

A regular meeting of the City Council of the City of Newburgh was held on Wednesday, February 11, 2015 at 7:00 P.M. in the third floor Council Chambers at City Hall, 83 Broadway, Newburgh, NY.

The Prayer was led by Elder Jessie Howard with Cross International Ministries followed by the Pledge of Allegiance.

Present: Mayor Kennedy, presiding; Councilwoman Angelo, Councilwoman Holmes, Councilwoman Lee, Councilwoman Mejia – 5

Absent: Councilwoman Abrams, Councilman Brown – 2

COMMUNICATIONS

Councilwoman Lee moved and Councilwoman Angelo seconded that the Minutes of the January 28, 2015 Council Meeting be approved.

Ayes – Councilwoman Angelo, Councilwoman Holmes, Councilwoman Mejia, Councilwoman Lee, Mayor Kennedy – 5

CARRIED

CITY MANAGER UPDATE

City Manager, Michael Ciaravino gave an update on some key highlights and progress in City departments.

COMMENTS FROM THE PUBLIC REGARDING THE AGENDA

Richard Harper, 110 Dubois Street, Conservation Advisory Council Chairman, submitted and read the attached comments regarding resolution #27-2015. (copy attached)

Yaakov Sullivan, City of Newburgh said as a member of C.O.D.E. that the Council heard their address at the Work Session and urged the passing of resolution #27-2015. For the benefit of everyone they should take this further action to pass this resolution opposing any movement to make Newburgh a refining center for the expansion of global energy. They also need to become more aware and vigilant in what is transported and passed through on the trains going through our community as well as the Pilgrim Pipeline coming through and endangering our natural waterways. These companies, such as Global, can and do operate like thieves in the night. They can present us with done deals before we even realize it has happened. He urged the Council to not let that happen to our City of Newburgh and to our most precious resource the Hudson River.

Sandra Kissam, Town of Newburgh, said in regard to resolution #27-2015 that they are all in this together. The proposed route for the pipeline goes up the Thruway but it also goes through portions of the Town as it reaches between the Thruway and the riverfront. One of the end destinations of the northern lateral is the Danskammer Roseton Plant and she is not sure why as there is a lot of unrevealed information here. The other one goes down to Quassaick Creek and comes out at the Global Oil Facility that is proposed. Many questions are unanswered but one thing we do know for sure is that it will not be a benefit to the community. It will only be a benefit to the oil company that wants to do the pipeline. She added that there are nine or ten communities in the Hudson Valley in our vicinity that have already passed resolutions opposing this pipeline. It is very exciting that we all realize we have a common concern here and it's not only the fact that this pipeline would go past and over waterbodies, some of which are reservoirs, but it also has the extraordinary potential for leaking and if it leaks it can go anywhere. She commended the Council for having this resolution on the Agenda tonight and she strongly urged them to pass it.

Drew Kartiganer, Town of Newburgh said in regard to resolution #27-2015 that the Council needs united action against this. This pipeline is going to transfer onto the Hudson River both in New Windsor and the Town of Newburgh and in New Windsor it is going to cross the City's water source so if it leaks that is the City's water that is gone. They already seem to believe that they are going to run this down the Thruway so if they get the approvals it's a done deal. He noted that the Keystone Pipeline passed today in Congress and he is willing to bet that this is the same legislation so the Council needs to speak with Mahoney because he supports Keystone. They want to run this through some of the most scenic parts of New York and we have to try to stop that. This won't stop with just this resolution so they have to talk to every one of their representatives on every single level such as Mr. Skartados, Mr. Larkin and Governor Cuomo. If this gets through, we won't be able to stop it.

Stuart Sachs, 28 Lander Street, said in regard to resolution #27-2015 that the climate change is one of the most important issues that we and our children will ever face. It fundamentally questions our position in this world so if we are concerned with storms like Irene and the flooding that brought upon us and the way the Hudson River rises and floods out the Train Station we are going to see a lot more of that. He strongly urged the Council to vote for this resolution.

Jurgen Wekerle, Conservation Committee Chair of the Sierra Club, echoed previous comments made in regard to resolution #27-2015. The City Manager very carefully explained the importance of storm water runoff and fresh drinking water resources and this particular pipeline is different than others that we are experiencing as there is no authority controlling it. It is not like a natural gas pipeline governed by the National Gas Act. Pipelines generally come under the jurisdiction of the New York Public Service Commission but not petroleum pipelines. This is not a utility and it has no eminent domain abilities on its own so it is a private development venture just like a truck stop or gas station. It needs permits up and down from every jurisdiction but the only permits that possibly require State action are Water Quality and Wetland Permits by the State DEC. If there is going to be a review it might be a SEQRA review in each locality and it might be a generic environmental impact statement overseeing as lead agency by the DEC and/or Army Corp of Engineers. It could be a joint operation, however, local zoning and property issues have to be taken into account. The representatives of Pilgrim have threatened and intimidated land owners demanding access to their land to survey and they have no right to do that so they are trespassing. The main problem is that there have been no applications for any permits so we do not know where this line is going. We know that it is running north and south parallel to the train tracks here and carrying the same materials. We know that the pipeline has no right to the Thruway itself and most likely will be on the adjoining property in the neighborhood of the Thruway which means you are going to get it twice. North/South on the main line and the laterals East/West to the river. He supports the motion against the Pilgrim Pipeline.

Kippy Boyle, Grand Street, said in regard to resolution #27-2015 that she commended C.O.D.E. for the incredible job that they have done on bringing all of this information to the City and the Council keeping us informed and moving forward on this very important issue. She noted that the City of Newburgh is taking the Orange County lead in this whole environmental discussion which is good for all of us when we go out to Goshen and to Middletown to talk to the Legislators about these issues which effect so many people. She congratulated the Council on taking this leading role.

Heather, City of Newburgh, is excited that resolution #27-2015 is on the table tonight and she urged the Council to pass it. This pipeline would be very bad for the people here because two outlets are proposed for the City of Newburgh. There was a meeting a few months ago in New Jersey with representatives from the pipeline and they were telling people in that Town that they don't have to worry because their risk is minimized. They aren't where the outlet is which is where the big concern would be and yet here we are with two of them proposed. She urged the Council to please pass this resolution.

Jonathan Jacobsen, 25 Pierces Road, thinks it is common sense to be against this and after the Council votes on it unanimously they should send a copy of the resolution to our Assemblyman and State Senator so they can go to work.

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

Jonathan Jacobsen, 25 Pierces Road, thinks it is common sense to be against this and after the Council votes on it unanimously they should send a copy of the resolution to our Assemblyman and State Senator so they can go to work.

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

Jonathan Jacobsen, 25 Pierces Road, thinks it is common sense to be against this and after the Council votes on it unanimously they should send a copy of the resolution to our Assemblyman and State Senator so they can go to work.

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

Conservation Advisory Council | City of Newburgh, New York

The Heritage Center, 123 Grand St., Newburgh, NY 12550

Phone: (845) 569-7366 e-mail: cac@cityofnewburgh-ny.gov

Council Members:

Richard Harper, Chairman

Chuck Thomas

Deborah Dresser

Gail Fulton

Karen Eberle-McCarthy

Kippy Boyle

Phil Prinzivalli



February 11, 2015

To: Mayor Kennedy
Councilwoman Abrams
Councilwoman Angelo
Councilman Brown
Councilwoman Holmes
Councilwoman Lee
Councilwoman Mejia

Read into the record; copy to City Council secretary

Re: Opposition to the 'Pilgrim Pipeline'

Dear Council,

The Conservation Advisory Council was created by Legislative Action in August 2013 as part of the streamlining process for land use approval. Under Local Law 1-2013, Section 2 Purpose and Intent: the new Conservation Advisory Council "would advocate for Newburgh's many valuable natural resources including open spaces, wetlands, coastal areas, and trees. In addition, the proposed CAC will create an inventory of Newburgh's natural resources, make recommendations to City agencies and boards on environmental policies and practices, and promote the City's environmental goals to the public."

Members of C.O.D.E. presented their Pilgrim Pipeline findings to the CAC at our November 6th meeting. Subsequently, CAC members attended a meeting at SUNY New Paltz organized by regional environmental groups. We joined over 300 citizens from communities all along the proposed Pilgrim Pipeline, where we heard further evidence that the Pilgrim Pipeline is an ill-conceived idea.

The CAC unanimously believes that the Pilgrim Pipeline will have a significant negative impact on our environment. The City of Newburgh should join the other 39 municipalities throughout the Hudson Valley and New Jersey who have passed similar Resolutions opposing the Pilgrim Pipeline.

We fully support the resolution proposed by Citizens Oppose Dirty Energy (C.O.D.E.) and we hereby recommend that the City Council unanimously pass this Resolution.

Respectfully submitted,

A handwritten signature in cursive script that reads "Richard Harper".

Richard Harper, AICP, Chairman
City of Newburgh Conservation Advisory Council

RESOLUTION NO.: 26 - 2015

OF

FEBRUARY 11, 2015

**A RESOLUTION AUTHORIZING THE CITY MANAGER
TO GRANT AN EXTENSION OF TIME TO REHABILITATE
THE PREMISES KNOWN AS 304 FIRST STREET
(SECTION 22, BLOCK 6, LOT 34)
IN THE CITY OF NEWBURGH**

WHEREAS, the City of Newburgh did convey the premises located at 304 First Street, more accurately described as Section 22, Block 6, Lot 34, on the official Tax Map of the City of Newburgh by deed dated November 30, 2012; and

WHEREAS, said deed included a provision requiring rehabilitation of the conveyed premises to be completed on or about May 30, 2014; and

WHEREAS, as permitted by the terms of sale, the City Manager has exercised his authority and granted an initial extension of time to complete the rehabilitation until August 30, 2014; and

WHEREAS, Jordan LLC, NY, the owner of property located at 304 First Street in the City of Newburgh, has been unable to comply with the deadline, but is attempting a good faith effort to complete the rehabilitation; and

WHEREAS, Jordan LLC, NY has requested that a further extension be granted through March 31, 2015; and

WHEREAS, the project has been reviewed by the appropriate staff and granting further extension has been recommended; and

WHEREAS, upon such recommendation this Council has determined that it would be in the best interests of the City of Newburgh to grant said extension;

NOW, THEREFORE, BE IT RESOLVED, that the City Manager be and he hereby is authorized to grant Jordan LLC, NY an extension to rehabilitate the premises known as 304 First Street in the City of Newburgh, until March 31, 2015.

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

Ayes – Councilwoman Angelo, Councilwoman Holmes, Councilwoman Lee, Councilwoman Mejia, Mayor Kennedy – 5

ADOPTED

RESOLUTION NO.: 27 – 2015

OF

FEBRUARY 11, 2015

**A RESOLUTION OF THE CITY COUNCIL OF THE
CITY OF NEWBURGH OPPOSING THE PILGRIM PIPELINE**

WHEREAS, Pilgrim Pipeline Holdings, LLC is proposing to build a 178 mile bi-directional pipeline in close proximity to the NY State Thruway, through Rockland, Orange, Ulster, Greene, and Albany counties, that would transport crude oil and refined petroleum products between Albany, NY and Linden, NJ; and

WHEREAS, two (2) lateral offshoots from the proposed pipeline are planned to travel east from the NY State Thruway right-of-way to the Hudson River, north and south of the City of Newburgh; and

WHEREAS, the proposed northern-most lateral will travel east through the Town of Newburgh, along existing electric transmission line right-of-way, to the Buckeye Oil Storage Facility on the Hudson River in the Town of Newburgh, NY; and

WHEREAS, the proposed southern-most lateral will travel in a north-easterly direction from the NY State Thruway right-of way near the New Windsor Cantonment and the National Purple Heart Hall of Honor, along the CSX rail line right-of-way, through the Town of New Windsor and the City of Newburgh, to the New Windsor Global Oil facility at the mouth of the Quassaick Creek; and

WHEREAS, it has been difficult to ascertain a clear indication from Pilgrim Pipeline Holdings, LLC as to the type of crude oil that is being proposed for transport in the south-bound pipeline, it is highly likely that there are plans to transport Bakken Shale crude oil; and

WHEREAS, crude oil from the Bakken Shale region of North Dakota, extracted through a process of hydraulic fracturing, or “fracking,” has been found to contaminate clean water resources, create toxic air emissions and radioactive waste, and release large quantities of methane gas into the atmosphere; and

WHEREAS, data collected by the Capline Pipeline in Louisiana, which tested crude from 86 locations worldwide, indicates that crude oil from Bakken Shale has a far higher vapor pressure than crude from dozens of other locations, making it much more likely to throw off combustible gases; and

WHEREAS, the U.S. Department of Transportation’s Pipeline and Hazardous Materials Safety Administration (PHMSA) issued a safety alert on January 2, 2014, to the general public, emergency first responders, and shippers and carriers regarding the particular flammability of Bakken crude oil; and

WHEREAS, according to PHMSA, pipeline operators reported 1,880 crude oil spills nationwide between 2003 and 2013, or nearly one spill every other day, resulting in over 44 million gallons of oil being spilled; and the most recent spill, which occurred in the Yellowstone River in Montana, poured some 50,000 gallons of crude oil into the river, the second occurrence in the Yellowstone in 4 years; and

WHEREAS, 80 percent of these spills were the result of corrosion, equipment failure, incorrect operation or material and weld failures; and

WHEREAS, according to Public Employees for Environmental Responsibility, PHMSA only has 135 inspectors to oversee 2.6 million miles of pipeline, and only a fifth of that pipeline system has been inspected by PHMSA or its state partners since 2006; and

WHEREAS, any rupture or compromise of the pipeline, even without an explosion or fire, will require extraordinary cleanup efforts, could force residents from their homes, and place a large number of residents in close proximity to hazardous materials; and

WHEREAS, City of Newburgh residents depend on ground water and public community water systems for potable water supplies, the integrity and safety of which may be jeopardized by the pipeline; and

WHEREAS, the Pilgrim Pipeline is proposed to be laid in areas containing sensitive aquifers upon which residents depend for drinking water; and

WHEREAS, the Pilgrim pipeline also threatens important surface water resources, including Gidneytown Creek, Chadwick Lake and the Quassaick Creek on the northern-most lateral line; and Muchattoes Lake and Quassaick Creek on the southern-most lateral line; and

WHEREAS, the pipeline will carry a large volume of Bakken crude oil through residential areas in the Towns of New Windsor and the City of Newburgh, which will place residents in harm's way should an explosion or spill occur; and

WHEREAS, the City Council of the City of Newburgh finds that the proposed Pilgrim Pipeline potentially threatens the health, safety, and welfare of the community; could decrease the values of homes located along its route and in surrounding neighborhoods; and could negatively impact future development in the City of Newburgh; and

WHEREAS, the City of Newburgh qualifies as a Potential Environmental Justice Area in accordance with the NY State Department of Environmental Conservation Commissioner Policy 29 on Environmental Justice and Permitting (CP-29), as an area that had populations that met or exceeded at least one of the following statistical thresholds:

1. At least 51.1% of the population in an urban area reported themselves to be members of minority groups; or
2. At least 33.8% of the population in a rural area reported themselves to be members of minority groups; or
3. At least 23.59% of the population in an urban or rural area had household incomes below the federal poverty level; and

WHEREAS, Environmental Justice is defined as “the fair treatment and meaningful involvement of all people regardless of race, color, national origin, or income with respect to the development, implementation, and enforcement of environmental laws, regulations, and policies; and

WHEREAS, Environmental Justice efforts focus on improving the environment in communities, specifically minority and low-income communities, and addressing **disproportionate adverse environmental impacts that may exist in those communities.**”; and

WHEREAS, the Mid-Hudson Regional Sustainability Plan calls for becoming less energy and fossil fuel intensive while strengthening the regional economy, expanding renewable energy generation exponentially across the Region, and improving the resilience of the energy delivery system; and

WHEREAS, construction of the Pilgrim Pipeline to support and expand markets for fossil fuels is directly contrary to these clean energy goals;

NOW THEREFORE BE IT RESOLVED, by the City Council of the City of Newburgh, New York, that the City Council formally objects to and opposes the proposed Pilgrim Pipeline project; and

BE IT FURTHER RESOLVED, that the City Council of the City of Newburgh, New York calls upon the New York State Thruway Authority to reject use of its right-of-way for the purpose of transporting oil or gas by pipeline; and further calls upon the New York State Department of Transportation (DOT) to deny an exception to its Accommodation Plan for said purpose; and

BE IT FURTHER RESOLVED, that the City Council of the City of Newburgh, New York urges Governor Cuomo and the State Legislature to oppose construction of the Pilgrim Pipeline in New York State; and

BE IT FURTHER RESOLVED, that the City Clerk of the City of Newburgh, New York forward copies of this resolution to the NYS Thruway Authority Chair Howard P. Milstein, NYS DOT Commissioner Joan McDonald, U.S. Senators Charles Schumer and Kirsten Gillibrand and U.S. Representative Sean Patrick Maloney, Governor Andrew Cuomo, N.Y. Public Service Commission Chairwoman Audrey Zibelman, N.Y. Assembly Member Frank Skartados, N.Y. Senator William Larkin, and NY State DEC Commissioner Joseph Martens.

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

Ayes – Councilwoman Angelo, Councilwoman Holmes, Councilwoman Lee, Councilwoman Mejia, Mayor Kennedy – 5

ADOPTED

**RESOLUTION NO.: 28 2015
OF
FEBRUARY 11, 2015**

**A RESOLUTION APPROVING THE CONSENT JUDGMENT AND AUTHORIZING
THE CITY MANAGER TO SIGN SUCH CONSENT JUDGMENT IN CONNECTION
WITH THE TAX CERTIORARI PROCEEDINGS AGAINST THE CITY OF
NEWBURGH IN THE ORANGE COUNTY SUPREME COURT BEARING ORANGE
COUNTY INDEX NO. 2014-5724 INVOLVING SECTION 14, BLOCK 3, LOT 26.3
(NORTHEAST INDUSTRIAL DEVELOPMENT CORP.)**

WHEREAS, Northeast Industrial Development Corp. has commenced tax certiorari proceedings against the City of Newburgh in the Supreme Court of the State of New York, County of Orange for the 2014-2015 tax assessment year bearing Orange County Index No. 2014-5724; and

WHEREAS, it appears from the recommendation of the City Assessor, Joanne Majewski, and Eric D. Ossentjuk, Esq. of Catania, Mahon, Milligram & Rider, PLLC, Special Counsel for the City of Newburgh in the aforesaid proceedings, upon a thorough investigation of the claims that further proceedings and litigation by the City would involve considerable expense with the attendant uncertainty of the outcome, and that settlement of the above matters as more fully set forth below is reasonable and in the best interests of the City; and

WHEREAS, Northeast Industrial Development Corp. is willing to settle these proceedings without interest, costs or disbursements, in the following manner:

- 1- That the real property of Petitioner described on the City of Newburgh tax roll for the tax year 2014-2015 as tax map number 14-3-26.3 be reduced to a market value of \$2,000,000.

NOW, THEREFORE BE IT RESOLVED, that the proposed settlement as set forth and described above and in the attached Consent Judgment is hereby accepted pursuant to the provisions of the General City Law and other related laws; and

BE IT FURTHER RESOLVED, that Michael G. Ciaravino, City Manager of the City of Newburgh; Joanne Majewski, Assessor of the City of Newburgh; and Eric D. Ossentjuk, Esq. on behalf of Catania, Mahon, Milligram & Rider, PLLC, as Special Counsel, be and they hereby are designated as the persons for the City who shall execute the attached Consent Judgment on behalf of the City of Newburgh, and Eric D. Ossentjuk, Esq., as Special Counsel, and counsel for the Petitioner shall present such Consent Judgment to the Orange County Supreme Court for approval pursuant to the aforesaid laws.

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

Ayes – Councilwoman Angelo, Councilwoman Holmes, Councilwoman Lee, Councilwoman Mejia, Mayor Kennedy – 5

ADOPTED

SUPREME COURT – STATE OF NEW YORK
COUNTY OF ORANGE

-----X
NORTHEAST INDUSTRIAL DEVELOPMENT CORP.,

Petitioner,

CONSENT JUDGMENT

- against -

BOARD OF ASSESSORS FOR THE CITY OF
NEWBURGH and CITY OF NEWBURGH,

Index No. 2014-5724

Respondents.

-----X
PRESENT: HON. CATHERINE M. BARTLETT

UPON THE CONSENT attached hereto duly executed by the attorneys for all the parties and by all the parties, it is

ORDERED, that the real property of Petitioner described on the City of Newburgh tax rolls for the tax year 2014-2015 as follows:

Tax Map No. 14-3-26.3

be reduced in assessment from \$2,288,300.00 to a total assessment of \$2,000,000.00 for a total reduction in assessment of \$288,300.00 prior to the application of any real property tax exemptions, if any; and it is further,

ORDERED, that the Petitioner's real property taxes on said parcel above described for the 2014-2015 School, County and City taxes be adjusted accordingly and that the Petitioner be reimbursed for any overpayment or be credited with the corresponding decrease in taxes, as the case may be, upon the entering of this Consent Judgment with the Orange County Clerk's Office; and it is further,

ORDERED, that the officer or officers having custody of the aforesaid assessment roll of the City of Newburgh shall make or cause to be made upon the proper books and records and upon the assessment roll of said City the entries, changes and corrections necessary to conform said assessment to such corrected and reduced valuation; and it is further,

ORDERED, that there shall be audited, allowed and paid to the Petitioner by the County of Orange and/or the County Commissioner of Finance, as the case may be, the amounts, if any, paid as City taxes and City Special District taxes against the original assessments in excess of what said taxes would have been if said assessment had been determined as herein; and it is further,

ORDERED, that there shall be audited, allowed and paid to the Petitioner by the County of Orange and/or the Commissioner of Finance the amounts, if any, paid as County taxes and County Special District taxes against the original assessments in excess of what said taxes would have been if said assessment had been made as determined as herein; and it is further,

ORDERED, that there shall be audited, allowed and paid to the Petitioner by the Newburgh Enlarged City School District, the amounts, if any, paid as School District taxes against the original assessments in excess of what said taxes would have been if said assessment had been determined as herein; and it is further,

ORDERED, that in the event that the refunds are made within sixty (60) days after service of this Consent Judgment with notice of entry, there shall be no interest paid or credited in connection with this Consent Judgment; otherwise, interest shall be paid in accordance with the applicable statute; and it is further,

ORDERED, that these proceedings are settled without costs or disbursements to either party as against the other.

Signed this ___ day of _____, 2015 at Goshen, New York.

ENTER:

HON. CATHERINE M. BARTLETT
SUPREME COURT JUSTICE

ON CONSENT:

Michael G. Ciaravino
City Manager
Dated:
Per Resolution No.: _____ - 2015

MARK D. LANSING, ESQ.
Attorney for the Petitioner
Dated:

HON. JOANNE MAJEWSKI, IAO
Assessor
Dated:

Northeast Industrial Development Corp.
Dated:

ERIC D. OSSENTJUK, ESQ.
Catania, Mahon, Milligram & Rider, PLLC
Attorney for Respondents
Dated:

RESOLUTION NO.: 29 - 2015

OF

FEBRUARY 11, 2015

**RESOLUTION AUTHORIZING THE CITY MANAGER
TO SETTLE A CLAIM WITH PROGRESSIVE CASUALTY INSURANCE COMPANY**

WHEREAS, the City of Newburgh has made a claim for property damage against Progressive Casualty Insurance Company for damage to police vehicle plate no. 133; and

WHEREAS, the parties have reached an agreement for the payment of the claim in the amount of Five Thousand Forty-Five and 36/100 Dollars (\$5,045.36) in exchange for title to the vehicle to release and 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 on the terms agreed to by the parties;

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Newburgh, New York, that the Corporation Counsel is hereby authorized to settle the claim for property damage to police vehicle plate no. 133 in the total amount of Five Thousand Forty-Five and 36/100 Dollars (\$5,045.36) and that City Manager be and he hereby is authorized to execute documents as the Corporation Counsel may require to effectuate the settlement as herein described.

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

Ayes – Councilwoman Angelo, Councilwoman Holmes, Councilwoman Lee, Councilwoman Mejia, Mayor Kennedy – 5

ADOPTED

RESOLUTION NO.: 30 - 2015

OF

FEBRUARY 11, 2015

**RESOLUTION AUTHORIZING THE CITY MANAGER
TO SETTLE A CLAIM WITH PROGRESSIVE CASUALTY INSURANCE COMPANY**

WHEREAS, the City of Newburgh has made a claim for property damage against Progressive Casualty Insurance Company for damage to police vehicle plate no. 144; and

WHEREAS, the parties have reached an agreement for the payment of the claim in the amount of Ten Thousand and 00/100 Dollars (\$10,000.00) in exchange for release and resolve the property damage 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 on the terms agreed to by the parties;

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Newburgh, New York, that the Corporation Counsel is hereby authorized to settle the claim for property damage to police vehicle plate no. 144 in the total amount of Ten Thousand 00/100 Dollars (\$10,000.00) and that City Manager be and he hereby is authorized to execute documents as the Corporation Counsel may require to effectuate the settlement as herein described.

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

Ayes – Councilwoman Angelo, Councilwoman Holmes, Councilwoman Lee, Councilwoman Mejia, Mayor Kennedy – 5

ADOPTED

OLD BUSINESS

RESOLUTION NO.: 21 - 2015

OF

JANUARY 28, 2015

**A RESOLUTION AUTHORIZING THE CITY MANAGER
TO EXECUTE AN AMENDMENT TO AN AGREEMENT BETWEEN
THE CITY OF NEWBURGH AND MESH REALTY GROUP, INC.
TO PROVIDE FOR THE CONTINUATION OF RESIDENTIAL PROPERTY
MANAGEMENT SERVICES**

WHEREAS, the City Council, by Resolution No.: 27-2013 of January 28, 2013, authorized the execution of an agreement with MESH Realty Group, Inc. for residential property management services; and

WHEREAS, the City Council, by Resolution No.: 18-2014 of January 27, 2014 authorized an amendment to the agreement with MESH Realty Group, Inc. which provided for the continuation of residential property services; and

WHEREAS, such agreement expired on December 31, 2014; and

WHEREAS, the City of Newburgh wishes to continue with property management services; and

WHEREAS, it is appropriate and necessary to execute the attached Amendment to the agreement to provide for a one (1) year extension of services retroactively from January 1, 2015 to December 31, 2015; and

WHEREAS, such Amendment is subject to the same terms and conditions of the April 1, 2013 agreement with the exception of a One (\$1.00) Dollar increase in labor costs as provided for in Paragraph 2e of the original agreement; and

WHEREAS, this Council has examined such Amendment and has determined that entering into the same 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 that the City Manager be and is hereby authorized to execute the attached Amendment to an agreement between the City of Newburgh and MESH Realty Group, Inc. to provide for the continuation of residential property services.

Councilwoman Lee said that the presentation they heard last week was very good but she didn't hear that Mesh Realty is willing to hire local residents to help maintain these properties so for that reason she will be voting "no".

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

Ayes – Councilwoman Angelo, Councilwoman Holmes, Councilwoman Mejia, Mayor Kennedy – 4

Nays – Councilwoman Lee - 1

ADOPTED

SCHEDULE "A"

1. 162 Broadway
2. 205 Broadway
3. 36 Carter Street
4. 100 Courtney Avenue
5. 55 Farrington Street
6. 246 First Street
7. 63 Grove Street
8. 72 Hasbrouck Street
9. 81 Henry Avenue
10. 44 Johnes Street - 58-1-1.-10
11. 44 Johnes Street - 58-1-1.-21
12. 8 Larter Street
13. 61 Liberty Street, W.H.
14. 16 Lutheran Street
15. 119 Montgomery Street
16. 170 Renwick Street

Revised 2/04/2015

PUBLIC COMMENTS

Stuart Sachs, 28 Lander Street, said that the Mid-Broadway Project was opposed by the community two years ago. The community said no, the Planning Board and Zoning Board did not approve it and finally the Court said no so they thought the deal was dead. The City chose a developer who proposed to invest zero of their own dollars relying on state and county poverty money to enrich themselves and build a substandard project that does not meet City zoning requirements or State environmental requirements and they specifically failed to separate storm water from sanitary. The City Manager was just discussing how big a problem this is and the Mid-Broadway Project is going to make it a whole lot worse by paving over two acres and putting everything into the storm water runoff system. It's a faulty site plan with heavy trucking right next to residential structures and does not have nearly enough parking. It demands parking already leased by the County which will force the DMV and other County offices out of Newburgh, which does not sound like a good idea. It is an unsafe design by putting wood frame over commercial with impossible egress and a parking lot has an exit on to a street that is five feet higher without any plans for a ramp. It does not support the City with tax revenue and creates a permanent cost to the City with tax breaks over \$180,000.00 per year. It violates the City's Sustainable Master Plan, which by the way has the force of law, and requires this zone to boost city tax rolls and not be a permanent drain and cost to the City. In addition, the preliminary work got off to a very bad start by failing to properly file for major excavation without a permit and sneaking it in on a Saturday morning to avoid detection. Misleading the City about the size and depth of the trench until they were confronted with photographs and causing severe danger and risk of death to workers in a deep unsupported trench. This twelve foot deep trench was within ten feet of surrounding building foundations and failure to mark up for utilities including water and gas. Imagine a gas explosion on Broadway. Failure to separate the work site from kids playing basketball nearby. Failure to fill the trench properly eventually forced by the Codes Department to dig it up and fill it properly. City officials did regard this as a serious OSHA violation. This is not a good way to start a project. Every time they presented it to the Council at a Public Hearing Mr. Normil claimed that the project would be workforce housing but in their filings they called it poverty housing. This will house the most troubled types of unemployable or barely employable people in need of high levels of County services with very high levels of subsidy on the most prominent lot in Newburgh.

Tammie Hollins, City of Newburgh, said that last week at the Town Hall meeting it was brought up that cameras were going to be purchased and provided to the Officers. They were told that the community would know when the discussion was going to take place about those cameras for their input and ideas but they found out that the discussion took place the very next night without their knowing. She feels that the City Council owes it to the taxpayers to analyze the cost difference between the manual versus the activated cameras. They need to look at the cost, the technology and the benefit. In some of the other cities they have stun gun cameras that come on automatically when the stun guns are activated. She

also noticed that police departments in other locations have dashboard cameras which are activated when the lights or the siren in the police car come on. With everything we have been through and our experiences here in the City of Newburgh we talk about community policing and having a relationship with the community so she thinks that before the decision is made it will be to our best interest to look at the voice activated versus the manual. We have had problems here year after year and this won't just help the community it will also help the Officers so it is imperative that we get voice activated cameras for our City. She added that she is glad that Mill Street Partners is back and she supports them.

Drew Kartiganer, Town of Newburgh, said that the Mid-Broadway property has come up at a Work Session and before it goes on their Agenda he wished to make some points about it. As they all know he is one of the people who sued to kill it and his opinion is that this is an incredibly bad project. It is his hope that this City Council will let the contract for the project lapse. They have had four years and they failed. Their best choice is to either start the process to put the Police and Fire Departments on that site or put it out for another RFP. This is 2015, not 2011 in the depths of the great recession so you will get more than one proposal and Newburgh can do a lot better. If they think their project is so good then they can always resubmit it and if they have the confidence that it is so good then maybe they will win. Based on the comments made by Mr. Normil where he asked for the extension he said that he could probably be in the ground by 2016 but that won't happen. The project is not going to make it in 2016, 2017 or 2018. As Mr. Sachs pointed out there are a lot of problems with this project and they sued on five different points and four of those points were fatal. Mr. Normil will tell you that he is going to make a substantial tax payment but it works out to about \$380.00 per apartment so for ninety-one apartments that is \$35,000.00 for one hundred and twenty three bedrooms. That doesn't cover one student in the Newburgh School District or three months for a Police Officer in the City of Newburgh so that is not a substantial tax payment it's economic welfare. The people selling the project are good at it because they could sell snow to Eskimos so they need to be looked at to see what the truth is behind it and if they do that they will not support this project.

Yaakov Sullivan, City of Newburgh, said that he moved here in 2008 and he believes that around that time there were suggestions proposed about not only what to do with that empty lot but with the general overview of Broadway and the City of Newburgh. He understands that it was innovative and creative and he wonders why rather than have the City wait to have someone come from outside to propose on a platter to the Council what they would like to do if any thought has been given to looking again at those plans that they already have on record. Put it out there for developers and investors to show possible interest of what could be done with the property on Broadway as well as a whole overview of this area.

Patrick Normil with Mill Street Partners said to correct a few things that they were one of six firms that responded to a City RFQ. The City put together a Request For Qualifications with a vision for what they wanted and as part of that process the City expressed interest in having a Supermarket located at this site so Mill Street Partners responded to what the City requested they wanted on the Mid-Broadway Site. He received a copy of Stuart Sachs' remarks and a lot of them were not accurate so he will respond to

the Council in writing point by point as it would take too long tonight. He wished to finish with a counter example, however. He said that they are currently under construction on a great project in the City of Middletown for forty-two units of housing for working individuals and families and they received the exact same funding that they requested for the Mid-Broadway site. They started construction in mid-December and they are doing about \$200,000.00 worth of construction per week in downtown Middletown. In December, the City of Middletown issued an RFQ to redevelop certain properties in downtown Middletown and the very first project featured in their RFQ was theirs. They have already hired local people in the City of Middletown and that is what they would like to do here in the City of Newburgh. Given the support that they have in the community he thinks it will happen and they will be coming back to the Council at the next Work Session with additional information which he emailed to everyone on the Council today. This is a great project which is basically affordable housing for working individuals and families as well as jobs for Newburgh residents and it's a Supermarket. That is what the City requested and that's what they are going to deliver.

Kippy Boyle, Grand Street, said that after hearing the City Manager's Report tonight it is painfully clear to all of us that the Safety Building's time has come to an end. Within a very short amount of time that building is going to have to be demolished because it is unsafe and this Council will have to tackle the whole project of building a new safety facility. This is not something that can wait until the building has collapsed so they have to be thinking about it now. She believes that with that knowledge it is really imperative that this Council table any proposals coming to them at this point for the Mid-Broadway site. Table them until they have done a thorough investigation of any possible sites where the new and improved first class safety facility could be built. Currently we have two sites that are bringing us no income and as the former City Planner pointed out a few years ago if the Mid-Broadway site became the new safety facility site then the property down there would have the opportunity to be developed at full market value and bring us tax dollars. She urged the Council to consider tabling all recommendations until they have started thinking about that safety facility which they can't ignore.

Michelle Basch, City of Newburgh, said that she can't comment on the structure of the building on the Mid-Broadway site but she can comment on the Grocery Store. She thinks it would be a terrible idea to have a Grocery Store there because the City of Newburgh is not a food desert. We have Grocery Stores on Broadway and on side streets. We have a lot of families, mostly Hispanic, that are running these stores for generations and a Grocery Store on that Mid-Broadway site would put them out of business. By doing that you are not giving jobs but taking jobs away so she truly feels that the whole proposal should be tabled and looked at to see what is best for the City. She does not believe that a big grocery store is the best option for that spot. We have to bolster the businesses that are currently here and add new ones that make sense.

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

COUNCIL COMMENTS

Mayor Kennedy asked for Prayers and good energy to be sent to Councilwoman Abrams who had cataract surgery today.

Councilwoman Angelo noted that five developers came before the previous Council and this was their choice. She still stands by this developer and she thinks it's going to be great so she is not against it. She told Mr. Kartiganer who is her landlord that it was fifty-five degrees in the shop today and she froze. She couldn't reach him on the phone so she asked him if he could look into that. She added that they are working on the Parade for Newburgh which will be on June 25th and the Memorial Day Parade so there are two good things to look forward to. Our City is one hundred and fifty years old and they are looking for people to participate in the Parade. She thanked everyone for coming tonight and for their comments.

Councilwoman Holmes thanked everyone for coming tonight and supporting the Pilgrim Pipeline Resolution. She thinks it's very important and she is glad that she voted on this situation. She noted that she wasn't here when the Mid-Broadway Project started but when she first got on the Council the Public Safety Building was one of her pet peeves. The Police Station needs a new Public Safety Building and as Ms. Boyle said they need to be on top of that as it is a priority. Our Officers go out to protect and serve and put their lives on the line and the conditions that we have them working in is awful. She thinks that they need to get their priorities straight and she takes the suggestion that was made very heartfelt because they definitely need a new building. She again thanked everyone for coming out and wished them a good evening.

Councilwoman Lee said that they heard a lot of interesting stories tonight regarding the Mid-Broadway Project and most of them she would characterize as Tall Tales and a bunch of chewed up grass. She thinks the Mid-Broadway Project and the future of the City of Newburgh is what is at stake here. This is the only project that has offered jobs and a way of providing training to City residents through a well-established organization here in the City of Newburgh. When she first got on the Council in 2012, the proposals were in but the Council hadn't made any decisions so while the Mid-Broadway Project might have been introduced in 2010 there was no vote until 2012. Just prior to voting for this Project she met with one of the Section 8 landlords who wanted to have all of the land in the City transferred to him and thought that we should give him properties in the Land Bank. Her concern is that there will be no more pimping the City. *"You are not taking property and taking away opportunities for people to live in upscale housing"*. This project is going to give people the option of moving from one place to another. They will move out of their dirty, rotten, stinking, rodent infested apartments into something upscale. If you are a landlord who keeps their properties up, we have about fifty landlords here who don't and who are well known to Codes. She is going to vote for this project and she has already been on the phone with the State Democratic Committee and the Working Families Party because this is a Working Families initiative and it is everything that she has ever stood for. To those who claim to want to provide some kind of support to very low and low income families this is their opportunity. She said that she is going to support it and bring as much weight as she can to

encourage other people to support it. We are not going to continue allowing people to live in squalor, she is not going to listen to the lies and we don't know which project works because every time there has been any kind of initiative since 2007 the same group comes out to oppose it and the City looks terrible. It is time to move on and if anyone wants to convince her that we need a Police Department at the center of Broadway they have to be kidding. The Police Department is two blocks away and they can't stop the crime on Broadway so having it in the center of Broadway isn't going to make any difference. Her suggestion is that while we renovate the Police Department we develop satellites throughout the City, which is an option, and then we clean up and fix our Police Department. It is time to move something along. We have the property on Broadway and Liberty and a group came out and complained about it and now it looks terrible. We do have a lot of Grocery Stores, not owned by Latinos by the way, mostly owned by people from Yemin and they don't hire in the City of Newburgh because they only hire family members. They are not hiring local people and to pretend that we don't need a Supermarket in this City is wrong. She thinks it is time that we pushed back and say that you might oppose this project but as hard as they push she is going to push back against them. She supports the Mid-Broadway Project and she hopes that the Council does not poo-poo it like they do everything else including the Littman Project. We can work on two things at one time.

Councilwoman Mejia thanked everyone for coming out and said in lieu of a Ward meeting for this quarter they are going to piggy back on the Distressed Property Meeting which will be held on February 18th at 7:00 P.M. at the Library. She hopes to see everyone there as they will have some great updates. She commended the staff for thinking creatively about what to do until the proper place is found for our Police Officers and the Fire Department. The satellite offices or what she is calling "*Mini Precincts*" could be very exciting because it would get the Police Officers right into the community. In regard to the Mid-Broadway lot as was mentioned at the Work Session we have to do what is right for that site because it is a great location and it is the heart of Newburgh. She thinks that is the discussion that they need to continue to have and they have to do what is right for that lot. She again thanked everyone for coming out and said to be safe and warm.

Mayor Kennedy said that someone commented on the Pipeline and how dangerous the laterals are and we have two of them coming right into our community so this is one of those things where being proactive and getting ahead of this is really important. This City needs to be protected and we need to pay attention to what our neighbors to the south are doing. To reiterate what Councilwoman Mejia said, on February 18th at the Library they will have a Distressed Property and Zoning update as well as a Ward Meeting at 7:00 P.M. She noted that she is really appreciative of what DPW and the Police Department are doing concerning the snow removal. She has had a lot of people comment this year concerning the snow removal and how much better the streets are looking and being taken care of. They especially appreciate the warnings to move their cars so she thanked them for that effort. When people do a good job they need to hear that they are doing a good job. In regard to the Mid-Broadway property she said that we desperately need a new Police and Safety Building because things are falling down around our ears. As we move forward there is a lot that needs to be done and a lot of decisions that need to be made and the majority of this

Council is focused on doing what is right for this community for the long term. She thanked everyone for coming tonight.

There being no further business to come before the Council the meeting adjourned at 8:30 P.M.

**LORENE VITEK
CITY CLERK**