


NEWBURGH
IDA 
INDUSTRIAL DEVELOPMENT AGENCY
BOARD OF DIRECTORS MEETING
Minutes of March 18, 2024

The board of directors of Newburgh IDA met on Monday March 18 at 6:13 pm on 83 Broadway 3rd Floor, Newburgh NY 12550.

Present:

Board Members: Marlon Ramos, Chairman
Gregory Nato, Secretary
Adam Pollick, Treasurer
Christina Amato, Vice Chair
Theresa Priester, Member
Robin Yanayah Pearson, Member - arrived at 6:21 pm

Excused: Michael Kelly, Member

Staff: Cherisse Vickers, Executive Director
Adriana Huaynalaya, Financial Administrator

Counsel: Robert J. McLaughlin, Esq., Whiteman Osterman & Hanna

Guests: Andrew Schrijver, 1 Lafayette Street

1. **Roll Call:** Marlon Ramos, Chairman called the meeting to order at 6:13 pm. A quorum was met.

2. **Proof of Meeting Notice:** Marlon Ramos, Chairman. Notice Sent and Accepted.

3. **Reading and Approval of February 21, 2024 Meeting Minutes:**

Regular Meeting: Minutes from the regular board meeting of February 21, 2024, were distributed to the board via e-mail.

Motion to approve February 21, 2024 regular meeting minutes as presented:

Mr. Pollick: Motion to approve the minutes
Ms. Priester: Motion seconded

VOTE: Unanimously passed

4. Report of the Treasurer; Approval of Payment of Bills:

Adam Pollick presented the February Treasurer's Report to the board.

Motion to approve the February 2024 Treasurer's Report

Mr. Ramos: Motion to approve

Ms. Amato: Motion seconded

VOTE: Unanimously passed

Motion to approve February 2024 Bill Payments

Mr. Nato: Motion to approve (Checks 1228, 1229, 1230, 1231, 1232, 1233)

Ms. Amato: Motion seconded

VOTE: Unanimously passed

Annual Fee

The board discussed amongst themselves what the annual fee should be for new projects only based on what other IDAs in the area charge.

Motion to set annual fee to \$250 for new projects coming in

Mr. Ramos: Motion made

Mr. Nato: Motion seconded

Ms. Pearson: Abstained

VOTE: Unanimously passed with one abstention

Audit for 2023

No findings were made during the 2023 Audit.

5. Chairman's Report:

Mr. Ramos does not have anything to share with the board.

6. Counsel's Report:

Mr. McLaughlin mentioned to the board the Scobie Drive conference call with DEC. Ms. Pearson asked if the site plan has been submitted to the City to which Mr. McLaughlin responded that yes the site plan has been submitted to both the City and DEC. Ms. Amato asked if the contamination on site is coming from the left neighbor and if DEC has indicated how to prevent that. Ms. Vickers responded that was not part of the conversation.

Mr. McLaughlin referenced the Armory project and the attempts the Agency is making to transfer it to the City. He referenced, for the benefit of the public, the history of the Armory building – that is was the subject of a bond financing in approximately 1998; that the developer abandoned the project in approximately 2008; that the Trustee failed to notify any party of the developers default because the tenant at the building continued to pay rent to the Trustee; that the Agency commenced or defended litigation in two different states concerning the developer and the monies the Agency believed were owed to it; that costs of maintaining and litigation were approximately \$200,000. Since 2023, the Agency has taken steps to preserve both the property and

the jobs located at the property - The lease with the current tenant was extended through December 2024; a study was contemplated to determine the highest and best use of the property; and special counsel was authorized to commence an action to remove the exiting mortgage from 2006. Since the spring of 2023, the Agency has met with the City to determine if the property could be sold to the City for a new City Hall. These steps have included a review of the Public Authorities Law and the Agency's Disposition Policy, a meeting with the City Manager in July and in October (which included respective counsel of the City and the Agency), receipt of two letters making the transfer request from the City Manager, amending the Agency Disposition Policy, drafting a contract of sale and negotiating with the Corporation Counsel, authorizing counsel to commence a quiet title action against the holder of the 2006 mortgage. All of these actions in Mr. McLaughlin's opinion demonstrate the good faith attempt of the Agency to transfer title of the property to the City. The stumbling block has been the mortgage lien, which the City initially said it would take care of and is now insisting that it be removed before transfer of title. Despite the Agency's efforts to so remove the lien, the City is demanding a transfer immediately or the holding of an escrow in an amount of the judgment of foreclosure and sale plus 15%. This amount exceeds the cash on hand of the Agency and in the opinion of Mr. McLaughlin, would be illegal under NYS law. Mr. McLaughlin offered to confirm his understanding of the law with the Authorities Budget Office. In the meantime, Mr. McLaughlin agreed to also explore other options that could be available to the Agency in order to transfer the property to the City as quickly and as reasonably as possible.

7. **Executive Director's Report:**

Ms. Vickers does not have anything specific to share with the board and has been working on website behind the scenes and having conversations with people in Newburgh about what they would like to see in the City. Ms. Vickers has submitted the draft annual audit to the board for review. She has begun conversations with MRB to begin drafting a new UTEP. In regards to the Hotel, hopefully we will know in the next two months the timing of their closing. For 191 Washington St, they are waiting on the Momentum Fund grant and they have not indicated when they are expecting to get the announcement. Ms. Pearson asked regarding the future IDA pamphlet. Ms. Vickers said Black Dog writes what goes on our draft version and asks for input however, the board approves what ultimately goes on the pamphlet. Ms. Pearson asked for them not to be too generic since there are so many unique things about the City. Mr. Ramos added that he would love to have Ms. Pearson's insight on writing and he will send the meeting times to her if she would like to join.

8. **Executive Session:**

Motion to enter into Executive Session to discuss the lease or sale of real property.

Mr. Pollick: Motion made
Ms. Pearson: Motion seconded

Motion to exit Executive Session

Ms. Amato: Motion made
Ms. Priester: Motion seconded

No decisions were made during Executive Session.

9. **New Business:**

Presentation of 1 Lafayette Street

Mr. Schrijver presented to the board the site plan and renderings of the building. He is working with the city engineer as he would like to make Lafayette St and Johnes St one way streets. Also Mr. Schrijver has spoken to the county planner regarding doubling the frequency of bus routes in the City and to put timers on bus stops.

Mr. Schrijver is proposing to build 145 units. The units will be mixed income and there will be retail space. The units will be primarily one- and two-bedroom units with about 30% of the units being three-bedroom units. In about 3 months from now Mr. Schrijver hopes to get approvals from all three land use boards. The projected cost of this project can be anything north of \$40-\$50 million. Mr. Schrijver has worked about a year and half to get the owner of the lot to sell them the property. As of right now Mr. Schrijver does not have the number of projected jobs. He plans to come to the IDA board in the future with an application for IDA assistance.

Resolution # 2024-03-18-01 Authorizing the Agency to Execute a Contract of Sale for Real Property

Tabled

10. **Old Business:**

None.

11. **Adjournment**

A motion to adjourn was made by Mr. Nato and seconded by Ms. Amato. Unanimously passed at 8:40 pm.

**CITY OF NEWBURGH INDUSTRIAL DEVELOPMENT AGENCY
TREASURER'S REPORT February 21, 2024 MEETING
January**

OPERATING Account #2847

Opening Balance As of Jan 1, 2024 **\$184,035.61**
from bank statement

<u>Deposits</u>	<u>Payor</u>	<u>Amount</u>	<u>Remarks</u>
	1/3/2024 AT&T	3,880.29	
	1/3/2024 Central Hudson	2,218.94	
	1/4/2024 Dish Network	1,500.00	
	1/9/2024 T-Mobile	5,243.79	December 2023 payment
	1/22/2024 T-Mobile	5,243.79	
	1/23/2024 Central Hudson	64.63	Difference in December 2023 payment
	1/31/2024 Orange County	79,411.56	January & February rent
	1/31/2024 Interest Paid	661.68	Interest Rate 4.00%
	TOTAL DEPOSITS 2847	\$98,224.68	

Disbursements

<u>Check Number</u>	<u>Check Date</u>	<u>Payee</u>	<u>Amount</u>	<u>Remarks</u>
1217	1/2/2024	Whiteman Osterman & Hanna	1,887.99	Invoice 674750, 674751
1219	1/3/2024	William Smith & Son	1,030.00	General Liability Insurance
1220	1/4/2024	MRB Group	3,600.00	Invoice 53424
1221	1/11/2024	Adriana Huaynalaya	15.72	Reimbursed expense
1222	1/16/2024	ODP Business Solutions	35.30	Invoice 346193650001
1223	1/16/2024	Jacobowitz & Gubits, LLP	390.00	Invoice 313334
1224	1/18/2024	black dog DESIGNS, LLC	3,267.25	Invoice NIDA011224
1225	1/25/2024	Whiteman Osterman & Hanna	15,912.50	Invoice 680367, 678651, 67849, 67847
1226	1/25/2024	NYS EDC	885.00	Invoice E1103
1227	1/29/2024	MRB Group	7,087.50	Invoice 53827
		TOTAL CHECKS & DISBURSEMENTS 2847	\$34,111.26	

Closing Balance As of Jan 31, 2024 **\$248,149.03 Op Acct #2847**

PAYROLL Acct #8243

Opening Balance	As of Jan 1, 2024	\$151,470.89
Debit	1/4/2024 Payroll Fees month Dec 2023	77.80
Debit	1/8/2024 Q1 2023 Tax Reconciliation- Federal Unemployment Tax	66.48
Debit	1/8/2024 Q4 2023 Tax Reconciliation- Federal Unemployment Tax	38.49
Debit	1/8/2024 Q2 2023 Tax Reconciliation- Federal Unemployment Tax	17.52
Debit	1/10/2024 Net Pay (part of gross wages)	3,244.71 12/25/23 - 1/07/24
Debit	1/10/2024 Employer Payroll Tax + Employee WH (part of gross wages)	1,290.78 12/25/23 - 1/07/24
Debit	1/24/2024 Net Pay (part of gross wages)	3,380.41 1/08 - 1/21/24
Debit	1/24/2024 Employer Payroll Tax + Employee WH (part of gross wages)	1,357.31 1/08 - 1/21/24
	Total Monthly Payroll Expense	9,473.50
Credit	1/31/2024 Interest Paid	497.57 Interest Rate 4.00%
Closing Balance	As of Jan 31, 2024	\$142,494.96 Payroll Acct #2843

APPLICATIONS FUND Account #2855

Opening Balance	As of Jan 1, 2024	\$14,151.44
Closing Balance	As of Jan 31, 2024	\$14,151.44 App Fund Acct #2855

LESSOR/TENANT Account #2863

Opening Balance	As of Jan 1, 2024	\$2,420.85
Interest Income	1/31/2024 Interest Paid	\$8.20 Interest Rate 4.00%
Closing Balance	As of Jan 31, 2024	\$2,429.05 Lessor Acct #2863

LABOR MONITORING Account #7072

Opening Balance	As of Jan 1, 2024	\$15,014.79
Closing Balance	As of Jan 31, 2024	\$15,014.79 Labor Monitor Acct #2863

MONEY MARKET Account #2871

Opening Balance	As of Jan 1, 2024	\$1,235,040.90
Interest Income	1/31/2024 Interest Paid	4,184.24 Interest Rate 4.00%
Debit	1/16/2024 Service Charge, Analysis Fees	30.00
Closing Balance	As of Jan 31, 2024	\$1,239,195.14 MM Acct #2871

NEWBURGH SOUTH LOGISTICS CENTER Account #6521

Opening Balance	As of Jan 1, 2024	\$0.00
Deposit	1/11/2024 Brookfield Properties LLC.	\$3,500.00
Interest Income	1/31/2024 Interest Paid	7.65 Interest Rate 4.00%
Closing Balance	As of Jan 31, 2024	\$3,507.65 NSLC Acct #6521

LAKELAND BANK Account #4346

Opening Balance As of Jan 1, 2024 **\$0.00**

Closing Balance As of Jan 31, 2024 **\$0.00 LAKELAND BANK Account #4346**

LAKELAND BANK Account #5683

Opening Balance As of Jan 1, 2024 **\$4,051,111.11**

Interest Income 1/18/2024 Interest Paid 51,764.19 Interest Rate 5.00%

Closing Balance As of Jan 31, 2024 **\$ 4,102,875.30 LAKELAND BANK Account #5683**

ATTACHED AS Exhibit A CITY OF NEWBURGH
INDUSTRIAL DEVELOPMENT AGENCY

Resolution No. 2024-03-18-01

**RESOLUTION AUTHORIZING THE AGENCY TO EXECUTE
A CONTRACT FOR THE SALE OF THE REAL PRPOERTY LOCATED AT
145 BROADWAY, NEWBURGH, NEW YORK**

A regular meeting of City of Newburgh Industrial Development Agency (the “Agency”) was convened in public session at City Hall, 83 Broadway, Newburgh, New York on March 18, 2024, at 6:00 o'clock p.m., local time.

The meeting was called to order by the Chair of the Agency and, upon roll being called, the following members of the Agency were:

PRESENT:

Marlon Ramos	Chairperson
Christina Amato	Vice Chairperson
Adam Pollick	Treasurer
Gregory Nato	Secretary
Theresa Priester	Member
Robin Yanyiah Pearson	Member

ABSENT:

Michael Kelly	Member
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AGENCY STAFF PRESENT INCLUDED THE FOLLOWING:

Cherisse Vickers	Executive Director
Robert J. McLaughlin, Esq.	Agency Counsel

The following resolution was offered by _____, seconded by _____, to wit:

WHEREAS, the City of Newburgh Industrial Development Agency (the “Agency”) is authorized and empowered by the provisions of Chapter 1030 of the 1969 Laws of New York, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended (the “Enabling Act”) and Chapter 577 of the 1982 Laws of New York, as amended, constituting Section 913 of said General Municipal Law (said Chapter and the Enabling Act being hereinafter

collectively referred to as the “Act”) to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of manufacturing, warehousing, research, commercial and industrial facilities, among others, for the purpose of promoting, attracting and developing economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York, to improve their prosperity and standard of living, and to prevent unemployment and economic deterioration; and

WHEREAS, the Agency owns certain real property located at 145 Broadway, Newburgh, New York (commonly referred to as “The Armory”) by deed from the City of Newburgh; and

WHEREAS, the Agency has received a letter from the Office of the City Manager, City of Newburgh dated November 6, 2023 (the “City Manager Letter” attached as **Exhibit A**) requesting the transfer of title to The Armory to the City of Newburgh for municipal purposes and for a nominal consideration; and

WHEREAS, on November 27, 2023, Agency counsel requested additional information from the City Manager (**Exhibit B**); and

WHEREAS, the City Manager has responded to Agency counsel on December 8, 2023 (**Exhibit C**); and

WHEREAS, in considering the City Manager Letter and response, the Agency has reviewed its Property Disposition Policy, the Public Authorities Law and the Public Authorities Accountability Act; and

WHEREAS, the Agency desires to consent to the transfer of The Armory in accordance with the City Manager Letter and instruct its counsel to negotiate the terms of a contract of sale with the City of Newburgh.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE CITY OF NEWBURGH INDUSTRIAL DEVELOPMENT AGENCY, AS FOLLOWS:

Section 1. The Agency hereby authorizes the Chair, Vice Chair and/or the Executive Director of the Agency to execute the Contract of Sale Agreement substantially in the form attached as **Exhibit D**.

Section 2. This Resolution shall take effect immediately.

The question of the adoption of the foregoing resolution was duly put to vote on roll call, which resulted as follows:

Marlon Ramos	VOTING	_____
Christina Amato	VOTING	_____
Michael Kelly	VOTING	ABSENT
Adam Pollick	VOTING	_____
Gregory Nato	VOTING	_____
Robin Yanyiah Pearson	VOTING	_____
Theresa Priester	VOTING	_____

The foregoing resolution was thereupon declared duly adopted.

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STATE OF NEW YORK)
) SS.:
COUNTY OF ORANGE)

I, the undersigned Secretary of City of Newburgh Industrial Development Agency (the “Agency”), do hereby certify that I have compared the foregoing extract of the minutes of the meeting of the members of the Agency held on March 18, 2024 with the original thereof on file in my office, and that the same is a true and correct copy of said original and of the whole of said original so far as the same relates to the subject matters therein referred to.

I FURTHER CERTIFY that (A) all members of the Agency had due notice of said meeting; (B) said meeting was in all respects duly held; (C) pursuant to Article 7 of the Public Officers Law (the “Open Meetings Law”), said meeting was open to the general public, and due notice of the time and place of said meeting was given in accordance with such Open Meetings Law; and (D) there was a quorum of the members of the Agency present throughout said meeting.

I FURTHER CERTIFY that, as of the date hereof, the attached Resolution is in full force and effect and has not been amended, repealed or rescinded.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Agency this ____ day of March, 2024.

Secretary

(SEAL)

EXHIBIT A

TABLED



CITY OF NEWBURGH

Office of the City Manager

83 Broadway, Newburgh, New York 12550
(845) 569-7301 • www.cityofnewburgh-ny.gov

November 6, 2023

Mr. Marlon Ramos
Chairperson, City of Newburgh IDA
83 Broadway, 3rd Floor
Newburgh, New York 12550

Re: Property Transfer Request

Dear Mr. Ramos:

The City of Newburgh hereby requests the transfer of real property known as 145 Broadway (Section 36, Block 3, Lot 1.2) from the City of Newburgh Industrial Development Agency to the City of Newburgh for municipal purposes and for nominal consideration.

The City recognizes that such transfer would be subject to a contract of sale and may require an amendment to the IDA's real property disposition policy.

The City appreciates your assistance in bringing this request before the IDA Board for consideration and swift resolution.

Sincerely,

Todd Venning
City Manager/CEO

cc: City Council
IDA Board
Cherisse Vickers
Robert McLaughlin, Esq.
Jeremy Kaufman, Esq.

EXHIBIT B

TABLED

WHITEMAN
OSTERMAN
& HANNA LLP

Attorneys at Law
www.woh.com

One Commerce Plaza
Albany, New York 12260
518.487.7600 phone
518.487.7777 fax

Robert J. McLaughlin
Partner
518.487.7697 phone
rmclaughlin@woh.com

November 27, 2023

Via Email

Hon. Todd Venning
City Manager and Chief Executive Officer
City of Newburgh
83 Broadway
Newburgh, New York 12550

RE: Property Transfer Request – November 6, 2023

Honorable Sir:

As you know, we represent the City of Newburgh Industrial Development Agency (the “Agency”). The Agency is in receipt of your letter dated November 6, 2023 (the “Request Letter”) which requested transfer of real property known as 145 Broadway (the “Property”) from the Agency to the City for municipal purposes and for nominal consideration. The Request Letter also noted that such transfer would be subject to a contract of sale and may require an amendment to the Agency real property disposition policy.

The Agency members discussed the Request Letter during the Agency meeting held on November 20, 2023. The Agency Board Members, while not opposed to the concept contained in the Request Letter, believe that they need more information as to both the intended municipal purposes for the Property by the City as well as the “nominal consideration” being contemplated. This information is necessary and consistent with the Agency’s mission and legislative purpose to promote employment opportunities, economic prosperity and sustainability for City residents through actively attracting, encouraging and developing new sound commerce, industry and projects which create jobs and net positive tax ratables. In addition, as discussed with your counsel (Jeremy Kaufman, Esq.), any such transfer is subject to the provisions of Section 2897(6)(d) of the Public Authorities Law which requires the Agency to submit a written explanation of the circumstances involving the disposal of property through a negotiated transaction to the Authorities Budget Office (“ABO”) at least 90 days prior to the scheduled date of transfer. Included in such explanation must be a justification for disposing of the Property by negotiation (as opposed to the public solicitation of bids). In providing the required justification

Hon. Todd Venning
November 27, 2023
Page 2 of 2

to the ABO, it would be helpful if the Agency could provide the study or analysis the City has conducted which justifies the intended municipal purpose(s) of the Property.

In the interest of an open and transparent process, on behalf of the Agency Members, we request a meeting between members of the City Council, the Agency Board Members, and you prior to the Agency's next Board meeting (December 13, 2023 at 6:00 PM) to further discuss the transfer and together to determine the justification for the transfer, the intended municipal purposes, and the identification of the nominal consideration so that the two governmental units can together conclude that the transfer is consistent with the mission of the Agency.

Very truly yours,



Robert J. McLaughlin

cc: Jeremy Kaufman, Esq.
Cherisse Vickers
City of Newburgh Industrial Development Agency

EXHIBIT C

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CITY OF NEWBURGH

Office of the City Manager

83 Broadway, Newburgh, New York 12550
(845) 569-7301 • www.cityofnewburgh-ny.gov

December 7, 2023

VIA E-MAIL: RMcLaughlin@woh.com

Mr. Robert J. McLaughlin
Whiteman, Osterman & Hanna LLP
One Commerce Plaza
Albany, New York 12260

Re: City of Newburgh Property Transfer Request Response
Response Date: November 27, 2023

Mr. McLaughlin,

In response to your letter dated November 27, 2023, below please find the City's clarifications to the Agency's inquiries.

The municipal purpose for the property is a relocation of City Hall which includes the local government offices and the municipal services provided. The City proposes to purchase the property for ten dollars (\$10.00) because the City intends to use the property for its City Hall.

The City notes the necessity of an ABO justification pursuant to Section 2897(6)(d)(i)(D) of the Public Authorities Law ("PAL"), as real property is part of the consideration in the proposed transaction. Assuming the City Council and the Agency each approve an agreement for the conveyance of the property, the City will work with the Agency to draft a justification letter for joint submission to the ABO at a future date.

The City notes, and trusts that you have advised the Agency, that the Public Authorities Law explicitly allows for the transfer of real property without bid when "the disposal will be to the state or any political subdivision and the estimated fair market value of the property and other satisfactory terms of disposal are obtained by negotiation" (see PAL §2897(6)(c)(iv)); and allows for the disposal of real property for less than fair market value where "the transferee is a government or other public entity, and the terms and conditions of the transfer require that the ownership and use of the asset will remain with the government or any other public entity (see PAL §2897(7)(a)(i)). The PAL affords a clear path for the transfer of the property to the City in a manner that does not interfere with or contradict the Agency's regular mission and legislative purpose.

The invitation by the Agency to the City Council to attend the Agency's next meeting is not feasible. The Council has already authorized this office and other City departments to explore the acquisition of property for a new City Hall. In turn, this office will continue to explore this option and will advise the City Council accordingly.

Sincerely,



Todd Venning
City Manager/CEO

cc: City Council
IDA Board
Cherisse Vickers
Robert McLaughlin, Esq.
Jeremy Kaufman, Esq.

EXHIBIT D

CONTRACT OF SALE

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CONTRACT OF SALE

Date: As of _____, 202__

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