

CITY OF NEWBURGH
INDUSTRIAL DEVELOPMENT AGENCY (IDA)
MINUTES OF BOARD MEETING
January 26, 2022

Present

Board Members: Austin DuBois, Chairman,
Christina Amato, Vice Chair,
Marlon Ramos, Treasurer
Adam Pollick, Michael Kelly, Nancy Thomas, Gregory Nato

Staff: Cherisse Vickers, Executive Director
Counsel: Robert McLaughlin, Whiteman Osterman & Hanna LLP

Guests: Marianne Marichal

1. **Roll Call**: Board Chair Austin DuBois called the meeting to order.
2. **Proof of Meeting Notice**: Accepted.
3. **Executive Session**: On a motion made by Nancy Thomas and seconded by Marlon Ramos, the board voted unanimously to go into Executive Session to discuss matters relating to possible or potential litigation.

On a motion made by Christina Amato and seconded by Nancy Thomas, the board voted unanimously to leave Executive Session and return to the regular board meeting.

No formal actions or decisions were taken during Executive Session.

4. **Reading and Approval of Minutes of the Previous Meeting**

Minutes from the regular board meeting of December 15, 2021 were distributed to the board via e-mail.

Motion to approve the minutes as presented:

Mr. Kelly: Motion to approve the minutes
Ms. Thomas: Motion seconded
Discussion: None.
VOTE: Unanimously adopted.

5. **Report of the Treasurer; Approval of Payment of Bills**

Treasurer Marlon Ramos presented the December 2021 Treasurer's Report to the board. On a motion made by Gregory Nato and seconded by Michael Kelly, the board approved the December 2021 Treasurer's Report; unanimously approved.

A motion to pay December 2021 bills as presented (check numbers 993-998, 1004-1008, 1010-1011) was made by Michael Kelly and seconded by Gregory Nato; unanimously approved.

6. **Chairman's Report**

Strategic Economic Development Council: Kearney Development was selected as the finalist for the Montgomery Street Project. Finalist will be presented at the February 10, 2022 City Council Meeting. It will be Kearney Development's second project in addition to the Colden Street Project.

7. **Counsel's Report**

Senate Bill A795 has been vetoed by the Governor. City of Newburgh IDA will not be required to adopt the same fee structure as Orange County IDA.

5 Scobie Drive update. DEC expects their Site Characterization to be completed in the Spring. The Purchaser will need to enter into an amended Brownfield Cleanup Agreement with the DEC which, is what they have been waiting for. Counsel will reach out to Purchaser's counsel to make sure they are still interested in the property and once the DEC investigation has been completed in the Spring they can enter into the Brownfield Cleanup Agreement. At this time the outdated contract with the IDA would be amended.

104 Washington St. LLC, counsel has been consulted. It is projected to close in February.

8. **Executive Director's Report**

Executive Director has been preparing files for annual PARIS report. She will also be consulting with the Audit/Finance Committee and will confirm a date for the UTEP review.

9. **New Business**

Vacant Property Insurance quote of \$1,128.28 received for Scobie Drive and West St properties, the biggest vacant properties IDA owns. This insurance is recommended by counsel. Motion to accept and move forward with buying the insurance.

Ms. Amato: Motion to purchase vacant property insurance
Mr. Nato: Motion seconded
VOTE: Unanimously adopted.

Labor Policy discussed. Counsel Bob McLaughlin has drafted a policy that is in line with those of other Orange County IDAs. The drafted policy will be available electronically for the board to review. Bob recommends that the IDA board review and discuss the draft, and consider adopting it at the next board meeting on February 16, 2022. As noted by Bob, most other IDAs hire a Monitor Consultant to review factors such as construction, local job hires, and advertising for those jobs. All costs for this would be the responsibility of the developer. The IDA would fund an escrow bank account and bills would be paid from this account.

10. **Old Business**

Resolution 22-01-26-01 Re-adoption of Mission Statement as currently read.

Ms. Amato: Motion to re-adopt current Mission Statement
Mr. Nato: Motion seconded
Discussion: None
Roll Call: Austin DuBois, Nancy Thomas, Adam Pollick, Marlon Ramos,
Christina Amato, Michael Kelly, Gregory Nato
VOTE: Unanimously adopted.

FSH Newburgh Hotel discussion. Public hearing comment transcripts and summary of written comments received and reviewed by the board. They center around the following items that need to be discussed before a PILOT can be voted on.

1) Reasonableness of FSH PILOT request – acknowledgement of MRB Group’s confirmation that PILOT request is reasonable.

2) Formation of a subcommittee to discuss job creation – the IDA needs to find out if the developer has been in touch with the local community college about creating job force training opportunities and what those agreements are.

3) Bank Letter – the IDA has no letter from the bank reflecting that the PILOT is needed. Mr. DuBois suggested investigating if such a letter is possible with the developer and bank.

Mr. DuBois volunteered himself for the subcommittee to meet with the developer. The Executive Director will reach out to board members to see who else wants to be a part of the committee. The findings will be discussed at the next board meeting.

11. **Adjournment**

As there is no further business to come before the board, a motion to adjourn was made by Nancy Thomas and seconded by Michael Kelly; unanimously passed.

CITY OF NEWBURGH INDUSTRIAL DEVELOPMENT AGENCY
Treasurer's Report for the January 26, 2021 Meeting

OPERATING Account

Opening Balance As of December 1, 2021 **\$ 325,108.05**
from Quickbooks

<i>Deposits</i>	Payor	Amount	Remarks
12/1/2021	AT&T	3,657.55	Cell tower
12/2/2021	Central Hudson	2,091.56	Cell tower
12/2/2021	T-Mobile	4,914.83	Cell tower
12/2/2021	T-Mobile	2,077.02	Cell tower
12/15/2021	The Foundry	66,970.04	Wire
12/30/2021	104 Washington St	668.44	Check
12/31/2021	Whiteman, Osterman & Hanna, LLP	1,002.00	IDA Void
	TOTAL	\$81,381.44	

Disbursements

Check Number	Check Date	Payee	Amount	Remarks
993	12/2/2021	Michele Gruber	450.00	Inv. #12-02-2021
994	12/2/2021	MRB Group	8,250.00	Inv. #41201
995	12/2/2021	Whiteman, Osterman, & Hanna LLP	1,095.00	Inv. #536356
996	12/2/2021	Whiteman, Osterman, & Hanna LLP	4,079.37	Inv. #505572
997	12/2/2021	Whiteman, Osterman, & Hanna LLP	1,684.79	Inv. #536357
998	12/2/2021	Cherisse Vickers	2,625.93	Inv #181

1004	12/20/2021	NYS EDC	850.00	Inv #13014
1005	12/20/2021	MRB Group	2,750.00	Inv #41655
1006	12/20/2021	Michele Gruber	420.00	Inv #12-15-2021
1007	12/20/2021	Mary T. Babiarz	1,170.30	Inv #204930
1008	12/20/2022	Cherisse Vickers	2,574.99	Inv #182
1010	12/30/2021	Michele Gruber	930.00	Inv #1010
1011	12/30/2021	Cherisse Vickers	2,576.21	Inv #183
		TOTAL	\$29,456.59	

Closing Balance As of December 31, 2021 **\$ 377,032.90**
from Quickbooks

CITY OF NEWBURGH INDUSTRIAL DEVELOPMENT AGENCY
Treasurer's Report for the January 26, 2022 Meeting

APPLICATIONS FUND Account

Opening Balance As of December 1, 2021 \$ 14,137.50
Closing Balance As of December 31, 2021 \$ 14,137.50

LESSOR/TENANT Account

Opening Balance As of December 1, 2021 \$ 2,400.00
Closing Balance As of December 31, 2021 \$ 2,400.00

MONEY MARKET Account

Opening Balance As of December 1, 2021 \$ 750,519.68
Interest credit 63.74
Closing Balance As of December 31, 2021 \$ 750,583.42

**CITY OF NEWBURGH
INDUSTRIAL DEVELOPMENT AGENCY**

Resolution No. 2022-01-26-01

Be it resolved, that the Board of Directors of the City of Newburgh Industrial Development Agency, in compliance with transparency requirements of the New York State Authorities Budget Office, does hereby re-adopt for 2022 the IDA Mission Statement:

The mission of the City of Newburgh Industrial Development Agency (IDA) is to help attract and contribute to Newburgh's job opportunities, a diverse and net positive tax base to provide long term economic prosperity and sustainability and advance the general welfare and standard of living for the city and its residents through the promotion, development, encouragement, and assistance of industrial, manufacturing, warehousing, commercial, technology, tourism initiatives, and recreational facilities, utilizing Green practices and adaptive re-use where available.

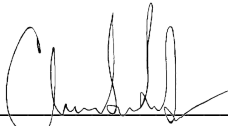
The Board further resolves that the Agency will comply with laws and amendments enacted by the State Legislature guiding practices in its operations.

A motion to re-adopt the mission statement was made by Christina Amato and seconded by Gregory Nato.

The foregoing resolution was duly put to vote, which resulted as follows:

	<i>Yea</i>	<i>Nay</i>	<i>Absent</i>	<i>Abstain</i>
Austin DuBois	x			
Nancy Thomas	x			
Adam Pollick	x			
Marlon Ramos	x			
Christina Amato	x			
Michael Kelly	x			
Gregory Nato	x			

The resolution was thereupon duly adopted.



Christina Amato, Secretary
January 31, 2022

LOCAL LABOR POLICY
CITY OF NEWBURGH INDUSTRIAL DEVELOPMENT AGENCY
ADOPTED _____, 2022

Section 1: Purpose and Authority

The City of Newburgh Industrial Development Agency (the "Agency") was created for the purpose of creating employment opportunities for, and to promote the general prosperity and economic welfare of, the residents of the City of Newburgh, Orange County, New York. The Agency offers economic incentives and benefits to qualified applicants who wish to locate or expand their businesses or facilities in the City of Newburgh. When the Agency approves a project, it enters into agreements to extend these incentives and benefits to the applicant.

Construction jobs, though limited in time duration, are vital to the overall employment opportunities and economic growth in the City of Newburgh specifically and in Orange County generally. The Agency believes that companies benefiting from its financial assistance programs should employ local laborers, mechanics, craft persons, journey workers, equipment operators, truck drivers and apprentices (hereinafter "construction workers"), including those who have returned from military service, during the construction phase of projects. In this way, the Agency can generate significant benefits to advance the City of Newburgh 's general prosperity. It is also the goal of the Agency to promote the use of local veterans on projects receiving Agency benefits. By partnering with local contractors, local contractor groups, local trade unions and contractors awarded work on Agency projects, there are opportunities for veterans to gain both short-term and long-term careers in the construction industry.

Section 2: General Provisions

It is, therefore, the policy of the Agency that firms benefiting from its programs shall employ workers from the City of Newburgh and the "local labor" market for (i) the site preparation and construction phases of the project, (ii) the installation of the internal furnishings and equipment outfitting if, and to the extent, that the Agency granted benefits regarding such internal furnishings and equipment outfitting of the constructed facility (*e.g.*, sales tax benefits on such furnishings and/or equipment), and (iii) all renovations and additions if, and to the extent, that the Agency granted benefits for such renovations and additions.

For the purpose of this policy (" Policy"), the "local labor" market for construction workers shall be defined as those individuals living in City of Newburgh or in the following Counties: Orange, Ulster, Sullivan, Dutchess, Putnam, Rockland and Westchester. The Agency encourages each applicant receiving financial assistance to utilize labor from the City of Newburgh and/or Orange County to the extent possible. Each applicant ("Applicant") receiving Agency financial assistance

(collectively, "Agency Benefits") shall ensure that contractor(s) and developer(s) engage or hire at least 85% from the "local labor" market for their approved projects. The 85% shall be borne by each primary contractor including their subcontractors and in total at the time of completion of the project. The contractor/developer is mandated to keep daily log sheets of all field workers, commencing on the date of application. Any work performed after application shall be included in the determination of overall compliance with the 85% hiring requirements of this Policy. A third-party auditing firm will be engaged to monitor construction work commencing on the date Agency Benefits are granted by resolution of the Agency. Monitoring on site by the third-party auditing firm may be performed with or without prior notice to the Applicant to ensure accuracy of the monitoring information and reporting. Each Applicant will be responsible for the payment of such auditing firm.

Section 3: Exemptions

The Agency recognizes, however, that the use of local labor may not be possible for several reasons, and the Applicant may request an exemption on a particular contract or trade scope for the following reasons:

1. Warranty issues
 - a. In the case a specialized manufacturing warranty is required by the applicant in which no local labor can manufacture an "all equal" product
 - b. In the case an installation warranty is required by the applicant in which no local labor can install an "all equal" product

2. Specialized construction is required and no local contractors or local construction workers have the required skills, certifications or training to perform the work;

3. Cost Differentials:

- a. For projects whose project cost are equal to or in excess \$15,000,000, significant cost differentials in bid prices whereby the use of local labor and materials significantly increases the subcontract or contract of a particular trade or work scope by 30%. Every reasonable effort should be made by the Applicant and or the Applicants' contractor to get below the 30% cost differential including, but not limited to, communicating and meeting with local construction trade organizations, such as the local Contractor Associations. If the applicant or applicants' contractors cannot get below the 30% cost differential, the applicant must give the otherwise preferred local bidder one final chance to get below the 30% cost differential. This effort must be documented and presented to the Agency's third-party local labor monitoring firm.

- b. For projects whose project cost is less than \$15,000,000, significant cost differentials in bid prices whereby the use of local labor and materials significantly increases the subcontract or contract of a particular trade or work scope by 15% or more. Every reasonable effort should be made by the Applicant and or the Applicants' contractor to get below the 15% cost differential including, but not limited to, communicating and meeting with local construction trade organizations, such as the local Contractor Associations. If the applicant or applicants' contractors

cannot get below the 15% cost differential, the applicant must give the otherwise preferred local bidder one final chance to get below the 15% cost differential. This effort must be documented and presented to the Agency's third-party local labor monitoring firm.

4. No local labor is available for the project; and

5. The contractor requires key or core persons such as supervisors, foreman or "construction workers" having special skills that are not available in the "local labor" market.

The request to secure an exemption for the use of non-local labor must be received from the Applicant on the exemption form provided by the Agency or the third-party monitor and received in advance of work commencing. The request will be reviewed by the third-party monitor and forwarded to the Agency, at which time the Agency's Audit Committee shall have the authority to approve or disapprove the exemption. The third-party monitor shall report each authorized exemption to the Board of Directors at its' bi-monthly meeting.

Section 4: Certified Payroll Records and Monitoring Requirement

A certified payroll requirement improves record keeping and accountability about job descriptions, hours worked and wages earned on an IDA Project site. Accordingly, the designated construction manager for the IDA Project, acting as agent for the applicant, on the IDA Project shall: (i) provide to the duly designated IDA Project Monitor (the "Monitor") within 30 days of the end of the month being reported a certified monthly payroll report of all construction workers working on the IDA Project site, which include names, days/hours worked, and rate of pay, and worker classification, and (ii) annually certify to the Agency that the IDA Project is in compliance with state laws related to environmental quality, worker safety and protection, and wages and hours.

The Monitor shall issue a report to the Executive Director relative to compliance with this policy who shall share such information with the IDA Board of Directors. All applicants have a duty to cooperate with the Monitor. All costs of the Monitor shall be the obligation of the applicant. If a violation of the policy has occurred, the Executive Director shall notify the applicant in writing and give such applicant a warning of such violation. In the event there is a subsequent violation of the policy, the Executive Director shall bring such information to the IDA Board of Directors which may, in its discretion, take action to revoke or recapture IDA benefits

Section 5: Project Information

Applicants receiving Agency financial assistance, as well as contractor(s)/developer(s) on the project, shall make every effort to utilize vendors, material suppliers, subcontractors and professional services from the City of Newburgh and the surrounding counties identified above. Applicant(s), contractor(s) and developer(s) shall be required to keep records of those local vendor(s), material supplier(s), contractor(s) and professional services whom they have solicited and with whom they have contracted with or made awards to. This shall be stored in a binder on the project site during construction and shall be easily available for review by an authorized

representative of the Agency, such as the Agency's third-party Monitor. Such binder shall also include any documents for solicitation and the final contracts. Once approved for Agency Benefits, all Applicants will be required to provide to the Agency's staff the following information:

1. Contact information for the Applicant's representative who will be responsible and accountable for providing information about the bidding and awarding of construction contracts relative to the Applicant's project;
2. Description of the nature of construction jobs created by the project, including in as much detail as possible, the number, type and duration of construction positions;
3. The names, contact information, certificate of authorization to do business in the State of New York and copies of current Certificates of NYS Workers' Compensation Insurance, NYS Disability Insurance, General Liability Insurance and proof of current OSHA training certification from all contractors' employees performing work on the site; and
4. A Construction Completion Report listing the names and business locations of prime contractors, subcontractors and vendors who have been engaged in the construction phase of the project.

All Agency projects are subject to local monitoring by the Agency and the third-party Monitor. The Applicant and/or construction manager or general contractor acting as agent for the Applicant on the project, shall keep a log book on site detailing the number of workers, hours worked and counties and states in which they reside. Proof of residency or copy of drivers' license shall be included in the log book, along with evidence of necessary OSHA Certifications. Reports will be on forms provided by the Agency or weekly payroll reports which contain the same information as required on the Agency issued form. The Applicant(s), contractor(s) and developer(s) are subject to periodic inspection or monitoring by the Agency or its third-party Monitor.

Section 6: Bulletin Board

The Agency will use a third-party firm(s) to Monitor and audit compliance with this Policy, the cost of which shall be paid for by the Applicant at closing in advance of future audits and held in a non-interest bearing escrow account by the Agency until all such audits are completed. The Applicant of an Agency approved project, unless otherwise agreed by the Agency, shall be required to maintain a 4' X 8' bulletin board on the project site. The bulletin board shall be located in an area that is accessible to onsite workers and visitor, which should be clear and legible at least 10 feet from said bulletin board, and contain the following information:

1. Contact information for the Applicant;
2. Summary of the Agency Benefits received;
3. Contractor's name(s) and contact information;
4. Copies of proof of exemption (if any) from this Policy;

5. Copies of any warnings or violations (if any) of this Policy; and
6. Copy of this Policy executed by the Applicant.

Section 7: Compliance

The third-party Monitor shall issue a report to the Agency immediately when an Applicant or Applicants' contractor (or developer) is not in compliance of this Policy. Agency staff shall advise the Audit Committee and/or Agency Board on non-compliance by email or at the next scheduled meeting. If a violation of this Policy has occurred, Agency staff shall notify the Applicant and contractor in writing of noncompliance and give Applicant a warning of violation and 72 hours in which to correct such violation. Upon evidence of continued non-compliance or additional violations, the Agency and/or its third-party Monitor shall notify the Applicant that the project is in violation of this Policy and is subject to Agency Board action which may result in the revocation, termination and/or recapture of any or all Agency Benefits conferred by the Agency as provided in the project closing documents.