

**COUNTIES OF WARREN AND WASHINGTON
INDUSTRIAL DEVELOPMENT AGENCY**

5 Warren Street, Suite 210
Glens Falls, New York 12801

Tel. (518) 792-1312

The April Executive Park Meeting for Warren Washington Industrial Development Agency was held on Wednesday, May 6, 2020 via teleconference at 9:00 a.m. The following were:

PRESENT: Dave O'Brien Chairman
Craig Leggett Vice Chairman
Brian Campbell Park Chair
Michael Bittel Secretary/Treasurer

ABSENT: Mike Wild At-Large Member

The following were also present:

Kara Lais, Esq.	FitzGerald Morris Baker Firth, PC
*Jack Kelley	Coldwell Banker Commercial
Michael Goot	Post Star
Mandated verbatim minutes were taken by:	Alie Weaver, Office Administrator

Mr. O'Brien: I call the Executive Park meeting to order. Alie would you please take roll call?

VOTING:	PRESENT	ABSENT
Dave O'Brien	X	
Michael Bittel*	X	X
Craig Leggett	X	
Mike Wild		X
Brian Campbell	X	
TOTALS	4	1

Mrs. Weaver: Okay, Kara and Mr. Goot, I know you're on the line. Is there anyone else on the line?

Mr. Bittel: Michael Bittel.

*Mrs. Weaver: Okay, Mr. Bittel, I just did roll call. I will mark you as in attendance. Is there anyone else on the line that I haven't mentioned? Okay thank you.

Mr. O'Brien: Okay, first order of business I will need a motion to accept the, actually park; let's do the potential park first. Potential park, I don't think Jack is with us, Tom Jarrett's with us? Brian, do you got any updates?

Mr. Campbell: Yeah, I don't have any updates at all.

Mr. O'Brien: Okay, thank you. Then I'll look for a motion to approve the minutes of the mail for the April 8th IDA Park meeting.

Mr. Campbell: So moved.

Mr. Leggett: I'll second with one comment there. Is Davidson, is that Davidson or Davison?

Mr. O'Brien: With a D.

Mr. Leggett: Okay, that might need to be corrected in the minutes.

Mr. O'Brien: Okay, could you correct that Alie please?

Mrs. Weaver: Yes.

Mr. O'Brien, Mr. Leggett: Thank you.

Mr. O'Brien: Any other admissions, corrections? All in favor? Excuse me, roll call.

VOTING:	AYES	NAYS	ABSTAIN	ABSENT
Dave O'Brien	X			
Michael Bittel	X			
Craig Leggett	X			
Mike Wild				X
Brian Campbell	X			
TOTALS	4			1

Mr. O'Brien: Did someone just join?

*Mr. Kelley: Good morning, this is Jack Kelley, sorry for being a little late.

Mr. O'Brien: Hi Jack. Good, so go back there and can you give any potential project updates please?

Mr. Kelley: Yes, the solar company came in and met with us. They're still interested. I think we had a little bit slow-down because of the pandemic stuff that is going on, the lawyers office is down by the Mario Cuomo bridge so they're very close to ground zero. I was also told by Jeff, the gentleman that was with us that the company is going through a merger with another company and their activities have been concentrating on that. With that said, I did have a conference call the other day with a second solar company that is interested in looking at the site and I told them that we were very close with another company but if there were delays, we would take and make arrangements for them to come in and meet with the committee. I still haven't heard anything more from a prospect, the man was looking to do a project up along County Line Road. I put in a conference call, the chairman and I had, that I reported on to you last time, that they may be looking at doing an expansion up in the main part of the park. But again, the current economic situation is making them reevaluate their current needs. So pretty much that's the activity I've had this past month but if anybody has any questions, I'd be happy to answer them.

Mr. Leggett: Mr. Chairman, Craig here.

Mr. O'Brien: Yes Craig.

Mr. Leggett: Jack, is that lot #3 on County Line Road?

Mr. Kelley: Yes, it was lot #3, that was the group that wanted to come in and put the use it for storage. Their plans have changed and they no longer have an interest in that. They have an interest in being over in the main part of the park. We did explain to them that we were having a wetlands walk-over of the site and that we'd have more information as to the suitability for putting a building and the other things that they were looking at at that time. I have, their plans may get delayed a little bit because of economic situation we're in right now.

Mr. Leggett: Thank you.

Mr. O'Brien: Okay, anything else Jack?

Mr. Kelley: No, I don't have anything further for you.

Mr. O'Brien: Okay, thank you. I did, Tom Jarrett was going to find out what the progress on the delineation was, I expect an update. If I get that from him, I will send it out. I don't hear him present today. So thank you. So we did approve the minutes, old business dewatering land/road purchase update. We talked about at the regular meeting about the status of the substation. Again, as I expected, neither the IDA nor WL can act as a utility and resell power. Mr. Bittel and I and John Davidson and Zach and Neil had a conference call with National Grid yesterday and the synopsis of the conversation was is that, and I will let Mr. Bittel give a report on it, was a lot more positive than I thought about so losing the substation is not as a big a factor as we thought it would be. It does relieve a lot of maintenance on our part so Mike, would you give a quick synopsis of our conversation with National Grid yesterday?

Mr. Bittel: Sir, I'm having a little problem with my connection, may I defer it to you sir? It was a productive call and something Mr. O'Brien and I were felt in a much better place at the end of the call, certain not even at the end of the call but throughout it. Chairman, I'm sorry, can I defer to you? I just have a bad connection.

Mr. O'Brien: Okay, so the bottom line of it is, there are several feeds that come very close to the park. One on Towpath Lane which is just over the railroad tracks. When we talked about our needs, our potential needs, not only with the dewatering facility itself but the potential developing the rest of the park, the 300 acres owned by WCC is that if in fact the power needs were simply like 110, 220 or a 480 that they would bring the power to the, run the power to the site of the project and that, as I remember, they would do on their dime. And then of course any connection from the same property to the building would be the responsibility of the site owner so in that regard, whether or not they needed a step on or step up or whatever they need in terms of power at least for the three phase and 220 110 would be good. The second part is of course if they needed to be 34.5-kilowatt line is that they can potentially tap off the existing line coming in so there would be no large investment in bringing power into the site. On the 34.5, if they tapped in to the 34.5 line of course there would be a charge from there to where ever the site is if they can do that but I don't foresee the in current balance of the dewatering facility that there'd be a need for the 34.5. So it was an encouraging call of course if something happens there is their ability to help provide grants, to help potential customers hook up. It's electric centralized, electric capital cross ramp by national grid which will help those people hook up. So we're a lot better off currently because the two sites that we were talking about that we currently need power to, because they will be supporting their operation we'll be all set with that too. So that continuity has been put in place. So that was taken care of so it wasn't as bad as I did I still think that based on that I had a few sleepless nights on that but after discussion with National Grid I felt a lot better. And I still feel that, based on the cost and maintenance of the substation they we are

better off. And so it would be a win-win with WL and the IDA. And potentially any new sites that come in so they wouldn't have to look at the maintenance costs of taking care of the substation. So that's the analysis on National Grid, I felt better after that conversation. I know Mike does too so that was pretty good. Any follow up questions on that?

Mr. Leggett: Yes Mr. Chairman, Craig here. So when the next developers come in to set up shop on the remaining IDA land or land along Lock 8 Way, they will have access to power from that substation, is that correct?

Mr. O'Brien: Not that customer-owned substation but there are several substations for National Grid around that area. There's one in the East, one in the West, there's one across the railroad tracks at EMSI. And as we talked about the balance along Lock 8 Way is that there are two or three substations over there. Plus they're in the process of developing new, in the process of developing new substations and refurbishing one big one down there so the power situation is pretty good.

Mr. Leggett: Thank you.

Mr. Campbell: Dave, Brian Campbell. Can you just clarify then, we lose all the costs that we would've had associated with that and who gets ownership or am I wrong here?

Mr. O'Brien: WL Plastics gets ownership of that. As it stands now, the proposal is WL Plastics gets ownership of that substation.

Mr. Campbell: And we don't think there's any drawbacks to that as far as, they can sell to other people or?

Mr. O'Brien: WL Plastics cannot be a utility either.

Mr. Campbell: Okay.

Mr. O'Brien: Without applying for a license to utility through public service commission.

Mr. Campbell: And they probably have no interest in that.

Mr. O'Brien: No, I don't blame them. You know, maybe sometime down the road in the future but getting started right now they got a lot going on.

Mr. Campbell: Okay, thanks for clarifying.

Mr. O'Brien: Okay, on terms of road agreement with maintenance of the road, we just finished up the, we just got a review from the attorney of the proposed MoU of Fort Edward. That is clear to go, we got a couple minor questions which I think we get answered quite quickly. As a matter of fact, I knew the answer of a couple of them so I did that. And the balance of the agreement, he only had some other areas that looked for the Town Board and Highway Superintendent to approve that. That's in process. In terms of the road, I'll let Kara speak to the subdivision and the progress of the subdivision and the deeds there. But we did get one other bill for that and that was actually had to do with the whole road for 196 in is that Canal Corp had to do an appraisal on that and because we are the recipient, we're getting the bill for the appraisal. So that total bill was \$4800 in addition to that so we have about \$9500 invested in that road piece.

Mr. Campbell: Wow.

Mr. O'Brien: I didn't realize the appraisal would be that much but I haven't done a commercial appraisal in a hell of a long time. So Kara can you finish up with the status of the subdivision application, where that's at, where we're going, and the other pieces of the property?

Ms. Lais: Sure so we filed both of the applications, the town and the village. The town has scheduled a meeting, an initial meeting on the application for next, for May 13th and that's going to be via Zoom and I don't have any of the call-in information yet for that meeting. I didn't check to see if it was posted yet or not. But that's at 7:00 and that will be next Wednesday. And that will just be the initial, they'll be looking at our application, letting us know if we need to provide them with anything else. They may schedule a public hearing. I'm not really sure about what the plan is from that board at this point. With respect to the village application, that also was filed but we haven't received any notification from the village yet to my knowledge that they scheduled a meeting. So we're kinda waiting on them to what they're going to do as far as conducting meetings. So once that process is complete, in the meantime what we're doing is working with Mike O'Connor to provide us with the deeds, he's already provided us with drafts and we already have property descriptions so we're working on finalizing all that with him so that when we can have these ready to go. Nothing will be ready to go on record until such time as the subdivision is completed with WL Plastics and that closing occurs. Because we won't be able to officially subdivide anything with respect to any of the properties where there's outstanding taxes until such time as those are paid. So looking at this everything is going to kind of close and wrap up if you will simultaneously. I actually just while I was on call Dave asked me this when we first got on the call if I had heard back from the EPA about the status of our documents that were approved at our last special meeting. He just wrote me back and said he's working on logistically trying to figure out where we're sending signed documents and how they're going to be circulated back to us so he'll have that information for us soon because they're also working from home and they're just trying to figure that piece out. I don't know if anybody had any specific questions or if there's anything I didn't address?

Mr. Leggett: Mr. Chairman, Craig here.

Mr. O'Brien: Yes Craig.

Mr. Leggett: So Kara, simultaneously at the closing, taxes get paid, land gets subdivided? Is that how it happens?

Ms. Lais: So what will is the town and village will approve the subdivision. WL has also submitted their application so I presume that their application will also be on the town's agenda because their counsel had requested that everything kind of be submitted simultaneously so the review could be done simultaneously. When the subdivision is approved by the town, we can't immediately go take that map to the county until such time as the closing, the transfer occurs between Fort Edward LPDC and WL. Once that occurs, then we can take everything and pay the taxes and have all the documents filed. Documents being the map, the deeds, etc. The deeds for WL and the deeds for us for the road.

Mr. Leggett: Okay, thank you.

Mr. Campbell: Kara, do we have any reason why this would be delayed or do you think we're on schedule to make our June date?

Ms. Lais: I mean I don't know what the planning board review process will look like. Our application is pretty straight forward with respect to what we're requesting, the reason why we're requesting it. Generally, with WL's request for subdivision, they also have other applications that they're submitting for their site plan and their project. So you know we're on track to get everything accomplished by the end of June on our end. I don't know what other types of you know things might pop up at the planning board level or you know what

WL is looking for in order to close on the matter, I don't know that.

Mr. Campbell: Okay.

Ms. Lais: Their application is really straight forward as far as the subdivision request. But even if we do get the approval, we're really kind of at a stand-still until WL closes with respect to taking over the entirety of the road. We're working on the piece with the EPA and Canal Corp separately you know so we could take the EPA portion, we could do it piece meal or we can just do it all at once.

Mr. Campbell: Okay.

Mr. O'Brien: Okay. Any other questions? Okay. I have a meeting with Davidson and Fort Edward LPDC to work out some of the other details on SMS agreement, some other things that have to be taken care of before the potential closing takes place. That's all I got to report on that. And Alie you have a report on town and county tax update.

Mrs. Weaver: Yes, I did receive the payments for the two projects that have been past due all this time and unfortunately both of them are missing a late fee and so I did get into contact with both of them. They have acknowledged that there's still money owed and have responded saying that they will get the remainder of the money out as soon as possible so I'm hoping, fingers crossed, by the end of the month all taxes will have been paid with every project.

Mr. Campbell: Wow, good job.

Mr. O'Brien: Yeah. Okay. Anything else on that? Recaptures, got news on that. Kara take it away.

Ms. Lais: Alright, so we appear to have all the information at this point for LG Plaza/Price Chopper and Patti Company/Morris Products which were the remaining outstanding projects that we are looking into. So with respect to Patti Company/Morris Products that project, when it was filed with tax and finance was filed under one project code. So that means that if tax and finance were to group all these ST-60's, ST-340's together they would all be under one group. So, the total authorization that they received is \$1.9 million that's the amount of purchases for the exemption. The exemption that they were allotted to take, well the exemptions that they took are \$233, 247 so they're significantly over the authorized amount, which is \$152,000. My recommendation is, at this juncture is that we, this project because of the timing and the base of their extension would fall under the new legislation with the mandatory recapture. My recommendation at this point is that a formal letter be sent advising them of the excess taken, ask them to confirm the figures, describe to them was the New York State law mandates and then asking them to just respond to us and if we proceed, we need to pursue recapture, we'll do that. If they have other information that this isn't accurate then they can provide us with that. I think we should at least give them an opportunity to verify these figures for us and be sure that there wasn't any issues with their calculations. For the LG Plaza and Price Chopper project, this is the one in Warrensburg, Price Chopper specifically requested that they close separately and apart from LG Plaza, the developer in this project. So this in fact has two separate project numbers. So Price Chopper has its own authorization, their total purchases were \$5.27 million, the authorized amount was \$368,900 and the exemptions taken were \$152,505.13 so they reported being under on their calculations. LG Plaza, they were authorized at purchases of \$4,276,000. The exempt amount would be \$295,820 and the exemptions that they had taken, reported taking, were \$334,794 so they are also over so my recommendation is the same with respect to LG Plaza to reach out to them with a similar letter and ask them to verify the figures.

Mr. O'Brien: So is that the direction of the board that we have her reach out to Patti Company and LG Plaza with formal letters?

Mr. Leggett: Yes.

Mr. Campbell: Yeah, I think it has to be at this point.

Mr. O'Brien: Okay, we can start that, Kara.

Ms. Lais: Okay.

Mr. O'Brien: Do we need an official vote or is this, is that okay?

Ms. Lais: No that's fine. We can do that and then we'll start that process and then once we get a response from them then we can take that to the full board to decide on the next action to take and that will be by official vote by full board.

Mr. O'Brien: Okay, thank you. Old business, we're done with old business. New business; for quite a while we shied away from solar PILOTs. I after looking at the activity coming in solar PILOTs and a discussion with Kara, I think we should reconsider whether we offer solar PILOTs or not. It will be a source of ability for the IDA to help industry coming in and investments in Washington county so when I talked to Kara she said there are some special ways that other IDA's are doing PILOTs for solar companies that are a little different from what we do so I would recommend that we ask Kara to get send us some samples of those PILOTs and we can pass them around and then at the full board meeting decide whether we want to start moving forward on the PILOTs for solar projects.

Mr. Campbell: Dave is that, with the solar projects, that's only if people opt out of their PILOTs, right?

Mr. O'Brien: Uh there are

Mr. Campbell: (garbled) if they dropped out because otherwise there's no tax anyway or am I wrong on that?

Mr. O'Brien: And the answer your question is yes and no. You're right if some communities didn't opt out but, in some cases, solar companies can pursue, can ask for a PILOT anyways. So for the case of Kingsbury for example, I think Kingsbury opted in then they opted out again, or opted out then opted back in again, but still the county has opted out. So the county wouldn't be able to accept Kingsbury's PILOT. On the new scenario they can put together a PILOT to be acceptable to both the county and also in Hudson Falls, the Hudson Falls school district opted out of the 487B exemption. So within that, the only one that has opted in to the exemption is Kingsbury town. So if they came in they'd get an exemption at town level but not at the school and county level.

Mr. Kelley: Mr. Chairman, this is Jack. Could I have the floor for a moment please?

Mr. O'Brien: Yeah, the virtual floor, yes.

Mr. Kelley: Thank you very much. I think probably what is more important than a PILOT is their ability to not have to pay sales tax on the construction material and also if they happen to be having a mortgage, the mortgage deference so it's the whole bundle. And I have spoken to the chairman and others and I do support providing some kind of a IDA program for solar. First of all, it is a statewide economic development policy to bring renewable energies into the state of New York and I can't remember what the percentage is but there's a goal by 2030. And locality should be backfilling or supporting higher government policies in that particular case and so the eyeballers looked at IDA having two goals, the first being the creation of new jobs and retention of existing

jobs but also just as important, which does equate to jobs, is capital investment. And as it relates to the PILOT, my experience in the past has been the length of time that you get the PILOT and that time goes by very very quickly. And we do have one particular prospect that they won't even consider doing anything in Warren and Washington counties unless there is a PILOT and so you end up losing that project to a neighboring county and it falls under that saying you've heard me say before 100% of nothing is nothing. So you can't make an assumption that you will get that project but if we handle it properly, especially with the IDA property that's in by the airport, that distribution circuit that they'd be tapping into is also served to other industrial and commercial customers and that there's a way that we can do economic development power or just the fact that there's good reliable power available to our industries is a good selling point. That's my two cents anyways on this particular subject.

Mr. O'Brien: Okay. Any other comments or questions? I think that real change in the economic situation really would occur just do as much as we can to help the economy so. Any other comments? Okay. Grant application for Northern Borders, this is for the bridge. We're preparing grant application for Northern Borders in the amount of \$600,000, the EDA – the Economic Development Agency for \$600,000, the Empire State Development for \$300,000. Our original plan for that was to have that back by the upstate revitalization. But that money's been drafted off for COVID so that money looks like it's not available. We're not outlawing it but at this point we've been told that money's been repurposed for COVID so these two areas would provide two items, would provide #1 the 1.1 million in funding for the bridge and the second would provide is about \$400,000 give or take for engineering costs to bring sewer and other infrastructure into the park. So that's being compared with a combination of the regional planning board is doing the Norther Borders and EDA grant because we are representatives of both agencies at the regional planning board. Empire State I believe is Laura's going to look into do that for us and coordinate that one so that's the process that we're looking at. So moving forward on that I will need a motion to forward this to the full board for approval to apply for these grants.

Mr. Campbell: So moved Dave.

Mr. Leggett: So moved, I'll second.

Mr. O'Brien: Moved by Brien, second by Craig. Any further discussion? All in favor, roll call Alie.

VOTING:	AYES	NAYS	ABSTAIN	ABSENT
Dave O'Brien	X			
Michael Bittel	X			
Craig Leggett	X			
Mike Wild				X
Brian Campbell	X			
TOTALS	4			1

Mr. O'Brien: Any other business come before the board? Okay. Go ahead Craig.

Mr. Bittel: It's Michael, motion to adjourn.

Mr. O'Brien: Motion to adjourn, so moved. Do I have a second?

Mr. Campbell: Certainly.

Mr. O'Brien: Brien. Alie do your thing please.

VOTING:	AYES	NAYS	ABSTAIN	ABSENT
Dave O'Brien	X			
Michael Bittel	X			
Craig Leggett	X			
Mike Wild				X
Brian Campbell	X			
TOTALS	4			1

Mr. O'Brien: Carried.