

# UCIDA

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Ulster County Industrial Development Agency

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## ULSTER COUNTY INDUSTRIAL DEVELOPMENT AGENCY MINUTES October 30, 2019

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A regular monthly meeting of the Ulster County Industrial Development Agency was held on Wednesday, October 30, 2019, at 9:00 A.M. at SUNY Ulster, 94 Marys Avenue, Room 101, Kingston, NY.

### **Roll Call:**

The following agency members were present:

Randall Leverette	Chair
Richard O. Jones	Treasurer/Assistant Secretary
Michael Ham	Secretary
Paul Andreassen	Assistant Secretary
James Malcolm	Member
Daniel Savona	Member

The following agency members were absent (with notice):

Faye Storms	Vice Chair/Assistant Treasurer
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UCIDA Attorneys and Bond Counsel:

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

Rose Woodworth	Agency Staff
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The meeting was called to order at 9:00 A.M. by Chair Randall Leverette.

Rose Woodworth 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:** James Malcolm, seconded by Michael Ham, moved to approve the minutes of the October 9, 2019 meeting. A copy of said minutes is on file.

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

### EXECUTIVE SESSION

**Motion:** James Malcolm, seconded by Michael Ham, made a motion to go into Executive Session for the advice of Counsel and to review confidential background check information.

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

The Board then entered into Executive Session at 9:04 A.M.

**Motion:** Richard Jones, seconded by James Malcolm, 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 9:35 A.M.

No action was taken during the Executive Session.

### FINANCIALS

Treasurer Richard Jones presented the financial report. A copy of the report of the Treasurer is on file. For the IDA, the only expense for the month of October was administrative fees of \$12,000. This fee represents payment to Christopher J. O'Connor, CPA for the regular monthly administrative fee as well as payment for prior work. The Executive Director will present her recommendations regarding investing funds into CDs at the next Board meeting. There was no activity in the month of October for the UCCRC.

**Motion:** James Malcolm, seconded by Paul Andreassen, moved to accept the monthly financial report, as presented.

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

### CHAIR'S REPORT

Chair Leverette presented his Chair's Report. As part of his report, the Chair reported on the following:

- A. Brooklyn Bottling of Milton New York, Inc. – The Chair reported that the Pre-Screen group met on October 25, 2019 to review background check material for the Applicant.

- B. Live Streaming – The Chair reported that he has started to research companies to livestream the Agency’s meetings as required beginning in January 2020. The Chair has scheduled a meeting with a potential vendor on November 1, 2019.
- C. Ulster Hospitality – The Chair reported that the Pre-Screen group met on October 22, 2019. The Applicant is no longer requesting a PILOT and will revise their application for Sales and Mortgage Tax Exemption only. The Applicant will return to another Pre-Screen meeting once revised.

### **EXECUTIVE DIRECTOR’S REPORT**

Executive Director Rose Woodworth presented her Executive Director’s Report. As part of her report, she reported on the following:

- A. Hodgson Russ, LLP – The Executive Director presented the 2019 engagement letter from Hodgson Russ, LLP which outlines the hourly rates for the various partners that may do work for the Agency. The most notable change from last year is the paragraph that has been added concerning release of files in the event of a transition between law firms.

**Motion:** Richard Jones, seconded by James Malcolm, moved to authorize the engagement of Hodgson Russ, LLP for the 2019 calendar year.

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

- B. ABO Budget Report – The Executive Director reported that the budget reports for both the IDA and CRC were submitted to the ABO on October 28, 2019.
- C. Loewke Brill – The Executive Director received the rough draft of the contract from Loewke Brill and it has been sent to Counsel to review and revise as needed.
- D. Annual Report – The Executive Director reported that the Agency will need to make some technical revisions to its annual report.

**Motion:** James Malcolm, seconded by Michael Ham, moved to approve the technical revisions to the annual report.

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

### **COMMITTEE REPORTS**

#### **Audit Committee**

No report.

### **Finance Committee**

No report.

### **Governance Committee**

No report. Paul Andreassen, Chair of the Audit Committee, is working with staff to schedule a committee meeting.

### **OLD BUSINESS**

#### **Status of Pending Projects**

Agency Counsel reported on the status of pending projects:

- Wildberry Lodge, LLC – No change. Project is completing SEQR process. No action can be taken until the process is completed.
- Inness NY, LLC – The interim sales tax letter has been delivered and 50% of the IDA fee has been collected. Counsel is finalizing documents and expects a closing date no later than the end of November 2019. The Agency needs to finalize the contract with Loewke Brill before closing on this Project.
- Brooklyn Bottling of Milton, New York, Inc. – The third-party background check has been completed and the Pre-Screening group reviewed the materials on October 25, 2019.

#### **Brooklyn Bottling of Milton, New York, Inc.**

Randall Leverette, Chair informed the Board that the Pre-Screening group met on October 25, 2019 and recommends that the Agency issues a conditional approval for a ten-year PILOT pending adequate documentation from the DEC showing that the Project is in compliance with their prior agreement. The Board welcomed the project owner, Eric Miller. Mr. Miller stated that it was never his intent to leave Ulster County. Mr. Miller stated that not only would it be logistically difficult to move the facility, but he also values his employees, many of which have been with the facility since it opened.

Counsel presented a document to the Board Members which outlined the following:

- Background on the Project and holding company
- Description of the Project
- Prior action taken by the Agency, including Public Hearing
- The PILOT schedules that the Pre-Screening Committee have considered

- The actions the IDA is being asked to take
- Details of the Project, including the structure of the transaction, which involves a 1% IDA fee of \$40,000, based on an estimated four-million-dollar project

The SEQR Resolution and SEQR Resolution Type II, regarding equipment acquisition in the Milton location, were reviewed. The board voted as follows on the SEQR Resolution:

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

Mr. Miller reiterated that construction is only taking place at the warehouse in Marlboro, not in Milton. There will be some equipment purchases in Milton to compliment the warehouse expansion, and some employees will also be added. Randall Leverette explained that the Agency still expects to have access to both facilities to confirm employee numbers.

Counsel reviewed the Approving Resolution with the Board which includes the straight lease documents, PILOT agreement, the Agency's Clawback agreement, NYS Clawback agreement, PILOT terms, monitoring terms, job reporting, and job levels. James Malcolm urged Mr. Miller to request that the general contractor uses local labor and stated that he would like Mr. Miller to consider local contractors for future expansion. After discussion, the Board voted as follows on the Approving Resolution:

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

Mr. Miller spoke on the outstanding DEC issue. He has met with many engineers, tried many pilot systems, and has invested about \$400,000 to correct the issue with a new system installed 6 or 7 months ago. Mr. Miller is happy to report that it is working well. Project Counsel asked what type of documentation would be needed to satisfy the conditions and it was determined that Agency Counsel will work with Project Counsel to determine what type of documentation is acceptable. The Applicant asked if they were clear to start concrete work. The Project has conditional approval, the sales tax letter

will be issued, and they are clear to begin construction if necessary, but the Agency will not officially close until satisfactory documentation from the DEC is received. The Chair thanked the Project for their patience as they were the first Applicant to go through the Agency's new process for reviewing and approving Projects.

**PUBLIC COMMENT**

No public comments were received.

**ADJOURNMENT**

**Motion:** James Malcolm, seconded by Michael Ham, moved to adjourn the meeting.

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

The meeting was adjourned at 10:25 A.M.

Respectfully submitted,

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Michael Ham, Secretary