

MINUTES

Dutchess County  Industrial Development Agency

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

Friday, March 19, 2021

Present: Tim Dean, Chairman
Mark Doyle, Vice Chairman
Kathleen Bauer, Secretary/Treasurer
Amy Bombardieri
Don Sagliano
Al Torreggiani

Unable to Attend: Jamie Piccone II

Also Present: Sarah Lee, Executive Director
Marilyn Yerks, CFO
Jasmin Haylett, Office Administrator
Don Cappillino & Elizabeth Cappillino, Counsel
Rachel Welch, Communications Coordinator
Joe Kirchhoff, John Hettinger & Gene Sneeringer (Eastdale)
Tom Mulroy, Steve Jeraci, Mike Oates, Larry Knapp (T-Rex Hyde Park)
Jason Page, Kelly Libolt (Fox Run) & Gerald Comatose (Vanderwater & Vanderwater)
Kelly Libolt, Michael McCormack, Eli Green & Michael Blustein (AP Packaging)
Jim Beretta & Doreen Tignanelli, Members from the public

On Friday, March 19, 2021, 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, Amy Bombardieri, Don Sagliano and Al Torreggiani. Unable to attend: Jamie Piccone II. Quorum was established.

CONFLICT OF INTEREST DISCLOSURES

Chairman Dean asked board members if they had any potential conflicts with any items on the agenda. Mr. Sagliano noted he has a conflict of interest with item D (Air Protection Packaging Corp) because the company he works for is a tenant in the subject property. Chairman Dean noted he has conflict of interest with the Fox Run at Fulton project because a member of his firm had some discussions with the principals at Fox Run about insurance matters.

PROOF OF MEETING NOTICE

Meeting notice was published on March 12, 2021.

BILLS AND COMMUNICATIONS

None

APPROVAL OF MINUTES

January 13, 2021

March 3, 2021

Chairman Dean asked for a motion to approve the January 13, 2021 and March 3, 2021 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 January 13, 2021 and March 3, 2021. Roll call vote was taken. All voted in favor and the motion was carried.

REPORT OF THE TREASURER

A. Financial Report

Ms. Yerks reported on the February 28, 2021 Balance Sheet and Profit & Loss Budget

- Current cash balance is \$2,509,967.82
- The accounts payable is at \$517,000. These were pilot payments that have all gone out after the end of the month.

REPORTS OF COMMITTEES

A. Finance & Audit – For Discussion and Approval of the 2020 Audit

Ms. Bauer noted the following about the 2020 DCIDA audit:

- The Finance and Audit Committee met with RBT CPAs to review the draft of the audit for the year ending December 31, 2020
- Page three and four shows that the administration fees and closings decreased from 2019 to 2020 by \$289,000
- The change in net cash position shows a positive \$1.1 million because expenses in 2019 were \$1.6 million down to in 2020 \$490,000
- There was an escrow deposit from Cricket Valley for \$1.7 million. The net position at the end of the year was \$2.2 million.
- On pages nine and 10 the accountant states that everything was under generally accepted accounting principles
- Pages 12, 13 and on shows all the bonding projects. Although Bard College was approved at the end of the year to refinance that transaction did not get paid off until January 15, 2021
- The remaining pages show all the projects and corresponding jobs that were created and retained and notes that the auditors did not find any concerns for internal control findings nor were there any compliance findings

A motion was made by Mr. Sagliano, duly seconded by Mr. Torreggiani to approve the 2020 DCIDA audit as presented. Roll call vote was taken. All voted in favor and the motion was carried.

UNFINISHED BUSINESS

Due to an increase in commercial residential IDA applications, Chairman Dean stated that the DCIDA will be exploring using a third party entity to provide additional analysis on more complex projects and in particular housing projects for the Board's consideration. These additional analyses may potentially influence IDA policy on particular projects types.

NEW BUSINESS

- A. Presentation by MHTC Development, LLC (Eastdale Village Project, Town of Poughkeepsie) introducing their request for an amendment to the Master Agreement to include two additional parcels, to increase the sales tax exemption benefit in the amount of \$286,901 and to increase the mortgage recording tax exemption benefit in the amount of \$661,336.

Chairman Dean informed the board that this project was already approved in the past but they are coming before the board to amend the agreement in order to add additional parcels and an increase to their sales tax exemption benefit and mortgage tax exemption.

Ms. Lee noted the following:

- This is an active IDA project so no action by the board is required at this meeting
- There will be a public hearing for this project and a final approval of these benefits at a future meeting
- The added scope will also include the creation of 32 additional FTEs

Mr. Cappillino noted that this project has the full support of the Town of Poughkeepsie and has had a significant success.

Mr. Hettinger proceeded to give a brief presentation noting the following:

- They are requesting permission to incorporate two additional parcels into the lease premises along with an increase to the sales tax exemption benefit of slightly less than \$287,000, an increase of our mortgage recording tax exemption benefit of slightly more than \$661,000 and a two year extension for the overall project timeline for completion of Eastdale
- The accomplishments of Eastdale to date
- Supply chain issues and other challenges due to the pandemic
- New land parcels acquired
- Creation of 32 FTE new jobs

Questions, responses and comments ensued.

- B. Presentation by T-Rex Hyde Park Owner, LLC and its related entity T-Rex/Shaner Hyde Park Hotel, LLC (Inn at Bellefield Project, Town of Hyde Park) introducing their request to increase the sales tax exemption benefit in the amount of \$587,925 and an extension in sales tax benefit expiration date.

Ms. Lee noted the following:

- T-Rex Hyde Park Owner, LLC is the project also known as Bellefield in Hyde Park that is located along Route 9 across from the Culinary
- This project entails improvements on the site, the construction of infrastructure and a sewer system as well as the 133 room hotel
- This project has the support of the municipality, the school district, as well as New York State
- They were awarded a consolidated funding grant at the onset of the project and continues to have the support of the State

Mr. Mulroy proceeded to give a brief presentation noting the following:

- The reason why the construction was put on hold
- Reasons for requesting increase in benefits
- Support they receive from town officials

Questions, responses and comments ensued.

- C. For Consideration and Approval of a Preliminary Resolution for Fox Run at Fulton, LLC (Town of Poughkeepsie) to induce a Project providing for a Mortgage Recording Tax Exemption and Sales Tax Exemption for an approximately \$16,999,750 project for construction and re-development at 10 Campus View Court to construct a commercial residential building consisting of approximately 93,000 sq. feet and 69 residential units.

Chairman Dean was placed in the Zoom waiting room during this portion of the meeting due a conflict of interest because a member of his firm had some discussions with the principals at Fox Run about insurance matters. Vice Chairman Doyle presided over this portion of the agenda.

Ms. Lee noted the following:

- The owners and principals of Fox Run are proposing to invest approximately \$17 million to develop a property located at 60 Fulton, also known as 10 Campus View Court
- This property is located across the street from Marist campus and is in very close proximity to the Hudson Heritage Program
- They are proposing is a 93,000 square foot structure that would consist of 69 residential units, ranging from one bedroom to two bedrooms with a den. The building will also offer amenities to its residents, including a business center and co-working space
- The applicant is asking for sales and mortgage only. There's no pilot involved in this project and there will be a creation of three direct jobs

Questions, responses and comments ensued.

A motion was made by Mr. Torreggiani, duly seconded by Ms. Bombardieri to approve Preliminary Resolution for Fox Run at Fulton, LLC (Town of Poughkeepsie) to induce a Project providing for a Mortgage Recording Tax Exemption and Sales Tax Exemption for an approximately \$16,999,750 project for construction and re-development at 10 Campus View Court to construct a commercial residential building consisting of approximately 93,000 sq. feet and 69 residential units. Roll call vote was taken. All voted in favor except Chairman Dean who had a conflict and Mr. Piccone who was absent. The motion was carried.

- D. For Consideration and Approval of a Preliminary Resolution for Air Protection Packaging Corp (Town of Poughkeepsie) to induce a Project providing for a Mortgage Recording Tax Exemption, Sales Tax Exemption and a Payment in Lieu of Taxes for an approximately \$12,000,000 project for construction and renovations to construct an approximately 68,400 sq. foot manufacturing facility.

Mr. Sagliano was placed in the Zoom waiting room during this portion of the meeting due a conflict of interest because the company he works for is a tenant in the subject property.

Ms. Lee noted the following:

- Air Protection Packaging Corp. also known as AP Packaging Corp. is a plastic manufacturer that manufactures air cellular packaging commonly known as bubble wrap
- They are currently located in Linden, New Jersey
- The company was started in 2015 and has experienced continued and rapid growth since its establishment and have moved several times to accommodate their growth
- They would be creating 105 new jobs to Dutchess County
- They currently have about 65 employees in their New Jersey site and do expect some of their employees to come with the move but are not sure how many of those 65 will come with the move

- AP Packaging is proposing to invest over \$12 million in the purchase of the building as well as the renovations to accommodate both their corporate office and the manufacturing facility
- It is about a 350,000 square foot structure and they will be occupying about 165,000 square feet of the building
- They will be renovating the building to include some loading docks
- The existing tenants in that building will remain for the time being

Questions, responses and comments ensued.

A motion was made by Mr. Torreggiani, duly seconded by Ms. Bauer to approve the Preliminary Resolution for Air Protection Packaging Corp (Town of Poughkeepsie) to induce a Project providing for a Mortgage Recording Tax Exemption, Sales Tax Exemption and a Payment in Lieu of Taxes for an approximately \$12,000,000 project for construction and renovations to construct an approximately 68,400 sq. foot manufacturing facility. Roll call vote was taken. All voted in favor except Mr. Sagliano who had a conflict and Mr. Piccone who was absent. The motion was carried.

- E. For Discussion and Approval of the 2020 PARIS Reports
- Annual Report
 - Investment Report
 - Procurement Report

Ms. Lee noted the following about the 2020 DCIDA PARIS annual, investment and procurement reports:

- The information of the 2020 PARIS report aligns with the audit

A motion was made by Mr. Doyle, duly seconded by Ms. Bauer to approve the 2020 DCIDA PARIS Annual, Investment, and Procurement reports as presented for submission to PARIS. Roll call vote was taken. All voted in favor and the motion was carried.

ADJOURNMENT

There being no further business to discuss on the agenda, the meeting was adjourned by Chairman Dean at 10:09 a.m.

Respectfully submitted,



Kathleen M. Bauer,
Secretary/Treasurer

4/16/21
Date

Meeting	<u>03-19-2021</u>
Approved	<u>04-14-2021</u>
Certified	<u>04-14-2021</u>

Dutchess County Industrial Development Agency
Balance Sheet
 As of February 28, 2021

	Feb 28, 21
ASSETS	
Current Assets	
Checking/Savings	
1010 · Cash	
1152 · Money Market TD Bank	724,435.72
1155 · CD1- Riverside	119.93
1156 · CD2 - Riverside	1,785,412.17
Total 1010 · Cash	<u>2,509,967.82</u>
Total Checking/Savings	2,509,967.82
Accounts Receivable	
11000 · Accounts Receivable	1,002.00
Total Accounts Receivable	<u>1,002.00</u>
Total Current Assets	2,510,969.82
Fixed Assets	
1390 · Furniture & Equipment	
1680 · Furniture & Equipment	3,115.81
1710 · Accumulated Depreciation	<u>-3,115.81</u>
Total 1390 · Furniture & Equipment	<u>0.00</u>
Total Fixed Assets	0.00
Other Assets	
1175 · Other Assets	
1310 · Prepaid Expense	1,848.94
Total 1175 · Other Assets	<u>1,848.94</u>
1600 · Escrow Deposits	
1601 · Cricket Valley Escrow Deposit	1,719,990.90
Total 1600 · Escrow Deposits	<u>1,719,990.90</u>
Total Other Assets	<u>1,721,839.84</u>
TOTAL ASSETS	<u><u>4,232,809.66</u></u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
20000 · *Accounts Payable	517,466.73
Total Accounts Payable	<u>517,466.73</u>
Total Current Liabilities	517,466.73
Long Term Liabilities	
2300 · Escrow Deposit Liability	
2301 · Cricket Valley Escrow Deposit	1,719,990.90
Total 2300 · Escrow Deposit Liability	<u>1,719,990.90</u>
Total Long Term Liabilities	<u>1,719,990.90</u>
Total Liabilities	2,237,457.63
Equity	
2490 · Fund Balance	
3200 · Fund Balance IDA	<u>-25,000.00</u>
Total 2490 · Fund Balance	-25,000.00
30000 · Opening Balance Equity	1,447,427.47
32000 · Unrestricted Net Assets	783,024.05

**Dutchess County Industrial Development Agency
Profit & Loss Budget vs. Actual
January through February 2021**

	Jan - Feb 21	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
4000 · Cash Revenues				
4020 · Administrative Fees	0.00	218,750.00	-218,750.00	0.0%
4030 · Application Fees	250.00	750.00	-500.00	33.3%
4035 · Compliance Fees	4,006.00	5,010.00	-1,004.00	80.0%
4150 · PILOT Payments	503,469.23			
4910 · Interest	555.16	8,000.00	-7,444.84	6.9%
Total 4000 · Cash Revenues	508,280.39	232,510.00	275,770.39	218.6%
Total Income	508,280.39	232,510.00	275,770.39	218.6%
Expense				
6000 · Expenditures				
6240 · Audit	0.00	14,500.00	-14,500.00	0.0%
6260 · Dues, Publications, Subs	1,499.25	3,000.00	-1,500.75	50.0%
6280 · Insurance	0.00	3,750.00	-3,750.00	0.0%
6350 · Misc	561.40	2,000.00	-1,438.60	28.1%
6450 · PILOT Payments	503,469.23			
6500 · Professional Service Contracts	212,500.00	600,000.00	-387,500.00	35.4%
6510 · Professional Services	350.00	20,000.00	-19,650.00	1.8%
6520 · Rent	0.00	1,000.00	-1,000.00	0.0%
6530 · Supplies	0.00	1,000.00	-1,000.00	0.0%
6550 · Travel & Meetings	0.00	2,500.00	-2,500.00	0.0%
Total 6000 · Expenditures	718,379.88	647,750.00	70,629.88	110.9%
Total Expense	718,379.88	647,750.00	70,629.88	110.9%
Net Ordinary Income	-210,099.49	-415,240.00	205,140.51	50.6%
Net Income	-210,099.49	-415,240.00	205,140.51	50.6%