

STATE OF NEW YORK  
COUNTY OF DUTCHESS

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DUTCHESS COUNTY INDUSTRIAL DEVELOPMENT  
AGENCY RE:

GPSDC (NEW YORK), INC.  
-----X

DATE: November 4, 2021  
9:31 a.m. - 9:40 a.m.

Frances M. Elmes, Reporter

MINUTES  
OF  
PUBLIC HEARING

MARY T. BABIARZ COURT REPORTING SERVICE, INC.  
(845) 471-2511

1 APPEARANCES:

2 DONALD CAPPILLINO, Hearing Officer  
3 CAPPILLINO & ROTHSCHILD, LLP  
4 Seven Broad Street  
5 P.O. Box 390  
6 Pawling, New York 12564  
7 E-mail: Dc@cappillino.com

8 SARAH LEE, CFO, Think Dutchess Alliance  
9 for Business  
10 3 Neptune Avenue  
11 Poughkeepsie, New York 12601  
12 E-mail: Sarah@thinkdutchess.com

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1 Proceedings

2 (HEARING OFFICER'S EXHIBITS 1  
3 THROUGH 4 RECEIVED IN EVIDENCE)

4  
5 THE HEARING OFFICER: Good  
6 morning everyone. I'd like to call to  
7 order this public hearing. Before this  
8 public hearing began I had marked as  
9 Hearing Officer's Exhibit Number 1 the  
10 Notice of Public Hearing in this matter  
11 indicating that this public hearing for  
12 the Dutchess County Industrial  
13 Development Agency would be held today,  
14 November 4, 2021, at 9:30 a.m. local  
15 time in the Village of Fishkill Hall at  
16 1095 Main Street in Fishkill, New York.  
17 We are here in the Village of Fishkill  
18 Hall and it's a little bit after 9:30  
19 a.m.

20 I've marked as Hearing Officer's  
21 Exhibit Number 2 in evidence the  
22 affidavit of Linda Tutt from the  
23 Poughkeepsie Journal indicating that on  
24 October 21, 2021 a copy of this Notice  
25 of Public Hearing was published in the

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2 Poughkeepsie Journal.

3 I had marked as Hearing Officer's  
4 Exhibit Number 3 in evidence the  
5 affidavit of Jenna L. Jones indicating  
6 that she served a true copy of this  
7 Notice of Public Hearing on Mayor  
8 Kathleen Martin, Mayor of the Village of  
9 Fishkill; upon Dr. Dwight Bonk,  
10 Superintendent of Schools of the  
11 Wappingers Central School District; upon  
12 Supervisor Ozzy Albra, the Town of  
13 Fishkill Supervisor; and upon the  
14 Honorable Marcus J. Molinaro, Dutchess  
15 County Executive. It was served on  
16 October 21, 2021.

17 And I've marked as Hearing  
18 Officer's Exhibit Number 4 in evidence  
19 the October 21st letter of Timothy Dean,  
20 Chairman of the Dutchess County  
21 Industrial Development Agency,  
22 indicating that I was appointed the  
23 hearing officer in this particular  
24 matter.

25 So now I open the public hearing.

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2 Does someone want to speak on behalf of  
3 the applicant, GPSDC (New York)?

4 MS. KRAMER: Good morning.

5 UNIDENTIFIED WOMAN: Good  
6 morning.

7 MS. KRAMER: So Gap is here  
8 requesting a --- (Interrupted)

9 THE HEARING OFFICER: State your  
10 name for the record.

11 MS. KRAMER: Oh, I'm sorry, first  
12 timer. My name is Holly Kramer and I'm  
13 the senior finance manager for the Gap  
14 Distribution Center and Gap Fishkill is  
15 here asking for a tax exemption for a  
16 possible expansion to our Fishkill  
17 campus for the purchase of our  
18 machinery.

19 THE HEARING OFFICER: Okay. You  
20 indicated that the approximate amount of  
21 your expenditure is \$68,575,000?

22 MS. KRAMER: Correct.

23 THE HEARING OFFICER: Okay. And  
24 you also indicated that in your  
25 application that a number of jobs would

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2 be created; how many jobs did you  
3 indicate?

4 MS. KRAMER: 130.

5 THE HEARING OFFICER: Okay.

6 MS. KRAMER: Full time.

7 THE HEARING OFFICER: Full time  
8 equivalents?

9 MS. KRAMER: Um hum, correct.

10 THE HEARING OFFICER: Okay. Do  
11 you have anything else to add?

12 MS. KRAMER: I do not.

13 THE HEARING OFFICER: Okay.

14 Anyone else want to speak?

15 MR. TESORO: Is the public  
16 allowed to ask questions?

17 THE HEARING OFFICER: Sure. No,  
18 I can't answer questions, I'm just here  
19 as a hearing officer, but do you want to  
20 make a statement and address the  
21 questions to the board so that they make  
22 sure that your concerns are addressed  
23 when the board considers this? A  
24 transcript of this public hearing will  
25 be made available to the board.

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2 MR. TESORO: That's okay.

3 THE HEARING OFFICER: Okay. And  
4 so --- and I understand that a couple of  
5 letters were received and any letters  
6 that were received would also be  
7 promptly sent to the board and the board  
8 will review this transcript and whatever  
9 letters we may have. So you're welcome  
10 to send any letters in, as well, before  
11 the meeting. The meeting is to be held  
12 on the...

13 MS. LEE: On the --- November...

14 THE HEARING OFFICER: Is it  
15 Wednesday the 10th?

16 MS. LEE: Wednesday the 10th.

17 THE HEARING OFFICER: Wednesday,  
18 November 10th. So it should be in  
19 before that so the board has an  
20 opportunity to receive that. You can  
21 e-mail it to the board.

22 MR. TESORO: I would like to ask  
23 a question.

24 THE HEARING OFFICER: Sure. I  
25 haven't closed the public hearing, so

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2 please state your name.

3 MR. TESORO: My name is Dave  
4 Tesoro, I'm the building inspector here  
5 for the Village of Fishkill.

6 THE HEARING OFFICER: Oh, okay.

7 MR. TESORO: And fire inspector.  
8 I'm just curious as to how much the tax  
9 savings or the --- what type of monetary  
10 break they're looking for.

11 THE HEARING OFFICER: That's  
12 fair. That I can --- I mean, maybe  
13 Sarah can discuss that.

14 MR. TESORO: I mean, how much are  
15 we basically looking to give up because  
16 they're choosing to, you know, put in  
17 this request?

18 MS. LEE: So my name is Sarah  
19 Lee, I'm the Executive Director of the  
20 IDA. So the Gap is requesting sales tax  
21 exemptions for the purchase of the  
22 equipment.

23 MR. TESORO: Okay.

24 MS. LEE: So it would be the  
25 sales tax of the \$68 million, the



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2 eight percent.

3 MR. TESORO: So eight percent  
4 on...5 MS. LEE: Eight percent, so,  
6 yeah.7 THE HEARING OFFICER: 8.125  
8 percent.

9 MS. LEE: 8.125 percent.

10 THE HEARING OFFICER: And the  
11 local portion of that is --- four  
12 percent, I believe, goes to the State of  
13 New York.14 MS. LEE: And then the remainder  
15 comes back to the county.16 THE HEARING OFFICER: Four  
17 percent goes to the State of New York  
18 and the remainder goes to the county.19 MR. TESORO: Okay. And how ---  
20 is there any requirement as far as the  
21 number of jobs they're providing, the  
22 number of years they have to provide  
23 those jobs, or can they cut those jobs  
24 after one year if they wish?

25 MS. LEE: No, so they --- the IDA

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2 has a recapture agreement or policy  
3 that's tied to the number of jobs, so  
4 there is a number of job that they are  
5 required to have at the site. In Gap's  
6 case their pilot agreement and their  
7 recapture agreement is based on the  
8 number of employees there. So there is  
9 a minimum number of employees that they  
10 are required to have on site and then  
11 the more employees that they have at the  
12 site their pilot rate changes.

13 MR. TESORO: Okay.

14 THE HEARING OFFICER: Yeah, the  
15 pilot rate is the real property tax rate  
16 that they have to pay, so that one is  
17 directly connected to the number of  
18 jobs. So that, in and of itself, is  
19 another benefit that they get the more  
20 jobs that they create. They have  
21 promised jobs throughout. And, Sarah,  
22 you can speak to the history of the  
23 jobs.

24 MS. LEE: Yes. So, yes, so there  
25 is a minimum number of jobs that they

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2 must have on site or else they lose  
3 their benefits.

4 MR. TESORO: Okay. Is there any  
5 kind of salary that's maintained, that's  
6 expected for the jobs that they're  
7 creating?

8 MS. LEE: So while we do ask for  
9 salary information --- (Interrupted)

10 MR. TESORO: Like a minimum  
11 salary, are these minimum wage jobs  
12 we're talking about?

13 MS. LEE: So, well, they must pay  
14 at least minimum wage.

15 MR. TESORO: Right.

16 MS. LEE: But I do believe that  
17 Gap does pay competitive salaries for  
18 these jobs in the region, which I think  
19 right now is at least 18 to \$20 an hour  
20 for these jobs, not including any  
21 benefits that these employees may be  
22 eligible for.

23 MR. TESORO: All right. Thank  
24 you. Those are the only questions I  
25 had.

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2 THE HEARING OFFICER: Very good  
3 questions. Thank you, I appreciate it.  
4 Okay. If no one else is here to speak I  
5 will now close the public hearing.  
6 Thank you for your participation.

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	19,21	<b>Dave (1)</b> 8:3	8:12	<b>indicated (2)</b> 5:20,24
<b>\$</b>	<b>Bonk (1)</b> 4:9	<b>Dean (1)</b> 4:19	<b>far (1)</b> 9:20	<b>indicating (4)</b> 3:11,23;4:5,22
<b>\$20 (1)</b> 11:19	<b>break (1)</b> 8:10	<b>Development (2)</b> 3:13;4:21	<b>finance (1)</b> 5:13	<b>Industrial (2)</b> 3:12;4:21
<b>\$68 (1)</b> 8:25	<b>building (1)</b> 8:4	<b>directly (1)</b> 10:17	<b>fire (1)</b> 8:7	<b>information (1)</b> 11:9
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**From:** [Jim Beretta](#)  
**To:** [Sarah Lee](#)  
**Subject:** Public Hearing Comments for GAP 2021, GPSDC (NEW YORK), INC.  
**Date:** Wednesday, November 03, 2021 4:37:47 PM

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Ms. Lee (DCIDA CEO),

following are my comments for the public hearing to be held at 9:30 a.m., on November 4, 2021, for GPSDC (NEW YORK), INC., aka The GAP.

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 request that the agency (DCIDA) "... is contemplating providing financial assistance to the Company with respect to the Project in the form of granting an exemption from all state and local sales and use taxes with respect to the qualifying personal property included within the 2021 Facility or used in the acquisition, construction, installation, furnishing and equipping of the 2021 Facility."

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

1. These tax incentives are a transfer of tax burden to the rest of the taxpaying public. Granting of the contemplated financial assistance is corporate welfare.
2. This company can well afford to pay their full taxes. The GAP Inc. is reported to be worth **\$11.65 Billion**.
3. The public hearing is being held at 9:30am on a weekday (Thursday) at the specified physical location of: The Village of Fishkill Village Hall, at 1095 Main Street, Fishkill, New York 12524.

This is an onerous burden on the 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.

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 is given preliminary 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.

Sincerely,

Jim Beretta  
Town Of Poughkeepsie Resident & Taxpayer

**From:** [Doreen Tiganelli](#)  
**To:** [Sarah Lee](#)  
**Subject:** Public Hearing Comments for GPSDC (NEW YORK), INC. aka/The Gap Nov 4 2021 9:30am  
**Date:** Wednesday, November 03, 2021 8:33:39 PM

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Ms. Lee, please include my comments as part of the official public record for the DCIDA Public Hearing for GPSDC (New York), Inc. aka/The Gap, scheduled for November 4, 2021 at 9:30 am at Village of Fishkill Village 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).

2) At the October 13, 2021 DCIDA Board Meeting, GAP representative Gloria Nelson admitted, upon questioning by DCIDA Board Member Don Sagliano, that the project will go forward even if the DCIDA does not approve the requested sales tax exemption and that a \$4 million down payment on the equipment order had already been made. Hence, there is no need for the DCIDA to be providing Financial Assistance for this project.

3) The tax burden from the Estimated Sales Tax Exemption of approximately \$5.5 million will be shifted to other taxpayers. Taxpayers should not have to subsidize the profits of GPSDC/The Gap whose Fiscal Year 2020 net sales were reported to be \$13.8 billion. As noted in their application materials, the company has already been the recipient of prior Financial Assistance granted by the DCIDA in the form of "*Payment in Lieu of Taxes (PILOT), sales tax rebate and jobs credit*". The company should be required to pay sales tax in full.

While some DCIDA members appear defensive and dismissive when public comment is given stating that taxpayers subsidize exemptions the IDA hands out, the New York State Comptroller's 'Performance of Industrial Development Agencies In New York State', 2021 Annual Report dated June 2021 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***".

4) The fact that the GPSDC public hearing is scheduled without a Zoom or phone conferencing option, requiring the public to appear in person at 9:30 a.m. on a weekday at the Fishkill Village Hall, seems to indicate that the DCIDA is not interested in obtaining public comment. As a Zoom option was offered for the Rolling Frito-Lay Public Hearing held by the DCIDA on October 8, 2021 at East Fishkill Town Hall, the same option should have been made available for the November 4, 2021 GPSDC Public Hearing.

Doreen A. Tiganelli  
29 Colburn Drive  
Poughkeepsie NY 12603

