

IDAs: Why Have Them? & How Do They Work?



Ulster County IDA, April 4, 2024

Ulster County Comptroller March Gallagher

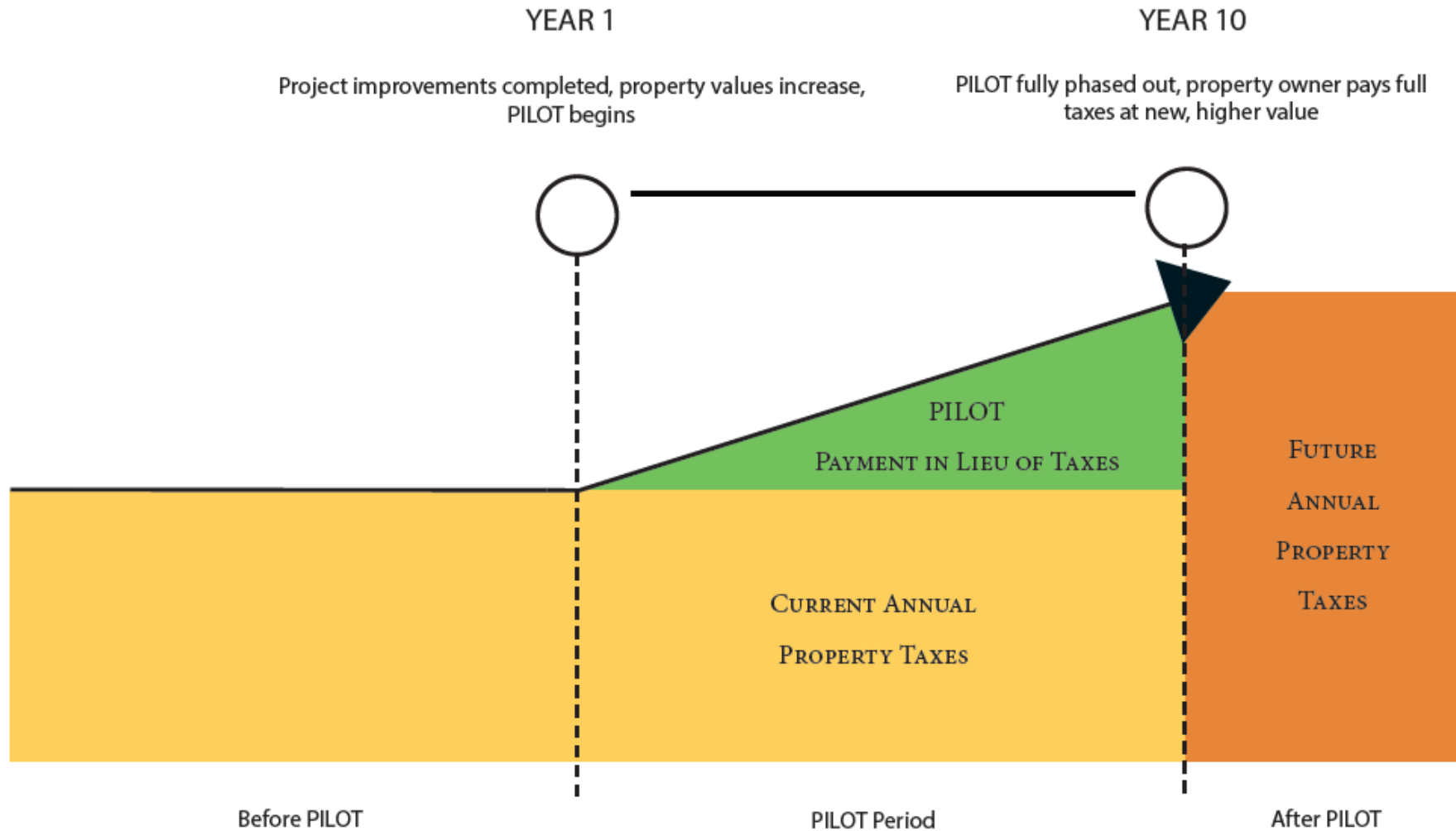
IDA Benefits

- **Property tax abatement**
- **Sales tax abatement on construction materials**
- **Opening the door to the tax-exempt bond market**
- **The County does not take on the debt of the project**
- **The taxing jurisdictions do not give up tax revenue they were earning**

IDA Controls

- **Monitoring/Reporting**
- **Claw backs**
- **Benefits tied to project characteristics**
- **A good UTEP (uniform tax exemption policy)**
- **Community engagement**

How a 10 year PILOT works



Annual Report for Ulster County Industrial Development Agency

Fiscal Year Ending: 12/31/2022

Run Date: 07/31/2023
Status: CERTIFIED
Certified Date: 03/31/2023

General Project Information		Project Tax Exemptions & PILOT		Payment Information	
Project Code	5101-12-02				
Project Type	Lease	State Sales Tax Exemption	\$0.00		
Project Name	Stavo Industries, Inc.	Local Sales Tax Exemption	\$0.00		
Project Part of Another Phase or Multi Phase	No	County Real Property Tax Exemption	\$8,785.00		
Original Project Code		Local Property Tax Exemption	\$28,752.00		
Project Purpose Category	Manufacturing	School Property Tax Exemption	\$65,452.00		
Total Project Amount	\$6,680,000.00	Mortgage Recording Tax Exemption	\$0.00		
Benefited Project Amount	\$6,480,000.00	Total Exemptions	\$102,989.00		
Bond/Note Amount		Total Exemptions Net of RPTL Section 485-b	\$102,989.00		
Annual Lease Payment	\$0.00	Pilot payment Information		Actual Payment Made	Payment Due Per Agreement
Federal Tax Status of Bonds		County PILOT	\$5,749.01	\$5,749.01	
Not For Profit	No	Local PILOT	\$18,816.25	\$18,816.25	
Date Project approved	4/18/2012	School District PILOT	\$42,834.75	\$42,834.75	
Did IDA took Title to Property	Yes	Total PILOT	\$67,400.01	\$67,400.01	
Date IDA Took Title to Property	12/20/2012	Net Exemptions	\$35,588.99		
Year Financial Assistance is Planned to End	2029	Project Employment Information			
Notes	Current number of FTEs appeared to be inaccurate in 2021. The project reported 67.79 current FTEs in 2021. According to Agency calculations based on supporting documents sent for verification of payroll information report, current FTEs appeared to be 64.48 in 2021.				
Location of Project		# of FTEs before IDA Status	51.00		
Address Line1	132 Flatbush Avenue	Original Estimate of Jobs to be Created	8.00		
Address Line2		Average Estimated Annual Salary of Jobs to be Created(at Current Market rates)	57,482.00		
City	KINGSTON	Annualized Salary Range of Jobs to be Created	25,000.00	To: 100,000.00	
State	NY	Original Estimate of Jobs to be Retained	51.00		
Zip - Plus4	12401	Estimated Average Annual Salary of Jobs to be Retained(at Current Market rates)	47,632.00		
Province/Region		Current # of FTEs	75.00		
Country	United States	# of FTE Construction Jobs during Fiscal Year	0.00		
Applicant Information		Net Employment Change	24.00		
Applicant Name	Stavo Industries, Inc.	Project Status			
Address Line1	8 North Front Street	Current Year Is Last Year for Reporting			
Address Line2		There is no Debt Outstanding for this Project	Yes		
City	KINGSTON	IDA Does Not Hold Title to the Property			
State	NY	The Project Receives No Tax Exemptions			
Zip - Plus4	12402				
Province/Region					
Country	USA				

Stavo Industries

- **\$6,480,000**
- **51 jobs retained, 13 jobs added**
- **\$67,400 paid in PILOT payments 2022**

DAILY FREEMAN

Kingston Mayor Shayne Gallo lauds move of Stavo...

NEWS

Kingston Mayor Shayne Gallo lauds move of Stavo Industries, planned move by Wolf-Tec to Flatbush Avenue



MOST POPULAR

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- 5 Sole survivor of Route 28 crash that killed 2 Kingston High students files suit
- 6 Pro-Israel and pro-housing super PACs enter race for the 103rd Assembly District
- 7 Mid-Hudson Valley arrests report: March 31, 2024
- 8 Ulster County Comptroller Office's report lists risks to county finances
- 9 Mohonk Preserve offers free one-month passes for Ulster County residents

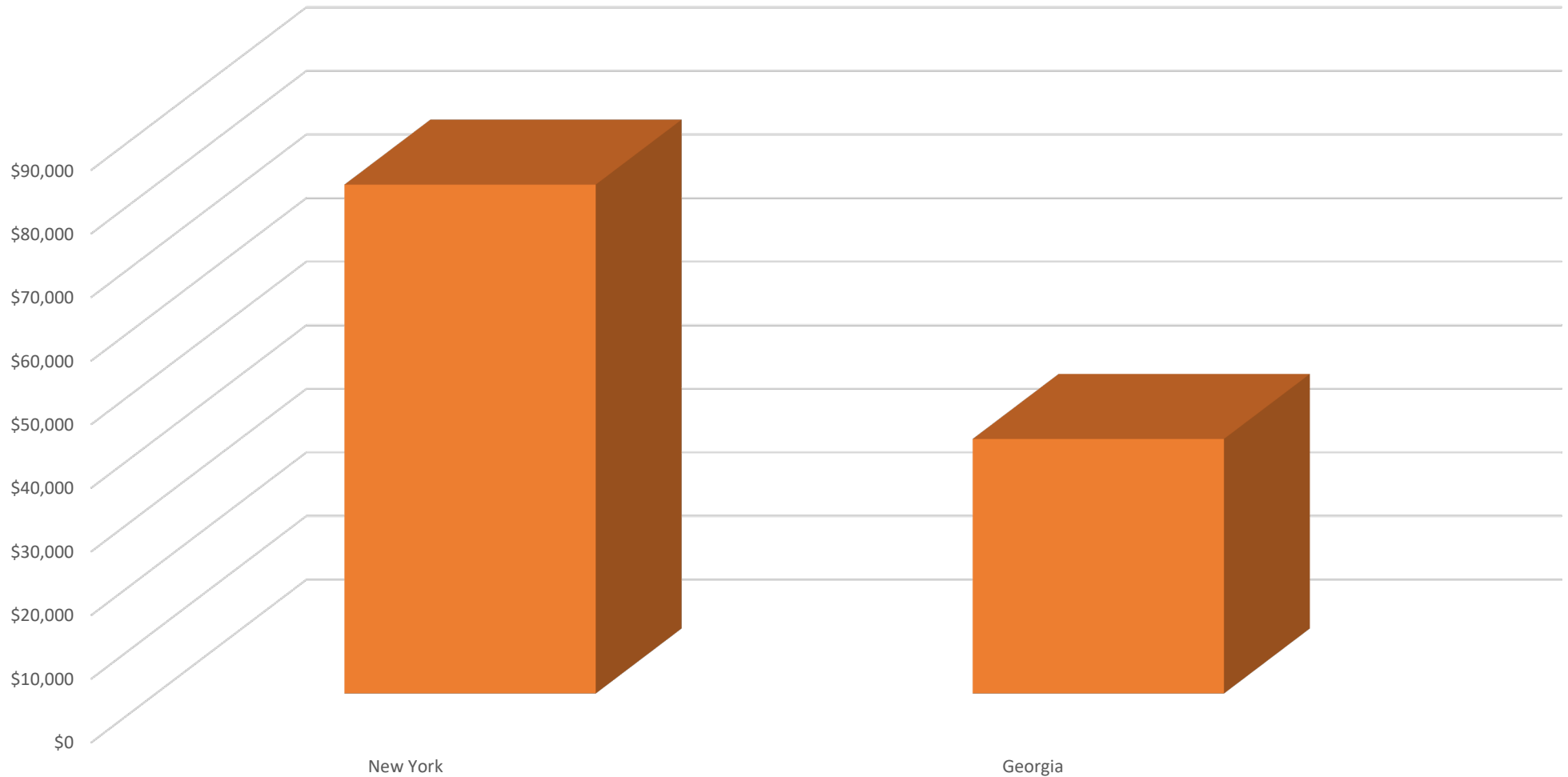
Property Tax in Georgia v. New York

State	Building Cost	Tax Rate	Taxes Paid
GA	\$300,000	0.86	\$2,580
NY	\$300,000	1.88	\$5,640

Property Tax in Georgia v. New York

State	Building Cost	Tax Rate	Taxes Paid
GA	\$300,000	0.86	\$2,580
NY	\$600,000	1.88	\$11,280

SALES TAX NY (8%) V. GA (4%) ON \$1M PROJECT



Woodland Pond

- **\$117 million in bonding**
- **206 FTE at last public report**
- **\$850,000 in PILOT payments paid in 2022**

Annual Report for Ulster County Industrial Development Agency
Fiscal Year Ending: 12/31/2022

Run Date: 07/31/2023
Status: CERTIFIED
Certified Date: 03/31/2023

General Project Information		Project Tax Exemptions & PILOT	Payment Information
Project Code	5101-07-02	State Sales Tax Exemption	\$0.00
Project Type	Bonds/Notes Issuance	Local Sales Tax Exemption	\$0.00
Project Name	Woodland Ponds	County Real Property Tax Exemption	\$144,774.00
Project Part of Another Phase or Multi Phase	No	Local Property Tax Exemption	\$272,682.00
Original Project Code		School Property Tax Exemption	\$819,189.00
Project Purpose Category	Civic Facility	Mortgage Recording Tax Exemption	\$0.00
Total Project Amount	\$117,490,000.00	Total Exemptions	\$1,236,645.00
Benefited Project Amount	\$117,490,000.00	Total Exemptions Net of RPTL Section 485-b	\$1,236,645.00
Bond/Note Amount	\$117,490,000.00	PILOT payment Information	
Annual Lease Payment		Actual Payment Made	Payment Due Per Agreement
Federal Tax Status of Bonds	Tax Exempt	County PILOT	\$87,193.14
Not For Profit	Yes	Local PILOT	\$269,432.38
Date Project approved	10/17/2007	School District PILOT	\$493,374.48
Did IDA took Title to Property	Yes	Total PILOT	\$850,000.00
Date IDA Took Title to Property	10/31/2007	Net Exemptions	\$386,645.00
Year Financial Assistance is Planned to End	2042	Project Employment Information	

Notes # of FTEs before IDA status should be 3 in 2021. Original estimate of jobs to be created should be 112. The project reported 90.66 current FTEs. According to Agency calculations based on supporting documents sent for verification of payroll information report, current FTEs appeared to be 206.8 in 2021. Bond issuance is with the Ulster County Capital Resource Corporation. PILOT agreement is with the Ulster County Industrial Development Agency. Address was initially reported with a typo. Address is 60 Park Lane.

Location of Project		# of FTEs before IDA Status	0.00
Address Line1	60 Pakr Lane	Original Estimate of Jobs to be Created	126.00
Address Line2		Average Estimated Annual Salary of Jobs to be Created(at Current Market rates)	55,000.00
City	HIGHLAND	Annualized Salary Range of Jobs to be Created	21,536.00 To: 151,000.00
State	NY	Original Estimate of Jobs to be Retained	0.00
Zip - Plus4	12528	Estimated Average Annual Salary of Jobs to be Retained(at Current Market rates)	0.00
Province/Region		Current # of FTEs	250.00
Country	United States	# of FTE Construction Jobs during Fiscal Year	0.00
Applicant Information		Net Employment Change	250.00
Applicant Name	Cynthia Rozenberg	Project Status	
Address Line1	20000 Horizon Way	Current Year Is Last Year for Reporting	
Address Line2		There is no Debt Outstanding for this Project	
City	MOUNT LAUREL	IDA Does Not Hold Title to the Property	
State	NJ	The Project Receives No Tax Exemptions	
Zip - Plus4	08054		
Province/Region			



Mohonk Mountain House Spa

- **\$13,000,000**
- **Project ended 2014**
- **Retained 418 jobs grew to 584 FTE**
- **\$25,000 in PILOT payments in 2014 on the spa portion**



IDA Projects		Project Tax Exemptions & PILOT Payment Information																
General Project Information Project Code: 5101-03-01 Project Type: Straight Lease Project Name: Smiley Brothers 1 Project part of another phase or multi phase: No Original Project Code: Project Purpose Category: Services Total Project Amount: \$13,000,000.00 Benefited Project Amount: \$13,000,000.00 Bond/Note Amount: Annual Lease Payment: \$0 Federal Tax Status of Bonds: Not For Profit: No Date Project Approved: 09/24/2003 IDA Took Title to Property: Yes Date IDA Took Title or Leasehold Interest: 11/12/2003 Year Financial Assistance is planned to End: 2014 Notes: The # of FTE's before IDA Status and the Original Estimate of Jobs to be Retained should be 418. The Original Estimate of Jobs to be Created should be		State Sales Tax Exemption: \$0 Local Sales Tax Exemption: \$0 County Real Property Tax Exemption: \$9,635 Local Property Tax Exemption: \$5,496 School Property Tax Exemption: \$39,024 Mortgage Recording Tax Exemption: \$0 Total Exemptions: \$54,155.00 Total Exemptions Net of RPTL Section 485-b: \$54,155.00																
Location of Project Address Line1: 1000 Mountain Rest Road Address Line2: City: NEW PALTZ State: NY Zip - Plus4: 12561 Province/Region: Country: USA		PILOT Payment Information <table border="1"> <thead> <tr> <th></th> <th>Actual Payment Made</th> <th>Payment Due Per Agreement</th> </tr> </thead> <tbody> <tr> <td>County PILOT:</td> <td>\$9,635</td> <td>\$9,635</td> </tr> <tr> <td>Local PILOT:</td> <td>\$5,496</td> <td>\$5,496</td> </tr> <tr> <td>School District PILOT:</td> <td>\$20,070</td> <td>\$20,070</td> </tr> <tr> <td>Total PILOTS:</td> <td>\$35,201</td> <td>\$35,201</td> </tr> </tbody> </table> Net Exemptions: \$18,954			Actual Payment Made	Payment Due Per Agreement	County PILOT:	\$9,635	\$9,635	Local PILOT:	\$5,496	\$5,496	School District PILOT:	\$20,070	\$20,070	Total PILOTS:	\$35,201	\$35,201
	Actual Payment Made	Payment Due Per Agreement																
County PILOT:	\$9,635	\$9,635																
Local PILOT:	\$5,496	\$5,496																
School District PILOT:	\$20,070	\$20,070																
Total PILOTS:	\$35,201	\$35,201																
Applicant Information Applicant Name: William Smiley Address Line1: 1000 Mountain Rest Road Address Line2: City: NEW PALTZ State: NY Zip - Plus4: 12561 Province/Region: Country: USA		Project Employment Information # of FTEs before IDA Status: 0 Original Estimate of Jobs to be created: 51 Average estimated annual salary of jobs to be created (at Current market rates): 0 Annualized salary Range of Jobs to be Created: 0 To: 0 Original Estimate of Jobs to be Retained: 0 Estimated average annual salary of jobs to be retained (at Current Market rates): 0 Current # of FTEs: 584.4 # of FTE Construction Jobs during fiscal year: 0 Net Employment Change: 584.4																
Project Status Current Year Is Last Year for reporting: No There is no debt outstanding for this project: Yes IDA does not hold title to the property: No The project receives no tax exemptions: No																		

General Project Information		Project Tax Exemptions & PILOT		Payment Information	
Project Code	5101-07-03A				
Project Type	Bonds/Notes Issuance	State Sales Tax Exemption	\$0.00		
Project Name	Gardiner Library 2	Local Sales Tax Exemption	\$0.00		
		County Real Property Tax Exemption	\$0.00		
Project Part of Another Phase or Multi Phase	No	Local Property Tax Exemption	\$0.00		
Original Project Code		School Property Tax Exemption	\$0.00		
Project Purpose Category	Civic Facility	Mortgage Recording Tax Exemption	\$0.00		
Total Project Amount	\$900,000.00	Total Exemptions	\$0.00		
Benefited Project Amount	\$900,000.00	Total Exemptions Net of RPTL Section 485-b	\$0.00		
Bond/Note Amount	\$855,000.00	Pilot payment Information			
Annual Lease Payment				Actual Payment Made	Payment Due Per Agreement
Federal Tax Status of Bonds	Tax Exempt	County PILOT	\$0.00	\$0.00	
Not For Profit	Yes	Local PILOT	\$0.00	\$0.00	
Date Project approved	1/1/2008	School District PILOT	\$0.00	\$0.00	
Did IDA took Title to Property	No	Total PILOT	\$0.00	\$0.00	
Date IDA Took Title to Property		Net Exemptions	\$0.00		
Year Financial Assistance is Planned to End	2016	Project Employment Information			
Notes	In 2021 the project reported 9 current FTEs. According to Agency calculations based on supporting documents sent for verification of payroll information report, current FTEs appeared to be 3.39 in 2021. Bond balance as of December 31, 2022 was \$210,940. This bond matures December of 2028.				
Location of Project		# of FTEs before IDA Status	0.00		
Address Line1	5 Station Square	Original Estimate of Jobs to be Created	0.00		
Address Line2		Average Estimated Annual Salary of Jobs to be Created(at Current Market rates)	0.00		
City	GARDINER	Annualized Salary Range of Jobs to be Created	0.00	To: 0.00	
State	NY	Original Estimate of Jobs to be Retained	0.00		
Zip - Plus4	12525	Estimated Average Annual Salary of Jobs to be Retained(at Current Market rates)	0.00		
Province/Region		Current # of FTEs	8.00		
Country	United States	# of FTE Construction Jobs during Fiscal Year	0.00		
Applicant Information		Net Employment Change	8.00		
Applicant Name	Barbara Sides	Project Status			
Address Line1	5 Station Square				
Address Line2					
City	GARDINER	Current Year Is Last Year for Reporting			
State	NY	There is no Debt Outstanding for this Project			
Zip - Plus4	12525	IDA Does Not Hold Title to the Property			
Province/Region		The Project Receives No Tax Exemptions			
Country	USA				

Gardiner Library

- **\$900,000 in bonding**
- **3.39 FTE**
- **\$0 taxes paid- tax exempt**



QUESTIONS?

Office of the
Ulster County Comptroller
March S. Gallagher



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