

Town of Montgomery Industrial Development Agency
I.D.A. Special Meeting
Town of Montgomery Government Center
110 Bracken Road
Montgomery, New York 12549

Tuesday, April 30, 2019
5:30 PM

Present: Jeffrey D. Crist, Chairman
Edwin Williams, First Vice-Chairman
Stephen Rainaldi, Second Vice-Chairman
John W. Dickson, Member

Absent: Matthew P. Stoddard, Treasurer and Member
Rodney Winchell, Member
Anthony Zambrotta, Assistant Secretary

Also Present: Joseph Joy, CEO
Robert McLaughlin, Esq. Hodgson Russ Attorneys
Members of the Audience
Suzanne Hadden, Recording Clerk

AGENDA

Call to order

Stewart Holdings Group LLC – 60-90 Hawkins Drive
Consideration of an approving resolution for financial assistance

The Montgomery Group, Inc. – Learning Together, Inc. – NYS Route 17K
Village of Montgomery – Consideration to conduct a public hearing

Restwell Properties INC. from Goodwill Properties, LLC
(Holiday Inn Express & Suites) - NYS Rte. 208 – Set Public Hearing date
May 13, 2019

Polich Tallix, Inc. – Edmunds Lane, Village of Walden
Consideration of applicant's request to terminate the existing lease documents

Other Business

Approval of the March 11, 2019 Meeting Minutes

Adjournment

Call to Order

Chairman Crist called the special meeting to order.

Stewart Holdings Group LLC – 60-90 Hawkins Drive
Consideration of an approving resolution for financial assistance

Chairman Crist said our first item on tonight's agenda is Stewart Holdings Group LLC and this is for consideration of an approving resolution for financial assistance. He asked Attorney McLaughlin how the agency should proceed at this point?

Attorney McLaughlin said the applicant is here if you want to review the project with them. You should reference what happened at the last board meeting and then analysis of the score sheet and about the financial assistance.

Chairman Crist asked Ms. Grego to update the board on the project?

Krishna Grego, CFO for the Tower Holdings Group said we appreciate the board holding a special meeting and having us on the agenda. Their plan continues to be economically feasible. They want to continue to consider developing 81,000 square feet of warehouse here on Stewart Airport and their goal is to do some light manufacturing with storage and curtain walls and some installation work that they will be doing out of this warehouse and supplying the curtain wall to all of their New York City projects. They are real estate developers and they do a lot of high-rise buildings all over New York City and they also expanded their work into some of their international markets. Until now they have been getting their curtainwall from Poland and their goal is to expand on their markets here domestically and do some light manufacturing for the residential in addition to their commercial market. This facility is strategically located to allow them to do the expansion, because it is only a 1 ½ away from the City, so it is a very good location from that standpoint and with that they will be generating some high-end jobs ranging anywhere from 50, 60 to almost 120, 150 thousand dollars. Their goal is to stick around in the community. The CEO of the real estate development group owns multiple other entities, so there are a lot of other offshoot of work that could come out this. They are whole heartedly into the community to give the work to the community organization. Some of their preliminary business companies have been all local companies for contractor estimation and the PE's and they continue to go to other providers predominately in greater Hudson Valley area. So, most of the jobs are going to be created here.

Chairman Crist asked the board members if they had any questions? The board had no questions.

Stewart Holdings Group LLC – 60-90 Hawkins Drive
Consideration of an approving resolution for financial assistance

Chairman Crist said we did open a public hearing for Stewart Holdings Group on March 11th and we had one negative comment concerning some history with the company. He didn't recall hearing anything negative specifically about this project, which is certainly near Stewart Airport; it's on Hawkins Drive, right around the corner from here. He said he knows this company responded to those concerns about their company and the board's attorney has reviewed those and they have been distributed to the board. He thinks the board is comfortable with the response and he asked if there were any other questions or comments related to those. The board responded no. He asked the IDA Clerk if she had received anything else regarding this public hearing?

Clerk Hadden said they have not.

Chairman Crist asked Attorney McLaughlin if they should go through the resolution authorizing execution?

Attorney McLaughlin said the board is asked to consider a resolution authorizing execution of the document in connection with a lease/leaseback transaction for a project for Stewart Holdings Group LLC and we need a motion and a second.

Chairman Crist asked the board if there were any questions relating to the 15-year PILOT; which changed from the original request.

Ms. Grego explained the change to the agency.

Chairman Crist reviewed the UTEP score of 14 and Attorney McLaughlin explained how the scoring works.

Member Dickson motioned to adopt the approving resolution for the Stewart Holdings Group LLC project, seconded by First Vice Chairman Williams. All in favor, all ayes, Members Stoddard and Winchell were absent, motion carried.

The Montgomery Group, Inc. – Learning Together, Inc. – NYS Route 17K
Village of Montgomery – Consideration to conduct a public hearing

Chairman Crist said the next item on the agenda is the Montgomery Group, Learning Together, located down the road on Route 17K in the Village of Montgomery and we need to consider a resolution to authorize a public hearing and Mark Devitt is here for an overview of this project.

Mark Devitt said we are here before the IDA committee for a PILOT program. Two years ago, we built a school in the Village of Montgomery and integrated a private school for children with special needs and for children who don't have special needs. The school right now that is under operation is a 12,000 square foot building currently employs 55 teachers and because of the needs, not only the Town of Montgomery, but Orange County, they would like to put an addition on the building and that addition is approximately 9,000 square feet and the cost is just under 1.2 million and that will bring 25 more jobs. They are at 108 students now and it will add an additional 52 students. We need the assistance to make this project work in order for this school to grow. If they can't put this building up here, they will stay committed to this area for a certain amount of timer, but their growing needs are going to force them to find an alternative location.

Chairman Crist asked when you say integrated special needs children, what does that mean?

Mr. Devitt introduced the applicants to the board so that they could better explain the application.

Kathy Masloski, Executive Director of the school said they are a New York State Education approved program and they have children with identified special needs in half of their classroom and the other half are children who are from the community. She explained how the school's student population has increased and the need for students who are not yet ready to be in an integrated classroom. They are able to offer them is a place to start. They have student needs right now for an additional 4 classrooms and her husband Robert and her would like to be able to meet that need for the community.

A further discussion was held on the application.

First Chairman Williams motioned to adopt the public hearing resolution for the Montgomery Group, INC. project to be scheduled for Monday, May 13, 2019 at 5:45 p.m., seconded by Member Second Vice Chairman Rainaldi. All in favor, all ayes, Members Stoddard and Winchell were absent, motion carried.

Restwell Properties INC. from Goodwill Properties, LLC
(Holiday Inn Express & Suites) - NYS Rte. 208 – Set Public Hearing date
May 13, 2019

Chairman Crist stated the Restwell Properties INC. from Goodwill Properties, LLC (Holiday Inn Express & Suites) Public Hearing will be held May 13th at 5:30 p.m.

Polich Tallix, Inc. – Edmunds Lane, Village of Walden
Consideration of applicant's request to terminate the existing lease documents

Gary Schuster, Attorney for the applicant and with the Jacobowitz and Gubits Law Firm was present and said the foundry moved from 17K a little over 2 years ago into the Village of Walden. The situation didn't work out so they moved back and so they need to terminate the lease. He had with him the signed documents and checks.

Attorney McLaughlin said under the transaction that closed 2 years ago, the IDA provided a 10-year PILOT, plus sales tax, plus mortgage recording tax and that was approved in early February 2017 and closed early March 2017. Under the PILOT there was school taxes due in October of 2018 that has not been paid and there was also a town tax payment that was due that included the re-levy. Under the uniform project benefit agreement, a nonpayment is a default event and that goes straight to the recapture policy, which allows the IDA to not only recapture but also the sales tax benefit. As part of the resolution on Page 3 there is a summary of the recapture payments, tax payments and sales tax recapture. They are delivering a combined check for those amounts to the IDA. He further reviewed the fees associated with the termination of the lease documents.

Member Dickson motioned to adopt the resolution authorizing the termination documents for the Polich Tallix, INC. project, seconded by First Vice Chairman Williams. All in favor, all ayes, motion carried.

Other Business

There wasn't any other business discussed.

Approval of the March 11, 2019 Meeting Minutes

The approval of the March 11, 2019 IDA meeting minutes was tabled for the next meeting.

First Vice Chairman Williams motioned to adjourn the meeting, seconded by Second Vice Chairman Rainaldi. All in favor, all ayes, Members Stoddard and Winchell were absent, motion carried.