

**CITY OF NEWBURGH
INDUSTRIAL DEVELOPMENT AGENCY
("IDA")
~~DRAFT~~ MINUTES OF SPECIAL MEETING
JANUARY 27, 2010, 7:00P.M.**

Present

Board Members: Josh Smith, Chair
Richard Bedrosian, Vice Chair
Michael Curry
John Penney
Jerry Maldonado
Sean O'Shea

Excused Absence: Spencer Gulliver

Administrative Director: Edward Lynch

Counsel: Thomas Whyatt, Esq.

Technical Advisor to IDA: Jim McIver, C.T. Male Associates
Advisors to NCAC: Yogeshi Saoji, WRT Planning & Design
John Beckman, John Beckman LLC (Planning Consultant)
Marc Godick, AKRF (Engineering Consultants)
G. Lamont Blackstone (Commercial Real Estate Services)

Roll Call. Mr. Smith called the roll; a quorum was present.

This Special Meeting was called in order that NCAC's BOA Grant advisors could make a presentation to the IDA, which is a principal stakeholder in the properties being studied along Pierces Road and Scobie Drive. The PowerPoint presentation was followed by a question and answer period. The PowerPoint presentation is to be made available to the IDA Board.

1. Mr. Beckman – formerly with WRT -- introduced the advisors and outlined the PowerPoint presentation: Project Background, Area of Site Study, Existing Conditions, and Market Overview.

Project Timeframe: This is a 12-month study, which began in October 2010. The Nomination Study must be completed and submitted to the State of New York by the end of September 2011. The work thus far has been 'discovery' – background information, such as 23 property owners on 150 acres, gathering data from past studies, familiarization with regional geographics, and key regional organizations. M. Beckman said they have virtually no information south of Pierces Road. The substantive work is beginning now.

2. Mr. Godick reviewed the past and current environmental site work that has been conducted to determine the existing conditions, primarily focusing on the DuPont, IDA, and the DPW sites.
 - a. DuPont Stouffer Superfund-listed clean-up is the result of the DEC 2006 ruling, and DuPont is responsible. Status: remove contaminated soil, replace with clean fill, and cap. Extent of contamination will determine future use of the site.
 - b. DPW Yard: WRT has found only limited information. Status: hazardous waste barrels are being removed now.
 - c. Scobie Drive – Phase I and Phase II studies were done previously as well as an analysis done by Arnoff Moving Company.

The common hazardous wastes running throughout the sites have implications on the possible redevelopment uses. There isn't significant ground water contamination. There isn't a huge requirement for waste removal, but the huge area for removal drives the cost up.

3. Mr. Beckman and Mr. Blackstone gave a preliminary Market Overview of Existing Conditions. The area has been referred to as the "Golden Triangle" because of its location near the Interstates, Thruway, New York City and Stewart Airport. It creates a solid location for manufacturing and distribution. The population is diverse, with high unemployment and an available workforce. The strongest sectors in the region are Healthcare/waste management and manufacturing. Mr. Maldonado asked what sectors are strong regionally, besides hi-tech and bio-tech. Mr. Blackstone said there are industry clusters of warehousing & distribution related to consumer goods because of the ease of multi-state distribution. He cited Staples, Kohl's, and HV Lighting as strengths to build on. Mr. Blackstone mentioned that he was formerly employed by Empire State Development Corp. While bio-tech and life sciences sectors are increasing, in terms of the BOA, they are not appropriate. However, hi-tech uses could encompass renewable energy/waste energy/solar panels, converters. There was a discussion of solar and wind power applications and the proximity to college-level training. There was also a general discussion of other examples of brownfields reuse.

NCAC's consultants are now seeking public participation. Through a variety of outreach, the public can be engaged in strategic thinking. The 'endgame' is to lead to getting something done, instead of a study sitting on a shelf. NCAC's advisors said that in order to be successful, it will need a 'critical mass of public support'.

Mr. Blackstone intends to reach out to Trade associations (such as the National Association of Professionals for Industrial Parks and Manufacturing), the NYS Brownfields Coalition, Stewart Airport, HVEC, Orange County Partnership, Hudson Valley Lighting, HV Baylor, and Newburgh Metals. Mr. Maldonado asked what proactive strategies are in place to encourage public participation and who some of the local groups are. Mr. Blackstone indicated that NCAC is responsible for outreach. Mr. Blackstone said the NCAC has a very extensive network, with church and community groups. Mr. Maldonado urged them to target some of the larger employers who are not yet familiar with this project.

The cost of carting away the hazardous wastes was discussed, and whether grant money is available to cover carting costs. The DPW site would have to be a 50/50 share with the EPA. Mr. Mclver emphasized the importance of concentrating on which industries are appropriate for the site, rather than spending time exploring regional industries that can't ever build there. Both Mr. Mclver and Mr. Godick agreed that 'realistic footprints' are necessary. Mr. Mclver strongly urged that the IDA enter into the BOA program, because it is transferrable, tax credits are transferrable, and then costs of subsurface remediation become less significant.

Mr. Curry suggested that the south parcels would be the first ones ready for redevelopment, since DuPont could be tied up for a long time and the DPW site requires long-term planning to move. Mr. Godick disagreed, and indicated that DuPont should be ready to start in less than a year, and there are allocated funds, with a possible completion date in 2016, whereas in the case of the City and IDA sites, no responsible parties have been identified and cleanup has not been mandated by the EPA

Mr. Whyatt asked if the waste has any marketable value and can be 'mined'. Mr. Godick said the waste has no salvage value. Mr. Mclver said there isn't enough volume. Mr. Maldonado asked if the IDA can expect to get more detailed data about what is on their site. Mr. Godick

said testing is not part of their work, but they look in detail at all the sites and information provided by DEC and will try to extrapolate from there.

Mr. McIver said it's important to look at the area globally and also that construction costs need to be a factor in the analysis of costs to develop.

Corporation Counsel, Ms. Bernis Nelson, asked for clarification on what the 'deliverables' would be at the end of the study and what roles, if any, the City or IDA would take in it. Mr. Beckman said that the Nomination Study is prescribed by the Department of State. David Ashton of the DOS is focused on 'action projects'. The Nomination Study will allow this study to go forward. There are a variety of filters applied, such as environmental, access, infrastructure building construction cost penalties, market limitations. Nomination Study, Strategic Sites Program, pro forma work on initial costs. Ms. Nelson reiterated her question three times; where are we going? Mr. Maldonado agreed that the DuPont property is a big question mark.

Mr. Lynch said one of the Phase III projects would be identifying the wetlands delineations. There was a discussion of the wetlands areas. Mr. Marti referred to a map that another engineer had shown him. NCAC's consultants said the product will depend on the outcome of the stakeholder input and the outreach they are doing, and it is too early to be specific about the steps after the study.

The NCAC said they do not know what the constellation of responsibilities is. No one knows who will end up owning the DuPont site. Mr. Beckman said there are a number of answers for all of these questions. A lot will depend on how the partners act together. Together is the best way to go forward.

Chairman Smith thanked the presenters.