

Hudson Community Development and Planning Agency

Members of the Board

Mayor, Kamal Johnson

Minority Leader, Dominic Merante

Planning Chairman, Theresa Joyner

Housing Authority Chairman, Revonda

Smith Majority Leader, Margaret Morris

HUDSON COMMUNITY DEVELOPMENT AND PLANNING AGENCY

SPECIAL MEETING OF THE BOARD OF DIRECTORS

October 28th, 2024

City Hall – 5:00 PM

Minutes

- I. **CALL TO ORDER:** This special meeting is called to order at 5 PM. Administrative Coordinator Logan Dutton calls the roll: Mayor Johnson, Planning Chairwoman Joyner, Majority Leader Morris, Minority Leader Merante, HHA Chairwoman Smith, are all present in person and Legal Counsel Chris Chale is present as well.

II. **NEW BUSINESS:**

This special meeting is called to discuss the HHA's request for an extension to their option to purchase agreement. This request was made at the last HHA meeting on October 21st. Present at the meeting is Jeffrey Dodson, Executive Director of the Hudson Housing Authority. Merante asks Mr. Dodson to give an overview and justification of the extension. Mr. Dodson states that they are looking at the feasibility of their project and, while they do so, they want to be prudent of which properties they may select, of the HCDPA properties that HHA has the option to buy. They are asking for an extension to the end of the year to make that decision under the terms of the second-year renewal that is due to end at the end of October. He states it is not a monetary issue but wanting to make the correct decisions for which properties suit the HHA development plan. He further emphasizes that the HHA has paid their commitment on time in the initial option year and the second renewal. Morris asks legal counsel Chale to give an overview of the option agreement. Merante first wanted to ask Mr. Dodson about the home ownership program that was floated as a potential use of some properties. Mr. Dodson states that that concept was made in the instance of the HHA not purchasing properties from the HCDPA themselves but instead working to assist HCDPA in administering the development of such an affordable home ownership program. The HHA's role in that situation would be

referring the HCDPA to resources. This does not just mean in finding a developer but finding programs such as HCR and section 8.

Chris Chale begins her overview of the option agreement: it was agreed to in October 2022, it identified all the properties that HCDPA has as available to buy for the HHA; it started with a year term which was renewable for two additional terms of a year. Both the initial payment of \$25,000 and the first extension of \$25,000 were exercised. This would be the third and final one if it were exercised. In general, the money is non-refundable, but in certain circumstances, the money is applied against the purchase price of the properties if that purchase proceeds to closing. In the first year, 90% of the \$25,000 payment would be applied at closing. In the second-year, 75% percent of the second \$25,000 payment would be applied at closing. The final renewal agreement stipulates that only 50% of the third \$25,000 would be applied at closing. The purchases prices are 50% of market value. Joyner asks what exactly they are asking to extend, whether that is the second year. Chale states that she believes that they are asking for a zero-cost extension to the second year. Margaret asks Mr. Dodson, if the issues are not financial, why can't the HHA extend the agreement within the confines of the agreement, meaning spending \$25,000 and getting a year's extension on making the decision of which properties to purchase? Mr. Dodson states that they are close to making the decision, so they only need this extension till the end of the year to deliberate and move forward. If they were to go ahead and renew, they would lose the second renewal year's \$25,000.

Merante states that the board has two responsibilities, one is to our mission and the other in fiduciary. He asks Mr. Dodson if he would have any problem with an extension to December 20th instead of the true end of the year; the reason being that they would want to get the \$25,000 in before the end of 2024 for accounting purposes. Mr. Dodson says that he would prefer not, but that is the HCDPA's decision to make. Morris asks if they are close to a decision why is 30 days not sufficient? Mr. Dodson states that that is not what he is asking. While the deliberations are near for HHA, he is also dealing with his development partner, HCR, and his consultants. Mayor Johnson states that he doesn't see an issue, the HCDPA does not have plans for these properties. Morris states that we did not have any plans because we entered this contract in which such plans would not be possible. Johnson states that neither did we have plans before that. Johnson states that we are free to explore uses for these properties outside of the agreement with HHA. We can just not enter into any contract to sell. Revonda Smith states that HCDPA is a sister agency with the HHA, and she is only on the HCDPA board to foster collaboration between the two organizations. She believes that granting that extension to the HHA is within lines of how sister agencies should operate. Merante follows up his earlier point about the date to which the extension is granted has

relevancy for the 2024 Audit. Mr. Dodson references Mayor Johnson's assertion that the HCDPA just grant a 60-day extension. Mr. Dodson further states that the properties are not the best properties, but the HHA wants to see what they can do with them. Morris asks Chale whether, if this extension is granted, and the HHA decides to purchase some of the properties, whether that will be defined as under the conditions of year two of the agreement. Chale says yes, to her understanding that is what HHA is asking, in other words, the second year of the purchasing agreement turns into a 14-month period. Smith, Joyner and Johnson all state that they are comfortable granting the full two months, 60 day, extension which would give the HHA to December 31st. Merante asks Dutton what difficulty this could create, Dutton states that while the \$25,000 coming in 2025 when it was projected to come in 2024 would need to be consulted with the auditor to rectify the deficit in budget from 2024, this could be done seemingly in discussion with the auditor. Theresa Joyner motions to accept the 60-day extension requested by the HHA, Mayor Johnson Seconds. Dutton does a roll call vote: Mayor Johnson, Minority Leader Merante, Chairwoman Joyner vote Aye, Chairwoman Smith is recused, Majority Leader Morris Abstains. Legal Counsel Chris Chale reads the following resolution.

RESOLUTION AUTHORIZING AMENDMENT OF OPTION AGREEMENT

WHEREAS, pursuant to a resolution adopted September 13, 2024, Hudson Community Development and Planning Agency ("HCDPA"), a public body corporate and politic established for the purposes set forth in Article 15 and 15A of the General Municipal Law, entered into an Option Agreement dated as of November 1, 2024 (the "Option Agreement"), with Hudson Housing Authority ("HHA"), a public housing authority established pursuant to Section 484 of the New York Public Housing Law to provide affordable housing to qualified individuals in accordance with federal and state law; and

WHEREAS, pursuant to the request from HHA, the members of HCDPA have determined that it is the best interests of the HCDPA to execute and enter into an amendment to the Option Agreement as set forth herein;

NOW THEREFORE BE IT RESOLVED, by the members of the Hudson Community Development and Planning Agency, as follows:

1. The Agency hereby authorizes the execution by the Chair of the Agency of an amendment to the Option Agreement providing that the current Option Extension

Period shall be extended to expire not later than December 31, 2024, the deposit of the Additional Option Payment for the final Option Extension Period shall be delivered to the HCDPA not later than December 31, 2024, and if such deposit is so delivered, the final Option Extension Period shall expire one year from the date of such deposit, but in no

event later than December 31, 2025.

2. All other terms and conditions of the Option Agreement and the resolution of the HCDPA adopted September 13, 2022, shall be as set forth in said Option Agreement and said resolution.

3. This resolution shall take effect immediately.

Claire Cousins, member of the HHA board, reads the HCDPA mission statement. "Foster and promote services to low-to-moderate-income persons who reside in Hudson; and to administer other resources to promote community development." She states that the HHA, in endeavoring to complete this development project, is acting in the same mission principles that the HCDPA has. Her first question is what is the actual fiduciary duty that was implied in all the questions to Mr. Dodson? The second question is what the process for members of the HCDPA board is entering other public meetings representing the full HCDPA board. Merante says he cannot answer the question because it is a matter of perception as to what occurred in other meetings. Merante says he does not want to drag this out. The resolution passed. Cousins reiterates the question and Merante further indicates that he has answered it and does not want to weigh the board down. Tom DePietro asks legal counsel Chris Chale whether the legal term *ultra vires* applies to this context. Chale says she will not comment on hypotheticals given the fact situation it stems from. Cousins reiterates her question and seeks the appropriate place to have it answered Merante asks if her board has a policy regarding decorum and name calling at their meetings.

III. **ADJOURNMENT:** Mayor Johnson makes a motion to adjourn, Chairwoman Joyner Seconds, meeting is adjourned at 5:32 pm.