

A regular meeting of the City Council of the City of Newburgh was held on Monday, March 14, 2011 at 7:00 P.M. in the Council Chambers at City Hall, 3<sup>rd</sup> Floor, 83 Broadway, Newburgh, New York 12550.

The Prayer was led by Mayor Valentine. It included a moment of silence for the earthquake and tsunami victims and their families in Japan.

The Pledge of Allegiance was led by Councilwoman Bell.

Present: Mayor Valentine, presiding; Councilwoman Angelo, Councilwoman Bell, Councilwoman Bello, Councilman Dillard- 5

Councilwoman Angelo moved and Councilwoman Bello seconded that the minutes of the regular meeting of February 28, 2011 be approved.

Ayes - Councilwoman Angelo, Councilwoman Bell, Councilwoman Bello, Councilman Dillard, Mayor Valentine- 5

CARRIED

## REPORTS

Councilwoman Angelo moved and Councilwoman Bello seconded that the City Clerk's Report, the Registrar of Vital Statistics Report and the Civil Service Administrator's Report for the month of February be received, filed and made available to the Press.

Ayes-Councilwoman Angelo, Councilwoman Bell, Councilwoman Bello, Councilman Dillard, Mayor Valentine- 5

CARRIED

## COMMUNICATIONS

Councilwoman Angelo moved and Councilwoman Bello seconded that the Notices of Claim, the Notice of Intention to File a Claim, the Summonses and Complaint and the Notice of Tax Assessment Review be referred to Corporation Counsel with power to act.

Ayes-Councilwoman Angelo, Councilwoman Bell, Councilwoman Bello, Councilman Dillard, Mayor Valentine- 5

CARRIED

## **PRESENTATION**

**In commemoration of Women's History Month in the City of Newburgh, Newburgh Historian Mary McTamanev gave a presentation about notable Newburgh women in history, including the very First Lady Martha Washington. She pointed out that Cornelia Henderson, who was Orange County's only female casualty of World War I, was from the City of Newburgh. Also significant to note, Newburgh was selected to be the site of the Women's Suffrage Convention in 1895.**

## **PROCLAMATION**

**Mayor Valentine proclaimed March 2011 as Women's History Month in the City of Newburgh.**

# City of Newburgh

## Proclamation

### *Women's History Month 2011*

Our History is Our Strength

**March 14, 2011**

Women of every race, class, and ethnic background have made historic contributions to the growth and strength of our City and our nation in countless recorded and unrecorded ways; and

They continue to play a critical economic, cultural, and social role by constituting a significant portion of the labor force working inside and outside of the home; and

Although American women were in the forefront of every major progressive social change movement, not only in securing their own rights, but in working to create a more fair and just society for all, their role throughout history has been consistently overlooked and undervalued

Therefore, I, Nicholas J. Valentine, Mayor, and the City Council of the City of Newburgh do hereby recognize the month of March as

"Women's History Month" in the City of Newburgh.

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**Mayor Nicholas Valentine**

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**Deputy Mayor Regina Angelo**

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**Councilwoman Marge Bell**

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**Councilwoman Christine Bello**

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**Councilman Curlie Dillard**

**Councilwoman Bell wondered what the world would be like if there were more men who were feminist. She reminded us that there are still countries in which women are not allowed to participate at all.**

**Mayor Valentine pointed out current activity in the community. Delta Sigma Theta Sorority Mid-Hudson Valley Alumnae Chapter came to Newburgh and hosted an Impacting the Community...One Young Man at a Time this past weekend. The organization spent Saturday afternoon in a variety of forums.**

**PROPOSED PUBLIC HEARING**

RESOLUTION NO.: **55-2011**

OF

MARCH 14, 2011

RESOLUTION SCHEDULING A PUBLIC HEARING FOR MARCH 28, 2011 TO HEAR PUBLIC COMMENT CONCERNING A LOCAL LAW TO AMEND CHAPTER 189 ENTITLED "HOURS OF OPERATION" OF THE CODE OF THE CITY OF NEWBURGH

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Newburgh, New York, that there is hereby scheduled a public hearing to receive comments concerning a Local Law to amend Chapter 189, entitled "Hours of Operation", of the Code of the City of Newburgh; and that such public hearing be and hereby is duly set for the next regular meeting of the Council to be held at 7:00 p.m. on the 28<sup>th</sup> day of March, 2011, in the City Council Chambers, 3<sup>rd</sup> Floor, City Hall, 83 Broadway, Newburgh, New York.

**Councilwoman Angelo moved and Councilwoman Bello seconded that the resolution be adopted.**

**Ayes- Councilwoman Angelo, Councilwoman Bell, Councilwoman Bello, Councilman Dillard, Mayor Valentine-5**

**ADOPTED**

LOCAL LAW NO.: \_\_\_\_\_ - 2011

OF

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**A LOCAL LAW AMENDING CHAPTER 189 ENTITLED  
“HOURS OF OPERATION” OF THE CODE OF THE CITY OF NEWBURGH**

**BE IT ENACTED**, by the Council of the City of Newburgh as follows:

**§ 189-3. Hours of operation.**

It shall be unlawful for any retail establishment except those set forth in § 189-4 hereof to operate and remain open to the public between the hours of ~~11:00 p.m.~~ 12:00 a.m. and 5:00 a.m.

This Local Law shall take effect immediately upon its filing with the Secretary of State.

## COMMENTS FROM THE PUBLIC REGARDING THE AGENDA

Denise Ribble mentioned that there was a meeting with city officials and staff and community members. She is concerned with accountability. A response she received from a councilmember was that we don't even know if there is going to be a hiring ordinance and training center. She read the draft. For the most part it is excellent. But she does not see the accountability issue addressed in the draft. [RES. 57-2011]

Michael Gabor asked why we lent money to an organization that never gave us the financial backing to state it would repay the city in the first place. Here we are a year and a half later. [RES. 62-2011]. Also he does not see anything on the agenda to address what we are doing to alleviate the tax hikes. He does not see any cut-backs. Are we going to wait until September to address it again? He stated the city was supposed to be hiring a couple of people who have a lot of experience. Yet every time he comes here, there is nothing that deals with the real issue of what people have to deal with in their lives.

Brenda McPhail noticed two men picking up trash in front of a city-owned building on Johnston Street. She asked them were they from Newburgh and they responded in the negative. She mentioned it because former HUD monies had come through; yet the monies did not go for their intended purposes.

There being no further comments, this portion of the meeting was closed.

**COMMENTS FROM THE COUNCIL REGARDING THE AGENDA**

**There we no comments at this time.**

**RESOLUTION NO.: 50 - 2011**

**OF**

**MARCH 14, 2011**

**A RESOLUTION AUTHORIZING THE CITY MANAGER TO ACCEPT  
GRANT #2010-GP-BX-0074 FROM THE UNITED STATES DEPARTMENT OF  
JUSTICE  
FOR THE PROJECT SAFE NEIGHBORHOOD (PSN) 2010 PROGRAM  
FOR A TOTAL GRANT AMOUNT OF \$34,401.00  
WITH NO CITY MATCH REQUIRED, AND IN FURTHERANCE THERETO,  
AMENDING THE GRANT FUND OF THE CITY OF NEWBURGH**

**WHEREAS**, the United States Department of Justice has offered a grant under its Project Safe Neighborhood (PSN) 2010 Program to provide funds to implement additional police enforcement to target street level activity during days and times of highest frequency of violent crime, firearm related activity and gang activity and support the use of rental vehicles to be used for surveillance and investigative purposes; and

**WHEREAS**, the City of Newburgh applied for such grant and were notified that they have been awarded a total grant amount of \$34,401.00; and

**WHEREAS**, no City match of dollars or in-kind services is required; and

**WHEREAS**, this Council has determined that accepting such grant is in the best interests of the City of Newburgh and its residents;

**NOW, THEREFORE, BE IT RESOLVED**, by the Council of the City of Newburgh, New York that the City Manager be and he is hereby authorized to execute any and all documentation required to accept the Grant; and

**BE IT FURTHER RESOLVED**, this Council hereby amends the City of Newburgh's Grant Fund as follows, in furtherance of acceptance of the Grant:

**Revenue:**

CG.3120.4321.3000.2010	\$34,401
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**Expenses:**

CG.3120.0130.3000.2010	Overtime	\$20,001
CG.3120.0444.3000.2010	Rental	\$14,400

Councilwoman Angelo moved and Councilwoman Bello seconded that the resolution be adopted.

Ayes- Councilwoman Angelo, Councilwoman Bell, Councilwoman Bello, Councilman Dillard, Mayor Valentine-5

**ADOPTED**

**RESOLUTION NO.: 51- 2011**

**OF**

**MARCH 14, 2011**

**A RESOLUTION AUTHORIZING THE CITY MANAGER  
TO ENTER INTO A MEMORANDUM OF AGREEMENT WITH NEW YORK  
STATE  
FOR THE 1033 FEDERAL EXCESS PROPERTY PROGRAM  
TO OBTAIN SURPLUS POLICE EQUIPMENT  
FORMERLY BELONGING TO THE FEDERAL DEPARTMENT OF DEFENSE**

**WHEREAS**, the National Defense Authorization Act authorizes the Secretary of Defense to transfer excess (sometimes called surplus or personal property) Department of Defense property to state and local law enforcement agencies; and

**WHEREAS**, the City of Newburgh Police Department wishes to enter into a Memorandum of Agreement (“MOA”) with the New York State 1033 Program Coordinator appointed by the Governor of the State of New York to act on behalf of the State of New York and the Division of Criminal Justice Services, an Executive Agency of the State of New York regarding surplus police equipment; and

**WHEREAS**, it is deemed to be in the best interests of the City of Newburgh to enter into a MOA for surplus police equipment;

**NOW, THEREFORE, BE IT RESOLVED**, by the Council of the City of Newburgh, New York that the City Manager be and he is hereby authorized to enter into a Memorandum of Agreement with New York State for the 1033 Federal Excess Property Program to obtain surplus police equipment formerly belonging to the Federal Department of Defense.

**Councilwoman Angelo moved and Councilwoman Bello seconded that the resolution be adopted.**

**Ayes- Councilwoman Angelo, Councilwoman Bell, Councilwoman Bello, Councilman Dillard, Mayor Valentine-5**

**ADOPTED**

**RESOLUTION NO.: 52 - 2011**

**OF**

**MARCH 14, 2011**

**A RESOLUTION AUTHORIZING THE CITY MANAGER  
TO ACCEPT DONATIONS IN SUPPORT OF THE  
CITY OF NEWBURGH'S MEMORIAL DAY EVENT  
AND FURTHER ESTABLISHING A TRUST-IN-AGENCY ACCOUNT  
FOR SUCH DONATIONS**

**WHEREAS**, various businesses, firms and individuals have made and are willing to make contributions of money and in-kind assistance to support the Memorial Day Event; and

**WHEREAS**, this Council deems it to be in the best interests of the City of Newburgh to accept such donations;

**NOW, THEREFORE, BE IT RESOLVED**, by the Council of the City of Newburgh, New York that the City Manager be and he is hereby authorized to accept said donations for the Memorial Day Parade with the appreciation and thanks of the City of Newburgh on behalf of its children, families and citizens, for their support and sponsorship of this event; and

**BE IT FURTHER RESOLVED**, that the City Council of the City of Newburgh hereby establishes a Trust-in-Agency Account: TE.0000.0690.0176 for such donations which will be used for the Memorial Day Event.

**Councilwoman Angelo moved and Councilwoman Bello seconded that the resolution be adopted.**

**Ayes- Councilwoman Angelo, Councilwoman Bell, Councilwoman Bello, Councilman Dillard, Mayor Valentine- 5**

**ADOPTED**

**RESOLUTION NO.: 53 - 2011**

**OF**

**MARCH 14, 2011**

**A RESOLUTION AMENDING RESOLUTION NO: 264-2010,  
THE AMENDED 2011 BUDGET FOR THE CITY OF NEWBURGH, NEW YORK  
TO ESTABLISH ANIMAL CONTROL ACCOUNTS FOR DOG LICENSING**

**BE IT RESOLVED**, that Resolution No: 264-2010, the 2011 Amended Budget of the City of Newburgh, is hereby amended as follows:

Revenue:

A.0000.1551	Dog Control Fees	\$200.00
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Expenses:

A.3511	Animal Control	
.0448	Other Services	\$200.00

**Councilwoman Angelo moved and Councilwoman Bello seconded that the resolution be adopted.**

**Ayes- Councilwoman Angelo, Councilwoman Bell, Councilwoman Bello, Councilman Dillard, Mayor Valentine-5**

**ADOPTED**

**RESOLUTION NO.: 54 - 2011**

**OF**

**MARCH 14, 2011**

**A RESOLUTION AUTHORIZING THE CITY MANAGER TO ACCEPT  
UP TO A \$25,000.00 GRANT FROM THE ORANGE COUNTY WATER  
AUTHORITY  
TO FUND ONE-HALF OF THE COST OF THE 2010 MUNICIPAL WATER  
SUPPLY  
SAFE YIELD ANALYSIS GRANT PROGRAM  
FOR WASHINGTON LAKE AND BROWN'S POND RESERVOIRS**

**WHEREAS**, the City of Newburgh submitted an application to the Orange County Water Authority ("OCWA") to fund one-half of the cost of the 2010 Municipal Water Supply Safe Yield Analysis Grant Program for Washington Lake and Brown's Pond Reservoirs ("Safe Yield Analysis"), in an amount not to exceed \$25,000.00; and

**WHEREAS**, the City of Newburgh has estimated the cost of the Safe Yield Analysis to be \$50,000.00; and

**WHEREAS**, OCWA has offered to reimburse the City of Newburgh for one-half of the cost of the Safe Yield Analysis (the "Grant"); and

**WHEREAS**, this Council has reviewed the attached agreement and has determined it to be in the best interests of the City of Newburgh to accept the Grant;

**NOW, THEREFORE, BE IT RESOLVED**, by the Council of the City of Newburgh, New York that the City Manager be and he is hereby authorized to execute an Agreement with the OCWA, in the general form attached hereto, for the Safe Yield Analysis to fund an amount not to exceed \$25,000.00 from the Water Fund, per attached budget.

**Councilwoman Angelo moved and Councilwoman Bello seconded that the resolution be adopted.**

**Ayes- Councilwoman Angelo, Councilwoman Bell, Councilwoman Bello, Councilman Dillard, Mayor Valentine-5**

**ADOPTED**

**RESOLUTION NO.: 56 - 2011**

**OF**

**MARCH 14, 2011**

**A RESOLUTION AUTHORIZING THE CITY MANAGER  
TO APPLY FOR AND ACCEPT IF AWARDED A GRANT OFFERED BY THE  
ORANGE COUNTY YOUTH BUREAU FOR THE 2011 TEEN SOLUTIONS  
GRANT  
IN AN AMOUNT NOT TO EXCEED \$30,311.28 WITH NO MATCHING FUNDS**

**WHEREAS**, the Orange County Youth Bureau is offering funding through the 2011 Teen Solutions Grant; and

**WHEREAS**, the funding is designed to increase services, opportunities, and supports to youth in evenings and weekends during non-school hours primarily in the summer to help reduce crime and other at-risk behavior; and

**WHEREAS**, the City of Newburgh wishes to apply for and accept if awarded said funding in the amount of \$30,311.28; and

**WHEREAS**, such application will require no City match; and

**WHEREAS**, this Council has determined that making such application is in the best interests of the City of Newburgh and its youth;

**NOW, THEREFORE, BE IT RESOLVED**, by the Council of the City of Newburgh, New York that the City Manager be and he is hereby authorized to apply for and accept if awarded on behalf of the City a Grant from the Orange County Youth Bureau for the 2011 Teen Solutions in an amount not to exceed \$30,311.28 with no matching funds.

**Councilwoman Bell asked what the grant is specifically going to cover.**

**Acting City Manager Richard Herbek responded that it is going to cover some personnel costs for running the program. Also it will cover some equipment costs.**

**Mayor Valentine clarified there was change, specifically an increase in the amount. It went from \$14,000 to \$30,000. Also he pointed out the youth programs are going to operate in the evenings, on weekends, and primarily in the summer.**

**Councilwoman Angelo moved and Councilwoman Bello seconded that the resolution be adopted.**

**Ayes- Councilwoman Angelo, Councilwoman Bell, Councilwoman Bello, Councilman Dillard, Mayor Valentine-5**

**ADOPTED**

**RESOLUTION NO.: 57 - 2011**

**OF**

**MARCH 14, 2011**

**RESOLUTION TO ADOPT THE 2011 - 2015 SECTION 3 PLAN  
FOR THE CITY OF NEWBURGH, NEW YORK**

**WHEREAS**, The City of Newburgh ("City") is committed to helping the residents of the City achieve their goals of self-sufficiency by providing opportunities for employment. The City provides opportunities on its construction, demolition, and rehabilitation projects by requiring its contractors, in accordance with this City of Newburgh Section 3 Plan ("Section 3 Plan") to hire qualified City residents to facilitate economic opportunity for such residents.

**WHEREAS**, The purpose of Section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u) (section 3) and 24 CFR 135.1 et seq. is to ensure that employment and other economic opportunities generated by certain HUD financial assistance shall, to the greatest extent feasible, and consistent with existing Federal, State, and local laws and regulations, be directed to City residents with not more than eighty (80%) percent of individual or family median income in the City, being the Service Area for applicable HUD funding, under 24 CFR 135.34(a)(2)(i) ("Section 3 Residents"), and to business concerns which provide economic opportunities for Section 3 Residents.

**WHEREAS**, All contractors approved by the City for wholly or partially HUD-funded projects exceeding \$200,000 in cost must adhere to the Economic Opportunities guidelines of this Section 3 Plan. The Section 3 regulations require that recipients of certain HUD financial assistance, to the greatest extent possible, provide employment and contract opportunities for Section 3 Residents in connection with projects and activities in the City.

**WHEREAS**, The Section 3 regulations recognize that HUD funding typically results in projects/activities that generate new employment and contracting opportunities. The economic opportunities requirements of Section 3 apply to recipients of HUD Community Development and Block Grant Funding for projects exceeding \$200,000. The requirements of Section 3 only apply to those projects involving housing construction, rehabilitation, demolition, or other public construction.

**WHEREAS**, the adoption of the 2011-2015 Section 3 Plan is in the best interests of the City of Newburgh;

**NOW, THEREFORE, BE IT RESOLVED**, by the Council of the City of Newburgh, New York, to adopt the 2011-2015 Section 3 Plan and that the City Manager is authorized to take all reasonable and necessary action to implement and administer said 2011-2015 Section 3 Plan.

**Councilwoman Bell moved and Councilwoman Bello seconded that the resolution be tabled.**

**Ayes- Councilwoman Angelo, Councilwoman Bell, Councilwoman Bello-3**

**Noes- Councilman Dillard, Mayor Valentine-2**

**TABLED**

RESOLUTION NO.: 58 - 2011

OF

MARCH 14, 2011

**A RESOLUTION AUTHORIZING THE CITY MANAGER  
TO ACCEPT AN OFFER TO GIFT TO THE CITY  
THE PROPERTY KNOWN AS 33 CITY TERRACE  
IN THE CITY OF NEWBURGH**

**WHEREAS**, an offer to gift property located at 33 City Terrace (Section 29, Block 4, Lot 16) has been received from Erkan Aydag; and

**WHEREAS**, such offer has been reviewed by the involved City departments and has been determined to be in the best interests of the City of Newburgh.

**NOW, THEREFORE, BE IT RESOLVED**, that the City Manager be and he hereby is authorized to accept a gift of property located at 33 City Terrace in the City of Newburgh from Erkan Aydag to the City of Newburgh.

**Councilwoman Angelo moved and Councilwoman Bello seconded that the resolution be adopted.**

**Ayes- Councilwoman Angelo, Councilwoman Bell, Councilwoman Bello, Councilman Dillard, Mayor Valentine-5**

**ADOPTED**

RESOLUTION NO.: 59 - 2011

OF

MARCH 14, 2011

RESOLUTION APPOINTING A CITY COUNCIL MEMBER  
TO THE NEWBURGH HOUSING DEVELOPMENT FUND CORPORATION  
BOARD OF DIRECTORS

WHEREAS, by Resolution 255-2010 of November 8, 2010 the City Council adopted a Distressed Property Remediation Policy for the City of Newburgh; and

WHEREAS, by Resolution 47-2011 of February 28, 2011 the City Council amended Resolution 225-2010 of November 8, 2010 which adopted a Distressed Property Remediation Policy for the City of Newburgh; and

WHEREAS, the City Council authorized the City Manager to take such steps as are necessary to create a land bank, to initially be known as the Newburgh Housing Development Fund Corporation, with its Board of Directors to consist of nine (9) members comprised of four (4) City members and incorporators consisting of a City Council Member to be appointed by the City Council, City Manager, Chair of the Property Remediation Task Force, a Planning Board member to be appointed by the Planning Board; and five (5) non-City members to be appointed by the Board of Directors consisting of representatives from anchor institutions in the City, local not-for-profit corporations, community members, and faith-based organizations in the community, under the Private Housing Finance Law; and

WHEREAS, the City Council wishes to appoint Councilman Curlie Dillard to the Newburgh Housing Development Fund Corporation Board of Directors;

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Newburgh hereby appoints Councilman Curlie Dillard as a member to the Newburgh Housing Development Fund Corporation Board of Directors.

**Councilwoman Bell asked who has been appointed.**

**Mr. Herbek responded Councilman Dillard.**

**Councilwoman Angelo moved and Councilwoman Bello seconded that the resolution be adopted.**

**Ayes- Councilwoman Angelo, Councilwoman Bell, Councilwoman Bello, Councilman Dillard, Mayor Valentine-5**

**ADOPTED**

RESOLUTION NO.: 60 - 2011

OF

MARCH 14, 2011

A RESOLUTION TO AUTHORIZE THE RE-PURCHASE OF  
REAL PROPERTY KNOWN AS 791 SOUTH STREET  
(SECTION 13, BLOCK 2, LOT 10)  
AT PRIVATE SALE TO ARLENE LUCAS

**WHEREAS**, the City of Newburgh has acquired title to several parcels of real property by foreclosure *In Rem* pursuant of Article 11 Title 3 of the Real property Tax law of the State of New York; and

**WHEREAS**, pursuant to Section 1166 of the Real Property Tax Law the City may sell properties acquired by foreclosure *In Rem* at private sale; and

**WHEREAS**, Arlene Lucas, the former owner of 791 South Street, being more accurately described as Section 13, Block 2, Lot 10 on the official tax map of the City of Newburgh, has requested to re-purchase the property at private sale; and

**WHEREAS**, the City Council of the City of Newburgh has determined that it would be in the best interests of the City of Newburgh to allow the former owner to re-purchase this property status quo ante;

**NOW, THEREFORE, BE IT RESOLVED**, by the Council of the City of Newburgh, New York, that the sale of the following property to Arlene Lucas be and hereby is confirmed and the City Manager is authorized and directed to execute and deliver a quitclaim deed to said purchaser upon receipt of \$39,999.27 no later than March 24, 2011, otherwise it will remain on the list of properties to be Auctioned on April 14, 2011; and

**BE IT FURTHER RESOLVED**, by the Council of the City of Newburgh, New York, that the parcel is not required for public use.

**Councilwoman Angelo moved and Councilwoman Bell seconded that the resolution be adopted.**

**Ayes- Councilwoman Angelo, Councilwoman Bell, Councilwoman Bello, Councilman Dillard, Mayor Valentine-5**

**ADOPTED**

RESOLUTION NO.: 61 - 2011

OF

MARCH 14, 2011

RESOLUTION AUTHORIZING THE CITY MANAGER  
TO EXECUTE A STIPULATION OF SETTLEMENT  
WITH HERMAN VASQUEZ, AN INFANT BY HIS MOTHER AND  
NATURAL GUARDIAN, BLANCA CHINCHILLA IN THE AMOUNT OF  
EIGHTEEN THOUSAND DOLLARS

WHEREAS, Herman Vasquez, an infant by his mother and natural guardian, Blanca Chinchilla brought an action against the City of Newburgh; and

WHEREAS, the parties have reached an agreement for the payment of the settlement in the amount of Eighteen Thousand and 00/100 Dollars (\$18,000.00) in exchange for a release to resolve all claims among them; and

WHEREAS, this Council has determined it to be in the best interests of the City of Newburgh to settle the matter for the amount agreed to by the parties;

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Newburgh, New York, that the City's attorneys are hereby authorized to settle the claim of Herman Vasquez, an infant by his mother and natural guardian, Blanca Chinchilla in the total amount of Eighteen Thousand and 00/100 Dollars (\$18,000.00), and that City Manager be and he hereby is authorized to execute documents as the City's attorney may require, to effectuate the settlement as herein described.

**Councilwoman Angelo moved and Councilwoman Bello seconded that the resolution be adopted.**

**Ayes- Councilwoman Angelo, Councilwoman Bell, Councilwoman Bello, Councilman Dillard, Mayor Valentine-5**

**ADOPTED**

**RESOLUTION NO.: 62-2011**

**OF**

**MARCH 14, 2011**

**RESOLUTION OF THE CITY COUNCIL AUTHORIZING THE CITY MANAGER TO NEGOTIATE AND CLOSE A WORKOUT OF THE \$300,000 NOTE AND MORTGAGE BY LEYLAND NEWBURGH ASSOCIATES, LLC, INCLUDING BUT NOT LIMITED TO EXECUTION OF ANY AND ALL INSTRUMENTS, AGREEMENTS, AND OTHER DOCUMENTS NECESSARY TO EFFECTUATE THE WRITEDOWN AND REDUCTION OF SUCH NOTE AND MORTGAGE TO A NET PRINCIPAL OF \$150,000 TOGETHER WITH INTEREST THEREON, AND THE ASSIGNMENT AND ASSUMPTION OF PAYMENT OF SUCH REDUCED NOTE AND MORTGAGE, ALL IN ORDER TO FACILITATE COMPLETION OF THE EAST PARMENTER STREET HOUSING DEVELOPMENT PROJECT BY HABITAT FOR HUMANITY OF GREATER NEWBURGH, INC.**

**WHEREAS**, on April 27, 2009 by Resolution Nos. 52-2009, 53-2009, and 54-2009, the City Council of the City of Newburgh ("City") authorized the City Manager to enter into development agreements ("Development Agreements") with Leyland Newburgh Associates, LLC ("Leyland") and Habitat for Humanity of Greater Newburgh, Inc. ("Habitat"), respectively, and in connection therewith to transfer \$300,000 of Kingston-Newburgh Enterprise Corporation ("KNEC") loan repayment funds to the City of Newburgh Industrial Development Agency ("IDA"), for loan of such \$300,000 to Leyland, such loan to be evidenced and secured by Note and Mortgage in such amount, all to facilitate Leyland's and Habitat's joint development of the East Parmenter Street Housing Development Project ("Project"); and

**WHEREAS**, pursuant to such enabling Resolutions, the City, IDA, Leyland, and Habitat closed the Development Agreements, Note, and Mortgage on August 6, 2009; and

**WHEREAS**, the Mortgage securing the Note was recorded in the Office of the Orange County Clerk on October 20, 2009 under File No. 20090102842; and

**WHEREAS**, the Mortgage covers the following properties as a second mortgage lien on such properties:

Those sixteen (16) lots with improvements thereon located in the City of Newburgh, County of Orange, State of New York, known as 119, 121, and 123 Washington Street and 26, 28, 31, 33, 34, 36, 38, 39, 41, 43, 44, 45, and 46 East

Parmenter Street; also known as Lots 1 - 5, 8 - 16, 19, and 20 on a certain subdivision map made by Heritage Land Surveying, P.C. entitled "Lands of Habitat for Humanity of Greater Newburgh, Inc." filed in the Orange County Clerk's Office on December 1, 2008 at Map No. 736-08; and further known as Section 39, Block 2, Lots 12.1, 12.2, and 12.3; Section 39, Block 3, Lots 5.21, 5.22, 5.23, 26.1, 26.2, 29.2, 30.22, 31.22, 33.1, and 33.2; and Block 39, Block 4, Lots 1.12, 4.12, and 4.22 on the official tax map of the City of Newburgh (collectively the "Properties"); and

**WHEREAS**, the IDA assigned and the City accepted assignment of the Note and Mortgage by execution of Assignment and Acceptance of Mortgage on March 1, 2011, as authorized by City of Newburgh Industrial Development Agency Resolution No. 1-2011 adopted on February 22, 2011 and City of Newburgh Resolution No. 48-2011 adopted on February 28, 2011, which Assignment and Acceptance of Mortgage was recorded in the Office of the Orange County Clerk on March 3, 2011 under File No. 20110021722 in the office of the Clerk of Orange County; and

**WHEREAS**, Habitat has offered to complete the Project, provided a workout of the Note and Mortgage held by the City and workouts of the two (2) first mortgages held by others on the Properties can be effected; and

**WHEREAS**, the Director of Planning and Development and Corporation Counsel have recommended, in consultation with the New York State Empire State Development Corporation ("ESDC") being the original grantee of certain monies from the U.S. Department of Health and Human Services which ESDC in turn granted to KNEC for its loan program, KNEC having assigned the proceeds of certain loan repayments to the City in March 2001, that the adverse conditions of the housing market have negatively affected the market value of the Properties and the Project and, in turn, the security for the Mortgage as a second mortgage lien against the Properties, necessitating writedown and reduction of the face amount of the Note and Mortgage from \$300,000 to a net principal of \$150,000, together with interest thereon until repaid in full to the City; extension of the term of the Note and Mortgage through 2016; and possible reduction of the 5% annual interest rate on the Note and Mortgage; now, therefore

**BE IT RESOLVED** that this Council hereby authorizes the City Manager, in consultation with the Corporation Counsel, to negotiate and close a workout of the Note and Mortgage, including but not limited to execution of any and all instruments, agreements, and other documents necessary to effectuate the writedown and reduction of such Note and Mortgage to a net principal of \$150,000, together with interest until repaid to the City in full; and the assignment and assumption of payment of such reduced Note and Mortgage, all in order to facilitate completion of the East Parmenter Street Housing Development Project by Habitat for Humanity of Greater Newburgh, Inc.

**Councilwoman Angelo moved and Councilwoman Bello seconded that the resolution be adopted.**

**Ayes- Councilwoman Angelo, Councilwoman Bell, Councilwoman Bello, Councilman Dillard, Mayor Valentine-5**

**ADOPTED**

## CITY MANAGER'S REMARKS

Mr. Herbek commented that despite some of the sentiment expressed tonight, we are working continuously on the budget for next year. The bulk of the budget is personnel costs. He recently sat in on the first negotiation session with the CSEA. He is unable to go into great detail about it, so as not to compromise the agreement in anyway. However, there were a lot of management demands as a part of the session. The bulk of the costs to the City government are police, fire and public works. We will be seeking improvements in these contracts to lower the overall costs to city government. We are looking at all avenues necessary to raise revenues and ultimately lower costs.

## **OLD BUSINESS**

**There being nothing to discuss, this portion of the meeting was closed.**

**NEW BUSINESS**

**There being nothing to discuss, this portion of the meeting was closed.**

## **PUBLIC COMMENTS REGARDING GENERAL MATTERS OF CITY BUSINESS**

Denise Ribble made a suggestion to the council. In Kingston, a development project over \$1 Million requires an evaluation as part of the labor agreement. Also if we are going to borrow the money for a development project, then we need to know what the tax impact is going to be. Third, she pointed out Orange County has a 133-page Master Plan. Perhaps Corporation Counsel, after reading it, could create an agreement that would be consistent with the county's Master Plan. Next, she asked why we would be looking to perform an abbreviated RFP process. On such a large project, what new dollars would a company help bring to the city? And how many local contractors is the company going to hire?

Barbara Simon asked if the funding that is the subject of Resolution #56-2011 just going to be utilized by the Youth Bureau. Or is it available for all the participating community organizations that serve the youth?

Mayor Valentine responded that right now we are solely applying for funding. He does not have any details on the implementation of youth service programs.

Mr. Herbek pointed out he could make the data available to persons who would like to receive it.

Pauline Dillard commented she was following up on an email she sent to Rick, regarding the corner of South Street. She has recommended making that area a safe zone for children. She stated she received a call from a frantic parent whose child was nearly hit by a motor vehicle.

Police Chief Michael Ferrara remarked he is personally working on the issue.

Brian Flannery thanked DPW Superintendent George Garrison and his staff for cleaning up the property on Third Street.

Kippy Boyle recalled a consultant's statement that the city's financial reports were going to be made available. She has not heard anything more about that. Second, she understands that some residents have combined their checks to pay both taxes and sanitation fees. She asked how much money is in the coffers for water and sanitation fees. Also what is the total amount of fees collected in the Codes department? When are we going to get the report?

Third, street stabilization issues need to be addressed. She has witnessed accidents on her corner. And there are some homes that are listed as single-family dwellings, yet are being utilized as multi-family dwellings. The city needs to address concerns on two blocks, so that people are able to live up to proper standards.

Fire Chief Michael Vatter pointed out the Codes department generated \$30,000 in revenues for January and February combined.

City Comptroller Cheryl Gross pointed out the total tax levy was over \$18 Million. Over \$4.7 Million has been collected so far, equaling to about 25% of the total levy.

Barbara Smith highly resents the fact that she is able to see whether her neighbor has paid his taxes or not. This detailed information should not be made available on a public website. We really don't need to know each others' business.

Cheryl Gross explained that the information had been taken down. Only the tax map number is public knowledge. A person's own tax bill is only available to that person.

Maryann Prokosch pointed out there are three broken street lights on Liberty Street that need to be attended. Also she does not understand why an auto detail shop is situated on residential Fullerton Avenue. She mentioned 90% of the problems of the City are code issues. Last, she asked if Habitat is going to do the entire project.

Mr. Herbek stated our sole role is to issue violation notices. The city is not in the business of fining people.

Lilliam Harris urges us to remember the women of today in keeping in tune with women's history month. The City streets are so bumpy. But it is great to see that some of the larger potholes have been filled. She cautioned us to watch out for children playing outside as the weather gets warmer. In keeping in tune with safety concerns, she would like to know what the policy is for police officers chasing cars for more than two blocks. It makes an extreme hazard for all, when police vehicles zoom down city streets for any length of time. It puts the police officers, people on the sidewalks and the person who is driving the vehicle at risk for getting seriously injured.

A resident suggested an idea for raising revenue. Replacing regular light bulbs with incandescent bulbs is extremely energy efficient. Second he

made a public service announcement. The Newburgh Armory will host a *Make It a Play Date* on Saturday, April 13<sup>th</sup>, 2011.

Janet Gianopolous commented that marketing is an extremely important function in order to make the city function smoothly. The marketing goals in the City need some sprucing up in order to encourage people to buy into our city. Also she wished Councilwoman Bell Happy Birthday!

A spokesperson for the Center for Hope encouraged us to bring in our children for community outreach. The center provides youth services for children ages 11-21. Activities include African drumming and dancing, modern art, etc. It is located at 280 Broadway, the rear entrance. Opening just in time for spring, it is a nice facility.

Mayor Valentine stated that the center is a tremendous resource in our community. The building is connected with so many other resources.

Councilwoman Bell pointed out that this past weekend another young man was shot in Newburgh. He was a student at her school. Since we have had our youth services really pushing on the school budget, the Center of Hope is a beacon of hope. She encouraged everyone to come out and be a part of it.

Judy Kennedy stated we need to wholeheartedly support the Center for Hope. She asked if the agreement between the City of Newburgh and the Armory is at risk though. Second, she advised the council to check into Orange County's Water Master Plan and the RFP process, as Ms. Ribble previously suggested. She really suggests that we thoroughly investigate how we can solve our problems. Third, she mentioned an oversight in grant money from the teen program. She does not know what the program provides. But if we want people to come and live here and work here, then perhaps the teens could help organize cleanups throughout the city. Last, she would like to receive a copy of the HUD Section 3 Plan.

Mayor Valentine pointed out the agreement is not at risk. However, both parties need the additional time to be able to do it right. Even so, activities are occurring at the armory site every single week.

Roxie Royal asked for clarification on Resolution #62-2011. Are we forgiving Leyland in the amount of \$150,000? She understands the situation, yet the forgiveness is a slap in the face to the taxpayers of this city. Second, she, too, would like to receive a copy of the HUD Section 3 Plan. Also she would like a copy of the draft local law entitled 'Hours of Operation'. Third, she brought up the parking situation at South and Johnston Street. Cars ignore the 'No Parking at the Corner' sign. We open ourselves to the possibility of the

occurrence of a fatal accident. Perhaps we could enforce the parking rule better. Cars entering onto the roadway from Johnston Street have a hard time seeing oncoming traffic due to cars parked at the corner of the intersection.

Mayor Valentine clarified we are not forgiving the organization, only a part of the project. We would have received nothing in the end, the City of Newburgh being the last leg to be paid out of the project. In this way, we get assurance that the entire block will be completed. This allows Habitat to finish the project and get those properties rehabbed.

Chief Ferrara pointed out the proposal extends the hours of operation one hour.

Michael Gabor expressed disappointment that we loaned the money to Leyland in the first place. It was questionable then. There was no real substance here to ensure that we would get that money back. It costs us \$150,000 that we could've used for other projects.

There being no further comments, this portion of the meeting was closed.

## FURTHER COMMENTS FROM THE COUNCIL

Councilwoman Angelo congratulated all the women of the City of Newburgh. She announced that the Memorial Day Parade will be held on May 31<sup>st</sup>. We are on track in getting the bands and the entertainment in order. She asked Fire Chief Vatter to come up and explain some of the problems with code enforcement.

Chief Vatter explained that he has codes officers working the Broadway corridor. The officers can go out and issue tickets all they want. People want to know where the street sweeper is. And the officers are given every excuse in the book as to why people don't maintain their storefront property. It is not going to change the fact that there are just some people who do not care. He recalled his childhood. He remembers when shop owners cleaned in front of their buildings. His parents swept in front of their own house. This is supposed to be a cooperative effort. Yet he's convinced that people just don't care.

Councilwoman Angelo stated that it is a matter of people coming out and working together. If everyone took care of the area in front of his own steps, then that would be a good thing.

Councilwoman Bell envisions a city-wide program *Newburgh Pride* to make a tremendous difference in educating people on taking care of what is *ours*. Second, she applauded the Newburgh Auxiliary Police Department. Their service is so valuable to our city. She is curious to know what kind of training and support they receive. And do they accept female recruits?

Chief Ferrara explained the Newburgh Auxiliary unit has been effective since 1969. Yes, women are accepted. The committed men and women donate thousands of hours to the community. They do not carry weapons, as they are not expected to make arrests. He pointed out that some of the members are city residents, many of which go on to take the police exams. Some have enjoyed very successful careers as City of Newburgh police officers.

Councilwoman Bell asked if we give priority job placement to those who have served as auxiliary officers. And if not, there *should* be some type of auxiliary preference similar to one that is given for veteran status. Next, she wondered if we could begin using the Compact Fluorescent Lamps (CFLs) to conserve energy. Or do we have to wait for a state program to be handed down?

Councilwoman Bello pointed out we are into mid-March already. She hopes some revenue generating ideas will come into fruition, instead of us just quickly raising fees. She is concerned with the use of city vehicles for personal use. It is not a contractual expense. It is extra gas and extra liability. She does not understand how it is justified. Taxpayer dollars are being spent frivolously when we do this. Yet we have had to cut back on school crossing guards and the summer lunch program for our children. In her world, charity begins at home. We should be a government of the people. We need to start taking care of our own before we spend frivolous taxpayer dollars.

Councilman Dillard remarked we can not get around HUD Section 3. He is prepared to wait. He suggests that the council members who tabled the vote ask themselves: *What can we do for the people?*

Director of Planning and Development Ed Lynch commented the target goal is to be able to hire 30% of low income city residents to work on city projects. This year we have two projects lined up.

Mayor Valentine remarked we are looking for ways to finance the water project. They have met with state officials. The county is flushed with money. We are looking for ways to get a loan repayment to do it. Three water tanks need to be addressed. Second, cleanup in front of our homes is so basic. If you don't have the pride to pick up in front of your own home, then how can you have pride in the community as a whole? It is up to us as individuals. It is not up to George Garrison, his department, or the street sweeper. And it is not about a fee, a ticket or a tax. We need to show other neighboring communities that we take pride in our city. Last, he thanked the council, as a whole, for its support on Resolution #62-2011. He knows this was not an easy decision for them to make. At the end of the day, it was really about whether a project that affected an entire block would be finished. Of course, they are disappointed in Leyland. But it is about getting the project done. And certainly we have the assurance and the pride that Habitat will get it done.

There being no further business to come before the council, the meeting adjourned at 8:50 P.M.

RESPECTFULLY SUBMITTED,

KATRINA COTTEN  
DEPUTY CITY CLERK

