

MINUTES

Dutchess County **DCIDA** Industrial Development Agency

3 Neptune Road, Poughkeepsie, NY 12601
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BOARD OF DIRECTORS REGULAR MEETING

Wednesday, September 9, 2020

Present: Tim Dean, Chairman
Mark Doyle, Vice Chairman
Kathleen Bauer, Secretary/Treasurer
Jamie Piccone II
Don Sagliano
Al Torreggiani

Also Present: Sarah Lee, Executive Director
Marilyn Yerks, CFO
Jasmin Haylett, Office Administrator
Donald Cappillino (Counsel)
Joe Kirchhoff & John Hettinger (Eastdale Village)

On Wednesday, September 9, 2020, the Dutchess County Industrial Development Agency [DCIDA] Board of Directors Meeting was called to order by Chairman Dean at 8:05 a.m. Present was: Tim Dean, Mark Doyle, Kathleen Bauer, Jamie Piccone II, Don Sagliano and Al Torreggiani. 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 September 3, 2020

BILLS AND COMMUNICATIONS

None

APPROVAL OF MINUTES

July 8, 2020

Chairman Dean asked for a motion to approve the July 8, 2020 Minutes of the Dutchess County Industrial Development Agency.

A motion was made by Mr. Doyle, duly seconded by Mr. Piccone to approve the DCIDA Board of Directors Meeting Minutes for July 8, 2020. All voted in favor. Motion carried.

REPORT OF THE TREASURER

A. Financial Report

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

- Current cash balance is \$2,358,674.84
- The accounts payable liability of \$175,000 is money owed to the LDC
- On the Profit & Loss sheet under income, \$40,000 was received in September from the Creek Drive project
- The end of year deficit will be closer to \$330,000 instead of \$394,000

REPORTS OF COMMITTEES

None

UNFINISHED BUSINESS

None

NEW BUSINESS

- A. For Consideration and Approval of a Final Resolution concerning EFG/Saber Heritage SC, LLC (Town of Poughkeepsie) Authorizing an amendment to the Lease and Project Agreement dated June 1, 2019 to expand the scope of the Phase I project to include an additional mixed-use commercial space and administrative building as part of the Phase I Facility for which Mortgage Tax Exemption and Sales Tax Exemption were previously granted.

Ms. Lee noted the following about the project:

- Saber Heritage is before the board asking for an amendment to their scope for Phase I
- The board approved this project in March of 2019. At that time Phase I included what is considered East of Winslow which included the Shoprite Supermarket.
- Shoprite Supermarket came before the IDA earlier this year asking for a separate sales tax benefit and therefore ended up being removed from the EFG/Saber project and became their own Phase.
- Saber Heritage is moving quickly through its project and is ready to begin on the area that is labeled West of Winslow. They are requesting an amendment to the existing agreement to include the West of Winslow as well as any emergency repairs to the administrative building which has experienced some water damage.

Question: Is this particular application for sales tax abatement?

Response: There is no pilot with Hudson Heritage. It is just for sales tax.

Chairman Dean noted that there was public comment expressing concern about the amount for Shoprite that was removed from the previous agreement and that we are actually exceeding the original amount that was carved out. Shoprite was taken out and done separately but we anticipate that other requests for tax abatement in the future from the applicant for the project.

A motion was made by Mr. Doyle, duly seconded by Mr. Sagliano to approve the Final Resolution concerning EFG/Saber Heritage SC, LLC (Town of Poughkeepsie) Authorizing an amendment to the Lease and Project Agreement dated June 1, 2019 to expand the scope of the Phase I project to include an additional mixed-use commercial space and administrative building as part of the Phase I Facility for which Mortgage Tax Exemption and Sales Tax Exemption were previously granted. All voted in favor. Motion carried. For the record, Al Torreggiani was present for this discussion and participated in the vote.

- B. For Consideration and Approval of a Final Resolution concerning Phase II-D of the Eastdale Village Project (Town of Poughkeepsie) Authorizing a Lease and Project Agreement providing for the allocation of a portion of the Mortgage Tax Exemption and Sales Tax Exemption previously granted to MHTC Development, LLC to 45 Eastdale Avenue, LLC and providing the PILOT Schedule for Phase II-D of the Project.

Ms. Lee noted the following about the project:

- MHTC is asking for an approval to reallocate benefits that was granted in the master agreement to 45 Eastdale LLC for a commercial building in the Eastdale villages' development.

Question: Per the original agreement that was approved, is it within the authority of the agreement that they are allowed to do this?

Response: Correct, they have to come to the board when it's a non-related entity. Because MHTC doesn't represent 51% of the entity, they have to get the board's approval.

Chairman Dean noted he wanted to acknowledge that he personally received copies of the public hearing minutes for this project and comments that was emailed to Ms. Lee from members of the public and he did not see anything in those emails that warranted any further concerns.

A motion was made by Mr. Torreggiani, duly seconded by Mr. Piccone to approve the Final Resolution concerning Phase II-D of the Eastdale Village Project (Town of Poughkeepsie) Authorizing a Lease and Project Agreement providing for the allocation of a portion of the Mortgage Tax Exemption and Sales Tax Exemption previously granted to MHTC Development, LLC to 45 Eastdale Avenue, LLC and providing the PILOT Schedule for Phase II-D of the Project. All voted in favor. Motion carried.

C. IDA Project Update

Ms. Lee gave updates on the following projects:

1. Arthur May Development, a project in the Arlington Business District, now owns the former school property.
2. 23-28 Creek Drive LLC, a project in the City of Beacon, had their closing last week and hope to begin construction immediately before the winter.
3. Hudson Heritage is moving very quickly and is asking for an amendment to include West of Winslow.
4. 165 Overlook Road already received their certificate of occupancy and have currently leased the buildings that are completed and are pre-leasing the other buildings that are still under construction.
5. Asahishuzo - In April they notified the IDA that due to the impact of the pandemic and food and beverage industry, they are going to put this project on hold. They haven't provided any current update on this project.
6. Eastdale Village - Mr. Kirchhoff and Mr. Hettinger gave an update of this project which includes protocol for construction workers, material delay and shortage, recently completed cottages, and the commercial side of the project and its tenants.
7. T-Rex Hotel, a project across from the Culinary Institute, is currently under construction and is expected to be completed late spring/early summer of 2021.

ADJOURNMENT

There being no further business to discuss on the agenda, the meeting was adjourned by Chairman Dean at 8:39 a.m.

Respectfully submitted,

Kathleen M. Bauer, Secretary/Treasurer

Date

Meeting	<u>09-09-2020</u>
Approved	<u>10-14-2020</u>
Certified	<u>10-14-2020</u>

Dutchess County Industrial Development Agency

Balance Sheet

As of August 31, 2020

09/03/20

Accrual Basis

	Aug 31, 20
ASSETS	
Current Assets	
Checking/Savings	
1010 · Cash	
1152 · Money Market TD Bank	323,440.02
1155 · CD1- Riverside	254,397.38
1156 · CD2 - Riverside	1,780,837.44
Total 1010 · Cash	2,358,674.84
Total Checking/Savings	2,358,674.84
Total Current Assets	2,358,674.84
Fixed Assets	
1390 · Furniture & Equipment	
1680 · Furniture & Equipment	3,115.81
1710 · Accumulated Depreciation	-3,115.81
Total 1390 · Furniture & Equipment	0.00
Total Fixed Assets	0.00
Other Assets	
1175 · Other Assets	
1310 · Prepaid Expense	3,643.92
Total 1175 · Other Assets	3,643.92
1600 · Escrow Deposits	
1601 · Cricket Valley Escrow Deposit	1,718,075.62
Total 1600 · Escrow Deposits	1,718,075.62
Total Other Assets	1,721,719.54
TOTAL ASSETS	4,080,394.38
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
20000 · *Accounts Payable	175,000.00
Total Accounts Payable	175,000.00
Total Current Liabilities	175,000.00
Long Term Liabilities	
2300 · Escrow Deposit Liability	
2301 · Cricket Valley Escrow Deposit	1,718,075.62
Total 2300 · Escrow Deposit Liability	1,718,075.62
Total Long Term Liabilities	1,718,075.62
Total Liabilities	1,893,075.62
Equity	
2490 · Fund Balance	
3200 · Fund Balance IDA	-25,000.00
Total 2490 · Fund Balance	-25,000.00
30000 · Opening Balance Equity	1,447,427.47
32000 · Unrestricted Net Assets	1,273,632.31
Net Income	-508,741.02
Total Equity	2,187,318.76
TOTAL LIABILITIES & EQUITY	4,080,394.38

Dutchess County Industrial Development Agency Profit & Loss Budget vs. Actual January through August 2020

	Jan - Aug 20	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
4000 · Cash Revenues				
4020 · Administrative Fees	67,034.70	218,750.00	-151,715.30	30.6%
4030 · Application Fees	750.00	750.00	0.00	100.0%
4035 · Compliance Fees	4,005.00	3,507.00	498.00	114.2%
4150 · PILOT Payments	4,462,812.38			
4910 · Interest	28,759.14	30,000.00	-1,240.86	95.9%
Total 4000 · Cash Revenues	4,563,361.22	253,007.00	4,310,354.22	1,803.7%
Total Income	4,563,361.22	253,007.00	4,310,354.22	1,803.7%
Expense				
6000 · Expenditures				
6240 · Audit	0.00	14,500.00	-14,500.00	0.0%
6260 · Dues, Publications, Subs	774.45	3,000.00	-2,225.55	25.8%
6280 · Insurance	2,263.00	3,750.00	-1,487.00	60.3%
6350 · Misc	2,709.16	2,000.00	709.16	135.5%
6450 · PILOT Payments	4,462,812.36			
6500 · Professional Service Contracts	600,000.00	600,000.00	0.00	100.0%
6510 · Professional Services	1,958.75	20,000.00	-18,041.25	9.8%
6520 · Rent	883.41	1,000.00	-116.59	88.3%
6530 · Supplies	40.71	1,000.00	-959.29	4.1%
6550 · Travel & Meetings	660.40	2,500.00	-1,839.60	26.4%
Total 6000 · Expenditures	5,072,102.24	647,750.00	4,424,352.24	783.0%
Total Expense	5,072,102.24	647,750.00	4,424,352.24	783.0%
Net Ordinary Income	-508,741.02	-394,743.00	-113,998.02	128.9%
Net Income	-508,741.02	-394,743.00	-113,998.02	128.9%