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March 28, 2018

Hon. Thomas DePietro, President
City of Hudson Common Council
520 Warren Street
Hudson, New York 12534

Council President DePietro and Members of Hudson City Council,

On February 22nd, Stewart's Shops appeared before the Council's Economic Development Committee to discuss the Zone Change request submitted to the council in January. The Committee has requested some additional information and Stewart's Shops finds it relevant to share this material directly with you.

What is Being Approved by the Council

§325-40 of the City of Hudson's code enables individuals to petition zoning amendments from the Common Council. The Council is thereby only considering an amendment to the code that will enable Stewart's to pursue subsequent approvals for its amended Site Plan.

The Community Benefit of a Larger Store with Additional Gas

Stewart's Hudson store was constructed by Esso in 1955 and the subsequent Stewart's Site Plan in 1978. Its current deficiencies are obvious and numerous:

A restroom only accessed from the exterior, narrow aisle widths, and an undersized cooler/freezer. Our proposed newer store will provide a brighter, more pleasant shopping experience, as well as bring this location up to Stewart's company standard.

Expanded offerings will continue to include New York State sourced milk and eggs. Stewart's is a proud participant in the Pride of New York program. That means all milk Stewart's sells is sourced from farms in Rensselaer, Saratoga and Washington counties, while the eggs are Thomas Poultry in Schuylerville, Saratoga County. This is yet another way Stewart's Shops diligently works to grow local wealth in our local communities.

Finally, or perhaps, most importantly, customer safety, whether pedestrians or motorists, will have a *safer* experience under the redeveloped Site Plan. Please see attached drawings for identification of the proposed changes.

Community Wealth

Employees of Stewart's Shops have the potential to become stockholders so we don't refer to them as employees but "Partners." Currently, the Fairview Avenue/Green Street Stewart's has thirteen (13) Partners assigned to it. Four (4) of whom are full time, with three (3) employees taking health insurance

and seven (7) employees are stock holders. On a weekly basis, employees work two hundred and forty (240) hours at this location. The average hourly wage is \$12.64 and composite hourly average \$13.47; leading to a contribution of \$157,000.00 and \$169,000.00 of wages which primarily stay in the County.

Stewart's projects a fifteen (15%) per cent increase in business, which equals an increase from two hundred and forty (240) to two hundred and seventy-five (275) scheduled hours. This increase will lead to subsequent contributions of personnel wages between \$181,000.00 and \$194,000.00. With incentive pay the numbers could exceed this estimate.

During the fourteen (14) week construction period, contracted employees will work four thousand four hundred and eighty (4,480) hours and an investment of approximately \$1,400,000.00 will be made in the City of Hudson.

Has a Zoning Amendment Been Previously Considered?

Yes; in 2016 the Council created R-S-C-2 Zoning District (Residential Special Commercial District -2) and created "Hotel" as a conditional use within that newly created zone. This led to the redevelopment of 41 Cross Street, now known as "The Wick" hotel. Unlike "The Wick," Stewart's has not nor will it seek a Payment In Lieu of Taxes (PILOT) associated with its redevelopment.

Community Host Benefit Agreement

During my initial 2017 presentation, the current lack of safe pedestrian crossings was voiced as a specific concern relating to the proposed Stewart's expansion. Then, Stewart's was prepared to partner with the City of Hudson to improve the already existing pedestrian crossings through a Host Community Benefit. Whether the issue is that pedestrians are fearful of crossing the intersection, and so opt not to, or the actual number of pedestrians has declined, Stewart's remains willing to partner with city government to improve that intersection. A draft agreement is attached although specific mitigation items cannot be identified without review by the SEQRA Lead Agency.

Conclusion

Stewart's is committed to continuing its forty-five-year history of consistently being a good corporate citizen, dependable local employer offering above minimum wage hourly rates, benefit packages (which include stock ownership), and professional training opportunities while providing a range of fresh, quality products to consumers.

I look forward to the next opportunity to present this information and answer any pertinent questions you may have. As always, I can be reached at (518) 269-0664 with specific questions or concerns.

Sincerely,

Chuck

Chuck Marshall
Stewart's Shops Corp.

HOST COMMUNITY BENEFIT AGREEMENT

THIS HOST COMMUNITY BENEFIT AGREEMENT ("Agreement"), is made this ____ day of _____, 2018, by and between the **CITY OF HUDSON, NEW YORK** ("City"), a municipal corporation duly organized and existing under the laws of the State of New York, with its principal office located at 520 Warren Street, Hudson, New York 12534 and **STEWART'S SHOPS CORP.** ("Stewart's"), a corporation duly organized under the laws of the State of New York, with its principal office located at 2907 Route 9, Malta, New York 12020.

RECITALS

WHEREAS, Stewart's has the option to purchase lands at the corner of Green Street and Fairview Avenue in the City of Hudson for the purpose of re-constructing its pre-existing convenience store (hereinafter referred to as the "Property"); and

WHEREAS, the City enacted the Green Street Commercial Overlay District (Local Law No. ____) (Hudson City Code § _____) on _____, 2018 (hereinafter referred to as the "Zoning Amendment");

WHEREAS, within the Zoning Amendment, the City provided that Stewart's public benefit and mitigation was a payment of _____ Thousand (\$ _____) Dollars toward the design, permitting and construction/installation of new pedestrian access at the intersection of Green Street and Fairview Avenue in the City; and

WHEREAS the City Council desire to enter into a community benefit agreement between the parties which sets forth the terms of the public benefit and mitigation payment, as well as the City's intent for the use of said payment; and

NOW AND THEREFORE, the City and Stewart's agree and fully intend to be bound by the following terms and conditions:

1. Payment of Funds to the City: Stewart's agrees to pay to the City for the public benefit of the City and its citizens, as well as in satisfaction of mitigation for anticipated impacts from the development of the Property in the amount of _____ Thousand (\$ _____) Dollars and shall be delivered and conditioned as set forth herein. The funds shall

be delivered to the City in the form of a cashier's check or wire transfer upon the issuance of a building permit for the Property.

2. Restriction of Use of Payment: The funds are strictly limited for use related to the design, permitting and construction/installation of new pedestrian access at the intersection of Green Street and Fairview Avenue in the area depicted in the Concept Plan attached hereto at Exhibit A.

3. Disbursement of Funds by the City: Stewart's and the City agree that the funds paid to the City pursuant to this Agreement will be disbursed only by a vote of the City Common Council for activities which will further the intent of this Agreement and will provide a direct benefit to the Green Street and Fairview Avenue properties concerning pedestrian access to Stewart's and the intersection.

4. Satisfaction of Obligations: Following the payment of the funds to the City in the manner provided herein, Stewart's shall have no further obligation under the Zoning Amendment or financial mitigation under SEQRA and it may proceed with the development of the Property in accordance with the remaining provisions of the laws of the City and any site plan approval issued by the City. d

5. Default. If a party breaches any of the terms or conditions of this Agreement, the non-defaulting party may enforce its rights at law or in equity (including, without limitation, seeking of specific performance).

6. Governing Law and Venue: This Agreement shall be governed and construed in accordance with the laws of the State of New York and the parties consent to the exclusive jurisdiction of and venue of the Saratoga County Supreme Court, Saratoga County, New York regarding the enforcement of or disputes arising out of this Agreement.

7. Entirety of Agreement: This Agreement shall constitute the entire agreement between the parties hereto and shall not be modified except by an instrument, in writing, signed

by the parties hereto. There are no representations, warranties or conditions other than those expressly set forth in this Agreement. Each signatory represents and warrants that it has the full power and authority to bind the party for which it is signing this Agreement.

8. Severability. In the event any provision of this Agreement is held by a court of competent jurisdiction to be unenforceable, that provision will be enforced to the maximum extent permissible under applicable law, and the other provisions of this Agreement will remain in force and effect.

9. Notices. All notices relating to this Agreement shall be made in writing and first-class mail to:

To the City of Hudson:
Mayor
City of Hudson
520 Warren Street
Hudson, New York 12534

To Stewart's:
Charles Marshall
Stewart's Shops Corp.
2907 Route 9
Malta, New York 12020

All parties hereby agree to the terms of this Agreement as of the date of execution.

CITY OF HUDSON

By: Richard Rector Date
Mayor

STEWART'S SHOPS CORP.

By: Charles Marshall Date
Real Estate Representative

