

UCIDA

Ulster County Industrial Development Agency

ULSTER COUNTY INDUSTRIAL DEVELOPMENT AGENCY MINUTES JULY 12, 2017

A regular monthly meeting of the Ulster County Industrial Development Agency was held at 8:00 a.m., Wednesday, July 12, 2017, Karen Binder Library, 6th Floor, Ulster County Office Building, 244 Fair Street, Kingston, NY.

Roll Call:

The following agency members were present:

John Morrow	Vice-Chair
Randall Leverette	Treasurer
James Malcolm	Assistant Treasurer
Robert Kinnin	Secretary
Michael Bernholz	Member

The following agency members were absent (with notice):

John Livermore	Assistant Secretary
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Office of Economic Development Staff:

Suzanne Holt
Evelyn Heinbach
Bernadette Andreassen

UCIDA Attorney and Bond Counsel:

A. Joseph Scott	Hodgson Russ LLP
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Chief Financial Officer:

Christopher Rioux

Additional Attendees:

Michael Ham	International Union of Operating Engineers Local 825
Geddy Sveikauskas	Ulster Publishing
William Kemble	The Daily Freeman
Eddie Jorge	NYC Community Alliance for Worker's Justice
Lee Kallaran	NYC Community Alliance for Worker's Justice
Megan Denver	Costanzi Crane
Chris Allen	Legislator

The meeting was called to order at 8:00 a.m.

PLEDGE OF ALLEGIANCE

The members of the Agency participated in the Pledge of Allegiance to the flag.

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.

ELECTIONS OF CHAIR AND OFFICERS

Vice-Chair, John Morrow, opened the floor for nominations for position of Chairman and officers.

Motion: James Malcolm, seconded by Randall Leverette, moved to nominate John Morrow, Chairman of the UCIDA.

Motion: James Malcolm, seconded by Randall Leverette, moved to close the nominations.

Vote: The motion was adopted.
Secretary, Robert Kinnin, casting one ballot.

Discussion: Suzanne Holt gave a recapitulation of the current remaining officers of the UCIDA, being:

Robert Kinnin, Secretary

John Livermore, Assistant Secretary

James Malcolm, Assistant Treasurer

Randall Leverette, Treasurer

Michael Bernholz, Member.

Ms. Holt stated that as a result of the foregoing nomination of John Morrow, as Chairman, there is a need to address the void of the Vice-Chair position as well as nominations for Governance Committee officers. A proposition to make those nominations at this meeting or postpone them until the next Board meeting was made by Suzanne Holt.

Motion: James Malcolm, seconded by Randall Leverette, moved to wait on any further decisions regarding the remaining officers until the next meeting in order to give an opportunity for everyone to evaluate their schedules and determine if they can offer the time required to do the work necessary to create the most effective Board possible.

Vote: The motion was adopted.

Discussion: UCIDA Counsel, A. Joseph Scott, commented on the importance of a Vice-Chair's ability to sign documents in the absence of the Chair. The position of pro-tem Vice Chair was recommended.

Motion John Morrow, seconded by James Malcolm, moved to appoint Randall Leverette as pro-tem Vice Chair of the IDA.

Vote: The motion was adopted.

PUBLIC COMMENT RESTRICTED TO AGENDA ITEMS

Although not a part of the current agenda, newly-elected Chair, John Morrow, suggested that a Public Comment session restricted to the agenda items be inserted in the early part of the agenda rather than toward the end. This practice will enable the Board to listen to statements from the public prior to any discussions and/or decisions made by the Board.

Motion: James Malcolm, seconded by Robert Kinnin, moved to proceed with opening the floor to the public at this time and to add a Public Comment session restricted to agenda items at the current meeting.

Vote: The motion was adopted.

Chair, John Morrow proceeded to open the meeting for public comments. The following individuals requested the privilege of the floor:

1) Megan Denver, Costanzi Crane, presented the Board with documentation from NESAs (Northeastern Subcontractors Association) and information regarding New York Sales Tax concerning cranes. (A copy of said documentation is on file.) Ms. Denver added a personal note as to a direct comment made to her by Mr. Auringer at the Public Hearing which she found disturbing. She would like to point out to the Board that she believes this action by Mr. Auringer to be a reflection of his character.

2) Mike Hamm, International Union of Operating Engineers Local 825, declared that the mission statement of the IDA is to create jobs. He believes the crane company involved in this project will not be creating any jobs, but instead will be a dispatch. He reiterated his previous statement referring to a "slippery slope". He believes that subsidizing a tax break for a crane company such as the one before the Board may open the door for at least 100 potential crane companies who could possibly seek the same benefits from Ulster County.

3) Lee Kallaran, NYC Community Alliance for Worker's Justice, advised the Board that she has researched a statement made by Mr. Auringer that he is an employee of Cavalier. Ms. Kallaran stated that she found a document through the Department of Labor which determines that he is the President and Sole Member of Cavalier Construction. She debates the fact that he is an "employee". Ms. Kallaran will also be investigating the details of a bankruptcy issue as well as OSHA concerns, recent accidents on the site and the matter of squatting on public land. Once she has obtained legal clearance, she intends to provide documentation to the Board by the July 21st, 2017 deadline for written comments regarding all of the foregoing.

The floor was closed for public comments at 8:15 AM.

MINUTES

Motion: Robert Kinnin, seconded by James Malcolm, moved to approve the Minutes of the June 14, 2017 meeting with a revision to change the position of the sentence referring to the resignation of Chairman, Michael Horodyski, into the body of the minutes instead of after the adjournment. A copy of said revised Minutes is on file.

Vote: The motion was adopted.

FINANCIALS

Chief Financial Officer, Christopher Rioux, presented the Financials for June, 2017. A copy of said financials is on file.

Motion: Randall Leverette, seconded by James Malcolm, moved to accept the financials for the period ending June 30, 2017.

Vote: The motion was adopted.

COMMITTEE REPORTS

Audit Committee

Nothing to report.

Governance Committee

Nothing to report.

CREATIVE ENVIRONMENTS LLC/HENRY STOUT, d/b/a FULL MOON RESORT

Attorney A. Joseph Scott, noted that the written transcript of the Public Hearing held on June 7, 2017 included in the materials before the Board was previously forwarded to them for their evaluation prior to the meeting today. Next, Mr. Scott reviewed the project synopsis in detail with the Board. He stated that the closing is expected to occur during August or September. Attorney A. Joseph Scott pointed out that the only nuance to this project is that there are two related entities involved; one being the LLC and the other being Henry Stout. Therefore, it may be necessary to prepare two separate sets of papers due to the fact that the entity which operates the business will buy the equipment and benefit from the sales tax exemption, and the entity owning the real estate will benefit from the PILOT agreement.

Mike Bernholz posed a question concerning the statement on the synopsis of the acquisition of "one acre" of land. Mr. Bernholz was under the impression that the site was larger than one acre and he also believed the project involved the construction of multiple buildings on both sides of the road. Attorney Joe Scott explained that the Agency is taking a leasehold interest in just where the buildings are located and not the entire site. This was done to limit the amount of property and liability in the IDA's name; however, Mr. Scott will double check and follow up on the acreage. Attorney Scott clarified a concern made by Robert Kinnin that in the event any addition to a building subject to the IDA

documents is proposed, prior approval would be required from the IDA; and said addition(s) would not be eligible for the existing PILOT agreement.

Attorney A. Joseph Scott reviewed the Resolution before the Board. (A copy of said Resolution is on file.)

RESOLUTION AUTHORIZING EXECUTION OF DOCUMENTS IN CONNECTION WITH A LEASE/LEASEBACK TRANSACTION FOR A PROJECT FOR CREATIVE ENVIRONMENTS, LLC AND HENRY STOUT (COLLECTIVELY, THE COMPANY).

Motion: Randall Leverette, seconded by Robert Kinnin, moved to approve the Resolution.

Vote: The motion was adopted.

2-4 KIEFFER LANE, LLC REVISED PROJECT

The Public Hearing was held on July 10, 2017 regarding 2-4 Kieffer Lane, LLC Revised Project. Randall Leverette was Acting Chair for the hearing. The transcript is expected to be completed by next week; and written comments are open through July 21, 2017.

OLD BUSINESS

There was no old business.

NEW BUSINESS

Legislation Regarding Amendment to the 2% Real Property Tax Cap

A copy of a letter from Brian McMahon, New York State Economic Development Council, requesting that all NYS EDC Members write a letter to the Governor in support of the legislation was given to the members for their comment and approval. (A copy of said letter is on file.)

Motion: Michael Bernholz, seconded by Randall Leverette, moved to send a letter from the UCIDA in support of the legislation.

Vote: The motion was adopted.

Increase in Application Fee for Background Check

A discussion was had concerning an increase in the application fee to cover the cost of a background check on applicants. A proposal was given to charge a separate fee to all future applicants; however, any fees incurred on applications currently being processed, would be the responsibility of the agency.

Motion: Michael Bernholz, seconded by James Malcolm, moved to charge a separate fee to the applicant for the cost of a background check relative to all future applications.

Vote: The motion was adopted.

ECONOMIC DEVELOPMENT UPDATE

Suzanne Holt distributed copies of the new Guide to Economic Development Opportunity for their perusal together with a copy of the Chronogram July 2017 Issue featuring Fala Manufacturing and the promotion of Ulsterforbusiness.com.

An outdated UCIDA brochure was also distributed to the members with the anticipation of having Luminary Media produce a new and fresh one for the IDA. No action was taken by the Members in pursuing a new brochure.

PUBLIC COMMENT

There were no additional comments by the public at this time.

BANKING

Chief Financial Officer, Christopher Rioux reported that the County has finished its RFP. As a result, the Board may wish to consider switching to the Bank of Greene County which will provide a better rate than currently given by the Catskill Hudson Bank. It was unanimously agreed to discuss the matter in detail at next month's meeting.

ADJOURNMENT

Motion: James Malcolm, seconded by Randall Leverette, moved to adjourn the meeting.

Vote: The motion was adopted.

The meeting was adjourned at 9:02 A.M.

Respectfully submitted,

Robert Kinnin, Secretary