

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

Tuesday, November 12, 2019  
5:30 PM

Present: Jeffrey D. Crist, Chairman  
Edwin Williams, First Vice-Chairman  
Stephen Rainaldi, Second Vice-Chairman  
Matthew P. Stoddard, Treasurer and Member  
John W. Dickson, Member  
Robert Santo, Member  
John Macioce, Member

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

AGENDA

1. Call to Order

New Business

2. Matrix Maple Development – Maple Avenue - New Application for Solar Project  
Consideration of a Public Hearing Resolution
3. Tramz Hotel Group – Holiday Inn Express & Suite - NYS Route 208 – New Application  
Consideration of a Public Hearing Resolution
4. Bluewater I LLC – Consideration of SEQR Findings
5. Bluewater I LLC – Consideration of an Approving Resolution
6. September and October 2019 Treasurer’s Report

Old Business

7. Medline Industries, Inc. – Review of Withdrawal of Application for Financial Assistance
8. Discussion on Pending Applications
9. Review of 2020 Budget and Consideration of Resolution Authorizing Executive Director to submit to PARIS and Town Board
10. Approval of the September 09, 2019 Meeting Minutes
11. Other Business – 2020 Board Training; Live Streaming of Meetings
12. Review of Compliance with Local Labor Policy – Approved Projects
13. Adjournment

Call to Order

Chairman Crist called the meeting to order and said there are a couple of items that are not on the agenda and in the form of announcements. This afternoon, I received an email from Anthony Zambrotta, our Assistant Secretary for the IDA board announcing his resignation effective today. Also, we received various letters today and two of them being related to an ethics issue and I will ask our counsel, Bob McLaughlin to address those issues.

Attorney McLaughlin said we did receive two ethic's letters today and we did receive an ethic's letter sometime ago, but the matter has been fully discussed with the chair and the board member involved. The complaint was inappropriate in many respects. The Town's Ethics board of the town did take up the letter notwithstanding the inappropriate way it was provided to them. They did issue an opinion in October and the board member involved has engaged private counsel to presumably deal with it in a proper fashion with the ethic's board. There is no final determination by the Town's Ethics Board in connection with service of all the members of this board at this meeting. The Town Board has not taken any action with respect to any of the board members at this meeting and it is my legal opinion that each member here today can properly be here, sit at this meeting, vote and serve as a member of the board of the IDA.

Chairman Crist introduced the board.

Matrix Maple Development – Maple Avenue - New Application for Solar Project  
Consideration of a Public Hearing Resolution

Michael Doud, Director of development for Matrix Development and Scott Sabbagh, Managing Member of Matrix Development were both present.

Mr. Doud said Matrix Maple is the owner of the land that we are going to build the solar array on, on Maple Avenue, off 17K, by Dempsey Pipe. We are seeking a 7.1 community solar system, the power we are trying to sell to the local residents in the Town of Montgomery and it is roughly 26 acres. Tonight, we are seeking assistance with a PILOT agreement.

Chairman Crist asked if any board members had any questions?

Member Dickson asked how many jobs is this going to create permanently?

Mr. Doud said we provided a packet that outlines all the temporary, permanent and construction jobs and I provided a labor overview within that packet.

Member Dickson asked what would the salary range be of these jobs?

Mr. Doud said most of the jobs are anywhere from 60 to 100 thousand dollars. There are construction jobs and a number of jobs to keep these systems operating, landscapers, performance engineer and asset managers. There are ancillary jobs that subscribe the system to people that want to buy the power and for those who want to get out.

Chairman Crist asked counsel to briefly review the public hearing resolution?

Attorney McLaughlin said this application seeks approximately 380,000 dollars in financial assistance while also providing for a payment in lieu of taxes. One of the items we need to discuss at the January meeting is an amendment to the Uniform Tax Exempt Policy (UTEP) to address solar projects. Right now, your UTEP policy does not address solar projects, and that's not unusual. IDAs around the state have amended their UTEP policy as these projects have developed. Solar is encouraged by Governor Cuomo to meet his goal of 70% of renewables by 2030 and 100% by 2040. These solar sites around the state are a part of that initiative. The resolution before you right now are consistent with the general municipal law, since you are considering financial assistance greater than 100,000 dollars and that requires a public hearing to be mailed on a 10-day notice and all this resolution does is state that the board has designated to schedule that public hearing at a date to be determined. You are making no decision today on the application or the financial assistance.

Chairman Crist said during that public hearing process we will have the chance, as will the public to ask further questions. Would anyone care to make a motion to approve that resolution?

Member Santo motioned to adopt the Matrix Maple Development Public Hearing Resolution, seconded by First Vice Chairman Williams. All in favor, all ayes, motion carried. A roll call was taken, and all Members voted yes.

Tramz Hotel Group – Holiday Inn Express & Suite  
NYS Route 208 – New Application – Consideration of a Public Hearing - Resolution

Chairman Crist said we had an earlier application for this hotel by another group that did not move forward. Is anyone here from Tramz who would like to speak?

Rehan Murad, CEO of Tramz Hotel Group said she is the record owner for the last 35-years and we are looking forward to working with the board. We are going to renovate the hotel and improve it. All of this will create some jobs and we are seeking some help from the IDA for the taxes and to add to the improvement for the neighborhood.

Member Dickson asked what kind of renovations are you going to be doing?

Ms. Murad said there is a lot of renovations to the lobby area, to the rooms, bathrooms, and exterior. We have to remain competitive with all of the other hotels, and we have to spend a good amount of money to make sure that we keep the property as it should be.

Attorney McLaughlin said the application is for financial assistance, that is similar to the application that was submitted earlier this year. It is seeking assignment of a current PILOT, that may be in year 6, as well as sales tax, and mortgage recording tax and because it does exceed the sum of 100,000 dollars it does require a public hearing, which is what the resolution is before you. Again, you are not approving any financial assistance tonight, but purely the approval for scheduling a public hearing at some point in the future to hear what the public has to say about this project and then we'll proceed after that.

Chairman Crist asked if anyone had any questions? Hearing from no one he asked if anyone would like to make a motion to approve the resolution.

Member Stoddard motioned to approve the Tramz Hotel Group Public Hearing Resolution, seconded by Second Vice Chairman Rainaldi. All in favor, all ayes, motion carried. A roll call was taken, and all Members voted yes.

Bluewater I LLC – Consideration of SEQR Findings

Chairman Crist said this is for the consideration for the SEQR Findings.

Attorney McLaughlin said any action taken by this board requires you first to conduct a SEQR review. In this case the applicant did supply a planning board application and the planning board did conduct a coordinated review with many agencies, including this Town IDA. The conclusion of that was on September 24<sup>th</sup> of 2019, when the Town of Montgomery Planning Board issued its Findings Statement. It is available publicly and made part of this resolution. What the board is doing tonight is reviewing that Findings Statement, adopting their own Findings Statement, as required by SEQR, which incorporates the Findings Statement of the Town Planning Board. This is entirely appropriate because it was a coordinated review. This board did allow the planning board to be Lead Agency and they have already made their determination. You are just reviewing that determination and adopting your own, which is part of the resolution that is on tonight.

Chairman Crist asked if there were any questions on the environmental review process?

Member Santo asked if this review is in our packet?

Chairman Crist said yes, it is, and we can take a minute to go over it in more detail if you like. This has been an ongoing process where the planning board as Lead Agency went into the detail of reviewing an environmental impact statement and a number of steps including a Findings Statement after a public hearing to review all of the environmental factors as concerned by State Law.

Attorney McLaughlin said as part of the Findings Statement, as part of the planning board's review they did look at land use and zoning issues. They also looked at the visual character of the location and the building. The infrastructure, the utilities, traffic and transportation, the community facilities and services, the effect on the current soils and geology, surface water resources, wetlands, cultural resources, noise, flora and fauna, economic impacts and air quality. They were in an approving resolution and they are going to construct an onsite wastewater treatment plant, that will administer their sanitary sewer issues. The plant will eventually be transferred to the Town of Montgomery and it is expandable to take care of future Town of Montgomery needs, by way of economic development both commercial and on residential.

Member Santo asked on this wastewater treatment plant, where does the effluent go?

Stephen Butte, Partner with Bluewater Property Group said to the Tin Brook. The sewer plant will be an offer of dedication to the town, but it has not been decided if the town will take possession of the treatment plant.

Member Santo said I don't know the health of the Tin Brook or what this wastewater is going to do to it. I'm not up to speed, so I'm going to abstain on this.

Bluewater I LLC – Consideration of SEQR Findings

Chairman Crist asked from the SEQR Resolution?

Member Santo said yes.

Chairman Crist said that's certainly your prerogative. Counsel, I don't know how you advise board members when you have a document that are thousands of pages long or how we would ever understand every part of the detail? We know what the outcome is in the environmental summary for the project.

Member Santo said I can understand it, if I read it, but I'm not up to speed. I was involved in an original baseline study of the Tin Brook, done by the Town of Montgomery Conservation Advisory Committee and I'd just like to see it. It doesn't matter for tonight, I will abstain from both.

Chairman Crist asked if there were any other questions on the SEQR review? This is a very common practice with most every project, unless it doesn't reach the threshold of going into an environmental impact statement.

Attorney McLaughlin said every project requires an environmental review.

Chairman Crist said an EAF.

Attorney McLaughlin said it requires either an environmental assessment form, an EAF, either a short form or a long form. There are two types under SEQR, a Type I or a Type II. Type II you can be issued pretty quickly, what's called a Negative Declaration, it depends on the project. He further explained the SEQR process. The Findings Statement was issues in September, and they are deemed final under SEQR. It was a coordinated review, which means that this board was involved in the decision-making process. For you to proceed with any financial assistance for the project under SEQRA, you will have to make a separate SEQRA determination, whether it is tonight or some other night. If the board members want to take time to review the Findings Statement of the planning board, which has been out for some time, there is nothing preventing you from doing that.

Chairman Crist asked if for a motion to approve the SEQRA Resolution that is before us tonight?

Member Dickson motioned to approve the Bluewater I LLC SEQR Findings Resolution, seconded by Member Stoddard. A roll call was taken and all Members except for Member Santo, who abstained, were in favor, motion carried.

Bluewater I LLC – Consideration of an Approving Resolution

Chairman Crist said next is the approving Resolution for the Bluewater 1 LLC project. We have received a couple more letters today, some of which closely resemble the testimony we heard at our public hearing on February 12<sup>th</sup>. He asked Attorney McLaughlin to review the Resolution?

Attorney McLaughlin said this is an application for a project that is projected to include 75 million dollars of investment. They are seeking a PILOT as well as sales relief tax and mortgage recording tax relief, which is part of the financial assistance that the legislature has deemed appropriate to be considered by the board. The board did conduct a public hearing in February, and this board has on several occasions advised the public that the public comment period is available to written comments. The board has received about two dozen public comments and I will list them for the record and the letters are available in the IDA offices. There was a letter on September 10<sup>th</sup> from Fred Mertz, September 12<sup>th</sup> from William Lobb, September 23<sup>rd</sup> from Peter Bullis, CPA, from Mark Tierney, Michael Horodyski, James Smith, Derrik Wynkoop, Eric Egeland, Mark Wienberg, Allison Wynkoop, Abigail Doyle, Christopher Fiorillo, Christopher Wynkoop, Fred Dana, Robert Kaehler, Anthony Campagiorni, Scott Perry. September 24<sup>th</sup> from Elizabeth Miller, Casey MacDonald, Brian Flynn, Maureen Halahan. October 25<sup>th</sup> from Ursula Leitner, November 12<sup>th</sup> from John Brown and Lerner Pavlik Realty. Those comments are all available to the board at the IDA office. I would classify these letters as overwhelmingly in favor of the project. The applicant is here to answer any questions to the board, otherwise the Resolution has been drafted before you, would provide a standard straight lease financial assistance to the project with exhibits that set forth a description of the expected public benefits of the project, which include up to 750 fulltime new jobs within 3-years of the approval. An average of 300 fulltime equivalent construction jobs, during a construction period of 18-months, starting within 6-months of today's date. Private sector investment up to 75 million and new tax revenues for local taxing jurisdictions, 26 million over 15-years. The Resolution before you discusses the waste water treatment plant and I'll amend that according to the comment that we received earlier, that it may be deeded to the town sometime in the future. Exhibit B to the Resolution sets forth if the applicant fails to provide the expected economic benefits over the course of the project, or if they assign the project to another entity, or if they fail to continue the project for the life of the financial assistance, this board, pursuant to State Law, must then seek recapture benefits, including payment of all taxes that were otherwise due, the sales tax benefit and the mortgage recording tax. This board has done this twice in the past calendar year. The first time was on a project called Polich Tallix, who pulled out of the area and then recently, UNFI, we did threaten recapture with them because of their failure to provide us with employment information and since then they have now fully provided us with that information.

Chairman Crist said one of the letters was concerned if the project doesn't realize the number of expected jobs and this outlines a recapture option for us. Also, one of the letters commented on a change of entity for the end user and you just reviewed what happens there, but there is also the option to come back to this board for a transfer.

Attorney McLaughlin said that's right, the application and public comments have always contemplated at some point a transfer of ownership of the property, from Bluewater I LLC to some other entity.

Bluewater I LLC – Consideration of an Approving Resolution

Attorney McLaughlin continued and said as required by state law and our opinion would be if the closing on the financial assistance takes place, with the applicant that would potentially be approved tonight, and they seek assignment of the property or sale of the property to a third party, what would be required is that 3<sup>rd</sup> party would have to submit an application for financial assistance. Similar to what the Hotel Group did tonight as well, and they would have to submit the application and the board would have to consider whether or not the assignment of the existing financial assistance would be approved or not. The other option would be if the applicant Bluewater I LLC, transferred the project to a 3<sup>rd</sup> party entity, prior to the closing of the financial assistance, that could be approved tonight, that would require a new application and a new public hearing at that point, because that would be an entire new set of facts because it had not yet been closed and then an approving resolution after that.

Chairman Crist said Bob, the town board approved the rezoning for this site last week, but there are still a couple of open issues with the planning board and possibly the ZBA.

Attorney McLaughlin said from the information that I've been advised on is that there are approvals that are required, but they concern the size of parking spaces, in a reduction of the standardized parking spaces, which is not unusual for a ZBA or a planning board to consider.

Chairman Crist asked related to those approvals, do we have this Resolution conditioned on those being completed?

Stephen Reilly, Attorney representing Bluewater Property Group said to clarify the record. It is a matter of sequencing, the meeting schedules of the planning board and the town board is such that the planning board needs to give site plan approval and they did not want to do that until the town board had voted to change the zoning and that is still out there, but SEQR has all been done. The planning board has conceptually approved it under SEQR, in addition to the ZBA approval.

Attorney McLaughlin said this resolution provides that the financial assistance would not be available until all approvals and permits have been obtained by the project. Even if approved this evening, nothing will happen with respect to the financial assistance until those other meetings and approvals take place and are received.

Mr. Reilly said one of the letters pointed out that there may have been a typo in the application.

Attorney McLaughlin said one of the letters today did point out that Parcel 1 had the right section/block, but the wrong lot. We did receive a corrected application today and with the approval of the board, we'll substitute that page into the application, we won't make that change until the resolution.



Bluewater I LLC – Consideration of an Approving Resolution

Chairman Crist said there are a lot of people here tonight interested in the project, as this is not a public hearing, but if there are a couple of questions of clarification that can be done concisely, I would offer a short opportunity for questions. I see Kristen Brown, who would like to make a comment.

Kristen Brown, audience said I understand you said the overwhelmingly majority of the letters, for the board's clarification, there were at least two letters, that I know of in strong opposition of this project and the reasons are specified in the letters. If this board needs time to review them, please take the time because there is wording in there that describes exactly what the opposition says and even so in the application itself. Please review them, that's all I ask.

Chairman Crist said thank you, our counsel just responded to one comment in one of those letters and today I read those letter as well as went back and looked at the transcript from the February public hearing and in some cases a number of those things were discussed at the public hearing on February 12<sup>th</sup>.

Attorney McLaughlin said although the two letters today may not have been reviewed by all the board members, Sue Hadden is very diligent in forwarding all the other public comment letters. All the letters prior to today have been fully circulated to the board members and me and are available in the IDA office.

Barbara Lerner, audience said I own the property on the corner of Route 747 and 17K. There are several other deficiencies within the application and if you are asking for 25 million dollars in tax abatements, the least you can do is go to your map. The tax amount that was listed is in conflict with the actual tax bills for 2018 and I've enclosed those. If you add up the taxes that were paid and compare it with the amount that is stated, there is about a 25% difference. One is 44 the other closer to 55. The other serious deficiency within the application, and as it's posted is, Exhibit F is not listed, not attached, it's not online, it's not available. It was never available for review and until going through very specific line items within the application itself and going through the exhibits, I didn't realize that F was not there at all.

Mr. Reilly said I have to apologize, I forget which Exhibit F was or was supposed to be.

Ms. Lerner said Exhibit F comes directly from information that is supposed to be provided by...

Mr. Reilly asked is it by the Cost Benefit Analysis?

Ms. Lerner said I believe so.

Mr. Reilly said right, and I think that has now been assumed by the work done by the IDA and the analysis that the counsel has mentioned.

Bluewater I LLC – Consideration of an Approving Resolution

Ms. Lerner said it says go to Exhibit F and there is no Exhibit F, there is nothing to go to and the financial information on one of the other exhibits is I believe Page 32 through 34, is non-existent. It puts us in a difficult position to be able to analyze the document if all of the information is not there, in addition to the February meeting being held on a day when Town Hall was closed. The full board wasn't available, and many other members of the community were not able to get here because of the weather. The meeting was opened, and public comment was closed at that time.

Attorney McLaughlin said I would respectfully disagree that the public comment was closed, it has always remained open for written comments.

Ms. Lerner said for written, but not for verbal.

Attorney McLaughlin said we were required to hold a public hearing, the public hearing was held, there were significant attendance at that public hearing. It was a bad weather night. Those of us that were here, fully remember the bad weather that was that night, but this room is about the same number of people that were here that night as well. There was sufficient opportunity required by the statute in my opinion for the public hearing, in addition the board has said several times to the public that attended meetings, that the written comment period was open and I specifically said at the last meeting to several individuals that came up to me after the meeting, the board needs your public comment and we received a couple of dozen letters. The majority of which are in support of and a couple of letters that are not. The Cost Benefit Analysis that you are referring to is attached to the application, so I don't know what you're missing.

Ms. Lerner said the online application did not have that.

Attorney McLaughlin said it's in this complete application. I'll look into that online. In addition, the statute requires that the IDA board conduct its own Cost Benefit Analysis and what this board has done is do that, as required by the statute. Several meetings ago they engaged a 3<sup>rd</sup> party contractor/vendor, that's approved by the State Comptroller, approved by the Authority Budget Office of the State to conduct the Cost Benefit Analysis and then that report states that the economic benefit to the region, the benefit outweighs the cost by a ratio of 22 to 1. The benefit to the state outweighs the cost by a ratio of 13 to 1, for a grand total of 21 to 1; cost outweigh the benefits. By all accounts, there's no other data that is available to the board, other than a positive Cost Benefit Analysis.

Ms. Lerner asked where is that document? It's not available on line, that document was not in the packet of information that I went through the other day as part of the planning board's access.

Attorney McLaughlin said the planning board would not conduct a Cost Benefit Analysis, because I don't believe they are required to. The IDA is required to do that before the approving resolution. Typically, that Cost Benefit Analysis is done by the board, the board of staff designated by the board, in this case a vendor did it with assistance from staff and right now the staff is the chair and Sue.

Bluewater I LLC – Consideration of an Approving Resolution

Attorney McLaughlin continued and said the Cost Benefit is part of the board package, it will be posted as part of the resolution, but there was no obligation of the board to post this in advance of tonight's meeting.

Ms. Lerner asked there was no obligation to share that with the public either?

Attorney McLaughlin said it will be shared after the meeting tonight.

Ms. Lerner said after the meeting and potentially after a decision is made, it's kind of like closing the door to the barn after the horses have gone out.

Attorney McLaughlin said I don't agree with that statement, but I understand where you are coming from, but again, from my standpoint, the board is obligated legally, under the legislation to conduct a Cost Benefit Analysis, that's what they have done. The prelude to them considering a resolution, their notes as it were, this report is not open to the public until the public meeting. It is now open to the public, it will be part of the record, it will be posted as part of the resolution.

Ms. Lerner asked when were the minutes from the February 12<sup>th</sup> minutes posted for the residences, because if you didn't come to that meeting, when were they posted? When were they made public?

Attorney McLaughlin said as it has been set forth in meetings of this board several times, the board engaged a consultant about a year ago to establish a new website, that would be more compliant to state law. I can't guarantee that those minutes were up by March, or April when they would have been approved, but they were certainly up by sometime in the Spring, May or June when the website was fully operational and until then and one of the reasons why this board changed, was that they were a part of the town's website, it wasn't easy for the public to find information. For example, as part of that public meeting, there was a statement made that we had not posted the notice of the public hearing and it was posted, but it was posted on the Town's old website and the new website, and no one had looked at the new website. I think by the beginning of June; the website was fully operational and up to date any minutes would not be posted until they were approved.

Ms. Lerner said I respectfully request a date for when those minutes were posted. I've spoken with a number of people who stated that they could not find the minutes for the February 12<sup>th</sup> meeting and that would be in violation of the open meeting's law and while I understand a lag in terms of transition between an old and the new website, if people do not have the opportunity to read the minutes of a meeting well in advance, being able to review all of the documents, including a reference to a specific applicant, it would seem to be unfair to make a resolution before everybody has had ample time to be heard from.

Bluewater I LLC – Consideration of an Approving Resolution

Chairman Crist said thank you Barbara, those minutes would have been available here at the planning board office, including an email request to have those sent out. I honestly don't know the exact date that they were on our website, but I believe it was some time ago.

Attorney McLaughlin said it was before the summer.

Karina Tipton, audience said you mentioned a benefit, Cost Analysis, you mentioned benefits for the region and for the state. Would you mind sharing if there were any benefits to the Town of Montgomery?

Chairman Crist said calculated separately, it looks like they were incorporated within the regional and state benefits.

Ms. Tipton said it would be appropriate for the County IDA, but this is the Town IDA.

Chairman Crist said I certainly would expect that a good portion of them come to Montgomery, but it's not calculated separately, and your comment is so noted.

Ms. Tipton said I would refer you, I know you haven't had a chance to review the thousands of pages of the SEQRA documents and there is no Cost Benefit Analysis in that document, but there is a discussion of where the people who will be working in this warehouse will come from and the applicant did acknowledge in that document, the Final Environmental Impact Statement, they will not be living in the Town of Montgomery.

Chairman Crist said I would think some of them would obviously be living in the Town of Montgomery.

Mr. Reilly said I don't believe that comment was correct.

Chairman Crist said Bob, I think you covered it, but the UTEP is another process that we use to evaluate the benefits and we went through that process to evaluate and I know this project came out rating at the Level 3 of benefits.

Attorney McLaughlin said as part of the UTEP Policy, this board takes a position on the score sheet on each application. The score sheet consists of 10 factors, those factors are reviewed and scored depending on the number of jobs created.

Chairman Crist said the number of jobs, the percent average of County wage. He handed the UTEP outline to Attorney McLaughlin.

Attorney McLaughlin said there are 12 categories, the number of permanent payroll level jobs, the percentage of the average county wage, the number of potential spin-off jobs, the local business of impact on the community investment, education benefits, value of real property, the preservation, the expansion or development of local young businesses.

Bluewater I LLC – Consideration of an Approving Resolution

Attorney McLaughlin continued and said whether or not the project utilizes green building practices, whether or not the project develops green collar jobs. Is the project providing any historic preservation? Does the project promote farming and does the project promote business in cluster development as a component of overall master planning for economic development? After reviewing these, this project scored between a 12 and 14. Under the UTEP Policy if the project is 6 points or less, it's a Number 1 benefit. If it's between 7 and 11 points, it's a Level 2 benefit and if it's 12 points and above, it's a Level 3 benefit. Since this project scored at least 12 points, it's entitled to consideration of Level 3 benefits. Level 3 benefits under the UTEP Policy is a 15-year PILOT. The first 5 years of which provide for 0% payment of taxes, and then under that starting in year 6 we have a 485B, which we talked about at the last meeting, which is a sliding scale down from a start of 50%, down to a full 100% payment in year 15.

Chairman Crist said at least one of the letters and several of the letters had concerns about services for this project in the first 5 years, when they are applying for a 100% tax exemption. In discussion with the applicant, they have agreed to pay 10% of that tax in the first 5 years. I'm trying to explain what as a positive, maybe it doesn't meet your qualification of enough, but it's more than they originally applied for and through discussion with the applicant, they have agreed to this. I don't have the number of what it is, but it is a substantial amount and will help cover their share of some of these services during this initial process. Barbara just quickly?

Ms. Lerner said going by the numbers on the application, (inaudible) to get to one year's tax payment for my business, which is 1/10<sup>th</sup> the size. A 10% increase is really nothing in comparison and I understand that they want to get this up and running and moving along, but this is a known Amazon project, this has been known as Amazon, even though the applicant does not say that it is, with this being a fully passed through benefit to the end user and I accept that, and that is normal. It behooves me to comprehend why you would want to extend a tax benefit of any kind to the richest company in the world.

Donald Berger, audience asked I believe it was in January, the medium salary in the Town of Montgomery, how many jobs are you going to offer in union salary, which is \$49,000.00 a year?

Mr. Reilly said I don't know. Are we answering questions?

Chairman Crist said Don, I'm not allowing a public hearing to start over. We've had a number of months from the public hearing and when written comment could be presented and we've read the letters. They have the answer to your question I believe in their documents and it doesn't meet your threshold because I'm pretty familiar with those numbers, but that's what the company is about, that's what they are presenting and our job isn't to evaluate the need of the company, our job is to evaluate the benefit to the community.

Mr. Berger said that's exactly what I was getting at. How could that be the benefit of the community, when their average salary here as stated in their paperwork is only \$33,000.00.

Bluewater I LLC – Consideration of an Approving Resolution

Chairman Crist said that's one aspect which you may weigh differently than the board does, but it's only one of many aspects.

Mr. Berger said it's a very important one.

Chairman Crist said thank you Don. He asked if the board was clear on the first five years?

Susan Cockburn, audience asked are they still getting the Mid-Hudson Regional Economic Development Council's 4-million?

Mr. Reilly said we are not.

Ms. Cockburn asked if that money went back to the state?

Chairman Crist said they are not getting it, I don't know the answer to that. We're not going to open this up to a detailed discussion, I'm trying to present some opportunity for the public to ask questions and point out some key things.

Nina Schnyder said this is a town IDA meeting, and I wish that this board was more specific to the benefit to our town. There's a lot of influence in statewide and regional wide, and we've had other people come and speak to those benefits, but we are really interested in the Town of Montgomery.

Chairman Crist said thank you and I can say for myself, that's why I'm here. I'm not excluding benefits beyond the town, but I'm serving for the benefit and we don't get paid.

Mrs. Snyder said a lot of the filters and the evaluations that you discussed were not Town of Montgomery specific.

Chairman Crist said part of our job is to look beyond the town, as long as the town benefits are appropriate. Board members, I want to be clear on that first 5-years. I think there is some significant benefit to the town, with the applicant paying 10% of the tax. Now maybe in the very first year the building isn't there yet, it isn't assessed, but that money wouldn't be very much, but by the second and third year that building is going to be there and there are going to be some significant tax kicking in.

First Vice Chairman Williams said in addition to that they get no consideration on the land and the approved site is worth about three times what it is once they start the project, that will be assessed much heavier. In addition to the 10%, you will be getting a significant amount from the land value, which is not on just that project, but any project.

Chairman Crist asked if there were any other board comments?

Bluewater I LLC – Consideration of an Approving Resolution

Member Santo asked if this is not granted will they still build there? Medline already bought the property and I asked before I was associated with this board, why give them a PILOT, if they bought the land and they are going to move here anyway? The Mission Statement of this board is to assist in the enhancement and diversity of the economy of the Town of Montgomery and this is another warehouse, I don't see how it's diverse in any sort.

Audience applauded.

Member Santo said please don't, you make me nervous when you do that. I'll give you a couple of examples. The donut shop opened up on 208, right across the road from the American Legion, opened up around Memorial Day, about 10-years ago or so. I was the cook for the Memorial Day breakfast, and I went over and asked can you help a little bit with this? They said no, we're not a community store, we're a highway store. The Rotary went over to UNFI, can management support the community? No, we're not part of the community, it's just another warehouse. The letters that I got, and this is only my second meeting, negative. Has there been communication with the school district?

Chairman Crist said I would say there has been communication, but the school's policy and you probably would know better than I, unless it's changed since you were there Bob, it was very hesitant to weigh in one way or the other on the project.

Member Santo said when UNFI was built and that's why I asked that first question, they needed the PILOT to move into Montgomery and they moved to the right place, out to the industrial area. If they didn't have it, they wouldn't have moved to Montgomery and the teacher's union was against them, the Valley Central VCTA and we as a board decided they are going to move some place else if we don't give them the PILOT and this is now the sixth or seventh year and they are paying a good portion of taxes and I thought that was a wise decision to stay out of it. The school district is the biggest recipient of the taxes and that's why I'm asking if there has been any communication? If they say yes, it's a good idea or they don't like it. Back to the first question, what happens if we say no?

Mr. Butte said it is clear to us the project would not be viable.

Attorney McLaughlin said if the PILOT will include an exemption of 90% or a 10% payment, that is a deviation from the UTEP Policy, that will require notification to the taxing jurisdiction, including the school district, because it is a positive deviation in the sense that the approved PILOT for the first 5-years are a Level 3 benefits is zero and this would be a 90% exemption or a 10% payment. The school district would not have any voting of the approval. There would not be a public hearing for that deviation, but they will be required to get a notice of the deviation and if they respond with a negative, that is something that the board would have to consider.

Member Santo asked is the 10% negotiable, why not 25% and that's a question? I'm not trying to negotiate.

Bluewater I LLC – Consideration of an Approving Resolution

Chairman Crist said the answer is yes, in my opinion it's late in the process to stage that and we started at zero and the applicant agreed to the 10%.

Mr. Reilly said with all due respect, we have agreed to 10%, it did start at zero. I sincerely do think it's a little late and as the client has indicated, the project will not happen, there is a point and I think we have compromised at the 10% and I think in fairness that is where we are.

Chairman Crist said another response to your question about the tax abatements and it's been discussed before this board before, there is another state avenue these applicants can go and that's a 485B and I fully expect that's where Medline is going. It does mean that fees that were going to come to the Town of Montgomery and you think about benefits to the Town of Montgomery, they are substantial and with Medline we're not going to get those. My understanding is they would have been in the area of half a million dollars. When is that fee paid Bob?

Attorney McLaughlin said that's paid upon the closing of the financial assistance.

Chairman Crist said that was in my opinion, it was a loss, maybe it's an appropriate trade-off, but Medline didn't walk away from all their tax abatement options, they just went in a different direction and the state has provided those. As of right they have to fill out an application and if they're a project, there's no public debate on that.

Attorney McLaughlin said it's a filing with the tax assessor on the 485B of the Real Property Tax law, it's automatic, there is no debate, it's for 10-years.

Chairman Crist said there are other options for applicants to consider.

Second Vice Chairman Rainaldi said one of my main concerns is the fact that the applicant will not release information on who the perspective tenant is. Everybody has a feeling of who this tenant would be, this leaser would be and in my opinion I'm not comfortable giving the richest man in the world any tax benefits. As you know they recently purchased, if it is Amazon, Jeff Bezos, recently purchased Whole Foods and proceeded to increase the number of hours part-time employees needed to qualify for their medical benefits. This is how they are going to treat their employees? What are they going to do here? I want to know who's going into that building and for you gentlemen to sit here and say okay we are going to spend 75 million dollars and you don't have a clue, or you won't release it, that doesn't sit well; doesn't pass the test for me.

Chairman Crist asked if the board had any other comments? Hearing from no one he asked if anyone would care to make a motion for the approving Resolution?

Member Dickson motioned to approve the Bluewater I LLC Approving Resolution, seconded by Member Stoddard. By a roll call of the board, all were in favor except for Second Vice Chairman Rainaldi and Member Santo voting no, the motion was carried.



September and October 2019 Treasurer's Report

Member Stoddard reviewed both the September and October 2019 Treasurer's Reports.

Member Santo motioned to accept the September 2019 Treasurer's Report as presented, seconded by Second Vice Chairman Rainaldi. All in favor, all ayes, motion carried.

First Vice Chairman Williams motioned to accept the October 2019 Treasurer's Report as presented, seconded by Member Dickson. All in favor, all ayes, motion carried.

Old Business

Medline Industries, Inc. – Review of Withdrawal of Application for Financial Assistance

Chairman Crist said for the record, Medline Industries, Inc. did a press release and they have withdrawn their application for tax benefits from the Montgomery IDA.

Attorney McLaughlin said as well as sales tax.

Chairman Crist said as well as sales tax and mortgage filing tax.

Discussion on Pending Applications

Attorney McLaughlin said he just wanted to raise UNFI and he already discussed this earlier.

Review of 2020 Budget and Consideration of Resolution Authorizing Executive Director to submit to PARIS and Town Board

Chairman Crist said thank you Matt for preparing a 2020 Budget, which is in our packet behind the financial statements for September and October. It's a little bit of an unexacting estimate, based on that we don't know what projects are going to come before us and get approved, but it is something we have to file with PARIS and the Town Board. I would ask for a Resolution authorizing me, since we don't have an Executive Director right now to submit that filing.

Member Stoddard motioned for Chairman Crist to file the proposed 2020 budget, seconded by Second Vice Chairman Rainaldi. All in favor, all ayes, motion carried.

Approval of the September 09, 2019 Meeting Minutes

First Vice Chairman Williams motioned to approve the September 09, 2019 meeting minutes as previously amended, seconded by Second Vice Chairman Rainaldi. All in favor, all ayes, Member Dickson abstained, motion carried.

Other Business – 2020 Board Training; Live Streaming of Meetings

Attorney McLaughlin said since we have two new board members, I wanted to offer two options. The first is that my firm could conduct a board training like we did earlier this year, before a regularly scheduled meeting for about an hour or two. The other option is the State EDC is an economic development entity, that's created solely to promote IDAs and get IDA directors and staff together to talk about issues that you are all facing. Their annual meeting in Albany is in late January this year, it's usually a 2-day conference, starts at 12:00 the first day, ends at 12:00 the second day. It is a way to get some training, there are some relevant topics. I would encourage you as a board to consider your attendance there. The second issue I wanted to raise with you, and I will hand these out. As we talked about at the last meeting, legislation was passed and signed by the governor that future meetings starting in January need to be live streamed and then archived for a 5-year period. I did reach out to your current web provider/consultant and he was to get back to me. In the meantime, a couple of our IDA clients have decided that they are going to purchase their own equipment. The total price is just over \$600.00 and then that would allow you to record and live stream and they established, which was a recommendation by the web provider, a You Tube channel for the town IDA and then those videos would go up, be archived for 5-years, can be pulled down after 5-years or stay there forever, so that's a cheaper option than trying to get video equipment for this room. The web provider would be able to provide a link to the You Tube Channel on the home page, so the live streaming would be available there as well as being archived. I did ask Mike Smith, your web consultant to come here tonight, he was not able to, so hopefully between now and January we'll have a better idea on how to do this.

Member Santo said our Supervisor-Elect to the Town of Montgomery has some information.

Brian Maher, Supervisor-Elect said we are already getting transition underway and it's one of the issues we discussed, theirs is pretty much exactly as you described it, and it's something that we want to do, as well as establishing a social media platform on Facebook, Twitter, Instagram. We want to make sure that we live stream every meeting of every single board and give the public as much access to all the information as humanly possible. So that is something that we are going to do on a Macro level and it probably will save money if we do it all at once. So, that's going to happen in the next 6 or 7 weeks and I'm happy to discuss with you some of the conversations that I'm having with our team as well, but certainly wouldn't want one board to do something different and not have it be uniformed.

Chairman Crist said correct, good thought, thank you. He asked if there were any other questions on the live streaming? Hearing from no one, he said we are required to use our best efforts to have the equipment in place for our next meeting if it's in January.

Attorney McLaughlin said you're using best efforts and you're investigating, and it makes sense to be a part of that and wait for that. If it's the end of the first quarter as opposed to the beginning of the first quarter, certainly the legislation allows for that. If it's this time next year, that's a little bit too late, but certainly as long as we're working towards a resolution, I think we are following the spirit and the intent of the legislation.

Other Business

Chairman Crist said we should schedule a meeting at least for January, for our first meeting in 2020. Tonight, we are up against a hard stop, with planning board starting at 7:30 and Sue needing a few minutes to transition and as a courtesy to let people come in before that meeting. It's really a 7:00 stop for us, I would like to schedule our meetings next year on a night where we don't have anything after. I personally like the 5:30 start, but I'm open for suggestions if that doesn't work for a board member, we can talk about it. In talking with Sue and Bob, did you see how January 14<sup>th</sup> looked for you?

Attorney McLaughlin said Tuesdays are great.

Member Dickson motioned to hold an IDA meeting on Tuesday, January 14, 2020 at 5:30 p.m., seconded by Second Vice Chairman Rainaldi. All in favor, all ayes, motion carried.

Review of Compliance with Local Labor Policy – Approved Projects

Chairman Crist said he wanted to report that Matt and I have been in close touch with Loewke Brill, one of our approved labor monitoring firms and they have been making site visits on active project. They have been bringing to our attention when there are some issues of concern. Matt and I visited one site back in September and I can say the process is working. There are a few growing pains to get us up to speed on what's appropriate and how we review the various waivers. At this point we feel the companies are in compliance, although it's taken some discussion and some further understanding and interaction with Loewke Brill our labor monitoring firm. Bob, you had mentioned there was something you would like to discuss in Executive Session?

Attorney McLaughlin said if we could there's a potential litigation issue, that I think would be appropriate to discuss in Executive Session.

Member Dickson motioned for the IDA members to hold an Executive Session, seconded by Member Macioce. A roll call of the members was held, all in favor, all ayes, motion carried.

Chairman Crist said for the public, we expect this to be a short Executive Session, in which case we'll vote to come out of Executive Session and come out and report any decisions of the board. I'm not aware of any other business that would come before this board tonight, other than possible follow up on that local labor.

Second Vice Chairman Rainaldi motioned to end the Executive Session, seconded by Member Stoddard. All in favor, all ayes, motion carried.

Chairman Crist said I can report that no action was taken in Executive Session. Is there a motion to adjourn?

Member Stoddard motioned to adjourn the meeting, seconded by Second Vice Chairman Rainaldi. All in favor, all ayes, motion carried