

MINUTES

Dutchess County  Industrial Development Agency

3 Neptune Road, Poughkeepsie, NY 12601
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BOARD OF DIRECTORS SPECIAL MEETING
Friday, April 8, 2022

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

Unable to Attend: Tim Dean, Chairman

Also Present: Sarah Lee, Executive Director
Jane Denbaum, CFO
Jasmin Haylett, Office Administrator
Don Cappillino & Elizabeth Cappillino, Counsel
Jacob Reckess, Arthur May Redevelopment
Matthew Earl & Michelle Rider, Violet Estates
Timothy Parsaca, 23-28 Creek Drive
Doreen Tignanelli, Member from the public
Hank Gross, Statewide News

On Friday, April 8, 2022, the Dutchess County Industrial Development Agency [DCIDA] Board of Directors special meeting was called to order by Vice Chairman Doyle at 8:05 a.m. Present was:, Mark Doyle, Kathleen Bauer, Jamie Piccone II, Don Sagliano and Al Torreggiani. Unable to attend was Tim Dean. Quorum was established. Amy Bombardieri joined the meeting after roll call was taken.

CONFLICT OF INTEREST DISCLOSURES

Vice Chairman Doyle asked board members if they had any potential conflicts with any items on the agenda. Vice Chairman Doyle noted that Ms. Bauer and Ms. Bombardieri has a conflict with the Arthur May Redevelopment project, Item A under new business.

PROOF OF MEETING NOTICE

Meeting notice was published on April 1, 2022.

BILLS AND COMMUNICATIONS

None

APPROVAL OF MINUTES

None

REPORT OF THE TREASURER

None

REPORTS OF COMMITTEES

None

UNFINISHED BUSINESS

None

NEW BUSINESS

- A. For Consideration and Approval of a Supplemental Resolution for Arthur May Redevelopment Holdings, LLC (Town of Poughkeepsie) authorizing the modification of the previously approved documents to (1) reflect that initial ownership of the Facility will be in Arthur May Redevelopment LLC and (2) authorize the future assignment of all or any portion of the Facility to Arthur May Redevelopment Holdings LLC.

Ms. Bauer was placed in the zoom waiting room for this discussion due to a conflict with this project. Ms. Bombardieri also had a conflict with this project but signed on after this discussion was over.

Ms. Lee noted the following:

- Arthur May Redevelopment Holdings, LLC is requesting that Arthur May Redevelopment, LLC be also added to the project ownership and the project documents
- At the start of the project, it wasn't clear to the applicant whether the project would be owned solely by Arthur May Holdings, LLC or Arthur May Redevelopment, LLC and at one point they thought Arthur May Holdings, LLC would be the sole owner but they have since changed their mind and would like Arthur May Redevelopment added to the project documents

Ms. Cappillino also noted the following:

- The project was initially approved recognizing that both entities would be involved
- In June of 2020, prior to the final approval, they had removed Arthur May Redevelopment, LLC from all the project documents and this was what the board approved even though it was initially contemplated that both entities would be involved
- This is just to make it clear in the documents and in the approvals from the IDA that that the board is approving both of them for Arthur May Redevelopment, LLC to initially own the project and then authorize the future assignment of a portion of it to Arthur May Redevelopment Holdings when they're ready to go forward with that entity

Questions, responses and comments ensued.

A motion was made by Mr. Sagliano, duly seconded by Mr. Torreggiani to approve the Supplemental Resolution for Arthur May Redevelopment Holdings, LLC (Town of Poughkeepsie) authorizing the modification of the previously approved documents to (1) reflect that initial ownership of the Facility will be in Arthur May Redevelopment LLC and (2) authorize the future

assignment of all or any portion of the Facility to Arthur May Redevelopment Holdings LLC. Roll call vote was taken. All voted in favor and the motion was passed.

- B. For Consideration and Approval of a Supplemental Resolution for Violet Estates Owner, LLC (Town of Poughkeepsie) (1) authorizing the termination agreements between the Agency and Violet Estates, LLC; (2) authorizing the assignment of Sales Tax Exemption benefits previously approved for Violet Estates, LLC to Violet Estates Owner, LLC; and (3) authorizing the amendment of the existing Lease and Project Agreement with Violet Estates Owner, LLC to reflect that Violet Estates Owner, LLC will be the operator of the Project.

Ms. Lee noted the following

- Violet Estates Owner is requesting a termination of the agreement between the IDA and Violet Estates, LLC. The IDA had contemplated that both entities would be owners of the project, but as the project has proceeded, the applicant would like sole ownership to be under Violet Estates Owner, LLC. Secondly the board approved a portion of the sales tax benefit would be allocated to Violet Estates, LLC. Violet Estates, LLC has not used any of the tax benefits that was approved and allocated to them. Therefore, with the termination of the agreement, they are requesting approval to assign \$8,125 of sales tax benefit to Violet Estates Owner, LLC.

Ms. Cappillino also noted the following:

- This was a holding and an operating company
- The plans was to run it this way and give a portion of the benefits to the operating company
- They now realize that the operating company wasn't actually necessary and it was better for their financing if they could just have everything go through only the owner who is going to be the owner operator now

Questions, responses and comments ensued.

A motion was made by Mr. Torreggiani, duly seconded by Ms. Bombardieri to approve the Supplemental Resolution for Violet Estates Owner, LLC (Town of Poughkeepsie) (1) authorizing the termination agreements between the Agency and Violet Estates, LLC; (2) authorizing the assignment of Sales Tax Exemption benefits previously approved for Violet Estates, LLC to Violet Estates Owner, LLC; and (3) authorizing the amendment of the existing Lease and Project Agreement with Violet Estates Owner, LLC to reflect that Violet Estates Owner, LLC will be the operator of the Project. Roll call vote was taken. All voted in favor and the motion was passed.

- C. For Consideration and Approval of a Supplemental Resolution for 23-28 Creek Drive, LLC (City of Beacon) authorizing the amendment of the existing Lease and Project Agreement (1) to extend the Completion Date to July 31, 2022 and to extend the termination of the Sales Tax Exemption benefit to December 31, 2022 and (2) increase the Sales Tax Exemption benefit by \$95,000.00.

Ms. Lee noted the following

- 23-28 to Creek Drive will be having a public hearing and will come back at the April 20th regular meeting for their final approval
- Creek Drive is requesting that their sales tax benefit which expired on 12/31/2021 be extended until July 20, 2022
- They had a little over \$43,000 still remaining in unused sales tax benefit
- The project has experienced delays in construction as a result of the pandemic

- They are asking for an extension of their sales tax benefit
- She recommends that the board extends the request to 12/31/2022 in order to allow for any contingencies
- The applicant is also asking for an increase in sales tax benefit of \$95,000
- The remaining sales tax benefit will be used to fit their main commercial tenant, DocuWare

Questions, responses and comments ensued.

A motion was made by Mr. Sagliano, duly seconded by Mr. Piccone to approve Supplemental Resolution for 23-28 Creek Drive, LLC (City of Beacon) authorizing the amendment of the existing Lease and Project Agreement (1) to extend the Completion Date to July 31, 2022 and to extend the termination of the Sales Tax Exemption benefit to December 31, 2022 and (2) increase the Sales Tax Exemption benefit by \$95,000.00. Roll call vote was taken. All voted in favor and the motion was passed.

ADJOURNMENT

There being no further business to discuss on the agenda, the meeting was adjourned by Vice Chairman Doyle at 8:26 a.m.

Respectfully submitted,



Kathleen M. Bauer, Secretary/Treasurer

7/31/22
Date

Meeting	<u>04-08-2022</u>
Approved	<u>04-20-2022</u>
Certified	<u>04-20-2022</u>