

## PUBLIC HEARING MINUTES

<b>Agency</b>	Madison County Industrial Development Agency (the “Agency”)
<b>Project Beneficiary:</b>	Rasbach 125 Realty, LLC (the “Company”)
<b>Project Location:</b>	125 Rasbach Street in the Town of Lenox and Village of Canastota, Madison County, New York
<b>Hearing Date:</b>	May 30, 2018
<b>Hearing Time:</b>	10:00 a.m.
<b>Hearing Location:</b>	Village Offices located in the Town of Lenox, Madison County, New York

Attendance: Kipp Hicks, Amanda Nicholas, Mayor Carla Deshaw, Justine Mulford, Margaret Peters

### Opening Remarks

Good morning.

My name is Kipp Hicks, and I am the Executive Director of the Madison County Industrial Development Agency (the “Agency”).

Today I am holding this Public Hearing to allow citizens to make a statement, for the record, relating to the involvement of the Agency with a project (the “Proposed Project”) for the benefit of Rasbach 125 Realty, LLC, a New York limited liability company (the “Company”).

The Proposed Project consists of the following: (A) (1) the acquisition of an interest in various parcels of land containing in the aggregate approximately 6.5 acres located at 125 Rasbach Street and on Rasbach Street and South Main Street (tax map nos.: 36.77-1-55, 36.77-1-55.1, 36.77-1-55.2, 44.21-1-6.1, 36.78-1-5 and 36.77-1-56) in the Town of Lenox and Village of Canastota, Madison County, New York (collectively, the “Land”), together with an approximately 33,000 square foot building located thereon (the “Existing Facility”), (2) the renovation of the Existing Facility and the construction of an approximately 6,000 square foot building to expand the Existing Facility (the “Addition”) and the making of other site improvements on the Land (collectively, the “Improvements”) (the Addition, the Improvements and the Existing Facility, as renovated, being collectively referred to as the “Facility”) and (3) the acquisition and installation therein and thereon of related fixtures, machinery, equipment and other tangible personal property (collectively, the “Equipment”) (the Land, the Facility, and the Equipment hereinafter collectively referred to as the “Project Facility”), all of the foregoing to constitute a dairy manufacturing facility to be leased to Ariston Dairy Products, LLC (the “Tenant”) and other directly and indirectly related activities; (B) the granting of certain “financial assistance” (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including potential exemptions from certain sales and use taxes, real property taxes, real estate transfer taxes and mortgage recording taxes (collectively, the “Financial Assistance”); and (C) the lease (with an obligation to purchase) or sale of the Project Facility to the Company or such other person as may be designated by the Company and agreed upon by the Agency.

I intend to provide general information on the Agency’s general authority and public purpose to provide assistance to this Proposed Project. I will then open the comment period to receive comments from all present who wish to comment on either the Proposed Project or the Financial Assistance contemplated by the Agency with respect to the Proposed Project.

## **Legal Authorization and Powers of the Agency**

The provisions of Chapter 1030 of Laws of 1969 of New York, constituting Title I of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York as amended, and Chapter 305 of the 1975 Laws of the State of New York, as amended, codified as Section 893 of said General Municipal Law (collectively, the “Act”), authorize the Agency to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining and equipping and furnishing of manufacturing, warehousing, research, commercial and industrial facilities, among others.

## **Purpose of this Public Hearing**

Pursuant to Section 859-a(2) of the General Municipal Law of the State of New York (the “Act”), prior to the Agency providing any “financial assistance” (as defined in the Act) of more than \$100,000 to any project, the Agency, among other things, must hold a public hearing pursuant to Section 859-a of the Act with respect to said project. Since the proposed “financial assistance” to be provided by the Agency with respect to the Proposed Project may exceed \$100,000, then prior to providing any “financial assistance” (as defined in the Act) of more than \$100,000 to the Proposed Project, the Agency must hold a public hearing on the nature and location of the Project Facility and the proposed “financial assistance” to be provided by the Agency with respect to the Proposed Project.

After consideration of the Application received from the Company, the members of the Agency adopted a resolution on March 29, 2018 (the “Public Hearing Resolution”) authorizing the Executive Director of the Agency to conduct this Public Hearing with respect to the Proposed Project pursuant to Section 859-a(2) of the Act.

The Executive Director of the Agency caused notice of this Public Hearing to be (A) mailed on May 4, 2018 to the chief executive officers of Madison County, Town of Lenox, Village of Canastota and the Canastota Central School District and (B) published on May 6, 2018 in The Oneida Daily Dispatch, a newspaper of general circulation available to the residents of Town of Lenox, Madison County, New York. In addition, the Executive Director of the Agency caused notice of this Public Hearing to be posted on May 4, 2018 on the Agency’s website and also on a public bulletin board located at the Village Offices located in the Town of Lenox, Madison County, New York.

10:10- Mayor Carla Deshaw, Margaret Peters, and Justine Milford entered the meeting, Kipp Hicks offered to start the public hearing from the beginning. Mayor Deshaw explained that Rasbach 125 is the real estate holding company for Ariston Dairy. Kipp Hicks explained that the IDA benefits would be on improvements to the property only. Margaret and Justine expressed concern over the sewer, Mayor Deshaw stated that the sewer issue will have to be dealt with by either expanding, pretreating, or transporting. Kipp Hicks then began the public hearing again. Carla expressed concern over the assessment, which will be decided pending legal action between the Village of Canastota and the company.

Copies of the notice of this Public Hearing are available on the table.

Now, unless there is any objection, I am going to suggest waiving the full reading of the notice of this Public Hearing, and instead request that the full text of the notice of this Public Hearing be inserted into the record of this Public Hearing.

Notice is hereby given that a public hearing pursuant to Section 859-a(2) of the General Municipal Law of the State of New York (the “Act”) will be held by Madison County Industrial Development Agency (the “Agency”) on the 30th day of May, 2018 at 10:00 a.m., local time, at Village Offices in the Town of Lenox, Madison, New York in connection with the following matters:

Rasbach125 Realty, LLC, a New York limited liability company (the “Company”), has presented an application (the “Application”) to the Agency, a copy of which Application is on file at the office of the Agency, requesting that the Agency consider undertaking a project (the “Project”) for the benefit of the Company, said Project consisting of the following: (A) (1) the acquisition of an interest in various parcels of land containing in the aggregate approximately 6.5 acres located at 125 Rasbach Street and on Rasbach Street and South Main Street (tax map nos.: 36.77-1-55, 36.77-1-55.1, 36.77-1-55.2, 44.21-1-6.1, 36.78-1-5 and 36.77-1-56) in the Town of Lenox and Village of Canastota, Madison County, New York (collectively, the “Land”), together with an approximately 33,000 square foot building located thereon (the “Existing Facility”), (2) the renovation of the Existing Facility and the construction of an approximately 6,000 square foot building to expand the Existing Facility (the “Addition”) and the making of other site improvements on the Land (collectively, the “Improvements”) (the Addition, the Improvements and the Existing Facility, as renovated, being collectively referred to as the “Facility”) and (3) the acquisition and installation therein and thereon of related fixtures, machinery, equipment and other tangible personal property (collectively, the “Equipment”) (the Land, the Facility, and the Equipment hereinafter collectively referred to as the “Project Facility”), all of the foregoing to constitute a dairy manufacturing facility to be leased to Ariston Dairy Products, LLC (the “Tenant”) and other directly and indirectly related activities; (B) the granting of certain “financial assistance” (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including potential exemptions from certain sales and use taxes, real property taxes, real estate transfer taxes and mortgage recording taxes (collectively, the “Financial Assistance”); and (C) the lease (with an obligation to purchase) or sale of the Project Facility to the Company or such other person as may be designated by the Company and agreed upon by the Agency.

The Agency is considering whether (A) to undertake the Project, and (B) to provide certain exemptions from taxation with respect to the Project, including (1) exemption from mortgage recording taxes with respect to any documents, if any, recorded by the Agency with respect to the Project in the office of the County Clerk of Madison County, New York or elsewhere, (2) exemption from deed transfer taxes on any real estate transfers, if any, with respect to the Project, (3) exemption from sales taxes relating to the acquisition, construction, renovation and installation of the Project Facility, and (4) in the event that the Project Facility would be subject to real property taxation if owned by the Company but shall be deemed exempt from real property taxation due to the involvement of the Agency therewith, exemption from real property taxes (but not including special assessments and special ad valorem levies), if any, with respect to the Project Facility, subject to the obligation of the Company to make payments in lieu of taxes with respect to the Project Facility. If any portion of the Financial Assistance to be granted by the Agency with respect to the Project is not consistent with the Agency’s uniform tax exemption policy, the Agency will follow the procedures for deviation from such policy set forth in Section 874(4) of the Act prior to granting such portion of the Financial Assistance.

If the Agency determines to proceed with the Project, the Project Facility will be acquired, constructed, reconstructed and installed by the Agency and will be leased (with an obligation to purchase) or sold by the Agency to the Company or its designee pursuant to a project agreement (the “Agreement”) requiring that the Company or its designee make certain payments to the Agency.

The Agency has not yet made a determination pursuant to Article 8 of the Environmental Conservation Law (the “SEQR Act”) regarding the potential environmental impact of the Project.

The Agency will at said time and place hear all persons with views on either the location and nature of the proposed Project, or the Financial Assistance being contemplated by the Agency in connection with the proposed Project. A copy of the Application filed by the Company with the Agency with respect to the Project, including an analysis of the costs and benefits of the Project, is available for public inspection during business hours at the offices of the Agency. A transcript or summary report of the hearing will be

made available to the members of the Agency.

Additional information can be obtained from, and written comments may be addressed to: Kipp Hicks, Executive Director, Madison County Industrial Development Agency, 3215 Seneca Turnpike, Canastota, New York 13032; Telephone: (315) 697-9817.

The comments received today at this Public Hearing will be presented to the members of the Agency at or prior to the meeting at which the members of the Agency will consider whether to approve the undertaking of the Project by the Agency and the granting by the Agency of any “financial assistance” in excess of \$100,000 with respect to the Proposed Project.

### **Written Comments**

The notice of this Public Hearing indicated that written comments could be addressed to: Kipp Hicks, the Executive Director of the Agency. [No] written comments have been received by the Agency prior to this Public Hearing.

### **Remarks by the Company**

No representatives were present

### **Open Public Hearing to the Floor for Comments**

I will now open this Public Hearing for public comment at 10:26 o'clock, a.m.

Mayor Deshaw stated her concerns regarding the assessment, which is to be decided pending legal proceedings with the village and the company.

Margaret Peters asked what the hours of operation of the facility would be, Kipp Hicks stated that those decisions would be made during the local planning review. The IDA will not be lead agency for SEQR, and the IDA Board of Directors will not make any final decisions until SEQR is completed by the village. Margaret also questioned the details of the 15 year PILOT agreement, Kipp explained the PILOT will be on improvements to the building only, the payments to the taxing entities will increased every 5 years, and after 15 years the entire property will be back on the tax rolls. Margaret expressed concern over the many tax exempt properties in Canastota. Justine stated that she is encourage by the increase in taxes from the property the taxing entities will collect and is pleased the property will be entirely back on tax rolls in 15 years.

When everyone has had the opportunity to speak, I will conclude this Public Hearing. A record of this Public Hearing will be prepared and reviewed by the members of the Agency in connection with the Agency's consideration of the Proposed Project.

### **Formal closure of the public hearing**

So, if there are no further comments, I will now close this Public Hearing at 10:42 o'clock, a.m.

Thank you for attending.