
John O'Farrell
Superintendent



Thank you to Supervisor Smyth and the Town Council for holding this Public Hearing, and thank you to all of the stakeholders here this evening for participating in this process. My name is John O'Farrell and I am the proud Superintendent of the Half Hollow Hills Central School District.

PILOTs, or Payments In Lieu of Taxes are not good for school districts. For better or worse, public school districts run on taxes, and PILOTs are tax abatements. I've been employed in Half Hollow Hills for 25 years, and we've been saying this, in one form or another, as far back as I can recall. There is no question that the most beneficial type of development in any school district is fully taxed industrial or commercial property that does not yield any students.

But what we don't typically acknowledge is that PILOTs are not intended to be good for school districts. That is not their purpose, by definition. They are incentives designed to encourage economic growth. If there is a benefit to a school district, it is indirect and often seen years later. It is also true that projects that receive a PILOT and generate students are even more concerning for schools, as I've shared in other public statements.

As a district, we recognize that we do not control zoning in the Town of Huntington. When these zoning changes were being proposed, we expressed our concerns to the Town. The Town, in their full responsibility, weighed our concerns against those of other stakeholders and ultimately voted to adopt the Melville Town Center Overlay District- A council vote which was then bolstered by the public vote this past November. This decision falls within their purview and right, as they are responsible for and serve more than just Half Hollow Hills.

Similarly, the Melville Town Center Overlay District is, by design, not intended to benefit the school district it exists within. That is not its purpose. These zoning changes were designed to address other needs identified by the Town, such as housing and economic redevelopment. We understand that, and respect the Council's authority to make these decisions.

Having said that, the MTCOD lies entirely within the boundaries of Half Hollow Hills, and I have been charged with the responsibility of ensuring that it continually improves upon its history of excellence. We can not do that without contributions from developers beyond PILOT payments.

We have been working with Steel Equities for over six months to come up with an agreement that could supplement PILOT payments and address some of our concerns. In that time, I know that they have also met with community associations and other groups to hear and address their concerns. They have been engaged, responsive and willing to consider various

solutions that could be used with this, and future development projects. Although we do not have an agreement at this time, we have found enough common ground that we will continue the work. I want to thank them for the time and effort they've dedicated to Half Hollow Hills.

I cannot say that Melville Crossing presents no risk to the District. With any large development, there is a risk of a sudden and substantial student yield that exceeds the income to the district. The same has been true for all of the large residential developments that are currently in our district.

From the outset, we have stated that the Half Hollow Hills Central School District will not support, endorse or promote any development within the MTCOD. That is not in our best interest, and it is not fair to the residents of our community that hold disparate opinions on these matters. If we are able to establish an agreement that is ultimately approved by the Board of Education, the District will not oppose, nor take any position on Melville Crossing.

To Supervisor Smyth and the Town Council:

You have approved the zoning, and you've heard the same things I have about the need for developers to pursue PILOTs. If you believe that to be true, and you believe that mixed use development in this zone is what's best for the Town, then I would respectfully request 3 things from you:

1. Amend the MTCOD zoning code to include reference to a required agreement with the Half Hollow Hills Central School District, and only consider proposals that agree to the stated terms and conditions. The team from Steel Equities have been very generous with their time and I appreciate our conversations, but respectfully, I don't want to go through this for every proposed development and I don't want Steel to be held to a higher standard than subsequent developers. Help us by amending the code and requiring a standard agreement directly with the District.
2. Work with us to more clearly define the "pause" that is referenced in your code. The 1,500 permitted residences of the MTCOD represent a 9% increase in the number of residential units in Half Hollow Hills. We understand that rapid growth in the zone is an important component of developers business models. As Superintendent, I believe a more measured approach that allows for the timely review of **actual impacts**, not hypothetical impacts, outweighs the need to create optimal conditions for businesses. If you choose to approve Melville Crossing, please allow us to use these first 400 units to demonstrate actual impacts, rather than approving subsequent proposals based on the same hypothetical data. Even with an agreement directly with developers, we need time to see if we get it right.
3. Continue to support us and keep our interests in mind. We understand the bigger picture and that we are only one component of your considerations, but for us, the District is our only focus.