

PUBLIC HEARING: TOWN OF EAST FISHKILL
-----X

In the Matter of the Application of:
CANAM HUDSON VALLEY LOGISTICS OWNER, LLC,
FOR FINANCIAL ASSISTANCE FROM THE DUTCHESS COUNTY
LOCAL DEVELOPMENT CORPORATION,

-----X
DATE: August 31, 2022
East Fishkill, New York
9:31 a.m. - 9:40 a.m.
Donna M. Wells, Reporter

MINUTES
OF
PUBLIC HEARING

Mary T. Babiarz Court Reporting Service, Inc.
845-527-2388

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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:

Nicholas D'Alessandro,
Supervisor of the Town of East Fishkill
Ryan Kelly, Blue Water
Robert Ryan, Harris Beach, PLLC
Sara Lee, CEO, Think Dutchess
Raphael Kosek
Tim Hill

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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

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Canam Hudson Valley Logistics

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

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

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

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

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

THE HEARING OFFICER: Good morning
everyone. I would like to open this
public hearing. Before this public
hearing was opened I had the court
reporter mark as Hearing Officer's Exhibit

1 Canam Hudson Valley Logistics
2 Number 1, in evidence, the notice of
3 public hearing indicating that this public
4 hearing will be held today, August 31,
5 2022, at 9:30 a.m., at the Town of East
6 Fishkill Town Hall where we are now
7 located. It is approximately 9:31 a.m.
8 this morning, and I have marked as Hearing
9 Officer's Exhibit Number 2, in evidence,
10 the affidavit of Linda Tutt indicating
11 that the notice of public hearing was
12 published in the Poughkeepsie Journal on
13 August 16, 2022.

14 I've marked as Hearing Officer's
15 Exhibit Number 3, in evidence, the
16 affidavit of Jenna L. Jones indicating
17 that a true copy of this notice of public
18 hearing was served upon the Honorable
19 Nicholas D'Alessandro, Supervisor of the
20 Town of East Fishkill, upon Dr. Dwight
21 Bonk, Superintendent of Schools for the
22 Wappingers Central School District, and
23 the Honorable Marcus J. Molinaro, Dutchess
24 County Executive.

25 I had marked as Hearing Officer's

1 Canam Hudson Valley Logistics
2 Exhibit Number 4, in evidence, the August
3 16, 2022, letter of Timothy Dean, Chairman
4 of the Dutchess County Industrial
5 Development Agency, authorizing me, Donald
6 Cappillino, to conduct this public hearing
7 on behalf of the IDA Board.

8 I will now open this public hearing.
9 Does the Applicant have anything to say to
10 begin this public hearing?

11 BY MR. KELLY: Sure. If I can just
12 give you a brief overview. My name is
13 Ryan Kelly. I'm with Blue Water, the
14 developer on this project. Just to give
15 you a brief overview, the name of this
16 project is the Hudson Valley Logistics
17 Center, and the plan is a 540,000 square
18 foot warehouse located at 500 South Drive
19 in East Fishkill. It is a site that was
20 formally a part of the IBM West Campus,
21 and then there was a plan to build a
22 sports dome on the site and started
23 construction and there is currently a
24 foundation still in place but that project
25 did not go through. Blue Water has

1 Canam Hudson Valley Logistics
2 purchased the site with a plan to build a
3 540,000 square foot warehouse. So we were
4 in the middle of our SEQRA process in
5 anticipation of being able to achieve a
6 negative declaration from that
7 perspective. From a job perspective we
8 anticipate generating at least 100
9 permanent jobs but the respective tenants
10 -- most likely there will be tenants with
11 an average job count higher than that but
12 we expect 100 permanent jobs. During the
13 course of construction we anticipate 79
14 and a half million dollars of investment
15 and created 125 construction jobs. That's
16 it.

17 THE HEARING OFFICER: Thank you very
18 much. Would anyone else like to speak?
19 Please state your name for the record and
20 tell us what you would like.

21 BY MS. KOSEK: My name is Raphael
22 Kosek. I'm a life-long East Fishkill
23 resident, and my father was the
24 construction foreman on the construction
25 of this building, and he passed away in

1 Canam Hudson Valley Logistics
2 2012. I didn't see this in the
3 Poughkeepsie Journal. I met a gentleman
4 who was talking about this in the parking
5 lot who couldn't appear today, and I'm not
6 a politician or a business person. I'm a
7 poet and writer at the Dutchess County --
8 for seniors, and I've taught in the
9 Wappingers District, and I'm teaching in
10 Dutchess County right now. But I have
11 some fundamental priority issues with the
12 abatements on this proposed project. I
13 know that right now everything is run by
14 big business in my estimation, and I also
15 understand that we here in East Fishkill
16 would like to make our Town, let's say, a
17 little more people friendly, and it would
18 be nice to have money for that. Fishkill
19 has -- places we can't cross here, so it
20 is beyond my understanding why we want to
21 give businesses like Amazon, Canam, and
22 Frito-Lay, abatements. They can
23 well-afford to pay the full taxes here.
24 And, again, I'm not a business person.
25 I'm a poet. I'm as far away from that as

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2 can be, but I take great exception to
3 that, and I know for a fact that the jobs
4 that will be, maybe not the construction
5 jobs, but the people who are going to be
6 working in the warehouses are not going to
7 able to afford rents or home taxes in our
8 area because that's not the kind of salary
9 that is being generated, and I have a real
10 issue with the rich get richer and the
11 poor getting, which is really happening
12 now in the world and our country, so I
13 take exception to the abatement should be
14 made.

15 THE HEARING OFFICER: Thank you for
16 your comment. There's a transcript being
17 made of this meeting and everything will
18 be shared with the Board prior to their
19 taking any action. Does anyone else have
20 anything they would like to say?

21 BY MR. HILL: Good morning, my name
22 is Timothy Hill. I'm an eight year
23 resident of Hopewell Junction. My
24 neighbor here pretty much said everything
25 that I was going to bring up. There are a

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2 lot of concerns with Amazon, Frito-Lay,
3 Canam. I know we want to invest in that
4 property that was vacated that IBM left,
5 but, like she said, the hit on the
6 infrastructure down there, there's a lot
7 of movement down there and nothing that
8 we're really seeing specific, and I'm not
9 into politics. I don't understand the
10 business side of it, and there might be
11 more things that I'm not aware of. Most
12 of our residents are like me. They're
13 kind of in the dark about all the tax
14 breaks, and for how long, and why some of
15 these businesses need these tax breaks.
16 They talk about money invested but buying
17 the land and building the buildings,
18 that's not going into our schools. It's
19 not going into our local businesses, some
20 of those jobs, delis and what not. We're
21 right off 84 there. Most of the business
22 is going to come right off the highway and
23 right back on, so why are we giving up
24 what little bit we could use with the
25 taxes and these other numbers that we're

1 Canam Hudson Valley Logistics
2 giving away, and a lot of people have
3 these concerns. This is just two of us,
4 but I think there are many more
5 transparencies as to why we're giving all
6 this land away pretty much tax free for
7 the foreseeable future that my kids are
8 growing up and they're not going to
9 benefit from that. It's just there's a
10 lot of concerns and a lot of lack of
11 transparency that we would like to see
12 more of before any project gets approved
13 and moves forward. These are questions we
14 have and we would like to have more
15 information brought to us. Thank you very
16 much.

17 THE HEARING OFFICER: Thank you for
18 your comment. Would anyone else like to
19 make a comment?

20 BY MR. D'ALESSANDRO: Yes. Nick
21 D'Alessandro, Town Supervisor for the Town
22 of East Fishkill. I'd just like to
23 comment that the Town Board and myself
24 look to lure these types of businesses to
25 the East and West Campus to fulfill a

1 Canam Hudson Valley Logistics
2 need. The West Campus was fallow for
3 many, many years, this site, I believe,
4 over 20 years, and just to give a little
5 history on what taxes will be paid and
6 what were paid there, just keep in mind
7 there's nothing given away here. There's
8 no extra or free property given or taxes
9 that we're losing, we're actually gaining.

10 This current property, which was the
11 former Hopewell Sports Dome, paid a total
12 of \$147,000 in taxes, Town, County, School
13 taxes. With the pilot agreement that's
14 proposed for this project we're looking at
15 a total payment of the first year with
16 their largest abatement of \$716,000 in
17 total taxes, so that's about a little less
18 than \$600,000 in new taxes that are going
19 to be generated just at year one, and
20 then, I believe, it's a 15 year deviated
21 pilot, so at year 15 they will be at full
22 assessment, and there are many benefits
23 for the community.

24 We don't take this lightly. IBM got
25 the largest tax abatement than any company

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2 I've ever seen in this area, and that was
3 from New York State, and I'm actually
4 appalled at the numbers that I've seen
5 that IBM got. They've contaminated our
6 property down there and then they were
7 allowed to just leave, and I have a big
8 problem with that.

9 Now, we've worked very hard to
10 revitalize the East and West Campus. This
11 will be the final property to be built out
12 on the West Campus, and not only will they
13 have jobs, but they will be paying more
14 taxes. And to just make a mention of the
15 Amazon project, that project, those
16 properties were paid a total before the
17 build of \$159,000 a year. In the first
18 year of this pilot they are paying
19 \$574,000 just for the structure and the
20 land, \$290,000, so a total of \$864,000 in
21 taxes compared to \$159,000. The building
22 was there sitting and rotting and looks
23 terrible. So it's not that they're
24 getting an extra abatement. They're
25 getting an abatement to be competitive

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2 with other areas.

3 In the 84 corridor into New England
4 we're in a very competitive area. We'll
5 be competing with Connecticut, New Jersey,
6 and Pennsylvania, and some of those states
7 are offering more than half the amount
8 less per square foot for taxes. So how do
9 we compete, the IDA comes up with a
10 program asking if they would make sure
11 they guarantee jobs, guarantee a minimum
12 of an investment, and what is the
13 derivative for the taxpayers, and there
14 are many, many derivatives. You have some
15 people will live here, some people won't.
16 Like somebody mentioned, it is expensive
17 to live here, but people will be shopping
18 here, they will be spending some money,
19 and they will be paying taxes on their
20 jobs, and the site will flourish. So for
21 the Town we're not taking a farm or
22 somewhere else and maybe build a factory
23 or a warehouse. We're taking a site that
24 is built out for industrial use. It has
25 all the infrastructure in place for these

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2 types of projects, water, sewer,
3 everything else, electricity, so that's
4 the appropriate place for it to go. I'd
5 rather see that property be rebuilt and
6 used to its maximum potential than to sit
7 there fallow, and become a brown field,
8 and it's not a benefit to the community.

9 So in my humble opinion with the
10 Town Board in why we move forward with
11 these projects is because it's a big
12 benefit for this community. It's a huge
13 benefit for the School District because
14 there's not one child going to be living
15 at any of the projects, and the bulk of
16 the taxes are going to the School
17 District. Everybody knows that 7.9
18 percent of our taxes goes to the School
19 District. I'm in favor of this project
20 for the reasons I just mentioned and I
21 hope that it will be successful.

22 THE HEARING OFFICER: Thank you very
23 much. Anyone else?

24 BY MS. LEE: What I would just like
25 to add to Supervisor D'Alessandro, is that

1 Canam Hudson Valley Logistics
2 the pilot does not include special
3 districts. The Fire District, Water
4 District will pay their full assessed
5 value.

6 BY MR. HILL: Library.

7 BY MS. LEE: Library. So they will
8 be getting the full assessed value on the
9 property and not the abate tax.

10 THE HEARING OFFICER: Mr. Hill would
11 like to speak.

12 BY MR. HILL: I just want to follow
13 up that you had a lot of numbers and lot
14 of things that were perfectly responsive.
15 I didn't see that anywhere. If stuff like
16 that could be prepared -- you know -- we
17 get a lot of information on the negatives
18 of it but the positive value maybe a
19 little more informative than just a
20 hearing, like, hey, this is the
21 information if you want to come the
22 hearing so I could identify that and all
23 these numbers beforehand and prepare and
24 learn before the hearing. That type of
25 information would be great to have so that

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2 people aren't -- you know -- going back
3 and forth and we know all the numbers. If
4 that information can be made available so
5 I can learn more about it, and, for future
6 projects so I could have a better
7 understanding, I would appreciate that.

8 SUPERVISOR D'ALESSANDRO: I usually,
9 at the beginning of the Town Board Meeting
10 when the projects are coming forward,
11 every Town Board meeting I give a long
12 review of what I was doing and what some
13 of these projects are and it will
14 eventually go to them, but we can have
15 information provided more readily on our
16 website and such.

17 BY MS. LEE: And then to respond to
18 that, on the IDA, we have all this
19 information on the IDA website. It's for
20 all the projects that go on in Dutchess
21 County. I think also in the public
22 hearing notice if you wanted a copy of the
23 application, which also has all the
24 numbers that Supervisor D'Alessandro just
25 stated, you just contact our office and

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we'll be happy to provide you a copy.

BY MR. HILL: Thank you.

THE HEARING OFFICER: If no one else
has anything else to say I will now close
this public hearing, and thank you very
much for the comments.

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Sarah Lee

From: Cathy Diorio <catdio4life@outlook.com>
Sent: Monday, August 29, 2022 5:06 PM
To: Sarah Lee
Subject: CANAM

Please do whatever you can to stop the proposal of this building site. Thank you

Submitted by Gerald M. Carey

PUBLIC HEARING COMMENTS

STOP THE CORPORATE WELFARE

The Dutchess County Industrial Development Agency (DCIDA) is at it again in the Town of East Fishkill, with the intention of providing a substantial amount of corporate welfare (tax breaks) to commercial developers/users that do not need it. The developers of the warehouse facility on the land formerly proposed for the Sports Dome is seeking a "Pilot Program" with tax abatements and a low assessment that results in favorable real estate taxes. The developer of the site (Canam Hudson Valley) is part of a real estate company that manages a \$50 billion portfolio.

This is the third such program in the last three years on property formerly owned by IBM. The first two were given to Amazon (net worth - \$1.357 trillion) and Frito Lay (aka Pepsi- net worth- \$246 billion). In the 1990's, a pilot program was issued to IBM as there were fears that IBM would abandon the complex which at that time employed 11,000 with good paying jobs. Well, as it turned out, it is rumored there are only six (6) remaining employees still there whose sole job is to monitor the ground water contamination.

The DCIDA justifies the pilot program based upon a cost/benefit analysis prepared by an outside company (Inform Analytics) which in all likelihood cannot be explained by the IDA itself. Based upon a review of the cost/benefit analysis for the two previous pilot programs, there are discrepancies or errors that result in favorable tax abatements for the developers or users to begin with. And in the long run, can the IDA or the developers/users guarantee that the benefits (namely the temporary and on-going payroll) will be realized by the region or state? It is likely that the program would require extensive monitoring and, at this time, can DCIDA continue monitoring the payrolls as they grant more and more "Pilot Programs".

The DCIDA justifies the "Pilot Programs" arguing that abated taxes are not lost revenue, since the taxes would not have been in the municipal and school district coffers had the development not occurred. While this may be true, we have to consider that the companies receiving the benefit do not need it. Both Amazon & Frito Lay (aka Pepsi) have substantial annual incomes in order to pay the entirety of the real estate taxes at full assessment. And with regards to the new warehouse development, we do not know who will occupy the proposed facility, how many people they will employ, and the salaries that will be paid. The Pilot Programs deprive the county, town, fire district, library district, and schools additional income.

Another IDA argument is that Pilot Programs are given out everywhere. Well, several wrongs don't make it right. Finally, we hear that if they don't get a pilot program, then they will go elsewhere. That is fine. But it is unlikely the alternative site will have the logistics offered by the subject site.

The impact of the existing "Pilot Programs" as well as the proposed project is significant. In fact, the lost tax revenue in each case is more than what will be paid in real estate taxes over the 15 years after completion of the respective facilities.

This is not only due to the abatements, but also due to the undervaluation of the property. The Canam property was purchased for \$22 million and the developer projects a construction cost of \$56 million (Total cost - \$78 million). According to the application with DCIDA, the land will be assessed at \$10 million and the improvements at \$37.1 million (Total Assessment- \$47.1 million). This results in additional lost revenue due to the undervaluation of the completed site. Why isn't the assessment more in line with the cost? The under-assessment will result in an additional tax savings to Canam of \$8.2 million over the 15 years.

This is a familiar tactic employed by the DCIDA. The Amazon property was purchased for \$18 million and the developer projected a construction cost of \$90 million (Total cost - \$108 million). Based upon the approved pilot program for Amazon, the land is assessed at \$5 million and the improvements at \$90 million (Total assessment - \$95 million). The under-assessment will result in an additional tax savings to Amazon of \$5.6 million over the 15 years.

The Frito Lay property was purchased for \$17.9 million and the developer projected a construction cost of \$31 million (Total cost - \$48.9 million). Based upon the approved pilot program for Frito Lay, the land is assessed at \$6.5 million and the improvements at \$15 million (Total assessment - \$21.5 million). Again the assessment is not in line with the cost. The under-assessment will result in an additional tax savings to Frito-Lay of \$7.5 million over the 15 years.

The pilot programs initiated in the Town of East Fishkill are definitely corporate welfare and places the onus on the residents not only in this municipality but throughout the county. The program not only reduces town taxes, but also impacts county and school tax revenue.

Since the amount of abatements and lost tax revenue is substantial, it is recommended that an appraisal prepared by a qualified commercial appraiser be prepared to determine the correct assessment values. In addition, this proposed pilot program as well as any future program in the Town be subject to a referendum voted on by the citizens of East Fishkill. In addition, it is recommended that the school district be given veto power since the district encumbers residents in other municipalities.

Finally, unlike this meeting, the DCIDA should hold well-publicized public hearings at reasonable times so that the citizens have the opportunity to voice their concerns. This may not be the last project seeking tax abatements as there is a new application for a 253,000 square foot warehouse in the IPark campus.

Sarah Lee

From: Jim Beretta <jimberetta@aol.com>
Sent: Tuesday, August 30, 2022 12:49 PM
To: Sarah Lee
Subject: Public Comment, CANAM Hudson Valley Logistics Owner, LLC, August 31, 2022 public hearing, to be held at 09:30 a.m

Ms. Lee (DCIDA CEO),

I wish to submit the following public comments for the August 31, 2022 public hearing, to be held at 09:30 a.m., at the Town of East Fishkill Town Hall, for the financial assistance requested for the project CANAM Hudson Valley Logistics Owner, 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 requested as listed in the Public Hearing Notice which begins as follows:

CANAM HUDSON VALLEY LOGISTICS OWNER, LLC, a Delaware limited liability company authorized to transact business in the State of New York, having offices at 9830 Colonnade Boulevard, Suite 600, San Antonio, Texas 78230 (the "Company") has submitted an application to the Agency requesting the Agency provide certain "financial assistance" (within the meaning of the Act) with respect to the Facility (hereinafter defined), including potential exemptions from certain sales and use taxes, real property taxes, real estate transfer taxes and mortgage recording taxes (collectively, the "Financial Assistance") for the following project (the "Project") in connection with the acquisition, construction, improvement, reconstruction, repair, renovation, installation, furnishing and equipping of a certain distribution facility (the "Facility") consisting of the following:"

My reasons for opposition are as follows:

1. The DCIDA board had a very limited amount of time, less than four days, to review a voluminous document package before they unanimously granted preliminary approval for this project. Board member Don Sagliano asked questions and voiced his displeasure and frustration with the lack of time they had to review the documents and said it is a "long standing issue". Chairman Tim Dean corroborated Sagliano's claim:

Sagliano:

"I mean, there's a long standing issue, is that we were dropped these documents on Friday last week."

Chairman Tim Dean:

"Correct"

Sagliano:

Ok, the long standing issue, we should have at least a full week to review them. I mean, 'cause there's a lot of stuff in here.

Chairman Tim Dean:
"Absolutely".

Chairman Dean and Vice Chair Doyle went on in attempt to mollify Sagliano and it apparently worked because Sagliano voted to approve the project, even after he complained about the lack of time to review the documents and said it was a "long standing problem".

It's impossible to have faith that any board member thoroughly reviewed the package before they gave the project preliminary approval.

2. 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**.

3. The public hearing is being held at 09:30 a.m. on a weekday (Wednesday) at the specified physical location of: Town of East Fishkill Town Hall located at 330 Route 376, Hopewell Junction, New York 12533

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 and livelihood to participate.

4. 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.

5. 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.

This will be another tainted approval by the DCIDA board:

The IDA board has been tainted by DCIDA Chairman Tim Dean's comments at the November 10, 2021 DCIDA meeting regarding another project, the USEF Tioranda, LLC (Amazon/Bluewater) request for additional sales tax exemption, where he set the following tone:

- a. The reasons for granting the initial approval should be the basis of approval for future, reasonable, changes to a project and that *the applicant would expect that*.
- b. If the DCIDA rejects a request for changes that it may affect future projects and the applicant may go somewhere else.

In essence, the message to the board was: If the applicant comes back asking for changes, the IDA board owes it to them.

6. This project is a shell game. The applicant was before the DCIDA, on a prior project, for USEF TIORANDA, LLC on December 4, 2020 and subsequently received DCIDA assistance for USEF TIORANDA, LLC and AMAZON.COM SERVICES LLC. Now, the same people having offices at 9830 Colonnade Boulevard, Suite 600, San Antonio, Texas 78230 are representing as CANAM Hudson Valley Logistics Owner, LLC, and asking for financial assistance for the same location which is owned by: USEF TIORANDA, LLC

The applicant is asking for the same financial assistance as was granted to the prior project even though it's a new project and should be getting a zero-based review. The number of jobs will be 80% less than the previous project (500 to 100).

7. There is no quantification of the amount of financial assistance in the public hearing notice, in dollars, being contemplated for this request and I don't believe that any of the DCIDA board members have a good understanding of what they are being asked to approve.

The following financial assistance is being contemplated and the public does not know how much the total amount will be:

- a) The Agency is contemplating providing the Financial Assistance to the Company with respect to the Facility by granting a real property tax exemption and providing for payments in lieu of real property taxes.
- b) The 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 Facility or used in the construction, improvement, reconstruction, repair, renovation, installation, furnishing and equipping of the Facility, and an exemption from certain mortgage recording taxes.
- c) 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

Again, I am opposed to the financial assistance being requested. This financial assistance is being put on the backs of the Dutchess County taxpayers. It is corporate welfare.

Sincerely,

Jim Beretta
Town Of Poughkeepsie Resident & Taxpayer

Sarah Lee

From: Doreen Tignanelli <doreentig@aol.com>
Sent: Tuesday, August 30, 2022 4:52 PM
To: Sarah Lee
Subject: Public Comment, DCIDA Hearing for CANAM Hudson Valley Logistics project, August 31, 2022, 9:30 am

Ms. Lee, please acknowledge receipt of my comments and include them as part of the official public record for the DCIDA Public Hearing for CANAM Hudson Valley Logistics Owner LLC to be held on August 31, 2022 at 9:30 am at the Town of East Fishkill Town Hall 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).

The requested "Financial Assistance" of around \$16,000,000 in exemptions is nothing more than welfare for the wealthy. It is highly unlikely that this project and prior projects such as Amazon and Frito-Lay would not go forward without financial assistance from the DCIDA. Corporations have come to expect that the DCIDA will hand out taxpayer dollars so their profits can be maximized.

2) A low job number is being projected, possibly to avoid clawback/recapture provisions and the DCIDA appears to be accepting of that. While the applicant is asking for the same 15-year PILOT that the DCIDA gave to the Amazon warehouse project in East Fishkill, Amazon committed to providing 500 jobs while CANAM is only guaranteeing creation of 100 permanent jobs.

According to application materials and statements made at the July 13, 2022 DCIDA meeting, the permanent number of jobs generated could be 100 to 500 FTEs but the applicant is committing to 100. The application used "*81 to 120*" as the number of permanent jobs for this project which is being constructed on a speculative basis.

By using the lower job number, CANAM could avoid clawback/recapture provisions which would allow the DCIDA to recapture benefits if the projected job number is not met. While the DCIDA and their counsel frequently cite the existence of these provisions, it is doubtful the DCIDA would pursue them. In this case, the DCIDA does not even appear to be concerned with maximizing job creation. Even East Fishkill Town Supervisor Nicholas D'Alessandro is willing to settle for whatever the applicant is willing to give as D'Alessandro stated at the July DCIDA meeting "*of course more jobs the better right but if 100 jobs is better than zero jobs*".

The DCIDA should be using taxpayers dollars to maximize job creation instead of accepting whatever crumbs the applicant throws their way. It is also doubtful that the

DCIDA is capable of ensuring the accuracy of job numbers as audits of the DCIDA by the NYS Comptroller and the Dutchess County Comptroller both documented concerns regarding accuracy and monitoring of job creation and retention numbers.

3) It appears this project has received prior DCIDA assistance despite protests to the contrary. The CANAM application states no prior DCIDA assistance has been given despite their connection with the Amazon project in East Fishkill that received significant DCIDA financial assistance. According to application materials for both projects, CANAM Hudson Valley Logistics Owner and USEF Tioranda/Amazon project have a connection to Bluewater, with CANAM application identifying Bluewater as "*a secondary investor*".

CANAM application signed by Bluewater Property Group partner John DiCola, Section 1.H. answers "*No*" to the question "Is or was the Company assisted by DCIDA?". CANAM Application Section 1.D. "Please list Principal Owners/Officers/Directors" is answered ""*BPG East Fishkill LLC*" (*an affiliate of Bluewater Property Group ("Bluewater") and owns 3.5% of SPE*). *Bluewater Management Group (an affiliate of Bluewater) is the developer for the venture.*"

The USEF Tioranda/Amazon application, under "CEO Comments of Importance", stated "*The Applicant, USEF Tioranda, LLC, with its development partner Bluewater Property Group, proposes to construct a 629,186 square foot warehouse and distribution center for their proposed tenant and co-applicant, Amazon.com Services LLC. at the former IBM West Campus.*"

Mr. DiCola was asked by board member Don Sagliano at the July 13, 2022 DCIDA meeting about receipt of prior assistance with a question specific to section 351 of Internal Revenue Code. Mr. DiCola's answer included "*it is the same partners if you will, it's a different investment vehicle*". Chairman Timothy Dean, as he often does, then proceeded to provide an answer that favored the applicant's stance, in this case, that there is no connection to prior financial assistance given by the DCIDA.

The Bluewater connection between the two projects was also noted at that DCIDA meeting by Town Supervisor Nicholas D'Alessandro who said "*Bluewater has been a very good partner with the town with their former project that they completed, Amazon*".

4) For several years, I have watched the DCIDA rubber-stamp projects. In all likelihood, this is just the first round of Financial Assistance that CANAM will request and receive. Any future requests are guaranteed to be granted based on prior assertions made by Chairman Dean in November of 2021 when USEF Tioranda/Amazon requested additional Financial Assistance. Dean basically said if the DCIDA didn't approve the request, it could jeopardize economic development by discouraging future applicants and that saying no would be like reversing their prior approval.

5) Project applicants continually seek financial assistance in the form of tax breaks that shift the tax burden to the remaining base, leading to higher tax bills for all other residents

while maximizing profits of the developers. This is supported by the New York State Comptroller's 'Performance of Industrial Development Agencies In New York State', 2021 Annual Report dated June 2021 which states, "**However, tax exemptions granted by IDAs can reduce the tax base of local governments and school districts and may increase other taxpayers' tax bills**".

Some DCIDA members are defensive and dismissive when the quote from the Comptroller's report about increasing other taxpayers' tax bills is referenced in public comment. At the November 10, 2021 DCIDA Meeting, Vice Chairman Mark Doyle responded negatively to such public comment. Chairman Tim Dean joined in, expressing his support of Doyle's opinion and proceeded to tout tax revenues.

However, members always fail to note the tax revenue that would be brought in if the project proceeded with the applicant paying their *full* share of taxes. Furthermore, applicants often challenge the assessed value of the property after project completion, asking for a reduction in assessed value. When that happens, projected tax revenues end up being lower than stated, again leaving the remaining tax base to subsidize the developer's profits.

Doreen A. Tignanelli
29 Colburn Drive
Poughkeepsie NY 12603

Sarah Lee

From: Raphael Kosek <rakosek75@gmail.com>
Sent: Tuesday, August 30, 2022 9:54 PM
To: Sarah Lee
Subject: Town of East Fishkill Industrial Development Project

Dear Ms. Lee,

I am very concerned that your agency (DCIDA) wants to lure these hugely wealthy companies, Amazon, Frito-Lay and Canam, here by giving them huge tax breaks, which yes, is corporate welfare. They will hire warehouse workers whose wages will not even bring them near to owning a house and paying our East Fishkill Taxes.

Why do you need to grant these very wealthy corporations these abatements when they can well afford to pay the full amounts?! We have skewed priorities right now in this country as the rich get richer and the poor get poorer. When will this stop?

I know many good hard working people who can no longer afford rent in our area, let alone taxes. Why must you pander to these companies?

We citizens of East Fishkill need to make a big noise and stop this nonsense.

I am a life-long East Fishkill resident, writer and English teacher.

Do the right thing.

Sincerely,

Raphael Helena Kosek

Dutchess County Poet Laureate 2019-2020
English instructor DCC

Sarah Lee

From: Melissa Gorski <melissagorski27@gmail.com>
Sent: Tuesday, August 30, 2022 9:38 PM
To: Sarah Lee
Subject: Say no to tax breaks for big corporations in Hopewell

I agree 100% with Jerry Carey! As a community, we should not be offering tax breaks to huge, successful corporations! These companies are not providing any benefit if they don't pay their fair share in taxes. First, we will be dealing with a lot of traffic on roads that can't even handle it as it is. Secondly, pollution and smog that these industries will be releasing. Thirdly, us common "joes" are barely able to afford to live in NY with the forever increasing taxes and huge Central Hudson amounts, yet these companies are going to get tax breaks to make their lives easier. I'm a single mom and work full time busting my ass to afford to live in Hopewell. I definitely don't want these companies getting handouts ! They want to move here, they pay like the rest of us or they pay so the rest of us can pay less! Lastly, East Fishkill's water is already awful. I can't drink my water and buy 14 gallons a week. What will these huge companies do to our already awful water supply? Will I have enough pressure to even shower ? Things are getting out of hand and NY needs to stand up and learn to say NO to these companies! Stand up for the people for once and make these companies pay to live here.

Sincerely,
Melissa Gorski -resident of Hopewell Junction

Sent from my iPhone