

MINUTES

Dutchess County Industrial Development Agency

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BOARD OF DIRECTORS REGULAR MEETING

Wednesday, May 16, 2018

Present: Charles Daniels III
Tim Dean
Mark Doyle
Stacey Langenthal
Alfred Torreggiani

Unable to Attend: Angela Flesland
Edward Summers

Also Present: Sarah Lee, Executive Director
Jasmin Haylett, Office Administrator
Don Cappillino, Counsel
Elizabeth Cappillino
Mary Kay Vrba, Dutchess Tourism
Don Sagliano, DC Legislator
Steve Tinkelman & Eric Baxter, Robert Levine, Alan Bell (165 Overlook, LLC)
Maria Krupin, CIA
Brian Powers, JGS, CPA/EDAC
Karl Schlegel, DC Deputy Comptroller

On Wednesday, May 16, 2018, the Dutchess County Industrial Development Agency [DCIDA] Board of Directors Meeting was called to order by Chairman Daniels at 8:00 a.m. Present was: Charles Daniels III, Tim Dean, Mark Doyle, Stacey Langenthal, 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 April 17, 2018 Minutes of the Dutchess County Industrial Development Agency.

A motion was made by Mr. Torreggiani, duly seconded by Mr. Dean to approve the DCIDA Board of Directors Meeting Minutes for April 17, 2018. All voted in favor. Motion carried.

CONSIDERATION AND APPROVAL

165 Overlook, LLC

For Consideration and Approval of a Preliminary Resolution for 165 Overlook, LLC. (Town of LaGrange) Authorizing a Payment-in-Lieu-of-Tax Agreement, Mortgage Tax Exemption and Sales Tax Exemption for an approximately \$23,000,000 project for commercial residential new construction.

Mr. Dean recused himself due to a conflict of interest and left the room.

Ms. Lee gave a brief overview of the project. She stated that this project is proposing to build 91 market-rate housing units in the Town of Lagrange. Typically these type of housing projects do not create a significant number of direct permanent jobs but housing projects do create construction jobs and commercial housing projects can support business attraction and business retention efforts by providing housing options to new and existing workforce. In addition, demonstrated by the County Housing report, there is a need for market-rate housing and this project also has some community benefits. She introduced Robert Levine, Eric Baxter, Steve Tinkelman, and Allan Bell, Supervisor of the Town of Lagrange who discussed the different aspects of the project in more detail. This project has written support from the town and is currently before the school board for review.

Chairman Daniels noted that when there is a deviation from the standard UTEP, written support is required from the community, both the town and the school board. This is a requirement because the IDA board does not want to impose a project on a community. If a preliminary approval is given before these requirements are received, this implies that the IDA board wants the project. Therefore, the IDA board prefers that the taxing jurisdictions provide them with their intentions prior to the IDA board's consideration and approval of the project. It is important that the school board is not under the impression that the IDA board has already approved this project without their consent. If this project is approved, it would be approved subject to receipt of a written approval from the school board.

Ms. Lee also noted that as a condition to the final resolution, all written approvals would be required to be in hand before the final resolution is adopted.

Presentations and discussion ensued with questions and answers.

Mr. Cappillino asked Supervisor Bell to answer the following questions to establish the IDAs ability to provide benefits to commercial projects similar to this project.

1. Is the area in need of attractive multi-family housing to retain workers in the town to attract individuals? Supervisor Bell – Yes
2. Is a healthy residential environment located in the town needed to further the economic growth of the town? Supervisor Bell – Yes
3. Is there a lack of affordable, safe, clean multi-family house within the town? Supervisor Bell – Yes, absolutely
4. Will the facility provide a nucleus of healthy residential environment and be instrumental in vital and further growth of the town? Supervisor Bell – Yes

Mr. Cappillino noted that this resolution describes the project and contains the conditions that both the Town of Lagrange and the Arlington Central School District show their support for this project before the IDA board grants their approval.

A motion was made by Mr. Torreggiani, duly seconded by Ms. Langenthal to Approve the Preliminary Resolution for 165 Overlook, LLC. (Town of LaGrange) Authorizing a Payment-in-Lieu-of-Tax Agreement, Mortgage Tax Exemption and Sales Tax Exemption for an approximately \$23,000,000 project for commercial residential new construction. All voted in favor. Motion carried.

Chairman Daniels asked for a roll call

Roll call vote: Mr. Torreggiani – Yes; Ms. Langenthal– Yes; Mr. Doyle – Yes; Mr. Daniels - Yes

IBM

For Consideration and Approval of a Final Resolution authorizing a Transfer Agreement with International Business Machines Corporation (Sales Tax PILOT Agreement)

Mr. Cappillino informed the board that IBM is requesting an extension of the Transfer Agreement established in 1999. However, IBM missed its February 20, 2018 deadline, creating a gap which means an extension cannot be granted and this application will now have to be considered as a new agreement. There will be no sales tax benefit from March 1, 2018 until when the project closes. Secondly, the statute has changed since the establishment of the first agreement and payment allocations under the new transfer agreement will need to be done differently than in past agreements. In light of these changes, Chairman Daniels asked for a motion to table this resolution.

A motion was made by Mr. Dean, duly seconded by Mr. Torreggiani to table the Final Resolution authorizing a Transfer Agreement with International Business Machines Corporation (Sales Tax PILOT Agreement). All voted in favor. Motion carried.

FIRST QUARTER 2018 PERFORMANCE OUTCOMES

Dutchess Tourism, Inc. (DTI)

Ms. Vrba gave a brief update of the first quarterly outcomes for DTI in the following areas:

- Travel guide changed to destination guide to be more like a magazine for those coming to the area
- Website in the process of being upgrade
- Bed tax collection for 1st quarter was up 14% in hotels
- International Marketing
- Marketing and Advertising
- Special Events and Programs
- Arts Mid-Hudson
- Hudson Valley Film Commission

IDA/LDC Professional Services

Ms. Lee gave a first quarter update on the following:

- 4 applicants, 3 submitted applications and 2 received their preliminary resolutions (Hatfield & Café Spice)
- Café Spice decided to expand in its current location and has withdrawn its application.
- Audits and PARIS reports completed
- Received FOIL requests for IDA regarding Cardinal Court.
- Narrative report
 - Marketing
 - Business Attraction Program
 - Commercial occupancy dropped to 6.7%

- Trades shows
- Special events – BEA nominations form are now available on the website

Mr. Dean suggested that a brief presentation be given to the board at a future meeting about the inventory of available space.

FINANCIAL REPORT

Ms. Lee reported on the 4/30/18 Balance Sheet and Profit & Loss Budget

Balance Sheet

- Cash balance was \$4,042,213.59

Profit & Loss

- Revenue was \$948,014.96
- Application fee is higher than what was projected

A motion was made by Mr. Doyle, duly seconded by Mr. Torreggiani to approve the 4/30/18 financial report as presented. All voted in favor. Motion carried.

OLD BUSINESS

Nothing to report

NEW BUSINESS

Nothing to report

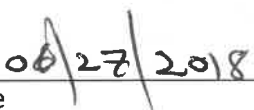
ADJOURNMENT

There being no further business, a motion was made by Mr. Dean to adjourn the meeting. All voted in favor. Motion carried. Meeting adjourned at 9:08 a.m.

Respectfully submitted,



Mark Doyle, Secretary/Treasurer



Date

Meeting	<u>05-16-18</u>
Approved	<u>06-27-18</u>
Certified	<u>06-27-18</u>