

# Village of Mastic Beach Dissolution Plan Public Hearing



*Please sign in*



*Village of Mastic Beach Dissolution Plan*

*March 16, 2017*

## Introductions

### Laberge Group

Ben Syden, AICP, Vice President

Nicole T. Allen, AICP, Planning Services Manager

### Public Signals, LLC

John W. Rodat, President



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## Agenda

- The public hearing process
- How did we get here?
- How will our services change?
- How will our local laws change?
- What will happen to Village assets & liabilities?
- What is the fiscal impact of dissolution?
- Next Steps
- Public Comments



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## Public Hearing Process

- This is a public hearing
- Please sign up to speak on the sign-in sheet
- Speakers will be called up in order from the sign-in sheet following the presentation
- Each person will have up to 3 minutes to speak
- Comments are on the Dissolution Plan (amendments, changes, revisions, modifications, corrections, omissions, etc.)



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## How did we get here?



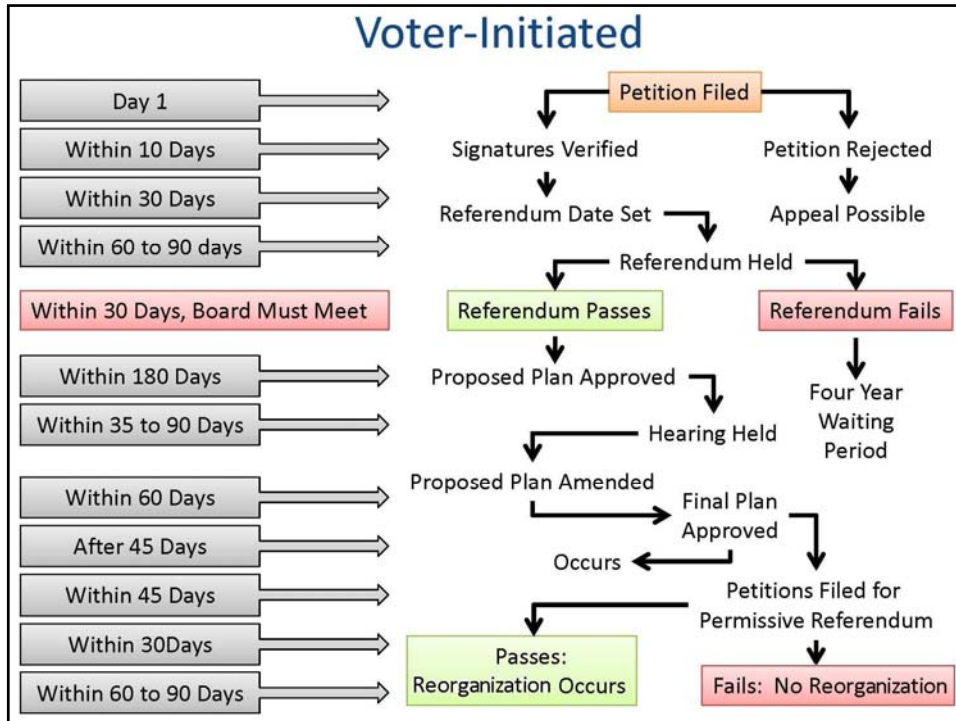
*Village of Mastic Beach, Study of Dissolution November 9, 2016*

## How Did We Get Here?

<b>August 30, 2016</b>	Electorate of the Village submitted a petition for Dissolution (916 valid signatures out of 1,474)
<b>Sept 8, 2016</b>	Village Clerk reviewed & certified the petition
<b>Sept 15, 2016</b>	Village Board passed a resolution calling for a Referendum on Dissolution
<b>October 2016</b>	Village Board ordered a Study of Dissolution & held 1 <sup>st</sup> Public Information Meeting
<b>Nov 9, 2016</b>	2 <sup>nd</sup> Public Information Meeting
<b>Nov 16, 2016</b>	The electorate voted to dissolve the Village
<b>Dec 7, 2016</b>	Village Board met & initiated the 180 days to develop & approve the Dissolution Plan
<b>March 16, 2017</b>	Public hearing on the Dissolution Plan



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## Services

## How Will Our Services Be Provided?

- All Village Departments and positions, elected and civil, will be eliminated and all responsibilities shifted to the Town.
- The Town will add:
  - 2 FT Building Inspectors & 2 PT Clerical staff: \$304,000.
  - 2 PT Code Enforcement/Public Safety officers, a Law Department Investigator and Clerk Typist: \$250,000.
- The Town will absorb Street Maintenance responsibilities: \$250,000.
- The Town will provide Refuse & Recycling Services through its existing contract at a cost to residents of an additional \$45/yr.



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## How Will Our Services Be Provided?

- The Village and Town will enter into Inter-Municipal Agreements (IMAs) through December 31, 2017 for:
  - **Highways:** street sweeping, drainage, road/pothole repair, and line painting; tree trimming and lawn maintenance in ROW; snow removal.
  - **Wetlands:** Village will adopt Town's wetland law. Town to assist with enforcement and permitting.
  - **Code Enforcement:** Town to enforce non-moving violations.
  - **Buildings:** Town to perform building inspections and issue violations.
  - **Zoning:** Village will amend its local codes and land use regulations to allow enforcement responsibilities to transfer to the Town. Town will also take over Planning Board and Zoning Board of Appeals responsibilities.



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# Laws



*Village of Mastic Beach, Study of Dissolution November 9, 2016*

## How Will Our Local Laws Change?

- The Village proposes to amend its current codes and land use regulations to be consistent with the Town's.
  - This would enable the Town to enforce zoning laws within the Village prior to dissolution.
  - Potentially transition Planning Board review to the Town prior to dissolution.
  - Potentially transition appeals to the Town prior to dissolution.



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## Assets & Liabilities



Village of Mastic Beach, Study of Dissolution November 9, 2016

## What Will Happen to Village Assets & Liabilities?

### ➤ Village assets:

- Property valued at \$1.8 million: Includes Village Hall, DPW yard, Village marina and greater waterfront. Village plans to sell some and transfer others to the Town, notably the 6 miles of beachfront, Marina 5 and stick docks.
- Personal Property – office equipment, furniture, tools, etc.
- Vehicles and Equipment.
- **All assets (except the waterfront, marina & stick docks) will be sold**

### ➤ Village liabilities:

- Village Hall: \$825,000 remaining on the bond (matures 2029).
- Employee benefit payments (approximately \$42,360).
- Outstanding court cases: Village has liability coverage of \$1 million.



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## Fiscal Impact of Dissolution



*Village of Mastic Beach, Study of Dissolution November 9, 2016*

## What is the Fiscal Impact?

- \$804,000 in additional costs to the Town for staffing + services
- \$4,125,581 in additional revenues to the Town.
- Debt District for the former Village residents
  - Village Hall: \$825,000 remaining on the bond (matures 2029)
  - Employee benefit payments (approximately \$42,360)
  - Any court liability
- Costs related to transition to Town governance: A Citizens Reorganization Empowerment Grant (CREG) could provide \$50,000 to the Town and \$50,000 to the Village for these expenses.
- Annual \$1 million Citizens Empowerment Tax Credit (CETC).



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## What is the Fiscal Impact?

Revenue	Description	Amount
Real Property Tax and Tax Items	Real Property Tax, Tax Arrears, Interest & Penalty on Real Property Tax	\$1,246,151
Franchises		\$350,000
Government Fees and Departmental Revenue	Fees: Clerk, Fire Inspection, Vacant Home, Zoning and Planning Board	\$164,000
Garbage Disposal		\$1,614,900
Allowance for Uncollected		(\$127,770)
Permits	Building, Sign, Rental, Etc.	\$322,300
Fines & Forfeited Bail		\$150,000
State Aid	State Aid per capita, mortgage tax, CHIPS	\$406,000
<b>Total:</b>		<b>\$4,125,581</b>



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## What is the Fiscal Impact?

Summary of Budget Shift to Town (Expenditures & Revenues)	
Total New Town Expenditures	\$804,000
Total New Town Revenues	(\$4,125,581)
<b>Total Cost Shift to Town</b>	<b>(\$3,321,581)</b>

The table above displays the new expenditures and revenues that the Town will acquire from the Village, post dissolution.



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## How can the CETC help?

- The Citizens Empowerment Tax Credit (CETC) is an **annual** incentive provided by New York State when two local governments consolidate.
- It is based on a formula of 15% of the combined property tax levy at the time of local governmental consolidation.
- 70% must be used towards the reduction of the tax levy.
- 30% may be used for further tax reduction or capital improvement projects. The Town plans to dedicate these funds to improvements in Mastic Beach in the initial years following dissolution.



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## Town of Brookhaven CETC Eligibility

Citizen Empowerment Tax Credit (CETC)		
Maximum CETC for Tax Reduction	100%	\$1,000,000
Minimum CETC for Tax Reduction	70%	\$700,000
Maximum CETC for Capital Improvements	30%	\$300,000

*\*CETC is contingent upon New York State appropriations and not an annual guarantee.*



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## What Impact Will Dissolution Have on Our Tax Rates?

- > Property owners in the Village currently pay a combined rate of \$19.70 per \$100 assessed value (including Village and Town taxes but excluding garbage and refuse fees).
- > Upon dissolution, the projected tax rates for former Village property owners would increase by \$4.34 per \$100 of assessed value, or 22% (less with CETC).

Summary Effect for Village Residents	Tax Rate or Fee Before	Tax Rate After (No CETC)	Tax Rate After (70% CETC)	Tax Rate After (100% CETC)
Combined Town & Village Rate(s)	\$19.70	\$23.07	\$22.92	\$22.85
Residual Village Costs	\$0.00	\$0.97	\$0.97	\$0.97
<b>Total</b>	<b>\$19.70</b>	<b>\$24.04</b>	<b>\$23.88</b>	<b>\$23.82</b>



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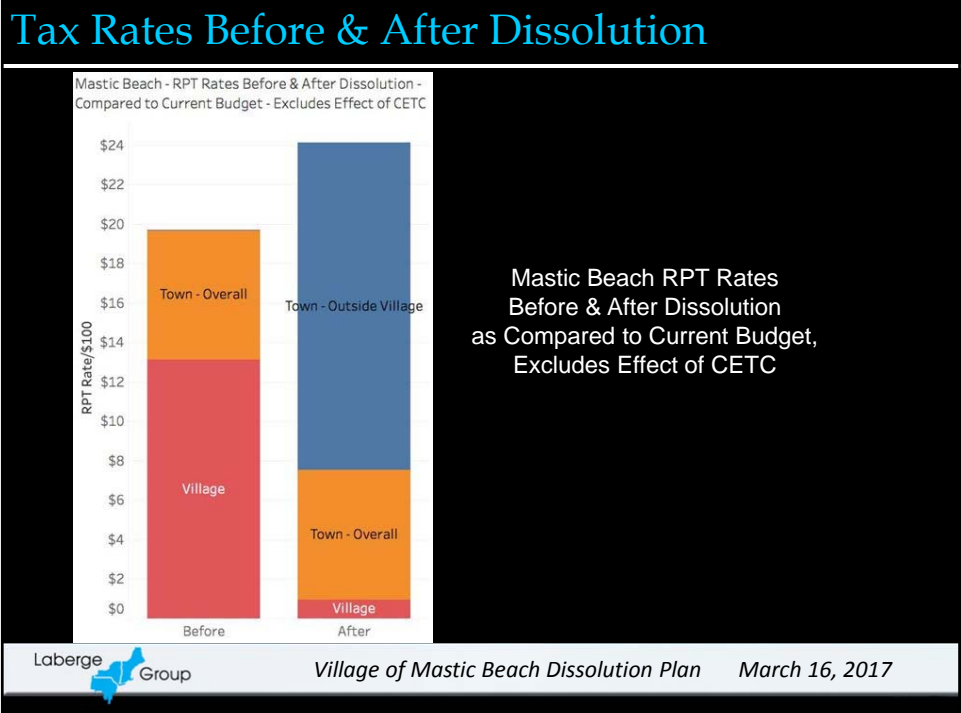
## How Would this Impact Our Tax Bills?

- > Sample Tax Bill with Property Assessed at \$1,000

Combined Effect of Tax Change & Increased Garbage Pick-up Charge	Tax & Fee Before	Tax & Fee After (No CETC)	Tax & Fee After (70% CETC)	Tax & Fee After (100% CETC)
Combined Property Tax and Charges	\$196.97	\$240.36	\$238.17	\$238.17
Garbage Pick-up Fee	\$300.00	\$345.00	\$345.00	\$345.00
<b>Total</b>	<b>\$496.97</b>	<b>\$585.36</b>	<b>\$583.83</b>	<b>\$583.17</b>



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- ## Next Steps
- Dissolution Plan approved and reorganization occurs effective December 31, 2017
- OR
- Petitions filed (25%) for a Permissive Referendum
    - If passes, reorganization occurs
    - If fails, no reorganization
- More information: [labergegroup.com/masticbeach](http://labergegroup.com/masticbeach)
- Village of Mastic Beach Dissolution Plan
March 16, 2017

# *Public Comments*



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