

**City of Newburgh
INDUSTRIAL DEVELOPMENT AGENCY
("IDA")
MINUTES OF MEETING
MARCH 15, 2010**

Present

Board Members: Josh Smith
Richard Bedrosian
Michael Curry
John Penney
Sean O'Shea
Excused Absences: Spencer Gulliver, Jerry Maldonado
Administrative Director: Courtney Kain
Counsel: Thomas Whyatt, Esq.
Corporation Counsel: Bernis Nelson, Esq.

1. **Roll Call.** Mr. Smith called the meeting to order.
2. **Proof of Notice of Meeting.** Accepted
3. **Approval of Minutes of February 23 Meeting.**
Mr. Bedrosian: Motion to approve the minutes as corrected.
Mr. Penney: Motion seconded
Vote: Unanimously approved.
4. **Request for Bills and Communications.**
Mr. Curry requested that this be combined with the Treasurer's Report.
5. **Reports on Committees.**

Treasurer's Report. Mr. Curry reviewed invoices and recommended payments.

Mr. Penney: Motion to approve checks 2525, 2526, 2527, 2528
Mr. O'Shea: Motion seconded.
Vote: Unanimously approved.

Audit Committee. Mr. Curry reported that the IDA is subject to tax on revenues from 2008 forward. The auditors are working on a trial balance for 2008. Ms. Kain asked the records to show that the 2008 Audit should be completed by the end of March. The goal is to begin the 2009 Audit in April. She reported that searching for documents is still a challenge. Some documents have several names. The departments are continuing to look for documents requested by the Auditor. It would be easier if Records documents were all in one place.

Mr. Curry does not expect a disclaimer of Opinion from the auditors for the 2008 audit. He suggested returning to a co-signed voucher system. There is no back-up (such as contracts or invoices) for many vouchers, and consequently inadequate checks and balances. Mr. Whyatt said that since the city and the IDA have separate auditing firms, they need to confer to set up a proper processing system. A standard "fee for additional services" letter is being drafted for special situations with the auditors and other service providers.

The Board will receive a draft 2008 Budget report to review before it is entered into the PARIS system. 2009 audit process will be less cumbersome because records are available.

Mr. Penney: Motion to adopt the 2010 Budget.

Mr. Bedrosian: Motion seconded.

Vote: Unanimously approved.

Governance. Mr. Maldonado reported that there was no meeting. There will be a report for April. Ms. Kain asked for copies of the governing policies to satisfy the auditor's request.

6. Old Business

IDA Office Space. The City Manager has approved use of the Third Floor Conference Room for storage and work space for the IDA. There was a discussion about purchasing file cabinets. Mr. Curry pointed out the IDA paid \$43,000 for office equipment in 2003. Mr. Smith asked Mr. Whyatt for a recommendation on how to secure the attorney-client documents. Mr. Whyatt recommended keeping the file cabinets locked. If access to the room is limited to attorneys, clients and guests of clients, that should be sufficient. It might be institutionally difficult to separate attorney-client documents which are not subject to FOIL. There was a discussion of fire safety issues.

IDA/City Council Working Committee: There was no meeting since the last report.

Pierces Road/Dupont Site BOA: Mr. Littman will give a presentation at the City Council Work Session on March 18. The Working Committee will reconvene sometime after that.

Armory Acquisition. Mr. Kain reported that the engineering and environmental analysis would begin this week. City is going through an internal process of evaluation to include all the sites owned and occupied by the city government.

132 Broadway. No Update: The City Council rejected all of the proposals and recommended working with Pace University Land Use Department to develop an RFQ process for the site to develop it as a "model". There is a Ford Foundation grant to work on these projects.

Murphy's Ditch. Mr. Whyatt reported that Mr. Korn cannot pay the full price of the easement which was approved in 2006. There are 3 installment payments. Mr. Whyatt requested a lien on each of the \$45,000 sites when the C of O's were issued to lease the pad sites. This issue has to be worked out with Mr. Korn. There is a 50-year renewal agreement at a fee. These easement issues are being worked out so that both the IDA and Mr. Korn are protected.

EDA Award – Resolutions by the City Council for "Termination for Convenience" have been faxed to the EDA. The Title Opinion and Engineering Report are being finalized. These will be forwarded to the EDA for any final comments. There was a discussion of how the City and the IDA will equitably account for reimbursement for personnel time on this combined effort. Mr. Whyatt suggested that they remain focused on finalizing documents for the EDA.

Verizon Building Inspection.

Mr. Curry gave a summary of the building site. Verizon had offered the north building (70,000sf) to the City several years ago for \$1, and the City turned it down. Elevator shaft is already there and an elevator could be shared by both tenants.

Possibilities are wide open. Verizon could invest significant money into the boiler plant. They could sell the building. They could give the IDA the building. Verizon is mandated to offload 10mm square feet this year. Mr. Curry noted that the IDA is willing to be an 'agent' to help find an appropriate use. The Board discussed zoning and ARC requirements. Mr. Smith reported that HV Tech Center in Fishkill is looking for space and has a NYSERDA partnership now with SUNY Albany. There are opportunities. The Board agreed that it must be ready to do business at West Street and information discussions should begin now.

1 Corwin Court. Ms. Kain showed a spreadsheet on all of the PILOTS, calculations and whether or not payments are current. She and Mr. Curry will review 1 Corwin Court.

Directors' Insurance. Ms. Kain and Mr. Curry will prepare an RFQ. The City is also looking at its risk analysis.

Required 2010 Public Authority training and Reimbursements. Mr. Curry noted there is a \$25 fee for the Sustainable Business Conference at Mount St. Mary's college March 18. Mr. Smith recommended that appropriate expenses be paid for Board members who attend trainings or other conferences such as this, and he recommended paying the \$25 fee. The policy should include mileage, tolls and standard travel expenses.

Training in New York City will be re-scheduled. March 26 in Albany is still scheduled. Mr. Smith will attend Albany instead of NYC. Mr. Smith noted that although it is not a requirement to go through the training again, there have been so many changes in the laws that it would be helpful for everyone to be current on them.

The Board discussed whether or not the NCDA and the LDC can function effectively without certification. The IDA is the only Board able to make state tax exemptions. Mr. Curry noted that the LDC records should be reviewed, which are still at the bus station in New Paltz. The LDC would have to ask for the authority to transfer them. Ms. Nelson explained LDC's roles as a sponsor.

Public Transportation Issues and Planning. The IDA will draft a policy statement to forward to Orange County. Messrs Maldonado and Gulliver will participate in the Local Use Committee. Mr. Maldonado will contact the consultants.

The Excelsior Program. Ms. Kain gave the parameters of the program. Current Empire Zone businesses will be grandfathered in, but they can opt for the new program. The new guidelines offer very little for small businesses.

Building violation issue: Lake Street Housing violation was cleared on November 17. This is a straight lease property, owned by IDA. Belvedere is the beneficial owner and must comply. Mr. Gulliver asked whether this was an appropriate project for the IDA. There followed a general discussion of housing leases.

7. New Business

2008 Annual Report. Ms. Kain asked that it be added to the April Agenda.

Database of Businesses. Mr. Curry suggested the IDA should maintain a list of the top 10 employers in Newburgh, and top ten likely to be hiring. The Ida's needs to be recognized in the business community Ms. Kain has done an analysis of industrial space; she believes the GIS can retrieve the kind of information Mr. Curry seeks. Ms. Kain is building a relationship with the Orange County Partnership. Board agreed they need to know what is available and who is looking.

8. The next IDA Meeting is scheduled for Monday, April 19, 2010.

Mr. Penney: Motion to adjourn and move into Executive Session.

Mr. Bedrosian: Motion seconded.

Discussion: Ms. Nelson and Ms. Kain were invited to sit in on the first part of the Executive Session to discuss the vacant lot at Ann and Johnston Streets. The second part is to receive legal advice.

Vote: Unanimously approved.