

PUBLIC HEARING AGENDA
COUNTY OF FRANKLIN INDUSTRIAL DEVELOPMENT AGENCY

TUPPER LAKE CROSSROADS, LLC

January 5, 2021, at 4:11 p.m., local time, at Tupper Lake Municipal Offices and via zoom

ATTENDANCE LIST: (PLEASE SEE ATTACHED LIST OF ATTENDEES)

Jeremy Evans, CEO
Maria Bourgeois, Operations Manager

CALL TO ORDER: (Time: 4:11 pm).

Jeremy Evans opened the hearing.

PURPOSE:

Pursuant to and in accordance with General Municipal Law Section 859-a, the County of Franklin Industrial Development Agency (the “Agency”) is conducting this public hearing in connection with a certain proposed project, as more fully described below (the “Project”), to be undertaken by the Agency for the benefit of OYA State Route 122 LLC (the “Company”).

The Agency published a Notice of Public Hearing and delivered a copy of the Notice of Public Hearing to each affected tax jurisdiction. An Affidavit of Publication of and Proof of delivery are attached.

DISCUSSION:

Jeremy Evans read a description of the Project, as follows:

TUPPER LAKE CROSSROADS, LLC, for itself and/or on behalf of an entity or entities to be formed (collectively, the “Company”), has submitted an application to the Agency requesting the Agency’s assistance with a certain project (the “Project”) consisting of (i) (i) the acquisition by the Agency of a leasehold interest in approximately 1.2 acres of real property located at 129 Park Street, 131 Park Street, 133 Park Street, 62 Lake Street, 64 Lake Street, 7 Mill Street and 9 Mill Street, each in the Village of Tupper Lake, New York (the “Land”, being more particularly described as tax parcel Nos. 490.59-4-13, 490.59-4-12, 490.59-4-11, 490.59-4-18, 490.59-4-19, 490.59-4-15 and 490.59-4-14, respectively, as may be merged) along with the existing improvements thereon consisting principally of approximately 28,000 square feet commercial, single-family and multi-family building space (the "Existing Improvements"); (ii) demolition of certain of the Existing Improvements and the planning, design, construction and operation upon the Land of a hotel and restaurant facility containing 44 hotel rooms, along with a bar and restaurant, meeting room, fitness area and other related amenities, site work, exterior access and egress improvements, curbage, signage, utility and related exterior improvements (collectively,

the "Improvements"); (iii) the acquisition of and installation in and around the Land, the Existing Improvements, and Improvements by the Company of machinery, equipment, fixtures and other items of tangible personal property (the "Equipment" and, collectively with, the Land, the Existing Improvements and the Improvements, the "Facility"); and (iv) entering into a straight lease transaction (within the meaning of subdivision (15) of Section 854 of the Act), pursuant to which the Agency will retain a leasehold interest in the Facility for a period of time and sublease such interest in the Facility back to the Company (the "Straight Lease Transaction").

The Agency contemplates that it will provide financial assistance (the "Financial Assistance") to the Company in the form of (A) an exemption from all State and local sales and use taxes with respect to qualifying personal property included in or incorporated into the Facility or used in the acquisition, construction or equipping of the Facility; (B) mortgage recording tax exemption(s) relating to financings undertaken by the Company in furtherance of the Project; and (C) a partial real property tax abatement provided through a Payment in Lieu of Tax Agreement ("PILOT Agreement").

AGENCY COST-BENEFIT ANALYSIS:

Attached

PUBLIC COMMENT:

- 1) John Quinn: As a member of the Town Board, we were told on or after December 23, 2020 about this public hearing. Although I support the project I have concerns about the length of this proposed PILOT and the loss of revenue to the school and community. Transparency is lacking with regard to information. I called Jeremy and received no return call. The notice said that the PILOT application was available on the website but I can't find it. Also, is this PILOT renewable after 20 years?
- 2) Patti Littlefield: I agree with John. My expectation would have been that the company would have approached the Town directly and am concerned with people not being aware of this. It's like the IDA was going to hold a hearing without getting the word out. I'd like clarification and explanation on how a PILOT works and have concerns about the fairness of a 20-year PILOT.
- 3) Dan Bower: If the assessed value is used as a base, that's currently \$338K and speaks to a difference in base period reduction – I'm concerned about the potential impact on the tax cap, especially in light of funding from NYS being reduced dramatically.
- 4) Jack Delahanty: Although I'm excited about this project, I'm worried about transparency. The Community needs to understand the complete implications of this project in addition to the financial impact – I don't want my kids to pay for this. I fully support the project and people behind it.
- 5) Rose Littlefield: If this project is worth \$11M, why would it be worth \$4.5M?
- 6) Robyn Dolan: Motels and hotels have a lower financial return because of location.
- 7) Margaret Ernenwein: I'm afraid it will drive other businesses out of town and there will be no balance for jobs lost.

- 8) Ron LaScala: I was unfamiliar with PILOT agreements, but after talking with Jeremy, it does make sense for the community. 20 years is a long time but we do need hotel rooms in Tupper Lake.
- 9) Paul Maroun: I would like to thank everyone for attending this hearing and would like to ask the IDA to extend this hearing for 30 days so that people get to express their input. We need incentives to have Tupper Lake Hotels grow and that will draw more tourists. We need a complete understanding of the fiscal plan. Thank you for holding this hearing.
- 10) Cheryl LeClair: I am totally supportive of this project/idea, but I dread seeing it drag out. Are the numbers written in stone or is there negotiation room?
- 11) Jerry Seleni: I don't like the idea of 20 years.
- 12) Terry Dolan: I'm asking about the baseline rate, what is the baseline value of this project?
- 13) Dan McClelland: I agree with extending the period for public comment, I would urge the IDA Board to keep the period open for 30 days. Is a date set to vote on this PILOT?
- 14) Nancy Howard: I've always looked at this project as a compliment hotel, not a detriment. We've had weddings in the past where guests couldn't stay because there weren't enough accommodations available.

ADJOURNMENT (Time: 5:24 p.m.)

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ATTENDANCE LIST VIA ZOOM and Tupper Lake Municipal Offices

Name	Address	Representing
Accordino, Tom		Skyward Hospitality
Bartlett, Russ	Tupper Lake	TLCSD Superintendent
Bourgeois, Maria	Malone	IDA Operations Manager
Bower, Dan	Tupper Lake	TLCSD Asst. Supt.
Casagrain, Mary	Tupper Lake	Village Clerk/Treasurer
Cerbone, Aaron	Saranac Lake	Adirondack Daily Enterprise
Delahanty, Jack	Tupper Lake	Tax Payer
Delahanty, Sue	Tupper Lake	Tax Payer
Dolan, Robyn	Tupper Lake	Owner, Shaheen's Inn
Dolan, Terry	Tupper Lake	Owner, Shaheen's Inn
Doran, Michael	Malone	IDA Board
Edwards, Peter	Tupper Lake	Village
Ellis, James	Tupper Lake	IDA Board
Erman, Stephen	Saranac Lake	IDA Board
Ernenwein, Margaret	Tupper Lake	Owner – Park Motel
Evans, Jeremy	Saranac Lake	IDA CEO
Frenette, Hope	Tupper Lake	Resident
Gillis, John	Tupper Lake	Taxpayer
Gotzmer, Marcy	Saranac Lake	LDC Director of Bus/Market.
Howard, Nancy	Tupper Lake	Partner in Project
Kinberg, Jan	Tupper Lake	Village & Town Planning Board
Kinyon, S. Russ	Malone	LDC Economic Dev. Dir.
LaScala, Ron	Tupper Lake	Village Trustee
LeClair, Cheryl	Tupper Lake	Resident
Littlefield, Patti	Tupper Lake	Town Supervisor
Littlefield, Rosi	Tupper Lake	Resident/Tax Payer
Lowe, Betsy	Tupper Lake	Project Owner
Maroun, Paul	Tupper Lake	Mayor/Legislator
Martin, Justus	Moir	IDA Board
McClelland, Dan	Tupper Lake	TL Free Press Publisher
McManus, Melissa	Tupper Lake	Director of Community Dev.
Moeller, Susan	Tupper Lake	Resident/Tax Payer
Quinn, John	Tupper Lake	Town Board
Seleni, Jerry	Tupper Lake	Tax Payer
Sloan, Donna	Tupper Lake	Village Resident
Wright, Jacob	Saranac Lake	Skyward Hospitality
Wriker, Bayle		Skyward Hospitality