

SARATOGA COUNTY INDUSTRIAL DEVELOPMENT AGENCY MEETING

March 10, 2020 – 8:30 a.m.

County Planning Offices #5

50 West High Street, Ballston Spa

PRESENT: Members: Chairman Rod Sutton, Michael Mooney, Walter Wintsch, Tom Lewis, Kevin Tollisen, Patrick Greene.

STAFF & GUESTS: Scott Duffy, CEO; Jeff Many, CFO; Michael Valentine, Administrator; Michael J. Toohey, Counsel to the Agency; Dennis Brobston, SEDC; Tori Riley; SEDC; Michelle Battle, Saratoga Prosperity Partnership; and Lori Eddy.

ABSENT: Andrea DiDomenico.

Chairman Sutton called the meeting to order at 8:30.

Approval of Meeting Minutes: February 18, 2020:

Chairman Sutton stated the first agenda item is the approval of the meeting minutes of February 18, 2020. Chairman Sutton asked if there were any additions or changes to the meeting minutes and seeing none, asked for a motion to approve them. Mr. Lewis made a motion to approve the minutes of February 18, 2020. The motion was seconded by Mr. Mooney. As there was no further discussion, all were in favor and the minutes were approved.

Application Status/Update for Public Hearing in April: Core Tech Industrial Corp:

Chairman Sutton stated the first agenda item is the application status for Core Tech Industrial Corp. After the last meeting, we were supposed to have some new numbers and are they forthcoming? Mr. Brobston stated they are not going to be answered for at least the next couple of days. We will be back to you in April for this. Chairman Sutton questioned for a May public hearing then? Mr. Brobston stated he just has not been able to get the facts that he needed. Chairman Sutton asked Mr. Brobston if he knew if there were any significant changes from the initial? Mr. Brobston stated it doesn't sound like they are significant; he just doesn't have the corresponding things. Ms. Riley stated March 12th was the quickest he could have accurate numbers for the application and unfortunately, we just didn't meet the timelines. Chairman Sutton stated it doesn't help us out and if we can get the numbers down on a timely basis for our Board to kind of look at so that we have those questions for Core Tech. Mr. Brobston stated we will go ahead and get another updated version out and send it to everyone. Chairman Sutton stated so we are looking at a May public hearing. Mr. Brobston stated yes. Mr. Valentine questioned if Core Tech understood this? It did not seem like it last night. Ms. Riley stated he understands it. Chairman Sutton stated he did get that email last night and he was a little bit surprised. It is only fair to our Board that we have enough time to kind of look at those numbers. Chairman Sutton thanked Mr. Brobston and Ms. Riley.

CEO Report:

A) 2019 Year End Surveys to Companies:

Chairman Sutton asked Mr. Duffy to discuss this agenda item. Mr. Duffy stated regarding the surveys, most everything is in. The only outstanding thing we are waiting for is the Malta Ambulance. Mr. Valentine stated Malta Ambulance is the only of the not-for-profits that we have bond financing for. We have to receive the year-end survey. Mr. Many stated that also affects the completion of our audited financial statements as well. That is the only thing left to wrap up our audit. Mr. Duffy stated Danforth is in the mail. Mr. Valentine stated the email we got stated it is in the mail. Mr. Duffy stated we are getting close, so we will be able to start our PARIS reporting and all that. Our annual report, investment report, procurement report and all of that related stuff is the work he does with Mr. Many. Chairman Sutton questioned what is the filing date on that? Mr. Duffy stated the end of the month, March 31st. Chairman Sutton questioned are they able to meet that deadline? Mr. Duffy stated yes, we should. Mr. Duffy then continued that the PILOT distributions and so forth, he will let Mr. Valentine speak to that. Mr. Valentine stated the chart that you received in your email and your mailing shows the companies that were billed as far as our PILOT's. He will just take a couple of minutes to go down through them. He listed them by municipality alphabetically to help organize things. Core Tech at the top. Again, Core Tech, this is their first project, not the one that they are considering now nor the one that we saw two years ago. The Town of Ballston is the only one of the Towns that we have in the County right now that we have as a project where there are no Town taxes. Wilton is the other Town that has no Town tax but we no longer have any active projects in Wilton except for Ace Hardware. The very last one listed. Ace Hardware, for the first five years, there is no tax on the improved value of the property which is the addition. Then we've got a number of different projects in the Towns, the Town of Halfmoon, and as Mr. Duffy eluded to, Danforth is the only one you can see is highlighted in yellow where that payment has not come in yet. He should note that our bills went out on January 30th, or that is the date of those, so payment would have been March 1st. Malta, it's odd, and he always has to call the Assessor every year when we do School PILOT bills and local PILOT bills. If you look in the column in the middle where it says Town and City portion, you will see the three projects in the Town of Malta and they were sent their payments for a total \$15.98 for Town tax in Malta. Malta has set up their tax structure so that they funnel their revenues over to their County Tax bill. There is not much of a Town tax with them. Then you come to a new one, Karmer Properties is the one in Northumberland which was Stonebridge and that is in its third year. It is the only one we have for Northumberland. Saratoga Springs, we have five projects and they came to a total of \$23,000 which we brought to the finance department yesterday. UPH has no tax on it the project during the term of its ten-year PILOT. Then we come to the last one for Saratoga Springs which is an SKS project which is Twinbrook, the water bottle project out towards Grande Industrial Park on Geyser Road. Land Developments, he only has one in Waterford and that is in its third year. You see down below the distributions. The stuff on the bottom is sort of meaningless or would be for you to look at because it deals with when did he make a deposit, when did he get that letter drafted, when did he send the payment, that is for his own use for the most part. Those are the project up above that we have. With our School PILOTs coming in September, we will be adding on three projects that closed in 2019. They will be added to the list. There is nobody here that is dropping off our list that we would need reconveyance in March. Mr. Valentine asked if anyone had any questions on those? Chairman Sutton thanked Mr. Valentine. Mr. Duffy then continued that the Conflict of Interest and the Directors Evaluation. There is a staff component on that too so he and Mr. Valentine, Mr. Many and Mr. Toohey, we have to sign them and he's got copies so before we leave today, we will sign them. That will take care of that. Mr. Valentine stated he did relay this to Mr. Tollisen's secretary, he is only in a position on two

of the forms that we have. He can sign the Conflict of Interest. There is not much at this point that he can put on the Board Evaluation. Mr. Duffy stated that makes sense. At the last meeting, we talked about our fee for this Board and he did some research and looked around. Warren and Washington Counties were \$500. Schenectady County was \$1,000. Mechanicville was \$500. Albany County was \$1,500. Fulton County was \$1,000 and a bunch of others. The average was \$1,000 so his recommendation is \$1,000. We are at \$250 now. That goes to speak about we discussed last meeting as far as essential revenue for Counsel payments and things like that. That is his recommendation and the Board can do whatever they would like to do with that. Mr. Mooney stated it sounds reasonable to him. Mr. Wintsch stated well it is in line with the other Counties essentially. Mr. Duffy stated there are some smaller Counties than us that are more expensive by a longshot so he thinks that brings us up to where we should be. Mr. Mooney stated yes, it protects us from applications that don't fully go through the process. The Board members agreed.

Chairman Sutton asked for a motion to accept the change in the application fee from \$250 to \$1,000 as discussed. A motion to approve the change in the application fee from \$250 to \$1,000 effective for any application that comes in as of April 1st, 2020 was made by Mr. Mooney. The motion was seconded by Mr. Greene. Chairman Sutton asked if there was any further discussion. There being no further discussion, all were in favor and the approval of the change in IDA application fee from \$250 to \$1,000 effective for any application that comes in as of April 1st, 2020 as discussed was approved.

RESOLUTION #1459

RESOLVED, THAT the Saratoga County IDA agrees to accept the change in the application fee from \$250 to \$1,000 effective for any application that comes in as of April 1st, 2020 as discussed.

The results of the roll call vote were as follows:

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

NOES: None.

ADOPTED: 6-0

Mr. Duffy then stated the next item on the agenda item regarding the subject Mr. Green brought up about a discussion for a discussion about the Center for Economic Growth and the membership fee there in light of what was discussed at the last meeting. We can discuss that now or discuss it in Other Business. Chairman Sutton stated we will hold off. Mr. Duffy stated that was it for him then.

CFO Report:

Chairman Sutton asked Mr. Many to discuss the CFO Report. Mr. Many stated for our report for February it is pretty straightforward. All of the accounts were reconciled. There are no significant payables other than we did exercise or sign the contract with Camoin Associates to do the rail spur study in the Town of Moreau so that is in our payables. On the profit and loss, temporarily he included the PILOT payments that we have collected that had not paid out by the end of February as a liability but that will zero out once the Town and County PILOT payments are all received and all paid out. So that will be a zero very soon actually. We received a public hearing transcript but we will have a bill that will coincide with that. Payables, Camoin Associates is now on our list of payables and the study has started. That is pretty much it. It is a pretty quiet couple of months here on the financial side. He also handed out the draft audited financial statements. They are from his year-end report in December. We have a clean opinion. The

only thing we are waiting on is to receive the information from Malta Ambulance regarding the bond balances. As always, they always ask me about the rail spur and evaluation of that. It is pretty straightforward with the Audit but we haven't completed it yet because of Malta Ambulance. With that nailed down and we will be able to complete our PARIS reporting as well. Mr. Mooney questioned if that was going to hold up the PARIS report if we don't accept this audit. Mr. Duffy stated it didn't last year. We finally got the information from them last year and it did not hold it up. Mr. Many questioned if the Board wanted to approve the financials assuming that the only item life is that and we will get the activity from their bonds. Chairman Sutton questioned if they gave any reason why they are not responding. Mr. Valentine stated they never do. They never submit. It is a private not-for-profit ambulance and they have their bonding and each year they change officers, so there are no contacts. He sent them another one in the mail and he drove over to their ambulance squad and put one in their outside mailbox and added a note that the next phone call he makes will be to the bond holder. Mr. Mooney stated he thinks we should accept it as is. Mr. Many stated this will end in 2023. The beginning balance of the year was \$690,000 left, so it is coming to an end. Chairman Sutton questioned Mr. Many if he would plug in those numbers. Mr. Many stated yes. He would send out a note to everybody that this is the information so to close the loop.

Chairman Sutton asked for a motion to accept the year-end financials. A motion to accept the December 31, 2019 audited financials as presented was made by Mr. Mooney. The motion was seconded by Mr. Lewis. Chairman Sutton asked if there was any further discussion. There being no further discussion, all were in favor and the approval of the motion to accept the year-end financials as presented was approved.

RESOLUTION #1460

RESOLVED, THAT the Saratoga County IDA agrees to accept the year-end financials as presented was approved. All members voted in favor.

Mr. Many stated he is also reporting on Lemery, Greisler invoices. The only question there is to check with Mr. Carminucci if there any more invoices for projects that did not go through last year. It is not a big deal. He will follow-up with him to see if there is anything else. That concludes his report. Chairman Sutton asked if there were any questions of Mr. Many. Chairman Sutton thanked Mr. Many.

Project Updates: - Activity, Applications, Pending Projects:

A) SEDC

- 1) Camoin Study on IDA Re-use of Rail to MIP**
- 2) Meeting with AGFTC**

Chairman Sutton asked Mr. Brobston to discuss the next agenda items. Mr. Brobston stated we have a couple of projects as he mentioned today, we will be bringing before the sub-committee. We also have a large retention of a project that we've been working on for quite a few months and hopefully will be brought to this agency in April. That is a project that he would rather not speak of the name. But we are very positive of how that is going forward and we believe to see that very soon. The other things that we are continuing to receive are we have another lead for a rail spur, the issues that these people have with regard to rail spurs is daily which even limits it even more to the Grande Industrial Park to existing spurs that exist or are in place. We have folks that if we can get some spurs along the line down in Capital along with CP rail line. We are also working on that. Other than that, the phone keeps ringing and there are still projects out there. Warehouses are heating up again. That time of year. If you noticed in the

paper today, Amazon is talking about the one out in Amsterdam at 27. That site is from Wood Stanley, a company out of a Connecticut/Massachusetts developer. We've seen them before and they are looking at a lot of different things as well as some of the other ones that we've worked with in the past. Chairman Sutton questioned if they are looking at Saratoga County? Mr. Brobston stated Wood Stanley is not but other ones are, yes. We've got a couple of projects that we've already had discussions with, we are waiting for them to give us specs and so forth. Chairman Sutton asked Mr. Brobston if he had any sense how big that Amazon project is in terms of jobs? Mr. Brobston stated it is just like the one in Rensselaer, it is a local delivery piece. Mr. Duffy questioned if it was last mile? Mr. Brobston replied no, not the last mile but there are two ways of looking at it. The last mile and local delivery. Local delivery is within so many miles and the last mile is that one that you have the van pick up stuff and things of that nature. So, it is a step above that. Amazon is still working through those things. We know that there are two large Amazon projects, one in Buffalo and one in Syracuse. It is quite a large distribution center, that is an unusual in a distribution center. So, it is also packaging and other things as well. There is a ton of building code variances needed for those buildings. They have to up their fire protection and things of that nature to be able to get them passed and they are going through that process right now and seeing how that works in the State of New York. We don't expect to see one of that size in this area, in our immediate region, just because we are on the periphery, there could be one in the Hudson Valley and Syracuse would probably be the closest. Probably the population will work well for that. Things do change however. Chairman Sutton stated this past month we did sign the contract with Camoin to do the study on the rail spur and Mr. Many alluded to that in his report, it was \$14,800 or so dollars and you do have a conference call coming up on Friday. Ms. Riley stated in the interim Michael and she have met with AGFT so we kind of pieced together where the last CHA study left off in 2007 complemented by what Camoin will provide in the economic piece of their living report. She has reached out to Ray Hessinger at DOT for some guidance as far as is there any updating on the CHA as far as engineering and cost and those things he would like to see as we just define this roll for the DOT sector and that is determining if the crossing at 197 is going to be something they can work through or an absolute hurdle and kind of get ahead of it. He is looking at that. Aaron said based on Ray's feedback he would be willing to work through his agency to consider a committee to use some of that CHA retainer they have currently to update that so we can kind of us both Camoin and that update to provide a real solid look at what that means to bring it back to post complication. She will keep the Board updated as we progress. It is very inclusive. Again, we are fact minding and meeting with the Village Mayor tomorrow at 2 p.m. just to bring him up to speed on things and see what his feeling is as far as looking in that spur that goes up to Essity. Right now, we are focusing on the Moreau Industrial Park south. But we thought we will just reach out and see what his thoughts are to see if it is something he wants to include and he can certainly loop that in on phase two. Chairman Sutton questioned Ms. Riley if Supervisor Kusnierz was helping out with that. Ms. Riley stated yes. Chairman Sutton questioned if the timetable for Camoin is still about the three-month time. Ms. Riley stated we are trying to shave some time off on that, so she thinks the meeting keeping all of the agencies involved with expectations and what they are going to need, along with the Camoin team, she thinks will help us. We will get that taken care of. Chairman Sutton asked if there were any questions. Chairman Sutton thanked Ms. Riley. Mr. Toohey stated one of the things you ought to talk to, whoever you are talking to about, is the reception that the re-institution of a rail system will have with neighbors in proximity to that rail. That had been vacant for so long, I bet none of the people who reside in close proximity have any knowledge that there really was a train track there, that was an active train track. That is going to have a bit input. We ought to get ahead of that too. Mr. Brobston stated we met a Town Board member who actually backs up to the rail, Gina LeClaire. We had a very good conversation. She tends to agree with that that there are people who don't remember what is what. That is the beauty of the discontinued use instead of abandoned, which they have certain

rights for process. She was very forthcoming with her concerns and others. The other thing is, people, when they think of a rail line, they don't understand that it is not daily. It is not probably going to be daily at this point. And it is not going to go above five to ten miles an hour because it is a spur. And when you start having these conversations you could hear what their fears are naturally. Gina can actually remember the last time the rail line ran to Chase Bag and it was probably sometime in the early 70's. She can actually remember that. Ms. Riley stated and to that very point that is why we really ask people, we did that. Moreau south, there are neighbors backing up, that made perfect sense to look at this with the other spur going north. That is a whole different demographic and density she thinks as we look up to Essity. So, it may be something they want to see what the price is if a company every came to them, any company within the Village and said I really need rail to stay here. At least here, he would have that information. But he may say, no the end doesn't justify the means for us. Mr. Lewis stated just to jump on that subject a little bit is the only way, the best way, to approach the neighbors is reach out to them early and give them all the reasons why it is not so negative. Mr. Brobston stated Supervisor Kusnierz has been very forthcoming. We've spoken to a majority of the Board members and getting their feedback and what their questions have been. It is very positive. There was an article in the paper from this meeting. The Post Star is asking questions as well. At this point, the information is getting out there. Ms. Riley and we taken care that this is simply a step, this is simply to obtain information. Mr. Toohey stated but Mr. Lewis' point is correct. If you don't get out in front of this thing, it becomes a Saratoga Hospital medical office building thing and you have an entire quadrant of the community who are gaining information that may not be correct information and there is no response to that. He lives these situations and it can get out of hand fast. Mr. Greene stated that is the responsibility of the Town Board. Mr. Toohey stated no it is not ours. Mr. Greene stated they know that; they spoke to us about that at the committee meeting and they would address that right up front. Chairman Sutton stated we did receive a Resolution from the Town that was unanimous that the study was being done so it is in the public light right now. Chairman Sutton asked Mr. Brobston if he had anything else. Chairman Sutton thanked Mr. Brobston.

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

Chairman Sutton stated the next agenda item is the status of projects, assignments, terminations, upcoming closings and reconveyances. Mr. Valentine stated as he mentioned at the last meeting and as he just mentioned as he went over the PILOTs, we don't have any projects terminating as far as their PILOT abatement period. We have no reconveyances. The only thing is we have the projects for 2019, we had three that closed in 2019 being Airosmith, MGrove and SMP Group in Waterford. We have two Saratoga Springs projects and one in Waterford. The rest of these items underneath here follow coming out of those closings, they are just things we have to do here. The closing letters we already have out except MGrove didn't get their second closing letter. Sales tax reporting reminder, each company is required at the end of February to submit to Tax and Finance a form called ST340 and in that form they tell the sales tax exemptions on construction during that year. It is not a habit of ours to send out reminders to them in the course of a year and in the closing letters, they get that. What he was waiting was after we go through March was to see what correspondence we get copied on from Tax and Finance to see who has not submitted that ST340 yet and then just give a reminder to those companies. Their construction completion report, he has received one from MGrove and the other two he will send a notice out to them. It was in their last letter on their sales tax so that is just something to follow-up. It includes who did you employ, what firms, where are they located from, what did you purchase, that kind of stuff. Then that just brings us back to Mr. Duffy and he visiting sites and making arrangements on those visits. That is all he has. Chairman Sutton thanked Mr. Valentine.

Other Business:

Chairman Sutton asked if there was any further business to come before the Board. Mr. Duffy stated yes, he has just a couple of things. He does have a hard copy of the report from Global Foundries if anybody needs it and if anyone would like to talk about it. He wants to follow-up on the request for the jobs, reality versus forecasted versus real. That will come out of our PARIS reporting and the Board will get a copy of that in spreadsheet form from Mr. Valentine he's sure. The only other thing was we did get a Foil request a couple of weeks ago asking the IDA to provide any information on projects with Renewable Energy and so forth which we don't have so we responded with kind legally to answer the Foil request. But other than that, that is it. Mr. Valentine stated in front of you everybody has a sheet he did with just an update to those projects that we have, or active projects that we had, that came out of additions, an addition to the existing facility. In other words, is it the first time that they came to us as an addition or they came to us as a project with one generation and then had an addition added to that and it was another PILOT. That is there just for background information updated and then also, the same thing with the Certificates of Insurance. It is just to show you that we are current and up-to-date and that gives you a look at March and April as far as what will come and they have to submit their insurance request.

Chairman Sutton stated the next meeting will be scheduled for April 14th 8:30 a.m. He will be out of town that day. If we get the information on a timely basis for a public hearing, we need to know that sooner than later so that we send out the proper notifications. If agreeable, does the 21st work for everyone? The Board agreed that the 21st would work for all members. Chairman Sutton continued that the meeting would be held on April 21st and if we get the information on a timely basis then we will have a public hearing in the Town of Ballston. Mr. Brobston stated that their expectation is that this will be a May meeting. Mr. Valentine stated the April 21st meeting would be to accept that application for a May public hearing. Chairman Sutton stated the next meeting will be April 21st at the County Office Building. Chairman Sutton asked if there was any further business to discuss. 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. Greene, seconded by Mr. Mooney, with all voting in favor.

Respectfully submitted,

Lori A. Eddy