

May 14, 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, May 14th at 6:00 p.m.

Regular Meeting

Mr. James Hinkley, Mr. Robert Schultz, Mr. Frank Bell, Mr. Michael Worden, Council Liason Robert Ritchie, Counsel Michael Fox and City Clerk-Treasurer Robin Waizenegger were present.

Attendance

Absent Michael McCarthy.

In general discussion it was noted that the Rite Aid project is progressing with an estimated opening date of June 1st. It was also noted that all provisions of the agreements with 100 River Road LLC and Bon Secours have been met timely and consistently.

Mrs. Waizenegger informed the members that Mr. McCarthy had called and will not be in attendance. Mr. Frank Bell agreed to chair the meeting.

Attorney Michael Fox reviewed the previous correspondence that was forwarded to all members, and he indicated that today he received another e-mail from the FHT attorney reiterating the position refusing to acknowledge any interest and penalties on the arrears and continuing to request a repayment plan and or forgiveness. The email also requests a meeting with the IDA members to make another personal appeal of the same.

Future Homes Discussed

Mr. Fox also commented regarding the materials recently received from the NYS Comptrollers office regarding oversight of goals and objectives related to IDA activity.

Mr. Ritchie informed the members that the City Council has been briefed on everything. Mr. Ritchie asked the attorney if, given that the payment deadline is tomorrow, has there been any indication of possible payment. Mr. Fox said that there has been no correspondence in that regard only the request for meeting and payment reductions.

The members discussed the current lack of activity and employment at the Future Homes facility and the fact that there is concern that they could be pulling out machinery of value, which the IDA would be entitled to upon foreclosure of the agreement. The committee members also expressed dismay that after repeated previous meetings with them, along with a reduced Pilot as assistance, that there has been no marked improvement or cooperation in making payments on-time. The members noted that the employment has not been consistent for multiple years.

The members asked the attorney if there was any valid reason to meet with them given that the demand letter was issued. The attorney indicated that the only reason would be to placate Future Homes in that they received an opportunity to be heard in addition to the meetings previously held with the IDA and recently with the Mayor.

The members discussed that any meetings would only function as a delay tactic which the members are not willing to tolerate. It was noted that the IDA meetings are public and on the City's meeting schedules published on the website such that if they were truly concerned they could have been at any of the meetings this year. The members discussed that the pattern of delay and consistent avoidance of compliance with the executed agreements is not fair to the taxpayers of the City of Port Jervis and sets a bad example if we do not enforce the terms at his point.

It was noted that previous profits from operations were pulled out of the corporation and/or squandered as opposed to being used to strengthen the business. In addition the repetitive nature of constant requests for forgiveness is problematic to the view of the taxpayers who are already dissatisfied with the fact that Future Homes has never paid full taxes and have not meet the employment goals in many years.

Motion to proceed with foreclosure action on the PILOT agreement and taxes due as demanded by resolution to the Common Council of the City of Port Jervis by Michael Worden, seconded by Frank Bell.

During discussion it was noted that Attorney Michael Fox will draft said resolution should default occur and will conduct a vote via e-mail.

AYE: 4 NAY: 0 ABSTAIN: 0 ABSENT: 1 CARRIED

Motion to not accept any amount less than full payment as per demand letter by Michael Worden, seconded by Frank Bell.

AYE: 4 NAY: 0 ABSTAIN: 0 ABSENT: 1 CARRIED

Upon request of Mrs. Waizenegger a motion was made by Mr. Robert Schultz and seconded by Mr. Frank Bell to allow payment of the most recent bill in the amount of \$367.40 for attorney fees.
AYE: 4 NAY: 0 ABSTAIN: 0 ABSENT: 1 CARRIED

Motion by Mr. Worden, seconded by Mr. Hinkley, to adjourn the meeting at 6:30 p.m.

AYE: 4 NAY: 0 ABSTAIN: 0 ABSENT: 1 CARRIED