

SARATOGA COUNTY INDUSTRIAL DEVELOPMENT AGENCY MEETING

March 12, 2018 – 8:00 a.m.

County Planning Offices #5

50 West High Street, Ballston Spa

PRESENT: Members: Chairman Rod Sutton, Patrick Greene, Arthur Johnson, Michael Mooney, Walter Wintsch.

STAFF & GUESTS: Scott Duffy, CEO; Jeff Many, CFO; Michael Valentine, Administrator; Michael J. Toohey, Esq., Counsel to the Agency; James Carminucci, Bond Counsel; Dennis Brobston, SEDC; Ryan VanAmburgh, SEDC; Marty Vanags, Saratoga County Prosperity Partnership; Shelby Schneider, Saratoga County Prosperity Partnership; Robert Manz, Luther Forest Technology Campus; Michael Relyea, Luther Forest Technology Campus; Tom Roohan, Luther Forest Technology Campus; Gerard Moser, Prime Group; and Lori Eddy.

ABSENT: Tom Lewis, Andrea DiDomenico.

Chairman Sutton called the meeting to order at 8:00.

Application (withdrawn): 7 Stonebreak Road/MJ Properties

The Chairman apologized for the inconvenience of re-scheduling as this meeting was initially set up for a public hearing to be held in the Town of Malta. Unfortunately, it was learned after the fact that the application presented to us at last month's meeting was incorrect. The Agency discovered the building for which benefits were being requested (at 7 Stonebreak Road) was already built, nearly completed. After talking with Mr. Brobston and Mr. Rekucki the Chairman indicated that the Agency could either go forward with an amended application (with revised costs and benefits) or way whether there would be any tax benefit going forward. He explained that once we reviewed the project, its current status and noted that the building was fully built at this time, we felt that the building – even if eligible for a PILOT's property tax abatements – the benefits would be very minimal and the applicant is not now eligible for any sales tax abatement. In further discussion with the applicant and Mr. Brobston, we decided to pull the application for public hearing (and in further discussions, the applicant decided to pull the application altogether). The Chairman and Mr. Carminucci noted that in the past month we did have a closing with Mr. Rekucki on his project at 9 Stonebreak Road. Chairman Sutton stated that the project did receive some tax benefit on that entire project even though it was delayed and partially constructed.

LFTC & MRFA – Schedule for Sewer Line Extension

Chairman Sutton stated that he would like to move the third item on the agenda (application by Prime Route 50 LLC) in favor of the presentation by Luther Forest (Technology Campus EDC) and MRFA concerning an outline of their schedule for the project's sewer line extension. He would like to have this update before we later discussion of the agenda item regarding the purchase of LFTC property and a recap of the meeting with the County Sewer District. The Agency, he explained, has been in negotiations for over three years to put together a project in Luther Forest and we signed a contract in the latter part of 2017. What we are trying to do now is get a timeline as to where this project will go in 2018. We have all come into agreement that we should go forward with this project. It is a great economic boost for the County down the road. So, we have asked the representatives of Luther Forest and MRFA to appear before us today just to give us a recap where they are in this process. In the meantime, Mr. Johnson had set up a meeting with Dan Rourke from the Sewer District so we have a little better idea as to where the

Sewer District is coming in on this project. Chairman Sutton asked Mr. Relyea to start the discussion by explaining how the Luther Forest project is going and Mr. Relyea introduced himself and stated that Tom Roohan, LFTCEDC Chairman, is also present as is Bob Manz who is present representing MRFA, their private partner in trying to develop the campus.

Mr. Relyea explained that there are four key pieces of infrastructure involved in this development. To start with is the sanitary sewer. LFTC (EDC) went to the Sewer District on Thursday (March 7) and introduced the project concept, although it was unofficially introduced more than a year ago to the School District (BSCSD). He stated that they will have some follow-up meetings over the next couple of weeks to try to position them and determine where they are. He thought it was a good meeting. He thought they were generally receptive of partnering. We have a partnership with the IDA and with MRFA and we would love to get their thoughts on it of how they can participate in extending the sewer main into the campus. We will follow-up with Dan Rourke and the Sewer District Commissioners over the next two weeks to determine how and what role they want to play in that. Mr. Relyea explained options, noting that there is the possibility that the District will become a partner and put in the sewer line. There is also an opportunity for them to do a design-build contract with us and, thirdly, there is just the opportunity for us to build it and not have the Sewer District involved at all. We would like to have them in there. There are a lot of things happening in that area around the towns of Stillwater and Malta in which the Campus is located. He stated that the Sewer District is in a good spot in wanting to move forward with us but we don't have an answer yet. He thinks that over the next two to three weeks we will have a much better idea.

Mr. Johnson, who serves on the County Board of Supervisors as well as is a member of the IDA (and many other hats that he wears) has been pushing the project concept this through the County, explained Mr. Relyea. Supervisor DeLucia (Malta) and Supervisor Kinowski (Stillwater) are also pushing it through the County in terms of working with the Sewer District. So, he thinks LFTCEDC is in a good spot with the Sewer District. Chairman Sutton noted that the Sewer District Commission Chair (Wayne Howe) was not at that meeting so he asked Mr. Toohey if he has had a chance to talk with him and Mr. Toohey stated he reached out to him twice but he did not get a return phone call. Mr. Relyea stated he was out of town but expects his availability between today and Tuesday. Chairman Sutton stated when we do get hold of Wayne that we could set up a meeting with him and explain what we are trying to do and the progress we have made to date.

Mr. Mooney questioned what are they asking from the Sewer District; is the property not in the district boundary? Mr. Relyea stated that, no, it is not. In the past the SC Sewer District has considered sharing the cost of the extension of a trunk line (in which the sewer district participates), if not paying the whole thing. What they talked about and introduced to the District was possibly a way to recoup the cost to back to the Sewer District if it were to up-front it. It would be great if they get the Sewer District in as a partner as that is a \$700,000 item. If we (LFTCEDC) can find a mechanism to help the Sewer District put that cost in and then find a way to recoup it to the District, such cost would just go to the users within the Campus. There are a lot of different avenues that we are looking at even from the financial point of view, he said, to try to get them involved in it and they were very receptive to it at this point. Mr. Relyea asked if there were any further questions on the sewer. He anticipates that they will be at the April meeting in a much more formal presentation with design and outline, with a design they have had for well over two years. They will be at that stage in another couple of weeks.

Mr. Relyea continued by noting that NYSEG went out of their way by upsizing the line to go in there to a 34/5 rather than just a small service that was continuing in there. That will help the project immensely. It is a much better amount of power that is going to be coming down through there. The front part of the line is designed from Cordera Blvd. down into the roundabout just south of Global Foundries. The question now is if NYSEG has an easement and then, if so, we have a utility corridor. We are working on

shifting that with NYSEG down into our utility corridor rather than keeping on their easement. This makes sense because along with the sewer we have to put a force main in there as well. Since we have to put in a utility corridor, a driveway, and a road, there will be a clearing there that has to be done. Right now it is best if we refer to it as a utility corridor, not a road for lots of different reasons. Once the design is finalized, we will then have a schedule from NYSEG. Our engineers, working with the LA Group and MRFA, made that final decision after walking that line last week, determining that we need to be in utility corridor. We should have a design back, he can't speak for NYSEG, but it could be five days, it could be 60 days. It is hard to get a date from them. The line is designed at a much larger voltage to accommodate additional growth within the Campus.

Mr. Relyea stated that National Grid is struggling because their standard process is to have a stamped site plan approval from an applicant before they extend their line. We are about 1,800 feet down the road. It is not a big challenge for them. In terms of "can they do it?" Yes, they can do it. When can they do it is the better question. They are working internally right now and as of Friday of last week we got a note back from National Grid telling us they are still trying to figure out how to paper a commitment to bring that line down to us because we don't have a stamped site plan approval which is a requirement within their process. They are working with Katie at National Grid to be able to get either a letter saying they will do it or here are the requirements to do it. They have been working with National Grid for the better part of a year trying to get them to give us some type of letter on that. In the last couple of weeks, they have recognized that this is not just a typical development project, that this is again one of those trying to build up an area and trying to get the right sizing to that.

Finally, regarding the supply water, he noted that the water stub is right there. The EDC has reached out to Mr. Hernandez at the Saratoga County Water Authority. There are engineered plans for the water. We will fill out a permit application to actually put in a tee in that water line which is located right off the property that we are talking about. It is a straight line and we will be teeing that in the near future, as soon as their permit is approved by the Saratoga Water Authority.

Mr. Manz stated the application for clearing will be completed probably this week. They will be doing that prior to the end of March. The utility corridor will be cleared. That is just a timing thing with the concern of the Indiana bat. Chairman Sutton questioned if you have to have that done in the spring basically? Mr. Manz stated yes. The only thing you can't do is clearing after a certain date. That will be completed and they are meeting with the LA Group tomorrow. The layout has been completed. The contours have to be completed for the utility corridor. They are going to continue to call it a utility corridor but for all intents and purposes it will meet all of the requirements of a road/right of way and eventually if it is decided to turn it into a road, which it most likely will be, it will meet all of the requirements. Chairman Sutton stated he knows Scott Duffy represented us at the Sewer District meeting the other day and he gave us a little recap as to what took place at that as well. Chairman Sutton asked Mr. Manz if he had anything else he wanted to go through on the project at this point? Mr. Manz stated no, he thinks Mr. Relyea has pretty much given a good recap. He thinks the two timing issues right now are the sewer and really a decision and the process involving the Sewer District. It would be nice to get somebody a little bit farther up the food chain with National Grid. That will be something we will be working on. They will start to push because they are not asking National Grid to do anything other than extend the existing service. It is the same size, the same pressure, we are paying for it. You would think that that would be pretty easy. You write a check, you extend it 1,700 feet. You don't have to do any design because we are asking for in-kind, as is today. But, the utilities become very governmental in the way that they move forward with these projects. Chairman Sutton questioned on the outside, what is his best estimate as to when we could anticipate these lines being installed, aside from the sewer. We know that the sewer is a whole separate issue. Mr. Manz stated NYSEG should be in there early summer installing the line. The tough part of the design, if you will, is done. It is to the roundabout. They have probably three poles and another 300 feet to design. Pretty easy. Then we will give them a go-ahead on

that so the installation can be done. Regarding National Grid, it should easily be early summer also. There is not a whole lot of design work necessary at all. This spring should see the water going in. The two unknowns are National Grid and the Sewer District. The Sewer District gave us an outline. Worst case scenario they would be in if they did traditional design, an RFP design, RFP for construction, and they gave us an outline of about September construction timeframe.

Chairman Sutton questioned if there was anything that the IDA could do to help either Luther Forest or MRFA to keep the ball rolling? Mr. Manz stated he thinks from a standpoint of just continuing to work with the Sewer District would be very helpful. Chairman Sutton stated we are in the process of doing that. Mr. Relyea stated he would add he doesn't know what the IDA has done, maybe just an official letter to NYSEG and to National Grid. They know from our conversations about the partnership. Perhaps maybe a statement, and he thinks that statement was made to the Sewer District by Mike, about the importance of the public/private partnership in this particular piece of property and he thinks they could use that letter to search through some of the upper management at National Grid from this Board, he thinks that would be helpful. Mr. Toohey questioned if one of them could let us know who that should be directed to? They stated they would. Chairman Sutton asked if there were any further questions from the IDA Board. Chairman Sutton thanked them for coming in today. It is an exciting project that all of us have spent a lot of time putting together. He thinks we have the attention of the Supervisors in that District. Malta has been very encouraging in terms of the land use boards that we have appeared before already. He thinks we are on a fast track on this and we do appreciate all of the work from Mr. Relyea, Mr. Manz and Mr. Roohan has put together. We will work on our end on the Sewer District. Mr. Johnson has been leading that charge for us. As soon as we get some information we will share that with both Luther Forest and MRFA. Thank you for your help up to this point and we look forward to writing you a check at the end of the year.

Application: Prime Route 50, LLC:

Chairman Sutton asked Mr. Vanags to discuss the application for Prime Route 50, LLC. Mr. Valentine stated we did receive today the check and the executed pages of the application. Mr. Vanags thanked Chairman Sutton. He stated he appreciates the opportunity to stand before you today and present the application for an exciting project. This is a business warehousing project called Prime Route 50, LLC of Saratoga Springs. Prime Route 50 is owned by the RJM Fund, LLC and GPM RE Holdings, LLC which is part of the Prime Group Holdings. Before Mr. Vanags introduces Gerard Moser of Prime Group, he took time to present in detail this project for the Board's consideration. This project, he stated, will have a positive impact on business in Saratoga County. It is a business warehouse and storage facility. It is different in many respects from what you might see of a similar type throughout the area. Number one, this facility will be targeted and mostly used by business customers. There will be standard traditional household customers, but 50-60% of this project will be used by business customers. This will be a brand-new building utilizing aesthetically pleasing building materials and finishes. Prime Group also has another facility on Route 9 in Malta. If you drive out past that you will see it is very nicely done. The spaces in that building are often used as showrooms for contractors and others who have products to display. The building is highly secured, using state-of-the-art locking systems and climate controls partly because a lot of the businesses that use it have temperature-sensitive inventory. The building is part of a larger corporate investment strategy being conducted by Prime Group. Of course, as he said, the parent Company is headquartered in Saratoga Springs. Finally, this type of business warehousing is very important to small businesses which cannot maintain inventory in their own facilities.

Prime Group 50 is seeking the following relief pursuant to the Saratoga County Industrial Development Authority's UTEP. Here are the reasons we believe, pursuant to those policies of the Agency, that they deserve this relief. First, the UTEP requires that we demonstrate that Industrial Development Agency

assistance will induce the location or expansion for the project in Saratoga County. The project is owned and proposed by established residents of the community and employs a significant number of people at significant salaries. This Company, Prime Group Holdings, plans to increase their employment in the community as business grows. Financial assistance from the IDA will help induce Prime Group's decision to continue to invest in Saratoga County, not only this project but other projects in the future. Prime Group Holdings and its affiliates have many opportunities to employ their expertise and capital all over the Country. Mr. Moser will tell you a little bit about the largest of their operation throughout the Country. It is true that they can go to a number of different places, but you want them to invest some of their dollars here in Saratoga County. Their projects help create construction jobs and permanent jobs so inducing this project will impact the community that way. The Company has already purchased this property in Wilton and it has gone through the process of approvals, getting entitlement to do the development. There are no guarantees this will occur as costs to complete the project are significant.

That is number one. Number two, the UTEP requires demonstration of the need for the project and the economic benefits it represents. These are going to be pretty substantial. First, there are going to be 90 construction jobs that will be created. They will provide an economic boost to the area. They will be using a number of local sub-contractors and contractors. After the property tax abatement incentives run its course, the property will contribute substantial property tax revenue to the community. With the PILOT in place, the contribution to local taxing bodies will be about \$4,900. After the PILOT is over, five years from now if you approve this, the estimated taxes on the property will be about \$56,900 annually.

Number three, the UTEP requires demonstration that the project will not cause disruption of existing employment at similar facilities in Saratoga County. The specialized facility will not provide any substantial competition for other projects of this type in the community, and it is noted that there are no projects or businesses of this type being currently developed.

Number four, the UTEP requires demonstration that the project will provide employment for Saratoga area residents or provide service which is demonstrated to be in the best interest of the public and taxpayer. This project itself has a small direct employment footprint, but indirectly the induced jobs it will create will be substantial. There will be a number of employees employed as a result of the project and the facilities that are offered, he stated. As an example, he cited retailers who use storage facilities for their inventory.

Mr. Toohey questioned Mr. Vanags about what the construction numbers would be associated with the project. Mr. Wintsch stated that as he read the application, it is 4.5 jobs and is on page 15. Mr. Vanags stated that that represented the jobs in the first year. In addition, many people will be employed in cleaning and maintenance and as he said before 90 construction jobs. Finally, the UTEP requires demonstration that the project involves the development of new facilities. Certainly, there is nothing there now, but the client and the applicant will be building a 90,850 square foot building on over two floors, which would really represent one of the largest buildings constructed in Saratoga County over the past several years.

So, the request for tax incentives are as follows: A five-year 100% tax abatement on real estate improvements at 4297 Route 50. The total amount of tax relief abatement credited to the company is estimated to be \$307,388 over the five years. An exemption of sales tax related to construction material and supplies associated with constructing and equipping is allowed by the UTEP, which is estimated to be \$190,400. He added that an exemption of New York State mortgage recording tax which would equal \$30,000, according to their estimates; representing a total of \$527,788 in application incentives. After the payment of application fee, bond counsel and IDA Counsel fees estimated to be \$42,250, the net savings for the applicant on this project would be \$485,538. He thanks them for letting him indulge you with this

request on behalf of Prime Group Holdings at this time. He can answer any questions but he would rather have Gerard Moser, the applicant, say a few words about their Company and what they are doing here in Saratoga County.

Mr. Moser introduced himself. He stated they are the largest independent owner and operator of storage facilities throughout the US. They are not limited to just storage facilities. They do own apartments and other types of projects. As a matter of fact, some of the apartments being built in Malta, one of the projects, are partially owned by Prime Holdings. They also are covered in 23 states presently. They have properties in 23 states. They manage about \$1.5 billion worth of property in total. Their headquarters presently is in Saratoga Springs. It is too small for them presently and the company is looking to expand that particular footprint and move and develop another property, hopefully in Saratoga County. Part of how this all ties in with the project that we have our application in for, with the capital that we need for building the new facility which will extend what we have for employees, right now we are sitting at about 40 employees located in Saratoga Springs. For the headquarters, we want to expand that immediately up to 60 as soon as we have space for those employees. This project that we are planning, the secondary part of this project, is going to be undertaken in about 18 months. The goal of the project being built here on Route 50 is for it to be a showcase facility. We run a couple of real estate investment funds, so when we bring clients in it is our desire to be able to showcase what we do. The Route 50 project is going to be a state-of-the-art facility that we can bring clients to, walk them through and explain where their investment goes, how we are going to use their money to purchase and how their return is going to be. This facility is one of the reasons why we are doing a ground-up from here. Traditionally we don't do a lot of ground-up projects; we do a lot of acquisitions. Mr. Moser explained that they are acquiring properties generally on a weekly basis. They have brokers that are out working and looking for properties. They are buying properties pretty much every week if not, maybe a couple in one week and none in the next week. It averages out that they are purchasing quite a few properties over time. With that being said, the growth of their company continues. They have a couple of other projects that they would like to do within Saratoga County. As those projects go online, the property itself doesn't create a lot of jobs right there but you have jobs that are created through District Managers, Managers, call center, other support help that would be working out of the office to pick up the slack on all of these other facilities that we end up acquiring. This is where the job creation does come with us directly. Now, you look at the building itself and you would say there wasn't that many jobs created but there will be jobs created through that and through the backup that we offer for the other types of businesses within Saratoga County.

When you start looking at Saratoga Springs itself you are looking at about \$40-\$50 a square foot for a storefront. You don't want to be wasting \$40-\$50 a square foot to store inventory. You want to have a less expensive place to offset your cost and would then come into play. That is where most of our business is. The property that we have in Malta is at 50% businesses presently and that continues to grow. We have folks that are looking for more space in Malta right now. Because of the type of facility that it is, being climate controlled, being all under one roof, something that is highly secure, making it very desirable for businesses. A lot of businesses that are looking to move into or expand in the area need facilities like this that are cost effective for them and it can grow and shrink with their business. So, if they have certain times of the year where if they are growing their inventory, start rolling into the holidays, you are going to expand your inventory, but you might only need that for two or three months. So, we are a benefit to those small businesses. They have those two or three months where they rent a couple of extra units and then when you get into January, they can shrink back down to what they need. This is something that we offer to businesses that becomes a great benefit to them. The Route 50 facility in Wilton is going to have a loading dock that can handle up to 53-foot trucks. So, somebody bringing in a lot of inventory or the deliveries are made in a large truck, there will be a facility there for them to unload. Unlike most of these facilities that are based off residential, you would have one elevator. We are putting two elevators in. We are going to have a loading area. Everything is going to be designed so that the business owner is going to have a facility that works for them. Many of these facilities you would

never get a 53-foot tractor trailer into. Ours will. It is set up so that you can drive right around the whole building. It would be very easy for those businesses to operate out of. Plus, on the sides of the building we are going to have access doors so that those individuals can get in and out very easily. We are looking at also having one side door so there will be an upfront loading area also for businesses. We are trying to accommodate and build this so it is a little bit more unique than the other properties that you have seen around and cater specifically to the businesses. One of the reasons that we see the need for the Route 50 project is that you have the mall, you have all of the shopping areas out there, you have a lot of small businesses right there on Route 50 and then you go into Saratoga Springs. So, we are conveniently located for all of those types of businesses and that is going to be where we cater to. That is our primary goal. And then the secondary reason is moving towards developing a property for their headquarters here near Saratoga Springs.

One of the locations that they are looking at is in the Town of Milton. It is over by the airport. They met with the folks at the airport. They met with the consultant for the airport and they also met with the FBO. They had some conversations. One thought of what we want to do is to have an integrated 20,000 square foot office and another 20,000 square foot hangar. Because of all of the traveling that we do, the Company does own an aircraft so that we can get in and out very quickly to the different properties as we are doing acquisitions to take a look at them, set them up and then we do use the airport presently right now. Bob lives in Greenfield, so a lot of times what he will do is the plane is stored up in Warren County presently because we don't have any hangars in Saratoga County. The pilots usually will pick up the plane, fly and pick him up in Saratoga and then fly him back out and then drop him off and then go up and drop off the plane. So, there is a lot of inconvenience there. We would like to just do everything out of Saratoga County if possible. That is kind of our goal.

Mr. Vanags noted that as Mr. Moser said, their plan was to be able to do everything here and then use this facility as our primary showcase to show to our investors. Mr. Vanags stated if that comes to fruition, it is likely we will come back with another application for that project. Mr. Greene asked Mr. Moser how they market to the businesses. What differentiates your business from the more conventional storage facilities? Mr. Moser stated to be honest with you, right now we have businesses lined up, we have a waiting list; users are waiting for us to develop this property so they can get in. They are looking for very large units. Most businesses don't want a 5'X5' or 10'X10'. They are looking for 10'X30' or 10'X20's. That is where we start to market. We first put those big units in. The average household person, the average person bringing in household goods is only looking for a very small type of unit. We are catering to the larger units. That is why the building is so large, so we can manage more of these units to make this economical for us, our investors, and also for the business community. Mr. Greene asked if he actually had sales people out calling on the businesses. Mr. Moser stated that we do have people that will call. Right now, he is developing a list of businesses that we will be contacting. We start looking at different businesses, we will put them in and then we will start targeting them once we have a CO date so we can start bringing them in. We do tell them right now that we have stuff in the plans, but until we actually have it going up and we have an actual target date, he is not going to call them. To be honest with you, business is business, he doesn't want them going off to somebody else thinking that we kept them waiting. We try to keep a list of people that are calling us, contacting us. The call center runs 24/7. We have folks right now that are running 24/7 in Saratoga Springs. That call center is going to be expanded. It is actually tight right now. We are having challenges because we don't have enough room to expand the call center. That does run 24/7 so we do get a lot of calls for people looking for units and we keep a list of people that are looking. He can tell you the one unit that they have on Route 9 in Wilton right now, which he thinks is closer, he checked the numbers, which he believes is closer to 70% which was businesses, it might be slightly over that, that is full. That is what we call 100% occupancy. Generally, you might have one or two that vacate but they fill so quickly. We have one contract that has three or four units right there of the 10X30's. That is how much demand there is for businesses trying to

expand but they have no place to go and they can't afford it. When you start looking at square footage in Saratoga County, it is not cheap. If you are a small business and you want to grow, you need something.

Mr. Wintsch questioned if they have a common entrance or how does this actually work. Is it open 24/7? Mr. Moser stated you get a security fob so that you would be able to get in 24/7. There is somebody working on premises normal business hours. The goal for us would be that as we expand and we get the office built, since it would be a showcase place, we would have a little bit more people there to make sure that place is always 100% for those folks coming. So, what will happen is with that fob you will come in to a security gate. You would be able to park. If it is off hours, you would be able to fob your way in and then you would go to your particular unit. Inside the unit there would be security, there would be cameras everywhere. If you have a larger delivery coming in that is coming in after hours, you would be able to go into the back of the building to go to the loading dock and then fob your way in through that. Like he said, there will be two elevators in the facility. You have one at either end so that folks that are getting in and out. Unlike a regular off the street client, they want to be able to get in and out quickly so that we have to have the two elevators. The elevators are a big expense for these types of facilities. You are talking \$80,000 per elevator just for these types of things. A lot of folks, that is only why they do one because they are dealing with off the street customers and the off the street customers aren't as concerned about it, but businesses need to be in and out.

In regard to the application itself Mr. Toohey asked if it is for the warehouse, not for the office; is that correct? Mr. Moser stated correct, warehouse. From their perspective the way it works is the offset of the finances that they will save here is going to help them develop that second office. So, build that office in Milton. That is their goal. Because this is all coming on very quickly for them. Originally, they would have come probably with this whole package (Wilton and Milton together), but they were originally looking at doing a project up in Warren County. They also own a property that is adjacent to the Warren County Airport. It is actually where Bob originally started the business. So, they own that property right there that they could actually do the same thing up there. We got into discussion and started looking around and we decided that we might have some options in Saratoga County and as that has come that is why we have started to look at this. Mr. Toohey questioned if he was willing to allow the IDA to tie PILOT's for the warehouse into the application for the office? Mr. Moser stated they are going to be different timeframes so that is up to the IDA. Mr. Toohey stated he understands that. But you want a five-year PILOT. Mr. Moser stated he understands, he is just saying that he doesn't know how the process works for you, but they would be looking to get this project up because they are going to continue doing business and bringing investors in so the key is having something here that we can showcase as we are building the other one. Also, since we are dealing with the County Airport, as we had a meeting last week with some folks at the airport, along with the consultant, our 18-month timeline is doable but there are some definite FAA requirements that we are going to have to jump through which could slow everything down. That is something that we have to take into consideration. Tomorrow, we have a meeting with the subcommittee for the County Board of Directors, he thinks it is the Public Works or the Grounds. They are meeting with some of those folks tomorrow to discuss this a little bit further. So, that is why he does not know how that affects you in combining these things.

Mr. Wintsch questioned if the money that they would save through the PILOT on the Wilton warehouse would be used to build the office on the airport grounds. Mr. Moser stated that a portion of it would. He stated they had a very interesting conversation with the County, the airport folks last week, and they made a few suggestions to them which prompted the next step. It is looking very good for them to do something around the airport. Mr. Valentine asked if he could go back to a question posed by Mr. Toohey as to the applicant's thought on tying two projects at two different municipalities? Mr. Toohey stated his thought is that they are saying that the \$400,000 that they will receive on this is the incentive to build their office building in here. If they do not build their office building, then the incentive for the \$400,000 is getting us one employee in the Wilton warehouse. The idea that we could tie both of those

projects together, understanding that they have a difficult timeframe, that is fine. But, we could limit the PILOT to sit there and say that we will give you “X” - two years, three years, whatever it is. A PILOT with an extension of two if in fact the office space comes in. Chairman Sutton stated if it is in an 18-month timeframe. Mr. Toohey stated the entire presentation was we are building a warehouse, state-of-the-art, God bless, that is fine. But this allows us to build office space and retain jobs in Saratoga County which are here already, which is our main purpose, so tie the two of them. Mr. Moser stated it is also growing jobs in Saratoga County. Mr. Toohey stated it is unbelievably good, but if in fact it turns out to be an office that is in Warren County or someplace else, we are all of a sudden giving a benefit for one job. Mr. Vanags stated you say one job, it is more than one direct job, he thinks it is up to 4 ½ direct jobs. Mr. Wintsch stated two or three of them are half time. Mr. Vanags stated there are indirect jobs, people who work to maintain the facility, there are induced jobs. We could do an economic impact analysis if you would like to show those different jobs. More importantly, he stated, this is not a lot different than say Arnoff, they do business storage, they do business things. Their difference is they do a little bit more fulfillment and that type of thing. Chairman Sutton stated to Mr. Vanags, however, that project involved 70 jobs. Let’s not compare the two. Mr. Vanags continued that he is just saying the type of work they are doing is similar. The project that you just closed on which was the Rekucki project that we were involved in (9 Stonebreak Road, LLC), that is a much smaller building and there were jobs associated but really no guarantee because as you know it was a spec building. He thinks this has a lot of impact above and beyond the one or two or three jobs. Chairman Sutton stated he doesn’t think we are disagreeing with that. We are just trying to make a point that one ties into the other. If there is a promise to expand this whole project to a potential 20 or 30 more jobs, the call center and corporate headquarters, yes that is very enticing. But for one job at \$400,000 that is a stretch at this point because we will have every other storage unit facility coming in to us. Mr. Vanags stated this is a new construction too. Chairman Sutton stated we understand that. Mr. Vanags stated there are 90 construction jobs. Chairman Sutton stated there are a lot of people that invest in Saratoga County and hire landscapers and hire construction people and don’t come to us for a sales tax abatement.

Mr. Moser asked, going back, how would this work if it was an offset, he is not so familiar with how we would work this. Mr. Greene stated he guesses there are a couple of ways we could do it, right? If we wanted to link the two? Mr. Valentine’s suggestion would be one. One would be a clawback: we are relying on your representation and we are willing to work with you but if you don’t do it - give it back to us. Mr. Toohey stated his sense of ease of being able to do this, the primary benefit is the five years of tax abatement. It is being suggested that the project for the office space needs 18 months. That is the number that he heard. So, if all of a sudden, we say we’ll give you a five-year PILOT, but if there is no office building in Saratoga County within two you lose the three remaining years. Under that scenario it becomes really easy. We’ve never done this before but he’s never had a presentation in which it was at two different meetings saying we are going to build a warehouse but really what we are building is retention of office space and offices. Every presentation that has been made has tied those two. Mr. Moser stated that is fair enough. That concept is where a lot of this presentation is coming from; he is being upfront with everyone.

Mr. Toohey stated he believes he is telling the truth, he doesn’t question that at all. Mr. Vanags stated as you know there can be a lot of delays in approval process for a project so 18 months is kind of a fast track. What if it goes beyond 18 months. Does he come back for an extension? Mr. Greene stated we can talk about that. Mr. Moser stated their biggest challenge is really going to be the FAA. That is our biggest challenge right now, dealing with the FAA and in talking to the Saratoga County consultant, the FAA is our concern. To give you an idea, he guesses from what we were talking about and some of the things that are going on in Warren County versus what are going on in Saratoga County, the Master Plan up in Warren County has been developed to include a lot more hangars and a lot more development whereas the Master Plan here has not. Now some of that he thinks is because of the space and stuff that has been there. The butterfly issue becomes definitely a challenge and he thinks that has maybe limited

some of the expansion because of that type of thing. For them to do things in Warren County, to be fair, there is probably going to be a lot less involvement and detours from the FAA. To do things in Saratoga County, there would be a little bit more challenge but it is well within reason according to the consultant from Saratoga County. So, when we met with him, we've met with him a couple of times, and he was on the phone with him again on Friday going over a few different things. He has kind of gone through with his firm and they definitely believe that 18 months is reasonable. But, he said to be honest with you, when we throw it to the FAA, we are hoping to get an answer back from them in six months but it could be nine or ten months. He doesn't know. He is saying six months could be reasonable.

Chairman Sutton asked Mr. Moser to explain to the Board how you are in negotiation for a 25-acre parcel. So that everyone is clear that they are not building this on County property, that you want to build this facility on privately owned property. Mr. Moser stated the airport folks proposed a second option to us. He does not want to get into that option at the moment until they talk to the Board of Supervisors tomorrow. Where we are, we had negotiated purchasing 25 acres that are adjacent to the airport. They would develop their office and hangar and then have to get a pass-thru to go from private property on to airport property with the aircraft. They have to develop a taxiway from their property they have negotiated on to the airport runway. This does mean disturbing some of the butterfly area so that was going to be one of the challenges that they were going to run into. Then they would look to develop the rest of that property for private business. Again, like he said they were thrown something that they hadn't even thought of or even considered but was mentioned to them through the airport folks and that is where they have a meeting tomorrow with the County Subcommittee to discuss a couple of other options that they wanted them to consider. They are going to consider everything that comes their way, but right now that is where they are. Mr. Valentine asked if the property being considered is within the RPZ? The property that you are looking at that would be developed? Mr. Moser stated it would be in the Town Square Center. Mr. Wintsch stated it is not owned by the airport. Mr. Moser stated the property that they have talked about with the present owners is not owned by the County.

Mr. Johnson questioned where is the discrepancy, one job versus almost five jobs? Is it one job the first year? Mr. Moser stated the way it works is they end up with a Manager plus say a part-time employee that is at that facility all the time. In that, then we have a group of people that go down that do maintenance. So now, as we add on another facility you have another half a job. They are not going to stand there and do maintenance that doesn't need to be done. Then you have somebody that comes in and does cleaning. That cleaning person doesn't necessarily be there every single day for the eight hours. The call center that we add another person on to help cover the calls about that facility are not just limited to that facility but these are jobs that get created so it is a multiple that gets added in. It's not that they are at that location. It is not like some like a retail or restaurant where they are going to hire so many waitresses and they never leave the property. Mr. Vanags stated on page 14 or 15 of the application describes some of the jobs. Mr. Moser stated they subcontract all of the property maintenance and the mowing and all of the snow plowing and things of that nature. Chairman Sutton asked if there were any further questions. Mr. Mooney stated he thinks it is a great idea to tie the two together and if the other one at the County doesn't work out for whatever reason you are no further behind. Mr. Wintsch questioned how many people would be working at the office then? Mr. Moser answered they look to expand the office. Right now, they are sitting at 40 people in their office and they can't expand. They are bulging at the seams. The goal is to move it over and jump to 60. That is their immediate goal. They have an additional 2,200 square feet built into the design so they can start expanding immediately beyond the 60 that they will have totally. So, the expansion is to continue growing. With the acquisitions and all of that that goes on, that is going to continue to grow. They also have a construction company and they also have Prime Turbine which is also two other legs of the Company that would be headquartered there. They are not growing. The construction company will grow but he doesn't know that the Turbine Company will grow fast, they are not a fast grower. They are kind of a middleman on many projects. Mr. Toohey questioned if Turbine and a construction company housed in Saratoga County? Mr. Moser

stated yes. They will be in the same building. Mr. Johnson questioned Mr. Toohey about his suggestion talking about linking the two, then after two years to expand the five years out to cover this project. Mr. Toohey stated to Mr. Johnson that this is the first-time impression kind of thought. What is being suggested is they want a five-year PILOT at 100%. \$400,000 will be saved which will allow them to build their office space in Saratoga County, saving 40 jobs and adding 20 jobs. That is the math he has heard today. As a result, if this happens, God bless them. They can come in for a new application. But if it doesn't happen (he used two years because he heard eighteen months and he gave it six months more) then that number can't work. If this all of a sudden does not come to fruition, if for whatever the reason the deal in Warren County becomes more attractive to them, or if because they are a nationwide company they move to Phoenix, Arizona, then the benefit, that we in part said was because of this expansion (the secondary project) will end. Mr. Greene asked why should they be entitled to any benefit? Mr. Toohey stated clawback is very hard. Mr. Greene stated it could be done. Chairman Sutton stated clawback gets into litigation which would cost us money and cost them money and that could be problematic. Mr. Vanags asked if it is being stated or suggested that the project standing alone, by itself, doesn't warrant consideration? Chairman Sutton stated that is a tough sell. It is one full-time job. You don't see it that way. Mr. Moser stated one thing he would bring up is that earlier in the meeting you were talking about a utility investment. If you are going to talk about a utility investment, there are no direct jobs other than the construction jobs developed in that utility development. So, that utility development bringing in electric power, bringing in sewer and such, does not create jobs. Chairman Sutton questioned if he was talking about the Luther Forest project? That is a totally different project. That is not a fair comparison. Mr. Johnson stated we have done warehousing projects with limited jobs in the past. Mr. Valentine stated warehousing is considered under the Agency's UTEP as a commercial service project, that is why it is given a lesser incentive because it doesn't bring in the number of jobs as a manufacturing project. That is why it is a separate category. Mr. Johnson added that that is why a commercial service project is usually a five-year abatement.

Chairman Sutton questioned Mr. Moser about their 123 facilities around the country. Have they received benefit from other municipalities, states or agencies? Mr. Moser answered that down in Sullivan County they have one. There are a couple of them throughout the state that they have acquired that were in the process that had been approved and they basically took them over. Chairman Sutton questioned Mr. Moser if they were to look at Warren County further, would you be going to their IDA looking for relief? Mr. Moser stated most definitely. The advantage of a Saratoga County project from Bob's perspective is that he lives here. Everything kind of becomes a lot more convenient for him as he lives in Greenfield, so the airport is right there. Instead of having to drive up the Northway he is right here and he just built a house right here. At the end of the day, business is business and you have to go with what makes sense for the business and the investors that are involved.

Mr. Wintsch stated just for his education since you brought up the part about the office building which is not in the application, why would you do that, would you want to resubmit the application with that on there? Mr. Moser stated where this whole process started was with them talking about this and then looking at other options to build in Saratoga County. So, the options became, starting to look at everything as a whole, and this particular project being a showcase for them and if we have our headquarters here that is where it became very equitable. He means they would do the same thing in Warren County which would be to build a facility with a showcase. If we did an office there we would look to do a showcase facility there. We are still looking at doing this facility but everything might slow down. If we are going to stay here then we want to accelerate it and have this facility open so as soon as the office is done and we are bringing investors in that facility is already there to bring people to. The key is these investors, when you have with the funds that Bob has that he has raised for these real estate investors, there is a lot of money, a lot of folks that are coming in. We need to have things that we can showcase to them. That is the other piece of this, the finance piece that we do. It is not in just storage

management but it is that those folks that come in and invest and the investors that he has in that fund for the real estate.

Chairman Sutton questioned Mr. Moser if the total project is a \$4,000,000 all in construction formula. Mr. Moser stated correct. Chairman Sutton questioned if financing has been secured? Mr. Moser stated correct. Chairman Sutton asked the Board if there were any other thoughts on the table? Chairman Sutton stated he would like to, if we could, and we don't have the time to do this this morning, he would like to look at some type of structure, a what-if scenario, such as "if we do this, then" it ties in with the secondary project. His thought is that it begs a little bit more discussion of our Board to see if that is something that is feasible for us to do. Again, keep in mind if we get into a clawback situation then we are talking about litigation and that is a cost for everybody. Mr. Mooney stated it could also be an escrow account or something. It doesn't have to be an actual clawback. Mr. Greene stated a disappearing lien maybe. Chairman Sutton stated these are things we should be discussing further among ourselves. Again, it is an exciting project; don't get us wrong. We are dealing with taxpayers' dollars and on first blush this is a tough project to sell with one or two or multiple jobs. He thinks if we had an opportunity to sit around the table ourselves to see how we can structure this so it is equitable to you the applicant and determine how we can go forward. Our role is to incentivize people to create jobs and the incentive to keep your corporate headquarters here to grow, that is very much enticing. But we also know that you would be coming back for an additional PILOT on that program, so now we are layering PILOT's. We have a fiduciary responsibility to the taxpayer to watch this. If we could, I think we would like to set up a time when we can sit back down and further talk about this. What are anyone's thoughts.

Mr. Mooney questioned Mr. Moser if he was interested in proceeding with that condition about bringing the other property in? Mr. Moser stated we are open for anything. He is not going to sit there and say no; we are always willing to consider whatever is available. He is not going to sit here and say close the door on something. Whatever happens, should be equitable at the end of the day for everybody. He is not going to close the door. Mr. Johnson questioned what would we do if Mr. Moser didn't mention the second project? We wouldn't consider this on a stand-alone basis. Chairman Sutton stated we have four members here. Think about it. What would everyone think? He doesn't want to speak for the other four members of the Committee. Mr. Johnson stated he knows we have done similar storage warehousing projects with four or five jobs and we've given them more than five years. Mr. Mooney questioned if there was some way we could proceed and set the public hearing and then work out the details on the other guarantee in the meantime for next month. Mr. Valentine stated not if you are going to combine the two. Mr. Mooney stated he doesn't think Mr. Moser is suggesting combining the two. Mr. Carminucci stated he thinks you can have the public hearing, you would just need to be able to describe at the public hearing what you are proposing to do. Mr. Johnson stated maybe we should do what you proposed, talk about it and come up with an option. Mr. Toohey stated if we set up the public hearing, we are not delaying the project timeframe. Mr. Mooney stated that is the important part for these guys. Mr. Valentine stated his suggestion is to include Mr. Carminucci in that conversation when you do talk about the possibility of combining because the writing of the PILOT is going to be affected. Mr. Carminucci stated he doesn't need to advertise that. They just describe the project. What he is saying is at the public hearing he thinks the agency needs to come to a decision in terms of what you are willing to do and then the applicant needs to decide whether that works for them. You really need to be able to describe at the public hearing what you are doing and what the benefits are and how it is going to work. Chairman Sutton stated he thinks the full disclosure and full package benefit would be presented at that public hearing. If it is ok to just run the advertising that we are having a public hearing and that is sufficient for everybody involved. Mr. Valentine questioned if it is decided to meld the two together, do we then have another public hearing because you are bringing another municipality into the tax roll. Mr. Carminucci stated no because the other project isn't going to be on the table yet. All you would be doing is providing for this project if you decide to do that. If the second project doesn't happen it is going to have an impact on this PILOT. But it is going to be a separate PILOT, a separate project and the potential second one.

Chairman Sutton questioned if everyone was in agreement. The Board members agreed. Chairman Sutton stated we will discuss when we can meet together as a group. The public hearing will be in the Town of Wilton. We can set that date now if we like. Mr. Vanags questioned Chairman Sutton if they were accepting the application subject to another discussion. He is trying to understand. Mr. Carminucci questioned if the Board was going to try to meet again before the public hearing or just deal with this at the public hearing once you have had that. Chairman Sutton stated he thinks we should discuss ourselves as to how we may want to have the proper plan to come back and if the application has been accepted, what the conditions of that application would be in terms of, for lack of a better word, an escrow account or a clawback if the second project does not go through. Mr. Toohey stated the other thing is the advertising would be the maximum benefit that we have so that at any point the taxing jurisdictions and the public is not spending any more money on this. If we are doing anything, we would be reducing criterion here and he doesn't think we would have to re-advertise that. Mr. Carminucci questioned Chairman Sutton what he was proposing was having a meeting between now and the public hearing date to talk about what the proposal would be. Chairman Sutton stated right and we will talk about that after as to when our Board can get together and discuss some proper criteria as to what we want to see in terms of the application that would be coming in the public hearing. Chairman Sutton questioned Mr. Vanags if he was comfortable with that. Mr. Vanags stated he thinks this project stands alone based on the criteria he has read in the UTEP, but it is your prerogative. You guys have to do what you think is right. We will go along with whatever it is that you decide. It is up to the client too obviously. Chairman Sutton stated well we are looking to be fair and forthright on anything that we are trying to do here.

April 9th is the next meeting date for the IDA Board. We could have that public hearing on April 9th in the Town of Wilton. Chairman Sutton asked for a motion to set a public hearing for April 9, 2018 in the Town of Wilton. Mr. Mooney made a motion to set the public hearing for April 9, 2018 in the Town of Wilton. The motion was seconded by Mr. Wintsch. All were in favor and the motion was approved. Chairman Sutton stated we will have the public hearing April 9th in the Town of Wilton and then we will look at our calendars so that we can make a second meeting. Chairman Sutton stated in full disclosure, he has done work with the Mosers in the past in his role as an insurance agent, so he wanted to put that on the record. We will convene and then Chairman Sutton stated he will talk with Mr. Vanags after we get together. Mr. Moser thanked the Board and then excused themselves from the meeting.

Financial Report:

Chairman Sutton stated the next item on the agenda is the financial report statement as of 2/28/18. Mr. Many, CFO, stated you can see our financial balance sheet as of 2/28/18. There are no surprises at all yet this year. Things are going well. We have maintained a pretty significant cash balance of \$3,450,000. We are still carrying a receivable from UPH for our administrative fee of \$52,500 as an asset. The only other change on the asset side of things is actually he had over-accrued the invoice for Aztech Engineering doing the study of the land purchase at Luther Forest and the invoice actually came in a little bit less than expected. Chairman Sutton questioned what was that number again? Mr. Many stated it was about \$11,000 less than what he had recorded so it was a positive in that sense. The payable list, we have a couple of projects we have not yet paid for in terms of waiting for UPH to close and we do owe a check to Saratoga County Prosperity Partnership as a fee-split upon UPH's payment which did not take place at the closing. The final payable is our audit fee for last year's audited financial statements which we will pay once we conclude the audit formally. Hopefully we will do that later this morning. Accrued expenses, there is nothing significant there. You will see that we saved a few bucks in terms of our Chief Executive Officer. We did not have a paying position for two weeks so that saved us a few bucks in February. Our year-to-date income statement shows that we have income from two closings. We had received the one application fee of \$250 for the project which was withdrawn. Reflected also is the 50-50 split of our administrative fees with either SEDC and Prosperity Partnership. You can see the CEO is up

slightly. That is where the savings is. Instead of a contractual cost of \$6,600 it is \$5,000 for the month of February. But we have Mr. Duffy on board to take Mr. Ferguson's spot so that will obviously change in March. There is nothing unusual. We have a slight surplus thus far this year in the amount of \$2,700. He did include the vendor list to see who we have paid and transactions involving our vendors and also our cash activity. He included that in case you wanted to see the money coming in and being paid out for services that have been provided to the IDA. That is pretty much it. Chairman Sutton questioned if there were any questions regarding the current financial statement? Mr. Valentine stated one point regarding UPH, we are not awaiting a closing on them. That has closed. There was an agreement made that at the end of the first quarter that payment would come from UPH to the IDA. Mr. Toohey stated they did not have their financing in place but they had a need to close so the Agency entered into a Forbearance Agreement with regard to our fee so when they get financed.

Update – Annual Report/Audit for 2017:

Chairman Sutton stated the next agenda item is the Annual Report/Audit Report for 2017. Mr. Many stated he will just walk you through some of the key points on the Audited Financial Statements. Basically, our internal financial statements became our Audited Financial Statements. There were no changes to our internal reports so that is a good thing. That is actually shown at the top of the second page of the Audit Report. It is the opinion of the auditor that our financial statements present fairly our financial position in accordance with generally accepted accounting principles. We also got a clean bill of health for our internal controls. Everything checked out and we are very thorough in our documentation and making sure we handle our transactions properly before they are executed. We have no allowance for uncollectible loans at this point on page seven. He thinks it actually went well and there are really no issues that we have with our financials. Mr. Many asked if there were any questions regarding the Annual Report/Audit for 2017.

Chairman Sutton asked for a motion to approve the Annual Report/Audit for 2017. Mr. Mooney moved to act upon the approval of the Annual Report/Audit for 2017. Mr. Greene seconded the motion.

RESOLUTION #1394

RESOLVED, that the Saratoga County IDA Board accepts the Auditor's Report for 2017 and authorizes the CEO to certified the submission of the Auditor's Report under the PARIS electronic reporting system.

The results of the roll call vote were as follows:

AYES: Mr. Wintsch, Mr. Mooney, Mr. Greene, Mr. Johnson and Chairman Sutton.

NOES: 0

ADOPTED: 5-0.

Authorization of Bank Signature Cards

Chairman Sutton stated we need a Resolution/Authorization to amend the signature cards for the bank accounts, primarily because Scott Duffy is now on the Board as our CEO, Jeff Many is the CFO, and Rich Ferguson will no longer be a signator. Chairman Sutton stated we need a Resolution for signing authority on the checks. Mr. Many stated that will not only be for our Saratoga National Bank accounts but also the Key Bank account that we have to update the signature cards for all of that. We use double signatures. The authorized signers would be Mr. Duffy, Mr. Valentine and himself as staff people. In

addition, Chairman Sutton and Mr. Mooney as Treasurer are authorized signators. Chairman Sutton asked if Mr. Many would be taking care of that. Mr. Many stated yes.

Chairman Sutton then asked for a motion to authorize the signing authority changes to the signature cards for the IDA bank accounts be changed as stated. Mr. Greene moved to act upon the approval of the signature card changes as presented. Mr. Mooney seconded the motion.

RESOLUTION #1395

RESOLVED, that the authorization/signature cards now on file between the Saratoga County IDA and Saratoga National Bank and Key Bank be updated to reflect the removal of Richard Ferguson, CEO as a signator, and the addition of Scott Duffy, CEO and Jeff Many, CFO as new signators joining with Rod Sutton, Chairman and Michael Valentine, Administrator.

The results of the roll call vote were as follows:

AYES: Mr. Wintsch, Mr. Mooney, Mr. Greene, Mr. Johnson and Chairman Sutton.

NOES: 0

ADOPTED: 5-0.

PARIS (Public Authority) Reporting to NYS

Chairman Sutton stated the next agenda item is the PARIS Report. He knows that it has to be in at the end of the month and he knows you were working on it on Friday. Mr. Many stated we got a walk through from Mr, Ferguson with how the actual program works to a certain extent. This is something that we just need to plug away at and get done. It doesn't sound too difficult other than it is a little bit cumbersome. We will get through it by the 31st.

2018 Town and County PILOT Billings/Payments

Chairman Sutton stated the next agenda item is the update on Town and County Tax PILOT billings and receipt and distribution of payments. Mr. Valentine stated he is passing around a sheet with details showing Town and County bills that went out at the end of January and the beginning of February. We had 17 companies sent bills for either Town/City taxes as well as County taxes. As you can see, we have 12 payments that have been received and the amounts and dates received. The five outstanding are noted at the bottom of the chart. We can talk about one of those outstanding payments either later in the agenda or if Mr. Toohey or Mr. Greene want to talk about it now we can. We have a history of late payments from Mountain Ledge in Wilton. They have the SUNY ACC building on their property. We entered into a PILOT Agreement with them on that. Tax benefits were to be passed on, lower lease rates, things like that. Right now, their abatement period ended with this last payment. We haven't received their payment yet but the PILOT ended and the abatement period ended. We are not only looking to reconvey but to receive that payment. They've passed that reconveyance date of March 1st. Mr. Toohey confirmed to him last week that we did not have anything come from them to follow through on the reconveyance from IDA name back to the Company name. That one really stands as one that we would just keep an eye on as far as notification. The other non-receipt of payment on the chart is Enfrastructure. Mr. Valentine believes that what we have with them is a name change in their Corporate leadership. He will get hold of Amy Harlow who is with them. Perry Realty's payment is getting done today. Mr. Toohey has that to talk about as far as reconveyance later. DA Collins with WDC. Usually they would have been paid by

now so by the mid-week, end of week, he will be calling all five of these. Mountain Ledge, he just mentioned. And, Ace Hardware has no payment due and oweable for the addition to its facility. As he said, he will be making phone calls to them and then if we have any kind of problems that we have to look at with Mountain Ledge, he will be in contact with Mr. Toohey.

Project Updates – Closings, New PILOTs, Reconveyances

Mr. Valentine provided information on and he stated that Mr. Toohey and Mr. Carminucci can add to this. We have had about six closings since the end of December, 2017. We already had the **UPH** reconstruction project in Saratoga Springs close in late December and, as we mentioned, the new **SKS** facility on Geryser Road in Saratoga Springs. The most recent ones were closings that were taking place so they could utilize the March 1st taxable status date, so that the properties go onto Tax Roll Section 8 (wholly exempt). **John W. Danforth** project in Halfmoon closed. Earlier Mr. Vanags referred to as the other MJ Properties project, **9 Stonebreak Road, LLC**; it closed just the day before March 1st. **Core Tech/CTI** closed on January 30th. **Carmer Properties** in Northumberland closed, but he wasn't really sure of the date on that one. We had these as the most recent closings. In effect they generate, on the same date as their closing, a PILOT Agreement that comes about. Through Mr. Carminucci's office we have notified the taxing jurisdictions and he follows up with the assessors.

Under reconveyances, we had three properties that were due for reconveyance. The Perry Realty reconveyance of title can be addressed by Mr. Toohey. We spoke of the Mountain Ledge project in Wilton earlier and we just talked about and AJH in Halfmoon, both associated with their PILOT payments. Regarding AJH, he had thought that through his phone conversations the reconveyance was something AJH would jump right on, but they didn't take care of it yet. That will be a follow-up letter to them. They can reconvey title to the property at any time of year prior to March 1, 2019.

Regarding Perry Realty, Mr. Toohey stated he has a full set of documents for Chairman Sutton to sign. He has approved the documents. Once signed we will forward them back to their attorney and they will be filed. Mr. Valentine stated that is Perry Realty in Halfmoon as opposed to Perry Road in Wilton.

Mr. Valentine stated he met with three Assessors. He met with the Assessor in the Town of Ballston to go over SSP's billing. If you note on the PILOT sheet that he distributed, under date received, the bank had made the company's PILOT payment out of escrow and they paid directly to the County. They did the same thing the time before with the school taxes and he had talked with the tax collector and talked with the assessor. What he looked for them to input didn't get done and it didn't get done at this time. He met with the assessor and walked through the requirements as far as how the company name is and how it is carried on the tax rolls and then making sure that we are the one who issues the PILOT billing, not the taxing jurisdiction. So that is taken care of. In Malta we took care of the same thing regarding the Arnoff projects because they (plural projects) have gone through under one existing property, our first project with them with an addition and then another project on the same parcel. The assessor has taken care of that one and met with the Town Supervisor about it. Mr. Carminucci and he were going to meet with the city assessor (Sar. Spr.) to discuss UPH. Through emails, Mr. Carminucci walked him through something which was, in his mind, complicated and beyond him as far as tax credits and the possibility of a time period for which there would be owed an omitted tax because of the tax credit. At this point, what has to be taken care of with UPH is outside of our realm and has to do with the City Assessor and the applicant themselves as far as whether there is a period of omitted taxes going from a time period when they were tax exempt and became taxable for purposes of the IDA and then become tax exempt again. Chairman Sutton asked if there were any questions regarding this information.

Other Business

Chairman Sutton stated Ms. DiDomenico called to say she would not be attending the meeting, but Ms. Schneider is present to give a presentation on the website. Ms. Schneider stated she knows you have all seen the website by now. We had training with Mr. Valentine and Ms. Nick last week to show them how to actually use the site and update minutes, agendas and other parts of the website. Just to give you a quick overview, she has asked everyone if they had a chance to look at it, if they had any suggestions for the site. This is clearly a fairly significant update compared to what you have here which is your current site. The only thing holding us back right now from launching is we just figured out SpaNet is hosting your site. What we need to do is migrate all of this information over to the URL. The current site that you have will no longer exist. We have moved all of that information over into the new site including historic documents and other things that you might have in here. She thinks she has updated the members since this has changed. We have all of your IDA Committees listed on the site as well as staff. This is all current now. We talked at the last meeting we have some brief information about Saratoga County and we also have a Saratoga County map. Mr. Valentine had an idea that if we have the ability to actually plot some of your projects. That is something that can be added to the site at any point in time. Your major employers, your IDA projects. This will give current approvals which will need to be updated again. She thinks what is also very important and adds to the transparency of the Organization is all of your public meetings, minutes, agendas, your UTEP is all very easy to get to and navigate. As she had mentioned, she had trained Mr. Valentine and Ms. Nick on how to add meeting minutes, agendas. This is all on there. It is something that they don't have to reach out to County IT any more. They can actually do the work themselves. If you went on the site and saw that there was a typo or something missing in the UTEP, it is something that is very easy to add. She knows that Luther Forest was just here, so something we can add when that closing takes place is Marketing information about the property that you plan on acquiring. She believes she sent the link out before but she does welcome any suggestions for changes or anything that you might have. Ms. Schneider asked if there were any questions. Mr. Wintsch questioned so if Mr. Valentine and Ms. Nick are going to keep this updated then? Ms. Schneider stated they can update it and she also has the ability to add any kind of significant items. Mr. Wintsch stated it is kind of a real time webpage so he is just wondering who is the point of contact for that? Ms. Schneider stated Mr. Valentine and Ms. Nick are the point of contact in this office for adding information like minutes, agendas or any legal information that you might have. If for any reason you needed to build new pages or new functionality within it, that is something that we can help you with. She talked to Mr. Valentine last week and it took us a while to actually find out who was hosting your site. The site is pretty old right now and it is something that has become disconnected over time. As part of the Marketing arrangement between the Saratoga Partnership and the IDA, we have actually purchased a micro server so we have the ability to host your site and the group that developed this website, they are the hosting entity. They can manage that. We aren't going to charge you anything extra. It is just a simple pass through call. In the future if you ever had any big needs or wants, we could make those changes on the fly. It was a little arduous trying to figure out again who was hosting your site. You don't necessarily have a strong search engine optimization for the site. You are basically being found by chance. Somebody is typing in the Saratoga County Industrial Development Agency. What Overit does is part of this, managing the website, is they create search engine optimization and they make sure that Google, Bing, other big search engines can find you based on key indicators. It is modern, fresh. Chairman Sutton stated if anyone is interested in putting an article or something in like that they should talk to Ms. DiDomenico who Chairs our website Committee and we should discuss that to see if we want to add things that might be pertinent in nature to the Luther Forest Project or whatever we might be doing. He would suggest that we talk to her, she is our point person to talk with Ms. Schneider. Mr. Wintsch questioned if the projects link is already there, there are things inside of it? Ms. Schneider stated yes, there are things on every single page. Mr. Wintsch stated that is good. Ms. Schneider stated they also purchased photography from Tom Stock who has a lot of industrial photography throughout Saratoga County and to make sure to use projects that the IDA has been involved with. You have your major employers, your application is on the site in multiple places, how to apply. Something that the Marketing Committee had discussed too is an FAQ, frequently asked questions. That is something that she worked

on with Mr. Ferguson to put together. It is not on the site yet but it is something she can pass by Ms. DiDomenico and have her bring to the Board. We have the ability to launch this as soon as our Overit web developer connects to SpaNet, it should be a pretty quick transition to be able to go live with it. We will reach out and let Ms. DiDomenico know and she can let everyone know. Chairman Sutton stated that makes a great fresh look at the County and what we do here as an IDA. That is great. Mr. Mooney questioned if SpaNet is going to keep hosting it? Ms. Schneider stated we can change it over at that point. Ms. Schneider continued since you are a public authority, the transparency and the ease of use, she thinks you are just really going to like it. Chairman Sutton stated if anyone on the Board has a thought or they want to put something up, certainly run it by everyone and we can sit down and talk to Ms. DiDomenico and she can be our point person on that.

Chairman Sutton questioned if there was any further business to discuss at this time. Chairmain Sutton stated we have to go into **Executive Session**. Mr. Valentine asked if there should be discussion with regard to meeting date. Chairman Sutton asked what does everyone think of a date that we could reconvene to discuss the project for Prime Route 50 LLC? Don't get him wrong, he thinks this is a great project, he just thinks we have to weigh out all of the pros and cons of doing something. This is kind of a unique project that has come before us. His years on the Board have never seen anything quite as intricate as this one where there is a cause and effect if we do one thing it might dovetail into something else. What is everyone's pleasure to meet on this. An 8:00 in the morning meeting or a lunch meeting, what is everyone thinking about and how timely could it be. The Board decided Monday the 19th would be an acceptable date for everyone. Mr. Vanags stated he would offer that the meeting be held at the offices of Saratoga Prosperity Partnership in Malta. It was discussed that a meeting notice would just need to be posted on the office door. Chairman Sutton stated the meeting would be held at 12:00 on March 19th at the Saratoga County Prosperity Partnership offices.

Chairman Sutton asked for a motion to go into Executive Session to discuss Personnel matters. A motion was made to go into Executive Session by Mr. Mooney and it was seconded by Mr. Greene. All were in favor and the meeting was adjourned to Executive Session.

Chairman Sutton reconvened the meeting to regular session by motion from Mr. Mooney and seconded by Mr. Greene. All were in favor and the motion was carried.

CFO Contract

Chairman Sutton then asked for a motion to approve the increase of salary of our CFO from \$6,000 to \$10,000 on an annual basis. Mr. Greene moved to act upon the approval of the increase as presented. Mr. Wintsch seconded the motion.

RESOLUTION #1396

RESOLVED, that the annual salary, provided for by contract, of the Agency's CFO be increased from \$6,000 to \$10,000 through calendar year 2018, payable in equal monthly installments.

The results of the roll call vote were as follows:

AYES: Mr. Wintsch, Mr. Mooney, Mr. Greene, Mr. Johnson and Chairman Sutton.

NOES: 0

ADOPTED: 5-0.

Chairman Sutton then asked for a further discussion of what we want to talk about further with the application. Does anyone have any more thoughts on this? Mr. Mooney stated no, just think about it before the meeting so maybe Mr. Valentine and Mr. Carminucci can come up with a plan. He thinks they are sincere about the other project and it might work out great. Mr. Toohey stated it would be a big-time homerun if this was done. Mr. Carminucci stated you have to decide if that project that is in application stands alone sufficiently so you can do something for it and if you feel that way, then you can do something and then if the second project gets done, whatever you do on that project might get increased. In other words, if you want to do a two or three-year PILOT on this project and then if the second project gets done, that gets extended through five years. The clawback thing almost makes it sound like you don't feel that this project really can survive on its own, so if they don't do the second project, this project has no merit on its own. That is what he thinks you need to think about. We can write it any way you want, but that is kind of the threshold decision that you need to make. Mr. Johnson stated he should talk with Keith Manz, the Public Works Commissioner, to see how receptive they really are to their Wilton project. Mr. Duffy stated it sounds like the FAA is a big potential. Mr. Wintsch stated the whole thing with that is how high the building is and how close it is to the runway. Mr. Valentine stated if they get into the RPZ that is one thing, and then as you are saying, they would even get into reviewing scaffolding going up. Mr. Toohey stated the other land they are doing it on is the Bogo's land that is out there that is adjacent to the Park and that is where he was talking about having a taxiway. We go from a private property owner. He thinks that is the land they are talking about. Chairman Sutton stated they were talking about a 20,000 square foot office building and a 20,000 square foot hangar for other jets to come in, keep them out of the sun and put them in hangars, for lease he's sure, and for the summer activity we have at the airport, that a lot of these folks don't want to keep their planes out on the tarmac. Mr. Carminucci stated he didn't mention that today, only their own use. Chairman Sutton stated yes. But, that is a big hangar. Mr. Toohey stated the other part that amazed him is they house the plane in Warren County, they take off and land in Saratoga and land to pick up whomever and then take off. That is really expensive. Mr. Johnson stated there is a real demand for hangar space in Saratoga. There is none. Chairman Sutton stated that on a stand-alone basis it is a project that we would really embrace, he thinks there is no question about that. Again, he thinks that the question we have is he going to be playing Warren County against Saratoga County, our IDA against our IDA. Mr. Carminucci stated he thinks he would rather do it down here if he can. The cost alone is crazy for him and if he can avoid that. Chairman Sutton stated it is not our job to speculate that but he thinks we have to ask the question though. Chairman Sutton stated we will meet again on the 19th at 12:00 at the Saratoga County Prosperity Partnership Offices in Malta.

Chairman Sutton asked if there was any further business to discuss.

Chairman Sutton asked for a motion to adjourn the meeting. As there was no further business, the meeting was adjourned on a motion made by Mr. Mooney, seconded by Mr. Wintsch, with all voting in favor.

Respectfully submitted,

Lori A. Eddy