

MINUTES

Dutchess County  Industrial Development Agency

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

BOARD OF DIRECTORS REGULAR MEETING

Wednesday, July 14, 2021

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

Also Present: Sarah Lee, Executive Director
Marilyn Yerks, CFO
Jasmin Haylett, Office Administrator
Don Cappillino & Elizabeth Cappillino (Counsel)
Rachel Welch, Communications Coordinator
Steve Tinkelman (Built Parcel 3 & 4)
Joe Kirchhoff, John Hettinger & Tomo Lin (Eastdale Village)
Eoin Wrafter, Anne Saylor & Heather LaVarnway (DC Planning & Development)
Jim Beretta & Doreen Tignanelli, Members from the public

On Wednesday, July 14, 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, Jamie Piccone II, Don Sagliano and Al Torreggiani. Quorum was established.

CONFLICT OF INTEREST DISCLOSURES

Chairman Dean asked board members if they had any conflicts with items on the agenda. Chairman Dean noted he has a conflict with the Built Parcel 3 & 4 project because they are an insurance client of Marshall and Sterling.

PROOF OF MEETING NOTICE

Meeting notice was published on July 9, 2021.

BILLS AND COMMUNICATIONS

None

APPROVAL OF MINUTES

June 9, 2021

Chairman Dean asked for a motion to approve the June 9, 2021 minutes of the Dutchess County Industrial Development Agency.

Ms. Lee noted that there is one correction to be made. On page three, the third paragraph down, there is a sentence that says "a motion was made by Ms. Bauer, duly seconded by Mr. Doyle to approve the fee schedule as presented by Ms. Lee." This sentence was included by mistake and should be deleted.

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A motion was made by Mr. Sagliano, duly seconded by Mr. Doyle to approve the DCIDA Board of Directors Meeting June 9, 2021 minutes with the deletion of the sentence noted above. 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 June 30, 2021 Balance Sheet and Profit & Loss Budget

- Current cash balance is \$2,432,690.83
- The escrow deposit of \$5.1 million is from Cricket Valley. They made a pilot payment on June 30th
- The liability of \$3.4 million are pilot payments that will be going out this week.

REPORTS OF COMMITTEES

None

UNFINISHED BUSINESS

None

NEW BUSINESS

- A. Consideration and Approval of a Resolution for Built Parcel Three & Four (Town of Poughkeepsie) for an amendment to 1) revise the scope of the Project by reducing the number of commercial residential units from 32 to 28 and adding additional parking and an outdoor public space, 2) to increase the sales tax exemption benefit in the amount of \$426,563 and 3) to increase the mortgage recording tax exemption benefit in the amount of \$66,000.

Chairman Dean left the room during this portion of the meeting. He has a conflict of interest with the project because they are an insurance client of Marshall and Sterling. Vice Chairman Doyle presided over this portion of the agenda.

Ms. Lee noted the following about the project:

- Built Parcel Phase Three is part of a project originally named Built Parcel Three & Four which was approved by the board in 2014
- Built Parcel Three & Four entails the re-adaptation and reuse of property in the Town of Poughkeepsie within the Arlington Business District and was to be built in three phases
- Built Parcel Four, which was considered phase one, was completed and phase two, which entailed part of Built Parcel Three, was also completed back in 2016
- Phase Three was contemplated in the original application but at the time there were no costs or benefits associated with it because it was unclear when this phase would be constructed
- There was an understanding that the applicant would return to the board when phase three was going to be constructed and ask for benefits for phase three
- The Board will be considering an increase in the sales tax benefit and an increase in the mortgage tax benefit for constructing phase three only
- The cost benefit analysis, project evaluation and the resolution is based on the entirety of the project, which includes phase 1, phase 2 and phase 3
- The total project with all three phases will now invest \$16.3 million

Questions, responses and comments ensued.

A motion was made by Ms. Bombardieri, duly seconded by Mr. Torreggiani to approve the Resolution for Built Parcel Three & Four (Town of Poughkeepsie) for an amendment to 1) revise the scope of the Project by reducing the number of commercial residential units from 32 to 28 and adding additional parking and an outdoor public space, 2) to increase the sales tax exemption benefit in the amount of \$426,563 and 3) to increase the mortgage recording tax exemption benefit in the amount of \$66,000. Roll call vote was taken. All voted in favor and the motion was carried.

- B. Presentation by MHTC Development, LLC and 38 Eastdale Avenue, LLC (Town of Poughkeepsie) introducing their request for an amendment to the Master Agreement and the allocation of a portion of the Mortgage Tax Exemption and Sales Tax Exemption previously granted to MHTC Development, LLC to 38 Eastdale Avenue, LLC for Phase III-A of the Project and providing the PILOT Schedule for Phase III-A of the Project.

Ms. Lee noted the following:

- John Hettinger, Joe Kirchoff and Tomo Lin is present to speak about the project
- This presentation does not require any action from the board
- Once a public hearing is conducted, MHTC will come before the board again for the final approval
- MHTC is looking to construct a restaurant under 38 Eastdale Avenue LLC where MHTC will hold a minority interest in the property
- This transaction is similar to what was done with Rossi's and Daffodils where the LLC is composed of an outside party holding the majority and MHTC holding the minority interest
- MHTC is requesting the reallocation of previously approved benefits to go to 38 LLC
- Eight of the jobs projected in the original application is expected to be allocated to this project
- MHTC is asking that approximately less than \$60,000 of sales tax benefit go towards the construction of the project, an estimated amount of \$17,940 of mortgage tax benefits and that once construction is complete, the pilot that was previously approved would be applied to this property

Mr. Hettinger proceeded to give a brief presentation about the project and introduced Mr. Lin who then expressed his thanks to the IDA and the board.

Questions, responses and comments ensued.

- C. Presentation by Dutchess County Planning and Development regarding County wide development projects and the 2020 Rental Housing Survey

Chairman Dean introduced Heather LaVarnway, Anne Saylor and Eoin Wrafter from DC Planning and Development. Ms. LaVarnway then proceeded with her portion of the presentation followed by Ms. Saylor. The presentation consisted of the following:

- 3 categories of data collection
- Market rate apartment units constructed
- Apartment vacancy rates
- IDA projects with housing components
- Report of major projects
- Dutchess County housing initiative

Questions, responses and comments ensued.

ADJOURNMENT

There being no further business to discuss on the agenda, the meeting was adjourned by Chairman Dean at 8:28 a.m.

Respectfully submitted,

Kathleen M. Bauer, Secretary/Treasurer

Date

Meeting	<u>07-14-2021</u>
Approved	<u>09-08-2021</u>
Certified	<u>09-08-2021</u>

Dutchess County Industrial Development Agency
Balance Sheet
As of June 30, 2021

07/09/21

Accrual Basis

	Jun 30, 21
ASSETS	
Current Assets	
Checking/Savings	
1010 · Cash	
1152 · Money Market TD Bank	646,263.36
1155 · CD1- Riverside	119.99
1156 · CD2 - Riverside	1,786,307.48
Total 1010 · Cash	2,432,690.83
Total Checking/Savings	2,432,690.83
Accounts Receivable	
11000 · Accounts Receivable	2,289.20
Total Accounts Receivable	2,289.20
Total Current Assets	2,434,980.03
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	2,763.92
Total 1175 · Other Assets	2,763.92
1600 · Escrow Deposits	
1601 · Cricket Valley Escrow Deposit	5,129,886.09
Total 1600 · Escrow Deposits	5,129,886.09
Total Other Assets	5,132,650.01
TOTAL ASSETS	7,567,630.04
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
1990 · Liabilities	
2100 · Accounts Payable	3,409,164.76

9:05 AM

07/09/21

Accrual Basis

Dutchess County Industrial Development Agency
Balance Sheet
As of June 30, 2021

	Jun 30, 21
Total 1990 · Liabilities	3,409,164.76
Total Other Current Liabilities	3,409,164.76
Total Current Liabilities	3,409,164.76
Long Term Liabilities	
2300 · Escrow Deposit Liability	
2301 · Cricket Valley Escrow Deposit	1,720,721.33
Total 2300 · Escrow Deposit Liability	1,720,721.33
Total Long Term Liabilities	1,720,721.33
Total Liabilities	5,129,886.09
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	783,024.05
Net Income	232,292.43
Total Equity	2,437,743.95
TOTAL LIABILITIES & EQUITY	7,567,630.04

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

	Jan - Jun 21	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
4000 · Cash Revenues				
4020 · Administrative Fees	812,689.06	218,750.00	593,939.06	371.5%
4030 · Application Fees	500.00	750.00	-250.00	66.7%
4035 · Compliance Fees	4,006.00	5,010.00	-1,004.00	80.0%
4150 · PILOT Payments	4,735,066.65			
4910 · Interest	1,859.25	8,000.00	-6,140.75	23.2%
Total 4000 · Cash Revenues	5,554,120.96	232,510.00	5,321,610.96	2,388.8%
Total Income	5,554,120.96	232,510.00	5,321,610.96	2,388.8%
Expense				
6000 · Expenditures				
6240 · Audit	0.00	14,500.00	-14,500.00	0.0%
6260 · Dues, Publications, Subs	2,049.25	3,000.00	-950.75	68.3%
6280 · Insurance	2,996.52	3,750.00	-753.48	79.9%
6350 · Misc	2,509.80	2,000.00	509.80	125.5%
6450 · PILOT Payments	4,735,064.66			
6500 · Professional Service Contracts	575,000.00	600,000.00	-25,000.00	95.8%
6510 · Professional Services	2,698.75	20,000.00	-17,301.25	13.5%
6520 · Rent	840.00	1,000.00	-160.00	84.0%
6530 · Supplies	669.55	1,000.00	-330.45	67.0%
6550 · Travel & Meetings	0.00	2,500.00	-2,500.00	0.0%
Total 6000 · Expenditures	5,321,828.53	647,750.00	4,674,078.53	821.6%
Total Expense	5,321,828.53	647,750.00	4,674,078.53	821.6%
Net Ordinary Income	232,292.43	-415,240.00	647,532.43	-55.9%
Net Income	<u>232,292.43</u>	<u>-415,240.00</u>	<u>647,532.43</u>	<u>-55.9%</u>