

**State of City
Presented by Mayor Joseph M. DeStefano
Date: February 16, 2016**

Thank you once again to my partner in government, Council President Rodrigues. We have been a team serving the residents of the City of Middletown for six plus years - six productive years laying out a vision and making positive changes in our community. We have not been afraid to tackle tough issues, have fought together against some special interests that were hurting our city and have developed a plan to bring long-term financial stability to our city while improving services.

To members of the Common Council, we have worked together in the spirit of bipartisanship, unlike Congress, for the public good in our city. Your input on issues is so important to us as a group of elected officials so we can reach consensus and do what is best for our residents.

To my office staff, Mary and Josephine thank you for another year of hard work.

I thank all of you and your families for your commitment and dedication in fulfilling your responsibilities as elected officials representing the City of Middletown. I also need to extend a thank you to my wife Linda, and family.

I would like to open by addressing the parents and students of the Middletown School District. I have heard from so many of you regarding the bomb scares at our elementary schools. I feel for you and your kids. I know the words that "this is happening all over our country" are not comforting to you. You are concerned about your kids, their safety, their ability to get an education and their emotional wellbeing. I have to be honest with you, I don't have the answers.

You are aware that all police agencies from the local level up to the federal level are working on this and we have allocated all our available resources to solving this. President Rodrigues has four kids in our schools. He has written to our Federal Representatives, Senator Schumer, Senator Gillibrand and Congressman Maloney asking for more help from Federal Communications Commission, (FCC) to attack this problem. I request that our Common Council do the same and pass a resolution demanding federal assistance in addressing this swatting.

Your concerns go beyond the bomb scares and I understand that. Your kids want a feeling of security and many of you have requested that School Resource Officers be reinstated back into the schools, at least on the elementary level. As you know this is a school board / School Superintendent decision. The city is willing to do so.

The issue of who pays I believe is very simple. To place SRO's in the four elementary schools of our District would amount to very little money when you consider the size of the school budget. I estimate the cost to be in the area of \$300,000. If nothing else it will give the parents and kids in the impacted schools some sense of security.

Last week, I met with Senator Bonacic and Assemblywoman Gunther in Albany asking them to consider my previous request that they sponsor legislation exempting SRO's from the property tax cap. This eliminates the reasoning given by the District that to meet the tax cap, either teachers or programs like ROTC have to be cut to provide SRO's.

My calculations show that a \$300,000 expenditure will result in .0027 % increase in spending. I hope the School Board and Dr. Eastwood give this idea a second thought, even without the legislation. Let's work together to put the SRO's back into the schools.

At this time, I'd like to give a department by department overview. Each department report will be posted online along with my comments for public review.

Let's begin our departmental review with our Senior Program. This program is led by Julissa Sierra. Many communities in our area do not provide the services for seniors that we do in Middletown. We have a vibrant program with over 2,100 seniors registered with Mulberry House. This is an increase of over 300 people from 2014. To get a complete picture of what we do offer at Mulberry House you should visit the center or our web site. Here are a few examples. They host blood drives, service clubs, dance classes, tax assistance programs, AARP and more. We continue to operate the Senior Shuttle bus program and exercise programs, and the Golden Age Seniors Club is active. The socialization

that occurs at Mulberry House is an important component in keeping our seniors young and active. Thank you Julissa and staff for your hard work and dedication to our senior community and thank you to the several volunteers that make these programs work.

In order for government at any level to properly serve the public it must be transparent. The person responsible for this in Middletown is our City Clerk, John Naumchik. I believe that without objection it can be stated that John is our most organized person in City Hall. His office is responsible for all record keeping from Common Council meetings to issuance of dog licenses. This office is responsible for getting the message out to the public. The city web site this year had over 145,000 sessions with 365,000 views. This office also processes all city grievances for our labor unions and Freedom of Information requests from the public for access to city records. John, Karen Sisco and Lori Graziano do an excellent job for our city.

Everybody's favorite person is the Assessor, and Bonnie Bernaski and her staff do an excellent job working with various agencies both inside city government and outside agencies like the Orange County Real Property office. They administer the Veteran Benefit exemptions and senior exemptions and assist with filing for STAR rebates. They work very closely with our building department in providing tax estimates for new construction or projects.

Hand in hand with the Assessor's office comes the City Treasurer, Don Paris. We just recently re-appointed Don for another three years and he earned it. Don and his assistant Treasurer Janet Gallo are the caretakers of the city taxpayers' money.

Since Governor Cuomo introduced and passed the 2% tax cap, Don, members of the Common Council and I have been working very hard to meet this number. As you can see by this graph, our tax levy over the past four years has met the Governor's tax cap requirements. In 2013 our tax levy increased by 2%, 2014, 1.14%, 2015, 1.62 %, 2016, 1.48%. Besides keeping your taxes down it made city residents eligible for the state property tax rebate. I have worked closely with our Finance Chairman, Alderman Masi and Revenue Committee Chairman, Alderman Witt to control expenses and increase revenue opportunities to offset property taxes.

The responsibilities of the Treasurer's office also include collection of all property taxes, water and sewer charges and fees charged by various departments. The office does the financial analysis and impacts of all city proposals that require borrowing and works with us to provide services in a more efficient manner. All of the work by the Treasurer's office is subject to audits by both our own independent auditing firm and the NYS Comptroller's office. Our most recent external audit indicated no adjustments were necessary to the office operations, and there were no negative management comments. These are the true indicators of whether the Treasurer's office is operating efficiently and I'm pleased to report to the Common Council and our residents that under Don Paris the office is functioning quite well.

Corporation Counsel Richard Guertin and his sidekick, Alex Smith, are the city attorneys. The workload of this office has increased dramatically over the past 10 years. They provide verbal and written advice to all City departments, and with the litigious society we now live in that now occurs daily. They coordinate all Common Council resolutions with the City Clerk and work closely with the Treasurer's office on a host of issues from tax sale to water/sewer collections. The office is very active working with our Economic Development office on projects like the Clemson and Equilibrium breweries, the Downtown Business Improvement District and the City Industrial Development Agency. With more regulatory requirements coming down from the federal government on water and sewer operations, Rich has been a key advisor to Jacob Tawil, our DPW Commissioner, working on industrial pre-treatment programs and water safety to keep our residents safe.

This office also handles all planning and zoning boards, DPW code enforcement matters that go to court along with police code enforcement issues as well as labor negotiations. They are also responsible for handling City Court matters related to traffic generating approximately a quarter million in revenues annually.

I present these numbers to the Common Council for a reason. The work load of this office can no longer be done by two part time attorneys. With so much litigation and regulatory responsibility the time has come to go back to a full-time corporation counsel. Over the past three years we have spent \$800,000 for

outside legal counsel. I have been watching this very closely and believe that we can save in excess of \$100,000 per year if we go this route. I will be forwarding to Legislation Committee Chairperson, Alderwoman Sande Somers all of the documentation and hopefully you will agree that we can increase productivity and reduce overall legal costs by going this way.

A couple of years ago, Kiplinger magazine identified Middletown as the 8th best city to raise a family. I repeat this each year because sometimes we don't realize what we have in our back yard. One of the main reasons for this honor is the commitment to our youth and recreation opportunities for kids in this city. It is second to none.

2015 brought with it new leadership in our Recreation Program, Chris Brinckeroff, our new Superintendent of Recreation & Parks, and Rae Lynn Aviles, Assistant Superintendent. Chris and staff have been focused on improving facilities, increasing program revenues and enhancing recreational opportunities for the residents of the city, both young and old.

Alderman Tom Burr has chaired the Parks and Recreation Committee of the Common Council for many years and is doing an excellent job.

You know, once in a while I get a call from an angry resident telling me there is nothing for kids to do in Middletown. Right next to my phone, I keep the annual Recreation Commission report. I urge you to go online and review it. I start to rattle off what we offer. Community Center, Swimming, sports camps, tennis programs, playgrounds, soccer, cheerleading, letters to the North Pole, kids harvest festival, bookmobile, story time programs, dog training, Mayor's Youth Council, movies in the park and more. People are shocked when they hear it. Some hang up before I'm done. The point is we offer so much and we want to offer more and I'm sure Alderman Burr will agree.

That is why for the first time we will be appointing to the Middletown Recreation Commission two great young people to participate in the decision making for what youth programs we should offer or expand in our city. Let me introduce to you our first ever Youth representatives to the Middletown Recreation Commission, TroiChanel Johnson and Michael Torres. They will be

appointed this evening to the Board and serve until December 31, 2017. Thank you for doing so.

In the area of emergency services, Chief Sam Barone leads the Middletown Fire Department with the help of his assistant chiefs, Don Luis, Nick Barber and Bob Brady.

A recent economic impact study prepared by the Firemen's Association of the State of New York (FASNY), concluded that volunteer firefighters save New York taxpayers more than \$3 billion annually. Our volunteer / paid combined system saves us millions of dollars per year in Middletown alone. In 2015 we added 17 new volunteers to our ranks.

In 2015, our Fire Department responded to 1,018 calls, up 52 from the previous year. The demand for service has increased over the years, yet we have been able to reduce staffing. One of the benefits to the Governor's tax cap is municipalities in New York must now look at how we deliver services. Hands on management of the day to day operation by Chief Barone and his assistants has saved the city approximately \$150,000 in overtime costs for 2015 alone.

The department is functioning well and I thank Chief Barone, his assistant Chiefs, members of the paid department and all those volunteer fire fighters who give their time and expertise to save lives in our city.

As you can see, we have a great team of department heads and employees working in so many key positions in the city. As our city has grown, so has the demand for services, including police service. Quality of life for a city begins with clean and safe community.

The Middletown Police Department has been led by Chief Ramon Bethencourt since January, 2010. He was instrumental in fully implementing a community policing strategy that has been very successful here in our city. This plan places Foot Patrols not only in our commercial area but also in our neighborhoods. The response from our residents has been very positive and has enhanced the feeling of safety and security in our residential neighborhoods.

Middletown is a small city of over 28,000 people. Between 2000 and 2010 we grew by over 10% and the surrounding Township, Wallkill has also seen a big increase in population. Urban centers usually deal with society's problems such as homelessness, addiction issues, joblessness and more. Middletown is a very caring community, the host of many programs designed to help people in need. Alderman Kleiner is the coordinator of some of these services and should be recognized for his work in this area.

More people usually means more crime. We monitor all activity very closely and we look for trends. I'm happy to report to you the trend here in the City of Middletown is very positive in this area.

I haven't issued press releases touting drops in crime for a reason. As the Chief advised me in 2010, we can't react to positive or negative short term statistics, so we haven't. But we now have a 5 year average as reported by the FBI regarding crime trends in our city and it is very positive for our residents and businesses. This will demonstrate the job our men and woman of the Middletown Police Department are doing and I'm sure it will make you proud.

The FBI report shows for the years 2010 – 2014, violent crime has been reduced by 30.6 %. During this period we have had zero deaths due to gun violence and only one injury involving a bullet. In 2015, violent crime was reduced by an additional 7% and property crime reduced by 16%. Again, statistics can change but this is good police work.

There is more to policing then reacting and responding to calls for service. That's why community neighborhood policing is so important. Please take notice when a police officer is walking or driving in your neighborhood. Meet them outside and let them know what is happening in your neighborhood, good and bad. This program works and can work better if more participate.

Another program that works is Police interaction with our youth. Our Juvenile Aid Bureau participates in many community outreach programs. The DARE Program with Officer Jackie Welch continues to have a positive impact on children throughout the Middletown School District. This is funded by the city despite the fact that less than half of the students are from Middletown. We feel that strongly about the program.

Neighborhood Enhancement Officer Kristopher Bailey works closely with community members to identify issues and develop solutions to problems that may arise in your neighborhood. The Department interacts with the Neighborhood Watch Program led by Alderwoman Kate Ramkissoon, Middletown Cares Coalition and the Mayor's Youth Council to improve community relations.

While quality of life has improved dramatically over the past 5 years, we are still left with the root cause of most crime, illegal drugs. We finally see this issue being tackled on the national political level as a main topic of the presidential debates on both sides of the aisle. America has finally opened its eyes to an epidemic that urban areas have been fighting for years.

In 2015, the police department made 465 arrests for dangerous drugs or marihuana. The main concern is that people of all ages but especially the young are losing their lives due to drugs, and that is why our Narcotics Unit has focused on many long-term investigations into drug trafficking. We work with other police agencies, local, state and federal, to target those who are peddling heroin and other dangerous drugs to our young people.

In closing on police issues, I would like to congratulate Lieutenant Frank Graziano who graduated from the FBI National Academy this past December. He joins Chief Bethencourt and Lieutenants Ewanciw and Metakes as graduates of this prestigious academy.

Let's move downtown to the Business Improvement District (B.I.D.), led by John Degnan. The BID is a self-taxing agency of downtown property owners with a budget over approximately \$100,000 established to enable property owners to pay for additional improvements and services beyond those not provided by the city.

They handle downtown promotions, the farmers' market, events such as the Run 4 Downtown, downtown beautification, weekly concert series, holiday events like the tree lighting ceremony and more. The BID is an important part of our downtown success and John Degnan's face has become the face of downtown and the city. Former teacher, football coach at MHS, businessman and now our Assistant Economic Development Director, John truly is the heart

and soul of our community and is doing a tremendous job on downtown redevelopment.

That leads us into Community and Economic Development, led by Maria Bruni. If you recall the Times Herald-Record front page last month, Maria was named number one of the top sixteen people to watch in our region for 2016. That's an honor well deserved because of her hard work, dedication and commitment to our city.

This office plays many roles. It is mostly funded by a federal grant known as the Community Development Block Grant (CDBG). The Community Development side of the office works on stabilizing our neighborhoods through housing rehab improvements, loans and grants. Part of their responsibilities are the operation of the Paramount Theater and promoting Civic and Cultural affairs in our city. We are now showing first run movies at the Paramount, live performances like Kansas with more to come.

We started a homeownership project by creating the Community Development Agency. Our pilot home renovation / sale is a former rundown two family home located at 53 Prospect Ave. Here are the before pictures. Here are the after's. Through this agency and partnering with community not-for-profits we will be closing on this home with a family in the very near future making home ownership affordable. The buyers make a 10 year commitment to staying in this home and they receive a significant grant up to \$35,000 in some cases. The State Department of Homes and Community Renewal is also looking into partnering with us to increase the grant amount. These are homes that the city took back on taxes; we fix them up, repay the city the taxes, make a small profit and a family moves in. Does it get better than that? Our goal is to do 5 homes in the next round and we already have buyers lined up. If you're interested in this program please contact Maria's office. She is doing a terrific job with this program.

Our focus on the economic development side continues to be the repurposing of vacant large industrial / commercial structures, and we have had great success.

This past year the city was recognized by the Orange County Partnership with an award for Economic Development Excellence due to the hard work of Maria, Jacob Tawil and Rich Guertin.

I will have more to say on economic development as I outline our projects near the end of my presentation.

My last department review is our largest, the Department of Public Works, led by Jacob Tawil. We also need to welcome our new Deputy Commissioner, Chris Gross, and acknowledge the hard work of our Senior Deputy, Doug Hendrickson.

DPW consists of many sub departments. DPW, under Jacob's direction and on a daily basis, handles streets, sanitation, water, sewer, code enforcement, building inspections and long term planning for city infrastructure needs. Jacob is at the forefront of almost every decision I make in the city and serves in an advisory role to myself and the Common Council on many if not most issues.

His report is lengthy and available for review. I will highlight a few key areas. Code enforcement is the other part of improving our quality of life and protection of our communities. Our rental inspection program has completed inspections of 4,865 rental units and we have used the power of condemnation on 38 of those units where the property owner has either refused to repair the problem or has walked away. We have focused our efforts to tear down abandoned and unsafe vacant homes in residential neighborhoods. As an example, here we have 40 Lake Ave., a crumbling abandoned home in a nice neighborhood that was beginning to impact adjacent property owners in a negative way. Now, here is 40 Lake Ave. Code Enforcement is important!

Other DPW projects spearheaded by Jacob Tawil include the CPV Generation plant in Wawayanda and the selling of treated sewage known as grey water for cooling purposes at the plant. While criticized by some who don't agree with this project, Middletown's role is solely to sell grey water. When operational, this will inject approximately \$500,000 annually to our sewer fund. Our decision to sell this grey water is also environmentally sound since we are preserving millions of gallons of ground and surface water with our sale.

The city is still dealing with FEMA to maximize grants to rebuild our infrastructure after Irene and Sandy. Two projects have been completed including the rebuilding of flood diversion walls to protect the Aspen Housing Development from future storm events. We were awarded \$3 million for the Monhagen drainageway culverts and banks. This project is nearly complete. We worked with Congressman Maloney's office and are very confident that we will be receiving additional funding for improvements in the Maple Avenue/ Maple Hill Park area and expect final approval soon. Alderman Johnson and Alderwoman Ramkissoon are very involved with this hazard mitigation program that directly impacts the Third Ward.

Jacob has also secured funding on several transit related projects including the Co. Rt. 78 roundabout, which is a \$1.4 million project with 80% funding, and another major grant for traffic operation improvements through major city streets. This will include upgrading traffic lights, ADA signalized pedestrian crossings, ADA sidewalk ramps, sidewalk reconstruction and road reconstruction. This project is estimated to cost \$7.5 million with 80 % grant funding.

The New York Rising program is another successful effort of securing grant funding for infrastructure. We were designated by Governor Cuomo in 2013 as a winner of \$3 million for drainage improvements and improving infrastructure to meet economic development goals. Design work begins in 2016.

Sanitation is a major area that I would like to focus on this evening. Over the past few years we have had a major push to increase recycling. Alderman Jude Jean-Francois was appointed by President Rodrigues to head the recycling committee and is working very hard. This year we had a 3.3 % increase in recycling. We need to do more.

I'm sure you have heard that the city is looking at how we pick up and dispose of your garbage. We spend in excess of \$3 million dollars per years just to pick up and dispose of our trash.

When Governor Cuomo introduced the tax cap and it passed, I was one of the few mayors in the state who agreed with him. While I truly believe the state could do much more in the form of mandate relief and increased state aid, the

implementation of the tax cap requires us to think outside the traditional box of local government.

I have mentioned in previous years the decision to go from a two person truck, the Tiller to a one person truck in the Fire Department. While we had much resistance and push back at the time, this decision alone allows us to save over \$400,000 per year in employee costs and maintain the same number of fire trucks in service.

Keep in mind the tax cap doesn't mean you have to stay within the 2%. If you feel your needs cannot be met by staying within the cap you can override it by a super majority vote of the Common Council. Fortunately we in the city are not there yet, but we could be soon.

Setting aside our water / sewer fee subsidies to our general fund, the 2016 budget is balanced with a transfer of \$600,000 from our Debt Service Fund. These are funds that were borrowed over the past several years for large capital projects that came in under budget. So we used those excess funds, along with the water / sewer subsidy, to balance our 2016 budget, but we need to make that up in future budgets. We also have the sale of property factored in for an additional \$600,000 this year. You cannot maintain a stable city using one shot revenues. I have been raising the red flag cautioning everyone that we will be faced with either changing our ways, laying off significant numbers of people with reduction in services or overriding the tax cap. An override should be the last resort.

Last February I mentioned the issue of changing how we pick up our trash. Look at the numbers. 17.3% of our tax levy goes to sanitation. I saw the opportunity for huge savings. And there are other factors for consideration.

Let's address workers' safety. Since January 1, 2012, there have been 50 injuries, many long term that resulted in workmen's compensation claims in sanitation alone. This is hard work, back breaking over long periods of time. Picking up heavy cans of trash filled with ice and snow and hanging off the back of a garbage truck in slippery cold weather creates hazards. You see the results in the workmen's comp claims. So even without a nickel of savings, our main focus should be workers' safety, and I started looking for an alternative.

After workers' safety, the next area of concern is quality of service. My proposal dealt with the city maintaining all aspects of sanitation operations. Alderman Masi, Chairman of the Finance Committee, one of the three who presents the budget to the Common Council, thought we should at least look at privatization. We had a discussion at a Common Council meeting, and many had reservations and questions about long term cost versus short term benefits, quality of service, yard waste, and recyclables. Alderman Masi was going to research on his end his proposal to consider privatization along with the legal mechanism to transfer a service provided by the CSEA union to a private company.

The next area of concern is will trucks with the arm have the ability to maneuver down many of the narrow streets in the city. I believe so having witnessed it being done in other communities. You may have some routes that require a second person to maneuver the can into position but even with that extra manpower, the work force can still be reduced from a three person truck to a two.

Next is cleanliness and recycling. Let's be frank here. Certain neighborhood streets in this city are a mess, and a contributing factor is the placement of garbage in bags on the sidewalk. Animals tear the bags, the bags get torn by carrying them, there's the safety issue of sanitation staff being cut by grabbing bags with glass in them and wind blows garbage down the street and probably many more scenarios. We need standardized containers and we can also increase recycling by limiting the containers and enforcing recycling programs. We currently save \$52,000 per year on recycling efforts. If we raise that number to 20%, which is easily reachable, we can save an additional \$110,000 per year.

And lastly, savings to taxpayers. As I have stated publicly, without improvements to worker safety any savings would be meaningless. Alderman Masi will generate a savings number with the utilization of a Request for Proposals to the private carting companies. He can outline his proposal to the Council and the public as we move forward.

My proposal, while requiring a significant up front capital investment, will also have a savings. These numbers will be presented to the Common Council along with Alderman Masi's for consideration. This will also be a very public,

transparent process in which we address the concerns of our residents. I have already received several questions from residents and each and every one will be addressed. We will also conduct public hearings to listen to your concerns.

And while I had very strong words in response to the press release issued by the CSEA, I understand their concerns about employees losing their jobs. Let me assure the public, though, that the Union was not blindsided by this proposal. Go online and read my 2015 State of City. It's right there. We have also had contract negotiations with the Union and alternatives to the current garbage situation have been discussed.

So with that brief exchange behind us, I reached out to the CSEA Southern Region President, Billy Riccaldo and local CSEA President, Glen Arnold to listen to the cost savings measures that they claim to have. In that respect I'm all ears. I am also willing to discuss with the Union a plan that any loss in positions would be accomplished through attrition. This would mean less savings up front that could be offset with productivity in another sector allowing us to maintain employees until a retirement or vacancy occurs and not fill the position then. There are ways to do this without hurting people.

As you can see the DPW, the department with the most employees in the city, keeps this city running. Thanks, Jacob.

My last segment is to update you on city-wide projects that our team here at City Hall - myself, Council President Rodrigues, Finance Chairman Masi, DPW Commissioner Tawil, Economic Development Director Maria Bruni, City Attorney Rich Guertin, assisted by many - work on daily.

This will show you that last year's dreams are becoming a reality in the City of Middletown.

Many of the projects I will be mentioning are moving forward due to the assistance of Senator John Bonacic and Assemblywoman Gunther who have been very successful in obtaining state grants on our behalf.

Let's begin with the Heritage Trail. You have heard it many times. This project is 21 years in the making and guess what. It's here. My thanks goes out to County

Executive Steve Neuhaus. I was on Steve's transition team and he advised me then that he was committed to making this trail connection from Goshen to Middletown a reality. He followed through on his word. Funding is now in place. Thank you County Executive Neuhaus, the Middletown legislative team, Jeff Berkman, Mike Paduch and Melissa Bonacic, and Elizabeth Albohar and Middletown Trail Advocates. Final design will be completed shortly and construction is expected to start in 2016.

The Heritage Trail will go through our proposed Transportation Center, the new Coach USA bus station and commuter lot. This is a \$2 million project funded by NYSDOT and is going in front of the Planning Board in the spring of 2016. Construction is scheduled to begin in 2016.

Next is the Woolworth's adaptive reuse project. A building mostly vacant for the past 20 years will once again be an integral part of downtown. We have purchased the vacant land on Orchard Street, adding parking and tying it into the Woolworth's project, bringing the Heritage Trail through the building onto North Street and developing beautiful commercial space. This is an exciting project for Middletown and will begin this summer.

We continue along the Trail to the Equilibrium Brewery. This project was awarded funding under Governor Cuomo's Regional Economic Development Program and is currently under construction, opening soon. This is our second brewery along the Trail, the first being Clemson Brothers, a beautiful restoration project that opened in October 2015. We are also getting a lot of interest for development along the trail, especially some of the larger buildings.

Continuing further along the Trail is the Mill at Middletown, a housing and job training project located at 42 Mill Street which was an abandoned old factory ready to fall. A building that would have cost us hundreds of thousands of dollars to tear down is now under reconstruction and will be the location of 42 units of workforce housing along with job training for the service industry.

The King Street walk way, a terrific addition to downtown, is under construction. We hit a few snags with this project but with the cooperative winter, the contractor, Anthony Monaco Landscaping, has begun the work and is ahead of schedule.

Our City Court relocation project is moving ahead. Assemblywoman Gunther was able to secure \$2.7 million for the purchase of the former Federal Court building. All we are waiting for is final approval by a couple state agencies and this project will begin.

Michelson Studios, another adaptive reuse of a former rail repair yard, occupies 12 acres of property in our industrial area. They recently completed the largest sound stage in New York State, 60,000 SF, with 60 foot high ceilings. They are in a very competitive industry. Last Tuesday I was in Albany lobbying our legislators hoping to extend the tax credit for film production that is 30% in the Mid-Hudson Valley to 40% to even the playing field with Upstate and Western New York. Orange County is seeing movement in attracting these studios but the long term viability depends on an even playing field.

In the area of education, I am pleased to announce the expansion of Touro Medical. They have added 40,000 SF to their school and their Master's Program has completed year one. This is a project that has had tremendous impact on our city and keeps growing.

The Middletown Community Campus is a major project for us. Let me begin by thanking Supervisor DePew of the Town of Wallkill. We worked together to resolve a two decade long disagreement and litigation in this section of the Town and City. Very shortly the maps will be filed officially bringing the entire MPC property into the city along with the Dog Park.

What this allowed us to do is present plan and begin develop of this site and we are. The MPC site is 232 acres with many buildings in disrepair and a lot of vacant land. We submitted a comprehensive application for infrastructure funding through the REDC with an estimated project cost of \$11 million.

Round one we received funding for \$500,000 in planning and infrastructure funding. We have attracted a major anchor project for the site making us eligible for additional funding in the Governor's next round. We have a major anchor tenant, Fei Tian College, currently renovating three buildings on the grounds to be utilized for college purposes. They expect to have some of this up and running in 2016 and phase one complete in 2017.

When fully implemented over the next 5 to 10 years our projections show potential for 75,000 SF of light industrial space and an additional 350,000 in light manufacturing, education and office space.

Another major project that our planning is almost complete on is the former rail bed behind city hall. Last year I announced our plans for a skate park on part of the property. The Heritage Trail will be coming through along with development projects like Equilibrium Brewery located adjacent to it. We will be expanding public parking and creating a park like atmosphere. All tying in to our downtown walkability plan. We have cleared all environmental hurdles and this is ready to go for 2016 pending funding in our capital budget.

We have other large projects in the works that will be announced as they develop further, such as the reconstruction and redevelopment of the Tompkins building, the 11 King Street building, the former Flanagan's building in the industrial area of our city, and more.

As you can see my message is very positive because that's where our city is right now. We need to keep the momentum moving forward and I believe that the plan we have in place will do just that.

Once again I commit to serve you with integrity, character, respect and accountability.

**Good night and thank you.
Respectfully Submitted,**

**Joseph M. DeStefano
Mayor**

SUMMARY OF THE 2015 ASSESSMENT ROLL

Number of Parcels in the City of Middletown	2015	8,678
	2014	8,615
	2013	8,619
	2012	8,594
	2011	8,605
Number of Wholly Exempt Parcels		368
City Owned Properties		178
Middletown City School Owned Properties		31
Parcels in the Business Improvement District		297
Number of Exemptions within the City		5,172
2015 Deed Transfers		520
2015 Foreclosures		278
2015 Exemptions	Basic STAR	3,186
	Enhanced STAR	786
	Senior Aged	192
	Veterans	489
2015 Building Permit Inspections		433
2015 Municipal Search		341
2015 Assessment Reviews		1053

ASSESSMENT ADMINISTRATION IN THE CITY OF MIDDLETOWN AND THE RESPONSIBILITY OF THE COMMISSIONER OF ASSESSMENT

Below is a list of various agencies that I interact with at the local, county and state level on a regular basis as part of the responsibility as assessor.

CITY OF MIDDLETOWN DEPARTMENTS

Building Department

Code Enforcement Officers

Planning and Zoning Boards

Finance Office

Clerk's Office

Fire and Police Department

Board of Assessment Review Members

Industrial Development Agency

OUTSIDE GOVERNMENT AGENCIES

Orange County Real Property

Orange County Emergency Management

NYS Department of Taxation and Finance

US Census Bureau
Orange County Board of Elections
Orange County GIS Coordinator
Middletown School District Officials
Orange County Office of the Aging
Orange County Veterans Administration
State of Florida Real Property Tax Department

NON-GOVERNMENT ENTITIES

Real Estate Brokers
Appraisers
Developers
Architects
Attorneys
Chamber of Commerce Groups
Veteran Groups
Senior Citizen Groups

SERVICES PROVIDED TO THE PUBLIC

Provide 911 Addresses for all new Properties
Provide Estimate of Taxes for New Construction or Projects
Assist with Filing for STAR Rebates
Assist with Completion of Exemption and Renewal Applications

Provide Copies of Deeds and other Documents to Interested Parties

Help Locate Properties within the City

Provide Sales Information to Interested Parties

Provide Historical Information Regarding Properties

Visit Senior Citizens to Obtain Renewal Information

Provide Tax Rate Information to Interested Parties

Provide Information Regarding Specific Properties

ASSESSMENT RELATED JOB DUTIES

Appraise Properties

Administer Exemptions

Statiscal Analysis to Determine Level of Assessment

Data Collection & Review of Property Inventory

Update and Maintain Geographical Information Databases

Process Exemptions

Process Special District Charges

Verify and Process Real Property Transfers

Maintain and Update Digital Photos of Properties

Maintain and Update Tax Maps

Process Request for Labels

Process Mailing Address Changes

Maintain Database of all Valid Sales in City of Middletown

Prepare Various Reports for City Officials and Residents

Provide Financial Impacts Statement for Projects to be Developed

Defend Assessments in Assessment Related Complaints

Negotiate Court Settlements for Appraisal Complaints

Supervise and Train Office Staff

Develop Effective Public Relations Program

Prepare and Manage Budget for Assessors Office

Coordinate Grievance Day Procedures with Board of Assessment Review

Prepare and File Tentative and Final Assessment Rolls

Prepare and Mail Change of Assessment Notices

Verify Addresses for Census Bureau Updates

**DOWNTOWN MIDDLETOWN BUSINESS
IMPROVEMENT DISTRICT**

ANNUAL REPORT

JANUARY 12, 2016

2016 ANNUAL REPORT

January 1, 2015 kicked off our 24th year as a Business Improvement District. It should be remembered that B.I.D.s were established to enable property owners to pay for additional improvements and supplemental services beyond those already provided by each municipality. These might include improving the streetscapes, providing additional sanitation and security services, marketing businesses located within the BID, hosting special events, and improving retailer facades and display windows. It should be remembered, it is the objective of all B.I.D.s to put "Feet on the Street".

It then becomes the job of the merchants to get the feet inside their stores to purchase merchandise.

The municipality should maintain their regular program of services so the B.I.D. projects are in addition to those provided by the city or town.

In recent years, the Business Improvement District and the City government have worked together to provide the services to improve the functioning and appearance of our central business district. We have always enjoyed the benefits of "Public-Private" partnership that is the downtown. Efforts are ongoing to promote the city's many opportunities through several concerts per week during the summer season. We have enjoyed the cooperation of the running community which promotes the Annual Classic 10K every June, followed by the Run 4 Downtown in August. The weekly Farm Market continues to usher in the summer season. Ours is one of the longest running markets in the area. It draws a good crowd. People look forward to it every year.

The City's Department of Parks and Recreation has begun providing entertainment for children numerous times during the Farm Market season.

The year is culminated by our Holiday schedule of events. We supply the parking attendants for numerous events at the Historic Paramount Theatre. The theatre shows daily movies, as well as a number of special events. In November each year, the Holiday decorations are installed on the light poles. A search for the perfect 30 foot tree, which will grace Festival Square, starts at the end of the summer. This year's tree was provided by the Levi family on Amy Lane in Scotchtown.

The B.I.D. owes a big thank you to the Department of Public Works and Recreation Department for their help in getting the tree transported and erected. The tree is lit by Santa Claus, who is preceded in a parade by the Maybrook Boy Scout Band, the Marching Middies and several local groups. Another thank you is due the Middletown Fire Department for bringing Santa to the tree. The local Electrician's Union strings the lights on the tree.

The influence of the B.I.D. is evident throughout the Downtown area. In addition to the Christmas decorations, we are responsible for the light pole banners, also the very extensive flower program throughout the district. The B.I.D. also enjoys a great working relationship with the City's Office of Community and Economic Development. This office played a big part in energizing the Woolworth Project, the Heritage trail, two Breweries, Indoor Soccer facility and the King Street Walkway. Peter Berman, Chief Executive Officer of the Ruby Group, a construction firm based in Goshen, has been quoted by the Times Herald Record, "Positive things can happen when business owners and public officials come together to impact the community in positive ways. Taken all together, these events and places are creating an environment with a palpable energy, a vibrant economy, some might call that, just like Brooklyn. I call it a success."

I would like to thank all of you on the Board of Directors for the help and guidance over the years. I most certainly appreciate all the assistance given by our officers: President Maria Bruni; Vice-President, Tom Foley; Treasurer, John Naumchik, and Secretary, Father John Warfel. I would also like to welcome the new directors who will be coming on the Board tonight.

The assistance of Middletown's City Treasurer, Don Paris, in financial matters has been a real benefit to the B.I.D.

Finally, a big thank you goes to Father Warfel on his retirement and relocation.

My wish for the New Year is that the Business Improvement District and our city leaders, Mayor Joe DeStefano and Common Council President, Miguel Rodrigues, and all of the members of the Common Council continue the fine working relationship that has existed year after year.

I would like to take this opportunity to wish all of you a happy and prosperous new year.

John Degnan, Executive Director

Downtown Middletown B.I.D.



**FROM THE OFFICE OF THE
CITY CLERK
CITY OF MIDDLETOWN NY**
WWW.MIDDLETOWN-NY.COM

MEMO TO: Mayor DeStefano

DATE: January 5, 2016

SUBJECT: **2015 State of the City for City Clerk's Office**

- **City of Middletown Website**
 - The Website has been another great success in 2015 and a major communication tool for all the departments to get information to the public and follow the Open Meetings Law.
 - The top six most popular articles are:
 - Garbage & Recycling – 64,166 Hits
 - Directions to City Hall – 38,619 Hits
 - Privacy Policy – 35,042 Hits
 - State of the City Speech – 14,947 Hits
 - Collection of Yard Waste – 10,030 Hits
 - City Demographics – 8,717 Hits
 - All of the Council Meetings, Board Meetings and Commission Meetings have their Agenda's and Minutes on the website in accordance to the Open Meeting Law.
 - In 2015 there have been over 145,000 sessions on our website. There were over 132,000 sessions in 2014.
 - In 2015 there have been over 95,000 users to our website. There were over 85,000 in 2014.
 - In 2015 there were over 365,000 page views at our website. There were over 353,000 in 2014.
 - There are over 502 people signed up in our website database receiving email updates of our website. There were 400 in 2014.
- **City of Middletown Records**
 - We have digitally added to the Laserfiche System all signed contract's that have been approved by the Common Council and signed by the Mayor since 2010.
 - We have digitally added to the Laserfiche System all the resolutions and attachments that were held in the basement back to 1990 for searching.
 - We have digitally added to the Laserfiche System all the minutes of the Common Council back to 1955.

- We have protected our deteriorating historical Birth, Death and Marriage records we have back to the 1800's that we are required to keep permanently.
 - This year the following records have been restored in paper and digitally:
 - Records of Marriages from 1908 to 1920
- **Channel 20**
 - Multiple City Events have been added to Channel 20 in 2015.
 - Press conferences have been recorded live on Channel 20 for public view.
 - We have added commercials to Channel 20 with audio for improved clarification to the information in the commercial.
 - Council Meetings, Press Conferences and other events on Channel 20 are now available on the City Website through **Video on Demand** so more of the public will be able to view what is on Channel 20.
- **Common Council**
 - In 2015 there were 399 Resolutions adopted by the Common Council and signed by the Mayor.
 - There were 4 Local Laws passed by the Council in 2015.
 - There were over 6,500 downloads of the Council Agenda and Minutes on the website of all the Council Meetings for 2015.
 - There were over 150 views of the Common Council Meetings on the Video On Demand on the website which started in 2015.
- **Copies of Birth, Death and Marriage Certificates:**
 - 2015 we have issued a number of copies of certificates:
 - Birth, Death and Marriage Certificates – 2,215
- **Issued Marriage Licenses**
 - 2015 we issued 260 Marriage Licenses
- **Dog Licenses**
 - In 2015 there are more than 1,203 dogs that have licenses in the City of Middletown.
- **Freedom of Information Requests FOIL**
 - We completed 780 requests for City records
- **EZ-Pass Tags**
 - We issued 63 EZ-Pass tags starting in 2015
- **Permits**
 - We have issued over 280 various permits for 2015.

2015

ANNUAL REPORT

OFFICE OF ECONOMIC AND

COMMUNITY DEVELOPMENT

MARIA BRUNI, DIRECTOR

The Office of Economic and Community Development

Community Development

Economic Development

Industrial Development Agency

Community Development Agency

Downtown Development

Paramount Theatre

Civic and Cultural Affairs

CDBG Program

Business attraction/retention and marketing of commercial properties/Loan Programs

Bonding of projects

Payment in Lieu of Taxes (PILOT) program

Sales tax exemptions for mortgage recording and purchase of construction materials and equipment

The planning and implementation of programs involving the rehabilitation and revitalization of both the residential and commercial areas of the City of Middletown

Planning and partnering with the Business Improvement District

Oversee the operations/management and programming

Coordinates City events and entertainment, often partnering with other City Departments

The Team:

Maria Bruni

Director of the Office of Economic and Community Development

John Degnan

Assistant Director/Economic Development

Jean Eufemia

Housing Rehabilitation Specialist/CDBG

Patricia Racine

Administrative Assistant/OECD

Ernest Holden

Housing Rehabilitation Inspector

Caitlin McNamara

Intern

Stefania Sande

Assistant Director/Paramount

Eileen France

Paramount Theater Technical/Management

The Office of Economic and Community Development plays several roles in the revitalization of the City of Middletown. Through the Community Development Block Grant (CDBG), a program created by the U.S. Department of Housing and Urban Development, our office is able to provide assistance to small businesses and qualified homeowners and landlords. We work to facilitate neighborhood stabilization and promote communication between commercial interests and the municipal government. We also develop and promote Civic and Cultural Affairs as a tourist attraction. The OECD works with other City boards and departments in order to foster economic development, redevelopment, growth, expansion, retention, and attraction of new and existing businesses. In short, the OECD role is to make the City of Middletown a desirable place to live, work and play.

2015 proved to be an eventful year for the Office of Economic and Community Development. Through the CDBG, our office provided assistance to numerous small businesses and homes. Every year we are required to complete, or at least have underway, a certain amount of housing rehabilitations as per our five year plan. Over the duration of program year 2015, 16 single and 8 multi-family units were/are in the process of being rehabilitated. In terms of business, CDBG requirements specify the amount of businesses created and, consequently, the amount of jobs. By attracting/expanding 2 businesses to the area, we were able to create 10 new jobs. One public facility/accessibility activity was funded in the form of the King Street Pedestrian Walkway, which is currently underway. One public service activity was funded: the Fresh Start Café at the Mill. This activity will provide job training for at least 35 low to moderate income folks in the food service industry.

2015 brought about successful results regarding the repurposing of vacant industrial structures; Clemson Brewery opened in October, and the restoration and adaptation has beautifully maintained some of Middletown's rich history. Another brewery titled Equilibrium is underway and the City's vision to move forward with economic development structured goals will yet repurpose another vacant industrial structure in our City.

Working together with private/public partnerships resulted in the groundbreaking of the Mill at Middletown in 2015. This former manufacturing site is another fine example of the repurposing of an old, vacant structure. The developer Excelsior Housing Group and RECAP are renovating and creating 42 units of work force housing and a job training restaurant on the first floor (Fresh Start Café).

Our role has also expanded into applying for and servicing grant applications. By working closely with other City departments and consultants, the City submitted various applications in the 2015 Consolidated Funding Application (CFA) competition. This competition resulted in a \$500,000 award for planning and infrastructure to be applied to the redevelopment of the Middletown Community Campus. We look forward to working to complete the transformation of the grounds into a productive educational, light industrial and corporate campus. Also, various State grants from Senator Bonacic and Assemblywoman Gunther were realized in 2015.

Two downtown projects that were announced in 2015 have also begun: King Street Walkway and the Woolworth's project. These two connectivity projects will enhance the walkability and the long awaited Heritage Trail in our downtown.

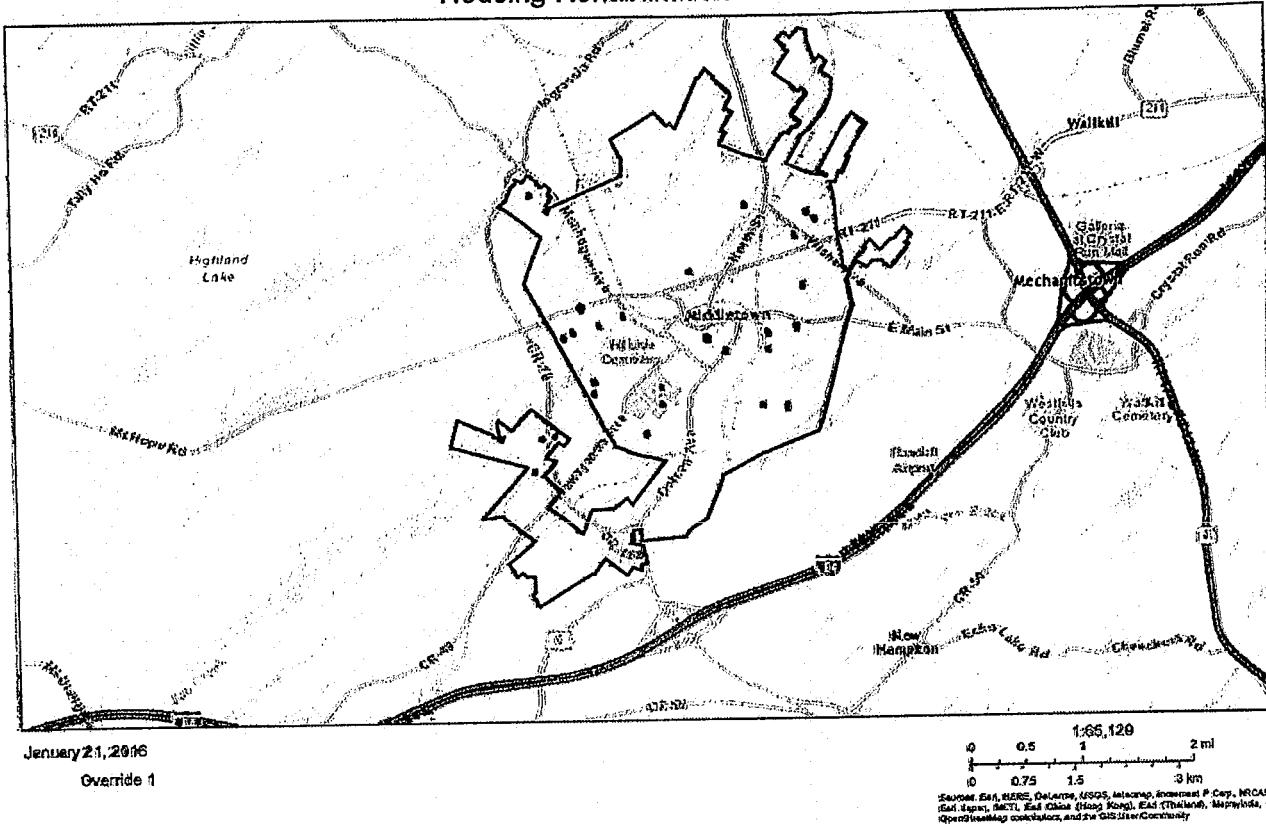
In 2015 the reinstated Community Development Agency began their first homeownership project. The success of the first home to be rehabilitated and sold will result in many more for 2016. This program will enhance neighborhoods and bring pride by creating homeownership opportunities.

The OECD will continue to work to improve the business and housing climate, and provide cultural activities for our residents and visitors to enjoy. As we move forward our office will continue to work closely with City Government and City Departments to keep improving the quality of life for our residents.

We were proud to be recognized by the Orange County Partnership with an award for Economic Development Excellence for the City of Middletown in 2015.

The departments work and efforts are outlined in this annual report, and you will note the importance of working closely with various agencies, investors and residents.

Housing Rehabilitation - 2015



COMMUNITY DEVELOPMENT

2015 CDBG Program Year: Housing Rehabilitation

The City of Middletown receives an annual grant from the U.S. Department of Housing and Urban Development. These funds are then used to rehabilitate homes for low- and moderate-income persons, and to spur economic development. Loan and grant programs have been designed to assist homeowners/landlords and business owners.

Over the duration of program year 2015, 16 single and 8 multi- family units were/are in the process of being rehabilitated.

Two small business loans were approved during the course of the program year. At least 10 jobs will be created as a result. Three small business loans from 2014 posted 11 jobs created by their 2015 completion dates.

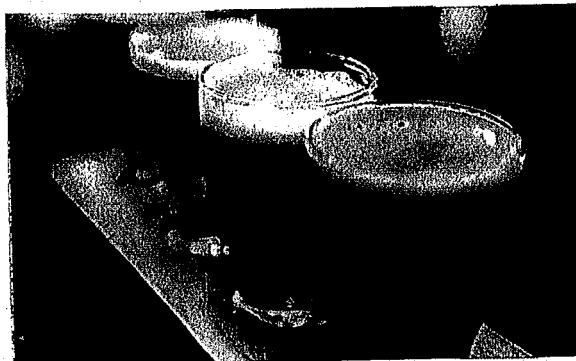
One public facility/accessibility activity was funded in the form of the King Street Pedestrian Walkway. It is expected to be completed in 2016.

One public service activity was funded and is also expected to be completed in 2016. This project is RECAP's Fresh Start Café job training program, which will train at least 35 people per year in food service jobs.

ECONOMIC DEVELOPMENT

Clemson Brewery

The Clemson Brother's Brewery, located at 14-22 Cottage Street, opened the doors to its restaurant/brewery on October 8, 2015. Built in 1860, the site originally served as a manufacturing facility. The first phase of this project included the renovations of 4 apartments and the restaurant/brewery. The second phase was to renovate the remainder of the building for warehousing/distribution purposes.



The restoration of the Clemson Building has helped beautify the area while maintaining its history. The restaurant has an old school feel featuring exposed brick walls and a rustic appearance. The eatery features Americana cuisine, traditional and locally inspired beers, and can accommodate 60 patrons. The bar area also boasts a stylish yet rustic appearance, and features a projection screen for sporting events. The facility is inviting to both beer lovers and fine diners alike. The restaurant portion has already created 9 jobs, which include kitchen, brewery and service staff.

Clemson Brewery Quick Facts:

- ❖ The Clemson Factory building located at 14-22 Cottage Street opened its restaurant/brewery on Oct. 8, 2015
- ❖ 4 apartments were also completed
- ❖ Will promote tourism as a part of "The Brewery Trail"
- ❖ Warehouse/distribution portion of project currently underway
- ❖ The Brewery maintains most of the original factory appearance with a modern twist
- ❖ The restaurant can accommodate 60 patrons at a time; features Americana cuisine
- ❖ Middletown IDA provided a PILOT and sales/mortgage tax exemptions
- ❖ Was awarded \$215,000 in CFA funds for future expansion in 2015

Equilibrium Brewery

Closing on 22-28 Henry Street from the City to Equilibrium occurred on November 6, 2015, with construction commencing immediately after. This project will transform a vacant, former meat packing building into a state-of-the-art craft brewing facility. The project will develop a distribution microbrewery with an emphasis on high quality beer aimed at craft beer enthusiasts. While the concentration will be on beer distribution, there will also be sales on premises through a tasting bar. A future restaurant is part of the design but not included in the project at this stage. Equilibrium's product will satisfy beer consumers' growing desire for flavor, diversity in selection and a unique drinking experience.



Construction is underway to make the necessary updates to the building in order to accommodate their brewing and canning needs. The craft brewing facility will be outfitted with the equipment that allows for each phase of the brewing process, a canning system and conveyor systems to transport raw materials and final products. The total project cost/investment is estimated at \$1.9 million with an anticipated economic impact of \$1.7 million annually for Middletown. The project is estimated to create 17 permanent jobs within the facility and related businesses. It is estimated to create or impact 82 jobs during construction. This prospect came to the City by working closely with the Orange County Partnership.

Equilibrium Brewery will further enhance the entertainment and dining core in the downtown, while promoting local tourism. The project is consistent with the City of Middletown's Business Improvement District's (BID) goals of making the downtown area a more desirable place for people to live, work and play. In addition to acquiring the necessary licensing for brewing, distributing and retail sales, the Brewery will apply for a Farm Brewing License from the State of New York. As a part of Governor Cuomo's TasteNY campaign, this license promotes local farming industry by fostering the consumption of products and ingredients grown in NY State. Equilibrium will work together with local breweries and the local Office of Tourism to develop the region's "Brewery Trail" in order to collaboratively market their operations and draw tourism from outside of the area.

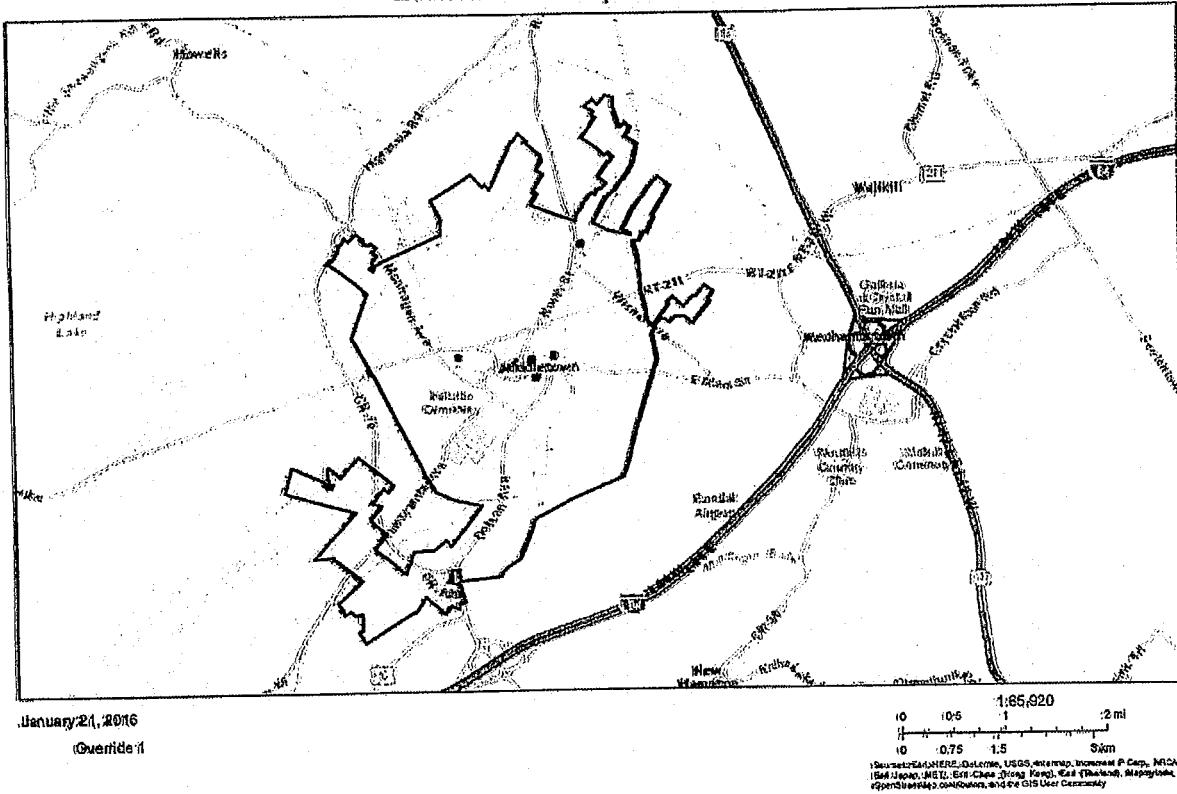
Equilibrium Brewery Quick Facts:

- ❖ Project is located at 22-28 Henry Street, a former meat packing building
- ❖ Project will refurbish the building, creating a state-of-the-art craft brewing facility
- ❖ Facility will concentrate on beer distribution, however, a tasting bar will be available on premises
- ❖ Project will further enhance the entertainment and dining core of the downtown, while promoting local tourism through "The Brewery Trail"
- ❖ The Brewery will apply for a Farm Brewing License from the State of New York, fostering the consumption of products and ingredients grown through the local farming industry
- ❖ Total project cost/investment is estimated at \$1.9 million
- ❖ Anticipated economic impact for Middletown is an estimated \$1.7 million annually
- ❖ An estimated 17 permanent jobs and 82 construction jobs are expected to be created
- ❖ Project awarded \$204,000 in Empire State Development Grants
- ❖ Middletown IDA to provide a PILOT and sales/mortgage tax exemptions

Unisol Indoor Soccer Facility

Unisol Soccer Field, LLC has purchased parcels in the City of Middletown with the hopes of constructing an indoor soccer field and facility. 4-8 Franklin Street, the Mid-Port commercial building on Union Street, and a former gas station at 2 Union Street have been purchased. The proposed project intends to demolish the gas station, constructing a three story building in its place that will connect to the existing warehouse. Included in the plans are an indoor and an outdoor soccer field, a store where soccer and athletic equipment may be purchased, and a health bar that would serve healthy food to patrons. Plans also include to renovate upper floors in the existing buildings for apartments. On November 2, 2015, the City transferred abandoned property adjacent to the proposed project to Unisol with development goals of demolishing the properties to make way for parking for the facility. They are currently moving forward with the Planning Board for approval of their updated plans.

Economic Development - 2015 -



Small Business Loan Program

Doric Vault of the Hudson Valley

Doric Vault of the Hudson Valley is a vault manufacturing company serving the needs of area funeral homes. The company specializes in burial vaults, cremation vaults and memorialization products. They are the only company in the Hudson Valley that manufactures and sells Doric Vaults, a burial need that has seen and will continue to see significant growth.

In 2015, Doric Vault came to us for a Small Business Loan in order to replace the roof at their facility located at 67-73 Hanford Street, a building that until now has been abandoned. Our office also aided Doric in finding the building, which is the perfect size for this new business. A new roof will help increase productivity and allow for the company's growth. In turn, this will help create jobs and ensure the safety of their employees.

Nadala Realty/East & East Corp

Nadala Realty was organized in 1998 and owns real estate located on three parcels in the City of Middletown. They have leased to the gas station and convenience store East & East Corp for the last 16 years.

A small business loan was approved to help renovate the existing convenience store; funds were used to purchase equipment to expand the deli's ability to prepare and serve hot food items.

Fresh Start Café at The Mill

The Fresh Start Café is a job training program under the Regional Economic Community Action Program. As a job readiness program, the café staff prepare recipients of public assistance for work in restaurants. Participants in the program not only learn kitchen skills, they also gain other valuable skills such as team work, conflict resolution, time management, customer service, job searching and interviewing.

The Middletown Café, the second of its kind, operates inside HONOREhg, the homeless shelter in the Middletown Community Campus. The original Fresh Start serves breakfast and lunch at 280 Broadway in Newburgh. A third café is scheduled to open in Middletown's historic Mill Street complex when construction is complete in late spring of 2016. The Mill at Middletown is located in the downtown area and the new café will have seating for the public. There will be a standard breakfast and lunch menu, along with baked goods and the option to cater events. Our office granted RECAP \$50,000 to be applied towards the purchase of equipment for the new cafe.

Request for Concepts/Qualifications Program

The redevelopment of 11-15 King Street & 29-35 North Street

Our office was charged with creating a method to look at the redevelopment of two vacant buildings that have significant history and square footage. Working together with Patterns for Progress, a Request for Concepts/Qualifications was designed. Both 11-15 King Street & 29-35 North Street were built into this RFC/Q. Two proposals were submitted to the City on January 30, 2015. A committee was established as per the RFC/Q to review the proposals and make recommendations to the Common Council of the City as to which proposal would have the most positive economic impact for the City as a whole, and is consistent with other development occurring in the City and the downtown area. The committee recommended and the City accepted the proposal by Vision Properties & Facilities, Inc. The following concepts were proposed and accepted:

29-35 North Street - Tompkins Building

Retail location for specialty businesses. An investment of approximately \$5,000,000.00 will be made to rehab and outfit the building. Numerous jobs to be created and retail to be

reestablished in one of downtown Middletown's iconic buildings. Negotiations and planning is ongoing.

11-15 King Street

A boutique business hotel to be established in this 4 story building. An investment of approximately \$6,000,000.00 will be infused into the property to rehab and establish the hotel. Numerous jobs to be created. Negotiations and planning is ongoing.

Business Attractions/Expansions

- ❖ Da Tang Asian Supermarket - 8-10 East Main Street
- ❖ Doric Vault of the Hudson Valley - 67-73 Hanford Street
- ❖ 43-47 Smith Street Corp - Acquisition and development of the former Lustberg Nash Facility on Smith Street
- ❖ Michelson Studio - 17-39 Midland Avenue- 60,000 sq. ft. movie sound stage facility
- ❖ Fei Tian Fine Arts School - 120,000 sq. ft. accredited media & fine arts college at the former Middletown Psych Center
- ❖ Horton Complex - The facility added 40,000 sq. ft. in an additional 60 dorm units for Touro Medical - a \$2 million investment that created 75 construction jobs for 2015
- ❖ Something Sweet Cafe - Expanded their dining area by enclosing the outdoor patio space

Downtown Development Projects

King Street Pedestrian Walkway

Construction of the King Street Pedestrian Walkway has begun. The Walkway will create a connection between municipal parking and the core of the downtown commercial corridor, and is expected to be completed this spring.

Currently, King Street is an underutilized, narrow, one-way street. There are 56 potential apartments within the buildings along this alleyway. Crawford Manor is a 35 unit apartment building for seniors age 55 and older, and there are an additional 13 units of housing on King Street. 7 more housing units are available on nearby blocks. There are five commercial spaces that also line this alley. Businesses would benefit greatly from the exposure to pedestrians using the walkway to access the business district from the municipal parking, and buildings on the parallel street.

The walkway will include small trees and shrubs, tables, chairs and benches, providing a visually appealing and pedestrian friendly area. Those who live, work or are just visiting the area will be

encouraged to utilize this space for lunch breaks, meeting spots or just a beautiful locale to enjoy. Entertainment on a small scale, art exhibits and other activities will be encouraged to take advantage of this space.

This project aims to attract people to the downtown area, which in turn will stimulate the local economy. A pedestrian only space will encourage people to get out and walk around the area, seeing what downtown has to offer. The walkway would add beauty to the area and greatly improve the quality of life for residents. Lighting will also be included to ensure the walkway is a safe passageway for pedestrians.

This walkway will also encourage people of all socio-economic levels to move into the area. Housing that is within walking distance to retail, banking, transit hubs, restaurants and grocery stores is attractive to lower income households, young professionals and students from both local colleges. For those who currently live in the area and do not have balconies or yards, the walkway will provide a space for them to enjoy the outdoors. The walkway will provide convenience, beauty and a safe path for pedestrians to the downtown area.

King Street Pedestrian Walkway Quick Facts:

- ❖ Construction has begun on the walkway
- ❖ A pedestrian only walkway will transform the underutilized King Street alley
- ❖ Project aims to attract people to the downtown area, stimulating the local business economy
- ❖ Will create a connection between municipal parking and the core of the downtown commercial corridor
- ❖ Plan includes small trees and shrubs, tables, chairs and benches, adding beauty to the area
- ❖ Senator John J. Bonacic has awarded the City \$50,000 in grant funds for the completion of the project through the Dormitory Authority of the State of New York

Woolworth's Building

The City has acquired the property that formerly housed a Woolworth's Department Store with the intention of redeveloping the building and creating more municipal parking. The City has also acquired a vacant lot on 20 Orchard Street, which will be turned into a parking lot. As a unique way to connect pedestrians from the downtown shopping area to these municipal parking spaces, the Woolworth's Building will be partially demolished to create an open pedestrian corridor that will run through the center of the building, with parking spaces behind it.

The new plans for the Woolworth's building include creating 4 business spaces that line either side of the pedestrian corridor. The pedestrian entrance on North Street will lead people through the building to parking immediately behind the building, to spaces along the old Thrall Library, or to the 20 Orchard Street lot. These parking areas will follow along the proposed Heritage Trail and the corridor will act as a part of the Trail. It will also include greenery, lighting and a visually appealing façade that will add to the historic aesthetics of the downtown.

Woolworth's project Quick Facts:

- ❖ In 2014 the City acquired the former Woolworth's building located at 45-53 North Street
- ❖ Project will partially demolish building, create pedestrian corridor and municipal parking
- ❖ Project will bring much needed parking to the downtown, stimulating business and residential growth
- ❖ A visually appealing pedestrian entrance will be on North Street, while the car entrance/exit will open up onto Orchard Street
- ❖ Additional parking will be found along old Thrall Library and 20 Orchard St. lot
- ❖ Money awarded to date:
 - \$250,000 from Assemblywoman Aileen Gunther through NYSED
 - \$120,000 from the Middletown Industrial Expansion Agency
 - \$100,000 from Senator John J. Bonacic through DASNY
 - \$24,000 from the Middletown Industrial Development Agency
- ❖ An application requesting \$125,000 from Senator John J. Bonacic through DASNY is pending

The Woolworth's Project will create more municipal parking and store fronts, allowing for the expansion of existing businesses and the attraction of new ones to the area. The project will promote downtown connectivity as it will tie in with the Heritage Trail. The trail will act as a link between various projects the City is undertaking and Woolworth's is one of them.

The project will be going out to bid in 2016.



Ground Breaking Ceremony on June 24, 2015

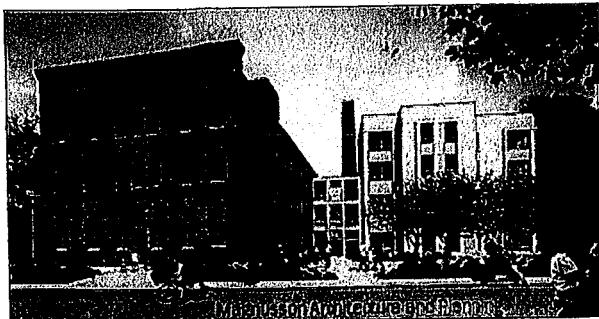
The Mill at Middletown

Construction at the Mill Building (located at the corner of Mill and Harding Street in the City of Middletown) has begun. The Mill Building was built in 1875 and has been used for light industry and retail, such as hat and shoe manufacturing, wood furniture manufacturing and new automobile parts retail. The "Mill at Middletown" project, developed by Excelsior Housing Group and RECAP, includes the rehabilitation of the historic Mill Building (~30,000 sf), renovation of a related outbuilding

into the residents' community building, and the construction of a new four-story addition (~17,180 sf).

The main three-story Mill Building will be converted into residential apartments and a community service facility with tenant storage. The new four-story addition will connect to the Mill Building and will include apartments, a mailroom, a laundry room and an elevator. A landscaped courtyard will connect the new addition to the community room and a play area.

There will be 17 one-bedroom, 22 two-bedroom and 3 three-bedroom units for a total of 42 apartments. The Mill will serve 20 working individuals and families making up to 50% of area median income; 13 apartments will be reserved for homeless individuals and families; 8 Project Based Vouchers will be allocated to the complex and there will be 1 on-site superintendent. Funding sources include Federal Low Income Housing Tax Credits, NYS Housing Trust Fund, NYS Urban Initiatives, Orange County HOME, Federal Home Loan Bank of New York, NYSERDA MPP and the Community Preservation Corporation. The total development cost is approximately \$14.3 million.



Mill at Middletown Quick Facts:

- ❖ Renovation has begun on The Mill Building located on the corner of Mill and Harding Street
- ❖ The building, and a new four story addition, will consist of residential apartments and a community service facility with tenant storage
- ❖ 17 one-bedroom, 22 two-bedroom and 3 three-bedroom apartments will be available
- ❖ 13 apartments will be reserved for homeless individuals and families
- ❖ 8 project based vouchers will be allocated to the complex
- ❖ Total development cost is approximately \$14.3 million

Middletown Industrial Development Agency

- ❖ Equilibrium Brewery -The IDA board approved a payment in lieu of taxes (PILOT) agreement in 2015. These benefits will assist with the transformation of a vacant, former meat packing building into a state-of-the-art craft brewing facility. The project will develop a packaging and distribution microbrewery. There will be also sales on premises through a tasting bar. Additional renovations include a restaurant and limited residential space on the upper floors. The IDA benefits also include sales tax and mortgage exemptions related to the project.

Middletown Community Development Agency

Home Ownership Program

53 Prospect Ave

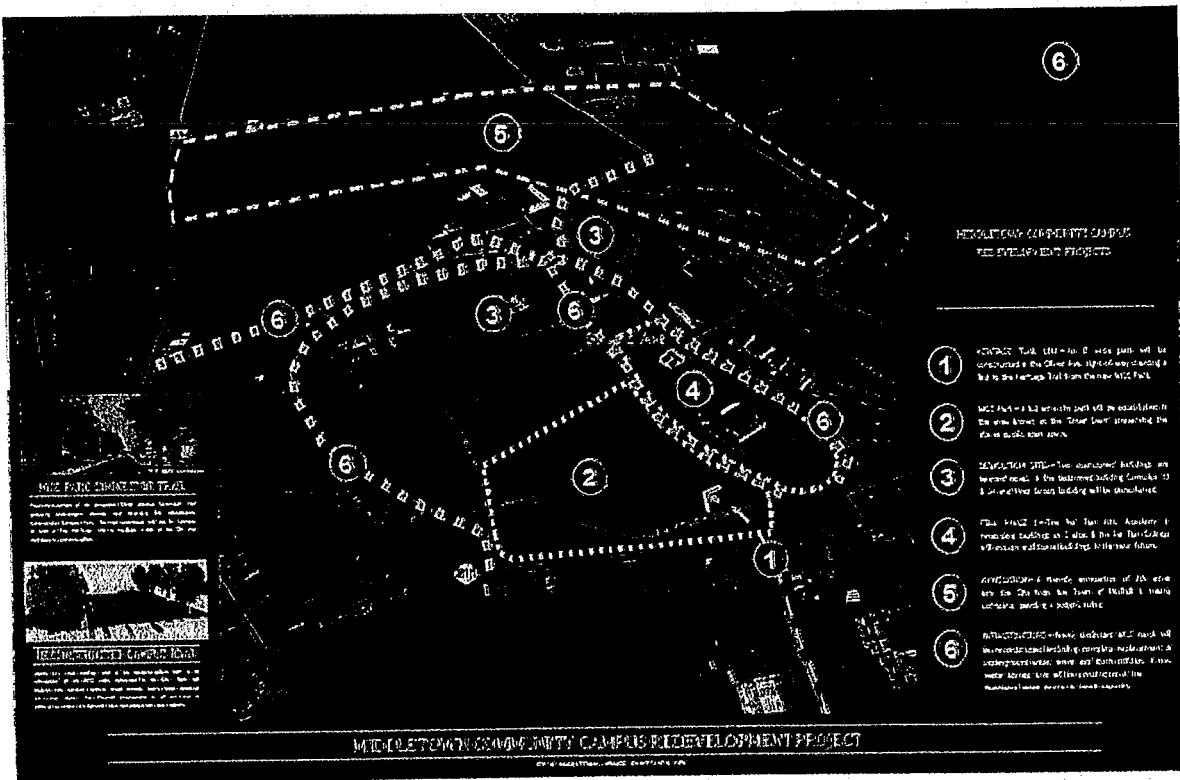
In 2015 work commenced on 53 Prospect Avenue to renovate a vacant two family home and convert it to a single family residence. The CDA partnered with Pathstone, the organization who qualifies eligible households to become home owners through their First Time Homebuyer Program. The property is near completion and a qualified home owner has been chosen.

What is next for the CDA home ownership program?

Instead of renovating one house at a time, we plan to bundle up to 5 houses that will go out to bid at once. Our plan is to streamline the process, as we already have 4 buyers that went through the First Time Homebuyer's Program waiting for houses.

The Middletown Community Campus

The Middletown Community Camus recently received a \$500,000 Infrastructure Planning Grant through the 2015 REDC process. These funds will be applied towards planning and engineering costs for the campus. The City's consultants on the project are currently assembling a revised scope of work to reflect the \$500,000 awarded. The first major project at the Campus is the Fei Tian Fine Arts School, which is currently under construction. Our office has facilitated with finding a location for the school.



Orange County Partnership's MVP Award 2015

The City of Middletown was recognized by the Orange County Partnership with its Most Valuable Partner Award on June 4, 2015 for its excellence in Economic Development. The City was honored for its business attractions and boost towards the local economy.



Cultural & Civic Affairs Department

2015 report

The Cultural and Civic Affairs Department is responsible for developing, promoting and coordinating events that will continue to improve the quality of life throughout the City of Middletown.

This was the 18th season for our summer concert series and it continues to grow each year with the addition of new events and increased attendance. The series consists of 15 weeks of free outdoor concerts held in Festival Square. We try to appeal to a wide variety of ages and cultures, as acts cover a wide range of musical genres including, blues, jazz, classic rock, R&B, 60's & 70's, country, Great American songbook and doo-wop. The average attendance was 350-400 per concert.

We kicked off our annual Stars & Stripes Celebration with 18 time Grammy Award Winner Jimmy Sturr and his Orchestra in Festival Square on Friday, June 26th. We estimated 2,000 people were in attendance. The celebration continued the following week with the Joey Armino & the Family, in "The All American Variety Show". The concerts were a huge success

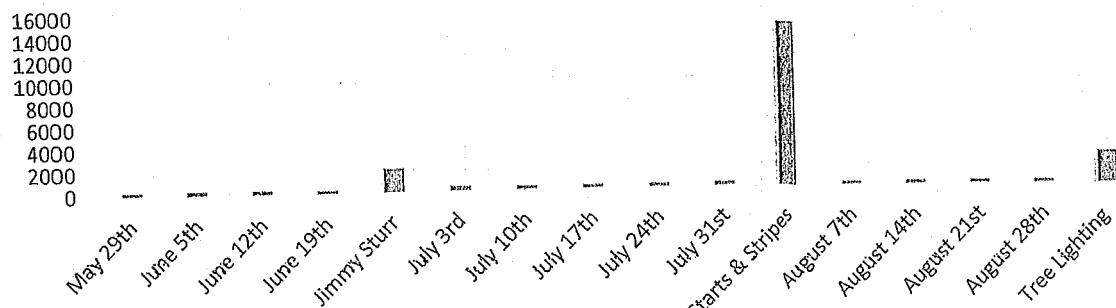
Due to inclement weather the Annual Stars & Stripes Celebration was held on August 4th, at Francher Davidge Park. The evening began with the Night Out Against Crime events.

The fireworks were set off at dusk. Over 15,000 people came out to see the beautiful fireworks display. This was a collaboration of four departments: Cultural Affairs Department, Recreation and Parks Department, Middletown Police Department and the Middletown Fire Department.

The Annual Tree Lighting Ceremony was held on Friday, November 27th. The event started with a parade that began on North Street and ended in Festival Square where the tree was lit. The Maybrook Boy Scout Band, the Marching Middies as well as several local groups marched in the parade. The event was also sponsored by the Business Improvement District. There were approximately 3,000 thousand people who attended.

The Cultural Affairs Department also partnered up with the BID and Recreation on events at the Farmers Market. A free outdoor movie was held downtown in conjunction with the Middletown YMCA and the BID. We also coordinate with the BID for the Thursday night free concerts on North Street, this year.

Cultural & Civic Affairs Department Concert Overview



The Paramount Theatre

2015 Report

The Paramount Theatre is one of the area's finest examples of community support for the restoration of a Downtown Landmark, and for the extensive cultural development of the City and the area. It is a notable cornerstone of Middletown's growing downtown entertainment destinations. Up and coming acts, classical performances, entertainment icons, civic fundraisers, urban gospel theatre, business receptions, patriotic events and nostalgic acts as well as first run, classic and limited release films fill each of our seasons and the memories of our audiences.

This is the third year movies have played at the Paramount, and the number of movies that have played increased again from year two to year three. The films run over the past year include 47 first run and limited release films, as well as 14 classic films and 3 City Sponsored Movies. Genres ranged from Action and Adventure, Comedy, Drama and Romance. Each movie had on average 118 people.

The Paramount saw over 15 live events throughout the past year, as well as the Hoboken International Film Festival. Over fourteen thousand people have attended these events, which varied from comedy, dance recitals, and live concerts. These acts were hosted by various entertainment groups and agencies.

The Paramount Theatre

2015 Report

On average, 2014 Regular Movies made \$828 and had 123 customers per film.

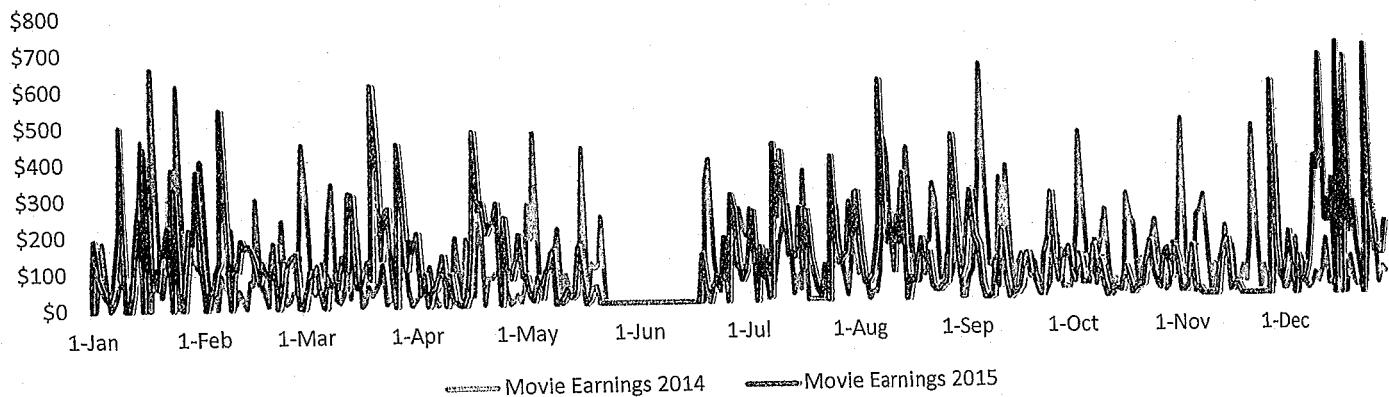
On average, 2015 Regular Movies made \$851 and had 131 customers per film.

VS.

All Movies

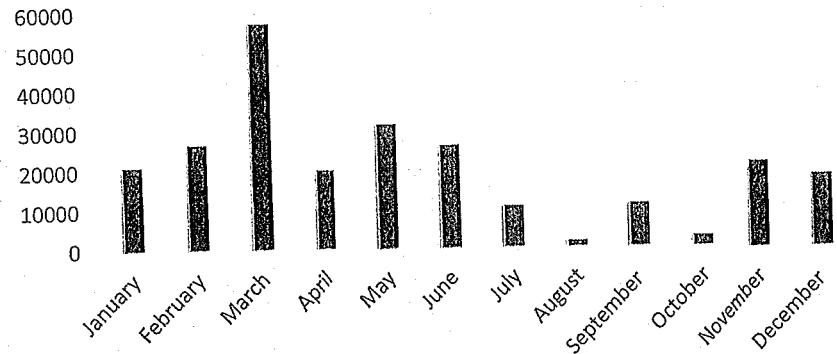
	In 2014	In 2015
Movies Shown	51 Movies	64 Movies
Movie Patrons	6,579 Customers	7,342 Customers
Movie Sales	\$40,162	\$44,150

Movie Earnings



	2014	2015
Paid Attendance	8,525	9,916
Total Sales	\$179,892	\$255,744
Comps	3,221	4,471
Ticket Count	11,750	14,387

2015 Live Show Sales



Live Shows Sales
Increased from 2014
to 2015 by 42%

Live Shows Increased
patronage from 2014
to 2015 by 22%

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MEMORANDUM

To: Mayor Joseph M. DeStefano
From: Richard J. Guertin, Corporation Counsel
Date: February 9, 2016
Re: Corporation Counsel report for 2015

Here is a brief synopsis of the Corporation Counsel activities for 2015.

1. You have a separate report from Assistant Corporation Counsel Alex Smith detailing Code enforcement efforts in City Court which resulted in numerous convictions, fines and judgments to the benefit of the City. That work primarily was generated by Alex, but I also handled those cases from time to time.
2. We continued to provide verbal and written advice to all City departments throughout 2015 when requested, which generally was daily. Both Alex Smith and I also provided advice to the Common Council and its committees and generated a fair number of Council resolutions and local laws during the course of the year. This involved my coordination of resolutions with John Naumchik, the City Clerk/Common Council clerk. It is hard to quantify that type of work, but it is primarily what we do.
3. Our office, in concert with the Treasurer's Office, continued follow-up efforts in the collection of real property taxes owed to the City. At the end of 2015 our office sent out hundreds of letters pursuant to our Charter process of shortening the time period for notification to property owners {and others, such as mortgage holders, who may have an interest in the properties}.that taxes had to be paid or the owner would lose title to the particular property through a tax sale deed from the City. We are continuing to send out those letters, and if properties are not redeemed by deadline for the payment of outstanding taxes, the City will issue deeds to the successful bidders from our most recent tax sale auction, or the City, in some cases, will be issuing deeds to itself for those properties.
4. I worked very closely this past year (many times on a daily basis) with Maria Bruni and the Community Development Office in closing small business loans (such as preparing much of the closing paperwork), dealing with customer issues and working with developers on various projects (such as the Clemson Brewery and the Equilibrium Brewery). Some of that work carried over to IDA involvement, which is not strictly Corporation Counsel work but involves Community Development issues. I also worked with John Degan, Maria and Patti Racine in her office to develop policies and procedures for the Business Improvement District. We also worked together to develop requests for proposals for the former Tompkins building on North Street and the 11-15 King Street property, and we have some exciting prospects for the redevelopment of those buildings which should come to fruition in 2016.

5. In connection with Community Development initiatives, I assisted with the sale and closing of three properties from the City to private developers. One was 41 Smith Street, which was taken by the City through the tax sale process. There was a house on the property that needed to be demolished. We were able to work with the owner of the former factory building next door to sell the property to that developer in exchange for the developer's promise to demolish the structure (saving the City thousands of dollars) and use the land to enhance the redevelopment of the factory building. Another, similar project involved the sale of City-owned property to Unisol Soccer Field LLC, in which the developer agreed to demolish certain dilapidated properties taken by the City at tax sale (again saving the City thousands of dollars) and to use those properties to help develop a downtown soccer complex. The third was the sale of the former warehouse building behind City Hall to Equilibrium Brewery, which will be developed into the second downtown craft beer brewing facility.

6. During 2015, with the support of the Mayor and Common Council, I was able to negotiate the settlement of the litigation challenging the City's ownership of the former Flanagan building located on Midland Avenue, allowing the City to seek proposals for the sale and redevelopment of that building in the heart of the City's industrial area.

7. I was engaged in negotiations during 2015 with attorneys in the County Attorney's office concerning the construction and maintenance of the proposed Heritage Trail extension through the City. Those negotiations are ongoing with the hope that those negotiations will conclude in the near future, allowing construction to commence this year.

8. Our office either directly or through outside counsel handled a number of litigation matters for the City this past year - some new, some ongoing. We also (primarily through Alex Smith) handled a number of certiorari cases and sometimes coordinated that through outside counsel, Paul Goldman. This is typical, year to year work for the office.

9. As you know from last year's report, I worked with Commissioner Tawil and our outside engineering firm (CDM Smith) to construct an Industrial Pretreatment Program in accordance with an Order issued through the U.S. EPA. In 2015 the Common Council approved a local law that completely revamped our Sewer code and also approved the actual Industrial Pretreatment Program, including all licensing procedures. In fall 2015 the EPA generally approved the Program and suggested minor amendments, which just recently were approved by the Common Council. As a City, we have already started implementing the Program for applicable users within the City.

I believe that is a basic summary of the work of our office in 2015. Please let me know if you have any questions.

MEMORANDUM

TO: All Members of the Common Council
FROM: Alex Smith
CC: Mayor DeStefano, Police Chief Bethencourt, Commissioner Tawil
DATE: December 21, 2015
RE: Quarterly Report – City Court code enforcement & traffic summary – 2015 Fourth Quarter

DPW Code Enforcement **Year to Date**

Arraignments	28	303
Convictions	34	237
By plea	33	230
By trial	1	7
Warrants	1	9
Fines	\$13,100	\$63,585
Orders to demolish & priority lien	1	2
Civil Judgments	2	12
- amount	\$37,750	\$1,741,000
Orders to enter, remedy & priority lien	0	5
Orders to condemn & vacate	0	2

Police Code Enforcement

Arraignments	129	589
Convictions	106	500
By plea	106	496
By trial	0	4
Warrants	5	47
Fines	\$6,625	\$35,555
Jail Sentences	0	0
Restitution (to City)	\$550	\$710

Traffic

Arraignments	335	1,309
Convictions	302	1,175
By plea	302	1,170
By trial	0	5
Suspensions of license	72	279
Fines ¹	\$37,245	\$129,725
Jail Sentences	0	0

¹ Includes only those fines allocable to the City – does not include State surcharges.

Department of Public Works
City of Middletown



Department of Public
Works

2015 Annual Report

Department of Public Works

City of Middletown

Jacob S. Tawil, P.E.

Commissioner of Public Works



16 James Street
Middletown, N.Y. 10940
Phone: 845-343-3169
Fax: 845-343-4014

Department of Public Works

2015 Annual Report

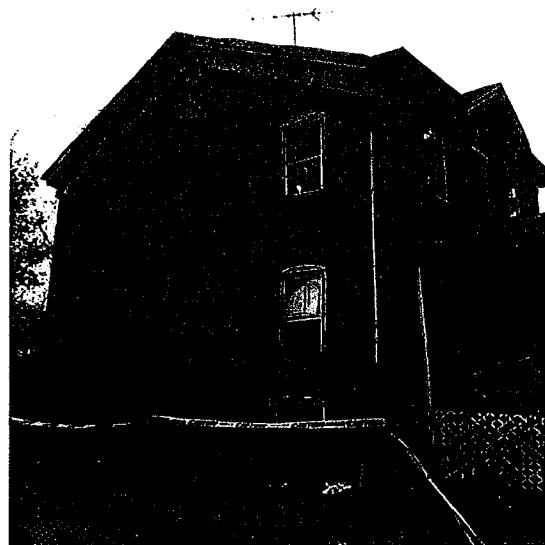
Dear Mayor DeStefano,

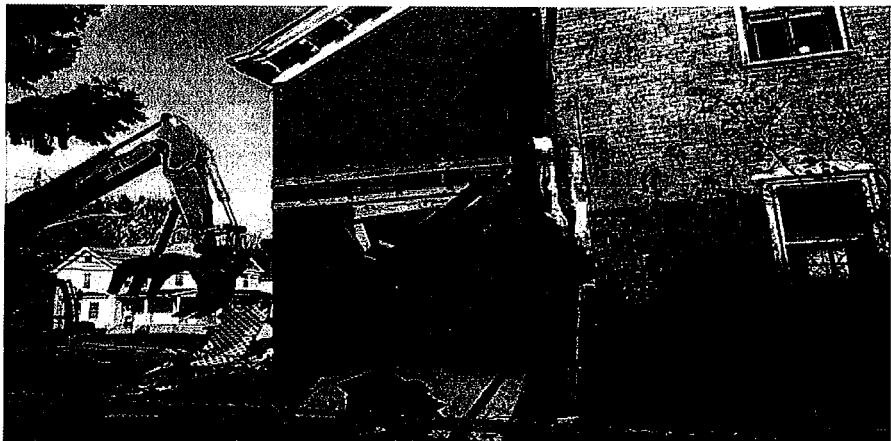
We are happy to submit the 2015 DPW annual Report for your use. The report consists of four parts; three of them are attachments consisting of the Street and Sanitation Department report by Deputy Commissioner Hendrickson, Water and Sewer Department by Deputy Commissioner Christopher Gross, P.E., and Code Enforcement and Building Inspector reports. The fourth section consists of the following:

The Mission of DPW for year 2015, was to continue the Recovery from Tropical Storms Irene and Lee Devastation, Improve Quality of life to our Residents, Continue to Invest and Upgrade city infrastructure to attract businesses and residents, leverage our infrastructure facilities and capabilities to generate revenue from "Out of town" sources to lessen the tax burden on our City tax payers. Continue to build on our success of utilizing Green Renewable Energy sources such as the WWTP Generated Methane Gas to heat Digesters Sludge and Building, by continuing to explore the potential use of Solar Energy-Panels to supplement City's energy needs. Explore the options available to upgrade City owned Buildings high energy demand components, such as HVAC, by utilizing energy savings to pay for the replacement of energy inefficient systems, some of which are few decades old. Continuing to evaluate, improve, streamline and modernize DPW operations, for a more robust and efficient operation.

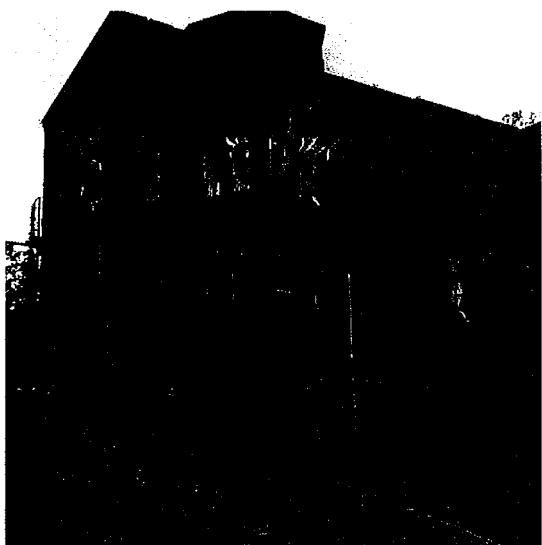
DPW was active in 2015 addressing our responsibilities and obligations in providing safe and pleasant living environment to our residents, with **greater emphasis on addressing quality of life issues**. This is accomplished by globally integrating all of DPW's different departments to achieve these goals, with the following results:

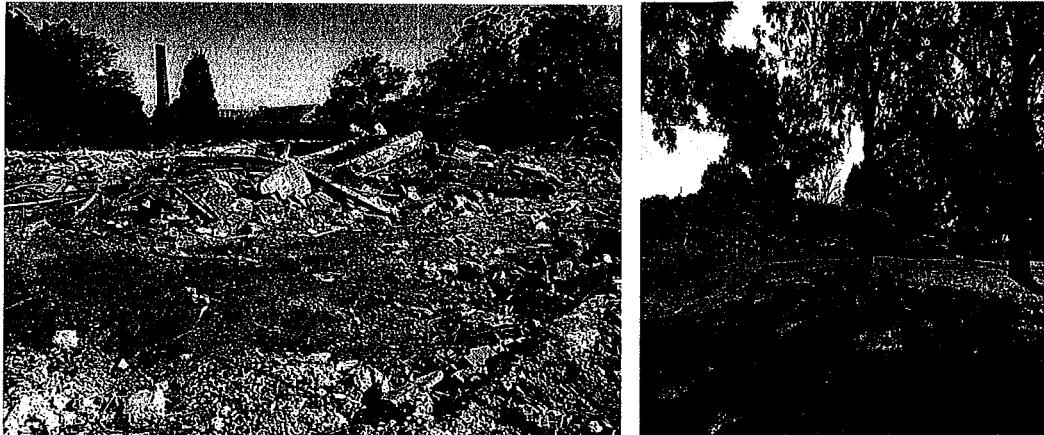
- **Code Enforcement Department:**
- A new Code Enforcement Official, hired in 2014, has completed his certification in February 2015 and was assigned Rental permits for owner occupied two family dwellings. Department conducted **1,121 quality of life related inspections and issued related violations**, which included property maintenance, garbage and litter, high grass and weeds, snow shoveling of sidewalks, off-street parking..., Inspected **approximately 4,865 rental units**, had approximately **444 court cases**, executed **20 search warrants**, and **Condemned 38 units**. Fines and Court judgments were in excess of **\$1,347,000**.
- Building Inspector has generated a total of **\$466,546.00** in buildings and other permits fees, including \$20,740.00 in Plumbing Permits/activities.





(Several DPW Departments participated in eliminating this Eyesore: Code Enforcement and Building Department, Water and Sewer Departments, Street & Sanitation Departments.)



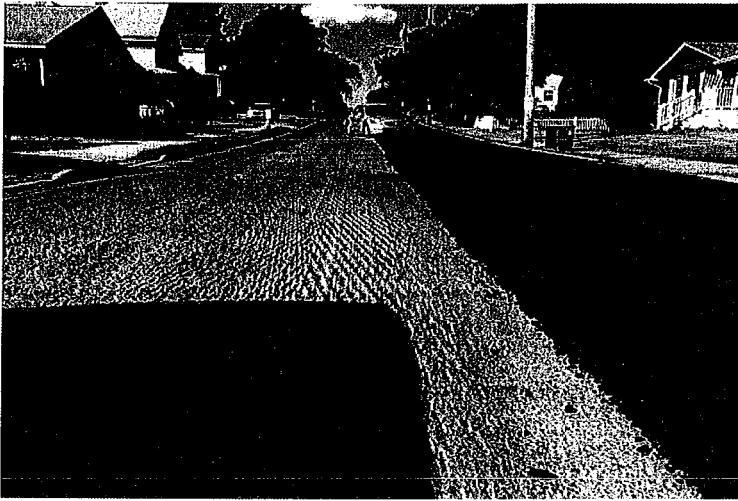


(Psychiatric Center main building fire and its subsequent demolition)

- **Street Department:**

- In its contribution to improving quality of life, the Street Department is continuing in milling and repaving our streets, starting with the main roads and branching into the secondary ones. Last year we **milled and re-paved approximately 4.77 miles of City roads**, including sections of or entire Grand Ave, Irwin Ave, Wisner Ave, Rodman St, Sprague Ave, Sproat St, Cottage St, East Conkling Ave, Woodlawn Ave, Gardner Ave, Horton Ave, Pilgrims Place, Brewster Dr, Standish Dr, Allerton Ave, and Winthrop Ave. Town of Wallkill worked closely with our paving program so that all roads that overlap two municipal lines are milled and repaved in their entirety.





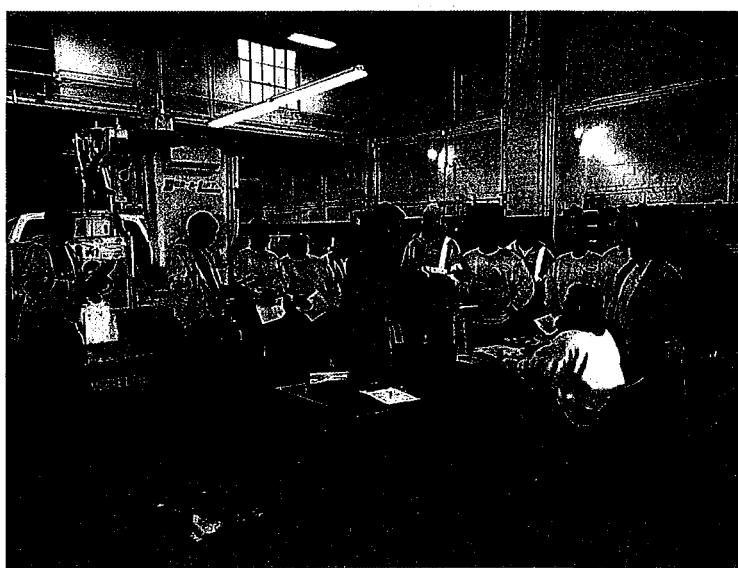
(Milling & Paving done on Horton Avenue by the Street Department)

- During Spring Clean-up, April 13 - May 8, we collected **470 Tons** of otherwise would have been junk, most of which would have collected in residents garages or back yard, adversely affecting quality of life and potentially compromising fire safety. This is an increase of over **5%** over last year's quantity.
- We are continuing Leaf Pick up and our Composting Operation in anticipation of giving the composting product free of charge to City residents. Entire City was picked up 4 times from November 3rd to December 12th.
- We continue to utilize two Street Sweepers to keep our City streets and parking lots clean. City streets are swept once per month and the BID district is swept 3 times per week, weather permitting. Street sweepings collected totaled **887 Cubic Yards**.
- We continue to respond to all kinds of weather related events such as Ice or Snow storms and remain as an example to the region on how clear and safe

the City of Middletown Streets are after a snow storm event. Total number of snow, Ice and Freezing events were 23 for the year, using a total of 5,739 tons of salt.



(Snow removal by the Street Department in February of 2015)



(Street Department being certified on the use of the new Bucket Truck)

Sanitation Department:

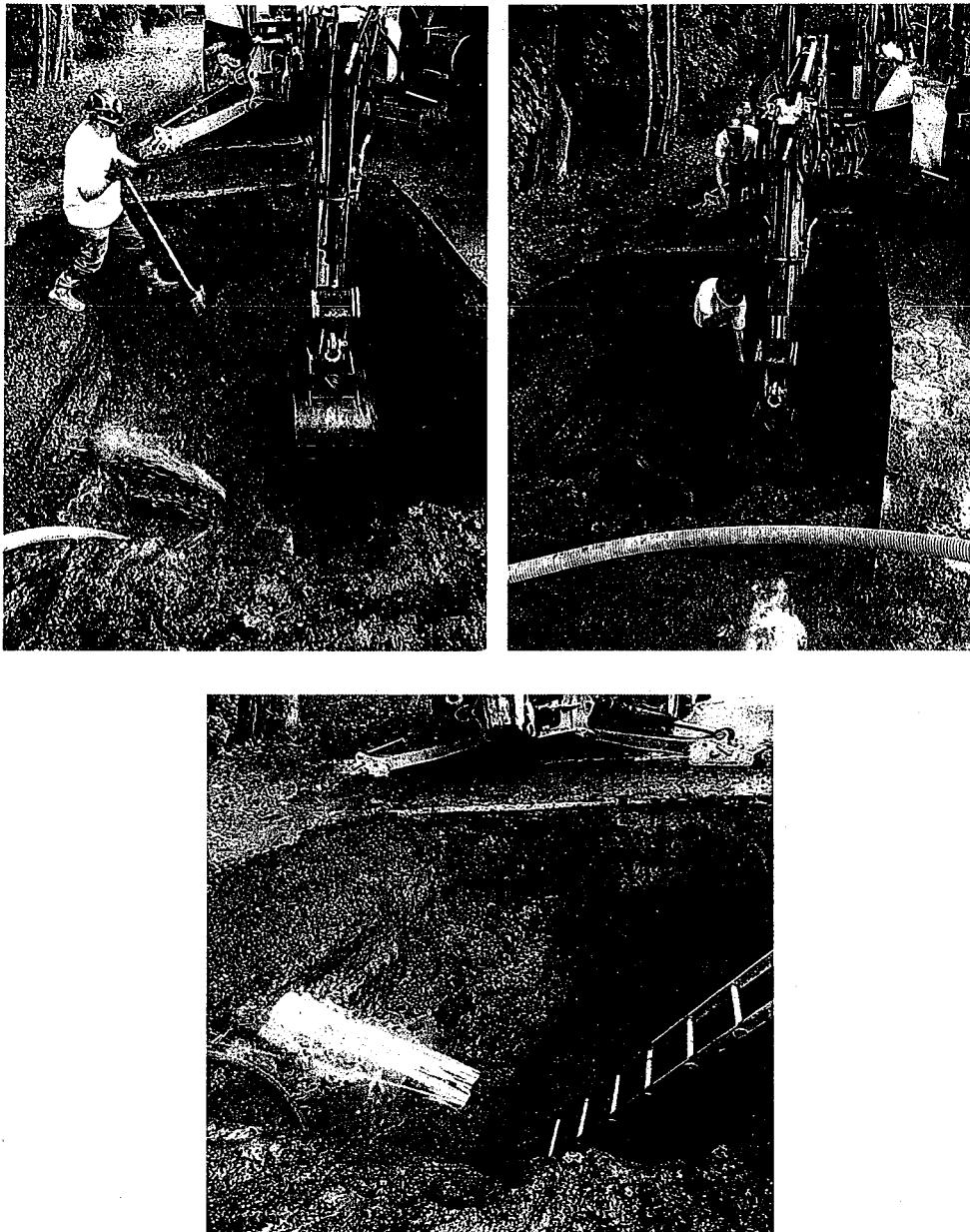
Total Municipal Solid Waste (MSW) collected was **11,922.58 Tons** in 2015 a **decrease of 3.3%** over MSW collected in 2014 due to more streamlined methods of generated waste disposal.

- We continue to **encourage recycling** as the “environmentally responsible thing to do with our waste”, as it provides for “renewable resources” and minimize of the use of landfill space and **disposal cost**. Last year total **single-stream recyclables was 813 Tons** (consisting of 560 Tons picked up curbside and 253 Tons from Recycle Center), *an increase of 3.3% over the previous year*. We along with the Mayor, Common Council and its Recycling Committee Chairman, Alderman Jude Jean-François are doing more education and outreach to ensure much higher participation from the public in this extremely important Recycling program. We may need to consider Recycling enforcement as a last resort.



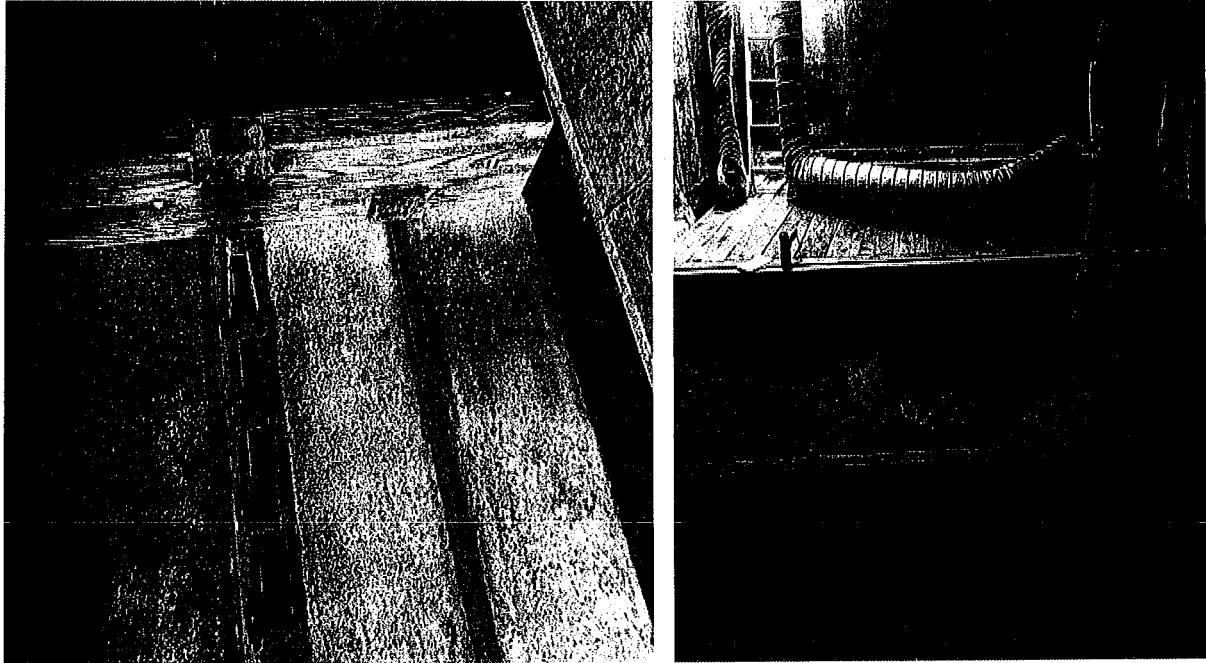
(Sanitation Department)

- **Water and Sewer Departments:**
- Our Water Department has responded to **20** Water Main Breaks, 7 less breaks than the previous year.



(Water Main Break on Fairlawn Ave.)

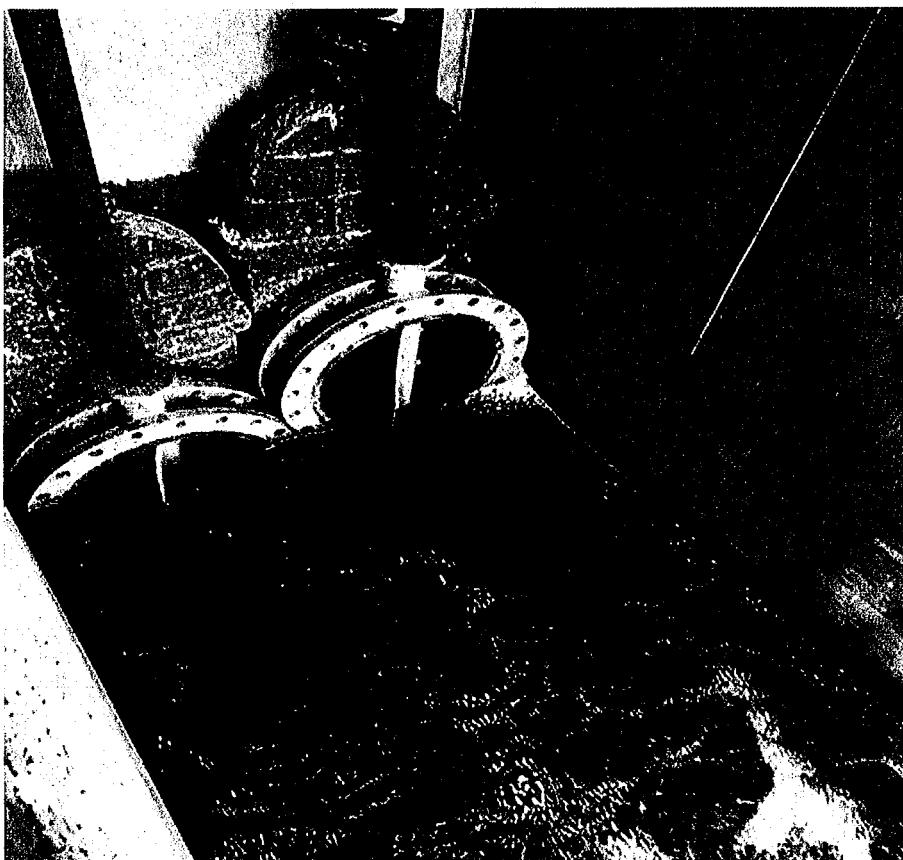
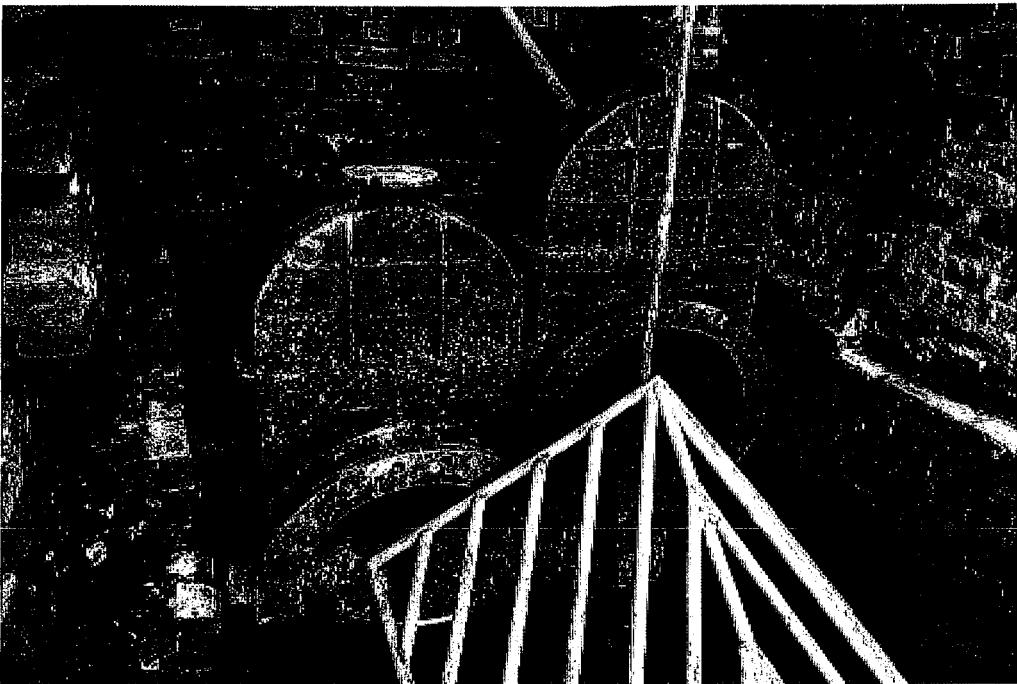
- Our Water Treatment Plant has treated **894,753,000 gallons**, while our Wastewater Treatment Plant has treated **1.68 Billion gallons** of Wastewater in 2015.



(Continuing to invest in our Infrastructure, including implementation of preventative maintenance and inspections to maximize the usable life of Newly Constructed Water Treatment Facility)

As we continue to invest in the City's aboveground infrastructure, we are also concentrating on our infrastructure that is not readily visible:

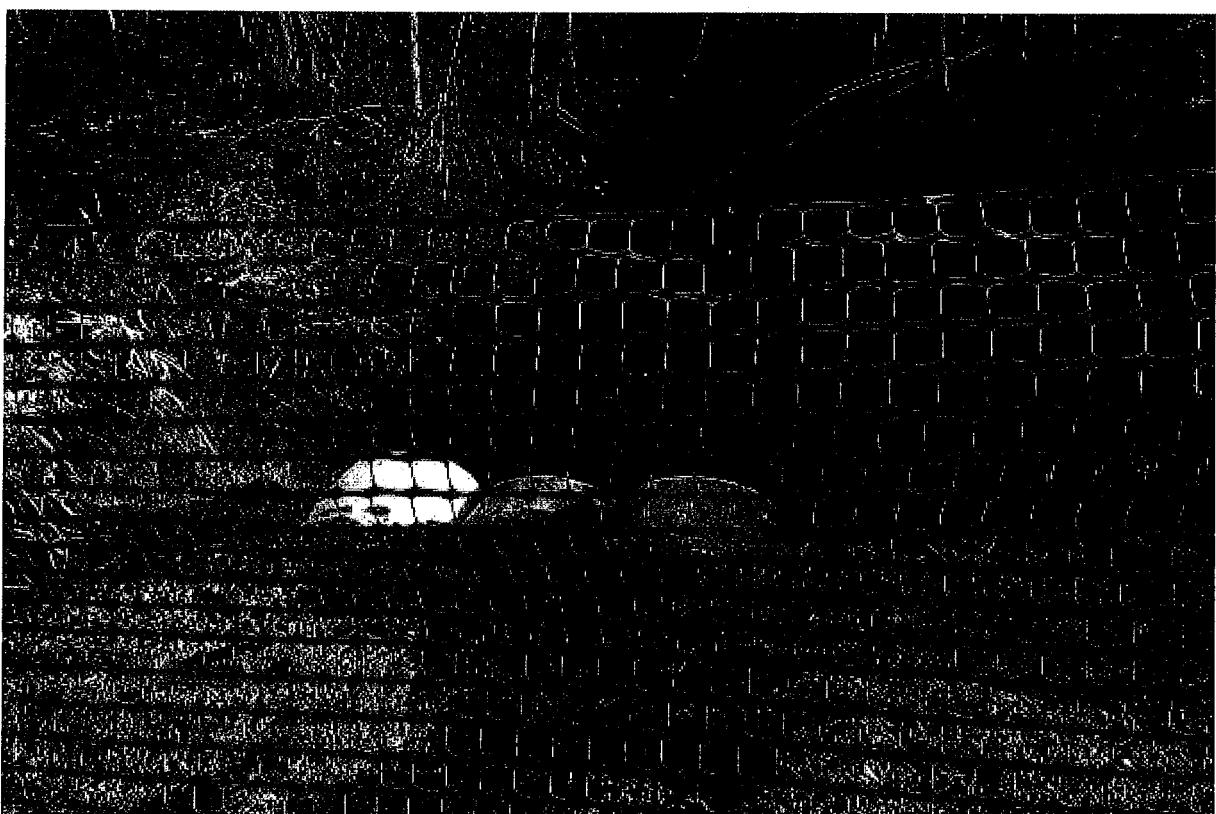
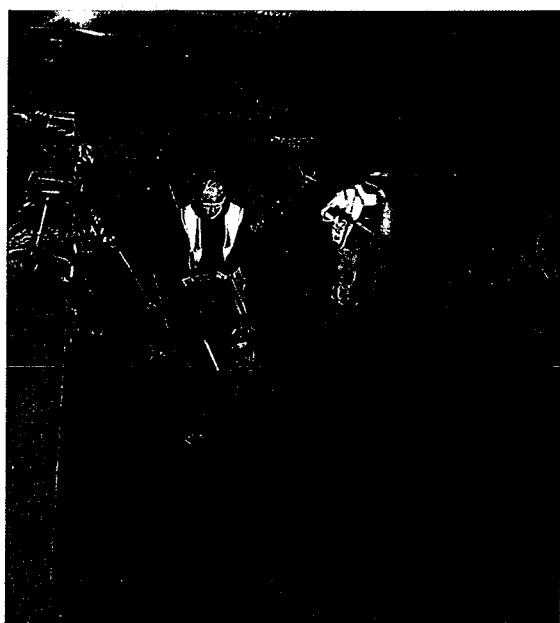
- Our Water and Sewer Department has done several Water System Improvements projects in-house, saving the City thousands of Dollars. Projects included:
 1. Reconstruction of Kinch Dam Gate House. Work included installing two new 24" Butterfly valves, New Bar screen and reinforced concrete interior enclosure of the gate house. Concrete work was contracted to Boyce Excavation.

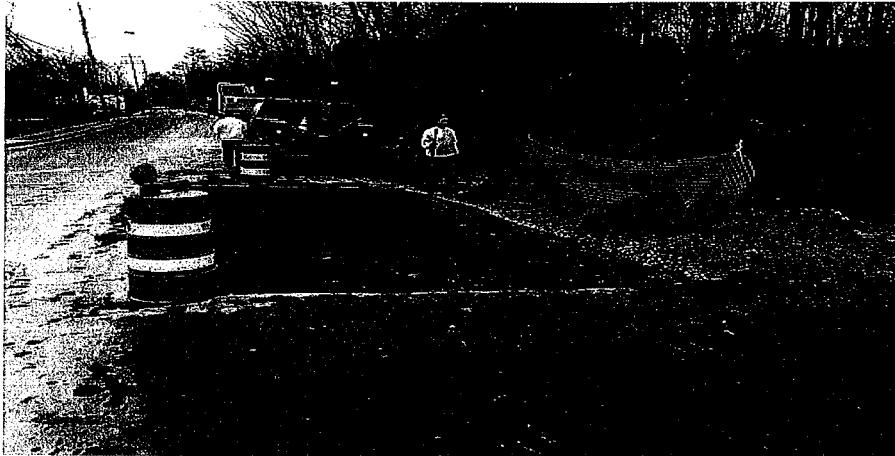




(Kinch Dam Gate House Reconstruction & Valve Replacement)

2. Replacing sections of old corroded elliptical CMP storm water triple culverts with new RCP elliptical culverts on Genung St, approximately 70 feet.



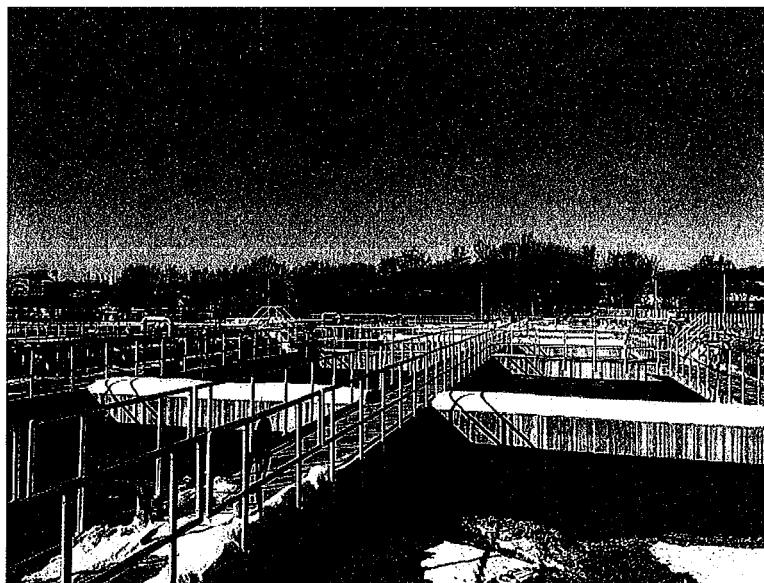


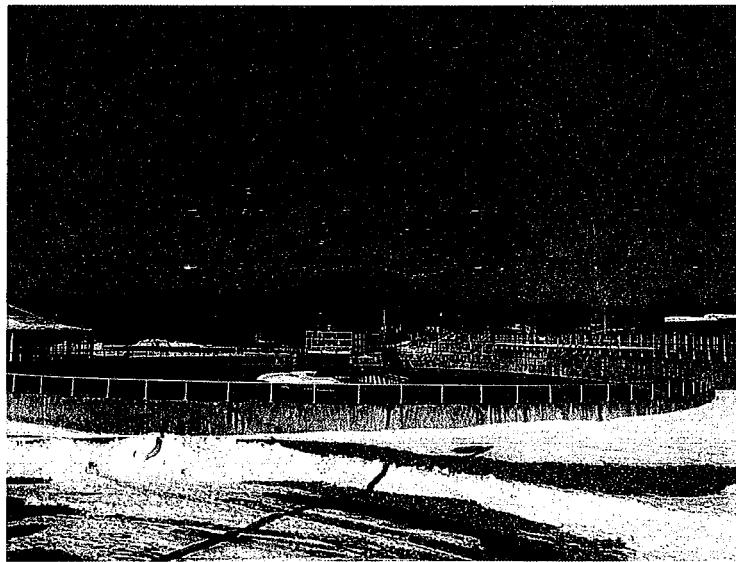
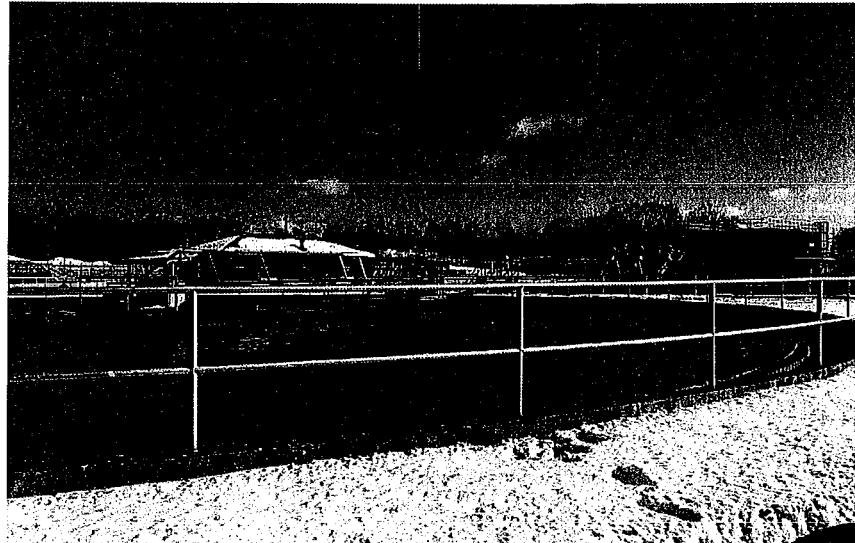
(Genung St. collapsed culvert replacement December 2015)

3. Completed the Construction of a new 8" Water Main on Willow Street by transferring residents' water services from old main to new one.
4. Replace sections of collapsed sanitary sewer lines at Wisner Ave, Harding St...

Utilize City Infrastructure to Generate Revenue to help our tax payers:

- DPW Wastewater Treatment Plant (WWTP) has generated \$444,773 in revenue by accepting Septage from Septage Haulers from outside the city. This represents an increase in revenue of \$121,163 over previous year.





(A cornerstone of shining City infrastructure)

- City has finalized agreements with CPV, Gas fired Electric Power Generation Plant in the Town on Wawayanda, for the Purchase of the City Wastewater Treatment Plant effluent and returning the process water to same. City expects to generate revenue of \$500,000 annually from sale of said services, once the plant is operational. This project is a great example for not only **shared municipal services**, but also a great **Water Conservation Project**, which preserve ground water aquifer by utilizing City Treated wastewater for CPV's generator's cooling needs.

Flood Mitigation Projects and FEMA Related Assistance:

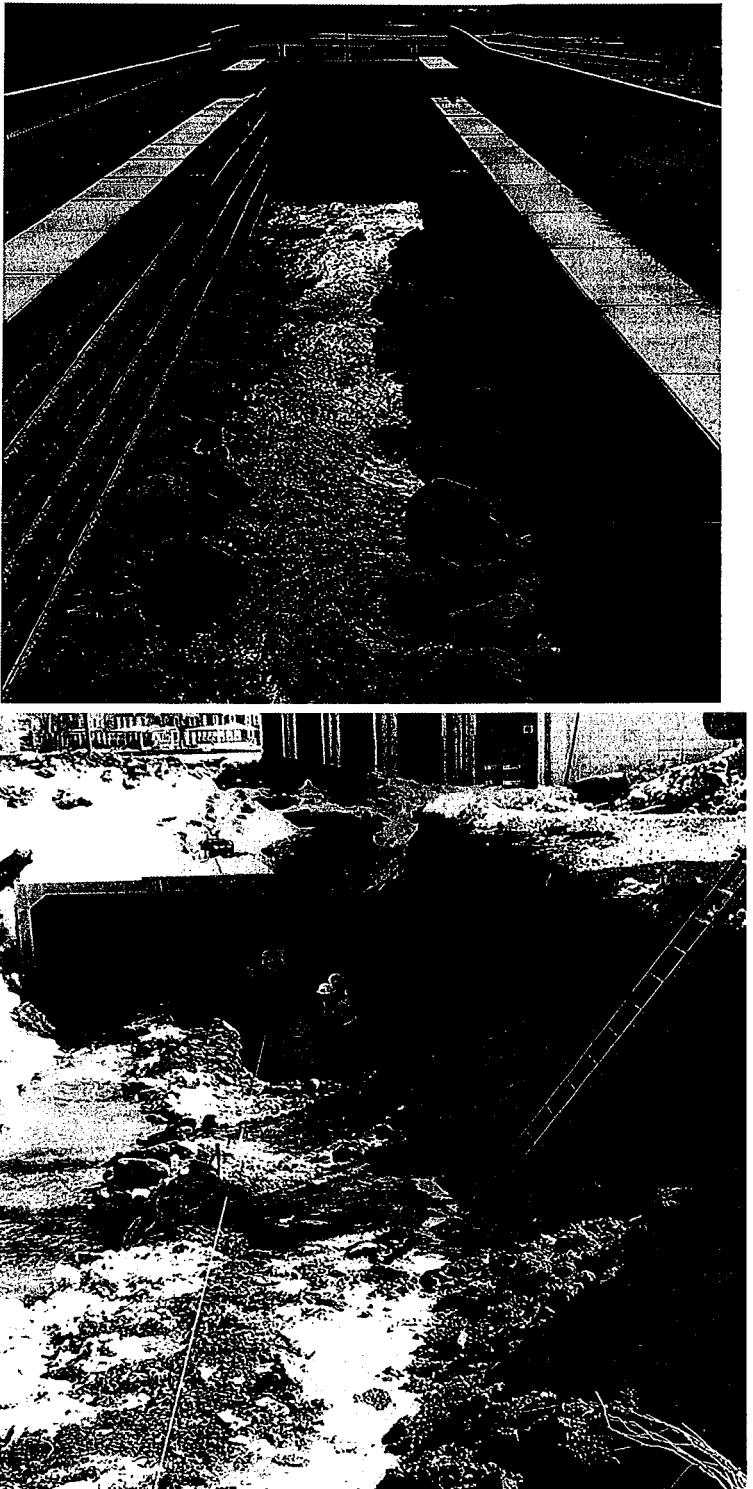
(Due to the multi-year nature of work in this subsection, related excerpts from last year's annual report are used with updates provided for active projects)

- City of Middletown (during Tropical Storms Irene and Lee August 2011) was dealt a severe blow to its Drainage/Stormwater Collection System. Roads, Culverts and Critical infrastructure facility, such as the Water and Sewer Department Garage, as well as our DPW Street and Sanitation facilities yard were severely impacted and with some sustaining major damage that lasted for few years. DPW has invested significant time and resources since then to inspect the above ground and underground facilities for structural integrity and safety, temporarily relocating Water and Sewer Department Facilities, AND deal with FEMA's complicated claim filing and required documentations.

City is still dealing with FEMA to maximize the grants required to repair and upgrade and have a more resilient City Stormsewer System in order to protect our City and its residents from future flooding and/or minimize the adverse impact of the more frequently occurring "mega storms":

Some City of Middletown related to re-build our Stormsewer System, as follows:

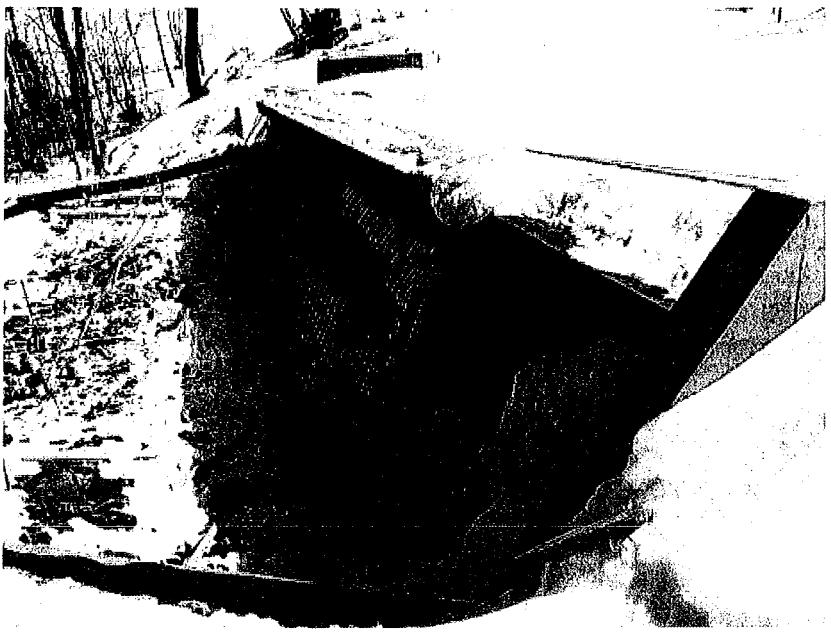
- **Two Irene Damaged, partially funded FEMA, Capital projects have been completing: Co Rt 78/N. Aspen Flood Diversion Wall and appurtenances, and East Ave/Fulton St Culvert Reconstruction/Improvement Project,** totaling approximately \$400,000, with FEMA funding totaling approximately \$82,000. The project construction was completed. The Flood Diversion Wall can now, once again, protect the Aspen Development from future significant storm events, but not from all storms...
- **FEMA has awarded the City \$3,000,000 for the repair of the Monhagen Drainageway culverts and banks.** This work included 3 projects; one of them included the huge crater that existed in the Street Department yard off Monhagen Ave. Public Bids were awarded for this construction work in the amount of \$1,537,500. Two of the projects were completed in 2015, and third one is 98% complete.

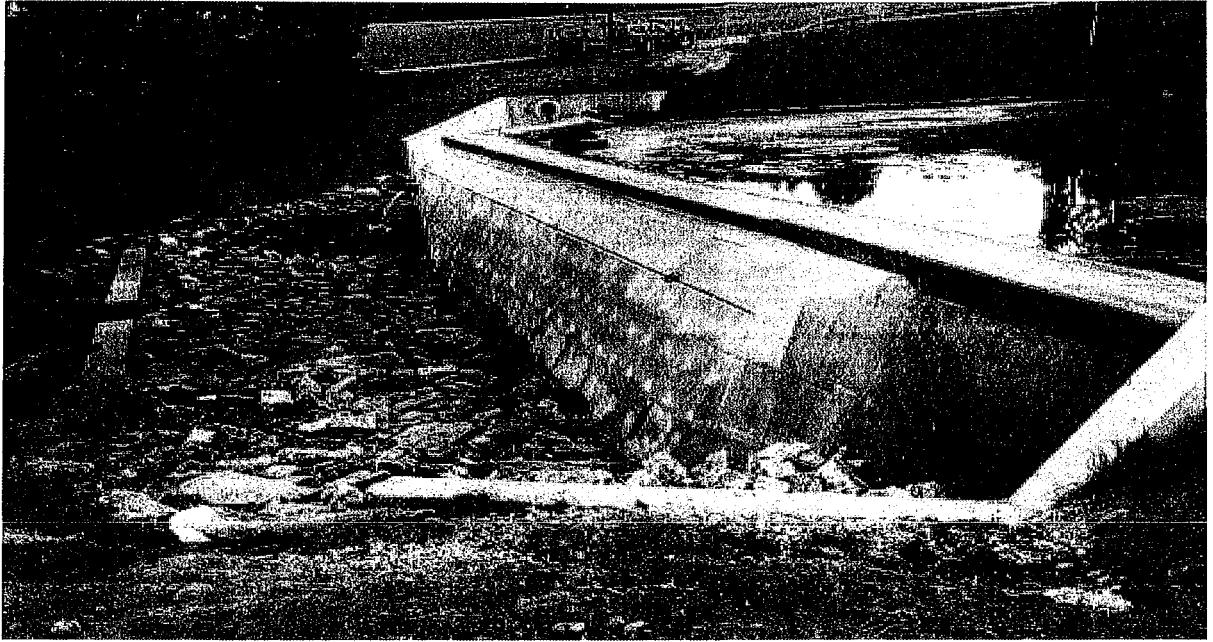




(2011 Hurricane Irene damaged City DPW Facility finally being repaired)

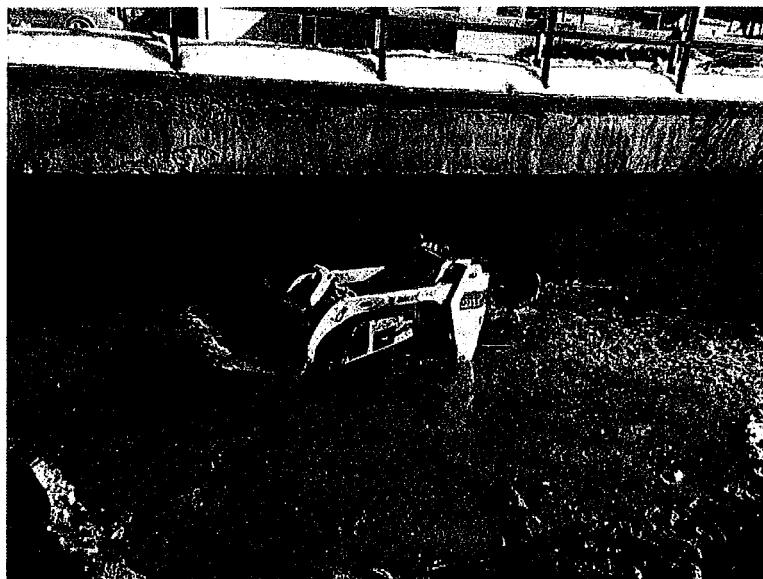
- **FEMA** has awarded the City approximately **\$350,000 for the repair of Mill Pond Dam.** City's application to amend the scope of work, and provide for a more robust Dam, was approved by FEMA. Project was bid and Contract has been awarded to Boyce Excavation. The project construction was 99% completed in 2015.

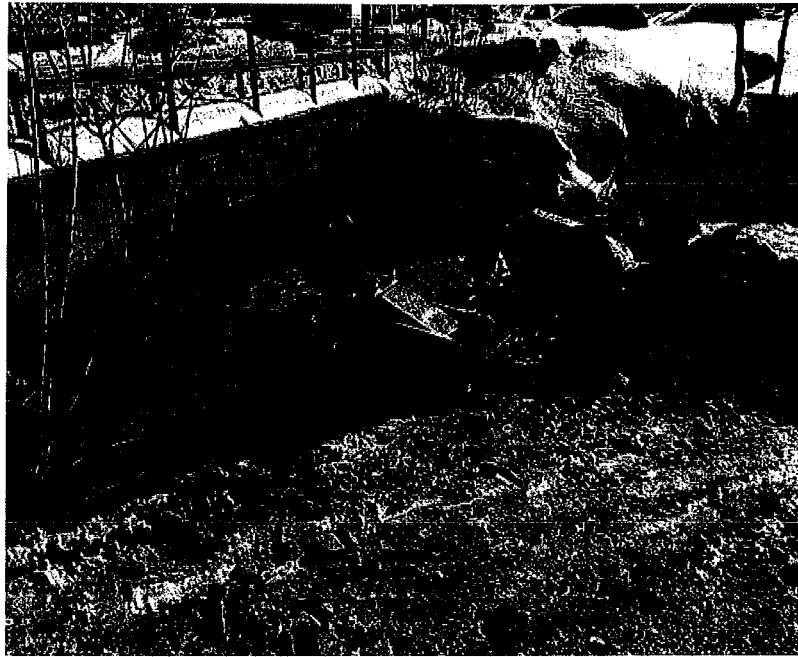




(Mill Pond Dam construction)

- **FEMA** has awarded the City approximately **\$74,000 for the dredging of the Monhagen Drainageway from Academy Ave to Genung St** and few hundred feet into the open stream bed. Public Bid was awarded in the approximate amount of **\$227,000**. City's request to FEMA to increase the amount of approved funding was partially accepted. Construction/dredging work has been completed in 2015.





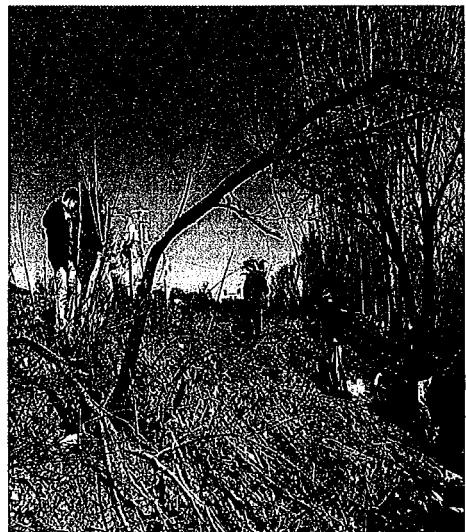
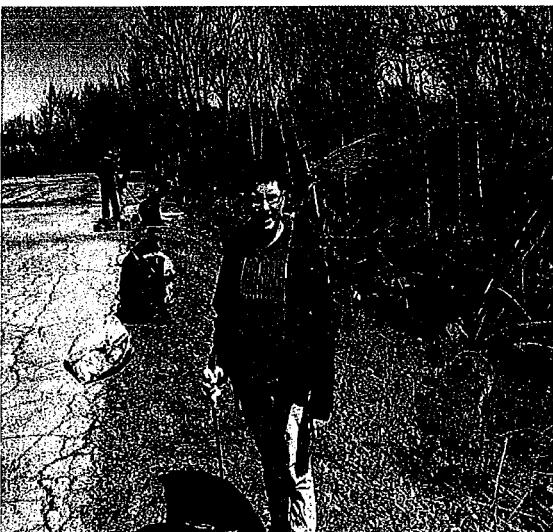
(Hurricane Irene sediment removal from the Monhagen Drainageway project with contractor specialty equipment)

Grants Applications, Awards and Updates:

- City has applied from FEMA for **Hazard Mitigation Grants** in the amount over \$27,000,000. These projects include, but not limited to, **Maple Ave/Maple Hill Park Drainage improvements, Removal of Piers from**

the Monhagen Drainageway Culvert, Black Dirt Sewer Line, W. Main Street Drainageway Site improvement, Shawangunk Reservoir Dams Improvement, Monhagen Lake Dams Improvements, Highland Lake Dams Improvements... and Monhagen Drainageway Watershed Flood Mitigation Project. Some of the projects/grants were submitted through NYSSRF. In 2015, and so far City has been awarded:

- Sterling St Sewer Impr. Phase II was **awarded \$150,000.**
- Black Dirt/Chorly School Sewer Project, at cost estimate of **\$3.5 Million**, has qualified NYSRF **low interest loan**. Project is being submitted for NYSRF Round 2 funding in the hope to qualify for Hardship grant.
- Two potable Water Storage Tanks, Mountain Ave and WTP, **\$5.5 Million** grant applications were not approved and are moved to round 2, were we are very hopeful of award.
- **Maple Ave/Park and W. Main St Drainageway Improvement** projects grant applications were not approved, and are now **re-submitted for different source of funding.**
- All referenced Dams Hazard Mitigation grants applications were not approved.
- Remainder of referenced Drainageway and Culverts Improvements-Flood Mitigation Projects grant applications were not approved.





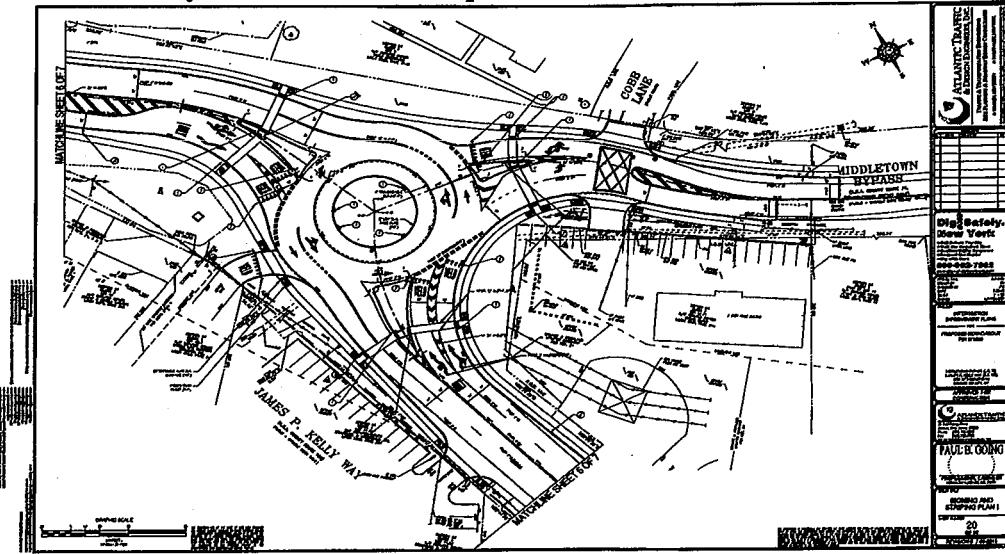
(Volunteers cleaning Monhagen Brook, sponsored by OC Soil Conservation, DEC and City of Middletown 4/2015)

Orange County Transportation Council, OCTC, Project/Grants:

City of Middletown through the Mayor is a permanent voting member of OCTC where Federal funding for transit related projects are discussed and targeted for funding, normally at 80% - 20% local matching fund. We have been advancing the following Transit related projects, as follows:

I. City acting as Lead Agency/Project Sponsor:

- **Proposed Roundabout, JPK Way and Co. Rt. 78.** Estimated cost is **\$1.4 Million**. Roundabout is being constructed to provide for safer more efficient intersection with traffic calming mechanisms to minimize speeding issues, as well as being a **green infrastructure**. Project preliminary design has been approved by Federal Hwy Admin and NYSDOT in 2015 with final design plans and specifications being finalized in early 2016, with anticipated Construction date in late 2016.



(Final design for the Roundabout on James P. Kelly Way)

- **Traffic Operation Improvements**, through major City Street – Dolson Ave, Academy Ave, Fulton St, Monhagen Ave, W. Main St, Wickham Ave, North St, Wawayanda Ave and E. Main St. Project **Estimated Cost is \$7.5 Million**, and will include upgrading Traffic Lights, incorporating ADA signalized Pedestrian Crossing, ADA sidewalks ramps and roads reconstruction/paving. Project has been initiated in 2015 and design team is expected to be selected in 2016.

II. County Departments acting as Lead Agency/Project Sponsor:

- **Heritage Trail, Segment Phase II**, from Hartley Rd to E. Main St. The County Parks Department is the lead agency and we just recently voted in OCTC to increase the project funding to **\$6.793 Million**. We have been working on and supporting this project for many years providing

technical, field and background support. We are currently working with City Corporation Counsel and County attorney's offices on finalizing Trail agreement with county as most of this segment 2 will be constructed on City owned property. County anticipates construction starting in 2016.

- **Middletown Transportation Center:** We have been working with County Planning Department, then project lead agency, for number of years to develop this extremely important project, which will establish a new modern Bus Station and parking facilities for Coach USA and Mid City Transit use. This project has been recently taken over by Coach USA for expeditious design and construction. We are actively working with City Corporation Counsel office and Coach Attorneys to establish legal agreements for the use and long term maintenance of the facility, most of which will be constructed on City Owned property. Project estimated cost is **\$2.0 Million, which will be funded by Coach USA with reimbursement through NYSDOT.** Project is planned to be presented by Coach USA Engineers to City Planning Board Spring 2016.

Shared Municipal Services Grants and awards:

(Due to the multi-year nature of work in this subsection, related to this excerpts from last year's annual report are used with updates provided for active projects)

This Mayor, City government and this DPW Commissioner believe very strongly in Shared Municipal Services, when possible and it makes good economic sense, where it can save scarce tax payers funds and possibly enhance our ability to obtain State or federal grants to fund such projects. Examples:

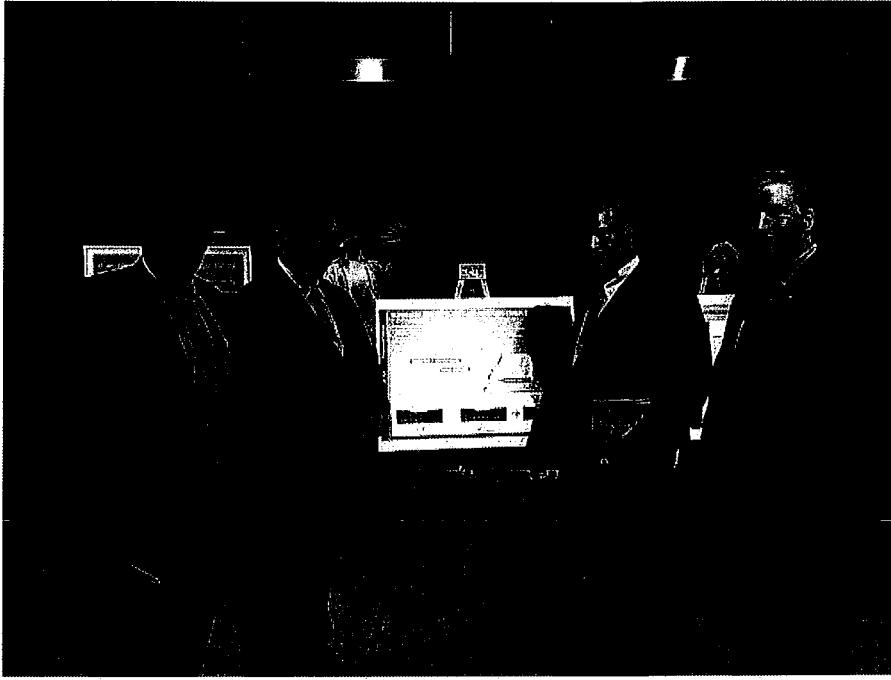
- Cities of Middletown and Port Jervis have successfully obtained grant from the State in the approximate amount of \$500,000, with 20% local match, for sharing a Sewer Vac Truck, Sewer Cleaning Jet and underground Inspection Camera System. The equipment has been successfully utilized by our both municipalities without any issues, saving both municipalities hundreds of thousands of dollars.
- City of Middletown and Town of Wallkill have successfully obtained a grant from FEMA in the amount of \$100,000, with 20% local match, for the development of Natural Hazards Mitigation Plan. Said plan was

submitted to FEMA for review and comments in September 2013. FEMA has approved and endorsed the plan.

- It should be noted that out of the \$27 Million grants requests mentioned above, almost \$14 Million are for projects to construct Stormwater Detention Ponds in the Town of Wallkill or the City of Middletown in order to minimize Storms peak flows so that existing Monhagen Drainageway Culverts, already constructed in the City can handle larger Storm Events. Areas of the project study are Pilgrims Estate, Cottage Street & Wisner Ave, and Industrial Place. While most of the said projects grants funding request were rejected under Hazard Mitigation Grants in 2015, we will continue to apply for grants funding when available.

New York Rising \$3 Million Grant:

City was awarded \$3 Million NY Rising Grant in 2013 by Governor Cuomo. City has worked very closely with the State of NY to comply with the grant conditions. Mayor has appointed six member panel, approved by the Governor's office, consisting of City residents that were tasked to work with NYS Department of State Planners and its Consultants, TERA Tech, to investigate Drainage related issues as well as economic development goals. NYS and Committee have concluded their investigative work and have produced a final report in early 2015. DPW appreciates all the hard work and dedication of the local residents as volunteers on the NY Rising Committee. We have completed the grant application and the scope of work, had it approved by Governor's office and put out an RFQ for qualified design firms. Design firms/Consultants will be selected in early 2016.



(City Officials and Community Volunteers Receiving Additional NY Rising Funding from Governor's Office, NYC June 2015)

SSES - Inflow & Infiltration & WWTP:

- DPW just obtained a \$30,000 Grant from the State for the Update of the 2003 SSES Study. We are hoping that this study will be able to pin point location of Inflow and Infiltration into our City Wastewater Collection System, in-light of completion of the construction of the Sterling Street Sewer Line, and the continuing significant increase in sewer flows to City Wastewater Treatment Plant during storm events. Work was completed and is being reviewed prior to submission to DEC. DEC has approved the report late 2015.
- City DPW continues to work with EPA and its consultant and Corporation Counsel Office to meet the milestones of the Administrative Order and the develop Industrial Waste Pre-Treatment Plan and Ordinance to protect the City and the environment from potential adverse industrial waste discharges into the City collection system. The program implementation is well on its way with site visits conducted in 2015, as well as Permits being issued.

Other DPW Projects-Activities

- We have been working on an **Energy Performance Contract** to evaluate all City Owned Assets, Buildings and facilities for energy efficiency. We have worked closely with City Consultant ECG and RFQ selected Contractor ESG in identify assets that can be upgraded or replaced so that the energy saving over the 18 years project life will pay for the initial capital and interest on borrowed funding, and generate positive cash flow to help other City operations. The Financial Grade Audit has been completed in late 2015. Construction Contract signing and work are planned for 2016, with total project cost estimated at **\$12 million**.
- DPW is working on new Wastewater Sewer Line Upgrade project from Grant Street to Sterling Street, utilizing Pipe Bursting technology in order to minimize disturbance to resident's backyards, where the sewer line currently constructed. Project has been approved by NYS EFC and DEC in late 2015. Construction is planned for 2016.
- DPW is working on a new Wastewater Sewer line project in the "Black Dirt Area" from the New Elementary school to Monhagen Ave, with estimated cost of \$3.5 million. Project has been approved in late 2015, with planed construction start in 2016, funding permitting.
- We have and will continue to explore the potential use and implementation of harnessing the Sun Energy to help supplement the City Energy needs by the use of Green Renewable Energy, the use of Solar Panels/Farms.

The above highlights some of DPW goals and achievements for the year 2015. Please feel free to call should you require more details or if you have any questions or comments to discuss.

Sincerely,
Jacob Tawil, P.E.
Commissioner DPW

Encl: Streets and Sanitation Departments Annual Report
Water and Sewer Department Annual Report
Code Enforcement and Building Inspector Annual Report

Street and Sanitation Yearend Report for 2015

HIGHLIGHTS

- 1. CLEAN UP WEEK - April 13 – May 8 475 Tons**
- 2. MILL AND REPAVED- Pilgrims Place, Brewster Drive, Standish Drive, Allenton Avenue, Winthrop Avenue, Grand Avenue, Irwin Avenue, Wisner Avenue, Rodman Street, Sprague Avenue, Sproat Street, Cottage Street, East Conklin, Woodlawn Ave, Gardner Avenue, Horton Avenue
7,156 Tons 25,205 feet 4.77 MILES**
- 3. LEAF PICKUP WAS MADE AROUND ENTIRE CITY-4 TIMES FROM NOVEMBER 3 TO DECEMBER 12.**
- 4. LEAF COMPOSTING PILE AND MONTLY MAINTANCE AND TURN OVERS**
- 5. YARD WASTE WAS PICKED UP FROM MARCH UNTIL MID-DECEMBER CITY WIDE.**
- 6. 85 CATCH BASINS REPAIRED AND REPLACED. 200 CATCH BASIN CLEANED**
- 7. 75 WATER & SEWER DEPT, AS WELL AS INDEPENDENT CONTRACTORS AND PLUMBERS DITCHES WERE RESURFACED WITH BLACKTOP. 525 TONS USED**
- 8. STRIPED PAINTED ALL APPLICABLE CITY STREETS.**
- 9. CLEANED OUT 50 CATCH BASINS USING THE VACUUM TRUCK AS WELL ASSISTED WITH WATER & SEWER DEPT WHEN NEEDED.**
- 10. SIGNS WERE REPAIRED AND REPLACED. 210 SIGNS**
- 11. 15 TRAFFIC LIGHTS WERE REPAIRED 200 BULBS REPLACE and 50 LENSES REPLACE.**
- 12. CITY WIDE SWEEPING ON ALL CITY STREETS AND PARKING LOTS WERE DONE ON A DAILY BASIS THROUGHOUT THE YEAR.**
- 13. NUMEROUS COMPLAINTS, MINOR AND MAJOR WERE ALL CHECKED OUT.**
- 14. ALL EQUIPMENT WAS REPAIRED, INSPECTED AND CHECKED ON A DAILY BASIS.**
- 15. CITY WIDE PICKUP OF GARBAGE AND DAILY PICKUP IN THE DOWNTOWN AREA. 11,889.76 TONS**

- 16. RECYCLEABLE PICKUP WAS DONE ONCE A WEEK AND RECYCLE CENTER
WAS OPEN DAILY. 560.22 tons Pickup/ 252.73 Tons Recycle Center
812.92 Total Tons**
- 17. Christmas decoration and Christmas Tree was installed in November**
- 18. 27 After Hours Call Outs for various repairs though out the City**
- 19. 23 Snow Storms and Ice / Freezing Rain Events**
- 20. 5739 Total Tons Salt was used during the year of 2015**

CITY OF MIDDLETOWN
WATER AND SEWER DEPARTMENTS
2015 ANNUAL REPORT

**ACTIVITIES LISTED BELOW REPRESENT WORKLOAD OF CITY OF MIDDLETOWN WATER, SEWER,
WATER METER DEPARTMENTS & THE PART-TIME LOT CREW FOR THE YEAR 2015.**

WATER:

- | | |
|---------------|--|
| • 894,753,000 | Gallons of Water Treated |
| • 684,876,348 | Gallons of Water Billed |
| • 20 | Water Main Breaks |
| • 16 +/- | Water Services Shut-Off (Frozen Leaking) |
| • 32 | 1" Water Main Taps Installed |
| • 0 | Wet-Tap Cut-Ins (4" or greater) |
| • 3 | Gate Valves Repaired |
| • 9 | Gate Valves Installed |
| • 7 | Fire Hydrants Installed |
| • 4 | Fire Hydrants Repaired |
| • | Flushing of all City Fire Hydrants |
| • | NYS 811 Dig Requests Mark-Outs |
| • | Inspected all Water Facilities and Reservoir Property with
Orange County Health Dept. |
| • | Spring Flushing of All Hydrants |
| • | Winterization of All Fire Hydrants |
| • | Lowered/Raised Water Valve Boxes for Road Milling. |
| • | Raised Water Valve Boxes for Paving on: |
| ○ | Grand Ave |
| ○ | Gardner Ave |
| ○ | E. Conkling Ave. |
| ○ | Wisner Ave. |
| ○ | Pilgrims Pl. |

- Brewster Dr.
- Standish Dr.
- Allenton Ave.
- Winthrop Ave.
- Rodman St.
- Cottage St.
- Horton Ave.
- Sprague Ave.
- Woodlawn Ave.
- Sproat St.
- Irwin Ave.

- **Performed Inspections on all City-Owned Dams**
- **Routine Maintenance of all Water Storage Tanks & Reservoir Property**
- **Cut Trees & Brush from Raw Water Lines & Reservoir Property.**

SEWER:

- | | |
|-----------------|---|
| ● 1,679,000,000 | Gallons of Waste Water Treated |
| ● 586.13 | Dry Metric Tons of Sludge Hauled |
| ● 2 | Sewer Mains Repaired |
| ● 5 +/- | Manholes Repaired |
| ● 0 | Manholes Replaced |
| ● 12 +/- | Responding to Sewer Related Complaints |
| ● | Performed industrial Wastewater Pre-Treatment Inspections |
| ● | Monthly Sewer Maintenance Jetting and Cleaning. |
| ● | Video Inspections of Sewer Mains, Manholes, Including the Harding Street Sewer Repair Project, Genung St Culverts, and Palmer Ave Rail Road Bed Culvert. |
| ● | Removed Graffiti From City-Owned Buildings and Code-Violated Properties |
| ● | Cleaned City Owned Lots |
| ● | Lower/Raise Manholes for Paving Roads. |

STORM SEWER:

- Cleaned Brooks Pre- & Post- Storm Events.
- Cut & Remove Brush & Trees from Banks.
- Installed Gutter/s on Davidge Park Pump House
- Cut Overgrown Brush Back Along Palmer Ave Rail Road Bed.
- Attended Stormwater Training Programs
- Conducted Dry-Weather Outfall Inspections
- Storm Culverts Repaired (including triple-barrel elliptical culvert collapse along Genung St).

WATER METER:

- 7370 Total Accounts
- 7033 In-Town Accounts
- 337 Out-Of-Town Accounts
- 27 Municipal Accounts
- 122 Inactive Accounts
- 315 Final Readings Taken
- 70 New Accounts Added
- 454 Meters Changed Completely
- 12 Meters Tested For Accuracy
- 49 Meters Changed—Head Only

A Total of 4,777 Meters Have Been Changed To Orion Radio Meter Reading System To Date.

2015 WATER MAIN BREAKS

January

- 1/2/2015 34 Watkins Ave (Service Re-Tap)
- 1/5/2015 20 Ogden St 6"
- 1/6/2015 113 Grand Ave (Service Repair)
- 1/11/2015 9 Oak Ridge Rd 8"
- 1/14/2015 Harrison St @ Beattie 6"
- 1/16/2015 Wisner Ave (Hydrant/Valve)
- 1/17/2015 1 S. Aspen Rd 8"

February

- 2/16/2015 Bonnell Street 6"
- 2/28/2015 Waywayanda Ave 2"

March

- 3/5/2015 Cottage Street 8"
- 3/15/2015 14 Chestnut Street 6"

April

- 4/6/2015 121 Linden (Service Repair) 2"
- 4/9/2015 184 Cottage St. 10"

August

- 7/31/2015 Cantrell
- 8/23/2015 248 Highland Ave. 8"

September

- 9/2/2015 Wells Ave 6"
- 9/6/2015 Midland Ave Extension 6"

October

- 10/20/2015 Fairlawn & Cherry 6"

November

- 11/25/2015 Pine Street 6"

December

- 12/7/2015 Cottage Street 8"

Memorandum

To: Jacob Tawil, Commissioner

From: Edwin Steenrod

Date: 12/31/2015

Re: Yearly Report 2015

Single Family Inspections	715
Single Family Permits	343
Quality of Life Inspections	630
Complaints	72
Court Cases	434
Fines	\$45,895.00
Court Judgments	\$1,302,750.00
Search Warrants	16
Condemnations	25

Dave Ramkissoon

From: Dave Ramkissoon
Sent: Friday, January 08, 2016 3:58 PM
To: 'Jacob Tawil'
Cc: Kate Zahorchak
Subject: Yearly Report for 2015

Hi Jacob,

This is regarding my yearly report for 2015

I completed my last Code class in January and received my Certification in February. I performed approximately 307 inspections and 319 reinspections. I also investigated approximately 360 complaints and did 149 municipal searches. I sent out 333 high grass letters. I condemned 9 properties and executed 3 search warrants. If you need anything further please feel free to contact me.

Best regards,

Dave Ramkissoon

Department of Public Works

Memorandum

To: Jacob S. Tawil, P.E., Commissioner of Public Works
From: Michael Post, Code Enforcement Officer
Date: December 31, 2015
RE: Yearly Report for 2015

I performed 578 non-owner occupied inspections (requiring \$120.00 payment for permit) inspections.

I performed 232 violation re-inspections.

I performed 31 owner-occupied inspections (requiring \$100.00 payment for permit).

I responded to 92 complaints.

I performed 9 Social Service inspections for occupancy.

I condemned 4 locations.

I did 2 Building Permit inspections in the absence of the Building Inspector.

I executed 1 search warrant.

I issued 2 stop work orders.

I have multiple cases in court.

If you have any further questions, please contact me.

Thank you
MHP
MHP/dm

Boris 2015
Yearly Report

	A	B	C	D	E	F	G	H	I
1	Month	Addresses	Units entered	Violations noted	DSS Insp'd	Complaints Insp'd	Condemns	Permits cleared	Municipals searched
2									
3									
4	January	67	149	99	0	5	1	10	29
5									
6	February	50	176	128	0	1	0	12	18
7									
8	March	57	128	109	0	1	0	19	15
9									
10	April	72	145	46	0	4	0	18	30
11									
12	May	75	195	110	1	2	0	28	19
13									
14	June	79	165	78	1	3	0	27	31
15									
16	July	52	613	112	3	4	1	11	18
17									
18	August	67	251	90	0	6	0	14	25
19									
20	September	70	303	392	1	8	0	15	7
21									
22	October	71	397	81	1	2	1	22	13
23									
24	November	41	706	184	0	1	0	17	0
25									
26	December	30	409	79	6	2	1	30	3
27									
28	Totals	731	3637	1508	13	39	4	223	208

Boris Rudzinski

Department of Public Works

City of Middletown



Walter C. Welch
Building Inspector
16 James Street
Middletown, NY 10940
Phone: (845) 343-3169
Fax: (845) 343-4014

2015 Annual Activities Report for Walter C. Welch- Building Inspector

My duties as Building Inspector:

	Total
1. Inspections for Building Permits	888±
2. Inspections for Plumbing Permits	327±
3. Sidewalk Inspections	90
4. Gas Pressure Test	170
5. City Business Related Meetings	80
6. Meeting with the Public	75±
7. SPDES Inspections	180
8. Deliver Agendas for the Planning Board & Zoning Board Appeals	17
9. Municipal Searches	341±
10. Attend Pre-Meeting Planning Board	10
11. Attend Planning Board Meeting	11
12. Attend Zoning Board Appeals Meetings	9
13. Respond to Police & Fire Calls 24/7	10
14. Tag Hazardous Buildings	6
15. Issue Stop Work Orders	5
16. Oversee & Do Construction Projects	50±
17. FOILS	

Department of Public Works

City of Middletown



Walter C. Welch
Building Inspector
16 James Street
Middletown, NY 10940
Phone: (845) 343-3169
Fax: (845) 343-4014

2015 Annual Activities Report for Walter C. Welch- Building Inspector

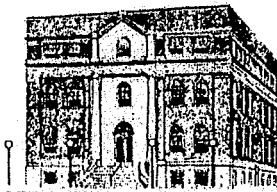
Permit Types:	Total # Issued	Total Fees
Building	296	\$244,726.00
Plumbing	131	\$20,740.00
Installation	9	\$490.00
Demolition	6	\$1,200.00
Swimming Pool	14	\$700.00
Sign	23	\$1,150.00
Sidewalk	30	\$90.00
TOTALS	509	\$269,096.00

Other Fees:	Total	Total Fees
Completion of Work	220	\$13,050.00
Certificate of Occupancy	73	\$7,300.00
Capitol Fees	77	\$177,100.00
TOTALS	370	\$197,450.00

Combined Total \$466,546.00

Department of Finance

City of Middletown



Donald J Paris
Treasurer

16 James Street
Middletown, NY 10940-1587
Tel: (845) 346-4150
Fax: (845) 343-1101

January 19, 2016

To: Mayor DeStefano

Subject: Annual Report of Finance

Major Items that repeat

- BAN renewals of \$ \$6.8 million came in very competitive at .30% or .057 points better than the prior year
- The external audit and management letter continues with no adjustments, disagreements or negative management comments. The audit was again finished on time.
- The bulk tax lien sale was successful raising \$1.1 million.
- Taxes and Water and Sewer Fees were billed on schedule
- 2016 Budget published on time.

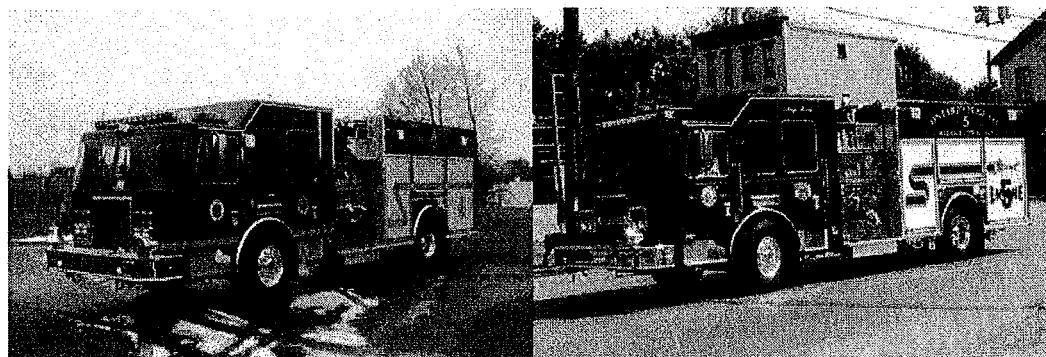
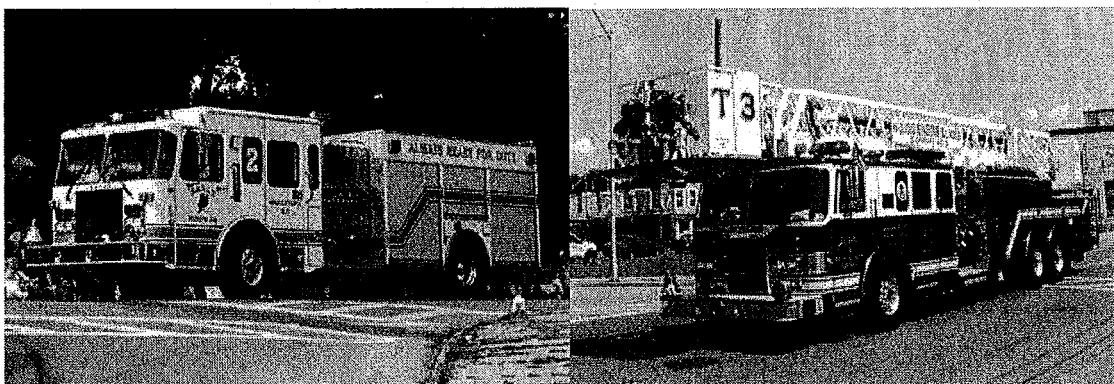
Other related to 2015 only

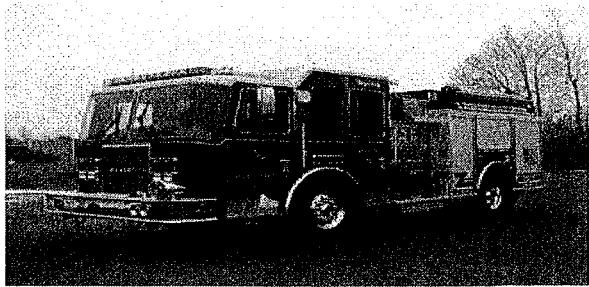
- When it was discovered that 12-14 King Street had no water/sewer billing for the apartment portion and no readings to establish usage for eight years we negotiated a reasonable estimate with the owners and recovered \$85,000 for the City in the form of a 5 year note.
- Established a billing procedure for fire inspection permits rather than relying on the fire inspector to get them paid. This resulted in collecting \$10,000 in arrears and will help the collection procedure on \$25,000 in annual fees forward.
- Established a similar billing procedure for miscellaneous billings by the city. Unpaid invoices are sent to third party tax payers that sometimes pay to keep their lien clean. The others now attach to the property that shows up at time of sale.
- Determined the possibility of a final payment of the Brewery PILOT of \$400,000.
- Worked with Ald. Masi in developing a cost savings analysis in selected privatization process.
- Implementation of a system to be in compliance with the Affordable Care Act.
- Implemented from scratch a system to be in compliance with I-9 reporting avoiding possible large fines.
- Led the effort of the City's Shared Services plan required for tax payers to receive tax rebates from the State.
- Finished the documentation for the pool grant causing \$360,000 to be received with the final \$40,000 (10%) on the way.

Don

MIDDLETOWN FIRE DEPARTMENT

2015 ANNUAL REPORT





Fire Department Mission Statement

The mission of the Middletown Fire Department is to protect the quality of life and property of those who live, work, invest or visit our community

To accomplish this mission the Middletown Fire Department establishes the following goals:

- To maintain adequate emergency preparedness, to handle a variety of potential life or property threatening situations in order to provide safety for the citizens of our city.
- To promote personal development within the department while utilizing effective principles and practices of modern fire and life safety technology in an accountable manner.
- To establish and maintain a relationship with other outside agencies.

Fire Department Vision Statement

The Middletown Fire Department will continue to honor the heritage of the fire service by striving to be recognized by our community and peers as a model of excellence in providing service through education, prevention and mitigation. We hope to efficiently utilizing all of the necessary resources to provide the service that is expected by the citizens of our city.

Values

“Respect” “Trust” “Support” “Dedication”

Guiding Principle

“Leaders in training, fire response and prevention and professionalism”

January 2016

Honorable Mayor, members of the Middletown Common Council, and residents of the City of Middletown:

It is my pleasure to present to you the **2015** Middletown Fire Department Annual Report. The Fire Department continues to provide the best fire protection and community fire prevention services to the City and the surrounding communities.

In 2015, the fire department responded to **1,018** calls, **52** calls more than the year before. The department is consistently one of the busiest departments in the county only behind the City of Newburgh.

During 2015 the department responded to the following:

Structure Fires/Possible Fires	80
2 nd Alarm Fires	18
3 rd Alarm Fires	2
Mutual Aid	81
Storm Standby	3
Ems/Rescue (MVA)	236
Hazardous Conditions	154
False Alarms/Malfunctions	359
CO calls	225

The City is fortunate to be able to have a combination of paid drivers with volunteer firefighters. We are able to have a quick response to emergency calls and enough volunteer manpower to handle the number of emergency responses. Department wide recruitment efforts continue to be successful, accepting **17 new volunteer members** in 2015.

The demands on the members of the fire department never cease, not only responding to emergency calls, we also must keep up training. The department completed monthly training as well as training offered by the County and State. In 2015, the volunteer members participated in 28 department held training drills, consisting of a variety of classroom and hands on instruction. The department hosted 5 live fire evolutions as well as automobile extrication drills including bus extrication and RV extrication. On average the drills lasted 4 hours with an average of 50 volunteers attending each drill. We will continue to focus on training, emergency response, fire prevention and education and developing increased customer service when operating in the field.

It is my honor and pleasure to serve this community as fire chief. I have been in the Middletown Fire Department for over 37 years. I thank you for your support and look

forward to working diligently over the next two years in continuing to move the department forward. If you have any questions regarding your fire department, please contact me at 845-344-5003 or via email at mfdchiefbarone@middletown-ny.com.

Respectfully submitted,

Sam Barone

Sam Barone
Fire Chief

City of Middletown Fire Department Leadership
Board of Engineers

Sam Barone Fire Chief

Don Luis 1st Assistant Chief

Nick Barber 2nd Assistant Chief

Robert Brady 3rd Assistant Chief

Sean Gerow Department Secretary

William Kelder Department Treasurer

Safety Officer

George Perna

Accountability Officer

Jose Mojica

Simon Abreu

Stewart Degroat, Jr.

Training Officers

Asst. Chief Luis – Paid Staff

Asst. Chief Barber – FAS Team

Asst. Chief Robert Brady – Volunteers

Volunteer Officers

Each of the seven fire companies and fire police also have their own company leadership. Elections are held either every year or every other year depending on company by-laws.

The current Captains of each fire company is as follows:

Monhagen's Gill Flores

Excelsior's Sean Gerow

Eagles Alex Bariletti

McQuoid's Chris Delillo

Phoenix Ed Waizenegger

Ontario's	Ryan Nowak
Waalkill's	Regan Stephens, Jr.
Fire Police	Robert Bennett

Paid Staff

The department currently has 26 paid firefighters, consisting of 1 Fire Inspector, 4 group Lieutenants and 21 firefighters.

Paid Staff

Adam McCarey Fire Inspector

Michael Demchak Group 1 Lieutenant

Joseph Carpenter Group 2 Lieutenant

Paul Smith Group 3 Lieutenant

Michael McNamee Group 4 Lieutenant (Effective January 1, 2016)

Currently there are three open positions within the paid staff of the fire department.

Brief Fire Department History

In 1821, the citizens of Middletown purchased its first piece of fire apparatus for \$275.00. It was a hand pumper operated by four men pushing and pulling on levers. In 1859, the Middletown Fire Department was officially organized with three companies forming, The Eagle Engine Company #2, the Phoenix Engine Company #4 and the Excelsior Hook & Ladder Company #1. Since that time, four additional companies were formed, including the Middletown Fire Police.

The first paid firefighter was hired in 1893. The paid staff became associated with the International Association of Fire Fighters in 1949. Currently there are 26 active members of the IAFF and who represent the paid firefighters of the City of Middletown. Including in these 26 members is the City's Fire Inspector.

MFD Today

The Middletown Fire Department proudly serves the estimated 29,000 residents of the City of Middletown. The department has five engines, two ladder trucks, four chief

Training

The following training topics were covered with the volunteers during the year: Auto Extrication, Live Fire Training, Car Fires, Bloodborne Pathogens, Search and Rescue, Hazardous Materials, Engine Company Operations, Truck Company Operations, Firefighter Safety, Building Construction, and High Rise Operations to name a few.

Overall there were 28 scheduled drills approximately 4 hours in length with approximately 50 in attendance. The volunteers put in over 5,600 of combined training hours, which was **in addition to** responding to the 1,018 calls.

Fire Prevention

The department also remains committed to educating the residents of the City of Middletown on Fire Prevention and Safety. Between the volunteer and paid staff, a significant over **30** fire prevention activities took place. These sites included schools, employers, health clinics, DARE DAY, and other community events. The department also hosted a Fire Prevention Day in October with approximately 150 residents attending.

Fire Inspections

As mentioned earlier the City also has a full-time Fire Inspector which falls under the Fire Department. This position is a promotional position from the paid staff. Presently, Adam McCarey is the City of Middletown Fire Inspector. Assisting him with the fire inspections are members of the paid staff who are also certified to conduct such inspections.

There were 852 fire inspections conducted for 2015. Additional details will be available from the Fire Inspector.

Conclusion

The men and women of the Middletown Fire Department continue to provide professional fire and emergency services to the residents and visitors of the City of

Middletown. As the city grows in both population and complexity, so does the demand on the fire department. The number one priority of the department is to respond to emergencies and protect life, property and the environment.

The department will continue its commitment to educate our citizens in fire prevention. Fire protection in any community is a partnership between the community and the fire department. The fire department provides education to the residents and businesses to make sound decisions regarding fire and life safety. There is a correlation between effective public education programs and emergency responses. We will continue to improve our outreach and community education efforts in the hopes of reducing life safety hazards.

Our training opportunities for both paid and volunteers, remains a high priority for this year. This report has identified over 5,600 fire service training hours logged in 2015 just for volunteers. The number of drills and training hours is expected to increase in 2016.

I urge all members of the Common Council to stop and thank those men and woman who dedicate countless hours of their time to protect the city and those who live here.

Please note: company annual reports are available upon request.

MIDDLETOWN

FIRE DEPARTMENT

BUREAU OF FIRE PREVENTION

6 James Street
Middletown, New York 10940
(845) 346-4111
Fax: (845) 343-4014
Cell: (845) 741-6116
E-Mail amccarey@middletown-ny.com

February 5th 2016

Honorable Mayor Joseph DeStefano,

As the time approaches for you to give the annual State of the City address, I would like to inform you of some highlights the Bureau of Fire Prevention has had throughout 2015 and a few notes on what to look for in 2016.

With the support of Chief Barone, the productivity of the Professional Firefighters has significantly increased through the In-Service Inspection Program (ISIP) by almost 20% over last year and by 36.5% since the implementation of the tablet based inspection program. Each firefighter has contributed to the success of the program and together, over 852 inspections and re-inspections were completed, approximately 82 complaints mitigated, and 7 stop work orders/condemnations issued in 2015. With the reduction of paperwork and the efficiency of the tablet based inspections, I feel this number can continue to rise with the proper support.

The largest accomplishment this year, I believe, is my full accreditation as an adjunct instructor for NYS Division of Codes by designing and implementing a 6 hour In-Service Training Program where I instruct the on duty Firefighters as well as Housing Code Enforcers allocating them 6 hours of required annual training at no additional cost to the City and actually saving money.

At the end of 2015 I started to form a tablet based inspection program for DPW Code Enforcement and, as of this report, am almost ready to start beta-testing it with some of the inspectors. Commissioner Tawil has been a great help throughout this process with his support and insight. In 2016 I plan to fully bring the DPW Inspectors up to speed with the tablet based inspection program which will save significant time and money not only for the Inspectors but the Clerical Staff as well.

I have made the process of obtaining permits more streamlined by adding downloadable permit applications with detailed directions on the City's website. This has made the process of installing new systems and opening new business in Middletown easier. The permit program has also generated over \$5,090.00 in permit application fees during 2015.

The Operating Permit Program has significantly made the City safer by monitoring the City's potentially hazardous and dangerous locations more closely. With proper fire safety programs these businesses operate more efficiently and safer so that they can continue to thrive here. Not since the May 5th 2014 Genpak incident has there been a major fire in a commercial business in the City of Middletown. The program has also generated more than \$20,000.00 in billings and has received over \$10,000.00 in 2015. This program was in great need of restructuring and with the help of Treasurer Paris we now have a much better way of billing, tracking, and following up with properties under this regulation.

Sometimes businesses and property owners fail to comply which puts residents, visitors and their neighbors in harm's way, therefore compliance is only reached with court action. Consequently, I have filed approximately 35 Court Information's with the assistance of Assistant Corporation Counsel Smith in 2015 which lead to over \$1,750.00 in fines. In 2016 I will far surpass this amount since as of Feb 4th 2016 I have already generated \$3,250.00 in court fines.

Although there is more detail to each of the above and much more that my office has completed over the year, these are some points of emphasis that you may find useful to include in your address. If there is anything you would like me to elaborate on or have questions about, please feel free to contact me at any time.

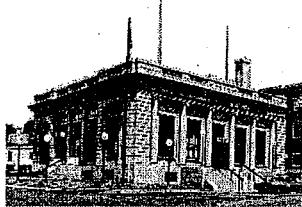
Respectively submitted,



Adam J. Mc Carey, Fire Inspector

Smoke detectors save lives.

RAMON BETHENCOURT JR.
CHIEF OF POLICE



TELEPHONE
845-343-3151
FAX NUMBER
845-343-2660

CITY OF MIDDLETOWN POLICE DEPARTMENT

2 JAMES STREET
MIDDLETOWN, NEW YORK 10940
ESTABLISHED 1888

To: Honorable Mayor Joseph M. DeStefano and the City of Middletown Common Council

From: Chief Ramon Bethencourt

Date: February 12, 2016

Re: Summary of Activities for 2015

Mayor DeStefano and Members of the Common Council:

Once again I am pleased to present you a summary of the activity of the City of Middletown Police Department for 2015. It continues to be an honor and a privilege to lead what I believe is premier law enforcement agency in the county. The men and women of the Middletown Police Department strive to create and maintain a safe and secure environment for our community.

In 2015, the department responded to 38,074 calls for service. This was a decrease of 108 incidents from 2014. Across all divisions, the police department made 3,647 arrests, which was a increase of 11 arrests from 2014. Part one crime (the major crime indexes) continues on the downward trend and has decreased 16% from 2014. This is a testament to the hard work and dedication of all of our officers across all of our divisions. The 5 year average of violent crime has decreased 30.6%, and there are zero (0) shooting incidents involving injury. There are zero (0) homicides for 2015.

More law enforcement executives across this nation are realizing the benefits of the community policing strategy that I laid out for this department in 2010. This concept places Uniform Police Officers on Foot Patrol in neighborhoods. In 2016 the department will maximize the community policing concept as much as possible to further assist in our mission. The response from the community at large has been overwhelmingly positive for foot patrol and has only enhanced their feeling of safety and security.

The Detective Division provides essential resources for the investigation of serious offenses and the apprehension of offenders. In 2015, the Detective Division handled 545 cases. This Division is well respected throughout Orange County. They continually display the investigative talent of

MPD, and through their efforts have served as a deterrent by consistently producing solid cases that bring criminals to justice.

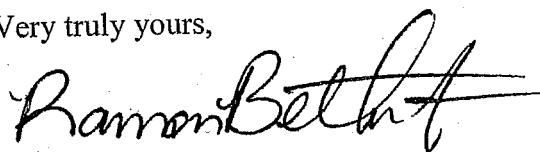
In 2015, the Juvenile Aid Bureau/Community Policing Unit continued to excel in responding to the needs of juveniles and their families. The unit handled 149 juvenile cases in 2015. The Juvenile Aid Bureau works closely with the County Attorney's Office to aggressively investigate and pursue charges against juveniles whenever appropriate. In addition to dealing with juvenile criminal matters, the Juvenile Aid Bureau also participates in other community outreach programs. The DARE program, with Officer Jacqueline Welch, continues to have a positive impact on young children throughout the Middletown Enlarged School District, educating them on the dangers of drugs and alcohol. Neighborhood Enhancement Officer Kristopher Bailey works closely with community members to identify issues and develop solutions to neighborhood problems. All of the members assigned to the Juvenile Aid Bureau remain active in city sponsored programs such as the Neighborhood Watch Program, Middletown Cares Coalition, and the Mayor's Youth Council, interacting with residents and improving community relations.

The Narcotics Unit has a long history of conducting detailed, long-term investigations into drug trafficking, prostitution and other quality of life related offenses. Members of this unit work closely with local, state, and federal agencies to target offenders and limit the growth of the regional drug trade. In 2015, the police department made 465 arrests for dangerous drugs or marihuana. Heroin remains one of the major threats to the Middletown community, and the Narcotics Unit has been working diligently to locate dealers and interrupt the supply to the streets. In addition this unit has seized many guns and drugs making Middletown a much safer place.

I believe the key to successfully meeting our goal of maintaining a safe and secure environment in this city is the selection of highly dedicated professionals, and providing them with the necessary training and tools to complete our mission. In December of 2015 we continued that goal with the graduation of Lieutenant Francis Graziano from the FBI National Academy. Lieutenant Graziano is the third member to attend this prestigious training in my tenure as chief.

As Chief of this organization I am confident that this department is prepared to meet the challenges we will face in 2016.

Very truly yours,



Chief Ramon Bethencourt

Memo

**MULBERRY HOUSE SENIOR CENTER
CITY OF MIDDLETOWN
62-70 WEST MAIN ST
MIDDLETOWN, NY 10940
845-346-4075**

SENIORS

To: Mayor Joseph DeStefano
From: Julisa Sierra, Senior Citizen Dept.
Date: 1/14/2016
Re: END OF THE YEAR REPORT 2015

HIGHLIGHTS OF THE SENIOR CITIZEN PROGRAMS FOR 2015

THE MULBERRY HOUSE SENIOR CENTER CONTINUES TO BE A PLACE WHERE SENIORS 55 YEARS OF AGE AND OLDER FIND PURPOSE AND INTEREST FOR MANY OPPORTUNITIES TO BE ACTIVE IN OUR MIDDLETOWN COMMUNITY.

The registration data-base reflects 2,127 Senior Citizens registered by the end of 2015 an increase of over 300 registrants from 2014. This number includes Senior Citizens using the Center and Shuttle Bus riders.

The Center is opened from 8:30 a.m. to 4:30 p.m. Monday thru Friday. There are also evening programs Monday thru Thursday from 5:30 p.m. to 10 p.m. The Senior Shuttle Bus is in operation 6 days a week. During the summer months, the bus also transports to the Farmer's Market and to the Concerts at Festival Square.

Overview of 2015:

1. Addition of Senior Express Band on Wednesday afternoons
2. New brochures and schedules created to accommodate bus riders needs
3. Receipt of 2010 Ford Shuttle bus donated by Orange County Paratransit Department
4. New Newsletter introduced in April with assistance of Liturgical Publishing –local business sponsorship
5. Monthly themed luncheon party
6. Monthly Breakfast Club
7. 2 Safety Workshops
8. Participated in Pathstone-Senior Employment Program with 4 participants who volunteer to assist with office and light maintenance duties.
9. Held 1 Tricky Tray and 1 Craft Fair as fundraising event generated over \$4,000 towards center activities.

Weekly Health Classes have been well attended averaging 30-40 seniors participating Exercise to music (M-W-F), Walking Club (Tue-Thur), Yoga (Wed), Osteoporosis Exercise (Fri), and Line Dancing (M-W-F), Bollywood Wed. afternoon, Fitness Fun Aerobics M&F 1-2

Organizations Hosted By Mulberry House:

- Mayor's Youth Council (bi-annually blood drive)
- Literacy Orange
- Middletown Business and Professional Women
- Orange County Archeology Association
- O&W Railroad Society
- Middletown Art Group
- Middletown Democratic Committee
- Middletown Republican Committee
- Falun Dafa
- Middletown Lion's Club
- Orange County Strengthening Families Program
- T.O.P.S. (Take Off Pounds Sensibly) Chapter # 1342 Weight management assistance and support group. The group meet weekly Friday Morning 10-11:30 a.m. lead by Ellen Dunn
- TCE/AARP Tax Assistance Program: Service Seniors 55 and above and low-income residents. The center is able to use computer lab to provide tax assistance to elderly and low-income individuals with e-filing.
- AARP Driver Safety Course

Julisa Sierra, Senior Citizen Director, is an active member of:

Orange county Retires and Senior Volunteer Advisory Committee (4 yrs.)

Orange County Senior Council Committee (4 yrs.)

STAFF:

All positions are currently filled

Testing completed for Assistant Director in October 2012, scores not obtained. Position eliminated at current period.

2 Full-time office employees

2 part-time office employees

2 part-time bus drivers

1 part-time semi-skilled laborer

1 part-time Rec. specialist

2016 ideas & additional activities:

- 1) Establish with Paramount a county-wide Senior Movie Day
- 2) Swimming for Seniors with YMCA program
- 3) Add Dining Program
- 4) Add Tai Chi on Friday Mornings
- 5) New flooring in main area
- 6) Purchase TV for main area activity

Many thanks to following business and groups for the continual support and patronage:

Shoprite Supermarket (Middletown Locations-211 E. and Dolson Ave)

Price Chopper (Schutt Rd., Middletown, NY)

De Filippis Bakery (28 E. Main St, Middletown, NY)

RECAP

The Promenade (70 Fulton St. Middletown, NY)

The Eliot (12 John St, Middletown, NY)

Hand-in-Hand (25 Myrtle Ave, Middletown, NY)

Neighborhood Pharmacy (211 E, Middletown, NY)

Middletown Pharmacy (149 Wickham Ave, Middletown, NY)

Highland Rehab & Nursing (120 Highland Ave, Middletown, NY)

Senior Gazette

Time Herald Record

E& J Photography

CANVAS Magazine

And to All City Departments, Common Council and staff for their assistance throughout the year.

MIDDLETOWN



RECREATION COMMISSION

1915 ANNUAL REPORT

MIDDLETOWN RECREATION & PARKS DEPARTMENT



47 Academy Avenue, Middletown, New York 10940 • Tel: (845) 346-4180 Fax: (845) 344-2918

Tuesday, January 19, 2016

To Members of the Recreation Commission & Common Council:

On behalf of the staff at the Middletown Recreation & Parks Department, we are proud to submit the 2015 Annual Report summarizing our department's highlights, finances and programs. It was a year of positive transition in the hiring of new full-time staff members, improving facilities, increasing revenues and enhancing recreational programming for the residents of Middletown. We would like to thank City Officials, Department Heads and their staff for their support and assistance throughout the year. With teamwork and enthusiasm we will continue to grow and enhance our programs, services and facilities throughout our recreation and parks system in 2016.

During 2015 residents of the City of Middletown were able to enjoy many first time special events. These holiday themed events brought families, agencies and city officials together to celebrate our community. We look forward to collaborating in 2016 with city officials and other city departments to bring even more special events to our residents.

Now, more than ever, there is an increasing need for diversified leisure services within the City of Middletown. The Middletown Recreation Commission will continue to seek both public and private sector funding so that vital park and recreation projects can be undertaken and achieved. Through careful planning and utilization of all available community resources, we will continue to offer programming that gives all our citizens the opportunity to enrich their quality of life.

As we strive to meet the demands of our community, your continued assistance, input and support is both appreciated and essential. By sharing our combined abilities and resources, there is no limit to what can be achieved for the betterment of our community as we confront and prevail over the challenges that lie before us in 2016.

Sincerely,

Christine Brinckerhoff, Superintendent
Middletown Recreation & Parks Department

- Middletown hosts its first Scarecrow Contest, with agencies creations being featured outside City Hall.
- Sat. Oct. 17th Harvest Fest at Farmer's Market
- Started in October, Program Coordinator Nicole DeStefano, started Storytime Comes Alive once a week for children 3 and younger with their mothers.
- Nov. 17th & 18th Mayor's Youth Council stuffs 400 bags for Thanksgiving Meals
- Sat. Nov. 21st, 1st Annual Youth Turkey Trot was held at Middletown High School in collaboration with the High School Track Team and Shoprite
- Fri. Nov. 27th Annual Tree Lighting and Parade
- Nov. 23rd – Dec. 14th, Letter to the North Pole. Holiday Mail boxes were made by city worker Shawn Reisert. Over 300 letters came in and volunteers helped write all the kids back.
- The Recreation Department has 3 youth basketball teams competing in a league in Newburgh.
- Common Council voted to have two non-voting youth delegates sit on the Middletown Recreation Commission.
- Dec. 2nd Mayor's Youth Council, S.A.D.D., Teen Center and Summer Youth Leadership Academy represents Middletown at the Annual Orange County Youth Bureau Youth Summit.
- Orange County Youth Bureau announces \$44,000 in Solutions Funding for 2016 within the Middletown Recreation Department.
- Dec. 18th Christmas Caroling starting at Festival Square.
- Dec. 19th 1st Santa's Workshop at the Michael G. Perkins Community Center. Crafts, Reading of a Christmas Story and Santa.
- Dec. 21st the playing of the Polar Express at the Paramount Theatre. Cost \$5.00 a person.