

**PUBLIC HEARING PURSUANT TO  
SECTION 147(f) OF  
THE INTERNAL REVENUE CODE  
AND SECTION 859-a OF THE GENERAL MUNICIPAL LAW**

<b>Agency:</b>	Allegany County Industrial Development Agency
<b>Project Beneficiary:</b>	Arvos Ljungstrom, LLC
<b>Project Location:</b>	3020 Truax Road, Wellsville, NY Allegany County, New York 14895
<b>Hearing Date:</b>	May 4, 2022
<b>Hearing Time:</b>	6:00 o'clock, p.m.
<b>Hearing Location:</b>	David A. Howe Library, 155 N. Main Street, Wellsville, Allegany County, New York 14895

**Opening Remarks**

**Dr. Clark:** Good evening. My name is Craig R. Clark and, I am the Executive Director of the Allegany County IDA, in connection with this Project, which is the subject of this Public Hearing, on May 4, 2022, at the David Howe Library, in the Town of Wellsville, NY. We are holding this Public Hearing to allow citizens to make a statement, for the record, relating to the involvement of the Agency, to a project, for the benefit of Arvos Ljungstrom, LLC., a State of Delaware Limited Liability Company.

The Proposed Project consists of the following: An interest in working with, approximately 36.3 acres, which is going to be expanding internally, about 20 percent. This will include, working on the 250,400 square foot building, modification of approximately 20,000 square feet of the building, to temperature and humidity-controlled environment, incorporating a shed extension of the Existing Facility to protect the various booths and auxiliary equipment from the elements and other required improvements of the Existing Facility including machinery, equipment and other personal property. All of the foregoing to constitute a manufacturing Facility to be owned and operated by the Company that owns the land. I intend to provide general information on the agency's general authority and public purpose to provide assistance on this proposed project. I will, then, open the comments period to receive comments, from all present, who wish to comment on the proposed project or the financial assistance package, contemplated by the agency.

**Amount of Financial Assistance Being Considered by the Agency**

Before discussing the general information and opening the public hearing, for public comments, I would like to estimate the cost of the proposed project.

The estimated costs of the Proposed Project are equal to approximately \$10,697,108.00 and the estimated benefits, by the Agency are described briefly as follows:

1. Sales Tax Exemption: \$1,653,000.00.
2. Mortgage Recording Tax Exemption: \$75,000.00.
3. Real Property Tax Exemption: \$4,091,658.00.

## **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 99 of the 1973 Laws of the State of New York, as amended, codified as Section 906-a of said General Municipal Law, 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 this project or any project. Since the proposed “financial assistance” to be provided by the Agency, is over \$100,000, then prior to providing any “financial assistance” (as defined in the Act), on this 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.

After consideration of the Application received from the Company, the members of the Agency adopted a resolution on April 14, 2022 (the “Public Hearing Resolution”) to hold this Public Hearing, authorizing the Executive Director of the Agency, to conduct this Public Hearing with respect to the Proposed Project.

Copies of the notice of Public Hearing are available on the table and, if there are no objections, I am going to suggest waiving the forreading of the notice of Public Hearing. Instead, request the full text of the notice of Public Hearing, be inserted in the minutes of the Public Hearing.

The comments, today, received at this Public Hearing, will be presented to the members of the Agency, at or prior to the next Board meeting, where members of the Agency will consider whether to approve the undertaking of the proposed project, by the Agency and the granting, of the Agency, of any financial assistance, in excess of \$100,000.00.

The notice of the Public Hearing indicated, written comments could be addressed to Craig R. Clark and, no written comments have been received, as of this date. Any written comments will still be included in the Public Hearing documents, if received before next Thursday, 05-12-2022, when we meet.

At this time, I will introduce representatives of the Company. Please go ahead and introduce yourselves, on the record.

**Greg Moscato:** I am Greg Moscato, Vice President and CHRO, Chief Human Resource Officer.

**Jeff Yowell:** Jeff owell, Director of Manufacturing.

## **Open Public Hearing to the Floor for Comments**

**Dr. Clark:** I will now open this Public Hearing, for public comment, at 6:05 o'clock, p.m. Anyone who wishes to make a public comment, please raise your hand, I will call on you. Please wait to be recognized. Once recognized, stand, state your name and address, for the record. My guess, it will be short comments tonight. Please keep your comments to three minutes. When everyone has had the opportunity to speak, I will conclude the Public Hearing. To be assured we don't close this too quickly, we will wait, at least 15 minutes, in case someone shows up late. The clock is on and we will run until 6:21 p.m. unless the public shows up with questions.

## **Formal closure of the public hearing**

**Dr. Clark:** Now, we will go forward, since there are no comments, I will now close the Public Hearing, at 06:21 o'clock, p.m., on May 4, 2022. I would like to thank both of you for attending, (Greg Moscato and Jeff Gallo) and, if there are any others comments, we will add your comments to the Public Hearing. Thank you.

### **Attendees:**

Dr Craig Clark, Executive Director of the Allegany County Industrial Development Agency.  
Greg Moscato, Vice President and Chief Officer of Human Resources, Arvos Ljungstrom, LLC.  
Jeff Gallo, Director of Manufacturing, Arvos Ljungstrom, LLC.

## **The description of the proposed project is referenced below.**

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 Allegany County Industrial Development Agency (the "Agency") on the 4th day of May, 2022 at 6:00 p.m., local time, at The David A. Howe Library, 155 North Main Street, in the Town of Wellsville, Allegany County, New York in connection with the following matters:

Arvos Ljungstrom LLC, a State of Delaware limited liability company (the "Company"), has submitted 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) (1) the acquisition of an interest in an approximately 1.37 acre portion of an approximately 36.30 acre parcel of land located at 3020 Truax Road (tax map number 226.-1-28) in the Town of Wellsville, Allegany County, New York (the "Land"), together with an existing approximately 253,400 square foot building located thereon (the "Existing Facility"), (2) the modification of approximately 20,000 square feet of the Existing Facility to temperature and humidity-controlled environment, incorporating a shed extension of the Existing Facility to protect the various booths and auxiliary equipment from the elements and other required improvements (the Existing Facility and all said improvements being collectively referred to as the "Facility") and (3) the acquisition and installation therein and thereon of related fixtures, machinery, equipment and other personal property (the "Equipment"), all of the foregoing to constitute a manufacturing facility to be owned and operated by the Company (the Land, the Facility and the Equipment being collectively referred to as the "Project 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 Allegany 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 estimated 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: Craig R. Clark, P.E., Ph.D., Executive Director, Allegany County Industrial Development Agency, Crossroads Center, 6087 State Route 19 N., Suite 100, Belmont, New York 14813; Telephone: 585-268-7445.

Dated: April 19, 2022.