

UCIDA

Ulster County Industrial Development Agency

ULSTER COUNTY INDUSTRIAL DEVELOPMENT AGENCY MINUTES APRIL 11, 2018

A Special Meeting of the Ulster County Industrial Development Agency was held on Wednesday, April 11, 2018, at 8:00 A.M. in the Legislative Chambers, 6th Floor, Ulster County Office Building, 244 Fair Street, Kingston, NY.

Roll Call:

The following agency members were present:

John R. Morrow	Chair
Randall Leverette	Vice-Chair
John Livermore	Assistant Treasurer
James Malcolm	Member

The following agency members were absent (with notice):

Robert Kinnin	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 J. Rioux

Additional Attendees:

Gary Krupnick	Marlboro Distr. Rte 9, LLC
Christine Konefal, Esq.	Marlboro Distr. Rte 9, LLC
John LeHane	Hudson Valley Startup Fund, Managing Partner
Geddy Sveikauskas	Ulster Publishing
William Kemble	Daily Freeman

P.O. Box 4265, Kingston, NY 12402-4265

The meeting was called to order at 8:04 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.

INTRODUCTIONS

Introductions were exchanged among the public attendees, the Board members and staff who were present.

NEW BUSINESS

Marlboro Distr. Rte 9, LLC Application

At the request of the applicant, Chair Morrow moved the presentation relating to Marlboro Distr. Rte 9, LLC up on the agenda.

Gary Krupnick, on behalf of PODS and as the applicant, proceeded to give a visual and oral presentation of the project to the Board which included, but was not limited to, the following:

- The proposed project will include an approximate 40,000 sq. ft.-facility, being a single-story building set back from the road.
- Empty PODS that are not in use will be stored outside, out of sight behind the building.
- When the pods are filled, they will be put inside the building, similar to a massive warehouse.
- The building is a pre-engineered superstructure.
- There is an existing driveway cut. Although a DOT study was not done, the movements per day average about 10, which is far below any of the levels.
- The balance of sight will be landscaped.

- The Town of Marlborough has given permission for a building permit.
- Currently, there is no water to feed a fire system, and the building would require a sprinkler system. The base cost for the same is in the \$350,000 range.
- While not a part of the current project, the building does provide for a 12,000 ft. extension if needed in the future.
- A property tax exemption, sales tax and mortgage tax abatement would enhance the underwriting of the loan currently being sought by the applicant.

A copy of the said application is on file.

RESOLUTION AUTHORIZING THE DIRECTOR, OFFICE OF ECONOMIC DEVELOPMENT OF ULSTER COUNTY INDUSTRIAL DEVELOPMENT AGENCY TO HOLD A PUBLIC HEARING REGARDING A PROPOSED PROJECT TO BE UNDERTAKEN FOR THE BENEFIT OF MARLBORO DISTR. RTE 9, LLC.

Motion: James Malcolm, seconded by Randall Leverette, moved to approve the Resolution Authorizing the Director, Office of Economic Development Agency to Hold a Public Hearing Regarding a Proposed Project to be Undertaken for the Benefit of Marlboro Distr. Rte 9, LLC. (A copy of said Resolution is on file.)

Vote: The motion was adopted.

PUBLIC COMMENT ON AGENDA ITEMS ONLY

Chair Morrow opened the meeting for public comment on agenda items only. There were no individuals who requested the Privilege of the floor. The section of the "Public Comment on Agenda Items Only" was closed.

MINUTES

Motion: James Malcolm, seconded by John Livermore, moved to approve the Minutes of the March 14, 2018 meeting. A copy of said Minutes is on file.

Vote: The motion was adopted.

FINANCIALS

CFO, Christopher J. Rioux reported that the fees paid in March included the 1st Quarter Administrative fee to the County, an insurance fee and the final payment to Galileo Technology.

Motion: Randall Leverette, seconded by James Malcolm, moved to accept the Financials for the period ending March 31, 2018 as presented. (A copy of said Financial report is on file.)

Vote: The motion was adopted.

COMMITTEE REPORTS

Audit Committee

Committee Chair John Livermore stated that there was nothing to report this month.

Governance Committee

Committee Chair James Malcolm asked Evelyn Heinbach to review the revisions to the application forms for the IDA and CRC which were previously entertained by the Governance Committee. Ms. Heinbach pointed out that the changes to the application were made essentially to make it clearer and to structure it in sections and incorporate some of the best practices coming from New York State and other IDA's. Attorney Scott added that he has had productive conversations with staff; and has provided some legal suggestions which were implemented. As a result, he confirmed his satisfaction with the revised application that is now before the Board for their consideration.

Motion: John Morrow, seconded by Randall Leverette, moved to approve the new Application Form as presented. (A copy of said Application Form is on file.)

Vote: The motion was adopted.

Chair Morrow wished to recognize the hard work involved in revising the Application Form and thanked the Governance Committee, counsel and staff for all their efforts.

OLD BUSINESS

2018 Call For Projects

Suzanne Holt reported that there were 18 applications from businesses and non-profits as well as a request from the Hudson Valley Startup Fund for a sponsorship. An Advisory Committee was formed to review the applications and they made 5 suggestions to fund. Ms. Holt stated that counsel has determined all of the recommended applications to be rightful; and will prepare the necessary documentation in proper structure upon the Board's approval.

The following applications and proposed amounts of funding were recommended:

Hudson Valley Agri-Business Development Corp. (\$25,000.00)

Hudson Valley Film Commission (\$45,000.00)

Stainless Design Concepts (\$20,000.00)

Elna Magnetics (\$20,000.00)

Sunflower Market, Inc. (\$20,000.00)

Hudson Valley Startup Fund's sponsorship (\$5,000.00)

Copies of the aforesaid applications are on file.

Motion: Randall Leverette, seconded by John Livermore moved to set the amount for the **Hudson Valley Film Commission** at **\$40,000.00** for the year 2018.

Discussion: Before proceeding, it was suggested to address each of the remaining proposals individually; and further, to learn more about the Hudson Valley Start-Up Fund.

Chair Morrow opened the floor to John LeHane, Managing partner of the Hudson Valley Startup Fund in order to address some of the questions that arose. Mr. LeHane's presentation included, but was not limited to the following:

- The funds requested are used to help companies in Ulster County be prepared to receive venture financing.
- Traditional companies receive funds through banks whereas start-up companies are not "bankable".
- Previous to the Hudson Valley Start-Up Fund, there was no organized group of people to provide money and invest in these companies.
- At the present time the organization has 44 investors (a third of more who are Ulster County residents)
- Hudson Valley Start-Up Fund identifies the gaps and works with companies to get them ready to present.
- The \$5,000 requested is to get SUNY New Paltz and UCCC interns to do all the "busy work" to learn the process and what it takes to provide venture and get venture in order to preen the companies to present to the investors. They provide an educational program.
- The Hudson Valley Start-up Fund provides a platform that creates jobs.

Motion: James Malcolm, seconded by John Livermore, moved to allocate **\$25,000.00** to the **Hudson Valley Agri-Business**.

Vote: The motion was adopted.

The next application before the Board was the **Hudson Valley Film Commission**. Ms. Holt pointed out to the Board that a motion was made and seconded; however a discussion ensued and a vote had not been taken.

James Malcolm moved the question for a vote:

Vote: All in favor. The motion was adopted.

Motion: James Malcolm, seconded by Randall Leverette, moved to approve \$20,000.00 to the **Sunflower Market, Inc.**

Discussion: In lieu of the reduction made to the amount awarded to the Hudson Valley Film Commission, John Livermore suggested to increase the proposed amount to Sunflower Market, Inc. by \$5,000.00. Mr. Malcolm made an allowance to recuse.

Amended Motion: Randall Leverette, seconded by James Malcolm moved to allocate the amount of **\$25,000.00** instead of \$20,000.00 to the **Sunflower Market, Inc.**

Vote: The motion was adopted.

Motion: John Livermore, seconded by James Malcolm, moved to approve **\$20,000.00** to the **Stainless Design Concepts (SDC)**.

Vote: The motion was adopted.

Motion: John Livermore, seconded by James Malcolm, moved to allocate **\$20,000.00** to the **Elna Magnetics**.

Vote: The motion was adopted

Motion: James Malcolm, seconded by John Livermore, moved to allocate **\$5,000.00** to the **Hudson Valley Startup Fund**.

Vote: The motion was adopted.

It was the consensus of the Board to refer to counsel and staff to determine the best structure (UCIDA and/or UCCRC) for the funds approved at this meeting and recommendations for the same will follow at the next meeting.

Video (Ellenbogan Creative Media Proposal)

Ms. Holt stated that spurred from the Board's prior request to develop a palm card with information regarding the IDA, the thought of a video occurred to better help the public understand the services of the Ulster County Industrial Development Agency as well as the Office of Economic Development.

A proposal from Ellenbogan Creative Media was obtained for this purpose, a copy of which was given to the Board for their consideration. Many of the members agreed that the cost of making a video was too high unless hiring an intern to produce the video would prove less expensive.

After a lengthy discussion in which many ideas were exchanged, staff was advised to use their discretion to pursue the best ways in which to coordinate meetings with the school board members, elected officials and assessors. Mr. Malcolm made a suggestion to copy the Legislature regarding the events when scheduled.

- ❖ The Board favorably entertained the thought of having staff make arrangements to be included on the School Board's agenda when they meet each month.
- ❖ It was the consensus of all the members present that an RFP for a video be pursued.

ECONOMIC DEVELOPMENT UPDATE

Suzanne Holt reported the following:

- Several community Economic Development presentations have taken place.
- A Food and Beverage Networking event will be held on April 17th at the Falcon.
- A fourth Film Networking event will be held at Hudson Maritime Museum on May 5th.

PUBLIC COMMENT

Geddy Sveikauskas stated that although not publicized, School Boards and business managers meet regularly; and he believes it would be a good idea to get on their agenda to present so that they could then relay the information to the appropriate people.

Mr. Sveikauskas added that he believes the Hudson Valley Startup Fund does as much for the mission of the UCIDA as other groups and should not be dismissed because it doesn't create major jobs for interns. He thinks it is more important to have a partner in the venture capital side of things to invigorate the attempt to grow more jobs in this community.

ADJOURNMENT

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

Vote: The motion was adopted.

The meeting was adjourned at 9:51 A.M.

Respectfully submitted,



John Livermore
Assistant Secretary