

BOARD MEMBERS
DAVID MADDEN, CHAIRMAN
WAYNE HAWKINS, VICE CHAIR
ANDREW BRITTO
ANTHONY CANTOLI
JOSEPH M. DESTEFANO
ELIZABETH NEMETH
BRIAN SEIGERMAN

MARIA BRUNI, ADMINISTRATIVE DIRECTOR
PATRICIA RACINE, SECRETARY
LEONORA LIZ, TREASURER

Industrial Development Agency City of Middletown

City of Middletown Industrial Development Agency ANNUAL MEETING MINUTES January 24, 2023; 4:30 p.m. Council Chambers; City Hall

Members of the board were sworn in by the City Clerk, Richard McCormack

1. ROLL CALL: Present: David Madden, Wayne Hawkins, Andrew Britto, Joseph Cantoli, Elizabeth Nemeth, Brian Siegerman
Absent: Joseph DeStefano,
Also in attendance: Maria Bruni, Patricia Racine, Leonora Liz
2. REORGANIZATION
Nomination and election of Chairperson
Motion to elect David Madden as chairperson made by Britto; seconded by Hawkins
Motion carried: 5-0

Nomination and election of Vice Chairperson
Motion to elect Wayne Hawkins as vice chairperson made by Britto; seconded by Madden
Motion carried: 5-0

Nomination and Resolution to appoint Officers: Administrative Director, Maria Bruni; Treasurer, Leonora Liz; Secretary, Patricia Racine
Motion to appoint officers as named made by Hawkins; seconded by Britto
Motion carried: 6-0

Resolution to approve and adopt Mission Statement as presented
Motion to approve made by Britto; seconded by Cantoli
Motion carried 6-0

Resolution to approve and adopt Bylaws as presented
Motion to approve made by Britto; seconded by Cantoli
Motion carried 6-0

Resolution to approve and adopt Policies as presented
Motion to approve made by Hawkins; seconded by Cantoli
Motion carried 6-0

Resolution to approve the 2023 Meeting Schedule and authorize publication in the Times-Herald Record and the City website.

Motion to approve made by Britto; seconded by Cantoli
Motion carried 6-0

3. APPROVAL OF MINUTES – 11/17/22

Motion to approve made by Hawkins; seconded by Britto
Motion carried: 6-0

4. TREASURERS REPORT– period ending 12/31/22

Checking: \$462.88
Pilot checking: \$116.63
Savings: \$2074.13
Money Market: \$111,247.85
Balance: \$113,901.49

Motion to approve made by Cantoli; seconded by Hawkins
Motion carried: 6-0

Resolution to approve RBT as auditors for the year ending 12/31/22 and authorize the chairperson to sign documents pertinent to the engagement.

Motion to approve made by Britto ; seconded by Cantoli
Motion carried: 6-0

5. BILLS AND COMMUNICATIONS –

Times Herald-Record – 58.41
Fed-Ex – 20.85

Motion to approve made by Hawkins; seconded by Cantoli
Motion carried: 6-0

6. UNFINISHED BUSINESS –

Poly Craft Industries Corp – presentation of the PILOT Agreement

Maria Bruni: Mr. Chairman tonight we have unfinished business regarding Poly Craft Industries. We had an application from them and approved an inducement resolution on October 20, 2022; We held a public hearing which was published in the Times Herald-Record on November 11, 2022 and held on November 17, 2022. The authorizing resolution was approved on November 17, 2022. This project will bring 120 FTE jobs to our city. We closed on the Sales Tax and Mortgage Tax agreements on January 11, 2023. The PILOT was prepared but we wanted to present it to the board before we closed on it. The PILOT was emailed to everyone. Mr. Zodda, our IDA counsel is here, if anyone has any questions.

David Madden: Mr. Zodda, could you please explain to the board, we have two new members who weren't with us in November, A little overview of the Poly Craft project?

Rudy Zodda: We closed on the Poly Craft project on January 11, 2023. The sales tax exemption was conveyed and they received mortgage tax exemption on a smaller acquisition mortgage. We still anticipate closing on approximately a \$14 million mortgage for the construction financing. We will apply an additional mortgage tax exemption at that point. The only piece still active is the PILOT Agreement, which you all have in front of you now. It provides for the tax assessment on the property to stay the same for the next two years. until a co is issued on the construction and then we've agreed that the value of the new construction as presented in the plan is another \$936,000 in assessment. Then once the co is issued for the next 10 years that the additional \$936,000 in assessment is exempted starting with 90% in the first year going down to 0% in the last year.

Madden: To be clear the current tax jurisdictions the City of Middletown, the County of Orange and the Middletown school district will continue to receive the same amount of tax dollars from this property

in the first two years that they had been receiving in past years. Then beginning in the third year of this PILOT those numbers will start to increase.

Zodda: Correct

Madden: And at no time in the next 10 years will those tax jurisdictions ever see a decrease in the amount of money coming to them.

Zodda: correct.

Bruni: Also we followed our policy when we were negotiating this with Poly Craft.

Britto: This is the last step for them before they begin construction.

Madden: As Mr. Zodda said they will come back to us for an addition Mortgage tax exemption going forward.

Zodda: That is correct. Their attorney advised us that they would come back to us in about 2 or 3 months.

Bruni: We also received our fees in full from Poly Craft. Including our admin fee for 2023 we realized \$148,203 paid in full to the IDA. They also paid Bleakley Platt their attorney fee. We also did the authorizing resolution allowing the Chairman to sign the PILOT, but we wanted to bring this last piece to the board before signing.

Madden: So, one last chance for anyone to bring forth any questions...

Brian Seigerman: What is the hourly wage of the jobs that they are proposing?

Madden: The annual wages are starting at unskilled factory, \$39,230; skilled factory, \$47,840; management \$73,000; pressman \$58,000, executive management \$104,000.

7. NEW BUSINESS –

Board Members are reminded to turn in Sexual Harassment Training questionnaires and acknowledgement of receipt

Please sign the Fiduciary Acknowledgment, Certificate of Independence and the Board Self-Evaluation and turn this in soon, because we have to report to the state.

7. ADJOURNMENT

Motion to adjourn made by Britto; seconded by Hawkins

Motion carried 6-0