

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, November 10, 2021

Present: Tim Dean, Chairman
Mark Doyle, Vice Chairman
Amy Bombardieri
Jamie Piccone II
Don Sagliano

Unable to Attend: Kathleen Bauer, Secretary/Treasurer
Al Torreggiani

Also Present: Sarah Lee, Executive Director
Jane Denbaum, CFO
Jasmin Haylett, Office Administrator
Rachel Welch, Communications Coordinator
Don Cappillino & Elizabeth Cappillino (Counsel)
Joe Kirchhoff, John Hettinger, Dr. E. Sims & Claudia Cruz (Eastdale Village)
Gloria Nelson (GAP)
Nick D'Alessandro (Town Supervisor, East Fishkill)
Ryan Kelly (USEF Tioranda)
Tom Mulroy, Steve Jeraci, Mike Davies (T-Rex/Shaner Hyde Park Hotel)
Jacob Reckess (Arthur May Redevelopment)
Kathleen Alfano, Chuck Mueller, Peter Wilcox, & Jennifer Gray (Rolling Frito-Lay)
Melaine Rottkamp, Dutchess Tourism
Jim Beretta & Doreen Tignanelli, Members from the public

On Wednesday, November 10, 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, Amy Bombardieri, Jamie Piccone II and Don Sagliano. Unable to attend was: Kathleen Bauer 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 has a conflict with item Arthur May Redevelopment he and a member of that particular organization are on a committee together in another organization and Ms. Bombardieri noted she also has a conflict with Arthur May because she worked on the project directly at her former firm.

PROOF OF MEETING NOTICE

Meeting notice was published on November 5, 2021.

BILLS AND COMMUNICATIONS

None

APPROVAL OF MINUTES

October 13, 2021

Chairman Dean asked for a motion to approve the October 13, 2021 minutes of the Dutchess County Industrial Development Agency.

Mr. Doyle suggested that for item A on the agenda, to make it less confusing, the withdraw statement comes before the presentation. How the minutes is currently written suggests that first there was a presentation and then it was withdrawn.

A motion was made by Mr. Piccone, duly seconded by Mr. Doyle to approve the DCIDA Board of Directors Meeting October 13, 2021 minutes. Roll call vote was taken. All voted in favor and the motion was carried.

REPORT OF THE TREASURER

Ms. Denbaum's appointments under new business was approved before she gave the financial report.

A. Financial Report

Ms. Denbaum reported on the October 31, 2021 Balance Sheet and Profit & Loss Budget

- Current cash balance is \$ 2,453,685.90
- There was no outstanding accounts payable
- There is a P & L revenue of \$7.7 million to expenses of \$7.5 million with a net income of \$251,000
- There is a \$16,000 admin fee for North Cross and \$1.7 million of pilot payments

REPORTS OF COMMITTEES

None

UNFINISHED BUSINESS

None

NEW BUSINESS

A. For Consideration and Approval of a Final Resolution for Rolling Frito-Lay Sales, LP (Town of East Fishkill) to induce a Project providing for Sales Tax Exemption and a Payment in Lieu of Taxes for an approximately \$100,000,000 project for construction and-re-development at 10-350 North Drive to construct a new warehouse/distribution center of approximately 158,000 sq. feet.

Ms. Lee noted the following:

- Rolling Frito-Lay Sales is before the board for their final approval to develop and own a facility to be located at 10350 North Drive in East Fishkill which is currently owned by iPark.
- The proposed project would develop the property into a warehouse and distribution facility of approximately 158,000 square feet with parking for trucks, storm water management, landscape and other infrastructure
- It is a hundred million dollar investment
- They propose to create 80 FTEs
- They are seeking approximately \$9.3 million in exemptions in pilot and sales tax
- The public hearing was held on October 8. Two members of the public spoke at the public hearing and two members of the public submitted written comments.
- The written transcript with written comments were distributed to the board prior to the meeting

Discussion ensued with questions, responses and comments

A motion was made by Mr. Doyle, duly seconded by Mr. Sagliano to consider and approve the Final Resolution for Rolling Frito-Lay Sales, LP (Town of East Fishkill) to induce a Project providing for Sales Tax Exemption and a Payment in Lieu of Taxes for an approximately \$100,000,000 project for construction and-re-development at 10-350 North Drive to construct a new warehouse/distribution center of approximately 158,000 sq. feet. Roll call vote was taken. All voted in favor and the motion was carried.

- B. For Consideration and Approval of a Final Resolution for GPSDC (New York), Inc. (Village/Town of Fishkill) for an amendment to existing agreements to provide an additional Sales Tax Exemption benefit of \$5,571,718.75 for an approximately \$69,200,000 project for the purchase of new materials handling equipment at 100 Merritt Blvd, Fishkill, NY 12524.

Ms. Lee noted the following:

- The Gap is asking for sales tax benefits to purchase approximately \$69 million in materials handling equipment
- It will allow them to expand operations and production at their Fishkill site
- In 1999 Gap identified property in Fishkill to open their distribution center. They invest some \$150 million to construct a new Northeast distribution center, which at the time was considered the largest distribution market in the US.
- The IDA and the state and local entities negotiated a 20-year pilot which resulted has resulted in over \$18 million of pilot payments

Discussion ensued with questions, responses and comments.

A motion was made by Mr. Piccone, duly seconded by Mr. Doyle to consider and approve the Final Resolution for GPSDC (New York), Inc. (Village/Town of Fishkill) for an amendment to existing agreements to provide an additional Sales Tax Exemption benefit of \$5,571,718.75 for an approximately \$69,200,000 project for the purchase of new materials handling equipment at 100 Merritt Blvd, Fishkill, NY 12524. Roll call vote was taken. All voted in favor except Mr. Sagliano. The motion was passed with a vote of 4 yes and 1 no.

- C. For Consideration and Approval of a Final Resolution for USEF Tioranda, LLC (Town of East Fishkill) for an amendment to existing agreements to provide an additional Sales Tax Exemption benefit of \$200,000.

Ms. Lee noted the following:

- USEF Tioranda is currently building a warehouse and distribution center on the former IBM West Campus
- It is a 629,000 square foot facility and the tenant is going to be Amazon
- They have encountered some increased costs due to unforeseen change orders and some increase in materials
- They are before the board to request an additional \$200,000 in sales tax exemptions for additional \$2 million worth of equipment
- This project is to create 500 FTEs at this site
- A public hearing was held on November 5th. No members of the public were present. Two written comments were received and forwarded to the board along with the transcript prior to the meeting.

Discussion ensued with questions, responses and comments.

A motion was made by Ms. Bombardieri, duly seconded by Mr. Doyle to consider and approve the Final Resolution for USEF Tioranda, LLC (Town of East Fishkill) for an amendment to existing agreements to provide an additional Sales Tax Exemption benefit of \$200,000. Roll call vote was taken. All voted in favor and the motion was carried.

- D. For Consideration and Approval of a Final Resolution for MHTC Development, LLC and 34 Eastdale Avenue, LLC (Town of Poughkeepsie) 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 34 Eastdale Avenue, LLC for the next phase of the Project and providing the PILOT Schedule for that phase.

Ms. Lee noted the following:

- The board is considering the reallocation of benefits for 34 Eastdale LLC, which will house a salon and two residential units
- The project will create two FTEs
- A public hearing was held on November 8. No members of the public was in attendance but a written comments was received and was forwarded to the board along with the written transcript prior to the meeting

Discussion ensued with questions, responses and comments.

A motion was made by Mr. Piccone, duly seconded by Mr. Sagliano to consider and approve the Final Resolution for MHTC Development, LLC and 34 Eastdale Avenue, LLC (Town of Poughkeepsie) 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 34 Eastdale Avenue, LLC for the next phase of the Project and providing the PILOT Schedule for that phase. All voted in favor and the motion was carried.

- E. For Consideration and Approval of a Final Resolution for MHTC Development, LLC and 5 Eastdale Avenue, LLC (Town of Poughkeepsie) 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 5 Eastdale Avenue, LLC for the next phase of the Project and providing the PILOT Schedule for that phase.

A motion was made by Mr. Sagliano, duly seconded by Mr. Doyle to consider and approve the Final Resolution for MHTC Development, LLC and 5 Eastdale Avenue, LLC (Town of Poughkeepsie) 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 5 Eastdale Avenue, LLC for the next phase of the Project and providing the PILOT Schedule for that phase. All voted in favor and the motion was carried.

Discussion ensued with questions, responses and comments.

- F. This item was tabled due to a lack of quorum.
Consideration and Approval of a Resolution for Arthur May Redevelopment Holdings, LLC (Town of Poughkeepsie) authorizing an amendment to the project description to reflect recent changes made to the Site Plan, including 1) increasing the residential apartments by 10 units (total 197 units) and increasing the commercial space by 2,860 square feet (total 21,139 sq. feet) and 2) remove the 66,300 square foot hotel

- G. Presentation by T-Rex/Shaner Hyde Park Hotel, LLC (Town of Hyde Park) to introduce their request for an amendment to existing agreements to provide an additional Sales Tax Exemption benefit of approximately \$432,899 and the mortgage tax benefit of \$270,000 and to authorize the assignment of existing agreements to a related entity.

Ms. Lee noted the following:

- T-Rex is requesting board approval to transfer their existing agreements to T-Rex Shane Hyde Park Holdings, LLC as well as well as additional mortgage tax exemptions for a mortgage of \$36 million in additional sales tax benefit in the amount of \$432,000.

Mr. Mulroy proceeded with the presentation and answered questions from the board.

H. 3rd Quarter IDA and LDC updates

Ms. Lee proceeded give updates on the following:

- Business Attraction Program
- Business Retention and Expansion Program
- Marketing, PR and Business Development Program
- 2021 DCIDA Outcomes Report
- 2021 DCLDC Outcomes Report

Questions and responses ensued.

I. 3rd Quarter County Reimbursement

Ms. Lee noted that this is the third quarter County submission for reimbursement that needs to be approved by the board.

A motion was made by Ms. Bombardieri, duly seconded by Mr. Piccone to approve the 3rd Quarter County Reimbursement. 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 9:10 a.m.

Respectfully submitted,

Kathleen M. Bauer, Secretary/Treasurer

Date

Meeting	<u>11-10-2021</u>
Approved	<u>12-23-2021</u>
Certified	<u>12-23-2021</u>

Dutchess County Industrial Development Agency

Balance Sheet

As of October 31, 2021

	Oct 31, 21
ASSETS	
Current Assets	
Checking/Savings	
1010 · Cash	
1152 · Money Market TD Bank	666,355.28
1155 · CD1- Riverside	120.04
1156 · CD2 - Riverside	1,787,210.58
Total 1010 · Cash	<u>2,453,685.90</u>
Total Checking/Savings	<u>2,453,685.90</u>
Total Current Assets	<u>2,453,685.90</u>
Fixed Assets	
1390 · Furniture & Equipment	
1680 · Furniture & Equipment	3,115.81
1710 · Accumulated Depreciation	-3,115.81
Total 1390 · Furniture & Equipment	<u>0.00</u>
Total Fixed Assets	<u>0.00</u>
Other Assets	
1175 · Other Assets	
1310 · Prepaid Expense	2,763.92
Total 1175 · Other Assets	<u>2,763.92</u>
1600 · Escrow Deposits	
1601 · Cricket Valley Escrow Deposit	1,737,480.45
Total 1600 · Escrow Deposits	<u>1,737,480.45</u>
Total Other Assets	<u>1,740,244.37</u>
TOTAL ASSETS	<u><u>4,193,930.27</u></u>
LIABILITIES & EQUITY	
Liabilities	
Long Term Liabilities	
2300 · Escrow Deposit Liability	
2301 · Cricket Valley Escrow Deposit	1,737,480.45
Total 2300 · Escrow Deposit Liability	<u>1,737,480.45</u>
Total Long Term Liabilities	<u>1,737,480.45</u>
Total Liabilities	<u>1,737,480.45</u>
Equity	
2490 · Fund Balance	
3200 · Fund Balance IDA	-25,000.00
Total 2490 · Fund Balance	<u>-25,000.00</u>
30000 · Opening Balance Equity	1,447,427.47
32000 · Unrestricted Net Assets	783,022.05
Net Income	251,000.30
Total Equity	<u>2,456,449.82</u>
TOTAL LIABILITIES & EQUITY	<u><u>4,193,930.27</u></u>

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

	Jan - Oct 21	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
4000 · Cash Revenues	829,070.67	218,750.00	610,320.67	379.0%
4020 · Administrative Fees	2,750.00	750.00	2,000.00	366.7%
4030 · Application Fees	4,006.00	5,010.00	-1,004.00	80.0%
4035 · Compliance Fees	6,892,724.04			
4150 · PILOT Payments	3,192.20	8,000.00	-4,807.80	39.9%
4910 · Interest				
Total 4000 · Cash Revenues	7,731,742.91	232,510.00	7,499,232.91	3,325.3%
Total Income	7,731,742.91	232,510.00	7,499,232.91	3,325.3%
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	3,306.40	2,000.00	1,306.40	165.3%
6450 · PILOT Payments	6,892,722.06			
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	460.08	2,500.00	-2,039.92	18.4%
Total 6000 · Expenditures	7,480,742.61	647,750.00	6,832,992.61	1,154.9%
Total Expense	7,480,742.61	647,750.00	6,832,992.61	1,154.9%
Net Ordinary Income	251,000.30	-415,240.00	666,240.30	-60.4%
Net Income	251,000.30	-415,240.00	666,240.30	-60.4%