



Westchester LDC votes preliminary approval of \$35m in bond financing for Sarah Lawrence College

September 10, 2024 - Front Section

Yonkers, NY The Westchester County's Local Development Corp. (LDC) voted preliminary approval on July 24 of \$35 million in tax-exempt bond financing for renovations at Sarah Lawrence College near the Village of Bronxville. The bond financing is for a period of 30 years.

Westchester County executive George Latimer said, "We are very pleased for the Local Development Corporation to provide tax-exempt bond financing for renovations at Sarah Lawrence College. This prestigious liberal arts college has been a pioneer of innovative educational programs since its founding nearly 100 years ago."

LDC chair Joan McDonald said, "The tax-exempt bond financing by the LDC will generate more than \$5.3 million in fiscal benefits for the county and retain and create over 1,700 jobs on campus."

The project for the 44-acre campus includes renovation and rehabilitation of campus facilities including the Siegel Building; the Performing Arts Center; the Bates Building; existing improvements at 161 Hampshire Rd., athletic facilities and Hillhouse Building exterior.

It also includes the purchase and renovation of existing building and other improvements located at 8 Oak Bend; campus-wide information technology hardware, infrastructure improvements and upgrades; refinancing of certain existing equipment lease and the acquisition of and installation in and around the improvements of certain items of machinery, fixtures, equipment and other items of personal property.

According to a cost benefit analysis prepared for the LDC, the renovations project would generate a one-time sales tax revenue of \$45,973 and \$5.2 million in sales tax revenue over a 30-year period. It will also generate \$81,250 in fees to be collected by the LDC based on the bond sale proceeds. Total benefits for the County would be \$5,364,468.

In addition to the bond financing, the college would also receive a one-time mortgage tax exemption of \$630,000. The net benefit cost ratio for the project would be \$8.52 in revenue generated for every \$1.00 of assistance from the LDC.

It is estimated that the project would create 63 jobs during the construction phase.

The LDC assists Westchester not-for-profit organizations in securing tax-exempt bond financing

benefits. These benefits are provided at no cost or risk to the taxpayers of Westchester County. Since its inception in 2012, LDC has assisted not-for-profit organizations in securing tax-exempt bond financing totaling over \$1.9 billion.

New York Real Estate Journal - 17 Accord Park Drive #207, Norwell MA 02061 - (781) 878-4540