

**Minutes of the Meeting of the
County of Clinton Industrial Development Agency
July 13, 2015**

The meeting was called to order by T. Trahan, Chairperson, at 12:02 p.m., at the offices of the County of Clinton Industrial Development Agency, 190 Banker Road, Suite 500, Plattsburgh, N.Y.

Members Present: Trent Trahan, Chairperson
David Hoover, Vice Chairperson
Keith Defayette, Treasurer and CFO
Michael Zurlo, Secretary
Kim Murray, Assistant Secretary
Mark Leta, Member
John VanNatten, Member

Members Excused: None

Others Present: Paul Grasso, Interim Executive Director
George Cregg, Esq., Agency Counsel
Roseanne Murphy
Barbara Shute, Recording Secretary
Stephen Podd, Northstar 41, LLC
Victor Podd, Northstar 41, LLC

T. Trahan declared that a *quorum* was present.

T. Trahan welcomed Victor and Stephen Podd from Northstar 41 LLC.

T. Trahan waived the reading of the notice of the meeting published in the *Press-Republican* on December 8, 2014.

Reading and Consideration of the Draft Minutes of the CCIDA meeting of June 8, 2015:

T. Trahan waived the reading of the minutes of the June 8, 2015 regular meeting. He asked if there were any questions or discussion regarding the draft minutes, there was none. On a motion by D. Hoover and seconded by K. Murray, it was unanimously carried to approve the minutes of the June 8, 2015 regular meeting, as presented.

Public Comment: None

Bills and Communications: None

Treasurer's Report

CCIDA:

The account balance at 6/30/15 was \$195,477.13

Income reported for June: \$1500 application fee for FW Webb.

Balance Sheet:

There is \$0 remaining in the CIDA, LLC's bank account.

Income Statement:

The income statement shows the expenses that were approved during the month of June.

The "net income or loss" for each month will be for expenses for administering the CCIDA.

Expenses paid in June:

TDC- Admin fee	\$7,074.75
Delish	\$131.73
Jennetix (website)	\$85.00
Total Expenses	\$7,291.48

On a motion by J. VanNatten and seconded by K. Murray, it was unanimously carried to approve the treasurer's report as presented by K. Defayette.

Reports of the Committees: None

Project Monitoring: No Updates

Old Business:

1. Discussion Regarding FW Webb

G. Cregg gave a brief overview of the project's request.

After a brief discussion the consensus of the members is that they do not wish to grant a benefit to the project at this time due to the fact that the project application was submitted when the project was nearly complete. The project is welcome to come back to the CCIDA in the future if they plan to expand their current facility and increase the number of employees provided they submit a timely request.

New Business:

1. Appointment of Executive Director

P. Grasso introduced Roseanne Murphy noting that she has had a long distinguished career with Empire State Development and TDC and the Agency are very fortunate to have her on board.

Several members noted that they have worked with R. Murphy on numerous projects in the past and they look forward to working with her in her new capacity as the Executive Director of the CCIDA.

2. Support Actions Regarding the Tax Cap Legislation

G. Cregg explained that the legislation to reform the tax cap was adopted and signed into law by the Governor. Once the legislation has been signed the IDA will have 180 days to implement the changes.

This resolution regarding the tax cap reform legislation, urges the State Tax Commissioner to implement the "technical amendment" as soon as possible.

Once the resolution has been adopted copies will be mailed to the Tax Commissioner and the Superintendent of the Beekmantown Central School District.

3. Northstar 41 LLC. Consider a resolution affirming ESD's extension of the job creation requirement.

G. Cregg reviewed a brief history of the project and the current request for an extension.

Stephen and Victor Podd gave the members an update on their efforts to redevelop the former Pfizer Chazy Facility to support their request for the additional six month extension.

Action Items

1. Vote: Consider whether or not to move forward with the F.W. Webb Application.

On a motion by M. Zurlo and seconded by K. Murray, it was unanimously carried to reject the FW Webb application on the basis of an untimely application

2. Vote: Appoint Roseanne Murphy as the Executive Director of the CCIDA

On a motion by M. Zurlo and seconded by J. VanNatten, it was unanimously carried to appoint Roseanne Murphy as the Executive Director of the County of Clinton IDA.

3. Vote: Support Actions Regarding the Tax Cap Legislation

The following resolution was offered by K. Murray, seconded by K. Defayette, to wit:

Resolution No. 07-15-01

RESOLUTION REQUESTING THAT THE NEW YORK STATE COMMISSIONER OF TAXATION AND FINANCE TAKE CERTAIN ACTIONS TO EFFECT A TECHNICAL FIX TO THE 2% TAX CAP APPLICABLE TO LOCAL GOVERNMENTS AND SCHOOL DISTRICTS.

WHEREAS, County of Clinton Industrial Development Agency (the "Agency") is authorized and empowered by the provisions of Chapter 1030 of the 1969 Laws of New York, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended (the "Enabling Act") and Chapter 225 of the 1971 Laws of New York, as amended, constituting Section 895-f of said General Municipal Law (said Chapter and the Enabling Act being hereinafter collectively referred to as the "Act") to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of commercial, manufacturing, and warehousing facilities, among others, for the purpose of promoting, attracting and developing economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York (the "State"), to improve their prosperity and standard of living, and to prevent unemployment and economic deterioration; and

WHEREAS, to accomplish its stated purposes, the Agency is authorized and empowered under the Act to acquire, construct, reconstruct and install one or more "projects" (as defined in the Act) or to cause said projects to be acquired, constructed, reconstructed and installed, and to convey said projects or to lease said projects with the obligation to purchase; and

WHEREAS, (A) Section 874(1) of the Act provides that the Agency shall be required to pay no taxes or assessments upon any of the property acquired by it or under its jurisdiction or control or supervision or upon its activities, and (B) Section 412-a of the Real Property Tax Law (the "RPTL") provides that real property owned by or under the jurisdiction, supervision or control of the Agency shall be entitled to such exemption as may be provided in the Act; and

WHEREAS, Section 858(15) of the Act authorizes the Agency to enter into agreements requiring payments in lieu of taxes (each, a "Payment In Lieu of Tax Agreement"); and

WHEREAS, in 2011, Chapter 97 of the 2011 Laws of New York (the “2011 Tax Cap Statute”) added a new Section 3-c to the General Municipal Law (the “Local Government Tax Cap Law”), which Local Government Tax Cap Law generally provides in pertinent part as follows:

(A) the amount of real property taxes that can be levied by or on behalf of any county, city, town, fire district in the State (each, a “Local Government”) cannot exceed the “tax levy limit” imposed by the Local Government Tax Cap Law (generally, 102%) (the “Local Government Tax Cap”);

(B) the term “tax levy limit” means the amount of “taxes” levied by or on behalf of a Local Government, excluding certain items;

(C) the “tax levy limit” is calculated as follows:

(1) ascertain the total amount of taxes levied for the prior fiscal year;

(2) multiply the result by the “tax base growth factor” calculated pursuant to Section 3-c(3)(b) of the General Municipal Law;

(3) add any payments in lieu of taxes receivable in the prior fiscal year;

(4) subtract certain taxes levied to support extraordinary court orders or judgments;

(5) multiply the result by the “allowable levy growth factor”;

(6) subtract any payments in lieu of taxes receivable in the coming fiscal year; and

(7) add any “available carryforward” (the amount by which the tax levy for the previous fiscal year was below the tax levy limit for such prior fiscal year, but not more than 1.5% of the tax levy limit for such prior fiscal year);

(D) the “tax base growth factor” is calculated as follows:

(1) pursuant to Section 3-c(3)(b)(i) of the General Municipal Law, the State Commissioner of Taxation and Finance (the “Tax Commissioner”) calculates a “quantity change factor” for each Local Government for the coming fiscal year based upon the physical or quantity change reported to the Tax Commissioner by the local assessor pursuant to RPTL Section 575 (information traditionally collected by the Tax Commissioner for purposes of calculating state equalization rates), which

“quantity change factor” shall show the percentage by which the full value of the taxable real property in the Local Government has changed due to physical or quantity change between the second final assessment roll or rolls preceding the final assessment roll or rolls upon which taxes are to be levied, and the final assessment roll or rolls immediately preceding the final assessment roll or rolls upon which taxes are to be levied.;

(2) if the “quantity change factor” for a Local Government is negative, the Tax Commissioner shall not determine a “tax base growth factor” for the Local Government;

(3) if the “quantity change factor” for a Local Government is positive, the Tax Commissioner shall determine a “tax base growth factor” for the Local Government which is equal to one plus the “quantity change factor”; and

(4) the Tax Commissioner shall notify the State Comptroller and each Local Government of the applicable “tax base growth factor”, if any, as soon as such factor is calculated; and

(E) under certain circumstances, a Local Government may adopt a tax levy that is greater than the “tax levy limit” for the coming fiscal year; and

WHEREAS, the 2011 Tax Cap Statute also added a new Section 2023-a to the Education Law (the “School District Tax Cap Law”), which School District Tax Cap Law imposed upon School Districts a tax cap (the “School District Tax Cap”), which School District Tax Cap is calculated in a manner similar to the Local Government Tax Cap, except that, in step (C)(4) of the prior recital, the tax levy necessary to support “capital local expenditures” is also subtracted; and

WHEREAS, because the Local Government Tax Cap Law and the School District Tax Cap Law (collectively, the “Tax Cap Laws”) did not include the value of new assessment exempted by the Agency under a Payment In Lieu of Tax Agreement in the “tax base growth factor” (or in the “quantity change factor” used to calculate the “tax base growth factor”) used to calculate increases in the Local Government Tax Cap and the School District Tax Cap (collectively, the “Tax Caps”), such Tax Caps ignored increases to the tax base of a local community if that increase occurred under an Agency Payment In Lieu of Tax Agreement, thus denying such local community the ability to expand its resources in proportion to service demand increases; and

WHEREAS, the factors described in the prior recital led the Superintendent of the Beekmantown Central School District to send a letter to the Agency dated March 18, 2015 (the “Beekmantown CSD Letter”), requesting that, until the “2% Tax Cap” legislation is changed, the Agency enter into no further Payment In Lieu of Tax Agreements within the boundaries of the Beekmantown Central School District; and

WHEREAS, Section 2 of Subpart C of Chapter 20 of the 2015 Laws of New York (the “2015 Local Government Tax Cap Amendment Statute”) amended Section 3-c(3)(b)(i) of the General Municipal Law to provide that “The commissioner of taxation and finance shall, as appropriate, promulgate rules and regulations regarding the calculation of the quantity change factor which may adjust the calculation based on the development on tax exempt land.”; and

WHEREAS, Section 3 of Subpart C of Chapter 20 of the 2015 Laws of New York (the “2015 School District Tax Cap Amendment Statute”) amended Section 2023-a(2-a)(b) of the Education Law to provide that “The commissioner of taxation and finance shall, as appropriate, promulgate rules and regulations regarding the calculation of the quantity change factor which may adjust the calculation based on the development on tax exempt land.”; and

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF COUNTY OF CLINTON INDUSTRIAL DEVELOPMENT AGENCY AS FOLLOWS:

Section 1. In light of the concerns expressed in the Beekmantown CSD Letter, the Agency urges that the Tax Commissioner as soon as possible develop and promulgate the rules and regulations regarding the calculation of the quantity change factor to adjust such calculation based on the development on tax exempt land authorized by the 2015 Local Government Tax Cap Amendment Statute and the 2015 School District Tax Cap Amendment Statute.

Section 2. The Agency hereby authorizes the Executive Director of the Agency to cause a copy of this resolution to be mailed to (A) the Tax Commissioner, (B) the Superintendent of the Beekmantown Central School District, and (C) such other State or local governmental officials as the Executive Director believes are appropriate.

Section 3. The officers, employees and agents of the Agency are hereby authorized and directed for and in the name and on behalf of the Agency to do all acts and things as may be necessary or, in the opinion of the officer, employee or agent acting, desirable and proper to effect the purposes of this resolution.

Section 4. This Resolution shall take effect immediately.

The question of the adoption of the foregoing Resolution was duly put to a vote on roll call, which resulted as follows:

Trent Trahan	VOTING	YES
David Hoover	VOTING	YES
Michael E. Zurlo	VOTING	YES
Kim Murray	VOTING	YES
John VanNatten	VOTING	YES
Keith Defayette	VOTING	YES
Mark Leta	VOTING	YES

The foregoing Resolution was thereupon declared duly adopted.

4. Vote: Adopt a resolution affirming ESD's extension of the job creation requirement.

The following resolution was offered by John VanNatten, seconded by David Hoover, to wit:

Resolution No. 07-13-02

RESOLUTION AUTHORIZING THE EXECUTION BY CLINTON INDUSTRIAL DEVELOPMENT ACQUISITION, LLC (THE "COMPANY") OF AN AMENDMENT TO THE PURCHASE AND SALE AGREEMENT IN CONNECTION WITH THE FORMER WYETH/PFIZER CHAZY FACILITY.

WHEREAS, County of Clinton Industrial Development Agency (the "Agency") is authorized and empowered by the provisions of Chapter 1030 of the 1969 Laws of New York, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended (the "Enabling Act") and Chapter 225 of the 1971 Laws of New York, as amended, constituting Section 895-f of said General Municipal Law (said Chapter and the Enabling Act being hereinafter collectively referred to as the "Act") to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of commercial, manufacturing and industrial facilities, among others, for the purpose of promoting, attracting and developing economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York, to improve their prosperity and standard of living, and to prevent unemployment and economic deterioration; and

WHEREAS, to accomplish its stated purposes, the Agency is authorized and empowered under the Act to acquire, construct, reconstruct and install one or more "projects" (as defined in the Act), or to cause said projects to be acquired, constructed, reconstructed and installed, and to convey said projects or to lease said projects with the obligation to purchase; and

WHEREAS, on March 12, 2012, the Agency adopted a resolution approving the formation of Clinton Industrial Development Acquisition, LLC (the "Company"), which Company was formed on March 19, 2012, in connection with the following transaction (the "Transaction"): acceptance of a gift of title to the former Wyeth/Pfizer Chazy facility (constituting approximately 55 acres of land with existing buildings thereon containing approximately 300,000 square feet of space) (hereinafter, the "Project Facility"); and

WHEREAS, on April 15, 2013, the Company and Norstar Private Capital LLC (the "Purchaser") entered into a purchase and sale agreement in connection with the Transaction (the "Purchase and Sale Agreement"); and

WHEREAS, pursuant to a request dated May 27, 2015, the Purchaser has requested an amendment to the Purchase and Sale Agreement (the "Amendment"),

which Amendment will extend the term of the job creation requirement pursuant to Section 17(h) of the Purchase and Sale Agreement by six months; and

WHEREAS, Empire State Development Corporation ("ESDC") has informed the Agency that ESDC has no objection to the Amendment; and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law, Chapter 43 B of the Consolidated Laws of New York, as amended (the "SEQR Act") and the regulations adopted pursuant thereto by the Department of Environmental Conservation of the State of New York, being 6 NYCRR Part 617, as amended (the "Regulations" and collectively with the SEQR Act, "SEQRA"), the Agency must satisfy the requirements contained in SEQRA prior to making a final determination whether to proceed with the Amendment; and

WHEREAS, pursuant to SEQRA, the Agency has examined the Amendment in order to make a determination as to whether the Amendment is subject to SEQRA, and it appears that the Amendment constitutes a Type II action under SEQRA;

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF COUNTY OF CLINTON INDUSTRIAL DEVELOPMENT AGENCY AS FOLLOWS:

Section 1. Based upon an examination of the Amendment, the Agency hereby makes the following determinations:

(A) The Amendment constitutes a "Type II action" pursuant to 6 NYCRR 617.5(c)(26), and therefor that, pursuant to 6 NYCRR 617.6(a)(1)(i), the Agency has no further responsibilities under SEQRA with respect to the Amendment.

(B) That since compliance by the Agency with the Amendment will not result in the Agency providing more than \$100,000 of "financial assistance" (as such quoted term is defined in the Act), Section 859-a of the Act does not require a public hearing to be held with respect to the Amendment.

Section 2. In consequence of the foregoing, the Agency, as the sole member of the Company, and on behalf of the Company, hereby: (A) consents to the Amendment and (B) authorizes the Agency, solely in its capacity as the sole member of the Company and on behalf of the Company, to execute and deliver the Amendment, subject to (a) approval by counsel to the Agency of the form of the Amendment, (b) receipt by the

Agency of its administrative fee relating to the Amendment, if any, and all fees and expenses incurred by the Agency with respect to the Amendment, including the fees and expenses incurred by Agency counsel with respect thereto and (c) the following additional conditions: None.

Section 3. Subject to (A) satisfaction of the conditions contained in Section 2 hereof and (B) the execution and delivery of the Amendment by the other parties thereto, each of the Chairman (or Vice Chairman) or Interim Executive Director of the Agency is hereby authorized, solely in its capacity as the sole member of the Company and on behalf of the Company, to execute and deliver on behalf of the Company the Amendment and any related documents contemplated thereby and approved by counsel to the Agency (the "Company Documents") and, where appropriate, the Secretary (or Assistant Secretary) of the Agency is hereby authorized to affix the seal of the Agency thereto and to attest the same, said Company Documents to be in in substantially the forms approved by Counsel to the Agency, with such changes, variations, omissions and insertions as the Chairman (or Vice Chairman) or Interim Executive Director shall approve, the execution thereof by the Chairman (or Vice Chairman) or Interim Executive Director to constitute conclusive evidence of such approval.

Section 4. The officers, employees and agents of the Agency are hereby authorized and directed for and in the name and on behalf of the Agency to execute and deliver all such additional certificates, instruments and documents, to pay all such fees, charges and expenses and to do all such further acts and things as may be necessary or, in the opinion of the officer, employee or agent acting, desirable and proper to effect the purposes of this Resolution.

Section 5. This Resolution shall take effect immediately.

The question of the adoption of the foregoing Resolution was duly put to a vote on roll call, which resulted as follows:

Trent Trahan	VOTING	YES
David Hoover	VOTING	YES
Michael E. Zurlo	VOTING	YES
Keith Defayette	VOTING	YES
Kim Murray	VOTING	YES
Mark Leta	VOTING	YES
John VanNatten	VOTING	YES

The foregoing Resolution was thereupon declared duly adopted.

Executive Director's Report

P. Grasso noted that the ABO issued its annual report which he sent out to the members for their review. The report was benign.

P. Grasso explained that in an effort to further market the potential benefits that are available through the IDA he will be working with R. Murphy and G. Cregg to conduct a training seminar for financial lenders and economic developers in September.

With no other items to discuss the meeting was adjourned at 1:10pm.



Trent Trahan, Chairperson