

UCIDA

Ulster County Industrial Development Agency

ULSTER COUNTY INDUSTRIAL DEVELOPMENT AGENCY MINUTES April 20, 2022

A regular monthly meeting of the Ulster County Industrial Development Agency was held on Wednesday, April 20, 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
Daniel Savona	Assistant Secretary
Orlando Reece	Assistant Secretary
Richard O. Jones	Member/Chief Financial Officer

Arrived at 9:02 A.M.

The following agency members were absent with notice:

Faye Storms	Assistant Treasurer
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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 9:01 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

Orlando Reece arrives at 9:02 A.M.

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 Daniel Savona, moved to approve the minutes of the March 16, 2022 regular meeting as presented.

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

PUBLIC COMMENT

There was no Public Comment.

EXECUTIVE SESSION

Motion: Richard O. Jones, 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 9:05 A.M.

Motion: Michael J. Ham, seconded by Orlando Reece, 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 9:27 A.M.

No action was taken during Executive Session.

FINANCIALS

CEO Rose Woodworth presented the financial report as follows: The accounts receivable is still high because of the receivables from the Kingstonian project that are due in December. The escrow balance is also high because of the Kingstonian project and the amount they had to put towards Loewke Brill. Most of the accrued balance was cleared out in the beginning of April. The CEO explained that this is from the bill HodgsonRuss and the CPA fees. The Project closing fee is at \$38,900 for the month. The administrative staff fees were much lower this month. The cost benefit analysis software was finally paid for the year.

Motion: Richard O. Jones, seconded by Daniel Savona, 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 excited he is for the potential project, Cresco Labs, coming to the area. He is also looking forward to any updates that may come from Enterprise Drive.

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. This past month, the CEO went to her first Hudson Valley IDA Peer Group meeting. They will meet again next month. After next month, the peer group meetings will move to bimonthly. She found this group to already be very helpful and an impressive group. She looks forward to collaborations and great ideas.
- B. Agency staff has worked with the applicant, Cresco Labs (a.k.a. Gloucester Street Capital, LLC)
- C. There is a contract to enter into an agreement with a communications firm. This contract is for the purpose of educating the public on what IDA brings to the community.

The CEO introduced Steve Janack, who wanted to thank everyone for having him and then described his career in communications.

Motion: Orlando Reece, seconded by Daniel Savona, made a motion to execute the services from the Janack Group for the communications contract.

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

- D. The CEO presented the Board with the finalized 2021 audited financial statements, the 2021 required annual documents, and the 2021 PARIS reported as it was submitted.
- E. The CEO presented the UCCRC Contract for the Economic Development Services, which formalizes an agreement what the Board had voted on last month. The CEO reminded the Board that they had voted to share a portion of the fee with the CRC for IDA projects. In exchange, the CRC will provide economic development services.

Motion: Richard O. Jones, seconded by Orlando Reece, made a motion to approve the contract between the CRC and the IDA for economic development services.

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

- F. Lastly, the Board discussed extending the contract for the administrative staff, which was set to expire on June 30, 2022.

Motion: Michael J. Ham, seconded by Orlando Reece, made a motion to approve the administrative staff contract for July 1, 2022- June 30, 2024.

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

COMMITTEE REPORTS

Audit Committee

No report due to no workers on site in the month of March.

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:

The Committee held a meeting on March 31, 2022. As part of the meeting, there was discussion and recommendations as follows:

- A. There was a discussion regarding the UTEP. for a policy regarding community benefits will be included into the UTEP. This will create any incentives for anyone in the future by using local business in the community.
- B. Agency Counsel A. Joseph Scott has an NDA form that he will be sent out to the board members next week. This form will go for anybody in the future that will be seeking service. This will also include all employees or contractors for whatever company that will be in service with the IDA.
- C. There was discussion that the moratorium for the housing crisis ended on April 15th. Michael then expresses how there was a discussion to extend the moratorium for another three months. There will be working groups coming forward with information on how to proceed to help with the housing issue. As IDA Chairman James Malcolm asks if there are any location that need help immediately. Tim Weidemann then proceeds to express how Golden Hill may be a close contestant of immediate help.

Motion: Richard O. Jones, seconded by Orlando Reece, made a motion with all the provisions of the current resolution, to extend the current housing moratorium another three months.

Vote: The Board voted as follows:

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

Motion: Richard O. Jones, seconded by Daniel Savona, made a motion to approve the report as presented.

Vote: The Board voted as follows:

James Malcolm	Aye
Diane Eynon	Aye
Faye Storms	Absent with notice
Michael J. Ham	Aye
Orlando Reece	Aye
Daniel Savona	Aye
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 in two weeks.
- D. Bayside Marlboro, LLC – No changes.
- E. Cresco Labs – The next step is to schedule a public hearing. Agency Counsel sent a draft of the public hearing notice out to the company for review. Counsel expects comments back on today or tomorrow in order to make the publication deadline in the local newspaper.

Status of Pending Enforcement Matters

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

- A. Greenhouse/Posey – Signatures papers are finalized and expected to close.
- B. Darien Lake – Signatures papers are finalized and expected to close.
- C. Golden Hill/NH Realty – The City Assessor expressed how they would like to move forward with a claw-back bill, and it is now in the process of being calculated.

NEW BUSINESS

Inness NY, LLC

Inness NY, LLC – There is a request to extend the sales tax exemption letter until December 31, 2023. There were no additional funds requested. The Applicant submitted a letter request to the Board detailing the difficult times they've had during COVID with suppliers and contractors. The current deed to the premises still has the golf course on it, which causes an issue since the golf course is outside of the PILOT. Agency Counsel had a modification agreement created for documents moving forward that allows the Project to use a separate company for staffing. Inness NY, LLC will still be the owner of the property. The current deed is in the name of Inness NY, LLC and was recorded on October 9, 2019. It has 131 acres associated with the property. The real estate issues are expected to be wrapped up soon. CEO Rose Woodworth

mentions the employment level was beyond what they had promised, and she wanted to make sure they are getting credit with the Agency for all of their additional employees.

Motion: Michael J. Ham, seconded by Orlando Reece, made a motion to approve the resolution with Inness NY, LLC.

Vote: The Board voted as follows:

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

Marlboro Distr. Route 9, LLC

There is an interest in the real estate due to the granting financial assistance to the project. The Project did some additional construction. They need to encumber the property with a mortgage. Marlboro Distr. Route 9, LLC is asking the IDA to consent to the mortgage due to them having interest in the property. There is no financial assistance being granted from the IDA, and the Project will pay the mortgage reporting tax. With respect to the PILOT agreement, any improvements on the Project are subject to normal tax. There are no project benefits or liability being extended to the Project for this expansion.

Motion: Michael J. Ham, seconded by Daniel Savona, made a motion to approve the resolution consenting to a mortgage for Marlboro Distr. Route 9, LLC.

Vote: The Board votes as follows:

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

Gloucester Street Capital, LLC

Sabrina Noah and Christian Ficara presented on behalf of the Project Applicant. The Applicant is looking for IDA incentives that will allow them to move forward on their project: a \$209,008,535 investment into a large-scale medical and adult use cannabis manufacturing facility to the former Schrade industrial site. This cannabis cultivation, manufacturing and distribution facility will require construction of a facility which will include: a nursery and grow rooms for cannabis plants, a drying area, production area for the manufacturing of various cannabis products, a kitchen, administrative offices and conference areas. In addition to the facility structure, other construction activity will involve municipal water and sewer service utilities, circulation driveways, employee parking areas, sidewalks, and stormwater management areas. The property is in the Planned Commercial Industrial and Mixed-Use Development (PCIMD) zoning district of Wawarsing. The Project is a permitted use within the zoning district and does not require area variances. The Project comprises approximately 90.7 acres; approximately 84.1 acres within the Town of Wawarsing and approximately 6.6 acres within the Village of Ellenville. The property is the former Avnet Channel Master manufacturing facility. The former manufacturing facility at the southwestern portion of the property has been razed down to the concrete industrial floor slab. The northeastern portion of the property remains undeveloped with areas that are characterized as wooded, scrub underbrush, meadows and wetlands. Construction is anticipated to take approximately 21 months. Approximately 375 full time jobs and 100 construction jobs will be created as a result of the project. In order to move forward with the Project, the Applicant needs \$10,000,000 in sales tax incentives and approximately \$27,988,413 in real estate tax incentives as the result of a PILOT.

Motion: Richard O. Jones, seconded by Diane Eynon, moved to authorize the CEO to hold a public hearing regarding a proposed project to be undertaken for the benefit of Gloucester Street Capital, LLC.

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

ADJOURNMENT

Motion: Michael J. Ham, seconded by Orlando Reece, moved to adjourn the meeting.

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

The meeting was adjourned at 10:54 A.M.

Respectfully submitted,

Michael J. Ham, Secretary