

December 28, 2023
Sally Herrick, Chairperson
MSIDA Members
36 N. Main Street Municipal Building
Mechanicville NY 12118

Dear Chairperson Herrick and the MSIDA members,

We are pleased to represent the applicant in this process. The merits of the application have been debated and approved at several levels of Stillwater Town Government. In response to questions and comments during the public hearing, please review our thoughts and comments to be considered prior to a final decision by the Members of the IDA.

As mentioned during the Public Hearing, the current goal of the MSIDA is to *“promote, encourage growth and attract the construction and expansion of economically sound commercial, industrial, and other growth-inducing projects consistent with approved comprehensive plans and generic impact statements with the goal of increasing employment opportunities, either direct or indirectly, and/or retaining existing jobs, in such a manner that maintains and enhances the historic and rural character of these two municipalities.”*

1. This project supports the mission of this organization in that it provides much needed housing for service industry, commercial services, industrial support workforce as well as manufacturing personnel that have both skilled providers and essential professionals that require them to live within specific mile radiuses to better serve employer needs. There is a shortage of available and affordable housing across the US, in particular here in Saratoga County. Many of the rental options, that had been available in the past, are now utilized as short-term rentals (Airbnb and VRBO) producing a larger return on their investment. This project provides appropriately priced apartments to serve the existing businesses, as well as providing housing, currently in short or unaffordable supply, for employees that are recruited to work for businesses expanding into our region. ****Please note the attached charts, summary and overview of recent data collected to support the demand, affordability, and growth for our region***

2.
 - a. This project has been approved by the Stillwater Town Planning Board.
 - b. Communities in Upstate NY need housing options for residents, as well as for people that want to live closer to where they are employed. Employees require a community where they feel safe and in proximity to places where they can shop and eat, where available banking and medical services etc... are easily accessible and most importantly, where they feel they can become members of the Mechanicville-Stillwater community to engage in community-based activities, special events, charitable fundraisers that support the good things happening in both communities.
 - c. The increased economic benefit(s) will be generated both by an increase in the sales tax revenue as well as the increase in real property assessment increase for the Town of Stillwater.
 - d. Currently, this project is approved for 312 rental units. ***We are requesting incentives for 192 of the total units that were approved.*** This related impact(s) to the area service providers has been considered by the appropriate governing body during various public meetings over an extended period.

This project has been designated commercial and supports state, regional and local efforts to retain and attract private investment complimenting regional attributes. There is a significant shortage of quality, available, reasonably priced housing impacting growth and investment in all economic development sectors.

If companies cannot secure a reliable, accessible workforce, they will invest, re-invest and grow in other regions of opportunity. This project will serve regional employment opportunities currently available and allow those companies currently located in the area a local ready, willing and able workforce.

Below, please note, the current availability of houses in Saratoga County, NY

Ranges as outlined:
AVAILABLE LISTINGS
MLS data as of 12/26/2023

<u>PRICE RANGE AVAILABLE</u>	
\$100,000 - \$299,000	- 58
\$300,000 - \$499,000	- 119
\$500,000 +	- 232
TOTAL	<u>409</u>

3. 10 FTEs will directly be created from this project and 40 indirect jobs for over four years

The request for incentives is necessary for the project to come to fruition and imperative for the group to off-set increases of construction materials, labor and financing and still allow for these to be at a reasonable market price that supports the Mechanicville Stillwater region.

Economic benefit vs additional costs to taxpayers

- Additional Taxes - Projected annual taxes after phase in (using current rates)
Town & County \$240,000 to support Town and county budgets
School District \$462,000 to support the school district
Total \$702,000/ year—totals over \$7mil in the 10 years after completion
- Employment
The anticipation is for 6 full-time employees during site work and 30 construction workers during the building construction in phases over the next 6 to 7 years.
Additionally, starting with 4 management and maintenance employees and growing to 10 employees when all buildings are completed and occupied
- Public Benefit payments -Owner will make a one-time payment to the Town of \$1,000/ apartment or \$312,000 for the Town to use for public benefit projects
- Water District payments – At the current rate of \$206/unit per year, BoCrest would be paying annually when each phase of the construction is completed and that will amount to over \$64,000 per year when the 312 apartments are completed.

Wetlands & Approvals

- The project was approved and we have completed necessary requirements for the applications and approval processes to include: the Town Board, Town Planning Department, Planning Board, Town Engineer, and Public Hearings, DEC, Army Corp of Engineers, Department of Health, Saratoga County Sewer District, etc.
- The buildings with related roads and parking will occupy about 20 acres of the 89 acres, leaving 69 acres untouched. This project was mindfully designed by the partners and reviewed and approved by the Planning Department and Planning Board in accordance with current standards and regulations.

Stillwater Central School District (SCSD)

- We were able to confirm there has been a declining enrollment. NYS Education Department reporting shows that the district enrollment is down 12% or 163 students over the last 10 years.
- It has been estimated that the SCSD enrollment impact could range from 10 to 70 additional students from the 312 apartments when completed and occupied. We understand that Kings Isle project in town with 319 apartments has 11 students enrolled in Shenendehowa School District and we utilized that data as a comparable to estimate.
- A representative from the school board mentioned the need for an additional school bus and converting to State mandated electric buses and charging stations as well as exorbitant electric bus prices. State Aid would help cover a portion those expenditures It is our understanding that new school buses sold in NYS be zero-emissions by 2027 unless extended; which would be an expense that has no direct connection to this project as that is a state mandate.
- The applicant responded that at completion of the construction, the project would be paying an estimate \$460,000 per year in school taxes and \$240,000 in Town/County taxes.

Safety Concerns and Fire Ladder Truck

- The commissioners indicate that they will not have to increase fire district taxes.
- At an earlier Public Hearing, it was noted that the Mechanicville ladder truck was only 3 miles away from Halfway House Road.
- The site plans were also reviewed by Arvin Hart to make sure they did not have any safety or emergency access concerns.
- Under a PILOT program, the applicant still pays the full Fire District taxes.
 - Right now, the applicant pays \$144/year on unimproved land.
 - Fire District taxes on this project will increase each year as the assessment is increased.
 - Upon completion of all of the phases of apartment buildouts,, at current rates, the Fire District taxes will be about \$21,000 per year.
- It was noted that Commissioners of the Fire District had recently approved the purchase of a ladder truck for a variety of reasons but the delivery wouldn't be for several years.

In closing, we appreciate the opportunity to address the public's input to clarify any confusion of the information. We are aware and understand the concerns brought forth and will continue to respectfully work through them.

We are requesting these incentives to be able to build quality, reasonably priced apartments in our community to afford workers a community to move to, live in and become a part of. We are not able to complete this project, as planned, without the incentives award. Please see the attachments of recent market analysis data outlining our regional growth, the demand and a summary.

We look forward to further discussing the project, our need for these incentives and answering any further questions pertaining to the request for your support in providing this much needed, economic benefit to our community.

At this time, we are requesting Sales and Mortgage tax abatements as follows:

****Please note applicant is NOT requesting a PILOT at this time****

Mortgage Recording Tax Abatement:	\$244,400.00
Property Tax Abatement:	<u>\$1,260,000.00</u>
Total Incentive Request:	\$1,504,400.00**Request of incentives for project

Initially, the request of benefits was as follows:

PILOT Abatement:	\$974,206.00
Mortgage Recording Tax Abatement:	\$244,400.00
Property Tax Abatement:	<u>\$1,260,000.00</u>
Total Incentive Request:	\$2,478,606.00- (\$974,206.)

Sincerely,

Greg Connors
SEDC President


Commercial Service 4-Year PILOT

Outline of potential incentives available Applicant is seeking Mortgage and Sales Tax Abatements only					
YEAR	ESTIMATED TOTAL ASSESSMENT	FULL VALUE TAXES PAID	PILOT ASSESSMENT	PILOT PAYMENT	ESTIMATED TAX SAVINGS
1	\$18,333,333	\$425,249			
2	\$18,333,333	\$425,249			
3	\$18,333,333	\$425,249			
4	\$18,333,333	\$425,249			
5	\$18,333,333	\$425,249			
Totals	N/A	\$2,126,243			
Total Pilot Paid		\$0	Mort. Rec. Tax	\$244,400	Total
Total Abatement		\$0	Sales Tax	\$1,260,000	Savings
			Property Tax	No incentives requested	\$1,504,400.00
			Application Fee	\$500	
			Bond Counsel Fee		Total
			IDA Counsel Fee	\$8,000	Costs
			IDA Fee	\$201,833	\$210,333.33
Present Assessed Value of property (Land Only)		\$28,537	Bottom Line Savings \$1,294,066.67		
Present Annual Taxes (Land Only)		\$662			

ESTIMATE



Base Info.

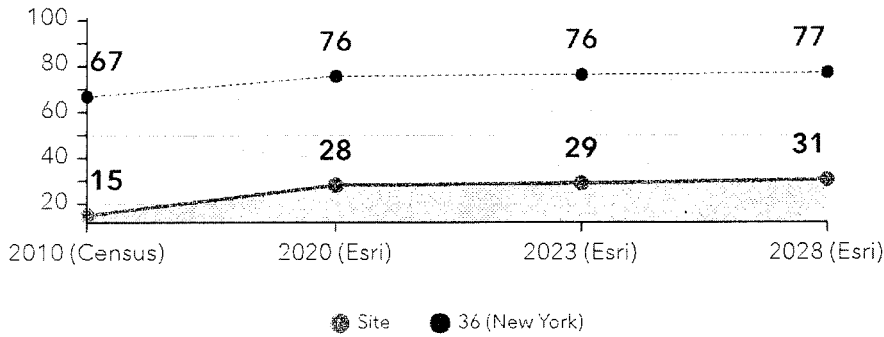
Client:	20045 Bocrest Fields					
Property:	Brickyard Road					
SBL #:	253.-2-25					
Land Purchase Price		New Construction Cost		Other Costs		
Total Acres	20.55	Blg. Size	0	Machinery & Equipment	\$0	
Price/Acre	\$0	Cost/Sq.ft.	\$0	Fixtures & Furniture	\$0	
Land Cost (Acres x Price)	\$1,533,333	Blg. Cost (Size x Cost)	\$36,000,000	Soft Costs	\$3,200,000	
				Total Other Costs	\$3,200,000	
Current Tax Rates		Land & Building Costs	\$37,533,333	TOTAL PROJECT COST	\$40,733,333	
		Total				
Town / City Tax Rate	1.514197	\$27,760	Benefits Assumptions			
County Tax Rate	2.789669	\$51,144	Cost of Construction Materials (50% of building cost)	\$18,000,000	Estimated Benefits Costs	
School Tax Rate	18.891510	\$346,344	Mortgage Amt. - 80%	\$32,586,667	Application Fee	\$500
Other	0.000000		Proposed Tax Benefits			
Total Tax Rate	23.195376		Mortgage Tax Benefit - 3/4% of mortgage amount	\$244,400	Est. Bond Counsel Fee	\$0
Equalization Rate	0.0000		7% Sales Tax Benefit - cost of Construction Materials, Equipment, Fixtures & Furniture	\$1,260,000	Est. IDA Counsel Fee	\$8,000
Assessment Estimates				IDA Fee ***	\$201,833	
				Est. Total Cost of Benefits		
Estimated New Construction Assessment	\$16,800,000	Sales & Mortgage Tax Benefits	\$1,504,400	\$210,333		
PILOT Land & Bldg. Assessment	\$1,533,333	 Saratoga Economic Development Corporation				
Estimated Total Assessment	\$18,333,333					
				Present Assessed Value of property (Land Only)	\$28,537	
				Present Annual Taxes (Land Only)	\$662	
Annual Taxes without Incentive (Land & Building)	\$425,249	ESTIMATE				

Community Change Snapshot

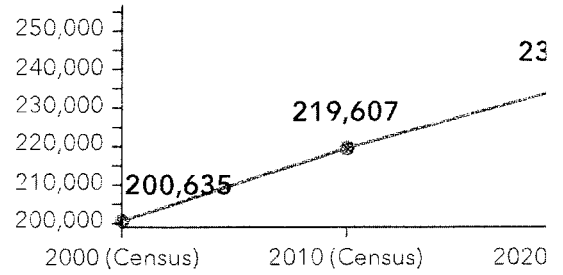
Saratoga County, NY

Geography: County

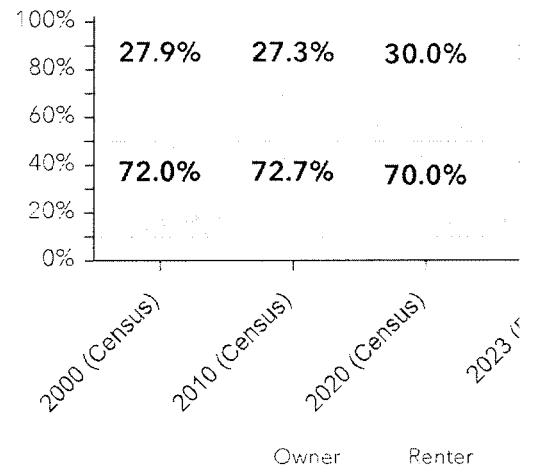
Diversity Index



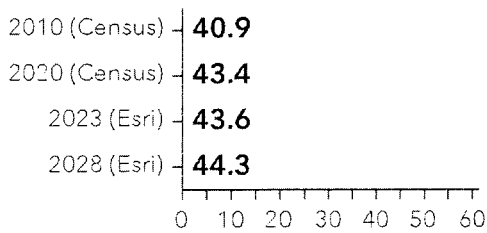
Dots show comparison to 36 (New York)



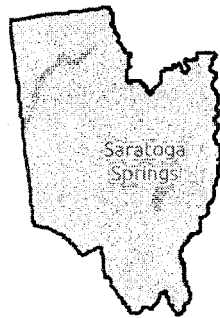
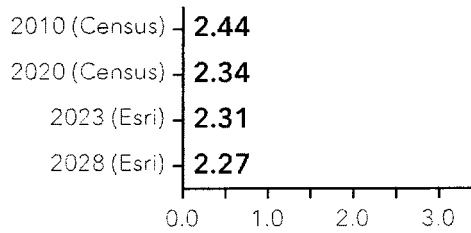
Owner vs Renter Occupied



Median Age



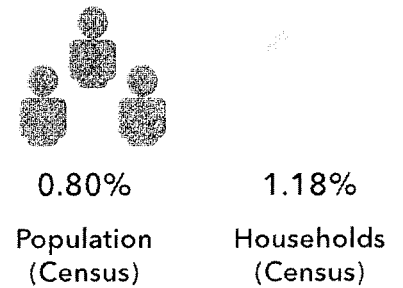
Average Household Size



Albany

Brattle

2000-2020 Compound Annual Growth Rate



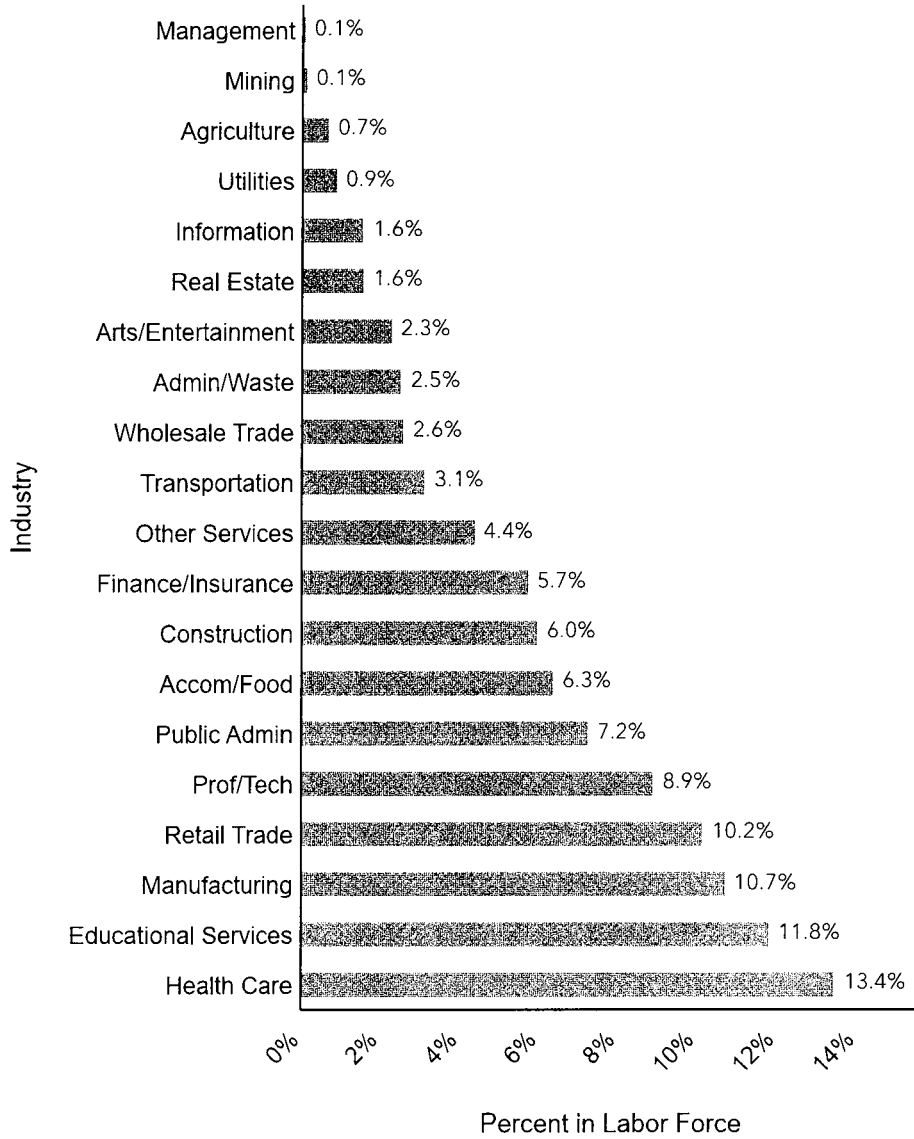
Source: This infographic contains data provided by U.S. Census (2000, 2010, 2020), Esri (2023, 2028), ACS (2017-2021). © 2023 Esri

Economic Development Profile

Saratoga County, NY

Geography: County

Labor Force by Industry

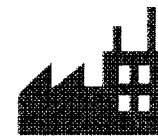


Employment

Workforce

Overview

Businesses



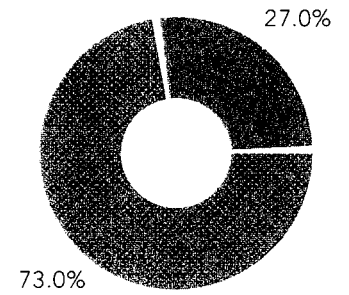
7,678
Total Businesses



92,456
Total Employees

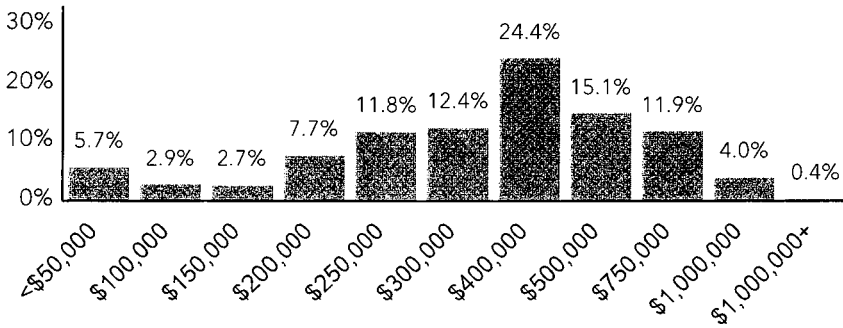
Source: This infographic contains data provided by Esri (2023), Esri-Data Axle (2023), ACS (2017-2021), Esri-U.S. BLS (2023), AGS (2023).

Home Ownership



● Owner Occupied HUs ● Renter Occupied

Home Value

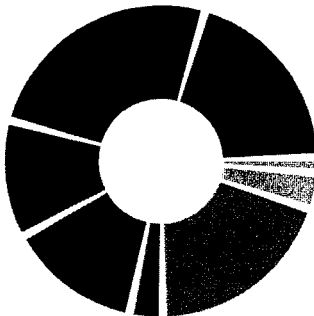


Educational Attainment

Community Overview

Tapestry segments

Bachelor's Degree
25.4%



Associate's Degree
12.2%

Some College
13.8%

GED
3.4%

Grad/Prof Degree
20.0%

< 9th Grade
1.6%

No Diploma
3.8%

HS Diploma
19.8%

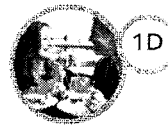


Green Acres

14,425 households

14.2%

of Household



Savvy Suburbanites

11,084 households

10.9%

of Household



In Style

9,708 households

9.5%

of Household

Source: This infographic contains data provided by Esri (2023), Esri-Data Axle (2023), ACS (2017-2021), Esri-U.S. BLS (2023), AGS (2023).