



MINUTES

Minutes of the regularly scheduled meeting of the Columbia County Industrial Development Agency held at 4303 Route 9, Hudson, NY on **Tuesday, June 23, 2015.**

ATTENDANCE:

IDA Members

Bruce Bohnsack
Bob Galluscio
Brian Keeler
Jim Mackerer
Sarah Sterling

Staff

Lisa Drahushuk
Erin McNary
Carol Wilber

Counsel

Theodore Guterman II

Guest

Richard Fortin -
SunStream

Public:

Katie Kocijanski -
Register Star

Mr. Bohnsack called the IDA meeting to order at 8:34am.

Minutes:

Mr. Bohnsack asked if there were any changes to the presented minutes from June 2, 2015. With no changes, Mr. Bohnsack called for a motion to approve the minutes. Mr. Galluscio made the motion, which was seconded by Mr. Keeler. The motion passed unanimously.

SunStream Hudson:

Mr. Bohnsack welcomed Mr. Fortin to the meeting. Mr. Mackerer asked if the financing was structured as a tax equity investment and asked which bank was involved. Mr. Fortin stated it was a tax equity investment, and the bank was M&T. Mr. Mackerer asked if the developer had any affiliates or if it was a stand-alone. Mr. Fortin stated it was a stand-alone. Mr. Mackerer asked the name of the installer. Mr. Fortin stated it was Quanta Services. Mr. Mackerer asked about jobs to be created. Mr. Fortin stated there would be more than 2 created, noting the site required regular maintenance.

Mr. Mackerer asked about the total cost of construction. Mr. Fortin stated 12 million. Mr. Mackerer asked if M&T would be taking the tax credits from the project. Mr. Fortin stated the project would be sold back to M&T and they would get the credits. They discussed the amount of energy generated and the size of the project. Mr. Fortin stated each site should generate 5.4 megawatts of electricity. Mr. Fortin answered questions regarding the end users and referenced the NYS Department of Public Service Staff Report and Proposal. He noted the solar panels are warrantied for 25 years. He stated they anticipated the panels, unlike computers to remain useful, noting the technology isn't as subject to constant upgrading.

Mr. Guterman asked if SunStream would remain the owner of the property. Mr. Fortin stated they would. Mr. Guterman explained that the IDA in order to have an interest in the project, would take a lease of the project and then lease the project back to Sunstream. He stated he would need to review the project structure in order to determine if this could be done. He noted the IDA was obligated to have an interest in the project in order to provide the requested financial assistance. Mr. Fortin asked if he could have a sample copy of the documents for the lease/lease back. Mr. Guterman stated the IDA would need to coordinate with M&T Bank.

Ms. Sterling asked if the location of the project was 90 Blue Hill Road. She noted there was no specific tax parcel number for the piece of land the project referenced. Mr. Fortin noted the parcel had been cut out of a larger parcel recently. He noted it was part of a 112 acre parcel owned by Ken Crane, located directly behind Colarusso's. Mr. Keeler asked if the NYSERTA Grant offered any extensions past the 3 year term. Mr. Fortin stated they did not.

Mr. Guterman stated at the last meeting the question of sales tax for the County had been raised. He stated several town supervisors had expressed support for the project and he would suggest using a PILOT in order to recoup some lost sales tax benefit. He would suggest \$20,000 to the County and other taxing jurisdictions.

Mr. Guterman suggested that the Board consider an inducement resolution for the following reasons:

- The promotion of solar energy in NYS.
- The support of regional businesses.
- The project fee generated to the IDA will assist other projects.
- The county and town sales tax in the form of a sales tax PILOT to be distributed.

Mr. Bohnsack asked the terms of the PILOT. Mr. Guterman stated it would be a one-time payment of \$20,000 immediately distributed to the County and towns. Mr. Keeler and Mr. Mackerer discussed the lack of job creation and the lack of benefit to Columbia County. Mr. Fortin stated there were millions of dollars put up as cash reserves for the project. He emphasized 6 of the largest counties in NYS have changed their laws to make these projects sales tax exempt, noting Columbia County was behind the curve. He stated if Columbia County had done that, he wouldn't be in front of the IDA. He asked the Board to see the big picture and prepare for the future. He noted that the project was obtaining a grant from NYS and would be paying some of that funding back to Columbia County. He stated that paying the local sales tax seemed punitive.

Mr. Bohnsack stated he was in favor of the project and wished to move forward today. Ms. Sterling referenced the current fight against the installation of huge power lines through the county and felt the project was compatible with the current growth in agribusiness and tourism. Mr. Galluscio asked Mr. Fortin to confirm the project would create 2 full-time jobs. Mr. Fortin stated there would be more than 2 due to the routine maintenance and upkeep of the panels.

Mr. Mackerer asked when the public hearing on the project would be held. Mr. Guterman suggested it be held at Greenport Town Hall as soon as possible. He noted the meeting needed to be noticed 10 days in advance. Mr. Guterman encouraged all IDA Board members to attend the public hearing. Mr. Mackerer made a motion to approve an inducement resolution moving the project to a public hearing for the following reasons:

- The promotion of solar energy in NYS.
- The support of regional businesses.
- The project fee generated to the IDA will assist other projects.
- The county and town sales tax in the form of a sales tax PILOT to be distributed.

Mr. Keeler seconded the motion, which passed unanimously. Mr. Guterman directed Mrs. Drahushuk to schedule the Public Hearing with the Town of Greenport and poll the Board for attendance on a mutually agreeable date and time.

Mr. Fortin left the meeting at 9:00am.

Ginsberg:

Mr. Guterman reminded the Board the IDA had passed all resolutions allowing the project to proceed once the required permits were obtained from the Town. He stated the decision can be appealed until July 5th, after that time if no appeal has been filed, the project can move forward.

Mr. Mackerer asked the status of the \$22,000 in legal fees. Mr. Guterman stated it could be ironed out by the end of the year. He noted the IDA's position has been made clear to all involved parties. Mr. Mackerer asked if Mr. Guterman knew if there was a contract. He noted that Mr. Flood stated he had "contracted the services". Mr. Bohnsack stated he didn't believe there was a contract. Ms. Sterling noted the ABO stated some of the billings were not attributable to the IDA. She suggested the bills be reviewed. She stated Mr. Flood had stated he had requested CEDC repay the fees. Mr. Bohnsack was uncertain if the request had been a formal request. Mr. Guterman stated he would research the matter noting he had not been involved in the matter until recently. He stated he would obtain the bills and make them available and confirm if there had or had not been a formal contract. Once the information had been gathered he stated the Board could proceed from there.

Other Business:

American BioMedica:

Mr. Guterman stated American BioMedica was proceeding with a refinancing of debt. He noted the IDA held a leasehold interest in the property and was being asked to execute a waiver indicating the IDA had no objection to the refinance. He noted the refinance contained no obligation for the IDA. He asked the Board to make a motion to authorize Mr. Bohnsack to execute the waiver for the refinance. Mr. Mackerer made the motion to authorize Mr. Bohnsack to execute the waiver for American BioMedica. Mr. Galluscio seconded the motion, which passed unanimously.

Mr. Bohnsack called for a motion to enter into Executive Session to discuss personnel and employment issues. Ms. Sterling made the motion to enter into Executive Session. Mr. Keeler seconded the motion, which passed unanimously. Executive Session was entered into at 9:07am.

Katie Kocijanski, Erin McNary, Lisa Drahusuk and Carol Wilber left the meeting at 9:07am.

Respectfully submitted by Lisa Drahusuk,

Ms. Sterling made the motion to exit Executive Session, which was seconded by Mr. Keeler. Executive Session was exited at 9:40am. With no further business, Ms. Sterling made a motion to adjourn the meeting. Mr. Keeler seconded the motion, which passed unanimously.

The meeting was adjourned at 9:41am.

Respectfully submitted by Sarah Sterling