

**MINUTES
SPECIAL MEETING
CAYUGA COUNTY LEGISLATURE
MAY 29th, 2007
MEETING 6:00 PM**

Called to order by Hon. George Fearon, all Legislators present, except excused Cuddeback and Netti.

PLEDGE OF ALLEGIANCE:

MOMENT OF PRAYER:

COMMITTEE REPORT: None

CHAIRMAN'S REPORT: Candidates for President of Cayuga County College, will hold a meet the candidates nights on Tuesday, June 5th, Thursday June 7th and Tuesday June 12th, 2007 all Legislator's are invited to attend.

MANAGERS REPORT: Wayne Allen gave a report on an incident that occurred on 5-29-07 at 1:45PM on the 4th Floor by the inmates removing a metal partition. They inadvertently hit a pipe, possibly exposing them to asbestos. The Dept. of Labor has been notified, inmates in question are being decontaminated and their clothes are being bagged. A sample of the material is being tested by Kleinfelder. The County is taking all necessary and prudent steps to protect the inmates, employees and the public. As I obtain additional information, I will immediately bring it to your attention.

APPOINTMENTS AND RE-APPOINTMENTS:

RESOLUTION

RESOLUTION NO. 356-07 May 29, 2007 PB_OwensBrockwayEndorseResoRSP_rev6
Endorsement Resolution supporting a Manufacturing Facility Upgrade Project sponsored by Owens-Brockway Glass Container Inc. in the Town of Sennett, Cayuga County, New York and requesting assistance from the New York State Senate and Assembly members representing Cayuga County, to introduce and enact legislative action resulting in Regionally Significant Project designation for the Project, making it eligible for certification in the City of Auburn Empire Zone, pursuant to and in accordance with Article 18-B of the general municipal law, and consenting to the Agency's undertaking of the PILOT Deviation in furtherance of the Project, such consent to be evidenced by the execution and delivery of a PILOT Deviation Certificate by the Chairman of the Cayuga County Legislature.

BY: Mr. Daniel Schuster, Chair, Planning and Economic Development
Mr. Paul M. Dudley, Chair, Ways and Means Committee

WHEREAS, OWENS-BROCKWAY GLASS CONTAINER, INC., a Delaware corporation having offices at One Michael Owens Way, Perrysburg, Ohio 43551, for itself or on behalf of an affiliate or entity to be formed (collectively, the "Company"), has submitted an application (the "Application") to the Cayuga County Industrial Development Agency (the "Agency") requesting that the Agency consider undertaking a project (the "Project") consisting of (A) the acquisition and/or retention by the Agency of title to or other interest in certain property located at 7134 County House Road, Town of Sennett, New York 13021 (the "Land") and the existing improvements located thereon, consisting principally of two furnaces used by the Company to produce glass containers (the "Existing Improvements"); (B) the renovation, reconstruction, repair and/or upgrade of the Existing Improvements including, but not limited to, furnace superstructure, furnace substructure, related support steel, support systems and auxiliary equipment (collectively, the "Improvements"); (C) the acquisition of and installation in and around the Improvements of related machinery, equipment and other items of tangible personal property (the "Equipment" and, collectively with the Land, Existing Improvements and the Improvements, the "Facility"); (D) entering into a straight lease transaction (within the meaning of subdivision (15) of Section 854 of the Act), pursuant to which the Agency will take title to or other interest in the Facility for a period of time and sell or sublease such interest in the Facility back to the Company (the "Straight Lease Transaction"); and

WHEREAS, the Project will entail the ownership of over 220 acres of land, a minimum capital investment of over twenty million dollars, and the retention of over 200 manufacturing jobs in Cayuga County; and

WHEREAS, the Company is under significant cost pressures impacting the feasibility of undertaking the Project and retaining local manufacturing jobs, prompting the Agency to prepare an incentive package to offset project cost constraints in an effort to induce the Company to invest in the Cayuga County facility; and

WHEREAS, in order to maximize the benefits available to the Company, the Facility and Project must be designated as a "Regionally Significant Project" or "RSP" under the New York State Empire Zones Program; and

WHEREAS, the Company has requested the assistance of all local taxing jurisdictions, including Cayuga County, in seeking RSP status through New York State to allow access to project assistance that will make the significant capital investment in the manufacturing plant financially feasible; and

WHEREAS, RSP designation for the Project may be authorized through legislative action by the New York State Legislature requiring evidence of project support and endorsement by the Cayuga County Legislature; and

WHEREAS, the Cayuga County Legislature fully supports the manufacturing upgrades at the Facility in the Town of Sennett and strongly endorses designation of the Project as a RSP by the New York State Legislature, which would result in the retention of up to 200 manufacturing jobs in Cayuga County; and

WHEREAS, in furtherance of the Project, and subject to securing RSP status for the Project, the Agency is contemplating a deviation from its Uniform Tax Exemption Policy ("UTE") whereby the Agency may seek to offer the Company a payment in lieu of tax agreement ("PILOT Agreement") for a term of up to twenty (20) years, such PILOT Agreement to carry a fixed payment structure with portions of each PILOT Payment made being retained, with the consent of the Cayuga County Legislature, the Town of Sennett (the "Town") and the Weedsport Central School District (the "School", and together with the County and the Town, the "Affected Taxing Jurisdictions") and pledged by the Agency in furtherance of the Project (hereinafter, the "PILOT Deviation"); and

WHEREAS, in order for the Agency to undertake the PILOT Deviation on behalf of the Company, the Agency is required pursuant to General Municipal Law Section 858(15) to secure the consent of each affected taxing jurisdiction, including Cayuga County; now, therefore be it

RESOLVED, by the Cayuga County Legislature, that it hereby respectfully requests the assistance of the New York State Senate and Assembly members representing Cayuga County to introduce and enact legislation resulting in RSP designation for the Project; and be it further

RESOLVED, that the Cayuga County Legislature hereby consents to the Agency's undertaking of the PILOT Deviation in furtherance of the Project, such consent to allow the Agency to enter into a PILOT Agreement wherein the Agency will continue to distribute a minimum Base Amount (as defined below) to the Affected Taxing Jurisdictions, with the balance of PILOT Payments made by the Company to be distributed in the Agency's discretion in furtherance of the Project to induce the Company to continue operations within the County. For purposes of this resolution, the Base Amount shall be equal to the current amount of ad valorem real property tax payments and/or real property tax equivalents paid pursuant to an existing PILOT Agreement between the Agency and the Company, such Base Amount to be increased by two percent (2%) per annum during the term of the PILOT Agreement. The County's consent shall be evidenced by the execution and delivery of a PILOT Deviation Certificate by the Chairman of the Cayuga County Legislature, a copy of which is attached hereto.

Signed by Schuster, Murphy, Palermo, Sedor, Smith, Tortorici, Dudley, Lockwood, Mitchell, Petrus.

Approved by voice vote, all present voting aye.

Legislator Pappert requested privilege of the floor for Mr. Blythe.

Tom Blythe, Chief Tax Officer Owens –Brockway Glass Container, stated that this is a very important project for the community and the company, it is a benefit to all.

Legislator Mitchell, question to Tom Blythe, will you keep the same employment level as you have now, Tom Blythe, yes we employee about 230 people.

Motion by Legislator Murphy to adjourn 6:11PM, approved by voice vote, all present voting aye.

Minutes approved 7-24-07