

State of the Town January 27, 2017

This is my eighth and last State of the Town. My second four year term is completed at the end of this year and I am term limited. I would like to thank the Amherst Chamber of Commerce for these opportunities to promote Amherst and the Chamber's President Colleen DiPirro for her kindness and professionalism throughout my tenure. I would like to thank the Amherst Bee and Keaton DePriest for their local coverage and for the opportunity to write a monthly column written with the same enthusiasm that also created these State of the Town messages. Also, a thank you to the Buffalo News for their coverage as well as 2, 4, 7, Time Warner Cable, WBEN, and WBFO. I would like to thank the council members who served with me, especially the first six years when we accomplished so much for the residents of Amherst. I would like to thank the dedicated Amherst employees and their department heads who provide the services that make Amherst the community of choice in Western New York. My biggest thank you is for the voters of Amherst who entrusted me with their government for two years as a council member and eight years as supervisor and an equally big thank you for my family's support and understanding as I volunteered for 14 years as a trustee of the Williamsville Central School District and served 10 years representing Amherst in the County Legislature and 10 years in Town government. A big thank you to my lovely wife Lois.

In our first two years we lowered expenses by three million dollars and followed with a gradual increase over the next four years. The tax levy went down for six years until last year's 1.7 million budget increase brought it back to 2010 levels. The economies created mostly from 2010 to 2015 will produce savings of \$100,000,000 through 2025 over what would have been projected in 2009. Examples include the trash and recycling contract being rebid twice, the first 5 year contract saved twelve million dollars and the

second contract will save six million. We privatized golf, compost and the museum, saving 17 million through 2025. We reduced several department head and deputy positions, some of which were restored last year. We had several separation incentives to promote retirements and we negotiated two tiered wage contracts to replace most of these employees. We also negotiated lump sum payments for expired contracts rather than compounding. We have contracts with all five of our bargaining units for the first time in many years.

We restructured our meetings, added an opportunity for additional public expression, videoed work sessions, committee meetings and board meetings and started live streaming of board meetings. We created an open government advisory committee and these activities have led to better use of our town website.

We created a distressed property task force and diligently work on maintaining and restoring properties before they have a deleterious impact on neighborhoods. We have very aggressively threatened demolitions of distressed properties and it has improved property owners' cooperation noticeably. We have received a \$350,000 two year NYS grant to maintain properties proactively, to minimize foreclosures and to deal with "Zombie" homes. Our Eggertsville Task Force led to additional Building Department and Police presence.

We merged two sanitary sewer districts and merged three drainage districts, providing a substantial tax reduction to Eggertsville and Snyder without increasing taxes elsewhere. We ended the flooding along Ditch 26B. In response to a NYS DEC consent decree, we modernized our WWTP with over \$30,000,000 of long term debt. We doubled our yearly paving (the lower oil prices helped) and expanded our sidewalk snowplow program.

Our biggest accomplishment was settling 10 years of litigation with the State Insurance fund for \$31,000,000 which covered \$23,400,000 of our outlays. We continue to litigate against our own insurer for the ownership of the last \$3,130,000 of settlement interest, now before the Court of Appeals in Albany.

Our second biggest accomplishment was four alienations approved by the Town Board, both branches of the NY State legislature, signed by the governor and audited by the state comptroller. In all four we transferred a parkland designation to other town owned property. This allowed the sale of the compost facility, the receipt of \$220,000 of a 1994 NYS grant for constructing the bike path, a swap of five acres at the end of Penny Lane for the 60 acre Grammercy Park parcel and a long term lease with the Boys & Girls Club for the Eggertsville Community Center.

Our third biggest accomplishment was stabilizing health insurance costs by self insuring. We have budgeted four years of no increase and a 3% increase for this year. Actual expenses are on the graph.

We increased the size of Amherst State Park and Nature View Park and created a new East Amherst conservation area with a 50% NYS grant. Improvements to Amherst State Park include the beautiful Veterans' Memorial designed by Bob Walter in our planning department. We modernized Bassett Park's ampitheatre. We are well along with major projects for Billy Wilson Park, Dann Lake Park, and the Eggertsville Community Organization Park. Most of the funding for Billy Wilson Park is from its on site cell tower revenue and for ECO Park, a state grant. An opportunity to provide funding for other parks from cell tower revenue was missed last year.

We have had a well run, non partisan, scandal free administration and did most of this from 2010 - 2015.

2017 brings new challenges. The first is our full revaluation program. Amherst's housing values have been increasing for several years but at different rates in different neighborhoods. NYS reduced our 100% assessed value to 91% of fair market value last year. We hired a professional appraisal company over a year ago to supplement our staff to help bring us back to 100% of fair market value. The new assessed values should be released in the next month. When the tax levy is unchanged there is a redistribution of the same tax burden with approximately one third up, one third down and one third the same. Mathematically it is dependent on whether the properties in a neighborhood are increasing in value faster, slower or the same as the town's average. Opportunities for property owner challenges will be announced as soon as the notices are all out.

Repercussions from the 2006 Acquest lawsuit persist. We exhausted our appeals in Albany and paid over \$4,000,000 for the judgment, statutory interest and attorney's fees to avoid additional interest estimated at \$1,000 a day. The plaintiff's attorneys took on another lawsuit against Amherst that we thought we had won. The judge from the Acquest lawsuit allowed them to reopen the litigation and we are defending it again on appeal. The judge assigned to the case was indicted, pled guilty and resigned in an unrelated matter. We borrowed the \$4,000,000 from our reserves. We sold bond anticipation notes (BANS) to repay those reserves. We pay interest only on those BANS in 2017 and then interest and a million of principal for the next four years. This is the main reason the tax levy was increased for 2017.

The development proposed for the former Westwood Country Club property continues to work its way through the planning review process. The petitioners have a third proposal and will continue the public participation portion of the process before the planning board. The most significant issues are contamination, sanitary sewer capacity, storm drainage and traffic. The DEC relates that the WCC owners have not completed the

contamination assessment and so there is no approved remedial plan and no decision on what is allowed with and without any cleanup. I suspect this could change quickly as the ownership works through this. The downstream sanitary sewer capacity along Sheridan Drive is not adequate for additional development. The WCC ownership will have to propose an acceptable alternative. The first storm drainage proposal does not satisfy Amherst's philosophy that any increase in storm water must remain on site. The proposed Maple Road to Sheridan Drive street aggravates an already congested Sheridan Drive.

In many areas our pace of progress is frustratingly slow. The Eggertsville Community Organization Park improvements are partially funded by a state grant announced over two years ago. Billy Wilson Park improvements are in design over three years with funding in place for the first phase and a recently rejected state grant for the second phase. The Penny Lane for Grammercy land swap was approved by NYS in 2015 and it didn't close until the last day of 2016. Three proposed land donations, having been approved by the town board, have completed internal environmental studies, and two closed in December. Paradise Park had a fire destroy the playground equipment in 2016. We immediately purchased new equipment and wait for the installation. Four pickleball courts for Paradise Park from a NY State grant was proposed over two years ago. Additional parking which we offered to fund on NYS land adjacent to the Northtown Center are three years in an approval process. Remember it took about twenty years and an unrelated alienation process to collect the NYS grant money for the building of the bike path extension.

Office Development nationwide is undergoing change. Amherst is seeing it as well with a softening office marketplace, which the town needs to address. Younger people entering the work force are looking for more vibrant, urban, and walkable environments. Our large office parks are less

attractive to them and vacancies are popping up there and in older, isolated office buildings. Delta Associates of Washington, DC completed an office study funded jointly by the Amherst IDA and the town. They reported their findings, predictions and recommendations to the town board and the community at the end of 2016.

Their conclusions and recommendations:

1. Corporate office demand in Amherst will be primarily geared towards back office users.
2. The preferred patterns of development will differ by location within Amherst.
3. The Town needs to take a more holistic look at its economic development activities.
4. The Town needs to retool its incentives to focus on the renovation and/or redevelopment of underutilized sites and buildings, rather than on promoting new greenfield development.
5. Remaking older business parks will require allowing higher density and mixed-use development.
6. The Town should consider holding public planning charrettes to discuss the redevelopment of key sites.
7. The Town of Amherst must improve its relationship with the business and economic development community.
8. The Town must do a better job of tapping the economic development potential of the University at Buffalo.
9. The transportation network in Amherst is a hindrance to its economic vitality.
10. Major public facilities and amenities should be incorporated into redevelopment projects.

As we get toward the end of 2017, the 2018 budget will be proposed. It is too early to speculate on the implications for the tax levy. I generally use the previous year's audit in May 2017 as my starting point. Actual 2016 revenues and expenses form the base for 2018 projections. The audit also discloses the fund balance availability. The biggest difference this year is that I will not have to implement the budget that I propose.

The Town Board has been discussing three long range opportunities. The farthest along is adding a fifth ice sheet to the Northtown Center. Discussed off and on for years, the town commissioned a study to evaluate the cost of an expanded facility which includes a fifth rink, seating for 500, locker rooms and offices along Amherst Manor Road. The town board accepted a bid from Kideney Architects for \$ 61,710.00 to perform the cost estimate, paid from recreation fees. Kideney's estimates were so high that break even was impossible and they are looking to see if the project can be downsized. I believe that is where we are today.

The second long range opportunity is a community center for underserved youth in northwest Amherst. The project is being planned jointly with the Sweet Home School District on a parcel they own on the west side of Sweet Home Road between Westwind and the new Ellicott Creek Fire House. There were four bidders for architectural services and the lowest cost proposal was Wendel. The town approved \$109,700 for the study/report and the preliminary/schematic design phases. Sweet Home is contributing \$20,000 and the town is funding its share from Recreation fees. The total architectural design component is \$544,070.

The third opportunity is purchasing National Grid's street lighting assets and converting to LED. We received a 50% NYSERDA grant worth \$19,000 to count streetlights and make recommendations for pursuing this opportunity to reduce costs. The streetlight count of about 9500 is

consistent with the National Grid charges. I sent a letter to National Grid requesting the Net Book Value of roadway luminaries in the Town of Amherst on September 13, 2016, and have yet to receive a reply. I recall earlier in our administration settling and paying for a previous town board decision to purchase electric company assets.