

COUNTIES OF WARREN AND WASHINGTON
INDUSTRIAL DEVELOPMENT AGENCY

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At the Board Meeting of the Counties of Warren and Washington Industrial Development Agency held on **June 20, 2016** at the Warren County Municipal Center in Lake George, NY, the following members were:

PRESENT:	Bud Taylor	Chairman
	Bruce Ferguson	Vice & Park Chairman/Contracting Officer
	Joseph LaFiura	Secretary/Treasurer
	Matt Simpson	At Large Member
	Lou Tessier	
	Jim Lindsay	
	Dave O'Brien	
	John W. Weber	

ABSENT: Brian R. Campbell

ALSO PRESENT:	Robert Morris, Esquire	FitzGerald Morris Baker Firth PC
	Jerry Nudi	87 Stays, LLC
	Jeff Schwartz	Morris Products/Patti Co.
	Deborah Mineconzo	Office Administrator

The minutes of the meeting were taken by the Office Administrator. The Chairman called the meeting to order at 4:01 pm. After attendance was taken the Chairman determined a quorum was present.

Approval of minutes:

Mr. O'Brien made a motion to approve the May 16, 2016 Board Meeting minutes. Mr. Lindsay seconded the motion and all voted in favor of the motion by voice vote.

Accounts Payable:

Mr. LaFiura moved to approve the accounts payables as presented with Mr. Simpson seconding. The motion was approved by roll call vote.

Old/Unfinished Business:

Big Bay Lodging LLC:

Mr. Morris reported a signed Preliminary Agreement and security deposit had not been received as yet on the Big Bay Lodging project. There has been no further communication from them.

Kenny & Dittrich Amherst – Update:

Mr. Morris reported the closing on the Kenny & Dittrich Amherst project was completed.

Park Business:

Allen Forestry:

Mr. Ferguson advised the members Jim Allen said the market is slow for logging right now. The decision was made by the Park Committee to wait a couple more months before making a decision on the maintenance.

Mr. Ferguson reported he received a call from Dan Galusha. They *may* be interested in purchasing land from our Agency near their parcel.

Mr. Ferguson reminded the members we are in year two of a three year engagement with The Garden Barn to brush cut the Park this summer.

New Business:

87 Stays, Inc. New Project:

Mr. Nudi, developer for the new 87 Stays, Inc. application received, gave an overview of his plans for the Holiday Inn Express of 90 rooms. His property basically surrounds the McDonald's at Exit 18. Mr. Nudi stated it will be a limited service hotel with a price tag of approximately \$10.8 million. He is asking the bank for an \$8 million loan. He reviewed the estimated job creation numbers for the members and talked about his latest market study. There will be other supporting business plans in the future near his hotel. He plans to start work this July on his project and is currently in the process of choosing his contractor. After answering several questions from the Board, Mr. Morris informed everyone the developer is seeking sales tax and mortgage tax abatement. The developer also may be seeking a 485b tax break from the Town and County but added the school would be paid at 100% as they opted out of the 485b. A cost benefit analysis has been done by Mrs. Mineconzo with and without the 485b. The draft resolution to schedule a Public Hearing for the project on July 18th was moved for approval by Mr. O'Brien and seconded by Mr. Lindsay. All voted in favor of the motion by voice vote.

Resolution No. 16-09

RESOLUTION TO SCHEDULE A PUBLIC HEARING RELATING TO THE 87 STAYS INC. PROJECT

(Complete resolution annexed to this document)

FOIL Request – IDA Projects in PARIS:

Mr. Taylor informed the members a FOIL request had been received for scanned copies of the IDA Projects input to PARIS for the last year end from an area resident. Mrs. Mineconzo added about fifty scanned pages were emailed to the resident accordingly.

Morris Products/Patti Co. Resolution (added to agenda today):

Mr. Schwartz of Morris Products/Patti Company gave an overview of a new development with his current company. There is a change in ownership with Morris Products, specifically, Mr. Schwartz has sold all of his stock to Morris US Holdings. He will continue to own the property holding company of Patti Company and will also continue to run the business for at least three years. He stated he has twenty-five employees at the current location. After a delayed start, the expansion construction is underway. The footings are all in and construction is expected to be completed by this September. The new owner will increase product and distribution around the country. Mr. Morris informed the Board Mr. Schwartz as owner of Patti Company will still be responsible for reporting to the Agency at year end on the employee

count and other information.

Mr. Morris advised everyone the Agency's consent is required for this amended and restated sublease and a draft resolution was distributed by Mrs. Mineconzo to the Board. Mr. Weber moved to approve the resolution with Mr. Simpson seconding. All voted in favor of the motion by roll call vote.

Resolution No. 16-10
RESOLUTION CONSENT TO THE SUBLEASE BY AND BETWEEN
MORRIS PRODUCTS, INC. AND THE PATTI COMPANY, LLC PROJECT
(Complete resolution annexed to this document)

There being no further business to discuss, Mr. Taylor adjourned the meeting at 4:30 pm.

Dated

Joseph LaFiura, Secretary

Counties of Warren and Washington Industrial Development Agency

Resolution No. 16-09

Adopted June 20, 2016

Introduced by Dave O'Brien
who moved its adoption.

Seconded by James Lindsay

RESOLUTION TO SCHEDULE A PUBLIC HEARING RELATING TO THE 87 STAYS INC. PROJECT

WHEREAS, 87 Stay, Inc., a business corporation established pursuant to the laws of the State of New York, having an address of PO Box 503, Glens Falls, New York 12801 (the "Company") has requested that the Agency provide financial assistance in the form of a payment of lieu of taxes, mortgage tax exemption and sales tax abatements regarding a tourist destination retail construction project (the "Project") to consist of: (i) the acquisition of an interest in a certain commercial parcel or parcels of land located Corinth Road, Town of Queensbury, County of Warren, State of New York and referred to as Tax Map Parcel Number 309.13-1-73 (the "Land"); (ii) the construction and equipping of a 53,200+/- square foot 90 room hotel (the "Facility"); (iii) the acquisition and installation therein of certain furnishings and fixtures (the "Equipment" together with the Land and the Facility, collectively the "Project Facility") to be used in connection with the contemplated uses; and (iv) the lease of the Project Facility to the Company, all pursuant to Title 1 of Article 18-A of the General Municipal Law of the State of New York, Chapter 862 of the Laws of 1971 of the State of New York (collectively, the "Act"), as amended; and

WHEREAS, Chapters 356 and 357 of the Laws of 1993 require that prior to granting financial assistance of more than \$100,000.00 to any project, an IDA must (a) adopt a resolution describing the project and the financial assistance contemplated by the IDA with respect thereto, and (b) hold a public hearing in the city, town or village where the project proposes to locate upon at least ten (10) days published notice and, at the same time, provide notice of such hearing to the Chief Executive Officer of each affected taxing jurisdiction within which the project is located; and

WHEREAS, the Agency is in the process of reviewing and considering the Company's Application requesting the Agency to provide financial assistance for the proposed Project, which may include a sales tax abatement during the construction of the Facility, a mortgage tax exemption and a payment in lieu of taxes, all of which shall be consistent with the uniform tax exemption policy of the Agency.

NOW, THEREFORE, BE IT RESOLVED:

1. The Agency hereby schedules a public hearing pursuant to Article 18-A of the New York State General Municipal Law (the "Law") to be held by the Agency on Monday, the 18th day of July, 2016, at 10:00 a.m., local time, at the Queensbury Town Office Building, Supervisor's Conference Room, located at 742 Bay Road, Town of Queensbury, County of Warren, New York, 12804, in connection with the Proposed Project.

2. The Agency hereby authorizes the publication of a Notice of Public Hearing for the Proposed Project and in accordance with the Law and the Agency's policies and procedures.

3. This resolution shall take effect immediately.

AYES: 8
NAYS: 0
ABSENT: 1
ABSTAIN: 0

Counties of Warren and Washington Industrial Development Agency

Resolution # 16-10

Adopted: June 20, 2016

Introduced by John Weber
who moved its adoption.

Seconded by Matt Simpson

**RESOLUTION CONSENT TO THE SUBLEASE BY AND BETWEEN
MORRIS PRODUCTS, INC. AND THE PATTI COMPANY, LLC PROJECT**

WHEREAS, the Agency approved an application of Morris Products, Inc. (the "Corporation") and The Patti Company, LLC (the "LLC") to (i) construct a 30,150 ± square feet addition to its existing facility located at 53 Carey Road, Town of Queensbury, New York (the "Facility Addition"); (ii) acquire and install therein of certain equipment comprising fixtures (the "Equipment" and together with the Facility Addition, collectively the "Project Facility") to be used in connection with the contemplated uses; and (iii) to lease the Project Facility to the LLC, all pursuant to Title 1 of Article 18-A of the General Municipal Law of the State of New York, Chapter 862 of the Laws of 1971 of the State of New York (collectively, the "Act"), as amended; and

WHEREAS, the LLC is the owner of a leasehold interest in approximately 4.73 acres of land located at 53 Carey Road, Town of Queensbury, New York, legally described in Exhibit A attached hereto and incorporated herein, the approximately 32,542 square foot office/warehouse building located thereon. and the other improvements located thereon and all easements, rights, privileges and appurtenances thereunto belonging or in any way appertaining thereto, pursuant to that certain Lease Agreement dated December 28, 1999, as assigned by that certain Assignment of Lease dated October 19, 2004 and filed in the Office of the Warren County Clerk on August 26, 2005 in Liber 1463 of Deeds at Page 243, as amended by that certain First Amendment to the Lease Agreement, dated August 23, 2005, as amended by that certain Second Amendment to the Lease Agreement dated April 23, 2014 and filed in the Office of the Warren County Clerk on May 6, 2014 in Book 4976 at Page 243 as Instrument No. 2014-2653 (the "IDA Lease"), by and between the Counties of Warren and Washington Industrial Development Agency, a New York public benefit corporation, as lessor ("Agency"), and the LLC, as lessee;

WHEREAS, Agency and the LLC are also parties to that certain Payment in Lieu of Tax Agreement dated April 23, 2014 (the "PILOT Agreement" and together with the IDA Lease, the "IDA Documents"), pursuant to which the Property benefits from a 10-year tax abatement through December 31, 2025;

WHEREAS, the Lease terminates on the earliest to occur of (a) the date upon which the PILOT Agreement terminates pursuant to its terms, (b) the termination of the Lease in accordance with Section 11.1 thereof, or (c) January 1, 2026;

WHEREAS, pursuant to that certain Sublease, dated April 23, 2014 (the "Prior Sublease") by and between LLC and the Corporation, the Property has been used and occupied by the Corporation for the operation of the Corporation's electrical and lighting product distribution business and for related office purposes;

WHEREAS, MORRIS US HOLDINGS, INC., a Delaware corporation has agreed to purchase from JEFFREY SCHWARTZ, an individual all of the issued and outstanding stock of the Corporation pursuant to an Agreement for Purchase and Sale of Stock, by and among Morris US Holdings, INC., as purchaser, and Jeffrey Schwartz, as seller; and

WHEREAS, the LLC and the Corporation have agreed to amend and restate the Prior Sublease, a copy of said Amended and Restated Sublease has been presented at this meeting; and

WHEREAS, Agency consent is required for said Amended and Restated Sublease.

NOW, THEREFORE, BE IT RESOLVED:

1. The Counties of Warren and Washington Industrial Development Agency (the "Agency") does hereby consents and authorizes the Amended and Restated Sublease by and between the LLC and the Corporation.

2. The Chairman of the Agency, upon advice of counsel, is hereby authorized and directed to negotiate, execute and deliver, on behalf of the Agency, any necessary documents to effectuate the Amended and Restated Sublease.

3. As a condition precedent to the Agency's approval of the Amended and Restated Sublease, the LLC and the Corporation agree to pay to the Agency any appropriate administrative fees, if any, as well as the Agency's legal fees associated herewith and with the Amended and Restated Sublease.

4. This resolution shall take effect immediately.

AYES: 8 ___
NAYS: 0 ___
ABSENT: 1 ___
ABSTAIN: 0 ___