

UCIDA

Ulster County Industrial Development Agency

ULSTER COUNTY INDUSTRIAL DEVELOPMENT AGENCY MINUTES September 15, 2021

A regular monthly meeting of the Ulster County Industrial Development Agency was held on Wednesday, September 15, 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
Daniel Savona	Assistant Secretary
Richard O. Jones	Member/Chief Financial Officer

Arrived at 9:07 A.M.

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

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 Daniel Savona, moved to approve the minutes of the August 18, 2021 regular meeting as presented.

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

PUBLIC COMMENT ON AGENDA ITEMS ONLY

Lucia Romeo from Romeo Kia both spoke during the public comment and sent in a formal written comment. Ms. Romeo thanked the Board for their support and then expressed her frustration regarding the Romeo Kia Project. The Project was approved by the Board 7-0 on May 19, 2021, and, to-date, she cannot get a response from the County Executive as to why he has not confirmed the actions of the IDA as they pertain to the job findings for the Project. Romeo Kia has complied with the DEC regulation on the eagles. Because of this, they only have between now and the end of the year that any noise generated by construction is permitted. If construction is not able to be started, they will have to start the process all over again and pay another biologist to observe the sight. Ms. Romeo proclaimed that during the time period of the approved 15-year PILOT, the sales revenue alone is estimated be \$37,500,000. The Project also provides payroll tax benefits and an additional eighteen employees. Lucia Romeo asked what Romeo Kia needs to do so they can move forward and make this Project happen. UCIDA Chair James Malcolm asked Agency Counsel, A. Joseph Scott, to confirm what the phrase "confirm" means, in his opinion. Agency Counsel responded that, based on work with this and other IDAs, "confirm" is to agree/indicate that they are not disagreeing with the procedural steps and findings that the IDA has made with respect to a particular project. The IDA has processes in place that are followed for each potential project. 1) All Governmental entities, including the County Executive, are copied on any Public Hearing notices, Public Hearing records, comments received, approving resolutions, including the resolution where the IDA makes the job findings. These job findings, under the statute need to be confirmed by the County Executive. The Board has done everything they were supposed to do for the Romeo Kia Project. The Chair stated the answer lies with the administration on the 6th floor. CFO Richard O. Jones asked Agency Counsel if he could look into moving forward with the inducement and inform all the affected taxing authorities that Romeo Kia is now receiving the PILOT benefits that the Board approved. Agency Counsel recommended discussing this matter in Executive Session. Agency Secretary Michael J. Ham said Romeo Kia has gone through the whole process, and that there was plenty

of opportunity for public comment. He questioned where the ones who don't want it to go through had been during the last three and a half or four months. had been Lucia Romeo feels it is purely political, and there is nothing more frustrating than that. She expressed her desire for the Project to be judged on its merits instead.

Orlando Reece arrived during Public Comment at 9:07 A.M.

EXECUTIVE SESSION

Motion: Daniel Savona, seconded by Richard O. Jones, made a motion to enter Executive Session for the purpose of discussing current litigation and advice of Counsel.

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

Bill Kemble, a reporter from the Daily Freeman, asked who the pending litigation to be discussed during Executive Session was for.

Agency Counsel A. Joseph Scott responded that the pending litigation being discussed is in relation to the Kingstonian.

The Board entered Executive Session at 9:19 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 10:27 A.M.

No action was taken during Executive Session.

FINANCIALS

Chief Financial Officer Richard O. Jones presented the August financial report. Income is currently under budget: It is \$123,917.23 of budgeted \$215,000.00. The administrative fees are almost at budget point. Revenues are running appropriately at this time of year versus the budget. Administrative staff fees are reasonable, if not even low. The website and marketing budget is \$15,000, of which only \$550 has been used. This allows room for the creation and printing of Mentoring Program pamphlet. Currently the bank deposits total almost \$800,000. Some CDs are coming up for renewal, but interest rates are extremely low. Assistant Treasurer Faye Storms asked if the IDA was allowed to purchase a building. She

recommended looking into purchasing a building which would provide rent for the IDA and space for the IDA meetings.

Motion: Michael J. Ham, seconded by Daniel Savona, made a motion to accept the financial report for August 2021 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 the UCIDA continues to have dialog with various parts of Government and developers in the County.

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. It is currently scheduled to be in person in the Legislative Chambers.
- B. Cost Benefit Analysis Software – The program will not be available after 12/31/2021. The CEO has been in touch with the NYS Economic Development Council about a replacement. They have a few things in the works. The Chair asked that the CEO work with Orlando Reece and Rick Jones on finding a replacement.
- C. Prospective Projects – There has been several phone calls with prospective projects again in the past month for general information.

COMMITTEE REPORTS

Audit Committee

Due to poor service for the Audit Committee Chair Diane Eynon, the Audit Committee report was presented by CEO Rose Woodworth as follows:

- A. Project Post-Closing Affidavit Update – After sending out notices for the post-closing affidavits to the projects that closed in past years and have completed construction, the IDA is in receipt of all except one project. PODS has been sent a firm letter from Agency Counsel letting them know that

if they don't come through, they will go to the Governance Committee for potential Agency action. The IDA did receive some paperwork from the Project, but not all. There will be a small amount of fees to be collected from the project. There is about \$123,000 collected in fees this year, of which \$60,000 to \$70,000 is from the recently received post-closing affidavits.

- B. UHY Audit – The CEO spoke with UHY and they agreed to the \$10,000 that they had put in the RFP. They wrote off \$4,000 not just the \$500 shown on the invoice. Last year's audit required UHY to check fifty-one documents for payments going out due to the PPE grants. The usual number of documents checked is nine. There was discussion on what could be done better by the IDA staff and UHY in the future. The CEO will be increasing the budget for the audit for next year.
- C. Second Quarter Financials – The Committee reviewed and approved the second quarter financials.
- D. Annual Site Visits and Year-End Reporting – There was discussion about doing the annual reporting using Google Survey or Survey Monkey. This would require all questions to be answered before moving on to the next question, and it will help prevent receiving annual reports that are not complete.
- E. Policy Review – Policy Respecting Uniform Criteria for the Evaluation of Projects was tabled until after the Governance Committee can complete their review and recommendation for the UTEP & Matrix. For the Code of Ethics there was language added to Section 4, Distribution of Code of Ethics, to reflect that each member will receive the Code of Ethics be required to sign and return to the Agency annually.

Motion: Faye Storms, seconded by Michael J. Ham, made a motion to accept the changes to the Code of Ethics as presented.

Vote: The Board voted as follows:

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

**Board members listed absent had stepped away from the meeting while voting took place.*

The resolution was thereupon declared duly adopted.

- F. Local Construction Labor Policy – The Audit Committee decided to table discussion on this policy since Michael J. Ham was not present and had specific wording recommendations for the policy.

- G. Construction Labor Monitoring Report – Loewke Brill reported Inness to be at 82% total average monthly compliance. Baxter is no longer on site at the Inness Project, and reporting will now go through Taavo Somer (one of the Project owners).

Finance

No report, but there is a meeting following today's Board meeting.

Governance

Governance Committee Chair Michael J. Ham presented the Governance Committee report. Mentoring Program is moving ahead, updates will be made as needed. There was discussion that some potential applicants might be better to use 485(b) incentives rather than IDA incentives. A recommendation was made to look for a marketing company to put together a pamphlet to assist potential applicants. A brief discussion was had on creating required training for annual reporting in November for all projects. The Amendment to Enforcement of Agency Projects Policy was voted to be moved to the Board for review. The changes to this policy are to represent what the IDA is already doing as a process and add a few things from the Dutchess County Policy. It will be presented at the next Board meeting. There was a discussion about shared fees between the IDA and CRC. The CEO will reach out to the ABO and Agency Counsel for advice to determine if the IDA can share fees with the CRC. Some discussion on the cost benefit analysis was covered. The discussion was concerning the use of third-party studies. There will be further discussion on this matter at the next Governance meeting. Changes to the UTEP and Matrix for the Community Investment Agreement were discussed and will be presented at the next Board meeting.

New Business

Resolution Establishing Moratorium Period Regarding Review of Agency Policy Regarding Undertaking of Housing Projects

Agency Counsel A. Joseph Scott reviewed the resolution. Counsel pointed out a few key points. The IDA has been receiving inquiries regarding housing and currently has an actual housing application. The IDA would like to review issues and concerns with respect to potential granting of financial assistance to housing projects. It was determined a moratorium was needed for the consideration of housing projects. Once the IDA has received and reviewed the collected information from the IDA's outreach, the Agency will enact a policy and continue again consideration of housing projects.

Motion: Daniel Savona, seconded by Orlando Reece, moved to approve the resolution establishing moratorium period regarding review of Agency policy regarding undertaking of housing projects.

Vote: The Board voted as follows:

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

The resolution was there upon declared duly adopted.

OLD BUSINESS

Status of Pending Projects

Agency Counsel A. Joseph Scott 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 4th quarter 2021. Expect to distribute in the next 7-10 days. In addition, there is litigation pending which challenges the Agency approval of the Project.
- Apherea, Inc. – Documents have been distributed and ready to move forward to closing in the 4th quarter.
- Magruder Solar, LLC – Ready to schedule a Public Hearing once project applicant finalizes application.
- Romeo Enterprises, LLC – A Public Hearing was held on April 9, 2021. Reviewing closing timetable and remaining procedural requirements.

Status of Pending Enforcement Matters

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

- Amthor Bond Project – Company has advised Agency Counsel that refinance is complete. Agency Counsel to confirm.
- Viking Project – Company has advised Counsel that refinance is complete. Agency Counsel to confirm.
- Greenhouse/Posey – Documents have been distributed, and it is expected to close this month.

- Darien Lake – Documents have been distributed, and it is expected to close this month.
- Golden Hill/NH Realty – Termination documents were prepared, executed and recorded in County Clerk’s office. Remaining tasks are to send out a claw-back bill and coordinate with City Assessor on interim tax bills.

Bayside Marlboro, LLC

Chair James Malcolm addressed grandfathering in Bayside Marlboro since they had already started the application process. Agency Counsel A. Joseph Scott recommended that the minutes reflect the fact that the Project’s public hearing would be part of the IDA’s outreach. The IDA would not be committing to doing any final approval.

Motion: Orlando Reece, seconded by Daniel Savona, made a motion to allow projects that are currently in the application process to get grandfathered from the moratorium for a Public Hearing only.

Vote: The Board voted as follows:

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

The resolution was there upon declared duly adopted.

ADJOURNMENT

Motion: Michael J. Ham, seconded by Daniel Savona, moved to adjourn the meeting.

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

The meeting was adjourned at 11:08 A.M.

Respectfully submitted,

Michael J. Ham, Secretary