

ULSTER COUNTY INDUSTRIAL DEVELOPMENT AGENCY

GOVERNANCE COMMITTEE

MINUTES

DECEMBER 4, 2019

A special meeting of the Governance Committee of the Ulster County Industrial Development Agency was held on Wednesday, December 4, 2019, at 9:00 A.M. at SUNY Ulster, 94 Mary's Avenue, Room 212, Kingston, NY.

Roll Call:

The following committee members were present:

Paul Andreassen	Committee Chairman
Michael J. Ham	
Richard O. Jones	
Randall Leverette	
Daniel Savona	

UCIDA Attorney and Bond Counsel:

A. Joseph Scott, III, Esq.	Agency Counsel
Rose Woodworth	Agency Staff

The meeting was called to order at 9:03 A.M. by Committee Chairman Andreassen.

The roll was read, and it was noted that a quorum was present.

APPROVAL OF MINUTES

The minutes of the last meeting of the Governance Committee were approved by the following motion.

Motion: Randall Leverette, seconded by Michael Ham, moved to approve the minutes of the July 22, 2019 meeting as presented.

Vote: The motion was unanimously adopted (5-0).

REVIEW OF AUDIT COMMITTEE COMMENTS

The members of the Committee reviewed the changes made by counsel. Some definitions were taken from the statute, and others were changed after discussions by both the Committee and full board. The Committee discussed the definition for retained jobs and discussed the difference between maintained jobs and retained jobs. The Committee wants it to be clear that retained jobs will not be considered FTEs. There may be an instance when retained jobs will be considered, but only when a project has documentation, such as a down payment on a new facility, showing that they are fully capable of moving out of the area. The Committee will develop a policy to address the issue in detail.

Motion: Randall Leverette, seconded by Richard Jones, moved to have the Governance Committee create a policy for review of retained jobs as a category that earns points on the UTEP.

Vote: The motion was unanimously adopted (5-0).

The members of the Committee had a discussion regarding the Agency Matrix.

Motion: Randall Leverette moved the points be removed from the Matrix so that going forward, the points be assigned by the Board or pre-screen, not the Applicant.

No one seconded the motion. The Committee prefers the current system with a concrete number of points to be awarded per category.

The Committee discussed that all jobs will have to be *over* living wage, which is any amount over \$12.35.

The Committee discussed “health benefits” and discussed the possibility of adding health benefits to the Matrix. Members reviewed the Matrix categories from a neighboring IDA that has a column titled “quality of jobs” which ranged from zero to five points and simply laid out multiple salaries and benefits. The Committee liked the idea of this type of rating and discussed using percentages of wages based on the living wage for Ulster County as found by MIT and then simply factoring in the presence of benefits.

The definition of “tourist destination” follows the language in the IDA statute, together with additional limiting language requiring activities at the project site that act to attract people from outside the economic development region.

Motion: Randall Leverette, seconded by Rick Jones, moved to change the section of Community Investment worth 2 points as follows: “An area is considered ‘economically distressed’ if one or more of the following criteria is met: 1) (a) The poverty rate of at least 20% for the year to which the data relates OR at least 20% of households receiving public assistance; AND (b) an unemployment rate of at least 1.25 times the statewide unemployment rate for the year to which the data relates; OR 2) An area which was designated an empire zone pursuant to article 18B of NYS General Municipal Law; OR 3) The area is, at the sole and absolute discretion of the Agency, subject to a ‘special condition’ resulting from

severe short- or long-term changes in economic conditions, such as the shutdown of a major employer or the loss of a significant industry.”

Vote: The motion was unanimously adopted (5-0).

Motion: Rick Jones, seconded by Randall Leverette, moved to approve the projected wages column as presented.

Vote: The motion was unanimously adopted (5-0).

The committee discussed the awarding of more points based on percentage of employees hired from the area for construction projects without taking points away from prevailing wage jobs.

The committee discussed the environmental sustainability of projects meaning the project utilizes, to the fullest extent practicable and economically feasible, resource conservation, energy efficiency, green technologies, and alternative and renewable energy measures including but not limited to LEED-Certified Projects.

Motion: Rick Jones, seconded by Randall Leverette, moved to approve construction jobs and environmental sustainability as written in the meeting materials.

Vote: The motion was unanimously adopted (5-0).

The committee instructed Counsel to come up with a definition for “workforce housing” to put into place.

Motion: Rick Jones, seconded by Randall Leverette, moved to approve the section of the matrix referring to workforce housing as written in the meeting materials.

Vote: The motion was unanimously adopted (5-0).

Committee discussed setting up a meeting with the county’s Economic Development Committee to go over the board-approved changes to the UTEP, after the next meeting when the changes are set to be approved.

Motion: Rick Jones moved to delay the vote on the board approved changes to the UTEP until they can get in front of the county’s economic development committee.

Richard Jones withdrew his motion.

Motion: Richard Jones, seconded by Michael Ham, moved to present this to the board for its consideration and voting, and subsequent to that, set up a meeting with the county’s Economic Development Committee to present the board-approved changes to the UTEP.

Michael Ham withdrew his second, and Daniel Savona seconded the motion.

Vote: The motion was unanimously adopted (5-0).

The governance committee agreed that the annual fee would only be billed to projects that closed after the resolution was made in May. Additionally, the committee agreed that the fee for a certified public accountant to review the reported employment data for 2019 would be passed through to each project.

Motion: Randall Leverette, seconded by Daniel Savona, moved to clarify that the fees on the Fee Schedule Guidelines can be amended by administrative staff without committee- or board-approval according to actual costs of the Agency.

Vote: The motion was unanimously adopted (5-0).

Motion: Randall Leverette, seconded by Richard Jones, moved to accept definitions of certain terms as presented in the memo from Board Counsel. A copy of the memo is on file.

Vote: The motion was unanimously adopted (5-0).

ORGANIZATIONAL CHART

Motion: Randall Leverette, seconded by Daniel Savona, moved to accept the Organizational Chart as presented with a change it to reflect that the Chief Financial Officer reports to the Chief Executive Officer.

Vote: The motion was unanimously adopted (5-0).

PUBLIC COMMENT

Geddy Sveikauskas commented on his concern about the Economic Development Committee's intent to sway the Agency's opinion about the Kingstonian. He also stressed concern about the lack of evidence of the visual impact of the Kingstonian. Despite the fee that the potential project would bring to the Agency, Mr. Sveikauskas asked that the Agency think beyond that.

The Chair informed Mr. Sveikauskas that the Agency would not comment on the Kingstonian because they have not yet submitted an application.

ADJOURNMENT

Motion: Randall Leverette, seconded by Daniel Savona, moved to adjourn the meeting.

Vote: The motion was unanimously adopted (5-0).

The meeting was adjourned at 11:23 A.M.

Respectfully submitted,

Paul Andreassen, Committee Chair