

**C. «Project_Name» («Project_Number»)
«Approval_Date»**

General Project Plan

Grantee: «Orgn_Name_Client» (“Newburgh” or the “City”)

Beneficiary Company: Community Development Properties Newburgh, Inc.

ESD Investment: A grant of up to «Grant_Amt» to be used for a portion of the cost of renovations of eleven properties on Dubois Street

Project Location: 6-8, 22, 27, 40, 42, 50, 87, 93, 93A, 104, 108 Dubois Street,
«Project_Town», «Project_County» County

NYS Empire Zone (or equivalent): N/A

Project Completion: August 2010

Grantee Contact: «Contact_Name_Client», «Contact_Title_Client»
«Street_Address_Client»
«CitySTZip_Client»
Phone: «Phone_Client» Fax: «Fax_Client»

Beneficiary Contact: Kerry Kramer, Asset Manager
708 Third Avenue
New York, NY 10017
Phone: (719) 545-1675

Project Team: Project Management «Project_Manager»
Affirmative Action Denise Ross«Affirmative_Action»
Environmental «Environmental»

Project Description:

Background

The City of Newburgh, which was incorporated in 1865, is located 60 miles north of New York City, in the Mid-Hudson region of Orange County. The City is 3.8 square miles and had 28,500 residents according to the 2000 Census. In the 19th Century, Newburgh became a transportation hub and an industrial center. However, over the past several decades, the City has experienced significant disinvestment including a diminished industrial base accompanied by loss of jobs and revenue, a growing low-income population, significant crime, substandard housing and deteriorating infrastructure.

In 2006, the City created a task force that looked at targeting revitalization in its East End and subsequently developed the Dubois Street Revitalization Corridor Initiative as the

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cornerstone of the regeneration of downtown Newburgh. Dubois Street has had its once beautiful historic homes converted to multiple family buildings, many of which are now in various states of disrepair and have been abandoned by their owners.

Newburgh’s Consolidated Housing Plan notes that a large amount of the City’s housing is aging and has physical defects. In addition, the Consolidated Housing Plan notes the high concentration of lower income residents, which results in a cost burden for decent and affordable housing.

In 2006, Newburgh was awarded two other grants in the first round of Restore NY: (1) a \$543,800 grant for the redevelopment of six properties on Dubois Street, which was completed in October 2007 and (2) a \$20,000 grant for the demolition of a severely deteriorated building on Dubois Street, which was completed in November 2007.

The Project

The project involved site work, interior renovations and exterior renovations of eleven properties on Dubois Street. These properties currently consist of a total of 16 rental units and are owned by Community Development Properties Newburgh, Inc. (“CDPN”), a Low Income Housing Tax Credit partnership, which is owned by National Development Council (“NDC”). Low Income Housing tax credits had been a financing source when these properties were acquired. Once the initial 15-year compliance period under the Low Income Housing Tax Credit program lapses on December 31, 2012, it is anticipated that CDPN will sell the properties to the current tenants. NDC intends to work with and educate current qualified tenants in preparation for this home ownership opportunity if they wish to take advantage of this home ownership opportunity.

In order to facilitate a successful conversion to home ownership, the eleven properties required cosmetic updates along with maintenance repairs and upgrades such as roof, porch, yard and interior repairs. The Restore funding will help to retain the affordability of these properties as they go from low-income rentals to homeownership opportunities. This project will help to stabilize this community and will address the City’s aging housing and physical defects as noted in Newburgh’s Consolidated Housing Plan.

Financing Uses	Amount	Financing Sources	Amount	Percent
Land	\$1,340,251	ESD Grant	\$390,437	22%
Site work, exterior renovations, interior renovations	\$373,913	City Equity	\$1,408,633	78%
Project Administration	\$50,543			
Soft Costs	\$34,363			
Total Project Costs	\$1,799,070	Total Project Financing	\$1,799,070	100%

*Source of equity is \$1,340,251 in-kind contribution from CDPN in the form of value of land, \$25,000 project management in-kind contribution from CDPN, \$18,339 from CDPN and \$25,043 project management in-kind contribution from the City.

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Financial Terms and Conditions:

1. Upon execution of the grant disbursement agreement, the City will reimburse ESD for all out-of-pocket expenses incurred in connection with the project.
2. The City will be obligated to advise ESD of a materially adverse change in its financial condition prior to disbursement.
3. The City will ensure the contribution of at least a 10% match of the grant amount to the Project.
4. Up to «Grant_Amt» will be disbursed to Grantee upon documentation of project costs totaling \$408,276 and upon completion of the project substantially as described in these materials, assuming that all project approvals have been completed and funds are available. Payment will be made upon presentation to ESD of an invoice and such other documentation as ESD may reasonably require. Expenses must be incurred on or after October 30, 2006 to be considered reimbursable project costs. Match expenses may have been incurred prior to that date.
5. ESD may reallocate the project funds to another form of assistance, at an amount no greater than «Grant_Amt», for this project if ESD determines that the reallocation of the assistance would better serve the needs of the City and the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by the Directors.

Statutory Basis – Restore NY Communities:

Land Use Improvement Project Findings

1. The area in which the project is to be located is a substandard or insanitary area, or is in danger of becoming a substandard or insanitary area and tends to impair or arrest sound growth and development of the municipality.
The project is located in a blighted neighborhood and involves the rehabilitation of eleven properties.
2. The project consists of a plan or undertaking for the clearance, replanning, reconstruction and rehabilitation of such area and for recreational and other facilities incidental or appurtenant thereto.
The project involves the rehabilitation of eleven properties that are within the City's Dubois Street Revitalization Corridor Initiative. The project also addresses the City's aging housing and physical defects as noted in Newburgh's Consolidated Housing Plan.
3. The plan or undertaking affords maximum opportunity for participation by private enterprise, consistent with the sound needs of the municipality as a whole.

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The City published a property assessment list and held a public hearing on the project at the time of application. The City will ensure compliance with all applicable local laws and regulations.

4. The requirements of Section 10(g) of the Act are satisfied.
There are no families or individuals displaced from the Project area.

«Approval_Date»

«Project_Town» («Project_County» County) – «Project_Name» – «Fund_Source»
«Project_Type» – Determination of No Significant Effect on the Environment

RESOLVED, that based on the material submitted to the Directors with respect to the «Project_Name» Project, the Corporation hereby determines that the proposed action will not have a significant effect on the environment.

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