

Rodney Sutton
CHAIRMAN



Date: July 17, 2023

TO: Ron Kim, Mayor; City of Saratoga Springs
Todd Kusnierz, Chairman; Saratoga County Board of Supervisors
Dr. Michael Patton, Superintendent; Saratoga Springs City School District
Tony Krackeler, President Saratoga Springs City School District Board of Education

FROM: Michael Valentine, Administrator

RE: Public Hearing of July 27, 2023
GMS Realty, LLP/Green Mountain Electric Supply, Inc.

Enclosed is a copy of the notice of public hearing scheduled for 8:30 a.m. on Thursday, July 27, 2023 to take comments on the application submitted to Saratoga County IDA by GMS Realty, LLP/Green Mountain Electric Supply Inc. The Public Hearing will be held at the offices of Saratoga County Chamber of Commerce, 28 Clinton Street, Saratoga Springs, New York.

The Agency previously undertook and approved a project (the "Project") at the request of Twinbrook Realty LLC, a consisting of (a) the acquisition of an interest in an approximately 22.26-acre parcel of land constituting tax map parcel 178.-1-63 and located at 10 Skyward Drive in the City of Saratoga Springs, New York (the "Land"), (b) the construction on the Land of an approximately 143,000-square foot facility occupied by SKS Bottle & Packaging, Inc., ("SKS") and utilized as a distribution and warehouse facility as well as for corporate headquarters (the "Facility"), and (c) the acquisition and installation in the Facility of certain furnishings, machinery and equipment (the "Equipment") and together with the Land and the Facility, collectively known as the "Project Facility". The Project Facility has been leased by the Agency to Twinbrook Realty, LLC pursuant to a lease agreement (the "Lease Agreement") and in connection therewith the Agency and Twinbrook Realty, LLC executed and delivered a payment in lieu of tax agreement (the "PILOT Agreement").

The application requests Agency assistance associated with a proposed sale of the Project Facility by Twinbrook Realty, LLC to GMS Realty, LLP, and the leasing by GMS Realty, LLP of a portion of the Facility to Green Mountain Electric Supply, Inc. GMS Realty, LLP has submitted an application to the Agency requesting that the Agency (1) consent to the assignment to GMS Realty by Twinbrook Realty, LLC of all of the right, title and interest of GMS Realty, LLP in the Lease Agreement and the PILOT Agreement in consideration of the assumption by GMS Realty, LLP of the obligations and liabilities of Twinbrook Realty, LLC under the Lease Agreement and the PILOT Agreement, (2) grant certain financial assistance to GMS Realty, LLP in the form of exemptions from (a) NYS and local sales tax with respect to the acquisition and installation of certain equipment into the Facility, (b) mortgage recording tax and (c) real property taxes (pursuant to a modification of the terms of the PILOT Agreement).

The total project costs associated with the foregoing transaction are estimated to equal \$18,200,000.

If approved the application would constitute a deviation from the Agency's Uniform Tax exemption Policy which provides that generally the Agency will not grant any real property

Date: July 17, 2023

Page 2 of 2

tax exemption which could result in the affecting taxing jurisdictions receiving less in pilot payments than what is currently being received. In this instance the request for a real property tax exemption would result in a modification to the existing payment in lieu of tax agreement applicable to the Project Facility and would result in a lowering of the amount of payments in lieu of tax which the Applicant would be required to pay for the duration of the existing payment in lieu of tax agreement term. There is a concern that if the application is not approved the approximately 55 jobs currently in place at the Facility will be permanently lost. That consideration combined with the ability to attract a new business into the City of Saratoga Springs which has the potential for significant growth are the factors which the Agency is considering in deciding whether to approve the Application or not. The Agency views this situation as unique in nature and not one which arise frequently.

Enc.

Cc: Rodney J. Sutton, Chairman
James Carminucci, Esq, Bond Counsel
Randy Lockrow, Martin Deposition
Dillon Moran, Commissioner of Accounts (Assessment Office)
Press

NOTICE OF PUBLIC HEARING
ON PROPOSED PROVIDING OF FINANCIAL ASSISTANCE

NOTICE IS HEREBY GIVEN that a public hearing pursuant to Section 859-a(2) of the General Municipal Law of the State of New York will be held by the County of Saratoga Industrial Development Agency (the "Agency") on July 27, 2023 at 8:30 a.m. (EST) at the offices of the Saratoga County Chamber of Commerce, 28 Clinton Street, Saratoga Springs, New York in connection with the following matters:

The Agency has previously undertaken a project (the "Project") at the request of Twinbrook Realty LLC, a New York limited liability company ("Twinbrook"), consisting of (a) the acquisition of an interest in an approximately 22.26 acre parcel of land constituting tax map parcel 178.-1-63 and located at 10 Skyward Drive in the City of Saratoga Springs, New York (the "Land") (b) the construction on the Land of an approximately 143,000 square foot facility to be occupied by SKS Bottle & Packaging, Inc., a New York business corporation ("SKS") and utilized as a distribution and warehouse facility as well as for corporate headquarters (the "Facility") and (c) the acquisition and installation in the Facility of certain furnishings, machinery and equipment (the "Equipment" and together with the Land and the Facility, collectively the "Project Facility"). The Project Facility has been leased by the Agency to Twinbrook pursuant to a lease agreement (the "Lease Agreement") and in connection therewith the Agency and Twinbrook executed and delivered a payment in lieu of tax agreement (the "Pilot Agreement").

In connection with a proposed sale of the Project Facility by Twinbrook to GMS Realty, LLP, a Vermont limited liability company having an address of 356 Rathe Road, Colchester, Vermont 05446 ("GMS Realty") and the leasing by GMS Realty of a portion of the Facility to Green Mountain Electric Supply, Inc., a Vermont corporation having an address of 356 Rathe Road, Colchester, Vermont 05446 ("GMES"), GMS Realty has submitted an application to the Agency (the "Application") requesting that the Agency (1) consent to the assignment to GMS Realty by Twinbrook of all of the right, title and interest of GMS Realty in the Lease Agreement and the Pilot Agreement in consideration of the assumption by GMS Realty of the obligations and liabilities of Twinbrook under the Lease Agreement and the Pilot Agreement, (2) grant certain financial assistance to GMS Realty in the form of exemptions from (a) NYS and local sales tax with respect to the acquisition and installation of certain equipment into the Facility, (b) mortgage recording tax and (c) real property taxes (pursuant to a modification to the terms of the Pilot Agreement), all as more detailed in the Application. The total project costs associated with the foregoing transaction are estimated to equal \$18,200,000.

If the undertaking of the Project is approved, (A) the Applicant may be granted such exemptions with respect to state and local sales tax, mortgage recording tax and real property taxes as are applicable to commercial service facilities as set forth in the Agency's Uniform Tax Exemption Policy adopted on October 14, 2014, subject to deviation as determined by the Agency, and (B) GMS Realty, SKS and GMES will be the initial users of the Project Facility.

The Agency will at said time and place hear all persons and accept written comments relating to the location and nature of the proposed Project. Comments may also be submitted to the Agency in writing (at County of Saratoga Industrial Development Agency, 50 West High Street, Ballston Spa, NY 12020) or electronically at MValentine@saratogacountyny.gov. Minutes of the Public Hearing will be transcribed and posted on the Agency's website.

The Application as well as the Agency's Uniform Tax Exemption Policy are available on the Agency's website (www.saratogacountyida.org) under "Public Files".

Dated: July 11, 2023

COUNTY OF SARATOGA INDUSTRIAL
DEVELOPMENT AGENCY

Rodney J. Sutton, Chairman

{LG 00674945 1 }