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NIAGARA COUNTY INDUSTRIAL DEVELOPMENT AGENCY  
PUBLIC HEARING FOR SOMERSET OPERATING COMPANY, LLC.

January 13, 2015

5:00 P.M.

Taken at: SOMERSET TOWN HALL  
8700 Haight Road  
Barker, New York 14012

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1 PRESENT: SUSAN LANGDON,  
As Hearing Officer.  
2 Niagara County Industrial  
Development Agency,  
3 Director of Project Development.

4 REPORTED BY: DAWN M. SITERS,  
5 Court Reporter.

6  
7 ATTENDANCE NOTED ON ATTACHED SIGN-IN SHEET

8  
9  
10 INDEX TO SPEAKERS

	<u>NAME</u>	<u>PAGE</u>
12	Joseph Fox.....	6
13	James Hoffman.....	7
14	Daniel Engert.....	9

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16  
17 MS. LANGDON: I think  
18 everybody signed the attendance sheet. If you  
19 haven't, would you please do so before you leave.

20 Good afternoon. My name is Susan  
21 Langdon, Director of Project Development for the  
22 Niagara County Industrial Development Agency, and I  
23 will be serving as hearing officer for the public

1 hearing. It is now 5:04 P.M.

2 The purpose of this hearing is  
3 to solicit comments, both written and oral, on the  
4 Somerset Operating Company, LLC project in the Town  
5 of Somerset. The company is seeking extension of  
6 the existing Payment-In-Lieu-Of-Tax agreement for  
7 one year. If approved, the PILOT payment would be  
8 five million one hundred and twenty thousand dollars  
9 to be split between the Town of Somerset, Niagara  
10 County and the Barker Central School District.  
11 Those three entities have already passed resolutions  
12 consenting to the extension of the PILOT agreement.

13 I have copies of the project's  
14 cost/benefit analysis, project summary and  
15 application up on the table here.

16 Comments can be in support of, or  
17 in opposition to, or on the nature or location of  
18 the project. All comments are to be limited to this  
19 project only.

20 I will now read the Notice of  
21 Public Hearing. Notice is hereby given that a  
22 public hearing pursuant to Article 18-A of the New  
23 York General Municipal Law will be held by the

1 Niagara County Industrial Development Agency (the  
2 "Agency"), on the 13th day of January 2015 at 5:00  
3 P.M. local time at the Somerset Town Hall, 8700  
4 Haight Road, Barker, New York 14012, in connection  
5 with the following matter.

6 Somerset Operating Company, LLC,  
7 for itself or on behalf of an entity formed, or to  
8 be formed, (the "Company") has requested the  
9 Agency's assistance with respect to a certain  
10 project (the "Project"), consisting of: (A) the  
11 acquisition or retention by the Agency of fee title  
12 to, or a leasehold interest in, an approximately one  
13 thousand-eight-hundred-acre parcel of land located  
14 at 7725 Lake Road in the Town of Somerset, Niagara  
15 County, New York (the "Land"), together with the  
16 existing nine buildings thereon (the "Existing  
17 Improvements" and, together with the Land, the  
18 "Facility"). The Agency has previously provided  
19 financial assistance (the "Financial Assistance") to  
20 the Company for qualifying portions of the Project,  
21 consisting of partial real property tax abatement in  
22 the form of a certain Payment-In-Lieu-Of-Tax  
23 agreement (the "Existing PILOT").

1 Pursuant to the Company's request  
2 to extend the term of the existing PILOT, the Agency  
3 will consider acquiring or retaining title to, or a  
4 leasehold interest in, the Facility and lease the  
5 Facility back to the Company. The Company will  
6 operate the Facility during the term of the lease.  
7 At the end of the lease term, the Company will  
8 purchase the Facility from the Agency, or if the  
9 Agency holds a leasehold interest, the leasehold  
10 interest will be terminated. The Agency  
11 contemplates that it will provide financial  
12 assistance (the "Financial Assistance") to the  
13 Company for qualifying portions of the Project,  
14 consisting of an extension of the Existing PILOT  
15 between the Agency and the Company.

16 A representative of the Agency  
17 will be at the above-stated time and place to  
18 present a copy of the Company's amended application,  
19 and hear and accept written and oral comments from  
20 all persons with views in favor of, or opposed to,  
21 or otherwise relevant to the proposed changes to the  
22 Existing PILOT Agreement.

23 This public hearing is being

1 conducted in accordance with Subdivision 2 of  
2 Section 859-a of the New York General Municipal Law.  
3 Dated December 9, 2014, Niagara County Industrial  
4 Development Agency, by Samuel M. Ferraro, Executive  
5 Director.

6 I will now open the hearing for  
7 comments. Please remember to give your name,  
8 address and any organization you may represent.  
9 Direct all your comments to the Chair. And your  
10 comments should be made on this project only.

11 Does anyone wish to speak? Sir?

12 JOSEPH FOX: Joseph Fox,  
13 Barker, New York, that's 9125 Somerset Drive. Is  
14 this a -- I just have questions.

15 Is this a request for the IDA to  
16 take over the property and lease it back to the  
17 company?

18 MS. LANGDON: No. That's  
19 just the transaction to remove the property from the  
20 tax rolls. And then it goes under Section 8, so  
21 it's not taxable. Then the Payment-In-Lieu-Of-Tax  
22 agreement is put into place.

23 JOSEPH FOX: So what we're

1 doing here is extending the current PILOT for one  
2 year?

3 MS. LANGDON: That's correct.

4 JOSEPH FOX: Okay. Is

5 there anything beyond that? Is that just --

6 MS. LANGDON: That's the

7 request that has been made at this time. That's

8 what we'll be acting on, the one-year extension.

9 JOSEPH FOX: I was just

10 wondering if the company is looking to say so long,

11 that's all.

12 MS. LANGDON: I don't want

13 to speak for them.

14 JOSEPH FOX: All right.

15 That's all I have.

16 MS. LANGDON: Okay. Thank

17 you. Anyone else? Mr. Hoffman.

18 JAMES HOFFMAN: Jim Hoffman,

19 8737 Lake Road. I'm a resident. I represent myself

20 right now.

21 As a resident, and one who

22 recognizes the political climate and the financial

23 problems we have in the area, it's very difficult

1 not to support this PILOT.

2           But I think I'm looking for  
3 something else. To me, there's a general lack of  
4 information on the future plans of Somerset  
5 Operating Company beyond the extended PILOT.  
6 What are the plans for keeping it open in the out  
7 years with the current political environment?  
8 Shouldn't NCIDA and the local, state and federal  
9 representatives get together with the Operating  
10 Company and create some plans to keep the plant  
11 going in the out years?

12           The Dunkirk Power Station in  
13 Chautauqua County has developed a strategy. And it  
14 seems to me that the only person that's against what  
15 they're doing is the Sierra Club. But it's gone all  
16 the way to Schumer's office for support. The  
17 Governor himself even claimed that he supported the  
18 conversion to natural gas at Dunkirk, which is kind  
19 of amazing. But a plan like that, I think, is in  
20 order, and a strategy for staying alive.

21           Surely this plant is as important  
22 to Niagara County as Dunkirk is to Chautauqua  
23 County. And I think I can make my case very handily



1 by saying here's a public hearing on a critical  
2 thing for Niagara County, and where's Mr. Ferraro;  
3 where's Mr. Sloma; where's Mr. Ross; where's Mr.  
4 Syracuse? Shouldn't these people be involved in  
5 helping this company stay alive in light of the  
6 financials? Thank you very much.

7 MS. LANGDON: Thank you.

8 JAMES HOFFMAN: I ad-libbed  
9 around that. You may have that.

10 MS. LANGDON: Thank you very  
11 much. Does anyone else wish to speak?

12 DANIEL ENGERT: If I said no,  
13 I didn't wish to speak, but I'd like to change my  
14 mind and say a word, could I?

15 MS. LANGDON: Absolutely.  
16 That's your prerogative, sir. Just identify  
17 yourself, please.

18 DANIEL ENGERT: Daniel Engert,  
19 1167 Quaker Road, Barker, New York. And I just  
20 would like to address the Chair to indicate that I  
21 can personally attest to numerous meetings that have  
22 taken place involving Legislator John Syracuse,  
23 Director Sam Ferraro, Chairman Henry Sloma, one of

1 which took place right here in the Town of Somerset  
2 some time ago with representatives of the plant,  
3 including Jack and Jerry. And those efforts are  
4 ongoing, and will continue to be ongoing, as they  
5 have been, to work towards assisting in any way  
6 possible to the extent that we're capable of, you  
7 know, helping the plant. But I just wanted to  
8 address that.

9                   There have been numerous and  
10 significant efforts to that end, which I think  
11 speak volumes to the fact that we're here, and we  
12 have successfully negotiated a one-year PILOT  
13 extension and recommended that to be adopted by  
14 the IDA Board. And that has been in conjunction  
15 also with Dr. Klatt, as well.

16                   So there are significant efforts  
17 at the local level, at the county and the state  
18 level. I have a meeting scheduled with Senator  
19 Ortt and a representative of the plant that will  
20 be occurring in the next month. And again, we are  
21 working very hard to be here again next year, and  
22 many years after as we see the continuance of the  
23 plant.

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MS. LANGDON: Okay. Thank  
you. Does anyone else wish to speak?

Okay. With no one else wishing to  
speak, I'll close the hearing. It's 5:12 P.M.  
Thank you very much for your attendance and your  
comments.

\* \* \* \*

PUBLIC HEARING SIGN IN SHEET  
 SOMERSET OPERATING COMPANY, LLC

January 13, 2015 5:00 p.m.

Somerset Town Hall, 8700 Haight Road, Barker N.Y. 14012

Name	Address	Affiliation	Do you Wish to Speak?
Dale Howard	8663 Huntington Beach Rd Barker, N.Y.	Resident	no
ROGER, ULBERT	9288 COLEMAN RD BARKER, NY	Barker Resident/School Dpt	no
Ken Clemens	3159 QUAKER RD GASPORT NY	BOS School Board	no
JOHN HOYALING	1365 QUAKER ROAD BARKER NY 14012	RESIDENT	no
Joe Fox	9125 SOMERSET DR BARKER, NY 14012	RESIDENT	no
Tracy Carner	9171 Townlike Rd Barker NY 14012	Town Clerk	No
DAN ENGRAST	1167 QUAKER RD, BARKER NY	SUPERVISOR	No
AMANDA WYNER	1434 QUAKER RD BARKER, NY 14012	Landwoman	No
Jack White	8772 HAIGHT RD BARKER, NY 14012	SOC	NO

**PUBLIC HEARING SIGN IN SHEET**  
**SOMERSET OPERATING COMPANY, LLC**

January 13, 2015 5:00 p.m.

Somerset Town Hall, 8700 Haight Road, Barker N.Y. 14012

Name	Address	Affiliation	Do you Wish to Speak?
JAMES C. NOFFMAN	8737 LAKE RD	RESIDENT	Yes