

# UCIDA

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Ulster County Industrial Development Agency

## Ulster County Industrial Development Agency Minutes April 10, 2013

A regular monthly meeting of the Ulster County Industrial Development Agency was held at 8:00 a.m., Wednesday, April 10, 2013, Karen Binder Library, 6<sup>th</sup> Floor, Ulster County Office Building, 244 Fair Street, Kingston, NY.

The following agency members were present:

Paul Colucci	Assistant Chair/Assistant Secretary
Michael Horodyski	Assistant Chair/Assistant Secretary
Robert Kinnin	Assistant Chair/Assistant Secretary
James Malcolm	Assistant Chair/Assistant Secretary
John Morrow	Secretary
David O'Halloran	Chair – left the meeting at 8:20 a.m.
Steve Perfit	Treasurer

The following agency members were absent:

None.

Offices of Business Services Staff:

Linda Clark  
March Gallagher

UCIDA Attorney and Bond Counsel:

A. Joseph Scott                      Hodgson Russ LLP

Additional Attendees:

Paul Brown	New Paltz
Caylena Cahall	Times Herald Record
Kenneth Cranell	Deputy County Executive
Joseph DiFalco	
Jessica DiNapoli	Times Herald Record
Patricia Doxey	Kingston Freeman
Burton Gulnick	Ulster County Commissioner of Finance
Christopher Rioux	Ulster County Finance
James Maloney	Assessor, Town of Ulster and Chair, Ulster County Economic Development and Tourism Committee
Laurent Rejto	Hudson Valley Film Commission
Hugh Reynolds	Ulster Publishing
Fawn Tantillo	Deputy Clerk, Ulster County Legislature

Chair David O'Halloran called the meeting to order at 8:00 a.m.

### **PLEDGE OF ALLEGIANCE**

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

### **PUBLIC COMMENT**

Chair O'Halloran opened the meeting for Public Comment. The following individuals requested the Privilege of the Floor:

Mr. Paul Brown, a resident of the Town of New Paltz, addressed the members of the Agency. He stated that he appreciated at the last meeting that the Agency took the lead and stated that there was going to be a generic timeline on the website. He told many of his friends and neighbors; if it is on there, he was unable to find it. The other thing is that this meeting came as a little surprise to some in New Paltz because it wasn't on the monthly calendar, it was noticed on the Agenda and certainly on the website. He noticed that for March, April and May there is no meeting listed. His concern is, and he appreciated the openness of the Agency and he has a lot of confidence personally and he thought that many of the people in New Paltz did, the minutes are excellent. He was concerned about the gathering information and gaining an understanding of what the Agency uses for making its final decision. For instance, the taxing authorities and the Planning Board, which is the lead agency for SEQR in New Paltz, seem to be scrambling around. He was happy to say that the school board agreed at its most recent meeting to make a direct contact with the Chair of the UCIDA and he thought that was well in hand. The Town Board still does not seem to acknowledge; he asks questions when he goes to meetings and they seem to not be focused on this. He knows that the Agency will do their job of notifying of the Public Hearing and he was a little concerned that they were getting behind the "power curve" of knowing what homework that they can do to better assist the UCIDA to make their decisions. This generic timeline would be useful for citizens in New Paltz to go back to our public officials. He does hope that they will make a personal contact. He did not know if they had as of yet. The other procedural concern he had is that an applicant who is applying for a PILOT Agreement in the Town of New Paltz began a couple of weeks ago. A local lawyer was asked to write a letter, basically telling the Planning Board what they couldn't ask about fiscal impact; about the Ulster County Industrial Development Agency and other things. They were correct on one technical point about the impact of the applicant coming on profits of others. But the Planning Board is not doing that. They are trying to understand the difference between what a taxable ratable would be and a non-taxable. You should know that in the Town of New Paltz, about sixty million dollars over 25 years, would be paid for a for profit company doing a similar development. The applicant, in its application before the UCIDA, is saying five million, but saying to the town that it should be zero. We have trouble getting the facts on that, what bothers him, not the applicant applying, that is their right and they would be foolish not to, it is the bullying that appears to be taking place from not just a local attorney, but a second attorney who appeared before this Agency during the presentation that the applicant made, when it first submitted. We have received another letter telling us to stay away from the PILOT impact, yet under SEQR, our Planning Board feels that you are the ones who need the information that is uncovered by the SEQR process. These are individual citizens, just like you and me and they don't like receiving lawyer's letters. They are worried about their own income, net worth, their homes. So when they see now a third lawyer come Monday night, along with the applicant before this board, he did a regular job of bullying, but it still was there. He could see the eyes of the Planning Board members looking to our attorney to defend them. Well our attorney didn't know what was going on. But again the message was very clear from this third attorney from Rochester who appeared with the applicant before this board and that is you can't look at these financial impacts and the "what ifs", the "but for's". So there is a lack of understanding. It is not your

responsibility to help our Planning Board understand, but if you could point us in the direction, many citizens will take the responsibility. He thought a guide for taxing authorities and lead agencies under SEQRA, a one or two pager is all he is talking about and if you need a little more space it could be an A4 document, giving them some guidance on how taxing authorities and SEQRA lead agencies can appropriately act so individual citizens don't feel bullied by high power attorneys.

Chair O'Halloran thanked Mr. Brown. He apologized for any lack of communication on the website. Office of Business Services staff will address that immediately today. He assured Mr. Brown that the Agency will follow a very consistent transparent procedure as they walk through that path for Park Point and ideally it will be done in your town.

Mr. Brown thanked Chair O'Halloran and stated that he has every confidence.

Mr. Steve Perfit stated that the clock has not started running for the Agency; we don't know. The Agency has nothing before us officially so we can't comment or think about anything until we receive all the information and then do our own independent review for the public hearing.

Chair O'Halloran closed Public Comment as no other individual requested the privilege of the floor.

#### **CHAIRMAN'S MESSAGE**

Chair O'Halloran stated that he added the Chairman's Message to the Agenda. Chair O'Halloran stated that this will be his last meeting of the Ulster County IDA. He wanted to take the opportunity to thank each and every member. He was very proud of the work that had been done by the members of the Agency. The retention expansion efforts which were initiated have worked well for Ulster County. He thought that the efforts of the Agency in trying to give mom and pop businesses a "leg up" and looking for ways that the UCIDA can assist in not only keeping Ulster County businesses in Ulster County, but to help them grow were done very well. Equally paramount, the members of the Agency created integrity, trust and accountability for the UCIDA efforts while at the same time looking to help and grow economic development. The enforcement procedures and policies that have been put in place and adopted; the balance that is strived for on every application, that includes every old application that we deal with, to create a balance between the benefits extended to create growth and jobs in Ulster County and the costs of those benefits to each and every taxpayer has been paramount to each and every decision that has been made. That balance is weighed every time. The enforcement actions put in place, for everything under our watch and speaking for every member, he was very confident that the Agency, ten to fifteen years from now, would not have the same challenges. The adopted policies, procedures, as well as the Project Benefit Agreements, create an absolute accountability, year by year, job by job, dollar benefit for dollar benefit. If there is a promise of jobs; the Agency supports those promises to help these communities, but at the same time we have to hold them accountable. He felt certain that the taxpayers of Ulster County will be well served and well balanced in that process over the length of project's PILOTs and the length of their project benefits. The enforcement actions that have been taken, so to speak our "clean-up" of underperforming applicants, has been challenging. It has been hard. He believed that what has been done is the right course if the taxpayers of Ulster County are taken into consideration. It is the taxpayer's shoulders, it is their money that we extend these benefits for and he thought that it was important that we hold projects accountable. It builds the Agency trust with not only the taxpayers, but also the taxing authorities in which benefits were extended. Those actions are the reasons why he is resigning today. It has become obvious to him that the influences of a particular applicant and the fact that she is the Chairwoman of our Legislature, and to top it off her husband is the Chairman of the Independent line handing out IOUs almost as he goes forward, are too great for this Agency to continue for him to remain as Chair. He is so fearful that projects that he would support, projects that he believed would be good for Ulster County's

development would be looked at poorly, not because of the merits of those projects, but just because his name was attached to them. He cannot let happen. He thought the best for Ulster County's development and growth, it is best for him to accept the fact that there are more powerful influences than he and realized it is OK. The Agency is great; you are going to do good things and what is best for the future economic development of Ulster County. He was confident of that. He thanked James Maloney as being an excellent representative from the Legislature, In addition to Mr. Maloney's participation at all of the Agency's meetings, his advice as an Assessor provided tremendous insight into the cost of those benefits to those communities. County Executive Michael Hein has brought forth the review of the PILOT work that has been done for the end of 2012; he has "joined" the team in the sense that they put all the efforts of the Ulster County Department of Finance into review of our Enforcement Policies and review of our PILOTs to make sure that they were on schedule and the taxpayers, as well as the applicants, are getting a "fair shake". He commended the Office of Business Services. Mayor Gallo, James Quigley and so many others, have all been there when asked; it has been a pleasure working with all these folks over time. The Agency's real job is to promote economic development. If and when there is a chairperson in charge of the Legislature that places economic development ahead of politics, he would be ready and willing to serve. In the meantime, he wished the members luck. He will be forwarding his resignation to Mr. Maloney and to the entire Legislature which he hoped would accept. He will take it from there. He thanked the members and appreciated working with each member. Lastly, the fact is the members of the Agency are all appointed by the Ulster County Legislature; five republicans, two democrats. He knows that he can say that he has never seen a partisan word from anyone, not a one. He was not aware of any votes that were not consensual; he never remembered having a party line vote. Some things were voted no but not a party line vote. He was glad to say that that had never happened and hoped that the members would continue in that direction of what's best for economic development and leaving the party hats aside after appointment.

Mr. Perfit stated that Chair O'Halloran had done an outstanding job and he appreciated his leadership and hated to see him go. He hoped that the Legislature doesn't accept his resignation.

**NOTE:** Chair O'Halloran left the meeting at 8:20 a.m.

Discussion was held as to who would Chair the remainder of the Meeting.

Ms. Gallagher indicated that all members of the Agency were Vice Chairs and can chair the meeting.

Mr. Perfit inferred that John Morrow was the senior member of that party.

Mr. Morrow asked if anyone else would like to chair the meeting.

Mr. Robert Kinnin declined.

Mr. Michael Horodyski stated that we should get through this meeting and then the members can convene and make a decision as to what might be done going forward.

Mr. James Malcolm stated that he thought that the Agency would need a new member before you convene and do anything. You aren't going to vote with a board that is shy one member.

Mr. Morrow stated that if we have a quorum ....

Mr. Malcolm stated that personally he was not going to vote until there was a full board.

Mr. Horodyski stated that it was his opinion that the Agency would have to continue doing business.

John Morrow agreed to become Acting Chair for the duration of the meeting.

### MINUTES

**Motion** Steve Perfit, seconded by Michael Horodyski, moved to approve the Minutes of the February 13, 2013 and March 13, 2013 meetings. Copies of said Minutes are on file.

**Vote:** The motion was adopted.

### FINANCIALS

Mr. Perfit reported that other than the fee that was received in March from MHMG-Kingston which added to the coffers \$328,436, there was not a lot of activity. Currently the Agency is sitting on a balance of assets of almost \$650,000. The only recommendation from the Audit Committee is that the county invoice should be paid quarterly.

**Motion** Michael Horodyski, seconded by Robert Kinnin, moved to approve the financials for the period ending February 28, 2013 and March 31, 2013. Copies of said financials are on file.

**Vote:** The motion was adopted

### PRESENTATION BY THE HUDSON VALLEY FILM COMMISSION

Mr. Laurent Rejto addressed the members of the Agency regarding a request for funding for the 2013 calendar year. A copy of Mr. Rejto's presentation is on file.

Mr. Rejto presented the 2012 report. The Film Commission's job is basically to bring in economic development through film production. The idea is to compete against other counties and other film commissions throughout the state and other states throughout the country to bring film production to the area. It is a huge industry in New York ... a \$6 billion dollar industry. Last year they tracked about \$6.5 million in direct spending; that is hotel rooms, jobs that are created in the area, vendors that are hired to be involved with films. As of March 15th they are already working on fifty films. He has spent the last four days working on three different features; one is definitely a go for March 20<sup>th</sup>; it is a million dollar film that is going to straddle Kingston and Rhinebeck, hopefully they will land another million dollar film which would start June 3<sup>rd</sup>. The German film productions will be starting; for the past four years a German film crew shows up every May and they shoot about four films. They rent about 5,600 room nights. The business of the Film Commission is conducted through their very comprehensive website. It has a comprehensive directory of all local ... Individuals the region who can offer a trade to the film production. It is a free listing that is updated all the time. Caterers, a hair and makeup persons, film producers, line producers, unit production managers, are listed online. Blogging is done consistently to make sure that people know what's going on in the area so that they can submit directly to productions for jobs. In addition, online there is a free place where people can post and a lot of people can get jobs there as well. Custom galleries are also created. Anytime a film production contacts the commission a custom gallery is created, because the first thing that needs to be done is to find the perfect site. The Film Commission just worked with Calvin Klein. Needing a country setting, they ended up shooting at Minnewaska; additionally, the commission is working with Ralph Lauren. They want to shoot at the AVR site. The commissioner introduced them to Steve Finkle who is processing that request and hopefully they will shoot. Photo shoots although they are only one or two days, they tend to spend a lot more money than some of the independent film productions. The Film Commission also has Facebook posts. They are online on Facebook with 2,000 people following everything the commission does and any needs that may occur, i.e. hair and makeup person; location. The Film Commission doesn't hide anything; they very available and accessible. The commission makes use of google docs, which basically

allows them to share documents with other companies. This morning a document was sent to a Los Angeles production, which showed a series of local producers and line producers who are "A" list and worth their salt. The commission wants to make certain that production companies don't hire people that may not be up to the task. A lot of productions don't like to hire people they don't know, so the commission always has to make sure that we prove those individuals. Companies prefer to bring in their crews from L.A. The Film Commission doesn't like it when they bring in crews from L.A. Support and involvement is provided to production crews when they come to the region. Casting calls are held at the film commission; production companies prefer to do their casting calls in New York City. The Film Commission wants the casting calls here so that they hire locally; they want the casting agents to come here.

Mr. Malcolm asked how long has the Film Commission been working with the Agency?

Mr. Rejto responded six years.

Mr. Malcolm asked in those six years have you seen a definite incline in the monies that have been projected into the county.

Mr. Rejto responded absolutely.

Mr. Malcolm asked so what are we looking at; what kind of increase every year would you ballpark it at? 5% - 10%?

Mr. Rejto responded over the past year it is about 10%. They do not track indirect spending; they are not going to project indirect spending because he knows that people like to make things up.

Mr. Perfit stated that he had been reading in the newspaper that there are a lot of new film commissions coming on-board. He saw that Hoboken moved to Middletown, etc. Have you integrated with any of these.

Mr. Rejto replied that the reason that has happened is as a result of the Film Commission going around to the other counties and the other counties thinking that it would be in their best interests to create their own film commissions. That's not necessarily in our best interests and it is something that they are dealing with. They are much more professional, more film oriented. Mr. Rejto stated that he has a background in film production ... a lot of those other commissions are run through tourism. They are not really dealing in the same way as the Hudson Valley Film Commission, but it is an issue and it's not an issue they were happy with.

Mr. Perfit asked as in the past is there anyway that the Agency can help you to meet with the other commissions so that you can be integrated better? Your resources are far greater than theirs.

Mr. Rejto responded that the Hudson Valley Film Commission is an open book. Everything that is posted is available to the public and they can be seen. They don't hide anything. It's different with the other commissions. They keep everything to themselves. The Hudson Valley Film Commission is going to continue to do what they do because they believe in an open policy where everyone can see things because it benefits local artists and it benefits everyone in the long run. He did meet with Mr. O'Donnell from Orange County. There are three places that wanted to open a film commission. They all think it is a very easy job and that suddenly the telephone calls start happening. That is not the case and it is really a passion thing. What ended up happening is that Orange opened up an Orange County Film Office as did the City of Newburgh. Every time he meets with someone, they end up opening an office. He would prefer than other commissions work with the Hudson Valley Film Commission, but that is not necessarily something that he could convince them of. The German production, although based in Poughkeepsie, does shoot and produce a lot. Many of the hires are Ulster County based; there is always that crossover, those lines are blurred by jobs going over here, over there. They shoot a lot over here. They always shoot on North Front Street. He was sure that

everybody always sees them when they are here. Continuing, Mr. Rejto stated that the Film Commission has a great relationship with Dutchess County and with Orange County. He did not know how these new issues were going to effect continued funding.

Mr. Horodyski stated that one of his concerns is a lack of or diminishing amount of private support, at least from the high water mark in 2010. Does the Film Commission have any strategies on how they are going to make themselves supported by private funding opposed to county IDAs funding operations.

Mr. Rejto responded that it is an issue that they have always looked at. They do solicit big productions that come in; as a certified film commission they are not allowed to charge a fee. That is something that constrains us. At the same time they do solicit contributions and donations. Last year there was a potential private contributor who offered \$10,000 and then eventually didn't pay it. They are out there trying. There are more and more companies, especially in post production, moving into the area that actually have some muscle and some money because of the 35%. There is a 5% increase in Ulster County for post production. A lot of New York City based companies are moving here for studios. That 5% differential is huge.

Mr. Gallagher stated that Ulster County is considered one of the first upstate counties in the post production film credit tax structure.

Mr. Rejto replied that 5% makes a lot of difference. On the other tax front, the film tax credit, we really were asking all of the local legislators to push for a 5% to 10% increase for the Hudson Valley because we do have that problem where films will not leave the city or the zone ... a thirty mile radius from Columbus Circle ... because they are immediately penalized for per diems and travel costs. They really wanted a 5-10% buffer with a \$5 million cap and that would give us three films where the producer would say, we can go to Ulster County because now we are going to get 5% extra. We are still going to fight this. They decided to give 10% extra west and north of Albany; that is a legislative issue. One of the reasons he thought this happened is that they report to the Governor's Office and they do see a sizable amount of film success. It kind of "screwed" us so to speak. That is why they are talking to Bonacic, Larkin and Tkaczyk and hopefully that may be leveraged which would make a huge difference. They have not had a huge break out film.

Mr. Malcolm asked if they had a plan; do you have any sort of plan in place as far the private funding. Do you have something out there. Do you have a model or is it if they give to us, they'll give to us because it isn't any further ahead than what it was last year.

Mr. Rejto responded that there is no model for film commissions; but it has always been an economic development issue, which is usually state and county supported. There is no model; the only model that they have and they try to use is they try to go to some of the bigger companies in the area, like Tower Products.

Mr. Malcolm thought that if they interacted with other film commissions around the country; look we all face a similar problem when it comes to private funding and bounce ideas off each other.

Mr. Rejto responded that they do that; we talk to other commissions.

Mr. Malcolm so you're saying that it is that way across the country.

Mr. Rejto replied that most of the country is not as represented as this state is; this state has more film commissions because there is so much more work. Most of the states have one film commission and it is run through some state agency.

Ms. Gallagher brought to the attention of the members that the film commission has requested that the estimate of local spending be recalled and taken back with them.

Mr. Rejto explained that the production companies do not want the numbers made public; we tell them we are going to provide it to government agencies. Last year was a good year for Kingston especially. The film the Sisterhood of the Night was filmed in Kingston. They kept the one wing of the Holiday Inn open just for that film. They hired 65 local people and had 2,450 room nights. In addition, post production is really becoming an economic development issue in this area.

Mr. James Maloney stated that when Mr. Rejto was speaking about an independent film last year, he thought it was shot in his neighborhood, and it was absolutely wild. The crew, the people, they went around and rented several homes that they wanted to shoot in. The people who owned the homes said that they were in and out, repainted, it was unbelievable what they had done.

**Motion:** Steve Perfit, seconded by Robert Kinnin, moved to continue the fee for services for the Hudson Valley Film Commission at the same level as last year (\$40,000).

**Vote:** The motion was adopted.

### **COMMITTEE REPORTS**

**Audit Committee.** Mr. Steve Perfit, Chair of the Audit Committee, reported that the committee met a 7:30 am that morning. The members of the committee reviewed January, February, and March bank reconciliations. They were accepted as presented. The format was a little different, but we were OK with it. One thing was noted in the year end financials and there was a CD that was misplaced into UCDC's account by M&T. They have given us a reconciliation and it has been corrected. It is noted in the Audit Report. In conjunction with that we requested the Office of Business Services to review our banking relationships and who we could bank with. We will discuss possibly reviewing bank relations that we have for future business. In addition, the committee reviewed the certification of PARIS. There were some minor changes; but everything was filed on time.

Mr. Horodyski stated that he thought one of the bigger things too that were discussed, were the problems that we have encountered recently in review of the PILOTs and the payments from the entities to the taxing jurisdictions. We are hopeful that they will go away. They were going to have a discussion with Teal Becker and maybe ask them to expand their scope of the external audit to include the spot checking of some projects within their external audit to perhaps avoid this happening again. He thought that between OBS and the external auditor we will avoid some of the issues that we have run into.

Mr. Perfit explained that it is a mix between Governance and Audit. We felt that the Office of Business Services (OBS) got a leg up on it and going forward we won't see as many errors and past problems will be straightened out.

**Motion:** James Malcolm, seconded by Michael Horodyski, moved to accept the 2012 Audit for the Ulster County Industrial Development Agency as prepared by Teal, Becker and Chiamonte, Certified Public Accountants. A copy of said audit is on file.

**Vote:** The motion was adopted.

**Governance Committee.** Mr. John Morrow, Chair of the Governance Committee stated that there was no report. The committee has not met.

Ready2Go Committee. March Gallagher reported that there was no report at this time.

**PROJECTS**  
**Viking Industries**

Ms. Gallagher stated that Viking Industries is seeking to refinance their debt. It is going to result in a significant interest rate for them; this does not add any new capital to their existing debt, but it will reduce their interest rate.

Counsel Scott stated that there have been a couple of preliminary conference calls with the Worthman Group. As Ms. Gallagher indicated, what this consists of is replacing the existing bonds with new bonds. The structure is going to be a little different, which is somewhat interesting. The current structure is a variable rate bond, two series of bonds with a Key Bank letter of credit. In negotiations with Key Bank the company has negotiated a transaction whereby Key Bank is going to buy this new bond, so it is going to be a much simpler structure with the bank essentially lending the money to Viking to refinance the two existing bond issues. In the Public Hearing resolution we describe the two prior projects; one in 1998 and one in 2005. He always found it significant when an applicant comes back to the IDA for additional assistance. As we all know from business, a repeat customer is a good thing. As Ms. Gallagher indicated there is no change in terms of new capital or PILOT Agreement. The only thing that will be extended as part of the refinancing is mortgage recording tax exemption on the new financed bonds. There are technical requirements under state law and federal tax law which requires the holding of a public hearing and that is why we have to go through this process. The goal is to have this before the UCIDA at the May meeting for final approval of this financing. That is the goal.

Mr. Perfit asked if there was a fee to the Agency on this.

Counsel Scott responded that a 1% admin fee had been discussed, so we will look to collect an admin fee.

Ms. Gallagher noted that Viking is now five jobs fewer than when they did their original financing, but they are well within the 20% threshold that the Agency allows. She thought that this will accord them additional working capital to maintain that employment. She also wanted to note that in terms of the PILOT payments that Viking actually had an \$119 overcharge to the company and when we started talking to the company and the taxing jurisdiction, it became clear that in the past there was a failure to bill PILOT. Viking was later served with a pretty substantial bill on their PILOT; it just didn't get billed. They did go back and pay that bill. This was in prior years and so they're caught up on where they need to be in terms of their payments.

RESOLUTION AUTHORIZING THE CHIEF EXECUTIVE OFFICER OF ULSTER COUNTY INDUSTRIAL DEVELOPMENT AGENCY TO HOLD A PUBLIC HEARING REGARDING A PROPOSED PROJECT TO BE UNDERTAKEN FOR THE BENEFIT OF VIKING INDUSTRIES, INC.

**Motion:** Michael Horodyski, seconded by James Malcolm, moved to approve the Public Hearing Resolution for Viking Industries.

**Vote:** The motion was adopted.

It was noted that the Notice of Public Hearing was required to be published and mailed to the taxing authorities, fourteen days prior to the Public Hearing.

**Wolf-tec/Stavo – Certification of Jobs**

Ms. Gallagher explained that in 2012 the UCIDA created an agreement with Wolf-tec and Stavo and you passed a motion in 2012 to award each company \$50,000 for job creation and retention. What you are seeing here is the first tranche of those requests. These are for the retention pieces since they did close on the building in December and they were able to provide us with the NY-45 showing their current employment status. This certification was actually, even though it was filled out by the companies, staff worked with counsel to make sure that we had a certification that could come before you. It basically acts as an invoice to the UCIDA seeking payment on those first tranches of funds. It would be \$25,000 for Wolf-tec and \$25,000 for Stavo based upon your earlier resolutions.

Mr. Perfit asked if staff had verified that these are the jobs according to the NY-45.

Ms. Gallagher responded that staff has not been on site at either company at this time.

Mr. Perfit asked if the FTEs numbers were verified.

Ms. Gallagher responded yes and they are in compliance; actually what they stated in their closing documents.

Acting Chair Morrow had a question about LLCs. In LLCs do they have officers, or do they just have members?

Ms. Gallagher and Counsel Scott responded that it is usually members.

Acting Chair Morrow stated that one of the signatures were signed "VP", is that appropriate?

Ms. Gallagher pointed out that right above, George Quigley signed as the member of the LLC; which is a limited service holding company just for the real estate transaction.

**Motion:** Steve Perfit, seconded by Paul Colucci, moved to approve a \$25,000 payment to both Wolf-tec and Stavo Industries for 2012 job retention.

**Vote:** The motion was adopted.

### **Birchwood Village**

Ms. Gallagher stated that unfortunately with the previous Chair resigning, she thought that he was going to make a report which she did not have at this time. There is correspondence in the file.

Counsel Scott stated that from his standpoint, he was just following up. At the last several meetings it has been made clear by the UCIDA board that we are not moving forward with arbitration without payment of fees up front and payment of counsel's fees. He has followed up on that with respect to sending out correspondence to Birchwood Village on that.

Mr. Perfit asked if there was any answer.

Counsel Scott replied no. Candidly, he did not expect to receive an answer until they want to move forward on arbitration and then that will get cleared up.

Mr. Horodyski asked if it just goes on in perpetuity; when does it end?

Counsel Scott responded that it was a very good question. It has been subject to litigation and they have been directed to go back to arbitration and the city obviously has an interest in moving it forward because they would get paid. He honestly did not know, he would imagine, and this is legal procedurally, if people are obligated to arbitrate, but they are sitting and not responding, then you could probably commence an action to get them to come to the table. So that is what will happen. Just for a point of information, under our PILOT Agreement during this period the company is supposed to be current under their PILOT Agreement. If you are seeking an arbitration process to arbitrate the accessed value of the project facility, you are supposed to be current, that doesn't obviate or eliminate your obligation to make your PILOT payments.

Mr. Kinnin stated but we cancelled the PILOT.

Counsel Scott responded that this is the PILOT payments to be made going back.

Mr. Horodyski asked if there has been any conversation like horse trading where they say that they will post half of what the PILOT is owed ....

Counsel Scott responded no.

Ms. Gallagher stated to please note that there is a large difference between what is owed on the PILOT and what has been paid. Nothing has been paid on the PILOT for 2012 on this project.

#### **St. Clara Church of God**

Ms. Gallagher stated this was an UCIDA project that was done under the not for profit authority that the Agency used to have and they are re-financing away or out of their IDA bonds. So this is just a "heads-up" to the board.

Counsel Scott stated that we will be terminating the documents. It is actually good for us administratively. It comes off our records.

#### **MHMG-KM KINGSTON LLC**

Ms. Gallagher stated that Mid-Hudson Medical Group has closed and we received a nice fee.

Counsel Scott stated that there is one supplement to that. They closed on the UCIDA transaction. They're looking to finalize their bank financing and they expect to do that shortly and we will be around to get some bank documents signed.

### **PROJECT MONITORING AND ENFORCEMENT**

#### **Hudson Valley Domicile (a/k/a Hudson Valley Sportsdome)**

Ms. Gallagher stated that this is a very similar situation. The former Chair did have some communications with Mr. Pizza, the owner of the Sportsdome. If you recall back at your last meeting, you delayed action because Mr. Pizza was unable to be at the meeting that was a Kingston City Hall. He had a death in the family. His daughter's fiancée was killed while serving in Afghanistan. When the Chair touched base with Mr. Pizza recently, late last week, they were in Washington D.C. at Arlington National Cemetery. There has been no action on the Sportsdome at this time.

Mr. Colucci asked who would actually step up now and start the conversation again.

Ms. Gallagher thought that was a discussion for the board on how you want to handle those enforcement matters.

Mr. Perfit stated that he believed that Mr. Pizza was notified of the Agency's delayed action and he thought that it was time that the Agency acts in all fairness and equality to all parties. He had a chance to appear before us today, the former Chair had communicated that to him and apparently he has "dug his heels in". He recommended strongly that the Agency terminated the PILOT.

**Motion:** Mr. Perfit motioned to terminate the PILOT for Hudson Valley Domicile. (at this time there was no second to the motion)

Mr. Malcolm suggested that the Agency try one more time. He thought that the loss their family experienced in service to his country may be a factor.

Mr. Perfit responded but that was last month.

Ms. Gallagher stated that it wasn't thirty days ago. When the former Chair called him, he was at the cemetery and she did not know if the former Chair told him about this meeting date.

Mr. Horodyski replied that he has recused himself consistently on this matter, but he had spoke to former Chair O'Halloran and he thought that it was the former Chair's intention to bring this matter up at the April meeting and that was what he had heard as the intention. Again, he did not wish to speak in regards to this particular applicant, because he had consistently recused himself, but that was the story he had received.

Acting Chair Morrow stated that at this time we have a motion with no second and we have some discussion before second, but if you wish to withdraw your motion and we'll table it until next month.

Mr. Perfit responded that if there is no second than we should table it until next month. Who would be the one on the Agency who would communicate directly with Mr. Pizza and let him know that he has to show up at the next meeting.

Mr. Malcolm suggested that the new Chair should be the one to communicate.

Acting Chair Morrow concurred.

**Mr. Perfit withdrew his motion.**

Acting Chair Morrow stated so we will table this until next month.

Mr. Perfit stated that he heard some rumblings that unequal treatment had been given to the Sportsdome versus TLB and again it is ending up in this whole morass of politics.

Mr. Malcolm stated that he thought the guy got "hosed"; not by us, by what goes on in the state. He was led to believe one thing about sprinklers and all of that and then it kind of turned in mid-stream. It is too bad. He though that Nicky Pizza was one of the good guys.

**TLB Management (a/k/a Skatetime 209)**

Counsel Scott explained that after the last meeting the Agency has taken the action to terminate their transaction formally and all the papers are on record and the company was formally notified. The company is on the tax roles and we have notified the taxing jurisdictions and the assessor. With respect to the matter that was discussed in Executive

Session at the last meeting, there have been no developments. No telephone calls, no papers received and we are doing, at the request of the board, we are performing some preliminary research to assess our position on the issue of the application and the documents and what our position will be.

### **Lloyd Park II**

Ms. Gallagher stated that Lloyd Park II the payment in lieu agreement was altered as per your actions per previous meetings and the amended agreement was executed by the project and the taxing jurisdictions were notified with respect to the amend PILOT Agreement.

Counsel Scott stated that due to some delays last week, the letter is actually going to go out today, notifying the taxing jurisdictions. We are notifying them; not only of the PILOT Agreement, but that they should prepare a supplemental PILOT bill for this year, because the amendment is effective this year so they are getting a little bit more under the amending PILOT Agreement.

### **REPORT FOR THE OFFICE OF BUSINESS SERVICES**

Ms. Gallagher presented her report. Discussion included, but was not limited to the following:

- PARIS Findings – communication is on file
  - OBS did take an extensive look at what had to be filed under PARIS and it required ascertaining a series of information from the taxing jurisdictions with respect to how PILOTs were billed.
  - OBS examined the work that the taxing jurisdictions have done and we are also under an obligation because of the PARIS filings to make our own calculations with respect to how the project would have been treated as a 485(b), which is a standard real property tax law PILOT can be obtained by any project in certain jurisdictions. In doing these calculations we have come up with some variations that differ from what the taxing jurisdictions actually billed the projects. On the summary, you will see when you take your certified copy of PARIS, if you were to look at any of these projects, you will see the difference she was talking about. Within the certified PARIS it might be helpful, if you want to look at a particular project to start with.
  - It was pointed out by Mr. Perfit that it states in the first line of the document that ... the 2012 assessment did not exclude existing building ... it should say include. Ms. Gallagher agreed.
  - In the certified PARIS Report, as an example, go to page 19, you can see on the right hand side where it says PILOT payment information, you can see there is a difference between the payment due per the agreement and the total PILOTs actually paid. You will see as you review this further that for each of these projects listed in this summary of UCIDA PILOT variations that there is a corresponding PARIS reporting page that shows a difference in what was due versus what was actually paid.
  - OBS has not contacted the projects at this time. She thought members might have seen today that some of the taxing jurisdictions have taken upon themselves to reach out to those projects and we are starting to see some communication between the assessor's offices, and chief elected officers for those jurisdictions. Please note that Simulaids was actually substantially overbilled. For some reason, in that particular case, the school district was using an assessed value that exceeds the assessed value placed upon the assessor by over a \$1,000,000. She does not know why that was.

- It was also determined ... we also have to report back on the bond principal for varied transactions ... and PARIS is a pretty rigid database and it brings forward data from last year. In order to make sure that we don't have problems in the bond principal balances for next years, it was found that we had to change what we were putting into the system this year to make up for errors that must have been contained in prior reports.
  - It was thought that that was a dangerous way to reconcile
  - Ideally, the Authorities Budget Office (ABO) will open these fields and allow us to go back and fix them. That would be our preference. But at this time, they are locked and we did not want to be locked into errors in the future.
  - If it is the Agency's wish, we can communication with the ABO specifically on this issue and make a formal request so that have some formal documentation in the record that says that we are seeking that change.
    - It was unanimously agreed by all members of the Agency present that this should be done.
- James Maloney stated that at this time and being on both ends of this ... being on the Legislature and being an Assessor .... he thought that there needs to be a comprehensive approach correcting this problem. When he says comprehensive, the County Executive's Office, the Ulster County Legislature, members of the Agency, Counsel Scott, everyone involved and the Assessors bringing somebody in, perhaps the President of the Assessor's Association and just sit down and find a common solution to this. Perhaps developing a common procedure, where there is a form where the numbers are filled in and it's is checked; a total comprehensive approach.
- Continuing, there are a set of recommendations to the Agency regarding improved PILOT implementation. There may be more things that make sense to do, but these are OBS' initial thoughts about things that could improve the process. It was also noted that Tom Jackson, the Director of Ulster County Real Property, will be meeting with the assessors next week and he will be addressing those sections of Real Property Tax Law that effect PILOT implementation. In particular, making sure that these properties are enrolled in Section 8 rather roll Section 1. So they are not being accounted for properly by the assessors. There will be a communication about that.
  - Mr. Maloney again noted that there was room for improvement on a lot of different levels, i.e. locations of properties, need to be corrected also – for example the Mid Hudson Valley Federal Credit Union on Hurley Avenue in the City of Kingston is listed in the Town of Ulster.
  - We do not have the ability to change, if you look at the PARIS report, applicant information, and you look at Mid-Hudson Valley Federal Credit Union – on Page 39 – the applicant information is listed where the bills go. When Mid-Hudson Valley Federal Credit Union filed the application with the UCIDA, they listed their primary principal business office, which is what they are supposed to do. This does not mean that that is where the project is; so this page ... Page 39 ... this is a project on Hurley Avenue in the City of Kingston, we do not have the ability to change this field to make further identity.

- Mr. Maloney responded that he was speaking about the block above that which lists the location of the project.
  - Again, this was an error; we do not have the ability to change that field.
  - We can include that in our formal request to the ABO.
- Mr. Perfit pointed out that at the Audit Committee it was asked who was responsible for this; we don't have primary responsibility, we have oversight. It was hoped that by working with OBS that they will let us know where these discrepancies occurred and it will probably be discussion between Audit and Governance. Perhaps it should be included in the list that the UCIDA has oversight of any irregularities that you come with.
- Mr. Horodyski asked what kind of enhanced procedures from the Agency's standpoint?
  - First it was thought PILOT Agreements themselves could have some changes; some additional information that is placed in there that brings more clarity when assessors are looking at them. It used to be that the PILOT schedule would say Year 1, Year 2, Year 3 instead of naming a year. Now, it names the year. Going forward we need to make sure that we always name a year.
  - Mr. Horodyski's issue was that you have a construction project; they come to us before they put the shovel into the ground. They receive their benefit. Now they get delayed in the construction project. We are actually going to be hitting them harder in PILOT Year 1 than they would have been hit without the PILOT Agreement because you are going to start that .....
  - Ms. Gallagher responded that it creates a natural incentive for them to get full build out and they could come back to the Agency.
  - Counsel Scott responded that on the project that was just closed, we keyed it all off the completion date ... the certificate of occupancy ... so the schedule slides. The issue is that some of these transactions are relatively complicated and what historically has been done, we have put that responsibility on the local municipality because they have the tax responsibilities. If they're issuing tax bills, we put the PILOT bill responsibility on them and what is clearly happening is that in some instances is not being handled. Do we summary and update it every year and maybe have some monitoring on a year to year basis.
  - Mr. Horodyski replied that making the PILOTs more clear is important and to get everyone in the same room and make sure the assessors and the taxing jurisdictions know how to deal with that because they are actually going to compute.
  - Ms. Gallagher responded that the Agency could, under state law, do its own billing for PILOT.
  - Counsel Scott responded yes, we could if we wanted to.

- Mr. Colucci asked how we would go about doing that.
- Mr. Horodyski stated that his feeling on that would be, from his perspective, he would rather see those bills ... the Agency awards the benefit and we will oversight the accounting to ensure that it reflects what was awarded ... but the maturation of all that, he would much rather see at the local municipal level.
- Acting Chair Morrow agreed that the Agency should not be in the billing business; just the oversight of the billing. That makes more sense.
- Mr. Colucci stated that he would hate to be one of these applicants or businesses that all of sudden found out that they were billed wrong and they owe \$100,000 or more. It is a black eye on the Agency and he didn't want to be a party to that and he didn't think that the methods that were being discussed were going to be necessarily sufficient going forward.
- Mr. Maloney stated that he was very thankful for the conversation. When an assessor receives a PILOT, it says Year 1; is that the role year. An assessor works off role year and tax year; two different things. Random construction, he received a PILOT application from this Agency September 26, 2006, it was a piece of dirt. How does an assessor start the clock on a PILOT benefit when they haven't put a shovel in the ground. That company did not receive a certificate of occupancy until 2008.
- Mr. Malcolm asked Mr. Maloney as an assessor would that be a bit fairer and would it make your life easier in relationship to what we are dealing with right now with PILOTs, if a guy receives the benefit, he goes through the process, but he is not ready to start for a year and a half because for whatever reason. So at that point he is delayed. He hasn't applied for his permits, he's gone through all the public forums and the planning boards, whatever, so it isn't a year lost, at that point, when he is granted a permit, perhaps the clock should start ticking then. Then it falls upon the applicant to move forward. Having been in that industry for 30 some years, it is something he could speak on. He has seen more stops and starts.
- Mr. Maloney added that inside that particular PILOT it referred to that the assessor should follow the real property tax law; he received it in September of 2006 and it was half built in 2007 and it did not receive a certificate of occupancy until 2008.
- Counsel Scott responded that looking back on history, the IDA placed that on the applicant so if they were delayed, it was their problem. He thought applicants have become more sophisticated. The PILOT technically starts after tax status date, because the property doesn't go off the tax roles until the tax status date. Part of the complexity is that the PILOT starts only after the tax status date and then the jurisdictions have their own taxing dates that are carved in stone and are different. The school district PILOT date is different than the town and the county and that is why there are off-set tables in the PILOT Agreement. He thought that a lot of it is communication. It would seem to him that the best way to handle this is to have the

PILOT billing at the local level, but we provide, both staff and counsel, provide advice as to whether the bill has been calculated properly.

- Mr. Perfit stated that what was particularly disturbing about all these things is that of course, if you are being under taxed you keep your mouth shut, but the people who are being over taxed, he was shocked that they did not catch it and report that they should be paying less taxes; after they signed the agreement, filled out all the forms and then they don't say "hey there is a mistake here".
- Ms. Gallagher responded that in the case of Simulaidis they did not know because they are literally being sent a PILOT bill from the school district that does not necessarily show how the calculations are made and she also noted that Mid Hudson Valley Federal Credit Union – Kingston, did come back to the Agency after they built their new building on Hurley Avenue, the PILOT was never started; they were being taxed at full value in the City of Kingston. The PILOT in that particular project was restarted so the Agency brought it current by starting the PILOT again. They were taxed at full value, they did catch the mistake and they brought it to the attention of the taxing jurisdiction and the Agency. She believed it was in 2006 or 2007.
- Mr. Horodyski asked as an aside, being that they are more like a cooperative, don't pay income tax, how did that project go through the UCIDA and not the CRC.
- Counsel Scott responded that the CRC did not exist at the time. They pay property taxes, they are not tax exempt.
- Mr. Maloney stated that if you send a letter bill to someone, not a formalized tax bill from Ulster County, with enforcement procedures behind it that they owe \$23,000 and they do not pay it, is there any collection?
- Counsel Scott responded that if it is not on Section 8, he did not know how it was not on Section 8, because we send the PILOT and the 412A Form to them by March 1<sup>st</sup>. The assessor should move it from Section Roll 1, which is taxable, to Section Roll 8, tax exempt .....
- Mr. Maloney responded that he was speaking about the actual bill; every one is now on Roll Section 8 and we are sending a letter and they don't pay that letter bill.
- Counsel Scott replied that that was one of the weaknesses, or the weakness of a PILOT Agreement. You don't have a tax lien ability if they fail to pay the PILOT payment and that is why the UCIDA has enacted its' Enforcement Policies for being able to terminate if they fail to make their PILOT payments. So we terminate the PILOT, put them back on the tax rolls on a going forward basis they are subject to real property tax and we have a contract action to go back after them for that one year. The critical factor is that the municipalities and the UCIDA don't want unpaid PILOT payments to accrue over a period of time because you don't have a great legal position suing them because you are suing them on a contract as opposed to failing to pay your property taxes, you loose your property. What he does, and would

strongly recommend if there ever was a project resulted in a million to two million dollar a year PILOT payment, he recommends to clients that they get a PILOT mortgage and the PILOT mortgage is in front of the bank mortgage. Sometimes you run into problems with the bank financing, because why am I going to allow a PILOT mortgage in front of my mortgage and we explain that it is like a tax and you are in the same position. Then we give the bank the ability to cure; that protects the Agency's position. What New York State has done, is they have protected municipalities by saying that the municipality itself can sue under the PILOT Agreement. Even though you are not a signatory in many cases to the PILOT Agreement, the municipality can sue as a third party beneficiary under NYS law under that PILOT Agreement. The whole key on all of this is watching on an annual basis to make sure that payments are made and if a payment is not made under our current policy, we can place them back on the tax roles immediately and they are subject to real property tax and you can sue for the unpaid PILOT amounts.

- Ulster County Regional Chamber of Commerce.
  - The Ulster County Industrial Development Agency is not a member of the Ulster County Regional Chamber of Commerce.
  - Ulster County is a member.
  - Does the Agency wish to become members of the Chamber.
    - Via the county, if OBS is there and representing, that is indirect exposure for the UCIDA.
- Insurance Update.
  - When the contracts for the administration of the Agency were negotiated, the Agency did not have general liability insurance coverage; only directors and officers liability coverage.
  - The former chair did obtain two quotes for general liability coverage and did bind the policy, but it may make sense for one of the committees of the Agency looking forward at that because that policy did not necessarily name every property that the UCIDA holds title interest in.
  - Counsel Scott was asked if he had any recommendation based upon what other IDAs clients he had on what type of policies that they had in place.
  - Mr. Horodyski asked Counsel Scott if he saw other IDAs actually take general liability on each of their properties, because you have indemnification ...
  - Counsel Scott responded the company is supposed to name us on their insurance, so not only do you have indemnification, but you have insurance.
  - Mr. Horodyski asked if someone tracks their continuation of the insurance.
  - Counsel Scott responded that they notify us of that.

➤ Toshiba Copier

- Currently the development corporation has a contract for the Toshiba copier that is sitting over at the Business Resource Center. It is a strict contract that allows for no termination and the Development Corporation is not using it right now. When reviewing the usage last year, it was about 57,000; the majority of those copies were for UCIDA business. Staff is finding that it is very hard to conduct your business efficiently in the way that had been anticipated because the Office of Business Services does not get a full Agenda packet for the Agency, until very close to the meeting. The only way OBS can make efficient copies in Ulster County is to send them to Central Services; we would need all Agenda items well in advance ... probably five business days.
- Ms. Gallagher proposed the idea that the UCIDA may want to absorb this copy cost. It is about \$250-\$300 per month, which includes all service maintenance and toner. It does not include paper, however we do have paper in our budget so it is not an issue, but it would ensure the flexibility to address those resolutions and other items that are coming in last minute for the Agency.
- At this time it was agreed that the Agency would assume the cost of the copier. It will make more sense for UCDC to hold the contract as there is a significant cost involved in transferring the lease, and the Agency would be billed by UCDC monthly. The machine would physically be moved by Toshiba. It remains UCDC's liability.

**Motion:** Steve Perfit, seconded by Michael Horodyski, moved to assume the monthly costs of the Toshiba copier as billed by Ulster County Development Corporation. The machine is to be physically moved from the UCDC's offices at Development Court to the Offices of Business Services in the Ulster County Office Building.

**Vote:** The motion was adopted.

- New York State Economic Development Corporation Annual Meeting – Saratoga Springs – March 22-24, 2013.
  - In the past Ms. Gallagher has sought permission to attend and it was not reviewed favorably because the Agenda did not seem to be as substantive; there are a number of presentations and key note speakers with regard to the activities of Albany Nanotech. Ms. Gallagher stated that she would like to attend. The cost is \$475.
  - It was felt that the exposure was worth the cost.

**Motion:** James Malcolm, seconded by John Morrow, moved to approve March Gallagher's request to attend the 2013 NYSEDC Annual Meeting, March 22-24, in Saratoga Springs, NY.

**Vote:** The motion was adopted.

- UCIDA Brochure. A new version of the brochure is available; a copy of which is on file. It was noted that an update to the membership would be performed as soon as the board elected a new chairman.

**CORRESPONDENCE**

**City of Kingston – 346 Washington Avenue.**

- City of Kingston billing for PILOT payments when they went back and calculated going back over a six year period. Total Due: \$105,393.34. A copy of said correspondence is on file. It should be noted that said billing did not include school district taxes.

**City of Kingston – First Columbia Benedictine Group, LLC.**

- City of Kingston billing for PILOT payments when they went back and calculated going back over a six year period. Total Due: \$63,591.04. A copy of said correspondence is on file. It should be noted that said billing did not include school district taxes.

**City of Kingston – Mid-Hudson Valley Federal Credit Union.**

- City of Kingston billing for PILOT payments when they went back and calculated going back over a six year period. Total Due: \$4,808.06. A copy of said correspondence is on file. It should be noted that said billing did not include school district taxes.

**Maria Rice.**

- Correspondence regarding the Park Point Project in the Town of New Paltz. A copy of said correspondence is on file.

**Julia Fishman.**

- Correspondence regarding the Park Point Project in the Town of New Paltz. A copy of said correspondence is on file.

**Mary Beth Lunati.**

- Correspondence regarding the Park Point Project in the Town of New Paltz. A copy of said correspondence is on file.

**Stephen Bagley.**

- Correspondence regarding the Park Point Project in the Town of New Paltz. A copy of said correspondence is on file.

**OLD BUSINESS**

**Lloyd Park I**

Ms. Gallagher reported that they had an outstanding tax bill; they failed to pay the underlying tax, not the PILOT bill. They were waiting for payment from a tenant; the tax bill had not been paid as of the end of last week.

**NEW BUSINESS**

**Point of Information on the Governor's Budget Bill Enacted Last Week**

Counsel Scott indicated that he had a handout regarding the Governor's Budget Bill; he left it up to the sense of the Agency on how they wished to proceed.

It was unanimously agreed that it would be discussed at the next meeting of the Agency.

### **Selection of a New Chairman**

Mr. Colucci requested confirmation of the process of appointing a new member to the Agency to replace David O'Halloran. It was confirmed that an appointment to the Agency would have to be done via resolution at the pleasure of the Ulster County Legislature. Additionally, Mr. Colucci stated that the former Chairman remarked that his resignation would have to be accepted by the Legislature. He asked if that was a formality.

Mr. Horodyski responded that the only issue with that is that his resignation is from the UCIDA, not just the Chairmanship.

It was agreed that the Legislature did not have to accept his resignation. You can't force someone to participate in an unpaid position.

**Motion:** James Malcolm, seconded by Paul Colucci, moved to place Michael Horodyski's name in nomination for the position of Chairman of the Ulster County Industrial Development Agency.

Mr. Horodyski thanked the members of the Agency for considering him. He wanted to make it known that if he does accept the nomination, he thought that David O'Halloran was extremely involved and he thought that that served a good purpose. Given his constraints, he would look to leverage the Office of Business Services and counsel's office to affect a lot of the things the former Chairman was involved in the nitty gritty of the discussions. He had no problem getting into, but it will be a little different.

Mr. Perfit thought that some of the statements made by former Chair O'Halloran over the past few months by thanking the Office of Business Services for picking up; he had been doing a lot of that work himself.

Acting Chair Morrow stated that the Agency recognizes the issues and problems and he thought that everyone at this table has the same issues and same problems and understands. It was his opinion that former Chair O'Halloran went over and beyond of what was expected of him.

**Vote:** The motion was adopted.

### **ADJOURNMENT**

**Motion:** Paul Colucci, seconded by John Morrow, moved to adjourn the meeting

**Vote:** The motion was adopted.

The meeting was adjourned at 9:54 a.m..

Respectfully submitted,

John Morrow

Secretary