

## **SARATOGA COUNTY INDUSTRIAL DEVELOPMENT AGENCY MEETING**

**April 8, 2019 – 8:00 a.m.**

**Town of Ballston Town Hall**

**323 Charlton Road, Ballston Lake, NY**

**PRESENT:** Members: Vice Chairwoman Andrea DiDomenico, Michael Mooney, Patrick Greene, Walter Wintsch, Art Johnson, Tom Lewis.

**STAFF & GUESTS:** Scott Duffy, CEO; Jeff Many, CFO; Michael Valentine, Administrator; Michael J. Toohey, Counsel to the Agency; James Carminucci, Bond Counsel; Tori Riley, SEDC; Marty Vanags, Saratoga County Prosperity Partnership; Robin Cooper, Business Review; George Hubschmitt, CTI Corporation; John Ducharme & Robert Neville, PDRN, LLC; Dean Taylor, Continuum Commercial Realty; and Lori Eddy.

**ABSENT:** Chairman Rod Sutton.

Vice Chairwoman Andrea DiDomenico called the meeting to order at 8:07 a.m.

### **Approval of Meeting Minutes: March 11, 2019:**

Vice Chairwoman DiDomenico stated the first agenda item is the approval of the meeting minutes of March 11, 2019. Vice Chairwoman DiDomenico asked if there were any additions or changes to the meeting minutes and seeing none, asked for a motion to approve them. Mr. Lewis made a motion to approve the minutes of March 11, 2019. The motion was seconded by Mr. Wintsch. As there was no further discussion, all were in favor and the minutes were approved.

### **CTI Corporation: New Application/Inducement for 30,000 square foot building:**

Vice Chairwoman DiDomenico asked for a discussion on CTI Corporation. Mr. Carminucci stated he circulated a preliminary Authorization for the project subject to SEQR finding down the road. Mr. Valentine questioned if SEQR was taken up with the subdivision and he wonders would there be an affirmation through SEQR? Mr. Carminucci stated yes. Mr. Brobston stated it has already been subdivided into separate properties. Mr. Carminucci stated that is fine, then this is just preliminary authorization for the project subject to further action down the road once we have SEQR determination by the Planning Board. Vice Chairwoman DiDomenico questioned Mr. Carminucci if they are in the process of going through that? Mr. Carminucci stated yes. Vice Chairwoman DiDomenico stated that at the last meeting she had a question on page 13 where the question was “have site plans been submitted to the appropriate Planning Department” and the answer was no, but it is actually yes? Mr. Valentine stated that site plan went to the Board on March 27<sup>th</sup>. He does not know what action came out of that. We don’t have paperwork to say what SEQR determination was done. He is assuming, that is why he should ask subdivision. Lead Agency may have been determined with the subdivision and just carried through. When site plan came up, the meeting was the 27<sup>th</sup>. He believes it was a public hearing. He is not sure if they had final approval on the site plan that night? Mr. Hubschmitt replied not yet. Mr. Valentine stated then we cannot do anything until that point. Vice Chairwoman DiDomenico stated ok. Mr. Toohey stated the answer to your question was yes, plans have been submitted to the appropriate Planning Board.

Vice Chairwoman DiDomenico then asked for a motion with regard to granting preliminary approval for CTI Corporation. The motion was made by Mr. Greene. The motion was seconded by Mr. Johnson. There was no further discussion.

### **RESOLUTION #1426**

RESOLVED, THAT the Saratoga County IDA agreed to the granting of preliminary approval for CTI Corporation.

The results of the roll call vote were as follows:

AYES: Mr. Johnson, Mr. Lewis, Mr. Greene, Mr. Mooney, Mr. Wintsch and Vice Chairwoman DiDomenico.

NOES: None.

ADOPTED: 6-0

Mr. Valentine stated for the benefit of the Board we will have another resolution coming forth once we have the SEQR determination from the Town. Mr. Carminucci stated they can either do it in two steps to get the sales tax exemption in place or we do it all at once if the financing is described exactly.

### **MGrove/Greenfield Manufacturing: Application Amendment:**

Vice Chairwoman DiDomenico stated the next agenda item is the application for an amendment by MGrove/Greenfield Manufacturing. Mr. Valentine stated if you recall at the last meeting, he held off on items because of the fact that what had been submitted there were either transpositions in numbers or errors in the addition at certain columns. Mr. Brobston and he had met on that one and went through everything. He believes everybody has a copy of that. This copy has been reviewed and it is fine as far as those numbers that were in error. He is set with this one unless Mr. Brobston would like to speak to this application. Mr. Brobston stated his corrections were made and he apologized for that. Mr. Valentine and he sat down and went through all of the numbers to make sure they are appropriate and correct. You will notice in this case that the sales tax did get finalized at \$147,000. That is really the issue that we are dealing with. As you know, the price of the project went up and did get increased and the sales tax is a large issue there. You also have the PILOT to show the differences there as well. But all of the numbers have been confirmed for accuracy. Mr. Valentine questioned Mr. Carminucci if we just have to approve the amended application. Mr. Carminucci stated yes you have already had the public hearing. That was a requirement under the PILOT and to make sure that the full benefits were available. Mr. Valentine then stated to Vice Chairwoman DiDomenico that we will need a vote on the amended application as presented with a particular notice about the change in the sales tax exemption. Mr. Carminucci questioned Mr. Toohey that when we first went through this, they were telling us that the original sales tax exemption of \$127,000 was going to be exceeded and they sent him a copy of what they had filed for 2018 which was about \$107,000. They said the project was done. So, we did not notify tax and finance that the exemption amount was being increased because they weren't going over it. Mr. Brobston stated correct. We corrected the number using our basic formula but we could have done it as original. Mr. Carminucci stated we should have the amended application reflect show higher sales tax exemption than what was originally approved. When we did the public hearing in March, we just described the fact that the project cost increase would affect real property taxes and not sales tax so that number should not be different than it was originally. He doesn't believe they went over it. Mr. Valentine stated it didn't. In effect, all of the companies have submitted their ST340's. That one had

been submitted with that proper amount and there is nothing else that has to be done. Mr. Carminucci stated right.

Vice Chairwoman DiDomenico then asked for a motion to approve the application for amendment to reflect estimated State and local sales and use tax benefit not to exceed \$124,600 for MGrove/Greenfield Manufacturing. The motion was made by Mr. Mooney. The motion was seconded by Mr. Greene. There was no further discussion.

### **RESOLUTION #1427**

RESOLVED, THAT the Saratoga County IDA agreed to approve the application for amendment for MGrove/Greenfield Manufacturing to reflect estimated State and local sales and use tax benefit not to exceed \$124,600 as presented.

The results of the roll call vote were as follows:

AYES: Mr. Johnson, Mr. Lewis, Mr. Greene, Mr. Mooney, Mr. Wintsch and Vice Chairwoman DiDomenico.

NOES: None.

ADOPTED: 6-0

Mr. Valentine asked Mr. Carminucci if he was set by the email he sent for copies requested to the School District regarding MGrove? Mr. Carminucci stated he just saw that and he has not had a chance to review it. Mr. Valentine stated on this one, just looking at it, we have had two projects. Mr. Carminucci and he have talked about this before how it is handled administratively. We have a project that came through, first time is one facility. Now he has come through with an addition to the first project and also a stand-alone building and there is also a small piece of acquired land from Munter's on this. All he has tried to clarify on this with the School District and the City Assessor, was just that we will have two separate PILOT payments. He has copied Mr. Carminucci on this as well. One we will not have a payment due on until the first PILOT runs out in either year 7 or 8. They have an overlap for a short period there.

### **9 Stonebreak Road – Possible Assignment**

Mr. Valentine stated Mr. Brobston will speak to this agenda item but 9 Stonebreak Road is a project that we had originally with Mark Rekucki. If you remember, we had 9 Stonebreak Road, then 7 Stonebreak Road and then 7 Stonebreak Road didn't carry thorough. 9 Stonebreak Road came through, at one point we had somebody at the meeting where there was going to be an assignment of that to another entity. The applicant, Mark Rekucki, at the time, didn't do that and mortgaged the property so that he could utilize funds at the Clifton Park project instead. Mr. Valentine asked Mr. Brobston if he wanted to discuss this item. Mr. Brobston stated Mr. Rekucki was looking to sell the building as it is and would like the assessment for the PILOT and the inducement that was given to him for that building assigned to the new owner. That new owner is here today and we can go through that presentation. Mr. Brobston asked Mr. Taylor to give a little bit of background on that. Mr. Taylor stated he could talk about what Mark Rekucki said but we have John Ducharme here to talk about the tenant. Mr. Brobston stated that Dean Taylor is the realtor representative from MJ Properties and he has made connections and can talk about it further. Mr. Taylor stated he was from Continuum Commercial Realty. What has happened is once Mark Rekucki did the Sitterly Road project, he had the opportunity to do a Synergy Technology Campus in Clifton Park. We have just sold a building on lot 4 there. Mark is trying to concentrate his efforts and his

capital on that project and therefore he tasked him with getting a contract to buy the Stonebreak Road in order to make those numbers work. We do need to carry over the PILOT program. We do have 3 tenants in there. One tenant is a Starbuck. Two other tenants were located, they wanted to be in the area, they needed the PILOT in order to be in Saratoga County. One was to stay and one was to consolidate. So, there has already been success. Bob Neville of PDRN, LLC is the entity taking it over. If we don't lease it to another company with employees, they are probably going to expand to this location which would add one or two jobs. Mr. Ducharme stated he represents PDRN which is the building purchaser. We entered into a contract to purchase the property at 9 Stonebreak Road. The contract is contingent on them receiving an assignment of the February 28, 2018 PILOT Agreement. Their bank financing is also contingent on PDRN receiving an assignment of that PILOT Agreement. They are going to operate the building in the same manner it is operated now. There is one vacant space. They are looking for a tenant for that space. If they don't find a tenant for that space, then his clients, will occupy that space for warehouse space. He doesn't think anything changes other than the fact that there is a new building owner and there will be additional opportunities for businesses in that one open space. Vice Chairwoman DiDomenico stated she has one question for counsel. When someone comes in and asks for an assignment, shouldn't we have some sort of paper trail from the applicant? Do we have a special application form that we file or use? Mr. Carminucci stated he knows we have a form of application, but typically it requires something in writing. Mr. Toohey stated a much more detailed explanation than what we have received right now. Mr. Valentine stated the last time we went through this it was the same building, the same prior owner and we went through two or three different additions. What we had looked for was the fact that we need to have the financials reviewed by the CFO. We need a letter or something. We don't have anything on this. Vice Chairwoman DiDomenico stated then this morning is mainly preliminary discussion, just introduce themselves? Mr. Duffy stated but we need to let the applicant know that we need a letter requesting the action, you need to fill out an application. Mr. Brobston stated he did fill out an application. The sub-committee was sent a short application. The Board members stated they have not seen that. Mr. Valentine stated what we want to get is any changes in the application pages besides ownership, job creations, jobs. Mr. Duffy stated whatever pages in the original application that would be affected by new businesses and new jobs would need to be updated. Mr. Carminucci asked Mr. Valentine if we had been provided a list of new tenants in the building? Mr. Valentine stated no he does not have that. Mr. Toohey stated and the finances. Mr. Valentine stated the last time we did have that done, the finances, and he thinks Mark Rekucki's had been reviewed. This time, if you are doing an assignment, you are going to want to look at who it is being assigned to. Mr. Toohey stated that is correct. Mr. Brobston stated in the discussion when they had a financing commitment from Adirondack Trust, it was his understanding that was appropriate. Mr. Brobston questioned which application is he to use? Mr. Carminucci stated there is no form of that. The process is just to review the existing application and modify anything that is changing. The other point here is because this was not an SEDC application originally so Mr. Brobston is sort of stepping into this. That was a unique project for you because it was a spec building and we incorporated something that he had done in Clifton Park with the Clifton Park IDA which essentially required that the applicant keep the IDA informed as the property was leased. He does not know if we have the information on the tenants so as a part of this process, he thinks that this information needs to be provided as well. Mr. Greene questioned Mr. Carminucci if this should go through the sub-committee process first? Mr. Carminucci stated it wasn't set up that way the last time this came about, it went to the full membership once all of the information was available. Mr. Toohey stated the information is relatively finite, we can have the whole Board look at it. Vice Chairwoman DiDomenico stated she would like to ask Mr. Ducharme if his client was aware of what our approval for this project was, the conditions attached to it so that at the time that if we grant the approval for the assignment, your client can acknowledge that he has read that resolution and accepts its terms. Mr. Ducharme replied yes. Vice Chairwoman DiDomenico stated she thought that

would be important also if we approve the assignment. Mr. Mooney questioned what is the status of the PILOT? Is this year two? Mr. Valentine stated that was the other point he was going to make is not just say resolution points, you are going to pick up a PILOT Agreement and you are going to pick up in there what year you are into the PILOT. Right now, he thinks the applicant has made two PILOT payments so far from his recollection at 9 Stonebreak. So, you would be picking up in what is feasibly the next cycle in September. Mr. Mooney questioned if this was a five year? Mr. Valentine stated he believes it was a five and five. Vice Chairwoman DiDomenico questioned if we have to have a public hearing? Mr. Carminucci stated no. Mr. Valentine stated in the PILOT Agreement regarding assignment, there is only one line in the PILOT Agreement and all of the items that we are talking about are really items that we went through at the last time. We don't have anything that lists within there that says the applicant shall provide one, two three and four. We are looking at things that we would do in the normal application that we would want to have on file and information that we could utilize going forward just as if it was the original application. Mr. Toohey stated that the answer to your question is that the assignment is permitted and within the assignment there is no alteration to any of the benefits that have been given and the job opportunities etc. are being withheld, there is no reason for a public hearing. Everything stayed the same, but they have to be able to know that and they have to be able to show the Board that that in fact is true. Mr. Brobston stated they would have to change that but they will show that there are more jobs in a short period of time as well. Mr. Brobston asked Mr. Valentine for a copy of that application for the changes. Mr. Wintsch questioned Mr. Brobston what exactly is going to transpire then? What will the new clients have to do? Mr. Brobston stated it sounds like he has to get the application updated. He will get the financials. Mr. Many stated it will be pretty quick for him to review the information he needs. Mr. Brobston stated he would get Mr. Many what information he requires to be able to come back and say we are good and then we could come back to the next meeting and present it. He will submit it before the next meeting. Vice Chairwoman DiDomenico stated that is good and we will put that on the agenda for our next meeting.

### **Airosmith:**

Vice Chairwoman DiDomenico stated the next agenda item that has been added is regarding Airosmith. Mr. Valentine stated our Agency Counsel Mr. Toohey has recused himself in the past and is going to be representing the applicant at this point. Mr. Toohey addressed the Board and stated that Margaret Smith, the CEO and founder of Airosmith Development is here. The properties that were to be acquired have been acquired and are merged. This evening he expects to receive Zoning Board approval for a modification of the physical plan that is undertaken. We determined after full approval had been granted by the land use Boards of the City of Saratoga Springs that a water line that we suspected was on the east side of the property in fact was on another location of the property thus interfering with physical location of the building. We have altered the building minimally. The variance allows us to slide the building into the front yard setback which will change the building dramatically and again he is very confident that that will be achieved this evening. After that, the plans for the building have expanded internally so that that costs are greater than the original application that was presented and as a result so that we can comply with our request for sales tax, mortgage tax and PILOT, we need to have another public meeting on this. The project is basically the same. The costs and expenses have increased. That is the purpose for this being here. Other than that, we are prepared to move forward. Mr. Brobston asked if anyone would to take a look at the paperwork, he has brought them to the meeting. Mr. Brobston distributed the materials. Mr. Toohey stated just for the record, he has stepped away from the table and is not representing the IDA in this transaction. That was clear at the beginning of this application. Mr. Carminucci is going to represent the Agency. He is representing Airosmith Development and Smith Cassier. Vice Chairwoman DiDomenico stated she has a couple of questions on the updated application. She does not know whether

Mr. Toohey or Mr. Brobston would like to answer them. She is just comparing the original application with what is being presented now, so, the size of the building decreased by 1,000 square feet, it went from 10,500 to 9,500. Ms. Smith stated and that has changed one more time since Friday afternoon, the final on it. It is actually going to be 10,400. We are at the finish line for finals on that. Mr. Brobston stated while the square footage has changed, it has not changed any of the prices we have talked about. Ms. Smith stated the prices have not, the square footage has changed. Mr. Valentine questioned what their cost is. Mr. Brobston replied \$3,665,000. Vice Chairwoman DiDomenico questioned Mr. Brobston on removing the infrastructure work. Mr. Brobston stated that was the original estimate of things they needed to do and as looking at it from the perspective of the contractor and it was put into the building numbers which was taken out of infrastructure. There may be a little bit of infrastructure site work and things of that nature. The infrastructure site might need to be done but it is included in the building numbers. Vice Chairwoman DiDomenico stated ok, then it is just put in a different location. Mr. Brobston replied correct. Mr. Valentine questioned if the intent was to have a new public hearing? Mr. Brobston stated correct, when a project goes over what was approved and he had this conversation with Mr. Carminucci originally, if it were within a small percentage it is a lot easier to adapt to that. But when it became as large as it is, it is very similar to what happened with Greenfield. To do it correctly, we need to go back through the public hearing process. We are asking that you set a public hearing for the meeting in May and then go through the approval process at that time. Vice Chairwoman DiDomenico questioned what was the status of the financing with your lender? Ms. Smith stated we have not closed yet. Mr. Toohey stated but you have a commitment. Ms. Smith stated yes. Mr. Toohey stated the commitment is fine, the land is acquired and we are ready to move with that lender. Vice Chairwoman DiDomenico asked if there were any further questions from the Board members at this time. Mr. Johnson questioned if the only action today is to set the date for the public hearing correct? Vice Chairwoman DiDomenico stated yes.

Chairman Sutton asked for a motion to accept the amended application of Airosmith Development and to set the public hearing for May 13, 2019 in the City of Saratoga Springs Recreation Center, 15 Vanderbilt Avenue, Saratoga Springs. The motion was made by Mr. Johnson. The motion was seconded by Mr. Wintsch.

#### **RESOLUTION #1428**

RESOLVED THAT the Saratoga County IDA agrees to accept the amended application of Airosmith Development and to set the public hearing for May 13, 2019 in the City of Saratoga Springs Recreation Center, 15 Vanderbilt Avenue, Saratoga Springs. All members voted in favor.

#### **LFTC EDC Loan Agreement: Request for Extension on Past/Current Principal Payments:**

Vice Chairwoman DiDomenico stated the next agenda item is LFTC EDC Loan Agreement, request for extension. Mr. Toohey stated there is a lot going on with regard to LFTC. As you all will recall, we have a significant loan with them. It was to be paid back when they were selling land. We have a contract with MRFA to have us acquire land and them to build infrastructure. Another aspect of this is that there is a significant employer thinking about acquiring virtually all of that land. That deal has not been completed but if it does it would mean significant numbers of jobs for Saratoga County. So, what Luther Forest has requested is that the loan agreement be extended. They have made a payment of the interest that they owe to us. This is not the first time that this has happened but the different part is this is the first time that there has been some real significant action with regard to the Park. His recommendation would be to agree to this extension and let's see what happens in the next several months. Mr. Mooney asked for everybody's benefit, can you just summarize what transpired with this. Was it a \$700,000 loan? Mr.

Valentine stated \$650,000. Mr. Mooney questioned what year. Mr. Valentine stated he cannot remember exactly but it was before Global came on and that was 2009-2010. Mr. Toohey stated the theory behind the loan was that this was funding for Luther Forest so that they could become active with regard to marketing of that property and that funds would be paid back based on land being acquired. Now, they have not been particularly successful with regard to the sale of any of that land. The loan is still outstanding and they have stayed current with regard to the mortgage. Mr. Mooney questioned so what do they owe us at this point? Mr. Valentine stated the \$300,000 that we have talked about that would have been due, another \$100,000 and then they are paying annual interest. Mr. Toohey stated they have paid some down but it is \$400,000 at this point Mr. Valentine. Vice Chairwoman DiDomenico stated on our financials from Cusack says on their independent auditor's report on page nine, balance as of December 31, 2018, \$400,000. It started out with \$650,000. They were supposed to pay \$50,000 in 2014 and \$100,000 in each of the years thereafter through 2020 with interest from August 1 of 14 at libor. We approved one-year extensions in 2016, 2017 and 2018. Mr. Toohey stated that is what we are being asked to do for this year. Mr. Mooney stated this letter says \$300,000. Mr. Valentine responded that is the current that was due this year which would be in June. Mr. Mooney questioned is it \$100,000 or \$300,000? Vice Chairwoman DiDomenico stated they would owe us \$300,000 because we extended 2016, 2017 and 2018. Mr. Valentine stated he interjected when you first asked the question on the origin. Mr. Toohey answered the question about the total loan amount with Luther Forest. He was answering the question the origin of this was three different loan grants with SEDC that started out with a total of \$650,000 converted to one loan later which Mr. Toohey was referring to that original year. Vice Chairwoman DiDomenico asked if there were any further questions of counsel?

Vice Chairwoman DiDomenico then asked for a motion to approve the request from Luther Forest Technology Campus for the extension of time for payment through June, 2020 with the condition of remaining current on their interest payments. The motion was made by Mr. Johnson. The motion was seconded by Mr. Lewis. There was no further discussion.

#### **RESOLUTION #1429**

RESOLVED, THAT the Saratoga County IDA agreed to approve the request from Luther Forest Technology Campus for the extension of time for payment through June, 2020 with the condition of remaining current on their interest payments as presented.

The results of the roll call vote were as follows:

AYES: Mr. Johnson, Mr. Lewis, Mr. Greene, Mr. Mooney, Mr. Wintsch and Vice Chairwoman DiDomenico.

NOES: None.

ADOPTED: 6-0

#### **Financial Report:**

Vice Chairwoman DiDomenico asked Mr. Many to discuss the financial report. Mr. Many stated since our last meeting there has been very little transactional activity. We did wrap up our financial statement audit. We received a clean bill of health in all areas. We also completed the collection and payment of all of the Town and County PILOT payments. They are all settled up. We still have to set up the CD with Ballston Spa Bank which will be done by the end of the month. Mr. Duffy will cover the PARIS reporting process. Mr. Many asked if there were any questions.

**Annual Report/Audit FY 2018:**

Vice Chairwoman DiDomenico asked for a discussion on the Annual Report/Audit FY 2018 from Cusack & Company. Mr. Many stated he does have hard copies of the Report if anyone would like one. Vice Chairwoman DiDomenico asked if there were any questions on the Report?

Vice Chairwoman DiDomenico asked for a motion to approve the Annual Report/Audit for 2018. Mr. Greene moved to act upon the approval of the Annual Report/Audit for 2018. Mr. Wintsch seconded the motion.

**RESOLUTION #1430**

RESOLVED, THAT the Saratoga County IDA agreed to approve the Annual Report/Audit for 2018. Mr. Greene moved to act upon the approval of the Annual Report/Audit for 2018 as presented.

The results of the roll call vote were as follows:

AYES: Mr. Johnson, Mr. Lewis, Mr. Greene, Mr. Mooney, Mr. Wintsch and Vice Chairwoman DiDomenico.

NOES: None.

ADOPTED: 6-0

**PARIS Reporting:**

Vice Chairwoman DiDomenico asked Mr. Duffy for a discussion on the agenda item for PARIS Reporting. Mr. Duffy stated this has been completed and as Mr. Many has stated all of the reporting has come back. The only remaining things we have to do is there is an accomplishments report and a measurement report which needs some details completed. He is going to do that with Mr. Many and Mr. Valentine back at the office this morning so that the PARIS Report will be turned into the ABO and certified today.

**CEG Annual Investment: Invoice:**

Vice Chairwoman DiDomenico asked for a discussion on the CEG Annual Investment invoice. Mr. Duffy stated the only reason this came up is because it is a \$5,000 check. We have supported this for the last two years. The people at CEG wanted to give you copies of some of the work that they do that directly affects Saratoga County and they are supporting the Partnership. This includes shows and workforce development strategies and industry events, economic growth studies, things of that nature. You will see there is a pretty long list of things in here. They just wanted to provide that in case there were any questions about it as there were questions in the past. Mr. Mooney questioned Mr. Brobston and Mr. Vanags if they thought this was worthwhile? Mr. Brobston and Mr. Vanags could not answer to that question. Mr. Mooney questioned if they assist the Partnership or provide support? Mr. Vanags stated they provide some assistance particularly on the data side. They have a pretty good robust data person. Mr. Johnson questioned Mr. Vanags if the Partnership had contributed? He stated he thought the County had. Mr. Brobston stated SEDC continues to be a member of the CEG as a regional marketing for the Capital region. We pay them about \$2,500 per year. We ask, as a membership organization, we try to get other information from them. They do help with site selectives and things of that nature from time to time. They are not as aggressive with marketing as they have been in the past. They have tried to



reorganize a little bit on how they want to do that. Definitely, the system has changed since the days of the Chip Fab situation and how they revolve in that. Mr. Mooney stated the Development Agencies in the County have pledged about \$2,500 last year he thinks. Mr. Johnson stated the first year was \$2,500 each. Mr. Vanags stated we have been giving them \$5,000. The County was \$9,500, we were \$5,000, the IDA is \$5,000. Mr. Valentine stated this came in as a January invoice. It came in and we didn't have it on our agenda and then we didn't meet in February. He has talked to John Girodano and he asked Mr. Valentine if he could find out the status of this. We hadn't paid it because we hadn't had the meeting in February. He looked at it and his first question was "what does CEG do for the IDA"? What would be the benefit for the Agency? He thinks we have had two preceding payments and then this request for this year. Mr. Valentine asked him to provide some information and he thinks that is what Mr. Duffy has provided to the Board members. He did also send this other more detailed information about what goes on in Saratoga County. Mr. Duffy stated the other interest thing is and he doesn't know if everybody saw this, is regarding Warren County. When you look at it, 44% of the people that live in this County actually are driving out of this County and going to work somewhere else. Some of the things that are passed around about CEG such as they are more Albany based, etc. Well, guess what, we have a lot of people who live in Saratoga County who are also relying on those efforts in Albany County and surrounding Counties. This is just something to be aware of. Mr. Lewis stated he thinks also if it is questionable, it would send the wrong signal to not do it given how successful Saratoga County is relative to the other Counties. Mr. Greene questioned if all of the other IDA's in the region contributing. Mr. Valentine stated that maybe Corinth and Stillwater are not, but the others for the most part are. Mr. Vanags stated to Mr. Greene that the largest IDA contributor is Rensselaer County and they come in at \$25,000.

Vice Chairwoman DiDomenico asked for a motion to approve payment of the invoice to CEG as submitted in the amount of \$5,000. Mr. Lewis moved to act upon the approval of the Annual Report/Audit for 2018. Mr. Mooney seconded the motion.

#### **RESOLUTION #1431**

RESOLVED, THAT the Saratoga County IDA agreed to approve payment of the invoice to CEG as submitted in the amount of \$5,000 as presented.

The results of the roll call vote were as follows:

AYES: Mr. Johnson, Mr. Lewis, Mr. Greene, Mr. Mooney, Mr. Wintsch and Vice Chairwoman DiDomenico.

NOES: None.

ADOPTED: 6-0

#### **Status of Projects:**

Vice Chairwoman DiDomenico asked for a discussion on the status of projects. Mr. Valentine stated this is a carryover mainly for his own information as we go along to see where we stand with each of those. The third one on there, Airosmith, we did just take up. The first two are projects and he has mentioned them before. They have ended their abatement period, PILOT has ended. Finch Waste, it was mentioned last month and Mr. Carminucci has had calls. Mr. Carminucci stated he and Bob Alesi are continuing to try and catch up on the phone. They have a request, he doesn't know what it is, but he should know before the next meeting. Mr. Valentine continued that is just to say their PILOT has ended. They had a five-year PILOT on land that they purchased was going to be the Saratoga County landfill in

Northumberland. Preceding that we had a project with them on another landfill in Northumberland which was a sludge facility. At one point, that was Finch Waste then Finch Waste had sold that. He doesn't know how the arrangements were made but it went to Waste Management and they picked up the last two PILOT payments on that one. That one has terminated. As he mentioned, Mr. Carminucci said we will just wait and see what happens with that one. If they come back and see we would like to either utilize that land in another fashion or whatever, he doesn't know what it is. Fortress/Creatacor, Bob Morini, again on the last payment grids that we send out to the companies when their PILOT is terminated, he will send a note that they should be in contact with our Counsel regarding honoree conveyance. Again, he made a phone call last month and another email to Bob Morini and as Mr. Toohey just there has been no further contact. All that does is carry through a responsibility for him to take care of the PILOT bill in September done based on full assessment value. Their PILOT abatement is terminated but they are still on a roll section 8 which is fully exempt which assessors don't like to see at this point because it messes up their townwide valuation. He will again send a formal letter and follow-up on that last phone call.

### **Project updates (SCPP & SEDC):**

Vice Chairwoman DiDomenico asked if there were any projects updates from Saratoga County Prosperity Partnership and SEDC or anything else to talk about? Mr. Duffy questioned whether the attorney for Peroxychem was satisfied with the estoppel certificate. Mr. Toohey stated yes. Mr. Duffy asked if anyone had information if the prevailing wage passed? Mr. Carminucci stated it did not, they are still pressing for it. Mr. Duffy stated the only other thing he had was regarding possibly establishing another sub-committee meeting for discussion on the Victory Mills project. It was decided among all of the members that they would wait to check Chairman Sutton's schedule for a discussion at the sub-committee level on this project. This may potentially be submitted to the June or July meeting.

Mr. Valentine stated he prepared some items for Chairman Sutton and he made a presentation on Thursday to the County Economic Development Committee. Mr. Valentine will provide in the next meeting materials a chart and a three-page narrative. Mr. Johnson stated it was a presentation on a history of the IDA and our mission and what we do. Mr. Valentine stated the chart shows projects that have come through us and the status on those. If you remember before, he did an outline of what we did during the meeting or what was taken care of and the resolutions. He thinks he ended that as of July or August so he will pick up from that point and attach that and put it in the meeting materials along with what Chairman Sutton presented to the Economic Development Committee.

Mr. Brobston stated he would like to update the Board on two projects. One is the warehouse at Exit 17 in Moreau. We have had two projects up there that both have had land contracts, both were options. Both projects lost to another site in New York State. Both of them are out west of here. The last one is working on going to Rome. Our competition was Massachusetts and Rome. One of the issues that took a while and he thinks has created some angst among the developers that are talking about the site is that the property is owned by five different co-owners. They also had priced that land at \$80,000 an acre and there is no sewer in the ground. We felt at the time that was a high number but knowing that if we had the client that wanted to build that way and if they were willing to put an option together, they would do that and so be it. The client came back to us and said two of the issues that came up was the price of the land and also the access. You had to buy an extra piece of land to get to the red light, through Route 197 and Route 9 to get into the site. That property is a former Suzuki dealership and pretty high priced for a very small piece but it did give you access. The cost and access piece were a real issue. But since then, we still have two other companies that are considering looking at that. They are all telling us that the pricing is too high and we are trying to get that motion across the waves of the co-ownership. That is

number one. Number two, the Luther Forest Project and very simple. The warehouse is still engaged but hoping just in case something falls apart, there will be another site visit there this afternoon for another totally different company. Since that got out on the market, since Insight has the option, they put things out at about \$1.5 million. It is very possible there. It has driven people to at least ask and to come look. So today we are going to have another visit with another company so if one falls off maybe we have another. This is just to let you know where we are. We have been approached by a company that is a logistics company looking to put their headquarters in Saratoga County, at the southern end of the County and it is an older building that has been around for many years. It is being looked at and that is all he should get into at this point. Vice Chairwoman DiDomenico asked Mr. Vanags if he had anything to add? Mr. Vanags replied not at this time.

Vice Chairwoman DiDomenico asked if there was any further business to discuss before the Board. Vice Chairwoman DiDomenico stated we need a motion to go into Executive Session for the discussion of employment issues. Mr. Greene made a motion to go into an Executive Session. Mr. Mooney seconded the motion. There was no further discussion. All were in favor and the meeting went into Executive Session.

Mr. Toohey, Mr. Valentine, Mr. Duffy, Mr. Many, Mr. Carminucci and Ms. Eddy were excused from the meeting.

Ms. Eddy rejoined the meeting at the conclusion of the Executive Session.

Vice Chairwoman DiDomenico asked for a motion to reconvene to the regular session of the meeting. Mr. Mooney made a motion to reconvene the regular session of the meeting. Mr. Wintsch seconded the motion. All were in favor and the meeting was reconvened to Regular Session.

Vice Chairwoman DiDomenico stated the Executive Session was for discussion of employment issues and it was decided there was no further discussion needed. Mr. Greene made a motion to adjourn the Executive Session of the meeting. The motion was seconded by Mr. Wintsch. There was no further discussion and all members voted in favor.

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

Respectfully submitted,

Lori A. Eddy