

1 ORANGE COUNTY INDUSTRIAL DEVELOPMENT AGENCY
2 STATE OF NEW YORK

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3 In The Matter of

4 Re: SATIN FINE FOODS, INC.

5 -----X.

6 Town of Chester Town Hall
7 1786 Kings Highway
8 Chester, NY
9 October 6, 2010
10 10:00 a.m.

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13 B E F O R E: JAMES R. PETRO, JR., CHAIRMAN
14 Orange County IDA
15 P.O. Box 928
16 Vails Gate, NY 12584

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FRANCES ROTH
Court Stenographer
168 North Drury Lane
Newburgh, New York 12550
Telephone (845) 566-1641

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ALSO PRESENT:

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Robert Schreibeis, IDA board member

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1 MR. PETRO: Orange County Industrial
2 Development Agency is here for Satin Fine Foods,
3 Inc. Please stand for the Pledge of Allegiance.
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5 (Whereupon, the Pledge of Allegiance was
6 recited.)

7 MR. PETRO: For the people that are
8 here we have Mr. Bob Schreibeis, he's a member
9 of the Orange County IDA. I'm Jim Petro, I'm
10 the chairman of the Orange County IDA. Fran is
11 our stenographer. And in the audience?

12 MS. WONG-PAN: Laura Wong-Pan from
13 the Orange County Attorney's Office.

14 MR. NEUHAUS: Steve Neuhaus, the
15 Town Supervisor for the Town of Chester.

16 MS. REILLY: Elizabeth Reilly, Town
17 Clerk, Town of Chester.

18 MR. BONACIC: Scott Bonacic, Town
19 Attorney.

20 MR. PETRO: Sir?

21 MR. KANNON: Matthew Kannon,
22 Councilman, Town of Chester.

23 MR. PETRO: And photographer.
24 Yeah, I saw that, okay. Okay, the Orange County
25 Industrial Development Agency is entertaining a

1 proposal here from an application from Satin
2 Fine Foods, Inc. I'm going to just go through
3 and just read some of the facts from the
4 company. It's 92,400 square foot building. The
5 project includes purchase and renovation of
6 92,400 square foot building for future food
7 products. Purchase price \$2,861,000, renovation
8 and costs which will be \$3,328,063, 9,000 square
9 feet of office space, new jobs created, 85,
10 existing jobs retained, 23, yearly payroll of
11 \$1,000,800 and expected gross receipts of 7.2
12 million. And let's see, anything else. We went
13 over the jobs, obviously they're looking for a
14 tax abatement, mortgage tax exemption and a
15 sales tax use tax exemption. Alright, no one is
16 here from the company, I think what I just read
17 in explains why they're before the agency.
18 We're in the Town of Chester, the Supervisor is
19 here and I believe Mr. Neuhaus at this time do
20 you want to give us some information and let us
21 know how the town feels about this project?

22 MR. NEUHAUS: Thank you, Mr.
23 Chairman, thank you all for coming to the Town
24 of Chester today. We have been working with
25 Satin Fine Foods since I think over a year now,

1 I can't even remember, and they are a wonderful
2 company. I think we're all excited the IDA, the
3 county legislature are all excited to have them
4 here. We're excited that they were able to get
5 in under the wire for the last Empire Zone so
6 the taxes are guaranteed to the Town of Chester,
7 Village of Chester and the Chester School
8 District, which we do not have an official
9 resolution passed but we will get one tonight.
10 The IDA knows the Town Board's position but in
11 view and from talking to some of the board
12 members, we would be against the 15 year pilot
13 payment in lieu of taxes because of the tax
14 benefits that they're getting from the Empire
15 Zone. We are a hundred percent in favor and
16 supporting them. We have been working with them
17 like I said for over a year. It seems like and
18 I'm not just saying that we call them up, say
19 hey, what's up, we've been working with them,
20 the builder, Vercon (phonetic), Mike McCormick
21 is their architect so we have been dealing with
22 them on an intimate level. I talk to the owner
23 himself at least every week, he's a very
24 genuine, down-to-earth man that doesn't want to
25 get involved in any politics, just wants to get

1 his business going. And we have been working
2 with him on that so having any type of extra tax
3 breaks would be more of a surprise to us. The
4 mayor for the Village of Chester who I spoke to
5 this morning he works full time, he couldn't be
6 here, he said you'll get a resolution and a
7 letter from them. So he asked if you guys would
8 keep the comment period open. I have not talked
9 to the school district but the mayor told me he
10 was surprised they were getting extra tax
11 breaks, they were against the pilot, I don't
12 know if it's 10 or 15 years, I'll let them do
13 it, they're a separate agency from the town but
14 we did want to spell it out when we got the
15 notice the last part of it in the fourth
16 paragraph says and a partial real property tax
17 abatement. So whether it was 10 or 15 years or
18 five years was unknown at that time, that's why
19 we want to make our position known.

20 MR. PETRO: I just want to say for
21 the record this is just a fact finding public
22 hearing. There will be no decisions made today
23 of any kind. First of all, we have a seven
24 member board, we have two members here today so
25 we couldn't, we don't have a quorum but any

1 public hearing it's only for fact finding. So
2 why don't you tell me directly what the Town of
3 Chester would like to see, the 485 (b), a 10
4 year pilot. Fifteen year pilot for this project
5 frankly is off the table. I don't know, again,
6 when I say I, I mean the IDA offers, you can ask
7 for a 40 year pilot or someone could ask for
8 whatever they want, what they receive is another
9 thing. I find that with my wife a lot. So
10 anyway the 15 year pilot, are you, do you agree,
11 Bob?

12 MR. SCHREIBEIS: Yes.

13 MR. PETRO: I think in this case I
14 think that everybody's on the same page. Were
15 you suggesting that they just do a 485 (b) and
16 not a 10 year pilot?

17 MR. NEUHAUS: I'm supportive of the
18 Empire Zone which is 70 percent of the taxes.
19 The 10 year pilot mess personally I'm not
20 against the 10 year pilot, that's what we have
21 as a standard in our industrial park and because
22 we're getting 75 percent of the other taxes
23 guaranteed with the Empire Zone, it's a
24 no-brainer on that for us.

25 MR. PETRO: You're reimbursed for

1 those taxes?

2 MR. NEUHAUS: Yes, we get
3 reimbursed. The owner, Mr. O'Reilly, and Satin
4 Foods would pay us the taxes and New York State
5 would reimburse them at the end of the year,
6 however they do it. The one thing is and this
7 might be a question for the IDA meeting but we
8 have, I did speak to Mr. O'Reilly a month ago
9 and he said he wants to meet with Mr. O'Donnell
10 regarding benefits and stuff. I don't know if
11 it's something that we can consider for the
12 future with Chester, we have tabled, this way
13 we're on board at the meeting. I don't know if
14 it's better for you guys to meet privately but
15 we're an active town, some towns might say look,
16 you guys do what you have to do, but we meet
17 with these guys. I can venture to say if you
18 talked to any supervisors and mayors they
19 wouldn't be able to tell you the architect of
20 the building or the owner himself of the
21 company. We pride ourselves, I know you know
22 that, Jimmy, because we have a lot of good stuff
23 going on and we want to work together and have a
24 good relationship. But we want to make sure
25 that it's, I don't think, the benefit of Chester

1 is not only the location but the quick and
2 friendly approval process we have and we do that
3 because of the benefits of the tax rateables
4 that come in here and we'd love to get as much
5 taxes as possible and the more that things get
6 watered down you start losing that and when you
7 have opposition in the audience at planning
8 board meetings, they say, well, I'm not going to
9 go into a tirade but you guys know where I'm
10 coming from. We'll get you a resolution
11 tonight, I'm going to pass it tonight at our
12 meeting with the board's consent and we'll have
13 it faxed to you guys and mailed to you in
14 tomorrow's mail. Our clerk's here and she's
15 very efficient so that will be done and that's
16 pretty much--see, we're 100 percent supportive,
17 I know the legislators they passed the
18 resolution supporting the Empire Zone, the extra
19 tax breaks, 15 years is not on the table which
20 is good to hear to us but it wasn't clear in the
21 notice which I understand why you don't put the
22 exact number in the notice because it's still
23 being considered by your board. But that's
24 where I personally stand and the board will give
25 you a motion.

1 MR. PETRO: Why don't you give us a
2 resolution? We'll do it at the next meeting,
3 we'll go over it. Frankly, I would think
4 whatever the board here seems prudent that we
5 would follow the board's advice here, I don't
6 see any reason not to do that here.

7 MR. NEUHAUS: Thank you very much.

8 MR. PETRO: In this particular case.

9 Okay?

10 MR. NEUHAUS: Thank you.

11 MR. PETRO: The sales tax and
12 mortgage tax there's no issues with.

13 MR. NEUHAUS: I don't have a
14 problem, I haven't had a problem with it in the
15 past with other companies that have come here,
16 just that extra five years usually been a
17 stickler for us but I think everything else
18 that's been standard. I personally have a
19 problem with it and I'm going to present that to
20 my board and hopefully they'll side with me on
21 that.

22 MR. PETRO: Very good.

23 MR. NEUHAUS: Thank you.

24 MR. PETRO: The town, would you like
25 to say anything?

1 MS. REILLY: I would just like to
2 know when the IDA will meet again to discuss
3 this matter?

4 MR. PETRO: I think the next meeting
5 is the third Wednesday of October, is it the
6 20th I think it will be?

7 MS. REILLY: Yes.

8 MR. PETRO: I'm not sure if they'll
9 be on this agenda, if not, November, but if they
10 request to be on the agenda for, I make the
11 agenda, frankly, we're not very busy so,
12 unfortunately, so it would be probably the 20th,
13 if not, it will be November. Mr. Bonacic?

14 MR. BONACIC: No, nothing.

15 MR. PETRO: Laura?

16 MS. WONG-PAN: No comments.

17 MR. PETRO: Robert, would you like
18 to add anything?

19 MR. SCHREIBEIS: No.

20 MR. PETRO: I guess I'm going to
21 close the public hearing and we'll report back
22 to the IDA what we've heard here today. We're
23 going to await your letter of recommendation and
24 as far as it could be a 485 (b), 10 year,
25 whatever you think is appropriate in this

1 particular case.

2 MR. NEUHAUS: Thank you very much,
3 Mr. Chairman.

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10 (End time 10:15 a.m.)

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1 I, FRANCES ROTH, a Stenographic Reporter and Notary
2 Public of the State of New York, do hereby certify:

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4 That the foregoing is an accurate record of the
5 testimony, as given, to the best of my knowledge and
6 belief, the same having been stenographically recorded
7 by me and transcribed under my supervision.

8

9 That I am not related to any of the parties involved in
10 this matter, and that I have no personal interest
11 whatsoever in the outcome thereof.

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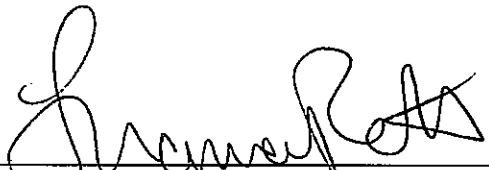
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Frances Roth