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October 29, 2024

VIA ELECTRONIC MAIL (BStarodaj@kingston-ny.gov)

Stephen T. Noble Mayor, City of Kingston City Common Council 420 Broadway Kingston, New York

Bartek Starodaj Director, Office of Housing Initiatives City of Kingston 420 Broadway Kingston, New York

RE: Proposed Condemnation of Certain Real Property Located in the City of Kingston

Dear Mayor Noble, Mr. Starodaj, and Members of the Kingston Common Council:

This firm represents Hudson Land Development Corp., Roundout Lndg at Strand, and JAF Partners, identified as the owners for 18 Garraghan Drive, Kingston, New York (the "Property Owners") with respect to certain real property matters. We submit this letter in opposition to the Office of Housing Initiative's ("OHI") contemplated use of eminent domain with respect to Property Owner's valuable real property interests for use in a project identified as "facilitating the productive redevelopment of such predominantly vacant and underutilized properties on the Proposed Site" which includes property owned by the Property Owners identified in OHI's letters to the Property Owners, dated September 24, 2024, copies of which are enclosed as **Exhibit A** (the "Property"). As set forth below, OHI lacks the authority to condemn the Property and has otherwise failed to comply with the applicable processes and standards in attempting to do so.

As the City of Kingston (the "City") should be aware, it can only exercise its power of eminent domain if: (1) it comports with the state and federal constitution; (2) it has the proper statutory jurisdiction or authority; (3) it complies with the requirements of the Eminent Domain

Procedure Law ("EDPL") and the State Environmental Quality Review Act ("SEQRA"); and (4) a public use, benefit or purpose will be served by the proposed acquisition (see generally EDPL § 207; Matter of Bowers Dev. LLC v Oneida County Industrial Dev. Agency, 40 NY3d 1061, 1063 [2023]; Matter of City of New York [Grand Lafayette Props., LLC], 6 NY3d 540, 546 [2006]). Here, the proposed acquisition of Property Owners' Property fails the second, third, and fourth prongs of the test.

I. The City of Kingston is Without Authority to Delegate its Eminent Domain Powers to a Municipal Agency

The exercise of eminent domain authority is a fundamentally legislative prerogative. (see e.g. Niagara Falls Redevelopment LLC v City of Niagara Falls, 218 AD3d 1306 [4th Dept 2023] ["[t]he right to take private property for public use—is an inherent and unlimited attribute of sovereignty whose exercise may be governed by the [l]egislature within constitutional limitations and by the [l]egislature within its power delegated to municipalities"] [citing Matter of Mazzone, 281 NY 139 [1939], rearg denied, 281 NY 671 [1939]] [internal quotations omitted]). The power of eminent domain is, therefore, not inherent in a municipal corporation or political subdivision, but rather may be delegated by legislative act (see 51 NY Jur. 2d Eminent Domain §16; In re Board of Water Supply of City of New York, 277 NY 452 [1938]).

A municipality, such as the City, derives its eminent domain powers from authority granted to it in §1(e) of the New York State Constitution which provides that:

Local governments shall have power to take by eminent domain private property within their boundaries for public use together with excess land or property but no more than is sufficient to provide for appropriate disposition or use of land or property which abuts on that necessary for such public use, and to sell or lease that not devoted to such use. The legislature may authorize and regulate the exercise of the power of eminent domain and excess condemnation by a local government outside its boundaries.

When deemed appropriate, the State Legislature has also separately provided for legislative grants of eminent domain authority, including to certain public authorities pursuant to the provision of the Public Authorities Law, to various state commissioners or departments such as the Commissioner of Agriculture and Markets (see Ag. & Markets Law §27), the Commissioner of Environmental Conservation (Environmental Conservation Law §3-0305) and the Commissioner of Health (Public Health Law §401). The Legislature may even constitutionally delegate its eminent domain powers to individuals or associations (see 51 NY Jur. 2d Eminent Domain §17).

Here, Property Owners received two letters relating to this potential acquisition via eminent domain, leach of which appeared under the letterhead of OHI and signed by the director of that

¹ Property Owners would also note that to the extent that the letters which OHI sent were meant as a potential offer of advanced payment pursuant to the provision of the EDPL, that offer was deficient as it failed to meet the requirements provided for in EDPL §303, insofar as the offer fails to identify a price, or that the offer represents the condemnor's

office, as opposed to the City's common council. Additionally, in the resolution passed by the City Common Council setting the October 29, 2024 public hearing, the Common Council resolved that "[t]he Director of Housing Initiatives, or his designee, be deemed Hearing Officer with authority to make Findings and Determinations pursuant to Section 204 of the Eminent Domain Procedure Law." The Property Owners would note, therefore, that to the extent that the Common Council has delegated its authority over the eminent domain process to OHI generally or its director specifically, it is the municipality, not any specific office or officer thereof, that holds the power of eminent domain from the Legislature.

As such, while case law suggests that the City may delegate certain tasks to a specific individual, such as to "take all steps to execute or approve ... documents, notices, maps, or any other instruments necessary or proper to effect the acquisition of title to and the possession of [real property]," (see Gyrodyne Co of America, Inc v State University of New York at Stony Brook, 17 AD3d 675 [2d Dept 2005]) the power of eminent domain, and therefore the requirements to follow all relevant provision of the Eminent Domain Procedure Law, rest with the City, not OHI or Mr. Starodaj.

As such, to the extent that the Common Council has delegated its fact-finding authority under EDPL §204—which pointedly provides that "the condemnor, within ninety days after the conclusion of the public hearings held pursuant to this article, shall make its determinations and findings concerning the proposed public project" (emphasis supplied)—to the hearing officer, and retaining to itself only the responsibility to either adopt or reject the hearing officer's Findings and Determinations, such a delegation is unlawful.²

II. No SEQRA Review Has Been Conducted or Commenced

To comply with SEQRA, the City must "identif[y] the relevant areas of environmental concern, [take] a hard look at them, and [make] a reasoned elaboration of the basis for its determination (Matter of Boise v City of Plattsburgh, 219 AD3d 1050, 1055 [3d Dep't 2023] quoting Matter of Riverkeeper, Inc. v Planning Bd. of Town of Southeast, 9 NY3d 219, 231-32 [2007]). An agency does not satisfy these requirements if it, among other things, fails to require the preparation of a required environmental impact statement ("EIS") or other necessary documents (Matter of Bd. of Co-operative Educ. Servs. Of Albany-Schoharie-Schenectady-Saratoga Counties v Town of Colonie, 268 AD2d 838, 839-40 [3d Dep't 2000]), improperly defers consideration of environmental impacts (Boise, 219 AD3d at 1057), or otherwise fails to consider all the potential adverse environmental impacts of all elements of a proposed project at once, a

[&]quot;highest approved appraisal," merely stating instead that the just compensation offered was "based on the results of a qualified independent appraisal." A copy of these letters is attached hereto as **Exhibit A**.

² Furthermore, the Common Council's resolution provides that "the Hearing Officer shall file written Findings and Determinations with the Common Council within 90 days of the conclusion of the public hearing provided for under Article 2 of the Eminent Domain Procedure Law." To the extent that EDPL §204 specifically provides that the condemnor—here, the City—is required to make its Determinations and Findings within 90 days of the close of the public hearing, a decision by the City Common Council to either adopt or reject the hearing officer's determinations and findings would separately be unlawful to the extent that the vote took place outside of that same 90 day window.

procedure known as impermissible segmentation (Matter of J. Owens Bldg. Co. v Town of Clarkstown, 128 AD3d 1067, 1068-69 [2d Dep't 2015]).

Here, at least based on the public record, no work has been done either to identify potential environmental impacts or take the required "hard look" at them. Indeed, the resolution by which the City's Common Council purported to delegate its authority to adopt determinations and findings is silent as to SEQRA, nor identifies a SEQRA lead agency. The public notice circulated in advance of the October 29, 2024, public hearing provides that:

The proposed Acquisition is required for and is in connection with a certain public project (collectively, the "Project") consisting of facilitating the productive redevelopment of such predominantly vacant and underutilized properties on the Proposed Site through (A) the development of approximately 200 housing units organized as a walkable neighborhood with approximately 30,000 square feet of commercial and non-profit space; and (B) together with landscaping, site work, infrastructure, and other ancillary and related amenities in order to return the underutilized Proposed Site to productive use, to further the public purpose of advancing the general property and economic welfare of the residents of the City by accommodating appropriate and allowable development and thereby, among other things, creating employment opportunities, new housing opportunities, increased housing affordability, and economic revitalization. This Project will decrease the negative impacts associated with the presence of large vacant parcels within one of the City's primary business districts and increase City property and sales tax revenues.

Other than an indication that the public hearing will discuss the "general effects of the proposed Acquisition on the environment and the residents of the locality and other relevant information" the City has provided no evidence whatsoever that any actual SEQRA-related review has been conducted. Indeed, in preparation for this hearing, the Property Owners submitted a request pursuant to the state Freedom of Information Law ("FOIL") for the City's complete records regarding the proposed Project. In response to this request, Mr. Starodaj responded with what he described as "the City's complete records regarding a proposed project to construct a mixed-income and mixed-use project encompassing 42 parcels along Garraghan Dr/Broadway." This "complete record" consisted of an eleven-page PowerPoint presentation consisting of overhead images of the proposed site, concept images, and a single page spreadsheet identifying the proposed number of units and square footage for various categories of occupancy. A copy of the FOIL record is attached hereto as **Exhibit B**.

What the City's purported "complete records" do not contain is any indication that the City has, at any point, sought to identify potential environmental impacts or take the "hard look" which

SEQRA requires. As the City notes, the proposed project includes the development of approximately two hundred housing units organized as a walkable neighborhood with approximately 30,000 square feet of commercial and non-profit space, together with landscaping, infrastructure, and other "ancillary and related amenities." Such a project would certainly implicate any number of environmental concerns, including but not limited to traffic, noise, air quality, community character, would certainly represent a change in the intensity of use of the land and an increase in the use of energy. It is also certainly possible that a development of this kind would impact existing private water supplies and/or private wastewater treatment utilities.

To the extent that the City may cite cases such as PSC, LLC v City of Albany Industrial Development Agency, 200 AD3d 1282 (3d Dept 2021) and/or Court Street Development Project, LLC v Utica Urban Renewal Agency, 188 AD3d 1601 (4th Dept 2020) for the proposition that the SEQRA review required at this stage is limited to merely the environmental impacts of the acquisition itself, not the future proposed development, and therefore segmentation would not be improper, the Property Owners would respectfully submit that each of those cases is distinguishable. In PSC, LLC, for example, the Third Department credited the relevant agency's finding that the redevelopment project was "speculative and hypothetical" and depended on "future steps and proposals that have yet to be developed." (PSC, LLC, 200 AD3d at 1289). Similarly, in Court Street Dev. Project LLC, the Fourth Department noted that at the time of the acquisition, "no specific future use had been identified prior to the acquisition of petitioner's property" (Court Street Dev. Project LLC, 188 AD3d at 1604; see also GM Components Holdings, LLC v Town of Lockport Indus. Dev. Agency, 112 AD3d 1351 [4th Dept 2013] ["Although LIDA" intends to sell the property to a potential developer, there was no identified purchaser or specific plan for development at the time the SEQRA review was conducted"). Here, to the contrary, the one thing that the Common Council has set forth to date is a specific plan for the redevelopment of the Property, including a specific number of units, square footage for commercial uses, and the layout for those buildings. As such, the City cannot simply avoid addressing the SEQRA impacts of its proposed project at this stage.

Simply put, SEQRA requires that a complete analysis be conducted prior to the exercise of the City's power of eminent domain. Because no such work has been conducted, the exercise of the City's eminent domain power to acquire the Property would be unlawful.

III. There is Insufficient Evidence that the Project Serves a Public Purpose

Finally, the City may not exercise its powers of eminent domain to take the Property Owner's real property interests in the Property because there is insufficient evidence in the record that such a taking in furtherance of the City's proposed redevelopment project will serve a public purpose (Matter of HBC Victor LLC v Town of Victor, 212 AD3d 121 [4th Dep't 2022]; Matter of Gabe Realty Corp. v City of White Plains Urban Renewal Agency, 195 AD3d 1020, 1022 [2d Dep't 2021]). The City has, to this point, presented no evidence regarding the purported "the negative impacts associated with the presence of large vacant parcels within one of the City's primary business districts." The mere fact that the Property is currently vacant does not, by itself, mean it

or its surrounding area is "blighted" (Matter of HBC Victor, LLC, 212 AD3d at 125). Instead, there must be substantial proof in the record to support a determination that the Property is actually blighted (Matter of Gabe Realty Corp., 195 AD3d at 1022). This record does not meet that standard, and, as such, there is no demonstrated public purpose for the proposed taking.

Based on the foregoing, Property Owners respectfully request that the City deny the request made by OHI to exercise the power of eminent domain to take the Property. Thank you for your consideration in this matter.

Respectfully,

Daniel Hubbell

Daniel Hubbell

EXHIBIT A

Office of Housing Initiatives

Bartek Starodaj, Director



Steven T. Noble, Mayor

September 24, 2024

SENT VIA CERTIFIED MAIL TO:

Hudson Land Development Corp 199 Main St- Mezzanine White Plains, New York 10601 & Rondout Lndg at Strand 8 Twin Ponds Dr Kingston, NY 12401 & JAF Partners Attn: Realty Office PO Box 8214 White Plains, NY 10602

Public records indicate that Hudson Land Development Corp, Rondout Lndg at Strand, and JAF Partners are the owners of 18 Garraghan Drive (56.43-8-63), a proposed future street in the City of Kingston. The City of Kingston intends to use this property and the surrounding area to construct a mixed-use and mixed-income housing in line with the priorities of the City's zoning and housing goals.

The City would like to offer just compensation to the owners for the City's purchase of this parcel based on the results of a qualified independent appraisal. The City of Kingston requests that you respond to this letter before **October 10**, **2024** confirming that you are willing to participate in these negotiations.

The City of Kingston would like to reach a voluntary agreement with you and prefers to avoid litigation. However, if the City has not received a response from you by October 10, the City will treat the choice not to respond as a rejection.

If we do not hear from you, we will utilize the statutory process of eminent domain.

You are welcome to contact me at BStarodaj@kingston-ny.gov or 845-334-3928.

Regards

Bartek Starodai

Director, Housing Initiatives, City of Kingston

845-334-3928

BStarodaj@kingston-ny.gov

Office of Housing Initiatives

Bartek Starodaj, Director



Steven T. Noble, Mayor

September 24, 2024

SENT VIA CERTIFIED MAIL TO:

Hudson Land Development Corp 199 Main St- Mezzanine White Plains, New York 10601

Dear Hudson Land Development Corp:

Public records indicate that Hudson Land Development Corp is the owner of the 39 vacant parcels in the City of Kingston as listed in Figure 1. The City of Kingston intends to use these properties and the surrounding area to construct a mixed-use and mixed-income housing in line with the priorities of the City's zoning and housing goals.

The City would like to offer just compensation to Hudson Land Development Corp for the City's purchase of the 39 parcels based on the results of a qualified independent appraisal. The City of Kingston requests that you respond to this letter before **October 10, 2024** confirming that you are willing to participate in these negotiations.

The City of Kingston would like to reach a voluntary agreement with you and prefers to avoid litigation. However, if the City has not received a response from you by October 10, the City will treat the choice not to respond as a rejection.

If we do not hear from you, we will utilize the statutory process of eminent domain.

You are welcome to contact me at BStarodaj@kingston-ny.gov or 845-334-3928.

Regards

Bartek Starodaj

Director, Housing Initiatives, City of Kingston

Office of Housing Initiatives

Bartek Starodaj, Director



Steven T. Noble, Mayor

Figure 1 - Properties for Transfer

Address	SBL	Address	SBL
86 Broadway	56.43-8-19	12 Gallo Dr	56.43-8-38
88 Broadway	56.43-8-20	13 Gallo Dr	56.43-8-50
90 Broadway	56.43-8-21	14 Gallo Dr	56.43-8-39
94 Broadway	56.43-8-24	15 Gallo Dr	56.43-8-51
6 Garraghan Dr	56.43-8-25	16 Gallo Dr	56.43-8-40
8 Garraghan Dr	56.43-8-26	17 Gallo Dr	56.43-8-52
10 Garraghan Dr	56.43-8-27	18 Gallo Dr	56.43-8-41
12 Garraghan Dr	56.43-8-28	19 Gallo Dr	56.43-8-53
14 Garraghan Dr	56.43-8-29	20 Gallo Dr	56.43-8-42
16 Garraghan Dr	56.43-8-30	21 Gallo Dr	56.43-8-54
22 Garraghan Dr	56.43-8-31	22 Gallo Dr	56.43-8-43
24 Garraghan Dr	56.43-8-32	23 Gallo Dr	56.43-8-55
26 Garraghan Dr	56.43-8-33	24 Gallo Dr	56.43-8-44
28 Garraghan Dr	56.43-8-34	25 Gallo Dr	56.43-8-56
30 Garraghan Dr	56.43-8-35	26 Gallo Dr	56.43-8-45
5 Gallo Dr	56.43-8-46	27 Gallo Dr	56.43-8-57
7 Gallo Dr	56.43-8-47	29 Gallo Dr	56.43-8-58
8 Gallo Dr	56.43-8-36	31 Gallo Dr	56.43-8-59
9 Gallo Dr	56.43-8-48		
10 Gallo Dr	56.43-8-37		
11 Gallo Dr	56.43-8-49		

Office of Housing Initiatives

Bartek Starodaj, Director



Steven T. Noble, Mayor

October 10, 2024

SENT VIA CERTIFIED MAIL/RETURN RECEIPT REQUESTED TO:

Hudson Land Development Corp 199 Main St- Mezzanine White Plains, New York 10601

Rondout Lndg at Strand 8 Twin Ponds Dr Kingston, NY 12401

JAF Partners Attn: Realty Office PO Box 8214 White Plains, NY 10602

Re: Proposed Condomnation of Certain Real Property Located in the City of Kingston, Ulster County, New York and Notice of Public Hearing

Dear Property Owner:

Pursuant to Article 2 of the New York Eminent Domain Procedure Law, this letter and attachment hereto shall serve as official notice of a public hearing to be held on Tuesday, October 29th, 2024 beginning at 7:00 p.m., in the City of Kingston Council Chambers located at Kingston City Hall, 420 Broadway, Kingston, New York, 12401. Please see the attached notice for the purpose of said hearing and additional information related thereto.

Property Owners who may subsequently wish to challenge condemnation of the above-referenced property via judicial review may do so only on the basis of issues, facts and objections raised at such hearing.

NOTICE PURSUANT TO ARTICLE 2 OF THE NEW YORK EMINENT DOMAIN PROCEDURE LAW FOR THE ACQUISITION OF CERTAIN REAL PROPERTY LOCATED IN THE CITY OF KINGSTON, ULSTER COUNTY, NEW YORK

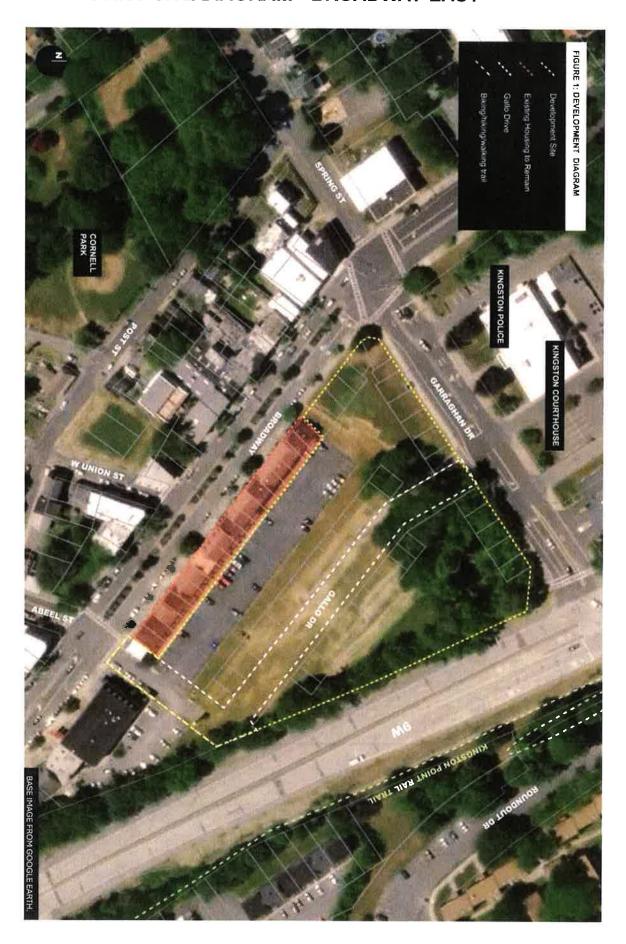
NOTICE IS HEREBY GIVEN to all persons that a public hearing, pursuant to Article 2 of the New York Eminent Domain Procedure Law ("EDPL") will be held by the City of Kingston (the "City") on Tuesday, October 29th, 2024, beginning at 7:00 p.m. at the City Council Chambers located at Kingston City Hall, 420 Broadway, Kingston, New York 12401.

In addition to informing the public, said public hearing is being held for the purpose of considering (i) the proposed acquisition by condemnation (as such quoted term is defined under EDPL; hereinafter referred to as the "Acquisition") of certain real property, consisting, collectively, of approximately 3.5 acres located at 86 Broadway (56.43-8-19), 88 Broadway (56.43-8-20), 90 Broadway (56.43-8-21), 94 Broadway (56.43-8-24), 6 Garraghan Drive (56.43-8-25), 8 Garraghan Drive (56.43-8-26), 10 Garraghan Drive (56.43-8-27), 12 Garraghan Drive (56.43-8-28), 14 Garraghan Drive (56.43-8-29), 16 Garraghan Drive (56.43-8-30), 22 Garraghan Drive (56.43-8-31), 24 Garraghan Drive (56.43-8-32), 26 Garraghan Drive (56.43-8-33), 28 Garraghan Drive (56.43-8-34), 30 Garraghan Drive (56.43-8-35), 5 Gallo Drive (56.43-8-46), 7 Gallo Drive (56.43-8-47), 8 Gallo Drive (56.43-8-36), 9 Gallo Drive (56.43-8-48), 10 Gallo Drive (56.43-8-37), 11 Gallo Drive (56.43-8-49), 12 Gallo Drive (56.43-8-38), 13 Gallo Drive (56.43-8-50), 14 Gallo Drive (56.43-8-39), 15 Gallo Drive (56.43-8-51), 16 Gallo Drive (56.43-8-40), 17 Gallo Drive (56.43-8-52), 18 Gallo Drive (56.43-8-41), 19 Gallo Drive (56.43-8-53), 20 Gallo Drive (56.43-8-42), 21 Gallo Drive (56.43-8-54), 22 Gallo Drive (56.43-8-43). 23 Gallo Drive (56.43-8-55), 24 Gallo Drive (56.43-8-44), 25 Gallo Drive (56.43-8-56), 26 Gallo Drive (56.43-8-45), 27 Gallo Drive (56.43-8-57), 29 Gallo Drive (56.43-8-58), 31 Gallo Drive (56.43-8-59), 18 Garraghan Drive (56.43-8-63), 22-30 Rear Garraghan Drive (56.43-8-60.2), 2-18 Rear Garraghan Drive (56.43-8-60.100), and identifiable as predominantly vacant and underutilized lands in the City of Kingston, New York and (ii) the public purpose of the proposed Acquisition, location of the Proposed Site, general effects of the proposed Acquisition on the environment and the residents of the locality and other relevant information. No proposed alternate locations are being considered.

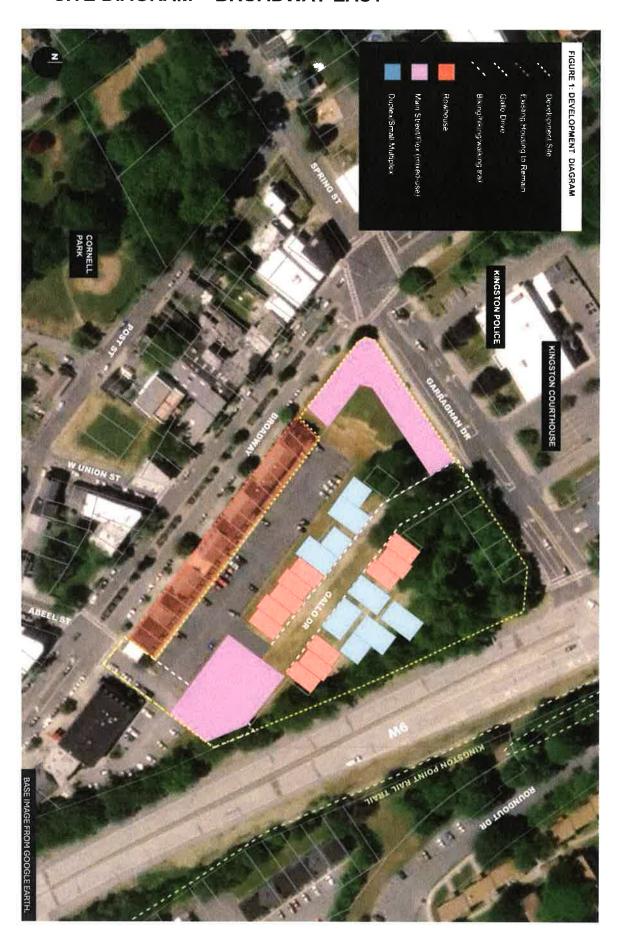
The proposed Acquisition is required for and is in connection with a certain public project (collectively, the "Project") consisting of facilitating the productive redevelopment of such predominantly vacant and underutilized properties on the Proposed Site through (A) the development of approximately 200 housing units organized as a walkable neighborhood with approximately 30,000 square feet of commercial and non-profit space; and (B) together with landscaping, site work, infrastructure, and other ancillary and related amenities in order to return the underutilized Proposed Site to productive use, to further the public purpose of advancing the general property and economic welfare of the residents of the City by accommodating appropriate and allowable development and thereby, among other things, creating employment opportunities, new housing opportunities, increased housing affordability, and economic revitalization. This Project will decrease the negative impacts associated with the presence of large vacant parcels within one of the City's primary business districts and increase City property and sales tax revenues.

EXHIBIT B

EXISTING SITE DIAGRAM - BROADWAY EAST



SITE DIAGRAM - BROADWAY EAST



CONCEPTUAL DESIGN – BROADWAY VIEW





COMMERCIAL BUILDING TYPE

GARRAGHAN

BROADWAY

ABEEL FRONT

ABEEL BACK

FLEX

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BUILDING TYPOLOGY	SUB TYPE	QTY	FLRS	UNITCO	UNT TOTAL I	UNITS NOTES
ROWHOUSE						
	SHORT		4		2	8 DUPLEX (2 LARGER UNITS)
	TALL		7		4	28 I UNIT PER FLOOR
MULTIPLEX						
	LARGE		6		6	36 3 2-STORY UNITS PER PLAN
	SMALL		3		6	18 2 UNITS PER FLOOR (STUDIOS)
FLEX						
	GARRAGHAN			4	6	24 CALCULATED USING 80% SQFT
	BROADWAY			4	7	28
	ABEEL FRONT			4	7	28
	ABEEL BACK			5	6	30
				TOTAL		200 UNO, BASED ON 2 BD (850 SF)

SQFT

TOTAL

6,868

7,185

7,678

6,640

2

1

1

TOTAL SQFT

13,736

7,185

7,678

28,599 BUILDING FOOTPRINT (NOT LEASABLE SF)

FLRS

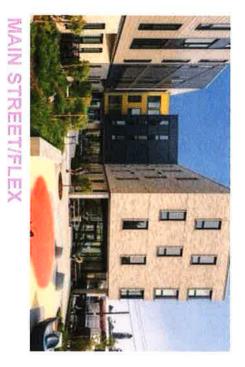
CONCEPT IMAGES

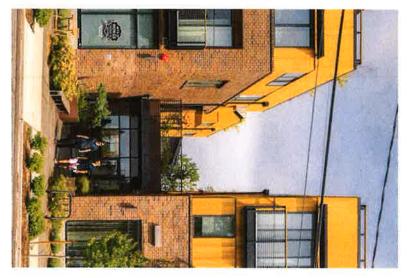
BUILDING TYPE INSPIRATION











CITY OF KINGSTON OFFICE OF HOUSING INITIATIVES

BUILDING TYPE INSPIRATION













CITY OF KINGSTON OFFICE OF HOUSING INITIATIVES

BUILDING TYPE INSPIRATION









ROWHOUSE

MATERIALS AESTHETIC/COLLAGE



CITY OF KINGSTON OFFICE OF HOUSING INITIATIVES

MATERIALS AESTHETIC/COLLAGE

