



PRESIDENT/CEO'S REPORT TO THE UCEDA BOARD

Board Meeting – December 16, 2024

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Below find highlights of UCEDA's activities for the fourth quarter of 2024.

- 1) **Audit:** The FY2023 audit was completed in compliance with UCEDA's by laws. Additional details are found in the Financial Report.
- 2) **Professional Services:** Bonadio & Co., LLP Management Consulting Services – Status Update. Bonadio's draft recommendations on UCEDA's management practices are currently under review. The company's scope of work primarily focused on:
 - Review organizational structure and governance model and make recommendations of improving organizational performance and health by enhancing structures, processes, and ways of working, including culture change.
 - Perform an internal risk management assessment including a review existing procedures and policies (available on the website) and provide guidance on procedures to solidify and expand internal controls.
 - Draft internal compliance strategy for UCEDA. Strategy is intended to ensure UCEDA adheres to all relevant laws, regulations, contractual requirements, and internal policies.
 - Perform a benchmarking assessment identifying other peer organizations and reviewing structure, staffing and procurement guidelines.
 - Review processes for measurement and evaluation of program initiatives.
 - Review development and implementation of initiatives (strategy, execution, operational support and stakeholder engagement).
 - Identify any training needs for staff or board members.
- 3) **iPark 87 LLC:** As of October 2024, iPark 87 LLC estimates it has invested \$17 million in the site since its acquisition in 2023. This includes \$7 million in environmental cleanup with an additional \$2 million planned for the coming months. iPark 87 LLC will use part of the funds received from its NY Restore Grant to defray some of the remediation costs.
- 4) **iPark 87 East / West Mortgage Restructuring Proposal-** approved by the UCEDA Board on November 14, 2024. Against a backdrop of high interest rates, a challenged commercial real estate market and higher than anticipated expenses related to the iPark 87's environmental clean-up work, National Resources requested that UCEDA provide mortgage payment relief to re-allocate funds towards the redevelopment of the iPark 87 site. The restructuring will free up cash for

operations and capital expenses. In addition, it will provide National Resources additional runway to lease up tenants and reach stabilization. Of note, along with their current tenant Archtop Fiber, iPark 87 has also executed a Letter of Intent with Urban Electric to take 100,000 sq ft in Building 1. Urban Electric is a company that manufactures zinc batteries and has major contracts with New York City and New York State.

LOOKING FORWARD

Below find a listing of action items for 2025

Financial Management:

Budget update and consolidate revolving loan fund accounts to streamline operations and improve financial reporting.

Governance and Compliance:

Review and update bylaws to ensure they are current and align with best practices, particularly regarding board training, corporate officer roles, and personnel/professional service contracts.

Strategic Planning:

Schedule an offsite strategic planning meeting to develop a long-term vision and set clear goals for the organization.

Community Partnerships:

Collaborate with Ulster County Economic Development Department and SUNY New Paltz to plan and execute an Ulster County Business Summit.

Public Relations and Marketing:

Update the UCEDA web page to provide accurate and up-to-date information about the organization's services and programs.

RECOGNITION

As we conclude 2024, I want to express my sincere gratitude to the dedicated County staff and the UCEDA Board. This year has presented its challenges, but we've also achieved significant milestones. I'm especially grateful to Deputy County Executive Amanda Lavallo for her leadership in stabilizing our operations and advancing the organization's strategic initiatives. Looking ahead to 2025, I'm filled with optimism as we build upon our successes and strive to create even more economic opportunities for Ulster County and its communities.

Respectively submitted to the Board of Directors of the Ulster County Economic Development Alliance on December 16, 2024

Kevin T Lynch
President/ CEO