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Public hearing held pursuant to general municipal law section 859-a to seek public comment on an application for financial assistance submitted by Nelson Development Group, LLC.

HELD ON: November 23rd, 2016
HELD AT: Tioga County Office Building
56 Main Street
Owego, New York 13827

BEFORE: RALPH E. KELSEY, Chairman
KEVIN GILLETTE, Member
MARTHA SAUERBREY, Member

APPEARANCES:
BRYANT MYERS, Executive Administrator TCIDA
LEEANN TINNEY, Director of TC Economic Development & Planning

REPORTED BY: Caitlyn A. Shaylor
COURT REPORTER

1 MR. KELSEY: Good evening on this
2 Thanksgiving eve, interestingly enough.
3 But my name is Ralph Kelsey and I am the
4 chair of the Tioga County Industrial
5 Development Agency.

6 The agency is conducting this hearing
7 pursuant to General Municipal Law 859-a to
8 seek public comment on an application for
9 financial assistance submitted by the
10 Nelson Development Group, LLC.

11 The acceptance -- the acceptance of
12 the filing by the agency does not infer any
13 position on the approval or the disapproval
14 of the financial assistance requested. No
15 position will be taken by this agency until
16 all public hearings and comments are
17 concluded. A copy of the cost benefit
18 analysis provided by the Department of
19 Economic Development and Planning is
20 available in the front of the room for your
21 review.

22 Notice of this hearing was published
23 on November 12th, 2016 in the Press & Sun
24 Bulletin.

1 Each person wishing to speak shall
2 state his or her name, and if you are
3 speaking on behalf of any organization or
4 entity please identify that organization.
5 Each speaker shall be given five minutes to
6 speak. This hearing shall remain open
7 until 5:30 p.m. or longer if public comment
8 warrants.

9 I want to remind you that the purpose
10 of this hearing is to afford you an
11 opportunity to make statements and comments
12 on the application and the project of the
13 IDA. Your comments will be considered by
14 the IDA making a decision. And this is not
15 a question and answer session, so please
16 remember again to identify yourself and the
17 organization or entity that you are
18 speaking on behalf of prior to your
19 comments.

20 First, I'd like to ask LeeAnn Tinney,
21 director of Economic Development and
22 Planning of Tioga County, to explain the
23 benefits requested by the Nelson
24 Development Group, LLC

1 MS. TINNEY: I'm just going to stand
2 here because it's easier. Good evening. I
3 am LeeAnn Tinney, director of Economic
4 Development and Planning for Tioga County.
5 I would like to give you a brief overview
6 of the project and the abatements that are
7 being requested under the PILOT.

8 The Nelson Development Group, Gateway
9 Project subject property location is 200 to
10 204 Front Street, Owego. The project calls
11 for the purchase of .12 acres to develop a
12 13,600 square foot mixed use building to
13 include retail incubator space, public
14 restrooms, and eight affordable two bedroom
15 apartments.

16 There are several studies that have
17 noted the need for housing in Tioga County,
18 and more specifically the Village of Owego;
19 including the 2020 Tioga County Strategic
20 Plan, 2014 Village of Owego Comprehensive
21 Plan, and 2014 New York Rising Community
22 Reconstruction Plan. In addition, the 2010
23 census data reveals that while the
24 village's population dropped by only .38

1 percent between 2000 and 2010, during the
2 same period the village experienced a 2.1
3 percent decline in total housing units.
4 Those figures are compounded post 2011 due
5 to the flooding that is primarily
6 responsible for significant additional loss
7 of housing stock within the village.

8 The Nelson Development Group Gateway
9 Project is anticipated to be just shy of a
10 \$2.7 million investment and would help
11 address the identified need for housing, as
12 well as offer quality retail incubator
13 space that would encourage development in
14 the downtown.

15 By offering low cost, low risk,
16 retail options it would allow local
17 entrepreneurs to launch new concepts and
18 help foster their growth to larger
19 storefronts, thus stimulating a vibrant
20 commercial district.

21 The cost benefit analysis indicates
22 that nine direct permanent jobs would be
23 created, plus 32 direct construction jobs.
24 The resulting indirect impact is for an

1 additional nine positions to be created.
2 In addition there will be an impact to
3 local spending as a result of the added
4 housing within the village.

5 A 2001 study prepared on behalf of
6 the Village of Owego indicates that one
7 could expect a range of \$41,000 to \$123,00
8 in new annual spending as a result of an
9 additional 15 people living in the
10 downtown.

11 This request for financial assistance
12 is a deviation from the standard PILOT.
13 The first year payment would be set at
14 \$1,500, plus any special assessments, which
15 in this case would be the library tax.
16 Years two through ten the payment would
17 increase by \$100 annually plus the library
18 tax. In year 11 the payment would increase
19 to 20 percent of the assessed value and
20 would continue with 20 percent annual
21 increases until at 100 percent in the year
22 15. The proposed PILOT is co-terminus with
23 the anticipated financing that would be
24 required to complete the project. The

1 sales tax abatement and mortgage recording
2 tax abatement requests are according to the
3 standard agreement.

4 Department of Economic Development
5 and Planning supports this project. I
6 would urge the IDA Board to vote in favor
7 of this request based on several facts.
8 First, is need. There have been numerous
9 housing studies completed and it is clearly
10 evident that there is a void in affordable
11 housing opportunities. Second, is economic
12 stability. The project would allow the
13 community to recapture the value of this
14 underused property, restore the currently
15 taxed exempt property to the tax rolls,
16 while enhancing commercial development in
17 the downtown. Third is investment. The
18 company is proposing a \$2.7 million
19 investment in the core of the commercial
20 district. Finally, is financial viability.
21 Without the proposed IDA PILOT agreement,
22 the project is not financially viable. The
23 award of the PILOT would allow for
24 structured planning, which in turn would

1 help to ensure a successful project.

2 I have also presented the cost
3 benefit analysis to all of the taxing
4 entities, the town, village, school and
5 county and all have provided their letters
6 of support for the PILOT as it has been
7 requested. Thank you.

8 MR. KELSEY: Thank you, LeeAnn. I'm
9 not sure -- do you have the list, Bryant?

10 MR. MYERS: I do. Here you go.

11 MR. KELSEY: Earl Hartman.

12 MR. HARTMAN: Guilty.

13 MR. KELSEY: Would you like to --

14 MR. HARTMAN: Marty will tell you,
15 right? Guilty of something.

16 MR. KELSEY: If you would like to --
17 like to speak on behalf of the -- who
18 you're representing.

19 MR. HARTMAN: Currently I'm serving
20 as -- as mayor and deputy mayor along with
21 being trustee. As LeeAnn said, we -- she
22 presented this to our village board a
23 couple meetings back. Everything for us
24 was pretty much where we needed to be with

1 the exception of the PILOT.

2 We did send LeeAnn away with, you
3 know, a request to look at the PILOT and
4 take the suggestions that we had asked,
5 which the PILOT does reflect at this point.
6 So instead of ten years of -- of zero
7 payment of any kind, it is -- it's a modest
8 ramp up as she said of 100, increase of
9 \$100 annually up to that eleventh year at
10 which time it would jump up to 20 percent.
11 And that was acceptable to our board and
12 everything else in the -- in there is
13 basically pretty much standard to the PILOT
14 system. So we felt pretty comfortable at
15 our meeting on the 21st to, you know, say
16 we give them the letter of support for
17 this.

18 Personally, I hope the project gets
19 approved and gets its full funding. It
20 will put back the full integrity of Front
21 Street down there, both for the visual
22 aspects and for the -- the setting aside
23 the value that it brings for living
24 accommodations and possible additional

1 merchants in there. It creates -- once
2 again a finished street scape down there
3 through there for us, which is a high
4 attractant to many people in the area.
5 Front Street people will often hear me say
6 we need to look at something beyond Front
7 Street, but Front Street is a very big draw
8 for us. So for me I'd like to see it put
9 in and I hope the funding comes through for
10 it. And Mr. Nelson so far has only done
11 good projects, so thank you.

12 MR. KELSEY: Thank you for your
13 input. Don Castellucci, Town of Owego.

14 MR. CASTELLUCCI: Good evening. As
15 we all know I'm town supervisor for the
16 Town of Owego, and I am representing the
17 town board as a whole this evening.

18 On November 15th LeeAnn did come to
19 our town board meeting and presented the --
20 the benefit package and the facts behind
21 the -- the PILOT and the project. So our
22 understanding is a 13,600 square foot
23 building, three stories with some
24 residential and business opportunities

1 there. I personally like the incubator
2 part because it's going to be able to move
3 businesses more, you know, get them in and
4 get them out to the -- into the public
5 here, so it'll be more of a rotating kind
6 of thing, so I think that's a good thing.

7 It's currently a tax exempt, so this
8 would put this back on the tax roll, so
9 we're happy about that. It's a \$2.6
10 million investment which is very good for
11 the community. I think most of the
12 comprehensive plans do support that as --
13 as they're written and I think it's going
14 to help stabilize the village after the
15 2006, 2011 flood. You know, we need to get
16 back and get some of this assessed value
17 back. So in time this will help.

18 Certainly, Mr. Nelson's had a track
19 record with the 231 Main Street building,
20 so we're fully in support of this and
21 hoping you guys will make a positive
22 decision.

23 MR. KELSEY: All right. Thank --
24 thank you. Thank you, Don. Okay. LeeAnn,

1 you have spoken.

2 MS. TINNEY: I have spoken?

3 MR. KELSEY: Yes, you're down here
4 with a check.

5 MS. TINNEY: Oh, yes.

6 MR. KELSEY: Yes. Anyone else? If
7 not, at this point we will suspend this
8 hearing until 5:30 in case someone else
9 comes along and would like to comment or
10 address this -- the IDA Hearing Board. So
11 we will reconvene at 5:30, so --

12 (RECESS TAKEN.)

13 MR. KELSEY: It is 5:30 and since
14 there's no one else that's come forward who
15 wishes to comment, we will conclude this
16 hearing at 5:30. Thank you one and all.

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C E R T I F I C A T I O N

I hereby certify that the proceedings and evidence are contained fully and accurately in the notes taken by me on the above cause and that this is a correct copy of the same to the best of my ability.

CAITLYN A. SHAYLOR