

Columbia County Industrial Development Agency

MINUTES COLUMBIA COUNTY INDUSTRIAL DEVELOPMENT AGENCY Full Board Tuesday, August 3, 2021

A regularly scheduled meeting of Columbia County Industrial Development Agency's Board held Tuesday, June 1, 2021. The meeting was called to order at 8:33am by Carmine Pierro, Chair.

Attendee Name	Title	Status	Arrived
Nina Fingar-Smith	Secretary	Excused	
Robert Galluscio	Treasurer	Present	
William Gerlach	Board Member	Excused	
Brian Keeler	Board Member	Present	
Carmine Pierro	Chair	Present	
Sarah Sterling	Vice-Chair	Present	
Theodore Guterman II	Counsel	Present	
F. Michael Tucker	President/CEO	Present	
Lauren Cranna	Business Development Partner	Excused	
Lisa Drahushuk	Administrative Supervisor	Present	
Cathy Lyden	Assistant Administrative/Bookkeeper	Present	
Martha Lane	Business Development Director	Present	

Mr. Pierro called the meeting to order at 8:33am.

Minutes:

Ms. Sterling made a motion, seconded by Mr. Keeler to approve the minutes from June 1, 2021 as presented. Carried.

Treasurer's Report:

Mr. Tucker reviewed the financial statements with the Board. He noted the IDA was at a point where the fee structure should be re-evaluated, referencing the city of Hudson IDA fee structure, which gives CEDC \$10,000 per year and a percentage of the project fee. *Mr. Galluscio made a motion, seconded by Ms. Sterling to approve the Treasurer's Report as presented. Carried.*

Administrative Director's Report:

Mr. Tucker reviewed the solar projects currently siting in the county. He explained there was a provision in Real Property tax law that exempts solar projects for 15 years unless after a letter was sent to municipalities within 60 days, the municipality notifies the developer they wish to enter into a PILOT. He stated this removes the IDA from providing PILOTs, with the exception of certain circumstances.

Mr. Tucker stated CEDC had been asked by Columbia County to represent them in all projects where the County responded they wished to participate in the PILOT. He noted none of the projects have asked about IDA benefits.

Mr. Tucker stated there had been an issue with the Valatie Land Development project PILOT and the school district. He explained that the business had paid their final payment, which had been distributed to the appropriate taxing jurisdictions. The assessor had been informed at that time. Subsequently, the assessor had resigned and had been replaced. He noted the property had not been placed back on the tax rolls, resulting in the school district not billing the business for the appropriate taxes.

Commerce Park Update:

County Sewer Easement:

Mr. Tucker stated the ABO had been notified and the 90 day term was at the end. He stated he would ask the IDA Chair to sign the documents authorizing the property transfer after the meeting.

Saad Development Corp.:

Mr. Tucker stated the property was ready for sale.

Limz Machinery Group LLC:

Mr. Tucker stated the property had been paid in full and the building was currently under construction.

Hudson River Valley Holding LLC:

Mr. Tucker stated they had made their annual payment. There had been several inquiries on the property.

Klocke Estate Distillery, LLC (Drumlin Fields Spirits):

Mr. Tucker reviewed the Klocke Project noting an inducement resolution had been adopted and a public hearing had been held. He noted they were working with a lender to finalize their financing and mortgage. They have asked the IDA to proceed with a two-step approval process: approving the sales tax exemption, then later approving their PILOT once their financing is approved. He noted they didn't require an exemption from mortgage recording tax due to their financing with Farm Credit. Due to the structure of the business, some of the benefits were unnecessary.

Mr. Guterman stated the principals wanted to begin the project, so would be utilizing their own funds to begin the project. He noted there is enough sales tax on the items they are purchasing, that would justify the IDA's approval of the sales tax benefit. Mr. Guterman stated there was a precedent for this action with the SunStream Solar project. He suggested the IDA adopt a resolution outlining the benefit. Mr. Guterman outlined the proposed resolution approve financial assistance in the form of sales tax relief to Klocke. He stated the resolution would also consider the granting of other financial assistance in the form of a PILOT, which was not being considered at the present meeting. He noted the IDA found the business would create jobs for residents of Columbia County. He stated the resolution would provide for the payment of administrative fees in the amount of \$28,000, representing the sales tax portion of the IDA fee. He noted the company would get a credit of that fee against the total fee due. He stated the resolution would provide for the company's payment of the bond counsel's fee. *Mr. Galluscio made a motion, seconded by Mr. Keeler to approve the resolution as outlined. Carried.*

Mr. Guterman suggested that the Board add to the resolution, that the board had considered any adverse environmental effects of the project. He noted the Town of Claverack had issued a negative declaration under SEQR. He asked the Board to consider issuing a negative declaration based on the previous determination by the town of Claverack, as well as the consideration that financial assistance has a negative effect on the environment. *Ms. Sterling made a motion, seconded by Mr. Galluscio to approve the additional verbage be added to the resolution. Carried.*

Columbia County Industrial Development Agency

New Projects:

Mr. Tucker stated there were several new potential projects, but he was not in a position to identify them at the current time.

IDA/CEDC Contract:

Mr. Tucker stated it was unchanged for some years. He reviewed the contract with the Board. *Mr. Galluscio made a motion, seconded by Mr. Keeler to renew the contract for 2021. Carried.*

Legal Counsel RFP:

Mr. Tucker reviewed the earlier distributed RFP for legal council with the Board. The Board asked that the search area be changed to 50 miles and the closing submission date should be changed to 3 weeks.

Agency Fee:

Mr. Guterman reviewed the distributed draft fee schedule with the Board. He outlined the fee changes, which had been changed to allow for a number of options, depending on the needs of the projects. The draft also decreased the overall fee for projects costing over \$5,000,000. He noted that the annual PILOT administrative fee had been increased. *Ms. Sterling made a motion, seconded by Mr. Keeler to approve the presented draft fee schedule as of August 3, 2021. Carried.*

With no further business to discuss or public comment, a motion was made by Ms. Sterling and seconded by Mr. Galluscio. Carried. The meeting adjourned at 9:32am.

Respectfully submitted by Lisa Draushuk

