



MINUTES OF THE
COUNTY OF CLINTON
INDUSTRIAL DEVELOPMENT AGENCY
FRIDAY, JULY 17, 2020

Due to COVID-19, the meeting of the Clinton County Industrial Development Agency held on Friday, July 17, 2020 was through teleconference.

The meeting was called to order by Trent Trahan, Chairperson, at 1:08 p.m. via GoToMeeting.

MEMBERS PRESENT: Trent Trahan, Chairperson
David Hoover, Vice Chairperson
Keith Defayette, Treasurer and Chief Financial Officer
Michael Zurlo, Secretary
Kim Murray, Assistant Secretary
Mark Leta, Member
John VanNatten, Member

STAFF PRESENT: Renee McFarlin, Executive Director
George Cregg, Jr., Esq., Agency Counsel
Christopher Canada, Esq., Agency Counsel

T. Trahan stated there was a *quorum* present.

T. Trahan waived the reading of the notice of the meeting published in the *Press Republican* on December 22, 2018.

Approval of the Minutes of the April 13, 2020 and June 8, 2020 Meetings

T. Trahan asked if there were any questions regarding the draft minutes of the April 13, 2020 and June 8, 2020 meetings of the County of Clinton Industrial Development Agency (CCIDA). There were none.

On a motion by D. Hoover, and seconded by K. Defayette, it was unanimously carried to approve the minutes of the April 13, 2020 and June 8, 2020 meetings of the CCIDA.

R. McFarlin reported the resolution regarding the Prime Plattsburgh, LLC Deviation Letter has been withdrawn from the agenda at the request of the Project.

Public Comment

Joan Jansen stated prior to moving to Plattsburgh, she had produced hospitality feasibility studies. She stated when she considered the Prime Proposal she found it difficult to believe there was a market for the size and scope of this Project. She stated she wanted to see a market analysis and feasibility study and realized one had been contracted by the City of Plattsburgh in 2016. Camoin Associates made their study public in April 2016; and Camoin Associates findings' on the real estate market was that there was no market, either commercial or residential, for what Prime has planned. She also read several quotes from



the feasibility study. She reported the Camoin Study stated the economic feasibility was to be determined in the next phase of the Project. She concluded that a project such as Prime is not economically viable. She feels Prime needs to demonstrate to the IDA Board that they are able to succeed in a post-COVID environment. She feels Prime is moving forward for the sole reason that it doesn't plan on owning the building long enough to find out that it is not profitable. She stated Prime and other business owners have a history of declaring bankruptcy and walking away with a profit made on construction. She inquired of the IDA Board why they would grant a PILOT on a project without a positive feasibility study and why would they grant a PILOT on a project that wasn't industrial and would produce only four jobs after construction and likely end up back on the IDA's table when Prime walks out. She believes the taxpayers will be on the hook for this when the Project fails. Ms. Jansen believes if a bank requires a positive feasibility study to lend funds, then the IDA should also. She believes Prime's failure will leave downtown gutted and the citizens with an expensive liability that the City does not need and cannot afford. She urged the Board to review the document (sent via email by R. McFarlin) to them because it clarifies the points she expressed previously. She thanked the Board for their time.

Sylvie Beaudreau, inquired of R. McFarlin on a technical "glitch" she discovered on the initial Prime Plattsburgh, LLC PILOT application filed on March 22, 2019. On page 8, question 8(K), "is there now or does the applicant believe there will be significant opposition to the Project." The question states if the reply is yes, then you should explain. This application was filled out in March 2019, before the City voted to approve the Prime Project, and the co-applicant Todd Curley, checked off that there was no significant opposition to the Project. She would like to suggest that the application needs to be updated in view to what she believes significant, in fact overwhelming opposition, to the proposed Project. She reminded the Board that on the day the City approved the Project a protest began and has continued in one form or another, sometimes on a weekly basis. She stated there was anti-Prime petition signed by the majority of downtown businesses and an anti-Prime online petition on www.change.org signed by over 2,000 individuals. She proceeded to provide a verbal time-line of events of the formation of Facebook groups and campaigns etc. of those in opposition to the Prime Plattsburgh, LLC Project. In closing, Ms. Beaudreau stated she believes the PILOT application needs to be revised to reflect this significant opposition to the Project, otherwise she believes the process is fundamentally flawed. She thanked the Board for letting her express her views.

Cynthia Snow stated she has experience with PILOT agreements as a former CPA and she has been involved in two PILOT agreements when she was comptroller at Bombardier (the building of the plant and the expansion of the plant). She mentioned these projects brought employment opportunities to Plattsburgh. She inquired on the Uniform Tax Exemption Policy (UTEP) criteria (Ms. Snow reported that it comes in around a 6) because it does not create a lot of jobs but the investment in the community is rather large at approximately \$20 million. She stated looking at the UTEP policy, there are three different categories- Category I, Category II and Category III. Category I is for 10 years with zero abatement. Category II is for 10 years with an abatement schedule. Category III is for 20 years with an abatement schedule. After reviewing the schedule, for a Category III (following the IDA's own schedule) at \$9.3 million with 1.5 percent inflation, Prime would owe \$5,713,073. What is Prime actually going to pay? Prime will pay \$3,566,400; this appears to her \$2 million less than the IDA's policy. She inquired about Prime paying what the City is receiving for taxes right now. If the City collected the \$70,000 in taxes per year they would collect \$1.4 million, \$1 million more than what is being offered to Prime now. She believes this is "Bull****". She continued looking at the IDA's policies and assessments. She stated the current assessment is for 115 units at \$75,000 per unit and \$25 per square foot. She believes that she read



that the building cost is \$22 million, and the parking lot was sold to Prime for \$1, but the parking lot is worth \$1 million (\$70, 000 in taxes per year for 20 years); that would total a \$24 million assessment at cost. She doesn't believe that figure to be accurate nor does she believe the \$9.3 million assessment to be accurate. She believes gifting Prime the \$1 million gift, based on what the City is collecting now, the \$2 million as on the IDA's policy or the real number if we taxed that property at full cost assessment would be \$24 million versus the \$3 million being offered Prime by the IDA. She asked the Board to consider this fact when considering deviation from the PILOT and taxing the taxpayers to take care of the infrastructure costs that will arise from them coming to this town and community.

K. Defayette asked and recommended a three-minute limit for any public comment.

John Seiden, introduced himself as an "accomplished redeveloper" for almost 40 years in downtown Plattsburgh, and appointed by Governor Andrew Cuomo to be on the Downtown Revitalization Initiative (DRI) Committee, stated he believes what is being presented now is not what the City had envisioned and is nothing more than a gated community, in the center of our downtown. He stated it is not in the spirit of the DRI and what the community wanted. He said it is resting on the shoulders of the Board to do the right thing. He stated he has spent his whole business career redeveloping downtown. He owns the building directly across the street from this development and he needs 50 parking spots per day for the employees who work in the building plus the community members who want to do business in this building. The current plan that the IDA is looking at, gives total control of the parking lot to his competitor. He stated if this happens he will have to hire a real estate appraiser to fight his assessment and reduce his taxes which would result in less money for the City coffers and less money for the community. He begged the IDA Board members not to put him out of business.

Kevin Farrington, who prefaced he has critiqued the DRI Durkee Street development plan and is co-owner of a downtown business, employing 50 people, stated parking is definitely a concern, and he has looked at the parking plan. He feels the City has dropped the ball, in terms of numbers and proximity, and this is already creating an exodus which he expects will only get worse. In terms of the construction industry, he believes it's booming in the North Country, COVID aside. He stated the IDA is an industrial development agency and is based on development. He suggested if you look at the construction industry dollars spent in New York, and even in this in region, and look at the construction spending data; the idea that a \$20 million project (he doesn't think it is what the IDA thinks it is), the idea that it will be a windfall is really overstated. What we are seeing is for the past three years that it is hard to get bidders for projects, everyone is busy. Also in terms of COVID, the school district has laid out in undisputable terms, the only variable is how many students will be there, which they think is 30. He believes the facts clearly state it is a burden for the taxpayers. Are you really willing to burden the taxpayer? And with COVID, people aren't sure what to expect, but he differs, Governor Andrew Cuomo has stated that you can expect a 20 percent cut in all revenue. At this time, R. McFarlin reminded Mr. Farrington he was about to reach the three-minute limit on his public comment. He closed by saying, a one-time deal might sound nice but the City will be shackled in paying for this for a long time and you can't depend on tax revenue because that is for new individuals moving in the County, because if someone is already here, and moves into the building, that is not new sales tax. He continued by suggesting the Board look at the assessment, there has been no assessment done and R. McFarlin has stated that is not her forte. At this point, Mr. Farrington reached his three-minute time limit.

Kim Ford, repeated her comments from the January 2020 meeting, that she is a local developer and



taxpayer. She reported that local developers in the past few years have developed new construction on 133 units in the City of Plattsburgh, without any PILOT agreements, paying full local taxes, mortgage tax, sales tax and hiring local people. Of those 133 new construction units, the assessment is \$9.5 million, bringing in \$390,000 per year, quite a bit more than Prime would be paying on this PILOT agreement. If Prime were to receive this PILOT agreement, it would be a slap in the face for all local developers who have chosen to invest their hard-earned money in the City of Plattsburgh. She has also asked the Board to look at the City's GEIS report regarding the Prime Companies proposed development will cost the City, in municipal costs, of \$71, 509 a year. She asked if the Prime application will be paying enough taxes to cover the cost to the city taxpayers for the Project itself. She thanked the Board for their time.

Reports

Treasurer's Report

K. Defayette reviewed the Treasurer's Report with the Board. There were no questions or concerns.

On a motion by K. Murray, and seconded by J. VanNatten, it was unanimously RESOLVED to approve the Treasurer's Report as presented by K. Defayette.

Committee Reports

Audit Committee

K. Defayette stated the Audit Committee met prior to this IDA meeting. The Committee recommends the Board accept the audit and authorize posting the document to PARIS.

On a motion by M. Zurlo, and seconded by K. Murray, it was unanimously RESOLVED to approve the recommendation accepting the audit and authorize posting of same to PARIS.

M. Zurlo stated the note that Mr. Bushey discussed with respect to the contracted bookkeeper is disconcerting to him, and the Board will have to consider other options if the firm is unable to provide services for which they were engaged. T. Trahan agreed with M. Zurlo's recommendation. All were in favor.

Governance Committee

M. Zurlo noted the Committee met earlier to review and recommend approval of the following:

- CCIDA Organizational Chart
- Defense and Indemnification of Board Members Policy
- Time and Attendance Policy
- Policy Prohibiting Extension of Credit to Board Members and Staff

M. Zurlo stated there were no changes to the policies and the Governance Committee is recommending approval to the Board.



On a motion by J. VanNatten, and seconded by K. Defayette, it was unanimously RESOLVED to approve the Organizational Chart, the Defense and Indemnification of Board Members Policy Time and Attendance Policy and the Policy Prohibiting Extension of Credit to Board Members and Staff as presented.

Old Business

R. McFarlin stated Prime Plattsburgh, LLC's resolution was withdrawn upon request of the project applicant.

Other Business as Required

New Business

R. McFarlin stated a robust report will be forthcoming with information relating to potential project applicants, as well as, ongoing projects that have slowed down a bit.

Management Team Reports

Project Monitoring

R. McFarlin did not have a report.

Project Status Updates

R. McFarlin had no additional updates to report.

On a motion by M. Leta, and seconded by K. Murray, it was unanimously carried to adjourn the meeting at 1:46 p.m.


Trent Trahan, Chairperson

Note: Following the meeting, Ms. Beaudreau provided additional comments attached as "Exhibit A".



EXHIBIT A



Ms. McFarlin, Mr. Zurlo, members of the Clinton County Industrial Development Agency,

It has come to my attention that on page 8 of the Prime LLC PILOT application, there is a question whose answer by the applicant, Todd Curley, raises an issue of accuracy.

Question 8 (K) asks “Is there now or does the applicant believe there will be significant opposition to the proposed project?”

The problem is that this application was filled out on March 22, 2019, before the Plattsburgh Common Council voted to approve the Prime LLC project.

There already was evidence of significant opposition when this fateful vote occurred.

Here is the record of public opposition to the Prime LLC proposal to redevelop the Durkee Street Parking Lot:

On the day that the Common Council voted to approve the project (March 28, 2019), there were loud public protests on the steps of City Hall. Ms. Renée McFarlin was there on the steps of City Hall to witness this. These protests continued on a weekly basis for several months in the spring and summer of 2019. They were widely reported on in the local media;

An anti-Prime petition was signed by a majority of downtown Plattsburgh businesses;

An anti-Prime petition was started by “Concerned Citizens” IRL and on www.change.org and this petition has received in-person and online signatures of over 2,000 individuals, a large number given the population of the City of Plattsburgh. These petitions were submitted to all the appropriate city authorities. Feel free to review the negative comments left by people who signed them;

On April 13, 2019, a closed Facebook group called “Save Durkee” was founded; the group now has 900 members who oppose the Prime LLC project;

July 13, 2019 a petition to “Keep Downtown Plattsburgh Parking Free” was started by Dr. Kate Mahoney Myers on www.change.org and reached upwards of 1,000 supporters;

July 18, 2019 saw the founding of the Plattsburgh Citizens Coalition, a community organization devoted to fighting the Prime LLC project. This, too, was the subject of widespread media coverage;

On February 2, 2020 Jay Lebrun, Superintendent of the Plattsburgh City School District wrote a detailed letter objecting to the PILOT agreement for Prime LLC; this too was covered by our local media;

Numerous opinion pieces and letters to the editor in local media have been overwhelmingly critical of the Prime LLC project;



Wednesday March 4, 2020 Clinton County Zoning Board voted “no” on the Prime LLC application, with one board member calling their project “a thoughtless design with no public amenities”;

On June 5, 2020, the Plattsburgh Citizens Coalition officially launched its legal challenge to the Prime LLC/City of Plattsburgh deal. This too received widespread media coverage;

In June of 2020 the VOTE NO ON PRIME sign campaign began, as local opponents began to put signs in their windows and on their front lawns to express opposition to the Prime LLC deal. These signs are currently visible in the windows of many downtown businesses;

In the recent local Democratic primary, incumbent Mayor Colin Read experienced a humiliating defeat, with 65% of voters casting their votes for his opponents. This election was viewed as a referendum on Read’s handling of Plattsburgh’s DRI, and it was a resounding vote of non-confidence.

In other words, opposition to the Prime LLC deal is so strong that it got the Mayor who inked it defeated.

The March 22, 2019 application is now in need of an update. Precisely because of the level of continued opposition, this has caused Prime LLC to continually revise their plans, and the whole project seems mired in controversy. The result of all this controversy is that the application before the board is currently inaccurate as regards this one all-important question, question 8 (k).

I respectfully request, on behalf of the people and taxpayers of Plattsburgh, that before voting on this application, you ensure that it is updated as regards the answer to question 8 (K). The applicant will not be called upon to speculate about potential opposition. We expect to see the question answered honestly, which would oblige the applicant to list significant and ongoing opposition, as evidence by the above record.

Respectfully submitted,

Syl Beaudreau