

# UCIDA

---

Ulster County Industrial Development Agency

---

## ULSTER COUNTY INDUSTRIAL DEVELOPMENT AGENCY MINUTES August 12, 2020

---

A regular monthly meeting of the Ulster County Industrial Development Agency was held on Wednesday, August 12, 2020 at 9:00 A.M. at the Legislative Chambers in the County Office Building, 244 Fair Street, 6<sup>th</sup> Floor, Kingston, NY.

### **Roll Call:**

The following agency members were present:

James Malcolm	Chair	
Faye Storms	Vice Chair/Assistant Treasurer	
Dr. Diane Eynon	Treasurer	
Michael J. Ham	Secretary	
Daniel Savona	Assistant Secretary	<b>left at 10:29 AM</b>
Richard O. Jones	Member/Chief Financial Officer	

The following agency members were absent with notice:

Orlando Reece	Assistant Secretary
---------------	---------------------

Additional Attendees:

Rose Woodworth	Chief Executive Officer
Joseph P. Eriole, Esq.	Board Counsel
A. Joseph Scott, III, Esq.	Special Counsel

The meeting was called to order at 9:08 A.M. by Chair, James Malcolm.

### **PLEDGE OF ALLEGIANCE**

The members of the Agency participated in the Pledge of Allegiance to the flag.

### **ROLL CALL**

Roll was called, and it was 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:** Michael J. Ham, seconded by Diane Eynon moved to approve the minutes of the July 8, 2020 meeting as presented.

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

### **EXECUTIVE SESSION**

**Motion:** Michael J. Ham, seconded by Faye Storms, made a motion to go into Executive Session for the purpose of discussing potential litigation.

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

The Board entered into Executive Session at 9:10 A.M.

**Motion:** Diane Eynon, seconded by Richard Jones, 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 AM.

No action was taken during Executive Session.

Board Counsel explained the potential litigation discussed in Executive Session. The Board will pursue Ellenbogen Creative Media for non-performance. At the July 8, 2020 meeting the Board authorized Board Counsel to contact Ellenbogen Creative Media, and they have not responded.

**Motion:** Richard Jones, seconded by Diane Eynon, made a motion to proceed with the Ellenbogen matter in small claims court.

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

Board Counsel will send a letter via Certified Mail with Return Receipt advising Ellenbogen Creative Media of the plans for litigation.

### **FINANCIALS**

Chief Financial Officer Richard O. Jones presented the financial report for July 2020. The Agency is overbudget on the following expenses: Administrative Staff Fees, Legal Fees, Auditing Fees, and Contracts for Other Services. Administrative and Legal Fees are overbudget when annualizing them because of the additional work that the Agency is doing, such as issuing COVID grants. Auditing Fees are over budget for the year-to-date, but not for the entire year, due to timing of payment being early on in the year. Contract for Other Services is overbudget because of the new live-streaming requirement which was budgeted before the Agency was able to get a good estimate of the cost. The CFO proposed allocating an additional \$40,000 to the budget which will be discussed further in a Finance Committee Meeting. The revised budget is due to the ABO by October 31, 2020, along with the budgets for the next four years.

**Motion:** Diane Eynon, seconded by Michael J. Ham, made a motion to accept the financial report for July 2020 as presented.

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

### **CHAIR'S REPORT**

James Malcolm presented the Chair's Report. As part of his report, the Chair noted that he and Rose Woodworth attended a Zoom meeting regarding Buttermilk Falls. The Chair reported that he, Rose Woodworth, and Richard Jones were invited to speak with Brian Cahill and the Economic Development, Tourism, Housing, Planning and Transit Committee.

### **CHIEF EXECUTIVE OFFICER'S REPORT**

Rose Woodworth presented the Chief Executive Officer's report. As part of her report, she reported on the following:

- A. Award – The CEO presented a picture of the award that was mailed to prior Chair, Randall Leverette.
- B. Invoice from Hodgson Russ – The CEO presented an invoice in the amount of \$6,334.61 for legal services rendered year-to-date. The courtesy discount was noted.

**Motion:** Faye Storms, seconded by Daniel Savona, made a motion to approve payment of the invoice.

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

- C. Cyber Liability – The CEO presented three quotes for a Cyber Liability insurance policy from Ulster Insurance, a subsidiary of Ulster Savings Bank. This coverage would protect the sensitive data that is sent and received from the Agency’s email.

**Motion:** Faye Storms, seconded by Richard Jones, made a motion to approve the quote presented from Westchester for \$862.

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

## **COMMITTEE REPORTS**

### **Audit Committee**

Committee Chair Diane Eynon reported that the next meeting of the Audit Committee is scheduled for Monday, August 24, 2020 at 9:30 AM. Dr. Eynon reported that the July labor report from Loewke Brill indicated that Inness NY, LLC is out of compliance. The Board will send a letter to the Project to document that they are out of compliance.

**Motion:** Richard Jones, seconded by Michael J. Ham, made a motion to approve the audit report.

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

### **Finance Committee**

No report.

### **Governance Committee**

Committee Chair Michael J. Ham reported that there was a Governance Committee meeting on August 4, 2020, and the Committee began an extensive review of the Agency’s policies. The Committee recommended that the full Board votes to delete the Audio Policy as it is no longer needed because of the new live-streaming requirements. The Committee is referring the following policies to the Audit Committee for review: Background Check Policy, Code of Ethics, Enforcement of Agency Projects Policy, Fee Schedule Guidelines, Investment and Deposit Policy, Local Construction Labor Policy, Policy Respecting Uniform Criteria for the Evaluation of Projects, Procurement Policy, Travel and Discretionary Funds Policy. The Committee recommended an addendum to the current Housing Projects Policy, a redline draft of the proposed changes was presented. Board Counsel summarized the changes which would allow the Board to consider granting financial assistance to be rendered to any housing or mixed

use residential and commercial project if the project has already been approved by the governing board of Ulster County, school district, and each town, village, or city in which the project is located. The wording does not specify that the decision is “at the Board’s discretion” because all decisions are at the Board’s discretion. The Board discussed possible criteria that housing projects must meet to be considered.

**Motion:** Michael J. Ham, seconded by Daniel Savona, made a motion to go into roll call vote.

**Motion:** Daniel Savona, seconded by Michael J. Ham, made a motion to approve the resolution for the amendment to the Agency’s Housing Policy.

**Vote:** The Board voted as follows:

James Malcolm	Aye
Faye Storms	Aye
Dr. Diane Eynon	Aye
Michael J. Ham	Aye
Orlando Reece	Absent
Daniel Savona	Aye
Richard O. Jones	Aye

**Motion:** Faye Storms, seconded by Diane Eynon, made a motion to accept the resolution removing the Agency’s Audio Policy.

**Vote:** The Board voted as follows:

James Malcolm	Aye
Faye Storms	Aye
Dr. Diane Eynon	Aye
Michael J. Ham	Aye
Orlando Reece	Absent
Daniel Savona	Aye
Richard O. Jones	Aye

**Note:** Daniel Savona left at 10:29 AM.

Mr. Ham reported that the Committee also reviewed the revision to the Agency’s UTEP and suggested changing the word “administrator” to “CEO”.

**Motion:** Michael J. Ham, seconded by Faye Storms, made a motion to revise the UTEP and change the word “administrator” to “CEO”.

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

Mr. Ham reported that the Committee discussed a mentoring program for applicants to help them understand what documentation is need for compliance. The Committee also addressed non-compliance issues and agreed to send out letters requesting all missing information by August 21, 2020. The Committee referred the Travel and Discretionary Funds Policy to the Audit Committee to add wording to allow the Agency to get a credit or debit card for the CEO so she does not have to pay all expenses out-of-pocket and then wait to be reimbursed.

**Motion:** Michael J. Ham, seconded by Diane Eynon, made a motion to provide a credit card for the CEO for incidental funds.

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

## **OLD BUSINESS**

### **Status of Pending Projects**

Board Counsel Joseph Eriole 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.
- Ulster NH Realty, LLC – Application for assignment of PILOT is under consideration. The Applicant is on the agenda for this meeting.
- Kingstonian Development LLC – Application under consideration. The Applicant will meet with the pre-screen committee to address questions and concerns with the application.

### **Ulster NH Realty**

Board Counsel reported that he had a meeting with the Applicant in which they discussed the three major modifications that were proposed to the agreement. The modifications involved minimum staffing requirements, a revised application fee, and modification of the PILOT. Board Counsel reported that the Applicant expressed concerns regarding the job requirements because the number was so drastic that it would require new underwriting of the financing which would delay their closing. The closing deadline is August 31, 2020. Due to time constraints the Applicant initially declined the PILOT with the IDA, then decided to meet again with the Board to see if they could reach an agreement. Solomon Klein, representing the Project, proposed to satisfy the Board's concerns by keeping the staffing numbers the same as the current operator of Golden Hill. Mr. Klein explained that some of the facilities reviewed have higher staffing ratios because staffing ratings are based on the RN staffing and smaller facilities still have directors of nursing, etc. which will increase the proportion of RNs per resident. The ratings do not take

LPNs into account. Golden Hill’s nursing hours are currently rated two stars by Medicare, and the Board’s proposal would bring that up to three stars. The Board also proposed to increase CNA hours. Currently, Golden Hill has 330 full-time equivalent employees (“FTEs”), and the Applicant agreed to maintain 330 FTEs as well as the proportions of professional staff that Golden Hill is currently utilizing. Faye Storms asked if there is room for more patients. Mr. Klein explained that there is not, as they are currently at 96%-97% capacity. The Applicant noted that they have plans for improvements but cannot add more beds. The Applicant agreed to the changes to the PILOT. A copy of the revised PILOT is on file.

**Motion:** Michael J. Ham seconded, by Faye Storms, made a motion to move the Applicant to a Public Hearing.

**Vote:** The Board voted as follows:

James Malcolm	Aye
Faye Storms	Aye
Dr. Diane Eynon	Aye
Michael J. Ham	Aye
Orlando Reece	Absent
Daniel Savona	Absent
Richard O. Jones	Aye

The Board needs to finish the fee proposal for a transfer of a PILOT. Ms. Woodworth explained that she and Counsel are working to draft a fee structure for all Applicants seeking to transfer their PILOT. She proposed the lesser of 1% of the difference between the old and new amount of the project, or 25% of the normal 1% fee, with no fees less than \$5,000. At the meeting with Board Counsel, the Applicant discussed a fee of \$105,500, but the Board was leaning towards 1% of the change in project value which would be \$275,000. Counsel and the CEO will speak with the Applicant to agree on a figure.

### **NEW BUSINESS**

#### **PPE Grants for Board Consideration**

The Board reviewed the list of Applicants. Ellenville Library and West Hurley Public Library will be moved to the CRC list of applicants because they are governmental entities.

**Motion:** James Malcolm, seconded by Faye Storms, made a motion to approve grants to all applicants listed except for Ellenville Library and West Hurley Public Library.

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

**PUBLIC COMMENT**

None.

**ADJOURNMENT**

**Motion:** Richard Jones, seconded by Diane Eynon, moved to adjourn the meeting.

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

The meeting was adjourned at 11:09 A.M.

Respectfully submitted,

Michael J. Ham, Secretary