

Frank S. Venezia
Chairman

Sam Messina
Secretary

Robert B. Ward
Assistant Secretary

Pamela Clark Robbins
Treasurer

Joanne Cunningham
Member

Joseph P. Richardson
Member

TOWN OF BETHLEHEM

Albany County - New York

INDUSTRIAL DEVELOPMENT AGENCY

445 DELAWARE AVENUE
DELMAR, NEW YORK 12054

Telephone: (518) 439-4955, Ext. 159

Fax: (518) 439-5808

Email: info@bethlehemida.com

George E. Leveille
*Executive Director and
Chief Executive Officer*

Judith E. Kehoe
Chief Financial Officer

Thomas P. Connolly Esq.
*Assistant Executive Director,
Assistant Secretary and
Agency Counsel*

MINUTES OF THE IDA MEETING December 19, 2006

A meeting of the Town of Bethlehem Industrial Development Agency was convened in public session in the Bethlehem Town Hall, 445 Delaware Avenue, Delmar, New York at 8:00 a.m., on Tuesday, December 19, 2006.

Attendance was recorded as follows:

<u>Board Members Present</u>	<u>Board Members Absent</u>	<u>Counsel Present</u>	<u>Town Staff Present</u>	<u>Others Present</u>
Frank Venezia Sam Messina Robert Ward Pamela Clark Robbins Joanne Cunningham Joseph Richardson		Thomas Connolly A. Joseph Scott	George Leveille Judith Kehoe Deborah Kitchen Theresa Egan	Marie Capone Henry Klersy John Cahill Bill Herbert

Chairman Venezia called the meeting to order.

APPROVAL OF MINUTES

A motion was made by Mr. Richardson, seconded by Ms. Robbins and carried by all members present to approve the November 21, 2006 minutes.

FINANCIAL REPORT

Monthly Financial Statement

Ms. Kehoe presented the monthly Financial Statement, dated December 15, 2006.

A motion was made by Mr. Messina, seconded by Mr. Richardson and carried by all members present to accept the monthly Financial Statement as presented.

PUBLIC AUTHORITIES ACCOUNTABILITY ACT (PAAA)

Real Property Acquisition Policy

Mr. Scott referred to the Real Property Acquisition Policy submitted for review at the November meeting. A question was raised as to whether or not the Acquisition Policy is needed due to the fact that the Agency already has a Purchasing Policy in place. The proposed Real Property Acquisition requires an appraisal. Mr. Scott will contact the Authority Budget Office to find out if the new policy is needed and will report back to the Agency at the next meeting.

Real Property Disposition Policy

With regard to the Real Property Disposition Policy, Mr. Scott stated that the language used in the Policy was taken directly from the PAAA statute. The word inchoate means not fully formed or may come into being.

Resolution 2006-20 – Adopt Real Property Disposition Policy

Upon motion of Mr. Robbins, seconded by Ms. Cunningham, and unanimously approved by all members present, the following resolution was adopted:

Resolved that the Agency approves the adoption of the Real Property Disposition Policy as written.

Audit Committee Charter

A draft Charter was presented to the members. The Board discussed the requirements for independence on the part of the Committee members. Ms. Robbins stated that it was her understanding, that the Audit Committee could be comprised of independent members who are not members of the Agency. Mr. Connolly noted that the statutory definition of “independent” is someone who has not been employed by the Agency in the past two years, and has not been employed by an entity that received remuneration from the Agency.

Chairman Venezia recommended that language be added to the Charter to clarify that the Agency members are responsible for appointing the members of the Audit Committee. He also expressed concern about the language used in the Charter, which states that the Auditor will attest to the effectiveness of the internal control, and review management’s assessment of the effectiveness of the Agency’s internal control.

Mr. Richardson raised a question about the language used in paragraph # 2, on page # 2 which states that “the CPA firm providing the Agency with an independent audit will be prohibited from providing audit services if the lead audit partner, or the audit partner responsible for review, has performed audit services for the Agency in each of the five previous fiscal years”. He believes that further clarification is needed because the requirement applies to one partner in the firm. The term limits for outside Auditors are statutory.

Ms. Kehoe stated that there is language in the Town’s General Policy, which states that RFP’s are sent out every five (5) years and that a firm may not provide services beyond two consecutive five (5) year terms. She also stated that the process of hiring an auditor would continue to move forward while language in the Charter is being revised.

The Audit Committee, which is comprised of Ms. Robbins & Mr. Venezia, will meet with Ms. Kehoe on January 15, 2007 to review the draft Charter. The Committee will report back to the Agency after each meeting.

There was no further discussion. The draft Charter was tabled.

Governance Committee

With regard to the existing Member vacancy, the Governance Committee sent a letter to the Town Board setting forth the skills the IDA Board is seeking for its new member.

Financial Disclosure By Members

The statute states “Board members, officers, and employees of the local public authority shall file Annual Financial Disclosure Statements with the County Board of Ethics for the county in which the public authority has its primary office.” Mr. Connolly distributed the forms that are currently used by the County of Albany. Mr. Leveille recommended that the form be customized and include a basic disclosure which indicates that the Agency is not conducting any business that has any relationship to the decisions being made by the Board members. Mr. Scott offered to review the forms with Mr. Connolly. It is not known whether or not the Authority Budget Office intends to produce a financial disclosure form.

OLD BUSINESS

Project Updates

American Housing

American Housing is expected to close by the end of December. A couple of the numbers have changed since the Resolution was passed in September. Originally, the Bond financing was not to exceed \$8,000,000 but the number has gone down to \$7,400,000. The underwriter in consultation with the company has divided the financing into two Series of Bonds - - \$7,200,000 for Bond A and \$200,000 for Bond B. Due to the change, Mr. Scott felt it would be appropriate to readopt the Resolution. The Resolution is the same as the September resolution with the exception of the reference to the two Bonds and added language, which indicates that the later Resolution supersedes the September Resolution.

Mr. Scott distributed copies of the payment agreement between the Town of Bethlehem and the American Housing Foundation. Reference was made to Page 2 where the payment schedule was extended by five (5) years. The agreement will amend the 1999 Service Agreement and the expiration date will be changed to 2036, which is also the maturity date of the bond.

Mr. Ward stated that the late payment fee of 1%, as described on page 3, should indicate that the fee would be charged on a monthly basis.

Resolution 2006-21 – Amended Resolution for Refinancing of the Van Allen Senior Housing Project

Upon motion of Mr. Richardson, seconded by Mr. Messina, and unanimously approved by all members present, the following resolution was adopted:

Resolved that the Agency approves the amended resolution including the \$7,200,000 non-taxable and a \$200,000 taxable bond as required for the American Housing Foundation's refinancing of the Van Allen Senior Housing project.

Barrett Distribution - 158 West Yard Road

The Barrett Distribution project is moving forward.

Plasticware - 158 West Yard Road

Mr. Leveille reported that Plasticware has shifted its focus to a plant in Corinth.

Selkirk Ventures – Rail Assistance – 158 West Yard Road

Mr. Connolly reported that the Agency is going to act as the middleman between Selkirk Ventures and the Department of Transportation (DOT) for a \$1.3 million dollar grant. DOT has submitted an agreement for the Agency to sign. DOT will reimburse the Agency every 30 days. The Agency will be entitled to receive reimbursement for administering the grant.

Selkirk Ventures has agreed to make all payments and provide indemnity. Rotterdam Ventures will provide a guarantee. Mr. Leveille recommended that the Agency require an annual audited financial statement.

A Request for Qualifications (RFQ) will be needed for Engineering Services. The Engineer will design and draft the bid documents. The contract will then go out to bid. The goal is to finish construction of the sidetracks by April 30, 2007. The tracks must be maintained for a minimum of ten years. The tenant, Barrett Distribution, will be using the rail line.

There are two resolutions to consider. 1) SEQR Resolution - Negative Declaration, 2) Resolution authorizing Chairman Venezia to sign the DOT Grant Agreement and the Selkirk Rail Assistance Agreement.

Resolution 2006-22 – SEQR Resolution – Negative Declaration for Selkirk Ventures

Upon motion of Mr. Messina, seconded by Mr. Ward, and unanimously approved by all members present, the following resolution was adopted:

Resolved that the Agency approves the adoption of a SEQR Resolution – Negative Declaration for Selkirk Ventures.

Resolution 2006-23 – DOT Grant Agreement & Selkirk Rail Assistance Agreement

Upon motion of Mr. Richardson, seconded by Ms. Robbins, and unanimously approved by all members present, the following resolution was adopted:

Resolved that the Agency authorizes Chairman Venezia to sign the DOT Grant Agreement and the Rail Assistance Agreement with Selkirk Ventures.

Selkirk Ventures – Recapture Payment – 158 West Yard Road

Ms. Kehoe reported that the Agency received the recapture payment of \$85,579.65 from Selkirk Ventures and disbursed it to the taxing jurisdictions. Chairman Venezia thanked Mr. Connolly for his diligence in obtaining the payment.

Vista Technology Campus - New Scotland Road, Slingerlands

Bill Herbert, a representative of BBL Development Group thanked Mr. Richardson for making a presentation to IDA on behalf of the Vista project at the November 2006 meeting. The presentation was designed to give a sense of the scale of the project and what the development hopes to achieve. Marketing is progressing well at this time.

Mr. Herbert stated that the Draft Environmental Impact Statement (DEIS) will be presented to the Town this month and he hopes that it will be deemed complete. This will lead to the next round of public hearings and opportunity to receive input from involved agencies as well as the public.

Mr. Herbert requested that the IDA sponsor an informational meeting on Wednesday, January 17, 2007 at 7:00 p.m. at Town Hall as an opportunity to reach out to the public. BBL is confident that the DEIS is very comprehensive and will stand on its own merit as something the public will accept. Mr. Leveille added that a public meeting would close a loop that began in 2003 when the IDA hosted two Economic Development Forums - - one of which was to try to induce the public to consider developing the site as a Technology Campus instead of a subdivision with 40 homes. This would be a final progression of that discussion which would provide a way for people to understand the environmental impacts.

Mr. Richardson requested that an invitation be sent to the property owners along New Scotland Avenue and the Terremere Homeowners Association.

The site consists of 440 acres +/- with 80-90 acres to be developed. The site is zoned Mixed Economic Development, which requires that 70% of the developable acreage be used for technology, office or industry and 30% to be used for retail, services, or high-density housing. 10 buildings are being proposed with 1.4 million square feet of space. It is thought that the land which runs along the highway will be retail oriented. A wellness center and conference center are also part of the plan. According to an impact study, dated September 24, 2006, there is the potential to create 6,000 jobs.

Mr. Herbert will provide the Agency with a brief document describing the project, which can be handed out to the public at the January 17th meeting.

A motion was made by Mr. Richardson, seconded by Mr. Messina and carried by all members present to sponsor a public meeting regarding the Vista Technology Campus on Wednesday, January 17, 2007 at 7:00 p.m.

The Town Board will hold a Public Hearing for the Vista Technology Campus on Wednesday, January 24, 2007 at 5:30 p.m.

NEW BUSINESS

Upcoming Events

Local Waterfront Revitalization Program – Waterfront Advisory Committee Meeting

The 2nd meeting for the Local Waterfront Revitalization Program – Waterfront Advisory Committee will be held at Town Hall on Tuesday, December 19, 2006 at 5:00 p.m.

Citizen’s Advisory Committee on Conservation - CACC

The Citizen’s Advisory Committee on Conservation will be hosting a public meeting at the Town Hall on Monday, January 8, 2007 at 7:00 p.m. to receive comments on the CACC’s Open Space Protection Program - Funding & Tools Report, dated October 18, 2006.

Local Waterfront Revitalization Program – Waterfront Advisory Committee Meeting

A public workshop will be held on January 17, 2007 at 7:00 p.m. to receive public input on the study.

IDA Section Conference

The NYS Economic Development Council 2007 IDA Section Conference will be held at the Desmond Hotel in Albany on January 17 & 18, 2007.

State of the Town Address

The State of the Town Address will be held on Wednesday, January 31, 2007, at 7:45 a.m., at the Bethlehem Historical Association, Route 144, Selkirk.

467 Delaware Avenue, LLC (Delmar Assisted Living)

Mr. John Cahill spoke on behalf of Henry Klersy, owner of 467 Delaware Avenue, LLC regarding a proposed project. Mr. Klersy has been approached by Verizon Wireless about the construction and installation of a cell tower at the rear of the premises in an area that does not affect the operation of the current assisted living facility. Pursuant to the installment sale agreement, 467 Delaware Avenue is required to obtain the consent of the bank, which was involved in the transaction (HSVC). Mr. Klersy has obtained the consent of First Niagara and the Federal Home Loan Bank. The Trustee bank has requested that Mr. Klersy obtain the consent of the Bethlehem IDA and a letter from Bond Counsel as to the effect of the transaction on the status of the Bond. The lease with Verizon has not been executed yet and Mr. Klersy is aware that the project is subject to the planning and zoning board requirements regarding the siting of the facility and other conditions which they may impose.

Verizon has indicated that the tower will greatly enhance the services provided to the residents of the Town and other carriers may decide to use the facility to improve or provide services. New towers require Site Plan Approval. Verizon will be responsible for obtaining the necessary permits and Mr. Klersy will be assisting Verizon in that regard.

Mr. Richardson raised a concern regarding the revenue generated from the lease and how it may affect the tax exempt bonds. Mr. Connolly and Mr. Scott stated that they believe the Resolution needs to be revised to determine the effect on the tax exempt bonds. The letter from Bond Counsel must say that the project will not affect the tax exempt status. Language should be added at the end of Section 2 to read as follows: subject to 1) compliance with the underlying bond documents, 2) approval of the form of the consent by Agency Counsel, 3) receipt of any approvals and consents required by the bond documents in form and substance satisfactory to Agency Counsel, 4) payment of any fees and expenses of the Agency in review of the project, and 5) compliance with the requirements of the Planning Board and the SEQR process. Consent by the Agency in connection with the Verizon lease does not imply approval of any land impact or land use issues.

Mr. Klersy thanked the Board members for their time.

Resolution 2006-24 - 467 Delaware Avenue, LLC/Verizon Wireless Lease

Upon motion of Mr. Ward, seconded by Ms. Messina, and unanimously approved by all members present, the following resolution was adopted:

Resolved that the Agency consents to the 467 Delaware Avenue lease with Verizon Wireless subject to the conditions set forth above.

2007 Service Agreement Between Town of Bethlehem and Bethlehem IDA

Ms. Kehoe reported that the actual costs incurred in the 2006 line up with the estimated figures. The proposed agreement for 2007 is \$200,000.

Resolution 2006-25 - 2007 IDA Town of Bethlehem Service Agreement

Upon motion of Mr. Richardson, seconded by Ms. Cunningham, and unanimously approved by all members present, the following resolution was adopted:

Resolved that the Agency approves the adoption of the 2007 IDA Town of Bethlehem Service Agreement.

2007 Strategic Planning Session

A pre-Strategic Planning meeting will take place on January 9, 2007 at 10:30 a.m. to establish the agenda for the strategic planning meeting.

The strategic planning session will take place on Saturday, January 20, 2007, at 9:30 a.m., at Exposed Art Gallery, Main Square, 318 Delaware Avenue, 2nd Floor, Delmar, NY.

Legislative Gazette Advertisement

The Agency does not wish to place an advertisement in the Gazette at this time.

DATE OF NEXT IDA MEETING

The next regular IDA meeting will be held at Town Hall on Monday, January 22, 2007, at 8:00 a.m., in Room 101.

MOTION TO ADJOURN

A motion to adjourn was made by Mr. Messina, seconded by Mr. Richardson and unanimously approved by all members present.

Respectfully submitted: Deborah M. Kitchen