

**Chemung County Industrial Development Agency
Minutes of the Public Hearing
Chemung Properties LLC
December 8, 2016**

Attendance: Thomas Santulli, Chemung County Executive; Mary Rocchi, Recording Secretary; Marjorie Hamilton, Citizen; Holly Hanrahan, Culligan Water

The Public Hearing was called to order at 1:45 PM by Thomas Santulli, Chemung County Executive; representing the Chemung County Industrial Development Agency, located at 400 East Church Street, Elmira, New York.

The Public Hearing was held at the Agency's offices located at 400 East Church Street, Elmira, New York.

The purpose of the Public Hearing was to hear comments on the proposed project for Chemung Properties LLC, located at 465 East Water Street, Elmira, New York 14901.

The Agency is considering undertaking a project (the "Project") for the benefit of the Company or such other person as may be designated by the Limited Liability Company and agreed upon by the Agency, consisting of the following the acquisition of an interest in certain parcels of land located at 465 East Water Street, in the City of Elmira, Chemung County, New York ("the Land"), totaling approximately 2.65 acres and 23,000 square feet of space located thereon (the "Facility") and the acquisition and installation therein and thereon of certain machinery and equipment (the Equipment") (the Land, the Facility and the Equipment being collectively referred to as the "Project Facility"), all the forgoing to be operated by the Company as a residential and commercial water treatment and bottled water distribution center.

The Agency is also considering 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 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; and the granting of certain other "financial assistance" (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including potential exemptions from sales and use taxes, real property transfer taxes, transfer gains taxes, mortgage recording taxes and real estate taxes (collectively with the Obligations, the "Financial Assistance"); and 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.

Marjorie Hamilton made the following comments: "OK, as I understand it, an LLC, organized as commercial building management company, purchased the building (not the business) of Chemung Water in August-September 2016. Culligan purchased the business. This all happened in the last 3-4 months. And now, just months after buying that building, this owner claims that without our tax dollars, he "may" located 15 out of 35 jobs to the Philly area if we don't help him launch his new business. Fine.

If they can be easily relocated to Philly area then they are office jobs. What do you think the pay scale is for office jobs in Philly vs. Chemung. I don't think we need to worry about those 15 jobs. And for this we should give a tax break of \$14,000 plus per year for 10 years and a one-time rebate of over \$29,000.

What also doesn't make sense is the owner has little to no background in the water treatment and distribution business. It's kinda a push to say that Chemung Properties is an existing water treatment and distribution business. All Chemung Water Customers are now Culligan customers. What customers does this building management company have? What is the business plan? What kind of market is there to support this? So who is going to buy their product over Culligan's? And then what to do with a building retrofitted for a specific purpose, at a cost of \$250-300K, if/when they go bust. What's the owner's business track record? Where's a 10-year business plan that shows this is a good investment? This is our money being "invested" and this is too risky an investment."

There was no further comment.

The public hearing was closed at 1:48 PM.

Respectfully submitted,

Mary K. Rocchi
Recording Secretary