

July 2, 2013

The regular meeting of the Industrial Development Agency (IDA) was held in the Council Chambers, 20 Hammond Street, Port Jervis, New York on Monday, July 2, 2013 at 6:05 p.m.

Regular Meeting

Councilman Frank Bell, Mr. James Hinkley, Mr. Robert Schultz, Mr. Michael Worden, Corporation Counsel Damian Brady and City Clerk-Treasurer Robin Waizenegger were present. Councilman Robert Ritchie was absent.

Attendance

Mr. Bell was acting chairman and opened the meeting.

Mr. Brady stated that the primary purpose of the meeting was to discuss Ellicott Development's request to use the IDA for the purpose of gaining tax free purchasing power to lower development costs of their 100 Pike Street property. Ellicott's Planning Board application has yet to be approved, and the company had many issues to address prior to the application's public hearing. The company hopes to begin construction in late summer or early fall to accommodate Rite-Aid's anticipated opening. Mr. Brady noted that this was a retail project and the agency must be made aware of the difficulties and correct process to follow for such a project.

Ellicott Development—
100 Pike Street

Mr. Brady contacted Mr. Bill Paladino via telephone. Mr. Brady informed Mr. Paladino that the meeting was being recorded, and members present introduced themselves. Mr. Paladino gave an overview of the property and Rite-Aid 14,670 ft² project and what the company hopes to accomplish for the remaining portion of the property. The existing plaza building has proven to be more costly than anticipated. Items that will be addressed include a new roof, which will be done over time as cash flow and financing are available, asbestos removal, cleaning out of the building, and floor sinking problems. Mr. Paladino also discussed the unforeseen costs that have been encountered since the purchase of the property. He spoke about the façade, parking lot, plumbing, rear retaining wall, traffic light, and landscaping. The goal, he stated, is getting the Rite-Aid construction started and to have the work completed by next spring, with site work completed this fall to make the property marketable. He noted that the plaza will add needed services to the community. Project costs are anticipated to be \$12 to \$14 million.

Mr. Bell inquired about the number of anticipated jobs for Rite-Aid. Mr. Paladino stated that they anticipate twenty-five (25) positions, which should include four (4) or five (5) full-time jobs.

Mr. Brady asked about job creation for the full plaza. Mr. Paladino stated that, based on the estimated number of positions per square footage and types of tenants, the full plaza could employ approximately 100 to 150 people.

Mr. Worden asked if Ellicott expected to have any other stand-alone buildings. Mr. Paladino stated that there would not be more stand-alone stores similar to Burger King or Rite-Aid.

Mr. Hinkley asked if Ellicott would need IDA financing before beginning the Rite-Aid project. Mr. Paladino stated that he would require the financing before the project. This will aid them in obtaining tenants and continuing the project. They would like to begin preliminary work in August.

Mr. Hinkley asked if Mr. Paladino had done other projects with IDA financing. Mr. Paladino stated that he had done approximately twenty (20) projects and would like to request sales tax exemption, PILOT, and mortgage tax exemption with the Port Jervis IDA. He is interested in tax savings and not looking to borrow through IDA and added that he looks forward to moving forward with the Rite-Aid project.

Mr. Brady recommended Ellicott submit a letter of proposal so the Board can begin to move forward and take action.

The Board discussed input by the school district and Orange County and compliance issues.

The meeting was adjourned at 6:50 p.m.

Robin Waizenegger
City Clerk-Treasurer