

APPROVED MINUTES of the Regular Meeting of the City Council of the City of Rye held in City Hall on January 7, 2004 at 8:00 P.M.

PRESENT:

STEVEN OTIS, Mayor
FRANKLIN J. CHU
ROBERT S. CYPHER
MATTHEW FAHEY
DUNCAN HENNES
ROSAMOND LARR
HOWARD G. SEITZ
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.

2A. Adoption of resolution recognizing the 2004 Centennial Celebration of the Village of Rye

Mayor Otis said that 2004 was a special year as it was the 100th anniversary of the creation of the Village of Rye in 1904; that the Rye Historical Society and other community groups were planning a series of historical and community events; and that there would be lots to celebrate.

Councilman Larr made a motion, seconded by Councilman Seitz, to adopt the following proclamation as read by the Mayor:

***WHEREAS**, the seal of the City of Rye contains three significant dates – the founding of the first settlement in Rye in 1660, the establishment of Rye as a City in 1942, and 1904, exactly one hundred years ago, during which the Village of Rye was incorporated as a self-governing community; and*

***WHEREAS**, the series of events which led up to this incorporation began on January 2, 1904 when some fifty-odd taxpayers of the Town of Rye signed a petition to promote and secure such incorporation; and*

WHEREAS, on January 9, 1904 those representative taxpayers permanently formed the Village of Rye Incorporation League dedicated to incorporating the hamlet of Rye into a village, formally electing officers and an executive committee, and naming William H. Parsons, Esq. as Chairman; and

WHEREAS, a five-member law Committee of the Rye Incorporation League, drafted a bill to amend the General Village Law of the State of New York, paving the way for constitutionally incorporating the Village of Rye; and

WHEREAS, the proposed bill was approved by Assemblyman J. Mayhew Wainwright, introduced and passed by the State Assembly on February 11, then by the State Senate and signed by Governor Benjamin B. Odell, Jr. on March 1, 1904; and

WHEREAS, following a census of inhabitants to be included in the incorporated area, including no less than twenty-five taxpayers, representing a property value of at least \$250,000, an application to Supervisor Edwin F. Studwell of the Town of Rye for a survey of the territory proposed for the new Village of Rye was presented on May 12, 1904; and

WHEREAS, a deposit of \$50 officially requesting incorporation was deposited on July 16, 1904 and public notice of intent to incorporate was set for August 4, 1904; and

WHEREAS, an election was held on September 12, 1904 between 1 P.M. and sunset, at which Rye residents voted and approved, by a vote of 155 to 47, to incorporate as the self-governing Village of Rye; and

WHEREAS, on October 14, 1904 the first village of Rye election was held, and William H. Parsons, Esq. became the first President, and

WHEREAS, the first meeting of the Board of Trustees of the newly established Village of Rye was held on October 17, 1904, culminating almost a year of leadership and foresight from our village forefather without which the City of Rye, as we know it today, would not have been possible, now therefore be it

RESOLVED, that the Rye City Council pause in its deliberations to proclaim 2004 to be a Centennial Celebration year recognizing the incorporation and initiation of self government in our City with a series of celebrations and events throughout the year.

Signed and sealed this 7th day of January, 2004

Steven Otis, Mayor

ROLL CALL:

AYES: Mayor Otis, Councilmen Chu, Cypher, Fahey, Hennes, Larr,
and Seitz

NAYS: None

ABSENT: None

3. Mayor's Annual Message

Mayor Otis said it was his privilege and pleasure to be able to deliver an annual message to the citizens of Rye and read the following into the record:

“One hundred years ago the leaders of Rye came together to create the Village of Rye. By 1904 Rye had evolved into a community whose needs could not be addressed by the Town government. In that era, the town form of government in New York State was not authorized to provide the same services that an incorporated village could provide. The Town of Rye, of which we were an unincorporated part, devoted itself to agricultural issues and did not provide the services needed by our growing community. Neighboring village governments in Port Chester, incorporated in 1868, and Mamaroneck, incorporated in 1895, provided their citizens with a fuller set of services essential to evolving residential communities.

“What we now know of as Rye had become a community in need of those same services and in need of a local government that represented our unique interests. 1904 culminated years of research and planning to create a village. One hundred years ago sixty-one community leaders petitioned for the creation of the Village of Rye.

“With a change in state law enabling Rye to qualify as a village, 1904 saw the establishment of our village government during the course of the year. The volunteer leadership of our community laid the foundation for the Rye of the last century. One hundred years later, what would the residents of Rye of 1904 find? What became of their experiment in this place we call Rye?

“They would find a unique, carefully planned, attractively developed, small town community that thrives on our location on the water, our proximity to the world around us, and our exceptional sense of connection to each other.

“Our local government, first as a village, and then since 1942 as a City, has worked hard to plan Rye’s evolution and growth and protect the aesthetic character of the Rye we enjoy today.

“We value our natural surroundings and continue to protect these community resources. We value our links to our neighbors, to the Hudson Valley, New York City, New England, the Northeast, the Nation, and the world.

“A year does not go by when Rye is not recognized as a sought-after place to live, bring up children, and call home. Survey after survey ranks Rye as one of the top

communities in the nation. Our schools regularly score at the highest level of testing and academic success.

“Our form of local government has served us well and we are served by an outstanding professional staff. To a person, our City Manager and Department Heads are recognized as leaders in their respective fields. The level of dedication in every City department is high. Through years of diligence, appreciation of professionalism, and a desire to provide the quality services for which residents have asked, we have inherited one of the best-run local governments in the nation.

“The Village, established a century ago, placed a high value on the importance of volunteerism and public service. This tradition has been a hallmark of our local government and our countless not-for-profit organizations. At the end of 2003 the City of Rye had over 150 volunteer positions filled by individuals in service to the City of Rye government. This level of public participation is unprecedented in its volume and is unmatched in the special expertise that our residents bring to, or develop in, their areas of service.

“Our not-for-profit organizations are also supported by hundreds of volunteers serving on boards, committees, and fundraising efforts. I do not believe you can find another community where the level of volunteer service matches the governmental and not-for-profit efforts in Rye.

“Our City’s fiscal strength also places us at the top of local governments. We are regularly recognized for excellence in financial management. We are one of a handful of local governments in the state to have the highest bond rating given. Our debt and reserve levels remain strong. In October the City received special recognition for the work of our Finance Department for early implementation of more comprehensive financial reporting standards.

“Noteworthy is the fact that the City of Rye provides a high level of municipal services and yet our municipal tax rate remains among the lowest in Westchester County. In the mid-nineties press accounts noted the value Rye residents receive for their taxpayer dollar. A recent New York Times article provided a similar comparison.

“Growth and progress have been vital to Rye’s success. Rye has not stayed the same. Managing change has always been a challenge for any community that values what it has and fears losing what makes it unique. Through careful planning and public involvement over the generations, we have maintained our strength as a dynamic community and retained the historic character that we are so fortunate to inherit.

“The leaders of Rye in 1904 can look at Rye today with pride. The experiment worked. They could look to the year just passed to see how we have continued to progress as a community.

“The success of volunteer efforts and what I call the ‘collaborative process’ continued to bring results for the community. Public participation, open government, and

decision-making with an open mind always bring the best results. We again saw these principles at work in the successes of 2003.

“The House Size to Lot Size Subcommittee worked closely with the City Planner, the Building Inspector, and the City Council to enable us to enact thoughtful, carefully drafted changes to our laws to restrain the few cases where the height, bulk, and size of proposed houses is dramatically out of scale with a neighborhood. At the same time we protected the normal construction and addition activity in the community. In 2003 very dedicated volunteers and staff sought to balance history and change to maintain the character of Rye.

“The past year saw the construction of new athletic fields at Disbrow Park and Rye Nursery. When our Recreation Superintendent announces “play ball” later this year, it will be the result of a six year planning process that focused on public involvement and collaboration between volunteers in the Recreation Master Plan process and the City staff.

“The new Rye Youth Advisory Committee has brought twenty-two bright, energetic, young Rye residents into the City government with early success. The Committee members bring fresh ideas and an ability to articulate issues facing teenagers in Rye. They will help the community become more responsive and will learn a lot about local government at the same time.

“Traffic Safety improvements continued in 2003. Our Traffic and Transportation Committee continue to work on safety issues brought to their attention by residents. They then coordinate with the Police Department and the City Engineer on solutions. The City received AAA’s Gold Award for excellence in traffic safety in 2003.

“The Rye Free Reading Room and the Rye YMCA are thriving with the opening of their new expanded facilities. These were successes for the entire community and were made possible through the volunteer efforts of each organization and the generosity of the people of Rye.

“2003 brought the establishment of the Rye Beautification Advisory Committee, the continued work of the Rye Senior Advocacy Committee, and new projects from the Rye Merchant’s Association. These volunteer efforts add to the fabric of our community.

“The Friends of the Rye Nature Center has taken great steps at rebuilding the environmental education programs of the community. We must encourage their efforts.

“One of the historic pavilions at Rye Town Park was restored with private funds with the second to be completed this spring. The partnership with Seaside Johnnies has saved Rye taxpayers hundreds of thousands of dollars at Rye Town Park. In 2003 Rye Town Park was selected for listing on the State and National Registers of Historic Places. The Friends of Rye Town Park Duck Pond restoration is ready to begin.

“Last January I proposed that a new not-for-profit be formed to assist the City with funding and expertise in the restoration of the Friends Meeting House on Milton Road. The Friends of the Rye Meeting House was formed in 2003 and will assist the City in a public/private partnership that brings together expertise from the Landmarks Advisory Committee, the Rye Historical Society, and other interested residents in an important project. This is another example of volunteer expertise, private fundraising, and working with City staff that makes projects in Rye succeed.

“In 2003 our emergency service and public safety capabilities were again tested in the summer blackout. The preparation provided through our involvement in FEMA’s Project Impact and our continued efforts to upgrade public safety and disaster preparedness were again demonstrated. Every City Department and involved City employee responded with skill. We must continue our efforts to be prepared for all challenges.

“2003 brought continued success in addressing flooding and environmental concerns on Beaver Swamp Brook. The complex hydrological issues facing our border with Harrison have been studied, a plan is in place, and outside funding has been obtained to implement that plan in cooperation with the Town of Harrison.

“Special thanks continues to go to Congresswoman Nita Lowey for her support in securing federal grant funding for this and other stormwater and environmental projects for the City of Rye.

“Our environmental, wetland restoration, and land acquisition efforts could not have succeeded without the strong support of Governor Pataki and the state environmental agencies of his administration. Assemblyman Ron Tocci has also been successful in obtaining major grants to assist projects at the Rye Nature Center, the Rye Town Dock, and the Friends Meeting House property.

“The outside financial support for projects in the City of Rye has been of tremendous benefit to Rye taxpayers. Since 1998 major grants, private partnerships, and governmental loans for local government projects, including Rye Town Park, have exceeded \$9 million. Tremendous time, effort, and planning went into making these funding sources accessible to Rye. However our community benefits when we can get projects done and qualify for outside funding that protects our taxpayers at the same time.

“We must continue our efforts to secure outside governmental and private funding to meet community needs. Governmental grants, private partnerships, foundation funding, and tax deductible giving are not available for every project, but these avenues should be pursued aggressively if progress is to continue.

“The new year brings challenges and work left undone.

“While our municipal tax rates remain low compared with other Westchester communities, Westchester taxpayers are burdened with escalating local, school, and county taxes threatening the ability of many to remain in this county. The same economy

that has been on a downturn since 2001 forces increased costs to all governments through retirement system payment increases, reduced revenues, and increased costs.

“Controlling property taxes has been a priority of this community since the early 1990’s. We must continue to make wise decisions about tax policies. We must continue our efforts to always be searching for more efficient ways to provide quality services.

“We must also remember that there is a link between our consistently high property values and the fact that people choose Rye because we do provide quality services at a cost lower than anyone else.

“We must properly maintain our buildings, roads, and equipment. As we have learned from past experience, to fail to do so is more costly to the taxpayer. Some of our biggest capital challenges are examples deferring big projects.

“Our ability to provide dependable fire service throughout the entire City is linked to how we address the condition of the Locust Fire Headquarters. While a restored police station and courthouse facility is years away, some immediate improvements are needed. We need to work together to find a funding solution to rebuild Theall Road.

“In December, we sought to address the funding needs of the Rye Free Reading Room through the budget process. We should not wait until the next budget cycle to build on that progress. In early 2004 we should begin a process to find ways to bring the library and the City organization closer together. Are there central services or expertise the City now provides City departments that could assist the library? A cooperative non-budget cycle evaluation of the financial needs of the library will bring long-term solutions and stability.

“We are a great community that wants the initiatives of the community to be successful. Our goal on the City Council should be to assist those efforts. No community can afford to do everything at once. There is much work that has been left undone, and out of necessity that will always be the case. We are constantly looking for ways to make Rye better. We need to continue to move forward and address our challenges in an orderly fashion.

“We have a model local government that provides quality services in a cost-effective manner. Throughout the year we should continue our efforts at making it even more effective by looking for reorganization opportunities where they make sense. This has been our practice in the past and was reaffirmed in the budget process last year. But we should also avoid the temptation of change for change’s sake. We should be cautious and not try to and fix the things that are not broken.

“We have tremendous expertise on the City staff, in not-for-profits, and on our Boards and Commissions. The dedicated volunteers and staff that work for years on governmental and non-governmental projects and services deserve our appreciation and respect.

“When our community incorporated as a village a century ago, there was a strong sense of community. In the past 100 years that fabric of local government, not-for-profits, schools, houses of worship, recreation, art and culture, historic preservation, parks, and appreciation for nature have only grown stronger.

“We are linked together in the life of our community in ways that few places can replicate. We are connected to each other by the time and energy every resident contributes to the life and activities of Rye.

“We are a small town, a special place. Our past success has been built on friendship, respect, unity of purpose, and a fidelity to the best interests of Rye. We can best honor the vision of the past 100 years by making it live today in our work together.”

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

Sis D’Angelo, Wappanocca Avenue, inquired as to the current status of the gas station on the corner of Purchase Street. The Corporation Counsel said the Public Administrator had retained Brandon Saul as executor of the estates of Mrs. Thomaschewky and her daughter, who died without wills, and he will be able to help the City proceed with cleaning up the property. He said that the City was within its rights to board up the broken windows and paint the plywood and it had done so.

5. Appointment of a Council Member as Trustee of the Police Pension Fund, by the Mayor with Council approval, for a one-year term

This matter was deferred until further research could be done on the document that governs this appointment.

6. Two appointments to the Board of Appeals for three-year terms, by the Mayor with Council approval

This agenda item was deferred to the January 21, 2004 meeting.

7. One appointment to the Board of Architectural Review for a three-year term; one to fill the term ending January 1, 2005 and one to fill the term ending January 1, 2006, by the Mayor with Council approval

Councilwoman Larr made a motion, seconded by Councilman Chu and unanimously carried, to approve the appointment by the Mayor of the following members to the Board of Architectural Review: William Dunne for a three-year term expiring January 1, 2007; Christopher Pollack for a two-year term expiring January 1, 2006; and Richard Mecca for a one-year term expiring January 1, 2005.

8. Designation of the Chairman of the Board of Architectural Review, by the Mayor

The Mayor designated Eugene McGuire as Chairman of the Board of Architectural Review.

9. One appointment to the Board of Assessment Review to fill the term expiring on September 30, 2005, by the Council

Councilman Cypher made a motion, seconded by Councilman Seitz and unanimously carried, to approve the appointment by the Mayor of Robert Byrne to the Board of Assessment Review for a term expiring September 30, 2005.

10. One appointment to the Board of Ethics for a three-year term, by the Mayor with Council approval

Councilwoman Larr made a motion, seconded by Councilman Cypher and unanimously carried to approve the re-appointment by the Mayor of Warren Ross to the Board of Ethics for a three-year term expiring January 1, 2007.

11. Two appointments to the Commission on Human Rights for three-year terms, by the Mayor

Councilwoman Larr made a motion, seconded by Councilman Hennes and unanimously carried to approve the re-appointments by the Mayor of Susan Cicelsky and Wanda Lee Clyatt to the Commission on Human Rights for three-year terms expiring January 1, 2007.

12. Designation of the Chairman of the Commission on Human Rights, by the Mayor

Mayor Otis designated Patrick McGunagle as Chairman of the Commission on Human Rights.

13. Three appointments to the Conservation Commission/Advisory Council for three-year terms; one to fill the term expiring January 1, 2005 and one to fill the term expiring January 1, 2006, by the Mayor with Council approval

This agenda item was deferred to the January 21, 2004 Council Meeting.

14. Three appointments to the Finance Committee for three-year terms and one appointment to fill the term expiring January 1, 2005, by the City Council

Franklin Chu made a motion, seconded by Councilwoman Larr and unanimously carried, to approve the reappointment of Fred Dunn to a three-year term on the Finance Committee expiring January 1, 2007; the appointments of Michael Caponiti and David Mullane for three-year terms expiring January 1, 2007; and the appointment of Norman MacMaster for a one-year term expiring January 1, 2005.

Mayor Otis said five people had submitted resumes for the Finance Committee. Of the two not selected one had an MBA from Harvard and was the only one with municipal bond experience, and the other had strong financial experience while one of the applicants selected did not have a finance background. The Mayor stated that the best candidates should be included and the committee not be used politically. He proposed that the committee be increased to nine members to include the two excluded applicants. Councilman Seitz made a motion, seconded by Councilman Fahey and unanimously carried, to consider the Mayor's suggestion.

15. Three appointments to the Landmarks Advisory Committee for three-year terms and one appointment to fill the term ending January 1, 2005, by the Mayor with Council approval

Councilwoman Larr made a motion, seconded by Councilman Cypher and unanimously carried, to approve the re-appointment by the Mayor of Nancy Stampleman and George Zahringer for a three-year term expiring January 1, 2007 to the Landmarks Advisory Committee; to appoint Betty Teoman for a three-year term expiring January 1, 2007; and to appoint Richard Hourahan for a one-year term expiring January 1, 2005.

16. Two appointments to the Planning Commission for three-year terms, one for a two-year term, and one appointment to fill the term ending January 1, 2006, by the Mayor with Council approval.

Councilwoman Larr made a motion, seconded by Councilman Chu and unanimously carried, to approve the re-appointments by the Mayor of Barbara Cummings and Patrick McGunagle for three-year terms expiring January 1, 2007 to the Planning Commission; to appoint Nicholas Everett for a two-year term expiring January 1, 2006; and to appoint Gerry Seitz as the Council member on the Commission for a two-year term expiring January 1, 2006.

17. Designation of the Chairman of the Planning Commission, by the Mayor

Mayor Otis designated Barbara Cummings as Chairman of the Planning Commission.

18. Four appointments to the Recreation Commission for three-year terms and one to fill the term expiring January 1, 2005, by the Mayor with Council approval

This agenda item was deferred to the January 21, 2004 Council Meeting.

19. Designation of the Chairman of the Recreation Commission, by the Mayor

Mayor Otis designated Douglas French as Chairman of the Recreation Commission.

20. Five appointments to the Rye Beautification Advisory Committee for three-year terms, by the Mayor with Council approval

Mayor Otis announced the nomination of Chris Cohan, Iris Fisher and Robin Jovanovitch for reappointment and the appointment of Douglas McKean for three-year terms expiring January 7, 2007 on the Rye Beautification Advisory Committee. There was no confirmation of the appointments as there was a feeling among the Council that the committee should be reduced in size. The Mayor suggested the size of the committee would be better considered next year after they had been in existence longer; that they had broken up into four groups and were working hard.

21. Three appointments to the Rye Cable Television Committee for three-year terms, by the City Council

Councilwoman Larr made a motion, seconded by Councilman Chu and unanimously carried, to approve the re-appointments by the Mayor of Marge Bancel, Steven Fairchild and Susan Sciascia for three-year terms expiring January 1, 2007 to the Rye Cable Television Committee.

22. Three appointments to the Rye Playland Advisory Committee for three-year terms, by the Mayor with Council approval

Councilman Fahey made a motion, seconded by Councilman Chu and unanimously carried, to approve the appointments by the Mayor of Brian Daly and Joan Marshall Cresap for three-year terms expiring January 1, 2007 to the Rye Playland Advisory Committee. A third appointment was deferred.

23. One appointment to the Rye Town Park Commission for a two-year term, by the City Council

Councilman Seitz made a motion, seconded by Councilman Hennes and unanimously carried, to approve the re-appointment by the Mayor of George Ilse for a two-year term expiring January 1, 2006 to the Rye Town Park Commission.

24. Three appointments to the Traffic and Transportation Committee for three-year terms and one to fill the term expiring on January 1, 2006, by the Mayor with Council approval

Councilwoman Larr made a motion, seconded by Councilman Chu and unanimously carried, to approve the re-appointment by the Mayor of Brian Dempsey and the appointment of John Gray and Denver Boston for three-year terms expiring January 1, 2007 to the Traffic and Transportation Committee.

25. Designation of the Chairman of the Traffic and Transportation Committee, by the Mayor

Mayor Otis designated Brian Dempsey as Chairman of the Traffic and Transportation Committee.

26. Designation of the City Council's Audit Committee by the Mayor

Mayor Otis designated himself and Councilmen Chu and Hennes as members of the City Council's Audit Committee.

27. Designation of the following City Council Liaisons by the Mayor:

This agenda item was deferred to the January 21, 2004 meeting.

- 27A. Designation of the Deputy Mayor by the Mayor

Mayor Otis designated Councilwoman Larr, who has seniority as a Councilmember, to serve as the Deputy Mayor.

28. Designation of the days and time of regular meetings of the City Council

The Mayor asked the Council to consider the schedule of meetings for 2004. It has been adjusted to accommodate holidays and school vacation periods.

Councilwoman Larr made a motion, seconded by Councilman Hennes and unanimously carried, to designate the days and times of regular meetings of the City Council during 2004 as follows:

January 7	May 5	September 22
January 21	May 19	
February 4	June 16	October 6
February 25		October 20
March 10	July 21	November 3
March 31		November 17
	August 16 (Cap. Budget)	December 1
April 21	August 18	December 15

29. Designation of official City newspaper

This agenda item was deferred to the January 21, 2004 meeting.

30. Designation of the amounts of faithful performance bonds:

Mayor recommended the following amounts of faithful performance bonds, as recommended by the auditors. The Council concurred.

A.	City Comptroller	\$ 1,000,000
B.	City Clerk	\$ 500,000
C.	City Marshal	\$ 100,000

ROLL CALL:

AYES: Mayor Otis, Councilmen Chu, Cypher, Fahey, Hennes, Larr,
and Seitz

NAYS: None

ABSENT: None

31. Proposed resolution requiring all Boards, Commissions and Committees as well as funding recipients to submit an annual report or its equivalent to the City Council

Councilman Chu proposed that all Boards, Commissions and Committees, as well as City funding recipients, submit an annual report or its equivalent to the City Council annually by January 31 (March 31 in 2004). He said while many of the functions are well known, others are not, and it is important to know the goals, achievements, and challenges for all. Mayor Otis expressed support for the proposal, but said annual reports have long been submitted by most City entities and are compiled in a single volume by the City. He recommended a financial report, especially for those agencies receiving funding from the City, be included and that the Westchester Shore Humane Society be added to the list.

Councilman Hennes made a motion, seconded by Councilman Seitz and unanimously carried, to adopt the following resolution, amended to include the addition of a financial report and the Humane Society.

WHEREAS, the Rye City Council establishes, staffs and is served by Boards, Commissions and Committees; and

WHEREAS, Rye City contributes funding to various organizations; and

WHEREAS, the City Council is responsible for the effectiveness of its Boards, Committees and Commissions as well as the effectiveness of its funding to organizations; and

WHEREAS, it is good governance for the City Council to assess achievements and effectiveness of its Boards, Commissions and Committees as well as funding recipients;

WHEREAS, the Rye City Council has the obligation to make such assessments in the context of respective mission statements in order to determine ongoing viability, staffing and funding (where relevant); now, therefore, be it

RESOLVED, that the Rye City Manager will request by December 1 of each year that the chairpersons of the following Boards, Commissions, Committees and funding recipients submit to the City Council, through the City Manager, an annual report or its equivalent by January 31 of the following year:

- All Boards, Commissions and Committees
- Rye Youth Council
- South East Consortium
- Rye Free Reading Room
- Square House Museum
- Rye Art Center
- The Westchester Shore Humane Society
-

And be it further

RESOLVED, that the report may be a copy or an excerpt of a report submitted for other purposes but should include:

- Mission Statement
- Achievements for the year
- Outstanding issues of concern
- The most recent financial report
- The chairperson's statement indicating the Board has formally approved the report submitted, Commission, Committee, or funding recipient's governing body.

32. Consideration of proposal regarding increase in county sales tax

Councilman Seitz said he was opposed to increasing the County sales tax as the 1% increase could have a detrimental effect on Rye's merchants and, since Rye only keeps .5% of the tax, the maximum amount Rye would receive would be only \$750,000 (from an estimated burden on taxpayers of \$2,800,000, based on a 1% increase on taxable sales items). He said if the tax is approved the City could increase its own sales tax by .25% and keep 100% of the proceeds. Councilman Fahey expressed opposition because sales taxes are regressive, but Councilmen Chu and Cypher, while they agreed with Councilman Seitz, pointed out that it is up to the State Legislature and the Council should not get involved at this time. Councilman Hennes said he was concerned that the record clearly shows the Council is not in favor of increasing the tax, but should look at the rationale in opting to keep just Rye's portion.

Mayor Otis made a presentation in support of the sales tax proposal saying the benefits to Rye taxpayers would be to lower their County and City property taxes. He provided charts that detailed the difference between County taxes paid with or without the sales tax by Rye residents as follows: "In 2002 Rye property owners paid \$12,225,519 in County property taxes. Had the sales tax been increased for 2003 the total paid by Rye residents would have increased by a half a percent, or \$61,128, for a total of \$12,286,647. Without the sales tax Rye property owners' increase in County taxes paid rose 15.4% or \$1,889,609 for a total of \$14,115,128. For 2004 the County budget adopted with a sales tax increase still provides Rye a 16.32% property tax increase, or \$2,304,247 for a total of \$16,419,375. If no sales tax increase is passed the County property tax increase for Rye will range between 29.82% and 33.03% with dollar increases between \$4,193,289 and \$4,647,217 and with the range of total taxes paid between \$18,308,417 and \$18,762,345 respectively."

The Mayor also detailed the impact on City of Rye property taxes paid by listing the additional revenue the City would receive from a sales tax increase over the approximately \$1.4 million received from the current sales tax through a distribution formula. He stated the formula is based upon population and sales throughout most of the County, not sales in Rye. 2003 additional revenue (and City tax rate equivalent) would have been between \$515,349 (4.3%) and \$695,655 (5.5%); in 2004 additional revenue (and City tax rate equivalent) would be \$490,494 (3.5%); in 2005 additional revenue (and City tax rate equivalent) would be \$735,741 (5.25%).

The Mayor said he thinks not decreasing property taxes, given the opportunity, is more regressive than instituting an additional 1% sales tax; that property taxpayers are in distress and want to pay less; and local governments need relief, so that is why he personally, along with most municipal officials, are in favor of instituting the tax. He reiterated that when voting as Mayor of Rye he reflects the opinion of the Council as a whole. He also said that back in the 1980s the City of Rye chose to stay in the sharing formula as it was determined that the sharing percent would be more beneficial than keeping only our own.

Councilman Hennes said the figures were not entirely new to him and did not reflect the effect of any cuts, voicing concern that such additional revenue would be temptation to add spending. Councilman Seitz suggested the figures may be true, but wouldn't people be better paying more property taxes (which are tax deductible) rather than paying increased sales tax? Councilman Chu agreed it was a good presentation and agreed with some of the points, but suggested again it makes no difference until Albany rules.

Councilman Seitz made a motion that the Council adopts a resolution that the County not endorses the increase in the sales tax, but Councilman Chu suggested that while it should be made clear in the minutes that the majority of the Council was not in favor of the tax, no official position be taken at this point. It was agreed to table the discussion.

33. Acceptance of two donations to the Rye Police Department of Forty (\$40.00) Dollars from the Community Synagogue and Twenty-Five (\$25.00) Dollars from Gladys D. Sibley

Mayor Otis made a motion, seconded by Councilman Fahey, to adopt the following resolution:

WHEREAS, the Community Synagogue desires to donate Forty (\$40) Dollars and Gladys D. Sibley desires to donate Twenty-Five (\$25) Dollars to the Rye Police Department; and

WHEREAS, the fiscal 2004 General Fund budget did not anticipate these donations; now, therefore be it

RESOLVED, that the City Council of the City of Rye accepts the aforementioned donations; and be it further

RESOLVED, that the City comptroller is authorized to amend the fiscal 2004 General Fund Budget as follows:

Increase Deferred Revenues – Police Donations by \$65.00

ROLL CALL:

AYES: Mayor Otis, Councilmen Chu, Cypher, Fahey, Hennes, Larr,
and Seitz

NAYS: None

ABSENT: None

34. Consideration of request by the City of Rye Police Department to dispose of firearm as surplus equipment

Mayor Otis made a motion, seconded by Councilman Fahey, to adopt the following resolution:

RESOLVED, that the City of Rye Police Department be authorized to dispose of a Heckler & Koch G3SG1 Rifle to acquire a Colt AR-15 Rifle.

ROLL CALL:

AYES: Mayor Otis, Councilmen Chu, Cypher, Fahey, Hennes, Larr,
and Seitz

NAYS: None

ABSENT: None

35. Approval of proposal from Larry Biscornet, Inc. for marbledusting of pools at Rye Golf Club

This agenda item was deferred to a later meeting.

36. Miscellaneous communications and reports

Councilman Chu said plans for building a Commerce Bank building on the corner of the Boston Post Road and Brevoort Lane are well underway; that the structure is unusually large and will raise a number of neighborhood issues in terms of traffic and aesthetics. The City Manager said only a very small piece of the property belongs to the City of Rye so the staff is investigating what influence it can have and is approaching the matter in a cooperative manner. It is unclear at the moment if the bank (which will be open seven days a week well into the evenings) owns or leases the property; if there were other interested purchasers; or who owns it now.

Councilman Chu reported parents in the Greenhaven area were upset that perhaps their children who attend the Rye Neck School will be excluded from the baseball little league in Rye. Steve Meyers, former Chair of the Rye Recreation Commission, suggested checking with the Board of Directors of the Little League, and Mayor Otis suggested the City Manager look into the matter, as, per Rye Recreation policy, all children who live in Rye should be able to play on Rye fields. He said if children live in Rye, but attend Rye Neck schools, they may choose where to play.

37. Old Business

There was no old business to be heard.

38. New Business

Councilman Seitz said his long-term goal was to hold the tax rate down and therefore the Council should explore all aspects for potential added revenue. He suggested the City Manager

explore the issue of installing parking meters on all Rye City parking lots (leaving the streets un-metered but with limited time). The Mayor said the Parking Working Group, which issued a report several years ago, were wary of parking meters (or the parking boards) as they were considered an impediment to business, but it would be a good idea to get more input from both the merchants and the staff to explore the idea in terms of revenue and quality of life. Councilwoman Larr commented that meters have not hurt shopping in Greenwich and mentioned Darien has a system of pre-paid cards for parking. In response to Alan Clark, Forest Avenue, who suggested the Council and Staff lay out all the parking solutions (with commensurate costs) and let the public decide, the Mayor said it appeared most residents want smaller improvements at less cost.

Councilman Seitz suggested implementing an occupancy hotel/motel tax. The Mayor suggested obtaining more information about a hotel tax (who else in the county has one? does the Westchester County Tax Act exclude us from implementing such a tax?) He said if we can do it, it would be a good idea.

Councilman Seitz said it would be a good idea to discuss Parliamentary Procedure and to more closely observe Roberts Rules of Order.

39. Draft unapproved minutes of the regular meeting of the City Council held December 17, 2003 and special meeting held December 24, 2003

Councilman Cypher made a motion, seconded by Councilman Fahey and unanimously carried to adopt the minutes of regular meeting of the City Council held December 17, 2003.

Councilwoman Larr made a motion, seconded by Councilman Hennes and unanimously carried to adopt the minutes of the special meeting of the City Council held December 24, 2003.

40. Adjournment

There is no further business to discuss, Councilwoman Larr made a motion, seconded by Councilman Fahey and unanimously carried, to adjourn the meeting at 10:12 P.M.

Respectfully submitted,

Susan A. Morison
City Clerk