

Mount Vernon
Industrial
Development
Agency

Public School Child & Fiscal Assessment



Urbanomics

May 22, 2026

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1. Executive Summary

Urbanomics, Inc. was retained by the Mount Vernon Industrial Development Agency to prepare an independent assessment of the fiscal impacts of new development and previously granted payments in lieu of taxes (PILOTs).

PILOTs are granted to incentivize commercial and/or residential developments that meet the goals of a municipality. When it comes to housing, standard goals are to provide more assistive or affordable units or to diversify or improve the quality of housing stock in a community. It is the nature of the incentive that the development will not be taxed at full assessed value. However, it is generally in the interest of the departments and school district that serve the municipality to cover any net new costs incurred due to growing population or additional staffing or equipment requirements.

These impacts were examined in the context of the Mount Vernon's changing demographics and the School District's changing enrollment and educational costs. Our key findings are as follow:

- **Underlying trends**
 - Increasing population, declining enrollment.
 - Public School enrollment has decreased from 8,295 in 2017-18 school year to only 6,837 in 2024-25.
 - Over the next 10 years, enrollment is projected to decrease further to between 4,901 to 5,553 students.
 - Declining taxable property base, increasing taxes.
 - Current resident generation rates are 170 persons per 100 multifamily units.
 - Current school child generation rates are 15 public-school students per 100 multifamily units.
 - Marginal cost to educate existing students: \$19,929.
 - An argument could be made that due to declining enrollment there will be zero "net new" children in the PILOT properties and as such the marginal cost to the school district of future developments will be \$0.00.
 - Marginal cost per new resident: \$851
- **Built Residential PILOT Findings**
 - While effective in producing desired units, past PILOTs have grossly underestimated municipal and school district costs leading to significant net deficits for both.
- **Future PILOT assessments are much more reasonable, but leave the City with undervalued properties on the tax rolls.**
 - Cost-benefit net deficits persist for both municipal and District services, unless estimated for "net new students".
 - The escalation method used to determine PILOT payments establishes a tax rate at roughly half of full value at the end of the PILOT term. Due to the New York State 2% tax cap, that value cannot be recovered.

- **Recommendations**

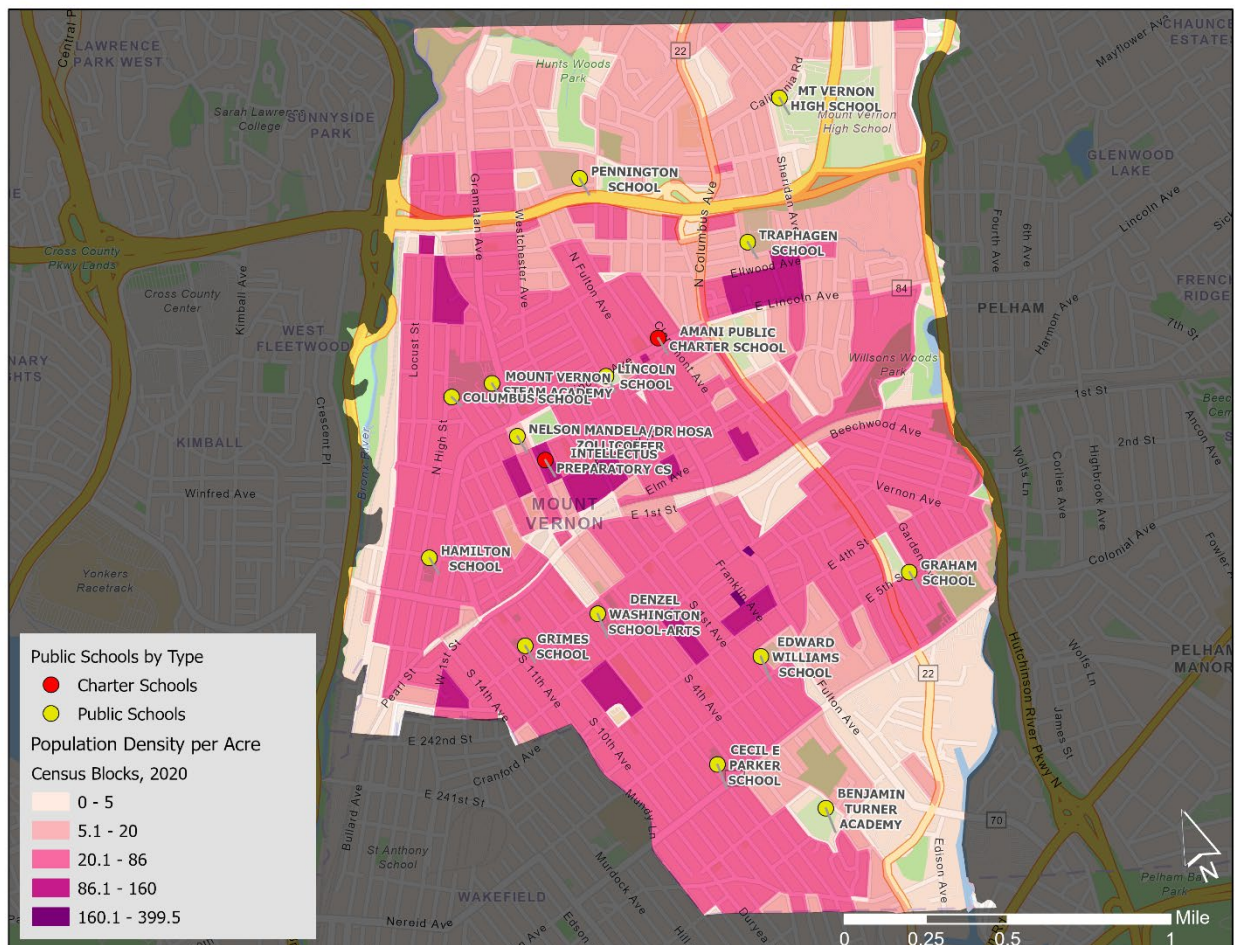
- Change the method for determining payments to a percentage of full value scale that will allow the property to be assessed at full value upon completion of the PILOT contract.
- Prepare a **School Capacity Analysis** to determine the capital needs of the District under current and projected enrollment.
- Prepare a **Tax Cap Impacts Analysis** to identify the full impacts to both the City and the District.
- Consider the creation of a mitigation fee to the School District as has been established in the Village of Port Chester, to be informed by the mitigation cost tool. This fee, which would exist outside of the tax cap formula, would alleviate some of the fiscal pressures experienced by the MVCSD.
- Future PILOT approvals should consider the following:
 - specific impacts on public safety services (i.e., police, fire, and ambulance) including any required mitigations as determined through the site plan approval process,
 - an evaluation of the extent to which the proposed development meets the goals and objectives of the adopted City of Mount Vernon Comprehensive Plan.

2. District Enrollment and School Child Mitigation Study

2.1. Existing Trends

Mount Vernon encompasses approximately 4.4 square miles immediately north of New York City and has a population density of about 26 residents per acre. It is one of the most urbanized communities in Westchester County, characterized by predominantly multifamily housing south of Sanford Boulevard and west of Gramatan Avenue. These areas feature a mix of pre-war apartment buildings, walk-up structures, and mid-rise residential buildings. The city's downtown and Fleetwood areas contain higher-density development, including mid- and high-rise apartment buildings clustered around the Fleetwood Metro-North station. In contrast, the northern and eastern sections of the city are lower in density, with a mix of two- to four-unit buildings and single-family detached homes. Mount Vernon's retail activity is concentrated along several established commercial corridors, including South Fourth Avenue, Gramatan Avenue, Mount Vernon Avenue, Broad Street, West First Street, South Fulton Avenue, and East Third Street.

Figure 1: Mount Vernon Population Density by Census Block, 2020 (Pop. per Acre²)

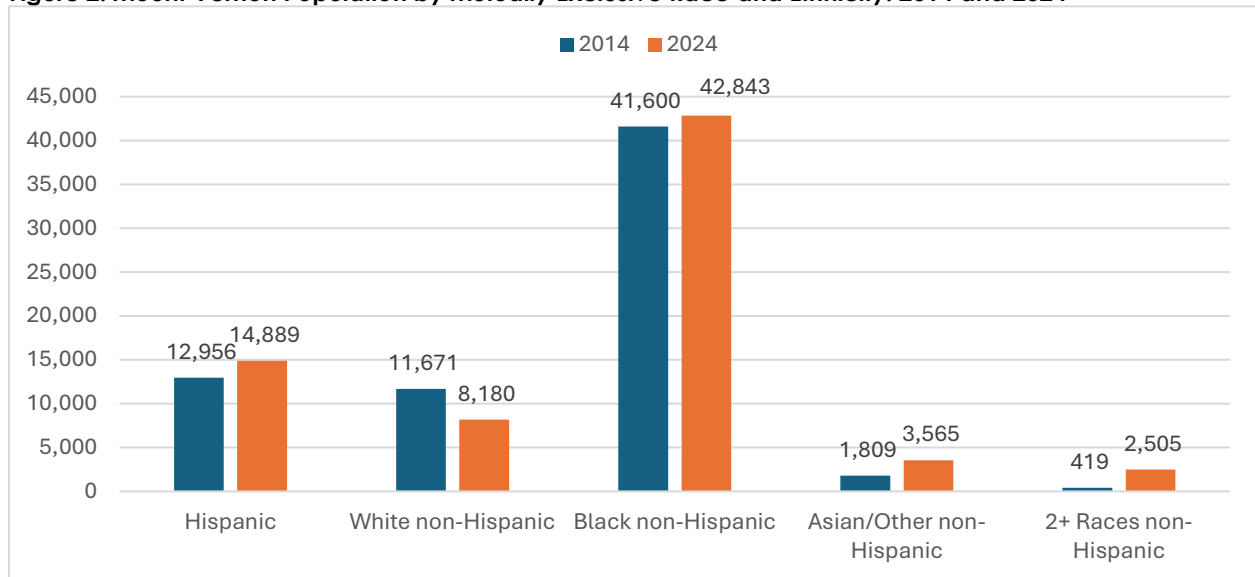


Source: US Census Bureau, 2020 Decennial Census

Mount Vernon's demographic characteristics shifted over the past decade as the population grew by 3,527 residents (+5.2%) to reach 71,982 in 2024. During this period, the City became

increasingly diverse, with the share of residents identifying as people of color (Black, Hispanic, Asian, or other races) rising from 83.0% to 88.6% of the total population. Black non-Hispanic residents, who account for roughly 60% of the population, increased by 1,243 residents (+3.0%). The White non-Hispanic population declined by 3,491 residents (-29.9%). The Hispanic population grew by 1,933 residents (+14.9%), while the Asian and other non-Hispanic population increased by 1,756 residents. The number of residents identifying as non-Hispanic and two or more races rose by 2,086 residents (+497.9%), rising from 419 to 2,505. This shift was driven in part by a growing preference for multiracial self-identification, particularly among younger residents.

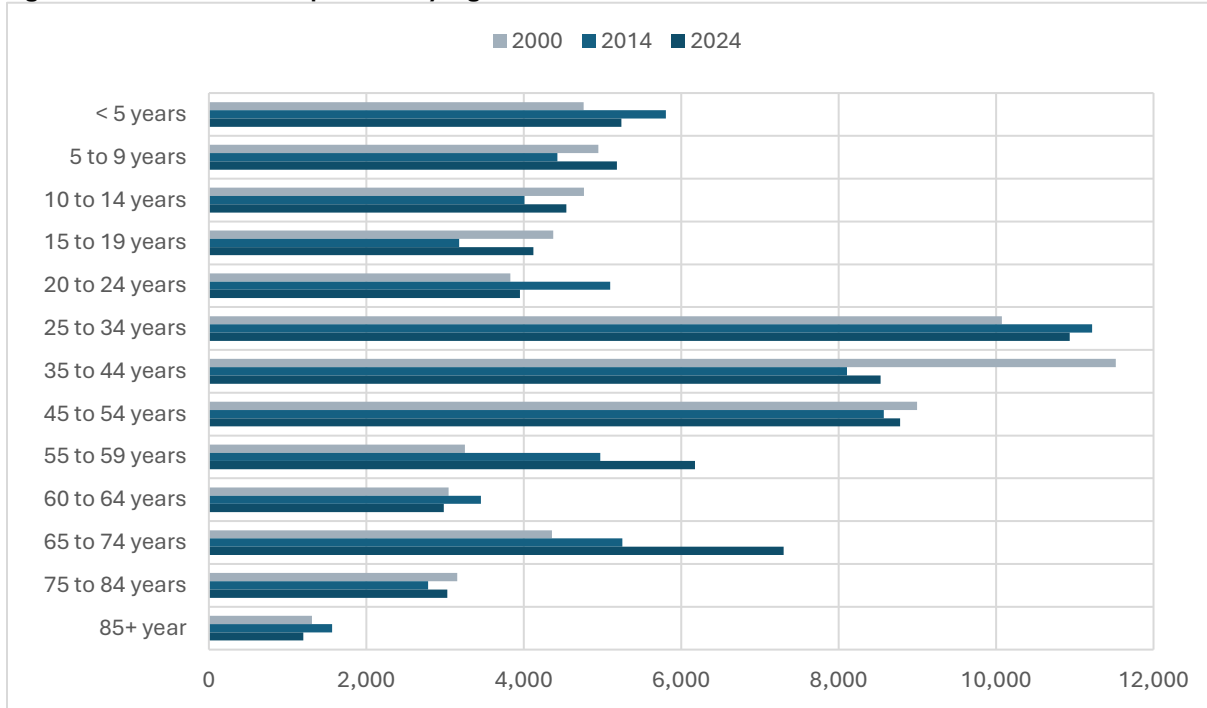
Figure 2: Mount Vernon Population by Mutually Exclusive Race and Ethnicity: 2014 and 2024



Source: US Census Bureau, American Community Survey, 2014 & 2024

Mount Vernon's population remains relatively young, with a median age of 37.5, up from 35.4 in 2014. Over the past decade, the population under age 18 increased by 1,281 residents, driven by growth among teens aged 15–19 (+944), children aged 5–9 (+755), and those aged 10–14 (+536). However, children under age 5 declined by 567 residents. At the same time, the young adult population aged 19–34 fell by 1,044 residents, while the population aged 35–54 grew modestly (+632). The most significant gains occurred among older residents, with the 55–64 population increasing by 733 and those aged 65 and over rising by 1,925.

Viewed over the longer 2000–2024 period, the age distribution illustrated in the following figure reflects a gradual aging of the population. Growth has been concentrated among residents aged 55 to 74, while prime family-forming age groups (35–54) are smaller than in 2000, and the youngest age cohorts have modestly declined. Together, these age trends characterize a maturing population, even as the city continues to maintain a substantial number of young children and teens.

Figure 3: Mount Vernon Population by Age: 2000, 2014 & 2024

Source: US Census Bureau, 2020 Decennial Census and American Community Survey, 2014 & 2024

One of the key factors contributing to population growth is housing availability. There are 25,609 households in the city, of these 5,022 (20.0%) are single-person households and 20,047 are multi-person households (80.0%). Of the multi-person households, 6,056 (24.2% of total households) are multi-person, senior-headed households less likely to have young children. There are 7,079 households, or 28.2 percent of the total, which have children under the age of 18.

Figure 4: Mount Vernon Households by Type, 2024

Total Households	25,069	100.0%
Single-Person Households	5,022	20.0%
Multi-Person Households	20,047	80.0%
Multi-Person Households w/ Residents 65+	6,056	24.2%
Multi-Person Households w/ Residents <18	7,079	28.2%

Source: US Census Bureau, American Community Survey, 2024

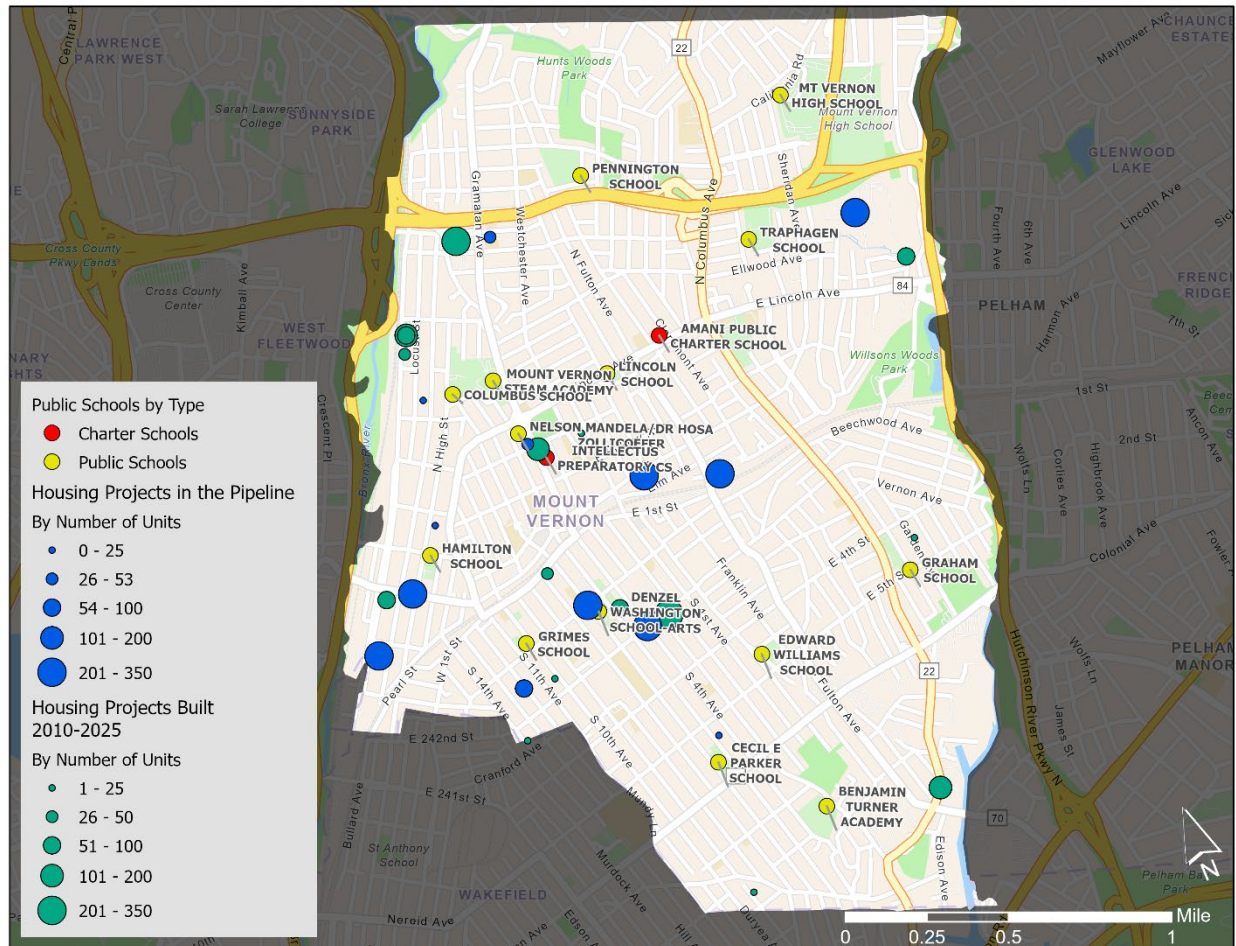
Relatively limited housing construction activity has occurred in recent years. Between 2014 and 2024, the city's housing stock increased modestly from 26,664 to 27,180 units, a net gain of 516 units (+1.9%). As shown in the following figure, residential building permits issued since 2010 (+73 units) have remained subdued compared to earlier decades, including the 1990s (+115 units) and the 2000s (+322 units).

The following figure illustrates the locations of housing developments completed between 2010 and 2025, as well as projects that are under construction, approved, or proposed. Development activity is concentrated along the Bronx River in West Mount Vernon and in the Fleetwood area near the Yonkers border, as well as in Downtown. Notable clusters are located near both the

Mount Vernon West and Mount Vernon East Metro-North stations, reflecting demand for transit-accessible living. According to Moody's CRE, a commercial real estate data provider, more than 2,100 multifamily housing units are in the pipeline as of February 2026 including 53 units currently under construction at Parkview Terrace. Among projects approved or proposed there are 12 multifamily projects in the pipeline totaling 2,052 units.

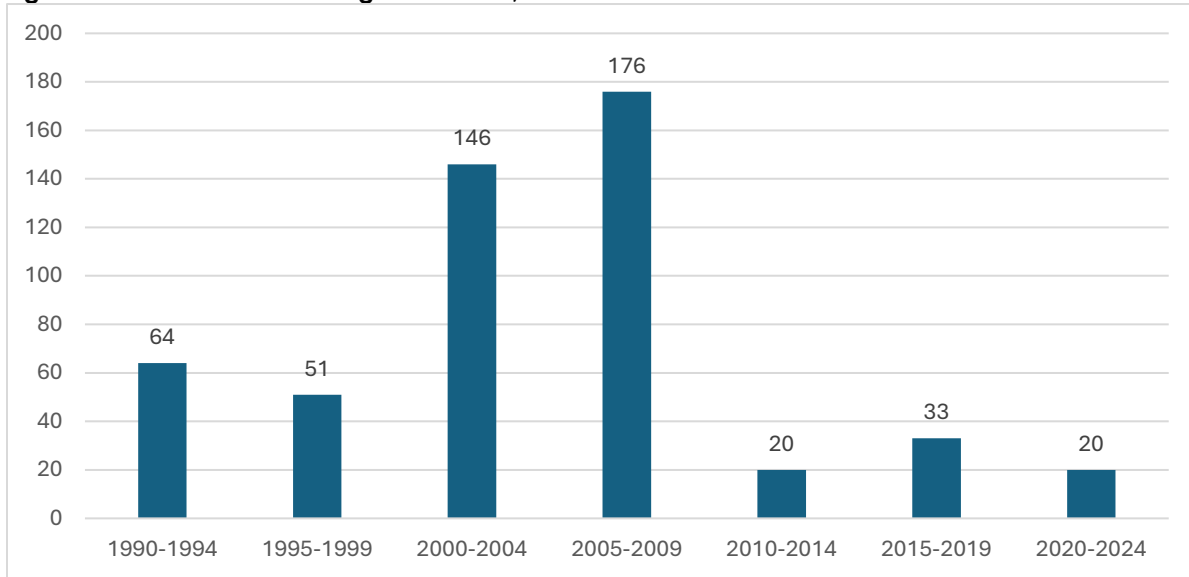
Moody's reports that more than 1,400 multifamily housing units have constructed at 16 development sites in the past 10 years.

Figure 5: Recently Completed Housing Projects (2010-2025) and Projects in the Pipeline



Source: Moody's, 2026

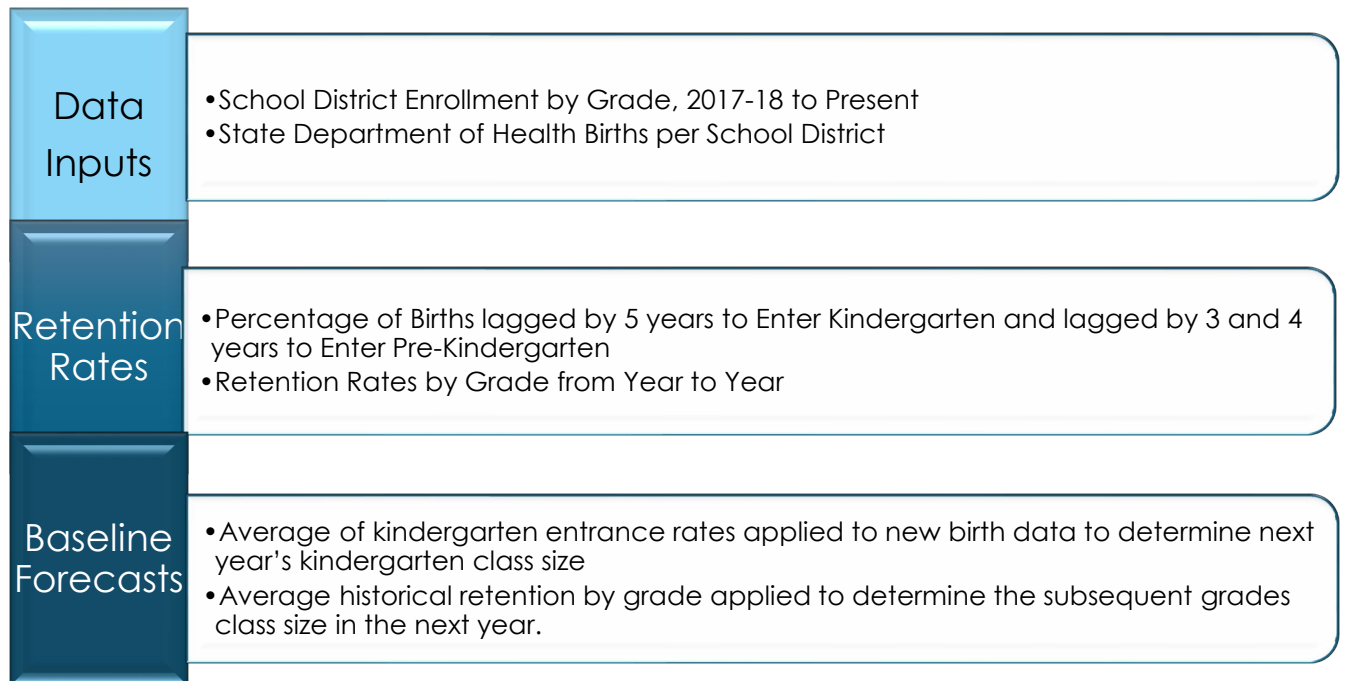
Figure 6: Mount Vernon Housing Unit Permits, 1990-2024



Source: US Census Bureau, Annual Building Permit Survey, 1990-2024

2.2. Data Collection and Preparation of Enrollment Forecasts

The graphic below shows the progression of the Mount Vernon City School District (MVCSD) Enrollment Forecasts.



Historical data and assumptions for the enrollment forecasts are as follows:

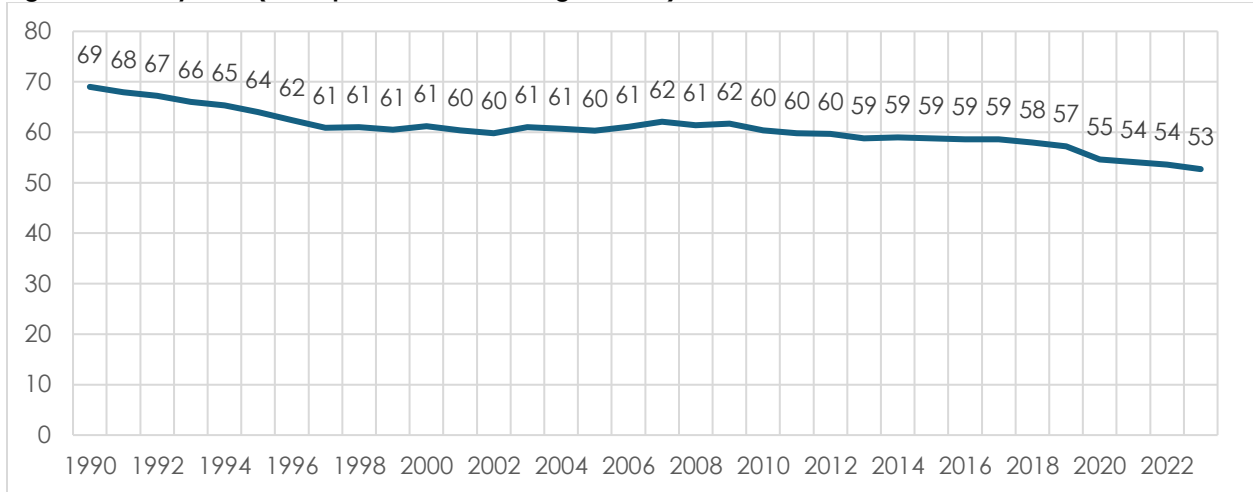
- Births:
 - Historical births for all women giving birth and residing in the MVCSD available from New York State Department of Health for 2000-2023; projected to 2029.
 - Pre-Kindergarten enrollment is dependent upon annual births of 3 and 4 years before the school year.
 - Annual births for calendar years (CY) 2013 and 2014 to 2020 and 2021 (correspond to historical period school years (SY) 2017-18 to 2024-25)
 - Projected annual births for CYs 2021 and 2022 to 2030 and 2031 (correspond to SYs 2025-26 to 2034-35)
 - Kindergarten enrollment is dependent upon annual births of 5 years before the school year.
 - Annual births for calendar years (CY) 2012 to 2019 (correspond to historical period school years (SY) 2017-18 to 2024-25)
 - Projected annual births for CYs 2020 to 2029 (correspond to SYs 2025-26 to 2034-35)
- Total Enrollment:
 - Public School enrollment was collected for mid-October from NYS Department of Education and MVCSD reports of all students on roll by grade.

Demographic Data

Births

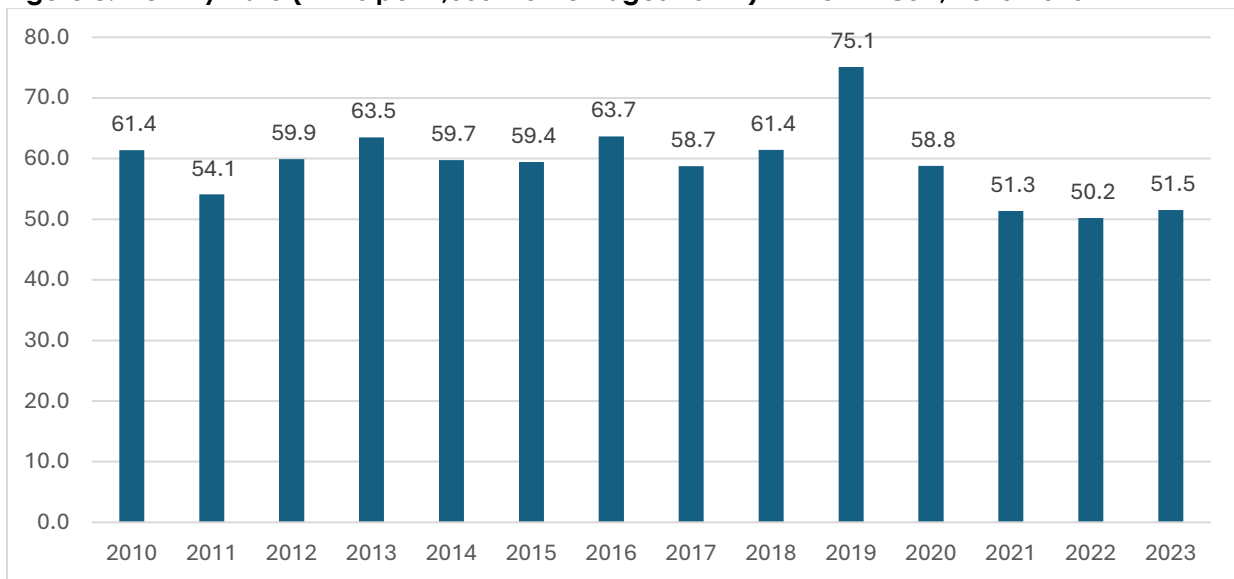
The State of New York Department of Health provides birth data by school district of residence from 2002-2023.¹ At both national and state level, birth and fertility rates have been on a steady decline. In New York State, the fertility rate (the number of babies born to women of childbearing ages between 15 and 44) peaked in 1990 at 69.0 per 1,000 and has since declined to 52.7 per 1,000 in 2023 (see Figure 7).

¹ 2023 and 2024 birth data are not yet available.

Figure 7: Fertility Rate (Births per 1,000 women ages 15-44) in New York State, 1990-2023

Source: National Center for Health Statistics, final natality data. US Census Bureau. Population estimates based on bridged race categories released by the National Center for Health Statistics. Retrieved September 25, 2025, from www.marchofdimes.org/peristats.

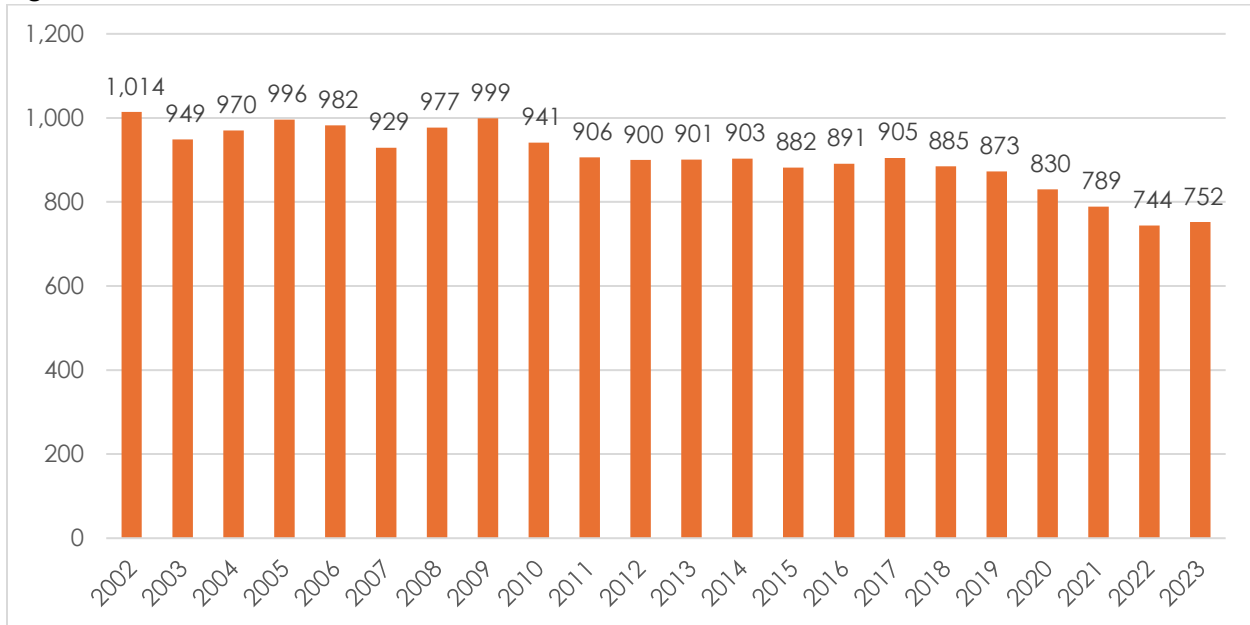
The following figure presents the estimated fertility rate for the MVCSD, calculated using annual birth counts and female population by age data from the U.S. Census Bureau. The results indicate that the fertility rate declined from 61.4 births per 1,000 women ages 15–44 in 2010 to 51.5 births per 1,000 in 2023. Throughout much of the 2010s, the rate remained relatively stable at approximately 60 births per 1,000 women, with the exception of a notable spike in 2019, when the rate increased to 75 births per 1,000. By the early 2020s, however, fertility levels had fallen into the low 50s, where they remained through 2023.

Figure 8: Fertility Rate (Births per 1,000 women ages 15-44) in the MVCSD, 2010-2023

Source: State of New York Department of Health, Births by School District; US Census Bureau, ACS, 2010-2023

In terms of the total number of annual births in the city, births peaked at 1,014 in 2002, the earliest year available, and generally declined over the following two decades (see Figure 9). Although there were brief periods of stabilization and modest increases—such as between 2003 and 2008 and again from 2011 to 2018, the overall trend has been downward. Births fell from 1,014 in 2002 to 901 in 2013, and then continued to gradually decline to a low of 744 in 2022. In 2023, births increased slightly to 752, representing a modest 1.1 percent rise from the prior year, but still a 25.8 percent decrease compared to 2002.

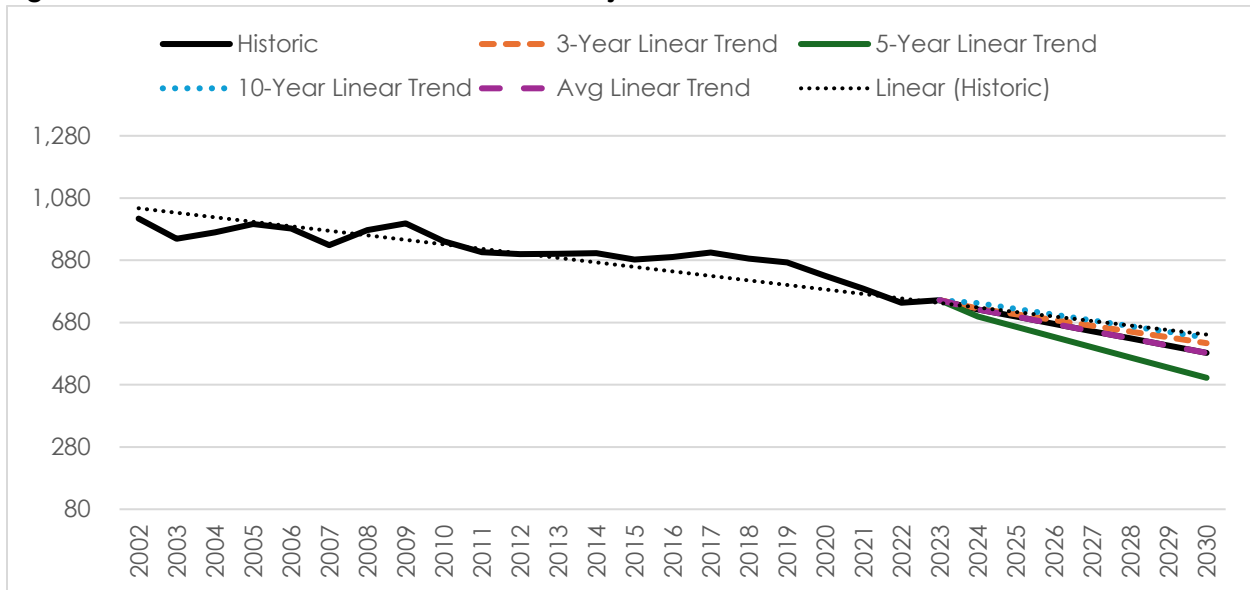
Figure 9: Births in the MVCSD, 2002-2023



Source: State of New York Department of Health, Births by School District

As outlined in the retention model description, birth data are inputted with a five-year lag for kindergarten enrollment. Historical data are only available through 2022, so projections of births must be made to provide inputs to the model for the 2028-29 to the 2034-35 school years.

Figure 10 illustrates several linear projections, including a 3-Year, 5-Year, 10-Year, and Averaged projections. To best capture both short-term and long-term birth trends, the averaged linear trend in births was selected to feed the forecast models.

Figure 10: Birth Trends: Historic 2002-2023 & Projected 2024-2029

Source: State of New York Department of Health, Births by School District; Urbanomics.

Enrollment Data

Figure 11 illustrates long-term total enrollment trends for the district over the past two decades, while Figure 12 shows enrollment by major grade group over the last ten years. Student enrollment in the MVCSD has steadily declined since 2004, falling from 10,249 students in 2004 to 8,642 in 2014, a decrease of 1,607 students (-18.6%). Enrollment then declined further to 6,837 by 2024, a reduction of 1,805 students (-26.4%) over the past decade—a time period (2014-2024) during which 1,103 new multifamily units were constructed.²

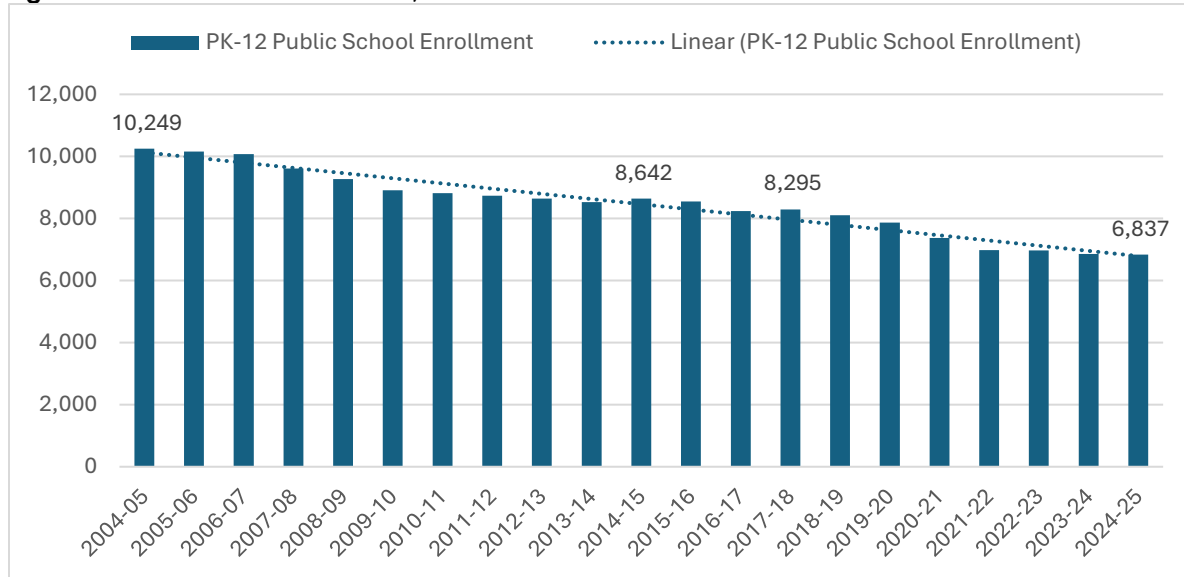
Demographic factors, including declining birth rates and a reduction in the number of school-age children, account for part of this enrollment decline. The expansion of charter schools has also contributed to additional reductions.

As birth declines accelerated during the latter half of the past two decades, enrollment losses became increasingly sizeable in the lower grade levels. Over the last decade, prekindergarten enrollment decreased by 23.0% (-104 students), while elementary enrollment (grades K–5) declined by 29.7% (-1,184 students). Older grade levels experienced smaller declines, as district birth rates had not yet fallen significantly when those students were born. Middle school enrollment decreased by 17.3% (-283 students), and high school enrollment (grades 9–12) declined by 6.0% (-142 students). For example, ninth graders in the 2023–24 school year were born in 2009, when district births were at their second-highest level in the past 20 years. In contrast, K–5 students in that same school year were born between 2013 and 2018, a period marked by sustained declines in births.

Shown in the maps in Figure 13 to Figure 15, student enrollment across the district is generally open at the high school level with no clear zones of attendance while attendance zones are in effect at the PK-8 grade level.

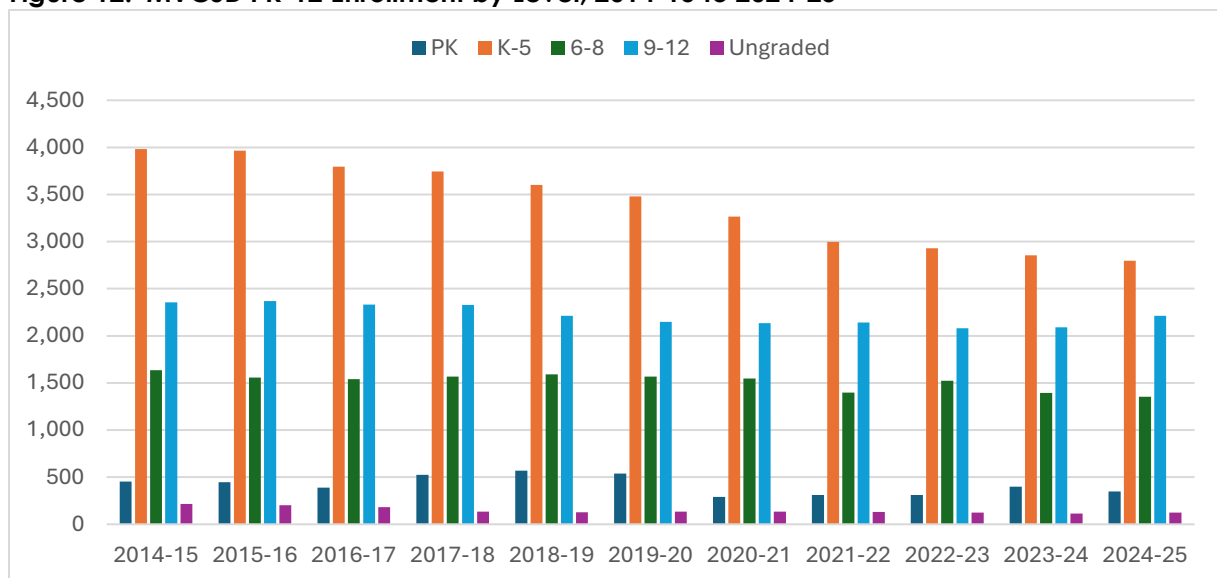
² Source: Moody's REIS 2026

Figure 11: MVCSD PK-12 Enrollment, 2004-2024



Source: New York State Department of Education, Public School Enrollment

Figure 12: MVCSD PK-12 Enrollment by Level, 2014-15 to 2024-25



Source: New York State Department of Education, Public School Enrollment

Figure 13: Map of MVCSD Anonymized Student Addresses

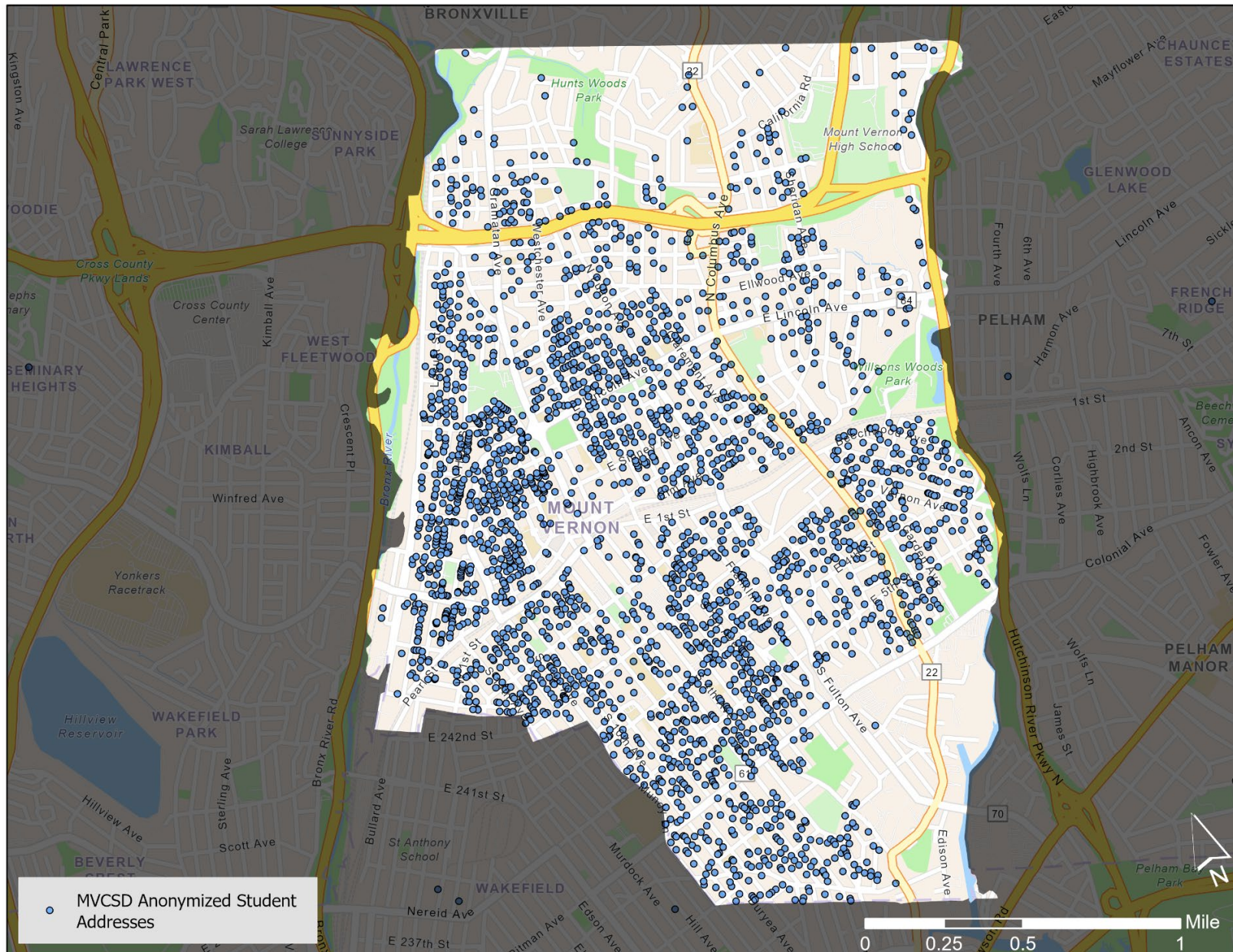


Figure 14: Map of MVCSD Anonymized Grades PK-8 Student Addresses

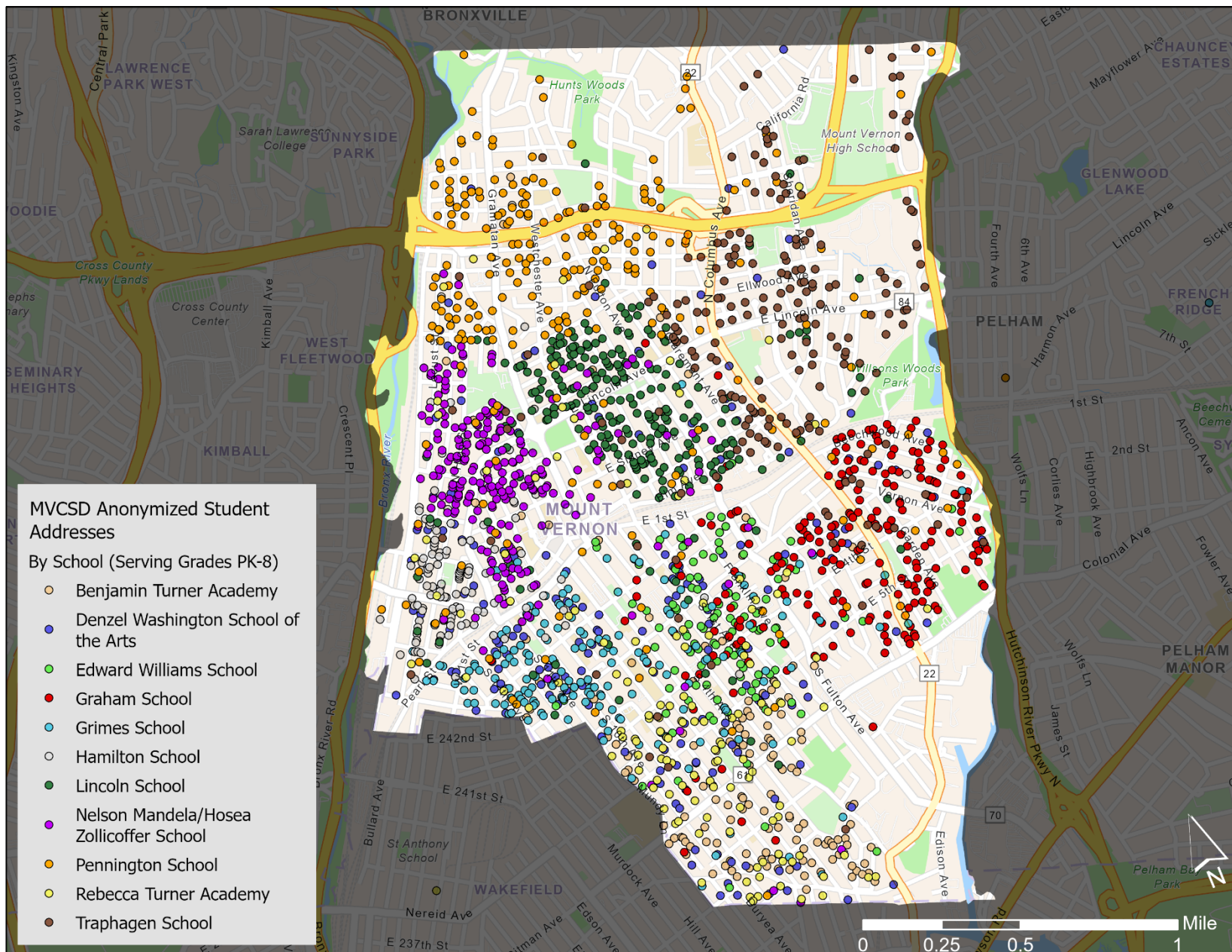
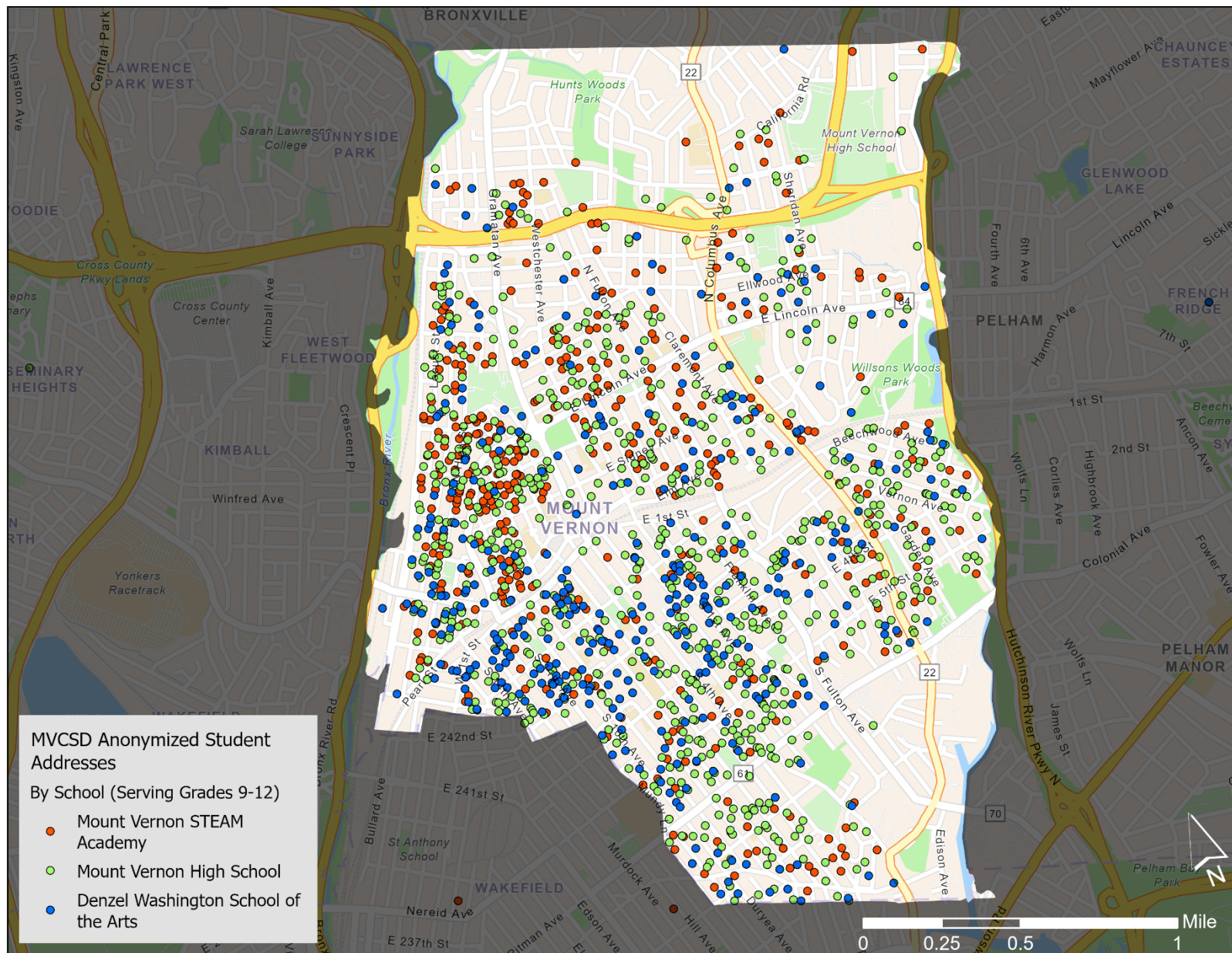


Figure 15: Map of MVCSD Anonymized Grades 9-12 Student Addresses



Retention Rates

The driver of the cohort survival/retention model is the retention rates from grade to grade. These are computed for grades 1-12 by dividing the number of children in a grade in a given year by the number of children in the preceding grade in the preceding year, as identified in the columns labeled "s".

For Kindergarten entries into the public school system, a "retention rate" was determined by dividing the number of kindergarten students by the number of births in the school district five years earlier. Similarly, Pre-Kindergarten retention rates were determined by dividing those students by the number of students born three and four years earlier.

For ungraded enrollment, a ratio of these students to graded students was computed on a historical basis by year of enrollment for K-6 for ungraded lower grades and 7-12 for ungraded upper grades.

Figure 16 presents the historical section of the district's retention model. Across eight years of data, retention rates fell below 100 percent in 83 of 101 cases. In the relatively few instances where enrollment in an upper grade was higher than the preceding class year, these increases were concentrated primarily in the transitions from Kindergarten to 1st grade, 7th to 8th grade, and 8th to 9th grade.

Figure 16: MVCSD Enrollment by Grade with Retention Rates, 2017-18 to 2024-25

School Year	Births 5 Yrs. Ago	"s"	K	1st Gr.	2nd Gr.	3rd Gr.	4th Gr.	5th Gr.	6th Gr.	7th Gr.	8th Gr.	9th Gr.	10th Gr.	11th Gr.	12th Gr.	Total	PreK	Ungraded ES	Ungraded HS
			"s"	"s"	"s"	"s"	"s"	"s"	"s"	"s"	"s"	"s"	"s"	"s"	"s"				
HISTORIC DATA	1																		
2017-18	900	0.637	573	643	675	645	631	576	555	525	486	617	651	562	497	8,295	524	68	67
			1.021	0.994	0.994	0.967	0.825	0.958	0.968	0.954	1.278	0.830	0.869	0.916			0.016	0.020	
2018-19	901	0.624	562	585	639	671	624	521	552	537	501	621	512	566	515	8,101	568	56	71
			0.989	0.926	0.930	0.993	0.885	0.971	0.982	0.965	1.122	0.900	0.992	0.917			0.013	0.022	
2019-20	903	0.629	568	556	542	584	666	553	506	542	518	562	559	508	519	7,863	537	59	74
			0.988	0.962	0.926	0.988	0.875	0.991	0.931	0.974	1.125	0.961	0.946	0.949			0.015	0.023	
2020-21	882	0.583	497	561	535	502	587	583	548	471	528	583	540	529	482	7,368	289	56	77
			1.048	0.925	0.916	0.952	0.840	0.870	0.863	0.885	1.100	0.971	0.906	0.957			0.015	0.025	
2021-22	891	0.557	496	521	519	490	478	493	507	473	417	581	566	489	506	6,979	312	73	58
			1.032	0.994	0.963	0.976	0.939	0.970	1.018	1.121	1.240	0.981	0.894	0.994			0.021	0.019	
2022-23	905	0.523	473	512	518	500	478	449	478	516	530	517	570	506	486	6,967	310	59	65
			0.996	0.949	0.946	0.990	0.910	0.931	0.979	0.986	1.040	0.946	0.926	1.032			0.017	0.021	
2023-24	885	0.539	477	471	486	490	495	435	418	468	509	551	489	528	522	6,852	398	53	62
			1.025	1.038	0.932	0.973	0.917	1.034	0.981	1.053	1.157	0.996	1.037	1.076			0.016	0.020	
2024-25	873	0.499	436	489	489	453	477	454	450	410	493	589	549	507	568	6,837	348	63	62
			1.018	0.994	0.947	0.980	0.922	0.978	0.993	1.053	1.146	0.974	0.952	1.034			0.194	0.019	0.020
Average Retention Rate		0.520															0.194	0.018	0.020

Source: MVCSD; NYS Department of Health; Urbanomics.

*"s" indicates year to year retention rate

Enrollment Projection Methodologies

As of the date of this report, the Mount Vernon City School District is preparing its own enrollment forecasts. For the purposes of this study, Urbanomics has prepared a series of projections to provide context for the cost estimates.

Methodology 1: 3-Year Average Retention Rates. An average of the retention rates derived from year-to-year changes across four years of historical data was used to create the baseline enrollment forecast.

In keeping with industry standards, variations of the enrollment forecasts were prepared using 1-year, 5-year, and 7-year average retention rates as well. All retention rates are applied to the previous year's enrollment in the corresponding grade, except for kindergarten, where retention rates are applied to the corresponding birth data.

Methodology 2: 1-Year Retention Rates. The retention rate derived from the 2023-24 and 2024-25 school year enrollment by grade was applied to each subsequent set of prior year/prior grade enrollment estimates.

Methodology 3: 5-Year Average Retention Rates. An average of the five most recent years' retention rates was applied to yield the subsequent year's enrollment by grade.

Methodology 4: 7-Year Average Retention Rates. An average of the seven most recent years' retention rates (based on all eight years of historic data) was applied to yield the subsequent year's enrollment by grade.

On the following page, Figure 17 shows an example of the forecast spreadsheet, with embedded retention rates.

Figure 17: Cohort Survival/Retention Worksheet: 3-Year Retention Rate Method Forecast

DISTRICT NAME: Mount Vernon City School District
COUNTY: Westchester
SCHOOL: Districtwide

School Year	Births 5 Yrs. Ago	"s"	K	1st Gr.	2nd Gr.	3rd Gr.	4th Gr.	5th Gr.	6th Gr.	7th Gr.	8th Gr.	9th Gr.	10th Gr.	11th Gr.	12th Gr.	Total	PreK	Ungraded ES	Ungraded HS
			"S"	"S"	"S"	"S"	"S"	"S"	"S"	"S"	"S"	"S"	"S"	"S"	"S"				
HISTORIC DATA																			
2017-18	900	0.637	573	643	675	645	631	576	555	525	486	617	651	562	497	8,295	524	68	67
			1.021	0.994	0.994	0.967	0.826	0.958	0.968	0.954	1.278	0.830	0.869	0.916			0.016	0.020	
2018-19	901	0.624	562	585	639	671	624	521	552	537	501	621	512	566	515	8,101	568	56	71
			0.989	0.926	0.930	0.993	0.886	0.971	0.982	0.965	1.122	0.900	0.992	0.917			0.013	0.022	
2019-20	903	0.629	568	556	542	594	666	553	506	542	518	562	559	508	519	7,863	537	59	74
			0.988	0.962	0.926	0.988	0.875	0.991	0.931	0.974	1.125	0.961	0.946	0.949			0.015	0.023	
2020-21	882	0.563	497	561	535	502	587	583	548	471	528	583	540	529	482	7,368	289	56	77
			1.048	0.925	0.916	0.952	0.840	0.870	0.863	0.885	1.100	0.971	0.906	0.957			0.015	0.025	
2021-22	891	0.557	496	521	519	490	478	493	507	473	417	581	566	489	506	6,979	312	73	58
			1.032	0.994	0.963	0.976	0.939	0.970	1.018	1.121	1.240	0.981	0.894	0.994			0.021	0.019	
2022-23	905	0.523	473	512	518	500	478	449	478	516	530	517	570	506	486	6,967	310	59	65
			0.996	0.949	0.946	0.990	0.910	0.931	0.979	0.986	1.040	0.946	0.926	1.032			0.017	0.021	
2023-24	885	0.539	477	471	486	490	495	435	418	468	509	551	489	528	522	6,852	398	53	62
			1.025	1.038	0.932	0.973	0.917	1.034	0.981	1.053	1.157	0.996	1.037	1.076			0.016	0.020	
2024-25	873	0.499	436	489	489	453	477	454	450	410	493	589	549	507	568	6,837	348	63	62
Average Retention Rate		0.520	1.018	0.994	0.947	0.980	0.922	0.978	0.993	1.053		1.146	0.974	0.952	1.034		0.194	0.019	0.020
																	0.194	0.018	0.020
PROJECTIONS																			
			1.018	0.994	0.947	0.980	0.922	0.978	0.993	1.053	1.146	0.974	0.952	1.034					
2025-26	830	0.520	432	444	486	463	444	440	444	447	432	565	574	523	524	6,666	331	56	62
2026-27	789	0.520	411	440	441	460	454	409	434	441	471	495	550	547	540	6,523	315	54	62
2027-28	744	0.520	387	418	437	418	451	418	444	431	464	539	482	524	565	6,390	298	52	61
2028-29	752	0.520	391	394	415	414	409	416	441	441	454	532	525	459	542	6,235	291	51	60
2029-30	722	0.520	376	398	392	393	405	377	400	438	464	520	518	500	475	6,052	287	48	59
2030-31	699	0.520	364	383	396	371	385	374	397	397	461	532	507	494	517	5,959	276	47	59
2031-32	676	0.520	352	370	380	375	363	355	377	394	419	528	518	483	510	5,795	267	45	58
2032-33	652	0.520	339	358	368	360	367	335	355	374	415	480	515	493	499	5,617	258	44	56
2033-34	629	0.520	327	345	356	348	353	339	359	353	394	475	467	490	510	5,464	249	43	55
2034-35	606	0.520	315	333	343	337	341	325	345	357	372	452	463	445	507	5,269	240	41	53

Source: MVCSD; Urbanomics.

*"s" indicates year to year retention rate

Enrollment Forecasts

Each of the retention rate scenarios described in the previous section yield declining enrollment over the next 10 years as shown in Figure 18. By 2034-35, MVCSD enrollment is forecast to continue to decline to between 4,901 as per the 7-Year retention rate up to 5,553 students using the last available year's retention rates.

Figure 18: MVCSD Area K-12 Enrollment Forecast Comparison



The implication of these forecasts is that without the creation of new housing for new households, enrollment will continue to decline, which in other communities has led to school closures. New development would have to produce 1,000 or more students over the course of ten years in order to have a net increase on the school attendance over the 2024-25 school year.

Private School Enrollment

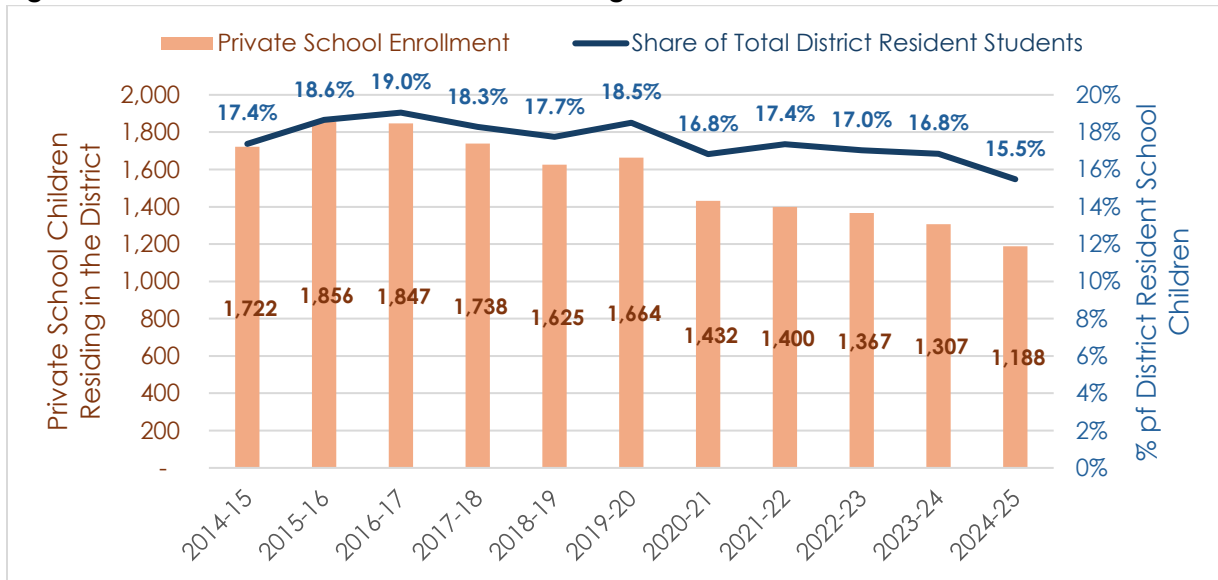
The forecasts in this report reflect only Public School Enrollment. In addition to the public schools, there are several private schools in the district (Our Lady of Victory School, 349 students; the Montfort Academy, 180 students; Westchester Muslim Center, 80 students; and Emmanuel Children's Mission School, 324 students) as well as two charter schools (Amani Public Charter School, 420 students and Intellectus Preparatory Charter School, 87 students). Under the new substantial equivalency statutes, the MVCSD is responsible for oversight and support of the private schools within its boundaries. On the following page, **Figure 21** illustrates the location of private schools in the District area.

According to the New York State Education Department (NYSED), District resident PK-12 students currently enroll in 97 nonpublic schools across the region with the largest number of students enrolled at Cardinal Spellman High School (114 students), Our Lady of Victory School (167 students), and Emmanuel Children's Mission School (145 students). Since 2014-15, private school enrollment among local students has decreased by 586 students from 1,942 in 2014-15 to 1,356 in 2024-25. Peak enrollment was observed in 2015-16 at 2,022 private school students.

Figure 19 shows the number of MVCSD resident K-12 students (1,188 or 15.5% as of the 2024-2025 school year) being sent to private schools. The share of K-12 students attending private schools has trended downward in recent years from a peak of 19.0 percent in 2016-17 with a relatively steady drop in the following years. The lowest share in the recent past was the last school year at 15.5 percent in 2024-25.

Based on current enrollment trends, nearly 1,400 private school students and additional charter school students could enter the public school system due to factors such as private school closures, shifts in school-type preferences, or changes in family economic circumstances.

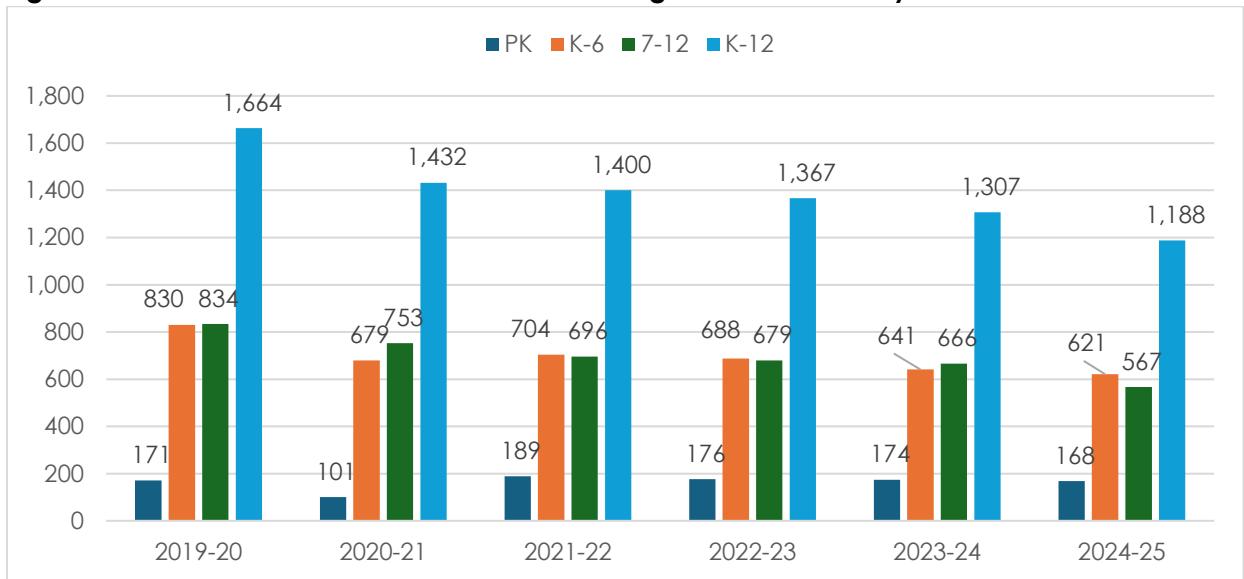
Figure 19: MVCSD Area K-12 Students Attending Private Schools



Source: NYSED Non-Public Enrollment, BEDS Enrollment, 2020-2025

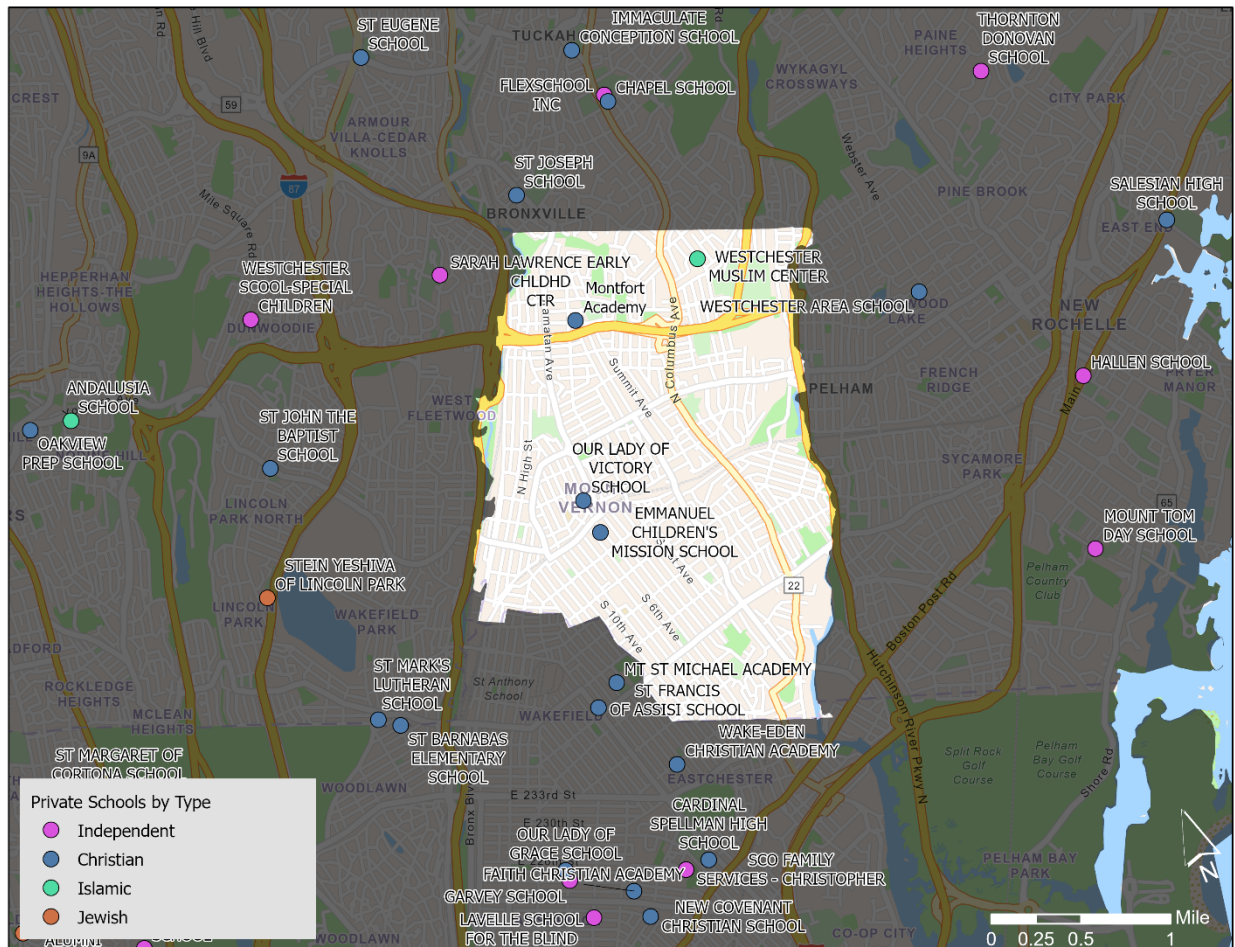
The following figure shows MVCSD resident students attending private schools by grade level (PK, K-6, and 7-12) over the past six years. Overall, private school enrollment in grades K-12 declined by 437 students (-26.3%), driven primarily by a decrease of 278 students in grades 7-12 (-33.3%). Private school enrollment in grades K-6 dropped by 159 students (-19.2%), and pre-kindergarten enrollment increased by 2 students (-1.2%).

Figure 20: MVCSD Area PreK-12 Students Attending Private Schools by Grade



Source: NYSED Non-Public Enrollment, BEDS Enrollment, 2020-2025

Figure 21: Private Schools in and Around the MVCSD Area



Source: NYSED Non-Public Enrollment, 2025

PUMS Multipliers/Testing

The child generation rate standard for developers is the State-Level Multipliers prepared in 2006 by Drs. Robert Burchell and David Listokin for the Rutgers Center for Urban Policy Research. These multipliers (Rutgers' multipliers) are based on the 2000 US Census 5% Sample Public Use Microdata (PUMS); however, more than two decades have passed since the 2000 Census and significant changes have occurred in terms of development styles and housing preferences.

To prepare the best possible new public school child generation rates for the various unit types of the MVCSD, Urbanomics ran multiple iterations of cross-tabulations. The following public school child multipliers are based on the 2020-2024 American Community Survey Microdata for Westchester County's urban core as well as the Public Use Microdata Area (PUMA) 03133 that includes MVCSD for households living in units built in 2014 or later. After running the cross-tabulations, it was determined that there was not a great enough data sample for PUMA 3133 to make the results statistically reliable, so only the Westchester County urban core PUMS data was incorporated into the formula. New construction is likely to be universal in style and substance throughout the majority of the county's urban core.

These child generation rates are not intended as forecasts of immediate enrollment change. Rather, they should be considered as a planning tool to better understand the potential impacts of future development activity that may occur within the District. For this analysis, each child is assumed to be new to the MVCSD.

The final cross-tabulations include the number of public-school children³ 18 and under by structure type, number of bedrooms, by year built, as meet the following definitions:

Location

- Mount Vernon (NYS PUMA 3133)
- Westchester County Urban Core area: Mount Vernon, New Rochelle, White Plains, and Yonkers

Tenure

- Owner
- Renter

Structure type

- Single Family
- Townhouse (2-4 units in structure)
- 5+ units
 - Senior Living⁴

Bedrooms:

- Studios
- One
- Two
- Three or more

Year Built

- 2014-2024
- All Years

Affordability

- Affordable (AMI <80%)
- Market Rate/Workforce (AMI >80%)

³ These tabulations only include public school children. There is potential that additional private school children will be generated by these units as well.

⁴ Senior living unit public school child multipliers were 0.00 for studio, 1-bedroom units. 2-bedroom units had PSC multipliers of 0.63 for affordable and 0.04 for market rate. Given these results, they were not included in the tables in this report, but they are included in the mitigation tool.

Figure 22: Westchester County Urban Core Area K-12 Public School Child Multipliers

Owner Units	PSC Multipliers	
	Market	Affordable
Single Family		
2 Bedrooms	0.71	0.36
3+ Bedrooms	0.77	0.39
Two-4 Family		
Studio	0.00	0.00
1 Bedroom	0.05	0.03
2 Bedrooms	0.19	0.12
3+ Bedrooms	0.31	0.18
5+ Family		
Studio	0.00	0.00
1 Bedroom	0.07	0.05
2 Bedrooms	0.16	0.21
3+ Bedrooms	0.37	0.28
Renter Units	Market	Affordable
Single Family		
2 Bedrooms	0.34	0.18
3+ Bedrooms	0.41	0.72
Two-4 Family		
Studio	0.00	0.00
1 Bedroom	0.05	0.07
2 Bedrooms	0.29	0.44
3+ Bedrooms	0.67	0.76
5+ Family		
Studio	0.00	0.00
1 Bedroom	0.05	0.07
2 Bedrooms	0.11	0.36
3+ Bedrooms	0.32	0.66
Restricted 55+		
Studio	0.00	0.00
1 Bedroom	0.00	0.00
2 Bedrooms	0.04	0.63

Note: Westchester County Urban Core area includes the municipalities of Mount Vernon, New Rochelle, White Plains, and Yonkers.

Source: US Census Bureau, American Community Survey, 2020-2024 5-Year Estimate.

The following figure illustrates several common development scenarios and applies the corresponding public-school multipliers to show how different building types vary in the number of school-age children they are likely to generate. As shown, new multifamily construction of structures with five or more units, typical of apartment buildings, would generate relatively few school-age children, estimated at approximately five students for a 50-unit development. By comparison, a 50-home single-family subdivision would generate an estimated 39 students, while 50 duplex-style townhome units would generate approximately 33 students.

Figure 23: Projected Public-School Enrollment from Hypothetical Market Rate New Construction Housing Developments

Building Type	# of Bedrooms	Tenure	Average Public-School Children Per Unit	# of Units	Estimated Public School Children
Multifamily (5+ Units)	2 BD	Renters	0.11	50	5
Single-Family	3+ BD	Homeowners	0.77	50	39
Multifamily (2–4 Units)	3+ BD	Renters	0.67	50	33

Source: US Census Bureau, American Community Survey, 2020-2024 5-Year Estimate.

To validate the above demographic multipliers within the MVCSD, the multipliers were tested against recently constructed housing case studies within the District. The MVIDA provided PILOT information for fourteen (14) residential developments constructed since 2005. These include market rate and affordable developments, as well as senior living. Figure 24 presents a comparison of the applied multipliers to the actual number of public-school children enrolled in the MVCSD in the 2025-2026 school year for the properties constructed in the past 10 years. While the Estimate is sometimes lower and sometimes higher than actual enrollment, the total number of students estimated in these buildings is 137, only 1.6% fewer than the 2024-25 enrollment of 139 students.

Figure 24: Comparison of Applied Multipliers to Public School Children in Existing Newly Constructed Buildings

Address	Tenure	Affordability	Total Units	Unit Mix				PSC Multipliers				Estimated PSC	2025-26 Public School Children
				Studios	1-Bed	2-Bed	3-Bed	Studios	1-Bed	2-Bed	3-Bed		
125-129 South 5th Avenue	Rental	Market	67	0	66	1	0	0.00	0.05	0.11	0.32	3	4
116 West First Street	Rental	Affordable	28	0	4	24	0	0.00	0.07	0.36	0.66	9	4
130 Modern	Rental	Affordable	81	0	40	41	0	0.00	0.07	0.36	0.66	18	18
203 Gramatan	Rental	Affordable	159	0	96	63	0	0.00	0.07	0.36	0.66	29	39
15 South Fifth Avenue	Condo	Senior	40	0	40	0	0	0.00	0.00	0.63		0-	0
525 MacQuesten Parkway	Rental	Market	179	0	79	100	0	0.00	0.05	0.11	0.32	15	5
60 West 1st Street	Rental	Affordable	43	0	19	24	0	0.00	0.07	0.36	0.66	10	4
470 South Fifth Avenue	Rental	Senior Affordable	55	0	55	0	0	0.00	0.00	0.63		0-	0
22 South West Street	Rental	Affordable	189	28	85	68	8	0.00	0.07	0.36	0.66	36	40
630 East Lincoln Avenue	Rental	Affordable	99	8	64	18	9	0.00	0.07	0.36	0.66	17	25
												137	139

Source: US Census Bureau, American Community Survey, 2020-2024 5-Year Estimate, Urbanomics; MVCSD.

Total Resident Multipliers

The same methodology was used to develop total resident multipliers—regardless of age and school enrollment—shown in Figure 25. These multipliers will be utilized for the Fiscal analysis as discussed in Sections 3 and 4.

Figure 25: Applied Resident Multipliers in Existing Newly Constructed Buildings

Address	Affordability	Total Units	Unit Mix			Multipliers			Total Residents
			Studios	1-Bed	2-Bed	Studios	1-Bed	2-Bed	
125-129 South 5th Avenue	Market	67	0	66	1	1.0	1.6	2.0	111
116 West First Street	Affordable	28	0	4	24	1.2	1.3	2.3	60
130 Modern	Affordable	81	0	40	41	1.2	1.3	2.3	148
203 Gramatan	Affordable	159	0	96	63	1.2	1.3	2.3	273
60 West 1st Street	Affordable	43	0	19	24	1.2	1.3	2.3	80
15 South Fifth Avenue	Senior	40	0	40	0	1.0	1.4	2.4	58
525 MacQuesten Parkway	Market	179	0	79	100	1.0	1.6	2.0	333
470 South Fifth Avenue	Senior Affordable	55	0	55	0	1.0	1.4	2.4	79
22 South West Street	Affordable	189	28	85	68	1.2	1.3	2.3	292
630 East Lincoln Avenue	Affordable	99	8	64	18	1.2	1.3	2.3	153

Source: Mount Vernon IDA, Urbanomics

2.3. Quantify Hard/Soft School District Costs

The next step in developing the mitigation formula is to determine the new construction (hard) and education (soft) costs per student.

Hard/New Construction Costs

As of August 2025, the allowable State “per capacity unit” cost of school construction (construction + incidental costs) averaged \$36,007 across building types. When the Westchester

County cost index of 1.4504⁵ is applied, the allowable construction cost per new student reaches \$52,225.

Estimating State Aid in construction is complicated. State reimbursement varies widely based upon a number of external and internal factors, some of which are impossible to quantify without a building plan. However, a comparable school district provided information that the State reimbursement percentage for new construction stands at 55.9 percent of 85 percent of total construction costs. So, for a cost of \$55,225, reimbursement would apply to only \$44,391 of total costs and at 55.9%, reimbursement would stand at \$24,814. Following this logic, the construction cost per student minus state aid would be \$27,410.

The inclusion of net new hard costs would assume that new construction would be required to expand capacity for any children living in new developments. Given the expected continuation of decline in MVCSD enrollment, the more realistic scenario is that new students would increase wear and tear on existing facilities. **Subsequently, in place of a Hard Cost value, capital costs from the School District's budget have been included in the costs from the 2025-26 MVCSD Budget summarized in Figure 22.**

Soft/Education Costs

Urbanomics drew from the MVCSD budget line items to identify program-related costs per student costs that would increase with net new students. A line-item depiction of applicable within the 2025-26 school budget is shown in the Figure 26 on the following page.

⁵ The State assesses regional cost differences against the state average. School construction in Westchester County has a multiplier of 1.4504 (compared with 1.6781 in NYC and 1.0 statewide). <https://eservices.nysed.gov/facilities/public/reports/cost-factor?d-5998282-p=2>

Figure 26. Mount Vernon City School District Program Costs per Student

	2025-2026 Budget			Total Costs		Education (Soft Costs) Only	
	All Costs	Education Costs	Estimated Students	Cost Per Student	Minus State Aid	Cost Per Student	Minus State Aid
Total Costs	\$272,206,615	\$245,058,218	6,837	\$39,814	\$22,136	\$35,843	\$19,929
Regular School	\$72,684,178	\$72,684,178					
Program for Special Ed	\$40,038,057	\$40,038,057					
Occupational Education	\$990,703	\$990,703					
Media & Computer	\$4,952,462	\$4,952,462					
Extra-curricular & Interscholastic Sports	\$1,149,444	\$1,149,444					
Pupil Personnel Services	\$8,545,547	\$8,545,547					
District Transportation	\$211,861	\$211,861					
Contract Transportation	\$17,416,564	\$17,416,564					
Employee Benefits	\$40,355,679	\$40,355,679					
Other Transfers	\$595,000	\$595,000					
Administrative Costs	\$27,148,397	NA					
Capital Costs	\$58,118,723	\$58,118,723					

Source: Mount Vernon City School District Budget 2025-2026⁶

Total budget costs of \$272.2 million were divided by the number of students (6,837) for the latest school year available. The total cost per student was then reduced by 44.4% for State Aid received, yielding total costs of \$22,136 per student. However, only the costs to educate and capital costs (which reflect wear and tear to facilities) have the potential to increase or decrease with new students. To determine this “marginal cost of education, administrative costs, which remain constant regardless of enrollment. **These marginal costs per student totaled \$35,843, or \$19,929 when reduced to reflect State Aid.**

2.4. Creation of a School Child Mitigation Tool

Urbanomics created a simple Excel spreadsheet model loaded with the public-school child multipliers by tenure, structure type, number of bedrooms and age-restriction. As designed, the IDA can enter the number of units by tenure, physical characteristics, and income level to estimate the number of public-school children coming from the development.

Further, the combined education and capital costs per child are also built into the spreadsheet, presenting the total estimated cost to the MVCSD from new children in each new development.

Figure 27. Mount Vernon City School District Program Costs per Student

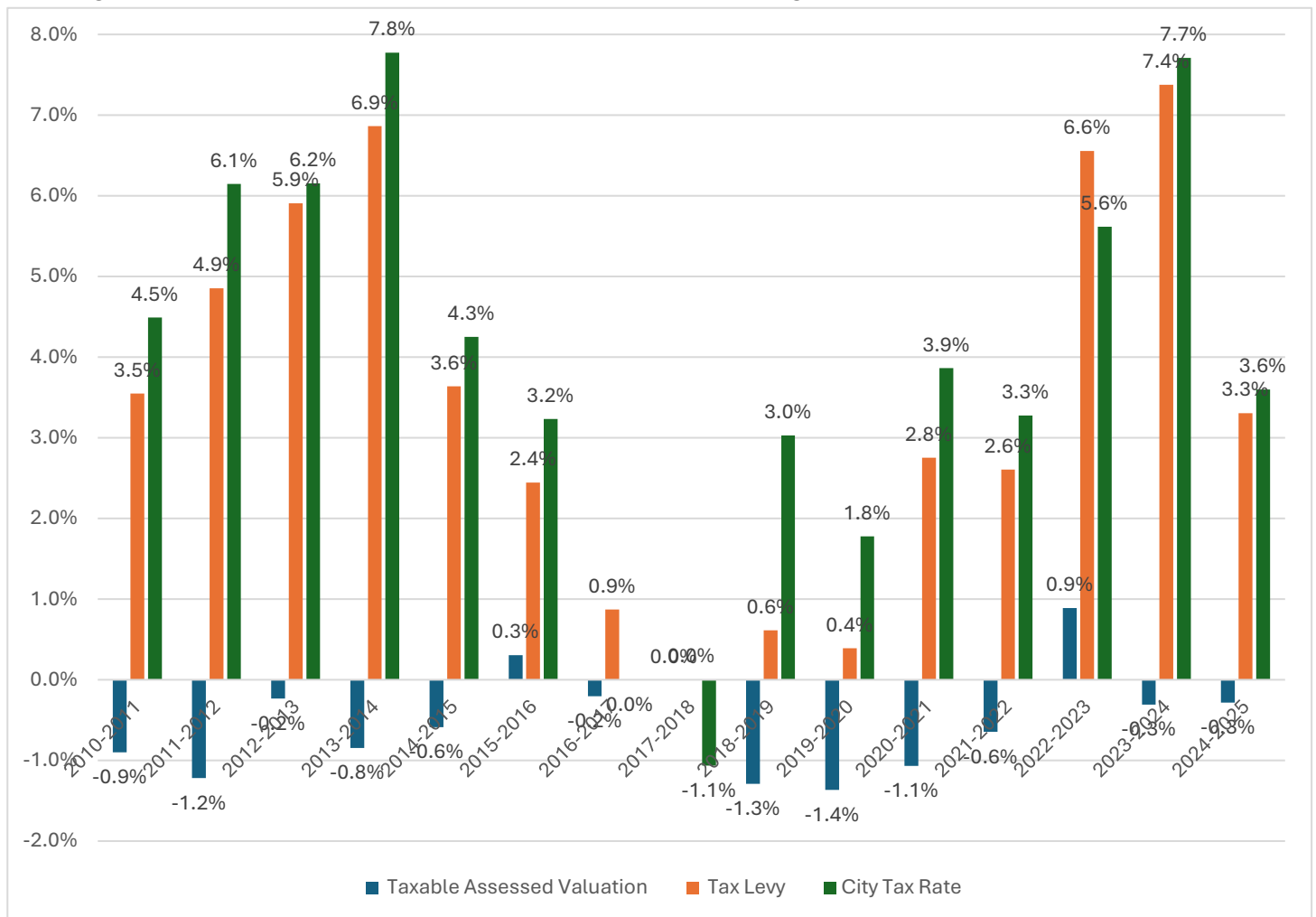
		Units				Multipliers			Public School Children		
Owner Units		Market	Affordable	Total		Market	Affordable		Market	Affordable	Total
Single Family	Total								-	-	-
	2 Bedrooms			-		0.71	0.36		-	-	-
	3+ Bedrooms			-		0.77	0.39		-	-	-
Two-4 Family	Total								-	-	-
	Studio			-		0.00	0.00		-	-	-
	1 Bedroom			-		0.05	0.03		-	-	-
	2 Bedrooms			-		0.19	0.12		-	-	-
	3+ Bedrooms			-		0.31	0.18		-	-	-
5+ Family	Total								-	-	-
	Studio			-		0.00	0.00		-	-	-
	1 Bedroom			-		0.07	0.05		-	-	-
	2 Bedrooms			-		0.16	0.21		-	-	-
	3+ Bedrooms			-		0.37	0.28		-	-	-
	Total Owner Units			-					Total Owner Children		-
Renter Units		Market	Affordable	Total		All Incomes			Market	Affordable	Total
Single Family	Total								-	-	-
	2 Bedrooms			-		0.34	0.18		-	-	-
	3+ Bedrooms			-		0.41	0.72		-	-	-
Two-4 Family	Total								-	-	-
	Studio			-		0.00	0.00		-	-	-
	1 Bedroom			-		0.05	0.07		-	-	-
	2 Bedrooms			-		0.29	0.44		-	-	-
	3+ Bedrooms			-		0.67	0.76		-	-	-
5+ Family	Total								-	-	-
	Studio			-		0.00	0.00		-	-	-
	1 Bedroom			-		0.05	0.07		-	-	-
	2 Bedrooms			-		0.11	0.36		-	-	-
	3+ Bedrooms			-		0.32	0.66		-	-	-
Restricted 55+	Total								-	-	-
	Studio			-		0.00	0.00		-	-	-
	1 Bedroom			-		0.00	0.00		-	-	-
	2 Bedrooms			-		0.04	0.63		-	-	-
	Total Rental Units			-					Total Renter Children		-
						Tax Revenue Supported*					
				Combined Costs	per Child	\$	19,929		Total Mitigation	\$	-

3. Assessment of Recently Constructed Buildings with PILOTS

3.1. Mount Vernon Fiscal Trends

This report looked at key fiscal indicators from 2010 to 2025. During that time, taxable assessed value in the City decreased overall from \$157.9 million in 2010 to \$146.5 million in 2025 (-7.5%). During that same period, the municipal tax levy increased by 65.6%, going from \$45.8 million to \$75.8 million. This change was supported by a 79.1% increase in the municipal property tax rate, which reached a peak of 519.3 per \$1000 of assessed value in 2025. Figure 28 presents the annual change in these indicators. The City's assessed valuation decreased every year except for 2015-2016 and 2022-2023, The tax levy and city tax rate every year, and generally increase within one percentage point of each other.

Figure 28. Mount Vernon City Fiscal Indicators Annual % Change 2010-2025



Source: City of Mount Vernon Budgets: 2010-2025⁷

⁷ <https://www.mountvernonny.gov/401/Adopted-Budgets>

The average annual change in taxable assessed valuation is -0.5%. Whereas the tax levy has increased on average by 3.4% and the municipal tax rate by 4.0% each year. The school district tax rate has also increased—by an average of 1.4% per year. The County tax rate for Mount Vernon has decreased by an annual average of 0.5%.

3.2. Fiscal Impacts Model⁸

As noted in Section 1.1, there were 71,982 people living in Mount Vernon in 2024. These residents benefit from the services provided by municipal agencies and departments as funded to an extent by property taxes. For the purpose of assessing PILOTS, we will look only at the property tax-supported share of the budget.

2025 Tax Rates

Property Tax Rates applied to Mount Vernon properties without PILOT agreements with a collective assessed value of \$146,049,742 in Fiscal Year 2025 were as follows.

- City: 519.30
- School: 990.61
- County: 173.98

These rates are applied per \$1,000 of taxable assessed value.

2025 Municipal Costs

The 2025 Budget for the City of Mount Vernon was adopted on December 26, 2024. The budget totaled \$151,476,232, of which \$76,743,852 (50.3%) is raised through property tax and PILOT revenues. When divided by the total population, those property tax appropriations per capita total \$1,066.15.

However, not every municipal budget or category changes with the population. For example, the City Council and Mayor's Office budgets remain constant regardless of the number of constituents. For the purposes of this study, it is assumed that the following budgets would change to serve an increased number of residents. This study is extremely conservative in its assumptions as there are administrative functions of each departmental budget that, like the City's executive offices, would remain constant regardless of numbers of residents; therefore, the per capita budget items shown in Figure 29 are likely overestimates of actual costs.

⁸ 2025 is the fiscal analysis year because it was the latest year for which all budget detail and tax rates were available.

Figure 29. Mount Vernon Per Capita Budget Items

Departments	Budget
Police	\$24,431,895
Fire	\$19,894,385
Ambulance	\$1,015,948
Developmentally Disabled	\$386,476
Aging	\$339,163
Recreation	\$3,559,241
Youth Bureau	\$714,896
Youth Centers	\$146,650
Benefits	\$49,644,282
DPW	\$21,593,419

Source: Mount Vernon 2026-2026 Budget

These line items total \$121,726,355. To this, Urbanomics applied the real property share of 50.33% to reach a "marginal cost" total of \$61,266,921. **The conservative value per resident, or per capita marginal value is \$851.14.**

3.3. Municipal and School District Cost-Benefit Assessment of Constructed PILOT-receiving Properties

Municipal and School District costs were estimated for the following constructed residential properties with PILOT agreements. These three properties include both market and affordable units as well as age-restricted senior housing and range in size from 55 to 179 units.

Figure 30. Mount Vernon Residential PILOT Recipients

Year of Agreement	Address	Tenure	Affordability	Duration of PILOT (Years)
2019	525 MacQuesten Parkway	Rental	Market	25
2019	470 South Fifth Avenue	Rental	Senior Affordable	35
2019	630 East Lincoln Avenue	Rental	Affordable	35

Source: Mount Vernon IDA PILOT documents

The duration of the PILOTs are 25 years for 525 MacQuesten Parkway and 35 years for 470 South Fifth Avenue and 630 East Lincoln Avenue.

Municipal Costs

The per capita cost of \$851.14 was applied to the estimated number of residents in each of the illustrative constructed residential buildings with PILOT agreements. The annual marginal municipal costs to the City of Mount Vernon range from \$67,410 for the relatively small Senior Affordable Housing located at 470 South Fifth Avenue up to \$283,222 for the Market rate rental property at 525 MacQuesten Parkway.

Figure 31. Mount Vernon Residential PILOT Recipients Municipal Costs

Address	Tenure	Affordability	Total Units	Estimated Residents	Annual Municipal Costs (\$851.14 per person)	PILOT Duration Totals
525 MacQuesten Parkway	Rental	Market	179	333	\$283,222	\$7,080,550
470 South Fifth Avenue	Rental	Senior Affordable	55	79	\$67,410	\$2,359,360
630 East Lincoln Avenue	Rental	Affordable	99	153	\$129,800	\$4,543,010

Source: Mount Vernon IDA PILOT documents, Urbanomics

Multiplying the annual municipal marginal costs by the duration of each PILOT agreement, yields total costs ranging from \$2.36 million to \$7.08 million.

School District Costs

School District Costs were estimated for each residential property using the actual 2025 enrollment numbers received from the MVCSD with the current cost of education applied. Enrollment was held constant for all years of the PILOT. As shown in Figure 32, the marginal costs to the school district range from \$0 for the affordable senior housing, up to \$498,220 per year and a total of \$17.4 million over the course of the 35-year PILOT on 630 East Lincoln.

Figure 32. Mount Vernon Residential PILOT Recipients School District Costs

Address	Tenure	Affordability	Total Units	Enrolled Students	Annual School District Costs (\$19,929 per student)	PILOT Duration Totals
525 MacQuesten Parkway	Rental	Market	179	5	\$99,645	\$2,491,125
470 South Fifth Avenue	Rental	Senior Affordable	55	0	\$0	\$0
630 East Lincoln Avenue	Rental	Affordable	99	25	\$498,225	\$17,437,875

Source: Mount Vernon IDA PILOT documents, Urbanomics

These cost estimates are conservative and assume that each student is net new to the system. However, given steadily declining enrollment, an argument could be made that none of these students place an excess burden on the District as their addition does nothing more than to bolster falling numbers and therefore the net cost to the District is \$0 and any PILOT payment distributed to the MVCSD is a benefit without costs.

Net Cost-Benefit/PILOT Comparison

Figure 33. Mount Vernon Residential PILOT Recipients Payments per Year

Address	525 MacQuesten Parkway	470 South Fifth Avenue	630 East Lincoln Avenue
Escalation Rate	3.0%	2.5%	3.0%
Year 1	\$110,180	\$36,036	\$69,597
Year 2	\$113,485	\$36,937	\$71,685
Year 3	\$116,890	\$37,860	\$73,835
Year 4	\$120,397	\$38,807	\$76,051
Year 5	\$124,009	\$39,777	\$78,332
Year 6	\$127,729	\$40,771	\$80,682
Year 7	\$131,561	\$41,791	\$83,102
Year 8	\$135,508	\$42,835	\$85,596
Year 9	\$139,573	\$43,906	\$88,163
Year 10	\$143,760	\$45,004	\$90,808
Year 11	\$148,073	\$46,129	\$93,533
Year 12	\$152,515	\$47,282	\$96,339
Year 13	\$157,090	\$48,464	\$99,229
Year 14	\$161,803	\$49,676	\$102,206
Year 15	\$166,657	\$50,918	\$105,272
Year 16	\$171,657	\$52,191	\$108,430
Year 17	\$176,807	\$53,496	\$111,683
Year 18	\$182,111	\$54,833	\$115,033
Year 19	\$187,574	\$56,204	\$118,484
Year 20	\$193,201	\$57,609	\$122,039
Year 21	\$198,997	\$59,049	\$125,700
Year 22	\$204,967	\$60,525	\$129,471
Year 23	\$211,116	\$62,039	\$133,355
Year 24	\$217,450	\$63,590	\$137,356
Year 25	\$223,973	\$65,179	\$141,476
Year 26		\$66,809	\$145,721
Year 27		\$68,479	\$150,092
Year 28		\$70,191	\$154,595
Year 29		\$71,946	\$159,233
Year 30		\$73,744	\$164,010
Year 31		\$75,588	\$168,930
Year 32		\$77,478	\$173,998
Year 33		\$79,415	\$179,218
Year 34		\$81,400	\$184,595
Year 35		\$83,435	\$190,132
Total PILOT Payments	\$4,017,082	\$1,979,393	\$4,207,980

Source: Mount Vernon IDA PILOT documents

Figure 33 on the previous page presents the PILOT payments for the three example agreements as drawn from the agreement documentation. As shown, the escalation rates of the payments range from 2.5 percent for 470 South Fifth Avenue to 3 percent for 525 MacQuesten Parkway and 630 East Lincoln Avenue.

Figure 34 presents the Costs and Benefits for each of the three sample projects over the duration of their PILOT Agreements with total residents and enrolled public-school children held constant. The agreements do not specify the split of PILOT payments among the City, School District and County, so the 2025 distribution of tax rates was used as noted in the table.

Figure 34. Mount Vernon Residential PILOT Recipients Net Cost Benefit

Address	525 MacQuesten Parkway	470 South Fifth Avenue	630 East Lincoln Avenue
Total PILOT Payments	\$4,017,082	\$1,979,393	\$4,207,980
Municipal Share (32.3%)	\$1,299,421	\$640,282	\$1,361,172
District Share (59.7%)	\$2,397,194	\$1,181,203	\$2,511,112
County Share (8%)	\$320,467	\$157,908	\$335,696
Municipal Costs	(\$7,080,550)	(\$2,359,360)	(\$4,543,010)
District Costs	(\$2,491,125)	\$-	(\$17,437,875)
Municipal Net Value	\$(5,781,129)	\$(1,719,078)	\$(3,181,838)
School District Net Value	\$(93,931)	\$1,181,203	\$(14,926,763)

Source: Mount Vernon IDA PILOT documents, Urbanomics

As shown, each of the constructed buildings with PILOTS will have a net deficit when comparing municipal benefits to costs. 525 MacQuesten Parkway will have a municipal net deficit of -\$5.8 million at the end of the PILOT duration and a School District deficit of -\$93,931. 630 South Lincoln Avenue will have a municipal deficit of -\$3.2 million and a School District deficit of \$14.9 million. The affordable senior living at 470 South Fifth has the most beneficial PILOT of the three examples, with a municipal deficit of \$1.7 million, BUT a net benefit of \$1.2 million to the MVCSD.

As noted in Section 3.3, given declining enrollment, it could be assumed that the marginal school district costs are \$0 for each of the developments, in which case any PILOT payments accruing to the MVCSD is a net benefit,

Regardless, if these examples are the standard—previous PILOTs have significantly underestimated the costs of the developments on municipal services.

4. Estimate of Municipal and School District Costs of PILOTS Recently Approved

4.1. Municipal and School District Cost Estimates of Recently Approved PILOTS

Figures 35 and 36 present the estimated Municipal and School District costs, respectively of the recently approved 115 South MacQuesten and 1 & 25 North MacQuesten Parkway and the 1 Library Square development under consideration.

As shown, 115 South MacQuesten Parkway will have an estimated 538 residents, of which 68 will be enrolled in the public school system. The respective costs of services over the course of the 30-Year PILOT will be \$13.7 million to the City of Mount Vernon and \$40.5 million to the MVCSD.

1 & 25 North MacQuesten Parkway will have 313 residents, of which 37 will be public school students. The costs to the City will be \$8.0 million and \$22.3 million to the District over the PILOT timeframe.

Similarly, the smaller 138-unit 1 Library Square development will house 198 residents, 21 of whom will be in the public schools. Costs to the City and the MVCSD will be \$5.1 million and \$12.6 million, respectively.

Figure 35. Potential City of Mount Vernon Residential PILOT Recipient Costs

Address	Estimated Residents	Annual Municipal Costs (\$851.14 per person)	30-Year Costs
115 South MacQuesten Parkway	538	\$457,803	\$13,734,100
1 & 25 North MacQuesten Parkway	313	\$266,655	\$7,999,646
1 Library Square	198	\$418,509	\$5,055,772

Source: Mount Vernon IDA PILOT documents, Urbanomics

Figure 36. Potential Mount Vernon City School District PILOT Recipient Costs*

Address	Estimated Public School Students	Estimated Annual School District Costs (x \$19,929)	30-Year Costs
115 South MacQuesten Parkway	68	\$1,355,172	\$40,655,160
1 & 25 North MacQuesten Parkway	37	\$737,373	\$22,342,402
1 Library Square	21	\$418,509	\$12,555,270

Source: Mount Vernon IDA PILOT documents, Urbanomics

**Note: The 115 potential new students from these developments are unlikely to exceed projected enrollment losses over the next two years. As such, the marginal cost of net NEW students would be \$0.00.*

4.2. Net Cost-Benefit/PILOT comparison

PILOT payments for the newly approved or under consideration agreements specify a payment of 10 percent of net shelter rental income as determined in market analyses prepared by Storr Associate. Figure 37 presents the payment schedule for each. The terms for 1 & 25 MacQuesten Parkway include a \$2 million upfront payment to the District upon execution of the PILOT.

Figure 37. Payment Schedule Estimates for Recently Approved or Under Consideration PILOTs

	115 South MacQuesten Parkway (2.5% escalation)	1 & 25 North MacQuesten Parkway (2.5% escalation)	1 Library Square (2.4% escalation)
Payment to MVCSD	NA	\$2,000,000	NA
Year 1	\$563,968	\$387,644	\$250,871
Year 2	\$577,894	\$397,488	\$256,929
Year 3	\$592,163	\$407,582	\$263,132
Year 4	\$606,783	\$417,932	\$269,483
Year 5	\$621,763	\$428,543	\$275,986
Year 6	\$637,112	\$439,423	\$282,645
Year 7	\$652,839	\$450,579	\$289,464
Year 8	\$668,954	\$462,016	\$296,445
Year 9	\$685,464	\$473,743	\$303,593
Year 10	\$702,382	\$485,767	\$310,912
Year 11	\$719,715	\$498,095	\$318,406
Year 12	\$737,475	\$510,734	\$326,079
Year 13	\$755,672	\$523,694	\$333,935
Year 14	\$774,317	\$536,981	\$341,978
Year 15	\$793,421	\$550,605	\$350,214
Year 16	\$812,994	\$564,573	\$358,646
Year 17	\$833,049	\$578,894	\$367,279
Year 18	\$853,597	\$593,577	\$376,118
Year 19	\$874,651	\$608,632	\$385,167
Year 20	\$896,222	\$624,067	\$394,432
Year 21	\$918,324	\$639,893	\$403,918
Year 22	\$940,969	\$656,118	\$413,630
Year 23	\$964,171	\$672,754	\$423,573
Year 24	\$987,944	\$689,811	\$433,753
Year 25	\$1,012,300	\$707,298	\$444,174
Year 26	\$1,037,256	\$725,228	\$454,844
Year 27	\$1,062,825	\$743,611	\$465,767
Year 28	\$1,089,022	\$762,459	\$476,951
Year 29	\$1,115,862	\$781,782	\$488,399
Year 30	\$1,143,363	\$801,595	\$500,120
Total PILOT Payments	\$24,632,471	\$19,121,118	\$10,856,840

Source: Storr Associates Market Analyses

Figures 38 and 39 present the Costs and Benefits of the two recently put forth projects. Figure 38 presents the costs and benefits for the First Year of the PILOT, including the \$2 million execution payment to MVCSD. As shown in Figure 38, the recent PILOTs yield a municipal net deficit of -\$275,374 per year for 115 South MacQuesten Parkway and -\$141,262 for 1 & 25 North MacQuesten Parkway. Given the conservative nature of the cost estimates, which did not exclude departmental administrative costs or economies of scale, it is possible that the municipal costs would zero out. The School District net impacts are -\$1.0 million for 115 South MacQuesten Parkway in the first year; but a net benefit of \$1.49 million for 1 & 25 North MacQuesten Parkway, due to the \$2 million execution payment to the MVCSD to help offset any future costs.

Figure 38. Year 1 Cost Benefits for Recently Approved PILOTs

	115 South MacQuesten Parkway	1 & 25 North MacQuesten Parkway	1 Library Square
Payment to MVCSD	NA	\$2,000,000	NA
Year 1 PILOT*	\$563,968	\$387,644	\$250,871
Municipal Share (32.3%)*	\$182,429	\$125,393	\$84,004
District Share (59.7%)	\$336,548	\$231,327	\$146,930
County Share (8%)	\$44,991	\$30,925	\$19,937
Municipal Costs	(\$457,803)	(\$266,655)	(\$168,526)
School District Costs	(\$1,351,386)	(\$744,747)	(\$418,509)
Municipal Net Value	(\$275,374)	(\$141,262)	(\$84,522)
School District Net Value	(\$1,014,838)	\$1,486,580	(\$271,579)

Source: Storr Associates Market Analyses, Urbanomics

*1 Library Square Library Square distribution of payments from Storr Associates documentation

Figure 39 presents the impacts over the duration of their 30-year PILOT Agreements with total residents and enrolled public-school children held constant. The 2025 distribution of tax rates was used to distribute the payments among taxing jurisdictions as noted in the table; the distribution of payment for 1 Library Square came from the market analysis.

Figure 39. Recently Approved Mount Vernon Residential PILOT Recipients Net Cost Benefit Over Life of PILOTs

	115 South MacQuesten Parkway	1 & 25 North MacQuesten Parkway	1 Library Square*
*30-year PILOT Payments	\$24,632,471	\$17,121,118	\$10,856,840
Execution Payment to MVCSD*	NA	\$2,000,000	NA
Municipal Share (32.3%)	\$7,967,964	\$5,538,237	\$3,635,424
District Share (59.7%+ Execution Payment)	\$14,699,427	\$12,217,027	\$6,358,632
County Share (8%)	\$1,965,080	\$1,365,854	\$862,784
Municipal Costs	(\$13,734,100)	(\$7,999,646)	(\$5,055,772)
School District Costs	(\$40,655,160)	(\$22,342,402)	(\$12,555,270)
Municipal Net Value	(\$5,766,136)	(\$2,461,409)	(\$1,420,348)
School District Net Value	(\$25,955,733)	(\$8,125,375)	(\$6,196,638)

Source: Storr Associates Market Analyses, Urbanomics

*1 Library Square distribution of payments from Storr Associates documentation.

As shown, both of the recent PILOTS will have deficits when comparing municipal and district benefits to costs. 115 South MacQuesten Parkway will have a municipal net deficit of -\$5.8 million at the end of the PILOT duration and a School District deficit of -\$26.0 million. 1 & 25 North MacQuesten Parkway will have a municipal and School District deficits of -\$2.5 million and -\$8.1 million, respectively. The 1 Library Square property will have deficits of \$1.4 million to the City and \$6.2 million to the District.

4.3. Additional Considerations

PILOT Payment Methodology Option

The method for estimating PILOT payments used by the Mount Vernon IDA is unique. An escalation rate is applied to a base year payment, to which end, the payment in the final year of the PILOT is significantly lower than what would be 100 percent taxable value. For example, in the case of the proposed 1 Library Square, the abatement is 49% in Year 30 according to the Storrs analysis. Given property the New York State 2% tax cap, this leaves the City and other taxing jurisdictions in a fiscal deficit situation even when the PILOT is no longer in effect.

A common alternative method for determining PILOT payments used elsewhere in Westchester County is to establish the expected total taxable value at full operations and occupancy in the final year of the PILOT (i.e., Year 30) as the taxable value for each and every PILOT year. The PILOT payment is then estimated by applying a discount rate escalating from 0% in the construction year(s) up to 98%+ in Year 30. Using this method, the taxing jurisdictions receive less revenue in the first years of the agreement; however, in the long term the property is assessed at full taxable value as soon as the PILOT expires.

2% Tax Cap

This analysis was performed using standard Fiscal Impact Benefit-Cost methodology and did not take into account the 2% cap on tax levies as required by the State of New York, which limits the increase in tax levies year over year. PILOT payments to the District are considered part of the levy; therefore, the payment is not a net increase to income but replaces other tax revenues. The increase limit may be overridden by ballot measure with 60% in favor.

Studies of impacts of the New York tax cap have shown that the impacts have been greatest on Urban High-Need school districts such as Mount Vernon and that non-benefit expenditures are more effected than benefits⁹.

School Facilities Capacity

This study does not include an analysis of school capacity given declining enrollment. The impacts on capacity and operations of school closures due to budget constraints should be studied to determine if additional students will require expanding capital operations.

Other Municipal Benefits of Development

PILOTs are granted to incentivize development that is desired by a community. For residential projects, they are often used to enable developers to meet community goals by filling gaps in financing. In these cases, it is determined that meeting a community vision to improve the

⁹ Phuong Nguyen-Hoang, Pengju Zhang; Cap and Gap: The Fiscal Effects of Property Tax Levy Limits in New York. *Education Finance and Policy* 2022; 17 (1): 1–26. doi: https://doi.org/10.1162/edfp_a_00327

overall quality of life and attractiveness of Mount Vernon may sometimes supersede fiscal accounting.

The recently adopted City of Mount Vernon Comprehensive Plan includes the following goals and objectives that are to be supported by developments that have recently received PILOT agreements:

- Expand the Diversity of Housing Options Citywide
 - Increase production of new housing overall
 - Maximize public land, infrastructure, and assets for housing that meets public need
 - Meet the demand for senior housing
- Improve Housing Affordability
 - Inclusionary zoning requirements for projects that create 10 or more units of housing.
- Direct density to hubs near transit

Any future PILOTs should consider how well the development meets these and other Comprehensive Plan Goals and Objectives.

5. Conclusions and Recommendations

Conclusions

The school child multiplier for new multifamily housing as determined by this study and validated with address level enrollment data averages as 15 students per 100 units.

Yet, despite significant new construction of multi-family units (+1,100 from 2014-2024 according to Moody's), the number of students enrolled in the Mount Vernon City School District has continued to decline (-1,800) in the same period due to larger trend demographic changes.

While successful in creating needed new housing in the City of Mount Vernon, past PILOTs for constructed residential properties have significantly underestimated municipal and school district costs, although the three PILOTs currently under review better cover costs to the Mount Vernon City School District. Further, due to the method for determining payments that does not scale up to 100%, upon expiration the recipient properties will not be assessed at full value.

Recommendations

Change the method for determining PILOT payments to a percentage scale of full value culminating at a payment at 98 percent of more of full taxable value. This method will accommodate the developer with lower payments during construction and before full occupation but will ultimately allow the property to be assessed at full value upon completion of the PILOT contract.

Consider additional studies to better understand the impacts of development on Mount Vernon and the Mount Vernon City School District, including:

- a **School Capacity Analysis** to determine the capital needs of the District under current and projected enrollment, and

- a **Tax Cap Impacts Analysis** to identify the full impacts to both the City and the District.

Consider the creation of a mitigation fee to the School District as has been established in the Village of Port Chester, to be informed by the mitigation cost tool. This fee, which would exist outside of the tax cap formula, would alleviate some of the fiscal pressures experienced by the MVCSD.

Approval of any future PILOTs should consider impacts on public safety services (i.e., police, fire, and ambulance) including any required mitigations as determined through the site plan approval process.

Approval of any future PILOTs should include an evaluation of the extent to which the proposed development meets the goals and objectives of the adopted Comprehensive Plan.