



## City of Beacon, New York

Office of the Mayor  
Lee Kyriacou, Mayor

FOR IMMEDIATE RELEASE

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### MAYOR KYRIACOU DELIVERS 2026 STATE OF THE CITY ADDRESS

**Beacon, NY:** On March 2, 2026, Mayor Lee Kyriacou delivered his annual *State of the City* address at the beginning of the City Council's meeting. The address summarized achievements from the past six years since Mayor Kyriacou took office in January 2020 and highlighted upcoming projects and initiatives for the year ahead. Mayor Kyriacou is in the third year of his second four-year term serving as Mayor for the City of Beacon, before which time he served eighteen non-consecutive years on the City Council.

A full copy of Mayor Kyriacou's written comments is attached, and the video can be viewed [here](#).

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## State of the City of Beacon Mayor Lee Kyriacou – March 2026

I am pleased to present Beacon’s “State of the City” to the City Council and our community – to highlight our achievements in 2025 and look to our goals for 2026.

The State of the City remains **excellent** – with 2025 seeing the substantial completion of the rehabilitation of Fishkill and Teller Avenues; investments in trails, parks and quality of life; and continued recognition of city’s amazing comeback – while maintaining our solid financial position.

As I enter my seventh year as Mayor, I just want to thank the community for placing its confidence in me. I look forward to working with the entire Council – two veterans and four new members – to continue building upon not only last year’s successes, but also the decades of hard work of prior mayors and councils.

Let me start with the state of the City financially – which enables us to offer our residents services and improvements. Then I will turn to our accomplishments in 2025 – in our quality of life, infrastructure, and sustainability – and highlight some of our exciting plans for 2026.

**City Finances.** Beacon’s financial health remains the best it has been in decades. We have undertaken additional major capital projects in 2025: park rehabilitations, roads and sidewalks, and water and wastewater upgrades, plus continuing to build employee quality and productivity. We’ve done that while keeping property tax increases modest – by prioritizing and spacing out expenses, overseeing new private construction that adds to our tax base, increases in sales tax and other revenues.

- **2026 City Budget:** The Mayor proposed and the City Council passed a \$37.5 million combined operating budget for 2026, which was my most challenging budget as Mayor, due to substantial employee salary increases to stay competitive in hiring.
  - **Lower Tax Rate:** The City’s homestead tax rate fell to \$5.49 per \$1,000 of assessed value – our lowest rate since 2009. For comparison, that same tax rate remains over \$10 for the cities of Kingston, Poughkeepsie and Newburgh. We expect to continue lowering the City’s tax rate by expanding our tax base with new construction, which ensures that residents are not overburdened.
  - **Modest Property Tax Increase:** The City’s 2026 property tax levy totaled \$13.9 million, a 4.8% increase over 2025 – but below the State Property Tax Cap, as a large portion of this increase was covered by new construction. For comparison, the tax levy increases in neighboring cities were Kingston 9.9%, Poughkeepsie 7.9% and Newburgh 2.9%.
- **Employee Salaries Catch Up with Inflation:** The City reached amicable agreements with all three employee unions (Police, Fire, and CSEA) in the last 18 months, keeping salaries competitive by catching up with the higher inflation that took place during the prior

agreements. Despite the large increase in employee pay and benefits, the overall cost to taxpayers was largely offset by other sources. We have already seen the benefit of these agreements with gradual filling of key vacancies such as in the Police Department.

- **Higher Sales Tax Revenue:** The 10-year sales tax sharing agreement with the County that I negotiated in 2021 continues to provide higher revenue to the City. Beacon's share of County-wide sales taxes in 2026 is projected to be a record \$6.5 million – up \$1.7 million from three years ago, and equivalent to 12% of our property tax revenue.
- **Revenue from New Construction:** The City and taxpayers continue to benefit from new property construction and renovations, which added \$47 million (or 2.1%) last year to Beacon's tax base, and \$225 million in the past six years. These projects contribute new property tax revenue – the equivalent of a 1.5-3.0% of property taxes citywide – and that reduces the property tax burden of current taxpayers.
- **New Revenue Sources:** The Mayor's 2026 Budget included two new revenue sources to help reduce pressure on property taxes – a 2% occupancy tax on hotels and short-term rentals, and a share of the state cannabis tax from dispensaries opening in Beacon.
- **Strong Bond Rating:** The City maintained its Aa2 Moody's bond rating, one of the highest among Hudson Valley communities. This reduces borrowing costs for long-term investments in our new firehouse, water and waste facilities, roads, parks, and more.

**Trails, Parks, Recreation and Quality of Life:** We continued to increase both the programming budget and capital investments in our parks, recreation, and soon a rail trail – funded in large part from new construction that adds to our property tax base and provides recreation fees.

- **Beacon Rail Trail:** The biggest news is that the City has committed to converting in the next two years the disused rail tracks from our train station to Main Street and beyond into Beacon's own rail trail. This vision began with the City asking Dutchess County Planning to undertake a feasibility study to convert the 12.5-mile Beacon-Hopewell rail spur into a rail trail, and we helped garner support from neighboring communities. As soon as the overall feasibility study was completed last October, I proposed and the Council approved up to \$350,000 in capital funding for engineering plans for the 3.5-mile Beacon portion of rail trail, with expected construction in 2027. This would create a level trail from the Beacon train station, along the Hudson River, past Dennings Point and Madam Brett parks, alongside Fishkill Creek, running directly adjacent to Main Street and our dummy light, then alongside Route 52 and ending at the City line. The Beacon Rail Trail is currently my top priority as Mayor – the equivalent of a new linear park, which will be transformative for our community – allowing for walking and biking to our commuter trains, waterfront, parks, Main Street, and more. And we are working with the county and other communities to encourage the full build-out of the rail trail to connect with the 700-mile Empire State Trail System in Hopewell Junction.
- **Partnering with the Fjord Trail:** As Mayor, I wholeheartedly support the proposed Hudson Highlands Fjord Trail (HHFT) from Beacon to Breakneck Ridge, and have

encouraged their leadership to begin building in Beacon. The HHFT Board announced just that this past month – accelerating construction of their trail in Beacon, linking it to the Beacon Rail Trail, siting their maintenance facility next to the City’s wastewater treatment plant, and installing public bathrooms at the trail head next to the train station. Together, the Fjord Trail and Beacon Rail Trail are foundational to enhancing Beacon’s health, climate sustainability and quality of life – and we’re thrilled to have the Fjord Trail as a partner. More announcements to come on trails in Beacon.

- **Recreation & Park Programming:** The 2026 Budget for operating Beacon’s Parks and Recreation programs is over \$1.1 million – the third year in a row it has exceeded \$1,000,000 (it averaged only \$300,000 in 2010-2014). This is a huge commitment to our quality of life – funding a large expansion of affordable programming for youth, seniors and the community. The City is building upon its services in 2026 with a spring Youth Employment Program and an additional summer camp to be held at Memorial Park.
- **Park Investments:** We continue to make major capital improvements at our parks. Following on the heels of the 2024 rebuild of the **Wee Play** toddler playground, in 2025 we renovated the basketball and tennis courts at **South Avenue Park**, and installed the first permanent restrooms there. We also upgraded the skate park, parking, and fencing at **Memorial Park**. This year we will continue our park investments, with upgrades to the softball fields and basketball courts at Memorial Park. Many of these ideas have come from Beacon High School students via our Participatory Budgeting Program.
- **Beekman Street / Sidewalk Survey:** We are launching the engineering design phase of the Beekman Street Pedestrian and Bicycling Improvement Project, a complete street upgrade for which the City has received a 95% funding grant of \$3.6 million. The City has worked with the Dutchess County Transportation Council on a Pedestrian Facility Inventory, which we hope will be completed by April. This inventory will provide mapping and condition of our existing sidewalk network, which will give us a planning tool for prioritizing sidewalk rehabilitation or filling gaps to further walkability.
- **Helping Our Neighbors:** When SNAP funding to reduce food insecurity was suspended by the federal government, the City immediately stepped in with emergency funding with local grocery cards; luckily, it turned out to be only a short gap.
- **America 250 in Beacon:** 2026 marks the 250<sup>th</sup> anniversary of the Declaration of Independence. So much of the history of our nation’s founding took place in New York and right here in the Hudson Valley and Beacon. We are one of the only communities in the State named for our local role in the Revolutionary War, serving as the major ferry crossing for patriot leaders and the Continental Army, but also as part of a chain of signal fires (“beacons”) along the Hudson. I have already convened a coordinating group to maintain a common calendar of America 250 celebration activities, and to encourage additional ones. More to come.

**Continuing Infrastructure Investment.** Over the past six years, the City has implemented or advanced a record \$52 million in major capital investments for our public roads, parks, water,

sewer facilities. Although many of these projects may seem invisible, they greatly enhance the quality of life and security in Beacon. We continue to methodically modernize and improve our century-old infrastructure, by prioritizing and timing our projects, and securing funding sources other than property taxes.

- **Rebuilding Fishkill/Teller Avenue.** At the end of 2025, the City marked the substantial completion of the rehabilitation of Teller and Fishkill Avenues. This effort dates back to 2001, and had City Administrator Chris White not prioritized the time-intensive right-of-way acquisition process and final engineering design, we were at risk of losing \$9 million in federal/state funding. We will address some “punch list” items this spring, and then repave the final segment of Fishkill Avenue from Blackburn to the City line. In addition, the City continues its systematic milling and repaving of 5-10% of Beacon roads each year and rehabilitating sidewalks.
- **Water & Sewer:** At the end of 2025, the City completed the replacement of the nearly hundred-year-old water and sewer mains along Fishkill Avenue in anticipation of repaving this spring. We also completed and opened the new West Main Pump Station and Force Main near the train station, which connects part of the city to our wastewater treatment facility. In 2026 we will begin the rehabilitation of the Melzingah Reservoir Dam and the replacement of the Mt. Beacon Water Storage Tank.
- **Wastewater Plant & Transfer Station:** The City has continued to modernize our Wastewater Treatment Plant, including: the replacement of our decades-old belt press system with a new centrifuge system to dewater sludge; and the replacement of the aeration blowers. Both will be completed in the coming months. The City is also moving forward with grant-funded energy efficiency upgrades at the plant’s admin building in 2026. This project is expected to include measures such as new windows, lighting retrofits, installation of an air-source heat pump, and more.

**Climate Leadership.** Beacon continues as a leader of municipal sustainability, as one of the first (and statewide one of only 24 municipalities out of 1,600) to achieve New York’s highest Silver-Certified Climate Smart Community status. The City was among the first three communities to be recertified in 2025, which continues our access to grants that fund our sustainability efforts.

- **Melzingah Dam Grant:** The best holiday gift at the end of 2025 was learning that the city was awarded a \$2 million Climate Smart grant for the rehabilitation of the Melzingah Reservoir Dam, which has been at the top of our capital project list.
- **Highway Garage Solar Power:** This winter we completed installation of a new 100-kilowatt solar power array atop our Highway Garage, which will increase the City’s self-generated electric capacity to around 75% (we purchase Renewable energy credits for the rest), and produce enough clean energy for more than 10 homes. We will dedicate the facility around Earth Day this spring. This project is partially grant-funded, and we owe a special thank you to Assemblymember Jacobson for securing funding.

- **Green Municipal Fleet / EV Charging Stations:** The City continues to use grant funding to transition its municipal fleet to electric vehicles, focusing on high-use vehicles. In 2025, the City added electric vehicles to four departments, and we expect to add two more in the coming months – all fully grant-funded. We also expect to install three new dual-port electric vehicle charging stations in municipal lots this year: two at City Hall and another at our Community Center on West Center Street.

**Zoning / Planning for Beacon’s Future:** The renaissance that our City and our Main Street have experienced is in no small part due to a critical reimagining of our City back in the nineties, and smart ongoing planning and zoning since. We continue to steer our zoning and planning processes to maintain Main Street’s revival and historic character, and to make Beacon a more sustainable and livable city.

- **Vibrant Main Street:** Beacon keeps being recognized for the city’s rapid renaissance and our revitalized historic Main Street. Some recent ones:
  - **World Atlas:** One of eight “fairy-tale” small towns in New York (*The Poughkeepsie Journal* quoted the Mayor: “Beacon's fairy tale is a rags-to-riches story — a journey from a tired small city with closed factories and a largely boarded up Main Street, to a vibrant community between the Hudson and the Highlands that combines dining variety, eclectic arts and retail, historic preservation and high quality of life.”);
  - **I Love New York:** One of 15 Best Main Streets in New York State;
  - **Hudson Valley Magazine:** Best neighborhood or city to visit this year;
  - **Traveler’s Elixir:** One of eight beautiful New York Main Streets;
  - **Time Out Magazine:** Number one weekend getaway from New York City without a car;
  - **Walkers Paradise:** listing, where we received a walkability score of 96 out of 100;
  - **Friendliest Town:** World Atlas named Beacon one of the eleven friendliest towns in New York; and
  - **Central Fire Station Design:** *Firehouse Magazine* Silver Design Award, and a fitting complement to our historic Main Street;
  - **Cleanest Main Street:** One of three New York communities listed among the Cleanest Main Streets in America (a shout out to our Highway Department for their weekly rounds to keep our community clean and accessible);
- **Fishkill Avenue Concepts Committee:** This Committee made its final report at the end of 2025, and the City Council will be taking up zoning recommendations for the area along Route 52 in the next year or so. While we don’t want it to compete with Main Street, many hope the Route 52 area will gradually include: more mixed residential and

retail uses; the development of the Beacon Rail Trail alongside the road; and an access road to our schools and Camp Beacon area.

- **Encouraging Housing and Affordability.** Addressing the housing shortage in the U.S., New York or even the Hudson Valley is not going to be solved by Beacon alone, but we will help lead by example. We continue to focus on encouraging housing construction and other ways to address affordability. Dutchess County Planning has recognized that Beacon continues to do more than its fair share to improve housing and affordability in Dutchess County, with almost 30% of Beacon’s rental units in affordable programs (second only to the City of Poughkeepsie), and 25% of new units in the past 6-7 years have reduced rent programs. The State has recognized Beacon as a Pro-Housing Community, which opens up funding options. At our train station, planning is underway to build housing (and replacement parking) on the commuter parking lot north of West Main Street – consistent with current zoning, including 10% of units with below market rents. And last year the lion’s share of State’s Plus-One ADU funding for constructing accessory units in Dutchess County was awarded to Beacon homeowners; round two was announced at the start of this year.

**Final Words.** As I said at the start, the state of Beacon remains excellent. Together we have accomplished much during my first six years as Mayor, building on the hard work of prior Mayors and Councils, back to when I joined the City Council in 1994. I look forward to advancing our community further in 2026.

Beacon’s success is a team effort. I want to thank my colleagues on the City Council, all the employees of the City, department heads, City Administrator and Deputy Administrator, who make it all happen, as well as all the residents who volunteer their time for the City and the community in so many ways.

The focus of my community service across four decades has been the City of Beacon. It is an honor to serve our community. And I find it befitting to live in a place called Beacon, where we try to remember our past, to look forward, and to hopefully offer some light to inspire and guide other communities. Onward.