLIC WORKS**

Public Works is a broad category including garbage and recycling, street paving and maintenance, street lighting, sidewalks, snow and leaf removal, drainage, and other village maintenance services.

After incorporation, and after an interim period of no more than eighteen months, the Town would not be obligated to provide these services. Therefore, for each service, **Edgemont would have the alternatives of establishing its own work force or negotiating a contractual, joint or cooperative arrangement with the Town or another municipality or with a private contractor.**

After incorporation, the Town would not be obligated to provide these services, or at what cost, to the village after an interim period of no more than eighteen months, although this could be negotiated, as assumed in Scenario II.

## **PARKS AND RECREATION**

Greenburgh park and recreation facilities include AFV Town Park, the Greenburgh Nature Center, the Young Center, Massaro Pool, numerous fields and parks including Taxter Ridge, the Gaisman Estate (now known as "Hart's Brook") and Crane Pond in Edgemont. These facilities are open to all Town residents, except for the pools at AFV Town Park, which are open only to residents of unincorporated Greenburgh (and volunteer firemen of the other villages and disabled residents of the Town).

If Edgemont were to become a village, based on current practices, rights of access for Edgemont residents to the tennis courts at AFV Town Park would change from current open access to permit-based access. There are at present 25 permits allocated to all residents of the six existing villages, 19 of such permits are currently available. If Edgemont were to incorporate as a village, it is not known how many additional permits, **if any**, the town would allocate over and

above the 25 currently offered to village residents. Access to tennis courts at other Town facilities (e.g. Yosemite Park, East Rumbrook, and Travis Hill), as well as at Edgemont Schools, would not be impacted by becoming a village.

Programs at the Young Center are open to members of unincorporated Greenburgh, and on a space-available basis, to residents of the villages. The Cotswold Park District which contains O’Gorman Park and a strip of wooded land along Central Avenue, and the Greenridge Special District, which is in the Hartsdale section of Edgemont, are both within Edgemont’s borders. As with the Fire District, these special districts would automatically become part of the new village.

At the present time, the Town charges only taxpayers in unincorporated Greenburgh for the costs of its parks and recreational facilities. Under current practices, if Edgemont were to become a village, its residents would no longer have to pay any share of these costs, but would have the same rights of access to town-wide parks and recreation facilities as the residents in the other villages.

A recent court ruling challenges current practice and suggests that, to the extent Town parks and recreational facilities are open town-wide, the Town may no longer be permitted to charge only unincorporated Greenburgh for their costs. This could mean that some or all of these costs might be shifted to Greenburgh’s villages and, if that were to occur, a village of Edgemont would still be liable for its share. If costs are shifted, whether Edgemont becomes a village or remains unincorporated, its share would be less than it is now as part of the unincorporated area. Indeed, the cost of Taxter Ridge has already been shifted to the Town Entire budget which has reduced its cost to Edgemont as part of the unincorporated area.

At present, **incorporation would leave Edgemont with access to all Greenburgh parks and facilities, except the pools at AFV Town Park, open access to tennis at AFV Town Park, and priority access to programs at the Young Community Center.** The properties of the Cotswold Park District would pass to the Village, and the Village would assume responsibility for them.

For additional information about potential access to the AFV Town Park pool and tennis facilities, the Young Center and the GNC after incorporation, see below.

## **LIBRARY**

Residents in unincorporated Greenburgh currently have full and complete access to the Westchester Library system through membership in the Greenburgh Public Library that is supported by taxes raised from residents of unincorporated Greenburgh. After incorporation, **the rights of Edgemont residents to use the library would be unaffected and Edgemont would be responsible for its pro rata share of the related costs.**

After incorporation, Edgemont would have the right, but not the obligation, to build and maintain its own library. In the event Edgemont were to decide to build and maintain its own library, several issues would have to be resolved.

The law which authorized the Town to create the library granted the Town the right to charge only taxpayers in the areas outside the six then-existing villages for the cost of the library. State Education Law gives villages the right to form their own libraries and to be exempt from Town library charges in certain circumstances. However, even if Edgemont were to decide that it wanted to create its own library, it would be difficult to avoid continuing to pay for the Town library, particularly given the \$20 million referendum on the new library that recently passed.

## ***Issues***

### **WHAT WOULD HAPPEN TO THE ASSETS AND THE DEBT RELATING TO THE UNINCORPORATED SECTION OF THE TOWN OF GREENBURGH?**

Incorporation would have no effect on previously-contracted town indebtedness incurred for town-wide purposes, as it is a liability of the entire town, including the area within the villages. However, a more difficult question is presented with respect to what may be termed part-town indebtedness, that is, indebtedness incurred solely for purposes in the unincorporated area. A literal reading of the existing provisions of law could lead to the conclusion that, when an unincorporated area of a town incorporates as a village, the area within that village would no longer be charged for the indebtedness previously incurred by the town for purposes of the unincorporated area. No case law has been found addressing this specific point and municipal attorneys contacted by the Governance Committee had differing views on whether, and to what extent, a village would have continuing liability for such debt.

In a 1966 opinion, the State Comptroller concluded that towns could continue to charge areas within newly-incorporated villages for such previously incurred debt and that the town, in most instances, would continue to own any assets purchased with that debt. The opinion states that the liability for such debt would be the village's "proportionate share," but does not enumerate the factors for determining such share nor assert that the "proportionate share" is the same as the prior share of the debt. Rather, the opinion states that "[h]ow the proportionate share will be determined must be the subject of agreement and negotiations by the town and the village" and that if an equitable apportionment cannot be agreed upon, the matter would have to be resolved by the courts.

As to assets, under the 1966 opinion, **it appears that no Town-owned assets would pass to the incorporated village, by right or otherwise.** Also, in the event of incorporation **it appears**

**that Edgemont residents would have a continuing obligation to pay a “proportionate share” of the indebtedness** incurred by the Town for purposes of the entire unincorporated area prior to incorporation. Such “proportionate share” would be determined on equitable grounds, through negotiations with the Town or, failing that, by a Court.

#### **WOULD EDMONT RESIDENTS CONTINUE TO HAVE ACCESS TO PARKING AT THE HARTSDALE TRAIN STATION?**

**Incorporation of Edgemont as a Village could affect the rights of Edgemont residents to purchase parking permits at the Hartsdale Train Station and could also affect the amount of money the Hartsdale Parking District may charge for such permits.**

Under the relevant law, residents of the unincorporated areas of Greenburgh, including Edgemont, have the right to obtain monthly parking permits on a “first-come, first served” basis at the Hartsdale Train Station. The relevant provisions governing the Hartsdale Parking District, which controls the parking spaces, grant that right to residents of unincorporated Greenburgh only. Upon incorporation, the residents of Edgemont would no longer have that status.

If Edgemont were to incorporate, however, the District would also be impacted. Under the relevant law, the Village of Edgemont would have the right to a proportionate share of the assets and liabilities of the District, including real and personal property, since portions of the District (e.g., the area of the Greenridge Association, Central Park Avenue Association and the Northern Greenville Association north of Healy) are physically located within the boundaries of Edgemont. In other words, Edgemont would have a claim on certain of the District’s assets, most likely a portion of the parking spaces located on the Pipeline or in Site D (the parking area across the tracks from the Pipeline).

The law does not preclude residents outside the unincorporated areas from obtaining permits. In the past, the District has granted residents outside of unincorporated Greenburgh monthly parking permits (e.g., Ardsley and Scarsdale), although at higher rates. Currently, Edgemont residents purchase approximately 40% of the monthly parking permits. There is no current waiting list for such permits.

Access to the metered parking at certain sites (e.g., the 12-hour meters in Site D) would not be affected by incorporation.

**Ultimately, the issue of parking permits for Edgemont residents, the rates charged for them, and the nature of the relationship between the District and the Village of Edgemont, given Edgemont’s apportionment rights, would be subject to negotiation.**

**WOULD THE AFV TOWN PARK POOLS CONTINUE TO BE OPEN FOR MEMBERSHIP TO EDGEMONT RESIDENTS AFTER INCORPORATION?**

**It is not clear whether, or under what circumstances, Edgemont residents would have continued access to the AFV Town Park pools in the event of incorporation.**

Based on current circumstances, after incorporation, if the Village of Edgemont were to elect not to pay for its full share of all of Greenburgh's park and recreational facilities, the Town would have the right to exclude Edgemont residents from the pools at AFV Town Park, as they are currently open only to residents of unincorporated Greenburgh. If the Village of Edgemont were to agree to pay such share, and the Town agreed, Edgemont's residents would have access to the AFV Town Park pools.

As noted above, however, recent court decisions concerning the Town's practice of charging only taxpayers in unincorporated Greenburgh for the costs of town-wide facilities may result in changes to the Town's practices with respect to its recreational facilities, including those at AFV Town Park. We, however, cannot predict how these decisions will impact access to AFV Town Park.

**WOULD EDGEMONT RESIDENTS CONTINUE TO HAVE ACCESS TO THE THEODORE YOUNG CENTER?**

**Everybody in the Town has full access to the Young Center facilities, although costs are slightly higher for residents outside of the unincorporated area. If Edgemont were to incorporate, it would lose its first right of sign-up priority for programs at the Young Center.** Edgemont residents would have to determine if it is worthwhile for the new village to negotiate different access than available to other villages. And, again, it is too early to determine if the recent court decision concerning the financing of the Town's town-wide facilities will have any impact on this question.

**WHAT WOULD HAPPEN TO THE GREENBURGH NATURE CENTER?**

**Incorporation should not impact access to GNC.**

The Greenburgh Nature Center is a 33-acre tract of land off Central Avenue in Edgemont which is owned by the Town of Greenburgh and maintained as a wildlife refuge. The Town acquired the property in 1973 at a cost of \$742,500, half of which was funded by a federal grant which required, as a condition of the grant, that the property not be developed for active recreation. The Nature Center itself is operated not by the Town, but by Nunataks, Ltd., a private, not-for-profit corporation formed in 1975 which runs programs under contract with the Town. The Town funds one-third of the Nature Center's annual costs. The other two thirds are funded through a mix of privately generated earned and contributed income, including money from annual membership fees. Membership in the Nature Center is open to all residents of the Town, as well as everywhere else. According to the GNC Annual Report for 2003, 53% of its members were residents of the Town, including its six villages. In 2005, the Town's total financial contribution will be approximately \$350,000 -- of which \$251,000 is pursuant to the town's "share" agreement with Nunataks, and the balance is for building maintenance. All funding from the Town to fund Nature Center operations is charged exclusively to taxpayers in unincorporated Greenburgh through the TOV Budget.

The facility is a Town park open to all residents, including residents of the villages. If the Town continues to charge only taxpayers in unincorporated Greenburgh for the Town's share of the Center's operating expenses, Edgemont taxpayers could be relieved of that portion of their Town tax obligation as Edgemont would no longer be in unincorporated Greenburgh if it were to become a village. On the other hand, if the Town were to be required to charge all taxpayers throughout the Town, including in the villages, Edgemont taxpayers would be required to fund their fair share -- but such share would then be apportioned town-wide.

#### **HOW WOULD THE ZONING RAMIFICATIONS OF BEING A VILLAGE BE DIFFERENT FROM BEING PART OF THE TOWN OF GREENBURGH FOR THESE ISSUES?**

**After incorporation, if it chooses to enact its own zoning and planning regulations, Edgemont would have the right to restrict and regulate commercial and residential development within its borders. However, Edgemont's right to exercise such control would be subject to certain state and federal zoning laws.** These laws require that the zoning plan cannot be arbitrary and must promote the health, safety and welfare of the village.

Moreover, in certain circumstances, the state and federal zoning laws preempt the Village of Edgemont's zoning authority. In other words, the Village of Edgemont, like any other village, would not be able to exercise its zoning authority without taking into account numerous pre-existing legal requirements. The following is a summary of certain of those requirements, were Edgemont to become a village:

- Family and Group Child Care. **The Village of Edgemont may not prohibit family and group day care centers in private homes** so long as the home has a valid permit from the State Department of Social Services, except to enforce local health, fire safety and building code regulations.
- Mental Health Centers. **The State of New York selects the location of a mental health center and Edgemont may suggest an alternative location or raise an objection.** An objection may be made only if there is such a "concentration" of facilities that the "nature and character of the area would be substantially altered."
- Substance Abuse Centers. **Edgemont may restrict the location of substance abuse centers from residential areas to commercial areas, but may not ban them entirely from its borders.**
- Affordable Housing and Senior Housing. **There is no express obligation for Edgemont to provide for affordable housing or senior housing in its zoning plan.** However, a zoning plan may not have an exclusionary purpose or effect. Edgemont's responsibilities for affordable and senior housing will depend on an analysis of the types of housing available within its borders, the needs of the community and the needs of the larger region.
- Cellular Phone Towers. **Edgemont may not unreasonably discriminate against service providers who offer "functionally equivalent" services and may not ban personal wireless services.** The right to deny applications to build cell phone towers increases once an area has sufficient cellular service. The scope of Edgemont's right to deny applications to build cellular phone towers is unclear. It will depend on

whether the current service is “sufficient,” an issue that might ultimately need to be determined by a court.

- **Adult Entertainment. Currently, the Town regulates adult entertainment establishments and zones for them in industrial areas outside of Edgemont. If Edgemont were to become a village, Edgemont would not be able to ban adult entertainment establishments entirely, but would be entitled to enact certain regulations governing them.** Alternatively, Edgemont may elect to do nothing or enact regulations that do not specifically target adult establishments, but affect them. If Edgemont decides to enact regulations that target adult businesses specifically, such regulations must comply with federal and state constitutional requirements.

### **COULD EDGEMONT TERRITORY BE “ANNEXED” INTO THE TOWN?**

Some residents have questioned whether, if Edgemont incorporated as a village, it would be possible for adjoining territory in Edgemont to be “annexed” back into the Town, making it once again part of the unincorporated part of the Town. The answer is yes, but the issue presents several practical questions. Annexation is governed by Article 17 of the General Municipal Law.

Briefly stated, **annexation is limited to territory which is adjacent to the annexing municipality, it requires the consent of the majority of people living in the territory to be annexed, and it requires the consent of the governing board of each local government (i.e., the Town and the Village), upon the respective determination that the annexation is in the overall public interest.**

The process begins with a petition describing the territory proposed to be annexed, signed by at least 20% of the voters living in such territory or by the owners of a majority in assessed value of the real property located in such territory. The next step is a joint hearing between the governing bodies of the two municipalities. If they agree that annexation is in the public interest of both municipalities, then the matter is put to a majority vote of the people residing in that territory. If the two governing boards do not agree, then the municipality desiring annexation must bring an action in the State Supreme Court, Appellate Division, and establish that such annexation is in the "overall public interest" of both municipalities, taking into consideration the consequences, financial and otherwise, of the annexation on each municipality. If the municipality seeking annexation prevails in court, the matter would then be put to a majority vote of the people residing in the territory proposed for annexation.

### **WOULD EDGEMONT’S POSTAL CODE OR USE OF SCARSDALE OR HARTSDALE CHANGE IF EDGEMONT BECOMES A VILLAGE?**

**No. Postal codes are decided by the federal government and are completely unrelated to the process and existence of incorporation.** If it wanted to, the Village of Edgemont could apply to the U.S. Postal Service to obtain a different postal code for Edgemont, but there is no assurance one could be obtained.

## **D. HOW TAXES WOULD CHANGE WERE EDGEMONT A VILLAGE**

EVEC's single most important question is how Edgemont taxes would be affected were we to incorporate. The Economics Committee has done extensive interviews and analysis of the services, service levels, and costs of services provided by the Town of Greenburgh and some of our surrounding villages in order to answer this question. Two bottoms-up budgets for the pro-forma Village of Edgemont been built; each budget reflects certain choices and assumptions that impact revenues, expenses, and service levels.

**Scenario I – Edgemont supplies all village services by itself** including Administration, Public Works (Highways and Sanitation), Public Safety (Police), and Parks and Recreation.

**Scenario II – Public Works is outsourced**, balancing the cost of local services and infrastructure acquisition, with the attractiveness of maintaining the costs and services levels provided by Greenburgh.

**A pool and community center are included in both budgets.** And, as a result of the recent library referendum approving \$20 million to expand and renovate the existing Greenburgh library, **both budgets assume Edgemont will continue maintain its participation and to pay its pro rata share of expenses for the Greenburgh library.**

A village would be paid for through the imposition of property taxes and collection of revenues such as sales tax, mortgage tax and others. The village tax would replace the TOV portion of our current Town taxes. Edgemont, like the other villages, would continue paying Town Entire taxes to the Town of Greenburgh.

As noted above, the Pro-Forma Budgets are based on extensive research and analysis and reflect actual services and cost-levels experienced by other similar existing villages. The Budgets reflect the Committee's best efforts to be thorough, objective and reasonably conservative in anticipating certain choices that might be made by the new village and the outcomes of certain actions and negotiations. It is important to note, however, that there are a number of issues which would affect the economics of being a village that are less certain than others. These issues, which are analyzed and presented in further detail later in this report, include:

- **Transition Expenses** – Start-up and transition expenses as the village builds facilities and reserves. These are treated separately. However, these are real expenses which will increase taxes in early years.
- **Parks and Recreations** –The resolution of how the Town will re-allocate the TOV budget's Parks and Recreation expenses as a result of the Taxter Ridge lawsuit is uncertain and will affect the village economics.
- **Unincorporated Debt and Public Works Supplied by Greenburgh** – The amount of debt service the new village would be liable to pay with respect to existing unincorporated Greenburgh debt is uncertain; the amount would be subject to negotiation based on pro-rata share. The availability and cost of continued public works services will also depend upon the outcome of negotiations.

- **Reallocated School and Fire District Taxes** – The reallocation of school and fire district taxes which would result from any currently assessable land bought by the village would lower Edgemont’s assessable tax base.
- **Availability and Cost of Land** – Availability of land in Edgemont for facilities is scarce and expensive. A change in the cost of land dramatically changes the cost of becoming and operating the Village.

As with any pro-forma forecast, or budget, there will be differences between these forecasts and actual amounts because events and circumstances do not always occur as expected. Those differences may be material. However, the Economics Committee has worked diligently and as a group to provide the best estimates possible and believes these budgets are as accurate as possible given our information.

The following table summarizes the pro-forma tax impact under the two budget scenarios. As a village, Edgemont’s “village” equivalent taxes would rise by 30% for the preferred Scenario II. Start-up and transition expenses add a range of 1% to 5% to this amount during the 5-year transition period.

<b>Edgemont Village Pro-forma Yearly Taxes 2004 Budget Year and Transition Period, Constant 2004 Dollars</b>	<b>Scenario "I" Mil Rate</b>	<b>Scenario "II" Mil Rate</b>
Current Edgemont TOV Taxes	110.3	110.3
Edgemont Village Taxes – Including Start-up	*	143.7
Edgemont Village Taxes – Post-Start-up	151.5	142.8
<b>Tax Increase Including Start-up Expenses</b>	*	<b>33.4</b>
<b>Tax Increase After 5 yrs of Start-up Expenses</b>	<b>41.2</b>	<b>32.6</b>
<b>Percent Increase Including Start-up Expenses</b>		<b>30.3%</b>
<b>Percent Increase After 5 yrs of Start-up Expenses</b>	<b>37.4%</b>	<b>29.5%</b>

\*Note that start-up expenses for Scenario “I” would be higher, however, these were not calculated as the Economics Committee focused its efforts on Scenario “II”. The transition period impact for Scenario I has not been calculated because, as previously stated, the Committee believes that this Scenario is unlikely to ever occur.

The table below shows the pro-forma impact on annual property taxes for a range of assessment values. This information is stated for a “normal year” (i.e. after the transition period) in constant 2004 dollars.

<b>Edgemont Village Pro-forma Yearly Taxes -- Scenario II Normal Year in Constant 2004 Dollars</b>	<b>\$ per \$1000</b>	<b>\$10,000</b>	<b>\$20,000</b>	<b>\$30,000</b>	<b>\$40,000</b>	<b>\$50,000</b>
	<b>Mil Rate</b>	<b>Current Assessment Value</b>				
<b>Incr. in Ann. Prop. Taxes, 1st Five yrs</b>	<b>\$33.4</b>	<b>\$334</b>	<b>\$668</b>	<b>\$1,002</b>	<b>\$1,336</b>	<b>\$1,670</b>
<b>Incr. in Ann. Prop. Taxes, thereafter</b>	<b>\$32.6</b>	<b>\$326</b>	<b>\$651</b>	<b>\$977</b>	<b>\$1,302</b>	<b>\$1,628</b>

## 1. Current taxes paid by Edgemont Residents provide a baseline

The typical Edgemont household pays property taxes to at least six entities.

<b>Edgemont Property Tax Payments 2004 Budget Numbers</b>	1. Edgemont Tax Levy (\$000)	2. Assessed Value (\$000)	3. Mil Rate per \$1000	4. Taxes on \$30,000 house	5. Percent of Total
Edgemont School District	27,708	73,751	375.7	11,271	56.3%
Town of Greenburgh Town Entire ("A" Budget)	433	73,360	5.9	177	0.9%
Town of Greenburgh TOV ("B" Budget)	7,778	73,360	106.0	3,181	15.9%
County of Westchester	6,211	73,360	84.7	2,540	12.7%
Fire District	5,575	73,360	76.0	2,280	11.4%
Sewer District	679	73,360	9.3	278	1.4%
Refuse District	753	73,360	10.3	308	1.5%
<b>Total</b>	<b>\$ 49,137</b>		<b>667.8</b>	<b>\$ 20,034</b>	<b>100.0%</b>

Notes: Special districts are excluded as they are usually small cover small portions of Edgemont. Examples are the Cotswold Park District and the Greenridge Special District.

These numbers are

1. Edgemont Tax Levy – The amount that Edgemont, as a community, pays to each of these entities for services.
2. Assessed Value – The assessed value of all current land and buildings in the district valued as if it were 1958, which is when the last revaluation was undertaken. The assessed value of the school district and the fire district are slightly different because the borders are not exactly co-terminus. Unless specified, the Greenville Fire District has been used by EVEC to define Edgemont.
3. Mil Rate – Tax Rate per \$1,000 of assessed value – the tax levy divided by the assessable value times 1000. Each taxpayer uses this rate to calculate their actual tax levy; the Mil Rate is multiplied by the taxpayers' assessable value divided by 1,000.
4. Taxes on \$30,000 Assessment – Taxes paid by a property assessed at \$30,000 it is the Mil Rate times \$30,000 divided by 1000.
5. Percent of Total – The percentage of taxes each entity collects as a percent of total property taxes paid.

Two taxes are paid to Greenburgh, Town Entire ("A" Budget) and Town Outside Village (TOV or "B" Budget).

- Town Entire taxes are paid by every property owner in Greenburgh, including those living in the six villages as well as the unincorporated area (Edgemont, Hartsdale, Fairview, etc.), thus the name Town Entire. These taxes pay for the Town Hall and administration, animal control services, paramedic support and other town-wide services. The Town Entire budget provides many fewer services than the TOV budget and is appropriately smaller.
- "TOV taxes are paid by only the residents of the unincorporated area, Edgemont, Hartsdale, Fairview, etc. thus the name Town Outside Villages (TOV). These taxes pay for the "village-like services" provided by the Town to the unincorporated areas including Public Works (Highways and Sanitation), Public Safety (Police), and

Administration (Planning, Zoning, Legal, and Judicial). Village residents pay village taxes instead of paying Greenburgh TOV budget taxes. Unincorporated residents do not pay village taxes because they don't live in villages.

Historically, TOV taxes pay for virtually all of the Town's Parks and Recreation Services. As a result of the Taxter Ridge lawsuit the town is studying how these taxes are allocated – see page 34 for discussion.

## **2. How the Edgemont Village Budget was Developed**

The economics committee spent much time and effort to create the Edgemont pro-forma village budget. Interviews were conducted with several nearby villages as well as the Town of Greenburgh. The committee's first concern was to ensure that the proposed budget reflects appropriate staffing and infrastructure needed to provide at least current service levels enjoyed by Edgemont.

The group developed a significant base of financial and other information which allowed us to compare Edgemont Village budget to be compared with other villages. Included in the comparative database are: the six villages in Greenburgh, Rye Brook, Scarsdale and the Town of Greenburgh. Statistics examined include population per 2000 census, households per 2000 census, average population per household, property assessments and street miles. The comparable database also includes all the revenue and expense categories as identified in the Town and village budgets.

Members of the economics committee met with several Town of Greenburgh and Greenville Fire District officials and professional staff; these meetings were always genial and informative. The committee utilized these meetings to obtain information on how certain departments were managed, what service levels were achieved, and how they were provided.

Members of the committee also met with officials from Ardsley, Dobbs Ferry, Hastings, Rye Brook, and Scarsdale all of whom were open and immeasurably helpful to us in preparing these budgets and developing the underlying assumptions. Individual committee members also spoke with other village and town officials across New York State as well as State government officials, municipal finance executives, municipal lawyers, and the professors at the Edwin G. Michaelian Institute for Public Policy and Management at Pace University

**EDGEMONT’S CURRENT TAXES FOR “VILLAGE” SERVICES ARE LOWER THAN MOST NEARBY VILLAGES.**

Comparing Edgemont to other villages shows clearly that Edgemont’s current payment for village-type services from the Town of Greenburgh is lower on a Mil Rate basis than all existing villages. As demonstrated here, and confirmed through the bottoms-up analysis, the cost of being a stand alone village is higher than the cost to Edgemont of the same services as part of the Town of Greenburgh. Three main factors drive these differences:

1. **Economies of Scale** – Unincorporated Greenburgh, with a population of 41,828 benefits from economies of scale in providing some services. Compared with other villages whose population ranges from 4,269 to 11,090, these benefits show up quite significantly in administration costs. Other departments are mixed with some villages providing some services for less and others for more than Greenburgh on a comparable basis.
2. **Shared Parks and Recreation Facilities** – Greenburgh shares facilities, and therefore costs, over a much larger population than the villages. The AFV town pool, the library, and the Theodore Young Community Center are shared by the whole unincorporated area. Most villages have these same facilities locally and pay for them themselves.
3. **Cost of Land and Buildings** – All of the villages in Greenburgh have been in existence over 75 years and much of their land and buildings were either donated or paid off many years ago. A village of Edgemont would have to locate and acquire land for and build its municipal hall, police station, pool and community center. In addition, based on the governance committee findings, the new village will have to continue paying a proportionate share of unincorporated Greenburgh’s existing debt (the full amount is built into the projections to be conservative). The amount to be paid is subject to negotiations.

The most basic way to compare the cost of Edgemont becoming a village to look at the cost other villages pay for their services. This comparison shows that a village of Edgemont would have axes comparable to the other villages in Greenburgh, but higher than current taxes.

Nearby Tax Comparison Constant 2004 Dollars	Town Tax	Village or TOV Tax	Total Tax	Town/Village
				Tax per \$30,000 Assessment
	\$ Mil Rate			\$
Ardasley	5.9	156.8	162.7	4,882
Dobbs Ferry	5.9	143.5	149.4	4,482
Elmsford	5.9	122.8	128.7	3,860
Hastings	5.9	143.9	149.8	4,495
Irvington	5.9	160.5	166.4	4,991
Rye Brook	5.5	148.9	154.4	4,631
Scarsdale	N/A	115.1	115.1	3,453
Tarrytown	5.9	161.6	167.5	5,026
Unincorporated Greenburgh	5.9	106.0	111.9	3,358
<b>Edgemont -- Current</b>	<b>5.9</b>	<b>106.0</b>	<b>111.9</b>	<b>3,358</b>
<b>Edgemont Village Pro-forma*</b>	<b>5.9</b>	<b>142.8</b>	<b>148.7</b>	<b>4,462</b>
* Taxrates have been adjusted to exclude Fire and Sewer taxes, which are paid for separately, as well as appropriated reserves, to make the tax data comparable.				

## **TWO SCENARIOS FOR AN EDGEMONT BUDGET**

The economics committee settled on two scenarios for a pro-forma Edgemont Village budget. Service levels for Edgemont Village have been, to the best of the committee's ability, made equivalent to the services received now as part of Unincorporated Greenburgh.

Scenario I is highlighted as:

- The new village “builds everything”. It is completely self-sufficient.
- The Village buys land, builds, and operates its municipal facility (for general administration and public safety), public works garage, and a pool and community center complex.

Scenario II is highlighted as:

- The new village “builds and outsources”. It builds some facilities but outsources Public Works to the Town of Greenburgh.
- The Village acquires land, builds and operates a municipal facility (for general administration and public safety) and develops a pool and community center complex. It uses the Town to provide Public Works services including sanitation, recycling, snow clearing, leaf collection, and street maintenance.
- This scenario requires a good operating relationship with the Town of Greenburgh for success.

### 3. Estimated Village Taxes

The table below summarizes the pro-forma tax effect were Edgemont to incorporate as a village.

Calculation of Edgemont Taxes Impact on Edgemont Property Taxes constant dollars	2004	Scenario "I"	Scenario "II"	Current Edgemont	Notes
		\$000	\$000	\$000	
Budget Operating Costs -- After Five Years		\$ 8,984	\$ 9,111	\$ 10,082	Current Edgemont are TOV taxes
Transition Costs -- Average 1st Five Years		na	62	na	
Less Revenues		(1,694)	(1,694)	(2,775)	Sales/mort.tax, othr revs, reserve adjust
Debt Service -- Greenburgh		784	784	784	Existing Greenburgh debt
Debt Service -- Edgemont Village		2,693	1,993		New Village Debt
Additional School & Fire Taxes		264	220		some assesable property to village use
<b>Pro-Forma Property Taxes -- 1st Five Yrs</b>			<b>\$ 10,476</b>	<b>\$ 8,091</b>	
<b>Mil Rate (\$ Tax per \$000 of Assessment)</b>			<b>144</b>	<b>110</b>	
<b>Incr. in Taxes from Current -- 1st Five Yrs</b>			<b>30.3%</b>		
<b>Pro-Forma Property Taxes -- After Five Yrs</b>		<b>\$ 11,031</b>	<b>\$ 10,414</b>	<b>\$ 8,091</b>	
<b>Mil Rate (\$ Tax per \$000 of Assessment)</b>		<b>151</b>	<b>143</b>	<b>110</b>	
<b>Incr. in Taxes from Current -- After Five Yrs</b>		<b>37.4%</b>	<b>29.5%</b>		
Incr. in for \$30,000 Home -- 1st Five Yrs		na	\$ 1,002		Home at \$30,000 assessed value
Incr. in for \$30,000 Home -- After Five Yrs		\$ 1,236	\$ 977		Home at \$30,000 assessed value

Were Edgemont to become a village it would increase its cost of services by 30% to 37% above what Edgemont pays Greenburgh for these services today, depending on which scenario is chosen.

The new Edgemont Village debt service costs arise from borrowings to finance the acquisition of land and construction costs as well as purchases of vehicles and equipment needed to operate the village. These added debt service costs are 30 of the 37% and 22 of the 30% rise in pro-forma taxes for scenarios I and II, respectively. However, because of practical limitations on debt that the newly incorporated village may carry, it is unlikely that these debt costs would be incurred all at once. Therefore, actual debt costs are likely to be lower than that assumed here and commensurate addition of these facilities, slower.

While two scenarios were developed, implementing Scenario I is more costly, and therefore less attractive, than Scenario II as it implies a significant duplication of infrastructure and places the Town in the difficult situation of having too much infrastructure for its residents.

It should be noted that the effect of the Taxter Ridge lawsuit will likely cause a shift of some or most of the Town's Parks and Recreation expense from the Unincorporated budget to the Town Entire budget. Should this shift happen prior to incorporation, current Edgemont taxes would decline. Were Edgemont to incorporate, taxes would rise with a shift above these pro-forma numbers. This issue is discussed later in this report.

#### **4. The Pro-forma Edgemont Budget**

The pro-forma Edgemont Budget and the comparison to the Greenburgh budget are based on the calendar year 2004. Edgemont's current tax payments to Greenburgh for "village" services (TOV budget) are allocated to each budget category according to the percentage of assessment (22%) which Edgemont represents of Unincorporated Greenburgh.

<b>Edgemont Village Pro-Forma Expenses</b> Dollars in thousands, 2004 constant dollars	Scenario "I"	Scenario "II"	Current Edgemont
Legislature, Administration & Judiciary	1,079	1,079	245
Buildings (incl Central Garage)	434	214	11
Insurance	264	264	171
Other	279	279	466
<b>Total Administration and Government</b>	<b>2,055</b>	<b>1,836</b>	<b>893</b>
Police	3,581	3,581	3,749
Fire, excluded because it's taxed separately.	0	0	0
Ambulance	145	145	250
<b>Total Public Health &amp; Safety</b>	<b>3,726</b>	<b>3,726</b>	<b>3,999</b>
Sewers, excluded because it's taxed separately.			
Streets & Sidewalks	731	1,020	1,020
Refuse & Recycling	1,027	1,167	1,167
Other	190	107	107
<b>Total Public Works and Transportation</b>	<b>1,948</b>	<b>2,294</b>	<b>2,294</b>
Swimming Pool	173	173	351
Library	656	656	656
Park Maintenance	34	34	444
Community/Senior Center	308	308	882
Recreation	63	63	475
Other	21	21	88
<b>Total Parks, Recreation &amp; Community Services</b>	<b>1,255</b>	<b>1,255</b>	<b>2,896</b>
<b>Total Village Operating Costs</b>	<b>8,984</b>	<b>9,111</b>	<b>10,082</b>
Debt Service			
Payment to Greenburgh for pre-Village Debt	784	784	784
Edgemont Village	2,693	1,993	
<b>Total Debt Service</b>	<b>3,476</b>	<b>2,777</b>	<b>784</b>
<b>Expenses for Edgemont Village per budget</b>	<b>12,461</b>	<b>11,888</b>	<b>10,865</b>

Note: Based on 2004 budgets, interviews, and analysis. Adjustments have been made to "roll forward" costs that are based on fiscal years ending during the calendar year so that the numbers presented are consistent.

The Edgemont budget is discussed in these sections:

1. Village Administration,
2. Public Health and Safety (Police),
3. Public Works & Transportation (highways / snow / leaves / sanitation / recycling),
4. Parks, Recreation, and Community Services,
5. Capital Expenditure, and Debt Service,
6. Lowered Tax Base Resulting from Village Land Acquisition,
7. Start-up Expenses

1. Village Administration – The Village will elect a mayor and (4) trustees to govern the new entity. Each individual will receive a small stipend for his/her services rendered to the Village. The administrative and government division contains all the elements necessary to administer a village government including: a professional manager, treasurer, village clerk, legal services, zoning, planning, engineering and elections. These functions would be performed by eight full time employees including two senior administrators as well as contract and part-time staff.

As with other existing villages, community volunteers would serve on various village boards, for example: Zoning, Planning, Architectural Review, Assessment, Ethics, Technology and Police. At present, approximately 100 Edgemont resident volunteers serve on civic association and Town boards. This continued level of community involvement would provide volunteers to help staff the boards and committees that would be required if Edgemont were to incorporate, although training and skills would be required to create a qualified volunteer base.

Village administration costs appear to be very similar regardless of village size. Thus, the larger the community, the greater the economies of scale in terms of municipal administration. Edgemont's cost of municipal administration would double to about \$1.8 million if Edgemont were to become a village.

The primary difference in village administration, as compared with Greenburgh, is that a professional manager would be hired by the elected Village Mayor and Board of Trustees. In Greenburgh the elected Supervisor performs the role of manager.

2. Public Safety and Health (Police) – The public safety division includes both police and ambulance services. Fire services are not included in the pro-forma budgets because, currently, the Greenville Fire District is a separate taxing entity that maintains a separate budget and is not accountable to the Town of Greenburgh. As noted previously, if Edgemont were to incorporate, the fire department would become a village department, accountable to the village board.

According to the pro-forma budgets, the Police Department would comprise 32 full-time-equivalent employees (FTEs) and 7 vehicles. Two to three patrol cars would patrol our streets 24/7 and the Police Department would be supervised and staffed with sergeants, detectives and other appropriate personnel. Although the direct coverage provided by this staffing level exceeds Edgemont's present coverage, Greenburgh offers more back-up as it is a larger police

department. Back up for Edgemont Village's police department would be provided through mutual aid agreements.

Police expenses for Edgemont Village are budgeted to be less than those paid to Greenburgh. While this may seem counterintuitive given the economies of scale one would expect to receive in a larger area, consultation with the Greenburgh Police Department and neighboring villages' police departments suggest that the lower budget for Edgemont is correct.

### 3. Public Works Division – The public works division handles:

- Street maintenance for sidewalks and streets, including curbing, paving, construction and pot-hole repair.
- Snow removal and salting, and leaf removal and disposal
- Refuse collection and recycling and disposal

In Scenario I, the village performs these functions with its own staff. In Scenario II, the town performs these functions. For the village to provide these services, staffing of approximately 16 FTEs would be required in addition to seasonal workers. The public works division will require a fleet of sanitation trucks, cars and vans. Land must also be acquired and a facility constructed.

The assumption in Scenario II is that Edgemont would be able to successfully negotiate with the Town of Greenburgh to provide these services at the same service levels and for the same amount as it is paying now, proportional to assessed value. The Town has no obligation to provide these services to Edgemont, or to do so at any particular cost. Likewise, Edgemont has the option of finding either another nearby municipality or contracting with a third party for services. For instance, Rye Brook village contracts with an outside vendor for sanitation and recycling services but provides highway services to itself.

### 4. Parks, Recreation and Community Center – Both budget scenarios contemplate the Village of Edgemont acquiring land, and constructing and operating a club-size swimming pool, a kiddie pool, and a community center.

The community center would provide after-school, senior programs and community wide activities similar to other village community centers. These programs are presently available to Edgemont residents at the Theodore Young Community Center. However, as a village, these services would be available in Edgemont.

The recent Library facilities expansion and renovation virtually commits Edgemont to paying for the new Town library for the next 25 years; the governance section details the legal aspects. Both scenarios assume that Edgemont would continue to participate in the Greenburgh Library system.

The \$19.8 million May 2005 Library referendum to expand and renovate the Greenburgh Library will add \$4.53 to the mil rate or \$136 for a \$30,000 assessed home paid by Edgemont and unincorporated Greenburgh regardless of whether or not Edgemont becomes a village. This additional cost is not reflected in any of the pro-forma budget numbers.

Were Edgemont to become a village, the Greenburgh Nature Center would continue to be owned by the Town Of Greenburgh and operated by Nanucks; it would have no economic impact on Edgemont were it to become a village.

The Edgemont Recreation Corporation would be supported by the Village of Edgemont as it is now by the Town of Greenburgh with the village contributing a \$25,000 amount to replace the subsidy currently provided by the Town of Greenburgh. Incorporation is assumed to have no impact on the Edgemont Recreation programs currently provided to students and adults in Edgemont. These programs include: Edgemont Day Camp, Soccer, Baseball, Basketball and Football Student Leagues and Parent Leagues. Edgemont Day Camp would use the Edgemont Village pool rather than the AFV Town pool. Both pro-forma budgets include paying for referees to the extent that Edgemont teams participate in Greenburgh leagues.

The effect of a possible movement of Parks and Recreation expenses from the TOV budget to the Town Entire budget is discussed later.

5. Capital expenditures and debt service – Debt Service costs for the new village are initially high. Including in borrowing costs are the following:

- Constructing a municipal complex for village administration, court, and police department including holding cells.
- Constructing and facilitating a central garage and purchasing sanitation vehicles (Scenario I only).
- Construction of club-sized and kiddie pools & community center.
- Acquiring police vehicles and other emergency vehicles, including two ambulances
- Funding certain start-up expenses

Acquisition of land and building costs are the biggest contributors to the new village's debt; acquisition costs for land and construction during the first five years for Scenarios I and II are estimated to be \$26 million and \$20 million, respectively. A change in these costs would have a major impact on the cost to Edgemont of being a village.

The committee has assumed that property for the municipal facility and pool / community complex will cost of \$2.5 million per acre, including existing structures. Were Edgemont to become a village, there are four ways property can be acquired: purchase (as assumed here), condemnation (which would result in a purchase), donation (which would dramatically change the economics of becoming a village), purchase of tax-exempt land (which would probably be lower cost as it would not have a commercial price associated with it and would not require a reapportionment of School and Fire Taxes), or a combination of these.

Edgemont's cost of debt is assumed to be 5% per year. Long-lived assets are financed for 20 years, police vehicles for three years, and heavy equipment for six years.

For purposes of this analysis, Edgemont's full debt service payments to the Town of Greenburgh for existing unincorporated debt have been added to the village borrowing costs. These obligations amount to \$784,000 per year, not including the new library debt. As discussed in the governance section, the amount paid by Edgemont would be negotiated, however to be conservative for budget purposes, the full amount is assumed. The remaining duration of this

debt averages about 16 years. So the village would benefit from this debt declining over time to the degree it is not replaced with other debt, some of which would recur were the village to be utilizing Town services such as Public Works.

<b>Village Initial Debt Requirements</b>	Land Area (acres)	Cost per Acre (\$ mil)	Land Cost (\$ mil)	Building Size (sq. ft.)	Building Cost per Square Foot	Building Cost (\$ mil)	Scenario "I"	Scenario "II"
Municipal Hall (Admin and Police)	1.25	\$2.5	\$3.1	12,000	\$300.0	\$3.6	\$6.7	\$6.7
Police Vehicles							0.4	0.4
Pool and Community Center	3.25	\$2.5	\$8.1				8.1	8.1
Pool (Club-size plus Kiddie Pool)						\$1.4	1.4	1.4
Community Center plus Pool Facilities				10,000	\$260.0	\$2.6	2.6	2.6
<b>Total Pool and Community Center</b>							<b>\$12.2</b>	<b>\$12.2</b>
Central Garage Facility	0.50	\$0.8	\$0.4	12,000	\$300.0	\$3.6	4.0	n/a
Public Works Vehicles							1.8	n/a
Start-up Costs (reserves, mortgage tax financing)							1.0	0.9
<b>Total Financing Required</b>							<b>\$26.0</b>	<b>\$20.2</b>

These high debt amounts, \$26 million and \$20 million, respectively for scenario's I and II, would represent in debt service expenses which would be over 20% of the total village budget.

Research indicates that village debt levels above 10% become more expensive to finance. Limits on debt financing may make it difficult or even impossible for a new village of Edgemont to build all these facilities at once. Were that to occur, initial costs for incorporating would be less than projected and the village more dependant on staying in leased facilities or obtaining services from Greenburgh, such as the AFV Town Pool, for a longer period of time than currently projected.

6. Lowered tax base for the School and Fire district from village land purchases – Land purchased by the village for a municipal building, police station, pool, and community center would lower the tax base to the extent that the land is currently part of Edgemont's assessable tax base. A lower tax base would leave the remaining assessable property with a greater tax burden.

We estimate the additional annual tax for the land purchased in Scenario II to be \$2.10 per thousand of assessable property or about \$63 for a \$30,000 assessed property in Edgemont.

7. Edgemont Village Start-up Expenses – Start-up expenses are expected as the new village:

- equips the village offices and police department,
- transitions from initial leased space to owned space,
- builds infrastructure. and
- budget reserves must be built and initial costs encountered for training, legal expenses, and planning.

Pre-Incorporation costs – As with any new operation, prior to becoming a village, Edgemont would incur start-up costs estimated to total \$300,000. **These costs have not been provided for**

**in the budgets and** would have to be met through a combination of community contributions or donations of pro-bono service:

- Surveyors for the initial village survey
- Initial legal costs

Post-Incorporation Costs – Once a village is incorporated, costs include:

- Master plan for zoning and planning
- Legal costs
- Initial furniture, fixtures, and equipment
- Building a reserve account, the Edgemont pro-forma budget fully builds its reserve account in *four years*.

These costs are estimated to total approximately \$900,000 and could be financed through tax anticipation notes.

Transitional Costs – The new village would require time to locate, buy, and build facilities. The pro-forma budget assumes that the village would lease office space for administration and police facilities in the first two years. As leased facilities are replaced with Village-owned facilities, some costs are duplicated for a period of time. Rye Brook provides the most recent example of village incorporation in Westchester County. The village of Rye Brook incorporated in 1982, but didn't build its village municipal facility until 1995.

In advance of construction of a village pool facility, it has been assumed an arrangement could be reached with the town for continued use, for a fee, of the AFV Town Pool Facility. This fee has been estimated as an additional 50% of Edgemont's current contribution to the unincorporated Greenburgh budget for the outdoor pool complex.

Also, the new village would need to build a reserve account for contingencies of 4% to 7% of its yearly budget. The pro-forma budget builds a 7% reserve over the first five years of village operation.

<b>Proforma Transition Costs -- Scenario II, Mil Rate (\$ per \$000 of Assessment)</b>	Current TOV	Greenburgh Svcs	Year 1	Year 2	Year 3	Year 4	Normal Year Year 5
Base Operating Cost	110	110	124	124	124	124	124
Extra Fire and School Taxes		0	3	3	3	3	3
Reserve Build-Up		5	1	1	1	0	0
Municipal Government/Police Facility		0	4	7	5	3	3
Outdoor Pool/Community Center		0	7	13	13	13	13
Incremental Cost of Edgemont Village (Admin and Debt)		26	0	0	0	0	0
<b>Edgemont Village Cost, incl. Transition Expenses</b>		<b>142</b>	<b>138</b>	<b>149</b>	<b>147</b>	<b>143</b>	<b>143</b>
<b>Village Tax Rate vs Current TOV Taxes</b>		<b>29%</b>	<b>26%</b>	<b>35%</b>	<b>33%</b>	<b>30%</b>	<b>30%</b>
<b>Incremental Transition Cost Percentage</b>		<b>-1%</b>	<b>-4%</b>	<b>5%</b>	<b>3%</b>	<b>0%</b>	<b>0%</b>
Note: For the first 12-18 months, Greenburgh would provide all services to the nascent village.							

Revenue: Property taxes are the largest component of revenue for the Town and the Village of Edgemont. Were Edgemont to become a village most non-property tax revenues which presently flow to the unincorporated budget would shift to support Edgemont. Edgemont would no longer receive its proportional benefits of permits, fees, and fines allocated to the Unincorporated area, but instead it would keep all of the permits, fees, and fines collected within Edgemont. Based on conversations with other villages, the economics committee has assumed Edgemont would collect about \$1.9 million from non-property tax sources, less than Edgemont’s proportional (normal) \$2.6 million collected by Greenburgh.

<b>Edgemont Non-Property Tax Sources of Revenue</b>	Edgemont Pro-forma Revenues
Sales Tax	799
Utility Tax / Franchise	90
Mortgage Tax	299
Other State / Federal Revenue / Aid	80
Permits / Licenses	94
Fines & Forfeited Bail	185
Inter-Government Charge	9
Other Revenue	138
Outside Revenue Sub-Total	\$ 1,694

## 5. Possible effect of the Taxter Ridge Decision

In February 2005 the State Supreme Court, Westchester County, held that Greenburgh must allocate the cost of acquiring and maintaining the 200+ acre Taxter Ridge property to the Town Entire budget rather than the TOV budget where it had originally been allocated. In May 2005, the court reaffirmed its ruling.

The ruling was based on New York State laws requiring that town parks and recreational facilities open town-wide must be paid for town-wide. As a result of this important decision, potentially ALL Town parks and recreation facilities which are open to the entire Town could be paid for by the entire Town. Of course, this would benefit residents of the unincorporated area at the expense of the village residents.

The Town has filed papers stating its intention to appeal these rulings. Therefore, as of this writing it is unclear what will happen. We have calculated the maximum amount of money that could be shifted from the TOV budget to the Town Entire budget in order to determine the maximum potential impact a shift could have on property taxes.

<b>Greenburgh Parks &amp; Recreation Expenses ex-AFV Town Park 2005 TOV Budget Expenses</b>	<b>\$000</b>
Recreation Administration	\$1,710
Senior Transportation	29
Park Maintenance	1,583
Greenburgh Nature Center	350
Community Center (Theodore Young)	2,864
Fairview Pool	692
Sub-Total of Expenses, before Benefits	\$7,228
Estimated Employee Benefits (percent based on detailed analysis of 2004 costs)	28%
Estimated Employee Benefits Amount	2,034
<b>Estimated Total TOV Budget Parks &amp; Rec Expenses</b>	<b>\$9,262</b>

Note that any debt associated with Parks and Recreation is not included in these numbers.

As detailed in the table above, the economic committee believes that the total annual cost of Greenburgh's Parks & Recreation facilities and services is about \$9.3 million. This amount includes an estimated allocation of employee benefits; these costs are reflected separately in Greenburgh's budget. Were this entire amount to be shifted to the Town Entire budget it would more than **triple** the amount paid by villages, and other residents, for their Town Entire tax payment, as shown below.

<b>Parks and Recreation 100% Shift for Village Residents 2005 Tax Rates &amp; Costs</b>	<b>Mil Rate</b>	<b>Cost per \$30,000 Assessment</b>
Current Town Entire Taxes	7.78	\$ 233
Shift of 100% of Parks and Rec Budget	15.55	\$ 467
<b>New Town Entire Taxes</b>	<b>23.33</b>	<b>\$ 700</b>
<b>Percent Change for Village Resident</b>	<b>200%</b>	<b>200%</b>

The villages, each of which has its own Parks and Recreation facilities, do not want to pay for costs associated with Greenburgh's Parks and Recreation facilities. For this and other reasons, some of the villages are investigating forming their own town and separating from Greenburgh. While extremely unlikely, should this happen the unincorporated area, including Edgemont, would be responsible for the whole Town Entire budget as well as the TOV budget and Town property taxes would certainly increase. Edgemont residents would be affected whether or not incorporation had occurred. The villages are also considering asking the State legislature to exempt them from some or all of these Parks and Recreation charges.

Assuming that Greenburgh remains intact, the shifting of Parks and Recreation expenses to the Town Entire budget would be extremely beneficial to taxpayers in unincorporated Greenburgh because these expenses would be spread over a much broader tax base. The unincorporated area's tax base is \$329 million and the entire Town's tax base is \$597 million. The effect, shown here, lowers taxes paid by residents of Unincorporated Greenburgh by 10% or \$379 for a home of \$30,000 assessment.

<b>Parks and Recreation 100% Shift for Unincorporated Residents 2005 Tax Rates &amp; Costs</b>	<b>Mil Rate</b>	<b>Cost per \$30,000 Assessment</b>
Current Town Entire Taxes	7.78	\$ 233
Shift of 100% of Parks and Rec budget	15.55	\$ 467
<b>New Town Entire Taxes</b>	<b>23.33</b>	<b>\$ 700</b>
<b>Percent Change</b>	<b>200%</b>	<b>200%</b>
Current Unincorporated Taxes	113.02	\$ 3,391
Shift of 100% of Parks and Rec budget	(28.19)	\$ (846)
<b>New Unincorporated Taxes</b>	<b>84.82</b>	<b>\$ 2,545</b>
<b>Percent Change</b>	<b>-25%</b>	<b>-25%</b>
Current Town Entire plus Unincorporated Taxes	120.80	\$ 3,624
Shift of 100% of Parks and Rec budget	(12.64)	\$ (379)
<b>New Total Town Taxes for Unincorporated</b>	<b>108.16</b>	<b>\$ 3,245</b>
<b>Percent Change</b>	<b>-10%</b>	<b>-10%</b>

What the Town decides to do has a large impact on Edgemont.

If Edgemont remains part of unincorporated Greenburgh it would receive the same tax benefit described above for all unincorporated residents, a savings of up to 10% on its total Town taxes, Town Entire plus TOV.

If Edgemont becomes a village, the effect on Edgemont is slightly more complicated. Since, the pro-forma budgets for Edgemont already includes savings from no longer paying the TOV Parks and Recreation budget, shifting this expense to the Town Entire budget has an adverse effect on the incorporation analysis. **The effect of a full shift of the Parks and Recreation budget plus the pro-forma cost of becoming a village increases the cost of incorporation from a 33% to 50% increase in Edgemont's current total Town taxes (Town Entire plus TOV), as shown here:**

<b>Parks and Recreation 100% Shift for Edgemont Residents 2005 Tax Rates &amp; Costs</b>	<b>Mil Rate</b>	<b>Cost per \$30,000 Assessment</b>
<b>If Edgemont remains part of Unincorporated</b>		
Current Town Total Taxes for Edgemont	120.80	\$ 3,624
Shift of 100% of Parks and Rec budget	(12.64)	\$ (379)
<b>New Total Town Taxes</b>	<b>108.16</b>	<b>\$ 3,245</b>
<b>Percent Change</b>	<b>-10%</b>	<b>-10%</b>
<b>If Edgemont become a village</b>		
Edgemont Village Pro-forma Taxes*	146.38	\$ 4,391
Shift of 100% of Parks and Rec Budget	15.55	\$ 467
<b>Edgemont Village plus Parks and Rec taxes</b>	<b>161.93</b>	<b>\$ 4,858</b>
<b>Percent Change</b>	<b>11%</b>	<b>11%</b>
<b>Village cost difference including full Park and Rec Shift</b>		
Edgemont becomes a village	161.93	\$ 4,858
Edgemont remains unincorporated	108.16	\$ 3,245
<b>Cost of becoming a village plus 100% shift</b>	<b>53.77</b>	<b>\$ 1,613</b>
<b>Percent Change</b>	<b>50%</b>	<b>50%</b>
* For comparative purposes, pro-forma Edgemont taxes (Scenario "II"-Normal Year) have been "rolled forward", using the Town's tax rate increase for 2005, and Town Entire Taxes have been added to the Mil Rate.		

In summary, the town faces a serious dilemma of, in effect, tripling the tax it charges to the incorporated villages or not facing further lawsuits to force it to do so. As of this writing, it is not clear what will happen.

## **E. How would Edgemont go about becoming a village?**

For Edgemont to become a village a group of residents would need to form a committee to follow the rules of incorporation laid out by the State and summarized well in a document by the New York Council of Mayors and Municipal Officials, Village Incorporation: The Five W's, What, Why, Where, When, Who, and How (<http://www.nycom.org/centerfiles/incorporation.pdf>).

The initial village cannot exceed five square miles – Edgemont is about two square miles.

The initial population must be a minimum of 500 people – Edgemont is about 7,100 people.

A petition with the signatures of 20% of the registered voters who reside within the proposed village or owners of more than 50% of the assessed valuation of the proposed village proposed village boundaries must be submitted to the Town Supervisor along with a fee.

A detailed description or survey of the proposed village boundaries and a list of residents must be submitted with the petition.

Within 20 days of petition filing, the town supervisor must post and publish a notice of public hearing on the petition. After the hearing, the town supervisor has 10 days to make a determination as to the sufficiency of the petition in the form of a written decision.

If the town supervisor decides that the petition does not comply with the law, any legal challenge to this position must be filed within 30 days after the supervisor's decision is filed.

A "right-to-election" occurs either 30 days after the town supervisor decides the petition is legally sufficient or when a court files a decision declaring the petition legally sufficient.

An election must be held within 40 days after the right-to-election occurs. If the majority of voters approve the incorporation of the village, a certificate of election is filed and the village is officially incorporated.

Following the village incorporation, state law specifies the procedures for electing the village government including mayor and four trustees.

For a period of 12 to 18 months, depending on when incorporation takes place, all services remain unchanged and continue to be provided by Greenburgh and paid for by village residents the same as before the village was incorporated.

During this time the village has full rights to organize, enact laws, appoint planning and zoning boards, buy and build infrastructure, and finance through tax anticipation notes. For two years the Town's laws are in force, unless the village enacts laws superseding them.

Any district wholly within or coterminous with the limits of the village (other than a school district) will cease to exist at the fiscal year succeeding the first day of June following the first day of January subsequent to incorporation. Here, if the proposed boundaries of the village of Edgemont are co-terminus with the Greenville Fire District, then the fire district would cease to exist and would instead become the fire department of the newly incorporated village.

## F. How to Interpret the Results of this Exercise

There are important considerations which arise from this exercise:

- **A village of Edgemont would cost more than remaining as part of Unincorporated Greenburgh.** Scenario II Edgemont's "village" equivalent taxes increase 30% under the less costly scenario II.
- **The change in total property taxes is 5%. *One member of the economics committee feels that presenting the percentage increase as a percent of total taxes is a distortion; comparable to having the school board announce their increase as 6.6% of property taxes instead of 12.2% of school taxes. The increase in Town and Village taxes would be 30.2% under Scenario "II", equal to \$998 per year for a home assessed at \$30,000.***
- **If residents voted for the formation of a village, the then elected Mayor and Village Board may make different assumptions than we have made here** which could result in quite different taxes. Note that as with the Greenburgh Town budget, residents of villages do not directly approve budgets, as they do with the school district budget.
- **The acquisition of land and development of village infrastructure is the most significant challenge to becoming a village.**

The assumptions regarding the availability and cost of land and the cost of developing that land are the most critical and material assumptions in this analysis. Significant changes in these assumptions would result in major changes to the cost of becoming a village.

The cost of debt service for land and buildings represents 30 of the 37% tax increase in Scenario I and 22 of the 30% tax increase in Scenario II. The high debt levels projected here may be difficult to finance, as they exceed general debt guidelines. Also, the interest cost assumed in the budget could be higher or possibly lower.

- **The ultimate decision regarding the shift of Greenburgh's Parks and Recreation Expenses could potentially impact the economic analysis of the effect of incorporation quite significantly.**  
The budget has built into it no shift in Parks and Recreation spending from the TOV budget to the Town Entire budget, allowing Edgemont to realize significant Parks and Recreation savings upon incorporation. Any shift adds to Edgemont's budgeted tax burden.
- **The process of incorporation, itself, would involve change and disruption for the Edgemont community.**

As with any new and large undertaking, were Edgemont to form a village it could expect ups and downs, successes and defeats along the way. There are always uncertainties in starting up any new business or governmental entity, and there can be no assurance as to whether services will improve or decline. Any new village will be sure to have growing pains as the community learns how to take responsibility for its future, how to govern, and how to deal with the reality of running a complicated and service driven organization. The members of EVEC have done their best to lay out a framework for the legal and the financial issues regarding becoming a village.

## Appendix

EVEC officers and active sub-committee members

C – Communications Committee

E – Economics Committee,

G – Governance Committee,

R – Real Estate Committee

Bob	Bernstein	G
Jodi	Breitbart	R
Sam	Gandhi	G
Frank	Kaiman	G
Chris	Klerer	C
Robert	Klerer	Website
Arnold	Laubich	E,G,R
Thomas	McCormack	Governance Chair
Charles	McNally	Economics Chair
Susan	Newman	E
Mark	Rosenblatt	EVEC Chair, E,G,R
John	Sganga	E
Roberta	Shapiro	Secretary
Gurjot	Sidhu-Gandhi	R
Don	Siegel	G
David	Stern	Treasurer
Gerald	Stoughton	E
Jim	Williams	C

**The legal conclusions stated in this report represent the best collective judgment of the lawyers who volunteered their time to this committee. Should Edgemont decide to pursue incorporation, this document is not a substitute for the legal advice that may be required from time to time as legal issues arise and should not be taken as such.**

