

**PUBLIC HEARING COMMENTS  
THE PROPOSED METALLIZED CARBON CORPORATION PROJECT**

Public Hearing Date:  
Monday, April 4, 2016  
11:15 am

Location:  
Town of Fallsburg Court Room, South Fallsburg, NY

Attendees: See separate sign in sheet.

All legal requirements to hold the public hearing have been met.

Jen Flad opened the public hearing at 11:17 am.

**Pamela Zaitchick:** Noted the improvements that the Resnick family has made to various communities, and their history of success in business. Noted that the area around the project site on Wild Turnpike, also owned by the Resnicks, is an eyesore and expressed concern that it will get worse if the project is developed. Stated that Wild Turnpike is a rural road and expressed concern about increasing traffic. Expressed concern about potential impacts to air quality if the project is developed.

**Paul Walsh:** Expressed support for this project.

**Stephanie Phillips:** Stated that she had not seen a public notice of this hearing. Expressed concern about aesthetics on Glen Wild Road.

**Ken Walter:** Distributed and summarized his written comments (attached). Asked that staff bring proof of public hearing notices. Stated that the cost benefit analyses for IDA projects are confusing and do not analyze the projects in a consistent manner. Questioned why the amount of sales taxable purchases for this project is so much lower than for the BRR Brothers III, LLC/ Sullivan County Fabrication, Inc, project.

There being no further public comment, Ms. Flad closed the public hearing at 11:32 am.

Jen Flad  
April 4, 2016

##

## Metallized Carbon Corporation

	average		total	disposable income @				
	salary		employees	salaries	50%	45%	40%	35%
	\$40,000	10	\$ 400,000	\$ 200,00	\$ 180,000	\$ 160,000	\$ 140,000	\$ 120,000
	sales tax @		8%	\$ 16,000	\$ 14,400	\$ 12,800	\$ 11,200	\$ 9,600
	Estimated sales tax generated by project			\$34,000	\$34,000	\$34,000	\$34,000	\$34,000
	Years to recapture lost sales tax			2.13	2.36	2.66	3.04	3.54
	years @ 30% spent in SC county			7.08	7.87	8.85	10.12	11.81
	years @ 50% spent in SC county			4.25	4.72	5.31	6.07	7.08
		Approximately	30% & 20%		50%			
		House hold	SC & Town	Total	School			
		2141	1242	3383	3383	6766		

I have read through the application and cost-benefit analysis of Metallized Carbon Corporation, Inc. Asking for tax abatements through the IDA.

Over the years I listened to the IDA talk about the need of business plans for anyone who wanted to borrow money to start a business, for example, the cheese Mobile. The business plan should list type of job with description, if it's retained or not, and the salary range. The business plan should describe the product or service being rendered and the market our customer base is switching to serve. Business plan in place, is like Shepstone Management Company, Inc. could provide a Benefit/Cause Analysis report and be more custom to the applicant's presentation and less boilerplate wording.

The above information for this project was gleaned from the application and the CBA. Based on the number of new employees it will take for anywhere from 4.25 to 11.8 years to recoup the abated County portion of the sales tax, provided the business is still around. The abated mortgage tax only affects the county, but also affects the town, because a portion of those taxes come back to the town. This project has a total cost of \$3.9 million, yet the sales tax is many times less than the Sullivan County Fabrication, Inc. Why is this so?

Without a PILOT in place is impossible for anyone in the public to know if this is a good deal or not the taxpayer. Anytime there are real property tax abatements, all taxpayers and businesses within the taxing jurisdictions of the town and county have to make up the shortfall in increased tax rates per

thousand. For our County to grow economically we have to see our tax rates go down and taxes go down to make it more enticing for families and businesses to want to come here in Sullivan County.

A simple spreadsheet should be provided shows the following:

present assessed valuation

real property taxes broken out to special districts, town, county and school with percentage

new assessed valuation the pilot program

real property taxes broken out to special districts, town, county and school with percentage

on the Real Property Tax Abatement Schedule there should be two additional columns that shows the abated amount and the pilot amount.

Thank you. Kenneth Walter, Grahamsville, New York