

UCIDA

Ulster County Industrial Development Agency

ULSTER COUNTY INDUSTRIAL DEVELOPMENT AGENCY MINUTES January 20, 2021

A regular monthly meeting of the Ulster County Industrial Development Agency was held on Wednesday, January 20, 2021 at 9:00 A.M. via Zoom

Roll Call:

The following agency members were present:

James Malcolm	Chair	
Dr. Diane Eynon	Treasurer	
Michael J. Ham	Secretary	
Faye Storms	Vice Chair/Assistant Treasurer	Arrived at 9:04 A.M.
Orlando Reece	Assistant Secretary	
Daniel Savona	Assistant Secretary	
Richard O. Jones	Member/Chief Financial Officer	

The following agency members were absent with notice:

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.

MOMENT OF SILENCE

The members of the Agency observed a moment of silence.

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: Orlando Reece, seconded by Diane Eynon, moved to approve the minutes of the December 16, 2020 meeting as presented.

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

Note: Faye Storms arrived at 9:04 A.M.

FINANCIALS

Chief Executive Officer Rose Woodworth presented the December financial report. The Project Admin Fees (Pass-Thru) is primarily the \$100 fee charged to projects for the CPA review of their 2020 payroll documents. The corresponding expense is shown as Project Admin Expense (Pass-Thru). The Administrative Staff Fees are negative because the UCCRC reimbursed the UCIDA for the fourth quarter Administrative Staff Fees. There was also an adjusting entry made to move any administrative fees associated with the PPE Grants out of Administrative Staff Fees and into the PPE Grants expense as the Board discussed at the December meeting. The adjustment brought the Administrative Staff fees under budget. PPE Grants expense is at \$159,043.31 of the budgeted \$200,000, which includes grants issued thus far, as well as staff time and postage for processing grant applications. The remaining funds are to be used in 2021. There will be adjustments made to the Statement of Financial Activity once the CEO receives the remaining bills for any services rendered during 2020. The CEO reviewed the bank balances on the Statement of Financial Position. The majority of the Accounts Receivable reflects the outstanding \$75,000 due from Ulster NH Realty on January 1, 2021. The Agency has not received the outstanding payment yet because the Project's billing address on file is no longer valid. The Invoice has been emailed and resent to the updated mailing address.

Motion: Diane Eynon, seconded by Daniel Savona, made a motion to accept the financial report for December 2020 as presented.

Vote: The motion was unanimously adopted (7-0).

CHAIR'S REPORT

James Malcolm presented the Chair's Report. As part of his report, the Chair reported that there have been a number of potential applicants during the past month.

COMMITTEE REPORTS

Audit Committee

- **Construction Labor Monitoring Reports** – Dr. Eynon reported that the December labor report from Loewke Brill indicated that Inness NY, LLC is at 90% compliance for the month. During the last quarter of 2020, the monthly compliance rate has ranged from 95% to 90%. Richard Jones asked what method Loewke Brill uses to count workers. The Audit Committee will discuss with Loewke Brill at the next meeting which is tentatively scheduled for February 2, 2021.

Motion: Richard O. Jones, seconded by Michael J. Ham, made a motion to accept the Audit Committee Report as presented.

Vote: The motion was unanimously adopted (7-0).

Finance Committee

No Report.

Governance Committee

Committee Chair, Michael J. Ham, reported that the Governance Committee met on January 13, 2021. The Committee entered into executive session for the purpose of interviewing Agency and Bond counsel for the UCIDA and UCCRC. The Committee met with representatives from Bryant Rabbino, LLP, Harris Beach, PLLC, and Hodgson Russ, LLP. The Eriole Law Firm did not respond to calls or emails regarding the proposal. The Committee recommends that the full Board selects Hodgson Russ LLP as sole counsel for the UCIDA and UCCRC.

Motion: Michael J. Ham, seconded by Faye Storms, made a motion to accept the Governance Committee's recommendation to use Hodgson Russ, LLP as the sole Agency and Bond Counsel for both the UCIDA and UCCRC.

Vote: The motion was unanimously adopted (7-0).

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

Vote: The motion was unanimously adopted (7-0).

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. M&T Bank Transfer – The accounts are set up. The bank sent checks in the wrong format so the CEO is waiting to receive the correct checks before switching banks.
- B. 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 29, 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.
- C. Audit Committee Meeting – The Committee plans to meet on Tuesday, February 2, 2021 at 10:30 A.M. The CEO is waiting to find out if the Legislative Chambers are available at that time should the executive order not be extended.
- D. FOIL Request – A FOIL request was received last month. The CEO is working with Joseph Eriole to complete by the end of the month.
- E. Project Close-Out Update – The CEO has been working with Hodgson Russ on various project close outs.
 - a. Elna Magnetics – The closing was recorded on December 28, 2020 by Company Counsel. As of December 31, 2020, Hodgson Russ did not have copies yet, but was able to confirm with the County Clerk that it has been recorded. The Project will not be charged an annual fee for 2021 and will not have to report to the Agency after the 2020 Annual Reporting. The CEO noted that it was a pleasure working with Joe at Elna Magnetics and that he had great ideas for the IDA to help with workforce development in manufacturing.
 - b. Spotted Dog Ventures – The closing was to be recorded by Company Counsel as of January 19, 2021 but has not yet been recorded. The Agency is awaiting final paperwork from Company Counsel.
 - c. Kingston Hospitality – The closing was recorded on January 5, 2021 with the County Clerk.
 - d. Simulaids – The closing was recorded on January 7, 2021 with the County Clerk.
 - e. Tee Bar – The closing was recorded on January 7, 2021 with the Count Clerk.
 - f. Lloyd Park II – Documents were mailed for recording with the county clerk on January 13, 2021.

F. Fee Adjustment Requests/Project Close-Outs – Some close out documents were received by the County Clerk prior to year-end but were not completed before year-end.

- a. Tee Bar – Although closing documents were mailed to the County Clerk prior to year-end, the close-out was not completed in 2020. The Project is aware that they will have to report to the Agency for 2021 but has asked for leniency for the 2021 Annual Fee. The CEO also asked the Board if an Annual Site visit was necessary 2021 since the policy dictates that they should be conducted every two years and the Project complied in 2020.

Motion: Richard Jones, seconded by Faye Storms, made a motion to waive the 2021 Annual Fee and waive the 2021 Site Visit because the project was prompt in responding and intended to close before year-end.

Vote: The motion was unanimously adopted (7-0).

- b. Gardiner Library – There was confusion as to whether or not the bonds for Gardiner Library had been erroneously refinanced without IDA approval. The CEO confirmed that this did not happen. As such, the Project remitted payment for the 2020 and 2021 Annual Fee. The late fee from 2020 is still outstanding. The CEO appealed to the Board, on the Project's behalf, to wave the late fee. It is clear that the annual reporting documents received in March were a copy of what the Project stated they originally mailed in on time and must have been lost in the mail. Although the matter was previously brought up last year, it was not presented to the full Board. The CEO noted that the Project has been compliant with the 2019 and 2020 site visits and paid both outstanding fees once they were able to confirm they were indeed still a Project.

Motion: James Malcolm, seconded by Richard Jones, made a motion to waive the 2020 Late Fee.

Vote: The motion was unanimously adopted (7-0).

G. Intern – The CEO contacted SUNY Ulster and SUNY New Paltz again about the posting for an internship for the spring semester. The CEO is not hopeful that the Agency will be able to hire an intern to help catalog and digitize files, and cited COVID as a possible barrier. SUNY Ulster is currently interviewing students so there may be a change. If no intern is found, the Agency will revisit this in the fall semester. The CEO will advertise the internship opportunity to all SUNY schools.

H. Potential Applicants – The CEO spoke with another potential project during the last month. There was a pre-screen for a potential applicant from Wallkill last week. There is one business in the Town of Ulster that is working on filling out their application to start the pre-screen process. The CEO has a meeting on January 22, 2021 to touch base with a business in Ellenville again about potential IDA benefits.

- I. Mentoring Program – The CEO is meeting with Deputy Director Katie Heidecker on January 22, 2021 to discuss the mentoring program. The CEO intends to inquire about deliverables that Lisa Berger had agreed to provide before she changed positions.
- J. Green New Deal – The CEO will meet with Deputy County Executive Evelyn Wright to discuss the County’s plans for the Green New Deal in 2021 and how the Agency can be part of that vision.
- K. NYS Economic Development Council’s Economic Development Conference – The CEO will virtually attend the conference. The CEO outlined topics to be discussed.
- L. Annual Site Visits – The CEO has completed site visits for all but one project. She will attempt to meet with the outstanding project once more, and then compile a report for the Governance Committee.
- M. Grants – The Board previously set a hard deadline of December 31, 2020 for applications for PPE Grants. However, a few applications were incomplete, so they were allowed to submit past the deadline. When the CEO met with projects it was clear that there was confusion, or a lack of knowledge of the Agency’s Grant Program. The CEO and Richard Jones discussed the idea of extending the program for Agency projects only, through January 31, 2021. The CEO also received inquiries from three other local businesses after the deadline has passed. The CEO asked the Board to consider extending the program through January 31, 2021 to allow Agency projects and other local businesses to take advantage of the program.

Motion: James Malcolm made a motion to extend the PPE Grant program through January 31, 2021 and memorialized that the Agency reserves the right to re-open the Program should the need arise.

Motion: Richard O. Jones, seconded by Diane Eynon, made a motion to extend the PPE Grant program to the Agency’s projects, as well as all Ulster County businesses, through March 31, 2021.

Motion: James Malcolm rescinded his previous motion.

Vote: The motion was unanimously adopted (7-0).

Organizational Resolutions

Faye Storms noted that she needs to step down as Vice Chair due to time constraints associated with another recent appointment outside of the Agency. The Board thanked Ms. Storms for her service as Vice Chair.

Election of Chairman and Election of Balance of Officers

James Malcolm, seconded by Michael J. Ham, made a motion for all Board Members to maintain their current positions, with an exception for Diane Eynon serving as Vice Chair.

The Chair called for any other proposed slates for other officers of the Agency and made three calls for other nominations.

The Chair called for individual nominations for election of Chair and made three calls for other nominations.

The Chair directed the CEO to file a blank ballot.

The Chair called for anyone wishing to run for a particular office and made three calls for other nominations.

Michael J. Ham moved that nominations be closed, Richard O. Jones seconded closing nominations. Nominations were closed by a unanimous voice vote.

The Chair directed the CEO to file a blank ballot.

The Chair noted that he has served on the Board for a number of years and feels that the current Board is the most progressive and hard-working Board he has had the honor of serving with.

Housekeeping Resolutions

- **Annual Housekeeping Resolution 2021** – The CEO presented the Annual Housekeeping resolution reaffirming Agency Policies with the one correction that the Chief Executive Officer is Rose Woodworth, not James Malcolm as listed in error.

Motion: Daniel Savona, Seconded by Michael J. Ham, moved to approve the Annual Housekeeping Resolution.

Vote: The Board voted as follows:

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

- **Resolution Approving Amended Housing Policy-2021** – Joseph Scott outlined the proposed changes to the policy. Counsel recommended these changes due to an inconsistency between the Housing Policy and the UTEP policy which was noted during Counsel’s review. Changes to the policy would go into effect today if the resolution was adopted.

Motion: Daniel Savona, seconded by Michael J. Ham, made a motion to approve the Amended Housing Policy 2021.

Vote: The Board voted as follows:

James Malcolm	Aye
Faye Storms	Aye
Dr. Diane Eynon	No
Michael J. Ham	Aye
Orlando Reece	Aye
Daniel Savona	Aye
Richard O. Jones	Aye

Motion: Faye Storms, seconded by Orlando Reece, made a motion to accept the CEO’s Report as presented.

Vote: The motion was unanimously adopted (7-0).

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. There is proposed action on the agenda for this meeting.

Kingstonian, LLC

Agency Counsel summarized the resolutions prepared:

- **Resolution Confirming SEQR Determination** – As a governmental entity, the Agency cannot take action without considering the environmental impact of a proposed project. The Project received SEQR clearance by the City Planning Board. The Planning Board was appointed the lead agency, and the IDA, among other entities, is an involved agency. The proposed resolution confirms and accepts the SEQR findings
- **Commercial Findings Resolution** – Because of the retail and housing elements of the project, the Agency considers a commercial findings resolution. The resolution is to touch base on the IDA statute with respect to project qualification.
- **Approving Resolution** – The resolution approves the project, PILOT deviation, approves projects for purposes of housing policy, and authorizes the Chair to enter into the various documents related to the straight lease transaction.

With regard to the SEQR resolution, Richard O. Jones asked if an involved agency can contest findings made by the lead agency and what the timeframe for that would be. Counsel advised Mr. Jones that that would generally take place when the lead agency is appointed. The involved agency is always welcome to voice objections during the process. The time period for challenging the findings is four months, and that has passed.

Motion: Daniel Savona, seconded by Orlando Reece, made a motion to approve the Resolution Confirming SEQR Determination.

Vote: The Board voted as follows:

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

With regard to the Commercial/Retail Findings Resolution, Dr. Eynon asked if the resolution included the entire project or just the parking garage. All three resolutions presented address the project as a whole.

Motion: Michael J. Ham, seconded by Daniel Savona, made a motion to approve the Commercial/Retail Findings Resolution.

Vote: The Board voted as follows:

James Malcolm	Aye
Faye Storms	Aye
Dr. Diane Eynon	No
Michael J. Ham	Aye
Orlando Reece	Aye
Daniel Savona	Aye
Richard O. Jones	Aye

Motion: Orlando Reece, seconded by Daniel Savona, made a motion to approve the Approving Resolution.

Agency Counsel outlined the findings in Section 3 of the resolutions. Paragraph J and K are specific to the addressing the issues of the UTEP Policy and Housing Policy with respect to local approvals. Exhibit A outlines the uniform criteria that the Agency uses to in connection with reviewing and considering projects. Richard O. Jones stated that the Board has reviewed the Project during many meetings, and he feels that the project will be a boom to the City as well as the County of Ulster. He understands the objections and feels that some may be due to items that the Agency cannot control, such as tax caps. The Chair stated that the Board will craft a letter to Assembly people and State Senators in our area to encourage them to review some of the shortcomings. Diane Eynon said that this is a very important project for Kingston, and she noted that she has been back and forth on her vote and feels that the application and presentation were based on a parking garage in response to the RFQ issued by the city to help solve a stubborn parking issue. She believes that the project would go on even if the parking garage was not approved.

Vote: The Board voted as follows:

James Malcolm	Aye
Faye Storms	Aye
Dr. Diane Eynon	No
Michael J. Ham	Aye
Orlando Reece	Aye
Daniel Savona	Aye
Richard O. Jones	Aye

Agency Counsel will advise the Project of the action taken and the get a timetable for a potential closing date. Counsel will report to the CEO and begin working on documents.

NEW BUSINESS

Apherea, Inc.

Cathy Hobbs, sole shareholder, presented a brief overview of the proposed Project. Ms. Hobbs plans to build a 1,200 square foot passive warehouse to hold the furniture used for staging homes. The warehouse will also serve as an office. The Applicant plans to incorporate a charitable aspect to the business, in which it will donate gently used furniture to those transitioning out of homelessness or to foster care agencies. In response to Ms. Storms' questions, Ms. Hobbs stated that the company started in 2004, and, currently, the majority of the clients are Manhattan-based. The owner has been a full-time resident of Ulster County since 2012. The company relocated from New York City to Ulster County three years ago and is currently operating out of a temporary location. The Applicant will continue working with Manhattan-based clients, as well as Ulster County clients. The business charges for staging services as well as rental of the furniture and the rental fee is subject to sales tax as well. Ms. Hobbs outlined the jobs that she will add based on the application submitted. The CEO pointed out some issues that need to be corrected on the application: There was a typo on the existing real property taxes starting in year three, and Sections B and E also need to be completed.

Motion: Faye Storms, seconded by Orlando Reece, made a motion to approve the Public Hearing Resolution.

Vote: The Board voted as follows:

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

PPE Grants for Board Consideration

The Board reviewed the applications for PPE Grants. Richard Jones asked for clarification on one of the expenses listed. The CEO stated on record that Fischer Security and Electric Systems and Simon Lodging Group, LLC are clients of her accounting firm.

Motion: Faye Storms, seconded by James Malcolm, made a motion to approve the grants to the applicants on the list presented.

Vote: The motion was unanimously adopted (7-0).

PUBLIC COMMENT

Tim Rogers asked for the Agency's suggestions for local government and school districts in light of the recent Housing Policy change. He noted that his village relies on property tax revenue. Mr. Rogers also responded to Mr. Jones and said that the Agency is not handcuffed to capitulate when PILOTS harm neighbors. He cited a time in 2014 when his towns planning board denied a project because the applicant sought a PILOT.

ADJOURNMENT

Motion: Diane Eynon, seconded by Faye Storms, moved to adjourn the meeting.

Vote: The motion was unanimously adopted (7-0).

The meeting was adjourned at 10:38 A.M.

Respectfully submitted,

Michael J. Ham, Secretary