

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23

NIAGARA COUNTY INDUSTRIAL DEVELOPMENT AGENCY
PUBLIC HEARING FOR ULTIMATE PHYSIQUE, INC.

September 04, 2014

3:30 P.M.

Taken at: Lockport Municipal Building
Council Chambers
One Locks Plaza
Lockport, New York 14094

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23

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

REPORTED BY: DAWN M. SITERS,
Court Reporter.

ATTENDANCE NOTED ON ATTACHED SIGN-IN SHEET

INDEX TO SPEAKERS

<u>SPEAKER</u>	<u>PAGE</u>
Jane Whitmore.....	6
Kevin Pratt.....	7
Lena Villella.....	8

1 MS. LANGDON: We'll get
2 started. Would everybody please sign the sheet,
3 even if you don't wish to comment.

4 Good afternoon. My name is Susan
5 Langdon, Director of Project Development for the
6 Niagara County Industrial Development Agency. I
7 will be serving as hearing officer for this public
8 hearing. It's now 3:37 P.M.

9 The purpose of this hearing is to
10 solicit comments, both written and oral, on the
11 Ultimate Physique, Inc. project in the City of
12 Lockport. The project entails the renovation of the
13 former Washington Hunt School at 50 Rogers Avenue to
14 house the Ultimate Physique gym, as well as other
15 commercial ventures.

16 I have copies available of the
17 project's cost/benefit, and the project summary
18 and application up here in the front.

19 Comments can be in support of, or
20 in opposition to, or on the nature or location of
21 the project. All comments are to be limited to this
22 project only.

23 Notice of Public Hearing: Notice

1 is hereby given that a public hearing pursuant to
2 Article 18-A of the New York General Municipal Law
3 will be held by the Niagara County Industrial
4 Development Agency (the "Agency") on the 4th day of
5 September, 2014 at 3:30 P.M. local time, at the
6 Lockport Municipal Building, One Locks Plaza,
7 Lockport, New York 14049 in connection with the
8 following matter.

9 Ultimate Physique, Inc., and/or
10 individuals or affiliates, subsidiaries, or entity
11 or entities formed, or to be formed on its behalf,
12 (the "Company"), has submitted an application to the
13 Agency, a copy of which is on file at the office of
14 the Agency, requesting that the Agency consider
15 undertaking a project (the "Project") consisting of:
16 (A) the acquisition or retention by the Agency of
17 fee title to, or other interest in, a parcel of land
18 located at 50 Rogers Avenue in the City of Lockport,
19 New York (the "Land"), together with the existing
20 building(s) located thereon (the "Existing
21 Improvements"); (B) the remediation and renovation
22 of an approximately 32,500 square foot building(s)
23 (collectively, the "Improvements"), to consist of a

1 fitness facility, together with additional related
2 commercial ventures; (D) the acquisition and
3 installation in and around the Improvements of
4 certain items of machinery, equipment and other
5 tangible personal property (the "Equipment", and
6 collectively with the Land, Existing Improvements
7 and the Improvements, the "Facility").

8 The Agency will acquire title to,
9 or a leasehold interest in, the Facility and lease
10 the Facility back to the Company. The Company will
11 operate the Facility during the term of the lease.
12 At the end of the lease term, the Company will
13 purchase the Facility from the Agency, or if the
14 Agency holds a leasehold interest, the leasehold
15 interest will be terminated. The Agency
16 contemplates that it will provide financial
17 assistance (the "Financial Assistance") to the
18 Company in the form of sales and use tax exemptions,
19 and a mortgage tax exemption consistent with the
20 policies of the Agency, and a partial real property
21 tax abatement.

22 A representative of the Agency
23 will be at the above-stated time and place to

1 present a copy of the Company's project application,
2 and hear and accept written and oral comments from
3 all persons with views in favor of, or opposed to,
4 or otherwise relevant to the proposed Financial
5 Assistance.

6 The public hearing is being
7 conducted in accordance with Subdivision 2 of
8 Section 859-a of the New York General Municipal Law.
9 Dated August 14, 2014, by Samuel M. Ferraro,
10 Executive Director, Niagara County Industrial
11 Development Agency.

12 I will now open the hearing for
13 comments. Please remember to give your name,
14 address, and any organization you may represent.
15 Direct all comments to the Chair. And your comments
16 should be made on this project only.

17 Would anyone like to speak?

18 Mrs. Whitmore.

19 JANE WHITMORE: All right.

20 On July 29, 2014 the Lockport voters authorized
21 the Board of Education to sell the Rogers Avenue
22 property to Mr. Muscarella. Mr. Muscarella was
23 aware of all the problems he would face once the

1 sale was completed. Once he obtained legal
2 ownership, he went to the IDA for public assistance.
3 The costs to bring it up to code were staggering,
4 are staggering.

5 Now, the IDA, on Mr. Muscarella's
6 behalf, among other things, is requesting a
7 five-year partial real property tax abatement. That
8 means the taxpayers of Lockport will be making up
9 the difference. I am here today to express my
10 opposition to the partial real property tax
11 abatement for five years. Thank you.

12 MS. LANGDON: Thank you.
13 Would anyone else like to speak? Sir.

14 KEVIN PRATT: Kevin Pratt,
15 97 Adam Street.

16 I'd just like to say thank you to
17 the County for looking out for a small businessman,
18 trying to assist him in growing his building,
19 growing his business, repurpose, re-use an empty
20 building in the City of Lockport. And I'd just like
21 to thank you for the efforts.

22 MS. LANGDON: Thank you.
23 Anyone else wish to speak?

1 LENA VILLELLA: Lena Villella,
2 Acting Assessor for the City of Lockport.

3 I asked for a copy of the schedule
4 regarding the tax abatement, and you were kind
5 enough to provide that.

6 The IDA is looking to give a
7 five-year zero tax, and then phasing in another five
8 years of a reduced tax; fifteen, thirty, forty-five,
9 sixty, seventy-five, until fully taxable. I think,
10 given the situation that this city currently faces
11 with their fiscal crisis, I think it's a little
12 excessive. If you're going to do an
13 opportunity-zone benefit for this project, five
14 years at zero, I think, is extremely helpful. To
15 carry that through another five years, it's a little
16 bit excessive, in my opinion.

17 The application states that the
18 company would not close -- you know, would any of
19 these other facilities close or have reduced
20 activities; it says no. I can understand that they
21 need assistance. That's fine. I'm not against the
22 project. I just think that it's a little -- the
23 IDA's giving a little bit of an excessive abatement

1 here, especially for a retail project.

2 For the most part, I'd like to see
3 a commercial PILOT on this, which is more or less
4 patterned after the 45(b) exemption, which would
5 phase in an abatement over ten years, fifty percent,
6 forty-five, diminishing by five percent every year
7 thereafter.

8 MS. LANGDON: Thank you.

9 Does anyone else wish to speak?

10 Okay. There being no other
11 speakers, I will close the hearing. It is 3:43 P.M.
12 Thank you coming and for your comments.

13

14

15

* * * *

16

17

18

19

20

21

22

23

**NIAGARA COUNTY INDUSTRIAL DEVELOPMENT AGENCY
NOTICE OF PUBLIC HEARING**

NOTICE IS HEREBY GIVEN that a public hearing pursuant to Article 18-A of the New York General Municipal Law will be held by the Niagara County Industrial Development Agency (the "Agency") on the 4th day of September, 2014, at 3:30 p.m. local time, at the Lockport Municipal Building, One Locks Plaza, Lockport, New York 14094, in connection with the following matter:

ULTIMATE PHYSIQUE INC., and/or an individual(s) or affiliate, subsidiary, or entity or entities formed or to be formed on its behalf (the "Company"), has submitted an application to the Agency, a copy of which is on file at the office of the Agency, requesting that the Agency consider undertaking a project (the "Project") consisting of: (A) the acquisition (or retention) by the Agency of fee title to or other interest in a parcel of land located at 50 Rogers Avenue in the City of Lockport, New York (the "Land"), together with the existing building(s) located thereon (the "Existing Improvements"); (B) the remediation and renovation of an approximately 32,500 square foot building(s) (collectively, the "Improvements"), to consist of a fitness facility together with additional related commercial ventures; (D) the acquisition and installation in and around the Improvements of certain items of machinery, equipment and other tangible personal property (the "Equipment" and, collectively with the Land, Existing Improvements and the Improvements, the "Facility").

The Agency will acquire title to, or a leasehold interest in, the Facility and lease the Facility back to the Company. The Company will operate the Facility during the term of the lease. At the end of the lease term, the Company will purchase the Facility from the Agency, or if the Agency holds a leasehold interest, the leasehold interest will be terminated. The Agency contemplates that it will provide financial assistance (the "Financial Assistance") to the Company in the form of sales and use tax exemptions and a mortgage tax exemption consistent with the policies of the Agency, and a partial real property tax abatement.

A representative of the Agency will be at the above-stated time and place to present a copy of the Company's project application and hear and accept written and oral comments from all persons with views in favor of or opposed to or otherwise relevant to the proposed Financial Assistance.

This public hearing is being conducted in accordance with Subdivision 2 of Section 859-a of the New York General Municipal Law.

DATED: August 14, 2014

NIAGARA COUNTY INDUSTRIAL
DEVELOPMENT AGENCY

By: _____

Samuel M. Ferraro
Executive Director

PUBLIC HEARING SIGN IN SHEET

Ultimate Physique, Inc.

September 4th, 2014 - 3:30 p.m.

Lockport Municipal Building, One Locks Plaza, Lockport, New York 14094

Name	Address	Affiliation	Do you Wish to Speak?
Gene Whitmore	272 Pine St Lockport NY	Landowner	yes
Robert Muscarella	8565 Bunker Hill Rd Gasport.	Building owner	maybe
Chuck Bell	One Locks Plaza	City Planning Development	No
Lena Vilella	One Locks Plaza	Assessment Dept	Yes
Kevin W Piatek	97 Adam St Lockport	city resident	maybe
Tom Prohaska	One News Plaza, Buffalo	Buffalo News	No