

COUNTY OF SULLIVAN INDUSTRIAL DEVELOPMENT AGENCY

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REGULAR MEETING MINUTES

Monday, April 10, 2017

I. CALL TO ORDER

Chairman Steingart called to order the regular meeting of the County of Sullivan Industrial Development Agency at approximately 11:11 AM, in the Legislative Committee Room at the Sullivan County Government Center, 100 North Street, Monticello, New York.

II. ROLL CALL

Members Present-

Ira Steingart
Howard Siegel
Edward Sykes
Scott Smith
Suzanne Loughlin
Carol Roig
Paul Guenther

Members Absent-

Joseph Perrello
Sean Rieber

Staff Present-

Jen Flad, Executive Director
Julio Garaicoechea, Project Manager

Staff Absent-

None

Others Present-

Steve White, Agency CEO
Walter Garigliano, Agency Counsel
Dan Hust, *Sullivan County Democrat*
Charles Degliomini, Montreign Operating Company
Jeffrey Wu, Hong Kong Supermarket
Jonathan Scher, Esq.
Steve Vegliante, Esq.
Jacob Billig, Esq.
Gary Silver, Esq.
Ken Walter

III. APPROVAL OF MEETING MINUTES

On a motion made by Mr. Guenther and seconded by Mr. Sykes, the Board voted and the minutes of the March 13, 2017 meeting were unanimously approved.

IV. BILLS AND COMMUNICATIONS

Mr. Garaicoechea handed out a revised schedule of payments. Mr. Siegel made a motion to approve the revised schedule of payments. Mr. Sykes seconded the motion to approve revised schedule of payments, the Board voted, and the revised schedule of payments was unanimously approved.

V. STAFF REPORT

Chairman Steingart asked the Board if there were any questions about the March staff report. There were none.

VI. PROJECT UPDATE

Mr. Charles Degliomini updated on the Board on the **Montreign Casino project** construction status. He stated that the 1.6 million square foot building is now fully-enclosed, on-time, and on-budget. There are currently 500 construction workers on the site. In the next 4 months, there will be an expected 1,000 construction workers. He informed the Board of an increase in the amount of hotel rooms than previously envisioned based on market research. A major focus of the company has been its branding. The company has become a part of an international gaming brand named "Resorts World," with properties worldwide in Malaysia, Sentosa Island and nationally in Las Vegas. This partnership will help the project become significantly more successful and bring more guests. Ms. Loughlin asked what will happen to the "Adelaar" and "Montreign" brand names. Mr. Degliomini stated that the company is still in discussion on the future of these brands however suggested that Montreign may begin to fade away. He also announced that the company appointed Ryan Eller as President and Chief Operating Office of Empire Resorts, overseeing the development of the project and the company's operations in Sullivan County.

VII. OLD BUSINESS

The Board reviewed and discussed a resolution authorizing an extension of the sales tax exemption period for **BRR Brothers III, LLC.** and **Sullivan County Fabrication, Inc.** Mr. Vegliante updated the Board on the project. He stated the project is approximately 90% complete. The companies have renovated the roofs, siding, and floors of the existing structures with most of the equipment sourced and purchased. Mr. Steingart commended the project on its positive visual aesthetics. Mr. Siegel made a motion to approve the resolution. Mr. Sykes seconded, the Board voted and the resolution was unanimously approved.

VIII. NEW BUSINESS

The Board reviewed and discussed a resolution authorizing and approving the execution and delivery of a mortgage and related financing documents in favor of Catskill Hudson Bank in an aggregate amount not to exceed \$250,000.00 relating to the **Pestech Exterminating, Inc. and Davidson Sullivan Realty, LLC.** project. Mr. Garigliano stated the project needs more working capital to support its expansion. Further, no mortgage recording tax abatement sought. Ms. Loughlin made a motion to approve the resolution. Mr. Guenther seconded, the Board voted and the resolution was unanimously approved.

The Board reviewed and discussed a resolution authorizing and approving the execution and delivery of a mortgage and related financing documents in favor of Catskill Hudson Bank in an aggregate amount not to exceed \$400,000.00 relating to the **Hudson Valley Foie Gras, LLC.** and **Hudsut, LLC.** project. Mr. Garigliano stated that this project provides a portion of the capital to the site, therefore there is a mortgage recording tax abatement included. Mr. Guenther made a motion to approve the resolution. Mr. Sykes seconded, the Board voted and the resolution was unanimously approved.

The Board reviewed and discussed a resolution to appoint Ken Klein, Esq. as Special Counsel to the Agency in connection with the review of a subordination of lien and security interest by and among H&A Financing & Services Corp. and **Catskill Distilling Company, LTD.** The company desires to finance purchase of whiskey barrels with H&A. Attorney Garigliano is unable to represent the Agency in connection to the Agency's review of the Subordination Agreement due to a conflict. Mr. Sykes recused himself from discussion because he is on the Board of Directors of Jeff Bank, which has an interest in the project. Mr. Siegel made a motion to approve the resolution. Mr. Guenther seconded, the Board voted and the resolution was approved, with Mr. Sykes abstaining for the before-mentioned reason.

IX. PROJECT UPDATE

Mr. Vegliante updated the Board on the **Apollo Mall** project. He introduced, Mr. Jeffrey Wu, who is an interested party to develop the property. Based on engineering studies, the company is planning to redevelop the existing building since the steel structure and foundation are structurally sound. Mr. Wu plans to develop the property to introduce a new Super HK supermarket. His national brand of supermarkets is located in New York, New Jersey, Philadelphia, Los Angeles, and Boston. With this new development, he plans to market to a mainstream population.

IX. PUBLIC COMMENT AND ADJOURNMENT

Chairman Steingart asked the Board and others present for comment. The Board recognized the comments of Ken Walter. On a motion made by Ms. Loughlin and seconded by Mr. Sykes the meeting was adjourned at approximately 11:37 AM.

Respectfully submitted:

Jen Flad, Executive Director

Julio Garaicoechea, Project Manager

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