

UCIDA

Ulster County Industrial Development Agency

ULSTER COUNTY INDUSTRIAL DEVELOPMENT AGENCY MINUTES DECEMBER 11, 2019

A regular monthly meeting of the Ulster County Industrial Development Agency was held on Wednesday, December 11, 2019, at 9:00 A.M. at SUNY Ulster, 94 Marys Avenue, Room 101, Kingston, NY.

Roll Call:

The following agency members were present:

Randall Leverette	Chair
Faye Storms	Vice Chair/Assistant Treasurer
Richard O. Jones	Treasurer/Assistant Secretary
Michael Ham	Secretary
Paul Andreassen	Assistant Secretary

The following agency members were absent (with notice):

James Malcolm	Member
Daniel Savona	Member

UCIDA Attorneys and Bond Counsel:

A. Joseph Scott, III, Esq.	Agency Counsel
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Additional Attendees:

Rose Woodworth	Agency Staff
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The meeting was called to order at 9:05 A.M. by Chair Randall Leverette.

Rose Woodworth read the roll and 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 Jones, seconded by Paul Andreassen, moved to approve the minutes of the October 30, 2019 meeting. A copy of said minutes is on file.

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

EXECUTIVE SESSION

Motion: Richard Jones, seconded by Michael Ham, made a motion to go into Executive Session for the advice of Counsel.

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

The Board entered into Executive Session at 9:08 A.M.

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

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

The Board came out of Executive Session at 9:33 A.M.

No action was taken during the Executive Session.

FINANCIALS

Treasurer Richard Jones presented the financial report. A copy of the report of the Treasurer is on file. For the IDA, the current escrow balance of \$11,575 represents money paid by Inness NY, LLC at closing which will be used to pay a newly appointed firm to monitor use of local construction labor to ensure compliance with the Agency's policy. Mr. Jones informed the Board that the six-month CDs for both the IDA and CRC have matured. As of now, the money will not be re-invested into a CD because the rate of one percent is similar to the existing MMA where the funds will be held. Other than the CD maturing, there are no changes for the CRC financials.

Mr. Jones discussed the Statement of Financial Activity, Budget vs. Actual. The Project Closing Fees of \$199,530 are primarily from Inness NY, LLC's closing fee of approximately \$174,000. The two largest expenses for the year were Administrative Staff Fees and Legal Fees. The money from the Keiffer Lane settlement can be found under Other Income. The negative income under Project Admin Fees represents a refund to Inness NY, LLC which was issued at closing for prepaid fees.

Motion: Paul Andreassen, seconded by Faye Storms, moved to accept the monthly financial report, as presented.

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

CHAIR'S REPORT

Chair Leverette presented his Chair's Report. As part of his report, the Chair reported on the following:

- A. Brooklyn Bottling of Milton New York, Inc. – The Chair reported that the Project is expected to close within a week.
- B. Inness NY, LLC – The Chair reported that the Project closed, and the Agency has received all fees.
- C. Loewke Brill – The Chair reported that the agreement was finalized for all projects going forward. There will now be a provision for construction monitoring, workers compensation, etc. as required by Agency policy.
- D. Live-Streaming – The Chair reported that live-streaming is supposed to begin next year, and the Agency is continuing to research live-streaming options. Network accessibility poses the biggest issue. The Chair reported that he has also inquired as to whether there is a requirement for closed captions, as the law did not specify. The Chair plans to have proposals from media firms to present at the January Board meeting.
- E. Email and Website – The Chair reported that there was an issue with the email server and Agency website. The website is now functional, but the email problem persists. The Agency will need to purchase Outlook for about \$80 as a short-term solution and possibly consider switching to a larger firm to host the email and website as a long-term solution.
- F. New York Economic Counsel Dues – The Chair reported that the Agency has re-upped their dues but have not paid yet. Executive Director Rose Woodworth will attend the conference in January.

EXECUTIVE DIRECTOR'S REPORT

Executive Director Rose Woodworth presented her Executive Director's Report. As part of her report, she reported on the following:

- A. Website – The Executive Director reported that staff has been working to overhaul the Agency's website to make information easier to find and to ensure compliance with the ABO requirements.
- B. CDs – The Executive Director reported that the CD with Bank of Greene County had matured as the Treasurer previously mentioned. The Executive Director has been having some issues with the Bank of Greene County: For example, the interest for the CDs for the IDA did not accrue at first, and the issue had to be pointed out to the bank. Also, the Agency was not notified that the six-month CD would mature in November as the online banking website said it would mature in December. The Executive Director spoke with a Vice-President at M&T Bank because of their proximity to the Agency's office. M&T Bank can offer a money market account with 1.2% interest,

vs. 0.8% interest at the Bank of Greene County. The CD rates at 1%, 1.15% & 1.3% for 6, 12, and 15-month CDs, respectively are much lower than what the Agency was previously able to lock in. The current interest of 0.8% for the checking account at Bank of Greene County would remain the same at M&T Bank. The Executive Director recommends switching to M&T Bank because of the higher rate offered for the money market account as well as the proximity to the office to cut down on travel time when making deposits.

Motion: Randall Leverette, seconded by Faye Storms, moved to authorize administrative staff to move the Agency's bank accounts from Bank of Greene County to M&T Bank.

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

- C. Administrative Staff Office – The Executive Director reported that the office is now located at 130 North Front Street (just across the parking lot from the old office).
- D. Meeting Materials – The Executive Director issued a reminder that all meeting materials should go through the office and should be submitted the Monday of the week before the monthly board meeting.

COMMITTEE REPORTS

Audit Committee

Richard Jones, Chair of the Audit Committee, reported that he and the Executive Director have a meeting scheduled with PKHB on December 18, 2019, to discuss the paperwork needed for the upcoming audit. The Executive Director will be handling the PARIS reporting. Mr. Jones asked if the board would consider having Loewke Brill go back 7-8 projects that were covered under the existing UTEP, specifically projects that had 3 points for using local labor. This is to be further discussed in the next governance meeting and presented to the full board.

Finance Committee

No report.

Governance Committee

Paul Andreassen, Chair of the Audit Committee, reported that the committee met on December 4, 2019. The Committee finalized their recommendations for the changes in the UTEP. The changes are outlined in the memo prepared by Counsel which will be further discussed under item 11, New Business.

OLD BUSINESS

Status of Pending Projects

Agency Counsel 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.
- Inness NY, LLC – The Project closed, and fees were paid in full.
- Brooklyn Bottling of Milton, New York, Inc. – Project is scheduled to close the week of December 16, 2019.

NEW BUSINESS

2020 Board of Directors Meeting Schedule

The Board reviewed the 2020 meeting schedule, a copy of which is on file. The Board discussed possibly moving the meetings to a different day or week to help accommodate Counsel's current schedule. No changes were made.

Organizational Chart

The Board reviewed the Organizational Chart, a copy of which is on file. The chart was already presented to the Governance Committee and approved after a small change. Once approved by the Board, the chart will be posted on the Agency's website per ABO guidelines.

Motion: Michael Ham, seconded by Richard Jones, moved to approve the Organizational Chart as presented.

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

Revision of the Uniform Tax Exemption Policy

The Board reviewed a memo prepared by Counsel which outlines the changes to the UTEP recommended by the Governance Committee. A copy of said memo is on file. After reviewing, Richard Jones suggested that the Board could require a certain percentage of local construction labor to be used even though no points would be awarded for an amount under 75%. He also pointed out that the point for posting the job to the County's website has been eliminated but suggested keeping it as a requirement. Mr. Jones stated the salary category has never been used by an applicant so, after careful consideration, the Governance Committee lowered the salary requirements in hopes that applicants would raise salaries to get more points, especially since "easy-to-attain" points were eliminated in other categories. Mike Ham stated that requiring a certain percentage may be difficult depending on the amount of skilled labor that is available at the time. The Governance Committee will research both of Mr. Jones' suggestions and present their recommendations to the full board.

The statute for developing the Agency's UTEP requires a public hearing with 10 day public notice in local newspapers, certified letters to be sent to about 300 local municipalities and townhalls, and a posting on the Agency's website, but the statute is silent on how to handle changes to the UTEP. In the interest of

efficiency, the Chair suggested a press release, public notice, post on the Agency's website and to allow for a 30-day public comment period via writing in lieu of a full public hearing. In the interest of transparency the Board Members decided that a public hearing was the best option. The Board wanted to be sure that no other projects can use the old UTEP, so Agency Counsel will add that any Projects that apply from this day forward will be subject to the revised UTEP.

Motion: Richard Jones, seconded by Paul Andreassen, moved to hold a public hearing for the changes to the Agency's UTEP.

Vote: The motion was adopted 4-0. Randall Leverette abstained.

Agency Counsel reviewed the Resolution Regarding Preliminary Approval to Uniform Tax Exemption Policy with the Board, a copy of which is on file. Agency Counsel will add the Grandfather Clause and make it clear that the Agency is following a public hearing process. The Executive Director asked if the Board needed to vote to authorize legal and administrative staff fees to go over budget, but it was determined that no additional vote is needed since the public hearing was authorized.

Motion: Paul Andreassen, seconded by Michael Ham, moved to accept the Ulster County Industrial Development Agency Resolution Regarding Preliminary Approval to Uniform Tax Exemption Policy as presented with the changes discussed by Counsel.

Vote: The Board voted as follows:

Randall Leverette	Yes
Faye Storms	Yes
Richard Jones	Yes
Michael Ham	Yes
Paul Andreassen	Yes
James Malcolm	Absent
Daniel Savona	Absent

Revision of Fee Schedule Guidelines

The Executive Director presented changes that should be made on the Agency's existing Fee Schedule based on recent resolutions, a copy of which is on file. Ms. Woodworth asked the Board if the annual fee should be backdated to all Projects, as voted on by the Governance Committee, or if the fee only applies to new projects that have closed after the resolution was made in May 2019. The fee covers all work that's done each year, such as work for the ABO, PARIS report, annual visits, etc. The full Board voted unanimously in May 2019 to backdate the fees, but due to the lack of audio recording it is unclear if all members understood what they were voting for. Due to the absence of two members at today's Board Meeting, the Board is unsure if they should enact this policy. The Board decided to defer backdating the fee for old projects to 2021, so, for this year, the Agency will only bill the annual fee to

projects that closed after May 2019. This issue of backdating will be addressed at the January meeting when the full Board is present to discuss the resolution. The Board discussed the \$100 fee for the CPA to verify employment data. Policy documents have indicated that the Project is to pay the fee, but this was never acted upon.

Motion: Richard Jones, seconded by Faye Storms, moved to approve charging all Projects the \$100 CPA fee for this year.

Vote: The motion was unanimously adopted.

PUBLIC COMMENT

Geddy Sveikauskas asked for confirmation that any new applicants will be subject to the revised UTEP. He also informed the Board of a study about apprenticeships in New York City showing that 90%-95% of the apprenticeships are in the construction or manufacturing fields. Since the IDA has stopped funding certain organizations, he suggested that they consider using the money to collaborate with the County and other organizations to help set up an apprenticeship program. The Board had discussed a similar idea to help advance students and improve their ability to obtain better jobs, which is part of the Agency's mission. The Board will continue to explore this suggestion as time allows.

Joseph Maloney, Legislator, stated that he enjoyed listening to the Board members have an educated debate and agrees with the changes that they are proposing to the UTEP, as well as many other decisions the Board has been making. He thanked the Board and stated that they are doing a great job. He suggested exploring the idea of separate board and bond counsel and further the discussion on deviated PILOTs being over 10 years.

Lynn Archer, Legislator, said the Board has been doing a great job. She would like to see the Agency work together with the County and the standing Economic Development, Tourism, Housing, Planning & Transit Committee of the Legislature to further economic development. She would like to have a meeting with all parties to discuss how they can move forward together while still maintaining their independence.

Hector Rodriguez, Legislator, suggested looking into Fala Technologies, Inc. to see tech and machinery combined. He thanked the Board for their work. He said that the Board has fought for their independence and should not be eager to give it up. He suggested collaboration only to further the Agency's mission.

ADJOURNMENT

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

Vote: The motion was unanimously adopted.

The meeting was adjourned at 11:31 A.M.

Respectfully submitted,

Michael Ham, Secretary