City of Newburgh Council Work Session
Sesion de trabajo del Concejal de la Ciudad de Newburgh
October 19, 2017
6:00 PM

Council Meeting Presentations

1. Public Hearing -- CDBG Consolidated Plan for Housing and Community Development Proposed Actions FY 2018

   (Ellen Fillo & Deirdre Glenn)

   Audiencia Pública – Plan Consolidado de la Beca de Desarrollo a los Bloques de la Comunidad para Viviendas y Acciones Propuestas para el Desarrollo Comunitario para el Año Fiscal 2018 (Ellen Fillo y Deirdre Glenn)

2. Monthly Financial Report

   (Katie Mack)

   Reporte Financiero Mensual (Katie Mack)

Finance/Finanza

3. Donation of Key to the City

   Resolution authorizing the City Manager to accept a donation of a ceremonial Key to the City to present to Lillie Bryant Howard (Michelle Kelson)

   Una resolución autorizando al Gerente de la Ciudad a aceptar la donación de una llave ceremonial de la Ciudad para ser presentada a Lillie Bryant Howard (Michelle Kelson)

4. Post Issuance Compliance Procedures for Tax Exempt Bonds

   Resolution adopting the City of Newburgh Post-Issuance Compliance Procedures for Tax-Exempt Bonds. (Katie Mack)

   Una resolución adoptando los procedimientos de la Ciudad de Newburgh con respecto al cumplimiento posterior a la emisión de bonos exentos de impuestos.

5. Award of Bid for Vacant Building Demolition Project

   Entrega de la licitación para el Proyecto de la Demolición de Edificios Vacantes.

Planning and Economic Development/Planificación y Desarrollo Económico

6. Release of Covenants 387 Third Street

   Resolution authorizing the execution of a Release of Restrictive Covenants and Right of Re-entry from a deed issued to Joseph Afonso and Maria Afonso to the premises known as 387 Third Street (Section 12, Block 1, Lot 1) (Michelle Kelson)

   Una resolución autorizando la ejecución de la liberación de cláusulas restrictivas y derecho a reingreso de una escritura emitida a Joseph Afonso y Maria Afonso a las instalaciones conocidas como la 387 de la Calle Third (Sección 12, Bloque 1, Lote 1) (Deirdre Glenn)

7. Release of Covenants 251 Powell Avenue

   Resolution authorizing the execution of a Release of Restrictive Covenants and Right of Re-entry from a deed issued to Joseph Afonso and Maria Afonso to the premises known as 251 Powell Avenue (Section 7, Block 7, Lot 20) (Michelle Kelson)

   Una resolución autorizando la ejecución de la liberación de cláusulas restrictivas y derecho a reingreso de una escritura emitida a Joseph Afonso y Maria Afonso a las instalaciones conocidas como la 251 de la Avenida Powell (Sección 7, Bloque 7, Lote 20) (Deirdre Glenn)

8. Purchase of 256 North Street

   Resolution to authorize the conveyance of real property known as 256 North Street (Section 3, Block 12, Lot 18) at private sale to Raymundo Mera for the amount of $99,000.00. (Deirdre Glenn)

   Una resolución autorizando el traspaso de bienes raíces conocidas como la 256 de la Calle North (Sección 3, Bloque 12, Lote 18) en una venta privada a Raymundo Mera por la cantidad de $99,000.00 (Deirdre Glenn)

9. Purchase of 383 First Street

   Resolution to authorize the conveyance of real property known as 383 First Street (Section 28, Block 1, Lot 14) at private sale to Mitchell Mejia for the amount of $19,000.00. (Deirdre Glenn)

   Una resolución autorizando el traspaso de bienes raíces conocidas como la 383 de la Calle First (Sección 28, Bloque 1, Lote 14) en una venta privada a Mitchell Mejia por la cantidad de $19,000.00.

10. Purchase of 26 Forsythe Place

    Resolution to authorize the conveyance of real property known as 26 Forsythe Place (Section 9, Block 3, Lot 5) at private sale to Joseph and Maria Afonso for the amount of $25,000.00. (Deirdre Glenn)

Una resolución autorizando el traspaso de bienes raíces conocidas como la 26 de Forsythe Place (Sección 9, Bloque 3, Lote 5) en una venta privada a Joseph y Maria Afonso por la cantidad de $25,000.00. (Deirdre Glenn)

11. Purchase of 85 William Street and 87 William Street

    Resolution to authorize the conveyance of real property known as 85 William Street (Section 39, Block 2, Lot 21) and 87 William Street (Section 39, Block 2, Lot 20) at private sale to Bisessar Alvin Moonsear for the total amount of $21,500.00. (Deirdre Glenn)

    Una resolución autorizando el traspaso de bienes raíces conocidas como la 85 de la Calle William (Sección 39, Bloque 2, Lote 20) y la 87 de la Calle William (Sección 39, Bloque 2, Lote 20) en una venta privada a Bisessar Alvin Moonsear por el monto total de $21,500.00. (Deirdre Glenn)

Grants/Contracts/Agreements / Becas /Contratos/Convenios

12. Requesting exemption from County taxes for City reservoir and filter plant properties 2019

    Resolution requesting an exemption from County taxes for the City's reservoir and filter plant properties for the year 2019. (Michelle Kelson)

    Una resolución pidiendo una exención de los impuestos del Condado para las reservas de la Ciudad y las propiedades de las plantas filtrantes para el año 2019. (Michelle Kelson)

13. Further Amending the United Way Dutchess Orange office lease at 123 Grand Street

    Resolution amending Resolution Nos. 83-2017 and 288-2017 authorizing the City Manager to enter into an amended office lease agreement with the United Way Dutchess Orange Region for a portion of the second floor of 123 Grand Street. (Michelle Kelson)

    Una resolución enmendando las resoluciones número 83-2017 y 288-2017 autorizando al Gerente de la Ciudad a entrar en un acuerdo de alquiler de oficina enmendado con "United Way Dutchess Orange Region" por una porción del segundo piso de la 123 de la Calle Grand. (Michelle Kelson)

Police Department

14. Halloween Curfew

    Resolution to implement a City-wide curfew for minors 16 years of age and under on October 30th and 31st from 9:00 p.m. until 6:00 a.m. (Michelle Kelson Lt In Charge Aaron Weaver)

    Una resolución para implementar un toque de queda en toda la Ciudad para jóvenes de 16 años de edad y menores el 30 de octubre y 31 de *octubre desde las 9:00PM hasta las 6:00AM (Michelle Kelson y Teniente a Cargo Aaron Weaver)*

15. School Bus Safety Patrol Update

    (Lt. in Charge Aaron Weaver)

    Actualización sobre patrullaje de seguridad de Autobuses Escolares. (Teniente a Cargo Aaron Weaver)

Fire Department / Departemento de Bomberos

16. Resolution for Municipal Certificate of Need for the City of Newburgh

    Resolution of the City Council of the City of Newburgh for a municipal certificate of need from the New York State Department of Health for the provision of ambulance service.

Discussion Items/Temas de Discusión

17. Reschedule Work Session due to Thanksgiving Holiday

    Reprogramación de la Sesión de Trabajo debido al feriado por el dia de Acción de Gracias.

18. Update on State & Municipal Facilities Program (SAM) Grant administered by the Dormitory Authority of the State of New York (DASNY): Downing Park & Roads

    (Deirdre Glenn, Katie Mack, Michael Ciaravino)

    Actualización sobre la subvención del programa de instalaciones estatales y municipales (SAM) administrado por la Autoridad Residencial del Estado de Nueva York (DASNY): Parque Downing y Carreteras. (Deirdre Glenn, Katie Mack y Michael Ciaravino)

19. Warming Center

    (Councilwoman Cindy Holmes)

    Estación de Calentamiento (Concejal Cindy Holmes)

Executive Session/ Sesión Ejecutiva

20. Pending litigation

    Litigación Pendiente

RESOLUTION NO.: 287 - 2017

OF

OCTOBER 10, 2017

A RESOLUTION OPENING A 30-DAY PUBLIC COMMENT PERIOD AND SCHEDULING A PUBLIC HEARING FOR OCTOBER 23, 2017 TO RECEIVE PUBLIC COMMENT ON THE CITY OF NEWBURGH'S PROPOSED ACTIONS WITH RESPECT TO THE COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM FOR THE CONSOLIDATED PLAN FOR HOUSING AND COMMUNITY DEVELOPMENT FOR FISCAL YEAR 2018

WHEREAS, the City of Newburgh has prepared a five-year Consolidated Housing and Community Development Strategy and Plan in accordance with the planning requirements of the Housing and Community Development Act of 1974 and applicable regulations; and

WHEREAS, the City is now preparing a one-year Action Plan for FY 2018 in order to implement various elements of the strategies identified in its Consolidated Plan and must satisfy all statutory requirements, including those related to citizen participation;

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Newburgh, New York that the time for citizen participation is commenced by opening a 30-day period to receive public comment on the City of Newburgh's proposed actions with respect to the Community Development Block Grant Program for the Consolidated Plan for Housing and Community Development for FY 2018; and

BE IT FURTHER RESOLVED, by the Council of the City of Newburgh, New York that there is scheduled a public hearing to receive public comment on the City of Newburgh's proposed actions with respect to the Community Development Block Grant Program for the Consolidated Plan for Housing and Community Development for FY 2018; and that such public hearing be and hereby is duly set to be held at 7:00 p.m. on the 23rd day of October, 2017 in the City Council Chambers, 83 Broadway, City Hall, 3rd Floor, Newburgh, New York.

I, Lorene Vitek, City Clerk of the City of Newburgh, hereby certify that I have compared the foregoing with the original resolution adopted by the Council of the City of Newburgh at a regular meeting held Oct. 10, 2017 and that it is a true and correct copy of such original.

Witness my hand and seal of the City of Newburgh this 11 day of Oct. 20 17

[signature]

City Clerk

Agenda Item 3.

Donation of Key to the City

Resolution authorizing the City Manager to accept a donation of a ceremonial Key to the City to present to Lillie Bryant Howard (Michelle Kelson)

Una resolución autorizando al Gerente de la Ciudad a aceptar la donación de una llave ceremonial de la Ciudad para ser presentada a Lillie Bryant Howard (Michelle Kelson)

Background:
Submitted at the request of the anonymous donor. Presentation postponed until December at the request of the honoree.

ATTACHMENTS:

Description	Upload Date	Type
Resolution accepting donation of ceremonial key to the City to honor Lillie Bryant Howard	10/11/2017	Resolution Letter

RESOLUTION NO.: ________ - 2017

OF

OCTOBER 23, 2017

A RESOLUTION AUTHORIZING THE CITY MANAGER TO ACCEPT A DONATION OF A CEREMONIAL KEY TO THE CITY TO PRESENT TO LILLIE BRYANT HOWARD

WHEREAS, The City Council of the City of Newburgh intends to honor Lillie Bryant Howard by presenting her with a ceremonial "Key to the City" for her life's work and contributions to the City of Newburgh; and

WHEREAS, a donor who wishes to remain anonymous has purchased said ceremonial "Key to the City" and wants to donate it to the City of Newburgh; and

WHEREAS, this Council deems it to be in the best interests of the City of Newburgh to accept such donation;

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Newburgh, New York that the City Manager be and he is hereby authorized to accept said donation with the appreciation and thanks of the City of Newburgh extended to the anonymous donor for the generous contribution in recognition of a distinguished City resident.

RESOLUTION NO.: ____________ - 2017

OF

OCTOBER 23, 2017

A RESOLUTION ADOPTING THE CITY OF NEWBURGH POST-ISSUANCE COMPLIANCE PROCEDURES FOR TAX-EXEMPT BONDS

BE IT RESOLVED, that the City Council of the City of Newburgh, New York hereby adopts the City of Newburgh Post-Issuance Compliance Procedures for Tax-Exempt Bonds, a copy of which is attached hereto and made a part of this Resolution; and

BE IT FURTHER RESOLVED, that these Procedures shall take effect on November 1, 2017.

CITY OF NEWBURGH
Post-Issuance Compliance Procedures for Tax-Exempt Bonds

I. INTRODUCTION

In order to maintain their preferential tax status, tax-exempt bonds are subject to certain federal tax law requirements both upon issuance of the bonds and on an ongoing basis for the life of the bond issue. Though many requirements are tested at the closing of the bond issue, the ongoing nature of other post-issuance compliance concerns requires issuers to actively monitor compliance throughout the entire period the bonds remain outstanding.

When the City of Newburgh (the "City") issues tax-exempt or tax advantaged obligations (the "Bonds") to finance and refinance various capital improvements, the City is responsible for ensuring that the Bonds maintain compliance with tax law requirements through the Bonds' maturity date. Bonds may include the following:

1. Governmental bonds

2. Qualified private activity bonds

3. Other qualified tax-exempt or tax credit bonds

In order to support the compliance initiatives described above, the City hereby adopts these procedures for monitoring compliance with the Code and Regulations (the "Compliance Procedures"). The City's Comptroller (the "Comptroller") may, from time to time, as may be necessary, review and update the Compliance Procedures. The Compliance Procedures do not address bonds or other financing obligations issued by other City agencies, boards and authorities; it is the intent of the City that such bond-issuing organizations adopt their own post-issuance compliance policies for tax-exempt bonds that they issue. By adopting and implementing these Compliance Procedures, the City hereby formalizes the appropriate procedures and documents existing practices for complying with the Code and Regulations.

II. GENERAL MATTERS

A. Staffing and Education

The City's compliance initiatives are led by the Comptroller, who is designated as the "Compliance Director".

The Compliance Director shall:

i. Assign post-issuance compliance responsibilities to other City staff, Bond Counsel, the Financial Advisor, the Arbitrage Specialist and others as necessary to ensure compliance with the Compliance Procedures.

ii. Provide education and training to appropriate staff members on federal tax law requirements applicable to tax-exempt bonds.

iii. Undergo periodic training to keep up to date with changes in tax laws.

iv. Annually review and update as needed the Compliance Procedures for changes in tax law, procedures and personnel.

B. Bonds Outstanding Schedule

The Compliance Director shall ensure that:

i. A record of the City's outstanding Bonds is maintained (the "Bonds Outstanding Schedule") including dates and amounts of principal outstanding. See sample Bonds Outstanding Schedule attached as Schedule II.

ii. A record of refunding transactions is maintained, either on the Bonds Outstanding Schedule or through some other chart or schedule, detailing refunding and refunded issues.

C. Asset Schedule

The Compliance Director shall direct the Jr. Accountant or other designee to:

i. Establish a record of bond-financed facilities and equipment within the fixed asset system of the City's accounting system for the purpose of maintaining a database for easy reference when compliance issues arise.

ii. Update the fixed asset system with additional facilities and equipment after the expenditure of each new issuance of Bonds or other debt obligations. This update will allow for the tracking of the fixed asset to the corresponding bond issue.

iii. Review the fixed asset system at the close of each fiscal year to determine if any bond-financed facilities have been sold or undergone a change in use that requires further attention. The Compliance Director or Jr. Account/designee shall trace transactions to bonds impacted.

III. RECORD RETENTION

The IRS requires issuers to maintain sufficient records to support bondholders' continued exclusion of interest on the Bonds. Documents required to be held include basic records relating to the bond transaction, documents evidencing the expenditure of bond proceeds, documents evidencing the use of bond-financed property by public and private sources, documents evidencing all sources of payment and security of the bonds and documents pertaining to the investment of bond proceeds.

Material records relating to an issue of Bonds should generally be kept for as long as that issue of Bonds is outstanding, plus 3 years after the final redemption date. If the issue of Bonds is refunded, the tax-exempt status of the refunding bonds depends on the status of the refunded bonds. Thus, records for any refunded issue must be retained through 3 years after the final redemption date of the refunding bonds.

The Compliance Director shall ensure that:

i. There is the establishment, within the Finance Office, of a permanent file for each issue of Bonds upon its closing date with which all material records as identified in Schedule VII shall be kept (the "Permanent File").

ii. Copies of all material records are maintained in the Permanent File for that issue of Bonds through the date that is 3 years after the final maturity date of the issue;

or, if the Bonds are refunded, 3 years after the final maturity date of the refunding Bonds.

iii. Schedules of records retained and their locations for each issue of Bonds (the "Record Retention Schedules") are maintained. Sample Record Retention Schedules are attached as Schedule VII.

iv. Record Retention Schedules are reviewed at the close of each fiscal year for accuracy. If the location of any record has changed, the Compliance Director shall update the Record Retention Schedule.

IV. EXPENDITURE OF PROCEEDS

The Compliance Director shall ensure that:

i. The Project Manager's Certificates are distributed to the appropriate Project Manager(s) before the closing date of each new capital project financing. The Project Manager's Certificate is attached as Schedule I to these Compliance Procedures.

ii. The actual expenditure of proceeds of each issue of Bonds does not deviate materially from the expectations and limitations in the tax certificate for each issue.

iii. For each bond-financed facility, bond proceeds are allocated to expenditures before the earlier of: (i) 18 months after the placed-in-service date of the project or (ii) 60 days after the earlier of the fifth anniversary of the issue date or the retirement of the Bonds. Further clarification of this statement?

iv. The following procedures for allocating expenditures and proceeds are followed:

a. Earnings on new money proceeds are transferred to a "bona fide debt service fund".

b. Expenditures for projects funded from multiple sources (bond proceeds and grants, for example) are specifically traced to appropriate sources as they are incurred.

c. Identify deposits to proceeds accounts which are not investment earnings. If non-proceeds, specifically identify the source of each deposit and allocation of expenditures to those funds.

d. Balances in investment accounts reconcile quarterly to unspent proceeds balances in City's accounting system.

e. Rescissions of unspent bond proceeds are specifically traced until expended in compliance with other governing laws.

v. Ensure that documentation supporting the allocation of bond proceeds to expenditures is recorded and retained in accordance with Section III of this Compliance Plan.

vi. Ensure that the portion of the Debt Service Fund constitutes a "bona fide debt service fund" as defined by the Regulations. Such fund properly matches revenues with principal and interest payments each bond year, and its balance depletes to less than the greater of 1/12th of principal and interest payments or earnings on the fund for the immediately preceding bond year.

V. ARBITRAGE REBATE AND YIELD RESTRICTION

Section 148 of the Code and the related arbitrage Regulations require issuers to "rebate" excess amounts earned as a result of investing tax-exempt bond proceeds. Excess amounts are defined in the Code and Regulations as the amount earned on nonpurpose investments purchased with gross proceeds of an issue over the amount that would have been earned if such investments were at the yield on the issue. Two separate but related sets of rules apply to arbitrage compliance: arbitrage rebate and yield restriction. Under the rebate rules, proceeds may be invested at unrestricted yields, but excess earnings must be timely remitted to the IRS; the yield restriction rules require proceeds to be invested at restricted rates.

The Compliance Director shall ensure the:

i. Completion of the Arbitrage Summary for each bond issue upon issuance of the debt. The Arbitrage Summary is attached to this Compliance Plan as Schedule IV.

ii. The tracking of investment and expenditure of bond proceeds to facilitate tracing of proceeds subject to arbitrage. Such proceeds include sale proceeds, investment proceeds (earnings on proceeds), transferred proceeds (unspent proceeds of refunded bonds which are treated for tax purposes as refunding bond proceeds) and replacement proceeds. Replacement proceeds are funds such as pledged amounts or debt service funds which are viewed by the Treasury as having a "direct nexus" to the issue, which as a result are restricted.

iii. Monitoring of applicable IRS filing dates for arbitrage compliance. At a minimum, arbitrage must be computed for each bond issue every fifth bond year and upon retirement of the issue.

iv. Monitoring of proceeds to determine if they are subject to yield restriction, and if so, maintain compliance with such rules.

v. Certain "spending exceptions to rebate" are permitted under the Regulations. The Compliance Director will be familiar with such spending exceptions and monitor the expenditure of proceeds with the goal of qualifying for a spending exception if the bond-financed project lends itself to such exemption. A summary of available spending exceptions and their benchmarks is attached as Exhibit A.

vi. Retainage of an arbitrage compliance specialist (the "Arbitrage Specialist") to provide arbitrage reports. Is this similar to the tax questionnaires that are filled out every time that we have a refunding or refinance? If not, what are the additional costs to have this completed on an annual basis? Does this have to be in policy?

vii. Completion of the Ongoing Review Arbitrage Checklist (attached as Schedule V) at the end of each fiscal year and/or any applicable arbitrage computation date and provide the checklist to the Arbitrage Specialist. Depending on the answer for vi we can complete the Arbitrage check list but if we do not have to retain an arbitrage specialist in years that we are not refinancing then can we just keep on file and remove the last sentence?

viii. Provision of data as needed to the Arbitrage Specialist as noted on Schedule VII under the headings "Arbitrage Rebate Documents" and "Expenditure of Proceeds". Remove unless it is mandatory that we complete this annually.

ix. Retainage of copies of arbitrage reports and filings with the Internal Revenue Service (IRS Form 8038-T and copy of check). All supporting data for arbitrage reports will also be retained. Is it a requirement to have the independent arbitrage report? What/why would we receive IRS 8038- and or check?

x. Updating of the Arbitrage Analysis Schedule (attached as Schedule VI) annually upon completion of arbitrage computations. ? I assume if we need to retain a specialist then we would need to update.

VI. PRIVATE BUSINESS USE

Certain uses of proceeds of the Bonds can result in private business use, which could lead to a loss of the Bonds' tax-exempt status. An issue of Bonds will lose its tax-exempt status if it meets both the Private Business Use Test and the Private Payment or Security Test. An issue of Bonds meets the Private Business Use Test if more than 10% of the net proceeds of the bond issue is used for any private business use. An issue of Bonds meets the Private Payment or Security Test if more than 10% of the payment of principal or interest on the Bonds is either made or secured (directly or indirectly) by payments or property used or to be used for a private business use.

Management contracts between the City and private parties with respect to bond-financed facilities may satisfy the private business use tests and potentially cause the Bonds to lose their tax-exempt status. The IRS has provided certain safe harbors regarding management service contracts between a tax-exempt organization and a for-profit entity under which no private use will be found. Such safe harbors are detailed in Revenue Procedure 2017-13, which is attached as Exhibit C.

The City's [Counsel] shall:

i. Prior to the City entering into any agreement with respect to the bond-financed facilities, notify the Compliance Director to verify whether or not the agreement will give rise to a violation of the private business use rules. Agreements that must be monitored include leases, management and service contracts, sponsored research agreements, potential unrelated trades or business, partnerships, joint ventures and naming rights agreements.

The Compliance Director shall ensure that:

i. Bond Counsel or other outside counsel is engaged to review any agreements which are believed to result in private business use.

ii. On an annual basis, a review is conducted of the bond-financed facilities listed on the Asset Schedule to identify transactions that could result in private business use. The City Manager or his/her designee will complete the Private Use Review Questionnaire (attached as Schedule III) for each facility.

iii. The amount of private use in financed property as percentage of the issue is estimated. If estimate is greater than 5%, calculate, or hire a third party to calculate, the actual percentage of financed property used in a private business use by entities other than a state or local government. If percentage is greater than 10%, contact bond counsel to pursue remedy.

iv. If any private business use from an unrelated trade or business activity exists, the percentage of financed property used in that manner is calculated. If percentage is greater than 5%, contact bond counsel to pursue a remedy.

VII. REMEDIES

The IRS provides certain remedies to assist issuers in resolving federal tax violations related to their bonds. The IRS administers a Voluntary Closing Agreement Program ("VCAP") designed to offer issuers a streamlined process for remedying post-issuance compliance violations. In general, an issuer will receive more favorable resolution terms under VCAP than for the same tax violation discovered during an examination of the Bonds. The IRS has further provided that issuers that have implemented written procedures such as this Compliance Plan will receive even more favorable treatment under VCAP than if such procedures were not in place.

The Compliance Director shall:

i. Become familiar with the IRS's VCAP procedures, provided as part of this Compliance Plan in Exhibit B. If the Compliance Director determines that a violation has occurred, he or she shall contact Bond Counsel, the Arbitrage Specialist and/or other outside counsel to take action to correct the noncompliance.

VIII. REISSUANCE

The Compliance Director shall:

i. Identify and consult with Bond Counsel regarding any post-issuance change to any terms of an issue of Bonds which could potentially result in the Bonds being treated as reissued for tax purposes.

ii. Confirm with Bond Counsel if a reissuance triggered the need for additional post-issuance compliance actions (for example, final arbitrage computations) and take action to timely maintain compliance.

iii. Confirm with Bond Counsel whether any remedial action taken or contemplated under Section VI of these Compliance Procedures would be treated as a reissuance for tax purposes and, if so, confirm the filing of a new Form 8038-G.

CITY OF NEWBURGH
<u>Post-Issuance Compliance Procedures for Tax-Exempt Bonds</u>

<u>SCHEDULE I</u>
<u>Project Manager's Certificate</u>

$____________
CITY OF NEWBURGH
_____________Bonds
Series________

PROJECT MANAGER'S CERTIFICATE

In connection with the issuance by the City of Newburgh (the "City") of its ____________________ Bonds, Series _____ (the "Series ____ Bonds") and as support for the execution of the Tax Certificate, the undersigned ________________ (the "Project Managers") hereby certify to the best of our knowledge, information and belief the expectations described below. All capitalized undefined terms used herein shall have the meanings ascribed thereto in the Tax Certificate and the Resolution (as such term is defined in the Tax Certificate).

Project Manager is defined, for purposes of this document, as the City personnel responsible for approval of project expenditures and/or manager of the asset(s) constructed, acquired or renovated using Bond Proceeds. This will usually be a division director.

On the basis of the facts, estimates and circumstances in existence on the date hereof, and for so long as the Series _____ Bonds remain outstanding, we reasonably expect the following with respect to (i) the expenditure of the proceeds of the Series _____ Bonds deposited in the ______ Project Account of the Construction Fund to pay Project costs, (ii) the uses of the proceeds in the _____ Project Account of the Construction Fund and (iii) the use of the Project:

(a) The Project will be completed and at least 85 percent of the proceeds in the ______ Project Account of the Construction Fund will be allocated to Project expenditures within three years of the date hereof.

(b) Funding for the construction and operation of the Project shall be provided solely by the City.

(c) The Project will be used solely by the City.

(d) All right and title to the Project will be held solely by the City.

(e) Upon completion thereof, the assets and operation of the Project will be managed by the City.

CITY OF NEWBURGH
Post-Issuance Compliance Procedures for Tax-Exempt Bonds

The Project Managers further acknowledge that they will:

(a) Notify the [MANAGER] immediately upon learning that any of the above described facts, estimates and circumstances may change or have changed during the period the Series _____ Bonds are outstanding.

(b) Monitor spending exception benchmarks for the [18 month exception / 24 month exception] as outlined in the attached Exhibit A.

(c) Communicate to the [MANAGER] at the end of each six month period the amount of proceeds spent in the _____ Project Account of the Construction Fund.

(d) Notify the [MANAGER] if any of the facilities or a portion of the facilities comprising the Project are sold or leased or are expected to be sold or leased.

IN WITNESS HEREOF, we have hereunto set our hands this ___ day of ______, ____.

____
Name

____

Title

CITY OF NEWBURGH
<u>Post-Issuance Compliance Procedures for Tax-Exempt Bonds</u>

SCHEDULE II

BONDS OUTSTANDING SCHEDULE – Updating Currently

[INSERT]

*Update upon Issuance, Retirement and/or Refunding of Bonds

CITY OF NEWBURGH
Post-Issuance Compliance Procedures for Tax-Exempt Bonds

SCHEDULE III

Private Use Review Questionnaire
Complete Annually for Each Bond-Financed Facility

Facility: ______________________________________

Bond Issue: ___________________________________

Review Period: ________________________________

With respect to the bond-financed facility, have any of the following been entered into during the Fiscal Year?	
Management and other service agreements?	
Research contracts?	
Naming rights contracts?	
Change in ownership?	
Leases or subleases?	
Other business arrangements? (joint venture / partnership / LLC, etc)	
Have any special legal rights been given to any other party with respect to the facilities?	
Have the assets been encumbered in any way?	

With respect to the bond-financed facility, what percentage of the facility has been used for private business use? (if greater than zero, attach schedules of calculations)	
By entities other than a state or local government (including the federal government)?	

CITY OF NEWBURGH
Post-Issuance Compliance Procedures for Tax-Exempt Bonds

SCHEDULE IV

Arbitrage Summary
Complete Upon Issuance of Debt

Monitoring

Bond Issue	
Issue date	
Maturity Date	
Bond Year End (1)	
IRS Arbitrage Computation Dates (2)	

Bond Proceeds Tracking (include sale proceeds and all related bond accounts including debt service funds)

Fund Name	Bank Account/ G/L Subaccount #	Deposit Amount	Yield Restriction Date (3)

(1) Bond Year End – Each one year period that ends on the day selected by the issuer. The first and last bond years may be short periods. If no day is selected, bond years end on each anniversary of the issue date and on the final maturity of the issue. The Bond Year End is generally identified in the tax documents, typically the Investment Letter.
(2) IRS Arbitrage Computations occur at a minimum each 5^{th} bond year and upon maturity of the issue.
(3) Proceeds are restricted at the end of the "temporary period" that applies to the proceeds. Temporary periods vary based upon type of financing and type of proceeds. For example, proceeds for capital projects generally have a three year temporary period. The temporary periods are outlined in the tax documents for the financing.

CITY OF NEWBURGH
Post-Issuance Compliance Procedures for Tax-Exempt Bonds

SCHEDULE V

Ongoing Review Arbitrage Checklist

Issue: ____

Computation Date: ____

Initial	
	Review records and identify and account deposits which are not interest income. State whether they are: a) reimbursements of proceeds which effectively reverse prior expenditures, or b) other funds which are commingled in the proceeds account. If they are other funds, provide additional detail concerning the source and nature of the transactions.
	Identify and describe the disposition of all funds which leave an account which are not **actual expenditures** of proceeds. This includes transfers to other accounts. In the case of transfers, describe if the transfers are to reimburse expenses already paid out of the other account, or if they are invested in the other account. If they are invested in the other account, provide detail of the investment and disposition of these funds until spent (including if they are transferred elsewhere). This includes an allocation of interest earnings.
	If credit enhancement or swap terms have been revised, extended or terminated, provide supporting documentation.
	Identify if the bonds have been refunded and/or defeased. If so, provide bond documents for the refunding issue or defeasance documents (including Verification Report).
	Provide copies of all correspondence (including emails) with bond counsel, consultants and/or interdepartmental memos concerning proceeds or decisions that relate to the Bonds.

CITY OF NEWBURGH
<u>Post-Issuance Compliance Procedures for Tax-Exempt Bonds</u>

SCHEDULE VI
Arbitrage Analysis Schedule

Update Annually

CITY OF NEWBURGH
Post-Issuance Compliance Procedures for Tax-Exempt Bonds

SCHEDULE VII
Record Retention Schedule

Bond Issue:______________________________ **Period ended: ___________**

FILE	LOCATION
General	
Audited financial statements	
Appraisals, demand surveys, or feasibility studies, if any, with respect to the facilities	
Trustee or paying agent statements for debt service payments	
Relevant correspondence with respect to the Bonds including but not limited to: consultation with bond counsel, consultants and financial advisors as well as internal project-related correspondence	
The transcript for the Bonds prepared at issuance	
Resolutions of the City with respect to any of the Bonds	
Arbitrage Rebate Documents	
Records of all investments and gains (or losses) from such investments	
Trustee statements or comparable City-generated records detailing investments, investment earnings and disbursements of bond proceeds	
Reimbursement resolutions, if any, and expenditures reimbursed with the proceeds of the Bonds	
Arbitrage rebate and/or yield restriction reports	
Copies of all Form 8038-Ts and checks submitted for rebate and yield reduction payments; copies of all Form 8038-Rs filed and refund checks received	
Documents related to guaranteed investment contracts, certificates of deposit, or other investment agreements	
Documents related to credit enhancement agreements	
Documents related to financial derivatives such as swap transactions and other hedging agreements	
Formal elections authorized by the Code or Regulations with respect to the Bonds	

CITY OF NEWBURGH
Post-Issuance Compliance Procedures for Tax-Exempt Bonds

Expenditure of Proceeds	
Allocations of proceeds to expenditures (including any requisitions, draw schedules, draw requests, invoices, bills, and canceled checks with respect to such expenditures)	
Contracts entered into for the construction, renovation or purchase of bond-financed facilities	
Records of the purchase or sale of bond-financed assets	

CITY OF NEWBURGH
Post-Issuance Compliance Procedures for Tax-Exempt Bonds

Exhibit A

Spending Exceptions to Arbitrage Rebate

(a) Generally. All, or certain discrete portions, of an issue are treated as meeting the Rebate Requirement of Section 148(f) of the Code if one or more of the spending exceptions set forth in this Appendix are satisfied. Use of the spending exceptions is not mandatory, except that where an issuer elects to apply the 1-1/2 percent penalty (as described below) the issuer must apply that penalty to the Construction Issue. An issuer may apply the Rebate Requirement to an issue that otherwise satisfies a spending exception. Special definitions relating to the spending exceptions are contained in section (h) of this Appendix.

Where several obligations that otherwise constitute a single issue are used to finance two or more separate governmental purposes, the issue constitutes a "multipurpose issue" and the bonds, as well as their respective proceeds, allocated to each separate purpose may be treated as separate issues for purposes of the spending exceptions. In allocating an issue among its several separate governmental purposes, "common costs" are generally not treated as separate governmental purposes and must be allocated ratably among the discrete separate purposes unless some other allocation method more accurately reflects the extent to which any particular separate discrete purpose enjoys the economic benefit (or bears the economic burden) of the certain common costs (e.g., a newly funded reserve for a parity issue that is partially new money and partially a refunding for savings on prior bonds).

Separate purposes include refunding a separate prior issue, financing a separate Purpose Investment (e.g., a separate loan), financing a Construction Issue, and any clearly discrete governmental purpose reasonably expected to be financed by the issue. In addition, as a general rule, all integrated or functionally related capital projects qualifying for the same initial temporary period (e.g., 3 years) are treated as having a single governmental purpose. Finally, separate purposes may be combined and treated as a single purpose if the proceeds are eligible for the same initial temporary period (e.g., advance refundings of several separate prior issues could be combined, or several non-integrated and functionally unrelated capital projects such as airport runway improvements and a water distribution system).

The spending exceptions described in this Appendix are applied separately to each separate issue component of a multipurpose issue unless otherwise specifically noted.

(b) Six-Month Exception. An issue is treated as meeting the Rebate Requirement under this exception if (i) the gross proceeds of the issue are allocated to expenditures for the governmental purposes of the issue within the six-month period beginning on the issue date (the "six-month spending period") and (ii) the Rebate Requirement is met for amounts not required to be spent within the six-month spending period (excluding earnings on a bona fide debt service fund). For purposes of the six-month exception, "gross proceeds" means Gross Proceeds other than amounts (i) in a bona fide debt service fund, (ii) in a reasonably required reserve or replacement fund, (iii) that, as of the issue date, are not reasonably expected to be Gross Proceeds but that become Gross Proceeds after the end of the six-month spending period, (iv) that represent Sale Proceeds or Investment Proceeds derived from payments under any Purpose Investment of the issue and (v) that represent repayments of grants (as defined in Treasury Regulation Section 1.148-6(d)(4)) financed by the issue. In the case of an issue no bond of which is a private activity bond or a tax or revenue anticipation bond, the six-month spending period is extended for an additional six months for the portion of the proceeds of the issue which are not expended within the six-month spending period if such portion does not exceed the lesser of five percent of the Proceeds of the issue or $100,000.

(c) 18-Month Exception. An issue is treated as meeting the Rebate Requirement under this exception if all of the following requirements are satisfied:

> (i) the gross proceeds are allocated to expenditures for a governmental purpose of the issue in accordance with the following schedule (the "18-month expenditure schedule") measured from the issue date: (A) at least 15 percent within six months, (B) at least 60 percent within 12 months and (C) 100 percent within 18 months;
>
> (ii) the Rebate Requirement is met for all amounts not required to be spent in accordance with the 18-month expenditure schedule (other than earnings on a bona fide debt service fund); and
>
> (iii) all of the gross proceeds of the issue qualify for the initial temporary period under Treasury Regulation Section 1.148-2(e)(2).

For purposes of the 18-month exception, "gross proceeds" means Gross Proceeds other than amounts (i) in a bona fide debt service fund, (ii) in a reasonably required reserve or replacement fund, (iii) that, as of the issue date, are not reasonably expected to be Gross Proceeds but that become Gross Proceeds after the end of the 18-month expenditure schedule, (iv) that represent Sale Proceeds or Investment Proceeds derived from payments under any Purpose Investment of the issue and (v) that represent repayments of grants (as defined in Treasury Regulation Section 1.148-6(d)(4)) financed by the issue. In addition, for purposes of determining compliance with the first two spending periods, the investment proceeds included in gross proceeds are based on the issuer's reasonable expectations as of the issue date rather than the actual Investment Proceeds; for the third, final period, actual Investment Proceeds earned to date are used in place of the reasonably expected earnings. An issue does not fail to satisfy the spending requirement for the third spending period above as a result of a Reasonable Retainage if the Reasonable Retainage is allocated to expenditures within 30 months of the issue date. The 18-month exception does not apply to an issue any portion of which is treated as meeting the Rebate Requirement as a result of satisfying the two-year exception.

(d) Two-Year Exception. A Construction Issue is treated as meeting the Rebate Requirement for Available Construction Proceeds under this exception if those proceeds are allocated to expenditures for governmental purposes of the issue in accordance with the following schedule (the "two-year expenditure schedule"), measured from the issue date:

> (i) at least 10 percent within six months;
>
> (ii) at least 45 percent within one year;
>
> (iii) at least 75 percent within 18 months; and
>
> (iv) 100 percent within two years.

An issue does not fail to satisfy the spending requirement for the fourth spending period above as a result of unspent amounts for Reasonable Retainage if those amounts are allocated to expenditures within three years of the issue date.

(e) Expenditures for Governmental Purposes of the Issue. For purposes of the spending exceptions, expenditures for the governmental purposes of an issue include payments for interest, but not principal, on the issue and for principal or interest on another issue of obligations. The preceding sentence does not apply for purposes of the 18-month and two-year exceptions if those payments cause the issue to be a refunding issue.

(f) De Minimis Rule. Any failure to satisfy the final spending requirement of the 18-month exception or the two-year exception is disregarded if the issuer exercises due diligence to complete the project financed and the amount of the failure does not exceed the lesser of three percent of the issue price of the issue or $250,000.

(g) Elections Applicable to the Two-Year Exception. An issuer may make one or more of the following elections with respect to the two-year spending exception:

(1) Earnings on Reasonably Required Reserve or Replacement Fund. An issuer may elect on or before the issue date to exclude from Available Construction Proceeds the earnings on any reasonably required reserve or replacement fund. If the election is made, the Rebate Requirement applies to the excluded amounts from the issue date.

(2) Actual Facts. For the provisions relating to the two-year exception that apply based on the issuer's reasonable expectations, an issuer may elect on or before the issue date to apply all of those provisions based on actual facts. This election does not apply for purposes of determining whether an issue is a Construction Issue and if the 1-1/2 percent penalty election is made.

(3) Separate Issue. For purposes of the two-year exception, if any proceeds of any issue are to be used for Construction Expenditures, the issuer may elect on or before the issue date to treat the portion of the issue that is not a refunding issue as two, and only two, separate issues, if (i) one of the separate issues is a Construction Issue, (ii) the issuer reasonably expects, as of the issue date, that such Construction Issue will finance all of the Construction Expenditures to be financed by the issue and (iii) the issuer makes an election to apportion the issue in which it identifies the amount of the issue price of the issue allocable to the Construction Issue.

(4) Penalty in Lieu of Rebate. An issuer of a Construction Issue may irrevocably elect on or before the issue date to pay a penalty (the "1-1/2 percent penalty") to the United States in lieu of the obligation to pay the rebate amount on Available Construction Proceeds upon failure to satisfy the spending requirements of the two-year expenditure schedule. The 1-1/2 percent penalty is calculated separately for each spending period, including each semiannual period after the end of the fourth spending period, and is equal to 1.5 percent times the underexpended proceeds as of the end of the spending period. For each spending period, underexpended proceeds equal the amount of Available Construction Proceeds required to be spent by the end of the spending period, less the amount actually allocated to expenditures for the governmental purposes of the issue by that date. The 1-1/2 percent penalty must be paid to the United States no later than 90 days after the end of the spending period to which it relates. The 1-1/2 percent penalty continues to apply at the end of each spending period and each semiannual period thereafter until the earliest of the following: (i) the termination of the penalty under Treasury Regulation Section 1.148-7(1), (ii) the expenditure of all of the Available Construction Proceeds or (iii) the last stated final maturity date of bonds that are part of the issue and any bonds that refund those bonds. If an issue meets the exception for Reasonable Retainage except that all retainage is not spent within three years of the issue date, the issuer must pay the 1-1/2 percent penalty to the United States for any Reasonable Retainage that was not so spent as of the close of the three-year period and each later spending period.

(h) Special Definitions Relating to Spending Expenditures.

(1) Available Construction Proceeds shall mean, with respect to an issue, the amount equal to the sum of the issue price of the issue, earnings on such issue price, earnings on amounts in any reasonably required reserve or replacement fund not funded from the issue and earnings on all of the foregoing earnings, less the amount of such issue price in any reasonably required reserve or replacement fund and less the issuance costs financed by the issue. For purposes of this definition, earnings include earnings on any tax-exempt bond. For the first three spending periods of the two-year expenditure schedule described in Treasury Regulation Section 1.148-7(e), Available Construction Proceeds include the amount of future earnings that the issuer reasonably expected as of the issue date. For the fourth spending period described in Treasury Regulation Section 1.148-7(e), Available Construction Proceeds include the actual earnings received. Earnings on any reasonably required reserve or replacement fund are Available Construction Proceeds only to the extent that those earnings accrue before the earlier of (i) the date construction is substantially completed or (ii) the date that is two years after the issue date. For this purpose, construction may be treated as substantially completed when the issuer abandons construction or when at least 90 percent of the total costs of the construction that the issuer reasonably expects as of such date will be financed with proceeds of the issue have been allocated to expenditures. If only a portion of the construction is abandoned, the date of substantial completion is the date the non-abandoned portion of the construction is substantially completed.

(2) Construction Expenditures shall mean capital expenditures (as defined in Treasury Regulation Section 1.150-1) that are allocable to the cost of Real Property or Constructed Personal Property. Construction Expenditures do not include expenditures for acquisitions of interest in land or other existing Real Property.

(3) Construction Issue shall mean any issue that is not a refunding issue if (i) the issuer reasonably expects, as of the issue date, that at least 75 percent of the Available Construction Proceeds of the issue will be allocated to Construction Expenditures for property owned by a governmental unit and (ii) any private activity bonds that are part of the issue are private activity bonds issued to financed property to be owned by a governmental unit.

(4) Constructed Personal Property shall mean Tangible Personal Property or Specially Developed Computer Software if (i) a substantial portion of the property is completed more than six months after the earlier of the date construction or rehabilitation commenced and the date the issuer entered into an acquisition contract; (ii) based on the reasonable expectations of the issuer, if any, or representations of the person constructing the property, with the exercise of due diligence, completion of construction or rehabilitation (and delivery to the issuer) could not have occurred within that six-month period; and (iii) if the issuer itself builds or rehabilitates the property, not more than 75 percent of the capitalizable cost is attributable to property acquired by the issuer.

(5) Real Property shall mean land and improvements to land, such as buildings or other inherently permanent structures, including interests in real property. For example, Real Property includes wiring in a building, plumbing systems, central heating or air-conditioning systems, pipes or ducts, elevators, escalators installed in a building, paved parking areas, roads, wharves and docks, bridges, and sewage lines.

(6) Reasonable Retainage shall mean an amount, not to exceed five percent of (i) Available Construction Proceeds as of the end of the two-year expenditure schedule (in the case of the two-year exception to the Rebate Requirement) or (ii) Net Sale Proceeds as of the end of the

18-month expenditure schedule (in the case of the 18-month exception to the Rebate Requirement), that is retained for reasonable business purposes relating to the property financed with the issue. For example, a Reasonable Retainage may include a retention to ensure or promote compliance with a construction contract in circumstances in which the retained amount is not yet payable, or in which the issuer reasonably determines that a dispute exists regarding completion or payment.

(7) Specially Developed Computer Software shall mean any programs or routines used to cause a computer to perform a desired task or set of tasks, and the documentation required to describe and maintain those programs, provided that the software is specially developed and is functionally related and subordinate to Real Property or other Constructed Personal Property.

(8) Tangible Personal Property shall mean any tangible personal other than Real Property, including interests in tangible personal property. For example, Tangible Personal Property includes machinery that is not a structural component of a building, subway cars, fire trucks, automobiles, office equipment, testing equipment, and furnishings.

(i) Special Rules Relating to Refundings.

(1) Transferred Proceeds. In the event that a prior issue that might otherwise qualify for one of the spending exceptions is refunded, then for purposes of applying the spending exceptions to the prior issue, proceeds of the prior issue that become transferred proceeds of the refunding issue continue to be treated as unspent proceeds of the prior issue; if such unspent proceeds satisfy the requirements of one of the spending exceptions then they are not subject to rebate either as proceeds of the prior issue or of the refunding issue. Generally, the only spending exception applicable to refunding issues is the six-month exception. In applying the six-month exception to a refunding of a prior issue, only transferred proceeds of the refunding issue from a taxable prior issue and other amounts excluded from the definition of gross proceeds of the prior issue under the special definition of gross proceeds contained in section (b) above are treated as gross proceeds of the refunding issue and so are subject to the six-month exception applicable to the refunding issue.

(2) Series of Refundings. In the event that an issuer undertakes a series of refundings for a principal purpose of exploiting the difference between taxable and tax-exempt interest rates, the six-month spending exception is measured for all issues in the series commencing on the date the first bond of the series is issued.

(j) Elections Applicable to Pool Bonds. An issuer of a pooled financing issue can elect to apply the spending exceptions separately to each loan from the date such loan is made or, if earlier, on the date one year after the date the pool bonds are issued. In the event this election is made, no spending exceptions are available and the normal Rebate Requirement applies to Gross Proceeds prior to the date on which the applicable spending periods begin. In the event this election is made, the issuer may also elect to make all elections applicable to the two-year spending exception, described in section (g) above, separately for each loan; any such elections that must ordinarily be made prior to the issue date must then be made by the issuer before the earlier of the date the loan is made or one year after the issue date.

CITY OF NEWBURGH
Post-Issuance Compliance Procedures for Tax-Exempt Bonds

Exhibit B

IRS Notice 2008-31
Voluntary Closing Agreement Program
For Tax-Exempt Bonds and Tax Credit Bonds

SECTION 1. PURPOSE

This notice provides information about the voluntary closing agreement program for tax-exempt bonds and tax credit bonds ("TEB VCAP"). In particular, the notice updates procedures whereby issuers of tax-exempt bonds and tax credit bonds can resolve violations of the Internal Revenue Code (the "Code") through closing agreements with the Internal Revenue Service (the "Service"). The Tax Exempt Bonds Compliance & Program Management ("TEB CPM") function of Tax Exempt and Government Entities (TE/GE) is continuing to develop voluntary compliance initiatives to insure compliance by issuers of tax-exempt bonds and tax credit bonds with applicable provisions of the Code. TEB VCAP is part of the TEB CPM voluntary compliance initiatives and provides appropriate remedies when issuers voluntarily come forward and express a desire to resolve violations of the Code. TEB VCAP is intended to encourage issuers and conduit borrowers to exercise due diligence in complying with the Code and to provide a vehicle to correct violations of the Code. It is the continuing policy of the Service to attempt to resolve violations of the Code without taxing bondholders. TEB VCAP reflects this policy.

The Service is continuing to work on more detailed procedures about the program, and intends to provide those procedures in forthcoming guidance. For example, the Service anticipates specifying standardized closing agreement terms and amounts for particular violations.

SECTION 2. CHANGES

This notice modifies and supersedes Notice 2001-60, 2001-2 C.B. 304. In general, Notice 2001-60 is amended by: (1) changing references to Outreach Planning and Review (OPR) to Compliance & Program Management (CPM); (2) incorporating tax credit bonds into the TEB VCAP program; (3) simplifying section 5(a) by referring to Internal Revenue Manual ("IRM") 7.2.3 for the specific information required for a VCAP submission; (4) clarifying that under section 5(b) CPM staff will obtain additional information as needed; (5) clarifying that all information for a VCAP submission must be provided in electronic format; and (6) providing email and regular mail addresses for submissions.

SECTION 3. BACKGROUND

Gross income does not include interest on any state or local bond that meets the requirements of section 103 and related provisions of the Code. A credit against tax is provided to a holder of a qualified tax credit bond issued under sections 54, 1397E or 1400N that meets the requirements of those sections and related provisions of the Code. Under certain circumstances, an issuer may take remedial action under provisions such as sections 1.141-12, 1.142-2, 1.144-2, 1.145-2, and 1.147-2 of the Income Tax Regulations and similar provisions that are applicable to tax credit bonds in order to cure a violation of the Code.

The Service has previously provided formal tax-exempt bond closing agreement programs such as the program described in Rev. Proc. 97-15, 1997-1 C.B. 635. Violations of section 103 and related provisions of the Code that cannot be remediated under existing remedial action provisions or other tax-exempt bond closing agreement programs contained in regulations or other published guidance may be resolved by entering into a closing agreement under TEB VCAP.

Section 7121 of the Code and the regulations thereunder authorize the Commissioner to enter into written closing agreements with any person in connection with the tax liability of such person (or of the person or estate for which he acts). Section 301.7121-1 of the Income Tax Regulations provides, in part, that a closing agreement may be entered into in any case in which there appears to be an advantage in having the case permanently and conclusively closed, or if good and sufficient reasons are shown by the taxpayer for desiring a closing agreement and it is determined by the Commissioner that the United States will sustain no disadvantage through consummation of such an agreement.

SECTION 4. SCOPE OF TEB VCAP

Under TEB VCAP, an issuer may request a closing agreement with respect to its bonds to resolve violations of sections 103, 54, 1397E, 1400N and related provisions of the Code. TEB VCAP is not available when:

(a) Absent extraordinary circumstances, the violation can be remediated under existing remedial action provisions or tax-exempt bond closing agreement programs contained in regulations or other published guidance.

(b) The bond issue is under examination. A bond issue is generally treated as under examination on the date a letter opening an examination on the bond issue is sent.

(c) The tax-exempt status of the bonds or qualified status of tax credit bonds is at issue in any court proceeding or is being considered by the IRS Office of Appeals.

(d) The Service determines that the violation was due to willful neglect.

SECTION 5. PROCEDURES FOR REQUESTING A CLOSING AGREEMENT UNDER TEB VCAP

(a) *Information Required in Requests*. An issuer or its authorized representative requesting a closing agreement must submit the information specified in IRM 7.2.3 and the information reporting return for the applicable bonds on IRS Form 8038 or other comparable form that was filed with respect to the issue. (For convenience of reference, the relevant portions of the Internal Revenue Manual (IRM) are available on the IRS website, at *www.irs.gov*, in the section on the Tax-Exempt Bond Community, under the subheading of Published Guidance.) All information concerning the closing agreement must be submitted under penalty of perjury signed by an official of the issuer with knowledge of the issue and authorized to make the submissions on behalf of the issuer. The request may also contain a Form 2848 with the name, address, phone number, and fax number of an authorized contact person.

(b) *Additional Information for Requests*. CPM staff may require additional information depending on the facts and circumstances. All additional information must be submitted under penalty of perjury signed by the person who initially signed the submission or who would have been authorized to make the original submission.

(c) *Electronic Format*. All information submitted in support of a closing agreement request must be provided in an electronic format that is either emailed in PDF format or provided on a compact disc (“CD”) sent via regular mail to the address provided by this notice. Hard copies of the submissions can be provided but are not required.

(d) *Anonymous Closing Agreement Requests*. An issuer or its authorized representative may initiate discussions regarding the appropriate terms of a closing agreement on an anonymous basis. An anonymous request may be made on behalf of a group of similarly situated issuers. However, the execution of a closing agreement must be between the Service and a disclosed issuer, and all terms of a closing agreement must be consistent with section 7121 of the Code. Until the name of the bond issue is disclosed to the Service, a request for a closing agreement under TEB VCAP will not prevent the Service from beginning an examination of the bond issue. An issue for which a request has been submitted under this paragraph (d) that has been placed under examination prior to the date the issue is identified to the Service will no longer be eligible for TEB VCAP.

(e) *TEB VCAP Mailing Address*. TEB VCAP submissions should be mailed to:

Internal Revenue Service
Attn: TEB VCAP
1122 Town & Country Commons
St. Louis, MO 63017

(f) *TEB VCAP E-Mail Address*. In the alternative, VCAP information may be submitted in PDF format to *TEBVCAP@irs.gov*. TEB CPM will provide an acknowledgement of receipt of an email request.

SECTION 6. CLOSING AGREEMENT TERMS

Closing agreements under TEB VCAP will generally follow the model closing agreement in IRM 4.81.1, Exhibit 9, as the same may be modified or changed. Specific closing agreement terms will depend on the facts and circumstances of the case, including the degree of diligence exercised by the issuer and any conduit borrower. Any standardized closing agreement terms that are developed for TEB VCAP will be set forth in the Internal Revenue Manual and/or other published guidance.

SECTION 7. EFFECT OF CLOSING AGREEMENT EXECUTED UNDER TEB VCAP

A closing agreement properly executed by the issuer and the Service will protect bondholders from including in their gross income any interest on the bonds or from recapturing tax credits during the period specified in the agreement for any violation described in the agreement. A closing agreement executed under section 7121 of the Code shall be final and conclusive except that: (1) the matter it relates to may be reopened in the event of fraud, malfeasance, or misrepresentation of a material fact; (2) it is subject to the sections of the Code that expressly provide that effect be given to their provisions (including any stated exception for section 7122 of the Code) notwithstanding any other law or rule of law; and (3) it is subject to any law, enacted after the date of the agreement, that applies to a tax period ending after the date of the agreement covered by the agreement.

SECTION 8. REQUESTS FOR COMMENTS

We anticipated that TEB VCAP will continue to be expanded and refined over time based on experience and public comment. The Service welcomes comments regarding the format and operation of TEB VCAP, and suggestions with regard to the general framework of closing agreement terms including standardized closing agreement terms and amounts that may be specified for particular violations. Comments should be submitted in writing and should be emailed to *Steven.A.Chamberlin@irs.gov* or mailed to the following address:

Steven A. Chamberlin
Manager, Tax Exempt Bonds
Compliance & Program
Management
SE:T:GE:TEB:CPM
1122 Town & Country Commons
St. Louis, MO 63017

SECTION 9. EFFECT ON OTHER DOCUMENTS

Notice 2001-60, 2001-2 C.B. 304, is modified and superseded.

SECTION 10. EFFECTIVE DATE

TEB VCAP is effective February 27, 2008.

SECTION 11. DRAFTING INFORMATION

The principal authors of this notice are Steven A. Chamberlin of Tax Exempt Bonds Compliance & Program Management, Tax Exempt & Government Entities, and Carla Young of the Office of Associate Chief Counsel (Financial Institutions & Products). For further information regarding this notice, contact Steven Chamberlin at (636) 255-1290 or Carla Young at (202) 622-3980 (not toll-free calls).

CITY OF NEWBURGH
Post-Issuance Compliance Procedures for Tax-Exempt Bonds

Exhibit C

Internal Revenue Service Revenue Procedure 2017-13

[Attached hereto]

26 CFR 601.601: Rules and regulations.
(Also: §§ 141, 145, 1.141-3, 1.145-2)

Rev. Proc. 2017-13

SECTION 1. PURPOSE

This revenue procedure provides safe harbor conditions under which a management contract does not result in private business use of property financed with governmental tax-exempt bonds under § 141(b) of the Internal Revenue Code or cause the modified private business use test for property financed with qualified 501(c)(3) bonds under § 145(a)(2)(B) to be met. This revenue procedure modifies, amplifies, and supersedes Rev. Proc. 2016-44, 2016-36 IRB 316, to address certain types of compensation, the timing of payment of compensation, the treatment of land, and methods of approval of rates. Sections 2.11 through 2.14 of this revenue procedure generally describe the modifications and amplifications made to Rev. Proc. 2016-44 by this revenue procedure.

SECTION 2. BACKGROUND

.01 Section 103(a) provides that, except as provided in § 103(b), gross income does not include interest on any State or local bond. Section 103(b)(1) provides that § 103(a) shall not apply to any private activity bond that is not a qualified bond (within the meaning of § 141). Section 141(a) provides that the term “private activity bond” means any bond issued as part of an issue (1) that meets the private business use test and private security or payment test, or (2) that meets the private loan financing test.

.02 Section 141(b)(1) provides generally that an issue meets the private business use test if more than 10 percent of the proceeds of the issue are to be used for any private business use. Section 141(b)(6) defines “private business use” as use (directly or indirectly) in a trade or business carried on by any person other than a governmental unit. For this purpose, any activity carried on by a person other than a natural person must be treated as a trade or business.

.03 Section 1.141-3(a)(1) of the Income Tax Regulations provides, in part, that the 10 percent private business use test of § 141(b)(1) is met if more than 10 percent of the proceeds of an issue is used in a trade or business of a nongovernmental person. For this purpose, the use of financed property is treated as the direct use of proceeds. Section 1.141-3(a)(2) provides that, in determining whether an issue meets the private business use test, it is necessary to look at both indirect and direct use of proceeds. Proceeds are treated as used in the trade or business of a nongovernmental person if a nongovernmental person, as a result of a single transaction or a series of related transactions, uses property acquired with the proceeds of an issue.

.04 Section 1.141-3(b)(1) provides that both actual and beneficial use by a nongovernmental person may be treated as private business use. In most cases, the private business use test is met only if a nongovernmental person has special legal entitlements to use the financed property under an arrangement with the issuer. In general, a nongovernmental person is treated as a private business user as a result of ownership; actual or beneficial use of property pursuant to a lease, a management contract, or an incentive payment contract; or certain other arrangements such as a take or pay or other output-type contract.

.05 Section 1.141-3(b)(3) provides generally that the lease of financed property to a nongovernmental person is private business use of that property. For this purpose, any arrangement that is properly characterized as a lease for federal income tax purposes is treated as a lease. Section 1.141-3(b)(3) further provides that, in determining whether a management contract is properly characterized as a lease, it is necessary to consider all the facts and circumstances, including the following factors: (1) the degree of control over the property that is exercised by a nongovernmental person; and (2) whether a nongovernmental person bears the risk of loss of the financed property.

.06 Section 1.141-3(b)(4)(i) provides generally that a management contract with respect to financed property may result in private business use of that property, based on all of the facts and circumstances. A management contract with respect to financed property generally results in private business use of that property if the contract provides for compensation for services rendered with compensation based, in whole or in part, on a share of net profits from the operations of the facility. Section 1.141-3(b)(4)(iv) provides generally that a management contract with respect to financed property results in private business use of that property if the service provider is treated as the lessee or owner of financed property for federal income tax purposes.

.07 Section 1.141-3(b)(4)(ii) defines "management contract" as a management, service, or incentive payment contract between a governmental person and a service provider under which the service provider provides services involving all, a portion, or any function, of a facility. For example, a contract for the provision of management services for an entire hospital, a contract for management services for a specific department of a hospital, and an incentive payment contract for physician services to patients of a hospital are each treated as a management contract.

.08 Section 1.141-3(b)(4)(iii) provides that the following arrangements generally are not treated as management contracts that give rise to private business use:
(A) contracts for services that are solely incidental to the primary governmental function or functions of a financed facility (for example, contracts for janitorial, office equipment repair, hospital billing, or similar services); (B) the mere granting of admitting privileges by a hospital to a doctor, even if those privileges are conditioned on the provision of de minimis services if those privileges are available to all qualified physicians in the area, consistent with the size and nature of the hospital’s facilities; (C) a contract to provide for the operation of a facility or system of facilities that consists primarily of public utility property, if the only compensation is the reimbursement of actual and direct expenses of the service provider and reasonable administrative overhead expenses of the service provider; and (D) a contract to provide for services, if the only compensation is the reimbursement of the service provider for actual and direct expenses paid by the service provider to unrelated parties.

.09 Section 141(e) provides, in part, that the term “qualified bond” includes a qualified 501(c)(3) bond if certain requirements stated therein are met. Section 145(a) provides generally that “qualified 501(c)(3) bond” means any private activity bond issued as part of an issue if (1) all property that is to be provided by the net proceeds of the issue is to be owned by a 501(c)(3) organization or a governmental unit, and (2) such bond would not be a private activity bond if (A) 501(c)(3) organizations were treated as governmental units with respect to their activities that do not constitute unrelated trades or businesses, determined by applying § 513(a), and (B) § 141(b)(1) and (2) were applied by substituting “5 percent” for “10 percent” each place it appears and by substituting “net proceeds” for “proceeds” each place it appears. Section 1.145-2 provides that, with certain exceptions and modifications, §§ 1.141-0 through 1.141-15 apply to § 145(a).

.10 Rev. Proc. 2016-44 provides safe harbor conditions under which a management contract does not result in private business use of property financed with governmental tax-exempt bonds under § 141(b) or cause the modified private business use test for property financed with qualified 501(c)(3) bonds under § 145(a)(2)(B) to be met. Rev. Proc. 2016-44 modified and superseded Rev. Proc. 97-13, 1997-1 C.B. 632; Rev. Proc. 2001-39, 2001-2 C.B. 38; and section 3.02 of Notice 2014-67, 2014-46 I.R.B. 822.

.11 Section 5.02 of Rev. Proc. 2016-44 sets forth general financial requirements for management compensation arrangements eligible for the safe harbor. Sections 5.02(2) and 5.02(3) of Rev. Proc. 2016-44 provide that the contract must neither provide to the service provider a share of net profits nor impose on the service provider the burden of bearing any share of net losses from the operation of the managed property. Before the publication of Rev. Proc. 2016-44, previously applicable revenue procedures expressly treated certain types of compensation, including capitation fees, periodic fixed fees, and per-unit fees (as defined therein), as not providing a share of net profits. Questions have arisen regarding whether these common types of compensation continue to be treated in a similar manner under Rev. Proc. 2016-44. Related questions have arisen about whether a service provider's payment of expenses of the operation of the managed property without reimbursement from the qualified user (as defined in section 4.04 of Rev. Proc. 2016-44) affects the treatment of these types of compensation. To provide continuity with the previous safe harbors, this revenue procedure clarifies that these types of compensation and certain incentive compensation will not be treated as providing a share of net profits or requiring the service provider to bear a share of net losses.

.12 Sections 5.02(2) and 5.02(3) of Rev. Proc. 2016-44 also provide that the timing of payment of compensation cannot be contingent upon net profits or net losses from the operation of the managed property. Questions have arisen about the effect of these restrictions on the timing of payment of compensation. This revenue procedure clarifies that compensation subject to an annual payment requirement and reasonable consequences for late payment (such as interest charges or late payment fees) will not be treated as contingent upon net profits or net losses if the contract includes a requirement that the qualified user will pay the deferred compensation within five years of the original due date of the payment.

.13. Section 5.03 of Rev. Proc. 2016-44 provides that the term of the contract, including all renewal options (as defined in § 1.141-1(b)), must be no greater than the lesser of 30 years or 80 percent of the weighted average reasonably expected economic life of the managed property. For this purpose, under Rev. Proc. 2016-44, economic life is determined in the same manner as under § 147(b), but without regard to §147(b)(3)(B)(ii), as of the beginning of the term of contract. Section 147(b)(3)(B)(i) provides that generally land is not taken into account, but § 147(b)(3)(B)(ii) provides that if 25 percent or more of the net proceeds of any issue is to be used to finance the acquisition of land, such land shall be taken into account and treated as having an economic life of 30 years. Questions have arisen about excluding land when the cost of the land accounts for a significant portion of the managed property. This revenue procedure provides that economic life is determined in the same manner as under § 147(b) as of the beginning of the term of the contract. Thus, land will be treated as having an economic life of 30 years if 25 percent or more of the net proceeds of the issue that finances the managed property is to be used to finance the costs of such land.

.14 Section 5.04 of Rev. Proc. 2016-44 provides that the qualified user must exercise a significant degree of control over the use of the managed property. Section 5.04 of Rev. Proc. 2016-44 further provides that this requirement is met if the contract requires the qualified user to approve, among other things, the rates charged for use of the managed property. Section 5.04 of Rev. Proc. 2016-44 also provides that a qualified user may show approval of rates charged for use of the managed property by either expressly approving such rates (or the methodology for setting such rates) or by including in the contract a requirement that service provider charge rates that are reasonable and customary as specifically determined by an independent third party. Questions have arisen about the requirement to approve the rates in various circumstances in which it may not be feasible to approve each specific rate charged, such as for a physician's professional services at a § 501(c)(3) hospital or hotel room rates at a governmentally-owned hotel. This revenue procedure clarifies that a qualified user may satisfy the approval of rates requirement by approving a reasonable general description of the method used to set the rates or by requiring that the service provider charge rates that are reasonable and customary as specifically determined by, or negotiated with, an independent third party.

SECTION 3. SCOPE

This revenue procedure applies to a management contract (as defined in section 4.03 of this revenue procedure) involving managed property (as defined in section 4.04 of this revenue procedure) financed with the proceeds of an issue of governmental bonds (as defined in § 1.141-1(b)) or qualified 501(c)(3) bonds (as defined in § 145).

SECTION 4. DEFINITIONS

For purposes of this revenue procedure, the following definitions apply:

.01 Capitation fee means a fixed periodic amount for each person for whom the service provider or the qualified user assumes the responsibility to provide all needed services for a specified period so long as the quantity and type of services actually provided to such persons varies substantially. For example, a capitation fee includes a fixed dollar amount payable per month to a medical service provider for each member of a health maintenance organization plan for whom the provider agrees to provide all needed medical services for a specified period. A fixed periodic amount may include an automatic increase according to a specified, objective, external standard that is not linked to the output or efficiency of the managed property. For example, the Consumer Price Index and similar external indices that track increases in prices in an area or increases in revenues or costs in an industry are objective, external standards. A capitation fee may include a variable component of up to 20 percent of the total capitation fee designed to protect the service provider against risk such as risk of catastrophic loss.

.02 Eligible expense reimbursement arrangement means a management contract under which the only compensation consists of reimbursements of actual and direct expenses paid by the service provider to unrelated parties and reasonable related administrative overhead expenses of the service provider.

.03 Management contract means a management, service, or incentive payment contract between a qualified user and a service provider under which the service provider provides services for a managed property. A management contract does not include a contract or portion of a contract for the provision of services before a managed property is placed in service (for example, pre-operating services for construction design or construction management).

.04 Managed property means the portion of a project (as defined in § 1.141-6(a)(3)) with respect to which a service provider provides services.

.05 Periodic fixed fee means a stated dollar amount for services rendered for a specified period of time. For example, a stated dollar amount per month is a periodic fixed fee. The stated dollar amount may automatically increase according to a specified, objective external standard that is not linked to the output or efficiency of the managed property. For example, the Consumer Price Index and similar external indices that track increases in prices in an area or increases in revenues or costs in an industry are objective external standards. Capitation fees and per-unit fees are not periodic fixed fees.

.06 Per-unit fee means a fee based on a unit of service provided specified in the contract or otherwise specifically determined by an independent third party, such as the administrator of the Medicare program, or the qualified user. For example, a stated dollar amount for each specified medical procedure performed, car parked, or passenger mile is a per-unit fee. Separate billing arrangements between physicians and hospitals are treated as per-unit fee arrangements. A fee that is a stated dollar amount specified in the contract does not fail to be a per-unit fee as a result of a provision under which the fee may automatically increase according to a specified, objective, external standard that is not linked to the output or efficiency of the managed property. For example, the Consumer Price Index and similar external indices that track increases in prices in an area or increases in revenues or costs in an industry are objective, external standards.

.07 Qualified user means, for projects (as defined in § 1.141-6(a)(3)) financed with governmental bonds, any governmental person (as defined in § 1.141-1(b)) or, for projects financed with qualified 501(c)(3) bonds, any governmental person or any 501(c)(3) organization with respect to its activities which do not constitute an unrelated trade or business, determined by applying § 513(a).

.08 Service provider means any person other than a qualified user that provides services to, or for the benefit of, a qualified user under a management contract.

.9 Unrelated parties means persons other than either: (1) a related party (as defined in § 1.150-1(b)) to the service provider or (2) a service provider's employee.

SECTION 5. SAFE HARBOR CONDITIONS UNDER WHICH MANAGEMENT CONTRACTS DO NOT RESULT IN PRIVATE BUSINESS USE

.01 In general. If a management contract meets all of the applicable conditions of sections 5.02 through section 5.07 of this revenue procedure, or is an eligible expense reimbursement arrangement, the management contract does not result in private business use under § 141(b) or 145(a)(2)(B). Further, under section 5.08 of this revenue procedure, use functionally related and subordinate to a management contract that meets these conditions does not result in private business use.

.02 General financial requirements.

(1) In general. The payments to the service provider under the contract must be reasonable compensation for services rendered during the term of the contract. Compensation includes payments to reimburse actual and direct expenses paid by the service provider and related administrative overhead expenses of the service provider.

(2) No net profits arrangements. The contract must not provide to the service provider a share of net profits from the operation of the managed property. Compensation to the service provider will not be treated as providing a share of net profits if no element of the compensation takes into account, or is contingent upon, either the managed property's net profits or both the managed property's revenues and

expenses (other than any reimbursements of direct and actual expenses paid by the service provider to unrelated third parties) for any fiscal period. For this purpose, the elements of the compensation are the eligibility for, the amount of, and the timing of the payment of the compensation. Incentive compensation will not be treated as providing a share of net profits if the eligibility for the incentive compensation is determined by the service provider's performance in meeting one or more standards that measure quality of services, performance, or productivity, and the amount and the timing of the payment of the compensation meet the requirements of this section 5.02(2).

(3) <u>No bearing of net losses of the managed property</u>.

(a) The contract must not, in substance, impose upon the service provider the burden of bearing any share of net losses from the operation of the managed property. An arrangement will not be treated as requiring the service provider to bear a share of net losses if:

(i) The determination of the amount of the service provider's compensation and the amount of any expenses to be paid by the service provider (and not reimbursed), separately and collectively, do not take into account either the managed property's net losses or both the managed property's revenues and expenses for any fiscal period; and

(ii) The timing of the payment of compensation is not contingent upon the managed property's net losses.

(b) For example, a service provider whose compensation is reduced by a stated dollar amount (or one of multiple stated dollar amounts) for failure to keep the managed property's expenses below a specified target (or one of multiple specified targets) will not be treated as bearing a share of net losses as a result of this reduction.

(4) Treatment of certain types of compensation. Without regard to whether the service provider pays expenses with respect to the operation of the managed property without reimbursement by the qualified user, compensation for services will not be treated as providing a share of net profits or requiring the service provider to bear a share of net losses under sections 5.02(2) and 5.02(3) of this revenue procedure if the compensation for services is: (a) based solely on a capitation fee, a periodic fixed fee, or a per-unit fee; (b) incentive compensation described in the last sentence of section 5.02(2) of this revenue procedure; or (c) a combination of these types of compensation.

(5) Treatment of timing of payment of compensation. Deferral due to insufficient net cash flows from the operation of the managed property of the payment of compensation that otherwise meets the requirements of sections 5.02(2) and 5.02(3) of this revenue procedure will not cause the deferred compensation to be treated as contingent upon net profits or net losses under sections 5.02(2) and 5.02(3) of this revenue procedure if the contract includes requirements that:

(a) The compensation is payable at least annually;

(b) The qualified user is subject to reasonable consequences for late payment, such as reasonable interest charges or late payment fees; and

(c) The qualified user will pay such deferred compensation (with interest or late payment fees) no later than the end of five years after the original due date of the payment.

.03 Term of the contract and revisions. The term of the contract, including all renewal options (as defined in § 1.141-1(b)), must not be greater than the lesser of 30 years or 80 percent of the weighted average reasonably expected economic life of the managed property. For this purpose, economic life is determined in the same manner as under § 147(b) as of the beginning of the term of the contract. A contract that is materially modified with respect to any matters relevant to this section 5 is retested under this section 5 as a new contract as of the date of the material modification.

.04 Control over use of the managed property. The qualified user must exercise a significant degree of control over the use of the managed property. This control requirement is met if the contract requires the qualified user to approve the annual budget of the managed property, capital expenditures with respect to the managed property, each disposition of property that is part of the managed property, rates charged for the use of the managed property, and the general nature and type of use of the managed property (for example, the type of services). For this purpose, for example, a qualified user may show approval of capital expenditures for a managed property by approving an annual budget for capital expenditures described by functional purpose and specific maximum amounts; and a qualified user may show approval of dispositions of property that is part of the managed property in a similar manner. Further, for example, a qualified user may show approval of rates charged for use of the managed property by expressly approving such rates or a general description of the methodology for setting such rates (such as a method that establishes hotel room rates using specified revenue goals based on comparable properties), or by requiring that the service provider charge rates that are reasonable and customary as specifically determined by, or negotiated with, an independent third party (such as a medical insurance company).

.05 Risk of loss of the managed property. The qualified user must bear the risk of loss upon damage or destruction of the managed property (for example, due to force majeure). A qualified user does not fail to meet this risk of loss requirement as a result of insuring against risk of loss through a third party or imposing upon the service provider a penalty for failure to operate the managed property in accordance with the standards set forth in the management contract.

.06 No inconsistent tax position. The service provider must agree that it is not entitled to and will not take any tax position that is inconsistent with being a service provider to the qualified user with respect to the managed property. For example, the service provider must agree not to claim any depreciation or amortization deduction, investment tax credit, or deduction for any payment as rent with respect to the managed property.

.07 No circumstances substantially limiting exercise of rights.

(1) In general. The service provider must not have any role or relationship with the qualified user that, in effect, substantially limits the qualified user's ability to exercise its rights under the contract, based on all the facts and circumstances.

(2) Safe harbor. A service provider will not be treated as having a role or relationship prohibited under section 5.07(1) of this revenue procedure if:

(a) No more than 20 percent of the voting power of the governing body of the qualified user is vested in the directors, officers, shareholders, partners, members, and employees of the service provider, in the aggregate;

(b) The governing body of the qualified user does not include the chief executive officer of the service provider or the chairperson (or equivalent executive) of the service provider's governing body; and

(c) The chief executive officer of the service provider is not the chief executive officer of the qualified user or any of the qualified user's related parties (as defined in §1.150-1(b)).

(3) For purposes of section 5.07(2) of this revenue procedure, the phrase "service provider" includes the service provider's related parties (as defined in §1.150-1(b)) and the phrase "chief executive officer" includes a person with equivalent management responsibilities.

.08 Functionally related and subordinate use. A service provider's use of a project (as defined in § 1.141-6(a)(3)) that is functionally related and subordinate to performance of its services under a management contract for managed property that meets the conditions of this section 5 does not result in private business use of that project. For example, use of storage areas to store equipment used to perform activities required under a management contract that meets the requirements of this section 5 does not result in private business use.

SECTION 6. EFFECT ON OTHER DOCUMENTS

Rev. Proc. 2016-44 is modified, amplified, and superseded.

SECTION 7. DATE OF APPLICABILITY

This revenue procedure applies to any management contract that is entered into on or after January 17, 2017, and an issuer may apply this revenue procedure to any management contract that was entered into before January 17, 2017. In addition, an issuer may apply the safe harbors in Rev. Proc. 97-13, as modified by Rev. Proc. 2001-39 and amplified by Notice 2014-67, to a management contract that is entered into before August 18, 2017 and that is not materially modified or extended on or after August 18, 2017 (other than pursuant to a renewal option as defined in § 1.141-1(b)).

SECTION 8. DRAFTING INFORMATION

The principal authors of this revenue procedure are Johanna Som de Cerff and David White of the Office of Associate Chief Counsel (Financial Institutions & Products). For further information regarding this revenue procedure, contact David White on (202) 317-6980 (not a toll free call).

RESOLUTION NO.: ____________-2017

OF

OCTOBER 23, 2017

A RESOLUTION AUTHORIZING THE EXECUTION OF A RELEASE OF RESTRICTIVE COVENANTS AND RIGHT OF RE-ENTRY FROM A DEED ISSUED TO JOSEPH AFONSO AND MARIA AFONSO TO THE PREMISES KNOWN AS 387 THIRD STREET (SECTION 12, BLOCK 1, LOT 1)

WHEREAS, on January 9, 2017, the City of Newburgh conveyed property located at 387 Third Street, being more accurately described on the official Tax Map of the City of Newburgh as Section 12, Block 1, Lot 1, to Joseph Afonso and Maria Afonso; and

WHEREAS, the Afonso's have requested a release of the restrictive covenants contained in said deed; and

WHEREAS, the appropriate departments have reviewed their files and advised that the covenants have been complied with, and recommends such release be granted; and

WHEREAS, this Council believes it is in the best interest of the City of Newburgh to grant such request;

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Newburgh, New York that the City Manager be and he is hereby authorized to execute the release, annexed hereto and made a part of this resolution, of restrictive covenants numbered 1, 2, 3, 4, and 5 of the aforementioned deed.

RELEASE OF COVENANTS AND
RIGHT OF RE-ENTRY

KNOWN ALL PERSONS BY THESE PRESENTS, that the City of Newburgh, a municipal corporation organized and existing under the Laws of the State of New York, and having its principal office at City Hall, 83 Broadway, Newburgh, New York 12550, in consideration of TEN ($10.00) DOLLARS lawful money of the United States and other good and valuable consideration, receipt of which is hereby acknowledged, does hereby release and forever quitclaim the premises described as 387 Third Street, Section 12, Block 1, Lot 1, on the Official Tax Map of the City of Newburgh, from those restrictive covenants numbered 1, 2, 3, 4 and 5 in a deed dated January 9, 2017, from the CITY OF NEWBURGH to JOSEPH AFONSO and MARIA AFONSO, recorded in the Orange County Clerk's Office on March 1, 2017, in Liber 14189 of Deeds at Page 1590 and does further release said premises from the right of re-entry reserved in favor of the City of Newburgh as set forth in said deed.

Dated: __________________, 2017

THE CITY OF NEWBURGH

By: ________________________________
Michael G. Ciaravino, City Manager
Per Resolution No.: _________-2017

STATE OF NEW YORK)
)ss.:
COUNTY OF ORANGE)

On the ________ day of ___________________ in the year 2017, before me, the undersigned, a Notary Public in and for said State, personally appeared MICHAEL G. CIARAVINO, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted; executed the instrument.

____

RECORD & RETURN TO:
Joseph Afonso
Maria Afonso
144 Marino Drive
Wallkill, NY 12589

City of Newburgh

Building Inspectors Office

123 Grand Street

Newburgh, New York 12550

Memo To: Michelle Kelson, Corporation Counsel

Memo From: Steve Hunter Code Compliance Supervisor

Date: October 11, 2017

Re: 387 Third Street, NY 12-1-1

Release of Restrictive Covenants

received 10/11/17

I have reviewed the file for the above named property. There is a valid Certificate of Occupancy on file and there are no outstanding violations, no open permits at this time. A photo of the property is attached.

This office has no objections to the release of the restrictive covenants.

CITY OF NEWBURGH
OFFICE OF CODE COMPLIANCE
22 Grand St Newburgh, N.Y.

CERTIFICATE OF OCCUPANCY

To the owner or lessee of the building or premises Issued: Aug 3, 2017

Location of Property: 387 Third Street

Owned By: JOSEPH AND MARIA AFONSO
14 Marino
Wallkill NY 12589

This Certificate Is Issued Subject To The Limitations Hereinafter Specified

PERMISSIBLE USE AND OCCUPANCY

STORY	SECTION	NUMBER OF PERSONS WHO MAY OCCUPY	USE (OCCUPANCY CLASS)
1st and 2nd Floor	Complete	6 Occupants	One Family Residential

Section: 12 Block: 1 Lot: 1 Receipt Number:

Tax Map Address If Different:

SECTION 122-21 (C) OF THE CODE OF ORDINANCES OF THE CITY OF NEWBURGH STATES:

"No change shall be made in the use or type of occupancy of an existing building unless a certificate of occupancy authorizing such change shall have made by the building official."

Certificate will be null and void if altered in any manner or if additions are made

Inspection Date: Jul 31, 2017

CODE COMPLIANCE SUPERVISOR

THIS CERTIFICATE MUST BE CONSPICUOUSLY POSTED ON THE PREMISES

RESOLUTION NO.: ____________-2017

OF

OCTOBER 23, 2017

A RESOLUTION AUTHORIZING THE EXECUTION OF A RELEASE OF RESTRICTIVE COVENANTS AND RIGHT OF RE-ENTRY FROM A DEED ISSUED TO JOSEPH AFONSO AND MARIA AFONSO TO THE PREMISES KNOWN AS 251 POWELL AVENUE (SECTION 7, BLOCK 7, LOT 20)

WHEREAS, on January 9, 2017, the City of Newburgh conveyed property located at 251 Powell Avenue, being more accurately described on the official Tax Map of the City of Newburgh as Section 7, Block 7, Lot 20, to Joseph Afonso and Maria Afonso; and

WHEREAS, the Afonso's have requested a release of the restrictive covenants contained in said deed; and

WHEREAS, the appropriate departments have reviewed their files and advised that the covenants have been complied with, and recommends such release be granted; and

WHEREAS, this Council believes it is in the best interest of the City of Newburgh to grant such request;

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Newburgh, New York that the City Manager be and he is hereby authorized to execute the release, annexed hereto and made a part of this resolution, of restrictive covenants numbered 1, 2, 3, 4, and 5 of the aforementioned deed.

RELEASE OF COVENANTS AND
RIGHT OF RE-ENTRY

KNOWN ALL PERSONS BY THESE PRESENTS, that the City of Newburgh, a municipal corporation organized and existing under the Laws of the State of New York, and having its principal office at City Hall, 83 Broadway, Newburgh, New York 12550, in consideration of TEN ($10.00) DOLLARS lawful money of the United States and other good and valuable consideration, receipt of which is hereby acknowledged, does hereby release and forever quitclaim the premises described as 251 Powell Avenue , Section 7, Block 7, Lot 20, on the Official Tax Map of the City of Newburgh, from those restrictive covenants numbered 1, 2, 3, 4 and 5 in a deed dated January 9, 2017, from the CITY OF NEWBURGH to JOSEPH AFONSO and MARIA AFONSO, recorded in the Orange County Clerk's Office on February 28, 2017, in Liber 14189 of Deeds at Page 1051 and does further release said premises from the right of re-entry reserved in favor of the City of Newburgh as set forth in said deed.

Dated: _________________, 2017

THE CITY OF NEWBURGH

By: ______________________________
Michael G. Ciaravino, City Manager
Per Resolution No.: ________-2017

STATE OF NEW YORK)
)ss.:
COUNTY OF ORANGE)

On the ________ day of __________________ in the year 2017, before me, the undersigned, a Notary Public in and for said State, personally appeared MICHAEL G. CIARAVINO, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted; executed the instrument.

____

RECORD & RETURN TO:
Joseph Afonso
Maria Afonso
144 Marino Drive
Wallkill, NY 12589

City of Newburgh

Building Inspectors Office

123 Grand Street

Newburgh, New York 12550

Memo To: Michelle Kelson, Corporation Counsel

Memo From: Steve Hunter Code Compliance Supervisor

Date: October 11, 2017

Re: 251 Powell Ave, NY 7-7-20

Release of Restrictive Covenants

Received 10/11/17

I have reviewed the file for the above named property. There is a valid Certificate of Occupancy on file and there are no outstanding violations, no open permits at this time. A photo of the property is attached.

This office has no objections to the release of the restrictive covenants.

CITY OF NEWBURGH
OFFICE OF BUILDING INSPECTOR
City Hall NEWBURGH, N. Y.

Date December 23, 1986

CERTIFICATE OF OCCUPANCY

To the owner or lessee of the building or premises:

Located at: 251 Powell Avenue

Owned by: Dennis Bender

This Certificate Is Issued Subject To The Limitations Hereinafter Specified

PERMISSIBLE USE AND OCCUPANCY

STORY	SECTION	NUMBER OF PERSONS WHO MAY OCCUPY	USE
Basement	Complete	Two Occupants	One Family Residential
First	Complete	Two Occupants	One Family Residential
Second	Complete	Two Occupants	One Family Residential

New Owner ______________ DATE OF INSPECTION: 12-22-86

SECTION 5-32 (c) OF THE CODE OF ORDINANCES OF THE CITY OF NEWBURGH READS,
"No change shall be made in the use or type of occupancy of an existing building unless a certificate of occupancy authorizing such change shall have been issued by the building official."

Certificate will be null and void if altered in any manner or if additions are made.

Robert D. [illegible]

Building Inspector

This certificate must be conspicuously posted on the premises.

RESOLUTION NO.: _______- 2017

OF

OCTOBER 23, 2017

A RESOLUTION TO AUTHORIZE THE CONVEYANCE OF REAL PROPERTY KNOWN AS 256 NORTH STREET (SECTION 3, BLOCK 12, LOT 18) AT PRIVATE SALE TO RAYMUNDO MERA FOR THE AMOUNT OF $99,000.00

WHEREAS, the City of Newburgh has acquired title to several parcels of real property by foreclosure *In Rem* pursuant of Article 11 Title 3 of the Real property Tax law of the State of New York; and

WHEREAS, pursuant to Section 1166 of the Real Property Tax Law the City may sell properties acquired by foreclosure *In Rem* at private sale; and

WHEREAS, the City of Newburgh desires to sell 256 North Street, being more accurately described as Section 3, Block 12, Lot 18 on the official tax map of the City of Newburgh; and

WHEREAS, the prospective buyer has offered to purchase this property at private sale; and

WHEREAS, this Council has determined that it would be in the best interests of the City of Newburgh to sell said property to the prospective buyer for the sum as outlined below, and upon the same terms and conditions annexed hereto and made a part hereof,

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Newburgh, New York, that the sale of the following property to the indicated purchasers be and hereby is confirmed and the City Manager is authorized and directed to execute and deliver a quitclaim deed to said purchaser upon receipt of the indicated purchase price in money order, good certified or bank check, made payable to **THE CITY OF NEWBURGH,** such sums are to be paid on or before January 26, 2018, being approximately ninety (90) days from the date of this resolution; and

Property address	Section, Block, Lot	Purchaser	Purchase Price
256 North Street	3 – 12 – 18	Raymundo Mera	$99,000.00

BE IT FURTHER RESOLVED, by the Council of the City of Newburgh, New York, that the parcel is not required for public use.

Terms and Conditions Sale
256 North Street, City of Newburgh (3-12-18)

STANDARD TERMS:

1. City of Newburgh acquired title to these properties in accordance with Article 11 of the Real Property Tax Law of the State of New York, and all known rights of redemption under said provisions of law have been extinguished by the tax sale proceedings and/or as a result of forfeiture.
2. For purposes of these Terms and Conditions, parcel shall be defined as a section, block and lot number.
3. All real property, including any buildings thereon, is sold "AS IS" and without any representation or warranty whatsoever as to the condition or title, and subject to: (a) any state of facts an accurate survey or personal inspection of the premises would disclose; (b) applicable zoning/land use/building regulations; (c) water and sewer assessments are the responsibility of the purchaser, whether they are received or not; (d) easements, covenants, conditions and rights-of-way of record existing at the time of the levy of the tax, the non-payment of which resulted in the tax sale in which City of Newburgh acquired title; and (e) for purposes of taxation, the purchaser shall be deemed to be the owner prior to the next applicable taxable status date after the date of sale.
4. The properties are sold subject to unpaid school taxes for the tax year of 2017-2018, and also subject to all school taxes levied subsequent to the date of the City Council resolution authorizing the sale. The purchaser shall reimburse the City for any school taxes paid by the City for the tax year 2017-2018, and subsequent levies up to the date of the closing. Upon the closing, the properties shall become subject to taxation. Water and sewer charges and sanitation fees will be paid by the City to the date of closing.
5. **WARNING: FAILURE TO COMPLY WITH THE TERMS OF THIS PARAGRAPH MAY RESULT IN YOUR LOSS OF THE PROPERTY AFTER PURCHASE**. **The deed will contain provisions stating that the purchaser is required to rehabilitate any building on the property and bring it into compliance with all State, County and Local standards for occupancy within (18) months of the date of the deed. Within such eighteen (18) month time period the purchaser must either: obtain a Certificate of Occupancy for all buildings on the property; make all buildings granted a Certificate of Occupancy before the date of purchase fit for the use stated in such Certificate of Occupancy; or demolish such buildings. The deed shall require the purchaser to schedule an inspection by City officials at or before the end of the eighteen (18) month period. If the purchaser has not complied with the deed provisions regarding rehabilitation of the property and obtained a Certificate of Occupancy or Certificate of Compliance by that time, then the title to the property shall revert to the City of Newburgh. The deed shall also provide that the property shall not be conveyed to any other person before a Certificate of Occupancy or Certificate of Compliance is issued. A written request made to the City Manager for an extension of the eighteen (18) month rehabilitation period shall be accompanied by a non-refundable fee of $250.00 per parcel for which a request is submitted. The City Manager may, in his sole discretion and for good cause shown, grant one extension of time to rehabilitate of up to, but not to exceed, three (3) months. Any additional request thereafter shall be made in writing and placed before the City Council for their consideration**.
6. The property is sold subject to an owner-occupancy restriction. The purchaser has agreed to purchase the property subject to the five (5) year owner occupancy restriction shall, within 18 months of the delivery of the deed, establish his domicile and principal residence at said premises and maintain his domicile and principal residence at said premises for a period of at least five (5) years thereafter, provided that within said five (5) year period, the purchaser may convey said premises to another who shall also maintain their domicile and principal residence at said premises for said period. This shall be set forth as a restrictive covenant in the deed, subject upon its breach, to a right of re-entry in favor of the City of Newburgh. This shall be in addition to all other provisions, covenants and conditions set forth in the Terms of Sale.

7. Notice is hereby given that the property is vacant and unoccupied. The parcel is being sold subject to the City's Vacant Property Ordinance and all provisions of law applicable thereto. At closing, the purchaser will be required to register the property and remit the vacant property fee. It is the sole responsibility of the purchaser to redevelop such parcel in accordance with same.
8. All purchasers are advised to personally inspect the premises and to examine title to the premises prior to the date upon which the sale is scheduled to take place. Upon delivery of the quitclaim deed by the City of Newburgh to the successful purchaser, any and all claims with respect to title to the premises are merged in the deed and do not survive.
9. No personal property is included in the sale of any of the parcels owned by City of Newburgh, unless the former owner or occupant has abandoned same. The disposition of any personal property located on any parcel sold shall be the sole responsibility of the successful purchaser following the closing of sale.
10. The City makes no representation, express or implied, as to the condition of any property, warranty of title, or as to the suitability of any for any particular use or occupancy. Property may contain paint or other similar surface coating material containing lead. Purchaser shall be responsible for the correction of such conditions when required by applicable law. Property also may contain other environmental hazards. Purchaser shall be responsible for ascertaining and investigating such conditions prior to bidding. Purchaser shall be responsible for investigating and ascertaining from the City Building Inspector's records the legal permitted use of any property prior to closing. Purchaser acknowledges receivership of the pamphlet entitled "Protecting Your Family from Lead in Your Home." Purchaser also acknowledges that he/she has had the opportunity to conduct a risk assessment or inspection of the premises for the presence of lead-based paint, lead-based paint hazards or mold.
11. The entire purchase price and all closing costs/fees must be paid by money order or guaranteed funds to the City of Newburgh Comptroller's Office on or before January 26, 2018. Such closing costs/fees may include, but are not limited to: recording fees, tax adjustments as of the day of closing, fuel oil adjustments, and applicable condominium charges (e.g. monthly maintenance charges, assessment charges, transfer buy-in fees, and/or closing package ordering fees). *The City of Newburgh does not accept credit card payments for the purchase price and closing costs/fees.* **The City is not required to send notice of acceptance or any other notice to a purchaser.** At closing, purchaser, as grantee, may take title as a natural person or as an entity wherein purchaser is an officer or managing member of said entity. The City Manager may, in his sole discretion and for good cause shown, grant one extension of time to close title of up to, but not to exceed, sixty (60) additional days. No request shall be entertained unless in writing, stating the reasons therefor, and unless accompanied by a fee of $250.00 per parcel for which a request is submitted. The fee shall be in addition to all other fees and deposits and shall not be credited against the purchase price and shall not be returnable. Any additional request made thereafter shall be made in writing and placed before the City Council for their consideration.
12. In the event that a sale is cancelled by court order, judgment, the Comptroller or the Newburgh City Council, the successful bidder shall be entitled only to a refund of the purchase money paid with interest. Purchaser agrees that he shall <u>not</u> be entitled to special or consequential damages, attorney's fees, reimbursement for any expenses incurred as a result of ownership, improvements of property, or for taxes paid during period of ownership, and this agreement by the purchaser is a material condition of the sale.
13. Sale shall be final, absolute and without recourse once title has closed and the deed has been recorded. In no event, shall City of Newburgh be or become liable for any defects in title for any cause whatsoever, and no claim, demand or suit of any nature shall exist in favor of the purchaser, his heirs, successors or assigns, against City of Newburgh arising from this sale.
14. Conveyance shall be by quitclaim deed only, containing a description of the property as it appeared on the tax roll for the year upon which the City acquired title or as corrected up to date of deed. The deed will be recorded by the City upon payment in full of the purchase price, buyer's premium, and closing fees/costs. Possession of property is forbidden until the deed is recorded conveying title to the purchaser. **Title vests upon recording of deed.**

15. Upon closing, the City shall deliver a quitclaim deed conveying all of its right, title and interest in the subject property, which deed shall be drawn by the City Corporation Counsel. The City shall not convey its interest in any street, water, sewer or drainage easement, or any other interest the City may have in the property. The City shall only convey that interest obtained by the City pursuant to the judgment rendered in an *in rem* tax foreclosure action filed in the Orange County Clerk's Office.
16. The description of the property shall be from the City of Newburgh Tax Map reference or a survey description certified to the City of Newburgh and provided to the City Corporation Counsel by the purchaser at least thirty (30) days in advance of closing title and approved by the City's Engineer.
17. Evictions, if necessary, are solely the responsibility of the purchaser after closing and recording of the deed.
18. By acknowledging and executing these Terms & Conditions, the purchaser certifies that he/she is not representing the former owner(s) of the property against whom City of Newburgh foreclosed and has no intent to defraud City of Newburgh of the unpaid taxes, assessment, penalties and charges which have been levied against the property. The purchaser agrees that neither he/she nor his/her assigns shall convey the property to the former owner(s) against whom City of Newburgh foreclosed within 24 months subsequent to the auction date. If such conveyance occurs, the purchaser understands that he/she may be found to have committed fraud, and/or intent to defraud, and will be liable for any deficiency between the purchase price at auction and such sums as may be owed to City of Newburgh as related to the foreclosure on the property and consents to immediate judgment by City of Newburgh for said amounts.

Proposal Form

Contact Information:

Name: Raymundo Mera
Business Name (If Applicable):
Address: 14 Bellevue Road
City, State & Zip: Newburgh, NY 12550
Home phone:
Business Phone:
Mobile Phone: 8452341569
E-mail: raymera23@gmail.com
Federal I.D. No. (If Applicable):

Property Ownership Information:

Do you own – as an individual, member of an LLC, partner in a partnership, or officer in a corporation - any properties in the City of Newburgh? Yes ✓ No___

If you own property in the City of Newburgh, are any of these properties vacant and/or currently listed on the City of Newburgh's Vacant Building Registry? Yes ____ (attach explanation) No ✓ N/A ____ (No property owned in the City of Newburgh)

If you own property in the City of Newburgh, are any of these properties rented? Yes ✓ No____ N/A____ (No property owned in the City of Newburgh) If yes, do you have a current Rental License for each of the rental properties? Yes ___ No ✓
☐ Verified (Internal Office Use Only); Date Verified: ____________

Please list **all** of the addresses of properties you own – as an individual, member of an LLC, partner in a partnership, or officer in a corporation - in the City of Newburgh. Also indicate if any of these properties are vacant or rented. (You may attach a list of the properties if the space below is inadequate.): 257 First St

Are you current on all municipal obligations (taxes, water charges, etc.)?
Yes ✓ No ___ (attach explanation) N/A ___ (No property owned in City of Newburgh)
☐ Verified (Internal Office Use Only); Date Verified ____________

Do you have any outstanding code violations for properties owned in the City of Newburgh?
Yes____ (attach explanation) No ✓ N/A ___ (No property owned in City of Newburgh)
☐ Verified (Internal Office Use Only); Date Verified ____________

Have you had a previous tax foreclosure on a property owned by you in the City of Newburgh? Yes _____ (attach explanation) No ✓

Individual Property Bid Sheet

Information on Bid Property:

(If you are bidding on more than one property, please submit a completed copy of this page for **each** bid property. Please limit the total number of properties to a maximum of **three (3)**. Only one copy of the other pages in this application is required even if you are bidding on multiple properties.)

Property Address: 256 North Street

S-B-L#: 3-12-18

Type of Project:

✓ Single Family (includes a condominium unit)

____ Multi-Family (# of Units___)

____ Mixed Use (Commercial & Residential - # of Residential Units ___)

For the property types listed above, will it be occupied by the purchaser: Yes ✓ No___

____ Commercial ____ Industrial

____ Vacant Land (Proposed Use: ______________________________)

Offer Purchase Price: $ 99,000

(An offer of **at least** the minimum purchase price is recommended. The "Offer Purchase Price" cannot be left blank.)

Does or will your proposal conform to existing zoning? Yes ✓ No____

Renovation Estimate (Pre-Qualifying) - How much do you anticipate investing in this project for renovations? Please consider in your estimate that most vacant properties need *significant* repairs before they can be occupied again. This estimate can be revised once you have obtained entry to the property. *A more detailed repair cost estimate will be required after interior access.* Do not include renovation cost estimate in the "Offer Purchase Price" listed above: **$** 7,500

Who will be doing the work? ✓ Self ___Other (complete below)

Please keep in mind that the City of Newburgh requires electrical and plumbing work to be performed by City of Newburgh licensed electricians and plumbers.

General Contractor: ______________________________

Architect: ______________________________

Engineer: ______________________________

Examples of Purchaser's Previous Renovation or Development Experience:
(Alternatively, applicants can attach a list of renovated properties or development experience that contains the information listed below.)

	Property/Project No. 1	Property/Project No. 2
Property Address: Please list all addresses (not merely project name). Include street number, street, city and zip code.	N/A	
Role (i.e. owner, partner, general contractor, architect, investor.)		
Type of Project: (i.e. new construction, existing building requiring substantial rehabilitation or moderate rehabilitation.)		
Property Type: (i.e. single-family, multi-family rental or commercial.)		
Number of Buildings in Project		
Total Number of Residential Units in Project/Building		
If commercial, total square footage of project		
Total Estimated Development/Rehabilitation Costs		
Current Status of Building (Pre-development, under construction/renovation or completed - include date completed.)		
Government Program, if any (Provide name of program and agency, name and current phone of reference.)	N/A	

Finances:

(Applicant should provide not only sources of funding for the purchase of the property but also sufficient funding for the rehabilitation and/or development of the property.)

I am providing:
- ___ Personal Financial Statement
- ✓ Letter from Lender/Investor
- ___ Personal or Business Bank Statement
- ___ Evidence of project funding
- ___ Developers should provide three years financial statements

What You Should Attach:

- Description of renovation plan with preliminary budget
- Verification of financial capacity
- Explanation of any tax delinquency/code violations/vacant building (if applicable)

Business Relationship:

Have you had a "business relationship" as defined in Chapter 34, Article 2 (B) (2) of the municipal code, with any City elected official in the 12 months prior to the due date of this proposal? Yes____ No ✓

INFORMATION RELEASE:

It is our intent that all personal financial information submitted with this proposal to the Department of Planning and Development shall be considered confidential. I hereby authorize the City of Newburgh Department of Planning and Development to obtain credit reports (by completing a PathStone Credit Report Authorization Form) and verify information supplied as part of this proposal. All information provided is true and accurate to the best of my knowledge. By signing, you also acknowledge reading and reviewing the "Standard Terms and Conditions of Sale".

Signature ____________ Date 08/18/2017

Raymundo Mera Social Security # [redacted] Date of Birth: [redacted]
Print Name

Submit Application to:

Department of Planning & Development
City Hall - 83 Broadway
Newburgh NY 12550

Notice of Pre-Approval

HudsonValley
FEDERAL CREDIT UNION

August 16, 2017

This is notification that Raymundo Mera (herein known as the Buyer(s)) has made loan application with Hudson Valley Federal Credit Union. Based on the information provided in the application and review of income, credit and work history, the Buyer(s) has been pre-approved for the following:

Type of Loan:	Conventional
Purchase Price:	$119,900.00
Down Payment:	$8,000.00
Program:	30-Year Fixed Rate
Seller Paid Costs:	$0.00

Final Loan Approval will be subject to, but not limited to a satisfactory appraisal and preliminary title report. This pre-approval will expire on November 14, 2017.

We at Hudson Valley Federal Credit Union look forward to completing the financing for Raymundo Mera and we will be happy to assist you in the completion of this transaction.

Sincerely,

Cristina Culea
Hudson Valley Federal Credit Union
culec@hvfcu.org
Phone: (845) 463-3011
Fax: (845) 463-3014

Loan Origination Company: Hudson Valley Federal Credit Union
Loan Origination Company NMLS ID: 411348
Loan Originator: Cristina Culea
Loan Originator NMLS ID: 1525494

Hudson Valley Federal Credit Union is not obligated to make a loan to the above named applicant or applicants. Any decision to lend will be based on underwriting standards for similar loans.

HudsonValley
FEDERAL CREDIT UNION

Pre-Approval Letter

8/16/2017 3:38:23 PM

Raymundo Mera
14 Bellevue Road
Newburgh, NY 12550

Subject Property:
To Be Determined
Newburgh, NY 12550

We are pleased to inform you that your mortgage loan application has been approved, based on information you provided regarding income, assets and the credit information we obtained with your permission, subject to the following conditions:

Loan Amount	Loan Term	Interest Rate	APR	Loan Program
$111,900	360 Months	**4.000%**	**4.376%**	30-Year Fixed Rate

Please read the following conditions regarding your credit approval. In order for this approval to be valid you must provide all information and documentation to meet these conditions. Failure to provide information and documentation may result in a delay of your final loan approval. This credit approval will expire 90 days after the approval date above.

- This loan is also subject to all other lender specified conditions.
- If Lender Credit is not the negative Discount Amount verify Lender Credit Amount
- Lender to verify the maximum amount of the home equity line of credit secured against the subject property, if one exists, to determine if it exceeds allowable limit.
- Mortgage Insurance is required on this loan and your lender will obtain on your behalf.
- Alimony, child support, or separate maintenance was indicated on the application as a liability. Please provide evidence of the liability, the payment terms, unpaid balance, and the amount of payment.
- Income must be supported by a paystub and W-2 from the prior year or by standard Verification of Employment. Paystub must be dated no earlier than 30 days prior to the initial loan application and must include all year-to-date earnings. Additionally, the paystub must include sufficient information to appropriately calculate income; otherwise, additional documentation must be obtained.
- Rental income or loss must be documented with tax returns including Schedule E - Supplemental

Income Schedule. If the property is not listed on Schedule E, provide a copy of the lease.

- Lender will be required to do a verbal verification of employment 10 business days prior to signing the closing documents for all borrowers not using self-employment income and within 120 calendar days prior if using self employed income to qualify. For military income you can provide a Leave and Earnings Statement dated 31 calendar days prior to signing the closing documents.

- All borrowers are required to sign form 4506-T which allows lender to obtain transcripts of your prior tax returns.

- Assets must be verified. From the liquid assets listed on the 1003, at a minimum verify those accounts that are needed to satisfy this amount.

- If the assets listed on the application are needed to support the amount of funds required and reserves, your lender will need to verify these assets with a verification of deposit or bank statements covering a two-month period. A satisfactory explanation and documentation should be provided for large deposits.

- 1004 Appraisal for Single Family, 1004C for Manufactured homes, 1073 for Condominium or 2090 for Cooperative projects - could not verify property address with automated UW tool.

- Lender is required to obtain Market Conditions addendum to the Appraisal report.

It has been a pleasure to assist you in financing your home. Please contact our mortgage loan department for any questions you may have regarding this approval

What's Next?

Here's what is next:

1. You will be required to furnish documentation per the conditions above.
2. If this loan is a purchase, we will need to receive a complete legible copy of the Purchase and Sale Agreement on the property being financed
3. After review of the documentation you have provided or after receipt of the appraisal title, and flood zone certification, additional documentation may be required.

This approval constitutes the entire agreement and supersedes any prior oral or written agreements, understanding, representations, warranties or negotiations. This approval shall not be amended or any of its provisions waived except in writing by lender, prior to its expiration. This approval is contingent on the accuracy of all financial information that has been submitted to us and no adverse change in your financial condition, the value or condition of the property, which in our opinion can affect the quality of the loan. For example, we may withdraw this approval if changes occur in your credit standing, your employment status, or our assessment of your ability to make required payments. It may also be withdrawn if the value of the property declines or is further encumbered. You agree to provide us with such additional information as we may reasonably request before closing, to confirm that you financial condition, or the property condition, has not changed in a manner that would affect our loan decision.

Our obligation to fund your mortgage loan is subject to the receipt of a clear Lender's ALTA title policy acceptable to us. The title policy must warrant that our Deed of Trust on the subject property is in first lien position. The title vesting to the subject property must be acceptable to us.

You will be required to pay all customary closing costs. Refer to the Loan Estimate to be provided to you when you locate a property. You may incur costs associated with your mortgage loan application in the event of a cancellation or withdrawal.

You may be required to pay an amount to be held in escrow to cover ensuing real estate taxes, hazard insurance, flood insurance and private mortgage insurance, if applicable, at closing.

If the property is located in a flood hazard area, flood insurance in the amount of the mortgage, or the maximum available for the area, is required. If that is the case, an application for flood insurance and evidence of payment must be provided at closing. Hazard insurance on the subject property must be obtained by you, in an amount at least equal to the replacement cost, through a company acceptable to us. The Lender must be named as a loss payee and additional insured under a standard mortgage clause. A paid receipt for the first year's premium must accompany the policy for purchase transactions. A binder is acceptable for closing, provided there are 30 days remaining on the binder.

The property is to comply with all applicable laws and code enforcement requirements.

Your loan may be subject to additional terms, conditions and documentation for the loan program covered by this approval letter. You must execute and deliver these items, in a satisfactory form, to us.

For your convenience, we offer the capability for automatic mortgage payments. Please be sure to let us know if you wish this option and to bring a voided check to closing.

Daniel Brauer

Loan Origination Manager

Hudson Valley Federal Credit Union

NMLS 1472805

Loan Origination Company: Hudson Valley Federal Credit Union
Loan Origination Company NMLS ID: 411348
Loan Originator: Cristina Culea
Loan Originator NMLS ID: 1525494

<u>**Purchase Proposal Summary**</u>

Location: **256 North Street**

Tax Map Number: 7-12-18

Property Class: 210—One Family Residential

Zoning: RL—Residential Low Density

Description: Detached single family home—Year built: 1955; 1427sf; 3 bed rooms with 2 baths; lot size: 90 x 150

Condition: Average/Fair

Assessed Value: $ 150,000

Annual Taxes: $ 7,800+/-

Selling Price: $ 119,900 @ 80%

The city acquired this property: March 2016

<u>Offer Information</u>:

Name: Raymundo Mera

Offer Price: **$ 99,000**

Construction Estimate: $ 7,500

Proof of Financing: Hudson Valley Federal Credit Union Notice of Pre-Approval, Checking & Savings accounts for down payment/closing costs.

Comments: The purchaser is a City of Newburgh firefighter. He currently rents but has been looking for a home to purchase in the City of Newburgh for his family. This property needs some work—kitchen cabinet repair, kitchen appliance repair, bath tilework repair and some cosmetic repairs (finished flooring, painting, etc.)—to make it work. Mr. Mera feels he can do many of the repairs himself or with the help of friends and family members. If so, this house will be habitable in a very short amount of time. The City of Newburgh will then have a City employee residing, on a more permanent basis, in the City of Newburgh.

RESOLUTION NO.: _______- 2017

OF

OCTOBER 23, 2017

A RESOLUTION TO AUTHORIZE THE CONVEYANCE OF REAL PROPERTY KNOWN AS 383 FIRST STREET (SECTION 28, BLOCK 1, LOT 14) AT PRIVATE SALE TO MITCHELL MEJIA FOR THE AMOUNT OF $19,000.00

WHEREAS, the City of Newburgh has acquired title to several parcels of real property by foreclosure *In Rem* pursuant of Article 11 Title 3 of the Real property Tax law of the State of New York; and

WHEREAS, pursuant to Section 1166 of the Real Property Tax Law the City may sell properties acquired by foreclosure *In Rem* at private sale; and

WHEREAS, the City of Newburgh desires to sell 383 First Street being more accurately described as Section 28, Block 1, Lot 14 on the official tax map of the City of Newburgh; and

WHEREAS, the prospective buyer has offered to purchase this property at private sale; and

WHEREAS, this Council has determined that it would be in the best interests of the City of Newburgh to sell said property to the prospective buyer for the sum as outlined below, and upon the same terms and conditions annexed hereto and made a part hereof,

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Newburgh, New York, that the sale of the following property to the indicated purchaser be and hereby is confirmed and the City Manager is authorized and directed to execute and deliver a quitclaim deed to said purchaser upon receipt of the indicated purchase price in money order, good certified or bank check, made payable to **THE CITY OF NEWBURGH,** such sums are to be paid on or before January 26, 2018, being approximately ninety (90) days from the date of this resolution; and

Property address	Section, Block, Lot	Purchaser	Purchase Price
383 First Street	28 – 1 – 14	Mitchell Mejia	$19,000.00

BE IT FURTHER RESOLVED, by the Council of the City of Newburgh, New York, that the parcel is not required for public use.

Terms and Conditions of Sale
383 First Street, City of Newburgh (28-1-14)

STANDARD TERMS:

1. City of Newburgh acquired title to this property in accordance with Article 11 of the Real Property Tax Law of the State of New York, and all known rights of redemption under said provisions of law have been extinguished by the tax sale proceedings and/or as a result of forfeiture.
2. For purposes of these Terms and Conditions, parcel shall be defined as a section, block and lot number.
3. All real property, including any buildings thereon, is sold "AS IS" and without any representation or warranty whatsoever as to the condition or title, and subject to: (a) any state of facts an accurate survey or personal inspection of the premises would disclose; (b) applicable zoning/land use/building regulations; (c) water and sewer assessments are the responsibility of the purchaser, whether they are received or not; (d) easements, covenants, conditions and rights-of-way of record existing at the time of the levy of the tax, the non-payment of which resulted in the tax sale in which City of Newburgh acquired title; and (e) for purposes of taxation, the purchaser shall be deemed to be the owner prior to the next applicable taxable status date after the date of sale.
4. The properties are sold subject to unpaid school taxes for the tax year of 2017-2018, and also subject to all school taxes levied subsequent to the date of the City Council resolution authorizing the sale. The purchaser shall reimburse the City for any school taxes paid by the City for the tax year 2017-2018, and subsequent levies up to the date of the closing. Upon the closing, the properties shall become subject to taxation. Water and sewer charges and sanitation fees will be paid by the City to the date of closing except that where the water meter reading nets a usage to the purchaser of less than 6 units for the quarterly bill, the purchaser shall be responsible for a minimum water and sewer bill of 6 units.
5. **WARNING: FAILURE TO COMPLY WITH THE TERMS OF THIS PARAGRAPH MAY RESULT IN YOUR LOSS OF THE PROPERTY AFTER PURCHASE**. **The deed will contain provisions stating that the purchaser is required to rehabilitate any building on the property and bring it into compliance with all State, County and Local standards for occupancy within (18) months of the date of the deed. Within such eighteen (18) month time period the purchaser must either: obtain a Certificate of Occupancy for all buildings on the property; make all buildings granted a Certificate of Occupancy before the date of purchase fit for the use stated in such Certificate of Occupancy; or demolish such buildings. The deed shall require the purchaser to schedule an inspection by City officials at or before the end of the eighteen (18) month period. If the purchaser has not complied with the deed provisions regarding rehabilitation of the property and obtained a Certificate of Occupancy or Certificate of Compliance by that time, then the title to the property shall revert to the City of Newburgh. The deed shall also provide that the property shall not be conveyed to any other person before a Certificate of Occupancy or Certificate of Compliance is issued. A written request made to the City Manager for an extension of the eighteen (18) month rehabilitation period shall be accompanied by a non-refundable fee of $250.00 per parcel for which a request is submitted. The City Manager may, in his sole discretion and for good cause shown, grant one extension of time to rehabilitate of up to, but not to exceed, three (3) months. Any additional request thereafter shall be made in writing and placed before the City Council for their consideration**.
6. The property is sold subject to an owner-occupancy restriction. The purchaser has agreed to purchase the property subject to the five (5) year owner occupancy restriction shall, within 18 months of the delivery of the deed, establish his domicile and principal residence at said premises and maintain his domicile and principal residence at said premises for a period of at least five (5) years thereafter, provided that within said five (5) year period, the purchaser may convey said premises to another who shall also maintain their domicile and principal residence at said premises for said period. This shall be set forth as a restrictive covenant in the deed, subject upon its breach, to a right of re-entry in favor of the City of Newburgh. This shall be in addition to all other provisions, covenants and conditions set forth in the Terms of Sale.

7. Notice is hereby given that the property is occupied. This parcel is being sold subject to the City's Rental License Ordinance and all provisions of law applicable thereto. At closing, the purchaser will be required to register the property and remit the rental license fee. It is the sole responsibility of the purchaser to redevelop such parcel in accordance with same.
8. All purchasers are advised to personally inspect the premises and to examine title to the premises prior to the date upon which the sale is scheduled to take place. Upon delivery of the quitclaim deed by the City of Newburgh to the successful purchaser, any and all claims with respect to title to the premises are merged in the deed and do not survive.
9. No personal property is included in the sale of any of the parcels owned by City of Newburgh, unless the former owner or occupant has abandoned same. The disposition of any personal property located on any parcel sold shall be the sole responsibility of the successful purchaser following the closing of sale.
10. The City makes no representation, express or implied, as to the condition of any property, warranty of title, or as to the suitability of any for any particular use or occupancy. Property may contain paint or other similar surface coating material containing lead. Purchaser shall be responsible for the correction of such conditions when required by applicable law. Property also may contain other environmental hazards. Purchaser shall be responsible for ascertaining and investigating such conditions prior to bidding. Purchaser shall be responsible for investigating and ascertaining from the City Building Inspector's records the legal permitted use of any property prior to closing. Purchaser acknowledges receivership of the pamphlet entitled "Protecting Your Family from Lead in Your Home." Purchaser also acknowledges that he/she has had the opportunity to conduct a risk assessment or inspection of the premises for the presence of lead-based paint, lead-based paint hazards or mold.
11. The entire purchase price and all closing costs/fees must be paid by money order or guaranteed funds to the City of Newburgh Comptroller's Office on or before January 26, 2017. Such closing costs/fees may include, but are not limited to: recording fees, tax adjustments as of the day of closing, fuel oil adjustments, and applicable condominium charges (e.g. monthly maintenance charges, assessment charges, transfer buy-in fees, and/or closing package ordering fees). *The City of Newburgh does not accept credit card payments for the purchase price and closing costs/fees.* **The City is not required to send notice of acceptance or any other notice to a purchaser.** At closing, purchaser, as grantee, may take title as a natural person or as an entity wherein purchaser is an officer or managing member of said entity. The City Manager may, in his sole discretion and for good cause shown, grant one extension of time to close title of up to, but not to exceed, sixty (60) additional days. No request shall be entertained unless in writing, stating the reasons therefor, and unless accompanied by a fee of $250.00 per parcel for which a request is submitted. The fee shall be in addition to all other fees and deposits and shall not be credited against the purchase price and shall not be returnable. Any additional request made thereafter shall be made in writing and placed before the City Council for their consideration.
12. In the event that a sale is cancelled by court order, judgment, the Comptroller or the Newburgh City Council, the successful bidder shall be entitled only to a refund of the purchase money paid with interest. Purchaser agrees that he shall <u>not</u> be entitled to special or consequential damages, attorney's fees, reimbursement for any expenses incurred as a result of ownership, improvements of property, or for taxes paid during period of ownership, and this agreement by the purchaser is a material condition of the sale.
13. Sale shall be final, absolute and without recourse once title has closed and the deed has been recorded. In no event, shall City of Newburgh be or become liable for any defects in title for any cause whatsoever, and no claim, demand or suit of any nature shall exist in favor of the purchaser, his heirs, successors or assigns, against City of Newburgh arising from this sale.
14. Conveyance shall be by quitclaim deed only, containing a description of the property as it appeared on the tax roll for the year upon which the City acquired title or as corrected up to date of deed. The deed will be recorded by the City upon payment in full of the purchase price, buyer's premium, and closing fees/costs. Possession of property is forbidden until the deed is recorded conveying title to the purchaser. **Title vests upon recording of deed.**
15. Upon closing, the City shall deliver a quitclaim deed conveying all of its right, title and interest in the subject property, which deed shall be drawn by the City Corporation Counsel. The City shall not

convey its interest in any street, water, sewer or drainage easement, or any other interest the City may have in the property. The City shall only convey that interest obtained by the City pursuant to the judgment rendered in an *in rem* tax foreclosure action filed in the Orange County Clerk's Office.

16. The description of the property shall be from the City of Newburgh Tax Map reference or a survey description certified to the City of Newburgh and provided to the City Corporation Counsel by the purchaser at least ten (10) days in advance of closing title and approved by the City's Engineer.
17. Evictions, if necessary, are solely the responsibility of the successful bidder after closing and recording of the deed.
18. By acknowledging and executing these Terms & Conditions, the purchaser certifies that he/she is not representing the former owner(s) of the property against whom City of Newburgh foreclosed and has no intent to defraud City of Newburgh of the unpaid taxes, assessment, penalties and charges which have been levied against the property. The purchaser agrees that neither he/she nor his/her assigns shall convey the property to the former owner(s) against whom City of Newburgh foreclosed within 24 months subsequent to the auction date. If such conveyance occurs, the purchaser understands that he/she may be found to have committed fraud, and/or intent to defraud, and will be liable for any deficiency between the purchase price at auction and such sums as may be owed to City of Newburgh as related to the foreclosure on the property and consents to immediate judgment by City of Newburgh for said amounts.

RESOLUTION NO.: _______- 2017

OF

OCTOBER 23, 2017

A RESOLUTION TO AUTHORIZE THE CONVEYANCE OF REAL PROPERTY KNOWN AS 26 FORSYTHE PLACE (SECTION 9, BLOCK 3, LOT 5) AT PRIVATE SALE TO JOSEPH AND MARIA AFONSO FOR THE AMOUNT OF $25,000.00

WHEREAS, the City of Newburgh has acquired title to several parcels of real property by foreclosure *In Rem* pursuant of Article 11 Title 3 of the Real property Tax law of the State of New York; and

WHEREAS, pursuant to Section 1166 of the Real Property Tax Law the City may sell properties acquired by foreclosure *In Rem* at private sale; and

WHEREAS, the City of Newburgh desires to sell 26 Forsythe Place, being more accurately described as Section 9, Block 3, Lot 5 on the official tax map of the City of Newburgh; and

WHEREAS, the prospective buyers have offered to purchase this property at private sale; and

WHEREAS, this Council has determined that it would be in the best interests of the City of Newburgh to sell said property to the prospective buyers for the sum as outlined below, and upon the same terms and conditions annexed hereto and made a part hereof,

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Newburgh, New York, that the sale of the following property to the indicated purchasers be and hereby is confirmed and the City Manager is authorized and directed to execute and deliver a quitclaim deed to said purchasers upon receipt of the indicated purchase price in money order, good certified or bank check, made payable to **THE CITY OF NEWBURGH,** such sums are to be paid on or before January 26, 2018, being approximately ninety (90) days from the date of this resolution; and

Property address	Section, Block, Lot	Purchaser	Purchase Price
26 Forsythe Place	9 – 3 – 5	Joseph and Maria Afonso	$25,000.00

BE IT FURTHER RESOLVED, by the Council of the City of Newburgh, New York, that the parcel is not required for public use.

Terms and Conditions Sale
26 Forsythe Place, City of Newburgh (9-3-5)

STANDARD TERMS:

1. City of Newburgh acquired title to these properties in accordance with Article 11 of the Real Property Tax Law of the State of New York, and all known rights of redemption under said provisions of law have been extinguished by the tax sale proceedings and/or as a result of forfeiture.
2. For purposes of these Terms and Conditions, parcel shall be defined as a section, block and lot number.
3. All real property, including any buildings thereon, is sold “AS IS” and without any representation or warranty whatsoever as to the condition or title, and subject to: (a) any state of facts an accurate survey or personal inspection of the premises would disclose; (b) applicable zoning/land use/building regulations; (c) water and sewer assessments are the responsibility of the purchaser, whether they are received or not; (d) easements, covenants, conditions and rights-of-way of record existing at the time of the levy of the tax, the non-payment of which resulted in the tax sale in which City of Newburgh acquired title; and (e) for purposes of taxation, the purchaser shall be deemed to be the owner prior to the next applicable taxable status date after the date of sale.
4. The properties are sold subject to unpaid school taxes for the tax year of 2017-2018, and also subject to all school taxes levied subsequent to the date of the City Council resolution authorizing the sale. The purchaser shall reimburse the City for any school taxes paid by the City for the tax year 2017-2018, and subsequent levies up to the date of the closing. Upon the closing, the properties shall become subject to taxation. Water and sewer charges and sanitation fees will be paid by the City to the date of closing.
5. **WARNING: FAILURE TO COMPLY WITH THE TERMS OF THIS PARAGRAPH MAY RESULT IN YOUR LOSS OF THE PROPERTY AFTER PURCHASE**. **The deed will contain provisions stating that the purchaser is required to rehabilitate any building on the property and bring it into compliance with all State, County and Local standards for occupancy within (18) months of the date of the deed. Within such eighteen (18) month time period the purchaser must either: obtain a Certificate of Occupancy for all buildings on the property; make all buildings granted a Certificate of Occupancy before the date of purchase fit for the use stated in such Certificate of Occupancy; or demolish such buildings. The deed shall require the purchaser to schedule an inspection by City officials at or before the end of the eighteen (18) month period. If the purchaser has not complied with the deed provisions regarding rehabilitation of the property and obtained a Certificate of Occupancy or Certificate of Compliance by that time, then the title to the property shall revert to the City of Newburgh. The deed shall also provide that the property shall not be conveyed to any other person before a Certificate of Occupancy or Certificate of Compliance is issued. A written request made to the City Manager for an extension of the eighteen (18) month rehabilitation period shall be accompanied by a non-refundable fee of $250.00 per parcel for which a request is submitted. The City Manager may, in his sole discretion and for good cause shown, grant one extension of time to rehabilitate of up to, but not to exceed, three (3) months. Any additional request thereafter shall be made in writing and placed before the City Council for their consideration**.
6. Notice is hereby given that the property is vacant and unoccupied. The parcel is being sold subject to the City’s Vacant Property Ordinance and all provisions of law applicable thereto. At closing, the purchaser will be required to register the property and remit the vacant property fee. It is the sole responsibility of the purchaser to redevelop such parcel in accordance with same.
7. All purchasers are advised to personally inspect the premises and to examine title to the premises prior to the date upon which the sale is scheduled to take place. Upon delivery of the quitclaim deed by the City of Newburgh to the successful purchaser, any and all claims with respect to title to the premises are merged in the deed and do not survive.

8. No personal property is included in the sale of any of the parcels owned by City of Newburgh, unless the former owner or occupant has abandoned same. The disposition of any personal property located on any parcel sold shall be the sole responsibility of the successful purchaser following the closing of sale.
9. The City makes no representation, express or implied, as to the condition of any property, warranty of title, or as to the suitability of any for any particular use or occupancy. Property may contain paint or other similar surface coating material containing lead. Purchaser shall be responsible for the correction of such conditions when required by applicable law. Property also may contain other environmental hazards. Purchaser shall be responsible for ascertaining and investigating such conditions prior to bidding. Purchaser shall be responsible for investigating and ascertaining from the City Building Inspector's records the legal permitted use of any property prior to closing. Purchaser acknowledges receivership of the pamphlet entitled "Protecting Your Family from Lead in Your Home." Purchaser also acknowledges that he/she has had the opportunity to conduct a risk assessment or inspection of the premises for the presence of lead-based paint, lead-based paint hazards or mold.
10. The entire purchase price and all closing costs/fees must be paid by money order or guaranteed funds to the City of Newburgh Comptroller's Office on or before January 26, 2018. Such closing costs/fees may include, but are not limited to: recording fees, tax adjustments as of the day of closing, fuel oil adjustments, and applicable condominium charges (e.g. monthly maintenance charges, assessment charges, transfer buy-in fees, and/or closing package ordering fees). *The City of Newburgh does not accept credit card payments for the purchase price and closing costs/fees.* **The City is not required to send notice of acceptance or any other notice to a purchaser.** At closing, purchaser, as grantee, may take title as a natural person or as an entity wherein purchaser is an officer or managing member of said entity. The City Manager may, in his sole discretion and for good cause shown, grant one extension of time to close title of up to, but not to exceed, sixty (60) additional days. No request shall be entertained unless in writing, stating the reasons therefor, and unless accompanied by a fee of $250.00 per parcel for which a request is submitted. The fee shall be in addition to all other fees and deposits and shall not be credited against the purchase price and shall not be returnable. Any additional request made thereafter shall be made in writing and placed before the City Council for their consideration.
11. In the event that a sale is cancelled by court order, judgment, the Comptroller or the Newburgh City Council, the successful bidder shall be entitled only to a refund of the purchase money paid with interest. Purchaser agrees that he shall <u>not</u> be entitled to special or consequential damages, attorney's fees, reimbursement for any expenses incurred as a result of ownership, improvements of property, or for taxes paid during period of ownership, and this agreement by the purchaser is a material condition of the sale.
12. Sale shall be final, absolute and without recourse once title has closed and the deed has been recorded. In no event, shall City of Newburgh be or become liable for any defects in title for any cause whatsoever, and no claim, demand or suit of any nature shall exist in favor of the purchaser, his heirs, successors or assigns, against City of Newburgh arising from this sale.
13. Conveyance shall be by quitclaim deed only, containing a description of the property as it appeared on the tax roll for the year upon which the City acquired title or as corrected up to date of deed. The deed will be recorded by the City upon payment in full of the purchase price, buyer's premium, and closing fees/costs. Possession of property is forbidden until the deed is recorded conveying title to the purchaser. **Title vests upon recording of deed.**
14. Upon closing, the City shall deliver a quitclaim deed conveying all of its right, title and interest in the subject property, which deed shall be drawn by the City Corporation Counsel. The City shall not convey its interest in any street, water, sewer or drainage easement, or any other interest the City may have in the property. The City shall only convey that interest obtained by the City pursuant to the judgment rendered in an *in rem* tax foreclosure action filed in the Orange County Clerk's Office.
15. The description of the property shall be from the City of Newburgh Tax Map reference or a survey description certified to the City of Newburgh and provided to the City Corporation Counsel by the purchaser at least thirty (30) days in advance of closing title and approved by the City's Engineer.

16. Evictions, if necessary, are solely the responsibility of the purchaser after closing and recording of the deed.
17. By acknowledging and executing these Terms & Conditions, the purchaser certifies that he/she is not representing the former owner(s) of the property against whom City of Newburgh foreclosed and has no intent to defraud City of Newburgh of the unpaid taxes, assessment, penalties and charges which have been levied against the property. The purchaser agrees that neither he/she nor his/her assigns shall convey the property to the former owner(s) against whom City of Newburgh foreclosed within 24 months subsequent to the auction date. If such conveyance occurs, the purchaser understands that he/she may be found to have committed fraud, and/or intent to defraud, and will be liable for any deficiency between the purchase price at auction and such sums as may be owed to City of Newburgh as related to the foreclosure on the property and consents to immediate judgment by City of Newburgh for said amounts.

Proposal Form

Contact Information:

Name: Joseph + Maria Afonso
Business Name (If Applicable): ______
Address: 14 Marino Dr.
City, State & Zip: Wallkill, NY 12589
Home phone: 845 566-5600
Business Phone: 845 629-6234
Mobile Phone: same ↗
E-mail: Joseph-Afonso@Yahoo.Com
Federal I.D. No. (If Applicable): ______

Property Ownership Information:

Do you own – as an individual, member of an LLC, partner in a partnership, or officer in a corporation - any properties in the City of Newburgh? Yes ✓ No___

If you own property in the City of Newburgh, are any of these properties vacant and/or currently listed on the City of Newburgh's Vacant Building Registry? Yes ____ (attach explanation) No ✓ N/A ____ (No property owned in the City of Newburgh)

If you own property in the City of Newburgh, are any of these properties rented? Yes ✓ No____ N/A____ (No property owned in the City of Newburgh) If yes, do you have a current Rental License for each of the rental properties? Yes ✓ No ___
☐ Verified (Internal Office Use Only); Date Verified: 10/10/17 - PENDING

Please list **all** of the addresses of properties you own – as an individual, member of an LLC, partner in a partnership, or officer in a corporation - in the City of Newburgh. Also indicate if any of these properties are vacant or rented. (You may attach a list of the properties if the space below is inadequate.): 148 Dupont Ave / 56 Dubois St. 11 Liberty St Flats / 13 Liberty St Flats / 387 third st. 251 Powell Ave.

Are you current on all municipal obligations (taxes, water charges, etc.)?
Yes ✓ No ___ (attach explanation) N/A ___ (No property owned in City of Newburgh)
☐ Verified (Internal Office Use Only); Date Verified 10/10/17

Do you have any outstanding code violations for properties owned in the City of Newburgh?
Yes____ (attach explanation) No ✓ N/A ___ (No property owned in City of Newburgh)
☐ Verified (Internal Office Use Only); Date Verified 10/10/17

Have you had a previous tax foreclosure on a property owned by you in the City of Newburgh? Yes ______ (attach explanation) No ✓

Individual Property Bid Sheet

Information on Bid Property:
(If you are bidding on more than one property, please submit a completed copy of this page for **each** bid property. Please limit the total number of properties to a maximum of **three (3)**. Only one copy of the other pages in this application is required even if you are bidding on multiple properties.)

Property Address: 26 Forsyth

S-B-L#: 9-3-5

Type of Project:

X Single Family (includes a condominium unit)

____ Multi-Family (# of Units___)

____ Mixed Use (Commercial & Residential - # of Residential Units ___)

For the property types listed above, will it be occupied by the purchaser: Yes___ No___

____ Commercial ____ Industrial

____ Vacant Land (Proposed Use: ________________________________)

Offer Purchase Price: $ 25,000.00
(An offer of **at least** the minimum purchase price is recommended. The "Offer Purchase Price" cannot be left blank.)

Does or will your proposal conform to existing zoning? Yes ✓ No____

Renovation Estimate (Pre-Qualifying) - How much do you anticipate investing in this project for renovations? Please consider in your estimate that most vacant properties need *significant* repairs before they can be occupied again. This estimate can be revised once you have obtained entry to the property. *A more detailed repair cost estimate will be required after interior access.* Do not include renovation cost estimate in the "Offer Purchase Price" listed above: **$** 75,000.

Who will be doing the work? ✓ Self ___Other (complete below)

Please keep in mind that the City of Newburgh requires electrical and plumbing work to be performed by City of Newburgh licensed electricians and plumbers.

General Contractor: ________________________________
Architect: ________________________________
Engineer: ________________________________

Examples of Purchaser's Previous Renovation or Development Experience:
(Alternatively, applicants can attach a list of renovated properties or development experience that contains the information listed below.)

	Property/Project No. 1	Property/Project No. 2
Property Address: Please list all addresses (not merely project name). Include street number, street, city and zip code.	All Listed as owned	
Role (i.e. owner, partner, general contractor, architect, investor.)	owner	
Type of Project: (i.e. new construction, existing building requiring substantial rehabilitation or moderate rehabilitation.)	Substantial Rehab	
Property Type: (i.e. single-family, multi-family rental or commercial.)	Single family multi family	
Number of Buildings in Project	6	
Total Number of Residential Units in Project/Building	12 currently	
If commercial, total square footage of project	—	
Total Estimated Development/Rehabilitation Costs	over 500,000.	
Current Status of Building (Pre-development, under construction/renovation or completed - include date completed.)	All have Current C.O. No violations	
Government Program, if any (Provide name of program and agency, name and current phone of reference.)	—	

Finances:

(Applicant should provide not only sources of funding for the purchase of the property but also sufficient funding for the rehabilitation and/or development of the property.)

I am providing:
- ____ Personal Financial Statement
- ____ Letter from Lender/Investor
- ____ Personal or Business Bank Statement
- ____ Evidence of project funding
- ____ Developers should provide three years financial statements

What You Should Attach:

- Description of renovation plan with preliminary budget
- Verification of financial capacity
- N/A ~~Explanation of any tax delinquency/co~~de violations/vacant building (if applicable)

Business Relationship:

Have you had a "business relationship" as defined in Chapter 34, Article 2 (B) (2) of the municipal code, with any City elected official in the 12 months prior to the due date of this proposal? Yes____ No ✓

INFORMATION RELEASE:

It is our intent that all personal financial information submitted with this proposal to the Department of Planning and Development shall be considered confidential. I hereby authorize the City of Newburgh Department of Planning and Development to obtain credit reports (by completing a PathStone Credit Report Authorization Form) and verify information supplied as part of this proposal. All information provided is true and accurate to the best of my knowledge. By signing, you also acknowledge reading and reviewing the "Standard Terms and Conditions of Sale".

Signature ______ Date 9-28-2017

Joseph Afonso Social Security # [redacted] Date of Birth: [redacted]

Print Name

Submit Application to:

Department of Planning & Development
City Hall – 83 Broadway
Newburgh NY 12550

Proposed Detailed Cost Estimate For Rehab of 26 Forsyth
Newburgh, NY 12550

1. Perimeter French drains in basement	$ 4,500.00
2. Strip and reshingle roofing	$ 7,600.00
3. Knockdown and relay chimney brick, minor 1,450.00	$
4. Electrical service for proposed 1 family street connection	$ 2,400.00
5. Misc. interior electrical, GFI outlets, running new outlets as required by code, outside lighting	$ 2,600.00
6. Peeling lead paint abatement, interior	$ 4,600.00
7. Plumbing, kitchen water/drain connection	$ 3,600.00
8. Plumbing, bath connections, tub/shower, toilets	$ 7,200.00
9. Repair plumbing for steam radiator heat	$ 2,200.00
10. Replace rear porch, large	$ 3,600.00
11. Misc. interior walls repairing , int. doors	$ 2,600.00
12. 22 replacement windows @ 260 each	$ 5,720.00
13. Exterior doors with locksets, 3 @ 325 each	$ 975.00
14. Interior painting	$ 2,900.00
15. Exterior wood soffit repair, replicate existing front	$ 3,200.00
16. Exterior Hardi siding, remove existing stucco	$12, 800.00
17. Kitchen cabinets, tops 3,600.00	$
18. Bath flooring	$ 1,750.00
19. Wood floor refinishing	$ 2,600.00
20. Basement repairs, concrete flooring, paint	$ 2,100.00
21. Misc ACM abatement 3,500.00	$
Total	$81495.00
10% allowance for unforeseen conditions/hidden costs	$ 8,100.00
Total construction costs with allowance	$89,595.00
Proposed property cost	$ 25,000.00
Proposed net cost of property rehab from outsider view	$114,595.00
note: This estimate is composed from a viewpoint of 100% of work performed by outside contractors, at least 70% of work will be performed by owner reducing costs by 40%	(45,838.00)
Net cost of rehab to buyer	$ 68,757.00

Dated October 10th, 2017
Joseph and Maria Afonso
14 Marino Dr.
Wallkill, NY 12589

KEYBANK
P.O. BOX 94955
CLEVELAND, OH 44101-4955

Account Number: [redacted]

JOSEPH AFONSO
14 MARINO DR
WALLKILL, NY 12589-2840

pd 10/2/17
ck #720

Key Equity Options Account Statement

08/09/17 through 09/07/17

Summary of Account Activity	
***Previous Balance**	$164,858.94
Payments	$1,242.78
Other Credits and Adjustments	$0.00
Advances and Other Debits	$.00
Fees Charged	$.00
Interest Charged	$537.77
***New Balance**	$164,153.93
Credit Limit	$250,000.00
Available Credit	$86,383.84
Past Due Amount	$.00
Statement Closing Date	09/07/17
Days in Billing Cycle	30

Payment Information	
***New Balance**	$164,153.93
Minimum Payment Due	$1,219.49
Payment Due Date	10/02/17

Late Payment Warning: If we do not receive your minimum payment by 10/13/2017, you may be assessed a $30.00 late fee.

Draw Period Information	
Draw Period End Date:	08/02/2027

Repayment Period Information	
Repayment Period Begin Date:	08/02/2027

* **Previous Balance and New Balance:** A Previous Balance and or New Balance with a minus sign (-) after it indicates a credit balance.

NOTE TO NEW CUSTOMERS: The FINANCE CHARGES or CLOSING COSTS financed as part of the first advance on the line are included in "Fees Charged", not in "Advances and Other Debits" OR "Interest Charged" totals.

Please see account transaction details for itemized charges.

Please send Billing Inquiries and Disputed Balance communications to: KeyBank, P.O. Box 5788, Attn: Loan Client Services, Cleveland, OH 44101-0788.

Questions? For CUSTOMER SERVICE INQUIRIES, LOST or STOLEN CHECKS or CREDIT CARDS, CALL: 1-800-KEY2YOU.

For borrower assistance, call us at 1-800-982-1102 or visit us online at www.key.com/personal/resources/borrower-assistance.jsp

Any amount over the credit limit is immediately due and payable and is included in the "Minimum Payment Due"

If you are in Bankruptcy: To the extent your original obligation was discharged, or is subject to an automatic stay of bankruptcy under Title 11 of the United States Code, this statement is for compliance and/or informational purposes only and does not constitute an attempt to collect a debt or impose personal liability for such obligation. However, if you have a secured loan, KeyBank retains rights under its security instrument, including the right to foreclose its lien.

Please detach this portion and return with your payment to insure proper credit. Retain upper portion for your records

Citizens Bank

ROP-450
PO Box 7000
Providence RI 02940

1-800-922-9999
Call Citizens' PhoneBank anytime for account information, current rates and answers to your questions.

Checking Account Statement

Beginning August 15, 2017
through September 15, 2017

MARIA S AFONSO
14 MARINO DR
WALLKILL NY 12589-2840

Checking

US759 24 1

MARIA S AFONSO
JOSEPH P AFONSO
One Deposit Checking
[redacted]

SUMMARY

Balance Calculation

Previous Balance	34,006.57
Checks	11,423.82 -
Withdrawals & Debits	5,491.08 -
Deposits & Credits	8,562.00 +
Current Balance	25,653.67 =

The monthly maintenance fee of $9.99 will be waived if at least 1 deposit is posted to your account before the end of your statement period.
Your account had at least 1 deposit posted during this statement period.
Your next statement period will end on October 16, 2017.

TRANSACTION DETAILS

Previous Balance
34,006.57

Checks

Check #	Amount	Date	Check #	Amount	Date
644	429.00	08/18	683	865.96	08/28
655*	80.00	08/17	686*	157.87	09/05
662*	818.19	08/23	688*	15.36	09/05
663	651.38	08/23	689	54.13	09/05
664	1,461.74	08/23	690	150.00	09/11
675*	141.82	08/25	691	303.19	09/05
676	70.00	08/30	692	233.57	09/06
677	1,242.78	08/25	693	54.90	09/05
678	941.55	08/25	694	40.24	09/05
679	940.76	08/25	696*	99.00	09/06
681*	90.82	08/29	697	2,500.00	09/05
682	32.38	08/28	698	49.18	09/06

Total Checks
11,423.82

Withdrawals & Debits

Other Withdrawals & Debits

Date	Amount	Description
08/28	5,000.00	American Express Arc Pymt 170827 Check # 0000000684
08/29	182.07	Verizon Financia Payments 170828 Check # 0000000680
09/06	100.00	Online Transfer To Checking 4015252089
09/06	209.01	State Farm Ro 27 Pymt 170906 Check # 0000000695

Total Withdrawals & Debits
5,491.08

Citizens Bank

1-800-922-9999

Call Citizens' PhoneBank anytime for account information, current rates and answers to your questions.

Savings Account Statement

Beginning July 01, 2017
through September 30, 2017

US002 BR047

MARI A S AFONSO
JOSEPH AFONSO
14 MARI NO DR
WALLKI LL NY 12589-2840

Savings

SUMMARY

MARIA S AFONSO
JOSEPH AFONSO
Passbook Savings
[redacted]

Balance Calculation

Previous Balance	49,042.61	
Withdrawals & Debits	20,156.00	-
Deposits & Credits	9,500.00	+
Interest Paid	1.11	+
Current Balance	38,387.72	=

You can waive the monthly maintenance fee of $4.99 by maintaining a minimum daily balance of $500 in your account.
Your minimum daily balance used to qualify this statement period is: $36,387
Your minimum daily balance qualifies you for a monthly maintenance fee waiver this statement period.

TRANSACTION DETAILS

Previous Balance
49,042.61

Withdrawals & Debits

Other Withdrawals & Debits

Date	Amount	Description
08/25	9,996.00	(Mts No.170825004476)
08/25	10,100.00	(Mts No.170825007876)
08/25	30.00	Service Charge (1) Wire Transfer Fees
08/25	30.00	Service Charge (1) Wire Transfer Fees

Total Withdrawals & Debits
20,156.00

Deposits & Credits

Date	Amount	Description
08/25	7,500.00	Deposit
09/25	2,000.00	Deposit

Total Deposits & Credits
9,500.00

Interest

Date	Amount	Description
07/31	.41	Interest
08/31	.40	Interest
09/29	.30	Interest

Purchase Proposal Summary

Location:	**26 Forsythe Place (between Broad St & Leroy Pl)**
Tax Map Number:	9-3-5
Property Class:	210—One Family Residential
Zoning:	RL—Residential Low Density
Description:	2-story, one family home; Year built: 1935; 1142 total square feet; 4 bedrooms; lot dimensions: 40 x 89
Condition:	Fair
Assessed Value:	$ 89,400
Annual Taxes:	$ 4,648+/-
Selling Price:	$ 35,760 @ 40%

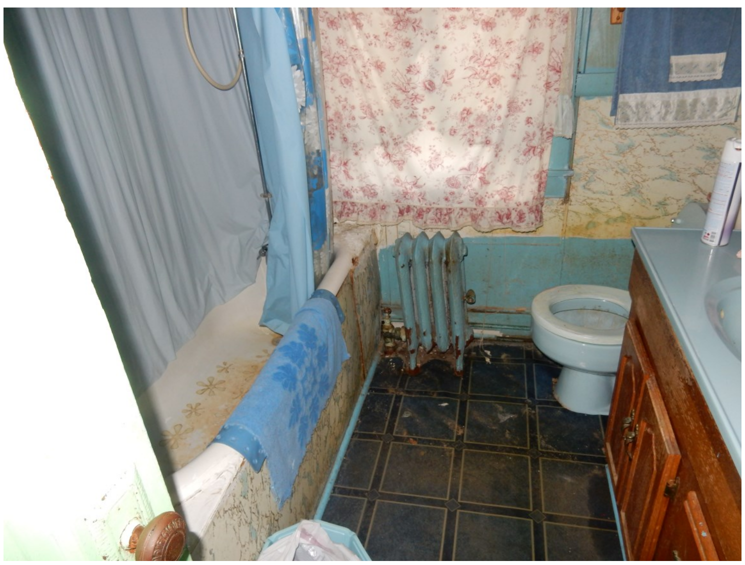
The city acquired this property: April 2017

Offer Information:

Name:	Joseph Afonso
Offer Price:	**$ 25,000**
Construction Estimate:	$ 69,000 +/- (self-contracting net cost)
Proof of Financing:	Key Bank & Citizen Bank accounts

Comments: The purchaser recently bought and renovated two City-owned properties: 251 Powell Avenue and 387 Third Street He completed the renovation of both buildings in about 6 months time. Now he wishes to purchase and renovate 26 Forsythe place. The house needs extensive work: new French drains to alleviate water in the basement, new kitchen, baths, roof, etc. Once completed, he would like to sell the building to an owner-occupant. He has proven—with the work he has done on 251 Powell and 387 Third - that he can transform neglected City-owned buildings into quality residences, and complete the work in a timely manner.

Interior Photos



251 Powell Avenue

387 Third Street

RESOLUTION NO.: _______- 2017

OF

OCTOBER 23, 2017

A RESOLUTION TO AUTHORIZE THE CONVEYANCE OF REAL PROPERTY KNOWN AS 85 WILLIAM STREET (SECTION 39, BLOCK 2, LOT 21) AND 87 WILLIAM STREET (SECTION 39, BLOCK 2, LOT 20) AT PRIVATE SALE TO BISESSAR ALVIN MOONESAR FOR THE TOTAL AMOUNT OF $21,500.00

WHEREAS, the City of Newburgh has acquired title to several parcels of real property by foreclosure *In Rem* pursuant of Article 11 Title 3 of the Real Property Tax Law of the State of New York; and

WHEREAS, pursuant to Section 1166 of the Real Property Tax Law the City may sell properties acquired by foreclosure *In Rem* at private sale; and

WHEREAS, the City of Newburgh desires to sell 85 William Street and 87 William Street being more accurately described as Section 39, Block 2, Lots 21 and 20, respectively, on the official tax map of the City of Newburgh; and

WHEREAS, the prospective buyer has offered to purchase these properties at private sale; and

WHEREAS, this Council has determined that it would be in the best interests of the City of Newburgh to sell said properties to the prospective buyer for the sum as outlined below, and upon the same terms and conditions annexed hereto and made a part hereof;

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Newburgh, New York, that the sale of the following property to the indicated purchaser be and hereby is confirmed and the City Manager is authorized and directed to execute and deliver a quitclaim deed to said purchaser upon receipt of the indicated purchase price in money order, good certified or bank check, made payable to **THE CITY OF NEWBURGH,** such sums are to be paid on or before January 26, 2018, being approximately ninety (90) days from the date of this resolution; and

Property address	Section, Block, Lot	Purchaser	Purchase Price
85 William Street	39 – 2 – 21	Bisessar Alvin Moonesar	$14,000.00
87 William Street	39 – 2 – 20		$ 7,500.00

BE IT FURTHER RESOLVED, by the Council of the City of Newburgh, New York, that the parcels are not required for public use.

Terms and Conditions of Sale
85 William Street, City of Newburgh (39-2-21)
87 William Street, City of Newburgh (39-2-20)

STANDARD TERMS:

1. City of Newburgh acquired title to this property in accordance with Article 11 of the Real Property Tax Law of the State of New York, and all known rights of redemption under said provisions of law have been extinguished by the tax sale proceedings and/or as a result of forfeiture.
2. For purposes of these Terms and Conditions, parcel shall be defined as a section, block and lot number.
3. All real property, including any buildings thereon, is sold "AS IS" and without any representation or warranty whatsoever as to the condition or title, and subject to: (a) any state of facts an accurate survey or personal inspection of the premises would disclose; (b) applicable zoning/land use/building regulations; (c) water and sewer assessments are the responsibility of the purchaser, whether they are received or not; (d) easements, covenants, conditions and rights-of-way of record existing at the time of the levy of the tax, the non-payment of which resulted in the tax sale in which City of Newburgh acquired title; and (e) for purposes of taxation, the purchaser shall be deemed to be the owner prior to the next applicable taxable status date after the date of sale.
4. The properties are sold subject to unpaid school taxes for the tax year of 2017-2018, and also subject to all school taxes levied subsequent to the date of the City Council resolution authorizing the sale. The purchaser shall reimburse the City for any school taxes paid by the City for the tax year 2017-2018, and subsequent levies up to the date of the closing. Upon the closing, the properties shall become subject to taxation. Water and sewer charges and sanitation fees will be paid by the City to the date of closing.
5. **WARNING: FAILURE TO COMPLY WITH THE TERMS OF THIS PARAGRAPH MAY RESULT IN YOUR LOSS OF THE PROPERTY AFTER PURCHASE**. **The deed will contain provisions stating that the purchaser is required to rehabilitate any building on the property and bring it into compliance with all State, County and Local standards for occupancy within (18) months of the date of the deed. Within such eighteen (18) month time period the purchaser must either: obtain a Certificate of Occupancy for all buildings on the property; make all buildings granted a Certificate of Occupancy before the date of purchase fit for the use stated in such Certificate of Occupancy; or demolish such buildings. The deed shall require the purchaser to schedule an inspection by City officials at or before the end of the eighteen (18) month period. If the purchaser has not complied with the deed provisions regarding rehabilitation of the property and obtained a Certificate of Occupancy or Certificate of Compliance by that time, then the title to the property shall revert to the City of Newburgh. The deed shall also provide that the property shall not be conveyed to any other person before a Certificate of Occupancy or Certificate of Compliance is issued. A written request made to the City Manager for an extension of the eighteen (18) month rehabilitation period shall be accompanied by a non-refundable fee of $250.00 per parcel for which a request is submitted. The City Manager may, in his sole discretion and for good cause shown, grant one extension of time to rehabilitate of up to, but not to exceed, three (3) months. Any additional request thereafter shall be made in writing and placed before the City Council for their consideration**.
6. Notice is hereby given that the properties are vacant and unoccupied. The parcels are being sold subject to the City's Vacant Property Ordinance and all provisions of law applicable thereto. At closing, the purchaser will be required to register the properties and remit the vacant property fee. It is the sole responsibility of the purchaser to redevelop such parcels in accordance with same.
7. Notice is hereby given that the properties lie within the East End Historic District as designated upon the zoning or tax map. The parcels are being sold subject to all provision of law applicable thereto and it is the sole responsibility of the purchaser to redevelop such parcels so designated in accordance with same.

8. All purchasers are advised to personally inspect the premises and to examine title to the premises prior to the date upon which the sale is scheduled to take place. Upon delivery of the quitclaim deed by the City of Newburgh to the successful purchaser, any and all claims with respect to title to the premises are merged in the deed and do not survive.
9. No personal property is included in the sale of any of the parcels owned by City of Newburgh, unless the former owner or occupant has abandoned same. The disposition of any personal property located on any parcel sold shall be the sole responsibility of the successful purchaser following the closing of sale.
10. The City makes no representation, express or implied, as to the condition of any property, warranty of title, or as to the suitability of any for any particular use or occupancy. Property may contain paint or other similar surface coating material containing lead. Purchaser shall be responsible for the correction of such conditions when required by applicable law. Property also may contain other environmental hazards. Purchaser shall be responsible for ascertaining and investigating such conditions prior to bidding. Purchaser shall be responsible for investigating and ascertaining from the City Building Inspector's records the legal permitted use of any property prior to closing. Purchaser acknowledges receivership of the pamphlet entitled "Protecting Your Family from Lead in Your Home." Purchaser also acknowledges that he/she has had the opportunity to conduct a risk assessment or inspection of the premises for the presence of lead-based paint, lead-based paint hazards or mold.
11. The entire purchase price and all closing costs/fees must be paid by money order or guaranteed funds to the City of Newburgh Comptroller's Office on or before January 26, 2017. Such closing costs/fees may include, but are not limited to: recording fees, tax adjustments as of the day of closing, fuel oil adjustments, and applicable condominium charges (e.g. monthly maintenance charges, assessment charges, transfer buy-in fees, and/or closing package ordering fees). *The City of Newburgh does not accept credit card payments for the purchase price and closing costs/fees.* **The City is not required to send notice of acceptance or any other notice to a purchaser.** At closing, purchaser, as grantee, may take title as a natural person or as an entity wherein purchaser is an officer or managing member of said entity. The City Manager may, in his sole discretion and for good cause shown, grant one extension of time to close title of up to, but not to exceed, sixty (60) additional days. No request shall be entertained unless in writing, stating the reasons therefor, and unless accompanied by a fee of $250.00 per parcel for which a request is submitted. The fee shall be in addition to all other fees and deposits and shall not be credited against the purchase price and shall not be returnable. Any additional request made thereafter shall be made in writing and placed before the City Council for their consideration.
12. In the event that a sale is cancelled by court order, judgment, the Comptroller or the Newburgh City Council, the successful bidder shall be entitled only to a refund of the purchase money paid with interest. Purchaser agrees that he shall <u>not</u> be entitled to special or consequential damages, attorney's fees, reimbursement for any expenses incurred as a result of ownership, improvements of property, or for taxes paid during period of ownership, and this agreement by the purchaser is a material condition of the sale.
13. Sale shall be final, absolute and without recourse once title has closed and the deed has been recorded. In no event, shall City of Newburgh be or become liable for any defects in title for any cause whatsoever, and no claim, demand or suit of any nature shall exist in favor of the purchaser, his heirs, successors or assigns, against City of Newburgh arising from this sale.
14. Conveyance shall be by quitclaim deed only, containing a description of the property as it appeared on the tax roll for the year upon which the City acquired title or as corrected up to date of deed. The deed will be recorded by the City upon payment in full of the purchase price, buyer's premium, and closing fees/costs. Possession of property is forbidden until the deed is recorded conveying title to the purchaser. **Title vests upon recording of deed.**
15. Upon closing, the City shall deliver a quitclaim deed conveying all of its right, title and interest in the subject property, which deed shall be drawn by the City Corporation Counsel. The City shall not convey its interest in any street, water, sewer or drainage easement, or any other interest the City may have in the property. The City shall only convey that interest obtained by the City pursuant to the judgment rendered in an *in rem* tax foreclosure action filed in the Orange County Clerk's Office.

16. The description of the property shall be from the City of Newburgh Tax Map reference or a survey description certified to the City of Newburgh and provided to the City Corporation Counsel by the purchaser at least ten (10) days in advance of closing title and approved by the City's Engineer.
17. Evictions, if necessary, are solely the responsibility of the successful bidder after closing and recording of the deed.
18. By acknowledging and executing these Terms & Conditions, the purchaser certifies that he/she is not representing the former owner(s) of the property against whom City of Newburgh foreclosed and has no intent to defraud City of Newburgh of the unpaid taxes, assessment, penalties and charges which have been levied against the property. The purchaser agrees that neither he/she nor his/her assigns shall convey the property to the former owner(s) against whom City of Newburgh foreclosed within 24 months subsequent to the auction date. If such conveyance occurs, the purchaser understands that he/she may be found to have committed fraud, and/or intent to defraud, and will be liable for any deficiency between the purchase price at auction and such sums as may be owed to City of Newburgh as related to the foreclosure on the property and consents to immediate judgment by City of Newburgh for said amounts.

Purchase Proposal Summary

Location: **85 & 87 William Street** (east side of William Street between West Parmenter and South William Streets)

Tax Map Number: 39-2-20 & 39-2-21

Property Class: 85 William—210 (Single Family Residence)

87 William— 482 (Detached Row Building)

Zoning: Commercial District - Within East End Historic District

Description: Year Built—1900 (85 William), 1496sf, lot size 25 x 100; 1880- (87 William); 2128sf; last used as a mixed-use building—commercial space on the 1st floor and two apartments on the top floor. Lot size: 25 x 76.

Condition: Poor

Assessed Value: 85 William: $ 33,800; 87 William: $19,000

Annual Taxes: $ 2,860+/- (Combined for both properties)

Selling Price: $ 20,280 @ 60% (85 William) ; $11,900 @ 50% (87 William)

The city acquired this property: April 2017 (85 William); March 2016 (87 William)

Offer Information:

Name: B. Alvin Moonesar (VIP Partners LLC)

Offer Price: **$ 14,000 (85 William); $7,500 (87 William)**

$21,500 (Total)

Construction Estimate: $225,000

Proof of Financing: Superior Mortgage; TD Bank

Comments: 85 William Street has been mostly gutted and is in poor condition; 87 William has been abandoned for many years; it suffers from roof leakage and significant interior deterioration.

The purchaser is an experienced developer in the New York City area. He has owned and renovated several properties. He plans to assemble a block of properties (privately and from the City of Newburgh) along the east side of William Street for redevelopment.

The buyer sees potential in the William Street area. He wishes to champion a revival of this vital corridor that has been neglected for many years.

87 William Street

85 William Street

Proposal Form

Contact Information:

Name: B. Alvin Moonesar
Business Name (If Applicable): VIP Partners LLC
Address: 353 Logan Street
City, State & Zip: Brooklyn NY 11208
Home phone: ____
Business Phone: 914-559-2724
Mobile Phone: 917-697-6960
E-mail: amoonesar@live.com
Federal I.D. No. (If Available): ____

Property Ownership Information:

Do you own – as an individual, member of an LLC, partner in a partnership or officer in a corporation - any properties in the City of Newburgh? Yes X No ___

If you own property or properties in the City of Newburgh, are any of these properties vacant and/or currently listed on the City of Newburgh's Vacant Building Registry? Yes ___ (attach explanation) No X N/A ___ (No property owned in the City of Newburgh)

Please list **all** of the addresses of properties you own in the City of Newburgh. Also indicate if any of these properties are vacant. (You may attach a list of the properties if the space below is inadequate.):

69 William Street, Newburgh NY 12550
77 William Street, Newburgh NY 12550
89 William Street, Newburgh NY 12550
12 & 31 Clark Street, Newburgh, NY 12550
44 Johnes Street, Unit 206, Newburgh NY 12550

Are you current on all municipal obligations (taxes, water charges, etc.)?
Yes X No ___ (attach explanation) N/A ___ (No property owned in City of Newburgh)
Verified (Internal Office Use Only); Date Verified 10\10\17

Do you have any outstanding code violations for properties owned in the City of Newburgh?
Yes ___ (attach explanation) No X N/A ___ (No property owned in City of Newburgh)
☐ Verified (Internal Office Use Only); Date Verified 10\10\17

Have you had a previous tax foreclosure on a property owned by you in the City of Newburgh? Yes ___ (attach explanation) No X

Individual Property Bid Sheet

Information on Bid Property:
(If you are bidding on more than one property, please submit a completed copy of this page for **each** bid property. Only one copy of the other pages in this application is required even if you are bidding on multiple properties.)

Property Address: 85 William Street________________________

S-B-L#: 39-2-21________________________

Type of Project:

_x_ Single Family

____ Multi-Family (# of Units___)

____ Mixed Use (Commercial & Residential - # of Residential Units ___)

For the property types listed above, will it be occupied by the purchaser: Yes___ No___

____ Commercial ____ Industrial

____ Vacant Land (Proposed Use:________________________)

Offer Purchase Price: $ $14,000
(An offer of **at least** the minimum ~~purchase price is~~ recommended. The "Offer Purchase Price" cannot be left blank.)

Does or will your proposal conform to existing zoning? Yes_X_ No____

Renovation Estimate (Pre-Qualifying) - How much do you anticipate investing in this project for renovations? Please consider in your estimate that most vacant properties need *significant* repairs before they can be occupied again. This estimate can be revised once you have obtained entry to the property. A more detailed repair cost estimate will be required after interior access. Do not include renovation cost estimate in the "Offer Purchase Price" listed above: **$**____$150,000____________

Who will be doing the work? ____Self _X_Other (complete below)

Please keep in mind that the City of Newburgh requires electrical and plumbing work to be performed by City of Newburgh licensed electricians and plumbers.

General Contractor: Brian Scott Construction
Architect: AS NEEDED/TBD
Engineer: AS NEEDED/TBD

Individual Property Bid Sheet

Information on Bid Property:
(If you are bidding on more than one property, please submit a completed copy of this page for **each** bid property. Only one copy of the other pages in this application is required even if you are bidding on multiple properties.)

Property Address: 87 William Street________________________________

S-B-L#: 39-2-20

Type of Project:

_____ Single Family

_____ Multi-Family (# of Units___)

_x__ Mixed Use (Commercial & Residential - # of Residential Units _2__)

For the property types listed above, will it be occupied by the purchaser: Yes___ No_x__

_____ Commercial _____ Industrial

_____ Vacant Land (Proposed Use:________________________________)

Offer Purchase Price: $ $7,500
(An offer of **at least** the ~~minimum purchase price~~ is recommended. The "Offer Purchase Price" cannot be left blank.)

Does or will your proposal conform to existing zoning? Yes_X__ No_____

Renovation Estimate (Pre-Qualifying) - How much do you anticipate investing in this project for renovations? Please consider in your estimate that most vacant properties need *significant* repairs before they can be occupied again. This estimate can be revised once you have obtained entry to the property. A more detailed repair cost estimate will be required after interior access. Do not include renovation cost estimate in the "Offer Purchase Price" listed above: **$** $150,000

Who will be doing the work? _____Self _X_Other (complete below)

Please keep in mind that the City of Newburgh requires electrical and plumbing work to be performed by City of Newburgh licensed electricians and plumbers.

General Contractor: Brian Scott Construction
Architect: AS NEEDED/TBD
Engineer: AS NEEDED/TBD

Examples of Purchaser's Previous Renovation or Development Experience:
(Alternatively, applicants can attach a list of renovated properties or development experience that contains the information listed below.)

	Property/Project No. 1	Property/Project No. 2
Property Address: Please list all addresses (not merely project name). Include street number, street, city and zip code.	36 Lincoln Ave Brooklyn NY 11208	353 Logan Street Brooklyn NY 11208
Role (i.e. owner, partner, general contractor, architect, investor.)	Owner & Developer	Project Manager/Consultant
Type of Project: (i.e. new construction, existing building requiring substantial rehabilitation or moderate rehabilitation.)	Substantial Rehabilition Facade, Roof, Plumbing Electrical	Moderate rehabilitation Pointing, Floors, Walls, Kitchen
Property Type: (i.e. single-family, multi-family rental or commercial.)	Multifamily	Two Family
Number of Buildings in Project	One	One
Total Number of Residential Units in Project/Building	Six	Two
If commercial, total square footage of project	N/A	N/A
Total Estimated Development/Rehabilitation Costs	$250K	$50K
Current Status of Building (Pre-development, under construction/renovation or completed - include date completed.)	100%	100%
Government Program, if any (provide name of program and agency, name and current phone of reference.)	NONE	203K

Finances:
(Applicant should provide not only sources of funding for the purchase of the property but also sufficient funding for the rehabilitation and/or development of the property.)

I am providing:
- ___ Personal Financial Statement
- ___ Letter from Lender/Investor
- ___ Personal or Business Bank Statement
- _X_ Evidence of project funding
- ___ Developers should provide three years financial statements

What You Should Attach:

- Description of renovation plan with preliminary budget
- Verification of financial capacity
- Explanation of any tax delinquency/code violations/vacant building (if applicable)

Business Relationship:

Have you had a "business relationship" as defined in Chapter 34, Article 2 (B) (2) of the municipal code, with any City elected official in the 12 months prior to the due date of this proposal? Yes____ No_X_

INFORMATION RELEASE:

It is our intent that all personal financial information submitted with this proposal to the Department of Planning and Development shall be considered confidential. I hereby authorize the City of Newburgh Department of Planning and Development to obtain credit reports (by completing a PathStone Credit Report Authorization Form) and verify information supplied as part of this proposal. All information provided is true and accurate to the best of my knowledge. By signing, you also acknowledge reading and reviewing the "Standard Terms and Conditions of Sale".

Signature ________ Date 09-18-17

B. Alvin Moonesar Social Security #[redacted] Date of Birth:[redacted]
Print Name

Submit Application to:

Department of Planning & Development
City Hall – 83 Broadway
Newburgh NY 12550

85 William Street Costing			
	Cost		
A. Building Exterior:			
Clean & Point	$ 5,500		
Repair Front Stairs	$ 1,200		
Repair the roof.	$ 3,000		
Repair and or replace gutters as necessary.	$ 1,800		
Sidewalk repair	$ 5,500		
B. Interior 1st Floor :			
Repair/Replace any damaged walls & ceilings	$ 2,500		
2nd floor kitchen: New stove, fridge, sink, granite counter, cupboards.	$ 5,000		
Electrical: Complete electrical with panel located on floor	$ 4,500		
Complete prime and paint with colors selected by homeowner	$ 2,000		
Wood/Carpet/Tile all floors	$ 4,000		
New bathroom including plumbing and equipment(vanity & cabinet, inwall medicine cabinet, toilet, shower).	$ 6,500		
C. Interior 2nd Floor:			
Fix and replace studs for wall placing as necessary	$ 2,500		
Electrical: Complete electrical with panel located on floor	$ 4,500		
Complete prime and paint with colors selected by homeowner	$ 2,000		
Wood/Carpet/Tile all floors	$ 4,000		
New bathroom including plumbing and equipment(vanity & cabinet, inwall medicine cabinet, toilet, shower).	$ 5,000		
E. Mechanicals, Electrical & Plumbing: $			
New Heat/Hotwater units for each unit	$ 7,000		
Complete heating equipment and installation for all units	$ 1,800		
Complete riser plumbing for all units	$ 1,000		
Update electrical system to handle units and common/storage area requirements	$ 1,500		
Repair/Replace Water & Sewer Connections	$ 4,500		
F. Furnishings:			
Chandelier	$ 300		
Lighting	$ 1,200		
Miscellaneous	$ 500		
G. Basement:			
Clean basement	$ 1,000		
New Basement Exit Door	$ 500		
H. Other: $			
Remove all garbage and debris after repair, including any existing furniture, appliance and trash.	$ 3,500		
I. Soft Cost:	$ 5,500		
H. Contingency:	$ 12,200		
Total Estimate	$ 100,000		

87 William Street Costing	
	Cost
A. Building Exterior:	
New Front Commercial - ARC Compliant	$ 4,500
Clean and Point Exterior	$ 7,800
Repair Front Entrance	$ 1,200
Repair the roof.	$ 3,000
Repair and or replace gutters as necessary.	$ 1,800
Sidewalk repair	$ 7,500
B. Interior 1st Floor :	
Repair/Replace any damaged walls & ceilings	$ 2,500
Electrical: Complete electrical with panel located on floor	$ 4,500
Complete prime and paint with colors selected by homeowner	$ 2,000
Wood/Carpet/Tile all floors	$ 8,000
New bathroom including plumbing and equipment(vanity & cabinet, inwall medicine cabinet, toilet, shower).	$ 5,000
C. Interior 2nd Floor:	
Repair/Replace any damaged walls & ceilings	$ 8,500
2nd floor kitchen: New stove, fridge, sink, granite counter, cupboards.	$ 5,000
Electrical: Complete electrical with panel located on floor	$ 4,500
Complete prime and paint with colors selected by homeowner	$ 2,500
Wood/Carpet/Tile all floors	$ 4,000
New bathroom including plumbing and equipment(vanity & cabinet, inwall medicine cabinet, toilet, shower).	$ 6,500
E. Mechanicals, Electrical & Plumbing: $	
New Heat/Hotwater units for each unit(2units plus common area)	$ 7,000
Complete heating equipment and installation for all units	$ 1,800
Complete riser plumbing for all units	$ 3,000
Update electrical system to handle 2 units plus common/storage area requirements	$ 3,500
Repair/Replace Water & Sewer Connections	$ 4,500
F. Furnishings:	
Chandelier	$ 300
Lighting	$ 1,200
Miscellaneous	$ 500
G. Basement:	
Clean basement	$ 300
New Basement Exit Door	$ 500
H. Other: $	
Remove all garbage and debris after repair, including any existing furniture, appliance and trash.	$ 3,000
I. Soft Cost:	$ 5,500
H. Contingency:	$ 15,100
Total Estimate	$ 125,000

TD Bank
America's Most Convenient Bank®

Welcome, BISESSAR

Today is 9/26/2017 | Your last login was on 9/26/2017 10:08 PM

> Earn $200 Cash Back on new TD Business Solutions Credit Card accounts. **Apply now**

Deposit Accounts

Account Name	Account Number	Today's Beginning Balance	Pending Transactions
DAC	4255495941	$12,569.05	
VIPM	4258865729	$5,407.54	
LBC	4290261480	$362.57	
AMA	4300212357	$13,086.47	
VIPP	4302636513	$6,019.02	
TD BUSINESS CONVENIENCE PLUS	4307955843	$1,591.31	
TD BUSINESS CONVENIENCE PLUS	4330572143	$10,471.65	
TD BUSINESS CONVENIENCE PLUS	4337271152	$990.00	
VIPL	4300211911	$1,475.36	
TD SMALL BUSINESS MMKT PLUS	4330572242	$2,807.52	
SLM	00004783573334	$5,898.08	
WGM	00006757686648	$6,004.28	
CDM	00006757687018	$6,913.28	
ADM	00006757687240	$6,913.28	
DNM	00006757687498	$6,913.28	
		Total Available Balance of Deposit Accounts	

Credit Cards

Account Name	Account Number	Payment Due Date	Available Credit
VIP C **Pay via transfer**	4847385534157064	9/28/2017	$12,500.00

SUPERIOR
MORTGAGE COMPANY, INC.
Quality, Reputation, and Service. That's Superior.

Mortgage Pre-Qualification

September 21 2017

Dear VIP Partners LLC,

I am pleased to inform you that Superior Mortgage Company, Inc has pre-approved your construction mortgage request. The total amount that we qualified you for is $360,000.00. This is an approval based on only the credit, income, and assets portion of your application. Your loan amount is based on a $450,000.00 appraisal value. You are applying for 80% financing at a fixed Investment Loan.

I look forward to working with you and thank you for giving me the opportunity to handle the financing for one of the most important investments in your life.

If you have any further questions I can be reached at **914-755-3942**.

Your Trusted Advisor,

Lisa Ferrara

Lisa Ferrara
Mortgage Consultant
President
CMPS

578 Route 32* Highland Mill NY 10930
845-928-2845 Fax: 845-928-1565
superiorlisa@optonline.net

RESOLUTION NO.: __________- 2017

OF

OCTOBER 23, 2017

A RESOLUTION REQUESTING AN EXEMPTION FROM COUNTY TAXES FOR THE CITY'S RESERVOIR AND FILTER PLANT PROPERTIES FOR THE YEAR 2019

BE IT RESOLVED, by the Council of The City of Newburgh, New York, that the City Manager be and he is hereby authorized and directed to request a real property tax exemption from real property taxes to be levied by the County of Orange on all of the City's reservoir and filter plant properties, and the buildings and improvements thereon, and to be constructed thereon in the Town of Newburgh and the Town of New Windsor, pursuant to the provisions of Section 406, subdivision 3, of the Real Property Tax Law of the State of New York.

The requested exemption would include exemption from all taxation, special ad valorum levies and special assessments through December 31, 2019, so long as the subject premises are used for the aforesaid purposes.

The specific properties involved are as follows:

OWNER	MUNICIPALITY	TAX PARCEL NO.
CITY OF NEWBURGH	TOWN OF NEW WINDSOR	4 - 1 - 38
		4 - 1 - 35
		4 - 3 - 1.1
		4 - 1 - 12.2
		4 - 1 - 9.21
		4 - 1 - 10
		32 - 2 - 53
	TOWN OF NEWBURGH	75 - 1 - 17
		97 - 3 - 17
		97 - 2 - 22.1
		97 - 3 - 10
		97 - 1 - 44; and

BE IT FURTHER RESOLVED, that the City Manager be and he is hereby authorized to execute an Agreement, a copy of which is annexed hereto, with the County of Orange to effectuate such exemption.

AGREEMENT, made this ____ day of ______________, 201____ by and between

THE CITY OF NEWBURGH, a municipal corporation duly organized and existing under the laws of the State of New York and having its principal place of business at City Hall, 83 Broadway, in the City of Newburgh, County of Orange, State of New York; and

THE COUNTY OF ORANGE, a municipal corporation duly organized and existing under the laws of the State of New York and having its principal place of business at the Orange County Government Center, Main Street in the Village of Goshen, County of Orange and State of New York,

WHEREAS, the City of Newburgh is the owner of several parcels of real property located in the Towns of Newburgh and New Windsor, Orange County, New York and designated on the official tax map of said towns as set forth in Schedule "A" annexed hereto and made a part hereof; and

WHEREAS, The City of Newburgh uses said property for the operation of a water filtration plant and reservoirs exclusively; and

WHEREAS, The County of Orange has in the past, imposed taxes against said parcels of real property; and

WHEREAS, Section 406(3) of the Real Property Tax Law of the State of New York in essence, inter alia, provides that real property owned by a municipality with a population of less than 100,000 people, which property is located without its corporate limits and is used as a reservoir or water filtration plant may be wholly or partially exempt from taxation, special ad valorum levies, and special assessments, provided that the governing board of the taxing authorities so agree in writing; and

WHEREAS, the aforesaid relief from County taxes was requested by said municipality by Resolution Number __________-2017 of October 23, 2017 of The City of Newburgh, New York; and

WHEREAS, the County of Orange was authorized to enter into this agreement by Resolution Number __________ of ______________, dated ______________, 201___, of the Orange County Legislature, it appearing that such agreement would be in the best interests of the citizens of Orange County,

NOW, THEREFORE, in consideration of the premises and pursuant to Real Property Tax Law, Section 406 (3), it is agreed as follows:

1. The County of Orange, by action of the Legislature thereof, shall wholly exempt the parcels of real property, listed in Schedule "A" annexed hereto, together with the buildings and improvements now existing thereon or hereinafter installed, owned by The City of Newburgh and exclusively used as a water filtration plant and reservoir properties, which properties are located in the Town of Newburgh and Town of New Windsor, County of Orange, State of New York, and which properties are designated by section, block and lot in Schedule "A", annexed hereto on the official tax map of said towns, from all taxation, special ad valorum levies, and special assessments levied by Orange County for the County tax year, January 1, 2019 to December 31, 2019 so long as the subject premises are used for the aforesaid purposes.

2. This agreement shall not be self-renewing and shall not be extended to any County tax year after December 31, 2019, unless the Orange County Legislature specifically renews or extends the same before the applicable taxable status date for any such year.

3. The County of Orange expressly reserves its right to impose, levy and collect with respect to the subject premises, any financial obligation not specifically excluded by the provisions of Real Property Tax Law, Section 406 (3).

IN WITNESS THEREOF, the parties hereto have executed this Agreement as of the
date set forth above.

[SEAL] THE CITY OF NEWBURGH

By:______________________________
Michael G. Ciaravino,
City Manager
Pursuant to Res. No.: ______ -2017

[SEAL] THE COUNTY OF ORANGE

By:______________________________
Stefan ("Steven") M. Neuhaus,
County Executive

APPROVED AS TO FORM:

____
MICHELLE KELSON
Corporation Counsel

____
KATHRYN MACK
City Comptroller

SCHEDULE "A"

OWNER	MUNICIPALITY	TAX PARCEL NO.
CITY OF NEWBURGH	TOWN OF NEW WINDSOR	4 - 1 - 38
		4 - 1 - 35
		4 - 3 - 1.1
		4 - 1 - 12.2
		4 - 1 - 9.21
		4 - 1 - 10
		32 - 2 - 53
	TOWN OF NEWBURGH	75 - 1 - 17
		97 - 3 - 17
		97 - 2 - 22.1
		97 - 3 - 10
		97 - 1 - 44

RESOLUTION NO.: ________ - 2017

OF

OCTOBER 23, 2017

A RESOLUTION AMENDING RESOLUTION NOS. 83-2017 AND 288-2017 AUTHORIZING THE CITY MANAGER TO ENTER INTO AN AMENDED OFFICE LEASE AGREEMENT WITH THE UNITED WAY DUTCHESS ORANGE REGION FOR A PORTION OF THE SECOND FLOOR OF 123 GRAND STREET

WHEREAS, by Resolution No. 83-2017 of March 27, 2017, the City Council authorized the City Manager to execute a lease agreement with the United Way Orange Dutchess Region for the use of two offices on the second floor of 123 Grand Street; and

WHEREAS, by Resolution No. 288-2017, the City Council authorized an amended lease agreement for the lease of one office on the second floor of said premises for a monthly rent of $700.00 for the remainder of the one-year term; and

WHEREAS, the parties have agreed to further amend the lease for the lease of the smaller office on the second floor of said premises for a monthly rent of $650.00 for the remaineder of the one-year terms and a copy of the revised amended lease is annexed hereto and made a part of this resolution; and

WHEREAS, this Council has reviewed such amended lease agreement and finds that entering into the same would be in the best interests of the City of Newburgh and the community alike;

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Newburgh, New York that the City Manager be and he is hereby authorized to execute the attached amended lease agreement with the United Way Dutchess Orange Region for the use of one office on the second floor of 123 Grand Street in substantially the same form and on the terms and conditions contained in the attached lease agreement, including such other terms and conditions as may be deemed appropriate and necessary by the City Manager and/or the Corporation Counsel in order to carry-out the subject transaction.

Consult your lawyer before signing this lease

AMENDED OFFICE LEASE

Landlord and Tenant agree to lease the Office in the Premises at the rent and for the term stated:

PREMISES: **123 Grand Street, Newburgh NY 12550**	**OFFICE NO.:** **One office, SW, second floor**
LANDLORD: City of Newburgh	**TENANT:** United Way Dutchess Orange Region
Date of Lease:	Semi-Annual Rent: $ $3,900.00
Amended Lease Term: 6 months	Monthly Rent: $ $650.00
Commencement Date: November 1, 2017	Security Deposit: $ $650.00
Possession Date: November 1, 2017	Termination Date: April 30, 2018

1. Use and Occupancy

Tenant shall only occupy and use two offices consisting of one office space, southwest side, second floor, referenced above (the "Office") for six months.

2. Inability to Give Possession

The failure of Landlord to give Tenant possession of the Office on the Commencement Date shall not create liability for Landlord. In the event that possession of the Office is not delivered on the Commencement Date due to the holdover of a tenant, or, if a newly constructed building, a final or temporary certificate of occupancy has not been obtained, or for any other reason which is not due to Landlord's acts or negligence, the validity of this Lease shall not be affected. Monthly Rent hereunder shall begin on the date that possession of the Office is delivered to Tenant and shall be prorated for that portion of the month in which possession is delivered. The Termination Date shall in no event be extended if delivery of possession is delayed. If, with Landlord's permission and consent, Tenant is to occupy the Office or another office space prior to the Commencement Date, Tenant's occupancy is subject to all the terms, conditions and provisions of this Lease except for the payment of Rent and Additional Rent. The intent of this Paragraph is to constitute "…an express provision to the contrary…" contained in New York Real Property Law Section 223-a.

3. Rent

Tenant shall pay Monthly Rent in full on the first day of each month of the Lease. Monthly Rent shall be paid in advance with no notice being required from Landlord. Tenant shall not deduct any sums from the Monthly Rent unless Landlord consents thereto in writing.

Upon signing this Lease, Tenant shall pay Landlord the first Monthly Rent due and the Security Deposit. The entire amount of rent due for the Lease Term is due upon signing this Lease; however, Landlord consents to the Tenant paying same in monthly installments provided there exists no defaults by Tenant under the terms of this Lease.

4. Condition of Unit

Tenant acknowledges that Tenant is accepting the Office in its **"as is"** condition. Tenant further acknowledges that Tenant has thoroughly inspected the Office and has found the Office to be in good order.

5. Security

Tenant has deposited with the Landlord the Security Deposit to insure Tenant's compliance with all of the terms, provisions and conditions of this Lease. If Tenant is in default under any of the terms, conditions and provisions of this Lease, Landlord may apply the Security Deposit, in whole or in part, to any sums Tenant owes Landlord, (including Rent), that Landlord expended or may have to expend due to Tenant's default, including but not limited to damages or insufficiency of rent in re-renting the Office. Within ten (10) days of the Termination Date, provided Tenant has vacated the Office and is not in default under any of the terms, conditions and provisions of this Lease and the physical condition of the Office is acceptable to Landlord upon surrender, the Security Deposit will be returned to Tenant at an address Tenant provides to Landlord.

6. Services

Provided Tenant is not in default of any of the terms, conditions and provisions of this Lease, Landlord shall provide: (a) elevator services on business days; (b) water for ordinary bathroom purposes, however, if Tenant uses water for any other purpose or in high quantities (which decision is in Landlord's sole judgment), a water meter may be installed by Landlord at Tenant's cost and expense, the maintenance and repair of which shall be exclusively that of Tenant, and all charges for water consumption as shown by said meter shall be promptly paid by Tenant; (c) heat to the Office, on business days, as required by law; (d) air conditioning on business days; and (e) electricity. Landlord reserves the right to interrupt the providing of the utilities, when Landlord deems it necessary for repairs, alterations, replacements or improvements to such utilities, the decision for such interruption and the length of such interruption shall be solely Landlord's.

7. Alterations

Absent Landlord's written consent, Tenant may make no alterations to the Office. With Landlord's written consent, Tenant, at Tenant's sole cost and expense, may make alterations, installations and improvements (the "Alterations") to the Office provided they are non-structural in nature, which do not affect the utilities or other operations or services of the Premises and which are done by contractors and sub-contractors approved by Landlord in every instance. Before making Alterations, Tenant shall obtain all permits, approvals, certificates required by any and all municipal authorities or other agencies having jurisdiction of the Premises and the Alterations and upon receiving same, Tenant shall deliver duplicate or certified copies to Landlord of each and every one. Tenant shall carry and cause to be carried by each contractor and sub-contractor, workmen's compensation, general liability, personal and property damage insurance, in such amounts as Landlord requires, naming Landlord as insured and Tenant shall deliver evidence of such insurance to Landlord prior to Tenant's commencing the Alterations. Should a mechanic's lien be filed against the Office and/or Premises, for work done or claimed to have been done or materials supplied for Tenant or to the Office, Tenant shall pay or cause to be paid or file a bond in the amount stated in the mechanic's lien within thirty (30) days of said filing at Tenant's sole cost and expense. Any installation of materials, fixtures and the like shall become the property of Landlord upon such installation and shall remain in the Office upon Tenant's surrender of same. However, Landlord may relinquish such right of ownership to the installations by giving Tenant thirty (30) days written notice prior to the Termination Date of such relinquishment of ownership, in which event, they shall become Tenant's and must be removed upon the Termination Date. Nothing herein is meant to give Landlord any ownership rights in and to Tenant's trade fixtures, office furniture and equipment which can be easily moved. Upon the Termination Date and surrender of possession of the Office, Tenant shall remove all personal property and installations to which Landlord's ownership interest has been relinquished and Tenant shall immediately restore and repair the Office to that condition existing on the Commencement Date. Any and all property of Tenant remaining in the Office after the Termination Date shall be deemed abandoned by Tenant and Landlord may either retain such abandoned property or may remove such abandoned property at Tenant's expense

8. Maintenance and Repairs

Tenant shall maintain the Office in good condition. Tenant shall be responsible for any and all damage to the Office or any other part of the Premises resulting from Tenant's willful acts or negligence or the willful acts or negligence of Tenant's agents, employees, invitees or licensees or which may arise from any work done by of for Tenant or by Tenant's business operations. Tenant shall also be responsible for any damage to the Premises caused by Tenant's moving or removal of furniture, fixtures and/or equipment. Tenant shall only use contractor and/or sub-contractors for these repairs which have been approved by Landlord in every instance. In the event that Tenant fails or refuses to make said repairs, Landlord may do so at Tenant's expense which shall be paid to Landlord as additional rent. Landlord shall maintain in proper order and repair the exterior of the Premises as well as the common areas and the utilities servicing the Premises. Tenant shall give immediate notice to Landlord of any defect or interruption of service or condition. The responsibility of Tenant to pay Rent shall not be reduced or abated by reason of injury to business or annoyance to employees of Tenant caused by repairs, alterations or improvements to the Premises or the Office. Likewise there shall be no liability on the part of the Landlord for such injury or annoyance as aforesaid. Should Landlord be in default under this Paragraph or any other Paragraph of this lease, Tenant's only remedy is to sue Landlord for breach of this Lease.

9. Window Cleaning

Tenant will not clean or caused to be cleaned any window in the Office from outside of the Office in violation of any of the provisions of the Labor Law or any law, provision or rule of any authority having jurisdiction thereof.

10. Damage, Fire or Other Casualty

In the case of fire damage or other damage to the Office not caused by Tenant, its agents, servants, employees, invitees and/or licensees, Tenant shall give Landlord immediate notice of same. (a) If the Office is partially damaged by fire or other casualty, Landlord shall repair the damage and the Rent shall be apportioned from the day of the damage in relation to the portion of the Office that has been rendered unusable to the day that the Office has been repaired and is fully usable. (b) If the Office is totally damaged and rendered wholly unusable by fire or other casualty, Landlord has the right to either repair the damages or terminate the lease. (I) In the event that Landlord elects to repair the damages, Rent and Additional Rent shall be abated for the period of time from the date of occurrence of the damage to the date that Landlord notifies Tenant that the Office can be re-occupied; (ii) In the event that Landlord elects to terminate this Lease, Landlord may do so upon giving Tenant notice of his intent to do so within the sooner of ninety (90) days of the occurrence of the damages or thirty (30) days from the date that the insurance claim is adjusted which notice shall set forth a date on which the Lease shall expire, which date shall not be more than sixty (60) days from the date of such notice and upon which date this Lease shall terminate and all obligations owed by Landlord and Tenant to each other shall cease and all obligations due shall be paid from one to the other. Should this Lease not be terminated, Landlord shall make all repairs in an expeditious manner subject to delays beyond the control of Landlord. Tenant shall cooperate fully with Landlord after such damage is incurred in all of Landlord's reasonable requests to remove undamaged items in the Office. Before making claim against the other for damages as a result of fire or other casualty, each party shall look first to their respective insurance carrier. To the extent permitted by law and by the respective insurance policies, Landlord and Tenant hereby release and waive rights of discovery with respect to the above against the other or any one claiming through them. If this condition can only be obtained by paying an additional premium, then the one benefiting from such waiver shall pay the additional premium upon ten (10) days written notice and the one obtaining such insurance coverage is free from any other obligation with respect to waiver of subrogation. Tenant acknowledges that Landlord shall not be obligated to carry any insurance for the benefit of Tenant with respect to Tenant's personal property, equipment, inventory or the like and agrees that Landlord is not obligated to repair any damage to them. The provisions of New York Real Property Law Section 227 are waived by both parties and the provisions of this Paragraph shall be controlling.

11. Loss, Damage, Indemnity

Landlord shall not be liable for any loss, damage or expense to any person or property of Tenant or to property of others given to employees of the Premises. Landlord shall also not be liable for any theft of or by other tenants or otherwise, nor for injury or damage to persons or property resulting from any cause whatsoever, unless due to the willful acts of Landlord, it agents, servants and/or employees. Landlord shall not be liable for damages caused by construction in or about the Premises. Landlord shall not be liable for any damages if the windows are permanently or temporarily closed, darkened, covered and Tenant shall not be entitled to any abatement or reduction in rent as a result thereby nor shall same be grounds for Tenant's claim of eviction nor shall Tenant be released from any of the terms, conditions and provisions of this Lease. Tenant shall indemnify and hold Landlord harmless from all claims, liabilities, costs and expenses, including attorneys' fees, paid or incurred by Landlord as a result of any default by Tenant of the terms, conditions and provisions of this Lease for which Landlord is not covered or paid by insurance. In the event that an action or proceeding is brought against Landlord, Tenant, upon written notice from Landlord, will, at Tenant's sole cost and expense, retain counsel approved by Landlord to defend such action or proceeding.

12. Electricity

Tenant warrants that its use of electrical current will, at all times, not exceed the current capacity of the electrical service into the Premises, or the risers or wiring installation. Tenant will not use or cause to be used equipment which will overload the existing service and installations or interfere with other tenants' electrical service. Any change in the character or nature of electrical service to the Premise s and/or to the Office shall not impose liability on the Landlord for any loss or damage sustained by Tenant as a result thereof.

13. Occupancy

Tenant shall not, at any time, use or occupy the Office in violation of or contrary to the permitted uses contained in the Certificate of Occupancy for the Premises and/or the Office. Tenant has fully inspected the Office and is accepting the Office in its "as is" condition. Tenant has performed "due diligence" with respect to the Premises and accepts the Office subject to any and all violations, whether same are of record or not. Landlord makes no representations as to the condition of the Office except as specifically set forth herein and on the Rider to this Paragraph, if any.

14. Landlord's Alterations and Management

Landlord has the right to change the arrangement and/or location of entrances, hallways, passageways, doorways, doors, elevators, stairs or any other part of the Premises used by the general public, including toilets, and to change the name and/or number of the Premises. In the event that Landlord so changes as aforesaid, the same shall not constitute an eviction nor imposes any liability on Landlord for such election. Rent and shall not be diminished or abated in such event as a result of any inconvenience, annoyance or injury to Tenant's business and Landlord shall have o liability therefore. Landlord may impose rules for the access to the Premises by Tenant's social or business guests as Landlord deems proper and necessary for the security of the Premises and Tenant shall not have any claim against Landlord for any damages resulting therefrom.

15. Condemnation

If the whole or any part of the Premises and/or Office is taken by condemnation or otherwise by any governmental authority for public or quasi-public use, this Lease shall be terminated as of the date that title is vested pursuant to said proceeding and Tenant shall not have nay claim for the value of the remaining portion of this Lease and Tenant assigns to Landlord Tenant's interest in any award. Nothing contained herein shall prevent Tenant from making an independent claim to the authority for allowable expenses.

16. Legal Requirements, Insurance, Floor Capacity

Tenant shall, at its sole cost and expense, at all times under this Lease or prior to the Commencement Date if Tenant is in possession of the Office as provided herein, comply promptly with all laws, regulations and orders of all municipalities and their agencies having jurisdiction over the Premises and Office including, but not limited to fire and or insurance offices which shall impose any violation or notice of violation or affirmative obligation upon Landlord and or the Premises, whether or not concerning Tenant's use of the Office or the Premises. Tenant shall not be required to make any structural alterations and/or repairs unless Tenant, as a result of Tenant's unauthorized uses and/or operations of business, violated such laws, regulations and/or rules. Tenant may appeal or object to such violations, fines etc. provided Tenant has, in Landlord's sole judgment, secured Landlord with respect to same by either deposit of sufficient monies or by a surety bond in an amount and by a company satisfactory to Landlord, for all damages, penalties, expenses and interest, including reasonable attorneys' fees provided same does not subject Landlord to criminal liability or create a default under any lease and/or mortgage of Landlord's and does not result in a condemnation or eviction, in whole or in part. Such appeal or objection by Tenant must be undertaken in an expeditious manner and at no cost to Landlord. Tenant shall not do or cause to be done any act contrary to all laws, rules and regulations or which would violate any provision of Landlord's policies of insurance or which would subject Landlord to liability to any person or entity for personal and/or property damages. Tenant shall not keep any substance in the Office which is in violation of any law, rule and/or regulation which would result in a cancellation of Landlord's policies of insurance. Tenant shall not use the Office in such a manner that the premiums for Landlord's policies of insurance would be increased over that rate in effect at the time the Tenant obtains possession of the Office. Any cost, expense, fine, damages and/or penalties incurred by Landlord as a result of Tenant's violation of any provision in this Paragraph shall be borne by Tenant and shall be paid to Landlord by Tenant as additional rent. In any action or proceeding, the schedule of premiums issued by Landlord's insurance carrier shall be conclusive evidence of the rate therefore. Tenant shall not place a load on the floor of the Office contrary to the maximum floor area load permitted by law and the certificate of occupancy. The placement of heavy machines, mechanical equipment and/or office equipment shall be approved by Landlord and shall be placed in such manner, in Landlord's sole judgment, by Tenant to avoid and prevent vibrations, noise and annoyance to other tenants.

17. No Mortgage or Assignment

Tenant shall not assign, mortgage and/or encumber this Lease or sublet the Office or allow the Office to be used by anyone other than Tenant without the prior written consent of Landlord. The transfer of the majority interest in Tenant shall be deemed an assignment for purposes of this Paragraph. Should this Lease be assigned or the Office sublet or used by anyone other than Tenant without Landlord's written consent, Landlord may collect rent from the persons or entity so occupying and using the Office should Tenant default in the payment of Rent but such collection by Landlord shall not be deemed a waiver of the provisions of this Paragraph or a consent to such assignment, sublet or use or a release of Tenant's obligations under this Lease. Any consent given by Landlord to Tenant under this Paragraph in one instance shall not act to be a consent or waiver of Landlord's rights in another.

18. No Other Space

Tenant is afforded no other rights to use any space in the Premises other than the Office.

19. Tenant's Defaults

A. If there is a default by Tenant under the terms of this Lease, other than the obligation to pay Rent, or Tenant vacates the Office prior to the Termination Date, or if an execution has been issued against the property of Tenant or Tenant whereby the Office is used and/or occupied by someone other than Tenant, or if this Lease be rejected in a Bankruptcy proceeding, or should Tenant not take possession of the Office with thirty (30) days from the Possession Date, the Landlord may notify Tenant of said default upon fifteen (15) days prior written notice to Tenant which sets forth Tenant's default(s) and should Tenant fail to completely cure said specified default(s) within said fifteen (15) days, or if the default(s), by its nature cannot be cured within said fifteen (15) days or should Tenant fail to undertake with diligent effort to cure the default(s) within said fifteen (15) days, then , in such event, Landlord may serve upon Tenant, a written five (5) day notice canceling this Lease and Tenant, at the end of said five (5) days shall vacate and surrender the Office and Tenant shall continue to remain liable as set forth under this Lease.

B. If Tenant shall be in default in the payment of Rent, or if the notice given pursuant to “A” hereinabove has expired or if Tenant is in default in payment of any other matter for which Tenant is liable to pay, then Landlord, without any further notice other than provided for in this paragraph (A above), may re-enter the Office, by force or otherwise, and dispossess Tenant or other occupant, by any lawful manner, and remove their possessions and retake the Office. Tenant expressly waives the right to receive notice of such re-entry by Landlord and agrees that Landlord shall not be responsible for any damage sustained to the property of Tenant or other occupant. If their be an extension or renewal of this Lease and Tenant shall default under any term, condition and/or provision of this Lease, Landlord may cancel such renewal or extension upon three (3) days prior written notice to Tenant.

20. Bankruptcy

A. This Lease may be cancelled upon Landlord’s prior ten (10) day written notice to Tenant if there be commenced a case, whether voluntary or involuntary, by or against Tenant or any other person or entity occupying the Office, in a bankruptcy court in any State, or if Tenant or any other person or entity occupying the Office, should make an assignment for the benefit of creditors under any law. Upon such event, Tenant or any other occupant shall not be entitled to possession of the Office and shall immediately vacate the Office and surrender same to Landlord.

B. It is expressly agreed that in the event of a termination of this Lease pursuant to “A” above, notwithstanding any other provision contained in this Lease, Landlord shall be entitled to receive from Tenant, as and for liquidated damages, the higher of (1) the maximum amount permitted by law or (2) an amount equal to the difference between the Rent from the date of termination as set forth pursuant to “A” above to the Termination Date and the fair and reasonable market rent for the same period of time. In computing such amount, the same shall be discounted at the rate of three (3%) percent. If the Office shall be re-rented during that period of time, the rent paid under the re-rental agreement shall be conclusive proof of the reasonable market rent.

21. Remedies

In the event of any default, re-entry by Landlord, termination and/or eviction by summary proceedings or otherwise (a) Rent up to the date of such re-entry and/or eviction or termination shall be due, (b) Landlord may re-rent the Office, in whole or in part, for a term equal to or in excess of the Termination Date, and Landlord may be free to grant such concessions or charge rent in excess of the Rent as the Landlord sees fit, and/or (c) Tenant shall be obligated to Landlord for liquated damages (“Liquidated Damages”) for such default, termination and/or eviction in an amount equal to the difference between the Rent and the rent to be charged up to the Termination Date and any charges incurred by Landlord including, but not limited to reasonable attorneys’ fees, litigation costs and expenses, brokers’ fees, advertising fees, maintenance charges in keeping the Office in good condition and charges incurred in getting the Office in a condition for such re-renting. Landlord’s failure to re-rent the Office shall not affect or release Tenant form said liquidated damages. The Liquidated Damages shall be paid in monthly installment when Rent is due prorated over the remaining term of this Lease. Landlord may, in getting the Office in condition for such re-renting, make such alterations, repairs and/or decorations in the Office as in Landlord’s sole judgment are necessary and such undertakings by Landlord shall not release Tenant from liability under the terms, conditions and provisions of this Lease. Landlord shall in no way be liable to Tenant for failing to re-let the Office or to collect rent from the new tenant. The rights afforded Landlord under this Paragraph are not exclusive and Landlord may avail itself of any and all remedies available to it under law. Tenant expressly waives any right of redemption Tenant may now have or will have should Tenant be evicted from the Office or dispossessed therefrom.

22. Fees and Expenses

Should Tenant default under any of the terms, conditions and/or provisions of this Lease, Landlord may, after giving notice if required and upon the expiration of any grace period set forth in this Lease, immediately and without prior notice to Tenant perform or cause to be performed Tenant’s obligations. If in connection with the aforesaid, Landlord incurs any cost and/or expense or becomes obligated to pay money as a result thereof, including but not limited to legal fees, reasonable attorneys’ fees, litigation expenses, Tenant shall pay to Landlord such monies, with interest. The foregoing cost, expense or payment of money by Landlord shall be shall be paid by Tenant to Landlord within fifteen (15) days from the date Landlord bills Tenant. Should these billed amounts come subsequent to the Termination Date, Landlord may institute proceedings against Tenant for the recovery of same.

23. Access

Landlord or Landlord’s agents, servants and/or employees may enter the Office for emergency purposes at any time and at any other reasonable time in order to make inspections and/or make repairs, alterations or additions as Landlord deems proper and/or necessary to the Office and/or the Premises. Tenant grants Landlord the right to use the Office to replace and/or maintain the HVAC services and facilities. For this purpose, Landlord may bring into the Office all necessary materials and supplies and same shall not be deemed to give Tenant any right to claim an actual or constructive eviction or any right to an abatement of Rent or to a claim for damages as a result of loss of or interruption of Tenant’s business. During the term of this Lease, Landlord shall have the right to enter the Office, at reasonable times and upon reasonable notice, for the purpose of exhibiting same to prospective purchasers and mortgagees. Landlord shall also have the right, within the six months prior to the Termination Date, to enter the Office for the purpose of exhibiting same to prospective tenants. Should Tenant not be present to allow access to the Office, Landlord may enter the Office by using a master key, provided Landlord exercises reasonable care to insure Tenant’s property and such entry shall not subject Landlord or its agents liable for any damages as result thereof and the obligations of Tenant under the terms, conditions and/or provisions of this Lease shall not be affected thereby. Should Tenant entirely vacate the Office within thirty (30) days of the Termination Date, Landlord may enter the Office and make such alterations, repairs, additions or changes without affecting Tenant’s obligations under this Lease, including, but not limited to Tenant’s obligation to pay Rent or creating liability for Landlord to Tenant.

24. Waiver

The failure by Landlord to seek redress or any remedy for Tenant’s default under any of the terms, conditions and/or provisions of this Lease or of any rule imposed and declared by Landlord shall not constitute a waiver by Landlord for any future defaults or violations. Landlord’s receipt of Rent at a time when Landlord has knowledge or should have knowledge of any default or violation shall not be deemed a waiver thereof. Only a written waiver signed by Landlord shall be effective and binding upon Landlord. Any Rent received by Landlord which is less than the amount due shall be deemed to be “on account” and any notation or statement on Tenant’s check shall be deemed payment in full or accord and satisfaction and Landlord may accept such payment without prejudice to Landlord’s right to pursue such available remedy for the balance of same or for any other remedy afforded Landlord under the terms, provisions and/or conditions of this Lease. Only a surrender of the Office in writing signed by Landlord shall be effective and binding upon Landlord and/or Tenant and such surrender must be made to Landlord or Landlord's authorized agent. An acceptance of a surrender of the Office and keys to same by persons other than Landlord or its authorized agent shall be effective as a termination of this Lease.

25. Landlord's Inability To Perform

Tenant's obligation to pay Rent and/or to comply with any of the terms, provisions and/or conditions of this Lease as well as the Lease itself shall not be affected, impaired, amended or excused due to Landlord's inability to perform any of its obligations contained in this Lease, or to supply any if delayed in supplying any service or item or is unable to make, or is delayed in the making of any repair, alterations, additions, or is unable to supply or is delayed in supplying any equipment, services, fixtures or any other material to be supplied hereunder, provided that Landlord is unable to do so because of labor problems, strife or strike or any other cause whatsoever including, but not limited to war or other emergency.

26. Excavations

In the event that there be an authorized excavation conducted upon lands adjacent to the Premises, Tenant shall allow the parties conducting same entry into the Office for the purpose of performing necessary work as such party deems necessary to shore up and/or preserve the wall of the Premises from damage including but not limited to supporting the existing exterior walls and foundations. Tenant further agrees to waive any right Tenant may have to make a claim for damages caused thereby or indemnity therefore from that party or Landlord or for an abatement of Rent.

27. No Representations by Landlord

Landlord and/or Landlord's agents, servants and/or employees have not made any representations nor promises of any kind to Tenant as to the physical condition of the Premises and/or Office or as to the financial condition and health or as to the operation of the Premises except as specifically set forth in this Lease and Tenant does not acquire any rights, easements or licenses except as specifically set forth in this Lease. Tenant has accepted the Office in its **"as is"** condition after having thoroughly inspecting same and without relying on any representations made by Landlord, its agents, servants and/or employees. Tenant's occupation of the Office is conclusive proof that the Office and Premises are in broom clean condition at the date Tenant first occupies the Office.

28. Non-merger

All prior agreements, understandings and representations are merged in this Lease which fully expresses the parties' agreement and this Lease may only be amended or modified or terminated, other than on the Termination Date, by written agreement signed by Tenant and Landlord.

29. Non-Disturbance

As long as Tenant pays Rent and complies fully with all of the terms, provisions and conditions of this Lease on Tenant's part to be performed, Tenant may peacefully occupy the Office subject too any mortgage, ground lease or underlying lease.

30. Waiver

Tenant and Landlord hereby waive trial by jury in any action, proceeding or litigation brought by one against the other or in which either party is brought in by a third party, except for personal injury or property damage actions, in which any of the terms, provisions and/or conditions of this Lease or any statutory remedy is involved or the use and/or occupancy of the Office is at issue. Tenant and Landlord agree that in any action seeking possession of the Office, Tenant will not impose any counterclaim or set-off against Landlord of any kind or nature except if mandated by statute.

31. Notices

Any notice, statement or communication which Landlord is to give to Tenant, shall be deemed to be sufficiently given if it is in writing and delivered personally to Tenant or sent by certified mail or overnight courier addressed to Tenant at the Office or other business address of Tenant or at the residence of Tenant or left at any one of the addresses and the time of giving such notice, statement or communication shall be deemed given at the time same are left with or mailed or delivered to the overnight courier. Any notice to be given by Tenant to Landlord must be given by certified mail or overnight courier at Landlord's address above.

32. Rules

Tenant, its agents, servants and/or employees, licensees, business guests or visitors shall comply strictly and faithfully with the Rules that Landlord may adopt, at any time, notice of which shall be given to Tenant. Landlord may choose the manner in which said notice is given. In the event that Tenant disputes the reasonableness of any Rule, Tenant and Landlord agree to submit such dispute to the American Arbitration Association, New York, New York for binding arbitration provided Tenant gives written notice to Landlord within twenty (20) days of receipt of notice of adoption of the Rule or Rules. Notwithstanding the provisions of this Paragraph, Landlord is not under any obligation to enforce the Rules with respect to any other tenant in the Premises or to enforce any term, condition or provision of any other lease. Landlord is not liable to Tenant for any damages caused by another tenant violating the Rules or any term, provision or condition of that tenant's lease.

33. Definitions

Wherever and whenever used in this Lease, the following definitions shall be ascribed to these words:

a) "Business Day" shall mean the days of the week except Saturday and Sunday and except legal holidays observed by either Staten of Federal Governments and those set forth in any union contract which applies to the Premises

b) "Office" or "Offices" shall not mean Premises but shall mean premises other than those utilized for the sale of goods and merchandise or for the display of same, or a restaurant, shop, machine shop, manufacturing plant or other retail establishment.

c) "Landlord" shall mean the owner of the Premises or a lessee thereof, or a mortgagee in possession and should there be a sale or lease of the entire Premises, Landlord is released form all obligations and liabilities under this Lease and it will be conclusively presumed that the purchaser or lessor will perform the obligations and liabilities of Landlord herein.

d) "Re-enter" and "Re-entry" are not to be strictly taken in their legal definitions.

34. Estoppel Certificate

Upon fifteen (15) prior written notice to Tenant, Tenant shall execute and deliver to Landlord or to any other entity that Landlord directs, a certificate, in recordable form, stating that the Lease, as it exists on the date of the certification, is in full force and effect, that it has not be amended, modified or terminated, the date to which Rent has been paid and setting forth specifically if any defaults exist on the part of Landlord.

35. Subordination

The Lease is subject and subordinate to all existing and future mortgages or ground leases or underlying leases which affects the Premises and to all renewals, modifications or replacements thereof without the necessity of any notice or written instruments and Tenant shall, at Landlord request, execute a document to this effect.

36. Surrender of Office

Upon the Termination Date or other termination of this Lease, Tenant shall vacate and surrender the Office in as is condition and in good condition, reasonable wear and tear excepted and free from Tenant's property. All damages which were caused by or on behalf of Tenant shall be repaired by Tenant at Tenant's sole cost and expense prior to the surrender of the Office. This Paragraph survives the Termination Date or the date of other termination of this Lease. Should the Termination Date be a Sunday or legal holiday, the Termination Date shall be the immediate previous day.

37. Parties Bound

This Lease is binding upon Landlord and Tenant and their respective assignees and/or successors in interest. Should Tenant obtain a judgment against Landlord, Tenant shall look only to Landlord's interest in the Premises for the collection of same.

38. Paragraph Headings

Paragraph headings are for reference only.

39. Effectiveness

This Lease shall become effective as of the date when Landlord delivers a fully executed copy hereof to Tenant or Tenant's attorney.

40. Riders

Additional terms are contained in the riders annexed hereto and designated Rider ____N/A_____________.

This Lease has been entered into as of the Date of Lease.

LANDLORD	**TENANT**
______________________________	______________________________
Michael G. Ciaravino, City Manager **Per Res. No.**	
______________________________	______________________________

RESOLUTION NO.: _____________- 2017

OF

OCTOBER 23, 2017

A RESOLUTION TO IMPLEMENT A CITY-WIDE CURFEW FOR MINORS 16 YEARS OF AGE AND UNDER ON OCTOBER 30TH AND 31ST FROM 9:00 P.M. UNTIL 6:00 A.M.

WHEREAS, the City of Newburgh has a general obligation to ensure the safety and welfare of the general population of the City including minors, along with protection of private property; and

WHEREAS, October, 30^{th} and 31^{st} are associated with Halloween related activities, including "Trick or Treating" and other related outdoor activities, some of which might be prejudicial to the safety and welfare of the population and protection of private property; and

WHEREAS, the City of Newburgh determines that the passage of a curfew resolution for Halloween and the preceding night will assist in protecting the welfare of minors by reducing the likelihood of their involvement in inappropriate behavior, while aiding parents or guardians of minors entrusted in their care;

NOW THEREFORE, BE IT RESOLVED:

THIS COUNCIL HEREBY DECLARES a city-wide curfew for minors from 9:00 P.M. until 6:00 A.M. each day, starting at 9:00 p.m. on Monday, October 30, 2017, and ending at 6:00 a.m. on Wednesday, November 1, 2017; and

BE IT FURTHER RESOLVED, this Council urges all parents to inform their children and supervise the implementation of this City-wide curfew so that we may avoid problems and promote the safety, health and welfare of our City's young people and property owners; and

BE IT FURTHER RESOLVED, that it shall be a defense to a violation of this curfew that the minor was accompanied by the minor's parent or guardian, engaged in an employment activity, or involved in an emergency or other legally justifiable activity.

RESOLUTION NO.:_______________-2017

OF

OCTOBER 23, 2017

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NEWBURGH FOR A MUNICIPAL CERTIFICATE OF NEED FROM THE NEW YORK STATE DEPARTMENT OF HEALTH FOR THE PROVISION OF AMBULANCE SERVICE

WHEREAS, Public Health Law Section 3008(7) permits a city to establish and operate an ambulance service; and

WHEREAS, the City of Newburgh, Orange County, New York (hereinafter "City") has determined that it is in the best interest of the City to establish and operate an ambulance service and/or contract for the operation of the ambulance service pursuant to General Municipal Law Section 122-b; and

WHEREAS, the City Council has determined that all property, property owners and interested persons within the City will be benefited by the establishment and operation of an ambulance service; and

WHEREAS, the City Council has determined that a need for such combined BLS and ALS service exists in the City;

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Newburgh as follows:

The City of Newburgh, finding need for ambulance service in the City of Newburgh, declares that the City establish and operate an ambulance service, or contract with a qualified third party for operation within the City's boundaries, as shown on the attached map; and it is further resolved, that

The boundaries to be reflected upon the ambulance service certificate shall be the entire limits of the City of Newburgh;

Such ambulance service shall be a basic and advanced life support service; and

The Mayor and City Manager of the City of Newburgh shall be empowered to take all steps necessary to obtain ambulance operating authority, including forwarding this resolution to the New York State Department of Health, Bureau of Emergency Medical Services.

This service shall take effect immediately upon approval by the SEMSCO or state.

The adoption of the foregoing resolution was duly put to a vote on roll call, which resulted as follows:

AYES:

NOES:

The resolution was declared adopted.

CERTIFICATION:

STATE AND MUNICIPAL FACILITIES PROGRAM GUIDELINES

GRANTS ARE SUBJECT TO THE ESTABLISHED ELIGIBILITY CRITERIA OF THE RESPECTIVE CAPITAL PROGRAM FROM WHICH THE PROJECT WILL BE FUNDED. IN ADDITION, CAPITAL COMMITMENTS MUST ADHERE TO THE FOLLOWING MINIMUM FUNDING RECOMMENDATION THRESHOLDS:

ELIGIBLE ENTITIES:

- The State of New York and counties, towns, cities and villages located herein;
- water and sewer districts;
- the Metropolitan Transportation Authority;
- colleges and universities;
- public school districts;
- public housing authorities;
- public libraries and library systems;
- public parks and conservancies;
- not for profit fire districts, departments and commissions; and
- volunteer rescue and ambulance squads.

ALLOWABLE USES:

- Construction, improvement, rehabilitation or reconstruction of facilities owned by eligible entities;
- the acquisition of capital facilities and assets by eligible entities, including fixed capital assets; and
- acquisition of certain equipment, including heavy duty road maintenance and construction vehicles pavers, snow plows, street sweepers and heavy duty fire, emergency response and law enforcement vehicles.

Capital Project Description and Nomination Form

From the State and Municipal Facilities Program
Please complete the fields below and submit as a digital form to Steve Gold: goldsk@nysa.us
Contact the office of Assemblyman Frank Skartados with any questions. 845-562-0888

Legally Incorporated Name, Address and Telephone Number of Grant Recipient:

Organization Name: City of Newburgh

Mailing Address: 83 Broadway, Newburgh, New York 12550

Phone Number: 845-569-7322

Tax Identification #, (Federal Employer ID# or 501(c) #): 14-6002329

Project Director:

I have read the accompanying document Capital Guidelines (please type in "y/n"):

Purpose of Project Funds. Complete this section in general terms – Funds will be used to:

Restore Downing Park and local roads

Project	Cost
Monument	12000
Shelter House	6500
Lighting/benches	47500
Tree removal, pruning, replacing	6000
North End Paving	53000
Total	125000

Total Grant Amount: $125.00

Date: 10/05/17