

SARATOGA COUNTY INDUSTRIAL DEVELOPMENT AGENCY MEETING

May 13, 2019 – 8:00 a.m.

**City of Saratoga Springs Recreation Center
15 Vanderbilt Avenue, Saratoga Springs, NY 12866**

PRESENT: Members: Chairman Rod Sutton, Andrea DiDomenico, Michael Mooney, Patrick Greene, Walter Wintsch, and Art Johnson.

STAFF & GUESTS: Scott Duffy, CEO; Jeff Many, CFO; Michael J. Toohey, Counsel to the Agency; James Carminucci, Bond Counsel; Dennis Brobston, SEDC; Marty Vanags, Saratoga County Prosperity Partnership; Robin Cooper, Business Review; John Ducharme & Robert Neville, PDRN, LLC; Dean Taylor, Continuum Commercial Realty; Bill Sweet, Jason Smith, and Zach Pappas, Shaker Group; and Lori Eddy.

ABSENT: Tom Lewis (member); Michael Valentine, Administrator.

Chairman Sutton called the meeting to order at 8:06 a.m.

Approval of Meeting Minutes: April 8, 2019:

Chairman Sutton asked if there were any questions, additions or changes to the meeting minutes of April 8, 2019. Seeing none, he asked for a motion to approve them. Ms. DiDomenico made a motion to approve the minutes of April 8, 2019. The motion was seconded by Mr. Mooney and all were in favor.

Airosmith, Inc.: Revised Application and Final Resolution:

The next agenda item is the revised application and Final Resolution for Airosmith, LLC. The Chairman noted that as discussed at the last meeting, there are changes to the application because of changes in the project location on the site and the increase in project costs from \$3,000,000 to approximately \$3,600,000. The project's benefits, as reflected through the PILOT Agreement – abatement of property taxes, the amount of sales taxes to be exempted, and the one-time mortgage recording tax exemption - have accordingly been changed. Ms. DiDomenico stated she was happy to see that the Company has obtained all of their local approvals and is now moving forward. Mr. Carminucci stated he circulated a Resolution and he just noticed that on Page Two there are two typos in the last "Whereas" clause that references amendments to the IDA's documents. He noted that because the project hasn't yet closed with the Agency these typos will be easily corrected in a timely manner. Chairman Sutton acknowledged that the Board can take up the Resolution noting that Mr. Carminucci will correct the two cited errors and re-submit for Agency records.

Chairman Sutton asked for a motion to approve the amended application for Airosmith, Inc., noting again that the Agency approved this application back in 2018. This is a project that we are looking forward to supporting in the development of West Avenue as well as creating jobs and keeping jobs in Saratoga County. The motion was made by Mr. Greene. The motion was seconded by Mr. Mooney. There was no further discussion.

RESOLUTION #1432

RESOLVED, THAT the Saratoga County IDA agreed to approve the amended application for Airosmith, Inc. as presented.

The results of the roll call vote were as follows:

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

NOES: None.

ADOPTED: 6-0

9 Stonebreak, LLC: Assignment of PILOT Benefits:

Chairman Sutton stated the next agenda item is 9 Stonebreak, LLC, the Assignment of the PILOT Benefits. Again, at last month's meeting there was a lengthy discussion in regard to the transferring of the PILOT from MJ Properties to PDRN, LLC at Stonebreak Road. This is in the Town of Malta. MJ Properties of Clifton Park and clients requesting assignment of the remaining PILOT previously approved by the project at the request of our Agency to forward the PILOT into the new LLC. Chairman Sutton asked Mr. Brobston if he had any additional comments at this time? Mr. Brobston stated he did not have any at this time. Mr. Brobston asked Mr. Ducharme, as the attorney for the client, if he had any additional comments? Mr. Ducharme stated no, other than they are just simply asking that PDRN be allowed to step into the shoes 9 Stonebreak, the current beneficiary, and they would fulfill all of the obligations of the current partner. Chairman Sutton questioned if they would be picking up the existing PILOT that has not been utilized at this point? Mr. Ducharme stated yes. Mr. Brobston stated it would be for four years. It was a five-year PILOT and the first year has been billed. Mr. Toohey stated PDRN was taking full responsibility, Stonebreak is out of this. Mr. Ducharme stated yes. Mr. Many stated there were no financial issues. He reviewed their tax returns and also some other financial information. They are all set financially. Chairman Sutton questioned if they had bank approval for the loans etc. Mr. Ducharme stated contingent upon your approval. Ms. DiDomenico stated her question for Mr. Toohey is what legal document does Mr. Ducharme's client have to sign to obligate them? Mr. Toohey stated there would be an Assignment number one, and an Agreement whereby they acknowledge their responsibility for all of the terms of the underlying Agency documents. That could be one or two documents, but that is the context of what they would have to provide us. That is basically what your motion, if a motion is to be made, would be saying, that we allow them to step into the shoes of the other Company. But, also, have the responsibility for that too. Ms. DiDomenico stated then Mr. Sutton as Chairman would then also sign that accepting it? Mr. Toohey stated Mr. Sutton or whomever is appointed by the motion. Mr. Carminucci stated it is the same format we followed before. Chairman Sutton stated and his understanding is that we do not need another public hearing to make this approval. Mr. Carminucci stated correct. Mr. Toohey agreed that this was correct. Nothing is functionally changing with regard to what is going on with the project. Sales tax has been expended. Mortgage tax has been expended. So, it is really four years left on the PILOT and that is not altering anything with regard to the taxing authorities.

Chairman Sutton stated at this time he would ask for a motion to approve the assignment of the existing Stonebreak PILOT to PDRN, LLC with all of the existing conditions and requirements. The motion was made by Mr. Mooney. The motion was seconded by Mr. Wintsch. There was no further discussion.

RESOLUTION #1433

RESOLVED, THAT the Saratoga County IDA agreed to approve the assignment of the existing Stonebreak PILOT to PDRN, LLC with all of the existing conditions and requirements as presented.

The results of the roll call vote were as follows:

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

NOES: None.

ADOPTED: 6-0

Application: SMP Group, Inc. (Waterford):

Chairman Sutton stated the next item on the agenda is the application for SMP Group, Inc. of Waterford. SMP, the Shaker Group, is applying for a PILOT Program of mortgage abatement and sales tax abatement as well. The Committee met earlier in the month on the project with the members of the SMP Group. It is a project that will be moving to the Town of Waterford from Albany. The project is cost is just under \$5,000,000. The Company is anticipating to move 63 jobs to the location and it will add 12 jobs over the next 3 years. Chairman Sutton asked Mr. Brobston to discuss this application at this time. Mr. Brobston stated this project is in the Town of Waterford and is a former Grand Union and then Price Chopper freezer facility. It has been used as that for about nine or ten years if not a little longer. When Price Chopper moved out over to Rotterdam the facility was purchased by a gentleman who owns Kibberts Steel and it was being utilized as a storage facility. Time to time, tenants would be in and out with some storage. Our Company today, the Shaker Group, is a logistics firm located right now in Latham. They are here to give a little history of what they have done how they got to this point. Mr. Jason Smith addressed the Board. Mr. Smith stated he is President of the Shaker Group and Shaker Transport. Carl Mabeus is their CFO and Zach Pappas is our COO. They have each been employees of the Company for several years before purchasing the entity in 2015 where they since really started working on their development and growth. They have grown 37%. They are currently operating out of multiple facilities and looking for a home to consolidate that under one roof and support their delivery growth. The Shaker Group is a third-party logistics provider. They arrange for transportation via air freight, truck and ocean. Their other operating entity is Shaker Transport which is a motor carrier, truckload and final mile delivery. Mr. Smith asked if there were any questions about the Company? Mr. Toohey questioned where are their other locations? Mr. Smith stated they currently have a location in Syracuse, New York and then they have some employees based in other parts of the Country. Mr. Greene questioned if they were looking at locations where you were looking to consolidate in Central New York or other parts of the Northeast? Mr. Smith stated they looked at a lot of different Counties in the area as well as possibly moving out of state. Mr. Wintsch questioned where does all of the maintenance for the trucks in the transport division occur? Mr. Smith responded currently in Latham. They outsource to contractors. They have a lease program with Ryder and we outsource to other contractors in the area. Mr. Brobston questioned Mr. Smith if they were utilizing this as their corporate headquarters as well as tech headquarters? Mr. Smith responded yes there is a logistics thing, the delivery component obviously needs to be in the Capital Region somewhere, but the headquarter part can be anywhere. So, we will be moving our Corporate support there and that is where we will be developing our staff for those purposes. Mr.

Brobston stated that presently all of the buildings that they are in in Latham are leased. They are not abandoning those they will be turned over to the owner at the end of their lease. They will be marketed again. In fact, the owner of the building is a former owner. Mr. Smith stated the owner of the properties is the former owner of the business leasing it to us. They also lease some space from the airport as well. Mr. Wintsch stated he didn't understand, but now you are saying it was formerly a Grand Union facility. Mr. Smith stated yes Grand Union owned the freezer facility. Mr. Wintsch stated so you are probably going to do renovation, the \$1.1 million dollars of it. What are you going to do and what is the renovation going to look like? Mr. Smith stated Mr. Bill Sweet is here to talk about that. Mr. Brobston stated Mr. Sweet is their consultant on development. Mr. Sweet stated they are in preliminary design at this point and don't have anything more formal but that would counsel. Mr. Sweet presented the site plan of the existing facility now and 57,000 square feet of existing building. Their plan is to add on 3,700 square feet approximately to the left front corner of the building to create more of a multi-purpose type of a look, a multi-use flex base type corporate office along with the warehouse. Ultimately, and again, these are just design drawings at this point. Something along those lines that would really have that corporate office component pop and that would be facing Hudson River Road. It would be a totally different look than what you've seen in that facility because it will take on that corporate aspect that that building has never had. In his former life, he was a VP at construction for Price Chopper so he understands that building very well. They will be basically abating all of the freezer equipment that was there. What basically will happen as they bump out that front corner, this will be come about 15,000 square feet plus or minus, again concept so he is approximating square footages. Their need is going to involve at least the 15,000 square feet as they continue to add employees to the expansion. The balance of the space will remain as open warehousing space and will be racked and then converted obviously to environmentally controlled space, no longer freezer space. The exterior of the building is going to pick up the color schemes and the branding from the Shaker Group so that it really presents nicely. They will be making some exterior improvements as well to the parking lot. A lot of the chain link fencing that you see there currently will be removed. They have engaged ABD Engineers to work on the Civil Engineering. They will be making application to the Town of Waterford probably in the next two weeks to start the site plan approval process. Chairman Sutton questioned if they have gotten approvals from the Town fathers, the Supervisor. Mr. Wintsch questioned if it was 15,000 square feet? Mr. Sweet stated 15,000 square feet of office and then they will end up a little over 61,000 square feet total. Mr. Wintsch stated the only reason he brings this up is this new building addition says 3,000 square feet. Mr. Sweet stated that is only the addition and now currently there is just a very small amount of office space, employee break room and rest rooms. They will be converting that space and adding 15,000 square feet of office space because it currently doesn't exist. Mr. Wintsch questioned then you really don't have that in here, right? Mr. Sweet stated it is in your total square footage numbers. Mr. Toohey stated he thinks they are converting 12,000 square feet of the warehouse. Mr. Sweet stated the need obviously is to meet the 60 plus employees plus the 12 expanding over the next three years. Ms. DiDomenico questioned Mr. Smith if the remaining square footage in the warehouse, do you store things for customers? Mr. Smith stated currently we don't have that much space. We need about 15,000 for working space every day, for delivery operation. We are going to have about 30,000 available to solicit to other vendors or other companies and customers to store their goods. Hopefully they will have a high delivery component to it. Ms. DiDomenico stated that will help your business to buy this building to give you more space to grow your business then. Mr. Smith stated it will be five times the amount of warehouse space they have now and three times the amount of walk-ins. Mr. Wintsch questioned then you store stuff and then when the deadline approaches, maybe two or three days, whatever, it probably isn't very long is it? Mr. Smith stated it is one of the components of our business and that is the local deliveries. Customers will ship product to us, truckloads per day. We unload it, sort it, we re-route it and it goes out on delivery trucks with 15-20 stops per day. A lot of home delivery. Ms. DiDomenico questioned if he could tell the Board what kind of things your

company helps to deliver? Mr. Smith stated Wayfair is one of their bigger accounts. Ms. DiDomenico questioned so it is furniture items, food items, beverages? Mr. Smith stated as you know that space is growing leaps and bounds for home delivery. The freight keeps getting bigger and more products. That is what they need the facility for. Chairman Sutton questioned how long will it take for them to convert from their current location over to Waterford? Mr. Sweet stated they are looking at a construction period of approximately six months. Again, just for full transparency, they may be looking to the existing owner to create a temporary occupancy relationship in the meantime because there are substantial space requirements that aren't being met in Colonie. So, they may be looking at a interim lease arrangement for space that won't be touched during construction but will allow them the opportunity to get mobilized and get into that new facility. Chairman Sutton questioned if they have been embraced by the Town of Waterford? Mr. Smith spoke personally to Supervisor Waller and he is 100% behind the project and asked if he could actually communicate to other members within the Community and he said absolutely. That was his first stop obviously to make him aware of what was happening. Mr. Brobston stated he has had a conversation with the Superintendent of Schools and their Business Manager went through the PILOT with them to explain to them exactly what is going on and how it works. They were supportive of what we are doing at this point. Chairman Sutton questioned Mr. Brobston if they were looking for a 5 year/5 year? Mr. Brobston stated this is a 5 and 5, that is correct. The back of the application talks about the savings of that. The assessment that is there today is what we are asking for freezing. \$2.4 million and 50% of the improvements will come on in year 6 and 10% each year. You are familiar with those he is sure and how we have done those in the past. Mortgage recording tax, \$33,750, sales tax and materials \$95,900 and then property tax \$288,281. It gives them a little over \$417,000, almost \$418,000, and by the time they pay cost, they will have savings of \$367,852 over the ten-year period. They will be creating jobs and that is also mentioned as well on page 25. Presently, they have 63. They plan on adding 4 per year for the first 3 years and as is always subject the discussion of conservatism, making sure that that is a number they can live with as they are committing to it. We have talked about that. They feel that they could be a little more aggressive, but they felt that would be a way to go on 4 a year. We also talked about having a rash of companies that came in and spent a little bit more than they thought and had to have another public hearing. As we look at those numbers and we talked about where they are going. Mr. Sweet stated they wanted to err on the side of conservancy because he understands the ramifications of coming back in for an amendment after the fact so he believes that the numbers presented will be very representative of what the project cost will be. Chairman Sutton questioned if they anticipate to occupy 100% of the building. Mr. Smith stated yes. Chairman Sutton questioned if there was room in the parking lot to expand should that have to take place. Mr. Smith stated it is a big parking lot. Chairman Sutton questioned how many trucks they have. Mr. Smith stated over 50 and then over 100 trailers. They are never in one spot at one time thankfully. Mr. Brobston stated that was one of the questions that Supervisor Waller had and recommended for them as to talking about the Planning Board approvals on site plan approval just making sure of that with the traffic. They already have that laid out very well. This is a 24-hour operation. It is in an area in Waterford along 4 and 32 which is used to that with GE and Cascades. Tony's Tires is behind them and the old meat packing facility. So, they have got a lot of close neighbors that are working 24 hours a day as well. Chairman Sutton asked if the Board members had any further questions. Mr. Toohey stated interestingly this is one of the first project that we've ever had in the Town of Waterford. Waterford has, for years, its own Industrial Development Agency, thus they did what we do on a Town wide basis. Their IDA is no longer in existence, so we are the Agency that can supply this so it is very nice to have a project in the Southern part of the County at the Town of Waterford. Mr. Brobston stated this facility has been on the books for quite a while. There are people very interested in it to utilize it and create jobs. There haven't been many jobs there at all in the last decade. So, it is good to see it getting back into operation. Chairman Sutton questioned how long it has been on the market for sale. Mr. Brobston stated Mr. Kibbert bought it to use it and then he put it back

for sale for about five years ago and it has been on and off and he is just trying to figure out what he is going to do. He runs a seal fabrication and supply company down on 4 and 32 in Halfmoon and thought because of its location he would be able to do some things. It just didn't work out quite the way it was. Price Chopper had it there for at least 10 years. Mr. Smith stated easily, probably closer to 15 years. It was a full-service freezer and tier point and they reconstructed the new freezer building adjacent to Railex in the Rotterdam Industrial Park. Chairman Sutton questioned if we go forward with this application, you know that there is a public hearing that we would have to have in the Town of Waterford and we meet once a month. Our next meeting will be in June. Mr. Mooney stated June 10th. Chairman Sutton questioned if they thought they would have their approvals from the Town by that time? Mr. Sweet stated no but we would have submitted for preliminary site plan review. Based on best guess estimates it is going to require two meetings. The first meeting is he believes June 13th and then the second meeting would be in July. Chairman Sutton questioned if it would be helpful if we had the application approved to go to the Town. Mr. Sweet stated he doesn't want to assume that they will get an approval in one meeting, because typically that won't happen. They do only meet once a month in Waterford as a Planning Board so that is the issue. The preliminary application will certainly be in before the Public Hearing. Mr. Toohey stated our approvals are always subject to Town approvals. If the Community doesn't approve it is an irrelevant action. Mr. Sweet stated obviously the motivation here is to try to run everything concurrently because of the space requirements that they are suffering right now. If that could be an accommodation, they would appreciate that so they could keep moving through Planning as well as your Public Hearing.

Chairman Sutton stated before us we have the application for The Shaker Group. We would like to proceed for a public hearing. Chairman Sutton then asked for a motion to approve the application as presented and to set the public hearing for June 10, 2019 in the Town of Waterford. The motion was made by Mr. Mooney. The motion was seconded by Mr. Johnson.

RESOLUTION #1434

RESOLVED THAT the Saratoga County IDA agrees to accept the application of The Shaker Group and to set the public hearing for June 10, 2019 in the Town of Waterford. All members voted in favor.

Chairman Sutton stated we will bypass the next agenda item, Status of Projects and we will do the financial report.

Financial Report as of 4/30/19:

Chairman Sutton asked Mr. Many to discuss the financial report as of April 30, 2019. Mr. Many stated it is kind of a routine financial statement. He will start with the balance sheet in particular. First of all, our Saratoga National certificate of deposit hasn't been updated but that will be about \$505,000.00 as of June 30th give or take a few dollars. The other thing that we are doing is he was setting up a CD with Ballston Spa National Bank. When he called them to finalize that, they lowered the rates. The rates have been going down. He doesn't know if anyone has been following the mortgage rates, etc. and so the rate dropped from 2.4% which we were quoted back in December/January to 2.3%. It is not a huge drop. \$250.00 per year. He did want to bring that to the Board's attention before he followed through and set it up. Mr. Many asked if there were any thoughts on this. Mr. Mooney questioned if they wouldn't honor the original quote? Mr. Many replied no it was good for a certain amount of time basically. He still thinks it is better than where it was. He thinks it was .14% before. He will go ahead and get that wrapped up because it has taken too long as it is actually. The accounts are all reconciled. We have received our loan payments from Luther Forest and from the County Water Authority for the year for a year's worth of

interest. There are no other unusual transactions. On the balance sheet we have had a couple of nice applications. Thus far this year, only one has hit the Bank by the end of April. On the other side, we are owed from one of our applicants a transcript reimbursement, which will come in. Mr. Valentine had not billed it by the end of April yet. He decided he would do a standardized approval any time he has to review a financial report for one of our applicants. It is just a generic what he looks at, nothing specific. He did it for PDRN and basically, he saw their bank approval letter, their commitment letter and a couple of tax returns and he just noted what he saw without naming the Bank or anything of that nature. This is so we will have something for the file in case there is a problem later on. Chairman Sutton asked if there were any questions of Mr. Many and the financial report? Chairman Sutton thanked Mr. Many for the report.

Status of Projects: Assignments, Terminations, Upcoming Closings, Reconveyances:

- 1) **Fortress Partners/Creatacor – Reconveyance**
- 2) **Waste Management/Finch – Reconveyance**

Chairman Sutton stated the next agenda item is Status of Projects, Assignments, Terminations, Upcoming Closings or Reconveyances. Chairman Sutton questioned Mr. Toohey or Mr. Carminucci is there was anything we need to know on the two projects of Fortress Partners and Waste Management? Mr. Carminucci stated regarding Waste Management he continues to play phone tag with their attorney. There is something going on there. He needs to get them on the phone to find out what is happening. He is aware of the fact that the PILOT benefits are burned off. Mr. Carminucci asked Mr. Toohey if he has been in contact with Fortress Partners. Mr. Toohey stated he has not and he will look into that. Mr. Carminucci stated he would try to get the attorney for Waste Management on the phone before the next meeting. Mr. Mooney questioned the status of Airosmith. Mr. Toohey stated that should be ready to go. They have surveys and everything else because they went through the process. They are having those certified to the appropriate parties. They are going to get the Title work done. He would not be surprised at all if that is a completed transaction by the next meeting.

Project Updates: (SCPP & SEDC) – Activity, Applications, Pending Projects:

Chairman Sutton stated the next agenda item is Project Updates. Chairman Sutton asked Mr. Vanags if he had anything to update the Board on? Mr. Vanags stated not at this point. Chairman Sutton asked Mr. Brobston if he had any updates? Mr. Brobston stated last month he talked with the Board about a project in Luther Forest that was a warehouse and they also had another site for the company that afternoon. We are on the short list for a 400,000 square foot manufacturer. It is a food grade product manufacturer. They are looking throughout the Northeast. It is an international company. They have looked at us but we got on the short list. That manufacturer, at the beginning, it about 130 jobs, it could grow larger than that in five years. But that is something that is out there that we have been working on for a while. They have chosen us as a short list. The other thing is the warehouse that we continue to talk about in Luther Forest that is now option by Insight. That continues to move forward and we expect to hear with them any day. Every time he says that it goes another month, but their option runs out at the end of June. We are hoping all goes well. It looks like a good one. Chairman Sutton stated we are on a 60-day time limit 60 days ago. Mr. Brobston stated that is correct. That is another one. We also have a large headquarters that contacted us that is looking at some sites in Southern Saratoga County. About 150,000 square foot of office. That project is interesting because they have a desire for Saratoga, they like the track. They would really like to keep close. They don't want to go North too far away from the airport. He does not know the Company and he does not know what they do yet. All he knows is what they are asking for.

Other than that, those are just some of the things that we have been working on. Chairman Sutton stated he knows that we have talked about this before, but could you please keep us abreast because it is holding up projects that we are looking to go forward on. We have construction points of view and we are anxious to provide and enter into a contractual agreement eighteen months ago. We are holding because of this project. Whatever you can do to speed that up, please do so. Mr. Mooney stated we will know in a month when the option is done or extended. Chairman Sutton stated we are very anxious here as a Board because we have committed to this mentally and financially almost two years now and we have been working on it for about three or four years. It is critical that we have to make a move one way or the other. Mr. Brobston stated the only other thing that he would like to mention is at a previous meeting he mentioned about the need for property with rail. We have had a couple of clients that are looking for Industrial Park. The IDA owns the rail line going into Moreau. It is not an abandoned line, but it has been in a discontinued use for many years. He thinks the IDA bought it in 1997. He knows it was the late 90's and you have owned it since then. We have been approached by a Company that has rail, an upgraded version of the rail than what is in there that we would be able to be given a donation of rail. The process of all this is rather, as you can imagine, not simple. It is rather cumbersome actually. Because there have been some changes to some of the road crossings. Even though the crossings still remain by easement or by right, they have changed the road crossing at 197 and Fort Edward Road. That creates some DOT issues, geometry issues, that needs to be thought of. This process is something we need to get involved with the Feds and at the State level. As we were talking to the MPO people, the Municipal Planning Organization, which this does fall into, the Adirondacks in Glens Falls, Moreau falls under there. We were talking to a gentleman who runs that and to be able to work through the process of even getting an idea of what funds may be available, they require a financial feasibility. What are the issues, what are the things that need to be dealt with, and we got together with Camoin Associates that has done some work for the IDA before and asked them for a proposal just to see what it is going to look like and what some of the particulars will be. We got a proposal but we've also talked to people in Washington that work with funds for rail, especially putting rail back in. There was funding available through the Feds. We have to get Congresswoman Stefanik on line. We've also talked to Carrie Woerner at the State because the State also does have some programs. It could cost around \$5,000,000 if you had to buy rail. Chairman Sutton questioned for how many miles? Mr. Brobston stated the mileage he is talking about he doesn't remember what it is going from there and going into the Park. He thinks all together it is about seven miles. That takes it all the way into SCA and the Village. SCA, which is now called Esity Paper Manufacturing, they used to use rail and they have not for many years when CP sold the line. They are interested in going back to that as well. And, all of the easements, again, all of the ownership, still resides at the IDA. But, all of that rail easement is there. So, what we are trying to do is just find out the percentage of what it is going to cost, how to do it. This is our first comment to you. We do have a proposal that we got from Camoin. It needs to be studied. We would like to ask for a meeting that we can sit down with staff and maybe members to just discuss it. It is about \$15,000. It gives us an idea of how the process would work. Mr. Mooney questioned if there was still a lot of vacant land there? Mr. Brobston stated there is about 120 acres to be developed in Moreau in the Park. That is developable land. The rest is all for, out of the 250, it is green space and wetlands. Mr. Mooney questioned if that was an existing commercial park? Mr. Brobston stated that is right. Heavy manufacturing. Mr. Toohey stated he thinks it is manufacturing. Mr. Brobston stated it is zoned heavy manufacturing. For just a little history, National Grid owned the property and bought the sand to put over the PCB's dumped along the river and then gave it to the Town and to Niagara Mohawk. The Town used \$1,000,000 out of their landfill closure fund to invest in it. The EDA, the Economic Development Agency, gave \$1,000,000 as well. Those were the days when you put the road in, put the infrastructure in, and you put it right down the middle. It wasn't the smartest thing, but then again 25 years ago that is what you did. In utilizing that, this Agency did a project with Sperlach Adhesives, which is a formaldehyde plant, they are in there.

They've got two parcels out of the 15 that are available. But, water, sewer and gas has been installed. It is a junction point for a major substation for National Grid. It is fed by three different circuits which is excellent. There is a couple of projects right now that need 15 to 20 megawatts and there are only two sites in the County that can pull that and that is Moreau and Luther Forest. With that type of thing, it just comes to mind that if we have the opportunity to put it back on, to get the rail back, that would be great. But it is a process and we would like to start that discussion to see what you want to do. He knows Mr. Valentine and the County had been looking at the perspective of putting in a trail along that line and had actually gone through some initial planning and had talked about the grant process up until this point. So, it was going a different way and we are asking to at least hold for a little bit until we can figure this out. He knows the formaldehyde folks would love to have it. It is building so many a week is the key and short line would operate it and we have already talked to a few of those just to get ideas. So, it is possible but we are just trying to figure out whether it is probable that we can get funding. It always comes down to how much money. Then if you have a project that needs it along the way that also helps. Mr. Duffy questioned how much of that \$5,000,00 plus or minus would be rail? Mr. Brobston replied that probably \$2,000,000 of that is rail. \$3,000,000 is probably putting it back in. Mr. Duffy questioned out of that total cost how much is going to be made up from grants? Mr. Brobston stated that is what we don't know yet and that is part of what the financial feasibility study is. There is a list of things. Aaron at the Adirondack Transit, he is familiar with that process and he knows what they are looking for. He is going to give us some engineering and some of the in-kind stuff that goes with it, some match. He's got a lot of work that he can do from what he has and put his stamp on it so that will definitely help us along the way. Mr. Duffy questioned if he anticipated any hard capital having to come from whoever is in that Park or some other entity? Mr. Brobston stated yes, he would think that once we know what the gap is that when you are looking at a client and talking with them, what is that number? Is it \$100,000, is it \$1,000,000? That is what we are trying to find out to be honest with you. Chairman Sutton questioned who initiated the application process with Camoin? Mr. Brobston replied SEDC did. Mr. Valentine had been talking with him from the trail aspect and we found out what those particulars were. He set up a meeting with us with Aaron in Glens Falls and helped us get that organized. When we were talking about it he told us what he thought we needed and he said well we've got a company that would be perfect. He put that together for us. It is a couple week timeframe for him to get it together. Our biggest issue is understanding from Aaron's perspective and the Governments perspective in Washington, is that he believes they do 80% in putting rail back in, which leaves 20%. What is the State going to do and all of those pieces that kind of come along with that? Hopefully we can get some money from the State. But again, once we know all of the factors, and to be able to get the funding for 80% you have to be able to say what is going to happen. What are you proposing? How are the jobs being created? What kind of money gets back in the Community? It is all of those types of studies that need to be done and that is what that report is for. Chairman Sutton stated he was downloaded this proposal from Camoin Associates. It came to him, he talked to Mr. Brobston about it and he asked him to present this to us today. Chairman Sutton asked Mr. Duffy to send this to all of the Board members so that they have an opportunity to look at this. The bottom line on this feasibility study is just under \$15,000 as Mr. Brobston indicated. It will be a comprehensive study. He does not know about the legality of allocating funds, that would be a question for Mr. Toohey. Because we are restricted now with grants and loans and things of that nature. He does not know if we are restricted that we could even participate in this at this point in time. He wanted to look into that. Chairman Sutton thinks that the Board should read this anyway and have a better idea as to what the project will entail. Again, this is an ongoing project that is going to cost millions and millions of dollars. Clearly, it needs to get financed by grants and need from the Feds and New York State. How far we want to participate in this is really going to be up to the Board to see if they want to go forward even with that feasibility study. Right now, we have always talked about getting rid of the rail line and turn it over to a right of way for a park or a trail of some kind for the general public to

use. This is a big change of pace as to what we thought we had and what we might be getting into if we go forward with this. Mr. Brobston stated we have had a conversation with Supervisor Kuznierz of Moreau and a few of the Board members, we just wanted to talk to them and see what their thoughts were. They were supportive of going down this road. They understand the detour of the rail and if it is an opportunity that will bring jobs to their Town, they know that they need to be supportive, they need to pass Resolutions, they may need to even be in for some skin in the game depending upon what that means. They would like to go forward and find out that as well. If we find out that it is just way past our abilities, then it doesn't work. But we don't know that at this point. Mr. Mooney questioned if this study was going to comment on the requirements of the grant? Mr. Brobston stated yes and also the IDA had CHA do a study back in 2007 he believes on how much it would cost to put back in and things of that nature. We have that basis and that will be a part of that updated. Mr. Toohey stated the reason we did this in the last century was that if you abandon one of these rights of way you will never get them again. With that, they recognized that if we gave that land away or if we did not own it, something would happen to it and you would never have the opportunity for a rail spur going into an industrial park and that industrial park really needs a rail spur, or so we thought we were doing our job and buying it. Chairman Sutton asked Mr. Brobston to keep Mr. Duffy informed and Mr. Valentine is a trusted and valuable member of our team. Mr. Duffy is our CEO and he would prefer any correspondence go to Mr. Duffy at this point in time. In the meantime, send out this information so we have an idea and can read about it and then we can further discuss it at our next meeting. Mr. Brobston thanked the Board.

Other Business:

Chairman Sutton stated the only other thing he had was he knows at the last meeting there has been discussion about meeting space, time and location. He would like Ms. DiDomenico and Mr. Wintsch to sit down with Mr. Duffy and see what is available in terms of meeting space and times that these meeting spaces might be available to us. He thinks one of the things we have to take into consideration is the location, the parking, ease of getting in and out of a meeting area for not only our Board members but any guests that come and appear before our Committee. Timing and location is critical not only for ourselves but anyone that is presenting to our Board. If you could get together and see what is available and come back to us.

Chairman Sutton asked if there was any further business to come before the Board? Mr. Greene stated he has been reading about an entity called the Alliance for the Creative Economy which apparently was acquired by CEG some time ago. His interest was piqued by some of the articles that were written and he was wondering if at some point Mr. Vanags or Mr. Brobston could provide us some insight or some understanding what that is all about. Mr. Vanags stated we did an Economic Index luncheon last year on the Creative Economy. We've got some material and information and he would be happy to bring that to the next meeting.

Chairman Sutton stated one other issue, and someone mailed this to him and he didn't see it, but in the Business Review there is an article that a new law is going to require IDA's to post a video by the end of or beginning of next year. Is anyone familiar with this at this point? Chairman Sutton questioned Mr. Cooper if he had heard anything further about that. Mr. Cooper stated just what we reported in the article. Chairman Sutton stated it goes on to say that the Industrial Development Agencies in New York would be required to stream video of their meetings live on the internet and post recordings for up to five years under law approved by both houses of the State Legislature. The Legislature cleared the State Senate last week and the Assembly in March. Democrats control both Chambers. Requirements will take effect on January 1, 2020 if Governor Andrew Cuomo, a Democrat, signs the legislation. The IDA meetings are

held in public but not necessarily at a time or place that is convenient for the public to attend. The Legislature has taken steps in recent years to increase the accountability and the transparency of IDAs.

Chairman Sutton asked if there was any further business to discuss? Mr. Greene stated he and Chairman Sutton have talked about this and mentioned it before, but the minutes, again if we could get some consideration to some form of abbreviating those minutes rather than the way they are right now. To him, they are too lengthy, he would like to see a form used where we don't have to spend several hours reading them. Mr. Duffy stated it is going to require going through and making a bullet point. Mr. Wintsch stated someone would have to edit it then. Mr. Mooney stated yes, just edit. Mr. Duffy stated he doesn't think we are going to put that responsibility on her to do that. Mr. Greene stated he isn't thinking that. He is not sure there is a requirement for verbatim minutes that he is aware of. It is really what we decide should be in the minutes and what would encourage people to read the minutes. When they are too long, he thinks it is a discouragement. We should probably give some thought to, even if we go to one extreme, if there is a Resolution, say we passed this Resolution. That would be one extreme. The other would be what we have right now and there might be opportunities somewhere in between to say I would like to go on the record for this. That way we don't burden everybody. This is a dialogue. He is not sure where it ends up but certainly there has to be a better way to do it than it is now. And it doesn't have to be verbatim. He wouldn't ever impose a burden on anybody to say I'll figure out how to make bullet points. That requires somebody to take responsibility for what should be in there and what shouldn't be in there. He is thinking that we should have some form where it is closer to a very almost a Resolution saying that is it. Again, he thinks it is a dialogue that we have and probably have input from people on that. Ms. DiDomenico stated she personally likes all of the details. She withheld her comments until this point, but she honestly does. She sat down last night and read through the minutes. Marked them up. You would think you would remember everything in the last month. But you don't. And the meetings that I have missed, she has sat and read the minutes and it was like she was there. So, for her, she personally likes it because it does help her to go back and refresh her memory. Mr. Mooney stated he feels like most Boards have a consolidated version just with the bullet points, but typically its like the Town Clerk who takes responsibility for that or some staff. Mr. Johnson stated typically on a lot of Boards it is just a summary of the conversation. Mr. Toohey stated but then again somebody has to take that responsibility. Mr. Duffy stated that is what he is saying. Mr. Mooney stated it is fine, we always have a tape of the full record anyways. If there was a mistake or your wanted to get more detail, you always can go back to it.

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 Ms. DiDomenico, seconded by Mr. Wintsch, with all voting in favor.

Respectfully submitted,

Lori A. Eddy