**Ulster County Housing Development Corporation**

**Board of Directors Meeting Minutes**

**November 9, 2023 - 4:00 pm**

**Legislative Chambers, 6th Floor, COB, 244 Fair St. Kingston, NY**

**Chairperson: Kevin Roberts**

**Present:**

 **Kevin Roberts**

 **John Gavaris**

 **Susan Koppenhaver**

 **Hayes Clement**

 **Dennis Doyle**

**Quorum Present: Yes**

**Other Attendees: William D’Avella, Pennrose**

 **Richie Williams, UC Attorney’s Office**

 **Alicia DeMarco, Deputy Comptroller**

 **Marianne Ananew, Planning Dept (Recording Minutes)**

1. Call to order Chairman Roberts called the meeting to order at 4:00 PM
2. Roll call Members in attendance introduced themselves.
3. Public Comment None
4. Adoption of Minutes

Mr. Gavaris made a motion to approve the minutes as is from October 26, 2023. Mr. Doyle seconded the motion. All were in favor.

1. Communications and Announcements None
2. New business:
3. Proposed changes to the LDA and PSA

Chairman Roberts asked Mr. Doyle if he would like to go over the proposed changes. Mr. Doyle noted that at the last meeting we agreed to invite Pennrose and he asked Mr. D’Avella to go over the documents.

Mr. D’Avella introduced himself as the Developer and Lead Project Manager on the Golden Hill project and stated he would go over the proposed changes and then answer any questions on the project as a whole.

Mr. D’Avella stated he would begin with the Purchase and Sale Agreement (PSA)

**Page 3 #5. Possession; Condition**

Mr. D’Avella state the wording was changed representing the County demolishing the building and the abatement (remediation) being completed.

Mr. Gavaris asked about the change to Item 6 Purchase Price. Mr. D’Avella stated they will produce an appraisal in approximately 4-6 weeks, the lender will produce one as part of their due diligence. Mr. Doyle added that the appraisal was done by independent third-party company. Mr. D’Avella stated that the lender, Webster Bank, will hire an appraiser.

**Page 5 #10 Sellers Covenants**

Mr. D’Avella stated this is the removal of the demolition and remediation funding wording because the County already took care of the demolition, so the wording is no longer applicable.

Mr. Roberts noted that #9B is highlighted. Mr. Doyle stated he highlighted this so that everyone was aware that the Development Corporation will pay the recording tax out of the proceeds of the payment to us. It does require having a bank account set up. Mr. Roberts asked how much tax. Mr. Clement stated it is 4/10 of 1%. Mr. Doyle added that it would come from the purchase price.

**Page 8 #12 Purchaser’s Contingencies**

Mr. D’Avella noted they added the red-line to indemnify and hold harmless for Seller and it was stricken. Mr. Doyle clarified that the County did the demolition and this property is being sold “as is.” That is why letter (e) was stricken. He added that the County would have to indemnify the UCHDC. Mr. Roberts asked if that would mean the County having to go back to the original contractor. Mr. Doyle answered yes, it would be the County, not the UCHDC. Mr. D’Avella stated if this is a procedural issue and needs full Legislative approval, he could waive the request given how close we are.

**Page 14 #29 Assignment**

Mr. D’Avella stated that they added more detail in that this agreement is assignable from Pennrose, LLC to a future housing development corporation, which will be entirely held by Family of Woodstock, their joint venture partner. This helps to ensure the long-term affordability of the property.

Mr. Doyle noted the property description is a copy of the subdivision map and asked if it should be replaced with a metes & bounds description. Mr. Williams answered in the affirmative. Mr. Doyle stated the metes & bounds description would be added for final approval.

Mr. D’Avella stated he would move on to the Land Development Agreement (LDA)

**Page 4 Section 2.1 (a) Broad Affordability**

Mr. D’Avella stated this is to add language for a commitment to a Long Term Affordability Period matching the affordability period in the regulatory agreement with New York State, which they anticipate to be 30 years. Mr. Doyle noted this was added at the request of the Legislature and the UCHDC.

**Page 9 Article 3 Obligations and Responsibilities of Developer**

**Section 3.1.2 All Other Permits & Approvals**

Mr. D’Avella stated this section describes the obligation to obtain all requisite permits and approvals and will remove reference to permits for demolition.

**Page 10 Section 3.4 Obligation to demolish existing buildings at the Golden Hill Site**

Mr. D’Avella noted this reflects demolition performed by the County. Mr. Doyle stated this was everything that the County did being passed on to Pennrose and memorialized it.

Mr. Doyle stated that these agreements have been signed in past with an authorization of the UCHDC and asked if we want to move ahead and accept the changes as proposed.

Mr. Gavaris stated he asked legal counsel to review. He noted the frustration is that there are no deadlines and three years later we have nothing. He said from a County perspective we want housing. Mr. Doyle stated his understanding is that there are time limits. Mr. Roberts stated it is premature to talk termination, but we would like a time schedule.

Mr. D’Avella stressed the importance of the project noting they are $2 million in and close to finish. Next week they are having the final plan review of the 1,000-page architectural and engineering document and final construction pricing to lock in the budget. They will submit to the local building department for permits this month and will receive guidance on state financing by the end of the year for a tentative March closing round. Mr. D’Avella stated he was confident in the ability to do that.

Mr. Roberts said to pick a date in January and you can let us know how it is going. Mr. D’Avella agreed and stated they will know final costs and will update financing,

Mr. Roberts asked if they figured out the water issues. Mr. D’Avella said they had an agreement with the water district on the scope of their offsite improvements and will be capitalizing that cost in the budget.

Mr. Gavaris stressed the need for a deadline He added he’d like to see something on paper.

Mr. D’Avella stated it is a difficult time period to develop real estate right now. Interest rates are up, building supply costs are up. It is a very challenging time and we are very close to the finish line. Mr. Roberts said we will do a report in January. Mr. D’Avella offered to report to the full Legislature. Mr. Roberts stated there were issues of no regular meeting or Chair of the Legislature in January so we will get the update first.

Mr. Doyle stated the Land Development Agreement states effective 1 year after securing financing or 5 years total the agreement ends. He added that there was a discussion to be sure we were able to terminate the agreement.

Mr. Gavaris asked about the percentages exceeding 100% on page 8 of the LDA. Mr. D’Avella stated they are not cumulative and contractor requirements can overlap.

Mr. Roberts asked if the solar grants have anything to do with these agreements. Mr. Doyle stated they do not because they are directly from the County.

Mr. Doyle asked if the Board wanted to accept changes to produce a clean document. Mr. Gavaris stated they are waiting for Counsel. Mr. Roberts asked if we would get behind if not agreed to today. Mr. D’Avella stated not for him. Mr. Roberts said we will have our Counsel review and include them on the next real time. Mr. Clement asked if there should be a special meeting in a couple weeks.

Discussion on dates that work

Mr. Gavaris stated he and Mr. Roberts will both be here for special session on November 29th. It was decided for Wednesday, November 29th at 4:30PM.

Mr. Clement asked if there were any other updates on the project as a whole.

Mr. D’Avella stated that was covered earlier and added if they have a clear path till the end of the year we could close in March.

1. Committee Reports - None
2. Old Business
	1. Update on Golden Hill Project & UCHDC Finances

Mr. Doyle state we want to have someone from Finance to assist with choice of bank.

Mr. Roberts asked if there was anything the Legislative staff can help with. Mr. Doyle stated we need to figure out staffing for this board because Planning Department is very busy.

Ms. Koppenhaver asked if she, as Treasurer, should be at the closing and wanted to know if she’d be writing checks. Mr. Doyle stated our attorney’s office does closings, but it wouldn’t hurt to have her there. He added that we want to hold the money for as little time as possible. Mr. Doyle stated we have to pay transfer tax and write a check to the County for the remaining amount.

Ms. Koppenhaver asked if there were any mortgage or tax liens on anything. Mr. Doyle answered that a title search has been done so we have clear title. He noted that there is one Easement with Verizon that is being extinguished.

1. Set next meeting

The next meeting will be Wednesday, November 29th at 4:30 PM.

1. Adjournment

Chairman Roberts called for a motion to adjourn at 4:36 PM. Motion to adjourn made by Legislator Gavaris and seconded by Ms. Koppenhaver. All were in favor.