

Dated: April 13, 2022

DRAFT FOR DISCUSSION PURPOSES ONLY

# UCIDA

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Ulster County Industrial Development Agency

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## ULSTER COUNTY INDUSTRIAL DEVELOPMENT AGENCY MINUTES March 16, 2022

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A regular monthly meeting of the Ulster County Industrial Development Agency was held on Wednesday, March 16, 2022 at 9:00 A.M. via Zoom.

The following agency members were present:

James Malcolm	Chair
Dr. Diane Eynon	Vice Chair/Treasurer
Michael J. Ham	Secretary
Faye Storms	Assistant Treasurer
Orlando Reece	Assistant Secretary
Richard O. Jones	Member/Chief Financial Officer

The following agency members were absent with notice:

Daniel Savona	Assistant Secretary
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Additional Attendees:

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

The meeting was called to order at 9:02 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:** Richard O. Jones, seconded by Dr. Diane Eynon and Orlando Reece, moved to approve the minutes of the February 16, 2022 regular meeting as presented.

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

### **PUBLIC COMMENT**

There was no Public Comment.

### **EXECUTIVE SESSION**

**Motion:** Faye Storms, seconded by Orlando Reece, made a motion to enter executive session for discussion on financial history and background regarding the personal and financial history of a potential job applicant.

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

The Board entered Executive Session at 9:07 A.M.

**Motion:** Faye Storms, seconded by Richard O. Jones, made a motion to come out of Executive Session.

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

The Board came out of Executive Session at 9:55 A.M.

No action was taken during Executive Session.

### **FINANCIALS**

CEO Rose Woodworth presented the financial report. There were \$4,250 in late fees issues in February. This will be the end of the late fees for the year. The main expenses for the month were administration staff fees. Staff expenses were high due to annual reporting information. The bank balances are around \$900,000. There is \$400,000 of accounts receivable due to the Kingstonian Project. Monthly statements were sent out March 1, 2022. The CEO is hopeful to keep collecting past due receivables which will decrease the accounts receivable balance. The escrow balance is mostly from the Kingstonian Project. Accrued expenses were paid four days after February. These accrued expenses were legal fees for the months of November and December along with other expenses accrued for year end.

**Motion:** Michael J. Ham, seconded by Dr. Diane Eynon, made a motion to accept the Financial Reports presented.

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

### **CHAIR'S REPORT**

Chair James Malcolm presented the Chair's Report. The Chair Expressed how happy he is with the processes carried on by the Agency. He touched on the pending application from CHPE and clarified that the Agency has not heard from the applicant in months.

### **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. The open meetings law changes are only valid as long as there is a state of emergency due to COVID-19. The state of emergency is currently only through March 16, 2022. The CEO expects that the next Board meeting will be in person.
- B. The CEO and Agency staff member, Emily Brooks, attended the PARIS training on February 18, 2022.
- C. On February 28, 2022, both the CEO and Agency Counsel attended the New York State Economic Development Council's Annual Conference in Albany. Guest speakers included Governor Kathy Hochul and Senator Kirsten Gillibrand. The CEO attended break-out sessions regarding marketing and communications that gave great perspectives and ideas for the Agency. Ulster County's former Deputy Director of Economic Development Kate Heidecker was part of a breakout session

to discuss the amazing work that our County did with using \$1 million in funds from the Cares Act to aid small businesses in the County with recovery from the pandemic.

- D. Agency staff is working diligently on and has been totally consumed with the year-end reporting. The CEO is hoping to have PARIS finalized by the end of this week. The staff also has all year-end information together for the Audit & Governance Committees to review project performance for 2021. The CEO will work with both Chairs to get meetings scheduled.
- E. The Agency's marketing working group is meeting again on March 17, 2022, and the CEO expects that there will be some plans together for the next Board meeting.
- F. Agency Staff and Counsel have been oddly inundated with a lot of old project termination confirmations this past month. For any additional work caused by paperwork that was not legally necessary, the Agency collected our standard fees for this time of work.
- G. The Hudson Valley IDAs are finally going to start an IDA peer group. This is something that the Chair and the CEO have talked about the need for, and the CEO couldn't be more thrilled that Sarah Lee from Dutchess County is spearheading this. Right now, the group is working to find the best date for everyone's availability. For the first meeting (which will be at Think Dutchess in Poughkeepsie), the goal is to collectively set the terms of the year, such as topics to be discussed, the frequency of meetings, length of meetings, and meeting locations. One of the things the CEO has already learned about is a very inexpensive online scheduling tool that will help find the best availability from all meeting participants. This is going to be a great timesaver, and it is just one tiny difference that has already come out of being able to work with peers.
- H. The CEO has been in touch again with Dan Baker, who is the Vice President of the Ulster County Assessor's Association. She is working on meeting with the assessors to figure out how the Agency and the assessors can all work together as best as possible to ensure PILOTs are calculated correctly and efficiently.
- I. The CEO closed the savings accounts at the Bank of Greene County on March 10, 2022. The Agency got notices about them being dormant for too long, and there was no need to keep them open anymore. The interest rate in the checking is higher than the savings, and the Agency only keeps its savings there to earn better rates.
- J. The CEO presented the Hodgson Russ engagement letter for 2022. As part of the Agency's Procurement Policy, in good practice, and as something the Agency has always done, the CEO asked the Board to approve the terms in the engagement letter.

**Motion:** James Malcom, seconded by Richard O. Jones, made a motion to execute agreement of the 2022 engagement letter for Hodgson Russ.

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

**Motion:** Dr. Diane Eynon, seconded by Orlando Reece, made a motion to approve the execution of the updated contract for the CEO and Agency staff for 2021-2022.

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

**Motion:** Richard O. Jones, seconded by Faye Storms, made a motion to accept the CEO's report as presented.

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

## **COMMITTEE REPORTS**

### **Audit Committee**

Committee Chair Dr. Diane Eynon reported on the following information:

- A. Construction Labor Monitoring Report - There was nothing to report for from Loewke Brill as there were no workers on site at Inness during the month of February 2022.
  
- B. 2021 Audited Financial Statements – All of the numbers and financial data in the audited financial statements will stay as they are in the draft presented before the Board at this meeting. The Auditors had reported that there were no adjustments or control findings. The only risks that were reported in the financial statement are part of the required information that must be put into all financial statements. The 2021 revenue increased over 250%. The expenses in 2021 decreased from what those in 2020. The IDA had approximately \$650,000 in its net fund balance at yearend.

**Motion:** Michael J. Ham, seconded by Richard O. Jones, made a motion to approve the audited financial statements for 2021 as presented.

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

- C. The CEO answered the Chair James Malcolm's questions about whether there were going to be changes to the report from Loewke Brill. She expects changes next month after the Audit Chair provides more detail on what she would like to see.

### **Finance**

No report.

## Governance

Governance Committee Chair Michael J. Ham worked in conjunction with the CEO and Agency Counsel to present the Governance Committee report and recommendations as follows:

- A. Resolution Authorizing Modifications to Agency Fee Schedule Guidelines – The Agency wants to create an avenue for the IDA to be able to share some of its revenue generated by fees with the CRC so that if there are funds in excess of what is needed to run the Agency, because the CRC’s spending is not as limited. After detailed discussion, the Agency modified the resolution presented to split the fees collected with the CRC as follows: 75% of the fees to the IDA and 25% of the fees to the CRC.

**Motion:** Richard O. Jones, seconded by Faye Storms, made a motion to approved the resolution with the changes discussed.

**Vote:** The Board voted as follows:

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

- B. Resolution Approving Various Policy Changes –

- a. Changes to the Compensation Policy – Renaming it and adding a provision that Board members are also responsible for attending two site visits per year.
- b. Procurement Policy Changes – There will be a non-disclosure agreement for all vendors (including subcontractors of those vendors). Additionally, RFPs will be required for contracts that are \$10,000 and up (changing from \$5,000 and up). The Committee determined that the cost and work involved for the Agency and the vendor was not warranted for smaller contracts.
- c. Local Labor Policy – The reference about using local labor being three points on the matrix was changed to one point to match what is currently on the UTEP Matrix. The Resolution will need to be edited for the typo.

**Motion:** Richard O. Jones, seconded by Orlando Reece, made a motion to approve the resolution with the changes discussed.

**Vote:** The Board voted as follows:

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

### **OLD BUSINESS**

#### **Status of Pending Projects**

Agency Counsel A. Joseph Scott reported on the status of pending projects:

- A. Wildberry Lodge LLC – No changes.
- B. Magruder Solar, LLC – No changes.
- C. Romeo Enterprises, LLC- Expected to have re-drafts out soon and pushing to close soon.
- D. Bayside Marlborough – No changes.

#### **Status of Pending Enforcement Matters**

Agency Counsel A. Joseph Scott reported on the status of pending enforcement matters:

- A. Greenhouse/Posey – Documents have been distributed, and the Project is expected to close this month.
- B. Darien Lake – Documents have been distributed, and the Project is expected to close this month.
- C. Golden Hill/NH Realty – The City Assessor will report back information regarding a claw-back bill.

### **NEW BUSINESS**

- A. KAGR2 Kingston, LLC – Robert Murray, counsel for the Applicant, and Greg Grainnes, Principal and General Counsel for the Applicant presented what is being requested of the IDA. Current

IDA Project, Kingston Medical Properties requires the consent of the Agency for the assignment of the existing PILOT agreement to the new owner, KAGR 2 Kingston, LLC. There is no request for change in employment levels, and all terms will remain the same. The abatement will continue to be only on the portion of the property that is occupied by the hospital. The CEO let the Board know that the current Project, Kingston Medical Properties, is in full compliance with their current terms and all fees and reporting for 2021 are up-to-date. She also told the Board that the Project has been made aware that there were changes made to the IDA's policies so, for example, the Project will now be responsible for 90% promised employment levels rather than the previously required 80%.

**Motion:** James Malcolm, seconded by Michael J. Ham, made a motion to approve the Resolution Authorizing Assignment and Assumption of KAGR2 Kingston, LLC, formerly First Columbia Benedictine, LLC Project.

**Vote:** The Board voted as follows:

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

#### **ADJOURNMENT**

**Motion:** Richard O. Jones, seconded by Faye Storms, moved to adjourn the meeting.

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

The meeting was adjourned at 10:48 A.M.

Respectfully submitted,

Michael J. Ham, Secretary