

SARATOGA COUNTY INDUSTRIAL DEVELOPMENT AGENCY MEETING
Saratoga County Planning Offices
50 West High Street
Ballston Spa, NY 12020
December 13, 2022 – 8:30 a.m.

PRESENT: Members: Chairman Rod Sutton, Phil Klein, Tom Lewis, Mike Mooney, Yvonne Manso and Erinn Kolligian.

STAFF & GUESTS: Scott Duffy, CEO; Jeff Many, CFO; James Carminucci, Counsel to the Agency; Michael Valentine, Administrator; Kimberly Lambert; Dennis Brobston; SEDC; and Lori Eddy.

ABSENT: Kevin Tollisen.

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

Approval of Meeting Minutes: September 20, 2022:

Chairman Sutton stated the first order of business is the approval of the meeting minutes of September 20, 2022. Mr. Klein made a motion to approve the minutes for September 20, 2022 as presented. The motion was seconded by Mr. Mooney. As there was no further discussion, all were in favor and the minutes were approved

Chairman's Report:

Camoin Report Draft - Economic Impact Statement:

Chairman Sutton stated as you know we've been talking about this since last February. We have been working with Rachel Stelski from Camoin. She has done her report. She completed a report about two weeks before Thanksgiving and she has asked us to take a look at the report to make any additions or modifications or if we have any questions on the study itself. It is a 76-page document that we sent to everyone. If you had a chance to take a look at any of that, it's a very extensive report that gives us a good snapshot of the economic impact of New York Racing Association, Saratoga Performing Arts Center and the Saratoga Casino Hotel. Since the last report that we had done six years ago, we added the Performing Arts Center and the Casino for the simple reason that they are a big draw for the tourist industry in Saratoga County. The fourth item was a request by Steve Bulger to add the Saratoga National Historical Park which is a smaller venue but it also encompasses a lot of the smaller venues that are tourist attractions in Saratoga County such as our museums, the parks that we have and this gives us a little bit of a snapshot as to the smaller venues and how many people they attract and what kind of a financial impact we have on the communities. As the project went along, the Camoin people talked to Jeff Cannizzo from New York Racing Association. He was assigned the project through New York Racing Association to give them all of the information and details from the breeding industry to the actual day-to-day operations of New York Racing Association. On the Performing Arts Center, Elizabeth Soebel was the contact person and she was able to give quite a bit of information to Camoin and Skip Carlson from Saratoga Casino. Also, the Director over at the Saratoga National Historic Park worked with the Camoin people. If you look at the screen, the bottom line is that the number of jobs that are created in these venues for the year, over 4,100 jobs have been created. Earnings are quite impressive. They generate about \$172,000,000 worth of earnings. The sales are the most impressive thing, which is

\$432,000,000 that these four venues generate. It is a very important for the County and the surrounding Counties to support these venues as we go along. He thinks it is a good report so that when these venues go back to the State of New York or they talk to their local political representatives, that they can show them in writing the effect that these projects have, or these tourist attractions have, for this geographic area. The geographic area is a nine-county area from Albany up to Lake George with Saratoga being in the center. The number of jobs has been pretty steady over the years. If you go through your packet of 76 pages, each venue has a report and as a more extensive report is New York Racing Association and they go from the Off-Track Betting to the Breeder's industry and it's quite extensive and it is very detailed. You'll see it is almost identical to where they were back when we did the report five or six years ago. The big difference there is the pandemic really took its toll on the New York Racing Association because they were closed down for that season for one year where they did not have attendance but they still ran the track. You'll see there is a significant amount of revenues that went down significantly. But when they were able to reopen, it picked up dramatically. This goes through 2021 and you'll see they are back to where they were prior to the pandemic. This is a report that he wants to share with NYRA, go back to Jeff and see if he can review the report to make any changes and if he agrees with the report. As you look further on the Performing Arts Center, that was new to us and he was really surprised, if you look on the second page, the Performing Arts, the sales tax revenue for example, they generate \$1,500,000 for sales tax and the occupancy tax, which is again critical to some side investments within the County and funding some projects through the County was over \$37,000. But the total revenue stream was over \$4,000,000 of tax revenues to the State and the County which is significant. Again, these are figures that hopefully these venues can use, the County can use and we show these to our elected officials and to show them how important upstate New York is to the economy of New York State.

Chairman Sutton asked if anyone had any questions or thoughts about what they may have read on these projects? Mr. Klein stated he was very impressed with the fact that the amount of money that is handled off-track, out of state, it is a huge figure. He never realized it was that big. It resulted in such a percentage of the total. Chairman Sutton stated the New York Racing Association has found an area where they are nationwide and worldwide actually if you really take a look at things now. They were very enthusiastic about this report so that they can use this when they go to lobby for the percentages that they are using. If memory serves us all correctly, New York Racing Association and the breeder's industry uses maybe about less than 5 or 6% of the total revenues to reimburse the breeding industry and New York bred horse industry as well. So, the problem that they have had is legislators, especially downstate, are chipping away at it and they don't want to give them as much money for purses for example. If you go through this report, you'll see that the purses in New York State are much, much higher than they are in any of the other venues around the country, more particularly like Kentucky and California. It is important the NYRA can continue to attract the best horses, the best trainers, best jockeys and they are still the leader of the industry nationwide, if not for the country. If you really take a look at Saratoga racecourse, those two days of selling at Fasig Tipton, the eyes of the world, the horse racing industry, comes to Saratoga and Saratoga County. We might not get the sales tax dollars from the sales of those horses, but the occupancy of the people coming into Saratoga County for that week is tremendous because they have the worldwide sale and then they also have the New York bred sale at the end of that week. Fasig Tipton, which is not part of this study, is critically important to the economy of this area as well, just the people that they attract, again it's worldwide. People come from Dubai, England, Ireland and Japan and the US buyers and they all congregate in Saratoga Springs for that one week. He thinks this report is helpful for the venues that we spotted on this. We are going to contact the representative people. One of the things, we did get this back about two weeks before Thanksgiving to take a look at it, but we didn't want to send this out and go public with it during the holiday season. It would get lost in

the news cycle. What we will do is get this out publicly in the first week or two weeks into the new year. That way we can get more bang for our buck. The question he does have, because it is a 76-page report, the executive summary is only two pages, which is easy for everybody to read if you don't want to go and delve into the nuts and bolts of this whole report. The question he has is we do have to print this report out. He is wondering just how many of these booklets we should be printing. He knows each of the venues would like to use this for their own Board purposes when they go out and try to raise monies for their not-for-profit organizations like SPAC. He is asking the Board how many of these booklets should we be printing up. Ms. Kolligian questioned, to Mr. Klein's point with the Off-track betting, when was the NYRA app introduced and what effect has that had on actual windows and electronic betting at the track? That number is huge, but anytime you go to the track, people are sitting at the picnic tables, that is not necessarily out-of-state, their account might be from out-of-state, but they are actually at the track. She is curious what the NYRA app impact has had in skewing some of those numbers also. Do they talk about the number of window bets have decreased, because now it is hard to find a person. She likes going to a private person. But you can go to the computer and you have to use the voucher and all that other stuff. Mr. Duffy stated he is sure they have that data but they may not have provided it as a breakout. Mr. Mooney questioned are we listed at off-track betting or off? Ms. Kolligian stated correct and how do they determine what is off-track? She is just curious what role and what information that NYRA app has. Mr. Klein stated electronic betting versus live in person. Mr. Duffy questioned if the app can track that data. Ms. Kolligian stated she is sure it can. Mr. Klein stated they know exactly what the tellers and what kind of money is going through there. Mr. Duffy stated one of the initiatives you wanted to do this for was to support these entities in Saratoga County because there are some outside people, influencers, who don't like the horse business too much, but when you see the size of the chunk that the State gets versus the City and the County, it's a pretty sizable number and you would think that New York State doesn't want to give that up either so they should try to protect this industry.

Chairman Sutton stated one of the things that is not in the report is the impact that the sales of the property taxes that are generated with the New York Racing Association and the Casino. They don't put people in schools and it's a big number should we lose those venues, the property tax implication would be huge in Saratoga Springs. It's our tax base. Mr. Valentine stated you are talking about the potential to lose a venue meaning only the track, right? Chairman Sutton stated right. There was always talk about losing the track. We are not going to lose Saratoga if you look at the numbers that are generated, again in this report, it shows you Aqueduct and Belmont and then Saratoga. There is no comparison. The chances of us losing Saratoga racecourse, we won't see it in our lifetime. But on the other hand, because of the OTB's of the world and using social media to generate people and activities, you can see the number of people coming in here dropping down. But Saratoga is still the catchall. Saratoga Springs and Saratoga racecourse catches the new gambler, the young kids that come here and it kind of snowballs from there. Again, we didn't have this report for the Saratoga Casino and you see how much they have generated in revenues in the past three or four years that they weren't part of the last report that we had. They are significant as well for occupancy tax and the amounts of sales tax generated. These are three big venues. Mr. Valentine questioned in terms of when it is done and ready, revisions or additions are made, we did distribution last time with a trifold insert. Are we looking at doing that? Mr. Duffy stated high-level type versus the whole thing. Chairman Sutton stated he likes that because a lot of people are not going to read through 76 pages. Mr. Valentine questioned if we are going to take so many pages and bring it to? Ms. Kolligian questioned if we could put a link on the IDA website and people just open it up themselves and read it. The Board agreed that made a lot of sense. Chairman Sutton stated he thinks that is one way of sending out the report, but again he thinks each venue should receive a hard copy of the report. He did ask Rachel and referred back to a previous report they did for us, we had a cliff notes version of the 76

pages. She stated we have an executive summary, which is only two pages. Mr. Valentine stated the executive summary is brief, but it gives no background as to why this study is done and he thought that might be something that we do as a cover page from the IDA to buttress the IDA. It shows the IDA's influence in a lot of this too. Chairman Sutton agreed. Mr. Klein stated it will be a public document once it is released. Mr. Duffy stated let everybody know where this came from and who paid for it. Mr. Valentine stated we may have others passing this around with no mention of Saratoga County IDA at all. Chairman Sutton agreed that we should have a cover page from the IDA talking about the report and that is something we didn't do on the last report, but it has been done before. We should have the reasoning why we did what we did. There is a blank page for us. Mr. Mooney stated you could have them note it all over this thing. They could put in the footer funded by Saratoga County IDA on every page. Mr. Duffy stated that is a good idea too. Chairman Sutton stated one of the things is that the NYRA report is like 37 pages, the other venues are very brief so they are easy to read. This is broken out in six different segments in the introduction.

The other thing is about the Saratoga Battlefield, and this was the request from the Saratoga County Administrators. In two years, it is the 250th anniversary of the Battle of Saratoga and there is going to be a big splash about that and he thinks they are trying to promote that as a tourist destination for the 250th anniversary of the Battle of Saratoga. That is why we incorporated that in the report. Again, like he said earlier, it is a snapshot of smaller venues and what kind of revenues are generated on these smaller venues as well. This report will go back to Steve. One of the things he will talk to Steve about is they do have a publicity department here at the County and he would like to sit down with Mr. Bulger and the publicity department to see how we can roll this out and possibly get this on tv and/or the news media. He is not sure how many people read newspapers anymore, but we will use our social media, we'll use our website, we'll use all the possibilities of getting this out in the public way. He thinks it is a good report and he thinks it was money well spent. He doesn't know how much it would cost us to print up say 100 copies of this and have it bound. Rachel is expecting a call from us this week for any modifications. Mr. Duffy questioned the Board if they had any comments that you would like to see. The points brought up were very good. Mr. Valentine stated we have one more invoice that will be coming from them equal to the last invoice we did. Prior to the release of that or along with it, would it be worthwhile to have her come in the present here but then also ask the County Administrator and that marketing person to attend the meeting for the presentation to the Board. Chairman Sutton replied that will be his question to her is that when we do go public with this, Rob Camoin did make a presentation the last time we did this. He has not talked to Rob Camoin on this project. Discussion continued that Chairman Sutton would have further conversations with the County and how to best roll this report out as they have more expertise in these areas.

January meeting and organizational items:

Chairman Sutton stated the next agenda item under the Chairman's Report is the January meeting and organizational items. There are four re-appointments that come up for renewal this year. It is his thought that Tom Lewis and Mike Mooney, himself and Phil Klein are up for renewal. Mr. Bulger asked if all of us wanted to stay on the Board and the indication is that we want to continue on with the IDA. He doesn't expect to see a change in the appointments for the coming year for 2023. We will take a look at a date when we will have our organizational meeting, but it has to come after the Board of Supervisors when they make their appointments on the Board in January. He is not sure when that is. Chairman Sutton asked Mr. Valentine if he knew when that is. Mr. Valentine stated it is the 3rd or 4th day of the month. Mr. Duffy stated January 10th meeting date would be fine then. Mr. Valentine stated he would

check. Chairman Sutton stated so when we reconvene in January then we will have our election of officers as we go forward to 2023. He will have a comment about what his thought is right and his tenure of 2023 once Mr. Many does his financial report. Chairman Sutton asked if there were any questions on the January meeting. There were no further questions.

CEO Report:

Status: Active Solar (ES-TD Ventures, LLC)

Mr. Duffy stated he will just go through the bullet points from the agenda. Mr. Duffy stated Active Solar as you may or may not know or remember, they did a presentation to us but they went to bid and their numbers came back high. So, they are going to put a pause on it and they are going to try to rebid in the Spring and see if it comes back more favorable. He tends to think now is a better time to get a better number than in the Spring when everybody is busy but that is the choice they made. We'll wait and see. Chairman Sutton questioned Mr. Brobston what went wrong? Mr. Brobston stated their bids came in too high on the building. They own the property. They talked to a few builders that had talked to them about some pricing coming down at the beginning of the year and that was why they were told they should wait again. They have talked to some builders that gave them that indication that might be down in the first quarter. Mr. Valentine stated one thing that impacts us procedurally is the fact that we did have the public hearing and we did have a resolution. That had a certain dollar value presented in that. If we get to the point where we have to have another public hearing and a new resolution based on those prices, that is what will come about. Mr. Brobston stated one of their big issues was keeping it below \$5,000,000 because of the unknown State and the prevailing wage even though they are well below the 30% of percentage of the project. They were leery of that in the beginning and that is why they have redone it. Originally the project was close to \$6,000,000 and then they redid it and it got it down below \$5,000,000.

CHPE update:

Mr. Duffy continued with the next agenda item. Champlain Hudson Power Express has closed. Construction he believes has started. Now it is in the hand of the Board of Supervisors over the next three years or until completion to figure out their dispersal arrangement with the Towns and people that are directly involved in their Towns with this line going through and some probably that aren't. Mr. Carminucci stated they have requested that we issue a sales tax exemption letter. They did close on their financing. We haven't closed with them because they have yet to identify the real property interest they will be acquiring. Mr. Duffy questioned Mr. Carminucci if they will be notifying him directly if they decide to have a third party come in and take this project. Mr. Carminucci replied they have to notify us, yes. Mr. Duffy questioned if Mr. Carminucci would be the point person on that. Mr. Carminucci stated yes. Mr. Duffy stated then it will have a taxing implication for all of the Towns, etc. Mr. Valentine questioned if there were going to be multiple sub-agents. Consensus was that yes there would be multiple sub-agents. Mr. Duffy stated it will be on CHPE to provide a list of contractors on each section and segment of that line so that you can issue the necessary documentation.

Core Tech/CTI: Extension of Sales Tax Exemption Expiration:

Mr. Duffy stated George Hubschmidt, Core Tech/CTI extension of sales tax exemption expiration. That played out and got dragged on but we did have the closing. Mr. Duffy so now what is the exemption. Mr. Valentine stated he is just looking at the fact that either delays or cost increases so he has some

purchases being delayed so he looked for extension of it. His sales tax exemption expires at the end of this month so he is looking at things that would carry over into the spring. He wanted to go through and make a request to go through all of 2023. Mr. Valentine suggested to him to go through June 30th if you are looking at spring construction. That is what he would put before the Board as a Resolution now to move that we do an extension to June 30, 2023. Mr. Duffy stated there are cranes and things like that with lead time on items like that. If after June he needs another one, it shouldn't be an issue.

Chairman Sutton then asked for a motion to approve for Core Tech/CTI an extension of the sales tax exemption until June 30, 2023 as presented. Mr. Mooney made a motion to approve the Resolution. The motion was seconded by Mr. Lewis. Chairman Sutton asked if there was any further discussion. There was no further discussion.

RESOLUTION #1523

RESOLVED, THAT the Saratoga County IDA does approve for Core Tech/CTI an extension of the sales tax exemption until June 30, 2023. All were in favor and the motion was unanimously approved.

Citation: Dennis Brobston's retirement:

Mr. Duffy stated the next agenda item to discuss is that as everybody is aware Mr. Brobston is retiring and moving on in his career. On behalf of the IDA, we offered a Citation to Dennis and we will have it put on a plaque form the words of the Citation thanking him for all of his work over the years. Mr. Duffy submitted the Citation as part of the permanent record. Mr. Duffy further stated that just know that Dennis has been a great advocate for us and we certainly appreciate all of his administrative help and guidance. Chairman Sutton stated to Mr. Brobston that on behalf of this Board we are very happy to have worked with you over the years, you have been a great advocate for Saratoga County, you have been a good friend to the Saratoga County IDA and that the projects that came before us have been very successful and we are a very successful County based on what the Saratoga Economic Development Corporation has done under your leadership. Thank you very much for all the work that you've done on behalf of our Board.

Mr. Duffy stated on the next agenda item, did everyone get or print out their own Fiduciary and Confidentiality and Conflicts of Interest forms. He has copies for anybody who needs them. Mr. Duffy handed out the forms to the Board members.

The only other item he added to his report is we did get our annual EDC bill for \$1,250.00 which we typically do. The Board should take a vote on whether or not to support it. This is for next year's dues.

Chairman Sutton then asked for a motion to approve the payment of the EDC annual dues. Mr. Klein made a motion to approve the payment of the EDC annual dues in the amount of \$1,250.00. The motion was seconded by Ms. Kolligian. Chairman Sutton asked if there was any further discussion. There was no further discussion.

RESOLUTION #1524

RESOLVED, THAT the Saratoga County IDA does approve the payment of the EDC annual dues in the amount of \$1,250.00. All were in favor and the motion was unanimously approved.

CFO Report:

Chairman Sutton asked Mr. Many to discuss the next agenda item for CFO Report. Mr. Many stated in November we did receive our distribution from Champlain Hudson hydro project, it was over \$600,000 and that turned our year into a pretty solid surplus in the over \$500,000 range. With respect to everything else that is going on. There are some reports for November. We still have one more installment for the Camoin invoice for their services that they rendered thus far. The budget, the one change in our budget, the fees for the County Planning Department are going from \$22,500 to \$50,000. That is really about the only change in the budget year over year. In terms of the budget for 2023 he just tried to budget enough revenue from projects that we close on to get us to a breakeven and we'll see how the year goes and plan from there. In order to break even we need administrative fees from projects of \$200,000.

Chairman Sutton stated one of the things he would like to point out is that on that balance sheet as of November 30, 2022, total checking and savings is just under \$4,000,000. He thinks we talked about this previously. What do we do with this money. He thinks we have to defer this into a 2023 meeting but he just wants to throw in his point of view at this time. He thinks the Board has to take a hard look at this in 2023 to see where we can either increase the UTEP and extend and expand our qualifications and classifications of businesses. Because things have changed, we have not changed the UTEP since 2013 and it was modified, he thinks in 2014 which was the last time we really took a look at the classifications of businesses. Many things have changed obviously in the past nine years in terms of businesses and how they operate and so he thinks we should form a committee headed by the Vice Chairperson, whoever that might be next year, and set up a committee where we can explore other avenues and see what other IDA's have done in order to expand their classifications to generate new businesses within the County, within our jurisdiction. Mr. Klein and he have had some discussions all Fall. Unfortunately, he really couldn't follow up on them because of his situation. Mr. Klein has looked at some things. A case in point that we did talk about was maybe developing an educational program that we can educate and help, and maybe Mr. Klein can expand on this the trucker's education as an example. Mr. Klein stated he thinks one of the things we might want to look at is in getting together with BOCES being that it is a regional organization and can tap into a wide area. We were thinking of training of home health aides both in nursing homes, hospitals and at home. Nursing, there is a critical shortage of that. Truck drivers and welders and see if we can work with something like BOCES and if it is funding that is standing the way of them putting the programs together then that is something that we can maybe contribute towards that formula. Right now, the unemployment in Saratoga County is 1.5. We are probably going to draw from outside the County, but still if jobs are in the County, that helps us. Ms. Kolligian stated that SUNY Adirondack is opening up a full nursing program at their Saratoga center because the need is so big and they are finding that not everybody looking for their nursing degree can actually make it up to Queensbury. So, they are looking to make that Saratoga/Wilton center an actual campus so they can provide full programs there. She doesn't know if that is something that we can help facilitate or something also. We have more students from Saratoga County than any other County. Ms. Manso stated she can help with the BOCES because she is on the workforce development coalition with Curtis Lumber and we are heavily involved in getting people in the trade. So, it is not just trucking, it is like the whole trades industry. There is a lot of us. Mr. Duffy stated he was talking with somebody recently who is on that Board and he brought up the trucking thing. Come to find out, not only them, but there are two to three other entities that are already funding efforts like that for trucking. He thinks the nursing thing is the much bigger opportunity for this Board in our UTEP policy to start going down avenues like that. Mr. Klein stated St. Lawrence County has a trucking school that they actually run basically or jobbed out to somebody. Mr. Duffy stated they are

going to let companies run their own training program regarding CDL training etc. Ms. Manso stated it's not just learning how to get your license; it is having the equipment to learn on a triaxle or a dump trailer or whatever you are using and then going to test. That is what we have to do, we have to let some of our staff that wants to get their CDL use our equipment to go test. That is why we work closely with BOCES. Mr. Valentine stated one of the things that we pointed out, when we had ACE Hardware coming in and Target, employees, there were a lot of people coming out of particularly Washington County. How can we draw them in. Can you set up a transport thing to bring employees into Saratoga County. Ms. Manso stated that whole issue with getting students in the trades, it is a major issue. But it is also dealing with the schools and the counselors and the parents, it's become this animal of a project because you know you can talk to students all day long, but if you are not talking to guidance counselors and the parents, it's not going anywhere. It's been a big push. Mr. Lewis stated he said this a few times over the past year, he really hopes we use that money for something, just don't let it sit there. At some point, the State of New York is looking at all that IDA money, hopefully he is wrong. But whether they are or not, the dynamics of business, the economy is drastically changing now. If we are using that money, we'll decide how to use. But using it as opposed to not using it, he is totally in favor. Chairman Sutton stated we've been aware that we've been sitting on a nice nest egg and that somehow, we should be using it. One of the things that has been a problem for businesses, is the homeless and more particularly in Saratoga Springs because the County has started to recognize that and they are giving some monies to the homeless shelter in Saratoga. The homeless can affect a person's business is they congregate in front of their locations. So is there something that we can help the County subsidize maybe the homeless. He thinks if we put our heads together at the beginning of the year, all these projects he thinks are well worth looking into. He can tell you from first-hand about the nursing being in Saratoga Hospital and Albany Med as much as he has in the Fall, these nurses are a godsend. It is unbelievable. They work twelve-hour shifts. He would always ask his nurse where were they from? Some of his nurses were coming from Rochester and they were moving into the area for a time period or they were young kids and they had programs from Hudson Valley, we had interns come in and take care of me, they came in from the Community Colleges like SUNY at Adirondack. They can't find enough nurses, so if we can help subsidize something like that, he thinks it is something that would benefit this Board. Again, just like we did with this Camoin study. This is a positive aspect of what the IDA can do and we should be doing. Dennis' job, or SEDC's job is to bring people in here. It is our job to take our monies and see how much further we can expand our tax base and our business base. We have just under \$4,000,000 at this time, so let's take a hard look at that no matter who is on this Board in the year 2023. Keep thinking about ideas. He thinks our Vice Chair should lead that report and decide to make a study of this and see if we can use our money to good use so somebody else doesn't use it for us.

Chairman Sutton then asked for a motion to adopt the budget for 2023 as discussed by Mr. Many. Mr. Lewis made a motion to approve the budget for 2023 as presented and discussed. The motion was seconded by Mr. Mooney. Chairman Sutton asked if there was any further discussion. There was no further discussion.

RESOLUTION #1525

RESOLVED, THAT the Saratoga County IDA accept the motion to approve the Resolution to adopt the budget for 2023 as stated and discussed be acted upon. The results of the roll call vote were as follows:

AYES: Ms. Kolligian, Mr. Klein, Mr. Mooney, Mr. Lewis, Ms. Manso and Chairman Sutton.

NOES: None

ADOPTED: 6-0

Administrator Report:

Chairman Sutton asked Mr. Valentine to discuss the next agenda item for Administrator Report. Mr. Valentine stated he distributed a chart with PILOT updates. This is just a quick chart of what we finished off for the PILOT billings for school taxes for this past year. He just wanted to point out a couple of these. JB Real Estate Ventures, that is a new project which is the NAPA project that came in and it is in the Town of Milton. This is their first billing to start their PILOT off. It is only a five-year PILOT. Below is Litchfield Holdings which is in the Town of Halfmoon and that is the Impact Athletic Center on Route 146, this is their first PILOT billing. Just under that is Summit at Halfmoon. It is a 110-unit senior housing off of Route 9 and Sitterly Road. This is their first school tax PILOT billing. Then we have Quad, Inc. We have had that project for a number of years under a PILOT agreement, eleven different phases that we went through. This is an addition which he doesn't remember the square footage, it was an existing space. Mr. Brobston replied added about 185,000 square feet inside for the new press. Mr. Valentine continued this is the same thing with them, this is their initial PILOT payment for school taxes. Those ones I just read, they will be starting on their ten-year PILOT, except for the five-year PILOT he mentioned for JB Real Estate. The two that are coming off at the bottom of the chart are Land Development of New York, their PILOT abatements are over. We are looking at a reconveyance to happen so that as of March 1st that will be off of roll section 8 which is an exempt roll and the property will be deeded back to that company and be on the roll section 1 fully taxable. There is one other company, PeroxyChem. They were purchased by a large company about a year and half ago. They have one more payment in January and that is their last payment on their 10-year PILOT. So those two companies will be rolling off. Everybody that is new is on this list. This is our full list. We do have a couple, UPH, there is no tax associated with that. Ace Hardware, South Glens Falls School District in the Town of Wilton. We had them as a PILOT project before for their original 900,000 square foot facility and they went through their 10-year PILOT and then they did a 400,000 square foot addition. The other PILOT had terminated, the addition was under another PILOT and for the first 5 years there was no tax due because the land that was underneath it was taxed in the first facility. The addition now kicked in and there was \$134,000. So, the payment there, in this School District, what you have is PILOT's, how long are they going to be on, what do you think will be the building amount. In that case you have to use their rates they had last year and you are just giving them a new assessed value and if there is changes in the PILOT for calculating that. As he said, Ace Hardware, for the first five years on the addition, had no tax on the addition, the building itself. Well, this year, it kicked in. The School District didn't remember. So, he brought in a check and they said they didn't even have it on the books. So, what happens is they are showing revenue coming in and it is going to affect their tax cap. The rest of those are ones that we have carried on for a while. What he will do is he has another chart which was provided previously and he put another column on the end of it, when does the PILOT end so we can use that for discussion at another meeting. Mr. Valentine further discussed that we had three assessors this year and new projects, first time on. He pulled up information to do his PILOT bills on his screen it says Quad Graphics, taxable. It is not a taxable property. The assessor did not carry that over. Mr. Carminucci's office sends out on our behalf a PILOT agreement notices and it gives a real quick summary of what the PILOT is, how long, what the abatement is on and the fact that now this in the name of the IDA, it is a tax-exempt property. Chairman Sutton asked if we could end the discussion on Quad Graphics now as we are going to go into Executive Session to discuss this. You can talk about the other two assessors. The same thing on the other two, the assessors had them down as taxable which means that they had already received a tax bill from the School District, they paid the School District tax. What happens is now we are looking

at Summit at Halfmoon and then we have the one up in Milton for NAPA. He met with the assessor in the Town of Milton and then he talked with the owner of the project and both of them were agreeable, it really didn't involve us, it was between those two entities, and what they wound up doing for NAPA was to say we as a School District, we will give you a reimbursement of what you paid, he writes the PILOT bill and he pays that bill. That assessor went through the County and they did a correction of the tax roll. What happens in Halfmoon is that the School District has not been notified from the Town yet. It is the assessor's responsibility to say or not say. The taxes for Summit are the same whether they paid through the PILOT or whatever. The one thing with the Summit is that is a lease agreement. That one doesn't have a PILOT agreement; we can turn that project over once they finish construction. We would look at the end of year 2023 to have that turned over to that property. Mr. Mooney questioned if Summit paid two tax bills? Mr. Valentine replied no, just the one. The one that happened to NAPA, and in actuality he doesn't know what the Town was trying to do, but they were trying to do a ratio between land value and building and it didn't even match what we had. He told them they can't do that. You have a land value assessed and that is what he used for his bill. The land value, as Mr. Brobston mentioned, is when the project came in. At one time the land value was \$300,000, now it is \$650,000. The bill he sends out would be based on \$650,000. The Town took a partial completion value of \$700,000 and they in their minds said how do I get a ratio and they valued it at \$301,000. We had a long discussion after and they were agreeable they made a mistake.

Mr. Valentine stated he has one more explanatory type item. The year-end is coming up and Mr. Many and Mr. Duffy have to report to the ABO by March 31st. There is a survey form sent to all the companies listed on the PILOT chart. What we do is we take what is in the one column from last year and they fill in information for the current year. There is a letter with it going through it but he gets some odd answers back. This is just a follow-up for information they send in and it is for reporting. Mr. Carminucci it is not only for reporting, but you also need to check what they are showing in terms of employment against their projections and if they are deficient. Mr. Valentine stated and not only that is a good point is the sales tax they had; did they have any sales tax exemptions. Older companies would have already used their sales tax exemptions so it is the new companies that come on. Then we look at that and say what did your application say and what did you report on the ST340. Part of this mailing that I've got going out will be going out to a company, by February 28th you have to report to Tax and Finance by use of an ST340 the value of your sales tax exemptions. That is going to have to correspond to what they have given us because this goes to the ABO, ABO and Tax and Finance, they want to match up. We do get letters back that they don't match.

Mr. Valentine concluded his report with a discussion on the provided insurance charts. That is just to let you know that we have two companies in the month of December expired, new certificates have been sent in. We have probably 1-4 companies within a month's time and the next month we may have two more and we just keep track of it and send notifications and a reminder to either the company or their insurance broker to let them know that it is expiring. Chairman Sutton asked if there were any questions for Mr. Valentine.

Other Business:

Chairman Sutton stated let's skip over the agenda item for Agency Counsel and go into other business. Chairman Sutton asked Mr. Brobston if he had anything to discuss. Mr. Brobston stated there are two projects we are working on. One is Biochar that is in Moreau. As you read in the paper, the Glens Falls Clear Air Task Force and somebody else is creating some issues with that. DEC is holding a public

hearing, a public meeting that they have to do soon and there is an article in the Times Union today explaining a little bit more about the people's concerns about that. It has been approved through the Town Planning Board but the project cannot go forward until DEC does their final air permitting and they are in the midst of that right now. They have submitted the report. DEC is handling the review and it is going well. The company, and more than likely DEC will be sued on Article 78 so this is going to be something that is going to happen for a while, probably for at least six months. They are still hanging in there to get this done. They may be coming forward once that gets done, he would expect that you would see an application for that. To refresh your memory, it takes waste from sewer plants and things of that nature as well as food and other things and they turn it into fertilizer. Another project still looking at the Parillo property at Exit 16. It's a combination warehouse and logistics firm. We an NDA with that. They are looking at a three-phase approach to it. It's been going on for a while. Skannell, who used to be involved with Luther Forest, has been working on that. It would need the water and sewer extended across the Northway as well as electric and gas upgrades. It is a about 500 jobs over a course of five years. It would grow. It has been in the works for a while and he thinks the cost and the economy right now are the stumbling blocks. There is now 130 acres there which is good. It's been planned a couple of times. There is another couple of small projects, 10-20,000 square feet of manufacturing space, light manufacturing space, they are looking. There is a project in the Grande Industrial Park that is a manufacturer of widgets. A Canadian Company and they need rail. It's a nice project. They are going to be going before the Planning Board probably within the next month so you'll probably see that as well. Good projects and things are still moving along.

Executive Session:

Chairman Sutton then asked for a motion to go into Executive Session to discuss with Mr. Carminucci to discuss Quad Graphics and discussions that the City of Saratoga Assessment Office is having with the Saratoga School District and possible litigation at this time. Ms. Kolligian made a motion to go into Executive Session. The motion was seconded by Mr. Mooney. Chairman Sutton asked if there was any further discussion. There was no further discussion and the regular session of the meeting was adjourned to Executive Session.

Chairman Sutton asked for a motion to reconvene to the regular session of the meeting. Mr. Mooney made a motion to reconvene the regular session of the IDA meeting. The motion was seconded by Ms. Kolligian. Chairman Sutton asked if there was any further discussion. There was no further discussion and regular session was reconvened.

Chairman Sutton stated we just heard a report from our legal counsel, Mr. Carminucci regarding a dispute between the City of Saratoga Assessment Office and the School District of Saratoga Springs. Mr. Carminucci stated we are looking for authorization to modify the PILOT Agreement that was entered into last year with Quad Graphics to move the effective date back a year, it was a 10-year PILOT, and that would be conditioned upon Quad agreeing to that. He has asked Quad to agree to that. He believes they will be, but he doesn't have that formally back yet.

Chairman Sutton then asked for a motion authorizing legal counsel to move forward with the agreement as discussed be acted upon. The motion was made by Mr. Lewis to proceed as discussed. The motion was seconded by Mr. Mooney. There was no further discussion.

RESOLUTION #1526

RESOLVED, THAT the Saratoga County IDA accept the motion to approve the Resolution for authorization for legal counsel to modify the PILOT Agreement that was entered into last year with Quad Graphics to move the effective date back one year and that would be conditioned upon Quad agreeing to that as stated and discussed be acted upon. The results of the roll call vote were as follows:

AYES: Ms. Kolligian, Mr. Klein, Mr. Mooney, Mr. Lewis, Ms. Manso and Chairman Sutton.

NOES: None

ADOPTED: 6-0

Chairman Sutton asked Mr. Carminucci if he had anything for further discussion. Mr. Carminucci stated yes. Mr. Valentine asked him to briefly discuss Enfrastructure. That was a project in which Enfrastructure had leased property from Bob Marini and then they stepped into the shoes of Marini when they bought that property that they are operating out of in Halfmoon. Subsequent to that we noticed in the employment reporting that their employment had dropped precipitously in part because they had shifted a lot of jobs down to somewhere in Albany County, in Menands. This is the first time we had to do this. The IDA authorized him to unilaterally terminate that PILOT Agreement and get it back on the tax rolls. We have had a delay in doing that so we are trying to figure out who the transferee should. He doesn't think it is Enfrastructure anymore. In the meantime, Mr. Valentine had noticed an article in the paper that they sold part of their business to a third-party which now might be operating as a tenant in that building. He thinks last year Mr. Many reported zero employees and that probably will end up being the case again. By March 1 he will get that mystery solved and get that property back on the tax rolls. Chairman Sutton asked if there were any questions of Mr. Carminucci. There were no further questions.

Chairman Sutton stated for our next meeting date let's set it up as a tentative date for January 10th depending on the appointments that are being made by the Board of Supervisors which we think that will probably be done in the first week of January. We will stay on the 10th date. From now on our meetings will be held here at the County Planning Offices. We will continue to have our meetings on either the 2nd or 3rd Tuesday of the month at 8:30.

Chairman Sutton thanked everyone for their support and being attentive and making the decisions that we make during the course of the year. He thinks we do a good job for the County and he thinks we help with the tax base eventually and we are doing what we've been asked to do, to create jobs and opportunity in Saratoga County. One thing that did come to mind, Mike Toohey was our legal counsel for a number of years and he has a lot of paperwork in his office. He doesn't know how the Planning Board or the County wants to take care of that paperwork being transferred from his office to here. It is not his any longer. Mr. Duffy asked how much volume. Chairman Sutton stated he is not sure. Mr. Carminucci stated he could go over there sometime and take a look. Mr. Valentine stated anything seven years after a PILOT is ended could be destroyed.

Chairman Sutton then asked if there was any further business. 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. Kolligian, seconded by Mr. Lewis, with all voting in favor.

Respectfully submitted,

Lori A. Eddy