

SPECIAL MEETING of the CORNWALL TOWN BOARD was held on the 28th day of June, 2010, in the Second Floor Conference Room, 183 Main Street, Cornwall, NY 12518

PRESENT: Supervisor
Councilpersons

D. KEVIN QUIGLEY
ALEXANDER MAZZOCCA
J. KERRY McGUINNESS
RANDOLPH CLARK

ABSENT:

MARY BETH GREENE-KRAFFT

Also PRESENT: STEVE GABA, representing Attorney for Town, JAMES R. LOEB Esq.

SPECIAL GUESTS: DAVID FIELDS, JOSEPH BONURA, WAYNE CORTS

Supervisor QUIGLEY called the meeting to order at 3:00 P.M. Mr. DAVID FIELDS introduced himself to the Board and advised that he was with the 2.0 group which was structured essentially to save the NYMA School. Mr. FIELDS advised that they have come up with a plan for funding and re-structuring the school, and came to speak with the Town Board in order to get their feed-back and blessing on the proposed plans. The basic plan is to sell off the existing houses, add 20-30 parcels with river views, and run the school without waste.

Mr. WAYNE CORTS advised that they were looking for guidance from the Town Board as to what would be best for the Town. He advised that the principles that are facilitating this are not in it for profit, they will realize some interest on their investment, just as any others who have given loans to NYMA in the past, but before they get involved and do this good deed, they want to be sure that it is something that the Town wants. Mr. CORTS also advised that they wanted one of the Town Board members to be on the new Board of Trustees for NYMA. The goal is to make as much money for the school and not for the profit of Mr. CORTS or any of the other principles. He pledged total transparency, with restrictions that if the school finds itself in financial difficulty, then the Town has first option to take this property. Mr. CORTS advised that it was his opinion that the school was run terribly and unconscionably, after reviewing all the documentation, it was easy to see that it was a huge wasteful operation. Mr. CORTS advised that their vision was to sell existing housing, add 20 or 30 parcels onto the Town's tax rolls, build additional quality residences,(upper middle class housing) and get the schools debt wiped out completely. Mr. CORTS believes that there are trustee members that had some personal game at stake for the liquidation of the school.

Mr. JOSEPH BONURA advised that they came here today to see if the Town Board would bless their plans to sell these parcels; they get paid back their money, the school is debt free and has some money in the bank, we run the school leanly to make it work. Mr. BONURA advised that none of this can happen without the Town Boards cooperation; zoning issues, the selling of the existing houses etc.

Attorney STEVE GABA reviewed a map with everyone present to show where the property to be developed was. Councilman McGUINNESS advised that the current zoning is one house per quarter acre. Attorney GABA advised that they would have to go through the sub-division process and look into the sewer system. Mr. CORTS again stated that he wanted the entire Board to believe in this project and help design and support it. Mr. CORTS further advised that he did reach out to Mr. Amato on several occasions regarding the 35 acres on the other side of Route 9; however, Mr. Amato has not jumped in yet. Mr. CORTS stated that that parcel alone could have been sold by NYMA for at least two million to get them out of trouble, but it would have not been enough with the way their Board was spending money.

Mr. DAVID FIELDS summed it up as a win-win for all parties involved. He advised that he is confident that this plan will net benefits all the way around, and reiterated that if NYMA found itself in financial difficulties in the future, the Town has the right of first refusal. Mr. FIELDS also advised that he has kept in touch with some of the parents of the cadets and he believes that at least one third (approx. 100) are willing to come back.

Mr. WAYNE CORTS advised that he recently spoke with Ray Yonnone and that Ray advised that he just bought some houses at NYMA and went through the Planning Board process and that it was a good experience and offered his help take us through the same process. Mr. Yonnone also suggested that we make it a beautiful lane, balance houses on each side and still keep the fields behind it. Again, Mr. Corts stated that it is really up to the Town to take whatever they need, insure that the school stays and is managed properly with covenants added in there that if they mess up, then it goes back to the Town. He suggested that if the school dips below a one million dollar reserve, then the Town must be notified that there is trouble in paradise, and that the Town can then start making provisions to take it over before the school runs out of money. Councilman McGUINNESS agreed that we need to make sure that what happened this time with the NYMA Trustees only giving us less than a month to come up with the solution, can never be allowed to happen again. Councilman McGUINNESS stated that he liked the plan and believed it could be improved upon or tweaked. Mr. CORTS stated that by limiting the student body to 250 – 300, there will be a waiting list, whereas when you had the capacity for 500 – 600 you could never fill it and it became unmanageable.

Mr. FIELDS advised that he would become the President of the Trustees, both Mr. BONURA and Mr. CORTS would also be members along with Mr. John Smith, (only existing Trustee who will remain on the Board), three other alumni, one more principle of the loan, and hopefully, a member of the Town Board.

Attorney GABA advised that the Town is in the process of looking at its comprehensive plan and that there may be zoning changes. Attorney GABA stated that one of the things that will make a big difference is if NYMA will stay open. Mr. GABA further advised that one of the things that the Board is concerned about is high density residential building, but believes that this development, as proposed, will not be a problem. The 35 acres on the other side of Route 9 was discussed and Councilman McGUINNESS advised that the access issue can be addressed when we do the comprehensive plan update.

Councilman CLARK asked if the existing houses are going to be sold to any of the faculty members. Mr. CORTS responded that there would have to be complete transparency, so perhaps it could be done through a lottery or advertising. Mr. CORTS estimated that they should average around \$200,000 to \$225,000 each as they all have different characteristics. The goal is to make it successful with a restrictive rule that there are no clothes lines etc., just like a custom high- end development, and ensure that it is a pristine street. Mr. CORTS advised that the existing houses are occupied and wanted to know if they can be leased with an option to buy, or would that put us in a predicament as the school is not for profit. Attorney GABA advised that it could cause some problems depending on who you are renting to. Councilman CLARK advised that there is a case where a library was built and they leased out space out to coffee house and still kept not for profit status because the courts ruled that it was for the benefit of the library.

Mr. JOSEPH BONURA advised that they are not buying the property; they are strictly giving them a loan (just as a bank would) so that the school can continue to operate. Both Mr. BONURA and Mr. CORTS expressed that they had no desire to own the property. Several other details were discussed as far as architects, engineers, etc.

A motion to go into Executive Session was made by Councilman CLARK, seconded by Councilman MAZZOCCA.

ROLL CALL VOTE: Unanimous Aye. The Board went into Executive Session at 3:50 P.M.

A motion to reconvene the meeting was made by Councilman CLARK, seconded by Councilman McGUINNESS.

ROLL CALL VOTE: Unanimous Aye. The meeting was reconvened at 4:05 P.M.

Attorney GABA advised that the Board discussed the issue in Executive Session and are very pleased to move forward with the plan and hope for success.

A motion to allow Councilman RANDOLPH CLARK to be appointed to the Board of Trustees for NYMA was made by Councilman McGUINNESS, seconded by Councilman MAZZOCCA.

ROLL CALL VOTE: Unanimous Aye.

There being no further business to conduct, a motion to adjourn was made by Councilman McGUINNESS, seconded by Councilman CLARK.

ROLL CALL VOTE: Unanimous Aye. Meeting adjourned at 4:10 P.M.

Renata McGee
Stenographer/Deputy Town Clerk

Elaine Tilford Schmeer
Town Clerk