



The City of Newburgh

PRIVATE OWNER DEVELOPMENT APPLICATION

Submit Applications to:

Department of
Planning & Development
City Hall - 83 Broadway
Newburgh NY 12550
(845) 569-9400
www.cityofnewburgh-ny.gov

August 9, 2016

Property Disposition Process

Guiding Principles

This policy shall be used to promote and regulate the sale and reuse of City properties. The following are the guiding principles for the sale of City owned property:

- Encourage development and reuse of properties
- Eliminate blight and revitalize neighborhoods
- Strengthen the City's tax base
- Encourage job creation
- Convey land in a unified, predictable, timely and transparent process.

Property sales are conducted consistently and regularly and are based on various factors, including the condition of the property, the assessed value and the ability to recapture the City's property tax loss.

Qualified Purchasers & Bids

All purchasers of City-owned property must fulfill their commitments to the City and to their neighbors which includes paying property taxes and maintaining property in accordance with all municipal codes and ordinances.

A Qualified Purchaser is defined as one who is in good standing on all municipal obligations, and:

1. Is an individual, developer, or organization with no outstanding tax or property-related liens and
2. Does not own any property that is subject to any significant unremediated violation of City codes and ordinances; and
3. Has not been an owner in a completed City of Newburgh tax foreclosure proceeding.

Prospective owners must purchase and rehabilitate the target property within 18 months.

All purchasers must submit disclosures as required by the City. A qualified Bid is one that includes:

1. Adequate plans for development;
2. Demonstrated capacity to complete work proposed;
3. Proven financial resources;
4. Demonstrated ongoing operating capacity

Side Yards

Property may be transferred to individuals for nominal consideration in accordance with the following

- City owned vacant land adjacent to the applicant's residential property with common boundary line on either side or behind the property.
- In the event that multiple adjacent property owners desire to acquire the same side lot, the lot may be transferred to the highest bidder for the property, or subdivided upon mutual agreement by both adjoining property owners
- Maximum adjacent lot value: \$15,000
- Maximum adjacent lot size: 5000 sq ft.

Purchase Process

1. In order to inspect a property the following must be provided:
 - a. Properties may only be inspected by qualified buyers. Proof of funding must be on file prior to scheduling an inspection.
 - b. All interested parties must provide a waiver of liability prior to entering a City owned property.
 - c. Inspection of City-owned property takes place on Fridays by appointment only.
2. All proposals should be submitted using the Private Owner Development Application (PODA). Depending on the development proposed additional materials may be requested. Additional information may be required regarding financing plans, as well as preliminary design and/or specifications.
3. The purchaser will not only need to pay the agreed upon purchase price but also **the prior year's school taxes and County real estate taxes. The purchaser will also be responsible for paying the current year's City tax, which will be prorated at closing.**
4. Purchase of property is subject to the approval of the City Council.
5. The purchaser of the property is responsible for the title search and recording fees for the transaction.
6. If a purchaser opts not to complete the purchase after City Council approval, the purchaser may be barred (at the discretion of the Department of Planning and Development) from being considered for purchasing other City-owned property.

Release of Liability

I _____, the undersigned, release, discharge and hold harmless the City of Newburgh, its officers, employees and agents from any and all claims, actions, incidental or consequential or unknown damages, proceedings, obligations or other demands arising now or at any time in the future out of the actions, events and circumstances which are the subject of this application, including any damage which may happen to me or my property which is caused to occur in any manner, whether or not caused by my negligence or by the negligence of another person or by the City of Newburgh, and whether any such risk or hazard is known or unknown, foreseeable or otherwise.

Print

Signature

Date

Proposal Form

Contact Information:

Name: _____
Business Name (If Applicable): _____
Address: _____
City, State & Zip: _____
Home phone: _____
Business Phone: _____
Mobile Phone: _____
E-mail: _____
Federal I.D. No. (If Available): _____

Property Ownership Information:

Do you own – as an individual, member of an LLC, partner in a partnership or officer in a corporation - any properties in the City of Newburgh? Yes ___ No ___

If you own property or properties in the City of Newburgh, are any of these properties vacant and/or currently listed on the City of Newburgh’s Vacant Building Registry?
Yes ___ (attach explanation) No ___ N/A ___ (No property owned in the City of Newburgh)

Please list **all** of the addresses of properties you own in the City of Newburgh. Also indicate if any of these properties are vacant. (You may attach a list of the properties if the space below is inadequate.):

Are you current on all municipal obligations (taxes, water charges, etc.)?
Yes ___ No ___ (attach explanation) N/A ___ (No property owned in City of Newburgh)
Verified (Internal Office Use Only); Date Verified _____

Do you have any outstanding code violations for properties owned in the City of Newburgh?
Yes ___ (attach explanation) No ___ N/A ___ (No property owned in City of Newburgh)
 Verified (Internal Office Use Only); Date Verified _____

Have you had a previous tax foreclosure on a property owned by you in the City of Newburgh? Yes ___ (attach explanation) No ___

Individual Property Bid Sheet

Information on Bid Property:

(If you are bidding on more than one property, please submit a completed copy of this page for **each** bid property. Please limit the total number of properties to a maximum of **three (3)**. Only one copy of the other pages in this application is required even if you are bidding on multiple properties.)

Property Address: _____

S-B-L#: _____

Type of Project:

_____ Single Family (includes a condominium unit)

_____ Multi-Family (# of Units _____)

_____ Mixed Use (Commercial & Residential - # of Residential Units _____)

For the property types listed above, will it be occupied by the purchaser: Yes _____ No _____

_____ Commercial _____ Industrial

_____ Vacant Land (Proposed Use: _____)

Offer Purchase Price: \$ _____

(An offer of **at least** the minimum purchase price is recommended. The "Offer Purchase Price" cannot be left blank.)

Does or will your proposal conform to existing zoning? Yes _____ No _____

Renovation Estimate (Pre-Qualifying) - How much do you anticipate investing in this project for renovations? Please consider in your estimate that most vacant properties need *significant* repairs before they can be occupied again. This estimate can be revised once you have obtained entry to the property. *A more detailed repair cost estimate will be required after interior access.* Do not include renovation cost estimate in the "Offer Purchase Price" listed above: **\$** _____

Who will be doing the work? _____ Self _____ Other (complete below)

Please keep in mind that the City of Newburgh requires electrical and plumbing work to be performed by City of Newburgh licensed electricians and plumbers.

General Contractor: _____

Architect: _____

Engineer: _____

Examples of Purchaser’s Previous Renovation or Development Experience:

(Alternatively, applicants can attach a list of renovated properties or development experience that contains the information listed below.)

Property/Project No. 1

Property/Project No. 2

<p>Property Address: Please list all addresses (not merely project name). Include street number, street, city and zip code.</p>		
<p>Role (i.e. owner, partner, general contractor, architect, investor.)</p>		
<p>Type of Project: (i.e. new construction, existing building requiring substantial rehabilitation or moderate rehabilitation.)</p>		
<p>Property Type: (i.e. single-family, multi-family rental or commercial.)</p>		
<p>Number of Buildings in Project</p>		
<p>Total Number of Residential Units in Project/Building</p>		
<p>If commercial, total square footage of project</p>		
<p>Total Estimated Development/Rehabilitation Costs</p>		
<p>Current Status of Building (Pre-development, under construction/renovation or completed - include date completed.)</p>		
<p>Government Program, if any (Provide name of program and agency, name and current phone of reference.)</p>		

Finances:

(Applicant should provide not only sources of funding for the purchase of the property but also sufficient funding for the rehabilitation and/or development of the property.)

- I am providing:
- Personal Financial Statement
 - Letter from Lender/Investor
 - Personal or Business Bank Statement
 - Evidence of project funding
 - Developers should provide three years financial statements

What You Should Attach:

- o Description of renovation plan with preliminary budget
- o Verification of financial capacity
- o Explanation of any tax delinquency/code violations/vacant building (if applicable)

Business Relationship:

Have you had a "business relationship" as defined in Chapter 34, Article 2 (B) (2) of the municipal code, with any City elected official in the 12 months prior to the due date of this proposal? Yes_____ No_____

INFORMATION RELEASE:

It is our intent that all personal financial information submitted with this proposal to the Department of Planning and Development shall be considered confidential. I hereby authorize the City of Newburgh Department of Planning and Development to obtain credit reports (by completing a PathStone Credit Report Authorization Form) and verify information supplied as part of this proposal. All information provided is true and accurate to the best of my knowledge. By signing, you also acknowledge reading and reviewing the "Standard Terms and Conditions of Sale".

Signature _____
Date

_____ Social Security # _____ Date of Birth: _____
Print Name

Submit Application to:

Department of Planning & Development
City Hall – 83 Broadway
Newburgh NY 12550

Standard Terms and Conditions of Sale

(This Form should be retained by the applicant. It does not need to be included with the submitted application.)

STANDARD TERMS:

1. City of Newburgh acquired title to this property in accordance with Article 11 of the Real Property Tax Law of the State of New York, and all known rights of redemption under said provisions of law have been extinguished by the tax sale proceedings and/or as a result of forfeiture.
2. For purposes of these Terms and Conditions, parcel shall be defined as a section, block and lot number.
3. All real property, including any buildings thereon, is sold "AS IS" and without any representation or warranty whatsoever as to the condition or title, and subject to: (a) any state of facts an accurate survey or personal inspection of the premises would disclose; (b) applicable zoning/land use/building regulations; (c) water and sewer assessments are the responsibility of the purchaser, whether they are received or not; (d) easements, covenants, conditions and rights-of-way of record existing at the time of the levy of the tax, the non-payment of which resulted in the tax sale in which City of Newburgh acquired title; and (e) for purposes of taxation, the purchaser shall be deemed to be the owner prior to the next applicable taxable status date after the date of sale.
4. The property is sold subject to unpaid school taxes for the tax year of 201?-201?, and also subject to all school taxes levied subsequent to the date of the City Council resolution authorizing the sale. The purchaser shall reimburse the City for any school taxes paid by the City for the tax year 201?-201? and any County taxes paid, as well as subsequent levies up to the date of closing. Upon the closing, the property shall become subject to taxation and apportionment of the 201? City and County taxes shall be made as of the date of closing. Water and sewer charges and sanitation fees will be paid by the City to the date of closing.
5. **WARNING: FAILURE TO COMPLY WITH THE TERMS OF THIS PARAGRAPH MAY RESULT IN YOUR LOSS OF THE PROPERTY AFTER PURCHASE.** The deed will contain provisions stating that the purchaser is required to rehabilitate any building on the property and bring it into compliance with all State, County and Local standards for occupancy within (18) months of the date of the deed. Within such eighteen (18) month time period the purchaser must either: obtain a Certificate of Occupancy for all buildings on the property; make all buildings granted a Certificate of Occupancy before the date of purchase fit for the use stated in such Certificate of Occupancy; or demolish such buildings. The deed shall require the purchaser to schedule an inspection by City officials at or before the end of the eighteen (18) month period. If the purchaser has not complied with the deed provisions regarding rehabilitation of the property and obtained a Certificate of Occupancy or Certificate of Compliance by that time, then the title to the property shall revert to the City of Newburgh. The deed shall also provide that the property shall not be conveyed to any other person before a Certificate of Occupancy or Certificate of Compliance is issued. A written request made to the City Manager for an extension of the eighteen (18) month rehabilitation period shall be accompanied by a non-refundable fee of \$250.00 per parcel for which a request is submitted. The City Manager may, in his sole discretion and for good cause shown, grant one extension of time to rehabilitate of up to, but not to exceed, three (3) months. Any additional request thereafter shall be made in writing and placed before the City Council for their consideration.
6. If a property is a single family home or condominium unit, the property is usually sold subject to an owner-occupancy restriction – as so stipulated by City Council. The purchaser has agreed to purchase the property subject to the five (5) year owner occupancy restriction shall, within 18 months of the delivery of the deed, establish his domicile and principal residence at said premises and maintain his domicile and principal residence at said premises for a period of at least five (5) years thereafter, provided that within said five (5) year period, the purchaser may convey said premises to another who shall also maintain their domicile and principal residence at said premises for said period. This shall be set forth as a restrictive covenant in the deed, subject upon its breach, to a right of re-entry in favor of the City of Newburgh. This shall be in addition to all other provisions, covenants and conditions set forth in the Terms of Sale.
7. Notice is hereby given that if the property lies within the East End Historic District (as designated upon the zoning or tax map), this parcel is being sold subject to all provision of law applicable thereto and it is the sole responsibility of the purchaser to redevelop such parcel so designated in accordance with same.
8. Notice is hereby given that if the property is vacant and unoccupied, this parcel is being sold subject to the City's Vacant Property Ordinance and all provisions of law applicable thereto. At closing, the purchaser will be required to register the property and remit the vacant property fee. It is the sole responsibility of the purchaser to redevelop such parcel in accordance with same.
9. All purchasers are advised to personally inspect the premises and to examine title to the premises prior to the date upon which the sale is scheduled to take place. Upon delivery of the quitclaim deed by the City of Newburgh to the successful purchaser, any and all claims with respect to title to the premises are merged in the deed and do not survive.

10. No personal property is included in the sale of any of the parcels owned by City of Newburgh, unless the former owner or occupant has abandoned same. The disposition of any personal property located on any parcel sold shall be the sole responsibility of the successful purchaser following the closing of sale.
11. The City makes no representation, express or implied, as to the condition of any property, warranty of title, or as to the suitability of any for any particular use or occupancy. Property may contain paint or other similar surface coating material containing lead. Purchaser shall be responsible for the correction of such conditions when required by applicable law. Property also may contain other environmental hazards. Purchaser shall be responsible for ascertaining and investigating such conditions. Purchaser shall be responsible for investigating and ascertaining from the City Building Inspector's records the legal permitted use of any property prior to closing. Purchaser acknowledges receivership of the pamphlet entitled "Protecting Your Family from Lead in Your Home." Purchaser also acknowledges that he/she has had the opportunity to conduct a risk assessment or inspection of the premises for the presence of lead-based paint, lead-based paint hazards or mold.
12. The entire purchase price and all closing costs/fees must be paid by money order or guaranteed funds to the City of Newburgh Comptroller's Office. *The City of Newburgh does not accept credit card payments for the purchase price and closing costs/fees.* **The City is not required to send notice of acceptance or any other notice to a purchaser.** At closing, purchaser, as grantee, may take title as a natural person or as an entity wherein purchaser is an officer or managing member of said entity. The City Manager may, in his sole discretion and for good cause shown, grant one extension of time to close title of up to, but not to exceed, sixty (60) additional days. No request shall be entertained unless in writing, stating the reasons therefor, and unless accompanied by a fee of \$250.00 per parcel for which a request is submitted. The fee shall be in addition to all other fees and deposits and shall not be credited against the purchase price and shall not be returnable. Any additional request made thereafter shall be made in writing and placed before the City Council for their consideration.
13. In the event that a sale is cancelled by court order, judgment, the Comptroller or the Newburgh City Council, the purchaser shall be entitled only to a refund of the purchase money paid with interest. Purchaser agrees that he shall not be entitled to special or consequential damages, attorney's fees, reimbursement for any expenses incurred as a result of ownership, improvements of property, or for taxes paid during period of ownership, and this agreement by the purchaser is a material condition of the sale.
14. Sale shall be final, absolute and without recourse once title has closed and the deed has been recorded. In no event, shall City of Newburgh be or become liable for any defects in title for any cause whatsoever, and no claim, demand or suit of any nature shall exist in favor of the purchaser, his heirs, successors or assigns, against City of Newburgh arising from this sale.
15. Conveyance shall be by quitclaim deed only, containing a description of the property as it appeared on the tax roll for the year upon which the City acquired title or as corrected up to date of deed. The deed will be recorded by the City upon payment in full of the purchase price and closing fees/costs. Possession of property is forbidden until the deed is recorded conveying title to the purchaser. **Title vests upon recording of deed.**
16. Upon closing, the City shall deliver a quitclaim deed conveying all of its right, title and interest in the subject property, which deed shall be drawn by the City Corporation Counsel. The City shall not convey its interest in any street, water, sewer or drainage easement, or any other interest the City may have in the property. The City shall only convey that interest obtained by the City pursuant to the judgment rendered in an *in rem* tax foreclosure action filed in the Orange County Clerk's Office.
17. The description of the property shall be from the City of Newburgh Tax Map reference or a survey description certified to the City of Newburgh and provided to the City Corporation Counsel by the purchaser at least thirty (30) days in advance of closing title and approved by the City's Engineer.
18. Evictions, if necessary, are solely the responsibility of the purchaser after closing and recording of the deed.
19. By acknowledging and executing these Terms & Conditions, the purchaser certifies that he/she is not representing the former owner(s) of the property against whom City of Newburgh foreclosed and has no intent to defraud City of Newburgh of the unpaid taxes, assessment, penalties and charges which have been levied against the property. The purchaser agrees that neither he/she nor his/her assigns shall convey the property to the former owner(s) against whom City of Newburgh foreclosed within 24 months subsequent to the closing date. If such conveyance occurs, the purchaser understands that he/she may be found to have committed fraud, and/or intent to defraud, and will be liable for any deficiency between the purchase price and such sums as may be owed to City of Newburgh as related to the foreclosure on the property and consents to immediate judgment by City of Newburgh for said amounts.

NOTE: THESE TERMS AND CONDITIONS OF SALE CAN BE SUBJECT TO MODIFICATION AND/OR ADDITION PRIOR TO SALE APPROVAL BY THE NEWBURGH CITY COUNCIL.