

COPY 2

-----X
IN THE MATTER OF
NEW JERSEY TRUCK SALES
-----X

July 30, 2008
1:00 p.m.
Goshen Town Hall
Goshen, New York

B E F O R E : JAMES R. PETRO, JR., CHAIRMAN
Orange County IDA
P.O. Box 928
Vails Gate, New York 12584

REPORTED BY: ROBERTA O'ROURKE

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

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

A P P E A R A N C E S :

PHILIP A. CROTTY, ESQ.
Orange County IDA
8 Stable Way
Cornwall-on-Hudson, New York 12520.

JAMES O'DONNELL,
Executive Director

ALSO PRESENT: Pete Berman
Bob Sybesma
Betty Sybesma
Doug Bloomfield
Judy Eurich
Maureen Halahan

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

3

MR. PETRO: I'm going to call this public hearing to order for the Orange County Industrial Agency for New Jersey Truck Sales. Will everyone please say the pledge of allegiance?
(Whereupon, the pledge of allegiance was said by all.)
MR. PETRO: My name is Jim Petro. I am the chairman of the IDA, Orange County IDA. This is Phil Crotty, he is our attorney. Our acting director just walked in, Jim O'Donnell.
At this time we're going to read the notice of public hearing for the record.
MR. CROTTY: Notice of public hearing. Notice is hereby given that a public hearing pursuant to Article 18-A of the New York General Municipal Law will be held by the Orange County Industrial Development Agency on the 30th day of July 2008 at 1:00 p.m. local time, at the Town of Goshen Town Hall, 41 Webster Avenue, Goshen, New York 10924, in connection with the following matter.
The North Jersey Trailer & Truck

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

4

Service, Inc., for itself or on behalf of an entity to be formed has submitted an application to the Agency requesting the Agency's assistance with a certain project consisting of the acquisition of the Agency by fee title to, or a leasehold interest in, an approximately 11-acre parcel of vacant land located at 1 Calvery Court and 2 Calvery Court in the Town of Goshen, Orange County, New York and the construction on the land of an approximately 15,000 square-foot building to be used by the Company as a facility to modify, assemble and repair both new and used semi-trailers and for the installation of new truck bodies. The acquisition in and around the Improvements of certain items of equipment and other tangible personal property, specifically including welder, compressors, scaffolds, heavy electric air driven tools and electric driven tools and collectively with the Land and Improvements known as the facility.
The Agency will acquire title to, or leasehold interest in, the Facility and lease

1
2 the Facility back to the Company. The
3 Company will operate the Facility during the
4 term of the lease. At the end of the lease
5 term, the Company will purchase the Facility
6 from the Agency, or if the Agency holds a
7 leasehold interest, the leasehold interest
8 will be terminated. The Agency contemplates
9 that it will provide financial assistance to
10 the Company in the form of sales and use tax
11 exemptions and a mortgage recording tax
12 exemption consistent with the policies of the
13 Agency, and a partial real property tax
14 abatement.

15 A representative of the Agency will be
16 at the above-stated time and place to present
17 a copy of the Company's project application
18 including the cost-benefit analysis, and hear
19 and accept written oral comments from all
20 persons who are in favor of or opposed to or
21 otherwise relevant to the proposed Financial
22 Assistance. Dated June 28th, 2008 by the
23 Orange County Industrial Development Agency.

24 MR. PETRO: Okay, Mr. Supervisor,
25 you're the only person in the room other than

5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

1
2 the applicants and industrial people here,
3 IDA people. Do you need to see a
4 presentation?
5 MR. BLOOMFIELD: No.
6 MR. PETRO: Would you just like to
7 make a statement?
8 MR. BLOOMFIELD: Yes.
9 MR. PETRO: Sure.
10 MR. BLOOMFIELD: First off I'd like to
11 thank the IDA for what I thought was a real
12 quality decision on the Matthew Street
13 property. I know you wrangled with that and
14 it was both meetings here and the one over in
15 the county and I thought real high quality
16 input and real high quality output. I
17 thought it was a good decision with a
18 balancing act between the two.
19 I'm here today on behalf of the
20 citizens of Goshen. We discussed that the
21 applicant had someone representing their firm
22 to come in and talk to the Town Board about
23 their request for an IDA approval. I think
24 it's 50 percent, if I am not mistaken,
25 reduction in the tax. During the course of

1
2 the conversation -- of course our concern is
3 that I've shared with the IDA board, and I'll
4 share with the applicant, we're the county
5 seat. We're 52 percent tax exempt. That
6 means 52 percent of the land in the Town of
7 Goshen, 48 percent of us pay all the tax.

8 Because they are tax exempt and that
9 means that the clearing of the roads in the
10 winter time, repairing the roads, the police
11 department, whatever, all the infrastructure
12 and it doesn't seem to get any better. We
13 want to bring ratables into our community.
14 We would certainly, and you've been before
15 the town -- I'm sorry, the planning board now
16 for some period of time and we welcomed it,
17 it is exciting when someone comes before the
18 planning board with a commercial entity and
19 it's a ratable, tangible ratable.

20 My concern, and that of the board, was
21 two-fold. Number one is, and I'm going back
22 to when I worked for a fortune 500 company as
23 a senior executive, when we would go into a
24 state or a community to bring one of our
25 plants or businesses in we would in fact come

7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

1
2 in, we would go to three or four states
3 depending on where our customer base was and
4 what we were doing is try to work out the
5 best deal in terms of potential employees,
6 taxes, customer base, availability of roads
7 and all of these things.
8 I was a little taken back in that they
9 have been before the planning board for some
10 period of time with no talk about IDA
11 benefits. So that we had to work through
12 that because we thought we were going to have
13 a new business, a new ratable that could help
14 us out.
15 The other thing is during that
16 conversation we had back and forth, and I
17 think it was high quality conversation with
18 them, very good questions I think from the
19 board and very good answers, but I asked the
20 question, I said well, okay, if you have some
21 new employees where are there children going
22 to be educated? And the answer was well,
23 they're not going to live in Goshen, they
24 can't afford to live in Goshen. Stop to
25 think the significance of that. Can't afford

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

to live in Goshen. Why? Because the taxes are so high. Because between 12 and \$15,000 a year is the citizen rate to educate a child in the Town of Goshen. So let's say you have ten, 12 employees that come here and any number of them in fact have children, we, the citizens, the 48 percent, are paying the tax. Here we go again. And the tax will continue to pay for all the, again, infrastructure, police department, et cetera. But the education of the children and that's the big one, the school. In fact, it costs so much in New York today to educate children.

The other thing, the point that I would like to point out to the IDA is this is a great place to do business because of the availability of the roads, I 84, Route 17, the new 86 to become, you know. It is a great place to do business. We are a friendly community. We have a lot of people here willing to work hard on a lot of different issues.

And I know this firsthand because again before I came into politics I had an

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

electronics plant over in Danbury, Connecticut and one in Poughkeepsie right along 84. I know the kind of customer base that we have here. So it is advantageous to come here. It's advantageous to them, it's advantageous to us to have them here. But it's not an advantage to us if it's a free ride and it just costs the people already here more tax burden.

And the fact is I don't know how many people know it but the State of New York has the highest debt per capita in the nation. We have not been doing a very good job of running our place. And, you know, and we the town, we had a 27.1 percent increase in taxes the year before last. Last year. 27.1 percent. 19-point something the year before that. We can't keep doing it. The school budget, the first one was turned down, the library budget was turned down. The library building expansion was turned down. The people are beginning to say our elected leadership will you please represent us in a balancing act.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

I'm saying give them a break on the purchase and whatever and that aspect but be a balancing act, you know? Give them an inducement to come but not just the entitlement well here it is, you know.

So what I would ask you to do in this case, very much like you did on the Matthews Street property, which I thought was again a quality decision. Again, we're very happy they're coming. We'll certainly work with this company in any way we can. But it's going to be tough going forward in our taxes. Asphalt went from \$26 a ton three years ago to \$81 a ton now. We have 73 miles of road. In fact, this year coming we are looking at the budgets this coming year, we can't work on roads other than to patch. We can't afford to put down a new section of road. And you go to the school with the diesel for bussing the children and whatever it is. The decisions that are made here today are going to have a big impact on our flexibility and our ability to manage, our ability to manage. So with that again thank you for your time.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

MR. PETRO: Thank you. Maureen?

MS. HALAHAN: May I speak?

MR. PETRO: Sure.

MS. HALAHAN: Good afternoon everybody. My name is Maureen Halahan. I am from the Orange County Partnership and in light of what was just discussed I think it's imperative that this project does move forward because it will only bring new ratables to the Town of Goshen. It will only add value to the Town of Goshen as we move forward. This does not take anything away. It only adds value. And as they move forward and this company continues to grow and expand they will add probably more jobs, more ratables and invest more in Goshen. And I know that this has been discussed before, you know, we all pretty much know each other in this room, this is not a big crowd, but these tax incentives are going to help this company leave the state of New Jersey, come here to New York State, bring in new jobs, people that will shop in this town, people that will buy goods in this town, spend their money in

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

this town, do their banking in this town.
And the property itself will continue to pay
the same taxes. And then they will continue
to grow more tax dollars in this community
and it's only a win. This is not a loss.
And I ask that you support this project.

MR. PETRO: Again, I want to ask two
things before I even go over there, you had
mentioned starting at 50 percent. They're
asking for the enhanced pilot?

MR. CROTTY: Yes.

MR. PETRO: That's not correct what
you said. It starts at zero and goes up
10 percent. You're thinking the equivalent
of 48, that would be secondary. I just want
to clarify that so you don't read about it
and say oh, I didn't know that.

MR. BLOOMFIELD: That's fine.

MR. PETRO: The principle, what is
your name, sir?

MR. SYBESMA: Robert Sybesma.

MR. PETRO: And you have not purchased
this property yet, correct? I asked you that
before.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

MR. SYBESMA: Well, you asked this
gentleman here and I haven't told him, we did
close. We closed on it in an LLC.

MR. PETRO: And you're anticipating
the tax break, you can see about 25 jobs?

MR. SYBESMA: I hope over a period of
time. I mean our company is about 15 years
old. And we have 50 employees now. And we
hope to do the same thing.

MR. PETRO: How many do you have now?

MR. SYBESMA: 50.

MR. PETRO: 15,000 square foot
building, that would be the maximum size?

MR. SYBESMA: If we have the employees
it could be bigger than that, sure. I think
there's enough property there to expand it a
little bit.

MR. PETRO: Okay, and I read here that
the estimated sales tax exemption is about
\$49,000. Estimated mortgage tax exemption
would be 16,000. And you're estimating
150,000-dollar exemption and that would be
over the ten years on the enhanced pilot, is
that correct? I'm just trying to get these

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

numbers into the record.
MR. BERMAN: It's important to note
when they did their projections and they
wrote in there I believe it says 16 employees
in the application, they were really looking
at it from what they're committing to. They
didn't want to put out this grandiose number.

If you take, and this is something we
discussed with the town board at length, when
you look at their past growth and we've had
the pleasure of being to their existing
facility, it's incredible the amount of work
that they're doing in a bold facility not
well designed. They have now sat with the
architects and engineers to come up with what
is the facility in which we could operate in
a utopia, and that's the facility that's been
approved by the planning board. Obviously
that added a lot to the cost structure and
unfortunately we're paying even a little bit
more than the supervisor's paying for asphalt
now to build this project. And that goes to
IDA funds probably weren't necessary at the
time that they scoped this project, the cost

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

of the structure. The planning board had
some great insight. Some of that great
insight added a lot of dollar cost to it.
Some of the neighbors around had some
concerns. Mr. Sybesma and the company very
quickly acquiesced to it. It added a lot of
dollars to it in landscaping and
infrastructure. And it's important to note
that when we had that discussion about
affordability, and I thought we had a great
discussion, that will hopefully just
transcend this project with the town board.
I think we were also addressing the high cost
of housing which could be also related to the
planning process as well as just the taxes.

MR. PETRO: Okay. One of the last
comment also, Mr. Supervisor, and I'm like a
broken record, you probably know this, if you
already know it just tell me and I'll stop,
that we are not going to be losing any value
on the land.

MR. BLOOMFIELD: Yes.

MR. PETRO: Still full assessment.

MR. BLOOMFIELD: Right.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

MR. PETRO: The pilot starts at zero and then goes up 10 percent a year.

MR. BLOOMFIELD: Yes.

MR. CROTTY: One year into the project you would have ten percent more than you have today. The special districts get paid, ambulance, water, sewer. So you're not going backwards on anything. That's the way we look at it and we're trying to balance for the towns and also for the applicants and that's our job, that's what we need to do.

MR. BLOOMFIELD: I really wish the school was here. I mean that's the -- to say their peace. Again, because the town is, we're about 15 percent of the tax bill or some small part. Schools are about 70 percent. And I would like to ask a question, we hear that you spent all of this money here, your materials and things, where do they come from, most of them?

MR. BERMAN: The bulk of -- it's a metal building.

MR. BLOOMFIELD: I don't mean the building, I'm talking ongoing expenses from

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

very positive meeting. There was a frank discussion and hashing out of ideas. We wanted to have that same thing with the school board and I don't know if it's because it's summer or if they are just busy with their budgets or what, but we haven't received a response. But we would be happy to go in and talk to whoever over there and explain it, if that became available.

MR. PETRO: Okay. There's not a lot of people that want to speak. Does anybody else want to speak? It's a public hearing. I think we've heard it. You know, I mean we've been down this road so many times now. It's every town. Your town is a little bit more unique because you have 52 percent that's nontaxable. But every town I think is really feeling the pinches of everything that you said. It's not just one particular spot. This particular project, I believe, and I'm only one member of the board, I'm only speaking for myself not for the board, but it certainly fits all the criteria that we would look for under New York State law of what the

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

where your truck body parts and all this? How much of your expenses are going to be local? That's what I'm trying to ask.

MR. SYBESMA: It would be hard to answer. I'm sure that we will be using local metal people to buy our metals and things like that. And, you know, having materials bent and processed, I'm sure we'll be looking for people to support us in the area versus picking up parts from 60 miles away. It's no longer very efficient.

MR. BERMAN: Also we were talking about, for the record -- I'm sorry, I lost the train of thought, what I was going to say. The school board, after we met with Supervisor Bloomfield and discussed it with the board and Dennis Caplicki (phonetic spelling) we got contact information from the school board president and the official office, we sent them letters and my office has tried calling them repeatedly, we've heard nothing, and give them the same information we shared. Especially after we met with the town board we felt like it was a

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

IDA really stands for and what we're trying to do. So, this certainly differs a little bit, I think, than the previous application that we reviewed in this room. And this is only a fact-finding public hearing. There had been no decision today.

We'll have these minutes transcribed into everybody's packet and we'll report back to the board.

So with that being said if there's nobody else that wants to speak I'm going to close the public hearing. Thank you.

(Whereupon, the proceeding was concluded at 1:22 p.m.)

* * *

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

CERTIFICATION

THE FOREGOING IS CERTIFIED
to be a true and correct transcription of the
original stenographic minutes to the best of my
ability.



Roberta O'Rourke