

Tyoga Container Special Use Permit Application Review

Frequently Asked Questions

[from July 22, 2020 Public Hearing]

Section 1: Questions

1. Question:

Where else could this development go? Why develop at this location?

Response:

This location was proposed to Tyoga Container by Steuben County IDA based upon several factors including geographic location to customer base, proximity to highway and overall project suitability to Village of Painted Post. Tyoga Container representatives then met with Steuben County IDA and Village officials to discuss project scope and it was concluded that this project was a fit specifically because the site was zoned for this use. Tyoga Container previously considered locations in Pennsylvania closer to the existing manufacturing facility.

2. Question:

Would Tyoga leave if no tax breaks were offered?

Response:

The Steuben County IDA offers tax benefits for projects in Steuben County. Tax benefits for projects are prorated from year 1-10 and by year 10 Tyoga is paying full rate. In the first 10-year tax abatement program, Tyoga Container will still pay approximately \$4.62M in real estate taxes. Due to the overall project costs for this facility and the tax benefit program of the county helps make the project financially feasible to develop. When the tax benefits conclude the facility will continue to operate.

3. Question:

How will diesel emissions impact the community?

Response:

Recent federal regulations have severely restricted the allowable emissions from diesel engines. All trucks utilizing this facility will be in compliance with these regulations. Diesel Retrofit Technologies are capable of capturing up to 95 percent of particulate matter, or soot. According to the Manufacturers of Emission Controls Association, over 100,000 diesel particulate filters have been sold nationwide since 2001 helping to improve emissions on older and new diesel vehicles and equipment. Exhaust gas recirculation (EGR) recirculates a portion of engine exhaust back into the engine diluting the oxygen content of the fuel-air mixture. EGR technology significantly reduces both NOx and Particulate Matter. Selective Catalyst Reduction (SCR) is an advanced active emissions control technology system that injects a liquid-reductant agent, known as Diesel Exhaust Fluid (DEF) through a special catalyst into the exhaust stream of a diesel engine. The DEF sets off a chemical reaction that converts nitrogen oxides into nitrogen, water and tiny amounts of carbon dioxide (CO2), natural components of the air we breathe, which is then expelled through the vehicle tailpipe.

4. **Question:**
How will noise from this project impact the community?

Response:

The existing ambient noise at the site consists of steady high-speed traffic noise from Interstate 86 and noise from the occasional train on the Norfolk Southern Rail. We suspect that the large warehouse building should provide some level of noise barrier between the highway and some of the residential properties. That being said, it is also expected that the additional noise from slow moving tractor trailers and normal operations at the site, in comparison to the existing ambient noise, should be minimal. To determine this STC, the Village and the Planning Board have required a 3rd party noise study to be completed. We are awaiting the results of this study and will be post on the project website once completed.

5. **Question:**
What are the benefits to the Village?

Response:

Tyoga Container is developing a long time vacant industrial property and bringing a successful local business to the area. The nearly 50-acre property is currently not on the tax roll; therefore, the property does not generate tax revenue for the Village. Development of the property will bring additional tax income to the Village that has not been realized for nearly 35 years. The lot has been vacant since 1985 and is zoned industrial. This project meets all zoning code requirements and requires no variances. Since the onset of this discussion Tyoga Container has worked hard to develop conceptual plans that are visually appealing to the site and has added several conceptual ideas to increase security to the area while also being good neighbors to property owners. Tyoga Container will bring up to 70 jobs to Painted Post which will benefit the local economy by increasing the number of individuals shopping, eating and traveling through the Village.

6. **Question:**
How does this tax break work?

Response:

As a public authority given the ability to provide property, mortgage and sales tax abatements in the state of New York, Steuben County IDA is providing a standard benefit package per its approved uniform tax exemption policy. The ten-year PILOT steps up by 10% each year so that the company is paying 100% of its property taxes by year 10, and also includes a 2% escalation in payment each year. The four taxing jurisdictions currently do not receive property tax revenue because the parcel is vacant.

7. **Question:**
How does this process support residents' trust in the Village government?

Response:

The Village of Painted Post Planning Board has met and exceeded local and state regulations during this review process. The Planning Board chose to hold an extra public hearing along with following the adopted Village Zoning Law. Other activities that portray the Planning Board's priority to engage the community include advertising all meetings, creating a project website, and distributing printed materials at the Village Mini-Mart.

8. Question:
What do we know about STL subletting the space?

Response:
Findlay Tall Timber LLC encompasses several logistics companies including Ohio Logistics and Southern Tier Logistics. They have been in business since 1988 and operate multiple warehousing and distribution facilities throughout the Midwest. Locally, STL operates a 400,000 square foot distribution center in Erwin and three additional leased facilities in the Southern Tier. Southern Tier Logistics brings a history of operating well run, clean, and efficient warehouse distribution facilities not only in New York but throughout the Midwest. This project will allow Tyoga Container and Southern Tier Logistics to team up and serve our customers in a clean and well operated facility.

9. Question:
Will STL expand to rail traffic?

Response:
Southern Tier Logistics has not specifically identified a need to use rail traffic. Current building design does not include use or access to the rail siding. Any future access to the rail siding would require a new application to the planning board and a new negotiation with the Village Trustees for use of the site as the rail siding use is in sole control of the Village of Painted Post.

10. Question:
How many trucks is STL proposing?

Response:
At maximum buildout, a maximum of 50 trucks would be in operation between both Tyoga and STL.

11. Question:
What hours and days of operation will STL maintain?

Response:
For its current client base, tenant will have materials arriving at distribution center throughout the first shift operation of 6:00AM-2:30PM. A small second shift will operate from 2:30PM-11:00PM staging materials and loading trucks for next days delivery. Tenant trucks will move starting at 8:00AM at an intermittent schedule throughout the day until 5:00PM.

12. Question:
Are STL drivers company drivers or are they independent?

Response:
STL drivers are company drivers driving STL trucks.

13. Question:
How many drivers are going to be long-haul truckers?

Response:
STL has 1 long-haul trucker stationed out of Findlay and Tyoga does not have any long-haul drivers employed.

14. Question:

Will the crosswalk at W. Water Street and Charles Street be improved?

Response:

Tyoga supports any crosswalk improvements as called out within the traffic study and approved by the Village and/or Planning Board.

15. Question:

What is the benefit to Tyoga to come to this location?

Response:

This location is situated at the junction of I-86 & I-99. This location improves warehousing and distribution efficiencies for customers in New York State.

16. Question:

What will happen if Tyoga leaves after the 10-year PILOT agreement is over?

Response:

Tyoga Container is a 50-year old corrugated and packaging supply business for numerous customers in the Northern Tier of Pennsylvania and Southern Tier of New York. The financial commitment by Tyoga Container for this project is in excess of \$35M. Therefore, it would not be financially possible to withdraw or leave the facility at the conclusion of the 10-year tax abatement period.

17. Question:

What mitigation strategy is planned for where W. Water Street narrows at the end and two trucks cannot pass one another?

Response:

A portion of W. Water Street may need to be widened as a part of this project as the street narrows at the west end near the site entrance.

Section 2: Clarification of Misinformation

1. Truck Operations (STL vs. Tyoga operations):

In addition to what was provided in initial submissions. A written description of operations was submitted to the Village by Tyoga on 7/28/2020.

2. Road Maintenance:

From June FAQ: *The Village Department of Works maintains West Water Street. The road will be monitored for defects or damage that may be caused from the increased traffic load. In the event of premature failure Tyoga will work collaboratively with the Village of Painted Post to remedy defects caused by increased traffic while also taking all actions necessary to maintain a very clean and proactive road maintenance program.*

3. Financial Benefit to Tyoga and the Village:

To induce the \$35 million investment, the IDA is offering its standard PILOT which starts property taxes at 10% of their full value and steps up by 10% each year. A 2% escalator is also included. These calculations result in property tax savings of \$3,340,262 for Tyoga Container. Additional savings of \$1,640,927 in sales tax and \$338,750 in mortgage recording tax have been offered to Tyoga Container.

Tyoga Container will be paying \$4,361,986 in property taxes over ten years. The entire amount will be disbursed to the four taxing jurisdictions based on the current distribution percentages as listed below:

Painted Post – 26.1%	\$1,140,266
Erwin – 4.5%	\$198,145
County – 17.5%	\$763,605
C-PP School District – 51.8%	\$2,259,971
Total	\$4,361,986

A cost-benefit analysis run through the Center for Government Affairs’ software resulted in an 8:1 benefit to cost ratio. Total regional benefits are estimated at \$40,634,000 and total state benefits are estimated at \$1,917,000. This cost-benefit analysis can be found on the project website.

4. Traffic Signals as Project Expense:

Tyoga Container is prepared to work cooperatively to encumber reasonable expenses for installing traffic signals as a part of the project scope. Tyoga Container is proposing a dual signaled pedestrian crossing which directly addresses the recommendations made within the traffic study.