

MEETING MINUTES
January 8, 2007

The meeting held at the offices of the Saratoga County Planning Department located at 50 West High Street in Ballston Spa was called to order at 8:00 am.

The following Members, Staff and Guest were present:

Members: Raymond Callanan, Chairman; Charles Merriam, Jr., Richard Dunn, Suzanne Daley-Nolen, Raymond O'Connor, Rod Sutton, and Charles Hanehan.

Staff and Guests: Lawrence D. Benton, CEO; Michael Valentine, Sr. Planner; James Carminucci, Bond Counsel; Jon Dawes, SEDC; Stephen Williams, Daily Gazette.

Approval of Minutes

The minutes of the December 11, 2006 meeting were unanimously approved following discussion of minor amendments on a motion by Mr. Dunn, seconded by Mr. O'Connor.

The minutes of the December 21, 2006 meeting were unanimously approved following a motion by Mr. Dunn, seconded by Mr. Sutton.

Mr. Benton advised the Board that in a review of the Agency's minutes he noted that Resolution #910 of September 27, 2006 references action on a financing resolution rather than the inducement resolution that it should have been designated.

The amendment of the minutes of the September 27, 2006 meeting were unanimously approved to reflect the change of Resolution #910 to an Inducement Resolution on a motion by Mr. Merriam, seconded by Mr. Dunn.

Election of Officers

The Chairman stated that as today's meeting is the first meeting of 2007 it serves as the annual reorganization meeting for the Agency. He asked the members to consider the following slate to serve as officers for 2007:

Chairman: Raymond Callanan

Vice-Chairman: Richard Dunn

Treasurer: Richard Dunn

Assistant Treasurer: Suzanne Daley-Nolen

Secretary: Charles Merriam, Jr.

Assistant Secretary: Rod Sutton

There being no questions or comments, Mr. O'Connor moved to approve the slate of officers presented. Mr. Dunn seconded the motion.

Resolution #926

RESOLVED THAT for Fiscal Year 2007 the following members of the Board of the Saratoga County Industrial Development Agency shall serve the office as designated:

Chairman:	Raymond Callanan
Vice-Chairman:	Richard Dunn
Treasurer:	Richard Dunn
Assistant Treasurer:	Suzanne Daley-Nolen
Secretary:	Charles Merriam, Jr.
Assistant Secretary:	Rod Sutton

Ayes: 7

Noes: 0

Adopted: 7-0

Perry Textiles: Application

Jon Dawes of Saratoga Economic Development Corporation (SEDC) presented the application and introduced Arthur Perry, president of Perry Textiles, Inc. Mr. Dawes summarized that the company is seeking Agency assistance in its relocation from the 100,000 sq. ft. building it has leased in Cohoes for the past 14 years. He stated that Perry Textiles wants to relocate into a new 120,000 sq. ft. building on NYS Routes 4 & 32 in the town of Halfmoon (a quarter mile north of GE Silicone on the west side) and get approval for a PILOT Agreement that will freeze the property's current assessed value of \$1,900,000. The Company is seeking a 10-year manufacturing PILOT with an abatement on the increased property tax assessment due to improvements that will take place and are estimated to cost \$1.1 million. Also being sought is an exemption on sales tax related to construction and an exemption from mortgage recording tax associated with borrowing in the amount of \$3.2 million. He stated that the Company currently employs 77 people full-time and anticipates increasing that number to 88 in the first year of operation at its new location, followed by an increase of 12 additional jobs in the next year.

Mr. Perry stated that the new building is 120,000 sq. ft. in size. Forty-thousand square feet is already subject to a two-year lease and Perry Textiles will use the remaining 80,000 sq. ft. with high-bay ceilings. Currently the Company leases 100,000 sq. ft. in a low-ceiling building in Cohoes that is being renovated as residential condominiums. He stated that there is no other available space in Cohoes and he has looked at property in the Amsterdam and Gloversville area as well as out of state. It is his desire to keep the company and jobs located locally and that is why he went to SEDC for assistance.

Mr. Dunn stated that he has not yet received the company's financials to review as is Agency policy and Mr. Perry stated that he will provide them. Mr. Dunn asked if the Company was currently in an Empire Zone and Mr. Perry indicated that it was at its present location but the new site is not in a zone.

Mr. Carminucci noted that the application should be amended to reflect that the property under option is actually in the town of Halfmoon and not in Waterford as indicated on Page 6.

In response to Mr. Sutton's inquiry, Mr. Perry stated that the Company's projected increase in employment at the new facility is realistic based upon a new product (Memory Foam) developed by Perry Textiles. A new account has been opened with Bed, Bath and Beyond which will result in increased retail sales and the need for increased production. This may also result in Perry Textiles

occupying at a later time the 40,000 sq. ft. now being leased out. Mr. Perry also addressed Mr. Merriam's question regarding foreign competition and the possibility of outsourcing work overseas. Mr. Perry stated that his company is a pillow manufacturer that imports the covers and fills them with the light but bulky material at his facility. It is much more efficient for this process to be done locally rather than shipping the covers and filler overseas for assembly.

There being no further questions or comments, the Chairman asked if the Board wanted to accept the application and establish a public hearing.

Ms. Nolen moved to set a public hearing for 8:00 am on Monday, February 12, 2007 at the Halfmoon Town Hall. Mr. Sutton seconded the motion, with all in favor.

General Schuyler Emergency Corporation

Mr. Dawes presented the application and introduced Joanne Hanna, president of the General Schuyler Emergency Squad. He stated that the emergency squad is a 35-year old not-for-profit corporation operating in 2,500 sq. ft. it owns on Ferry Street in the village of Schuylerville. The squad intends to relocate to a new 8,000 sq. ft. building on NYS Rt. 29 in the town of Saratoga, west of the village. The squad is seeking the issuance of \$2.1 million in tax-exempt bonds on project costs of \$2.228 million. The emergency squad now employs 15 part-time skilled paramedics and anticipates increasing that number to 17 in year one and to 20 in the second year. The corporation is also supported by a large number of unpaid volunteers. Ms. Hanna stated that the squad services the town of Saratoga and village of Schuylerville and with increasing populations the squad finds itself cramped in its present building and needs additional space (including living space for the paramedics' long shifts). The squad purchased the new site (3.3 acres) in 2004 and has preliminary site plan approval with the town of Saratoga planning board. Mr. Hanehan stated that the emergency squad reports monthly to the town board, is staffed by qualified personnel and provides great service to the two communities. Their dedication and professionalism is appreciated immensely, he noted, and he welcomes the opportunity to provide financial assistance.

Mr. Dunn noted that the 8,000 sq. ft. facility being constructed for \$2.1 million seems expensive for a one-story building with no basement. Ms. Hanna indicated that the \$265/sq. ft. cost is a matter that the squad will be pursuing further with their architect.

Mr. Callanan stated that the squad is before the Agency for tax-exempt bonds only and that will also require approval from the county Board of Supervisors. Mr. Carminucci indicated that the squad may be subject to mortgage recording tax (not yet determined) and may also seek an exemption from this tax.

There being no further questions or comments, Mr. Merriam moved to set a public hearing date of Wednesday, February 14, 2007 at 9:00 am in the town of Saratoga Town Hall. Ms. Nolen seconded the motion, with all in favor.

Saratoga Eagle Sales & Service, Inc.

Jon Dawes presented the application prepared by Saratoga Eagle Sales and Service, Inc. in which the Company seeks Agency assistance in its relocation from Glens Falls to Saratoga Springs. The Company is an affiliate of Try-It Distributing Co., Inc. located in Buffalo and doing business since 1949. The Company has operated locally out of a 64,000 sq. ft. leased facility in Glens Falls since 1967. It has an option to purchase 27 acres for construction of a 100,000 sq. ft. warehouse distribution facility in the Grande Industrial Park. Currently there are 88 full-time employees at the Glens Falls site and the Company anticipates increasing employment by nine in the first year at the Saratoga Springs facility. In the second year of operation employment is projected to increase by 27 to a total of 124 full-time employees.

Mr. Dawes stated that Saratoga Eagle is seeking a five-year PILOT with the abatement of property taxes, sales tax, and mortgage recording tax. The project's land value is \$1.2 million and total project costs are 12,050,000 with the Company seeking a ten-million dollar conventional mortgage.

Mr. Dawes introduced Jeff Vukelic (president) and Ken Davis of Saratoga Eagle Distribution. Mr. Vukelic stated that he needs to relocate to a bigger and more efficient building with a location more central to its growing market. Saratoga County was selected as that central location. The operations in the leased facility in Glens Falls will close with the move in operations. Mr. Callanan asked Mr. Vukelic if the Company had looked at other sites in the Glens Falls area and he responded that they had not as they want to be located in Saratoga County. Regarding the Company's current location, Mr. Vukelic stated that he had no idea what would happen to that facility once his company vacated the building; that would be the landlord's decision. He stated that all employees will be retained, those that desire to move to the Saratoga Springs location.

In response to a question from Mr. O'Connor, Mr. Vukelic stated that his company does compete directly with De Cresente Distributing but their competition is between differing brand names.

Mr. Carminucci addressed the Chairman's inquiry over the application raising any concerns about the "anti-pirating" provision of General Municipal Law. Mr. Carminucci confirmed that the Agency should examine the issue in light of the "abandonment" of a Warren County facility. He recommended that the applicant address several questions in the application that are there to evaluate this important issue, particularly whether an out of state move was considered and the need to establish a competitive position for the Company.

Mr. Vukelic stated that his company was leaving the 64,000 sq. ft. facility at the end of the lease and the company now desires to purchase its own facility rather than lease. The 1967 facility is dated, inefficient and new technology can't be retrofitted to the existing facility.

Mr. Vukelic explained that he served a 5-county area as part of a 3-tier system in which Anheuser-Busch is the supplier, he is the distributor and retailers like Stewart's are the third level. Distributors bring choice/variety to the customer, he said. In a business that used to have 300 distributors there are now only 48 across New York State.

Mr. Sutton asked about the project's status with city review. Mr. Vukelic stated that they have received subdivision approval and are now before the planning board for site plan review. A closing on the property is anticipated for March 2007. Mr. Benton asked if the Company had listed any contingencies on its purchase option and Mr. Vukelic stated that there were none.

There being no further questions or comments, Ms. Nolen moved to set a public hearing for Wednesday, February 14, 2007 at 8:00 am in the Saratoga Springs City Hall. Mr. Sutton seconded the motion, with all in favor.

Adoption of FY 2007 Budget

Mr. Benton submitted to members the budget for 2007 that was advertised under a 20-day public comment period. Since the last meeting (December 21, 2006) the Agency has agreed to solicit proposals for a feasibility study related to the Moreau Rail Spur that may have a cost of ten to fifteen thousand dollars. He suggested that a footnote be added to the budget to show awareness of a future cost not now included in the expenditures for 2007. The budget will recognize the need for later revision.

There being no further questions or comments, Mr. Dunn moved to approve the FY 2007 budget as presented. Mr. O'Connor seconded the motion.

Resolution #927

RESOLVED THAT the Saratoga County Industrial Development Agency does hereby adopt an operating budget for Fiscal Year 2007 based upon estimated expenses of \$3,512,750 and estimated revenues of \$3,573,300 with an anticipated surplus of \$60,550.

Ayes: 7

Noes: 0

Adopted: 7-0

Public Authorities Accountability Act of 2005

Mr. Benton earlier provided members with draft by-laws based upon those used by the Dormitory Authority. Revisions and deletions were made and submitted to Mr. Toohey for his review as Agency counsel, the goal being compliance with the Accountability Act. Mr. Benton recommended that today the Agency consider two committees required under the Act – an Audit Committee and a Governance (oversight) Committee. The Chairman asked Mr. O’Conor, Mr. Dunn, Mr. Sutton and Mr. Merriam to serve as the Audit Committee to work with the independent auditor (Annual Report) and to select at a future time the Agency’s CFO. Mr. O’Conor expressed his concern about serving on the Committee and meeting the requirements of the Public Authority Act because of his bank’s past business relationship with the Agency through its investments. The Chairman agreed to Mr. O’Conor’s request to remove his name from the Audit Committee.

Regarding the Governance (Oversight) Committee, the Chairman asked Mr. O’Conor, Mr. Hanehan and Ms. Nolen if they would serve as its members and all agreed to do so. The Chairman will serve as an ex-officio, non-voting member of both committees.

Mr. Carminucci recommended that the Agency move quickly to select its CFO and Mr. Benton agreed to review the requirements and research whether someone should be considered from within Saratoga County’s personnel or hire from outside county staff/employees.

Mr. Dunn asked if a contracting officer was needed according to the Act and Mr. Benton stated that it is necessary to hire/appoint one. He suggested that the Governance Committee give thought to this choice at a later time. That person will be responsible for the disposition of real property, such as the two rail lines owned by the IDA.

Mr. Dunn suggested that the new by-laws presented earlier include a reference to the Agency’s bond counsel. Mr. Benton agreed to revise the by-laws to address the designation and role of bond counsel.

Moreau Rail Spur Bid

Mr. Benton reported that as a follow-up to the discussion of the December 11, 2006 meeting he has received interest from four engineering firms in response to the RFP for a rail services study in regard to the Agency-owned rail line in Moreau and South Glens Falls. Written proposals are to be submitted by consultants by January 19th after which Mr. Benton will confer with the Board’s selection committee. The chosen consultant will perform an inspection of the 4.7-mile rail line and report on the existing condition of the line, its ties, highway crossings and drainage. He added that the state has a rail program for which \$27 million is available statewide. This is an available money source, he explained, that (if qualified) may be utilized if the Agency decides to go ahead with the study’s recommendations.

Auditor for FY 2006 Annual Report

Mr. Benton presented the Members with a proposal dated December 13, 2006 from Edmund Galka, CPA for professional accounting services in the amount of \$2,000 to perform the Agency's audited Annual Financial Report. He noted that this represents the same cost that Mr. Galka provided his services for the past three years and that Mr. Galka can meet the reporting requirements of the Public Authorities Act under this contract and cost. Mr. Benton said he had spoken to the Director of State Budget Office who confirmed that the Agency would need to conduct an R.F.P. for audit services for its 2007 fiscal year.

There being no further questions or comments, Mr. Dunn moved to authorize the contract with Mr. Galka at a cost of \$2,000. Mr. O'Connor seconded the motion.

Resolution #928

RESOLVED THAT the Saratoga County Industrial Development Agency does hereby enter into contract with Mr. Edmund Galka, CPA for the preparation and completion of the 2006 audited Annual Financial Report.

Ayes: 7

Noes: 0

Adopted: 7-0

IDA Conference

Mr. Benton requested Board authorization for the Agency's expenditure of \$250 for he and Mr. Galka to attend the annual IDA Conference presented by the New York State EDC on January 17th. The focus of the conference is to be compliant with the requirements of the Public Authorities Accountability Act of 2005.

There being no further questions or comments, Mr. Dunn moved to authorize the expenditure of \$250 for attendance at the annual IDA Conference. Mr. O'Connor seconded the motion.

Resolution #929

RESOLVED THAT the Saratoga County Industrial Development Agency does hereby authorize the expenditure of \$250.00 for the attendance of Lawrence Benton, CEO and Ed Galka, CPA at the NYS Economic Development Council's January 17, 2007 IDA Conference.

Ayes: 7

Noes: 0

Adopted: 7-0

Other Business

The Chairman stated that he had received an inquiry from Mr. Valentine on behalf of the Saratoga County Planning Department, asking if the Agency would consider sponsoring one of the two remaining options to financially support the Third Annual Planning and Zoning Conference to be held

on January 24, 2007 at the Saratoga Springs City Center. Jason Kemper, director of the planning department, provided a conference budget that showed a present positive \$1,400 balance of revenues over expenses. Mr. Benton suggested that rather than supporting the event as a sponsor (because the event appears to be able to support itself at this time) perhaps the Agency could agree to provide up to \$2,000 if needed to cover an operating deficit following the completion of the conference. The Board concurred with the suggested approach.

There being no further questions or comments, Mr. Dunn moved to provide Agency funds to the Saratoga County Planning Department up to \$2,000 to cover an operating deficit, should one occur, for the Annual Planning and Zoning Conference. Mr. O'Connor seconded the motion.

Resolution #930

RESOLVED THAT the Saratoga County Industrial Development Agency hereby authorizes the expenditure of up to \$2,000 for the benefit of the Saratoga County Planning Department. The potential release of funds will be to cover an operating deficit, if one should exist according to a review of department expenses and revenues, in the department's production of its Annual Planning and Zoning Conference.

Ayes: 7

Noes: 0

Adopted: 7-0

Adjournment

There being no further questions or comments, Mr. Merriam moved to adjourn the meeting. Mr. Dunn seconded the motion, with all in favor.

Respectfully submitted by,

Michael Valentine, Sr. Planner

Meeting Minutes **January 30, 2007**

The meeting held at the offices of the Saratoga County Planning Department located at 50 West High Street in Ballston Spa was called to order at 8:00 am.

The following Members, Staff and Guest were present:

Members: Raymond Callanan, Chairman; Richard Dunn, Suzanne Daley-Nolen, and Charles Hanehan.

Staff and Guests: Lawrence D. Benton, CEO; Michael Valentine, Sr. Planner; Michael Toohey, Counsel; James Carminucci, Bond Counsel; Jon Dawes, SEDC; Stephen Williams, Daily Gazette.

Approval of Minutes

The Minutes of the January 8, 2007 meeting were unanimously approved with minor changes/additions to the draft following a motion by Mr. Hanehan, seconded by Mr. Dunn.

Bank North Depository Resolution and Signature Card

Mr. Benton explained that the Agency needs to update its Master Signer Certificate with TD Banknorth as it is soon to expire. The names and signatures of those members and staff eligible to sign on behalf of the Agency needs to be authorized by resolution to carry on investment in certificates of deposits and associated wire transfers. Mr. Benton sought Board authorization for Chairman Callanan, Mr. Dunn (Treasurer), Mr. Merriam (Secretary), Mr. Valentine and himself (CEO) to sign the bank signature card and the annual Master Certificate.

There being no further questions or comments, Ms. Nolen moved to authorize the requested members and staff as eligible signers of accounts with TD Banknorth. Mr. Dunn seconded the motion.

Resolution #931

RESOLVED THAT the Saratoga County Industrial Development Agency does hereby authorize Raymond Callanan, Richard Dunn, Charles Merriam, Jr., Lawrence Benton, and Michael Valentine as signers to TD Banknorth's Municipal Master Signer Certificate and Certificate of Resolution of Corporation permitting said members and staff the authority to open accounts, deposit, and withdraw funds on behalf of the Agency in accordance with its Investment Policy. Such corporate resolution is hereby adopted and attached hereto these minutes.

Ayes: 4

Noes: 0

Adopted: 4-0

FY 2006 Final Budget

Mr. Benton presented the final budget for FY 2006 that reflects a review and closing of the financial books through December 31, 2006. He and Mr. Dunn (treasurer) reviewed expenditures and revenues as of year end. A closing fee from Precision Valve (AJH) shown in the previously revised budget has been removed as it has not been received at this time. Following additional adjustments for interest earned the Final 2006 Budget shows a deficit of \$19,521.

There being no further questions or comments, Mr. Hanehan moved to accept the final FY2006 Budget as presented. Ms. Nolen seconded the motion.

Resolution #932

RESOLVED THAT the Saratoga County Industrial Development Agency does hereby adopt the Final FY 2006 Budget reflecting revenues (\$3,671,812) and expenses (\$3,687,764) through December 31, 2006.

Ayes: 4

Noes: 0

Adopted: 4-0

FY 2006 Revenues and Expenditures

Mr. Benton informed members that he has provided the Agency's treasurer with a report of 2006 expenditures and revenues. Mr. Dunn stated that he has reviewed the report and its contents and is satisfied with the detailed breakdown of its components. Expenditures and revenues are both reported as PILOT-generated and as non-PILOT related to show that PILOT payments – either as revenue received from company payments or as an expense distributed to taxing jurisdictions – account for roughly 95% of both sides of the equation.

There being no further discussion Ms. Nolen moved to accept the revenues and expenditures report. Mr. Hanehan seconded the motion.

Resolution #933

RESOLVED THAT the Report on 2006 Revenues and Expenditures of the Saratoga County Industrial Development Agency as prepared by the CEO and reviewed by the treasurer is hereby accepted.

Ayes: 4

Noes: 0

Adopted: 4-0

Correspondence

Mr. Benton informed the Board that he has received and responded to two requests for information made under the Freedom of Information Law related to the IDA application by Saratoga Eagle Distribution. One request was made by attorney Richard Mullaney on behalf of the Saratoga Springs City School District while the other was made by Matthew McCabe, Commissioner of Finance for the city of Saratoga Springs.

Moreau Rail Spur: Review of Bids (Executive Session)

The Chairman stated that a review of the bids received for the study of the existing Agency-owned rail line was going to be conducted and asked that a motion be made to enter into executive session.

Ms. Nolen made a motion to enter into executive session for the purpose of reviewing those bids received in response to Request for Proposals. The motion was seconded by Mr. Hanehan and approved by all.

Ms. Nolen moved to return to regular session following the conclusion of discussion. Mr. Hanehan seconded the motion which was approved by all.

Mr. Benton reported that SCA Tissues (previously Encore), located in the village of South Glens Falls, approached Jack Kelly of SEDC about the re-use of the Agency's line to bring in wood chips on rail cars as a fuel source to generate steam. From the initial discussion with SEDC, followed by further discussion with DOT's rail division and others in the rail industry, the Agency sought proposals from firms knowledgeable and experienced in the analysis of existing rail lines.

He stated that five firms were mailed the RFP – Clough Harbour & Associates, C.T. Male Associates, Environmental Design Partnership, Spectra Engineering, and Hatch Mott McDonald. Four firms with the exception of Hatch McDonald responded. A committee comprised of Mr. Benton, Mr. Dunn and Mr. O'Connor met to review the proposals and interview firms. The committee's recommendation, stated Mr. Benton, was that the Board select Clough-Harbour. That decision was based upon the firm's strong qualifications and experience, the use of full-time professional engineers for the study, the firm's familiarity with the rail line through other work in the area and a firm lump-sum contract price not to exceed \$12,000. Mr. Dunn suggested that upon completion of the study the Agency approach DOT for grants or other funding sources if there is an interested company. Mr. Benton stated that there is a \$28 million dollar fund for rail projects across the state, indicating that this will be a source the Agency should pursue if it determines from the study that the rail line should be rehabilitated. The Chairman stated that the committee has a comfort level with Clough Harbour and with what it has presented; he recommended a resolution making the choice to issue a notice to Clough Harbour to proceed, starting as soon as possible.

There being no further questions or comments, Mr. Dunn moved to accept the proposal presented by Clough-Harbour & Associates as presented and discussed. Ms. Nolen seconded the motion.

Resolution #934

RESOLVED THAT the Saratoga County Industrial Development Agency does hereby accept the proposal prepared by Clough-Harbour & Associates for completion of an inventory, analysis, and cost estimate to rehabilitate the 4.7-mile Agency-owned rail line located in the town of Moreau and village of South Glens Falls for a lump sum price of \$12,000.

BE IT FURTHER RESOLVED THAT the Agency authorizes Mr. Benton to issue Clough Harbour & Associates a notice to proceed immediately.

Other Business – Public Authority Accountability Act of 2005

Mr. Benton asked if the Board wanted to consider a resolution for adoption of the by-laws previously reviewed and discussed. The role of bond counsel's responsibilities has been added, with language similar to that used by the Dormitory Authority. While Mr. Carminucci has reviewed the by-laws, Mr. Toohey has not yet reviewed the added language; therefore, any discussion and action was postponed.

Mr. Benton noted that the Board previously appointed a Governance (Oversight) Committee but would have to appoint someone to serve with Mr. Hanehan and Ms. Nolen filling the vacancy created by Mr. O'Connor's resignation. One of the specific roles of the governance committee is to advise the Board of Supervisors on the skills and expertise which a prospective member of the Agency board should possess. He also stated that he will draft a letter for the Board's review regarding prospective candidates. Mr. Benton also asked the members to give some thought to an individual who might be able to serve as the Agency's Chief Financial Officer. Additionally, Mr. Benton will also be working on property disposition guidelines and a whistleblower policy both of which are required by the PAAA.

Regarding the ethics code which the board must adopt and financial disclosure that each member must provide, discussion continued on whether to adopt the code currently used by Saratoga County for its employees with a change in name to note applicability to Saratoga County IDA. Mr. Toohey suggested that the Agency may want to consider an ethics code that is separate and distinct from Saratoga County's and Mr. Benton stated that he will research other sources and report back to the Board.

Adjournment

There being no further questions or comments, Ms. Nolen moved to adjourn the meeting. Mr. Hanehan seconded the motion with all in favor.

Respectfully submitted by,

Michael Valentine, Sr. Planner

MEETING MINUTES
February 12, 2007

The meeting held at the town of Halfmoon Town Hall located at 111 Route 236 in Halfmoon was called to order at 8:00 am following the close of a public hearing held to consider the application by Perry Textiles, Inc.

The following Members, Staff and Guest were present:

Members: Raymond Callanan, Chairman; Charles Merriam, Jr., Richard Dunn, Suzanne Daley-Nolen, and Rod Sutton.

Staff and Guests: Michael Valentine, Sr. Planner; Michael Toohey, Counsel; James Carminucci, Bond Counsel; Jon Dawes, SEDC; Harold Perry, Perry Textiles; Kenneth DeCerce, Supervisor, Town of Halfmoon; Mindy Wormouth, Town Board Member, and Stephen Williams, Daily Gazette.

Approval of Minutes

The Minutes of the January 30, 2007 meeting were unanimously approved following a motion by Mr. Dunn, seconded by Mr. Merriam.

Application: Perry Textiles, Inc.

Mr. Carminucci presented a resolution that authorizes preliminary approval of the application made by Perry Textiles, Inc. for Agency assistance. Mr. Carminucci stated that the resolution has been reviewed by Mr. Valentine and Mr. Toohey and Mr. Valentine affirmed that its content matches that of the company's application. Mr. Carminucci noted that the resolution makes no SEQR determination as the approval status of the project with the town of Halfmoon has not been ascertained. Mr. DeCerce, the Halfmoon town supervisor, confirmed that the project has received final site plan approval. Mr. Dawes stated that there is nothing to add beyond the information provided at the previous meeting.

As there were no additional questions or comments, Mr. Sutton moved to grant preliminary Agency approval to the Perry Textiles application. Mr. Dunn seconded the motion.

A roll call vote was taken on Resolution #935 (attached) with the following results.

Ayes: Mr. Dunn, Mr. Merriam, Mr. Sutton, Ms. Nolen, and Mr. Callanan.

Noes: None

Adopted: 5-0

Other Business

Mr. Valentine distributed a February 6, 2007 letter from Jeff Vukelic of Saratoga Eagle Sales and Service requesting cancellation of the IDA's 8:00 am February 14th public hearing to present the application by his company. Mr. Valentine reminded the members that there will, however, be a

public hearing held at 9:00 am on February 14th at the town of Saratoga town hall for a hearing of the application by General Schuyler Ambulance Corp.

Also provided to the members was correspondence from the IDA's Governance Committee to the Chairman of the county Board of Supervisors in which recommendations for selection criteria to be utilized in the appointment of IDA Board Members are defined. The Committee advised that under the Public Authorities Accountability Act of 2005 it is responsible to advise the Board of Supervisor of the criteria for the selection of effective members to the IDA. This information was provided to enable the Board of Supervisors to assist the Agency in fulfillment of its responsibilities to the Board and county residents.

Adjournment

There being no further items to come before the Board, Ms. Nolen moved to adjourn the meeting. Mr. Sutton seconded the motion, with all in favor.

Respectfully submitted by,

Michael Valentine
Sr. Planner

MEETING MINUTES
March 12, 2007

The meeting held at the offices of the Saratoga County Planning Department located at 50 West High Street in Ballston Spa was called to order at 8:00 a.m.

The following Members, Staff and Guest were present:

Members: Raymond Callanan, Chairman; Charles Merriam, Jr., Richard Dunn, Rod Sutton, and Charles Hanehan.

Staff and Guests: Michael Valentine, Sr. Planner; James Carminucci, Bond Counsel; Jon Dawes, SEDC; Joanne Hanna, President of Schuyler Emergency Squad; Sherry Doubleday, General Schuyler EMS; Stephen Williams, Daily Gazette.

Approval of Minutes

The Minutes of February 12, 2007 meeting were unanimously approved following a motion by Mr. Merriam, seconded by Mr. Dunn.

Inducement Resolution: General Schuyler Emergency Squad

The Chairman recognized Jon Dawes of SEDC who was present with Joanne Hanna (pres.) and Sherry Doubleday of the General Schuyler Emergency Squad. Mr. Carminucci distributed a resolution for Board review and action. The Chairman asked if there was anything new about the proposed project since it was presented on January 9th and Mr. Carminucci and Mr. Dawes indicated that there was not. The Chairman explained that the application seeks a tax-exempt bond issuance not to exceed \$2.1 million for the construction of a new emergency squad building on NYS Rt. 29 in the town of Saratoga, west of the village of Schuylerville. The new 8,000 sq. ft. facility will replace the existing 2,500 sq. ft. building on Ferry Street in Schuylerville. There will be no PILOT Agreement, noted Mr. Callanan, but the squad is requesting a sales tax exemption related to construction materials and possibly a mortgage recording tax exemption.

Mr. Valentine stated that a public hearing on the application was held on February 14, 2007 at the town of Saratoga town hall. Because of the snowstorm that began earlier that morning there was not a quorum of the Board (Mr. Sutton was present). The hearing was held and closed without a vote being taken on the inducement resolution. The applicants attended the public hearing as did town supervisor Thomas Wood. Mr. Wood provided Mr. Dawes with a letter supporting the project which Mr. Dawes gave to the Chairman this morning. Supervisor Wood stated that the service needs of his growing community need to be met by a larger emergency squad and the town supports the increased capacity sought through this application. Mr. Valentine noted that the Board previously commented on the \$365 per sq. ft. project cost and Ms. Hanna explained that the \$2.1 million cost reflects start to finish costs, not only building construction cost. If building costs alone were calculated that would result in a square foot cost of \$193, or roughly \$1.54 million. This reflects the removal of site costs such as landscaping, parking, and lighting. The \$2.1 million is a turnkey figure that represents a facility that allows the squad to move in and begin operations. Mr. Valentine explained that the Malta Ambulance Corps. undertook a project

assisted by IDA tax-exempt bonding in 2000. The project costs at that time computed to a square foot cost of \$230. Inflationary building costs since 2000 would result in a 2007 square-foot cost of roughly \$350 for the Malta project. In conversation with the Halfmoon councilman heading up construction of their new town hall Mr. Valentine learned that they too are encountering sq. ft. costs above the \$300 threshold.

As there were no additional questions or comments, Mr. Hanehan moved to approve the inducement resolution presented by bond counsel. Mr. Dunn seconded the motion.

A roll call vote was taken on Resolution #936 (attached) with the following results.

Ayes: Messrs. Hanehan, Dunn, Merriam, Sutton, and Callanan.

Noes: None

Adopted: 5-0

Correspondence

The Chairman stated that he had received a letter from Mayor Keehn of Saratoga Springs in which she requested to meet with Agency representatives to discuss how the IDA could financially assist the city in its efforts to leverage private sector interest and investment in tourism and convention sectors. The Chairman asked members if they would consider forming a subcommittee to meet with the Mayor. He asked that a committee of Chairman Callanan, Rod Sutton and Rick Dunn (both being city residents) be authorized to meet and discuss her letter. He and the other two members accepted and by consensus it was agreed that the Chairman will call the Mayor to set a meeting date.

Public Authorities Accountability Act

Mr. Valentine briefly discussed the status of the Agency policies being worked on by the CEO. The four policies Mr. Benton has drafted for Board review are the Whistleblower Policy, Property Disposition Policy, the Model Code of Ethics, and Agency By-Laws. Mr. Valentine explained that the revisions to the Property Disposition Policy he made with Mr. Benton were emailed to members last week separate from the packet. The Ethics Policy could not be located for inclusion in mailing to members; therefore, the Chairman suggested that once staff had the Code of Ethics that a packet of the four policies be mailed to members for their review. The Board can then consider the policies for adoption at its April 9th meeting.

PILOT Payments & Distribution

Mr. Valentine reported that the January billings had been sent to companies for town, city and county taxes. He stated that all payments have been received except from Great American Bicycle. The Company has been sent a letter billing penalty and interest for late payment. Mr. Carminucci stated that the Company is a client of his firm and he will make contact to determine why payment is being delayed. Mr. Valentine stated that he will issue PILOT distribution payments to towns, the city of Saratoga Springs, the City Center and Saratoga County this week.

Year-End Financial Report

Mr. Valentine reported that he and Mr. Benton had met with the Agency's auditor, Ed Galka, to review what needs to be done to start the Annual Financial Review (AFR). Mr. Valentine has compiled the

financial surveys received from the Companies and input data onto the one-page report that supplements the AFR. This week he will continue to work on the PILOT calculations (normal vs. PILOT payments) needed for the Report. It is anticipated that Mr. Galka will be reviewing materials with Mr. Valentine during the week of March 19th-23rd.

Other Business

Request for a Subcommittee Meeting - Mr. Valentine reported that Robert Sweeney, as counsel for Michael Hoffman, made further inquiry about meeting with the Agency's subcommittee that reviews potential applications. Mr. Hoffman is developing a parcel on Lake Avenue of Saratoga Springs on which the Saratoga Hampton Inn is now being constructed. At a previous subcommittee meeting held on December 5, 2006 to discuss the Moreau Rail Line the committee members briefly discussed Mr. Hoffman's desire to apply for IDA assistance in the construction of the hotel. The consensus of the committee then was that the SCIDA does not and has not in the past assisted hotel projects and that Mr. Hoffman would be advised of that general policy. Since that meeting Mr. Toohey has conversed with Mr. Sweeney about making an application to the IDA. Mr. Toohey stated that the general context of his conversation revolved around the fact that the project is already underway and as such there would be no inducement provided by Agency assistance. Critical to any project's consideration is that the Agency provides economic benefits as a way to induce a company or project when there is a valid indication that site outside the state or county was being considered as another location.

Mr. Toohey stated that in his conversation with Mr. Sweeney the point was made that past hotel applicants were discouraged from applying for IDA assistance because of the requirements under General Municipal Law. Mr. Carminucci explained that statute has a prohibition against retail projects and hotels, as such. Hotels are required to evidence that marketing is being undertaken to attract specifically business as a tourism destination. Advertising and marketing to outside the eight-county economic region is necessary to qualify the hotel as a tourism destination. Mr. Toohey reminded members that in the early 80's the application of the Holiday Inn was disapproved because in itself the hotel was just one in a chain of hotels with no tourism destination component. An application by Merlin Development moved forward in 1997 because the Rip Van Dam renovation was centrally focused on drawing tourism from beyond the eight-county economic region.

Chairman Callanan reiterated his earlier decision regarding the proposed application. He asked that staff contact Mr. Sweeney and advise him that because the project does not have a regional tourism destination component and because it does not appear that there is a need for inducing the construction of the hotel the Agency can not consider an application for the Agency.

Mr. Valentine advised the Board that **Saratoga Eagle Distributors** contacted SEDC prior to today's meeting and requested to be removed from the agenda. The company is working with its counsel, meeting with city officials and talking with residents about its project and felt it was premature to meet with the Agency again. (NOTE: following this meeting of the IDA, SEDC was contacted by the Company's counsel and indicated that Mr. Vukelic would be rescheduling to be on the May meeting agenda).

Mr. Valentine informed the Board that Robert Badger of Clough Harbour will have a draft overview report on the **Moreau Rail Line** completed by the end of March and is scheduled to make a presentation at the April 9th IDA meeting.

Adjournment

There being no further items for discussion, Mr. Dunn moved to adjourn the meeting. Mr. Sutton seconded the motion, with all in favor.

Respectfully submitted by,

Michael Valentine, Sr. Planner

MEETING MINUTES

April 9, 2007

The meeting held at the offices of the Saratoga County Planning Department located at 50 West High Street in Ballston Spa was called to order at 8:00 a.m.

The following Members, Staff and Guest were present:

Members: Raymond Callanan, Chairman; Charles Merriam, Jr., Richard Dunn, Suzanne Daley-Nolen, Rod Sutton, and Charles Hanehan.

Staff and Guests: Lawrence D. Benton, CEO; John Murray, CFO; Michael Valentine, Sr. Planner; Michael Toohey, Counsel; James Carminucci, Bond Counsel; Jon Dawes, SEDC; and Robert Badger, Clough Harbour Associates.

Approval of Minutes

The Minutes of March 12, 2007 meeting were unanimously approved following a motion by Mr. Dunn, seconded by Mr. Merriam.

Moreau Rail Spur, Engineering Report

Robert Badger of Clough Harbour & Associates (CHA) was present to review with the Board the preliminary funding of the Moreau Rail Spur Study. The Chairman provided background information, including the reason for the Agency's 1996 purchase of the 6-mile rail line, the recent interest voiced by SCA Tissues for rail service, and the purpose of conducting this current study. Mr. Badger explained how data collection and the use of track inventory sources by CHA has formed the basis of this study. He stated that actual field work has been minimal because of the February and March snow storms that covered the rail.

Mr. Badger explained that the rail line was divided into the Fennimore Branch and the Moreau Spur. The latter is the main line that runs for 4.4 miles from the south side of NYS Rt. 197 and into the village of South Glens Falls terminating at the river near SCA Tissues. The Fennimore Branch is comprised of 1.6 miles of right of way with no rail. This will require complete track replacement as well as the replacement of three grade crossings that were previously removed.

The Village Spur may require a 50% tie and timber replacement program to bring service up to operating standards. The existing 80-lb. rail, while not the optimum for current rail loadings, could be enhanced through a partial replacement program. Also, it will be necessary to install six grade crossings at county and state roads. Mr. Badger noted that both the requirements of those shipping on this main line and the availability of funding will determine the extent of a replacement program.

Regarding costs, the estimate for the 4.4-mile Moreau Rail Spur (main line) was charted by CHA as being \$3,000,000 while the cost for the 1.6-mile Fennimore Branch was estimated to be \$2,000,000. Mr. Badger stated that prices have gone up considerably in the last two to three years. Also, there is a lot of rail work available for contractors, causing bid prices to come in higher than usual.

In its discussion the Board considered under what scenario does the IDA go the next step with this study and what can be done with this rail resource. Mr. Badger explained that trucking is not as competitive as a rail for long-distance hauls. Trucks are competitive up to 150 miles, so certain questions have to be considered, such as: where are the shipments coming from, how far away, what is being shipped and do we have the right mix of needs by local industries for the IDA to take on a rail project?

The Board thanked Mr. Badger for his presentation and agreed that further input from members and SEDC regarding the needs of local business and use in the Moreau Industrial Park will be necessary before a determination is made on a course of action.

FY 2006 Annual Financial Report

Mr. Valentine reported that **47** companies were mailed financial surveys in December and the data returned was the source for the supplemental information accompanying the auditor's report. Information on job creation, job retention, PILOT payments, normal taxes and exemptions are compiled for review by the auditor. This information supplements his Report which is derived from Agency records provided by Mr. Benton. This year, in accordance with the Public Authorities Accountability Act, the Audit Committee will work with Mr. Galka and the Agency's CFO to complete the Report. Mr. Benton will schedule a meeting of the committee to present and review the materials within the Report.

Appointment of Chief Financial Officer

The Chairman announced that John Murray, who has worked as a Saratoga County auditor for 15 years, has agreed to serve as the Agency's Chief Financial Officer, serving at the pleasure of the Board. Mr. Murray, aside from his work on the county level, has 25 years of financial experience in private business – at General Electric and then for a small firm. Mr. Benton has provided budget materials and the 2005 Annual Financial Report to Mr. Murray to help him get acquainted with Agency records.

There being no questions or comments, Mr. Sutton moved to appoint John Murray to the position of Chief Financial Officer. Mr. Dunn seconded the motion.

Resolution #937

RESOLVED THAT the Saratoga County Industrial Development Agency does hereby appoint John Murray to serve at the pleasure of the Board as the Agency's initial Chief Financial Officer in accordance with the Public Authority Accountability Act of 2005.

Ayes: 6

Noes: 0

Adopted: 6-0

Adoptions of Policies

Mr. Benton briefly reviewed the four policies earlier provided to members and requested action by the Board on each policy separately. The By Laws, he explained, provide a narrative description of the roles and responsibilities of the CEO, CFO, Agency counsel, bond counsel and officers. The proposed By Laws, as an amendment of the current By Laws, model those of the state Dormitory Authority. They propose the removal of the current restriction on the vice-chairman and secretary serving in one position only. The By Laws also have a provision for the indemnification of the Agency members for any actions or appeals made for carrying out any of the Agency's purposes and powers.

There being no questions or comments, Mr. Merriam moved to adopt the By Laws as presented by Mr. Benton. Mr. Sutton seconded the motion.

Resolution #938

RESOLVED THAT the Saratoga County Industrial Development Agency does hereby authorize the adoption of the amended Agency By Laws as presented this day by the Chief Executive Officer and as required in accordance with the Public Authorities Accountability Act of 2005.

Ayes: 6

Noes: 0

Adopted: 6-0

Adoption of Code of Ethics

Mr. Benton presented the proposed Code of Ethics, noting that members and employees are still subject to Saratoga County's Ethics Law. The Code of Ethics will act as a guide for official conduct of Agency business and serve as a means of preserving public confidence in the Agency's performance of its responsibilities. Mr. Benton stated that an Ethics Officer is required under the Authorities Act and, at the request of the Chairman, Mr. Merriam agreed to serve in that position.

There being no questions or comments, Mr. Hanehan moved to authorize adoption of the Agency's Code of Ethics. Mr. Dunn seconded the motion.

Resolution #939

RESOLVED THAT in accordance with the Public Authorities Accountability Act of 2005 the Saratoga County Industrial Development Agency does hereby adopt the Code of Ethics prepared and presented by the Chief Executive Officer, and

BE IT FURTHER RESOLVED THAT at the request of the Chairman and concurred by the Members, Charles Merriam shall serve as the Agency's Ethics Officer.

Ayes: 6

Noes: 0

Adopted: 6-0

Whistleblower Policy

Mr. Benton stated that part of complying with the Code of Ethics is the responsibility of Board members and employees to report violations or suspected violations. The Whistleblower Policy protects those who report such violations from any retaliation. The policy establishes reporting and investigation of any wrongdoing through the Agency's Compliance Officer.

There being no questions or comments, Mr. Sutton moved to authorize adoption of a Whistleblower Policy as presented by Mr. Benton. Mr. Dunn seconded the motion.

Resolution #940

RESOLVED THAT the Saratoga County Industrial Development Agency, in compliance with Public Authorities Accountability Act and with its own Code of Ethics, does hereby adopt a Whistleblower Policy to create an open door policy to facilitate, without retaliation, the reporting of any violation(s) of the Code.

Ayes: 6

Noes: 0

Adopted: 6-0

Property Disposition Policy

Mr. Benton presented a policy for supervision and direction over the disposition and sale of property owned by the Agency. Disposal of property (in excess of \$5,000 in value) involves the transfer of title (or other beneficial interest). The Agency is required to maintain an inventory of fee-owned property and to publish at least annually a report of all such owned property. This report must be provided to the Comptroller's Office and to the Director of the Budget. Disposal of property, he explained, must follow certain procedures involving a bid process and public advertising. He suggested that the Board, as part of a resolution to adopt this policy, appoint him as the Agency's Contracting Officer responsible for the transfer or disposition of property.

There being no further questions or comments, Mr. Dunn moved to adopt the Property Disposition Policy as presented. Ms. Nolen seconded the motion.

Resolution #941

RESOLVED THAT the Saratoga County Industrial Development Agency does hereby adopt the proposed Property Disposition Policy in accordance with the Public Authorities Act of 2005, and

BE IT FURTHER RESOLVED THAT Lawrence D. Benton, as Agency CEO, shall serve as the Contracting Officer specified by the Property Disposition Policy.

Ayes: 6

Noes: 0

Adopted: 6-0

SEDC's 2006 Fee Split Report

Mr. Benton spoke to the Board about the administrative audit conducted by the state Comptroller's Office in 2003. He explained that Saratoga County was one of five active regional IDA's whose policies and procedures were reviewed. The Agency's practices were well-received by the audit and one of its suggestions was that SEDC, as the marketing arm of the IDA, report on the use of the revenue it receives as a split of the Agency's administrative fees from project closings. Mr. Dawes was, therefore, present this morning to provide a report on fee revenues SEDC received in 2004, 2005 and 2006. IN the course of these three years there were a total of eight closings that resulted in fee revenue to SEDC of \$24,979.06 and \$32,396.25 and \$53,925.00, respectively. As per the Agency's agreement with SEDC, these revenues are to be used to assist SEDC in its efforts to promote economic development in Saratoga County. Mr. Dawes reported that 128 prospects for IDA assistance came to SEDC in the course of these three years.

The three Reports are attached to these minutes for further description of the work accomplished by the SEDC through use of revenues generated by the IDA.

Other Business

Chairman Callanan informed the Board about a subcommittee of Mr. Dunn, Mr. Sutton and himself **met with Saratoga Springs Mayor Valerie Keehn** and councilman McCabe on March 20th at City Hall. The mayor had addressed a letter to the Chairman requesting a meeting to discuss how the IDA and the city might be able to work together on issues in the city related to economic development, traffic and parking. Discussion at the meeting centered on IDA participation in the city's funding of a Woodlawn Avenue parking garage. The Chairman concluded the meeting's discussion by stating that the IDA would certainly work with any qualified applicant. The Chairman thanked Mayor Keehn for the opportunity to meet. He stated that the Agency looks forward to continued participation in key city projects such as Quad Graphics, Ball Manufacturer, the YMCA, Saratoga Hospital, the Mill, and the City Center.

Mr. Valentine distributed a March 20th letter addressed to the Chairman that was received from **Saratoga Eagle**. The letter, he explained, addresses the company's desire to further discuss the project at the IDA's May 14th meeting (instead of April 9th) and to schedule a public hearing for June. The May 14th meeting will be used to update the IDA members on the company's discussion of its application with city officials and neighborhood groups.

Mr. Benton informed the Board that the 10-year term associated with the PILOT Agreement for the **Finch and Pruyn Landfill Partnership** has been fulfilled. The Company constructed a paper sludge landfill in the town of Northumberland for which Agency bonds were issued and sales tax exemptions provided. The Partnership paid full taxes on its assessed value throughout the abatement period. With the parent company now being offered for sale the timing is appropriate, stated Mr. Benton, to reconvey title back to the company.

There being no further questions or comments, Mr. Dunn moved to authorize execution of documents for the reconveyance of title to the company. Ms. Nolen seconded the motion.

Mr. Benton asked Board members and staff to review the invitations for **SEDC's Annual Dinner** that will be held on Thursday, May 3rd at the Saratoga Springs City Center. The Agency will pay for attendance by a member and spouse or staff. It is necessary that each members/staff contact either Mr. Benton or Mr. Valentine to reserve seats at a table and select his/her choice of entrée.

Regarding reconveyances, Mr. Benton informed members that the deed reconveying title back to **Saratoga Hotel Associates** (Prime Hotel) in Saratoga Springs was recorded on February 26, 2007 and **Window Tech Systems** of Malta was reconveyed to the Company on February 20th. The 10-year abatement period had ended for **Ace Hardware's** facility and for **Saratoga Flour**, both of Wilton. Both of the latter companies have been contacted regarding quit claim deeds to reconvey title.

Resolution #942

RESOLVED THAT the Industrial Development Agency of Saratoga County does hereby authorize the Agency counsel to prepare any and all formal documents required for the reconveyance of title by quit claim deed from the IDA to Scott & Finch Landfill Partnership, Inc.

Ayes: 6

Noes: 0

Adopted: 6-0

Mr. Carminucci stated that in March the Agency approved a mortgage of the refinancing sought by ARC/Saratoga Bridges. At this time he is requesting that the Agency authorize the Chairman to sign documents necessitated by the Adirondack Trust Company's requirement that a second mortgage be executed on the Malta facility to secure the mortgage on the Corinth facility.

There being no further questions or comments, Ms. Nolen moved to authorize the Chairman to execute documents to secure the ARC mortgage. Mr. Hanehan seconded the motion.

Resolution #943

RESOLVED THAT the Chairman of the Saratoga County Industrial Development Agency is hereby authorized to sign any and all documents required to secure the financing for the ARC/Saratoga Bridges facility in the town of Corinth.

Ayes: 6

Noes: 0

Adopted: 6-0

Adjournment

There being no further questions or comments, Mr. Hanehan moved to adjourn the meeting. Mr. Merriam seconded the motion, with all in favor.

Respectfully submitted by,

Michael Valentine
Administrative Assistant

Meeting Minutes
May 14, 2007

The meeting held at the offices of the Saratoga County Planning Department located at 50 West High Street in Ballston Spa was called to order at 8:00 am.

The following Members, Staff and Guest were present:

Members: Raymond Callanan, Chairman; Charles Merriam, Jr., Richard Dunn, and Rod Sutton.

Staff and Guests: Lawrence D. Benton, CEO; John Murray, CFO; Michael Valentine, Senior Planner; Michael Toohey, Counsel; James Carminucci, Bond Counsel; Jon Dawes, SEDC; Jeff Vukelic, E.J. Hawkins and Ken Davis, Saratoga Eagle; Gene Vukelic and Stephen Cavanaugh, Try-It Distributing; Stephanie Ferradino, Attorney for Saratoga Eagle; John MacFadden, (Superintendent); Richard Mullaney (Counsel), and Jeff Piro (Board of Education) representing the Saratoga Springs School District.

Approval of Minutes

The Minutes of the April 9, 2007 meeting were unanimously approved following a motion by Mr. Merriam, seconded by Mr. Dunn.

Perry Textiles: Financing Resolution

Mr. Carminucci distributed copies of the proposed finance resolution and presented information on the project and its financing. The Company (dba Soft-Tex Manufacturing) is operating out of a leased facility in the city of Cohoes and is being forced to vacate due to the owners' conversion to residential condominium units. The Company will purchase a 7.1-acre parcel on NYS Routes 4 & 32 in the town of Halfmoon and construct a 120,000 sq. ft. manufacturing facility on that land. A straight lease agreement is proposed between the Agency and Perry Realty Associates, LLC (the Company) with financing in the amount of \$3,369,314 from HSBC.

As there were no questions or comments, Mr. Dunn moved to approve the financing resolution as presented. Mr. Sutton seconded the motion.

A roll call vote was taken on Resolution #944 (attached) with the following results.

Ayes: Messrs. Merriam, Sutton, Dunn, and Callanan.

Noes: None

Adopted: 4-0

Saratoga Eagle Distribution: Application Update

The Chairman introduced Stephanie Ferradino of the Jones Ferradino law firm which is representing Saratoga Eagle in its application to the IDA. The Chairman explained that the company presented its application to the Board on January 8, 2007 but on February 2nd cancelled

its February 14th public hearing in order to have additional time to meet with elected officials and various community groups. (Notice of cancellation was mailed to jurisdictions on February 5, 2007). The company is proposing to relocate from its currently leased facility of 60,000 sq. ft. in the town of Queensbury (Warren Co.) and has identified Saratoga County as a location central to the markets it now serves. The company proposes to purchase 26 acres in Saratoga Springs' Grande Industrial Park to construct a 100,000-sq. ft. facility.

Ms. Ferradino introduced Jeff Vukelic, E.J. Harkins, and Ken Davis of Saratoga Eagle Sales and Service, Inc. and Gene Vukelic and Stephen Cavanaugh of Try-It Distributing. She explained that Try-It Distributing was established as a family-owned soft drink bottler in Buffalo, NY in 1928. Company employment has grown from 12 to 250, with 97 jobs to be located in the proposed Saratoga Springs facility. These first-year jobs will result from 88 retained from the Warren County location plus 9 new jobs. The company's application shows an increase in employment in year two to 123. Gene Vukelic stated that most of the company's growth has come through acquisitions, with Northern Distributors being one of the nine operators acquired. Mr. Vukelic stated that the number of distributors has decreased from 330 to 48 presently. The company, however, has grown through acquisitions and its successful distribution of Anheuser-Busch and Labatt products. Jeff Vukelic noted that the company is not just a beer distributor; one hundred and twenty brands are distributed by the company, including Poland Spring water. Both Gene and Jeff (Vukelic) expressed the company's commitment to its employees and the community in which it does business, noting employee benefit programs and support for community activities.

Jeff Vukelic explained that the Queensbury location was built in three phases during the 60's, 70's & 1980's. He stated that it is an antiquated site, inefficient to operate and not in compliance with Anheuser-Busch standards. Additional reasons for the site search are that the current lease expires in late 2007 and the present location is not central to the delivery routes of the market the company serves. Because of companies recently acquired in Albany and Amsterdam, the company has determined that Saratoga County is much more central to the service area than the Warren county location. He did, however, dispute a quote in a January Post-Star article that had him stating that the company would relocate to Saratoga Springs with or without IDA assistance. He said that the quote was taken out of context.

Mr. Vukelic (Jeff) acknowledged that because they don't own and the lease is expiring, and because the current facility is old and inefficient, and because of the need to be located central to distribution routes – the company will be moving. They have looked at other sites including other Exit 18 locations. Albany and Schenectady were looked at but determined to be too distant a move to retain employees from Queensbury. Within Saratoga County the company has looked at a site in Malta but found it to have environmental issues and a Clifton park site had problems with access and parcel size.

Ms. Ferradino addressed Mr. Dunn's question regarding the sources of company growth by affirming his assertion that growth has not been solely due to acquisitions but also through an expansion of product base. Distribution of non-alcohol products such as spirits and liquors has promoted growth, she explained.

Ms. Ferradino provided a PowerPoint presentation for the Board to address issues related to traffic generation and truck routing. She explained that presently delivery trucks headed west of Saratoga Springs come down the Northway from Exit 18 to Exit 15 and go through downtown Saratoga Springs and west of the city through local streets. The company presently has 16 local delivery trips per day. As part of its meetings with the city's South West Neighborhood Association, Saratoga Eagle discussed the possibility of scheduling non-peak hour delivery routing, such as 5:00-7:00 am deliveries out and noon to 3:00 pm returns. In addition, the company is exploring deliveries by rail for inbound freight or the possibility of utilizing four tractor trailers per day for the same. Ms. Ferradino, through slides of the local delivery route, indicated that while the company was pursuing options to reduce the impact of local deliveries by

relocating to the Grande Industrial Park truck trips through the city would considerably be reduced. The truck traffic that would have originated in Queensbury and come into the city by way of Exit 15 would now originate at the industrial park west of Broadway. Deliveries to Amsterdam and other points west of Saratoga Springs would no longer have to drive through downtown or other city streets.

Ms. Ferradino provided members with a chart (found as an attachment to the minutes) that provides a comparison of tax revenues collected if the subdivided 27-acre parcel remained vacant land, if a 5-yr. commercial service PILOT was approved and, finally, under a ten-year PILOT based upon 50% of the full assessed value (land and improvements). She stated that as vacant land the property would generate \$4,832 annually to the city, county, and school district (or \$24,160 in the span of a 5-year PILOT). If the property is developed and granted a five-year abatement under a PILOT Agreement then combined annual tax revenues generated would be \$26,016 (or \$120,800 over 5 yrs.). She noted that the Agency does not have a tax exemption policy providing a ten-year abatement based upon 50% of full value assessment. This column of the chart is shown, Ms. Ferradino stated, to indicate a greater amount of up-front revenue to the taxing jurisdictions (\$102,980 vs. \$26,016 or \$4,832) while providing a longer abatement period for the applicant. Over a ten-year period the 5-year PILOT will provide \$1,159,980 in tax revenue while the 10-Year PILOT will generate \$1,029,800.

In summary, Ms. Ferradino stated that the company will create 50 new jobs within two years, truck traffic will be removed from downtown Saratoga Springs and tax revenue generated under a five or ten-year PILOT will be many times greater than as from vacant land that may not otherwise be built upon.

Mr. Dunn asked about the scheduling of an Agency public hearing and the Chairman stated that he was not comfortable with scheduling that hearing without the city planning board having completed its site plan review process. Ms. Ferradino stated that subdivision approval was obtained on December 6, 2006 and on June 23rd a site plan review application will be submitted. The company will be before the city planning board for site plan review in July, she stated; therefore, there will not be any need for an Agency public hearing until September. Mr. Carminucci noted that the IDA, because of financing, will be an involved agency for local reviews under SEQOR.

Mr. Sutton expressed his concern related to traffic, noting that the 12:00 noon to 3:00 p.m. truck returns on the southern routes could be problematic. Ms. Ferradino stated that she and others had met with the two city supervisors, the Southwest, North Side and West Side Neighborhood organizations and city council members. She felt the comments and responses were encouraging and favorable.

Mr. Sutton asked of the 97 current, local employees how many resided in Saratoga County. Ms. Ferradino responded that 45 do. He asked if Warren County or the town of Queensbury has made any effort or offered assistance to retain the company at its location. Mr. Kenneth Davis responded that there truly is no advantage to stay at the present facility. He added that the company has not received any offers of assistance nor has there been any type of discussions with local officials, but that will be forthcoming.

The Chairman asked if any secondary locations were being reviewed or considered and Ms. Ferradino responded that there has not yet been as the company's intent is to fully move ahead with the Saratoga Springs site. The Chairman closed by noting that the Agency will take no further action until the city site plan review process is complete.

Amendment of FY 2007 Budget

Mr. Benton reported that the previously approved 2007 budget needs to be amended to reflect an omission of the 5-year commitment of \$75,000 to the Grande Industrial park. As part of the participation in the settlement of the Quad Graphics' litigation involving the school district, and the city, the IDA agreed to allocate \$75,000 as a grant toward future public infrastructure at the industrial park. The addition of this expenditure alters the previous budget surplus of \$60,550 and creates an operating deficit of \$14,450 for FY 2007. The allocation of funds, however, does not mean that such an expenditure is now ready to be made, Mr. Benton noted.

There being no questions or comments, Mr. Merriam moved to approve the amended FY 2007 Budget. Mr. Sutton seconded the motion.

Resolution #945

RESOLVED THAT the Saratoga County Industrial Development Agency does hereby amend its FY 2007 operating budget by the inclusion of a \$75,000 allocation as a future expenditure for public improvements in the Grande Industrial Park. Said budget amendment creates, therefore, an operating deficit of \$14,450 in the FY 2007 budget.

Ayes: 4

Noes: 0

Adopted: 4-0

Audit Committee: Charter

Mr. Benton presented to the Board a copy of the Audit Committee's April 26, 2007 meeting minutes along with a copy of the Committee's proposed Charter. This initial meeting of the Audit Committee was attended by its members: Mr. Dunn (Chr.), Mr. Sutton and Mr. Merriam. Also attending were Mr. Benton (CEO), Mr. Murray (CFO) and Mr. Galka (auditor). The committee's procedures, responsibilities and format are based upon a model from the NYS Office of the Budget. Discussion at the initial meeting involved a review of the Agency's audited Annual Financial Review and the Annual Report required by the Public Authority Accountability Act of 2005. Also discussed were internal controls, the Agency's checking and savings accounts, and accounting software packages. Mr. Benton asked the Board to consider adoption of the Audit Committee Charter which is a state mandated requirement. He noted that much of what is addressed in the Charter is currently found in the Agency's existing by-laws.

There being no further questions or comments, Mr. Sutton moved to adopt the Audit Committee Charter as presented. Mr. Dunn seconded the motion.

Resolution #946

RESOLVED THAT the Saratoga County Industrial Development Agency does hereby adopt its Audit Committee's Charter as prepared and presented in accordance with the NYS Public Authority Accountability Act of 2005.

A roll call vote was taken on Resolution #946 with the following result:

Ayes: Messrs. Merriam, Sutton, Dunn & Callanan.

Noes: None

Adopted: 4-0

Executive Session

Mr. Dunn moved that the meeting go into executive session for the discussions of a contractual personnel matter. Mr. Sutton seconded the motion, with all in approval.

As there were no further questions or comments during executive session, Mr. Merriam moved to return to regular session. Mr. Sutton seconded the motion, with all voting in favor.

As a request made by Mr. Benton and in accordance with the recommendation of the Audit Committee, discussion was had regarding the renewal of an annual contract and its increase from \$20,000 to \$25,000 for the CEO's annual services. The one-year contract which ran from April 17, 2006 to April 16, 2007 has expired and Mr. Benton has requested a one-year contractual renewal from April 17, 2007 through April 16, 2008 with compensation at \$25,000 and invoiced quarterly.

Resolution #947

RESOLVED THAT the Saratoga County Industrial Development Agency does hereby enter into a one-year contractual obligation with Lawrence D. Benton as the Agency's Chief Executive Officer. As an independent contractor to the Agency Mr. Benton will receive an annual compensation of \$25,000 paid quarterly upon receipt of invoice.

A roll call vote was taken on Resolution #947 with the following result:

Ayes: Messrs. Merriam, Sutton, Dunn and Callanan

Noes: None

Adopted: 4-0

Other Business

Mr. Valentine informed the Board that on April 30th and on May 3rd he visited the offices of e.nfrastructure and Sysco, respectively. The purpose of the visit was to review employment numbers the companies submitted as part of the financial survey conducted for our Annual Financial Review.

Based upon payroll accounting information reviewed with Dan Moran, Mr. Valentine was able to confirm that at year-end (2006) e.nfrastructure actually employed 145, well above the company's application that anticipated retaining 75 employees and creating 30 new positions, for a total of 105 employees in Year One. The 145 employees reflected in payroll reporting also correspond to what was provided to the agency in our year-end financial survey of companies for the state comptroller's Annual Financial Report (137 reported vs. 145 per payroll records).

Mr. Valentine met with Mary Deckers the CFO of Sysco Food Services, an IDA project company in Halfmoon that was approved in 2000. Company payroll records indicate a total of 548 employees. This is what the company reported in the financial survey and reflects a decrease from last year's reporting of 552 jobs at year-end. This loss of four jobs in 2006 follows an increase of 15 positions for the company in 2005.

Mr. Valentine reported that he will soon be visiting Info Labels in the Halfmoon Light Industrial Park completing the annual visits to 3-4 project companies as a follow-up review of financial data submitted for the Annual Financial Review.

Adjournment

There being no further questions or comments, Mr. Dunn moved to adjourn the meeting. Mr. Merriam seconded the motion, with all in favor.

Respectfully submitted by,

Michael Valentine, Sr. Planner

MEETING MINUTES

June 11, 2007

The meeting held at the Offices of the Saratoga County Planning Department located at 50 West High Street in Ballston Spa was called to order at 8:00 am.

The following Members, Staff and Guest were present:

Members: Raymond Callanan, Chairman; Charles Merriam, Jr., Richard Dunn, Suzanne Daley-Nolen, and Charles Hanehan.

Staff and Guests: Lawrence D. Benton, CEO; John Murray, CFO; Michael Valentine, Sr. Planner; Michael Toohey, Counsel; James Carminucci, Bond Counsel; William Schwerd, Director of Cornell Cooperative Extension (Saratoga County).

Approval of Minutes

The Minutes of the May 14, 2007 meeting were unanimously approved following a motion by Mr. Dunn, seconded by Mr. Merriam.

Cornell Cooperative Extension: Horse Park Feasibility Study

The Chairman introduced William Schwerd who serves as the director of Cornell University's Cooperative Extension of Saratoga County. Mr. Schwerd is before the Board to discuss Cornell Cooperative Extension's (CCE) schedule for and outline of a market analysis and feasibility study on the development of a regional horse park. A Request for Proposals will be announced on July 1st and Mr. Schwerd is requesting for a resolution of support from the IDA for the study as it is presented on the county level. The elements of the market analysis/feasibility study will involve 1) identifying the components of a horse park and development of a model based on the experiences of existing parks, public participation and local resources; 2) site selection based on 250 to 500 acres of land with convenient access and appropriate location; 3) development of a business plan based on a determination of what will be built first, what is profitable and what non-agricultural programs will be part of the mix; and 4) develop a theme or product branding for identification. He stated that a successful horse park in Saratoga County will help to keep agriculture economically profitable, preserve open space, and further the agricultural economic development of the Greater Saratoga Region. Mr. Schwerd stated that a regional horse park will be a great boost to the farming community as farming land transitions from dairy use to other agricultural uses. Keeping farm land in a use that advances agricultural economic development is a primary purpose in consideration of a regional horse park, he added.

To date, CCE has made presentations to Saratoga County Chamber of Commerce, Saratoga Gaming and Raceway, NYS Farm Bureau, Saratoga Economic Development Corporation and the towns of Milton and Malta. Mr. Schwerd stated that he is not before the Agency for financial assistance for the study but for its support as the study is presented on the county level. He indicated that funding services for the proposed study are being investigated at the state level.

In response to a question from the Chairman, Mr. Schwerd noted that a 2007 survey by the NYS Department of Agriculture ranked Saratoga County as first in the state for the number of horses. The survey indicated that the county has roughly 11,000 horses and most are pleasure horses rather than standardbred or thoroughbreds. Although the county is home to that many horses he told Mr. Callanan that we are missing out on the shows and events that are held in other locations that have horse parks. Mr. Dunn asked where premiere horse parks are located and Mr. Schwerd stated that there is one park in Kentucky and two in Florida. Idaho and North Dakota also host parks but the one being proposed for Saratoga County would be the northernmost on the east coast. Mr. Merriam asked about operations in winter months and Mr. Schwerd explained that normal operations would carry on for about ten months of the year while a year-round operation would result in scheduling indoor events.

Mr. Schwerd further explained that the other parks he mentioned operate through a mix of public and private funding. Part of the study will endeavor to determine who/what entities are willing to invest and whether it is feasible to consider the use of state-owned or other public lands. There are major horse shows north and south of us and this area has the transportation infrastructure, an established tourism industry, and an equine tradition that would attract events and shows to a regional horse park.

Mr. Dunn asked how a regional horse park could function in a non-competitive capacity as relates to small farms and local horse events. Mr. Schwerd answered that both the Skidmore College and St. Clement's Church horse shows could move to the new venue and find it more financially accommodating as costs rise for existing show places. A regional horse park would provide a catalyst for the generation of revenue for ancillary uses such as destination places like motels and hotels, restaurants, bed and breakfasts as well as monies spent on hay and feed and such diverse things as horse trailers and equipment. Mr. Hanehan expressed that the horse park should enhance the Equine Center of Excellence and existing horse operations in the county rather than being in competition with them. Ms. Nolen mentioned that as a member of the town of Malta town board she viewed a film about a New Jersey horse park and she was amazed at the number of people that come to that area for horse related events.

Mr. Schwerd stated that he is here to request a letter of support from the IDA to the county Board of Supervisors to advertise for an outside consultant and to have a completed study by early 2008. The Chairman stated that he would encourage the Agency's approval for such a letter of support noting it as a good fit with the IDA's "Economic Analysis of the Saratoga Race Course" and the county's recently completed Green Infrastructure Plan.

There being no further questions or comments, Mr. Hanehan moved to authorize the Chairman to send a letter of support to the Saratoga County Board of Supervisors. Mr. Merriam seconded the motion.

Resolution #948

RESOLVED THAT the Saratoga County Industrial Development Agency does hereby express its support of the efforts by Cornell Cooperative Extension of Saratoga County to conduct a feasibility study, conduct a market analysis and to recommend a business plan related to a regional horse park located in Saratoga County for the benefit of the Saratoga County economy and its agricultural industry in particular.

Ayes: 5

Noes: 0

Adopted: 5-0

Saratoga Springs City Council Resolution on IDA Reform and Jobs With Justice: "The Case for IDA Reform"

The Chairman stated that members received in their mail a resolution adopted by the Saratoga Springs city council on May 17, 2007 in which support is provided to state legislation for reforms of Industrial Development Agencies. Mr. Benton said that the next agenda item can be discussed jointly with this item as both relate to statewide reform of IDAs. He noted that the resolution by the city council was never shared with Agency members or staff prior to or following its adoption. Many of the concerns cited in the resolution have previously been addressed by the Agency in its adopted policies, but without communication from the council this Agency was not able to share this information with the mayor or council members.

Mr. Benton stated that several of the issues are, however, beyond the purview of the IDA, particularly wages paid to company employees. The Agency, Mr. Dunn noted, has provided project assistance to a number of companies (Target, Ace Hardware, Quad Graphics, Sysco) that not only generate a large number of jobs but also high-wage jobs. The wages paid to employees of large manufacturers and distributors like these have directly impacted the wages paid at other businesses throughout the county. He stated that competition for employees drives the hourly rate upward in the marketplace.

The council's resolution cited concern related to the transparency of IDA operations and accountability. Mr. Benton explained, the SCIDA has proactively addressed through written policies adopted over the years. These policies always originated as an effort to administratively correct or make better the practices then existing. The Chairman stated that there does not appear to be the need or a request for us to answer or address the bulleted items of the city council's resolution. However, should the council desire to review or discuss these items the Agency's website and its adopted policies are readily available as a way to provide initial information.

Mr. Benton spoke about the report issued by an organization known as New York Jobs With Justice, noting that misinformation about SCIDA's job creation and retention in their report ("Getting Our Money's Worth – The Case for IDA Reform in New York State") came to light through an inquiry for comment made by a local television station. The report, he explained, is supported by organized labor and follows upon past efforts to legislatively compel IDAs to require prevailing wages in project construction. Imposing prevailing wages (union labor scale) on those businesses seeking IDA assistance could seriously hamper or jeopardize the effectiveness of the benefits accorded IDA project companies by substantially adding to a project's cost.

Mr. Benton stated that he held a conference call with Mr. Carminucci and Mr. Brian McMahon (Ex. Dir. of NYS Economic Development Council) and other IDA representatives to discuss the proposed legislative reform of how IDAs fund civic facilities. The provision sunsets at the end of June and once again is subject to annual political debate in Albany. NYSEDC has led the effort with support of IDAs and many municipalities to provide IDA's with permanent authority to issue bonds for projects for not-for-profit entities. This is a program that has been successful in funding such Saratoga County projects as Saratoga Hospital, Skidmore College, the YMCA, Wesley's Woodlawn Commons, Benedict Memorial Health Center, Highpointe Senior Housing and the Saratoga Springs City Center through the Prime Hotel.

Mr. Carminucci added that across the state since 1987 civic facility bonding by IDAs has helped finance over 1,000 not-for-profit projects just like these with a value over eight billion dollars. The program was given a one-year extension in 2005 and previously extensions were approved by the legislature in 2002, 1999, 1997 and 1993.

Mr. Dunn and Mr. Benton agreed to undertake with staff a careful study of SCIDA projects and job numbers cited in the Jobs with Justice Report. It was agreed that a formal response can be issued following the review and analysis.

Moreau Rail Study: Invoice #2

Mr. Benton informed the Board that the second invoice was received from Clough Harbour & Associates related to its \$12,000 contract for the Moreau Rail Spur Study. The initial payment of \$7,500 was made in April and the current invoice of \$2,250 was paid on June 5th. A balance of \$2,250 remains on the contract.

On-Line Web Hosting: Annual Fee

Mr. Benton received the invoice for the annual website fee for service from May 2007 to May 2008 in the amount of \$190 payable to Saratoga On-Line. As a budgeted expense the payment does not require a resolution of the Board to authorize payment.

UTEP: Discussion

Mr. Benton explained that the Agency has had for many years a Uniform Tax Exemption Policy which was amended in 1993, 1999 and most recently in 2004 to cover uses associated with the nanotech manufacturing of the Luther Forest Technology Campus (LFTC). He stated that it may now be appropriate to review the policy, update it and provide for more flexibility. Aside from the LFTC, other types or uses under the policy are manufacturing, commercial services, and hydroelectric and cogeneration facilities. Manufacturing projects, with a 10-year, 100% abatement of taxes on project improvements, provided the greatest benefits. Most of the Agency's other projects are categorized under the commercial service sector, providing benefits for those projects which serve a more regional marketplace. This category of projects provides a 100-percent abatement during years 1-5 with a ladder schedule of abatement over the last five years of a PILOT's term. In that second five years, at the Board's discretion, the abatement can range from 0-100%.

Mr. Benton offered some suggested modifications to the UTEP for the Board to consider. He suggested that the Board may wish to amend its abatement policy for manufacturing facilities over the second five-year term to provide for a range for an abatement of from 0 to 100%. This would mirror the current policy on commercial/service and would give Board's greater flexibility in granting tax abatements on a case by case basis.

He also suggested that the Board consider whether it was time to delete the policy related to cogeneration plants because the state's law requiring the purchase of all energy produced at such a plant is no longer in effect. Mr. Hanehan inquired about the prospect of green power being a benefited use in forthcoming years.

Mr. Benton stated that the Board may also want to consider a review of the Agency policy stating that if a company with a 10-year PILOT does not challenge its assessment within the first seven years of its term it agrees to not challenge that assessment for the seven years following the end of the PILOT period (a company with a 5-year PILOT agrees to no challenge for the three years following the PILOT's termination). The prospect of companies challenging their assessed value following the end of a PILOT period caused the Agency to institute this policy as a means of protecting the budgets formulated by taxing jurisdictions. Mr. Benton suggested that it may now be appropriate to decrease the 3 and 7-year assessment challenge period to make it more constricting and to better benefit the municipalities and school districts.

The Chairman suggested that each member review the copy of our tax policy as provided by Mr. Benton prior to the next meeting. Mr. Toohey advised that a public hearing will be required for any changes made to the UTEP and notice will have to be provided to each taxing jurisdiction that would be affected.

Other Business

Mr. Toohey informed the Board that he has received two FOIL requests from Richard Mullaney on behalf of Saratoga Springs School District. These requests have been complied with and relate to Agency agreements with SEDC, particularly the split on administrative fees between the Agency and SEDC.

Adjournment

There being no further questions or comments, Mr. Merriam moved to adjourn the meeting. Mr. Dunn seconded the motion, with all in favor.

Respectfully submitted by,

Michael Valentine
Administrative Assistant

MEETING MINUTES
July 24, 2007

The meeting held at the offices of the Saratoga County Planning Department located at 50 West High Street in Ballston Spa was called to order at 8:00 am.

The following Members, Staff and Guest were present:

Members: Raymond Callanan, Chairman; Richard Dunn, Rod Sutton, and Charles Hanehan.

Staff & Guests: Lawrence D. Benton, CEO; Michael Valentine, Sr. Planner; James Carminucci, Bond Counsel.

Approval of Minutes

The Minutes of the June 11, 2007 meeting were unanimously approved following a motion by Mr. Dunn, seconded by Mr. Hanehan.

Refinance Application: Fillpoint, LLC

The Chairman asked Mr. Carminucci to explain the resolution he distributed related to a refinance application by Fillpoint, LLC. Mr. Carminucci explained that because the Agency is in title to the subject property it is involved in the mortgage consolidation agreement with Fillpoint and General Electric Capital Corporation. Fillpoint closed on its initial financing of \$1.6 million with Wells Fargo in September of 2006. The resolution calls for the Agency to enter into a consolidation and modification agreement and authorizes any Agency member to sign the necessary loan documents. Discussion took place among members regarding whether there will be an assignment of the existing mortgage or whether there will be a new \$1.6 million mortgage. If the existing mortgage cannot be assigned, then the Agency fee will be based on new money only. If there is a new mortgage for the full amount the applicant will ask for a full exemption of the mortgage recording tax. Original financing approved by the Agency was \$1,350,000 with an outstanding balance of \$1,275,000. It was agreed that an Agency administrative fee would be based upon the amount of new money borrowed. Mr. Carminucci will revise the resolution to reflect the discussion.

As there were no additional questions or comments, Mr. Dunn moved to approve the refinance application and authorize execution of any necessary documents. Mr. Sutton seconded the motion.

A roll call vote was taken on Resolution #949 (attached) with the following results.

Ayes: Messrs. Hanehan, Dunn, Sutton and Callanan.

Noes: None

Adopted: 4-0

Authorize Accounting Software Expenditure

Mr. Benton stated that from discussions with the Agency's auditor (Ed Galka) and its CFO (John Murray) it was determined that a software program for managing financial records should be acquired. It was recommended by the Audit Committee to use Quick Books, a software program that could meet the Agency's needs. Mr. Benton is requesting authorization to spend up to \$250 for a Quick Books or equal software program. Members asked whether it was necessary to limit the expenditure to under \$250 if the accounting program recommended would be beneficial. Mr. Benton stated that he is confident that any appropriate purchase could be made for under \$250.00.

There being no further questions or comments, Mr. Hanehan moved to authorize the expenditure of up to \$250 for accounting software. Mr. Dunn seconded the motion.

Resolution #950

RESOLVED THAT the Saratoga County Industrial Development Agency does hereby authorize the CEO to purchase an accounting software program to manage Agency financial records at a cost not to exceed \$250.00.

Ayes: 4

Noes: 0

Adopted: 4-0

Authorize Establishment of a New Account

Mr. Benton stated that the Agency presently has a savings account and a checking account, both with Ballston Spa National Bank. In each Jan/Feb. the Agency collects roughly \$1.4 M in town/city/county taxes through PILOT payments. School taxes of roughly \$2.8 M are collected as PILOT payments in each Sept/Oct. The time during which tax revenues are received/deposited into the checking account and then redistributed to taxing jurisdictions (30-day maximum by law) could generate greater interest income for the Agency if placed appropriately. Mr. Benton solicited four local banks with an RFP. Mr. Benton, in consultation with the Audit committee, recommended that a money market account with Saratoga National Bank be opened. The new account has no service fees and interest is compounded daily. Interest is based on a floating rate that is 1% below the federal funds target rate (with a 1% floor and a 5% ceiling). Members questioned whether Ballston Spa National was competitive and Mr. Benton responded that their interest rate was significantly lower than the high bid.

Mr. Dunn moved to authorize the opening of a money market account at Saratoga National Bank. Mr. Sutton seconded the motion.

Resolution #951

RESOLVED THAT the Saratoga County Industrial Development Agency hereby authorizes the closing of its checking and savings accounts held with Ballston Spa National Bank, the opening of a money market account with Saratoga National Bank, and the execution of a bank/corporate resolution and signature card. **NOTE:** Corporate Bank Resolution attached.

Ayes: 4

Noes: 0

Adopted: 4-0

New IDA Member: Michael Mooney

Mr. Benton informed members that on July 17, 2007 the county Board of Supervisors appointed Michael Mooney to the board seat of the IDA made vacant through the resignation of Raymond O'Connor. Mr. Mooney, a resident of the town of Wilton, is director of the Wilton Water & Sewer Authority. His term will expire on December 31, 2008. A letter of introduction has been sent to Mr. Mooney along with 2007 meeting minutes, policies and background information to prepare him for his first meeting on September 10th.

Other Business

Mr. Valentine informed members that the Perry Textiles project in Halfmoon will close by July 31st. Also a quit claim deed has been forwarded to Saratoga Flour (of Wilton) for reconveyance back to the company following the conclusion of its 10-year abatement period.

Members agreed that at this late date in July there is no pending business to warrant an August meeting.

Adjournment

There being no further questions or comments, Mr. Merriam moved to adjourn the meeting. Mr. Dunn seconded the motion, with all in favor.

Respectfully submitted by,

Michael Valentine, Sr. Planner

Meeting Minutes **September 17, 2007**

The meeting held at the offices of the Saratoga County Planning Department located at 50 West High Street in Ballston Spa was called to order at 8:00 am.

The following Members, Staff and Guest were present:

Members: Raymond Callanan, Chairman; Charles Merriam, Jr., Suzanne Daley-Nolen, Michael Mooney, and Rod Sutton.

Staff & Guests: Michael Valentine, Sr. Planner; Michael Toohey, Counsel; John Murray, CFO; James Carminucci, Bond Counsel; Jon Dawes, SEDC; June, Neil, Mike and Mark Haverly of Architectural Glass & Mirror; Stephen Williams, Daily Gazette.

Welcome New Member

The Chairman welcomed Michael Mooney as the newest member of the IDA. Mr. Mooney is filling the vacant seat created by Ray O'Connor's resignation earlier this year. Mr. Callanan assured him that he would find his experience as a member of the IDA to be rewarding and we look forward to utilizing his experience as the director of the Wilton Water and Sewer Authority.

Approval of Minutes

The Minutes of the July 24, 2007 meeting were unanimously approved following a motion by Mr. Merriam, seconded by Ms. Nolen (4-0).

Fortress Partners (Creatacor): Modification of Financing

Mr. Carminucci distributed a resolution reflecting the application made by Robert Marini of Fortress Partners. The application is for a refinance of the existing loan held by Fortress related to the 2003 construction of a 58,000 sq. ft. facility in the Halfmoon Light Industrial Park (NYSEG). That facility has been partially occupied by Creatacor as a tenant manufacturing and assembling trade show kiosks. It is Fortress's intent to build out 15,400 sq. ft. not now being utilized in the facility to house operations of Robert Marini Buildings, Inc. Fortress proposes to refinance its existing outstanding balance of \$1,640,000 within a new loan of \$2.8 million through First Niagara Bank (purchaser of Troy Savings Bank who held original loan). The refinancing will be undertaken to finance the build-out of the vacant interior space to be occupied by Marini Builders.

The IDA holds title to the property but there will be no benefits afforded to Fortress Partners associated with the newly occupied space, nor will there be any change to the existing PILOT Agreement. The newly occupied space will be subject to property taxes. Mr. Carminucci explained that no public hearing will be required and the resolution authorizes an IDA officer to sign the mortgage and execute all necessary documents.

As there were no additional questions or comments, Ms. Nolen moved to approve the resolution as presented by bond counsel. Mr. Mooney seconded the motion.

A roll call was taken on Resolution #952 (attached) with the following results.

Ayes: Mr. Mooney, Mr. Merriam, Ms. Nolen, and Mr. Callanan.

Noes: None

Adopted: 4-0

Mr. Sutton arrived following the vote taken on the Fortress Partners application, now providing for five members in attendance.

Architectural Glass and Mirror – Application

Jon Dawes of Saratoga Economic Development Corporation (SEDC) introduced June and Neil Haverly of Architectural Glass and Mirror along with their sons Mark and Michael who are responsible for day to day operations of the company. He then presented the application of Architectural Glass and Mirror which involves construction of a new 30,000 sq. ft. facility at a cost of \$2.5 million. The company proposes to purchase three acres of a 13.5-acre parcel owned by James Johnson and amend an existing town of Halfmoon PDD by incorporating the new site into the PDD. The Company seeks a conventional mortgage of two million dollars and will occupy 20,000 sq. ft. of the to-be-built 30,000 sq. ft. facility. The balance of the building will be leased to a tenant. Mr. Dawes stated that currently the company's business operates out of a 12,000 sq. ft. building on an adjacent 1-acre site located on Parkford Drive (off NYS Rt. 146). Architectural Glass & Mirror (AGM) currently employs 24 with the intent of adding 4 more in Year One and 5 more in Year Two.

The Chairman asked if the Company had looked at other possible areas to relocate their expanded business and Mark Haverly stated that he has had realtors looking at other sites for a number of years knowing that there would be a need for a larger facility. Since 1986 the company has been at Solar (Parkford) Drive and a majority of its employees are from within Saratoga County. Prospective sites in Mechanicville, Malta, and Colonie have been looked at, he added, but the hope has been to remain near the current location.

The Chairman also noted that the Company is in the eighth year of a 10-year PILOT Agreement and this application proposes that the Company operate on two parcels, independent of each other, through two separate PILOT Agreements. Mr. Toohey summarized that the Company proposes to keep an existing PILOT, obtain a new 10-year PILOT Agreement, and IDA benefits, and that one-third of the new facility will be leased to a future tenant.

Ms. Nolen stated that she has a concern for a company having two PILOT agreements running concurrently or even with providing tax benefits and a PILOT to a company that has just come off a ten-year program. Mr. Haverly (Mark) affirmed that, yes, the Company has received benefits through the IDA, but AGM has exceeded job numbers year after year. Mr. Merriam added that based on the sheet provided by Mr. Dawes a number of Saratoga County suppliers/vendors have been utilized by the company in its manufacture of windows and doors.

The Chairman stated that the IDA fulfilled its purpose by assisting the Company with its initial building in 1999; there is now an obligation for a firmly established business to pay its fair share of property taxes. He stated that the question before the Board, one that has been presented by others in the past, is for how long and under what circumstances do we consider even an extension of an existing PILOT. Ms. Nolen noted that when Sysco requested a PILOT agreement for a 20,000 sq. ft. cold storage facility a few years after the PILOT for the main facility was approved this Board voted not to provide any additional benefits. Mr. Valentine noted that the IDA would not entertain Target's informal request for consideration of extending benefits for its 300,000 sq. ft. addition in Wilton years after the main facility was constructed as an exempt

improvement. The Chairman proposed as an option that the IDA consider providing AGM with sales tax and mortgage recording tax exemptions without a PILOT Agreement. Ms. Nolen stated that she would not be opposed to such a provision, but companies have to realize that there is an obligation to the county's taxpayers and after an established time there is a responsibility for companies to meet their obligation. Mr. Sutton added that he'd be willing to look at providing exemptions from sales tax and mortgage recording tax. It is his belief that too much of the facility is being leased while the present building will also be leased. Extending the current PILOT Agreement to include a new facility would be establishing a bad precedent, he stated. While it is commendable that the Company intends to keep its business in Saratoga County it is important to note that the taxing jurisdictions need their tax revenues and they are aware of and plan around the schedules of PILOT Agreements.

Mr. Haverly (Mark) stated that the tax abatements would be beneficial and it is too bad that they could lose five or ten more years of assistance because of a potential lease. He explained that AGM is secure on the use of 20,000 sq. ft. but the land sale from Mr. Johnson is contingent upon IDA approval, so that contract may be lost. The Company may have to reconsider the purchase and the possibility of relocating elsewhere, he added.

Mr. Merriam asked how long it would be before the Company occupied the to-be leased 10,000 sq. ft. and Mike Haverly stated that if growth continues as it has that it won't take long, three to five years perhaps.

The Chairman asked if it was the Board's consensus that mortgage recording and sales tax exemptions should be considered and a public hearing date set. Mr. Merriam stated that he believed more should be provided.

Mr. Merriam made a motion that the Saratoga County IDA provides Architectural Glass and Mirror with a three-year PILOT Agreement and exemptions from the mortgage recording tax and sales tax.

There was no second to the motion.

The motion failed.

Ms. Nolen made a motion that a public hearing be set for Monday, October 22, 2007 at 8:00 a.m. in the town of Halfmoon town hall to hear comments on the provision by the Saratoga County IDA of exemptions from mortgage recording tax and sales tax for Architectural Glass and Mirror's proposed 30,000 sq. ft. facility. The motion was seconded by Mr. Mooney and approved by a 5-0 vote.

Agency Account (SNB): Execute Corporate Resolution

Mr. Valentine reminded members that at its meeting of July 24th the Agency approved to opening of a money market account at Saratoga National Bank as a result of four local banks being solicited through an RFP. He stated that following execution of the signature page and corporate resolution by Mr. Dunn and Mr. Sutton the account will be established.

Saratoga Eagle: Discussion of Application

Mr. Valentine reported that the site plan for the Saratoga Eagle distribution facility was unanimously approved by the city of Saratoga Springs planning board. Counsel representing Saratoga Eagle has requested to again meet with the IDA as an update to its application. The Chairman noted that as a public

hearing has been scheduled for October 22nd at Halfmoon town hall it would be convenient to schedule an update of the project at that time. Mr. Dawes will notify the applicant's counsel of the meeting date. The

Chairman also asked that he send members a copy of the project application along with any changes or updates so it can be reviewed prior to the meeting.

Other Business

The Chairman stated that he is considering the formation of a committee to formulate an Agency policy on the use of reserve funds in a revolving fund to assist local projects. He is looking for an appointed committee to put a program together that provides either matching funds or a low interest loan to assist public infrastructure, as one example. The Chairman will provide more information at a later time once more details are established and he's had a chance to talk with others.

Adjournment

There being no further questions or comments, Ms. Nolen moved to adjourn the meeting. Mr. Sutton seconded the motion, with all in favor.

Respectfully submitted by,

Michael Valentine

MEETING MINUTES
October 10, 2007

The meeting held at the offices of the Saratoga County Planning Department located at 50 West High Street in Ballston Spa was called to order at 8:00 a.m.

The following Members, Staff and Guest were present:

Members: Raymond Callanan, Chairman; Charles Merriam, Jr., Richard Dunn, Suzanne Daley-Nolen, Rod Sutton, Michael Mooney and Charles Hanahan.

Staff & Guests: Lawrence D. Benton, CEO; John Murray, CFO; Michael Valentine, Senior Planner; Michael Toohey, Counsel; James Carminucci, Bond Counsel; Karen Martel, Lemery Greisler, LLC; Jon Dawes, SEDC; Angelo Calbone, Kevin Ronayne and Gary Foster, Saratoga Hospital; Jeffrey Cohen, DEPFA First Albany; Stephen Williams, Daily Gazette.

Approval of Minutes

The Minutes of the September 17, 2007 meeting were unanimously approved following a motion by Mr. Merriam, seconded by Mr. Mooney.

Prior to taking up the first agenda item the Chairman addressed the recent passing of Floyd Rourke who was a member of the Saratoga County IDA from 1984 to 2005, serving as its Chairman from 1986 until his resignation. Mr. Callanan expressed sorrow for the loss of a man of such stature, who selflessly committed his time and expertise to so many organizations. Saratoga County's economic foundation is more solid today because of the work of Floyd Rourke over three decades, he stated. The Chairman read a prepared resolution attesting to and honoring Mr. Rourke's accomplishments.

As there were no questions or comments, Mr. Callanan moved to honor the contribution of Floyd Rourke as long-time member and Chairman of the Saratoga County IDA. Mr. Dunn seconded the motion.

Resolution #953

In Honor of

Floyd H. Rourke

WHEREAS, it is with great sadness that this Agency takes note of the passing of its Chairman, Floyd H. Rourke on September 20, 2007 and,

WHEREAS, this board and staff wish to express their heartfelt sense of loss for Floyd who served as a fellow member and Chairman of this body for twenty-one years and,

WHEREAS, during that period, Floyd, as a member and as this board's Chairman, guided the Agency with his wisdom, dignity, humor and integrity and.

WHEREAS, under Floyd's leadership this Agency was able to spur the investment of over one-billion dollars in private capital in the economy of Saratoga County, over five-thousand well paying jobs for its residents, and millions of dollars in annual tax revenues for local governments and school districts and,

WHEREAS, we the board and staff of the Saratoga County Industrial Development Agency who had the good fortune to work side by side with Floyd in an effort to better the lives of the residents of our county, hereby,

RESOLVE, that the Saratoga County Industrial Development Agency hereby expresses its deep sense of loss of our Chairman and friend, Floyd H. Rourke, and our everlasting gratitude that he dedicated his invaluable time and experience to our board in a successful effort to strengthen the community of Saratoga County, thereby enriching the lives of its people.

A roll call vote was taken on Resolution #953 (attached) with the following results.

Ayes: Mr. Merriam, Ms. Nolen, Mr. Sutton, Mr. Mooney, Mr. Dunn, Mr. Hanehan, and Mr. Callanan.

Noes: None

Adopted: 7-0

Saratoga Hospital Application

Kevin Ronayne, Vice-President of Operations for Saratoga Hospital introduced Gary foster, CFO and Angelo Calbone, President and CEO who will assist in the presentation of the hospital's two applications. Mr. Ronayne first presented the application associated with the addition to the Emergency Department. This will be a two-story addition comprising a total of 58,000 sq. ft. The new Emergency Department will be located on the second floor and occupy 33,000 sq. ft. The current emergency room was designed to handle approximately 20,000 patients per year. In 2007 the hospital anticipates 34,000 visits growing to 45,000 by 2014. The remaining space of the ground (first) floor will house the hospital's pharmacy, information systems department and space for future use. Mr. Ronayne explained that in one floor of the existing nursing home will be converted to an acute care facility through an 11,870 sq. ft. renovation. The 36 beds of nursing home care will change over to 21 beds of acute patient care. The non-medical services portion of the Saratoga Springs application involves constructing a relocated loading dock within 7,500 sq. ft. that will also accommodate new generators and the HVAC systems.

Mr. Dunn noted that the job projections stated within the applications show a baseline of 1,200 full-time equivalent positions (FTEs) but there is no breakdown of to where those jobs are appropriated – the Saratoga Springs campus, the Wilton Medical Arts and the Malta Medical Arts projects. Mr. Foster, hospital CFO, and Mr. Valentine reviewed this issue prior to the start of the meeting and Mr. Foster recognized the need to clarify the reporting of jobs. He agreed to provide the Board with a charting of jobs to show how both current and projected FTEs are distributed over the three project sites. Mr. Sutton noted that as a city resident he is familiar with the traffic issues at the Myrtle Street intersection with Church Street. He asked how the increased traffic related to an expanded emergency department will be addressed and Mr. Ronayne explained that the reconstruction of Church and Myrtle will be undertaken through the federally-funded transportation improvement program (TIP). City representatives worked with DOT and the region's metropolitan planning organization (CDTC) to assure that construction is scheduled to meet the needs of the hospital project. He added that the hospital has contributed towards the local share of those improvements.

Mr. Callanan asked if the Cramer House leased by Saratoga County for its office of Mental Health, would be affected the planned facility construction. Mr. Ronayne stated that the Cramer House is

not part of this application and in fact was saved from demolition several years ago because of its historic significance.

Mr. Ronayne explained that the Saratoga Springs application was divided into its medical services and non-medical services components. Of the total project costs of just over twenty-nine million dollars roughly \$19 million comprise the medical services component and \$10 million of costs are associated with the non-medical costs. Bonding of \$25 million is being sought to finance total project costs. He clarified that the conversion of one floor of the nursing home to acute care patient beds which he spoke of earlier is actually a separate component of the second application that includes projects in Wilton and Malta. Mr. Carminucci responded to a question by Mr. Dunn, explaining that this was done to keep the medical services component of the Emergency Department application under the twenty-million dollar cap.

Mr. Ronayne stated that construction for the conversions to 21 beds for acute patient care will begin in 2008, following the State Department of Health's issuance of a Certificate of Need.

Aside from the acute care component of the second application there are three other components, he stated. One is a new outpatient urgent care and diagnostic testing facility of 7,300 feet located at Rt. 9 and Knabner Road in Malta. Mr. Ronayne stated that this space in an existing building will be leased for five years with a future move anticipated to the hospital's Exit 12 site.

The third and fourth parts of the second application involve site improvements and expansion of the primary care facility known as Wilton Medical Arts on Rt. 50 in Wilton. The project involves the reconstruction/remodeling of the east end of the 43,000 sq. ft. building that formerly housed the Staples retail store. The hospital's plans include expanding the urgent and primary care services now provided by adding exam rooms, treatment rooms, and another radiography suite.

Mr. Ronayne provided the members with a breakdown of costs associated with each component of the second application (\$2.7M in Saratoga Springs; \$4.5M in Malta; \$5.8M in Wilton). Of the \$12.96 million in total costs the applicant is seeking ten-million dollars in the issuance of the Agency's tax-exempt civic facility bonding. At all three locations full-time employment will increase by 74 in the first year following construction, with 17 more positions created in Year Two and ten more in the next year.

The Chairman thanked the hospital's representatives for their presentation and stated that he believes the projects to be worthwhile and beneficial to their respective communities. Mr. Carminucci explained that tax-exempt bonding will require the approval of the county Board of Supervisors. He would like to schedule a public hearing that allows for that Board to take up the bonding at its November 20th meeting. He added that because three individual communities are involved we will have to hold public hearings in those three locales. Three separate public hearing notices will be sent to the appropriate taxing jurisdictions.

There being no further questions or comments, Ms. Nolen moved to set three public hearings for Wednesday, November 14, 2007 to be held in Wilton town hall at 8:00 a.m., Saratoga Springs city hall at 8:45 a.m. and at 9:45 a.m. in the town of Malta town hall.

Mr. Mooney seconded the motion with all in favor.

Public Authorities Act: Training for PARIS Reporting System

Mr. Benton explained to the Board that the Authorities Budget Office (ABO) recently provided a training session for authorized users of the Public Authorities Reporting Information Systems (PARIS) which he attended. The session provided information on the one single reporting format

that will now be utilized for the Agency's annual reporting requirements. He added that data will now be entered and transferred to the ABO electronically and should simplify the staff's reporting process.

Computer Purchase: Request Approval for Expenditure

Mr. Benton informed the board that the QuickBooks accounting software earlier approved for purchase has arrived. He noted the difficulty in using an older, computer in the planning department not connected to the internet. Internet access is a necessity for his reporting and, therefore, requires someone from the planning department to vacate a computer for his use. By purchasing a laptop computer Mr. Benton will be able to access information more readily from his home office or while at the planning department. Updated financial reporting to the members and staff would be made on a more regular basis. He requested approval from the Board for the purchase off state contracts through the planning department of a Hewlett Packard laptop, software and a printer for roughly \$1,800.00.

There being no further questions or comments, Mr. Dunn move to authorize the purchase of the necessary computer equipment at an amount not to exceed two thousand dollars. Mr. Hanehan seconded the motion.

Resolution #954

RESOLVED THAT the Saratoga County IDA does hereby the purchase by its CEO of a computer laptop, software and a printer for financial reporting purposes at a total cost not to exceed \$2,000.00.

Ayes: 7

Noes: 0

Adopted: 7-0

Ellsworth Frozen Storage: Summons

Mr. Toohey informed the Board that the Agency was served a notice of complaint in regard to Merchant Banks foreclosure of Ellsworth Frozen Storage. He noted that the Agency reconveyed title to the property back to the Company in 2006 following many months of personal conversation and correspondence with owners and company officials concerning non-payment of taxes through its PILOT Agreement. Mr. Toohey stated that the Agency was given a notice of appearance and he is requesting a waiver so the court is aware that we will not be participating but would like to receive associated documents, so that counsel can be kept abreast of the proceedings.

Saratoga National Bank: Transfer Funds to New Account

Mr. Benton reminded members that the Board had previously authorized the opening of a money market account with Saratoga National Bank. At this time he is requesting authorization to transfer \$65,000 from the Agency's checking account with Ballston Spa National Bank into the new account. He does not intend at this time to close out the BSNB checking account pending completion of the 07/08 school pilots.

There being no further questions or comments, Mr. Merriam moved to authorize the transfer of Agency funds. Mr. Hanehan seconded the motion.

Resolution #955

RESOLVED THAT the Saratoga County IDA does hereby authorize the transfer of \$65,000 from its checking account at Ballston Spa National Bank to the new money market account at Saratoga National Bank.

Ayes: 7

Noes: 0

Adopted: 7-0

Other Business

Mr. Benton informed the Board that PILOT billings for 2007/08 school taxes went out last month and payments have started coming in recently. Roughly \$2.2 million will be collected in October and the two active hydro projects will make payments in March 2008 of approximately \$700,000 based on 2007 revenues. With the collection of over a million dollars last January for local and county taxes the IDA is responsible for collecting and distributing approximately four million dollars in property taxes.

Adjournment

There being no further items to discuss Mr. Sutton moved to adjourn the meeting. Mr. Dunn seconded the motion, with all in favor.

Respectfully submitted by,

Michael Valentine

MEETING MINUTES
October 22, 2007

The meeting held at the town of Halfmoon town hall located at 111 Route 236 in the town of Halfmoon was called to order at 8:00 a.m. following the close of a public hearing held to consider the application of Architectural Glass & Mirror.

The following Members, Staff and Guest were present:

Members: Raymond Callanan, Chairman; Charles Merriam, Jr., Suzanne Daley-Nolen, Rod Sutton, and Michael Mooney.

Staff and Guests: Lawrence D. Benton, CEO; John Murray, CFO; Michael Valentine, Sr. Planner; Michael Toohey, Counsel; James Carminucci, Bond Counsel; Jon Dawes, SEDC; Stephanie Ferradino, Counsel for Saratoga Eagle Sales and Service; Mark and Michael Haverly of Architectural Glass and Mirror (AGM); Debra Lambek, Counsel for AGM; Mindy Wormuth, Supervisor, Town of Halfmoon; Richard Mullaney, Counsel for Saratoga Springs School District; and Stephen Williams, Daily Gazette.

Approval of Minutes

The Minutes of the October 10, 2007 meeting were unanimously approved following a motion by Mr. Mooney, seconded by Mr. Merriam, 5-0.

Application: Architectural Glass and Mirror (AGM)

Following the close of the public hearing Debra Lambek, counsel for Architectural Glass & Mirror (AGM), provided a brief summary of AGM's modified proposal to the Agency. She explained that the company has operated successfully in the town of Halfmoon since 1986 and it has proposed to construct a 30,000 sq. ft. building under a new PILOT. At its September meeting the IDA approved an exemption on state and local sales taxes along with an exemption from the mortgage recording fee; however, the Board elected not to offer another PILOT Agreement to piggyback on the current PILOT received from its 1998 project approval. Ms. Lambek acknowledged no PILOT was offered related to the company's present application and proposed (as in the applicants' October 17, 2007 correspondence to the Chairman) a modification. There are, she stated, two years remaining on the current PILOT Agreement associated with the facility at 11 Solar Drive. She offered to terminate the existing PILOT if the Agency provided AGM a five-year PILOT on the to be constructed building. This will, in effect be a net three year Agreement providing beneficial assistance to the company while keeping a business in Saratoga County, she stated.

In an effort to substantiate his company's request for a second consecutive PILOT Agreement with an abatement of property taxes, Mark Haverly read from the Agency's Mission statement. He added that company payroll has tripled since the 1999 start of the current PILOT and that in the same time period equipment purchases have totaled

just over \$2 million. The benefits of the PILOT, he stated, have allowed AGM to invest money into business operations. A new PILOT, Mr. Haverly proposed, would not be an extension of the existing one but a new means of providing more jobs and further investment in the company. There is, he believes, no difference between the 1998 application for assistance through a PILOT and the current request. There will be a large debt load with construction and operation of a new facility and AGM will need relief, Mr. Haverly stated.

Ms. Lambek explained that the building that houses current manufacturing operations will become fully taxable under the proposal. She added that their research has indicated that other IDAs provide second PILOT agreements to project companies.

The Chairman asked about the employment numbers provided by Mark Haverly, noting 63 employees in 2004, 49 in 2005, 77 last year and a drop to 43 currently. Mr. Haverly stated that this movement reflects the seasonal aspect of production that causes fluctuations. The Chairman noted the reference in the company's October 17th letter to communications with other area IDAs and offers being made for the company to relocate out of Saratoga County. The Chairman stated that he was uncertain about the company's reasoning related to it already being here, making an investment and then relocating only to have in ten years' time the SCIDa offering AGM a ten-year PILOT to return to Saratoga County. He explained that at the initial meeting to consider the application exemptions were offered on sales and mortgage recording taxes. He asked if there wouldn't be an adverse precedent being made if there was follow through on the offer. Mr. Toohey noted that this public hearing was established to consider the exemption of sales taxes and an exemption from the mortgage recording fee. The Agency could, he stated, modify the resolution being considered so that the company's request is incorporated but this will require a new notice of public hearing to the affected taxing jurisdictions and changing the content of the resolution. Mr. Haverly reaffirmed that AGM would terminate the current PILOT, give up the last two years, and the school district would receive full tax revenues prior to its anticipated scheduling.

Ms. Nolen asked for clarification about the company's assertion within its October 17th letter that other IDAs had been contacted. She asked which IDAs the company met with and was offered financial assistance. Mr. Haverly stated that they had met with the county IDAs of Schenectady and Albany. Several members inquired about whether such actions constitute pirating, which Mr. Toohey explained is not permitted according to statute. IDAs, he stated are forbidden from entering into what amounts to bidding wars for existing project companies to re-locate. General Municipal Law clearly stands against jurisdictions stealing away businesses from one another. Lawsuits can be instituted against the pirating jurisdiction as occurred in a relatively recent case in Buffalo.

Ms. Lambek asserted that if AGM moves operations to a new building she believes they have the right to explore all options. It is AGM's need to double their manufacturing space, she stated, and Mr. Haverly added that they desire to lease the 12,000 sq. ft. they currently operate from and also lease 10,000 sq. ft. of the proposed 30,000 sq. ft. building. Business operations will go from 12,000 to 20,000 sq. ft. Mr. Haverly explained that the 10,000 sq. ft. could be leased as warehouse space for between seven and nine dollars per sq. ft. (market rent) with a triple net lease. Currently, the building

at 9 Solar Drive which housed the company's initial (1986) operations (before the 1998 building under the current PILOT) is now being leased for \$6/sq. ft. through a 10-yr. lease.

The Chairman noted that through IDA assistance under a PILOT Agreement the company has been able to successfully operate. He stated that the Agency has already provided what he believes to be its best offer. The company has grown and operated successfully and it appears that it is now time for the company to operate free of tax assistance, the Chairman stated. He added that the Agency is happy for the company's ability and plans to expand its business.

Mr. Haverly asked where it is written that a company can't come to the Agency for a second PILOT Agreement. The Chairman asked members if there was any change in their offer of sales and mortgage recording tax exemptions without abatement of property taxes.

Mr. Merriam stated that he disagreed that this is all that should be offered; he stated that the Agency should consider the company's proposal. Mr. Toohey stated that this will require another public hearing being set to hear comment. An indication should be given to the company of the Agency's direction, he added, and the Chairman stated that under these particular circumstances a vote to establish a public hearing may provide an indication of Agency support for a modified application. Mr. Carminucci advised that a sign-off be obtained from the applicant regarding the type of tenant to occupy the leased 10,000 sq. ft. space of the new building if the Agency does take up an abatement of property taxes. Mr. Haverly stated that he has a warehouse-type tenant in mind for the leased space, not another corporation under and AGM umbrella.

Mr. Sutton congratulated Mr. Haverly and his family on the development of a successful business over 21 years, acknowledging the IDA's assistance in jumpstarting business expansion through \$150,000 in exemptions and tax savings. It is his belief, however, that a bad precedent would be established by a continuance of such assistance. There is a time when it is appropriate for an assisted company to pay its fair share of taxes. The backbone of business in Saratoga County is based upon successful companies like yours, he told Mr. Haverly.

The Chairman asked if there was a motion and Mr. Merriam moved that a public hearing date and location be established to consider a modified application from Architectural Glass and Mirror for a five-year PILOT Agreement, sales tax exemption and an exemption from the mortgage recording tax. The motion failed for the lack of a second.

As there were no additional questions or comments, Ms. Nolen moved to approve the resolution to provide AGM with an exemption from the mortgage recording fee and state and local sales taxes. Mr. Sutton seconded the motion.

A roll call vote was taken on Resolution #956 (attached) with the following results.

Ayes: Mr. Mooney, Mr. Sutton, Mr. Merriam, Ms. Nolen and Chairman Callanan.

Noes: None

Adopted: 5-0

Application: Saratoga Eagle

Stephanie Ferradino, counsel for Saratoga Eagle, provided Board members with a review of the proposed project as outlined in two previous meetings. Saratoga Eagle is proposing to build a 107,300 sq. ft. distribution center in the Grande Industrial park in Saratoga Springs, relocating from its current operations in Queensbury. On September 12, 2007 the city planning board unanimously approved the applicant's site plan and issued a negative declaration under SEQR, citing traffic as not being a significant issue. Ms. Ferradino listed several benefits related to the project locating in Saratoga Springs: the creation of new jobs, 50 in the first two years; the removal of truck traffic from downtown Saratoga Springs by locating west of downtown; the increase of city and school taxes by a factor of five in the first year of a 5-year PILOT or by 24 times in a ten-year PILOT; and, the provision of company facilities for community uses.

Ms. Ferradino told members that the company's purchase contract with the trustee for the Grande Industrial Park has been amended to include a contingency clause based upon IDA approval. Additionally, her client has had discussions with the school district about the proposed project. She stated that the company, now located in Warren County desires to be in Saratoga County and it is their preferred choice. They don't, however, have only the Saratoga Springs location to work with. The Johnstown Industrial Park in Fulton County and the Glen Canal Business Park in Montgomery County, both off the Thruway, are being considered. Another location selection process is being thought through that involves a reassessment of the company's model of distribution based upon a statewide formula. Involved in this model is a consolidation of operations in Syracuse, shutting down facilities in Buffalo and Warren County, and running only a small local satellite operation.

Ms. Ferradino stated that the company is seeking the scheduling of a public hearing for consideration of a five-year PILOT. We will continue to meet with the school board and district officials, she added. The proposed PILOT is beneficial to the school district in that it is a short term agreement with more tax revenues directed to the school district than it is presently receiving. The benefit of the city, she stated, is the company's acquisition of 25 acres in an industrial park that is only half occupied, with 150 acres being vacant. If this client is lost, she said, it could be a significant financial impact to the industrial park.

Mr. Sutton asked Ms. Ferradino about current employment numbers and she stated that of the present 111 employees 45 are from Saratoga County. All of the employees were carried over from the Northern Distributors acquisition. A one-hour commute could result for these employees if relocation to Fulton County does occur, resulting in the loss of local jobs. Fulton and Montgomery counties have both offered labor assistance, she stated. Mr. Toohey asked why the company could not remain in Warren County. Staying in Warren County just doesn't make business sense because of its location in the company's marketing plan. At the current location the only service to the north is Essex County. This does not fit into company expansion plans which require a more southern location to be central to the company's market area.

Richard Mullaney, attorney for the Saratoga Springs School District, spoke about the proposed purchase price of the project parcel and its future assessed valuation. Utilization of a PILOT

Agreement ultimately impacts the assessed value of properties, he asserted. He stated that property values are inflated due to the use of PILOTs and inquired if there is a means of assessing a property in a way that lessens the pain to a school district. It is his hope that in the event the IDA does provide an abatement of taxes through a PILOT Agreement that the cost to the district is not as greatly impacted because of the sales tax revenue to be generated. He requested that if the setting of a public hearing is tantamount to support of a project then he'd ask that the Agency hold off setting a public hearing to

give him time to work with the applicant and the IDA. Following discussion among members regarding a hearing date appropriate for them all the Chairman told Mr. Mullaney that merely setting the hearing does not necessarily imply its approval. We can establish a hearing date that allows for discussion between parties then open up for public input. Mr. Sutton asked Mr. Mullaney how long he will need to set a meeting with the city assessor and Mr. Mullaney stated that he is o.k. with a December 10th meeting date proposed by the members. The Chairman stated that he is encouraged by the cooperation being shown among the parties. He asked if there was a motion to set a public hearing to consider the applicant's request for a five-year PILOT Agreement and exemption from sales taxes and the mortgage recording tax.

There being no further questions or comments, Mr. Sutton moved to set a public hearing for 8:00 a.m. on December 10, 2007 to be held at Saratoga Springs City Hall. Mr. Mooney seconded the motion, with all in favor.

Great American Bicycle: Assignment, Assumption & Amendment

There was no discussion undertaken on this agenda item as it was acknowledged that the matter was previously taken up and approved.

Marini/Fortress: Easement to NYSE&G

Mr. Benton informed the Board that Robert Marini, Jr. contacted him and requested an easement across Agency-owned property (operated by Fortress Partners) for New York State Electric and Gas to install underground electric service to the internal space at the Creatacor building that will now be occupied by Marini Builders. The Agency holds title to the property but needs a sign-off by the lending institution prior to an easement being effected.

There being no further questions or comments, Mr. Sutton moved to approve execution of documents to effect the easement. Ms. Nolen seconded the motion.

Resolution #957

RESOLVED THAT the Saratoga County Industrial Development Agency does hereby agree to provide an easement across property at 10 Enterprise Ave., Halfmoon, NY 12065 in title to the Agency for the installation of underground power service to the

portion of the building operated by Fortress Partners, Inc. and to be occupied by Marini Builders. Said easement shall be subject to review and approval by counsel and authorization by Fortress Partners' lending institution.

Ayes: 5

Noes: 0

Adopted: 5-0

Other Business

There was no other business to be discussed as part of today's agenda.

Adjournment

There being no further questions or comments, Ms. Nolen moved to adjourn the meeting. Mr. Merriam seconded the motion, with all in favor.

Respectfully submitted by,

Michael Valentine, Sr. Planner

MEETING MINUTES **November 14, 2007**

The meeting held at the town of Malta town hall located at 2540 NYS Route 9 in the town of Malta was called to order at 9:49 am following the close of a public hearing held to consider the applications presented by the Saratoga Hospital.

The following Members, Staff and Guest were present:

Members: Richard Dunn, Vice-Chairman; Charles Merriam, Jr; Michael Mooney, Suzanne Daley-Nolen and Rodney Sutton.

Staff and Guests: Michael Valentine, Sr. Planner; Michael Toohey, counsel; Karen Martel & James Carminucci, Bond Counsel of Lemery Greisler; Jon Dawes, SEDC; Gary Foster, Saratoga Hospital; Stephen Williams, Daily Gazette.

Approval of Minutes

The minutes of the October 22, 2007 meeting were unanimously approved following a motion by Mr. Merriam, seconded by Mr. Mooney, 5-0.

Saratoga Hospital: Inducement and Financing Resolution

Mr. Carminucci distributed two resolutions related to the hospital's application for 35 million-dollar financing through the Agency's issuance of its tax-exempt civic facility bonds. Financing has been divided into two issuances, Series A for 16 million dollars and Series B in the amount not to exceed 19 million dollars. The Agency's issuance of tax-exempt bonds is the sole assistance being provided to Saratoga Hospital as it is an exempt operation not needing the Agency's assistance with property tax abatements or exemptions from sales tax and the mortgage recording tax.

The Vice-Chairman explained that the Series A bonding will be utilized for the 28,000 sq. ft. expansion and 5,000 sq. ft. renovation associated with the emergency department at the Saratoga Hospital campus on Church Street in Saratoga Springs. He stated that the \$19M Series B bonds will finance construction at hospital facilities in Wilton, Malta and Saratoga Springs. The old Staples/Standard Furniture stores on Route 50 in Wilton will see additional improvements and renovations to the 43,000 sq. ft. building. Improvements will include adding a loading dock, an ambulance bay, roof replacement, building facade improvement and site improvements, all for the expansion of the urgent/primary care department. In Malta the hospital has leased 7,300 sq. ft. of an existing 43,000 sq. ft. building for outpatient urgent care and diagnostic testing. At the main campus in Saratoga Springs a 7,500 sq. ft. addition is proposed to accommodate construction of a loading dock and expansion of the physical plant for new generators and the HVAC system. Site improvements for access, driveways and parking are part of the financing package as is the conversion of the resident floor of the existing nursing home to an acute care patient unit.

Mr. Carminucci explained that because the applicant proposes to close before year-end the two resolutions before the Board are combination inducement and financing resolutions.

As there were no additional questions or comments, Ms. Nolen moved to approve the resolution for Series A bond financing of \$16,000,000 as prepared and presented by bond counsel. Mr. Sutton seconded the motion.

A roll call vote was taken on Resolution #958 (attached) with the following results.

Ayes: Ms. Nolen, Mr. Merriam, Mr. Sutton, Mr. Mooney, and Vice-Chairman Dunn.

Noes: None

Adopted: 5-0

As there were no additional questions or comments, Ms. Nolen moved to approve the resolution for Series B bond financing of \$19,000,000 as prepared and presented by bond counsel. Mr. Sutton seconded the motion.

A roll call was taken on Resolution #959 (attached) with the following results.

Ayes: Ms. Nolen, Mr. Merriam, Mr. Sutton, Mr. Mooney, and Vice-Chairman Dunn.

Noes: None

Adopted: 5-0

Luther Forest Technology Campus EDC: Loan Guarantee

Mr. Toohey briefed the Board on the history of what has evolved from three separate loans into one loan to SEDC from SCIDA in the principal amount of \$650,000 for the purpose of financing site investigation and initial engineering for the technology park.

The Forbearance Agreement of October 2006 spelled out the timing and terms for payment of interest associated with the June, 2004 Consolidated Loan Agreement. The LFTC EDC was a party to the Forbearance Agreement and guaranteed/agreed to the terms and conditions of the Consolidated Loan Agreement. At this time, he continued, there is a shift in obligations being developed from SEDC to LFTC EDC, the entity which will develop the tech site and serve as the conduit for funding toward that end. Mr. Toohey stated that LFTC EDC has prepared an agreement between it and SCIDA by which LFTC EDC will assume the obligations and responsibilities of SEDC. Repayment of principal and accrued interest (totaling \$757,983.59 as of 12-31-06), upon execution of the Agreement, will become the sole responsibility of LFTC EDC and SEDC will be released from any obligation for such repayment.

Mr. Dunn, acknowledging that there had been previous meetings between SEDC and the IDA regarding a revision to our fee split arrangement, asked by what fund sources the Agency will be repaid. Mr. Toohey stated that the guarantees of the 2004 Consolidated Loan Agreement will still be in place upon the transfer of obligation to LFTC EDC. The SEDC, he stated, will not be the primary creditor and the IDA will now be in a more secure position with LFTC EDC. The source of revenues back to the Agency will come from LFTC EDC through the sale of parcels within LFTC. In response to questions from members, Mr. Dawes stated that the line of credit established by SEDC with the Adirondack Trust Company has not been drawn down.

Mr. Carminucci added that fee revenue will come to the IDA from closings on IDA projects within LFTC and from the fee splits with SEDC. There will be no abatement of taxes through PILOT

Agreements as companies will be subject to pay full taxes (25% to the town of Stillwater, 75% to the town of Malta). PILOT Agreements will specify that normal taxes are to be paid. Such tax payments will become credited against corporate income through New York State's Empire Zone program.

Michael Relyea, the Executive Director of LFTC EDC, was introduced and addressed Mr. Mooney's question about the repayment of the existing debt to the IDA. Mr. Relyea stated that at this time all of LFTC EDC's assets will be in the campus' land. Revenue from land sales will pay off the existing debt. Other than state grants, no other revenue exists. To other inquiries he stated that site construction will begin in the spring of 2008 and development will be on going for two years. He added, in conclusion, that the current interest rate mechanism of the loan agreement will remain in place and that the manufacturer to locate on each pod in the campus will be responsible for its payment of full taxes.

As there were no additional questions or comments, Mr. Sutton moved to approve the transfer of obligation and responsibility for the Consolidated Loan Agreement from SEDC to LFTCEDC. Mr. Merriam seconded the motion.

Resolution #960

RESOLVED THAT the Saratoga County Industrial Development Agency does hereby, at the request of the Luther Forest Technology Campus Economic Development Corporation (LFTCEDC), enter into an Agreement with LFTCEDC by which LFTCEDC assumes the obligation and sole responsibility of Saratoga Economic Development Corporation for the repayment of principal and interest as defined within and by the Consolidated Loan Agreement of June 25, 2004.

BE IT FURTHER RESOLVED THAT the IDA Vice-Chairman is authorized to execute said Agreement of November 14, 2007 by and between the County of Saratoga Industrial Development Agency and the Luther Forest Technology Campus Economic Development Corporation.

A roll call was taken on Resolution #960 with the following results.

Ayes: Mr. Merriam, Mr. Sutton, Mr. Mooney, and Mr. Dunn.

Noes: None

Abstain: Ms. Nolen (as a Malta town board member who voted on the LFTC PUD)

Adopted: 4-0-1

NYS EDC: Survey of Employment Impacts of IDAs

Mr. Valentine reported that the NYS Economic Development Corporation has hired the Center for Governmental Research (CGR) to conduct an economic analysis in an effort to rebut the findings of a report conducted earlier this year by Jobs With Justice. The Jobs With Justice Report drew erroneous conclusions about the employment numbers of Saratoga County IDA project companies, as NYS EDC asserts was done statewide. To help EDC and CGR respond to the false conclusions of the Jobs With Justice Report, Mr. Valentine completed a survey and provided copies of the Supplemental Information component of our Annual Financial Reports for 2003-2006.

Other Business

Michael Relyea informed the Board that effective November 26th Jon Dawes will become a permanent employee of the LFTC EDC.

Mr. Valentine reported that he had received a request from Reserve America to waive the 5% penalty and 1% late fee applied to the 07/08 PILOT billing for school taxes. The billing was dated September 12th and due on October 12, 2007. The finance institute associated with the company claimed that it did not see the bill until November 5th and requested waiver. Mr. Valentine stated he declined their request but said he would ask the Board at today's meeting. Members concurred that the penalty and late fee was owed and is past due.

Mr. Sutton commended Mr. Benton in his representation of the IDA and its efforts at a racing panel discussion held at the Museum of Racing to highlight the importance of NYS officials making a timely decision on the management contract for the thoroughbred racetracks. NYRA's contract expires on December 31, 2007 and a 2008 season is being jeopardized by a decision having not yet been made. Mr. Sutton stated that Mr. Benton was a very well-informed panel member who represented the interest of numerous Saratoga Springs and Saratoga County agencies, businesses, farms and racing enthusiasts.

Adjournment

There being no further questions or comments, Ms. Nolen moved to adjourn the meeting. Mr. Mooney seconded the motion, with all in favor.

Respectfully submitted by,

Michael Valentine
Sr. Planner

MEETING MINUTES **December 10, 2007**

The meeting held at the city of Saratoga Springs City Hall located at 474 Broadway in Saratoga Springs was called to order at 8:07 am following the close of a public hearing held to consider the application of Saratoga Eagle Distributors.

The following Members, Staff and Guest were present:

Members: Raymond Callanan, Chairman; Charles Merriam, Jr., Richard Dunn, Rod Sutton, and Charles Hanehan.

Staff and Guests: Lawrence D. Benton, CEO; John Murray, CFO; Michael Valentine, Sr. Planner; Michael Toohey, Counsel; James Carminucci, Bond Counsel; Jon Dawes, SEDC; Stephanie Ferradino, Counsel for applicant; Jeff Vukelic, Kenneth Davis and E.J. Harkins of Saratoga Eagle Distributors; Ernest J. Gailor, P.E., Board of Education, SSSD; Richard Mullaney, attorney for SSSD, and Stephen Williams, Daily Gazette.

Approval of Minutes

The minutes of the November 14, 2007 meeting were unanimously approved following a motion by Mr. Sutton, seconded by Mr. Dunn.

Saratoga Eagle Distributors: Inducement Resolution

Mr. Toohey, following the conclusion of the public hearing, stated for the parties involved with the application, that the IDA has no authority to set assessed values on property. In the case of the subject property and the improvements proposed for that property, he explained that the assessment will be established by the Saratoga Springs city assessor, not the IDA. The Agency, he stated, recognizes that the applicant has provided guidelines that form the basis of an agreement between Saratoga Eagle and the Saratoga Springs School District concerning property assessment. The city is one individual taxing jurisdiction and the involved parties should not be confused between market value, assessed value and equalized value. Mr. Toohey noted that the purchase price of the subdivided parcel is \$1.2 million dollars and that is this value on which taxes will be paid under the PILOT (not some other equalized value). Ms. Ferradino stated that she has a letter from the city's assistant assessor's stating that the \$1.2M land value and the \$7.885M value for land and future improvements are within acceptable ranges. Mr. Carminucci noted that the inducement resolution before the Board seeks approval for a 5-year PILOT based upon a \$1.2 million dollar value times the school district's tax rate for each of these five years. Mr. Sutton and Chairman Callanan commended the Saratoga Springs School District for its participation in discussions with the applicant and the IDA as positive example of public/private cooperation. They both expressed their encouragement for the actions taken in the face of a fragile tax base in the city.

Mr. Mullaney, counsel for the SSSD, and Mr. Gailor, a trustee of the School Board, each expressed appreciation to the Board for the opportunity to provide meaningful input on the future PILOT Agreement which gives the District assuredness in budgeting for future tax revenues.

As there were no additional questions or comments, Mr. Sutton moved to approve the application and five-year PILOT presented by Saratoga Eagle Distributors. Mr. Dunn seconded the motion.

A roll call vote was taken on Resolution #961 (attached) with the following results.

Ayes: Messrs. Mooney, Merriam, Sutton, Hanehan, Dunn and Callanan.

Noes: None

Adopted: 6-0

Architectural Glass and Mirror: Access & Utility Easements

Mr. Valentine explained that a site plan was submitted to the County Planning Board as a referral from the Halfmoon planning board related to construction of Architectural Glass and Mirror's (AGM) newly proposed manufacturing facility on Solar Drive. He noted that the site plan provides for access and utilities to cross the company's present location that is in title to the IDA in order to serve the new building. Mr. Valentine contacted the company's attorney and put her in contact with Mr. Toohey to assure that the company obtains easements from the IDA for access and utilities. He requested that the Board approve granting the two easements across Agency property and also authorize the execution of all necessary documents. Mr. Toohey stated that sign-off by the Company's financial institution would be required as a condition to effect the easements.

There being no further questions or comments, Mr. Merriam moved to approve the requested easements and authorize the execution of any necessary documents. Mr. Hanehan seconded the motion.

Resolution #962

RESOLVED THAT the Saratoga County Industrial Development Agency does hereby, conditioned upon the approval of the Company's financial institute, grant approval for the placement of a site access easement and a utility easement across that parcel in title to the IDA for the benefit of Architectural Glass and Mirror in construction of a new manufacturing facility on an adjacent parcel.

BE IT FURTHER RESOLVED THAT the Saratoga County Industrial Development Agency hereby authorizes the Chairman or any other officer to execute any and all documents necessary for the noted easements.

Ayes: 6

Noes: 0

Adopted: 6-0

YMCA: Mechanic's Lien

Mr. Valentine informed the Board that on November 26, 2007 the Agency was served a notice of claim related to a mechanic's lien associated with construction of the YMCA in Saratoga Springs. General Supply and Services, Inc. of Smyrna, Georgia provided electrical supplies and fixtures to Gemini Electrical Design (Round Lake) acting as a subcontractor to Bast Hatfield, the general contractor. The claim is for payment of \$5,912.53 from Gemini Electrical to General Supply. Mr. Valentine asked Mr. Toohey, as Agency Counsel, to send a letter to General Supply's counsel (Dettaan & Bach) to notify the company that the IDA (as of an October 22, 2007 reconveyance) no longer has an interest in the property and is not a party to the lien.

Property Reconveyances

Mr. Valentine stated that staff has corresponded with company representatives relative to reconveyances from the IDA to Ace Hardware, Saratoga Flour, and South Street, LLC. He noted that in April 2007 the Board authorized the execution of documents for Scott & Finch Partnership's reconveyance. Mr. Benton stated that both of the Sitterly Associates projects have reached the end of their abatement periods and that he will initiate the reconveyance process for these properties.

Mr. Toohey advised that he has spoken with corporate counsel involved with Ace Hardware's reconveyance and that he has provided the company's local counsel with the documents necessary for title transfer. Mr. Carminucci stated that he will contact South Street representatives on behalf of the Agency as this is a client company he represents.

There being no further questions or comments, Mr. Mooney moved to authorize the execution of documents to effect the reconveyance of title from Ace Hardware.

Resolution #963

RESOLVED THAT the Industrial Development Agency of Saratoga County does hereby authorize Agency counsel to prepare any and all formal documents required for the reconveyance of title by quit claim deed from the IDA to Ace Hardware and authorizes execution of said documents by any officer of the Agency.

Ayes: 6

Noes: 0

Adopted: 6-0

NYSEDC: 2008 Membership Dues

Mr. Benton informed the Board that an invoice for the IDA's 2008 membership fee was received from NYS EDC and sought the Board's approval for payment. NYSEDC has a very effective lobbying presence on behalf of the IDAs statewide. The EDC also promotes issues and provides training related to economic development locally and on a state level.

There being no further questions or comments, Mr. Mooney moved to authorize payment of membership in NYS EDC for 2008. Mr. Dunn seconded the motion.

Resolution #964

RESOLVED THAT the Industrial Development Agency of Saratoga County does hereby authorize the one-time payment of \$750 to NYS EDC for its 2008 membership fee.

Ayes: 6

Noes: 0

Adopted: 6-0

Saratoga Hospital: Administrative Fee

Mr. Benton stated that on December 11th the Agency and Saratoga Hospital closed on the two bond issuances related to projects in Saratoga Springs, Wilton and Malta. He explained that

there were two separate issuances but the applicant has requested that, as in its past project finance closings, the Saratoga Hospital pay an administrative fee to the Agency based upon an aggregate amount. A fee based upon the aggregate of \$34,330,000 will be less than two fees on bonding of \$15,790,000 and \$18,540,000. Mr. Toohey responded to Mr. Mooney's question about this process setting a precedent by noting that the possibility does exist (as evidenced by this 2nd request from Saratoga Hospital), yet because it is a community-based not-for-profit with such a large bond amount the precedent is unique. Mr. Benton noted that the Agency's policy is to support not-for-profit community-based projects utilizing civic facility bonding and the past precedent of using an aggregate amount to reduce the fee charged is consistent with the board's intent.

Mr. Merriam moved to authorize an administrative billing based on an aggregate bond amount. Mr. Mooney seconded the motion.

Resolution #965

RESOLVED THAT the Industrial Development Agency of Saratoga County does hereby authorize the CEO to issue a billing for Saratoga Hospital's administrative fee based upon one aggregate bond amount of \$34,330,000.

Ayes: 6

Noes: 0

Adopted: 6-0

2007 Revised Budget

Mr. Benton presented a final budget to close out 2007. The budget reflects a surplus amounting to \$75,954 based upon non-pilot revenues of approximately \$300,000 with fees and earned interest resulting in a roughly sixty-thousand dollar increase over the initial budget. Final expenses increased due to IDA support of the county planning department's annual conference, payment for Clough-Harbour's Moreau Rail Spur Study, and a payment to Quad Graphics to settle a long standing Article 78 suit regarding an overpayment of prior payments in lieu of taxes.

Mr. Benton asked the treasurer about the \$75,000 Agency commitment to general improvements in the Grande Industrial Park as stipulated in a court agreement relative to Quad Graphics' assessment challenge. The \$75,000 is reflected in the annual audited financial report but Mr. Benton asked whether the commitment should be shown in the operating budget. Following discussion it was the consensus of the members that the item be removed from the budget so that it does not affect each year's budget surplus or deficit until utilized or waived.

There being no further questions or comments, Mr. Dunn moved to accept the final 2007 budget as revised. Mr. Mooney seconded the motion.

Resolution #966

RESOLVED THAT the Industrial Development Agency of Saratoga County approves the revisions to the 2007 IDA Budget indicating a surplus of \$75,954.

Ayes: 6

Noes: 0

Adopted: 6-0

2008 Proposed Budget

Mr. Benton presented the proposed FY2008 Budget for which he is seeking approval. He noted that the format specified through the state Comptroller's office is simpler and cleaner than past budgets. No changes were made in estimated fee revenue which is subject to future activity. With the end of its abatement period the PILOT revenue (and expense to jurisdictions) for Northern Electric has been removed from this year's budget. The budget anticipates a surplus of just under fifty thousand dollars.

There being no further questions or comments, Mr. Hanehan moved to approve the FY2008 Budget as presented. Mr. Sutton seconded the motion.

Resolution #967

RESOLVED THAT the Industrial Development Agency of Saratoga County does hereby approve the FY2008 Budget presented with an estimated surplus of \$49,750.

Ayes: 6

Noes: 0

Adopted: 6-0

Other Business

Mr. Benton stated that Jon Dawes will be an employee of SEDC until January 2nd at which time he will start working with the LFTC EDC. He inquired about who the IDA will be working with at the SEDC. Mr. Dawes indicated that SEDC's Board is conducting a national search for a new president through nationwide publications and after that position is filled the advertisement for his position will be undertaken. During this time the SEDC will be ably represented by Jack Kelly and Shelby Schneider.

The Chairman informed the Board that with the expiration of his term of office today's meeting will be Charlie Merriam's last as a member of the Agency. Mr. Callanan commended Mr. Merriam for his ten years of service and the valuable insight and inquiries he provided. Member concurred with the Chairman's comments and expressed their gratitude to Mr. Merriam.

Adjournment

There being no further questions or comments, Mr. Sutton moved to adjourn the meeting. Mr. Dunn seconded the motion, with all in favor.

Respectfully submitted by,

Michael Valentine, Sr. Planner

Audit Committee
Meeting Minutes
April 26, 2007

The meeting was called to order by Chairman Dunn. The following members and staff were present.

Members: Richard Dunn, Rodney Sutton, Charles Merriam

Staff: Lawrence Benton, CEO, John Murray, CFO and Edmund Galka, Auditor.

Charter

The proposed charter outlining the responsibilities of the committee was briefly discussed. The Committee agreed that all references to an “internal auditor” should be deleted as the position would not be justified in view of the limited financial operations of the Agency. Mr. Benton agreed to make revisions and provide copies to the committee for further consideration.

FY 2006 Financial Report & Audit

Mr. Galka reviewed the completed report that includes revenues & expenditures; assets and liabilities; management letters and review of internal controls. As part of Mr. Galka’s audit he essentially reviews all of the Agency’s financial records and meeting minutes to insure expenditures are appropriately authorized. The bulk of the Agency’s assets are invested in certificates of deposit with collateral held by third party banks in accordance with the Agency’s investment policy and state law.

Mr. Dunn, treasurer, and Mr. Benton, CEO executed a letter of representation to Mr. Galka covering assets, cash deposits, investments, collateral, receivables, insurance reviewed and data provided by project companies.

FY 2006 Annual Report, Public Authorities Accountability Act (PAAA)

Mr. Benton reviewed the initial annual report prepared pursuant to the PAAA. It includes a narrative of Agency operations during 2006. Also included are the policies recently adopted by the Agency. Mr. Benton stated that with the filing he believes the Agency would be in full compliance with the PAAA. Mr. Benton, CEO, and Mr. Murray, CFO, signed the final report certifying the accuracy of information provided.

Financial Package (Accounting Software)

The committee & staff addressed various software options that would simplify bookkeeping procedures. Mr. Dunn suggested software along the lines of "Quickbook" which provides a daily ledger of revenue and expenditures. This type of software also allows for periodic reports on the Agency's financial position; Mr. Murray agreed that a modest investment in accounting software would formalize the Agency's financial recordkeeping and management. He will discuss program options and check with the county Treasurer's office regarding their tracking system for certificates of deposit.

Internal Controls, Structures & Procedures

Mr. Galka's Audit of the Annual Financial Report includes a statement on compliance by Agency management with applicable state laws and regulations governing Agency financial accounting.

At the Agency's request in 2006 Mr. Galka had provided a detailed description of Agency operations and internal controls as they relate to the requirements of current statutes, including the PAAA (see March 11, 2006 attached). The letter contains several recommendations to strengthen procedures for internal controls covering the bidding process for certificates of deposit; revenues & expenditures; computer software; company reporting requirements and certification of data submitted; PILOT billing procedures; and bank agreements and signature cards.

The committee reviewed the recommendations and discussed the status of compliance with each element.

Mr. Galka, in addition to researching relevant statute and preparing the letter on management and internal controls, had met in 2006 with the treasurer and CEO. He will be submitting an invoice to the Agency for the work performed outside the Annual Audit completed pursuant to contract.

Agency Accounts

Mr. Benton reviewed the two accounts controlled by the Agency which are a non-interest bearing checking account and a savings account which pays a negligible interest rate. He advised the committee that some banks may offer a municipal checking account that pays a significantly higher interest rate than currently received. He will review Agency activities and prepare a request for proposals to determine what account options are available to the Agency. Mr. Murray noted that at certain times the Agency is holding a million dollars in PILOT payments which if invested short term could earn considerable revenue. Mr. Benton suggested an interest bearing checking account could accomplish that objective without impacting statutory deadlines for disbursement to local tax jurisdictions.

Contract Renewal

Mr. Benton noted that he was appointed CEO in April 2006 and received a flat annual fee of \$20,000 paid quarterly. A review of quarterly invoices submitted

indicates that Mr. Benton worked 500 hours over the year which equates to an hourly rate of \$40/hour. He advised the committee that he would be pleased to continue as CEO and asked if they would consider increasing the annual payment to \$25,000. Committee members agreed that an increase was reasonable and moved to submit that recommendation to the full board.

Other Business

Rail Spur Invoice

Members signed a check (\$7,500) to Clough Harbour Associates for work performed pursuant to a contract.

CEO Quarterly Payment

Members signed a check for quarterly payment to CEO per contract (\$5,000).

Canadian Pacific Railroad Co

Members signed a check for Annual rental of Rail Spur at W.J. Grande Industrial Park (\$25.00).

Certificates of Deposit

The Treasurer signed several recent bid tabulations for certificates of deposit.

Investment Policy

Mr. Benton advised the committee that the PAAA requires IDA's to adopt investment policies. The Agency has had a policy in place since 1994, as amended in October 1999. He will provide members with copies for their review in consideration of any updates.

Adjournment

As there was no further business the meeting was adjourned on a motion by Mr. Merriam, seconded by Mr. Sutton, with all in favor.

Respectfully submitted,

Lawrence D. Benton, CEO