

**E.S.M.R. Ltd.**

PUBLIC HEARING – Friday, November 16, 2007  
10:00 AM – Town of Clymer

Clymer Community Building

West Main Street

Chautauqua County, New York

**PRESENT:**

County of Chautauqua Industrial Development Agency:

Carol Rasmussen

Lawrence Taylor

**ALSO PRESENT:**

Mr. Ralph J. Holthouse, Town of Clymer Supervisor

Mr. Robert Niver, Interim Clymer School Superintendent

Mr. Norm Upperman, Clymer Town Board

Mr. Clayton Duink, Town of Clymer

**Hearing Opened at 10:00 A.M.**

Industrial Development Agency (CCIDA)

Carol Rasmussen, CCIDA

Today is Friday, November 16, 2007. It is now 10:00 a.m. and I will begin the Public Hearing in regard to E.S.M.R. Ltd. We are presently in the Town of Clymer, Chautauqua County, NY. This is a public hearing to allow citizens, orally or in writing, to make a statement for the record, relating to this project.

I will begin the hearing at this time.

**THE COMPANY HAS REQUESTED TAX ABATEMENT**

In accordance with CCIDA's UNIFORM TAX EXEMPTION POLICY AND GUIDELINES the General Policy of the CCIDA is to grant applicants "Financial" assistance including certain exemptions from taxation, exemption from mortgage recording taxes and exemption from deed transfer taxes and real estate transfer gains taxes on any real estate transfers.

This Public Hearing is not meant to be a Debate, Referendum or Platform for confrontation. When the hearing is opened to the floor for individual comment, please state your name, say what you would like to say and please keep your comments to three (3) minutes. We are a small group; please feel free to speak longer than three (3) minutes.

I would now like to provide general information on the CCIDA's General Authority and Public Purpose to this action.

**Regarding the  
Legal Authorization and Empowerment of CCIDA**

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 71 of the 1972 Laws of New York, as amended, constituting Section 895-h of Said Municipal Law authorizes the CCIDA to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining and equipping and furnishing of industrial, manufacturing, warehousing, commercial, research, recreation and civic facilities among others.

The Company has presented an application (the "Application") to the Agency, a copy of which is on file at the office of the Agency, requesting that the Agency consider undertaking a project (the "Project") consisting of the following: (A) (1) the acquisition of a parcel of land (the "Land") and an existing 2-story commercial building and related facilities situated thereon located at and around 7820 Rte. 474, in the Town of Clymer, Chautauqua County, New York, (2) the construction on the Land of a new approximately 15,000 sq. ft. warehouse facility, together with driveway, parking and other related facilities (collectively, the "Improvements"), and (3) the acquisition and installation therein and thereon of certain machinery and equipment (collectively, the "Equipment"), all of the foregoing to constitute the Company's main commercial and warehousing facility for its business (the Land, the Improvements and the Equipment are herein collectively referred to as the "Project Facility"); (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 sales taxes, real property transfer taxes, mortgage recording taxes and real estate 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.

Although the total Financial Assistance associated with the Project is likely to be less than \$100,000, the Agency desires to nevertheless hold a public hearing with respect to the Project.

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 Chautauqua 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 made a negative determination pursuant to Article 8 of the Environmental Conservation Law (the "SEQR Act") regarding the potential environmental impact of the Project. The findings show no potential adverse significant impact on the environment.

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: William J. Daly, Administrative Director, County of Chautauqua Industrial Development Agency, 200 Harrison Street, Jamestown, New York 14701; Telephone: (716) 664-3262.

**Regarding the requirements for a Public Hearing:**

After consideration of the completed application, received on October 22, 2007, the IDA Board approved a Resolution authorizing staff to conduct a Public Hearing in regard to the project. The Public Hearing Notice was published in 'The Jamestown Post Journal' on November 5, 2007. The respective taxing jurisdictions consisting of the Supervisor of the Town of Clymer, Executive Officer of the Clymer School District, Legislator for the District and the Executive Officer of Chautauqua County were notified by mail of this Public Hearing.

Following the Public Hearing, the Board will receive a transcript of the Hearing and at the appropriate time there will be another CCIDA Board meeting to consider any further action on the project.

**I will now open the hearing up to the public for comments:**

At this time, please identify yourself and state what you would like to address.

Mr. Norman Upperman, Town of Clymer

Is the existing building included?

Carol Rasmussen

No, only the new building.

Mr. Norman Upperman, Town of Clymer

It seems I am interpreting it as the existing building also.

Lawrie Taylor

It's included as a reference in the Pilot, but the formula will only include the new construction.

Mr. Norman Upperman, Town of Clymer

Well, that was the only question I had. I didn't think it would be fair to the other businesses.

Carol Rasmussen

Right, just the new construction.

Mr. Norman Upperman, Town of Clymer

I think that's fine then, as long as you do not include the rest of it (existing structure). I interpreted it as everything, and I am not in favor if it includes all the other facility.

Carol Rasmussen

It's just the new building.

Mr. Norman Upperman, Town of Clymer

Thank you for your explanation.

Carol Rasmussen

You're welcome.

Mr. Ralph Holthouse, Town of Clymer Supervisor

I understand that this is a ten year deal.

Carol Rasmussen

That's correct.

Mr. Ralph Holthouse, Town of Clymer Supervisor

How is this assessed? Is it on the whole property?

Lawrie Taylor

Only on the improvement. Your town assessor will assess the value of the addition after it is completed, and we cut back on the new addition by 50%.

Carol Rasmussen

50% decrease in taxes for ten years on only the new addition.

Mr. Ralph Holthouse, Town of Clymer Supervisor

Okay, 50% for ten years on the new addition, and then it goes back on the tax roll.

Lawrie Taylor

Yes.

Mr. Robert Niver, Interim Clymer School Superintendent

I wondered about the dollar amounts. Do you have any idea?

Lawrie Taylor

Until it is assessed, we have no idea. But he estimates the value of about \$200,000 for the 15,000 sq ft. building, which is similar to the ones he has now. Until it's built and the town's assessor gives it a value, we have no idea. But, we estimate that his total tax savings is going to be less than \$100,000.

Mr. Robert Niver, Interim Clymer School Superintendent

Say that again, please.

Lawrie Taylor

The total savings under the Pilot for Mr. Miller will be less than \$100,000.

Mr. Robert Niver, Interim Clymer School Superintendent

I was under the impression that the building was under \$100,000, but I see you mean the savings for the project.

Carol Rasmussen

We will not know the value of the building until after the assessment. He is estimating that it will be between \$150,000 and \$200,000.

Mr. Tom Upperman, Town Board of Clymer

Carol and Lawrence, may I ask that if after ten years, will it be sold back to him?

Carol Rasmussen

It is transferred back to him.

Lawrie Taylor

It is transferred back to him for \$1.00. We just have it in title on the deed, so we can give him the real property tax break as an incentive to build the addition.

The title is in our name, and that is how the tax incentive can be given to him. After the ten-year period, it is transferred back to the Miller family.

Mr. Tom Upperman, Town Board of Clymer

Does the IDA pay for any of this?

Lawrie Taylor

No, Mr. Miller does, he is known as a tenant in possession.

Carol Rasmussen

Are there any other comments? If you have concerns, please mail them to the County of Chautauqua Industrial Development Agency, 200 Harrison Street, Jamestown, NY 14701, or call at (716) 664-3262.

Mr. Ralph Holthouse, Supervisor

Is this new building being used for the same purpose as it is now, such as storage and hauling?

Carol Rasmussen

It's for warehouse space.

Mr. Robert Niver, Interim Clymer School Superintendent

I am new to the community. I would like to add that anything I have heard about Mr. Miller is positive in the business community. I guess I will speak for myself personally, that I am in support of the project for economic development.

Carol Rasmussen

Thank you.

Are there any other comments?

Thank you for coming, I will give you my card if any concerns arise.

It is 10:30 a.m. on November 16, 2007.

The Public Hearing for E.S.M.R., Ltd. is adjourned