

3 Neptune Road, Suite A21, Poughkeepsie, NY 12601  
Tel. # - (845) 463-5400 / Fax # - (845) 463-0100

**NOTICE AND CONFIRMATION**  
**BOARD OF DIRECTORS REGULAR MEETING**

**Wednesday, July 8, 2020**  
8:00 a.m.

**DATE:** July 2, 2020

**TO:** Mark Doyle, Vice Chair  
Kathleen Bauer, Secretary/Treasurer  
Jamie Piccone II  
Don Sagliano  
Al Torreggiani

**FROM:** Tim Dean, Chairman

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A regular meeting of the Dutchess County Industrial Development Agency [DCIDA] has been scheduled for **Wednesday, July 8, 2020 at 8:00 a.m.**

**In compliance with NYS Senate Bill S88**, signed into law on August 27, 2019 and effective as of January 2020, this meeting will be recorded.

Because of the Novel Coronavirus (COVID-19) Emergency and State and Federal bans on large meetings or gatherings and pursuant to Governor Cuomo's Executive Order 202.1, as extended, suspending the Open Meetings Law, the Dutchess County Industrial Development Agency (the "Agency") Board Meeting scheduled for July 8, 2020 will be held electronically via conference call instead of a public meeting open for the public to attend in person. Members of the public may listen to the Board meeting by logging into the Zoom Platform at <https://zoom.us/j/93952452514> or calling 1-929-436-2866 Meeting ID: 939 5245 2514. The meeting will be recorded and later transcribed and the transcription will be posted to the Agency's website.

The purpose of the meeting is to consider the following:

1. Conflict of Interest Disclosures
2. Proof of Meeting Notice
3. Bills and Communications
4. Approval of Minutes  
June 24, 2020
5. Report of the Treasurer
6. Reports of Committees
7. Unfinished Business
8. New Business
  - A. 2019 Project Performance Report

Information Copy		
Marcus J. Molinaro, DC Executive A. Gregg Pulver, Chairman, DC Legislators Ronald Hicks, Dutchess County	Sarah Lee, Executive Director Marilyn Yerks, CFO Donald Cappillino, Counsel Elizabeth Cappillino, Counsel	B. Hunter, WEOK/WPDH H. Gross, MidHudson News

Dutchess County **DCida** Industrial Development Agency

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**BOARD OF DIRECTORS REGULAR MEETING**

**Wednesday, July 8, 2020**  
8:00 a.m.

**AGENDA**

1. Roll Call
2. Conflict of Interest Disclosures
3. Proof of Meeting Notice
4. Bills and Communications
5. Approval of Minutes  
June 24, 2020
6. Report of the Treasurer
7. Reports of Committees
8. Unfinished Business
9. New Business
  - A. 2019 Project Performance Report
10. Adjournment

**In compliance with NYS Senate Bill S88, signed into law on August 27, 2019 and effective as of January 2020, this meeting will be recorded.**

Because of the Novel Coronavirus (COVID-19) Emergency and State and Federal bans on large meetings or gatherings and pursuant to Governor Cuomo's Executive Order 202.1, as extended, suspending the Open Meetings Law, the Dutchess County Industrial Development Agency (the "Agency") Board Meeting scheduled for July 8, 2020 will be held electronically via conference call instead of a public meeting open for the public to attend in person. Members of the public may listen to the Board meeting by logging into the Zoom Platform at <https://zoom.us/j/93952452514> or calling 1-929-436-2866 Meeting ID: 939 5245 2514. The meeting will be recorded and later transcribed and the transcription will be posted to the Agency's website.



Dutchess County **DCIDA** Industrial Development Agency

3 Neptune Road, Poughkeepsie, NY 12601  
Tel. # - (845) 463-5400 / Fax # - (845) 463-0100

**BOARD OF DIRECTORS REGULAR MEETING**  
Wednesday, June 24, 2020

**Present:** Tim Dean, Chairman  
Mark Doyle, Vice Chairman  
Stacey Langenthal  
Jamie Piccone II  
Don Sagliano  
Al Torreggiani

**Unable to Attend:** Kathleen Bauer, Secretary/Treasurer

**Also Present:** Sarah Lee, Executive Director  
Marilyn Yerks, CFO  
Jasmin Haylett, Office Administrator  
Donald Cappillino (Counsel)  
Jacob Reckess & Kevin Sheldon (Arthur May Project)

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On Wednesday, June 24, 2020, the Dutchess County Industrial Development Agency [DCIDA] Board of Directors Meeting was called to order by Chairman Dean at 8:03 a.m. Present was: Tim Dean, Mark Doyle, Stacey Langenthal, Jamie Piccone II, Don Sagliano and Al Torreggiani. Unable to attend was: Kathleen Bauer. Quorum was established.

**CONFLICT OF INTEREST DISCLOSURES**

Chairman Dean asked board members if they had any potential conflicts with any items on the agenda. No potential conflicts of interest was noted.

**PROOF OF MEETING NOTICE**

Meeting notice was published on June 18, 2020

**BILLS AND COMMUNICATIONS**

None

**APPROVAL OF MINUTES**

May 20, 2020  
June 4, 2020

Chairman Dean asked for a motion to approve the May 20, 2020 and June 4, 2020 Minutes of the Dutchess County Industrial Development Agency.

A motion was made by Mr. Torreggiani, duly seconded by Mr. Doyle to approve the DCIDA Board of Directors Meeting Minutes for May 20, 2020 and June 4, 2020. All voted in favor. Motion carried.

### **REPORT OF THE TREASURER**

#### A. Financial Report

Ms. Yerks reported on the May 31, 2020 Balance Sheet and Profit & Loss Budget

- Current cash balance is \$2,561,313.83
- Currently the Profit & Loss is on budget. There is nothing unusual or unexpected to report.

A motion was made by Mr. Doyle, duly seconded by Mr. Torreggiani to approve the May 31, 2020 financials as presented. All voted in favor. Motion carried.

### **REPORTS OF COMMITTEES**

None

### **UNFINISHED BUSINESS**

None

### **NEW BUSINESS**

- A. For Consideration and Approval of a Final Resolution for Arthur May Redevelopment LLC (Town of Poughkeepsie) to induce a Project providing for a Mortgage Tax Exemption, Sales Tax Exemption and a Payment in Lieu of Taxes for an approximately \$69,730,000 project for construction and re-development at 25 and 31 Raymond Avenue (the former Arthur S. May School, Arlington Central School District) to construct a mixed-used project to entail approximately 187 residential units, 18,000sq feet of Commercial Space and a Hotel.

Mr. Cappillino noted the following about the project:

- There was discussion about the start of the PILOT agreement and the transition period until construction completion. This issue was resolved after talking with the supervisor. The PILOT agreement was changed to clarify the transition period that the applicant will be paying full taxes and it would be reassessed until a temporary certificate of occupancy is granted for any building in each of the 5 phases.

Questions, comments and responses ensued.

Question: Are there any potential enrollment challenges which may occur from this fully built out project?

Response: The school district has been experiencing enrollment which is why the building is for sale. A former elementary school is being used for administration services. There is enough space to handle growth if the area were to see an increase in enrollments.

A motion was made by Mr. Doyle, duly seconded by Mr. Torreggiani to approve the Final Resolution for Arthur May Redevelopment LLC (Town of Poughkeepsie) to induce a Project providing for a Mortgage Tax Exemption, Sales Tax Exemption and a Payment in Lieu of Taxes for an approximately \$69,730,000 project for construction and re-development at 25 and 31

Raymond Avenue (the former Arthur S. May School, Arlington Central School District) to construct a mixed-used project to entail approximately 187 residential units, 18,000sq feet of Commercial Space and a Hotel. All voted in favor. Motion carried.

**B. Announcements**

- Chairman Dean announced that Ms. Langenthal’s term as a board member will expire at the end of June and thanked her for her contributions to the organization and the board. In appreciation for her service, she was presented with a plaque. Ms. Langenthal proceeded to thank the board for the plaque and for the education she gained while serving on the board.
  
- Mary Kay Vrba announced that this will be her last meeting, thanked the board for their support of tourism over the years and conveyed her pleasure in working with such a professional group of people that recognizes tourism as a significant segment of the community and Dutchess County.

**ADJOURNMENT**

There being no further business on the agenda, the meeting adjourned at 8:36 a.m.

Respectfully submitted,

\_\_\_\_\_  
Kathleen M. Bauer, Secretary/Treasurer

\_\_\_\_\_  
Date

**Meeting**      06-24-2020  
**Approved**    \_\_\_\_\_  
**Certified**    \_\_\_\_\_



# 2019 Project Performance Report

## DCIDA

The Annual Project Performance Report provides key performance information that assesses the progress of the active projects of the Dutchess County Industrial Development Agency (DCIDA) including the creation and retention of jobs stated in the Project Agreements.

At this time no projects qualify for recapture under the Agency's recapture policies.

### Executive Summary

The Dutchess County Industrial Development Agency (DCIDA) was created by the New York State Legislature in 1977 to administer tax incentives to promote industrial development, to attract additional industry and to encourage and develop commerce and industry to create additional employment and prevent economic deterioration. The incentives approved by DCIDA helps businesses retain and create jobs, remain competitive, and invest more private money into Dutchess County.

In 2019, DCIDA executed \$9.7 million in incentives generating \$334 million in private investment. The estimated community benefit to the economy of Dutchess County is anticipated to be approximately \$464 million<sup>1</sup>. Furthermore, these projects committed to create 320 new FTE jobs in Dutchess County.

At the end of 2019, the IDA had 25 active projects by 20 unique project operators. These projects accounted for 11,278 FTE jobs, 2,286 construction jobs and \$10,664,300 in PILOT payments for Dutchess County.

Lastly, two DCIDA projects ended in 2019. Both projects were successful in attracting additional private investment in Dutchess County. In particular, Empire Hotel Development LLC completed construction of the Hyatt Place Hotel in the Town of Poughkeepsie. Prior to IDA's involvement the property was undeveloped and was assessed at \$250,000. After the project was completed the property's assessment increased to \$4,020,000 and created 65 new FTE jobs.

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<sup>11</sup> Based on Direct, Indirect and Induced Community Benefit over the life of the IDA agreement.

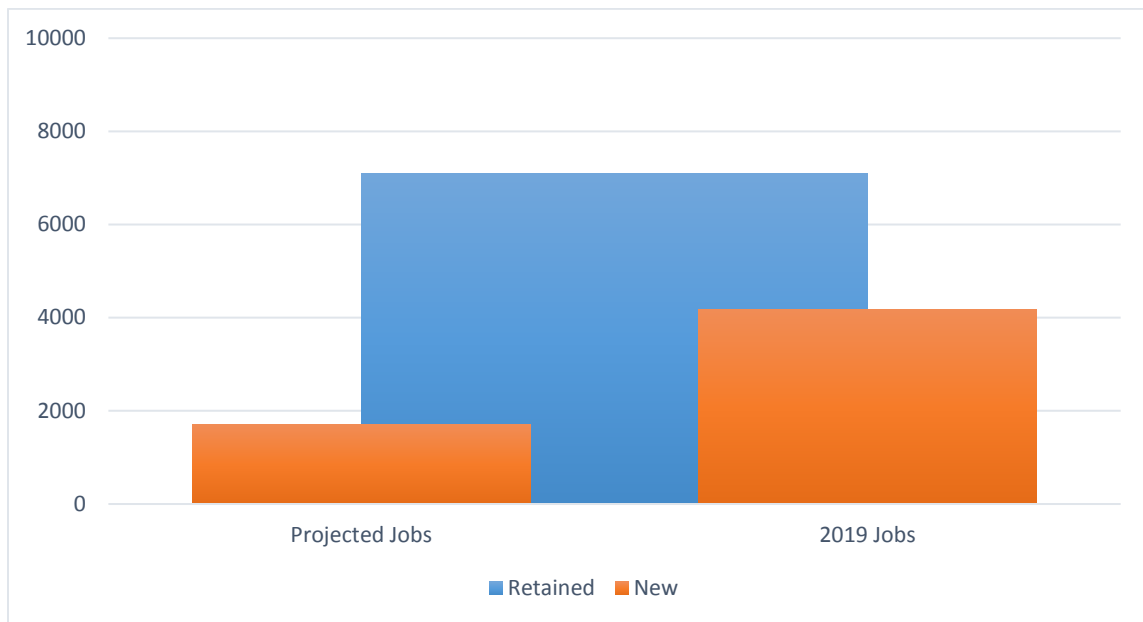
### PILOT Revenue

Twelve IDA projects had active PILOT agreements generating \$10,664,300 in PILOT payments to local governments, school districts and County government. Prior to IDA status these properties paid \$5,720,909 in tax payments. PILOT payments in 2019 represented an 86% increase in the property revenue from pre IDA status. This figure is expected to continue to increase as PILOT formula discounts are reduced and as new projects complete construction and start their PILOTs.

In addition to the PILOT payments, project also paid ad valorem and special district taxes at full assessed value. Projects that have not started their PILOT continue to pay the equivalent of their assessed value and are not included in the PILOT payment figure above. All IDA projects also generated both direct and indirect sales tax revenue for the County.

### Total Jobs Created

IDA projects reported a total of 11,278 FTE jobs, a 59% increase from before IDA status. All DCIDA projects committed to retaining jobs, creating new jobs or both. Prior to IDA status these projects represented a total of 7,098 FTE jobs. In addition to retaining existing jobs, these projects committed to create an additional 1,717 new FTE jobs in Dutchess County at the time of application. In 2019 these projects created 2,463 new FTE jobs over projections, indicating that many of these businesses continue to grow and invest in Dutchess County.



## Employment Goals

The majority of DCIDA projects have met or exceeded their employment goals. These projects continue to thrive and grow within our community while making all PILOT and/or bond payments in a timely manner and provide the agency with all of their compliance reporting.

At this time no projects qualify for recapture under the Agency's recapture policies.

The chart below details the projects that have met or exceeded their employment expectations. The Agency considers projects that meet or exceed 90% of their employment goals to be in compliance.

Project #	Project Name	Job Fulfillment %	Project Approval Year	Application Estimate of FTE to be retained & created*	2019 Reported FTE	Project End Date P=Pilot B=Bond
13021002	Adams Fairacre Farm	136%	2010	155	211	2022(P)
13020704A	Bard College	120%	2007	724	875	2046 (B)
13021601	Cricket Valley	119%	2016	26	31	2042(P)
13020709A	Davies South Terrace	100%	2007	3	3	2038 (P) 2049 (B)
13021604	Empire Hotel Development	360%	2016	18	65	2019
13021406/ 13021701	GPSDC (Gap) <sup>2</sup>	87%	2014	1,128*	984	2035 (P)
13021201	Health Quest / VBMC (condo 45 Reade)	122%	2012	1,729	2,104	2022 (P)
130220113	IBM	96%	2013	3,561	3,414	2026 (P)
13021502	Jaleli / HV lighting	145%	2015	56	81	2026(P)
13020801	Marist College	117%	2008	825	965	2038 (B)
13021303	Neptune	776%	2013	25	194	2035 (P)
13021401	Parker Hamilton	344%	2014	29	100	2024 (P)
130221021	Vassar Hospital	148%	2005	1,419	2,104	2034 (B)

\*to be achieved two years after project completion

<sup>2</sup> While GAP figures fall below the 90% threshold, the employment goals are based on two years after project completion. The project was completed in 2019 and goals are expected to be reached in 2021. In addition, the project is not subject to the Agency's recapture agreement however, their PILOT formula is linked to the number of employees on site.



## 2019 Underperforming Projects

The projects that have not met their employment goals are listed below.

Project #	Project Name	Job Fulfillment %	Project Approval Year	Application Estimate of FTE to be retained & created	2019 Reported FTE	# Difference	Project End Date P=Pilot B=Bond
13020706A	Arbor Ridge at Brookmeade	83%	2007	24	20	-4	2034 (P) 2037 (B)
13021304	Bonura Dibrizzi	62%	2013	129	74	-55	2043 (P)
13201501	Built Parcel 3 & 4	72%	2015	60	43	-17	2031(P)

Despite not making their employment goals, these projects have contributed to the economic growth to the county in the following ways:

- Arbor Ridge at Brookmeade is a community anchor in Rhinebeck, NY providing programs and services related to adult care. IDA staff met with Arbor Ridge and determined Arbor Ridge's lower employment numbers are not a function of a decreased need of employees, instead they have several open positions they have be unable to fill and are actively recruiting to fill them. This project is not subject to the Performance Measurement Policy<sup>3</sup>.
- Bonura Di Brizzi invested \$7,400,000 to repair and renovate the attached parking garage and the hotel in the City of Poughkeepsie. While they have not reached their employment goals, they remain an active hub of economic activity in the City of Poughkeepsie by hosting a number of events that contribute to the economic activity in the area. This project is not subject to the Performance Measurement Policy.
- Built Parcel 3 & 4 is a mixed used project in the Town of Poughkeepsie. The PILOT has begun and the majority of the project is completed, however, Built Parcel 3&4 has not constructed the last commercial element of the project, which has limited their ability to achieve their job goals. The applicant has stated they are still committed to completing the project and are seeking to secure a tenant. In the meantime, the project has created addition revenue to the taxing jurisdictions, new jobs from before IDA status and created new economic activity at the site. This project is not subject to the Performance Measurement Policy.

<sup>3</sup> The Agency's Performance Measurement Policy was adopted on July 21, 2015. Projects approved prior to this date are not subject to the Performance Measurement Policy.

## Projects Under Construction

Construction jobs, though temporary, are vital to the overall employment opportunities in Dutchess County. In 2019, DCIDA projects created a total of 2,286 construction jobs.

### Construction Projects

Project #	Project Name	Job Fulfillment %	Project Approval Year	Application Estimate of FTE to be retained & created*	2019 Reported FTE	2019 Construction Jobs	Project End Date P=Pilot B=Bond
13021805	165 Overlook Road, LLC	75%	2018	4	3	168	2037 (P)
13021807	Asahishuzo	0%	2018	7	0	0	2031 (P)
13021601	Cricket Valley	119%	2016	26	31	1,571	2041 (P)
13021604	EFG / Hudson Heritage	0%	2019	309	0	60	2025
13021602	MHTC (Eastdale)	23%	2018	31	7	466	2048 (P)
13021804	T-REX (Bellefield)	0%	2018	30	0	21	2030 (P)

\*to be achieved two years after project completion

## Sales Tax Benefits

In 2019, seven projects were eligible for Sales Tax benefits. None of these projects went over their approved amounts as stated in their project agreements. No recapture is necessary at this time.

### 2019 Projects

In 2019, three DCIDA projects were executed. Including two projects that were approved by the DCIDA Board in 2018.

- Asahishuzo International Co. Ltd** will invest \$31.9 million at 5 Saint Andrews Road in Hyde Park to repurpose a former grocery store and convert it to accommodate a sake brewery, manufacturing and distribution facility. The project will include the construction of new accessory buildings to support the manufacturing process. The project will also have tourism elements that include a tasting room, public spaces, and landscaping consistent with Japanese philosophy. Asahishuzo will create 7 new FTE jobs within the first two years of operation with estimated average hourly wage of \$25 per hour.

- **165 Overlook Road, LLC** will invest approximately \$23,000,000 to construct 91 market rate rental housing units in the Town of Lagrange. The project entails construction of new multi-unit residential structures and renovation of an existing barn. The project will create 4 new FTE jobs within the first two years of operation with estimated average hourly wage of \$23 per hour.
- **EFG / Saber Heritage SC, LLC** will redevelop the former Hudson River Psychiatric Center in the Town of Poughkeepsie into a mixed use community to be known as Hudson Heritage. The proposed community consists of up to 750 residences and up to 430,000 square feet of commercial space. The Developer will also preserve to the extent practical some of the existing structures including the former Administration Building and the former Director's residence. The project will also include replacement and upgrading the public sewer and water lines, make off-site roadway improvements, clean up sewage spills and restore the "Great Lawn" for public use. Phase I of the project will entail the construction of commercial space which will include a grocery store and retail. The investment for Phase I is approximately \$69 million. Phase 1 is estimate to create 309 new FTE jobs with an estimated annual salary averaging \$41,300.

### **Terminated Projects in 2019**

Two DCIDA projects ended in 2019. Both projects were successful in attracting additional private investment in Dutchess County.

- With the assistance of the IDA, Empire Hotel Development was able to complete the construction of the Hyatt Place Hotel in the Town of Poughkeepsie. Prior to IDA's involvement the property was undeveloped and was assessed at \$250,000, after project completion the property's assessment has increased to \$4,020,000. They also reported 65 new FTE jobs in 2019.
- The IDA provided sales tax exemptions to GPSDC for the purchase of equipment damaged in the 2016 fire event at the GAP warehouse. This equipment was related to the 2014 expansion project at the GAP warehouse. The GAP invested over \$112,000,000 in equipment only for this project.

### **About This Report**

The *Performance Report* provides an overview of DC IDA's active projects to assess the IDA's review over the financial resources entrusted to them. The report shows which active projects have met or underperformed the employment goals and outlines some of the activities these companies are doing to add to our economy and community.

The report uses the employment number stated in the application and project agreement, which serves as the employment goal for enhancing economic growth through job creation and retention.

The figures are considered complete and reliable, as confirmed by the Agency's audited financial statements.

We will continue to monitor these projects and have a "warning" system in place so that the board is aware of the projects that have not fulfilled their original application agreement and what the company is doing to fulfill this.