



NAME

9-15-21 IDA Board Meeting Part One

DATE

September 29, 2021

DURATION

19m 5s

10 SPEAKERS

James Malcolm
Rose Woodworth
(All)
Faye Storms
Daniel Savona
Richard Jones
Lucia Romeo
Joe Scott
Michael Ham
William Kembel

START OF TRANSCRIPT

[00:00:00] James Malcolm

In the middle of trying to maybe-

[00:00:03] Rose Woodworth

Okay, hold on, let me let in just a few more people here. It's being live streamed. Oh, I'm still trying to let, there we go- oh, Joe Scott coming and Chuck Malcolm is here today, too.

[00:00:22] James Malcolm

How are you doing, Bill? Alright. I'd like to call to order a meeting of the Ulster County Industrial Development Agency. Pledge of Allegiance, please.

[00:00:22] (All)

I pledge allegiance to the flag of the United States of America and to the Republic for which it stands one nation under God, indivisible, with liberty and justice for all.

[00:00:54] James Malcolm

Roll Call, please.

[00:00:58] Rose Woodworth

James Malcolm.

[00:00:59] James Malcolm

Here.

[00:01:00] Rose Woodworth

Diane Eynon. Oh, she's muted, she's here. Michael Ham.

[00:01:09] James Malcolm

He's here.

[00:01:09] Rose Woodworth

Oh, he's muted. Faye storms?

[00:01:13] Faye Storms

Here.

[00:01:14] Rose Woodworth

Orlando Reece is running a few minutes late. And Daniel Savona?

[00:01:23] Daniel Savona

Here.

[00:01:25] Rose Woodworth

And Richard Jones.

[00:01:28] Richard Jones

Here.

[00:01:29] Rose Woodworth

Perfect.

[00:01:29] James Malcolm

The mission statement of the Ulster County IDA 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. Could everybody take a minute and look over the minutes from from our last meeting, and at that time, I'll entertain a motion to accept as presented or any changes.

[00:02:31] Richard Jones

Just on page 7, on the new business Inness, the last paragraph. Yeah. Due to his position on the town of Rochester, Planning Board Richard Jones recused himself, as he has done in the past.

[00:02:45] Rose Woodworth

Yeah. Oh, thank you. Oh, yeah. Okay. You got it just, yep, got it. I think it was the last sentence I added when I was revising them.

[00:03:01] Richard Jones

I'll make a motion to approve the minute

[00:03:02] James Malcolm

I have a motion, do I have a second?

[00:03:05] Daniel Savona

I'll second.

[00:03:05] James Malcolm

Dan does. Anyone on the question? No? All those in favor signify by saying aye.

[00:03:11] (All)

Aye.

[00:03:12] James Malcolm

Opposed? Ok. Alright. Public comment on agenda items only. Anyone? Good morning, Lucia.

[00:03:25] Daniel Savona

She's muted.

[00:03:26] Rose Woodworth

Yeah, I can unmute her, I just want to make sure there's nobody else. Did you get the request-there you go.

[00:03:36] Lucia Romeo

Good morning.

[00:03:38] Rose Woodworth

Good morning. Did you have a public comment?

[00:03:41] Lucia Romeo

I did. I was actually looking to address the board regarding our project. It was several months ago the last time I was here, so I hope everybody is well at this point, but we're not sure how much the board is aware, let me rewind. I wanted to start off first by thanking all of you for your support and your help in approving this project and working with me through the months that it took us to get the project approved; we sincerely appreciate it. The tax credits for the pilot are tremendously important to this project, and the reason I'm here is because we're pretty much stuck in limbo. I had sent a letter out to the Ulster County executive this morning. I cc'ed Jim Malcolm and through Rose through email, so I think you should all have that. But the letter pretty much went through and explained exactly what's going on. I'm confused and frustrated at this point. You all approved our project 7-0 on May 19, and to date, I can't get a response from the county executive's office. I can't get a call back. I can't get a response to my letters. I can't get a text. I can't get any reason why he's not confirming our project and we went through everything we needed to go through with the DEC for the Eagles. We were given a finite period of time in which we could do noise generating construction, which is between now and the end of the year. If we don't do that by that point, we have to start all over, pay another biologist to observe the site and keep our fingers crossed next year that the Eagles leave early. Not only that, but as of right now, I'm in limbo for the PILOT. I don't have an approval. I don't have- or not an approval, it's a confirmation. I looked up the legal language. The legal language says that the executive needs to confirm the decision. And right now, nothing is happening. I don't know where to go. And in the interim, we I mean, this project over 15 years of the PILOT will generate \$37,500,000 in tax revenue- sales tax revenue alone, not even payroll tax. We never even talked about payroll tax, and our 18 additional employees that we're going to add, and the cost of the pilot is \$1.5 million. So at the end of the day and all knew this, I'm preaching to the choir at this point because you also saw the numbers. So I guess my question is and my comment is, how do I move forward? What do we do? How can we make this project happen? And why is there a delay?

[00:06:18] James Malcolm

I have a couple- I have one question and actually, I'm going to ask our legal counsel in your opinion, and after your research, what does the what does the phrase confirm mean? In regards to this project, as the applicant put out that the county executive has to confirm, what does confirm mean to you in regards to this project, Joe?

[00:06:47] Joe Scott

Well, based based on the work that we've done with this IDA and with other IDAs there, it's essentially to agree/indicate that they're not disagreeing with the procedural steps and the findings that the IDA has made with respect to a particular project.

[00:07:18] James Malcolm

Well, what does this- you've had some discussion. So what- are they disagreeing with what we found? Because I was under the impression that it was about confirming jobs, so please, you know what? Just for the applicant's sake, ok? Please explain to her the process that we've gone through in regards to this issue,

[00:07:49] Joe Scott

And it's a process that we have followed in other similar projects that required this action, chair, where we obviously copied the governmental entities, including the county executive to the scheduling of the public hearing, notified them of the public hearing. Then as we went through the process of the approvals that the IDA needed to do, as we got toward the end of the process, we assemble materials for the county executive's office. That includes the application, the public hearing notice, the public hearing record, the comments received and then we send them the approving resolutions, including the resolution where we make the job finding which needs to be confirmed, which is under the statute, needs to be confirmed by the county executive. And then we send the certificate to the county executive all in one package so that's our standard process. That's the standard process that we follow with our other idiot clients, and that's been followed with respect to this matter.

[00:09:05] James Malcolm

So without without potentially being contradicted, we've hit all our benchmarks. We've done everything we're supposed to do at this point as a board?

[00:09:16] Joe Scott

Absolutely.

[00:09:17] James Malcolm

Ok, so the responsibility here, and I would love to tell you, I mean, I think what you're doing as far as reaching out to the county is what you need to be doing. This is a project that this board put a lot of time and effort into, with public meetings and listening and trying to take the applicant through the process and make it as painless as possible. And quite honestly, first and foremost, as a board member, I've really never seen anything like it. So the answer- I'd love to give you an answer, any answer. But the answer again lays at the at the administrative level on the sixth floor. I don't know what to tell you as far as that goes. Sure. Any other board members want to weigh in?

[00:10:12] Richard Jones

I would like to weigh in, chair.

[00:10:14] James Malcolm

Sure.

[00:10:15] Richard Jones

And I appreciate the way you framed where we're at. And I also appreciate Joe describing what the role of the county executive. Significantly in my mind, the law says he must confirm; it doesn't say the county exec approves. We did the approval. To me, it's confirming, and I could make the argument that that's nothing more than acknowledging, the courtesy of acknowledging that it was approved by this board. So I would like to suggest that Joe look into- this board simply moves, declares, makes a motion to move forward with with the inducement and informs all the affected taxing authorities that this PILOT, this entity is now receiving the PILOT benefits that we approved and just move forward. If the county executive's office feels that that's incorrect, let them sue to stop that. Is that something, Joe, that we're able to do? You know, and may I add, you know, we had talked about, well, let's sue the county exec's office. Well, that gets us nowhere because we've already approved it. What are we suing for? It would almost have to be the applicant suing-

[00:11:41] Joe Scott

But actually, may I interrupt you, Rick? I'm becoming a little concerned about the tenor of the conversation and subject. Maybe we should go into executive session to discuss or exempt session to discuss in more detail because I don't want anything on the record that may impact us on a going forward basis.

[00:12:03] Richard Jones

That's a good insert. Thank you.

[00:12:06] James Malcolm

And anyone else on the board want to weigh in on this project? We all sat there and worked on it and got behind it, so there's any concerns, by all means.

[00:12:18] Faye Storms

Jim, I had a question, Jim. Have you or Rose spoken to our county executive about this?

[00:12:27] James Malcolm

Yeah, we have. And we'll discuss that in session.

[00:12:32] Faye Storms

Ok.

[00:12:34] Michael Ham

You know, Jim, I'd like to say something. So my feelings on this one is that Romeo Kia, checked all the boxes. They went through the complete process. It was three to four months- Rose, correct?- with the public hearings. We had comment period. There was times to write in and at five minutes of 12:00, everyone shows up and it's no good. So my only question to all the people that came out and said, you know, this shouldn't go through or whatever have you, is where were they? For three and a half to four months were they sleeping under a tree, where are they down in Sleepy Hollow? Come on, let me know what's going on here. And I feel as though the applicant was also being told that their lease was going to extinguish, correct? They weren't going to re-up the lease. They didn't leave Ulster County. They just moved to another part. They're going to create the 18 jobs right, supposedly right a future, 18 jobs. I mean, it's there. The job is there. So I just think that we need to get them to move ahead with, you know, get this job to move ahead. And I feel as though as a board, everybody here did their due diligence. We followed the rules and we put it out there. So, you know, I hope we can come to a conclusion on this and get this matter to settle.

[00:14:04] James Malcolm

And the other discussion on this, and I can certainly tell you, tell the applicant that there will be more, as a board, not so much in quite a public forum here under executive session, more than likely as to where it it puts us. And I know all too often people use the phrase "I feel your pain". I'm sure you have a tremendous amount of soft costs that you've incurred already. And win, lose or draw, you don't get those back. The only way you get those back is if you have a successful project, and over time, you know it gets pushed back in and you realize the successful profit that I'm sure it will generate, so, you know, I'm not being condescending with you. I'm really trying to be as politically correct as possible at this point. I got to watch Mad Dog Rick sometimes; he keeps me on my toes a little bit. But you know, we hope to put a smile or help put a smile back on your face and the Romeo family, and hopefully a successful project. And at this time, it's the best we continually- our spokesperson on this, our point person, of course, is our CEO and our attorney, and they'll continue to to keep you abreast of what's going on, OK?

[00:15:43] Lucia Romeo

Yes, and I appreciate that; I really sincerely appreciate all of your comments and your efforts to make this happen. I just, you know, there's nothing more frustrating than as as you said we checked all the boxes and this just seems to be purely political at this point. And there's nothing more frustrating than that. I just want my project to be judged on the merits, create tax revenue, create jobs, move forward. We have about a million and a half in it so far, and that money means nothing if we can't build the building. I have to be able to build the building and unfortunately I have this time crunch because of the eagles. So it's just it's just monumental. And again, I sincerely appreciate all the-

[00:16:24] James Malcolm

Outside of the jobs, the commitment to utilizing BOCES for training, it certainly checks all the boxes that everyone's looking at. So bear with us as we will exhaust all our remedies, and you know at that point, that's a decision what you eventually have to do or choose to do with something, that will be up to you and your advisers and counsel. But we're going to continue to try to, although it's not smart to push the rock uphill, but if that's what you have to do, that's what you have to do. So thank you again for your- go ahead, Faye.

[00:17:02] Faye Storms

I'm sorry to interrupt; I'm sorry, I had one more question for Lucia. Your crew who's doing the building, do they have a time frame that they're available and only a certain time frame? Or, you know, I mean, you don't know when you can start. So are they available? Because everyone's so crazy busy right now.

[00:17:21] Lucia Romeo

Right. Well, we're working with a local contractor who's working with local subs. They all know the status on the project. Everyone's pretty much in limbo. But understanding that if this signature comes across there, across my desk, essentially if the project gets confirmed, we're a go and we're go hard from now until the end of the year. So they are all under that understanding. And again, this is why we wanted to use local because they get it, and they are willing to work with us, and we've got some great people on board.

[00:17:49] Faye Storms

Alright, thank you.

[00:17:52] James Malcolm

Anything else under public comment on agenda items only? No? Ok, Rose, please, executive session. What do we say?

[00:18:06] Rose Woodworth

So we are now going to go into executive session, obviously pending the motion, but executive session for the advice of counsel and then also to discuss pending litigation.

[00:18:19] James Malcolm

Ok, I need a motion to go into executive session for all of the above.

[00:18:23] Richard Jones

I'll motion.

[00:18:23] James Malcolm

So I have a motion. I have a second with Rick Jones. Let the record show, I believe it's what, 9:19?

[00:18:32] Rose Woodworth

Yep.

[00:18:33] James Malcolm

Ok. And just for Bill's sake down there, I believe we'll be close to an hour, but we will let you know if it's sooner, Bill. We'll let you know.

[00:18:43] William Kembel

The pending litigation on which case, please?

[00:18:47] James Malcolm

You would have to speak with our CEO about that.

[00:18:50] Rose Woodworth

Joe?

[00:18:54] Joe Scott

Yeah, it's the Kingstonian matter, Bill.

[00:18:56] William Kembel

Thank you.

[00:18:58] James Malcolm

Thank you, Bill. Appreciate it. Thank you, everyone.

[00:19:01] Rose Woodworth

Thank you, Lucia.

[00:19:03] Lucia Romeo

Thank you.



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