



**Incorporated Village of Plandome Heights**

**Tentative Budget**

**June 1, 2022 – May 31, 2023**

**Excerpt on Occupancy Issues for Village Hall Page  
(for complete report – see Finances page)**

Public Hearing date: April 4, 2023  
Plandome Heights Village Hall – 6:00 p.m.

**Incorporated Village of Plandome Heights  
 Budget – June 1, 2022 – May 31, 2023  
 Occupancy Benchmarking**

**According to Plandome Manor:** “The village currently pays **\$55,000/year** or \$4,410/month on rent, taxes, and utilities for the current 3 room office space located in Manhasset. The village has outgrown this space. *Additional storage space and office space is needed [emphasis added].*”

**Plandome Manor (“VPM”) has 1,650 Square Feet of space. Plandome Heights has 717 Square Feet.**

**VPM Trustee Tony DeSousa – “The Village has outgrown its present office space.”**

	<b><u>COMPARE PLANDOME</u></b>	
	<b><u>HEIGHTS</u></b>	<b><u>MANOR</u></b>
Population	1,018	902
Homes	326	281
Area (sq. miles)	0.2	0.5

As outlined in the letter to residents of March 22, 2022, we should have a clear additional three-year period at our option to continue our current low rent. However, the landlord made an assertion that the Village owed fees dating back 13 years totaling over \$12,000. That assertion, which the Village disputes, had never been made before, never been billed, never appeared on any statement and is largely beyond the statute of limitations. Approximately a month later, the Landlord indicated she made an error and she doubled the assertion to over \$20,000. It should be obvious that the landlord is simply trying to “raise the rent” through threatened and disputed charges. Village counsel is involved.

So it is clear that rent on our existing space is going up and we will not enjoy the favorable rate we have enjoyed. Further information on the direction of current rent, if we do nothing, is contained in the landlord email below.

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**March 28, 2022 Email from VPH Landlord about proposed rent increases and escalations follows;**

**From:** [Redacted] ← **Landlord**  
**Sent:** Monday, March 28, 2022 1:25 PM  
**To:** Kenneth C. Riscica <[mayor@plandomeheights-ny.gov](mailto:mayor@plandomeheights-ny.gov)> **Subject:** RESOLUTION

Ken,

The extended lease rents will be at fair value and have nothing to do with the Additional Rent issues we are currently trying to resolve.

That said, if I choose to offer you an extension of the Lease the rent, before Additional Rent, would be as follows: Based on current rental market values, my numbers below are even less than the current rent that the Village of Plandome Manor pays.

2025-2026	\$3,800.00 per month	
2026-2027	\$4,000.00 per month	← <b>\$48,000/year</b>
2027-2028	\$4,200.00 per month	← <b>5%/year escalations</b>

For more than twice the square footage 1,650 sq ft vs 700 sq ft

With respect to the Additional Rent issue and related matters, where do you stand? I think I have waited long enough to get your agreement to what has been offered.

[Redacted] ← **Redacted**

[Redacted] ← **Landlord**

So, looking ahead, Plandome Heights will no longer enjoy the favorable rent we negotiated over the last 13 years (as shown above and below) and we need more space.

Our Building Department activity alone is up 160% since we took the current space in 2008; 160%!

We have **critics** who urge that “*We are a small village that has operated for almost 100 years with little change in workload.*” But that is clearly not true.

Other activities and state mandates also add to our space needs. So, we are expecting our occupancy costs to go up significantly in the next three years. By identifying this now, ahead of time, we can begin to develop a plan to address it. That plan will involve (a) community input and (b) all options on the table (rent, own, share, condo, barge or whatever). I will be looking for residents to volunteer for a Mayor’s Advisory Committee on Occupancy, just like the new Mayor’s Advisory Committee on Digital Records, *once our road construction is done*. Several have already volunteered.

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**Historical and Hypothetical Occupancy – Plandome Heights (assumed lease at 1,500 sf at \$40/sf)**

**The past - rent:**

Current rent - 2008 – 2025 est, 17 years 376,000

**The future - Assume rent:**

Projected rent in **current** space - 15 years 1,006,000 a

Projected rent in **new** space - 15 years **1,116,000** b

**The future -Assume own & finance over 15 years**

Debt service on \$600,000 over 15 years at 2.5% 720,000

Asssumed repairs over 15 years 100,000

**820,000**

**\$296,000** **Total savings to own**

**\$908** Savings per resident

**\$61** Savings per year

a. Source: Current landlord proposal, March 28, 2022

b. Source: Market data for 1,500 sf at \$40/sf