



City of Schenectady Industrial Development Agency

Board Meeting Minutes — December 22, 2009

Agency Members: Denise Brucker, Douglas Blacklock, Joseph Fava, Jeffrey McDonald and Ann Reilly

Members Absent: Joseph Allen and Mayor Stratton

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

Ms. Brucker called the monthly meeting to order at 8:00 a.m.

- 1. Approval of Minutes:** Ms. Reilly moved approval of the October 7, 2009 meeting minutes; seconded by Mr. McDonald. The minutes were approved. (Mr. Blacklock was absent)
- 2. Treasurer's Report:** Jim Callander reviewed the financial reports through November 30, 2009. He noted that the \$20,000 Agency fee from the recent Marcella's closing was not reflected in the report. Cash on hand stands at \$312,682. Mr. McDonald moved acceptance of the Treasurer's Report, seconded by Mr. Fava and approved. (Mr. Blacklock was absent)
- 3. 135 Broadway Associates, LLC (Utech Products Project):** Resolution 269-09 – Authorization to Approve Amended PILOT and Take Related Actions

The resolution amends the existing PILOT Agreement dated August 1, 2004 to conform with the Agency's Uniform Tax Exemption Policy adopted in March 2005. The amended PILOT conforms to the original concept of starting the tax abatement at 30 percent; declining at 5% per annum for fifteen years. An adjustment will be made in 2010 and 2011, then Utech's payment schedule returns to 60% of assessed value in the seventh year. The taxing jurisdictions were notified and no comments were received. Mr. Fava moved Resolution 269-09; seconded by Ms. Reilly and unanimously approved.

- 4. 411 State Street Acquisition LLC:** Resolution 270-09 – Authorization to Approve Amended PILOT and Take Related Actions

The resolution amends the existing PILOT structured for Big House by increasing the PILOT payments. 411 State Street Acquisition, LLC acquired the property in July and is leasing the first floor and basement to the Paul Mitchell School. The second and third floors will be used for commercial offices. The amended PILOT calls for payments of \$25,000 in each of years 2011 – 2020 and \$40,000 in each of years 2021 – 2025. The taxing jurisdictions were notified and no comments were received. Ms. Reilly moved Resolution 270-09; seconded by Mr. Fava and unanimously approved.

5. Development at Center City LLC (Center City Renovation): Resolution 271-09 – Authorization to Commence PILOT Deviation Process

The resolution authorizes starting the deviation process for amending the existing PILOT. The amended PILOT increases the annual payments from \$100,000 to \$150,000 per year, allowing the developer to take advantage of the Empire Zone real property tax credit program. The \$16 million project involves renovation of the second and third floors now occupied by MVP, the ground floor and first floor to be occupied by the YMCA and a 50,000 square foot Jay Street wing. Mr. McDonald moved Resolution 271-09; seconded by Mr. Blacklock and unanimously approved.

6. Development at Center City LLC (Center City Renovation): Resolution 272-09 – Extend Sales Tax Exemption

The sales tax exemption for the project expires on December 31, 2009. The resolution extends the exemption through June 30, 2010. The project is expected to continue well into 2010. Ms. Reilly moved Resolution 272-09; seconded by Mr. Fava and unanimously approved.

7. BN Partners Associates (College Park / Golub HQ): Resolution 273-09 – Extend Sales Tax Exemption

The sales tax exemption for the project expires on February 14, 2010. Fit up is expected to continue until late spring. The resolution extends the sales tax exemption until June 30, 2010. Discussion followed on the extensive remediation of the brownfield site. Mr. Fava moved Resolution 273-09; seconded by Mr. McDonald and unanimously approved.

8. JMR Development Company (Bechtel Plant Machinery, Inc. Retention Project): Resolution 274-09 – Extend Sales Tax Exemption

The sales tax exemption for the project expires on December 31, 2009. Bechtel currently occupies 30,000 square feet of the 104,000 square foot facility it leases on Liberty Street. The remaining space is being marketed to attract technology companies. Tenant work is not yet complete. The resolution extends the sales tax exemption until June 30, 2010.

9. 426 State Street Associates LLC (Mazzone Project): Resolution 275-09 – Extend Sales Tax Exemption

The sales tax exemption for the project expired on June 30, 2009. In order to accommodate new tenants for the remaining space, the developer has requested an extension of the sales tax exemption through June 30, 2010. Mr. Fava moved Resolution 275-09; seconded by Mr. McDonald and unanimously approved.

10. Discussion – The Public Authorities Reform discussion was postponed until the next meeting.

11. Other Business -- Ray Gillen reported that the Union Graduate School's ribbon cutting will be held on January 13th at 10:00 a.m.

12. Adjournment — Mr. McDonald moved to adjourn; seconded by Mr. Blacklock. The meeting was adjourned at 8:25 a.m.

Respectfully submitted,

Carol Brown
Staff