

# UCIDA

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Ulster County Industrial Development Agency

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## ULSTER COUNTY INDUSTRIAL DEVELOPMENT AGENCY MINUTES August 18, 2021

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A regular monthly meeting of the Ulster County Industrial Development Agency was held on Wednesday, August 18, 2021 at 9:00 A.M. at the Legislative Chambers in the County Building, 6<sup>th</sup> Floor, 244 Fair Street, Kingston, NY.

### **Roll Call:**

The following agency members were present:

James Malcolm	Chair
Dr. Diane Eynon	Vice Chair/Treasurer
Faye Storms	Assistant Treasurer
Daniel Savona	Assistant Secretary
Richard O. Jones	Member/Chief Financial Officer

The following agency members were absent with notice:

Michael J. Ham	Secretary
Orlando Reece	Assistant Secretary

Additional Attendees:

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

The meeting was called to order at 9:00 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:** Daniel Savona, seconded by Diane Eynon, moved to approve the minutes of the July 21, 2021 regular meeting as presented.

**Vote:** The motion was unanimously adopted (5-0).

### **PUBLIC COMMENT ON AGENDA ITEMS ONLY**

No Public Comment.

### **FINANCIALS**

Chief Financial Officer Richard O. Jones presented the June financial report. Income is currently under budget, but that will change once the approved projects close. The administrative fees are at 57% of the year's budget and are the largest expense item. All other expenses are under budget. The CFO and CEO have begun discussion on the annual budget. More information will be brought to the Board at a future meeting. Cash on hand is \$742,952.54. Cash on hand for the UCCRC is \$516,372.41.

**Motion:** Daniel Savona, seconded by Diane Eynon, made a motion to accept the financial report for July 2021 as presented.

**Vote:** The motion was unanimously adopted (5-0).

### **CHAIR'S REPORT**

James Malcolm presented the Chair's Report. As part of his report, the Chair reported that the UCIDA wants to see business grow and expand, but not all projects are projects for the IDA. Work is still being done on the Community Investment Agreement. This program should help applicants with the qualifying process.

### **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 Board Training Day is scheduled for Tuesday, October 26 from 9 am to 5 pm. The CEO and Chair have discussed topics but are looking into more difficult topics like housing and renewable products. A case study of IDA mistakes will be one topic. The CEO will reach out to guest speakers and have an update at next month's meeting.
- B. On August 17, 2021 the UCIDA website was attacked by malware. When trying to get to the site, visitors were redirected to an online pharmacy. The website has been fixed and should be restored by this afternoon. Security for the site has been purchased through GoDaddy. The cost for a two-year commitment is approximately \$120.
- C. Wendy finally received notice that she passed the notary exam. Documents will now be able to be notarize in house.
- D. Economic Development, Tourism, Planning, and Transit Committee – All Board members were invited to the August 3 meeting. The Chair, CFO and CEO attended the meeting to provide an update on everything the UCIDA has done since the last meeting in March. The items reported on were:
  1. Policies – The FOIL Policy has been finalized. A Public Comment Policy and A Record Retention Policy have been created. Amendments to the Procurement Policy were made to better ensure there is no collusion or conflicts with the Agency's Code of Ethics. The Compensation Policy was amended to include a section on time and attendance to help ensure Board members are attending the meetings necessary to keep the Agency performing properly. The Chair of the EDTPHT, Legislator Brian Cahill, asked for the Committee to be updated on the meeting attendance at the end of each year. This will help to make informed decisions on Board appointments.
  2. Community Investment Agreement – The agreement is completed and will be used as part of the greater changes to the Agency's UTEP.
  3. Approved projects – Three projects in the last few months (RBW, Apherea, and Romeo Kia) have been approved. Combined, these projects will add and retain over 79 jobs to Ulster County (aside from all the other economic benefits and their ripple of effects).
  4. Ulster NH Realty – The Agency decided to clawback and put Ulster NH Realty back on the tax rolls after severe job cuts from 330 FTEs to 205 FTEs.
  5. PILOT Revisions – The PILOTS for Greenhouses and Darien Lake have been revised because the projects did not live up to their promises.

6. PARIS Report – Work has begun on a PARIS reporting training to fix common reporting error for IDA projects.
7. PPE Grants – The PPE grants given out totaled \$319,000.
8. The CEO also informed the Committee of the continued open communication with the County Executive’s Office and the Department of Economic Development. The Chair added the Agency always tries to make sure there is open communication with all involved.

### **COMMITTEE REPORTS**

#### **Audit Committee**

Audit Committee report was presented by Committee Chair Dr. Diane Eynon.

- A. Construction Labor Monitoring Report – Loewke Brill reported Inness to be at 93% total average monthly compliance. A breakdown of contractors and workers shows one individual as noncompliant. The Board Chair would like to know where the contractors are from.

The next Audit Committee meeting is on August 25 at 9:00 am.

#### **Finance**

No report.

#### **Governance**

Governance Committee report was presented by the CEO.

The next Governance meeting is on August 25 at 10:30 am.

- A. Policies - Policies started at last meeting will continued to be worked on.
- B. Project closing fees - There will be discussion on the potential to have applicants put some of the closing fees into the UCCRC. This would allow the funds to be used for other purposes rather than just IDA (ex. CRC provided grants).
- C. UTEP - Changes to UTEP matrix for Community Investment Agreement.

## **OLD BUSINESS**

### **Status of Pending Projects**

Board Counsel, A. Joseph Scott, Esq., reported on the status of pending projects:

- Wildberry Lodge, LLC – Project applicant is completing SEQR process. UCIDA cannot take any action until SEQR process is complete.
- Kingstonian Development, LLC – Preparing IDA documents for a closing in 4<sup>th</sup> quarter 2021. In addition, there is litigation pending which challenges the Agency approval of the Project.
- Apherea, Inc. – Ready to move forward to closing once the project applicant finalizes timetable.
- Magruder Solar, LLC – Ready to schedule a Public Hearing once project applicant finalizes timetable.
- Romeo Enterprises, LLC – A Public Hearing was held on April 9, 2021. Reviewing closing timetable and remaining procedural requirements.

## **NEW BUSINESS**

### **Inness NY, LLC**

To accommodate the schedule of the representative (Taavo Somer) from Inness NY, LLC, Chair James Malcolm opted to deviate from the order of the Agenda.

Resolution Authorizing Modification of Basic Documents – Inness NY LLC Project – Project asked permission to move the spa to the newly purchased property. The new piece of land would receive IDA incentives. Jobs for the spa would only be included if the resolution is passed. This would increase the overall cost of the project, but the IDA will get the extra fees for the increased project costs at the end of construction when the reconciliation is done. Approval for the project changes has been received by the Town of Rochester Planning Board.

Due to his position on the Town of Rochester Planning Board, Richard O. Jones recused himself, as he has done in the past, from voting on anything to do with Inness NY, LLC.

**Motion:** Daniel Savona, seconded by Faye Storms, moved to approve the resolution authorizing modification of basic documents Inness NY, LLC Project.

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

James Malcolm	Aye
Diane Eynon, Ph.D.	Aye
Faye Storms	Aye
Michael J. Ham	Absent
Orlando Reece	Absent
Daniel Savona	Aye
Richard O. Jones	Recusal

The resolution was there upon declared duly adopted.

#### **Bayside Marlboro, LLC**

Bayside Marlboro, LLC – Amber Baxter, Eric Baxter, Dan Rieger, and Lauren Rutkowski presented for Bayside Marlboro, LLC. The project will be located at 18 Bridesall Avenue, Marlboro, NY 12542. The site plan contains 4 building with 24 units each, 1 building with 8 units and a clubhouse. It will provide 104 total units, 11 of which are proposed to be affordable housing units (nine two-bedroom and two three-bedroom). The cost of rent is being underwritten for a two-bedroom at \$1,800 and a three-bedroom at \$2,200. The cost of rent for the affordable housing units will be \$1,582 for a two-bedroom and \$18,27 for a three-bedroom (maximum 80% of Ulster County AMI). Yearly rate increases will be 3%. The total cost of the project is \$31 million. It is projected that 75-100 local construction jobs and three full-time jobs will be created. Current vacancy rates are very tight due to the high demand for rentals. Approximately 90% of the construction work is contracted out, and 10% is self-performed. The project will help the nearby school by widening the entrance and exit and putting up a traffic light. A portion of the property will be deeded to the Town. Approximately sixty students (high school, middle school and elementary school) are projected to be added to the Marlboro School District at an estimated cost of \$27,000 per student per year. The project will be meeting with Mike Brooks, Superintendent of Marlboro School District, in the first week of September. With the increase in the housing market, people selling their homes need a place to live and many are looking to downsize to a rental and stay in Ulster County. The proposed 18-year PILOT would have \$3.986 million in taxes paid over the PILOT Project schedule. The developers' investors expect a cash-on-cash return of at least 8%-10% during the first five years. CFO Richard O. Jones expressed his opinion that the rentals should be for current Ulster residents, due to the need for housing. Board Chair James Malcolm feels there are items that need to be revisited by the Project Applicant. The Board recommended that Applicant go back to pre-screen and review, among other things, the tax revenues to have a greater benefit to the Town since only three jobs will be created. The Chair also recommended working on the PILOT Schedule.

**ADJOURNMENT**

**Motion:** Daniel Savona, seconded by Faye Storms, moved to adjourn the meeting.

**Vote:** The motion was unanimously adopted (5-0).

The meeting was adjourned at 11:18 A.M.

Respectfully submitted,

Michael J. Ham, Secretary