

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, March 22, 2023

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

Also Present: Sarah Lee, Executive Director
Jane Denbaum, CFO
Don Cappillino and Elizabeth Cappillino (Counsel)
John Hettinger (Eastdale)
Chris K.
Ed Kellogg, Jonathan Dal Pos (Mirbeau of Beacon)
Doreen Tignanelli & Jim Beretta (Members from the public)

On Wednesday, March 22, 2023, the Dutchess County Industrial Development Agency [DCIDA] Board of Directors regular meeting was called to order by Chairman Dean at 8:05 AM. Present was Tim Dean, Kathleen Bauer, Mark Doyle, Amy Bombardieri (via zoom), Jamie Piccone II, Don Sagliano and Al Torreggiani. Quorum was established with (6) members in-person and (1) via zoom.

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 with item B under new business because he currently lives in the Eastdale complex.

PROOF OF MEETING NOTICE

Meeting notice was published on March 17, 2023.

BILLS AND COMMUNICATIONS

None

APPROVAL OF MINUTES

February 8, 2023

Chairman Dean asked for a motion to approve the February 8, 2023 regular meeting minutes of the Dutchess County Industrial Development Agency.

A motion was made by Ms. Bauer, duly seconded by Mr. Doyle to approve the DCIDA Board of Directors regular meeting minutes for February 8, 2023. Roll call vote was taken, all voted in favor and the motion was carried.

REPORT OF THE TREASURER

A. Financial Report

Ms. Denbaum proceeded to report on the February 28, 2023 Balance Sheet and Profit & Loss Budget

- Current cash balance is \$3.5 million
- There is a liability of the pilot payments that still needs to go out
- \$944,000 in payments was received in the accounts payable section
- On the P&L, the pilot payments were separated out
- Total revenue without the pilot payments is \$250,000 to a budget of \$447,000, unfavorable to budget of \$197,000
- The total income is \$1.2 million
- Received \$218,000 in administrative fee from CANAM, \$350 from 23 Eastdale and \$375 from 32 Eastdale
- Expenses without the pilot payments is \$219,000 to a budget of \$689,900
- Total expenses were \$1.2 million for a net income of \$30,760 to a negative budget of \$242,900 for a favorable budget of \$274,000

REPORTS OF COMMITTEES

A. Finance & Audit – For Discussion and Approval of the 2022 Audit

Ms. Bauer noted the following from the 2022 IDA audit:

- The opinions and comments are now at the beginning of the report
- The agency did not adopt any significant new accounting practices for last year
- The auditors did not identify any significant or unusual transactions
- There were no audit adjustments, the auditors were not aware of any misstatements, they did not encounter any disagreements with management and there were no significant issues arising from the audit
- Meetings and public hearings held in 2022
- Projects approved in 2022
- Overview of the following from the financial statement
 - Cash equivalence
 - Liabilities
 - Interest
 - Accounts payable
 - Revenues and expenses
 - Statement of cash flows
 - Net ending position
 - Footnotes
 - Schedule of conduit debts
 - Projects
 - No internal control and compliance findings

Questions, responses and comments ensued.

Chairman Dean asked for a motion to approve the 2022 IDA audit.

A motion was made by Mr. Sagliano, duly seconded by Mr. Piccone to approve the 2022 IDA audit. Roll call vote was taken, all voted in favor and the motion was carried

UNFINISHED BUSINESS

None

NEW BUSINESS

- A. For Consideration and Approval of a Preliminary Resolution for Mirbeau of Beacon LLC (City of Beacon) to induce a Project providing for a Mortgage Tax Exemption, Sales Tax Exemption and a Payment in Lieu of Taxes for an approximately \$73,098,000 project for construction and re-development at 7 Craig House Lane to construct a new 85-room spa resort at the former Tioranda Estate in Beacon, NY.

Chairman Dean introduced Ed Kellogg and Jonathan Dal Pos who proceed to give an overview of the project.

Questions, responses and comments ensued.

A motion was made by Mr. Torreggiani, duly seconded by Mr. Piccone to approve the Preliminary Resolution for Mirbeau of Beacon LLC (City of Beacon) to induce a Project providing for a Mortgage Tax Exemption, Sales Tax Exemption and a Payment in Lieu of Taxes for an approximately \$73,098,000 project for construction and re-development at 7 Craig House Lane to construct a new 85-room spa resort at the former Tioranda Estate in Beacon, NY. Roll call vote was taken, all voted in favor and the motion was carried.

- B. For Consideration and Approval of a Resolution concerning Phase III of the Eastdale Village Project (Town of Poughkeepsie) Authorizing the Executive Director to execute certain documents in connection with Eastdale Residential III, LLC's refinancing transaction.

Mr. Sagliano left the room for this section of the agenda due to the conflict he noted above.

Ms. Lee also noted the following:

- MHTC Eastdale Residential Phase III is preparing to convert their construction loan into permanent financing
- It was already contemplated in the master document that Eastdale does not have to come back to the board for approval but in this case, their permanent financing lender is asking for an amendment to the documents to include additional terms in the mortgage documents in case of default

Questions, responses and comments ensued.

A motion was made by Mr. Doyle, duly seconded by Mr. Piccone to approve the Resolution concerning Phase III of the Eastdale Village Project (Town of Poughkeepsie) Authorizing the Executive Director to execute certain documents in connection with Eastdale Residential III, LLC's refinancing transaction. Roll call vote was taken, all voted in favor and the motion was carried.

- C. Presentation of IDA/LDC 2022 Performance Outcomes

Ms. Lee noted the following from the performance outcomes:

- Business attraction, retention and expansion activities
- Marketing program
- IDA & LDC closed project

- D. Consideration and Approval of a Resolution Authorizing the Executive Director of the IDA to enter into an Agreement with Dutchess County Local Development Corporation for Professional Services

https://thinkdutchessny.sharepoint.com/sites/DCLDC/Shared Documents/EDC_COMMON/IDA/Minutes/2023/2023 IDA Board Minutes/2023 0322 IDA Reg Board Mtg Minutes-Approved.docx

Ms. Lee also noted the following:

- Each year the IDA contracts with the LDC to provide administrative services as well as professional service, such as business attraction, retention, expansion and some marketing in the amount of \$150,000

A motion was made by Ms. Bauer, duly seconded by Mr. Doyle to approve the Resolution Authorizing the Executive Director of the IDA to enter into an Agreement with Dutchess County Local Development Corporation for Professional Services. Roll call vote was taken, all voted in favor and the motion was carried.

E. For Discussion and Approval of the 2022 PARIS Reports

- Annual Report
- Investment Report
- Procurement Report
- Audit Report

Ms. Lee noted the following about these reports:

- Annual Report
 - Board members should review their information in the annual report for accuracy
- Investment Report
 - Once the audit is uploaded the exact website location will be updated
- Procurement Report
 - Shows purchases over \$5,000 made by the agency
- Audit Report
 - This will be completed once the audit is approved

A motion was made by Mr. Torreggiani, duly seconded by Ms. Bauer to approve the approve the 2022 DCIDA Annual, Investment, Procurement and Audit reports as presented for submission to PARIS Roll call vote was taken, all voted in favor and the motion was carried.

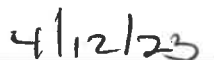
ADJOURNMENT

There being no further business on the agenda to discuss, the meeting was adjourned by Chairman Dean at 9:45 AM.

Respectfully submitted,



Kathleen M. Bauer, Secretary/Treasurer



Date

Meeting	<u>03-22-2023</u>
Approved	<u>04-12-2023</u>
Certified	<u>04-12-2023</u>

Dutchess County Industrial Development Agency

Balance Sheet

As of February 28, 2023

	<u>Feb 28, 23</u>
ASSETS	
Current Assets	
Checking/Savings	
1010 · Cash	
1152 · Money Market TD Bank	1,671,227.46
1155 · CD1- Salisbury	252,336.46
1156 · CD2 - Salisbury	1,555,699.59
Total 1010 · Cash	<u>3,479,263.51</u>
Total Checking/Savings	3,479,263.51
Accounts Receivable	
11000 · Accounts Receivable	13,623.00
Total Accounts Receivable	<u>13,623.00</u>
Total Current Assets	3,492,886.51
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	0.00
Other Assets	
1175 · Other Assets	
1310 · Prepaid Expense	497.50
Total 1175 · Other Assets	497.50
1600 · Escrow Deposits	
1601 · Cricket Valley Escrow Deposit	1,787,158.21
Total 1600 · Escrow Deposits	<u>1,787,158.21</u>
Total Other Assets	1,787,655.71
TOTAL ASSETS	<u><u>5,280,542.22</u></u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
20000 · *Accounts Payable	943,623.57
Total Accounts Payable	943,623.57
Other Current Liabilities	
1990 · Liabilities	
2100 · Accounts Payable	13,900.00
Total 1990 · Liabilities	<u>13,900.00</u>
Total Other Current Liabilities	13,900.00
Total Current Liabilities	957,523.57
Long Term Liabilities	
2300 · Escrow Deposit Liability	
2301 · Cricket Valley Escrow Deposit	1,787,158.21
Total 2300 · Escrow Deposit Liability	<u>1,787,158.21</u>
Total Long Term Liabilities	1,787,158.21
Total Liabilities	2,744,681.78

Dutchess County Industrial Development Agency
Balance Sheet
As of February 28, 2023

	<u>Feb 28, 23</u>
Equity	
2490 · Fund Balance	
3200 · Fund Balance IDA	-25,000.00
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Total 2490 · Fund Balance	-25,000.00
30000 · Opening Balance Equity	1,447,427.47
32000 · Unrestricted Net Assets	1,082,672.75
Net Income	30,760.22
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Total Equity	2,535,860.44
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TOTAL LIABILITIES & EQUITY	5,280,542.22
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Dutchess County Industrial Development Agency Profit & Loss Budget vs. Actual January through February 2023

	Jan - Feb 23	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
4000 · Cash Revenues				
4020 · Administrative Fees	218,599.25	375,000.00	-156,400.75	58.3%
4030 · Application Fees	0.00	2,000.00	-2,000.00	0.0%
4035 · Compliance Fees	22,043.00	18,000.00	4,043.00	122.5%
4040 · Fees - Other	1,050.00	44,000.00	-42,950.00	2.4%
4910 · Interest	8,396.34	8,000.00	396.34	105.0%
Total 4000 · Cash Revenues	250,088.59	447,000.00	-196,911.41	55.9%
4150 · PILOT Payments	943,623.57			
Total Income	1,193,712.16	447,000.00	746,712.16	267.0%
Expense				
6000 · Expenditures				
6240 · Audit	0.00	15,000.00	-15,000.00	0.0%
6260 · Dues, Publications, Subs	750.00	4,000.00	-3,250.00	18.8%
6280 · Insurance	2,297.64	4,300.00	-2,002.36	53.4%
6350 · Misc	725.00	4,000.00	-3,275.00	18.1%
6500 · Professional Service Contracts	212,500.00	600,000.00	-387,500.00	35.4%
6510 · Professional Services	2,701.25	58,000.00	-55,298.75	4.7%
6520 · Rent	354.48	1,100.00	-745.52	32.2%
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	219,328.37	689,900.00	-470,571.63	31.8%
6450 · PILOT Payment	943,623.57			
Total Expense	1,162,951.94	689,900.00	473,051.94	168.6%
Net Ordinary Income	30,760.22	-242,900.00	273,660.22	-12.7%
Net Income	30,760.22	-242,900.00	273,660.22	-12.7%