

# UCCRC

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Ulster County Capital Resource Corporation  
P.O. Box 4265, Kingston, NY 12402-4265

**August 4, 2020 – directly following the IDA Governance Committee Meeting**

Legislative Chambers  
County Office Building, 6th Floor  
244 Fair Street  
Kingston, NY 12401

## **GOVERNANCE COMMITTEE MEETING AGENDA**

1. Call to order
2. Pledge of Allegiance
3. Roll call
4. New Business
  - a. Review of Current Policies
    - i. Code of Ethics **(Page 3)**
    - ii. Compensation Policy **(Page 6)**
    - iii. Defense and Indemnification Policy **(Page 7)**
    - iv. Enforcement of Corporation Projects Policy **(Page 8)**
    - v. Fee Schedule Guidelines **(Page 13)**
    - vi. Investment and Deposit Policy **(Page 17)**
    - vii. No Extension of Credit Policy **(Page 23)**
    - viii. Organizational Chart **(Page 24)**
    - ix. Procurement Policy **(Page 25)**
    - x. Property Disposition Policy **(Page 29)**
    - xi. Travel and Discretionary Funds Policy **(Page 34)**
    - xii. Uniform Tax Exemption Policy **(Page 36)**
    - xiii. Whistle-Blower Protection: Code of Conduct Policy **(Page 41)**
  - b. Policies to be Created
    - i. Policy for Retained Jobs
    - ii. Policy for Return of All or Part of Financial Assistance
    - iii. Policy for the Suspension, Discontinuance, or Modification of Financial Assistance
    - iv. Record Retention & Disposition Policy
5. Public comment (on agenda items only)
6. Adjournment

The mission of the Ulster County Capital Resource Corporation (UCCRC) is to promote community and economic development in Ulster County in ways that complement the work of Ulster County, primarily through issuing and selling bonds for non-profit institutions.

# Item 2.

## Roll Call

	<u>Present</u>	<u>Absent</u>
Michael J. Ham, Committee Chairman	_____	_____
Diane Eynon	_____	_____
Richard O. Jones	_____	_____

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# UCCRC

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Ulster County Capital Resource Corporation

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## CODE OF ETHICS

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### Section 1.    **Purpose.**

Pursuant to the provisions of New York State (hereinafter State) General Municipal Law, and policies established by the State, the Ulster County Capital Resource Corporation (hereinafter Corporation) recognizes that there are rules of ethical conduct for Members, which must be observed if public confidence is to be maintained in bodies responsible for public funds. It is the purpose of this resolution to establish the rules of ethical conduct for the members of the Corporation and these rules shall serve as a guide for official conduct of this Corporation. This Code of Ethics (hereinafter Code), as adopted, shall not conflict with, but shall be in addition to any prohibition of article eighteen of the General Municipal Law or any other general or special law relating to ethical conduct and interest in contracts for municipal officers and employees.

### Section 2.    **Definitions.**

The following definitions are set forth for purpose of this resolution:

- (a)    **“Member”** means a member of the Corporation, whether paid or unpaid.
- (b)    **“Interest”** means a pecuniary or material benefit accruing to a Member, unless the context otherwise requires

### Section 3.    **Standards of Conduct.**

Every Member shall be subject to and abide by the following standards of conduct:

- (a)    **Gifts.** No Member shall directly or indirectly solicit any gift or gifts, or accept or receive any gift or gifts which have an individual or cumulative value of seventy-five dollars (\$75.00) or more from any individual, business or organization, whether in the form of money, services, loan, travel, entertainment, hospitality, thing or promise, or any other form, under circumstances in which it could reasonably be inferred that the gift was intended to influence him or her in the performance of his or her

official duties, or was intended as a reward for any official action on his or her part.

- (b) **Confidential Information.** No Member shall disclose confidential information acquired by him or her in the course of his or her official duties, or use such information to further his or her personal interest.\
- (c) **Representation Before Any Agency for a Contingent Fee.** No Member shall receive compensation, or enter into any agreement, expressed or implied, for compensation for services to be rendered in relation to any matter before the Corporation whereby his or her compensation is to be dependent or contingent upon any action by the Corporation with respect to such matter.
- (d) **Disclosure of Interest.** To the extent that he or she knows thereof, a Member who participated in a discussion or gives an official opinion to the Corporation on any matter before the Corporation shall publicly disclose on the official record the nature and extent of any direct or indirect financial benefits to that member.

A Member who is an officer, stockholder or employee of any business, firm, corporation or association must fully disclose his or her private interest in any contract authorized by the Corporation prior to the vote.

No Member shall participate in the selection, award or administration of a procurement supported by Corporation funds where, to the Member's knowledge, any of the following has a financial or substantial interest in any organization which may be considered for such award:

1. the officer, employee, or agent;
2. any Member of his or her immediate family<sup>1</sup> ;
3. a Member's spouse or partner; or
4. a person or organization which employs, or is about to employ, any of the above.

#### Section 4. **Distribution of Code of Ethics.**

The Chairperson of the Corporation (or his or her designee) shall provide to each current member, a copy of the Code of Ethics and copy shall be presented to each future member before being appointed to the Corporation.

#### Section 5. **Penalties.**

In addition to any penalty contained in any other provision of New York State law, any Member who shall knowingly and intentionally violate any of the provisions of this

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<sup>1</sup> In determining substantial interest, the definition of immediate family means any person related within the first degree of affinity or within first degree of consanguinity to the party involved.

code may be removed from membership on the Corporation in the manner provided by law.

Section 6. Effective Date.

This Code shall take effect immediately upon approval by a majority of the Members at a full business meeting at which a quorum of the membership is present.

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Re-affirmed: February 14, 2018

# UCCRC

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Ulster County Capital Resource Corporation

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## COMPENSATION POLICY

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1. Generally. Members of the Ulster County Capital Resource Corporation shall serve without compensation.
2. Reimbursement. Members may be allowed reasonable advancement or reimbursement of expenses incurred in the performance of their regular duties as specified in Section 858 of the Act. Members may not be compensated for rendering services to the Corporation in any capacity other than member unless such other compensation is reasonable and is allowable under the provisions of Section 858 of the Act.

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Re-affirmed: February 14, 2018

# UCCRC

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Ulster County Capital Resource Corporation

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## DEFENSE AND INDEMNIFICATION POLICY

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Pursuant to the Bylaws of the County of Ulster Capital Resource Corporation (the “Corporation”), the Corporation shall indemnify all members of the Board of the Agency and each officer and employees thereof, in the performance of their duties, and to the extent authorized by the Board, each other person authorized to act for the Agency or on its behalf, to the full extent to which indemnification is permitted under the General Municipal Law of the State of New York.

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Re-affirmed: February 14, 2018

# UCCRC

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Ulster County Capital Resource Corporation

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## ENFORCEMENT OF CORPORATION PROJECTS POLICY

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### SECTION 1. PURPOSE AND AUTHORITY.

The purpose of this policy is to outline the procedures utilized by the Ulster County Capital Resource Corporation (UCCRC) to review compliance with UCCRC requirements relating to project implementation, policy conformance and reporting. The UCCRC was created in order to promote community and economic development in Ulster County. The intent of the Enforcement Policy of the UCCRC is to maintain the integrity and accountability of UCCRC projects, while being supportive of and constructive with project entities that are attempting in good faith to implement their project commitments and goals.

### SECTION 2. DEFINITIONS.

- (A) “Active projects” shall mean projects that are approved and have received UCCRC benefits and/or are subject to an agreement with UCCRC that has not completed its term.
- (B) “Full Time Equivalent (FTE) jobs” are defined as the total number of person hours, at a given point in time, working as of that time, divided by the number of person hours that the employer has designated as full time. The minimum weekly full time hours shall be thirty-five.

### SECTION 3. REQUIREMENTS OF THE APPLICANT.

- (A) Background. The UCCRC is required to submit certain annual reports relating to UCCRC projects to the New York State Office of the Comptroller and to the NYS Authority Budget Office. In order to satisfy its annual reporting requirements and other requirements, as well as the policies of the UCCRC, the UCCRC will require applicants for financial assistance to satisfy the requirements described in Section 3(B) below.
- (B) Applicant Requirements. Each applicant for financial assistance from the UCCRC will agree to satisfy the following requirements as a condition to the receipt of such financial assistance:

- i. The applicant shall insure that all employees and applicants for employment with regard to the Project are afforded equal employment opportunities without discrimination.
- ii. Except as otherwise provide by collective bargaining agreements, new employment opportunities created as a result of the project will be listed with the New York State Department of Labor Community Services Division (the "DOC") and the Ulster County Office of Employment and Training (the "UCOET") such programs collectively with the DOC, hereinafter referred to as the "Workforce Investment Program."
- iii. Except as otherwise provided by collective bargaining agreements, where practicable, the applicant will first consider persons eligible to participate in the Workforce Investment Program who shall be referred by DOC and the UCOET for new employment opportunities created as a result of the Project.
- iv. The applicant must, whenever requested by the UCCRC, provide and certify or cause to be provide or certified such information concerning the applicant, its finances and other topics as the UCCRC from time to time reasonably considers necessary or appropriate, including, but not limited to such information as to enable the UCCRC to make any reports required by law or governmental regulation.
- v. Within sixty (60) days after the end of each calendar year, the applicant shall furnish to the UCCRC a certificate of an Authorized Representative of the applicant stating that no Event of Default under the Installment Sale Agreement (or Lease Agreement) has occurred or is continuing or, if any Event of Default exists, specifying the nature and period of existence thereof and what action the applicant has taken or proposes to take with respect thereto, and setting forth the unpaid principal balance of the Bonds and accrued but unpaid interest thereon and that no defenses, offsets or counterclaims exist with respect to the indebtedness evidenced thereby.
- vi. In cases where the UCCRC has administered a payment in lieu of tax (PILOT) program for an applicant, within sixty (60) days after the end of each calendar year, the applicant shall furnish to the UCCRC a certificate of an Authorized Representative of the applicant stating that all such PILOT payments for the prior calendar year have been paid on time. In the event that PILOT payments have not been paid on time, the applicant shall certify as to the nature and period of non-payment and what action the applicant has taken or proposes to take with respect compliance with future payment requirements.

- vii. The applicant must file with the UCCRC, no later than sixty (60) days after the end of each calendar year, reports regarding the number of people employed at the Project Facility and certain other matters.
- viii. The applicant must annually file and cause any sub-lessee or other operator of the Project Facility to file annually, with the New York State Department of Taxation and Finance, on a form and in such manner as is prescribed by the New York State Commissioner of Taxation and Finance (the "Annual Sales Tax Report"), a statement of the value of all sales and use tax exemptions claimed by the applicant and all contractors, subcontractors, consultants and other agents of the applicant under the authority granted to the applicant pursuant to the Installment Sale Agreement (or this Lease Agreement) and/or the Final Inducement Resolution and/or the Sales Tax Exemption Letter.
- ix. The applicant must furnish to the UCCRC a copy of each such annual report submitted to the New York State Department of Taxation and Finance by the applicant.

#### **SECTION 4. COMPLIANCE.**

- (A) Monitoring. UCCRC project monitoring shall be the responsibility of the Chief Executive Officer or his or her designee which shall include but not limited to the following:
  - i. The UCCRC will perform a monitoring visit of every active project site at least every two (2) years.
  - ii. The UCCRC will, at least annually, collect information for each active project involving a PILOT that will enable it to reasonably verify that PILOT invoicing has been done correctly, that payments due for the same have been made, that jobs have been substantially retained or created as projected, and that major project objectives have been substantially achieved.
  - iii. Annually collect information as of the last day of the calendar year for the number of full time equivalent (FTE) jobs projected in the application for the year being reported on, the number of FTE jobs currently employed, and the total dollar payroll amount. At the expense to the project entity a certified public accountant shall verify and certify that the aforesaid numbers are consistent with the payroll data submitted to the State of New York in the entity's NY45, Proof of Workers' Compensation coverage.
  - iv. During project site visits the UCCRC will require the applicant, upon request, to show copies of payroll related documents, which may include but not be limited to, NY45, proof of Workers'

Compensation coverage, proof of Disability Insurance coverage, proof of Unemployment Insurance, etc.

- v. Annually collect for each active project other information relating to project performance.
- (B) Annual Reports. Within seventy-five (75) days after the end of each calendar year, the audit committee of the UCCRC will prepare an internal compliance annual report describing the compliance by applicants with the requirement described in Section 3 above, including the filing of annual reports and the number of jobs created and retained by the applicant.
- (C) UCCRC Review. Projects that are administratively deemed out of compliance will be reviewed by the Governance Committee, which may make enforcement action recommendations to the UCCRC. The UCCRC will review the internal compliance report at a regular meeting of the UCCRC. The UCCRC will take such actions as it deems necessary, including but not limited to, (1) scheduling meetings with applicants to review non-compliance and to discuss remedial actions, (2) considering enforcement action against applicants that fail to comply with the requirements described in Section 3 above, as described in Section 5 below, and (3) preparation of letters of commendation or other form of congratulation to those applicants that have created and/or retained jobs consistent with (or in excess of) the estimates contained in the applicants original application to the UCCRC.

## **SECTION 5. ENFORCEMENT.**

- (A) General. Upon completion of the report prepared by UCDC regarding compliance by the applicants with the requirements described in Section 3 above, the UCCRC will initiate enforcement action against those applicants that have failed to comply with such requirements.
- (B) Compliance. Compliance action by the UCCRC may include, but not be limited to, the following:
  - i. An active economic development project for which less than 80% of the projected jobs have been retained and/or created after three years from closing will be subject to review and possible enforcement action.
  - ii. An active project that has not substantially achieved its construction, expansion or services goals after three years from closing will be subject to review and possible enforcement action.
  - iii. The UCCRC will notify the concerned entity in writing of the fact if its project is administratively determined to warrant compliance review, will require that they report to the UCCRC on project status within sixty (60) days of the date of the letter, and will schedule

meetings with the entities in question to discuss explanations and remedial actions.

- (C) Enforcement Action. Enforcement action by the UCCRC may include, but not be limited to, the following:
- i. Requesting the information and/or compliance by a final notice letter.
  - ii. Forwarding an event of default notice to the involved parties, including the lender.
  - iii. Forwarding an event of PILOT nonpayment to the affected taxing jurisdictions.
  - iv. Notifying appropriate New York State, Ulster County, and local municipal agencies of the applicant's failure to comply with such requirements.
  - v. Terminating all or a portion of the financial assistance provide by the UCCRC, including any sales tax exemption letters and PILOT agreements.
  - vi. Recapturing any or all benefits provided to an applicant under a PILOT agreement or sales tax exemption letter or other agreement, in which case the UCCRC will return any such recovered funds to the taxing jurisdictions affected.
  - vii. Referral to appropriate agencies for criminal or civil prosecution.

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## FEE SCHEDULE GUIDELINES

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### Section 1. APPLICABILITY

This policy shall apply to all Applicants of the Ulster County Capital Resource Corporation (the "Corporation").

### Section 2. APPLICATION FEES AND DEPOSIT

The Corporation has established a non-refundable application fee of one thousand dollars (\$1,000.00) to cover the anticipated costs of the Corporation in processing each application. Additionally, the Corporation has established a deposit of one thousand dollars (\$1,000.00) to cover the cost of background checks and public hearings. Any deposit balance remaining after accounting for actual cost of background checks and public hearings, will be refunded to the Applicants at closing. A non-refundable check or money order made payable to the Corporation must accompany each application.

### Section 3. BACKGROUND CHECK

The Corporation has established a Background Check Policy. Applicants are responsible for the actual cost of all background checks.

### Section 4. PROJECT FEES

Unless the Corporation otherwise agrees in writing, the Project Fee is required to be paid by the Applicant at/or prior to the granting of financial assistance by the Corporation.

New Project	The Corporation's Project Fee is 1% percent of the total Project cost for new Project applications.
Transfer of Ownership of an existing Project	The Corporation's Project Fee is at minimum \$3,000 for transfer of ownership of an existing Project.

The Applicant must complete the Post-Closing Affidavit (attached) at the completion of the Project. A post-closing increase in the Project Fee will occur if the final Project cost exceeds the estimated Project cost included in the application by more than 1.5%. The balance on the increased Project Fee will be due within 60 days of submission of the Post-Closing Affidavit.

New York State imposes an additional Bond Issuance Fee for bonds issued by the Corporation. The fee is a percentage of the principal amount of the bonds and is calculated as follows:

- .168% for bonds of \$1,000,000 or less.
- .336% for bonds of \$1,000,001 up to \$5,000,000
- .504% for bonds of \$5,000,001 up to \$10,000,000
- .672% for bonds of \$10,000,001 up to \$20,000,000
- .840% for bonds more than \$20,000,000

**Section 5. ADMINISTRATIVE FEES FOR POST-CLOSING MODIFICATIONS AND AMENDMENT TRANSACTIONS**

The Administrative Fee for Post-Closing Modifications and Amendment Transactions shall be determined by the staff of the Corporation, with review and approval of the Corporation. The minimum Administrative Fee for such transactions shall be \$500.00. The Applicant will also be expected to pay all costs incurred by Corporation counsel and special counsel.

**Section 6. PUBLIC HEARINGS**

In all Projects requiring a public hearing(s), Applicants will be responsible for court stenographer fees and any other associated fees required to hold a public hearing.

**Section 7. SPECIAL MEETINGS**

The Corporation's fee for holding a special meeting outside of the regularly scheduled monthly meeting is \$500 plus costs incurred per meeting.

**Section 8. FOIL REQUESTS**

When Freedom of Information Law (FOIL) requests are received, the Corporation fee(s) associated with fulfilling the request(s) are 15¢ per scanned page and/or 25¢ per photocopy. For additional information, see New York State's Freedom of Information Law (<https://www.dos.ny.gov/coog/foil2.html>).

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Adopted May 9, 2018

**POST-CLOSING AFFIDAVIT**

STATE OF NEW YORK                    )  
   )ss:  
 COUNTY OF ULSTER                    )

I, the undersigned, an Authorized Officer of \_\_\_\_\_ (the "Company"), do hereby depose and state as follows:

1. Ulster County Capital Resource Corporation (the "Corporation") may rely on the contents of this Affidavit in determining the Project Fee of its \_\_\_\_\_ Project, consisting of: \_\_\_\_\_ (the "Project").

2. On or about \_\_\_\_\_, 20\_\_\_\_, the Company delivered an application (the "Application") to the Corporation for consideration of the Project. The Application included an estimated total cost of the Project.

3. The chart below contains the breakdown of the estimated total Project cost and the final total Project cost:

			Estimated Amount per Application	Final Amount
Land and/or Building Acquisition:	acres	square feet	\$	\$
New Building Construction:		square feet	\$	\$
Building Addition(s):		square feet	\$	\$
Infrastructure Work:			\$	\$
Reconstruction/Renovation:		square feet	\$	\$
Manufacturing Equipment:			\$	\$
Non-Manufacturing Equipment (furniture, fixtures, etc.):			\$	\$
Soft Costs (professional services, labor, etc.):			\$	\$
Other (Specify):			\$	\$
<b>TOTAL:</b>			<b>\$</b>	<b>\$</b>

4. The Company is required to provide a CPA certification that the costs within the above chart are accurate. The Company will also be required to include a depreciation schedule based on the first tax return of the completed Project.

5. The total Project Fee paid to the Corporation by the Company, as of the date of this Affidavit, is \$\_\_\_\_\_.

6. The Company owes an additional \$\_\_\_\_\_ to the Corporation due to the increase in the total Project Fee as a result of the increase in the total Project cost of \$\_\_\_\_\_.

**CERTIFICATION**

I certify that I have prepared the responses provided in this Questionnaire and that, to the best of my knowledge such responses are true, correct, and complete.

I understand that the foregoing information and attached documentation will be relied upon, and constitute inducement for, the Corporation in providing financial assistance to the Project. I certify that I am familiar with the Project and am authorized by the Company to provide the foregoing information, and such information is true and complete to the best of my knowledge. I further agree that I will advise the Corporation of any changes in such information, and will answer any further questions regarding the Project prior to the closing.

I affirm under penalty of perjury that all statements made on this application are true, accurate and complete to the best of my knowledge.

<b>Date Signed:</b> _____, 20__.	<b>Name of Person Completing the application on behalf of the Company.</b> Name: _____ Title: _____ Phone Number: _____ Address: _____ <b>Signature:</b> _____
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IN WITNESS WHEREOF, the undersigned has set forth their hand as of the \_\_\_ day of \_\_\_\_\_, 20\_\_.

\_\_\_\_\_  
BY: \_\_\_\_\_  
Authorized Officer

Sworn to before me this \_\_\_ day of \_\_\_\_\_, 20\_\_.

\_\_\_\_\_  
Notary Public

# UCCRC

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Ulster County Capital Resource Corporation

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## INVESTMENT AND DEPOSIT POLICY

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### I. SCOPE

This investment policy applies to all moneys and other financial resources available for investment on its own behalf or on behalf of any other entity or individual. Any and all previously approved Investment policies of the Ulster County Capital Resource Corporation are hereby rescinded.

### II. OBJECTIVES

The primary objectives of the local government's investment activities are, in priority order:

- To conform with all applicable Federal, State and other legal requirements (legal);
- To adequately safeguard principal (safety);
- To provide sufficient liquidity to meet all operating requirements (liquidity); and
- To obtain a reasonable rate of return (yield).

### III. DELEGATION OF AUTHORITY

The governing board's responsibility for administration of the investment program is delegated to the Chief Executive Officer who shall establish written procedures for the operation of the investment program consistent with these investment guidelines. Such procedures shall include an adequate internal control structure to provide a satisfactory level of accountability based on a database or records incorporating description and amounts of investments, transaction dates, and other relevant information and regulate the activities of subordinate employees.

### IV. PRUDENCE

All participants in the investment process shall seek to act responsibly as custodians of the public trust and shall avoid any transaction that might impair public confidence in the Ulster County Capital Resource Corporation (hereinafter Corporation) to govern effectively.

Investments shall be made with judgment and care, under circumstances then prevailing, which persons or prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the safety of the principal as well as the probable income to be derived.

All participants involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions.

V. DIVERSIFICATION

Although it is the policy of the Agency to diversify its investment portfolio, the opportunity to diversify among types of investments is very limited because of legal constraints. Subject to the constraints, however, investments and deposits shall be diversified by financial institution, maturity and type of investment, a specific bank or trading partner or a specific maturity.

VI. INTERNAL CONTROLS

It is the policy of the Agency for all moneys collected by any officer or employee of the Agency to transfer those funds to the Chief Executive Officer within three (3) days of deposit, or within the time period specified by law, whichever is shorter.

The Chief Executive Officer is responsible for establishing and maintaining an internal control structure to provide reasonable, but not absolute, assurance that deposits and investments are safeguarded against loss from unauthorized use or disposition, that transactions are executed in accordance with management's authorization and recorded properly, and are managed in compliance with applicable laws and regulations.

VII. DESIGNATION OF DEPOSITORIES

The banks and trust companies authorized for the deposit of moneys up to the maximum amounts are listed in Appendix A.

VIII. COLLATERALIZING OF DEPOSITS

In accordance with the provisions of General Municipal Law §10, all deposits of the Corporation, including certificates of deposit and special time deposits, in excess of the amount insured under the provisions of the Federal Deposit Insurance Act shall be secured:

1. By a pledge of "eligible securities" with an aggregate "market value" as provided by GML §10.
2. By an eligible "irrevocable letter of credit" issued by a qualified bank other than the bank with the deposits in favor of the government for a term not to exceed 90 days with an aggregate value equal to 140% of the

aggregate amount of deposits and the agreed upon interest, if any. A qualified bank is one whose commercial paper and other unsecured short-term debt obligations are rated in one of the three highest rating categories by at least one nationally recognized statistical rating organization or by a bank that is in compliance with applicable federal minimum risk-based capital requirements.

3. By an eligible surety bond payable to the government for an amount at least equal to 100% of the aggregate amount of deposits and the agreed upon interest, if any, executed by an insurance company authorized to do business in New York State, whose claims-paying ability is rated in the highest rating category by at least two nationally recognized statistical rating organizations.

#### IX. SAFEKEEPING AND COLLATERALIZATION

Eligible securities used for collateralizing deposits shall be held by the depository bank or trust company subject to security and custodial agreements.

The security agreement shall provide that eligible securities are being pledged to secure local government deposits together with agreed upon interest, if any, and any costs or expenses arising out of the collection of such deposits upon default. It shall also provide the conditions under which the securities may be sold, presented for payment, substituted or released and the events which will enable the local government to exercise its rights against the pledged securities. In the event that the securities are not registered or inscribed in the name of the local government, such securities shall be delivered in a form suitable for transfer or with an assignment in blank to the Corporation or its custodial bank.

The custodial agreement shall provide that securities held by the bank or trust company, or agent of and custodian for, the local government, will be kept separate and apart from the general assets of the custodial bank or trust company and will not, in any circumstances, be commingled with or become part of the backing for any other deposit or other liabilities. The agreement should also describe that the custodian shall confirm the receipt, substitution or release of the securities. The agreement shall provide for the frequency of revaluation of eligible securities and for the substitution of securities when a change in the rating of a security may cause ineligibility. Such agreement shall include all provisions necessary to provide the local government a perfected interest in the securities.

#### X. PERMITTED INVESTMENTS

As authorized by General Municipal Law, §11, the Corporation authorizes the Chief Executive Officer to invest moneys not required for immediate expenditure for terms not to exceed its projected cash flow needs in the following types of investments:

- Special time deposit amounts;
- Certificates of deposit;

- Obligations of the United States of America
- Obligations guaranteed by agencies of the United States of America where the payment of principal and interest are guaranteed by the United States of America;
- Obligations of the State of New York;
- Obligations issued pursuant to LFL §24.00 or 25.00 (with approval of the State Comptroller) by any municipality, school district or district corporation other than the Corporation;
- Obligations of this local government, by only with any moneys in a reserve fund established pursuant to GML §§6-c, 6-d, 6-e, 6-g, 6-h, 6-j, 6-k, 6-l, 6-m, or 6-n.

All investment obligations shall be payable or redeemable at the option of the Corporation within such times as the proceeds will be needed to meet expenditures for purposes for which the moneys were provided and, in the case of obligations purchased with the proceeds of bonds or notes, shall be payable or redeemable at the option of the Corporation within two years of the date of purchase.

#### XI. AUTHORIZED FINANCIAL INSTITUTIONS AND DEALERS

The Corporation shall maintain a list of financial institutions and dealers approved for investment purposes and establish appropriate limits to the amount of investments which can be made with each financial institution or dealer. All financial institutions with which the local government conducts business must be creditworthy. Banks shall provide their most recent Consolidated Report of Condition (Call Report) at the request of the Corporation. Security dealers not affiliated with a bank shall be required to be classified as reporting dealers affiliated with the New York Federal Reserve Bank, as primary dealers. The Chief Executive Officer is responsible for evaluating the financial position and maintaining a listing of proposed depositories, trading partners and custodians. Each year a list of depositories will be authorized at the Corporation's annual meeting. Notice of opportunity to become an Ulster County Capital Resource Corporation approved financial institution shall be disseminated broadly.

#### XII. PURCHASE OF INVESTMENTS

The Chief Executive Officer is authorized to contract for the purchase of investments:

1. Directly including through a repurchase agreement, from an authorized trading partner.
2. By participation in a cooperative investment program with another authorized governmental entity pursuant to Article 5G of the General Municipal Law where such program meets all the requirements set forth in the Office of the State Comptroller Opinion No. 88-46, and the specific program has been authorized by the governing board.
3. By utilizing an ongoing investment program with an authorized trading partner pursuant to a contract authorized by the governing board

All purchased obligations, unless registered or inscribed in the name of the local government, shall be purchased through, delivered to and held in the custody of a bank or trust company. Such obligations shall be purchased, sold or presented for redemption or payment by such bank or trust company only in accordance with prior written authorization from the officer authorized to make the investment. All such transactions shall be confirmed in writing to the Corporation by the bank or trust company. Any obligation held in the custody of a bank or trust company shall be held pursuant to a written custodial agreement as described in General Municipal Law, §10.

The custodial agreement shall provide that securities held in the bank or trust company, as agent of and custodian for, the local government, will be kept separate and apart from the general assets of the custodial bank or trust company and will not, in any circumstances, be commingled with or become part of the backing for any other deposit or other liabilities. The agreement shall describe how the custodian shall confirm the receipt and release of the securities. Such agreement shall include all provisions necessary to provide the local government a perfected interest in the securities.

### XIII. REPURCHASE AGREEMENTS

Repurchase agreements are authorized subject to the following restrictions:

- All repurchase agreements must be entered into subject to a Master Repurchase Agreement;
- Trading partners are limited to banks or trust companies authorized to do business in New York State and primary reporting dealers.
- Obligations shall be limited to obligations of the United States of America and obligations guaranteed by agencies of the United States of America.
- No substitution of securities will be allowed.
- The custodian shall be a party other than the trading partner.

APPENDIX A

LIST OF BANKS AND TRUST COMPANIES

INSTITUTION	MAXIMUM AMOUNT TO BE ON DEPOSIT
_____	\$ _____
_____	\$ _____

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Ulster County Capital Resource Corporation

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## NO EXTENSION OF CREDIT POLICY

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The Ulster County Capital Resource Corporation (“UCCRC”) shall not extend credit to members or staff, and shall not compensate members for their services to the Corporation, except those reasonable expenses incurred by its members or staff as related to the UCCRC’s work may be reimbursed or paid with credit or cash if approved by the Chief Executive Officer (in the case of staff) or the Chair (in the case of members).

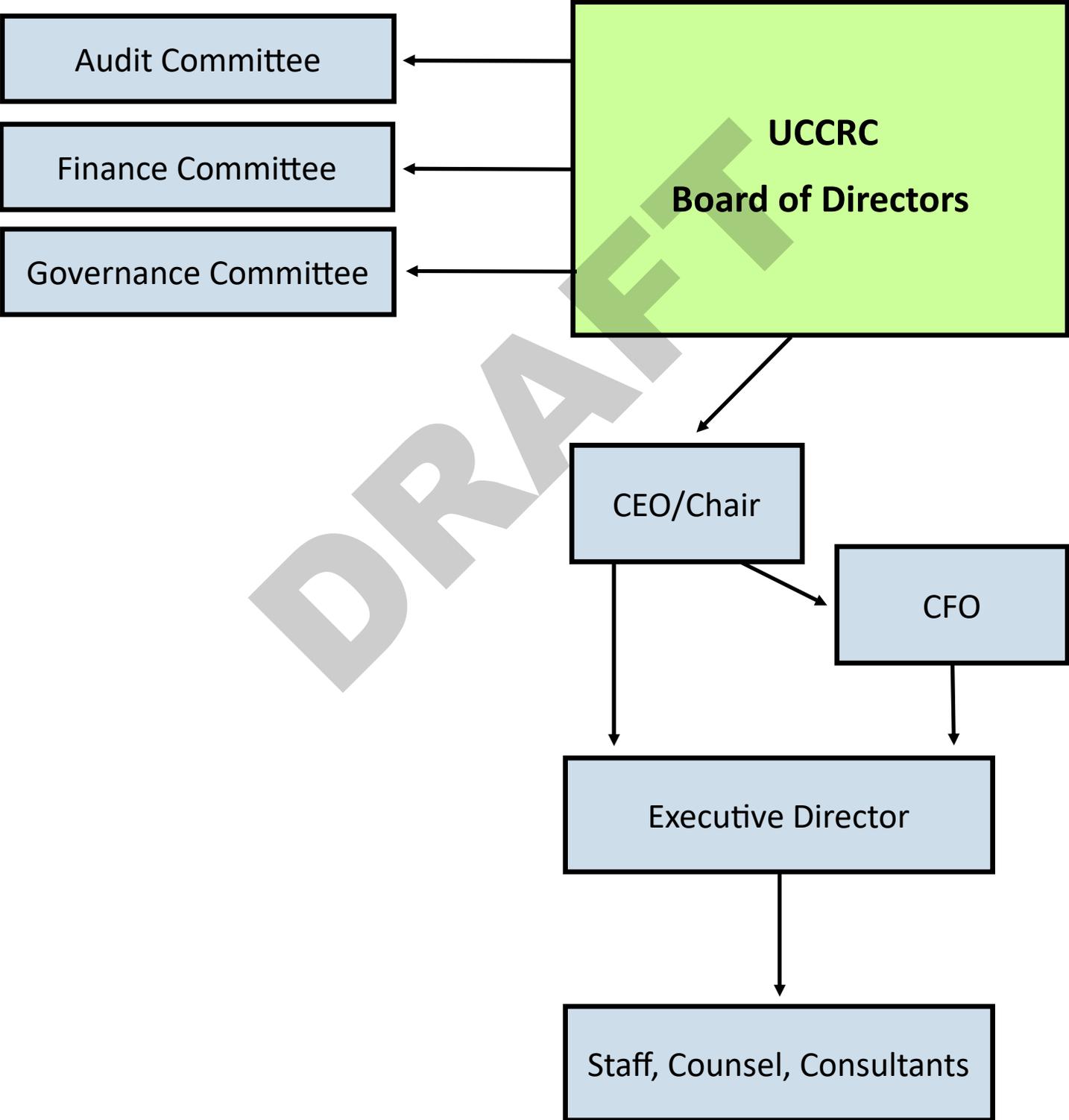
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Re-affirmed: February 14, 2018

# Ulster County Capital Resource Corporation

## Organizational Chart



# UCCRC

Ulster County Capital Resource Corporation

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## PROCUREMENT POLICY

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**SECTION 1. PURPOSE AND AUTHORITY.** The purpose of this Part is to outline the procurement policy (the "Procurement Policy") of Ulster County Capital Resource Corporation (the "Corporation") as set forth by the procurement policy resolution (the "Resolution") adopted by the Corporation pursuant to Section 858-a(2) of Title One of Article 18-A of the General Municipal Law (the "Act").

**SECTION 2. SECURING GOODS AND SERVICES.** All goods and services will be secured by use of written requests for proposals, written quotations, verbal quotations, or any other method that assures that goods will be purchased at the lowest price and that favoritism will be avoided, except in the following circumstances: purchases costing less than \$500; goods purchased from agencies for the blind or severely handicapped pursuant to Section 175-b of the State Finance Law; goods purchased from correctional institutions pursuant to Section 186 of the Correction Law; purchases under State contracts pursuant to Section 104 of the General Municipal Law; purchases under county contracts pursuant to Section 103(3) of the General Municipal Law; or purchases pursuant to Section 504 of this policy.

**SECTION 3. METHOD OF PURCHASE.**

(A) **General.** The following method of purchase will be used when required by this policy in order to achieve the highest savings:

<b>Estimated Amount of Purchase Contract</b>	<b>Method</b>
\$500-\$2,999	2 verbal quotations
\$3,000 and above	3 written/fax quotations or written request for proposals

<b>Estimated Amount of Public Works Contract</b>	<b>Method</b>
\$500-\$2,999	2 verbal quotations
\$3,000-\$4,999	2 written/fax quotations
\$5,000-and above	3 written/fax quotations or written request for proposals

- (B) Number of Proposals or Quotations. A good faith effort shall be made to obtain the required number of proposals or quotations. If the purchaser is unable to obtain the required number of proposals or quotations, the purchaser will document the attempt made at obtaining the proposals. In no event shall the failure to obtain the proposals be a bar to the procurement.
- (C) Documentation.
  - (1) Documentation is required of each action taken in connection with each procurement.
  - (2) Documentation and an explanation is required whenever a contract is awarded to other than the lowest responsible offeror. This documentation will include an explanation of how the reward will achieve savings or how the offeror was not responsible. A determination that the offeror is not responsible shall be made by the purchaser and may not be challenged under any circumstances.

**SECTION 4. CIRCUMSTANCES WHERE SOLICITATION OF ALTERNATIVE PROPOSALS AND QUOTATIONS NOT IN BEST INTEREST.** Pursuant to General Municipal Law Section 104-b(2)(f), the procurement policy may contain circumstances when, or types of procurements for which, in the sole discretion of the members of the Corporation, the solicitation of alternative proposals or quotations will not be in the best interest of the Corporation. In the following circumstances, it may not be in the best interests of the Corporation to solicit quotations or document the basis for not accepting the lowest bid:

- (A) Professional Services. Professional services or services requiring special or technical skill, training or expertise. The individual, company or firm must be chosen based on accountability, reliability, responsibility, skill, conflict of interests, reputation, education and training, judgement, integrity, continuity of service and moral worth. Furthermore, certain professional services to be provided to the Corporation, e.g., legal and accounting services, impact liability issues of the Corporation and its members, including securities liability in circumstances where the Corporation is issuing bonds. These qualifications and the concerns of the Corporation regarding its liability and the liability of its members are not necessarily found or addressed in the individual, company or firm that offers the lowest price and the nature of these services are such that they do not readily lend themselves to competitive procurement procedures.

In determining whether a service fits into this category, the Corporation shall take into consideration the following guidelines: (1) whether the services are subject to State licensing or testing requirements; (2) whether substantial formal education or training is a necessary prerequisite to the performance of the services; and (3) whether the services require a

personal relationship between the individual and Corporation members. Professional or technical services shall include but not be limited to the following: services of an attorney (including bond counsel); services of a physician; technical services of an engineer engaged to prepare plans, maps and estimates; securing insurance coverage and/or services of an insurance broker; services of a certified public accountant; investment management services; printing services involving extensive writing, editing or art work; management of municipally owned property; and computer software or programming services for customized programs, or services involved in substantial modification and customizing of pre-packaged software.

- (B) Emergency Purchases. Emergency purchases pursuant to Section 103(4) of the General Municipal Law. Due to the nature of this exception, these goods or services must be purchased immediately and a delay in order to seek alternate proposals may threaten the life, health, safety or welfare of the public. This section does not preclude alternate proposals if time permits.
- (C) Purchases of Secondhand Goods. Purchases of surplus and second-hand goods from any source. If alternate proposals are required, the Corporation is precluded from purchasing surplus and second-hand goods at auctions or through specific advertised sources where the best prices are usually obtained. It is also difficult to try to compare prices of used goods and a lower price may indicate an older product.
- (D) Goods or Services Under \$500. The time and documentation required to purchase through this policy may be more costly than the item itself and would therefore not be in the best interests of the taxpayer. In addition, it is not likely that such de minimis contracts would be awarded based on favoritism.

**SECTION 5. EQUAL EMPLOYMENT OPPORTUNITIES FOR MINORITY GROUP MEMBERS AND WOMEN.**

- (A) All Corporation documents soliciting bids or proposals for Corporation contracts shall contain or make reference to the following provisions:
  - 1. The Corporation will not discriminate against employees or applicants for employment because of race, creed, color, national origin, sex, age, disability or marital status, and will undertake or continue existing programs of affirmative action to ensure that minority group members and women are afforded equal employment opportunities without discrimination. For purposes of this Section, affirmative action shall mean recruitment, employment, job assignment, promotion, upgradings, demotion, transfer, layoff, or termination and rates of pay or other forms of compensation; and

2. The Corporation shall state, in all solicitations or advertisements for employees, that, in the performance of the Corporation contract, all qualified applicants will be afforded equal employment opportunities without discrimination because of race, creed, color, national origin, sex, age, disability or marital status.
- (B) Any contract awarded by the Corporation will include the provisions of Section (A) of this Section in any subcontract, in such a manner that the provisions will be binding upon each subcontractor as to work in connection with the Corporation contract.
  - (C) The provisions of this Section shall not be binding upon contractors or subcontractors in the performance of work or the provision of services or any other activity that are unrelated, separate or distinct from the Corporation contract as expressed by its terms.
  - (D) In the implementation of this Section, the Corporation shall consider compliance by a contractor or subcontractor with the requirements of any federal law concerning equal employment opportunity which effectuates the purpose of this Section. The Corporation shall determine whether the imposition of the requirements of the provisions hereof duplicate or conflict with any such law and if such duplication or conflict exists, the Corporation shall waive the applicability of this Section to the extent of such duplication or conflict.
  - (E) The Corporation shall ensure that "certified businesses" (as defined in Section 310 of the Executive Law of the State of New York) shall be given the opportunity for meaningful participation in the performance of Corporation contracts and to identify those Corporation contracts for which certified businesses may best bid to actively and affirmatively promote and assist their participation in the performance of Corporation contracts so as to facilitate the award of a fair share of Corporation contracts to such businesses.

**SECTION 6. POLICY REVIEW.** This policy will be reviewed annually.

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Re-affirmed: February 14, 2018

# UCCRC

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Ulster County Capital Resource Corporation

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## PROPERTY DISPOSITION POLICY

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### SECTION 1. DEFINITIONS.

“Contracting officer” shall mean the officer or employee of the Ulster County Capital Resource Corporation (hereinafter, the “Corporation”) who shall be appointed by resolution to be responsible for the disposition of property.

“Dispose” or “disposal” shall mean transfer of title or any other beneficial interest in personal or real property in accordance with section 2897 of the New York State Public Authorities Law.

“Property” shall mean personal property in excess of five thousand dollars (\$5,000.00) in value, and real property, and any inchoate or other interest in such property, to the extent that such interest may be conveyed to another person for any purpose, excluding an interest securing a loan or other financial obligation of another party.

### SECTION 2. DUTIES.

A. The Corporation shall:

- (i) maintain adequate inventory controls and accountability systems for all property owned by the Corporation and under its control;
- (ii) periodically inventory such property to determine which property shall be disposed of;
- (iii) produce a written report of such property in accordance with subsection B herewith; and
- (iv) transfer or dispose of such property as promptly and practicably as possible in accordance with Section 2 below.

B. The Corporation shall:

- (i) publish, not less frequently than annually, a report listing all real property owned in fee by the Corporation. Such report shall consist of a list and full description of all real and personal property disposed of during such period. The report shall contain the price received by the Corporation and the name of the purchaser for all such property sold by the Corporation during such period; and
- (ii) shall deliver copies of such report to the Comptroller of the State of New York, the Director of the Budget of State of New York, the Commissioner of the New York State Office of General Services, and the New York State Legislature (via distribution to the Majority Leader of the Senate and the Speaker of the Assembly).

### SECTION 3. TRANSFER OR DISPOSITION OF PROPERTY.

- A. Supervision and Direction. Except as otherwise provided herein, the duly appointed contracting officer (the "Contracting Officer") shall have supervision and direction over the disposition and sale of property of the Corporation. The Corporation shall have the right to dispose of its property for any valid corporate purpose.
- B. Custody and Control. The custody and control of Corporation property, pending its disposition, and the disposal of such property, shall be performed by the Corporation or by the Commissioner of General Services when so authorized under this section.
- C. Method of Disposition. Unless otherwise permitted, the Corporation shall dispose of property for not less than its fair market value by sale, exchange, or transfer, for cash, credit, or other property, with or without warranty, and upon such other terms and conditions as the Corporation and/or contracting officer deems proper. The Corporation may execute such documents for the transfer of title or other interest in property and take such other action as it deems necessary or proper to dispose of such property under the provisions of this section. Provided, however, except in compliance with all applicable law, no disposition of real property, any interest in real property, or any other property which because of its unique nature is not subject to fair market pricing shall be made unless an appraisal of the value of such property has been made by an independent appraiser and included in the record of the transaction.
- D. Sales by the Commissioner of General Services (the "Commissioner"). When the Corporation shall have deemed that transfer of property by the Commissioner will be advantageous to the State of New York, the Corporation may enter into an agreement with the Commissioner, pursuant to which the Commissioner may dispose of property of the Corporation under terms and conditions agreed to by the Corporation and the Commissioner. In disposing of any such property, the Commissioner shall be bound by the terms hereof and references to the contracting officer shall be deemed to refer to such Commissioner.

- E. Validity of Deed, Bill of Sale, Lease, or Other Instrument. A deed, bill of sale, lease, or other instrument executed by or on behalf of the Corporation, purporting to transfer title or any other interest in property of the Corporation in accordance herewith shall be conclusive evidence of compliance with the provisions of these guidelines and all applicable law insofar as concerns title or other interest of any bona fide grantee or transferee who has given valuable consideration for such title or other interest and has not received actual or constructive notice of lack of such compliance prior to closing.
- F. Bids for Disposal; Advertising; Procedure; Disposal by Negotiation; Explanatory Statement.
- (i) Except as permitted by all applicable law, all disposals or contracts for disposal of property made or authorized by the Corporation shall be made after publicly advertising for bids except as provided in subsection (iii) of this Section F.
  - (ii) Whenever public advertising for bids is required under subsection (i) of this Section F:
    - (a) the advertisement for bids shall be made at such time prior to the disposal or contract, through such methods, and on such terms and conditions as shall permit full and free competition consistent with the value and nature of the property proposed for disposition;
    - (b) all bids shall be publicly disclosed at the time and place stated in the advertisement; and
    - (c) the award shall be made with reasonable promptness by notice to the responsible bidder whose bid, conforming to the invitation for bids, will be most advantageous to the Corporation, price and other factors considered; provided, that all bids may be rejected at the Corporation's discretion.
  - (iii) Disposals and contracts for disposal of property may be negotiated or made by public auction without regard to subsections (i) and (ii) of this Section F but subject to obtaining such competition as is feasible under the circumstances, if:
    - (a) the personal property involved is of a nature and quantity which, if disposed of under subsections (i) and (ii) of this Section F, would adversely affect the state or local market for such property, and the estimated fair market value of such property and other satisfactory terms of disposal can be obtained by negotiation;

- (b) the fair market value of the property does not exceed fifteen thousand dollars (\$15,000.00);
  - (c) bid prices after advertising therefore are not reasonable, either as to all or some part of the property, or have not been independently arrived at in open competition;
  - (d) the disposal will be to the state or any political subdivision or public benefit corporation, and the estimated fair market value of the property and other satisfactory terms of disposal are obtained by negotiation;
  - (e) the disposal is for an amount less than the estimated fair market value of the property, the terms of such disposal are obtained by public auction or negotiation, the disposal of the property is intended to further the public health, safety or welfare or an economic development interest of the Corporation, the state or a political subdivision (to include but not limited to, the prevention or remediation of a substantial threat to public health or safety, the creation or retention of a substantial number of job opportunities, or the creation or retention of a substantial source of revenues, or where the authority's enabling legislation permits or other economic development initiatives), the purpose and the terms of such disposal are documented in writing and approved by resolution of the board of the Corporation; or
  - (f) such action is otherwise authorized by law.
- (iv) An explanatory statement shall be prepared of the circumstances of each disposal by negotiation of:
- (a) any personal property which has an estimated fair market value in excess of fifteen thousand dollars (\$15,000.00);
  - (b) any real property that has an estimated fair market value in excess of one hundred thousand dollars (\$100,000.00), except that any real property disposed of by lease or exchange shall only be subject to clauses (3) through (5) of this subparagraph;
  - (c) any real property disposed of by lease for a term of five (5) years or less, if the estimated fair annual rent is in excess of one hundred thousand dollars (\$100,000.00) for any of such years.
  - (d) any real property disposed of by lease for a term of more than five (5) years, if the total estimated rent over the term of

the lease is in excess of one hundred thousand dollars (\$100,000.00); or

- (e) any real property or real and related personal property disposed of by exchange, regardless of value, or any property any part of the consideration for which is real property.
  
- (v) Each such statement shall be transmitted to the persons entitled to receive copies of the report required under all applicable law not less than ninety (90) days in advance of such disposal, and a copy thereof shall be preserved in the files of the Corporation making such disposal.

This Policy is subject to modification and amendment at the discretion of the Corporation and shall be filed annually with all local and state agencies as required under all applicable law.

The designated Contracting Officer for the Corporation is the Chair or any Vice Chair of the Corporation.

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Ulster County Capital Resource Corporation

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## TRAVEL POLICY

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### Section 1. APPLICABILITY.

This policy shall apply to every member of the board (the "Board") of the County of Ulster Capital Resource Corporation (the "Corporation") and all officers and employees thereof.

### Section 2. APPROVAL OF TRAVEL.

All official travel for which a reimbursement will be sought must be approved by the Chief Executive Officer prior to such travel. Provided, however, in the instance where the Chief Executive Officer will seek reimbursement for official travel, such travel must be pre-authorized by the Chairman of the Corporation. Official travel shall include travel for training and public hearings, but will not include reimbursements for regularly scheduled monthly meetings of the Ulster County Capital Resource Corporation Board, committee meetings or special meetings of the Ulster County Capital Resource Corporation. Additionally, attendance at meetings that have been classified as policy related or informational can be reimbursed if approved by the Ulster County Capital Resource Corporation Board.

### Section 3. PAYMENT OF TRAVEL.

The Corporation will reimburse all reasonable expenses related to meals, travel and lodging that were incurred by any director, officer or employee as a result of the performance of their official duties. All official travel shall be properly authorized, reported and reimbursed. Under no circumstances shall expenses for personal travel be charged to, or temporarily funded by the Corporation. It is the traveler's responsibility to report his or her travel expenses on the appropriate form, in a responsible and ethical manner, providing receipts for all expenses.

### Section 4. TRAVEL EXPENSES.

Travelers may use their private vehicle for business purposes if it is less expensive than renting a car, taking a taxi, or using alternative transportation, or if it saves time. The traveler will be reimbursed at a standard mileage reimbursement rate.

Meals will be reimbursed at actual expense or a per diem rate, whichever is less. Lodging will be reimbursed at actual expense up to certain daily rate caps established for various locations. The applicability of such caps shall be determined on a case-by-case basis taking into consideration availability of lodging and other extenuating circumstances.

Reimbursement for miscellaneous expenses shall be determined on a case-by-case basis. Mileage rates, per diem allowances and lodging caps will be modeled after the federal reimbursement rate and may be amended by the Treasurer as needed. All determinations made pursuant to this section shall be made by the Treasurer. In the instance where such determinations regard the travel of the Treasurer, the President shall make such determinations.

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Ulster County Capital Resource Corporation

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## UNIFORM TAX EXEMPTION POLICY

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**SECTION 1. PURPOSE AND AUTHORITY.** Pursuant to Section 874(4)(a) of Title One of Article 18-A of the General Municipal Law (the "Act"), Ulster County Capital Resource Corporation is required to establish a uniform tax exemption policy applicable to the provision of any financial assistance of more than one hundred thousand dollars to any project.

**SECTION 2. DEFINITIONS.** All words and terms used herein and defined in the Act shall have the meanings assigned to them in the Act, unless otherwise defined herein or unless the context or use indicates another meaning or intent. The following words and terms used herein shall have the respective meanings set forth below, unless the context or use indicates another meaning or intent:

- (A) "Administrative fee" shall mean a charge imposed by the Corporation to an applicant or project occupant for the administration of project.
- (B) "Corporation fee" shall mean the normal charges imposed by the Corporation on an applicant or a project occupant to compensate the Corporation for the Corporation's participation in a project. The term "Corporation fee" shall include not only the Corporation's normal Administrative fee, but also may include (1) reimbursement of the Corporation's expenses, (2) rent imposed by the Corporation for use of the property of the Corporation, and (3) other similar charges imposed by the Corporation.
- (C) "Applicant" shall mean an applicant for financial assistance.
- (D) "City" shall mean any city located in the County.
- (E) "County" shall mean Ulster County.
- (F) "PILOT" or "Payment in Lieu of Tax" shall mean any payment made to the Corporation or an affected tax jurisdiction equal to all or a portion of the real property taxes or other taxes which would have been levied by or on behalf of an affected tax jurisdiction with respect to a project but for tax

exemption obtained by reason of the involvement of the Corporation in such project, but such term shall not include Corporation fees.

- (G) "School District" shall mean any school district located in the County.
- (H) "Tax exemption" shall mean any financial assistance granted to a project, which is based upon all, or a portion of the taxes, which would otherwise be levied and assessed against a project but for the involvement of the Corporation.
- (I) "Town" shall mean any town located in the County.
- (J) "Village" shall mean any village located in the County.

### **SECTION 3. GENERAL PROVISIONS.**

- (A) General Policy. The general policy of the Corporation is to grant tax exemptions as hereinafter set forth to any project which has been or will be financed by a straight-lease transaction or by the issuance by the Corporation of bonds, notes or other evidences of indebtedness with respect thereto.
- (B) Exceptions. The Corporation reserves the right to deviate from the general policy enunciated under subsection (A) in special circumstances. In determining whether special circumstances exist to justify such a deviation, the Corporation may consider factors which make the project unusual, which factors might include but not be limited to the following factors: (1) the magnitude and/or importance of any permanent private sector job creation and/or retention related to project; (2) whether the affected tax jurisdictions will be reimbursed by the project occupant if the project does not fulfill the purposes for which tax exemption was granted; (3) the impact of the project on existing and proposed businesses and/or economic development projects; (4) the amount of private sector investment generated or likely to be generated by the project; (5) demonstrated public support for the project; (6) the estimated value of the tax exemptions requested; and (7) the extent to which the proposed project will provide needed services and/or revenues to the affected tax jurisdictions. In addition, the Corporation may consider the other factors outlined in Section 874(4)(a) of the Act.
- (C) Application. No request for a tax exemption shall be considered by the Corporation unless an application and environmental assessment form are filed with the Corporation on the forms prescribed by the Corporation pursuant to the rules and regulations of the Corporation. Such application shall contain the information requested by the Corporation, including a description of the proposed project and of each tax exemption sought with respect to the project, the estimated value of each tax exemption sought with respect to the project, the proposed financial assistance being sought

with respect to the project, the estimated date of completion of the project, and whether such financial assistance is consistent with this part.

- (D) Enforcement. The Corporation has enacted a Corporation Enforcement Policy to provide for compliance by the applicant with the terms of this Uniform Tax Exemption Policy and any contracts entered into by the applicant and the Corporation. The provisions of the Corporation Enforcement Policy include a variety of enforcement actions that may be undertaken by the Corporation upon the failure by the applicant to satisfy its obligations, including the termination any project benefits agreement and the “claw-back” of any or all financial assistance granted by the Corporation.

#### SECTION 4. MORTGAGE RECORDING TAX EXEMPTION

- (A) General. State law provides that mortgages recorded by the Corporation are exempt from mortgage recording taxes imposed pursuant to Article 11 of the Tax Law. The Corporation has a general policy of abating mortgage recording taxes for the initial financing obtained from the Corporation with respect to each project with respect to which the Corporation issues debt, which will be secured by a mortgage upon real property. In instances where the initial financing commitment provides for a construction financing of the Corporation to be replaced by a permanent financing of the Corporation immediately upon the completion of the project, the Corporation's general policy is to abate the mortgage recording tax on both the construction financing and the permanent financing.
- (B) Refinancing. In the event that the Corporation retains title to a project, it is the general policy of the Corporation to abate mortgage recording taxes on any debt issued by the Corporation for the purpose of refinancing prior debt issued by the Corporation, and on any modifications, extensions and renewals thereof, so long as the Corporation fees relating to same have been paid.
- (C) Non-Corporation Projects. In the event that the Corporation does not hold title to a project, it is the policy of the Corporation not to join in a mortgage relating to that project and not to abate any mortgage recording taxes relating to that project.
- (D) Non-Corporation Financings. Occasionally, a situation will arise where the Corporation holds title to a project, the project occupant needs to borrow money for its own purposes (working capital, for example), and the lender will not make the loan to the project occupant without obtaining a fee mortgage as security. In such instances, the policy of the Corporation is to consent to the granting of such mortgage and to join in such mortgage, so long as the following conditions are met:
- (1) the documents relating to such proposed mortgage make it clear that the Corporation is not liable on the debt, and that any liability of

the Corporation on the mortgage is limited to the Corporation's interest in the project;

- (2) granting of the mortgage is permitted under any existing documents relating to the project, and any necessary consents relating thereto have been obtained by the project occupant; and
  - (3) the payment of the Corporation fee relating to same.
- (E) Exemption Affidavit. The act of granting a mortgage recording tax exemption by the Corporation is confirmed by the execution by an authorized officer of the Corporation of an exemption affidavit relating thereto. A sample exemption affidavit is attached as Appendix 17D.
- (F) PILOT Payments. If the Corporation is a party to a mortgage that is not to be granted a mortgage recording tax exemption by the Corporation (a "non-exempt mortgage"), then the applicant and/or project occupant or other person recording same shall pay the same mortgage recording taxes with respect to same as would have been payable had the Corporation not been a party to said mortgage (the "normal mortgage tax"). Such mortgage recording taxes are payable to the County Clerk of the County, who shall in turn distribute same in accordance with law. If for any reason a non-exempt mortgage is to be recorded and the Corporation is aware that such non-exempt mortgage may for any reason be recorded without the payment of the normal mortgage tax, then the Corporation shall prior to executing such non-exempt mortgage collect a PILOT equal to the normal mortgage tax and remit same within thirty (30) days of receipt by the Corporation to the affected tax jurisdiction in accordance with Section 874(3) of the Act.

## SECTION 5. REAL ESTATE TAX EXEMPTION

- (A) General. The Corporation generally works with tax exempt nonprofit organizations. However, should an applicant reach an agreement with its host taxing authorities to a payment in lieu of tax agreement (a "PILOT Agreement"), the Corporation Board may decide to accommodate such PILOT Agreement shall require payment of PILOT payments in accordance with the provisions agreed upon, permitted by law, and conforming with the mission, goals, and policies of the Corporation

## SECTION 6. ANNUAL REVIEW OF POLICIES

- (A) General. At least annually, the Corporation shall review its tax exemption policies to determine relevance, compliance with law, effectiveness, and shall adopt any modifications or changes that it shall deem appropriate. Unless otherwise provided by resolution, such annual review shall take place at the annual meeting of the Corporation each January, notice for comments on such policies shall be circulated thirty (30) days prior to such meeting to Ulster County and affected Tax Jurisdictions, and adoption of

any changes shall take effect immediately upon approval by the Corporation. The Chief Executive Officer shall be responsible for conducting an annual review of the tax exemption policy and for an evaluation of the internal control structure established to ensure compliance with the tax exemption policy, which shall be submitted, to the Corporation for approval. The thirty (30) day comment period shall not apply to the adoption of the original policies of the Corporation, which said policies shall become effective as herein provided.

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Re-affirmed: February 14, 2018

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Ulster County Capital Resource Corporation

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## WHISTLEBLOWER PROTECTION/CODE OF CONDUCT POLICY

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In keeping with the policy of maintaining the highest standards of conduct and ethics, the Ulster County Capital Resource Corporation (the "Corporation") will investigate any suspected Fraudulent or Dishonest Conduct by an employee, board member or agent of the Corporation. The Corporation is committed to maintaining the highest standards of conduct and ethical behavior and promotes a working environment that values respect, fairness and integrity. All employees, board members and agents shall act with honesty, integrity and openness in all their dealings as representatives for the organization. Failure to follow these standards will result in disciplinary action including possible termination of employment, dismissal from one's board or agent duties and possible civil or criminal prosecution if warranted.

Employees, board members, consultants and agents are directed to report suspected acts of Fraudulent or Dishonest Conduct by an employee, board member or agent of the Corporation, (i.e. to act as "Whistleblower"), pursuant to the procedures set forth below.

### **Reporting.**

A person's concerns about suspected acts of Fraudulent or Dishonest Conduct by an employee, board member or agent of the Corporation should be reported to the Chief Executive Officer of the Corporation. If for any reason a person finds it difficult to report his or her concerns to the Chief Executive Officer, the person may report the concerns directly to any board member. Alternately, to facilitate reporting of suspected violations where the reporter wishes to remain anonymous, a written statement may be submitted to any one of the individual listed above.

### **Definitions.**

**Baseless Allegations:** Allegations made with reckless disregard for their truth or falsity. People making such allegations may be subject to disciplinary action by the Corporation, and/or legal claims by individuals accused of such conduct.

Fraudulent or Dishonest Conduct: The act of wrongdoing, misconduct, malfeasance or other inappropriate behavior by an employee, board member or agent of the Corporation, including a deliberate act or failure to act with the intention of obtaining an unauthorized benefit. Examples of such conduct include, but are not limited to:

- Forgery or alteration of documents;
- Unauthorized alteration or manipulation of computer files;
- Fraudulent financial reporting;
- Pursuit of a benefit or advantage in violation of the Corporation's Ethics Policy;
- Misappropriation or misuse of the Corporation's resources, such as funds, supplies, or other assets;
- Authorizing or receiving compensation for goods not received or services not performed;
- Authorizing or receiving compensation for hours not worked; and
- The violation of any Law, Rule or Regulation.

Law, Rule or Regulation: Any duly enacted statute, or ordinance or any rule or regulation promulgated pursuant to any federal, state or local statute or ordinance.

Public Body: Includes the following:

- The United States Congress, any state legislature, or any popularly-elected local governmental body, or any member or employee thereof;
- Any federal, state, or local judiciary, or any member or employee thereof, or any grand or petit jury; and
- Any federal, state, or local law enforcement Corporation, prosecutorial office, or police or peace office.

Retaliatory Personnel Action: The discharge, suspension or demotion of an employee, or other adverse employment action taken against the employee in the terms and conditions of employment, including but not limited to, threats of physical harm, loss of job, punitive work assignments, or impact on salary or fees.

Whistleblower: An employee, consultant or agent who informs the Chief Executive Officer, any board member, or Public Body pursuant to the provisions of this policy about an activity relating to the Corporation which that person believes to be Fraudulent or Dishonest Conduct.

## **Rights and Responsibilities**

**Supervisors:** The Chief Executive Officer is required to report suspected Fraudulent or Dishonest Conduct to the Chair of the Board.

Reasonable care should be taken in dealing with suspected Fraudulent or Dishonest Conduct to avoid:

- Baseless Allegations;
- Premature notice to persons suspected of Fraudulent or Dishonest Conduct and/or disclosure of suspected Fraudulent or Dishonest Conduct to others not involved with the investigation; and
- Violations of a person's rights under law.

Due to the important, yet sensitive nature of the suspected Fraudulent or Dishonest Conduct, effective professional follow-up is critical. The Chief Executive Officer, while appropriately concerned about "getting to the bottom" of such issues, should not in any circumstances perform any investigative or other follow up steps on his or her own. Accordingly, when the Chief Executive Officer becomes aware of suspected Fraudulent or Dishonest Conduct he or she:

- Should not contact the person suspected of Fraudulent or Dishonest Conduct to further investigate the matter or demand restitution;
- Should not discuss the case with attorneys, the media or anyone other than the members of the Board; and
- Should not report the case to an authorized law enforcement officer without first discussing the case with the members of the Board.

**Investigation:** All relevant matters, including suspected but unproved allegations of Fraudulent or Dishonest Conduct, will be reviewed and analyzed, with documentation of the receipt, retention, investigation and treatment of the complaint. Appropriate corrective action will be taken, if necessary, and findings will be communicated back to the reporting person, if appropriate. Investigations may warrant investigation by an independent person such as auditors and/or attorneys.

**Whistleblower Protection:** The Corporation will protect Whistleblowers pursuant to the guidelines set forth below:

- The Corporation will use its best efforts to protect Whistleblowers against all Retaliatory Personnel Actions. Whistleblowing complaints will be handled with sensitivity, discretion and confidentiality to the extent allowed by the circumstances and the law. Generally, this means that Whistleblower complaints will only be shared with those who have a need to know so that the Corporation can conduct an effective investigation, determine what action to take based on the results of any such investigation, and in appropriate cases, with law enforcement personnel. (Should disciplinary or legal action be taken against a person or persons

as a result of a Whistle-Blower complaint, such persons may also have the right to know the identity of the Whistleblower.)

- Employees, board members, consultants and agents of the Corporation may not engage in any Retaliatory Personnel Action against a Whistle-Blower for (i) disclosing or threatening to disclose to the Chief Executive Officer or a board member, as applicable, any activity which that person believes to be Fraudulent or Dishonest Conduct, or (ii) objecting to or refusing to participate in any Fraudulent or Dishonest Conduct. Whistle-Blowers who believe that they have been the victim of a Retaliatory Personnel Action may file a written complaint with the Chief Executive Officer or board member, as applicable. Any complaint of a Retaliatory Personnel Action will be promptly investigated and appropriate corrective measures taken if such allegations are substantiated. This protection from Retaliatory Personnel Action is not intended to prohibit supervisors from taking action, including disciplinary action, in the usual scope of their duties and based on valid performance-related factors;
- Employees, board members, consultants and agents of the Corporation may not engage in any Retaliatory Personnel Action against a Whistle-Blower for (i) disclosing or threatening to disclose to a Public Body any activity which that person believes to be Fraudulent or Dishonest Conduct, or (ii) providing information to, or testifying before, any Public Body conducting an investigation, hearing or inquiry into any such Fraudulent or Dishonest Conduct. Provided, however, that Whistle-Blowers who disclose or threaten to disclose any Fraudulent or Dishonest Conduct to a Public Body are not covered under this policy unless he or she first brings the allegation of Fraudulent or Dishonest Conduct to the attention of the Chief Executive Officer or board member, as applicable, and has afforded the Corporation a reasonable opportunity to correct and or remedy such Fraudulent or Dishonest Conduct; and
- Whistleblowers must be cautious to avoid Baseless Allegations.