

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

5 Warren Street, Suite 210, Glens Falls, NY 12801

Tel. (518) 792-1312

Agenda for September 15th, 2025 @ 4:00 PM

To be held at:

Washington County Municipal Building, 383 Broadway in Fort Edward

- 1 Call to Order, Roll Call and Quorum Confirmation
- 2 Approval of the August 18th IDA Board Mtg pages 2-8
- 3 Consideration of Patten Property Mgmt Washington Square Project Approval Resolution pages 16-35
- 4 Treasurer
 - Accounts Payable Approval page 1
 - YTD Financial Reports pages 9-15
 - Transfer of Funds to Money Market
- 5 Reports of Committees
 - Park Chair Update
 - Canalside Project Updates
 - Canalside Maintenance Updates
 - Mower Equipment Purchase Update
 - Canalside Tenant Activity
 - CHPE/TDI soil storage lease termination update
 - Airport Industrial Park Updates
- 6 Ongoing Business
- 7 New Business
 - Weekender Hotel Sales Tax Exemption Extension
- 8 Staff Report
 - CEO
 - Administrator
- 9 Public Comments
- 10 Adjourn

Counties of Warren and Washington Industrial Development Agency

Resolution No. _____
Adopted _____, 2025

Introduced by _____
who moved its adoption.

Seconded by _____

**RESOLUTION TAKING ACTION TOWARD UNDERTAKING A CERTAIN PROJECT,
AS DEFINED HEREIN, APPOINTING PATTEN PROPERTY MANAGEMENT LLC
(THE “COMPANY”), AS AGENT OF THE AGENCY FOR THE PURPOSE OF
CONSTRUCTING AND EQUIPPING THE PROJECT FACILITY TO BE KNOWN AS
THE WASHINGTON SQUARE APARTMENT PROJECT (AS DEFINED HEREIN)
AND AUTHORIZING THE EXECUTION AND DELIVERY OF A PROJECT
AGREEMENT AND LEASE AGREEMENT AND RELATED DOCUMENTS, BY AND
BETWEEN THE AGENCY AND THE COMPANY**

WHEREAS, the Counties of Warren and Washington Industrial Development Agency (the “Agency”) is a body corporate and politic duly organized and existing under Sections 856 and 890-c of the General Municipal Law (“GML”) of the State of New York (the “State”), with its principal place of business at 5 Warren Street, Glens Falls, New York; and

WHEREAS, Patten Property Management LLC, a limited liability company established pursuant to the laws of the State of New York, having an address of 20 Ridgewood Court, Queensbury, New York 12804 (the “Company”) has requested that the Agency provide financial assistance in the form of a real property tax abatement, a mortgage recording tax abatement and a sales tax abatement regarding a certain housing project (the “Project”) to consist of: (i) the acquisition by the Agency of a leasehold interest in certain real property located at 391 Glen Street, 399 Glen Street, 10 Harlem Street and 12 Harlem Street in the City of Glens Falls, County of Warren, New York and being known as tax map parcel numbers 302.20-16-14, 302.20-16-13, 302.20-16-1, 302.20-16-2, respectively and a portion of 302.20-16-15, consisting of approximately 2.0+/- acres and to be commonly referred to as Washington Square (the “Land”); (ii) the planning, design, construction, operation and maintenance by the Company of an approximately two (2) three story (3) building totaling 28,754 +/- square foot three story housing facility consisting of 54 one bedroom apartments (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; and

WHEREAS, under Article 18-A of the General Municipal Law (the “Act”), the Legislature of the State of New York has granted the Agency the power and authority to undertake the Project, as the Act authorizes the Agency to promote, develop, encourage and assists projects such as this Project and to advance job opportunities, health, general prosperity and economic welfare of the people of the State of New York; and

WHEREAS, the Project will require the Agency and the Company to enter into an agreement whereby the Company will acquire, by lease, and construct the Project Facility and the Agency will lease the Project Facility to the Company; and

WHEREAS, the Company has agreed to indemnify the Agency against certain losses, claims, expenses, damages and liabilities which may arise in connection with the transactions contemplated by the lease of the Facility; and

WHEREAS, a lease agreement (the “Lease Agreement”) with respect to the Project, along with certain financing documents, will be executed by and between the Company or its assign and the Agency; and

WHEREAS, the Agency is a state agency under Section 8-0105 of the Environmental Conservation Law of the State of New York and the Project is an action under Article 8 of said law (Article 8 hereinafter being referred to as the “State Environmental Quality Review Act” or “SEQRA”) and under 6 NYCRR Part 617, §§ 617.2(b) and 617.3(g); and

WHEREAS, the Company has submitted to the Agency, and the Agency has reviewed information needed to determine whether or not the Project will have a significant impact on the environment; and

WHEREAS, the construction and installation of the Project Facility has not been commenced; however, initial site work has commenced; and

WHEREAS, the Agency conducted a public hearing on September 15, 2025 pursuant to Article 18-A of the New York State General Municipal Law (the “Law”) before taking official action relating to the Project.

NOW, THEREFORE, BE IT RESOLVED:

SECTION 1. Findings. The Agency has reviewed the application to determine compliance with the requirements of the Act and based on the representations of the Company to the Agency in said application and elsewhere, the Agency hereby makes the following findings and determinations with respect to the Project, which are also further contained in the Findings Statement, a copy of which is incorporated herein and attached hereto by reference:

(A) The Agency has been vested with all powers necessary and convenient to carry out and effectuate the purposes of the Act and to exercise all powers granted to it under the Act.

(B) The Project constitutes a “project”, as that quoted term is defined in the Act.

(C) The acquisition, construction and installation of the Facility and the lease of the Facility to the Company (i) will promote and maintain the job opportunities, health, general prosperity and economic welfare of the citizens of the State of New York and the Counties of Warren and Washington and improve their standard of living.

(D) The Project will not result in the abandonment of a facility of the Company located in the City of Glens Falls, County of Warren, State of New York.

(E) The location of the site of the Project is acceptable to the Agency.

(F) The Facility is not known by the Agency to be in material violation of the local zoning laws and planning regulations of the City of Glens Falls and all regional and local land use plans for the area in which the Facility shall be located.

(G) The Facility and the operations of the Company are not known by the Agency to cause or result in the violation of the health, labor, environmental or other laws of the United States of America, the State of New York, the County of Warren or the City of Glens Falls.

(H) The Project is a “Unlisted Action” under SEQRA for which the City of Glens Falls Planning Board (the “Planning Board”) has acted as lead agency. On or about January 6, 2025, the Planning Board reviewed the Project Site Plan Application submitted on behalf of the Company and approved said Site Plan, and issued its Negative Declaration finding that the Project will not have a significant impact on the environment; and (ii) the Agency has thoroughly reviewed the environmental assessment form, negative declaration and related supporting information presented to the Agency within the Company’s Application for Assistance in order to determine whether the Project might have any potential significant adverse impacts upon the environment. After conducting this review, the Agency has determined that the acquisition, construction and equipping of the Project Facility are consistent with social, economic and other essential considerations and will not result in any significant adverse impacts on the environment. The Agency hereby ratifies the findings and Negative Declaration of the City of Glens Falls Planning Board. In doing so, the Agency satisfies the requirements of Part 617 of Title 6 of the New York Code of Rules and Regulations and no further SEQRA review is required for the Project.

(I) The Agency further determines that the Project will consist of a private investment of approximately \$10,225,945.00 and the Agency hereby determines this to be a Material Term, as defined in the Agency’s Recapture of Benefits Policy, as amended from time to time, for the purposes of monitoring in accordance with the policies and procedures of the Agency; and

(J) This section is intentionally left blank.

(K) Undertaking the Project will lead to the creation of approximately 120 full and part time construction jobs valued at over \$4,130,000.00 that the Company advised will be filled by construction companies employing people primarily in the Counties of Warren and Washington.

(L) Undertaking the Project will create fifty four (54) one bedroom apartments. Said housing will assist with the region's housing shortage as cited in Warren County's Housing Needs Study and Market Demand Analysis, prepared by Novogradac, as further described in the Findings Statement, prepared by the Agency, and incorporated herein by reference. In addition, such housing will support growth in the City and the region by increasing consumer needs and creating and filling employment opportunities in the region. The proposed project will also prevent economic deterioration and blight as the project will result in the demolition of dilapidated residential structures in poor condition, one of which is vacant and will also repurpose a large, underutilized parking lot.

SECTION 2. Project Agreement. The proposed project agreement by and between the Agency and the Company (the "Project Agreement"), a copy of which is incorporated by reference and is approved as to substance and form. The proposed agreement outlines the Agency's and the Company's rights and duties with respect to the undertaking of the Project. Subject to such changes as the Chairman of the Agency, upon advice of counsel, may reasonably deem necessary, the Chairman is authorized to execute the Project Agreement. Execution shall be conclusive evidence that the Agency has approved the Project Agreement. Subject to the terms and provisions of the Project Agreement, the Agency shall: (1) acquire an interest in, construct and install the Project Facility and (2) lease the Project Facility to the Company pursuant to an agreement or agreements whereby the Company will obligate itself, among other things, to undertake the Project on behalf of the Agency.

SECTION 3. Company Appointed Agent of Agency.

(A) The Company is hereby appointed the true and lawful agents of the Agency to:

- (1) construct and install the Project Facility;
- (2) make, execute, acknowledge, and deliver all contracts, orders, receipts, instructions, and writings needed to complete the Project; and
- (3) do all other things requisite and proper for the completion of the Project.

(B) The Company is authorized to proceed with the acquisition, construction and installation of the Project Facility, subject to receiving appropriate municipal approvals needed prior to commencement of construction, and to advance such funds as may be necessary to accomplish these goals.

(C) The Company is also authorized to appoint third party agents to undertake the Project and thereby make available to such third party agents an exemption from New York State sales and use taxes in connection with undertaking the Project. This provision is subject to the Company entering into an Agent Agreement with the Agency.

(D) The Agency hereby authorizes exemptions from State and local sales and use taxes for purchases and rentals related to the undertaking of the Project in an amount not to exceed Two Hundred Eighty Nine Thousand One Hundred Twenty Six Dollars

(\$289,126.00), based on eligible Project costs of Four Million One Hundred Thirty Thousand Three Hundred Seventy Five Dollars (\$4,130,375.00); which exemption shall expire September 30, 2027, unless otherwise extended by the Agency.

(E) The Agency hereby approves of the Agent Agreement, a copy of which is incorporated herein by reference, with the Company which shall be subject to the termination and recapture of benefits policy of the Agency. The Agency further authorizes the execution and delivery of the Agent Agreement, the Chairman, and any additional documents relative thereto.

(F) The Agency hereby acknowledges and approves a partial mortgage tax exemption relating to the Project in an estimated amount of Ten Million Two Hundred Twenty Five Thousand Nine Hundred Forty Five Dollars (\$10,225,945.00), based on an estimated mortgage amount of One Hundred Two Thousand Two Hundred Fifty Nine Dollars (\$102,259.00). The Company's application was amended to request a mortgage recording tax exemption following the Agency's August 18, 2025 application acceptance but prior to the public hearing notice.

SECTION 4. Payment in Lieu of Tax (PILOT) Agreement. The Agency's approval is subject to the Company entering into a PILOT Agreement with the Agency whereby the Company agrees to make payments in lieu of taxes in any given year as if the Company were the owner of the Project and not the Agency. The Agency's approval is also subject to the Company agreeing to the terms of the Agency's Recapture of Benefits Policy.

The following PILOT schedule is in accordance with the Agency's uniform tax exemption policy. The Company will be required to make payments in lieu of real property taxes to the Affected Tax Jurisdictions for a term of 10 years pursuant to the following schedule:

- Year 1: Base Value plus 50% of increased assessed valuation attributable to improvements made to the Project Facility.
- Year 2: Base Value plus 55% of increased assessed valuation attributable to improvements made to the Project Facility.
- Year 3: Base Value plus 60% of increased assessed valuation attributable to improvements made to the Project Facility.
- Year 4: Base Value plus 65% of increased assessed valuation attributable to improvements made to the Project Facility.
- Year 5: Base Value plus 70% of increased assessed valuation attributable to improvements made to the Project Facility.
- Year 6: Base Value plus 75% of increased assessed valuation attributable to improvements made to the Project Facility.
- Year 7: Base Value plus 80% of increased assessed valuation attributable to improvements made to the Project Facility.
- Year 8: Base Value plus 85% of increased assessed valuation attributable to improvements made to the Project Facility.
- Year 9: Base Value plus 90% of increased assessed valuation attributable to improvements made to the Project Facility.
- Year 10: Base Value plus 95% of increased assessed valuation attributable to improvements made to the Project Facility.

For the term of the PILOT, the total Base Value shall be the assessed value as of the time of the closing on the straight lease transaction, which shall be the after demolition value but pre-

construction value. The current assessed value is \$536,300.00.

At all times, including during the term of the PILOT Agreement, the Company shall be responsible for the full payment of water and sewer assessments, as may be applicable and any other special district assessments.

The estimated real property tax benefit is \$489,136.00 based on calculations using the current tax rates and assessed values, without escalation, as shown in the Findings Statement.

SECTION 5. Administrative and Legal Fees. The Company will pay all costs incurred by the Agency, including but not limited to attorney’s fees, which arise out of Company’s Application for Financial Assistance, whether or not such assistance is ultimately issued. Agency’s attorney’s fees will be calculated at a time rate of \$375.00 per hour for attorney’s time and \$125.00 per hour for senior legal assistant’s time, plus disbursements. Upon closing of all of the Project documents, the Company will pay to the Agency an administrative fee (the “Administrative Fee”) of \$91,469.00 based upon an estimated Project cost of \$10,225,945.00 pursuant to the schedule set forth below and contained within the Company’s Application for Financial Assistance:

Up to First \$10,000,000	0.90%
Next \$10,000,000	0.65%
Next \$30,000,000	0.40%
Portion over \$50,000,000	0.25%

Following the completion of the Project Facility, the Company shall confirm, in writing, the actual Project cost. In the event that the total Project cost exceeds the estimate provided herein, the Agency may require the payment of the difference that would otherwise be due pursuant to the above-schedule.

SECTION 6. Public Inspection. A copy of this resolution and a copy of the Company’s Application for Assistance, together with all other application materials not protected under applicable Freedom of Information Laws, shall be placed on file in the office of the Agency. Such documents shall be available for public inspection during normal business hours.

SECTION 7. Document Preparation. Counsel to the Agency is hereby authorized and directed to cooperate with counsel to the Company, as well as all other necessary parties in order to prepare the documents needed to undertake the Project and to effectuate the provisions of this Resolution.

SECTION 8. Distribution of Resolution. The Chairman of the Agency is hereby authorized to distribute copies of this resolution to the Company and all other persons requesting it.

SECTION 9. Public Hearing. A public hearing for this Project was duly authorized and held on September 15, 2025 in accordance with the provisions of Article 18-A of the General Municipal Law.

SECTION 10. Further Action. The Chairman of the Agency is authorized to take such further action as shall be necessary to give effect to and implement this resolution, including the execution of any and all necessary documents.

SECTION 12. Effective Date. This resolution shall take effect immediately.

The question of the adoption of the foregoing resolution was duly put to a vote by roll call and was thereupon declared duly adopted.

STATE OF NEW YORK)
) SS:
COUNTY OF WARREN)

This is to certify that I, Alie Weaver, Records Management Officer for the Counties of Warren and Washington Industrial Development Agency, do hereby certify that the foregoing is a true and correct copy and the whole thereof of a Resolution duly adopted by the Counties of Warren and Washington Industrial Development Agency, Glens Falls, New York on the ____ day of _____, 2025.

In witness whereof, I have hereto set my hand and affixed the official seal of the Counties of Warren and Washington Industrial Development Agency on this ____ day of _____, 2025.

Alie Weaver



Patten Property Management LLC Application for **Washington Square Apartments** in Glens Falls, New York, for Investment Incentives from the Warren & Washington Industrial Development Agency

From: Chuck Barton, Chief Executive Officer

Date: August 22, 2025

The purpose of this memorandum is to set forth the facts and considerations utilized by the Counties of Warren and Washington Industrial Development Agency (WWIDA) in rendering a decision to provide financial assistance to Patten Property Management, LLC for the construction of an apartment complex located at 399 Glen Street and 10 Harlem Street in the City of Glens Falls. This document recognizes several factors considered by WWIDA and is intended to provide a concise record of the issues considered as well as the justification for the investment incentive package, if approved by the WWIDA Board.

The Glens Falls applicant, Patten Property Management, was referred to WWIDA from the Glens Falls Industrial Development Agency (GFIDA) because the applicant is proposing a 100% housing project that is not available under the GFIDA's existing Uniform Tax Exemption Policy (UTEP), whereas the WWIDA's UTEP recognizes such projects.

COMPANY DESCRIPTION

Patten Property Management sole owner, Chris Patten, was born and raised in South Glens Falls and resides in Queensbury. His experience in the building industry started early as an apprentice to roofers, flooring contractors, plumbers, and electricians. He established his company in 2017 for the purchase of 101 Broad Street in Glens Falls. Since then, the company has also purchased, renovated, and expanded properties at 274 Glen Street, 28 Union Street, 3-5 Washington Street, and Simone Court (in South Glens Falls)

for a total of 98 one- and two-bedroom apartments ranging from \$800 to \$1,650 per month.

Patten Property Management is currently constructing an additional 44 apartments at 46-56 South Street (20 units) and 10 Broad Street (24 units). Rental rates will range from \$1,325 to \$2,600, depending on location and square footage.

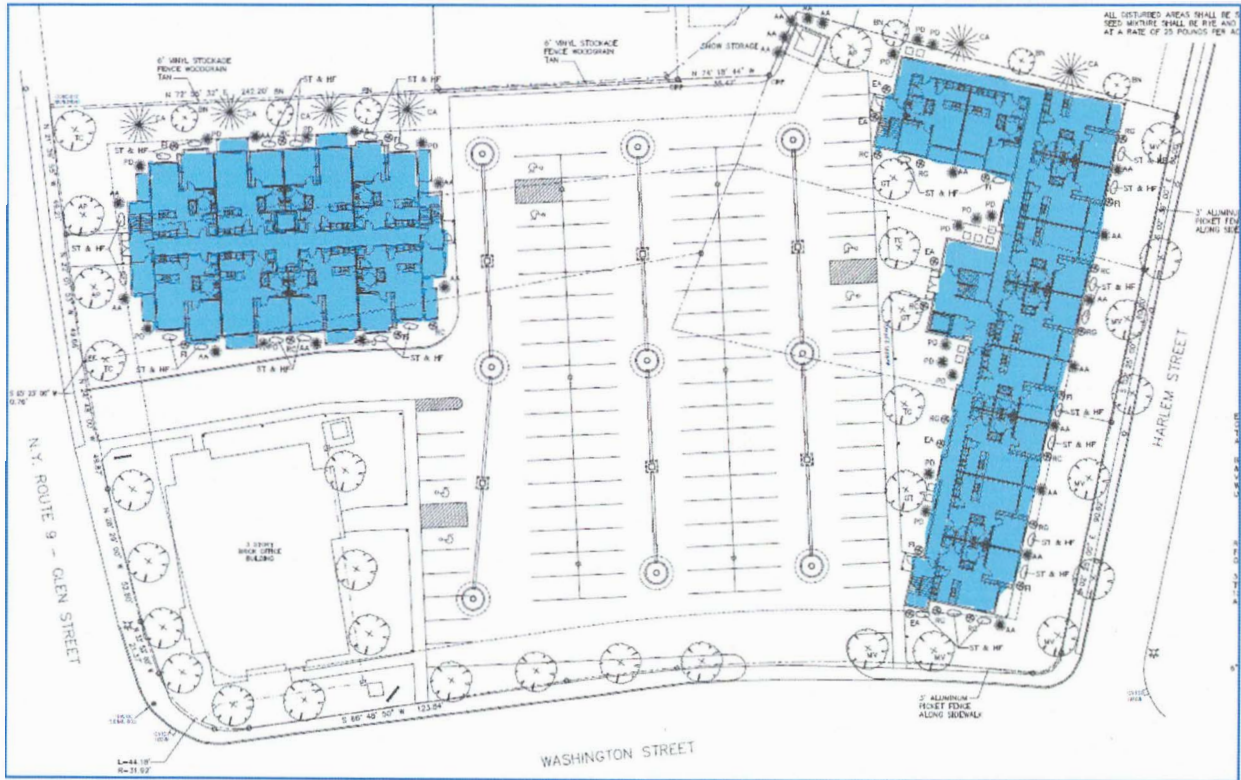
The GFIDA provided investment incentives for the South Street project in early 2025, including a real property tax abatement consisting of a 100% exemption on the value of improvements for years one to five and a 50% reduction for years six to ten. There was no cap on the “market” rental rates, with recognition that apartments would be suited for professional workers, including hospital staff.

The WWIDA Board approved investment incentives for the Broad Street project on August 18, 2025. Incentives included “485-b” real property tax abatement consisting of a 50% exemption on the value of improvements for year one and a 5% reduction each year for years two to ten. There was no cap on the “market” rental rates, with recognition that apartments would be suited for professional workers, including hospital staff.

The Washington Square application states that “Patten Property Management LLC takes pride in providing tenants with clean, safe, secure, and well-maintained and affordable housing. The minimal income threshold is 3 times the rent or \$40,000 to \$60,000 annually [for a standard apartment]....Collected rents are held at competitive levels and are typically not raised for existing tenants and we want the trend to continue. The only reason rent would be increased is to offset substantial costs with taxes, followed by insurance, the largest operating expenses.”

mail delivery will be by coded keypad. Access to the apartments will be via elevator and stairs. Permitted parking, trash service, water/sewer and snow removal will be included in the monthly rental fee ranging from \$1,325 to \$1,450 depending on square footage.

Proposed Project Site



Proposed Phase 1- Glen Street Building - 24 Units - 8,452 Square Feet

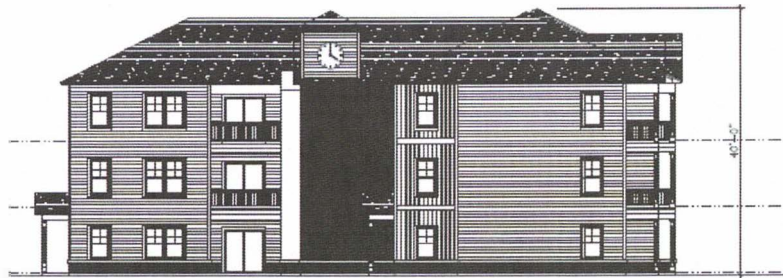


WEST ELEVATION - FACING GLEN STREET



SOUTH ELEVATION - FACING SHARED ACCESS DRIVE
1/2" = 1'-0"

Proposed Phase 2 - Harlem Street Building – 30 Units – 20,302 Square Feet



OVERALL SOUTH ELEVATION AS VIEWED FROM WASHINGTON STREET
3/32" = 1'-0"



OVERALL EAST ELEVATION AS VIEWED FROM HARLEM STREET
3/32" = 1'-0"

The Washington Square project will be situated in a highly convenient area, offering proximity to community activities, transportation hubs, shopping, schools, offices, and medical facilities. Well suited for young professionals.

The project was approved by the Glens Falls Planning Board on January 6, 2025.

The project's total investment is expected to be \$10,225,945. The primary cost elements are:

- | | |
|--|-------------|
| • Land | \$1,542,445 |
| • Building Construction and Infrastructure | \$6,562,000 |
| • Non-Manufacturing Equipment | \$1,698,750 |
| • Professional and Other | \$422,750 |

Construction would occur in two phases. The first phase, Glen Street building, would start construction in Spring 2026 with completion by Spring 2027. The second phase, Harlem Street building, would start construction in Fall 2026 with completion by Fall 2027.

Patten Property Management's project will generate over \$8.26 million in local construction activity. Construction labor will comprise over 120 positions for approximately 21 months, valued at an estimated \$4.13 million. Construction materials are also estimated at \$4.13 million, with 56% sourced from within Warren and Washington Counties and 95% in New York State.

The project will be supported with \$10,225,945 in private lender financing that will later be converted to bank mortgage lending. The financing agreement is being finalized. The applicant will provide proof of financing when for the WWIDA closing process.

The 2025 total land assessment for five parcels (302.20-16-1, -2, -13, -14 and -15) is \$536,300. The 2025 total building assessment for the four buildings on the five parcels before demolition and new construction is \$2,706,200. The "base" building assessment will be adjusted with the demolition of three of the four buildings. "Base" property taxes on the project parcels after demolition but before new construction will continue. Patten Property Management and the City plan to reconfigure the tax parcels for the apartment complex.

Patten Property Management, LLC's proposal to build the Washington Square apartment complex with 54 new units will assist with the region's chronic housing shortage. In October 2023, Warren County released the Housing Needs Study and Market Demand Analysis completed by Novogradac. It has some concerning observations for the regional economic ecosystem.

The Study identified the local housing shortage is undermining local economic activity. **“There is widespread recognition that there is a countywide housing shortage.** Specific gaps referenced by local stakeholders include a lack of affordable housing for households with incomes up to 150 percent of the Area Median Income and below, single-story structures more appropriate for aging in place, seasonal workforce housing, and year-round workforce housing. Further, there is fairly widespread recognition that **this housing shortage has become sufficiently extreme to now be an economic development and community development issue** as well as a housing issue...The existing housing stock at current prices is considered out of reach for the local workforce, young families, and year-round residents. Condominiums and owner-occupied duplexes, townhomes, and other types of missing middle housing structures for year-round occupancy are not common in this market, though this type of design could fill a variety of the...supply gaps. For example, higher density structures would be both more affordable and more appropriate to the changing demographics...” Furthermore, the Study states, “Several major employers attributed staffing shortages and attrition to housing shortages. Major employers in the tourism industry have become more involved in housing discussions, and in some instances have started to offer housing as part of their compensation package...Outside of these markets in other parts of the county, workforce housing was more likely to refer to housing for teachers, paramedics, and police officers, as well as persons employed in the service sector.” (Pages 50 and 51 in link below.)

The Study identified the housing shortage problem is magnified by recent higher costs. “The cost of housing development has increased. Material costs increased as a result of supply chain problems and inflation. Labor costs increased due to the increase in demand for specialized skills.....Though costs have reportedly decreased from the pandemic peaks, they continue to be above pre COVID levels and market participants do not expect them to return to pre COVID levels.....Land costs have also reportedly increased significantly in the past few years, a trend also attributed to the increase in demand from nonlocal buyers.” (Page 53 in link below.)

<https://public.warrencountyny.gov/gis/housingneeds/Housing%20Needs%20Study%20and%20Market%20Demand%20Analysis%20-%20Warren%20County,%20NY.pdf>

The Warren County Planning Department followed with a Housing Implementation Strategy including the establishment of the Warren County Housing Task Force - of which the WWIDA is a member organization. The Task Force is following the process illustrated on the next page.



The Task Force is developing an Action Matrix for County approval. The draft Action Matrix includes WWIDA investment incentives for housing as illustrated below.

<p>Incentivize Development of New Workforce Housing*</p>	<p>Incentivize the development of workforce units via:</p> <ul style="list-style-type: none"> • Tax incentives* • Supporting Low Income Housing Tax Credit (LIHTC) Applications* • PILCOTs* • Shared/grant predevelopment costs*. • Develop sites secured by the newly created land bank in exchange for adding affordable units to otherwise market rate projects.† • LCLGRP Workforce Housing Revolving Loan Fund to renovate long-term rental stock for the region's year-round workforce (\$500,000) 	<ul style="list-style-type: none"> • Municipalities (Lead role) • County (Support/Resource role) • Developers (Support/Partner role) • LCLGRP (Support/Partner role) • Warren-Washington IDA & Warren Co EDC (Support/Partner Role) • Non-Profit Partners (Support/Partner Role)
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The NYS case law for IDA housing projects states, “It is in the public interest for the Agency to undertake the Project on behalf of the Company, as this Project will promote employment opportunities and prevent economic deterioration in the area. The Agency hereby makes this determination concerning the Project due to the following:

- (i) The potential of persons to continue to reside or move to the area served by the Agency.
- (ii) The potential to create a need for additional services for said persons residing at the Project, particularly in light of the current economic climate.
- (iii) There is a need for housing in the region.
- (iv) This Project will increase the overall tax base of the Town, as this property currently consists of vacant land.
- (v) The Project will create construction jobs in connection with the proposed uses being contemplated of the Project Facility.”

ANALYSIS OF PILOT AND ABATEMENT REQUEST

Patten Property Management LLC's requested investment incentives for the housing project are:

1. **Property tax incentives** in the form of a Payment In Lieu of Taxes (PILOT). The project qualifies for a PILOT within WWIDA's Uniform Tax Exemption Policy. The PILOT payments will be for a term of 10 years with a 50% exemption of real property taxes on the value of the improvements for Year 1 and 5% annual increase for Years 2 to 10, after construction is completed. The PILOT may occur in two phases. This totals an estimated \$1,289,540 in payments over ten years, versus an estimated \$1,778,675 without the investment incentive. **The estimated property tax benefit is \$489,136 over 10 years.**
2. State and County **sales tax abatement** totaling 7% based on \$4,130,375 in purchases subject to sales tax. **The estimated benefit is \$289,126.**
3. Mortgage tax abatement of 1.00% from an estimated mortgage loan of \$10,225,945 that may occur in two phases (that mirrors phased construction activity). **The estimated mortgage tax benefit is \$102,259.**

The proposed total gross investment incentive for Patten Property Management, LLC is an estimated \$880,521 before fees. The WWIDA administrative fee is \$91,469 for servicing the incentives, including the 10-year PILOT. The estimated legal fee is \$15,000. **The estimated total net investment incentive is \$774,053.** The net incentives are 7.6% of the total project cost. (See Appendix for details.)

The Patten Washington Square application explained, "The [lot] purchase agreement for this project was signed over a year ago with the planning process taking several months...[and] the substantial amount of time that has lapsed, construction costs have increased exponentially and maintaining costs within a budget prepared months ago leaves real concern about completing the project in a timely manner while still holding-the-line on investment...The development of Washington Square is the third of three construction projects that Patten Property Management, LLC, is undertaking in 2025 and presents a substantial risk to its sole member... Should the application for relief be denied, the project will continue with dollars spread thinner and decisions will be made on material purchases and labor costs to hold to budget. Dollars allocated for finishing the project will be advanced to pay the taxes and the project will slow down. Funds are not bottomless and with that the pressure to finish and meet the lenders' requirements...The Warren-Washington Industrial Development Agency should consider...the application for relief as Washington Square will help to relieve the known housing shortage...and, over the long-term, this property will add substantial dollars to the tax base. The land is currently a

large swath of unused parking lot and abandoned buildings and this new construction will revitalize a very visible and sad area... [and] be a part of the downtown revitalization.”

COMMUNITY IMPACT SUMMARY and OVERALL RECOMMENDATION

The community and economic benefits of the proposed Patten Washington Square project over ten years:

1. Create 54 new one-bedroom housing units to support the community’s growing demand for housing, especially for employees of local businesses, in response to the regional housing shortage.
2. Generate an estimated 120+ construction jobs valued at over \$4.13 million.
3. Generate construction materials sales with an estimated value exceeding 4.13 million, with 56% sourced in Warren County and 95% sourced from New York State.
4. Complements the Glens Falls Downtown Revitalization Initiative.

In conclusion, approving the Patten Property Management, LLC application and supporting the construction of fifty-four new apartments at Washington Square in the City of Glens Falls would be in the best interests of the community and economy of Warren and Washington Counties.



5 Warren Street, Glens Falls, NY 12801

IDA Project Applicant: Patten Property Management, LLC

Project Name: Washington Square Apartments

Project Type: Housing

Project Street Location: 399 Glen Street and 10 Harlem Street, Glens Falls, NY

Project Municipality: City of Glens Falls

Parcel Identification: 302.20-16-1, -2, -13, -14 and -15

Project Description: Construct 54 new one-bedroom apartments with parking

Total Project Investment: \$10,225,945

Project Material Terms: Construct an apartment complex on ~2-acre site

IDA Benefits Provided: PILOT
Sales Tax Exemption
Mortgage Tax Exemption

Estimated
Community Benefits
Over Ten Years:


- a. Increase local housing by 54 apartments
- b. Generate local \$4.15M construction labor activity
- c. Generate local \$4.15M construction supplier activity
- d. Compliment the Glens Falls Downtown Revitalization

Appendix

PATTEN WASHINGTON SQUARE APARTMENTS INCENTIVES ESTIMATION

50% INCENTIVE YEAR 1, 5% DECREASE PER YEAR

08 21 2025

Land-Only Base Value Five Lots 2025	Estimated New Infra. & Construction Cost	Estimated New Assessed Value	2025 County Tax Rate / 1000	2025 GF City Tax Rate / 1000	Village Tax Rate /1000	2024-25 GF School Tax Rate / 1000			
\$536,300	\$6,562,000	\$7,098,300	\$3.48500	\$8.094650		\$15.526040			
3 of 4 buildings to be demolished.		Without remaining 369 Glen Street office building.							
PILOT YEAR	% PAYMENT	COUNTY PILOT	CITY PILOT	VILLAGE PILOT	SCHOOL PILOT	TOTAL PILOT	FULL PAYMENT w/o PILOT	ESTIMATED NET EXEMPTION	
1	50%	\$11,434	\$26,559	\$0	\$50,941	\$88,934	\$177,868	\$88,934	
2	55%	\$12,578	\$29,214	\$0	\$56,035	\$97,827	\$177,868	\$80,040	
3	60%	\$13,721	\$31,870	\$0	\$61,129	\$106,721	\$177,868	\$71,147	
4	65%	\$14,865	\$34,526	\$0	\$66,223	\$115,614	\$177,868	\$62,254	
5	70%	\$16,008	\$37,182	\$0	\$71,317	\$124,507	\$177,868	\$53,360	
6	75%	\$17,151	\$39,838	\$0	\$76,411	\$133,401	\$177,868	\$44,467	
7	80%	\$18,295	\$42,494	\$0	\$81,505	\$142,294	\$177,868	\$35,574	
8	85%	\$19,438	\$45,150	\$0	\$86,600	\$151,187	\$177,868	\$26,680	
9	90%	\$20,582	\$47,805	\$0	\$91,694	\$160,081	\$177,868	\$17,787	
<u>10</u>	95%	<u>\$21,725</u>	<u>\$50,461</u>	<u>\$0</u>	<u>\$96,788</u>	<u>\$168,974</u>	<u>\$177,868</u>	<u>\$8,893</u>	
Totals		\$165,797	\$385,099	\$0	\$738,644	\$1,289,540	\$1,778,675	\$489,136	
FULL ANNUAL PAYMENT		\$22,869	\$53,117	\$0	\$101,882	====>	\$177,868		
Estimated Tax Exemptions:		Estimated Cost Benefit Ratio:			<i>I have read and reviewed the Section V information completed by the WWIDA.</i>				
Property	\$489,136	<u>Assumptions</u>	See Above	Estimated Total Project Cost	\$10,225,945	Name:	CHRIS PATTEN		
Sales & Use 7%	\$289,126		\$4,130,375	Gross Benefit All Incentives	\$880,521	Signature:			
<u>Mortgage 1.00%</u>	<u>\$102,259</u>		\$10,225,945	Gross Benefit / Cost Ratio	8.6%	Date:	8/22/2025 -		
Gross Benefit	\$880,521		See below	Net Benefit All Incentives	\$774,053				
IDA Fee	(\$91,469)			Net Benefit / Cost Ratio	7.6%				
<u>IDA Legal Est.</u>	<u>(\$15,000)</u>								
Net Benefit	\$774,053								

WWIDA Fee	% Project \$	Project \$	Fee \$
First \$10M	0.90%	\$10,000,000	\$90,000
Next \$10M	0.65%	\$225,945	\$1,469
Next \$30M	0.40%	\$0	\$0
Over \$50M	0.25%	\$0	\$0
TOTAL		\$10,225,945	\$91,469