

**The City of Beacon Council Workshop
Monday January 4, 2010**

The Beacon City Council Workshop was held on Monday January 4, 2010 in the Municipal Center courtroom. Present were: Council members Sara Pasti, Randy Casale, Jerry Landisi, George Mansfield and Marlene Fredericks. Also in attendance: Mayor Steve Gold, City Administrator, Meredith Robson and City Attorney, Richard Wolf. Council member Charles Kelly was absent.

The Workshop began at 7:15p.m.

Fire Service RFP – The Mayor explained that this was initiated due to the fact that there was discussion regarding closure of Beacon Engine No. 1. Consultant will be looking at the response time to the affected area and the density of the area that would be affected by this. In addition, a full review of the entire Fire Department and its operations. This RFP has been put out for bid and the City is waiting for responses. At the next workshop, the Mayor will announce the committee who will be reviewing all RFP's

Council Member Mansfield asked if there would be an Emergency Preparedness Section, as this has been brought to the attention of the Council at previous meetings. Administrator Robson stated that it would touch on that lightly, but certainly the City can ask for more details.

Council Member Landisi brought up the Scope and the seven items listed and questioned who prepared the RFP. City Administrator stated that it was from results of the Council and Tim Dexter is the person who composed the RFP to be sent out.

Proposed Local Law Creating RD – 1.7 Designed Residence – This is regarding the Edgewater Property which is north of train station. This zoning district is traveling down Tompkins Avenue towards the river. City Planner, David Stolman reviewed this Local Law for the new Council Members and for members of the Council that have been re-elected.

There was a public hearing held on September 8, 2009 what held this Local Law up was a SEQRA Analysis of a combination of Long Dock, TOD and this property. The Traffic Study was also performed. In the fall was the Cost of Service Impact Study. We are in the process of a Full Environmental Assessment Form. It was the SEQRA work that has held up this Local Law. Within a week the City Planner is hoping to get the EAF to all Council members and the Negative Declaration, with respect to SEQRA analysis. Once the Negative Declaration is approved by the Council, the City can move forward with the RD 1.7.

Mr Stolman explained the RD Zones as Single Families, Two Family and Multi Families. The number after the RD represents the number of square feet that is needed per dwelling unit. For example RD 1.7 means for every dwelling unit 1700 square feet of lot area. What this equates to on the twelve acres is three hundred and seven dwellings maximum.

The traffic study that was done was paid by the developers, but controlled by the City. The net revenue for this RD 1.7 is \$228,806 this is after taken out all of the expenses. The Beacon School District would have net revenue of \$572,295.

It was decided to bring this item to the Council Meeting following the Workshop to have first reading, set public hearing for Tuesday, January 19, 2010. This will be discussed further at the next workshop on Monday, January 11th.

Proposed Local Law Transited Oriented Development – The purpose of this being on tonight's agenda is to bring the newly elected Council Members up to date regarding the Transit Oriented Development. There is a new update version of the Proposed Local Law.

The latest draft is dated November 13, 2009. Mr. Stolman walked through the changes with all the Council Members. It was noted that one of the changes was not to affect Main Street. In addition the previous version would have allowed a large chain to be in this district. How much development would take place west of the railroad track was also revised. In summary not much development would take place and they would be small units. MTA had no position, whether the City of Beacon had any retail on the other side of the track. In the negotiations with MTA and the City of Beacon. This negotiation gives the City of Beacon the opportunity to develop or not develop on the west side of the tracks. In order to make this a mixed use project some changes were made to the original Local Law. This gives the City an opportunity to say that the percentages of Commercial and Residential units have to be the same. For instances 50% Commercial space, the developer would have to allow for 50% of residential dwelling also. The Mayor made a note on Page 4 Section 7 Second Sentence: *If phased, each phase shall contain the some proportionate percentage of commercial floor area as the total floor area of the commercial component of the TOD is as the total floor are of the TOD. Mayor Steve Gold asked Mr. Stolman if he would circle the word IF (first word in the second sentence.)* The Mayor stated that at a later date the Council will decide whether or not this would be included in the Proposed Local Law. On page 4, Item Number 9, Mr. Stolman stated that this was a safety net.

There was a discussion with Professor John Nolan he is the president of Pace Land Use Law. Professor Nolan very clearly stated that the City of Beacon we could require the Marketing Study as part of the SEQRA process. Mayor Steve Gold stated that Professor Nolan also stated that the Marketing Study be included in the zoning text itself. That we do not have to wait for the EAF and that it can be included in the RFP for a pre-application fee and for the EAF. Professor John Nolan also recommended that the pre-application be included. In other words when the developer creates the plans he would have to come in on a pre-application basis with the Marketing Study. The developer will be responsible for paying for this Marketing Study, but the City will decide on what firm will be providing this study. Mayor Steve Gold stated that City Administrator thought that a flow chart would be helpful of each step the developer would have to complete before going to the next step. Mayor Gold asked Mr. Stolman if he could provide the City with this flow chart. In addition the City will hire a Marketing Firm to review the

Marketing Study, which again the developer would pay for. Professor Nolan also thought it would be important to have a linkage to Main Street. Mayor Steve Gold stated that Professor Nolan offered to come to a meeting where he would at the Community Segment speak about Land Use. Another revision to the Proposed Local Law is on page 22 section F. regarding the *Maximum building height. It was 7 and changed to 6 stories and it was 85 feet changed to 78 feet with no more than 20 not 25 percent of total building footprints exceeding* Professor Nolan suggested protecting view sheds to have tall buildings so the City of Beacon would have more space between the buildings. The City would also like to have from Beekman Street to Main Street considered as a Pedestrian Oriented Zone it will be an overlay or put in a separate zoning which would be encourage to be used as a corridor to Main Street. This will be the next immediate step with the Transit Oriented Zone. Council Member Mansfield asked if this would impact on the developer's plans. Mayor Steve Gold asked Mr. Stolman to include in the TOD zone references to this corridor and the city wants the corridor to support the TOD zone.

The net fiscal impact of the TOD would be \$797,000 for the City and the school system would be \$2 million dollars. This is property tax only and it does not include any spin off of this TOD Zone.

Council Member Landisi stated within the TOD Local Law it refers to the "central" business district of Main Street. The question was is the entire Main Street included? Mayor Gold stated that the law should state Main Street and not central business district of Main Street.

There was a comment that on Christmas Eve Day at 11:00am there was only a few shops open on Main Street for Christmas Shoppers. On the east end only the bagel shop was open and on the West End, paper presence and the Hudson Beach Glass was the only shops open. When the Main Street business owners have negative concerns with this TOD Zone they should be mindful to the constituents and tourist who would like to shop in Beacon and keep their shops open especially during the holidays.

A question and answer document was composed and distributed to the City Administrator, David Stolman and Professor John Clarke for their comments. After they review this Question and Answer Document it will be distributed to the Council, at which time a final version of its which is an objective Q&A which should come from the Council. After this is completed and approved by the Council, the City of Beacon will ask the two representatives from each of the committees and two representatives from the public at large, and say this is what was discussed when they met with the City Council at Tompkins Hose.

Proposed Local Law Affordable Housing - Mr. Stolman reviewed the July 24, 2009 version of the Proposed Local Law regarding Affordable Housing for the benefit of the newly elected Council Members.

There was a suggestion to change the median income from 80% to 120% so that City Employees would be qualified. The Mayor suggested that before looking at the formula,

the City Administrator would take the salaries and look at the 30% and look what is out there. City Administrator will do a survey of property rentals and properties for sale.

Council Member Pasti brought to the attention of the Council that she does not believe that the qualifications are not specified in this local law. The question was if they have a change of income then what would happen? Council Member Casale thought after the lease agreement is expired; the verification of income would be look at to see if they still qualify. Council Member Mansfield asked if someone buys an affordable home and the income changes. What would transpire is when this property owner that bought an affordable house and then sells this home he has to sell it for what he bought it for which is affordable.

There will have to be a person in charge to keep a paper trail and at the end of each lease it would need to be reviewed. It was asked if the rentals or homes that fall under affordable housing will they be segregated. It was confirmed that the affordable housing units have to be “reasonable distributed throughout the property”

Regarding the median increasing every year so will the 80%. Mayor Gold stated that this was a good point to discuss with the Council that if an individual qualifies one year and the median changes this individual should not be penalized for that. There should be a range for persons who are no longer eligible because they are making more money. What that range is would it be three times? City Administrator stated she has some experience with Affordable Housing that she believes a person would have to qualify every year. There is no flexibility, if a person does not comply with all the qualifications then they would have to vacate, as there could be a family waiting for affordable housing. Mayor Gold stated that it should state the following 1) When will eligibility be reexamined, 2) When do you fall outside of the eligibility range, 3) After discussion with the Council at a future date, Mayor Gold feels that if a person falls out of the median range it should have no affect on them.

Tax Abatement Policy – City Administrator Meredith Robson explained the Tax Abatement Policy. We the City are under the 485B Tax Abatement Program which the City opted into in 1998, which is available to business who make improvements in the amount of \$50,000 or more to the existing building. This is in the course over ten years, divided over the years 50% the first year, 50% the following year, 50% the third year, drops to 40% in the fourth year, 30%, 20% in the Fifth Year, 10% for the Sixth – Ninth Year and then 5% in the tenth year, and then full amount for the remainder. This reduction just after the improvements is made.

1. Authorization for exemption

Section 485-b of the Real Property Tax Law authorizes a partial exemption from real property taxation for Commercial, business or industrial property constructed, altered, installed or improved subsequent to July 1, 1976 or a later date as specified in a county, cities, towns, or village’s local law or in a school district’s resolution. The cost of such construction, alteration, installation or improvement must exceed \$10,000 or a higher minimum, not to exceed \$50,000, as may be provided in such local law or resolution. Ordinary maintenance and repairs do not qualify for exemption. The property must not be receiving or have received any other exemption authorized by the Real Property Tax Law with respect to the same improvements, unless during the period of the prior exemption, payments in lieu of taxes were made in amounts that were

at least equal to the taxes that would have been paid had the property been receiving the section 485-b exemption.

Municipalities may limit the exemption to specific geographic areas and to sectors and subsectors of businesses as defined in the North American Industry Classification System. Where a county restricts the exemption pursuant to the recommendations of its local industrial and commercial incentive board, such restrictions also apply to cities, towns and villages, and school districts therein, unless those municipalities adopt local laws or (school district) resolutions providing otherwise. Consult your assessor to ascertain what limits, if any, apply locally.

2. Duration and computation of exemption

Generally the amount of the exemption in the first year is 50% of the increase in the assessed value attributable to the improvement. The exemption amount then decreases by 5% in each of the next nine years. This declining percentage continues to be applied to the increase in assessed value determined in the first year of the exemption, unless there is a change in level of assessment for an assessment roll of 15% or more, as certified by the State Board of Real Property Services, in which case an adjustment is required. A municipality which restricts the exemption to specific types of property and geographic areas may establish a different exemption schedule (i.e., 50% for one, two and three; 40, 30, 20% in years four, five and six; 10% in years seven, eight and nine; and 5% in year ten). Consult your assessor to ascertain the specific schedule or schedules that apply.

3. Application for exemption

The exemption may apply to charges imposed upon real property by or on behalf of a county, city, town, village or school district for municipal or school district purposes and to special ad valorem levies except those levied for fire district, fire protection district or fire alarm district purposes. However, the statute authorizes any county, city, town, village or school district (except the city school district of Buffalo, Rochester, Syracuse or Yonkers) to act independently on its own behalf to reduce the per centum of exemption otherwise allowed pursuant to this section. The exemption does not apply to costs incurred for ordinary maintenance and repairs nor to property used primarily for residential purposes other than hotels or motels. The exemption does not apply to the City of New York.

4. Filing of exemption

Application for exemption from county, city, and town and school district taxes must be filed with the city or town assessor, not the State Board of Real Property Services. Application for exemption from village taxes must be filed with the assessor who prepares the assessment roll used in levying village taxes.

5. Time of filing application

The application must be filed in the assessor's office on or before the appropriate taxable status date and within one year from the date of completion of the improvements. In towns preparing their assessment rolls in accordance with the schedule provided in the Real Property Tax Law, the taxable status date is March 1.

The Dutchess County IDA has offered the City of Beacon the following: Is an enhanced benefit that is also over a ten year period, which starts at 100% and then decreases 10% each year until the end of the ten year period. City Administrator has recommended the City Council to consider any business that comes into the City of Beacon and wants to make improvements in excess of three million dollars the Council might consider as an additional enhancement. The DC IDA schedule is over ten years. First year 100%, and the following years would go 90%, 80%, and then decreasing 10% each year until the tenth year. If the City can assist the business in addition to the abatement the City already has in place it would be a win/win situation, for both the business and the City of Beacon. Mayor Steve Gold suggested that if the Council would like to entertain this Tax Abatement that the City of Beacon have a clause that if the business does not stay,

after a certain amount of years that possibly they would have to pay make a portion of the abatement. The abatement is only for improvement only, and new construction.

Council Casale would like a track record of any and all business who has taken advantage of this incentive to businesses over the last ten year and the track record of these businesses in Dutchess County. For example if they are still in business, if they have employees, etc. City Administrator Robson stated she will get that for the Council.

Council Mansfield questioned if this program for businesses only or can real estate development be eligible. City Administrator will check into this, but only commercial entities are eligible.

Council Member Pasti questioned if this was considered when the Cost of Service Study was performed and the tax revenue adjusted as so. City Administrator reply was “no”, but will check on this also.

Council Member Casale questioned if the TOD is developed would they be eligible for this program? Mayor Gold stated that this could be the consequence of this and it would not pass. The Mayor stated that possibly there can be exclusion such as the Waterfront Developments and only be available for central business or commercial business or limit it to certain zoning areas. This is a tax abatement to encourage Economic Development in the City of Beacon.

Council Member Landisi stated that it sounds like the City of Beacon is giving a lot of money away. On the other hand if the City carves out certain zones that would not be eligible to this tax abatement.

City Administrator will do more work on this and get you answers to all the questions.

Bid Award – Beacon Leak Detection – The City of Beacon has grant funds for this project. This is time sensitive as the federal government has tight requirements to be eligible. Only one company submitted a bid, our City Engineer is satisfied with their qualifications. Council Casale stated that he does not want to vote on this as the Council has not seen the bid proposal. Council Casale stated this Council would like to see the Proposal prior to voting on any Bid Award. Mayor Gold stated that this particular project is for a lot of money, and would like the Council to have the opportunity to review the Proposal with all the specs. City Administrator again stressed that the City is up against a very small time frame to keep this grant alive. Mayor Gold suggested to add it to tonight’s Council Agenda and if the Council wants to table it until they see the actual Bid Proposal. All Council Members were made aware that there is a good possibility we will lose the grant if the City does not vote on this Bid Award. City Administrator will have the Bid Proposal for all Council Members to view.

Requesting Congressman John Hall for a Member Item for Long Dock Beacon Project. – Beacon Long Dock is reaching out to all resources that they have, and Beacon Long Dock is going to be a big asset to the City. From the impact study that we have, the

impact of Long Dock is almost as much as the TOD. The Long Dock Conference Center is \$641,224 net revenue for Beacon and for the School District there net revenue is one million, two hundred and nine thousand and nine hundred twelve dollars. All Council agreed to bring to the Council Meeting for a vote.

Professional Consultant RFP's - Most of the RFP's for the consultants are completed, just a few tweaking needs to done. The RFP's that will be going to bid are for Planning, Engineering Auditors and Attorney. Mayor Gold is looking at a law firm that has a deep bench that will be able to cover a wide variety of services that the City of Beacon will be engaging in. Mayor Gold asked City Attorney to look at the RFP for the City Attorney prior to City Administrator sending out. The firms that have worked for the City of Beacon for numerous years all have agreed to reduce their expenses by ten percent.

At this time Council Member Casale made a motion to go into Executive Session to discuss Contract Negotiations and Personal Issues, Second by Council Member Pasti. All present voted in favor.

Motion by Council Member Landisi to come out of Executive Session at 9:49pm, Second by Council Member Fredericks.

Meeting adjourned at 10:00pm.

Respectfully submitted
Colleen Swift
January 8, 2010