

# UCIDA

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Ulster County Industrial Development Agency

## Ulster County Industrial Development Agency Minutes April 9, 2014

A regular monthly meeting of the Ulster County Industrial Development Agency was held at 8:00 a.m., Wednesday, April 9, 2014, Legislative Chambers, 6<sup>th</sup> Floor, Ulster County Office Building, 244 Fair Street, Kingston, NY.

The following agency members were present:

Paul Colucci	Assistant Chair/Assistant Secretary
Michael Horodyski	Chair
Robert Kinnin	Assistant Chair/Assistant Secretary
James Malcolm	Assistant Chair/Assistant Secretary
John Morrow	Secretary
Steve Perfit	Treasurer

The following agency members were absent:

None.

Offices of Business Services Staff:

Linda Clark  
Suzanne Holt

Ulster County Finance Office:

None.

UCIDA Attorney and Bond Counsel:

A. Joseph Scott          Hodgson Russ LLP

Additional Attendees:

Marc Antonucci	Iseman, Cunningham, Riester, & Hyde, LLP (representing Benedictine Hospital)
Thomas Briggs	Chair, Ulster County Economic Development and Tourism Committee
Paul Brown	New Paltz, NY
Jim Carminucci	LemeryGreisler LLC – representing LaSalle Benedictine
Steve Greenfield	New Paltz, NY
Mike Ham	Local 825 – International Union of Operating Engineers
Josh Honig	New Paltz, NY
James Maloney	Legislator – District 4
Frank Perugino	Local 363 – International Brotherhood of Electrical Workers
Frank Sylvester	Local 363 – International Brotherhood of Electrical Workers
Dean Tamburri	Local 17, Laborers International
Kenneth Wishnick	Legislator – District 17
Susan Zimet	Supervisor, Town of New Paltz
Andrew Zweben	City of Kingston Corporation Counsel

Chair Horodyski called the meeting to order at 8:00 a.m.

### **PLEDGE OF ALLEGIANCE**

The members of the Agency participated in the Pledge of Allegiance to the flag.

### **READING OF THE UCIDA MISSION STATEMENT**

Chair Horodyski read the Mission Statement of the Agency.

The mission of the Ulster County Industrial Development Agency is to advance the job opportunities, general prosperity and long-term economic vitality of Ulster County residents by targeting tax incentives, bonding and other assistance to foster creation and attraction of new business and the retention and expansion of existing business.

### **MINUTES**

**Motion** John Morrow, seconded by Steve Perfit, moved to approve the Minutes of the March 12, 2014 and March 28, 2014 meetings. Copies of said Minutes are on file.

**Vote:** The motion was adopted.

### **FINANCIALS**

**Motion:** James Malcolm, seconded by John Morrow, moved to approve the financials for the period ending March 31, 2014 as presented. A copy of said financials is on file.

**Vote:** The motion was adopted.

### **COMMITTEE REPORTS**

**Audit Committee.** Committee Chair Steve Perfit reported that the Audit Committee met on March 28, 2014. A copy of said Minutes is on file. Mr. Perfit thanked the Ulster County Office of Business Services, the PARIS report was submitted on time to the New York State Office of the State Comptroller, Authority Budget Office.

**Governance Committee.** Committee Chair John Morrow reported that the Governance Committee had met on March 25, 2014. A copy of said Minutes is on file.

**Ready2Go.** There was no report from the Ready2Go Committee.

### **UTEP HOUSING – INTERPRETATION OF UNIT**

RESOLUION APPROVING A POLICY INTERPRETATION OF THE TERM “UNITS” RELATING TO HOUSING PROJECTS UNDER THE AGENCY’S UNIFORM TAX EXEMPTION POLICY

Counsel Scott reviewed the resolution for the membership of the Agency starting with Schedule A of the Resolution. This resolution was presented to the members of the Governance Committee. The language in Schedule A has been modified to reflect the comments received at the Governance Committee meeting. Essentially, the first paragraph talks about a unit being a bed and there is some language which provides some explanation. The second paragraph talks about when that determination is made, because there was a concern as to operationally when that would be and how

that would be implemented. The third paragraph talks about how the number of beds is determined. We will have information from the applicant in terms of the application; we'll have information from the local Planning, local approving entities, in terms of their review of the project and in connection with their approval they will be providing information directly or indirectly with respect to the number of beds. Those are the changes to Schedule A. The resolution itself talks about the how this is an interpretation of the policy for purposes of enabling us to implement the portion of the policy that deals with housing units. There are certain findings made in Section 1 with respect to the interpretation and Schedule A and then Section 2 and 3 indicate that it will be used in connection with interpreting the policy and then Section 4 indicates that the resolution goes into effect immediately.

**Motion:** Steve Perfit, seconded by Robert Kinnin, moved to approve said resolution.

Mr. Paul Colucci stated that Counsel Scott mentioned something to the effect that the Planning Board would determine how many units.

Chair Horodyski responded that he thought what was trying to be said is that between the application we receive the application via the Planning Board's review, we would get a sense of the number of units. In the case of Park Point, 696 units was the number presented to us; 228 units, that is 696 beds. The Planning Board under their review, considered the impact of 696 beds. We are using an all encompassing determination.

Mr. Colucci thought that what he was trying to say here is that enforcement or determination or policing of how many actual units or beds are in place are done on a annual basis. Now he understood; from the application point and again annually, somebody has to go and confirm, deny or debate this with the owners or the town.

Counsel Scott stated that what he was trying to say, in the fourth paragraph in Schedule A it says for purposes of determining the number of "units", the Agency will be entitled to consider and rely on the Agency Application prepared by the Applicant ..... The reason that he expanded it, not just the application, is that the applicant may have a motivation to not give us .... So we can look at a variety of items there in determining what the number of beds are. It is a flexible structure.

Mr. Colucci asked if this was consistent with out past performance.

Chair Horodyski responded that the only other one would have been the senior housing that the Agency did for Golden Hill and it was consistent with that. What we did not have at the time the Agency did Golden Hill was an interpreting document. We are now ready to set forth and standardize what we are actually doing.

Mr. James Malcolm moved the question.

**Vote:** The motion was adopted.

## **PROJECTS**

### **LaSalle New Paltz – Family Health Center of New Paltz**

RESOLUTION CONSENTING TO AND AUTHORIZING THE EXECUTION AND DELIVERY OF CERTAIN DOCUMENTS WITH RESPECT TO THE ASSIGNMENT AND ASSUMPTION OF THE NEW PALTZ LASALLE MEDICAL OFFICE, LLC. PROJECT

Chair Horodyski explained that the Agency had talked about this application at last month's meeting. In between the month the existing tenant exercised a first refusal right to purchase, so what we are basically doing is substituting the initial purchaser for the new purchaser and providing them the ability to assume the terms under the existing PILOT.

Mr. Colucci asked if we had confirmed that there were no issues with the town with respect to any payments for taxes and/or fees for water/sewer that were outstanding.

Counsel Scott responded that is conditioned in the resolution also. We won't complete until we are sure that everything is done. It was his understanding that everything was done, but before we close we will make sure that everything is done.

Mr. Colucci asked and how do we do that?

Counsel Scott responded that we call the county, the local town tax collectors and make sure that everything is current.

**Motion:** John Morrow, seconded by Robert Kinnin, moved to approve said resolution

The Chairman called for a roll call vote:

**Adopted by the Following Vote:**

Ayes: Paul Colucci, Michael Horodyski, Robert Kinnin, James Malcolm, John Morrow, and Steve Perfit.

Noes: None.

**ARHC BCKNGNY01, LLC – LaSalle Benedictine**

RESOLUTION CONSENTING TO AND AUTHORIZING THE EXECUTION AND DELIVERY OF CERTAIN DOCUMENTS WITH RESPECT TO THE ASSIGNMENT AND ASSUMPTION OF THE BENEDICTINE LASALLE MEDICAL OFFICE, L.L.C. PROJECT

Chair Horodyski stated that this is an assumption of the medical office building, a purchase and assumption of our existing UCIDA PILOT benefits. This is an instance where there has been some discrepancy between the city and the landowner. We have not received any updates.

Chair Horodyski asked the representatives of the City of Kingston and LaSalle if there has been any movement; he has heard that the number has shrunk as far as the discrepancy.

Mr. Andrew Zweben, City of Kingston Corporation Counsel, stated that Marc Antonucci, Iseman, Cunningham, Riestler, & Hyde, LLP representing the hospital was also present. Mr. Zweben stated that several days ago Mr. Antonucci made a written proposal and after considerable conversations with Mark Scharff, who represents the school district, Mark and he came to the conclusion that that settlement offer does give us a basis for what they believed could be a negotiated resolution; more than that he would not say. He wouldn't have characterized it as the number has shrunk, there are issues between the parties that are unlikely to be agreed on. He thought that they could resolve it. His other issue/concern and he has spoke to LaSalle's attorney is what prejudice there might be to the city in the event that this deal goes forward before we have a resolution.

Chair Horodyski stated that personally, if we are close and we can maybe hammer out a deal, we are not planning to act today. It was here in the event that a deal could have been hammered out, but right now given the fact that you guys are negotiating, we do feel as the UCIDA it is important that we protect our jurisdictions in the sense that if there are discrepancies and we are being asked to make assignments, let's make sure our jurisdictions are made whole.

Mr. Zweben responded that if we do other than that, there would have to be some potential modifications to the sale documents and waivers. It is simpler to just get this resolved.

Chair Horodyski stated that the Agency is going to wait and take Mr. Zweben's lead on that. He would like to see the deal happen; it sounds like it is good for everybody and he doesn't want to take any leverage that might be there from the Agency's standpoint by asking for an assignment, we are just going to stand down. By all means if there is a time of the essence and we need maybe to convene a special meeting we could certainly entertain that request. Certainly with proper notice and whatever we need to do.

Mr. Zweben stated that Mark Scharff was unable to be here this morning.

Chair Horodyski stated please keep in touch with Counsel Scott; the Agency would like to move this along as soon as possible.

Mr. Jim Carminucci stated that he certainly appreciated that because they are running into time constraints on their end in terms of the sale and the issue is really we've kind of asked the hospital to try to work this out because they are ultimately responsible for paying under the lease.

Chair Horodyski asked do you believe that there is a deal to be had here.

Mr. Marc Antonucci responded yes. We have made an offer in good faith and all indications are thus far, is that something will be done.

Mr. Zweben asked if it was the Agency's position that they would need a school board vote and a city council vote before the Agency is in a position to vote.

Chair Horodyski responded that if he received assurances that we are in agreement the Agency is perfectly willing o move forward. He does not need to necessarily get through the maturations, but he would like some assurances from whatever affected jurisdictions there are that yes there is a deal here and we are OK.

Mr. Zweben replied that the best he was going to be able to tell the Agency is that we've reached an agreement, that he is prepared to put before the council, assuming that that vote is necessary and that is a question he has not thought about; the only reason being that this is your PILOT and the payments are an interpretation of an agreement. As you all know how this initiated. This was initiated by your audit. That is how this thing all started; now it is back to our interpretation but assuming that he has to go to the Common Council, the best he would be able to tell the Agency in the near future we've put it before them; he hoped to have a Finance Committee meeting at least before the end of the month and if it passes out of Finance, the probability is that it will pass. He never predicts what goes on.

Chair Horodyski asked what Mr. Carminucci's time constraints were.

Mr. Carminucci responded time is of the essence; we are now beyond the point that they thought they would be. Beyond two weeks could be a huge issue in trying to keep the transaction in tact.

Chair Horodyski asked that the line of communication be kept open with Counsel Scott with reference to progress and see where we can get to.

Mr. Colucci had a question not relative to this matter. Going back to audits, the Office of Business Services took over that position and is that something that .....

Ms. Suzanne Holt responded that Ulster County's Real Property Tax Service went and looked at the PILOTs and the way that they were being billed for all the municipalities.

Mr. Colucci stated that he was aware of that. His question was is it an annual thing?

Ms. Holt responded yes.

Mr. Colucci asked has that been started this year.

Ms. Holt replied that they did it for the school taxes and the regular taxes and they are planning on doing it every year.

Mr. Colucci asked when we can expect a report on that.

Chair Horodyski responded that if there were any major discrepancies we would hear about them pretty quickly at the time of discovery.

Mr. Colucci stated that he just wanted to make sure that there weren't any lapses or fall between the cracks due to the change of administration.

It was unanimously agreed by all those present to TABLE this resolution.

### **PARK POINT NEW PALTZ LLC PROJECT**

#### **RESOLUTION ADOPTING FINDINGS WITH RESPECT TO A PROPOSED PROJECT FOR PARK POINT NEW PALTZ, LLC**

Chair Horodyski stated that this is the SEQR resolution. Everyone should have the resolution and the newly minted findings statement that we will adopt as an Agency. It is a 90 page document; it encompasses the SEQR findings from the Town of New Paltz Planning Board. You will notice some red-line areas which he will defer to Counsel Scott to speak to. The vast majority of the environmental SEQR findings were kept consistent with New Paltz.

Counsel Scott referred to the Findings Statement which is essentially what the Planning Board adopted on Monday evening. Let's go backwards for a second, the Planning Board is lead agency for SEQR Review on the project. We are an involved agency. Typically the involved agency, after the lead agency is complete – has completed their process which includes the acceptance of the final environmental impact statement and adoption of findings – the involved agencies typically adopt their own findings before they move forward with their aspects of the project. Typically, by way of both convenience and by way of deference to the lead agency, you look at the findings statement prepared by the lead agency. We have and we are provided for and provided by Mr. Lithco yesterday afternoon, a copy of the Planning Board's Findings Statement. What he did was he reviewed that and went through it. What the Chairman is referring to in terms of revisions there are some parts of the findings statement that deal with the PILOT Agreement and what he did, because some of the information is argumentative frankly and some of it is not accurate and under the terms of the findings statement adopted by the Planning Board itself, if you look at Page 87 and if you look in the middle of that page under the heading "Unavoidable Significant Adverse Environmental Impact, there is a discussion in there by the Planning Board about recognizing that economic impacts are generally not within the scope of a SEQR review. What he did was, he replaced, and again this is our Findings Statement, not the Planning Board's Findings Statement, but ours. What he did was he took out the discussion of the PILOT that was provided by the Planning Board and he replaced it with a factual discussion as to what we are actually doing. This is a very long and somewhat unyielding document given the complexity of the project. If you go to page 61 of the findings statement and if you look at the bottom of page 61, and again, given the denseness of the text and the formatting and the fact that a lawyer was doing the word processing and not a legal assistant, you'll look at the bottom of page 61 and you will see underlined the agency is considering granting a Category 5 PILOT. That is his language. And then you go to the bottom of the page and again the underlined text, which is more of his language as your counsel. He is describing factually and that continues on to the top of page 62. So he is describing that the UCIDA is considering a Category 5 PILOT; he describe what we are considering doing subsequently today, the number of units, the cost per unit and then he also describes that the faculty housing portion of the project would be subject to normal taxes, which again, is what our PILOT structure is. And that is really what he did; he replaced the discussion of the PILOT impact or the PILOT discussion from the Planning Board with the factual discussion of what we're proposing to do this morning.

Mr. Colucci was confused as to why or how it is that a Findings Statement that is written by the Planning Board can be altered by us.

Counsel Scott responded that we are, as an involved Agency, we are not altering their Findings Statement. We are producing our Findings Statement. That is the distinction. We adopt our own Findings with respect to the project and his concern is that with respect to the PILOT aspect we what it to be accurate and we want it to be consistent with what our position is. We obviously are not altering the discussion about the size of the facility, its location, water/sewer, etc., which we fully concur with and adopt as part of the resolution.

Mr. Colucci stated so on Page 61 where you stuck in the terms .... 696 beds ("units") times \$750/unit ....., but follow down to the last sentence The lump sum would also be adjusted each year based on a cost of living adjustment. Do we need to clarify on how the cost of living adjustment is going to be determined based on CPI.

Chair Horodyski responded that the way he understood it to be was that it would be an index of northeast student housing projects.

Mr. Colucci asked does that language need to be there.

Chair Horodyski stated that it will be in the final actual governing documents. He thought that the statement was just setting forth yes there is going to be adjustments each year.

Mr. James Malcolm stated not to be contrary but given the fact that housing is kind of cyclable and they are not building it every year, how do you arrive at that if you are in a period of two three years .... We know that the cost of living is different in North Carolina than it is in Maine. Is there a more solid index to take that cost of living from?

Counsel Scott responded that the federal government actually has very detailed determinations. They break it down to regions. They break it down to business categories and that is what we used for the nursing home.

Mr. Perfit asked that the original application be reviewed PILOT versus what we now interpret the correct PILOT.

Chair Horodyski responded that he believed that it was originally 232 units at \$450 per unit was the original economic calculation. \$102,600 if he was reading the redlined version, line A impact on page 62.

Mr. Perfit stated so now it is going to be \$522,000 to be split proportionally.

Chair Horodyski responded correct.

Mr. Perfit stated that it was great that we are doing this, but is the applicant going to move forward with their application with this amendment.

Chair Horodyski responded that his understanding was yes. But in our regard what we are making our Category 5 PILOT Finding under our accepted Uniform Tax Exemption Policy. Should the applicant care to not to accept that, then they are free to do whatever they want. This is the best deal we are willing and/or able to offer under Category 5 of our Uniform Tax Exemption Policy.

Mr. Perfit stated that going back to the previous conversation regarding SEQR and the interpretation of policy, he did get up to Page 3 of the original SEQR Findings and if you look down at Page 3, items 1 and 2 and 3, it specifically states 696 bedrooms will be occupied by one bed to be monitored by management and he would assume that the Planning Board with the SEQR that if they are out of compliance we will know that they are out of compliance ... bring bunk beds, double bunk beds in a bedroom and we have the right to terminate the PILOT. Was he correct?

Chair Horodyski responded that we are determining 696 at the start based upon the Planning Board Application, the Application to the Agency ... the readily available information that we have. That is our starting number. If there is something that provides, by the same token, if there is only 650 rented, we are not going to adjust our PILOT payment to come down to 650.

Mr. Perfit stated that he was worried about the other end of the spectrum where all of a sudden management decides, well we ought to put bunk beds in all the 696 units.

Mr. Malcolm thought that it would be pretty easy to find out if you took a look .... There has been quite a concern that the college is going to start to take in more people. It doesn't hurt us, it kind of behooves us, to look at enrollment every year and that would be an indicator to make a site visit and say OK this is what they did. It is not a heavy lift.

Mr. Perfit stated that he did not want to be the policing agency. Will we hear it from the Building Department, the Planning Board that they are out of compliance?

Chair Horodyski responded that he had every expectation if there are issues regarding the project the Agency would certainly hear about it.

Mr. Malcolm replied that is why we have the ability to visit sites; we are the policing agency.

Mr. Morrow remarked that he thought Mr. Malcolm was wrong on that. We are not going to be policing, visiting or counting beds. That is going to be up to the town to come back to us and say that they are out of compliance and this is how many beds that they actually have and we are going to back to them and say you have 800 beds we are going to terminate the PILOT. He thought that was the intent of the Governance Committee.

Mr. Perfit stated that it has to go to the town's administration.

Chair Horodyski replied that we are working with 696, which is the applied amount of beds.

Mr. Malcolm stated so the town will be up there every day checking the beds.

Mr. Morrow responded that the town may go up there once a year at their discretion. It has nothing to do with us.

Mr. Malcolm stated that unless he was mistaken as the IDA we always have the opportunity to do a job site/project visit. The question is how do we know? It is easy enough if you take a look at enrollment and the enrollment is going up and you say they have to be putting them somewhere.

Chair Horodyski stated that we are working under the assumption as the Planning Board application was presented, as the application presented to us was 696.

Mr. Robert Kinnin stated that earlier in the document, on page 48 it talks about fire protection, something that is dear to his heart. There were asterisks and numbers missing and he would suggest that the Planning Board get those numbers filled in properly.

Counsel Scott responded that Mr. Lithco has been very cooperative and like he said, he sent it to me late yesterday afternoon and they are cleaning it up so there are a few blanks.

Mr. Kinnin thought that it was interesting how they can draw a conclusion on the very next page with a percentage when those numbers are not filled in.

Mr. Colucci stated speaking of that this document is still being cleaned up. Is this something that we need to rush to complete today with a document that is still a work in process.

Chair Horodyski disagreed that it is a substantive work in progress. All the assurances that we have gotten from Mr. Lithco and Mr. Calimanno, from the letter dated yesterday (a copy of which is on file) was the fact that substantively these are the findings. He could appreciate Mr. Kinnin's concerns with regards to the fire and some of the numbers not necessarily being there, but he did not believe that those numbers not being there are going to materially affect us adopting these Findings and using them as a basis for our determination of the potential PILOT which we will vote on next.

Counsel Scott stated that as a point of information, the Planning Board did approve this Monday night. There were no changes, other than the blanks, the asterisks, etc. that Mr. Kinnin is identifying and candidly there are a few typos and that sort of thing, but that is what was adopted Monday evening.

**Motion:** John Morrow, seconded by Steve Perfit, moved to approve said resolution

The Chairman called for a roll call vote:

**Adopted by the Following Vote:**

Ayes: Paul Colucci, Michael Horodyski, Robert Kinnin, James Malcolm, John Morrow, and Steve Perfit.

Noes: None.

RESOLUTION TAKING ACTION TO APPROVE THE PILOT/TAX ABATEMENT STRUCTURE RELATING TO THE STUDENT HOUSING PROJECT FOR PARK POINT NEW PALTZ, LLC AND AUTHORIZING THE EXECUTION AND DELIVERY OF AN INDUCEMENT AGREEMENT WITH RESPECT TO SUCH PROJECT

Chair Horodyski stated that he hoped that the members of the Agency had taken the time to read the resolution. Counsel Scott will take us through the specifics of the WHEREASs and then the end determination which we have already talked about, should the Agency approve it, would be PILOT payments of 750 times the 696 documented units.

Counsel Scott explained if we start at the top of Page 2, the second WHEREAS paragraph we describe the project, moving further down the page the last WHEREAS on Page 2 we talk about the SEQR Resolution we just adopted and acknowledging receipt of the final action of the Planning Board. The top of Page 3 we talk about the Public Hearing process we followed with respect to this project and then the second WHEREAS paragraph on Page 3 talks about a letter received from counsel to Park Point with their proposal for the PILOT Program and a PILOT Agreement. That letter is attached as Schedule A and it describes both the history of and the discussions with the town and their current proposal. It is important for us to have that document in the resolution because it shows what the request is and what our reaction and response to that request. The next couple of WHEREAS paragraphs back to page 3 talk about the

UCIDA's Uniform Tax Exemption Policy and that this project qualifies under Category 5 as a dormitory housing project and it further goes on to talk about the way the formula is computed, namely the number of units with a range between 450-750 per unit. The second to the last WHEREAS paragraph on page 3 talks about the methodology which was formalized earlier during this meeting and then the last full WHEREAS paragraph on the bottom of page 3 we talk about the number of units with respect to this project. You will see that he has referred, and this gets back to the point Mr. Colucci asked about in terms of how we determine the number of units. There is a discussion of the number of units in the application on page 11; there is a discussion in the Planning Board's Findings Statement on page 3 with respect to the number of units and there is also a discussion in the Notice of Completion of Final Environmental Impact Statement produced by the Town Planning Board on page 2 relating to the number of units/beds with respect to the project and all those numbers are 696. We then go to the top of page 4 and under Section 1 we make certain findings with respect to the project. He will not itemize each of those, but looking at Section 1 B with respect to the project constituting a project for purposes of the IDA statute, he has a reference to Schedule C at the very end of the resolution. There are certain elements of the project that he highlighted for purposes of this resolution. If you look at the bottom of page C1 and he has a number of bullets there, sections on how it benefits SUNY New Paltz, the importance of SUNY New Paltz to both the county and to the region; the number of construction jobs being created; the amount of private investment; local spending; local wages, the construction of the waste water treatment plant; the water supply system; and he has also attached to the end of the schedule a memorandum from the President of SUNY New Paltz addressed to the Chairman of the Planning Board outlining the importance of the project to SUNY New Paltz. Going back to page 4 there are a number of other findings that are listed under Section 1. The next one that he will highlight is the finding under 1 G and that gets to the PILOT issue with respect to the number of units. The number of units being 696 and that we determine even though our range is between \$450/unit and \$750/unit, based upon his understanding of what the sense of the Agency is that we are going to make a determination that we are going to apply the \$750/unit PILOT methodology/calculation to this particular project and he has some findings with respect to what we base that \$750 number on and he lists the size and scope of the project, the potential impact regarding local impacts and costs and the local concerns raised at the public hearing. All of the members of the UCIDA attended the public hearing and there were a significant number of public comments received and local concerns received. On Page 5, he indicates again, some of these are findings that we make with all of our projects; that we have reviewed the public hearing report and fully considered those comments; that it is in the public interest for the UCIDA to move forward. In Section 2 and Section 3 authorizes the entering into an Inducement Agreement which outlines the terms of the PILOT Agreement and that would be the 696 times \$750 for a twenty-five year term with faculty housing subject to normal tax. All those items that are outlined in Schedule B of the Resolution which outlines not only the real property tax terms but also the sales tax terms and the mortgage recording tax terms with respect to the abatements to be offered to the project applicant. You will also see that there is a reference to the Project Benefit Agreement and that is our "Clawback Agreement" that we have under our Enforcement Policy and that would be part of the Abatement/Inducement Package. He has a blank there for additional conditions if there is something that comes up during the course of discussion of the project in this resolution. In Sections 4 and 5 authorizes the Chairman to sign the necessary documents to move forward with respect to this and Section 6 indicates that the resolution takes effect immediately.

Mr. Perfit stated that we as an Agency are all volunteers; we are members of your community. We have been "harassed", lobbied, newspapers, emails, discussions over the past fourteen months and basically we have heard only one side of the issue. When the other side of the issue tried to speak, they were booed; outstanding members of our community. He was embarrassed when they were talking about the pros of the project. Certain people didn't even talk because they realized that a massive number of people were rallied against. It is a democracy and people can say whatever they want, but let's be courteous to people who have given their hearts and souls to Ulster County. We work for Ulster County. He works for Ulster County every day; he is in commercial real estate. He is not afraid to say it. He is out there working on economic development every day. The people, whatever towns surround New Paltz or in New

Paltz, don't realize that SUNY New Paltz is the jewel in the crown in Ulster County. This is the heart beat for economic development in this county. In Start-Up New York, Tax-Free New York, we are struggling to find space to fill the parameters that the Governor has dictated for us to have a real incubator for modern technology and moving this county forward and keeping our youth here once they graduate school. It is hard to believe that he has a thirteen year old in one of the school districts in Ulster County; he would love for his daughter to attend a world-class institution with world-class on-campus housing which is safe, where she will interface with other students and grow this university into a world-class institution which it is becoming. Since he has been here, we have a Business School; Engineering School. His older daughter, who is way beyond college, applied for the Fine Arts Program which is one of the best in the United States. Let's face it, college tuition costs for a full four-years is in the area of a quarter of million dollars, just to send your child to school. Here is a state run university, that he as a citizen can take advantage of. He would love for his daughter to attend SUNY New Paltz as a world-class institution. We have a lot of interests here. He understands that there are a lot of apartment owners that feel that their places would be vacated if we set up another 600 units; his feeling is no. There will always be students that want to live off campus. He has done his own polling, he has talked to citizens of New Paltz; he has talked to professionals, bankers, people that have lived there four generations, they don't come out. They are the silent majority. They are all in favor of SUNY New Paltz. In his opinion, and he hates to generalize, they believe that SUNY New Paltz needs first class student housing. He has heard words like sub-standard high rent off campus housing that is basically obsolete. He challenged all the apartment owners if they are here in this room and publicly to come before us and say that they are building a 100 unit project. They will get the same benefits as the applicant here – a PILOT – but build new housing for our students that are safe, up to standard, so that we can attract the best of the best. There are other things percolating in the county to keep our youth here. Warren Buffet's family bought Gill Farms. They are going to have an incubator for agriculture one of our outstanding industries; tourism is thriving. While people say 600 students doesn't do anything to the Town of New Paltz, if SUNY New Paltz was not in New Paltz, in his opinion, there would be no New Paltz – no commercial district. Think about it when you see what follows. It is a college town; it is thriving.

Chair Horodyski stated that he would like to highlight as the Agency deliberated and worked to come to a conclusion on this project we did recognize the impacts to the town. You will notice that the 750 is the top range we were afforded under our UTEP. He wanted to speak to the UTEP specifically. The Uniform Tax Exemption Policy is a play book by which a developer; the townspeople, the taxing jurisdictions understand what we will provide certain projects when then come into the town. It takes the political maneuvering out of it by putting it with an independent body at Ulster County. If there was ever the need for a deviation from that UTEP as we have done in our past, we always, per our operating guidelines, require tax jurisdiction approval. If there was a deviation to our Uniform Tax Exemption Policy in regards to this project, we would have gone hat in hand to the Town of New Paltz, hat in hand to the school district and the county to find a way to make this work, but given that this project fell under a dully approved Uniform Tax Exemption Policy which was approved in August, 2012, that is where the approval needed from the taxing jurisdictions was not needed. That was done to take away the political forces that may be at work in regards to certain projects. Certainly, whether or not Park Point is happy with this based upon the Findings Statement from New Paltz, he was sure that they were not happy with it. This was the most appropriate project benefit that we thought that we could give this project underneath our UTEP.

Mr. Kinnin stated that under Schedule A, for the company letter, do we also have to include all the attachments that they referenced in that letter.

Counsel Scott responded that he was concerned about this thing making it three inches thick. All the documents are in the file and he thought that would work.

Mr. Colucci requested clarification on the offers that have been thrown around between the developer and the town with respect to the impact fees. Where does that lie?

Chair Horodyski responded that there are no documented impact fees at this point. Right now what we are approving is the standard PILOT under our Uniform Tax Exemption Policy. If there was a way where we could have worked to provide those impact fees to the town, we would have certainly worked to put that deal together. It was very clear from New Paltz's standpoint that the structure of how that impact payment was going to be paid and the resulting number left, per se, for the taxing jurisdictions was not, in their mind, sufficient so that deal went away.

Mr. Colucci asked to be walked through how the PILOT is distributed.

Counsel Scott replied that it will be distributed in a lump sum amount at 522.....

Mr. Colucci ask if we have a breakdown in the Findings Statement.

Chair Horodyski responded that in the Findings Statement, page 62, you are looking at the county at 14% of every dollar would receive \$73,080; the town receive at 23% of every dollar, \$120,060 ....

Mr. Perfit stated but that is the old numbers; where is the breakdown of the 522,000.

Chair Horodyski replied it is the "C" line in the table.

Mr. Colucci asked why it was crossed out.

Counsel Scott responded that our policy and the agreement is going to provide that the 522 is allocated based exactly the way they are outlining it there.

Mr. Colucci stated that the county is going to get \$73,080; the town will get \$120,060 and the school district \$328,860. The village doesn't fall within this at all.

Counsel Scott responded no.

Mr. Colucci stated because it isn't in their jurisdictions ... correct?

Counsel Scott responded right.

Mr. Colucci stated that these PILOT payments would then be subjected to that COLA. At one point the developer had made offers in excess of this 522?

Chair Horodyski responded no. They had made offers that provided the town excess of their 120, but that was at the detriment of the school district. He thought that the comments from the town were, it was basically taking a reduced number and just reallocating in a way that did not provide anybody sufficient resources. Again, as we worked through this process, it was very apparent from the town's standpoint that there was never going to be a acceptance of anything other than full assessment, full tax. There was no inclination that there would be .....

Mr. Colucci stated there was no movement on the town's part. What the developer had proposed, their intention was that it was based upon 200 and some units and at a 450 and that is what they were asking for. Is that column A.

Chair Horodyski responded again it is in a table that will be redlined out from our Findings Statement. The original proposal yes.

Mr. Colucci stated originally it would have been \$102,600.

Counsel Scott responded that that number coincides with the number that they originally proposed to us in the application.

Mr. Malcolm stated that we have gone to the limitations of the UTEP. He for one wanted to applaud the Chairman and the rest of the board for their hard work on it. There has been a lot of comment; like Mr. Perfit he has been lobbied and spoken to. It is a tough proposition; he thought that the town had some movement. He thought that this was the best you were going to get as far as this project and outside any more discussion, I move the vote.

Mr. Perfit appreciated all the good work that the applicant's consultant did; appreciated all the work that the Planning Board consultant did, but the assumptions on both sides he could not accept. They could have hired three more consultants to come up with different opinions. When you have a police chief say there will be no impact and then you

have a former member of the police board say of course there will be and it will cost. He can't determine what that amount is and what his thought process is perhaps a year from now, the developer could sit with the town and say it cost "x" amount more and do some form of impact fee based on results, not based on some number from a consultant's report. It is an unknown to him.

Mr. Malcolm stated that no one has a crystal ball.

Chair Horodyski stated that unfortunately all along here there has been some need, or at least stated need from the developer of cost certainty. It has been very clear from New Paltz's point that they are not willing to provide a PILOT for this type of project. For us it falls within a duly accepted Uniform Tax Exemption Policy. This is the playbook we have for all of our jurisdictions, our developers as they come into this county, whatever it may be. Again, you use an independent board like this to lift the conversation away from the political fray.

**Motion:** James Malcolm, seconded by John Morrow, moved to approve said resolution

The Chairman called for a roll call vote:

**Adopted by the Following Vote:**

Ayes: Paul Colucci, Michael Horodyski, Robert Kinnin, James Malcolm, John Morrow, and Steve Perfit.

Noes: None.

### **OLD BUSINESS**

Ulster Commons. Mr. Jeff Kane representing Ulster Commons addressed the members of the Agency. Ulster Commons 1 is the applicant for one of our entities specifically for the hotel, located at 1561 Ulster Avenue, immediately opposite Adams. The project for the Medical Office Building is well underway; they are hoping to have full occupancy in June of this year. In working with the hotel flag that we would be flying from the hotel, a major flag, there was some issues raised regarding acoustics related to the proximity of the train crossing. We have been working with their requirements and how to really construct that building to make it meet their criteria. In January, working with their acoustic consultant, what he needed was a 24-hour period where the temperatures were above 20 degrees and the precipitation .... One Sunday it was balmy 55 and it snowed the next day; we did not meet the criteria again until the beginning of March. We were beside ourselves; we were there on Saturdays and Sundays. We could not meet those criteria as crazy as it may sound. We were in a holding pattern. We finally got some records at the beginning of March and we have taken that data and we are looking at the construction methods necessary to meet the criteria for the hotel. What has become apparent, frankly, is without participation from this board, it is very difficult to make this project move forward because it is an expensive proposition to meet the requirements. We are moving forward; we hope by your May meeting that we will have a final decision and come to the Agency to be able to identify the flag and to identify the final issues regarding the proposed construction of the hotel.

14 Pine Street (Blue Haven Hosiery). Counsel Scott stated that he has had contact with counsel and we are moving forward on completing the documents. He would expect that they would close in the month of April.

### **NEW BUSINESS**

Guaranteed Jobs Program. Chair Horodyski stated that the members have a request from Ulster County looking for the UCIDA to fund 12 applicants into a newly established Guaranteed Jobs Program. This is working with high tech manufacturing to provide them with a needed labor force with requisite skills to function within their environment. Ms. Holt had requested, under our ability to provide grants to economic development engines within the county, it was a thought that we would entertain the request.

Mr. Colucci asked where does that fall under our ability to do that.

Chair Horodyski responded much like Hudson Valley Agri-Business, Hudson Valley Film Commission, the areas that we end up providing grants to and operating funds to. It would fall under fees for services. From his perspective it is good. His concern is having this be something where it continues to come back to the well because what we are doing is starting it as a catalyst, but we are providing benefits to existing businesses. We are providing employees; the employers should have some skin in the game.

Mr. Colucci stated that the organization's name is Ulster County. They are applying for this.

Chair Horodyski responded that he thought that the governing body is working through Ulster County.

Ms. Holt responded that money would go directly to SUNY Ulster and to BOCES. What has happen is that the County Executive, in talks with manufacturers, is hearing if there were only people with such and such skills, I would hire them in a second. We are ready to expand; we can't find the right people. This is an opportunity to create new jobs in Ulster County with people who are currently unemployed or underemployed. We brought together 15 manufacturers at BOCES a few months ago and with SUNY Ulster and BOCES in the room to really hear what their needs were because there are a wide variety of needs based upon the type of manufacturing that they are doing, but to come up with a curriculum. There was a 2½ hour meeting to find out what their needs were. SUNY Ulster and BOCES then went back and put together a training program. It is very interesting because basically a lot of the manufacturers talked about the need for soft skills. The thought is that the One Stop, the Ulster County One Stop, would do a lot of the assessments and then they would go through a 72 hours training which would also include a tour of the participating manufacturers facilities to really get a sense before the manufacturers get a commitment that these are people that are going to have the soft skills that are needed. Then there will be a "closed job fair"; where we will match up the employees with the employer. At that point the employers have to make a commitment that if the participants finish the training and complete the certification that they will hire them at a decent wage for a year.

Mr. Colucci asked what is a decent wage.

Ms. Holt responded that that was still being worked on. They have been taking to Harold King of the Council of Industry and some of the employers to try to figure out what that should be. The goal is to create new jobs and she thought that that fit nicely with the UCIDA's Mission.

Mr. Kinnin stated so the grant amount is going to manufacturers? So what is going to BOCES and SUNY Ulster?

Ms. Holt replied first of all this going to be a PILOT because we really need to do a lot of evaluation in order to make it an ongoing program. Assuming that there are 12 participants it will cost \$48,000. There is potentially other money depending on who the participants are. The problem is we can't move forward until we have a commitment. The grant request should really be up to \$48,000 because if the participants are WIA (Workforce Investment Act) eligible or the NYS Department of Labor has certain funds of money and if the participants are eligible for those funds of money we will go there first. There is a good possibility that the UCIDA won't be asked for this entire amount, but she cannot start the process until she knows that the entire amount is in place.

Mr. Perfit stated that he would love to see this as a Revolving Fund and we put a cap on it. He didn't know what the student's obligation is or the employer's obligation.

Chair Horodyski responded that the way it is now, is that we would finance the first 12 kids and then after that point, it needs to be on its' feet. The expectation of coming back to the well after this initial round he would not expect it because either the employers get enough benefit out of it so that it is worth a \$1,000 per kid or....

Mr. Malcolm thought that the specifics need to be in place before we can proceed. We all know that minimum wage will be the floor. Just certain things doing it on the fly make him uncomfortable.

Chair Horodyski agreed. He thought that this should be clear. What has been presented kind of sets forth where the money is going and specifics.

Ms. Holt stated that the County Attorney's office is preparing contracts right now. There will be a contract for the employer and a contract for the participant. This will be for Ulster County residents and Ulster County manufacturers. If someone goes to the training and then goes to work in another county they are going to have to pay back. There will be a claw back. The same with the employer – there will be conditions obviously if the employee doesn't do a good job and other conditions where the employers won't have to pay back. If they fire somebody not for cause without the conditions then they would have to as well. The County Attorney is drafting the contracts right now; the Office of Employment and Training is drafting the criteria right now.

Mr. Malcolm asked who would be monitoring all this.

Ms. Holt responded me ... the Office of Business Services and the Office of the County Executive. This is an opportunity to create new jobs and to put people who are unemployed and underemployed back to work.

Mr. Perfit stated that he would like to table it; he would like to see the "bells and whistles" in the contract; like the employee is obligated; like a student loan at least they have an obligation.

Ms. Perfit stated that for the record she was not sure that this was a youth program.

**Motion:** Steve Perfit, seconded by James Malcolm, moved to table the request.

**Vote:** The motion was adopted.

### **PUBLIC COMMENT**

Mike Ham, Local 825 – International Union of Operating Engineers. Mr. Ham stated that the Park Point Project was environmentally sound, it will create much needed housing for SUNY New Paltz and it will create construction jobs for his members. He believed that this was a win/win. You have a parcel of land that is paying zero on the tax roles and now 388,000 the first year. SUNY New Paltz could, once again use the housing and his members could use the work. He commended the members of the UCIDA for the hard work that you have put into the Park Point Project and the Operating Engineers of Local 825 thank you.

Dean Tamburri, Local 17, Laborers International. Mr. Tamburri stated that he knows all the hard work that the members do and he appreciates what you do for the county. He thought that the Wilmorite project is a good project. Moving forward, he thought that it should be used as an example for UCIDA benefits where they came and discussed it with the local trades so local people will be working on that job. He thought that that was important as the members stated. As the stewards of Ulster County that is a very important point. He thought that perhaps we could use the Wilmorite model going forward for future projects. He thought that it would be a good project and he hoped that we could continue with projects like this opposed to bringing in people from out of the area.

Frank Sylvester, Local 363 – International Brotherhood of Electrical Workers. Mr. Sylvester thanked the members of the Agency for their hard work; thanked Wilmorite for coming into the area to build these dorms and the fact that they are going to use local labor.

Josh Honig, New Paltz, NY. Mr. Honig stated that with due respect he would like to take exception to the scenario that has been painted before in the following ways. (1) 99% of the people in New Paltz support SUNY New Paltz. The way it was explained is that if you are against this project, you are against SUNY New Paltz. This is really not a true statement. If Wilmorite were not to build this project, there would be others that would certainly come. As a matter of fact, he believed Mr. Perfit once said that he knew of someone else who would build. If he was wrong, Mr. Perfit could tell him that. If the college had to put it out to bid, then the unions would be covered anyway because they would have to use union labor. There would be no question of whether or not unions would be used or not. If the county is benefiting some much, maybe they should be helping the taxpayers of New Paltz to pay the taxes that they are going to incur because of the short change that they are getting.

Frank Perugino Local 363 – International Brotherhood of Electrical Workers. Mr. Perugino thanked the members of the Agency for their time and effort on this. He also thanked Wilmorite for making a commitment to local labor and to finally get some of our members back to work.

Steve Greenfield, New Paltz, NY. Mr. Greenfield expressed his thanks especially to the union electricians. He grew up in a local family in the city and they made his entire life possible including his college education and everything that has led him to where he is today. Continuing Mr. Greenfield stated that he was not a landlord; just a dad who lives in New Paltz. He was saying that because there has been a lot misrepresentation about what is the driving force behind the opinions that are coming out of the general population in New Paltz about the PILOT for this project. He had some specific comments. First of all the idea that this project fits into your eligibility requirements and that guides you to do what you did today is circular logic. That eligibility was added after the project was initiated. That is number one. If you are using that as part of your rationale is begging the question in circular logic and it is incorrect. We had information supplied by the financial department over at the school district indicating that the 2% tax cap has a major negative impact when this kind of PILOT is awarded within the school district. Your UTEP has never been adjusted to reflect that. There is new information; new math involved on how these PILOTs are handed out and you guys have not incorporated that math into how you determine what's the proper payment that needs to be made. So your information on that is outdated. He came here himself a couple of times to illustrate how the amount of consumer spending, the amount of sales tax and the number of jobs that would be created by that spending is vastly over stated in this project, possibly by as high as \$20 million and nobody has every asked the applicant to recalibrate what the benefits might be to our community based on that information. He was not sure what point there has been in making public comment before this board up until now. He just heard a remark about a silent majority in New Paltz. He would like to address that. So far we've had a total of 18 of our elected officials in New Paltz united in what they are saying about the impact of this project. All of them are responsible for creating the taxes within our jurisdictions and he thought that all of them and their financial employees possibly know a little bit about what they are talking about. You might have at least one dissenting person. More importantly, and he knows that Supervisor Zimet would be more than happy to confirm this, he and Mr. Brown, who has been annoying you all this time were members of the campaign committee that was opposing Susan Zimet in the last supervisor's election. In fact, the two candidates were dueling with each other over who opposed this PILOT more. So every single vote cast in New Paltz last year, a couple of thousand votes, every single one was trying to out do each other on how firmly we opposed this PILOT. Where this great silent majority is hiding, he has no idea. He personally ran against Mr. Wishnick when he ran for County Legislature and we are both in complete agreement about the inappropriateness of this PILOT. Again, these are supposed to be evidence based decisions that you guys make. He appreciates that that is how you think of what you are doing, but over and over,

even in this statement that they just heard made, there is absolutely no evidence to support a silent majority. If anybody exists at all we know where they exist. They live inside the administrative offices of SUNY New Paltz. He has heard it say here that the reason that this agency exists is so that the politics don't have to control what is going to happen with these kinds of decisions, but as you can see by the discussion we just held, what you are really saying is that this is a way to leap frog over democracy. You people sit here; you don't live in New Paltz. He appreciates that you support emergency services, but you aren't going to wake up at 3:00 o'clock in the morning when those AFAs keep going off. That is going to be the guys in New Paltz who do that; unpaid people who will be leaving dinner burning on the stove while their kids are waiting for dinner. That is not under consideration here whatsoever. The fact that you can be here is actually is not a benefit; this is a way of the applicant leapfrogging over democracy, not over politics. Lastly, he wanted to say that since our positions are known; since the Planning Board made its position known to reject this and to consider the PILOT to be a negative impact that is under their jurisdiction and since the Town Board has made its position clear as well, what you actually did here is to decide to kick this to the courts because what is going to happen is Wilmore is going to sue the New Paltz Planning Board, the Town Board if going to sue you or the people of New Paltz independently and you knew that going into this. So what you really did here today by voting to do this instead of asking the applicant to re-draw some of their math and come back again so that the two agencies, the Planning Board and the Town Board .....

Chair Horodyski responded to Mr. Greenfield by stating that with all due respect a request has been made and that request was flatly denied by the Town of New Paltz.

Mr. Greenfield stated hold on a minute; he is supposed to be able to comment without having debate.

Chair Horodyski responded well past our three minutes.

Mr. Greenfield stated that he was taking Mr. Brown's time.

Chair Horodyski responded that we've gone through this at a public hearing before. Please wrap this up.

Mr. Greenfield concluded by stating that you have kicked this to the courts which is not part of your mission. You've done that with full knowledge; you've done it with incorrect mathematical information and you've done it with bias because there is no majority anywhere. There are only a handful of people in New Paltz who would be approving of this PILOT. The circular logic entered before you changed your UTEP eligibilities; everything that has happened today, is a complete misappropriation of the IDA process and he hates that this is now going to be in courts and cost everybody hundreds of thousand of more dollars. You have really done a terrible thing today. He hoped that you would think about this hard as you get applications in the future.

Legislator Kenneth Wishnick. Legislator Wishnick stated that he would first like to say that he is very disappointed that Public Comment was moved until after your decision. There were a number of people who left who had relevant things to say and it is never, in his opinion, a good public policy to choose to not allow people to speak while you make a decision and then allow them to speak after your decision is already made. That being said, he really does need to back up a second and say that he knows that you are all volunteers and that he knows that coming here for these 8:00 a.m. meetings, 8:00 a.m. is a tough time for many people to be out and he was sure that it was not easy for them as well. You are here because of your dedication to public service. Sometimes in situations when there is a lot of stress and there are difficult decisions to make it is easy and often even desirable to go back to well what do the rules say and strictly follow the rules and that we are going to do things. It gives it cover; it gives it guidance and everything else that your policy document does. In this particular case though, as was pointed out before, the rules came about a couple of years after this project initiated. And the rules that came about he really needs to say that he sat as a

member of the County Economic Development Committee at the time those rules were going on and he didn't know anything about it. There was no communication to the Ulster County Legislature, your appointing body, no communication. He looked over your record as to who was certified at the county to receive the notifications and the only one in county government was the Ulster County Executive. The only one in Ulster County government was our Executive to receive the notification of your rules change. In this particular case, your Category 5 sets no standards, no standards, for what can be approved other than it is a dormitory. If it is a dormitory you get all these benefits and that is in contrast to everything else in the way you do business. He personally feels you are within your rights to do what you did and how you did. Your rules also allow for deviations from those standard. The thing that he would like to say is that New Paltz is in existence and doing well and thriving because of SUNY New Paltz. That is no question; Mr. Perfit is correct. But New Paltz also has much higher than typical tax rates; New Paltz is having trouble with its tax rates and keeping up with things. As was adequately pointed out in the way you say, it has countywide benefits. Those benefits were not quantified; it is just rhetorically stated repeatedly that SUNY Ulster has countywide benefits and it probably does, although this body did not quantify .... The applicant did not quantify. If the benefits are countywide, the subsidy should be countywide. It's not fair to make New Paltz responsible for all the benefits that others will be receiving; it is not the democratic way. This body had the opportunity in how you have the authority to do deviations from what is in your regulations and chose not to. The benefit should go with the cost and that he thinks is very unfair in the way this was acted upon.

Chair Horodyski addressed Legislator Wishnick by stating the normally he did not engage but there is a potential other project coming from New Paltz. What is your feeling in regards to that PILOT?

Legislator Wishnick responded that that PILOT ....

Chair Horodyski stated that's OK?

Legislator Wishnick responded that that PILOT has standards to him. Your guidelines are very clear in the standards that a normal PILOT needs to make. This is not a normal PILOT.

Chair Horodyski responded that it is a Category 5 Dormitory Housing.

Legislator Wishnick stated that with regard to the other project that he personally totally supports it; the community appears to totally support it. We are talking about a higher investment. They are going to create 375 jobs; 8 jobs for this project. They only want a 10 year PILOT and they will start at 50% and work their way up to the full amount. That is what a PILOT is supposed to be.

Chair Horodyski stated with regards to the comments and the deviation, we had no opportunity to look for a deviated PILOT for this project. There was no number short of full assessment and full tax value that was going to work. He had that conversation. He sat with Supervisor Zimet, he sat with the Town Board; is there anywhere in between here we can work to find something. No; full taxes and that was a specific comment from Kevin Barry and Legislator Zimet was in the room and she heard it. It was painfully clear there was no middle ground.

Legislator Wishnick stated that with all due respect he was not referring to a deviated PILOT; he was referring to a deviation from your policies which could have provided you with the basis to not approve the PILOT. There was no RFP for this project whatsoever. One applicant came to the SUNY Foundation years before you had this standard and said we will do this. They said great and everything went in motion. Had the SUNY New Paltz Foundation acted responsibly and said let's take proposals for this, there is a very good chance, a very good chance, that they could have had an applicant that did not need any PILOT and would have proceeded happily on this project. The fact that no

one along the line wanted to see if anyone wanted to build this thing without making New Paltz pay for all these tax subsidies; that never happened. This body, unfortunately, just went along with that. You have heard a lot of information in confidence and in private conversations with Wilmorite. Your regulations, your guidelines, as he understands it, requires you to do a response to the comments that people make. In New Paltz he has yet to see those responses. He thought that you are going to face litigation.

Chair Horodyski commented to Legislator Wishnick that he could assure him that regardless of how this decision went down we were going to face litigation. He could almost assure you.

Legislator Wishnick responded that it is nice to be on the side of the community and respecting home rule. He is disappointed in the decision of this body today.

Supervisor Susan Zimet, Town of New Paltz. Ms. Zimet stated that she was speaking on behalf of the entire town board. We do support the college and she thought having anybody say that our community does not support the college is a real true insult. For anybody to think that our opposition to this project has something to do with the college is really wrong. Most of us live in New Paltz because of the college. We understand that New Paltz would not exist without the college. Addressing Mr. Perfit she stated, that she really appreciated Mr. Perfit and thought that he was a great member of this Agency, but she really thought that the comment was so insulting to everybody in New Paltz. It is just beyond her comprehension. We are working with Start-Up New York and the college. Do we love Start-Up New York ... all this tax free stuff is really a concern to a community like New Paltz that has incredible taxes, with all this property off the tax rolls. When they heard about Start-Up New York, we got really upset; but we took the time to sit with the college president. They wrote a plan and in their plan, because they understand, and don't think that the college's eyes and the president's eyes have not been opened up during this entire process because during our town meetings, she would always sit there and say to the president during good times people aren't that concerned about what happens with the college. When people try to keep their homes, put their kids through college, pay medical expenses, all of the sudden everything that happens matters and everything that is off the tax rolls matters. People are struggling. The president really realized during this whole process what this whole Park Point thing in taxes meant to the community. In their Start-Up New York plan they actually write that the impact to the local taxes will not be changed and any property that they want to use for Start-Up New York, they are not asking for it to be taken off the tax rolls. What they are going to ask is that any improvement made to a building over and above, might get some tax benefit. Of course, if it brings in really good jobs we are going to sit and talk about it because that is what we understand. It is all give and take in a sense. So the college realizes it; we realize it. To say that we are just against this project because we don't love the college is really a real slap in the face to all of us. Continuing, she stated that the Town Board completely supports labor; she brought the teamsters into the town; they support labor whole heartedly. At the end of the day though, let's be real, Wilmorite was not going to use local labor. They never had any plan and it wasn't written into it, but when they started to see this project go south about three months ago, somebody from the state, the highest level at the state, made the call down on a local level to say oh we are now going to use local labor. Quite frankly, the local labor should be thanking the community of New Paltz for the fact that the grief that we have put on this board in terms of this project got you guys potentially jobs because they were not coming to you. Simultaneously, what she could say is that they are also getting requests to our building inspector from people from Rochester for this job. If this should go forward, we will fight for you, lock, stock and barrel. Please don't think that because we are against this that we are against you; we are against the burden on the New Paltz taxpayers and that is what we have been here fighting all along. Now in terms of the New Paltz taxpayers, let's understand again, this is a public/private partnership between the foundation and Wilmorite. Therefore, if the college built it sure, it would be off the tax rolls. We understand that. We are not stupid. By allowing Wilmorite to come to do this for the foundation, you have a private corporation come in and built for the college and get the benefit of tax breaks and at the end of the day when we sit here and talk about other housing in New Paltz, other student housing does not have pools. They don't

have clubhouses. Wilmorite does not have to build a project with a pool and a club house making it so expensive. The truth of the matter is, what she believed and she could be wrong, at the end of the day this is really, what they are building with these tax breaks, is making the project more valuable so when they sell it years from now they are going to reap a very big profit on the backs of the New Paltz taxpayers. That is what she believes. In terms of the election, she would like to comment. Steve is right about a lot of things in terms of the community and where we have all been, but in terms of Steve saying that we were trying to fight each other on who was more against this project, the truth is, she was hurt politically on a very big level because she was never coming out strong enough against this project because she understood her role as a professional; that she had to deal with Wilmorite; she had to talk to Wilmorite and lead the charge for this project. She understood that she had to be professional and she had to work. She tried her hardest to talk to Wilmorite. She kept saying to Tom George, who kept coming down – the man with the red hair – Tom, put something on the table; until you put something on the table we don't know what you are talking about and everybody thinks that we are getting nothing. They know that a Payment in Lieu of Taxes is a payment in lieu of taxes; let's put it on the table for the community to understand what you are looking to do. They never had any interest in actually doing any changes or talking and that is why the Town Board is not willing to move, because they weren't willing. There was no negotiation; all they were going to pay is 696 x 450 or 750 x 250, but it was still the 350 number and all they did was play around with the allocation between the school district, the town and the county. So they were asking us, and you were asking us, to basically make the town whole at the expense of our other taxing jurisdictions. Some of you do sit on local elected boards. How would you feel being asked to turn your back on other elected officials in your community? That was unfair for us to be in that position. Nobody ever said we'll raise the bar or pay "x" amount of money and then pay the over and above. That never happened. Here is the amount of money we are willing to work with; we will do 696 x 450 or 250 x 750; but this is your number you make it work. You are right, we said as town board members we could make ourselves whole and walk away and say to the school district and to the county tough luck; we took care of ourselves. She thought that the town board did do a good job in taking care of ourselves but not on the back of the other members of their community. We are where we are and we make decisions as we go. She thought that you all really really need to understand the dynamic you put us in and what was really going on and it is not just that simple to just say that the town wasn't willing to negotiate. She asked that this be placed in the record from the Police Chief. I would like to address and clarify a letter that was written to you in February 2012 that discussed the potential impact of the student housing project located south of the SUNY New Paltz campus on Route 32 will have on our Agency, the Town of New Paltz Police Department. He understands that this letter has been used during recent meetings to give the belief that I presently see no impact on the department as a result of this project. I have to say that I am very disappointed in the spirit of words and feel that your company misled this Agency as well as many others in our community. If you recall during the meetings we had in the beginning of 2012 prior to this letter, my concern was always that I did not believe that the SUNY Police Department would have the jurisdiction to cover this off campus property and project. Over and over again your company assured me that SUNY PD could and would be the primary responder. You then requested the original letter with my understanding that SUNY PD would handle all calls to the property and we would simply be their back up for assistance. Also, you requested the letter state that the department was able to respond to that project location. You did not ask about the offsite impact that the significant increase in student population would have on the department or the town. That is understood that our Agency would be the main department responding to calls. I find it disturbing that now that you and your company would continue to use our letter that was based upon mistaken assumptions and incomplete query about the impacts that this project would have had on our resources. I would also like to state at this time, that I have had an opportunity to review the CGR Report and I concur with the findings that are indicated in the report. The impact of this project will put a burden on our Agency, manpower and equipment. I have also reviewed testimony that was provided by members of our Police Commission during the public hearings and believe that they fairly describe the impacts of our department and the costs of staffing and equipment that will be needed to address those impacts. Finally, the methodology your report uses is focused on calls for services. While that captures a response to events it does not take into account the substantial effort requiring implementing pro-active community policing initiatives, especially in

the downtown business district. Pro-active policing allows the department to prevent events which is especially important in the downtown area where the students and others congregate on evenings, weekends and during summer months. When pro-active policing is used effectively there are far fewer calls. For the future, feel free to use this letter during your meetings. Thanks very much.

Mr. Malcolm wished to clarify something with regards to the statement made about unions and being taken care of and protected by prevailing wage. Prevailing wage does not protect unions; prevailing wage protects workers as a whole. It doesn't limit projects to union contractors or anything else; it is an area standard. Because there is a misconception about that in union's positions and rolls. We just want to make sure that there is a livable area standard. That is what prevailing wage represents.

### **ADJOURNMENT**

**Motion:** Steve Perfit, seconded by John Morrow, moved to adjourn the meeting

**Vote:** The motion was adopted.

The meeting was adjourned at 9:45 a.m.

Respectfully submitted,

John Morrow  
Secretary