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COUNTY OF GENESEE

TOWN OF BATAVIA

Genesee County Industrial Development Agency
d/b/a Genesee County Economic Development Center

ADK HOSPITALITY, LLC

Public Hearing

Monday, June 22, 2015

A transcript of the Public Hearing held at the
Batavia Town Hall, 3833 West Main Street, Batavia, New
York 14020 at 7:00 P.M.

REPORTED BY:

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(Proceeding commenced at 7:00 p.m.)

MR. MASSE: I have seven o'clock on my phone, so we will go head and get started. My name is Mark Masse. I'm the Senior Vice President of Operations for the Genesee County Economic Development Center. I would like to thank everyone for coming out tonight for this public hearing on the proposed benefits for ADK Hospitality, LLC project. The purpose of this public hearing is to solicit comments and feedback about the proposed incentives being requested by ADK Hospitality, LLC.

This is not intended to be a question and answer period. Please sign in on the sheet if you have not done so already. If you wish to speak, please place an X by your name. We do have a stenographer present who will be recording all of the comments we receive tonight to ensure that your comments get presented to our Board accurately. Any comments received will be compiled and given to the Board prior to the Board meeting where a final vote on the proposed incentives will take

place.

We will have a short presentation with an outline of the project itself. At the end of the presentation, any written comments that we received prior to the meeting will be read out loud to be put in the official record. We will then call people who put an X by their name to come up to the podium to speak. Before providing any comments, we just ask that each speaker clearly state their name and the municipality where they are from so the stenographer can make sure it is accurately reflected in the record. Each speaker will be given three minutes to provide their comments. You will be given notice when you have thirty seconds left. Chris will be in the back from our office and will give you a high sign when you have thirty seconds left in your time.

If there is time at the end after everyone had spoken, if somebody wishes to speak who did not sign up, they will be given an opportunity to do so. If somebody who has already spoken has any additional comments that they did not make in their initial three

minutes, may do so at that time as well.

So now we would like to turn it over to ADK Hospitality to give a brief presentation of the proposed project. When they were done, I will come back up. I will read any written comments that were received, go through the instructions again, and we will start with the speakers who have signed up. Thank you.

MR. BAYNES: Thank you. My name is Anthony Baynes, Buffalo, New York.

I am the Managing Member of ADK Hospitality, LLC. As has been reported, the four principal indirect owners of ADK are Kent Frey; the head of an electrical contracting company; David McNamara, the head of a Buffalo-based law firm; Dr. Laszlo Mechtler, the head of an Amherst-based neurological group that that also has offices here in Batavia; my partners, Jim and John Basil, from Basil Automotive, one of the largest car dealers in Western New York; and myself, Anthony, who is the head of a freight forwarding logistics company along with several other businesses.

I have a sentimental attachment to this

1
2 community, because my first customer 35 years
3 ago was based right here in Batavia. My
4 partners and I appreciate this opportunity to
5 present information about ADK's proposed unique
6 hotel development and we thank you for your
7 consideration of ADK's application.

8 Each of the principals of ADK has a long
9 history of doing business in Genesee County and
10 we share the community's enthusiasm and
11 optimism about the direction of the County. We
12 have every confidence that our proposed project
13 will contribute to the vibrancy, growth, and
14 tourism potential in the County. With the
15 support of the GCEDC, the project will become a
16 reality and this community will get an asset
17 that will contribute significantly to the
18 important goals of strengthening Batavia Downs
19 Gaming so that it continues to be an important
20 asset for the economic health of the County for
21 years to come.

22 Years before the development wave in
23 Buffalo, my partner Kent Frey and I decided to
24 convert a run down building in Buffalo's
25 downtown area across from City Hall and we

1
2 wanted to attract a local loft style apartment
3 building. There were many nay sayers
4 suggesting that the project would fail because
5 people did not want to live in downtown
6 Buffalo. But we saw the potential there and
7 the project has been a huge success with a 100
8 percent occupancy. With that same potential in
9 Genesee County the potential to help expand
10 economic activity in the County by
11 strengthening one the largest tourism draws in
12 the region.

13 Let me describe our project. ADK's
14 proposed hotel would be connected by a
15 passageway to Batavia Downs Gaming. The name
16 of the hotel will be either "Batavia Downs
17 Gaming Hotel" or "The Hotel at Batavia Downs
18 Gaming." The hotel will not be affiliated with
19 any hotel chain. We will not be a Hilton
20 Garden Inn or a Courtyard by Marriott. After
21 careful study, we have concluded that privately
22 branded hotel linked by name to Batavia Downs
23 Gaming will best serve our tourism and new
24 visitor driven goal of fortifying Batavia Downs
25 Gaming business. It will be operated by local

management and staff to be hired by ADK.

This poster board is a survey that shows the location of the hotel just to the north of Batavia Downs Gaming on Park Street in the Town of Batavia. The yellow is where our hotel will be placed. This is the end of Batavia Downs property and Batavia Downs is located to the left and your right.

ADK has applied for and obtained the zoning and site approvals necessary to construct the hotel on this site. We have completed borings and environmental assessments and we have entered into a Purchase & Sale Agreement with the current owner of the site, Western Regional Off-Track Betting. A favorable determination on this application is a closing contingency in the Purchase & Sale Agreement.

A very unique aspect of this project is that the property on which the hotel will be situated is currently exempt from property taxes, because it is owned by Western Regional Off-Track Betting, a tax exempt New York State public benefit corporation. In its current

1
2 state, the property generates no property tax
3 benefit. Upon transfer of title to ADK, the
4 lot on which the hotel will be built will
5 become a new tax lot within the Town of
6 Batavia.

7 As you can see on this poster board, the
8 hotel will be a four-story structure. While
9 final design work has not been completed, the
10 exterior of the hotel will complement the
11 design elements of the impressive new entrance
12 at Batavia Downs Gaming. The hotel will have
13 84 rooms, approximately 8 of which will be
14 suites. Rooms on the east side of the hotel
15 will overlook the Batavia Downs' track, which
16 will be a unique tourist draw.

17 Development of this hotel will
18 positively impact Batavia Downs and local
19 tourism on a permanent basis. It will generate
20 incremental gaming, banquet, and food and
21 beverage revenue at Batavia Downs, which will
22 result in increased taxes collected, jobs
23 preserved and additional jobs created.

24 Batavia Downs Gaming is a tremendous
25 asset to this community. As you will hear in

1
2 detail from Mr. Nolan, revenues derived from
3 Batavia Downs Gaming are shared with Genesee
4 County and the other seven counties of Western
5 New York. Its economic impact in Batavia is
6 undeniable.

7 Batavia Downs Gaming, however, will be
8 facing new competition from planned new casino
9 facilities in New York State, including one
10 that will be less than one hour away that will
11 offer an on-site lodging opportunity. Every
12 patron that Batavia Downs Gaming loses to
13 another gaming facility is a loss for everyone
14 in Genesee County.

15 ADK's hotel is unique because it is a
16 key component to Batavia Downs Gaming's plans
17 to expand its business and to remain
18 competitive and relevant. As I will show,
19 ADK's hotel will not only help to preserve the
20 revenues that Genesee County and other local
21 municipalities receive as a result of Batavia
22 Downs Gaming's operations, it will help to
23 increase those revenues for the benefit of all
24 in Genesee County.

25 The table on this poster board shows the

1
2 estimate of the number of increased visitors to
3 Batavia Downs Gaming that will result from
4 having an on-site lodging option. The figures
5 on this table, and the other tables that I will
6 share shortly, were developed by Hotel &
7 Leisure Advisors, a leading national
8 hospitality consulting firm that is based in
9 Cleveland and specializes in economic impact
10 analyses for hotels and resorts.

11 Of the 20,626 forecasted additional
12 Batavia Downs Gaming visitors, Hotel & Leisure
13 Advisors' research showed that 75 percent will
14 be from outside the region or State. This
15 equals 15,469 new out-of-state tourists hosted
16 in just the first full year of the hotel's
17 operation.

18 Another important unique aspect of ADK's
19 hotel is that it will not have a restaurant or
20 a bar and, therefore, will not compete with
21 Batavia Downs Gaming's food and beverage
22 business or other food and beverage businesses
23 in the community. As a result, the new
24 visitors that result from the on-site lodging
25 option at Batavia Downs Gaming will result in

1
2 almost 100,000 new food and beverage patrons at
3 Batavia Downs Gaming in the first four years of
4 operation, as shown in this table prepared by
5 Hotel & Leisure Advisors. And that is shown
6 here where it is nearly 100,000 people.

7 The total impact of new gaming revenue,
8 new food and beverage sales and increased
9 banquet business will, according to Hotel &
10 Leisure Advisors, total \$2.6 million in the
11 first year of operation and \$31 million over
12 the first ten years of operation as shown on
13 the next slide. And you can see that here
14 where there will be a \$31 million impact.

15 Excluding real estate taxes under the
16 PILOT that ADK has Requested, Hotel & Leisure
17 Advisors' analysis forecasts that ADK's hotel
18 will generate a combined \$2.8 million in tax
19 revenue over the first ten years of operation,
20 including \$551,000 in County bed tax that will
21 be dedicated to the promotion of tourism in
22 Genesee County, as you will note on the final
23 slide.

24 In addition to the jobs preserved and
25 added positions at Batavia Downs Gaming due to

1
2 the incremental increase in its business in the
3 face of new competition, Hotel & Leisure
4 Advisors forecasts that the operation of the
5 hotel will result in approximately 23 annual
6 full-time equivalent positions, resulting in
7 approximately \$643,000 in payroll or household
8 earnings.

9 The reception area for the hotel will be
10 located in the Batavia Downs Gaming building in
11 proximity to its new main entrance, which was
12 just built for approximately \$28 million.
13 Consequently, all hotel patrons will have to
14 enter the hotel and exit the hotel through
15 Batavia Downs Gaming's main entrance. All
16 hotel patrons will interact with Batavia Downs
17 Gaming. The 34 Rush Sports Bar, Fortune's
18 Italian Restaurant and the other amenities in
19 Batavia Downs Gaming will benefit from the
20 presence of from 30,000 to 33,000 overnight
21 guests at the hotel each year. Sales tax on
22 the increased sales in those establishments
23 will be shared with Genesee County and the Town
24 of Batavia.

25 Our hotel will not have a pool or

1
2 meeting rooms or other recreational offerings
3 that would compete with other facilities in the
4 area. The hotel is intended to and will result
5 in increased visitors to Genesee County and
6 increased tax and other revenues for the
7 benefit of the County, local municipalities and
8 other businesses in the community.

9 In conclusion, my partners and I thank
10 you for your time and consideration, and thank
11 the entire Batavia and Genesee County
12 communities for supporting and encouraging this
13 project. The incentives that we are seeking
14 here will strengthen the project and help to
15 ensure that all of the tax and other benefits
16 that should result from this project be
17 utilized for the County. Thank you.

18 MR. NOLAN: I am Mike Nolan, Executive
19 Vice President and COO of Western Regional
20 Off-Track Betting, Batavia Downs Gaming. I
21 would -- as we are a clear partner in this
22 endeavor, we would like to speak as well. In
23 1998 Western Regional Off-Track Betting who is
24 owned by 17 municipalities, which would include
25 15 counties, includes Genesee, the City of

1
2 Buffalo, and the City of Rochester, decided to
3 purchase Batavia Downs' harness track, which
4 was closed at the time.

5 With that purchase, was a very risky
6 move by Western Regional Off-Track Betting,
7 debated sharply between board members. They
8 had decided to purchase it with legislation in
9 2001. To backtrack, they purchased it for
10 \$2.48 million dollars. And at that time \$2.48
11 million was taken off the tax roles, because we
12 are a public benefit corporation, so there was
13 no tax right on that property.

14 In 2001 legislation was approved for VLT
15 gaming in New York State along with the Seneca
16 nation contract. In 2005 Batavia Downs Gaming
17 opened for business, with the investment of
18 about \$10 million from Western Regional Off-
19 Track betting. Gaming grew, the track thrived.
20 It's the oldest harness track in America,
21 lighted harness track in America. As you have
22 seen what has been done there over the last ten
23 years, has been unbelievable. It was closed.
24 Most recently, two week ago, we just finished a
25 \$28.6 million project.

1
2 So the public benefit corporation, if we
3 were to build a hotel, there would be no tax
4 base on that hotel. We are owned by
5 municipalities. Elected officials had told us
6 that if we would like to do a hotel, this
7 should be something that would go on the tax
8 rolls. This should be something that benefits
9 the immediate area. That is when we went on
10 the project of looking for an investor to go
11 ahead and build a hotel. We formed a
12 partnership with ADK Hospitality.

13 Now, while we don't pay a property tax,
14 Batavia Downs, Western Regional Off-Track
15 Betting, really supplies a lot of revenue money
16 for Genesee County, in upwards of over \$1
17 million. If Batavia Downs Gaming did not
18 exist, that would be a minus \$1 million
19 revenue. That is done through surcharge. That
20 is done through a \$72,000 pilot we pay toward
21 the school, the school tax and various other.

22 The host community fee, the City of
23 Batavia receives \$440,000 for having BLT
24 Rascino in their community. The Town of
25 Batavia receives a \$160,000 and Genesee County

1
2 receives \$200,0000. Monies generated to other
3 counties are over one \$1.5 million. The total
4 2014 payments to municipalities, \$31,976,691.
5 A good portion of that that goes toward New
6 York State education.

7 Presently at the casino we have over 313
8 jobs. And with being able to do a hotel, now
9 we are going to be able to expand on their
10 event center, with their \$28.6 million
11 expansion, we now, downstairs in the paddock
12 area have a newly renovated area that can
13 accommodate 600 people, weddings, banquets,
14 conventions. Upstairs we have a 300 room
15 capacity, the old Grandstand Sports Bar and
16 Grill. So we are very looking forward to have
17 a hotel there to increase tourism and bring
18 visitors in that would otherwise do weddings in
19 Buffalo and Rochester to find them facilities.

20 The New York State Gaming Commission
21 approved full casino gaming two years ago.
22 Governor Cuomo touted this as a big Upstate
23 tourism Draw, in his own words, big tourism
24 draw. We are doing this for Upstate New York.
25 They had over 19 communities, investors bidding

1
2 on these four casinos. Three were awarded.
3 One of them happens to be 70 miles from us in
4 Seneca County. A \$425 million investment by
5 the Wilmorite Corporation who has received tax
6 incentives from the Seneca County ADA; 70 miles
7 away we will have that competition within the
8 next couple of years.

9 To our west, we have the Seneca Nation
10 of Indians, who have Niagara Falls, Buffalo,
11 Salamanca. They have hotels and obvious tax
12 benefits with the sovereign nation status.

13 So with the increased competition the
14 hotel with our gaming facility is crucial.
15 It's crucial for the job retention. It's
16 crucial for the longevity of gaming in New York
17 State, because with 72 miles away the typical
18 gaming, the patron likes go and enjoy a
19 weekend, a weekend away from home or a weekend
20 with family or a weekend for a wedding. And
21 otherwise people are headed to the Seneca
22 Nation now to enjoy that or in two years they
23 are going to be headed to Seneca County.

24 We signed an agreement with ADA
25 Hospitality with the contingency that they

1
2 receive the package from the GCEDC. If it not
3 received, the project will not come into
4 fruition.

5 In our opinion for the future of Batavia
6 Downs and for the growth we would like to have
7 for Genesee County and to bring the tourism, we
8 are the second largest tourism destination in
9 the County next to Darien Lake, that we
10 absolutely need to do a casino with a hotel.

11 In closing, I would like to say that Tom
12 Turnbull from the Genesee County Chamber of
13 Commerce approached us about five months ago
14 and said, local hotel owners would like to meet
15 with you to discuss a possibility of -- we have
16 heard rumors you are going to do a hotel. We
17 said we would be glad to host them. This was
18 very early in the process. Many if not all
19 were represented. And we asked, how can we be
20 a good fit? We don't feel we are the
21 destination of the traveler going down the 90
22 that needs a night to stay. We are the
23 destination for a gaming person.

24 We want to bring new people into the
25 County. And one of things we agreed is that we

1
2 wouldn't take a pool in our facility, because
3 our hotel down the road has a water park. We
4 don't want to compete with that. We don't want
5 to attract minors to our facility. Another
6 concern was, if you use a high brand name, then
7 that competes to the drive-by traffic on the
8 90. We also conceded to that.

9 Being a public benefit cooperation we
10 have reached out to the community to see how we
11 can be a very good fit and have other own niche
12 to bring people into Genesee County. And I am
13 proud to say that this is the best and most
14 complete package that we could bring.

15 A, it will solidify Batavia Downs Gaming
16 into the way out future; and No. 2, it will
17 bring tourism into Genesee County and attract
18 everything you are trying to do here. Tourism,
19 to grow any community, tourism is an aspect
20 that needs to be paid attention to. And I can
21 promise that we will, at Batavia Downs,
22 continue to work hard to keep that tourism
23 industry thriving. Thank you.

24 MR. MASSE: Thank you for the
25 presentation. We will now move on to the

1
2 public comment period. Again, before making
3 any comments, we just ask that each speaker
4 clearly state their name, spell their last
5 name, state your municipality of residence
6 clearly so the stenographer can get it correct.
7 Each speaker will have three minutes to make
8 their comments. Chris will give you a warning
9 at thirty seconds.

10 If there time is time at the end of the
11 hearing and anyone who did not intend to speak
12 wishes to make a comment, they will be given an
13 opportunity do so at that time. Or if someone
14 wishes to come up again, may make any
15 additional comments that they did not make in
16 their first statements, will be allowed to do
17 so at that time as well.

18 Again, we are just looking for comments
19 and feedback in relation to the proposed
20 incentive. This is not a question and answer
21 period.

22 We did have a bunch of letters that we
23 did receive, so we will read these first before
24 getting into the people who signed up.

25 (LETTER ONE) I am writing to you on

1
2 behalf of my you client, Clarion Hotel,
3 opposing the Genesee County Economic
4 Development Center's plan to grant public
5 assistance to ADK Hospitality's proposed
6 project. My understanding is when my client
7 tried to apply for these same benefits in 2012,
8 Mr. Patel, owner of the Clarion Hotel was
9 informed that he would not qualify for funding
10 because New York changed the hospitality
11 eligibility requirements to only include
12 tourist destination hotels.

13 A hotel that simply serves preexisting
14 tourist destinations or geographic areas as a
15 place to stay does not qualify as a tourist
16 hotel. Therefore, my client did not apply for
17 such funding.

18 2012 GCEDC informed my client that only
19 tourist destination hotels were eligible for
20 GCEDC funding and assistance. Specifically,
21 for the 2012 Clarion project to be eligible
22 GCEDC assistance, GCEDC required that the
23 project improve the actual tourist destination
24 itself, the Palm Island Indoor Water Park
25 located inside the Clarion Hotel.

1
2 GCEDC told my client not to apply,
3 because the 2012 Clarion project would not
4 enhance the water park directly. Thus, GCEDC
5 being the 2012 Clarion project unqualified to
6 stop my client from seeking GCEDC funding.

7 If both hotels are viewed in the same
8 light based on the 2012 rational that was used
9 to stop my client from seeking funding, the
10 GCEDC came up to an ADK Hotel with significant
11 tax breaks and benefits. The ADK Hotel which
12 will likely either be a Courtyard by Marriott a
13 Hilton Garden Inn or a similar chain, not an
14 actual tourist destination.

15 The draw of the ADK hotel would be its
16 proximity to Batavia Downs, a preexisting
17 tourist destination location. The Hilton
18 Garden Inn or the Courtyard by Marriott would
19 not draw additional visitors to the location,
20 but would simply cherry pick from the existing
21 visitor base because the ADK hotel itself would
22 not be a tourist destination, but only serves a
23 preexisting destination.

24 Even if the GCEDC disregards its prior
25 interpretation of New York State's funding

1
2 restrictions, it is impossible to differentiate
3 between my client's 2012 hotel project that was
4 prevented from applying for funding and the
5 proposed ADK hotel.

6 My client's 2012 hotel project is
7 located half a mile from the Batavia Downs
8 Gaming facility and provides the same benefits
9 as the proposed ADK hotel by furnishing easy
10 walkable access to the Batavia Downs complex.

11 Consequently the approval of the funding
12 for the ADK hotel will solely subsidize the
13 efforts to support a new competitor to undercut
14 the Clarion hotel and other long standing
15 members of the Batavia community.

16 If the GCEDC grants the ADK hotel these
17 breaks by applying inconsistent standards to
18 the tourist destination definition, this harms
19 my client by forcing it to subsidize a direct
20 competitor. Clarion Hotel will be injured
21 because, A, it was prevented from applying for
22 such funding stream despite being similarly
23 situated as the ADK hotel; and

24 B, it is being forced to subsidize my
25 client's direct competition by sharing a higher

1
2 tax burden to assist an entity that is being
3 created with the intention of poaching my
4 client's existing visitor base.

5 As such my client objects to any funding
6 or subsidy granted to the ADK hotel.

7 Vivek Thiagarajan.

8 The next letter: On behalf of the Sport
9 of Kings, I would like to offer support for the
10 planned hotel development by ADK Hospitality
11 and Batavia Downs Gaming. As you well know,
12 tourism is the second largest industry in
13 Genesee County and its economic impact benefits
14 everyone in the County.

15 Batavia Downs Gaming is a primary asset
16 for attracting visitors to the County and the
17 addition of the hotel adjacent to Batavia Downs
18 can only increase our tourism numbers and
19 business relationships. The synergy of the
20 hotel and Batavia Downs Gaming will lead to
21 more people not only visiting Genesee County
22 but staying here for longer durations.

23 The collaboration opens up possibilities
24 for special events, like weddings and
25 conventions, that may not have considered our

1
2 area previously. Increased tourism in Genesee
3 County provides jobs and business opportunities
4 as well as local and state tax revenues.

5 Companies such as ours have had a long
6 lasting relationship with Batavia Downs and
7 look forward to the very bright future.

8 Sincerely, Richard Nobles.

9 Another letter: On behalf of Harness
10 Horse Breeders of New York State, I would like
11 to offer support for the planned hotel
12 development by ADK Hospitality of Batavia Downs
13 Gaming. As you well know, tourism is the
14 second largest industry in Genesee County and
15 its economic impact benefits everyone in the
16 County.

17 Batavia Downs Gaming is a primary asset
18 for attracting visitors to the County and the
19 addition of the hotel adjacent to Batavia Downs
20 can only increase our tourism numbers and
21 business relationships. The synergy of the
22 hotel and Batavia Downs Gaming will lead to
23 more people not only visiting Genesee County
24 but staying here for longer durations.

25 The collaboration opens up possibilities

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2 for special events, like weddings and
3 conventions, that may not have considered our
4 area previously. Increased tourism in Genesee
5 County provides jobs and business opportunities
6 as well as local and state tax revenues.

7 Companies such as ours have had a long
8 lasting relationship with Batavia Downs and
9 look forward to the very bright future.

10 Sincerely, Betty S. Holt.

11 Another letter: On behalf of Sloat Tire
12 Shop, I would like to offer support for the
13 planned hotel development by ADK Hospitality of
14 Batavia Downs Gaming.

15 As you well know, tourism is the second
16 largest industry in Genesee County and its
17 economic impact benefits everyone in the
18 County.

19 Batavia Downs Gaming is a primary asset
20 for attracting visitors to the County and the
21 addition of the hotel adjacent to Batavia Downs
22 can only increase our tourism numbers and
23 business relationships. The synergy of the
24 hotel and Batavia Downs Gaming will lead to
25 more people not only visiting Genesee County

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2 but staying here for longer durations.

3 The collaboration opens up possibilities
4 for special events, like weddings and
5 conventions, that may not have considered our
6 area previously. Increased tourism in Genesee
7 County provides jobs and business opportunities
8 as well as local and state tax revenues.

9 Companies such as ours have had a long
10 lasting relationship with Batavia Downs and
11 look forward to the very bright future.

12 Sincerely, Todd D. Sloat.

13 Another letter: On behalf of Syntax
14 Corporation, I would like to offer support for
15 the planned hotel development by ADK
16 Hospitality of Batavia Downs Gaming.

17 As you well know, tourism is the second
18 largest industry in Genesee County and its
19 economic impact benefits everyone in the
20 County.

21 Batavia Downs Gaming is a primary asset
22 for attracting visitors to the County and the
23 addition of the hotel adjacent to Batavia Downs
24 can only increase our tourism numbers and
25 business relationships. The synergy of the

1
2 hotel and Batavia Downs Gaming will lead to
3 more people not only visiting Genesee County
4 but staying here for longer durations.

5 The collaboration opens up possibilities
6 for special events, like weddings and
7 conventions, that may not have considered our
8 area previously. Increased tourism in Genesee
9 County provides jobs and business opportunities
10 as well as local and state tax revenues.

11 Companies such as ours have had a long
12 lasting relationship with Batavia Downs and
13 look forward to the very bright future.

14 Daniel Belnair, Market Manger Syntax
15 Corporation.

16 Another letter on behalf of Nothnagle
17 Realtors, I would like to offer support for the
18 planned hotel development by ADK Hospitality of
19 Batavia Downs Gaming.

20 As you well know, tourism is the second
21 largest industry in Genesee County and its
22 economic impact benefits everyone in the
23 County.

24 Batavia Downs Gaming is a primary asset
25 for attracting visitors to the County and the

1
2 addition of the hotel adjacent to Batavia Downs
3 can only increase our tourism numbers and
4 business relationships. The synergy of the
5 hotel and Batavia Downs Gaming will lead to
6 more people not only visiting Genesee County
7 but staying here for longer durations.

8 The collaboration opens up possibilities
9 for special events, like weddings and
10 conventions, that may not have considered our
11 area previously. Increased tourism in Genesee
12 County provides jobs and business opportunities
13 as well as local and state tax revenues.

14 Companies such as ours have had a long
15 lasting relationship with Batavia Downs and
16 look forward to the very bright future.

17 Michelle Schlossler, Senior Sales
18 Manager.

19 Another letter: On behalf of Genesee
20 Feeds, I would like to offer support for the
21 planned hotel development by ADK Hospitality of
22 Batavia Downs Gaming.

23 As you well know, tourism is the second
24 largest industry in Genesee County and its
25 economic impact benefits everyone in the

County.

Batavia Downs Gaming is a primary asset for attracting visitors to the County and the addition of the hotel adjacent to Batavia Downs can only increase our tourism numbers and business relationships. The synergy of the hotel and Batavia Downs Gaming will lead to more people not only visiting Genesee County but staying here for longer durations.

The collaboration opens up possibilities for special events, like weddings and conventions, that may not have considered our area previously. Increased tourism in Genesee County provides jobs and business opportunities as well as local and state tax revenues.

Companies such as ours have had a long lasting relationship with Batavia Downs and look forward to the very bright future.

Lee Winters.

Another letter: On behalf of the Genesee County Chamber of Commerce and our five hundred plus members, I would like to offer the Chambers support for the planned hotel at Batavia Downs Gaming.

1
2 As Genesee County's designated tourism
3 promotion agency, the Chamber's mission is to
4 promote and market Genesee County to attract
5 visitors to experience all that our great
6 County has to offer.

7 As you well know, tourism is the second
8 largest industry in Genesee County and its
9 economic impact benefits everyone in the
10 County.

11 Batavia Downs Gaming is one of our
12 primary assets for attracting visitors to the
13 County and the addition of a hotel adjacent to
14 Batavia Downs can only increase our tourism
15 numbers. The synergy of the hotel and Batavia
16 Downs Gaming will lead to more people not only
17 visiting our County but staying here for longer
18 durations.

19 The collaboration opens up possibilities
20 for special events, like weddings and
21 conventions, that may not have considered our
22 area previously. Increased tourism in Genesee
23 County provides jobs and business opportunities
24 as well as local and state tax revenues.

25 The Genesee County Chamber of Commerce

1
2 looks forward to working with Batavia Downs
3 Gaming to increase tourism to the proposed
4 hotel addition

5 Sincerely, Tom Turnbull.

6 Another letter: On behalf of the
7 Western New York Harness Horseman's association
8 I would like to offer support for the planned
9 hotel development by ADK Hospitality of Batavia
10 Downs Gaming.

11 As you well know, tourism is the second
12 largest industry in Genesee County and its
13 economic impact benefits everyone in the
14 County.

15 Batavia Downs Gaming is a primary asset
16 for attracting visitors to the County and the
17 addition of the hotel adjacent to Batavia Downs
18 can only increase our tourism numbers and
19 business relationships. The synergy of the
20 hotel and Batavia Downs Gaming will lead to
21 more people not only visiting Genesee County
22 but staying here for longer durations.

23 The collaboration opens up possibilities
24 for special events, like weddings and
25 conventions, that may not have considered our

1
2 area previously. Increased tourism in Genesee
3 County provides jobs and business opportunities
4 as well as local and state revenues.

5 Companies such as ours have had a long
6 lasting relationship with Batavia Downs and
7 look forward to the future.

8 Sincerely, Bruce Tubin, President of the
9 Western New York Harness Horseman's
10 Association.

11 Another letter: On behalf of Roy H.
12 Turnbull, Inc., I would like offer support for
13 the planned hotel development by ADK
14 Hospitality of Batavia Downs Gaming.

15 As you well know, tourism is the second
16 largest industry in Genesee County and its
17 economic impact benefits everyone in the
18 County.

19 Batavia Downs Gaming is a primary asset
20 for attracting visitors to the County and the
21 addition of the hotel adjacent to Batavia Downs
22 can only increase our tourism numbers and
23 business relationships. The synergy of the
24 hotel and Batavia Downs Gaming will lead to
25 more people not only visiting Genesee County

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2 but staying here for longer durations.

3 The collaboration opens up possibilities
4 for special events, like weddings and
5 conventions, that may not have considered our
6 area previously. Increased tourism in Genesee
7 County provides jobs and business opportunities
8 as well as local and state tax revenues.

9 Companies such as ours have had a long
10 lasting relationship with Batavia Downs and
11 look forward to the future.

12 Sincerely, William E. Hayes, President.

13 Last letter: On behalf of US Foods, I would
14 like to offer support for the planned hotel
15 development by ADK Hospitality of Batavia Downs
16 Gaming.

17 As you well know, tourism is the second
18 largest industry in Genesee County and its
19 economic impact benefits everyone in the
20 County.

21 Batavia Downs Gaming is a primary asset
22 for attracting visitors to the County and the
23 addition of the hotel adjacent to Batavia Downs
24 can only increase our tourism numbers and
25 business relationships. The synergy of the

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2 hotel and Batavia Downs Gaming will lead to
3 more people not only visiting Genesee County
4 but staying here for longer durations.

5 The collaboration opens up possibilities
6 for special events, like weddings and
7 conventions, that may not have considered our
8 area previously. Increased tourism in Genesee
9 County provides jobs and business opportunities
10 as well as local and state tax revenues.

11 Companies such as ours have had a long
12 lasting relationship with Batavia Downs and
13 look forward to the future.

14 Bill Stafford, Division President, US
15 Foods.

16 MR. MASSE: Those were all the written
17 comments we received prior to this. We will
18 now go through the people who signed in and
19 wish to speak. Mike Nolan, I believe you
20 already spoke. You are okay?

21 MR. NOLAN: Yes.

22 MR. MASSE: Vivek Thiagarajan.

23 MR. THIAGARAJAN: Hello, my name is
24 Vivek Thiagarajan, T-H-I-A-G-A-R-A-J-A-N

25 I am speaking on behalf of -- I'm from

1
2 Rochester, New York. I am speaking on behalf
3 of my client Chan Patel from the Clarion Hotel.
4 My letter was previously read already. Again,
5 we object for the fact that despite the
6 presentations that were made before you, we
7 don't actually believe that this is a hotel
8 that is going to draw that many more visitors.

9 We believe that the hotel is just like
10 any other hotel, just like the Clarion Hotel,
11 which is located just a half a mile away from
12 the project.

13 Again, the size of the benefits is part
14 of our concern. It's \$638,000, which is more
15 than the actual purchase price of the property.
16 It is my understanding, I think they paid about
17 \$605,000 dollars for the property.

18 Again, the competition is not the issue
19 for us. We have no issues with the hotel being
20 built there. Again, we think that tourism is a
21 huge component for this County. So as a result
22 of that, our issue is not that.

23 The issue is that when we tried to apply
24 in 2012, we were not able to go for such
25 funding because the rationale was that we were

1
2 not actually adding a tourist destination.
3 This hotel as proposed, we don't feel is an
4 actual tourist destination. It is merely a
5 hotel just like any other hotel. Although it
6 might be closer in proximity than our hotel is,
7 the actual construct of the hotel itself will
8 not draw people to the hotel. We believe that
9 the draw is still Batavia Downs, which is a
10 separate entity in and of itself.

11 So, again, our concern is the fact that
12 we are using public funding to assist a hotel
13 that is competing just like every other hotel
14 is and doing the exact same thing. And our
15 concern is that is a lot of money. That's
16 \$638,000 and for that reason, my client
17 objects.

18 Anthony Baynes, I am assuming you are
19 all set.

20 MR. BAYNES: Yes, thank you.

21 MR. MASSE: Looks like Jerry Dee.

22 MR. DEE: Jerry Dee, I am from
23 Rochester, New York. I am council
24 representative of the northeast regional
25 council carpenters union. Many of our members

1
2 are residents of Genesee County. Our training
3 facility and our training program, apprentice
4 through journeyman program, is a self-funded.
5 It's a self-funded program through hourly
6 deductions. Each work from their benefits pays
7 into this program. It's a self-funded work
8 force development program.

9 We ask that the following be considered.
10 That our members live here; they work here;
11 they pay taxes here. To our members these are
12 not temporary construction jobs. This is our
13 chosen profession.

14 Out in Seneca County this Casino has
15 used and intends to utilize union construction
16 workers. We ask that you also use union
17 construction workers. If they are union
18 carpenters on the job, we will support this
19 project.

20 MR. MASSE: John Sackett.

21 MR. SACKETT: John Sackett, Byron. I
22 represent myself and I also represent the
23 taxpayers.

24 I was on the IDA and I was under the
25 impression the IDA was for productive jobs.

1
2 When we talk about productive jobs, I am
3 talking full-time jobs that pay good wages.
4 Now, the last three proposals that the IDA, by
5 the way I was on the IDA, are not full-time
6 jobs. And the casino we have here now are not
7 full-time jobs. They were sold to jobs to
8 making money and stuff, but the vast majority
9 are part-time jobs and they are just above the
10 minimum wage.

11 Now, he said there is going to be 23 new
12 jobs here. How many of those 23 are actually
13 full-time jobs? How much are they going to be
14 paid? Now, they talked about the 600 so forth,
15 they can have banquets and so forth now. The
16 unfortunate part is they are taking away from
17 private enterprise. I am for private
18 enterprise. I am not for government assisted
19 programs.

20 Because if this program is so good, is
21 so profitable, then they can stand on their own
22 feet. They do not need any subsidy from the
23 taxpayer. And I am a taxpayer. They do not
24 need any subsidy whatsoever. If it's so good,
25 they will put it up by themselves. Anybody

1
2 hear me? If this is so good, they put it up
3 without taxpayer assistance. Competition,
4 jobs. All it is about the dirty dollar. When
5 it gets right down to it, it's a dirty dollar.

6 If I was -- what I know now about
7 subsidies, when I was on the legislator and on
8 the IDA, I would not have voted for what they
9 have there now.

10 Sure, people coming into the County is
11 great. But I don't know about these work here
12 that they showed. I am not sure how valid they
13 are. It doesn't matter. But I am telling you
14 I am against this project. If they want to do
15 it, fine. If they want to do, go ahead and do
16 it, but don't do it with private --

17 CHRIS: Times up.

18 MR. SACKETT: Thank you.

19 MR. MASSE: Thank you. That comes to
20 the end of people who selected to speak. Is
21 there anybody that didn't sign up that wishes
22 to say anything? Any other comments that
23 people would like to make that they haven't
24 made already?

25 Would you like to make a couple more?

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One more sure.

MR. THIAGARAJAN: Vivek Thiagarajan, again, Clarion Hotel. And again my -- Mr. Patel couldn't make it today. But two things I do want to add. Is that he had tried to apply for a similar project in Erie County where he wanted to build a hotel and he was denied the public funding, which kind of goes back to the statement that was previously made.

Again in 2012, when my client was denied the public funding, he still went ahead and did the project. He felt it was the best thing for the community and so he went forward with it.

MR. MASSE: It's not a question and answer period.

MR. NOLAN: I would like to speak. Just one clarification. It is, the land was purchased, because it is public record, for \$605,000 and the incentives are in excess of \$630. That is for vacant land only. This is in excess of I believe it's over a \$5 million construction project. So I don't want that tainted in any way. This is not \$600,000 and a \$600,000 purchase. This is excess of a \$5

1
2 million construction project.

3 And we were very -- also I wanted to
4 clarify our jobs at Western Regional Off-Track
5 Betting. Over half of them, which would be 200
6 full-time jobs, union jobs, we have three
7 different unions at Western Regional Off-Track
8 Betting with the State retirement and good
9 health insurance. Thank you.

10 I just want to clarify one other thing.
11 I am involved in the ownership of a hotel in
12 Buffalo, New York. 10 Lafayette, which just
13 opened a few months ago and we also received
14 tax incentives for tourism and other related
15 items. And that project is doing well.

16 There are several hotels being built
17 right now in Niagara Falls. Niagara Falls has
18 a casino that doesn't pay any taxes. And they
19 have a Marriott and I believe a Marriott By
20 Courtyard that is going up that has added to
21 their tourism. The casino has clearly added
22 new hotels to a destination and more people are
23 coming to their community because of the gaming
24 and the hotel that the natives built. Thank
25 you.

1
2 MR. SACKETT: I would like to make
3 another comment.

4 MR. MASSE: Okay. Jerry, and then we
5 will come back.

6 MR. DEE: The hotel that was built in
7 Lafayette Square utilized construction workers
8 that worked for Mandon (phonetic) Corporation.
9 They don't receive any type of retirement
10 benefit. Most of them do not receive any kind
11 of health insurance and their wages are barely
12 above a rate that anyone can live at.

13 If you intend to use construction
14 workers that don't receive benefits, we will be
15 stridently against this project.

16 MR. SACKETT: It kind of reminds me of
17 the professor who gave a test and afterwards he
18 took the tests and he through them. And the
19 ones that were farthest out got an A and they
20 kept coming down toward him. And that's when
21 they talk about tax abatement. We do it over
22 here, so we should have it here, because Erie
23 County or Buffalo or Rochester gave it to us,
24 why you should give it to us now, instead of
25 the merits of the situation here. Thank you.

1
2 MR. MASSE: I would like to thank
3 everybody for coming out to tonight for your
4 comments. We do have a stenographer who will
5 be putting together everything that has been
6 said tonight and it will be distributed to the
7 Board prior to them undertaking any vote on the
8 proposed incentive.

9 Thank you, all. And I hope you have a
10 nice evening.

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12 (Whereupon the public hearing adjourned.)
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REPORTER CERTIFICATE

I, Constance S. Barefoot, do hereby certify that I have reported in stenotype shorthand the Public Hearing held on June 22, 2015, beginning at 7:00 p.m.;

And that the foregoing pages number 1 through 45 were prepared under my direction and control and constitute true, accurate and correct record of those stenotype shorthand notes.

I further certify that I am neither attorney nor counsel for any of the parties, nor a relative or employee of any attorney or counsel connected with the action, nor financially interested in the outcome of the action.

Constance S. Barefoot

Constance S. Barefoot, Shorthand Reporter
Notary Public