



Authorities Budget Office
6/21/2022
Received

June 21, 2022

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ANTHONY G. HALLAK, Esq.
Felt Evans, LLP

State of New York Authority Budget Office
P.O. Box 2076
Albany, New York 12220
info@abo.ny.gov

RE: 90 DAY NOTICE under the Public Authority Accountability Act of 2005 for the Disposal of Property by Negotiation by the Herkimer County Industrial Development Agency for conveyance by negotiation to Scannell Properties, Inc., an Indiana Limited Liability Company

Dear Sir, Madam or Designated Representative:

Pursuant to subparagraph (ii) of paragraph (d) of subdivision (6) of Section 2897 of Title 5-A of the Public Authorities Law (the "PAL"), the Herkimer County Industrial Development Agency (the "Agency") submits this letter as an explanatory Statement.

As authorized by paragraph (d) of subdivision (6) of section 2897 of Title 5-A of the PAL, the Agency intends to dispose of approximately 24.9± acres (the "Property") in the Schuyler Business Park, Town of Schuyler, New York (the "Business Park") by negotiation to Scannell Properties, LLC (the "Company") upon not less than ninety (90) days from the date of this notice. The location of the real property to be conveyed to the Company (the "Property") is more particularly described as Parcel G on the site map attached hereto as Exhibit "A".

Background. The Agency is the owner and developer of the Business Park which is located in the Town of Schuyler, Herkimer County, New York. The Agency acquired title to the parcel to be disposed of in the Business Park in 2020 and took the necessary action to make the site a "shovel ready" development site, including zoning approvals, SEQRA review and engineering/survey work. The Property is zoned Planned Development and contains interior roads with utility improvements.

420 E. German Street, Box 1 Suite 101A, Herkimer, NY 13350 315-866-3000

"This institution is an equal opportunity provider, employer and lender."

The proposed Disposition is within the purpose, mission, statement and relevant statutes with respect the Herkimer County Industrial Development Agency. The Business Park is being actively promoted as an opportunity to conduct business in Herkimer County. The Agency has erected signage along New York State Route 5S advertising the availability of lots for sale in the Business Park. In addition, it promotes the Business Park on its web-site. The Agency also advertises its business parks through New York States website called "State Book." The Agency has its business parks available on a national scale with different site selectors and realtors as well as advertising through trade shows, local mailings and banks.

The goals of the Agency include creating job opportunities in the County of Herkimer and encouraging economic development.

Justification for Conveyance By Negotiation. The Property has an estimated fair market resale value of \$15,000.00 per acre. This value is determined by a 2021 real estate appraisal prepared by Donato Real Estate Appraisal and Consulting, an independent real estate appraisal company. The appraisal company was retained to ascertain a market value for the resale of lands in the Business Park. The stated monetary consideration for the sale of subject 24.9± acres is \$373,500.00, the equivalent of the full market value per acre as measured by the aforementioned appraisal.

The Agency entered into a negotiated agreement with the Company following regional marketing. Public advertising for bids to ascertain a fair market value for the Disposition of the property pursuant to the general requirements of the law is not appropriate and will not be utilized due to:

- (i) An independent appraisal being utilized to establish a market price;
- (ii) Regional marketing which was utilized. It is a transparent and open process affording all prospective developers an equal opportunity to evaluate the property in question and purchase;
- (iii) A legally recognized exception allowing for property disposal by negotiation. In this case, based upon the economic development benefit of this Disposition benefitting the political subdivision and the residents of Herkimer County; and
- (iv) The development and promotion of a business park is not the same as the disposition of surplus property being disposed of without regard to purpose. To effectively attract a legitimate developer willing to invest a significant amount of money, cost certainty

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and fair treatment are paramount. The negotiated price based upon factors readily available to the public and all potential developers is most appropriate. Equally as important is the fact that the Agency can control who it sells to and maintain the integrity of the Business Park.

As a general proposition, the economic development benefit of the proposed Disposition includes attracting a regionally recognized tenant to establish a warehouse and distribution facility in a distressed area, achieve a better use of the lands, increase the tax base and derivatively trickle down money to the community in the purchase of fuels, food and personal goods.

More specifically, the Company is proposing to develop 24.9 acres in the Schuyler Business Park to construct a 200,000 square foot facility for light manufacturing and distribution.

The parties anticipate a closing shall occur on or about October 1, 2022.

Kindly direct any correspondence to the undersigned with a copy to Anthony G. Hallak, Felt Evans, LLP, 4 – 6 North Park Row, Clinton, New York 13323.

Should you have any questions or comments, please do not hesitate to call.

Sincerely,

**HERKIMER COUNTY INDUSTRIAL
DEVELOPMENT AGENCY**

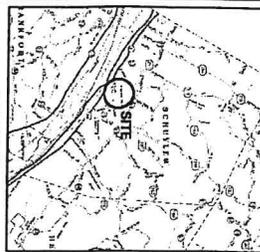
By: _____

John J. Piseck, Jr., Contracting Officer

cc: Comptroller of the State of New York
Director of the Budget of the State of New York
Commissioner, The New York State Office of General Services
Speaker of the New York State Assembly
President of the New York State Senate

EXHIBIT "A"

SITE MAP



LOCATED WITHIN THE
 TOWN OF SCHUYLER
 PARCEL NO. 98-3-132
 TOWN OF SCHUYLER



- LEGEND**
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 - 1/8" = 1' SCALE
 - 1/16" = 1' SCALE
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