

August 13, 2014

The regular meeting of the City of Port Jervis Industrial Development Agency (IDA) was held in the Council Chambers, 20 Hammond Street, Port Jervis, New York on Wednesday, August 13, 2014 at 6:10 p.m.

Regular Meeting

Committee members Mr. Frank Bell, Mr. James Hinkley, Mr. Michael McCarthy, Mr. Robert Schultz, Mr. Michael Worden, and Council Liaison Robert Ritchie were present. Mayor Kelly Decker, Co-Counsel Michael Fox, and City Clerk-Treasurer Robin Waizenegger were also present.

Attendance

Mr. McCarthy called the meeting to order and approved the minutes from the July 9, 2014 IDA meeting as presented.

Mr. Worden arrived at 6:15 p.m.

Mayor Decker stated that he met with John McCarey, Orange County Director of Real Property, and noted that after two (2) years being in violation that the property, currently on Roll Section 8, can be moved to Roll Section 1. The January notice would be sent by the City Assessor of that change.

Old Business
discussed—
Future Homes
Technology
PILOT

Mr. Fox and Mrs. Waizenegger spoke about the mortgage, serial bond secured by the mortgage, and the history and payments of the bond for Future Home Technologies. Mrs. Waizenegger estimates the remaining balance of the bond to be \$380,000. She indicated that she has not received any notice from the bank regarding any delinquency. There is also \$139,000 as of 9/1 owed in PILOT payments. Mr. Fox provided legal advice with respect to possible actions based upon the lease, mortgage, bond and PILOT agreements. The Board's discussion continued about the payment of the mortgage, the property's bond, and ownership of the property as a result of a possible foreclosure. Mr. Fox clarified the IDA's position and lien in regards to the company's bond agreement or mortgage indebtedness.

Mrs. Waizenegger asked when the City should begin taxing the parcel at its full value, noting the upcoming school bill on September 1, 2014. The Board discussed taxing the property at full value and the PILOT payments. Mr. Fox shared with the Board the amounts due the County, City, and School. Mrs. Waizenegger noted that the School District will not "forgive" any interest due by Future Homes as it considers such as a gift of public funds and that any action by the City of a similar nature puts the City and IDA at risk. Mr. Worden asked for clarification of possible actions and consequences. Mr. Fox detailed this and compared several options.

Mayor Decker asked if the City has the right to investigate the property in regards to environmental issues. Mr. Fox reviewed the rights. Mayor Decker also commented on companies looking to purchase property near railways.

Mrs. Waizenegger noted that IDA cannot adjust any penalties, as it is specified in the PILOT agreement as well as the threat of legal actions from the other taxing authorities.

Mayor Decker recommended security actions to be taken in concert with any action.

Mr. Fox gave the Board information concerning the lease.

Mr. Fox recommended contacting the bank and holding a special meeting August 20, 2014 at 6:00 p.m. to continue discussion on this issue.

Motion by Mr. McCarthy, seconded by Mr. Hinkley, to set a special IDA meeting for August 20, 2014 at 6:00 p.m.

Special Meeting
set

AYE: 5 ABSENT: 0 NAY: 0 ABSTAIN: 0 CARRIED

Motion by Mr. Schultz, seconded by Mr. Hinkley, to adjourn the meeting.

Meeting
adjourned

AYE: 5 ABSENT: 0 NAY: 0 ABSTAIN: 0 CARRIED