

SARATOGA COUNTY INDUSTRIAL DEVELOPMENT AGENCY MEETING

June 13, 2016 – 8:07 a.m.

Saratoga Springs City Hall, Saratoga Springs, New York

PRESENT: Members: Chairman Rod Sutton, Mary Beth Hynes-Walsh, Glenn Rockwood, Phil Klein, and Andrea DiDomenico.

STAFF & GUESTS: Richard Ferguson, CEO, Michael J. Toohey, Esq., Counsel to the Agency; James A. Carminucci, Esq., Bond Counsel; Michael Valentine, Administrative Assistant; Patrick Greene, Driver Greene, Attorney at Law; Craig Arnoff, Arnoff Global Logistics; Denis Brobston, SEDC; Ryan VanAmburgh, SEDC; George Hubschmitt, Core Tech Industrial Park; Robin Cooper, Capital District Business Review; Shelby Snyder, Saratoga County Prosperity Partnership; Tom Richardson; Steve Williams, Gazette; and Lori Eddy, Secretary.

ABSENT: Arthur Johnson and Mike Mooney.

Chairman Sutton stated that before calling the meeting to order for business he would like to have a moment of silence for the victims and their families of the horrific actions in Orlando.

Chairman Sutton called the meeting to order at 8:07 a.m.

Chairman Sutton stated that in your packet are the minutes of the meeting of May 20, 2016. Chairman Sutton asked if there were any changes or additions to the minutes. Chairman Sutton then asked for a motion to approve the minutes as presented. A motion was made by Ms. DiDomenico to approve the minutes and it was seconded by Mr. Klein. All were in favor and the minutes were approved.

Chairman Sutton stated that last Thursday we had our public hearing on two applications, one of which was Arnoff Moving & Storage. Chairman Sutton asked Mr. Brobston if he had anything further to add to the application. Mr. Brobston stated no he did not. Mr. Rockwood asked Mr. Brobston to go over the final numbers one more time since this has changed several times. Mr. Rockwood stated specifically could Mr. Brobston discuss the benefit package. Mr. Brobston stated he sent out the new PILOT sheets. What they had changed was to put the assessment into the spreadsheet and that was the \$4.4 million dollar PILOT assessment. The mortgage recording tax of \$74,000, sales tax of \$227,000, property tax is a five and five. The first five years, the PILOT will pay the existing assessment, the estimate for that is \$91,280 and then in year six it ratchets up 10% each year to a total of 100% in year eleven. The total PILOT payments paid over that period of time is \$1.325 million dollars and the total taxes saved is \$886,000. By the time you take out the cost of fees and all the different project costs including the IDA fee of \$83,000, the bottom line savings is just under \$1.1 million dollars over 10 years. Mr. Brobston asked Mr. Rockwood if there were any particulars he wanted clarification on. Mr. Rockwood stated no, he just wanted an explanation one more time. Chairman Sutton questioned whether anything has changed in the job market in relation to the number of employees. Mr. Brobston stated no there is not.

Chairman Sutton asked that the Resolution presented regarding the Arnoff Moving and Storage application be acted upon. Mr. Johnson moved to act upon the Arnoff Moving and Storage application as presented. Ms. DiDomenico seconded the motion.

RESOLUTION #1328 (Attached)

The results of the roll call vote were as follows:

AYES: Mr. Klein, Ms. Hynes-Walsh, Mr. Rockwood, Ms. DiDomenico and Chairman Sutton.

NOES: 0

ADOPTED: 5-0.

Chairman Sutton then discussed the second application we saw last week, John W. Danforth Company to be located in the Town of Halfmoon. Chairman Sutton asked Mr. Brobston if there was any further information. Mr. Brobston stated there was nothing further to add. Mr. Rockwood questioned if this application has changed at all. Mr. Brobston stated it has not. Chairman Sutton stated they are looking for approval of a five year PILOT.

Chairman Sutton asked that the Resolution presented regarding the John W. Danforth Company application be acted upon. Ms. DiDomenico moved to act upon the John W. Danforth application as presented. Mr. Klein seconded the motion.

RESOLUTION #1329 (Attached)

The results of the roll call vote were as follows:

AYES: Mr. Klein, Ms. Hynes-Walsh, Mr. Rockwood, Ms. DiDomenico and Chairman Sutton.

NOES: 0

ADOPTED: 5-0.

Chairman Sutton stated the next applicant is Logistics One and this is the project where McNery is adding on admin space on Cady Hill Road. Chairman Sutton asked if Mr. Greene had anything else he wanted to add. Mr. Greene introduced himself as Counsel for Logistics One & Bill McNery. He stated that they appreciate the consideration of the project and the opportunity to speak. He had a couple of things he would like to add and that he knows were addressed in the first meeting. Number one, Bill McNery commenced operations in the Park in 1994 and at very modest projections about growth. The number of employees and payroll has reflected a record and that original projections were 29 employees and \$260,000 in payroll. It is now up to over \$8,000,000 and 200 employees. That growth hasn't been without some challenges. Particularly in 2008 and 2009, when the warehouse operations are up and doing well, the transportation side is down. That was a challenging period. He didn't give up on his companies and continued to grow modestly through that period. He thinks a big part of the early success throughout has been the recognition of the IDA assistance where it has been needed. They appreciate what the IDA has done over the years with other projects too within that park. It keeps the facility here and the operations here in Saratoga Springs where it belongs. We believe this is a project that is tailored for IDA assistance.

Mr. Greene asked if there were any questions. Ms. DiDomenico stated that Mr. Greene was not present at the last meeting and she had asked a question about attachment A of the application, the environmental assessment questionnaire was checked no instead of yes. Mr. Carminucci stated at the end of the presentation that should have been checked yes. Ms. DiDomenico asked Mr. Ferguson if they

filed an amendment for that page. Mr. Ferguson stated no. Ms. DiDomenico stated the other question she had was for Chairman Sutton and that was can they approve this due to the fact that they have so many pending approvals with the City of Saratoga. Mr. Carminucci stated they did get through at least part of the process with the Planning Board. The Planning Board did undertake SEQR and make a determination which allows us to step in. We usually won't close on a project until all of the approvals are in place. As long as SEQR has been addressed we are able to kind of push forward and that is the case here. Ms. DiDomenico questioned if it was a negative declaration at the City level. Mr. Carminucci stated yes it is. That is reflected in the Resolution he distributed. Mr. Rockwood stated this would be conditional anyway because if they don't get approval they can't move forward. Mr. Toohey stated nothing happens without full municipal approval and within the Resolution there is wording to that effect. Chairman Sutton questioned Mr. Greene where are you on the timetable on approvals. Mr. Greene stated they are working with Cratan Manning Engineering on that, apparently they are backed up a little. Chairman Sutton questioned when they wanted to start the project. Mr. Greene stated that the one piece that really was holding them up is the consolidation of two parcels which is still underway. That was a condition from NYBDC. They wanted that before they finalized their appraisals. We are looking at some time in the next 4 weeks that will occur. They would like to get underway as quickly as possible. Mr. Greene stated he would like to add a historical note. Bill's great-grandfather owned a livery stable, McNeary Alley, right across from the hospital. He was delivering milk, eggs, and dairy products in the 1910's, so they have been in the transportation business for a long time. His grandfather on his mother's side was Grande of Grande Industrial Park. This is something on the historical side you might be interested in. The family is continually committing to reinvesting in Saratoga Springs and the surrounding communities. Chairman Sutton thanked Mr. Greene for his discussion.

Chairman Sutton asked that the Resolution presented regarding the McNeary Inc. /Logistics One application be acted upon. Mr. Klein moved to act upon the McNeary Inc. /Logistics One application as presented. Ms. DiDomenico seconded the motion.

RESOLUTION #1330 (Attached)

The results of the roll call vote were as follows:

AYES: Mr. Klein, Ms. Hynes-Walsh, Mr. Rockwood, Ms. DiDomenico and Chairman Sutton.

NOES: 0

ADOPTED: 5-0.

Chairman Sutton discussed the next item on the agenda is Core Tech Industrial Corp. /CTI Properties. Mr. Valentine stated he talked with the applicant on Friday and was told he would be here about quarter after. He is not here yet, so if you want to move on to the next item. Mr. Toohey stated that just for purpose of disclosure, the land that Core Tech is buying in the Town of Ballston is owned by a client of his so he is recusing himself from taking part on anything having to do with this application. Mr. Carminucci will act as counsel to the IDA in his absence on this matter. Chairman Sutton thanked Mr. Toohey.

LFTCEDC Request for Assistance:

Chairman Sutton stated the next agenda item is the Luther Forest request for assistance. Chairman Sutton asked Mr. Ferguson to discuss this agenda item. Mr. Ferguson stated you have a letter in your packet from Tom Roohan, dated April 15, 2016 where he discusses the Technology Campus' next focus

which is the Wright Malta area. It is their desire to start to market that specific parcel. Based upon the history of that parcel and the brownfield issues, there is a certain report and work that needs to be done. They have come to us with a request to partner with them in the amount of \$35,000 to engage in a historic and photographic report of that parcel and they are asking us to partner with them similar to what we have done for both the Town of Saratoga Visitors Center and just recently with the City of Saratoga with the Geyser Road signalization. Ms. DiDomenico questioned if our total exposure was \$35,000. Mr. Ferguson stated yes. She questioned how much are they putting up. Mr. Ferguson stated the letter does not indicate that. Ms. Hynes-Walsh questioned what is the history of the property? Mr. Ferguson stated it was to the best of his knowledge a rocket engine testing site. There are certain environmental issues that go along with that site plus the historic significance of a military installation.

Ms. Hynes-Walsh questioned if this moved forward and issues surround the historic or the brownfield status could be resolved, how much land would be freed up for development, how much of an area are we talking about? Mr. Ferguson did not know the exact acreage. He would have to find that out. Ms. Shelby Snyder suggested that it was about 170 acres. Mr. Klein stated that it is indicated in the letter it is a requirement of the State of New York, it is a known fact. Mr. Ferguson stated he has not checked that, it is based solely on the validity of this letter. Mr. Rockwood stated there are a few things that come to mind. This project has been going for over 10 years and it would be inconceivable that some of these items haven't already been addressed so can we get some history from them on what exactly what assets they already have on this. Secondly, much of the consulting work that was done initially was done by member grants from the State, our representatives, and have they asked for any help from our representatives at all? Mr. Ferguson stated he would ask them both of those questions. Chairman Sutton stated that what needs to be discovered is the timetable of what they are trying to do, the acreage involved, what contributions they might be receiving, and then we can discuss this at a further time after we have received some of that information. Mr. Klein asked if we could also check the actual need, and if so, is it the whole site or just a portion of the site, the rocket fuel testing site grounds worth. Chairman Sutton asked if the site has been tested for contaminants. Mr. Klein stated somebody indicated it is a brownfield. Mr. Ferguson stated he doesn't believe it is a clean site, there are environmental easements across those properties which state that's an issue.

Mr. Toohey stated this is not an environmental review, this is an archeological, two different things. He does not read this to be environmental at all. Mr. Rockwood stated maybe they could come in person so that the questions that come up could be answered. Mr. Ferguson stated he was expecting a presentation today and he will reach out to them and say that the Board would like a presentation. Chairman Sutton stated if it is a historical site are they restricted from any type of development. Mr. Toohey stated that may be what they are trying to determine, what is allowed, that is the end result of this. Again, he doesn't want us to be confused that this has anything to do with the condition of the property itself. Mr. Ferguson stated he thinks that the questions that have developed this morning would best be served and answered with a presentation. He will reach out to them, give them an idea of what questions have developed and then say would you please make a presentation at the July meeting. Chairman Sutton thanked Mr. Ferguson.

REPORT AND RECOMMENDATIONS FOR PILOT ADJUSTMENT:

Chairman Sutton recognized Mr. Brobston to speak at this time. Mr. Brobston stated that in regards to Core Tech Industrial Corp. /CTI Properties, there was a mix up in their calendar this morning. They are on their way right now and will be here shortly.

Chairman Sutton asked Mr. Ferguson to discuss the Report and Recommendation for PILOT adjustment regarding employment target performances. Mr. Ferguson stated we have been working on this project since December and we have talked about this at both the March and April Board meetings. As you recall, in May we had presentations from the two companies which had failed to meet their targets for employment in a sufficient enough manner that also triggered specifics within our UTEP for not reaching 80% of target goal. Mr. Ferguson provided a memo which he wrote on June 7th. The two companies in particular are SEPSA, North America or Albatross and Monmouth Real Estate Investment. Subsequent to their presentations, Monmouth provided him with projections for employment 2016, 2017, and 2018 and as you recall SEPSA had provided that information for the May meeting. Both of the companies are projecting to get within our UTEP regulations of 80% in a 3 to 4 year period.

The issues behind SEPSA as you recall were economic in nature. There were delays in projects. They cited the economic downturn in 2008 as well as issues in dealing with the length of project based on municipalities. Monmouth on the other hand talked about their own internal growth and on an organic basis and also a purchase of an additional company where that acquisition brought in line a new warehouse in New Jersey. On the surface, both of the requests have some merit and he is recommending and would be desirous of working with both of these companies. What he has suggested to the Board is that both Mr. Valentine and he increase their tracking of these companies including site visit and physical verification of employees. They will track their performance at year-end 2016 through 2017. If they are on track, then everything is fine and we will continue to monitor as we would any other project company. If at either 2016 or 2017 they fail to hit their targets, he would come back to the Board and recommend that we reduce the PILOT benefits, conversely we increase their PILOT payment and we do that based upon the deficiency they had at year-end 2015. So, instead of 100% benefit that they have now, if SEPSA misses their marks, we would reduce to 63% and with Monmouth we would reduce to 77%.

Just for additional information, he ran numbers. Round numbers, if we had to reduce PILOT benefits it would cost SEPSA, North America \$15,000 on an annual basis. It would cost Monmouth \$19,000 on an annual basis. If you approve his recommendations, he will memorialize that in a letter that will also need to be acknowledged and signed off by the companies. At the time it would prove to be beneficial to have a site visit as well. Mr. Ferguson stated he would be happy to answer any questions. Mr. Rockwood questioned you are talking about getting them within 80% of what their projections were and then the penalty would kick in. Mr. Ferguson stated if they do not meet what they projected for us. Mr. Rockwood stated isn't 80% already not meeting what they projected for us. Mr. Ferguson stated that is correct but our UTEP gives us 80% to 100% flexibility. Our UTEP also allows us to disregard that as well if we so choose. Chairman Sutton questioned how often would you be checking with them or what the timetable is for this year. Mr. Ferguson stated he will make a site visit. They will check at year-end 2016 and again check at year-end 2017. It is a higher level of scrutiny than what we currently have. Chairman Sutton questioned whether they will willingly contact you directly so that we don't have to go through this exercise, do they know the serious nature of this. Mr. Ferguson stated they will understand that, but he wants to go through this exercise, he wants them to know that we are not just going to accept a letter or an email from them saying that they've got 52 employees. He is going to go to the site and get secondary documentation.

Mr. Klein stated that he thought that is an excellent idea and if the formula works out well, he is glad to see that we are able to, if they will agree to this. Ms. Hynes-Walsh stated that that is part of reasonable oversight. It was a really good move to have them come in and present to us at the last meeting and she thinks the recommendations sound very reasonable. Mr. Rockwood stated on the one hand, the folks

from Spain, he gets the high unemployment, the projections are kind of a moving target because they don't know what is going to happen from their RFP's, but the other company made a conscious decision to buy a facility in New Jersey that competes with some place that they are already getting benefits. He thinks we need to get our money back. On top of that, shipping out of Saratoga, New York is no different than shipping out of New Jersey for the entire Metropolitan area, it still gets there tomorrow. Mr. Ferguson stated that he and Mike discussed those exact comments regarding this, and what swayed him to work with them on an 18 month period was the fact that they came back to us with their desire and their projection to get employment up to 94% and he figured let's give them that year and a half timeframe to work with that. Mr. Rockwood questioned if they didn't achieve that we are going back to 2015 and they are aware of that. Mr. Ferguson stated it will be in his letter.

Mr. Toohey stated they will agree to that. The letter will be drafted so that they agree, if they don't achieve this they will know what the penalty will be. Mr. Ferguson will draft the letter and let everyone look at that. Ms. DiDomenico stated she is on board with what Mr. Rockwood stated, she had the same thought. She thought that Mr. Ferguson and Mr. Valentine must have really analyzed this, but she likes the idea of going back to 2015 so that they really know they have to do their job to bring in more jobs. Mr. Valentine stated that one of the things to bring up as Mr. Ferguson said, at year-end, we don't necessarily mean that we are going out in December to check, because we do annually get a report just on paper, the number of jobs. We will probably go out in June, July or August to visit that site and you have a comparison of year-end from the previous year and later on we will have a year-end with the 2017 we get. At that point, what we will be looking at, we'll send what is called a site visit letter, the questions that you are asking. We have authority within the PILOT Agreement to go out there and ask for that information. That job information we will get from either HR or Accounting.

Chairman Sutton asked for a motion to authorize Mr. Ferguson to send a letter with the stated conditions. Mr. Ferguson stated he would like it reflected in the minutes based upon the fact that this was a recommendation and condition of our Audit last year. Ms. Hynes-Walsh made the motion to authorize Mr. Ferguson to send a letter with the Board's conditions as stated. Mr. Rockwood seconded the motion. There was no further discussion. All were in favor and the motion was approved.

FORTRESS PARTNERS, LLC:

Chairman Sutton asked for a discussion on Fortress Partners, LLC: Authorize Execution of Refinancing Documents (Creatacor). Mr. Ferguson stated to Mr. Carminucci that this item was on last month's agenda and we pulled it off due to timing purposes. There was a refinance and documents needed. Mr. Carminucci stated we didn't receive the documents. Mr. Carminucci stated he thought we are all set on this. Mr. Valentine stated he thought this was a left over from the agenda, it is on there by mistake.

ACE HARDWARE INCREASE OF SALES TAX EXEMPTION:

Chairman Sutton discussed that the next item on the agenda is the Ace Hardware increase of sales tax exemption. Mr. Valentine stated that Ace Hardware requested to put them on our agenda for the next public hearing. They have requested an increase in the dollar amount reported for sales tax exemption based upon an extension of construction and cost associated with the expansion project. Mr. Brobston stated he did talk with their consultant on Friday. They have had a change in the design for some of their equipment that will make their fire suppression effectual for their process and their products. That was more money than they originally thought. They decided to put a couple more tanks in to make sure they covered everything. In discussions with our clients, we are always telling them to be very

conservative with their numbers, but if you get close, you need to let us know. They took that to heart and said we don't really want to have a problem with reporting. Mr. Valentine stated they are looking at going from what was approximately \$1.2 million to \$2.01 million as far as the exemption in sales taxes. That is a large amount. Mr. Brobston stated the tanks and the equipment will be below that by a decent number. Mr. Carminucci asked Mr. Brobston what the original cost of the project was. Mr. Brobston stated \$36,000,000. Mr. Rockwood discussed that now they are adding \$60,000,000 to it now. His thought was we need them to come before the Board. Mr. Carminucci discussed his only concern with the public hearing is he doesn't want to overstate what is happening. He could not imagine they are spending another \$60,000,000. He questioned whether it would set them back in terms of timing if we have them come in first and then do the public hearing in July or something. Mr. Valentine stated no because we have done an extension with them through December 31st of this year. Mr. Klein questioned if they could furnish numbers, we have to have something to look at. Chairman Sutton stated we should revisit the project and reassess the numbers from the initial application to what they want to do now and the reasons why there is such a discrepancy in those numbers. He thinks if we could do it in a sub-committee meeting before we get into a general discussion here. With the information he has from Friday, we do not have those answers. Chairman Sutton stated let's have them come in and we will have the discussion and bring it to the Board.

STAFF AUTHORIZATION FOR CHECK SIGNATURES:

Chairman Sutton asked Mr. Ferguson for a discussion on the staff authorization for check signatures. Mr. Ferguson stated you have as part of your meeting information an excerpt from the July 19, 2010 minutes where it was authorized that Mr. Valentine and Mr. Benton would be able to sign checks up to \$3,500.00. We would like to have a new Resolution adding Mr. Ferguson and taking Mr. Benton off. It has already been done officially at the Bank, we just need an official Resolution.

Chairman Sutton asked for a motion to approve the amendment to Resolution #1064 to remove Mr. Benton and add Mr. Ferguson. Ms. Hynes-Walsh made the motion to amend Resolution #1064 removing Mr. Benton and adding Mr. Ferguson. The motion was seconded by Ms. DiDomenico.

RESOLUTION #1331

RESOLVED THAT the Saratoga County IDA amends the original Resolution #1064, dated July 19, 2010, to remove Mr. Benton and add Mr. Ferguson for check signatures up to \$3,500.00.

The results of the roll call vote were as follows:

AYES: Mr. Klein, Ms. Hynes-Walsh, Mr. Rockwood, Ms. DiDomenico and Chairman Sutton.

NOES: 0

ADOPTED: 5-0.

HHR Partnership Update: Visitor's Center Contract with Saratoga Associates

Chairman Sutton asked for a discussion on the HHR Partnership Update. Mr. Richardson introduced himself as the Supervisor of Mechanicville. He is also the Chairman of the Historic Hudson Hoosick Partnership. Mr. Richardson distributed some materials containing information regarding the Partnership and the Gateway Visitor's Center. He brought two things to show with the timber frame

build. The first thing he would like to do is thank the Board. About a year ago the IDA assisted in the planning and design for the building which was \$130,000. Mr. Richardson thanked the IDA for their support. The plans are made, they are moving forward with construction. Today they had an RFP out for micro-piles. Mr. Richardson stated he would like to answer any questions and also he has an ask today. The first request would be to fund the second part of our agreement with Saratoga Associates at \$40,000. We also need a project and construction Manager which is an \$80,000 item. Also, because we are dealing with New York State, we also need a special inspector, that item is about a \$30,000. The last one is the largest, the micro-piles. When we open the RFPs today we are looking at probably \$185,000. The Board members asked Mr. Richardson to explain what micro-piles were. Mr. Richardson stated that the property at one time, many years ago, was a landfill and they built a Town Hall on that. The Town Hall has been knocked down and taken away, but the land underneath hasn't settled very well. The micro-pilings are steel structural supports that they pound down through the ground and fill with cement so that when we build our building it will be solid. Mr. Richardson stated if there was any way the Board could give them a hand with any of these items, it would be greatly appreciated.

Last year when we dealt with Saratoga Associates, there was a direct contract between the IDA and Saratoga Associates so they know how that works. Mr. Rockwood asked Mr. Richardson what other kind of organizations are participating. Mr. Richardson stated the Timber Frame Guild is going to be constructing the frame of the building. This is going to be similar to reflect like the Schuyler House down the road. As far as other organizations and other people involved, if you take a look at your folder, on the left hand side is a listing of all the communities and organizations that are part of the Partnership. We have received several grants that we are working with. We have \$283,000 right now in Parks, we have a \$191,000 from Valcorp for the actual construction. We also received \$250,000 from Assemblywoman Carrie Woerner. Chairman Sutton asked Mr. Richardson what the cost of the total project was. Mr. Richardson stated the total project is about \$1.3 million dollars. Chairman Sutton questioned whether they are on target with the \$1.3 million dollar with no overruns on the project. Mr. Richardson stated it is kind of surprising for this kind of building. But when you are dealing with the State and the grants for the money we've got, and with Saratoga Associates on board, things get relatively expensive. Mr. Richardson stated that one of the things they also have help with is a \$350,000 grant through links to locks. That grant is for exhibits inside the building and signage to get people to the building. The building sits on Route 29 just as you are coming in from Washington County.

Chairman Sutton asked if there were any projections of numbers of people that might be visiting. Mr. Richardson stated he only knows that a couple of hundred thousand people travel Route 4 every year for tourism. Tens of thousands find their way to the Battlefield but not to other locations. Part of the idea is to extend this down through the county. Chairman Sutton stated Mr. Klein asked for an operating budget, is there something in there for advertising and maintenance after the fact. What will it cost to maintain. Mr. Richardson stated they have been working with the National Battlefield on this. Also we are working with Hudson Crossing who is one of our members. They are working on putting some people on staff that will be like administrative help with things and we will house those people inside our building. Some are volunteers. Mr. Klein asked if the County has participated in any financing of this. Mr. Richardson stated the County has given them a \$200,000 revolving loan fund. All of the money that they are dealing with are grants from the State and they are to be reimbursed, so what has happened is we have to pay for whatever things are done and they will give us \$200,000 to work with. We also work with foresters also to get the lumber out of the County forest to build that building with. Mr. Klein asked if the County is charging interest on that revolving fund. Mr. Richardson stated no they are not. The reason being is the thought process was that instead of charging us one or two points on that, they felt that the building would be an addition to the County and all of the tourism and things that

would go through there, that would give them many more people spending a lot more money in Saratoga County.

Chairman Sutton stated that as you know, we are under great scrutiny now with our monies. If you can give us some kind of pro forma as to what your budget is going to look like and what your construction budget looks like and maybe the operating budget afterwards. Mr. Richardson stated he would try to get that to the Board by the end of the week. Ms. DiDomenico questioned if they needed \$1.3 million total before they go out. Mr. Richardson stated the projection is \$1.3 but they are thinking they might be able to do it for about \$700-\$800,000 because of all of the volunteer work and different things they are working on. Ms. DiDomenico asked if they were expecting to break ground this year. Mr. Richardson stated they are hoping to put the micro-pilings in sometime in July. They will have the concrete poured for the foundation hopefully in August, early September. The Timber Frame Guild has a convention in Saratoga in September so they are hoping to have a good part of the frame, if not all of it, up so they will be able to show it. Mr. Ferguson asked Mr. Richardson that when he provides the budget for construction and the operating budget, could he please also provide a list of where their funding sources are coming from.

APPLICATION: CORE TECH INDUSTRIAL CORP. /CTI PROPERTIES:

Chairman Sutton asked Mr. Brobston to discuss the application for Core Tech Industrial Corp. /CTI Properties.

Mr. Brobston apologized for the miscommunication on the time of the meeting. He stated that Core Tech is a company on McCrea Hill Road in the Town of Ballston. They rent space from the Aztec Environmental Group. They are growing very well and have been for many years and have decided it is time to build their own facility. One of our concerns is always retaining our companies inside Saratoga County, especially as they grow. This company has a facility in Greenville, South Carolina. Mr. Hubschmitt can give a presentation on what he does and talk about the project there. He is talking about a project that is approximately \$2.25 million dollars. Mr. Hubschmitt stated that Core Tech is a company that has been in business for 15 years. To a large degree, we started as an offshoot of GE and have since migrated into other aspects of the power industry. We cater products, design products, kit products and deliver products for the power industry. Specifically, gas turbine, steam turbine generators and wind turbine generators. A very minor part also in solar, but that is something that we have gotten into. It is an industrial based company. The equipment they make is rather large, heavy duty, industrial type equipment. The growth has been rather dramatic year over year. Since inception it has been in double digits and now we are on a very steep part of that geometric path.

They probably should have moved into a new facility two years ago. They are really in a bit of a panic now. They have no more parking spots left, no more offices. They would be hiring more people right now if they had the space. They finally made the decision about a year ago to invest in finding their own property. They started out looking at three possibilities, Saratoga County, Schenectady County and South Carolina where they have a sales office. They met with the subcommittee in September and basically entertained some offers and looked at the map and in December really vetted the decision and decided on Saratoga County. Since then they have been working with Blain Construction and the owner of the 2 McCrea Hill Road plot and also working with the Town of Ballston. They do expect that at the end of this month they will have final approval for plans on June 30th, it might be June 26th. The engineers have come together and just finalized the building plans. They are pretty much set to go. They expect to keep growing. They have definite expansion plans. They have hired some new sales

people in Pittsburgh and overseas. Their shipments are global shipments. They are more of an exporter than anything else. They ship to divisions of GE, Mitsubishi and Siemens located in Italy, India, China, and the Middle East.

Mr. Brobston stated the 27,000 square foot building could go to 40,000 square feet. The jobs they have presently are 21. They expect to grow in the first year to create seven, another four in the second and another four in the third. Their average salaries from the application is about \$80,000, as they employ many engineers. He and Mr. Ferguson did take a tour of the facility. Mr. Hubschmitt stated the labor they would be hiring in the shop would be on the higher end of the skill spectrum, electricians, and high end pipefitters. Our work is very technical, so we need expert hands on. Mr. Brobston stated the PILOT request is for a five and five. It starts at 100% for the first five years and then in year six it goes to 50%. Sales tax is \$61,200, mortgage recording tax is upwards of \$20,000. Mr. Hubschmitt did get the term sheet for the financing with First Niagara. It is over a total of ten years, savings would be \$311,000. Taxes on the property presently are about \$3,450. In ten years it would be \$34,420, but at the end of the PILOT they will be paying about \$234,000. Chairman Sutton questioned combining the two properties, how many acres would you have. Mr. Hubschmitt stated the plot right now is 6.35 acres. There is another company that they are subdividing the plot with. They intend to develop the front end. Chairman Sutton asked if they are going to lease out part of that property. Mr. Brobston stated they are buying the property. Mr. Carminucci stated the current property is being subdivided and they are taking one piece and another company is taking the other piece. Mr. Ferguson questioned Mr. Hubschmitt whether they are purchasing the entire parcel and you are doing the subdivision. Mr. Hubschmitt stated they are in partnership under agreement to purchase the parcel as two entities. Mr. Ferguson questioned if they had the financial strength to go ahead and purchase the entire parcel if your agreement with the other company does not come to fruition. Mr. Hubschmitt stated that would break their budget a bit. He stated they are pretty secure, they have a binding agreement that they are both bound to purchase the property and we don't foresee any problems with them not following through. They are very interested in having that 2.50 or 2.8 acres in the front to put some office buildings. Mr. Carminucci questioned of the 27,000 versus the 40,000 square foot building discussion, is the building expandable to 40,000 from 27,000. Mr. Hubschmitt stated it was designed for 40,000 square feet but they are going to be building the front 27,000. It is a long term plan to remain there and maintain manufacturing base there. We have an outsourcing model right now and we want to start bringing in some of those outside activities into our facility. Rasp and Rozell are two main partners of ours. We have 20,000 square foot up at Rozell that is dedicated to making some rather large modules. We probably will maintain that but we will want to build some small percentage of those large modules in our own facility as well. The customer wants to see it in our operations, see the capability there.

Mr. Brobston stated regarding a public hearing, due to timing concerns they would like to set a public hearing for the week of the 27th. Chairman Sutton questioned Mr. Hubschmitt if Schenectady County has been walking you down the street. Mr. Hubschmitt stated they made a nice offer and they put the two offers together and decided on Saratoga County. A large part of our company are Saratoga residents and we feel a strong connection to Ballston, Town of Ballston, and Ballston Spa. We decided to stay where we were since that plot of land was up the street. Mr. Valentine questioned going from the 27,000 to 40,000 square feet, do you see it happening within the course of that ten year PILOT. Mr. Hubschmitt stated he hopes so. If we went to the 40,000 square feet they would probably re-engage and discuss different numbers because he thinks it would exceed the numbers they have laid out in the current application.

Chairman Sutton asked for a motion to accept the application of Core Tech Industrial Corp. /CTI Properties and set a public hearing. The motion was made by Mr. Rockwood. Ms. Hynes-Walsh seconded the motion.

RESOLUTION #1332

The results of the roll call vote were as follows:

AYES: Mr. Klein, Ms. Hynes-Walsh, Mr. Rockwood, Ms. DiDomenico and Chairman Sutton.

NOES: 0

ADOPTED: 5-0.

Chairman Sutton discussed with the Board the best date where everyone would be available. It was decided that June 30th would be the best date to hold a public hearing and to vote on the application. The public hearing will be in the Town of Ballston at 8:00 a.m. Chairman Sutton discussed that the meeting with Ace would be too short of a timeframe to invite them to that meeting date at this time.

Chairman Sutton asked about the agenda item for project closings update. Mr. Valentine stated that we were looking at the possibility of a June closing with Agro Chem. Mr. Carminucci stated that could actually be in July. Mr. Ferguson stated we are looking at our next regular scheduled meeting to be the second week of July, on July 11th. Chairman Sutton stated he would be on vacation that week, but it is still fine with him. Mr. Brobston stated he will be out of town that week. It was decided that July 11th would not be a date everyone could attend. July 19th at 8:00 a.m. will be the next regular scheduled Board meeting date.

Chairman Sutton stated that he had one more issue to discuss in Executive Session. Chairman Sutton asked for a motion to go into Executive Session at 9:30 a.m. A motion was made by Mr. Klein to go into Executive Session to discuss personnel matters. The motion was seconded by Ms. DiDomenico. All were in favor and motion was approved.

EXECUTIVE SESSION

Chairman Sutton asked for a motion to return to the regular session of the meeting. The motion was made by Mr. Klein and it was seconded by Ms. DiDomenico. Chairman Sutton stated that regarding the personnel matter, there is no action taken at this point.

Mr. Rockwood stated he had been thinking about the Prosperity Partnership and SEDC contract thing. What would be the downside of us creating our own contract and making it available to anybody that wants to work on our behalf? Mr. Toohey stated that is how this started. Chairman Sutton stated we have offered our own to both. Mr. Rockwood questioned why we couldn't continue with that. Chairman Sutton stated we have to see what Prosperity Partnership comes back to us with. He thought they have their meeting on the 20th of June. Once they respond to that, we will sit down and talk about this.

Chairman Sutton asked for a motion to adjourn the meeting. As there was no further business, the meeting was adjourned at 9:50 a.m. on a motion made by Ms. Hynes-Walsh, seconded by Ms. DiDomenico, with all voting in favor.

Respectfully submitted,

Lori A. Eddy

A regular meeting of the County of Saratoga Industrial Development Agency was convened in public session at the Saratoga Springs City Hall, 297 Broadway in the City of Saratoga Springs, New York on June 13, 2016 at 8:00 o'clock a.m., local time following the close of a public hearing.

The meeting was called to order by the Chairman and, upon roll being called, the following were:

PRESENT:

Rodney Sutton	Chairman
Glenn Rockwood	Vice Chairman and Treasurer
Mary Beth Hynes	Member
Philip W. Klein-	Secretary
Andrea J. Di Domenico	Member

ABSENT:

Michael Mooney	Assistant Treasurer and Assistant Secretary
Arthur Johnson	Member

ALSO PRESENT:

Richard Ferguson	Agency CEO
Michael Valentine	Senior Planner to the IDA
Michael J. Toohey, Esq.	Counsel to the Agency
James A. Carminucci, Esq.	Lemery Greisler LLC, Special Counsel

The following resolution was offered by Mr. Klein, seconded by Ms. Di Domenico, to wit:

RESOLUTION #1328

RESOLUTION GRANTING PRELIMINARY APPROVAL TOWARD THE PROVIDING OF FINANCIAL ASSISTANCE BY THE COUNTY OF SARATOGA INDUSTRIAL DEVELOPMENT AGENCY WITH RESPECT TO A PROJECT CONSISTING OF THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF A 20,000 SQUARE FOOT ADDITION TO AN EXISTING 72,400 FACILITY LOCATED AT 1 RACEMARK WAY IN THE TOWN OF MALTA, COUNTY OF SARATOGA, STATE OF NEW YORK, UPON APPLICATION OF ARNOFF MOVING & STORAGE OF ALBANY, INC. TO BE UTILIZED IN ITS MANUFACTURING, WAREHOUSING AND SHIPPING OPERATIONS AND FOR ITS CORPORATE HEADQUARTERS.

WHEREAS, the County of Saratoga Industrial Development Agency (the "Agency") is authorized and empowered by the provisions of Chapter 1030 of the 1969 Laws of the State of New York, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of the State of New York, as amended (the "Enabling Act"), and Chapter 855 of the 1971 Laws of the State of New York, as amended, constituting Section 890-h of said General Municipal Law (said Chapter and the Enabling Act being hereinafter collectively referred to as the "Act") to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of industrial, manufacturing, warehousing, commercial, research and recreation facilities, among others, for the purpose of promoting, attracting and developing economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York, to improve their prosperity and standard of living, and to prevent unemployment and economic deterioration; and

WHEREAS, to accomplish its stated purposes, the Agency is authorized and empowered under the Act to acquire, construct and install "projects" (as defined in the Act), or to cause said projects to be

acquired, constructed, reconstructed and installed, and to convey said projects or to lease said projects with the obligation to purchase; and

WHEREAS, Arnoff Moving & Storage of Albany, Inc., a New York business corporation having an address of 7 Tivoli Street, Albany, New York 12207 (the “Applicant”) on behalf of a to be formed limited liability company (the “Owner”), has requested that the Agency undertake a project (the “Project”) consisting of (a) the acquisition of an interest in an approximately 39 acre parcel of land constituting tax map parcel 240.-2-60-1 and located at 1 Racemark Way in the Town of Malta, New York (the “Land”), (b) the construction of a 20,000 square foot addition (the “Addition”) to an existing 72,640 square foot facility (the “Existing Facility” and together with the Addition, collectively, the “Facility”) located on the Land to be leased by the Owner to the Applicant for use by the Applicant in its manufacturing, warehousing and shipping operations and for its corporate headquarters and (c) the acquisition and installation therein of certain machinery and equipment (the “Equipment”) and together with the Land and the Facility, collectively, (the “Project Facility”), (B) the lease (with the obligation to purchase) or the sale of the Project Facility to the Applicant or such other person as may be designated by the Applicant and agreed upon by the Agency ; and (C) the granting of “Financial Assistance” (as such term is defined in the Act) with respect thereto in the form of exemptions from sales tax, mortgage recording tax and real property taxes (relating only to the Addition); and

WHEREAS, the Applicant has estimated that the total cost of the Project will equal approximately \$11,579,630; and

WHEREAS, the Agency has given due consideration to the Application, and to representations by the Applicant that the undertaking of the Project will be an inducement to the Applicant to undertake the Project in Saratoga County, New York; and

WHEREAS, the Agency desires to encourage the Applicant to preserve and advance the job opportunities, health, general prosperity and economic welfare of the people of Saratoga County, New York by undertaking the Project in Saratoga County, New York; and

WHEREAS, a public hearing with respect to the Project was conducted by the Agency on June 9, 2016 following publication of a notice of said public hearing and notice to all affected taxing jurisdictions as required by the provisions of the Act; and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law, Chapter 43-B of the Consolidated Laws of the State of New York, as amended, and the regulations adopted pursuant thereto by the Department of Environmental Conservation of the State of New York (collectively, the “SEQR Act”), the Agency is required to make a determination with respect to the environmental impact of any “Action” (as defined by the SEQR Act) to be taken by the Agency and the approval of the Project constitutes such an “Action”; and

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

SECTION 1. Based upon the representations made by the Applicant to the Agency, the Agency hereby makes the following findings and determinations with respect to the project:

- A. The Project constitutes a “project” within the meaning of the Act; and
- B. The undertaking by the Agency of the acquisition, construction and installation of the Project Facility pursuant to the Act, will promote the job opportunities, health, general

prosperity and economic welfare of the inhabitants of Saratoga County, New York and the State of New York, improve their standard of living and thereby serve the public purposes of the Act; and

C. The completion of the Project will not result in the removal of a facility or plant of the Applicant or any other proposed occupant of the Project Facility from one area of the State to another area of the State or in the abandonment of one or more plants or facilities of the Applicant or any other proposed occupant of the Project Facility located in the State except to the extent the foregoing is reasonably necessary to discourage the Applicant or said occupant from removing such other plant or facility outside the State of New York or is reasonably necessary to preserve the competitive position of the Applicant or said occupant in its respective industry.

SECTION 2. Subject to the conditions set forth in Section 3 of this Resolution, the Agency will (A) acquire, construct and install the Project Facility, or cause the Project Facility to be acquired, constructed and installed, (B) lease (with the obligation to purchase) or sell the Project Facility to the Applicant or its designee pursuant to a lease agreement or an installment sale agreement (hereinafter, the "Agreement") between the Agency and the Applicant and (C) if requested by the Applicant, authorize by future resolution the execution and delivery of a mortgage on its interest in the Project Facility to secure a borrowing by the Applicant to finance all or a portion of the costs of the Project.

SECTION 3. The undertaking of the Project, as contemplated by Section 2 of this Resolution, shall be subject to: (A) the determination by the Agency that all requirements of the SEQR Act that relate to the Project have been fulfilled; (B) agreement between the Applicant and the Agency as to payment by the Applicant of payments in lieu of taxes with respect to the Project Facility, together with the administrative fee of the Agency with respect to the Project; and (C) the following additional conditions: (1) that the Applicant procure all necessary federal, state and local approvals and permits with respect to the construction and operation of the Project Facility, and (2) satisfaction by the Agency with the requirements of the Act.

SECTION 4. The officers, employees and agents of the Agency are hereby authorized and directed for and in the name and on behalf of the Agency to do all acts and things required or provided for by the provisions of the Leasing Documents, and to execute and deliver all such additional certificates, instruments and documents, to pay all such fees, charges and expenses and to do all such further acts and things as may be necessary or, in the opinion of the officer, employee or agent acting, desirable and proper to effect the purposes of the foregoing resolution and to cause compliance by the Agency with all of the terms, covenants and provisions of the Leasing Documents binding upon the Agency.

SECTION 5. The Chairman of the Agency is hereby authorized and directed to distribute copies of this Resolution to the Applicant and to do such further things or perform such acts as may be necessary or convenient to implement the provisions of this Resolution.

SECTION 6. Lemery Greisler LLC is hereby appointed Special Counsel and Michael J. Toohey, Counsel to the Agency with respect to all matters in connection with the Project. Special Counsel for the Agency is hereby authorized, at the expense of the Applicant, to work with the Applicant and others to prepare, for submission to the Agency, all documents necessary to effect the undertaking of the Project.

SECTION 7. This Resolution shall take effect immediately and shall remain in effect until the earlier of (1) the execution and delivery of the Lease Agreement at which time all provisions and conditions hereof shall be deemed merged into such Agreement and (2) the date which is two (2) years from the date hereof.

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

Rodney Sutton	VOTING AYE
Michael Mooney	ABSENT
Arthur Johnson	ABSENT
Glenn Rockwood	VOTING AYE
Mary Beth Hynes	VOTING AYE
Philip W. Klein	VOTING AYE
Andrea J. Di Domenico	VOTING AYE

The foregoing Resolution was thereupon declared duly adopted.

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

I, the undersigned Secretary of the County of Saratoga Industrial Development Agency (the “Agency”), DO HEREBY CERTIFY that I have compared the foregoing extract of the minutes of the meeting of the members of the Agency held on June 13, 2016, including the resolution contained therein, with the original thereof on file in my office, and that the same is a true and correct copy of said original and of the whole of said original so far as the same relates to the subject matters therein referred to.

I FURTHER CERTIFY that (A) all members of the Agency had due notice of said meeting; (B) said meeting was in all respect duly held; (C) pursuant to Article 7 of the Public Officers Law (the “Open Meetings Law”), said meeting was open to the general public, and due notice of the time and place of said meeting was given in accordance with such Open Meetings Law; and (D) there was a quorum of the members of the Agency present throughout said meeting.

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

IN WITNESS WHEREOF, I have hereunto set my hand this ____ day of _____, 2016.

Rodney Sutton, Secretary

A regular meeting of the County of Saratoga Industrial Development Agency was convened in public session at the Saratoga Springs City Hall, 297 Broadway in the City of Saratoga Springs, New York on June 13, 2016 at 8:00 o'clock a.m., local time following the close of a public hearing.

The meeting was called to order by the Chairman and, upon roll being called, the following were:

PRESENT:

Rodney Sutton	Chairman
Glenn Rockwood	Vice Chairman and Treasurer
Mary Beth Hynes	Member
Philip W. Klein-	Secretary
Andrea J. Di Domenico	Member

ABSENT:

Michael Mooney	Assistant Treasurer and Assistant Secretary
Arthur Johnson	Member

ALSO PRESENT:

Richard Ferguson	Agency CEO
Michael Valentine	Senior Planner to the IDA
Michael J. Toohey, Esq.	Counsel to the Agency
James A. Carminucci, Esq.	Lemery Greisler LLC, Special Counsel

The following resolution was offered by Ms. Di Domenico, seconded by Mr. Klein, to wit:

RESOLUTION #1329

RESOLUTION GRANTING PRELIMINARY APPROVAL TOWARD THE PROVIDING OF FINANCIAL ASSISTANCE BY THE COUNTY OF SARATOGA INDUSTRIAL DEVELOPMENT AGENCY WITH RESPECT TO A PROJECT CONSISTING OF THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF A 30,000 SQUARE FOOT ADDITION TO AN EXISTING 60,000 SHEET METAL AND PIPING FABRICATION FACILITY LOCATED AT 5 LIEBICH LANE IN THE TOWN OF HALFMOON, COUNTY OF SARATOGA, STATE OF NEW YORK, UPON APPLICATION OF JOHN W. DANFORTH COMPANY, MAKING A DETERMINATION UNDER THE NEW YORK STATE ENVIRONMENTAL QUALITY REVIEW ACT WITH RESPECT TO THE PROJECT AND APPOINTING JOHN W. DANFORTH COMPANY AGENT OF THE AGENCY WITH RESPECT TO THE UNDERTAKING OF THE PROJECT.

WHEREAS, the County of Saratoga Industrial Development Agency (the "Agency") is authorized and empowered by the provisions of Chapter 1030 of the 1969 Laws of the State of New York, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of the State of New York, as amended (the "Enabling Act"), and Chapter 855 of the 1971 Laws of the State of New York, as amended, constituting Section 890-h of said General Municipal Law (said Chapter and the Enabling Act being hereinafter collectively referred to as the "Act") to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of industrial, manufacturing, warehousing, commercial, research and recreation facilities, among others, for the purpose of promoting, attracting and developing economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York, to improve their prosperity and standard of living, and to prevent unemployment and economic deterioration; and

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

WHEREAS, John W. Danforth Company, a New York business corporation having an address of 300 Colvin Woods Parkway, Tonawanda, New York 14150 (the “Applicant”), has requested that the Agency undertake a project (the “Project”) consisting of (A)(1) the acquisition of an interest in approximately 7.31 acre parcel of land constituting tax map parcel 260.-1-102.2 and located at 5 Liebich Lane in the Town of Halfmoon, New York (the “Land”), (2) the construction of a 30,000 square foot addition to an existing 60,000 square foot facility located on the Land for use by the Applicant in the fabrication of sheet metal and piping and for offices (the “Facility”) and (3) the acquisition and installation therein of certain machinery and equipment (the “Equipment”) and together with the Land and the Facility, collectively, (the “Project Facility”), (B) the lease (with the obligation to purchase) or the sale of the Project Facility to the Applicant or such other person as may be designated by the Applicant and agreed upon by the Agency ; and (C) the granting of “Financial Assistance” (as such term is defined in the Act) with respect thereto in the form of exemptions from sales tax, mortgage recording tax and real property taxes; and

WHEREAS, the Applicant has estimated that the total cost of the Project will equal approximately \$3,600,000; and

WHEREAS, the Agency has given due consideration to the Application, and to representations by the Applicant that the undertaking of the Project will be an inducement to the Applicant to undertake the Project in Saratoga County, New York; and

WHEREAS, the Agency desires to encourage the Applicant to preserve and advance the job opportunities, health, general prosperity and economic welfare of the people of Saratoga County, New York by undertaking the Project in Saratoga County, New York; and

WHEREAS, a public hearing with respect to the Project was conducted by the Agency on June 9, 2016 following publication of a notice of said public hearing and notice to all affected taxing jurisdictions as required by the provisions of the Act; and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law, Chapter 43-B of the Consolidated Laws of the State of New York, as amended, and the regulations adopted pursuant thereto by the Department of Environmental Conservation of the State of New York (collectively, the “SEQR Act”), the Agency is required to make a determination with respect to the environmental impact of any “Action” (as defined by the SEQR Act) to be taken by the Agency and the approval of the Project constitutes such an “Action”; and

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

SECTION 1. Based upon the representations made by the Applicant to the Agency, the Agency hereby makes the following findings and determinations with respect to the project:

- A. The Project constitutes a “project” within the meaning of the Act; and
- B. The undertaking by the Agency of the acquisition, construction and installation of the Project Facility pursuant to the Act, will promote the job opportunities, health, general

prosperity and economic welfare of the inhabitants of Saratoga County, New York and the State of New York, improve their standard of living and thereby serve the public purposes of the Act; and

C. The completion of the Project will not result in the removal of a facility or plant of the Applicant or any other proposed occupant of the Project Facility from one area of the State to another area of the State or in the abandonment of one or more plants or facilities of the Applicant or any other proposed occupant of the Project Facility located in the State except to the extent the foregoing is reasonably necessary to discourage the Applicant or said occupant from removing such other plant or facility outside the State of New York or is reasonably necessary to preserve the competitive position of the Applicant or said occupant in its respective industry.

SECTION 2. Subject to the conditions set forth in Section 3 of this Resolution, the Agency will (A) acquire, construct and install the Project Facility, or cause the Project Facility to be acquired, constructed and installed, (B) lease (with the obligation to purchase) or sell the Project Facility to the Applicant or its designee pursuant to a lease agreement or an installment sale agreement (hereinafter, the "Agreement") between the Agency and the Applicant and (C) if requested by the Applicant, authorize by future resolution the execution and delivery of a mortgage on its interest in the Project Facility to secure a borrowing by the Applicant to finance all or a portion of the costs of the Project.

SECTION 3. The undertaking of the Project, as contemplated by Section 2 of this Resolution, shall be subject to: (A) the determination by the Agency that all requirements of the SEQR Act that relate to the Project have been fulfilled; (B) agreement between the Applicant and the Agency as to payment by the Applicant of payments in lieu of taxes with respect to the Project Facility, together with the administrative fee of the Agency with respect to the Project; and (C) the following additional conditions: (1) satisfactory review of the financial statements of the Applicant by the Treasurer of the Agency, (2) that the Applicant procure all necessary federal, state and local approvals and permits with respect to the construction and operation of the Project Facility, and (3) satisfaction by the Agency with the requirements of the Act.

SECTION 4. Based upon a review of the Environmental Assessment Form relating to the Project and submitted by the Applicant together with the minutes and record of the Town of Halfmoon Planning Board (the "Lead Agency") relating to the Project, the Agency hereby confirms the determination of the Lead Agency determines that the Project constitutes an "Unlisted Action" (as such term is defined by the SEQR Act) which would not have a significant effect upon the environment (hereinafter the "Initial Determination"). The Chairman shall take all action required by the SEQR Act to cause such Initial Determination to become final in accordance with the terms and provisions of the SEQR Act, including the filing of this Resolution in the office of the Agency to be made available for public inspection during business hours.

SECTION 5. The Applicant is hereby appointed the true and lawful agent of the Agency (A) to (1) acquire the Project Facility, (2) construct the Facility, and (3) acquire and install the Equipment, (B) to appoint sub-agents for such purposes and (C) to make, execute, acknowledge, and deliver any contracts, orders, receipts, writings and instructions, as the stated agent for the Agency, and in general to do all things which may be requisite or proper for completing the Project and all with the same powers and the same validity as the Agency could do if acting on its own behalf. In addition, the Applicant is hereby authorized to advance such funds as may be necessary to accomplish such purposes.

SECTION 6. The officers, employees and agents of the Agency are hereby authorized and directed for and in the name and on behalf of the Agency to do all acts and things required or provided for by the provisions of the Leasing Documents, and to execute and deliver all such additional certificates, instruments and documents, to pay all such fees, charges and expenses and to do all such further acts and things as may be necessary or, in the opinion of the officer, employee or agent acting, desirable and proper to effect the

purposes of the foregoing resolution and to cause compliance by the Agency with all of the terms, covenants and provisions of the Leasing Documents binding upon the Agency.

SECTION 7. The Chairman of the Agency is hereby authorized and directed to distribute copies of this Resolution to the Applicant and to do such further things or perform such acts as may be necessary or convenient to implement the provisions of this Resolution.

SECTION 8. Lemery Greisler LLC is hereby appointed Special Counsel and Michael J. Toohey, Counsel to the Agency with respect to all matters in connection with the Project. Special Counsel for the Agency is hereby authorized, at the expense of the Applicant, to work with the Applicant and others to prepare, for submission to the Agency, all documents necessary to effect the undertaking of the Project.

SECTION 9. This Resolution shall take effect immediately and shall remain in effect until the earlier of (1) the execution and delivery of the Lease Agreement at which time all provisions and conditions hereof shall be deemed merged into such Agreement and (2) the date which is two (2) years from the date hereof.

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

Rodney Sutton	VOTING AYE
Michael Mooney	ABSENT
Arthur Johnson	ABSENT
Glenn Rockwood	VOTING AYE
Mary Beth Hynes	VOTING AYE
Philip W. Klein	VOTING AYE
Andrea J. Di Domenico	VOTING AYE

The foregoing Resolution was thereupon declared duly adopted.

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

I, the undersigned Secretary of the County of Saratoga Industrial Development Agency (the "Agency"), DO HEREBY CERTIFY that I have compared the foregoing extract of the minutes of the meeting of the members of the Agency held on June 13, 2016, including the resolution contained therein, with the original thereof on file in my office, and that the same is a true and correct copy of said original and of the whole of said original so far as the same relates to the subject matters therein referred to.

I FURTHER CERTIFY that (A) all members of the Agency had due notice of said meeting; (B) said meeting was in all respect duly held; (C) pursuant to Article 7 of the Public Officers Law (the "Open Meetings Law"), said meeting was open to the general public, and due notice of the time and place of said meeting was given in accordance with such Open Meetings Law; and (D) there was a quorum of the members of the Agency present throughout said meeting.

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

IN WITNESS WHEREOF, I have hereunto set my hand this ____ day of _____, 2016.

Rodney Sutton, Secretary

A regular meeting of the County of Saratoga Industrial Development Agency was convened in public session at the Saratoga Springs City Hall, 297 Broadway in the City of Saratoga Springs, New York on June 13, 2016 at 8:00 o'clock a.m., local time following the close of a public hearing.

The meeting was called to order by the Chairman and, upon roll being called, the following were:

PRESENT:

Rodney Sutton	Chairman
Glenn Rockwood	Vice Chairman and Treasurer
Mary Beth Hynes	Member
Philip W. Klein-	Secretary
Andrea J. Di Domenico	Member

ABSENT:

Michael Mooney	Assistant Treasurer and Assistant Secretary
Arthur Johnson	Member

ALSO PRESENT:

Richard Ferguson	Agency CEO
Michael Valentine	Senior Planner to the IDA
Michael J. Toohey, Esq.	Counsel to the Agency
James A. Carminucci, Esq.	Lemery Greisler LLC, Special Counsel

The following resolution was offered by Mr. Klein, seconded by Mr. Rockwood, to wit:

RESOLUTION 1330

RESOLUTION GRANTING PRELIMINARY APPROVAL TOWARD THE PROVIDING OF FINANCIAL ASSISTANCE BY THE COUNTY OF SARATOGA INDUSTRIAL DEVELOPMENT AGENCY WITH RESPECT TO A PROJECT CONSISTING OF THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF A 17,500 SQUARE FOOT BUILDING TO BE LOCATED AT 33 CADY HILL BOULEVARD IN THE CITY OF SARATOGA SPRINGS, COUNTY OF SARATOGA, STATE OF NEW YORK, UPON APPLICATION OF MCNEARY, INC. TO BE LEASED TO LOGISTICS ONE, INC., LOGISTICS ONE WAREHOUSING, INC., LOGISTICS ONE TRANSPORT, INC. AND LOGISTICS ONE BROKERAGE, INC. AND UTILIZED IN THEIR WAREHOUSING AND SHIPPING OPERATIONS AND FOR CORPORATE HEADQUARTERS, MAKING A DETERMINATION UNDER THE NEW YORK STATE ENVIRONMENTAL QUALITY REVIEW ACT WITH RESPECT TO THE PROJECT AND APPOINTING MCNEARY, INC. AGENT OF THE AGENCY WITH RESPECT TO THE UNDERTAKING OF THE PROJECT.

WHEREAS, the County of Saratoga Industrial Development Agency (the "Agency") is authorized and empowered by the provisions of Chapter 1030 of the 1969 Laws of the State of New York, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of the State of New York, as amended (the "Enabling Act"), and Chapter 855 of the 1971 Laws of the State of New York, as amended, constituting Section 890-h of said General Municipal Law (said Chapter and the Enabling Act being hereinafter collectively referred to as the "Act") to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of industrial, manufacturing, warehousing, commercial, research and recreation facilities, among others, for the purpose of promoting, attracting and developing economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York, to

improve their prosperity and standard of living, and to prevent unemployment and economic deterioration; and

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

WHEREAS, McNeary, Inc., a New York business corporation having an address of 33 Cady Hill Boulevard, Saratoga Springs, New York 12866 (the “Applicant”), has requested that the Agency undertake a project (the “Project”) consisting of (a) the acquisition of an interest in an approximately 23.777 acre parcel or parcels of land constituting tax map parcels 177.-1-63 and 177.-1-64 and located at 33 Cady Hill Boulevard in the City of Saratoga Springs, New York (the “Land”), (b) the construction of a 17,500 square foot facility located on the Land to be leased by the Applicant to Logistics One, Inc., Logistics One Warehousing, Inc., Logistics One Transport, Inc. and Logistics One Brokerage, Inc. (collectively, the “Tenants”) for use by the Tenants in their warehousing and shipping operations and for corporate headquarters (the “Facility”) and (c) the acquisition and installation therein of certain machinery and equipment (the “Equipment”) and together with the Land and the Facility, collectively, (the “Project Facility”), (B) the lease (with the obligation to purchase) or the sale of the Project Facility to the Applicant or such other person as may be designated by the Applicant and agreed upon by the Agency ; and (C) the granting of “Financial Assistance” (as such term is defined in the Act) with respect thereto in the form of exemptions from sales tax, mortgage recording tax and real property taxes; and

WHEREAS, the Applicant has estimated that the total cost of the Project will equal approximately \$6,000,000; and

WHEREAS, the Agency has given due consideration to the Application, and to representations by the Applicant that the undertaking of the Project will be an inducement to the Applicant to undertake the Project in Saratoga County, New York; and

WHEREAS, the Agency desires to encourage the Applicant to preserve and advance the job opportunities, health, general prosperity and economic welfare of the people of Saratoga County, New York by undertaking the Project in Saratoga County, New York; and

WHEREAS, a public hearing with respect to the Project was conducted by the Agency immediately prior to the consideration of this Resolution following publication of a notice of said public hearing and notice to all affected taxing jurisdictions as required by the provisions of the Act; and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law, Chapter 43-B of the Consolidated Laws of the State of New York, as amended, and the regulations adopted pursuant thereto by the Department of Environmental Conservation of the State of New York (collectively, the “SEQR Act”), the Agency is required to make a determination with respect to the environmental impact of any “Action” (as defined by the SEQR Act) to be taken by the Agency and the approval of the Project constitutes such an “Action”; and

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

SECTION 1. Based upon the representations made by the Applicant to the Agency, the Agency hereby makes the following findings and determinations with respect to the project:

A. The Project constitutes a “project” within the meaning of the Act; and

B. The undertaking by the Agency of the acquisition, construction and installation of the Project Facility pursuant to the Act, will promote the job opportunities, health, general prosperity and economic welfare of the inhabitants of Saratoga County, New York and the State of New York, improve their standard of living and thereby serve the public purposes of the Act; and

C. The completion of the Project will not result in the removal of a facility or plant of the Applicant or any other proposed occupant of the Project Facility from one area of the State to another area of the State or in the abandonment of one or more plants or facilities of the Applicant or any other proposed occupant of the Project Facility located in the State except to the extent the foregoing is reasonably necessary to discourage the Applicant or said occupant from removing such other plant or facility outside the State of New York or is reasonably necessary to preserve the competitive position of the Applicant or said occupant in its respective industry.

SECTION 2. Subject to the conditions set forth in Section 3 of this Resolution, the Agency will (A) acquire, construct and install the Project Facility, or cause the Project Facility to be acquired, constructed and installed, (B) lease (with the obligation to purchase) or sell the Project Facility to the Applicant or its designee pursuant to a lease agreement or an installment sale agreement (hereinafter, the “Agreement”) between the Agency and the Applicant and (C) if requested by the Applicant, authorize by future resolution the execution and delivery of a mortgage on its interest in the Project Facility to secure a borrowing by the Applicant to finance all or a portion of the costs of the Project.

SECTION 3. The undertaking of the Project, as contemplated by Section 2 of this Resolution, shall be subject to: (A) the determination by the Agency that all requirements of the SEQR Act that relate to the Project have been fulfilled; (B) agreement between the Applicant and the Agency as to payment by the Applicant of payments in lieu of taxes with respect to the Project Facility, together with the administrative fee of the Agency with respect to the Project; and (C) the following additional conditions: (1) satisfactory review of the financial statements of the Applicant by the Treasurer of the Agency, (2) that the Applicant procure all necessary federal, state and local approvals and permits with respect to the construction and operation of the Project Facility, and (3) satisfaction by the Agency with the requirements of the Act.

SECTION 4. Based upon a review of the Environmental Assessment Form relating to the Project and submitted by the Applicant together with the minutes and record of the City of Saratoga Springs Planning Board (the “Lead Agency”) relating to the Project, the Agency hereby confirms the determination of the Lead Agency determines that the Project constitutes an “Unlisted Action” (as such term is defined by the SEQR Act) which would not have a significant effect upon the environment (hereinafter the “Initial Determination”). The Chairman shall take all action required by the SEQR Act to cause such Initial Determination to become final in accordance with the terms and provisions of the SEQR Act, including the filing of this Resolution in the office of the Agency to be made available for public inspection during business hours.

SECTION 5. The Applicant is hereby appointed the true and lawful agent of the Agency (A) to (1) acquire the Project Facility, (2) construct the Facility, and (3) acquire and install the Equipment, (B) to appoint sub-agents for such purposes and (C) to make, execute, acknowledge, and deliver any contracts, orders, receipts, writings and instructions, as the stated agent for the Agency, and in general to do all things which may be requisite or proper for completing the Project and all with the same powers and the same validity as the Agency could do if acting on its own behalf. In addition, the Applicant is hereby authorized to advance such funds as may be necessary to accomplish such purposes.

SECTION 6. The officers, employees and agents of the Agency are hereby authorized and directed for and in the name and on behalf of the Agency to do all acts and things required or provided for by the provisions of the Leasing Documents, and to execute and deliver all such additional certificates, instruments and documents, to pay all such fees, charges and expenses and to do all such further acts and things as may be necessary or, in the opinion of the officer, employee or agent acting, desirable and proper to effect the purposes of the foregoing resolution and to cause compliance by the Agency with all of the terms, covenants and provisions of the Leasing Documents binding upon the Agency.

SECTION 7. The Chairman of the Agency is hereby authorized and directed to distribute copies of this Resolution to the Applicant and to do such further things or perform such acts as may be necessary or convenient to implement the provisions of this Resolution.

SECTION 8. Lemery Greisler LLC is hereby appointed Special Counsel and Michael J. Toohey, Counsel to the Agency with respect to all matters in connection with the Project. Special Counsel for the Agency is hereby authorized, at the expense of the Applicant, to work with the Applicant and others to prepare, for submission to the Agency, all documents necessary to effect the undertaking of the Project.

SECTION 9. This Resolution shall take effect immediately and shall remain in effect until the earlier of (1) the execution and delivery of the Lease Agreement at which time all provisions and conditions hereof shall be deemed merged into such Agreement and (2) the date which is two (2) years from the date hereof.

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

Rodney Sutton	VOTING AYE
Michael Mooney	ABSENT
Arthur Johnson	ABSENT
Glenn Rockwood	VOTING AYE
Mary Beth Hynes	VOTING AYE
Philip W. Klein	VOTING AYE
Andrea J. Di Domenico	VOTING AYE

The foregoing Resolution was thereupon declared duly adopted.

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

I, the undersigned Secretary of the County of Saratoga Industrial Development Agency (the “Agency”), DO HEREBY CERTIFY that I have compared the foregoing extract of the minutes of the meeting of the members of the Agency held on June 13, 2016, including the resolution contained therein, with the original thereof on file in my office, and that the same is a true and correct copy of said original and of the whole of said original so far as the same relates to the subject matters therein referred to.

I FURTHER CERTIFY that (A) all members of the Agency had due notice of said meeting; (B) said meeting was in all respect duly held; (C) pursuant to Article 7 of the Public Officers Law (the “Open Meetings Law”), said meeting was open to the general public, and due notice of the time and place of said meeting was given in accordance with such Open Meetings Law; and (D) there was a quorum of the members of the Agency present throughout said meeting.

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

IN WITNESS WHEREOF, I have hereunto set my hand this ____ day of _____, 2016.

Rodney Sutton, Secretary