

Plandome Heights

37 Orchard Street, Manhasset, New York 11030 Tel: (516) 627-1136 Fax: (516) 627 1393 www.plandomeheights-ny.gov

Kenneth C. RiscicaMayor

Eric Carlson
Daniel Cataldo
Mary Hauck
Jerry Love
Kristina Lobosco
Norman Taylor
Trustees

Marie Brodsky Clerk - Treasurer

Susan MartinezDeputy Clerk

Katherine HannonCourt Clerk

Cye E. Ross, Esq.Village Justice

Mary Breen Corrigan Village Prosecutor

Edward P. Butt, AIA
Village Building
Inspector Stormwater
Mgmt. Officer

David LisnerEmergency Mgmt.
Coordinator

Maryann Grieco Architectural Review Board, Chair

Eugene O'Connor Zoning and Appeals Board, Chair

Trey HarraganTechnology Advisory
Board, Chair

Mary Gabriel Historian April 2, 2024

Dear Residents -

Once again, we had a successful Annual Meeting last night. Here is my report

The Clerk reported the results of the March 19th election which were overwhelmingly positive in both participation (highest in Manhasset) and in candidate support (over 90%).

Sworn in were the Mayor, Trustees Mary Hauck and Kristina Lobosco and newly elected Trustee Eric Carlson as well as Jerry Love to fill the vacancy left by the passing of Trustee Panopoulos. Fausto Pugliesi will replace Jerry Love on the ARB and Michael Tiliakos will replace Eric Carlson on the BZA. Other appointments were made.

In our Public Hearing on our Tentative Budget, I told residents that the Tentative Budget is a <u>placeholder</u>, maintaining our taxes as lowest in Nassau County* (a \$24/year increase) while we focus on understanding our occupancy situation after that.

In order to address the looming occupancy situation, we had a conversation about:

- Our space needs Harry Nicolaidis, AIA, and former Village Mayor gave a presentation that included his <u>Space Analysis Report</u>. Harry's conclusion is that our space at <u>60% less</u> than our comparable villages is "... <u>woefully inadequate</u> for even the smallest municipality." <u>This simply can't go on</u>.
- Governance over the process Village Attorney, Christopher Prior, esq. explained the law that governs the acquisition of a lease or purchase interest in real estate. His presentation included powers of the elected Village officials and those certain rights reserved for the residents. Those laws create a <u>positive pressure on Village officials</u> to present an optimal transaction and a <u>positive pressure on residents</u> to vote thoughtfully so that the Village isn't forced to make a sub-optimal decision. See <u>Governance</u> for more.
- <u>Update on progress</u> I reported on the market and opportunities we are seeing and the substantial improvement in our financial feasibility model (see reverse side). And I reported that <u>we do not have an actionably opportunity</u>. Given the nearness to July 2025, we are having discussions with our landlord to extend or expand our current space.

So, the need is clear and the law is clear. My question to you is, <u>will you engage and work</u> <u>with me so we can agree on a decision that is in the best interests of the Village?</u> I plan to continue to "Engage and Inform" so that you can be included in the process. Facts, no drama.

Our Public Hearing on Solar Panels considered a consistent standard for Solar Panels.

That's all I have room for now; as we "Engage and Inform" there will be more; also see our website at Village Hall.

Sincerely,

INCORPORATED VILLAGE OF PLANDOME HEIGHTS

Kenneth C. Riscica

Mayor@PlandomeHeights-NY.Gov

* Excludes two villages with half our population and one that operates on endowment, not taxes.

Village of Plandome Heights Occupancy Analysis

Lease vs. Buy cost

DRAFT - For analysis purposes only; subject to change

	Buy -		Own - Better
Year _	Debt Service (1)	Lease - Rent (2)	or (Worse)
1	45,000	65,000	20,000
2	45,000	67,000	22,000
3	45,000	69,000	24,000
4	45,000	71,100	26,100
5	45,000	73,200	28,200
6	45,000	75,400	30,400
7	45,000	77,700	32,700
8	45,000	80,000	35,000
9	45,000	82,400	37,400
10	45,000	84,900	39,900
subtotal - 10 years	450,000	745,700	295,700
11	45,000	87,400	42,400
12	45,000	90,000	45,000
13	45,000	92,700	47,700
14	45,000	95,500	50,500
15	45,000	98,400	53,400
subtotal - 15 years	675,000	1,209,700	534,700

Implied tax increase - Year 1 only (3):	<u>Total</u>	<u>Per</u> <u>Home</u>	
Lease	\$35,000	\$107.36	
Buy	\$15,000	\$46.01	

McLAUGHLIN & STERN, LLP

MEMORANDUM

TO: Mayor and Board of Trustees, Village of Plandome Heights

FROM: Christopher J. Prior, Esq.

DATE: April 1, 2024

RE: Village of Plandome Heights: Lease or Purchase of Real Property

The Board of Trustees (the "Board"), of the Village of Plandome Heights (the "Village"), has requested that I confirm my advice regarding the legal processes under which the Village may acquire by lease or purchase real property to be used as a Village Hall.

Introduction. Under our representative democracy, qualified voters elect representatives to act on their behalf. Our system recognizes that the average citizen is primarily engaged in private matters and so delegates government decision-making to fellow residents who, by standing for election demonstrate their engagement in governance, and while serving, develop an understanding of the varied issues that confront their constituents and how to balance them. This engagement and experience, and the deliberative process of a board that acts by majority vote, make elected officials uniquely suited to make decisions for all constituents.

In the Village, the voters elect the Mayor and the six trustees to determine whether to undertake actions that a village is empowered to take. A village has only the enumerated powers delegated to it by the New York State Legislature, which are found in the NYS Village Law. A village is authorized to purchase or lease real property pursuant to NYS Village Law §1-102. Under NYS Village Law §4-412, the Board exercises that power.

The right of eligible Village residents to vote is limited to the following: (i) to elect representatives; (ii) upon matters expressly made subject to mandatory referendum by the NYS Legislature (e.g., school district budgets, certain types of local laws); and (iii) upon matters expressly made subject to permissive referendum by the NYS Legislature if a petition to have the matter made subject to a referendum is duly filed.

A village may not permit a referendum on a matter that the NYS Legislature has not expressly made subject to a referendum.

<u>Lease of Real Property</u>. New York law does not permit Village residents to vote on whether to lease real property for a Village Hall. Obviously, the financial obligation of a village under a real property lease for a term can be a significant portion of the budget of a small municipality like the Village. Nevertheless, the NYS Legislature makes the decision to commit

to that obligation the Board's responsibility, which is executed through the adoption by majority vote of a Board resolution at a public meeting.

Similarly, it is the exclusive authority of the Board to commit to other long-term and significant financial commitments. For example, the Village has enjoyed the benefits of long-term sanitation and snow removal contracts awarded by the Board to third party vendors. The financial obligation of the Village under the sanitation contract was approximately \$1.4 million over the contract's 10-year term. It would have been unlawful for the Board to have delegated such decision-making to voters.

<u>Purchase of Real Property</u>. New York law does not permit Village residents to vote on whether to purchase real property for a Village Hall. The NYS Legislature makes any decision to commit to such an obligation the Board's responsibility, which is executed through the adoption by majority vote of a Board resolution at a public meeting.

<u>Financing Purchase of Real Property</u>. Certain means of financing the purchase of real property are subject to permissive referendum.

If the Board determines to purchase real property for a Village Hall, and to finance all or a portion of the purchase price with (i) proceeds of a bond financing for a term greater than five years, or (ii) Village capital reserve funds, then the residents would be permitted to vote on such a bond issuance or capital reserve fund expenditure if a petition seeking a referendum is duly filed. But the vote is on the long-term bond issuance, or capital reserve fund expenditure, or both, as applicable, not on the underlying purchase transaction.

However, if the Board of Trustees determines to acquire real property for a Village Hall, and, for all or a portion of the purchase price, to use (i) money available in a Village fund other than a capital reserve fund, and/or (ii) proceeds of a bond issuance for a term not greater than five years, then the Board may not allow the residents to vote on the matter. Note that the NYS Comptroller has concluded that the law permits a village to use money available in a village general fund to purchase or improve real property. Other villages in Nassau County have done so in recent years.

It is worth noting that, if a Village Board resolution to finance a real property purchase with a long-term bond or capital reserve fund expenditure is defeated in a permissive referendum, but the Village Board nevertheless determines that the best interests of the Village and its residents are served by that purchase, then the Board is empowered to finance that purchase through means that are not subject to referendum, as described above.