

Dated: November 18, 2021

UCIDA

Ulster County Industrial Development Agency

ULSTER COUNTY INDUSTRIAL DEVELOPMENT AGENCY MINUTES November 17, 2021

A regular monthly meeting of the Ulster County Industrial Development Agency was held on Wednesday, November 17, 2021 at 9:00 A.M. via Zoom.

Roll Call:

The following agency members were present:

James Malcolm	Chair	
Dr. Diane Eynon	Vice Chair/Treasurer	
Michael J. Ham	Secretary	
Faye Storms	Assistant Treasurer	
Orlando Reece	Assistant Secretary	Arrived at 9: 01 AM
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 9:00 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

Orlando Reece arrived during Roll Call at 9:01 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: Richard O. Jones, seconded by Dr. Diane Eynon, moved to approve the minutes of the October 20, 2021 regular meeting as presented.

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

PUBLIC COMMENT

There was no Public Comment.

EXECUTIVE SESSION

The Board decided that Executive Session would need to be held at the end of the meeting due to technological issues.

FINANCIALS

The CEO presented the October financial report. There was an application fee of \$1,000 for CHPE and a miscellaneous fee of \$550 charged to Star Estate for the documents which needed to be signed by the Chair. The pass-through for administrative fees was for Loewke Brill for RBW and Inness. Office expenses and postage was negative reflecting the reimbursement from the CRC. There was also a small amount of interest income for October. Most of the money for the Statement of Financial Position is in the checking account at the Bank of Greene County due to some fees that came over as well as the higher interest rate than both the savings and checking at M&T Bank. The Rhinebeck Savings CD was rolled over again this year because of the interest rate. There was only interest income for the month of October for the CRC and the same information for the IDA is applicable to the in the Statement of Financial Position: The funds are located where they are due to the interest rates.

Motion: Michael J. Ham, seconded by Daniel Savona, made a motion to accept the Financial Report for October 2021 as presented.

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

CHAIR'S REPORT

Chair James Malcolm presented the Chair's Report. The Chair mentioned that there is some movement on potential development in the area. He brought up the public hearing for Romeo Kia (through the CRC) and expressed the desire to educate people about the mission of the IDA. Richard O. Jones added that this is a journey and a continual effort. Dr. Diane Eynon said this reinforces the need for good marketing such as the video which was discussed in the last meeting. Michael J. Ham suggested that people who misunderstand come in and sit down with the board or attend a training session. There will be a meeting scheduled soon to work on the video. Orlando Reece asked how the Board can get the message out to the public so they actually understand. Chair James Malcolm said the Board will do everything they can possibly do, even if it takes sending it to all the Boards in the County. The Chair commended the board members for their efforts in educating the public to understand the mission of the IDA. Dr. Diane Eynon said the first step is building the content and the message and the second step is finding out how and where people get their information and to deliver it where they are. Daniel Savona suggested the county Facebook page. The Chair said that he attended a training where podcasts were discussed, but he does not agree with using that method and would prefer sending the message out in a professional well-read product. The CEO said it would be a good idea to collaborate with The Department of Economic Development on this and that she would also like to send the message out to the local town boards. Director of the Department of Economic Development for Ulster County Tim Weidemann was in attendance for this meeting, and said his department would be happy to collaborate with the Board.

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. There are small group meetings and committee meetings that are tentatively scheduled but there may be some conflict in schedule with the board members. The Chair and the CEO attended an IDA workshop put on by the New York State Economic Development Council. Topics included an extensive study on the economic impact of the important roles that IDA's play, an ABO training for IDA staff and board, prevailing wage of what is known and unknown about the implementation, which is supposed to start on January 1, 2022, an in-depth look at the new cost benefit analysis tool, and also a look at a new appraisal model for wind and solar projects. Lastly, there was an update from the Office of the State Comptroller. The CEO shared her screen to show the New York State Economic Development Council's website. They did a study demonstrates the economic impact that IDAs have. There is a dashboard with filters on the website. As of right now, it only shows 2018 and 2019. Some of the IDAs may be missing because their reporting was not done. She showed the totals for the Ulster County IDA for 2019. The total mortgage recording tax exemption was \$137,123, the sales tax exemption was \$371,596, and the property tax exemption was \$6,998,365. The total active project amounts cumulate to \$420.1 million dollars. There was \$5.82 million dollars in new revenue for local governments just in 2019.

The estimated jobs created in Ulster County is 1,000, and the estimated jobs retained in Ulster County is 2,000. . The CEO pointed out that the prevailing wage and MWBE rules don't apply until 30% of the project is funded by public funds. However, it is still unknown if that is total construction costs or total project costs because there was supposed to be a board set in place by the prior Governor to define that, but there is none yet. Loewke Brill was one of the presenters for that so the Agency will go by them and on advice from counsel as the rules keep changing. The Chair hopes the Board will be created so that the rules are clear, and nothing must be backtracked. There is a new word that was added under the prevailing wage law, and it is unsure if it was meant to be pre-exempt or pre-empt, so there are still many things which need to be clarified. There is a new software choice that will have to be made since Inform Analytics will no longer be available. The cost benefit analysis tool that was shown was very simple and in Microsoft Excel so that is one of the options available. James Malcolm asked Director Tim Weidemann what cost-benefit software the County uses. Director Weidemann answered that they do not currently have a license because they don't do the analysis that InformAnalytics does. However, in the past, they have used InformAnalytics, spreadsheets, and models through Implant which has input/output multipliers that can calculate economic impact. The CEO and Director Weidemann agreed to discuss using the same software moving forward.

- B. The CEO will soon be scheduling the year-end site visits. The Audit Committee was very hopeful that Board Members would participate again this year even though the meetings will likely be in-person rather than over Zoom. The schedule will be made and then Board members will be able to sign-up to participate.
- C. The CEO reached out to the EDTPHT Committee of the Legislature about the quarterly meeting, but they likely will not be meeting this quarter because they are too busy with the budget and year-end planning.

The Chair asked if the Board members will be given a checklist for the year-end site visits. The CEO answered that there is a questionnaire normally used and that they have gone over during the last Audit Committee meeting to make sure the questions were still relevant. Dr. Diane Eynon asked when the New York State Economic Development Council's website will be updated because the data can be used in some infographics for messaging put out to the community about the benefits of the IDA. The CEO answered that the Office of the State Comptroller doesn't finish their report on IDAs until usually October, but they may be later again this year due to COVID. The CEO said she can probably produce the information for the Ulster County IDA but would have to wait for the statewide information.

Motion: Faye Storms, seconded by Daniel Savona, made a motion to accept the CEO's Report as presented.

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

COMMITTEE REPORTS

Audit Committee

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

A. Loewke Brill Report

- a. Inness NY, LLC- The Project has reported 68 workers, and they are at 100% compliance this month. In October they were at 96% and in August 82.6% so their compliance rates are improving.
- b. RBW Studio- They are only doing insurance monitoring at this point.

The Chair pointed out the importance of board members going out to site visits because it is a great opportunity to get to know the projects and people associated with those projects. Chair James Malcolm asked if the Labor Monitoring Reports should be gone over. Dr Diane Eynon answered that it has been discussed, and the Audit Committee wants to work with Loewke Brill in changing their contract and the type of reporting. The Board hopes they will have more detailed tracking and monitoring and will increase the number of actual site visits to give us a better insight into the projects. CEO Rose Woodworth said this week the contract was finalized on both ends and was edited based on the changes discussed. They will be making some of those changes discussed such as going to monthly monitoring as opposed to bi-monthly.

Finance

No report.

Governance

There was no report for Governance. The next Governance Committee meeting will be held on December 13 at 1:30pm. Chair James Malcolm asked Governance Chair Michael Ham to speak to Counsel regarding NDAs for firms not just individuals and to add that to the agreements with providers where necessary.

OLD BUSINESS

Status of Pending Projects

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

- Wildberry Lodge, LLC – Reported no change.
- Kingstonian Development, LLC – Hodgson Russ is currently preparing the closing documents.

- Apherea, Inc. – Project is moving forward to closing.
- Magruder Solar, LLC – Reported no change.
- Romeo Enterprises, LLC – Public hearing was held. Project is moving forward to closing.
- Bayside Marlboro, LLC – Reported no change.
- TDI/CHPE Transmission Line – Reported no change.

Agency Counsel A. Joseph Scott said he sent out a draft of closing documents to the Kingstonian, and he will get the PILOT Agreement and the Claw-back Agreement ready shortly. Dr. Diane Eynon said that the easement for the Kingstonian has been approved. However, it has been reported that there has to be a public hearing for the extension part of the public street, and she wondered if that will impact the project closing in the fourth quarter. A. Joseph Scott said he will reach out to the Kingstonian's Council and report back on what potential impacts that will have.

Status of Pending Enforcement Matters

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

- Amthor Bond Project – Project is moving forward.
- Viking Project – Project is moving forward.
- Greenhouse/Posey – Project is moving forward.
- Darien Lake – The Project has accepted the changes to its PILOT, but some questions were raised regarding prior billings from the County with respect to PILOT payments.
- Golden Hill/NH Realty – The only remaining task is to compute (with the help of the city assessor) a Claw-back bill.

Agency Counsel said all projects are moving forward and should be resolved by the end of the year. He said the volume of work taking place with this IDA and with Economic Development in general is unprecedented and that is why he is referring to the fourth quarter and not just in the next two weeks.

Bayside Marlboro, LLC

Attending the meeting was Lauren Rutkowski, and Dan Rieger representing Bayside Marlboro, LLC. Rose Woodworth spoke of the spreadsheets she had put together based on some changes to the PILOT schedule. There was a very small difference in the tax rate due to the large dollar amount. The main reason for the comparison was a decrease in the estimated value of their PILOT by \$1.7 million because

they are looking to pay the school district a lot more in tax since they are the ones that are going to feel the impact of the Project. Lauren Rutkowski spoke of conversations had with the school regarding the tax payment percentages paid to the town, the county, and the school. They started the school at 50% abatement and increased that starting in year 8. They started the town and county at the percentage previously discussed which was 87% abatement but escalated it quicker so that in year 8 it would be at the 50% that the school is at. This decreases the value of the pilot for Bayside Marlboro, LLC, but they feel that they would have support to move ahead with the project. She mentioned that nothing else would change in terms of the 10 affordable units and any other items previously discussed. Faye Storms asked if they have a sign-off from the School Board. Daniel Rieger answered that they do not have anything formal and are working on getting that, but they may wait until January to do so. It was agreed that Agency Counsel A. Joseph Scott be included in conversation with the town and school in case of any resolutions, and to make sure that the PILOT arrangement is clear.. Agency Counsel said the prior resolution sending the Project to a public hearing is still fine, and it is flexible enough. As soon as the file is in satisfactory form, they can move forward with holding the public hearing.

New Business

Apheria, Inc.- Amended Approval Resolution

Attending the meeting was Cathy Hobbs and the Company's Counsel, Eon Nichols. The agreement on the addition of storage lockers in the warehouse is being formalized with a resolution. The applicant and her attorney were present in case there were any more questions. A. Joseph Scott said that the paperwork lines up and it would be prudent to have a formal resolution to approve this. This would characterize as minor project modification. There are no additional benefits from this as it is just refining the project description.

Motion: Richard O. Jones, seconded by Daniel Savona, made a motion to take a roll call vote on the amended application resolution.

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

Eon Nichols and Cathy Hobbs thanked the board and expressed that they are hoping to close in the next two to three weeks.

William Kemble, a reporter for the Daily Freeman was in attendance. The Board wanted to advise the public that they had to go into executive session due to employment and financial issues of a particular person. Mr. Kemble confirmed that the mortgage tax and sales tax for Bayside Marlboro, LLC has not changed. They only changed the percentage of tax to be paid to the school district.

EXECUTIVE SESSION

Motion: Michael J. Ham, seconded by Daniel Savona, made a motion to enter into Executive Session for the purpose of discussing employment and financial issues of a particular person.

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

The Board entered into Executive Session at 9:50 A.M.

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

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

The Board came out of Executive Session at 10:48 A.M.

ADJOURNMENT

Motion: Faye Storms, seconded by Orlando Reece, moved to adjourn the meeting.

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

The meeting was adjourned at 10:48 A.M.

Respectfully submitted,

Michael J. Ham, Secretary