

SARATOGA COUNTY INDUSTRIAL DEVELOPMENT AGENCY MEETING

January 13, 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 Callanan, Chairman; Richard Dunn; Charles Hanehan; Arthur Johnson; Michael Mooney; Glenn Rockwood; Rodney Sutton

Staff & Guests: Lawrence Benton, CEO; Michael Toohey, Agency Counsel; John Murray, CFO; James Carminucci, Bond Counsel; Michael Valentine, Sr. Planner; Dennis Brobston, Jim Angus, SEDC; Kevin McAuliffe, Counsel for Riverview Realty; Alan Grattidge, Supervisor, Town of Charlton; Patrick Dewey, Mayor, Village of Victory; Stephen Williams, Daily Gazette

Chairman Callanan stated that the Agency's December 9th meeting, following the close of the public hearing in Victory, was adjourned until today to provide an opportunity for any additional public comments on the Riverview Realty project particularly on the proposed deviation of the PILOT program on the Victory Mills project. He asked if anyone would like to speak on the deviation. Mayor Sullivan said the Village Board in Victory passed a resolution in support of the action of the IDA. As there was no further comments, Chairman Callanan declared the adjourned December meeting closed and called today's meeting to order.

ELECTION OF OFFICERS

Chairman Callanan said the first order of business concerns the election of officers, and everyone should have received a list of the current officers. Mr. Benton said any action includes the committee appointees.

Mr. Hanehan moved to approve the existing Officers and committee appointments for 2014. Mr. Sutton seconded the motion.

RESOLUTION NO. 1209

Resolved, that for calendar year 2014, the following members of the Board of the Saratoga County Industrial Development Agency shall hold the office and serve on the committees as designated below:

Chairman: Raymond Callanan

Vice Chair and Treasurer: Richard Dunn

Secretary: Rodney Sutton

Assistant Treasurer and Assistant Secretary: Glenn Rockwood

Governance Committee: Messrs. Mooney, Hanehan, Rockwood; Ex Officio: Raymond Callanan

Audit Committee: Messrs. Dunn, Sutton, Mooney, Johnson; Ex Officio: Raymond Callanan and John Murray

Finance Committee: The full Board to serve as a committee of the whole until such time as changed by Board action.

Ethics Officer: Arthur Johnson

AYES – Messrs. Dunn, Hanehan, Johnson, Mooney, Rockwood, Sutton and Callanan.

NOES – 0.

Adopted 7-0.

APPROVAL OF MINUTES

Mr. Dunn said on page 6 of the November 12th minutes, for Resolution No. 1207, the vote states 7-0. He said he believes the Chairman was not present for that vote, so that change should be made to 6-0.

Mr. Dunn moved to approve the minutes of the meetings of November 12 (as amended) and December 9, 2013. The motion was seconded by Mr. Johnson and approved with all in favor.

RIVERVIEW REALTY, LLC: INDUCEMENT RESOLUTION VICTORY MILL PROJECT

Chairman Callanan stated we conducted a public hearing last month in Victory on this project, and most of the input was positive. All of the taxing authorities, Town of Saratoga, Village of Victory and the school district, are all in favor of this project. Mr. Carminucci stated that he circulated the inducement resolution on Friday. Mr. Valentine said a pre cursor would be the removal of Article 78 assessment challenge with the village. Mr. McAuliffe stated the Article 78 will be terminated.

Mr. Hanehan moved to approve the inducement resolution for the Riverview Realty LLC (Victory Mill project). The motion was seconded by Mr. Dunn.

RESOLUTION NO. 1210 (Attached)

AYES - Messrs. Dunn, Hanehan, Johnson, Mooney, Rockwood, Sutton and Callanan.

NOES – 0.

Adopted 7-0.

FINCH PAPER, LLC: FINAL APPROVAL

Mr. Toohey stated this matter has to do with the sale of land by the County to Finch Paper with the company then leasing the land back to the IDA. We have to begin the normal process, and we have to move that to a conclusion, as they would like to close this month. He said this is a ground lease. Mr. Carminucci said the lease will be sufficient to have the property placed on roll section 8, (wholly exempt). He said we are excluding the habitat parcel. He said he also circulated a resolution of the Board of Supervisors that made the determination on the SEQR review. He said there is no financing involved with this project. Chairman Callanan said we are authorizing officers to execute the documents on behalf of the Agency. Mr. Benton asked when the potential closing will be, and Mr. Carminucci stated around January 22nd.

Mr. Johnson moved to authorize the execution of these documents. The motion was seconded by Mr. Mooney.

RESOLUTION NO. 1211 (Attached)

AYES – Messrs. Dunn, Hanehan, Johnson, Mooney, Rockwood, Sutton and Callanan.

NOES – 0.

Adopted 7-0.

SARATOGA COUNTY WATER AUTHORITY LOAN/GRANT AGREEMENTS

Chairman Callanan said last year, The Saratoga County Water Authority came up with a project to clear up some water quality problems they had by constructing an outfall system back into the Hudson River. This would allow organics to be removed from the filter system. The Board agreed to assist in financing the project by providing a grant of \$525,000 and a loan of \$1 million. He said everyone has a copy of the terms of these documents.

Mr. Toohey stated the nature of the loan is significant. As we have entered into doing this type of public benefit, we want to do it in a business-like fashion. The grant is similar to a grant we have given in the past. The money we give as a grant cannot be used to pay back our loan and will not be released by the Agency until all the loan proceeds are expended. Because of the interrelation of all of the parties, we are giving this loan at the LIBOR rate at about .5%. He said he wants to be sure the loan is paid according to the schedule. If it is not, the rate jumps up to

2.5%. If it goes to default, the rate jumps up to 5%. He said the County Attorney made a couple of minor changes. He said he has not heard back from the Water Authority attorney, but he would like to receive approval for these documents to be executed with minor non-substantive changes regarding the wording. He stated this is very protective of the IDA. Mr. Sutton asked if we have ever done a loan like this. Mr. Toohey said we have never done a loan quite like this. This is a banking-type of a loan. Mr. Sutton asked if this was setting a precedent. Mr. Toohey said we are giving extraordinary loans for very valuable purposes, but we expect to be paid back in a business-like fashion. It is a one-time per year payment, and they should pay it within ten days of its due date. Mr. Benton said he believes we have the same increase in the interest rate clause for Luther Forest. But, we have extended the due dates on several occasions. Mr. Mooney said this is different because the County is backing the loan as well. Mr. Toohey stated the County Attorney has reviewed this and signed off on it. Mr. Dunn asked if the Water Authority attorney is aware of the default escalation in the interest rate. Mr. Toohey said he has called him, but he was tied up. He assumes he has read the documents and has been in communication with the County Attorney. Mr. Benton said the interest payment is less than \$7,000 per year. The principal payments do not start for five years. He said it is not likely they will fail to make a payment. Mr. Hanehan asked about the construction schedule. Mr. Johnson stated the engineering is pretty much complete on this. They plan to start the project in the Spring.

Mr. Mooney moved to authorize the documents for the loan/grant agreements for the Saratoga County Water Authority. The motion was seconded by Mr. Dunn.

RESOLUTION NO. 1212

Resolved, that the Saratoga County Industrial Development Agency hereby authorizes any officer of the Board to execute the documents for issuing a \$525,000 grant and a \$1 million loan to the Saratoga County Water Authority for improvements to their water filtration system.

AYES – Messrs. Dunn, Hanehan, Mooney, Rockwood, Sutton, and Callanan.

NOES – 0.

ABSTAIN – Mr. Johnson (because he is a member of the SCWA).

Adopted 6-0.

Mr. Benton asked Mr. Johnson when the Water Authority would be expecting the loan funds. Mr. Johnson stated they will approve the document at their meeting this month, so he assumes right after that. Mr. Toohey said the loan comes first, and the grant comes second.

ADOPT FY2014 OPERATING BUDGET

Mr. Benton stated the 2014 operating budget was presented to the Board in late Fall, because we are required to place a public notice of our upcoming next fiscal year budget which we have done. The 30-day period is complete. He sent this budget to all of the members. He made a change because subsequent to our initial approval, we approved \$45,000 reconstruction budget for the rail spur at the Grande Industrial Park. He added that to the General Expenses and foot noted it as such. We estimate our fees based on a dollar amount of projects that we might deal with in the upcoming year. We had the Finch fee that was anticipated, so that is part of the \$180,000 in fees. Interest and Earnings track the past several years of experience we have had. Our PILOTS that we list as a Revenue and Expenditure basically match each other. We have a non-operating expense line of about \$10,000 which is based on past years where the Board agreed to fund certain projects or events such as the Semi-Tech conferences and NYSEDC's annual conference last year in Saratoga Springs. We have also added the Water Authority loan/grant to the 2014 budget.

Mr. Hanehan moved to adopt the 2014 Operating Budget. The motion was seconded by Mr. Dunn and approved with all in favor.

FINAL OPERATING BUDGET FY2013

Mr. Benton said this is part of our annual close out of our books. He said everyone should have a copy. It shows the difficulty in estimating some of the numbers particularly the fees, as we have no idea as to the kinds of applicants we are going to see. We estimated fees of \$187,000 and ended up with \$950,000. largely as a result of the Global TDC project. Interest and Earnings were close to the estimate. The PILOTS were also close to what we had estimated, as was contractual expenses. This is kind of a score card to let you know where we are at. This will be provided to the Auditor along with other financial documents that we prepare.

Mr. Dunn moved to accept the close out of the 2013 budget. The motion was seconded by Mr. Dunn and approved with all in favor.

SARATOGA COUNTY TRAFFIC FUNDING REQUEST

Chairman Callanan stated everyone should have a document outlining a proposed program in the Town of Malta. A traffic study is proposed at a cost of \$500,000. We have been requested as a Board to be a participant in this to the extent of a contribution of \$17,000. Mr. Johnson said this was initiated through a Transportation & Traffic Study Committee that was part of Congressman Tonko's task force. The committee is recommending this study. The last study was done in 2003. Since then, we have Global Foundries, and there is potential for another fab and potential growth within the Park itself. They felt it should be updated to take us through

the next ten years. It is a regional traffic study. He said \$250,000 of this is a grant from National Grid, and there is a local match of \$250,000; \$50,000 from Saratoga County; \$50,000 from the Town of Stillwater; \$50,000 from Global Foundries, and they are looking for \$17,000 from the IDA to be a partner in this as well. The applicant has to be a not-for-profit, so CEG is going to be the applicant to National Grid. The project will be overseen by CDTC, and an RFP will be put out for a consultant to work on this as well.

Mr. Johnson said he talked to Mike Tucker, President for CEG, because under the provisions of this Memorandum of Understanding, the funds go directly to CEG. He said he is not sure whether our grant procedures would allow us to grant directly to a not-for-profit as opposed to a municipality. Mr. Tucker said it would be fine to have the money sent through the County. Chairman Callanan asked if the request is coming from the County. Mr. Grattidge said it is from the County to partner towards the next ten year study for the whole area of Luther Forest. He stated \$50,000 was put into the County's Long Range Planning budget, and Supervisor Kinowski of Stillwater pledged \$50,000. Malta was starting to update their study, so we were able to use \$83,000 of what they are spending on updating their GEIS towards this study. We were looking for other participants to help us reach the \$250,000 to secure the match from National Grid. Mr. Hanehan asked why National Grid is contributing \$250,000. Mr. Grattidge said they put a pool of money towards these types of projects. When it first came up in Congressman Tonko's sub group, Linda Hill, of National Grid, said this is something that would qualify up to \$250,000. We took advantage of the funding that was available. Mr. Johnson stated it is called the National Grid Strategic Economic Development Program grant. Mr. Rockwood asked if we are leveraging work that that already been done in the last year. Mr. Grattidge stated the possibility of a new 11A Exit was supposed to be done for the 8.2. Malta agreed to do the traffic improvements that they agreed to for the last set. This is the further study that would continue if there was an 8.3 and future growth of the Park. He said he believes that is why Global is interested in funding this. Mr. Dunn said so we wouldn't have to do another study if 8.2 is built before 8.3? it doesn't make sense to him.

Mr. Toohey stated it is a more regional study than just a one company impact. It is more of an adjunct to a master plan for this region. Mr. Johnson said Schedule A gives an overview, and it is definitely a regional study. Mr. Toohey said he is assuming by having an advanced traffic analysis done, it will be beneficial to retaining and creating jobs in Saratoga County. Mr. Johnson said absolutely. Mr. Grattidge stated this was identified as a need to move the region forward. Mr. Benton asked who prepared this document. Mr. Grattidge said the CDTC. Mr. Murray said if the IDA accepts this, he suggested that a paragraph B should be added stating CEG will provide quarterly financials. There is nothing about any kind of reporting in this document. Mr. Toohey said if we give a grant, it will be like the other grants we have given. We are not necessarily writing a check here. He said this should go through the County.

Chairman Callanan said he believes the Board of Supervisors should be requesting the \$17,000 from the IDA. The very nature of our grant/loan program is through a municipality. Mr. Benton stated we need an application letter that spells out what is going to take place. Typically, the County would pay the bill first and then be reimbursed by the IDA. Chairman Callanan said we will need a resolution of the Board of Supervisors requesting the \$17,000. Mr. Benton said he assumes there would be interim progress reports to all of the participants.

Mr. Grattidge said to qualify for the National Grid match; we need this done by 2015, so we have to move on this quickly. Chairman Callanan said there can be no final action until we receive a formal request by the County.

INVOICE: E. GALKA; FY 2012 Audit

Mr. Benton said in our audit of our 2012 fiscal year, Ed Galka partnered with Basilla, a qualified accounting firm. He does 95% of in-house review of all documentation that the IDA provides. At the last minute for the 2012 audit, the accounting firm decided to drop some of those governmental audits they had been doing. Mr. Galka contacted Cusack & Company, out of Latham and Clifton Park, and was able to come to a partnership with them. We approved \$5,000 for the 2012 audit, and the resulting split was \$4,000 under contract with Cusack and \$1,000 for Ed Galka. Mr. Galka has performed the same field work that he had done for us in the past. He said he has documented the result of his work and sent it to Mr. Dunn for his review. This is the last work that Mr. Galka will do for us, as Cusack & Co. has now taken over.

Mr. Dunn moved to authorize the payment of \$1,000 to Ed Galka from funds previously approved for that purpose. The motion was seconded by Mr. Johnson and approved with all in favor.

RAIL SPUR AT W. J. GRANDE INDUSTRIAL PARK: APPRAISAL

Mr. Benton stated he believed he would have the appraisal, but it was not yet received. This will have to be a part of next month's meeting.

Mr. Toohey asked if the authorization with regard to the Water Authority's loan/grant, included authorization for an officer of the IDA to sign? Chairman Callanan said it did not. Mr. Toohey said that will have to be amended to do this.

Mr. Mooney moved to amend the previously adopted resolution #1212 to include authorizing an officer of the IDA to sign the necessary documentation for the loan/grant agreements for the Saratoga County Water Authority. The motion was seconded by Mr. Hanehan and approved with all in favor.

OTHER BUSINESS

Niagara Mohawk (National Grid): Easement Over IDA's Moreau Rail

Mr. Toohey said we own a non-functioning spur of a railroad in the Village of South Glens Falls. About half way up the spur, there is a Niagara Mohawk (National Grid easement) to extend the line through it. It is about 100' wide strip that was originally granted in 1927. They want to enhance the language in the wording. He said he has no objection to the granting of this. They made an offer at \$1,000 or so. Because we are a quasi-public body, we may have an obligation to obtain an appraisal as to its value. He said to get this appraisal, it will cost between \$500 - \$750. There is no reason not to grant this easement. We have modified this so it is very clear that the land over which this goes, although presently not being used for railroad purposes, is intended to be amended and utilized in the future for that purpose. Mr. Mooney asked if there is an existing easement that is being modified. Mr. Toohey stated there is a 1927 easement with the New York Power & Light Corporation that has been evolved ever since. He suggested that National Grid's one thousand dollar amount be accepted. In sections of it, they are restoring the track bed for us in order for them to get their equipment in there.

Mr. Dunn moved to allow this easement and to authorize an officer of the Agency to sign the necessary documents with National Grid. The motion was seconded by Mr. Hanehan.

RESOLUTION NO. 1213

Resolved, that the Board hereby approves an easement over a portion of the Agency's rail spur in the Town of Moreau to facilitate improvements and maintenance of electrical transmission lines by National Grid (Niagara Mohawk Power Co.), and be it further

Resolved, that officers of the Board are hereby authorized to execute the necessary documents associated with the easement.

AYES – Messrs. Dunn, Hanehan, Johnson, Mooney, Rockwood, Sutton and Callanan.

NOES – 0.

Adopted 7-0.

First Niagara Account

Mr. Benton stated we opened this account a couple of years ago with a large CD at 2.5% interest. Since that time, it was flagged as an inactive account. He activated it by depositing \$100 into the account.

Mr. Benton said we have had CD's over the last five years with the bid process. Berkshire Bank was the most aggressive bank in terms of interest rates. There were three CD's in there. When he bid the first two during 2013, there was no bid. At maturity, they were put into our Saratoga

National money market account. The third one does not mature until June of 2014. He received a notice from Berkshire in December that they would pay the interest on that up to June 2014 and send us a check in December. When we exceed the FCIC, banks have to collateralize with a third party.

United STEP Tenant Report

Mr. Benton stated there were changes in the tenancy in the United Step One building in the NYSEDA park. We have a PILOT agreement that provides an abatement only if at least 50% of their gross leasable space is rented to manufacturing or related industries. Global, as they continue to complete Admin. 1 and Admin. 2, are leasing much less space in the United Step building. There was an interim period between January and June of 2013 where they dropped below the minimum 50%, but we determined it was the prior December report that would be applicable to the coming tax year. They have found three new tenants, and Global still maintains a presence there. He said he has provided a copy of this report to everybody, and it is 51% if you look at the totals. In looking at the report, Mr. Dunn asked who TW Telecom is. Mr. Brobston said it is a data center. They are region-wide. Mr. Benton said this report is as of 12/31/13. Mr. Dunn said the nature of this PILOT has been frustrating. Mr. Benton said the property was owned by NYSEDA and was tax exempt which he believed was a consideration in structuring the PILOT. Shortly after completing the building, they were hit with a recession. Mr. Dunn said with the changes in tenancy, it would be appropriate to schedule a field visit.

Chairman Callanan expressed this Agency's appreciation to the Mayor of Victory, the Saratoga Town Board, the School Board and residents who supported the Riverview Realty project. We hope that this will be an economic engine for that area.

Mr. Dunn requested an update on the **Geyser Road turn lane**. Mr. Benton stated we have a contract with Greenman-Pedersen engineering firm that provided preliminary design work on the Geyser Rd./Route 50 arterial intersection to see if a second lane could be added there. This \$44,000 study is just being completed. The design work is done, and there is a question of finding money to have the construction done. He said Brad Birge, the City's Administrator, indicated the signals would have to be changed at that major intersection. That, alone, would be about \$200,000. Mr. Dunn asked if that would include pedestrian crossing. Mr. Benton said he believes it probably would. Mr. Birge wondered how far the IDA's commitment is going to go with this project.

In revisiting the **County's request for a traffic study**, Mr. Johnson said because timing is critical as far as getting funding in place, and the fact that this will go through the County's Public Works Committee tomorrow and on to the full Board next week, could this Agency approve the

request upon the condition of actually receiving the formal request for \$17,000 from the County. Chairman Callanan said yes it could.

Mr. Dunn moved to approve the \$17,000 expenditure for the County based on receiving the formal request from the County. The motion was seconded by Mr. Mooney.

RESOLUTION NO. 1214

Resolved, the Saratoga County Industrial Development Agency does hereby approve a request for a \$17,000 expenditure towards a regional traffic study in Saratoga County based on receiving an approved request from the Saratoga County Board of Supervisors and execution of associated documents.

AYES – Messrs. Dunn, Hanehan, Johnson, Mooney, Rockwood, Sutton and Callanan.

NOES – 0.

Adopted 7-0.

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

Respectfully submitted,

Elaine M. Sodemann

A regular meeting of the County of Saratoga Industrial Development Agency was convened in public session at the Saratoga county Planning Department, in the Village of Ballston Spa, Town of Ballston, New York on January 13, 2014 at 8:00 o'clock a.m., local time.

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

PRESENT:

Raymond F. Callanan	Chairman
Richard Dunn	Vice Chairman and Treasurer
Rodney Sutton	Secretary
Michael Mooney	Member
Glenn Rockwood	Assistant Treasurer and Assistant Secretary
Arthur Johnson	Member
Charles Hanehan	Member

ABSENT:

ALSO PRESENT:

Lawrence Benton	Chief Executive Officer
Michael Valentine	Senior Planner to the IDA
John Murray	Chief Financial Officer
Michael J. Toohey, Esq.	Counsel to the Agency
James A. Carminucci, Esq.	Lemery Greisler LLC

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

RESOLUTION #1210

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, RECONSTRUCTION, AND INSTALLATION OF A 220,000 SQUARE FOOT RESIDENTIAL RENTAL FACILITY LOCATED AT 42 GATES AVENUE IN THE VILLAGE OF VICTORY, TOWN OF SARATOGA, SARATOGA COUNTY, NEW YORK, UPON APPLICATION OF RIVERVIEW REALTY, LLC AT A TOTAL PROJECT COST OF \$26,056,000.

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, Riverview Realty LLC, an New York limited liability company having an address of 90 State Street, Albany, New York 12207 (the "Applicant"), has requested that the Agency undertake a project (the "Project") consisting of (a) the acquisition of an interest in an approximately 6.57 acre parcel of land located at 42 Gates Avenue in the Village of Victory, Town of Saratoga, Saratoga County, New York (the "Land"), (b) the reconstruction thereon of an approximately 220,000 square foot building (the "Facility") to constitute 98 residential rental units together with a pre-school, and (c) 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 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 state and local sales tax and mortgage recording tax; and

WHEREAS, the Applicant has estimated that the total cost of the Project will equal approximately \$26,056,000; 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, on December 9, 2013, a public hearing with respect to the Project was conducted by the Agency; and

WHEREAS, as required by the terms of the Agency's Uniform Tax Exemption Policy (the "UTEP"), written notices of a possible deviation from the UTEP with respect to the Project were provided to all of the "affected taxing jurisdictions" (as defined in the Act);

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, reconstruct and install the Project Facility, or cause the Project Facility to be acquired, reconstructed 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 reconstruction and operation of the Project Facility, and (3) satisfaction by the Agency with the requirements of the Act.

SECTION 4. The officers, agents and employees of the Agency are hereby authorized, empowered and directed to proceed with the undertakings provided for therein on the part of the Agency and are further 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 the Preliminary Agreement as executed.

SECTION 5. The officers, agents and employees of the Agency are hereby directed to do such things or perform such acts as may allow the Agency to proceed to its final consideration of the Project.

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. 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. This Resolution shall take effect immediately and shall remain in effect until the earlier of (1) the execution and delivery of the 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
Richard Dunn	VOTING: Aye
Rodney Sutton	VOTING: Aye
Charles Hanehan	VOTING: Aye
Michael Mooney	VOTING: Aye
Arthur Johnson	VOTING: Aye
Glenn Rockwood	VOTING: Aye

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 January 13, 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 _____, ____.

, (Assistant) Secretary

A regular meeting of the County of Saratoga Industrial Development Agency was convened in public session at the Saratoga County Planning Department Offices at 50 West High Street in the Village of Ballston Spa, New York on January 13, 2014 at 8:00 o'clock a.m., local time.

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

PRESENT:

Raymond F. Callanan	Chairman
Rodney Sutton	Secretary
Richard Dunn	Vice Chairman and Treasurer
Arthur Johnson	Member
Glenn Rockwood	Assistant Treasurer and Assistant Secretary
Charles Hanehan	Member
Michael Mooney	Member

ABSENT:

ALSO PRESENT:

Lawrence D. Benton	Agency CEO
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. Mooney, to wit:

RESOLUTION NO.: 1211

RESOLUTION (1), MAKING A DETERMINATION UNDER THE NEW YORK STATE ENVIRONMENTAL QUALITY REVIEW ACT WITH RESPECT TO THE FINCH PAPER LLC PROJECT, (2) APPOINTING FINCH PAPER LLC AGENT OF THE AGENCY WITH RESPECT TO SAID PROJECT AND (3) AUTHORIZING THE ENTERING INTO OF A STRAIGHT LEASE TRANSACTION WITH FINCH PAPER LLC AND THE EXECUTION OF RELATED DOCUMENTS IN CONNECTION WITH SUCH TRANSACTION.

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 Finch Paper LLC, a New York limited liability company having an address of One Glen Street, Glens Falls, New York 12801 (the “Applicant”), has previously submitted an application (the “Application”) to the Agency requesting that the Agency undertake a project (the “Project”) consisting of (A)(1) the acquisition of an interest in an approximately 63.6 acre parcel of land located on Kobor Road in the Town of Northumberland, New York and bearing tax map parcel #104.-1-85.2 currently owned by the County of Saratoga (the “Land”), (2) the construction on the Land of a landfill for the disposal of non-recyclable municipal solid waste and paper manufacturing residuals (the “Facility”), 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 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 to portions of the Project in the form of exemptions from sales tax, mortgage recording tax and real property taxes; and

WHEREAS, on August 12, 2013, a public hearing with respect to the Project was conducted by the Agency; and

WHEREAS, following the conclusion of said public hearing, by resolution number 1201 (the “Inducement Resolution”) duly adopted by the Agency, the Agency granted preliminary approval to the undertaking of the Project, subject to, among other items, compliance with the provisions of 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”); and

WHEREAS, in order to consummate the aforesaid Project, the Agency has been requested to enter into (a) a lease agreement (the “Lease Agreement”) by and between the Agency and the Applicant (the “Lease Agreement”), and (b) a payment in lieu of tax agreement (the “PILOT Agreement”) by and between the Agency and the Applicant consistent with the provisions of the Inducement Resolution; 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 for the undertaking of 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

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

SECTION 1. The Agency hereby finds and determines that:

(a) By virtue of the Act, the Agency has been vested with all powers necessary and convenient to carry out and effectuate the purposes and provisions of the Act and to exercise all powers granted to it under the Act; and

(b) The lease and sale of the Project Facility constitutes a “project,” as such term is defined in the Act;

(c) The lease and sale of the Project Facility to the Applicant will promote and maintain the job opportunities, general prosperity and economic welfare of the citizens of Saratoga County, New York and the State of New York and improve their standard of living; and

(d) Based upon representations of the Applicant, 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 either discourage said occupant from re-locating outside the State of New York or preserve the competitive position of said occupant within its industry.

SECTION 2. Based upon a review of the Resolution of the Saratoga County Board of Supervisors Board (the “Lead Agency”) dated June 18, 2013 and relating to the Project and attached hereto, the Agency hereby confirms and ratifies the findings of the Lead Agency that the Project constitutes a “Type II 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 3. Subject to the provisions of the Inducement Resolution, the Applicant is hereby appointed the true and lawful agent of the Agency (A) to (1) acquire the Land, (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 4. (a) Each officer of the Agency is hereby authorized, on behalf of the Agency, to execute and deliver the Lease Agreement and the PILOT Agreement, (hereinafter collectively called the “Leasing Documents”), 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 5. The Agency is hereby authorized to acquire an interest in all of the real and personal property described in the Lease Agreement.

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 9. This Resolution shall take effect immediately.

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 AYE
Charles Hanehan	VOTING AYE
Michael Mooney	VOTING AYE
Arthur Johnson	VOTING AYE
Glenn Rockwood	VOTING AYE

The foregoing Resolution was thereupon declared duly adopted.

STATE OF NEW YORK)

) SS.:

COUNTY OF SARATOGA)

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 January 13, 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.

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