

October 12, 2007

Cohocton Assessors
PO BOX 327
15 South Main Street
Cohocton, NY 14826

Dear Ms. Damboise, Mr. Densmore and Mr. Domm:

SCIDA has not approved a PILOT for the UPC/PPP/CPPII Projects. The developer has taken the risk of starting construction without building permits. As with any building construction that does not have "special exemption", the value of the entire project is subject to industrial tax assessment.

These UPC industrial machines, if built, reside on land of several Cohocton property owners, who supposedly have lease agreements with UPC. A host agreement between the Town of Cohocton and the UPC developer does not cover the independent tax jurisdiction of the Cohocton - Wayland School District and the County of Steuben.

Without a valid PILOT, it is legally required that such a project must be assessed at full value and applied to each of the individual property accounts where any portion of the project is erected.

Every tax payer in the Town of Cohocton has a financial interest in the consequences of the proper tax assessment that your board will assign to each of the leaseholders property. Your board has a fiduciary responsibility to compute a market cost value for assessment of this industrial project, publish your determination and adjust the tax rolls accordingly.

A PILOT exemption cannot be approved after the fact. It has been publicly acknowledged by UPC that the entire project has a cost in excess of \$150,000,000. There is no agricultural exemption for an electric utility, which UPC was granted by the Public Service Commission. NYSEG and Frontier are taxed in this manner, so must UPC.

Although it is recognized that the aforementioned circumstances are perhaps unusual as a normal course of business for your office, never-the less it falls well within the realm of your responsibility and mandate. How you knowingly and intentionally go forward at this point with required and necessary decisions is now the question and will be monitored closely in and for the public interest.

In the interest of full disclosure, the Cohocton Assessment Board should release their full tax value assessment for the UPC Project before the 11/06/07 election.

Regards,

Steve Trude – CWW President