

UCIDA

Ulster County Industrial Development Agency

ULSTER COUNTY INDUSTRIAL DEVELOPMENT AGENCY MINUTES DECEMBER 14, 2016

A regular monthly meeting of the Ulster County Industrial Development Agency was held at 8:00 a.m., Wednesday, December 14, 2016, Karen Binder Library, 6th Floor, Ulster County Office Building, 244 Fair Street, Kingston, NY.

Roll Call:

The following agency members were present:

Michael Horodyski	Chair
John Livermore	Assistant Secretary
John Morrow	Vice Chair
Michael Bernholz	Member
Randall Leverette	Treasurer

The following agency members were absent:

Robert Kinnin	Secretary
James Malcolm	Assistant Treasurer

Office of Economic Development Staff:

Linda Clark
Christopher Fury
Suzanne Holt

UCIDA Attorney and Bond Counsel:

A. Joseph Scott	Hodgson Russ LLP
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Additional Attendees:

Bill Kemble	Daily Freeman
Douglas Posey	Douglas Posey III Project/Greenhouses
Chris Silva	Bardavon 1869 Opera House-d/b/a UPAC
Geddy Sveikauskas	Ulster Publishing

Chair Horodyski called the meeting to order at 8:00 AM.

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.

MINUTES

Motion Randall Leverette, seconded by John Morrow, moved to approve the Minutes of the November 9, 2016 meeting. A copy of said Minutes is on file.

Vote: The motion was adopted. Robert Kinnin and James Malcolm absent.

FINANCIALS

Motion: John Livermore, seconded by Randall Leverette, moved to approve the Financials for the period ending November 30, 2016. A copy of said Financials is on file.

Vote: The motion was adopted. Robert Kinnin and James Malcolm absent.

COMMITTEE REPORTS

Audit Committee

Committee Chair Randall Leverette reported that the committee had not met.

Governance Committee

Committee Chair John Morrow reported that the Uniform Tax Exemption Policy Public Hearing was held on Monday, December 5, 2016. The period for comment has been extended to December 31, 2016.

PROJECTS

Douglas H. Posey III

Douglas Posey reported that the project had successfully completed the SEQR process receiving a negative declaration; a construction lender has been obtained; and they continue to work with the New York Small Business Development Center (NYSBDC) for SBA financing while waiting for a permanent lender. The project continues forward in the process to complete site plan approval with the Town Planning Board.

Agency Counsel, A. Joseph Scott, provided a Project Synopsis outlining the specifics of the project, prior actions taken by the Agency and the proposed actions that are before the members this date. The Project is a Lease/Leaseback Transaction with a proposed fifteen year PILOT. A copy of said Project Synopsis is on file.

RESOLUTION CONCURRING IN THE DETERMINATION BY THE TOWN OF SHAWANGUNK PLANNING BOARD AS LEAD AGENCY FOR THE ENVIRONMENTAL REVIEW OF THE DOUGLAS H. POSEY, III PROPOSED PROJECT.

Motion: John Morrow, seconded by John Livermore moved to adopt said resolution.

Vote: The motion was adopted. Robert Kinnin and James Malcolm absent.

RESOLUTION AUTHORIZING EXECUTION OF DOCUMENTS IN CONNECTION WITH A LEASE/LEASEBACK TRANSACTION FOR A PROJECT FOR DOUGLAS H. POSEY, III (THE "COMPANY").

Motion: John Morrow, seconded by John Livermore, moved to adopt said resolution.

Vote: The motion was adopted. Robert Kinnin and James Malcolm absent.

Bardavon 1869 Opera House, Inc./UPAC LLC Project

Counsel Scott provided a Project Synopsis outlining the project with specific reference to the fact that the PILOT will be a Deviated PILOT and, therefore, requires the consents of Ulster County, the City of Kingston and the Kingston City School District. Additionally, the amount of payments in lieu of taxes payable by the Company with respect to the Project Facility shall be equal to \$-0- subject to the following (a) the period of the PILOT Agreement shall not exceed eight (8) years and (b) in the event that the Company or Applicant sublease all or a portion of the Project Facility to a for-profit corporation, payments in lieu of taxes in an amount equal to "normal taxes" shall be due for the portion of the Project Facility subject to such sublease. A copy of the Project Synopsis is on file.

RESOLUTION DETERMINING THAT ACTION TO UNDERTAKE A PROJECT FOR THE BENEFIT OF UPAC LLC IS A "TYPE II ACTION" AND NO FURTHER ACTION IS REQUIRED UNDER SEQRA WITH RESPECT THERETO

Motion: John Livermore, seconded by Randall Leverette, moved to adopt said resolution.

Vote: The motion was adopted. Robert Kinnin and James Malcolm absent

RESOLUTION AUTHORIZING EXECUTION OF DOCUMENTS IN CONNECTION WITH A LEASE/LEASEBACK TRANSACTION FOR A PROJECT FOR UPAC LLC (THE "COMPANY").

Chair Horodyski stated that the Agency traditionally collects a 1% Admin Fee based upon the total cost of the project, in this case \$40,000. The project is unique in nature; he requested that the members consider waiving the normal fee and to charge a \$2,500 Admin Fee. To the best of the Chair's knowledge there is no precedence for this type of action.

John Livermore stated that he was not comfortable with \$2,500; he felt that it should be more than that.

Randall Leverette proposed one-half of the \$40,000 and was concerned about the precedence.

Chair Horodyski responded that he would be comfortable with the precedence because it happens so infrequently and when it does happen it is a not-for-profit that is doing some restorative and artistic work that benefits the county. The Agency has the discretion to do this.

Mr. Leverette suggested that a policy should be created if the view is the people are a non-profit doing good work and we want them in the community he thought we should have it in the Agency's regulations.

Chair Horodyski responded that in his opinion it is not because they are a non-profit. The reduction in fee is being considered because of the way they had to restructure under this arrangement. The financing aspect would drive this, not the fact that they are a non-profit.

Motion: Randall Leverette, seconded by John Livermore, moved to adopt said resolution reducing the proposed Agency administration fee to 10% of the normal fee for administration.

Vote: The motion was adopted. Robert Kinnin and James Malcolm absent.

OLD BUSINESS

Galileo Technology Group

Upon discussion regarding the draft proposed contract, it was determined that there were a number of discrepancies; a need to set up a minimum set of services and required more detail especially how the expenses were to be billed. A copy of said proposed draft document is on file. It was the general consensus of the members that this request be included in the annual call for projects.

Agency member John Morrow requested that Geddy Sveikauskas be allowed to address the members of the Agency with reference to a proposed grant for ARC of Ulster-Greene. A copy of the referenced document is on file.

Motion: John Morrow, seconded by Randall Leverette, moved to table this matter pending further information.

Vote: The motion was adopted. Robert Kinnin and James Malcolm absent.

Institute for Family Health

Counsel Scott reported that the matter had been resolved.

NEW BUSINESS

Approval of 2016 Legal Fees

An invoice in the amount of \$15,450 has been submitted by Hodgson Russ for legal fees for calendar year 2016. A copy of said statement is on file.

Motion: Michael Bernholz, seconded by Randall Leverette, moved to approve said invoice for payment.

Vote: The motion was adopted. Robert Kinnin and James Malcolm absent.

NOTE: At the conclusion of this vote, Chairman Horodyski left the meeting. Vice Chair John Morrow continued in his absence.

Approval of 2017 Contract Between Ulster County Industrial Development Agency and Ulster County

Motion: Randall Leverette, seconded by Michael Bernholz, moved to approve said contract in the amount of \$50,000 for calendar year 2017.

Vote: The motion was adopted. Michael Horodyski, Robert Kinnin and James Malcolm absent.

PUBLIC COMMENT

Vice Chair Morrow opened the meeting for public comment. There were no individuals who requested the Privilege of the Floor. The public comment section of the Agenda was closed.

ADJOURNMENT

Motion: Michael Bernholz, seconded by Randall Leverette moved to adjourn the meeting.

Vote: The motion was adopted. Michael Horodyski, Robert Kinnin and James Malcolm absent.

The meeting was adjourned at 8:52 a.m.

Respectfully submitted,

John Livermore
Assistant Secretary

DRAFT