



**PUBLIC HEARING PURSUANT TO
SECTION 859-a OF
THE GENERAL MUNICIPAL LAW**

STAFF

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Agency	Herkimer County Industrial Development Agency (the "Agency")
Project Beneficiary:	Herkimer Local Development Corporation (the "Company")
Project Location:	Town and Village of Herkimer, Herkimer County, New York
Hearing Date:	June 24, 2024
Hearing Time:	8:00 o'clock a.m.
Hearing Location:	Herkimer County IDA office, located at 420 E. German Street, Suite 101A in the Village and Town of Herkimer, Herkimer County, New York

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COUNSEL

ANTHONY G. HALLAK, Esq.
Felt Evans, LLP

Mr. Piseck introduced himself as the Chief Executive Officer of Herkimer County Industrial Development Agency (the "Agency") in connection with the project which is the subject of this public hearing.

Mr. Piseck stated the following: 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 Herkimer Local Development Corporation, a not-for-profit local development corporation organized and existing under the laws of the State of New York (the "Company").

The Proposed Project consists of the following: (A) (1) the acquisition of a leasehold interest in an approximately 0.36 acre parcel of land located at 415 N. Main Street (tax map number 113.81-6-6) in the Town and Village of Herkimer, Herkimer County, New York (the "Land"), together with an existing building located thereon (the "Facility"), (2) the making of certain renovations to the Facility and (3) the acquisition and installation therein and thereon of certain furniture, fixtures, machinery and equipment (collectively, the "Equipment") (the Land, the Facility and the Equipment hereinafter collectively referred to as the "Project Facility"), all of the foregoing expected to constitute an office building to be used by the Agency and the Company as their corporate offices with portions of thereof being leased by the Agency and/or the Company to various tenants, 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.

Amount of Financial Assistance Being Considered by the Agency

However, before discussing the general information and opening the hearing for public comments, I would like to first describe some details regarding the Proposed Project, as outlined in the initial application submitted to the Agency by the Company in June, 2024 (the “Application”).

Pursuant to the Application, the Company represented the following:

1. That the Project will prevent economic deterioration and blight within the Village by reconstructing and renovating an existing vacant, underutilized and under-maintained space. The Project will also remove a financial burden from the County by preventing the County from continuing to own an obsolete structure.
2. That the Company would not undertake the Project without the assistance being offered by the Agency.

The estimated costs of the Project are equal to approximately \$6,672,386 and the estimated benefits being considered by the Agency are described briefly as follows:

1. Sales Tax Exemption: \$529,600; and
2. Real Property Tax Exemption \$624,130.87.

The space available in the application to estimate the amount of real property tax exemption is limited to a ten (10) year calculation. The amount indicated above represents the amount of real property tax exemption estimated to be provided over a thirty (30) year period. The Company also requested a to-be-determined amount of mortgage recording tax exemption.

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 410 of the 1970 Laws of the State of New York, as amended, codified as Section 898 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, the members of the Agency adopted a resolution on June 12, 2024 (the “Public Hearing Resolution”) authorizing the Chief Executive Officer of the Agency to conduct this Public Hearing with respect to the Proposed Project pursuant to Section 859-a(2) of the Act.

The Chief Executive Officer of the Agency caused notice of this Public Hearing to be (A) mailed on June 12, 2024 to the chief executive officers of Herkimer County, the Town and Village of Herkimer and the Herkimer Central School District and (B) published on June 14, 2024 in The Times Telegram, a newspaper of general circulation available to the residents of Town and Village of Herkimer, Herkimer County, New York. In addition, the Chief Executive Officer of the Agency caused notice of this Public Hearing to be posted on June 12, 2024 on the Agency's website and on a public bulletin board located at the Herkimer County IDA office, located at 420 E. German Street, Suite 101A in the Village and Town of Herkimer, Herkimer County, New York.

Copies of the notice of the Public Hearing were available on the table.

Mr. Piseck suggested waiving the full reading of the notice of this Public Hearing, and instead requested that the full text of the notice of this Public Hearing be inserted into the record of this Public Hearing.

The following is the published notice:

Notice is hereby given that a public hearing (the "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 the Herkimer County Industrial Development Agency (the "Agency") on the 24th day of June, 2024 at 8 o'clock a.m., local time, at the office of the Herkimer County Industrial Development Agency located at 420 E German Street, Suite 101A, Herkimer, NY 13350 in the Village of Herkimer, Town of Herkimer, Herkimer County, New York in connection with the following matters:

Herkimer Local Development Corporation, a New York State not-for-profit local development corporation (the "Company"), has submitted 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 a leasehold interest in an approximately 0.36 acre parcel of land located at 415 N. Main Street (tax map number 113.81-6-6) in the Town and Village of Herkimer, Herkimer County, New York (the "Land"), together with an existing building located thereon (the "Facility"), (2) the making of certain renovations to the Facility and (3) the acquisition and installation therein and thereon of certain furniture, fixtures, machinery and equipment (collectively, the "Equipment") (the Land, the Facility and the Equipment hereinafter collectively referred to as the "Project Facility"), all of the foregoing expected to constitute an office building to be used by the Agency and the Company as their corporate offices with portions of thereof being leased by the Agency and/or the Company to various tenants, 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 real estate transfer taxes and real property 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 Herkimer 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 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 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: John J. Piseck, Jr., Chief Executive Officer, Herkimer County Industrial Development Agency, 420 E. German Street, Suite 101A, Herkimer, New York 13350; Telephone: (315) 866-3000.

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 Proposed 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: John J. Piseck, Jr., the Chief Executive Officer of the Agency. No written comments were been received by the Agency prior to the Public Hearing.

Open Public Hearing to the Floor for Comments

Mr. Piseck opened the Public Hearing for public comment at 8: o'clock, a.m.

Formal closure of the public hearing

Mr. Piseck stated that there was no one else present who wished to comment and ascertained that at least 15 minutes had passed after the scheduled time for the hearing.

Being no further comments, Mr. Piseck closed the public hearing at 8:15 o'clock, a.m.

Respectfully submitted,



Victoria Adams
Operations Manager