

**MINUTES OF SPECIAL TOWN BOARD MEETING
HELD ON JUNE 21, 2016 AT 6:00 PM
AT TOWN HALL, ONE OVEROCKER ROAD
POUGHKEEPSIE, NEW YORK**

PRESENT: Deputy Supervisor Baisley
Councilman Carlos
Councilman Cifone
Councilman Lepore
Town Attorney Nelson
Town Clerk Salvatore
Director of Development Wilson

ABSENT: Councilman Conte
Councilwoman Shershin

Motion made to suspend the rules to in regard to the O'Neil-Dutton Project: Deputy Supervisor Baisley/Carlos

Deputy Supervisor Baisley opened up to conversation from the audience:

Joe Armstrong: I just read through this quickly and it seems to me that we are not in agreement with the City on (inaudible) what little I just read, I guess we are not in agreement with the City on whatever (inaudible) put forward on this piece of land that adjoins the City property and ours?

Town Attorney Nelson: I think, if I might Mr. Armstrong, they are going to do an Attorney/Client session because this is a special meeting and they are going to do it before this matter comes up rather than going in after, attorney/client session, so not to be presumptuous, but I think maybe the Board would be in a position to discuss it after meeting with Mr. Wilson and me.

Motion made to resume the rules: Deputy Town Supervisor Baisley/J. Lepore

Councilman Carlos: Be it resolved, the Town Board of the Town of Poughkeepsie does hereby adjourn to Executive Session to consider the following matters, to wit:

- A. Confidential Communication Between Attorney
And His Client, the Town Board, Based on
Attorney/Client Privilege**

SO MOVED: Councilman Carlos/M. Cifone

**ROLL CALL: Ayes: Councilmen Carlos, Cifone, Lepore and Deputy Supervisor
Baisley**

Nays: None

CARRIED: 4-0

TOWN BOARD ADJOURNED TO EXECUTIVE SESSION AT 6:03 PM

TOWN BOARD RETURNED FROM EXECUTIVE SESSION AT 6:26 PM

**Motion made to suspend the rules for public comments:
Deputy Supervisor Baisley/ M. Cifone**

CARRIED: 4-0

Joe Armstrong: I was trying to read this a little more and trying to understand a bit better, apparently the owner I guess has the say as to what happens to this land and they made the agreement with us and now it sounds like they instead of giving us part of it, they have given to parts of the City. We haven't agreed to the agreement.

Town Attorney Nelson: That's quite close. What the Town Board did, was it put out a proposed contract and the contract would be signed by both the City and the owner of the two shore front strips, the one in the City and the one in the Town and there were conditions on it, as you will recall. Good title, cleanup, security for future cleanup problems and also to build it out and if you have a copy of that resolution in front of you if you look down toward the bottom of it, you'll see that the owner advised the Town that the owner was going to transfer this title to the city (tender the deeds to the City rather than to the Town), just the strip along the waterfront in the Town as well as probably the strip along the waterfront in the City. So, effectively if the Board adopts this, I think what they are doing is recognizing that the owner has said that "I'm giving that shore front property to the City, not to the Town and that the Town is then saying, "Ok, then we are going to pull back our offer to go to contract with you, Owner, and also the City.

Joe Armstrong: The contract as to who had to do what with the property to comply with whatever laws and stuff like that, etc., with the State. So, am I correct in understanding that the State actually owned this strip they are talking about and gave it to this owner of the property? And then made a decision with us that we would get part and the City would get part? How can they just withdraw without a legal document that they signed before?

Town Attorney Nelson: My understanding is that this was land which was owned by the State and I haven't done any kind of title search –

Neil Wilson: The State conveyed the property to an LLC that was set up specifically for the purpose of receiving ownership of both pieces, this piece in the City and the piece in the Town, and there is a little over two acres of shore line. I don't know the terms of that transaction. I don't know if it required that once the shore line was cleaned up, if the deal with the State required the LLC to then convey it to the Town or City or both. I don't know the terms of that. There are terms of that.

Joe Armstrong: I don't know if it would be to our advantage to know what those terms are.

Neil Wilson: Quite possibly, but at the City’s request, the Town attempted to enter into an agreement to settle out the terms under which the Town would receive the portion in the Town and the City could then cut its own deal in terms of how it would receive its waterfront, but the necessary third party, which is the owner of the LLC that has title to that property, rejected the offer and tendered the deeds to both parts of the shoreline to the City and the Corporation Council received it sometime last week.

Joe Armstrong: If that was part, of .63 acre was in our Town, how did they get the right to just say “well, we are going to take it and give it to the City?”

Town Attorney Nelson: Well, the scope of the legal authority of what cities can own is something I’m not prepared to address now, but to my knowledge, there is no now existing contract under which the Town was given the right to receive title to those lands. In fact, this resolution that is being rescinded, had a contract attached to it that should clean it up and improve it and the owner would then offer it to the Town. There is no contract signed with the Town.

Neil Wilson: Well, the contract was repudiated. (Right)

Mr. Armstrong still didn’t understand who had the authority to make this kind of move and who gave the authority etc., and more discussion was held by the Town Board and Mr. Armstrong.

Doreen Tignanelli: So, by rescinding the contract from May 4th, does this provide any particular benefit to the owners?

Town Attorney Nelson: Not that I’m aware of.

Doreen Tignanelli: Does it have any impact on any prior decisions the Town made on this project?

Neil Wilson: I don’t think we’ve made any decisions at all on this.

Neil spoke with the Board on this matter for a few more minutes.

Motion made to resume the rules: Deputy Supervisor Baisley/M. Cifone

ROLL CALL: Ayes: Deputy Supervisor Baisley, Councilmen Carlos, Cifone,
And Lepore,

Nays: None

CARRIED: 4-0

06:21-01 RESCIND

**Agreement Proposed With City,
O’Neil- Dutton Re: Project**

RESOLUTION

WHEREAS, By Resolution 5:4- # 5 of 2016 the Town of Poughkeepsie Town Board authorized the Supervisor to execute an Agreement with the City of Poughkeepsie (“City”), and the O’Neil Group – Dutton LLC, Dutchess Avenue Riverwalk, LLC, and Dutchess Avenue Riverwalk North, LLC, (Collectively the “Owners”) regarding the improvement of a 0.63 +/-acre parcel of land located in the Town of Poughkeepsie (the “Town Portion”), as a walkway, and

WHEREAS, the proposed Agreement represented a contractual offer to the Owners and the City, and the offer was subject to conditions, including those relating to the improvement, cleanup, future remediation cost security, and the tender of an offer of good title to the Town of Poughkeepsie by either Dutchess Avenue Riverwalk North, LLC, one of the Owners, or the State of New York, and

WHEREAS, the aforesaid Resolution was adopted by the Town of Poughkeepsie based on particular circumstances, among others, that the proposed Agreement, and the contractual offer which it represented, would be executed by the Owners, and that the offer of title upon fulfillment of the conditions precedent would be made by the Owners or the State of New York to the Town of Poughkeepsie, which offer of title could be accepted at the option of the Town of Poughkeepsie, and

WHEREAS, the Agreement has not been accepted or executed by the proposed parties thereto, and the Owners have expressly declined to accept the contractual offer; and

WHEREAS, more particularly, following the adoption of said Resolution 5:4 - #5 of 2016 the Town was advised by a representative of the Owners that title to the Town Portion would be offered to the City of Poughkeepsie, rather than to the Town of Poughkeepsie, and that the need for the Agreement was eliminated, which effectively rejected the offer of the Town;

NOW, THEREFORE, in light of the position taken by the Owners, the material change of circumstances occasioned thereby, and the failure of the assumptions justifiably relied upon by the Town of Poughkeepsie underlying and supporting the adoption of the resolution and the offer of the Agreement, together with the fact that the parties to the Agreement have not accepted and executed it, it is

RESOLVED, that Resolution 5:4-# 5 of 2016 be and the same is hereby rescinded and the contractual offer of the Town to the Owners and the City is withdrawn given the facts and material change of circumstances referred to above, and

IT IS FURTHER RESOLVED, that the adoption of this resolution rescinding Resolution 5:4-#5 of 2016 and the contractual offer of the Town to the

Owners and the City is a Type II Action requiring no SEQRA Review pursuant to 6 NYCRR Section 617.5(c)37.

SO MOVED: M. Cifone/W. Carlos

**ROLL CALL: Ayes: Deputy Supervisor, Baisley, Councilmen Carlos, Cifone, and
Lepore**

Nays: None

CARRIED: 4-0

Motion was made to adjourn the meeting at 6:35 PM