

PUBLIC HEARING MINUTES
SCHUYLER COUNTY INDUSTRIAL DEVELOPMENT AGENCY

HAENTGES HOLDINGS, LLC PROJECT

Wednesday, September 3, 2025 at 3:30 p.m.

Village of Montour Falls Village Hall, 408 West Main Street, Montour Falls, New York 14865

ATTENDANCE LIST:

Hon. James Ryan, Mayor	Village of Montour Falls
Hon. David Scott, Town Supervisor	Town of Montour
Rob Halpin, School Board President	Odessa-Montour Central School District
Judy McKinney Cherry, CEO/CFO	Schuyler County Industrial Development Agency
Michell Krossber, Office Manager	Schuyler County Industrial Development Agency

CALL TO ORDER: Time: 3:30 p.m. Judy McKinney Cherry opened the hearing.

PURPOSE:

Pursuant to and in accordance with General Municipal Law Section 859-a, the Schuyler County 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 **HAENTGES HOLDINGS, LLC** (the “Company”).

The Agency published a Notice of Public Hearing in *The Watkins Review & Express* and mailed a copy of the Notice of Public Hearing to each affected taxing jurisdiction. An Affidavit of Publication and Proof of Mailing are attached.

DISCUSSION:

Judy McKinney Cherry read a description of the Project, as follows:

HAENTGES HOLDINGS, LLC for itself or on behalf of an entity or entities to be formed (collectively, the “Company”), has submitted an application (the “Application”) to the Agency requesting the Agency’s assistance with respect to a certain project (the “Project”) consisting of: (i) the acquisition by the Agency of a leasehold interest in approximately .49 acres of real property located at Catherine Street in the Village of Montour Falls, Schuyler County, New York (the “Land”, being more particularly described as tax parcel Nos. 86.07-6-1 and 86.07-6-22, as may be merged); (ii) the planning, design, engineering, construction and operation of a mixed-use commercial facility containing three (3) apartment units and commercial space, along with related site and utility improvements, curbage, sidewalks, landscaping, stormwater retention and related improvements (collectively, the “Improvements”); (iii) the acquisition of and installation in and around the Improvements of certain items of equipment and other tangible personal property (the “Equipment” and, collectively with the Land 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”).

It is contemplated that the Agency will acquire a leasehold interest in the Facility and lease the Facility back to the Company. The Company will own and operate the Facility during the term of the leases. The Agency contemplates that it will provide financial assistance (the “Financial Assistance”) to the Company in the form of (a) a sales and use tax exemption for purchases and rentals related to the Project, (b) a mortgage recording tax exemption and (c) a partial real property tax abatement structured through a PILOT Agreement. The foregoing Financial Assistance and the Agency’s involvement in the Project are being considered to promote the economic welfare and prosperity of residents of the County of Schuyler.

AGENCY COST-BENEFIT ANALYSIS:

Based upon information provided by the Company in its Application, the Project will involve an approximately \$2,701,200.00 capital investment by the Company, along with the payment of new revenues for the benefit of the affected taxing jurisdictions. The Agency estimates the following amounts of financial assistance to be provided to the Company:

To make purchases of goods and services related to the project that would otherwise be subject to New York State and local sales and use tax in the amount up to approximately \$767,047.00 which result in New York State and local sales and use tax exemption benefits not to exceed \$61,363.76.

To provide a mortgage recording tax exemption related to the project that would otherwise be subject to tax on a maximum principal amount of \$1,807,700.00 which results in mortgage recording tax exemption benefits not to exceed \$18,077.00.

To provide real estate tax abatement on the improvements valued at \$1,300,000.00 in an amount estimated to be \$295,168.00. The real property payments without the project would provide a total in tax receipts of approximately \$422,836.00, assuming a 2% escalator over 12 years. The real property taxes collected with the Improvements is estimated at \$127,668.00 over 12 years.

Detailed estimates for the Cost Benefit Analysis are set forth in an attached CBA.

PUBLIC COMMENT:

Robert Halpin, attending in his capacity as the Odessa-Montour School Board of Education President, confirmed that the project will have three (3) residential, market-rate units. He noted that he, both as a resident and as a representative of the school district, would oppose any IDA assistance for any rent subsidized housing projects.

Hon. James Ryan noted that this PILOT is scheduled for twelve (12) years and was satisfied that it was less than twenty (20) years. Judy McKinney Cherry noted that, at least during her tenure on the IDA, no PILOTs have been approved with a term of twenty (20) years.

Hon. David Scott asked for confirmation that the PILOT was for the full building, inclusive of both the dental office and the three (3) rental units. Yes, the PILOT covers the full site, including the commercial space and residential units.

Judy McKinney Cherry explained the PILOT process, including how payments are figured, how the tax rates break out into the percentages (Year 1, frozen at the base assessed value today), and consecutive years seeing an increase in the percentage of the assessment increase, in increasing increments, until the full property value is reached. The purpose of a PILOT, in New York State, is to allow a business the opportunity for a year to several years (depending on the PILOT terms) to build up their revenue before they are required to pick up the full property tax liability. This allows the business a cushion to help curb the concern of bankruptcy. However, in other states, the PILOT is used for non-profits (501-c-3's), such as churches, service organizations, or municipal buildings, to help offset the burden placed on the municipalities (for their use of municipal amenities and public services).

Hon. James Ryan confirmed that non-profits do place a burden on the municipality, by providing the non-profits public services (streets, fire department, etc.). Judy McKinney Cherry noted that NYS can negotiate PILOTs with non-profits, as was done with Cornell University. Hon. James Ryan noted that Cornell has a larger base to negotiate with, as smaller congregations or other non-profits don't have a lot of resources to be able to negotiate with.

Hon. David Scott noted that after a PILOT concludes, some property owners then the assessed value, which increases the Town's costs (attorney fees, time, etc.). He feels larger companies can afford the listed value and should not fight the new assessed value. Judy McKinney Cherry noted that the percentage increases are based on the increased assessed value and that some PILOTs have terms built in that don't allow a company to challenge the new assessed value while the PILOT is actively in place.

Hon. David Scott noted that, while the lack of sales tax could be a burden on the Town, he recognizes and appreciates that Schuyler County does pass through the sales tax to the villages and towns, as they are not required to, other counties don't pass through the sales tax to their respective municipalities, and that it could stop anytime.

ADJOURNMENT Time: 3:53 pm.