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Gary H. Collison

July 9, 2021

Don Castellucci, Jr.  
Supervisor  
Town of Owego  
2354 State Route 434  
Apalachin, New York 13732

Terie Huseby  
Director  
Tioga County Real Property  
56 Main Street  
Owego, New York 13827

Cheri Grenier  
Assessor  
Town of Owego  
2354 State Route 434  
Apalachin, New York 13732

James McFadden  
Tioga County Treasurer  
56 Main Street  
Owego, New York 13827

Corey A. Green  
Superintendent  
Owego Apalachin Central School District  
5 Sheldon Guile Boulevard  
Owego, New York 13827

Martha Sauerbrey  
Legislative Chair  
Tioga County Legislature  
56 Main Street  
Owego, New York 13827

Re: TIOGA COUNTY INDUSTRIAL DEVELOPMENT AGENCY  
PROPOSED WEST BAY STAR, LLC PROJECT

Ladies and Gentlemen:

Pursuant to Section 912 of the New York General Municipal Law (the "Act"), the Tioga County Industrial Development Agency (the "Agency") hereby informs you that the Agency has received an application (the "Application") from West Bay Star, LLC (the "Company") for financial assistance in connection with a project (the "Project") consisting of the following: (A) the acquisition of 2.80+/- acres of land located at 936 Taylor Road and the south side of Bodle Hill Road in the Town of Owego, Tioga County, New York (the "Land") and the site development, construction and equipping thereon of a health care facility consisting of one 18,000+/- square foot, two story building and a parking lot (the "Facility") and the acquisition and installation in the Facility of certain equipment (the "Equipment") (the Land, the Facility and the Equipment being hereinafter, collectively, referred to as the "Project"); (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, mortgage

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Page 2

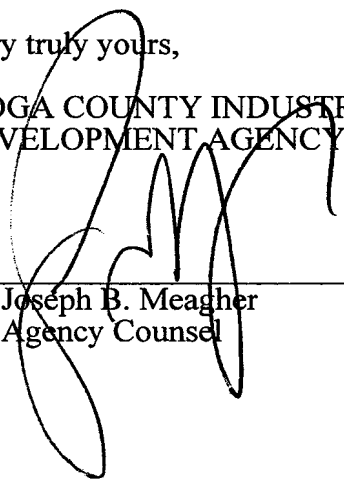
tax and an abatement of real property taxes deviating from the Agency's Uniform Tax Exemption Policy (collectively, the "Financial Assistance"); and (C) the lease (with an obligation to purchase) of the Project to the Company or such other person or entity as may be designated by the Company and agreed upon by the Agency.

Enclosed is a notice of public hearing to be held by the Agency relating to the proposed Project, together with the Cost/Benefit Analysis. The financial assistance being contemplated by the Agency in connection with the Project is described in said notice of public hearing.

If you have any questions regarding the foregoing, please do not hesitate to contact me.

Very truly yours,

TIOGA COUNTY INDUSTRIAL  
DEVELOPMENT AGENCY

By:   
Joseph B. Meagher  
Agency Counsel

Enc.  
cc: Christine Curtis (w/enc.)

## NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that a public hearing, pursuant to Article 18-A of the New York State General Municipal Law, will be held by the Tioga County Industrial Development Agency (the "Agency") on the 28<sup>th</sup> day of July, 2021 at 5:00 p.m., local time, in the Economic Development & Planning conference room, 2<sup>nd</sup> floor, Ronald E. Dougherty County Office Building, 56 Main Street in the Village of Owego, Tioga County, New York 13827.

The public hearing is being held in connection with the following matters:

West Bay Star, LLC, a New York Domestic Not-For-Profit Corporation, or an entity to be formed, (the "Company") has requested that the Agency assist in the financing of the site development, construction and equipping of 2.80+/- acres of land situate at 936 Taylor Road and the south side of Bodle Hill Road in the Town of Owego, Tioga County, New York (the "Land") to be used as a health care facility consisting of one 18,000+/- square foot, two story building and a parking lot, and any other directly or indirectly related activities (the "Facility") and the acquisition and installation in the Facility of certain equipment (the "Equipment"). The Land, the Facility and the Equipment are hereinafter, collectively, the "Project". The Project will be initially owned, operated and/or managed by the Company.

The Agency will acquire a leasehold interest in the Project and lease the Project back to the Company. At the end of the lease term, the Agency's interest in the Project will be reconveyed to the Company. The Agency contemplates that it will provide financial assistance to the Company in the form of the issuance of exemptions from sales and use tax, mortgage tax, and an abatement of real property taxes deviating from the Agency's Uniform Tax Exemption Policy.

A copy of the Company's application to the Agency will be available for review at the Agency's website located at <https://www.tiogacountyny.com/programs-agencies/industrial-development-agency/>.

A representative of the Agency will, at the above-stated time and place, hear comments from all persons with views in favor of or opposed to either the proposed financial assistance to the Company or the location or nature of the Project.

Due to the Novel Coronavirus (COVID-19), the public may wish to attend the public hearing via Zoom instead of attending in person. As such, members of the public may listen to the public hearing and comment on the project and the benefits to be granted to West Bay Star, LLC by the Agency during the public hearing by dialing into the conference call as noted at the bottom of this Notice of Public Hearing. Comments may also be submitted to the Agency in writing or electronically prior to the Agency's public hearing. Minutes of the public hearing will be transcribed and posted on the Agency's website.

Minutes of the hearing will be made available to the Tioga County Legislative Chairman

of the County of Tioga.

TIOGA COUNTY INDUSTRIAL  
DEVELOPMENT AGENCY

Dated: July 8, 2021

By: Jenny Ceccherelli, Chairman

Join Zoom Meeting

<https://us02web.zoom.us/j/87631375213?pwd=ZFdjOSthWHlQclpOdWN0SmNPRjRwQT09>

Meeting ID: 876 3137 5213

Passcode: 992950

One tap mobile

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+13126266799,,87631375213#,,,,\*992950# US (Chicago)

Dial by your location

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+1 312 626 6799 US (Chicago)

+1 301 715 8592 US (Washington DC)

+1 669 900 9128 US (San Jose)

+1 253 215 8782 US (Tacoma)

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Meeting ID: 876 3137 5213

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Find your local number: <https://us02web.zoom.us/j/87631375213?pwd=ZFdjOSthWHlQclpOdWN0SmNPRjRwQT09>

## **Financial Assistance Application West Bay Star, LLC Cost / Benefit Analysis**

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The information included herein is taken from the attached Tioga County Industrial Development Agency (IDA) "Application for Financial Assistance" made by West Bay Star, LLC (Corporation), and various correspondence and conversations between representatives of the Tioga County Department of Economic Development and Planning, Tioga County Industrial Development Agency, County of Tioga, Town of Owego and the Corporation.

### **PROJECT SUMMARY**

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In April 2021, West Bay Star, LLC (Developer) began discussions with Tioga County Economic Development and Planning (ED&P) staff about demolition of existing vacant building at 936 Taylor Road Owego, NY and construction of new 18,000 S/F 2-story Article 28 compliant Medical Building. Site development would include site utilities, storm water management, paving, landscaping, and site lighting. Building construction would consist of medical office space, clinical exam, imaging, lab, and pharmacy drive thru.

West Bay Star, LLC was organized in New York State in 2006. The Corporation will build and lease the facility to Lourdes Hospital (User).

This project will result in the relocation and closing of the current operations located at 500 5<sup>th</sup> Ave, Owego, NY. The site has reached capacity and the new development will address the current capacity constraints and also enable additional services to be provided.

The completed project will be owned by West Bay Star, LLC and leased to Lourdes Hospital. The total projected investment is currently estimated at \$5,782,250. This would include the demolition of existing vacant building, the cost to construct and equip the facility, engineering and architectural fees, various site development fees and legal/financial/agency fees. The subject property is currently owned by the West Bay Star, LLC. The current assessed value of the property is \$176,300. The estimated final assessed value of the property is \$1,428,000.

The Tioga County Economic Development Priorities and Policies Plan, developed by Glenn Carter and adopted by the Tioga County Legislature on November 13, 1995 via Resolution 414-95, specifically identifies the need to "put maximum effort into finding and courting businesses", additionally noting that business attraction is a highly competitive activity ..., that there is the necessity for rapid response to company needs on the part of economic development entities, and the need for provision of meaningful incentives such as taxes, building, and infrastructure. The plan states, "Tioga County must be prepared to offer competitive incentives."

**PROJECT DETAIL**

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Proposed Site: 936 Taylor Road, Owego, NY

Job Creation: Project retains the current workforce of 22.3 FTE with annual payroll of \$1,744,021 and creates an anticipated new workforce of 12.5 FTE with an estimated new payroll of \$3,222,021 by September 2024.

Project Schedule: Construction is expected to begin September of 2021 and completed September of 2022.

**ESTIMATED PROJECT BUDGET**

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West Bay Star LLC	
Land/Facility Purchase	\$ 0
Building Construction Labor	\$ 3,300,000
Building Construction Materials	\$ 2,200,000
Equipment purchase	\$ 0
Engineering/Architectural	\$ 150,000
Misc.	\$ 0
Legal/Financial Fees	\$ 75,000
Financial Application Fee	\$ 57,250
Total	\$ 5,782,250

**Tioga County IDA**

Based on Building Construction Materials, the IDA will be providing a sales tax savings estimated at \$176,000; State and local portions are in equal amounts of \$88,000.

Based on the anticipated mortgage required by the Company the IDA will be providing a mortgage tax savings estimated at \$32,525.

**Total estimated local sales tax savings and mortgage recording tax savings for the project: \$120,525.**

**ECONOMIC IMPACT**

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**A) Employment Impact:**

In determining employment impact to the area, we have utilized the direct-effect employment multiplier provided by the US Department of Commerce, Economics and Statistics Administration, Bureau of Economic Analysis (2016). The following estimates employment impact for Tioga County, New York.

<b>Estimated Employment Impact Tioga County, NY</b>	
	<b>West Bay Star 936 Taylor Road</b>
Job Creation	12.5
Multiplier	1.1310
Total Employment Impact to Tioga County, NY	14.1

**Employment Impact Summary:**

1. This project will create approximately 12.5 new FTE's by the Corporation.
2. Additional indirect results include creating ~1.6 FTE's in Tioga County, NY.

**B) Earnings Impact on an annual basis:**

In determining annual earnings (wages) impact, we have utilized the direct-effect earnings multiplier provided by the US Department of Commerce, Economics and Statistics Administration, Bureau of Economic Analysis (2016). The following estimates annual earnings impact for Tioga County, New York.

<b>Estimated Annual Earnings Impact Tioga County, NY</b>	
	<b>West Bay Star 936 Taylor Road</b>
Annual Earnings (12.5 employees)	Est. \$3,222,021
Multiplier	1.0678
Total Earnings Impact to Tioga County, NY	Est. \$3,440,474

**Annual Earnings Impact Summary:**

1. This project will create approximately \$3,222,021 in annual new employee earnings by the Corporation.
2. Indirect results include creating ~\$218,453 in additional annual employee earnings in Tioga County, NY.

**B) Construction Employment Impact:**

In determining employment impact to the area, we have utilized the direct-effect earnings multiplier provided by the US Department of Commerce, Economics and Statistics Administration, Bureau of Economic Analysis (2016). The following estimates employment impact for Tioga County, New York.

<b>Estimated Construction Employment Impact Tioga County, NY</b>	
	<b>West Bay Star 936 Taylor Road</b>
Job Creation	50 FTE
Multiplier	1.1891
Total Temporary Construction Employment Impact to Tioga County, NY	59.5 FTE

**Annual Earnings Impact Summary:**

1. This project will create approximately 50 temporary construction jobs.
2. Indirect results include creating 9.5 jobs in Tioga County, NY.

**PROPOSED PAYMENT-IN-LIEU-OF-TAX**

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The following PILOT has been requested by West Bay Star, LLC. The deviation from standard PILOT allows for a 20 Year PILOT that is coterminous with West Bay Star, LLC's financing.

Year	PILOT	PILOT Payment	Estimated Total Property Tax	Estimated Property Tax Abatement
1	Fixed	\$8,775.00	\$67,273.65	\$58,498.65
2	Fixed	\$9,477.00	\$68,619.13	\$59,142.13
3	Fixed	\$10,235.16	\$69,991.51	\$59,756.35
4	Fixed	\$11,053.97	\$71,391.34	\$60,337.37
5	Fixed	\$11,938.29	\$72,819.17	\$60,880.88
6	Fixed	\$12,893.35	\$74,275.55	\$61,382.20
7	Fixed	\$13,924.82	\$75,761.06	\$61,836.24
8	Fixed	\$15,038.81	\$77,276.28	\$62,237.47
9	Fixed	\$16,241.91	\$78,821.81	\$62,579.90



10	Fixed	\$17,541.27	\$80,398.24	\$62,856.97
11	Fixed	\$18,944.57	\$82,006.21	\$63,061.64
12	Fixed	\$20,460.13	\$83,646.33	\$63,186.20
13	Fixed	\$22,096.94	\$85,319.26	\$63,222.32
14	Fixed	\$23,864.70	\$87,025.65	\$63,160.95
15	Fixed	\$25,773.87	\$88,766.16	\$62,992.29
16	Fixed	\$27,835.78	\$90,541.48	\$62,705.70
17	Fixed	\$30,062.65	\$92,352.31	\$62,289.66
18	Fixed	\$32,467.66	\$94,199.36	\$61,731.70
19	Fixed	\$35,065.07	\$96,083.34	\$61,018.27
20	Fixed	\$37,870.28	\$98,005.01	\$60,134.73
<b>Total</b>		<b>\$401,561.23</b>	<b>\$1,634,572.85</b>	<b>\$1,233,011.62</b>

\*Note: Real Property Taxes estimated for \$1,428,000 total assessment based on a 2022/2023 Town, County, and School combined tax rate of 47.110402 for first year and increased by 2% each following year. Fire tax is at 100% all years.

\*The 20 Year PILOT provides a total County Tax abatement of \$343,072.60, total Town Tax abatement of \$113,115.57, and total School Tax abatement of \$776,823.45.

**According to this estimated PILOT financial model, over a period of twenty (20) years, West Bay Star, LLC would be afforded an estimated real property tax abatement of \$1,233,011.62.**

**SUMMARY**

- West Bay Star, LLC is contributing an estimated \$5,782,250 in private capital investment.
- West Bay Star, LLC is retaining the current workforce of 22.3 FTE with an associated annual payroll of \$1,744,021. Over twenty years the associated payroll is \$34,880,420.
- West Bay Star, LLC is creating 12.5 full time jobs with an associated annual payroll of \$3,222,021. Over twenty years the associated payroll is \$64,440,420.
- The total direct and indirect wage impact is \$3,440,474 annually. Over twenty years the total direct and indirect wage impact is \$68,809,480.
- West Bay Star, LLC is creating 50 temporary construction jobs with an estimated annual payroll of \$2.5 million.
- The Tioga County IDA is providing local sales tax savings estimated at \$88,000 for construction and equipping of the facility.
- The Tioga County IDA is providing mortgage tax savings estimated at \$32,525.
- The Tioga County IDA is providing real property tax savings estimated at \$1,233,011.62 over twenty (20) years.