

**DETERMINATION AND FINDINGS RESOLUTION
GREAT LAKES CHEESE PROJECT BLOCK**

A special meeting of Allegany County Industrial Development Agency (the "Agency") was convened in public session at the office of the Agency located at Crossroads Commerce & Conference Center, 6087 State Route 19 North, Belmont, New York, on March 29, 2021 at 11 o'clock a.m., local time.

The meeting was called to order by the (Vice) Chair and, upon roll being called, the following members of the Agency were:

PRESENT:

PRESENT:

Richard Ewell	Chairperson
Judy Hopkins	Vice Chairperson
Michael Johnsen	Secretary
Douglas Frank	Treasurer
Randy Shayler	Member
Ward "Skip" Wilday	Member

Each of the members present participated in the meeting telephonically pursuant to Executive Order No. 202.1, as supplemented, issued by New York State Governor Andrew M. Cuomo, suspending provisions of Article 7 of the Public Officers Law that require public in-person access to public meetings and authorizing board members to participate in said meetings by conference call or similar service.

ABSENT:

AGENCY STAFF PRESENT INCLUDED THE FOLLOWING:

Dr. Craig Clark	Executive Director
Pam Common	Recording Secretary
Daniel Spitzer	Agency Counsel

The following resolution was offered by D. Frank, seconded by M. Johnsen, to wit:

Resolution No. 0321-02

**RESOLUTION MAKING DETERMINATION AND FINDINGS CONCERNING THE
PROPOSED ACQUISITION OF CERTAIN PROPERTY LOCATED IN THE TOWNS
OF AMITY AND ANGELICA, ALLEGANY COUNTY, NEW YORK.**

WHEREAS, Allegany County Industrial Development Agency (the "Agency") is authorized and empowered by the provisions of Chapter 1030 of the 1969 Laws of New York, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended (the "Enabling Act") and Chapter 99 of the 1973 Laws of New York, as amended, constituting Section 906-a of said General Municipal Law (said Chapter and the Enabling Act being hereinafter collectively referred to as the "Act") to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of manufacturing,

attracting and developing economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York, to improve their prosperity and standard of living, and to prevent unemployment and economic deterioration;

WHEREAS, to accomplish its stated purposes, the Agency is authorized and empowered under the Act to acquire, construct, reconstruct and install one or more “projects” (as defined in the Act) or to cause said projects to be acquired, constructed, reconstructed and installed, and to convey said projects or to lease said projects with the obligation to purchase; and

WHEREAS, Great Lakes Cheese Co., Inc., a State of Ohio business company (the “Company”), has submitted an application (the “Application”) to the Agency, a copy of which Application is on file at the office of the Agency, requesting that the Agency consider undertaking a project (the “Project”) for the benefit of the Company, said Project consisting of the following: (A) (1) the acquisition of an interest in a portion of several parcels of land totaling approximately 229 acres located on Trianna Road (Tax map number 158.-1-31) and Old State Road (Tax map number 158.-1-2.1) in the Town of Amity and County Road 20 (Tax map number 145.-1-5.1) in the Town of Angelica, Allegany County, New York (collectively, the “Land”), (2) the construction on the Land of an approximately 486,000 square foot cheese manufacturing facility and an approximately 50,000 square foot waste water treatment facility, utility interconnections, site preparation, access roads and any other required improvements (all said improvements being collectively referred to as the “Facility”) and (3) the acquisition and installation therein and thereon of related fixtures, machinery, equipment and other personal property (the “Equipment”), all of the foregoing to constitute a cheese manufacturing facility to be owned and operated by the Company (the Land, Facility and the Equipment being collectively referred to as the “Project Facility”); (B) the granting of certain “financial assistance” (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including potential exemptions from certain sales and use taxes, real property taxes, real estate transfer taxes and mortgage recording taxes (collectively, the “Financial Assistance”); and (C) the lease (with an obligation to purchase) or sale of the Project Facility to the Company or such other person as may be designated by the Company and agreed upon by the Agency; and

WHEREAS, the undertaking of the Great Lakes Cheese Project Block includes the acquisition of the certain parcels of property described above located in the Towns of Amity and Angelica, Allegany County, New York (hereinafter collectively referred to as the “Land Parcels”); and

WHEREAS, pursuant to the authorization contained in a resolution adopted by the members of the Agency on January 7, 2021 (the “Public Hearing Resolution”), the Agency’s staff (A) caused notice of a public hearing of the Agency pursuant to Article 2 of the EDPL (the “Public Hearing”) to be published in the Hornell Evening Tribune (the Spectator), a newspaper of general circulation available to the residents of the Allegany County at least ten, but not more than thirty, days before the public hearing in ten successive issues in the beginning February 9, 2021 and ending on February 21, 2021, (B) in the Cuba Patriot a newspaper of general circulation available to the residents of the Allegany County for two successive issues of February 10, 2021 and February 17, 2021 in each case commencing at least ten, but not more than thirty, days before the public hearing, (C) provided notice of the Public Hearing on February 8, 2021 to all record assessment billing owners and counsel, at least ten, but not more than thirty, days before the Public Hearing by certified mail, return receipt requested, and (D) conducted the Public Hearing on February 22, 2021 at 11:00 o’clock a.m., local time remotely utilizing the Zoom video and teleconference platform rather than in person; and

WHEREAS, thereafter pursuant to the Public Hearing Resolution the Agency’s staff (A) caused notice of an additional public hearing of the Agency pursuant to Article 2 of the EDPL (the “Additional Public Hearing”) to be published in the Hornell Evening Tribune (the Spectator), a newspaper of general circulation available to the residents of the Allegany County at least ten, but not more than thirty, days

before the public hearing in ten successive issues in the beginning on March 7, 2021 and ending on March 19, 2021, (B) in the Cuba Patriot a newspaper of general circulation available to the residents of the Allegany County for two successive issues of March 10, 2021 and March 17, 2021, in each case commencing at least ten, but not more than thirty, days before the public hearing, (C) provided notice of the Public Hearing on March 8, 2021 to all record assessment billing owners and counsel, at least ten, but not more than thirty, days before the Public Hearing by certified mail, return receipt requested, and (D) conducted the Public Hearing on March 22, 2021 at 11:00 o'clock a.m., local time in person at the Crossroads Commerce & Conference Center, 6087 State Route 19 North, Belmont, New York in the Town of Angelica, as well as remotely utilizing the Webex video and teleconference platform rather than in person; and

WHEREAS, at each of the Public Hearing and the Additional Public Hearing (collectively herein the "Public Hearings"), the Agency outlined the purpose, proposed location of the proposed public project and any other information it considered pertinent, including maps and descriptions of the property to be acquired and adjacent parcels and provided any person in attendance a reasonable opportunity to present oral or written statements and to submit any other documents concerning the proposed public project; and

WHEREAS, following the Public Hearings, the Agency caused a transcript of the Public Hearings to be made and compiled the application materials and written comments received (collectively referred to as the "Record"); and

WHEREAS, the Agency caused the Record to be made available to the public for examination without cost on its website and during normal business hours at the Agency's principal office and at the office of the clerk or register of Allegany County, New York in which the property proposed to be acquired is located; and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law, Chapter 43-B of the Consolidated Laws of New York, as amended (the "SEQR Act"), and the regulations adopted pursuant thereto by the Department of Environmental Conservation of the State of New York (the "Regulations", and collectively with the SEQR Act, "SEQRA"), by resolution adopted by the members of the Agency on January 7, 2021, the Agency (1) determined that the Project constitutes an "Type I Action" (as said quoted term is defined in SEQRA), (2) and authorized a Notice of Intent to act as Lead Agency, which was posted on the Agency website, and distributed to Involved and Interested Agencies, and provided to the counsel for the landowners; and

WHEREAS, further pursuant to SEQRA, on March 29, 2021 the agency adopted a resolution determining (1) that the Agency shall act as Lead Agency and (2) that the Project will not result in a significant adverse impact on the environment, and (3) prepared and issued a negative declaration with respect to the Project; and

WHEREAS, the Agency, pursuant to Article 2 of the EDPL, desires to adopt the determination and findings and brief synopsis attached hereto in connection with the acquisition of the Land Parcels; and

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF ALLEGANY COUNTY INDUSTRIAL DEVELOPMENT AGENCY, AS FOLLOWS:

Section 1. Based on the entire record of proceedings, including, but not limited to, the Application, information set forth in the Full EAF, the Negative Declaration, the detailed conceptual plans, the technical reports, the record of the Public Hearings, and the Agency's knowledge of the site and the community, and pursuant to the requirements of the EDPL, the Agency makes the following findings with respect to the Project:

A. Pursuant to Article 2 of the EDPL, the form and substance of the determination and findings attached hereto as Schedule "A" is hereby adopted and incorporated herein by reference.

B. Pursuant to Article 2 of the EDPL the form and substance of the brief synopsis of the determination and findings attached hereto as Schedule "B" is hereby adopted and incorporated herein by reference.

Section 2. The Chair is hereby authorized and directed to take such further action on behalf of the Agency to effectuate the provisions of this Resolution and so as to fulfill the requirements of Article 2 of the EDPL.

Section 3. This Resolution shall take effect immediately.

The question of the adoption of the foregoing Resolution was duly put to a vote on roll call, which resulted as follows:

Richard Ewell	VOTING	AYE
Judy Hopkins	VOTING	AYE
Randy Shayler	VOTING	AYE
Douglas Frank	VOTING	AYE
Michael Johnson	VOTING	AYE
Ward "Skip" Wilday	VOTING	AYE

The foregoing Resolution was thereupon declared ADOPTED.


STATE OF NEW YORK)
) SS.:
COUNTY OF ALLEGANY)

I, the undersigned (Assistant) Secretary of Allegany County Industrial Development Agency (the "Agency"), DO HEREBY CERTIFY that I have compared the foregoing annexed extract of the minutes of the meeting of the members of the Agency, including the Resolution contained therein, held on March 29, 2021 with the original thereof on file in my office, and that the same is a true and correct copy of said original and of such Resolution contained therein and of the whole of said original so far as the same relates to the subject matters therein referred to.

I FURTHER CERTIFY that (A) all members of the Agency had due notice of said meeting; (B) said meeting was in all respects duly held; (C) pursuant to Article 7 of the Public Officers Law (the "Open Meetings Law") except as modified by Executive Order 202.1, as supplemented, said meeting was open to the general public, and due notice of the time and place of said meeting was duly given in accordance with such Open Meetings Law; and (D) there was a quorum of the members of the Agency present, either in-person or appearing telephonically in accordance with Executive Order 202.1, as supplemented, throughout said meeting.

I FURTHER CERTIFY that, as of the date hereof, the attached Resolution is in full force and effect and has not been amended, repealed or rescinded.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Agency this 29TH day of March, 2021.



Allegany County Industrial Development Agency
Executive Director

(SEAL)

SCHEDULE A

DETERMINATION AND FINDINGS

EMINENT DOMAIN PROCEDURE LAW SECTION 204 DETERMINATION AND FINDINGS OF THE ALLEGANY COUNTY INDUSTRIAL DEVELOPMENT AGENCY

ACQUISITION FOR GREAT LAKES CHEESE PROJECT BLOCK

MARCH 29, 2021

INTRODUCTION AND BACKGROUND ON EXISTING CONDITIONS

The Allegany County Industrial Development Agency (the “Agency”) is authorized and empowered by the provisions of Chapter 1030 of the 1969 Laws of New York, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended (the “Enabling Act”) and Chapter 99 of the 1973 Laws of New York, as amended, constituting Section 906-a of said General Municipal Law (said Chapter and the Enabling Act being hereinafter collectively referred to as the “Act”) to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of manufacturing, warehousing, research, commercial and industrial facilities, among others, for the purpose of promoting, attracting and developing economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York, to improve their prosperity and standard of living, and to prevent unemployment and economic deterioration;

To accomplish its stated purpose, the Agency is authorized and empowered under the Act to acquire, construct, reconstruct and install one or more “projects” (as defined in the Act), or to cause said projects to be acquired, constructed, reconstructed and installed, and to convey said projects or to lease said projects with the obligation to purchase.

By resolution on January 7, 2021, the Agency duly authorized the initiation of procedures to acquire the Subject Property under the EDPL.

The Agency is authorized pursuant to the Act to acquire real property within the Allegany County whether by purchase, condemnation or otherwise. Pursuant to the Act and sections 201-203 of the Eminent Domain Procedure Law of the State of New York (“EDPL”), the Agency held public hearings on February 22, 2021 and March 22, 2021, in connection with the limited real property Acquisition needed for the proposed Great Lakes Cheese Project Block (the “Project”). The Agency served legal notice on the landowner of record and its counsel by certified mail, return receipt requested on February 8, 2021 and March 8, 2021, for the February 22, 2021 and March 22, 2021 hearings respectively. The Agency published notice as required by law for the February 22, 2021 hearing in the Hornell Evening Tribune (the Spectator), a newspaper of general circulation available to the residents of the Allegany County at least ten, but not more than thirty, days before the public hearing in five successive issues beginning on February 9, 2021 and ending on February 21, 2021, and in the Cuba Patriot a newspaper of

general circulation available to the residents of the Allegany County for two successive issues of February 10, 2021 and February 17, 2021, in each case commencing at least ten, but not more than thirty, days before the public hearing; and for the March 22, 2021 Public Hearing in the Hornell Evening Tribune (the Spectator), a newspaper of general circulation available to the residents of the Allegany County at least ten, but not more than thirty, days before the public hearing in five successive issues beginning on March 7, 2021 and ending on March 19, 2021; and in the Cuba Patriot a newspaper of general circulation available to the residents of the Allegany County for two successive issues of March 10, 2021 and March 17, 2021, in each case commencing at least ten, but not more than thirty, days before the public hearing. The affidavits of service and the affidavit of publications are included in the public hearing record. Representatives of the landowner of record appeared and presented statements at both.

Based on the Agency's investigation, comments at the multiple public hearings, record material, environmental review, and the application documents, which are all incorporated herein by reference, the Agency adopts this determination and findings.

The proposed action by the Agency is the acquisition of a portion of each of three parcels of land totaling approximately 229 acres located on Trianna Road (Tax map number 158.-1-31) and Old State Road (Tax map number 158.-1-2.1) in the Town of Amity and County Road ("CR") 20 (Tax map number 145.-1-5.1) in the Town of Angelica, Allegany County in the center of the Crossroads development area and transferring the property to Great Lakes Cheese Company ("GLC") for the purpose of economic development purposes and reducing blighted areas, through the construction of a new 486,000 square-foot cheese manufacturing facility, including on-site packaging and distribution facilities, employee parking, access roads, and related utility infrastructure, including a 50,000 square-foot wastewater treatment plant the "Project") , in the Towns of Amity and Angelica, Allegany County, New York. All phases of manufacturing, packaging, shipping, and distribution will occur at the facility. Site acquisition also includes areas necessary for discharge to the Genesee River and necessary buffers to mitigate any impacts of the project.

GLC's current facility in the Town of Cuba has reached the end of its useful life. To stay competitive the company needs a significant upgrade into a fully integrated facility, including a new wastewater treatment plant to replace the outdated current facility. GLC has spent several years looking for a new site, with their preference to use the land within the Town of Cuba. The company has evaluated over 70 sites in the County and region in an effort to maintain its workforce and farm production base in Allegany County. Sites had to meet a number of criteria including size, geotech, available transportation routes, ability to bring utilities to the site, and available workforce. Almost all of the sites considered or in whole or in part current agricultural uses because of the large size needed, making avoiding any impacts to the agricultural industry impossible – although the proposed site has the advantage of not being in a state agricultural district. After its extensive review, it was determined that only the current site was a potential fit for the company's needs within the County. In regard to the current site, GLC has spent over six months attempting to acquire the subject parcels, including making a written offer exceeding fair market value. Only after significant efforts to acquire the property directly from the owners failed did GLC approach the Agency to consider acquisition through condemnation.

THE PUBLIC USE, BENEFIT OR PURPOSE TO BE SERVED BY THE PROPOSED PUBLIC PROJECT.

It is the policy of the State of New York to promote the economic welfare and prosperity of its inhabitants and to actively promote, attract, encourage and develop economically sound commerce and industry. The purpose of this proposed acquisition is economic development and the reduction of blight/underutilization of land in the Belvidere area. The Agency acknowledges that a private party will benefit should the condemnation go forward, and the Agency finds that for the reasons stated herein that benefit is incidental and the public purpose is dominant.

Economic Development

Considerable planning and effort has been put in place to foster economic development, revitalization, and adaptive reuse at the Site. According to the Allegany County Planning Director, Allegany County started discussing development in this area in the late 1990's. Various plans for the parcels near Exit 30 from I-86 had been drawn up that included parts of the land east of NYS 19 and west of the Genesee River. The property owner requested the removal of these properties from the State Agricultural District on June 16, 2005. The plan to develop these properties was recognized by the February 8, 2006 Allegany County Agricultural District # 2 Reports and Recommendations of the Allegany County Agricultural & Farmland Protection Board and Allegany County Planning Board, which stated:

In one concentrated area, approximately 356 acres of prime agricultural land was removed from the District at the request of the owner/farmer. This large mostly contiguous tract of land is located at the junction of I-86, State Rt. 19 and County Road 20. It was always anticipated that this was one of the few prime areas for economic development in the central section of the county and the farm owners originally purchased it with that in mind. The District is experiencing a net expansion in acres enrolled despite the area removed for development. To a great extent, the expansion of the District, the number of farms, and the number of enrolled acres are continuing to maintain the character of and meeting the purposes for which the District was originally created. (emphasis added).

The 2006 Report also noted:

For well over ten years, the Crossroads area at I-86, Rt.19 and County Rd. 20 has been identified by County planners and visionaries as the most suitable area in the County for economic development. A defunct farm and large tract of land at this intersection was purchased years ago, by a local farmer, not only for it's prime cropland, but with its prime location for development in mind also. The need for jobs and expanded tax base is more urgent than ever. Allegany County has chosen to establish a core area for economic development. Crossroads is an idea whose time has now come. There is approximately 200 acres at the intersection and an additional 100 acres proposed for development along County Road 20 heading toward Friendship. This strip for the most

part does not involve lands in the Agricultural District yet they will exist in close proximity. A multimodal (train/truck) transfer facility is planned for this area. Other small businesses are anticipated for co-location. Plans are also being formulated for the siting of an Anaerobic Digester facility on nearby farmland for the treatment of farm manure and the production of methane. The methane could represent a source of energy and heat for the nearby multi modal business park. There is a planned symbiosis between the economic development area and local farming.

Notwithstanding the absence of this property from an agricultural district, the Agency prepared and considered a Notice of Intent pursuant to Agriculture & Markets Law Section 305 (NOI). The impact on the proposed property is the loss of land dedicated to growing crops. There are no farm operations on the Site, nor structures, although there are remnants of a recently demolished long-abandoned barn just across from the site.. The property owner retains significant other holdings in the region – close to 6,000 acres according to its attorney. The negative impact to the use of the property as an agricultural resource would be both short-term and long-term. Conversely, the agricultural industry in the County and the region will suffer significant long-term harm if the project does not go forward and the Company leaves the state in 2025. The Company currently acquires 2 million pounds of milk daily through dairy cooperatives. This is one of the largest food manufacturing operations supporting local farms in the region. The loss of this facility will have significant negative impacts on the agricultural industry, the ability of farms to maintain current levels of dairy herds and contribute to the tax base and workforce in the region. Cornell Cooperative states that the trend has been for a loss of dairy farms in the region, the inability to maintain this facility in this area will accelerate that trend. The NOI noted that because of the nature of the proposed project, conversion from farm fields to manufacturing, adverse agricultural effects cannot be avoided if the proposed action is implemented.

The NOI was submitted to the Agriculture Commissioner, sent in reply to specific request to the landowner's counsel, and posted on the Agency website, nevertheless the Agency received no comments or disagreement with the NOI.

The action contemplated in this acquisition is in furtherance of this goal and the various plans and will present significant, widespread benefits. This has been acknowledged by the widespread support the proposed Project has received. The Allegany County Legislature passed a resolution supporting the Project, noting that:

The Project presents a unique opportunity for Allegany County's commitment towards increasing economic development and reducing blight in the hamlet of Belvidere and the Crossroads area. Specifically, the census tract that would host the project is an impoverished area, with families with incomes below the poverty level representing 19.9 percent of the population, compared to 11.7 percent for the County, families with related children of the householder under 18 years, 32.8 percent are below the poverty level, compared to 20.3 percent to the County, and for families with related children of the householder under 5 years only, 55.3 percent have incomes below the poverty level compared to 18.2 percent for the County. Further, the unemployment rate is almost twice

the County average, at 8.5 percent compared to 4.9 percent for the County, all according to census data provided by Southern Tier West.¹

Remedying Blight

The Agency also finds the Project will help with the continued reduction of blight in the immediate area. While the Subject Property is privately owned land that is active agricultural fields supporting a dairy operation, and there are no blighted structures on the site, it is surrounded by blighted structures. The IDA has previously purchased, using money borrowed from the County, an abandoned gas station, which was the site of petroleum spills and contained, among other abandoned structures, underground gas tanks which were not being maintained. The census tract is dominated by the now closed Allegany County landfill and there is another landfill across the Genesee River. There are remnants of abandoned farm buildings directly north of the site, the small hamlet next to the site features a now closed restaurant, and several abandoned homes. Just north of I-86 is a small repair shop which has used the area along the highway as a junkyard. There are numerous abandoned properties, including across the street from the new Quicklees (South West corner of State Route 19 and County Road 20). The Agency finds the area significantly underutilized, blighted by these abandoned structures, and the Crossroads area will be widely benefitted by the construction of a new, modern manufacturing facility.

The Public Purpose Is Dominant

The Agency recognizes that there will be a benefit to Great Lakes Cheese, a private company, as the result of the project. However, the Agency determines that such benefit is incidental to the dominant public purpose described here. A resolution adopted by the Allegany County Legislature on March 19, 2021 specifically stated that the benefits to the County and region far outweigh the benefits to any individual. The Agency agrees with the Legislature's assessment. The Legislature did not reach this conclusion in the abstract; it relied in part upon economic data provided by Invest Buffalo Niagara (which also supports the proposed acquisition):

The Legislature further notes the widespread benefit from the construction phase of the project which, according to an analysis by the Invest Buffalo Niagara ("InBN"), will create a demand for \$58,071,813 worth of goods and services from the non-residential manufacturing structure construction supply chain. The spending from all the employees at the direct and indirect levels will then create a demand of \$90,887,112 worth of goods and services in the regional economy through consumer spending. In total, this construction project will create \$393,158,923 worth of goods and services in the eight county Buffalo Niagara region over the project lifecycle. Using the ImPLAN program, InBN estimates 2,075 direct Full Time Employees (FTEs) would be required to complete this construction project. Another 320 FTEs are required to create

¹ Allegany County Resolution 79-21, Resolution Supporting The Great Lakes Cheese Co., Inc., Proposed Cheese Manufacturing Facility Project In The Towns Of Amity And Angelica, New York, dated March 19, 2021.

the \$58,071,813 worth of indirect (supply chain) goods and services for the project. Lastly, the induced output of \$90,887,112 demands 619 FTEs. Therefore, the output demand of goods and services this construction project creates requires a total of 3,014 FTEs. For the 2,075 direct, 320 indirect, and 619 induced jobs the payroll is \$105,774,890, \$21,366,889, and \$29,142,253 respectively. The total payroll impact for the 3,014 FTEs creating \$393,158,923 worth of goods and services in Buffalo Niagara is \$156,284,032.

The widespread benefit exceeds the construction benefits described by the county. It is also shown by the direct payroll benefit the company provides. Current employment of 229 people represents \$12 million in annual payroll – payroll that would be lost if the Project does not go forward. And the expansion will produce 200 new jobs at full ramp up, resulting in an additional \$9,000,000 in annual payroll. The Company is also planning to add purchases of 2 million pounds daily of milk, which Empire State Development translates to 600 additional farm jobs. That benefit also far exceeds the benefits to the Company, as the hard pressed Southern Tier dairy industry will not merely retain employment but expand it significantly. As Invest Buffalo Niagara, an agency that is involved in economic development in the region, has declared “The successful completion of Project Block, one of the largest economic development projects in Allegany County’s history, is critical during this time in our region’s history. The timely approval of Project Block’s expansion project is of utmost importance to our economy.” Every agency involved in economic development and government body weighing in concurs that the public benefits are dominant and far outweigh the benefit to the Company, while the loss of this major employer and purchaser of milk and goods and services would be catastrophic to the region. While the benefit to the Company is incidental and minor compared to the public benefit from the Project, failure to move forward will cost the region the \$459,368,864 worth of goods and services in the eight-county Buffalo Niagara region currently being generated annually by the plant.

Invest Buffalo Niagara also calculated benefits from the plant at start of full operations (2025) and at full ramp up (2030).

Cheese Manufacturing – 2025 Operations

Impact Type	Output	Employment	Labor Income
Direct Effect	\$497,637,015	454 ²	\$21,705,184
Indirect Effect	\$339,497,771	1,392	\$70,872,521
Induced Effect	\$73,579,009	502	\$23,600,111
Total Effect	\$910,713,795	2,352	\$126,177,815

Explanation:

Output: In 2025 the cheese manufacturing operation can produce a \$497,637,015 output, which demands \$339,497,771 worth of goods and services from cheese manufacturing supply chain. The spending from all the employees at the direct and indirect levels will then create a demand of \$73,579,009 worth of goods and services in the regional economy through consumer spending. **In total, Project Block’s 2025 operations will create \$910,713,795 worth of goods and services in the eight-county Buffalo Niagara region.**

Employment: Project Block will employ at least 454 direct FTEs (employees and independent contractors) to support the cheese manufacturing plant. Another 1,392 FTEs are required to create the \$339,497,771 worth of indirect (supply chain) goods and services for the project. Lastly, the induced output of \$73,579,009 demands 502 FTEs. Therefore, the output demand of goods and services this project creates requires a total of 2,352 FTEs.

Payroll: For the 454 direct, 1,392 indirect, and 502 induced jobs the payroll is \$21,705,184, \$70,872,521, and \$23,600,111 respectively. The total payroll impact for the 2,352 FTEs creating \$910,713,795 worth of goods and services in Buffalo Niagara is \$126,177,815.

Cheese Manufacturing – 2030 Operations

Impact Type	Output	Employment	Labor Income
Direct Effect	\$546,962,294	499 ³	\$34,847,769
Indirect Effect	\$373,148,448	1,534	\$77,897,333
Induced Effect	\$80,872,086	552	\$25,939,330
Total Effect	\$1,000,982,828	2,585	\$138,684,433

² Direct employment of 429 plus 25 independent contractors essential to plant operations.

³ Direct employment of 429 plus 70 independent contractors essential to plant operations.

Explanation:

Output: The 2030 cheese manufacturing operation can produce a \$546,962,294 output, which demands \$373,148,448 worth of goods and services from cheese manufacturing supply chain. The spending from all the employees at the direct and indirect levels will then create a demand of \$80,872,086 worth of goods and services in the regional economy through consumer spending. **In total, Project Block will create \$1,000,982,828 annually worth of goods and services in the eight-county Buffalo Niagara region.**

Employment: Project Block estimates 499 direct FTEs would be required to support the cheese manufacturing plant. Another 1,534 FTEs are required to create the \$373,148,448 worth of indirect (supply chain) goods and services for the project. Lastly, the induced output of \$80,872,086 demands 552 FTEs. Therefore, the output demand of goods and services this project creates requires a total of 2,585 FTEs.

Payroll: For the 499 direct, 1,534 indirect, and 552 induced jobs the payroll is \$34,847,769, \$77,897,333, and \$25,939,330 respectively. The total payroll impact for the 2,585 FTEs creating \$1,000,982,828 worth of goods and services in Buffalo Niagara is \$138,684,433.

The Project represents a total \$505 million investment in the County, a significant economic benefit by itself. But with Project Block creating from 2025 operations \$910,713,795 worth of goods and services in the eight-county Buffalo Niagara region, and \$1,000,982,828 annually worth of goods and services in the eight-county Buffalo Niagara region by 2030, the public benefit of the Project is overwhelming.

The Agency acknowledges the loss of the current facility in Cuba will result in a loss of tax revenue, estimated at \$4,298,887.51 over 25 years. But these taxes will be lost regardless because the facility in Cuba has reached the end of its useful life and the Company is leaving that facility. The Company will pay an estimated \$228,432.80 in land taxes and \$20,749,504.89 in PILOT payments over the 25 year period, thus the Company will pay more to the community overall significantly than it is currently paying.

Condemnation of the Subject Property will inure to the benefit of the public by securing investment in the Site, preserving and creating jobs at the facility, on farms, construction jobs, and jobs providing goods and services to the plant and its employees, increasing the tax base (even with benefits provided), and encouraging further economic development, significantly outweighing any incidental benefit to the Company.

THE APPROXIMATE LOCATION FOR THE PROPOSED PUBLIC PROJECT AND THE REASONS FOR THE SELECTION OF THIS LOCATION.

The Site for the Project is on portions of three parcels of land in the Towns of Amity and Angelica. The three tax parcels to be acquired in part, which make up the Subject Property, are as follows: (1) Old State Road, Town of Amity, 158.-1-2.1; (2) Trianna Road, Town of Amity, 158.-1-31; (3) County Road 20, Town of Angelica, 145.-1-5.1. Parcel 158.-1-2.1 will be subdivided into the smaller parcel on the east side of CR 20 (part of the Project) and the remainder of the parcel west of CR 20. Total land to be acquired will be approximately 229

acres. The Site is just south of the Belmont exit of I-86. The project area is located on the east side of Gibson Hill Road (NYS Route 20) near the intersection of Gibson Hill Road and Transit Hill Road (NYS Route 19; Figure 1).

This location has been selected after over 70 sites were reviewed, including six that underwent significant testing and review. The needs of a modern cheese manufacturing facility covering manufacturing, receiving, packaging, waste processing, employee parking and related structures, including the unique layout the manufacturing equipment requires make it extremely difficult to find eligible sites, and few are right off of a major interstate in a non-residential area, virtually eliminating most environmental concerns.

Only the minimum area needed for the project is proposed for acquisition. The acquisition site needs to provide space for the plant, access roads, employee parking, the wastewater treatment plant and discharge, a septic system to serve the plant employees, necessary outbuildings such as fire protection water tank, guard shack, and stormwater management improvements. In addition the proposed acquisition includes the minimum amount of buffer needed to protect natural resources, including threatened and endangered species resident on the site, and the adjoining river, and buffer visual and noise impacts to nearby areas. The buffer area represents protection of the treed areas in accordance with Department of Environmental Conservation and Fish and Wildlife Services best practices to limit impacts to threatened and endangered species.

THE GENERAL EFFECT OF THE PROPOSED PROJECT ON THE ENVIRONMENT AND RESIDENTS OF THE LOCALITY.

The Agency has issued a negative declaration in connection with the acquisition of the Subject Property and hereby incorporates the full environmental review, including the Full Environmental Assessment Form Parts 1, 2 and 3, the reports prepared, and the Negative Declaration, herein by reference. Thus, there will be no negative general effect on the environment.

It is anticipated that the acquisition of the Subject Property will have, in general, a positive effect on County and locality residents. The acquisition is located in a site where impacts will be minimal and benefits significant, including economic development and reducing blight and stagnation, as well as underutilization in the neighborhood, all of which will be a benefit to the community.

OTHER FACTORS THAT THE AGENCY CONSIDERS RELEVANT

Moving forward with the acquisition would further significant community plans and goals and presents significant investment and job growth to the community. The Agency has considered the cost of the acquisition, the impact to the land owners, the benefits to the County and region, the site local and all information provided to in Public Hearing Record, and the environmental review in reaching its decision.

SCHEDULE B

SYNOPSIS

EMINENT DOMAIN PROCEDURE LAW SECTION 204 SYNOPSIS OF DETERMINATION AND FINDINGS OF THE ALLEGANY COUNTY INDUSTRIAL DEVELOPMENT AGENCY

ACQUISITION FOR GREAT LAKES CHEESE PROJECT BLOCK

MARCH 29, 2021

I. THE PUBLIC USE, BENEFIT OR PURPOSE TO BE SERVED BY THE PROPOSED PUBLIC PROJECT.

The Project Block site, as described below, consists mainly of active agricultural fields.

The site as a whole generally suffers from economic underdevelopment. Redevelopment has been prevented by significant obstacles. The site continues to deteriorate and negatively impact surrounding properties. The site, including the parcels to be acquired, continues to be in a state of blight, disrepair, nuisance, underutilization, and underdevelopment.

Considerable planning and effort has been put in place to foster economic development, revitalization, and adaptive reuse at the Site. The Agency finds that the parcels to be acquired are economically underutilized and underdeveloped, blighted, and stagnant and that their acquisition in support of redevelopment, reuse, and revitalization is a public use, benefit and purpose. Condemnation of the parcels will complete the site control necessary to further the economic redevelopment/adaptive reuse concepts that have been evaluated for the site. Redevelopment of the site will inure to the benefit of the public by securing investment in the site, creating jobs, increasing the tax base, and encouraging further economic development.

The public benefit is overwhelming compared to the incidental private benefit. Invest Buffalo Niagara estimates that by 2030 operations and payroll will mean over a billion dollars annually to the eight-county Buffalo Niagara region, on top of a \$505 million investment producing \$393,158,923 in direct and indirect benefits from construction income from the Project. The benefit to the Company is incidental and minor compared to the public benefit from the Project. Conversely, failure to move forward will cost the region the \$459,368,864 worth of goods and services in the eight-county Buffalo Niagara region currently being generated by the plant.

II. THE APPROXIMATE LOCATION FOR THE PROPOSED PUBLIC PROJECT AND THE REASONS FOR THE SELECTION OF THIS LOCATION.

The Site for the Project is located in the Allegany County. The Site for the Project is on portions of three parcels of land in the Towns of Amity and Angelica. The three tax parcels to be acquired in part, which make up the Subject Property, are as follows: (1) Old State Road, Town of Amity, 158.-1-2.1; (2) Trianna Road, Town of Amity, 158.-1-31; (3) County Road 20, Town of Angelica, 145.-1-5.1. Parcel 158.-1-2.1 will be subdivided into the smaller parcel on the east side of CR 20 (part of the Project) and the remainder of the parcel west of CR 20. Total land to be acquired will be approximately 229 acres. The Site is just south of the Belmont exit of I-86. The project area is located on the east side of Gibson Hill Road (NYS Route 20) near the intersection of Gibson Hill Road and Transit Hill Road (NYS Route 19; Figure 1).

This location has been selected because it will present minimal environmental impacts, is located on major roads, in a non-residential that has been the major focus of development efforts for two decades. This area has been noted as one of the highest priorities for redevelopment. Other areas of the County have progressed while this area has remained in a state of blight and underdevelopment. There no alternative locations that can serve the needs of the proposed facility. The parcels to be acquired are the minimum necessary to accomplish the Project's goals including buffering impacts to natural resources and reducing aesthetic impacts. Only the minimum area needed for the project is proposed for acquisition. The acquisition site needs to provide space for the plant, access roads, employee parking, the wastewater treatment plant and discharge, a septic system to serve the plant employees, necessary outbuildings such as fire protection water tank, and guard shack, and stormwater management improvements. In addition the proposed acquisition includes the minimum amount of buffer needed to protect natural resources, including threatened and endangered species and the adjoining river and buffer visual and noise impacts to nearby areas. The buffer area represents protection of the treed areas in accordance with Department of Environmental Conservation and Fish and Wildlife Services best practices to limit impacts to threatened and endangered species.

III. THE GENERAL EFFECT OF THE PROPOSED PROJECT ON THE ENVIRONMENT AND RESIDENTS OF THE LOCALITY.

The Agency has issued a negative declaration under the New York State Environmental Quality Review Act ("SEQRA") finding there will not be a significant adverse impact on the environment. Thus, there will be no negative general effect on the environment. Effects on the residents of the locality from addressing the blighted situation in the Belvidere hamlet are found to be positive, including economic development, job growth, and increases to the tax base.

IV. OTHER FACTORS THAT THE AGENCY CONSIDERS RELEVANT.

The acquisition is consistent with community plans and goals. The Agency evaluated whether the public benefit was dominant and found that it is, overwhelmingly.

V. CONCLUSION

The Agency finds that there is a public use, benefit, and purpose for the acquisition of the Subject Property and determines to proceed with acquisition pursuant to the EDPL.

Copies of the determination and findings will be forwarded by written request, without cost. Under EDPL § 207, there are thirty days from the completion of the Agency's newspaper publication requirement to seek judicial review of the Agency's determination and findings. Under EDPL §§ 207 and 208, the exclusive venue for judicial review of the Agency's determination and findings is the Supreme Court, Appellate Division, Fourth Judicial Department.