

**MINUTES OF THE SPECIAL MEETING OF THE TOWN BOARD OF THE TOWN OF FORT EDWARD HELD ON FRIDAY, MAY 7, 2021 COMMENCING AT 10:00 A.M.**

Supervisor Losaw called the meeting to order at 10:00 a.m.

**PRESENT:** Supervisor Losaw  
Councilman Fisher  
Councilman Middleton  
Councilwoman Mullen

**ABSENT:** Councilman Mercier

**OTHERS PRESENT:** Dave Cutler, Brian Brockway, George Conley, Joe Malvuccio, Vicky Hayner, Mitch Suprenant, Ella Collins, Mayor Matt Traver, Peter Williams, Dan Ward, James Donohue, Janelle Rose, Peter Amorosi, Dave Armando, Peter Ives and Town Clerk Aimee Mahoney

**BUSINESS:**

**Councilman Fisher:** We called this meeting because the Board doesn't agree with the value that the Assessor sent up to the County. Full market value according to the county for 2020 was \$30,176, 915.00, Irving has benefitted from the 10 year PILOT and one of the key things from the PILOT says that during the term of the PILOT agreement the company shall make payments equal to a percentage of the taxes which would have been due to the relevant taxing entities based on the total assessed value of the land and the facility. To the best of my knowledge this was when it was at \$22,029,148.00 for the 10 years; they benefitted from only paying 50% of that.

**Councilman Middleton:** That was an agreed upon number with Irving.

**Councilman Fisher:** It was agreed upon by the company, the Town, Village, School and County and as far as I know Irving was happy with the program and there was never any indication that they were unhappy. We feel the value should be at \$22 million which was the agreed upon number. Put it back on the tax roll at \$22 million; the company has options after that if they do not agree.

**Councilman Middleton:** I looked at the comparables used and from what I see there really wasn't a heavy industry comparable. That building was built with galvanized steel to be extra heavy duty for overhead cranes, it has very expensive epoxy floors and you cannot compare that to just a warehouse; I would have felt better if they at least used the paper mill just across the river that just went through Article 7. The mill over there is much older than Irving and that is at almost \$15 million and during the Article 7 process to get to the \$15 million it was done over 5 years. They depreciated what they had to get to that number over 5 years. I think this is a travesty to the community, to the school and to the village. The part that upsets me more than anything else is that the Board had no part in this decision, I had no idea until I started getting phone calls from taxpayers in the Town and Village, they knew about it before we did. This should have been a Board decision when going out to get a second opinion on the value. Something of this magnitude, the whole Board should be involved.

**Councilman Fisher:** I agree

**Supervisor Losaw:** I have to take fault for that because we don't tell other department heads what to do as far as expenses if it's in their budget. I gave Vicky permission to go ahead with GAR and get a price. If that's the way the Board feels I apologize that's on me.

**Councilman Fisher:** It wasn't necessary, it was an overreaction.

**Supervisor Losaw:** It was because of the conflict she has been receiving and the negativity she has been receiving she felt she needed something to back up what her numbers were.

**Councilman Middleton:** I'm sorry Mr. Supervisor but if she was receiving conflict from other people then it's your job to step in and make sure that doesn't happen.

**Supervisor Losaw:** I met with Vicky, the Mayor, the Village Attorney and one of the trustees.

**Councilman Middleton:** Then it should have been over with and settled.

**Vicky Hayner:** The way that it was settled was I do not have enough experience with commercial appraisal and I have admitted that several times and so we went out and got a professional opinion of what the value is right now.

**Councilman Fisher:** Why didn't you just go with the PILOT? You just admitted you don't have the expertise. Why did it ever come off the \$22 million?

**Vicky Hayner:** Because it came off the PILOT. During the term that it's on a PILOT it just stays, nobody pays any attention to the value. The \$30 million number is a factor of what the equalization rate was over that 10 year period. It had nothing to do with anybody looking at the value every year or anything like that. Maybe when we get PILOT's we need to do a new valuation every year. This year it came off the PILOT and it had to be put on the roll at a value. Do you want me to just trust what everybody tells me is a value of property? I initially did that and thought that since we have a reval going on I would put a number on it but the Village romped all over me that the number I put on was too low and so I said ok I hear your concern let's get a real number that we can hang our hats on so we went to a professional appraiser. Unfortunately it didn't give you the results that you wanted; you wouldn't be at me if it came in at \$30 million. The reality of the situation according to the appraiser that gave us this value is what it is right now. I will also say it was GAR Appraisals who is doing our reval next year and they have nothing to gain or lose and didn't give us a low number just to stick it to you guys. They are professionals and they gave you a real number.

**Councilman Fisher:** It didn't need to come to that. This Board didn't approve you to go get that appraisal done.

**Vicky Hayner:** You don't have authority to approve what numbers go on my roll.

**Councilman Fisher:** I didn't say that, you didn't have approval from this Board to hire GAR.

**Supervisor Losaw:** The Board does not have to give that permission.

**Councilman Fisher:** I disagree.

**Dave Cutler:** Vicky has stated that number on the PILOT program has stayed there for 10 years; this was a negotiated number that went on as the total assessed value of that piece of land. For 10 years it remained the same, so did the value of every other property in this community. Why single this property out not only as an industrial property if no other industrial properties were looked at for an adjustment.

**Vicky Hayner:** 2 years ago we did look at an industrial property and that was lowered.

**George Conley:** Nobody interrupted you, let him talk.

**Dave Cutler:** The other thing that is very important in all this, Vicky had told me in clear conscience word for word that she could not leave that number at \$22 million. When you talk about the village being after Vicky I was the one that initiated it but in clear conscience she couldn't leave that \$22 million. I want to look at everybody that is on the Board right here that signs their name to a PILOT program, in clear conscience if you knew this number was going to be changed would you have ever signed a PILOT program?

**Councilman Fisher:** No and that's the point.

**Dave Cutler:** If you read the IDA mission statement, Mr. Losaw which you are a member of, it's to advance job opportunities, general prosperity and economic welfare of the citizens of Warren and Washington Counties. At the end of this PILOT we have assessed value that has not been looked at for 10 years and nobody has complained about it and it's a stipulation in that PILOT Program that the property owner, Irving Tissue has a right to grieve that assessment even during the PILOT. They did not do that, they have not come forward at all showing any interest in grieving that assessment. If the IDA had a posterchild for a PILOT program it would be Irving Tissue. They spent the money they were going to spend, they created jobs, they paid their part of the tax abatement that they were supposed to, and they did everything they could. The people of this community without realizing through these years that \$11 million in revenue have either paid that part of the taxes or we have gone without improvements for our community. Look at McIntyre Park, look at the conditions of our streets, that's what the people of Fort Edward have done, we have sacrificed and this is the year that we were supposed to reap the benefits of that PILOT program that we went into in clear conscience knowing this was the year we would reap the benefits of the \$11 million in assessed value. That is why I went to the Assessor with this and brought it to her attention. The first drop was \$6 million and I learned that from a school board member and 5 minutes later I was in her office. We had a conversation, I had my point of view and she had hers. I went up to the Supervisor's office and introduced myself to Mr. Losaw; I have lived here for 66 years and Mr. Losaw has lived here for decades and I've never met the man before in my life. We had a nice conversation and I asked him to set up a meeting with me, him and Vicky, he did that and we had another conversation that lasted about a half hour and I

did 90% of the talking, Vicky did 10% of the talking and Mr. Losaw didn't have a whole lot to add to it. Then we had a meeting with the mayor, me, the village attorney and Mr. Losaw and we rehashed this again in trying to explain what this community has been going through with taxes. We have lost GE, we have lost the dewatering plant and it didn't even seem to be a concern of Mr. Losaw's that we were going to lose \$11 million more in assessed value that we had been looking forward to, not only the village and the school but also the town and the county.

**Mayor Traver:** My question is why this year? What prompted to even look at the number this year knowing there was a total revaluation coming next year? I know it didn't come from the school, the village or the town. Why did we just look at this one parcel, and I get the PILOT and the mess we were in with paybacks to the County from the dewatering facility but why not wait 1 more year? You really put the school in a bind and that is what frustrates me more even than the Village and the Town. They started their budget process several months ago and then they find out it's going to \$16 million so they bust their chops to get to \$16 million and then 2 and a half weeks later they said no it's actually going to be \$11 million and actually it's \$10,700,000.00. We would have been better off staying on the PILOT; we should have extended the PILOT.

**Vicky Hayner:** Because it came off the PILOT, that is when I have to put a value on it, I put a value on it and the Village and people were not happy with it so then I got a professional opinion and that's what I did.

**Councilman Middleton:** Vicky, at that point where you felt taxpayers were bothering you where you needed a value, Mr. Supervisor that should have been brought to this full board. I got the phone calls and I had no idea what the hell they were talking about. If that would have come to this Board my answer would have been no. Next year we have 100% and if Irving does go down maybe my house goes up but there is less of an impact when it's done for the whole community then when we take one major industry and do it. This is just so wrong.

**Mitch Suprenant:** What did they bring the value down to?

**Vicky Hayner:** \$11 million

**Mitch Suprenant:** In 2016/2017 the agreement with Irving was \$11 million and they were going to be taxed on that until the end of the PILOT. Nothing increased for 4 years and they knew at the end of that and I believe there was a meeting that I was involved in but I don't have the notes here where they agreed that when the PILOT was over they were happy with the \$22 million. Why would someone say let's change this value when Irving is perfectly happy with the way it's going, that just doesn't make sense.

**Peter Williams:** The average cost of a home appraisal is \$600.00, how much did you pay for this appraisal?

**Supervisor Losaw:** \$1,500.00

**Peter Williams:** So double for a multi-million dollar facility? By the way some of us are old enough to have been around in 2009 when this all happened. This was an agreement that took a

long time, it started in March and finalized in the fall of that year. You have to wonder, \$1,500.00; at the time this project was a \$155 million dollar project, some of that was the paper machine that went in, some was demolition. The Post Star wrote an article saying that we needed to compromise and we did compromise and if Irving was here today they would tell you that we did so in good faith and they did so in good faith. I have a hard time accepting that the agreement was made by a group of elected officials and a local business for the betterment of the community and an unelected official in a period of less than 2 and a half months can negate what we agreed to. I just find that incredibly astonishing.

**Councilman Fisher:** Vicky, do we have options to change it or do you have the ability to change that number?

**Vicky Hayner:** I don't think legally we do.

**Councilman Fisher:** Even if we get Irving to agree?

**Vicky Hayner:** I don't know, I would have to look at the law because the law says that I can make changes based on a correction. I would have to look at the reasons to do that. I talked to the appraiser and he said he didn't know how I would change it.

**Councilman Middleton:** What about if we got another appraisal?

**Vicky Hayner:** We would have to give them 10 days notice before grievance day and I'm not sure if it's 10 business days or 10 calendar days.

**Peter Williams:** You paid \$1,500.00 for an appraisal, what kind of appraisal is that on a \$155 million dollar project of buildings that are worth millions of dollars and it's only double the price of one on my home on Notre Dame St.? That doesn't make sense.

**George Conley:** Somebody asked you why you went ahead and did this appraisal and your answer was because the PILOT ran out. Did Irving ever ask you to re appraise them? If not then why would we do that? Why would we even go ahead and do that when we are going to have a full assessment next year?

**Councilman Fisher:** Just like any other property owner if they were concerned about it they would have a chance to grieve it.

**Vicky Hayner:** Any property owner can come and talk to me and I have the right to look at any property at any time during the year to determine its value.

**George Conley:** But again, why?

**Vicky Hayner:** It doesn't matter because it came off and it's my job to give it a value.

**Mitch Suprenant:** You valued it at \$16 million so why didn't you leave it at that?

**Vicky Hayner:** Because I had a lot of pushback from the Village saying that my number wasn't a good number.

**Peter Williams:** Asking questions is not pushback; it's what we do as tax payers and trustees.

**Vicky Hayner:** It's my right to say that I don't have a good answer for you so let me get a real number and then I can have a good answer for you.

**Janelle Rose:** My question is, with this PILOT program, obviously the school came off first because of the timing of our years. If you look at the PILOT program it's got the school, town and village but all in all this agreement says that this PILOT ends in 2022.

**Vicky Hayner:** o, it says that it ends with the 2021 assessment roll which is used for 2021/2022 school, 2022 town/county taxes and 2022 village taxes.

**Councilman Fisher:** I would recommend that you go back to the county and go back to Irving and say you made an error; it should be \$22 million.

**Vicky Hayner:** You can get another assessor to do that for you, I am not doing that. I'm not going back and forth. You guys are brutal and you don't understand the whole thing and I've just had it. You are going to mess up your reval next year because who is going to trust GAR with you guys questioning everything they do? Have at it, I don't care anymore.

#### **Assessor Vicky Hayner left the meeting**

**Mitch Suprenant:** She put \$16 million on it and then she went out and got an appraiser which she was not authorized to do and it put it down to \$11 million. So why can't she put it back to \$16 million and say she didn't have the authority to hire these people to do an appraisal so I'm sticking with my \$16 million because they is nothing out there that she can legally do.

**Supervisor Losaw:** I disagree with having to have the full Board approve that.

**George Conley:** You should consult with the Board on any decision and issue that is what you are all elected to do. I don't understand that.

**Supervisor Losaw:** It was just a simple thing to get back up.

**George Conley:** It's not that simple. It's simple to you because you don't understand the ramifications on everyone in this village and town.

**Supervisor Losaw:** The process would be simple just to get a different opinion.

**George Conley:** A different opinion would be having the full Board involved in the decision.

**Dave Cutler:** On her way out Vicky said we are going to mess up the revaluation. If Irving Tissue goes to \$11 million that's a 50% drop. Every single property owner's value is going to go

up. I don't think you can refute that statement. Talk about screwing up the valuation, that will be the biggest screw up and it will affect every single homeowner in this community and another thing I just want to bring up is Mr. Ward, I think the date was March 5, 2021 called down here to see what the number was going to be on Irving Tissue and the Assessor told him that the PILOT program wasn't going to effect this year's school tax. She had to call the IDA and find out that the PILOT Program was over on July 1<sup>st</sup>. Her tax roll had to be in on May 1<sup>st</sup>, she knew a revaluation was coming. If Dan hadn't made that call there would have been no reason whatsoever for her to change that tax roll from \$22 million because there was going to be a complete revaluation done of this community this year.

**Dan Ward:** My biggest concern is that we are talking about a \$22 million piece of property in the village and the town divided by total assessed value on the first run around was \$118 million dollars. I don't know how we lose sight of when that PILOT is ending and I have to be the person to call and say can you give me the value we are working on finishing up our budget and the response I get is that it goes for a whole other year and I have to say no, that is incorrect I will send you the documents and that is what I did. I am more about making things better as we move forward and I know there are no PILOT's of that size going on here right now but to lose sight of \$22 million out of \$118 million is very difficult for me to explain to the tax payers of the school district. I am doing my best but it is very difficult and I am very concerned about how these changes are going to affect what happens in the school budget vote and certainly what happens to our school children in the Village of Fort Edward.

**Councilman Middleton:** Dan, a year and a half ago when we first heard that GE was coming down there was discussions between me, the Board, the Assessor and that coming off the roll was going to make an impact on the community but at that time we also said that Irving was coming back on the roll to help with that. This is something that was talked about as a Board in the past. Mr. Supervisor you should have definitely known that was coming off and sometimes you have to step up to the plate and be the Supervisor. You have got to check and make sure of what is going on because for her to say that she had no idea, I just find that hard to believe and if that was the case then you as Supervisor should have been checking on that so that something like that doesn't happen.

**Mayor Traver:** I can tell you that as a Village, we knew and we have been waiting and waiting for June of next year so that we could see those funds coming in. Dan had contacted me and said we are not going on this year and I said no the school is the first one coming back to them this year in the fall. Then the numbers started changing and it's been pretty crazy.

**Mitch Suprenant:** I believe this \$22 million dollars was agreed upon; I can remember Roseanne, myself, Eric Smatko, Dave Herman and Ralph Forte sat down and agreed upon this number. An agreement is an agreement and everything was negotiated it wasn't just thrown out there.

**Councilman Fisher:** We just received the Assessor's resignation effective immediately.

**Councilman Middleton:** Supervisor, seeing as you were involved in this with Vicky what percentage did we even reduce it by?

**Councilman Fisher:** I suggest we go into executive session to discuss this.

**Ella Collins:** Do we have Attorney's involved in this?

**Councilman Fisher:** The Town has not had their attorney look at it.

**Ella Collins:** I just want to say I am on the Board of Assessment Review and have been for many years and we never had anything like this happen. Roseanne may have come on Grievance Day with a few things she had taken care of during the year but they were minute things like somebody's exemption ended or somebody died or a blatant mistake was made; she still brought it to us as a Board. I am a little taken aback that she didn't even call her own Board of Assessment Review.

**Councilman Middleton:** You should be a Board member up here, we knew nothing about it.

**Mitch Suprenant:** Trying to get a new Assessor is not going to be easy, I went through it. My point is that they talked years ago about switching to Countywide Assessing and you should push for that.

**Supervisor Losaw:** I think the County is looking to do that but it is more money.

**Mayor Traver:** I would rather see you try and find your own.

**James Donohue:** We are behind the 8 ball here and there is a real time line that we are shooting for. We know that clearly mistakes were done and this has got to be remedied. If you go into executive session you have to articulate a specific plan of who is going to do it, how is it going to be done, what's the timeline and make connections fast because it's got to be settled? If you go past that deadline it becomes a non-issue. It's very clear as to what the issue is and everybody is repeating the same thing. Let's move on and get this thing taken care of.

**Peter Williams:** The bottom line is the taxpayers subsidized this whole PILOT and have had enough.

**Dave Cutler:** This should have never been changed unless every other property was changed as well.

**George Conley:** While you are in executive session ask for the Supervisor's resignation.

**MOTION** by Councilman Fisher, Seconded by Councilwoman Mullen to enter into executive session at 10:45am **ALL AYES**

**MOTION** by Councilman Middleton, Seconded by Councilwoman Mullen to come out of executive session at 11:21am **ALL AYES**

**Back in Regular session**



**MOTION** by Councilman Fisher, Seconded by Councilman Middleton to accept the resignation of Town Assessor Vicky Hayner effective immediately **ALL AYES**

**Councilman Middleton:** We should look into hiring more than one firm to put values on these solar projects and we also need to start thinking about marijuana sales are whether or not we are going to allow it.

**ADJOURNMENT:**

**MOTION** by Councilman Middleton, Seconded by Councilwoman Mullen to adjourn the meeting at 11:25am **ALL AYES**

DATED: May 10, 2021

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Aimee Mahoney, Town Clerk