

## STATE OF THE TOWN 2019

### I. INTRODUCTION.

The state of our Town is excellent.

Our local economy is the strongest it has ever been.

Our financial management practices and policies continue to get the highest ratings and recognition from outside agencies like Moody's and the Excellence in Financial Reporting Award from the prestigious Government Finance Officers Association which the Town has received for 6 consecutive years.

The Town has made enormous strides in providing attainable housing opportunities for local workers and families adding over 80 units of both rental and home ownership housing opportunities to the community.

The Town is completing several very significant infrastructure projects that will not only improve many of the town amenities but will also reduce operations and maintenance costs.

The Town continues to make strides to improve the quality of both our surface and ground waters through its water quality protection and septic rebate programs.

The Town's active grants program has secured over \$1.5 million in funds in 2019 to enhance the development of our parks and others recreational facilities.

Our major crime statistics continues to drop declining **20%** from 2017.

The Town continues to strengthen its role as regional leader in the arena of environmental protection, open space preservation and energy conservation.

Each of these efforts supports the sound and strong state of our Town. They also demonstrate that all aspect of the Town are contributing to the strength of the Town's overall wellbeing. Allow me to provide some additional detail.

### II. TOPICS.

#### **1. Local Economy**

One of the clearest indicators of the strength of our local economy is the Town's total assessed valuation, a valuation that continues to grow. Since 2013 the valuation has increased by 34% growing from a 2013/2014 value of \$55 billion to a 2019/2020 value of \$73.5 billion. In the past year, the total assessed value grew 9.7%. The latest increase in value continues a three year trend of assessed values rising in every school district in the Town. This growth allows the Town for the third consecutive year to reduce the overall tax rate, to maintain a very healthy fund balance across all funds which has increased by 54% since 2013, and to continue to reduce overall bonded debt by \$54 million since 2013, a 40% reduction. This positive economic indicator has a downside.

The Town utilizes a market trend analysis to determine a property's market value. While this method is the most accurate method to reflect the assessed valuation of properties within the Town, it often leads to swift and unpredictable increases in individual property values. These increases can be difficult for individuals on fixed or limited incomes to absorb. To begin to address this very real concern, I have

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proposed a two year moratorium on the use of market trend analysis on properties that have changed value based only on the market, not on new construction, additions, alterations or improvements. In effect, freezing the assessed value of those properties whose assessment is based solely on the market trend analysis at their current 2019/2020.

The proposal I have offered also includes establishing a committee to conduct an in depth study of the impacts of the market trend analysis methodology on taxpayers, school districts and other taxing entities.

The moratorium will bring some stability to local property taxes and the committee will provide an analysis and recommendations that I hope will result in a more equitable approach to property valuation for everyone.

## **2. Financial Management**

In its 2018 report on the financial position of the Town, Moody's Investor Services commented on the "very strong financial management" of the Town as key to affirming its Aaa (Triple A) Credit Rating for the Town. This rating is not only a clear indicator of the overall good health of the Town's finances but also has direct benefit by affording a low interest rate when the Town chooses to borrow for large capital projects such as the recently completed Ponquogue Beach Pavilion.

The Town strong financial management practices includes its codifying of financial policies, a practice that assures compliance with those policy from one year to the next and from one administration to the next. The Debt Reduction Policy for Capital Projects established in 2017, as an example, has helped the Town reduce its overall debt by nearly \$2.2 million. Likewise, the Town codified its fund balance policy requiring the Town to maintain a 17% fund balance reserve. In my recent visit to meet with Moody's in their New York offices, my 3<sup>rd</sup> such presentation, it was clear that strict policy adherence such as these two examples are viewed very favorable by the agency and complement our overall sound financial management policies and practices.

In fact, the recently completed audit by the outside auditing firm of Nawrocki-Smith found no deficiencies in the Town's accounting and finances and made no recommendation for improvements, changes or adjustment, a very strong statement of confidence.

## **3. Attainable Housing/ CDBG Block Grants**

The two developments at Sandy Hollow and Speonk are near completion. We are so proud of how they look and of all the hard work the Town, the developer and the community invested in making them come to fruition. This summer we will be conducting the selection process and look forward to helping so many people have affordable rentals in the Town. We have other projects in the pipeline and will be working with neighbors and community groups as we move forward.

In addition, two local families moved in to two beautiful affordable homes in Tuckahoe, built by the Southampton Business Alliance and, after a lottery, 15 condo homes at Southampton Pointe will soon be occupied by working families.

Together these projects have added 80 units of affordable housing to the community, a small number when compared to the extent of our need for these housing opportunities but a significant step in the right direction.

Earlier this year the Town Board approved landmark accessory apartment legislation. The approved legislation allows for the addition of an accessory apartment on properties that were previously precluded from these additions while assuring affordability, controlling the potential negative impact of increased density and assuring that residences will meet all health and safety standards. We already have two approved applications under this new legislation and 12 applications awaiting approval, a step in the right direction. This change in the law was praised in a Newsday editorial, as a creative and necessary tool in providing much needed affordable rentals. In addition, the Town is being recognized by Visions Long Island with its 2019 Smart Growth Award for Affordable Housing. On behalf of the Town Board, I thank Visions for this recognition.

Our Housing and Community Development Department is also responsible for managing the Federal Community Development Block Grant (CDBG) funds which have increased from \$90,000 to \$250,000. These additional funds are helping to fund projects such as the handicapped ramp at Hot Dog Beach, the handicapped viewing pavilion at Good Ground Park, a playground at Ludlam Park, funding for bus shelters in Riverside/Flanders and a Façade & Signs Improvement Pilot Program for Hampton Bays.

#### **4. Infrastructure Improvement Projects**

Our assessed value and our sound fiscal policies are significant contributing factors to the Town's financial strength. But, more significant than both is the very obvious fact that we are blessed to live in a very beautiful, unique yet fragile place. Our open space, beautiful seascapes and historic landmarks create immeasurable value that brings with it commensurate responsibility, a responsibility the Town takes very seriously. We have completed or are in the process of completing several improvement projects which reflect how much value the Town place on preserving and protecting those natural resources.

- Ponquogue Beach – The pavilion at the Town's most popular ocean beach was built in the late 1960's. Although it has been well cared for over that time, the constant winds and the salt air have taken a heavy toll on this popular attraction. Earlier this year, the Town's Parks Department undertook a massive renovation of the entire facility. New Roof, new siding, new bathrooms, new deck, new concession area, new outdoor showers, new handicapped access, new attendants booth and new landscaping. Imbedded in this project was the importance of sustainable building practices and materials. The decking has all been replaced with ipe sustainable wood products, the siding is maintenance and preservative free Hardiboard. The three skylights have been expanded to bring more natural light into the facility. The light fixture inside and out all use LED light bulbs. The facility will also feature a charging station for electric vehicles, a first at Town facilities and rain garden in the parking area to capture and filter ground water runoff. Our most popular ocean beach will now not only be more beautiful and more welcoming but will also be more environmentally friendly. Ponquogue Beach formally opened to the public on Memorial Day Weekend.

- Tiana Life Savings Station – the former Neptune’s nightclub has a long history connected to the vibrant shipping industry that surrounded Long Island for generations. This former lifesaving station, home of the first African American life saving crew, played a vital role in protecting sailors victimized by shipwreck and dangerous seas. The lifesaving station is being authentically restored to its original configuration and condition. It will house a museum exhibition space, a small concession with prepared foods and soft drinks, and a large outdoor viewing area to enjoy the beautiful panorama the station provides of the Atlantic Ocean. The Station is one of four Hampton Bays historic restoration projects that include the Lyzon Hat Shop, the Prosper King House and the Canoe Place Chapel. These four restorations along with the Nathaniel Rogers restoration underway in Bridgehampton are but a few examples of the community commitment to protecting and preserving its very rich heritage.
- LED Street Lighting – Toward the end of 2018 the Town embarked on a project to replace all 2,580 street lighting fixtures with more efficient and better illuminating LED light fixture. In addition to requiring less maintenance, the LED fixture provide a safer environment by improving the area illuminated by the fixture. However, the Town had another goal in mind. We are committed to reducing our energy consumption and to shrink our carbon footprint. Two factors that threaten the environment of our coastal community. A recent analysis of this project completed by the New York Power Authority (NYPA) forecasts that this project will save the town over 1 million kilowatts of electric power consumption over one year, a reduction in greenhouse gas emissions equivalent to removing 160 automobiles from our roadways.
- Hampton Bays Senior/Community Center - After many years of leasing this very important service center for constituents, the Town Board approved the purchase of the facility. The senior programs and the many other activities that function out of the center will continue. The purchase will add access to an additional 5000 sf of space with the goal of providing more services valued by the community to this very central and accessible location.
- Shinnecock Commercial Fishing Dock – the longtime home for the commercial fishing fleet, the facility has been owned by Suffolk County but operated by the Town of Southampton. This arrangement has made important maintenance and improvements needed to the dock area very difficult if not impossible to implement. As sole owners, the Town is invested in making a number of improvement both to the dock itself, to the vital bulk heading and to the service areas used by the commercial fisherman. Commercial fishing is an important local industry with a long and important heritage. The Town is now in a better position to preserve and to protect this facility so vital to the industry.

In recent work session Councilman Schiavoni has asked for a comprehensive facilities improvement plan, an excellent approach to improving our facilities and I thank the Councilman for his leadership in that effort

## **5. Water Quality.**

The Town has always taken proactive steps toward addressing water quality issues, but with the passage of the referendum in 2015 for the State to extend the CPF program to the year 2050 and also allow up to 20% of the revenue to go toward water quality projects, the Town has now been able to be more aggressive in tackling this problem head on.

Since this program began in 2017, the Town has rebated \$436,566 and we now have 35 I/A sanitary denitrification systems currently installed and operational, another 14 about to come online and \$1.9 million dollars have been encumbered for another 95 homeowners who have embarked on the process with the Health Department.

In addition to this effort, the Water Quality Advisory Committee created a competitive grant process whereby Non-Profits, Scientists, Villages, Trustees, Homeowners Associations and others can apply for funds in specific watersheds to solve water quality issues that they have identified and targeted for measurable nitrogen reduction. Last year, the Town Board awarded approximately \$3.2 million dollars to fund projects that will add much needed drainage infrastructure to capture pollutants and pathogens from storm water runoff to the waters of Moniebogue and Quantuck Bays, Agawam Lake, and Sag Harbor Cove. We funded the plans and specifications for the sanitary infrastructure that will service downtown Westhampton Beach, a sweeping series of rain gardens for Main Street in Sag Harbor, a permeable reactive barrier in Hampton Bays and also the installation of sensors and equipment to monitor Mecox Bay and help the Trustees make determinations related to opening the cut based on scientific understanding of many variables and in concert with their draft management plan.

As Dr. Chris Gobler of the Stony Brook School of Marine and Oceanic Sciences reported in his State of the Bays address on April 5, at least one of the area bays has seen some signs of hope this year of a comeback from rampant algal blooms. This past year, 2018, was the first in 12 years that there was not a brown tide in Shinnecock Bay — a “reversal of a decadal trend” We have a long road ahead, he added, but these are real signs of progress. We are also working proactively to use our water quality funds to help more than 100 homeowners connect to public water where the drinking water may be compromised by PFOA/PFOS contamination.

Councilman Bouvier has lent his expertise and his commitment to the Town’s water quality efforts. The Town’s progress in this regard is due in large part to his efforts.

## **6. Grants**

The Town has over the past several years made a concerted effort to seek all possible funding grants for a wide range of projects. A team of staff members that includes the Town Planning and Development Administrator, the Director of Municipal Works, the Director of Parks and Recreation, the Town Planning Director, the assistant Town Planning Director and the Deputy Supervisor work closely with the Town grant consultant. Other staff members are included in preparing grant applications as needed. Over the period that this team approach has been the Town’s practice, we have secured nearly \$6 million in grant awards. This year, this team effort has secured \$1.5 million in grant awards for construction of the maritime park in Riverside and the creation of a multiuse bicycle path connection from Red Creek Park through Good Ground Park to Main Street in Hampton Bays. The Town is awaiting an announcement for a \$1.5 million Water Quality Infrastructure Grant application submitted in January. This month the Town will be applying for the \$10 million New York State Downtown Revitalization Initiative. In July, the Town will use the New York State Consolidated Funding Application process to submit requests for funding several projects including the Shinnecock Maritime Park Project in Hampton Bays along the Shinnecock Canal and the Shinnecock Commercial Fishing Dock.

## **7. Public Safety / Quality of Life**



LAW ENFORCEMENT. Major crime statistics have fallen nearly 20% since 2017. The Town continues to participate in a very successful multi agency drug task force; however, our own officers took over 300 bags of heroin destined for our residents off the streets since last November. Sadly, there was one drug related death in 2019 but a reduction over the 7 deaths in 2017. Our Nar can saves have increased to 9, a good thing, but it also demonstrate the need for continue drug education and treatment programs and the continued efforts of the Town's Opioid Task Force

Cybercrime is on the increase. To combat this growing threat to our community, The Town Police Department is now an operating computer forensic satellite office for the secret service. Our officers in are trained and equipped to export data from smart phones and computers to assist with investigations where phone or computer data is useful to identify a defendant and bolster a prosecution. Our officers have both the technical and legal training to execute such investigations. Town police department shares this expertise with the other East End police departments.

As we continue to modernize our law enforcement strategies, we now have 2 unmanned aircraft and 4 FAA certified, trained pilots. This program is a significant enhancement to our special operations with noteworthy benefit in the field of search and rescue.

Our police department is also receiving great reviews for our school resource officer program. The program is designed to assess and enhance school security, provide training and guidance particularly in the area of drug use and gang involvement and to mentor children who seem to be heading toward trouble. The emphasis of the police department has been on community based policing and this program is a great illustration of that focus.

CODE ENFORCEMENT. During the past year, Public Safety has utilized statistical analysis to identify where and what code violations occur by hamlet and violation. This has prioritized the mission of Code Enforcement to address property maintenance issues. As a result, coordinated Property Maintenance Patrols have been initiated in several hamlets to resolve these issues. Analysis has shown that Notices of Violation have increased this year while the number of summonses has remained the same, indicating that compliance with the code in on the increase. Similarly, the number of rental permits issued this year has increased by 34% to 1,530, creating a safer living environment for our citizens and offsetting the costs of Code Enforcement.

Public Safety has been restructured using grant funding to put additional uniformed Ordinance Inspectors on the street at no additional cost to taxpayers and to develop a multiple agency approach, working with Child Protective Series (CPS) as an example, to enhance their effectiveness in assuring public safety. The department has hosted a Hurricane Preparedness tabletop exercise to ensure Town Departments and uniformed services are ready to protect our citizens during the coming hurricane season. Through the Local Initiatives Support Corporation Grant, Public Safety has obtained assistance for members of the community who are living in distressed properties in an effort to mitigate blight, prevent foreclosure and property abandonment.

These collective strategies and programs have made a major impact on addressing the quality of life issues which is at the core of the mission of public safety. It is also worthy of note that the Town's online SOS system which allows constituents to report and to track issues of potential code violation has proven to be very well used by constituents and very helpful to the code officer in identifying and addressing community concerns.

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## 8. Protecting our Natural Resources

LAND PRESERVATION. The Town continues its efforts to preserve our community character through the Community Preservation Fund (CPF). From Jan. 2018 – April 2019, the Town acquired more than 38 acres of open space and park and recreation areas, with expenditures of \$11 million. In addition CPF acquired another 17 acres of preserved farmland and protected wetland, also funding a number water quality improvement projects amounting, in total to another \$ 19.2 Million.

1. CPF has embarked on the preservation of a nearly 5-acre bayfront property in Flanders across from Pleasure Drive, which will include the creation of a walking path and a ramp and observation deck to enjoy views of the water and marshland views of Reeves Bay.
2. Work continues on the restoration of the Tiana Life Saving Station on Dune Road (the old Neptune's), to create a museum. This facility will highlight the history of rescue efforts before the Coast Guard came into existence.
3. Hot Dog Beach (also known as the "Bill Swan Beach") was just completed with a parking area and beach walkway, and has been turned over to the Parks Department.
4. In Bridgehampton, restoration of the Nathaniel Rogers House is underway to provide public access and also an archive area for the Bridgehampton Historical Society.

In addition the Town has adopted a goal of achieving 100% renewable electric energy by the year 2025, The Town has committed to the use of all electric hand held landscaping equipment, an effort that has resulted in the reduction of over 100 gallons of gasoline, removed nearly 10,000 lbs. of toxic and carcinogenic emissions from the environment and has had a cumulative noise reduction impact equivalent to over 100,000 decibels. This effort was initiated several years ago by Councilwoman Scalera and she has been a staunch advocate for this effort both by the Town and for the local landscaping industry.

Our LED street lighting project mentioned earlier goes further to reduce the negative consequences of the continued reliance on fossil fuels and how a coastal community such as ours must pursue every opportunity to avert the negative consequences of climate change and rising water temperatures and levels.

Leading by example, the Town has adopted the use of all electric hand held landscape maintenance equipment. As part of this effort the Tow has sponsored several "informational workshops" for commercial landscapers sharing with them not only the effectiveness of these new tools but the noise and emissions reduction as well as the health related benefits for their employees and the community

ENVIRONMENTAL PROTECTION. Having pioneered a town-wide ban on single use plastic bags several years ago, this year the Town has banned Styrofoam food containers and plastic straws. This pervasive and nearly indestructible waste material contaminates our water, liters our landscape and poses significant danger to marine animals.

The Town Board unanimously adopted this new legislation but it was the efforts and initiative of Councilwoman Lofstad that brought the issue to our attention and spearheaded the outreach to the community.

The Town understands that protecting our environment requires the long view. Land preservation, street lighting projects and bans on products that poison are environment are critical. Likewise, seeking to access more renewable energy through a Community Choice Aggregation Program (CCA), promoting

the installation of residential solar, encouraging home energy audits, establishing strict Home Energy Ratings (HERS) and adding more energy efficient and battery operated vehicles to our Town fleet while also installing charging station for public use, are part of the larger effort to protect what we all value.

Likewise, the South Fork Commuter Connection train and bus service began operation in March. The primary goal of the Community Connections is to provide a reliable and affordable commuter alternative for the local workforce. The newly introduced commuter service is not only designed to help reduce traffic congestion particularly during the summer months but is also intended to reduce the carbon emission from the thousands of vehicles that traverse the Town's roadways. Each week ridership is increasing on this service.

For those of you who haven't heard about it, this new service offers two early morning eastbound trains which pick up riders at the Speonk, Westhampton or Hampton Bays, to bring them to the stations east of the canal. Small shuttles meet the trains at stations east of the canal, where riders seamlessly board these busses which take them to work.

Every weekday afternoon the process is reversed, with shuttles bringing employees from their workplace to board westbound trains back to their station of origin.

Nearly 40% of those who ride the trains don't need to use the shuttles, instead are walking, biking or being picked up by a coworker after arriving on the train.

While this service may not work for all employers and their employees, we believe this is a good first step in providing meaningful options to driving on our congested roads. From the start of the service in early March through the end of April, the daily ridership has more than doubled averaging nearly 500 monthly commuters based on LIRR report on ticket sales. It is expected that this trend will increase over the coming summer months.

Implementation of this new service required a coordination of efforts involving Southampton Town, working with our partners at the Long Island Rail Road, East Hampton Town and the critical funding and strong advocacy provided by Assemblyman Thiele and Senator LaValle. We thank everyone for their efforts.

### III. CONCLUSION

The Town, like every Town, still faces great challenges. However, these extraordinary accomplishments resulting from sound leadership from this Board, the hard work of our department heads and the dedication and commitment of the Town's staff provide an incredible combination of commitment and skill to give me the confidence to tell you that our Town is prepared for those challenges. And, leads me to conclude as I began... the State of the Town of Southampton is excellent!

Thank you.

Jay Schneiderman, Supervisor

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