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P R O C E E D I N G S

PUBLIC HEARING

SARATOGA COUNTY
Industrial Development Agency

A Public Hearing

- in the matter of -

GMS REALTY, LLP

Section 859-1(2)

General Municipal Law

July 27, 2023
8:30 a.m.

Saratoga County
Chamber of Commerce
28 Clinton Street
Saratoga Springs, NY

PRESENT:

FOR THE SARATOGA COUNTY IDA:

Rodney Sutton - Chairman
Phil Klein - Vice Chair
Tom Lewis - Member
Michael Mooney - Member
Erinn Kolligian - Member

ALSO PRESENT:

Scott Duffy, CEO
Jeffrey Many, CFO
James Carminucci, Esq., Counsel
Kimberly Lambert, IDA Assistant Administrator
Tori Riley

Josh Laber - GMES
Ken Horan - SKS
Pier Bruno - SKS

I-N-D-E-X

<u>Number</u>	<u>Description</u>	<u>For Ident.</u>
1	Notice of Public Hearing	3
2	Distribution Letter	3
3	Affidavit of Publication	3

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2 for corporate headquarters, and the acquisition
3 and installation in the facility of certain
4 furnishings and machinery and equipment and,
5 together with the land and the facility,
6 collectively known as the Project Facility.

7 The Project Facility has been leased by
8 the Agency to Twinbrook Realty, pursuant to a
9 lease agreement, and in connection therewith, the
10 Agency and Twinbrook Realty executed and
11 delivered a payment in lieu of taxes dated on
12 November 28th, 2017.

13 The present application requests Agency
14 assistance associated with the proposed sale of
15 the Project Facility by Twinbrook Realty, a
16 Vermont limited liability company, Colchester,
17 Vermont, and leasing of a portion of the facility
18 by GMS to Green Mountain Electrical Supply.

19 GMS Realty has submitted an application
20 to the Agency requesting that the Agency consent
21 to the assignment to GMS Realty by Twinbrook
22 Realty with all of the right, title, and interest
23 of GMS Realty in the lease agreement and the
24 PILOT agreement in consideration of the
25 assumption by GMS Realty of the obligations and

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2 liabilities of Twinbrook Realty under the lease
3 agreement and the PILOT agreement, grant certain
4 financial assistance to GMS Realty in the form of
5 exemptions from the New York State and local
6 sales tax with respect to the acquisition and
7 installation of certain equipment in the
8 facility, mortgage recording tax exemption, and
9 real property taxes.

10 The total cost associated with the
11 acquisition and building upgrades and
12 installation of the Project Facility is now
13 presently estimated to be \$18,200,000.

14 The Agency is considering whether to
15 undertake the Project and finance the Project by
16 executing a mortgage to secure a borrowing or
17 borrowings by the Applicant in the aggregate
18 principal amount sufficient to finance all or a
19 portion of the cost to acquire, construct, and
20 install the Project Facility.

21 The cost of the loan is currently
22 estimated to be approximately \$14 million.

23 If the undertaking of the project and
24 execution of the delivery of the Mortgage is
25 approved by this Agency, then the Applicant may

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2 be granted such exemptions with respect to real
3 property taxes, mortgage recording tax, state and
4 local sales tax as are applicable to commercial
5 service facilities as described in the Agency's
6 Uniform Tax Exemption Policy, as adopted on
7 October 14th, 2014, subject to deviation as
8 determined by the Agency.

9 The Project Facility will be acquired and
10 installed by the Agency and GMS Realty. SKS and
11 GMES will be the initial users of the Project
12 Facility.

13 If approved, the application would
14 constitute a deviation from the Agency's Uniform
15 Tax Exemption Policy, which provides that
16 generally the Agency will not grant any real
17 property exemptions which could result in the
18 affected taxing jurisdictions receiving less in
19 PILOT payments than is currently being received.

20 In this instance, the request for real
21 property tax exemption would result in the
22 modification to the existing payment in lieu of
23 the tax agreement applicable to the Project
24 Facility and would result in a lowering of the
25 amount of payments in lieu of taxes which the

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2 Applicant would be required to pay in the
3 remaining term of the existing payment in lieu of
4 tax agreement.

5 There is concern that if the application
6 is not approved, the approximately 55 full-time
7 jobs currently in place at the facility will be
8 permanently lost. That consideration, combined
9 with the ability to attract a new business into
10 the City of Saratoga Springs which has potential
11 for significant growth, are the factors which the
12 Agency is considering in deciding whether to
13 approve the application or not.

14 The Agency views this situation as unique
15 in nature and not one which frequently arises.

16 I will now ask counsel of the Agency,
17 James Carminucci, if proper legal notice was
18 provided for the Public Hearing in accordance
19 with the regulations?

20 **MR. CARMINUCCI:** Yes, Mr. Chairman.

21 Notice of the Public Hearing was published in the
22 Saratogian on July 15th, 2023, and notices were
23 sent to the affected taxing jurisdictions,
24 certified mail, return receipt requested, and in
25 that letter and in the Public Hearing notice we

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2 did discuss the fact that this is a potential
3 deviation from the UTEP.

4 **CHAIRMAN SUTTON:** Thank you. Agency
5 members present today are Tom Lewis, Mike Mooney,
6 Erinn Kolligian, Phil Klein, and myself, Rod
7 Sutton, Chairman.

8 Staff present today are Scott Duffy, CEO;
9 Jeff Many, CFO; Counsel, James Carminucci; and
10 Assistant Administrator, Kimberly Lambert.

11 On the application, this request for the
12 Project was last presented to the Agency on July
13 11th, 2023. That application and supporting
14 materials have been available for review by any
15 interested parties since June 30th, 2023, at the
16 IDA office at 50 West High Street in Ballston
17 Spa.

18 Since the presentation of that
19 application, are there any additional comments or
20 thoughts from the Staff or the Applicant that
21 need to be provided at this Public Hearing
22 relative to the application that is now being
23 submitted?

24 **MS. RILEY:** Not at this time.

25 **CHAIRMAN SUTTON:** Thank you. I'm

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2 therefore, going to now open the hearing for any
3 input from the public for response or comment
4 relative to the application. Any comments?

5 (No response.)


6 **CHAIRMAN SUTTON:** Seeing no other
7 comments, I will now close the Public Hearing.

8 (Whereupon, at 8:40 a.m. the proceedings
9 in the above-entitled matter were concluded.)

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C E R T I F I C A T I O N

I, LAUREL STEPHENSON, a Court Reporter and Notary Public in and for the State of New York, do hereby certify that the foregoing record taken by me at the time and place as noted in the heading hereof is a true and accurate transcript of same, to the best of my ability and belief.



Laurel Stephenson

Date: August 4, 2023

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