



City of Schenectady Industrial Development Agency Board Meeting

Meeting Minutes — January 29, 2007

Agency Members: Doug Blacklock, Ann Reilly, Mayor Brian Stratton, and Joseph Fava

Members Absent: Denise Brucker and Joseph Allen

Others: Connie Cahill (Agency Counsel), Ray Gillen, Jayme Lahut, and Jim Callander

Mr. Blacklock called the monthly Agency meeting to order at 12:15 p.m.

1. **Approval of Minutes** — Mayor Stratton moved acceptance of the minutes of the December 13, 2006 meeting; seconded by Ms. Reilly. There was no discussion. The minutes were unanimously accepted.
2. **Financial Report** — Jim Callander reviewed the report for the period ending December 31, 2006. He reported that the Agency had an exceptional year with \$220,000 in revenues, which exceeded budget. Expenses fell below budget for the third consecutive year with expenses of about \$43,000. The Agency also received a substantial payment from DEC for the Lot 6 work, so its cash position now stands at \$644,903. There remains the \$100,000 obligation to Metroplex for the Dorp Salvage demolition project, which is 95 percent complete.

Mayor Stratton asked about the Agency's obligation to repay the City about \$335,000. Jayme Lahut responded that City's Corporation Counsel's office was reviewing the final documents. The Finance Department had signed off on business terms. Mr. Allen moved acceptance of the Financial Report as distributed; seconded by Mayor Stratton. There was no further discussion. The Financial Report was accepted unanimously.

3. **Hampton Inn Project:** Resolution 124-07: Recommence PILOT Deviation Process

Jayme Lahut explained Metroplex is introducing a Metroplex PILOT for the project that would supersede the existing IDA PILOT for a limited period of time. The resolution changes the IDA PILOT so that it only covers years 11-20 as originally proscribed by the Agency. The change allows the project owner to recoup their taxes and any PILOT payments via the Empire Zone real property tax credit. Resolution 124-07 explains the changes to the affected tax jurisdictions with comments due by the February 28, 2007 meeting. Mr. Allen moved Resolution 124-07; seconded by Mayor Stratton.

Mayor Stratton asked when the Hampton Inn would open and he was told that would happen in May. Resolution 124-07 was unanimously approved.

4. Hampton Inn Project: Resolution 127-07 — Extend Sales Tax Exemption

Hampton Inn requested extending the sales tax exemption until June 30, 2007 thereby accepting the benefits through project completion. The extension applies to the IDA's agents and sub-agents. Mayor Stratton moved Resolution 127-07; seconded by Ms. Reilly. There was no discussion. Resolution 127-07 was approved.

5. 400 State Street Cinema/Office Building Project: Resolution 125-07 — Recommence PILOT Deviation Process

Jayme Lahut explained Metroplex is introducing a Metroplex PILOT for the project that would supersede the existing IDA PILOT for a limited period of time. The resolution changes the IDA PILOT so that it only covers years 11-15 as originally proscribed by the Agency. The change allows the project owner to recoup their taxes and any PILOT payments via the Empire Zone real property tax credit. Resolution 125-07 explains the changes to the affected tax jurisdictions with comments due by the February 28, 2007 meeting. Mr. Allen moved Resolution 124-07; seconded by Mayor Stratton.

Ray Gillen updated the board on the project, which is expected to open about May 1. He explained the benefits of using the Empire Zone for downtown projects. Resolution 125-07 was unanimously approved.

6. 400 State Street Cinema/Office Building Project: Resolution 128-07 — Extend Sales Tax Exemption

Connie Cahill stated that the project developer, Scotia Holdings, Inc., requested extending the sales tax exemption until June 30, 2007. Mayor Stratton moved Resolution 128-07; seconded by Ms. Reilly. There was no discussion. Resolution 128-07 was unanimously approved.

7. Wallace Building Project: Resolution 126-07 — Extend Lease Agreement with Robert A. Lupe

Jayme Lahut reported that at the September 27, 2006 meeting, the Agency agreed to extend the existing lease between Robert (Bud) Lupe and the IDA for Center City Plaza through February 28, 2007. This allows the City and Metroplex more time to find a new buyer for Center City as well as deal with issues relating to overall building condition, real property taxes and financial reporting to the City. Resolution 126-07 authorizes extending the lease again. Mayor Stratton moved approval of Resolution 126-06; seconded by Ms. Reilly.

Ray Gillen explained that an on-going lease with the Lupe's was more advantageous to the City and IDA than allowing the Lupe's to own the property outright. The City is entitled to repayment of a \$750,000 UDAG. He also reported that three buyers have expressed interest

in owning the facility. Discussion followed about the lease, the UDAG and the prospects for selling the property. After discussion, Resolution 126-0 was approved unanimously.

8. Big House Project: Resolution 129-07 — Extend Sales Tax Exemption

Project developer, Sheridan Hollow, Inc., requested extending the sales tax exemption until June 30, 2007. The facility is ready for equipment and furnishings. The basement club is slated to open by April with the first floor restaurant by June. Ms. Reilly moved Resolution 129-07; seconded by Mayor Stratton. Resolution 129-07 was unanimously approved.

9. Other Business

10. Adjournment

Respectfully submitted,

Jayne B. Lahut
Executive Director