

## SARATOGA COUNTY INDUSTRIAL DEVELOPMENT AGENCY MEETING

December 7, 2021 – 8:30 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 [December 7, 2021](#) 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: \(646\)-558-8656 and entering Access Code 380101#](#). Pre-meeting comments may also be submitted to the Agency in writing or electronically ([mvalentine@saratogacountyny.gov](mailto: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, Walt Wintsch, Tom Lewis, Phil Klein, Mike Mooney, Kevin Tollisen.

**STAFF & GUESTS:** Scott Duffy, CEO; Jeff Many, CFO; Michael Valentine, Administrator; James Carminucci, Counsel to the Agency; Dennis Brobston, SEDC; Mike Arnoff, Tivoli Properties, LLC; Craig Arnoff, Tivoli Properties, LLC; and Lori Eddy.

**ABSENT:** Andrea DiDomenico.

Chairman Sutton called the meeting to order at 8:40 a.m.

### **Approval of meeting minutes: November 16, 2021:**

Chairman Sutton stated the first item on the agenda is the approval of the minutes of the November 16, 2021 meeting. Chairman Sutton asked if there were any additions or changes to the minutes of November 16, 2021. Tom Lewis made a motion to approve the minutes of November 16, 2021 as presented. The motion was seconded by Mr. Klein. As there was no further discussion, all were in favor and the minutes were approved.

### **Application: Tivoli Properties, LLC/Arnoff Moving & Storage of Albany, Inc.:**

Chairman Sutton stated the first agenda item is the application for Tivoli Properties, LLC/Arnoff Moving & Storage of Albany, Inc. As we have discussed in previous meetings, Arnoff would like to add to their campus a 120,000 square foot building. The total obligation and cost contracted would be in the vicinity of \$15,000,000. Jobs creation, and this just rounds out the campus that they've built in the past couple of years. Chairman Sutton asked Mr. Brobston to elaborate on the application. Mr. Brobston stated the Arnoff's would like to build a 120,000 square foot facility which is a continuation of the development of their existing campus on the 39-acre site in Malta. They've done two projects with us previous to this.

They want to continue to build a world-class operation and location for companies that need their type of support that require logistic services that they have. They also, through this process, would be bringing companies here taking projects on that are now in other places, not only in the Country but in the State. That would mean that the jobs that would be created here in Saratoga County. The project has gotten its approvals through the Town. The only permit that they would need would be a building permit at this point. The building is 120,000 square feet. The total cost of the project of the building and the soft costs is \$12.1 million dollars. The creation of jobs, being very important to the IDA, at the time of the application, 124 jobs existing in Malta. They would commit to 12 in the first years, another 15 in the second year and another 15 in the third year for a total of 42 complete in that. He did include a site plan in the application. It's the large of the two blue buildings on it just to make sure everybody knows which site and which building we are talking about. It is the larger of the two as you can see there. The project is requesting what we always call our 5 and 5, a 10-year commercial service PILOT. The first five years being no taxes being paid upon the improvement of the building and then in year 6 50% of the assessed value, going on tax rolls and then 10% each year after that until year eleven which would then be 100%. The estimated assessment of the facility would be \$8.4 million dollars. We have had direct discussions with the Town Assessor on that number to confirm that. We have also talked to the Town Supervisor about the project to make sure this is something that they would like to see and he was very positive on that. The sales tax request is a little over \$500,000, \$504,000 exemption. The mortgage recording tax is an exemption of \$40,838.00. The reason the number is that size is this is a 504 project and the mortgage tax benefit will only apply to the 50% of that program that is done by a bank. The SBA does not charge the mortgage recording tax on their portion of it. The total benefits on real property, tax abatement over the 10 years would be \$1,049,035.00. The total savings \$1,593,872.50. Bottom line savings after costs to the IDA, \$1.49 million. He would at this time look to Mike Arnoff or Craig Arnoff to add any particular comments. One last comment he would like to say is the percentage of project cost financed through the public sector is on page 20 of our application. That number is 13.17%. Our projects have gone, over the few years we have had this in our application, from 10% to 20%. So, this is on the mid-range of percent for the cost of project against the incentive being requested.

Mr. Mike Arnoff addressed the Board and thanked them for their time today. He stated they very much appreciate you putting this meeting together for us. We tested the waters over the last month with some marketing of the space and he will tell you to their client base they have had a very, very high interest level as things as things in the semi-conductor market is evolving with hopefully what the President will sign into order over the next month or so and in other markets that we have that we focus on, whether it be automobile or consumer based motorized products that we work very closely with manufacturers. So, we've had a lot of interest. As we said in the last meeting, we are working very closely with a Fortune 500 Company that has their warehouse based in Tampa, Florida and it has a great deal of interest to mover it to Malta to our new building. He really doesn't have much more than that to say, other than we are very excited about this advanced project. It goes along with our long-range plan that we had when we first stepped foot, or shortly after Mr. Brobston first brought us to this 39-acre site in Malta and it is exciting for our family to see the plan come to fruition. Mr. Craig Arnoff stated he just had one thing that he knows was touched on in the sub-committee meeting. He just wanted to make sure it was highlighted. Arnoff, as a Company, through our self-storage service, is a sales tax generator. We've seen an increased storage business over our time in Malta. Obviously, building a 120,000 square foot building, that is what we want to do, we want to bring more storage services to Saratoga County and the Town of Malta all of which would hopefully be taxable. We've generated, on a growing and well over \$50,000 in sales tax revenue from those storage services just in our buildings we currently have on site and services we currently provide and we are hoping to continue to grow that number. We have seen it grow year over

year to north of \$50,000 like he said. And, obviously that is an add back to the community as part of the incentive for building this warehouse. Chairman Sutton thanked Mr. Craig Arnoff. Chairman Sutton questioned both if they would elaborate a little bit more about your presentation to the land use Boards and reception that you received from them. Mr. Mike Arnoff replied certainly. Do you mean the Planning Board and the municipal Board? Chairman Sutton stated the Planning Board. Mr. Mike Arnoff stated we received from the Planning Board a very, very positive response. We got through two meetings and we probably could have gotten it through one meeting, although we have seven private residences that border a portion of our southern border and there were some concerns from a number of the Board members on how we were going to handle building a barrier, a natural barrier between the property and we've come up with quite an interesting landscape plan to do that. So, we ended up in a second meeting. However, we got a unanimous response, great response. He thinks, and maybe he is bragging a little bit, but we've proven to them in the two projects that we've done, the two phases, three phases that we've done so far that we do what we say we are going to do and when we came in front of them, we were already a known entity and a lot of confidence on their part that we will meet the municipal requirements to get the job done and do it under their auspices and follow the rules. Chairman Sutton thanked Mr. Arnoff.

Chairman Sutton asked if any of the Board members had any questions for Mr. Mike Arnoff or his son Craig? None of the Board members had any questions at this time. Chairman Sutton stated again the project came before us, this is the third time the Arnoff's have come and he was a little bit skeptical in the beginning, but as the project evolved it serves as purpose and would like to see the project stay in Malta as opposed to going to another geographic location that does not apply financial revenues to us. So, it kind of changed his mind over the periods of discussion that we've had with Mike and Craig and certainly Dennis.

Chairman Sutton then asked for a motion to approve the application for Tivoli Properties, LLC/Arnoff Moving & Storage of Albany, Inc. and to set a public hearing for December 21, 2021 in the Town of Malta. Mr. Mooney made a motion to approve the application and move it to a public hearing. The motion was seconded by Mr. Wintsch. Chairman Sutton asked if there was any further discussion. There was no further discussion.

### **RESOLUTION #1501**

RESOLVED, THAT the Saratoga County IDA accept the motion to approve the application for Tivoli Properties, LLC/Arnoff Moving & Storage of Albany, Inc. as presented and discussed be acted upon. The results of the roll call vote were as follows:

AYES: Mr. Klein, Mr. Tollisen, Mr. Lewis, Mr. Wintsch, Mr. Mooney and Chairman Sutton.

NOES: None

ADOPTED: 6-0

Chairman Sutton stated we will set up a public hearing for December 21, 2021 in the Town of Malta. We did discuss this previously before the meeting started. We will have the option of either meeting in person and/or in Zoom if people are uncomfortable meeting in a public forum. Chairman Sutton stated to Mr. Mike Arnoff and Mr. Craig Arnoff we will see you on the 21<sup>st</sup>. Mr. Brobston will have the notifications and Mr. Carminucci and Mr. Duffy will have the notifications sent out so that we can meet the criteria for the public hearing. Chairman Sutton asked if there were any questions from anyone? Mr.

Valentine questioned if SEQR information could be obtained as far as minutes, Resolution, could be emailed to him. Mr. Brobston questioned SEQR? Mr. Valentine responded yes. Thank you. Mr. Brobston stated he would take care of that. Mr. Mike Arnoff thanked the Board.

**CEO Report:**

Chairman Sutton stated the next agenda item is the CEO Report. We are going to do this in the December 21<sup>st</sup> meeting. Mr. Duffy replied that is correct.

**CFO Report:**

Chairman Sutton stated the next agenda item is the CFO Report. Chairman Sutton stated we are also going to cover this agenda item in the December 21<sup>st</sup> meeting. Mr. Many replied correct.

**Agency Counsel: Final Resolution: The Summit at Halfmoon:**

Chairman Sutton stated we have a final resolution for The Summit at Halfmoon. This was kind of put together quickly so that they can meet the criteria that they need to get this signed into motion before the first of the year, is that right Mr. Carminucci? Mr. Carminucci stated there is some apprehension about the prevailing wage provision that is supposedly coming into effect January 1. Everybody is nervous so they did want to try to close before the end of the year. This Resolution just authorizes the execution of the documents necessary to close. Financing would take place down the road, probably in the Spring.

Chairman Sutton then asked for a motion to accept the final Resolution for The Summit at Halfmoon as stated by Mr. Carminucci. Mr. Mooney made a motion to approve the Resolution. The motion was seconded by Mr. Klein. Chairman Sutton asked if there was any further discussion. There was no further discussion.

**RESOLUTION #1502**

RESOLVED, THAT the Saratoga County IDA accept the motion to approve the final Resolution for The Summit at Halfmoon as presented and discussed be acted upon. The results of the roll call vote were as follows:

AYES: Mr. Klein, Mr. Tollisen, Mr. Lewis, Mr. Wintsch, Mr. Mooney and Chairman Sutton.

NOES: None

ADOPTED: 6-0

**Administrator Report:**

Chairman Sutton asked Mr. Valentine if he was holding off on his report for the December 21<sup>st</sup> meeting as well? Mr. Valentine stated yes, he just has a brief discussion on year-end stuff that he and Mr. Duffy and Mr. Many are doing.

Chairman Sutton asked if there was any further business to come before the Board. Mr. Valentine stated one thing he would like to mention. As we go through this application from Arnoff, we are in sort of what we call a phase three and as Mr. Duffy, Mr. Many and he get through and go through January

through March reporting back with the ABO, we are going to have to be careful on job numbers with the State because we are always looking at an existing facility and then if there is an addition and then another addition, the State is looking at us in reporting as having separate applications, separate projects. In some way, we have to differentiate the job numbers. That is just something he will go over at the public hearing. He just wanted to throw that out as a reminder. He did talk with the Assessor on this, so we are able to suffix this project, it is still the same parcel, 60.1 and as as 39 acres but we will have had three different phases on that one parcel. We have three projects that the State is looking at monitoring. Again, that will come up during the public hearing. That is all he has. Chairman Sutton thanked Mr. Valentine.

Chairman Sutton asked if there was any further business to come before the Board. There being no further business to discuss, Chairman Sutton then asked for a motion to adjourn the meeting. The meeting was adjourned on a motion made by Mr. Mooney, seconded by Mr. Klein, with all voting in favor.

Respectfully submitted,  
Lori A. Eddy