

Indus 19, LLC Project

PUBLIC HEARING MINUTES

WCIDA Public Hearing for the Indus 19 LLC request for IDA Incentives and a Deviated PILOT Agreement with IDA was held on March 5, 2019 at 3 p.m. at the Warsaw Town Hall Office, 83 Center Street, Warsaw, N.Y.

Attendees: Dave Almeter, Dave Matier, Chris Lonneville, Jim Packe, Robin Marschilok, Director of Operations and James Pierce Executive Director for Wyoming County Industrial Development Agency.

1. James Pierce opened the hearing at 3:03 p.m. and had available the published hearing notice and summary of the project.

Pierce informed the attendees that this public hearing was being held for two reasons. First, because the proposed project incentives will be more than \$100,000 the IDA is required by law to hold a public hearing and second, the project owners have asked for a deviation from the IDA's standard PILOT schedule. The IDA Board is offering a 15-year PILOT schedule similar to a PILOT we would offer a Tourism Destination Project. The IDA does not typically offer incentives to a Hotel project however because it is considered an essential goods and service not currently available in the area it is able to receive IDA incentives.

Pierce then read from the project summary:

Indus Hospitality is owned and operated by the Mehta family in Rochester, New York. Indus Group owns and operates more than 50 properties, primarily hotels and restaurants in the Rochester, Finger Lakes and Western New York regions. Indus plans to demolish the former 31,500 sq. ft., 3-story Manor Oak Nursing Home in the Village of Warsaw and replace it with a new build 3-story 32,000 sq. ft. nationally branded Wyndham Microtel hotel. Indus expects to create 15 new jobs over the next 3 years.

The IDA has proposed an incentive package which totals \$2 million in savings. The Company will receive tax saving of \$183,760 in sales tax, \$60,000 on mortgage tax, and \$1,820,245 in real property tax savings. Pierce stated that the IDA Board will be considering this project at its Board of Directors Meeting on March 13th and minutes from this public hearing will be presented to the Board for their information and use.

Pierce then opened the floor to comments

Chris Lonneville read a letter of support for the project; submitted by Supervisor Rebecca Ryan, who was unable to attend the Public Hearing. A copy of the letter is attached.

Dave Matier: How will the project be assessed once its complete?

J. Pierce: The Assessor will be the one to determine the assessed value once the project is complete. We used the costs of the project as the amount to estimate the IDA incentives available.

Dave Matier: Has the property changed hands yet?

J. Pierce: Not yet, the plan is soon after the public hearing. Our Board will consider the project at the Board meeting on March 13th and a decision will be made.

Chris Lonneville: Is it still the plan to demolish the current building on the property at the end of March?

J. Pierce: Demo will be in April or when winter ends.

J. Packe: One thing I have of concern; there are birds in the building and if they wait to long to start the demo the birds will be nesting and it won't be right to kill a bunch of birds.

D. Almeter: For the residents concerned about the third story are they ok with it now?

J. Pierce: Yes, as far as we know they got the answers they needed, during the public hearing for the variances.

C. Lonneville: Do you know the difference in the incentives form the standard policy to the deviated one being offered?

J. Pierce: No, we wanted to make the incentives attractive and bring in a hotel developer so we didn't consider any other package.

C. Lonneville: After year 16 it goes to 100%, that is quite a jump.

J. Pierce: Yes, it goes to 100% after year 16, the thought is they will have saved enough to make the jump at that point.

C. Lonneville: They say there will be 13 jobs, will they be local from this area?

J. Pierce: We encourage all our project owners to use local contractors and hire local people. They are very community minded and we think you will be pleased to have them in the community.

C. Lonneville: Have you checked out any other locations they have developed?

J. Pierce: Yes, they have a Microtel in Springville and one in Penn Yan and both places are very nice. The IDA Director in Penn Yan is very happy with the Company.

C. Lonneville: What is the construction schedule?

J. Pierce: They hope to be completed by the end of the year but it may fall into the first quarter of next.

D. Matier: The project owner seems to have been in business quite a while.

J. Pierce: Yes, he has been there a long time.

J. Packe: When does the PILOT start?

J. Pierce: When we close with the project usually when it is near completion. Once we approve the incentives for the project it locks in the base assessed value.

C. Lonneville: Who will be inspecting the project, someone local or will you bring in someone who has done these large projects?

J. Pierce: The inspection will fall on Tom Douglas at the Village as this is a Village project. Don Roberts has agreed to help out as needed.

Pierce asked for any other comments.

No other questions or comments were made. Pierce closed the hearing at 3:32 a.m.

Minutes prepared by R. Marschilok