A Discussion of the Proposed Lansing Sewer District

The Town of Lansing is pursuing the formation of a sewer district that would run along Route 34B north of the current Town offices past the Lansing Schools, and then along Myers Road to Ladoga Park. The proposal is important but complex. The purpose of this blog is to summarize information on what is proposed in an easily accessible fashion. Short answers are given to questions listed below. The information is drawn from Lansing Town Board meetings and (especially) a May 2012 report prepared for the Town by Hunt Engineers, Architects and Land Surveyors (available at the town web site at http://www.lansingtown.com/phocadownload/Sewer/mpscaaug2012.pdf).

1. **What is proposed?** The subject sewer district has been defined by irregular boundaries. It is comprised of town lands that could be the basis of a town center, a narrow corridor along Route 34B and then along Meyers Road which generally avoids house lots and incorporates vacant land, and ends by including all of Ladoga Park. The proposal is to build a sewer serving land and home owners within this district. The sewer system will be paid for solely by those within the district. The cost will be equally allocated among the equivalent dwelling units (EDUs) that are defined by the Hunt report within the district. Yearly fees will consist of the interest on the loan that each EDU will take out to build the $9,750,835 sewer line and processing plant, plus the yearly cost of operating the sewer system.

2. **How are EDUs defined?** An EDU or “equivalent dwelling unit” is defined as a house or an undeveloped parcel of land that is less than 3 acres. Undeveloped parcels of land greater than 3 acres are converted to EDUs by dividing their acreage by 3. Farms are exempt from this rule. The farmhouse constitutes 1 EDU regardless of the acreage of the farm. Institutions are assigned EDUs according to the amount of municipal water they use at the rate of 160 gallons per day (gpd) per EDU.

3. **How many EDUs are there within the proposed sewer district?** The Hunt report identifies 828.5 EDUs within the proposed sewer district (167 presently existing households, 378.8 EDU equivalents in currently undeveloped land, and 282.7 EDU equivalents in present commercial, institutional and apartment water usage converted to EDUs using the conversion factor of 160 gpd per EDU). The existing households and current institutional (first and last categories representing 442.7 EDUs) are real and generating sewage. The 378.8 vacant land EDUs will be charged as if they were generating sewage because they could be developed in the future.

4. **What would be the cost or the sewer system per EDU?** Each of the 828.5 EDU’s portion of the $9,750,835 construction loan is $11,769. The principal plus interest payment on a 30 year 4% loan for this amount is $680 per year. The operating and maintenance (O&M) cost is initially $119 per year. The total initial (year 1) fee estimated by Hunt is thus $799 per year for each EDU. This is less than $816/EDU. If it were over this amount approval of the NYS Comptroller would be required to proceed with the proposed sewer.
If, in addition, it is assumed that 50 additional EDUs are constructed per year for the next 5 years and 10 new EDUs per year over the following 25 years, and if lower initial interest rates are assumed, and if O&M costs rise in parallel with the development, the first year fee estimate become $611 per EDU rising at full development to $704 per EDU. These are estimates that have been mentioned by Andy Sciarabba, advisor to the Town sewer committee. The eventual number of new EDUs envisioned in the Sciarabba vision is 500 more than envisioned in the Hunt report (1328.5 rather than 828.5 EDU).

5. **Can 500 additional EDUs be supported by the proposed Sewer plant?** The capacity of the proposed sewer treatment plant is 151,351 gallons per day. With the 378.8 new EDUs Hunt assumes, the sewer load will be 116,983 gpd (e.g., Hunt, Table 1). The unused capacity of 34,638 gpd could support 215 additional EDUs at 160 gpd/EDU. This is less than half the additional EDUs assumed by Sciarabba. Development at the level he suggests will therefore probably require expansion of the proposed sewer plant, and this will increase, not decrease, the fees per EDU.

6. **Will an EDU that chooses not to connect to the Sewer still be assessed the fee?** Yes. Both the loan costs and the O&M costs will be assessed to each EDU regardless of whether the EDU is a house which chooses not to connect to the sewer, or vacant land which has no reason to connect. Legally the proposed sewer fee is a tax, not a fee for delivered service.

7. **Will there be costs in addition to the sewer fee?** Yes. Homeowners that choose to connect must pay the cost of laying pipe from their home to the sewer (estimated at $1000 to $3000 at the August 6th Lansing Board public meeting). In environmentally sensitive areas homeowners who connect may be required to remove their old septic systems, which could cost several thousand dollars more. As sales prices increase on land because it can be developed more densely, assessments will be adjusted. According to testimony to the Board at an informal session September 5th by the Director of the Tompkins County Assessment Office Jay Franklin, the assessed value of an acre of developable land could increase from $5,000 to $10,000 to perhaps ~$60,000 per acre. This applies to town land as well as private land.

8. **How can the development allowed by the proposed Sewer District be controlled?** Development can be controlled by zoning and the construction permitting process, but for this process to work the town needs to have a written document describing the development it desires. Zoning in Lansing is flexible because waivers of various kinds can be requested. The current PDA process incorporates only general goals and does not have specific requirements for open space, design guidelines, public amenities, landscaping, etc. There is no instance, I have been told, of the Town denying a request for a waiver to allow denser development in the Warren Road area (now served by a sewer). The proposed Sewer District encompasses land parcels carrying all the denser development categories (B1 and B2 commercial, IR research, R3 and R3 residential) as well as L1 lakeside, and RA rural agricultural. With permission or the PDA process, the R2 and RA classifications can be developed at apartment/condominium and townhouse densities or in cluster developments. With permission or with the PDA process, agricultural land can be developed with motels, retail sales, mini commercial, gas stations, car wash, laundry, vehicle body shops, a scientific research laboratory, or a junkyard (to name a few of the possibilities). The Town can be sued by a developer who is treated differently than others.
have been treated. To deny a request, the Town must be able to defend the proposition that the proposed variance is “out of character” with a publically posted plan or with what has been permitted before. The 110 senior apartment units proposed for Town land will be multi-story. At the September 5th Informal Board discussion session, the part-time Lansing Town Planner Jonathan Kantor stated: “The Town needs to know what it wants to do to have control over the style and nature of development.” Only if a vision of development of the nature and style of development is issued in a Town document before the Sewer District is established or before land sales presuming the construction of the Sewer are made, will the Town have control over the nature of the development. Otherwise the Town will be obliged to grant development permits in accordance with previous practice and will have little or at least greatly diminished control over the development process. If it has allowed multi-story apartments in one location it will be hard pressed not to allow them in all similar locations, even if this kind of construction is undesirable from a town development perspective.

9. **Can the proposed sewer plant be expanded?** Yes. If new districts are created that can bear the cost of expansion, the sewer plant can be expanded or a new sewer processing plant can be constructed. How much the capacity of the proposed treatment plant might be increased is unclear. The 2006 Town Plan envisions that sewer districts will eventually be established throughout all of southern Town of Lansing.

10. **How can new sewer districts be created and tied into to proposed district?** Unless the Town establishes a process for approving new sewer districts, they can be created at the discretion of the Lansing Town Board in the same fashion as applies to the creation of the current sewer district. Water districts are expanded, according to new Town policies, only upon meeting specific criteria and after review of a citizen committee appointed by the Town Board. The demand for additional districts or tie-ins could be substantial. For example, Kingdom Farms has long wanted to build a 500 EDU development and their property in is in a position such that it could tie in to the proposed sewer district. The Town supervisor has publically stated that three developers of large land parcels in South Lansing have approached the Town expressing interest in extending the proposed sewer into their lands.

11. **How will the current sewer district be created?** The Town Board has not decided to create the sewer district discussed here yet, but it has decided that it can presume a positive vote by the residents in the proposed District and that it (the Board) can therefore make the decision to create the Sewer District. If, subsequently, 5% of the residential parcel owners in the District submit a petition requesting a vote, the sewer district decision will be put to a vote by voting entities within and only within the proposed sewer district. The voting entities will consist of the 167 parcel owners living within the district, with one or two votes each depending on whether the household title is joint of single, the institutions within the district (2 apartment complexes, one elderly housing complex, 21 businesses, 2 churches, 4 schools, 3 town facilities, 1 county facility, and 2 state correctional facilities) with one vote each, and vacant land parcels presumably with one vote each. The Sewer District will be created if a majority of these voting entities vote for its creation.

12. **Who will benefit from the district?** Homeowners with problematic septic systems, land owners wishing to sell their land, and developers will benefit. The Town could benefit if the sewer leads to an
attractive and well planned town center offering the kinds of amenities desired by the Town. Seniors could benefit from having attractive retirement housing options (ownership or rental). People who cannot currently afford to live in Lansing might be able to own or rent one of the affordable cottages. Two of the three school septic systems are in need of repair, but the cost of repair is almost exactly the same as hooking up to the proposed sewer plus 15 years of fees so the schools will see no net benefit from the sewer according to documents presented at the August 6th board meeting.

13. **Will the sewer reduce taxes?** Not significantly, and it and it may lead to an increase in the tax rate. The tax base of Lansing is increasing at $20,000,000 per year on average as the result of physical growth (e.g., due to physical home improvements and the like not any increase in market value). At $21/$1000 the town can expect to receive $440,000 additional tax income each year from this physical growth. It was suggested at the Aug 6 Board Meeting that the tax income from the hypothetical senior apartments and affordable senior housing, valued at $16,000,000, could be $336,000 per year. At the Sept 5 Board meeting, however, County Tax Assessor Jay Franklin pointed out that affordable senior housing enjoyed a tax break such that housing which costs $8,000,000 to build has a tax valuation of $500,000. He stated that the apartments and affordable housing units would likely have a combined valuation of $10.3 million. The hypothetical senior housing (apartments plus affordable housing) would thus bring in tax revenues of perhaps ~$216,000 per year. This revenue is ¼ a year of physical tax growth and is insignificant from a Town fiscal perspective. Tax receipts on the $60,000,000 valuation of AES Cayuga in 2014 will be $1,200,000 (at a tax rate $21/$1000 valuation), and perhaps zero the following year. The loss of this AES tax income will be made up in 3 years of physical tax base growth if that growth continues at the historic rate. Lost AES revenues will not be made up for in any significant sense by the development stimulated by the proposed sewer district, although having a sewer will allow faster growth in the longer run.

The proposed sewer will increase taxes on the 150 acres the Town has recently bought out of parkland status from the state. At $60,000 per acre the land will have a tax value of $9,000,000, and at $21/$1000 the taxes on town land will be $189,000. These taxes paid by the Town must be supported by an equal increase in Town revenue.

The proposed sewer could lead to increased taxes if it increases student numbers beyond the unused Lansing school capacity of ~270 student (school official at Aug 8 Board meeting). The 378.8 new EDUs envisioned by Hunt will be half senior housing, but half could have school age children. Sciarabba suggests 500 additional EDUs will be constructed, and Kingdom Farms could add 500 more. If these 1190 non-senior EDUs had just one school age child each, new school construction would be required and this would come out of the general Town land taxes.

14. **Will the sewer protect the lake?** Protecting the lake is not a good argument for the sewer. Pollution threats to the lake are proportional to the amount of development near the lake, so dramatic new development will increase risk. Second, piping all the current, plus all the new, sewage in the planned district to a sewage treatment facility very near the lake is unlikely to reduce risk. A pressure assist (pump) in the Ladoga Park area is needed to move their sewage to the treatment plant. Pumps can fail. Gravity feed pipes can fail or leak. The processing capacity of the plant can be exceeded in
heavy rain storms. Septic systems can of course also fail, but usually many septic systems do not fail all at once, and septic failures far from the lake pose no risk to it at all. Individual septic failures are not as hazardous to a large Lake as infrequent failures of a large sewer system. Ladoga Park is not a current pollution problem that needs fixing. After a presentation on water quality in and around Cayuga Lake at a Town Board May 16, 2012 by Stephen Penningroth, Executive Director of the Community Science Institute, Ed LaVigne asked Mr. Penningroth about the water quality at Ladoga Park. His answer was that they had not found any harmful bacteria in the water and that the water quality had not gotten worse over the years.

15. **Who will be hurt by the proposed sewer district?** Home owners who do not need or want to connect to the sewer will be forced to pay an unwanted fee. Those with vacant land will be forced to pay a fee and higher taxes. Town residents will be impacted by construction noise and traffic. Those in the Town who value Lansing’s rural character over dense development will be unhappy if they feel they have no say in decisions that led to it. If the Town Center does not have a plan including the amenities desired by the Town (Holt Plan), Town residents may feel misled. If the hurriedly built senior and cottages cannot be fitted into a town center plan that is put together at a later date, the town center may not end up as a pedestrian friendly town center, but rather a hodgepodge of isolated and unconnected housing units.

16. **Why is dense senior housing a good nucleus for a town center?** I have heard no answer to this question. At the September 5th Board Meeting part time Town Planner Jonathan Kanter stated that too much of this style of development would not be desirable, and he suggested that a nucleus of open land, perhaps a golf course, might be considered as an attractive additional nucleus.

17. **What are the issues that should be discussed?** The proposed sewer system will benefit the Town only if, in the long term, the development it allows is perceived to be desirable. Many would be happy if the Town of Lansing developed in European style as a charming Village surrounded by farmland and trails. Few would be happy if the southern portion of the Town of Lansing developed in an uninterrupted Los Angeles style sprawl of shops, houses, gas stations and roads. We need to discuss what kind of development the Town of Lansing desires in the next decade, and then we need to discuss, understand how, and be confident that we can control development so that the desired style of development is realized.

18. **My recommendation:** The Town need to take time to discuss and describe the style, density, and character of development we desire and put in place documents and procedures that will allow the Town to manage which new sewer districts will be allowed when, and to manage the growth that will be permitted within any new sewer districts that are established. We are not in a race, and there is no urgency to act quickly. We have only one chance to get this planning right. A few years of planning can produce decades of town pride. Proceeding without a development roadmap and control strategy is likely to produce a suburban sprawl in which any Town Center is accidental and unremarkable.

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September 16, 2012