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TOWN OF EAST HAMPTON

159 Pantigo Road East Hampton, New York 11937

LARRY CANTWELL Supervisor

(631) 324-4140 lcantwell@ehamptonny.gov

State of the Town Address January 3, 2017

I will take a few minutes to address some of the major issues and work of the Town Board in the coming year. So many more are worthy of mention, but in the interest of brevity, I will expand on only a few of the more important. The financial footings of the Town are strong. The Town Board is dedicated to working with the community to address the many challenges we face. I believe the overall state of the Town is good, with positive progress on many fronts, and much more work to be done.

In the past three years, we have reduced total town indebtedness, balanced every budget, increased surpluses every year, and stayed within the New York State Tax Cap. Town taxpayers have qualified for and received property tax rebates from the State as a result of this effort. We have successfully negotiated five collective bargaining agreements with unions representing our employees. With the recent credit rating upgrade to Aa1, we have reestablished the highest credit rating in the history of the Town of East Hampton. We should continue this disciplined approach to managing town finances and budgeting. The Town will see major reductions in annual debt service payments in 2019 to 2021 if we continue on this course.

The Community Preservation Fund extension to the year 2050 and the use of up to 20% of its funds for Water Quality Programs was approved by 78% of the voters in the November election. Over the past three years, the Town Board has preserved over 322 acres of land in a record number of 161 acquisitions. We have been aggressive in acquiring properties along our coastline and harbors and bays. Preservation is the better alternative to legacy and future development in the most environmentally fragile areas of our Town. Preserving open space reduces future development density, protects the environment and continues to be one of the most important priorities of our residents.

The CPF Program is expected to generate about \$850,000,000 over the next 33 years. Twenty percent for Water Quality would raise \$170,000,000 and the remaining 80% for open space would raise \$680,000,000. Preserving open space must continue to be one of our highest priorities. In early 2017, we expect to offer a local law that will use CPF funds to provide incentives to property owners for the replacement of existing cesspools and septic systems with new systems in environmentally sensitive areas. New technology removing a substantial amount of nitrogen from septic waste should also be required for all new development and substantial reinvestment and expansion of existing residential and commercial properties. Water Quality protection of our

harbors and bays and groundwater must be a clear priority for preserving the community's most important assets.

I know the Town Board believes our community must be part of the solution to global warming and sea-level rise. 2015 was the warmest year ever since climate data was first collected in 1880. Coastal communities like ours are on the front line and already facing frequent storm inundation, erosion, and flooding. The Town Board is to be congratulated and the Energy Sustainability Committee thanked for adoption of the Climate Action Plan and for earning certification by the State as a Climate Smart Community. We received support from NYSERDA with grants totaling \$285,000 to analyze microgrids, support home energy audits and home conservation, install electric vehicle charging stations, support solar energy, complete energy audits of town buildings, and replace a number of Town vehicles with electric vehicles. We will continue to support energy conservation, solar, and offshore wind energy. We will continue to urge the Long Island Power Authority (LIPA) and the State to support the Deepwater Wind offshore wind project 30 miles east of Montauk. The South Fork faces growing energy deficits starting in 2018. We must be leaders in the call to solve this deficit through renewable energy and be part of the solution to end polluting fossil fuel generation.

Important capital projects should be ready to begin in 2017. Replacing the Senior Center on Springs-Fireplace Road is long overdue; our seniors deserve much better. Final plans and specs should be completed and the project out to bid in the next six months. Final plans and specs to replace the old Town Hall should be ready as well. We expect to sell the offices at 300 Pantigo Place and the former Scavenger Waste site to help offset at least part of the sizeable costs of these two project important projects. We will continue to work closely with Southampton Hospital on its plans to build a new stand-alone emergency room facility in East Hampton. We pledge to work cooperatively with the Little League to ensure replacement ballfields currently located at the Pantigo site are relocated and built to meet its needs. The construction of a 24-hour, 365-day emergency room facility in our Town will be the single most important improvement in emergency medical services in our community.

The Town's diligent efforts to gain local control of the East Hampton Airport through a thoughtful process and adoption of local laws was thwarted by the Second Circuit Court's decision nullifying local restrictions. The Town's efforts to restrict and reduce the incessant noise problems from noisy aircraft were a good-faith attempt to make the airport a good neighbor and keep the airport open. Unfortunately, absent a lawful strategy to significantly reduce noise, the future of the airport is likely to be called into question. The Town has approved the filing of an appeal to the United States Supreme Court and is also seeking congressional action on the Town's right to enact reasonable local restrictions. Other options that would maintain a local-use airport while meaningfully reducing noise must also be explored. Aviation interests must take heed as well and work to find solutions to this serious issue before next summer or risk a growing call to close the airport in the future.

The important planning work and community input on the Hamlet Studies and Coastal Assessment and Resiliency Plan (CARP) will be challenges, but will also present opportunities in the year ahead. Hamlet studies for Wainscott, Montauk, Amagansett, and Springs should focus our attention on how to make these centers safer for pedestrians and vehicles, improve parking

efficiency, improve infrastructure, and address zoning issues and support local businesses without compromising rural character and environmental protection.

The CARP will bring into the forefront the need for our community to address the short-and long-term impacts along our shoreline of erosion and flooding from more frequent storms, long-term erosion trends, climate change and sea-level rise. It is time for our community to address the consequences of the legacy development that has taken place in environmentally sensitive and vulnerable areas like parts of Downtown Montauk. In the short term, the Fire Island to Montauk Point Plan (FIMP) may provide some help in Downtown Montauk if the U.S. Army Corps of Engineers includes the Town's recommendation for a full-scale beach nourishment project consisting of over 750,000 cubic yards of sand distributed over a longer area of shoreline and adding over 400,000 cubic yards once every four years. But, in the longer term, I think it would be a mistake not to believe our community faces a certain inevitability. We are only one serious hurricane event or several years of continuing erosion away from overwhelming destruction of development along some areas of our coastline.

We need a new plan that will remove some of the most vulnerable development on our coastline, replacing it with natural sand dune protection, and land use and redevelopment plans to replace the most essential uses in less vulnerable areas.

Working with State Assemblyman Fred Thiele, State Senator Ken LaValle, Southampton Town, and the Long Island Rail Road (LIRR), we hope to initiate train shuttle service on the South Fork. One of the initial primary goals will be to present an alternative means of transportation along the South Fork corridor and provide transportation for employees who commute to and from our Town to work. The ability to park on the west end of the South Fork, connect to a shuttle train, and avoid the tireless wait in traffic could prove a better alternative to many who drive. This worked well a number of years ago as a temporary measure while County Road 39 was under construction. The traffic on Montauk Highway and the "trade parade" along the eastern Sunrise Highway and County Road 39 is a serious safety, environmental, convenience, and economic issue threatening both Southampton and East Hampton.

We will continue to make the enforcement of state and local laws and codes a priority and be vigilant in our efforts to protect the quality of life of our residents. We will continue to review codes as necessary to improve the Town's effectiveness in enforcement in these areas. We were heartened by the State Supreme Court decision in the Napeague case and will continue to protect public access to our beaches. We are encouraged by the positive response to the Rental Registry Law and the 3,000 property owners who cooperated and registered in the first year. We have made some modest progress with zoning amendments to provide more affordable housing opportunities, but progress on other opportunities, such as the Manor House proposal, is disappointingly slow and the pace must improve.

And finally, on a broader, but no less important point: The hate and violence in our country witnessed in the past year tears at the very fabric of our society. We must all be accountable for our words and actions so each of us does not contribute to these destructive forces. Civil discourse and debate is a right we as Americans enjoy and many have defended with their lives. With it comes a responsibility to express our views in a way that promotes peaceful disagreement and

respect for one another. We can end this unconscionable hate and violence when all of us—and especially our leaders—use our words and action for positive change.

I am very proud of the Town Board's efforts to work together and to listen to one another and the public, even when there is disagreement on any one issue.

I want to sincerely thank every member of the public for their participation as we continue to face the challenges of the year ahead.