

Exercising Ulster County's Termination Rights Under Article 25 Of A Lease Between The County Of Ulster And Samadhi Center, Inc.

Referred to: The Health, Human Services and Human Rights Committee (Chairman Uchitelle and Legislators Collins, Corcoran, Harmon, Kitchen, Lopez, and McCollough), and The Ways and Means Committee (Chairman Gavaris and Legislators Collins, Hansut, Kovacs, Nolan, Roberts, and Uchitelle)

Minority Leader Kevin A. Roberts and Legislators Corcoran, Hansut, Kitchen, Kovacs, Litts, Lopez, Maloney, and Walls offer the following:

WHEREAS, pursuant to Resolution No. 446 of August 15, 2023, the Ulster County Legislature approved the execution of a Lease with Samadhi Center, Inc. ("Samadhi") to operate an outpatient and substance use disorder withdrawal and stabilization services program on County owned property at 368 Broadway, Kingston, New York; and

WHEREAS, The County of Ulster then entered into a five-year Lease with Samadhi to occupy office space at the said 368 Broadway location for the term beginning September 1, 2023, and ending August 31, 2028; and

WHEREAS, under Article 25 of the said Lease, the County of Ulster shall have the option to terminate the Lease for any reason or for no reason, upon sixty (60) days written notice; and

WHEREAS, the Ulster County Comptroller recently released a Report on the Comptroller's Contract and Payment Halt for Samadhi containing detailed findings of alleged waste, fraud and abuse by Samadhi, its officers and directors; and

WHEREAS, the Comptroller's Report concludes that due to the significant financial and governance concerns outlined in the Report, the Comptroller's Office is not approving any contract amendments or payments to Samadhi; and

WHEREAS, the Comptroller's Report noted that while Samadhi is current in its rental obligations to the County as of the date of the Report, Samadhi has been paying quarterly rent despite the Lease requirement for monthly rent payment, and noted that the Lease at 368 Broadway is in a County owned building paid for with County funds under the said contract for which the Comptroller's Office is not approving any payments to Samadhi; and

Resolution No. 101 March 18, 2025

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WHEREAS, in light of the deeply troubling findings outlined in the Comptroller's Report and in light of the determination of the Comptroller's Office that it will not approve any contract payments to Samadhi, and the concomitant financial and health, safety and welfare risks posed to the County by Samadhi's continued use and occupation of its property, the Ulster County Legislature finds and determines it to be in the best interests of the County to terminate the Lease; and

WHEREAS, the Ulster County Legislature, pursuant to Ulster County Charter §C-11, is the legislative, appropriating and policy-determining body of the County; and

WHEREAS, pursuant to § C-63(B)(4) of the Ulster County Charter, the Ulster County Commissioner of Public Works shall have charge of and have the duty of performing such other functions concerning County real and personal property, public works and other matters as the County Executive and Legislature may, from time to time, direct; now, therefore, be it

RESOLVED, that the Commissioner of Public Works shall, immediately following the adoption of this Resolution, send a sixty (60) day termination notice pursuant to Article 25 of the said Lease in a form approved by the County Attorney and Legislative Counsel on behalf of Ulster County,

and moves its adoption.

ADOPTED BY THE FOLLOWING VOTE:

AYES:

NOES:

Defeated in Committee: Health, Human Services and Human Rights on March 6, 2025

Petition to Discharge not executed

Passed Committee: Ways and Means on _____.

FINANCIAL IMPACT:

RENT PAYMENTS ANTICIPATED TO BE CANCELED

\$18,738.00 – 2025 ANTICIPATED DOLLARS

\$32,610.00 – 2026 ANTICIPATED DOLLARS

\$33,263.00 – 2027 ANTICIPATED DOLLARS

\$22,469.00 – 2028 ANTICIPATED DOLLARS