



THE CITY OF POUGHKEEPSIE  
NEW YORK

PUBLIC HEARING

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*5:30 PM PUBLIC HEARING REGARDING PROPOSED  
LOCAL LAW LL-13-3, TO OVERRIDE THE TAX CAP*

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**Monday, December 2, 2013 5:30 p.m.**

**City Hall**

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**Chairman Mallory** called the meeting to order at 5: 30 p.m.

**Constantine Kazolias – 47 Noxon Street** – The County is not going to override the tax cap, and here, you want the people in the City of Poughkeepsie to override it. There's duplicity here regarding the pensions. Between the School District and the Municipal District. I'm on Social Security; the last 10 years...your best, but here, with the State pension it's the top 3 (you load up on your pensions on the last three). You've got 300-500 properties out there...whoever owns them, a lot of senior citizens here – by the way, you want to put a sales tax back on a county level for home heating oil and municipal... In that case, you don't know, a senior citizen...a CPI does not include food and energy, the two biggest items for senior citizens. Whatever the reason of raising the tax cap, let's change the pension structure before you even think about a tax cap. Because eventually, with the way things are going, the pension, with their increases are going to take up this whole tax cap. Until you have actual reforms, I say you put pressure up in Albany or whatever it is in the mandate. You had the State Senator here a while ago talking about mandates. We know what the tax cap is going to be. As far as I'm concerned, the only thing that came out of this year's Common Council was the Sanitation Enterprise Zone. Because this way, you know that they're making money. Once you get that Enterprise Zone over the 2% tax cap, it's going to go through the roof. I'm definitely against the 2% tax cap when one pension is not included in the 2% tax cap for the 2% school taxes, but the pensions which are being included in our 2% cap. Something's radically wrong with the whole thing. As far as I'm concerned, everybody has to pull in their belts. We're coming up to negotiations. Our tax base hasn't expanded. Now, all of a sudden, you want to increase the tax cap. I'm having difficulty paying my school taxes. How many other people are in the same group – senior citizens, other people, the job market and everything else. Let's keep the tax cap the way it is and work within the confines, get reform up in Albany because otherwise...what, you're going to raise the 2% cap this year? Next year you're going to have a 4% cap? It's going to go right up the ladder, so you got to nip it in the bud. Let the people up in Albany (you heard the Senator) know

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you want reform. If the pensions are going to be exempt from the tax cap like the School District, that's something else. This way, you'd be working within that 2% cap, how to run this business – how to run the district. Garbage can be left out because it doesn't even affect the 2% tax cap. I'm vehemently against this, because the senior citizens of Poughkeepsie are going to get hit with the sales tax on the county level because Marc Molinaro wants to build another jail and raise \$17 or \$18 million. Seniors are on limited incomes and there are no jobs out there either. I appreciate your time, but let's try to work within our budget to do something constructive with the pensions; that's the critical aspect as far as staying within the tax cap. Have a nice day and I appreciate your time.

**Steven Planck – 81 Carroll Street** – Gave handouts that were passed out to the Council members. Good evening Mayor and Council. Like my neighbors, I saw my taxes rise 21% because of the Sanitation fee alone. In 2013, my school and property taxes combined were a total of \$4,413.00. Sanitation fee added another \$918.00 – an increase of 21%. The water and sewer rates also increased from \$5.18 per unit to \$6.00 – an increase of 15%. I've been told lots of broken promises and tons of bad ideas. I understand that you will override the property tax cap. Mind you though, this has been put in place by the Governor to protect citizens from default and defunct municipalities, like our beloved Poughkeepsie. Now, for me, it's taken a long while and a lot of questions for me to understand why the City is at this juncture. That's because it seems you've spent your reserves, you hid money, you hadn't been properly reporting fund balances and you failed to be fiscally responsible. Instead of demanding the negotiations on three Union contracts, which expired three years ago, or fighting to lower employer provided healthcare costs, increasing employee provided contributions to retirement packages, working with Albany to change the structure of buyouts, Workers' Comp., holiday and vacation time, or lowering overhead using more energy efficient operating procedures like getting automated machinery or going digital, reducing man hours, reducing the frequency of trash pickup to once a week, or increasing destination image, and destination loyalty of Poughkeepsie to boost tourism (like the private sector has), City Hall will push our noses so close to the ground; that our nostrils will fill with dirt when we breathe. So, as the citizens of the City are left with this wound, I'm asking you to do the right thing. Overriding the tax cap would be like getting a child a limit increase on his credit card, when he has proven to be anything but fiscally responsible, thereby making this decision a ridiculously bad idea. You can never undo what you're doing here tonight and spending will remain unchecked in the City of Poughkeepsie forever. Like many of my colleagues, overriding the tax cap will not only hurt local businesses, but encourage vacancies and it will also mean increased costs to those who can afford it least, as these costs of doing business here caused by the political, social and economic dysfunction continue trickling downward. I'm not the only one who believes this. I called Senator Gibson, Assemblyman Skartados, Governor Cuomo, Charlie North of the Dutchess County Chamber of Commerce, Sons of Business Owners and Ten City of Poughkeepsie landlords to see if they approve the overriding of the tax cap. The response I got was a shocking confirmation and a resounding, "No." Not a single person approves of you overriding the tax cap. As an entrepreneur, I have to make my money to support my family, as opposed to earning a paycheck, working for someone else. It's a fundamental difference the way two people think, as explained in "Rich Dad, Poor Dad," by Robert Curasacco. As a City of Poughkeepsie landlord, making money means I need

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to bring in more money than I spend each year. So, as you vote to raise taxes, in essence what you're doing, is raising rents. You're increasing the cost of bread, cereal, gas and everything else that people take for granted as store owners and property owners try to recoup the cost of the money you've taken from them. In a certain price point, living or working in the City of Poughkeepsie becomes impossible. I argue also, that having a low tax rate is an incentive for businesses to look to the City of Poughkeepsie, as opposed to the City of Newburgh, for example. Where they saw a 71% increase in their taxes after the property tax cap was overridden. So, to the people listening, it is your right to expect something greater than due diligence from your elected officials. But, it has always been and always will be up to you to get it. So, as I participate in tonight's public meeting to give input on the decision that sadly, has already been made – the tax cap will be overridden, this night is a shameful example of democracy, a complete waste of time and demonstrates why things never change around here, because somewhere you stopped believing that your voice mattered. As the Mayor and the Council vote to override the tax cap tonight, those young and old should never complain. You did nothing to stop it. You've allowed your liberties, your rights and your freedom to be torn from your hands, like a crying baby with an empty bottle. Because, like the baby, you don't know what's best, or what you're whining about is of no use. As much as I respect your position to override the tax cap, your notion of always relying on the taxpayer to bail you out when you're in trouble is ludicrous, because some day, we're going to be just as broke as you are, and then what will you do? I'm urging the Common Council to vote, "No," to the proposal to override the tax cap. I ask that a copy of this letter from the Dutchess County Chamber of Commerce, which is the same and a copy of my letter to be added to the minutes for the public record. I also ask that the Council draft a resolution which binds the Mayor into negotiations so that no Union contracts can ever go expired for a period greater than one year. In closing, I leave a thought from my mentor and hero, Dr. Benjamin Carlson, who said that when you stop accepting excuses, people will stop giving them and start creating solutions. Thank you. Happy Holidays.

**Dated: January 13, 2014**

I hereby certify that this a true and correct copy of the Minutes of the Public Hearing held on Monday, December 2, 2013 at 5:30 p.m.

Respectfully submitted,

Deanne L. Flynn  
City Chamberlain