

**Amytra Development LLC, Eldred Entertainment LLC, and Eldred Hospitality LLC
County of Sullivan Industrial Development Agency Public Hearing Comments
Monday, April 16, 2018, 9:00 AM, Town of Highland Town Hall, 4 Proctor Road, Eldred, NY**

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

Jennifer Flad opened the public hearing at 9:00 AM.

Bruce Reynolds: Spoke in support of the project, encouraged the Agency and those present to do all we can to help make the project happen.

Marc Baez, Sullivan County Partnership for Economic Development: Spoke in support of the project. Stated it has countywide implications. Stated it is rare to find a project in the western part of the County that will create this number of jobs, generate additional tax revenues, and generally be a right fit with the community. Stated that even with a real estate tax abatement, the taxing jurisdictions realize a benefit. The net gain includes new real estate taxes, new jobs, new investment, adaptive reuse of a property, and a long-standing investment for years to come.

Pete Carmeci: asked why the public hearing was not held in the evening when more people would be able to attend.

Alan Rosenblatt: Stated he fully supports the project. Stated guests at Eldred Preserve will patronize grocery stores, farmers markets, restaurants, and spend money throughout the community. Stated the project is critical to the Town's economy and will attract other businesses.

Doreen Hanson, Town of Highland Town Clerk: Read an email statement from David Hulse (see attached). Ms. Hanson further spoke on her own behalf, stating there seems to be some misunderstanding regarding the application and structure of proposed tax abatements. Stated there is widespread support for the project, but everyone wants to make sure the Town, School, and County are getting their fair share of tax revenues.

Mike McKean: Fully supports the project. Stated this is a tremendous project that is needed. Stated the project applicant is a large landowner and this development could lead to further development. Stated many towns along the Delaware River Corridor are not friendly to businesses, and the Town of Highland could become a destination by fostering this kind of development.

Frederick Bosch, Town of Highland Town Council: Read his prepared statement (see attached).

Kaitlin Haas, Town of Highland Town Council: Stated she has fond memories of time spent at the Eldred Preserve. Stated her concern is that the PILOT schedule shows a 100% abatement over the first five years. Stated the applicant has the financial means to produce the project with or without IDA involvement, and requested the IDA be fair to students and property owners.

Gibson McKean: Spoke in favor of the project. Stated it will create 25 to 30 jobs. Stated it will serve planned additional developments including a large second home community. Stated these developments will bring additional tax revenues without placing an additional burden on the Eldred Central School District.

Sean O'Connor: Stated the Eldred Central School District is in severe jeopardy. Stated he fully supports the project only if it will bring in existing tax revenues and more. Stated he would like the benefit to the taxing jurisdictions to be immediate and not only in the future. Expressed that the process and benefits should be explained clearly and concisely to the community.

Andrew Boyar: Stated the original Eldred Preserve was very important to the financial development of the Town of Highland and Eldred Central School District. Stated the Eldred Preserve was a flagship business and its restoration will generate considerable taxes, other revenues, and jobs over the long-term. Asked others to consider the alternatives, and to think about the business this project will generate throughout the community.

Matt Dorcas: Stated he helped found Sullivan County Young Professionals several years ago, to help keep young people here in Sullivan County. Supports the project and any project that will bring jobs and keep people here.

Cathy Paty, Sullivan County Chamber of Commerce: Supports the project. Stated that if you say no to this project, nothing happens. But if you say yes, you revive the Eldred Preserve as well as reviving the Old Homestead, a trusted destination that has chosen to come here from their previous location. Stated that venues like the one proposed are rare in this part of the County and would be a welcome addition to the Chamber of Commerce's directory. Asked those present to consider the benefits to the Town of Highland, and to look favorably on the project.

Roberta Byron-Lockwood, Sullivan County Visitors Association: Spoke in support of the project. Stated tourism brings \$40 million in taxes and \$420 million in visitor spending, and employs 5,000 people in Sullivan County. Noted the beneficial impact of the tourism industry on the average household's tax burden. Stated the project will create additional lodging, inspire visitors to stay longer and utilize other local businesses. Requested that those present consider the project positively and cited the direct, indirect, and induced benefits to all.

George Billard: Spoke against the IDA's involvement. Stated it is not the case that the project would go elsewhere if not for IDA benefits. Stated this project is being incentivized at the expense of residents. Stated hospitality is a boom-and-bust industry, and it is unknown whether the project will be successful in a few years. Stated new housing development near the project is unlikely due to its proximity to the compressor station. Expressed concern that elected officials are lobbying for the project and the IDA should avoid self-dealing or the appearance thereof.

Alexandra Watrelot: Spoke in opposition to the project in its current form. Stated her belief that property owners are opposed. Questioned whether the IDA is serious about informing the community. Stated the project applicant has already invested here, and the tax abatements will not make or break

the project. Expressed concern that high property taxes will drive people away. Stated five years is too long to wait, to realize the benefit of new taxes resulting from the project.

Jim Hanson, Town of Highland Town Council: Stated his belief that the hearing was improperly handled. Stated the only notification was the public hearing notice, and 9:00 AM is not an acceptable time for a public hearing for people who work. Expressed concern about the financial health of the Eldred Central School District. Stated the community would like to have a good project and new job creation. Stated this may be a worthwhile project but the IDA is not going about it correctly. Stated a group of concerned citizens will file a complaint. Asked where the IDA Board members are this morning.

Norm Sutherland: Expressed frustration that IDA Board members are not present. Stated the Planning Board has worked hard to support this project and it is a good project. Stated he doubts the original Eldred Preserve project received IDA benefits. Asked whether there is any local labor requirement attached to this project. Stated he owns a contracting business, employs people, pays payroll taxes and workers compensation insurance, and he has never taken IDA money nor will he. Stated he is in favor of the project but not IDA assistance.

Lorry King, Town of Highland Assessor: Stated she is in favor of the project if existing tax revenues are not lost. Asked about the projected \$12 million project investment, and whether the project could ultimately be much larger.

Larry Fishman: Asked how the deal was structured. Asked why there is a 100 percent abatement for five years. Asked if the deal could be restructured so the Town gets something from the beginning.

Dave Preston: Stated he favors the project, but five years without payments is extreme.

Caleb Russell, Eldred Central School District Treasurer: Stated that when Eldred Central School District sets a tax levy, this amount is all the District gets for the year. Stated PILOT payments are in addition to the tax levy. Stated the five year frontload seems like a lot, but otherwise he supports the project.

Jeff Haas, Town of Highland Supervisor: Expressed his concern that the Town Board did not have time to articulate a comprehensive response. Stated the residents and municipal boards have supported this project from the start. Noted many people struggle to pay their fair share, and they want a fair and equitable IDA agreement.

There being no further comment, Jennifer Flad closed the public hearing at 9:55 AM.

Doreen Hanson

From: David Hulse <[REDACTED]>
Sent: Sunday, April 15, 2018 8:25 PM
To: Doreen Hanson
Subject: Statement for Preserve hearing

Doreen,

I've emailed the following to Jeff asking that it be read at the Monday hearing. Should he not get to his email in time, I would ask that you read it into the hearing record.

Thanks

Dave

Hulse

While I'd like to see the Preserve opened and successful again, I think this deal stinks. IDA wants to push this deal on the backs of a recognized low-income community. Accordingly, state officials offered Highland eligibility for the state's Opportunity Zone Program, since they determined Highland to be "a low-income census tract with an individual poverty rate of at least 20 percent and median family income no greater than 80 percent of the area median." Highland petitioned for program entry in February.

Additionally, the Eldred Central School District is one of only two NYS school districts found to currently be under "significant fiscal stress" by the state Comptroller. This IDA deal's loss of significant property taxes would considerably worsen that situation, with no benefit to the district.

All this economic pressure on local taxpayers is solely for the benefit of Daniel Silna, a sports media multi-millionaire, who would seem to be easily capable of funding this project out-of-pocket.

This proposal is an obscene misuse of IDA powers and has been hurried along in six business days from first notice to hearing, in order to avoid the outrage of an informed, victimized public.

Completion of this hearing and any related contracts should be recessed for 30 days to allow the town and school district to explore their legal alternatives and the applicants and their supporters to re-examine their goals.

David Hulse



County of Sullivan Industrial Development Agency brings to mind a vision of an agency that is facilitating the development of a building or factory used to manufacture something such a fire trucks, boats, trailers, or whatever that would be sold over a wide area, and paying good wages for skilled jobs.

My Follett Vest-Pocket Webster Dictionary defines Industrial as: relating to manufacturing.

It is obvious that the Eldred Preserve project does not fit this definition.

The proposed Tax Breaks would place a large burden on the people of the Town of Highland and the Eldred School District. The Eldred School District is the second most financially stressed in the State. The Town of Highland is about to undertake building a new Town Highway Garage. Just the loss of the existing Tax revenue would be a blow to our taxpayers, but the loss of all the revenue from the proposed Tax Breaks would be devastating.

Many of us are retired and must

struggle to make ends meet.

In my own case, I am 79, have been retired for 19 1/3 years, drive a 2003 car, plow my driveway with a 57 year old pickup, heat my house and hot water in cold weather with wood I cut myself, raise a big garden, etc. Most others can't do these things and have to spend a higher portion of their limited income on those things, leaving less to pay rent or taxes.

Omitted from the Amytra Development LLC Benefit/Cost Analysis is the fact that the Eldred Preserve property has been paying School, County and Town of Highland taxes each year based on both property (land) value and improvements value and it is planned to pay 0% or 100% Abated School, County and Town of Highland property taxes, which is a net loss of revenue to each, which must be passed on to the rest of the taxpayers.

Number (6) doesn't appear to add up, as (5) says four new family households x 0.40 children per household (which is low as us old folks should be excluded)

= $4 \times .40 = 1.6$, not a maximum of one.
 $1.6 \times \$19,216 \times 15 \text{ years} = \underline{\$461,184}$,
not $\$66,235$ shown on the Benefit/Cost
Analysis sheet.

Using $\$461,184$ instead of $\$66,235$, the
total costs changes from $\$4,395,248$ to
 $\$4,790,197$.

Not mentioned at all is the fact that
the Town of Highland already has a
large number of restaurants and bars,
undoubtedly the highest percentage per
capita of any Town in Sullivan County,
that already serve the residents and
visitors.

A large number of the customers of
these existing establishments will be
among those projected to generate
sales tax at the new Eldred Preserve,
so the net sales tax generated, after
subtracting the sales tax lost at the
existing establishments will be
considerably less than projected.

Considering all factors involved,
a reasonable compromise to assist

both sides would be for the Sullivan County Industrial Development Agency to:

1. Grant the Mortgage Tax Exemption.
2. Grant the Construction Sales Tax Exemption.
3. Set the Real Estate Assment at the February 2017 number through February 2019.
4. Phase in the \$12,000,000 of new construction value over Five years:
Adding \$2,400,000 in added value
March 1, 2019; March 1, 2020; March 1, 2021; March 1, 2022; and March 1, 2023.

Thank you for your consideration.

Sincerely,
Frederick E Bosch
Frederick E Bosch
Town of Highland
Councilman

Catskill Distilling Company
2037 Rte.17B- - Bethel, NY 12720
Stacy@Catskilldistilling.com (845) 583-3141 #101

April 16th 2018

To: The Town of Highland

Re: Eldred Entertainment

To Whom It May Concern:

I would like to express my support of the above named project. It represent appropriate development in the County and will a great benefit to the surrounding homeowners and businesses.

This project will increase tourism, provide lodging and add another level of enjoyment and necessary responsible growth in Sullivan County. It will also add to the tax base, increase employment and provide opportunities for individuals and other businesses.

We are thankful for the investment in our community and hereby support the Eldred Entertainment Project 100%!

Sincerely,



Stacy Cohen, VP
Catskill Distilling Co.

SC/