

# UCIDA

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Ulster County Industrial Development Agency

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## ULSTER COUNTY INDUSTRIAL DEVELOPMENT AGENCY MINUTES June 12, 2019

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A regular monthly meeting of the Ulster County Industrial Development Agency was held on Wednesday, June 12, 2019, at 9:00 A.M. at SUNY Ulster, 94 Mary's Avenue, Room 210, Kingston, NY.

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### **Roll Call:**

The following agency members were present:

Randall Leverette	Chair
Faye Storms	Vice Chair/Assistant Treasurer
Richard Jones	Treasurer
Michael Ham	Secretary
Paul Andreassen	Assistant Secretary
Daniel Savona	Member

The following agency members were absent (with notice):

James Malcom	Member
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UCIDA Attorney and Bond Counsel:

A. Joseph Scott, III, Esq.	Agency Counsel
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Additional Attendees:

Rose Woodworth	IDA Staff
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The meeting was called to order at 9:05 A.M. by Chair Randall Leverette.

Attorney Scott read the roll and 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 Jones, seconded by Faye Storms, moved to approve the minutes of the May 8, 2019 meeting. A copy of said minutes is on file.

**Vote:** The motion was unanimously adopted.

### **FINANCIALS**

Treasurer Richard Jones reviewed the financial report with the members. A copy of the report of the Treasurer is attached. Mr. Jones noted that \$300,000 was moved from the checking account into certificate of deposit accounts ("CDs"), as approved in the prior meeting: \$50,000 into a six-month CD, \$125,000 into a twelve-month CD, and \$125,000 into a fifteen-month CD. Interest is earned and credited monthly. Accounts receivable will be paid in full as of Friday, June 14, 2019. Regarding liabilities, Mr. Jones discussed the final installment which is due to Ulster County, and this is to be further addressed in the Chair's Report. A copy of said report is on file. Next year, the report will be completed by Rose Woodworth of Christopher J. O'Connor, CPA.

Discussion moved to the CRC, Mr. Jones informed the board that \$300,000 was moved from the CRC checking into CDs: \$50,000 into a six-month CD, \$125,000 into a twelve-month CD, and \$125,000 into a fifteen-month CD. The Chair addressed the bill to be paid to Query Creative for the web design and updating. Going forward, staff will be responsible for website updating, and Query will handle the backend, such as troubleshooting.

**Motion:** Michael Ham, seconded by Daniel Savona, moved to accept the monthly financial report, as presented.

**Vote:** The motion was unanimously adopted.

### **CHAIR'S REPORT**

Chair Leverette presented his Chair's report, a copy of which is attached. As part of his report, the Chair reported on the following:

- A. Website – The website has launched and can be found at [www.ulstercountyida.com](http://www.ulstercountyida.com).
- B. E-mail – A new email address has been set up: [info@ulstercountyida.com](mailto:info@ulstercountyida.com).
- C. Administrative Staff – A contract was signed with Christopher J. O'Connor, CPA on June 2, 2019. The Chair welcomed Rose Woodworth and staff.
- D. New Phone Number – A new phone number for the Agency has been established: (845) 943-4600.
- E. Skoufis Letter – The Chair noted that the matter is still outstanding and will be resolved by the June 28, 2019 due date.
- F. Resolution 157 Report – The Chair reported that the report was transmitted to the Legislature on May 18, 2019. A copy of said report is on file.
- G. Keiffer Litigation – The Chair reported that the litigation has concluded, and the IDA prevailed. Counsel will determine how to collect reimbursement for legal fees. The balance of what is owed to Counsel will be settled from the suit.
- H. Call for Projects – The Chair reported that further discussion between the Chair and Attorney Scott is required to revise the standards for who, what, and why the IDA will provide funds. Procedure will be drafted and presented to the full board.
- I. Ulster County Final Payment Agreement – The Chair reported that this is almost completed. The Chair has met with Executive Ryan and expects to continue discussions.
- J. Recycling Oversight Committee – The Chair reported the question and answer session was well-received.
- K. Pre-Screening – The Chair reported that one application is in progress, and one application is scheduled for June 19, 2019.

## **COMMITTEE REPORTS**

### **Audit Committee**

No report. Mr. Jones commented that he will work with staff to improve PARIS report information sheet that applicants must fill out.

### **Finance Committee**

No report. The Chair noted that a budget needs to be started once the new staff settles in, and a finite amount of funds will need to be set for a Call for Projects. Mr. Jones shared that the budget must be submitted to the State by October 1, 2019.

### **Governance Committee**

Paul Andreassen, Chair of the Governance Committee, reported that the Governance Committee had met on May 23. The members of the Committee discussed further revisions to the Agency Matrix, including the issue of job salary ranges. This is to be further discussed at the meeting on June 19, 2019 and then proposed to the full board. Chair Leverette discussed recommendations that will be made, including eliminating Ulster Tomorrow, increasing job salary ranges, creating a proposal for new administrative fees, working with Counsel to create definitions of full-time employees, retained jobs, tourist destinations, and implementing greater enforcement from a monitoring perspective by the Agency after approval. Mr. Jones added that they plan to propose a change to the PILOT abatement schedules. For example: The new schedule would be ten-percent each year instead of being heavily-weighted up-front to be fair to both the applicant and municipalities.

## **OLD BUSINESS**

### **Audio Policy**

A copy of the policy is attached. Mr. Jones requested an addition to the policy to make an exception for public hearings, which are transcribed by a stenographer. Ms. Storms suggested an addition of wording such as "this recording has not been edited in any manner." Chair Leverette agreed and suggested posting said disclosure on the webpage where the audio recordings are posted. Chair Leverette also informed the board that it is likely that they will have to stream live and post meetings on the website in the near future. This is expected to be an unfunded state mandate beginning in January 2020.

**Motion:** Paul Andreassen, seconded by Richard Jones, moved to accept the Audio Policy with the amendment to exclude meetings transcribed by a stenographer.

**Vote:** The motion was unanimously adopted.

### **Kingston Medical Assignment – Review of Letter from Purchaser**

The purchaser has requested an exception to the policy for recapture event calculation. Counsel and Chair Leverette have recommended that the board does not approve this request. Counsel believes that making such an exception will set a future precedent to make changes on a project-by-project basis and could set the Agency up for future litigation. Counsel cited the Agency's success in the Keiffer matter and attributed it in part to the uniform criteria that is currently in place. Counsel did call attention to the language in the document for recovering and pointed out that the language is "may" not "shall." Should there be a recapture event, there is a process outlined that allows the Project to explain extenuating circumstances to the board before recovery occurs. Recovery is not automatic.

**Motion:** Richard Jones, seconded by Daniel Savona, made a motion to deny the request made by Kingston Medical Assignment.

**Vote:** The motion was unanimously adopted.

### **Inness NY LLC Project – Consideration of Letter Regarding May Meeting Questions**

**Note: Mr. Jones and Mrs. Woodworth recused themselves on this matter.**

Mr. Paul Hakim and Mr. Taavo Somer presented a map to the board, a copy of which is included. After extensive discussion between the board, Mr. Hakim and Mr. Somer, it was agreed upon that work, such as clearing, mowing and grading, has begun on the golf course portion of the project. Chair Leverette stressed that it is imperative to submit the Application and then wait for approval before doing any sort of improvements. It was proposed that the board considers the Application but omits the golf course portion since work has begun. The golf course represents \$2.9 million of the proposed \$20 million project. Some adjustments to the Application, project cost, and matrix would need to be revised and require further Counsel review and analysis.

SEQR Resolution was read by Counsel. The board voted as follows:

Randall Leverette	Yes
Faye Storms	Yes
Richard Jones	Recused
Michael Ham	Yes
Paul Andreassen	Yes
James Malcolm	Absent
Daniel Savona	Yes

**Motion:** Paul Andreassen, seconded by Faye Storms, made a motion to approve removing the golf course from the Project and to conditionally approve the Project, pending amended signed application, review with the applicant and Counsel of the new matrix, and a modified project cost (Item D, Section 3 of the Approving Resolution).

**Vote:** The motion was unanimously adopted.

### **Henry Stout Project – Consideration of Sales Tax Extension Date**

The Project needs additional time to complete the undertaking of the Project and has requested an extension for the sales tax exemption. They have used \$90,000 so far and are requesting to use the additional \$30,000 (of the original \$120,000 approved) to complete the renovation of the remaining buildings. Chair Leverette recommended approval.

**Motion:** Paul Andreassen, seconded by Richard Jones, moved to accept the extension of the sales tax exemption.

**Vote:** The motion was unanimously adopted.

### **Status of Pending Projects**

- Star Estate Development Group, LLC – Anticipate closing this month.
- Wildberry Lodge, LLC – No change.
- Kingston Medical Assignment – Action today; anticipate closing in two weeks.
- Inness NY, LLC – Action today; anticipate closing in one to two months.

### **NEW BUSINESS**

#### **Letter from NYS Senate Regarding Industrial Development Agencies**

A copy of the letter discussed is on file. Counsel informed the board that the letter, which is primarily to ensure that IDAs have completed and posted various reports for public-viewing, was sent to all 109 IDAs throughout the state. Counsel expects to have a draft completed by early next week; the response is due June 28, 2019.

#### **Resolution Regarding Administrative Fees**

The current Schedule of Late Fees is on file. There was discussion by the board about increasing late fees for submitting annual PARIS report information to the Agency after the deadline of January 31. The

board is considering late fees of \$500 for submission after January 31, \$750 for submission after February 15, and \$1,000 for submission after March 1. Because of the increase in fees, the board discussed sending out the request for information sooner than the current date of November 30 in order to give the applicants more time for completion. Mr. Jones wanted to look into the logistics of sending out the request for information by October 15. This matter was tabled until the next meeting

#### **Review of Request from YMCA**

A copy of the request is on file. Call for projects has been postponed, but Chair Leverette has made an exception due to the urgent nature of this request. After a short question and answer session, the Chair explained that the Agency does not have the proper funding for this type of request. The board suggested the YMCA brings this request to the Revolving Loan Fund. The YMCA withdrew its request.

#### **Review of Construction Monitoring Compliance Proposal (Executive Session, If Necessary)**

Chair Leverette introduced Jim and Steve from Loewke Brill Consulting Group.

**Motion:** Richard Jones, seconded by Faye Storms, made a motion to go into Executive Session to review the financial and employment history of the proposing firm, a possible vender for the Agency in the area of employment monitoring for projects.

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

The board then went into Executive Session at 10:55 A.M.

**Motion:** Faye Storms, seconded by Paul Andreassen, made a motion to come out of Executive Session.

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

The board came out of executive session at 11:34 A.M.

No action was taken during the Executive Session.

#### **PUBLIC COMMENT**

Public comments were received as follows:

By Supervisor Baden, inquiring about the process for suggestion submission to the Governance Committee.

By press, clarification on the SEQR Resolution Policy.

**ADJOURNMENT**

**Motion:** Faye Storms, seconded by Richard Jones, moved to adjourn the meeting.

**Vote:** The motion was unanimously adopted.

The meeting was adjourned at 11:43 A.M.

Respectfully submitted,

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Michael Ham, Secretary