

PLANNING COMMITTEE & FINANCE COMMITTEE MINUTES
TUESDAY, JUNE 6, 2023, 7:00 PM
COUNCIL CHAMBERS
HURLEY BUILDING, 205 SALTONSTALL STREET

Finance Committee: Steve Uebbing, Chair
Ellen Polimeni
Thomas Lyon
Dan Unrath

Other Councilmembers present: Sim Covington, Jr.
Erich Dittmar
Renee Sutton
Karen White

City Staff present: John Goodwin, City Manager
Shawna Bonshak, Assistant City Manager
Nancy Abdallah, City Treasurer
David Hou, Corporation Counsel

Chair Uebbing opened the meeting and welcomed members present. The Auditor from Mengal, Metzger, Barr & Co., LLP has not yet arrived to review the highlights of the 2021 audit. Chair Uebbing moved on to the discuss the Investment Policy. Councilmember Unrath read the Core Values.

Mr. Goodwin reviewed that February of 2019, was the last review of the City's Investment Policy. Mr. Goodwin noted the changes were around the deposits for 2023. This time around only minimal changes are being made. Mr. Goodwin noted the recommended changes which include changing the amounts authorized for the deposits of money and the bands and trust companies authorized for the deposit and the maximum amounts. It also adds a new section related to debt issuances (bonds) and allows the Treasurer to exceed the maximum amounts listed, provided that all other provisions are adhered to. Chair Uebbing asked City Treasurer, Nancy Abdallah to explain NYCLASS and she said it is an investment organization for municipalities and the City is able to invest with and the monies invested is liquid and accessible. Mrs. Abdallah reviewed the invested funds with Council members present. She is looking to add Community Bank, NA to the City's portfolio of banks for the rate they are offering. Due the rates of the invested monies, the City may be looking at projected income of \$800K, said Mrs. Abdallah. Additionally, the City is going out for a Bond of \$25 million to pay for the new firetruck and will leave a balance. Mrs. Abdallah asked to spread out the balance in CDs to invest, they would like approval for debt issuance. Councilmember Polimeni thanked Mrs. Abdallah for her work in looking for the best rates for the City. Chair Uebbing also thanked her for her work. Councilmember White asked about how the \$800k and how it might be spread out. Mrs. Abdallah explained it will be spread across the different fund plans. Councilmember Polimeni motioned to approve the investment plan and send it to full Council, seconded by Councilmember Lyon. Unanimously passed and carried.

Chair Uebbing moved onto the wholesale water agreement and said that it is a bit complicated. Mr. Goodwin reviewed the updated plans and showed the plans to members present. The current existing agreement expired December 31st of last year and they extended an agreement for one years with the Towns. They have been working with the Towns, changing the formula, on a new agreement that is more equitable for all parties as well as protect the need for capital. Demand continues to grow, capacity issues as well as aging infrastructure needs that have to be addressed. There was a study done last year that suggested keeping the formula from last year, with a 42% mark up that the City felt was unfair to the other towns. Mrs. Abdallah reviewed the formula. Under the old formula, we had operating expenses for the treatment plant and 15% of water distribution,

administrative overhead at 16%, Capital costs at 100,000.00 and came out to a total part an expense, adding all those up. Then we had our debt service. total waters and gallons, and then it was calculated in cubic feet, 100 cubic feet. And it came down with a rate using this number and the expenses. Now this rate here had an escalator of 42.5% minus 0.02 cents. As an example, Mrs. Abdallah reviewed the Town of Canandaigua's consumption rate is 74%. Councilmember Polimeni asked if the Towns have reviewed this and Mr. Goodwin confirmed they have. The Towns have agreed to this and will be presenting to their Town Boards. Councilmember Polimeni asked how long the last contract cycle was and it was 25 years, noted Mr. Goodwin. Mr. Goodwin noted that the new plan does account for the growth of the surrounding Towns as a concern was noted by Councilmember Polimeni as being a previous struggle point in past negotiations. Chair Uebbing asked if there was a tool in place for emergency needs. Mr. Goodwin said that the goal is to build the capital reserves so we have the necessary resources. He noted that they did just hire a company, which was approved at the last meeting, to help review the entire capital plan and put a preliminary plan in place and also to help go after grants. Chair Uebbing said that this plan is more predicable and thanked Mrs. Abdallah for her work. Councilmember Unrath asked if we had reviewed other municipalities and if this plan is in line with what others do. Mr. Goodwin noted that other areas are water authorities, they that run the water and they mostly own the distribution system as well. So, the City is a little unique in that case where we sell wholesale water to town of Farmington, but we have nothing to do with their distribution system. Councilmember Unrath asked about the potential rate increase for City rate payers for 2024 and Mr. Goodwin noted that it is looking like a rate increase of 9.3%, potentially. The Mayor asked if the Town's usage increases significantly where other Towns do not, how will that affect the capital fund. Mr. Goodwin said that there would be a zipper clause in the agreement that we will look at the percentage, every three to five years of the agreement. Councilmember Sutton asked about the return-on-investment section of the plan. Mrs. Abdallah said due to New York State Law, we are able to take a return on investment and give monies back to the General Fund. Councilmember Lyon motioned to approve the new water fund, seconded by Councilmember Unrath, unanimously passed and carried.

Chair Uebbing moved to reviewing the 2022 Audited Financial Statements, the unaudited 2022 financial statements were presented at the Finance Committee meeting held March 21, 2023. The City's independent audit has been completed and Mike DeVos from Mengal, Metzger, Barr & Co., LLP presented. He reviewed documents previously sent to Council for review. Mr. DeVos said overall, after reviewing all the highlights, the City is in a pretty strong financial position. He reviewed the large operating funds, the general fund, the water and the sewer fund, which, all had increases in, in fund balance for the year. He did not have a lot of comments on the operating fund, no real issues. He reviewed the Technology Fund, which has seen some changes, Mr. Goodwin noted that they have seen a decrease in that fund. Mr. Goodwin said it will be a discussion we have for the 2024 budget, whether the fund is kept or we cave it into the general fund and have an, a formal IT department, as part of our budget. In 2023, City staff is currently planning to have a negative fund balance for technology fund. He said that most of the operating funds are for very specific reason and did not have any issues. They didn't have any deficiencies with this review and did not include a management letter. In years past, they identified areas that have been corrected for payroll and cyber security issues. He thanked Council for their work in make the recommended changes. Councilmember Polimeni asked if they work with other small cities and they said yes, she asked how the City is performing from a comparison standpoint. Mr. DeVos noted that one of things they review is the Comptroller's Office Fiscal Stress scale as the City has 3.3 points for 2021. Mr. DeVos said that this has not happened in as far back as he can remember and was a result of an operating deficit. Councilmember Sutton asked why they were not given the full audited financial statement. Mr. Goodwin said that they were emailed to full City Council last week and posted on the website for residents to review the full details. Mr. Goodwin said that all the financial statements are under the Finance Tab department for the last 20 years as well as the budgets. Councilmember Polimeni motioned to accept the auditors report, Councilmember Lyon seconded. Unanimously passed and carried. Chair Uebbing thanked Mr. DeVos for his time and Mrs. Abdallah for her hard work.

Chair Uebbing moved onto the Towing fees. Mr. Goodwin noted the new fee schedule adopted by the Ontario County Board of Supervisors as well as the City of Geneva. Currently the City schedules shows fees from \$90 to \$175. It has been twelve years since there was an increase in the towing fees as well as other incidental fees

associated. Raising the rates will put us in line with the other two municipalities. Councilmember Sutton asked if the current rates were preventing tow companies from working with the City. Mr. Goodwin noted it is a growing concern. Chief Nielsen, spoke and said he was reached out too by several companies and the City has been behind in rates, with the disparities in rates. Councilmember White asked how many times are tow service requites. It varies based on activity, said Chief Nielsen. It's a revolving number due to changes. Councilmember Sutton disagrees with changing the rates, feels it is exploitive and since there are companies working with us, no change is needed. Mayor Palumbo asked why we charge a fee for a flat tire. Chief said that most of the services are a catchall and the cost of the towing is what is concerning to the City. The Mayor said that the cost of the tow companies' services is going up and can understand why a change is cost is needed since it has been 15 years without a change. Chair Uebbing asked to review the charges. Mr. Goodwin said that the County rate is \$175 and ours is \$90.00. Chief said that if we impound the vehicle, the City pays for the cost of the tow, with the person being towed responsible to pay the fees back once the car is released from the impound. Councilmember Sutton asked about the cost of regular tow fees. Councilmember Polimeni suggest to table this and bring it back to finance with the concerns raised. Councilmember Unrath agreed to wait and look at other figures but does think it should go up.

Chair Uebbing moved to the use of Police Reserve, Ballistic Shield. Mr. Goodwin reviewed although the Police Department utilizes body armor for protection, they do not have a ballistic shield as an additional line of defense. The shield provides further protection from ammunition strikes and protects the officer's head, neck and underarm areas. The City Manager and Chief of Police are recommending the purchase of a ballistic shield at a cost of \$4,650 to protect officers from both handgun and rifle ammunition. The purchase would be funded from the Police Asset Seizure & Forfeiture Reserve. It will be in the Sargent's Vehicles. Chief Nielsen explained the request, while reviewing the costs, two separate shootings took place. The Officers had requested this and this provides added protection and cover during issues, like the ones they have experienced. They are looking for a Level 3 protection shield, they reviewed several kinds, and this would prevent a larger hunting rifle penetration and would be the best grade of shield for the money. Councilmember Lyon said that he hopes you wouldn't have to use it but worthy need. Councilmember Unrath asked if they could be kept in the supervisor's car. Chief said yes, that car is used the most and it would be the most appropriate. Mike Yarger, S. Main Street, asked about the cost of training to use these shields. Chief said no, training was required to be use the shield. Mr. Yarger asked on the five-year warranty. Chief said that based on use and it doesn't mean it expires. Mr. Yarger asked on the scratches for the shield and Chief said that it is to be able to see around the shield, similar to protective eye wear. Councilmember Unrath motioned to move the purchase to full Council, seconded by Councilmember Lyon. Unanimously passed and carried.

Councilmember Polimeni motioned to adjourn the meeting, second by Councilmember Unrath, unanimously passed and carried. Chair Uebbing closed the meeting at 8:22pm.

Planning Committee: Thomas Lyon, Chair
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Other Councilmembers present: Sim Covington, Jr.
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Shawna Bonshak, Assistant City Manager
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Chair Lyon opened the meeting, welcomed members present and reviewed the agenda.

Chair Lyon reviewed, Short Term Rental, this is a continued and ongoing discussion. The City Council enacted a six (6) month moratorium on short rental approvals at their May 4, 2023 meeting. Recommendations and draft proposed changes have been presented to the Council. He reviewed the changes, based on details previously reviewed at other meetings from a memo drafted in April which was presented. The changes are to six key areas, the primary residence requirement in zone districts to define or restrict the number of acceptable days 30, 60 or 90, Chair Lyon said he thought it was in the intention of the committee to limit to 30 days, which is to be considered. He said that the committee may not be in favor of property transfers when a STR is sold, with the exception of the Bed and Breakfasts. The committee did seem in favor of administrative reviews after initial approval and any new owner would have to reapply. Existing STR would have to be reviewed to be renewed, the timeframe for those renewals is up for discussion, as with current regular rentals it is every three years. Rick Brown, Director of Planning and Stan Taylor, Chair of the Planning Commission are here tonight to discuss. Councilmember Uebbing asked about house sharing allowances for people who really have a short, long-term rental. Is that covered or is this under 30 days only? Rick Brown said that the STR ordinance as it is drafted would be instances. The situation describes is that they cannot rent it for less than 30 days, said Mr. Brown. Councilmember Uebbing would like to see a minimum period of usage. Councilmember White would rather see 60 days and asked if there was an occupancy minimum. Mr. Brown said that the occupancy is by a case-by-case basis set by the Planning Commission. Councilmember White said that the compatibility piece asked if that part of the process can be finer tuned or removed, should the property owner not be reliable, can this be removed as the permit can be revoked. Mr. Brown responded and there's probably 20 classifications for special use permits in the city. Every one of them starts off with a threshold question of the planning commission finding that it's consistent with the adjacent properties and consistent with the comprehensive plan. It's one of the reasons we do special use permits is to have a case-by-case review. It's not a simple as of right licensing or as of right under zoning. It is a discretionary review. Councilmember White asked if all special use permits are revocable. Mr. Brown said that ye, if the owner did not abide by the conditions of approval, it would be revocable. Councilmember Uebbing motioned that there by a minimum period of stay and either three or five days stay. Mr. Brown said he is not opposing, but pointed out that would be extremely restrictive. It would, it would really eliminate the large majority of short-term rentals where people use it basically like a hotel room lodging, right? One night, two-night, three nights maximum would be probably get very few stays more than three nights. So, this would completely turn it around. It would, drastically reduce the likelihood of these units being used as short-term rentals. Councilmember Uebbing added his concerns about any resident being able to put their house up as an STR and get approved, fearing that a negative event occurs. Mr. Brown said that even with a 30-day maximum, it could still mean renting every weekend of the summer and that would be disruptive for our neighborhoods. Councilmember Uebbing asked if a permit could be revoked and Mr. Brown said the conditions to revoking a permit would need to be reviewed. Ideally, something of a police presence, loud noise complaints, parking issues would definitely change the character. Chair Lyon said that he is in support of the 30-day time frame, should there be issues after it take effect, Council would be able to readjust. Councilmember Dittmar said that he is more in favor of 90 days. Councilmember Uebbing said that he has a motion on the floor for a three-day minimum, and with a 30-day maximum, seconded by Chair Lyon, Councilmember Polimeni, Chair Lyon and Councilmember Uebbing voted in favor, Councilmember Unrath voted against. Passed and carried. Councilmember Polimeni asked if this would return to ordinance and Mr. Brown said that yes. He said that they have worked through what he believes are the substantive topics and they will have to go back to Ordinance. He was speaking with Mr. Goodwin and they might just prefer a process and have a process document that is accepted by Council. With all the moving parts being so complex, he feels that David Hou will need to help with crafting the document. As far as the time frame to review an STR, three years is acceptable. Mike Yarger, S. Main Street, spoke and he agrees that three years makes sense and the concern that he has is that Special Use Permits for Short Term Rentals are not transferring to a new owner. So, should a property owner want to see their short-term rental, it might be worth more transferred with the short-term rental than without. Mr. Brown discussed how having local owners with short term rentals, the history of this came from the Planning Commission's concerns. They have had situations where how the property is supervised and in situations where the owner is nearby, we know the owner is watching their property. The concern is with out of State firms, who are buying these properties and you might feel less comfortable with

them supervising the property. Mike Yarger asked if these issues will be part of Zone districts. Mr. Brown said that they have thought a lot about this too. A commercial restaurant sells and it has three apartments above it and in that type of example, different classes, different uses, much different than a single-family home, we want to ensure compliance, they are keeping records, paying their taxes. In a zone district, it shouldn't matter. Chair Lyon thanked Mr. Brown for his time.

Chair Lyon moved onto the upcoming CFA grants. Mr. Goodwin reviewed the upcoming CFA grants, the City was not awarded any last year, but will be applying again for our park buildings for Sonnenberg Park. From what is understand, our application did score well according to the Office of Parks, but it is a very competitive grant. We are applying for the ADA kayak launch near the new sidewalk with the Canandaigua Hotel, which we are applying for again. We are adding the replacement outlet at the Lagoon Park, so we are looking to do the engineering and replacement at the Canal and Lagoon Park will be combined. The other grants are for the Water Treatment Plant, infrastructure grants and Main Street grants, we have had one successful for the Gateway Grille, so we hope that it will help a couple of other property owners. Assistant City Manager, Shawna Bonshak will help write that grant. MRB helped write the grant for the Parks, we will not need their help again, we can do in house. The Watershed and Kevin Olvany will help write the others. They will be reviewed by Council at their next meeting. Councilmember White recently attended the NYCOM conference and learned a NYCOM conference recently and has a contact that shared this with her, that there's a lot of money out there for grants and even for some of our big projects. She said that one of the things that has deteriorated the City is the matching funds. She was rather convinced that even with the matching funds, it was still worth having the portion that could be grant funded. She learned that sometimes the matching funds are financed through the grant issuer, which could be the State or Federal that goes through the state at 0% interest. She has the contact information for the person and can connect the City team with that person in the future.

Chair Lyon thanked Councilmember White and Councilmember Polimeni moved to adjourn the meeting into Executive Session to discuss personnel issued and collective bargaining, Councilmember Uebbing seconded. Unanimously passed and carried. Meeting adjourned at 8:52 pm.