

APPROVED MINUTES of the Regular Meeting of the City Council of the City of Rye held in City Hall on April 10, 2002 at 8:00 P.M.

PRESENT:

STEVEN OTIS, Mayor
FRANKLIN J. CHU
ROBERT S. CYPHER
CAROLYN CUNNINGHAM
ROBERT H. HUTCHINGS
ROSAMOND LARR
DOUGLAS MCKEAN
Councilmen

ABSENT:

None

1. Pledge of Allegiance

Mayor Otis called the meeting to order and invited the Council to join in the Pledge of Allegiance.

2. Roll Call

Mayor Otis asked the City Clerk to call the roll; a quorum was present to conduct official city business.

3. Residents may be heard who have matters to discuss that do not appear on the agenda

Mayor Otis said that Ellen Boyle, resident, was here to address the Council on a matter concerning house size. He said that this item had been put on the agenda as #13 "Discussion of scheduling a workshop on house size to lot size in the City of Rye," so he suggested moving this agenda item to the beginning. He said he thought scheduling a meeting with the Council and Chairs of the relevant Boards and Committees (Planning, Landmarks Advisory Committee [LAC], Board of Architectural Review [BAR] and Zoning Board of Appeals [ZBA]) to discuss some of the issues facing the City in terms of house size was a good idea. Councilwoman Cunningham concurred, saying the sooner the better, especially as the Zoning Board struggles with this issue every month.

Ms. Boyle, who lives on Ann Lane, said she was addressing the Council because of the building she sees in Rye which is taking over whole neighborhoods, such as hers where a third large house has

been proposed. She reported this third house had been denied by the BAR, but the builder is appealing to the ZBA. She said that zoning laws are being pushed to the limit and she urged the City to review the existing limits and give the BAR the authority it needs to hopefully be more aggressive in withholding approval and give more consideration to the impact on neighborhoods and the environment. She said she is also concerned about wetlands and foliage protection asking what recourse citizens have if people don't comply with restrictions (such as obtaining an approved tree plan and then cutting down the trees). She urged everyone to go to the ZBA meeting the following evening to support the BAR and submitted the report of the BAR concerning the Ann Lane house to the Council. Corporation Counsel Henry Neale cautioned against further specific discussion of the Ann Lane case while it is still pending.

Councilman McKean agreed that there appears to be an increase in violations, such as cutting down trees, and that this needs to be investigated. Councilman Hutchings voiced his concern about size and volume and the fact that the BAR does not have adequate authority and said he would like to hear from the Chairs of all Boards and Commissions about their problems. Councilman Cypher urged a strong look at the issue. The Mayor asked staff to coordinate a good date for such a workshop to address the issues.

4. Resolution proclaiming April 26, 2002 as Arbor Day in the City of Rye

Although there will be no official tree-planting ceremony on Arbor Day because of the drought situation, the Mayor asked the Council to designate April 26, 2002 as Arbor Day in the City of Rye.

Councilman Hutchings made a motion, seconded by Councilman McKean and unanimously carried, to adopt the following resolution:

***WHEREAS**, Arbor Day is now observed throughout the nation and the world, and*

***WHEREAS**, trees can reduce soil erosion, moderate the temperature, clean the air, produce oxygen and provide habitat for wildlife, and*

***WHEREAS**, trees in our City increase property values, enhance the economic vitality of business areas, and beautify our community, and*

***WHEREAS**, trees are a source of joy and spiritual renewal, and*

***WHEREAS**, the City of Rye has been recognized as a Tree City USA by The National Arbor Day Foundation and desires to continue its tree-planting ways,*

***NOW, THEREFORE, I**, Steven Otis, Mayor of the City of Rye, do hereby proclaim April 26, 2002 as **ARBOR DAY** in the City of Rye, and I urge all citizens*

to support efforts to care for our trees and woodlands, and to support our City's community forestry program, and

***FURTHER,** I urge all citizens to plant trees to gladden the hearts and promote the well-being of present and future generations.*

Signed and sealed this 26th day of April, 2002.

Steven Otis, Mayor

5. Resolution authorizing the issuance of \$4,400,000 serial bonds of the City of Rye, Westchester County, New York, to pay for the implementation of the Recreation Master Plan

Mayor Otis said the next two agenda items were a continuation of a discussion from the last City Council meeting at which the staff was asked for additional financial information and the Financial Advisory Committee (FAC) was asked to review the financial ramifications of the new bond proposal. He asked if there were any members of the audience who wished to speak.

Several citizens spoke strongly in favor of authorizing the new bond issue and holding a new election. Mary Ann Gontin, Elmwood Avenue, said Damiano Center was a great and important place for teenagers to be able to go to and that the fields are really needed. Lauren Miscamarra, Langeloh Court, said it is preferable by far to have Rye's children on playing fields rather than elsewhere; that the Rye Youth Council's monthly "Wildside" program has already outgrown the available space at Damiano; and that, in her opinion, the bond was long overdue. Bart DiNardo, head of the Little League Program, warned that without new fields they may have to turn children away from the program; and John Shaunessy, both parent and coach, said he thought the bond was a good investment in the City for the future for all ages.

Duncan Hennes, Chair of the FAC, summarized the conclusions reached by the committee the previous Monday evening:

- 1) The Recreation Commission has done a good job of paring back the plan;
9. they have done proper due diligence;
10. proposing 15 and 20-year debt was fine;
11. the commission has properly computed the financial impact at a 4.9% increase in the City portion of the tax bill spread out over a three-year period or .8% of the total tax bill, with the final amount being \$89 per year based on taxes paid on the median home; and
12. low interest rates makes the timing favorable.

He said that having looked at both affordability and timing, the committee found adequate grounds to recommend that the Council authorize the bond issue but should provide full financial disclosure to the public. He said the FAC estimates the next City tax may be even higher than last year,

especially as the City no longer has reserve funds to transfer, but that it is appropriate for the voters to be able to choose whether this issue is a priority. The full text of the committee's comments are annexed to these minutes as Exhibit A.

Responding to a question from Robert Byrne, resident, Mr. Hennes said he had been concerned about the first referendum on four counts, all of which have now been addressed, and said that the committee was really interested in making sure all citizens knew where their tax money was going. He said he felt the impact of the referendum was made clear, but it is hard to say whether the total tax picture is clear. The Mayor said he felt the public had a lot of information; that the Council makes sure it is made available as it is knowable; and that the FAC had had a very good meeting.

Stephen Meyers, Chairman of the Recreation Commission, who was joined by his fellow members, said he was pleased to speak in support of the proposed referendum and made the following statement:

“Last week, I presented, on behalf of the Recreation Commission, a revised \$4.4 million recreation bond proposal that represented nearly a \$2.6 million, or 37% decrease, from the prior proposal of \$6.975 million. The new proposal includes \$1.5 million for two new athletic fields at the nursery and Disbrow Park sites and \$2.9 million for the renovated Damiano Community Center. The revised proposal meets the core recreation infrastructure needs of the community at a considerably reduced cost.

“Unless requested by the Council, I will not again go into the detail changes that were made to the current proposal versus the prior proposal. The steep cuts made to the prior proposal were the result of difficult choices made by the Recreation Commission. As I stated last week, some members of the community may criticize us for some of the choices that we made. However, given the economic climate, the choices were necessary.

“I am pleased to report that the Recreation Commission's revised plan made real cuts to lower the cost of the proposal, has demonstrated that the tax impact of the plan is minimal and that these projects are appropriate projects for borrowing, particularly at a time when interest rates are at such low levels. This means that our debt service costs will be considerably lower than if we borrowed at a time of higher interest rates. This is an affordable project that will be of great benefit to the City and its residents.

“On Monday night, I participated in a meeting with the Financial Advisory Committee, the Mayor and three members of the City Council. I am now pleased to report that the Finance Committee has joined the Recreation Commission in attesting to the financial structure of the proposal. The recreation bond issue is an affordable and well-crafted proposal.

“On a fully phased-in basis, the proposal will increase the City property taxes by 4.9%, phased-in over a three-year period. This will increase a City's resident's overall tax rate by only 0.8% or \$89 on the median assessed home in year 2005 when the project is fully phased-

in. The increase in taxes in 2003 and 2004 will be minimal, amounting to \$23 in 2003 and an additional \$36 in 2004.

“It is very important to reaffirm that the tax increases are minimal and will be phased in over a three-year period. In the prior proposal, the then 7.1% proposed tax increases would also have been phased-in. However, there was a misconception in the community that the entire tax increase would impact 2003. This was not the case then and it is not the case now. The \$89 tax increase will be phased-in over three years. Again, the 2003 tax impact is only a \$23 increase on the median assessed home in Rye.

“Not only is the timing of the bond referendum good from a financial perspective, it is also good timing from a recreation perspective. A June 11 referendum date will, in all probability, enable the athletic field projects construction to be completed this year. This will also enable us to pick up one grass-growing season that in turn will allow the fields to be put in use by Fall of 2003.

“It should be stressed that this investment in the core recreational infrastructure will significantly improve the quality of life in Rye. All taxpayers will benefit through either the use of the new facilities and/or the appreciation in the value of their homes.

“In concluding, the Recreation Commission believes that the cost of the referendum represents a small addition to the City’s spending to address the growing recreation needs that have been deferred by the City over many years. To put it in context, in 2003, the City budget will likely be in excess of \$22 million. In 2003, the recreation bond will cost about \$145,000. This is about six tenths of one percent of the budget -- clearly a small percentage for such a large value.

“I thank you again for the opportunity to address the Council in support of the recreation bond. The projects to be funded by the recreation bond represent priority needs and are affordable. On behalf of the Recreation Commission, I urge the City Council to authorize the proposed bond referendum for submission to the voters on June 11.”

Councilman Cypher said he was happy with the FAC report, feeling that more information is good. Councilman Hutchings said he was pleased that the FAC recommended the plan as affordable and is delighted that he can now vote for a referendum. Councilwoman Larr confirmed that the figure of \$89 extra in taxes was the cumulative amount and thanked the staff and City Manager Novak for all their hard work compiling figures. Councilwoman Cunningham agreed with Councilman Hutchings that it is time for the citizens to say what is, in their view, a priority for the City. Councilman Chu thanked the FAC for a reasoned, thoughtful, balanced report which he suggested be made available, along with Mr. Meyer’s report, to the public on the City’s web site and in hard copy.

Mayor Otis concluded by saying he felt the Committee had worked long and hard and had earned the right to have the voters have another opportunity to vote for the fields and the expansion of Damiano Center. He said the City needs to continue to do good things and hoped it would pass.

Councilman McKean made a motion, seconded by Councilman Hutchings, to adopt the following resolution:

BOND RESOLUTION DATED APRIL 10, 2002.

A RESOLUTION AUTHORIZING THE ISSUANCE OF \$4,400,000 SERIAL BONDS OF THE CITY OF RYE, WESTCHESTER COUNTY, NEW YORK, TO PAY THE COST OF VARIOUS CAPITAL PROJECTS FOR PARK AND RECREATIONAL PURPOSES IN AND FOR SAID CITY.

WHEREAS, all conditions precedent to the financing of the capital projects hereinafter described, including compliance with the provisions of the State Environmental Quality Review Act, have been performed; and

WHEREAS, such projects have been determined to constitute a Type I Action in accordance with the provisions of the State Environmental Quality Review Act which will not have a significant adverse impact on the environment and for which a negative declaration was adopted by the City Council, as lead agency, on October 17, 2001, and

WHEREAS, it is now desired to authorize the financing of such capital projects; now, therefore, be it

RESOLVED, by the City Council of the City of Rye, Westchester County, New York, as follows:

Section 1. There are hereby authorized to be issued \$4,400,000 serial bonds of the City of Rye, Westchester County, New York, pursuant to the provisions of the Local Finance Law, to pay the capital costs of the specific object or purpose or class of objects or purposes hereinafter described in Section 2 hereof.

Section 2. The classes of objects or purposes to be financed pursuant to this resolution and their maximum estimated costs and their periods of probable usefulness are as follows:

- a. The construction of additions to and the reconstruction of various City-owned buildings, including incidental improvements and expenses and site work in connection therewith, for park and recreational purposes, a class of objects or purposes, at a maximum estimated cost of \$2,900,000. It is hereby determined that the plan for the financing thereof shall consist of the issuance of \$2,900,000 serial bonds of the \$4,400,000 serial bonds authorized to be issued pursuant to this bond resolution. It is hereby further determined that the period of probable usefulness of the aforesaid class of objects or purposes is twenty years, pursuant to subdivision 12(a)(1) of paragraph a of Section 11.00 of the Local Finance Law.
- b. The original improvement or embellishment, including incidental expenses in connection therewith, of City parks and recreation areas, including playing fields or

other recreational facilities, in the City, to which the residents of the City have access by reason of City ownership of either fee title or an easement thereon, a class of objects or purposes, at a maximum estimated cost of \$1,500,000. It is hereby determined that the plan for the financing thereof shall consist of the issuance of \$1,500,000 serial bonds of the \$4,400,000 serial bonds authorized to be issued pursuant to this bond resolution. It is hereby further determined that the period of probable usefulness of the aforesaid specific object or purpose is fifteen years, pursuant to subdivision 19 of paragraph a of Section 11.00 of the Local Finance Law.

Section 3. Subject to the provisions of the Local Finance Law, the power to authorize the issuance of and to sell bond anticipation notes in anticipation of the issuance and sale of the serial bonds herein authorized, including renewals of such notes, is hereby delegated to the City Comptroller, the chief fiscal officer. Such notes shall be of such terms, form and contents, and shall be sold in such manner, as may be prescribed by said City Comptroller, consistent with the provisions of the Local Finance Law.

Section 4. The faith and credit of said City of Rye, Westchester County, New York, are hereby irrevocably pledged for the payment of the principal of and interest on such obligations as the same respectively become due and payable. An annual appropriation shall be made in each year sufficient to pay the principal of and interest on such obligations becoming due and payable in such year. There shall annually be levied on all the taxable real property of said City, a tax sufficient to pay the principal of and interest on such obligations as the same become due and payable.

Section 5. Such bonds shall be in fully registered form and shall be signed in the name of the City of Rye, Westchester County, New York, by the manual or facsimile signature of the City Comptroller and a facsimile of its corporate seal shall be imprinted or impressed thereon and may be attested by the manual or facsimile signature of the City Clerk.

Section 6. The powers and duties of advertising such bonds for sale, conducting the sale and awarding the bonds, are hereby delegated to the City Comptroller, who shall advertise such bonds for sale, conduct the sale, and award the bonds in such manner as he shall deem best for the interests of the City; provided, however, that in the exercise of these delegated powers, he shall comply fully with the provisions of the Local Finance Law and any order or rule of the State Comptroller applicable to the sale of municipal bonds. The receipt of the City Comptroller shall be a full acquittance to the purchaser of such bonds, who shall not be obliged to see to the application of the purchase money.

Section 7. All other matters, except as provided herein relating to such bonds, including determining whether to issue such bonds having substantially level or declining annual debt service and all matters related thereto, prescribing whether manual or facsimile signatures shall appear on said bonds, prescribing the method for the recording of ownership of said bonds,

appointing the fiscal agent or agents for said bonds, providing for the printing and delivery of said bonds (and if said bonds are to be executed in the name of the City by the facsimile signature of the City Comptroller, providing for the manual countersignature of a fiscal agent or of a designated official of the City), the date, denominations, maturities and interest payment dates, place or places of payment, and also including the consolidation with other issues, shall be determined by the City Comptroller. It is hereby determined that it is to the financial advantage of the City not to impose and collect from registered owners of such serial bonds any charges for mailing, shipping and insuring bonds transferred or exchanged by the fiscal agent, and, accordingly, pursuant to paragraph c of Section 70.00 of the Local Finance Law, no such charges shall be so collected by the fiscal agent. Such bonds shall contain substantially the recital of validity clause provided for in section 52.00 of the Local Finance Law and shall otherwise be in such form and contain such recitals in addition to those required by section 52.00 of the Local Finance Law, as the City Comptroller shall determine.

Section 8. The intent of this resolution is to give the City Comptroller sufficient authority to execute those applications, agreements, instruments or to do any similar acts necessary to effect the issuance of the aforesaid serial bonds and, or notes without resorting to further action of this City Council.

Section 9. This resolution shall constitute a statement of official intent for purposes of Treasury Regulations Section 1.150-2. Other than as specified in this resolution, no monies are, or are reasonably expected to be, reserved, allocated on a long-term basis, or otherwise set aside with respect to the permanent funding of the object or purpose described herein.

Section 10. The validity of such bonds and bond anticipation notes may be contested only if:

- 1) Such obligations are authorized for an object or purpose for which said City is not authorized to expend money, or
- 2) The provisions of law which should be complied with at the date of publication of this resolution are not substantially complied with, and an action, suit or proceeding contesting such validity is commenced within twenty days after the date of such publication, or
- 3) Such obligations are authorized in violation of the provisions of the Constitution.

Section 11. Upon this resolution taking effect, the same shall be published in full in *The Journal News*, the official newspaper of said City, together with a notice of the City Clerk in substantially the form provided in Section 81.00 of the Local Finance Law.

Section 12. Pursuant to the provisions of Section C21-9 of the Charter of the City of Rye, this resolution is adopted subject to referendum.

ROLL CALL:

AYES: Mayor Otis, Councilmen Chu, Cunningham, Cypher, Hutchings
Larr, and McKean
NAYS: None
ABSENT None

6. Resolution providing for submission to the qualified voters of the City of Rye a proposition for the implementation of the Recreation Master Plan

Councilman McKean made a motion, seconded by Councilman Cypher, to adopt the following resolution

RESOLUTION DATED APRIL 10, 2002

A RESOLUTION CALLING A SPECIAL ELECTION OF THE QUALIFIED VOTERS OF THE CITY OF RYE, WESTCHESTER COUNTY, NEW YORK, IN ACCORDANCE WITH SECTION C21-9 OF THE CHARTER OF SAID CITY, AND PROVIDING FOR OTHER MATTERS IN CONNECTION THEREWITH.

WHEREAS, the City Council of the City of Rye, Westchester County, New York, on April 10, 2002 adopted a resolution authorizing the issuance of \$4,400,000 serial bonds of said City to pay the cost of implementing the Recreation Master Plan subject to a referendum in accordance with the provisions of Section C21-9 of the Charter of said City; and

WHEREAS, it is now desired to call a special election of the qualified voters of said City for the purpose of submitting a proposition for the approval or disapproval of said bond resolution; now, therefore, be it

RESOLVED, by the City Council of the City of Rye, Westchester County, New York, as follows:

Section 1. A special election of the qualified voters of the City of Rye, Westchester County, New York, shall be held on the 11th day of June, 2002, a date at least sixty (60) days from the date hereof in accordance with Section C5-3 of the Charter of the City, for the purpose of voting upon the proposition hereinafter set forth. Qualified voters for said special election shall be those who are qualified to vote for the election of officers of said City.

Section 2. The polls at said special election shall be kept open between the hours of 6:00 A.M. and 9:00 P.M., Prevailing Time, which hours are hereby designated as the hours of voting. Voting at said special election shall be by voting machine. The single polling place for said special election is hereby designated to be City Hall, 1051 Boston Post Road, in Rye, New York for all 14 Election Districts.

Section 3. The City Clerk is hereby authorized and directed to cause notice of such special election to be given by publication once a week for two (2) weeks preceding the date of the referendum in *The Journal News*, the official newspaper of said City. Such notice, and the form of the proposition to be submitted at said special election, shall be in substantially the following form, to-wit:

NOTICE OF SPECIAL ELECTION

NOTICE IS HEREBY GIVEN that, pursuant to Section C21-9 of the Charter of the City of Rye, Westchester County, New York, a special election of the qualified voters of said City shall be held at the polling place hereinafter set forth, on the 11th day of June, 2002, for the purpose of voting by voting machine on the adoption or rejection of the proposition hereinafter set forth.

The single polling place for said special election shall be the City Hall, 1051 Boston Post Road, in Rye, New York for all 14 Election Districts. The hours of voting at said special election will be from 6:00 A.M. and 9:00 P.M. Prevailing Time.

Qualified voters at said special election shall be those who are qualified to vote for the election of officers of said City. Application forms for absentee ballots will be available at the Office of the City Clerk until the day before such special election or may be requested by mail not earlier than the thirteenth day nor later than the seventh day before the special election and as provided by Section 8-400 of the Election Law. The completed application form for an absentee ballot must be either mailed to the City Clerk not later than seven days before the date of such special election or delivered to the City Clerk not later than the day before such special election. Absentee ballots must be either received by the City Clerk before the close of the polls on June 11, 2002 or postmarked or endorsed not later than June 10, 2002 and received by the City Clerk not later than June 18, 2002 as provided in Section 8-412 of the Election Law.

The proposition will be in substantially the following form, to wit:

PROPOSITION

Shall the bond resolution adopted by the City Council of the City of Rye, Westchester County, New York on April 10, 2002, authorizing the issuance of \$4,400,000 serial bonds of said City, of which amount \$2,900,000 shall be allocated to pay the cost of the construction or additions to and the reconstruction of various City-owned buildings, for park and recreational purposes, and of which amount \$1,500,000 shall be allocated to pay the cost of the original improvement or embellishment of City park and recreation areas, including playing fields or other recreational facilities in the City to which the

residents of the City have access by reason of City ownership of either fee title or an easement thereon, providing that the period of probable usefulness of such construction of additions and reconstruction is twenty years and that the period of probable usefulness of such original improvement and embellishment of City park and recreational areas is fifteen years, delegating the power to issue serial bonds and bond anticipation notes to the Comptroller, pledging the faith and credit of said City for the payment of such bonds and notes, and containing an estoppel provision, be approved?

Such projects have been determined to constitute a Type I Action in accordance with the provisions of the State Environmental Quality Review Act which will not have a significant adverse impact on the environment and for which a negative declaration has been adopted by the City Council, as lead agency.

Rye, New York

Dated: _____ 2002

BY ORDER OF THE CITY COUNCIL OF
THE CITY OF RYE, WESTCHESTER
COUNTY, NEW YORK

By: _____
City Clerk

Section 4. Said special election shall be conducted in the manner prescribed by the Election Law to the extent not inconsistent with the Charter of the City of Rye, Westchester County, New York, and the provisions of this resolution.

Section 5. This resolution shall take effect immediately.

ROLL CALL:

AYES: Mayor Otis, Councilmen Chu, Cunningham, Cypher, Hutchings
Larr, and McKean

NAYS: None

ABSENT None

7. Resolution declaring that the restrictions and limitations stated in Chapter 194, Water, of the Code of the City of Rye are presently in effect and shall remain in effect for so long as the emergency exists

City Manager Novak urged the Council to adopt a resolution declaring that the restrictions and limitations stated in Chapter 194, Water, of the Code of the City of Rye are presently in effect and shall

remain in effect for so long as the emergency exists as a reinforcement to the position already adopted by the City. Councilwoman Cunningham said the drought was affecting the whole East Coast and that Maine was about to be declared a Federal disaster area. Councilman McKean said he thought it would be helpful to obtain a chart showing the reservoir level on a regular basis.

Councilwoman Cunningham made a motion, seconded by Councilman McKean and unanimously carried, to adopt the following resolution:

WHEREAS, an unusual drought condition has persisted in the Northeastern United States for the past six months; and

WHEREAS, the City of New York and the County of Westchester recently declared a drought emergency exists which requires the conservation of water; and

WHEREAS, Officers of the Connecticut-American Water Company have reported that the reservoir system serving as the source of water used by the residents of the City of Rye presently is at 55% capacity, which is significantly below normal levels for the month of April; and

WHEREAS, the Council has determined that an emergency exists requiring the conservation of water; now be it hereby

DECLARED AND ORDERED, that the restrictions and limitations stated by Chapter 194 of the Code of the City of Rye are presently in effect and shall remain in effect for so long as the emergency exists.

8. Consideration of Zoning Code Text Amendment to Permit Moderate Income Housing on Certain Properties located in the RA-1 Garden Apartment District

Mayor Otis recognized Joseph Latwin, member of Wolff & Latwin, LLP representing Louis Larizza, agent of Lazz Development LLC, a noted developer of moderate income housing, who wishes to construct moderate income homes in an RA-1 Zoning District on Cottage Street between Midland Avenue and Grace Church Street in Rye. He said that to accomplish the plan a zone text amendment to the Code of the City of Rye which would permit moderate income housing in RA-1 zones abutting an Interstate highway, is necessary. He said although multiple family units are now permitted in an RA-1 zone, the current dimensional requirements all but preclude any multiple family dwellings and the change would allow smaller setbacks provided three conditions are met: 1) the required rear yard would be reduced to no less than five feet when it abuts an Interstate Highway; 2) the floor area ratio (FAR) would be increased to 1.0 (the same as is permitted for Apartments for Senior Citizen and Handicapped Persons Use in the RA-5 zone); and 3) the provisions of §197-52 (requiring corner lots to have, in essence, front yards facing each street) not apply. He said the proposed change would

affect only this property and an already developed part of the Pondview condo property. He asked the Council take such action under SEQRA as may be proper and that it refer this proposal to the Planning Commission for its review, comments and recommendation as is customary when changes in zoning are considered. He concluded by saying he and Kathleen Walsh, who is a planning consultant for Lazz, believe this to be a good plan and they were available for questions.

In response to a question from Councilwoman Larr, Ms. Walsh said State and other funding sources restrict making windfall profits and that any resale must be restricted to those in the moderate income category (80% of the median income as of the time of the sale). In response to a question from Councilman Hutchings, Mr. Latwin clarified that the change would really only affect the Cottage Street property as Pondview is already developed and the Osso Property on Midland Avenue does not abut a highway. Councilman McKean was concerned about the corner lot issue as one of the units is on the corner of Edgar Place, which is a private, mapped (but not deeded) street, owned by an adjoining property owner and as a practical matter, unlikely to be developed.

A discussion followed as to whether the Council should be the lead agency for the environmental review required by SEQRA or whether the Planning Commission could assume that responsibility. Ms. Walsh said it was important that the lead agency act as coordinator of the environmental review. The Mayor asked the City Planner, Christian Miller, to review prior cases to determine which board has typically been lead agency. Corporation Counsel Henry Neale said he thought if the ordinance were to be changed, the Council would be lead agency.

Councilwoman Cunningham made a motion, seconded by Councilman McKean and unanimously carried, to adopt the following resolution:

RESOLVED, that the proposal to build moderate income housing on the Cottage Street Property be referred to the Planning Commission for further study, and that the decision to assign lead agency status be deferred until the May 1 regular meeting of the City Council.

9. Proposed resolution opposing the proposed increase in the Local Government Records Management Improvement Fund

The Mayor said that a resolution opposing the proposed increase in the Local Government Records Management Improvement Fund seemed on target to him as shifting responsibility for the way Local Government Records Management Program would be run would likely result in the loss of grant funding for smaller municipalities.

Councilwoman Cunningham made a motion, seconded by Councilwoman Larr and unanimously carried, to adopt the following resolution:

**RESOLUTION AGAINST THE PROPOSED INCREASE IN THE
LOCAL GOVERNMENT RECORDS MANAGEMENT IMPROVEMENT
FUND**

WHEREAS, the Governor has proposed to remove certain offices overseeing Cultural Education from the New York State Education Department, incorporating these in an entirely new Institute for Cultural Education; and

WHEREAS, in order to fund this Institute; including the State Archives, State Library, State Museum and State Office for Public Broadcasting, New York State will need to raise millions of dollars in capital investment and plans to do this by quadrupling the present five dollars collected by all County Clerks and the Register of the City of New York on all recorded, indexed and entered documents to twenty dollars, effective July 1, 2002; and

WHEREAS, the Local Government Records Management Improvement Fund was created in 1989 to support grants and technical assistance to local governments to improve and enhance the management of their records and information; and

WHEREAS, since 1990, a record number of 315 grants totaling \$6,300,803 have been awarded from the Local Government Records Management Improvement Fund to local governments in Westchester County, making it the county in New York State that received the highest level of grant funding; and

WHEREAS, said proposed fee increase would provide no improvement in service for the taxpayers paying the fee, nor any additional benefits to the local governments that must collect said fee increase; and

WHEREAS, no demonstrated benefit has been identified in the relocation of these functions to the proposed Institute, in contrast to the highly effective and beneficial relationship that local governments now enjoy with the New York State Education Department; now be it hereby

RESOLVED, by the City Council of the City of Rye, that this body stands firmly opposed to this proposal; and be it further

RESOLVED, that a copy of this resolution be delivered to the Governor, the New York State Legislature and all others deemed necessary and proper, and we urge them to likewise oppose this proposal.

10. Approval of the election of the Fire Chief, 1st Assistant Fire Chief, 2nd Assistant Fire Chief

Councilman Cypher made a motion, seconded by Councilwoman Larr and unanimously carried, to approve the election of George Hogben as Fire Chief, John Wickham as 1st Assistant Fire Chief, and Peter Cotter as 2nd Assistant Fire Chief. The Mayor said all have served the community admirably and will serve it well going forward.

11. Three appointments to one year terms, three appointments to two-year terms, and three appointments to three-year terms to the Playland Advisory Committee

Mayor Otis said the appointments to the Playland Advisory Committee were being postponed as they were still reviewing the excellent resumés of those interested in joining the Committee.

12. Bids for Police Uniforms

Manager Novak said that only one company had bid on police uniforms and while there was no specific issue with the bid, the Police Commissioner felt it was prudent to re-bid the job in light of the number of companies available to provide this service.

Councilman McKean made a motion, seconded by Councilwoman Larr and unanimously carried, to adopt the following resolution:

RESOLVED, that the sole bid for Police Department Uniforms be rejected and that the job be re-bid.

13. Discussion of scheduling a workshop on house size to lot size in the City of Rye

This agenda item was covered as part of agenda item #3.

14. Miscellaneous communications and reports

Councilwoman Larr announced that the Board of Architectural Review and the Landmarks Advisory Committee agreed on final plans for the Library addition; that the approvals have been issued; and the plan can now go forward.

15. Old Business

Mayor Otis introduced the knotty issue of beach area parking by asking if there was any way to inject flexibility between “all parking” and “no parking” during the summer months. He said there have been many suggestions including altering the number of months, having a call-in system for guests, or a guest pass system, etc. but there is no way the City can legally create a plan which offers selective enforcement without conforming to State mandates. Councilwoman Cunningham said she liked Corporation Counsel Neale’s suggestion to limit the parking restriction to Memorial Day – Labor Day and to allow parking from 9 P.M. to 10:00 A.M. The Mayor said limiting hours is not a solution because cars want to park all the time. A discussion ensued about the necessity of abiding by State rules (20% for non-residents) if a permit system was established and whether a guest pass system needed to be guided by those rules. Manager Novak said the staff had suggested a survey be conducted last Fall to provide some guidance as the staff reviews the possibilities again. Councilman Hutchings said most surveys were more time, effort, and cost than warranted for the results, but there was general feeling such an effort might be worth it.

Councilman Cypher made a motion, seconded by Councilwoman Larr, to adopt the following resolution:

RESOLVED, that the staff prepare and send a survey to all residents affected by the beach area parking restrictions as soon as possible.

ROLL CALL:

AYES: Mayor Otis, Councilmen Chu, Cunningham, Cypher, and Larr

NAYS: Councilmen Hutchings and McKean

ABSENT: None

16. New Business

Councilwoman Larr congratulated Julie Schmitter, Assistant to the City Manager, and Consultant Laura Tessier for writing a successful \$150,000 grant from the NYS Department of Parks to

help toward the cost of purchase of the Friends Meeting House. The Mayor said a very nice impromptu ceremony had been held the day before at the Friends Meeting House when Governor Pataki and Bernadette Castro were on hand to announce the grants. He confirmed that there are two other grant requests outstanding.

Councilwoman Cunningham commented on the electric vehicle being tried out by the Police Department. Manager Novak said “Barney” was a Neighborhood Electric Vehicle (NEV) which has proved to be more efficient and environmentally friendly and less costly than retrofitting a police vehicle and the City will be purchasing one for use by the Parking Enforcement Officers.

Councilwoman Larr mentioned that Hen Island residents were being issued special permits to park at the Rye Town Dock beyond the hours posted so residents should know there have been some exceptions made.

17. Adjournment

There being no further business to discuss, Councilman McKean made a motion, seconded by Councilwoman Cunningham and unanimously carried, to adjourn the meeting at 10:37 P.M.

Respectfully submitted,

Susan A. Morison
City Clerk

EXHIBIT A

**Letter dated April 10, 2002
from the Finance Committee to Mayor Otis and the City Council
Re: Recreation Bond Referendum**

At your request, the Finance Committee met to discuss the financial impact of the revised Recreation Bond Referendum proposal.

As you know, we are in challenging economic times and even though the national economy is showing signs of recovery, the financial industry, which employs many of our residents, is not. Unfortunately, some of our residents are out of work or suffering loss of income. The City itself has felt the impact of the economic decline through the reduction of "elastic" revenues and interest income. Therefore, we believe that the Recreation Commission's decision to reduce the scale and cost of the proposal was sensible. We also believe it was wise for the Council to step back and take a hard look at the numbers presented in the revised bond referendum proposal.

We believe the Recreation Commission has done a good job in paring back the cost of the program in a responsible way and performed the proper due diligence to ensure that the bond issue is likely to be adequate to complete the core improvements of the Recreation Master Plan.

Our review also concludes that it is appropriate to use debt to finance these long-term improvements. The impact of debt service and increased operating expenses has been properly computed and reflected in the memorandum presented to the Council by Steve Meyers last week. On a fully phased-in basis (all other factors being held constant), the proposal will increase the City portion of property taxes by 4.9%, phased-in over three years. This will increase a City resident's overall tax rate by approximately 0.8%, or \$89 on the median assessed house in the year 2005 when the project is fully completed. The increase in taxes in 2003 and 2004 will be minimal.

The timing of this project is favorable because of the current low level of interest rates, which restrains the debt service costs of the project.

We believe that the Council should address two questions in deciding whether to go ahead with the referendum: “can our residents afford the debt service and increased operating costs associated with the new facilities?” and “are these new facilities a priority for the City?”

It is the consensus of the Finance Committee that these facilities, if approved, would have a favorable impact on the recreational quality of life in Rye. Moreover, the debt service costs and increases in operating expenses are modest in the context of the overall budget, and will not imperil the financial health of the City. Therefore, it is our recommendation that the Council has adequate grounds to allow the voters of Rye the opportunity to vote on this issue.

It is essential that the City keep our residents fully informed about the financial affairs of the City. A high level of financial awareness on the part of citizens will provide meaningful and clear feedback for future budgets. Additionally, in making the important decision on the upcoming referendum, voters need a financial context within which to make their decision. Therefore, we would urge the Council to make available, as early as possible, information about the likely level of City taxes over the next year or two.

During our recent meeting, we reviewed publicly available information from the 2002 Budget. Based on this information, it is quite probable that if the City maintains the same service levels and revenue base, the tax rate increase for 2003 will be larger than the increase of 12.98% approved by the Council for 2002. We believe that the Council will have a major challenge formulating the 2003 budget.

Residents need to remember that City taxes are presently on a small (approximately 16%) part of their total property tax bill. Also, it is important to note that City taxes and other revenues have not kept pace with the rate of increase in City expenses, many of which are beyond the control of the Council.

Thank you for the opportunity to address the Council tonight.

Sincerely, yours,

Duncan P. Hennes, chairman Citizens Finance Committee
Salvatore Samperi, Vice Chairman Citizens Finance Committee