

Town Council Meeting
September 24, 2012 – 7:00 p.m.

EXECUTIVE SESSION – 6:30 PM

Motion made by Councilman Spear seconded by Vice-President McGee to recess to Executive Session for the following purpose:

Review of qualifications for Boards and Commissions per RIGL 42-46-5 (a) (1)

1. Pawtuxet River Authority
2. Tax Assessment Board of Review

Roll call vote. All voted aye.

Motion made by Councilman Jendzejec seconded by Councilman Mattson to come out of executive session. All voted aye.

Motion made by Councilman Spear seconded by Councilman Jendzejec to seal minutes of executive session. All voted aye.

Town Council meeting

Present: President Gary Cote, Vice-President Kerry McGee, Councilman Jendzejec, Councilman Mattson, Councilman Spear

Town Manager Thomas Hoover, Town Solicitor Frederick Tobin

Pledge of Allegiance led by Town Sergeant

Invocation by Reverend Auld

Review of Emergency Evacuation Plan

President's Comments

President Cote advised that he has been receiving calls and e-mails from residents in District 4 regarding sewer projects 6 and 6A. He asked Manager Hoover to schedule a work session with residents to address their concerns.

Public Hearings

Application for Class B liquor license for Xong Rittipa Corporation dba Luk Thai Cuisine, 433 Washington Street

Motion made by Councilman Mattson seconded by Councilman Spear to open public hearing. All voted aye.

Applicant/owner Zak Luangaphay was sworn in by Solicitor Tobin. Mr. Luangaphay explained where his business is located and stated that he has met all requirements of the town including alcohol server's training. No further questions.

Motion made by Councilman Spear seconded by Councilman Mattson to close public hearing. All voted aye.

Motion made by Councilman McGee seconded by Councilman Mattson to grant Class B liquor license. All voted aye.

Amending Article III of Section 217 of the Coventry Code of Ordinances

Motion made by Councilman Spear seconded by Councilman McGee to open public hearing. All voted aye.

Councilman Jendzejec, who is sponsoring this legislation, gave brief history of the ordinance, which was adopted in 2000 to help seniors stay in their homes and retire with dignity. Not only does the tax freeze help seniors stay in their homes but it also keeps the school population down, helping our budget from spiraling out of control.

In 2009 a previous Town Solicitor issued a legal opinion stating that if the seniors drop off of their tax freeze, they cannot get back on. After the housing market and assessments dropped, their senior tax freeze stayed where it was originally assessed. This proposed ordinance will actually give the seniors a choice of the assessments without penalizing them. They would have the ability to stay on the freeze, accept and pay the lower of the two assessments until their assessments start rising again, but not pay taxes any higher than what they were originally frozen at.

This could affect over 800 people, leading to a \$275,000 cost to the town. It would result in just a .20 cent increase in the residential tax rate, .24 cent increase in the commercial tax rate. If this ordinance does not pass, and seniors are forced to sell their homes, we could get families with school age children and I believe the town pays roughly \$6,000 per each child that attends our schools.

Tax Assessor Patricia Picard stated that an average of 68 seniors have come off of the tax freeze each year for the last five years, which is an additional \$654.00 per property, resulting in an average gain of \$44,472 to the tax rolls over the last five years. In the last fiscal year the town added \$53,583 to the tax rolls from houses coming off the freeze.

Councilman Jendzejec added that there is also money from growth in town, \$200,000, for the next fiscal year as well as from seniors coming off the freeze.

Vice-President McGee asked Ms. Picard how many seniors go on the freeze each year. She replied that in 2008, an added 153; 2009 an added 199; 2010 an added 153; 2011 an added 134 and in 2012 an added 132. It is an average of 150 coming on the freeze per year.

Councilman Mattson questioned the \$200,000 growth; Councilman Jendzejec indicated it was the projected growth in Centre of New England from their tax treaty.

President Cote responded that he remembers when working on the budget that the estimated growth for the Town of Coventry and the income that would be generated would allow level taxation across the board, no tax increase to our taxpayers. So that money has already been spoken for in this fiscal year's budget, Councilman Mattson agreed.

Finance Director Ted Przybyla asked that if Council were to entertain this, which fiscal

year would you apply it to? Tax Assessor Pat Picard explained if someone became eligible for the freeze on December 31, 2012, the year that they turn 65 years of age, it would affect the tax bill coming out in calendar year 2013, which is fiscal year 2014.

Solicitor Tobin added that the proposed ordinance speaks to the amendment taking effect upon passage, but this can be amended to take effect in fiscal year 2013-2014.

Richard Villanova, 24 Wisteria Drive, was sworn in by Solicitor Tobin. Mr. Villanova stated that since he has been on the tax freeze at a \$353,400 valuation, the house has been revalued to \$290,700, and then dropped again to \$269,400. So all these years we have been paying \$600 more per year with the freeze. If I drop the freeze, I will save \$600.00 a year. When I asked about dropping it, I was told that if I drop it that I can't do it again. So, we are stuck with the \$353,400 valuation, even though it dropped twice and is now \$269,400. This is actually costing me more money.

President Cote believes that the proposed ordinance allows for essentially two bites from the same apple. But by giving you that, it means that everybody in town who does not qualify for the freeze has to make up for it through their own taxes. I cannot justify the seniors and disabled getting two bites from that apple and everybody else in town having to pay for that through an increase in their own taxes. Those receiving frozen taxes receive the same garbage removal, snow plowing and services as everyone else. You can still come off of the freeze and lower your taxes, and if values don't go up for another eight to ten years, you've still saved money on taxes all that time.

Because of the housing market now, this may not work to your benefit. I can see from the paper you handed me that it is costing you money that it shouldn't. But, if we make a correction for you, then we have to for the other 800 + people, and that means we lose \$275,000 in revenue, and taxpayers who do not qualify for the freeze will have to make up for that loss. If and when the housing market turns around, and I'm sure it will eventually, your taxes, with this ordinance, would only go up to where you were previously frozen. It's just not fair to the people of Coventry who do not get a tax freeze.

Ron Gizzarelli, 50 Harrington Road, was sworn in by Solicitor Tobin. Mr. Gizzarelli believes that any benefits that taxpayers get should be qualified with some sort of means test, so that those who don't need it don't get it. It would be much fairer. Secondly, there should be some type of provision where if a spouse loses an income because the other spouse has deceased, that person should be able to come in and to see if they can qualify for tax benefits. The tax freeze should be income based.

Mary Vandervelde, 7 White Oak Court, was sworn in by Solicitor Tobin and expressed concern on the effect on the tax rate if the upcoming bond gets passed as well as the ordinance. President Cote asked if the town has accepted responsibility for the repayment of the bonds. Manager Hoover stated that we have not.

Gloria Laramee, 452 Town Farm Road, was sworn in by Solicitor Tobin. She has had the tax freeze for six years. Her house was valued at \$400,000 and most recently at \$295,000. Her taxes are frozen at close to \$6,000, but the most recent valuation is only \$295,000, and she doesn't think this is fair. She also doesn't agree that if you leave the tax freeze that you can't go back on it. This is why seniors are having to sell their homes.

President Cote responded that you can't freeze one without the other. Even though 68

properties are opting out per year, there are another 155 that are opting in, increasing the freeze every year. Both rates freeze together. We give you the ability to opt out of the freeze and even if it takes eight years to get your valuation back up to \$400,000, then that's eight years you will save money. Added to the six years that you've had the freeze, you'll end up with fourteen years of savings while everyone who doesn't get the freeze suffers whatever decision this council makes regarding the tax rate on a yearly basis. President Cote added that this town's tax rate hasn't changed in four years. The biggest reason so many homes are for sale in Coventry is because of the economy.

Mr. Przybyla added that the baby boomers are beginning to come through and the numbers of taxpayers going on the freeze will increase.

Cheryl Kane, 185 Read School House, was sworn in by Solicitor Tobin. She is concerned that with so many people on the tax freeze, that it is effecting a lot of middle class citizens. I understand that our properties have come down in valuation. If the people who have had the tax freeze go off the freeze, will they be required to pay back a percentage to the town from when they went on it? President Cote replied they would not.

Mrs. Kane stated that it is their choice whether they want to stay on the freeze or get off. This is a decision that was made by the town many years ago. She urged the Town Council to really think about this before changing the ordinance.

Motion made by Councilman Spear seconded by Councilman Jendzejec to close public hearing. All voted aye.

Motion made by Councilman Jendzejec to approve ordinance amendment. No second. Motion fails.

LICENSES

1. Application by David A. Simas for new restaurant and victualling license for Simas Properties LLC dba Madeline's, 915 Tiogue Avenue

President Cote remarked to applicant David Simas that there are quite a few conditions that need to be met before this license may be issued, such as approvals from the building inspector, RI Board of Health, submittal of a food manager certificate and a sewer permit from West Warwick Wastewater. Solicitor Tobin commented the license could be granted with conditional approval. President Cote asked Chief Volpe if he had any objections to the victualling license; he responded that he does not. Mr. Simas explained that he will not be applying for a liquor license, but rather will have BYOB.

Motion made by Councilman Spear seconded by Vice-President McGee to approve victualing license subject to above conditions being met and permits obtained. All voted aye.

RESOLUTIONS

1. Granting 10% bond reduction for Phase II of DeGraide Farm, as recommended by the Zoning Board of Review

Planning Director Paul Sprague explained that the bond reduction has been reviewed and recommended by himself, the Town Engineer and Town Solicitor. The remaining balance on the bond will be \$30,578.25.

Motion was made by Councilman Spear, seconded by Vice-President McGee to approve resolution. All voted aye.

2. Referral of Petition for Abandonment of a portion of Bedroom Road to the Coventry Planning Commission for recommendation

Planning Director Paul Sprague explained that Bedroom Road is an unimproved public way that bisects property on the southerly side of New London Turnpike, abutting East Greenwich. The road is solely on the property owned by PIT Corporation.

Motion was made by Councilman Jendzejec seconded by Vice-President McGee to refer abandonment petition to Planning Commission for recommendation. All voted Aye.

3. Authorizing the award of a contract to T. Miozzi Inc. for the resurfacing of Anthony Street at a price of \$42,950.

DPW director Bob Clarkin confirmed that T. Miozzi, Inc. is the low bidder.

Motion was made by Councilman Spear seconded by Vice-President McGee to approve resolution. All voted aye.

4. Approval of a revised Town Council meeting schedule for the remainder of calendar year 2012 due to national holidays in October and November 2012

Motion made by Councilman Mattson seconded by Councilman Jendzejec to approve resolution rescheduling Town Council meetings to October 15, October 29, November 19, November 26 and December 10, 2012. All voted aye.

PUBLIC COMMENT

Mary Vandervelde, 7 White Oak Court, inquired as to the status of testing with regard to the black substance situation in the north Wood Estates area.

Manager Hoover advised that the town is considering proposals from two companies. After comparing the proposals with the one the concerned citizens group received, then we can decide which one we should move forward with. We are required to receive proposals because we are a public entity, but will do this as quickly as we can. We will be responsible for the payment, but verbally the two asphalt plants are willing to split the costs and we will inform both plants when the costs are made available.

Tammy Duxbury, 2 Orchid Trail, suggested air testing being done while the asphalt plants are still open for the season, with continued testing being done in the early spring when they open back up. If it turns out there is an issue, property values will go down as well.

Ms. Duxbury asked if Mr. Miozzi would operate at night while resurfacing Anthony Street; President Cote replied he will not.

Vice-President McGee commented that the next three months before the plants close will be the busiest times, more so than all season, so we should get good test readings. We are willing to do what it takes to get the answers.

Ms. Duxbury advised that Mr. Miozzi was running all night last night and citizens had not been informed, the date for the overnight operation was not posted on the website. After calling the RI Dept. of Transportation to see where Mr. Miozzi was working, DOT was not able to tell her where he was working and that is public information. Chief Volpe advised that Mr. Miozzi usually lets him know well in advance when he will be working at night. President Cote said that due to the recent rain, he had to make up a night and we missed putting it on the website.

Deborah Pagano, 27 Catalpa Way, understands that the owner has permission to occasionally work all night, but she couldn't sleep Saturday night and also commented that the date was not posted on the website. In addition there is a sickening smell of asphalt, the condition of Reservoir Road is deteriorating with all of the truck traffic, trucks should have limited access, the road needs sidewalks and she suggested that if the road gets repaved, sidewalks should be put in also.

She inquired as to what the penalties are when Mr. Miozzi operates outside of the parameters and Chief Volpe said that as of now, he has worked within the parameters and hasn't been cited for any violations.

Manager Hoover reminded citizens that it's not the town's decision that Mr. Miozzi works nights, but it was mandated by the courts that he is allowed to operate nights at certain times. He also remarked that there are worse streets in town than Reservoir Road.

Mary Sullivan complained about the truck traffic, with trucks traveling 40 mph down Airport Road; she has kept track of all the license plates of all the trucks that speed down that road.

Chief Volpe responded that he will put an officer out there.

President Cote understands that nobody wants a truck anywhere around their house, and he understands the issue with truck traffic, but these asphalt plants have a license to do business at that location and there are going to be trucks there. This town is also trying to be business friendly.

Motion made by Councilman Spear seconded by Vice-President McGee to adjourn meeting. All voted Aye.

Town Clerk