**SARATOGA COUNTY INDUSTRIAL DEVELOPMENT AGENCY MEETING**

 **July 28, 2020 – 8:35 a.m.**

WITH REGARD TO THIS MEETING THERE WILL NOT BE A PUBLIC MEETING LOCATION AT WHICH THE PUBLIC MAY ATTEND IN PERSON.

Because of the Novel Coronavirus (COVID-19) Emergency and State and Federal bans on large meetings or gatherings and pursuant to Governor Cuomo’s Executive Order 220.1 issued on March 12, 2020 suspending the Open Meetings Law, the general meeting scheduled for July 28, 2020 being held by Saratoga County Industrial Development Agency (the Agency”) in accordance with the provisions of Article 18-A of the New York General Municipal Law will be held electronically via conference call instead of in a public setting open for the public to attend. Members of the public may listen to the meeting and comment during it by Dialing: (605)-475-4069 and entering Access Code 445131#. Pre-meeting comments may also be submitted to the Agency in writing or electronically (mvalentine@saratogacountyny.gov). Comments may be made during the meeting following presentation of the agenda item by the speaker. Please provide your name clearly prior to the question or comment. Minutes of the preceding Public Hearing and general meeting will be transcribed and posted on the Agency’s website.

**PRESENT**: Members: Chairman Rod Sutton, Michael Mooney, Tom Lewis, Walter Wintsch, and Pat Greene.

**STAFF & GUESTS**: Scott Duffy, CEO; Jeff Many, CFO; James Carminucci, Bond Counsel; Mike Toohey, Counsel; and Lori Eddy.

ABSENT: Kevin Tollisen; Andrea DiDomenico; Michael Valentine, Administrator.

Chairman Sutton called the meeting to order at 8:35 a.m. Chairman Sutton thanked everyone for attending this morning’s meeting. He wanted to give a quick overview of what has transpired and what has been asked of the IDA the last couple of months. In early Spring, the business leaders in the community and County were asked to attend a Zoom meeting as to how to jumpstart the local businesses and some of the leaders that are included here, Assemblywoman Carrie Woerner, Mayor Meg Kelley from Saratoga Springs, Charles Wait, Gary Dake, Angelo Calbone from the Hospital, Tom Roohan, Todd Shimkus from the Chamber of Commerce and himself representing the IDA. The IDA, because we are a lead agency to create and maintain jobs, we were asked to sit in on the meeting. At the time, there was a lot of talk about grants and loans and the possibility of jumpstarting businesses. He explained to the group at that time that we did not have the ability to offer grants and/or loans with any surplus monies that the IDA has and we were restricted by the State of New York. At the time, Assemblywoman Woerner said that there was a bill, a possible legislative change, that would offer grants and loans to local businesses. Late in the Spring, there was a bill that was passed from the Assembly and Senate and signed by the Governor. That is the bill that has been sent out to all of our members and he just wished to paraphrase this for a minute. The loans to small businesses are for not-for-profit corporations and it provides the purpose of acquiring personal protective equipment, installing fixtures necessary to prevent of COVID and the maximum on grants was at $10,000. On the loan, it was at $28,000 for businesses of over 50 or less employees which can conduct business in the area served by our IDA. We cannot go beyond our jurisdicted locations. The IDA shall consider the following before making any loans and find out the credit worthiness of the applicant, the level of negative impact. The applicant’s proposal pointed to use of the funds and use of the funds would be the priority would be highly distressed areas. The IDA would have to maintain records on the loans issued, the payments received and Mr. Toohey and Mr. Carminucci will go into this further. We have the opportunity to offer grants and loans to help jumpstart the businesses. That is the purpose of our meeting today which is to talk to the full committee to see the appetite that we may have in offering grants and loans and to help small businesses within our jurisdicted area. With that, he would like to pass the discussion on to Mr. Toohey. Mr. Toohey did a lot of research on the legislation and he did a great overview of the project that he thinks everyone has received a copy of. He knows Mr. Duffy has sent out a lot of information and hopefully most of us have had time to read that. Chairman Sutton then asked Mr. Toohey to do a paraphrase of the work that he did on this project.

Mr. Toohey stated he has done plenty of research on this. He has given the members a couple of sheets of outline as to the legislation. It basically was created after the Governor put the emergency order 202 in effect on March 20th and will continue in existence until the Governor eliminates Executive Order 202. So, it has a finite period of time pretty much defined by him or this time period in 2021. There are two things and the Chair specified this, it only can be given to not-for-profits and to small businesses. There is a loan program and there is a grant program. The grant program allows for a maximum of $10,000 to be paid to any kind of company. This is non-traditional IDA’s, a program so we can do this for retail, any type of business that exists. So, the grants are to acquire personal protective equipment or to install fixtures to prevent the spread of the Coronavirus. Small business is defined as 50 or fewer in full time equivalent employees. They have to physically located within the State of New York within our operational area and were operational companies at the time that this whole thing started. They have to be able to prove that to us and they would have to supply us with absolute proof as to how the grant was used because we have to report that in two different ways at the end of this process. The loan process gives a maximum of $25,000 and there is a criterion for that. Again, small business, small not-for-profit, entity was financially viable prior to the disaster, does business in the area served by the IDA, has been negatively impacted. We have to create proof of the credit worthiness of the applicant prior to the disaster. The level of negative impact of the business caused by the disaster. The applicant has to supply us with a proposed use. The applicant has ties into the community. The applicant assures that the efforts will be made to retain jobs and we have to make a determination as to the potential other sources of funds for the applicant. Again, there needs to be a full reporting as to how the money is used. It is an interest free loan and it is paid back by a year and 60 days after the Governor eliminates Executive Order 202. So, the finish line is not known but it is going by a factor that comes in. The 60 days is a grace period that is granted under the statute. That is pretty much of the rules of the road. If he can answer any other questions anybody has.

Chairman Sutton asked the Board if there were any questions of Mr. Toohey. Mr. Carminucci stated he just wanted to mention that 50 employee rule applies to both for profit and not-for-profit entities. Mr. Toohey stated again, it is full time equivalent. A lot of times we have a question as to how many employees are being granted in the project that we report and the standard appears to be for the ABO at least, full time equivalents. Mr. Wintsch stated he recently read the information and it said that priorities will be given to highly distressed areas. Has anyone determined if we even have such a thing in Saratoga County? Mr. Toohey stated this is a very, very good question and he has not been able to determine what the defined term highly distressed area would be in Saratoga County. Mr. Carminucci stated there are a few, not too many. Mr. Greene stated he thinks part of Mechanicville fits in. A couple of years ago he was involved in the affordable housing project for a client and there are several areas, again one being Mechanicville, portions of it, but that is all he remembers. Mr. Carminucci stated the other thing is that the criteria that you need to look at is much more involved if you are making a loan than if you are making a grant. Mr. Greene agreed. Mr. Wintsch asked if he could elaborate on the comment that the criteria is much higher for a loan than it is for a grant. Mr. Carminucci stated he doesn’t have the information in front of him but to make a grant you just have to determine that the business is operating, it was financially viable prior to COVID emergency, its located in the County, it qualifies as a small business. If you are looking to make a loan you would have to delve more into the creditworthiness of the entity than you do if you are making a grant. Mr. Toohey stated it is a 6-point standard for the loans. The IDA has to make a determination and this is on the record. All of this has to be done on the record so there is no privacy. That is one of the things that the ABO is really being very strict about. So, is the creditworthiness of the applicant prior to the disaster. So, you have to go into the busines financial condition prior to 2019. The level of negative impact of the disaster had on the business or we have to make that determination. Applicants proposed plan, we have to make that determination. Applicants ties to the community and the impact on their work in the area. Applicant’s assurance that efforts will be made to retain jobs and other potential sources of funding. The way he reads this is this loan for the $25,000 is almost a last resort loan. If they have the ability to have other borrowing, we have to make a determination as to why they are not using that program. So, your point is, and Mr. Carminucci’s point is, very, very good. It is a much more involved process that has to be documented. That is the key. Documented before we make these loans. Mr. Carminucci stated the other thing on the loan is that it is repayable within a year roughly when the COVID emergency is declared to be over. So, you can’t extend it beyond that period. Mr. Lewis stated he had a question of Mr. Toohey. Mr. Lewis questioned if the legislation defines what a distressed area is? Is it determined by the State or is it relative to within Saratoga County? He is guessing the legislation is silent on that, though he doesn’t know that. It may be that relative to all of Saratoga County, some areas are distressed as it pairs to you know Milton. Mr. Wintsch stated he had the same question. Mr. Toohey stated, and this is within the legislation, and section 3(c), an IDA shall give priority under the State Disaster Emergency Loan Program from applicants serving highly distressed areas as defined pursuant to subdivision 18 of section 854 of this Title. Again, this section does not really give him very much insight as to physically where that area is within Saratoga County, but it seems to be, and he can’t tell you whether or not it is a statewide standard, or a localized standard. Mr. Lewis stated yes, because obviously that will make a difference. He means if it is defined by the State, then it may only be Mechancville. If it is not defined and if in fact, we actually make our first grant at some point, that first one may help define what we can do and can’t do so that we are not in violation of things. Mr. Toohey stated the other key in this wording is it does not say located in a highly distressed area meaning that the business is located in a highly distressed area. It says serving highly distressed areas. As a result, a business in, based on his reading of this, could be located in downtown Saratoga Springs but whatever the business is and is uniquely serving a highly distressed area, that may give them priority for a loan. Mr. Lewis stated yes, he understands that. Mr. Carminucci stated to Mr. Lewis that there definitely is a definition. He cannot pull it up, but it is in the law. Mr. Lewis stated we really have to know that. Mr. Greene questioned Mr. Toohey if it stated preference. Mr. Carminucci responded stated it says priority. You can make loans to entities that are not in the highly distressed area. You are just supposed to give priority to that. Mr. Greene stated that is a little bit of elasticity in that language. Mr. Mooney questioned if this was priority for loans and grants both? Mr. Carminucci stated no, just loans. Mr. Greene stated we don’t need to even get there if we decide we are not interested in lending. Mr. Toohey stated right. Again, to answer Mr. Greene’s question, an IDA may make a loan to an eligible entity upon application from such entity through the State Disaster Fund. So, again we need to make that determination as to what that section says and it says that is to be a priority. So, it is not a mandate for priority, you can decide and choose between those two. Chairman Sutton stated he has a question. If the applicant is coming from Saratoga Springs, and the recipient is a distressed area in Mechanicville, that is out of our jurisdiction. Would that hold true? Mr. Toohey stated he believes our jurisdiction is the entire county. We have to coordinate with the other IDA’s that are within the County with regard to these loans. First, to make sure that they are not giving loans to themselves, because the total amount of any loan can be $25,000 and so we have to make sure which ones we are doing. Mr. Carminucci stated he represents both Mechanicville and Clifton Park IDA’s. Mechanicville isn’t doing anything; they don’t have a lot of resources. Clifton Park looked long and hard and decided to steer clear of that for now. They just rolled out a grant program. Chairman Sutton thanked Mr. Carminucci. Chairman Sutton asked if there were any further questions of Mr. Toohey or Mr. Carminucci? Mr. Wintsch stated he has a comment on Mr. Carminucci’s comment if you will. So, Mr. Carminucci mentioned that for the loans you have to determine the credit worthiness of the applicant and his question is A) who is going to determine that and B) what is the credit worthiness? He doesn’t know. Mr. Carminucci stated right, you are being asked to kind of function as a lender would to underwriting criteria. There is no information provided in the law in terms of what that means. So, it’s a discretionary determination. He can tell you that when Clifton Park was discussing the loans, one of the things they concluded is that they did not have the staffing to administer the loans and they would have to contract with some third party to deal with it that has experience in lending. The other thing on the loans that would talk you out of it is that you are responsible for trying to collect those. There is going to be a lot of activity at the back end as well with some of these businesses trying to get that money paid back and again you would probably have to engage somebody to deal with that as well. Mr. Mooney stated the thing he would like to point quickly is that PPP loans are still available through conventional resources, through the Bank, through the SBA. He thinks businesses would be much better off going through something like that and that is a forgiven rather than paying us back in a year regarding a loan. Mr. Toohey stated the answer to that question is one of the memos that he generated and I think Mr. Duffy gave to you, the first point he made on the thing, there is going to have to be a human being in charge because with everything that Mr. Carminucci just alluded to, we are now being charged with becoming a bank. So, it is us that has to determine what our standard is for creditworthiness, it is us that has to determine the level of negative impact. We have to analyze the proposed use for the funds, we need to have an analysis by some level and some standard of the applicant ties to the community, the applicant’s assurance that he/she/it or they will make efforts to retain jobs. So, this is all falling to the IDA and it’s staff. There is no standard that is granted given in the legislation. Mr. Wintsch stated just like you said, it is ultimately, it is the responsibility of the IDA and it cannot be shifted to a third party. You are right. Mr. Toohey stated that is correct, we can have somebody organize this thing for us, and he thinks what you would have to do is have somebody organize this thing. We don’t have full time staffing. He thinks this would require a significant amount of staffing time. But whatever the determination is, that is a determination that is made by the IDA and he doesn’t think it is necessarily made by a Committee of the IDA. It is made by the Agency itself in a public meeting so that there is something on the record that why we gave the XYZ Company a loan. He thinks in a much easier standard, why we would give the XYZ Company a grant. All of this is going to be fully analyzed by the ABO and that is what their standards are. Mr. Greene stated he is going to echo Mr. Mooney’s comment and that is there are PPP loans that are still out there. There is availability and there is plenty and those are forgiven if you follow through properly. Mr. Lewis wondered whether we shouldn’t make a decision or at least move to, but ever since he got the original information from Mr. Toohey and saw the amazing complexity of loans, he is against loans, period. For grants. And he wonders whether we shouldn’t move this to be the easier decision among the full Board, do we want to do a grant? Then, if in fact we do want to do a grant, that may be the time to talk about loans to the grant are going to be a lot easier. Chairman Sutton stated you are jumping ahead to my agenda because he wanted to put all the cards on the table because he wanted to listen to Mr. Many and see how much money we have available and he thinks Mr. Duffy has some information on how we could even get a third party involved. We will have that discussion for sure. Mr. Lewis agreed. Chairman Sutton asked if there were any further questions of Mr. Toohey or Mr. Carminucci on this? Mr. Mooney stated one quick thing. He believes Mr. Toohey just mentioned that grants would have to be approved by the full Board, is that correct? Mr. Toohey stated yes. What would happen is that the XYZ Company makes an application for a $10,000 grant and says this is what we are going to utilize the money for. It is as everybody said, an easier criterion, but at a public meeting we have to sit there and say we have an application from XYZ, they want to use $7,500 for protective equipment and shielding and whatever else that is and we are disposing of public money and in doing that, we have to do that in a public forum. Mr. Mooney stated one thing he is kind of missing and he thinks this protective gear is, you know, a company might need $500 and he thinks it is kind of a lot for the Board to approve a $500 grant for them to get masks and whatever else. Mr. Toohey stated let me make it much easier. If someone comes in with a request for a grant for $10.00, he believes we have to have that done in a public forum. The ABO is going is going to review these things significantly and all the things that Mr. Duffy just handed out with the Authorities Budget Office yesterday for the July 2020 report, their entire thing was criticizing IDA’s because they did not follow the rules and the key rule for them is public disclosure of how we are doing things. Mr. Carminucci stated for Clifton Park on Monday we are reviewing 20 applications for grants that have come in so far. Chairman Sutton questioned Mr. Carminucci if there were 20 applications? Mr. Carminucci stated yes, and that is just for Clifton Park. Chairman Sutton asked Mr. Carminucci how did they get that out to the public? Mr. Carminucci stated they put it on their website and it was also rolled down through the Town. Chairman Sutton stated he did see headlines in the newspaper for it, but he didn’t know what would be the other vehicle they used. Chairman Sutton asked if there were any further questions of Mr. Toohey and Mr. Carminucci? There were no further questions.

Chairman Sutton asked Mr. Many to discuss the financial side of this. Mr. Many stated just briefly where we have been so far this year, but through June we have not had a closing, so we actually are running a bit of a deficit of $45,000. And, he did want to point out that coming up here on our CD, the rate went from 2.25% down to .2%. We will have a similar CD maturing in October and that will probably go down to about that .2% as well. So, we are going to be losing about $15,000 of interest income and he based it on about $750,000 at 2%. That really won’t take full effect until next year, but it’s flowing through this year and will be fully in effect next year. There are just a couple of things on the finances in general. The last four or five years, we have two or three years where we have actually have had deficits for the full year. He did a little bit of a cash flow. He kind of projected a worst-case scenario of putting in enough to cover overhead basically for three years which is about $250,000. That might be overly conservative, but that is where dealt with my numbers for that. Just to kind of start from the top, our cash balance is roughly $3.4 million. It sounds like we are going to have closing with Luther Forest Technology on our parcel that we are under contract for. That outlay could be coming up fairly soon. He mentioned the overhead reserve. Then, to start with, he put in an amount for this grant/loan fund for $250,000 just to kind of fill in a piece of the puzzle so that we could see what we would have left after all of these are settled in and we would still have $1,000,000 left, but my lead schedule is the cash balance. So, there are funds available for this grant/loan request and disbursement. That is kind of where we are at. Mr. Many stated he would be happy to answer questions. Chairman Sutton stated what we asked Mr. Many to do was a three-year projection to see what our income and expenses might be. As he alluded to, we are concerned about this because for the past couple of years we have always had at least a couple of closings. We do have three on the books coming up for this year and later on in the agenda, Mr. Toohey and he will be talking about Luther Forest and we do feel as if that will be closing before the end of this year. Those will be funds that we will be expending this year. We wanted to get a snapshot of what we have the ability to offer in a loan/grant program to give you more information as to how we want to proceed as we go through. If anybody has any questions of Mr. Many, shout it out now please. Mr. Wintsch stated to Mr. Many that he appreciates everything you do, but his question is exactly, nearly as approximately as you can come up with, how much do we have available for the grant and loan program? For this program how much can we give to the public? Chairman Sutton stated to Mr. Wintsch that is for us to determine. He thinks that in Mr. Many’s analysis there is a comfortable balance of about $1,000,000. That is the purpose of this meeting really to sit down and determine how much do we want to commit to a grant which we know will not be repaid and/or loans which quite frankly, as that could turn into a grant if they don’t pay us back. So, how much can we encumber this current Board and any future Board’s because this is going to stretch out for a year after this crisis is over with. So, we are encumbering not only this current Board, but Board’s of future. He thinks it is incumbent upon us, this group right here, right now, is to determine how much money we are willing to put up for a grant/loan program. Only grant and/or loan or just drop it. That is why we’re are here today. Mr. Wintsch stated he sees that; he is just in a little bit of a hard spot because he doesn’t have a printer and he knows that the three-year projection that Mr. Many is referring to is on the email. He printed out the balance sheet for the previous year comparison, but he doesn’t have the three-year projection. Mr. Many stated he put a number there, but it really is a Board decision so the $250,000 is kind of a starting point. The way he looks at it is if at some point the Board wants to find that the program is working well and they want to do more of it, there are additional funds to put into that fund, but he didn’t want to start off with this is it. It is not for him to determine. Mr. Wintsch stated that is fine. Mr. Mooney questioned Mr. Many that he said several years out of the last five we have had a deficit. How many exactly. Mr. Many stated he can look it up, but as he recalls it is at least two. Mr. Lewis questioned Mr. Many about the cd’s. You said the new rate will be what? Mr. Many stated our interest rate is .2%, so 1/5 of 1% is the other way of looking at it. Mr. Lewis thanked Mr. Many. Mr. Many stated it is pretty negligible. Mr. Mooney stated so that interest income is going to be gone in the near future. Mr. Many stated yes, that will be about $15,000 per year. We still have another cd that is getting 2.50% but that is fading away in October. Chairman Sutton asked if there were any further questions of Mr. Many.

Chairman Sutton asked Mr. Duffy to discuss the information he gathered on the application process of a third-party administrator. Mr. Duffy stated to Mr. Toohey’s work that he did laying out how much manpower these programs may take is pretty significant. There are some third-party entities out there, the financial institutions, banks, other lenders, that would be willing to get involved, some have more clues than others. There is a group called Pursuit which Pat MacKrell is involved with. He did a webinar that many of you may have seen. He thinks Mr. Toohey saw it. He talked to him yesterday afternoon. He put a request in for a proposal or a summary of fees if you will to try to get our arms around it. They are actually going to implement this stuff at no charge and a standard $300 fee per applicant. That would be for a credit report for an individual or business owner. There may be other business reporting that they have to take a look at. Then there is administrative fees. In general, the way these guys look at credit worthiness, or risk assessment if you will, the objective of a small business that is making a request for a grant or a loan has to have a 625 minimum credit score. They’ve got to be in business at least two years. They’ve got to have 2 or more employees and know that this thing is capped out at 50. No judgement or tax liens within the last three years. A breakeven cash flow of a minimum for 2019 and an average monthly balance in a checking account for 2019 that is sufficient enough to service the debt. The thing with the loan, it is going to be a balloon payment if you will. A year and 60 days when they draw the line that this emergency is over, that payment is going to be due. It is not going to be in installments. He thinks to Mr. Mooney’s point that is the advantage of going PPP and there is plenty of money. As a matter of fact, they keep adding funds to that because not enough people are asking. They are marketing that. To have a third party come in and administer this, he thinks would be relatively low cost but it will have to be reviewed by the Board and whatever application you decide to use, and he has given everybody a copy of some applications that are out there. Mr. Carminucci has an application from Clifton Park that they developed that is a little bit different. He thinks you want to make sure you check all of the boxes on this financial stuff, the financial credit worthiness and things like that so that when you guys have to make decisions in a Board setting, and it may be 20, 30 or 40 applications that we have to make a motion on, that you are sure that everything is buttoned up in that institution or business or not-for-profits worthy to get these funds. He also thinks that to Mr. Carminucci’s point, the minute that this program goes live on our website and the minute that it is actually approved by the Board in a Board meeting, he doesn’t think you are going to have to worry about marketing this program because people are going to be banging the door down. If Clifton Park has 20 already that is a pretty good sense of what we might see. That is what he found out as far as third-party information. Any other questions anyone may have, he would be happy to answer them. Chairman Sutton questioned Mr. Duffy regarding the application that you sent out regarding the grant program is pretty simple correct? Mr. Duffy responded yes. If you have the invitation to today’s meeting you click on it and the application is right there. Mr. Greene stated but that is an application developed by somebody else, correct? Mr. Duffy stated right, that was. Mr. Greene stated he doesn’t read that as it consistently will, his interpretation, of the requirements for a grant. That is some other entity’s view about it. Mr. Duffy stated right. And Clifton Park has their own method here too and a lot of the stuff, a little bit of it is different and some of it is not included. They made their own decisions on how to handle it. Chairman Sutton asked if there were any other questions of Mr. Duffy at this point. Mr. Mooney stated no, but just quickly, are you thinking of using a third party for the grants as well or just if we decide to do the loans? Mr. Duffy stated to Mr. Mooney that he doesn’t think it is necessary. If the Board decides for a grant only here, he doesn’t think that is necessary. However, we will have to develop an application and have everybody look at it and accept it and decide whether or not we are covered with the answers that we are given with the application and we can move forward. We will still have to administer it. Mr. Mooney stated so the priority points credit worthiness to distressed areas. None of that stuff if required for the grants, only for loans? Mr. Duffy replied that you still have to make sure that it is a viable entity before the crisis and you still have to be bound by 50 or less either employees or not-for-profit personnel. Within the County of jurisdiction and give priority to distressed areas if that exists. He does think there is a Department of Housing mentioned that defines the line what is a distressed area and not a distressed area. He doesn’t know it off the top of his head but he does know he has seen it before. They may be using that as a measuring tool. Again, on the grant side, all you have to do is give it priority. If none of them come from those areas, you don’t even have to consider it, it’s not an issue. Mr. Wintsch stated he had a question for Mr. Carminucci regarding Clifton Park. The application for the grants in Clifton Park, who developed that application and where did that information come from and does it meet all of the needs? And, thirdly, can we just use that? Mr. Carminucci responded yes, he just sent that to Mr. Duffy. That was developed by all concerned just based upon the criteria that we had to meet in order to make a grant. The other thing is that highly distressed priority concept only applies to loans, it doesn’t apply to grants. Mr. Mooney replied it does not, great. Mr. Toohey stated that is correct, it is covered under legislation under a specific provision that only has to do with loans. So, the highly distressed is into the loan category. Mr. Duffy stated he is just sending out the Clifton Park instruction sheet for grants and their application to the Board right now so you will have it. Mr. Wintsch questioned why reinvent the wheel, can we just use that application that Clifton Park developed? Mr. Carminucci stated if you are comfortable with it. I gave input on it but it was the Chair who eventually crafted it so we have to look at it and make certain that it covers all of the bullet points that it needs to and that it otherwise works for you. Mr. Toohey stated and the Agency has to pass on it. Mr. Greene stated the one thing that jumped out that pays for me is that we’ve talked about this issue about reimbursement for these not-for-profits and small businesses for expenditures for PPE already and he would disagree based upon what he’s seen in the law about how Clifton Park developed it. They made a decision saying no on that but I would say we’ve discussed this and something our Board has to determine, but he would say if a not-for-profit or a small business, the diner down the road from any one of us, already spent the money because they had to, why should they be penalized because it may have taken us a couple of months to put the program together. Mr. Carminucci stated he doesn’t know why. We talked about that and he told them they could do that if that application for some reason doesn’t allow for that, they must have decided they didn’t want to have deal with it. He doesn’t know why. Mr. Mooney stated there is going to have to be some priority order that the money is given because if we get a tremendous amount of businesses that want to do it, whatever money we set aside might be gone pretty quickly. The original budget or concept that Mr. Many threw out there was $250,000 at $10,000, that is 25 businesses. That will go pretty quick. So there has to be some priority of how we would give that. In just in general. He is not overly in favor of this at all. Mr. Duffy stated one way we could stretch it out is to maybe cap it at $5,000. You make that decision as a Board and you could serve maybe 50 businesses. Again, these are all things you have to decide. Mr. Mooney stated the other concept might be to put a sunset on it of we are taking applications say for the next 30 days. Chairman Sutton stated let’s get into the discussion, and we are going to do this alphabetically so everybody can express their pros or cons of what we’ve talked about to date. Let’s start with Ms. DiDomenico, she is not here. Kevin Tollisen is not here. Let’s start with Mike Mooney. What are your thoughts? Mr. Mooney stated his thought is that we have to develop a method if we are going to do this. He doesn’t really think we should do it. He doesn’t think there is a tremendous outcry to do it. He doesn’t really think it is within our mission as well. Our mission is to create jobs, we are an IDA. So, giving grants or something like PP protective equipment is not great because there are a ton of other programs out there, there are tax credits out there. This is just one more thing that he doesn’t think is needed, however, if we advertise it, people will come to the door for free money, no question. Chairman Sutton asked Mr. Greene for discussion. Mr. Greene stated he is not going to disagree with Mike Mooney and what he just said that there are a number of other programs out there, but he has a different view on what our mission is now because the mission has been changed as a result of that legislation that was just adopted. So, it has been expanded temporarily for this specific purpose. He thinks as a Board we do have to address it and he believes that we should focus only on grants and again to follow up on Mr. Mooney’s and some other comments, if we are going to handle the grants, he thinks we should set some pretty tight criteria here about minimum amounts. Obviously, we know what the maximum amount is, but he doesn’t think we should be burdened with the $250 request. He thinks we should say if you spent “X” amount of money and you can prove it for this amount or you need this amount of money for a grant, we’ll entertain it. He thinks that it should be locked. Another thought is of the grant if we decide to work with the grants, he thought it was very interesting that that legislation focused on not-for-profits also. A lot of people would argue that those are the ones, along with the people in the hospitality industry or the small restaurants, they are the ones who have been hit hardest here. Their monies have dried up. They rely a lot of times on public monies, he’s talking about the not-for-profits, and maybe a particular focus should be given to those entities. That might be our mission. Again, that is just a discussion down the road after we decide whether we want to go with a grant or the loan or both or whatever. He would argue in favor of Mr. Many’s grants setting a kind of fairly narrow criteria to reduce the burden on the Board and be able to work these things through quickly. That is all he has to say. Chairman Sutton called on Mr. Lewis for discussion. Mr. Lewis stated he would also have to agree with Mike Mooney that this really isn’t what an IDA is for. But, as he’s told people at the sub-Committee, and he might have said this to the full Board, he is just sure as he could be that the State next year or shortly is in such financial bad shape to begin taking monies from IDA’s. Now, of course, he could be wrong. But that is what is motivating him. If in fact, that happens, then he would like to use the money. He was very much for the Luther Forest that looks like it’s happening. He thinks that is a wonderful use of money. He wants to keep the money in Saratoga County. So, he sees this as a legal opportunity. That said, the complication of a loan program seems just way beyond our scope and he is very much in favor of the grants and hope that we head down that path. But obviously he will do whatever the majority of the Board wants to do. It works for him. Chairman Sutton stated thank you Mr. Lewis. Chairman Sutton then called on Mr. Wintsch for comment. Mr. Wintsch stated obviously we are living in unprecedented times as anyone knows. He also thinks as Mr. Lewis said that the State of New York is in such bad shape, he thinks they are $13 billion dollars in the hole. They are going to take the money somehow. So, he would rather give it to the population at large and try to help them if he could. He is in favor of grants; he is not in favor of loans. He just doesn’t think we have the manpower and the resources to go chasing people around. He just doesn’t see it. Grants, yes, loans no. There is a lot of the mechanics that he hasn’t sorted out in his mind. By that he means, writing the application. He knows that Mr. Duffy just forwarded the Clifton Park one to us. Maybe that will work, he doesn’t know. The thing from Erie County that he got, maybe that will work. He doesn’t know. He will have to see. At some point we are going to have to get together and we are going to have to develop the mechanics. By that he means the applications and we are going to have to develop the criteria. There is a lot of moving pieces to this still he thinks. But, at the end of the day, he wants to try to help people the best we can and he doesn’t know if $250,000 is enough. He is not sure, I guess we’ll have to see. That is all he has really. Chairman Sutton stated his feeling and having talking to so many people over the past couple of months, he was very much in favor of the loan program because if it would help to retain jobs, this is one of things that the IDA is noted for, to create jobs and to preserve jobs. The last thing he wants to see is people go out of business and people losing their jobs. He was very much encouraged when the legislation came through that we could offer grants and loans. The more we delved into all of this and Mr. Duffy has put in a lot of time, Mr. Toohey has put in an enormous amount of time on this. He thinks the wisdom that we have right now is to offer monies that we do have available to us. We have monies that we have been able to earn over the years. He thinks it is time for us to give some it back. He is now more in favor of only issuing grants as opposed to the loans because of the cumbersome application process. Like everyone has said to us, a person that we are not a lending institution. We are not a bank. We don’t have the ability to underwrite. Offering grants, we could set up a Committee to develop an application. We have the ability. We have bright people on this Board that can vet this thing out and put together a comprehensive application on something that we think will help the community, the not-for-profit and for-profit community in Saratoga County. We know Saratoga County better than anybody else and he thinks we could offer some financial assistance as best we can but he would lean more towards the grant program at this point. If there is an overwhelming response and if there were inquiries about loans, then we could revisit that loan process down the road. This pandemic unfortunately is not going away anytime soon in light of what we have seen nationwide and if whatever we can do to help out locally, he thinks it is incumbent of our IDA to offer our assistance. That is where he is coming from. He is in more in favor of the grant program and he thinks now it is really a determination if he reads everybody correctly, the grant is the way to go and he thinks now we really have to decide if this in fact what the Board would like to approach and would like to explore, then we really have to put a dollar sign on this at this point. Chairman Sutton then asked for input on the amount of money to be used. Mr. Mooney stated if we could take just one step back quickly. Just to be clear, any grant has to be given and used for PPE only. Chairman Sutton correct. Mr. Toohey stated it purposely says for the purpose of acquiring, not that you have acquired, it says for acquiring personal protective equipment or installing fixtures necessary to prevent the spread of the virus. Mr. Greene stated again, that is our interpretation. If it has been acquired and we could debate that but he would say reimbursement would be included in that. You’ve acquired it and we have kicked that around and he thinks that is a question we are going to have to address. Mr. Wintsch stated he doesn’t know who sent this to him, but it’s the PPE grant application and right under the first heading it says please note the following: Cannot be used for PPE fixtures prior to the funding when accepted to the offer from the Saratoga County IDA if you will. Mr. Greene stated that is the Clifton Park’s, that is a different entity. Mr. Carminucci stated to Mr. Wintsch that what he thinks they intended there was that they didn’t want it reimbursing before the loan program was approved by the State maybe. He has to find out from the Chair what he was thinking when he did that because they had talked about doing reimbursement. He doesn’t know what that language was intended for. Mr. Mooney stated now Clifton Park is March 7th to present. Mr. Wintsch stated so if after March 7th they will cover it. Mr. Mooney stated right. Mr. Duffy stated that March 7th date is Clifton Park’s determination that is when the emergency started and they are asking for number of employees prior to March 7th. Mr. Mooney stated authorized Covid-19 protective fit-up expenses from 3/7/2020 to present. Mr. Carminucci stated they are looking to reimburse; they just don’t want to go beyond that date. Mr. Greene stated why would anybody have bought equipment before that date anyway. Chairman Sutton then asked for a discussion on the dollar amount to allocate. Mr. Mooney stated he would propose that we start out with Mr. Many’s number of $250,000. Mr. Lewis stated he agrees with that because we will see how many applications there are and then we could always change it. Mr. Greene stated he liked starting out with the $250,000. Mr. Wintsch stated he is ok with $250,000 as well. Chairman Sutton stated his thought is that after this meeting if anyone would like to volunteer to help Mr. Duffy write up the application to bring back to the Board, someone could either call him or volunteer at this meeting. If not, he would like to have a motion to proceed with the grant program with a maximum of $250,000, but it is going to be subject to an application that is written up by our current members. Mr. Toohey questioned Chairman Sutton is he wanted to state a minimum amount for the requests? We know the maximum but is there a minimal? Chairman Sutton stated he thinks you are right. He likes what Clifton Park did, they offered increments of a couple thousand, $5,000, with a maximum of $7,000. He kind of likes that idea. But, he thinks that once the application process or application is complete, then we can interject that if we want. He would rather have the committee come back to us and say ok we know that the maximum is going to be $10,000 but the minimum should be, just to do the paperwork, he doesn’t want to do paperwork for $500. When Mr. Duffy and Mr. Many and Mr. Valentine start to do the reports at the end of the year, it is going to be a nightmare for us and it is going to take more time than we ever thought it might be. Let’s try to make it as easy for these guys as possible. He thinks there should be a minimum of say $3,000 or $4,000 and that would be his thought. He certainly will work with whoever would like to volunteer to put this application together and we know the maximum will be $10,000. Mr. Mooney stated one quick thing here. Has anyone thought about the Downtown Business Association or the Chamber, whatever, getting $10,000 from us and administering that to the small restaurants and so forth that might need $500? Chairman Sutton stated we cannot do that. It has to go directly to the recipient. Mr. Toohey stated that the report we have to give at the end of the year says that we know point blank that this money was used for this purpose. So, we can’t have a third-party distributor on this. Mr. Mooney stated it is kind of too bad because he kind of agrees with something Mr. Greene said with the hospitality industry and those very small businesses, restaurants, being hurt the worst and $500 might help them. That is all. Chairman Sutton stated $2,000, $3,000, $4,000 that doesn’t go that far anyway and that would help out some of these small businesses. Mr. Mooney stated it is a grant. Mr. Wintsch stated it is free money. Chairman Sutton stated it is free money, they could buy sanitation devices, they can buy masks, they can buy any number of things that they might need to enhance and better themselves.

Chairman Sutton then asked for a motion to offer grants and to a maximum of $250,000 that would be allocated towards the program. Mr. Greene made a motion to approve the offering of grants as discussed. The motion was seconded by Mr. Lewis. As there was no further discussion, all were in favor and the motion was approved.

**RESOLUTION #1464**

RESOLVED, THAT the Saratoga County IDA accept the motion to approve the offering of grants with a funded amount of $250,000 and a maximum amount of $10,000 per grant as presented and asked that it be acted upon. The results of the roll call vote were as follows:

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

NOES: None

ADOPTED: 5-0

Chairman Sutton thanked the Board and stated we will be working on the application and as soon as we get a prototype of that we will send it out to everyone as soon as possible. Then we will talk about how we want to roll this out to our website and get to the general public as to what the program will be from the Saratoga County IDA. Thank you for your input on all of this. Chairman Sutton thanked Mr. Toohey and Mr. Carminucci for all of the research. Mr. Mooney stated one more thing, because we are working through this pretty quickly. He is in favor of doing whatever is prudent to get the application on the site and the process started so that at the next meeting we can see applications. He doesn’t know if we approve by email or we approve right now provided that it meets all of the statutory requirements, the application, something like that, he is in favor. Mr. Duffy asked if he could speak to that. Everybody has a copy of the Clifton Park application. They have also got a copy of the one that came from EDC. If you each one of you can give me two, three or four bullet points of either changes that you would make or something you would like to see, he will comingle those things and try to get to a complete consensus sooner than maybe would happen normally. Then he will share that with the Board and you can all sign off on it and we can get to where you are asking to go. Chairman Sutton asked if there was anything further on the grant/loan program as we close it out. Mr. Mooney stated can we approve that by email without doing it in the open meeting is all. Chairman Sutton stated he doesn’t think we can. Mr. Duffy stated we can work through it and have everybody’s approval and then at the next meeting we can adopt it and we could have a vote and it would be good to go. Mr. Mooney stated if we want to wait that long. If we are going to do it, we are nearing the end of this pandemic, hopefully we are, and he would like to get the applications, if we are going to do it to actually help people out on the street, as soon as possible by the next meeting so that we actually have applications. Mr. Lewis questioned Mr. Carminucci if it was legal for us in a motion now to authorize the Chairman that if it meets with his approval that counts as a vote or is that not legitimate. Mr. Carminucci stated he doesn’t think you need to formally approve the application at a meeting. He thinks you can authorize the Chair and staff to put one together and then he thinks you can just circulate it by email and then go from there as opposed to waiting for another meeting to approve the application. Mr. Lewis questioned if that needed an additional motion? Mr. Toohey stated the answer to that question is yes to that. The other part of this, and this is what Mr. Carminucci alluded to, that we get a form that everybody seems to agree on. It would be very effective to have within our record and possibly put on our website and affirmative approval of the application by the members of the Agency so that there is public documentation that this was reviewed by the Agency members, it was approved by the Agency’s members and is ultimately subject to the Chair’s approval. Chairman Sutton asked for a motion on the approval of an application to be drafted with input from all of the members of the Agency. It will be approved by the Chair and the final application will be submitted to the members of the Agency with a request that they either approve or disapprove with those details being kept with regard to the public record. Mr. Lewis moved to act upon the motion as stated and discussed. Mr. Mooney seconded the motion. Chairman Sutton asked if there was any further discussion. There was no further discussion. All were in favor and the motion was approved.

Chairman Sutton stated the last item on the agenda is an updated on the Luther Forest closing. Mr. Toohey sent him a memo from Theresa Skayne saying that most of the infrastructure is in and that we should start planning on putting our paperwork together for a possible closing hopefully in the next 60 days from now. What Mr. Toohey is suggesting, and he can talk about this briefly, is giving the Chair the authority to expend funds to do the due diligence that we are going to need so that the infrastructure meets the RFP that we get signed for the purchase of the 20 acres. Chairman Sutton then asked Mr. Toohey to discuss this. Mr. Toohey stated that they are in fact moving forward with regard to this sale. This whole thing started in 2017 or 2018, so it has been long time coming. What we are doing is acquiring 20 acres of land in the Luther Forest Park and part of that is with MRFA. They are extending infrastructure to the land that we are acquiring. He would suggest that in the interim we do the following: we hire CT Male to do a certified survey of the property to us. They already have the description, so it is not a lot of field work, it is merely doing the documentation. We hire an engineering firm. We had use the LA Group before to make sure that the MRFA work has been completed. We update the Title Policy. He has already ordered that. And, we authorize Chairman Sutton to sign whatever documentation is needed based on that information so as to complete this transaction. Mr. Lewis stated that is great news. Mr. Mooney stated it sounds good to him. The other thing too is transfer of any facilities that have to go to County Sewer and County Water. Mr. Toohey stated that is a good point. Thank you. Mr. Greene questioned if there was concerns with purchasing that property with the Luther Forest and the EDC. Are there any issues there we should be concerned about? Are there any concerns with purchasing? The only information and methods of communication from the Luther Forest Tech people and MRFA work. Are there any issues there if we purchase that property other than the survey? Mr. Toohey stated there are no problems so long as the infrastructure is put in place and we get somebody to tell us that it is constructed properly, we are on a public road so we would be acquiring 20 acres of land as we agreed to in the original contract. Mr. Mooney questioned if we already have title work on that? Mr. Toohey stated we have preliminary title work. He did the title work three years ago. So, he is asking the person who did that preliminary report to update it. So, a lot of this stuff is, we did a pretty thorough analysis when we first got into this deal. It has now been multiple years later so we are just upgrading stuff. Mr. Lewis stated again he thinks this is a wonderful opportunity. He is very pleased this is moving ahead. Chairman Sutton stated yes it has been a long time coming like Mr. Toohey said and so giving the opportunity to tidy up this whole contract would be a good promotional thing for the IDA. It is good use of our money. Thanks for your support. Mr. Carminucci stated he just wanted to mention to you since you are now going to be acquiring property for your own use, you are going to need to adopt a property disposition policy which he doesn’t think we have done because we never had the need to. It is something you are going to have to do and it is something you are going to want to get started on so that it is in place when you acquire the property. There are all sorts of rules in terms of how you dispose of property and the policy has to take those into account. Mr. Toohey questioned Mr. Carminucci if he had one of those. Mr. Carminucci stated he can get a model. Mr. Mooney stated the ABO has some guidance on that as well. Mr. Carminucci stated yes, they do, he thinks there is a model policy up on their website. If not, he can find one. Just so you know, he is not saying what you are doing doesn’t make sense, but if you go to dispose of property, it is not easy. It is doable but you have to go through a bunch of hoops to do that. Mr. Mooney questioned do we need an additional budget for the work that Mr. Toohey just spoke of or is that covered in the original amount that we set aside? Chairman Sutton stated he doesn’t know, he just knows what the contractual price was per acre, but he thinks we had money encumbered for the project but he doesn’t know off hand. He would have to check into that. Mr. Mooney stated if we don’t, we can up it later if we need to. Mr. Toohey stated but again what he was asking is for an authorization to undertake this work and Mr. Mooney you are correct there is going to be costs associated with survey, title and things like that. Mr. Mooney stated he would make a motion to allow Mr. Toohey to get the process started and expend money to CT Male, LA Group and Chicago Title to further that work. The motion was seconded by Mr. Wintsch. Chairman Sutton asked if there was any further discussion. There was no further discussion. All were in favor and the motion was approved.

**Other Business:**

Chairman Sutton asked if there was any further business to come before the Board. The Board members stated to the Chairman he has done a good job and thank you. Chairman Sutton thanked everyone for their input on this. Again, this loan/grant program has been a long time. A lot of people have done a lot of work on it but he thinks we have a clear direction as to where the Saratoga County IDA wants to go. Thank you so much for your time this morning. As there was no further business, Chairman Sutton asked for a motion to adjourn the meeting. 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