

COUNTIES OF WARREN AND WASHINGTON INDUSTRIAL DEVELOPMENT AGENCY

HACKER BOAT COMPANY PUBLIC HEARING MINUTES

April 5, 2021

Dave O'Brian, Chair of the Counties of Warren and Washington Industrial Development Agency (the "Agency"), called to order a duly-noticed Public Hearing for Hacker Boat Company, LLC. at 4:00 p.m. on the 5th day of April, 2021 via Zoom.

Present:

Dave O'Brien
Alie Weaver
Harrison Freer
Erin Badcock
Mike Wild
Nick Caimano
Kara Lais
Lester Losaw
George Badcock

Representing:

Chair, WWIDA/WWCDC
Office Administrator, WWIDA/WWCDC
Councilman Ward 2
Hacker Boat Company
WWIDA/WWCDC Member
WWIDA/WWCDC Member
FMBF, Legal Counsel for WWIDA/WWCDC
WWIDA/WWCDC CEO/CFO
Hacker Boat Company

Alie Weaver, WWIDA Office Administrator read into the minutes the published statement (legal notice) describing the proposed project.

Mr. Badcock explained how the Queensbury location is ideal for their facility due to the proximity of the airport, Northway and workforce. He noted that there is also room to expand and they will be able to maintain all their departments within the same location.

He explained that Essex County was trying to expand their water system and offered a \$600,000 grant for them to remain at their current facility but found that it was not physically possible to expand and also stated that the logistical transport of goods and services was costly due to the location. He noted that they did not accept the \$600,000 grant.

Mr. Badcock stated that the IDA benefits would prove helpful to remain competitive by being cost-sensitive.

Mr. O'Brien stated that there have been no responses from the school district.

Mrs. Weaver read a public comment that was received via email:

'The Hacker Boat company has decided to move their operations from Ticonderoga to Queensbury. While this relocation is already in the works, the IDA is contemplating awarding public assistance in addition to the

assistance already awarded by the state several years ago. This is bad news for Ticonderoga. Let us look at some of the legalities of this contemplated award.

First, Part 250 of Title 19 NYCRR requires a statement in the application form that "there is a likelihood that the project would not be undertaken but for the financial assistance provided by the agency or authority, or, if the project could be undertaken without financial assistance ... a statement indicating why the project should be undertaken by the agency or authority"

Second, referring to section 874 of GML 18-A which establishes the powers of an IDA:

(4) (c) With respect to projects authorized pursuant to paragraph (b) of this subdivision, no project shall be approved unless the agency shall find after the public hearing required by section eight hundred fifty-nine-a of this title that undertaking the project will serve the public purposes of this article by preserving permanent, private sector jobs or increasing the overall number of permanent, private sector jobs in the state. Where the agency makes such a finding, prior to providing financial assistance to the project by the agency, the chief executive officer of the municipality for whose benefit the agency was created shall confirm the proposed action of the agency. As the WWIDA was created by the Warren and Washington County Boards it seems you would need a confirmation of the proposal from the 2 County Chairs and I do not think this has been done.

On the issue of project eligibility, GML 18-A states in section

§ 862. Restrictions on funds of the agency. (1) No funds of the agency shall be used in respect of any project if the completion thereof would result in the removal of an industrial or manufacturing plant of the project occupant from one area of the state to another area of the state or in the abandonment of one or more plants or facilities of the project occupant located within the state

further down there is an exception. or (ii) the project is located in a highly distressed area.

Is Queensbury considered more "distressed" than Ticonderoga?

The building has been purchased. The jobs are on the way. Why should the IDA further subsidize this business decision at the expense of all taxpayers in the County and the State?"

Ms. Lais stated that Mr. Badcock has already answered the first concern mentioned of the likelihood the project would not be undertaken. She also noted that the second concern applies to retail projects where this is a manufacturing project. On the third concern, Ms. Lais stated that the IDA will need to make a finding that it's in the best interest of locality and is required for the company to maintain its competitive position.

Mr. O'Brien stated that he spoke with the executive director in Essex County and confirmed that they understand that Hacker Boat Company needs to find a different location to be competitive.

Mr. O'Brien asked if there were any questions or comments on the subject matter of this Public Hearing at three separate intervals.

There being no further questions or comments, Mr. O'Brien adjourned the Public Hearing for Hacker Boat Company, Inc. at 4:24 p.m.

NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that a public hearing pursuant to Article 18-A of the New York State General Municipal Law will be held by the Counties of Warren and Washington Industrial Development Agency (the "Agency") on the 5th day of April, 2021, at 4:00 pm local time, via ZOOM at the meeting information below, in accordance with Governor Cuomo's Executive Order 202.1, as extended, in connection with the following matter at:

<https://us02web.zoom.us/j/83103441576?pwd=VkYyOXE0V2lJUTF0YjRHV2pnMklkUT09>

Meeting ID: 831 0344 1576

Passcode: 100282

Dial by your location: 1 646 558 8656 US (New York)

Hacker Boat Company, Inc., a business corporation established pursuant to the laws of the State of New York, having an address of 8 Delaware Avenue, Silver Bay, New York 12874 (the "Company") has requested that the Agency provide financial assistance in the form of a partial real property tax abatement, a mortgage recording tax exemption and sales tax abatements regarding a manufacturing project (the "Project") to consist of: (i) the acquisition by the Agency of a leasehold interest in certain real property located at 315 Corinth Road in the Town of Queensbury, County of Warren, New York (the "Land"); (ii) the planning, design, renovation, operation and maintenance by the Company of an approximately 43,000+/- square foot facility to be used by the Company for the manufacturing of boats and office space (collectively, the "Improvements"); (iii) the acquisition of and installation in and around the Land and Improvements by the Company of machinery, equipment, fixtures and other items of tangible personal property (the "Equipment" and, collectively with, the Land and the Improvements, the "Facility"); and (iv) entering into a straight lease transaction (within the meaning of subdivision (15) of Section 854 of the Act), pursuant to which the Agency will retain a leasehold interest in the Facility for a period of time and sublease such interest in the Facility back to the Company (the "Straight Lease Transaction"), 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.

The Agency may be providing financial assistance with respect to the Project in the form of sales tax exemptions related to the construction and equipping of the Project Facility, a mortgage recording tax exemption on eligible mortgages and a payment in lieu of taxes, which are consistent with the policies of the Agency. Should other financial assistance be requested, it shall be consistent with the policies of the Agency.

A representative of the Agency will be in attendance at the above-stated time and place to hear and accept written comments from all persons with views in favor of or opposed to the granting of financial assistance contemplated by the Agency or the location or nature of the Facility. The application of the Company is available for public inspection during normal business hours at the offices of the Agency, located at 5 Warren Street, Glens Falls, New York 12801.

Minutes of the hearing will be made available to all necessary parties.

Counties of Warren and Washington
Industrial Development Agency
David O'Brien, Chairman
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