

PUBLIC HEARING MINUTES

Ariston Dairy Products, LLC

Agency	Madison County Industrial Development Agency (the “Agency”)
Project Beneficiary:	Ariston Dairy Products, LLC (the “Company”)
Project Location:	125 Rasbach Street, Rasbach Street and South Main Street in the Town of Lenox and Village of Canastota, Madison County, New York
Hearing Date:	May 30, 2018
Hearing Time:	10:15 a.m.
Hearing Location:	Village Offices located in the Town of Lenox, Madison County, New York

Opening Remarks

Good morning,

My name is Kipp Hicks, and I am the Executive Director of the Madison County Industrial Development Agency (the “Agency”).

Today I am holding this Public Hearing to allow citizens to make a statement, for the record, relating to the involvement of the Agency with a project (the “Proposed Project”) for the benefit of Ariston Dairy Products, LLC, a New York limited liability company (the “Company”).

The Proposed Project consists of the following: (A) the acquisition and installation of certain machinery and equipment (collectively, the “Equipment”) in an existing approximately 39,000 square foot building (the “Facility”) located at 125 Rasbach Street, Rasbach Street and South Main Street (tax map nos. 36.77-1-55, 36.77-1-55.1, 36.77-1-55.2, 44.21-1-6.1, 36.78-1-5 and 36.77-1-56) in the Town of Lenox and Village of Canastota, Madison County, New York (collectively, the “Land”) (the Equipment, the Facility and the Land being collectively referred to as the “Project Facility”), all foregoing to constitute a dairy manufacturing facility; (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 certain sales and use taxes, real property taxes, real estate transfer taxes and mortgage recording taxes (collectively, 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.

I intend to provide general information on the Agency’s general authority and public purpose to provide assistance to this Proposed Project. I will then open the comment period to receive comments from all present who wish to comment on either the Proposed Project or the Financial Assistance contemplated by the Agency with respect to the Proposed Project.

Legal Authorization and Powers of the Agency

The provisions of Chapter 1030 of Laws of 1969 of New York, constituting Title I of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York as amended, and Chapter 305 of the 1975 Laws of the State of New York, as amended, codified as Section 893 of said General Municipal Law (collectively, the “Act”), authorize the Agency to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining and equipping and furnishing of manufacturing, warehousing, research, commercial and industrial facilities, among others.

Purpose of this Public Hearing

Pursuant to Section 859-a(2) of the General Municipal Law of the State of New York (the “Act”), prior to the Agency providing any “financial assistance” (as defined in the Act) of more than \$100,000 to any project, the Agency, among other things, must hold a public hearing pursuant to Section 859-a of the Act with respect to said project. Since the proposed “financial assistance” to be provided by the Agency with respect to the Proposed Project may exceed \$100,000, then prior to providing any “financial assistance” (as defined in the Act) of more than \$100,000 to the Proposed Project, the Agency must hold a public hearing on the nature and location of the Project Facility and the proposed “financial assistance” to be provided by the Agency with respect to the Proposed Project.

After consideration of the Application received from the Company, the members of the Agency adopted a resolution on March 29, 2018 (the “Public Hearing Resolution”) authorizing the Executive Director of the Agency to conduct this Public Hearing with respect to the Proposed Project pursuant to Section 859-a(2) of the Act.

The Executive Director of the Agency caused notice of this Public Hearing to be (A) mailed on May 4, 2018 to the chief executive officers of Madison, Town of Lenox, Village of Canastota and the Canastota Central School District and (B) published on May 6, 2018 in The Oneida Daily Dispatch, a newspaper of general circulation available to the residents of Town of Lenox, Madison County, New York. In addition, the Executive Director of the Agency caused notice of this Public Hearing to be posted on May 4, 2018 on the Agency’s website and also on a public bulletin board located at The Village Offices located in the Town of Lenox, Madison County, New York.

Copies of the notice of this Public Hearing are available on the table.

Now, unless there is any objection, I am going to suggest waiving the full reading of the notice of this Public Hearing, and instead request that the full text of the notice of this Public Hearing be inserted into the record of this Public Hearing.

Notice is hereby given that a public hearing pursuant to Section 859-a(2) of the General Municipal Law of the State of New York (the “Act”) will be held by Madison County Industrial Development Agency (the “Agency”) on the 30th day of May, 2018 at 10:15 a.m., local time, at Village Offices, in Town of Lenox, Madison, New York in connection with the following matters:

Ariston Dairy Products, LLC, a New York limited liability company (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, requesting that the Agency consider undertaking a project (the “Project”) for the benefit of the Company, said Project consisting of the following: (A) the acquisition and installation of certain machinery and equipment (collectively, the “Equipment”) in an existing approximately 39,000 square foot building (the “Facility”) located at 125 Rasbach Street, Rasbach Street and South Main Street (tax map nos. 36.77-1-55, 36.77-1-55.1, 36.77-1-55.2, 44.21-1-6.1, 36.78-1-5 and 36.77-1-56) in the Town of Lenox and Village of Canastota, Madison County, New York (collectively, the “Land”) (the Equipment, the Facility and the Land being collectively referred to as the “Project Facility”), all foregoing to constitute a dairy manufacturing facility; (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 certain sales and use taxes, real property taxes, real estate transfer taxes and mortgage recording taxes (collectively, 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.

The Agency is considering whether (A) to undertake the Project, and (B) to provide certain exemptions from taxation with respect to the Project, including (1) exemption from mortgage recording

taxes with respect to any documents, if any, recorded by the Agency with respect to the Project in the office of the County Clerk of Madison County, New York or elsewhere, (2) exemption from deed transfer taxes on any real estate transfers, if any, with respect to the Project, (3) exemption from sales taxes relating to the acquisition, construction, renovation and installation of the Project Facility, and (4) in the event that the Project Facility would be subject to real property taxation if owned by the Company but shall be deemed exempt from real property taxation due to the involvement of the Agency therewith, exemption from real property taxes (but not including special assessments and special ad valorem levies), if any, with respect to the Project Facility, subject to the obligation of the Company to make payments in lieu of taxes with respect to the Project Facility. If any portion of the Financial Assistance to be granted by the Agency with respect to the Project is not consistent with the Agency's uniform tax exemption policy, the Agency will follow the procedures for deviation from such policy set forth in Section 874(4) of the Act prior to granting such portion of the Financial Assistance.

If the Agency determines to proceed with the Project, the Project Facility will be acquired, constructed, reconstructed and installed by the Agency and will be leased (with an obligation to purchase) or sold by the Agency to the Company or its designee pursuant to a project agreement (the "Agreement") requiring that the Company or its designee make certain payments to the Agency.

The Agency has not yet made a determination pursuant to Article 8 of the Environmental Conservation Law (the "SEQR Act") regarding the potential environmental impact of the Project.

The Agency will at said time and place hear all persons with views on either the location and nature of the proposed Project, or the Financial Assistance being contemplated by the Agency in connection with the proposed Project. A copy of the Application filed by the Company with the Agency with respect to the Project, including an analysis of the costs and benefits of the Project, is available for public inspection during business hours at the offices of the Agency. A transcript or summary report of the hearing will be made available to the members of the Agency.

Additional information can be obtained from, and written comments may be addressed to: Kipp Hicks, Executive Director, Madison County Industrial Development Agency, 3215 Seneca Turnpike, Canastota, New York 13032; Telephone: (315) 697-9817.

The comments received today at this Public Hearing will be presented to the members of the Agency at or prior to the meeting at which the members of the Agency will consider whether to approve the undertaking of the Project by the Agency and the granting by the Agency of any "financial assistance" in excess of \$100,000 with respect to the Proposed Project.

Written Comments

The notice of this Public Hearing indicated that written comments could be addressed to: Kipp Hicks, the Executive Director of the Agency. [No] written comments have been received by the Agency prior to this Public Hearing.

Remarks by the Company

No representatives were present

Open Public Hearing to the Floor for Comments

I will now open this Public Hearing for public comment at 10:49 o'clock, a.m.

Formal closure of the public hearing

[After ascertaining that there is no one else present who wishes to comment and ascertaining that at least 15 minutes has passed after the scheduled time for the hearing].

So, if there are no further comments, I will now close this Public Hearing at 11: 05 o'clock, a.m.

Thank you for attending.