TOMPKINS COUNTY INDUSTRIAL DEVELOPMENT AGENCY

PUBLIC HEARING PURSUANT TO ARTICLE 18-A OF THE
NEW YORK GENERAL MUNICIPAL LAW

HELD ON: December 2, 2002

HELD AT: Common Council Chambers
City Hall
108 East Green Street
Ithaca, New York

APPEARANCES:

MICHAEL STAMM
President, TCAD

MICHAEL LANE
Vice Chairman, IDA

REPORTED BY: SUSAN NICHOLAS MILLER
Registered Professional Reporter
Notary Public.
MR. STAMM: I'll begin by reading the public hearing notice.

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 Tompkins County Industrial Development Agency (the "Agency") on the 2nd day of December, 2002, at 10:30 a.m., in the Common Council Chambers at City Hall, 108 East Green Street, Ithaca, New York, in connection with the following matter:

Cascade Plaza, LLC, a limited liability company organized under the laws of the State of New York (the "Company"), has submitted an application to the Agency requesting the Agency's assistance with a certain project (the "Project") consisting of (i) the acquisition of an interest in an approximately half-acre parcel of land located on the northwest corner of North Tioga Street and East Seneca Street in the City of Ithaca, New York (the "Land"); (ii) the construction on the Land of an approximately nine-story 175,000 square-foot building (the "Building")
of which approximately 75,000 square feet of space will be constructed to accommodate an approximately 110-room Hilton Urban Garden Inn, or other similar franchise hotel (the "Hotel"), an approximately 20,000 square foot conference center (the "Conference Center") and an approximately 45,000 square feet of space will be constructed to accommodate speculative office space, retail space and common areas (the "Additional Space"); and (iii) the acquisition and installation in and around the Hotel, the Conference Center and Additional Space of certain items of machinery, equipment and other items of tangible personal property (the "Equipment" and collectively with the Land, the Hotel, the Conference Center, and the Additional Space, the "Facility"). The remaining portions of the Building will be owned by CDP, Cornell Inc. and leased to Cornell University for use as office and related space in furtherance of its not-for-profit purposes. Such areas are not part of the Project and will not benefit from the financial assistance described below.
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 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 the proposed financial assistance.

And it was dated November 1st, 2002.

So, again, at this time we would welcome any comments relative to the project. I will remind those present that, again, we're
basically talking about the same project. This part of the project does not include the issuance of tax exempt bonds to finance the project. It does not require county board approval. This part of the project is for deliverance of property tax abatement, sales tax abatement, and a partial mortgage recording tax abatement to the project.

PUBLIC: Do I need to say my name again?

MR. STAMM: Please.

PUBLIC: Joe Harlan, from Newfield. I say go for it. Anything to bring improvements downtown. It seems like nobody wants height because they're afraid of shadows and they can't see the view because of the sunlight. How many square feet is that building going to be, the hotel?

MR. STAMM: The hotel, about 75,000 square feet.

PUBLIC: My God, everybody's having a fit about a nine-story hotel while Cornell's building 150 to 200,000 square feet, maybe 300,000 square feet buildings up on that hill. You know, it's a shame. They crying about
little buildings down here while monster buildings, I mean Cornell and Collegetown alone takes the size of downtown Syracuse for building wise. I mean they're a huge building. Look at west campus and north campus and they're crying about little, little building like a nine-story hotel. And Corning -- and I mean in that Cornell building plus the Green project and that Gateway plaza and all this construction going on on west and southwest end. Man, this town is going backwards, I think. I think it needs improvement. So go for it. I mean it's all for the colleges and everybody is getting to see it's nothing for the colleges, but down here and the colleges are rich, while the downtown and the county's going broke, and you don't see much money, money coming down to help with the infrastructure and the taxes from the land and stuff they own up there and the buildings. You know, they own about, what, 50, 60 percent of the tax exempt buildings and the land. Cornell owns half the property in this county, but you don't see
much coming down here to help out the city and the county. And they are in the county, in the city. They should help out just like Corning Glass has helped out Corning, the Corning area and Big Flats area. It's not fair. They're getting rich while the other people around here is going to hell in a hand basket.

        MR. LANE: Thank you, Mr. Harlan.

        John?

        PUBLIC: I guess, question: Can we just ask that our early comments be transferred over; is that possible?

        MR. LANE: Certainly can.

        PUBLIC: Sure.

        MR. LANE: You'd like your earlier comments for the prior public hearing to also apply to this hearing.

        MR. MAJERONI: Yes, my name is John Majeroni from Cornell University, and I would like my earlier comments to apply to this public hearing as well.

        MR. LANE: Thank you.

        PUBLIC: May do I the same?
MR. LANE: Yes. Mr. Pine would like to have his comments also entered on this one.

MR. PINE: Unless you'd like me to read it again.

MR. LANE: No, thank you.

PUBLIC: John Schroeder again. I also would like my previous comments added to this public hearing. But I just wanted to add one thought that I think has not really been emphasized which is tax abatements are particularly appropriate in a downtown area, simply in recognition of the fact that it's not a level playing field in terms of development costs on green space in the suburbs or previous farmland versus a dense downtown. If you're building downtown the land is more expensive. The construction logistics is more expensive. Building a multistory building of considerable height can be more expensive and a whole host of other logistic and problematic areas including all the interrelationships with the existing city. So, again, since many of us are hoping for greater density downtown, the tax abatement
policy and the density to the policy that the
IDA has is very appropriate and specifically
appropriate for this project. Thank you.

MR. LANE: Thank you again, Mr.
Schroeder.

MR. LANE: Anyone else on the second
public hearing?

PUBLIC: You would just transfer my
comments.

MR. LANE: Gary Ferguson from IDP would
also like his comments from the previous one
transferred here, added here also.

Anyone else?

MR. LANE: Anyone else

PUBLIC: David Marsh, business manager,
Local 589, Ithaca, New York, and
vice-president of Building Trades. Previous
comments from the meeting.

Also, I'd like to add, I know that the
IDA meetings we had discussed some hiring
issues as the outcome of the hotel. Are we --
this is a question basically to Mike. Have we
gotten the results on what type of jobs will
be, whether they'll be full time; part time;
and what kind of wage they may pay? Because I know this is important for your decision.

MR. STAMM: Right. No, that information is not available yet because I believe that the developer still has not chosen a hotel operator.

MR. MARSH: Okay. And you'll have that information before you make your final decision?

MR. STAMM: I think that's a very important factor for the IDA members.

MR. MARSH: Okay. Thank you very much.

MR. LANE: Anyone else?

MR. STAMM: Okay. I'd now like to adjourn the second and final public hearing on the project. Thanks to everyone who came.

* * *

21
22
23
24
CERTIFICATION

I hereby certify that the proceedings and evidence are contained fully and accurately in the notes taken by me on the above cause and that this is a correct transcript of the same to the best of my ability.

Susan Nicholas Miller

SUSAN NICHOLAS MILLER, RPR