

SARATOGA COUNTY INDUSTRIAL DEVELOPMENT AGENCY MEETING
Saratoga County Planning Department
50 West High Street
Ballston Spa, NY 12020
July 11, 2023 – 8:30 a.m.

PRESENT: Members: Chairman Rod Sutton, Phil Klein, Mike Mooney, and Yvonne Manso.

STAFF & GUESTS: Scott Duffy, CEO; Jeff Many, CFO; James Carminucci, Counsel to the Agency; Kimberly Lambert, Asst. Administrator; Tori Riley, SEDC; John Jablonski, SUNY Adirondack; Ken Horan, SKS; Pierre Bruno, SKS; Josh Laber, GMES; Dylan McGlynn, Saratoga Today; and Lori Eddy.

ABSENT: Tom Lewis, Kevin Tollisen, Erinn Kolligian.

Approval of Meeting Minutes: May 16, 2023:

Chairman Sutton called the meeting to order at 8:30 a.m. The first agenda item would be the approval of the minutes of the meeting of June 20, 2023. Chairman Sutton asked if there were any changes or additions to those minutes. Mr. Mooney made a motion to approve the minutes for June 20, 2023 as presented. The motion was seconded by Ms. Manso. As there was no further discussion, all were in favor and the minutes were approved.

Chairman's Report: Impact Study Release at Leadership Breakfast:

Chairman Sutton stated the impact study leadership breakfast was wellattended. It turned out all of the reviews that we've gotten so far have been very, very positive. Chairman Sutton stated he was a little bit skeptical about spending that kind of money for a PR firm, but what happened was it really made the whole event very, very good. We got the publicity that we were looking for. There are newspaper articles going. They flooded the newspaper area with all of the articles and all of the discussions that we had.

Mr. Duffy stated it was on the news last night as well.

Chairman Sutton stated the panel discussion was excellent as opposed to going through the monotony of all of the detail and data, but he thinks the person that really stole the show, at least for him was Rachel Stowski when she came up and she really defended the position and the report that they had worked on. He thought she was very good at coming up and explaining the process that they used in order to come up with the numbers that we have in the books. Chairman Sutton stated that it was well received and the suggestion that the County had in getting Baker and having a PR firm was money well spent on our end.

Mr. Klein concurred. He thought they knocked it right out of the ballpark. The presentation was good, everybody was attentive, and nobody got bored. He was glad to hear the expressions of being in a good spot other than searching for employees, but everything else seems to be right on track as far as having another very good successful year for the County.

Mr. Duffy stated the four entity stakeholders in this report, us, the business leaders, and the political leaders, all in that room, were going you know what, we should do this more often. That was the feeling in the room and he heard politicians and everyone else saying that to him. It was really good and you did a great job.

Chairman Sutton stated it is probably something that we won't be doing for another five years. He doesn't think we will be doing it every year, but maybe someone else can pick up the ball with that.

The cooperation that we did get from Steve Bulger and the County Administrative staff was great. Christine helped us out in the PR stuff and the thing that really capped everything off was that video, the formative video on the 250th anniversary of the Battle of Saratoga and it is really heart wrenching. It was nice and is something that we, as an IDA, no matter who is on our IDA Board in three years from now, he hopes that we embrace that and help them out in promoting that program as they go forward with this project. That really set off the tone for the whole meeting. It really was a good end to the meeting that we had.

Chairman Sutton asked Mr. Many if he had any comments. Mr. Many stated it was an excellent program.

Chairman Sutton stated Mark Mulholland did a great job as well.

Mr. Mooney stated he did a great job on the news last night too. Very positive and they announced that you can go to their website for a full copy of the report which is great.

Mr. Duffy stated this is out there far and wide now which is great.

Chairman Sutton stated we got a notice from Mark Bardack which is the PR person for NYRA, and he really was able to put his arms around NYRA to get those guys together. The publicity we got and the crowd that we got was very good. Thank you again for the past year and the support that the IDA and our Board gave to this whole project.

Ms. Lambert stated moving forward on some things that we were able to put together yesterday, just for the Board's reference, if you go directly to the Saratoga County IDA website, right on the front page there is a banner that you can click on that does go to a link that goes straight to Public Files: Plans and Studies. It was a great way for all those different groups to come together and talk about it. At the event, Treasurer Jarosh was very excited to have this study that does encompass not just the racecourse but the different entities and having them come together to talk about all the different aspects. It will be helpful moving forward for the County to apply for different grants. As you had said for the 250th, it is a priority for the County. To be able to use that document and apply for grants for those entities, especially that one, for the program, is huge.

Mr. Carminucci asked if the presentation was videotaped?

Mr. Duffy stated he is sure we can get a copy of that. Mr. Carminucci stated it might be something you might want to put somewhere. Mr. Duffy stated maybe on our website and he will investigate that.

Ms. Lambert stated the video is part of Baker's contract, that was part of their package.

Mr. Klein stated one thing that any prospective person is looking to possibly start a company up in Saratoga County is workforce housing. He was very impressed with the fact that he thinks as the County Treasurer indicated, that there is a lot of workforce housing being worked on and built and that we could maybe shrink that prospective employee coming from 40 or 50 miles away. Employees could actually live and work in Saratoga County, Saratoga Springs and fill those jobs that need to be. Everybody is searching for people.

Mr. Carminucci asked if you have that categorized, available current and proposed workforce housing in the County? That would be a good thing to have on your website too if you could figure out workforce housing, what exists, what is proposed and talk about people looking to locate into the County in terms of employers, that is an important thing for them.

Mr. Klein stated he bets you have almost 500 units coming up in the next 12 months.

Mr. Carminucci stated it would be helpful to have that information somewhere.

Chairman Sutton stated that is a good point to bring up.

Mr. Duffy stated he will get with Christine and Steve and see if we can get some links to that and put it on our website.

Chairman Sutton stated that would be good and he would also like to thank Mr. Duffy in the past month because he worked diligently with Baker and Geoff Redick who is very, very good to work with, in putting the whole package and program together. He knows Mr. Duffy spent a lot of time going back and forth and getting the agenda set up and it worked out well. He thanks everybody for all their hard work on this. This was good. It was a great roll-out. We never did this before but it was certainly well worth it.

Mr. Duffy stated the format works.

Chairman Sutton stated thank you so much.

Other Business:

Chairman Sutton stated we are going to skip the next agenda item, CEO Report, and go to Other Business, Workforce Development – SUNY Adirondack & John Jablonski.

Mr. Jablonski stated he appreciates you letting him go ahead. He has to go from here to another meeting. The Chancellor is in Saratoga Springs, the new SUNY Chancellor. He introduced himself as John Jablonski, he is the Vice President for Academic Affairs. He is from SUNY Adirondack Community College. He thinks many of you have met, and know Christine Duffy. She would ordinarily have been here today except she didn't want to cancel that European vacation that she had planned. He thinks it was January that another one of his colleagues was here, Diane Wildey, and pitched an idea about how we might be able to put to good use some funding that is available through this IDA to meet the workforce demands in and around Saratoga County, especially in the area of health care. Just to recap, there are entry level jobs, home health aide, patient care aide and certified nursing assistants. Some of those titles you might have heard of. A lot of times they are acronyms, CNA, Certified Nursing Assistant, Patient Care Aide, PCA, Home Health Aide. These are all New York State professional, they go through the New York State Office of Professions at the State Education Department. SUNY Adirondack had a Federally funded program 2021-2023 where we put quite a few students through there and prepared them for direct entry into the workforce at places like Saratoga Hospital, Wesley Health Care Center and others around the area.

Mr. Jablonski stated that we, my colleague Diane who was here in January, and Chris Duffy, proposed a way that we could renew that effort. Our Saratoga Center in the Town of Wilton, he is going to say this with his fingers crossed because it is not official yet, the Governor hasn't signed off, but we are about to become a branch campus there which may not mean a lot to the average person just saying that. But what it means is we can deliver complete programs in Town of Wilton, in Saratoga County.

Mr. Jablonski stated that the proposal is to re-introduce these programs that would provide access to people who otherwise might not consider themselves, like college material, cannot afford it, don't have a support system in place. We have proposed the idea that with funding that is arranged through whatever

contracts, legal counsel here and the College legal counsel can come up with, that there may be some way that the funding that the IDA has available for these kinds of workforce development projects, could be instead of just being granted outright to the College, which he understands might not be allowable.

Mr. Jablonski stated that maybe there is some way that we can have a service contract where the College provides a service and the funding is in place here at the IDA. He does not want to go through the whole presentation unless you have questions that you want me to recap, but it is my impression that many of you were here during that January meeting and so you think we have the gist of what we are proposing. Mr. Jablonski then asked the Board if they had any questions.

Mr. Klein asked Mr. Jablonski how long it would take to to implement this program and see results.

Mr. Jablonski stated to Mr. Carminucci, you and our legal counsel, Larry Paltrowitz, could probably put a contract together in short order. He doesn't want to speak for them, but a number of weeks not many months. And, if we do that, we could probably start recruiting students around the first of the year when our second half of the year starts. We do have to go through some approval process with the State Education Department but again, we've done this before. It's kind of, he hopes, where the State Education Department is concerned, might be just like flipping the switch from the off position back to the on position because we did this from 2021.

Mr. Duffy asked what was the number of students in a typical semester. Mr. Jablonski replied that the proposal from January over a three-year period would aim to put 150 students through one or more of these credentials. So, on average that would be about 50 a year. Again, these are entry level positions. The idea is they would be short courses, less than a year. A number of months, not 2-year programs. Turn people over, get them right into the workforce at the hospital, at the health center, the Wesley Health Center and other places in and around here.

Mr. Jablonski stated that we know, and he thinks all of you know, that with the aging population, especially in our region here, and with the shortage of workers across all sectors, health care is one of those areas that is struggling to get qualified people into the workforce. We think we can help address some of that shortfall.

Ms. Manso asked if this funding would be for the students that have financial situations where they can't afford it themselves then, and that is what we would be funding the money for. Mr. Jablonski replied that the budget Diane presented to you in January includes some money for personnel to administer this program and support the students, but a lot of the money that is in the budget there is direct financial aid to the students. We eliminate the barrier that many of them have. They can't afford to pay tuition, can't afford to pay the cost of that credentialing program. So first, paying that bill so that they don't have to worry about putting gas in the car, paying rent or going to college, that is number one. Then, number two, a lot of them have what we call wraparound services. The wraparound services is once you get into some of these courses, you have to buy textbooks, you have to buy a stethoscope, there are other expenses. They have to get themselves back and forth and put gas in the car depending on where they live and that might be a significant expense. Also under the program in 2021-2023, we also created emergency funds so somebody is half way through the program and their car gets a flat tire and they don't have whatever it takes to put a new tire on that car to get it repaired. So, we did have and we propose to have again, those kinds of wraparound services so that the barriers that a lot of students, especially those that are trying to break out of that lower tier of socio-economic status, get into more professional type health care job opportunities, that we can remove a lot of those financial barriers that would otherwise keep them out of programs like this. Again, a quick turnaround. These are short term programs with the idea that as soon as they get their certification, they would enter the workforce and they would start filling some of those gaps that we were talking about.

Chairman Sutton asked Mr. Jablonski if they get funding from Warren County, correct SUNY Adirondack. Mr. Jablonski stated that is right. Their two official sponsors are Warren and Washington County. Our official service area includes the Northern portion of Saratoga County but Saratoga County does not support us.

Chairman Sutton stated so Saratoga County does not support SUNY. Mr. Jablonski replied not in the way that our sponsoring Counties do.

Mr. Mooney asked if they pay for each student. Mr. Jablonski replied that is right. There is a chargeback formula that when a student who resides in Saratoga County comes to SUNY Adirondack, there is a New York State system called charge-back system.

Chairman Sutton asked that the chargeback is to Saratoga County. Mr. Jablonski replied that is exactly right.

Mr. Carminucci asked what does the service area includes northern Saratoga County mean from a practical standpoint. Mr. Jablonski replied all of Saratoga Springs, Town of Wilton, he thinks we go down right around to Malta and from Malta south is sort of Hudson Valley Community College's territory, exit 12 or so.

Mr. Carminucci asked if that means that someone from the southern part of the County cannot take a course at ACC. Mr. Jablonski replied no, it really is more about just trying to respect the geographic boundaries, but if somebody from Malta, somebody from Rensselaer County wanted to come to SUNY Adirondack, they could. There is no prohibition against that. Getting a little bit deep into the weeds here but our two official two financial sponsors are Warren & Washington County. Our service area does include a major share of Saratoga County, but students can enroll at SUNY Adirondack no matter where they live, in state, out of state, and with a lot of distance learning programs, you might be surprised, but some students are enrolling in online programs from 50, 75, 100 miles away sometimes. Most of the students who enroll in SUNY Adirondack are not from Warren, Washington Counties. Believe it or not, there are more students at SUNY Adirondack who reside in Saratoga County than reside in Warren County. If you add Warren and Washington students together, they do outnumber Saratoga, but of the three, Saratoga County has more students.

Mr. Duffy asked if you become a full branch campus, would the level of funding change at all. Mr. Jablonski replied not directly. What we hope will happen, what we expect will happen, is that when we become a full branch campus, that the enrollment will increase because students now instead of just going there to take a smattering of courses, which is what we are allowed to deliver now, they will be able to enroll there and take complete programs. He thinks that will become more enticing especially to the people in and around Saratoga County because it is a 20–25-mile shorter commute for a lot of people.

Mr. Klein asked if the physical plant is able to handle that influx. Mr. Jablonski replied yes, he thinks it is now 11 years ago and if you haven't been into that facility, he invites you to come up. It was built 11 years ago specifically to be a SUNY Adirondack campus so we have the capacity there, morning, afternoon, evening if necessary we could run weekend programs there. We have the space capacity to do that. We are excited, again pending the Governor's approval, we hope early this Fall, that we will be able to break out the balloons and the horns and celebrate that we are officially a branch campus for the first time.

Mr. Carminucci stated so in absence of the Federal funding that you were receiving, ACC is not able to offer this program on its own. Mr. Jablonski replied correct. We had \$500,000 a year, and he thinks we

ran two cycles of that and then as scheduled, the grant funding sunset. It was a specific term limited grant program. We ran it. We put through, he can't quote you the number, but it was quite a few students in those HHA/PCA/CAN programs and then we sunset it.

Mr. Jablonski stated that of course, our registered nursing program continues. He is proud to say and it is relevant because some of these students that start with a PCA/HHA/CAN, these are stackable. Stackable meaning you can take what you have already learned in those early stages and add on to them to get into that registered nursing. In the first quarter of 2023, 33 out of the 34 SUNY Adirondack students who sat for the nflex, that is the national licensing exam, 33 out of 34 passed on their first sitting. Ironically, the one student who didn't pass on the first sitting was a really high flyer, just had a bad day on the standard test, came back and retook it and all 34 now are registered nurses in and around the area here. That is the quality of program that we have in health care. This component with the PCA/HHA/CNA adds an entry level, an onramp, that might help some of the students overcome that high step if they were trying to get directly into the nursing program right out of the gate.

Chairman Sutton asked if there were any further questions of Mr. Jablonski.

Mr. Carminucci asked if there was a dollar amount associated with this. Mr. Jablonski replied that the proposal that we submitted to this agency in January was \$250,000 a year for three years. It is less than what we got from that Federal grant, but again we are reprising something that we've done before, so we understood and are sensitive to the IDA's financial constraints too. But our proposal was \$250,000 a year times three years, a total of \$750,000.

Chairman Sutton stated that as you know, we are restricted directly from the State on what we can do on grants and loans. It is something that we will have to sit down and see what direction we might be able to go in to get creative to meet the criteria of what we have to abide by. Mr. Jablonski replied that he understood and if you decide that you want to pursue that further, our legal counsel is Bartlett, Pontiff, Stewart and Rhodes in Glens Falls and Larry Paltowitz in particular. He understands your legal counsel probably knows a little bit about that organization. If it comes down to will, and if this IDA has a will to move forward, perhaps our legal counsels could sit down and figure out the legal way to allow that to happen. Thank you for your time.

Chairman Sutton thanked Mr. Jablonski for his presentation.

CEO Report:

PARIS Update:

Chairman Sutton stated we will go back to our regular agenda items.

Chairman Sutton asked Mr. Duffy for a discussion on the PARIS Update.

Mr. Duffy stated the PARIS has been submitted and we haven't seen anything come back from the ABO yet as far as review unless Mr. Many has something.

Mr. Many replied no, not so far.

Mr. Duffy stated unless they want us to change anything or interpret information differently than what Mr. Many and he did, we should be fine. That is the update there.

Twinbrook, LLC (SKS): Discussion of PILOT and GMS Realty (GMES) Application

Chairman Sutton stated Ms. Riley will present the application for Green Mountain.

Ms. Riley stated thank you for having us this morning. As you can see on the agenda, we have Twinbrook as well as GMES. Ms. Riley stated that GMES has submitted an application for a five year PILOT based on a conversation we had and we are not assuming a PILOT, but understanding that there was an existing PILOT, that it is in the sixth year and so after conversation and having a better understanding of where things are and the jurisdictions that are at the end of the incentives if you will, we are presenting this five year incentive ask that includes a mortgage recording tax of \$105,000, sales tax abatement of \$91,000 and property tax abatements of \$1.366 million. We had a recent conversation last night. She was made aware, on both sides, and she doesn't want to misspeak for either one of you so this is an excellent opportunity to share with the Board your situation.

Ms. Riley stated that , as she learned last night, we amended this to be five years, the initial ask was ten. Josh and his team from Green Mountain had put ten in to make this site comparable and competitive with the two sites that they are looking for in Western Massachusetts and Southern Vermont. They were able to kind of look and see the bigger picture at this site because they felt that in addition to expanding their operations here in Saratoga and their investment which will be to service the Northeast which can be done at any one of these three locations, they also had an opportunity to kind of assist another entity if you will and help stabilize them and that retains 55 employees. What she learned last night was that the five year is indeed not working on either side. This is the gap that has made this parcel not as competitive and the leeway on the back end is just not attainable for them based on what their debt situation is as it stands. So, we are here requesting a five year and hoping consideration, if any, could be made for a ten year to make this project work.

Ms. Riley stated that again she doesn't want to misspeak for any of the applicants or the sub-applicant or somebody with an existing PILOT so she thought it would be a good opportunity to have everybody come, let them speak to the situation as they know best and if there is a way, we can work it out and retain as well as attract this investment but understanding that there is guidelines. We do not know what we do not know so we thought the best thing was to come full disclosure with the Board and see what, if anything, we could do to help this situation and she leaves it to the gentlemen.

Ms. Riley stated that she will start with Twinbrook. She thinks at this point we need to figure out what is going on with this current PILOT. She thinks a conversation and for the Board to get a better idea of the situation you are in and where you are at. She does not want to speak for Chairman Sutton, but however you want to do this, she knows it is kind of a duel on this.

Chairman Sutton replied yes, we have not seen this type of application and continued changing. This is unique to our Board, this request and we do have guidelines, again, that we must uphold to. For the UTEP, we need to stay within the guidelines of how we do our business, how we conduct our business. We are trying to figure out a way to make this work. We are very cognizant of the fact that we are looking at 55 jobs, we are looking at 55 families, we are looking at 55 people that could eventually get affected by this. We are looking at the fact that you have a beautiful building, a great building. We do not want to see that go vacant. We do not want to see anything at this point get into a legal battle with the financing companies that you are working with or the banks or whomever you are working with. We think the Green Mountain Electrical Supply is an excellent choice to be able to retain that building in Saratoga County. We think that is an excellent use of the facility.

Chairman Sutton stated that now, we have to try and figure out how we can all sit down, three parties, and how we can do this financially. We are willing to listen to proposals. At this time, we really have to be

careful, if the banks are putting a deadline as to the dates as to when this has to be done, we don't work that quickly because we do have these public hearings that we have to adhere to. The earliest of any public hearing would be in August and if not, this may have to be put off until September and he doesn't know if that fits in again to the timeline of what the financing companies might be looking at. So, with that, we would like to hear from the participants from SKS and from Green Mountain as to what you are actually looking for and what needs to be done. Now, this application is null and you don't really want to go forward with this application, correct?

Mr. Laber stated he will let them speak to their situation, he guesses the way they look at it, is if we were coming into the building vacant or there was another site we were looking at, we would be asking for a ten year. We asked for a ten year, there was some discussion we had on that to bring it back to a five year. A lot of it comes to the uniqueness of the co-tenancy that is there, trying to help preserve existing jobs for an existing organization. He doesn't want to say we are being penalized by trying to work an arrangement out, but in a lot of ways, our deal of financing lies in our contracts we have with SKS, it does revolve around this ten-year PILOT that we initially submitted. As he said before, if we were coming into a vacant building or a new parcel, we would be asking the question and he thinks the standard would be a ten-year PILOT that we would be asking for.

Mr. Mooney stated you are more than welcome to do that, that would be fine. If you do a new application for a ten year, that is perfectly fine. The scenario that you explained, if you were coming into a vacant building, you could certainly do that, it would be no different in this case, so you can do that.

Mr. Laber stated as far as timing goes, that is one of the concerns, he needs to let them speak on that side of things.

Mr. Duffy stated in that current scenario the PILOT would be dissolved and a a new application would be received. Mr. Duffy asked what would the lag time be.

Mr. Carminucci stated so if you don't have an application before you today you can move forward on the need to receive one that has a ten-year PILOT proposal and he presumes that would be taken up at your August meeting and then you are looking at, if that gets moved forward in August, you are looking at a public hearing at your September meeting.

Mr. Duffy stated basically the numbers are pretty close. This is the difference, the \$1.9 versus \$1.3, so you have a \$600,000 gap. But on this here, your total savings are \$1.561, that is a little bit further, a little closer to the \$1.9. For a few hundred grand, is that literally an unsolvable gap between what you guys are trying to put together?

Mr. Bruno stated he thinks the issue with trying to make this work for GMES is satisfying SKS and Twinbrook's debt with the current lender and obviously leaving enough on the table for SKS to continue its operations with cash. We've squeezed everything we could out of this deal, we spent a lot of time negotiating with GMES to get this to where it is today and the way we structured it, it works for everybody. But, the change in benefits, the application, to have this compete with GMES's other options, SKS and Twinbrook is being asked to reduce the sales price, which we can't do, there is just nothing there to do that. That is what is bringing us here today to have this conversation.

Mr. Mooney stated we definitely had the conversation in the past and right from the start we were straightforward about a five year. He doesn't know why you submitted this application for five years and now you are here today trying to change it.

Ms. Riley stated when we had the subcommittee meeting, Mr. Laber and she talked about it and to that point it was like \$580,000 and he said could we maybe squeeze this in the middle, could we fine tune this to make it work. Unfortunately, SKS's lawyer was out last week and he just came in yesterday and bombed this on us yesterday afternoon around 3:00.

Mr. Mooney asked it is a legal issue or a financial issue.

Ms. Riley replied it is the lawyer's working through the finances of it.

Mr. Bruno stated we were made aware of it yesterday. When he walked away from the June meeting, he was hoping that he heard that perhaps there was an opportunity to repeat the last five years for five more years because he did hear you say that you couldn't do another ten-year PILOT. That is the next five years, not the first five years right.

Mr. Carminucci stated it brings it back to where you were in year one and over the next five years.

Mr. Duffy stated these numbers are actually lower than the first five that Ken had, he was at twenty five and change, so this obviously starts at twenty one.

Mr. Carminucci stated but those numbers are estimates because it is going to be based upon tax rates, so those numbers will change based upon whatever the tax rates are at the time. Essentially, that proposal would roll back the PILOT Agreement to where we were for the first five years which had the applicant paying taxes based upon the assessed value of the land without taking into account the improvements.

Mr. Duffy asked Mr. Carminucci to explain our UTEP.

Mr. Carminucci stated there is a provision in our UTEP that one of our guiding principles is that we will not reduce what the taxing jurisdictions are currently receiving on the property. In this case, if you were to even entertain this, we would have to consider making an exception to that and justifying it based upon all the facts and circumstances because in September the School District is due to receive a payment of some proportion of \$148,000. He did the math, but he doesn't remember if they are 60 or 70% of that amount.

Mr. Duffy stated so we would have to go back to them and tell them that the extra \$125,000 that you were expecting is not going to happen. Mr. Carminucci stated right.

Mr. Duffy stated that we are going to roll the whole thing back five years and they would be waiting for five years. They would eventually get their money, but they would probably rather have it sooner than later. We are willing to have that battle and write those letters but that was based on our last subcommittee meeting when I asked if the \$1.3 is workable and you thought at the time, you said yes. That is why we expected the five and now if we had to entertain the ten, as Mr. Mooney said, you can certainly do that and you have to make your case and the Board is going to have to make some decisions.

Mr. Mooney stated yes but it is going to be a new PILOT and if you have a vacant building, that property would already be paying full taxes so you would be getting a PILOT on what was already there. That analogy doesn't really work. Like he said in several meetings, we are happy to do everything we possibly can including that, this is going against our policy, we are willing to do that. But, to extend a PILOT to fifteen years, we just can't do, or he certainly would not vote for that at all.

Mr. Duffy asked how long would it be with a new application.

Mr. Carminucci stated that if you have an application in hand, the question is whether the applicant is requesting that be moved forward and then to the Board has to decide whether you are going to do that and hold a public hearing. If what they are saying is that this doesn't work for them anymore between the two parties, then you might be done. He doesn't know what other alternatives there are unless he doesn't think there is a sentiment among the Board to consider a ten-year PILOT. They could make that application, but it doesn't sound like there is enough support to move that forward to a public hearing. Not everyone has spoken yet.

Mr. Bruno stated yes, the money is not there to make it work so we would have to go to market and look for a new buyer.

Mr. Carminucci stated the other decision at some point you are going to have to reach is how to deal with the existing PILOT under your recapture policy, the fact that the employment has dropped would potentially trigger a recapture payment, that is in your discretion, you can certainly decide looking at their circumstances that you wouldn't require that in this instance and then if this deal falls off, the PILOT would continue.

Chairman Sutton stated that he thinks that would a strong consideration from our Board is to not really look at that clawback. He means, extenuating circumstances because of COVID, because of the supply chain problems and the problems that you have had with the stealing of your ID numbers and things of that nature, we can certainly justify that type of a situation and he thinks we are very cognizant of that and we are very supportive of trying to help you out any way we can. Again, he agrees with Mr. Mooney, if you want to come back and a ten-year PILOT, he thinks on its own merits we would strongly take a hard look and look at that because that is what we normally do on any applicant and we would look at the ten years and see if that fits in. Again, we are in the grey area of how do we proceed with this current situation.

Ms. Lambert stated as kind of a reference for billing purposes and where Twinbrook is, it is going into year six of that PILOT, so when you do get to that year six, it is not just based on the land value, it is based on the land and 50% of that improvement, so that does jump quite a bit.

Mr. Mooney asked if the Board is willing to make that battle with the School District and how much would that be.

Mr. Carminucci stated he thinks the total payment would be around \$148,000, that would be to County, School District, and the City. The School District portion of that would be due in September. What he would suggest first is that you decide what to do with Twinbrook to get that off the table. If someone wants to make a motion that taking into account all of the circumstances that you are not going to require any kind of recapture and at least get that one off the table because that does need to be dealt with. Mr. Duffy stated and to leave the PILOT in place. Mr. Carminucci stated right and as it applies to Twinbrook and they can decide what to do with Jim, yes.

Chairman Sutton then asked for a motion to approve the Resolution for Twinbrook, LLC (SKS) that due to extenuating circumstances that we not exercise our clawback option related to the current PILOT as presented. Mr. Mooney made a motion to approve the Resolution. The motion was seconded by Mr. Klein. Chairman Sutton asked if there was any further discussion. Mr. Klein asked if we are putting the cart before the horse. Mr. Carminucci stated you need to address the current situation which purely applies to Twinbrook. There was no further discussion.

RESOLUTION #1548

RESOLVED, THAT the Saratoga County IDA accept the motion to approve the Resolution for Twinbrook, LLC (SKS) as stated and discussed be acted upon. The results of the roll call vote were as follows:

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

NOES: None

ADOPTED: 4-0

Chairman Sutton asked the applicant if it was understood what we did. The applicant responded in the affirmative.

Chairman Sutton stated that we are very sympathetic with the situation that you are unfortunately in at this point in time. We are trying to help out in any way that we can. We want to preserve as much of these jobs as we can for you folks. Now the next question is where do we go from here. Should your attorneys try to work out something between yourselves, between Twinbrook and Green Mountain or has that already been done. Chairman Sutton asked if there has been further discussion between the two groups.

Mr. Bruno stated he thinks the two groups have discussed any alternatives and we have kind of beat that topic. At this point, GMES has to make a decision that makes the most sense for them.

Mr. Mooney stated numbers wise, if you go for the ten-year, once it goes back on the tax roll, you are going to be back to whatever the higher number, \$271 per year so you are not going to realize the kind of savings that you already have on the table here.

Mr. Carminucci stated he thinks the alternatives are to move forward with this application as presented, you can certainly modify this and ask for that ten year, but he doesn't think there is support around the table to move that forward unless he is mistaken. He doesn't think coming in with a new application for a ten year makes sense because the numbers are more adverse.

Mr. Duffy stated you have more savings here than going to a ten-year.

Mr. Carminucci stated he thinks their proposal would be to keep the existing PILOT in place, modify it and convert it into a ten-year going forward.

Mr. Mooney stated but once the property transfer takes place it is going to be full tax.

Mr. Carminucci replied right but he thinks the way to do that would be to have them assume the existing and then modify it but he doesn't get the sense there is enough support around the table for that, right?

Mr. Bruno asked if this is something that can be voted on today. Mr. Mooney replied yes.

Mr. Duffy replied it can be moved to a public hearing, that is what would normally happen. We would move it to a public hearing and then have a vote right after that is done at the next meeting which he thinks is going to be August 8th. Chairman Sutton stated it speeds up the process because otherwise you

are looking at into September. If we forward this to a public hearing, and we need the timeline because we have to do the advertising and things of that nature.

Mr. Mooney stated Mr. Carminucci also has to correspond with the School Districts and so forth because the 2024 tax rate was whatever, much more than that.

Mr. Duffy stated they will more than likely have someone at the public hearing. It will be part of the public hearing.

Ms. Riley stated Mr. Laber would like to submit, at least if you are comfortable with it, to at least ask the Board if they would be willing to accept this application as is.

Chairman Sutton then asked for a motion to forward the application for Green Mountain Electric Supply, Inc. to a public hearing. Mr. Mooney made a motion to set the public hearing. The motion was seconded by Ms. Manso. Chairman Sutton asked if there was any further discussions on the application as presented. There was no further discussion.

RESOLUTION #1549

RESOLVED, THAT the Saratoga County IDA accept the motion to approve the Resolution for Green Mountain Electric Supply, Inc. as stated and discussed be acted upon. The results of the roll call vote were as follows:

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

NOES: None

ADOPTED: 4-0

Chairman Sutton stated we will set the public hearing for August 8, 2023.

Mr. Duffy stated that would be in Saratoga Springs City Hall at 8:30.

Mr. Bruno asked if there was an opportunity to move that date up. Chairman Sutton stated there are time constraints for the advertising with the newspapers, the application has to be in to us, which we already have.

Mr. Carminucci stated we could move it up slightly, he needs about two weeks from today to get the notice in and get the letters out so it really depends upon everyone's schedule. You would have to check to see if City Hall is available on a certain date.

Mr. Duffy stated that he would like to check to see who is on vacation and who is in town. We need to have a quorum. We can try. If that is a benefit, we are happy to do that, but he can't give an answer right now. Mr. Bruno stated he is not speaking for Mr. Carminucci, the last week of July would be great if possible. Chairman Sutton stated he doesn't think that could happen.

Mr. Duffy stated we are on the 11th right now, we've got two and a half weeks. If maybe we were looking at the 25th of July. Mr. Duffy stated to Ms. Lambert let's find out what openings the City has, either the 25th or 26th. He will canvass the Board members to see who is available. The Board decided that the 27th would be more viable. Chairman Sutton stated this would be lieu of our August meeting. The Board agreed. This would be specific to this project. Chairman Sutton asked if this would be sufficient time to give notification to the parties.

Mr. Carminucci stated it will be tight, but we can get it done as long as we can know quickly whether that date works whether City Hall is available on that date. Chairman Sutton asked about the taxing jurisdictions. Mr. Carminucci stated we have to give them ten days' notice.

The Board decided that the 27th is the date that will be decided upon for the public hearing.

CFO Report:

Chairman Sutton asked Mr. Many to discuss the next agenda item for CFO Report.

Mr. Many stated the cash balance, comparing the two years is up to \$4,460,000 vs. \$3,200,000. We've collected, obviously Luther Forest paid us off. We had a tremendous closing at the end of last year. We have had a big jump in the cash balance. He would mention that we rolled back the CD that matured recently back in to our operating account rather than being renewed because the rate would have been extremely low. We will address a new CD going forward. Payables are routine.

he main invoices out there are the County Planning Department, which we pay quarterly at \$12,500 and Baker PR for \$5,325. That s about \$18,000, The net income is obviously a negative, or net loss. We haven't had any closings yet this year, so hopefully we will rectify that situation.

Regarding the collateralization situation, we are fully collateralized, the bank is doing what they need to do. He confirmed that. He went over it with them again yesterday.

Mr. Mooney asked if they explained what that letter of credit was. Mr. Many replied that is part of the collateral. Mr. Mooney stated but that was only good for 15 days.

Mr. Carminucci stated he thinks that is how it works because the new one has a short-term maturity too; they just keep renewing it.

Mr. Many stated we get a once-a-month report from M&T, that is the main one.

Mr. Carminucci stated M&T is probably the custodian for the collateral, is that right? Mr. Many replied yes. Obviously the issue they had is their 10K financial report, but it had nothing to do with it.

Mr. Mooney asked why it was just for the 15 days though. Mr. Carminucci replied no, he doesn't know why that have it set up, and it might be customary for when they have to collateralize the way that they do, but it has to be a pain for them.

Mr. Many stated well the cash balances go up and down, not so much with our accounts, but they do go up and down a bit and if our cash balance goes down for whatever reason, there is less collateral needed.

Mr. Many continued that the other important issue that we have is we need to sign off on the new signature cards. Chairman Sutton will need to go in, Mr. Klein has gone in, and Mr. Duffy will need to go in as well. We don't have any issues, there are enough signers already.

Administrator Report:

Chairman Sutton asked Ms. Lambert to discuss the next agenda item for the Administrator Report. Ms. Lambert stated we are just going through our Company Insurance Chart. Everyone is up-to-date. This past month, we had Quad, Global Foundries and Ace Hardware. They are all set. We are also going through and making sure that, initially in our March report, we went through all of the stuff that was

tentative. All the properties that were supposed to be on the tax rolls weren't and some that were supposed to be had gotten reconveyed hadn't gotten off. Currently, in reviewing the final assessment rolls to make sure everyone got their stuff right. Currently, all of our properties are correct.

Mr. Carminucci asked it that included Quad. Ms. Lambert replied including Quad, yes. Chairman Sutton asked if they have a new Assessor. Ms. Lambert stated that for the City of Saratoga Springs, the elected Assessor does not actually have to be someone with a lot of assessor experience. The Assistant Assessor actually does the assessments. Ms. Lambert stated and she and Mr. Valentine had met with the Assistant Assessor who is new and started literally one week before grievance day. He has got a lot of experience in building inspections, not necessarily assessing properties, but he is great, he is very excited. Coming in a week before grievance day was a little tricky.

Mr. Klein asked if we know where he is from. Ms. Lambert replied he is from the area, she doesn't have the exact details. Mr. Klein questioned was he an Assessor before. Ms. Lambert replied he was not an Assessor before but he was more of a building inspector. Mr. Klein replied ok. Ms. Lambert stated he is familiar with the assessment side, he is still learning, but he is great. He didn't have too many questions about IDA business but the team at City Hall made sure that as soon as we notified them that one of the IDA properties should not be on the tax rolls, PeroxyChem, they took care of it before he even got there. All of our properties are currently correct as they should be on the rolls, tax roll section 8 or 1, whether they are off or on. That is all she has to report.

Agency Counsel:

Chairman Sutton asked Mr. Carminucci if he had anything to report. Mr. Carminucci stated he did not have anything to report.

Other Business:

Chairman Sutton stated the next agenda item is other business, SEDC/pending applications.

Chairman Sutton asked Ms. Riley if she had anything to bring before the Board.

Ms. Riley stated we have a subcommittee for a potential project for an addition of a 27,500 expansion to a current manufacturer and we are hoping to have a meeting and decide what that looks like. The Company is one that we've done projects with in the past, they were acquired by a French Company in the last few months, and they are making a decision of where their expansion will go amongst their U.S. sites. We are here to share what that looks like for the potential of it happening in the Saratoga site. We have their CFO here.

Ms. Riley continued with thanking the IDA for the support of the FAM Tour. We have been getting tons of site requests. We've had Romanian Companies, European, we've had a couple of Italian companies. We probably have done 16 site tours since our last meeting. We have another 25 guests coming in this week. On Friday afternoon we will be bringing the site selectors in cars, guided tours, with different partners to see all of the sites from Moreau to Waterford. Again, it doesn't just go without saying thank you because we couldn't do what we do without your support and obviously your operations and what you do.

Ms. Riley stated that she did have a discussion with these guys last night that there is absolutely a desire from this Board to help any Company to retain their business within the County or expand in the County but that you are under a UTEP and that you are scrutinized. At no point will the Board consider something that is going to put other companies in jeopardy of not having this entity here to do what they

do. She will echo that down the hallways and never put this Board in that situation. This was just very rare and this happening so late last night when she talked to Mr. Duffy, she doesn't know what she doesn't know and this was just one of the weird ones. It won't happen again and she thanks you for your patience. Chairman Sutton stated again we want to try to help any company, we all have been in business and we all know that traumas that we all go through in the business community and it has been really, tough. It is a labor of love on a lot of people's parts and it is a big financial decision on them, we don't want to see anybody go bankrupt or go bad or anything like that. We will try to do whatever we can to keep them. It is so hard to start up a business and keep that ball rolling. We are here to help. He thinks he and all of the members of this Board are very cognizant of that. We just want to see people succeed. Not everybody succeeds, but if we can help them along the way we will do that.

Chairman Sutton asked if there was any further business to come before the Board. The next meeting would be tentatively July 27th for a public hearing. 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. Klein, seconded by Ms. Manso, with all voting in favor.

Respectfully submitted,

Lori A. Eddy