

UCIDA

Ulster County Industrial Development Agency

ULSTER COUNTY INDUSTRIAL DEVELOPMENT AGENCY MINUTES February 17, 2021

A regular monthly meeting of the Ulster County Industrial Development Agency was held on Wednesday, February 17, 2021 at 9:00 A.M. via Zoom

Roll Call:

The following agency members were present:

James Malcolm	Chair	
Dr. Diane Eynon	Vice Chair/Treasurer	Arrived at 9:02 A.M.
Michael J. Ham	Secretary	
Faye Storms	Assistant Treasurer	
Orlando Reece	Assistant Secretary	
Daniel Savona	Assistant Secretary	Left at 10:51 A.M.
Richard O. Jones	Member/Chief Financial Officer	

The following agency members were absent with notice:

Additional Attendees:

Rose Woodworth	Chief Executive Officer
A. Joseph Scott, III, Esq.	Agency Counsel

The meeting was called to order at 9:01 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 Orlando Reece, moved to approve the minutes of the January 20, 2021 meeting as presented.

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

Note: Diane Eynon arrived at 9:02 A.M.

Executive Session

Motion: Richard Jones, seconded by Faye Storms, made a motion to enter Executive Session for the purpose of reviewing confidential documents with attorney-client privilege.

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

The Board entered Executive Session at 9:04 A.M.

Motion: James Malcolm, 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 9:51 A.M.

No action was taken during Executive Session.

FINANCIALS

Chief Executive Officer Rose Woodworth presented the January financial report. The annual administrative fees billed out are \$36,000, but not all were necessarily collected. There was also an application fee that came in during the month of January. The CEO notes that almost all funds of the funds allocated for PPE grants will be exhausted if the applications on the agenda are approved at this meeting, but there is still grant money available in the CRC. The checking account and CD balances total \$696,000. The account payable for year-end were for legal fees and administrative fees that are now paid.

Motion: Diane Eynon, seconded by Orlando Reece, made a motion to accept the financial report for January 2021 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 reported that it has been busy year with going over policies and having number of new and existing business approaching the IDA.

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. Administrative Housekeeping – The CEO confirmed Daniel Savona, seconded by Michael J. Ham, motioned to approve the housekeeping resolution of 2021 at the previous Board meeting on January 20, 2021.
- B. M&T Bank Transfer – The accounts are set up, but the bank sent checks with the wrong address, so the CEO is waiting to receive the correct checks before switching banks. The CEO stated a credit card from M&T Bank has been approved and should be arriving early next week.
- 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 February 26, 2021. The next Board meeting is scheduled for after the end date of the order, but the CEO is confident that this will be extended again, and all meetings will remain via zoom. The CEO will keep everyone updated on any changes.

- D. Audit Committee Meeting – The Committee plans to meet on Tuesday, February 2, 2021 at 10:30 A.M. The CEO is waiting to find out if the Legislative Chambers are available at that time should the executive order not be extended.
- E. FOIL Request – A FOIL request was received. The CEO is working with Joseph Eriole to complete the request.
- F. Project Close-Out Update – The CEO has been working with Hodgson Russ on various project close outs.
 - a. Elna Magnetics – The closing was recorded on January 7, 2021 with the County Clerk and received on January 27, 2021.
 - b. Spotted Dog Ventures – The closing was to be recorded by Company Counsel as of January 19, 2021 but has not yet been recorded. The Agency is awaiting final paperwork from Company Counsel.
 - c. Kingston Hospitality – The closing was recorded on January 5, 2021 with the County Clerk and received on January 25, 2021.
 - d. Tee Bar – The closing was recorded on January 7, 2021 with the Count Clerk and received on January 27, 2021.
- G. Potential Project Applicants – Another potential project has submitted their application for pre-screening. The CEO believes there is a business in the Town of Ulster that is still working on filling out their application to start the pre-screening process.
- H. Department of Economic Development Update – The CEO is meeting with the Director of the Economic Development, Tim Weidemann, and Deputy Director Kate Heidecker. They will meet every other Friday to keep in touch on various projects, as well as trying to work together on common goals.
 - a. It had been brought to the CEO's attention that there may be money due back from the Schrade study. Director Weidemann relayed that he felt the study has attracted interest in the site. Director Weidemann would be happy to discuss this with the Board if there is interest.
 - b. Director Weidemann saw to it that the CEO was added to a Healthcare Consortium working on the shortage of healthcare professionals in Ulster County.

- I. Year-End Reporting Update – The staff is working diligently on gathering year-end reporting information from all projects so it can be reported to NYS by the end of next month. Letters with late fees went out to Amthor Welding Services, Golden Hill Acquisitions (the old owners), Kingston Medical Properties, Viking Industries, and Ulster NH Realty. Letters have also been sent to those projects that have submitted everything as a reminder of the importance of timely reporting.
- J. EDTHPT Committee – We have been invited to attend the next meeting the County Legislature’s Economic Development, Tourism, Housing, Planning and Transit Committee by Chairman Brian Cahill. It has been his hope to stay in touch quarterly.
- K. Annual Site Visits – The CEO has completed all project site visits. A report will be compiled along with the information reported back from projects of PARIS. Completed reports will be provided to the Audit Committee and then the Governance Committee.
- L. Insurance – Insurance policies are up for renewal next month. We are working on getting quotes to house all our insurance with one local broker to ensure we do not have any lapses in coverage.
- M. Post-Closing Affidavits – Post-closing affidavits have been requested from projects that have completed construction and have finished their sales tax exemption. Brooklyn Bottling has returned its affidavit. It showed the project went over estimated costs, and they have submitted payment of \$5,595.99. Once their audited financial statements are complete and received, the affidavit will be reconciled. The Agency is still waiting for responses from Henry Stout (Full Moon Resort), Saugerties Hospitality, Landmark Preservation, and PODS.
- N. Acknowledgements of Fiduciary Duties – The CEO thanked the Agency Board members for returning their signed Acknowledgements of Fiduciary Duties and Responsibilities for the IDA and the CRC.
- O. Hodgson Russ Invoice – Board approval was needed to pay final 2020 invoice for Hodgson Russ in the amount of \$7,330.51 for work during the second half of 2020.

Motion: Faye Storms, seconded by Richard Jones, made a motion to pay the invoice after CFO Richard Jones and Audit Chair Diane Eynon reviewed the invoice

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

- P. Cost of YTD Administrative Staff for Kingstonian – Per the Audit Committee’s request, the CEO calculated that the estimated amount of money spent (to-date) on administrative staff for the Kingstonian project is \$19,400, which also includes \$1,550 spent on FOILs related to the Kingstonian.
- Q. New Agency Staff – Wendy Quinn has been added as additional staff for the IDA and CRC to help support the Agency’s activity.

- R. Comptroller Risk Assessment – Ulster County Comptroller March Gallagher has asked the Agency to be part of her annual risk assessment process again this year. It is not mandatory, but the Agency will participate in the survey and follow-up interview for transparency.
- S. PILOTS and Tax Cap Issues for Schools – Over the past few months, the CEO has been working on bringing awareness to the issues that school districts face with PILOTS and tax caps. The Executive Director of the NYS Economic Development Council, Ryan Silva, believes there is a real chance of getting the bill passed now that the tax cap formula is permanent. The CEO has already been in contact with the NYS Senators Peter Oberacker and James Skoufis about this issue and plans to talk with NYS Senator Michelle Hinchey as well. The CEO will be urging the County Legislature to try to push the issue as well when presenting at the EDTHPT Committee meeting next month.

Motion: Faye Storms, seconded by James Malcolm, made a motion to accept the CEO’s Report as presented.

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

Committee Reports

Audit Committee

Audit Committee Chair Dr. Diane Eynon presented the Audit Committee report as follows:

- A. Construction Labor Monitoring Report – Clarification of Loewke Brill was completed. When numbers for the whole month are put together, a monthly compliance average of 90% is calculated, but the calculation during the actual site visit shows a compliance average of 42%. Overall, Inness is at 79.72% compliance, just under the 80% requirement. The Committee is considering increasing site visits from bimonthly to monthly. The Committee will also continue to work on possible 1099/insurance issues.
- B. Background Check Policy – Dr. Eynon presented a resolution to amend the Background Check Policy. An existing business applying for IDA incentives is currently required to submit three years of audited financial statements. To alleviate what could prove to be a large financial burden for small businesses, the amended would allow applicants with \$5 million or less of assets, to submit three years of tax returns. However, the Board will still reserve the discretion to require audited financial statements if they felt it was necessary. If adopted, changes to the policy would go into effect immediately. A copy of the resolution is on file.

Motion: Diane Eynon, seconded by Richard Jones, moved to approve the resolution amending the Background Check Policy as presented and recommended by the Audit Committee.

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 resolution was there upon declared duly adopted.

- C. Procurement Policy – Dr. Eynon deferred to Michael J. Ham to present a resolution to amend the Procurement Policy as recommend by the Audit Committee. The amendment allows the Agency to have the authority to charge fees and take additional action against vendors if there is a breach of contract. If adopted, changes to the policy would go into effect immediately. A copy of the resolution is on file.

Motion: Diane Eynon, seconded by Faye Storms, made a motion to approve the resolution amending the Procurement Policy as presented and recommended by the Audit Committee.

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 resolution was there upon declared duly adopted.

D. Enforcement of Agency Projects Policy – Dr. Eynon presented a resolution amending the Enforcement of Agency Projects Policy as recommended by the Audit Committee. Most of these amendments are minor but necessary to help to align the policy with the Agency’s actual practices. An additional change would lower the employment threshold for non-compliance before the Agency determines the Project is subject to review and possible enforcement action. If adopted, changes to the policy would go into effect immediately. A copy of the resolution is on file.

Motion: Faye Storms, seconded by Richard Jones, made a motion to approve the resolution amending the Enforcement of Agency Projects Policy as presented and recommended by the Audit Committee.

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

The resolution was there upon declared duly adopted.

Finance

No financial committee meeting this month.

Governance

Governance Committee Chair Michael J. Ham presented the Governance Committee report. There has not been a Governance Committee meeting. However, the Chair intends to schedule one for March and report back to the Board on the Community Benefits Agreement and Mentoring Program.

OLD BUSINESS

Status of Pending Projects

Board Counsel A. Joseph Scott, Esq. 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 – Ready to move forward to closing once the Project finalizes timetable.
- Apherea, Inc. – Ready to schedule public hearing once Project Applicant finalizes application.
- Magruder Solar, LLC – Project applicant has submitted application and is requesting that the Agency adopt a public hearing resolution.

Motion: Michael J. Ham, seconded Diane Eynon, made a motion to accept the report regarding the Status of Pending Projects as presented.

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

NEW BUSINESS

Magruder Solar, LLC

Eric Millard, CFO of CS Energy, and Matt Tripoli, Director of Project Development of CS Energy, presented an overview of the Project. CS Energy plans to build a 20 acre (5 megawatt) solar project in the Town of Shawangunk. The Board expressed concern that the Project would not add any permanent jobs. In addition, Board inquired as to whether or not CS Energy had spoken to anyone with respect to local or union laborers being used for the Project. The Board decided it was best for the Project to meet with its pre-screen group again. Michael J. Ham will replace James Malcolm to give him the opportunity to ask specific labor questions. This will also provide the developers with time to gather the information being requested to move forward.

Daniel Savona left the meeting at 10:51 A.M.

PPE Grants for Board Consideration

The Board reviewed the applications for PPE Grants. McGillicuddy's Tap House and The Stone Pony Deli have applied. The CEO stated that the funds under the IDA for the grants will be close to being exhausted after these two grants.

Motion: James Malcolm, seconded by Diane Eynon, made a motion to approve the grants to the applicants on the list presented.

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

PUBLIC COMMENT

There were no public comments.

ADJOURNMENT

Motion: Michael J. Ham, seconded by Diane Eynon, moved to adjourn the meeting.

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

The meeting was adjourned at 11:03 A.M.

Respectfully submitted,

Michael J. Ham, Secretary