

**City of Mechanicville – Town of Stillwater  
Industrial Development Agency  
Chamber Office, XO Tower, Elizabeth Street  
Mechanicville, NY, 12118**

**Special Meeting  
November 16, 2020 at 4:15 p.m.**

Meeting called to order by Chairperson Sally Herrick at 4:18 p.m. Sally noted that the meeting was being held in person, with members also participating telephonically, and the call recorded, in accordance with the Governor's Executive Order of March 12, 2020, allowing same due to the COVID-19 pandemic.

MEMBERS PRESENT: Chair Sally Herrick, Treasurer Sam Carabis, Secretary Maria Morris and Pat Hildreth in person (arrived at 4:20), Barbara Corsale and John Fusco telephonically.

ALSO PRESENT: CEO John Bove, Attorney Jim Carminucci and SEDC President Dennis Brobston in person, CFO Sal Iavarone telephonically. Also present in person were Tony Ryan and Ed Keis from DeCrescente, representing the proposed new project.

ABSENT: Jan Sylvester.

SECRETARY'S REPORT: Maria presented the minutes from the September 14, 2020 meeting. Motion to accept made by Sam, seconded by Barb. Vote unanimous, motion carried.

TREASURER'S REPORT: Sam reported that as of today our bank balance is \$57, 036.30. We have paid \$195 for our website, and we have received a \$750 filing fee from the last project. Motion to accept the Treasurer's Report made by Maria, seconded by John. Vote unanimous, motion carried.

INTRODUCTION OF NEW MEMBER: Sally introduced our new member, Pat Hildreth. Pat is the former Mayor of Mechanicville, and a 55-year businessman in the community. All welcomed Pat.

PROPOSED PROJECT – BEST AVENUE VENTURES, LLC: Dennis Brobston introduced Ed Keis, CFO from DeCrescente, representing the applicant, Best Avenue Ventures. The project is looking to purchase and rehabilitate the former Patenaude facility on Best Avenue. Ed stated that there is approximately 2.4 acres involved, and reviewed their history to date regarding their attempts to purchase the property. Initially they conducted a Phase 1 Environmental review, which determined that there had been no environmental complaints of the property. They then did a Phase 2 review, which included an asbestos survey, and learned that there were a number of things that required remediation. Test borings to the bedrock or to the water table determined that a minimum of 18 inches of soil would need to be removed, and orange "fencing" would need to be laid down under new topsoil. Because the property had been foreclosed on by its mortgage holder, New York State Business Development Corporation (NYBDC), the applicant

entered into an agreement to purchase the property for \$400,000, with the ability to back out if remediation costs would exceed \$700,000. The costs did exceed that amount. Additionally, the property taxes continued to accrue to the point that the back taxes owed were in excess of \$185,000, so the applicant backed out of the deal. Two years later, in the face of having the EPA do the cleanup at a much higher cost, the NYBDC offered the property at \$50,000, with the purchaser (applicant) responsible for cleanup, remediation and removal of the existing building, and payment of back taxes. Ultimately the property assessment was reduced to \$50,000, or \$43,000 with equalization. Ed also spoke briefly about the level of cleanup required before the buildings can be taken down, including the need to open, sort and test every barrel left in the building, at a cost of approximately \$100,000.

The applicant is seeking a 10-year PILOT, with 0% tax payment for the first five years, 50% in year six and an additional ten percent each year thereafter up to 100% in year eleven. This would be a savings of \$307,000. The estimated sales tax on materials is \$87,500 but could be as much as \$150,000 if the applicant opts for a larger building. There would be no mortgage. The plan is to utilize the property for a warehouse, as well as for additional parking for the main DeCrescente plant, which is adjacent to the subject property. They estimate capital costs of \$3,385,000, which includes the \$700,000 remediation costs. As the building will be for bulk storage, they anticipate eight employees the first year, with an additional five the next year and an additional six the year after.

When asked when the applicants expect to present the plans to the Planning Board, Ed responded that would not be until the project is given the go-ahead. Also, the building size may increase, so we would not be able to have a public hearing until the size is known. Dennis suggested that the applicants revise the application to reflect a building up to 20,000 square feet, and the applicants agreed. The fee to the IDA would be \$25,388, to be split with the SEDC, for a total of \$12,500 for the IDA.

Motion to accept the application and move forward to a public hearing, subject to receipt of the revised application, made by Sam, seconded by Barb. Vote unanimous, motion carried.

The next regular meeting is scheduled for December 7. Sally suggested that the public hearing be held the same day, at 5:15 p.m., with our regular meeting to follow immediately after. If it is held live, it would be held at the Stillwater Town Hall. Sally suggested that we conduct the meeting virtually, however, in light of the continuing rise in COVID-19 cases.

**OTHER BUSINESS:** Sam noted that we currently have a significant amount of money in our checking account and asked about the possibility of putting some of those funds into a CD as an investment. Barb responded that right now the rates are so low, so we would be better to simply leave the money in the checking account and revisiting the issue next year. Jim Carminucci reported that he has no update on the status of the Stillwater Solar project.

Sally noted that with the IDA getting more projects, we really need administrative support, particularly with respect to the annual PARIS report. She will work with Jim Carminucci to put together a list of duties and a job description, and to look at what other IDA's

pay. Sam noted that this was a paid position before, which we stopped when we ran out of money. He believes it is time for us to reconsider the position.

The next meeting is scheduled for December 7, 2020.

Motion to adjourn made by Maria, seconded by John. Vote unanimous, motion carried. Meeting adjourned at 5:10 p.m.

Respectfully submitted,

Maria Morris  
Secretary