

1 MR. WITUL: Good

2 afternoon. My name is Lawrence Witul and I
3 am the assistant director of the Niagara
4 County Industrial Agency. I'm serving as
5 hearing officer for this public hearing.
6 It is now 4:35 p.m.

7 To begin with, again, we have
8 copies of the application, which is being
9 reviewed by some folks in attendance this
10 evening. I will provide a quick overview
11 of the project; however, it is the same
12 project summary that was made available to
13 everybody in attendance this evening.

14 The applicant is HSBC
15 Technology Services USA, Inc., are
16 proposing to locate a project on Lockport
17 Road in the Town of Cambria. They are
18 seeking the standard industrial payment in
19 lieu of tax agreement, along with sales tax
20 exemptions for the data storage and
21 distribution facility. HSBC Technology
22 Services is a fully owned subsidiary of
23 HSBC Investments North America, Inc., and

1 is an indirect subsidiary of HSBC North
2 America Holdings, Incorporated. HSBC
3 Technology and Services is a Delaware
4 Corporation.

5 Due to substantial growth over
6 the past several years through various
7 expansions and acquisitions there has been
8 an increased demand for information and
9 data processing services. To meet this
10 need, HSBC has expanded its Amherst
11 location and also is considering a new
12 location in another Town of Cambria on
13 Lockport Road.

14 Currently the proposal calls
15 for the construction of a two hundred
16 seventy-five thousand square foot
17 state-of-the-art processing facility at an
18 estimated cost of seventy million dollars.

19 In addition to the facility
20 itself, a first year investment of
21 thirty-five million dollars for information
22 technology equipment such as computers,
23 data processing and other communication

1 equipment is to be made. They are also
2 anticipating an annual investment of
3 fifty-five million dollars in various
4 computer technology equipment and
5 associated software. As a result of the
6 job of the project they are expected to
7 create fifty-six jobs specific to HSBC,
8 approximately three hundred and fifty
9 construction jobs, and they are
10 anticipating the creation of up to one
11 hundred twenty-five new indirect or support
12 jobs.

13 As a point of clarification,
14 those support jobs are in the area of
15 computer technology and certain computer
16 service, technology, software development
17 and related activities. These are services
18 that HSBC will require, however, they are
19 not going to have that expertise in-house.
20 They are requiring that the provider of
21 those services and equipment be within
22 close proximity of their facilities here in
23 Niagara and Amherst.

1 The project will have both
2 direct and indirect benefits, as well as
3 the secondary impacts as I have just
4 summarized.

5 Total investment anticipated is
6 approximately nine hundred forty-four
7 million dollars. Again, approximately
8 seventy million dollars of that is in
9 facilities, the balance is principally in
10 equipment. It is the technology equipment
11 that is over a fifteen-year period and
12 again they anticipate and expect additions
13 and changes to that process.

14 Part of the twenty-five direct
15 jobs are within estimated annually payroll
16 of five point eight million dollars. The
17 community benefit is anticipated to be
18 approximately one hundred seventy-seven
19 million dollars over the fifteen years with
20 company benefits estimated at about ninety
21 million dollars.

22 The purpose of this hearing is
23 to solicit comments, both written and oral,

1 on the HSBC Technology Services USA, Inc.,
2 Project in the Town of Cambria. Comments
3 can be in support of or in opposition to
4 this project and/or on the nature or
5 location of the project. All comments are
6 to be limited to this HSBC Technology
7 Services USA, Inc., Project. This hearing
8 is not for accepting comments on any
9 environmental issues, nor environmental
10 determinations, and this is not a part of
11 the New York State SEQRA Process or
12 environmental review process.

13 Notice of public hearing.

14 Notice is hereby given that a public
15 hearing pursuant to Article 18-A of the New
16 York State General Municipal Law will be
17 held by the Niagara County Industrial
18 Development Agency (the Agency) on the 13th
19 day of March, 2007 at 4:30 p.m., local
20 time, at the Cambria Town Hall, 4160 Upper
21 Mountain Road, Town of Cambria, Sanborn,
22 New York, in connection with the following
23 matter.

1 HSBC Technology Services USA,
2 Inc., a Delaware corporation, on behalf of
3 the itself or an entity formed or to be
4 formed (the Company), has submitted an
5 application to the agency, a copy of which
6 is on file at the office of the agency, a
7 copy of which is here today, which some of
8 you had the chance to take a quick look at,
9 requesting the agency consider undertaking
10 a project (the Project) for the benefit of
11 the company consisting of:

12 (A)(1) the acquisition by the
13 agency of fee title to, or a leasehold
14 interest in, an approximately fifty-one
15 acre parcel of land located at Lockport
16 Road in the Town of Cambria in Niagara
17 County, New York (the land);

18 (2) the construction on the
19 land of an approximately two hundred
20 seventy-five thousand square foot
21 processing facility (the improvements);

22 And (3) the acquisition of and
23 installation in and around the improvement

1 of information technology equipment and
2 certain other machinery and equipment and
3 items of personal property (the equipment
4 and collectively with the land and the
5 improvements, the facility); all to be used
6 by the company in its business of providing
7 information and data processing operations
8 for HSBC Bank USA;.

9 (B) the leasing of the project
10 back to the company, (C) the granting of a
11 partial real property tax abatement on the
12 project, and (D) the granting of a
13 mortgaged recording tax exemption.

14 The agency will acquire fee
15 title to, or leasehold interest in, the
16 facility and lease the facility back to the
17 company. The company will operate the
18 facility during the term of the lease. At
19 the end of the lease term, the company will
20 purchase the facility from the agency, or
21 if the agency holds a leasehold interest,
22 the leasehold interest will be terminated.
23 The agency contemplates that it will

1 provide financial assistance to the company
2 for qualifying portions of the project in
3 the form of sales and use tax exemptions
4 and a mortgage recording tax exemption,
5 consistent with the policies of the agency,
6 a partial real property tax abatement and a
7 mortgage recording tax exemption with
8 respect to a certain payment-in-lieu-of-tax
9 agreement mortgage.

10 A representative of the agency
11 will be at the above-stated time and place
12 to present a copy of the application and
13 hear and accept written and oral comments
14 from all persons with views in favor of or
15 the opposed to the financial assistance.

16 The public hearing is being
17 conducted in accordance with Subdivision 2
18 of Section 859-a of the New York General
19 Municipal Law.

20 Date February 7th, 2007,
21 Niagara County Industrial Agency. Samuel
22 M. Ferraro, executive director.

23 I'll open the hearing for

1 comments. You are to, one, give your name,
2 address and organization you might
3 represent, to direct all comments to the
4 chair, your comments should be limited to
5 this project, and you are asked to limit
6 your initial comments to three minutes to
7 afford everybody an opportunity to comment.

8 At this time I will open it.
9 Please raise your hand, once acknowledged,
10 please stand up and provide your name.

11 WILLIAM AMACHER: Bill
12 Amacher, 2967 Raymond Road. And I'm here
13 to share from the Cambria Planning Board.
14 I'd like to know exactly the location and
15 amount of acreage involved.

16 MR. WITUL: Fifty-one
17 acres. It is on Lockport Road near the --
18 near Comstock.

19 WILLIAM AMACHER: Is it
20 actually at the corner of Lockport or --

21 MR. WITUL: It is down
22 Lockport Road a little bit.

23 WILLIAM AMACHER: About how

1 far approximately?

2 MR. WITUL: I don't
3 have the drawing with me. That information
4 will be provided as they go through the
5 site planning review process.

6 WILLIAM AMACHER: Is that the
7 land staked out now that -- where that is
8 going to be, right in this area?

9 MR. WITUL: Yes.

10 WILLIAM AMACHER: Thank you.

11 MR. WITUL: You're
12 welcome. Any other comments?

13 STEPHEN LABUGZEWSKI: Stephen
14 Labugzewski, Town of Wheatfield. I want to
15 know why the Shanghai Banking Corporation,
16 the largest, richest bank probably in the
17 world has to have a handout? Why do you
18 stand there with a cup out and give a
19 handout from the public? None of us can
20 get that kind of a handout.

21 MR. WITUL: We're here
22 to take comments, but I would respond to
23 your question.

1 STEPHEN LABUGZEWSKI: Another
2 thing, fifty-one acres, you're going to
3 have what, probably you're going to have
4 maybe an acre and a half under the roof and
5 maybe another acre or two of parking lot,
6 why do you need fifty-one acres?

7 MR. WITUL: The
8 facility itself will be about five or six
9 acres as it is, almost ten acres.

10 WILLIAM LABUGZEWSKI: Do you
11 realize we're a country of three hundred
12 million people and that some day that farm
13 land is going to be precious. Are you
14 going to release this back to the -- to the
15 farmers that you're getting it from? By
16 the way, who are you buying this from?

17 MR. WITUL: We're not
18 the buyers, we're a conduit for the
19 project. The transaction is between HSBC
20 and the current landowner.

21 Backing up to answer your other
22 question about incentives being offered by
23 the agency. The State of New York is not

1 competitive for the attraction of new
2 industry and new investment. HSBC was
3 seriously considering the location of this
4 project in Indiana near their corporate
5 offices in Chicago -- or Illinois, I'm
6 sorry. They were seeking incentives from
7 all parties, including ourselves, before
8 they were going to make a decision. We
9 utilized the incentives to keep us
10 competitive and to provide an opportunity
11 to get and secure these investments of
12 jobs, expanded tax base, and ancillary
13 development.

14 WILLIAM LABUGZEWSKI: Well,
15 being the largest banking corporation in
16 the world, right now you're not
17 competitive? How did you --

18 MR. WITUL: The State
19 of New York it not competitive right now.

20 WILLIAM LABUGZEWSKI: How did
21 they get that large?

22 MR. WITUL: That you
23 would need to ask the applicant itself.

1 WILLIAM LABUGZEWSKI: I don't
2 know. I'm against this, I'm against these
3 handouts. I'm for the project, you can
4 build the project, but, you know, you got
5 industrial plazas all over the county over
6 here that you could build in and not take
7 precious farm land that we're going to need
8 some day and I'm totally against these
9 handouts.

10 MR. WITUL: Thank you
11 for your comments.

12 DONALD HOBEL: Don Hobel,
13 H-O-B-E-L, 3767 Moyer Road, North
14 Tonawanda, also Starpoint School District,
15 because some of my comments will relate to
16 the fact that this property is in the
17 Starpoint School District. I posed the
18 question to my school superintendent
19 several weeks ago and he could not give me
20 an answer last night as to why the
21 separately elected school board and
22 separate taxing authority should be in any
23 way bound by what the county agency does?

1 MR. WITUL: Don, you
2 know that we've discussed this before, if
3 you want to talk about the legal issues we
4 can take that up with the attorney and
5 we'll gladly review it with you as we have
6 made promises to you in the past. You have
7 not exercised that option to get additional
8 details. I would ask you to comment and
9 focus on the project itself.

10 DONALD HOBEL: Well, that
11 was on the project itself. And the other
12 item being, HSBC Bank has a website and an
13 item on the website is corporate
14 responsibilities. Well, to me corporate
15 responsibility includes paying your taxes.
16 And as I look at the numbers here of the
17 total project cost of nine hundred
18 forty-four million dollars compared to the
19 company benefits, they are actually asking
20 for the tax payers to kick in like nine to
21 ten percent of the cost of that project.
22 And I'm wondering why this is a fifteen
23 year PILOT when the policy has been that

1 the industrial developments take -- get a
2 fifteen5 year PILOT in commercial, which I
3 believe this would be classified as
4 commercial and is only entitled to a ten
5 year PILOT.

6 MR. WITUL: The
7 attorneys have reviewed and made a
8 determination that as a processing storage
9 facility that qualifies for the fifteen
10 year industrial PILOT.

11 Secondly, the tax payers are
12 not contributing anything because what is
13 generated by the property now is minimal.
14 The construction and installation of the
15 project facility will result in a net gain
16 of property tax revenues through the PILOT
17 to the various taxing jurisdiction. So
18 nothing is being taken away from the tax
19 payers, they are gaining additional
20 investments in property tax revenue. Thank
21 you. Anyone else?

22 WRIGHT ELLIS: I'm Wright
23 Ellis, 4227 Lower Mountain Road, Town of

1 Cambria, town supervisor. On behalf of the
2 town board, I think I can speak for all of
3 them that we certainly welcome this project
4 in the Town of Cambria. On the one hand it
5 serves to validate our comprehensive plan.
6 We rezoned this area at the request of the
7 land owner's approximately ten years ago to
8 business two, and our comprehensive plan
9 was updated in 1997. And then following
10 that, of course, we worked on the things
11 like our zoning ordinance and zoning plan.
12 And that area being business two over there
13 on Lockport Road were areas we focused on
14 comprehensive plan for regrowth of business
15 enterprises there of course on Saunder
16 Settlement Road. So it is very gratifying
17 to see that validation of the plan. So
18 often these master plans are drafted and
19 then they sit on the shelf someplace and
20 after about fifteen years someone says,
21 gee, I think we ought to update the master
22 plan again. But we're very pleased to see
23 it and looking forward to working with

1 them.

2 MR. WITUL: Thank you
3 for your comments. Anyone else?

4 JIM WARD: Jim Ward,
5 I'm from the district office of state
6 senator's office for George Maziarz, 2578
7 Niagara Falls Boulevard, Wheatfield New
8 York 14304. I have a statement from the
9 Senator, who apologizes for not being able
10 to be here, they are in session in Albany
11 today. I am delighted to encourage the
12 Niagara County Industrial Development
13 Agency to accept HSBC Technology and
14 Services application for assistance. This
15 is a key step forward in making sure that
16 this massive data center project comes to
17 fruition here in Niagara County. We have
18 had our sights set on landing HSBC for some
19 time now, and it has been my pleasure and
20 privilege to work with the company and
21 county officials from day one.

22 All along we have known that
23 this undertaking will result in a historic

1 investment in our region, nearly one
2 billion dollars over the next fifteen
3 years. Furthermore, we all know that the
4 creation of hundreds of construction jobs
5 and permanent jobs is most welcome news.
6 These positions represent great
7 opportunities for people to stay here in
8 Niagara County and to make our region their
9 home rather than looking elsewhere for
10 work.

11 I wish I could be with you in
12 person to congratulate everybody who helped
13 us to get to this point today. I would
14 like to say that as HSBC grows, my sincere
15 belief is that Niagara County's economy and
16 our prospect for the future will be able to
17 grow along with it. Thank you. George
18 Maziarz. State Senator 62nd District.

19 MR. WITUL: Thank you.
20 Anyone else wish to make any comment? Yes,
21 sir.

22 JIM CHURCH: Jim Church.
23 I live at 5347 Townline Road Sanborn,

1 taxpayer payer of County of Niagara and
2 Town of Cambria. I do appreciate the
3 opportunity of HSBC for coming into the
4 town and employing more people. Though I
5 hope that the Town of Cambria and Niagara
6 County do not make the same mistake as they
7 made in Somerset and grant a tax write off
8 before the building is built and ready for
9 occupancy. Giving them a tax break and
10 nothing being built is the wrong way to go.
11 Thank you.

12 MR. WITUL: Thank you
13 for your comment. As a point of
14 clarification, the incentives were not
15 offered in haste. A great level of
16 discussion went on with the company in
17 terms of what would be available to assist
18 them. Incentives were based on two
19 criteria, one, value added, and this case
20 it is a seventy million dollar building;
21 and secondly, the creation of new
22 employment which in this case is fifty-six
23 direct jobs. Ellis Wright has made certain

1 we followed the guidelines. Any other
2 comments?

3 STEPHEN LABUGZEWSKI: Can I
4 have a second question?

5 MR. WITUL: I'd like to
6 allow the young lady to speak. One moment,
7 please.

8 BARBARA OAKS: Barbara
9 Oaks, assessor for the Town of Cambria. I
10 was just wondering if everything goes as
11 planned, if you have any timetable set up
12 for when you would start breaking ground or
13 how long it would take to build the
14 building?

15 MR. WITUL: They'd like
16 to commence construction this construction
17 season. Ideally they'd like to start
18 getting a shovel in the ground by May and
19 anticipate it will take up to eighteen
20 months to complete construction. So
21 they're looking at potentially the end of
22 2008 to be able to get in there and start
23 their actual business operations. If the

1 weather holds out, they may be able to get
2 in a little earlier.

3 STEPHEN LABUGZEWSKI: Yeah.
4 How did you come to choose this site, what
5 were the mechanics of choosing this
6 particular site?

7 MR. WITUL: HSBC did a
8 national search for sighting a project.
9 There were some locations that they had
10 investigated through a site location
11 consultant. They identified two sites in
12 Niagara County that were most suitable for
13 their type of business, one was in the Town
14 of Pembroke, the other was in the Town of
15 Cambria. They went through their due
16 diligence. And in addition they reviewed
17 sites over in the Chicago area and a couple
18 of other areas and they ultimately decided
19 that the Cambria site was ideally suited
20 for the investment they're looking at now.

21 STEPHEN LABUGZEWSKI: Well,
22 that sounds strange to me that they got the
23 map out and poked their finger down and

1 this is -- this is where we wanted. You
2 already have industrial parks, you have
3 Inducon over in the Town of Wheatfield
4 there, plenty of land left, why don't you
5 locate it there?

6 MR. WITUL: That is a
7 corporate decision made by HSBC. We can't
8 provide them with the locations that are
9 available. Again, they hired an outside --
10 outside firm to go through the different
11 aspects of that search. Part of their
12 requirements included proximity to the
13 Amherst location in New York State. Part
14 of New York State consideration was
15 proximity to the Amherst location,
16 proximity to the fiber optic systems for
17 the communication purposes, also access to
18 high power tension lines because of their
19 demand for electric power, also the
20 availability of a labor force they need.
21 They are looking for people trained and
22 experienced in computer technologies and
23 they are hoping to develop a strong

1 relationship with the State University of
2 New York for those coming out of the four
3 year master's program in computer
4 technology.

5 STEPHEN LABUGZEWSKI: So
6 you'll be getting a block of cheap power
7 from the power project.

8 MR. WITUL: They have
9 the request in to the state power
10 authority.

11 STEPHEN LABUGZEWSKI: But
12 none of us in here, we don't have that
13 privilege of getting any of that cheap
14 power.

15 MR. WITUL: The
16 criteria as established by the state power
17 authority does not make it available to
18 residential area.

19 STEPHEN LABUGZEWSKI: When
20 something is an authority it is set in
21 concrete, you just can't touch it.

22 MR. WITUL: Again, they
23 make those decisions. Thank you for your

1 comment. Don.

2 DONALD HOBEL: Don Hobel.

3 Relating to your comment that New York is
4 non-competitive, it is companies the size
5 of HSBC that would be able to exert the
6 political muscle to be able to fix that
7 problem, but as long as we allow them to
8 write their own tax laws, then they have no
9 incentive to use their ability to fix New
10 York States onerous tax laws.

11 MR. WITUL: That is a
12 decision that HSBC has to make, we don't.

13 DONALD HOBEL: I
14 understand.

15 MR. WITUL: Thank you
16 for your comment. Anyone else? Please
17 give your name, address and organization
18 you might represent.

19 JANICE COVELL: Janice
20 Covell, 4894 Thrall Road, Town of Cambria,
21 also a member of the Starpoint School
22 Board. And despite the fact it would be
23 nice to get full assessment on the

1 building, I am very appreciative for the
2 school district to have this building built
3 in our district because we are mainly a
4 bedroom community. We have very little
5 business and this will help our tax base
6 immensely. I would like to welcome them to
7 the district.

8 MR. WITUL: Thank you
9 for your comments. Yes, sir.

10 MARTIN KROENING: Martin
11 Kroening, 4165 Upper Mountain Road. I'm
12 glad finally Cambria is getting something,
13 but why didn't the people know about this?
14 I asked the zoning board, planning board,
15 town board members, nobody knew about it
16 until we read it in the paper. Who knew
17 about this, that everything was being
18 applied for? Everything is kept quiet and
19 I don't like stuff like that, I like open
20 government.

21 MR. WITUL: The agency
22 was aware of the interest of HSBC; however,
23 I will tell you that their specific site

1 location was made about a week before it
2 appeared in the newspaper. They were
3 intent on locating their project in the
4 Town of Pembroke and -- the Town of
5 Pendleton. I did work in Genesee County at
6 one time. They were looking at a site
7 initially in Pendleton. And about a week
8 before they made their announcement and
9 decision is when we found out they had
10 chosen the Cambria location.

11 MARTIN KROENING: Wouldn't
12 the planning board have to find out about
13 parking cars and how many they can park for
14 the company? When an individual wants to
15 do something they make you feel like you're
16 a criminal. They want to tell you how many
17 cars you can park and what you can do and
18 what hours you can do it and question the
19 hell out of people and make them feel --
20 arrogance is what it is and I don't
21 understand that.

22 I'm for building in Cambria
23 because our historian, she had it in the

1 newsletter, she's dead now, but she said
2 Cambria is the nothing town. They don't
3 want nothing.

4 So every time you buy
5 something, I bought a new pickup truck,
6 over two thousand dollars in sales tax.
7 Bought my tank oil today, sixteen dollars
8 and ninety-five cents in sales tax. People
9 that don't make much money, you buy a pair
10 of shoes or crayons for the kids, state
11 tax. Every time you turn around they raise
12 your tax assessment. And I heard the other
13 day now that the Ag. District is going to
14 be going up thirty-four percent. I don't
15 know how true it is. I hope not or they
16 won't have anyone else left.

17 We have to pay and the
18 millionaires and billionaires, they don't
19 have to pay. They build buildings like you
20 couldn't dream of building, an individual
21 person, big brick buildings with glass and
22 all kinds of stuff, paying the help seventy
23 thousand dollars a year, three times what

1 the average man can earn today, and when
2 these big shots quit, like Cookmeyer did
3 out of First Niagara, two million three
4 hundred thousand dollar bonus, Goodyear up
5 in Buffalo, eleven million something for
6 the salary for the person and he even gets
7 two sets of tires.

8 What is coming off is the poor
9 people have to pay and get screwed to the
10 wall and keep raising and raising their
11 taxes and they say not, but your
12 assessment, you're paying out on all this
13 assessment and it ain't right.

14 MR. WITUL: Let me
15 cover two items and respond to your
16 questions. First off, HSBC will be
17 required and has to go through the
18 planning, zoning and building permitting
19 processes with the Town of Cambria.

20 MARTIN KROENING: Is there
21 going --

22 MR. WITUL: So they are
23 not exempt in any way from that process.

1 That is a requirement, they have to comply
2 with all the building codes.

3 MARTIN KROENING: They're
4 going to break ground in May and it's the
5 end of March.

6 MR. WITUL: They would
7 like to, but that doesn't mean they're
8 going to be able to.

9 MARTIN KROENING: I seen them
10 hold meetings three, four months pushing it
11 off, pushing it off for people that just
12 are going to build a house or garage or
13 something.

14 MR. WITUL: Again, our
15 requirement is that they comply fully with
16 the local zoning, planning and building
17 codes, that is the responsibility of the
18 local municipality.

19 Secondly, in terms of the
20 payment in lieu of taxes, that provides a
21 certain percentage of an abatement, but
22 that abatement decreases each year over the
23 fifteen year time period and it is equally

1 taxed at the same rate that you are. So
2 they're not getting a fixed rate, they're
3 not getting a fixed payment, it is based on
4 a certain percentage of full value, then
5 you apply the appropriate county and town,
6 school district tax rate to that number and
7 that is the amount of revenue they have to
8 pay under a payment in lieu of tax
9 agreement.

10 And as an example, the first
11 year abatement is approximately eighty
12 percent on the property, so if you took
13 eighty percent of seventy million, their
14 assessment the first year is fourteen
15 million. Take any one of your tax rates
16 and apply it to that, that's what the first
17 year PILOT obligation is to the
18 municipality.

19 As they move forward, that
20 abatment decreases. So they'll be paying
21 more each year and again they will be
22 paying the same rate. If your rate goes
23 up, their rate goes up, as well.

1 MARTIN KROENING: Will their
2 assessment keep going up, too?

3 MR. WITUL: Yeah, the
4 assessment would reflect changes as they
5 move forward just as residents do.

6 MARTIN KROENING: I got hit
7 thirty-five thousand dollars on one year on
8 the farm, couple years later -- well, it
9 was last year, twenty-eight thousand six
10 hundred, open land, eleven thousand
11 something. How are you going to -- why
12 should I have to do this and pay somebody
13 four or five, six dollars an hour to help
14 me when these people can earn seventy
15 thousand dollars a year and get tax
16 abatements, that's what I -- I don't
17 understand.

18 MR. WITUL: The
19 individuals don't get the tax abatement,
20 the business does.

21 MARTIN KROENING: It is the
22 poor guy that --

23 MR. WITUL: Thank you

1 for your comments.

2 HOWARD HASELEY: Howard
3 Haseley, 3109 Lockport Road. I pay taxes
4 here in the town and I just wondered, are
5 you saying there is no sales tax put on
6 this project?

7 MR. WITUL: Correct.

8 HOWARD HASELEY: How can
9 something be a project without sales tax?
10 I never heard of that. And there is one
11 other question. The people that they're
12 going to hire, where will they be coming
13 from; will they be from around these towns
14 here, can that be in writing, because my
15 money is going to pay for this project.
16 Don't say it isn't going, because somebody
17 is paying sales tax. How do they not pay
18 sales tax? Tell me how I can farm and not
19 pay sales tax?

20 MR. WITUL: They are
21 exempt from sales tax because the project
22 is assisted through the Industrial
23 Development Agency, which is a Quasi

1 Governmental Institute established by the
2 State of New York and the General Municipal
3 Law. Governmental agencies and
4 not-for-profit agencies and other business
5 are exempt from sales tax, which makes
6 their ability to secure exemptions
7 possible.

8 The second piece is they will
9 seek to fill the positions where possible
10 with local, qualified individuals. They
11 will be transferring some folks over from
12 the Amherst location to get it started,
13 they will and anticipate hiring graduates
14 of the university of who are trained in
15 computer technology, and if there are folks
16 in the area that can also work there, if
17 they meet the criteria they can submit
18 their applications.

19 HOWARD HASELEY: Well, can
20 that be put in like a town ordinance here
21 that if there is a person that is eligible
22 for this job that they can apply by for it?

23 MR. WITUL: They have

1 to create new employment, they have to work
2 with the state labor department for any
3 openings and notices of vacancies for job
4 positions, so that will help contribute to
5 an oversight of the employment.

6 HOWARD HASELEY: Wouldn't
7 there be something like in our town that we
8 can put down that they get an opportunity
9 to apply, you know, to apply for that job?

10 MR. WITUL: If there
11 are qualified people, I'm sure they would
12 seriously consider those folks that are in
13 the area, it is a shorter drive, they can
14 be there in a lot quicker time than
15 somebody from outside of the area. We do
16 encourage them to work with the local
17 employment agency, as well as the state
18 employment office.

19 MR. BURKE: I'm the
20 code enforcement officer and one of the
21 building inspectors for the Town of
22 Cambria. One of the questions earlier was
23 how they decided where they wanted to --

1 where they were going to build. The people
2 that were from the agency that were looking
3 for the property to start with had come to
4 me last summer one day with some places
5 they was asking where they wanted to locate
6 and that sort of thing, and one of the
7 things mentioned was they wanted to be away
8 from railroad tracks. I don't know how
9 close railroad tracks are to Inducon

10 MR. WITUL: One hundred
11 fifty feet.

12 MR. BURKE: That's what
13 I thought, fairly close.

14 MR. WITUL: Plus the
15 airport being so close was a contributing
16 factor.

17 MR. BURKE: And another
18 thing, as far as where the people are going
19 to be from, come to work there, I think
20 that our citizens will have just a good of
21 a chance as everybody, and even if the
22 people come to work that are not from here,
23 they have a fairly good chance that at

1 least some of them are going to wind up
2 living and building in the Town of Cambria,
3 so I think it is a good project for the
4 Town of Cambria. I certainly welcome it.

5 MR. WITUL: Thank you
6 for your comment. Any else? This will be
7 your last opportunity to comment on the
8 project. You can submit comments in
9 writing prior to the board meeting on this
10 Thursday. But again, if there are no
11 additional comments, I will be closing the
12 hearing shortly. Is there anyone that
13 wishes to comment further?

14 WRIGHT ELLIS: I should --
15 if I may clarify this, the notification as
16 far as to the town. I was also in
17 communication and discussions with people
18 of the site locator and at that time they
19 only said they were working for a large
20 financial institution. There was never a
21 mention of HSBC, we had no idea.

22 MR. WITUL: We spent
23 six months working on the project before we

1 even knew who they were. Yes, sir.

2 STEPHEN LABUGZEWSKI: You
3 really think the results of this meeting
4 are -- are going to matter?

5 MR. WITUL: Yes, it
6 does.

7 STEPHEN LABUGZEWSKI: I
8 don't think so. I think they got that big
9 rubber stamp and it's ready and it's going
10 to be approved. That's the way it's
11 always has been done that way.

12 MR. WITUL: Well,
13 again, a copy of the transcript will be
14 made available to the board members prior
15 to the board meeting, and I do provide them
16 with an overview of comments both pro and
17 against to their taking any action. Again,
18 your comments are appreciated.

19 There being no further
20 comments, it is now 5:13, I will close the
21 hearing. I'd like to thank -- I thank
22 everyone for attending this evening, and
23 please be careful as you head home tonight.

Thank you very much.

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1 STATE OF NEW YORK)

2 SS:

3 COUNTY OF NIAGARA)

4

5 I, ANDREA P. EGOLF, a Notary Public in

6 and for the State of New York, County of Niagara,

7 DO HEREBY CERTIFY that the proceedings were taken

8 down by me in a verbatim manner by means of

9 Machine Shorthand. That the proceedings were

10 taken to be used in the above-entitled action.

11 I further CERTIFY that the

12 above-described transcript constitutes a true,

13 accurate and complete transcript of the

14 testimony.

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ANDREA P. EGOLF,
Notary Public.

ANDREA P. EGOLF
COURT REPORTER

