

SARATOGA COUNTY INDUSTRIAL DEVELOPMENT AGENCY MEETING

April 14, 2014 - 8:00 a.m.

At 50 West High St., Ballston Spa, NY

The meeting was called to order by Chairman Callanan.

PRESENT: Members: Raymond F. Callanan, Chairman, Richard Dunn, Arthur Johnson, Michael Mooney.

Staff & Guests: Michael Valentine, Sr. Planner; Michael Toohey, Agency Counsel; John Murray, CFO; Representative of Finch Waste Co, LLC; Dennis Brobston, SEDC; Stephen Williams, Daily Gazette.

APPROVAL OF MINUTES

Mr. Dunn stated on page 2 of the March 10th minutes, the first paragraph states "the State has taken 56% of any land sale...", and this should state 66%.

On a motion by Mr. Dunn, seconded by Mr. Mooney, the minutes of the meeting of March 10, 2014 were approved, as amended, with all in favor.

PERRY REAL (SOFT-TEX): REFINANCING

Mr. Toohey stated authorization is needed to execute documents relative to their refinancing. There were questions with regard to liens on the property, but they have been satisfied. Chairman Callanan asked what is their reason for the refinancing, and Mr. Toohey stated a better interest rate. The company has gone to a bank that has given them a loan that is acceptable to them. Mr. Valentine stated they also have roof repairs that they have already started. He said there will be no mortgage recording tax with this.

Mr. Dunn moved to authorize the execution of the refinancing documents for Perry Real (Soft-Tex). The motion was seconded by Mr. Mooney.

RESOLUTION NO. 1217 (see attached)

AYES - Messrs. Dunn, Mooney, Johnson and Callanan.

NOES - 0.

Adopted 4-0.

FINCH PAPER CO. LLC: ASSIGNMENT TO FINCH WASTE CO. LLC

Mr. Toohey stated the Board had previously we approved the application of Finch Paper Co. LLC. Internally, the company would like to transfer that over to Finch Waste Co. LLC which would make sense to their internal management. He said the issue going forward is that he has not been convinced that Finch Waste Co. LLC, which will own very valuable landfills, has the same financial power of the parent company, Finch Paper Co. LLC. Our job, when the original project is amended, is to insure the Agency is in no worse position than we were before. We are allowing this change in project sponsor to happen, but we are receiving a guarantee back from Finch Paper Co. LLC.

The representative of Finch Waste Co. LLC stated they appreciated the support of both the County and the IDA for the acquisition of the landfill. Mr. Dunn asked if Finch Waste Co. LLC existed when the PILOT was put together. Finch's representative said no it did not. They did not set up the LLC until after the acquisition of the County landfill. He said they did not know if the sale was going to happen, so it did not make sense to set up LLCs that they would not use. Once the closing took place, they followed the process of setting up the LLC. They will be putting both landfills under the new LLC, so the existing Finch-Irving landfill, which is currently in Finch Paper, will be transferred into Finch Waste Co. LLC as well. This allows them to follow through on their commitments to the County to consolidate the landfill into one footprint. Mr. Toohey said it does make a lot of sense to do this.

Mr. Mooney moved to approve the change in assignment to Finch Waste Co. LLC. The motion was seconded by Mr. Johnson.

RESOLUTION NO. 1218

Resolved, that the Saratoga County Industrial Development Agency authorizes the assignment from Finch Paper Co. LLC to Finch Waste Co. LLC.

AYES – Messrs. Dunn, Mooney, Johnson and Callanan.

NOES – 0.

Adopted 4-0.

Mr. Dunn moved to authorize the Chair or other officer to execute the necessary documents relative to this assignment. Mr. Mooney seconded the motion with all in favor.

MALTA TRAFFIC STUDY: MOU, COUNTY GRANT AGREEMENT

Chairman Callanan stated the IDA committed \$17,000 to this traffic study in the Town of Malta. There was a Memorandum of Understanding presented for signature to be sent to

the CDTC, and this has been signed. Mr. Toohey stated this is a consortium of governmental entities putting together money for a \$500,000 study updating the traffic analysis for the entire region. The consortium had to contribute \$250,000. Money is coming in from National Grid, and they needed to see there was matching money in place. The IDA's money is being expended as a grant to the County. Mr. Johnson stated the County has contributed \$50,000. Mr. Toohey said we will have a grant agreement that goes to the County for this purpose.

Mr. Johnson moved to approve the execution of the Memorandum of Understanding. The motion was seconded by Mr. Dunn.

RESOLUTION NO. 1219

Resolved, that the Saratoga County IDA hereby authorizes the chair or other officer to execute a Memorandum of Understanding which outlines the terms and scope of a proposed regional traffic study regarding the future impacts from the development of the Luther Forest Technology Campus.

AYES – Messrs. Dunn, Johnson, Mooney and Callanan.

NOES - 0

Adopted: 4-0

SECRETARY CONTRACT: CONSENT TO EXTEND TO DECEMBER 31, 2014

Mr. Dunn moved to authorize an extension of a contract for Elaine Sodemann for secretarial services for the IDA for the period January 1 through December 31, 2014. The motion was seconded by Mr. Mooney.

RESOLUTION NO. 1220

Resolved, that the Saratoga County IDA hereby approves the extension of the contract between the IDA and Elaine Sodemann for secretarial services for the period January 1 through December 31, 2014.

AYES – Messrs. Dunn, Johnson, Mooney and Callanan.

NOES – 0.

Adopted: 4-0

SEMICONDUCTOR MANUFACTURING CONFERENCE SPONSORSHIP

Chairman Callanan stated this conference is sponsored by SEDC, and last year, we approved a sponsorship of \$4,500 for this conference. He recommended that the IDA sponsor the conference again this year. He said this also allows for tickets for IDA members who would like to attend. Mr. Dunn said the caliber of people who come to this conference is incredible.

Mr. Dunn moved to approve a sponsorship of \$4,500 for this conference. The motion was seconded by Mr. Mooney.

RESOLUTION NO. 1221

Resolved, that the Saratoga County IDA hereby authorizes the expenditure of \$4,500. in the form of a sponsorship of the Semiconductor Manufacturing Conference to be held May 6, 2014.

AYES – Messrs. Dunn, Johnson, Mooney and Callanan.

NOES – 0.

Adopted: 4-0

OTHER BUSINESS

Mr. Valentine stated we have **liens and notices** to file claims that are received from time to time. Copies are provided to Agency counsel who advises the company of their obligation to defend the Agency. With Global Foundries, to keep our records straight, we have mechanics liens and other liens that involve injuries on site, and suppliers and vendors will send us notices before there is any action. He said Global is different. We have a file with all kinds of various notices, but they are taken care of internally by the company.

Mr. Valentine stated a **construction completion report** was received from 19 RR Place, the Bonacio theater project in Saratoga Springs. Of 45 various vendors, two or three were from outside of the State. One of them was County Waste that has local operations even though they are stationed in New Jersey. Mr. Dunn said the seat company was also from out of State. Mr. Valentine said he sent two notices to Step Tech for their completion report. They did send an ST340 sales tax reporting form. Last year, we extended their sales tax exemption to June 30th, because they are in the same situation as United Step 1. They have fit up space there that is not occupied yet. He said he told them that we will need the construction completion report by July 15th.

Mr. Valentine said he called Mr. Carminucci regarding **Riverview Realty** along with Kevin McAuliffe, but Mr. Carminucci is on vacation this week. He said there has been no closing yet. Mr. Toohey said there has been no paperwork circulated.

Mr. Dunn stated we have received the final **annual report**, and Mr. Benton has filed it.

Mr. Dunn said if anyone wishes to go to the **SEDC dinner**, please let Mr. Valentine know if you are planning to attend, as he will take care of your reservation.

Mr. Dunn said next month, we will be meeting with representatives from the Ballston Spa School District to view their Tech Smart program. It will be held in the conference room above the Tech Smart operation at HVCC in the Step Park. Mr. Mooney asked if they have requested a grant from the IDA. Mr. Dunn said no they have not. This is a multi-county school district initiative. This is a much higher level program that they want us to see.

Mr. Dunn asked Mr. Brobston about the status of **Start Up New York** and the Hudson Valley Tech Campus. Mr. Brobston stated Hudson Valley is trying to do something for themselves. At this point, NYSERDA in the park does not qualify them for startup. You would need a SUNY connection to that, and although SUNY HVCC is a connection on site, they do not have control of the ownership of the park. There still is no legislation finalized on how they can provide a PILOT to a business if the land is on the tax rolls and not owned by a State entity. There is still no method for that. That is a large portion of how this works.

Mr. Brobston stated they have been working on **two projects** that are coming to an application phase. Before that happens, they would like to have a meeting with the subcommittee. He said they will set up a date in the near future. There are a couple of other projects that are being discussed. Chairman Callanan stated any day next week would be fine. He requested Mr. Brobston to call when they are ready.

Chairman Callanan announced that next month's meeting will be held on **Monday, May 12th at 8:00 a.m. at the Hudson Valley Community College building in the NYSERDA Step Park.**

Being no further business, Mr. Johnson moved to adjourn the meeting. The motion was seconded by Mr. Dunn and approved with all in favor.

Respectfully submitted,

Elaine M. Sodemann

Attachment:

The following resolution was offered by Mr. Dunn, seconded by Mr. Mooney to wit:

RESOLUTION #1217

RESOLUTION AUTHORIZING EXECUTION OF DOCUMENTS RELATING TO REFINANCING OF PERRY TEXTILES 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, the Agency has previously undertaken a project (the "Project") consisting of (A) (1) the acquisition of an interest in a parcel or parcels of land comprising approximately 7.1 acres located at 428 Hudson River Road (NYS Route 4/32) in the Town of Halfmoon, Saratoga County, New York (the "Land"), (2) the reconstruction of an existing approximately 120,000 square foot building (the "Facility") located on the Land to be occupied by Perry Textiles, Inc. d/b/a/ Soft-Tex Manufacturing Company, a New York business corporation (the "Tenant") for use in its textiles manufacturing operations as well as for corporate offices, and (3) the acquisition and installation therein 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 Perry Realty Associates, LLC (the "Company"), and (C) the granting of "Financial Assistance" (as such term is defined in the Act) with respect thereto in the form of exemptions from New York State and local sales tax, mortgage recording tax and real property taxes; and

WHEREAS, the Applicant has notified the Agency that it desires to refinance the Project Facility through a loan from First Niagara Bank, N.A. (the "Lender") in the principal amount not to exceed \$2,800,000.00 (the "Loan"); and

WHEREAS, the Tenant has further notified the Agency of a change in ownership of the Tenant and has requested that the Agency consent to the same; and

Whereas, the Loan will be secured by a mortgage and security agreement (the "Mortgage") and an assignment of leases and rents (the "Assignment") each from the Agency and the Company in favor of the Lender; and

WHEREAS, there has been no request submitted for any Financial Assistance from the Agency with respect to the foregoing;

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, 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 foregoing does not constitute such an "Action"; and

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, and the Assignment of Leases, 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 Agency hereby consents to the change in ownership of the Tenant as described to the Agency.

SECTION 3. The officers, agents and employees of the Agency are hereby authorized to do all such acts and things and to execute all such documents as may be necessary or convenient to carry out and comply with the terms and provisions of this Resolution.

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
Richard Dunn	VOTING Aye
Rodney Sutton	VOTING Absent
Charles Hanehan	VOTING Absent
Michael Mooney	VOTING Aye

Arthur Johnson
Glenn Rockwood

VOTING Aye
VOTING Absent

The foregoing Resolution was thereupon declared duly adopted.

STATE OF NEW YORK)

) SS.:

COUNTY OF)

I, the undersigned (Assistant) 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 April 12, 2014, 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 and affixed the seal of the Agency this _____ day of _____, ____.

Rodney J. Sutton, Secretary

(S E A L)