

TOWN OF WALLKILL IDA
TOWN OF WALLKILL INDUSTRIAL DEVELOPMENT AGENCY
REGULAR MEETING MINUTES
May 27, 2021

Members in Attendance:

Mark Coyne, Chairman
Paul Erickson
Kevin Mulqueen

Members Absent:

James Townsend
Joe Stuart

Also in Attendance:

Rudy Charles, Secretary
William A. Frank, Esq., Counsel

Mark Coyne – open the meeting at 3:31 p.m. today is May 27, 2021 and we are gathered here to accept or deny the financial report, the audit from the year 2020. Everybody has received a copy. In attendance is Kevin Mulqueen, Rudy Charles, Will Frank, our attorney, Paul Erickson who is a board member and unable to make it today is Joe Stuart. Has everyone had an opportunity to look through the report?

Will Frank – Mr. Chairman, for official recording purposes, it's a special meeting to review the 2020 audit and to conduct any other lawful business of the agency, it's a special meeting.

Mark Coyne – Thank you Will.

Will Frank – Okay sorry to interrupt.

Mark Coyne – No problem, has everyone had a chance to look through it?

Kevin Mulqueen – Yes.

Mark Coyne – Okay myself as well, everything looks to be in line. I make a motion to accept the 2020 audit of the Town of Wallkill Industrial Agency. Can I have a second?

Kevin Mulqueen – Second.

Mark Coyne – Mr. Mulqueen. All in favor?

Paul Erickson	aye	Kevin Mulqueen	aye
Joe Stuart	absent	Mark Coyne	aye

Will Frank – this was in connection with the resolution I circulated which is resolution of the Wallkill Industrial Development Agency approving the 2020 independent audit. So we have ayes and Mr. Stuart is absent so we will, Rudy you've got the resolution right?

Rudy Charles – Yes I do.

Will Frank – Okay so if you will note that for the record, the motion was by Mr. Coyne, who second it, I'm sorry. Mr. Mulqueen second and we had votes of aye for Mr. Coyne, Mr. Erickson and Mr. Mulqueen, Mr. Stuart was absent so that carried three zero one. Mark you'll sign the representation letter and we'll notify Denise so she can do the PARIS filing. Let me know if anyone had anything else. I just wanted to report a quick phone call I had with the attorney for the Dinosaur project, once Mr. Chairman or anyone else has anything they would like to talk about.

Mark Coyne – Does anybody have anything? Paul, Kevin, no?

Paul Erickson – Not me.

Mark Coyne – Okay, floor is yours Will.

Will Frank – I got a call from the attorney Bob McGlocklan, he is up in Albany, I've worked with him before on other things, he used to be actually the attorney for the Town of Montgomery IDA. He recently left that post. He's representing the Dinosaur group. I forgot what their formal name is. They appeared before the IDA month or two ago and got the thumbs up pre application to submit their full application. They are in the process of doing that. He said that's probably going to be coming in to the agency. My guess would be the middle of June, he told them to move it along. I don't know where they are in the planning board process. I do recall seeing a story in the paper a few weeks ago that everyone was excited and moving forward. I don't know if any of you guys know anything else about the project.

Mark Coyne – No I read what you read Will. I know that they resubmitted something to us but they did not send a check, no check was received so, that is clearly laid out how to go about that. If you're going to submit a full application a check is required at the time of submission. I was just waiting to hear something.

Will Frank – Yes the attorney is trying to push them along because he is going away at the end of June, he wanted to at least get the process moving forward. The one thing I said to him and this is always a concern of the agency, it's always been one of my concerns, is they're moving forward with the planning board and the question is, is the project going to move forward if they don't get IDA benefits? We may have asked them this.

Mark Coyne – We did.

Will Frank – I don't know who asked the question when they were here for the zoom meeting. What happens if they don't get the benefits do they still go forward? I raised that to the attorney yesterday and he didn't have an answer one way or the other. It always concerns me because it's sort of a but for. If they're going ahead anyway do they need the IDA benefits? If they're not going to go ahead and consummate the transaction or they're just going to get planning board approval and not build, that may be their answer but he didn't know. My advice to this agency is always, we need to be mindful of that because that's sometimes a criticism from Albany from the authorities budget office when they say hey IDA you're giving out benefits and these guys are going to build it anyway. So the point of the IDA is

to attract business to the town that wouldn't otherwise come for projects that otherwise wouldn't be built. I kind of said that to the attorney yesterday, in your presentation be mindful of that, how you couch it because while everybody may love the project and think it's a slam dunk and it's marvelous we do need to justify the reasons for conferring benefits from the IDA. So I just put that in his head and I want you all to know that.

Mark Coyne – Now in that new application that they had sent, I did thumb through it and I remember when they were here the first time, not only was that question asked which was by the way, yes we need benefits to make it happen we'll see what they say moving forward. It also, we were talking about if you guys recall the number of jobs that would be created right and he came through with this number of well over one hundred. I forget what it was.

Will Frank - It was 125.

Mark Coyne – 125, well now it's down to 60. It's a little bit more realistic. Now don't get me wrong I'm not belittling 60 jobs, that's wonderful. But I just want to let you know that between then and now that's what took place. The other thing about the project that I want to say is that they're not building many structures. I don't want to speak for the board, we're a committee, we're a board, but they want to go for the whole enchilada. They want to go for a PILOT, the mortgage and the sales tax right so just keep in mind that if we're not going to give them a PILOT what kind of benefits are they really going to get out of us, they're not building much, that's all I'm saying. Those numbers will come in the full application.

Will Frank – The attorney said something else that will also be notable as we go forward. The IDA has a local labor policy, you guys vote on that every year. Some of these components of these huge dinosaur displays require specialized labor. The displays are made out of the country, they're made in China. The labor to put them together, assemble and install them at the facility is specialized and there is a very good chance some of those construction jobs are not going to be local labor. He was up front about it but that's something else that our agency needs to keep in mind. Number one we have the local labor policy number two we want to encourage as much local labor during the construction phase as possible. So that's something else and you're right it may not be a PILOT but there will be some sales tax, there will be some mortgage tax but that's going to be up to you guys when we go further in the process. I wanted to make sure I relayed that to you so you can make a note when they come in for their next meeting for some other questions you may want to hit them with.

Kevin Mulqueen – I can tell you that I recall that the Montgomery IDA has given more generous PILOT agreements and I don't want to hear it from that guy because I want to keep a solid line. The other thing that I heard from our town supervisor in a different setting was his own perspective that this thing has much less negative impact on the environment than he was anticipating. So that was kind of a very favorable comment.

Will Frank – I think that's true and I don't think that from what I know about this attorney and I do have a solid relationship with him, I don't think he's unrealistic. I think he's realistic about project and I think he's realistic about what benefits may be available. We talked about the environmental, we talked

about SEQRA a little bit and as we normally do, we're not going to be the lead agency on this, the planning board will of course be the lead agency for SEQRA purposes and we'll piggyback on their environmental findings. So you're right Kevin that's one of the other things we do have to consider so everybody's kind of excited about this project and I'm glad but at the same time there is a big difference between the planning board putting the project through and what this agency does which has lasting effects on the tax situation and the immediate sales tax situation while they're building it. So just some things to be thinking about that's all.

Kevin Mulqueen – So they're not putting up a big lot of construction than there won't be much ratables so that the property tax thing is not a big deal.

Will Frank – Yes and no, it depends on what kind of revenues they are generating from the properties as well. The Assessor looks at that in terms of value, vacant land versus income generating land . That's why the shopping centers come in when business is bad which it has been and they say we're losing tenants, we're dying over here, you've got to reduce our taxes.

Kevin Mulqueen – Assessor's get taken advantage of by big businesses.

Will Frank – This is true.

Kevin Mulqueen – It is what it is.

Will Frank – Yes, they've got some moving parts going on here.

Paul Erickson – I've got a concerning question, we went from 125 jobs to I heard the number was 60. That's not a 12 month a year operation, what is the full time jobs versus the 8 month jobs?

Mark Coyne – That's a good question Paul, I remember them saying the last time it was going to be a 9 month operation and that those now number 60 would be fully employed for those 9 months. But that's a question for them to answer not for me, I'm just giving you what I recall them saying.

Paul Erickson – Just putting it up here as a negative now that they have cut the job number in half. If there's only 3 full time jobs I'd have to question whether we're even in the right to support it in the first place.

Mark Coyne – All things to consider, that's right.

Kevin Mulqueen – My own opinion is the move from 125 down to 60 is just them being extremely conservative about not risking fallback.

Mark Coyne – Right and that was brought up at the first meeting Kevin, hey this is a lot of jobs here are you sure that this is, I remember Will that you brought it up. Just make sure that you're accurate with these numbers. So you're right Kevin maybe the real number that they're anticipating is say 80 or 90 but let's say 68, for certain we will have 68, maybe that is the case. All things to think about guys. Mid-June is a couple of weeks away.

Will Frank – Right. Fortunately the application has not been fully submitted yet, no one has had time to review it and they have to get it to us, the final form with the fee for these questions and more are even going to be put to them because we're going to need to have them come in for another meeting, then the agency will schedule a public hearing and we'll deal with the SEQRA issue then. We'll deal with all of these questions and at the next meeting, they'll have an idea of what they're going to be asked and what they are going to be expected to present at the public hearing. So it's all good we just need to make sure and then you guys are going to decide whether this project is worthy of IDA benefits. It may be one of those things where at the end of the day yes, we love the project we think it's good for the town however, it doesn't fit into the criteria that benefits are appropriate by the IDA. On the other hand if the board wants to confer benefits I'm sure we'll be able to find plenty of positive attributes to the project. That's all going to come down the line as you guys go forward with the process like every time.

Kevin Mulqueen – I think 68 jobs is wonderful and yes I know many of them are just 9 months out of the year but you know what those 68 people out there that would absolutely love to have employment for 9 months. It's important for individual people in the town. Most of those jobs are going to go to people who are very low.

Mark Coyne – I agree Kevin, that's 68 people getting out of bed with a purpose. That's awesome.

Kevin Mulqueen – Right.

Will Frank – So this one is definitely on the radar. It's going to be the next thing that comes before you; I just wanted to report on what I knew as of yesterday with that update. I didn't have anything else.

Mark Coyne – Anybody have anything?

Will Frank – Mark you need to put that letter together for Denise. Rudy you have the letter in an email right?

Rudy Charles – Yes, he just signed it and Toni also needs to sign it and she is not here today.

Will Frank – Is it on the IDA letterhead?

Rudy Charles – Yes.

Will Frank – Where is Toni, she's off today?

Rudy Charles – Yes, she is on vacation this week.

Will Frank – We need to get this back to them before June 1st, that's Tuesday.

Mark Coyne – Is she back on Tuesday?

Rudy Charles – Hopefully.

Will Frank – Okay we will send it with Mark’s signature and Rudy please send it to Denise Williamson with Mark’s signature and tell her Toni will sign it when she gets back.

Rudy Charles – Ok will do.

Will Frank – I don’t have anything else guys.

Mark Coyne – Alright if we are all good I make a motion to adjourn.

Paul Erickson – Second.

Paul Erickson	aye	Kevin Mulqueen	aye
Joe Stuart	absent	Mark Coyne	aye