

**PILOT DEVIATION APPROVAL RESOLUTION  
A. SERVIDONE, INC. PROJECT**

A regular meeting of Rensselaer County Industrial Development Agency (the "Agency") was convened in public session in the 3<sup>rd</sup> Floor Conference Room at the Quackenbush Building located at 333 Broadway in the City of Troy, Rensselaer County, New York on February 8, 2018 at 4:00 o'clock p.m., local time.

The meeting was called to order by the (~~Vice~~) Chairman of the Agency and, upon roll being called, the following members of the Agency were:

PRESENT:

John H. Clinton, Jr.	Chairman
<del>Michael Della Rocco</del>	<del>Vice Chairman</del>
Cynthia A. Henninger	Secretary/Treasurer
Ronald Bounds	Assistant Secretary/Treasurer
Douglas Baldrey	Member
<del>James Church</del>	<del>Member</del>
Renee Powell	Member

ABSENT:

*M. DELLA ROCCO*  
*J. CHURCH*

AGENCY STAFF PRESENT INCLUDED THE FOLLOWING:

Robert L. Pasinella, Jr.	Executive Director
Robin LaBrake	Assistant
Peter R. Kehoe, Esq.	Agency Counsel
George W. Cregg, Jr., Esq.	Special Counsel

The following resolution was offered by *D. BALDREY*, seconded by *C. HENNINGER*, to wit:

Resolution No. 0218-*4*

RESOLUTION AUTHORIZING A DEVIATION FROM THE AGENCY'S UNIFORM TAX EXEMPTION POLICY IN CONNECTION WITH THE PROPOSED PAYMENT IN LIEU OF TAX AGREEMENT TO BE ENTERED INTO BY THE AGENCY IN CONNECTION WITH THE PROPOSED A. SERVIDONE, INC. PROJECT.

WHEREAS, Rensselaer County Industrial Development Agency (the "Agency") is authorized and empowered by the provisions of Chapter 1030 of the 1969 Laws of New York, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended (the "Enabling Act") and Chapter 128 of the 1974 Laws of New York, as amended, constituting Section 903-d of said General Municipal Law (said Chapter and the Enabling Act being hereinafter collectively referred to as the "Act") to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving,

maintaining, equipping and furnishing of manufacturing, warehousing, research, commercial and industrial facilities, among others, for the purpose of promoting, attracting and developing economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York, to improve their prosperity and standard of living, and to prevent unemployment and economic deterioration; and

WHEREAS, to accomplish its stated purposes, the Agency is authorized and empowered under the Act to acquire, construct, reconstruct and install one or more “projects” (as defined in the Act), or to cause said projects to be acquired, constructed, reconstructed and installed, and to convey said projects or to lease said projects with the obligation to purchase; and

WHEREAS, in December, 2017, A. Servidone, Inc., a New Jersey business corporation (the “Company”), submitted an application (the “Application”) to the Agency, a copy of which Application is on file at the office of the Agency, which Application requested that the Agency consider undertaking a project (the “Project”) for the benefit of the Company, said Project consisting of the following: (A) (1) the acquisition of an approximately 4.13 acre parcel of land located at 1344 US 9 (currently being Tax Map #210.-7-41.12) in the Town of Schodack, Rensselaer County, New York (the “Land”), together with several existing structures located thereon (collectively, the “Existing Facility”), (2) the demolition and/or removal of the Existing Facility and the construction on the Land of an approximately 7,200 square foot building (the “Facility) and (3) the acquisition and installation therein and thereon of certain machinery and equipment, including but not limited to, furniture and fixtures (collectively, the “Equipment”) all of the foregoing to constitute the Company’s office and other directly or indirectly related activities (the Land, the Existing Facility, the Facility and the Equipment being collectively referred to as the “Project Facility”); (B) the granting of certain “financial assistance” (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including potential exemptions from certain sales and use taxes, real property taxes, real estate transfer taxes and mortgage recording taxes (collectively, the “Financial Assistance”); and (C) the lease (with an obligation to purchase) or sale of the Project Facility to the Company or such other person as may be designated by the Company and agreed upon by the Agency; and

WHEREAS, by resolution adopted by the members of the Agency on December 14, 2017 (the “Public Hearing Resolution”), the Agency authorized a public hearing to be held pursuant to Section 859-a of the Act with respect to the Project; and

WHEREAS, pursuant to the authorization contained in the Public Hearing Resolution, the Executive Director of the Agency (A) caused notice of a public hearing of the Agency (the “Public Hearing”) pursuant to Section 859-a of the Act, to hear all persons interested in the Project and the financial assistance being contemplated by the Agency with respect to the Project, to be mailed on December 28, 2017 to the chief executive officers of the county and of each city, town, village and school district in which the Project Facility is to be located, (B) caused notice of the Public Hearing to be posted on (1) December 29, 2017 at the Schodack Town Hall located at 265 Schuurman Road in the Town of Schodack, Rensselaer County, New York and (2) December 28, 2017 on the Agency’s website, (C) caused notice of the Public Hearing to be published on December 29, 2017 in The Record, a newspaper of general circulation available to the residents of Rensselaer County, New York, (D) conducted the Public Hearing on January 9, 2018 at 10:00 a.m., local time at Schodack Town Hall located at 265 Schuurman Road in the Town of Schodack, Rensselaer County, New York, and (E) prepared a report of the Public Hearing (the “Public Hearing Report”) fairly summarizing the views presented at such Public Hearing and caused copies of said Public Hearing Report to be made available to the members of the Agency; and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law, Chapter 43-B of the Consolidated Laws of New York, as amended (the “SEQR Act”) and the regulations (the “Regulations”)

adopted pursuant thereto by the Department of Environmental Conservation of the State of New York (collectively with the SEQR Act, "SEQRA"), by resolution adopted by the members of the Agency on December 14, 2017 (the "SEQR Resolution"), the Agency (A) concurred in the determination that the Town of Schodack Planning Board (the "Planning Board") is the "lead agency" with respect to SEQRA and (B) indicated that the Agency had no information to suggest that the Planning Board was incorrect in issuing a negative declaration on April 30, 2014 (the "Negative Declaration") determining that the Project will not have a "significant effect on the environment" pursuant to SEQRA; and

WHEREAS, in connection with the Project, the Company has requested that the Agency deviate from its uniform tax exemption policy with respect to the terms of the proposed payment in lieu of tax agreement to be entered into by the Agency with respect to the Project Facility; and

WHEREAS, pursuant to Section 874(4) of the Act, prior to taking final action on such request for a deviation from the Agency's uniform tax exemption policy, the Agency must give the chief executive officers of the County and each city, town, village and school district in which the Project Facility is located (collectively, the "Affected Tax Jurisdictions") written notice of the proposed deviation from the Agency's uniform tax exemption policy and the reasons therefor no fewer than thirty (30) days prior to the meeting of the Agency at which the members of the Agency shall consider whether to approve such proposed deviation; and

WHEREAS, on December 14, 2017, the members of the Agency adopted a resolution (the "Resolution Authorizing the Pilot Deviation Letter") which authorized the Executive Director to notify the Affected Tax Jurisdictions of the proposed deviation from the Agency's uniform tax exemption policy in connection with the Project, which proposed deviation is outlined in the letter dated January 8, 2018 (the "Pilot Deviation Letter"), a copy of which Pilot Deviation Letter is attached hereto as Exhibit A; and

WHEREAS, by the Pilot Deviation Letter the Executive Director notified the chief executive officers of the Affected Tax Jurisdictions of the proposed deviation from the Agency's uniform tax exemption policy and further notified said chief executive officers that the members of the Agency would consider whether to approve such proposed deviation at this meeting;

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF RENSSELAER COUNTY INDUSTRIAL DEVELOPMENT AGENCY, AS FOLLOWS:

Section 1. The Agency hereby finds and determines as follows:

(A) The Agency has considered any and all responses from the Affected Tax Jurisdictions to the Pilot Deviation Letter.

(B) The Agency has reviewed and responded to all written comments received from any Affected Tax Jurisdiction with respect to the proposed deviation.

(C) The Agency has given all representatives from an Affected Tax Jurisdictions in attendance at this meeting the opportunity to address the members of the Agency regarding the proposed deviation.

Section 2. Based upon (A) the findings and determinations in Section 1 above, (B) any comments received at the Public Hearing, (C) input received at this meeting from the Affected Tax Jurisdictions with respect to the proposed deviation, (D) the Agency's knowledge of the Project, (E) the recommendations of Agency staff, and (F) such further investigation of the Project and the effect of the proposed deviation as the Agency has deemed appropriate, the Agency hereby determines to deviate from the



Agency's uniform tax exemption policy with respect to the terms of the proposed payment in lieu of tax agreement to be entered into by the Agency with respect to the Project Facility for the reasons set forth in the Pilot Deviation Letter. Based upon the aforementioned, the Agency hereby approves a deviation from the Agency's uniform tax exemption policy, the terms of the approved deviation to be as described in the attached Pilot Deviation Letter.

Section 3. Upon preparation by counsel to the Agency of a payment in lieu of tax agreement with respect to the Project Facility reflecting the terms of this resolution (the "Payment in Lieu of Tax Agreement") and approval of same by the Chairman (or Vice Chairman) of the Agency, the Chairman (or Vice Chairman) of the Agency is hereby authorized, on behalf of the Agency, to execute and deliver the Payment in Lieu of Tax Agreement, and, where appropriate, the Secretary (or Assistant Secretary) of the Agency is hereby authorized to affix the seal of the Agency thereto and to attest the same, all in such form as is approved by the Chairman (or Vice Chairman), the execution thereof by the Chairman (or Vice Chairman) to constitute conclusive evidence of such approval.

Section 4. The officers, employees and agents of the Agency are hereby authorized and directed for and in the name and on behalf of the Agency to do all acts and things required or provided for by the provisions of the Payment in Lieu of Tax Agreement, and to execute and deliver all such additional 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 resolution and to cause compliance by the Agency with all of the terms, covenants and provisions of the Payment in Lieu of Tax Agreement binding upon the Agency.

Section 5. This Resolution shall take effect immediately.

The question of the adoption of the foregoing Resolution was duly put to a vote on roll call, which resulted as follows:

John H. Clinton, Jr.	VOTING	<u>YES</u>
Michael Della Rocco	VOTING	<u>ABSENT</u>
Cynthia A. Henninger	VOTING	<u>YES</u>
Ronald Bounds	VOTING	<u>YES</u>
Douglas Baldrey	VOTING	<u>YES</u>
James Church	VOTING	<u>ABSENT</u>
Renee Powell	VOTING	<u>YES</u>

The foregoing Resolution was thereupon declared duly adopted.

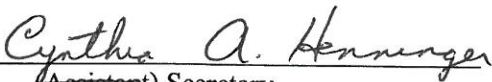
STATE OF NEW YORK                    )  
  ) SS.:  
COUNTY OF RENSSELAER            )

I, the undersigned (~~Assistant~~) Secretary of Rensselaer County Industrial Development Agency (the "Agency"), DO HEREBY CERTIFY that I have compared the foregoing annexed extract of the minutes of the meeting of the members of the Agency, including the Resolution contained therein, held on February 8, 2018 with the original thereof on file in my office, and that the same is a true and correct copy of said original and of such Resolution contained therein and of the whole of said original so far as the same relates to the subject matters therein referred to.

I FURTHER CERTIFY that (A) all members of the Agency had due notice of said meeting; (B) said meeting was in all respects duly held; (C) pursuant to Article 7 of the Public Officers Law (the "Open Meetings Law"), said meeting was open to the general public, and due notice of the time and place of said meeting was duly given in accordance with such Open Meetings Law; and (D) there was a quorum of the members of the Agency present throughout said meeting.

I FURTHER CERTIFY that, as of the date hereof, the attached Resolution is in full force and effect and has not been amended, repealed or rescinded.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Agency this 8<sup>th</sup> day of February, 2018.

  
\_\_\_\_\_  
(Assistant) Secretary

(SEAL)

**EXHIBIT A**  
**PILOT DEVIATION LETTER**

RENSSELAER COUNTY INDUSTRIAL DEVELOPMENT AGENCY  
c/o Rensselaer County Department of Economic Development and Planning  
County Office Building, 1600 Seventh Street  
Troy, New York 12180  
Tel: (518) 270-2914  
Fax: (518) 270-2981

January 8, 2018

Honorable Steven F. McLaughlin  
County Executive  
Rensselaer County Office Building  
1600 Seventh Avenue  
Troy, New York 12180

Jason Chevrier, Superintendent of Schools  
Schodack Central School District  
1477 South Schodack Road  
Castleton-on-Hudson, New York 12033

David B. Harris, Town Supervisor  
Town of Schodack  
265 Schuurman Road  
Castleton, New York 12033

Christian Olsen, School Board President  
Schodack Central School District  
1477 South Schodack Road  
Castleton-on-Hudson, New York 12033

RE: Proposed Deviation from Uniform Tax Exemption Policy by  
Rensselaer County Industrial Development Agency  
in connection with its Proposed A. Servidone, Inc. Project

Dear Ladies and Gentlemen:

This letter is delivered to you pursuant to Section 874(4)(c) of the General Municipal Law.

Rensselaer County Industrial Development Agency (the "Agency") received an application (the "Application") from A. Servidone, Inc. (the "Company"), which Application requested that the Agency consider undertaking a project (the "Project") for the benefit of the Company, said Project to consist of the following: (A) (1) the acquisition of an approximately 4.13 acre parcel of land located at 1344 US 9 (currently being Tax Map #210.-7-41.12) in the Town of Schodack, Rensselaer County, New York (the "Land"), together with several existing structures located thereon (collectively, the "Existing Facility"), (2) the demolition and/or removal of the Existing Facility and the construction on the Land of an approximately 7,200 square foot building (the "Facility") and (3) the acquisition and installation therein and thereon of certain machinery and equipment, including but not limited to, furniture and fixtures (collectively, the "Equipment") all of the foregoing to constitute the Company's office and other directly or indirectly related activities (the Land, the Existing Facility, the Facility and the Equipment being collectively referred to as the "Project Facility"); (B) the granting of certain "financial assistance" (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including potential exemptions from certain sales and use taxes, real property taxes, real estate transfer taxes and mortgage recording taxes (collectively, the "Financial Assistance"); and (C) the lease (with an obligation to purchase) or sale of the Project Facility to the Company or such other person as may be designated by the Company and agreed upon by the Agency.

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In connection with the Application, the Company has made a request (the "Pilot Request") to the Agency enter into a payment in lieu of tax agreement (the "Proposed Pilot Agreement") which terms would deviate from the Agency's Uniform Tax Exemption Policy (the "Policy"). Capitalized terms not otherwise defined herein are defined in the Policy.

The Proposed Payment in Lieu of Tax Agreement would not provide any abatements for any special assessments levied on the Project Facility. The Proposed Payment in Lieu of Tax Agreement would be for a term of fifteen (15) years with the payments in each year as a Pilot Payment to each Affected Tax Jurisdiction as follows:

Existing Taxes	Year	PILOT Payment
\$5,415 (Town, County and School)	Year 1	\$6,250
	Year 2	\$6,250
	Year 3	\$7,250
	Year 4	\$7,250
	Year 5	\$8,250
	Year 6	\$8,250
	Year 7	\$9,250
	Year 8	\$10,250
	Year 9	\$11,250
	Year 10	\$12,250
	Year 11	\$13,250
	Year 12	\$14,250
	Year 13	\$15,250
	Year 14	\$16,250
	Year 15	\$17,250
	Year 16	100%

The Policy provides that, for a facility similar to the Project Facility, payments in lieu of taxes will normally be determined as follows: the Company would have the benefit of a 50% abatement in real property taxes on the Facility and any portion of the Equipment assessable as real property pursuant to the New York Real Property Tax Law (collectively with the Facility, the "Improvements") in year one of the payment in lieu of tax agreement with a five percent per year increase over the term of the ten year payment in lieu of tax agreement.

The purpose of this letter is to inform you of such Pilot Request and that the Agency is considering whether to grant the Pilot Request and to approve a Proposed Pilot Agreement conforming to the terms of the Pilot Request. The Agency expects to consider whether to approve the terms of the Proposed Pilot Agreement at its meeting scheduled for February 8, 2018 at 4:00 p.m., local time in the 3rd Floor Conference Room at the Quackenbush Building located at 333 Broadway in the City of Troy, Rensselaer County, New York (the "Meeting"). This letter is forwarded to you for purposes of complying with Section 874 of the General Municipal Law of the State of New York, which requires a thirty (30) day notice prior to the Agency taking final action with respect to the Proposed Pilot Agreement (if said



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Proposed Pilot Agreement may deviate from the provisions of the Agency's Uniform Tax Exemption Policy).

The Agency considered the following factors in considering the proposed deviation:

1. **The nature of the Project: office.**
2. **The present use of the property:** The existing property has one small office structure (350 sf), two small motel strip buildings (1,600 sf and 2,100 sf) and one residential house (1,200 sf). Neither the office structure nor motel strips are in use. They were built in the 1940's (est) and are abandoned and in a state of disrepair. The residence is more than 60 years old, and in very poor condition.
3. **The economic condition of the area at the time of the request of the Company and the economic multiplying effect that the Project will have on the area:** The economic condition of the area currently is depressed and stagnant. The area surrounding the proposed new office building has not experienced any new construction, job growth or increase in business activity. This Project will keep jobs in this area and create new jobs that will use the other local business services, maintain homes and living space within reasonable proximity and construction jobs during buildout.
4. **The extent to which the Project will create or retain permanent, private sector jobs and the number of jobs to be created or retained and the salary range of such jobs:** This Project will retain 15 jobs and will create two (2) new jobs by the end of the second year. These jobs range in salary from \$35,000 to \$75,000 per year depending on experience and the skills required for the position.
5. **The estimated value of new tax exemptions to be provided:** The estimated value of the proposed tax exemption is negligible because the proposed taxes are higher than current taxes paid on the property. Without the Proposed Pilot Agreement the Project is not likely to proceed and therefore the lack of the Proposed Pilot Agreement will have a negative impact on taxes.
6. **The economic impact of the Proposed Pilot Agreement on affected tax jurisdictions:** The tax jurisdictions will have no negative impact from the Proposed Pilot Agreement because the Proposed Pilot Agreement and the Project are proposing higher tax payments on the parcel than the parcel would pay if the Project is not built.
7. **The impact of the Proposed Pilot Agreement on existing and proposed businesses and economic development projects in the vicinity:** The impact on existing and future projects in the vicinity is significant and positive. The added jobs and potential residents will frequent the retail and professional businesses in reasonable proximity to the Project and could potentially add significantly to the tax revenues, sales tax receipts, fuel taxes, payroll taxes, income taxes, property taxes and all sources of revenue for taxing jurisdictions within reasonable

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vicinity of the project. Additionally, the buildout of the Project will have a considerable and substantial impact on the local trades, suppliers and contractors during construction.

**8. The amount of private sector investment generated or likely to be generated by the Proposed Pilot Agreement: \$2,700,000.**

**9. The effect of the Proposed Pilot Agreement on the environment:** pursuant to the Town of Schodack Planning Board's determination, the Project will not have a "significant effect on the environment" pursuant to Article 8 of the Environmental Conservation Law, Chapter 43-B of the Consolidated Laws of New York, as amended (the "SEQR Act") and the regulations (the "Regulations") adopted pursuant thereto by the Department of Environmental Conservation of the State of New York (collectively with the SEQR Act, "SEQRA").

**10. Project Timing:** The Project, if the Proposed Pilot Agreement is approved should be completed within a 18 month window with a final occupancy permit some time in 2019.

**11. The extent to which the Proposed Pilot Agreement will require the provision of additional services including, but not limited to, additional educational, transportation, police, emergency medical or fire services:** The Proposed Pilot Agreement will have no impact on additional services. Most of the local services are provided by the use of special district taxes that will not be effected by the Proposed Pilot Agreement. The burden upon the school district is non-existent in that the Project does not target or necessarily promote growth in the primary driver behind student body increases. The proposed job retention and increase is most likely significantly less than the annual student attrition rate for the community.

**12. Anticipated tax revenues:** The proposed tax revenues from the Proposed Pilot Agreement alone is close to \$200,000 in just real estate taxes. When jobs, local sales and use tax and other benefits are included the global tax benefit is in the millions of tax dollars.

**13. The extent to which the Proposed Pilot Agreement will provide a benefit (economic or otherwise) not otherwise available within the municipality in which the Project Facility is located:** The Project has no other means of competitively surviving without the Proposed Pilot Agreement. The current building has significant environmental issues that make the Project otherwise economically impracticable and unattainable.

The Agency will consider the Proposed Pilot Agreement (and the proposed deviation from the Agency's Uniform Tax Exemption Policy) at the Meeting. The Agency would welcome any written comments that you might have on this proposed deviation from the Agency's Uniform Tax Exemption Policy. In accordance with Section 874(4)(c) of the General Municipal Law, prior to taking final action at the Meeting, the Agency will review and respond to any written comments received from any affected tax jurisdiction with respect to the proposed deviation. The Agency will also allow any representative of any affected tax jurisdiction present at the Meeting to address the Agency regarding the proposed deviation.

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If you have any questions or comments regarding the foregoing, please do not hesitate to contact me at the above telephone number.

Sincerely yours,



Robert L. Pasinella, Jr.  
Executive Director