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PUBLIC HEARING: TOWN OF POUGHKEEPSIE  
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In the Matter of the Application of:  
MHTC DEVELOPMENT, LLC, FOR FINANCIAL ASSISTANCE FROM  
THE DUTCHESS COUNTY INDUSTRIAL DEVELOPMENT AGENCY.

-----X

DATE: February 03, 2023  
Poughkeepsie, New York  
10:04 a.m. - 10:13 a.m.

Donna M. Wells, Reporter

MINUTES  
OF  
PUBLIC HEARING

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APPEARANCES :

DONALD CAPPILLINO, ESQ.  
HEARING OFFICER  
CAPPILLINO, ROTHSCHILD & EGAN, LLP  
7 Broad Street  
P.O. Box 390  
Pawling, New York 12564

ALSO PRESENT :

Joseph Kirchhoff, MHTC Development, LLC  
Ryan Viator  
Sean Weeks  
Sara Lee, CEO, Think Dutchess

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HEARING OFFICER'S EXHIBITS

1	Notice of public hearing For identification/In Evidence	4:5
2	Affidavit of publication For Identification/In Evidence	4:9
3	Affidavit of Jenna L. Jones For Identification/In Evidence	4:13
4	Designation letter For Identification/In Evidence	4:17

1 32 Eastdake Avenue, LLC

2 (Whereupon the following exhibits were marked before  
3 the start of the hearing)

4  
5 (NOTICE OF PUBLIC HEARING RECEIVED AND MARKED  
6 AS HEARING OFFICER'S EXHIBIT 1  
7 FOR IDENTIFICATION/IN EVIDENCE)

8  
9 (AFFIDAVIT OF PUBLICATION RECEIVED AND MARKED  
10 AS HEARING OFFICER'S EXHIBIT 2  
11 FOR IDENTIFICATION/IN EVIDENCE)

12  
13 (AFFIDAVIT OF JENNA L. JONES RECEIVED AND MARKED  
14 AS HEARING OFFICER'S EXHIBIT 3  
15 FOR IDENTIFICATION/IN EVIDENCE)

16  
17 (DESIGNATION LETTER RECEIVED AND MARKED  
18 AS HEARING OFFICER'S EXHIBIT 4  
19 FOR IDENTIFICATION)

20  
21 THE HEARING OFFICER: Good morning.  
22 I would like to call this public hearing  
23 to order. This is a public hearing in the  
24 matter of MHTC Development, LLC, for the  
25 application involving 32 Eastdale Avenue,

1                   32 Eastdake Avenue, LLC  
2                   LLC, for the issuance of certain benefits  
3                   that have been provided to the developers  
4                   and to make them available to 32 Eastdale  
5                   Avenue, LLC.

6                   The notice of public hearing  
7                   indicates it would be held today, February  
8                   3, 2023, at 10:00 a.m., at the office of  
9                   the Dutchess County Industrial Development  
10                  Agency, Three Neptune Road, large  
11                  conference room, Poughkeepsie, New York  
12                  12601. It is now approximately 10:04  
13                  a.m., and we just opened this public  
14                  hearing.

15                  I've had the notice of public  
16                  hearing marked before the hearing as  
17                  Hearing Officer's Exhibit Number 1, in  
18                  Evidence.

19                  Hearing Officer's Exhibit Number 2,  
20                  in Evidence, is the January 19, 2023,  
21                  affidavit of Linda Tutt, on behalf of the  
22                  Poughkeepsie Journal, indicating that on  
23                  that date, January 19, 2023, this notice  
24                  of public hearing was published in the  
25                  Poughkeepsie Journal.

1                   32 Eastdake Avenue, LLC

2                   I had marked as Hearing Officer's  
3                   Exhibit Number 3, in Evidence, the  
4                   affidavit of Jenna L. Jones indicating  
5                   that on January 19, 2023, a true copy of  
6                   the notice of public hearing was mailed to  
7                   the Honorable Jon J. Baisley, Supervisor  
8                   of the Town of Poughkeepsie, upon Dr.  
9                   Dave Moyer, Superintendent of Schools for  
10                  the Arlington Central School District, and  
11                  upon the Honorable William F.X. O'Neil,  
12                  Dutchess County Executive.

13                  I had marked as Hearing Officer's  
14                  Exhibit Number 4, in Evidence, the January  
15                  19, 2023, letter of Timothy Dean, Chairman  
16                  of the Dutchess County Industrial  
17                  Development Agency, designating me as the  
18                  Hearing Officer to conduct this hearing on  
19                  behalf of the IDA.

20                  With that, I will now open the  
21                  public hearing. Does anybody want to make  
22                  any comments?

23                  BY MR. KIRCHHOFF: Yes. Joseph  
24                  Kirchhoff from MHTC Development. 32  
25                  Eastdale Avenue is an 8,179 square foot

1                   32 Eastdake Avenue, LLC  
2                   mixed use building. It's on the corner of  
3                   Route 44 and Eastdale Avenue North. We're  
4                   very excited not only because of what Sean  
5                   and Ryan are going to bring to Eastdale  
6                   Village, but it also really is, like, kind  
7                   of the last major piece of our puzzle to  
8                   finish up Eastdale Avenue North. They're  
9                   right on the corner at the traffic light  
10                  across from Rossi's on Eastdale Avenue.

11                  The building will house two  
12                  different businesses both owned by Sean  
13                  and Ryan, and there is Buns Burgers, which  
14                  will be right at the traffic light on the  
15                  corner, roughly 1,500 square foot, which  
16                  is a quick serve kind of burger joint, and  
17                  they can describe it a little better.  
18                  They have other locations. Rhinebeck,  
19                  Saugerties, and Kingston are ready, and  
20                  the second business will be a  
21                  restaurant/cocktail bar named Barbue,  
22                  which is a Cajun style operation,  
23                  beautiful architecture. Everything is in  
24                  keeping with what you would expect at  
25                  Eastdale Village.

1                   32 Eastdake Avenue, LLC

2                   The second floor will house three  
3 residential apartments. The project will  
4 be majority owned by an affiliate, direct  
5 affiliate of Buns Burgers and Barbue, and  
6 it basically complies with the site plan  
7 completely, which was always originally  
8 anticipated.

9                   Sean and Ryan are here. Maybe  
10 they'd like to say a couple of things.

11                   BY MR. VIATOR: Sure. Thank you,  
12 Joe. My name is Ryan Viator. I'm one of  
13 the owners of Buns Burgers along with my  
14 partner, Sean Weeks. He and I, again,  
15 thank the Dutchess County IDA for  
16 considering us in this project.

17                   We started Buns Burgers seven years  
18 ago in Rhinebeck just as a family business  
19 that we wanted to kind of do for ourselves  
20 and work for ourselves because we had big  
21 ideas that we were going to be great  
22 together as partners. We were friends  
23 first, but we since have grown and  
24 expanded a couple of times into Saugerties  
25 next and then Kingston. Then kind of



1                   32 Eastdake Avenue, LLC

2                   COVID happened so that kind of really took  
3                   us for a loop for a while, and then once  
4                   we found out and met with Eastdale a few  
5                   times about the potential of the  
6                   opportunity there we began thinking about  
7                   Buns, can we do another location, do we  
8                   have the means, and Joe and his team  
9                   really explained the full scope of the  
10                  project to us, and told us about the IDA  
11                  benefits, which after Sean and I discussed  
12                  everything we realized, like, okay, with  
13                  these benefits we could probably be in a  
14                  position to do this project, and then we  
15                  took on the grander scope of the project  
16                  to do not only one restaurant, but let's  
17                  do two, which we really are kind of going  
18                  to go out on a limb here and really try to  
19                  go for it because we've always dreamed of  
20                  doing this together and this little other  
21                  venue, so we came up with Barbue.

22                  I grew up in Louisiana. I'm from  
23                  Louisiana so I have that as a background.  
24                  Sean has frequented Louisiana and loves  
25                  the food and culture down there, so we

1                   32 Eastdake Avenue, LLC  
2                   thought what's something unique that we  
3                   can really put in this area that really is  
4                   not found very often or done correctly  
5                   very often either. So we created the  
6                   concept of Barbue, which will be Cajun  
7                   style cuisine with an easy kind of loungie  
8                   bar area as well, very approachable, very  
9                   user friendly for the whole scope of  
10                  Eastdale.

11                  Looking at the whole scope of the  
12                  project we knew that this project without  
13                  the IDA support would be very challenging  
14                  and probably not possible for us. It's  
15                  definitely a great benefit to be  
16                  considered for the support from the IDA  
17                  and we're really excited. We really want  
18                  to come hit the ground running and we've  
19                  thought about it for so long, but we're  
20                  very, very excited to get the ball  
21                  rolling.

22                  THE HEARING OFFICER: Do you have  
23                  anything to say, Sean?

24                  BY MR. WEEKS: No. He killed it,  
25                  and he put my name in there too.

1                   32 Eastdake Avenue, LLC

2                   THE HEARING OFFICER: Do you know  
3 how many employees you expect to have?

4                   BY MR. VIATOR: Between the two  
5 locations or do you want me to break it  
6 down individually.

7                   THE HEARING OFFICER: Yes.

8                   BY MR. VIATOR: We feel we would  
9 have about ten full-time employees between  
10 the two locations. Buns is a little bit  
11 of a smaller square footage. We know that  
12 business inside and out because we have  
13 three of them running, so we feel that's  
14 definitely something we can do. We're on  
15 hand a lot as well so we're involved. We  
16 feel we'd probably have about four there  
17 and about six full-time employees at the  
18 other location of Barbue because of the  
19 size of it.

20                   THE HEARING OFFICER: Does anyone  
21 else have anything to add? Okay. With  
22 that, I will close the public hearing.  
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STATE OF NEW YORK )  
 ) ss:  
COUNTY OF DUTCHESS )

I, DONNA M. WELLS, a stenotype reporter and Notary Public within and for the State of New York, do hereby certify that the foregoing is a true and correct transcript of the minutes recorded by me and reduced to typewriting under my supervision to the best of my knowledge and ability.

X Donna M. Wells  
DONNA M. WELLS

Dated: February 04, 2023

## Sarah Lee

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**From:** Jim Beretta <jimberetta@aol.com>  
**Sent:** Thursday, February 02, 2023 12:09 PM  
**To:** Sarah Lee  
**Subject:** Public Hearing Comments re MHTC Development, LLC and 32 Eastdale Avenue, LLC

Ms. Lee (DCIDA CEO),

I wish to submit public comment for the public hearing to be held by the Dutchess County Industrial Development Agency on the 3rd day of February, 2023 at 10:00 a.m., local time, at the Dutchess County Industrial Development Agency, Three Neptune Road, large conference room, Poughkeepsie, Dutchess County, New York 12601, in connection with a project proposed by MHTC Development, LLC and 32 Eastdale Avenue, LLC.

Please acknowledge receipt of this public hearing input and that it will be added to the record as public hearing comment.

I am **opposed** to the financial assistance being contemplated as listed in the Public Hearing Notice as follows:

"The Agency is contemplating providing financial assistance (the "Phase IV-C Financial Assistance") to the Company with respect to the Phase IV-C Facility by granting a real property tax exemption and providing for payments in lieu of real property taxes. The Phase IV-C Financial Assistance will also include an exemption from all state and local sales and use taxes with respect to the qualifying personal property included within the Phase IV-C Facility or used in the construction, improvement, reconstruction, repair, renovation, installation, furnishing and equipping of the Phase IV-C Facility and an exemption from all real estate transfer taxes and mortgage recording taxes with respect to any qualifying mortgage on the Phase IV-C Facility (or such interest in the Phase IV-C Facility as is conveyed to the Agency) to secure the financial assistance and/or any other indebtedness incurred by or for the benefit of the Company in connection with the Phase IV-C Project. The proposed real property tax abatement will be a permitted deviation from the Agency's Uniform Tax Exemption Policy and this Notice of Public Hearing, when transmitted to the affected taxing jurisdictions, shall serve as notice under Section 874(4)(b) of the New York General Municipal Law as to the proposed deviation. Such Phase IV-C Financial Assistance will be allocated from a portion of the financial assistance which the Agency has granted to the Master Company for the Master Project."

### **My reasons for opposition are as follows:**

1. The requested financial incentives are a transfer of tax burden to the rest of the taxpaying public. Granting of the contemplated financial assistance is corporate welfare.
2. The public hearing is being held at 10:00 a.m. on a weekday (Friday) at the specified physical location of: Dutchess County Industrial Development Agency, Three Neptune Road, large conference room, Poughkeepsie, Dutchess County, New York 12601.

This is an onerous burden on the taxpaying public to be required to be at a physical location on a *weekday morning* when most people have other obligations. The end result is that it is prohibitive for the vast majority of the public to attend. While the option for written comments is available, and I am using that option, the applicant and their paid staff are in the room to talk up their project. Pretty much everybody in the room is on-the-clock, making money, in one way or another, by advancing the project while the public has the burden of taking time away from their responsibilities to participate.

3. The applicants are most often given an unfair advantage in the DCIDA public hearings in that the applicant is, based on my observations, given multiple opportunities to talk: First, at the beginning to provide opening comments and then, second, to rebut, or embellish, any comments made by the public. As it is a public "hearing", and not a debate, each party should get one chance to speak. If the applicant is going to get multiple opportunities to speak, then public participants should get additional chances to speak also.

By the time of the hearing, the applicant has already had time in front of the DCIDA board to talk about their project before preliminary approval. They will then get an opportunity in front of the DCIDA board, again, for final approval. The public hearing is to hear all persons with views in favor of or opposed to the issuance of the financial assistance, not to hear the applicant debate, discredit, or discount public comments.

4. Based on my observation, any project that has been given prior approval by the DCIDA gets a rubber stamped Final Approval. The Public Hearing is just a formality and the completion of an obligation to get to the final approval which usually gets a unanimous vote to approve from the board.

Again, I am opposed to the financial assistance being requested. Everybody should pay their full taxes.

Sincerely,

Jim Beretta  
Town Of Poughkeepsie Resident & Taxpayer

**Sarah Lee**

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**From:** Gerald Carey <geraldmcarey@gmail.com>  
**Sent:** Thursday, February 02, 2023 5:37 PM  
**To:** Doreen Tignanelli; Sarah Lee  
**Cc:** jimberetta@aol.com  
**Subject:** Re: Amazon Illegally Threatened NYC Workers Ahead of Union Votes, Judge Finds

I missed the public hearing yesterday (thought I could attend on-line) but I was unable. In any event, it seems like the DC **Industrial** Development Corp has already determined that Eastdale will get whatever they request despite the low number of jobs created and the fact that the project has nothing to do with **INDUSTRIAL**.

I visited Eastdale development recently and was trying to figure out what the economic benefit is. There are several retail shops and restaurants/fast food facilities that add low paying jobs, and on a weekday afternoon, I estimate 20-25 positions. Most of the retail will be competing with other stores in the Arlington and McDonnell Heights area, and Eastdale will have an unfair advantage with the lower RE taxes paid by the tenants (possibly driving the surrounding mom and pop stores out). The same can be said for the Premier Urology facility, which has an unfair advantage over other office buildings in the area.

The amazing handout is for the residential portion of the development- giving tax breaks to the developer for apartments (matchbox-size studios that rent for \$1,200/mo all the way up to three bdrm units that rent for \$3,350 per month). What stands out is that none of the completed apartment parcels indicate an assessment in excess of \$100,000 per unit. Recent sales of apartment complexes constructed in the last 20 years in Dutchess indicate market values in the range of \$150,000-\$200,000 per apartment unit. Not only is the developer receiving the benefit of the Pilot Program, but the initial assessment is low in relation to the true value. As part of the application - maybe the developer should submit the appraisal prepared for his financing in order to determine what is the true (equitable) assessment. Then the IDA would get a true picture of their handout.

Rumor has it that the CANAM project is about to get a tenant for the facility. I surprised it hasn't been announced, possibly the tenant is going to hire many employees.

I am also surprised that the proposed Ashley Furniture warehouse to be built in IPARK hasn't submitted an application to IDA- after all, they opened the door and surely, they will be hesitant close it now.

On Wed, Feb 1, 2023 at 11:10 AM Doreen Tignanelli <[doreentig@aol.com](mailto:doreentig@aol.com)> wrote:

<https://money.usnews.com/investing/news/articles/2023-01-31/amazon-illegally-threatened-nyc-workers-ahead-of-union-votes-judge-finds>

## **Amazon Illegally Threatened NYC Workers Ahead of Union Votes, Judge Finds**

By Reuters

Jan. 31, 2023, at 1:44 p.m.

## Sarah Lee

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**From:** Doreen Tignanelli <doreentig@aol.com>  
**Sent:** Thursday, February 02, 2023 1:00 PM  
**To:** Sarah Lee  
**Subject:** Public Comment:DCIDA Hearing MHTC/32 Eastdale, Phase IV-C ,Feb 3,2023

Ms. Lee, please acknowledge and include my comments as part of the official public record for the DCIDA Public Hearing for MHTC Development, LLC and 32 Eastdale Avenue, LLC Project scheduled for February 3, 2023 at 10:00 am at the DCIDA office on Neptune Road in the Town of Poughkeepsie and share these comments with the DCIDA Chair and Board members.

**1)** I am opposed to the issuance of any "Financial Assistance" to the Project in any form including, but not limited to, Sales and Use Tax Exemption, Mortgage Recording Tax Exemption, Real Property Tax Exemption, Payment in Lieu of Taxes (PILOT).

My opposition includes allocation of any portion of the Mortgage Tax Exemption and Sales Tax Exemption that may have been previously granted to MHTC Development, LLC/32 Eastdale Avenue, LLC. I am opposed to the DCIDA providing Phase IV-C Financial Assistance by granting a real property tax exemption and providing for payments in lieu of real property taxes.

**2)** While the Notice of Public Hearing states Financial Assistance includes "*granting a real property tax exemption and providing for payments in lieu of real property taxes*", the Kirchoff/Viator application letter dated January 4, 2023 does not detail real property tax exemption and payments in lieu of real property taxes. The letter only details sales tax exemption estimated at \$44,294 and mortgage recording tax exemption estimated at \$15,691. In the interest of transparency, amounts of all exemptions should be stated.

**3)** The need for financial assistance for MHTC/32 Eastdale Avenue is questionable. The project is likely to be profitable without assistance due to the low apartment vacancy rate in the County. Even the 2019 Dutchess County Rental Housing Survey prepared by Dutchess County Planning notes that the low vacancy rate for apartment rentals benefits landlords.

According to 2021 MHTC application materials, MHTC is primarily comprised of "*Joseph T. Kirchoff, Christopher Dyson, and Molly Dyson, along with Trusts associated with the Kirchoff family, the Dyson family and the Silver family*". The request for financial assistance could be considered as welfare for the wealthy.

**4)** This portion of the project is estimated to create and/or maintain "10 FTE's" per application materials. It is debatable whether the total number of jobs to be created by the Eastdale project justifies the numerous tax incentives given by the DCIDA.



5) The project applicants continually seek financial assistance in the form of tax breaks that shift the tax burden to the remaining base which may lead to higher tax bills for other property owners while maximizing profits of the developers.

While some DCIDA members appear defensive and dismissive when public comment is given stating that taxpayers subsidize exemptions the DCIDA hands out, the New York State Comptroller's 'Performance of Industrial Development Agencies In New York State', 2022 Annual Report dated June 2022 expresses concern regarding shifting of tax burden as it states "**However, the tax exemptions they grant to their projects can reduce the tax base of local governments and school districts, and may result in increases to other taxpayers' bills.**"

6) The DCIDA often cites increase in property tax revenue as a benefit of granting Financial Assistance with the increase based on "Current Assessed Value" and "Estimated New Assessed Value". However, this fails to take into consideration the fact that applicants often challenge the assessed value after project completion. When that happens, projected tax revenues end up being lower than stated. It is possible that the Eastdale project will eventually seek a reduction in assessed property value, again leaving the remaining tax base to subsidize the developers' profits.

Doreen A. Tignanelli  
29 Colburn Drive  
Poughkeepsie NY 12603