

**CITY COUNCIL MEETING WORK SESSION
CITY OF WATERTOWN
February 11, 2013
7:20 p.m.**

Mayor Jeffrey E. Graham Presiding

Present: Council Member Roxanne M. Burns
Council Member Joseph M. Butler, Jr.
Council Member Teresa R. Macaluso
Council Member Jeffrey M. Smith
Mayor Graham

Also Present: Sharon Addison, City Manager
Robert J. Slye, City Attorney

City staff present: Elliott Nelson, Jim Mills, Ken Mix, Kurt Hauk, Mike Sligar, Celia Cook, Erin Gardner, Gene Hayes, Ann Saunders, Justin Wood

DISCUSSIONS

Indoor Tennis Courts

Mayor Graham mentioned that an issue has been brought up in the newspaper that a local businessman is raising money to build an indoor tennis court on public property which is currently under control of the City as part of the Fairgrounds. He added that he understands there are some Council members who have had discussions with the parties involved and there has not been anything that has come before Council on the matter and ultimately if there is anything done on City property Council has to make a qualitative judgment as to whether to seek home rule legislation from Albany for the use of parkland to lease it out for private or for-profit type business. He said the area in question is commonly referred to as the horse area and that there needs to be some type of proposal to Council that someone wants to use public parkland for business purposes. He added that he does not want to have the matter go further along without Council knowing about it and have it be thought that Council is holding the project up when they were not made aware of it. He pointed out that there should be no presumption that a person or group gets to use public land for one's own business purposes and it must be a determination of Council and in turn of the State Legislature.

Attorney Slye pointed out that it is not just public land but park land and park land is not inalienable without special approval of the State Legislature. Inalienability, he said, includes leasing so there is a particular series of steps that need to be taken to request home rule legislation which includes at the very least a certified resolution seeking home rule legislation.

Mayor Graham mentioned that anecdotally there has been talk that some Council members have been perhaps contributing or engaging in discussions.

Council Member Butler inquired what assertions he is referring to and asked who is involved in these discussions. He noted that he went to an informational meeting at the Black River Valley Club several months ago and said the people involved were aware of the home rule legislation that would have to take

place. He said he does not know where the Mayor is coming from with regard to making assertions or inferring the project will happen.

Council Member Smith commented that he has not donated anything.

Mayor Graham commented that he had not mentioned either of the Council member's names and merely said that before the project gets too far, it needs to be known that this is on public park land and someone should have approached this body sometime ago. He said in this particular case it was discovered through the media and that he knows the individual who is raising the money and he is a great member of the community and the concept is not necessarily bad but it does have an impact as there are other people who use the section of land in question. He added that he does not want the "court in front of the horse," as counsel says, and mentioned that he was a little irked when he read that this project is well-along since substantial amounts of money have been raised and informational meetings have been held. Mayor Graham said the informational meetings should come first to the stewards of the property, which is Council.

Council Member Burns said that she, too, knew nothing about the matter until she read the article. She said she was surprised to learn of fundraising talks and glad to hear that the group is well aware that it is park land which comes with restrictions. She said it concerns her that a group thinks it can ignore City Council who would have to approve and support legislation at the state level. She added that she is not against the concept or the individual.

Council Member Smith stated that this scenario sounds very similar to his arguments with another group that utilizes this venue, and referred to the group as a "think tank."

Council Member Burns said taxpayers invested money in the horse arena and questioned when it is used but stressed that there are some things that need to be looked at. She added that the idea of an indoor tennis court is a fantastic idea but that if there are to be informational sessions held, Council and the City Manager should be invited, as well as key players on City staff such as Mrs. Gardner. She said it is important to not fracture the community over a matter that is well intentioned and might be a good addition to the community.

Council Member Butler added that he does not disagree and reminded Council that they were all invited to a meeting last year at the Black River Valley Club, which was an informational meeting to see if there was any support whatsoever. At that meeting, he said, they talked about their vision of the project. He said they are not familiar with the process of how to work with local government. Council Member Butler stated that it is Council's job to invite key players to a work session, mentioning Peter Schmitt from the YMCA, to see what they want to do and see how much money has been raised.

Attorney Slye left at the end of this discussion.

Maple Court Apartments - Charlie Allen of Evergreen Partners

Mr. Allen addressed the Chair, and summarized some of the main points of the transaction. He said he is trying to earn Council's support on the matter and stressed that they are not asking for any financial support but rather federal tax credits that are administered by the state and in turn, the state will have an interest in the City's view on the project. He summarized the history of Maple Court Apartments,

mentioning the range of tenants and size of apartments. The apartments benefit from Section 8 project based subsidy, which means that the subsidy helps very low income residents pay the rent. He said it has not been recapitalized in the last 40 years and it needs new windows, boilers, roofs and various other updates. He said his company is not a huge company but it is very specialized in this type of housing. Mr. Allen said they acquire properties and rehabilitate them and then manage the properties. He said there is a contract in place with the current owner to buy the property and at this point has made the application to the state for the nine percent housing tax credits, which are competitive. Evergreen Partners, he said, are in no way related to the prior potential buyer but his company has known the seller for several years. He said the rents at the property will go up however, because it is a Section 8 subsidy, those increases will not be borne by the residents but rather by the subsidy program. That type of subsidy was put on properties of this vintage but is not put on properties anymore. Mr. Allen said they will be signing a twenty year contract with HUD and there is about \$900,000 of annual rent revenue that they expect to see on the property. When all is said and done, he said they will be regulated by the state as affordable housing for at least thirty years. He noted that the PILOT on the property expired last fall and that his company is not asking to enter into a new PILOT. As affordable housing, the property will be taxed under 581A, however, it looks a lot like what a market rate multi-family property would pay, as it would be paying regular property taxes, he explained. He added that there are about \$7 million dollars in renovations planned.

Mayor Graham said the project is in an interesting physical location, as it is in the “higher-rent district” near a golf course which is not the normal place for subsidized housing. He looked at the total budget of \$13.5 million dollars, which is the total for everything, plus twenty years of subsidies from Washington, and said it seems like a lot of money spent on 92 units.

Mr. Allen replied that there are quite a few studies comparing the cost of preserving existing affordable housing with the cost of building new units and the comparison in this case shows that preserving is a bargain.

Mayor Graham questioned if \$140,000 or more per unit is a bargain. The flip answer, he said, is that since there is no PILOT being requested there really is not much of a decision point for the Council and if all of these entities approve the financial points, who is Council to say they are great in their wisdom. He added that it seems like an awful lot of money to be put into a project that is not particularly architecturally distinctive.

Mr. Allen said he understands that point of view but another viewpoint is the tax credit money is federal dollars that will be spent in one community or another. In the continuum of affordable housing projects, he said, this project would be considered a relative bargain. One of the things the tax credits accomplish is sustaining the federal subsidy and getting assistance to the very low income residents of the community.

Mayor Graham noted that this project does not really expand opportunities for people it just preserves what is there. With long waiting lists with the Housing Authority, Mayor Graham said the push has been to try to have more of this kind of housing in the area.

Mr. Allen reminded Council that Maple Court has a type of subsidy contract that is not offered anymore. Privately owned, federally regulated contracts as this one are there because it was created forty years ago but if it is not continually sustained, it goes away, he said.

Council Member Butler asked about the income analysis for the 581A, and given the projected income, questioned where the assessment would fall. Right now, he said, the assessment is \$1,500,000 on the 581A.

Mr. Allen mentioned the formula for the 581A and when the projections are tracked for the application, he said he remembered that the amount they would have to pay, which is approximately \$70,000 per year, is considerably higher than what is paid on a \$1.5 million assessment. He mentioned the assessment being closer to \$3,500,000.

Council Member Butler pointed out that the City Assessor is in attendance.

Brian Phelps, City Assessor, said the numbers came up with an assessed value at the current equalization rate of \$2,400,000. He said that an earlier discussion brought up better than expected income numbers which would make the assessment slightly higher than the \$2.4 million figure. He said it was generating about \$58,000 in taxes.

Council Member Butler inquired about the current assessment on the property.

Mr. Phelps replied that he does not have the exact figure before him but said he believes it is considerably lower than previously mentioned amounts as the rents right now are lower than what is being projected.

Mayor Graham asked what Mr. Allen's company needs from Council.

He replied that they do not necessarily need anything, and added that if the application had not already been submitted he would need a letter of support but because the application has already been submitted, he cannot add anything to it. Mr. Allen said he would not be surprised if the state reached out to the City and asks for a letter.

Mayor Graham replied that what his company is doing seems to be worthwhile but expensive.

Council Member Butler said it will create a much nicer place for the tenants to live and will generate more revenue for the City in the long run.

Mayor Graham said he wondered if Mr. Allen would be asking for sales and mortgage tax exemptions.

Mr. Allen said he understands the model but replied that they are not proposing to do that and planned on paying property and sales taxes as discussed.

Mayor Graham pointed out that mortgage tax is one of the things that the City did better on this year.

Council concurred with Mayor Graham that this is a project which can move forward.

Metropolitan Planning Organization Update - Sharon Addison, City Manager

Ms. Addison reviewed the cover memo with Council and noted that in October the City was notified that it had been declared an “urbanized” area as a result of the 2010 census and at that moment provided Council with as much information as staff had been given. She said the City has been working very closely with the Department of Transportation (DOT) and the County on learning as much as possible about what the Metropolitan Planning Organization is, what the impact is on the community and understanding various artifacts and deliverables that these involved bodies have to produce and how they function. She referenced a fact sheet on some important aspects of the MPO as well as a map which showed the boundary change in the MPO.

Council Member Smith asked for clarification about the boundary lines.

Ms. Addison said the City was told to proceed with this plan as it is a level of bureaucracy and the level of planning, collaboration and coordination that existed before between City, County and DOT worked well.

Council Member Burns commented that for those who have been in this business for a while understand and sympathize with the Manager on that concept and she said she knows there are more questions than answers at this point. She asked if it is safe to say that under an MPO, it could open doors for the City and it is a good thing not a bad thing.

Eugene Hayes, DPW Superintendent, explained to Council the federal support that is gained from this new label and said the big benefit could come from the FTA. Until the City was classified as an urbanized area, it was categorized as a rural area and he explained funding available to a rural area. He said there is an operational cost share that was never in place before which will cover a percentage of repairs to equipment and operational costs of personnel. Mr. Hayes noted that discussion in the past has centered on expanding City resources to outer Washington Street and to the Salmon Run Mall area and under a new classification it could be possible.

Council Member Smith said he is concerned about funding and the potential of expanding services outside the City boundaries. When funding dries up, he said, the City taxpayer has to pay the bill for transportation because of what was initially considered a good deal.

Council Member Butler inquired if bus routes from Fort Drum to Watertown could be a possibility.

Mr. Hayes explained that within the City, a planning group would meet to discuss a project then it would go to the MPO before the decision would be made. Mr. Hayes said his vision is to take the projects slowly and to not fall behind in receiving funding or to have costs increase while services decrease. He would like to be able to demonstrate to the federal government, he said, that the City is capable of planning and looking at long term improvements to the system. He added that he would like to see more services to the City, including more bus routes and to expand two miles beyond the City’s existing borders. After the comfort level has been built, he said, then it can be examined as to expanding to Fort Drum. He mentioned the 5310, which not-for-profit transportation agencies could utilize for funding.

Council Member Butler noted that the benefit would have to be for the entire zone.

Kurt Hauk, City Engineer, replied in reference to FHWA, the only applicable items are those eligible for federal aid, which means it is a very limited pool of things within the City or County that will qualify. He said the tricky point with the FTA is that the City will receive money to run its system, and because the federal government is giving money, it will want the City to service as much of the MPO as possible. The kicker, he said, is when the MPO is established there is a policy committee and a planning committee, so a plan will be developed on both sides, FHWA and FTA, of how to expand the bus routes. There will be pressure to expand, but the government will want the City to expand according to the City's own plan put together as an MPO.

Council Member Smith questioned if they will pay for that expansion and recalled a plan from a few years ago that would cost tens of thousands of dollars to expand to the top of Washington Street and the mall.

Mr. Hayes said at that point, that expansion could not be funded.

Mayor Graham asked how far away the City is from getting the first funding in this plan.

Mr. Hayes replied that the MPO needs to be sorted out and the board has to be established and recognized by the government. The MPO board would then have to say they approve of the bridges, roads and federal transit projects.

Council Member Smith asked how the MPO board is established and how they are accountable.

Mr. Hauk replied the MPO is established by virtue of the City becoming an urbanized area. By March 23, he said, a Memorandum of Understanding (MoU) has to be set up with the Governor, which would establish the City's MPO, which is a separate organization comprised of people from the County, City and State. A mandated policy committee would be developed, and the MPO has federal funding attached to it so once it is established it gets the funding to pay for staff or hire consultants, he said.

Council asked about the appointing authority.

Mr. Hauk said it is a new conduit for federal funding, whether FTA or FHWA money. Under the MPO, instead of negotiating with the State, the City is a player at the table and the MPO decides where the federal funding gets spent. There are two levels, he said, the first of which is a policy committee established by the MoU. Mr. Hauk said the level below that is the planning committee and explained that elected officials are normally on the policy committee while staff members are on planning committees. Mr. Hauk said that is being discussed with DOT and the County, as to who would be on the policy committee and set up the voting structure and if there is a rotating chairperson. He added that federal funding stops until certain milestones are met. Under the MPO, there will be a collaboration across borders for a better transportation system, he said. The policy committee would vote and approve the plan that the planning committee ultimately puts together, he said. Much of the leg work is done by the MPO staff and there will eventually be a director, he noted. The MPO is comprised of some Council members, County legislators and DOT representatives, Mr. Hauk said.

Council Member Butler asked if the DOT will be the initial host and inquired about the timing.

Mr. Hauk replied that it would be just for the sake of getting it started and right now none of the decisions are made. The MoU will put that together and everyone on the policy committee will be a signatory of the MoU and when it goes to the Governor who signs it, that establishes the MoU.

Mr. Hayes said the DOT will probably be the host agency for two years because it take that long before an identity of the MPO is established. There is no advantage, he said, to being the host agency.

Mr. Hauk noted funding is done on a reimbursement process, similar to how the Public Square and State Street projects were conducted. The host is the actual conduit, he said, that organization will process the paperwork on behalf of the MPO. He said it makes sense to have DOT as the first host because that is a process they are doing currently in other MPOs.

Mayor Graham asked about the MPO in Utica.

Mr. Hauk replied that staff talked with people from Glens Falls and they started with a model as DOT as the host, out of the Albany region which did not work so well, but the MPO got up and running. After a certain time frame, he said they switched over to a different local organization. It has to be an organization that is big enough to absorb the funding to enable the reimbursements to occur, he said.

Ms. Addison mentioned a budget of about \$300,000 for this area with regard to setup costs, which would be reimbursed.

Council Member Smith asked if the MPO will be the policy making board, similar to the planning board making recommendations, or will it be more direct saying this is the policy and it will be followed.

Mr. Hauk explained comparatively that as in the City the policy committee would be the Council and the planning committee is the planning board.

Council and staff discussed various scenarios as to how the MPO will operate and how plans will come to pass. Mr. Hayes said the City is a major player in this organization because it is the only one with a public transportation system. He noted, however, that the system could easily be replaced if Centro came to the area.

Mr. Hauk said the City needs to start the planning process through the MPO staff.

Mayor Graham asked about the MPO staff.

Mr. Hauk replied there is no staff currently. The policy committee would eventually hire an MPO director. He noted that he believes Glens Falls has an MPO director, one full-time employee and one half-time employee.

Council Member Butler inquired about how many people are on the committee.

Ms. Addison replied that seven positions are being proposed; two from the City, three from the County and two from DOT.

Mayor Graham asked who administers the \$300,000.

Mr. Hauk replied that the policy committee plays that role. They would be governed by whomever is the host entity; follow procurement rules, hiring practices, etc. The hard part is that the City should have been informed about this nearly a year ago and now it is late in the process so the City is trying to get it up and running to ensure the federal funds keep flowing, he said. The policy committee members need to be approved and agree to the voting structure the policy committee would work on, he said.

Council Member Smith questioned if the committee would be chosen similar to how the transportation committee members are selected, done by Council.

Mr. Hayes said Council basically is in charge of all of the projects.

Mr. Hauk commented that the hardest part from staff's end is that the idea of an MPO was designed to fix a problem, which is a problem this area does not have because this community has had close collaboration between the region, the City and the County to get federally funded projects funded.

Mayor Graham asked if the County Legislature has been briefed on the matter as well.

Mr. Hauk replied that is yet to come. He noted they have to also decide on who will be on their committee and ratify some kind of voting structure to place all of that information in the MoU to go to the governor.

Ms. Addison reminded Council that she needs to hear from them as to who the two officials are that will be sitting on the policy committee. She reminded them that there has to be agreement between the City, County and DOT on the wording and content of the Memorandum of Understanding.

Council took a brief recess at 8:30.

Council reconvened at 8:35.

Budget Discussions: Fiscal Year 2012-13 General Fund Budget - James E. Mills, City Comptroller

James Mills, City Comptroller, referred to the cover memo, which outlines the budget so far this year and he pointed out the details on the second page. He refreshed Council's memory on appropriating fund balance in which the budget was adopted knowing or expecting to use \$1,581,027. There have been two budget re-adoptions throughout the course of the year appropriating an additional \$133,000 to that number. He reviewed sales tax figures and the first two quarters of actual revenues received. He also pointed out the sale of hydroelectric power and the \$890,000 shortfall. Mr. Mills pointed out general fund expenditure issues, including demolition of the structure on High Street which was damaged due to a fire. He said the City will seek legal action against those structures for the demolition costs but there is no guarantee the City will get that money back.

Mayor Graham asked if the City will have to collect from the insurance company for the High Street fire because the individual involved went out and purchased another building.

Mr. Mills said the City is seeking legal action on that matter.

Mayor Graham said the new building was purchased, presumably, with the insurance money.

Mr. Mills said under state law the insurance company was to check with the City first in terms of any liens and at the time, the only lien was a minimal tax lien.

Council Member Burns said that she assumes the City is following up on this issue.

Mr. Mills replied that the City is.

Mayor Graham said this anticipates the various ups and downs on revenue and mentions some extraordinary expenses but questioned the overall broad categories such as fire, police and DPW and asked about their budgets.

Mr. Mills replied that it is too hard to project to that level to count on at this point.

Council Member Butler asked if when Mr. Mills talks to department heads, they give the impression that they are on target with their budgets.

Mr. Mills replied that it seems as though everyone has stayed on target. He noted that the City has had to buy power four out of the first six fiscal months and noted that is a rarity.

Mayor Graham questioned if that that level of underperformance by hydro reflects an extraordinarily bad stretch.

Mr. Mills replied that it is a bad stretch.

Mayor Graham asked about the police cars and if they will be delayed.

Mr. Mills replied that the City would look to push those into the next fiscal year which would mean six cars would need to be acquired at a time then. He added that if Council would like to proceed with certain projects bond ordinances can be issued. Mr. Mills also mentioned the fire suppression system at the Arena and that the funds, which are sitting aside in the Capital Projects Fund, could be pulled back into the General Fund and the project could still go forward when the City talks about the Arena project later on and packaged into any roof work. Another option, he said, as the City proceeds with the pavilion at Thompson Park, the City will be \$100,000 short on that project, he asked if the fund balance should be appropriated for the additional money or should the \$300,000 be pulled back into the General Fund and consider a bond in which to finance that entire project. He asked if Council still wanted to fund the five Capital Projects with current dollars only and no debt.

Mayor Graham said he tends to try to follow things throughout the year and not wait for some great unveiling in April, he said he would like to know approximately where the City stands all year.

Council Member Butler inquired if the transfers to the Capital Fund are all in cash.

Mr. Mills replied that those are resources the City thought would all be on hand to fund the demolition of the stated properties.

Council Member Butler suggested not spending funds on the snow dump platform. He added that he appreciated the work Mr. Mills did on preparing the budget information.

Budget Discussions: Arena Capital Budget Proposal - Erin E. Gardner, Superintendent of Parks and Recreation

Mayor Graham said he made it a point to stop by Parks and Recreation today in advance of tonight's discussion to look over some of the locations of the proposed second sheet of ice. He said he would recommend Council avail themselves to the opportunity to refresh their memories on the inner workings of the building and the juxtaposition of where different mechanical rooms are versus public rooms for a better understanding of the need for some general upgrades.

Mrs. Gardner addressed Council explaining that she had prepared two options for Council to review, one being a five year plan with a second sheet of ice and the other is a five year plan without a second sheet of ice. She referred to some maps of the fairgrounds area, showing where Bernier Carr had recommended the second sheet of ice be located. Mrs. Gardner added that at this point she is looking for some direction from Council as to whether or not to proceed with planning for a second sheet of ice. There are several groups, she said, that have requested a second sheet and added that it would be used year-round. The figure skating club, minor hockey, the Privateers and men's leagues all said they would use the facility throughout the year. Mrs. Gardner also mentioned some money in an account donated by Dr. Harff, which is nearly \$67,000. She asked if this is a topic that Council would support.

Council Member Macaluso inquired about revenue being brought in currently by the Fairgrounds.

Mrs. Gardner said she did not have a figure.

Mr. Mills said he does not have that information mapped out.

Council Member Macaluso said it would be logical that a second sheet of ice would double the revenues at the Fairgrounds.

Mayor Graham asked Mr. Mills if the City were to bond for \$4 million dollars, what the term would be.

Mr. Mills replied it would be probably 15 years for this type of price tag and bonding for that figure would be approximately \$350,000 to \$400,000 per year.

Mayor Graham reviewed the additional bonding expense and added the additional operating expenses incurred because operating an ice arena in the summer is more expensive than in the winter.

Ms. Addison said she provided some guidance to Mrs. Gardner to run the schematics and run the general plan and then go back to run the numbers if there was interest in the project.

Mayor Graham commented regarding the second sheet of ice that he sees the advantages to having it, as it would provide a unique regional opportunity, but questioned whether enough money could be generated to pay for it. He said he has seen the needs of the people who use the current building and there are a lot of things that are inadequate, such as locker rooms, bleachers, restrooms, concession

facilities and the roof. Mayor Graham mentioned that perhaps the City would be better off foregoing the second sheet of ice in order to attend to the much needed repairs of the current facility.

Council Member Burns said there has been talk over the past few years about a second sheet of ice but she said she has never heard a firm commitment from Council on the matter. She said Council has tried some different things, such as upgrading the concession area and starting a contract with the Privateers. In addition, she said she would like to see some focus on the renovations, which she saw as part two of the new era at Parks and Recreation, after the new superintendent and structure for the department. She reiterated that some of the facilities at the arena are embarrassments to the City. A second sheet of ice, she said, would be putting the cart before the horse.

Council Member Macaluso said she agrees and that the City should be concentrating on rehabilitating the facilities it currently has. She said she is more worried about making sure that that building stays standing than creating a new facility.

Council Member Smith commented that as someone who has been involved in hockey, he voiced that there is a need and that groups rent large sections of time from other communities in order to practice. He noted there are board meetings coming up to discuss the fact that some organizations cannot grow their programs and the lack of ice time. He added that, as other Council members, he has been around long enough to see projects get put in the Capital budget but then do not happen. The facility, he said, is the most utilized facility in the City for not only sporting events but home shows, festivals and concerts. If money can be borrowed at a very low rate, and knowing that the existing facility needs to be upgraded and improved, he suggested doing all of the work at once and having a second bid to include the second sheet of ice, which may bring in a lower number due to scale of the project. Council Member Smith said he agrees with his colleagues in that the facility has been neglected and needs to be improved.

Mayor Graham discussed the location of the pole barn and said the physical plan at that area is tired.

Council Member Butler said he is certainly on board with the updates to the arena and as far as the second sheet, said he has spoken as an advocate of that in the past, but also recognizes how far the City has come in reducing debt and questioned the interest expense it would incur. He stated he would like to see how it would affect the City's Moody's rating. On the revenue side, he said the City needs a thorough analysis as to whether the second sheet would bring in enough revenue.

Mayor Graham noted that he said the only sticking point for staff is that as long as this is out there and analyses keep being done on the matter, the total cost of the entire project, being a second sheet of ice and rehabilitation of the current facility, could easily be eight or nine million dollars, which is up from four million in the original improvements. He said hockey, by its nature, is a decidedly upscale activity, in terms of activities for kids, and it is targeted toward a finite segment of the population. Mayor Graham added that the point is that as long as there is a wide ranging set of things the City tries to do, it is tough to say the City will put millions of dollars into this when there is already a means offered. If the City were to close a pool, a fire station, and lay off five police officers and then say there will be a grand recreation program then maybe that second sheet could happen, but he said he has not seen that willingness. He commented that he does not see that it would pay for itself but rather it would be a fiscal drag.

Council Member Butler inquired about the cost of various new systems and fixtures and commented that they are large figures.

Mrs. Gardner reviewed the individual portions of the project and that some of them were from the Bernier Carr study and that fifteen percent was added to account for the increase in costs over the years. The second sheet of ice cost was a best guess based on the cost it would be for the ice plus the actual structure. She said that until a design study is done, it will not be known what the true cost is. She noted that the only source of storage right now is the fair building and there are talks that they would like to take that building back when the City's lease is up, leaving Parks and Recreation with no storage.

Mayor Graham asked about paving portions of the fairgrounds area.

Mrs. Gardner replied that that is one reason she would like direction from Council about the second sheet of ice because if something will be constructed where paving is going to be done, it does not make sense to do the paving now.

Council Member Butler mentioned potential phases of development for the whole facility and where a potential second sheet of ice could possibly be placed.

Council Member Macaluso asked where the paving will be done.

Mrs. Gardner replied that the section behind the arena is to be paved. It is yet to be determined whether or not it will be used for public parking or for City vehicles, she said.

Mayor Graham said this is the community's gathering spot for everything from ice hockey to concerts.

Council Member Smith said he favors a second sheet of ice but said there is not an open checkbook. He said he recognizes that there are not enough votes for a second sheet but said he disagrees that hockey is an upscale sport.

Mayor Graham stressed the importance of the value of the fairgrounds.

Council Member Smith suggested doing all of the renovations at once and only have one set of interruptions along with one bond ordinance to pay for it.

Ms. Addison pointed out that the major renovations are split up over two fiscal year periods because the design would have to be underway already for the roof in order to complete it before bumping into the Privateers season. She said it will be designed this fiscal year but the actual construction would be done during a different time frame.

Mayor Graham said he understands the logistics but Council needs to adopt the idea to do it as a group project.

NYCOM Meeting in Albany

Mayor Graham said he went to Albany to attend the NYCOM meeting and noted that Council will need to familiarize themselves with the pension smoothing proposal. He said he will explain it more to Council when they receive the information and pointed out it will be a big deal in the coming months.

JCIDA & NYAB PILOT

Ms. Addison told Council the JCIDA approached the City on renegotiating the terms for the NYAB PILOT. Right now, she said, they are paying more under the PILOT than they would by paying regular taxes based on the assessed value. She said they want Council to make a decision by Friday, February 15th. Ms. Addison said Council has not seen the proposal and she said she would like to have that reviewed by the City Attorney.

Council Member Burns noted that there is no magical deadline by the County so this may just be a way of trying to put the City's feet to the fire.

Mayor Graham commented that if they wanted to get out of the PILOT, they could just abrogate it then they would be paying a normal tax rate, which is fine in theory, and questioned why they would want a new PILOT.

Ms. Addison said she would have a report to Council by the next Council meeting.

The work session ended at 9:25 p.m.

Amanda C. Lewis
Deputy City Clerk