

Public Hearing – Keuka Management Group LLC

Tuesday, October 12, 2021 – 8:00 A.M.

Attendance: Steve Griffin, CEO Finger Lakes EDC, Mike Lipari Economic Development Specialist, Finger Lakes EDC, Jamie Sisson, Town Supervisor for the Town of Jerusalem.

The Public Hearing on the proposed straight leaseback transaction by the Finger Lakes Economic Development Center (FLEDC) on behalf of Keuka Management Group LLC, was held in the Finger Lakes Economic Development Center Conference Room, 1 Keuka Business Park, Town of Jerusalem, Yates County, New York on Tuesday October 12, 2021 at 8:00 A.M.

In accordance with Section 859-a of the Act, a representative of the Agency will be at the above-stated time and place to present a copy of the Company's project Application, which is also available for viewing on the Agency's website at: <https://www.fingerlakesedc.com/keuka-management-group-llc>. The Agency also live streamed the Public Hearing live on the FLEDC website at: <https://www.fingerlakesedc.com/new-events/2021/10/12/public-hearing-keuka-management-group-llc>. The FLEDC also encouraged all interested parties to submit written comments to the FLEDC, which will included within the public hearing record. Any written comments may be sent to the FLEDC, Attention: Steve Griffin, Chief Executive Officer, FLEDC, One Keuka Business Park, Suite 104, Penn Yan, New York 14524; Telephone: (315) 536-7328, no later than October 15, 2021.

The Public Hearing notice was published in the legal section of the Finger Lakes Times on September 28, 2021. The Notice of Public hearing was posted on the bulletin board on the Yates County Courthouse on September 27, 2021 and the Town of Jerusalem Town Hall bulletin board on September 28, 2021. Copies of the Public Hearing Notice were mailed to the taxing jurisdictions (Yates County, Town of Jerusalem, Penn Yan Central School District) on September 27, 2021. The Notice of Public Hearing was also posted on the Finger Lakes Economic Development Center website on September 27, 2021.

Steve Griffin, CEO for the Finger Lakes Economic Development Center, called the Public Hearing to order at 8:04am. Steve, apologized for the late start and explained that we were having some technical issues with our live stream, which have been resolved.

Mr. Griffin introduced himself as the CEO of the Finger Lakes Economic Development Center as well as Mike Lipari from the Finger Lakes EDC and one guest, Jamie Sisson, Town Supervisor for the Town of Jerusalem.

Mr. Griffin stated the purpose of this Public Hearing is to allow public comment on proposed financial assistance applied for by Keuka Management Group LLC. It is State law for any project that is projected to receive over \$100,000 in financial incentives to hold a Public Hearing. Comments received are presented to the Finger Lakes Economic Development Center Board of Directors for their consideration prior to voting to approve or reject the funding request. Mr. Griffin reported that Keuka Management Group is not quite at the \$100,000 level but close enough that we decided to hold the hearing anyways.

Mr. Griffin provided an overview of the Keuka Management Group LLC project. Keystone Custom Decks is the operating entity for Keuka Management Group. They are looking to construct a 4,800 square foot building to be used as offices, indoor showroom and workshop. The showroom and office space will occupy a 60ft. by 48ft. section of the building. The physical location of the building is 2868 Route 54A,

Keuka Park, NY. Keuka Management Group has applied for the FLEDC straight lease back program seeking a 10-year PILOT. The total proposed capital investment of the project is \$750,000. They are projecting to create eight jobs over the next three years. In addition to the directly created jobs, one indirect and one induced job will be created as a result of the project. The proposed incentives for this project are \$20,000 in sales tax savings, \$6,000 in mortgage tax exemption, and a projected property tax abatement of \$72,384, bringing the total community investment or tax abatement to \$98,384.49. If you add in the projected payroll for jobs created, the cumulative PILOT taxes paid over 10-years and total capital investment, the total company investment is \$5,821,096. This is a 59:1 company investment to community investment ratio. The proposed PILOT is a 10-year PILOT, it starts off at a 100% abatement on the increased assessed value in the first year and decreases by 10% each year for 10 years. The sales tax exemption applies to the materials used to construct the building and then terminates. The mortgage tax exemption goes on the 1% mortgage tax that is applied to the money borrowed to build the facility.

Mr. Griffin opened the Public Hearing for public comments.

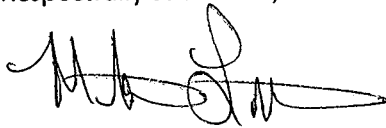
Jamie Sisson – I think this is going to be a good business for our community. The town of Jerusalem will lose some tax revenue but better yet we will be gaining a business on the Route 54A corridor, which is the reason that land was set-aside. The business owner will be very honest and the business will do well for the community. I attended some of the zoning board and planning board meetings. The owner answered many questions and dealt with some negativity. People have different opinions of what should be allowed on the Route 54A corridor. What is allowable is all spelled out in the current zoning.

Mr. Griffin – Regarding the tax revenues, they will be making tax payments on the current assessment as well as a PILOT payment over the next 10-years. The town forgoes some additional tax revenue on the increased tax assessment in order to encourage the business to come to the area.

Jamie Sisson – Agreed with Steve's response and added that it is promoting the business which he believes will be very successful. Having a showroom will help showcase their product/work which will help drive business.

There being no other comments the Public Hearing was closed at 8: 30 by Mr. Griffin.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Mike Lipari', with a long horizontal flourish extending to the right.

Mike Lipari