

COMMON COUNCIL

February 18, 2020

Mayor Shawn Sastri presided at a meeting of the Common Council held at 6:30 PM on February 18, 2020, in the Common Council Chambers at One Court Plaza.

Present:

Mayor Shawn Sastri
Ald. Matthew Caldwell
Ald. Nancy Allaire
Ald. Linda Kays-Biviano
Ald. David Zieno
Ald. Robert D. Jeffrey

Supervisor Robert M. Jeffrey

Also:

Director of Finance/City Clerk Dee DuFour
Director of Human Resources Lynn Murray
DPW Superintendent Edward Pepe
Youth Bureau Director Robert Mason
Fire Chief Jan Papelino
Police Chief Rodney Marsh
City Attorney Steve Natoli
Deputy City Clerk Agnes Eaton

Absent

Ald. Brian Doliver
Supervisor James McNeil

Media Representative: Catherine Sasso, The Evening Sun

Call to Order

The meeting of the Common Council was called to order by Mayor Sastri at 6:27 p.m.

Approval of Minutes

Ald. Caldwell **moved** to approve the minutes of the regular meeting of January 21, 2020. Seconded by Ald. Allaire and duly approved ayes all.

Open Forum

Andy Smith, 140 South Broad St., spoke to the Council regarding the state of disrepair of Route 12, particularly the South Broad St. section. He has called the City, the State, and then Senator Akshar's office. The Senator's office then contacted the State DOT and reported that this would be moved up the list of priorities. He stated that because of the condition of the road, vibrations from traffic shake his home and have caused the sheet rock his home to crack, with his neighbors having similar issues. He volunteered his services in an effort to patch the potholes. Mayor Sastri reported he has been in contact with the DOT in Oxford who referred him to Senator Akshar's office. Ald. Zieno suggested the more citizens who contact Sen. Akshar and also Rept. Cliff Crouch's office the better.

Sofie Liberatore, 16 Sharon Dr., stated she had submitted a claim with the City due to a sewer backup in October, which was submitted to the City's insurance company who rejected the claim. She would like to file a grievance in order to recoup some of the \$2,000 that was expended in digging up the line. She referenced a friend on Prospect St. with the same issue and the City took care of that problem 100%. She also stated a neighbor had a similar problem with the City taking care of it. She felt there is an issue with the sewer lines on Sharon Dr. The Mayor stated the matter would be checked into.

Christine Carnrike, 29 Jones Ave., mentioned an agenda item on the February Joint Committee meeting, "Mayor's Cell Phone". She stated that elected officials land lines and cell phones are not the responsibility of the taxpayer and should never be included in the budget. She stated that the number she used since the 2015 campaign were paid for by her. She did state that she does still receive many phone calls for City related business which she refers to City personnel. She said she changed her messages to direct any City business to Mayor Sastri's cell number, however, there is no message on that line stating callers have reached the City of Norwich Mayor.

Ms. Carnrike next addressed the snow removal during the last storm, stating that it was unacceptable that the snow piles in the middle of the street were not cleared in a timely manner. The City municipal lots did not appear to be cleared at all. She said this was an unacceptable level of service. Eleven days after the storm and the snow in the downtown business district has not been cleared in the space between the curb and where the City's responsibility starts.

Ms. Carnrike continued referencing the 2019 year end budget transfers, saying the Fire Department overtime overage was totally offset by the personal services line budgeted for 2019 and suggested that the constant “pounding” of the Fire Chief regarding overtime should stop. She stated that the services of the Fire Department are a 2-for-1 (EMS and Fire), and as a taxpayer, wants to know when 9-1-1 is called that someone will be on the way. She did say there are areas with the Fire Department that need to be addressed, but they should be allowed to do what they do best which is public safety.

Executive Session - Ald. Caldwell **moved** to enter executive session to discuss the employment history of a particular individual at 6:44 p.m. Seconded by Ald. Zieno, approved 4 -1 with Ald. Jeffrey voting nay.

Ald. Caldwell **moved** to exit executive session at 6:55 p.m. Seconded by Ald. Jeffrey, approved ayes all.

Correspondence

Rolling Antiquers 55th Annual Car Show – Ald. Caldwell **moved** to approve a request from the Rolling Antiquers for Police, Fire and Fire Police assistance at their 55th annual car show held on Saturday, May 23 and Sunday, May 24, 2020 from 8 a.m. to 5 p.m. at the Chenango County Fairgrounds. Seconded by Ald. Kays-Biviano, approved ayes all.

Relay for Life – Ald. Kays-Biviano **moved** to approve a request from Relay for Life for special event status and the use of the Firehouse for their 24th Relay for Life and Survivor Dinner on Saturday, July 18, 2020. The relay will take place from 4 p.m. to 11 p.m. with the dinner hours being 4 p.m. to 6 p.m. Seconded by Ald. Zieno, approved ayes all.

Achieve Half-K Classic – Ald. Allaire **moved** to approve a request from Achieve to hold their Half-K race on Saturday, October 17, 2020 lasting approximately 45 minutes beginning at East Park, to Mitchell St., onto State St. and ending at the Classic Car Museum. Seconded by Ald. Caldwell, approved ayes all.

Parade of Lights – Ald. Zieno **moved** to approve the request from the Parade of Lights Coordinator for Route 12 road closures and barricades from Division St. to Fair St. on Saturday, November 28, 2020. Line-up will begin at 5:30 p.m. with a 6:16 p.m. start. Fire Police and Parade Marshals will be assigned to all line-up entrances and cross streets. Seconded by Ald. Jeffrey, approved ayes all.

Rabies Clinic – Ald. Allaire **moved** to approve a request from Dr. Cruz for use of the Firehouse to hold a rabies clinic on Saturday, March 28, 2020 from 9:30 a.m. to 11:00 a.m. Seconded by Ald. Kays-Biviano, approved ayes all.

After Prom Party Bottle Drive – Ald. Caldwell **moved** to approve a request for the use of the Firehouse on Sunday, March 22, 2020 from 10 a.m. to 1 p.m. for a bottle drive to benefit the NHS After Prom Party. Seconded by Ald. Allaire, approved ayes all.

Mayoral Appointment

Mayor Sastri announced the following appointment:

Civil Service Commission

- ◆ Sue Mirabito, 19 Hayward Avenue, to fill the remainder of a 6-year term expiring May 31, 2022.

Department, Board and Commission Reports

- ◆ Traffic Commission - February
- ◆ Youth Bureau – February
- ◆ Parks Commission – October 2019
- ◆ Planning Commission – January
- ◆ Human Resources Report – January
- ◆ Finance Department Report – January
- ◆ Fire Department Report – January

J. Papelino distributed information to the Council. He compiled a report listing 2019 EMS Mutual Aid outside the 13815 zip code by date, municipality responded to, and the hours covered by personnel. Ald. Zieno said the number of hours was not as many as he expected. J. Papelino reported standard hours worked is 2,486 with another 416 for the year. He

also distributed a list of houses being taken for non-payment of taxes, including pictures. Also distributed was the requested list of 2020 licensed Plumbers and Electricians compared to 2019. The comparison shows that there are 6 licensed Electrician's doing residential work. Others do more commercial jobs versus residential.

Discussion included using Restore NY funds and BOCES to build or rehab properties and a possible interested party in the Mitchell St. property. They also looked at other properties such as the former Hart's Electric building, NYSEG, Curtis Lumber and Borden Ave. properties. He stressed to the party that time is of the essence due to the condition of the Mitchell St. property.

Ald. Jeffrey asked about staffing. J. Papelino reported there is one individual is a paramedic and has his 229 certification. He must still go through all pre-employment steps and lives outside the 10-mile radius requirements but is willing to move. He stated the lack of shift coverage is forcing staff to work extra.

Ald. Zieno asked that Fire and DPW keep an eye on Canasawacta Creek for any possible ice jams.

Ald. Caldwell **moved** to receive and file the department, board, and commission reports. Seconded by Ald. Kays-Biviano, approved ayes all.

Ward Reports

Ward 1

Ald. Caldwell reported correspondence from some residents on Locust St. who were pleased about the 3-Way Stops that will be installed in the Spring. He also received an inquiry about why he must clear snow within 24 hours when the City doesn't follow the same rules. Alecia O'Neill, Council of the Arts, will be here at a future meeting to discuss the changes they will be making to further the arts and culture in the area.

Ward 3

Ald. Allaire reported no communications from her constituents, but from another individual also concerned with City snow removal.

Ward 4

Ald. Kays-Biviano reported discussion regarding road conditions.

Ward 5

Ald. Zieno reported communications regarding City plowing, the condition of South Broad St., and flood mitigation. He met with Kerri Green, Commerce Chenango regarding the DRI.

Ward 6

Ald. Jeffrey reported a complaint regarding sidewalk snow removal and was forwarded to the proper department. Another was a snow clearing issue which was forwarded to DPW and has been resolved.

Ald. Caldwell **moved** to receive and file the ward reports. Seconded by Ald. Jeffrey, approved ayes all.

Motions

- ◆ **Authorizing the Mayor to sign the MOA concerning the Police Recruitment Policy** - Ald. Zieno **moved** to authorize the Mayor to sign a memorandum of understanding with the Norwich Police Benevolent Association regarding a Police Recruitment Policy. Seconded by Ald. Kays-Biviano, and duly adopted, 5 - 0 on a roll call vote.
- ◆ **Approval of the use of the Police Department by the Department of Homeland Security** – Ald. Caldwell **moved** to approve the use of an office in the Police Department by the Department of Homeland Security. Seconded by Ald. Kays-Biviano, approved ayes all.
- ◆ **Authorizing Purchase of Security Cameras** - Ald. Kays-Biviano **moved** to authorize the purchase of security cameras for the Police Department, including 4 for City Hall, from Life Safety & Security for \$13,125 with funds from the 2019 Budget. Seconded by Ald. Caldwell, approved ayes all.

- ◆ **Revise Department of Public Works Standards** – Ald. Zieno **moved** to revise the Department of Public Works Standards as follows:

The utility requesting more than one (1) street cut shall enter into an agreement with the City to have the City mill and pave the entire street curb to curb within 24 months at a percentage of the Bid Price. Utility work under this agreement shall be submitted to the City twelve (12) months before the work is scheduled to start. The City of Norwich Common Council shall retain the right to accept or reject any street submitted under this section. The City of Norwich Common Council shall set the percentage, now set at 25%.

In the event that a utility provider has a franchise agreement with the City of Norwich, the terms of said agreement shall supersede the provisions of this section.

Any utility rejected under this section shall be able to move forward with their project with the full understanding that they shall be required to pave the street curb to curb when the work has been completed.

No street shall be considered for complete re-pavement (curb to curb) under this section that has been repaved by the City within the last ten (10) years.

New material underlined.

Seconded by Ald. Kays-Biviano, approved 4 - 1 on a roll call vote with Ald. Jeffrey voting nay.

Resolutions

RESOLUTION #6 - 2020 **DESIGNATING “PREFERRED PURCHASER” OF CITY-OWNED PROPERTY AT 10 COLUMBIA STREET**

Ald. Kays-Biviano introduced the following and **moved** its adoption:

WHEREAS, the City of Norwich acquired the real property at 10 Columbia Street through property tax foreclosure; and

WHEREAS, the subject property is considered by the Common Council to be surplus and its continued ownership by the City unnecessary to a useful public purpose; and

WHEREAS, the Common Council has reviewed proposals for the purchase of the property, and considers the proposal from Don Kelly, DGK Management, LLC of Norwich, NY to be an acceptable offer based on the purchase amount offered, the significant investments to be made in the property’s rehabilitation, and the proposed use of the property *as a single family home*; now therefore be it

RESOLVED, that the Common Council hereby designates Don Kelly, DGK Management, LLC of Norwich, NY as the “preferred purchaser” of the City-owned property at 10 Columbia Street; and, be it further

RESOLVED, that the Mayor be and hereby is authorized, under the direction of the City Attorney, to negotiate and enter into a contract for the sale of the City-owned property at 10 Columbia Street to Don Kelly, DGK Management, LLC for the aforesaid purpose.

Seconded by Ald. Allaire and duly adopted, 5 - 0, on a roll call vote.

After exiting executive session at 9:13 p.m. Ald. Jeffrey asked to amend Resolution #6 – 2020 to include the words “*as a single family home*”. Ald. Caldwell **moved** to make the amendment. Seconded by Ald. Kays-Biviano, approved ayes all.

RESOLUTION #7 - 2020 **AUTHORIZING RESIDENTIAL PAINT REBATE PROGRAM AND USE OF COMMUNITY DEVELOPMENT FUNDS FOR THE PROGRAM**

Ald. Zieno introduced the following and **moved** its adoption:

WHEREAS, the City of Norwich desires to promote and facilitate the beautification of residential neighborhoods throughout the city, and

WHEREAS, members of the Common Council and other City officials have suggested that offering a rebate program to reduce the cost of house paint would encourage homeowners and residential landlords to undertake needed exterior house painting, and

WHEREAS, such a program has been established and conducted each year since 2009; and

WHEREAS, certain community development funds are available to pay for the cost of renewing the residential paint rebate program, and

WHEREAS, the Joint Committees have made certain recommendations; and

WHEREAS, this proposed action is appropriately classified as a Type 2 action under the requirements of the State Environmental Quality Review Act (SEQRA); now, therefore be it

RESOLVED, that the City of Norwich Finance Director and relevant City staff be and hereby are authorized to continue with a residential paint rebate program in effect through October 31 of each year through and including 2025 to reimburse residential property owners \$10.00 per gallon of paint, up to twenty gallons per property, for exterior house painting within the city of Norwich; and, further be it

RESOLVED, that the City of Norwich Finance Director be and hereby is authorized to draw upon appropriate community development fund sources to establish an account from which to pay rebate claims and associated incidental administrative expenses, with a budgeted amount not to exceed Five Thousand Dollars (\$5,000) annually.

Seconded by Ald. Jeffrey, and duly adopted, 5 - 0, on a roll call vote.

RESOLUTION #8 - 2020 AUTHORIZING END OF YEAR 2019 BUDGET TRANSFERS

Ald. Kays-Biviano introduced the following and **moved** its adoption:

WHEREAS, funds need to be reallocated among line items to cover the cost of expenses through December 31, 2019; now, therefore be it

RESOLVED, that the Director of Finance be and hereby is authorized to make the following transfers in the 2019 General Fund and Sewer Fund Budgets:

2019 Budget Transfers

GENERAL

TO:

<u>Account Number</u>	<u>Name</u>	<u>Amount</u>
A3410.4020	Fire Department – Contracted Services	\$ 9,600.00
A1325.1010	Finance – Personal Services	\$ 6,320.83
A3120.1020	Police Department – Overtime	\$ 69,040.21
A3410.1020	Fire Department – Overtime	\$ 75,998.82
A7110.1010	Parks – Personal Services	\$ 11,622.24
A8170.1010	Street Cleaning – Personal Services	\$ 1,331.61
A8745.1010	Flood Control – Personal Services	\$ 119.91
		=====
	GENERAL	\$174,033.62

FROM:

<u>Account Number</u>	<u>Name</u>	<u>Amount</u>
A9060.8	General – Health Insurance	\$ 9,600.00

A3120.1010	Police Department – Personal Services	\$ 75,361.04
A3410.1010	Fire Department – Personal Services	\$ 75,998.82
A1430.1010	Human Resources – Personal Services	\$ 13,073.76
		=====
	GENERAL	\$ 174,033.62

SEWER

TO:

<u>Account Number</u>	<u>Name</u>	<u>Amount</u>
G8120.1010	Sanitary Sewers – Personal Services	\$ 887.36
G8120.1020	Sanitary Sewers – Overtime	\$ 910.83
G8130.1010	Treatment & Disposal – Personal Services	\$ 33,471.28
G8130.1020	Treatment & Disposal – Overtime	\$ 17,110.06
G9030.8	Sewer Fund – Social Security	\$ 5,335.55
		=====
	SEWER	\$ 57,715.08

FROM:

<u>Account Number</u>	<u>Name</u>	<u>Amount</u>
G8130.4026	Treatment & Disposal – Lab Expense	\$ 20,938.10
G8130.4060	Treatment & Disposal – Materials & Supplies	\$ 10,269.96
G8130.4090	Treatment & Disposal – Utilities	\$ 26,507.02
		=====
	SEWER	\$ 57,715.08

WATER

TO:

<u>Account Number</u>	<u>Name</u>	<u>Amount</u>
F8310.1010	Water Administration – Personal Services	\$ 3,414.09
		=====
		\$ 3,414.09

FROM:

<u>Account Number</u>	<u>Name</u>	<u>Amount</u>
F8310.4020	Water Administration – Contracted Services	\$ 3,414.09
		=====
		\$ 3,414.09

Seconded by Ald. Allaire, and duly adopted, 4 - 1, on a roll call vote with Ald. Caldwell voting nay.

RESOLUTION #9 - 2020

**AUTHORIZING AUDIT ENGAGEMENT OF Cwynar and Company
for audit of 2020 - 2023 fiscal years**

Ald. Jeffrey introduced the following and **moved** its adoption:

WHEREAS, the City of Norwich desires to retain the professional services of a local audit firm to perform a single audit for fiscal years 2020 - 2023; and

WHEREAS, the Public Safety/Public Works and Finance/Personnel Committees have been informed of the scope of audit work to be performed, now, therefore be it

RESOLVED, that the Director of Finance be and hereby is authorized to sign an agreement with Cwynar & Company of Norwich, NY, for performing single audit services for the fiscal years 2020 – 2023 at a cost of \$28,881, \$29,662, \$30,467 and \$31,297, respectively.

Seconded by Ald. Kays-Biviano and duly adopted, 5 - 0, on a roll call vote.

RESOLUTION #10 - 2020 AUTHORIZING TRANSFER OF FUNDS FOR DEPUTY CITY CLERK OVERTIME

Ald. Kays-Biviano introduced the following and **moved** its adoption:

WHEREAS, the Deputy City Clerk has been receiving Compensation Time for time attending meetings; and

WHEREAS, the Director of Human Resources and the Mayor have determined this to be in violation of the Fair Labor Standards Act; and

WHEREAS, the Deputy City Clerk will be receiving overtime for the meetings which is not in the 2020 General Fund Budget and a transfer of funds is needed to cover the overtime; now, therefore be it

RESOLVED, that the Director of Finance be and hereby is authorized to make the following transfer in the 2020 General Fund Budget in the following amount:

<u>From:</u>		
<u>Account Number</u>	<u>Name</u>	<u>Amount</u>
A1990.4	Contingency	\$ 4,000
<u>To:</u>		
<u>Account Number</u>	<u>Name</u>	<u>Amount</u>
A1410.1020	Personal Services – Overtime	\$ 4,000

Seconded by Ald. Caldwell and duly adopted, 4 - 0, on a roll call vote with Ald. Zieno abstaining3
.0.

RESOLUTION #11 - 2020 AUTHORIZING TRANSFER OF FUNDS FROM POLICE EQUIPMENT RESERVES

Ald. Kays-Biviano introduced the following and **moved** its adoption:

WHEREAS, a Federal electronic payment was journalized into the Police Equipment Reserves; and

WHEREAS, the payment should have been journalized into Police Reserves; now, therefore be it

RESOLVED, that the Director of Finance be and hereby is authorized to make the following transfer in the 2019 Capital Reserves in the following amount:

<u>From:</u>		
<u>Account Number</u>	<u>Name</u>	<u>Amount</u>
HR21-878	Police Equipment Reserves	\$ 2,850
<u>To:</u>		
<u>Account Number</u>	<u>Name</u>	<u>Amount</u>

Seconded by Ald. Caldwell and duly adopted, 5 - 0, on a roll call vote.

RESOLUTION #12 - 2020

AUTHORIZING TRANSFER OF FUNDS FOR PURCHASE OF SALT TRUCK

Ald. Kays-Biviano introduced the following and **moved** its adoption:

WHEREAS, two salt trucks are 18 and 19 years old and have reached the end of their useful life; and

WHEREAS, a State bid for a new 2021 Ford F750 truck with a dump body and salt spreader have been received for \$86,765.05 from Genesee Valley Ford, LLC; and

WHEREAS, the Public Safety/Public Works and Finance/Personnel Committees have made certain recommendations; and

WHEREAS, funds are therefore required in connection with the above purchase, now, therefore be it

RESOLVED, that the purchase of a new 2021 Ford F750 Salt Truck is approved; and, further be it

RESOLVED, that the Director of Finance be and hereby is authorized to make the following transfer of funds in the 2020 Budget:

From:

<u>Account Number</u>	<u>Name</u>	<u>Amount</u>
HR26-909	Capital Reserves – Highway Equipment	\$86,765.05

To:

<u>Account Number</u>	<u>Name</u>	<u>Amount</u>
A5110.2100	Street Maintenance – Equipment	\$86,765.05

Seconded by Ald. Allaire, and duly adopted, 5 - 0, on a roll call vote.

RESOLUTION #13 - 2020

APPOINTMENT OF SCHOOL CROSSING GUARD

Ald. Jeffrey introduced the following and **moved** its adoption:

WHEREAS, a vacancy exists in the position of School Crossing Guard in the Norwich Police Department, and;

WHEREAS, the Police Chief has made a recommendation to appoint Pedro Soto of Norwich New York and; now, therefore be it

RESOLVED, that Pedro Soto of Norwich, NY, be and hereby is granted a permanent appointment as School Crossing Guard at a rate of \$11.80 per hour in the City of Norwich Police Department effective February 21, 2020; and further be it

RESOLVED, that the appointment is subject to any action as may be necessary by the Norwich Civil Service Commission.

Seconded by Ald. Kays-Biviano and duly adopted, 5 - 0, on a roll call vote.

Payment of February 2020 Bills

Ald. Jeffrey **moved** to pay the February 2020 bills after proper audit and certification.

	<u>Prepaid</u>	<u>2/18/2020</u>	<u>Grand Total</u>
General Fund	\$858,298.69	\$549,339.89	\$ 1,417,638.58
Sewer Fund	51,766.35	15,660.00	67,426.35
Water Fund	56,146.49	15,453.64	71,600.13
Trust	25,600.99	-	25,600.99
Debt Service		-	
Comm. Dev. - Special Grants		-	
Capital Projects		-	
TOTALS	\$991,812.52	\$580,453.53	\$1,572,266.05

Seconded by Ald. Caldwell and duly adopted 5 - 0.

Mayor Sastri relayed a message from Mr. Daniel St. Louis of Norwich who wished to publicly offer his sincere thanks to Officer Martin and Officer Leigh of the Norwich Police Department for their assistance and understanding in a particular matter. He would also extend his thanks to Judge Revoir in the courtroom in the same matter.

Executive Session

Ald. Kays-Biviano **moved** to enter executive session to discuss contract negotiations at 7:27 p.m. Seconded by Ald. Jeffrey, approved ayes all.

Ald. Jeffrey **moved** to exit executive session at 9:13 p.m. Seconded by Ald. Allaire, approved ayes all.

Resolution

Motion to Amend Resolution #6 -2020 – See above.

**RESOLUTION #14 – 2020 RESOLUTION OF THE COMMON COUNCIL OF THE CITY OF NORWICH
AUTHORIZING THE EXECUTION OF A TAX EXEMPTION AGREEMENT
("PILOT") AGREEMENT BY AND BETWEEN THE CITY OF NORWICH
AND LIBERTY GOLDEN AGE HOUSING DEVELOPMENT FUND
COMPANY, INC.**

Ald. Caldwell introduced the following and **moved** its adoption:

WHEREAS, the City of Norwich (the "City") desires to encourage a sufficient supply of adequate, safe and sanitary housing accommodations to persons and families of low income; and

WHEREAS, Liberty Golden Age Housing Development Fund Company, Inc. (the "HDFC") is a not-for-profit corporation established pursuant to Section 402 of the New York State Not-For-Profit Corporation Law and Article XI of the New York State Private Housing Finance Law ("PHFL"); and

WHEREAS the HDFC has been organized exclusively for the charitable purpose of providing housing accommodations to persons and families of low income; and

WHEREAS, Liberty Affordable Housing Inc., a 501(c)(3) not-for-profit corporation is the sole member of the HDFC; and

WHEREAS, the HDFC's plan for the use of the property more particularly identified in Exhibit A attached hereto and made part hereof consists of the HDFC's acquisition and preservation of Golden Age Apartments which consists of one-hundred (100) one-bedroom senior apartments for persons and families of low-income, which constitutes a "housing project" as that term is defined in Section 572 of the PHFL (the "Project") and is located at 37-39 Lackawana Avenue (Tax Map No. 136.49-3-1.1) and 33-49 Mechanic Street (Tax Map No. 136.49-3-17) and situated in the City of Norwich, County of Chenango and State of New York (the "Property"); and

WHEREAS, the City previously consented to the formation of Golden Age Redevelopment Company, LLC (the "Company") pursuant to Article V of the PHFL the Company is the current owner of the Property; and

WHEREAS, the City previously approved a Tax Exemption Agreement dated as of January 1, 2006, in favor of the Company and in connection with the Property (the "Existing Tax Abatement Agreement") and Section 9 of the Existing Tax Abatement provides for the City's consent to any subsequent sale of the Project by the Company to Liberty Affordable Housing Inc. which is the sole member of the HDFC so long as the sale of the Project is in accordance with the requirements of the Project Financing (as defined below); and

WHEREAS, the City of Norwich previously consented to the voluntary dissolution of the Company after such sale of the Project to the HDFC and such sale need not be in accordance with Subdivisions 1 and 2 of Section 123 of Article V of the PHFL or in accordance with Paragraph 13 of the Articles of Organization of the Company; and

WHEREAS, the HDFC is (or will be) the fee owner of the Property and Liberty Affordable Housing Inc. is (or will be) the sole member of the HDFC; and

WHEREAS, the HDFC is a "housing development fund company" as the term is defined in Section 572 of the PHFL; and

WHEREAS, to finance the HDFC's acquisition of the Project, the HDFC has obtained (or will obtain) certain mortgage loan financing ("Project Financing") aided by the U.S. Department of Housing and Urban Development ("HUD"); and

WHEREAS, the Project Financing will be a "federally-aided mortgage" within the meaning of Subsection 572(5) of Article XI of the PHFL; and

WHEREAS, Real Property Tax Law ("RPTL") Subsection 422(1)(a) provides that "[r]eal property owned ... by housing development fund companies organized pursuant to the not-for-profit corporation law and article eleven of the Private Housing Finance Law, used exclusively to provide housing for the handicapped or aged persons of low income, and financed by a federally-aided mortgage ... shall be exempt from taxation and exempt from special ad valorem levies and special assessments ..."; and

WHEREAS, upon closing of the Project Financing, the Property will consequently be exempt from taxation with or without approval of the City of Norwich, Chenango County and Norwich City School District; and

WHEREAS, notwithstanding the aforesaid exemption under RPTL Subsection 422(1)(a), the HDFC has determined that it is in the best interests of the parties for the HDFC to make annual payments in lieu of taxes to the City of Norwich as set forth in the Tax Exemption Agreement presented to this Common Council for approval, a copy of which is attached hereto as Exhibit B; now therefore be it

RESOLVED, that the Common Council of the City of Norwich hereby terminates the Existing Tax Abatement Agreement and exempts the Project and the Property more particularly identified in Exhibit A attached hereto and made part hereof from real property taxes and special assessments and ad valorem levies to the extent authorized by RPTL Subsection 422(1)(a) and approves the proposed Tax Exemption Agreement by and between the City of Norwich and the HDFC, in substantially the form attached hereto as Exhibit B, providing for annual payments as set forth in such Tax Exemption Agreement; and it is further

RESOLVED, that the Mayor of the City of Norwich is hereby authorized on behalf of the City of Norwich to execute and deliver the forgoing Tax Exemption Agreement; and it is further

RESOLVED, that a fully executed copy of the Tax Exemption Agreement will be filed immediately in the Office of the Assessor of the City of Norwich and Office of the Director of Finance of the City of Norwich; and it is further

RESOLVED, that the City of Norwich Director of Finance, the Supervising Agency as described in Section 572(14) of the PHFL, is authorized to consent to the formation of the HDFC and dissolution of the Company; and it is further

RESOLVED, that this resolution shall take effect immediately.

Seconded by Ald. Jeffrey and duly adopted, 5 - 0, on a roll call vote.

Adjournment

Ald. Caldwell **moved** to adjourn at 9:11 p.m. Seconded by Ald. Jeffrey, approved ayes all.