

Tompkins County Industrial Development Agency

Administration provided by  **TCAD**

MINUTES OF PUBLIC HEARING
Nut Brown Realty, LLC (Ithaca Beer)
September 6, 2019
5:00 PM
South Hill Business Campus
950 Danby Road, Ithaca NY

Present: Heather McDaniel (for Tompkins County Industrial Development Agency), Martha Robertson, John Guttridge, Jennifer Tavares, Mike Sigler, Laura Lewis (TCIDA Board), Dan Mitchell (Ithaca Beer)

1. Heather McDaniel called the public hearing to order at 5:00 PM
2. Ms. McDaniel gave an overview of the contemplated amendment to the Payment in Lieu of tax agreement for Nut Brown Realty that was entered into in 2015.

Dan Mitchell, President of Ithaca Beer Company, gave a brief explanation of the need for additional relief.

3. Call for comments.

Stephen Kimball – see attached

Al VanDeMark – I have lived in Ithaca since 1974. Obviously, we have seen a number of businesses come and go. Ithaca Beer is a great company from this area. When I travel, people always know Ithaca Beer. I think it is important for Ithaca Beer to get the help it needs. The IDA's mission is not only to help create but also retain businesses and employment. I think it is reasonable to extend the tax incentive situation. I am plugging the Ithaca Peace Fest. It is taking place this weekend. I have been a part of the Ithaca Peace Fest for nine years and one of my jobs is to solicit donations. Dan Mitchell is always one of the first to respond. I'm not the only one. He supports a number of organizations in this community and he has helped raise thousands of dollars in funds. Ithaca Beer supports this community in many ways.

4. The hearing was adjourned at 5:20 PM

Good Afternoon,

I am here today to speak in favor of granting Ithaca Beer's request to phase in its new taxes over a longer period of time. This will allow an important Tompkins County business to continue to benefit our community as an employer, tourism generator, and brand ambassador for our community.

The Ithaca Area Wastewater treatment plant failed to notify Ithaca Beer of any regulations they needed to meet when they built the original building in 2012.

The Ithaca Area Wastewater treatment plant again failed to notify Ithaca Beer when it more than doubled the size of the building in 2015.

It wasn't until 2018 that The Ithaca Area Wastewater treatment plant notified Ithaca Beer that they would need to make upgrades. However, specific information regarding what regulations or standards the company needed to meet were unclear, despite several conversations between Ithaca Beer, an Ithaca Beer hired engineer, and plant staff over the course of several months.

Had Ithaca Beer been aware of such requests they would have been able to reduce some of the construction to accommodate the additional wastewater treatment costs with the overall bank financing.

This lack of the proper regulations and requirements being given to Ithaca Beer on multiple occasions as well as the protracted time it took The Ithaca Area Wastewater treatment plant to ultimately provide the company with information have created a financial strain on Ithaca Beer that is not the company's fault.

For these reasons I urge this board to approve Ithaca Beer's request.

Thank you.

September 6, 2019

To: Tompkins County Industrial Development Agency Administrator and Board of Directors,

Re: Ithaca Beer Company request for 5 additional years of property tax abatement.

I am unable to attend the public comments this evening but wished to express my feelings on the matter. As the owner of Atlas Bowl in Trumansburg, I am a supporter of Ithaca Beer. I currently offer five products from IBC and have displayed an IBC sign in my front window for years now. I am, however, disturbed that this abatement is being given consideration. The purpose of the original abatement was to offer increased opportunity for IBC to be successful in their expansion, broadening our tax base and providing jobs. The success of that sacrifice made by Tompkins County taxpayers seems to be questionable.

As a business owner, I am keenly aware of the impact of unforeseen expenses. I don't, however, think that it is appropriate for the TCIDA to be picking winners and losers in the marketplace. It is not my place to question decisions that have led to this request, only to point out that structural fairness in the marketplace would not be achieved by extending this abatement. Many businesses struggle but do not have the ability to seek relief in this manner. It would be reassuring to know that all businesses are doing their fair share of funding our County, whether directly through property taxes or more commonly via lease arrangements which also fund County services.

The final point I wish to bring up deals with increased competition in the marketplace. None of we business owners function in a static environment. We are all subject to the pressures of a changing marketplace. The craft beer industry in NYS underwent a huge change in 2013 when the Farm Brewing Law was enacted. After decades of lagging behind other states, "The Farm Brewing Law was passed by Governor Andrew Cuomo in 2012 and put in to effect January 1, 2013. It was designed to increase demand for locally grown products to further increase economic impact and create new businesses surrounding the brewing industry." (From the New York State Brewers Association Website.) Anticipating an explosion in the NYS craft beer market was entirely reasonable.

In conclusion, I wish IBC well and hope that they are able to continue restructuring so as to be successful. I wish to continue to support the company going forward, however, that would be increasingly difficult were this abatement to pass. Fair is fair. I do not believe this should be a difficult decision for the TCIDA Board. Thank you for considering my thoughts.

Respectfully,
Todd Parlato
Owner
Atlas Bowl
Trumansburg, NY

From: Larry <larry14850@gmail.com>
Date: Mon, Aug 26, 2019 at 11:41 AM
Subject: Ithaca Beer Co/Nut Brown Realty
To: <heatherm@tcad.org>
Cc: <rjohn@tompkins-co.org>

....

I want urge TCIDA to reject IBC / Nut Brown's application as it would place the burden for business setbacks and / or poor business outcomes and remediating improper activities on the backs of Tompkins County taxpayers rather than on the business itself.

I would also contend that the granting of an abatement violates the TCIDA preamble that states that TCIDA will avoid offering incentives to businesses that will compete withexisting Tompkins County businesses. There are other businesses in Tompkins County that make beer, serve pub food, and provide live entertainment, etc. that are competitors of IBC / Nut Brown.

Respectfully,
Lawrence Sallinger
Ithaca, NY