

**Minutes of the
County of Clinton
Industrial Development Agency
April 17, 2023**

The meeting was called to order by Trent Trahan, Chairperson, at 12:03 p.m. at the County of Clinton Industrial Development agency (CCIDA) office located at 137 Margaret Street, Suite 208, Plattsburgh, New York.

MEMBERS PRESENT: Trent Trahan, Chairperson
David Hoover, Vice Chairperson
Michael Zurlo, Secretary
Mark Leta, Assistant Secretary
John VanNatten, Member

MEMBERS ABSENT: Keith Defayette, Treasurer and Chief Financial Officer
Joey Trombley, Member

STAFF PRESENT: Molly Ryan, Executive Director
Dorothy Brunell, Administrative Assistant
Christopher Canada, Esq., Agency Counsel (Via GoTo Meeting)

ALSO PRESENT: Chris Lischke – Beekman Towers Preservation, LLC
Eliot Reid, Beekman Towers Preservation, LLC

T. Trahan stated there was a quorum present.

T. Trahan waived the reading of the notice of the meeting published in the Press Republican on December 22, 2022.

Reading and Consideration of the Draft Minutes of the March 20, 2023 Meeting

T. Trahan asked if there were any questions regarding the draft minutes of the March 20, 2023 meeting. There were none.

On a motion by M. Leta, and seconded by D. Hoover, it was unanimously carried to approve the minutes of the March 20, 2023 meeting of the CCIDA.

Presentation

Eliot Reid of Beekman Towers Preservation, LLC (Spring Tide Housing) gave a presentation to the Board outlining their plans to acquire and renovate Beekman Towers. Beekman Towers is a 124 unit, Section 8, senior housing project which was constructed over 40 years ago. This housing project has had no significant renovations or upgrades since its construction. E. Reid stated that Section 8 housing projects like Beekman Towers, which offer low-income seniors a safe, decent, sanitary and affordable place to live, with a rent subsidy from the Federal government, are no longer available on a project basis. The Federal government now provides housing assistance to low-income seniors via a voucher system, which is a more competitive option. E. Reid stated their renovation plans for Beekman Towers consist of a \$60,000 renovation per unit, which will include new windows, flooring, lighting, and full kitchen and bathroom remodels. Renovation plans also include a new roof, upgrade of mechanical systems, elevators and plumbing. E. Reid outlined the amenities that will be added that currently are not available, such as free wireless internet, a fitness facility and better social gathering spaces.

E. Reid indicated that their plan includes tax exempt bond financing and they will hire an underwriter who will work with an investment bank in Atlanta, Georgia. They anticipate having a long-term mortgage that will be supported by the purchase of bonds by institutional investors. They will also generate 4 percent low-income housing tax credits by virtue of private activity bond financing for the Project which will raise additional equity from the private sector. E. Reid indicated that they currently have a commitment from TD Bank to buy those tax credits which will raise \$10 million for the renovation costs and acquisition costs for the Project. In summary, they anticipate two sources of financing: 1) tax exempt bonds sold to private investors, and 2) tax credit equity from TD Bank via Berkadia. The CCIDA benefits being sought include mortgage recording tax exemption, sales tax exemption for construction materials, and a negotiated long-term PILOT agreement with taxing jurisdictions. E. Reid indicated that all the Project renovations will not result in any economic impact to the residents and the current Section 8 contract will remain in place and they intend to extend it for another 20 years. The Project will remain affordable for another 30 years as a result of their financing and the residents will continue to pay a percentage of their household income in rent and the Federal government will make up the difference between that and "market rent" which is established by the Department of Housing and Urban Development.

During the renovation process, the residents will remain in-place. The renovation work will occur over an approximate 12-month period, and contractors will schedule five or six work days inside each tenant unit. They will have a hospitality suite set-up, and transportation will be available for day trips that the residents can sign-up for when work is scheduled to occur in their unit on that day. The work will be broken up and will not occur five days in a row, but rather one day each month for five months.

M. Zurlo asked if the Beekman Towers property was still owned by the Green family. E. Reid advised that they bought the property from the Green family about 12 months ago. He explained that the Green family had been cited by the New York State Attorney General for operating sub-standard properties in the Syracuse area and the United States Department of Housing and Urban Development commenced some enforcement action against them due to the substandard conditions in their Section 8 housing portfolio. The Green family not only sold the Beekman Towers property but also the other Section 8 properties they owned in upstate New York. E. Reid advised the title for Beekman Towers is held by a company affiliated with Spring Tide Housing. Capital was raised through outside investors to buy-out the Green's and then the property will be sold into a new LLC.

M. Zurlo asked E. Reid if when Beekman Towers was originally built, the Project had received a PILOT through the city of Plattsburgh. E. Reid advised that he did not know the specifics, but the property does not currently benefit from any exemptions. M. Zurlo asked if based on the estimated value post renovation, even with an abatement in place, if the taxing jurisdictions would receive what they are currently receiving under Section 1. E. Reid indicated that with this type of preservation project in New York State, they have an avenue to negotiate and enter into a PILOT agreement through Article 11 of the Private Housing Finance law. He stated the negotiations are typically based on the level of affordability and the income restrictions that are applicable to the property, and they approach the taxing jurisdictions directly to negotiate the PILOT. Once it has been agreed upon, they will obtain letters of support from those taxing jurisdictions that they will turn over to the CCIDA. M. Zurlo asked if they use the CCIDA for the PILOT to streamline the process, what their request would be under the Uniform Tax Exemption Policy (UTEP). E. Reid advised that they would need a deviation to the UTEP. He advised that if they get a 30 or 35 year mortgage loan, the PILOT agreement term would need to be consistent with the length of the mortgage. M. Zurlo asked if they would include some sort of annual cost of living adjustment. E. Reid stated that would be the case. M. Zurlo advised that a meeting with the taxing jurisdictions, (i.e., the City of Plattsburgh, the Plattsburgh City School District) as well as the County and the Company should be setup to discuss a potential PILOT to be sure everyone is aware of the numbers and is in agreement.

M. Zurlo asked E. Reid if he could provide any pictures of what the renovated property will look like. E. Reid advised that a packet is currently being prepared by the architect which will include elevations, renderings of the exterior and pictures of what the renovated units will look like, and he will be happy to provide a copy.

M. Zurlo asked E. Reid if they are going through this same process for their other upstate facilities. E. Reid advised that they were. M. Zurlo asked if they were confident that they would be able to blend deviations from the other four municipalities and IDAs. E. Reid advised that most of the other jurisdictions that they are working with have not adopted UTEPs so they will not necessarily use the term “deviation.” However, they are pursuing negotiation of those PILOTs and building consensus among the affected taxing jurisdictions. E. Reid advised they have two projects within the city of Syracuse and one in the city of Utica. M. Zurlo asked E. Reid to update their application to include their proposed PILOT agreement. E. Reid stated that they would.

Public Comment

There was no public comment.

Reports

Treasurer’s Report:

M. Leta reviewed the March 2023 Treasurer’s Report.

On a motion by J. VanNatten, and seconded by M. Zurlo, it was unanimously RESOLVED to approve the Treasurer’s Report as presented by M. Leta.

Old Business

Vilas Home, LLC Liability Insurance Coverage

M. Ryan advised that the Board has agreed, via an email poll, to reduce the amount of liability insurance required for the Vilas Home, LLC Project from \$5 million down to \$3 million as requested by E. Schwartzberg. M. Ryan will advise E. Schwartzberg of the Board’s decision.

AES/Noble Projects Update

C. Canada advised that the lease agreement for the Noble Wind Project in the Town of Clinton expired in June of 2022; therefore, if the lease hold interests are terminated, the PILOT agreement itself is terminated as well. C. Canada advised that the dispute is between the Company and the school district. He advised that some sort of settlement agreement can hopefully be worked out between the Company and the school district so they can avoid litigation. The amount of the settlement would be negotiated by all parties.

CCIDA Marketing Materials – Boire Benner Group

M. Ryan reviewed with the Board the new marketing materials that have been prepared by Boire Benner Group, which include a tablecloth/cover, back drop, folders and rack cards. These will be available in time for the upcoming North Country Chamber of Commerce Business Expo in June.

North Country Chamber of Commerce Business Expo – Sponsorship Level

The Board agreed to have the CCIDA attend the North Country Chamber of Commerce Business Expo at the Exhibitor Level at a cost of \$500. M. Ryan will put together a raffle basket that attendees can register to win by providing a business card. The business cards will be used to enter contact information in the CCIDA’s CRM database.

New Business

Invoice from Martindale Keysor & Co., PLLC

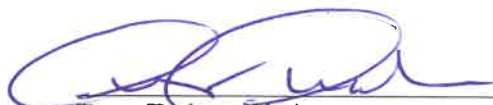
On a motion by M. Leta, and seconded by M. Zurlo, it was unanimously carried to approve payment of the Martindale Keysor & Co., PLLC invoice for progress billing in the amount of \$3,500.

Management Team Reports

Executive Director's Report

M. Ryan provided a brief overview of her Executive Director's Report.

There being no further business to discuss, on a motion by D. Hoover, and seconded by M. Leta, the meeting adjourned at 1:02 p.m.



Trent Trahan, Chairperson