

AUG 09 2021

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## KINGSTON LOCAL DEVELOPMENT CORPORATION

*Hon. Steven T. Noble, President*

*Amanda L. Bruck, Executive Director*

August 3, 2021

Hon. Thomas P. DiNapoli  
Comptroller of the State of New York  
110 State Street  
Albany, New York 12236

Hon. Robert F. Mujica, Jr., Director  
State of New York Division of Budget  
State Capitol Building 128  
Albany, New York 12207

Hon. RoAnn M. Destito, Commissioner  
New York State Office of General Services  
Corning Tower, 41<sup>st</sup> Floor  
Empire State Plaza  
Albany, New York 12242

Hon. Andrea Stewart-Cousins  
President Pro Tempore and  
Majority Leader of the New York State Senate  
Room 330, State Capital Building  
Albany, New York 12247

Hon. Carl E. Heastie  
Speaker of the New York State Assembly  
Legislative Office Building, Room 932  
Albany, New York 12248

Hon. Jeffrey Pearlman, Esq., Director  
State of New York Authorities Budget Office  
P.O. Box 2076  
Albany, New York 12220-0076

**Re: Kingston Local Development Corporation  
Notice of Disposition of Property by Negotiation**

To Whom It May Concern:

Pursuant to Section 2897(6)(d) of the New York State Public Authorities Law ("PAL"), the following explanatory statement ("Statement") is being provided at least ninety (90) days prior to the disposal of property by negotiation.

### EXPLANATORY STATEMENT

The City of Kingston (the "City") is the fee owner of a 1.4 acre parcel of real property located at 21 North Front Street in the City of Kingston (the "Property"). The City demolished a parking structure located on the Property in 2008 and has been using it for surface public parking from that time to present. The City issued a Request for Qualifications soliciting interest from the private sector to acquire and redevelop the Property for mixed-use, including a minimum of 200 public parking spaces. The preferred development selected by the City involves a combination of retail store fronts, a parking garage with at least 200 spaces devoted to public parking and either residential apartment units, a hotel or a restaurant, or a combination thereof (the "City Land Project"). The developer of the preferred development, Kingstonian Development, LLC (the "Developer"), is proposing to

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undertake the City Land Project as a component of a larger project of the same type utilizing adjacent tax parcels to the Property (the “Kingstonian Project”). Pursuant to NYS Not-for-Profit Corporation Law (“N-PCL”) Sections 1411(d)(1) and (2), the City adopted Resolution 43 of 2021 dated March 3, 2021 by a vote of 8-1 of the Common Council (the “City Resolution”), authorizing the transfer of the Property to the Kingston Local Development Corporation (the “Corporation”) to be developed in accordance with the goals of the City, to wit, public parking with mixed-use.

The Corporation and the Developer entered into a Land Development Agreement (“LDA”), with the acknowledgement and consent of the City, dated as of August 3, 2021 to effectuate the disposition and redevelopment of the Property. Pursuant to and in accordance with the terms and conditions of the LDA, the Property is to be transferred from the City to the Corporation and then from the Corporation to the Developer. In accordance with the City Resolution and the LDA, the deed will contain a reverter to the City in the event the Property is not developed and used for, at least in part, public parking.

In accordance with the applicable provisions of PAL, Policy Guidance No. 15-13 issued by the State of New York Authorities Budget Office and Corporation’s Property Disposition Policy, the following additional details regarding the Disposition are provided:

1) Description of the Parties Involved In the Property Transaction

The grantor is the Kingston Local Development Corporation, a not-for-profit local development corporation. The grantee is Kingstonian Development, LLC, a domestic limited liability company.

2) Justification for Disposing of the Property by Negotiation

The Kingston Local Development Corporation is accepting the Property pursuant to the terms and conditions set forth by the City in the City Resolution and as memorialized in the Land Development Agreement, which includes the terms and conditions for which the Corporation must dispose of the Property. Therefore, in order to dispose of the Property in accordance with such terms and conditions, the Corporation must negotiate with the Developer of the City Land Project as opposed to publicly advertising for bids. The Corporation is exempt from publicly advertising for bids pursuant to PAL §2897(6)(c)(v), as this proposed disposition of the Property is within Corporation’s mission and statutory purposes of *relieving and reducing unemployment, promoting and providing for additional and maximum employment, bettering and maintaining job opportunities, instructing or training individuals to improve or develop their capabilities for such jobs, by encouraging the development of, or retention of, an industry in the community or area, and lessening the burdens of government and acting in the public interest*. Thus, the Corporation is authorized to dispose of the Property by negotiation via the Land Development Agreement.

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3) Identification of Property, Including Its Location

The Property is located at 21 North Front Street in the City of Kingston, County of Ulster, New York, being tax parcel SBL #48.80-1-26 and consists of approximately 1.4 acres and is currently being used for surface public parking.

4) Estimated Fair Market Value of the Property

The Property is valued at \$850,000.00 based upon an independent appraisal report dated July 13, 2021.

5) Proposed Sales Price for the Property

The consideration being received for the Property consists of the following:

- (i) \$50,000.00 deposit
- (ii) A minimum of \$4,000,000.00 in expenditures attributed to the construction of the public parking spaces
- (iii) The operation and maintenance of public parking for a minimum of 200 parking spaces.
- (iv) The resultant direct and indirect economic benefits of the City Land Project to the City of Kingston.

Regardless of the fact that the above referenced consideration exceeds the appraised fair market value, the Corporation is permitted to dispose of this Property for less than fair market value pursuant to PAL§2897(7)(a)(ii) since the purpose and objectives of the transfer is within the Corporation's mission and statutory purposes.

6) Size of the Property

Approximately 1.4 acres.

7) Expected Date of the Sale of the Property

The Kingston Local Development Corporation reasonably expects a transfer of title to the Property to occur on or about November 15, 2021; however, such transfer will not occur until at least ninety days from the date of this Notice.

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Any questions or comments relating to this Statement may be sent to the Kingston Local Development Corporation at the address noted on the first page hereof, Attention: Executive Director Amanda L. Bruck.

Sincerely,

Kingston Local Development Corporation



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By: Amanda L. Bruck  
Title: Executive Director