

UCIDA

Ulster County Industrial Development Agency

ULSTER COUNTY INDUSTRIAL DEVELOPMENT AGENCY MINUTES November 18, 2020

A regular monthly meeting of the Ulster County Industrial Development Agency was held on Wednesday, November 18, 2020 at 9:00 A.M. in the Legislative Chambers of the County Office Building, 244 Fair Street, 6th Floor, Kingston, NY and via Zoom

Roll Call:

The following agency members were present:

James Malcolm	Chair	
Faye Storms	Vice Chair/Assistant Treasurer	arrived at 9:08 AM
Dr. Diane Eynon	Treasurer	
Michael J. Ham	Secretary	
Orlando Reece	Assistant Secretary	
Daniel Savona	Assistant Secretary	
Richard O. Jones	Member/Chief Financial Officer	via Zoom

Additional Attendees:

Rose Woodworth	Chief Executive Officer
Joseph Eriole, Esq.	Local Counsel
A. Joseph Scott, III, Esq.	Special Counsel

The meeting was called to order at 9:00 A.M. by Chair James Malcolm.

PLEDGE OF ALLEGIANCE

The members of the Agency participated in the Pledge of Allegiance to the flag.

ROLL CALL

Roll was called, and it was noted that a quorum was present.

READING OF THE UCIDA MISSION STATEMENT

The mission of the Ulster County Industrial Development Agency is to advance the job opportunities, general prosperity and long-term economic vitality of Ulster County residents by targeting tax incentives, bonding and other assistance to foster creation and attraction of new business and the retention and expansion of existing business.

MINUTES

Motion: Michael J. Ham, seconded by Diane Eynon, moved to approve the minutes of the October 21, 2020 meeting as presented.

Vote: The motion was unanimously adopted (6-0).

EXECUTIVE SESSION

Motion: Michael J. Ham, seconded by Daniel Savona, made a motion to go into Executive Session for the purpose of the advice of counsel.

Vote: The motion was unanimously adopted (6-0).

The Board entered into Executive Session at 9:03 A.M.

Note: Faye Storms arrived at 9:08 A.M. during executive session.

Motion: Michael J. Ham, seconded by Diane Eynon, made a motion to come out of Executive Session.

Vote: The motion was unanimously adopted (7-0).

The Board came out of Executive Session at 10:23 A.M.

No action was taken during Executive Session.

FINANCIALS

Chief Financial Officer Richard O. Jones requested that the Chief Executive Officer present his October 2020 report since he was attending via Zoom. The Project Administrative Pass-Thru is the payment for Loewke-Brill and the Public Hearing Transcript for the Kingstonian. The Administrative Staff Fees is due in part to PPE Grants. \$32,132.54 in grants was given out in October, which brings the total awarded thus far to \$100,208.46. The CD balance is \$200,306.45. \$75,000 of the \$81,600 in Accounts Receivable is not actually due until January.

Motion: Diane Eynon, seconded by Orlando Reece, made a motion to accept the financial report for October 2020 as presented.

Vote: The motion was unanimously adopted (7-0).

CHAIR'S REPORT

James Malcolm presented the Chair's Report. As part of his report, the Chair noted that there has been a lot of action in Ulster County and surrounding communities.

CHIEF EXECUTIVE OFFICER'S REPORT

Rose Woodworth presented the Chief Executive Officer's report. As part of her report, she reported on the following:

- A. Budget Report – The CEO called attention to the budget report in the meeting materials. This was submitted to the ABO and is based on what was approved at the last Board meeting.
- B. M&T Bank Transfer – The collateral accounts have been set up. After multiple calls and e-mails, the Agency has not gotten a response from the Vice President and Regional Manager of the Government Banking Department about the next steps. The Chair will give the CEO a new contact.
- C. Open Meetings Law – The Governor passed an Executive Order which includes the extension for public meetings and hearings to be held remotely for another 30 days, until December 3. The CEO and Chair have agreed that, due to a recent spike in COVID cases, the Agency's meetings will be held on Zoom until further notice. The next meeting is scheduled for after the end date of the order, but they are confident that this will be extended again.
- D. Project Close-Outs Update –
 - a. Kingston Hospitality – Joseph Scott reached out to the Project's attorney for an update which has been challenging. The CEO will call the Project as well.
 - b. MHVFCU Kingston – Close out recorded by the County Clerk on September 14, 2020.
 - c. Lloyd Park II – The Agency will sign on behalf of the Project.
 - d. Simulaids – The Agency will sign on behalf of the Project.

- e. Tee Bar – Project expired this year. The Project has been in contact with Joseph Scott, and the CEO anticipates it will close out by year-end.
 - f. Elna Magnetics – Project expired this year. Joseph Scott sent out notice to the Project.
 - g. Gardiner Library – Joseph Scott is working to verify whether the bonds with KeyBank were, in fact, paid off. The Agency has documents reported from the bank that show a bond balance but is unsure if that is for a refinanced loan. The contact at KeyBank is no longer there so Joseph Scott will contact the Project directly.
 - h. Spotted Dog Ventures – Certain forms had to be revised for the specific needs of the Project. On October 28, Joseph Scott sent everything to the Project’s counsel and asked for them to be back in touch with the Agency and send copies of the recorded documents. At the Project’s request, Hodgson Russ will send a check to the Project’s attorney to pay for the recording of documents with the County Clerk. Close-out should be finalized in the coming weeks.
- E. Intern – The CEO contacted SUNY Ulster and SUNY New Paltz about posting for an intern for the spring semester. The intern will help catalog and digitize the Agency’s files and possibly help update the website. SUNY Ulster is currently interviewing students for the spring semester.
- F. Applicants – The CEO reported that she has had some calls with more potential applicants this past month. Two businesses are 90% done with their applications, and three more are in the beginning stages.
- G. Department of Economic Development – At Katie Heidecker’s request, the CEO had a one-hour Zoom session with most of the team from the Department of Economic Development. She discussed the types of projects the IDA can assist and the Agency’s matrix and UTEP. The meeting was very productive, and the CEO is glad that the Department of Economic Development is looking to be well-informed about the IDA so they can continue to help businesses looking to come to or stay in Ulster County.
- H. RFP Response – The Agency received responses to the RFPs that were put out. The only response for administrative staff was from the CEO’s firm. Four responses for board and/or bond counsel were received. The Governance Committee will interview the law firms that sent back their proposals.
- I. NYS Economic Development Council’s Fall IDA Academy – Orlando Reece and the CEO both attended the Fall IDA Academy. The following are a few takeaways from the session:
- a. In order to abstain from voting you must have a valid reason, such as conflict of interest. You cannot abstain just because you are unsure how to vote.

- b. Orlando Reece and Diane Eynon have officially completed their mandatory IDA training to satisfy ABO requirements. Although it is not required, best practice suggests a refresher every three years. There is also proposed legislation for the ABO to have the authority to remove a Board member from the IDA if they do not complete the required continuing education.
- c. Joseph Scott was part of a panel of attorneys that presented active legislation at the training.
- d. Other seminars from the workshop included an update on 2020 from the Office of the State Comptroller regarding IDA audits and Local Development Corporation oversight and creating a pipeline of shovel ready energy projects.
- e. During the presentation from the Office of the State Comptroller, they discussed that they are unsure how to tell IDAs to report jobs on the PARIS report. There is no uniform guideline. The CEO sent an email explaining how the Agency calculates jobs, and the OSC will pass her suggestion along to the ABO.

Orlando Reece pointed out that the January 2021 meeting is scheduled on Inauguration Day and suggested changing the date.

COMMITTEE REPORTS

Audit Committee

- **Construction Labor Monitoring Reports** – Dr. Eynon reported that the October labor report from Loewke Brill indicated that Inness NY, LLC is at 89% compliance for the month, with 75.66% overall compliance.
- **Independent Auditor** – Dr. Eynon presented UHY, LLP's engagement letter. After reviewing all responses to the RFP, the Audit Committee recommends that the full Board choose the Agency's most recent auditors, UHY, LLP, again. The CEO had a conversation with UHY, LLP regarding some concerns that she had during the 2019 audit and is satisfied with their response.

Motion: Orlando Reece, seconded by Faye Storms, made a motion to continue to use UHY, LLP as the Agency's independent auditing firm.

Vote: The motion was unanimously adopted (7-0).

- **Fee Schedule Guidelines** – The Audit Committee reviewed the Agency's current Fee Schedule Guidelines policy. The proposed changes are outlined in the Resolution Approving Amended Fee Schedule Guidelines Policy. The Committee recommended changing the \$1,000 escrow to \$2,000 to help cover the cost of background checks, public hearings, etc. They also set a new fee for Transfer or Ownership of an existing project, and they recommended adding a fee of \$500 per

tenant after the first tenant to cover the time involved with requesting and verifying the payroll journal, 4 quarters of NYS-45's and all insurance certificates.

Motion: The formal action of making and seconding the motion was inadvertently omitted prior to the vote by the members so the Agency will formally reconsider the resolution at the next meeting.

Vote: The Board voted as follows:

James Malcolm	Aye
Faye Storms	Aye
Dr. Diane Eynon	Aye
Michael J. Ham	Aye
Orlando Reece	Aye
Daniel Savona	Aye
Richard O. Jones	Aye

- **Annual Site Visits** – Dr. Eynon reported that the Audit Committee discussed Annual Site Visits. The Agency is required to conduct annual site visits every two years, but best practice suggests every year or even multiple visits per year. At the meeting the Committee planned to conduct physical visits and wanted to invite Board members to join. With the recent rise in COVID cases, the visits will now be conducted via Zoom, but Board members are still encouraged to attend. The Committee believes that one-on-one visits will help Board members understand each Project better.

Finance Committee

No Report.

Governance Committee

Committee Chair Michael J. Ham reported that the Governance Committee met on November 5 at 1:30 P.M.

- **FOIL Policy** – The Governance Committee developed a FOIL policy based on what was discussed at the last Board meeting. Joseph Scott is reviewing the draft policy.
- **Policy for Retained Jobs** – The Committee Chair presented the draft Policy for Retained Jobs.
- **Organizational Chart** – The Committee Chair presented the revised Organizational Chart.

The formal action of adopting the motion approving the Organizational Chart was inadvertently omitted so the Agency will formally reconsider the matter at the next meeting.

For approval of the Policy for Retained Jobs, the Chair called for a roll call vote, and the Board voted as follows:

James Malcolm	Aye
Faye Storms	Aye
Dr. Diane Eynon	Aye
Michael J. Ham	Aye
Orlando Reece	Aye
Daniel Savona	Aye
Richard O. Jones	Aye

For approval of the Organizational Chart, the Chair called for a roll call vote, and the Board voted as follows:

James Malcolm	Aye
Faye Storms	Aye
Dr. Diane Eynon	Aye
Michael J. Ham	Aye
Orlando Reece	Aye
Daniel Savona	Aye
Richard O. Jones	Aye

- **Property Disposition Policy** – The Committee Chair presented the Property Disposition Policy. The only change that the Committee proposed was to change the Chair to the CEO as the Contracting Officer. The formal action of adopting the motion approving the Property Disposition Policy was inadvertently omitted so the Agency will formally reconsider the matter at the next meeting.
- **Resolutions for Non-Compliant Projects** – The Committee Chair presented the Resolutions that Joseph Scott prepared after the Committee discussed each Project that is out of compliance. Section one of the Resolution outlines the history of contact between the Board and Project and how the Agency deliberated and reached this final decision. The resolution outlines the violations and actions to be taken. The resolutions do not inhibit the Agency’s right to claw-back.

Motion: Faye Storms, seconded by Diane Eynon, moved to approve the Resolution Authorizing Enforcement Action Amthor Welding Service, Inc. Project.

Vote: The Board voted as follows:

James Malcolm	Aye
Faye Storms	Aye
Dr. Diane Eynon	Aye
Michael J. Ham	Aye
Orlando Reece	Aye
Daniel Savona	Aye
Richard O. Jones	Aye

Motion: James Malcolm, seconded by Diane Eynon, moved to approve the Resolution Authorizing Enforcement Action Darienlake Kingston LLC Project.

Vote: The Board voted as follows:

James Malcolm	Aye
Faye Storms	Aye
Dr. Diane Eynon	Aye
Michael J. Ham	Aye
Orlando Reece	Aye
Daniel Savona	Aye
Richard O. Jones	Aye

Motion: James Malcolm, seconded by Diane Eynon, moved to approve the Resolution Authorizing Enforcement Action The Greenhouses Hotel, LLC Project.

Vote: The Board voted as follows:

James Malcolm	Aye
Faye Storms	Aye
Dr. Diane Eynon	Aye
Michael J. Ham	Aye
Orlando Reece	Aye
Daniel Savona	Aye
Richard O. Jones	Aye

The Committee Chair reported that the Committee discussed ARHC BCKNGNY01, prior owners of 111 Marys Ave. After numerous attempts the Agency has been unable to contact anyone related to the Project.

Motion: Michael J. Ham, seconded by James Malcolm, moved to move forward with no action against ARHC BCKNGNY01 and to write off the outstanding \$1,000.

Vote: The Board voted as follows:

James Malcolm	Aye
Faye Storms	Aye
Dr. Diane Eynon	Aye
Michael J. Ham	Aye
Orlando Reece	Aye
Daniel Savona	Aye
Richard O. Jones	Aye

Related to this issue, the Chair suggested the Agency adopt a policy for de minimis spending. That concept will be discussed in the next Governance meeting and presented to the full Board at a later date.

Motion: Diane Eynon, seconded by James Malcolm, made a motion to approve the Governance Report as presented.

Vote: The motion was unanimously adopted (7-0).

OLD BUSINESS

Status of Pending Projects

Board Counsel Joseph Eriole reported on the status of pending projects:

- Wildberry Lodge, LLC – No change. Project is completing SEQR process. No action can be taken until the process is completed.
- Kingstonian Development LLC – Application is under consideration as the Agency awaits the input of the taxing jurisdictions.

NEW BUSINESS

HVKD Tax Exemption Request

The Project requested a three-month extension for their sales tax exemption to purchase the remaining materials needed to finish the project. 270 Fair Street is at 80% completion and 24 John Street is at 20% completion. The sales Tax Exemption expired on November 15, 2020. In the past, the Project has sited COVID as the reason for the construction slow down, but construction was supposed to be completed by the end of 2019, before COVID became an issue.

Motion: James Malcolm, seconded by Michael J. Ham, made a motion to deny the three-month extension for sales tax exemption.

Vote: The motion was unanimously adopted (7-0).

PPE Grants for Board Consideration

The Board reviewed the applications for PPE Grants. The CEO stated on record that CLO2 Distribution, LLC is a client at her accounting firm.

Motion: Faye Storms, seconded by Diane Eynon, made a motion to approve the grants to the applicants on the list presented except Novella's Catering Corp and Hard Luck Café Corp.

Vote: The motion was unanimously adopted (7-0).

Michael J. Ham commented on the number of small businesses that he has talked to that were unaware of the Grant program. The Board discussed ways to make the public aware of the PPE Grant program. The CEO will draft a Press Release explaining the program and updating the public on how much has been awarded thus far.

PUBLIC COMMENT

None.

ADJOURNMENT

Motion: Daniel Savona, seconded by Faye Storms, moved to adjourn the meeting.

Vote: The motion was unanimously adopted (7-0).

The meeting was adjourned at 11:30 A.M.

Respectfully submitted,

Michael J. Ham, Secretary