

Minutes of a Special Meeting for a Joint Public Hearing between the Town of Thompson Town Board and the Village of Monticello Board of Trustees held at the Town Hall, 4052 State Route 42, Monticello, New York on **December 01, 2015 at 6:45 PM.**

ROLL CALL: **PRESENT FOR TOWN OF THOMPSON**
Deputy Supervisor Richard Sush, Presiding
Councilman John A. Pavese
Councilman Peter T. Briggs
Councilman Scott Mace

APPROVED

Absent: Supervisor William J. Rieber

Also Present: Marilee J. Calhoun, Town Clerk
Michael B. Mednick, Attorney for the Town

PRESENT FOR VILLAGE OF MONTICELLO
Mayor Douglas Solomon
Trustee Carmen Rue
Trustee Larissa Bennett
Trustee Jill M. Weyer
Trustee Aleta Gomez

Also Present: Janine Gandy, Village Clerk
Michael Davidoff, Attorney for the Village
David A. Sager, Village Manager

Deputy Supervisor Richard Sush welcomed the Village of Monticello Board of Trustees to the meeting. He advised the public that the Town and Village would be holding a Joint Public Hearing this evening for the purpose of considering an Annexation Petition that has been received by Route 17B Hotel Development LLC situated at 242 State Route 17B, Monticello, New York, SBL #'s 12.-1-53.

Deputy Supervisor Sush and Mayor Solomon both opened the Special Meeting at 6:45 PM. The Pledge to the Flag was conducted.

A motion was made by Councilman Mace and seconded by Councilman Briggs to open the Joint Public Hearing with the Village of Monticello.

Vote: 4 Ayes, 0 Nays, 1 Absent

A motion was made by Trustee Rue and seconded by Trustee Bennett to open the Joint Public Hearing with the Town of Thompson.

Vote: 5 Ayes, 0 Nays, 0 Absent

It was agreed that Deputy Supervisor Sush would preside over this meeting for the Joint Public Hearing.

JOINT PUBLIC HEARING WITH VILLAGE: PROPOSED ANNEXATION PETITION / REQUEST FOR ROUTE 17B HOTEL DEVELOPMENT LLC, TAX PARCEL # 12.-1-53, LOCATED AT 242 STATE ROUTE 17B, MONTICELLO, NEW YORK

Deputy Supervisor Sush opened the Joint Public Hearing at 6:46 PM.

Town Clerk Marilee J. Calhoun read the legal notice and stated that she had an original affidavit of publication. Village Clerk Janine Gandy also had an original affidavit of publication, which is similar to the Town's so it was not read again. The legal notice for the Town was published in the Sullivan County Democrat on Tuesday, November 10th, 2015. The legal notice for the Village was published in the Sullivan County Democrat on Friday, November 13th, 2015. Notification was also sent to the property owners, Fire District and School District as well as posted on the Town Hall Bulletin Board.

Attorney Jacob Billig was present on behalf of the applicant/petition Route 17B Hotel Development LLC. Also present was the applicant Ms. Chong Yu and Engineer Joe Pfau of Pietrzak & Pfau Engineering & Surveying, PLLC and Paul Siegel, Project Manager.

Attorney Billig provided a 10-minute presentation. He explained that this matter was presented to both Boards several months ago. He said that the applicant/petitioner who is the proposed developer lives in the Village of Monticello for over 10-years and enjoys the area. The applicant also owns property in the Town of Fallsburg as well. She decided a few years ago that she wanted to further invest in the Town of Thompson and Village of Monticello. She put together a Development team and started searching for property for a while to build a hotel project. Ms. Chong Yu is interested in building a limited service hotel with a designated "FLAG". A "FLAG" has not yet been chosen, but Attorney Billig guarantees that one will be selected. He said that from a business standpoint that is the only way to go. A parcel of property was located on NYS Route 17B, Monticello and entered into contract for the purchase of said property. At that time they had some preliminary discussions with both the Village and Town Boards relative to annexing this property in to the Village in order to obtain water and sewer service. The Development team likes the location selected very much, the purpose is to propose and emphasize development along the other side of Town. Attorney Billig further explained why this location is good and has been chosen. The proposal is for a 4-Story, 120-Room Hotel Project with Restaurant. If the Annexation is approved they would then proceed before the Village Planning Board for site plan approval process. They could seek for site plan approval for the entire 120-Room Project or it could be done in two separate phases depending upon the Market at that time along with the Restaurant pad.

Engineer Joe Pfau of Pietrzak & Pfau Engineering & Surveying, PLLC gave a 5-minute presentation regarding the proposed site. Engineer Pfau provided both Boards with copies of a Sketch Site Plan and Zoning Map, which he explained and reviewed. A

copy of both documents will be placed in the file and available upon request. He identified the property on the Zoning Map proposing to be annexed along NYS Route 17B, Monticello. The property is adjacent to the Village line and the B-1 zone within the Village. They will also propose that the property if annexed go from a C-1 zone in the Town to a B-1 zone in the Village. There would not be any Spot Zoning. This would be one Commercial zone to another Commercial zone. The Zoning Map displays the location of the property and the current Zoning of the property. The Sketch Site Plan was put together to give both Boards a general idea of the proposed project. The property consists of 4.64 acres and has a slight slope from East to West with a small wetlands pocket in the westerly section of the site. The property does really layout nicely for a 4-Story, 120-Room Hotel. According to the proposal they are well within the current Zoning Requirements with regards to setback, height, parking requirements etc. including the 4,000 sq. ft. 100 seat Restaurant Pad. The project is clean in respects to wetland permits. They do not expect any permits to be required.

Attorney Billig said that upon approval of the Annexation that they are hopeful to receive approvals at the next Town and Village Board meetings in two weeks. After which they plan to immediately start the Planning Board process. They have already started the process of looking into the different "FLAG" opportunities. If a "FLAG" has been chosen during the Planning Board process prior to approval, which require amendments to the proposed site plan based on the needs of the proposed Hotel Chain it can be done at that time. If the "FLAG" is chosen after Planning Board approval is granted then they would go back to the Planning Board to amend the site plan accordingly based on the chains different needs and requirements.

Project Manager Paul Siegel said that they will be speaking with Best Western, Holiday Corp, Windham, Holiday Inn Express etc. They are right at the beginning of looking into obtaining a "FLAG". He believes that there will be strong interest in this particular project and its location. The only way they would build is with a "FLAG". You require the marketing, franchise system and brand for this area. There has been expressed interest in the past.

Attorney Billig said that the "FLAG" consideration/selection process has begun. They do not have a definitive timeline of when a "FLAG" will be selected, but as Mr. Siegel said a Brand Name is necessary in today's world. However they would like to keep the process moving forward to obtain the Annexation approval and start the Planning Board process. He said that both Boards and staff have all been extremely helpful up to this point and have been very business friendly, which has been much appreciated. They hope that they can move expeditiously with the Annexation process.

Deputy Supervisor Sush asked both Boards if they had any comments on this matter. The following comments were made:

Councilman Briggs asked when this project would open.

Attorney Billig said it would be either a few months prior or after the ribbon cutting takes place for the new Casino project. He further explained all of the factors that would play into the exact time period.

Councilman Pavese asked the Village if there is adequate water and sewer service available to serve this proposed project.

Mayor Solomon said that the Village is not sure at this time. It will have to be determined during the Planning Board process. There are some concerns involving a pump station across the street from the proposed site, which will all be addressed during the Planning Board review.

Attorney Billig agreed that their Engineers will work with the Village Engineer to make the necessary determinations and address the issue.

Village Manager David Sager said currently there is existing infrastructure that might require upgrading in order to provide service.

Councilman Pavese said that the upgrade to the existing infrastructure would be at the Developer's expense.

Village Manager Sager agreed that it would be.

Attorney Billig said that they are aware of that factor.

Engineer Pfau said that there is a pump station located right down the street that they will analyze and look into connecting to.

Deputy Supervisor Sush said that they are at the very beginning of the Planning Process and he is concerned if the Annexation is granted and a "FLAG" is not found, what will happen to this project if a viable Partner/Brand/"FLAG" is not found.

Attorney Billig said that according to his discussions with Project Manager Paul Siegel it is their belief that they will have more than one choice of a chain. Who that ultimately will be depends on the restrictions and requirements of that chain. There are a variety of factors to consider.

Attorney Davidoff said that if the Annexation is granted it would remain whether they obtain a chain or not. The Annexation would not be contingent upon this factor. This property would remain in the Village and would be subject to paying a Village tax as well as a Town tax on vacant property should that happen.

Village Manager Sager said that the risk compared to return should this property get developed is far greater.

Attorney Davidoff said that he believes the property is currently commercial zoned.

Attorney Billig agreed stating that it is Commercial zoned and they are not looking to change the zone in a sense other than going from a Town Commercial zone to a Village Commercial zone. Once the property is Annexed there is no going back, which is the risk that the Town Municipality would take.

Deputy Supervisor Sush asked about a sunset clause.

Attorney Davidoff said that its different, in Zoning should you get approval by Planning Board and do not do the project after 1-year then your approval would lapse and the applicant must go back for an extension should they wish to proceed with the project. However this clause does not work with an Annexation.

Attorney Billig said that according to Project Manager Paul Siegel, Windham did express some interest when they had visited the area in the past approximately 5-6 years ago. Project Manager Paul Siegel briefly elaborated on the particulars of the visit. Attorney Billig said also on top of that issue we now have the Casino Development, which changes the matter. Honestly they cannot give guarantees that a Chain will come, but they represent to both the Town and Village on the record that the applicant has searched for property well over 1-year and this is the site that was chosen and purchased. The applicant has spent the resources for a Development team to develop a site plan for a proposed hotel and restaurant pad. They believe that the Village and Town would agree that this is an interesting location for this project given that it is located on the different side of the neighborhood as the proposed casino project. There has been positive interaction with the "FLAGS". As they are moving forward in the process it seems that all of the boxes are being checked positively. They hope that after Annexation they can start the Planning Board process and in a parallel way they will also start looking for the "FLAG" and hopefully narrowing things down. As soon as they narrow down who the "FLAG" is and a deal is negotiated they will notify both the Town and Village at such time. This way the Town Board will be appropriately in the loop of the status. They are hopeful that everything will go smoothly and be positive, because of the meticulous approach that the applicant has taken with the Development team.

Deputy Supervisor Sush said that he is in favor of granting this Annexation if the end comes to fruition, however once the property is Annexed the Town receives a little less tax dollars than before. He is willing to take less tax dollars for the bigger benefit of having the facility, however if that facility does not come to pass then the Town will lose tax dollars and have gained nothing. From the Town Taxpayers perspective, he has to question this first. This is a concern of his, which he is not sure how it should be handled.

Councilman Mace said that this Town desperately needs more hotels according to the feedback that he has received from the public. Many people traveling to Casino's do

not stay on site and look for hotel accommodation offsite. He feels that this is a small risk for a potentially bigger reward.

Attorney Billig understands Deputy Supervisor Sush's concern and the Town Board certainly has a fiduciary duty in terms to the public who elects them, but he agrees with the point that has been made, they have all been talking when the Casino comes this is what we have been waiting for, other ancillary development, other restaurants, hotels and job creation etc. The applicant is serious about developing this project and is here to finish it until the end result. Positive communication with the "FLAGS" and he thinks once the property is annexed in and Planning Board approval is granted a "FLAG" will be chosen and the project will commence.

Deputy Supervisor Sush said that he understands the risk and is willing to take the risk, but is looking for a way not to take the risk, but that it does exist. If that is the case its fine, because he thinks there is a greater benefit and sometimes you take a risk for that greater benefit. However he made the comment, because he is looking for a way out of not taking a risk if it is not necessary.

Deputy Supervisor Sush asked if anyone from the public would like to be heard on this matter. The following public comments were made:

Pamela Zaitchick of Glen Wild asked if there was any legal requirement, which prevents the property from being annexed back if the project did not go through.

Attorney Davidoff said that you cannot make the Annexation contingent upon the project commencing. He has never seen an Annexation go backward from the Village to the Town.

Councilman Mace said that even if this project does not work out there will be someone else who will want that site, because it will have the necessary improvements.

Village Manager Sager said the best chance of development on that parcel is with the Village infrastructure, which is already in place or staying in the Town. The Town has to weigh out the negligible percentage of fewer taxes that the Town will receive on vacant land currently versus the potential of proposed development. He believes that they will build based on the history. Regardless you have a developable parcel that recoup much greater rewards than any vacant land would. The Town is only getting a slight lesser percentage as a township once they annex into the Village. The Town will still get Town taxes, but just slightly less than previous.

Attorney Mednick said that this vacant land would become more valuable once the property has been annexed in the Village. If the Developer is agreeable to increase the assessed valuation of the property to make sure it appropriately reflects the increase in value, because it now has access to Village services, this is an option that could be done.

Attorney Billig said he does not believe that the Town would need the Developers agreement.

Attorney Mednick said most likely not, but basically you could offset any small decrease that the Town has is now that the property value will increase significantly since they will have access to Municipal infrastructures.

Pamela Zaitchick of Glen Wild thinks that it would be good to have this type of development on that side of Town. A hotel is needed desperately and is very much in favor of the proposal. Ms. Zaitchick also asked where the exact location of the site was.

Attorney Billig explained the location of the proposed site.

Councilman Briggs said that setting aside the Montreign Resort Project this project is needed regardless and could do very well in that location.

Trustee Weyer asked after reviewing the site plan asked about natural resources, amenities, recreation opportunities and sidewalks would be included on the site.

Attorney Billig replied that the site is a little tight and there was no plan for a pool. However once they get before the Planning Board they will address landscaping, walking path and sidewalks etc. They do not have a problem addressing these issues and to the extent that they would be able to make changes to the site plan to address some of those issues they are happy to do it. There might be a possibility of reducing parking to allow for additional space to address other issues. Attorney Billig said that this option would be considered once before the Planning Board. He expects to get more input as they move forward with the Planning process. They want this to be a successful project. The applicant is taking an economic risk to succeed.

Trustee Weyer agreed that this should be considered a showcase to be a model for more future hotel development.

Trustee Rue said that in the 1970's 17B was a very busy area and it would be nice to see that again.

Attorney Billig said hopefully this development will attract other future development.

Village Manager Sager also commented on a parcel of property located across the street from this proposed project site that has a dilapidated structure on it that the Village is pursuing the cleanup of that property. The Village is looking to make sure that the gateways of the Village going directly to the Town to look more beautiful and presentable. This is there plan to address those issues. They are trying to make the whole region more business friendly and welcoming.

It was agreed by both Boards that proposed action on this matter would not take place until the next Town and Village Board meetings pending receipt of the GML-239 County Review. The Village and Town Boards both meet again on December 15th, 2015. The appropriate Resolutions will be prepared and presented to both Boards at the December 15th, 2015 meetings.

After an opportunity for all persons to be heard Deputy Supervisor Sush entertained a motion that the public hearing be closed.

CLOSE HEARING & ADJOURNMENT OF MEETING

TOWN:

A motion to close the joint public hearing and adjourn the meeting at 7:16 PM was made by Councilman Briggs and seconded by Councilman Pavese.

Vote: Ayes 4 Sush, Pavese, Briggs and Mace
 Nays 0
 Absent 1 Rieber

VILLAGE:

A motion to close the joint public hearing and adjourn the meeting at 7:16 PM was made by Trustee Weyer and seconded by Trustee Gomez.

Vote: Ayes 5 Solomon, Weyer, Rue, Bennett and Gomez
 Nays 0

Respectfully Submitted By:



Marilee J. Calhoun
Town Clerk