

# VIII

## ECONOMY

**"What recommends commerce to me is its enterprise  
and bravery. It does not clasp its hands and pray to Jupiter."**

*Henry David Thoreau*

## 8.0 ECONOMY

### 8.1 GOALS

*Goals: Maintain and expand the town's economic base within the context of the town's primarily residential character.*

### 8.2 EXISTING CONDITIONS

#### A. Employment & Business:

Eastchester's economy is characteristic of the larger county economy. The majority of the employment in the town is devoted to service uses (approximately 46%). The next largest employment category is retail, accounting for about 19%. The county economy reflects 40% service and 14% to retail.

The majority of the employment in town is devoted to service uses (46%).



*(Shopping Center)*

Only 3.2% of the town's land area is devoted to commercial use.

Eastchester does not support major industrial or manufacturing uses. The commercial employment activities identified above are concentrated within the town's seven commercial areas. Only 67.9 acres or 3.2% of the land area of the town is devoted to commercial activity.

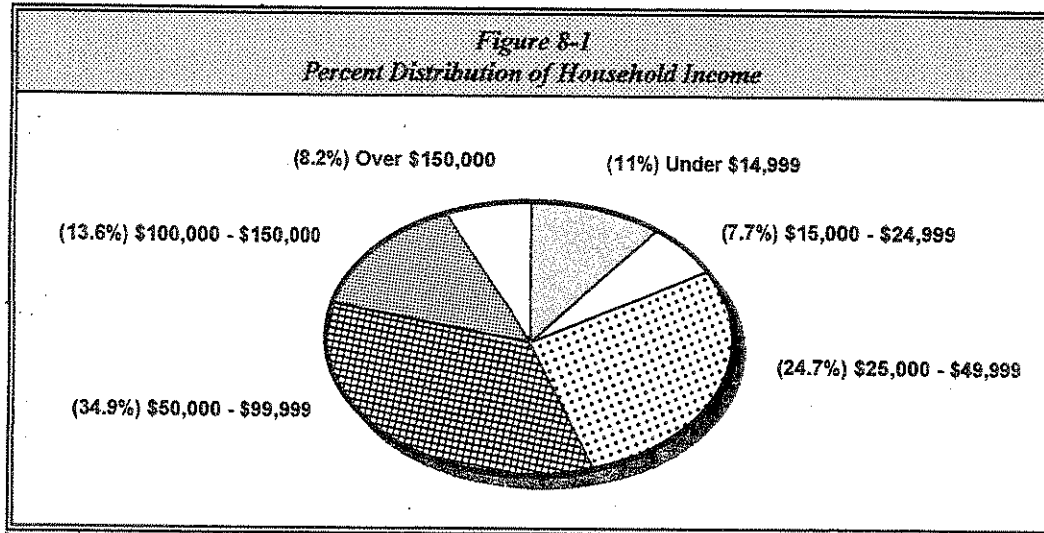
A large portion of the local economy is devoted to service (office) use. However, a larger percentage of the land area of the town is covered by retail uses.

A recently released report prepared by the Westchester County Department of Planning revealed that Eastchester placed within the top ten retail areas of the county. The town's upscale shopping centers along Route 22, such as the Vernon Hills Shopping Center attracted national retail chains like The Gap and Ann Taylor. Recognizing their successes in Eastchester, a number of retailers have attempted to duplicate these stores elsewhere in the region.

Eastchester is one of the top 10 retail areas in the county.

While strongly competitive within Westchester County, when inflation adjustments are made, gross retail sales in Eastchester are actually down since the late 1980's. A strong factor that will likely reinforce this trend is the recent development of new malls in White Plains. "The Westchester" a million square foot mega-mall and the "Westchester Pavilion" a 173,000 square foot power-center have brought to the region intense retail competition. Additionally, plans for the "Westchester Place" which may add another 200,000 square feet of retail space continue to advance. These new developments are in addition to the recently refurbished 880,000 square foot Galleria Mall. This enormous volume of new retail space and competition has significant potential to undercut the retail market in Eastchester.

Eastchester is a comparatively affluent community. 1990 median household income was \$59,274. As a measure of comparison, the Westchester County 1990 median household income was \$48,406. Figure #8-1 indicates the percent distribution of household income.



**Eastchester's  
Median House-  
hold EBI  
is approximately  
\$53,000**

The Effective Buying Income (EBI), or more commonly called "disposable income," which is an accurate measure of market potential, is well over a billion dollars. The EBI of Westchester County is over 24 billion dollars. Eastchester's median household EBI is about \$53,000, compared to the county average of \$56,000.

As a measure of comparison, the New York EBI is nearly 330 billion dollars and represents fully 8% of the national EBI. Only California has a higher rating. Further, Westchester County ranks among the top 50 suburban areas nationwide in EBI.

These figures demonstrate that Eastchester and the surrounding region contribute substantially to the local, regional and national economy.

### **B. Tax Base & the Cost of Government**

The cost of government in the Town of Eastchester is reflective of the level of service devoted to residents. This can be illustrated by reviewing a summary of the 1994 budget (Figure #8-2).

**Figure 8-2**  
**1994 Budget Summary**

<b><u>Town Wide Budget</u></b>	
General Government	1,549,430
Elections	59,790
Central telephone	39,000
Special Items	410,704
Traffic Control	7,000
Parking	11,000
Highway Superintendent	94,149
Veterans Services	2,000
Programs for the Aging	226,699
Senior Nutrition Program	223,388
Aging S.N.A.P.	61,044
Community Fund	27,750
Recreation, Parks, Bldgs	689,756
Youth Council	49,131
Community Development	126,361
Employee Benefits	531,560
Total Tax Levy	4,109,090.60
Revenues	2,618,449
Net Tax Levy	1,490,641.60
<b><u>Town Outside Budget</u></b>	
Police	3,391,073
Special Items	390,414
Animal Control	11,800
Examining Boards	375
Safety Inspection	130,598
Emergency Control	14,493
Zoning Board of Appeals	11,725
Planning Board	20,900
Employee Benefits	1,490,514
Highway Fund	2,354,268
Library Fund	1,000,335
Street Lighting District	171,000
Refuse District	1,503,936
Recycling Program	24,910
Water District	137,000
Total Tax Levy	10,653,341
Revenues	2,013,007
Net Tax Levy	8,640,334
<b>Bronx Valley Sewer Dist.</b>	
Total Tax Levy	1,320,674.74
<b>Hutchinson Valley Sewer</b>	
Total Tax Levy	695,501
<b>Refuse District #1</b>	
Total Tax Levy	1,599,333.92
<b>Town Sewer District</b>	
Maintenance, Operations	129,274
Revenues	2,500
Total Tax Levy	126,774
<b>Eastchester Fire District</b>	
Total Tax Levy	6,368,563.32

Tax rates for the town are distributed among seven taxing jurisdictions, not including the school tax. The following rates are per \$1,000 in assessed valuation:

Westchester County	101.9834
Refuse Dist #1	12.0811
Hutch Valley Sewer Dist.	15.9899*
Town Wide	11.6934
Town Outside	115.5360
Town Sewer	1.6448
Eastchester Fire Dist.	48.5060
Total Tax Rate	307.4346

\* Residents in the Bronx Valley Sewer Dist - The rate is 11.9709, and the Total Tax Rate is 303.4156.

Added to the tax rate detailed above are the school taxes. The Eastchester School District tax rate is 311.2774 per \$1,000 of assessed valuation. The Tuckahoe School District tax rate is 356.2959 per \$1,000 of assessed valuation.

Eastchester's total  
assessed value is  
\$74,784,774

Eastchester's residential tax base accounts for the primary source of tax revenue. The total assessed value of the town is \$74,784,774. For several years, there has been a shift in property taxes from commercial properties to residential properties. This shift has caused an increase in the property tax burden on households. Tax rates rise to compensate for reductions in assessments, or the tax base, of commercial properties.

A further important consideration is that state and federal aid to Westchester's governments and school districts has been declining. Total state aid to Westchester declined from 17.6% of total revenue in 1980, to 17.1 in 1991. Total federal aid to Westchester declined from 13.7% in 1980 to 6.2% in 1991.

Eastchester remains economically strong, and the local economy continues to provide opportunities for primarily the service sector, but also strongly for the retail sector as well. An increased residential tax burden may begin to deteriorate Eastchester's economic strength.

**8.3 POLICIES**

8-1 Employ a broad and wideranging program of revitalization and enhancement of the town's seven commercial areas in an effort to strengthen these areas and broaden the commercial tax base.

8-2 Encourage appropriate and well planned redevelopment of commercial areas to bring new vitality into commercial areas.

8-3 Support well planned, rational residential development of the few remaining vacant parcels, as well as conforming infill development in existing neighborhoods to expand the residential tax base.

8-4 Establish a "Revitalization Ombudsman" to, among other tasks, coordinate owners of commercial space, realtors, lending institutions, and business leaders to target businesses and develop incentives to bring them into existing vacant space in Eastchester.

8-5 Review the possibility of a town wide reassessment.

8-6 Expand existing programs, and explore additional opportunities for intermunicipal cooperation and shared services as identified in Westchester 2000 and the Pace University study.

8-7 Strengthen links with the Eastchester and Tuckahoe School Boards to work as a single entity serving the same public. Work together to realize economies through sharing, cooperation and coordination.

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