The minutes of the special meeting of the Village of Green Island Industrial Development Agency held on Wednesday, November 29th, 2017 at 3:00 p.m. at the Green Island Village Offices, 2nd Floor Conference Room, 20 Clinton Street, Green Island, NY.

Chairperson Rachel A. Perfetti called the meeting to order.

Chairperson Perfetti, Treasurer Alix and Secretary Koniowka.

Also, in attendance: Sean Ward, CEO, John McNulty, CFO, Michele Bourgeois, Assistant to the CFO and IDA Special Counsel A. Joseph Scott and Christopher C. Canada of Hodgson Russ, LLP.

Absent: Attorney Joseph F. Legnard.

On a motion by Treasurer Alix seconded by Secretary Koniowka and carried, to excuse the absentee. All ayes.

Chairperson Perfetti asked Attorney Scott to give a brief presentation to the board of what is transpiring.

Attorney Scott asked Mike Raymond, owner of the project to give a brief presentation on what they plan on doing with the refunding which has been in the works for several months. They do have a bank lined up for the financing, which is Berkshire Bank.

Mike Raymond of River’s Edge stated the existing note on this project is really expensive; it is at 7 ¼% and they have been eyeing on trying to get out of it for a while but the breakup fee was just way too much. They had looked at pushing it into 2018 and getting closer to their open period, to get their pre-payment penalty down and the open date on this is November of next year. Then, when everything came through with the tax proposal from the White House, we got a little skittish on what that meant for tax-exempt bonds. At that point they reached out to everyone they could to get it closed in 2017. We appreciate everyone coming here on such short notice and that was the reason why they were going to bite the bullet and pay the pre-payment because they don’t know what is going to come of this proposal.

Attorney Scott stated that the background there is that, you are reading about the House Tax Bill and the Senate Tax Bill and the House Tax Bill eliminates this type of bond issue. So, they have had a flood of to market, literally people coming in to do transactions. Mike called us a couple of weeks ago and they have two or three other projects and we didn’t know anything at all about the project and usually it is about a three month process to get these things done. Now we have three, four or five projects in the office that they are trying to get done in five (5) weeks or four (4) weeks. Otherwise, it would be a two to three month process. Attorney Scott stated that we have great support, it is not just Joe Scott in the office, they have several partners, including Chris Canada and they have paralegals and great legal assistants, and associates. They have tax people in their Albany office and in their Buffalo office, so they have a full court press on these transactions.

Attorney Scott stated to start off, Mike and his group have prepared an application and they have gone through it. There are still a couple of minor comments and Jack McNulty has gone through it and we will go through it in more with him. They have had a working group call on Monday with the bank and the other professionals to plot out a calendar and they were very pleased with the calendar that the IDA offered which is outlined in the bottom of the agenda.

Attorney Scott stated that the application describes the project. It is the refinancing of the existing bonds, they are going from high coupon to a much lower coupon and the bank that is buying it is Berkshire Bank and there is some reconstruction, machinery and equipment reconfiguration at the site. So, there is a little bit of new money to the transaction together with the premium on the prior bonds and then paying for cost of issuance. The process that we need to follow is adopting a SEQR resolution so that is Item #5 on the agenda and then, Item #6 is consideration of an Inducement Resolution. The Inducement Resolution is really the kickoff resolution where we indicate our preliminary desire interest in issuing bonds for the project. It is subject to a number of conditions with holding the public hearing, the finalization of documents, establishment of fees and that sort of things. The approval by the Mayor, the Mayor needs to approve this transaction like the Mayor did in the prior transaction because it is a tax exempt bond. So, they will coordinate with Sean and Jack and the Mayor on that element of the process.

Attorney Scott then passed out the SEQR Resolution for the board to review and Attorney Scott proceeded to walk through the resolution to give an overview.

Sean Ward asked Mr. Raymond if he had any plans for Capital Improvement projects.

Mike Raymond responded yes that they did plan on improvements. Most of the improvements are interior, they were going to replace the roofs, but a recent assessment shows that they are in good shape. Most of the furnaces and hot water heaters are starting to kick the bed. There is going to be a repaving on the site. They are also going to modernize the clubhouse and some of the fixtures within the apartment units themselves. In two years when the tax credits, the optional date for the tax credits, they are actually going to apply again for the tax credits and extend that out another 15 years and take those funds and redo all of the affordable units.

Sean stated that the one thing that he looks at right away is the simple painting.

Mike Raymond stated that is a planned project. They have plans for inside painting and also doorways and the columns.

Attorney Scott noted that the improvements would be the new money piece to the refunding which would otherwise be subject to sales tax but by virtue of the IDA’s involvement that would be exempt from sales tax and that is listed.

Sean stated that the property has been maintained well but it is starting to show its age.

Attorney Scott proceeded to continue with the overview of the balance of the resolution.

Chairperson Perfetti stated at this time she would ask for a motion to accept receipt of the IDA Application for Financial Assistance from River’s Edge requesting refunding of the Center Island North Project. The Chairperson would ask that the motion include that the draft IDA application is accepted.

On a motion by Secretary Koniowka seconded by Treasurer Alix and carried, to accept receipt of the draft IDA Application for Financial Assistance for the River’s Edge/Center Island North, LLC – 2017 Refunding Project contingent upon the changes being made by CFO John J. McNulty III. All ayes.

Chairperson Perfetti asked for a motion to adopt the SEQR Resolution contingent upon any changes that are made by CFO John J. McNulty III and Attorney Joseph Scott.

On a motion by Treasurer Alix seconded by Secretary Koniowka and carried, to adopt a Resolution determining that an action to undertake a certain Refunding Project for the benefit of Center Island North, LLC is a “Type II Action” and no further action is required under SEQRA with respect thereto and contingent upon any change that may be made by CFO John J. McNulty, III and Attorney Joseph Scott to the language of the resolution. All ayes.

Chairperson Perfetti asked for a motion to set public hearing for Friday, December 15th, 2017 at 3:00 p.m. at the Green Island Municipal Center, 19 George Street, Green Island.

On a motion by Treasurer Alix seconded by Secretary Koniowka and carried, to set a Public Hearing date for the River’s Edge Refunding Project for Friday, December 15th, 2017 at 3:00 p.m. at the Green Island Municipal Center, 19 George Street, Green Island. All ayes.

Attorney Scott proceeded to give overview of Preliminary Inducement Resolution for consideration by the board.

Sean just wanted to comment and note that the public benefit would be the renovation project to provide for adequate clean housing for the residents of the Village of Green Island, as well as maintaining the economic vitality of the project.

Attorney Scott agreed with Sean’s comment and stated that the reduction of the interest rate is significant here and that improves the cash flow of the project and provides for its continued vitality and operation.

Further discussion ensued.

Chairperson Perfetti asked for a motion to adopt the Preliminary Inducement Resolution as presented by Attorney Scott.

On a motion by Treasurer Alix seconded by Secretary Koniowka and carried, to adopt a Resolution taking official action toward the issuance of Revenue Bonds in an amount sufficient to finance a certain refunding project for Center Island North, LLC and authorizing the execution and delivery of a Preliminary Agreement with respect to such transaction. All ayes.

No further business.

Chairperson Perfetti asked for a motion to adjourn.

On a motion by Secretary Koniowka seconded by Treasurer Alix and carried, to adjourn the meeting at 3:44 p.m. All ayes.