

MINUTES OF TOWN OF CONKLIN PUBLIC HEARING
ON OCTOBER 6, 2006

BROOME COUNTY INDUSTRIAL DEVELOPMENT AGENCY
(Maines Paper & Food Service, Inc. Maple Lane Project)

1. Joseph B. Meagher, Esq., counsel to the Broome County Industrial Development Agency (the "Agency") called the hearing to order at 12:00 p.m. (noon)
2. Richard D'Attilio, Executive Director of the Agency, agreed to record the minutes of the hearing.
3. Mr. Meagher then described the proposed sale/leaseback transaction and the location and nature of the Facility as follows:

Maines Paper & Food Service, Inc., a corporation organized and existing under the laws of the State of New York (the "Company"), has presented an application (the "Application") to the Agency, a copy of which Application is on file at the office of the Agency's counsel, requesting that the Agency consider undertaking a project (the "Project") consisting of the following: (A)(1) the construction of a one story 76,655+/- square foot food distribution facility to be located on a 14.1 acre site on Maple Lane in the Broome County Corporate Park in the Town of Conklin, Broome County, New York (the "Facility"), and (2) the acquisition and installation therein and thereon of certain machinery and equipment (the "Equipment") (the Facility and the Equipment being collectively referred to as the "Project Facility"), all of the foregoing to be operated by the Company as cooler space, freezer space, dry storage areas, a cooler loading dock, a dry loading dock and associated offices, (B) 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 sales taxes, real estate transfer taxes, mortgage recording taxes and real property taxes (the "Financial Assistance"); and (C) 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.

4. Mr. Meagher then opened up the hearing for comments from the floor for or against the proposed sale/leaseback transaction and the location and the nature of the Facility. The following is a listing of the persons heard and a summary of their views:

Mr. Meagher asked for comments **in favor** of the Project:

Dick Wilson of the Company said he was in favor of the Project. He said the Maple Lane Project is the result of a customer that wishes to have a stand-alone facility in the Corporate Park.

Mr. Wilson said it would essentially be a 75,000 square foot food distribution facility similar to the Maines' operation that exists in the Broome Corporate Park. The Facility would include a dry warehouse, cooler space, freezer space, and operational offices on both sides with a refrigeration engine room located in the left half of the building if you are standing inside. A retention pond adjacent to the building would be required for storm water management.

Mr. Meagher then asked for comments **in opposition** to the Project:

Bob Swarts of 19 Tracy Drive asked several questions about the tax map numbers for the Project and the setback of the Project from Amber Hill Estates, a residential neighborhood adjacent to the Corporate Park on the north and western side.

Dick D'Attilio, Executive Director of the Agency, said that was yet to be determined and depended on the Project.

Mr. Meagher said the Town of Conklin would have to approve the building project. If not, the Company would need to get a variance from the Town. He said the Agency does not have authority over these matters.

Mr. Swarts said he believed the Project was too close to the neighborhood and wondered why a location further in the Corporate Park was not chosen.

Dick Wilson of the Company said the site topography of the two parcels meets the requirements of the Project and that's why they were chosen. He added the parcels were zoned industrial and that the Company had the right to proceed as long as it followed the regulations of the Corporate Park and the Town of Conklin.

Mr. Wilson said that the Company positioned the building so that it would serve as a buffer from the residences. The building had been turned so that all the activity would be on the opposite side of the building. They are building a small facility that fits on these two parcels. Mr. Wilson said the Company was mitigating noise generated from trucks to not be disruptive and to be within the noise ordinances of the Town of Conklin.

Mary Guley of 28 Karic Road said Amber Hill Estates was the only subdivision in the Town of Conklin where industrial development is up against a residential area. She said she would like to see a permanent buffer area designated on that land. She said for six months of the year there would be no buffer from the trees. The building will be 50 feet high. A number of residences will be so close they will have no view of anything. She doesn't want to set a precedent for the rest of the Town of Conklin. She said that all the residents in Amber Hills wanted a buffer.

Mr. Meagher said the Town handles all of these issues. The rules are controlled by the Town Board.

Tom Guley of 28 Karic Road said there are no available dimensions as to where the building is going in the Corporate Park. Mr. Guley added that he thought the Company was doing test borings and cutting down trees on property it did not yet own.

Mr. D'Attilio said the Agency was cooperating with the Company in an effort to help facilitate the location of this building. Mr. D'Attilio added that comments regarding the location of the building would be reviewed as this process moves forward.

Kevin McGuigan of 27 Leslie Avenue asked about the incentives for the Project.

Mr. Meagher said that the Company could be eligible for a PILOT, a sales tax exemption, and a mortgage tax exemption. Mr. Meagher added that he had no indication there will be a mortgage tax exemption. PILOT phases in taxes based on the value of the taxes: 25% for the first five years; 50% for the next five years; 75% for the next five years; and 100% at the end of 15 years.

Mr. McGuigan asked who was paying for the incentives and whether there was a dollar figure associated with them.

Mr. Meagher responded that this was a standard policy of the Agency with a development project of this extent. The Supervisor of the Town of Conklin can initiate a deviation. We don't know when this Project will be approved. The Agency Board will eventually make a determination. Mr. Meagher added that the Agency did not have a request to deviate from the standard PILOT.

Mr. D'Attilio said he did have an estimate of the cost of the Project. The Company estimates 9.1 million dollars for the land and construction of the building.

Jim Hauss of 11 Tracy Drive said that right now he can hear truck traffic all night long. He asked for a noise study from the perspective of the residential areas. He understands the need for growth in the area.

Mr. Hauss said a realtor 15 years ago led him to believe the parcel the Company is seeking to purchase was a buffer area between the Corporate Park and the residential area. He heard that from the Agency, the Town of Conklin, the realtor, and from his neighbors. Mr. Hauss said this was the only reason he invested there. No purpose of that land for anything other than that. Can't do anything with it.

Mr. Hauss said he believed the Broome Corporate Park performance standards described the need for a buffer. He said morally, ethically and environmentally it doesn't make sense.

No further comments were made for or against the proposed sale/leaseback transaction and the location and the nature of the Facility.

5. Mr. Meagher then asked if there were any further comments and, there being none, the hearing was closed at 1:00 p.m.

BROOME COUNTY INDUSTRIAL
DEVELOPMENT AGENCY

Richard D'Attilio, Executive Director