

RED HOOK TOWN BOARD MEETING

October 22, 2008

A meeting of the Town Board of the Town of Red Hook, Dutchess County, New York was convened in public session at the Town Hall 7340 South Broadway, Red Hook at 7:30 p.m.

Present: Supervisor Sue Crane
Councilman James Ross
Councilwoman Micki Strawinski
Councilman Harry Colgan
Councilman Robert Latimer
Town Clerk Sue McCann

Also Present: Attorney for the Town Christine Chale
Business Manager Deborah Marks
Government Finance Advisor Sal Pennini
Purchasing Agent Ted Kudzy
Budget Officer Rose Rider

Supervisor Crane welcomed everyone to the meeting. She introduced members of Cub Scout Den #7 who lead the Pledge of Allegiance.

PUBLIC FINANCE ASSOCIATION – SAL PENNINI

Supervisor Crane introduced the Town's Financial Counselor, Mr. Sal Pennini. She asked him to explain how he helps the Town make decisions.

Mr. Pennini explained that his firm, the Public Finance Associates, is a Financial Advisory Firm. They advise municipalities and school districts across the state with respect to debt issues, primarily planning and capital projects.

Business Manager Deborah Marks explained that Mr. Pennini will help plan our budgeting for the ensuing bonding we're going for. She referred to a copy of the schedule of maturity for some of the BANS from the PDR's that the Town closed on. She told the Board that total outstanding for the PDR is \$1,863,000.00. We are going to pay a principal payment of \$40,000.00 this year. We also have new recreation land that we purchased for \$450,000. The total PDR and Recreation Land debt is \$2,273,000.00. Current outstanding debt is all scheduled to mature on the same day, December 5th. We asked Sal Pennini to advise us about handling this.

Mr. Pennini explained that we can select to stay in the bond anticipation notes, however they are an instrument that you can only utilize for a maximum 5 year period which will be up next December. If you roll those notes one last time there will be no other option next year when they mature other than to go to bond. The decision we are looking at now is putting out notes for 6 months instead of a year, then seeing how the market is because of the economy and markets in the present situation. It's not like municipal governments can't sell bonds, they are selling. While the rates are up a bit, we are getting bids from underwriters. We will continue to track over the upcoming weeks and then we'll make a decision whether or not to permanently finance or just put the notes out for a period of time (6 months or so) to see where we are. Regardless of how the Town chooses to go, we still have to make the pay down. That would happen then the net amount would be outstanding. He is leaning toward waiting the 6 months or so to buy a little time. It gives us a half year to kind of grab the market. He will share thoughts with Deb Marks who can relate it to the Board.

Councilman Colgan asked historically where the rates have been over the last several years.

Mr. Pennini prefaced his comments saying that where the rates have been he doesn't think they are getting back to. He thinks the rates will get better than they are now but not back down to where they were. We've enjoyed rates that were extraordinarily low. Now for a 15 year bond issue we are probably looking at a 4½% range and for 20 years probably about 4¾% or so. He thinks we can get in the lower "4's".

Councilman Colgan said some BANS are lower than others and asked if it is possible to stretch out going to a long term bond on some of it.

Mr. Pennini answered that you could do that. He continued explaining financing options. He explained that if you are not going to finance for a short period of time the Town should just do a consolidated public offering. There has to be a benefit to split out. Unless you can finance at a good rate for a shorter period of time privately, then there is no purpose in splitting it out.

Councilman Colgan is thinking in terms of continuing the BANS at 6 months, and if we got into a bind that would take us to next March.

Sal Pennini said it would take us to next June.

Councilman Colgan said then we have until June to look for circumstances to change and at that point we would still be able to split if we got into dire straits.

Mr. Pennini responded that you could. You wouldn't lose that strategy but you would have to be willing to do it over a short period of time.

Councilman Colgan thinks we are at the worst bonding situation in some seven years.

Mr. Pennini responded actually not. Ten years ago 20 year bonds sold more for what they sell for today. You can go back ten years ago and you couldn't sell bonds for 4 ½%.

Councilman Ross asked if a bond anticipation note (BAN) can be paid off at any time.

Mr. Pennini responded that if it is a callable note, yes. The banks will probably want a small premium. He explained the various bonding processes.

Supervisor Crane commented that there is no question that between now and a year from December we will be moved into the municipal bond one way or another.

Mr. Pennini responded that one way or the other by next December you have to be in bonds after the pay down. That is a must.

On a motion of Supervisor Crane, seconded by Councilman Ross, moved to authorize to go to an additional six month BAN.

Adopted	Ayes	5	Crane, Ross, Strawinski, Colgan, Latimer
	Nays	0	

Supervisor Crane referred to lists the Board received that were workups of bonding for the Highway Garage for 15 years and 20 years. The debt service is slightly different to the average homeowner between the two. In the case of the 15 year bond, a homeowner of a \$300,000 property would pay \$66.79, and in the case of a 20 year bond it would be \$57.32. This is for information purposes only. She asked Mr. Pennini to explain "average life" of a 15 year bond.

Mr. Pennini explained that the average life is the point in time in which 50% of the call amounts of the bonds are paid off. After explaining bonding he recommended bonding for 15 years.

Attorney Chale clarified that the 15 year schedule would be the maximum for a stick built building but the other building's maximum is 20 years.

Supervisor Crane thanked Mr. Pennini for all the information he provided.

Supervisor Crane then turned attention to a budget adjustment that Business Manager Deb Marks provided.

Business Manager Marks explained the budget adjustments in the General A Fund. Increase (credit) the following appropriations: Transfer to Capital Project Reassessment. Total increase appropriations: credit \$206,971.00. Offset to the Fund Balance Appropriate (debit) \$206,971.00.

On a motion of Supervisor Crane, seconded by Councilman Colgan, moved to make the budget adjustment in the General A Fund.

Adopted	Ayes	5	Crane, Ross, Strawinski, Colgan, Latimer
	Nays	0	

The vote was taken after the following discussion:

Councilman Ross wanted to explain for the public that this is to pay for a reassessment that we did a couple of years ago. We paid for it out of our fund balance and we're transferring it back because we have enough there so we don't have to borrow money to pay that debt off.

Business Manager Deborah Marks then referred to the DB Fund and explained the diesel and gasoline lines adjustments. Trans services- Total Increase Revenues: debit \$8,500.00. Diesel and gasoline- Total Increase Appropriations credit \$13,000.00. Offset to the Fund Balance Appropriate (increase) \$4,500.00.

On a motion of Supervisor Crane, seconded by Councilwoman Strawinski, moved to make the budget adjustment in the DB Fund.

Adopted	Ayes	5	Crane, Ross, Strawinski, Colgan, Latimer
	Nays	0	

Supervisor Crane wants to discuss some budget items with the Board at a short Budget meeting on Saturday morning, October 25th.

CENTERS & GREENSPACE PLAN

Supervisor Crane introduced Bill O'Neill, Chair of the Intermunicipal Task Force, who reported on the progress of the Centers and Greenspace Plan.

Bill O'Neill gave a brief update about their progress. With respect to the Centers and Greenspace Plan he went back to May 2007. Looking at the timeline proposed at that time, the principle follow up was to finalize zoning which is a very complicated process. It took them a lot more time than they anticipated. He asked if the Board would allow the Task Force, on November 19th, to give a presentation to the Town Board to complete the Centers and Greenspace Plan with all the zoning amendments and finish it at that time. The Plan has been turned over to the Attorney for the Town to review with professional planner, Greenplan, Inc. It has been an ongoing process that has been completed. It was costly to the Town but it's also taken a lot of time. He referred to a timeline they proposed over a year ago. Bill explained that a lot of work has already been completed in preparing to initiate SEQRA and preparing the Environmental Impact Study. A zoning map has been prepared to illustrate proposals better for the Board. They also prepared criteria for the parcels that are included in the Agricultural Business District. The data has been individualized for each parcel and will be available soon. At the same time they will be asking the Board to consider renewing the review of the affordable housing component. Bill O'Neill briefly mentioned the joint sewer project and the economic development issue. The sewer project is principally done by the Village of Red Hook officials. We have the first engineers report done on the central sewer project. Shortly, they hope to have a Public Hearing where the joint sewer project will be presented to the community. The plan will show that an integral part of the Centers and Greenspace Plan is the central sewer. You can't have one without the other though not everyone is sure that is the best thing for the Village. One question is cost. The working group's research in 2004 showed a cost of \$25 million to \$30 million for a sewer. That number is down to a more manageable \$8 million for which they are trying to obtain funding. In the mean time the proposal has to be specific in order to obtain that funding. The eventual sewer project would be taken over by Dutchess County Water and Wastewater Authority, an independent authority. Local municipalities are not suited to do that. It was mentioned in our planning documents in the past that if you want to protect open space and farm land, concentrate development in and adjacent to the Villages. You can't do that without a sewage system. Underlying all that is protection of the aquifer. There is no documentation that shows that has been contaminated. Right now we have to go ahead with our plans to come up with funding.

Councilman Colgan was at a meeting this morning with the Department of Agriculture on this very subject. They said that if your community is built on an aquifer and doesn't have a sewer system that alone is a major statement in terms of risk to the aquifer.

Bill O'Neill informed the Board that a second aspect has to do with economic development issues. The Task Force is going ahead and doing what they feel has to be done step by step. They have answered specific questions by the EDC. He referenced Doug Moat's memo of June 17th where he spelled out some specific concerns that the EDC had about the Centers and

Greenspace Plan. Mr. O'Neill handed out a response to the memo from Mr. Doug Moat and reviewed it with the Board. One aspect he brought forth was that it was never a charge of the Task Force to go and find economic development for the Town of Red Hook. There was always a suggestion that if the Task Force was to direct where the development should occur along the lines of the planning documents, that obviously planning should consider expanding commercial development to help the taxpayers. That is exactly what the Task Force does. They take existing parcels and propose adopting them to be expanded into commercial. The Task Force proposed that a traditional neighborhood district in the southern part of the Village can accommodate up to one million square feet of commercial space. The more realistic number is 390,000 sq. ft. Their position is that the Town Board should direct someone to try to fill that space. The Task Force feels they've done what was asked and will be ready to report on November 19th.

Supervisor Crane asked if it was possible for the Board to pass any of the Centers and Greenspace Plan without knowing whether the sewer treatment facility is going to be a reality in 2010, or 2012. How do you work through that conundrum? On one hand you're ready to present it and want it to be adopted then on the other hand you say we know that the sewer system is the key to making sure the rest of the Centers and Greenspace element works.

Bill explained that some of the components can be adopted without regard to the sewer. The Traditional Neighborhood District, in a perfect world if that is developed, would have to have a sewer. The original thought was that the central sewers would be funded by the developers. That thought became unrealistic. Because of the existing PERX treatment plant and the offer to expand that plant in making a deal with the Town and the Village, you have to take a look at it. The engineers looked at that then came up with this plan which is much less expensive. As far as the zoning creation of a traditional neighborhood district, that still has to happen. The language would allow for it. Whether realistically someone could do it without having that sewer already in place, he is not sure. The Task Force has given a plan that has a bite to it. You could propose to do this if there is to be development in the future. This is the way the Town Board can recommend it to be done, at these locations and in this manner.

Supervisor Crane said that people have called her about publishing the completed plan being posted on the Town website.

Bill O'Neill responded that they will know if it can be ready on Friday. Right now it is not ready, but they should definitely have it up and running before November 19th. Whenever he has it he will make sure it gets on the Town website.

ECONOMIC DEVELOPMENT COMMITTEE REPORT

Supervisor Crane introduced Mr. Paul Fredricks who led the discussion.

Mr. Fredricks presented a slide show of a land use inventory map and explained the legend. He was asked if he were to expand the commercial base, where it would go in the Town. Mr. Fredricks got a tax parcel map and started to look at commercial sites mainly along Routes 9, 9G and 199 so that they would not be using any farmland or land they are trying to protect. He only found ten vacant parcels along the three major Routes. One is almost completely in wetlands. He then expanded his search using the same map to see other parcels. He prepared this map because the EDC predicts a 43% tax increase over the next five years. They also recommend that a commercial development program should be implemented. That is not in conflict with the Centers and Greenspace Plan. In referring to the map, Paul explained that what is colored in red are parcels wholly exempt from taxes, dark green is the efforts the Town made to protect farm land. It is PDR private/municipal restrictions and agricultural exemptions. The light green reflects parcels with agricultural land minus the PDR.

Dick Franklin explained that all the agricultural exemptions only pay \$69,000 while the rest of the 10,500 residents pay \$29 million. Therein is the big discrepancy that is creating a lot of friction.

Doug Moat, Chairman of the Economic Development Committee, clarified that the EDC is *not* against the tax exemptions which we grant to our farmers. They absolutely support what is State mandated tax exemption. This calculation was done to really identify total amount of money for which we have to try to develop a commercial taxing base in order to generate the money to make up for it without that burden coming back to the community. The agricultural tax

exemption unlike others like STAR is actually paid for within the community. It isn't paid for by the State of New York although mandated by the State. He wanted to make it abundantly clear that neither he nor the EDC is against that support of our farmland. Rather, they are in support of some measure of the amount of money they say they have to develop from a commercial investment standpoint to generate income which will allow us to pay for it.

Paul Fredricks going a step further said he thinks the State should be picking up the agricultural exemption. His presentation is really an inventory and cost analysis of what the Town is going through to see how we can deal with the problems we are going to be facing especially in the economic climate of the country now. He thinks the Town has done a very fine job of protecting open space and he likes the idea that we are a farming community. Regarding school taxes this year, the people that got the biggest increase were the senior citizens. They lost \$11,000 in exemptions. People with Basic Star lost \$6,000. Here are people facing high fuel oil costs, and they got the biggest increase. We have to look at what we are doing and how to protect everyone.

Doug Moat asked Mr. Fredricks to explain the color coded map again.

Mr. Fredricks again explained the red, dark green and light green areas. He told the Board that the light blue section is land that is completely developed according to zoning, the dark blue is what is now zoned commercial, and yellow is either vacant land or land with residences on it. It gives us an idea that yellow is land that still can be possibly developed.

Supervisor Crane asked if the EDC concluded that there are parcels we should consider as prime commercial areas for the future.

Paul responded part of the problem is to decide what kind of businesses you want. He doesn't think we will get retail in Red Hook. Some ideas that were mentioned were insurance companies, software development, something small. Then we have to decide where to place them. In this economic climate, is any company going to want to move? Our high taxes are becoming a problem. It won't be easy to entice businesses.

Dick Franklin said we have to be careful of what types of businesses come here so that our aquifers aren't affected.

Doug Moat, in giving a specific answer to Supervisor Crane's question, explained that they looked casually for space along Routes 199, 9G and 9 that might be developable for appropriate commercial development even though it isn't currently zoned that way. Enhancement of commercial development would be a substantial benefit to the tax base. The other side of the equation however, is that the most efficient use of our land may well be to isolate two modest masses of land on which we would build a small commercial development of business of the type mentioned. The initial reaction to either plan was something that caused the EDC to back off. He endorses what Bill O'Neill and his committee are doing. Doug said that with a strong commitment both from the Board, Zoning, Planning and working closely with Bill and the EDC, it is not a totally impossible effort to find within that space an opportunity to do that.

Paul Fredricks thought we should really have an inventory of the Town. The other problem we're faced with is that economically, it costs about \$15,000 to educate a child, after State aid it is \$10,000. That is a home assessed at \$720,000. Being in Real Estate, he said that Red Hook is no longer a retirement community. We need senior housing. The way it is set up now seniors don't want to buy a single family home, they can't afford that investment. He wants to use the map as a tool and have everyone get together to solve the problem of how to let everyone remain in this Town. Paul said we have to remember people, open space is nice but it is to be enjoyed by people.

The EDC presented a framed map for the Town Hall.

Dick Franklin is not against farming and open space but is hoping we can find a better way to keep farmers, whether we add businesses that promote processing plants or others that allow us to utilize our resources.

Supervisor Crane asked if they could get this presentation to the Town website.

Dick Franklin will take care of getting the presentation to the website.

Supervisor Crane thanked the committees for their hard work and for their commitment for years of work and leadership they've shown in both of these presentations.

ANDERSON COMMONS DISCUSSION

Attorney Scott Volkman began the discussion referring to the meeting of September 24, 2008 where they had a discussion about a request for an extension on the recreation fee question which expired on September 26th. They are looking for an extension of the recreation fee determination until sometime in December. As part of that discussion they had a conversation about their intention to go back to the Planning Board for formal approval for the phasing plan of the project.

Pete Setaro from Morris Associates appeared before the Planning Board on Monday evening and they discussed the phase in plan. They filed a map in two separate sections; the first one being the eight more traditional style single family lots. Seven of those would be along the proposed Town and Village road that would connect Fisk Street and Glen Ridge. There would be seven lots along that road and one lot has frontage on Fisk. The Planning Board did not have any issues with that and they passed a resolution authorizing the filing of the map in sections. The second section is what we refer to as the commons area which is the more clustered smaller type lots. We should have a written resolution this week from the Planning Board.

Attorney Volkman said in the mean time they will come to the Town Board for some additional approvals. He did indicate that they were revising their petition for the transportation corporation formation and finalizing the legal documents to send to the Town Attorney. Attorney Chale went through them and they are working through additional comments they received from her. When they discussed the issue of the recreation fees at that meeting there was some discussion about the Board reconsidering the issue depending what happened at the Planning Board meeting. They did approve the phasing plan. He is asking the Board to reconsider the discussion they had regarding the recreation fee issue.

Councilwoman Strawinski said the initial motion failed and there was never a second motion so it seems the September 18th date passed.

Councilman Ross was out of Town on the 24th and would like to hear from the Board. He didn't understand the problem. There were two or three executive sessions last spring about that and he thought the entire Board came to a decision that it was the fair thing to do. A time limit was put on at that time because he didn't think anyone including the Attorneys had any idea exactly how long it would take this transportation corporation paperwork to be finalized. He doesn't understand why the extension for this wasn't an automatic. We do lots of extensions when legal matters and other things take longer than they anticipated.

Councilwoman Strawinski said that on March 26th we made a unanimous decision that we would give them a window of opportunity to get things done. Given that the recreation fees have been in question since 2006.

Councilman Ross responded that was because at that time we thought it would be done in no time. This particular project has to deal with two communities, the Village and the Town. They've pursued the entire thing with due diligence the whole time. Because it takes a little longer he doesn't understand the problem. That happens with a good percentage of any matter that comes before the Planning Board.

Attorney Chale asked the Board if they would like to hear an update of information she has. She explained that she received a lot of documents as well as a set of revised plans. We now have agreements that are much more satisfactory from the Town's perspective. She thinks they are close to ready for approval in terms of conditional approvals on the road and the transportation corporation. She still has some clean up to do and she still has some easement descriptions she has to look at and compare to the maps they just got. One thing presented was a rate schedule and she advised the Board to look at that. It goes through the costs of project. In terms of the design we are pretty much through those issues. Highway Superintendent Wayne Hildenbrand is comfortable with the road designs. For every drainage feature with respect to the proposed road,

they also provide drainage with respect to the individual lots on the property. We are essentially sharing drainage features. We need to realize that as we think about the ultimate proposal of taking the road as a Town road and we would need the ability to maintain those drainage facilities. How much will the maintenance be of those drainage facilities?

Supervisor Crane asked if the Village and Town will share those expenses.

Attorney Chale responded that the road and drainage basins are primarily in the Town, so most will be Town issues. She wants to make sure the Town understands what the costs are that will be incurred before the road is conveyed to the Town.

Councilman Ross asked what a realistic time is that we could complete the signing.

Attorney Chale responded that most of the review, with the exception of the conveyance documents which she needs further information on, was done in a week. Most of the comments on those issues were received in the last couple of days.

Attorney Volkman said the issue is the Planning Board approval expires on December 18th. They don't intend to go beyond that.

Engineer Pete Setaro explained they are trying to get everything done. They are targeting wrapping this up within the next month.

Attorney Volkman said sometime during the month of November they'd like to be back to the Board.

Councilman Ross understands things take time. He doesn't see why this is taking longer than anticipated should change the decision they made last spring.

Councilwoman Strawinski responded when they were in executive session they said they would grant them the six month extension and not a day more.

Councilman Ross disagreed. At that time we thought six months was more than enough time, but now it is taking a lot longer. It took a long time for us to review these documents as well.

Attorney Chale explained that we are trying to do a very careful review because these are very significant projects. They have a potentially significant impact on the Town if they're not constructed correctly. It is something we are taking very seriously in terms of our review.

Supervisor Crane asked if the approval on December is for the entire project.

Engineer Setaro said it is for the entire project. They have the approval from the Planning Board, the final extension was given somewhere around December 18th.

Councilman Colgan asked if they are trying to separate this into two projects and move forward with the eight subdivisions now and the other element later.

Engineer Pete Setaro responded that he can't say for sure, but the reason for filing in sections is to give some flexibility depending on the market. The thought process is that the single family traditional homes would provide the funding for the road and help recoup the road costs in a more timely fashion. Filing in sections gives some flexibility given the current market.

Attorney Volkman explained that the Planning Board approved the overall plan. The plan will be filed in phases and developed in phases. The first phase included the entire road and seven lots; the second phase includes the traditional neighborhood development, the cluster development and all of the transportation corporation facilities.

Engineer Setaro said the Town subdivision code does allow for subdivisions to be filed in sections.

Councilman Colgan said there is a possibility that development can take several years.

Pete Setaro responded that it is hard to say.

Councilman Colgan said there is a recreation fee they would be expected to pay sometime in the unforeseeable future.

Engineer Setaro said by the December date they have to get at least the Phase I map signed. Those will be filed in the Dutchess County Clerk's Office.

Attorney Chale clarified that the Planning Board's condition to the filing of the plat is that the recreation fee be paid. If they requested that the Planning Board approve Phase I, they would have to pay the recreation fees, as she understands it, on Phase I when they file that map. She isn't sure how the Planning Board approved the phasing.

Engineer Setaro responded that they have to satisfy every condition that was on the original agreement by December.

Attorney Chale asked what the point of phasing is then if they are only going to file part of the plat.

Engineer Setaro responded the point of phasing is, for example, if any applicant has 52 lots and we take 8 out for the first phase then you've got 44 lots you wouldn't be paying taxes on.

Attorney Chale said normally also you have improvements with respect to Phase II that you would be posting bonds for in order to file the plats.

Councilman Ross commented that you'd probably pay taxes on it but you wouldn't have to put water line or sewage system in yet. Not until you actually develop. He means the individual ones that will be going into the clustered area.

Engineer Setaro explained in regard to the community septic system that is part of the common area. The transportation corporation is going to cover the community septic system and the eight lots each have their own individual septic system. The first eight lots are not part of the transportation corporation. They will be part of the Village water.

Attorney Chale referred to a memo from the Planning Board which says the developer is asking that the posting of the road performance bond be deferred so that it is only required at the time the construction of residences is about to begin.

Attorney Volkman said that in theory the construction of the road starts before the construction of the residences. He thinks the bond is when they start construction of the road.

Attorney Chale said the question for the Planning Board which they asked the Town Board to weigh in on is if you can convey individual lots once you've filed the plats but if there is no road bond, is that a position the Board wants to be in.

Engineer Setaro said they can't get a building permit until that road bond is open.

Councilman Colgan confirmed that they can't get a permit until the road is in place.

Engineer Setaro said they asked the Planning Board that particular question because at this point we don't know when the developer will build. Hopefully it would be soon. With the current economic situation it is hard to get money. He spoke to the Planning Board and it is a common part of any Town subdivision code that before the Chairperson signs the map that a bond is posted.

Councilman Colgan is concerned that it could become a responsibility and a substantial cost to the Town. He is also concerned that the recreation fee was changed from 3 ½ years ago and it might be quite some time before the fee is paid.

Councilman Ross said the fee for the eight lots will be paid.

Attorney Chale explained it is her understanding that recreation fees will be paid when the phase is filed.

Attorney Volkman thinks the suggestion is that if they file Phase I the recreation fee will be paid just for Phase I.

Engineer Setaro explained that if you are going to file the map in sections you are going to pay the appropriate recreation fee for the number of lots that are part of that first filing. There is a time limit in the code to file the next section.

Councilman Latimer said it seems to him the issue at hand is that we were approached two days before the expiration date. It seems there was no foresight that there was a looming deadline. While he voted to approve the request he did so reluctantly because it was two days before the deadline.

Councilman Ross said the issue was mentioned in July because of the length of time it was taking.

Councilman Latimer said that was not a formal request.

Attorney Volkman did submit a letter to the Supervisor and the Attorney for the Town dated July 15th that in all likelihood they were going to have to ask for an extension.

Councilman Ross wants to go along with what we originally said. We said because at the time the original subdivision came to fruition, it was long before our recreation fees changed. We as a Board agreed after a long discussion that was true. We used the recreation fee that was in effect at the time the subdivision was first presented to our Planning Board. Granted the Phase I was the entire subdivision. He doesn't see why not to agree to that. If we are talking about phasing now and the entire map is not filed by the December deadline with the Planning Board he doesn't disagree.

Attorney Volkman said the suggestion was made to go to the Planning Board then come back. Now that we've been to the Planning Board and we are going to pursue the Phase I/Phase II, we are seeking to have the recreation fee waiver apply to only what we file by that deadline. We are looking for a waiver for just the eight lots in Phase I.

Councilman Ross said it is right and fair to everyone involved because of the delays that we stick to what we voted on. Now, if the client chooses to phase it, then in all fairness the older fee will not apply when they seek that the later maps be signed. It would be the recreation fee at the time.

RESOLUTION 2008 # 62

RE: APPROVING THE FOLLOWING EXTENSION OF THE RESOLUTION NO. 34 ADOPTED MARCH 26, 2008, PERMITTING APPLICATION OF THE PRIOR \$900 RECREATION FEE TO CERTAIN PROJECTS INITIATED PRIOR TO MAY 10, 2005

Anderson Commons subdivision shall continue to be eligible for the \$900 per lot fee, provided that such fee shall apply solely to Phase I of such subdivision, consisting of one lot in the Village and seven lots in the Town, and provided further that the final signed plat for Phase I shall be obtained no later than December 18, 2008, which is the expiration date of the Planning Board's conditional final approval. The remaining lots are to be charged the fee applicable at the time of filing the plat for such lots.

On a motion of Supervisor Sue Crane, seconded by Councilman James Ross, moved to accept the resolution.

Adopted	Aye	3	Crane, Ross, Latimer
	Nays	2	Strawinski, Colgan

The vote was taken after the following discussion:

Councilman Ross asked what if the entire project is submitted, approved and stamped by the December date.

Supervisor Crane said that is not their intention.

Attorney Volkman explained that they are going to file in phases and they would be willing to limit their request to a waiver on Phase I only.

Councilwoman Strawinski feels for their client in this economic situation and understands that times are tough, but this is money that is being taken away from the entire community because we're showing favoritism to one client. We have to look at fairness to others. We are discounting the community's needs.

Councilman Ross stated that we are not taking money from anyone and said if she recalls the extended discussions they had when the Board approved it. Out of all fairness they looked at any plans before them at that time. Don't twist the facts and say we're taking money away from people. Stick to what we originally approved and why we approved it. They are asking for a simple extension of a portion of that original proposal.

Attorney Chale asked the Board for a discussion or recommendation to the Planning Board that they requested with respect to the road bond issue. We need to tell the Planning Board what our feelings are in terms of whether they should allow a delay in the posting of the performance bond beyond what they would normally do.

Councilman Ross asked if it is the intent to bury the water lines and start construction of the road to make those lots more saleable so they have a little more cash to pay for the bond and hopefully get a better rate.

Engineer Pete Setaro responded that once you post that bond you want to get right out there and work. The sale of the lots would either pay for the bond or at least come close to pay for the full amount of the bond as soon as possible.

Councilman Ross asked if the plan is to just have a dirt pathway for people to view the lots.

Engineer Setaro explained that typically a building permit is not issued for any houses until the binder course of asphalt is down so that there is an acceptable travel way to the houses. At that time the water line and drainage line would be in there. In order to sell a lot, normally people would want to travel down an acceptable path. The top course of asphalt is not done until the lots are substantially done.

Councilman Colgan said the lots could be sold before there really is any road there at all?

Engineer Setaro said that is not what he was saying and deferred that to the attorney because that is one of her concerns.

Attorney Volkman said the theory of the developer is that he could develop the lots, build the houses, and then sell them. He doesn't think the intent is to sell them as vacant lots to anyone. In theory it could be done. Someone could come in buy the lot, find there is no road, then complain to the Town that there is no road.

Councilman Latimer asked what a road bond would cost.

Attorney Chale answered in this case, estimated cost of the road is approximately \$920,000 including the drainage. 5% of the cost of the road is the bond. The purpose of the road bond is to make sure that the road gets built.

Councilman Latimer said the Planning Board is looking to share the onus of the decision.

Engineer Setaro stated that the Town is really the holder of the bond.

Attorney Volkman spoke to Attorney Chale about this some time ago and she suggested he talk to Joel Sachs, the Planning Board Attorney. Joel Sachs then deferred it to the Planning Board as a policy decision.

Attorney Chale explained the purpose of the road bonding.

RESOLUTION 2008 # 63

RE: ANDERSON COMMONS PERFORMANCE BOND CONDITION

Whereas, the Anderson commons developer TKB, Inc. has requested that the Planning Board modify its conditional subdivision approval to permit the developer to post its performance bond prior to construction start rather than prior to filing of the plat; and

Whereas, pursuant to the request of the developer the Planning Board has approved the filing of the plat in two phases, with the first phase to include one lot in the Village and seven lots in the Town; and

Whereas, the Planning Board has requested a recommendation from the Town Board regarding such condition;

Now therefore be it resolved by the Town Board that the Board's recommendation is that the Planning Board may condition the final approval on filing by the developer of a payment and performance bond for the road and related drainage by the earlier of the issuance of any building permit within the subdivision area or the commencement of any action contemplated by the performance bond estimate provided by the Town Engineer with respect to such subdivision. Such condition shall be specifically noted on the filed plat.

On a motion of Councilman James Ross, seconded by Councilman Robert Latimer, moved to accept the resolution.

Adopted	Ayes	4	Crane, Ross, Strawinski, Latimer
	Nays	1	Colgan

The Board discussed road bonding and what the start point of road construction would be. Procedure of the road bonding was also discussed.

Councilwoman Strawinski asked why Pete Setaro wanted to go back to his client. Maybe we should give him the opportunity to do that.

Engineer Setaro said the reason he was a little hesitant is because sometimes Towns will let a developer, before the map is filed, to construct improvements by at least posting inspection fees for the engineer to be out there to build as much of the road as possible without having to post that bond except for once he gets the binder course of asphalt. That was a little of his hesitancy, we are up against time frames here.

Councilman Ross confirmed that this map has to signed and filed.

Attorney Chale asked if they were going back to the Planning Board.

Engineer Setaro said the Planning Board would have to pass a resolution to amend the condition of approval that requires the posting of the bond at the time of the map signing. So yes, they would have to go back to the Planning Board.

Attorney Volkman said they'd like to come back in November.

Attorney Chale asked that Engineer Pete Setaro clarify the terms of what is being proposed in terms of the cost of the construction of the transportation facility project that is going to be translated to the transportation corporation and used as their cost they are going to recover in terms of charges. It is not completely clear to her.

Engineer Setaro said as far as the transportation corporation, the applicant has to come up with an operating budget and then the costs are passed on to the homeowners that are being served. In that they came up with a list of requirements. He gave examples. In reference to useful life, in his opinion based on the type of soil and assuming proper maintenance, he thinks the system should last about 20 years. He budgeted \$15,000 per year to be put into a reserve fund, not the

Town's, so that at the end of the 20 year useful life of the septic system there is a pot of money accumulating interest that would pay for repair or replacement of that system so the homeowners would not be hit with a huge cost. That was put into an operating budget.

Attorney Chale explained that this is an estimate up front and as time goes on the Village will be allow a reasonable return. The issue then becomes what is the capitalization of the company.

Attorney Volkman thanked the Board for their time.

Councilman Ross asked about November meetings. He has a prior commitment on the third Wednesday and can't attend that meeting.

Supervisor Crane asked if there was a different night the Board would consider. The meeting was moved from November 19th to November 18th at 7:30 p.m.

PUBLIC COMMENTS

John Douglas asked if the Chuck Simmons property and the second parcel of the Mead properties are under the PDR yet.

Supervisor Crane responded that it is not complete yet.

Attorney Chale said they received conditional approval and are waiting for partner financing. The County is going through their process and we are moving along on those.

Councilman Colgan said they did approve the bonding though.

Attorney Chale responded regarding the Mead property.

Dick Franklin commented that when we talk about expanding our community, we also have to start looking at the fire department, police department, schools and the whole infrastructure system that goes with that. Our community couldn't support that kind of growth. When we talk about open space and green space we sound like we are doing all this PDR financing at a great cost to the community. If we have working farms, we should zone them as farms. He'd like the Board to put in place a program to rescind or modify the 2% sales tax. He asked to put back in the part of the law that when a person passes away the property is transferred to their heirs less that 2%. If the heirs sell that property then they are obligate for that 2%. He thinks the law is unfair the way it is set and gives people an unfair advantage and has to be changed. He suggests changing zoning to make it so people get the most out of it.

Robert McKeon explained the cost of the PDR. If you look at the budget for the 2009 year, the actual expense is budgeted for \$75,000 for the upcoming year. If you look at the EDC's number the local tax levy is \$29 million plus which represents a quarter of 1% of what the Red Hook taxpayer pays on an annual basis. Studies back up that they're likely to pay a lot more if farmland were to be developed. He said the EDC showed only the basic pieces of farmland, not the ones that have structures. That is vacant land which cost nothing in services but contributes \$69,000 on an annual basis. He also wanted to add that on an annual basis the CPF is contributing more than \$250,000 and we may be receiving more revenue than we are expending on our farmland. He said only agricultural properties that have a conservation easement of a minimum duration are exempt from the 2% fee.

Kristofer Munn stated that he agrees with the need for more commercial tax bases. For a couple of years we've heard we need more commercial tax base and in between we hear that farms are not paying enough taxes. He objects to the EDC's numbers and presented his numbers regarding taxes and exemptions. He asked where economic development part of the Economic Development Committee is. That is what the Town needs.

On a motion of Supervisor Crane, seconded by Councilwoman Strawinski moved to go into Executive Session regarding litigation.

Adopted	Ayes	5	Crane, Ross, Strawinski, Colgan, Latimer
	Nays	0	

On a motion of Councilman Latimer, seconded by Councilman Colgan, moved to close the Executive Session.

Adopted	Ayes	5	Crane, Ross, Strawinski, Colgan, Latimer
	Nays	0	

On a motion of Councilman Latimer, seconded by Councilman Ross, moved to adjourn the meeting at 10:50 p.m.

Adopted	Ayes	5	Crane, Ross, Strawinski, Colgan, Latimer
	Nays	0	

Respectfully submitted,

Sue McCann, Town Clerk