

PUBLIC HEARING TRANSCRIPT

**Vincent Properties, Inc. and/or Individual(s)
or Affiliate(s), Subsidiary(ies), or Entity(ies)
formed or to be formed on its behalf**

October 19, 2020 at 1:45 p.m.
remotely at NCIDA offices

Susan Langdon: *Welcome. This public hearing is now open; it is 1:15p.m. My name is Susan Langdon, I am the Executive Director of the Niagara County Industrial Development Agency, and I have been designated by the Agency to be the hearing officer to conduct this public hearing. We are conducting this meeting remotely and the public can access this hearing via telephone, as advertised in the public hearing notice published in the Lockport Union Sun and Journal and posted on our website. I'm going to read the names of the people that are on the phone: Lisa Glenna, Niagara County Real Property Tax Office; Rick Abbott, 5th Ward Alderman from the City of Lockport; Mark Eberhardt, Owner of Heritage Manor and Joe Enzinna, interested party.*

Would anyone else who is on the phone please identify yourself? No one else is on the call.

Susan Langdon: *We are here to hold the public hearing on Vincent Properties, Inc. and/or Individual(s) or Affiliate(s), Subsidiary(ies), or Entity(ies) formed or to be formed on its behalf. The transcript of this hearing will be reviewed and considered by the Agency in determination of this project.*

Susan Langdon: *The proposed project (the "Project") includes the purchase of the Heritage Manor and Heritage Manor Estates in Lockport by Vincent Properties, Inc. The project application and project summary are posted on the Agency's website at niagaracountybusiness.com*

The proposed financial assistance contemplated by the Agency includes New York State and local sales and use tax exemption benefits and mortgage recording tax exemption benefits (in compliance with Agency's uniform tax exemption policy).

Susan Langdon: *If you have a written comment to submit for the record, you may do so. Written comments may also be delivered to Agency at 6311 Inducon Corporate Drive, Suite One, Sanborn, New York 14132 or by email to me until the comment period closes on October 20, 2020.*

Susan Langdon: *If anyone is interested in making a comment, please respond and state your name and address; if you are representing a company, please identify the company. Does anyone wish to speak?*

Rick Abbott: *Actually, I do Sue. This is Rick Abbott, Alderman for the City Of Lockport.*

Susan Langdon: *Go ahead, Rick*

Rick Abbott: *Ok, my concern as a representative of the City as being a representative of the 5th Ward and representative of the City is the properties are actually private pay. There's no government subsidized rate or contributions and just an example with the condos located on Lexington Court is that the going rent is somewhere in the neighborhood of \$1,500 a month although they're categorized as "Seniors on the Go", it's actually independent living and they have to pay for themselves. It's not clear, to me anyways. It kind of alludes to the fact that there might be laundry or meal services available for those 12 units or 24 living units. That is not part of the agreement. Um, and the fact that they're assessed at \$125,000, but the sale price is somewhere around \$175,000. I'm just doing that as an estimate, I'm not a real*

estate person, but when they're generating \$2,000 a month in income for a \$175,000 facility, the facility pretty much is... Whoever owns the facility is making pretty good revenue and the house would probably pay for itself in 6 years. If they were going to go on the market, I'm going to guess that people would be lining up to purchase them. The Assisted Living is over \$4,000 a month and they don't accept any Medicaid for Assisted Living and the fact again, is putting \$200,000 into possibly aesthetic improvements, I'm not actually seeing the worthiness of the program and with two additional people being hired which are lower paying jobs, of what benefit this is to the City. In addition to it, the current owner basically has a whole street to themselves of which the City maintains the water, the sewer, street maintenance and repairs, so this will put a burden on the City of Lockport in regards to any type of reduction in revenue along with property taxes. Thank you.

Susan Langdon: *Ok. Thank you. Does anybody else wish to speak for the record? All right, I'd like to add that the IDA has received a letter from the City of Lockport, which I'll read into the record.*

Dated, October 19, 2020.

To Susan Langdon, Niagara County Industrial Development Agency, regarding Application for Financial Assistance by Vincent Properties, Inc. 41 Lexington Court, Lockport, New York.

Dear Ms. Langdon:

The undersigned parties are the Mayor of the City of Lockport, along with the members of its Common Council. The City of Lockport takes great pride in our community and we encourage the development of businesses and industry and also welcomes the associated job opportunities. It further recognizes the support that the IDA has provided the City in attaining these goals.

With that being said, we find it necessary to voice our concerns over a pending PILOT application that we feel is not in the best interest of the public. It is our hope that you will consider these concerns when you make a decision on this application.

1. Vincent Properties originally came to the City offering a PILOT to the City for a charitable 420-a tax exemption based on their status of being a not-for-profit corporation. Although it is a not-for-profit corporation under New York law, it was denied the exemption because all residents are private-pay. Unless the corporation can be shown to benefit people in need, it does not qualify as a charitable organization. This decision is backed by statutes and several court cases.

2. The Court of Appeals has recently addressed the issue of a charitable use in the context of a parking garage operated by a not-for-profit. Greater Jamaica Development Corporation v. New York City Tax Commission, 25 NY 3d 614 (2015) clearly distinguishes between tax exempt status for purposes of federal tax and charitable use under NYRPTL §420(a). Since the operators of Heritage Manor do not accept government subsidies and retain the right to terminate the tenancy of an individual unable to pay the charges, this would not constitute a charitable use.

3. The PILOT is based on an assessed value of \$2,453,500, with full value of \$3,361,000 based on an equalization rate of 73%. The City's anticipated 2022 revaluation project will likely result in a noticeable increase based upon projected rental income and a purchase price of \$6,400,000. The flat rate suggested in the proposed PILOT will thus provide an even greater tax advantage after 2022 over the term of the PILOT.

4. *Cosmetic improvements of only \$250,000 to the facility does not qualify as improving the facility; rather in our opinion, it constitutes general maintenance.*
5. *The facility's intent is to only add two FTE opportunities at minimum to low wage rates.*

If this project is approved, the City will lose an estimated \$20,000 in revenue in the first year alone. Once our planned 2022 City wide revaluation project is complete we will lose even more revenue. In conclusion, while we encourage new business and development in the City, we feel this project is not in the best interest of our citizens.

Very truly yours,

*Michelle Roman, Mayor
Mark Devine, Council President and 3rd Ward Alderman
Ellen Schratz, Alderwoman-at-Large
Joseph Oates, 1st Ward Alderman
Luke Kantor, 2nd Ward Alderman
Kelly Vandemark, 4th Ward Alderwoman
Rick Abbott, 5th Ward Alderman*

Susan Langdon: *That concludes the letter from the City of Lockport. I will ask again, does any one wish to make any more comments on this project? Ok, hearing none, it is now 1:55 p.m. and I will adjourn the hearing. Thank you very much for your comments and your attendance.*

**SIGN IN SHEET
PUBLIC HEARING**

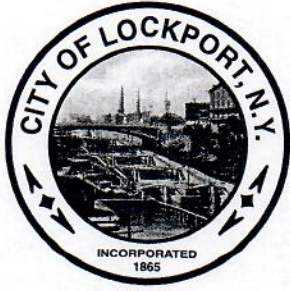
October 19, 2020 at 1:45 p.m.
remotely at NCIDA offices

regarding:

**Vincent Properties, Inc. and/or Individual(s) or Affiliate(s), Subsidiary(ies), or Entity(ies)
formed or to be formed on its behalf**

Project Location: 41 Lexington Court and adjacent addresses

Name	Company and/or Address	X box to speak/ comment
Lisa Glenna	NC Real Property Tax	
Rick Abbott	5 th Ward Alderman, Lockport	X
Mark Eberhardt	Owner, Heritage Manor	
Joe Enzinna	Interested party	



CITY OF LOCKPORT

One Locks Plaza
Lockport, New York 14094
(716) 439-6676
www.lockportny.gov

October 19, 2020
Niagara County Industrial Development Authority
ATTN: Sue Langdon
6311 Inducon Corporate Drive, Suite One
Sanborn, New York 14132

RE: Application for Financial Assistance by Vincent Properties, Inc.
41 Lexington Court, Lockport, NY

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Niagara County Industrial Development Agency
ATTN: Sue Langdon
October 16, 2020
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