

The minutes of the public hearing held by the Village of Green Island Industrial Development Agency on Wednesday, August 8, 2012 at 3:00 p.m. at the Green Island Municipal Center, 19 George Street, Green Island, NY.

Chairperson Rachel A. Perfetti called the public hearing to order at 3:05 p.m.

In attendance: Chairperson Perfetti, Secretary Alix, Attorney Joseph F. Legnard, Sean E. Ward, CEO, John J. McNulty III, CFO, Anne M. Strizzi, IDA Recording Secretary and Attorney A. Joseph Scott, IDA Special Counsel.

Public in attendance: Tom Torrisi, George Clough, John DeForest of Green Island Properties, LLC, and Mayor Ellen M. McNulty-Ryan.

Chairperson Perfetti asked for the notice of public hearing to be read at this time. The notice reads as follows:

NOTICE OF PUBLIC HEARING
ON PROPOSED PROJECT
AND FINANCIAL ASSISTANCE
RELATING THERETO

Notice is hereby given that a public hearing pursuant to Section 859-a (2) of the General Municipal Law of the State of New York (the "Act") will be held by the Village of Green Island Industrial Development Agency (the "Agency") on the 8th day of August, 2012 at 3:00 o'clock p.m., local time, at the Green Island Municipal Center located at 19 George Street in the Village of Green Island, Albany County, New York in connection with the following matters:

Green Island Properties, LLC, a New York limited liability company (the "Company"), has presented an application (the "Application") to the Agency, a copy of which Application is on file at the office of the Agency, requesting that the Agency consider undertaking a project (the "Project") for the benefit of the Company, said Project consisting of the following: (A) (1) the acquisition of an interest in an approximately 7.58 acre parcel of land located at 85 Cohoes Avenue in the Village of Green Island, Albany County, New York (the "Land"), (2) the construction on the Land of a building to contain approximately 64,000 square feet of space (the "Facility"), and (3) the acquisition and installation therein and thereon of certain machinery and equipment (the "Equipment"), all of the foregoing to constitute a commercial facility to be owned by the Company and leased to various tenants for commercial space purposes and related uses (the Land, the Facility and the Equipment being collectively referred to as the "Project Facility"); (B) the granting of certain "financial assistance" (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including potential exemptions from certain sales and use taxes, real estate transfer taxes and mortgage recording taxes (collectively, the "Financial Assistance"); and (C) the lease (with an obligation to purchase) or sale of the Project Facility to the Company or such other person as may be designated by the Company and agreed upon by the Agency.

The Agency is considering whether (A) to undertake the Project, and (B) to provide certain exemptions from taxation with respect to the Project, including (1) exemption from mortgage recording taxes with respect to any documents, if any, recorded by the Agency with respect to the Project in the office of the County Clerk of Albany County, New York or

elsewhere, (2) exemption from deed transfer taxes on any real estate transfers, if any, with respect to the Project, and (3) exemption from sales taxes relating to the acquisition, construction and installation of the Project Facility. If any portion of the Financial Assistance to be granted by the Agency with respect to the Project is not consistent with the Agency's uniform tax exemption policy, the Agency will follow the procedures for deviation from such policy set forth in Section 874(4) of the Act prior to granting such portion of the Financial Assistance.

If the Agency determines to proceed with the Project, the Project Facility will be acquired, constructed and installed by the Agency and will be leased (with an obligation to purchase) or sold by the Agency to the Company or its designee pursuant to a project agreement (the "Agreement") requiring that the Company or its designee make certain payments to the Agency.

The Agency has not yet made a determination pursuant to Article 8 of the Environmental Conservation Law (the "SEQR Act") regarding the potential environmental impact of the Project.

The Agency will at said time and place hear all persons with views on either the location and nature of the proposed Project, or the Financial Assistance being contemplated by the Agency in connection with the proposed Project. A copy of the Application filed by the Company with the Agency with respect to the Project, including an analysis of the costs and benefits of the Project, is available for public inspection during business hours at the offices of the Agency. A transcript or summary report of the hearing will be made available to the members of the Agency.

Additional information can be obtained from, and written comments may be addressed to: Sean E. Ward, Chief Executive Officer, Village of Green Island Industrial Development Agency, 20 Clinton Street, Green Island, New York 12183; Telephone: 518-273-2201.

Dated: July 25, 2012.

VILLAGE OF GREEN ISLAND INDUSTRIAL
DEVELOPMENT AGENCY

BY: Sean E. Ward, Chief Executive Officer

Chairperson Perfetti stated that she would like to open the public hearing at this time.

Mr. Sean Ward, Chief Executive Officer informed Chairperson Perfetti that we have John DeForest with us in attendance, he represents the applicant and he would like to give a brief presentation.

John DeForest of Green Island Properties, LLC proceeded to give a brief overview from drawings depicting the proposed project and he noted that the project was designed with a second building, so when the entire parcel is built out, it will have two (2) 64,000 sq. ft. buildings and Building A, the building right on the corner of Veteran's Memorial Drive and Cohoes Avenue is the building that we are talking about right now. The building would be a pre-engineered building similar to what you see on the other side of Cohoes Avenue. It is designed in a very similar way as far as bay spacing and the column layout, which would be flexible for a multi-tenant type building. The building dimensions are approximately 400 ft. x 160 ft. and again that is with the same bay spacing and the same overall width as the other buildings. This one is smaller than any of the buildings located on the west side of Cohoes Avenue. The smallest one over there is 80,000 sq. ft. and this one would be 64,000 sq. ft.

Sean Ward commented that most of those buildings on the west side of Cohoes Avenue started at 64,000 sq. ft. and were expanded after the fact.

Mr. DeForest stated that Building A was expanded after the fact.

No further comments from Mr. DeForest.

Chairperson Perfetti stated that the public hearing is now open if there are any comments.

George Clough of 84 Hudson Avenue asked what is this project going to cost the Village taxpayers or the County taxpayers, approximately how much are they going to lose on this by going the IDA way?

Sean Ward responded and stated that the answer is zero "0".

Sean Ward stated that with IDA financing we may enact a PILOT payment but this and every other agreement that we have in place will put a real value assessment on a property and it will be taxed as if it were without PILOT, which is payment in lieu of taxes. It will be taxed at full price and the only difference on this project is that it falls under the recently enacted 485-b, the Real Property Tax Law, 485-b program that we just recently set up so that we could be competitive with other communities. They will get a 50% tax break whether they do IDA financing or not, it doesn't matter.

Mr. Clough questioned that was already approved by the Village board, the 50%, but they don't know what the cost of the building is going to be and they don't know what is going in there.

Sean Ward responded that is correct. They don't know what the cost of the fit-up is going to be. When they have a specific client or tenant go into that building, there will be a certain cost for fit-up and that varies depending on the tenant and that is why, they know what the shell is going to cost for the initial building but they don't know what the fit-up is going to be.

Mr. Clough stated but they are going to be exempt from Sales Tax and etc., which would be an amount up to approximately what?

Sean Ward stated that is correct and we don't know that amount is right now because we don't know what they are going to put in there but it is a New York State program that allows any eligible costs including building materials and some equipment would be exempt from Sales and Use Tax during the time of the IDA financing. We have used that program on just about every building up at that location; it is an incentive for them to located within the Village and the State.

Sean Ward went on to state that we are actually competing not only with other States but other countries for some of these companies that do come here and most of these that do come here.

Mr. Clough stated that land is getting more scarce as time goes by correct?

Sean Ward stated that land in Green Island is scarce, but these companies can easily build in North Carolina or in China at a much lesser cost with a cheaper labor force, which is why New York State and Green Island have to maintain a competitive global advantage when we are going after these companies. We are in a global economy here where we have to compete or we are going to lose and it is very hard. Corporations are coming to us and asking for incentives to come here but we know that they can go elsewhere and get those incentives

Sean Ward stated that they did provide us with an estimate, he didn't see this earlier but the estimated Sales Tax exemption will be \$79,800.00 and the Mortgage Recording Tax exemption would be \$62,875.00 and this represents the shell.

Mr. Clough asked if you would collect payment in lieu of taxes from this company?

Sean Ward responded yes we would and it would be the actual taxes, which is the same amount or the same deal that we have had on every other building up at this location.

Attorney Scott responded that what we are actually going to try to do is not have a PILOT at all, just have them stay on the tax rolls, he still has to work out those details with Mr. Legnard and with their counsel but what Mr. Ward is saying is essentially correct. The amount of taxes or PILOT that they will pay whether it is a PILOT agreement or a tax payment would be what they would otherwise be obligated to pay under New York law.

No further comments.

Chairperson Perfetti closed the public hearing at 3:17 p.m.