

Public Hearing – Keuka Shores, LLC

Thursday, December 20, 2018 - 9:30 A.M.

Minutes of Proceedings

Attendance: Steve Griffin, CEO, Finger Lakes EDC, Mike Lipari, Economic Development Specialist, Finger Lakes EDC, Leslie Church, Supervisor, Town of Milo, Patrick Grimaldi, Assessor, Town of Milo, Carol Genecco, Keuka Shores, LLC, Leigh MacKerchar, Mayor, Village of Penn Yan.

The Public Hearing on the proposed straight leaseback transaction by the Finger Lakes Economic Development Center on behalf of Keuka Shores, LLC was held in the Town of Milo Office, 137 Main Street, Town of Milo, Village of Penn Yan, Yates County, New York on Thursday, December 20, 2018 at 9:30 A.M.

The Public Hearing notice was published in the legal section of The Finger Lakes Times on December 9, 2018. The Notice of Public Hearing was also posted on the bulletin board of the Yates County Courthouse and Town of Milo Bulletin Boards on December 7, 2018 and copies of the Notice were mailed to the affected taxing jurisdictions (Yates County, Town of Milo, Village of Penn Yan, Penn Yan Central School District) on December 7, 2018. The Notice of Public Hearing was also posted to the Finger Lakes Economic Development Center's website on December 7, 2018.

Steve Griffin, CEO for the Finger Lakes Economic Development Center, called the Public Hearing to order at 9:31 A.M.

Mr. Griffin gave an overview of the project explaining the purpose of the FLEDC's involvement in this project. The proposed project is the construction of 82 two- and three-bedroom townhouses with attached garages. The estimated project cost is \$7.5 million. There will be two jobs created. Keuka Shores, LLC requested a straight lease back incentive package consisting of property, sales and mortgage tax exemptions. The property tax abatement (PILOT) will follow an A and B schedule. Schedule A will start in 2020 for phase 1 of the proposed project and run 10 years starting at a 100% abatement on the increased assessed value and decrease 10% every year after. Schedule B will start no later than 2023 for phase 2 of the proposed development and also start at a 100% abatement in year 1 decreasing 10% every year after. Total incentives are estimated to be \$1,084,523 over thirteen years. The FLEDC anticipates the economic benefit to equal \$20,445,935.

Mayor MacKerchar indicated he is in attendance to share the Village's belief that they do not see the need for this project or how it benefits the people of Penn Yan. The Village of Penn Yan is not in support of this PILOT.

Leslie Church reported that she believes the project benefits the community as a whole, including the Town of Milo and the Village of Penn Yan. The project will provide a different level of housing that does not exist currently, benefitting the community. Leslie indicated she understands the concerns of the Village.

Mayor MacKerchar reported he did not come here to negotiate just to make the Village's stance was known.

Carol Genecco reported that from the developer side there are not endless opportunities to provide a project of this scope to the community and that the project will restore prominent land that is an entrance to the Village if travelling from the South.

Carol Genecco reported that PILOTS were developed by the State in order to allow developers some relief, to make the projects feasible.

Mayor MacKerchar reported that two years ago solutions were discussed to solve some of the zoning issues that were predicted to happen and are now ongoing. Those solutions were ignored and zoning has become an issue once again.

Leslie Church indicated she thinks those issues will be worked out. The Town of Milo is working with the developers to resolve zoning problems.

Mayor MacKerchar indicated that he is available to discuss this further and left the meeting.

Leslie Church reported that she believes this is an ideal project.

Patrick Grimaldi indicated this project is far superior to what is currently there.

Carol Genecco reported that this is not subsidized housing, it is a viable project but the viability is reduced without the PILOT. Project is not viable if the land is rezoned and developers have to pay Village taxes. If the project was residential sales it would be worth rezoning to the Village. As a rental project it is not viable to have the Penn Yan Village tax as it would off set the costs for the rental units.

Leslie Church reported that the PILOT makes the project viable and provides housing which Steve Griffin has repeatedly said is a need.

Mr. Griffin reported more importantly the employers have indicated the need for more housing.


Patrick Grimaldi reported no other housing of this type, higher end housing with affordable rates, exist in the County.

Carol Genecco reported that rents would become pricey if you add the cost of the Penn Yan Village tax.

Pat Grimaldi indicated it does not make sense to rezone the property due to the increase tax cost.

There being no other comments the Public Hearing was closed at 9:45 A.M. by Mr. Griffin.

Submitted by:



Doreen J. Jensen
Chief Financial Officer