

**CITY COUNCIL WORK SESSION
CITY OF WATERTOWN
NOVEMBER 26, 2012
7:00 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

City Staff Present: Brian Phelps, Ken Mix, Kurt Hauk, Barbara Wheeler, Mike Sligar, Brenda Harwood

Maple Courts Apartments

Mayor Graham told Council he received a letter from the Office of Homes and Community Renewal stating that the agency does intend to award low income housing tax credits in support of the rehabilitation of that project.

Bids for Warehouse

Mayor Graham noted that at the last Council meeting an extension was passed for bids for the warehouse. He added that things came to Council's attention the day after that which would have weighed heavily on Council member's votes if they had known. The Mayor said the deadline is due to lapse tomorrow (November 27, 2012) and there has been no further talk about it and the issue is what to do with the property. Mayor Graham added that the individual who was involved with the run-up of bidding did contact him saying he is still interested, but not interested in paying the kind of price that was the second place price in the auction. He suggested a recommendation from staff on the matter but noted it would be advisable to re-advertise and re-auction it, given the amount of time since the last auction. In a private sale, he said, the price should be significantly under \$125,000.

Trial Program at the Flower Memorial Library

The trial program for Sunday hours at the Library ended on November 25, 2012, Mayor Graham said, and Barbara Wheeler, Library Director, was present to give Council an update.

Mrs. Wheeler addressed Council mentioning that attendance was increasing in circulation and computer use every Sunday. She said that due to the Christmas Parade there was a bit of a dip in the numbers because people could not get down the street but that the numbers were as good as the first Sunday.

Mayor Graham asked about total attendance.

Mrs. Wheeler said 170 people came through the Library on the first Sunday, and 175 yesterday. She noted that on November 18, there were 255 people at the Library.

Mayor Graham asked if that was considered a busy day.

Mrs. Wheeler replied that she suggested looking at October and November from last year to look at the categories to take some averages but the Board advised her against it. She added that the Board requested a form be placed at the desk for people to sign if they want the Sunday hours to be a permanent part of the schedule. Mrs. Wheeler said the form has been in place since November 15 and there are 100 signatures so far in favor of the Sunday hours. She noted that twenty percent of those signatures, however, are from outside the City of Watertown.

Council Member Burns commented that those numbers sound very strong but she recalled seeing a report released during the third week of the trial run, noting that the numbers were much higher than the numbers mentioned tonight.

Mrs. Wheeler replied that on November 4, there were 420 people who came to the Library because of the book sale.

Council Member Macaluso inquired how many people come to the Library on a usual day.

Mrs. Wheeler responded that approximately 500 people come in on weekdays.

Mayor Graham asked if any formal advertising was done for the trial run.

Mrs. Wheeler said it was promoted on the Library's website, a newspaper article was written and it was a story on the local news. She added that in the beginning, she was skeptical of the trial but that there is a need for the Sunday hours and she would like to see them continue.

Mayor Graham noted that as the program becomes more well-known it will be more successful. He said he does not know what options the Library Board wants to pursue on the matter but added that he wanted it mentioned tonight to see if Council wanted to continue to support it from a fiscal, administrative, civil service and negotiating side of it, realizing that the Board sets the policy.

Council Member Smith said he would like to know if the part time work will continue and said he does not think two full time people need to be hired just for a Sunday. He mentioned being

fiscally cautious and that there has been some resistance from some employees to change their work schedule. He said he supports the Sunday hours but there is not an open check book.

Mrs. Wheeler said she has five library clerks and asking them to work seven days a week, with four of those days being two shifts, would not work.

Council Member Smith said he has a business that is open seven days a week and no one works seven days a week except the owner. He added there are ways to schedule employees so no one is working every day.

Mayor Graham said it is the position of some that if people do not want to work on Sundays for whatever reason, the City has the absolute right to operate the hours that are in the public interest even if that means pursuing issues of jurisdiction or part time work. He added that the City Manager, the Library Board and the Director should work together to come up with scenarios that make sense and not be constrained by past convention. He thanked Mrs. Wheeler for her willingness to reconsider her previous position but also for her diligence in supervising on Sundays.

Council Member Butler thanked Mrs. Wheeler for her efforts and asked about scheduling of employees on Sundays and whether employees rotate days.

Mrs. Wheeler said the same crew worked every Sunday.

Council Member Burns said, from a legislative point of view, this trial run was a success and it is something as an elected body should be supported because it was something the constituents said they were interested in and the numbers show they support it. She added that while it is ultimately a decision of the Library Board, and negotiations between Mrs. Wheeler and Ms. Addison, she wishes the best of luck in moving forward with this and hopefully it will come to fruition.

Ms. Addison asked if it is her understanding that Sunday hours will cease at this point.

Mayor Graham said they will continue.

Ms. Addison replied that one of her concerns is that Mrs. Wheeler's position was more for security rather than for supervision. She said there was approval by the Civil Service Commission for interim positions to last three months, with only eight weeks exhausted, the Commission could be petitioned to extend the positions an additional three months. In that time, she said, a long term solution should be reached.

Woolworth Building Redevelopment

Mayor Graham mentioned that Council has had the opportunity to meet David Gallo of Georgica Green Ventures, and Erich Seber of White Birch Enterprise. He said that originally they were

brought in as consultants or facilitators to Mr. Treanor, who was the owner, and noted that that has changed somehow.

Mr. Gallo addressed Council saying that he was originally brought in to help finance the building from the old owners, who are still the owners, he said, but a contract is in place stating that once financing is received, Mr. Seber and Mr. Gallo would become the two owners of the building. He said they have been dedicated to the project for the last several months. He noted that Mr. Seber has an extensive background in construction, rehabilitation and construction management. Mr. Gallo mentioned working with several local companies on the project, including Crawford & Stearns and GYMO. He added that the building is in worse condition than expected.

Mr. Seber noted the windows are in pretty good shape given their age, but their historical nature makes them hard to work with.

Mr. Gallo said there are a few different approaches for this project and the most viable would be to have tax credits awarded. He said the most valuable credits needed for this project are the nine percent credits because the rehabilitation cost is so high and those credits are competitive. He mentioned some housekeeping items, with respect to the application, saying support letters would be beneficial to the community support section. He said they have gone through several PILOT scenarios that could be offered, and they are anticipating submitting an application to the IDA for a PILOT and mortgage and sales tax exemptions. Mr. Gallo said it makes the most sense with this project with respect to the commercial space component. He added that a PILOT will not be obtained for less than what the building is bringing in currently on the tax roll, and he said he would hope for it to grow over a period of time. Mr. Gallo mentioned two specific requests he would like to make, including a waiver of building permit fees which would be ten to twelve thousand dollars. He said it is imperative that the application reflects support from the City. He said the second request has to do with parking. Originally, the concept mentioned relocating the bus stop but typically it is good to be near mass transit, he said. Recently he spoke to two management companies in the area, and both commented that the parking issue was bad enough that they denied managing the project completely. He noted a market study done by GAR Associates points out the real issue is that other apartment complexes have driveways or garages. He said he is requesting that the City donate the land near the J. B. Wise parking lot where it could be excavated to provide up to twenty-five parking spots which would be dedicated to the apartment building.

Mayor Graham thanked Mr. Gallo for relieving the City of any obligation to remove the bus station, as it was a vexing and expensive endeavor. The Mayor said the parking area Mr. Gallo mentioned is called Woodruff II, and that it is the second half of the Woodruff site. He asked about the rent to be collected for these new apartments.

Mr. Gallo replied that GAR has not completed the market study but he was planning on asking \$700 and up, to the extent they can maximize the rents.

Mayor Graham asked if they were allowed to replace the windows.

Mr. Seber said the plan is to put a second window behind the original window. He said that amazingly the original windows are in decent shape for as old as they are.

Mayor Graham noted that issues of PILOTS are the most politically troublesome but every situation is different. He asked about the timeline for the degradation that is currently occurring to make the building nonviable and is this worthy of some type of public subsidy on the grounds that otherwise it would not be redeveloped.

Mr. Gallo said it is a beautiful building and it deserves to be redeveloped. He said it is almost a selling point to the State that it is in such need of repair.

Mr. Seber said that two major issues with the project are the prevalence of lead and asbestos. He added that water is coming in through the windows and roof leaks and deteriorating pipes. He mentioned there is a parapet in the back on the roof that is near collapse, perhaps within a year, due to deteriorating or lack of mortar.

Council Member Smith asked if they still want strictly housing, with commercial space on the first floor. He asked if it will be low income housing.

Mr. Gallo replied that once they receive the market study, they will know. Financially, he said, it will be one hundred percent at sixty percent AMI which would be the highest level of affordability.

Council Member Smith reiterated the requests made by Mr. Gallo which include asking for a waiver of building permit fees and space for parking at the Woodruff II site. He also stated that they may be asking for a PILOT as well.

Mr. Gallo said they plan on submitting an application to the IDA.

Council Member Smith commented that the last two housing PILOTS that have come before Council he voted against. He said he has concerns given all the other tax credits and breaks available, including other subsidies, and it is a concern of his in this case too.

Mr. Gallo said if it was not something they needed, they would not ask for it. He commented that he wants the building to stand on its own, but to be realistic there are certain items that are needed. Mr. Gallo said the entire construction budget is going to have to be personally guaranteed, which is approximately ten million dollars. At the moment he said the benefits do not outweigh the risks.

Council Member Butler asked how much he is trying to raise in tax credits.

Mr. Gallo replied roughly eight million dollars.

Council Member Butler noted there is a grant for two and a half million, bringing the total to ten and a half million. He asked what is being put forth personally for this deal.

Mr. Gallo said in a typical tax credit project, the developer advances all the predevelopment resources for the project. He noted that two hundred and fifty thousand dollars is the average out of pocket expenses; if there are no tax credits then the State does not reimburse the predevelopment costs.

Council Member Butler inquired about the monthly profit.

Mr. Gallo said in terms of any tax credit associated program, there has to be a twelve to fifteen percent developer fee on eighty to ninety percent of the total development budget. He said it cannot be increased, because it is set by Section 42 of the IRS Code. A fifty-unit project is not going to be as financially successful as a one hundred or more unit project, he said.

Mayor Graham remarked that it might be fair to say that every municipality in upstate New York has a building such as this one, which has historic value and elected officials want to see it saved, even though it makes no sense economically. He added that since there are a lot of these types of buildings throughout the state, there has to be a certain amount of political backing. Mayor Graham asked how the City can compete in that arena.

Mr. Gallo said he has worked on many state applications and understands the scoring better than most. He said projects in this area have an advantage because of the housing situation with relation to Fort Drum.

Mayor Graham asked about the work being done on the proposed parking area and inquired if the City would be responsible for the work.

Mr. Gallo replied that his group would be responsible for all costs associated with the development of that land.

Mayor Graham asked if the parking area would encompass all of the Woodruff II area.

Ken Mix, replied it would be the entire block, which was part of the Iron Block building, from Cam's Pizza over to the new entrance to the J. B. Wise parking lot.

Mayor Graham commented that a possible objection could be that someone might want to build something there someday.

Mr. Seber replied that the first floor is almost seventeen thousand square feet with five thousand square feet dedicated to support services for the apartments above. An at grade lot, which would be equal to the grade of J. B. Wise, is one option. An upper deck parking area could be another possibility.

Council Member Burns said she was on the Council when the decision was made to tear the building down and said she was involved in a committee that was formed to look at the entire downtown. She said that site was always seen as a place that would support the Woolworth

Building. The building has been empty for approximately fifteen years, twenty years ago it may have had two or three tenants in it. She said the building does have good bones but it has no heat and there is significant water damage. Another concern, she said, is pigeon droppings. She commented that every Council member is sensitive to developers asking for concessions, whether it be a PILOT or waiving fees, but this project is looked at differently than new construction. The Woolworth Building is a very important and crucial part of downtown, she said. She added that if a developer is not found, that building will eventually need to be torn down, at the City's expense, and she cannot imagine what that price tag would be. She mentioned that the last developer had plans that the community got very excited about but those did not come to fruition. She asked if Mr. Gallo is working or has worked with Randy Crawford.

Mr. Gallo said he has not worked with him in the past; however, they are working with him now.

Council Member Burns said he is a leader as far as historic tax credits. She added that because that is the site of the former Woolworth store, are there any ideas in incorporating that in the redevelopment.

Mr. Seber replied that the treatment of the façade would help recapture that look and style. He added that there could be a showcase of items sold at Woolworth's.

Mayor Graham said it is a building with profound risk at the moment but that he supports the initiatives being worked toward. He said the proposal heard tonight is the most practical. Mayor Graham said he has no problem with the waiver of the fees and the parking area is not going anywhere anyway. He said the school district and County have to weigh in on the PILOT issue. This building has always been listed as a top priority. Mayor Graham said he supports the initiatives and realizes there is some controversy but this is not the same as some other schemes that are advanced for tax purposes.

Council Member Macaluso said that this project is very different than what the City is used to seeing. She said she has always wanted someone to do something to that building, and offered whatever the developers need from Council to help make it happen.

Council Member Butler inquired about the tax credit and if there is a mandate that is for low income housing for a certain percentage of those rental units.

Mr. Gallo said there are three types of tax credits: four percent, nine percent and historic tax credits which can be used to build multi-family housing. With any of those, there are various income levels that could be targeted, he said, anywhere from the thirty percent level, which would be eligible for any of those, to as high as sixty percent AMI level, which would be the highest level that would be able to qualify for any of those. He added that historic tax credits could go as high as eighty percent. With this building, Mr. Gallo said he envisions targeting all of the units at the sixty percent AMI level. He said he envisions the building being for young people, college age or slightly older. Most of the units, he said, are one bedroom units so typically there will not be families living there.

Council Member Butler asked if they would entertain a lease agreement for parking.

Mr. Gallo said the goal is to build the apartments and have them be successful.

Mayor Graham said generally speaking Council is in favor of the plans and mentioned the letters of support will be drawn up.

Council Member Butler asked for contact information.

Mr. Gallo said he would leave his card.

** Council took a brief recess.

250,000 Gallon Elevated Water Storage Tank at Thompson Park

Mike Sligar, Water Superintendent, addressed Council saying that the question is not that something needs to be done, but rather should it be restored or should a new one be built, since the price tag to restore it is approaching seven-digits. He said the City could look at a glass-lined tank or a new tank. Mr. Sligar said the City could explore the potential of relocating the tank, if it gets rebuilt. During the month of December, he said he would like to stay on board with the consultant the City currently has, and to do an evaluation of the alternatives at the same time the City Council would consider doing what is needed to make sure the Capital Fund keeps up with what is going on here. He said he would like Council's blessing to proceed and negotiate to get on with the evaluation of alternatives and would like to come back to Council by the end of December with a recommendation supported by the evaluation of what should be done and what the projected cost would be.

Mayor Graham said it sounds reasonable and Council concurred.

Water Fluoridation

Mayor Graham said this is a new topic of discussion for Council but one that has seen national exposure off and on since the 1950s. He mentioned a couple of factors that have brought it to light locally, including the City's purchase of equipment to handle the fluoridation process and some individuals who came to a recent Council meeting with information on the issue. He said Mr. Sligar has prepared two reports.

Mr. Sligar began by saying at issue are the fluoride ions in the water and their role in the oral health of people who are exposed to those ions. A certain level of fluoride exists in water, he said, in the order of one tenth of one part per million. He added that the CDC and various public health organizations have embraced different concentrations of fluoride that are the optimum dose. Mr. Sligar said in the case here in upstate New York, as the current recommendation of these organizations, the level of fluoride can range from point seven parts per million to one point two parts per million. Which means if the City of Watertown were to continue its

fluoridation program, and if that program were to target that optimum dose, Mr. Sligar said that the City would continue with what it has been doing since 1962, which is supplementing the level of fluorides in the water supply so the level rests comfortably in that range. He added that the target dose is one part per million and the staff at the water filtration plant seems to do a very reasonable job in holding that concentration. He said fluoride is a very interesting mineral, as too little accomplishes nothing, an optimum dose does do wonders for the protection and prevention of tooth decay, and too much exposure can be detrimental and even toxic. The truth of the matter is, he said, that the City has had a fluoridation program for fifty years. He said one can compare other regions or areas in Europe or the United States to this region, with respect to fluoridation programs, but he stressed that every area is unique unto itself. What is trying to be accomplished, is to hold a very specific level or concentration of fluoride exposure to the populations, he said. Mr. Sligar said what needs to be kept in mind is the City is dealing with what is unique to our area. To elaborate, he said the City is dealing with whether or not oral health is a concern and if the City cares about its role as an agency that does a fluoridation program for the purpose of preventing tooth decay or whether or not the City wants to get out of that business. Another consideration, he said, is that if the program is in place it has to be based upon the factors that are in this area, adding that one can keep in mind problems in other areas so they are not replicated. Mr. Sligar mentioned the Black River, what needs to be supplemented and the target dosage of fluoride which are all known variables to the City. The target dosage is not simply the amount of fluorides that is put into the water, he said, but rather it is supplemented by other things such as topical agents, including a rinse or treatment at the dentist and toothpaste. Mr. Sligar said the degree to which one is exposing tooth enamel to fluorides by one method is a degree to which one does not have to do it by another method because they are an additive. The truth of the matter is, he said, that the City would want to assure itself that the sum composite of the ways in which the people in this specific target area, being the regional Watertown area, that the City can do whatever it can to keep them in range of the optimum exposure. Mr. Sligar mentioned that he is not aware of any fluorosis or other adverse impacts of excessive fluorides in the region. If there are these types of adverse impacts in the area, then it becomes germane. He summarized by saying that is the essence of the reports given to Council, including what the City is doing and why it is doing it. He said he does believe that what the City is doing is successful and added that the CDC and AMA are entertaining thoughts of reducing the target dosage level of fluorides that will be added, to target just the single value of point seven parts per million. The reason it is being considered is because when the range of values was set up, the prevalence of use of other methods is not the same as it is now and he added that the question is whether the use or exposure to other things would bring consideration to reduce the optimum dose for water.

Mayor Graham asked if it is in any way mandated that municipalities fluoridate their water.

Mr. Sligar replied that it is not mandated in New York but there are twelve states that have some target dosage of fluoridation maintained in public water supplies, if that is the method being used.

Mayor Graham noted that Pulaski stopped their program recently.

Mr. Sligar commented that it is their choice to do so and that the State Department of Health would try to discourage such a decision from being made but they would not stop it from happening.

Mayor Graham asked if the benefits to oral health are a function of the drinking water coming in contact with teeth or from ingestion.

Mr. Sligar responded that both methods are effective. There are three commonly used methods of ingestion including fluoridation of water, salt and milk, he said. With ingestion, a certain portion is absorbed into the body which then becomes part of one's saliva which constantly bathes tooth enamel in a fluoride mixture, he said.

Mayor Graham noted there are a lot of chemicals which are put into drinking water.

Mr. Sligar concurred and mentioned chemicals added for disinfection, pH control, corrosion protection for the pipes, agents for coagulation and pre-filtering of water.

Council Member Macaluso asked if four parts per million is too much to ingest.

Mr. Sligar replied that experts say too much fluoride is not a good thing, that it can have an adverse impact on health. The EPA, he said, has defined a maximum number that when exceeded the fluoride becomes a contaminant. It does not mean, however, that this is the level at which adverse effects take place.

Council Member Macaluso commented that due to age and size, people metabolize things at different rates. She voiced her concern about taking an aspirin with a glass of water and noted she drinks a lot of water during the day and takes an aspirin, which makes the daily intake at least six parts per million.

Mr. Sligar noted her daily intake falls into the recommended upper limits of fluoride ingestion. He said important factors are age and body weight when metabolizing fluoride. The concentration is only part of the number that determines what a person's actual intake is, the actual mass of fluorides is a function of the concentration in the fluid and how much is being ingested, he said.

Council Member Macaluso said only the water can be regulated but it is not known what people are ingesting elsewhere and what the total amount is being ingested daily.

Mr. Sligar said there is a tell tale sign of too much fluoride called mild fluorosis, a white staining of the enamel, presenting as narrow bands on the surface of the teeth. He mentioned information given by Jasmine Borreggine, pointing out the percentage of fluorosis being seen in twelve year old children, noting that it is something people are looking for. He said he has issues with the graph that was presented because it is confused with other data. Mr. Sligar said dentists, school health officials and parents should be aware of the signs that do indicate the individual is

approaching an upper limit. Mr. Sligar said he believes everyone should see a dentist regularly as to whether or not limits are being approached.

Council Member Macaluso asked if fluorosis is reversible.

Mr. Sligar replied he does not know if it is.

Mayor Graham inquired about ‘mass medication’ and its adverse effects on intelligence and conversely, literature from the Department of Health proclaiming fluoride as one of the ten great public health achievements of the twentieth century. Generally speaking, he said elected bodies do not get into the business of micromanaging what is used at the water plant. He said he hears the arguments on both sides, and understands that it is an inexact method of medication.

Council Member Burns said she believes Mr. Sligar summed up his presentation very well on the last page of his report, stating “What is needed is an organized group of doctors, and dentists and public health officers who are educated and trained to properly examine the data assembled from our very unique study area and offer meaningful recommendations....” She added that she does not think the City has had any ad hoc committee that has looked at everything from all sides and made a recommendation back to Council. She said she does not feel comfortable making a recommendation as to fluoride levels.

Mayor Graham said he does not feel it would be beneficial to rival committees on the same issue.

Mr. Sligar said if the City Council wants to take action on the issue, it would be his recommendation that Council form a select body of people who have the education and training and experience to know what it is they are looking at. He said there are many reports and data, and he said he has learned that the information issued is equivocal, meaning there are several explanations that can account for what is being observed. Sometimes, he said, the explanations can be mutually opposing one another.

Mayor Graham commented that this is not an issue that can be settled tonight.

Council Member Smith said his concern is not so much an issue of oral health but rather the increase of mortalities by the ingestion of fluoride and having a causal relationship to things such as osteoporosis.

Mayor Graham quipped that he is uneasy about the chemicals added which prevent corrosion. He said he is not sure where to go from here to try to impose on people to appoint a committee to replicate research that has probably been done elsewhere but welcomes comments on the matter.

Council Member Butler said a point that was well made tonight was the studies presented were not relevant to the City of Watertown. He suggested getting input from dentists and from health officials that could determine if the rate of cancer in Watertown is higher than in other areas.

Mr. Sligar said health officials could look for evidence of an overdose and that there is a body of professionals in the area who would be able to say if there is evidence of an increase or an approach to the upper limits of fluoride levels. He asked what data Council would like offered to them on a regular basis that would assist in assembling of a database or report that would indicate movement in a correct or incorrect direction regarding fluoride levels.

Mayor Graham commented that the reason fluoride is added to the water is because some people are not doing what diligent people do in the prevention of dental caries.

Mr. Sligar noted that there are some socio-economic groups which benefit from the addition of fluorides in the water.

Mayor Graham suggested thinking about the topic further.

Meeting ended at 9:03 p.m.

Amanda C. Lewis
Deputy City Clerk