

STATE OF THE TOWN

A year of calamity is thankfully behind us, hope for blue skies and brighter days has gradually emerged through a cold and grey January.

We are, as a people, resilient in the face of tragedies; determined to move forward, and to some extent dependent on government to light the way. Local government reflects our Community's resilience and determination during a time when we tried to find the way... one step at a time.

For the first year in a decade government spending was reduced in real dollars following the adoption of the Town's 2021 budget. During the monumental challenges of 2020 we governed remotely, yet surely to afford economic relief to Hamburg's residents. The Town curtailed business travel, imposed a moratorium on hiring and on overtime work. Equipment purchases were monitored, as Department Heads worked remotely. Essential services were consistently maintained despite the explosion in COVID-19 cases and the natural anxieties that such devastation provoked.

We governed austere, yet without Town layoffs. We overhauled Town policies and programs to reflect the need for social distancing. We were required to adjust on the fly to a new reality that limited our interaction with the public and with each other.

Thankfully the Town closed its books in December of 2020 with a budget surplus of \$333,456 despite a 20% reduction in State aid, which was made possible by the impact of the sales tax on internet sales in the 4th quarter of 2020, and upon our efforts to hold the line on spending. Over the past three years overall Town property taxes rose by a fraction above 2%...less than any comparable period in recent memory.

At long last the Town ventured into the bond market in a significant effort to modernize our facilities, curtail operating costs, and enhance the quality of life for all Hamburg residents. The Town's outstanding credit rating led to bonded indebtedness, aggregating almost ten million dollars, at the rate of .77% to finance projects that included a Town wide conversion to LED lighting for a sum slightly in excess of six million dollars. This initiative will result in more than a half a million-dollar annual savings in the Town's electric utility payments.

The Town agreed to bond for long term capital improvements at the Nike Recreation Complex, the Town Golf Course, and the Hamburg Town Beach. The Town has embarked upon a plan to complete a Town wide drainage study to alleviate storm sewer difficulties that plague numerous neighborhoods in every sector of our Community. Dead space within the Hamburg Town Hall will be converted to consolidate Town Departments and finally guarantee compliance with the American's with Disabilities Act. Adding to the 59% increase in funding for paving of Town roads since 2017, the Town will borrow \$300,000 for additional paving, and more to address paving needs at the Hamburg Town Beach and the Nike Complex. During a 15-year payout for most of the capital improvement projects the Town will be able to fund almost 10 million dollars in capital improvements as a result of the savings we will realize from the LED conversion.

This Community's continued prosperity compels thinking that is outside of the box. In life, and in baseball, "swinging for the fences" can sometimes pay off. Retail behemoth Amazon is planning to invest \$47.2 million dollars in a distribution center at the Lake Erie Commerce Center on Route 5 and Bayview Road next to FedEx. The Hamburg Land Development Corporation sold approximately 64 ½ acres of industrial property in August of 2020 to the Walden Development Group for \$1.15 million dollars for the proposed development of a 181,000 sq. ft. warehouse and distribution center that offers permanent fulltime jobs along with construction jobs that may commence as early as the spring of 2021. The Lake Erie Commerce Park is ideally situated to accommodate the Amazon Distribution center given its proximity to Route 5, the 179 Expressway and the New York Thruway. It compliments the FedEx structure, and will be more than just a cement and block building. Its operations will be buffeted by the maintenance of tree lines to the south and north of the property along with extended landscaping.

Frustration with the foreclosure sale of the McKinley Mall properties, which has languished in the New York State Supreme Court, prompted the Town's intervention, as an interested party in the foreclosure action which was commenced in the summer of 2018. Hamburg's intervention seeks to expedite the appointment of a referee who can monitor a process that will result in the expedited sale of the McKinley Mall to a developer that may reinvent the McKinley properties.

To that end, the Hamburg Town Board will consider a rezoning of the McKinley Mall property to an "incentive zoning status". Hamburg can offer "incentives" which are adjustments to permissible density, setbacks, building height, open space, land use or other designated adjustments authorized by law in return for desired community benefits or amenities. Amenities such as more open space, senior housing, elder care, daycare or recreational uses are

just examples of incentive agreements that may be reached with a new owner and developer. “Incentive zoning” represents a system by which specific incentives are granted to induce development, upon the condition that targeted benefits or amenities flow back to our Community. This concept in its practical application may be ideally suited to incentivize the redevelopment and re-use of the McKinley Mall and the peripheral properties that lie to the east of McKinley Parkway.

The Town will file a local law in late March of this year to establish a public hearing on the incentive zoning status as it applies to the McKinley Mall. We are hopeful that a referee will be appointed in the summer of 2021 to facilitate the Mall’s sale, and that incentive zoning will attract a wider net of potential investor/developers who can finally refit and reimagine the McKinley Mall properties.

Another opportunity to enhance Hamburg’s brand as the lynchpin of the Southtowns of Erie County will be the development of a vast swath of vacant land immediately across the street from the Exit 57 interchange at Camp Road. With the reconfiguration of the entrance and exit byway and the elimination of the elevation and turnaround certain Town acreage is left in an undesignated status without any zoning classification. That land and land owned by the State of New York and private entities represent some of the most valuable commercial property in our Township. It is critically important that this acreage be systematically developed in a careful manner so as to un-invite the continued proliferation of fast food franchises and gas stations. To that end, the Town will consider a local law to amend its zoning code to provide for an entirely new classification of commercial developments and uses. It is my hope to fashion development of this vacant property for commercial uses that include office and medical parks, upscale retail and dining, along with mixed uses that provide for townhome and patio home complexes.

Over the past two years, a committee, created by the Hamburg Town Board considered the economic impact of retail vacancies in strip plazas and commercial developments throughout the Town of Hamburg. Realizing that retail vacancies over the long term produce a domino effect, this Ad Hoc Committee issued a report in October of 2020 which not only analyzed the economic implications but offered specific solutions that local government could readily pursue.

The Committee recommended and the Hamburg Town Board adopted a local law entitled “the Business Improvement Exemption Law”. This Local Law relates to the Town’s authority granted to it pursuant to the New York State Real Property Tax Law §485b. As a result of the Town’s adoption of the Local Law, Hamburg may offer property tax exemptions to commercial property

owners for the remodeling and/or improvement of retail space, with the caveat that the value of the improvement must exceed \$10,000. Pursuant to the authority granted by the State of New York, Erie County currently provides §485b exemptions which are maximized during the first year following the completion of a construction project. Hamburg's local law mirrors the County law. It provides a Town tax reduction to the extent of 50% of the increase in the assessed valuation of a given property attributable to capital improvements. The exemption amount would decrease by 5% each year for the next nine years. The declining percentage continues to be applied to the increase in assessed value determined in the first year of the exemption. The Town will consider requesting that the School Boards of the Frontier and Hamburg Central School Districts entertain the adoption of resolutions to correspond to the Town's Local Law enacted pursuant to Real Property Tax Law §485b. Incentivizing redevelopment enhances the aggregate value of commercial properties and minimizes the prospect of commercial sprawl and increasing vacancy rates.

As we all know considerable Community concern has been expressed regarding the application by the AL Asphalt Corporation to construct an asphalt processing plant on the vast acreage, which is generally located at the intersection of the Village and the Town of Hamburg on Camp Road across from Legion Drive.

In October of 2019 AL Asphalt brought an order to show cause against the Town of Hamburg to secure a Trial Court Order compelling our Town to immediately classify the AL Asphalt site plan application as a type 2 action pursuant to the New York State Environmental Quality Review Act (SEQRA). The Town's Planning Board issued a positive declaration with respect to the site plan application of AL Asphalt which necessitated a comprehensive environmental impact statement as a precursor to any development. The State Supreme Court dismissed the AL Asphalt application as not being ripe for judicial review. In effect the Court determined that the AL Asphalt application was subject to a SEQRA review and was not in fact a type 2 action, thereby establishing the need for a comprehensive environmental review process.

AL Asphalt's appeal of the order of the New York State Supreme Court was never perfected and, as a result, was dismissed by operation of law. Currently all litigation on the aforementioned application has come to an end.

As matters now stand AL Asphalt received the Planning Board's final scoping document in April of 2020. To date, the company has failed to produce a detailed environmental impact statement. Further review has been stayed pending the receipt of that statement.

Clearly, Hamburg's thoughtful response and steadfast determination to safeguard the delicate balance between industrial growth and the Community's quality of life has been maintained. I have every confidence that Hamburg's mission to encourage responsible commercial and industrial development while we adhere to fundamental principles for environmental integrity will provide a path forward to a quality of life that enriches us all.

During this prolonged pandemic there is much to say about the dedication and decency of the Town's public servants who labor, often anonymously, to maintain essential services and enhance daily living for all of us in this our hometown. While we cannot alter the national economy or impact the forces of globalization, we can be proactive. We have a role to play, and when confronted with a crisis the exercise of intelligent options is generally preferable to standing pat. In this recent past of unprecedented challenge, occasioned by an unseen and often deadly virus, please be mindful that our Emergency Dispatch Unit, our Town Police, and our Firefighters rose to the occasion, met the challenge, and devoted themselves to the cause of caring for our Community through times of grave concern. I, along with you, celebrate their courage and respect their decency. Giving back to others enriches the lives of the donors many times as much as it does for those who benefit from their goodness.

Thank you all very much. It is my privilege to serve you, and to be a part of a new era in Hamburg, which is dedicated to our Community, first and foremost. Go Bills!

James M. Shaw

Town of Hamburg Supervisor