

**PUBLIC HEARING MINUTES
AUBURN INDUSTRIAL DEVELOPMENT AUTHORITY**

TESSY PLASTICS CORP. PROJECT

December 7, 2016 at 5:00 p.m.

Auburn Memorial City Hall, Council Chambers, 24 South Street, Auburn, New York 13021

ATTENDANCE LIST:

Present:

James A. Dacey, Chairman
William Andre, Vice-Chair
Robert Byron, Member At-Large
Mayor Michael Quill, Member At-Large
Ron LaVarnway, Member At-Large
Tricia Kerr, Member At-Large
Monika Salvage, Secretary

Absent:

Frank Derosa, Member At-Large

Others Present:

Rob Poyer, Hancock & Estabrock, LLP
Tracy Verrier, Executive Director
Joseph Sheppard, Assistant Treasurer
Ed Pietruniak, VP of Finance and Administration, TESSY PLASTICS
Kevin R. McAuliffe, Barclay Damon, LLP
Kevin R. Kiernan
Maureen Riester, CEDA

CALL TO ORDER: (Time: 5:05 p.m.) James A. Dacey, AIDA Chairman, opened the hearing and read the following into the hearing record:

PURPOSE:

Pursuant to and in accordance with Section 2307 of the New York Public Authorities Law, the Auburn Industrial Development Authority (the "**Authority**") is conducting this public hearing in connection with a certain proposed project, as more fully defined below, (the "**Project**"), to be undertaken by the Authority for the benefit of TESSY PLASTICS CORP. (the "**Company**").

The Authority published a Notice of Public Hearing in *The Citizen* on November 26th, 2016, and mailed a copy of the Notice of Public Hearing to each affected tax jurisdiction. An Affidavit of Publication of *The Citizen* and proof of publication are attached.

DISCUSSION:

James A. Dacey, AIDA Chairman, read a description of the Project as follows:

TESSY PLASTICS CORP. for itself or on behalf of an entity to be formed (the "**Company**") has requested the Authority's assistance with a certain project (the "**Project**") consisting of (i) the acquisition of 1 parcel of land located at 4900 Tech Park Boulevard (Tax Map No. 108.72-1-2) in the City of Auburn, New York totaling approximately 30.70 acres (the "**Land**") improved by 1 building totaling approximately 436,300 square feet (the "**Existing Improvements**"); (ii) the renovation and equipping by the Company as agent of the Authority of the Existing Improvements for use as manufacturing and warehouse space (the "**Improvements**"); (iii) the acquisition and installation in and around the Existing Improvements and the Improvements by the Company of certain items of machinery, equipment, and other tangible personal property (the "**Equipment**" and, together with the Land, the Existing Improvements, and the Improvements, the "**Project Facility**").

The Authority will acquire title to, or a leasehold interest in, the Facility and lease the Facility back to the Company. The Company will operate the Facility during the term of the lease. At the end of the lease term, the Company will purchase the Facility from the Authority, or if the Authority holds a leasehold interest, the leasehold interest will be terminated. The Authority contemplates that it will provide financial assistance to the Company in the form of sales and use tax exemptions and mortgage recording tax exemption. The foregoing financial assistance and the Authority's involvement in the Project are being considered to promote the economic welfare and prosperity of residents of the City of Auburn, New York.

AGENCY COST-BENEFIT ANALYSIS:

Based upon the information provided by the Company in its application, the Project will involve and approximately \$10,860,000 capital investment by the Company, with significant job creation potential. The Authority estimates the following amounts of financial assistance will be provided to the Company:

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|---------------------------------------|----|------------|
| Sales and Use Tax Exemptions: | \$ | 151,600.00 |
| Real Property Tax Abatement: | \$ | 121,700.83 |
| Total Estimated Financial Assistance: | \$ | 273,300.83 |

PUBLIC COMMENT:

Ed Pietruniak, VP of Finance and Administration – Tessy Plastics Corp, 700 Visions Drive, Skaneateles, NY, addressed the hearing regarding the project and their intent to purchase the McQuay Facility for the initial purpose of warehousing, with the intent to begin manufacturing operations within the next 2-3 years, pending an anticipated increase in business.

Kevin R. McAuliffe, Legal Counsel for Tessy Plastics Corp. - Barclay Damon, LLP, 125 E Jefferson Street, Syracuse, NY, addressed the hearing regarding the current ownership of the property and Tessy Plastics intentions for purchase, stating that the intention of Tessy is to purchase the property, and hold the property in a standard Lease / Lease Back agreement with AIDA.

Motion to adjourn made by Mr. LaVarnway, Seconded by Mayor Quill. Motion passed unanimously.

ADJOURNMENT: 5:12p.m.