

SARATOGA COUNTY INDUSTRIAL DEVELOPMENT AGENCY MEETING
50 McMaster Street
Ballston Spa, NY 12020
May 10, 2022 – 8:30 a.m.

PRESENT: Members: Vice Chairman Phil Klein, Michael Mooney, Yvonne Manso, Kevin Tollisen and Erinn Kolligian.

STAFF & GUESTS: Scott Duffy, CEO; Jeff Many, CFO; James Carminucci, Counsel to the Agency; Michael Valentine, Administrator; Dennis Brobston; SEDC; Tori Riley, SEDC; Mark Rekucki, MJ Properties; and Lori Eddy.

ABSENT: Chairman Rod Sutton, Tom Lewis.

Vice Chairman Klein called the meeting to order at 8:30 a.m.

Approval of Meeting Minutes: March & April, 2022:

Vice Chairman Klein stated we are going to hold off on the approval of the meeting minutes of March 8, 2022 as the staff is still working on those, there are a couple of little things they need to work on. Vice Chairman Klein asked if there were any changes to the April 12, 2022 meeting minutes. Vice Chairman Klein asked for a motion to approve the April 12, 2022 meeting minutes. Mr. Mooney made a motion to approve the minutes of April 12, 2022 and the motion was seconded by Mr. Tollisen. As there was no further discussion, all were in favor and the minutes were approved.

Application: MJ Properties/Tabor Road:

Vice Chairman Klein stated the next agenda item is the application of MJ Properties. Dennis Brobston stated we are bringing forward a project for the Town of Halfmoon on Tabor Road. Tabor Road is just east of Exit 10 off the Northway in the Town of Halfmoon. It is a project for a spec warehouse facility of 43,250 square feet on five acres of land. It has the Planning approval from the Town of Halfmoon. Representing MJ Properties and the Rekucki family today is Joe Rekucki. The project is approximately \$3,921,500. There are three requests they have for incentives. The first is sales tax which would add up to about \$124,128, mortgage recording tax of approximately \$22,500 on a \$3,000,000 mortgage and a PILOT, what we call the old five and five which is the triple warehouse PILOT that we've done in the past. The first five years is adjusted for property tax on the property value of \$375,000 and then in year six it would go to 50% of the improvement and if you follow the structure of the spreadsheet, it does show you how that curves. Those are the requests, after costs bottom line savings over that ten-year period of about \$380,000. The project itself has job creation on page 14. Being that this is a spec building, we've had experience with spec buildings at a couple of our other IDA's. Here, we also just did one in the Arnoff project. The expectation is this building is to be broken up in five separate facilities. What we are talking about in the first year after construction, job creation of approximately 12, probably 14, the second year 17 and then in the third year would be about 21 people. What we have seen, this is a conservative mention of job creation. What we have seen in the past is that those numbers are completed and scheduled depending upon the type of businesses there. Usually, more employees and warehouses

have less. We expect it to be a combination of that if not a particular larger company would take the whole thing. Joe is here and he can give you a little background on what brought him to this point and why it is important to them. Mr. Rekucki stated basically what we do is we are a developer, we purchase the land, we build a building for ourselves and lease the buildings. Incentives just gives us the ability to bring in tenants at a much better rate than otherwise available. It helps Saratoga County because it helps bring more business and brings more opportunity to the area that would be turned away for cost reasons possibly. Mr. Brobston stated what he wanted to ask Mr. Rekucki is if his leases are triple net leases so they pay their own share of the taxes. Mr. Rekucki stated yes. The savings passed would be passed on to the tenant that would be passed on to us. Mr. Brobston stated so the benefits do get passed on to the user of the facility, the tenant, which is the incentive. The other thing he would like to mention, and he didn't mention to Joe today was that there is, as always has been, a pirating clause that does not allow companies to switch from one Town to another just for big incentives, so the clients that go in here would have to go through that clearing. So, if somebody was moving to another site from the east end of Town and they needed a larger space, but where they are doesn't work, that could be a reason to do this. We would check those things through and make sure that is done appropriately and then we get back to you on this. That is a process that happens as this goes. That is why we are always happy if there are companies that are coming into the County that they needed to grow or that they are leasing and things like that and we can understand exactly what their process is. We don't stop after this; we continue to work with the company to make sure that gets done. MJ Properties is how old? Mr. Rekucki replied that MJ Properties is over ten years old. He has been in business with them for seven years, obviously it is a family business. MJ Properties has been around for about 10 years now. Mr. Brobston stated the construction company has been around a lot longer than that. Mr. Rekucki stated yes since the mid-80's. Thank goodness we've had multiple opportunities to multiply and every time it's been a great success. We are looking to moving forward to that success with everybody. Vice Chairman Klein asked if there were any questions. Mr. Mooney stated he just had one. It was a concern of some of the Board members in the past that your other building shortly after it was built, was sold. The term "flipping" was used, which you know that's not really what we certainly like to promote. What are your intentions with this project? Mr. Rekucki stated our intention is to build it and lease it, maintain it for ourselves. Our business model is we build the buildings for ourselves, we lease the buildings. We have a long-term goal as opposed to building, flipping the building and taking the money because then you pay half of it in taxes. Our goal is to build a number of buildings under our belt that down the road we are just maintaining, operating and we are finding tenants for so that we are not building for the rest of our lives. Mr. Brobston stated he knows exactly what Mr. Mooney is talking about and the Malta project was a unique one. Somebody that was in that building that was leasing space then approached them about purchasing it and there were other certain extenuating circumstances that went on with Town approvals and things like that it seemed to shift at that time. In the projects that we've done, my history with them, just to give you that, is they built eight buildings in Fairchild Square, they continue to own them. They own ones in Synergy Park and continue to own them as well. That is something that did get brought up and they were concerned about doing that. He thinks he answered Mr. Mooney's question. Mr. Mooney stated yes. Mr. Valentine questioned how do you base your numbers, obviously you are at spec, so you are going to 15, 17, 21 for three years. How are you figuring those numbers? Mr. Brobston stated he is probably better at that as he and his father did that and he was not involved in that process. What we have done over the years was look at the square footage that was built, so a 25,000 square foot building in Fairchild Square had approximately 8-20 over a period of so many years. When we looked at this project and looking at it from a perspective of expecting it to lease quickly, but in case it didn't and something happened to the economy, it was basing it on let's look at it from you get 1% the first year, you get 1% the second year and try to work it like that. So, square footage wise, and if you go through this and there

is kind of a tally of all the projects we've done, so many people per square foot for a warehouse, so many people per square foot for this. We definitely went on this application towards the warehouse side not knowing who might be the first or second one in. That is why it's lighter numbers than not. Mr. Duffy questioned if they had any kind of a backlog or a funnel of people who are waiting for your next project? Mr. Rekucki stated yeah, so we are building right now in Synergy Park which is on Route 9 in Clifton Park and we just completed a 32,000 square foot that is completely leased. We've got a 40,000 that we are putting up over there and we have multiple people calling looking for that. My sister is a realtor and she is fielding phone calls every day for anything from 5,000 to 100,000. And people want it tomorrow. That is our issue, we have nothing available. Mr. Brobston stated what we've learned, and he thinks you all know this as we've done these projects, when they get a phone call from somebody, they are talking from the time that they want the building to the time they get approved, it's usually two years. That is why these flex buildings like this have and start going really helps the process along. We have been showing the sites in Clifton Park because we have the sites in Clifton Park. This one here will move. Nobody else is doing this. There are other Towns in the region that have a couple. Galesi is always known as someone who does this but they usually have existing buildings that they can rehab. They haven't done this in the smaller trench. If they build something it would be 250,000 square feet. Ms. Kolligian stated one of her questions, and Mr. Brobston touched on this a little bit, was has this Board ever approved a spec building without knowing who the tenant is? Mr. Brobston replied there were two projects. The first one was 107 Hermes which is in Step Park in Malta. We did that one. The Arnoff facility is one that they said they were going to use part of it, but they were going to lease out to rent as well. Ms. Kolligian stated so her question is, have we ever, just on a spec building not knowing, and is there any company or business or industry that could come in to that that would give kind of a sensitive party type not knowing. The reason she asks that is because we have a couple of things going on in Town where they want to be a change of zoning without knowing what that project is going to be. She just hesitates a little bit. Mr. Brobston stated this is a change of zoning. Ms. Kolligian stated no, it's the not knowing what those businesses are coming in. Mr. Brobston stated the ones in Malta, the original project in Malta was done that way. Mr. Carminucci stated he just wanted to mention we do have a spec building policy that was used last time that requires the applicant to vet any tenants with the IDA. Primarily that is intended to deal with any anti-pirating but also would deal with any kind of retail use. There is a procedure in place that this would be subject to. Mr. Valentine stated what we did with the one Mr. Brobston is talking about is we had to get a definition with NYSERDA and with our own selves as to what constituted manufacturing because not all of them were. Some of them, they had to get a 50% of gross. Mr. Brobston stated in that particular project it was a lot of Class A office space and then went into the back of the wing it was a manufacturing warehouse site so there was a combination of that. Some of them were only one space in the front, the office space, and didn't necessarily want space in the back, but then you had to come to a bid and Starfire was one of those. Mr. Valentine stated to Mr. Rekucki that his mother is aware of all of the paperwork involved in that. Mr. Rekucki stated yes. Mr. Valentine stated one of the things we are going to be looking at right away is submitting to the State what we call our year-end survey and that says what were your sales tax exemptions, what were your employment numbers, what did the application say that you had for construction jobs, what did it say you are going to have for your first jobs, where are you at now. And that is what we look at and say you have one coming in one employer for the whole thing, you are all set. We are just getting into that timing of one segment, two segment, three segment, where they come in. That is something going forward that we have to be aware of and that was why he was alluding to the job numbers that are in the application and what will they be once you get to the end of year one. Mr. Duffy stated all we would care about is the aggregate jobs created in that survey. It doesn't matter if they have one tenant or three. Mr. Brobston stated we have had these conversations. Because they have multiple tenants in the buildings, that she does know that

process very well and they do keep them separate. Ms. Kolligan questioned if somebody moves within the Town of Halfmoon into this new building, they are just moving space, is this actually net jobs? Mr. Brobston stated they are growing. So, the question is, what are they moving for. Are they just moving for a static number? If they have 5,000 and they need 10,000 and they are going to grow, that does not work. Vice Chairman Klein asked if there were any other questions? Mr. Brobston stated that is why that policy is in place. Ms. Kolligan stated ok. Vice Chairman Klein stated again it will be on the developer to justify and verify the numbers and things of that nature. Vice Chairman Klein asked if there were any other questions? Mr. Duffy stated he just had a question for Mr. Carminucci if he had any update on the public hearing versus remote. During the training last week, he offered up that question on a chat box and it got answered but he was listening to another conference call at the same time so he didn't hear the answer. Does anybody know if that has been extended? Ms. Kolligan stated in the Town of Wilton we did adopt a Resolution to continue it. We still have to have a quorum present, but extenuating circumstances are part of it. Mr. Carminucci stated he couldn't find evidence that it has been extended beyond April 15th. One point was tied into the COVID Emergency but he thinks more recently that was not the case. He is going to have to get back to the Board and try to dig further. When he looked last week, he just couldn't find anything. Mr. Duffy stated the reason he brings it up is we are going to have one on Ballston and one in Halfmoon and we are either going to have an early one and then go to the next Town or we are going to have to do it on two separate dates. To the Board, you hash it out, whatever you want to do, but that is what you are facing. Mr. Tollisen stated he thinks his Town just passed at the last Board meeting, a Resolution so that we can do meetings through Zoom and continue to do those because we want to do it more for the public. Mr. Duffy stated so we have to check with the Town of Ballston to see if they have a similar. Mr. Tollisen stated it is a process. The discussion continued among the Board regarding this issue regarding meetings. Mr. Duffy stated the Board will have to decide if we are going to have two meetings either on the same day or on a separate day. Right now, June 14th would be our next normal scheduled meeting. Mr. Mooney questioned if a July meeting would be a problem for your project? Mr. Brobston stated tax exempting would be the issue. Mr. Brobston stated George doesn't have his approval from the Town, he can't go. Mr. Duffy stated he can't have public hearing, can he? Mr. Brobston stated it has been done before. He will not be approved. Mr. Brobston stated he thinks it is the third week of the month. Mr. Duffy stated then a public hearing for MJ in June and do George in July. You don't see anything else coming for a public hearing, do you? Mr. Brobston replied he does not. Mr. Mooney stated great, so you are confident that George is fine with that? Mr. Brobston stated he thinks he has to be just because the way his approvals sit. Mr. Mooney stated then we just need the Halfmoon one for MJ for June and push the other one to July.

Vice Chairman Klein then asked for a motion to approve the application for MJ Properties/Tabor Road and set a public hearing for June 14th at 8:30 in the Town of Halfmoon. Mr. Mooney made a motion to approve the application for MJ Properties/Tabor Road as presented. The motion was seconded by Ms. Kolligan. Vice Chairman Klein asked if there was any further discussion on the application as presented. There was no further discussion. All were in favor and the motion was approved.

Application: Core Tech Industrial Corp:

Vice Chairman Klein stated the next agenda item is the application for Core Tech Industrial Park. Mr. Brobston stated the reason he wanted to talk to you about this is was to get a public hearing scheduled and just keep it in your mind. George has sent us an email which he thinks he forwarded to Mike and Scott and some others just saying he is still looking forward to getting this done. The moratorium ends this week in Ballston and then they were going to submit. They have already submitted like it's going out.

He was hoping that he could do it to me, which would mean June, try to do a presentation and see what he is going to try to do to break it up from that \$30,000 to the 318 and the 12 and then get the final approval in June. That is what he is hoping for. He just wanted to make sure that we had it and that you would understand where he is and he is still coming forward. If you want to set a public hearing in June for the July once he is done, that is perfectly fine. He just wanted to make sure that everybody was clued and you understood his process and what he is going through because he is stepping out and he has taken some risks. He has ordered a building but only put \$5,000 down. He was able to do that because he wants to be able to get into it sometime. If doesn't he knows it is at his own risk and he knows if he doesn't get an incentive, then he's lost his \$5,000 or has to take the building. So, he does know that. That is where we are at this point. Vice Chairman Klein stated he doesn't know if you misspoke or do you possibly want to schedule a public hearing in July? Mr. Brobston stated he would like to schedule a public hearing in July but he didn't know if you wanted to do that today or if you wanted to wait until June for that. Discussion continued on the scheduling of the public hearing. Mr. Brobston stated he did talk to George and made sure he understood what we were just talking about. Mr. Duffy stated you never know what is going to change. We'll know more in June than we do now. Vice Chairman Klein stated then the general consensus is that we will defer any action on that until then. Mr. Brobston replied thank you.

CEO Report:

Vice Chairman Klein stated the next agenda item is the CEO Report. Mr. Duffy stated he emailed a couple things last night just so you would have copies of it. One is to make you aware as a Board that we supported a letter drafted through EDC on the National Study for the Technology Center and it is all about supporting the semi-conductor infrastructure here in Saratoga County and what we have to offer. This was the letter to the US Government, Federal Government to fund, support, bond whatever you name it. I am just letting you guys know that we did that. It didn't cost us anything. We got on board. There is a list of people here from the New York area. It is everybody that we know. He will pass this around. He is just bringing that to your attention. Mr. Brobston stated this attached with the analysis of the CHIP Act that is in the Federal Budget. You get up to five billion of incentive to put in a new building and they are actually talking about, the original strategy is it was going to be fifty billion dollars, twenty-five for CHIPS and twenty-five billion for other things. The Senate passed it, Schumer got it through, the House looked at it and said we don't want to do it this way, we want to do it this way, and that is where the action is right now between the two houses and it needs to come together to figure out how to do that. It is struggling. Mr. Mooney stated and that is what is holding up Global Foundries right now right. Mr. Brobston stated that is correct. Mr. Duffy stated for the record, it went to the U.S. Department of Commerce, 1401 Constitution Ave., N.W., Washington D.C.

Mr. Duffy stated to Mr. Carminucci he has something else he was going to offer to the Board. Is it allowable that the Board can support or sponsor a golf outing on behalf of the SEDC to support their fundraising efforts? Mr. Carminucci state we have done sponsorships before so he thinks that is ok. He doesn't think you can do a direct grant or anything, but sponsorships are a little bit different. Mr. Duffy stated to the Board he attached that last night so everyone could see it. There are five or six different levels here and it starts from \$500 up to \$5,000 and some of them come with two players, some come with four. So, it is just something to expose to the Board. The event is June 16th so technically you can read this and be a last-minute sponsor, although that is not a fun way to run a golf tournament with sponsors coming in at the last minute. For all intents and purposes, if you were going to do it, you should take it up now and make a decision and that way they know they have got the sponsors. If you want, the

tee sign sponsorship is \$500, it is two admissions to the post play networking event, a couple of tee signs and a company list on the website. For \$1,000 there is golf for two for nine holes and then a couple of admissions to the post networking event with a couple of tee signs. For \$1,500 it is golf for two for 18 holes. For \$2,000 it is golf for two for eighteen holes plus two for nine holes plus the event afterwards. For \$3,000 you've got a smorgasbord. Golf for four, eighteen holes, golf for two for nine holes, two admissions for the post networking event and so forth. And then there is a \$5,000 one, four eighteen holes and four nine holes and all these other amenities.

Vice Chairman Klein asked for a motion to sponsor the SEDC golf outing at the \$5,000 level. Mr. Tollisen made a motion to approve sponsoring the SEDC golf outing at the \$5,000 level. The motion was seconded by Mr. Mooney. Vice Chairman Klein asked if there was any further discussion on the sponsorship as presented. There was no further discussion. All were in favor and the motion was approved.

RESOLUTION #1515

RESOLVED, THAT the Saratoga County IDA accept the motion to approve the SEDC golf sponsorship in the amount of \$5,000 as presented and discussed be acted upon. The results of the roll call vote were as follows:

AYES: Mr. Mooney, Mr. Tollisen, Ms. Manso, Ms. Kolligian and Vice Chairman Klein.

NOES: None

ADOPTED: 5-0

Mr. Duffy stated the next agenda item, he was talking to Chairman Sutton last night and the Camoin Associates report is being passed around. We have had a couple of these things over the years and he wants to update it. He has been talking with Gary Dake and Skip Carlson and people from NYRA and SPAC and the Racino and the track and everybody seems to be on board. He just wants to let everyone know he is going to get a form letter together from Camoin to send out to these entities and just say would you be willing to speak to Camoin in order to get information so that they can develop this report and update it. There is nothing for the Board to do, he is just letting everyone know. At some point though, he thinks the study is going to be about \$35,000. Mr. Mooney questioned if we approved that? Mr. Valentine stated there is no record for approval to say spend a certain amount of money. Mr. Tollisen asked what the report will do for us? Mr. Valentine stated last time, through the study in itself, and then a synopsis of it, that was sent to State Legislators, it was sent to different marketing entities throughout the area and to industries in the area mainly just saying ok, this is what the racecourse itself, that was the center focus of it before. This is the economic impact of the racecourse in Saratoga County. It was presented to the Board of Supervisors. Mr. Duffy stated the County Administrator, the Board of Supervisors, they are all aware the horse industry is kind of getting attacked from a couple of different angles. Mr. Tollisen stated he just didn't know where it went to and followed after. The racing industry is getting attacked big time and it is a big part of Saratoga County. Mr. Duffy stated it certainly would have an impact for this community and this County without a doubt. Mr. Brobston stated NYRA used it in their presentations many times. Mr. Duffy stated NYRA is very interested in this thing. Mr. Brobston stated when they were talking to the Legislators about why it's important, they showed that information because they took a broader perspective. Mr. Duffy stated and that was what Chairman Sutton was trying to do is open it up to SPAC and open it up to the Racino and open it up to a few other things. Who knows what is going to end up being in it? But that is where it is and you guys will have an opportunity to vote

on this thing pretty soon. Vice Chairman Klein asked what the suggested input right now financially is right now. Mr. Duffy stated nothing right now. There is no deposit due or anything like that. Mr. Mooney questioned if that was included to the other agencies, are they asking for financial participation or just data. Mr. Duffy replied just data. They are just there to provide the economic impact of their business models so that Camoin can go ahead and compile this stuff and say ok, every Legislator, the Governor and all the people in this County, this is the economic impact of this business from the farm side, feed side, the restaurants, the hotels, it goes on and on. It touches everybody. Mr. Mooney stated it is a pretty big report. Mr. Duffy stated he is just letting everybody know that is where he is right now and he is just lining up the ducks and he probably in June will take the next step and you will all have to vote on it. Mr. Brobston questioned if Mr. Duffy would expect to have them at the next meeting? Mr. Duffy stated no. Mr. Brobston questioned if Mr. Camoin would be at the next meeting because Tori was just asking a question that if Camoin is going to be here, it would be a good idea to finally get the rail study talked about in their perspective. Ms. Riley stated the purpose of that study and then to have it adopted would see us up for any funding that is coming through too. We can't do anything with it. It is kind of dormant until completed. It was never presented and adopted. That was right about the time when COVID hit in 2020. Mr. Duffy stated as long as they are going to be here, we'll make sure that is a topic that they discuss. Mr. Brobston stated they could do a short presentation.

Mr. Duffy stated the next thing is the PARIS Reporting. Mr. Many has been doing a great job and we talked the last couple of days. We are gathering the last few projects and all of the information and so forth. He thinks it is almost done except for one or two. He had some issues over the weekend with being able to get on. Then yesterday afternoon, he just had to finish the operations and accomplishments and there is a measurement report. It just gets nested in this whole PARIS thing. It wouldn't allow him to make any changes or edits for new board members, it said he wasn't authorized and by the time he got to call ABO, there was nobody there to help. So, he is going to try to get to that this afternoon. His hope is in the next week or week and a half that we have the PARIS Report tied up. Certainly, by the time June comes around it will be done. That is just an update there. Mr. Valentine stated he mentioned to you before is that one of the companies, Enfrastructure which is located in Halfmoon and we had problems with them over the last couple of years. Remember last year we talked about jobs, they were purchased by a California company and they had a great number of jobs but they were tying in their number count with a new facility in Menands and there were also jobs that were working remotely from the West Coast. We have not still to this point, with notices, received jobs numbers from Enfrastructure or Zone is the name of the Company who has purchased them. That will come back to us once this PARIS Report is sent on. We dealt with it before to the point that the Board adopted and said they are off, they are gone, right. But we haven't gone forward with that as far as any legal measures. Just a letter to say they can speak to that. Mr. Duffy questioned Mr. Carminucci was there a final resolution where we were going to cleanse ourselves of Enfrastructure. Mr. Carminucci replied yes. He did need to have Chairman Sutton sign those papers. We did send a notice to them and gave them an opportunity to respond and they never did. So, he just needs to get together with Chairman Sutton and have those papers signed and we can record everything and that will terminate the relationship. Mr. Duffy questioned Mr. Carminucci if that could be done by the June meeting then probably? Mr. Carminucci stated yes. Vice Chairman Klein asked if we are looking at a clawback or anything? Mr. Carminucci stated no there weren't any benefits. Mr. Valentine stated they have an assessed value of \$1,500,000. The project came in as Enfrastructure then lasted for 10 years under Enfrastructure. Less than a year into their end of that PILOT Agreement they were looking at us as an acquisition. They came to the Board, they came to the IDA, they came to the Board of Supervisors and looked for another 10-year PILOT to stand alone because they were one of three projects that Marini had in Halfmoon, Infolabels, Enfrastructure and Creatacor. This one was the

lowest of the three that had not been run through its 10 years in return to the tax roll. This one they did not want to get returned to tax so they wanted to stand not as a tenant or lease project of Marini's, they wanted to come in as Infrastructure in itself. They did that. This Board approved it and so they had a 10-year PILOT again. When we started off with their assessed value, it was at that time in 2005 maybe, he can't remember. That was when their 10 years started. They have run through those 10 years and this is their last year of that 10-year PILOT. Actually, it was 2012. So, we have had, always with the projects, we have that option. If you are not providing the reporting that is required by your lease agreements and the PILOT's, if you are not providing information, if you are not meeting your employment goals, the Board has that option to review it and say ok, terminate this. Or, if there are benefits received that the Board can enact a claw back for the distributions. Mr. Duffy stated but they are not receiving any benefits. Mr. Valentine stated yes so, their assessed value is the same as their PILOT value so they have no benefits in that regard. What they have, when they first started out with that new company, the new PILOT, they were going to rebuild the interior of the facility and expand it. It never happened. The company wound up in some kind of thing with New York state, trouble with the Labor Board and they were more or less told to stay, if you go ahead with that, we are going to come back to you for whatever. It didn't happen. Mr. Duffy stated so it would be good to get them off the books. Mr. Mooney questioned if there was a policy for a way to deal with remote employees? You mentioned remote employees and they shouldn't count; he feels like maybe they should. Mr. Valentine stated no that they shouldn't, some do if they are tied with that location. These guys, the company has zones, they are outside whatever was California, Washington whatever.

CFO Report:

Vice Chairman Klein asked Mr. Many to discuss the financial report. Mr. Many stated there are just a couple of things. We've got a CD up for renewal, \$500,000. He should mention on the balance sheet there was a matured certificate of deposit that he left there. It gets more money in that account than it does if it goes into our cash account. Not much difference, but it is getting .1% versus .03%. So, it is getting a little bit more there. We also received another payment from the Water Authority for \$200,000 plus interest. On the income statement side of things, we haven't had any closings so basically, we paid our professional staff and that is listed on all of the expenses. He would say also when he was going through PARIS, there is a couple of issues that we need to review periodically. One that is actually procurement. We just need to update our policies and make sure we are following it so he will send out via email so you can see what we need to review. There is a couple of other things related to policies that we just need to look at as a part of PARIS, so update the UTEP and the procurement policy. Mr. Mooney questioned regarding LFTC, is there anything we need to do with them that we need to extend? Mr. Many stated we haven't asked for our interest yet but obviously that is a drop in the bucket. But he doesn't think anything has changed there unfortunately. Mr. Mooney stated he feels like every year we extend it, just wondering. Mr. Many stated that is just to get it paid and he hears there is some good action going on there too. Mr. Duffy stated he would like to get with Mr. Carminucci and Chairman Sutton on this and try to get an update.

Counsel Update:

Vice Chairman Klein asked Mr. Carminucci for any updates. Mr. Duffy stated there was a sewer dedication for Litchfield Holdings which is Impact Athletics. Mr. Carminucci stated it was delayed because they need SBA approval which they don't have but essentially, they are doing a dedication to this County Sewer and they need us to subordinate our interest to that transaction which has come up before

so it is pretty perfunctory. He just doesn't have anything in writing yet because of the SBA involvement. Mr. Duffy stated so we should carry this over to the next meeting. Mr. Valentine questioned Mr. Carminucci if this is something that just needs Chairman Sutton's signatures on or do, we still need, at the June meeting, approvals of that? Mr. Carminucci state. Mr. Valentine thanked Mr. Carminucci. Vice Chairman Klein questioned Mr. Carminucci if there was anything else? Mr. Carminucci stated nothing else for him.

Other Business:

Vice Chairman Klein stated this is not on the agenda. With Global Foundries looking to have this maybe possibly huge expansion, he is just wondering whose prerogative it would be to look at how it would affect things like the sewer district and different entities that are within the County purview and are we able and ready to accept that type of a wastewater input. What about the Water Authority? Mr. Mooney, that is a question for you. Possibly, how it that going to impact it. He doesn't know how much they plan on using. Mr. Mooney replied he thinks right now at full production they are probably only at half their original commitment so there certainly is capacity. He doesn't know the details of how much. Vice Chairman Klein stated he is just trying to be pre-emptive here a little bit. Mr. Mooney stated when you are talking about utilities, it's more the power that is going to be the issue. Mr. Brobston stated that has been thought about and is already being worked on. He knows there is extra capacity in that one. Water isn't a big deal; gas isn't a big deal right now. But it comes down to the power situation. It also comes down to traffic. He would expect through their approval process that those things will come out. They have not given anybody exactly what those numbers are. What they did was very generic and they didn't give any capacities or anything of that issue right now. Mr. Valentine stated the traffic, there was a study done which the IDA paid \$17,000 into a study done with CEG and some others a number of years ago looking at the 25 intersections that come out from that core and go out. That is something that the Town of Malta may consider as they take on a site plan approval of that. Because they will look out just as the issues that you raised, that will be under consideration under SEQR and under their review of the project for their Planning Board approval. They will look at that. They are also doing their every three-year transportation program and one of the intersections that did get on to for funding is the intersection of Route 67 Eastline Road which is where the landscaping business is and Stewarts. That intersection there is where a roundabout is being approved there which is what was looked at in this plan. That study in itself will probably be addressed with the Town of Malta going through. That is probably our best bet to find out whatever else other than we can get our voltage drop-off. Vice Chairman Klein stated he would love to get somebody here to explain that why or how it would be converted, why it would be so expensive. Mr. Duffy stated they dropped that from the award even the one down near Albany. The cost is over \$100 million dollars or something for that converter station. It might be even more than that. Vice Chairman Klein stated they are going to have to build one down in New York City. Mr. Duffy stated only one. Mr. Valentine stated the other thing with Global is if you remember a while back, we pre-approved sales tax exemption for, what at the time, was a future or might be, second fab. That expired. That sales tax exemption doesn't exist. Inquiry was made with through their tax department with the man I deal with often last year and at the time that is what he told him; well, you've got to bring a new application in to the IDA for this next facility. The Town Assessor and he had a conversation last week, if you remember Sue Otis was the Town Assessor at the time with the first Fab. The new Assessor did not have any input into how do you assess these facilities. They have nothing to go by so they looked at cost figures. Mr. Carminucci worked with Kevin McCall and with the County Board of Supervisors and School Districts inching off the PILOT formula for this first one. Now he has no idea if that is what the intent is to go forward and say take the next one, just bump up the assessment. But that is something

obviously that would need to be presented to this Board. Mr. Brobston stated the big difference is that there is no Empire Zone, whatever they are going to request as a manufacturing PILOT, which is 10 years tax, just the land value. But he believes that with the kind of incentive that the State is talking about or what the Feds are talking about, they may request a longer term. That might be something that has to be figured out. Remember, up to this point, all these years, they paid 100% tax and the State credited them back. So, the school district, the Town and the County would see a drastic change if, with a PILOT, than they would with the Empire Zone situation. It was a PILOT that said they paid 100% and they divided, the 75/25 rule which was the Town of Stillwater in Malta. But that will a lot of discussion he is sure coming forward on that. Mr. Valentine stated and that PILOT was a 49-year PILOT. If that is not another 49 you would have overlapping PILOT periods. Mr. Duffy stated it is hard to see a plan going like that for another 49 years the way things change. Mr. Carminucci stated this is kind of a premature conversation. We really do not have anything in front of us. We don't know what they are going to ask for or not ask for. Vice Chairman Klein stated ok.

Vice Chairman Klein asked if there was any further discussion. There was no further discussion. Vice Chairman Klein stated our next meeting is scheduled for June 14th and that will be at the Town of Halfmoon at 8:30 a.m. As there was no further business, Vice Chairman Klein asked for a motion to adjourn the meeting. The meeting was adjourned on a motion made by Mr. Mooney, seconded by Mr. Tollisen, with all voting in favor.

Respectfully submitted,

Lori A. Eddy