STATE OF NEW YORK COUNTY OF JEFFERSON

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ZONING BOARD OF APPEALS

PUBLIC HEARING

#610

Use variance to allow a marijuana dispensary, retail use in an Urban Mixed Use District _____x ZONING BOARD OF APPEALS

PUBLIC HEARING

#611

Use variance to allow a marijuana dispensary, retail use in a Neighborhood Mixed Use District

245 Washington Street

Watertown, New York 13601 Wednesday, November 12, 2025

B E F O R E:

Chairperson: James Corriveau

Board Members: Adam Ruppe

Molly Farrell Lance Evans

Planning and Community

Development Director: Michael Lumbis

Senior Planner: Geoffrey Urda

City Planner: Joseph Albinus

City Attorney: Kathleen Bennett, Esq.

REPORTED BY: Tiffany-Jo Ponce, RPR

Court Reporter

1 CHAIRPERSON CORRIVEAU: Well, it's 7:00, 2 and we have a quorum, so let's call this meeting to 3 order. 4 I'll begin with roll call. 5 Adam Ruppe? MR. RUPPE: Here. 6 CHAIRPERSON CORRIVEAU: Lance Evans? 7 MR. EVANS: Here. 8 CHAIRPERSON CORRIVEAU: Molly Farrell? 9 10 MS. FARRELL: Here. 11 CHAIRPERSON CORRIVEAU: And I'm James 12 Corriveau, here as well. So we have a good quorum 13 tonight. 14 I'd also like to introduce our staff 15 that's here. We've got the senior planner, 16 Geoff Urda, another planner, Joseph Albinus, and 17 our attorney, Kathy Bennett, and our court 18 reporter, Tiffany Ponce.

First order of business will be to resume the public hearing from our 15 October meeting for Variance Petition 610 at 545 Arsenal Street.

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And in that regard, I'd like to report out first the letter we got back from Jefferson County, and this was dated 29 October, sent to Geoff Urda, referenced this variance on Arsenal

1 Street.

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"Dear, Geoff. On behalf -- on October 28th, the Jefferson County Planning Board reviewed the above project after it was referred to our county for comment. The board determined that the proposal does not raise significant county-wide or intercommunity concerns and is therefore mainly a matter for your board to decide.

As part of this review, the planning board noted the following requirements: The ZBA should approve a use variance only after the applicant submits documentation to the board demonstrating that the applicable zoning regulations and restrictions will cause an unnecessary hardship.

To prove such unnecessary hardship, the applicant shall demonstrate to the board that for every permitted use under the zoning regulations for an urban mixed use district:

One, the applicant cannot realize a reasonable return, provided that lack of return is substantial as demonstrated by competent financial evidence;

Two, that the alleged hardship related to the property in question is unique and does not

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apply to a substantial portion of the neighborhood or district;

Three, that the required use variance, if granted, will not alter the essential character of the neighborhood;

And, four, that the alleged hardship has not been self-created.

In addition, the board offers the following advisory comments for your consideration: Alternately, the local board could consider the merits of changing the zoning so that the marijuana dispensaries are allowed in the urban mixed use district if it is in accordance with the comprehensive plan; also if the local board makes a determination that the applicant has properly addressed each of the four tests for a use variance and subsequently grants such a use variance, the city should require a special use permit for this project.

Please note that the advisory comments are not a condition of the county planning board's action. They are listed to assist the local board in its review of the project. The local board is free to make its final decision.

The state law requires the planning board

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to notify of the board's action within 30 days. Signed Samuel Wilson, community development coordinator, Jefferson County.

So that's passed and behind us and a matter of the record now.

So I'd invite the applicant to move forward to the microphone and continue where we left off last month.

MR. BLOUNT: I'm Brandon Blount. I'm the applicant for the space at 545 Arsenal Street. I did not provide a financial analysis for each and every use of that property. It's currently listed as a restaurant/nightclub/bar.

I did provide, however, the 2024 tax filings from Shannon Exford Donato, which show that she is \$104,013 in the red as of the tax filing to show that it is not a profitable business at this time. She has limited her hours, and she is looking to sell. The property has been listed. I also submitted that listing, and it has been listed since February of 2025 with no offers, other than my own, at this point.

CHAIRPERSON CORRIVEAU: Okay. Any questions from the board members for Brandon?

MR. RUPPE: So the paperwork said that

1 listing expired in August. Do you know if that's accurate, or has it been renewed, the listing? 2 3 MR. BLOUNT: As far as I know, the -- she 4 is -- she has it listed still with the company, 5 based on whether or not we are approved. If we're approved, then we're going to go through with our 6 transaction. If not, then she's probably going to 7 relist it at that time and try to get out from 8 9 underneath it. 10 My conversations with her was that it is 11 a complete money sink at this point. She is not 12 making any revenue. She has limited hours on it in 1.3 the business at this time, just to cut down her costs and her overhead on it. 14 15 MR. RUPPE: I see. 16 CHAIRPERSON CORRIVEAU: Lance? 17 MR. EVANS: Okay. Well, you took care of 18 one of my questions already. 19 I know she's rebranded it now as Sin and 20 Cider at the Bad Apple Saloon, too. Does that 21 affect your plans at all to buy? 22 MR. BLOUNT: No. 23 MR. EVANS: All right. Under the

reasonable return criteria at the top of page 1 of

your second submission, the one you just gave us --

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MR. BLOUNT: Yep.

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MR. EVANS: -- you noted that the only currently available space within the commercial district is the former Big Lots.

MR. BLOUNT: Yes. That's the only one that I could find as of last week, which was before I submitted the paperwork.

MR. EVANS: Sure.

MR. BLOUNT: As far as -- as far as, like, the space for lease out there, even my real estate agent, Jen Waite, has been looking for me to try to find something that will be suitable within a price range that we can afford, and there is nothing that we can afford there.

MR. EVANS: Later on, on page 2, though, under alleged hardship, you turn to a property of 140 Eastern Boulevard that's in the commercial district that's for sale for about the same price as Bad Apple listing. It's a \$400,000 -- I think it's the former Pizza Hut and dentist office over there --

MR. BLOUNT: Right. I did point to that, and the reason I pointed to that was because, even though that place is available, there is a day care close by. There is also the Children's Home close

| 1 | by. The New York State proximity regulations |
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| 2 | preclude that location from being accessible as a |
| 3 | dispensary. |
| 4 | MR. EVANS: I understood that that was |
| 5 | only for school. The day care is approximately |
| 6 | I believe it was |
| 7 | MS. FARRELL: That's not very far. |
| 8 | MR. EVANS: Well, it's further than |
| 9 | 500 feet, though, from my understanding. |
| 10 | MR. BLOUNT: As I looked at it, it looked |
| 11 | as if the day care was fairly close. |
| 12 | MR. EVANS: That's the Treehouse that |
| 13 | you're talking about next to |
| 14 | MS. FARRELL: On Ohio Street, yeah. |
| 15 | MR. BLOUNT: Yeah. |
| 16 | MR. EVANS: Yeah. Because the way it |
| 17 | reads I know this will shock you. The the |
| 18 | regulations says 500 feet from a school and on the |
| 19 | same street. And so |
| 20 | MR. BLOUNT: Right. But it doesn't |
| 21 | with the OCM, what we have seen in the past and |
| 22 | I have been watching this is that it doesn't |
| 23 | matter if it's on the same street. If you're |
| 24 | if let's say you have a building here on this |
| 25 | street, like, let's say Franklin Street, for |

instance. There's that school just behind Franklin Street on the next street over. And if that's within 500 feet of any property over there, it's not going to work. And the same goes for the church. The OCM, it's -- they're looking at door to door, and it doesn't have to be the same street.

MR. EVANS: Okay.

MS. FARRELL: And I guess I would comment, why is that location preferable to you?

MR. EVANS: Well, I was just saying, that's in a commercial district already, so that is -- that's a viable place.

MR. BLOUNT: Right.

MR. EVANS: And there's a whole plaza over there, too, where the guy came to us a couple of months ago and would just love to have anything in there, so ...

But that was what you were referring to, the 500 foot towards Treehouse?

MR. BLOUNT: And then as well as the Children's Home because it is listed on the -- on the county GIS as a children's home. The state is not going to allow a dispensary there.

MR. URDA: So just to clarify for the audience and to both of you, this, I think, was the

| 1 | parcel you were talking about, Lance (indicating). |
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| 2 | MR. EVANS: Yes. Right next to |
| 3 | MR. URDA: This is the 140 parcel. While |
| 4 | you were both talking, I measured door to property |
| 5 | line here. This is, to the property line of the |
| 6 | Children's Home, about 350 feet (indicating). |
| 7 | MR. BLOUNT: Yeah. |
| 8 | MR. URDA: So that would fall within the |
| 9 | 500. |
| 10 | MR. BLOUNT: 500. |
| 11 | MR. URDA: But in the other direction |
| 12 | so what the board member is talking about was this |
| 13 | plaza here |
| 14 | MR. BLOUNT: Correct. |
| 15 | MR. URDA: where the owner of that |
| 16 | plaza came to the board a few months ago saying he |
| 17 | had trouble filling it. This is 700 feet from |
| 18 | these doors to this property line (indicating). |
| 19 | MR. BLOUNT: Correct. |
| 20 | MR. URDA: So these would be outside the |
| 21 | 500-foot bumper. |
| 22 | MR. BLOUNT: However, your rules |
| 23 | promulgate a 15-foot barrier between any retail |
| 24 | space and anything that's listed as residential. |
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Isn't all that behind there apartment complexes?

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| 1 | MS. FARRELL: Yes. |
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| 2 | MR. BLOUNT: So then the |
| 3 | MR. URDA: That's actually in a planned |
| 4 | campus zone, so the buffer I mean, whatever the |
| 5 | prescribed buffer between commercial and planned |
| 6 | campus would apply there. |
| 7 | MR. BLOUNT: Right. |
| 8 | MR. URDA: But |
| 9 | MR. BLOUNT: And there's not a lot there |
| 10 | without him having to tear out parking lot, but |
| 11 | it's |
| 12 | MR. URDA: Quite honestly, we would look |
| 13 | at that as an existing condition. In essence, the |
| 14 | lack of a buffer there is grandfathered because |
| 15 | this plaza, you know, was built probably before the |
| 16 | current zoning was even adopted. There's retail |
| 17 | uses in there now. |
| 18 | But, again, it would be whatever is the |
| 19 | prescribed buffer between commercial and planned |
| 20 | campus, not residential. |
| 21 | MR. BLOUNT: Okay. |
| 22 | MR. EVANS: Can you also go from that |
| 23 | building to the Treehouse? |
| 24 | MR. URDA: Which what is Treehouse's |
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address?

| 1 | MS. FARRELL: It's on Ohio Street. |
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| 2 | MR. EVANS: It's right yeah, it's |
| 3 | right there. |
| 4 | MR. URDA: This is it (indicating)? |
| 5 | MR. EVANS: Yeah, it's right there. |
| 6 | MR. URDA: All right. Give me a second. |
| 7 | Let's take it from this door, assuming that's a |
| 8 | door, to the property line (indicating). It's |
| 9 | about 670 feet. |
| 10 | MR. EVANS: So it's probably further than |
| 11 | from the old Pizza Hut. |
| 12 | Is the Children's Home considered a |
| 13 | school? |
| 14 | MR. URDA: We've talked about this a ton |
| 15 | internally, and we believe the answer is yes. We |
| 16 | believe that the state probably would recognize it |
| 17 | as a school, because the children that live there |
| 18 | live there essentially 24/7 and do receive |
| 19 | instructions. |
| 20 | MS. FARRELL: You're talking about the |
| 21 | Children's Home. He's talking about the day care |
| 22 | center. |
| 23 | MR. EVANS: No. I'm talking about the |
| 24 | Children's Home now. |
| 25 | MS. FARRELL: Yeah. Kids live at the |

Children's Home.

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MR. EVANS: Because for a while, they had 2 3 cut that out, I thought. 4 MR. URDA: So these frontages were 5 700 feet from the line of the Children's Home, and I just measured about 675 from this door to that 6 7 corner (indicating). MR. EVANS: Okay. 8 9 MR. URDA: So ... 10 MS. FARRELL: And I guess, in continuing 11 with this thought pattern, if I were to choose 12 between those two locations, personally, in part 1.3 because I live on the eastern side of the city, I 14 would much prefer to have a dispensary on Arsenal 15 Street near where all the rest of the businesses 16 are than in what's essentially a residential 17 neighborhood. 18 MR. BLOUNT: Yeah. 19 MR. EVANS: You also stated that the 20 urban mixed use zoning is limiting your sale 21 options. 22 MR. BLOUNT: Yeah. 23 MR. EVANS: Or not your sale options. 24 shouldn't say that.

MR. BLOUNT: Shannon's, yeah.

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MR. EVANS: But there are 19 permitted uses in there, including several restaurants, so --

MR. BLOUNT: Right. And she has had several people come in and look at the building.

One was somebody who wanted to put a -- like a craft brewery in there. They declined because of the expensive remodel that they would have to do to convert it.

There was another couple that had come in and looked at it to open it as a restaurant and bar. There were significant challenges for them as well. They did not put in an offer on it, you know.

So for her selling it and having the challenges now is that, you know, I'm here with an offer on the table for the property, and it is listed urban mixed use. You know, we can't go through with the sale -- and I won't go through with the sale because I'm not opening up a restaurant and bar. I'm going to convert the space into a retail cannabis space.

And for us to finalize the plans and go through with the deal, we have to have a variance for it because, otherwise, I'm going to have to bow out, and then she's going to sit with a property

| 1 | that, you know, she's not making much revenue on. |
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| 2 | MS. FARRELL: Where is parking for that |
| 3 | building? |
| 4 | MR. BLOUNT: It's right next to it and |
| 5 | behind it. |
| 6 | MS. FARRELL: Okay. |
| 7 | MR. BLOUNT: It has its own private |
| 8 | parking lot. |
| 9 | MS. FARRELL: Oh. |
| 10 | MR. EVANS: I guess the last questions |
| 11 | were the city just did some zoning updates with |
| 12 | related to cannabis. |
| 13 | MR. BLOUNT: Correct. |
| 14 | MR. EVANS: Nothing huge and major, |
| 15 | but |
| 16 | MR. BLOUNT: Yep. |
| 17 | MR. EVANS: Were you at that |
| 18 | MR. BLOUNT: Yes, I was. |
| 19 | MR. RUPPE: meeting? |
| 20 | And are you satisfied with what the |
| 21 | council did with those? |
| 22 | MR. BLOUNT: Yes. And sticking to the |
| 23 | 15-foot buffer would be okay with me. I don't mind |
| 24 | taking out 15-foot of the parking lot. |
| 25 | However, I would ask that if we do if |

1 we are granted the use variance, that I would be 2 granted a waiver and grandfathered in because the 3 property is already a contiguous space used for a 4 bar/restaurant. It would -- me taking out 15 feet 5 would eliminate parking spaces. MR. URDA: Well, I would say it already 6 conforms now. 7 MR. BLOUNT: Okay. 8

MR. URDA: The property line is right here (indicating). So the property right now has easily over 15 feet. It probably has close to 40.

MR. BLOUNT: Right.

MR. URDA: So you wouldn't need to do anything.

MR. EVANS: How about on the side, Geoff?

MR. URDA: Well, the side doesn't abut
residential (indicating). It abuts other UMU
parcels.

MR. BLOUNT: Yeah.

MR. EVANS: Oh, okay.

MR. URDA: But then here, it abuts residential. But, again, the property has more than enough buffering.

MR. BLOUNT: Right.

MR. URDA: So Mr. Blount, if he were to

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| 1 | establish a business there, wouldn't need to change |
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| 2 | anything about it. It would already meet that |
| 3 | requirement today. |
| 4 | MR. EVANS: Okay. |
| 5 | MR. BLOUNT: Yeah. |
| 6 | MR. EVANS: Great. |
| 7 | Those were, I think, all my questions, |
| 8 | Mr. Chair. |
| 9 | CHAIRPERSON CORRIVEAU: Anymore, Molly? |
| 10 | MS. FARRELL: I'm curious about the bar |
| 11 | that's across the street from the Bad Apple, |
| 12 | because isn't that building also for sale? |
| 13 | MR. BLOUNT: That building is in really |
| 14 | bad shape, really, really bad shape. |
| 15 | MS. FARRELL: Yeah. |
| 16 | MR. BLOUNT: It's basically falling down. |
| 17 | The last time I went by, there was a second-floor |
| 18 | door above one of the roofs, and that was wide open |
| 19 | to the weather. It was something that, you know, |
| 20 | was going to take substantial funds to rehab. |
| 21 | MS. FARRELL: Is that in the same zoning |
| 22 | district, though? |
| 23 | MR. BLOUNT: Urban mixed use, yes. |
| 24 | MR. URDA: Yeah. I'll zoom out a little |
| 25 | bit for that. |

MS. FARRELL: Okay.

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MR. URDA: So the hot pink here is the urban mixed use district. If I zoom out a little more, urban mixed use generally acts as like a downtown transition zone. You see it bordering downtown.

The dark red here is the downtown zoning district. The yellow is residential. The pink -this lighter pink is neighborhood mixed use. The purple is industrial, and if I were to zoom this way a little bit -- it will pop in -- this red out here on Arsenal Street, this is all commercial zoning. Western Boulevard, Commerce Park Drive, Coleman Avenue, this is all commercial zoning out here.

But, yeah, right across the street,
this -- this corridor of Arsenal Street between
Massey and the CSX tracks, this is urban mixed use
(indicating).

MS. FARRELL: Okay.

CHAIRPERSON CORRIVEAU: Okay. I've just got a couple more.

MR. BLOUNT: Yeah.

CHAIRPERSON CORRIVEAU: I read the \$100,000 loss in her tax filing. Has that been

1 going on for a while with her? 2 MR. BLOUNT: Yes. Yeah. 3 CHAIRPERSON CORRIVEAU: Any feeling for 4 how she puts up with that, why she can stay in 5 business? MR. BLOUNT: She is trying to keep the 6 7 location open just to keep the Bad Apple name going at this point. Once it sells, she's out of the 8 9 place. 10 MS. FARRELL: Do you know -- this might 11 not be a question you know the answer to, but if 12 she were to sell that location, would the other Bad 1.3 Apple locations then be solvent? 14 MR. BLOUNT: I don't know that, to be 15 honest with you. I do know that this is her 16 highest loss property at this point for Bad Apple. 17 CHAIRPERSON CORRIVEAU: And on the four 18 tests that we have to look at, the second one's 19 about uniqueness of the property. 20 MR. BLOUNT: Yep. 21 CHAIRPERSON CORRIVEAU: And how would you 22 characterize that property, 545 Arsenal, as being 23 unique, as compared to other properties within the 24 urban mixed use districts? What 2.5 characteristics/features make it its own, in your

mind?

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MR. BLOUNT: The property, for one, it has its own parking space, own parking lot. And it's off-street parking, so it would not congest traffic anywhere. A lot of the other properties along that corridor, as well as up the other urban mixed use corridors, they do not have very much parking, if any at all. And it makes it also so I can secure the parking.

The parking lot comes -- the driveway in is only basically, like, 20 feet wide. I will be able to put up gated and fencing all the way around that so that during hours of operation, it will be open. It will be closed and secured at the end of the night each night. This will also help kind of deter any people from making attempts on the building itself.

MR. EVANS: Are you saying that's a hardship?

MR. BLOUNT: No. What I'm saying is it's a unique identifier for the property.

MR. EVANS: Okay. Thank you.

MR. BLOUNT: Any of the other places, if I were to lease, they're all going to have basically open parking lots. I'm not going to be

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able to make them as secure as what I would be able to do with this. And that's kind of another reason why I would want this place is so that I can button it up, so during off hours, we're -- we're not going to be subject or easy to break into and get out with any of our product, because we don't want that going out in the community at large willy-nilly.

CHAIRPERSON CORRIVEAU: I think what Lance was asking about, though, is the unique test here is really about does the property exhibit a hardship that warrants a variance, not that it has some beneficial attributes about security or parking.

MR. BLOUNT: Okay.

CHAIRPERSON CORRIVEAU: And Lance asked you earlier about the city's actions with the zoning ordinance back in '23 and the more recent ones in February here and last month. You were present. Did you engage with council at all on their choice?

MR. BLOUNT: Yes, I did. So what I did was I brought before the council just what the laws were --

MR. URDA: To be clear, that was at the

| 1 | planning commission meeting. |
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| 2 | MR. BLOUNT: That's where |
| 3 | MR. URDA: The council also met, and they |
| 4 | did unanimously actually, I don't know if it was |
| 5 | unanimous or not, but they adopted the planning |
| 6 | commission's recommendations. |
| 7 | MR. BLOUNT: Correct. |
| 8 | MR. URDA: But the meeting you spoke at, |
| 9 | just for the record, was the planning commission |
| 10 | meeting. |
| 11 | MR. BLOUNT: It was planning commission |
| 12 | meeting. I actually was not at the city council |
| 13 | meeting. I'm sorry. I've been to a bunch of |
| 14 | these. It's kind of hard to |
| 15 | MR. EVANS: You engaged in the process, |
| 16 | though. |
| 17 | MR. BLOUNT: Yes. |
| 18 | MR. EVANS: Got you. |
| 19 | MS. FARRELL: Have you opened a facility |
| 20 | like this elsewhere in the state? |
| 21 | MR. BLOUNT: Yes. |
| 22 | MS. FARRELL: Where? |
| 23 | MR. BLOUNT: I currently have a |
| 24 | dispensary operation in Carthage West Carthage, |
| 25 | actually, since February of this year. |

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MS. FARRELL: Have you had any issues at that facility?

MR. BLOUNT: Zero. The OCM, I have to send them reports on my inventory, tracking literally everything that we do in the shop. I have to submit even accounting to my banks. I can't have more than a 10 percent variance or they come after me. Everything that I have to do is super, super strict, and I play by the rules, by the book. That's why I'm here in the first place and not trying to open up like the smoke shops that are all over the city at this time.

MS. FARRELL: Mm-hmm.

CHAIRPERSON CORRIVEAU: Anything else from the board members for Brandon?

Okay. Thanks, Brandon.

I guess at this time, I would like to invite anyone else from the public, neighboring property owners, if you've got something to say, now is the time for the hearing.

AUDIENCE MEMBER: Good evening, Chairman and Board. This is actually in response to the one that is going to be -- or hopefully will be on Coffeen Street, but if this is the time for public comment --

CHAIRPERSON CORRIVEAU: Let's defer that 1 2 one until we get to that part of the hearing. 3 AUDIENCE MEMBER: Sorry. 4 CHAIRPERSON CORRIVEAU: We're going to 5 finish one and then move on to the other. Okay. Hearing none, I've got a question 6 for staff. 7 Since we last met, have you seen anymore 8 9 applications come into the city to build cannabis 10 dispensaries? 11 MR. URDA: City did receive two 12 applications, both of which were in a commercial 13 district. And then after receiving zoning 14 compliance certificates, both interested parties 15 subsequently submitted special use permit 16 applications, which will be on the December 17 planning commission agenda. 18 CHAIRPERSON CORRIVEAU: Okay. Thanks. 19 MS. FARRELL: I have a question that 20 might not be answerable, but I'm going to ask it 21 anyways. 22 Do you think, by allowing cannabis shops in the city, it might be a way to eliminate the 23 24 smoke shops that are popping up all over the place?

MR. URDA: I really don't know and nor do

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I know if that's really appropriate for me to speculate on.

MS. FARRELL: Okay.

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MR. EVANS: It's free market.

MR. BLOUNT: I can speak to that. We had several of the smoke shops open in Carthage and West Carthage before we were actually licensed: two of them have gone out of business because of us. The other one is operating far enough away from us, and they're doing things a little bit differently. They're only selling cannabis products on the weekend to try to avoid oversight by the village, as well as the office of cannabis management.

The people that go to them are basically just walking there. They're not coming to my shop. Our products are a little bit more expensive, but our products are also -- and this is from our customers directly. The reason why they have stopped going to those shops is that our products are regulated, our protects are lab tested, and our products are as advertised.

You know, we -- we have strict limits on -- on, you know, THC in edibles, for instance. There is consistency across all of our products that they're not seeing at these smoke shops who

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are getting underground whatever from wherever. So they have been coming to us versus going to those shops.

CHAIRPERSON CORRIVEAU: Why -- help educate me. What's the legal liability for those smoke shops to be doing that?

MR. BLOUNT: So the legal liability for those smoke shops is substantial, but they -- it comes down to, right now, there's not enough enforcement staff with the OCM to hit every single smoke shop, so they're concentrating on the heavier areas. They did once come through Watertown, down a bunch of shops.

They boarded -- or, you know, put their signs on. A lot of those shops either closed under that business name and reopened under another business name doing the same thing, or they closed and relocated or -- you know what I mean? They are circumventing the system as best as they can.

However, if they get caught a second time and it's the same individuals, the OCM will actually start fining them.

There was a case where a gentleman out of Rochester was running, like, six different smoke shops. He got busted, and they fined him tens of

| 1 | millions of dollars. |
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| 2 | CHAIRPERSON CORRIVEAU: Thanks. |
| 3 | MR. BLOUNT: You're welcome. |
| 4 | CHAIRPERSON CORRIVEAU: Okay. Barring |
| 5 | any further comments, I'd ask for a motion and a |
| 6 | second to close the public hearing for Variance |
| 7 | Petition 610 at 545 Arsenal Street. |
| 8 | MR. RUPPE: So moved. |
| 9 | MS. FARRELL: I second. |
| 10 | CHAIRPERSON CORRIVEAU: All in favor? |
| 11 | MR. EVANS: Aye. |
| 12 | MR. RUPPE: Yes. |
| 13 | CHAIRPERSON CORRIVEAU: Aye. |
| 14 | Okay. At this point, we'll go through |
| 15 | the SEQR form, Short Environmental Assessment, |
| 16 | Part 2. |
| 17 | Will the proposed action create a |
| 18 | material conflict with an adopted land use plan or |
| 19 | zoning regulations? |
| 20 | I just want to hear from board members. |
| 21 | MS. FARRELL: No. |
| 22 | CHAIRPERSON CORRIVEAU: Will the proposed |
| 23 | action result in a change in the use or intensity |
| 24 | of use of land? |
| 25 | MS. FARRELL: No. |

| 1 | MR. RUPPE: No. |
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| 2 | CHAIRPERSON CORRIVEAU: Will the proposed |
| 3 | action impair the character or quality of the |
| 4 | existing community? |
| 5 | MR. RUPPE: No. |
| 6 | MS. FARRELL: No. |
| 7 | CHAIRPERSON CORRIVEAU: Will the proposed |
| 8 | action have an impact on the environmental |
| 9 | characteristics that cause the establishment of a |
| 10 | critical environmental area? |
| 11 | MR. RUPPE: No. |
| 12 | MS. FARRELL: No. |
| 13 | MR. EVANS: No. |
| 14 | CHAIRPERSON CORRIVEAU: Will the proposed |
| 15 | action result in an adverse change in the existing |
| 16 | level of traffic or affect existing infrastructure |
| 17 | for mass transit, biking, or walkway? |
| 18 | MR. RUPPE: No. |
| 19 | MS. FARRELL: No. |
| 20 | CHAIRPERSON CORRIVEAU: Will the proposed |
| 21 | action cause an increase in the use of energy and |
| 22 | it fails to incorporate reasonably available energy |
| 23 | conservation or renewable energy opportunities? |
| 24 | MR. RUPPE: No. |
| 25 | MS. FARRELL: No. |

| 1 | CHAIRPERSON CORRIVEAU: Will the proposed |
|----|-----------------------------------------------------|
| 2 | action impact existing public/private water |
| 3 | supplies? Public/private wastewater treatment |
| 4 | facilities? |
| 5 | MR. RUPPE: No. |
| 6 | MR. EVANS: No. |
| 7 | MS. FARRELL: No. |
| 8 | CHAIRPERSON CORRIVEAU: Will the proposed |
| 9 | action impair the character or quality of important |
| 10 | historic, archaeological, architectural, or |
| 11 | aesthetic resources? |
| 12 | MR. RUPPE: No. |
| 13 | MS. FARRELL: No. |
| 14 | CHAIRPERSON CORRIVEAU: Will the proposed |
| 15 | action result in an adverse change to natural |
| 16 | resources? I.e., wetlands, waterbodies, |
| 17 | groundwater, air quality, flora, and fauna? |
| 18 | MS. FARRELL: No. |
| 19 | MR. EVANS: No. |
| 20 | CHAIRPERSON CORRIVEAU: Will the proposed |
| 21 | action result in the potential for erosion, |
| 22 | flooding, or drainage problems? |
| 23 | MS. FARRELL: No. |
| 24 | CHAIRPERSON CORRIVEAU: Will the proposed |
| 25 | action create a hazard to environment resources or |

| 1 | human health? |
|----|----------------------------------------------------|
| 2 | MS. FARRELL: No. |
| 3 | MR. EVANS: No. |
| 4 | CHAIRPERSON CORRIVEAU: At this time, I'd |
| 5 | like to ask for a motion and a second to make a |
| 6 | negative declaration pursuant to the SEQR |
| 7 | requirements. |
| 8 | MS. FARRELL: I'll make that motion. |
| 9 | MR. RUPPE: Second. |
| 10 | CHAIRPERSON CORRIVEAU: All in favor? |
| 11 | MR. RUPPE: Yes. |
| 12 | CHAIRPERSON CORRIVEAU: Aye. |
| 13 | MR. EVANS: Aye. |
| 14 | CHAIRPERSON CORRIVEAU: Anyone opposed? |
| 15 | Okay. I believe the declaration stands. |
| 16 | At this point, I'd ask the board members, |
| 17 | are you comfortable to vote? |
| 18 | MR. RUPPE: Yes. |
| 19 | MS. FARRELL: I think so, yes. |
| 20 | CHAIRPERSON CORRIVEAU: And when you do |
| 21 | so, I'd like to ask you to speak to all four of |
| 22 | those tests that are in the requirements for a use |
| 23 | variance. We'll see the test as being met or not, |
| 24 | and at the end of addressing those four, give me |
| 25 | your vote, up or down. |

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I'd start with you, Adam.

MR. RUPPE: There are four hardships that the applicant must prove to get a use variance: lack of reasonable return from each and every permitted use, that the problem is unique to this property, that the proposed use won't alter the essential character of the neighborhood, and that the hardship was not self-created. Note the word "and" there is very important. All four tests must be proven to get a use variance.

I think you have successfully shown that the hardship you described is not self-created since you didn't create the regulatory environment, and you've also shown that the proposed use should not alter the essential character of the neighborhood since retail cannabis sales are not -since retail cannabis sales are not fundamentally different than the existing retail alcohol sales nearby.

However, while you have shown that the zoning code does cause hardship for your business, it's important to realize that use variances go to the land, not to the specific business. You must show that for each and every permitted use, not just your business or the existing use, that you

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cannot realize a reasonable return from the property in question and that the hardship is unique and does not apply to a substantial portion of the district for the neighborhood.

Your argument that the zoning law unfairly harms your business may or may not have bearing, but it doesn't matter to the specific question of a use variance, because if the zoning law is unfair, that applies equally to all properties zoned urban mixed use and not just this specific property. The ZBA is empowered to grant relief for unique circumstances, but if there's a problem with the entire law, that's outside our authority.

Similarly, arguing that the majority of restaurants fail within a decade may be true, but, again, that's true anywhere, not just this specific property.

Moving on to the reasonable return test, showing that the existing business is having trouble is an important piece of evidence, but it's insufficient to meet the test requirement that a lack of reasonable return is shown for each and every permitted use. While the restaurant business may be a coin flip, it is distinctly possible that

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another restaurant may succeed in this location.

And you stated that people are interested, but not yet made an offer, so it's possible that more time on the market or a reduced asking price may yet attract a buyer.

While changing the use of this property may require significant renovations, given you're proposing a lighter touch for this retail use, but have not addressed while something similar could not be possible for other uses as well.

Whereas I don't believe your application has sufficiently proven a lack of reasonable return and whereas you have failed to convince me why the alleged hardship is unique to this property and since no such use variance shall be granted unless proving all four tests described in city code, I must vote no.

CHAIRPERSON CORRIVEAU: Molly?

MS. FARRELL: May I go last?

CHAIRPERSON CORRIVEAU: Sure.

Lance?

MR. EVANS: As Adam said, there's four tests for this to be met, and each of them must be met by the applicant. And I'm going to start in a different order than Adam did, just to make things

interesting.

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I'm going to start with the first criteria, the reasonable financial return for any permitted uses. There are a variety of permitted uses in a UMU. This location has been used right now as a restaurant and bar for the past five years by Shannon Exford. Prior to that, the location was a nightclub.

The Bad Apple has inspired three spinoff locations in Watertown: one in Black River and one on Fort Drum. In addition, Bad Apple notes that they cater from this location also. As well, I believe Ms. Exford owns another location in Glenfield that predates this one.

Both a bar and a restaurant are permitted under current zoning, as are 18 other categories out of the 25 in the commercial table on page 21 of the city's zoning update from February '23.

The applicant has noted that within the five-year -- first five years, 50 percent of restaurants fail, which is the five years that Ms. Exford has been there. It appears, though, that with her Bad Apple restaurants, she has beaten this and is successful.

The listing that was -- that is now

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expired that notes the property for sale notes that they're selling it because the owners have new plans that require a larger space. It goes on to say the property boasts high visibility and well-established customer traffic which will benefit both new and experienced entrepreneurs. This would argue that the current use is a successful one, despite being in the UMU and, actually, despite what she has given for that —the tax document.

Criteria 2 states that the alleged hardship is unique to the property. Note, it does not talk about the plight of the owner. Mr. Blount notes that there's several restaurants within a quarter mile of this property that are in the UMU, and there does not appear to be any physical features, historic or architecture features, or adjacent uses that create a unique hardship to this.

The fact that there are viable businesses in UMU, however, does make the case that a different type of retail store in the neighborhood will not alter the essential character in the UMU. The applicant correctly points out the 8-foot fence in the back of the property to screen the business

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from residences. We also saw that there were a number of bushes and trees back there, too, that are adjacent to the property. And I agree, it does not appear that the neighborhood would be adversely affected by the use.

On the final criteria, the alleged hardship is not self-created, I believe by conditioning buying the property only if the variance is granted and doing his due diligence by coming before this body, the applicant has satisfied this criteria.

However, in order to grant a use variance, the property must meet all four criteria. The applicant has not been -- has not met two of the four, so I vote to deny the variance.

CHAIRPERSON CORRIVEAU: All right. My feeling on this one is that, under the reasonable test Number 1, reasonable return, the opportunity for an owner to make more money from a property sale or rental if the zoning is changed or a use variance is granted is not the same thing as being unable to make a reasonable return on the property in its current zoning status.

Comparing the current earnings to the potential earnings if the use variance were granted

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would show that the requested use would be more valuable and the current use is not adequate. The applicant is not entitled to maximize the profit. The ZBA determines what is a reasonable rate of return. The applicant must prove that the property is not able to realize a reasonable return for any permitted use under the current zoning.

The opportunity for an owner to make more money from a property if the zoning is changed or a use variance is granted is not the same as being unable to make a reasonable return on the property in its current zoning status. I don't believe you satisfied the reasonable return test.

On Test 2 on uniqueness, I believe the hardship is supposed to be unique to the property and not a hardship that applies generally to the district of the neighborhood. We are to consider the uniqueness of the land in causing the hardship, not the uniqueness of the hardship to a particular owner. I don't believe you satisfied the uniqueness test.

Test Number 3 on neighborhood character,
I believe the cannabis dispensary would not alter
the essential character of the neighborhood.

And Test 4, self-created, the hardship

you're claiming is somewhat self-created as you are pursuing the property purchase in a nonconforming use, fully aware that the zoning ordinance allows the cannabis dispensary only within the commercial district.

And based on all your other statements and questions and your responses, I believe this hardship is, in some measure, self-created, so I'm going to vote no.

Molly?

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MS. FARRELL: All right. So then I'm up.

I agree with everything that's been said thus far. I do think that the third requirement, that if a use variance, if granted, will not alter the essential character of the neighborhood is true, because at the end of the day, you're not changing the structure of the building. And I think that's an important thing to consider. I think because a zoning variance stays with the property, not the business, it's important to make careful decisions about when a variance is granted and when a variance is denied because it can have lasting impacts for the neighborhood.

I agree with the idea that this issue is -- is more an issue with the zoning category

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than with the property itself, which I think is an issue for meeting the fact that the hardship is not self-created. I think it is self-created in that it's because of the district that you're trying to put a business in.

And I agree with the idea that I think it's difficult to prove that another business wouldn't be successful on that property that fits within the zoning district.

And so for all of those reasons, I am also going to vote no on this variance.

CHAIRPERSON CORRIVEAU: Okay. One more comment I want to add is that granting a use variance is fundamentally quite difficult as compared to granting an area variance.

This petition can be viewed in many respects as essentially seeking a zoning change, and only the governing body of city council has that authority. The ZBA's authority and obligation is restricted to the language within the current zoning ordinance.

So we've got four no votes and no yes votes. Variance Petition 610 has been denied by the ZBA.

So let us move on to Number 611 on

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Coffeen Street. I would invite the applicant to present his petition and presentation that he did last month.

MR. SBORO: Through the Chair, may I approach and hand out some materials?

CHAIRPERSON CORRIVEAU: Sure.

MR. SBORO: Good evening, Chair and members of the board. My name is Michael Sboro representing Bud Bound Ventures, LLC.

This follow-up packet was prepared in direct response to questions raised by the board and the planning staff at the October 15th meeting, as well as the follow-up emails dated October 22nd and November 3rd. It's designed to make your review straightforward, providing written clarification for each question summarizing the exhibits and a few short financial updates that were requested.

I'll walk through the packet in order this evening so the board can easily follow along. Each section makes the board's questions -- matches the board's questions from the minutes with my clarifying responses and supporting exhibits directly behind them.

Where the board requested new or revised

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information, such as snow and utility allocation, income and expense verification, and updated pro forma analysis, those materials are included. The goal of this submission is to strengthen the record for all four hardship tests under New York General City Law to show that, Number 1, the property cannot yield a reasonable return under any permitted NMU use, the hardship is unique to the parcel's geometry and configuration, the proposed use maintains the neighborhood's essential character, and the hardship was not self-created.

I appreciate the opportunity to bring these clarifications forward tonight, and I hope this organized packet makes the review process as clear and efficient as possible. I invite you to now follow along with me by starting on page 4.

Pages 4 through 6. Through the chair and members of the board, you should have already received this document by email from Mr. Urda and the planning department for previewing. This revised Exhibit C, dispensary pro forma, updates the version submitted in October. It reflects the clarifications requested during the October 15th hearing, including: more conservative sales and expense assumptions; the addition of conversion and

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fit-out costs amortized over ten years; and a clarified occupancy line showing total annual carrying costs for the property.

It's framed to demonstrate a modest and sustainable return, about 8 percent on a fair market value, consistent with the reasonable return standard under General City Law 81-b.

I respectfully request that this revised exhibit replace the original version from October 15th and be entered into the record as part of the November 12th clarification submission.

Pages 7 through 8. I'd like to clarify my response to the board's questions about why we continue to hold the property since legalization in 2021. The property has been responsibly maintained under Sboro Enterprises, LLC, while the city's regulations evolved. The lower unit has remained rented, and the upper unit, largely vacant with only occasional short-term use. Even with that occupancy, the property has not produced a reasonable return under its current residential use. We have absorbed those losses to prevent any vacancy and deterioration, keeping the building in good condition while pursuing a viable regulated retail use consistent with state law. Selling it

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wouldn't solve the hardship. It would simply transfer a property that cannot yield a reasonable return under permitted uses to another owner.

For the record, I have provided a one-page income and expense summary for the past 12 months showing the lower unit rented at 800 per month. The upper is mostly vacant and a resulting operating loss after all verified expenses. This demonstrates that the hardship stems from the property's performance, not from the ownership choices.

Pages 9 and 10. I'd like to clarify my response to the board's question at the last meeting regarding the use of the upper unit. The building is an up-and-down duplex, and the lower level is the portion proposed for the retail dispensary. The upper level will remain unchanged and will not be used as a tenant rental. In the long term, it may serve as a private office for administrative use connected to the business.

There are no structural additions or expansions proposed, and the exterior will intentionally maintain its residential appearance. That's a part of our design approach. We want the property to continue looking and feeling like a

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home, rather than a commercial storefront, which supports the city's goal of preserving the neighborhood character. At this time, no paving or lot expansion is proposed, but we're open to adding landscaping, buffers, fencing, or widening the existing 12-foot driveway to 24 feet if the board or planning department recommends it for safety or access.

Overall, the plan is to preserve the structure within its current footprint, maintain its residential design, and ensure the operation runs quietly and seamlessly into the neighborhood.

Pages 11 to 14. In response to a question about rent levels and snow removal costs, I've confirmed that all the figures in my packet are based on verified invoices and payments -- payment records from Sboro Enterprises, LLC.

The snow and maintenance service for this parcel are detailed on page 36 of my initial submission. That line item reflects roughly nine grand in annual snow removal and related services, which include plowing, sanding, salting, and sidewalk clearing across the whole parcel, plus loader and dump truck haul-away once on-site storage fills up. Given our snow storage

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situation, which requires loader and dump truck usage, that cost is accurately and fully documented by contractor invoices.

On the rental side, the 1,100 figure I used in the hardship packet was simply a market benchmark. The actual rent collected over the last 12 months averages 800, which is supported by the documentations on page 44, and it falls within the verified market range of comparable units here in Watertown. Even if we adjust for higher rents or assume tenants pay their own utilities, the property still operates at a loss. These verified numbers show that the hardship is not inflated. It's based entirely on factual, recurring costs tied directly to this property.

about whether this property could turn a profit by cutting costs, reducing snow removal, or shifting utilities to tenants. The figures I have submitted already test all of those scenarios. The entire plowing area lies within the subject of the parcel boundaries and reducing it would create drainage and icing hazards. Even if neighboring users covered their share, the savings don't bring this property anywhere near a reasonable return.

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On utilities, the building is single metered, and compared with duplexes in Watertown, typically include owner-paid heat and water. We modeled full occupancy and tenant-paid scenarios, and the result still falls short. So whether you look at the verified actuals of the prorated snow scenario or the tenant-paid model, the outcome is the same. It's not achievable in real-world or legally compliant conditions. This parcel cannot reach a reasonable return under its permitted use.

Page 17. I'd like to clarify the board's question about how a dispensary can produce a reasonable return when other retail uses can't.

The difference lies in the business structure, not the building. The "retail, general, and service" and "retail, neighborhood" category analyzed in my original packet represent traditional, low-margin retail models, boutiques, or small offices where income is limited for rent — to rent or small local sales. By contracts, a licensed cannabis dispensary operates under a regulated framework with stable state-controlled pricing and product margins. It's an owner-operated, margin-based business, not a rent-based one.

So while the rent-to-fit costs are

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similar, the ongoing economics are entirety different. The dispensary model brings the property into a modest reasonable return range without exceeding it, and that's what distinguishes it from the traditional retail use that continued to lose money.

Page 18. The board had asked whether we tried to sell the property. We haven't listed it for sale because selling wouldn't solve the hardship. It would simply pass the same infeasible economics to another owner. Under New York's variance standard, the question is whether the property can yield a reasonable return under its permitted uses, not whether it can be sold at a loss.

To be thorough, I did obtain broker's opinion showing that the property's as-is market value of roughly 130 to \$150,000 is equal to its assessed value. Any buyer converting it to a permitted retail or service use would still face the retrofit costs with negative returns. In short, a sale wouldn't relieve the hardship. It will just reset the problem for another owner. You can find the broker opinion value on the next page.

Pages 19 and 20. I appreciate the

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reminder at the last meeting that just making more profit under a variance isn't enough to justify the hardship. That's why I organized my financial presentation to lead with the permitted use results, duplex, general retail, and office, all of which operate a loss and fail to meet even with minimum return.

The revised dispensary pro forma then shows that this variance simply brings the property up to about an 8 percent return on its fair market value. That's a modest, sustainable figure that falls right within the 6 to 10 percent range recognized by zoning law as reasonable return. This variance isn't about earning more. It's about making the property economic viable while still aligning the city's definition of reasonableness.

21 through 25.

Mr. Urda and through the chair, could you please bring up F-2 and F-3 on the screen?

Those are the Coffeen Street border photo sheet and setback visuals for easy reference.

Through the chair, I understand the question of whether our site is truly unique, but 848 Coffeen is physically set apart from most NMU parcels. The building sits about 25 feet from the

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right-of-way, where parcels to the east sit more than 40 feet back, and the property just to the west, 852 Coffeen, is only about 8 feet from the street with a taller structure and a projecting neon sign. For traffic heading east from the fairgrounds, that building completely blocks the view of ours until they've passed it.

Between that and 836 Coffeen sitting much further back, our parcel ends up recessed in a visual pocket with a narrow 12-foot driveway and only a few feet of side clearance. Those combined conditions -- visibility limits, site access, and inconsistent setbacks -- aren't typical around the corridor and makes this property physically unique.

Pages 26 through 27. I want to briefly mention, I've organized everything I presented tonight around the four statutory hardships tests under New York General City Law 81-b. You'll see a one-page summary in front of you that outlines each of those four tests: reasonable return, uniqueness, essential character, and self-created hardship.

With short explanations and direct references to the exhibits in my original application, the purpose of this sheet is to add -- isn't to add new information, but to make it easier

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for the board to follow along and confirm that each test is met and documented in the record. This variance isn't about seeking more profit. It's about making this property viable the way the standard law requires. I wanted to make sure that's clear and easy for reference as you deliberate.

On page 28, when the city went through the zoning update in 2023, I was generally aware of the changes that were being discussed, but the hardship we're talking about here wasn't something that could have been presented by commenting at the time. The update was a city-wide policy process, not a site specific review, and our property has remained unchanged throughout.

The hardship isn't something we created. It comes from the physical layout and the financial infeasibility with the permitted NMU uses under the new code. So while I was aware of the process, the circumstances that made this parcel unworkable were already built in long before the zoning amendment was adopted.

Pages 29 through 31. I understand the concern about maintaining the neighborhood's character and avoiding any precedent that could

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change the pattern of this district. In this case, the proposed use is fully contained within the existing building footprint while 1,300 square feet of the ground floor with no exterior additions or site expansions. The upper level remains as is.

The facade keeps its residential look. Operations are highly regulated by the state with security cameras, limited hours, and no on-site consumption.

So even if approved, this variance doesn't open the door for broader doors of activity. It simply makes this one existing property financially functional while keeping the same look, feel, and traffic level the neighborhood already has.

asked that we supplement the record with a discounted cash flow analysis showing stabilized income for permitted uses along with actual income and expense statements. Those figures are now provided. The 12-month income and expense statement show an actual operating loss under the current residential use, and the discounted cash flows for permitted uses -- duplex, retail, and office -- confirm that, even under stabilized long-term conditions, each produced a negative

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return well below the 6 to 10 percent benchmark.

The purpose of this edition isn't to restate the conversion cost, but to give the board a clear, long-range financial picture showing that the hardship is both ongoing and quantifiable.

These materials now provide the complete dollar-and-cents foundation that the statute requires for the reasonable test.

Page 35. Through the chair, Mr. Urda noted that to grant a variance, the board needs to see that every NMU use permitted has been reviewed and shown as practicable for this parcel. That analysis is already contained in Exhibit E of my October 15th application, pages 41 through 58, where each allowed use was reviewed side by side.

To give a clear example, a salon once operated right at this parcel and later moved directly across the street. The owner explained she struggled at the subject parcel because customers couldn't see her business from the road and parking felt awkward and hidden. The same salon, now located across the street where the building lines up with the rest of the corridor and is clearly visible, her business now thrives. That example shows this hardship isn't about market

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conditions or business type. It's about the geometry and visibility limits unique to this specific parcel, and that's why the hardship here is parcel-based, but not market-based, fully satisfying the uniqueness and reasonable return tests.

already several neighborhood mixed use parcels that support small retail operations similar in size and activity to what's proposed here. The difference is that my licensed dispensary will operate under strict state regulations, including full camera coverage, ID verification, and oversight by the State of New York Office of Cannabis Management. That makes it one of the most controlled accountable forms of retail use permitted anywhere in the city.

Unlike some existing storefronts, this business will not feature bright neon lights, window displays or products, or signage that disrupts the corridor. The building will maintain a residential appearance with compliance signage only and minor exterior updates like fresh paint or trim so it continues to look like a well-kept home or duplex in an NMU district.

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It's also important to clarify that this adult-use cannabis dispensary will not be labeled or operated as a smoke shop, a tobacco shop, or a last-product store. While many people associate cannabis with smoking, most of the consumption in today's regulated market is through non-smokable forms: edibles, tinctures, and other precisely dosed products. This will be exactly what it says: a New York State licensed cannabis retail dispensary, not a smoke shop in disguise.

In that sense, the proposed use fits squarely with the existing retail character of the neighborhood, but does so with higher oversight, lower impact and greater alignment with both city code and standards state law.

Before I continue, I'd like to take a moment to note that I previously submitted by hand a separate packet entitled "Change for Good:

Community Acceptance and Input" in the planning department's office on November 10th. This was provided prior to tonight's meeting as additional document for the zoning board of appeals to review. I simply want to acknowledge on record that this packet was received and is part of the materials being considered for this evening.

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Additionally gathered, I have more community acceptance and input materials that have been collected since that submission. I would like to respectfully hand those in this evening to be included as supporting evidence within the same packet. This additional evidence supports the use variance hardship tests Number 2 -- for the Number 2, uniqueness test, and the Number 3, essential character of the neighborhood test.

Through the chair, in addition to my clarification submission this evening, I also have a couple of other additional exhibits I would like to briefly present and explain before concluding with my closing statement.

These were added after my full clarification packet had already been completed, but I felt they were important enough to bring forward tonight. They address matters that I believe deserve to be acknowledged directly, both for this board's consideration in deciding the variance and for the broader benefit of the community and city council as they continue to shape policy around it.

Before I continue, to stay on pages 37 and 38, those are just only acknowledgment and

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understanding pages of a portion of the packet
"Change for Good: Community" packet and additional
exhibits.

You can now open that packet and follow along on pages 39 and 40.

To further clarify the record, I want to briefly address the matter of youth facilities in neighborhood character as it relates to 848 Coffeen Street. Well before I ever filed this application, I reviewed the New York State law and the Office of Cannabis Management's guidance to ensure my site fully complied with all proximity requirements. If it hadn't, I would never have pursued this process. I've understood these rules from the start, and this property meets every condition under both state and local law.

Nearby parcels -- the Kostyk Fieldhouse, the Watertown Municipal Arena, and Alex T. Duffy Fairgrounds -- are zoned parks and open space, but under OCM's definition, none qualify as a public facility. That definition requires both government ownership and primary -- and a primary purpose serving minors under 17. While these parcels are municipally owned, their uses are mixed and largely adult oriented. The fairgrounds hosts fairs,

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concerts, car shows, along with many adult sporting events. The arena supports adult and professional hockey and other adult activities throughout the year.

Both the arena and the fairgrounds operate with permits that allow the sale and on-site consumption of alcohol, a regulated intoxicant, at public events held at most parcels. Even if the city some day designated these properties as youth facilities, they'd still fail OCM's legal definition since their primary purpose is not dedicated to minors.

Looking at neighborhood character, this corridor already includes three restaurants and bars each closer to those same park and fairground parcels. These businesses legally serve alcohol for on-site consumption and are open to the general public, including families and minors. It's common to see youth in those restaurants and bars sitting side by side or across from patrons consuming alcohol. That's the existing accepted and licensed character of this mixed use corridor.

By comparison, a licensed cannabis dispensary is 21 years or older, allows no on-site consumption, sells sealed traceable products, and

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operates under continuous state-monitored security and surveillance. In reality, our operation is quieter, safer, and more controlled than several current uses already permitted here.

Lastly, the City of Watertown has opted out of on-site cannabis consumption. I support that decision. On-site makes sense in a larger, walkable cities, not here where people primarily drive. For Watertown, retail-only dispensaries are the right fit to ensure public safety.

I ask that this clarification be entered into the record, showing that this project has been compliant from the beginning, that none of the surrounding parcels meet the state's definition of a youth facility, and that a proposed use aligns with both the law and the true character of this neighborhood.

Watertown's strength comes from its working families, teachers, Realtors, engineers, professionals who care deeply about how growth happens here, not just that it happens. Good planning teaches by example. Regulating something openly and responsibly shows our youth and community how adults make balanced, thoughtful decisions. That's real leadership.

Court Reporter

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At its core, this variance isn't changing the system. It's correcting a logic debt within it. The 2023 zoning update unintentionally removed the use that functions just like other permitted retail uses. The data I provided shows immeasurable dollars-and-cents returns that every other permitted use fails the reasonable return test. This request is the minimal adjustment needed to bring the property back into the internal consistency within the city's framework. We've addressed visibility, lighting, drainage, and environmental impact ensuring the site is safe, contained, and compliant with New York State DEC standards. It fully respects the neighborhood character and environmental responsibility.

Watertown's identity is tied to Fort Drum and the families who support it. While federal policy limits active duty soldiers, New York's regulated program lawfully serves veterans, spouses, and civilians right here at home. A responsible, local dispensary keeps that access close to home under strict oversight and away from unregulated channels.

The kind of planning that favors safety, structure, and balance has always defined Fort Drum

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and it defines this project. Approving a tightly conditioned, state-licensed dispensary applies those same disciplinary standards" strong oversight, environmental care, and community protection. It reduces unregulated activity, keeps commerce and tax revenue local, and maintains the essential character of the neighborhood.

Page 41. I want to mention something I've kept to myself throughout this process long before I knew I'd be asked to file for a use variance. I've already understood the state's cannabis law, especially the section that preempts local laws which make legal operations unreasonably impracticable. I chose not to bring that forward until now out of respect for the board and the city's process, but I think it's fair to say at this point that I've cooperated fully, and even under the state law, this level of local restriction may not have been intended. I'm simply putting that acknowledgment on the record tonight. I'm not introducing this to create conflict, but rather to ensure the record accurately reflects my full understanding of both local and state frameworks and to demonstrate that my cooperation has been rooted with respect, not obligation.

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42. That concludes my clarification submission and supporting exhibits for Bud Bound Ventures, LLC, and 848 Coffeen Street.

Before I close, I'd like to take a moment to speak to the broader nature of local business and why that matters in the context of what we're doing here.

Small, locally owned businesses are what built this community. They are the foundation of Watertown's growth and character. Unfortunately, as we look around today, I think we can all agree that small businesses don't survive and thrive the way they once do. Costs rise and outside competition grows and the ability for true local operators to keep up becomes harder each year. My own family has been engrained in this community since 1933, continuously operating and holding a New York State liquor license since that same year; one of only two local businesses I know of with an unbroken record that long. If that doesn't represent good faith and responsible local operation, I don't know what does.

Personally, I've spent the last 15 years managing teams and serving customers across our two locations, and at time, I've learned what our

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community values most: familiarity, accountability, and the ability to keep our dollars, jobs, and opportunities right here at home.

As the city, the zoning board, and the community leaders continue shaping how this new industry will operate, I urge you to recognize the importance of working with local business owners who want to do things the right way — transparently, compliantly, and responsibly — because if we don't establish a clear path for local participation, the reality is that the outside operators are already here. Many of them have no long-term ties to Watertown and no understanding of our community's needs. Their financial strength and corporate reach will overrun our very opportunity that should belong to us, the people who live, work, and invest here.

My goal from Day One has been to comply, to collaborate, and to contribute, not to challenge authority, but to make sure this process works as it was intended: fairly, reasonably, and in the spirit of community partnership.

Thank you again to the board and the staff for your time, attention, and willingness to hear these clarification facts tonight.

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In closing, I believe this request meets every standard of fairness, logic, and responsibility that the board stands for, is supported by hard evidence, guided by sound planning discipline, and carried out with full respects for public safety and environmental compliance. This variance doesn't stretch the law. It aligns it with reason. It keeps opportunity local, maintains neighborhood stability, and honors the same standards and accountability that will make this community proud.

I respectfully ask the board to approve this variance to allow the subject parcel to function lawfully, respectfully, in harmony with the city's goals for balance while maintaining growth.

CHAIRPERSON CORRIVEAU: Well, I guess I've got a process question, first of all.

I can't speak for the other three here, but for myself, I spent a lot of time with the materials that were submitted ahead of last month, the discussions we had last month, the multiple submissions between last month and now, and now several more. When do you cut that off and say this is the packet of material to evaluate?

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MS. BENNETT: I mean, that's really up to the board's discretion. But if you are going to consider documents that were submitted tonight, I would suggest not voting this evening until everyone's had a chance to review the most recent set of submissions, so ...

CHAIRPERSON CORRIVEAU: Yeah. That thought has crossed my mind.

MS. FARRELL: Same here.

CHAIRPERSON CORRIVEAU: And it's probably appropriate to hold that in abeyance for a minute.

If we go down that road, is there a way to preclude more materials coming in over the next 30 days and to include the night of the next hearing?

MS. BENNETT: Absolutely. You would just simply provide a date by which all materials must be submitted and after which no additional materials will be considered.

CHAIRPERSON CORRIVEAU: Was there a date such as that over the last couple weeks?

MR. URDA: At the October meeting, we did set a -- well, this doesn't have a calender. Last Friday, essentially, was the day I had to send packets out to you. So close of business last

1 Thursday was the nominal deadline. CHAIRPERSON CORRIVEAU: Nominal or real? 2 3 MR. URDA: I mean, we set -- the board set, at the last meeting and agreed with the 4 5 applicant, that the deadline for any materials to be considered at this meeting was close of business 6 7 last Thursday with packets going out Friday. The applicant obviously did submit a lot 8 9 of materials by close of business last Thursday. think it would be at the board's discretion what 10 11 you would do with everything submitted tonight. 12 CHAIRPERSON CORRIVEAU: I'll tell you, 1.3 it's a lot to ponder, and I'm sure that was your 14 intent. 15 MR. SBORO: May I comment? 16 CHAIRPERSON CORRIVEAU: Please do. 17 18 19

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MR. SBORO: So the materials that I did send in by that deadline were the basic ones that I wanted you to have because I thought they were the most important.

I wasn't quite finished with some of this stuff, as you see, but that's why I clearly designed the packet so that, as I did read along, you were able to view them. But ultimately, there was a lot of additional clarification in there that

1 I spoke of, but I did try to give you the main things that I thought were the most important so 2 3 you had time to look at those. 4 CHAIRPERSON CORRIVEAU: Are the numbers 5 that came in in this packet last week the same numbers --6 7 MR. SBORO: Yes, yes, yes. CHAIRPERSON CORRIVEAU: -- that were put 8 9 in front of us tonight? 10 MR. SBORO: Yes. Absolutely. 11 CHAIRPERSON CORRIVEAU: We can go through 12 that tonight because I think myself, and I suspect 1.3 others, have spent quite a bit of time with what 14 you already submitted prior to this evening. 15 may be worthwhile doing, but I don't want to go 16 through this cycle again and again and again. I 17 would hope you wouldn't neither, but maybe 18 that's -- I just hope you wouldn't either. 19 MR. SBORO: No. 20 CHAIRPERSON CORRIVEAU: Because it's 21 difficult. 22 MR. SBORO: Yeah. 23 CHAIRPERSON CORRIVEAU: Very difficult.

to compare it to, definitely.

MR. SBORO: I mean, there's a lot of uses

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CHAIRPERSON CORRIVEAU: And presenting something with this much detail and reading through it at the same time, you've got the -- you know, if you have an expectation, we can read this and examine it and think about it. While you're talking at the same time, that's a mixed media environment that is very difficult to mentally process.

MR. SBORO: Understood.

CHAIRPERSON CORRIVEAU: And I don't know if that was intended or not, but I'm just telling you it is. And for the last, whatever it's been, 20 minutes, I've been struggling with it.

MR. SBORO: Understood.

CHAIRPERSON CORRIVEAU: The community letters, I think, are in addition to the ones you sent in earlier?

MR. SBORO: Yeah. They're just the same thing. They're just more I collected.

CHAIRPERSON CORRIVEAU: Well, let's go through the material we had to examine so far prior to tonight. And if any of the board members want to ask about the materials you presented tonight, it's fair game to do so. I'm going to refrain from that because I would like to read it.

1 MR. SBORO: Yes, sir.

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CHAIRPERSON CORRIVEAU: The stuff you submitted up prior to tonight, I've read through them several times because it's just that involved and it warrants that kind of attention to detail and whatnot.

And I guess I'll start first on this one, and I'll refer to the original exhibits that you submitted a month ago versus the ones that were revised and came in via email that Geoff forwarded on to us over the last week or so.

Under the test Number 1, reasonable return, the original Exhibit A, reasonable return basis -- legal basis explanation is how it's titled, details using the full market value of 134,250 to calculate a reasonable return at 6 to 10 percent, or 8,000 to 13,000 per year, unquote. Those are all your words from the original.

MR. SBORO: Mm-hmm.

CHAIRPERSON CORRIVEAU: The revised

Exhibit C, dispensary pro forma, stabilized Years 3

and 4 on page 4 of 13 in this document that I've

had now for a better part of a week, on page 4,

it's got a net income after tax amortization of

\$372,000 labeled as a midpoint, because many of

| your numbers have a range. You see that? MR. SBORO: Yep. |
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| MR. SBORO: Yep. |
| |
| CHAIRPERSON CORRIVEAU: Yeah. And the |
| fair market value is listed, once again, as |
| 134,250. |
| MR. SBORO: Mm-hmm. |
| CHAIRPERSON CORRIVEAU: And then there's |
| a return on fair market value shown as 8.2 percent |
| MR. SBORO: Mm-hmm. |
| CHAIRPERSON CORRIVEAU: How is that |
| calculated? |
| MR. SBORO: I believe that's a three- to |
| four-year average out. I believe that's how it is |
| It says stabilized Years 3 to 4 at the top. |
| Reflects conservative sales, regional competition, |
| and full fit-out, is that the one you're looking |
| at? |
| CHAIRPERSON CORRIVEAU: Can you give me |
| the formula as to how 8.2 percent was calculated? |
| MR. SBORO: I'm sorry. Can you repeat |
| that again? |
| CHAIRPERSON CORRIVEAU: Can you give me |
| the formula you used to calculate 8.2 percent? |
| MR. SBORO: It was a computer-based |
| program that we plugged in with the number that we |
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provided in all the other exhibits.

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CHAIRPERSON CORRIVEAU: Okay. Well, the return on investment methodology that was in your first submission on page 7, Exhibit A, was structured as net operating income minus investment cost, all divided by the investment cost. That's how you laid it out, and I think it's right. That's how I would calculate it, too.

MR. SBORO: And this one, you're looking at differently?

CHAIRPERSON CORRIVEAU: Well, when you do that, you take the net income after tax amortization of 372,000 and substract the investment cost of one hundred thirty-four five, and divide them all by one hundred thirty-four five, you get a return of 177 percent, not 8.2.

MR. SBORO: Mm-hmm. No, I think -- I think there's somewhere here in my clarification notes that we're missing that, and it's supposed to be broken down differently. Taxes, utilities ...

Yeah, I'm seeing where -- where you're confused on the situation here. So I'm not sure where I can go with that from this point. I'm trying to figure out where I missed that. Reflects three to four operations -- (reading sotto voce).

| 1 | MR. URDA: Mike, do you have your |
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| 2 | original submission from a month ago with you? |
| 3 | MR. SBORO: I have it with me. |
| 4 | MR. URDA: Okay. Because I've gone to |
| 5 | the page. I can show you what he's pointing at in |
| 6 | here. |
| 7 | MR. SBORO: Oh, okay. You want me to get |
| 8 | that out? |
| 9 | MR. URDA: He was saying this is the one |
| 10 | you gave us a month ago. You've got Number 2 |
| 11 | there, assessed full market value. You've got the |
| 12 | one thirty four two there. And then, there, you've |
| 13 | got the 6 to 10 percent will require 8 to 13 to get |
| 14 | you to 6 to 10. |
| 15 | MR. SBORO: Yeah. Okay. |
| 16 | MR. URDA: That's why he's saying the 372 |
| 17 | is whatever you said, Jim 100 and whatever |
| 18 | percent. |
| 19 | MR. SBORO: Mm-hmm. |
| 20 | MR. URDA: So he's asking about, |
| 21 | basically, this right here versus |
| 22 | MR. SBORO: Yeah, yeah. So this was just |
| 23 | a baseline. This this is what we're talking |
| 24 | this require this 8 to 13, that's what you're |
| 25 | referring to on Exhibit A. |

| 1 | MR. URDA: Right. So he's saying, right |
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| 2 | there, you've got, you know, that 8 to 13 gets you |
| 3 | 6 to 10 percent. |
| 4 | And then, here, you've got 372,000 giving |
| 5 | you 8 percent. So he's asking kind of it feels |
| 6 | like it's a different formula or that 300 |
| 7 | And you did the math, Jim. It's whatever |
| 8 | percent. |
| 9 | CHAIRPERSON CORRIVEAU: Yeah. It came to |
| 10 | 177 percent when I calculated it the same way you |
| 11 | did it before. |
| 12 | But let me go on. |
| 13 | MR. SBORO: Yeah, please go on while I'm |
| 14 | reviewing. |
| 15 | CHAIRPERSON CORRIVEAU: Yeah. The net |
| 16 | income after tax amortization of midpoint there of |
| 17 | 372, I'm not sure how that was calculated because |
| 18 | the range above it there, the range of 360 to 410, |
| 19 | the actual midpoint of those two numbers is 385. |
| 20 | MR. SBORO: Mm-hmm. |
| 21 | CHAIRPERSON CORRIVEAU: And I would ask |
| 22 | you to explain the difference, maybe. |
| 23 | MR. SBORO: Where which 360 to 4 |
| 24 | say it again? |
| 25 | CHAIRPERSON CORRIVEAU: The net income |

1 after tax amortization is shown as a range of 2 360,000 to 410,000, and the midpoint down below --3 MR. SBORO: Right. 4 CHAIRPERSON CORRIVEAU: -- net income 5 after tax amortization is listed as 372. MR. SBORO: Yep. 6 7 CHAIRPERSON CORRIVEAU: You do the math, it comes out to 385. 8 9 MR. SBORO: Oh, I see what you're saying. 10 I might have -- may have given you the wrong 11 I might have given you the wrong dispensary 12 forma. 13 Can -- do you have anymore questions on 14 this one? 15 CHAIRPERSON CORRIVEAU: Oh, sure. 16 sorry. 17 The net income above the line there, the 18 range 360 to 410, is noted on the right side as net 19 operating income before owner distributions. Okay? 20 And I'm just asking, is it possible that the 21 8.2 percent return you're representing here, is 22 that the owner distribution divided by fair market 23 value? Is that how it was derived, maybe? 24 MR. SBORO: Yes. That's how it's -- yes.

That makes sense.

1 CHAIRPERSON CORRIVEAU: Okay. When you 2 divide the difference between the midpoint -- the 3 real midpoint, 385, and the 372 used below is a 4 difference of \$13,000. MR. SBORO: Mm-hmm. 5 CHAIRPERSON CORRIVEAU: I'm assuming that 6 could be the owner distributions; is that right? 7 MR. SBORO: After taxes. Net operating 8 9 income before owner distributions. 10 CHAIRPERSON CORRIVEAU: Well, that's what 11 it says, net operating income before owner 12 distributions. 1.3 MR. SBORO: I would like to double-check with that at home before I commit to that. 14 15 CHAIRPERSON CORRIVEAU: Well, if it does, 16 if that \$13,000 of owner distribution, that's what 17 the difference is between the real midpoint and the 18 372 you're showing. That divided by the fair 19 market value of 134,250 would return a return of 20 9.7 percent, not too far off the 8.2 showing. 21 MR. SBORO: Right. Got you. 22 CHAIRPERSON CORRIVEAU: So maybe that's 23 the methodology you used. I don't know, and that's

MR. SBORO: Right. Understood.

kind of why I'm asking.

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CHAIRPERSON CORRIVEAU: And then page 5 of this new packets that we got there a few days ago, 5 to 13, the big note up top there, I'll quote it, "Note: The stabilized projection reflects the Years 3 to 4 operations after ramp-up and capital recovery. The return shown represents property-level economic viability --" and here's the key "-- remaining profit is allocated to 9 working capital and reinvestment, not personal distribution." 10 11 And I presume that's a true statement?

MR. SBORO: Yeah. I'm -- I'm trying to follow along. Is it the rent level, utilities? CHAIRPERSON CORRIVEAU: It's the little piece on the top of page 5 in italics, at the very top of page 5 of 13.

MR. SBORO: So are you referencing the one I gave you today --

CHAIRPERSON CORRIVEAU: No.

MR. SBORO: -- or the emailed one? CHAIRPERSON CORRIVEAU: No. I haven't read the stuff you gave me yet.

MR. SBORO: Okay. Okay. So what I'm reading is accurate for what you're asking, I believe.

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CHAIRPERSON CORRIVEAU: If the statement's accurate, then let me ask this: This remaining annual profit is approximately in the range of 350 to \$400,000 a year. Is it reasonable to approve the annual profits at this level between the working capital and reinvestment accounts associated at 848 Coffeen Street?

MR. SBORO: No. I believe these numbers are -- we're reading them incorrectly from the way they were supposed to be designed.

CHAIRPERSON CORRIVEAU: Well, I'm trying to follow along here.

MR. SBORO: Well, I am, too, now.

CHAIRPERSON CORRIVEAU: And then on the same page, 5 of 13, down in the middle of the page, there's a statement that says: The resulting 8 percent return on fair market value meets, but does not exceed, quote, "reasonable return," unquote, standard under New York General City Law 81-b, demonstrating that the variance enables economic viable, rather than -- and, in a sense, stops and it's a bunch of white space.

What is the missing text?

MR. EVANS: And in what you submitted tonight, you've got that same thing. It ends

| 1 | "rather than" on page 6 of what you sent in |
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| 2 | tonight. |
| 3 | MR. SBORO: Yeah. That was supposed to |
| 4 | be the heading of the next page, I believe, at the |
| 5 | bottom, page 5. |
| 6 | MR. URDA: So I've pulled it up on the |
| 7 | screen. He's talking about right here where |
| 8 | this where this paragraph cuts off (indicating). |
| 9 | MR. EVANS: And the next page talks about |
| 10 | permitted and current use of two different |
| 11 | dwellings. |
| 12 | MR. SBORO: Okay. So let's find that on |
| 13 | today's one because |
| 14 | MR. EVANS: No. It's the same thing in |
| 15 | today's one. |
| 16 | MR. SBORO: Today's one is cut off like |
| 17 | that, too? |
| 18 | MR. EVANS: Yes. |
| 19 | MS. FARRELL: Yeah. |
| 20 | MR. URDA: It's on page 6 of |
| 21 | MR. SBORO: Well, then, my apologies on |
| 22 | that. I can't answer that one right now. |
| 23 | CHAIRPERSON CORRIVEAU: Okay. |
| 24 | MR. SBORO: Rather than a loss. It's |
| 25 | supposed to be "loss." |

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| 1 | CHAIRPERSON CORRIVEAU: Rather than what? |
| 2 | MS. FARRELL: Rather than a loss. |
| 3 | MR. SBORO: Probably "viability rather |
| 4 | than a loss." Or a windfall. I think it was |
| 5 | supposed to be "windfall," because this is the |
| 6 | revised new pro forma, correct? Like it was a |
| 7 | the first one |
| 8 | CHAIRPERSON CORRIVEAU: This is the |
| 9 | revised one. |
| 10 | MR. SBORO: Yeah. This is revised |
| 11 | Exhibit C, dispensary pro forma, years |
| 12 | stabilized Years 3 to 4. |
| 13 | CHAIRPERSON CORRIVEAU: Yeah. And the |
| 14 | text just drops off there in the middle of the |
| 15 | page. So you think it's supposed to be "rather |
| 16 | than a windfall"? |
| 17 | MR. SBORO: Yes. |
| 18 | CHAIRPERSON CORRIVEAU: Okay. |
| 19 | MR. SBORO: It's stating that the first |
| 20 | one I gave you was overly stated on the initial |
| 21 | one. |
| 22 | CHAIRPERSON CORRIVEAU: Yeah. The |
| 23 | numbers aren't far off, I don't think. You said |
| 24 | they match. |
| | |

MR. SBORO: Well, the other one showed a

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bigger return, I believe, the first dispensary pro forma, and this one was supposed to show stabilized after three or four years with, you know -- with capital and reinvestment, and there was supposed to be amortization of a ten-year period of time for the conversion costs --

CHAIRPERSON CORRIVEAU: Mm-hmm.

MR. SBORO: -- which was built into one of those.

CHAIRPERSON CORRIVEAU: That is the proforma that you sent last week --

MR. SBORO: Yes.

CHAIRPERSON CORRIVEAU: -- that I saw, and that's fine.

Okay. So the 8 and a half percent return on fair market value meets, but does not exceed, the reasonable return standard, demonstrating that the variance enables economic viability, rather than a windfall. Is that what it should say?

MR. SBORO: I think you were asking me -on the first, you were trying to explain to me
that, you know, it was a large, you know, return
and it didn't -- it didn't mean I was going to get
a variance on this new use that I was going to try
to have -- to get accepted by you guys. I think

that's what I was trying to explain, so I was trying to put it in more perspective, because it was only set for Year 1 is what I showed you, if that makes sense.

CHAIRPERSON CORRIVEAU: I understand you can show a rate of return on investment for Year 1, if you want to category it that way, or you can show it over a period of 10 years or a lifetime of whatever. I don't know that it's going to change much in the first three or four years.

Let's go on.

This revised Exhibit C says that the dispensary pro forma was provided to help the zoning board and the city staff understand the financial and operating framework of the proposed use, and I don't know if that's a true statement, and I appreciate that.

MR. URDA: What page are you on, Jim?

CHAIRPERSON CORRIVEAU: I'm still on
page 5.

MR. URDA: Okay.

MR. EVANS: Right at the very bottom.

CHAIRPERSON CORRIVEAU: Right at the very

bottom.

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MR. URDA: Okay. Right here

(indicating).

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CHAIRPERSON CORRIVEAU: If you go to page 6, which is the pro forma for the duplex, in here, I was puzzled by how the snow removal cost was -- \$9,045 annually was derived. It seems excessive for a residential duplex driveway. That receipt that you show from Soft Water by George, the contractor, I guess, that did the plowing --

MR. SBORO: Yep.

CHAIRPERSON CORRIVEAU: -- shows this duplex plowing is 9,200 square feet, and the receipt, you know, shows the total plowing between that and the Canteen next door is 44,200 square feet when you add them both up.

And so when you look at the duplex driveway at 9,200 square feet, it seems like a lot of driveway for a 1,300 first-floor residential facility.

MR. SBORO: Mm-hmm.

CHAIRPERSON CORRIVEAU: But nonetheless, you prorate that 9,200 square feet for the duplex over the 44,200 square feet for the two businesses, and it comes out to 21 percent associated to the 845 -- 848 property on Coffeen Street, 21 percent of the build; yet, your pro forma cost allocation,

| 1 | the \$9,045 is 42 percent |
|----|----------------------------------------------------|
| 2 | MR. SBORO: This |
| 3 | CHAIRPERSON CORRIVEAU: of that |
| 4 | invoice's total. |
| 5 | MR. SBORO: So |
| 6 | CHAIRPERSON CORRIVEAU: So why is the |
| 7 | proration different from doing the square foot |
| 8 | calculation versus the dollars? |
| 9 | MR. SBORO: So on the receipt, it has for |
| 10 | 836 and 848, right. So you want me to prorate |
| 11 | I'm slightly confused. It's already broken out |
| 12 | into two parcel sections that they're charging us |
| 13 | for. |
| 14 | CHAIRPERSON CORRIVEAU: Yeah. It's a |
| 15 | nice receipt. It's clear enough. |
| 16 | MR. SBORO: Okay. So you you're |
| 17 | you're trying to ask now about why does it cost so |
| 18 | much for that much square footage? |
| 19 | CHAIRPERSON CORRIVEAU: Yeah. It's on |
| 20 | page 36 of your original packet. |
| 21 | MR. SBORO: From the first meeting? |
| 22 | CHAIRPERSON CORRIVEAU: You bet. |
| 23 | MR. SBORO: Okay. Page 36, I'm looking |
| 24 | at the receipt. |
| 25 | CHAIRPERSON CORRIVEAU: Yep. |

1 MR. SBORO: Okay. CHAIRPERSON CORRIVEAU: And he's got two 2 3 segments there. 4 MR. SBORO: Yep. 5 CHAIRPERSON CORRIVEAU: The first one is 836, 35,000 square feet. That's the Canteen, I 6 7 suppose. MR. SBORO: Mm-hmm. 8 9 CHAIRPERSON CORRIVEAU: And then broken down below it is 848, which is 9,200 square feet. 10 11 MR. SBORO: Uh-huh. 12 CHAIRPERSON CORRIVEAU: And so you add 1.3 those two together and you get 42,000 square feet, 14 right -- or 44,200. I'm sorry. 15 MR. SBORO: Okay. 16 CHAIRPERSON CORRIVEAU: And so if you 17 want to prorate the cost based on square footage, 18 the calculation would be 9,200 divided by 44,200, 19 and then that comes out to be 21 percent of the 20 build -- or the square footage allocated towards 21 the residential property. 22 But when you show a cost for the 23 residential property at 9,045 -- 9,045 -- and 24 divide that by the total of this build, 21,546 at

the bottom, that computes to be to 42 percent of

1 the dollars on the invoice. So I'm wondering why you calculated it two different ways. 2 3 MR. SBORO: I guess I'm just not -- I'm 4 following what you're trying to say, but I'm not 5 following --CHAIRPERSON CORRIVEAU: How would you 6 allocate the cost for the plowing at the 7 8 residential property? How would you do it? 9 MR. SBORO: How would I allocate it? 10 CHAIRPERSON CORRIVEAU: Yeah. Based on 11 this receipt, how would you allocate the percentage 12 of the cost for the house versus the Canteen? 1.3 MR. SBORO: Exactly what they said, a 14 little over \$9,000. That's what it cost for that 15 subject parcel, what they have here as a plow cost. 16 There was two separate totals, right: one 17 up top for 836, and one down below it. 8,375, add 18 the 8 percent tax to it, brings it to 9,045, I 19 think it was, that's on there. 20 CHAIRPERSON CORRIVEAU: I think it begs 21 the question to why this vendor is charging you 22 twice as much per square foot to plow the 23 residential driveway as the Canteen next door.

MR. SBORO: I -- because it's easier to plow a bigger space.

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CHAIRPERSON CORRIVEAU: Could be. 1 MR. SBORO: The other one is tighter 2 3 constraints. They have to move the snow across, I 4 believe. So all of this is described in today's 5 packet, obviously. But they have to move it across the lot to pile it into another spot, which is 6 7 behind 836, in a grass lot. And then when it gets so big, we have to have loaders come in and move 8 9 the snow and pile it. And then eventually, it has 10 to be hauled off because we start losing the 11 majority of the parking lot. 12 CHAIRPERSON CORRIVEAU: Okay. 13 MR. SBORO: So I believe --14 CHAIRPERSON CORRIVEAU: And the rational 15 for plowing 9,200 square feet for the residential 16 property for a driveway is what? 17 MR. SBORO: That's just what it costs to 18 maintain that property. 19 CHAIRPERSON CORRIVEAU: That's a big driveway, 9,200 square feet. 20 21 The upper unit is listed as vacant, and I 22 heard you mention that again tonight. That's been 23 your choice all along, I presume, to rent out just 24 the lower unit.

MR. SBORO: Yeah. I believe it now has a

| 1 | tenant, though, I believe. |
|----|--------------------------------------------------|
| 2 | CHAIRPERSON CORRIVEAU: At \$800 a month? |
| 3 | MR. SBORO: I'm not sure on the cost of |
| 4 | that yet. |
| 5 | CHAIRPERSON CORRIVEAU: Well, that's what |
| 6 | it shows on page 44 |
| 7 | MR. SBORO: No. I mean for the new |
| 8 | tenant. |
| 9 | CHAIRPERSON CORRIVEAU: The upper or the |
| 10 | lower? |
| 11 | MR. SBORO: The upper just rented a |
| 12 | tenant. |
| 13 | CHAIRPERSON CORRIVEAU: So now they're |
| 14 | both rented today? |
| 15 | MR. SBORO: Yes, sir. |
| 16 | CHAIRPERSON CORRIVEAU: On page 44 of |
| 17 | your original package there, you show the rental |
| 18 | income of \$800 a month. |
| 19 | MR. SBORO: Yes, sir. |
| 20 | CHAIRPERSON CORRIVEAU: Who's Monica? |
| 21 | MR. SBORO: She's the tenant. |
| 22 | CHAIRPERSON CORRIVEAU: And how is she |
| 23 | related to you? |
| 24 | MR. SBORO: She's a cousin. |
| 25 | CHAIRPERSON CORRIVEAU: Cousin? |

| 1 | MR. SBORO: Yes. |
|----|----------------------------------------------------|
| 2 | CHAIRPERSON CORRIVEAU: Is this rental |
| 3 | arrangement an arm's length transaction with |
| 4 | market-driven pricing or is it a family member |
| 5 | arrangement? |
| 6 | MR. SBORO: You would have to ask the |
| 7 | office lady. She just gave |
| 8 | CHAIRPERSON CORRIVEAU: I'm asking you. |
| 9 | You're the owner. |
| 10 | MR. SBORO: So I'm not the owner of |
| 11 | Sboro's LLC. I just was provided the income and |
| 12 | all the receipts here and that's what I provided |
| 13 | for you. |
| 14 | CHAIRPERSON CORRIVEAU: Okay. So she's a |
| 15 | cousin. |
| 16 | MR. SBORO: Mm-hmm. |
| 17 | CHAIRPERSON CORRIVEAU: On page 7 of 13, |
| 18 | the next page of your submission that came in last |
| 19 | week, you show a couple comparable rental |
| 20 | properties, Massey Street and one on Bishop Street |
| 21 | as comparables. |
| 22 | MR. SBORO: Yes, sir. |
| 23 | CHAIRPERSON CORRIVEAU: Do you know if |
| 24 | utilities are included in these residences or does |
| | II |

the owner cover utilities, or what?

1 MR. SBORO: These are partial utilities. Water and sewer are included in rent. 2 3 CHAIRPERSON CORRIVEAU: But not electric 4 and gas? 5 MR. SBORO: I'm sorry. I couldn't hear --6 7 CHAIRPERSON CORRIVEAU: But not electric 8 or gas? 9 MR. SBORO: Correct. 10 CHAIRPERSON CORRIVEAU: And then we get 11 to your pro forma for the rental. You've got that 12 in the packet somewhere here -- on page 6 -- and 13 that comes up to a negative 13.8 percent annual 14 return. But it seems to me that the costs are 15 excessive for that snowplowing. 16 MR. SBORO: Mm-hmm. CHAIRPERSON CORRIVEAU: And I will also 17 18 be curious about the rent. You know, the comps you 19 have proposed at 950 and a thousand as a 20 representative of the residential properties that 21 you're showing as comps, the midpoint there is 975 22 between the two of them. And if you rent the two 23 units, that's, what, \$1,950 a month, something like 24 that?

So I don't know if you ran that pro forma

here with the two units rented using the comps you provided and using \$2,500 for snow plowing a residential driveway, which I think is a reasonable cost for the City of Watertown for a residential property --

MR. URDA: Chair, it might benefit the applicant if you gave him that, or if you want one more copy, I can make a photocopy so that he can follow along with you.

CHAIRPERSON CORRIVEAU: Take it right there. I've got it at home.

And then that comes out with a positive return, a very modest one, just 1.3 percent, but positive, nonetheless.

And on the next test, the uniqueness, you claim that the property is unique due to its small parcel size, existing residential structure, location along the major commercial corridor, and limited parking capacity in the original submission.

In the revised one we got late last week, you list a whole bunch of other things: the setback, the gap between the adjacent restaurant, et cetera.

MR. SBORO: Mm-hmm.

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CHAIRPERSON CORRIVEAU: The original ones you had -- you know, I think I mentioned to you last month, but I feel that many of the neighborhood mixed use parcels have similar configurations and size. But the one you've -- the scenario you've given to us last week with all the lack of visibility and the fairground's sign overhanging the sidewalk and the setback behind, et cetera, et cetera, they almost make you wonder if this parcel would be suited for any kind of retail.

MR. SBORO: Sure.

CHAIRPERSON CORRIVEAU: Cannabis or otherwise.

MR. SBORO: Sure.

CHAIRPERSON CORRIVEAU: And so I guess it's hard to understand why you didn't make that case when you're trying to turn it into a retail facility.

MR. SBORO: Isn't to prove -- is the uniqueness -- is that what we're talking about?

CHAIRPERSON CORRIVEAU: Mm-hmm. Yeah.

MR. SBORO: So don't we need to prove that, correct? So it's a unique way that the building sits and the property lies. It's very difficult for us to make that. And then I believe

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with the retail definition that was asked about,
you know, this is a different -- totally different
retail store than all the other ones that are
already going on. There's a different market for
it, which I tried to explain in the dispensary pro
forma, which we're not understanding, I guess, and
jiving at the same time with that.

MR. URDA: So I'll -- he's basically

MR. URDA: So I'll -- he's basically saying you made a great case -- I think he's saying what on the screen of, like, nothing could go there --

MR. SBORO: I agree.

MR. URDA: -- but this one thing could.

That's what you're asking, right?

CHAIRPERSON CORRIVEAU: Is that how --

MR. SBORO: If you want me to be fair, how many legalized dispensaries do we have in the city right now?

CHAIRPERSON CORRIVEAU: I don't think any.

MR. SBORO: Correct. So if we become one of the first on the scene, it will be an easy find for people to find us.

CHAIRPERSON CORRIVEAU: It will overcome those challenges.

1 MR. SBORO: It should, yeah. Instantly on that situation. 2 3 CHAIRPERSON CORRIVEAU: So when we look 4 at a property hardship -- I guess this is a 5 question for staff or the attorney. If you look at a property hardship, is it 6 a hardship that's difficult to make a business 7 enterprise go forward that the applicant is 8 9 pursuing, or is it a hardship in some other context relative to the rest of the district? 10 11 MS. BENNETT: It's supposed to be that 12 the property's plight is due to unique 13 circumstances of that property and not to general 14 neighborhood conditions. So I -- I don't know that 15 you can -- I don't know that you can look at the 16 proposed use in connection with making that 17 argument. 18 CHAIRPERSON CORRIVEAU: The proposed use 19 has nothing to with the hardship --20 MS. BENNETT: Right. With whether it has 21 unique circumstances or not. The unique 22 circumstances pertain to the property. 23 MS. FARRELL: So in this case, the unique

circumstances that that building sits weirdly

situated between other structures around it making

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that hard to see, which makes it difficult for a business to function in that space, regardless of what kind of business it is. Yes?

MS. BENNETT: Yeah. But I think you also have to look at it just not tied to retail, right. The property itself must have some kind of singular disadvantage as compared to every other property in that neighborhood. So it's to the even focused on retail, right. There's got to be something -- not wrong. Something different, something unique about this particular piece of property --

MS. FARRELL: Okay. So --

MS. BENNETT: -- that it can't be used for any right because of that uniqueness.

MR. URDA: So the classic example that they gave me as a graduate student, albeit it's an imperfect example because it would apply to an area variance, is that imagine that there's a required 30-foot setback, and you have 100 parcels all in a row, every one of them with a building set back 30 feet, but one of them has a giant lake in the backyard and that means you would have to set a building back 10 feet, instead of 30, because if you set it back 30, it would drown in a giant lake, and that's the only one out of 100 parcels that has

it.

Now, obviously, that's not a real-world example, but it's illustrative of what Kathy was just saying, that whatever it is is something unique to this piece of land.

MS. FARRELL: So in continuing that logic, you could say, okay, so if you're looking at that as a rental unit, you might say, okay, so if I'm looking for apartments, do I want to live in an apartment that's in and amongst a bunch of restaurants, or do you want to live in a house that has apartments in it that's set aside, so that makes it harder to rent an apartment in that building?

MR. URDA: I think that depends on who's renting it. Somebody might find that situation extremely attractive; someone else might find it unattractive. I think that's in the eye of the beholder.

MR. EVANS: It's so you cut down your DoorDashes. You could walk --

MS. FARRELL: You could walk.

MR. EVANS: -- three different places.

CHAIRPERSON CORRIVEAU: We'll move on with some more questions that I had here about the

Test 4, the self-created business.

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In the original Exhibit G, I'll quote it:
"By 2022, when the conditional adult-use retail
dispensary program was launched, the parties began
planning for eventual dispensary licensing once the
City of Watertown opted in."

I'll note another quote from that same document: "Steve agreed to reserve the property at 848 Coffeen for the purpose of operating an adult-use cannabis dispensary, contingent upon the city opt-in and state licensing approval. Michael agreed to pursue licensing through the OCM with the intent to locate the business at 848. Both parties understood that this was the most viable property for this use within their control, given its location, size, and existing improvements."

Another quote: "Conclusion, this documentation shows that 848 Coffeen will set aside for dispensary use well before the February 2023 zoning amendment."

And in the closing statement on page 96 of that original document, I'll quote: "The applicant has been actively preparing for this opportunity since before 2021." I presume that means something in the calender 2022 -- or 2020,

1 rather. Before '21? That's a long time ago. "... to allow the property to reach its 2 3 highest and best use," end quote. 4 Is there anything in the record that 5 really documents this activity during the applicant's many years of preparation that Michael 6 or Steve addressed the draft, the zoning ordinance 7 of '23 that council approved and the two public 8 9 hearings and the two subsequent revisions that 10 we've seen this past year, one of which was just 11 last month? If not, I would ask why not? 12 So did you propose to council and put 1.3 comment into the public record regarding your 14 intent to do this? 15 MR. SBORO: I believe I tried to cover 16 that today, and I apologize that, you know, you 17 didn't have that information before tonight. 18 So your question is do I have any 19 evidence of -- of same? 20 CHAIRPERSON CORRIVEAU: Is there anything 21 in the record that shows that you engaged in city 22 council through a public forum that the zoning they 23 were about to adopt was inappropriate because of

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it?

this parcel you have and what you want to do with

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MR. SBORO: We did not engage them directly, but somewhere today, I was clarifying that there's nothing we could've done. It wasn't a parcel-specific zoning change. It was a city-wide thing, and they still hadn't adopted the rest of --you know, we didn't know at the time what type of variance we were going to have. I mean, I think Geoff can say it, too, we didn't know when I asked to start the process, what it was.

CHAIRPERSON CORRIVEAU: Well, back in 2023 when the council voted and approved the zoning code we have today with the subsequent amendments and all, they put it out there for public discourse with the map showing that there is zoning as commercial, here's residential, here's NMU, et cetera. And what you stapled, they had cannabis dispensaries, pending opt-in/opt-out, listed in just one zone, commercial, and that didn't catch your attention?

MR. SBORO: Sure, it certainly did. Yeah.

CHAIRPERSON CORRIVEAU: What did you do about it at the time?

MR. SBORO: There's nothing we could have done about it.

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CHAIRPERSON CORRIVEAU: Well, I'd say there was. You could have petitioned the council through the public hearings to be more open about where to allow a cannabis dispensary, rather than just the one district.

And as I mentioned to Mr. Blount, so much of the presentations, his and yours, is about a problem with zoning and not a variance, that the zoning is just too restrictive. And it's a fair argument to make, which is not to the ZBA. It's an argument to be made to the governing body.

MS. FARRELL: I had a question in that regard because of exactly that fact, which it does seem like it's more of an issue with the neighborhood mixed use zoning category than the property itself.

How do these property owners -- is there a way for them to negotiate a change with the city? That might be outside the purview of this meeting, but I'm curious about the process.

MR. URDA: I can answer that.

So you are allowed to request a zone change. Anybody can petition to city council; although, it would go to the planning commission first. They would make a recommendation to the

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city council whether to approve or deny the zone change.

One thing, though, that both the planning commission and the council have to consider is if it is spot zoning. So the State of New York says that your zoning must be in accordance with a well-considered plan. In essence, the comprehensive plan, which is the city's formal land use plan, has a future land use map within it that talks about a dozen or so future land use character areas. And the purpose of the zoning ordinance is to implement the comprehensive plan by, over the course of its life, realizing those future land use character areas till, you know, a generation goes by and you start the process again.

So in this case, as I'm being a little long-winded and I apologize, to the chair's case, the chairman was making the case that, you know, a public hearing was held before the council voted. There were two open houses where this map that's on the screen and then the use table here were both public for comment, and you could have petitioned to change it.

Regarding a petitioning for a zone change now, it would have to, A, be consistent with the

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future land use character area, but B, also not be spot zoning. You couldn't just take one single parcel and this whole pink corridor and turn it red because it would be an island by itself, noncontiguous (indicating).

I mean, Mr. Blount in the previous case, you wouldn't have been able to just rezone his parcel commercial, but he might have had a case if he asked to rezone this entire block or at least between his property and here (indicating). You would have a contiguous commercial district with the one on Arsenal Street.

In this case, I would say the applicant here wouldn't enjoy that same benefit of continuity if he was going to ask to change a single parcel here. You would minimally have to, I think, change a full block or, you know -- and it would need to be consistent with the future land use character area, which I think here, it's corridor mixed use is the name of a future land use character area. I can actually tell you if you give me a second.

MR. SBORO: Through the chair, may I comment?

CHAIRPERSON CORRIVEAU: Sure.

MR. SBORO: So today's packet there,

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page 28, I clarify -- was trying to clarify that.
I'll reread it.

When the city went through the zoning update in 2023, I was generally aware of the changes that were being discussed, but the hardship we're talking about here was not something that could have been prevented by commenting at the time, which, I understand, is what you're talking about. It was a city-wide policy process, not a site-specific review, and our property had remained unchanged.

The hardship isn't something we created, and it comes from the physical layout and financial feasibility of the permitted uses under the new pro-rata.

So while I was aware of the processes and the circumstances that make this parcel unworkable were built in before the zoning amendment was adopted, so it just -- the purpose of it was to clarify that the mere awareness of a potential zoning change does not make the hardship self-created.

And then I also wanted to go back and just touch on the snow and the square footage scenario we were discussing. You know, the

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financial figures I submitted tonight, they were verified vendors from Sboro Enterprises, LLC, the current property owner. They reflect how the property is truly operated and in its existing condition.

Permitted residential use over the past years, it's always possible to adjust the individual line items. Even with conservative changes to the expenses or rental rates, the property just still can't realize a return. You know, it wasn't -- the purpose of the clarification and presentation is not to seek operational advice. It's just to provide dollars-and-cents proof that the hardship is property-based. It's ongoing and consistent, despite, you know, responsible ownership. We're just trying to show that the use variance would allow the parcel to achieve a fair return.

CHAIRPERSON CORRIVEAU: I appreciate that, and I will get to reading this, for sure.

On the plowing, do you know anybody else in town with a duplex that spends nine grand a year to clear the driveway?

MR. SBORO: No, I do not.

CHAIRPERSON CORRIVEAU: Me neither.

| MR. URDA: So I'll answer |
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| MR. SBORO: It's are you intending |
| that it's just a driveway? I mean, it's |
| there's |
| CHAIRPERSON CORRIVEAU: Well |
| MR. SBORO: There's a huge lot out back |
| that where a lot of cars park and frequent the |
| area. |
| CHAIRPERSON CORRIVEAU: For the use of |
| this duplex? |
| MR. SBORO: Yeah. Well, they use it as |
| part of the adjoining properties. We have people |
| that park there. I mean, my job was just to |
| provide the dollars and cents of what it costs to |
| maintain that parcel. |
| Now, I mean, in here, there is a prorated |
| scenario of us allocating costs for that. Like, |
| there's a 70/30 split, a 90/10 split if we were to |
| have you know, to do the snow and have somebody |
| else pay for it. |
| CHAIRPERSON CORRIVEAU: I have nothing |
| more to say about that, I suppose. |
| MR. URDA: I'll answer Molly's question |
| quickly on rezoning. |
| |

So this is the future land use map and

the comprehensive plan. These are all the future land use character areas, and while it won't match exactly to a zoning map, the purpose of the zoning ordinance, the reason it exists is to implement this future land use plan.

So, for example, this is commercial corridor. This is interstate commercial. This pink one you see here is corridor mixed use, and its description of that future land use character is here (indicating). And I don't want to read the whole thing out loud right now, but it's on page 70 of the comprehensive plan.

MS. FARRELL: Thank you.

MR. URDA: And you can read it.

MS. BENNETT: I think to that point and I think to the chair's point, too, about, you know, did you go speak out with respect to the zoning, it is clear under the law that if the hardship is self-created, you're not entitled to the use variance.

And so there's court of appeals, which is the highest court in New York State, case law that basically says if an owner purchases a property and knows that a use isn't permitted, that that's self-created hardship, and that it's not for a

| 1 | zoning board to bail the owner out. |
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| 2 | CHAIRPERSON CORRIVEAU: And we're not |
| 3 | looking at the purchase here. The property's |
| 4 | already owned by the applicant. |
| 5 | MS. BENNETT: Well, right. That's the |
| 6 | point, right? When he purchased it, he knew it |
| 7 | wasn't permitted for the use that he's now looking |
| 8 | to obtain. |
| 9 | MR. EVANS: Actually, I think when he did |
| 10 | buy it, it was permitted, but they changed the |
| 11 | zoning later on. |
| 12 | CHAIRPERSON CORRIVEAU: Retail was |
| 13 | permitted. |
| 14 | MR. URDA: So, yeah, I'll give a little |
| 15 | bit of history here |
| 16 | MR. EVANS: I believe. |
| 17 | MR. URDA: and bring that back up, |
| 18 | because I wanted the sale date. He bought it |
| 19 | under probably 15, 20 years ago. |
| 20 | You might know the sale date. Was it |
| 21 | like 2005? 2010? |
| 22 | MR. SBORO: Five sounds accurate. |
| 23 | MR. URDA: Owner sales |
| 24 | MR. EVANS: Yeah, 2005, it looks like. |
| 25 | MR. URDA: So 2005. And our new zoning |
| | II |

1 ordinance -- new zoning went into effect in '23, 2 but the zoning in 2005 was our 1959 zoning 3 ordinance, and marijuana dispensary was not even a 4 use that anyone even considered in 1959. So that 5 use as a use only existed within the zoning in 2023. 6 7 MS. FARRELL: Okay. 8 MR. SBORO: Chairperson? Page 16 of 9 today's, there's a pro -- there's a shared lot 10 usage, snow/utilities cut costs scenario, which I 11

Hopefully the math jives on that situation there.

believe I might have sent with emails, too.

MS. FARRELL: I have a question about --

MR. SBORO: Yeah.

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MS. FARRELL: -- market comparables.

So it looks like the State [sic] of Grace, the pink building on the corner of the Black River Parkway and Coffeen Street is in commercial zoning district?

MR. SBORO: No. Neighborhood mixed use.

MS. FARRELL: It is neighborhood mixed use. Okay.

MR. SBORO: Yes.

MS. FARRELL: I was wondering, because it says in the investment part, that it's zoned

1 commercial, so I was curious as to why a space that's within the zoning district, if that is -- if 2 3 that is within a commercial zoning district wouldn't work, and I thought, based on what was 4 5 written below in italics, that it was saying the building is just too big? 6 MR. URDA: Which one was it? 7 MR. EVANS: It's --8

MS. FARRELL: State of Grace.

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MR. EVANS: -- Touch of Grace.

MR. URDA: This is an urban mixed use here. My guess is that its assessment code -- yeah, its assessment code is 483. So the assessment code is different than the zoning. The assessment code is what the city assessor levies out as based on the use that's in there.

CHAIRPERSON CORRIVEAU: I'm pretty much done with my questions for tonight, but I'll open it up to anyone else on the board here.

MR. EVANS: I had one for Geoff.

When it was back in '22, '23 when they were doing this, could the use table have been amended so that instead of -- instead of it only in a commercial, it could be in a whatever?

MR. URDA: The use table can be amended

| 1 | at any time. The city council, absent anything |
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| 2 | that staff initiates, could amend it whenever at |
| 3 | their pleasure, essentially. |
| 4 | MR. EVANS: So a non-permitted use in |
| 5 | whatever zone, if the city council says, okay, |
| 6 | we'll allow an office building in a residential |
| 7 | zone |
| 8 | MR. URDA: Well, I think |
| 9 | MR. EVANS: it could do that? |
| 10 | MR. URDA: They could try, yes. I think |
| 11 | at that point, somebody if they did that if |
| 12 | they did that, I think they would be vulnerable to |
| 13 | a challenge that that is not zoned in accordance |
| 14 | with the comprehensive plan. |
| 15 | MR. EVANS: Right, right. Yeah. That |
| 16 | was a wild example. But, yes, I mean, they could |
| 17 | adjust the use table without changing the zoning |
| 18 | MS. FARRELL: But |
| 19 | MR. EVANS: of an area. |
| 20 | MS. FARRELL: But where you're going with |
| 21 | that is, in theory, that's what he could try to do |
| 22 | in theory. |
| 23 | MR. EVANS: In theory, he could do that |
| 24 | now. He could have done that in 2022, 2023. |

MR. URDA: If he petitioned to do it.

1 Council is the only body empowered to basically -it's a legislative act. 2 3 MR. EVANS: Right, right. But they could 4 have done that back in '23 when you were doing 5 They could have added something to get the use under some --6 MR. URDA: I think the -- the crux of the 7 applicant's argument is that before this use table 8 9 was adopted in 2023, the 1959 zoning ordinance was 10 still the law of the land, and the 1959 ordinance 11 didn't contain marijuana dispensary --12 MS. FARRELL: Right. 1.3 MR. URDA: -- as a use, because that was 14 not something they would have thought of in '59. 15 And absent having that as a use on the list, there 16 would have been no option but to default to retail, 17 which would have been allowed in the neighborhood 18 business zone in the 1959 zoning ordinance. 19 Am I summarizing your --20 MR. SBORO: Yeah. 21 MR. URDA: -- that pretty well? 22 MR. SBORO: Yeah. 23 MR. URDA: I just didn't want to

misrepresent. I was just trying to simplify it.

MR. SBORO: And I understand, you know,

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the conversation on this, and I'm not looking for any sympathy here, but the main thing we were looking for was when was Watertown going to opt in? And, you know, that was -- I'm also trying to help and maintain two other businesses simultaneously, so, you know, the minute details of whether I need a use variance or a special use permit in 2023 wasn't on the top of the list. It would have been if you were also opting in at that time, if that makes sense.

MR. EVANS: I do have some questions.

In your -- in your original packet, I believe it was on page 55 -- written 55, as opposed to -- because you put all those other things in the middle, all those receipts in the middle.

But on the page 55, which is the 70th page of the packet, when you're talking about retail neighborhood, you're talking about conversion costs.

MR. SBORO: Mm-hmm.

MR. EVANS: You say retail conversion requires significant investment, which I agree with. And you estimated those costs at 130 to \$195,000. And I'm just wondering in your revised C, where that shows up there. Because I assume you

| 1 | still have to do, for instance, an ADA restroom in |
|----|----------------------------------------------------|
| 2 | the marijuana in the dispensary or I don't |
| 3 | know. I'm assuming you would. You would have to |
| 4 | do parking or striping. You would have to do some |
| 5 | new lights and flooring because, I mean, obviously |
| 6 | changing a residential to a or a residence to a |
| 7 | retail, you'd have to do some changes. |
| 8 | MR. SBORO: So (reading sotto voce) |
| 9 | MR. EVANS: Oh, okay. Is it the |
| 10 | conversion fit-out amortization? Is that what |
| 11 | that |
| 12 | MR. SBORO: Yeah. (Reading sotto voce) |
| 13 | amortized over ten years. |
| 14 | MR. EVANS: Okay. You're amortizing over |
| 15 | ten years. Okay. All right. Yeah, I guess you |
| 16 | hadn't put that in over here so that's why I was |
| 17 | MR. SBORO: Yeah. The first one didn't |
| 18 | have any amortization over any years. |
| 19 | MR. EVANS: When I was doing my checking |
| 20 | through everything, I came across a reference to a |
| 21 | Buggy's Nursery that existed at 848 Coffeen. |
| 22 | MR. SBORO: Somebody said that to me, |
| 23 | too, yeah. I have no idea what that is. |
| 24 | MR. EVANS: Yeah. I didn't know if |

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you --

| 1 | MR. SBORO: I've asked a few of my own |
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| 2 | members and they were like they have no clue. |
| 3 | MR. EVANS: Because they said it was open |
| 4 | today, too, but I didn't find a phone number for |
| 5 | it. |
| 6 | MR. SBORO: Yeah. It's very confusing. |
| 7 | MR. EVANS: All right. I just didn't |
| 8 | MR. SBORO: But that's a good catch. |
| 9 | MR. EVANS: And we've answered that |
| 10 | question. |
| 11 | Yeah, see, it's showing Buggy's Nursery |
| 12 | on that, and I don't know exactly what that is. |
| 13 | MR. SBORO: That's not even yeah, |
| 14 | that's not even the inside of the place. I have no |
| 15 | idea. |
| 16 | MR. EVANS: All right. So, obviously, I |
| 17 | can't believe this, but Google's done something |
| 18 | wrong. |
| 19 | MR. SBORO: Yeah. Right. |
| 20 | MR. EVANS: So |
| 21 | You mentioned small lot size for |
| 22 | 836 Coffeen, but based on what I can see there, if |
| 23 | you pull that if you could go closer again |
| 24 | MR. URDA: Oh, sorry. |
| 25 | MR. EVANS: instead of further and the |

| 1 | picture |
|----|---------------------------------------------------|
| 2 | MR. SBORO: I think we're referring just |
| 3 | to the surrounding parcels, not so much the |
| 4 | residential ones. |
| 5 | MR. EVANS: Could you |
| 6 | MR. URDA: You mean these, right |
| 7 | (indicating)? |
| 8 | MR. SBORO: Correct. You're referring |
| 9 | MR. URDA: Did you need a measurement, |
| 10 | Lance? |
| 11 | MR. EVANS: No, no, I didn't need a |
| 12 | measurement. Can you go back to the overhead |
| 13 | picture picture? Does that make sense? Yeah, |
| 14 | there. And just pull it in a little bit. |
| 15 | I can't tell there like I can with most |
| 16 | residential or even most parcels where one parcel |
| 17 | ends and the next one begins. I would I would |
| 18 | think that someone who's showing up at Coleman's |
| 19 | could end up parking in your spot, which is not |
| 20 | owned by you guys. |
| 21 | MR. SBORO: Sure. |
| 22 | MR. EVANS: Coleman's is owned by a |
| 23 | different is owned |
| 24 | MR. SBORO: By the that's Coleman's. |
| 25 | MR. EVANS: Right. Yeah. I mean, they |

1 could end up there or whatever, so --2 MR. SBORO: Correct. 3 MR. EVANS: Okay. That's -- do you share snowplowing with those -- with Fairgrounds or 4 5 not -- or do you not? MR. SBORO: They have contributed to that 6 7 on occasion, yes. 8 MR. EVANS: Okay. Because, I mean, you 9 can't tell where anything ends and begins. Would there be a barrier if the variance 10 11 is approved? Because I -- I would say that, as 12 Brandon talked about having natural fencing there. 1.3 MR. SBORO: I think I touched on that 14 when I was reading. I think working with planning 15 and zoning on that, you know, if that's a necessary 16 thing, if that's something we would explore. 17 mean, I don't think it's a bad idea, for sure. 18 that's something that, at a future time, that if 19 they think it is -- would help that use there, then 20 we should definitely look into it, for sure. 21 MR. EVANS: And the cameras you talked 22 about on your -- tonight's page 5, page 4 that you 23 sent us, those are that sort of thing for the 24 interior. Obviously, the exterior, that's

something, I think, that's required by OCM;

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correct?

MR. SBORO: Yes. Absolutely.

Back to your plowing situation. I want to clarify that there's been occasional checks made. It mentioned, but under the city law, the financial evidence for a use variance hardship, it has to be based on lawful and permitted use of the property. Informal or considerable payments, like a neighboring business occasionally helping with snow removal or writing a check labeled parking lot rent, were not recognized by the zoning code as an actual use or revenue stream. Because those payments aren't part of the recorded lease, a standing agreement, or a permitted business use, they're not considered competent and financial evidence.

Under the law, that's why they -- why I purposely excluded those in the reasonable return analysis. The hardship numbers before you reflect only the property's legitimate ongoing uses exactly as the statute and case law requires.

MS. BENNETT: Where are you reading that from?

MR. SBORO: I'm reading it from my information that I looked up at home.

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MS. BENNETT: So you're not reading it from a specific section of the city zoning code?

MR. SBORO: I don't believe so, no.

MS. BENNETT: Because I didn't see it there, and I didn't see it in the General City Law Section 81-b either. There's no reference in any of those sections to what would be a reasonable return. That's at the zoning board's discretion to determine.

MR. SBORO: Copy. That's just what I found.

CHAIRPERSON CORRIVEAU: Adam?

MR. RUPPE: Well, I do think that the parking, if you drive up there -- I imagine if you drove there right now, you would find restaurant patrons parked on that lot. When you got up there, you really can't tell the difference at all. It's all commercially lit. You have several spaces.

And for a residential use, the city's zoning code requires -- well, in urban mixed use, there's no minimum parking required at all -- or I'm sorry -- neighborhood mixed use, and for residential zoning, it's only one per dwelling unit. So if you only maintained two parking spaces, you would essentially be in compliance with

that and let the rest be covered in snow. 1 2 MR. SBORO: I'm sorry. You're saying let 3 the rest be covered in snow? 4 MR. RUPPE: Yeah. 5 MR. SBORO: So, I mean, that's a safety issue, I would say, at that point with thawing and 6 freezing and the water spilling out onto the other 7 parcels. That's why we maintain the whole thing. 8 9 MR. RUPPE: I see. 10 Have any of your tenants in that location 11 complained about the traffic from neighboring 12 businesses or about the lack of a traditional 13 backyard in that location? 14 MR. SBORO: Yeah. Absolutely. 15 MR. RUPPE: Well, that's all from me. 16 Thank you. 17 CHAIRPERSON CORRIVEAU: You through, Molly? 18 19 MS. FARRELL: Yes. I think so. I was 20 contemplating the parking lot because, in theory, 21 following on Adam's idea, you could tear up the 22 parking lot behind that building and put in a yard 23 or put in permeable pavement or put in some way to 24 absorb stormwater better than a very large parking 25 lot surrounding multiple parcels.

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CHAIRPERSON CORRIVEAU: Maybe in the picture it's great, but the house has a first-floor footprint of 1,300 square feet, and you can see the size of the parcel itself and all that pavement out back. There's a whole lot of parking for a duplex residential --

MR. URDA: I would need to -- regarding Adam's question, I believe I would need to clarify with code enforcement on if -- if the property owner left snow on the rest of it. It is illegal to direct drainage onto an adjacent parcel, so code enforcement could -- and I don't know what the answer is, and I would have to follow up with Dana and ask him, but not keeping up with the rest of it with snow removal could be directing drainage onto the adjacent parcel. I just -- I'm not the one qualified to answer that; the code enforcement supervisor is.

MS. FARRELL: And the size of the existing parking lot is really an artifact of previous uses of that parcel, I would say.

MR. URDA: That, I believe, would be accurate.

MR. EVANS: According to what Geoff pulled up, you've owned the parcel since 2005.

| 1 | MR. SBORO: I believe so, yes. |
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| | |
| 2 | MR. EVANS: Sassy's left in 2010, I think |
| 3 | she said in her letter here. So did that get |
| 4 | changed into residential after that, or did you try |
| 5 | retail there at some or did Sboro's |
| 6 | MR. SBORO: No. It got changed into what |
| 7 | it is currently, yes. |
| 8 | MR. EVANS: Okay. So it was two-family |
| 9 | at that point. |
| 10 | MR. SBORO: What's that? |
| 11 | MR. EVANS: It was two-family at that |
| 12 | point, the up and the down. |
| 13 | MR. SBORO: Yes, yes. |
| 14 | MR. EVANS: Okay. Thank you. |
| 15 | MR. SBORO: So it was when she was there, |
| 16 | too. I think she used the upstairs for like an |
| 17 | office use and stuff when she had the salon. |
| 18 | MR. EVANS: Okay. Got you. |
| 19 | I don't have anything else. |
| 20 | CHAIRPERSON CORRIVEAU: Okay. Well, just |
| 21 | a couple things left to be done here. |
| 22 | I want to reiterate the same words I had |
| 23 | earlier that a use variance is fundamentally quite |
| 24 | difficult compared to an area variance, and a use |
| 25 | variance petitioned here can be viewed, in many |

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respects, as essentially seeking a zoning change, and only the governing body, the council, has the authority to do that.

The ZBA's authority here and our obligations are restricted to the language with the current zoning. And while it's not my place to give advice, when I look at the zoning and with the cannabis dispensary being another retail -- legal retail operation, there's a lot of districts in the zoning that allow retail, and the fact that it's restricted just to commercial, I think, provides an opportunity for the council on getting that expanded, but that's your choice, obviously.

MR. SBORO: Sure, sure. Absolutely.

CHAIRPERSON CORRIVEAU: So continuing on with what we've got here today, I want to ask for a motion and a second to continue this hearing to our next meeting so we have time to digest everything that's been presented tonight and copy that there's no more materials inbound.

MR. URDA: Before you make such a motion,
I think the board would need to agree on a meeting
date that -- where every board member is available,
and then the board and the applicant would have to
come to some agreement on what that cutoff date

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would be for new information. I would suggest determining a meeting date would be your first order of business and then mutually determining a cutoff for new information would be your second order of business.

MR. RUPPE: Isn't there a requirement

MR. RUPPE: Isn't there a requirement where we have something in 60 days of receiving the application?

MS. BENNETT: So, generally, those time periods are based on when an application is deemed complete, and certainly under DEC's rules, an application is not deemed complete until you make SEQRA determination, which you have not done, in connection with this application.

In addition, he's also submitted a number of additional materials, so, you know, this board hasn't determined that the application is complete, so I don't know that that time period -- and -- and also the public hearing has not been closed.

MR. URDA: There is a local -- there is a local piece here that is a little stricter, however.

MS. BENNETT: Okay.

MR. URDA: Under Article 16, variance appeals, Section 310, 141-b, time of appeal, to

| 1 | Adam's point, such appeal shall be taken within |
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| 2 | 60 days after the filing of any order, requirement, |
| 3 | decision, interpretation, or determination of the |
| 4 | planning and community development department or |
| 5 | code enforcement bureau charged with the |
| 6 | enforcement of such ordinance or local law by |
| 7 | filing with such planning and community development |
| 8 | department and with the zoning board of appeals the |
| 9 | notice of appeal specifying the grounds thereof and |
| 10 | the relief sought. |
| 11 | MS. BENNETT: So that would be if he |
| 12 | wanted to take an appeal of something. That |
| 13 | wouldn't apply to this board's action. |
| 14 | MR. EVANS: Well, he's appealing Geoff. |
| 15 | MR. URDA: He's appealing our denial of |
| 16 | the |
| 17 | MS. BENNETT: Right. So he's satisfied |
| | |

MS. BENNETT: Right. So he's satisfied his time period. That doesn't apply to your decision-making.

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MR. EVANS: Oh, so if Geoff had denied him in February and he was now appealing it, he's outside that --

MS. BENNETT: Yes. Correct. Correct.

MR. EVANS: I got you.

MR. URDA: Okay. Yep.

| 1 | MR. LUMBIS: I believe you have to make a |
|----|---------------------------------------------------|
| 2 | decision within 60 days of close of the public |
| 3 | hearing. |
| 4 | MS. BENNETT: Right. Which you haven't |
| 5 | closed yet. |
| 6 | MR. EVANS: Correct. |
| 7 | CHAIRPERSON CORRIVEAU: Well, our next |
| 8 | scheduled ZBA is the third Wednesday, the 17th of |
| 9 | December. |
| 10 | MS. FARRELL: I will be in Albany. |
| 11 | MR. EVANS: I I'd like to amend to |
| 12 | change it to the 10th, if that was if that would |
| 13 | work. |
| 14 | MS. FARRELL: I'll be here on the 10th. |
| 15 | CHAIRPERSON CORRIVEAU: Adam? |
| 16 | MR. RUPPE: Let me check. The 10th works |
| 17 | for me. |
| 18 | MR. EVANS: Does the |
| 19 | CHAIRPERSON CORRIVEAU: Well, let me ask |
| 20 | for a motion to set our meeting for next month as |
| 21 | the 10th of December and a second, please. |
| 22 | MR. EVANS: I'll move that we do it on |
| 23 | the 10th of December. |
| 24 | CHAIRPERSON CORRIVEAU: Second? |
| 25 | MS. FARRELL: I'll second. |

| 1 | CHAIRPERSON CORRIVEAU: All in favor? |
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| 2 | MR. RUPPE: Yes. |
| 3 | CHAIRPERSON CORRIVEAU: Aye. |
| 4 | All right. We can do that. |
| 5 | And as far as a second part of that, I |
| 6 | think we ought to cut off materials a week ahead of |
| 7 | that and say the 3rd. Is that reasonable? |
| 8 | MR. URDA: I think so; although, I might |
| 9 | ask for the 2nd, because I will be likely leaving |
| 10 | town midday on Thursday, the 4th, and I know I have |
| 11 | two meetings the morning of the 4th, so I would |
| 12 | need time to turn around the applicant's materials |
| 13 | to the board. |
| 14 | Is there a great difference between the |
| 15 | close of business the 2nd versus the 3rd from |
| 16 | either end, board or applicant? |
| 17 | MS. FARRELL: No. |
| 18 | CHAIRPERSON CORRIVEAU: I don't think so. |
| 19 | MR. SBORO: (Shaking head side to side.) |
| 20 | CHAIRPERSON CORRIVEAU: So I'd ask for a |
| 21 | motion for cutoff of further materials to be the |
| 22 | close of business 2 December. Do I have a motion? |
| 23 | MS. FARRELL: I'll make the motion. |
| 24 | MR. EVANS: Can I just have a |
| 25 | clarification on that? If somebody else is coming |

1 in for us, would they have that same cutoff date? 2 MR. URDA: If somebody else wanted to 3 apply, the regular ZBA deadline date is 4 November 19th. They would be bound by that. 5 You're, in essence, giving him -- so you would -if you're applying with a new application, you have 6 to have everything in three weeks ahead of time. 7 MR. EVANS: Okay. 8 9 MR. URDA: Since Mr. Sboro is coming back 10 and this isn't the initial submission, you, the 11 board, in essence, are giving him some grace to go 12 up to a week in advance of the meeting, basically 1.3 enough to give me the 24 hours to turn it around to 14 you. 15 MR. EVANS: So somebody who wants a new use or area variance --16 17 MR. URDA: Much earlier deadline. Yeah. 18 MR. EVANS: Okay. Thank you. I didn't 19 realize that. 20 CHAIRPERSON CORRIVEAU: Did I hear a 21 second? 22 MR. EVANS: Yes, you -- yes. 23 CHAIRPERSON CORRIVEAU: All in favor 24 using 2 December close of business as the cutoff

date for further materials?

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| 1 | MR. URDA: And I would also before |
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| 2 | there's a motion to adjourn, either side, but |
| 3 | specifically for Mr. Sboro, if there is anything |
| 4 | that you want to ask the board about now about |
| 5 | their questions that would help you in the |
| 6 | meantime it's a lot easier for them to email me |
| 7 | questions and then to email to you. It's a lot |
| 8 | harder when the questions are going from you to |
| 9 | them. This is kind of your opportunity. |
| 10 | MS. BENNETT: They should vote on that |
| 11 | first. |
| 12 | MR. EVANS: Yeah, we should vote on |
| 13 | CHAIRPERSON CORRIVEAU: Let's vote on the |
| 14 | cutoff on the close of business 2 December. We've |
| 15 | got a motion. We've got a second. All in favor? |
| 16 | MR. EVANS: Aye. |
| 17 | MS. FARRELL: Aye. |
| 18 | CHAIRPERSON CORRIVEAU: Aye. Okay. That |
| 19 | will be the cutoff, close of business, 2 December. |
| 20 | So you want to open up some more dialogue |
| 21 | for |
| 22 | MR. URDA: Well, it's a lot easier when |
| 23 | you, as board members, give me questions. I can, |
| 24 | within five minutes, forward them to Mr. Sboro, and |

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he can spend several days working on them. It's a

| 1 | little more difficult if he has a question for you |
|----|-----------------------------------------------------|
| 2 | to then go out to all of you. |
| 3 | MR. SBORO: Understood. |
| 4 | MR. URDA: So I just wanted to say, if |
| 5 | you have a specific question for the board |
| 6 | MR. SBORO: I understand. |
| 7 | MR. URDA: as far as what they are |
| 8 | looking for out of you, this would be your best |
| 9 | chance. |
| 10 | MR. SBORO: I understand I need to do |
| 11 | better and clarify for the chair and the board. So |
| 12 | if they have anymore, they can send them right |
| 13 | away, and we'll get after them. But I'm under the |
| 14 | firm belief what they're looking for to clarify. |
| 15 | CHAIRPERSON CORRIVEAU: Okay. I don't |
| 16 | think we voted on the actual continuing the |
| 17 | hearing. |
| 18 | MS. BENNETT: No. |
| 19 | MR. EVANS: Motion to continue the |
| 20 | hearing. |
| 21 | CHAIRPERSON CORRIVEAU: Can I have a |
| 22 | second? |
| 23 | MS. FARRELL: I'll second it. |
| 24 | CHAIRPERSON CORRIVEAU: All in favor of |
| 25 | continuing this hearing until next month's meeting? |

| 1 | MS. FARRELL: Aye. |
|----|---------------------------------------|
| 2 | MR. EVANS: Aye. |
| 3 | CHAIRPERSON CORRIVEAU: Aye. |
| 4 | MR. RUPPE: Yes. |
| 5 | CHAIRPERSON CORRIVEAU: Okay. We'll do |
| 6 | that. |
| 7 | And the last business is to close. I |
| 8 | need a motion and a second. |
| 9 | MR. EVANS: Motion to adjourn. |
| 10 | CHAIRPERSON CORRIVEAU: Yep. |
| 11 | MR. RUPPE: Second. |
| 12 | CHAIRPERSON CORRIVEAU: All in favor? |
| 13 | MS. FARRELL: Aye. |
| 14 | CHAIRPERSON CORRIVEAU: Aye. |
| 15 | MR. EVANS: Aye. |
| 16 | MR. RUPPE: Yes. |
| 17 | (Proceeding adjourned.) |
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REPORTER'S CERTIFICATE

I, TIFFANY-JO K. PONCE, RPR, Court Reporter and Notary Public in and for the State of New York, do hereby certify:

That the sworn testimony and/or proceedings, a transcript of which is attached, was given before me at the time and place stated therein; that the witness was duly sworn or affirmed to testify to the truth; that the testimony and/or proceedings were stenographically recorded by me and transcribed under my supervision.

That the foregoing transcript contains a full, true, and accurate record of all the testimony and/or proceedings held on November 12, 2025.

That I am in no way related to any party to the matter, nor to any counsel, nor do I have any financial interest in the event of the cause.

WITNESS MY HAND this 2 day of December, 2025

FIFFANY TO REPORTER RPR