

COUNTY OF SULLIVAN INDUSTRIAL DEVELOPMENT AGENCY

**One Cablevision Center
Ferndale, New York 12734
(845) 295-2603 – telephone
(845) 295-2604 – fax
www.sullivanida.com**

REGULAR MEETING MINUTES

Monday, October 16, 2017

I. CALL TO ORDER

Chairman Steingart called to order the regular meeting of the County of Sullivan Industrial Development Agency at approximately 11:05 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
Sean Rieber
Edward Sykes
Suzanne Loughlin
Scott Smith
Joseph Perrello
Carol Roig

Members Absent-

Scott Smith
Paul Guenther

Staff Present-

Jennifer Flad, Executive Director
Julio Garaicoechea, Project Manager

Staff Absent-

None

Others Present-

Steve White, Agency CEO
Walter Garigliano, Agency Counsel
Tara Lewis, Garigliano Law Offices
Dan Hust, Sullivan County Director of Communications
Patricio Robayo, *Sullivan County Democrat*
Ken Walter

III. APPROVAL OF MEETING MINUTES

On a motion made by Ms. Loughlin and seconded by Mr. Siegel, the Board voted and the minutes of the September 11, 2017 regular meeting were unanimously approved.

IV. BILLS AND COMMUNICATIONS

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

V. STAFF REPORT

Mr. Steingart asked the Board if there were any questions about the September staff report. There were none. Ms. Flad updated the Board on the formal announcement that the two Rural Business Development Grants submitted to the United States Department of Agriculture earlier this year were awarded to the Agency, for the benefit of Catskill Brewery and Goodness Grainless.

VI. OLD BUSINESS

The Board reviewed and discussed a resolution authorizing the Agency to provide funding to the Partnership for Economic Development in Sullivan County, Inc. for the 3rd Quarter of 2017. Ms. Loughlin recused herself from discussions due to status as a member of the Board of Directors of the Partnership. Mr. Sykes made a motion to approve. Mr. Siegel seconded the motion. The Board voted and the resolution was unanimously approved, with Ms. Loughlin abstaining for the reason previously mentioned.

The Board reviewed and discussed a resolution extending the Sales Tax Abatement Period for the **BRR Brothers III, LLC. and Sullivan County Fabrication, Inc.** project from November 1, 2017 through and including April 30, 2018. Mr. Rieber recused himself from discussion because the Company is a client of his appraisal business. Mr. Perrello made a motion to approve. Mr. Sykes seconded the motion, the Board voted, and the resolution was approved with Mr. Rieber abstaining for above-stated reason.

The Board reviewed and discussed a resolution extending the Sales Tax Abatement Period for the **Adelaar Developer, LLC.** project from October 1, 2017 through and including March 31, 2018. Mr. Steingart commended the project's investment and design. Mr. Siegel made a motion to approve. Mr. Sykes seconded the motion, the Board voted, and the resolution was unanimously approved.

VII. NEW BUSINESS

The Board reviewed and discussed a resolution authorizing and approving the execution and delivery of one or more mortgages and related financing documents in an amount not to exceed \$90,000,000 relating to the **Veria lifestyle, Inc.** project. Mr. Garigliano stated that the commitment from the bank is currently for \$87,000,000 and the resolution is written to allow for changes at closing. Mr. Siegel made a motion to approve. Ms. Loughlin seconded the motion, the Board voted, and the resolution was unanimously approved.

The Board reviewed and discussed the 2018 Agency Budget. Ms. Flad noted that the budget presented includes an increase in the IDA Office lease payment. She also noted that on the Revenue side, an estimated figure was included for the **Empire Resorts Real Estate II, LLC. ("ERREII, LLC.")** project, as the project has not yet closed. Mr. Garigliano stated that the project is not likely to close in 2017. There being no further questions, on a motion made by Mr. Siegel and seconded by Ms. Roig, the Board voted and approved the budget as presented and authorized staff to submit to the State *PARIS* Reporting System.

Mr. Garigliano discussed the complexity with financing for solar projects and the New York State Property Tax Law. Currently, NYS provides for 15 years of exemption and IDA's benefits begin in Year 16. Solar projects and their lenders have requested that IDA provide language in PILOT agreements to include that if any New York State statutory exemptions are taken away before any IDA benefits can begin, the IDA benefits begin earlier for the same term. For example, if State exemptions are removed in Year 7, IDA benefits would begin in Year 8 and conclude in Year X. Mr. Sykes noted that the State eliminated the Empire Zone incentives in the past, which impacted IDA projects in a similar manner. Ms. Roig stated that the probability this would happen is small.

VIII. PUBLIC COMMENT

Mr. Steingart asked the Board and others present for comment. The Board recognized the comments of Ken Walter.

IX. NEW BUSINESS

On a motion made by Mr. Steingart and seconded by Mr. Sykes, the Board entered into Executive Session at 11:40 AM to discuss current litigation.

On motion made by Mr. Perrello and seconded by Mr. Sykes, the Board came out of Executive Session at 11:51 AM.

X. ADJOURNEMENT

On a motion made by Mr. Sykes to adjourn and seconded by Mr. Siegel, the meeting adjourned at 11:51 AM.

Respectfully submitted:

Jennifer Flad, Executive Director

Julio Garaicoechea, Project Manager

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