

RED HOOK ECONOMIC DEVELOPMENT COMMITTEE

MINUTES – January 25, 2007
Red Hook Town Hall – 7:30 P.M.

The meeting was called to order at 7:30

Attending: Committee Members: Burnswick, Jetto, Mitchell, Moat, Page, Zulch
Town Board Liaison: Harold Ramsey
General Public: Kevin Wade, Paul Fredericks, Tara Sullivan, K. Stewart (by media)

Status Reports:

HOTEL / CONVENTION CENTER: Linda, Paul and Doug reported on discussions with parties interested in developing the 46 acre parcel south of Hannaford. The key piece in the plan is a hotel with min-conference capability and a public restaurant supported by professional medical offices and an out-patient emergency center. After allowing for infrastructure, this would leave approximately 15 acres for other development. Among the options being considered by one of the developers are: a bank, a senior citizen complex and senior student accommodation. It was agreed that the site was excellent for these purposes as it could be developed without detracting from the southern entrance to the village, would be convenient for seniors walking to Hannaford's, would complement the inter-municipal task force recommendations and, most importantly, would add to the commercial tax base. It was agreed that: i) we would ask the developer to submit a simplified architectural rendering of his plan for consideration by the EDC and the Town Board; and, ii) subject to their general agreement to support the project it would be presented to the planning and zoning boards for their initial review and comments.

INTERNET MARKETING: Doug reported that he continues to have discussions with Ryan McCann, president of the Chamber of Commerce, regarding the development of a community database that could be used by local merchants for an internet marketing program.

COMMITTEE MEMBERSHIP 2007: The following individuals have agreed to be members of the EDC during the coming year.

- a) Continuing Members: R. Burnswick, T. Haney, K. Jetto, R. McCann, B. Mitchell, D. Moat, L. Page, K. Zulch
- b) New Members: Joe Rossi, Kevin Wade.

INTER-MUNICIPAL TASK FORCE: The work of the Task Force and its preliminary recommendations were applauded. However, there was considerable angst expressed over the fact that the EDC representative to the Peter Fairweather study had failed to be notified of the committee's most recent meetings. Apparently the committee's report is expected to be issued momentarily and Harold agreed that, if a copy is not provided directly to Kevin as the EDC's representative, he would see that we receive a copy of anything distributed. It was reiterated that we had requested that the data supporting the

report's analysis be available in a spreadsheet format so that it might support additional analysis. Harold indicated that he believed that the task force's formal report to the Town Board is scheduled to be made on Tuesday, February 13.

PDR PROGRAM: Doug indicated that it was important that the committee develop an understanding of the merits and demerits of the Property Development Rights ("PDR") program as it is likely to become a subject of discussion for the Board. Harold reported that of the original \$3.5 million bond, approximately \$1.8 million had been distributed. Several requests are currently outstanding. Based on admittedly limited involvement with the existing program, the Committee expressed the following concerns: i) Are there valid alternatives to *perpetual* easements that might prove to be advantageous both to the land owner and the community? ii) While the dollar valuations per *useful* acreage may be reasonable, does the entire parcel qualify for similar consideration? iii) Do we, should we, identify priority targets rather than considering each individual case as it arises? iv) Should the EDC be represented on the committee that reviews and makes recommendations regarding each application? Harold emphasized that the EDC and the PDR validation committee were formed at about the same time and the EDC was not yet ready for involvement but he would recommend consideration of future involvement. He also mentioned that the committee had a written set of guidelines as a basis for initial consideration of each PDR application. It was requested that he obtain a copy of these guidelines so that the EDC might review them and suggest any "economic" considerations that could be added.

COMMUNITY PRESERVATION ACT ("CPA"): This, too, is an important subject that will come before the Board for their recommendation as to whether or not it should be put before the community in a referendum. While the committee endorses the concept, it has already issued a paper comparing the local Act to the state enabling legislation and raised several concerns resulting from variances in the two. As Warwick has passed similar legislation it was suggested that the Committee obtain a copy of their enactment for further comparison and study. Linda is going to try to obtain it along with one or two others of which she is aware.

TAXES – PROPERTY AND SCHOOL: The Committee continues to express concern about the level and imbalance of taxes in the community. Paul Fredericks distributed a paper summarizing a study of property taxes in New York that was prepared by *The New York Times*. The study provided clear evidence that Red Hook's taxes were among the highest – a fact exacerbated by the fact that our commercial tax base (of 4.9%) and our median household income were each well below the average. Quoting the report,

"Many school districts and municipalities in the region [NYS] share the problem. Statewide in New York more than 40% of the tax base is commercial, but in the suburbs it is only 25% on average, and it varies considerably, from a low of 6% to a high of 60%." [Note that Red Hook is 4.9%]

Because the taxes supporting the RHCS D represent 76.9% of the total property tax levy (\$14.43 of \$18.77 per M of tax assessable value) Doug mentioned that he had met with

Bruce Martin and Paul Finch. Based on data that they provided 75% of the school budget is associated with personnel costs (salaries, payroll taxes and benefits). This fact suggests very little, if any, room for major management action. Accordingly, if there is to be any mitigation of the Town's overall tax level or trend then the response must be generated by the Town Board. One obvious response is to encourage a shift from the current imbalance between the taxes paid by residents (84%) versus those paid by all others.

THE AGRICULTURE RESERVE: The EDC continues to be interested in the criteria used to establish recommendations for the Agriculture Reserve in order to be able to assess various impacts for any possible TDR program that may be recommended, rezoning recommendations, property tax implications and impacts on owner borrowing. The Committee asked Harold to attempt to obtain the criteria while other members are involved with or investigating the other issues.

OTHER BUSINESS:

- 1) Harold asked us to confirm our recommendations for Committee membership during the coming year.
- 2) Harold asked us to review and comment on a letter that was received from the Board of the *Old Aerodrome*. Consistent with local rumor, the aerodrome is having financial problems and seeks such help as the community can provide.
- 3) Tara Sullivan requested an opportunity to speak at a meeting regarding a recent independent national study concerning the importance and value to a community of a private college. She was assured that she would be given notice of future meetings and an opportunity to make a presentation.

The meeting was adjourned at 9:37.

The date for the next meeting is *tentatively* set for FEBRUARY 22.