

SARATOGA COUNTY INDUSTRIAL DEVELOPMENT AGENCY MEETING

June 8, 2015 – 8 :07 a.m.

At 22 Traver Road, Wilton Town Hall, Wilton, NY

PRESENT: Members: Chairman Raymond F. Callanan, Mary Beth Hynes-Walsh, Arthur Johnson, Glenn Rockwood, Rodney Sutton, and Charles Hanehan.

STAFF & GUESTS: Lawrence D. Benton, IDA Consultant, Richard Ferguson, CEO, Michael Valentine, Administrative Assistant, Michael J. Toohey, Esq., Counsel to the Agency, James A. Carminucci, Esq., Bond Counsel, Dennis Brobston, SEDC, Frank Nesbitt, Retail Support Manager, Ace Hardware, Timothy Cassidy, Ace Facility Manager, Jim Pascarale, President, N.frastructure Technologies, Inc., Lori Eddy, and Charles Post, Town of Wilton Resident.

ABSENT: Michael Mooney, Assistant Treasurer and Assistant Secretary.

Chairman Callanan called the meeting to order at 8:07 a.m. following the close of the public hearing for the Ace Hardware application.

APPROVAL OF MINUTES:

Ms. Hynes-Walsh moved to approve the minutes of the meeting of May 11, 2015. The motion was seconded by Mr. Johnson. All were in favor and the motion was approved.

APPLICATION: ACE HARDWARE:

Mr. Carminucci distributed the proposed inducement for the ACE Hardware application. Mr. Toohey spoke to the question posed by Mr. Post in the Public Hearing. He doesn't believe the applicant has gone through the Town of Wilton planning process at this time which would have answered the gentlemen's questions. They obviously have to do that; they are planning to do that. Anything the Agency does here today would be contingent upon Ace receiving required local approvals for the construction of the site which includes analysis of traffic and any other aspects.

Chairman Callanan stated that the Resolution presented regarding the Ace Hardware application be acted on contingent upon all activity with the town of Wilton planning and zoning boards. Mr. Johnson moved to act upon the Ace Hardware application contingent upon the Company obtaining all local planning approvals which may be required of the project. Mr. Rockwood seconded the motion.

RESOLUTION #1261 (Attached)

The results of the roll call vote were as follows:

AYES: Mr. Johnson, Ms. Hynes-Walsh, Mr. Rockwood, Mr. Sutton, Mr. Hanehan and Chairman Callanan.

NOES: 0

ADOPTED: 6-0.

Mr. Ferguson introduced to the Board Lori Eddy who will be doing the minutes for the IDA meetings going forward and would like to ask for a Resolution approving a contract under the same terms that we used for the previous secretary, Ms. Sodemann. Chairman Callanan stated as everyone knows Elaine left us and Lori has agreed to take this job. What Mr. Ferguson is asking is to approve a secretarial services contract at a rate of \$50.00 per hour. Mr. Valentine stated a service contract will be drafted by Mr. Toohey for review by both parties. A motion was made by Mr. Hanehan to approve entering into a contract for secretarial services between the SCIDA and Lori Eddy and it was seconded by Mr. Rockwood, with all voting in favor.

RESOLUTION #1262

RESOLVED, That the SCIDA hereby approves a contract for secretarial services between the Agency and Ms. Lori Eddy at the rate of \$50/hour.

The results of the roll call vote were as follows:

AYES: Mr. Johnson, Ms. Hynes-Walsh, Mr. Rockwood, Mr. Sutton, Mr. Hanehan and Chairman Callanan.

NOES: 0

ADOPTED: 6-0.

N.FRASTRUCTURE TECHNOLOGIES, INC.:

Mr. Benton discussed that this was a second application and was structured for them to come back after the initial application as time was of the essence in the initial purchase of the building. At the time of the most recent initial application the Company simply asked for the assignment or continuation of the PILOT Agreement that had been in place for almost ten years. There are just two payments left, with the last being County and Local taxes which will be billed in January of 2016. That was the only benefit of the initial application. Now, through this application, as they have purchased the building, they are asking for a tax abatement. They initially asked us for an additional 10 years @ 100% exemption on the assessed value of the building. The sub-committee met and agreed that an additional 10 year extension is not permitted by our UTEP and the Agency has never approved an extension of a PILOT. The policy does allow for a freeze of assessment for a client, for 10 years, to protect them from any increase in assessment. We have provided an estimate of the potential increase in assessment from improvements in the application. Mr. Benton noted that although they are doing \$1.6m in various improvements, if you look at the budget the majority of work has to do with upgrades and re-equipping computers, software and licensing of software which alone is \$250,000. If you look at the bricks and mortar

improvement, there isn't a lot going on. They are going to modify the entrance, make minor improvement to the parking. There will be some short term construction jobs and that relates to the assessed value going up. Total maximum benefits which would be granted are estimated at \$116,000. Mr. Benton said the Company has over 300 highly skilled, well paid employees and will add an additional 42 jobs in the first year with another 40 plus jobs to be added over the following two years. He said the project represents a commitment by the Company to Saratoga County, noting that they had several options to locate their corporate headquarters elsewhere. In view of these economic benefits and the relatively low value of IDA benefits to be provided, he asked the Board to give consideration to discounting its administration fee in this case.

Mr. Pascarale, President of N.Frastructure, then addressed the Board. He stated they currently have 325 employees at the headquarters facility at an average salary of a little over \$84,000. They are proposing to add another 85 to 100 jobs at an average salary of a little bit over \$70,000. The Company has grown substantially over the last 5 years and is expected to continue to grow. They would like to remain in Saratoga County. They have opened new operations this year - in New England, Boston specifically, and Texas. There is a lot of pressure for them to move jobs in other places. The IDA benefits would certainly allow them to keep everyone here and call Saratoga County home base and be branded as their global headquarters. He spoke as to the number of employees and the amount of money that is spent in the local area by those people. Chairman Callanan questioned the superficial improvements that are being made and whether the building would be able to accommodate that additional number of employees. Mr. Pascarale stated they are looking to reconfigure the structure. Originally the building was designed to hold two companies; they will be making the space more efficient, cubicle type space for employees. Mr. Pascarale stated that in the future, there would be potential for them to look into purchasing other parcels for growth within the County. Chairman Callanan asked if there were any other questions of Mr. Pascarale.

Chairman Callanan stated that on the matter of the fee involved, the total benefits in this application are at \$116,000. The fee involved is \$32,315. Chairman Callanan asked Mr. Benton if we have done this in the past. Mr. Benton stated we had a policy for years that not-for-profits had a discount of 50% and there is a policy in place for manufacturers of an automatic 15% if they ask for it and we have over the years done some modifications of fees.

Chairman Callanan then asked to set a public hearing for the town of Halfmoon on July 13th. Mr. Pascarale stated they hoped it would occur sooner based on some of the transactions that needed to occur in the month of June. After discussion, it was decided to revisit the date for the town of Halfmoon Public Hearing following the application item on the agenda for Riverview Realty.

APPLICATION: RIVERVIEW REALTY:

Chairman Callanan explained that the application(s) by Riverview Realty has been here for a number of years. It has to do with the factory in Victory Mills that Mayor Patrick Dewey has been advocating that it be converted. Denise Williams, CFO for Riverview, introduced herself and asked to be included in the discussion. Mayor Dewey discussed the application and explained what they were doing. He stated that

the IDA induced this project in the past for a PILOT that wasn't sufficient for the financing of the project. At that time the tax abatement under the PILOT during years 3-7 was approximately \$147,000 per year. According to the financial people that Mr. Kaufmann and his team works with, they came back and said that is a number that would not work. They asked for a PILOT, that is in front of you now, which shows the first few years paying the taxes as they exist, and then in Years 3-7 at \$45,000 per year, then in Year 8 it would go to 50% of the assessable value which brings it up to \$224,000, in Year 9 to 70% a little under \$315,000 and then in Year 10 to \$404,000 and at the end at Year 11 near 100%. The thought process is still the same. This is a project that is expected to go condo sometime in that 3-7 year stretch, at which time the project would immediately go on the tax rolls at 100%. This is to get it going, to get it developed. It has long been vacant. The change of the PILOT is what we the applicant are asking to go to public hearing for amendment.

Chairman Callanan asked if there were any questions. He stated this is a building that has been long vacant and probably may be the only use for the building. He asked where did the timeframe on the condo conversion come in? Denise Williams discussed the holdup that they have had on another project in Cohoes. The timeframe on that was two years ago. She stated that it has taken us this long and is still in process. Ideally, that is the plan for Victory Mills too. It will take up about a year and half or two years to get us stabilized on rental income and we need to get to that point to put in the condo application and start forward from there. The renters will be given first right refusal. As leases come off, they will go out for sale that way. Discussion continued on the project and its costs. The Board members questioned when construction would start. Ms. Williams stated six months at best. She stated that changes in lending have been a challenge. They just need to get through the financing to move forward. Board members requested more information on the financing.

Ms. Williams stated that originally Wells Fargo was looking to do the project for Mr. Kaufman but they essentially walked away from us. The original Cohoes branch office was closed, and Wells Fargo started to step back from this kind of lending. M&T Bank is now handling their application. They have a different lending criterion. She assured more answers would be provided to satisfy these questions. A question of tax credits and their importance to this project was also raised. Chairman Callanan asked that documentation be sent regarding this. Ms. Williams stated this was a very important issue. They have a tax credit investor waiting. Chairman Callanan asked for a motion to accept the application of Riverview Realty and set a public hearing in the Village of Victory for July 13th at 8:00. Ms. Walsh-Hynes made the motion and it was seconded by Mr. Rockwood, with all voting in favor.

RESOLUTION #1263

RESOLVED, That the SCIDA has decided to accept the application of Riverview Realty and set a public hearing the Village of Victory for July 13th at 8:00 a.m.

The results of the roll call vote were as follows:

AYES: Mr. Johnson, Ms. Hynes-Walsh, Mr. Rockwood, Mr. Sutton, Mr. Hanehan and Chairman Callanan.

NOES: 0

ADOPTED: 6-0.

N.FRASTRUCTURE TECHNOLOGY, INC.

Chairman Callanan then asked to revisit the request by N.frastructure Technologies, Inc. Chairman Callanan asked for a motion to set a special meeting on June 23rd at 8:00 a.m., to accept the application, and to set a public hearing in the Town of Halfmoon on June 23rd at 8:00. The motion was made by Mr. Johnson and it was seconded by Ms. Hynes-Walsh, with all voting in favor.

RESOLUTION #1264

RESOLVED, That the SCIDA has decided to set a special meeting for the purpose of a Public Hearing on June 23rd at 8:00 a.m. in the Town of Halfmoon to accept the application of N.frastructure Technologies.

AYES: Mr. Johnson, Ms. Hynes-Walsh, Mr. Rockwood, Mr. Sutton, Mr. Hanehan and Chairman Callanan.

NOES: 0

ADOPTED: 6-0

SSP DEVELOPMENT CORPORATION:

Mr. Carminucci stated that a Resolution was previously approved on a financial assistance package for the construction of the addition which is mostly completed now. They borrowed for that and want to consolidate that mortgage with a prior loan on the property so the Company is requesting that the Agency authorize and sign the documents. We are not being asked to give any additional abatement but resolution is necessary because the IDA owns the property the Agency's approval is required. A motion to approve this consolidation was made by Mr. Rockwood and it was seconded by Mr. Hanehan, with all voting in favor.

RESOLUTION #1265 (Attached)

AYES: Mr. Johnson, Ms. Hynes-Walsh, Mr. Rockwood, Mr. Sutton, Mr. Hanehan and Chairman Callanan.

NOES: 0

ADOPTED: 6-0.

PERRY ROAD DEVELOPMENT, LLC: ASSIGNMENT

Mr. Benton spoke to the nature of this assignment. When an applicant is a limited liability corporation and then when the project is approved they sometimes create a second corporation to go through the construction or own the building. This is the case with Perry Road. At the April 20th meeting the Company asked for an assignment from Perry Road Development LLC to Perry Road Project LLC. A question was raised at that time as to whether there was any difference in ownership between the two

corporations. That information has since been provided through written correspondence on file which explained that the two principal owners are also owners of the proposed corporation that would receive the assignment. There are two additional members of the limited liability corporation who are most likely investors in the project. Mr. Benton asked that the Board approve the assignment. There being no further questions, Chairman Callanan asked for a motion to approve the assignment from Perry Road Development to Perry Road Project LLC. A motion was made by Mr. Mr. Rockwood and it was seconded by Mr. Johnson, with all voting in favor.

RESOLUTION #1266

RESOLVED, That the SCIDA hereby approves the assignment of all rights and terms of the original approval under resolution #1250 on April 20, 2015 granted to Perry Road Development, LLC to Perry Road Project, LLC.

AYES: Mr. Johnson, Ms. Hynes-Walsh, Mr. Rockwood, Mr. Sutton, Mr. Hanehan and Chairman Callanan.

NOES: 0

ADOPTED: 6-0.

INSTALLMENT SALE AGREEMENT: SARATOGA CONTY WATER AUTHORITY

Mr. Benton advised the Board that we have finalized this project, regarding the Installment Sale Agreement, and on the 20th of May the Agency wired 1.525 million dollars to the Water Authority. This starts the clock on the million-dollar portion of that Agreement, which is a loan. The loan has an interest rate which is a little less than 7/10ths of 1%. The first payment will be due 5/20/16 and the principal payments start after 3 or 4 years of interest payments. Mr. Benton stated he thinks the schedule is for 10 years. To that end, we have received an invoice from Mr. Toohey from Snyder, Kiley, Toohey, Corbett & Cox on the work over the last two years for this project. These expenditures were authorized by prior resolutions. Mr. Benton said that the bill for \$7,447.50 will be paid today. Chairman Callanan thanked them for all their hard work regarding the project.

BANK SIGNATURE CARDS

Chairman Callanan then discussed the agenda item of signature cards for the bank. As Mr. Benton is leaving us and Agency board members have changed, Mr. Valentine went to the bank to add Mr. Ferguson's name and add members' names and remove names of former members. In addition, he left blank the amounts of wire transfers on the authorization form because of varying amounts. Mr. Benton discussed the advantage of checks being used as a paper trail versus wire transfers but that would have to be decided by the Board and CEO. Mr. Toohey suggested there should be approval in the minutes of the addition to the bank signature cards of Mr. Sutton, Mr. Rockwood, Chairman Callanan, Mr. Ferguson and Mr. Valentine. A motion to approve the addition of these individuals being added to the signature

cards at Saratoga National Bank was made by Mr. Rockwood and seconded by Mr. Hanehan, with all voting in favor.

Chairman Callanan stated that Mr. Benton will be leaving and the computer that he is currently using is failing. Mr. Benton stated that under State contract a computer could be purchased for approximately \$250 to \$300. (note: actual price was later learned to be \$900+) A motion was made by Ms. Hynes-Walsh to purchase the computer for up to \$300 and it was seconded by Mr. Johnson, with all voting in favor.

RESOLUTION #1267

RESOLVED, that the SCIDA hereby approves the purchase of a computer under State contract to be assigned to the CEO in an amount up to \$300.

AYES: Mr. Johnson, Ms. Hynes-Walsh, Mr. Rockwood, Mr. Sutton, Mr. Hanehan and Chairman Callanan.

NOES: 0

ADOPTED: 6-0.

Mr. Valentine advised that the field audit letters are going to out Mountain Ledge here in Wilton and the Bonacio movie theater. They are part-time, seasonal employees at both the theater and the college, which will make reporting of full-time equivalency employees difficult. Construction completion reports will also be going out. Regarding the PILOT status, chart he will go over with Mr. Ferguson so we have a handle on those. He added that he will review the upcoming school PILOT chart with Mr. Ferguson so they'll be prepared for the September billing.

Chairman Callanan asked if Mr. Benton will be here for the July 13th meeting. Mr. Benton stated he will be getting together with Mr. Ferguson to get him entered into PARIS and to go over other items he need to discuss with him and will remain as consultant until July 17th.

Mr. Benton then detailed recent discussions he has had regarding new applicants. He received a call from Marty Vanangs, the new President of the Prosperity Partnership, who has a prospective applicant for the IDA. He and Mr. Ferguson will meet at Marty's office this week to go over the application. He assumes the Partnership will approach the Board with a similar kind of contractual fee split relationship we have had with SEDC.

Mr. Benton, Chairman Callanan and the CEO also had a meeting with the Luther Forest Technology Campus Economic Development Corporation about the future of the Campus. There are some positive changes that have taken place. The LDC has a relationship with D.A. Collins which has generated revenue. Additionally, they are receiving revenues from the rental of work trailers needed for the Global Foundries construction project. LFTCEDC has a July 31st interest and principal payment due and it is prepared to make that payment. The IDA has previously discussed the purchase of a parcel of 31

acres from LFTC EDC. That was held up by the lack of flexibility in the PUD which only allows nanotech industry and does not allow the IDA to grant any abatement through a PILOT Agreement. That also looks positive with a proposed amendment to the PUD going forward. They will probably be building another building in the next 5 years with the growth pattern. With a zoning change, he thinks you could see a company going forward into that. This is also a good use of the land.

Mr. Benton stated the Board might want to consider beginning an escrow fund to set aside money for future use within the Luther Forest campus. That is going to a key area within the State. He added that with the zoning changes and a lot of other things going on the Board should start preparing for it now. For example, if a fee from that development is paid, then the Board can elect to set the funds aside in a special fund specifically for the purposes of this development. He and Mr. Ferguson will get together and try to come up with a plan for this in the future. Mr. Sutton questioned Mr. Benton if we were to purchase that parcel, would it be a bidding process. Mr. Benton stated we would like to be buying the land from the Luther Forest EDC which then repays proceeds back to the State. All of that would have to be worked out. The whole idea is to get someone in there, not to make money. We would have to have somebody else do the marketing. Mr. Johnson asked about the infrastructure. Mr. Benton stated infrastructure would need to be extended to the property to make it usable. Mr. Benton thinks we should look to the future on this. If you wait until you have an excellent prospect, he added, that seems to open doors for opportunities of the cost being shared. The zoning change will play a part in all of this. A vote on the zoning changes is expected around September. Mr. Johnson asked if that would satisfy the \$600,000 Luther Forest owes the IDA. Mr. Benton stated that would be part of it. After July 31, the loan balance will be \$500,000. Mr. Rockwood stated that a land purchase does address the significant fund balance we have and the purchase may be a different way of achieving our goal of helping industrial development.

Mr. Rockwood stated that given the idea we are going to be accepting applications from multiple sources he would like to reiterate his concern that enough information isn't distributed at an early enough timeframe for review prior to our meetings. He asked that a timeline might be put together to review information a week to 10 days prior. Mr. Brobston spoke to the current application process. Sometimes this is not possible. Mr. Benton stated he will talk to the new CEO on this matter. There are certain times when a company makes a decision in rush type situation. Priority mail may be an option in this scenario. Mr. Benton stated it will be worked on.

Mr. Ferguson spoke to the Board regarding a call received from Mr. Blackman of the Legislative Gazette to Larry regarding a special issue highlighting Saratoga County and they were looking into our interest in advertising. Since the deadline date has come and gone, it was June 5th, he would say we should pass on it.

Chairman Callanan asked if there was any further discussion. As there was no further business, the meeting was adjourned on a motion made by Mr. Johnson, seconded by Ms. Hynes-Walsh, with all voting in favor.

Respectfully submitted,

Lori A. Eddy

Attachments:

A regular meeting of the County of Saratoga Industrial Development Agency was convened in public session at the Wilton Town Hall, Traver Road in the Town of Wilton, New York on June 8, 2015 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:

Raymond F. Callanan	Chairman
Glenn Rockwood	Vice Chairman and Treasurer
Rodney Sutton	Secretary
Charles Hanehan	Member
Arthur Johnson	Member
Mary Beth Hynes	Member

ABSENT: Michael Mooney Assistant Treasurer and Assistant Secretary

ALSO PRESENT:

Lawrence D. Benton	Agency CEO
Richard Ferguson	Agency CEO in waiting
Michael Valentine	Senior Planner to the IDA
Michael J. Toohey, Esq.	Counsel to the Agency
John Murray	Agency CFO
James A. Carminucci, Esq.	Lemery Greisler LLC, Special Counsel

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

RESOLUTION #1261

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 4000,000 SQUARE FOOT ADDITION TO AN EXISTING 800,000 RETAIL DISTRIBUTION FACILITY LOCATED AT 55 NORTHERN PINES ROAD IN THE TOWN OF WILTON, COUNTY OF SARATOGA, STATE OF NEW YORK, UPON APPLICATION OF ACE HARDWARE CORPORATION.

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, , Ace Hardware Corporation, a Delaware corporation having an address of 2200 Kensington Court, Oak Brook, Illinois 60523 (the "Applicant"), has requested that the Agency undertake a project (the "Project") consisting of (A) (1) the acquisition of an approximately 129.27 acre parcel of land constituting tax map parcel 114.-2-60.1 and located at 55 Northern Pines Road in the Town of Wilton, New York (the "Land"), (2) the construction on the Land of an approximately 400,000 square foot addition (the "Addition") to an existing 800,000 square foot retail distribution center (the "Existing Facility" and together with the Addition, collectively, 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 \$27,300,000; 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 SEQRA 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. 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 Successor 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 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:

Raymond F. Callanan	VOTING AYE
Glenn Rockwood	VOTING AYE
Rodney Sutton	VOTING AYE
Charles Hanehan	VOTING AYE
Michael Mooney	VOTING ABSENT
Arthur Johnson	VOTING AYE
Mary Beth Hynes	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 8, 2015, 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 _____, 2015.

Rodney Sutton, Secretary

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

RESOLUTION #1265

RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF DOCUMENTS RELATING TO THE SSP DEVELOPMENT CORPORATION 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, , by resolution duly adopted on October 14, 2014, the Agency, at the request of SSP Development Corporation, a New York business corporation having an address of 3 McCrea Hill Road, Ballston Spa, New York (the “Applicant”), agreed to undertake a project (the “Project”) consisting of (A) (1) the acquisition of an interest in an approximately 8.93 acre parcel located at 3 McCrea Hill Road in the Town of Ballston, County of Saratoga, State of new York (the “Land”), (2) the construction of an approximately 18,750 square foot addition (the “Addition”) to an existing 33,000 square foot building located on the Land (the “Existing Facility and, together with the Addition, collectively, the “Facility”) to be leased to Specialty Silicone Products, Inc., (the “Tenant”) for use in the manufacturing of advanced silicone rubber materials, and (3) the acquisition and installation in the Addition of certain machinery and equipment (the “Equipment” and together with the Land and the Facility, 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 (applicable only to the Addition); and

WHEREAS, the financing for the Project was provided by M&T Bank (the “Lender”) in the form of a \$2,440,000 loan (the “Loan”) to the Applicant; and

WHEREAS, in order to consummate the aforesaid Project, the Agency together with the Applicant executed and delivered a certain second priority mortgage and security agreement (the “Mortgage”) on the Project Facility in the principal amount of \$2,440,000 which was subject to a prior mortgage (the Prior Mortgage”) from the Company to the Lender securing indebtedness having an outstanding principal balance of approximately \$700,000.00 (the “Prior Loan”); and

WHEREAS, in connection with a consolidation of the Prior Loan and the Loan, the Agency has been requested to execute and deliver, together with the Applicant and the Lender a mortgage consolidation and modification agreement (the “Mortgage Consolidation Agreement”) pursuant to which the liens of the Prior Mortgage and the Mortgage will be consolidated; and

WHEREAS, no Financial Assistance (as defined in the Act) is being requested in connection with the foregoing

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

SECTION 1. Each officer of the Agency is hereby authorized, on behalf of the Agency, to execute and deliver the Mortgage Consolidation Agreement as well as any assignment of leases and rents associated therewith, and, where appropriate, the Secretary (or Assistant Secretary) of the Agency is hereby authorized to affix the seal of the Agency thereto and to attest the same, all in substantially the forms previously executed and delivered by the Agency for similar-type transactions with such changes, variations, omissions and insertions as the officer so executing and counsel to the Agency shall approve, the execution thereof by such officer to constitute conclusive evidence of such approval.

SECTION 2. 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.

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

Raymond F. Callanan	VOTING AYE
Glenn Rockwood	VOTING AYE
Rodney Sutton	VOTING AYE
Charles Hanehan	VOTING AYE
Michael Mooney	VOTING ABSENT
Arthur Johnson	VOTING AYE
Mary Beth Hynes	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 8, 2015, 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 _____, 2015.

Rodney Sutton, Secretary