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RENEE McFARLAN: Good evening. My name is Renee McFarlan and I am the Executive Director of the County of Clinton Industrial Development Agency in connection with the project, which is the subject of this public hearing. Today I am holding this public hearing to allow citizens to make a statement for the record relating to the involvement of the agency with the project for the benefit of Prime Plattsburgh LLC, a New York State Limited Liability Company.

The proposed project consists of the following:

A1- the acquisition of an interest in two parcels of land containing in the aggregate approximately 3.36 acres located at 40 Bridge Street and 22 Durkee Street in the City of Plattsburgh, Clinton County, New York.

2- the construction on the land of an approximately 145,338 square foot building and approximately 55,216 square feet of parking space.

1 3- the acquisition and installation
2 therein and thereon of related fixtures,
3 machinery, and equipment.

4 All of the foregoing to constitute:
5 An approximately 114 unit residential
6 apartment complex with ground level
7 commercial/retail space, and parking, and
8 other directly and indirectly related
9 activities.

10 B- the granting of certain financial
11 assistance with respect to the foregoing,
12 including potential exemptions from certain
13 sales and use taxes, real property taxes,
14 real estate transfer taxes, and mortgage
15 recording taxes.

16 C- the lease with an obligation to
17 purchase or sale of the project facility to
18 the company or such other person as may be
19 designated by the company and agreed upon by
20 the agency.

21 I intend to provide general
22 information on the agency's general
23 authority and public purpose to provide
24 assistance to this proposed project. I will
25 then open the comment period to receive

1 comments from all present who wish to
2 comment on either the proposed project or
3 the financial assistance contemplated by the
4 agency with respect to the proposed project.

5 The provisions of Chapter 1030 of
6 laws of 1969 of New York constituting title
7 one of Article 18A of the General Municipal
8 Law, Chapter 24 of the Consolidated Laws of
9 New York, as amended, and Chapter 225 of the
10 1971 Laws of the State of New York as
11 amended, codified as Section 895(f) of said
12 General Municipal Law authorize the agency
13 to promote, develop, encourage, and assist
14 in the acquiring, constructing,
15 reconstructing, improving, maintaining, and
16 equipping and furnishing of manufacturing
17 warehousing research commercial and
18 industrial facilities, among others.

19 Pursuant to Section 859-a(2) of the
20 General Municipal Law of the State of New
21 York, prior to the agency providing any
22 financial assistance of more than \$100,000
23 to any project, the agency, among other
24 things, must hold a public hearing pursuant
25 to Section 859-a of the act with respect to

1 the Press-Republican, a newspaper of general
2 circulation available to the residents of
3 the City of Plattsburgh, Clinton County, New
4 York.

5 In addition, the Executive Director
6 of the agency caused notice of this public
7 hearing to be posted on July 11, 2019 on the
8 agency's website and also on a public
9 bulletin board located at the Clinton County
10 Government Center, located at 137 Margaret
11 Street in the City of Plattsburgh, Clinton
12 County, New York.

13 And beyond this, I'm going to stray
14 from the script, which I'm not required to
15 read the entirety of. The comments received
16 today at this public hearing will be
17 presented to the members of the agency at or
18 prior to the meeting at which the members of
19 the agency will consider whether to approve
20 the undertaking of the proposed project by
21 the agency and the granting by the agency of
22 any financial assistance in excess of
23 \$100,000 with respect to the proposed
24 project. Written comments can be addressed
25 to me.

1 I will now introduce Todd Curley of
2 the company who will describe the proposed
3 project in further detail.

4 TODD CURLEY: Thank you. Again, my
5 name is Todd Curley. I'm a partner with
6 Prime Companies. I'm here tonight to
7 discuss the application that we have in the
8 City of Plattsburgh on Durkee Street by the
9 corner of Bridge. We responded to an RFP
10 that went out by the City in late 2018. And
11 that was a follow-up to DRI funds that were
12 granted for this type of project from New
13 York State in late 2016.

14 The project that we have applied for
15 consists of 114 market rate apartments and
16 10,000 square feet of commercial space.
17 We've got parking, we've got a dash green
18 park walkway that's going to connect a park
19 across the street from Durkee to a
20 waterfront development on the Saranac River.
21 We're also going to include Marriott
22 ExecuStay Corporate housing units as part of
23 this development as well, which gives
24 housing solutions for people that are here
25 short term for business related services.

1 What we're applying for tonight or
2 through the IDA is relief for a mortgage
3 recording tax, sales tax on construction
4 materials as well as some relief for real
5 property tax. These are in line with other
6 applications we've made in other
7 municipalities for similar types of projects
8 that we've been able to successfully compete
9 throughout upstate New York and feel that
10 these types of benefits are critical for
11 this project to be successful and to get
12 started.

13 Currently, the property consists of a
14 parking lot that currently has zero taxes
15 being produced from there, but still has the
16 burden of maintenance, utilities, insurance,
17 and some emergency services required from
18 there. Our application was submitted back
19 in April and has been modified a couple of
20 different times through the IDA and we ask
21 that it be considered as part of this
22 application and to the Board. Thank you.

23 RENEE McFARLAN: Thank you. I will
24 now open this public hearing for comment at
25 6:16 p.m. If you wish to make a public

1 comment, you can approach the microphone.
2 Please state your name and address for the
3 record.

4 ROD SHERMAN: My name is Rod Sherman
5 and I'm a citizen of the City of
6 Plattsburgh. I live at 27 Morrison Avenue
7 here in Plattsburgh, New York. I just want
8 to disclose a little bit about my
9 background. I'm a member of the Plattsburgh
10 City School Board of Education. I was a
11 teacher in the District for 45 years. Union
12 president for 39. I'm very familiar with
13 the school finances in Plattsburgh and
14 within New York State. I am not speaking on
15 behalf of the Board of Education, but
16 speaking to issues that can help me, as a
17 Board member, make decisions in the future.
18 I am not here to speak for or against the
19 DRI, but I am only here to address the
20 PILOT.

21 I have studied PILOTs reported in the
22 Controller's annual reports from 2011 to
23 2017 looking at small city's, a whole bunch
24 of places. Some of the findings -- I'd like
25 to give you a summary of the findings I've

1 seen. You see them on pages one and two of
2 the documents that I just gave you. Some
3 things to note for Clinton County -- and I
4 did a bunch of others. So I have the small
5 cities. If anybody wants to see more, I've
6 got them.

7 For Clinton County, you will notice
8 the tax exemptions. The net tax exemptions
9 is negative. That is, for every single year
10 that I looked at, Clinton County was one of
11 the few counties where the people that had
12 PILOTs actually paid more than what the
13 taxes were. The PILOT also includes all the
14 other exemptions, sales tax, and so on.
15 That's what happened in Clinton County.

16 I also looked at places where Prime
17 has done many projects. That would be page
18 three, you can look at that. The City of
19 Cahoes. They have their own IDA. The
20 PILOTs range from 45 percent of taxes to
21 above 100 percent of exemptions with an
22 average of 58.13 percent of exemptions.
23 That is exceeds the 32 percent that's being
24 requested now. Saratoga County PILOTs,
25 where they also have done a lot of work,

1 those PILOTs range from 26.12, which is on
2 the low side, up to 85 -- when I say the
3 PILOT, they're paid 85.48 of their tax
4 obligation with a six year average of the
5 years that I looked at of 47.8 percent, or
6 close to 50% percent, which is a far cry
7 from where we are right now.

8 I also want to talk about the IDA
9 PILOT process, the process and decision
10 making that's done here in the City. The
11 proposed PILOT, it's on Page four, pays only
12 34 percent of the total property taxes,
13 which I stated earlier. Over the 20 year
14 period, 66 percent property tax is forgiven.
15 What happened to the PILOT estimate
16 considered in the fall that showed a 65
17 percent PILOT payment over 20 years with no
18 exemptions starting in year 16? That's Page
19 five.

20 I think that's a question -- the
21 questions I'm asking are probably questions
22 that the IDA, trustees, the Board members
23 should be asking. What happened to that?
24 That showed -- that was early in the break
25 out of this whole thing. There was a 65

1 percent PILOT, as I said, over 20 years with
2 full taxes being paid from year 15 on.

3 Also the process I think focuses on
4 the City government, and County government,
5 and not the School District. The School
6 District taxes in this whole scheme of
7 things is about 56 percent if you look at
8 the tax rates. Yet the School District has
9 been very, shall I say, almost ignored in
10 this process. I know they did have one
11 meeting.

12 To quote the Mayor -- and by the way,
13 I agree with what he's got here. He's done
14 some good analysis. "Total output will rise
15 by about \$6 million annually. Full and
16 limited service restaurants garner over
17 \$300,000 annually. The hospital and
18 physicians, almost \$800,000. A local retail
19 including such shops as a Co-op, accrued
20 more than \$335,000 annually." It goes on to
21 say, "This influx permits property taxes to
22 fall as state and local governments accrue
23 an additional \$1 million annually." This
24 was to the Press-Republican. He went on in
25 another article and said, "I think we're

1 going to lose something like \$8,000 --
2 referring to Glens Falls National Bank --
3 \$8,000 to \$10,000 in tax revenue from Glens
4 Falls National Bank, but we're going to be
5 generating tens of thousands of dollars in
6 new revenue." It's all of the various
7 multiplier effects that started occurring
8 around it. That's absolutely true.

9 The Glens Falls National Bank tax
10 loss revenue in 2019 is \$9,883 just for the
11 City. It's almost \$5,000 for the County and
12 close to \$20,000 for the School District.
13 So the notion that it's just a \$8,000 or a
14 \$10,000 loss is not correct. That's
15 strictly for the City. So what I'm to
16 trying to say here is these two comments
17 from the Mayor really reflect -- the Mayor's
18 thinking about City finances, not the School
19 District.

20 What is left out of the discussion is
21 that this influx of revenue in the
22 multiplier effect do not, I repeat, they do
23 not generate any revenue for the School
24 District. We do not receive any of the
25 sales tax revenues that the Mayor is talking

1 about. We pay the price of the forgiven tax
2 obligation for Prime, but get nothing in
3 return.

4 The cost of the School District. The
5 PILOT forgiveness of \$203,000 for the School
6 District in year one and over a 20 year
7 period amounts of \$3,300,000, that's on Page
8 four. The cost to a City tax payer for the
9 2020 year -- you'll see it on Page seven --
10 if you have a \$100,000 assessed home,
11 assessed value, that cost -- what I did is I
12 took what the tax a \$100,000 person would
13 pay, at what percent of that of our total
14 levy turns out to be like 01.5 percent, it's
15 on the chart that I gave you. And then I
16 applied that percentage to the amount of
17 revenue that is being lost or that is being
18 made up by the fact that Prime is not paying
19 that tax. So it's \$20. \$20 a year, \$20
20 years, total of \$340.

21 If you were to go out on the street
22 and ask people that have an assessed value
23 of \$100,000 or \$150,000, whatever the
24 examples are, \$200,000. But let's say for
25 the \$150,000, would you be willing to pay an

1 additional amount \$31.38 or offset, have
2 your school tax -- have \$31.38 taken out of
3 your school tax just to support Prime's
4 venture? I think the answer would probably
5 be no.

6 But that total amount for 20 years on
7 the \$150,000 is \$500, \$510. Total amount of
8 a \$200,000 assessed value home over the 20
9 years is -- I have 29 by the way on the
10 notes that you guys have -- is \$682.

11 If property values -- you need to
12 listen City and County, if property values
13 and incomes go up, this does not generate
14 revenue for the School District. Our tax
15 cap is on the entire school tax collected.
16 Our total levy. What these two factors do,
17 increase property values and increase wages,
18 actually raises what we call our combined
19 income property wealth ratio. It's a ratio
20 used in the state aid formula. That ratio
21 gets increased per pupil. Guess what that
22 does? It lowers our state aid. There
23 clearly is nobody making these decisions
24 that understands school finance at all.

25 The tax cap on a School District, to

1 go past the tax cap of 2 percent, which is
2 the number that's been used on all of these
3 things, takes a 60 percent vote in the
4 affirmative of the public to exceed that tax
5 cap. For the City, it takes four out of six
6 counselors. That's it. They break the tax
7 cap. It's easy to do with a group of six
8 counselors that fully understand the budget
9 and the resources of the City, but to have a
10 School District have to break the tax cap,
11 it's very, very difficult.

12 I would propose you look at -- and
13 when you look at pages 8A and B, you look at
14 something where 100 percent or 85 percent of
15 the PILOT goes directly to the School
16 District. If you look at the 85 percent
17 chart that I have, I better look at it too.
18 You will see that the money that is lost on
19 Glens Falls National Bank is more than made
20 up to both the City and the County at 85
21 percent. So we've heard people say, and at
22 the meetings with School District
23 representatives, if the money we make on the
24 PILOT down here is \$1 more than the money
25 lost on the bank, then it's a win. Well, if

1 they go 85 percent -- if 85 percent to the
2 same School District, you will have made
3 your \$1, more than \$1. But still, the
4 amount of loss to the School District is
5 like 45 percent, something like that.

6 If you go to 100 percent, then the
7 School District is -- you know, it's a lot
8 higher than the 50 percent that the School
9 District proposed at the meeting that you
10 were at Renee I think a few weeks ago, it's
11 higher than that. So somewhere -- it's
12 somewhere in between 85 percent of the PILOT
13 going to the School District and 100 percent
14 going to the school. But I think that the
15 percentage should be as such that both the
16 County and the City are made whole on the
17 tax change from Glens Falls National Bank.

18 Some questions to Prime. What are
19 the tax percentages or tax forgiveness that
20 were afforded them on the projects that they
21 referenced on their proposal, pages 11
22 through 14, to the City of Plattsburgh?
23 Does the IDA know what those were?

24 There is a PARIS report on Cahoes,
25 page 15, Hudson Square. If you look at

1 that, their exemptions were -- sales tax
2 exemptions \$535,000. Local sales tax all
3 zero. Mortgage fee, \$190,000. Total
4 exemptions, \$725,000.

5 Now look at the next part. County
6 PILOT. How much did they make in PILOT
7 payments? Zero. They paid their taxes.
8 Local PILOT? Zero. They paid their taxes.
9 School District? Zero. Paid their taxes.
10 Zero PILOT. That's in Cahoes. Something
11 like that -- I'm not asking it be \$0 tax
12 here in Plattsburgh.

13 Next, what are they seeking in their
14 most recent proposal in Cahoes? They have a
15 new proposal that they have in Cahoes that
16 they started this fall. What kind of PILOT
17 are they looking for there? What caused the
18 lawsuit on their development in Saratoga
19 Luxury Hotel? What's the status of that
20 lawsuit? I think it's important we know
21 what caused it because we don't want that to
22 happen here. Is the contractor involved in
23 it? We don't want local contractors being
24 stuck. What are the details, if it's been
25 settled? That's it on the PILOT.

1 I just have one other thing that the
2 Mayor will want to hear. When you start
3 looking at the Durkee Street parking lot,
4 you should go back to what was there and how
5 it was cleaned up. There is a lot of old
6 building rubble underneath that pavement
7 that could have a lot of asbestos in it and
8 other things. You really want to make sure
9 you have a good enviromental impact study of
10 that. Don't take it lightly because there
11 could be some problems there. Thank you.
12 And by the way, I appreciate the work you're
13 doing. I appreciate that. I really do.
14 Thank you.

15 RENEE McFARLAN: Thank you.

16 FRED WACHTMEISTER: A bit about
17 myself. My name is Fred Wachtmeister,
18 Junior. I live at 24 Champlain Street here
19 in Plattsburgh. I've been a member of the
20 Plattsburgh community since the fall of
21 1963. From 1969 to 2000 I taught at Peru
22 Central School and I worked in a number of
23 places in the City itself. I'm a member of
24 the Board of Education. I served from 1977
25 to 1980 and from 1981 til the present.

1 I will state that I'm here -- and I
2 hope I'm talking loud enough for you young
3 lady. All that time in a classroom, you get
4 a loud voice. I already provided to
5 Ms. McFarlan, and that was through an email,
6 and I wanted to be sure that it was entered
7 into the record, is a letter from Jay
8 Lebrun, the superintendent of Plattsburgh
9 City Schools, taking a position that
10 represents or reflects that of the entire
11 Board of Education or majority. I am
12 speaking here as a private citizen, but I am
13 a member of the Board of Education and so
14 that is going to infuse some of the comments
15 that I'm going to make here.

16 So let me go ahead and read this
17 statement in opposition to the proposed
18 PILOT for Plattsburgh. Copies have been
19 provided. And I'm sorry, I don't have any
20 extra copies left. Here we go.

21 "I oppose the proposed PILOT for
22 Plattsburgh Prime LLC for the development of
23 the Durkee Street DRI project. I will
24 detail the reasons for my opposition, but
25 wish to first state that this opposition is

1 not to the development of the Durkee Street
2 area as such, but to the financial incentive
3 of a PILOT which is too much of a giveaway
4 of the community's tax resources, and as a
5 member of the Plattsburgh City Board of
6 Education, it's impact upon the School
7 District. The project itself represents a
8 subsidy to those people that would be
9 offered apartment rentals when the project
10 is completed. There is no subsidy for those
11 already renting in Plattsburgh as well as no
12 subsidy to residential property owners in
13 the City.

14 The rents proposed for the Durkee
15 Street development are similar to other high
16 end renters. If people from previously
17 built high end rentals moved into the
18 proposed project, who will move into the
19 vacated units? The income necessary to rent
20 one of the new apartments is beyond the
21 financial ability of most individuals in the
22 City and the greater Plattsburgh area. The
23 danger is that the value of vacated units
24 will depreciate reducing taxable value not
25 replaced by the proposed PILOT.

1. What is the subsidy provided for in
2 the PILOT? The original projected tax
3 impact of the project was pegged at
4 \$10,034,929. A more recent estimate of the
5 projected tax impact was \$8,389,201. The
6 original PILOT had Plattsburgh Prime over 20
7 years paying out \$3,228,425 to all three
8 taxing jurisdictions; the City, the County,
9 and the City School District. The most
10 recent PILOT has the same amount that
11 Plattsburgh Prime will pay through the PILOT
12 to the taxing jurisdictions. Why was the
13 projected tax lowered? Was a qualified
14 commercial appraiser used to provide
15 another estimate? What formula was used?
16 And on the surface, the alteration in
17 anticipated projected tax is to reduce the
18 amount of the subsidy given to Plattsburgh
19 Prime via the PILOT.

20 Initially, the subsidy or tax
21 expenditure, if one prefers to that term,
22 was \$6,806,504, and with a reduced projected
23 tax of \$8,389,201, the subsidy or tax
24 giveaway is reduced to \$5,499,699 thereby
25 reducing to the public the cost to them of

1 the project.

2 According to the proposals, the
3 assessed value of the property is to remain
4 stable for 20 years at \$8,360,000. This
5 means that when the PILOT is done in 2039,
6 the assessed value will be the last figure.
7 What property remains the same for that
8 length of time?

9 The Clinton County Industrial Board
10 of Directors are obligated to pursue due
11 diligence and have a duty to exercise
12 fiduciary responsibility in the decisions
13 they make. It is advisable to have an
14 independent appraisal done of the
15 anticipated value of the property. It would
16 be prudent that you produce a written cost
17 of benefit analysis of the pros and cons of
18 the Durkee Street development so as to be
19 better able to determine what a reasonable
20 PILOT would provide in tax breaks.

21 The City of Plattsburgh commissioned
22 the Durkee Street Real Estate Market
23 Analysis and Financial Feasibility Study
24 from Camoin Associates of Saratoga, which
25 produced its analysis in 2016. However,

1 this document is dated and not valuable for
2 the Prime project as presented. Originally,
3 there was to be a larger retail/commercial
4 space and only 45 apartments, not the 114
5 currently to be constructed.

6 The stable assessed value of
7 \$8,360,000 once the PILOT is finished in
8 2039 will likely produce tax revenue less
9 than full market value and less than other
10 highly assessed properties in the City.

11 Another issue is making sure that the
12 property is immediately placed back on the
13 tax rolls prior to the tax status date so it
14 can be taxed as soon as the PILOT expires.
15 Just consider that Georgia-Pacific at 327
16 Margaret Street is assessed \$14 million. A
17 PILOT that is too sweet shortchanges other
18 property owners and renters. The recent
19 revaluation here in the City and the County
20 only apply to residential properties not
21 commercial properties. The effect of that
22 was to shift the tax burden onto the backs
23 of residential home owners and reduce the
24 burden upon commercial property. This must
25 not continue.

1 As an example of how the rush to
2 finalize all phases of the Plattsburgh Prime
3 project, the Glens Falls National Bank
4 building on Margaret Street with an assessed
5 value of \$800,000 was bought by the City
6 thereby removing this property from the tax
7 rolls. As a result, the Plattsburgh City
8 School District lost \$19,115.04 due to the
9 City's purchase.

10 No notice was provided as the
11 decision to remove the property from the tax
12 was made so to speak in the dead of night
13 without notice or opportunity for public
14 comment. This was on top of the well
15 publicized reduction in assessment value of
16 other commercial property over the years
17 from tax certiorari agreements approved by
18 the City.

19 The Durkee Street project is
20 estimated to cost \$22,700,000, but the
21 assessed value is only estimated to be
22 \$8,360,000. The Prime proposed PILOT is
23 structured as no PILOT payment during the
24 first three years, then 38.13 percent PILOT
25 as a percent of projected tax revenue, the

1 amount to be paid absent a PILOT agreement,
2 increasing gradually to 45.93 percent PILOT
3 as a percent of projected tax revenue for a
4 total percentage over 20 years of
5 38.43 PILOT percent as a percentage of
6 projected tax revenue.

7 Once again, the cost of giving this
8 tax break is \$5,499,690 or \$274,984.96 as an
9 average annual subsidy over 20 years. The
10 lost tax revenue over those 20 years is
11 \$1,596,823 for the City, \$794,290 for the
12 County, and \$3,108,586 for the Plattsburgh
13 City School District. As an alternative,
14 the Plattsburgh City School District has
15 offered a slightly different PILOT. Instead
16 of Prime paying over 20 years \$3,228,425,
17 Prime would pay \$4,944,903 over 20 years.
18 The first three years would also be no tax,
19 or \$0. This helps them developer during the
20 start up years when need is greatest. After
21 that, 31.945 percent PILOT as a percentage
22 of projected tax revenue increasing
23 gradually to 85.83 percent PILOT as a
24 percentage of projected tax revenue for a
25 total percentage over 20 years of 49.28

1 percent PILOT as a percentage of projected
2 tax revenue.

3 This proposal represents a \$3,444,298
4 cost to tax payers, instead of \$5,499,699
5 under the Prime proposal. Over 20 years,
6 Prime would pay more to the taxing
7 jurisdictions in the sum of just \$1,716,478
8 for an average of just \$85,824 per year.

9 It is hardly likely that Prime is
10 going to walk away for \$85,824 average extra
11 per year for the 20 years. The taxing
12 jurisdictions would benefit as follows: The
13 City would receive an additional \$498,374
14 think fund balance there, the County would
15 receive \$247,901 more, and the City School
16 District would benefit by \$970,202 addition
17 revenue.

18 The Durkee Street project was 114
19 apartments each containing individuals
20 earning between \$70,000 and \$100,000 will
21 bring in, assuming full occupancy, many
22 millions of dollars which will greatly
23 increase sales tax collections. The sales
24 tax receipts benefit the County and the many
25 municipalities in the County, including

1 Plattsburgh City, because the County shares
2 sales tax revenue with the City. However,
3 the School District does not receive any
4 sales tax revenue. The District uses New
5 York State education aid and the school tax
6 levy to fund its educational programming.

7 Years ago the District asked the
8 County to share sales tax revenue with
9 School Districts, but the County at that
10 time declined to do so, and probably would
11 decide the same today.

12 The District was told that Lake
13 Country Village would not have students
14 there, but there are, in fact, students from
15 there attending City schools and we're happy
16 they do so. But an additional student does
17 not generate additional revenue, but may
18 increase costs. With a large number of
19 individuals having high incomes may well
20 reduce State education aid because the
21 formula used contains an income wealth
22 component used in determining the amount of
23 aid. The CCIDA should spend more time
24 thinking through the pluses and minuses
25 committed to the PILOT requested by

1 Plattsburgh Prime.

2 Certainly another alternative would
3 be for the City, or the County, or both, to
4 find a way to hold the District harmless by
5 sharing some of their additional revenue
6 from their portion of the PILOT or a share
7 of sales tax. Remember also that Prime is
8 also asking for sales tax and mortgage
9 recording tax exemptions, not to mention
10 receiving the Durkee Street lot for the
11 princely sum of \$1.

12 There is one more possible issue that
13 should be explored by the CCIDA Board of
14 Directors. The application from Prime
15 contained the information that the Durkee
16 Street location was in an Opportunity Zone.
17 It is also a Qualified Opportunity Zone.
18 The Opportunity Zone Community development
19 program created by the Tax Cut and Jobs Act
20 of 2017 is a federal program to encourage
21 private investment in low income urban and
22 rural communities through generous tax
23 breaks. Investors must invest in a
24 qualified opportunity Fund holding at least
25 90 percent of its assets in a Qualified

1 Opportunity Zone Property. The incentives
2 encouraging such a fund include temporarily
3 deferring inclusion in gross income of
4 capital gains an individual received from
5 other investments. This means no taxes on
6 those profits for the duration of the fund
7 or its investment in an Opportunity Zone.

8 Investors can permanently exclude
9 capital gains from the sale or exchange of
10 an investment in a qualified opportunity
11 fund held for more than ten years. In sum,
12 there is deferral or exclusion of capital
13 gains from both federal income and New York
14 State taxable income. Specifically, if the
15 investment is held for five years, the
16 capital gains liability is reduced by ten
17 percent and for seven years by 15 percent.
18 And after ten years, taxes are reduced
19 100 percent, or to zero.

20 Plattsburgh census track 36019101300
21 is a Qualified Opportunity Zone. The
22 question, therefore, is will the Plattsburgh
23 Prime development utilize an Opportunity
24 Zone fund for the Durkee Street project?
25 Certainty this is the type of information

1 that the CCIDA Board of Directors should
2 know because it may indicate the need to
3 alter the PILOT's generosity and to increase
4 payments to the City, County, and School
5 District.

6 Thank you for the opportunity.
7 Submit this statement of opposition of the
8 proposed PILOT by prime. Thank you very
9 much.

10 RENEE McFARLAN: Thank you.

11 COLIN READ: I'd like to make a few
12 comments. I'm Colin Read. I live at 153
13 Cornelia Street. I'm the Mayor of the City
14 of Plattsburgh. I am overjoyed that we
15 could have this level of investment in our
16 City. I stipulate that many of the
17 concerns, and numbers, and facts, and
18 figures are accurate. I think we're looking
19 at the wrong side of this coin, though.

20 For me, what's really -- I like the
21 term PILOT. Of course, it's an acronym for
22 Payment in Lieu of Taxes. But to an
23 aviation mechanic, a pilot is a hole you
24 drill to guide future work. And this is
25 really what we're doing. We're trying to

1 guide future investment in the City of
2 Plattsburgh likes it's never occurred
3 before. By the time this is fully on the
4 tax pace, I think it may well be the first
5 or second largest entity paying taxes in the
6 City of Plattsburgh, and I welcome that.
7 But the most important thing is I think this
8 is going to be a catalyst. That's why
9 PILOTs are created. They realize that the
10 value created is beyond just the initial
11 investment, but it hopes and begs for
12 something else.

13 I think what the something else are
14 that have to part of this equation are the
15 114 new families that are going to be living
16 downtown, spending their money, generating
17 more income for our community, and acting as
18 a magnet for other developers that see, hey,
19 that can work in the City of Plattsburgh as
20 well. I think it's a catalyst that needs to
21 be encouraged because this is the County
22 that's taking the risk for the very first
23 time. It's going to be much easier to come
24 in, the second, third, fourth, and fifth
25 developer once it sees the success of this

1 first one, which I really fully believe that
2 they will. And I believe that this company,
3 these individuals, have certainly done a
4 hard look at the numbers and are making an
5 investment. Hopefully they're going to make
6 a profit, and I trust they will because I
7 think they're astute investors. But what
8 we're really trying to capture in this
9 community, and they're not going to be able
10 to capture in their development, is all of
11 the various multipliers that will occur.
12 Not only will those 114 households spend
13 their money locally, but I'm confident we'll
14 see more households locating to downtown
15 because of it.

16 I think that there's a confidence the
17 property tax pace for the entire City is
18 going to start rising, thus going to benefit
19 the School District as well as the City of
20 Plattsburgh. And the issue isn't so much
21 whether we can figure out a way to collect
22 more taxes from the people here. I'd like
23 to figure out a way to collect less taxes
24 from individuals here by having more people
25 come to the City of Plattsburgh, arrest our

1 slight population decline in this decade,
2 and start entering into a phase that this
3 City has not seen -- well, I think, forever.
4 This is going to be the single biggest
5 development that the City of Plattsburgh has
6 seen in recent memory.

7 And there are other large
8 cooperations in the City that have also
9 received similar encouragements to come, but
10 very few attract with them the types of
11 households and individuals that I think are
12 going to join us. There are other entities,
13 nonprofit entities, that we subsidized
14 greatly because we see all the various
15 multiplier effects that come along with
16 them.

17 You could look at SUNY Plattsburgh.
18 The Hospital. Even the School District
19 itself doesn't pay taxes because we
20 recognize this is something that goes well
21 beyond their ability to pay taxes. They're
22 going to educate our children or take care
23 of our health needs at the hospital.

24 So these are the types of things we
25 need to encourage. This is the first entity

1 you referenced just half of the lawsuit.
2 There's another part of that lawsuit that
3 has been settled and has nothing to do with
4 this project. So I just wanted to get that
5 out there as well. Thank you.

6 RENEE McFARLAN: Thank you. Would
7 you like to approach the microphone again?

8 ROD SHERMAN: After hearing the Mayor
9 speak, he just emphasized all the things he
10 said in the paper. And I'm pleased that
11 he's doing that. The people in the County
12 and City do not understand a School District
13 tax cap.

14 Our levy, the Plattsburgh City School
15 District this year is \$23 million. \$110,000
16 -- \$147,000, sorry. That's our levy. We
17 cannot raise the levy. If all of a sudden
18 the property in the City of Plattsburgh
19 doubled, the value of the property in the
20 City of Plattsburgh doubled, we cannot raise
21 our levy above that, except for the
22 2 percent, above the tax cap. The cap is on
23 that amount of money. Doesn't matter how
24 much this goes up down here. How much
25 assessed value happens down here on Durkee

1 Street. We can only raise that much levy.
2 It is not a tax cap on our tax rate. It's
3 on the levy.

4 So all these other good things don't
5 help us. It hurts us, as I said. When you
6 raise the property value in the City, it
7 makes our combined wealth rate go higher,
8 which gives us less state aid. We need a
9 piece of that. We need a larger share of
10 the PILOT. Thank you.

11 THE COURT: Thank you.

12 FRED WACHTMEISTER: May I?

13 RENEE McFARLAN: Yes, you may.

14 FRED WACHTMEISTER: Thank you. It
15 will take just a minute and I will not talk
16 as long as I did. I would just like to
17 say -- and I appreciate the Mayor's comments
18 relative to the fact that the City School
19 District does not pay property tax, but
20 neither does the County. The City doesn't
21 pay the City School District property tax.
22 The federal government doesn't pay property
23 tax. Most of those that are charitable
24 organizations are governed by tax laws set
25 by the federal government, and State, and

1 they are exempt from taxes. The only time
2 there was an exception here where an
3 entity -- three entities received a tax
4 break for being charitable was Lake Forest,
5 Pine Harbor, and the Vilas Home. The City
6 School District and the City at that time
7 under Mayor Kasprzak went to court and those
8 entities now are delivering property tax
9 revenue to the City School District, the
10 City, and the County. We appreciate the
11 thought, but we would not be paying it
12 anyway. So thank you very much.

13 RENEE McFARLAN: Thank you. If there
14 are no further comments, I will close this
15 public hearing at 6:54 p.m. Thank you.

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PLATTSBURGH CITY SCHOOL DISTRICT

Jay Lebrun

Superintendent of Schools

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Plattsburgh, NY 12901
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August 2, 2019

Board of Directors
Clinton County Industrial Development Agency
c/o Renee McFarlin, Executive Director
137 Margaret St., Suite 209
Plattsburgh, NY 12901

Dear Ms. McFarlin:

I have prepared this correspondence on behalf of the Plattsburgh City School District Board of Education, and we respectfully request that this be included in the official record for the proposed PILOT for PRIME Plattsburgh, LLC.

The Board of Education supports economic growth in the City of Plattsburgh, and recognizes that financial incentives are sometimes a necessary tool of economic development. Whereas the Board of Education has, at times in the past, objected outright to the granting of certain PILOTS, the increased economic activity which may be created by the PRIME Plattsburgh, LLC development, including the introduction of many new resident is acknowledged, and the concept of a PILOT in this matter is one which the Board supports. At the same time, however, the Board of Education also recognizes its role as advocate for the taxpaying constituents of the City of Plattsburgh, and as such, believes strongly that the degree of proposed tax abatement is simply too great. The shifting of a projected 67% of PRIME's tax responsibility over a 20 year period cannot be supported by the Board of Education, and we encourage, respectfully, the Industrial Development Authority Board of Directors to consider a somewhat more modest PILOT – ideally featuring an abatement schedule which might instead reflect an average of 50% abatement... and over a lesser duration than the requested 20 years.

The direct job creation associated with this proposed development is negligible. Further, while the introduction of new residents into the City of Plattsburgh should certainly create some degree of increased economic activity, it must be remembered that such will also create an increased demand of public services (police, fire, municipal infrastructure, public education, etc.).

As PRIME Plattsburgh, LLC's development efforts are already being assisted by the transfer of public land to a private interest, and by the conveyance of a substantial sum from the Downtown Revitalization Initiative (DRI) grant, a somewhat lesser PILOT than the developer

MISSION

Our mission is to educate each student of the Plattsburgh City School District by creating challenging, supportive, and interactive learning

that advances intellectual, physical, social, and cultural development.

has proposed is surely justifiable. The taxpaying citizenry should not, to the degree proposed, be made to subsidize the profits of a private corporation. We urge the CCIDA Board of Directors to instead focus on mortgage recording tax forgiveness and/or sales tax exemption – and if these incentives are also being requested and considered, then surely there is already sufficient financial incentive for the developer, and a more modest PILOT should be acceptable.

The Board of Education will continue to advocate for the taxpayers of the City of Plattsburgh, and to raise objections when it believes that overly-generous economic development incentives will inappropriately concentrate the burden upon our constituents. We therefore urge to the CCIDA Board to consider a more reasonable PILOT – both in the amount of tax abatement and in duration.

As always, we thank the CCIDA for its consideration of the Board of Education's position, and we wish to again note and extend gratitude for Ms. McFarlin's continued availability and information sharing.

With thanks, and on behalf of the Board of Education,



Jay Lebrun
Superintendent of Schools

MISSION

Our mission is to educate each student of the Plattsburgh City School District by creating challenging, supportive, and interactive learning that advances intellectual, physical, social, and cultural development.

Notes for presentation to Clinton County IDA

August 5, 2019

Roderick Sherman

27 Morrison Ave

Plattsburgh

Phone: 518 569-4366

Email: rsherman@westelcom.com

1. Disclosure and Background

- Member of PCSD BOE
- Teacher in district for 45 years and union president for 39-very familiar with school finance in Plattsburgh and NYS
- Not speaking on behalf of the Board of Education but speaking to issues that can help me, as a board member, make decisions in the future.
- I am not here to speak for or against the DRI but to only address the PILOT
- Study of PILOTs reported in the Comptroller's Annual Reports from 2011 to 2016
- Findings and Summary
 - Note that for Clinton County the PILOTS actually exceeded the Gross Tax Exemptions (Pgs. 1 and 2)
 - Places where Prime has many projects:
 - City of Cohoes PILOTS ranged from 45.44% to above 100% of Exemptions with an average of 58.13% of Exemptions (Pg. 3)
 - Saratoga county PILOTS ranged from 26.12% to 85.48% with a 6-year average 47.80% (Pg. 3)

2. IDA PILOT Process/decision-making

- Proposed PILOT only pays 34% of the total property taxes over the 20-year period (66% property tax forgiveness) (Pg. 4)
- What happened to the PILOT estimate considered in the fall that showed 65% PILOT payment over 20 years with no exemption starting with year 16? (Pg. 5)
- Focus on City and County finances

- *“Total output will rise by about \$6,000,000 annually. Full and limited service restaurants garner over \$300,000 annually, the hospital and physicians almost \$800,000, and local retail, including such shops as the Co-op accrue more than \$335,000 annually....This influx permits property taxes to fall as state and local governments accrue an addition \$1,000,000 annually”—Mayor Colin Read, Press Republican, August 2, 2019*
 - *“I think we’re going to lose something like \$8,000 or \$10,000 in tax revenue from the Glens Falls National Bank, but we’re going to be generating tens of thousands of dollars of new revenue...” “It’s all of the various multiplier effects that start occurring around it.” Mayor Read, Press Republican, August 2, 2019*
- Glens Falls National Bank lost tax revenue in 2019 is \$9,883 for City, \$4,916 for County and \$19,239 for the school district. (Pg. 6)
- What is left out of the discussion is that this influx of revenue and the multiplier effect do not generate any revenue for the school district. We do not receive any of the sales tax revenue. We pay the price of the forgiven tax obligation for Prime but get nothing in return.

3. School District Cost

- PILOT forgiveness is \$203,042 for the school district in year one and over the 20-year period that amounts to \$3,305,661. (Pg. 4)
- Cost to City School District Taxpayers for the year 2020 would be: (Pg. 7)
 - \$100,000 assessed value home \$20.90 20 years \$340.59
 - \$150,000 assessed value home \$31.38 - 20 years \$510.89
 - \$200,000 assessed value home \$41.84 – 29 years \$681.18
- If property values and incomes go up this does not generate more revenue for the school district. Our tax cap is on the entire pool of school tax collected, the total tax levy. What those two factors actually do, is raise our combined income and property wealth ratio per pupil which lowers our state aid.
- Tax Cap on total district levy
 - Takes 60% vote of public for the district to exceed the cap

- For city it takes 4 of 6 councilors (same as budget approval)

4. Proposal

- Look at 100% and 85% of PILOT to PCSD.
 - The 85% (10 city and 5 county) gives to the city and county a PILOT that exceeds the loss in property tax on the GFNB property (Pg. 6) and county and city get 100% of the benefits of the increases in sales tax revenue. (Pg. 8a-b)
 - The 100% of PILOT to PCSD fails to make up that tax loss on GFNB for the City and County. (Pg. 9a-b)
 - I think the correct percentage for the School District is somewhere in between 85% and 100%. A percentage that makes the city and county whole on the GFNB lost tax revenue would be a fair compromise.
- Statements have been made that reflect this thinking: Durkee Street parking lot now has a \$0 property tax revenue for all entities any PILOT that off-sets the loss on GFNB is a win.

5. Questions about PRIME

- What were the percentages of tax forgiveness that were afforded them on the projects that they referenced in their proposal (Pg. 10) to the City of Plattsburgh? (Pgs. 11-14)
- Point out PARIS Cohoes (Pg. 15) Hudson Square project (Pg. 14)
- What are they seeking on their most recent proposal in Cohoes? (Pg. 16)
- What caused the lawsuit on their development at the Saratoga Luxury Hotel? What is the status? If settled details? (Pgs. 17-20)

6. Environmental Impact

- There is a lot of old building rubble under the current parking lot and who knows what else.

7. Thank you

2

Project Count Total Gross Tax Exemptions Total PILOTs Net Tax Exemptions* PILOT as % of Total Exemptions (% of Taxes paid) Net Tax Exemption as % of Total Exemptions (% of Taxes exempted) Estimated Jobs to be Created Net Exemption/Job

New York State (Excluding NYC)								
Median IDA	20	\$ 3,566,218	\$ 1,414,166	\$ 2,152,052	39.65%	60.35%	600	\$ 3,587
Average per IDA	38	\$ 9,962,595	\$ 4,216,444	\$ 5,746,151	42.37%	57.68%	2155	\$ 2,666
Total	4023	\$ 1,056,035,112	\$ 446,943,092	\$ 609,092,021	42.32%	57.68%	156456	\$ 3,893

2016								
GROUP TOTAL/SUMMARY	651	\$ 194,617,353	\$ 75,403,560	\$ 119,213,793	38.74%	61.26%	30684.4	\$ 3,885
Clinton County	23	\$ 1,410,814	\$ 3,697,246	\$ (2,286,432)	262.06%	-162.06%	1019	\$ (2,241)
New York City	430	\$ 294,728,379	\$ 153,777,355	\$ 140,951,024	52.18%	47.82%	82783	\$ 1,703
New York State (Excluding NYC)	20	\$ 3,751,821	\$ 1,451,737	\$ 2,300,084	38.69%	61.31%	574	\$ 4,007
Median IDA	38	\$ 9,951,050	\$ 4,228,873	\$ 5,722,177	42.50%	57.50%	1414	\$ 4,047
Average per IDA	4021	\$ 1,026,242,396	\$ 452,489,445	\$ 573,752,951	44.09%	55.91%	151255	\$ 3,793
Total								

2017								
GROUP TOTAL/SUMMARY	671	\$ 222,998,263	\$ 85,306,680	\$ 137,691,583	38.25%	61.75%	29141	\$ 4,725
Clinton County	14	\$ 1,282,374	\$ 3,619,817	\$ (2,337,443)	282.27%	-182.77%	161	\$ (14,518)
New York City	393	\$ 284,609,767	\$ 185,168,902	\$ 99,440,865	65.06%	34.94%	81025	\$ 1,227
New York State (Excluding NYC)	18	\$ 4,003,724	\$ 1,307,290	\$ 2,696,434	32.65%	67.35%	592	\$ 4,555
Median IDA	38	\$ 10,452,725	\$ 4,307,257	\$ 6,145,468	41.21%	58.79%	1367	\$ 4,496
Average per IDA	3992	\$ 1,107,988,814	\$ 456,569,259	\$ 651,419,555	41.21%	58.79%	144861	\$ 4,497
Total								

* A negative net exemption reflects current PILOTs that exceed current gross tax exemptions.
 NA - Not Applicable
 Total Gross Tax Exemptions - Could reflect the total amount of tax exemptions and may include real property tax, mortgage recording tax and sales tax exemptions received on an annual basis, I took the difference of the two previous columns.
 PILOTs - Payments in lieu of taxes.
 Net Tax Exemptions - This is the amount of annual total tax exemptions less annual PILOTs.
 Cost per Job Gained - These data capture the annual cost of the cumulative job gain.

IDA Location	Project Count	Total Gross Tax Exemptions	Total PILOTS	Net Tax		PILOT as % of Total Exemptions* (Gross-PILOT)		PILOT as % Exemption of Total Exemptions Total (% of Taxes paid)		Estimated Jobs to be Created	Net Exemption/Job
				Exemptions*	(Gross-PILOT)	% of Taxes paid	% of Taxes exempted)				
2011 City of Cohoes	10	\$ 3,603,059	\$ 1,637,053	\$ 1,966,006	45.44%	54.56%	135	\$ 14,563			
2012 City of Cohoes	8	\$ 1,381,515	\$ 1,599,170	\$ (217,655)	115.75%	-15.75%	115	\$ (1,893)			
2013 City of Cohoes	7	\$ 2,563,102	\$ 1,637,688	\$ 925,414	63.89%	36.11%	35	\$ 26,440			
2014 City of Cohoes	10	\$ 3,628,741	\$ 1,999,133	\$ 1,629,608	55.09%	44.91%	49	\$ 33,257			
2015 City of Cohoes	10	\$ 4,022,094	\$ 2,067,434	\$ 1,954,660	51.40%	48.60%	49	\$ 39,891			
2016 City of Cohoes	9	\$ 3,751,821	\$ 2,075,368	\$ 1,676,453	55.32%	44.68%	29	\$ 57,809			
Total		\$ 18,950,332	\$ 11,015,846	\$ 7,934,486	58.13%	41.87%					

IDA Location	Project Count	Total Gross Tax Exemptions	Total PILOTS	Net Tax		PILOT as % of Total Exemptions* (Gross-PILOT)		PILOT as % Exemption of Total Exemptions Total (% of Taxes paid)		Estimated Jobs to be Created	Net Exemption/Job
				Exemptions*	(Gross-PILOT)	% of Taxes paid	% of Taxes exempted]				
2011 Saratoga County	30	\$ 34,545,262	\$ 9,022,698	\$ 25,522,564	26.12%	73.88%	1,904	\$ 13,405			
2012 Saratoga County	27	\$ 20,519,939	\$ 13,443,838	\$ 7,076,101	65.52%	34.48%	1,748	\$ 4,048			
2013 Saratoga County	28	\$ 29,941,826	\$ 13,560,467	\$ 16,381,359	45.29%	54.71%	2,335	\$ 7,016			
2014 Saratoga County	27	\$ 40,143,720	\$ 14,128,136	\$ 26,015,584	35.19%	64.81%	2,167	\$ 12,005			
2015 Saratoga County	31	\$ 22,605,712	\$ 14,445,972	\$ 8,159,740	63.90%	36.10%	2,213	\$ 3,687			
2016 Saratoga County	37	\$ 15,985,397	\$ 13,664,292	\$ 2,321,105	85.48%	14.52%	2,436	\$ 953			
Total		\$ 163,741,856	\$ 78,265,403	\$ 85,476,453	47.80%	52.20%					

Estimated Durkee Street PILOT (Type III) Benefit

Estimated Project Cost	\$20,000,000.00	Hodgson Russ Fees	\$20,000.00			
Estimated Assessed Value	\$10,000,000.00					
IDA Fee	\$150,000.00					
2018 Tax on Assessed Value of Expansion	\$410,000.00	Prime's Net Project Benefit	\$2,962,709.63			
Tax Rate Increase	2.00%					
PILOT Year	Tax Year	Projected Tax	Percentage of Exemption	Benefit to Prime	PILOT	Prime Proposed PILOT
1	2019	\$418,200.00	100%	\$418,200.00	\$0.00	\$0.00
2	2020	\$426,564.00	100%	\$426,564.00	\$0.00	\$0.00
3	2021	\$435,095.28	100%	\$435,095.28	\$0.00	\$0.00
4	2022	\$443,797.19	100%	\$443,797.19	\$0.00	\$139,700.00
5	2023	\$452,673.13	100%	\$452,673.13	\$0.00	\$139,700.00
6	2024	\$461,726.59	50%	\$230,863.30	\$230,863.30	\$166,730.00
7	2025	\$470,961.12	45%	\$211,932.51	\$259,028.62	\$166,730.00
8	2026	\$480,380.35	40%	\$192,152.14	\$288,228.21	\$166,730.00
9	2027	\$489,987.95	35%	\$171,495.78	\$318,492.17	\$166,730.00
10	2028	\$499,787.71	30%	\$149,936.31	\$349,851.40	\$166,730.00
11	2029	\$509,783.47	25%	\$127,445.87	\$382,337.60	\$192,030.00
12	2030	\$519,979.14	20%	\$103,995.83	\$415,983.31	\$192,030.00
13	2031	\$530,378.72	15%	\$79,556.81	\$450,821.91	\$192,030.00
14	2032	\$540,986.29	10%	\$54,098.63	\$486,887.66	\$192,030.00
15	2033	\$551,806.02	5%	\$27,590.30	\$524,215.72	\$192,030.00
16	2034	\$562,842.14	0%	\$0.00	\$562,842.14	\$231,045.00
17	2035	\$574,098.98	0%	\$0.00	\$574,098.98	\$231,045.00
18	2036	\$585,580.96	0%	\$0.00	\$585,580.96	\$231,045.00
19	2037	\$597,292.58	0%	\$0.00	\$597,292.58	\$231,045.00
20	2038	\$609,238.43	0%	\$0.00	\$609,238.43	\$231,045.00
Total PILOT Benefit				\$3,132,709.63	\$6,635,762.99	\$3,228,425.00

TOTAL PILOT/TOTAL

\$10,161,160.05
65.3%

added by R. Shorman

6

Glens Falls National Bank
 Margaret Street Plattsburgh
 Assessed Value 2018
 \$ 808,000.00

Estimated Tax

Year	City Tax Rate/1,000	County Tax Rate/1,000	School Tax Rate/1,000	City Tax	County Tax	School Tax	
Year 1	2018	\$ 11.9915	\$ 5.9648	\$ 23.3442	\$9,689	\$4,820	\$18,862
Year 2	2019	\$ 12.2313	\$ 6.0841	\$ 23.8111	\$9,883	\$4,916	\$19,239
Year 3	2020	\$ 12.4759	\$ 6.2058	\$ 24.2873	\$10,081	\$5,014	\$19,624
Year 4	2021	\$ 12.7255	\$ 6.3299	\$ 24.7731	\$10,282	\$5,115	\$20,017
Year 5	2022	\$ 12.9800	\$ 6.4565	\$ 25.2685	\$10,488	\$5,217	\$20,417
Year 6	2023	\$ 13.2396	\$ 6.5856	\$ 25.7739	\$10,698	\$5,321	\$20,825
Year 7	2024	\$ 13.5044	\$ 6.7173	\$ 26.2894	\$10,912	\$5,428	\$21,242
Year 8	2025	\$ 13.7744	\$ 6.8517	\$ 26.8151	\$11,130	\$5,536	\$21,667
Year 9	2026	\$ 14.0499	\$ 6.9887	\$ 27.3515	\$11,352	\$5,647	\$22,100
Year 10	2027	\$ 14.3309	\$ 7.1285	\$ 27.8985	\$11,579	\$5,760	\$22,542
Year 11	2028	\$ 14.6176	\$ 7.2710	\$ 28.4564	\$11,811	\$5,875	\$22,993
Year 12	2029	\$ 14.9099	\$ 7.4165	\$ 29.0256	\$12,047	\$5,993	\$23,453
Year 13	2030	\$ 15.2081	\$ 7.5648	\$ 29.6061	\$12,288	\$6,112	\$23,922
Year 14	2031	\$ 15.5123	\$ 7.7161	\$ 30.1982	\$12,534	\$6,235	\$24,400
Year 15	2032	\$ 15.8225	\$ 7.8704	\$ 30.8022	\$12,785	\$6,359	\$24,888
Year 16	2033	\$ 16.1390	\$ 8.0278	\$ 31.4182	\$13,040	\$6,486	\$25,386
Year 17	2034	\$ 16.4617	\$ 8.1884	\$ 32.0466	\$13,301	\$6,616	\$25,894
Year 18	2035	\$ 16.7910	\$ 8.3521	\$ 32.6875	\$13,567	\$6,749	\$26,412
Year 19	2036	\$ 17.1268	\$ 8.5192	\$ 33.3413	\$13,838	\$6,884	\$26,940
Year 20	2037	\$ 17.4693	\$ 8.6896	\$ 34.0081	\$14,115	\$7,021	\$27,479
Total				\$235,420	\$117,102	\$458,300	

Projected School Tax shift to local residents to finance the Prime Proposed PILOT

\$ 8,360,000 ← Prime Assessed Value

Year	District Levy 2% annual increase	Projected School Tax Prime rate * AV/(1000)	Proposed PILOT School (56.52% of total)	Tax Forfeiture School Tax-PILOT	Tax Forfeiture as % of District Levy	City School District Tax Rate (+2%)	Estimated Cost to off set School Tax**		Estimated Cost to off set School Tax**						
							Your School Tax	Percentage of Levy	Your School Tax	Percentage of Levy					
2019	\$ 23,310,147	← Actual 2019-20 tax Levy	\$ 203,042	\$ 203,042	0.86%	\$ 24,2873	\$ 2,429	0.010%	\$ 20.92	\$ 3,643	0.015%	\$ 31.38	\$ 4,857	0.021%	\$ 41.84
2020	\$ 23,572,350		\$ 207,103	\$ 207,103	0.86%	\$ 24,7731	\$ 2,477	0.010%	\$ 21.34	\$ 3,716	0.015%	\$ 32.01	\$ 4,955	0.021%	\$ 42.68
2021	\$ 24,043,797		\$ 211,245	\$ 211,245	0.86%	\$ 25,2685	\$ 2,577	0.010%	\$ 21.77	\$ 3,790	0.015%	\$ 32.65	\$ 5,054	0.021%	\$ 43.53
2022	\$ 24,524,673		\$ 215,470	\$ 215,470	0.88%	\$ 25,7739	\$ 2,577	0.010%	\$ 14.90	\$ 3,866	0.015%	\$ 22.35	\$ 5,155	0.021%	\$ 29.80
2023	\$ 25,015,166		\$ 219,779	\$ 219,779	0.58%	\$ 26,2994	\$ 2,629	0.010%	\$ 15.34	\$ 3,943	0.015%	\$ 23.01	\$ 5,258	0.021%	\$ 30.68
2024	\$ 25,515,470		\$ 224,175	\$ 224,175	0.54%	\$ 26,8151	\$ 2,682	0.010%	\$ 14.61	\$ 4,022	0.015%	\$ 21.92	\$ 5,363	0.021%	\$ 29.22
2025	\$ 26,025,779		\$ 228,658	\$ 228,658	0.55%	\$ 27,3515	\$ 2,735	0.010%	\$ 15.07	\$ 4,103	0.015%	\$ 22.61	\$ 5,470	0.021%	\$ 30.15
2026	\$ 26,546,295		\$ 233,231	\$ 233,231	0.56%	\$ 27,8985	\$ 2,790	0.010%	\$ 15.55	\$ 4,185	0.015%	\$ 23.32	\$ 5,580	0.021%	\$ 31.09
2027	\$ 27,077,221		\$ 237,896	\$ 237,896	0.56%	\$ 28,4564	\$ 2,846	0.010%	\$ 16.03	\$ 4,268	0.015%	\$ 24.04	\$ 5,691	0.021%	\$ 32.05
2028	\$ 27,618,765		\$ 242,654	\$ 242,654	0.57%	\$ 29,0256	\$ 2,903	0.010%	\$ 16.52	\$ 4,354	0.015%	\$ 24.77	\$ 5,805	0.021%	\$ 33.03
2029	\$ 28,171,140		\$ 247,507	\$ 247,507	0.51%	\$ 29,6061	\$ 2,961	0.010%	\$ 15.10	\$ 4,441	0.015%	\$ 22.65	\$ 5,921	0.021%	\$ 30.19
2030	\$ 28,734,563		\$ 252,457	\$ 252,457	0.52%	\$ 30,1982	\$ 3,020	0.010%	\$ 15.61	\$ 4,530	0.015%	\$ 23.41	\$ 6,040	0.021%	\$ 31.22
2031	\$ 29,309,254		\$ 257,506	\$ 257,506	0.52%	\$ 30,8022	\$ 3,080	0.010%	\$ 16.13	\$ 4,620	0.015%	\$ 24.19	\$ 6,160	0.021%	\$ 32.26
2032	\$ 29,895,439		\$ 262,656	\$ 262,656	0.53%	\$ 31,4182	\$ 3,142	0.010%	\$ 16.66	\$ 4,713	0.015%	\$ 24.99	\$ 6,284	0.021%	\$ 33.32
2033	\$ 30,493,348		\$ 267,909	\$ 267,909	0.54%	\$ 32,0466	\$ 3,205	0.010%	\$ 17.20	\$ 4,807	0.015%	\$ 25.80	\$ 6,409	0.021%	\$ 34.40
2034	\$ 31,103,215		\$ 273,268	\$ 273,268	0.54%	\$ 32,6875	\$ 3,269	0.010%	\$ 16.42	\$ 4,903	0.015%	\$ 26.64	\$ 6,538	0.021%	\$ 35.50
2035	\$ 31,725,279		\$ 278,733	\$ 278,733	0.51%	\$ 33,3413	\$ 3,334	0.010%	\$ 16.99	\$ 5,001	0.015%	\$ 27.48	\$ 6,668	0.021%	\$ 36.68
2036	\$ 32,359,785		\$ 284,308	\$ 284,308	0.52%	\$ 34,0081	\$ 3,401	0.010%	\$ 17.56	\$ 5,101	0.015%	\$ 28.34	\$ 6,802	0.021%	\$ 37.92
2038	\$ 33,006,981		\$ 289,994	\$ 289,994	0.52%	\$ 34,6883	\$ 3,469	0.010%	\$ 18.15	\$ 5,203	0.015%	\$ 29.22	\$ 6,938	0.021%	\$ 39.26
2039	\$ 34,340,463		\$ 295,794	\$ 295,794	0.53%	\$ 35,3820	\$ 3,538	0.010%	\$ 18.74	\$ 5,307	0.015%	\$ 30.12	\$ 7,076	0.021%	\$ 40.64
							20 Year total	\$ 340.59	20 year total	\$ 510.89	20 year total	\$ 681.18			

* to include City, County and School tax double the amount in this column

2% assumed increase in both Levy and tax rate.

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Estimated Dierkes Street PILOT Benefit

Estimated Project Cost	\$ 22,700,000	<-----Assumption
Estimated Assessed Value	\$ 10,000,000	<-----Assumption Estimated Assessed Value Remains the same over the 20 years

-----Assumption annual tax rate increases by this percentage for each taxing jurisdiction.

A B C D E F G H I J K L M N O P Q R S

Year/Tax	PILOT Year	Projected Tax	Prime's proposed PILOT	PILOT as a Percentage of Projected Tax Revenue	City Tax	County Tax	School Tax	City Share of PILOT	County Share of PILOT	School Share of PILOT	PILOT Cost to City	PILOT Cost to County	PILOT Cost to School District	City	County	School District	City	County	School District
Year 1	1	\$ 429,840	\$ 0.00%	\$ 124,759	\$ 62,058	\$ 64,299	\$ 247,731	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 124,759	\$ 62,058	\$ 247,731	100.0%	100.0%	100.0%	0.0%	0.0%	0.0%
Year 2	2	\$ 429,840	\$ 0.00%	\$ 124,759	\$ 64,565	\$ 65,855	\$ 247,731	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 124,759	\$ 64,565	\$ 247,731	100.0%	100.0%	100.0%	0.0%	0.0%	0.0%
Year 3	3	\$ 429,840	\$ 0.00%	\$ 124,759	\$ 64,821	\$ 67,113	\$ 247,731	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 124,759	\$ 64,821	\$ 247,731	100.0%	100.0%	100.0%	0.0%	0.0%	0.0%
Year 4	4	\$ 429,840	\$ 0.00%	\$ 124,759	\$ 65,077	\$ 69,370	\$ 247,731	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 124,759	\$ 65,077	\$ 247,731	100.0%	100.0%	100.0%	0.0%	0.0%	0.0%
Year 5	5	\$ 429,840	\$ 0.00%	\$ 124,759	\$ 65,333	\$ 71,627	\$ 247,731	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 124,759	\$ 65,333	\$ 247,731	100.0%	100.0%	100.0%	0.0%	0.0%	0.0%
Year 6	6	\$ 429,840	\$ 0.00%	\$ 124,759	\$ 65,589	\$ 73,884	\$ 247,731	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 124,759	\$ 65,589	\$ 247,731	100.0%	100.0%	100.0%	0.0%	0.0%	0.0%
Year 7	7	\$ 429,840	\$ 0.00%	\$ 124,759	\$ 65,845	\$ 76,141	\$ 247,731	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 124,759	\$ 65,845	\$ 247,731	100.0%	100.0%	100.0%	0.0%	0.0%	0.0%
Year 8	8	\$ 429,840	\$ 0.00%	\$ 124,759	\$ 66,101	\$ 78,398	\$ 247,731	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 124,759	\$ 66,101	\$ 247,731	100.0%	100.0%	100.0%	0.0%	0.0%	0.0%
Year 9	9	\$ 429,840	\$ 0.00%	\$ 124,759	\$ 66,357	\$ 80,655	\$ 247,731	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 124,759	\$ 66,357	\$ 247,731	100.0%	100.0%	100.0%	0.0%	0.0%	0.0%
Year 10	10	\$ 429,840	\$ 0.00%	\$ 124,759	\$ 66,613	\$ 82,912	\$ 247,731	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 124,759	\$ 66,613	\$ 247,731	100.0%	100.0%	100.0%	0.0%	0.0%	0.0%
Year 11	11	\$ 429,840	\$ 0.00%	\$ 124,759	\$ 66,869	\$ 85,169	\$ 247,731	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 124,759	\$ 66,869	\$ 247,731	100.0%	100.0%	100.0%	0.0%	0.0%	0.0%
Year 12	12	\$ 429,840	\$ 0.00%	\$ 124,759	\$ 67,125	\$ 87,426	\$ 247,731	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 124,759	\$ 67,125	\$ 247,731	100.0%	100.0%	100.0%	0.0%	0.0%	0.0%
Year 13	13	\$ 429,840	\$ 0.00%	\$ 124,759	\$ 67,381	\$ 89,683	\$ 247,731	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 124,759	\$ 67,381	\$ 247,731	100.0%	100.0%	100.0%	0.0%	0.0%	0.0%
Year 14	14	\$ 429,840	\$ 0.00%	\$ 124,759	\$ 67,637	\$ 91,940	\$ 247,731	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 124,759	\$ 67,637	\$ 247,731	100.0%	100.0%	100.0%	0.0%	0.0%	0.0%
Year 15	15	\$ 429,840	\$ 0.00%	\$ 124,759	\$ 67,893	\$ 94,197	\$ 247,731	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 124,759	\$ 67,893	\$ 247,731	100.0%	100.0%	100.0%	0.0%	0.0%	0.0%
Year 16	16	\$ 429,840	\$ 0.00%	\$ 124,759	\$ 68,149	\$ 96,454	\$ 247,731	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 124,759	\$ 68,149	\$ 247,731	100.0%	100.0%	100.0%	0.0%	0.0%	0.0%
Year 17	17	\$ 429,840	\$ 0.00%	\$ 124,759	\$ 68,405	\$ 98,711	\$ 247,731	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 124,759	\$ 68,405	\$ 247,731	100.0%	100.0%	100.0%	0.0%	0.0%	0.0%
Year 18	18	\$ 429,840	\$ 0.00%	\$ 124,759	\$ 68,661	\$ 100,968	\$ 247,731	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 124,759	\$ 68,661	\$ 247,731	100.0%	100.0%	100.0%	0.0%	0.0%	0.0%
Year 19	19	\$ 429,840	\$ 0.00%	\$ 124,759	\$ 68,917	\$ 103,225	\$ 247,731	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 124,759	\$ 68,917	\$ 247,731	100.0%	100.0%	100.0%	0.0%	0.0%	0.0%
Year 20	20	\$ 429,840	\$ 0.00%	\$ 124,759	\$ 69,173	\$ 105,482	\$ 247,731	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 124,759	\$ 69,173	\$ 247,731	100.0%	100.0%	100.0%	0.0%	0.0%	0.0%
TOTAL		\$ 8,596,800	\$ 0.00%	\$ 2,495,180	\$ 1,247,590	\$ 1,247,590	\$ 8,596,800	\$ 0.00%	\$ 0.00%	\$ 0.00%	\$ 2,495,180	\$ 1,247,590	\$ 8,596,800	100.0%	100.0%	100.0%	0.0%	0.0%	0.0%

Year	City Tax Rate/1,000	County Tax Rate/1,000	School Tax Rate/1,000	City % of Picta	County % of Picta	School % of Picta	Total/20
Year 1	11.991	5.985	23.344	10.00%	5.00%	95.00%	\$ 2,879,760
Year 2	12.231	6.084	24.273	10.00%	5.00%	95.00%	\$ 3,788,028.00
Year 3	12.475	6.206	24.873	10.00%	5.00%	95.00%	
Year 4	12.725	6.330	25.389	10.00%	5.00%	95.00%	
Year 5	12.980	6.455	25.774	10.00%	5.00%	95.00%	
Year 6	13.240	6.586	26.289	10.00%	5.00%	95.00%	
Year 7	13.504	6.717	26.815	10.00%	5.00%	95.00%	
Year 8	13.774	6.850	27.351	10.00%	5.00%	95.00%	
Year 9	14.051	6.989	27.898	10.00%	5.00%	95.00%	
Year 10	14.331	7.128	28.456	10.00%	5.00%	95.00%	
Year 11	14.616	7.271	29.026	10.00%	5.00%	95.00%	
Year 12	14.906	7.416	29.606	10.00%	5.00%	95.00%	
Year 13	15.201	7.565	30.198	10.00%	5.00%	95.00%	
Year 14	15.501	7.716	30.802	10.00%	5.00%	95.00%	
Year 15	15.806	7.870	31.418	10.00%	5.00%	95.00%	
Year 16	16.119	8.028	32.047	10.00%	5.00%	95.00%	
Year 17	16.442	8.189	32.689	10.00%	5.00%	95.00%	
Year 18	16.776	8.352	33.344	10.00%	5.00%	95.00%	
Year 19	17.121	8.519	34.013	10.00%	5.00%	95.00%	
Year 20	17.477	8.691	34.695	10.00%	5.00%	95.00%	

Year	City Tax	County Tax	School Tax	City % of Picta	County % of Picta	School % of Picta	Total/20
Year 1	\$ 11,991	\$ 5,985	\$ 23,344	10.00%	5.00%	95.00%	\$ 7,560,580
Year 2	\$ 12,231	\$ 6,084	\$ 24,273	10.00%	5.00%	95.00%	\$ 2,879,760
Year 3	\$ 12,475	\$ 6,206	\$ 24,873	10.00%	5.00%	95.00%	\$ 3,788,028.00
Year 4	\$ 12,725	\$ 6,330	\$ 25,389	10.00%	5.00%	95.00%	
Year 5	\$ 12,980	\$ 6,455	\$ 25,774	10.00%	5.00%	95.00%	
Year 6	\$ 13,240	\$ 6,586	\$ 26,289	10.00%	5.00%	95.00%	
Year 7	\$ 13,504	\$ 6,717	\$ 26,815	10.00%	5.00%	95.00%	
Year 8	\$ 13,774	\$ 6,850	\$ 27,351	10.00%	5.00%	95.00%	
Year 9	\$ 14,051	\$ 6,989	\$ 27,898	10.00%	5.00%	95.00%	
Year 10	\$ 14,331	\$ 7,128	\$ 28,456	10.00%	5.00%	95.00%	
Year 11	\$ 14,616	\$ 7,271	\$ 29,026	10.00%	5.00%	95.00%	
Year 12	\$ 14,906	\$ 7,416	\$ 29,606	10.00%	5.00%	95.00%	
Year 13	\$ 15,201	\$ 7,565	\$ 30,198	10.00%	5.00%	95.00%	
Year 14	\$ 15,501	\$ 7,716	\$ 30,802	10.00%	5.00%	95.00%	
Year 15	\$ 15,806	\$ 7,870	\$ 31,418	10.00%	5.00%	95.00%	
Year 16	\$ 16,119	\$ 8,028	\$ 32,047	10.00%	5.00%	95.00%	
Year 17	\$ 16,442	\$ 8,189	\$ 32,689	10.00%	5.00%	95.00%	
Year 18	\$ 16,776	\$ 8,352	\$ 33,344	10.00%	5.00%	95.00%	
Year 19	\$ 17,121	\$ 8,519	\$ 34,013	10.00%	5.00%	95.00%	
Year 20	\$ 17,477	\$ 8,691	\$ 34,695	10.00%	5.00%	95.00%	

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Year	2037	2037	2037	2037	2037	2037
Year 18	\$ 17,469	\$ 8,650	\$ 34,008	10.03%	5.00%	\$5,000
Year 19	\$ 17,819	\$ 8,863	\$ 34,588	10.03%	5.00%	\$5,000
Year 20	\$ 18,175	\$ 9,041	\$ 35,382	10.03%	5.00%	\$5,000

Year	City Tax		County Tax		School Tax		City % of		County % of		School % of	
	Rate/1,000		Rate/1,000		Rate/1,000		Total	Total	Total	Total	Total	
Year 1	2018	\$ 11,991	\$ 5,955	\$ 23,344	29.03%	14.44%	56.52%					
Year 2	2019	\$ 12,231	\$ 6,084	\$ 23,811	29.03%	14.44%	56.52%					
Year 3	2020	\$ 12,476	\$ 6,206	\$ 24,287	29.03%	14.44%	56.52%					
Year 4	2021	\$ 12,725	\$ 6,330	\$ 24,773	29.03%	14.44%	56.52%					
Year 5	2022	\$ 12,980	\$ 6,456	\$ 25,269	29.03%	14.44%	56.52%					
Year 6	2023	\$ 13,240	\$ 6,585	\$ 25,774	29.03%	14.44%	56.52%					
Year 7	2024	\$ 13,504	\$ 6,717	\$ 26,289	29.03%	14.44%	56.52%					
Year 8	2025	\$ 13,774	\$ 6,852	\$ 26,815	29.03%	14.44%	56.52%					
Year 9	2026	\$ 14,050	\$ 6,989	\$ 27,351	29.03%	14.44%	56.52%					
Year 10	2027	\$ 14,331	\$ 7,128	\$ 27,898	29.03%	14.44%	56.52%					
Year 11	2028	\$ 14,618	\$ 7,271	\$ 28,456	29.03%	14.44%	56.52%					
Year 12	2029	\$ 14,910	\$ 7,416	\$ 29,026	29.03%	14.44%	56.52%					
Year 13	2030	\$ 15,208	\$ 7,565	\$ 29,606	29.03%	14.44%	56.52%					
Year 14	2031	\$ 15,512	\$ 7,716	\$ 30,196	29.03%	14.44%	56.52%					
Year 15	2032	\$ 15,823	\$ 7,870	\$ 30,802	29.03%	14.44%	56.52%					
Year 16	2033	\$ 16,139	\$ 8,028	\$ 31,418	29.03%	14.44%	56.52%					
Year 17	2034	\$ 16,462	\$ 8,189	\$ 32,047	29.03%	14.44%	56.52%					
Year 18	2035	\$ 16,791	\$ 8,352	\$ 32,688	29.03%	14.44%	56.52%					
Year 19	2036	\$ 17,127	\$ 8,519	\$ 33,341	29.03%	14.44%	56.52%					
Year 20	2037	\$ 17,469	\$ 8,690	\$ 34,008	29.03%	14.44%	56.52%					
Year 20	2038	\$ 18,175	\$ 9,041	\$ 35,302	29.03%	14.44%	56.52%					

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Estimated Durkee Street PILOT Benefit

Estimated Project Cost	\$ 22,700,000
Estimated Assessed Value	\$ 8,950,000

← Assumption
← Assumption Estimated Assessed Value Remains the same over the 20 years

Tax Rate Annual Increase	2.00%
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← Assumption annual tax rate increases by this percentage for each taxing jurisdiction.

100% of PILOT to PCSD

Effective Tax Discount Pilot as percent of tax bill

Year/Tax Year	PILoT Projected Tax	Prime's proposed PILOT	PILoT as a Percentage of Projected Tax Revenue	City Tax		County Tax		School Tax		City Share of PILOT	County Share of PILOT	School Share of PILOT	PILoT Cost to City	PILoT Cost to County	PILoT Cost to School District	City	County	School District	City	County	School District
				Rate/1,000	Rate/1,000	Rate/1,000	City % of Pilot	County % of Pilot	School % of Pilot												
Year 1	\$ 369,221	\$ -	0.00%	\$ 100,249	\$ 49,856	\$ 155,158	-	-	-	-	-	\$ -	\$ -	\$ -	100.0%	100.0%	100.0%	0.0%	0.0%	0.0%	
Year 2	\$ 366,405	\$ -	0.00%	\$ 102,254	\$ 50,859	\$ 159,061	-	-	-	-	-	\$ -	\$ -	\$ -	100.0%	100.0%	100.0%	0.0%	0.0%	0.0%	
Year 3	\$ 373,723	\$ -	0.00%	\$ 104,259	\$ 51,862	\$ 163,062	-	-	-	-	-	\$ -	\$ -	\$ -	100.0%	100.0%	100.0%	0.0%	0.0%	0.0%	
Year 4	\$ 381,208	\$ 125,400	32.53%	\$ 106,265	\$ 52,818	\$ 167,082	-	-	-	-	-	\$ -	\$ -	\$ -	100.0%	100.0%	100.0%	0.0%	0.0%	0.0%	
Year 5	\$ 388,872	\$ 125,400	32.25%	\$ 108,513	\$ 53,976	\$ 171,245	-	-	-	-	-	\$ -	\$ -	\$ -	100.0%	100.0%	100.0%	0.0%	0.0%	0.0%	
Year 6	\$ 396,609	\$ 145,598	36.44%	\$ 110,683	\$ 55,056	\$ 175,479	-	-	-	-	-	\$ -	\$ -	\$ -	100.0%	100.0%	100.0%	0.0%	0.0%	0.0%	
Year 7	\$ 404,541	\$ 145,598	36.02%	\$ 112,856	\$ 56,157	\$ 179,779	-	-	-	-	-	\$ -	\$ -	\$ -	100.0%	100.0%	100.0%	0.0%	0.0%	0.0%	
Year 8	\$ 412,652	\$ 145,598	34.92%	\$ 115,154	\$ 57,280	\$ 184,175	-	-	-	-	-	\$ -	\$ -	\$ -	100.0%	100.0%	100.0%	0.0%	0.0%	0.0%	
Year 9	\$ 420,885	\$ 145,598	34.27%	\$ 117,457	\$ 58,426	\$ 188,658	-	-	-	-	-	\$ -	\$ -	\$ -	100.0%	100.0%	100.0%	0.0%	0.0%	0.0%	
Year 10	\$ 429,302	\$ 145,598	33.54%	\$ 119,807	\$ 59,594	\$ 193,231	-	-	-	-	-	\$ -	\$ -	\$ -	100.0%	100.0%	100.0%	0.0%	0.0%	0.0%	
Year 11	\$ 437,888	\$ 178,647	40.00%	\$ 122,203	\$ 60,785	\$ 197,986	-	-	-	-	-	\$ -	\$ -	\$ -	100.0%	100.0%	100.0%	0.0%	0.0%	0.0%	
Year 12	\$ 446,646	\$ 178,647	40.00%	\$ 124,647	\$ 62,002	\$ 202,859	-	-	-	-	-	\$ -	\$ -	\$ -	100.0%	100.0%	100.0%	0.0%	0.0%	0.0%	
Year 13	\$ 455,579	\$ 178,647	39.21%	\$ 127,140	\$ 63,242	\$ 207,807	-	-	-	-	-	\$ -	\$ -	\$ -	100.0%	100.0%	100.0%	0.0%	0.0%	0.0%	
Year 14	\$ 464,681	\$ 178,647	38.44%	\$ 129,683	\$ 64,507	\$ 212,906	-	-	-	-	-	\$ -	\$ -	\$ -	100.0%	100.0%	100.0%	0.0%	0.0%	0.0%	
Year 15	\$ 473,984	\$ 178,647	37.69%	\$ 132,276	\$ 65,797	\$ 218,105	-	-	-	-	-	\$ -	\$ -	\$ -	100.0%	100.0%	100.0%	0.0%	0.0%	0.0%	
Year 16	\$ 483,484	\$ 201,447	41.67%	\$ 134,922	\$ 67,113	\$ 223,566	-	-	-	-	-	\$ -	\$ -	\$ -	100.0%	100.0%	100.0%	0.0%	0.0%	0.0%	
Year 17	\$ 493,133	\$ 201,447	40.65%	\$ 137,620	\$ 68,455	\$ 229,199	-	-	-	-	-	\$ -	\$ -	\$ -	100.0%	100.0%	100.0%	0.0%	0.0%	0.0%	
Year 18	\$ 502,996	\$ 201,447	40.05%	\$ 140,373	\$ 69,824	\$ 235,028	-	-	-	-	-	\$ -	\$ -	\$ -	100.0%	100.0%	100.0%	0.0%	0.0%	0.0%	
Year 19	\$ 513,056	\$ 201,447	39.26%	\$ 143,180	\$ 71,220	\$ 241,008	-	-	-	-	-	\$ -	\$ -	\$ -	100.0%	100.0%	100.0%	0.0%	0.0%	0.0%	
Year 20	\$ 523,317	\$ 201,447	38.49%	\$ 146,044	\$ 72,645	\$ 247,308	-	-	-	-	-	\$ -	\$ -	\$ -	100.0%	100.0%	100.0%	0.0%	0.0%	0.0%	
TOTAL	\$ 9,728,724	\$ 2,879,750	32.59%	\$ 2,435,782	\$ 1,211,604	\$ 4,741,914	-	-	-	-	-	\$ -	\$ -	\$ -	100.0%	100.0%	100.0%	0.0%	0.0%	0.0%	

Tax rates (Per \$1000)

Year	City Tax Rate/1,000	County Tax Rate/1,000	School Tax Rate/1,000	City % of Pilot	County % of Pilot	School % of Pilot
Year 1	\$ 11,991	\$ 5,965	\$ 23,344	0.00%	0.00%	100.00%
Year 2	\$ 12,231	\$ 6,034	\$ 23,811	0.00%	0.00%	100.00%
Year 3	\$ 12,476	\$ 6,106	\$ 24,287	0.00%	0.00%	100.00%
Year 4	\$ 12,725	\$ 6,180	\$ 24,773	0.00%	0.00%	100.00%
Year 5	\$ 12,980	\$ 6,256	\$ 25,269	0.00%	0.00%	100.00%
Year 6	\$ 13,240	\$ 6,335	\$ 25,774	0.00%	0.00%	100.00%
Year 7	\$ 13,504	\$ 6,417	\$ 26,289	0.00%	0.00%	100.00%
Year 8	\$ 13,774	\$ 6,502	\$ 26,815	0.00%	0.00%	100.00%
Year 9	\$ 14,050	\$ 6,589	\$ 27,351	0.00%	0.00%	100.00%
Year 10	\$ 14,331	\$ 6,679	\$ 27,898	0.00%	0.00%	100.00%
Year 11	\$ 14,618	\$ 6,771	\$ 28,456	0.00%	0.00%	100.00%
Year 12	\$ 14,910	\$ 6,865	\$ 29,026	0.00%	0.00%	100.00%
Year 13	\$ 15,208	\$ 6,961	\$ 29,608	0.00%	0.00%	100.00%
Year 14	\$ 15,511	\$ 7,059	\$ 30,199	0.00%	0.00%	100.00%
Year 15	\$ 15,823	\$ 7,159	\$ 30,802	0.00%	0.00%	100.00%
Year 16	\$ 16,139	\$ 7,261	\$ 31,418	0.00%	0.00%	100.00%
Year 17	\$ 16,462	\$ 7,365	\$ 32,047	0.00%	0.00%	100.00%
Year 18	\$ 16,791	\$ 7,471	\$ 32,688	0.00%	0.00%	100.00%

Cost to all Taxpayers

Total PILOT	\$ 5,509,441
Total/20	\$ 2,754,720

Average Annual Cost

Total PILOT	\$ 2,879,750
Total/20	\$ 1,439,875

96

Year	Rate/1,000	County Tax Rate/1,000	School Tax Rate/1,000	City % of Total	County % of Total	School % of Total
Year 19	2036	17,177	8,519	33,341	0.00%	100.00%
Year 20	2037	17,469	8,690	34,008	0.00%	100.00%
Year 20	2037	17,819	8,868	34,688	0.00%	100.00%
Year 20	2037	18,175	9,044	35,382	0.00%	100.00%

Year	City Tax Rate/1,000			County Tax Rate/1,000			School Tax Rate/1,000			City % of Total	County % of Total	School % of Total
	Rate/1,000	Rate/1,000	Rate/1,000	Rate/1,000	Rate/1,000	Rate/1,000	Rate/1,000	Rate/1,000				
Year 1	2018	11,991	5,965	23,344	29.03%	14.4%	56.5%	29.03%	14.4%	56.5%		
Year 2	2019	12,231	6,084	24,811	29.03%	14.4%	56.5%	29.03%	14.4%	56.5%		
Year 3	2020	12,476	6,205	24,787	29.03%	14.4%	56.5%	29.03%	14.4%	56.5%		
Year 4	2021	12,725	6,330	24,773	29.03%	14.4%	56.5%	29.03%	14.4%	56.5%		
Year 5	2022	12,980	6,456	25,269	29.03%	14.4%	56.5%	29.03%	14.4%	56.5%		
Year 6	2023	13,240	6,586	25,774	29.03%	14.4%	56.5%	29.03%	14.4%	56.5%		
Year 7	2024	13,504	6,717	26,289	29.03%	14.4%	56.5%	29.03%	14.4%	56.5%		
Year 8	2025	13,774	6,852	26,815	29.03%	14.4%	56.5%	29.03%	14.4%	56.5%		
Year 9	2026	14,050	6,989	27,351	29.03%	14.4%	56.5%	29.03%	14.4%	56.5%		
Year 10	2027	14,331	7,128	27,898	29.03%	14.4%	56.5%	29.03%	14.4%	56.5%		
Year 11	2028	14,618	7,271	28,456	29.03%	14.4%	56.5%	29.03%	14.4%	56.5%		
Year 12	2029	14,910	7,416	29,026	29.03%	14.4%	56.5%	29.03%	14.4%	56.5%		
Year 13	2030	15,208	7,565	29,606	29.03%	14.4%	56.5%	29.03%	14.4%	56.5%		
Year 14	2031	15,512	7,716	30,198	29.03%	14.4%	56.5%	29.03%	14.4%	56.5%		
Year 15	2032	15,823	7,870	30,802	29.03%	14.4%	56.5%	29.03%	14.4%	56.5%		
Year 16	2033	16,139	8,028	31,418	29.03%	14.4%	56.5%	29.03%	14.4%	56.5%		
Year 17	2034	16,462	8,188	32,047	29.03%	14.4%	56.5%	29.03%	14.4%	56.5%		
Year 18	2035	16,791	8,352	32,688	29.03%	14.4%	56.5%	29.03%	14.4%	56.5%		
Year 19	2036	17,127	8,519	33,341	29.03%	14.4%	56.5%	29.03%	14.4%	56.5%		
Year 20	2037	17,469	8,690	34,008	29.03%	14.4%	56.5%	29.03%	14.4%	56.5%		
Year 20	2037	17,819	8,868	34,688	29.03%	14.4%	56.5%	29.03%	14.4%	56.5%		
Year 20	2037	18,175	9,044	35,382	29.03%	14.4%	56.5%	29.03%	14.4%	56.5%		



Real estate and hospitality solutions for business, for leisure, for better living.



Proposed Plattsburgh Mixed-Use Development: Corner of Durkee and Bridge Streets

Request for Proposal:
Mixed-Use Development Opportunity in Downtown Plattsburgh, NY

November 2018

QUALIFICATIONS: MIXED USE DEVELOPMENT PROJECT



THE HAMLET AT SARATOGA SPRINGS Saratoga Springs, NY

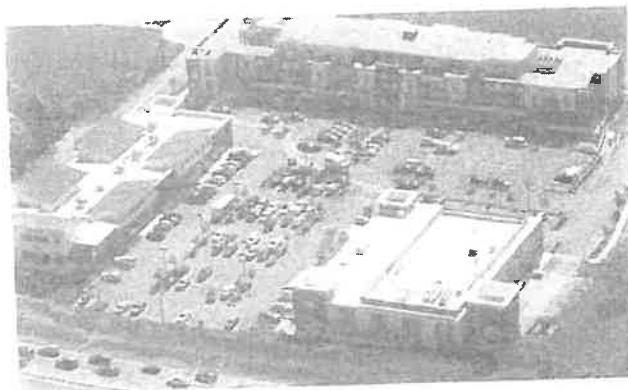
Built: Phase I – 2015
Phase II – 2018

Number of Residential Units: 145

Total Commercial Space: 60,000 +/-SQ.FT.

Uses: Apartments, ExecuStay, Retail, Office

\$65 million Stable Value



A TESTAMENT TO LUXURY LIVING. The Hamlet at Saratoga Springs is a luxury mixed-use apartment community located in the sought-after city of Saratoga Springs, NY. The residential apartments consist of 145 one, two, and three bedroom units as well as penthouse suites, and live-work apartments. The community features covered and private parking, private rooftop pet areas, waterfall/fountain, package room, meeting area, event space, rooftop putting green, salt-water pool, outdoor kitchen, and multiple fitness centers.

The residential buildings share a large public parking lot with popular franchise and local restaurants, high-end retail, and service companies. These commercial spaces are leased and managed by Prime Property Management and Coldwell Banker Commercial Prime Properties. Such companies include The Fresh Market, Smashburger, Charles Schwab, and Kru Coffee.

Located minutes from downtown Saratoga Springs and the historical Saratoga Racetrack this project was created as an ideal location central to all the city has to offer as well as bringing something new to the area.



**QUALIFICATIONS:
MIXED USE DEVELOPMENT PROJECT**

Electric City

ELECTRIC CITY
Schenectady, NY

Built: Under construction, completion est. end of 2018

Number of Residential Units: 104

Total Commercial Space: 12,000 +/-SQ.FT.

Uses: Apartments, ExecuStay, Retail, Office

\$27 million Stable Value



CONTEMPORARY DOWNTOWN LIVING. This luxurious, contemporary, pet-friendly apartment community features studio, one and two bedroom apartments with a rooftop common area overlooking the city.

The community is located on the intersection of historic State Street and Erie Boulevard in the heart of downtown Schenectady, New York. The building boasts ground-floor retail and restaurants, is walking distance to Proctors Theatre, Bowtie Cinemas, and popular area restaurants, and is just minutes away from General Electric, Union College, and the River's Casino and Resort.

The latest development by Prime Companies and slated for completion by the end of 2018, this building is the next step in the expansion and revitalization of Schenectady, NY. The city has a rich history, and the design was to respect the architecture of the past with its brick facades and classic lines, while bringing it in to the future with large courtyards, in-unit technology, and modern commercial spaces located on the ground floor.



**QUALIFICATIONS:
WATERFRONT DEVELOPMENT PROJECT**

Waters View
APARTMENTS

WATERS VIEW
Cohoes, NY

Built: 2013

Number of Residential Units: 222

Uses: Apartments, ExecuStay

\$44 million



WATERFRONT LUXURY. The Waters View Apartment community certainly lives up to its name. The development sits where the Hudson and Mohawk Rivers meet and next to the historic Peebles Island in Cohoes, NY. This 222-unit luxury community offers one, two, and three bedroom units with attached garages and private balconies that take full advantage of the breathtaking views. The community features a clubhouse, fitness center, waterfront infinity pool, sundeck, and event space.

The vision for this development was to take full advantage of the scenery while still being proximate to major cities such as Albany and Troy. The community was built with the active resident in mind being designed with direct resident access to the river for kayaking and fishing as well as a connection to Peebles Island State Park. It was also a major step in the development of luxury apartment living and overall economic development to the city of Cohoes.



**QUALIFICATIONS:
WATERFRONT DEVELOPMENT PROJECTS**

HUDSON SQUARE

HUDSON SQUARE
Cohoes, NY

Built: 2018

Number of Residential Units: 165

Uses: Apartments, ExecuStay

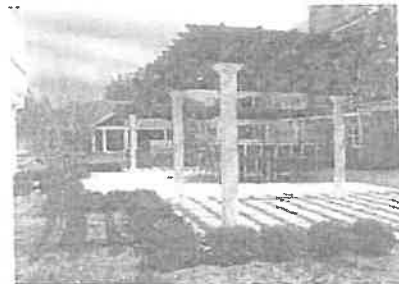
\$35 million Stable Value



LUXURY AND LOCALE. Amenities abound at the Hudson Square Apartment Community. Located in Cohoes, New York the property is surrounded by The Hudson River, The Van Schaick Country Club, public tennis and basketball courts, and across the street from the newly expanded Van Schaick Park.

The development is central to major highways and cities while maintaining a quiet, peaceful place to live. The development includes bright, window-filled one and two bedroom apartments letting in the natural light and views, as well as spacious common areas, office spaces, an outdoor salt-water pool, clubhouse, bocce court, putting green, pizza oven, and fire table.

The Hudson Square project was an opportunity to bring the new concept of all-inclusive, luxury amenity-focused apartment living to the City of Cohoes. Working with City officials and Town Recreational Departments, Prime Companies also revitalized the pond across from the development as Hudson Square was being erected to support the City's efforts to increase town beautification.





Annual Report for Cohoes Industrial Development Agency
 Fiscal Year Ending: 12/31/2017

Run Date: 10/02/2018
 Status: CERTIFIED
 Certified Date: 09/14/2018

General Project Information		Project Tax Exemptions & PILOT		Payment Information	
Project Code	2017-4	State Sales Tax Exemption	\$535,000.00	Actual Payment Made	\$0.00
Project Type	Lease	Local Sales Tax Exemption	\$0.00	Payment Due Per Agreement	\$0.00
Project Name	HUD - Private	County Real Property Tax Exemption	\$0.00		\$0.00
Project Part of Another Phase or Multi Phase	No	Local Property Tax Exemption	\$0.00		\$0.00
Original Project Code		School Property Tax Exemption	\$190,000.00		\$0.00
Project Purpose Category	Construction	Mortgage Recording Tax Exemption	\$725,000.00		\$0.00
Total Project Amount	\$25,686,850.00	Total Exemptions	\$725,000.00		\$0.00
Benefited Project Amount	\$25,686,850.00	Total Exemptions Net of RPTL Section 485-b	\$725,000.00		\$0.00
Bond/Note Amount		Pilot Payment Information			
Annual Lease Payment	\$0.00	County PILOT	\$0.00		\$0.00
Federal Tax Status of Bonds	No	Local PILOT	\$0.00		\$0.00
Not For Profit	No	School District PILOT	\$0.00		\$0.00
Date Project Approved	11/22/2016	Total PILOT	\$0.00		\$0.00
Did IDA Took Title to Property	No	Net Exemptions	\$725,000.00		
Year Financial Assistance is Planned to End	2029	Project Employment Information			
Notes		# of FTEs before IDA Status	1.00		
Location of Project	Continental Ave	Original Estimate of Jobs to be Created	12.00		
Address Line1		Average Estimated Annual Salary of Jobs to be Created (at Current Market Rates)	\$0,000.00		
Address Line2		Created at Current Market Rates			
City	COHOES	Annualized Salary Range of Jobs to be Created	\$5,000.00		To: 45,000.00
State	NY	Original Estimate of Jobs to be Retained	0.00		
Zip - Plus4	12047	Estimated Average Annual Salary of Jobs to be Retained at Current Market Rates	40,000.00		
Province/Region	United States	Current # of FTEs	10.00		
Country	USA	# of FTE Construction Jobs during Fiscal Year	270.00		
Applicant Information	Prime Sherwood, LLC	Net Employment Change	9.00		
Applicant Name		Project Status			
Address Line1	621 Columbia Street	Current Year is Last Year for Reporting	Yes		
Address Line2		There is no Debt Outstanding for this Project	Yes		
City	COHOES	IDA Does Not Hold Title to the Property	Yes		
State	NY	The Project Receives No Tax Exemptions			
Zip - Plus4	12047				
Province/Region	USA				
Country	USA				

**COHOES
OFFICE OF COMMUNITY &
ECONOMIC DEVELOPMENT**
97 Mohawk Street
Cohoes, New York
12047-2897



City Planner, Robyn M. Reynolds
Phone: (518) 233-2130
Fax: (518) 233-2162
E-mail: rreynolds@ci.cohoes.ny.us

City of Cohoes

HAND DELIVERED
Cohoes Industrial Development Agency
97 Mohawk Street
Cohoes, NY 12047

November 15, 2018

Dear Cohoes Industrial Development Agency Board Members,

The City of Cohoes is working with Prime Companies, Inc. on a proposed development for a retail building and two multi-family buildings on a vacant parcel at 70 Delaware Avenue, Cohoes, NY, 12047. This property represents a key gateway to our City, and we look forward to seeing this vacant and underutilized parcel host a development that will welcome visitors and residents into our City. A key component of this site is a publicly accessible kayak and boat launch, which will open up our waterfront for public use for the first time in recent history and will be linked to our robust trail system.

The Cohoes Planning Board is seeking lead agency status on the SEQR Review. The involved agency has 30 days to respond. More information will be provided to you as plans develop.

Please forward any questions, comments or concerns you may have both about the designation of the Cohoes Planning Board as lead agency and the project's SEQR review to the City Planner at (518) 233-2130 or email at rreynolds@ci.cohoes.ny.us.

Thank you for your time.

Sincerely,

Robyn Reynolds
City Planner

Enc.

Builder to sue owner of new Saratoga hotel

A Malta construction firm intends to sue the owner and developer behind downtown Saratoga's newest l

Bethany Bump
| March 31, 2015



The penthouse loft suite at the Pavilion Grand hotel in Saratoga Springs is shown in this July 2014 photo.

A Malta construction firm intends to sue the owner and developer behind downtown Saratoga's newest luxury hotel.

MLB Construction Services is seeking \$4.27 million in damages stemming from its work on the Pavilion Grand Hotel, a boutique hotel that opened on Lake Avenue in the heart of downtown Saratoga Springs last year.

The dispute revolves around underpayment, with the construction firm alleging damages from breach of contract, unjust enrichment, delay and lien surety bond, according to a summons filed last month in state Supreme Court in Saratoga County. But the hotel's owner and developer — Prime Companies of Cohoes — says the construction firm didn't do the work asked for in its contract.

"Because of nonconforming work at the project, Lake Avenue disputes the amounts claimed by MLB in both the litigation and the lien," said Dean DeVito, principal at Prime Companies, in an email. "We intend to vigorously defend against MLB's claims and assert our own counterclaims against them for nonconforming work at the project."

He declined to elaborate what exactly constitutes nonconforming work at the site, but that generally includes any variation in work outside of that stipulated by contract.

The entire project, built out over the course of 2013 and early 2014, stands four stories tall and features a restaurant called Mingle on the Avenue and a boutique spa called All Good Things on the first floor. The top floors feature 48 luxury suites, including penthouse loft suites with rooftop gardens and terraces, balconies, walk-in closets and rooftop event space. During last summer's race meet, a penthouse suite at the hotel went for \$1,400 a night.

MLB had previously filed a lien against the project for about \$2.2 million, which Prime Companies has bonded.

MLB officials and an attorney for the firm did not respond to requests for comment Tuesday.

Twenty defendants are named in the summons, including Lake Avenue Plaza LLC, a limited liability company formed by Prime Companies to run the hotel. Others are M&T Bank; NGM Insurance Co.; Dorrough Construction; Pro Qual LLC; The Lighting Place Inc.; NS Associates Ltd.; Brookside Nursery; R.J. Graves Construction Inc.; Allerdice Building Supply Inc.; Comfort HVAC; Unico Finishing Systems Inc.; PPG Architectural Finishes Inc.; Marjam Supply Co. Inc.; A.E. Rosen Electrical Co. Inc.; European Stucco and Stone; Advance Glass Inc.; JR Builders Supply Corp.; D.S. Specialties LLC; and Louis Petraccione & Sons Inc.

[View Comments](#)

MLB Construction, Prime Cos. fighting in court over \$4.2 million dispute at Saratoga luxury hotel



Enlarge

The 48-suite Pavilion Grand Hotel opened in May 2014 at the corner of Lake Avenue and Pavilion Place in Saratoga Springs, New York.

By Michael DeMasi – Reporter, Albany Business Review

Mar 3, 2016, 7:04am EST

MLB Construction Services LLC and Prime Cos. are fighting in court over \$4.27 million the builder says it's owed for work on the Pavilion Grand Hotel in Saratoga Springs, New York.

MLB Construction, based in Malta, filed the lawsuit 11 months after the 48-suite luxury downtown hotel opened in May 2014.

The hotel is owned by Prime Cos. of Cohoes through a limited liability company called Lake Avenue Plaza.

MLB, which was hired as the construction manager-as-contractor, says it provided \$11.79 million in labor and materials, but was only paid \$7.5 million, according to a lawsuit filed in state Supreme Court in Saratoga County.

MLB, one of the region's largest general contractors, says it's owed \$4.27 million plus interest since receiving its last payment in 2014.

Prime Cos. is one of the region's largest developers, with a portfolio that includes apartments, hotels, residential subdivisions and office/retail buildings.

Prime Cos. doesn't dispute it has paid MLB \$7.5 million, but says the construction contract the two sides negotiated had a "guaranteed maximum price" of \$9 million. The amount was later changed to \$9.7 million due to eight change orders.

Prime Cos. says there were numerous defects in MLB's work that caused problems, including "a significant mold condition in the interior of the building" and "considerable rust" on the metal panels that are part of the exterior brick system, according to the lawsuit.

As a result, Prime Cos. says it had to do remedial work to abate the mold, pay for additional architectural services and will have other expenses. The firm says it suffered damages and is demanding it be paid at least \$4.6 million.

Both sides are continuing to file responses in the case.

In addition to Lake Avenue Plaza LLC, the lawsuit names 19 other defendants, including lender M&T Bank, NGM Insurance Co., a lien bond surety, and subcontractors, vendors and suppliers of MLB, some of which filed mechanic's liens.

Several parties supported referring the dispute to mediation, but Prime Cos. wouldn't do so unless MLB paid the cost for Prime Cos., according to a sworn statement from Michael L. Costello, an attorney at Tobin and Dempf LLP representing MLB.

Whiteman, Osterman & Hanna LLP is representing Prime Cos.

STATEMENT IN OPPOSITION TO THE PROPOSED PILOT FOR PLATTSBURGH
PRIME LLC.

I oppose the proposed PILOT for Plattsburgh Prime LLC. for the development of the Durkee St. DRI project. I will detail the reasons for my opposition but wish

to first state that this opposition is not to the development of the Durkee Street area as such but to the financial incentive of a PILOT which is to much of a

giveaway of the community's tax resources and as a member of the Plattsburgh City Board of Education its impact upon the school district.

The project itself represents a subsidy to those people that will be offered apartment rentals when the project is completed. There is no subsidy for those

already renting in Plattsburgh as well as no subsidy to residential property owners in the City. The rents proposed for the Durkee St. development are similar to

other high end rentals. If people from previously built high end rentals move into the proposed project who will move into the vacated units. The income

necessary to rent one of the new apartments is beyond the financial ability of most individuals in the City and the Greater Plattsburgh area. The danger is that the

value of vacated units will depreciate reducing taxable value not replaced by the proposed PILOT. What is the subsidy provided for in the PILOT? The original

projected tax impact of the project was pegged at \$10,034,929. A more recent estimate of the projected tax impact was \$8,389,201. The original PILOT had

Plattsburgh Prime over 20 years paying out \$3,228,425 to all three taxing jurisdictions-the City, the County, and the City School District. The most recent PILOT

has the same amount that Plattsburgh Prime will pay through the PILOT to the taxing jurisdictions. Why was the projected tax lowered? Was a qualified

commercial appraiser used to to provide another estimate? What formula was used? On the surface the alteration in anticipated projected tax is to reduce the

amount of the subsidy given to Plattsburgh Prime via the PILOT. Initially the subsidy or tax expenditure if one prefers that term was \$6,806,504 and with the

reduced projected tax of \$8,389,201, the subsidy or tax giveaway is reduced to \$5,499,699 thereby reducing to the public the cost to them of the project.

According to the proposals the Assessed value of the property is to remain stable for 20 years at \$8,360,000. This means that when the PILOT is done in 2039, the

assessed value will be the last figure. What property remains the same for that length of time. The Clinton County Industrial Board of Directors are obligated to

pursue due diligence and have a duty to exercise fiduciary responsibility in the decisions they make. It is advisable to have an independent appraisal done of the

anticipated value of the property. It would be prudent to produce a written cost/benefit analysis of the pros and cons of the Durkee St. development so as to be

able to better determine what a reasonable PILOT would provide in tax breaks. The City of Plattsburgh commissioned the Durkee Street Real Estate Market

Analysis & Financial Feasibility Study from Camoin Associates of Saratoga which produced its analysis in 2016. However this document is dated and not valuable

for the Prime project as presented. Originally there was to be a larger retail/commercial space and only 45 apartments not the 114 currently to be constructed.

The stable assessed value of \$8,360,000 once the PILOT is finished in 2039 will likely produce tax revenue less than full market value and less than other highly

assessed properties in the City. Another issue is making sure that the property is immediately placed back on the tax rolls prior to the tax status date so it can be

taxed as soon as the PILOT expires. Just consider that Georgia Pacific at 327 Margaret Street is assessed at \$14,000,000. A PILOT that is to sweet short changes

other property owners and renters. The recent revaluation here in the City and the County only applied to residential properties not commercial property.

The affect of that was to shift the tax burden onto the backs of residential homeowners and reduce the burden upon commercial property. THIS must not continue

As an example of how the rush to finalize all phases of the Plattsburgh Prime project the Glens Falls National Bank building on Margaret St. with an assessed value

of \$800,000 was bought by the City thereby removing this property from the tax rolls. As a result the Plattsburgh City School District lost \$19,115.04 due to the

City's purchase. No notice was provided as the decision to remove the property from the tax was made so to speak in the dead of night without notice or

opportunity for public comment. This was on top of the well publicized reduction in assessment value of other commercial property from tax certiorari

agreements approved by the City.

The Durkee St. project is estimated to cost \$22,700,000 but the assessed value is only estimated to be \$8,360,000. The Prime proposed PILOT is structured as

no PILOT payment during the first three years, then 38.13% PILOT as a percent of projected tax revenue (the amount to be paid absent a PILOT agreement)

increasing gradually to 45.93% PILOT as a percent of projected tax revenue for a total percentage over 20 years of 38.43% PILOT percent as a percentage of

projected tax revenue. Once again, the cost of giving this tax break is \$5,499,699 or \$274,984.96 as an average annual subsidy over 20 years. The lost tax revenue

over those 20 years is \$1,596,823 for the City, \$794,290 for the County, and \$3,108,586 for the Plattsburgh City School District.

As an alternative, the Plattsburgh City School District has offered a slightly different PILOT. Instead of Prime paying over 20 years \$3,228,425, Prime would pay

\$4,944,903 over 20 years. The first Three years would also be no tax or zero. This helps the developer during the start up years when need is greatest. After that

31.945 PILOT as a percentage of projected tax revenue increasing gradually to 85.83% PILOT as a percentage of projected tax revenue for a total percentage over

20 years of 49.28% PILOT as percentage of projected tax revenue. This proposal represents a \$3,444,298 cost to taxpayer instead of \$5,499,699 under the Prime

proposal. Over 20 years Prime would pay more to the taxing jurisdictions, the sum of just \$1,716,478 or an average of just \$85,824 per year. It is hardly likely that

Prime is going to walk away for \$85,824 average extra per year for the 20 years. The taxing jurisdictions would benefit as follows: the City would receive

an additional \$498,374 (think fund balance), the County would receive \$247,901 more, and the City School District would benefit by \$970,202 additional

revenue.

The Durkee St. project with 114 apartments each containing individuals earning between \$70,000 and \$100,000 will bring in assuming full occupancy many

millions of dollars which will greatly increase sales tax collections. The sales tax receipts benefit the County and the many municipalities in the County including

Plattsburgh City because the County shares sales tax revenue with the City. However the School District does not receive any sales tax revenue. The District uses

NYS education aid and the school tax levy to fund its educational programming. Years ago the District asked the County to share sales tax revenue with school

districts but the County at that time declined to do so and probably would decide the same today. Providing an overly generous tax abatement PILOT is injurious

to the District. In addition, students may live in the Durkee St. development and attend city schools. The District was told that Lake County Village would not have

students there but there are in fact students from there attending city schools and we are happy they do so but an additional students does not generate

additional revenue but may increase costs. With a large number of individuals having high incomes may well reduce State education aid because the formula

used contains an income wealth component used in determining the amount of aid. The CCIDA should spend more time thinking through the pluses and minuses

committing to the PILOT requested by Plattsburgh Prime. Certainly another alternative would be for the City or the County or both to find a way to hold the

District harmless by sharing some of their additional revenue from their portion of the PILOT or a share of sales tax. Remember also that Prime is also asking for

sales tax and mortgage recording tax exemptions not to mention receiving the Durkee St. lot for the princely sum of \$1.00.

There is one more possible issue that should be explored by the CCIDA Board of Directors. The Application from Prime contained the information that

the Durkee St. location was in an Opportunity Zone. It is also a Qualified Opportunity Zone. The Opportunity Zone Community development program created by

the Tax Cut and Jobs Act of 2017 is a federal program to encourage private investment in low income urban and rural communities through generous tax breaks.

Investors must invest in a Qualified Opportunity Fund holding at least 90% of its assets in a Qualified Opportunity Zone Property. The incentives encouraging such

a fund include temporarily deferring inclusion in gross income, of capital gains an individual received from other investments. This means no taxes on those

profits for the duration of the fund or its investment in an Opportunity Zone. Investors can permanently exclude capital gains from the sale or exchange of

an investment in a Qualified Opportunity Fund held for more than 10 years. In sum there is deferral or exclusion of capital gains from both federal income

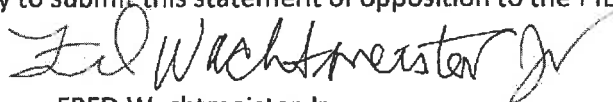
and New York State taxable income. Specifically, if the investment is held for 5 years, the capital gains liability is reduced by 10%, after 7 years by 15%, and

after 10 years, taxes are reduced 100% or to zero. Plattsburgh census tract 36019101300 is a qualified opportunity zone. The questions therefor is, will

the Plattsburgh Prime development utilize an opportunity zone fund for the Durkee st. project. Certainly this is the type of information that the CCIDA Board of

Directors should know because it may indicate the need to alter the PILOT's generosity and to increase payments to the City, County, and School District.

Thank you for the opportunity to submit this statement of opposition to the PILOT proposed by Prime.



FRED Wachtmeister Jr.



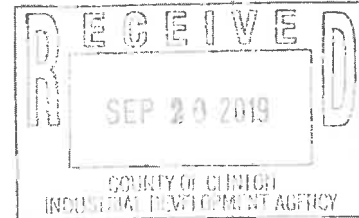
PLATTSBURGH CITY SCHOOL DISTRICT

Jay Lebrun

Superintendent of Schools

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September 16, 2019



Renee McFarlin
Executive Director, CCIDA
137 Margaret St., Suite 209
Plattsburgh, NY 12901

Ms. McFarlin:

I had occasion, yesterday, to speak with Fred Wachtmeister, who attended the most recent CCIDA meeting. He shared with me that, thereat, a statement was made indicating, effectively, that the local taxing jurisdictions has not yet formally shared their respective positions about the PRIME Plattsburgh deviation proposal. In early August, 2019, I conveyed a letter to the CCIDA Board of Directors outlining the Plattsburgh City School District's opposition to said proposal. I offer this communication as a summary of the District's position on this matter:

- The District opposes granting the abatement, as currently proposed (ie. featuring a 20-year term, averaging 67% real property tax abatement (in addition to various other tax exemptions and incentives)).
- The District has taken no stance on the value of the proposed development itself, and the objections outlined herein are specific to the degree of tax abatement and the resultant impact on the District and its constituents.
- The District does not oppose the granting to tax abatement, per se, to the petitioner. Rather, it is the degree of abatement to which we object. The District previously advanced a somewhat more modest (though still very generous) alternative PILOT structure, and we urge the Board of Director's re-consideration of those terms. We believe that, when combined with the DRI grant funds, the gifted land, and various other tax forgiveness, the alternative PILOT structure which we advanced is sufficient.

Proponents of the proposed PILOT – notably yourself and Mayor Read – have touted the economic multiplier effect as justification for the forgiveness of such a significant portion of the petitioner's tax liability. While we certainly hope that the promised economic boon materializes, the accompanying increase in sales tax revenue will directly benefit the County and the City, but not the District. We understand fully why the leaders of those respective governments would be willing to forego property tax revenue in exchange for increased sales tax revenue, but we ask that you acknowledge that the economic multiplier rationale for such a

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generous tax exemption does not benefit the District. Further, we ask that you recognize that, while both the City and County governing boards can override the statutory tax levy limit (*aka* tax cap) with a supermajority vote of just the elected boards, the parallel process for the school district is markedly more challenging, and requires a supermajority approval of the voting electorate.

Finally, the Board of Education has discussed two alternative approaches which would address the disparate impact of enhanced sales tax revenues from the economic growth which this development is reported to create.

1. As both the County and City expect a sales tax windfall (in which the District will not share), perhaps each should defer their portion of the PILOT tax revenues to the District.
2. Alternately, as is practice in other areas of the State, perhaps the County would consider sharing a portion of sales tax revenue (which we understand to be significant and growing) with Clinton County school districts.

Each of these alternative approaches would address the unequal benefits of the economic multiplier effect, and may yield a reconsideration of the District's strong objection to the current PILOT proposal.

With continued thanks,



Jay Lebrun
Superintendent of Schools