HERE'S PROOF THAT OPEN SPACE CAN HOLD DOWN TAXES

This article, by Ruth Rusch, first appeared in the February, 1963 issue of Park Maintenance, Madisen Publishing Division, Appleton, Wisconsin, and is reproduced here by permission. Mrs. Rusch, Peekskill, N.Y., has been an active conservationist for more than 10 years, having participated in the Open Space Survey known as Park, Recreation and Open Space Project of the tri-State New York Metropolitan Region conducted by the Regional Plan Association.

If there is some green open land in your community, you're lucky. Take a good look at it because the City Fathers are probably making plans to use it for garden apartments or a subdivision of split-levels.

Perhaps if you move fast enough you can save it by getting into their hands facts and figures to prove that keeping it just the way it is will provide a buffer against rising taxes. There is mounting evidence to support the claim that open space can save the hard-pressed taxpayer money, at the same time supplying him and his children with a place for healthy recreation and enjoyment out-of-doors.

In many communities open space has been completely swallowed up by urban growth, even to the little corner lots where the kids used to play baseball. The "put it on the taxroll" complex has so dominated official thinking that the sight of a patch of green in a municipal park has been enough to prompt special meetings of the local Council to explore ways of "putting it to better use."

The village of Mamoroneck, New York, found out the hard way that building a large post-war garden apartment on vacant land resulted in higher taxes for property owners. The development paid $42,415.00 in school taxes in 1960. However, based on Board of Education figures, it cost $107,800.00 to educate the children living in the apartments. The taxpayers paid the difference.

Municipal officials too frequently lose sight of the fact that the profit from a piece of property on the taxrolls is the revenue received less the cost of services rendered. Those services include utilities, streets, sewage disposal, garbage removal, drainage, police and fire protection, plus the cost of educating the children that live there.

The planning firm of Frederick P. Clark Associates completed in 1958 a land study in the Town of Yorktown, Westchester County, New York, reported by the Regional Plan Association. It was found that each dwelling pays $100.00 less in real estate taxes than it receives in municipal services. The staff calculated that the acquisition of a public park including the loss of tax revenue from the vacant land and the purchase and maintenance costs, would result in a 15 percent lower annual cost to the Town than if the land were developed with houses.

When State Park Commissioner Robert Moses announced plans to purchase the 1,426 acre Marchall Field estate at Lloyd Harbor, New York, protests arose from residents of the area.

The village board hired a firm of planning consultants to determine the effect of the park on the tax structure. It was found that the creation of the park would raise the tax rate from $14.33 to $16.91 but if homes in the $35,000 class were built on two acre minimum plots, they could expect a tax rate of $21.64.

A study of open land made in the Town of Lexington, Massachusetts, by Roland B. Greeley, a member of the planning firm of Adams, Howard and Greeley, underscores the advantages to the taxpayer of retaining open space. Greeley found that if the Town were to buy up, over a period of a few years, about 2,000 acres of undeveloped land, selecting the areas least accessible, least easy to service, least desirable for residence, the net saving over the cost of providing municipal services for the same areas would amount to a quarter million dollars annually.

Assuming that the land would cost a million dollars, based on present land values, Greeley estimated that this sum spread over a 20 year period should not exceed $75,000 per year, including loss of tax revenue from the raw land.

On the basis of Lexington's post-war experience, each new home pays about $400.00 per year in taxes. Assuming that such homes average only 1-1/2 school age children per family, the cost of schooling alone would be equal to or exceed the taxes paid during the first 15 or 20 years of the dwelling's existence. Thus the cost of school construction, sewers, drainage, street maintenance and even some health and welfare expenses would have to be met by the Town as a whole. Hence the cost of servicing these homes, if they were built, would add up to far more than the $75,000 per year which the Town would spend to keep the land undeveloped.

"As communities become urbanized, the amount of undeveloped land that can be taxed to subsidize the essential running costs of the community decreases and eventually vanishes," states Richard H. Pough, President of the Natural Area Council, who has made studies of the effect of open space on the economic life of urban areas.

"In fully developed communities real estate taxes simply prorate the cost of services among the residents based on the size of the house and lot or the apartment a man chooses to live in. The only subsidy left is what can be obtained from business establishments that contribute school taxes without sending any children to school."

Mr. Pough points out that many a "bedroom" community does not have this cushion. In a typical "bedroom" community near New York City where virtually all the costs of running the community and its schools are borne by the homeowners, they run as follows per capita:

Streets, water, sewage, waste disposal	$ 19.59
Judiciary, police and fire protection	23.89
Schools	65.77
Administrative and other expenses	29.39
Total	$ 138.64

The idea that per capita costs will drop if the population density increases is contrary to all actual experience, according to Pough's findings. "In fact these costs do just the opposite—they increase," he states. To substantiate this, he refers to the per capita taxes of New York City where a fair share of business establishments help carry the load:

Streets, water, sewage waste disposal	$ 17.46
Judiciary, police and fire protection	47.13
Schools	20.95
Administrative and other expenses	77.81
Total	$ 165.35

As a guide for civic groups and public officials wishing to analyze their local tax problems in relation to available open space, Pough suggests the following outline:

Name of Community
Period covered
Population
Number of School Children
Number of Residental Units
Total Area of Community in Acres
Open Space Acreage
Annual Cost of Government and of Services provided:
(including capital expenditures, debt service, maintenance, running expenses)

	Total Per Family	Per Capita
Streets, water, sewage, waste disposal	.....	.....
Judiciary, police, fire	.....	.....
Parks, recreation	.....	.....
General Expenses (administrative, legislative and financial)	.....	.....
Miscellaneous	.....	.....
Total		

Sources of Funds to Cover Above Expenses:

	Total	Percent of Total
Residential structures and lots	.....	.....
Business establishments and land	.....	.....
Productive land (crop land, forest, watershed)	.....	.....
Undeveloped unproductive land	.....	.....
Miscellaneous	.....	.....
Total		

In his presentation of the tax study made of Lexington, Massachusetts, Greeley pointed out the added advantage of open space in helping to retain the rural charm of a suburban community and in providing outdoor areas for recreation. Residents are afforded ample elbow room for outdoor activities—intensive sports and games as well as quiet relaxation and rest in the open air. Keeping the "old swimming hole" and the corner lot for the neighborhood kids may end up being not only a contribution to the community's recreation program but a sound financial investment promising future savings as well.