

City of Troy Industrial Development Authority

January 14, 2013
10:05 AM
Meeting Minutes

Present: Wallace Altes, Dean Bodnar, Paul Carroll, Tina Urzan, Steve Bouchey, Hon. Robert Doherty, and Louis Anthony

Absent: Mary O'Neill and Lisa Kyer

Also in attendance: Bill Dunne, Justin Miller, Esq., Monica Kurzejeski, Joe Mazzariello, Selena Skiba, Red Griffin, Susan McDonough, Tom Schuhle, Norman Dascher and Denee Zeigler

The meeting was called to order at 10:05 a.m.

- I. The minutes for the December 10, 2012 Board meeting were not received by the board members with sufficient time to review and will be tabled until the next meeting.
- II. Presentation by St. Peter's Health Partners.
 1. The Chairman introduced Susan McDonough, Tom and Norm from St. Peter's Health Partners (formerly North East Health)

Norman Dascher talked about the future plans for the City of Troy after the recent merger of St. Peer's Health Care Services, Northeast Health and Seton Health. He discussed the three phase master plan of the project that will help promote sustainability and update the current facilities in order to promote the best uses for the two current hospitals. He explained that they plan to keep the two hospitals, but dedicate one to acute/outpatient care and the other for inpatient services. The first two phases will take place in the next ten years and the third phase will completed by 2025. Overall, the investment will be \$150 Million.

The board brought up questions about job creation and keeping the community based physicians.

Norman advised the board that they create jobs every year, about 1500, and are able to move employees from facility to facility based on the number of beds being utilized. They are still interested in working with community based physicians and hospital physicians as they have been.

Tina Urzan questioned the type of nurse staffing they use-agencies or local. Norman explained that they utilize the nurses that graduate from their School of Nursing at Samaritan Hospital.

Monica Kurzejeski asked if the satellite facility in South Troy would reopen or be part of the renovations. Norman advised that it would not be reopening and they were going to be concentrating on the facility across from HVCC.

The Chairman questioned the use of the parking garage they will be constructing. Norman explained that it will mostly be used for staff and patients.

The Chairman and Board thanked them for their presentation and were excited about the project.

III. Old Business

1. Joe Mazzariello and Selena Skiba briefly discussed the boards financials. Joe stated the main item on their list was the \$350,000 restricted funds from RPI. Justin Miller advised that there is no need to restrict it at this point.

Joe also updated the board on the status of the IBT loan. He advised that they are current. Justin asked if they had been charged the late penalty of 5% of their payment. Selena Skiba advised that they have not been billed, but it will be sent out next month.

2. Justin Miller updated the board about O'Neil Owners LLC. He advised that they originally were looking to close at the end of the year and are now looking to close by the end of March. They are set up for a public hearing at the February 11th meeting. A resolution and PILOT will be ready for that meeting.

Robert Doherty questioned who currently owns the building. Justin explained that an LLC owns it now.

3. Justin Miller advised the board that the former Levonian building will be taken for back taxes and The Cookie Factory plans on purchasing it. Bill Dunne explained that their current location will remain open for retail and the other will allow them to expand their manufacturing and have some retail. They are currently talking about sales tax exemptions and a PILOT. Bill is glad they stayed in Troy, they did have offers in other cities. Justin Miller advised that the resolution today is the first step.

Hon. Robert Doherty made the motion to assist The Cookie Factory.

Paul Carroll seconded the motion, motion carried.

INITIAL PROJECT RESOLUTION

(The Cookie Factory LLC Project)

A regular meeting of the Troy Industrial Development Authority (the "Authority") was convened on January 14 2103, 2012, at 10:00 a.m., local time, at 433 River Street, Troy, New York 12180.

The meeting was called to order by the Chairman and, upon roll being called, the following members of the Authority were:

<u>MEMBER</u>	<u>PRESENT</u>	<u>ABSENT</u>
Wallace Altes	X	
Hon. Dean Bodnar	X	
Hon. Robert Doherty	X	
Steve Bouchey	X	
Louis Anthony	X	
Paul Carroll	X	
Mary O'Neill		X
Lisa Kyer		X
Tina Urzan	X	

The following persons were ALSO PRESENT: Bill Dunne, Monica Kurzejeski, Joe Mazzariello, Selena Skiba, Red Griffen, Justin Miller, Sue McDonough, Tom and Norm

After the meeting had been duly called to order, the Chairman announced that among the purposes of the meeting was to consider and take action on certain matters pertaining to a proposed project for the benefit of the Cookie Factory LLC.

On motion duly made by Hon. Robert Doherty and seconded by Paul Carroll, the following resolution was placed before the members of the Troy Industrial Development Authority:

Member	Aye	Nay	Abstain	Absent
Wallace Altes	X			
Hon. Dean Bodnar	X			
Hon. Robert Doherty	X			
Steve Bouchey	X			
Louis Anthony	X			
Paul Carroll	X			
Mary O'Neill				
Lisa Kyer				
Tina Urzan	X			

Resolution No. 01-13 #1

RESOLUTION OF THE TROY INDUSTRIAL DEVELOPMENT AUTHORITY (THE "AUTHORITY") (i) ACCEPTING THE APPLICATION OF THE COOKIE FACTORY LLC (THE "COMPANY") IN CONNECTION WITH A CERTAIN PROJECT (AS MORE FULLY DEFINED BELOW); (ii) AUTHORIZING THE SCHEDULING, NOTICE AND CONDUCT OF A PUBLIC HEARING WITH RESPECT TO THE PROJECT; AND (iii) DESCRIBING THE FORMS OF FINANCIAL ASSISTANCE BEING CONTEMPLATED BY THE AUTHORITY WITH RESPECT TO THE PROJECT

WHEREAS, by Title 11 of Article 8 of the Public Authorities Law of the State of New York, as amended, and Chapter 759 of the Laws of 1967 of the State of New York, as amended (hereinafter collectively called the "Act"), the **TROY INDUSTRIAL DEVELOPMENT AUTHORITY** (hereinafter called the "Authority") was created with the authority and power to own, lease and sell property for the purpose of, among other things, acquiring, constructing and equipping civic, industrial, manufacturing and commercial facilities as authorized by the Act; and

WHEREAS, **THE COOKIE FACTORY LLC** (the "Company"), has requested the Authority's assistance with a certain project (the "Project") consisting of (i) the acquisition by the Authority of a leasehold or other interest in a certain parcel of real property located at 41-61 River Street, Troy, New York 12180 (the "Land", being comprised of approximately 0.76 acres of real property and more particularly identified as TMID No. 100.76-4-2) and the existing improvements located thereon, including an approximately 27,625 square foot building structure and related improvements (the "Existing Improvements"); (B) the renovation, reconstruction, refurbishing and equipping by the Company as agent of the Authority of the Existing Improvements to provide for a baked goods production and packaging facility, including internal production, packaging, storage and office space, along with external site improvements, including parking, curbage and other site improvements (collectively, the "Improvements"); (C) the acquisition of and installation in and around the Land, Existing Improvements and Improvements of certain machinery, fixtures, equipment and other items of tangible personal property (the "Equipment" and, collectively with the Land, the Existing Improvements and the Improvements, the "Facility"); and (D) the lease of the Authority's interest in the Facility back to the Company; and

WHEREAS, pursuant to the Act, the Authority desires to adopt a resolution describing the Project and the Financial Assistance (as hereinafter defined) that the Authority is contemplating with respect to the Project; and

WHEREAS, it is contemplated that the Authority will (i) accept the Application submitted by the Company; (ii) approve the scheduling, notice and conduct of a Public Hearing with respect to the Project; and (iii) approve the negotiation, but not the execution or delivery, of certain documents in furtherance of the Project, as more fully described below.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE TROY INDUSTRIAL DEVELOPMENT AUTHORITY AS FOLLOWS:

Section 1. The Company has presented an application in a form acceptable to the Authority. Based upon the representations made by the Company to the Authority in the Company's application and in related correspondence, the Authority hereby finds and determines that:

(A) By virtue of the Act, the Authority has been vested with all powers necessary and convenient to carry out and effectuate the purposes and provisions of the Act and to exercise all powers granted to it under the Act; and

(B) The Authority has the authority to take the actions contemplated herein under the Act; and

(C) The action to be taken by the Authority will induce the Company to develop the Project, and otherwise furthering the purposes of the Authority as set forth in the Act; and

(D) The Project will not result in the removal of a civic, commercial, industrial, or manufacturing plant of the Company or any other proposed occupant of the Project from one area of the State of New York (the "State") to another area of the State or result in the abandonment of one or more plants or facilities of the Company or any other proposed occupant of the Project located within the State; and the Authority hereby finds that, based on the Company's application, to the extent occupants are relocating from one plant or facility to another, the Project is reasonably necessary to discourage the Project occupants from removing such other plant or facility to a location outside the State and/or is reasonably necessary to preserve the competitive position of the Project occupants in their respective industries; and

Section 2. The proposed Financial Assistance being contemplated by the Authority includes (i) a sales and use tax exemption for materials, supplies and rentals acquired or procured in furtherance of the Project by the Company as agent of the Authority; (ii) mortgage recording tax exemption(s) in connection with secured financings undertaken by the Company in furtherance of the Project; and (iii) an abatement or exemption from real property taxes levied against the Land and Facility pursuant to a PILOT Agreement to be negotiated.

Section 3. The Chairman, Vice Chairman, and/or Executive Director/Chief Executive Officer of the Authority are hereby authorized, on behalf of the Authority, to schedule, notice and conduct a public hearing in compliance with the Act and negotiate (but not execute or deliver) the terms of (A) a Lease Agreement, pursuant to which the

Company leases the Land and Existing Improvements to the Authority, (B) a related Leaseback Agreement, pursuant to which the Authority leases its interest in the Project back to the Company, (C) a PILOT Agreement, pursuant to which the Company agrees to make certain payments in-lieu-of real property taxes, and (D) related documents thereto; *provided* (i) the rental payments under the Leaseback Agreement include payments of all costs incurred by the Authority arising out of or related to the Project and indemnification of the Authority by the Company for actions taken by the Company and/or claims arising out of or related to the Project and (ii) the terms of the PILOT Agreement are consistent with the Authority's Uniform Tax Exemption Policy or the procedures for deviation have been complied with.

Section 4. The officers, employees and agents of the Authority are hereby authorized and directed for and in the name and on behalf of the Authority to do all acts and things required and to execute and deliver all such 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 the foregoing resolutions and to cause compliance by the Authority with all of the terms, covenants and provisions of the documents executed for and on behalf of the Authority.

Section 5. These Resolutions shall take effect immediately.

IV. New Business

The Chairman advised the board that an item had been added to the agenda. He asked Bill Dunne to present an overview of the project to the Board.

Bill Dunne talked about a project that Evan Douglas, the Dean of the School of Architecture at RPI, was interested in working on in Riverfront Park. In the spring of 2011, there were some concerns brought up by the community that the downtown parks needed a playground or something to meet the needs of the families and children in the area. Evan mentioned that the park may be a good space for 'play elements' or 'playscapes'. He mentioned that there may be some cost involved, but wanted to involve his students as well as the City.

Bill Dunne suggested that funding the expenses for the design end of it, approximately \$14,000, would be more cost effective than hiring a design firm. He mentioned that it would be good use for the space and could help the park become more of a destination. Dean Bodnar asked if the \$14,000 would be the extent of financial assistance, specifically questioning the last page of the proposal. Bill Dunne explained that the costs mentioned at the end of the proposal were more for the creation of a publication that may be something the school would want to focus on. He suggested that maybe they fund a portion of it before they commit to the project as a whole. He mentioned that the professor is recognized world wide and the project will help connect and engage the RPI students with the downtown. Tina Urzan pointed out that many of the students have families that would get use from this project. The Chairman agreed that it would make the park more family friendly.

Dean Bodnar questioned if this was an acceptable expenditure for the Board. Justin Miller answered that there was no specific language that says 'yes'. It may be something that the CRC or LDC would be able to fund with their grants and loans. They will bring it up at the next CRC meeting. Justin also agreed that it would be a good idea to expend it little by little.

The board discussed availability for a CRC meeting and decided to hold one on Friday January 18, 2013 at 8:00 a.m.

Next regular board meeting is February 11, 2013 which will also be a public hearing for O'Neil Owners LLC.

**Tina Urzan made a motion to adjourn the meeting.
Steve Bouchey seconded the motion, motion carried.**

The meeting was adjourned at 11:00 a.m.