

UCIDA

Ulster County Industrial Development Agency

ULSTER COUNTY INDUSTRIAL DEVELOPMENT AGENCY MINUTES December 16, 2020

A regular monthly meeting of the Ulster County Industrial Development Agency was held on Wednesday, December 16, 2020 at 9:00 A.M. via Zoom

Roll Call:

The following agency members were present:

James Malcolm	Chair	
Faye Storms	Vice Chair/Assistant Treasurer	
Dr. Diane Eynon	Treasurer	
Orlando Reece	Assistant Secretary	Absent from 9:56 A.M. - 9:58 A.M. and 10:13 A.M. - 10:30 A.M.
Daniel Savona	Assistant Secretary	Absent from 10:13 A.M. - 10:15 A.M.
Richard O. Jones	Member/Chief Financial Officer	

The following agency members were absent with notice:

Michael J. Ham	Secretary
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Additional Attendees:

Rose Woodworth	Chief Executive Officer
A. Joseph Scott, III, Esq.	Special Counsel
Joseph Eriole	Local Board Counsel

The meeting was called to order at 9:04 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.

PUBLIC COMMENT

Due to time constraints, the Chair deviated from the agenda to allow for the Chair of the Legislature, David Donaldson, to voice his comment. Chair Donaldson stated that the Kingstonian is the third attempt to develop in that specific area, and the first to brought forth by a local developer. The plan was a result of the Mayor asking for bids to create more parking. He stated that the last major development in the City of Kingston was the Kingston Plaza in the early 1980s. Chair Donaldson explained that the City Council reviewed the plan for about two months, made changes, and then approved the plan. Next, the Legislature reviewed the plan for about two months, and the County Executive had an independent analysis conducted. The analysis brought forth some new information and an adjustment to the IDA PILOT in response. Chair Donaldson pointed out that members of the School Board spoke out against the Kingstonian before reviewing the plan, and he noted that one member is involved in a citizen action group that has worked to block any development in Kingston unless it is affordable housing. Chair Donaldson stated that only a quarter of the school board members listened to the plan of development, while the remaining members got their information based off of hearsay or news articles, and then voted against the project. Chair Donaldson voiced his support for the Kingstonian. He understands why the IDA members want input by the taxing jurisdictions, but he reminded them that they were chosen by the Legislature to be independent.

MINUTES

Motion: Richard Jones, seconded by Faye Storms, moved to approve the minutes of the November 18, 2020 meeting as presented.

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

EXECUTIVE SESSION

Motion: Daniel Savona, seconded by Richard Jones, made a motion to go into Executive Session for the purpose of the advice of counsel.

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

The Board entered into Executive Session at 9:15 A.M.

Motion: Diane Eynon, seconded by Richard 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 9:54 A.M.

No action was taken during Executive Session.

FINANCIALS

Chief Financial Officer Richard O. Jones presented the November financial report. The Agency's income is on budget. Since revising the budget, the Administrative Fees are now at 87% of the budgeted amount. The Contracts for Other Services is over budget as of November, the CEO will look into the most recent payment that may have been mis-classified. The Agency is overbudget for Dues and Fees because the NYS Economic Development Council raised their annual fee from \$750 to \$850. The Cash on Hand is \$730,549.15. The Accounts Receivable is the money that is due Jan 1, 2021 from Golden Hill. The PPE grant expense is at \$117,392.03 of the budgeted \$200,000. More grant applications will be reviewed later in the meeting.

Motion: Daniel Savona, seconded by Faye Storms, made a motion to accept the financial report for November 2020 as presented.

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

CHAIR'S REPORT

James Malcolm presented the Chair's Report. As part of his report, the Chair noted that he has had many invitations to speak with prospective applicants.

CHIEF EXECUTIVE OFFICER'S REPORT

Orlando Reece temporarily excused himself at 9:56 A.M.

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

- A. Minutes – Staff noticed a typo in the October Board minutes. Under the Governance Committee, it said there was a motion to approve the finance report, but it should have read that there was a

motion to approve the governance report. Special Counsel advised the CEO to correct the minutes and inform the Board of the change.

- B. Board of Directors Meeting Schedule – The CEO presented the 2021 meeting schedule. Members had expressed concerns regarding the date of the January meeting since it falls on Inauguration Day. The members agreed to leave the schedule as is.
- C. M&T Bank Transfer – The signers executed the necessary documents which have been delivered to M&T Bank. The accounts and online access are in the process of being set up.
- D. Open Meetings Law – The Governor passed an Executive Order which includes the extension for public meetings and hearings to be held remotely for another 30 days, until January 1, 2021. The next Board meeting is scheduled for after the end date of the order, but the CEO is confident that this will be extended again.
- E. Project Close-Outs Update –
 - a. Kingston Hospitality – The Project’s attorney has COVID and has now asked Hodgson Russ to prepare the closing documents. Due to the late request, his firm will do their best to close out by the end of the year, if not, early in 2021.

Orlando Reece returned at 9:58 A.M.

- b. Lloyd Park II – The Chair signed the documents last month and they were delivered to the County.
- c. Simulaids – The Chair signed the documents last month and they were delivered to the County.
- d. Tee Bar – Project expired this year. The Project has been is working with Hodgson Russ to close.
- e. Elna Magnetics – Project expired this year. The Project has been in contact with Hodgson Russ. The CEO also discussed the importance of closing before year end at her site visit this month.
- f. Gardiner Library – The CEO reported that there has been some difficulty clarifying whether or not the bonds have been refinanced. Joseph Scott reported that the Project questioned whether or not they were still a project of the IDA. The records indicate that the bond that was originally issued in 2009 is still outstanding. Originally the Project indicated that the bond was paid off, but later stated that they had been misunderstood, and the bond was not paid off. The Project expressed concern that there has been no recent activity with The IDA so they do not understand why they have to comply with annual reporting. Joseph Scott explained that since the bond is still outstanding, by the

IDA regulations and New York State laws the Project still needs to comply with the annual report. The Project has been fully advised of the situation and has not responded to Joseph Scott's most recent email.

- g. Spotted Dog Ventures – The Agency is awaiting signed forms from the Project. Hodgson Russ has a reminder to follow up.

- F. Mentoring – The Conversation about Gardiner Library prompted the Chair to bring up the past idea of the Agency working with Economic Development to form a mentoring Program for the Projects. The CEO will check with Economic Development. The CEO and Chair also discussed a quick reference sheet or checklist that outlines the Projects responsibilities to the IDA.

- G. Financials – Richards Jones had more information to add to his financial report. He had become aware that both attorneys have expended a lot of time working on the Kingstonian Project. He requested that the Agency receives the legal bills by year end to send to the Kingstonian.

- H. Intern – The CEO will contact SUNY Ulster and SUNY New Paltz again as she has not received any updates about an intern.

- I. Applicants – The CEO reported that she met with another project that is working to finish their application and meet with the pre-screen committee in January. There is also a pre-screen scheduled for next week with an Applicant in Highland.

Daniel Savona temporarily excused himself at 10:12. A.M.

- J. Site Visits – The CEO has begun conducting site visits via Zoom. Some Projects are really struggling, and others have had amazing stories about adapting to the issues that COVID has created. The Board members are encouraged to attend a few visits.

Orlando Reece temporarily excused himself at 10:13 A.M.

- K. Westchester Medical Center – Richard Jones asked the CEO to update the Board on the letter going to Westchester Medical Center. The letter has been prepared and is currently being reviewed by staff and counsel.

Motion: James Malcolm, seconded by Richard Jones, made a motion to accept the CEO's report as presented.

Vote: The motion was unanimously adopted (4-0).

COMMITTEE REPORTS

Audit Committee

- **Construction Labor Monitoring Reports** – Dr. Eynon reported that the November labor report from Loewke Brill indicated that Inness NY, LLC is at 91% compliance for the month, with 78.23% overall compliance.

Daniel Savona returned at 10:15 A.M.

- **Fee Schedule Guidelines** – The Board reviewed the three proposed changes to the policy at the last meeting but inadvertently missed voting on the changes.

Motion: Faye Storms, seconded by Richard Jones, made a motion to approve the changes to the Fee Schedule Guidelines as presented.

Vote: The Board voted as follows:

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

- **Independent Audit Firm** – Dr. Eynon reported that she, Rose Woodworth and Richard Jones met with the Audit Firm. It was a productive conversation in which they updated them on the Agency's work this year.

Motion: James Malcolm, seconded by Faye Storms, made a motion to accept the Audit Committee Report as presented.

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

Finance Committee

No Report.

Governance Committee

The CEO presented the Governance Committee report because the Committee Chair, Michael J. Ham, was absent.

- **Property Disposition Policy** – The Board reviewed the proposed change at the prior Board meeting but inadvertently missed voting on the changes.

Motion: Diane Eynon, seconded by Daniel Savona, made a motion to approve the changes to the Property Disposition Policy as presented.

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

- **Policy for Retained Jobs** – The Board reviewed the policy at the prior Board meeting but inadvertently missed voting.

Motion: Richard Jones, seconded by Diane Eynon, made a motion to approve the Policy for Retained Jobs as presented.

Vote: The motion was unanimously adopted (4-1). Daniel Savona voted to reject the motion.

- **Organizational Chart** – The Board reviewed the changes at the prior Board meeting but inadvertently missed voting on the changes.

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

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

- The Governance Committee will meet on January 13, 2021 at 9:00 AM most likely via Zoom. The Committee will discuss the proposals and hold interviews with prospective counsel.

Motion: Faye Storms, seconded by Daniel Savona, made a motion to approve the Governance report as presented.

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

OLD BUSINESS

Status of Pending Projects

Board Counsel Joseph Eriole 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.
- Kingstonian Development LLC – Application is under consideration. The School Board did grant consent for the Project.

NEW BUSINESS

HVKD Tax Exemption Request

Charles Blachman spoke on behalf of the Project, requesting an extension for sales tax exemption. He cited COVID for the reduction of construction crews and slowdown of the construction project. He believes they are a few months away from having all necessary supplies ordered. The extension was not granted at the prior Board meeting, so he wanted to further explain the reason for the slowdown. He believes that 60 days will be adequate, some furniture may take longer, but he would prefer to be able to use the exemption for some major materials such as plumbing and HVAC supplies.

Orlando Reece returned at 10:30 A.M.

Motion: Richard Jones, seconded by Daniel Savona, made a motion to approve the three-month extension for HVKD sales tax exemption. This will be the last extension that the Board will grant, and the Board immediately requests a letter from the Project stating the fact that they will not request another extension.

Vote: The Board voted as follows:

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

PPE Grants for Board Consideration

The Board reviewed the applications for PPE Grants. The CEO noted that one applicant, Hudson Valley Sportsdome could not provide their hours for FTE calculation because they were shut down during the second quarter. During the quarter they paid out payroll because they used their PPP funds to pay bonuses to employees during the shutdown, but no hours were worked.

Motion: Orlando Reece, seconded by Daniel Savona, made a motion to approve the grants to the applicants on the list presented.

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

PUBLIC COMMENT

None.

ADJOURNMENT

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

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

The meeting was adjourned at 11:30 A.M.

Respectfully submitted,

Michael J. Ham, Secretary