

SARATOGA COUNTY INDUSTRIAL DEVELOPMENT AGENCY MEETING

**Saratoga County Office Building
50 West High Street, Ballston Spa, NY 12020
February 13, 2024 – 8:30 a.m.**

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

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

ABSENT: Chairman Rod Sutton; Kevin Tollisen

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

Approval of Meeting Minutes: January 9, 2024:

Vice Chairman Klein stated the first order of business is the approval of the meeting minutes of January 9, 2024. Vice Chairman Klein asked if there were any changes to the meeting minutes. Mr. Lewis made a motion to approve the minutes of January 9, 2024. The motion was seconded by Ms. Kolligian. As there was no further discussion, all were in favor and the minutes were approved.

Summit at Halfmoon – Extension of Sales Tax Agreement:

Vice Chairman Klein stated the next order of business is Summit at Halfmoon, Extension of Sales Tax Exemption. Mr. Duffy stated that this item is up for a vote. Vice Chairman Klein questioned when does it expire? Ms. Lambert replied it expired December 31st. They are looking for an extension due to a lot of the bills are coming in. Once they finish construction to try and take care of those. They feel they can get through all of that by March 31st. Mr. Carminucci stated our hope was to have this terminated before March 1st and get it back on the tax rolls because there is no PILOT but we can't do that if they are extended which is okay. It is just a little bit of PILOT pass off. There is just a timing issue receiving bills. Ms. Lambert replied with how construction is going these days, a lot of their stuff originally was delayed so a lot of their payments and billings have been slightly delayed as well. They feel they can make it happen by March 31st. Vice Chairman Klein questioned if technically it ended the 31st of December, then anything they purchase between then and now, what about this? Mr. Carminucci replied there is a little bit of a gap there they will have to deal with. Vice Chairman Klein questioned we can't do anything retroactive can we? Mr. Carminucci replied the way we usually do it with tax and finance is we just show it's been extended. Mr. Duffy replied February 1 to today technically would not qualify. Mr. Mooney questioned if this was an extension or a new one because the old one expired? Mr. Carminucci replied we usually treat it as an extension even in instances like this where it expired. Mr. Lewis replied he just doesn't want to make anything retroactive. Ms. Kolligian questioned if we need to give today as the start date. Mr. Carminucci replied yes that is what it would be essentially, the extension would be effective as of today through the end of March. Ms. Lambert replied anything that was purchased between January 1st and today does not qualify but anything from today forward until March 31st qualifies.

Vice Chairman Klein then asked for a motion to approve the sales tax exemption through March 31, 2024 for Summitt at Halfmoon as presented. Mr. Mooney made a motion to approve the extension of the sales tax exemption for Summitt at Halfmoon through March 31, 2024 as presented and discussed. The motion was seconded by Ms. Kolligian. Vice Chairman Klein asked if there was any further discussion. There was no further discussion.

RESOLUTION #1571

RESOLVED, THAT the Saratoga County IDA does approve the extension of the sales tax exemption for Summitt at Halfmoon through March 31, 2024 as presented and discussed. All were in favor and the motion was unanimously approved.

Chairman's Report:

Vice Chairman Klein stated regarding the Chairman's Report Chairman Sutton is absent at this time. Vice Chairman Klein stated he has nothing to report.

CEO Report:

Vice Chairman Klein stated the next order of business is the CEO Report. Mr. Duffy replied we discussed Summitt at Halfmoon and we are going to discuss Quad here and take that PILOT and close that one out after the unfortunate news. Mr. Duffy stated to Mr. Mooney he just forwarded him the Board Analysis stuff and Mr. Tollisen is still open on that one. Mr. Carminucci has some items with Active Solar that he and Ms. Lambert have been working on. Outside of that, that is all he has.

CFO Report:

Vice Chairman Klein asked Mr. Many to discuss the CFO Report. Mr. Many reported the year-end audit is going well. We have to get a few things to our auditor and that should be wrapped up fairly soon. There are no problems with our statements. For the month of January, he did a financial report but basically, he wrote four checks last month. Nothing major on that front. He has a CD up for renewal and we have to get that out for bid to get that back rolling. Vice Chairman Klein questioned what was the amount? Mr. Many replied he believes it is \$500,000. He signed up for ABO Training in lieu of the PARIS Reports that we have to do for 2023 and with Ms. Lambert we are working on getting out the County and local tax PILOTS soon.

Administrator Report:

Vice Chairman Klein asked Ms. Lambert to discuss the next agenda item for Administrator Report. Ms. Lambert stated as our CFO Mr. Many has alluded to we have been working on the PILOT billings and getting those out as well as the year-end surveys. The year-end surveys, most of them have gone out already. The PILOT billings we are about half way through and then moving forward Mr. Carminucci has been working on some closeouts and reconveyances of companies that have gone to the end of their PILOT Agreements. Our Company insurances, we are just keeping up to date on that as well. Vice Chairman Klein questioned we don't expect anybody not to comply with the surveys and stuff such as that. Ms. Lambert replied Quad of course, you know that the company is on that one. The previous one

from GMS they seem to be, we sent out the survey but we haven't received it back yet. Otherwise, she hasn't seen anything that raises a red flag. Vice Chairman Klein thanked Ms. Lambert.

Agency Counsel Report:

Vice Chairman Klein asked Mr. Carminucci to discuss the Agency Counsel Report. Mr. Carminucci stated he did speak to Chairman Sutton and Mr. Duffy regarding Quad. I did reach out to them in an attempt to terminate our interest in the property before March 1. They responded and said it shouldn't be a problem, they are reviewing what he sent. From a recapture standpoint, your recapture policy is primarily focused on PILOT benefits. In this instance, they received a sales tax benefit, he's not sure they used 100% of as well as the PILOT benefits. The PILOT benefit was to have their assessment frozen for ten years so that if it increases as a result of the work they were doing they would be able to make PILOT payments based upon the current assessment. He did check the assessor rolls. The assessment was never increased so they really have not received any kind of PILOT benefit from us that we could look to recapture. His advice at this point would be to just move forward with termination and get the property back on the tax rolls. If we can do it quickly then it will get picked up for the 24-25 school tax year billing. He would ask for a Resolution just to move that forward because it is out of the ordinary for us. Mr. Duffy stated would it be smart to get in touch with the City just to let them know after that decision is made here? Mr. Carminucci replied once he hears back. Mr. Lewis questioned who was called? Ms. Lambert replied she has already been in contact with the assistant assessor Dave Eaton as well as the school district tax collector Shelly Sharp. They wanted to know what is the impact of Quad closing. She stated let's figure that out and with Mr. Carminucci working on this and putting this together she has something to report back to them. Vice Chairman Klein stated again in writing, email at least? Ms. Lambert stated absolutely. Shelly Sharp sent her a letter to go through all of their PILOT Agreements and she has just been in contact with her about which ones she has correct, which ones just to help her understand where we are at with all of them. She also had questions about Kersia because that one, we don't have the PILOT Agreement yet but she wanted to know when might that happen, before March 1st or after. Because we don't have anything with that yet, most likely it will be after for that one. But, then Quad came up in the middle of our conversation. Mr. Carminucci questioned Ms. Lambert which one did she ask about? Ms. Lambert replied Kersia. Ms. Kolligian questioned what is the actual Resolution? Mr. Carminucci replied the Resolution would be to authorize a termination of the IDA's interest in the Quad property and having it put back on the tax rolls terminating the PILOT Agreement. Ms. Kolligian questioned before March 1st? Mr. Carminucci replied that is our goal. It could slip because he is getting paperwork signed today by Mr. Klein but he will need cooperation from Quad so hopefully that will happen.

Vice Chairman Klein then asked for a motion to terminate Quad's PILOT as soon as possible. Mr. Mooney made a motion to approve the Resolution terminating Quad's PILOT as presented and discussed. The motion was seconded by Ms. Kolligian. Vice Chairman Klein asked if there was any further discussion. There was no further discussion.

RESOLUTION #1572

RESOLVED, THAT the Saratoga County IDA accept the motion to approve the Resolution to terminate Quad's PILOT as soon as possible as stated and discussed be acted upon. The results of the roll call vote were as follows:

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

NOES: None
ADOPTED: 5-0

Vice Chairman Klein asked Mr. Carminucci to discuss the agenda item for Active Solar. Mr. Carminucci stated Active Solar is the project in Malta which was approved previously and then they came in December with some updates. This is the one where they reduced the size of the building to about 12,000 square feet. We are trying to get clarification on the impact of job projections based upon those changes in the project and he thinks we now have an understanding after a lot of back and forth of where those job numbers are going to end up here. There was some confusion because they obviously are going to employ people and he tried to explain to them the numbers that we want to see are the numbers that are being generated by the project that is occurring in Malta. They finally have come up with these numbers that are in front of you which are now reflecting 19 additional jobs at the end of the year one, that would increase an additional 17 and then 29 after year three. After the end of year three they are projecting a total of 16 new jobs at that site. He thinks the chart above the 45,62,86 is what they were originally showing, is that correct Ms. Lambert? Ms. Lambert replied yes that is what they reflected in their application. Mr. Carminucci stated right so you can just see the numbers are adjusting down as a result of the scope of the project changing.

Vice Chairman Klein questioned what is the square footage number? Mr. Carminucci replied 12,000 and change now with the building size. That was addressed in that letter that Ms. Lambert received in December. Ms. Kolligian questioned what was the original square footage? Mr. Carminucci replied he believes it was over 20,000 square feet. Ms. Kolligian stated but they almost did a little landing so feasibly in two years as they grow, they could expand into that full growth. Mr. Carminucci replied yes, they have expansion ability. Mr. Carminucci verified it was 20,440 for the original square footage and now it is 12,605. Ms. Kolligian questioned what is the total number of jobs to reduced by? Mr. Mooney replied 45 to 19 in the first year. Ms. Lambert replied so the projections in the spread sheet are what was in the original application and so that is what they are continuing with. Mr. Carminucci stated there is also something happening with the need to use more subcontractors than they originally anticipated. Even though the percentage drops are larger than the percentage decrease in the building, part of that is because New York State has strict regulations in terms of what these people need to comply with in order to get incentives or whatever and its like a changing landscape. It looks like they may have to engage more subcontractors than they thought they would which is why the percentage decrease is larger than you might expect with that drop in the size of the building and that makes sense. We received like a five-paragraph email regarding all of that. This was approved in December for final closing. We just wanted to get the new employment numbers in front of the members and have them sign off on this. Vice Chairman Klein questioned then we don't have to redo? Mr. Carminucci replied no it would just be recognizing that that portion of the application is being amended. Mr. Mooney replied it is still a good project. Discussion among the Board members continued regarding the size and scope of the project. After discussion it was decided that a Resolution was not necessary in this case.

Mr. Carminucci then stated that other than Quad he is working on terminations for Health Care Partners of Saratoga which is the facility at Exit 12 which was assigned over to Saratoga Hospital last year and that should be terminated by the end of this month. 19 Railroad which is the Bowtie Cinema office building, Railroad Place, SSP which is on McCreia Hill Road in the Town of Ballston and that is it. Vice Chairman Klein questioned what was the status on SSP. Mr. Carminucci replied he hasn't heard anything. Vice Chairman Klein questioned if they ended up sharing space or is the plumbing outfit going in? Mr. Carminucci replied you are thinking of SSK. Ms. Lambert replied you are thinking of Twinbrook/GMES/GMS. Mr. Carminucci replied no there is another one in Ballston near SSP. Mr. Duffy replied that is Coretech. Mr. Carminucci replied correct. Mr. Carminucci stated that is all of the updates he has.

Other Business: SEDC – pending applications:

Vice Chairman Klein asked Mr. Connors to discuss the next agenda item for SEDC pending applications. Mr. Connors stated he would like to ask the Committee to consider a sub-committee meeting sometime between now and your March meeting, or at the March meeting whatever the Chairman finds is most convenient on behalf of the Markstone Group, a name that may be familiar with the group doing business as Park Community Builders. This is their Route 50, Wilton 415,000 square foot senior housing project that he has spoken to Supervisor Lant about it as well, who has agreed with the concept. They are far along with the Planning Board, final approval process and it looks like it's approximately a \$120,000,000 project with 390 units with the potential job projections of approximately 100 new jobs. With your permission I would like to bring the potential applicant in to have a conversation with the subcommittee prior to any kind of formal consideration or action by the IDA. Vice Chairman Klein stated he was sure we can find some time. Mr. Connors continued he understands there has been a public benefit assessment which they have agreed to which is an extension of water and sewer line to improve the marketability of land that is already commercially zoned, that is correct as to his understanding. Mr. Connors continued he would leave it to your discretion timing wise. They had some particular requests and he said to them it is the Chairman's discretion, we will do it sometime either between now and your March meeting or after the March meeting, whatever is convenient for you and they were agreeable to that. Vice Chairman Klein replied we will try to move the meeting along as best we can. Mr. Connors replied thank you. Vice Chairman Klein questioned Mr. Connors if he had anything else to report? Mr. Connors replied no thank you.

Vice Chairman Klein asked Mr. Connors if there was anything new or different on the Quad front? Mr. Connors stated he is not so sure there is anything that is substantially different. He will say that the State Department of Labor has been very aggressive onsite with the employees on a very regular basis. Labor Department personnel are onsite assisting employees who have been impacted by the closing. He knows a number of the employees have already found other opportunities. He knows in cooperation with the County Workforce Development Department we've scheduled a job fair onsite on the 21st of February and in collaboration with our partners in the Chambers throughout Saratoga County. He guesses the job fair onsite is closed to the public because of security concerns at Quad. But there is such a demonstrated need throughout the County for a job fair opportunity, we are going to hold another one at the City Center and we are also going to do one down in Clifton Park in the very near term. He is pleased to report that the Companies throughout Saratoga County and the Capital Region have really stepped up and Jen Macluski is the point person in terms of organizing that effort. She has done a phenomenal job and it's a sad state of affairs to be honest. Cushman, Wakefield has the exclusive right to sell the property. The decommissioning is underway. They want to be pretty close to that May 1st date in terms of closing the site. He is still awaiting the site specifications and the marketing material from CW that he will certainly distribute to as many people as he can. The brokers representing CW are pretty confident that the property is very marketable and of course we are marketing the property to some of our prospective applicants of people looking to locate within Saratoga County. It is a sad state of affairs but as these things go he is pleased with the progress and the collaboration and the cooperation by the business community to help those employees find alternatives. Vice Chairman Klein questioned is the property, and he guesses it would go with anything in the Park, is that Quad owned, they don't lease anything? Mr. Connors replied no. Vice Chairman Klein asked if the railroad is leased? Mr. Connors replied it is interesting that you should ask that. He found out when we completed our financial audit of SEDC that apparently, we own the rail line. We have an agreement with all of the occupants within the industrial park to use the rail. He has only seen a train on it once but we own the rail and apparently that goes back,

Mr. Carminucci may know more about it, but that goes back a number of years. We are optimistic and we have some prospects that we are talking to about the building. We've been trying not to impose ourselves on Quad too much as they are getting their feet on the ground here but Quad has one less tenant, he is very happy to say we have relocated our office on Broadway in Saratoga. We are in regular contact with them. He has had them together with some of our State Legislators to talk about some of the issues that put Quad in this place that the members are familiar with. The meeting we had here last month on energy intensive users and so he thinks kind of closing the door after the horse is out, but there is some good progress there as well. Vice Chairman Klein questioned if it is 1,000,000 square feet of space? Mr. Connors replied yes and it is good space, it's going to be all open space and very reusable. A number of reuses possible from of course distribution and logistics to manufacturing, pasteurization, there is a lot of things we've got on our agenda for that space once it's available. Vice Chairman Klein stated your mind just runs with possibilities of who could use that and coming from the outside or somebody inside. Mr. Connors replied no question, it is in the forefront of his mind as it is Empire State Development. As he thinks he mentioned at last month's meeting here, he had what he felt was a productive conversation with Hope Knight who is the Commissioner of Empire State Development and once he gets the specifications to her from CW, she told me she would make it among their highest priority in terms of marketings. Vice Chairman Klein questioned is there any way that the State would help a new company moving in financially? Mr. Connors replied absolutely. There are some pretty robust financing programs currently available through Empire State Development, anything from infrastructure to low interest loans, job creation grants. There is a really good list in his view of programs that are available. They are not as aggressive in marketing those programs as he would like them to be. Of course, they are a little tentative you know, every year they go through this budget process and how much more money is there, how much less money is going to be available, that kind of thing. He also was able to get a copy, and he will distribute it to Mr. Duffy, Mr. Carminucci and Ms. Lambert, of tax and finance that are reported at the request of Senator Scofus that came out last night that is critical of efforts such as ours. He is making what is at least published, to be an aggressive effort to reform the tax incentive process and programs throughout the State. Mr. Lewis questioned has he talked about how that would happen? Mr. Connors replied he hasn't had a chance to read the report yet but he will certainly share it with Mr. Duffy and Mr. Carminucci and you take a look at it and circulate it amongst the members. Mr. Carminucci replied one of the things he was harping on were the film subsidies in New York State and whether they result in anything and thought it was too much money. Mr. Connors stated he also has voiced some opposition as to the many IDA's. To have a more regionalized approach and consolidation of funding and things of that nature. Again, he got the report late last night, he'll circulate it.

Vice Chairman questioned Mr. Connors if he would like to talk about Belmont. Mr. Connors replied sure. Tickets are going to be available this week he believes electronically online. Ms. Kolligian replied they go on sale Thursday but if you are a Belmont newsletter subscriber, they code with Belmont for noon tomorrow. If you are a NYRA bets, the code is wagered to 10 a.m. tomorrow. So they've got windows depending on who they are marketing to. But is she correct, they did go out to Belmont share people prior to Saratoga being marketed. Mr. Connors replied he has friends who have for years gone to the Belmont and paid a premium due amount of whatever. NYRA reached out to all of them. The numbers are really high for ticket costs, it's \$1,300. It is interesting, NYRA, their decisions, he guesses he will call them fluids, because what they told us originally or a couple of months ago as to what their plan was, has changed significantly in terms of the availability of the tickets and what the tickets are going to be able to afford, spectators, it's interesting. But they do expect the admission ticket, which everybody has to have one, and it doesn't guarantee you anything other than access to the site, to be gone within 48 hours, available through their site. And then of course, the secondary market will jack up a couple thousand

percent. From a community perspective, we are getting pretty well organized. We have a host of organizations, all that you would be familiar with, are involved in some way. Discover Saratoga is taking the lead on organizing. They are going to have a link on their website that is going to provide a listing of where all of the view parties are and all of the community events that are going to be taking place. Days and times. The draw is on Monday and the Racing Museum is going to have an event then. Wednesday, we are planning an event in the Community in the Business District and those details are still in formation but it is going to be very busy. Vice Chairman Klein questioned what about transportation because he still looks at that as one point. Mr. Connors replied we have what he considered a real productive and cooperative conversation with CDTA. They are happy to help us in any way. Good conversation he had last week. Phil Calderon at the airport, they are working on some type of a shuttle service back and forth in cooperation with CDTA. Reservations are already starting to come in for corporate jet space. Also, the commercial airlines haven't increased any flights to Albany as a result of the Belmont yet but as their current flights fill up, they felt that once people have actual tickets in their hand, then they'll start making their travel reservations and if the planes start to fill up, the commercial carriers will add flights in. The hospitality industry has got a smile from one ear to the other in terms of accommodations. Most of the rooms are already sold out at a very high price. It is an exciting time but all of us should be comforted by the fact that we've got a good organized effort underway and we are confident we will be able to put on a good show. Ms. Kolligian replied there is a concert planned too. Ms. Manso stated she heard that too. Ms. Kolligian replied Friday night. Mr. Connors replied he was not really familiar with the artist but Live Nation told me it is a A- B+ performer. I don't know what that means. Ms. Kolligian stated he was an opening act last year. Mr. Connors stated Elizabeth Sobel from SPAC told me just the other day that Live Nation has a hold on Saturday which is Belmont day. No announcement yet on whether there is an actual performance to be scheduled. We are counting on their parking lot to help. Having an event, which now he understands SPAC really has no control over it. Live Nation calls them up and says hey we'll be there Saturday and SPAC says ok. It is interesting to see all of the behind the scene machinations of what goes on here. NYRA they are good people, but they don't care what goes on outside the fence. They are going to put 50,000 people on site. They've done it before. They believe this is really no big deal. They are stressing over their ability to get a sufficient workforce. They are stressing over accommodations for the international and national media that will be here in terms of their accommodations. It is interesting and everyone is excited about it and we'll pull it off.

Vice Chairman Klein questioned are rooms in Clifton Park are they still available? Mr. Connors replied his answer to that would not be reliable. He knows that they are aware and he knows that a number of the owners of Saratoga facilities are also owners of Clifton Park facilities so he is pretty confident that any kind of spillover or a maximum occupancy at one of the closer facilities would spill over to Clifton Park and Albany. Vice Chairman Klein questioned if the new Police Chief from Saratoga Springs has been there talking. Mr. Connors replied they have been great. Homeland Security, as he thinks as everybody knows, has already designated it as a Homeland Security event. The FBI, State Police, Sheriffs, local police, border and customs protection are already onsite training. They've taken over the Reading Room as their command center. Commissioner Paul has been very much engaged and the entire City Counsel. This is a big deal for them and big deal for all of us. He thinks there is a lot of collaboration and cooperation today. Vice Chairman Klein thanked Mr. Connors for that update. He appreciates it. Mr. Connors replied my pleasure. Vice Chairman Klein replied if there is anything we can do, which he strongly doubts.

Other Business:

Vice Chairman Klein stated the next agenda item is other business. The next meeting date is March 12th, does that work for everybody. Ms. Manso replied she won't be available. Mr. Mooney stated that is fine. Mr. Duffy replied he doesn't know about Mr. Tollisen. Mr. Lewis stated he would not be available. Mr. Duffy stated he would like to speak with Chairman Sutton and see what will be on the agenda, we may not have anything. Discussion continued on who might be available for that meeting date. He will keep everybody informed.

As there was no further business, Vice Chairman Klein asked for a motion to adjourn the meeting. The meeting was adjourned on a motion made by Ms. Kolligian, seconded by Mr. Lewis, with all voting in favor.

Respectfully submitted,

Lori A. Eddy