

"SPECIAL"

**JOINT-PHYSICAL SERVICES COMMITTEE
AND WAYS AND MEANS COMMITTEE
MINUTES**

**(REMOTELY)
TUESDAY, MAY 25, 2021
2:30 P.M.**

PRESENT: Barry J. Cheney, Chairman (Physical Services)
Leigh J. Benton, Katie Bonelli, James M. Kulisek,
Joseph J. Minuta, Paul Ruskiewicz, Peter V. Tuohy

Leigh J. Benton, Chairman (Ways and Means)
Mike Anagnostakis, Katie Bonelli, Janet Sutherland,
Kevin W. Hines, James M. Kulisek, Joseph J. Minuta

ALSO

PRESENT: L. Stephen Brescia, Chairman
James D. O'Donnell, Legislator
Rob Sassi, Legislator
Betsy N. Abraham, Legislative Counsel
Harold J. Porr, III., Deputy County Executive
Dan Bloomer, Director, Operations and Cost Control
Langdon Chapman, County Attorney
Damian J. Brady, Chief Assistant County Attorney
Eric Ruscher, Director, Real Property Tax Service
Deborah Slesinski, Budget Director
Dina Sena, Budget Analyst
Richard B. Golden, Counsel, Industrial Development Agency
Conor Eckert, Executive Director, Montgomery Industrial Development Agency

Chairmen Cheney and Benton opened the committee meeting at 2:32 p.m. by asking everyone to stand for the Pledge of Allegiance. All Physical Services Committee members were present with the exception of Legislator Paduch who was absent. All Ways and Means Committee members were present.

(Ways and Means)

Mr. Kulisek moved to discuss Montgomery Industrial Development Agency's interest in potentially purchasing certain County owned vacant property on Route 17K in the Town of Montgomery, seconded by Ms. Sutherland.

(Physical Services)

Mr. Kulisek moved to discuss Montgomery Industrial Development Agency's interest in potentially purchasing certain County owned vacant property on Route 17K in the Town of Montgomery, seconded by Mr. Ruskiewicz.

Mr. Eckert and Mr. Golden addressed the committee with a power point presentation (see original minutes) regarding the Economic Development Plan: County Owned Property on 17K, Town of Montgomery which included an overview; Overview of the Town of Montgomery IDA, Engagement and Outreach, Background, Market Analysis, Overview of the Property, Sectors and Business Clusters, Concept, Architectural Standards, Payment Structure and Concluding Thoughts.

Mr. Chapman commented this was an opportunity for the Montgomery IDA to present as well as an innovative opportunity for the legislature to consider.

Chairman Brescia stated that he felt this proposal should be brought to all legislators to see if it merits consideration as he feels this is a possibility. He suggested that the committees and other legislators in attendance ask questions, get answers, and then take it to back to the respective three caucuses to see how they feel. Furthermore, this proposal offers a good, mitigated compromise to the Montgomery community and many residents in Orange County that do not want to just see warehouses.

Mrs. Bonelli asked that someone provide the committee with historic information about the property such as how long the county has owned it, the intended purpose for the general public with the county owning the property and what the intent was a long time ago.

Mr. Chapman responded that the legislature acquired the properties and donations from the Hill family in 1975. It looks like "Mr. Hill" donated it along with other nearby property that he maintained residence rights for a while. His conditions of the property were essentially that the county tried to put it to county use and if that could not be done, the county would be able to sell it. It is his understanding is that we pay property taxes out of the Parks Department budget to the jurisdictions and there is not much more to it.

Mrs. Bonelli clarified that the county talked about some ideas of what can be done with the property.

Mr. O'Donnell stated years ago when the FAA was going to build a new training site for flight inspectors, the county offered the FAA the property for \$1.00 a year lease. A proposal was put together to try and entice them to come up here, but the county lost out because the FAA kept everything in Long Island.

Mr. Cheney asked Mr. Eckert how much developable, non-residential acreage still exists within the town that would be competing for the businesses he is looking acquire for this property.

Mr. Eckert replied that Montgomery is rapidly running out of land which means they are running out of opportunities to attract high-end sectors as there are only four and/or five good sites left.

Mr. Cheney asked if the zoning would preclude warehousing.

Mr. Eckert replied yes.

Mr. Cheney then asked Mr. Eckert if he is looking for one developer and sell it once or looking to find multiple businesses who are interested in coming to the property.

Mr. Eckert responded that at this time, they do not have a specific project in mind, but it certainly could be one developer and/or multiple scaled projects.

Mr. Benton asked how many useable acres are shown on the map.

Mr. Eckert replied there are 81 acres.

Mr. Benton then clarified that there is potential for every separate building to have its own pilot.

Mr. Eckert stated it is a possibility, but he cannot speak to what will be needed at the site.

Mr. Golden mentioned that the purpose of the IDA is to provide incentives to get good companies to come in. He added the property will be shovel ready, so a pilot may not be needed.

Chairman Brescia commented that there is always the possibility of the Town of Montgomery IDA or the Orange County IDA giving out a loan for the initial infrastructure.

Mr. Hines asked if there is an appraised value of the property and if so, what the anticipated revenue for the county is.

Mr. Benton replied that Mr. Ruscher has been working on getting that information and when he does, the first thing the committee will do is help establish an appraisal company to tell them the range of value.

Mr. Hines indicated that it seems as if they would be giving their ability to sell this land away to another when it would be easier to declare it surplus and have the local zoning add the rules, so they are assured that they will get the businesses they want into that area. The easiest way to do this would be to get an appraisal, declare it surplus, put it up for sale and at the same time the town gets their zoning in order so they know what will be on the property and then we get our money. He added that they would still maintain control through the zoning as this does not seem workable and asked how much money the local IDA must put into this or would the funds come from the county IDA.

Mr. Eckert replied that they have not engaged the county IDA to participate substantially. He stated they do have some funds but are not a cash rich organization.

Mr. Golden pointed out that the big piece that Mr. Hines is missing is that zoning has been in place to try get hi-tech to various places, but because you change the zoning, it does not mean it is going to come. As mentioned earlier, a lot of these types of organizations do not want to take the time to develop a site that is allowed by zoning. They are looking to come in and have a "shovel ready" site. Furthermore, this is something that would take the "bull by the horns," get a site ready and the zoning would be in place which means the SEQRA process would not be necessary.

Mr. Hines then clarified that the revenue to the county would be 50%.

Mr. Golden stated that is correct and the other 50% would go to the IDA. It would essentially be a partnership between the Town of Montgomery IDA and the county by which the Town of Montgomery IDA would be doing the footwork and getting everything in place. He believes the county will discuss this and see if the two parties can come to an agreement.

Mr. Hines commented that the 50/50 is a real estate commission.

Mr. Benton stated this is the first time anyone has mentioned a plan and he is not happy with the 50/50 plan as it is not what they are supposed to be doing with county properties or the county revenue stream.

Mr. Anagnostakis clarified that the property is between Bahren Road and it does not extend east to New Road.

Mr. Eckert stated that it extends from Bahren Road to New Road.

Mr. Anagnostakis then clarified that the entrance and exit would be through 17K, not Bahren or New Road.

Mr. Eckert stated that is correct.

Mr. Anagnostakis mentioned that Bahren Road has about 40 homes and may be impacted. He asked what kind of mitigation would be done for them.

Mr. Eckert replied that they believe it is important to attach architectural standards to the building and the Planning Board would mandate certain external design standards in landscaping to protect the community.

Mr. Golden pointed out that along the Bahren Road side are lots of wetlands, so it is unlikely that there will be any development on that side. He stated there will be mitigation to any significant adverse environmental impact.

Mr. Benton mentioned that the map (see original minutes) shows the access point off Bahren Road.

Mr. Eckert further explained the map to show the road and access points (see original minutes).

Mr. Minuta asked if there will be a public hearing for the public to voice their opinions.

Mr. Golden replied if the county would like to pursue this partnership with the IDA, the process for getting this to be a "shovel ready" site would be to make sure the zoning is in place and then go through the environmental review process which provides many public instances to be heard. A public hearing would be done based upon a Draft Environmental Statement (DES) and there will be site plans involved on the specific projects being built which requires a public hearing. He stated the most important for development of the site is going to be through the SEQRA process in which the public and other municipalities will have ample opportunity to weigh in.

Mr. Minuta then asked what the pre-engineering expenses to-date are.

Mr. Eckert replied they have studied the 17K corridor through a consulting firm a few months ago, but beyond that, no specific expenses to this property.

Mr. Minuta clarified that Delaware Engineering did the study for no cost.

Mr. Golden stated no, they paid Delaware Engineering to do a broad-based review for the county including the "shovel ready" plan for Route 17K and Bahren Road. They used some generalized engineering to decide where things are to determine a general overview. Furthermore, there was a decision made not to go into anymore detail analysis unless there was potential that the county would have a buy-in.

Mr. Minuta stated that he would like to know the numbers, so the legislature knows what the investment is in the property for the payout in the end.

Mr. Benton pointed out that Mr. Ruscher will be getting them quotes and estimates for future discussion. He reiterated that no action will be taken today, and he expects that this will move forward through committees.

The meeting adjourned at 3:25 p.m.