

CITY COUNCIL MEETING

January 23, 2012

Page 20

Mayor Nelson called the meeting to order and asked the Clerk to call the roll:

PRESENT: Mayor Nelson, Councillors Ashley, Cilley, Morley and Skamperle

ABSENT: Councillors Hosmer and *Stevenson

Mayor Nelson advised that Councillor Hosmer asked to be excused from the meeting because he is working out of town. Councillor Skamperle indicated that he thought Councillor Stevenson also asked to be excused, but it was determined that she asked to be excused from the February 13, 2012 meeting.

Mayor Nelson advised that James O'Neil of C.W. Augustine, Inc. was running late for this meeting and suggested that his presentation be moved lower on the agenda until he arrives.

*Councillor Stevenson arrived at the meeting.

PERSONAL APPEARANCE

1. Doug Wood of 2105 Montgomery Street spoke against Patrick Murphy's request to buy two sections of two City-owned paper streets. Mr. Wood explained that if the sale is allowed to go through, his sister-in-law's properties will be land-locked. Mr. Wood requested that the two City-owned paper streets not be sold.

CORRESPONDENCE

1. City Clerk, Kathleen Bouchard, read a letter from Douglas and Nancy Wood regarding Patrick Murphy's request to buy two sections of two City-owned paper streets. (A copy follows these minutes.)

CITY COUNCIL MEETING

January 23, 2012

Page 21

2. City Clerk, Kathleen Bouchard, read a letter from Joseph and Debra Haller regarding Patrick Murphy's request to buy two sections of two City-owned paper streets. (A copy follows these minutes.)

3. City Clerk, Kathleen Bouchard, read a letter from Chyrill Stevenson regarding Patrick Murphy's request to buy two sections of two City-owned paper streets. (A copy follows these minutes.)

CONSENT AGENDA

Mayor Nelson moved that the claims as enumerated in General Fund Warrant #2-2012 in the amount of \$504,119.43 and Library Fund Warrant #2-2012 in the amount of \$20,373.36 and Capital Fund Warrant #2-2012 in the amount of \$9,183.02 and Community Development Fund Warrant #2-2012 in the amount of \$13,962.30 and Community Renewal Fund Warrant #2-2012 in the amount of \$1,043.46 and HOME Fund Warrant #2-2012 in the amount of \$0.00 and AHC Funds Warrant #2-2012 in the amount of \$0.00, RESTORE Program Warrant #2-2012 in the amount of \$0.00 and NSP Funds Warrant #2-2012 in the amount of \$0.00 and NY Main St. Program Warrant #2-2012 in the amount of \$18,511.58 as audited, be and the same are ordered paid and Councillor Skamperle seconded the motion.

The vote was:

CARRIED, AYES ALL

APPOINTMENTS

1. Mayor Nelson moved to appoint Dr. Patti Mahoney to a two-year term on the Frederic Remington Art Museum Board of Trustees, term to expire 12/31/14, and Councillor Stevenson seconded the motion.

CITY COUNCIL MEETING

January 23, 2012

Page 22

The vote was:

CARRIED, AYES ALL

2. Mayor Nelson moved to appoint Lee “Gus” Murray to a two-year term on the Frederic Remington Art Museum Board of Trustees, term to expire 12/31/14, and Councillor Morley seconded the motion.

The vote was:

CARRIED, AYES ALL

3. Mayor Nelson moved to re-appoint Tim Redmond to a two-year term on the Planning Board, term to expire 12/31/14, and Councillor Skamperle seconded the motion.

The vote was:

CARRIED, AYES ALL

ITEMS FOR COUNCIL ACTION

1. Councillor Ashley moved a resolution amending the 2012 budget to allow for the use of 2009 Operation Stonegarden Grant funds, and Councillor Skamperle seconded to wit:

A RESOLUTION TO AMEND THE 2012 GENERAL FUND BUDGET IN CONNECTION WITH 2009 OPERATION STONEGARDEN FUNDS

WHEREAS, the City was awarded funds from the Office of Homeland Security, in 2010, for the 2009 Operation Stonegarden Program, and

WHEREAS, the final contract for the award was received after approval of the 2011 Budget and

CITY COUNCIL MEETING

January 23, 2012

Page 23

WHEREAS, as a result of the late arrival of the contract, the 2011 Budget was amended to reflect the use of those funds throughout 2011, and

WHEREAS, a portion of those funds amounting to approximately \$20,800.00 were earmarked for spending in 2011 for the purchase of an unmarked Police Vehicle, and

WHEREAS, this particular vehicle was not available for purchase by the end of 2011, but will be available and purchased in 2012,

NOW, THEREFORE BE IT RESOLVED, that the City Council amends the 2012 budget to allow for the expenditure of the 2009 Operation Stonegarden Program grant funds, in the amount of \$20,800.00, to be appropriated as follows;

\$20,800.00 to the Capital Equipment Line – A3120.310

AND BE IT FURTHER RESOLVED that a the 2009 Operation Stonegarden Program revenue account be amended in the 2012 budget as follows;

\$20,800.00 to be added to the 2009 Operation Stonegarden Program revenue line – A4094

The vote was:

CARRIED, AYES ALL

2. Mayor Nelson moved a resolution introducing an ordinance and providing for public notice and public hearing to approve the sale of City-owned property located at 819 Knox Street, and Councillor Skamperle seconded to wit:

RESOLUTION INTRODUCING AN ORDINANCE
AND PROVIDING FOR PUBLIC NOTICE
AND PUBLIC HEARING

CITY COUNCIL MEETING

January 23, 2012

Page 24

BE IT RESOLVED, that Ordinance No. ____ of 2012, entitled "An Ordinance to Approve the Sale of City-Owned Property" located at 819 Knox Street to Barbara Seguin pursuant to a purchase and sale agreement dated April 29, 2011, be and it hereby is introduced before the City Council of the City of Ogdensburg, New York, and

BE IT FURTHER RESOLVED, that the City Council shall hold a public hearing in the matter of the adoption of the aforesaid Ordinance to be held at the Council Chambers in the City of Ogdensburg, New York, on the 13th day of February, 2012, at 7:00 p.m., and

BE IT FURTHER RESOLVED, that the City Clerk give notice of such public hearing by publication in the official newspaper at least seven (7) days before the hearing date of a notice setting forth the time and place and describing the proposed ordinance in summary form.

The vote was:

CARRIED, AYES ALL

3. Mayor Nelson moved a resolution introducing an ordinance and providing for public notice and public hearing to approve the sale of City-owned property located at 2 Grove Street, and Councillor Morley seconded to wit:

RESOLUTION INTRODUCING AN ORDINANCE
AND PROVIDING FOR PUBLIC NOTICE
AND PUBLIC HEARING

BE IT RESOLVED, that Ordinance No. ____ of 2012, entitled "An Ordinance to Approve the Sale of City-Owned Property" located at 2 Grove Street to Barbara and Terry Thomas pursuant to a purchase and sale agreement dated April 29, 2011, be and it hereby is introduced before the City Council of the City of Ogdensburg, New York, and

CITY COUNCIL MEETING

January 23, 2012

Page 25

BE IT FURTHER RESOLVED, that the City Council shall hold a public hearing in the matter of the adoption of the aforesaid Ordinance to be held at the Council Chambers in the City of Ogdensburg, New York, on the 13th day of February, 2012, at 7:00 p.m., and

BE IT FURTHER RESOLVED, that the City Clerk give notice of such public hearing by publication in the official newspaper at least seven (7) days before the hearing date of a notice setting forth the time and place and describing the proposed ordinance in summary form.

The vote was:

CARRIED, AYES ALL

4. Mayor Nelson moved a resolution introducing an ordinance and providing for public notice and public hearing to lease City-owned property located at 819 Knox Street, and Councillor Morley seconded to wit:

RESOLUTION INTRODUCING AN ORDINANCE
AND PROVIDING FOR PUBLIC NOTICE
AND PUBLIC HEARING

BE IT RESOLVED, that Ordinance No. ___ of 2012, entitled "An Ordinance to Lease City-Owned Property", be and it hereby is introduced before the City Council of the City of Ogdensburg, New York, and

BE IT FURTHER RESOLVED, that the City Council shall hold a public hearing in the matter of the adoption of the aforesaid Ordinance to be held at the Council Chambers in the City of Ogdensburg, New York, on the 13th day of February, 2012, at 7:00 p.m., and

BE IT FURTHER RESOLVED, that the City Clerk give notice of such public hearing by publication in the official newspaper at least seven (7) days before the hearing date of a notice setting forth the time and place and describing the proposed ordinance in summary form.

The vote was:

CARRIED, AYES ALL

5. Councillor Cilley moved a resolution to upgrade a title in the Assessment Department and transfer \$2,941. from the Fund Balance to A1355.110, and Councillor Skamperle seconded to wit:

RESOLUTION TO UPGRADE TITLE IN
ASSESSMENT DEPARTMENT

WHEREAS, the duties performed by the Data Entry Machine Operator, with the Department of Assessment, have evolved to entail significantly more responsibility than those detailed in her job title, and

WHEREAS, in the extended absence of the previous Assessor, she was delegated authority to carry out the routine duties in meeting and responding to the public and taxpayers' needs for information on assessments and exemption process, and

WHEREAS, the City has since appointed a new Assessor and her duties involve specialized clerical duties that involve work of a technical nature in assisting the Assessor in the assessing function, and

WHEREAS, the upgrade title of Assessment Clerk will allow the Department of Assessment to be better prepared should an extended absence occur,

NOW THEREFORE, BE IT RESOLVED, that the City Council hereby make the following amendment to the 2012 Assessment Budget, effective January 23, 2012,

<u>A1355.110</u>	<u>2012 adopted</u>	<u>2012 amended</u>
Data Entry Machine Operator	\$37,260.	
Assessment Clerk		\$40,201.

CITY COUNCIL MEETING

January 23, 2012

Page 27

BE IT FURTHER RESOLVED, that \$2,941. be transferred from the Fund Balance to accomplish this upgrade in title.

Acting City Manager Phil Cosmo advised that this should have been done when Kathy Bateman retired. Mr. Cosmo explained that Mrs. Donnelly performed many extra duties before Mrs. Bateman's retirement and still does these same duties and more. Mr. Cosmo stated that the list of duties being performed was reviewed with the City Assessor and the Civil Service Commission, who advised that Mrs. Donnelly is working out of title. Councillor Cilley asked if a promotional exam will be given, and Acting City Manager Phil Cosmo advised that it will be a non-competitive exam. Mayor Nelson stated that an open competitive exam should also be given since Mrs. Donnelly plans to retire. Councillor Morley advised that the amounts noted in the resolution do not add up, and Acting City Manager Phil Cosmo indicated that the City Assessor may have prorated the amount for this year. (The amounts in the resolution were corrected as per CS Contract.)

The vote was:

CARRIED, AYES ALL

PRESENTATION

1. James O'Neil, C.W. Augustine, made a presentation to City Council regarding an update and overall review of the NSP Program. Mr. O'Neil explained that the City had been involved with multiple programs over the years which assisted homeowners with maintenance of homes or first time home buyers, but the NSP Program is totally different. Mr. O'Neil said we are the only municipality north of New York City who received this grant, and the timetable to expend funds was very short and regulations changed frequently. Mr. O'Neil said in February he was told to have the contracts signed and committed by September, but after March, this deadline was changed to August. Mr. O'Neil advised that the program was extremely rushed and under the gun, and unfortunately things fell through the cracks. Mr. O'Neil explained that the purpose of the program was to stabilize neighborhoods with foreclosed properties by either demolition or rehab. Mr. O'Neil said that one of the requirements was that the properties must be owned by a municipality and not by

CITY COUNCIL MEETING

January 23, 2012

Page 28

private owners, and another requirement is that 25% of the funds must be used to build up properties for people who are 50% below the county median. Mr. O'Neil said the City spent \$100,000 on demolition costs, which meant that the City must sell these two properties (819 Knox Street and 2 Grove Street) to low income people who meet the program requirements. Mr. O'Neil said in addition to income levels, the family size must be appropriate for the size of the structure. Mr. O'Neil said the program requires that only 30% of the household income be used to pay all costs associated with the property and this 30% must cover all expenses. Mr. O'Neil added that it was also required that the City provide a grant through deferred funds for the purchase of the homes.

Councillor Morley noted that none of these requirements were explained to Council when the City signed up for this program and questioned if the \$198 to be paid by the buyers of 819 Knox Street would cover heat, lights and taxes. Mr. O'Neil explained that under the program guidelines, all they can afford to pay is \$198 per month plus their own heat and lights. Mr. O'Neil explained that the \$198 per month will cover the taxes and if grants provide the funding, they will be okay. Councillor Skamperle questioned where the grant money comes from, and Mr. O'Neil advised that it comes from the NSP Program, Affordable Housing Program, AHC funding and HUD funding that was earmarked for this program.

Councillor Ashley questioned how potential buyers are selected. Mr. O'Neil explained that former City Planner Justin Woods put together a lottery program with the information he had from large city programs but the problem we have is that we do not have enough people who qualify. Councillor Morley questioned how we do not have enough people who qualify. Mr. O'Neil explained that there were initially 25 people interested in this program, but because one requirement is that the property be owner occupied, they ended up with less than 7 who met that requirement. Mr. O'Neil said out of those seven, only two met the criteria and final requirements for the program. Mayor Nelson questioned when it was determined that there were only two qualified families. Mr. O'Neil advised mid summer 2010, the end of July or early August. Councillor Morley questioned if they were aware that there were only two qualified families in June, 2010 when Council was asked to approve the program. Mr. O'Neil advised no, it was later that summer.

CITY COUNCIL MEETING

January 23, 2012

Page 29

Councillor Morley asked why a survey was never done on the 2 Grove Street property since there is clearly no place to park. Jennifer Ashley of C.W. Augustine explained that a survey will be required before the sale of that property can move forward, but that a survey hasn't been ordered because of all of the problems with the NSP Program. Councillor Morley expressed his concern that there is no place for a driveway and stressed that a survey should have been done before \$100,000 was spent on a house. Mr. O'Neil explained that there was no time for a survey since program deadlines had to be met and the property should have been demolished. Councillor Morley added that it should have been demolished forty years ago. Mr. O'Neil noted that the NSP Program was intended to be a rehab program, but all the City did was demolish properties so we needed to rehabilitate something to meet the requirements. Mr. O'Neil explained that if we don't meet the requirements of the program, the money used to demolish these properties must be paid back.

Councillor Morley added that some of the properties that were demolished could have been rehabilitated. Mr. O'Neil noted that some of the properties had challenging lot sizes and no parking and the City Manager insisted that those properties be demolished. Councillor Morley questioned how to remove properties from the NSP Program. Mr. O'Neil advised that the Bigelow Street property will not be a problem since it was put in the NSP after the fact. Mr. O'Neil explained that former City Planner Justin Woods thought the property would be a good fit for the program and wanted to use program income to rehabilitate it and sell as a decent unit. Mr. O'Neil said it is in the program only because we put it in the program, but there is nothing official mandating that it remain in the program.

Councillor Morley asked if 505 New York Avenue was in the program, and Mr. O'Neil confirmed that it is. Mr. O'Neil explained that there is not enough money to rehabilitate this property and find a buyer. Councillor Morley questioned if it can be removed from the program. Mr. O'Neil advised that it should be demolished and explained that if we move forward with the two current sales and sell 113 Adams Avenue there would be funds available to demolish 505 New York Avenue and recommends that we do that. Councillor Ashley questioned the status of construction at 113 Adams Avenue. Mr. O'Neil advised that it needs to be sold but that we haven't moved forward because of the controversy.

CITY COUNCIL MEETING

January 23, 2012

Page 30

Councillor Ashley questioned if it was normal to work on a property with people living in it. Mr. O'Neil answered that we do it everyday. Councillor Ashley questioned if that is the case with people who are not owners and asked again if it is proper to do work with people in a house. Mr. O'Neil confirmed that it is done all over town. Councillor Ashley asked if it was proper procedure to do work on 819 Knox Street with people living in the home. Mr. O'Neil confirmed that it was proper under the terms of the program.

Councillor Stevenson asked what is 50% of the HUD Median and program expense income. Jennifer Ashley of C.W. Augustine, Inc. explained the income guidelines for the program, noting that program requirements would be a family of two with an income of about \$20,000 per year.

Councillor Skamperle questioned if 505 New York Avenue can be removed from the program. Mr. O'Neil advised that approximately \$10,000 was spent on the cleanup of this property and those funds would need to be paid back. Mayor Nelson added that to sell 505 New York Avenue to an individual, the City would need to collect enough to cover the payback amount plus all expenses.

Several Councillors asked for a list of the properties included in the program. Mr. O'Neil stated the following are included in the NSP: 622/624 Knox Street, 819 Knox Street, 421 Morris Street, 425 Morris Street, 1328 Ford Street, 2 Grove Street, 418 Oak Street, 427 Morris Street, 505 New York Avenue, 902 Ogden Street and 113 Adams Avenue. Councillor Morley stated that 418 Oak Street is a vacant lot, and Mr. O'Neil added that it is not a buildable lot. Councillor Cilley said that he understood that former City Planner Justin Woods had spoken with the neighbor about combining the lots, but that the neighbor was not interested. Councillor Morley questioned how this property could be put in the program if the adjacent neighbors want to purchase it. Mr. O'Neil explained that the purpose of the program was to stabilize neighborhoods, but former City Planner Justin Woods, thought it was a good idea to combine the lots and clean up that neighborhood by getting rid of the old mobile home. Councillor Morley stated that properties were put into this program without Council's knowledge. Mr. O'Neil added that when he came on board he was given a list. Councillor Cilley said it's water over the dam how they got on the NSP list. Councillor Cilley said the only way to avoid paying these funds back is to sell 819 Knox Street, 2 Grove Street and 113 Adams Avenue.

CITY COUNCIL MEETING

January 23, 2012

Page 31

Mr. O'Neil said that's correct and added that after 819 Knox Street and 2 Grove Street are sold, 113 Adams Avenue can be sold to anyone up to 120% of the county income median.

Councillor Cilley questioned if it's correct that only one person qualified for each property and Mr. O'Neil said yes. Councillor Morley questioned if the property is sold to someone who meets the criteria and then can't pay the taxes, does the City get the property back. Mr. O'Neil said yes, and Councillor Morley asked what was the point. Councillor Cilley commented that the properties should be sold and the City needs to get out of this program. Mr. O'Neil noted that he received a call from Albany on Friday advising that we had the fourth scoring CDGB Grant application for the Ford and State Street area, but that we didn't get funded because of the NSP Program controversy. Councillor Morley questioned why we changed to this NSP Program when the other programs were working fine. Mr. O'Neil stated that the best thing the City can do is to get out of this program and be done.

Councillor Morley questioned if we can advertise for the program, and Mr. O'Neil confirmed that we did, noting that he advertised for four to five months pushing hard. Councillor Stevenson stated that the lack of funding because of the NSP Program controversy was also due to unspent CDBG funds. Mr. O'Neil stated that information was incorrect and added that the City has no unexpended CDBG funds. Mr. O'Neil stated the City has program income and some funds left in the NSP Program. Acting City Manager Phil Cosmo added that the statement was old and those funds are gone, noting that those funds were expended as quickly as possible. Councillor Morley requested a copy of that email, and Acting City Manager Phil Cosmo advised that it was included in the update.

Councillor Ashley asked for the NSP Program timeline, and Mr. O'Neil said it was about 30 months, noting that it is up late this summer. Councillor Ashley questioned if there was enough time to do it right, and Mr. O'Neil replied there wasn't since they spent about six months advertising. Councillor Ashley asked how the advertising was done. Mr. O'Neil explained that they hung posters, held a public hearing, advertised in the newspaper and announced the program at the first time home buyer classes. Councillor Ashley noted that the properties are more appealing now. Mr. O'Neil explained that about a year has been lost, noting that if the properties are not sold the City must repay the money.

CITY COUNCIL MEETING

January 23, 2012

Page 32

Councillor Ashley questioned if the money has to be repaid if all three houses are not sold, and Mr. O'Neil said yes. Mayor Nelson questioned if all of the funds have to be repaid, and Mr. O'Neil advised that he was unsure of the exact amount.

Jennifer Ashley explained that there were lots of surprises with this program, noting that timelines were moved and rules were changed weekly. Ms. Ashley advised that if we do not meet the timelines and the program guidelines, we must repay the money. Councillor Skamperle questioned the date of the first time home buyer/NSP program information session, and Ms. Ashley stated she was unsure. Councillor Skamperle added that it was in May, after the contracts were signed. Ms. Ashley explained that she received applications from people who wouldn't complete the requirements. Councillor Morley noted that the contract had already been signed, and Mr. O'Neil advised that the program was marketed prior to the contracts. Ms. Ashley explained that when she meets with people she explains both programs, noting that the first time homebuyer program allows people to purchase property from anyone or with a realtor, while the NSP Program allows certain people to purchase specific properties owned by the City.

Councillor Cilley asked if any taxpayer funds have been expended, and Mr. O'Neil responded that only grant funds had been used for this program. Councillor Cilley questioned if the properties are sold and the grant pays for the properties, is there any cost to the taxpayers. Mr. O'Neil confirmed there is no cost to the taxpayers adding that it goes against the grain to give a house away, but explained that is the exact purpose of the program. Mr. O'Neil added that if Acting City Manager Phil Cosmo shares an email he received regarding the City's unsuccessful 2011 CDBG application for housing rehabilitation, Councillors will see there are many unresolved issues with the NSP Program. Councillor Skamperle noted that he has researched the program and that it was designated for urban areas with blight to knock down houses, but keep the decent properties for rehabilitation and allow people who can't afford it to pay taxes only and reduce their burden so they can keep their home. Mr. O'Neil added that Ms. Ashley has done a budget with these people to confirm that they have the ability to maintain the house and pay the taxes. Councillor Stevenson questioned if the buyers have been recertified in a timely manner. Mr. O'Neil advised that they have to be recertified within six months. Mr. O'Neil read the following list of pro's and con's related to moving forward with the sale of these two properties:

CITY COUNCIL MEETING

January 23, 2012

Page 33

Pros for ratifying a contract for sale of City-owned NSP property:

1. The execution of the sales contracts was in full compliance with NSP policies and procedures;
2. Contract(s) with these applicants fulfill the City's obligation for targeted populations under the City's NSP contract;
3. Contract(s) with these applicants would avoid the potential liability of relocation and housing assistance expenses as defined by Federal Standards as outlined in the Uniform Relocation Act (URA);
4. The clock is ticking on the open grant. Moving these two contracts forward will enable the City to proceed with the NSP program and the grant to be fully expended within the allotted time;
5. With the publicity surrounding this issue, funding agencies are watching closely and would look more favorably upon the City ratifying said contracts, without perpetuating undue hardship on either applicant;
6. "Selected" applicants are both eligible and innocent parties.

Mr. O'Neil added that the clock is ticking on this open grant and that we need to get it behind us. Councillor Skamperle questioned who the funders are for the NSP Program. Mr. O'Neil advised that it is the Feds through the State, and added that they are watching closely to see how this controversy is handled. Councillor Skamperle noted that we cannot move forward until these properties are sold. Mr. O'Neil added that these families went into this process in good faith and that the way these properties are being handled is exactly what is intended by the program.

Councillor Ashley questioned if the assessments will go up on these properties now that all of the rehab work has been done. Mr. O'Neil responded that he is not an assessor but would take exception if he saw his own assessment go up penny for penny when improvements are made. Councillor Morley commented that if you invest money into a house, the value has to go up. Mr. O'Neil advised that the property can be reappraised but it is still in a \$50,000 neighborhood. Councillor Skamperle added that the property doesn't even have new windows or siding. Mr. O'Neil advised that it has a new kitchen, a new bath and a new porch, the windows and siding were fixed and the house was painted.

CITY COUNCIL MEETING

January 23, 2012

Page 34

Councillor Morley questioned why windows would be rehabilitated instead of replaced, and Mr. O'Neil explained that due to time constraints and limitations placed by the state because of the historical neighborhood, plastic windows could not be installed. Councillor Morley expressed his disagreement with the NSP rules and stated that the number one priority should be energy efficiency. Mr. O'Neil explained the window rehabilitation process, concluding that it is almost equal to new plastic windows. Mr. O'Neil further explained that it is best to stay in compliance with the requirements and that grant programs are very different from 30 years ago. Mr. O'Neil explained that his job is to keep the City in compliance with the program requirements.

Councillor Ashley explained that Council is just trying to do what's best for the taxpayers, and Mr. O'Neil acknowledged the same. Councillor Morley advised that he doesn't want to see a repeat of these problems. Mr. O'Neil reiterated that 113 Adams Avenue can be sold to someone who does not meet the strict requirements of the other two properties. Councillor Cilley commented that we need to deal with reality now. Councillor Skamperle added that is philosophically wrong to see property given free to people when everyone works so hard for their own property. Mr. O'Neil stated that if we don't move forward with these two sales, it will cost the taxpayers about \$240,000. Councillor Morley questioned the amount of people who may be interested and qualified. Councillor Cilley reminded that these properties were offered at tax sale and no one purchased them. Acting City Manager Phil Cosmo noted that some of these properties were in bankruptcy and the City had to become the bidder of record on the majority of these properties. Mayor Nelson asked if there is a family qualified for 113 Adams Avenue. Ms. Ashley said there is one family that was interested, but their dynamic has changed so they may not be eligible. Mr. O'Neil confirmed that there was only one family interested and suggested that Chris Robbins from the Journal Newspaper write an article to get more applicants. Mr. O'Neil stated that we need to comply with the process. Councillor Morley said that Council can't do anything against the Charter. Mr. O'Neil advised that for these two particular properties, activity had to be shown as the funders wanted to see money being spent and the projects moving forward. Mr. O'Neil explained that the properties and the program were pushed for months and months without finding eligible buyers. Councillor Morley asked if a walk-through of the property was offered. Mr. O'Neil said that there was no walk-through of the properties, but we can schedule one at 113 Adams Avenue.

CITY COUNCIL MEETING

January 23, 2012

Page 35

Councillor Skamperle asked if there are specific limitations on all of the other NSP Program properties. Mr. O'Neil said there are and added that Ogdensburg is easy to write grant applications for, noting that we need to get this behind us to get other money for new construction. Councillor Skamperle agreed that the properties need to be sold and move forward.

Mayor Nelson stated that none of this information was ever explained to Council and Council was never told these properties would be locked into this program forever. Mayor Nelson stated the NSP program rules and process were not communicated to Council and Council voted on it but things were never carried through. Mayor Nelson stated said that key decision points were not communicated and Council was left in the dark. Mayor Nelson advised that we need to sell these properties or risk payback. Councillor Morley stated Council was never informed that the properties had to be owned by a municipality and believed the program would fix neighborhoods not just one house. Mayor Nelson stated we should have stayed away from NSP Programs as there is a reason why no else in the State applied for these programs. Mr. O'Neil advised that he believes those involved did the best they could do. Mr. O'Neil said he suspects that the reason information was not communicated to Council was because the rules changed weekly and that no one knew because the State had never done NSP before. Mr. O'Neil added that the Federal requirements changed along with it because it was part of the stimulus program. Councillor Morley asked Mr. O'Neil who he kept informed. Mr. O'Neil answered the City Manager and City Planner.

Mayor Nelson asked Mr. O'Neil to prepare a NSP Program presentation for the Public Hearing explaining that the community doesn't understand and we need to help them understand. Councillor Morley said these properties need to be reappraised and a survey done on 2 Grove Street before Council approves their sale. Mayor Nelson agreed that has to be done first. Councillor Skamperle noted that Council received a lot of information tonight and asked for the stipulations regarding vacant land for demolished houses. Mr. O'Neil advised that he just learned about those stipulations. Mr. O'Neil said that 1328 Ford Street is not buildable and that adjacent property owners want it, but neither meets the income guidelines. Mr. O'Neil added that with most other HUD programs, approval comes if the tenant meets the requirements but not with this program, the owner has to be qualified.

CITY COUNCIL MEETING

January 23, 2012

Page 36

Mayor Nelson asked Mr. O'Neil to provide a presentation of all the NSP information, noting that it is important that everyone get a clear picture at the February 13, 2012 meeting.

Councillor Ashley acknowledged that Mr. O'Neil had been hit pretty hard tonight with questions, and asked him to go back to his presentation of the cons of not selling the properties. Mr. O'Neil read from a memo sent by Andrea Smith to Acting City Manager Phil Cosmo:

Cons for nullifying contracts for sale of City-owned property:

1. Due to the nature of the NSP, with a focus on more densely populated urban areas, the marketing and advertising of the program resulted in very few eligible applicants identified; none that would qualify for either of these properties;
2. In light of #1, the time frame to dispose of these properties, per the NSP regulations, could likely be unworkable with the available grant funding deadlines;
3. The City will be liable for relocation and housing assistance expenses under the URA.
 - a. According to the formula, for 819 Knox Street an amount **not to exceed \$5,250**
 - b. The formula is as follows:
 - 42 times, the difference between; The lesser of;
 - a) the rent and utilities the tenant was paying and
 - b) 30% of the monthly gross household income subtracted from the lesser of;
 - a. monthly rent and utilities for a comparable replacement dwelling or
 - b. the actual monthly rent and utilities for the decent, safe and sanitary replacement dwelling
4. Applicants could pursue litigation against the City to attempt to enforce their contracts

*Additionally the tenant is entitled to relocation assistance including reimbursement of moving costs.

CITY COUNCIL MEETING

January 23, 2012

Page 37

- a. Litigation could hold up process of re-entering these properties into a *corrected* NSP process.

Councillor Cilley noted that Council passed a resolution in March authorizing the sales. Councillor Morley noted that a $\frac{3}{4}$ affirmative vote of the Council is required to sell City owned property and all sales must be in compliance with the Charter. Councillor Cilley advised that the resolution says to sell the properties and Councillor Morley advised that Council cannot go against the Charter. Mr. O'Neil concluded that he was told that the City Manager and City Planner would handle it. Mr. O'Neil stated that he is always available at 393-4700 if anyone has any questions. Mayor Nelson and Councillors thanked Mr. O'Neil for his presentation.

OLD BUSINESS

1. Acting City Manager Phil Cosmo provided an update on NSP properties, confirming that 524 Bigelow Street is not in the program. Mr. Cosmo explained that a Public Hearing to sell this property was held last November, but it was acted on by Council because an individual questioned if it was in the program. Mr. Cosmo advised that this property can be offered to the general public now if Council wishes. Mr. Cosmo added that with the assistance of Bruce Green, City Assessor and Kit Smith, Director of Public Works, he is prioritizing a list of surplus properties. Mr. Cosmo said Councillor Morley asked if 505 New York Avenue can be taken out of the NSP program and substituted with another property. Mr. Cosmo said that he understood from Mr. O'Neil's presentation that any funds expended on that property would have to be paid back. Mayor Nelson added that we would need to evaluate the funds expended and determine the amount that the City would need to sell the property for to cover those costs and expenses. Mr. Cosmo advised that he will provide that information for the next meeting. Mayor Nelson explained that the consensus of Council seems to be to sell 524 Bigelow Street. Mr. Cosmo advised Council that the heat is on at 113 Adams Avenue and 2 Grove Street. Councillor Ashley questioned if the City is legally bound to sell 2 Grove Street and 819 Knox Street. City Attorney Andy Silver advised Council that he recommends that question not be answered in a public forum and would be happy to address it in Executive Session. Councillor Ashley advised that Council should receive City Attorney Silver's advice before the February 13, 2012 City Council Meeting.

CITY COUNCIL MEETING

January 23, 2012

Page 38

Councillor Morley asked that a copy of the resolution authorizing the sale be included in the update for the next meeting.

2. Councillor Cilley asked Kit Smith, Director of Public Works, if he had been advised of any flooding issues in the Beaver Brook area following the recent rain. Mr. Smith said that there were no problems.

3. Councillor Stevenson asked Andrea Smith, Department of Planning and Development Interim Director, for an update on the Community Garden Project. Ms. Smith advised that the Ogdensburg Boys and Girls Club and the St. Lawrence County Chamber of Commerce received a grant from the St. Lawrence County Health Initiative to start a community garden. Ms. Smith explained that the proposed site is the Fort property, but asked Council that if City-owned property could be used if that site doesn't work out. Ms. Smith explained that there will be no responsibility to the City for maintenance but asked that the City encourage the project. Councillor Skamperle asked what is the name of this group. Ms. Smith explained they don't have a name, but the Ogdensburg Boys and Girls Club and the County Chamber are working together. Councillor Morley questioned the Fort site condition, and Ms. Smith explained that the condition of the soil isn't important because they intend to create a raised garden. Councillor Stevenson asked Ms. Smith to comment on the deadlines imposed by the grant. Ms. Smith explained that all funds must be expended by March 31, 2012 and that there is a tentative plan. Councillor Cilley advised that if the Fort site falls through, the Ogdensburg Rescue Squad would have property available for use by this program. Councillor Morley indicated that water is a concern for the program, which Ms. Smith confirmed. Councillor Morley questioned if the city-owned property being considered is in the greenbelt area. Ms. Smith stated that the program is looking at the park area near the dam and the lot adjacent to the bridge on the Maple City Trail. Mayor Nelson noted that the area near the dam has an extensive history of vandalism and suggested that another site be considered. Ms. Smith confirmed that vandalism was a concern. Councillor Stevenson advised that there is vandalism throughout the City and added that she hopes citizens would not stop putting stuff out for fear of vandalism because that would be sad for the City. Mayor Nelson agreed that vandalism occurs throughout the City, but added that he didn't think it was a good idea to place this community garden in an area with a high probability of vandalism.

CITY COUNCIL MEETING

January 23, 2012

Page 39

Ms. Smith added that studies have shown that although the community garden will be subject to vandalism initially, there is usually a decrease once the program is running. Councillor Ashley questioned the amount of the grant, and Ms. Smith advised that she believes it is about \$5,000 - \$6,000. Councillor Cilley explained that the grant money will be used to purchase kits for the above ground planters and soil. Ms. Smith added that the funds will be used to purchase supplies, a water pump and a shed, and there would be no cost to the City. Mayor Nelson explained a community garden has been done in the past and was a good, successful program. Ms. Smith added that a three to five year commitment is required for this program. Councillor Ashley asked what becomes of the fruits of the gardeners' labor. Ms. Smith advised that the fruits are kept by those who plant and care for their portion of the garden. Ms. Smith added that garden portions will be assigned through a lottery program.

4. Councillor Skamperle questioned the status of the Interim Planner's salary which was discussed at budget time, and asked if funds were available. Acting City Manager Phil Cosmo stated that he will review this and bring something back to Council. Councillor Cilley raised the issue of the Acting City Manager being compensated for his additional duties to which Mayor Nelson advised that will be addressed under New Business.

NEW BUSINESS

1. Mayor Nelson advised that Councillor Stevenson will be absent from the February 13, 2012 City Council Meeting and a $\frac{3}{4}$ vote (6 ayes) is required to lease City-owned property. Mayor Nelson suggested that a vote be taken at the following meeting even though the Public Hearing will be held on February 13, 2012. Mayor Nelson added that he and the Acting City Manager will be out of town for the February 27, 2012 City Council Meeting and suggested that the date be changed. There was a consensus of Council to change the regularly scheduled City Council Meeting from Monday, February 27, 2012 to Wednesday, February 29, 2012 at 7:00 p.m. at City Council Chambers.

Mayor Nelson also questioned who would be present for the April 9th meeting since it falls during Easter vacation time.

CITY COUNCIL MEETING

January 23, 2012

Page 40

Councillor Skamperle, Acting City Manager Phil Cosmo and director Wayne Ladouceur all indicated that they will not be present for that meeting. Councillor Morley suggested that this meeting also be changed. There was a consensus of Council to change the regularly scheduled City Council Meeting for Monday, April 9, 2012 to Monday, April 2, 2012 at 7:00 p.m. at City Council Chambers.

2. Mayor Nelson advised that he wanted to add an item to the agenda and introduced a resolution appointing an Interim City Manger effective January 17, 2012, and Councillor Ashley seconded to wit:

RESOLUTION TO APPOINT INTERIM
CITY MANAGER

WHEREAS, a vacancy in the position of City Manager exists, effective January 17, 2012, and

WHEREAS, the City Council desires to appoint an Interim City Manager up to and until the effective appointment date of a new City Manager,

NOW THEREFORE, BE IT RESOLVED, that Philip A. Cosmo is hereby appointed Interim City Manager, effective January 17, and

BE IT FURTHER RESOLVED, that a stipend of \$300 per week, above his regular salary, is hereby established for the full term of the Interim City Manager, and

BE IT FURTHER RESOLVED, that payment for this stipend will be retroactive to December 19, 2011, and

BE IT FURTHER RESOLVED, that funds to accommodate said stipend be appropriated from the Contingency Account.

Councillor Morley noted that this was also done in 2005 and questioned if it was enough money for Acting City Manager Phil Cosmo. Mayor Nelson advised that he had spoken with Acting City Manager Phil Cosmo who confirmed the amount.

CITY COUNCIL MEETING

January 23, 2012

Page 41

The vote was

CARRIED, AYES ALL

Mayor Nelson noted that Council will need to start looking at filling the City Manager's position permanently. Councillor Cilley added that he wanted to review areas of the City Charter pertaining to having an open ended contract with the City Manager, to which everyone agreed. Mayor Nelson added that looking at those areas of the Charter and filling the position will take some time.

3. Councillor Cilley stated that he received the January 13, 2012 Ogdensburg Fire Department annual report and asked for a breakdown of calls by category. Acting City Manager Phil Cosmo advised that he would obtain that information.

4. Councillor Stevenson noted that the City experienced a bad storm two weeks ago. Councillor Stevenson thanked the Department of Public Works for their hard work in keeping the streets cleaned, and also thanked the Ogdensburg Police Department for their assistance with the gas rush on Ford Street.

ITEMS FOR DISCUSSION

1. Acting City Manager Phil Cosmo advised that staff has recommended that the 808 Paterson Street and 214 and 216 Pero Lane properties be sold, but not the two sections of two City-owned paper streets that border Patrick Murphy's 720 Linden Street property.

Mayor Nelson advised that there was a need for Executive Session to discuss 819 Knox Street legal issues, and the motion was seconded by Councillor Skamperle.

The vote was:

CARRIED, AYES ALL

On a motion duly made and seconded, the meeting was adjourned.