

STATE OF NEW YORK

COUNTY OF SARATOGA

INDUSTRIAL DEVELOPMENT AGENCY

In the Matter of the Public Hearing
on the Application of

AMD FAB TECHNOLOGIES US, INC.

1 AMD Place
Sunnyvale, California 94085

LOCATION AND TIME OF HEARING

Malta Town Hall
2540 Route 9
Malta, New York
December 8, 2008 10:30 a.m.

M-E-M-B-E-R-S P-R-E-S-E-N-T:

RAYMOND F. CALLANAN, Chairman
RICHARD DUNN, Vice Chairman
SUZANNE DALEY-NOLEN
RODNEY J. SUTTON
MICHAEL MOONEY
CHARLES HANEHAN
ARTHUR JOHNSON

S-T-A-F-F

LAWRENCE D. BENTON, CEO
JOHN MURRAY, CFO
MICHAEL J. TOOHEY, ESQ., Agency Counsel
JAMES A. CARMINUCCI, ESQ., Bond Counsel

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Public Hearing - AMD Fab Technologies US, Inc.

CHAIRMAN CALLANAN: Good morning, everyone. It is now 10:30 a.m. on Monday December the 8th, 2008. I will call to order the public hearing of the Industrial Development Agency of Saratoga County being held in the Town Hall in the Town of Malta, New York. We have received an Application from AMD Fab Technologies US, Inc. a corporation located at One AMD Place in Sunnyvale, California. The company has requested this Agency undertake a project consisting of the acquisition of an interest in certain parcel or parcels comprising approximately 200 acres and not more than approximately 340 acres located in the Luther Forest Technology Campus in the Towns of Malta and Stillwater, Saratoga County and the construction of a building or buildings in an aggregate size of 1,200,000 square feet to be occupied by the Applicant for the use and manufacturing of semiconductors and the acquisition and installation in the Facility of certain machinery and equipment.

This Agency is giving consideration to the Application and the request to undertake this

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Project as an inducement to assist the Applicant to undertake the Project in Saratoga County. It is estimated by the Applicant that the total cost of the Project will equal approximately \$4,657,000,000 and the Agency is considering financial assistance applied for by the Applicant in the amount estimated to be approximately \$27,790,000 in sales tax.

If approved, the Project Facility will be acquired by the Agency and will be leased (with an obligation to purchase) or sold by the Agency to the Applicant or its designee. In addition, the Project may be granted exemptions with respect to state and local sales tax as apply to manufacturing facilities in accordance with the Agency's Uniform Tax Exemption Policy.

I would now ask our IDA Counsel Michael J. Toohey if proper legal notice was provided for the Public Hearing in accordance with regulations.

MR. TOOHEY: Mr. Chairman, the notice as required by statute has, in fact, been published.

CHAIRMAN CALLANAN: Thank you.

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Agency members present today are Richard Dunn, Suzanne Daley-Nolen, Rodney J. Sutton, Michael Mooney, Charles Hanahan, Arthur Johnson and myself Raymond Callanan, Chairman. Staff members present are Larry D. Benton, CEO, John Murray, CFO, Attorney Michael J. Toohey, IDA Counsel and Attorney James Carminucci, Bond Counsel.

Regarding the application, this request for the Project was last presented to this Agency on October 27, 2008. This application and supporting material have been available for review by interested parties since that date at the IDA office at 50 West High Street in Ballston Spa.

Since the initial presentation, are there any additional comments or thoughts from staff or Applicant that need to be provided at this public hearing relative to the application that was previously submitted? Mr. Jones?

MR. JONES: Thank you, Mr. Chairman. No presentation. We'd be pleased to take questions at the conclusion of the public hearing.

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CHAIRMAN CALLANAN: Thank you very much.

MR. TOOHEY: Mr. Chairman, at the last meeting that we had in the Town of Stillwater there was a question that was asked with regard to whether or not this Project would have a payment in lieu of tax agreement. It was answered in the negative. The purpose for the question was whether or not there would be any real property or school taxes that would not be paid with regard to the Project. The answer continues to be no, but there may be a mechanism whereby a document called a payment in lieu of tax agreement would be incorporated into the documents that would be signed. Again it has no real property or school tax diminution to it but I didn't want there to be confusion in the record if such a document appeared.

CHAIRMAN CALLANAN: Okay. Thank you.

MR. DUNN: But not the typical pilot agreement --

MR. TOOHEY: Absolutely. Again, the question was specific. There may be a document

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that's called that. It is not something in which there would be a reduction of property tax or school tax that would be paid by the applicant. Nor is that a portion or a part of the request that the Applicant has made to us today and for which this public hearing is being held.

CHAIRMAN CALLANAN: My understanding of it is merely a mechanism by which the taxes will be distributed to IDA.

MR. TOOHEY: That is correct, Mr. Chairman.

CHAIRMAN CALLANAN: Having heard from the Applicant, I'm now going to open the hearing for any input from the public for response or comments relative to the Application.

Is there anyone in the public who would like to speak to the Application?

Yes, sir.

MR. OSWITT: My name is Gerry Oswitt and I've lived in Saratoga County for all of my life, the last five years in Malta, and I'm quite concerned about the twenty something

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million dollars in sales tax that you people are going to forgive The Foundry or whatever it may be. When you started out with this it was AMD. Now AMD is the company that's really going down the tubes. Their stock was \$40 a share four or five years ago. A couple of weeks ago, it got into \$1 plus a share and then in comes Abu Dhabi. I don't know how many people know who Abu Dhabi is. I just want to read you a short statement: "Welcome to Abu Dhabi, the capital of the United Arab Emirates and the richest city in the world. The Emirates 420,000 citizens who sit on one tenth of the planets' oil have almost one trillion" -- Now not billion -- "trillion dollars invested abroad and are worth about seventeen million dollars apiece."

Now I think seventeen million dollars apiece is a lot more money then any of us have. I know I don't have seventeen million. Okay and what they say is a million foreign workers don't share in the wealth. Now, are we part of these people that don't share in the wealth?

Now, you have got this company with all

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their money, and you've got them headquartered in the Cayman Islands where they don't have to pay any tax so, you know, here New York State is with Governor Paterson running a fifty billion dollar deficit for the next four years. He sent the New York State troopers this past weekend out on a mission to arrest everybody that's going 72 miles on the Northway to boost its revenues.

Now, you people are going to give \$27 million away. Now, I think if they're spending 400 billion dollars on this project, this is just chump change. This is like one percent of their money. Are they not going to come because of \$27 million? I don't think so.

Saratoga County we have got Maplewood Manor running a five million dollar a year deficit. Now, wouldn't that been nice if Maplewood Manor had this money for the next five years so we as taxpayers don't have to pay this? I know I live in Malta. I don't have waters. I don't have sewers, and part of this project was \$67 million for a water project. I'm still not getting water. Fifty-four

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million dollars for sewers in Stillwater. I don't have sewers. Now, I'm not complaining about myself but I think -- I think that you gentlemen ought to really seriously say, "enough is enough."

I know The Foundry said, "We'll give you five million dollars for a park." Well, you know, I think we'd rather have the twenty something million dollars than the five million dollars. Don't take the park. Take the \$27 million dollars. This is a lot of money that you're talking about if you're a State of New York or Saratoga County. Not Abu Dhabi. They got -- like I said, they have trillions. So are you people taking away from the citizens? I think we've given enough to AMD especially the fact that these people aren't going to pay taxes because they're in the Cayman Islands.

And that's about all I have to say. I urge you to vote no on this issue.

CHAIRMAN CALLANAN: Thank you, Mr. Oswitt. Anyone else?

(No response.)

CHAIRMAN CALLANAN: Seeing no one

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else, I would declare the public hearing closed at this time.

MR. HANEHAN: I have a comment. I totally agree with the last speaker. I'm on the Town Board of the Town of Saratoga. One of first things we look at every month is our sales tax revenue coming from the County. We depend on it very, very heavily, and it's going to shrink this year. We're sure of that. I just think a project giving a tax break, a fraction of one percent of the total project is not going to make the difference whether they come here or not just like this fellow stated so if it's not going to make the difference, why give up the 27 million? We could use it. Most of the towns in this County could sorely use it so I am going to vote no. Thank you.

CHAIRMAN CALLANAN: Thank you.
Anyone else?

(No response.)

CHAIRMAN CALLANAN: At this point, I would declare the public hearing closed. Thank you.

(Proceedings concluded.)

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

I, **DONNA L. MARTIN**, Certified Shorthand Reporter and Notary Public in and for the State of New York, do hereby **CERTIFY** that I recorded stenographically the foregoing testimony taken at the time and place herein stated and the preceding testimony is a true and accurate transcript hereof to the best of my knowledge and belief.


DONNA L. MARTIN, CSR

Dated: 12/18/08.

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TOWN OF STILLWATER
Shawn Connelly, Supervisor
James P. Trainor, Esq., Attorney for Town
Mark Minick, Stillwater Highway Superintendent

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TRAVIS BULLARD, Manager, Corporate Public Relations

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Public Hearing - AMD Fab Technologies US, Inc.

CHAIRMAN CALLANAN: Good morning everyone. It is now 8:00 a.m. on Monday, December the 8th, 2008. I will call to order the public hearing of the Industrial Development Agency of Saratoga County being held at the Town Hall in the Town of Stillwater, New York. We have received an Application from AMD Fab Technologies US, Incorporated, a corporation located at One AMD Place in Sunnyvale, California.

The company has requested that this Agency undertake a project consisting of the acquisition of an interest in a certain parcel or parcels comprising approximately 200 acres and not more than approximately 340 acres located in the Luther Forest Technology Campus in the Towns of Malta and Stillwater, Saratoga County, New York and the construction of a building or buildings in an aggregate size of 1,200,000 square feet to be occupied by the Applicant for the use and manufacture of semiconductors and the acquisition and installation in the Facility of certain machinery and equipment.

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I will now ask our IDA Counsel Michael J. Toohey if proper legal notice was provided for the public hearing in accordance with regulations.

MR. TOOHEY: Mr. Chairman, as

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required by statute, notice has been published.

CHAIRMAN CALLANAN: Thank you.

Agency members here today are Richard Dunn, Suzanne Daley-Nolen, Rodney J. Sutton, Michael Mooney, Arthur Johnson and myself Raymond Callanan, Chairman. Staff present are Lawrence D. Benton, CEO.

MR. TOOHEY: Mr. Chairman, could you add Mr. Dunn.

CHAIRMAN CALLANAN: I did. The only one I haven't got is Mr. Hanehan.

The staff present are Lawrence D. Benton, CEO, John Murray, CFO, Attorney Michael J. Toohey, IDA Counsel, and Attorney James A. Carminucci, Bond Counsel.

Regarding this application, this request for the Project was last presented to this Agency on October 27, 2008. This application and supporting material have been available for review by any interested parties since that date at the IDA office at 50 West High Street, Ballston Spa.

Since the initial presentation, are there any additional comments or thoughts of the

Public Hearing - AMD Fab Technologies US, Inc.

public hearing relative to the application that was previously submitted? On the staff, is there any additional comments?

(No response.)

CHAIRMAN CALLANAN: Applicant, any additional information or comments?

MR. JONES: We'd be delighted to either talk to you about the Project or answer your questions, Mr. Chairman. At your direction.

CHAIRMAN CALLANAN: Okay. Thank you. Having heard from the Applicant, I am now going to open the hearing for any input from the public for response or comments relative to the Application. Is there any one in the audience wishing to speak on this Application?

Yes, sir.

MR. TRAINOR: I just have a question. I'm Jim Trainor. I'm the Attorney for Stillwater.

Could perhaps the Applicant or someone else explain in laymen's terms what this application is all about and what its impacts on Stillwater will be.

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CHAIRMAN CALLANAN: Basically, what the Application is is an Application to the Agency to be exempted from sales tax on the material going into this project in the amount of approximately \$27 million. There's no pilots, there's no mortgage relief. Just strictly sales tax.

MR. TRAINOR: Following question. Is that both the local portion and the state portion of the sales tax?

CHAIRMAN CALLANAN: Yes.

MR. TOOHEY: Yes.

MR. DUNN: Just a little bit less than twelve million. Twelve million dollars would be the local portion.

CHAIRMAN CALLANAN: Is that it, Mr. Trainor.

MR. TRAINOR: Yes.

CHAIRMAN CALLANAN: Anyone else?

(No response.)

CHAIRMAN CALLANAN: Seeing none at this time, I would declare this public hearing closed. Thank you.

(Proceedings concluded.)

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

I, **DONNA L. MARTIN**, Certified Shorthand Reporter and Notary Public in and for the State of New York, do hereby **CERTIFY** that I recorded stenographically the foregoing testimony taken at the time and place herein stated and the preceding testimony is a true and accurate transcript hereof to the best of my knowledge and belief.



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