



OFFICE OF THE MAYOR CITY OF LACKAWANNA



Hon. Geoffrey M. Szymanski ~ Mayor

June 12, 2013

The Honorable Andrew M. Cuomo
Governor of New York State
NYS Capital Building
Albany, NY 12224

Re: 300 Commerce Drive, Lackawanna, New York

Governor Cuomo:

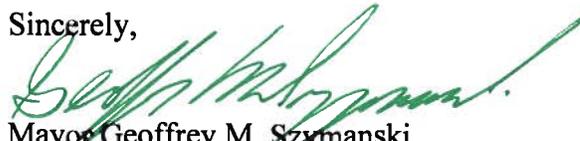
I am writing this letter as a desperate late effort to reclaim funds that is owed to my city by a developer named Mr. Peter Krog of the Krog Corporation, through a subsidiary, G.K. Commerce Drive, LLC. He owes the City of Lackawanna approximately \$3.3 million dollars and the County of Erie approximately \$800,000. The Krog Corporation has been awarded tax subsidized ECIDA contracts for development throughout Erie County, along with other subsidized projects throughout upstate New York.

The City of Lackawanna is the poorest community in Western New York. Mr. Krog agreed to a structured payment plan in April of last year (2012). In November, Mr. Krog reneged on the deal and has tried to walk away from paying back taxes owed.

Because the City of Lackawanna's treasurer's office collects for both the City of Lackawanna and our school district, and we guarantee payment to our school system, the City of Lackawanna has already paid the school district their funds for the past due taxes. Consequently, not only did Mr. Krog fail to pay his taxes, our treasury is even more depleted because of our guarantee to the school system. We have paid the taxes he owed to our school system without the revenue from his corporation returning to our treasury.

I feel the concept of awarding corporations that owe taxes, subsidized contracts from the state and the county is detrimental to small economically challenged cities and towns and encourages the non-payment because there are no consequences and no state policies prohibiting such conduct. As Mayor of the City of Lackawanna, I am requesting that your office reach out to Mr. Krog and let him know that you are aware of the situation that has put my city in a very difficult hardship. I believe that your influence may help deliver our funds.

Sincerely,



Mayor Geoffrey M. Szymanski
City of Lackawanna

**Hon. Geoffrey M. Szymanski ~ Mayor
City of Lackawanna, New York**

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