



City of Schenectady Industrial Development Agency

Board Meeting Minutes — August 19, 2009

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

Members Absent: Mayor Brian Stratton and Joseph Allen

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

Public Hearing: 411 State Street Acquisition, LLC Project — Ms. Brucker noted that the public hearing was properly and duly noticed in the Daily Gazette. She opened the public hearing at 8:00 a.m. No one from the public attended the hearing. There were no verbal or written comments received about the project. The hearing was closed.

Ms. Brucker called the monthly meeting to order at 8:05 a.m.

- 1. Approval of Minutes:** Ms. Reilly noted the misspelling of her name and moved approval of the July 22, 2009 meeting minutes as amended. Mr. Fava seconded the motion. The minutes as amended were unanimously approved (Mr. McDonald was absent).
- 2. Treasurer's Report:** Jim Callander reviewed the financials for the period ending July 31, 2009 noting that there was little activity since the last meeting. Cash on hand is \$270,923. Mr. Fava moved acceptance of the Financial Report; seconded by Mr. Blacklock. The Treasurer's Report was accepted (Mr. McDonald was absent).
- 3. 411 State Street Acquisition, LLC:** Resolution 253-09 — Final Approving Resolution

The Paul Mitchell School is leasing the first floor and basement of the building for use as a cosmetology school, retail salon and offices, creating 40 new jobs and bringing about 200 students downtown daily. Connie Cahill explained that the resolution authorized a lease leaseback agreement with the company thereby granting exemptions from sales taxes, mortgage recording taxes and property taxes. A PILOT agreement will be presented at a future meeting. Mr. Fava moved Resolution 253-09; seconded by Ms. Reilly. Discussion followed on the current status of the project. Resolution 253-09 was unanimously approved.
- 4. ISIDE, LLC (M&P Labs, Inc.):** Resolution 254-09 — Authorization to Contest PILOT Assessment

Connie Cahill explained that in 1998 M&P Labs, Inc. received financial assistance for the construction of its facility on Technology Drive. The 15-year PILOT fixed the assessment at \$947,000 allowing for the assessment to change based on a full value assessment. As a result of the full value assessment which occurred in Schenectady this year, M&P Labs assessment

increased to \$2,427,700. Niko Gjaja, the Lab's owner, seeks Agency consent to contest the assessment through the grievance procedure contained in the original PILOT. Mr. Fava moved Resolution 254-09, seconded by Mr. McDonald. Following brief discussion, Resolution 254-09 was approved.

5. Columbia-McClellan, LLC (Columbia Medical Arts Building): Resolution 255-09 — Amend Payment-in-Lieu-of-Tax Agreement

Connie Cahill explained that in 1995, the Agency approved a PILOT for the medical office building adjacent to St. Clare's Hospital. A portion of the building space is leased to medical practices that pay normal taxes and St. Clare affiliated medical offices are wholly-exempt from property taxes. The original PILOT was amended in 2005 and 2007. St. Clare's Hospital has since assigned all its right, title and interest in the facility as lessee to Ellis Hospital and the company wishes to amend the PILOT by recognizing the assignment from St. Clare's to Ellis. Mr. McDonald moved Resolution 255-09; seconded by Ms. Reilly. Resolution 255-09 was unanimously approved.

6. Other Business: Discussion followed regarding the GE Battery Plant project, the Schenectady Light Opera Company relocation, the YMCA project and the Erie Boulevard plan.

7. Adjournment: Ms. Reilly moved to adjourn; seconded by Mr. Fava. The meeting was adjourned at 8:25 a.m.

Respectfully submitted,

Carol Brown
Staff