

PUBLIC HEARING
BWB Building
201 W. 3rd Street, Suite 115
Jamestown, NY 14701
Via Zoom Video and Teleconference
April 6, 2021
11:00 a.m.

AMERICOLD REAL ESTATE, LP

Attendees:

Kristine Morabito, CCIDA Staff

Rosie Strandburg, CCIDA Staff

Milan Tyler, CCIDA Counsel

Juan Pagan, Town of Dunkirk Councilman

Dick Purol, Town of Dunkirk Supervisor

Kyle Coughlin, Town of Dunkirk Deputy Clerk

Shari Miller, Resident and Chairperson of Dunkirk Planning Board

KRISTINE MORABITO: Good morning. My name is Kristine Morabito. I am a Business Development Manager and duly authorized hearing officer of the County of Chautauqua Industrial Development Agency (the "Agency") and I have been authorized to hold a public hearing. Today is April 6, 2021 and the time is now 11:01 a.m. This is a public hearing pursuant to Section 859-a of the New York General Municipal Law, as amended (the "Act"), and is being held from the offices of the Agency, 201 West Third Street, Suite 115, City of Jamestown, County of Chautauqua, New York. Because of the restrictions on meetings and gatherings in effect pursuant to Executive Orders issued by the Governor of the State of New York as a result of the COVID-19 pandemic, this public hearing is being held via Zoom meeting and telephone conference call rather than a public hearing open for the public to attend in person.

The Agency has received an application for financial assistance in connection with the following matter:

AMERICOLD REAL ESTATE, L.P., a limited partnership duly organized and existing under the laws of the State of Delaware and qualified to do business in the State of New York as a foreign limited partnership (the "Applicant"), presented an application for financial assistance (the "Application") to the Agency, which Application requested that the Agency consider undertaking a project (the "Project") consisting of the following: (A)(1) the acquisition of an interest in an approximately 28 acre parcel of land having an address of 4053 Williams Street (formerly known as 1 Williams Street,) Town of Dunkirk, County of Chautauqua, New York (Section: 96.02; Block: 2; Lots: 1 and 2.1) (the "Land"), (2) the construction of an approximately 175,000 square foot building on the Land (collectively, the "Building"), together with related improvements to the Land, and (3) the acquisition of certain furniture, fixtures, machinery and equipment necessary for the completion thereof (the "Equipment" and together with the Land and the Building, collectively, the "Project Facility"), all of the foregoing for use by the Applicant and/or its affiliates as a cold storage distribution

facility; (B) the granting of certain “financial assistance” (within the meaning of Section 854(14) of the General Municipal Law) with respect to the foregoing in the form of potential exemptions or partial exemptions from sales and use taxes and real property taxes; and (C) the lease (with an obligation to purchase), license or sale of the Project Facility to the Applicant or such other entity(ies) as may be designated by the Applicant and agreed upon by the Agency.

The Applicant (or such other designated entity(ies)) would receive financial assistance from the Agency in the form of potential exemptions or partial exemptions from sales and use taxes and real property taxes (collectively, the “Financial Assistance”).

Notice of this public hearing was published in *The Observer* on March 25, 2021 and provided to the Chief Executive Officer of each affected tax jurisdiction within which the Project Facility is or will be located by letter dated March 23, 2021.

The purpose of this public hearing is to provide an opportunity for all interested parties to present their views, both orally and in writing, with respect to the granting of the Financial Assistance contemplated by the Agency or the location or nature of the Project. The notice of this public hearing stated that members of the public may view or listen to this public hearing and provide their comments during the public hearing by logging into the Zoom meeting and/or using the dial-in information set forth in the notice of this public hearing. As set forth in the notice of this public hearing, comments may also be submitted to the Agency in writing or electronically at the following email address: [morabitk@co.chautauqua \(c-h-a-u-t-a-u-q-u-a\).ny.us](mailto:morabitk@co.chautauqua.c-h-a-u-t-a-u-q-u-a.ny.us).

Subject to applicable law, copies of the Application, including an analysis of the costs and benefits of the Project, are available for review by the public online at www.ccida.com.

This public hearing is being streamed on the Agency's website in real-time and a video recording of this public hearing is being made and will be posted on the Agency's website, all in accordance with Section 857 of the New York General Municipal Law, as amended. In addition, a transcript or summary of this hearing will be made and posted on the Agency's website and such transcript or summary of all comments received by the Agency shall be provided to the Agency's members. Comments received in writing will be also be included in the transcript and any summary of this public hearing.

If any member of the public wishes to make comments via the Zoom meeting or the conference call, I would ask that such person identify themselves and provide their address. I request the patience and cooperation of all participants in allowing each person to finish their comments before anyone else identifies themselves and begins speaking.

Is there anyone wishing to be heard with respect to the Project or the Financial Assistance?

DICK PUROL – Kristine this is the first time that I've been involved with a PILOT before it's already done so I've got a couple questions I'd like to have answered. First of all, how long is the PILOT for?

KRISTINE MORABITO- Rosie, if you could note that this is Supervisor Purol asking the question. Dick, I didn't understand the question, you said a PILOT that's already done?

DICK PUROL- Yeah, there are PILOTs that have been done in the Town before that I haven't been part of. So this is my first time-

KRISTINE MORABITO – Okay, so previous projects where a PILOT was done. I just wanted to clarify. And so you were asking the term of the PILOT?

DICK PUROL- Yes

KRISTINE MORABITO – The PILOT requested is for a 10 year term in accordance with IDA's Uniform Tax Exemption Policy.

DICK PUROL – And it stays at the full term for the 10 years, or?

Kristine Morabito – There is a schedule to it. The first 2 years there is a 90% reduction. This is on the new assessment, not the existing assessment. The next two years there is an 80% reduction, in years 5 and 6 a 70% reduction, in years 7 and 8 a 60% reduction, in years 9 and 10 a 50% reduction, and in year 11 is goes fully on the tax roll- the PILOT would be over.

DICK PUROL –That answered my question.

KRISTINE MORABITO – We refer to that as our standard PILOT schedule. There are other schedules within our Uniform Tax Exemption Policy, this is referred to as our “Standard Schedule.”

JUAN PAGAN– Kristine, Juan Pagan (provided home address). Is this product tied into a condition or conditions, whereby the potential (phone ringing) facility is committed for example“x” amount of employees/personnel versus what they're getting in return as far as a tax break? Are there conditions?

KRISTINE MORABITO- Juan, my phone started ringing, and so I didn't hear the whole question- I think you were asking me about employment?

JUAN PAGAN- Right, right. My question was, are there conditions where the potential facility is required to have “x” amount of employees for the duration of the agreement, 10 years in this case, is there such a thing as something like that.

KRISTINE MORABITO - I'll tell you how many employees they are projecting in the application, and then I'm going to ask Milan to speak with you about conditions and legally how that works with the structure of the PILOT Agreement.

In the application- and by the way this information is posted on our website for the public to view- in the application the applicant is projecting 60 new jobs in year one and that would remain for future years, and they've projected out for the first three years. They've also estimated 250 or more construction jobs during the construction period. Regarding conditions I will defer to Milan to explain the PILOT Agreement.

MILAN TYLER– Happily. If this matter is hopefully approved by the Board, and we go to a closing, there will be representations by the company of those employment amounts. So the answer is yes there are conditions, if they don't meet those employment requirements then the Board can take a number of steps including the recapture or termination depending on by how much they are short and if there is any good reason for, etcetera. So I think the short answer is yes there are conditions, and what happens if they don't make those is a matter of really discretion for the IDA Board.

KRISTINE MORABITO- Is there anyone else wishing to be heard with respect to the project or the financial assistance?

SHARI MILLER– Yes I have a question. I don't know if this is the proper venue for this, but I feel that it should be vetted. The Planning Board does have concerns regarding the intersection of Williams and Bennett Road and the amount of additional traffic that not only the semis tractor trailers coming in and out but also the amount of workers coming in and out, the amount of delivery people coming in and out, the amount of maintenance people coming in and out on an

intersection that will is already considered a dangerous intersection. Not only through the Millennium Parkway study but also as part of the DEC's concerns, DOT, and we did get a letter from DOT saying that they had a concern about that too. So my question, with all of that that I just gave you, are Host Community Agreements. Is that something the IDA works with as well, or is that on the Town, and I just want to maybe put that out there for consideration that maybe we even look at a hybrid, or, you know it's just a consideration. I'm not sure that this is the proper venue, but I did want to voice those pieces.

MILAN TYLER – This is Milan. I'd be happy to address that. To the best of my knowledge there is no host community agreement that I am aware of. It is the case that on some projects we are advised that there is a host community agreement, the IDA is not a party to those, so when that does happen, it is negotiated directly between the town and the applicant. So again, we're not aware of any, but we wouldn't necessarily be aware of that. And again it is between the Town and the applicant. With regard to traffic and those kind of issues, I think it is in fact the province of the planning board. As you may know the IDA is not exempt from local zoning or land use conditions, so the IDA statute says that we shall take that in to consideration so the IDA requires the applicant to comply with whatever the applicable zoning and land use are and it sounds as if this process is underway, what the concerns are of the Planning Board I think they are probably all legitimate but again the IDA does not get involved one way or another. Did I answer your question? Unfortunately we don't really control either of those issues.

SHARI MILLER – Yes you did, and thank you for that education Milan.

MILAN TYLER- Okay.

KRISTINE MORABITO – Is there anyone else wishing to be heard with respect to the project or the financial assistance?

DICK PUROL – Yes Kristine, (unintelligible) property taxes, it does not affect any special district stuff, right like water, sewer, anything like that right, it's just the property itself?

KRISTINE MORABITO- Correct, the PILOT does not affect the special district taxes.

DICK PUROL- Okay, that's what I wanted to know.

KRISTINE MORABITO- Milan, do you have anything further to add?

MILAN TYLER – No, it does not affect any special districts, they pay those based on the assessment or whatever the formula is, or any usage, typically water if it's measured by consumption, the IDA does not have an exemption for that the company pays that in full.

DICK PUROL- All right thank you. I'm all set.

KRISTINE MORABITO – Is there anyone else wishing to be heard with respect to the project or the financial assistance?

KRISTINE MORABITO- These have been great questions, thank you.

KRISTINE MORABITO- Okay, hearing no further questions, the time is now 11:17 a.m. and let the record show that, other than comments submitted in writing, no other members of the public have indicated a desire to comment with respect to the Project or the Financial Assistance. I therefore call this hearing to a close. Thank you.

Respectfully submitted by: Kristine Morabito, CCIDA Business Development Manager