



Putnam County Industrial Development Agency

2 Route 164, Suite 2B

Patterson, NY 12563

845-808-1031 www.putnamida.com

Minutes – Board Meeting

Lower Level Conference Room, 2 Route 164, Patterson, NY 12563

Monday, December 9, 2019

Immediately after Governance and Audit Committee Meetings

Call to Order – 6:31 pm

Roll Call: Bill Nulk, Joe Downey, Ed Cooke, Mike Karlsson, Frank Smith (Council)
Steve Baranowski and Serena Tamagna-Hawes absent with excuse

- I. Review and Approval of Minutes of October 28, 2019 meeting: *motion to approve tabled for next meeting*
- II. Resolution for extension of Alexandrion Project approval (see attached): *motion to approve Resolution 2019-12-9-2 for 1- year extension of inducement application for Gleneida Distillery NY Inc. by Mike Karlsson, Joe Downey second. The motion passed unanimously.*
 - a. Ed Cooke concerns: what will be considered “local” construction jobs?
48 permanent jobs are more attainable than 61
 - i. In regards to Ed Cooke’s concerns, Bill Nulk notes that these details will have to be addressed in the new application which Alexandrion will be to the IDA in the coming months
 - ii. Frank Smith reminds the Board that the inducement is only an initial proposal which indicates that the IDA is willing to work with said company on project development, and that any details of the project will have to be discussed and put in writing on the project application
 - b. Board members agree that the project applications should be reviewed to include more requirements for information moving forward
- III. Resolution for extension of Ahana/Comfort Inn Project (see attached): *motion to approve Resolution 2019-12-9-1 for extension of sales tax benefits for Ahana Hospitality, LLC by Ed Cooke, Mike Karlsson second. The motion passed unanimously.*
- IV. Resolution for closing of Butterfield Project:
 - a. Teri Waivada and Bill Nulk offered the option for Butterfield to reapply for future projects with the IDA once their current project is closed
 - b. Frank Smith to reach out to Butterfield for further background paperwork to have on file for their official project closing
 - c. Resolution to close the Butterfield project is tabled until all necessary paperwork is obtained
- V. Review of current Projects:
 - a. Ace Endico – Bond Extension Completed: potential new expansion project in 2020
 - b. Brewster Plastics – Pending Results of Bank Foreclosure: Bank has notified Brewster Plastics of foreclosure
 - c. Broad Reach – Materion: Project agreement ends 2020, project to close out. Bond extends to 2032

- d. Seven Sutton Place – PILOT Completed, Pending Project Termination: project to close for 2020. Another company sits on their property fulfilling number of jobs proposed.

- VI. Review of NYSEDC IDA “Academy” – November 14th, Melville, Long Island
 - a. New laws and regulations – Livestreaming: Bill Nulk researching software to begin recording Board Meetings for 2020. Meetings to be posted on the IDA’s YouTube channel. *Joe Downey motion to table the discussion of livestreaming IDA Board Meetings until more information is obtained, Mike Karlsson second. The motion passed unanimously.*

- VII. Update on other IDA activities: No further information at this time
 - a. Project inquiries: Northeastern Logistics
Professional Sound Studio
Assisted Living Facility

- VIII. Update for options for “private Cloud Service system”: Bill Nulk working with consultant to give IDA Board Members partial access to the cloud system, to work as a “Dropbox” feature so that members can retrieve and send documents to the IDA office

- IX. New Business:
 - a. January 29 – 30, 2020 – NYS EDC meeting, Albany, NY. Bill Nulk plans to attend, open to other Board members
 - b. Possible Special Board Meeting at the End of December: conference call, date TBD
 - i. Discussion to pass Butterfield resolution

Motion to close meeting by Ed Cooke, Bill Nulk second. The motion passed unanimously.

Adjournment: 7:17 pm

Next regular scheduled Board Meeting is: Monday January 13, 2020

Resolution 2019-12-9-1

PUTNAM COUNTY INDUSTRIAL DEVELOPMENT AGENCY
RESOLUTION FOR EXTENSION / REISSUANCE OF SALES TAX BENEFITS
AHANA HOSPITALITY, LLC HOTEL PROJECT

WHEREAS, the New York State Industrial Development Agency Act, constituting Title I of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended (the "Enabling Act") authorizes and provides for the creation of industrial development agencies in the several counties, cities, villages and towns in the State of New York and empowers such agencies, among other things, to acquire, construct, reconstruct, lease, improve, maintain, equip and furnish land, any building or other improvement, and all real and personal properties, including, but not limited, to machinery and equipment, deemed necessary in connection therewith, whether or not now in existence or under construction, which shall be suitable for manufacturing, warehousing, research, commercial, industrial or civic purposes, to the end that such agencies may be able to promote, develop, encourage, assist and advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York and to improve their prosperity and standard of living; and

WHEREAS, pursuant to and in accordance with the provisions of the Enabling Act, the Agency was established by Chapter 399 of the Laws of 1987 of the State of New York (together with the Enabling Act, the "Act") for the benefit of the County of Putnam and the inhabitants thereof; and

WHEREAS, pursuant to its authority under the Act, the Agency entered into a certain Project Agreement with Ahana Hospitality LLC (Ahana) dated as of October 31, 2018 to govern the provision of benefits related to the acquisition and completion of the construction a 57 Room Hotel located at 7-11 Peach Lake Road, Brewster, New York 10509, a 57 Room Hotel (the "Project"); and

WHEREAS, included in the grant of benefits is an exemption from the payment of sales tax on qualifying goods purchased for the development of the Project, which benefits are governed by a certain Sales Tax Agreement set to expire on December 31, 2019; and

WHEREAS, Ahana commenced the construction of the Project a number of months following the grant of benefits and, therefore, the completion of the construction of the Project has taken longer than anticipated, therefore, Ahana has requested that the Sales Tax Agreement be extended from December 31, 2019 to September 30, 2020; and

WHEREAS, the Agency has agreed to extend the benefits, or alternatively, to reissue the sales benefits to facilitate Ahana's request.

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

1. The Sales Tax Agreement is hereby extended from December 31, 2019 until September 30, 2020. Accordingly, to the extent that the Project Agreement is affected by this amendment to the Sales Tax Agreement, the Project Agreement is considered to be amended except that no amendment is being made hereby to the amount of sales tax exempted under the Project Agreement.
2. An updated ST-60 shall be filed with the NYS Department of Taxation and Finance to reflect the extension of time. In the event that NYS Department of Taxation and Finance requires the extension of benefits to be contemplated as the grant of new benefits, then this amendment shall serve as evidence of same without the necessity of adopting further resolutions.
3. Ahana shall be responsible to reimburse the Agency its legal fees in connection with the preparation of this Resolution and any related sales tax forms and the costs for the filing of same; and
4. The Agency is hereby authorized to take any and all actions necessary to implement the foregoing.

The adoption of the foregoing resolution was motioned by Ed Cooke, seconded by Mike Karlsson and duly put to a vote on roll call which resulted as follows:

William H. Nulk – Chairman	<u>Yes</u>
Dr. Stephen J. Baranowski	<u>Absent</u>
Joseph Downey	<u>Yes</u>
Serena Tamagna Hawes	<u>Absent</u>
Michael Karlsson	<u>Yes</u>
Edward Cooke	<u>Yes</u>

The Resolution was adopted this 9th day of December, 2019.

_____, Secretary

Resolution 2019-12-9-2

PUTNAM COUNTY INDUSTRIAL DEVELOPMENT AGENCY

**RESOLUTION EXTENDING THE PROVISIONS AND CONDITIONS OF THE INDUCEMENT RESOLUTION
ADOPTED ON NOVEMBER 29, 2018**

**REGARDING
THE GLENEIDA DISTILLERY PROJECT**

WHEREAS, the New York State Industrial Development Agency Act and the Putnam County Industrial Development Agency's enabling legislation, respectively constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended and Chapter 399 of the 1987 Laws of New York (collectively the "Act"), authorize the Putnam County Industrial Development Agency (the "Agency") (1) to promote the economic welfare, recreational opportunities and prosperity of its inhabitants, and (2) to promote, attract, encourage and develop recreation, economically sound commerce and industry through governmental action for the purpose of preventing unemployment and economic deterioration; and

WHEREAS, Gleneida Distillery NY Inc. (the "Applicant") has entered into negotiations with officials of the Agency requesting assistance in the form of property tax relief and corresponding PILOT payment for real property taxes in connection with the acquisition, construction, renovation, furnishing and equipping of a facility located on an approximately 13-acre parcel of land at 39 Seminary Hill Road, in the Town of Carmel, New York, for the processing of distilled spirits and related products (including a small tasting room), for lease to the Agency by the Applicant and for sublease by the Agency to the Applicant, and having an approximate total project cost of \$44,703,430 (the "Project"), as more fully described in an application (the "Application") prepared by the Applicant dated November 27, 2018; and

WHEREAS, the Application provides that the Project will both create local construction jobs and up to 61 permanent jobs, at least 48 of which will be located at the Project, a portion of the balance to be employed as a sales force throughout the continental United States; and

WHEREAS, the Applicant has also requested exemptions from sales tax on materials and equipment purchased and/or leased for development of the Project, and on mortgage recording tax to the extent available under applicable law; and

WHEREAS, the Planning Board of the Town of Carmel (the "Planning Board"), as lead agency, has issued its determination pursuant to the State Environmental Quality Review Act ("SEQRA") (Article 8 of the Environmental Conservation Law) and implementing regulations contained in 6 N.Y.C.R.R. Part 617, that the Project is an Unlisted Action and that the Project will not have a significant effect on the environment and has adopted on August 8, 2018, a Negative Declaration (the "Negative Declaration") to such effect; and

WHEREAS, based upon the Application, the Agency heretofore determined that

Agency financial assistance and related benefits in the form of a Straight-Lease Transaction between the Agency and the Applicant is necessary to induce the Applicant to proceed with the Project; and

WHEREAS, in order to provide financial assistance to the Applicant for the Project, the Agency intends to grant the Applicant financial assistance through a Straight-Lease Transaction in the form of real property tax abatements and exemptions, and sales tax exemptions and exemptions on mortgage recording tax to the extent available under applicable law, all pursuant to the Act;

WHEREAS, in furtherance of the foregoing, the Agency adopted an Inducement Resolution on November 29, 2018 (the "Inducement Resolution") containing certain provisions and conditions and making certain findings, determinations and authorizations including, determining the qualification of the Project, authorizing the Applicant to proceed with the Project, and authorizing and directing members, representatives and agents of the Agency to take all actions deemed appropriate to assist the Applicant in commencing and carrying out the Project; and

WHEREAS, the Inducement Resolution provided that it may be deemed by the Agency to have expired at any time after twelve (12) months from the date of adoption, unless (a) extended by the Applicant with the written consent of the Agency and by payment by the Applicant of any applicable Agency extension fee, or (b) the Straight-Lease Transaction has closed; and

WHEREAS, by a letter dated November 19, 2019, the Applicant has requested an extension of such Inducement Resolution,

NOW, THEREFORE, the Putnam County Industrial Development Agency hereby resolves as follows:

Section 1. The provisions and conditions of the Inducement Resolution adopted by the Agency on November 29, 2018, as well as all findings, determinations and authorizations included therein are hereby extended for a twelve-month period commencing November 29, 2019 and all such provisions, conditions, findings, determinations and authorizations are hereby incorporated herein.

Section 2. This Resolution shall in no way affect the validity of the liabilities incurred or action taken pursuant to said Inducement Resolution, and all such liabilities incurred or action taken shall be deemed to have been incurred or taken pursuant to said Inducement Resolution.

Section 3. This Resolution may be deemed by the Agency to have expired at any time after twelve (12) months from the date hereof, unless (a) extended by the Applicant with the written consent of the Agency and by payment by the Applicant of any applicable Agency extension fee, or (b) the Straight-Lease Transaction has closed. Any extension or renewal will be for an additional twelve month period.

Section 4. The Resolution shall take effect immediately upon its passage.

December 9, 2019

MEETING DATE

Motion: Mike Karlsson ; Second: Joe Downey

Vote on Resolution:

Board Member	Yes	No	Abstain	Absent
Baranowski	_____	_____	_____	<u>Absent</u>
Cooke	<u> X </u>	_____	_____	_____
Downey	_____	<u> X </u>	_____	_____
Karlsson	_____	<u> X </u>	_____	_____
Tamagna-Howes	_____	_____	_____	<u>Absent</u>
Chairman Nulk	<u> X </u>	_____	_____	_____

The resolution was declared adopted.

By accepting this Resolution, Gleneida Distillery NY Inc. agrees to the terms and conditions set forth herein.

Accepted: _____, 2019

GLENEIDA DISTILLERY NY INC.

By: _____

Name:

Title:

SECRETARY'S CERTIFICATE

I, Joseph Downey, being the duly appointed and acting Secretary of the Putnam County Industrial Development Agency, New York, HEREBY CERTIFY that the foregoing resolution of a meeting of the Members of the Putnam County Industrial Development Agency duly called and held on December 9, 2019, has been compared by me with the original minutes as officially recorded in my office in the Minute Book of said Board and is a true, complete and correct copy thereof and of the whole of said original minutes so far as the same relates to the subject matters referred to in said extract.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the corporate seal of said Agency this 9th day of December, 2019.

Secretary