

**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**

Tuesday, April 19, 2016

**PRESENT:** Charles Daniels III  
Tim Dean  
Mark Doyle  
Angela Flesland  
Edward Summers  
Alfred Torreggiani

**UNABLE TO ATTEND:** Phyllis DiStasi Keenan

**ALSO PRESENT:** Sarah Lee, Executive Director  
Don Cappillino, Counsel  
Marilyn Yerks, Chief Financial Officer  
Jasmin Haylett, Office Administrator  
Mary Kay Vrba, Dutchess Tourism, Inc.  
David Kaminski, Neptune Capital Investments LLC  
Kenneth M. Stenger, Counsel, Empire Hotel Development  
Erfan Khan, Empire Hotel Development

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On Tuesday, April 19, 2016, the Dutchess County Industrial Development Agency [DCIDA] Board of Directors Meeting was called to order by Chairman Daniels at 8:02 a.m. Present were: Charles Daniels III, Tim Dean, Mark Doyle, Angela Flesland, Edward Summers, and Alfred Torreggiani. Unable to attend was: Phyllis DiStasi Keenan. Quorum was established.

**APPROVAL OF MINUTES**

Chairman Daniels asked for a motion to approve the March 15, 2016 Minutes of the Dutchess County Industrial Development Agency.

A motion was made by Ms. Flesland, duly seconded by Mr. Dean to approve the DCIDA Board of Directors Meeting Minutes for March 15, 2016. All voted in favor. Motion carried.

**CONSIDERATION AND APPROVALS**

1. Cricket Valley

Consideration and Approval of a Preliminary Resolution for Cricket Valley Energy Center, LLC, for a PILOT, Sales Tax Exemption and Mortgage Tax Exemption for an approximately \$1,468,455,592 project to demolish an existing building, remediate environmental issues, and

build a new electric generating facility to be located at 2241 Route 22, Dover Plains, Town of Dover, Dutchess County, New York, bearing Tax Map Grid No. 132600-7061-00-580190-0000

Mr. Cappillino gave an overview of the resolution. He noted this resolution is for preliminary approval for a 30-year PILOT is approximately a \$1.5 billion project converting gas to electricity and located in Dover, NY. The Town of Dover special council approved the PILOT plan but do have concerns about the collateral security.

Ms. Lee gave brief summary of the project which includes the project evaluation, board report, and inform analytics. Discussion ensued.

A motion was made by Mr. Summers, duly seconded by Mr. Doyle to approve the Preliminary Resolution for Cricket Valley Energy Center, LLC. All voted in favor. Motion carried.

2. Empire Hotel Development

Consideration and Approval of a Preliminary Resolution for Empire Hotel Development, for a Sales Tax Exemption and Mortgage Tax Exemption for an approximately \$10,518,218 project to construct a new 93 room hotel to be built on an 8.43 acre parcel located in the Town of Poughkeepsie, County of Dutchess, State of New York, bearing Tax Map No. 134689-6159-01-287638-0000

Mr. Stenger and Mr. Khan introduced themselves and proceeded to give an overview of the project. Questions and answers ensued.

Chairman Daniels informed Mr. Stenger and Mr. Khan that because this project is not seeking a PILOT through the IDA it is not required to have a written support from the town or school but the members of the IDA board usually does not vote on a project unless they receive confirmation that both the school and town supports the project. He noted that there is a prohibition against retail unless it meets certain criteria. The criteria for this project is to fit into a tourist destination determination. He asked Mr. Stenger and Mr. Khan to provide a report that clearly states how this project would fit the criteria of being a tourist destination.

A motion was made by Mr. Torreggiani, duly seconded by Mr. Dean to table consideration and approval of the Resolution for Empire Hotel Development for another meeting. All voted in favor. Motion carried.

3. Elant at Fishkill

Consideration and Approval of a Resolution to authorize the execution of a Second Supplemental Indenture of Trust and Related Documents Related to the Agency's Civic Facility Revenue Bonds, Series 2007A (Elant at Fishkill, Inc. Civic Facility), Series 2007B (Elant at Fishkill, Inc. Civic Facility) and Series 2007C (Elant at Fishkill, Inc. Civic Facility) to amend the first optional redemption date of the Bonds from January 1, 2017 to August 1, 2016

Mr. Cappillino noted that the board recently approve a forbearance agreement. Elant was in technical violation of its bond requirement plans. They have been making payments on the bond but other financial obligations have not been met. The forbearance agreement was intended to keep them out of bankruptcy and give them enough time for a private sale which would result in a higher return on the sale price. The current issue is the earliest redemption for the bond is January 1, 2017 and the prospective buyer wants to redeem these bonds as part of the deal and

close this in August. Elant is requesting the board to consider approving the execution and delivery of a Supplemental Indenture to change the first optional redemption date from January 1, 2017 to August 1, 2016.

A motion was made by Mr. Dean, duly seconded by Mr. Summers approve the Resolution to amend the first optional redemption date of the Bonds from January 1, 2017 to August 1, 2016 for Elant at Fishkill. All voted in favor. Motion carried.

4. Neptune Capital Investors

Consideration and Approval of Resolution permitting the extension of the Sales tax benefit expiration date from April 30, 2016 to December 31, 2016 for Neptune Capital Investors, LLC 2013 Facility.

Mr. Kaminiski was present at the meeting and gave an update about the project.

A motion was made by Mr. Dean, duly seconded by Mr. Torreggiani to approve the Resolution permitting the extension of the Sales tax benefit for Neptune Capital Investors, LLC 2013 Facility. All voted in favor except Ms. Flesland who opposed and Ms. Keenan who was unable to attend. Motion carried with a vote of 4 to 1.

**FINANCIAL REPORT**

Ms. Yerks reported on the 3/31/16 audited financials:

- Cash balance was \$1,252,543.99
- Year-to-date total revenues were \$802,468.97
- Year-to-date total expenditures were \$996,899.64

A motion was made by Ms. Flesland, duly seconded by Mr. Torreggiani to approve the 3/31/16 audited financials. All voted in favor. Motion carried.

**CONSIDERATION AND APPROVAL**

Consideration and Approval of a Resolution Authorizing the Executive Director of the IDA to enter into an Agreement with Dutchess Tourism for Professional Services.

A motion was made by Mr. Summers, duly seconded by Mr. Torreggiani to approve the Resolution Authorizing the Executive Director of the IDA to enter into an Agreement with Dutchess Tourism for Professional Services. All voted in favor. Motion carried.

**IDA APPLICATION**

Presentation and Discussion to changes to the IDA application

Ms. Lee gave an overview of the changes made to the following sections of the application:

- Section II under Project Address
- Sources
- Estimated Property Tax Abatement
- Community Benefits – Employment
- Applicant Requirements under Annual Employment Reports #'s 5-7 and 9-11
- Last sentence of letter “b” under #12 Bonds

Chairman Daniels suggested the following changes to the cover letter of the application:

1. After the word "**bonds**" in the first sentence of the fifth paragraph – add the words "**or entering into a PILOT agreement**"

The sentences should read:

Prior to the issuance of the bonds **or entering into a PILOT agreement**, the project applicant is required to . . .

2. Add a statement about retail. That retail projects will not be considered and if considered will be phased out like the Neptune project

Ms. Lee noted that based on some examples of retail policies she collected from other IDAs she is going to expand on the current retail policy to make it clearer for applicants. Chairman Daniels ask that she coordinates with Ms. Vrba for her input based on tourism's criteria.

### **NEW BUSINESS**

Ms. Vrba noted that Tourism lost three major film productions due to a lack of tax credits in the areas. There are two bills in the Assembly and Senate she would the board to be aware of and hopes it will give additional incentives. The Assembly bill is 9415 and the Senate bill is 6987.

### **ADJOURNMENT**

There being no further business, a motion was made by Mr. Summers to adjourn the meeting. All voted in favor. Motion carried. Meeting adjourned at 9:10 a.m.

Respectfully submitted,

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Phyllis DiStasi Keenan, Secretary

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Date

<b>Meeting</b>	<u>04-19-16</u>
<b>Approved</b>	<u>05-17-16</u>
<b>Certified</b>	<u>05-17-16</u>