

MINUTES

Dutchess County  Industrial Development Agency

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BOARD OF DIRECTORS REGULAR MEETING

Tuesday, May 16, 2017

PRESENT: Charles Daniels III
Tim Dean (*video conference*)
Mark Doyle
Alfred Torreggiani

UNABLE TO ATTEND: Angela Flesland
Edward Summers

ALSO PRESENT: Sarah Lee, Executive Director
Marilyn Yerks, CFO
Stephanie Renino, Compliance Officer
Jasmin Haylett, Office Administrator
Rachel Welch, Communications Coordinator
Don Cappillino, Counsel
Elizabeth Cappillino
Ron Hicks, Dutchess County
Mary Kay Vrba, Dutchess Tourism
Tina Chirico, Anderson Center for Autism
Richard Olson, McCabe & Mack

On Tuesday, May 16, 2017, the Dutchess County Industrial Development Agency [DCIDA] Board of Directors Meeting was called to order by Chairman Daniels at 8:03 a.m. Present was: Charles Daniels III, Tim Dean, Mark Doyle, and Alfred Torreggiani. Unable to attend was: Angela Flesland and Edward Summers. Quorum was established.

APPROVAL OF MINUTES

Chairman Daniels asked for a motion to approve the March 21, 2017 Minutes of the Dutchess County Industrial Development Agency.

A motion was made by Mr. Doyle, duly seconded by Mr. Torreggiani to approve the DCIDA Board of Directors Meeting Minutes for the March 21, 2017. All voted in favor. Motion carried.

MECHTRONICS

Ms. Lee noted that Mechtronics was issued a Notice of Default for failing to pay their 2017 property PILOT by the due date. They have until May 25 to pay the outstanding amount before additional action is taken by IDA. Currently, they are in default.

Discussion ensued by the board about the options available under the lease agreement should Mechtronics remain delinquent with their PILOT payment.

A motion was made by Mr. Doyle, duly seconded by Mr. Torreggiani to proceed with a formal note of default to Mechtronics followed by any legal actions IDA deems necessary in order to collect the PILOT agreements. All voted in favor. Motion carried.

A motion was made by Mr. Doyle, duly seconded by Mr. Torreggiani to amend the motion to include M&T Bank in the PILOT discussion thereby giving them the option to continue the PILOT Agreement by making the payments themselves. All voted in favor. Motion carried.

CAPITALIZATION POLICY

Ms. Lee noted that after completing the 2016 audit, RBT recommended that a Capitalization Policy be in place for LDC to help determine the capital assets that will be recorded in its annual financial statements. Based on this recommendation for LDC, IDA will also have a Capitalization Policy.

A motion was made by Mr. Doyle, duly seconded by Mr. Torreggiani to approve the IDA Capitalization Policy. All voted in favor. Motion carried.

RECAPTURE POLICY DISCUSSION

Ms. Lee noted that the current recapture policy only applies to projects with a PILOT not projects seeking sales and mortgage tax exemptions. This policy would only apply to projects that ask for sales and mortgage tax exemptions. It will also be in addition to, and not in lieu of, any recapture requirement pursuant to Article 18A of the New York State General Municipal Law.

Discussion ensued.

Changes to the following sections:

Performance Failure

- In the second bullet, place a period after the word "project"
- Delete third bullet

Compliance Term

- The term of the sales tax exemption
- Define the word project – Project as set forth in the final project application

Based on comments from the discussion, Ms. Lee will make changes to the draft and present the final version to the board for a vote.

EMPIRE HOTEL

Ms. Lee asked what the board what they would like to do in regards to the Empire Hotel project. This project falls in line with the recapture policy being discussed because it is asking for both sales and mortgage tax exemptions and currently have a 10-year recapture agreement.

Mr. Cappillino suggested that a motion be made to authorize the Executive Director to sign a recapture agreement with Empire Hotel which is consistent with the policy being discussed.

A motion was made by Mr. Dean, duly seconded by Mr. Doyle to authorize the Executive Director to execute a recapture agreement with Empire Hotel which is consistent with the recapture policy discussed on May 16, 2017. All voted in favor. Motion carried.

FINANCIAL REPORT

Ms. Yerks reported on the 4/30/17 financials:

- Cash balance was \$4,778,999.81
- Profit & Loss is on budget
- PILOT payments were received except from Mechtronics.
- RFP for the audit went out and an audit requirement meeting will be scheduled in June.

Ms. Lee noted that this is not an official Audit & Finance Committee meeting so quorum is not needed.

A motion was made by Mr. Doyle, duly seconded by Mr. Torreggiani to approve the 4/30/17 financials. All voted in favor. Motion carried.

OLD BUSINESS

No Old Business

NEW BUSINESS

No New Business

ADJOURNMENT

There being no further business, a motion was made by Mr. Doyle, duly seconded by Mr. Torreggiani to adjourn the meeting. All voted in favor. Motion carried. Meeting adjourned at 9:06 a.m.

Respectfully submitted,

Mark Doyle, Secretary/Treasurer

Date

Meeting	<u>05-16-17</u>
Approved	<u>07-14-17</u>
Certified	<u>07-14-17</u>