

## Bethlehem Industrial Development Agency

### **2022 Operations and Accomplishments**

The Bethlehem Industrial Development Agency (the “Agency”) is a public benefit Agency which operates in the Town of Bethlehem, New York. The Agency is classified by the New York State Authorities Budget Office as a public authority. The Agency's mission is to assist the Town in implementing the non-residential development components of the Plan by actively promoting, attracting, retaining and developing high quality jobs and capital investment in the Town with a focus on appropriate, economically sound and sustainable commercial, industrial, manufacturing, warehousing, educational, research and recreational facilities and projects. To secure expanded jobs and investment associated with such development, the Agency will provide to such projects technical and other assistance and financial assistance to such projects in accordance with Article 18-A of the General Municipal Law of the State of New York.

### **Financial Highlights**

The Agency’s net position increased by \$810,820 as a result of operations in 2022:

- Revenues increased by \$793,841 compared to 2021
- Expenses decreased \$6,266 compared to 2021

### **Agency Highlights**

**PROJECTS:** During 2022, the Agency completed several transactions launching various projects within the Town. Quite notably, the Town became a leader in attracting clean energy projects.

#### **1. Albany Port District Commission for Sales Tax Exemption totaling \$853,000**

Review and Approval of an Application of the Albany Port District Commission for Sales Tax Exemption totaling \$853,000. The project entails the development of an industrial zoned property into a port terminal with specialized infrastructure capable of supporting a new offshore wind tower manufacturing operation, that will be the first in the U.S.

Based on the economic impact analysis and assumptions developed, the total new jobs, earnings, and sales were calculated for Albany County. Assuming the maximum build out of the property to a 1.13 million square foot industrial facility, the Port of Albany Expansion Project has the potential to generate approximately 1,670 new jobs in Albany County, with \$102 million in new annual earnings for workers, and approximately \$295 million in new sales. The total economic impact includes “spinoff” economic activity that occurs in the County. Approximately one-out-of-three permanent jobs generated in the County as a result of annual operations will exist off-site at other businesses in Albany County.

The Project will also have a significant one-time construction impact, with the potential to

generate a one-time boost of between \$48.1 million and \$113 million in sales to the local economy. The total job impact from construction of the project is estimated to range from approximately 470 up to 1,100, including construction jobs and jobs in supporting industries in the local economy during the construction phase.

The analysis examined the local fiscal benefits that will be generated by the Project, including new property and sales tax revenue. The total annual fiscal benefits of the Project are estimated to range from between \$4.65 million to \$14.2 million, depending on the development concept selected. The most significant portion of these benefits will be realized by Albany County through new sales tax revenues and property tax revenues (directly from the project itself and new tax revenues generated off-site as a result of the economic impact of the project).

## **2. \$125 Million 400,000 square foot fuel cell manufacturing facility (Plug Power) at Vista Technology Park**

Review and Approval of an Economic Development Agreement with the County of Albany IDA pertaining to 125 Vista Boulevard/location of Plug Power to the Vista Technology Park.. The Project entails the following: (A) (1) the acquisition of an interest in a ±26.0 acre portion of an approximately 97.37 acre parcel of land located at 125 Vista Boulevard in the Town of Bethlehem, Albany County, New York (the “Land”), (2) the construction on the Land of a one-story building to contain approximately 200,000 square feet of warehouse space, a two-story building to contain approximately 50,000 square feet of office space and a one-story building to contain approximately 100,000 square feet of space and associated parking (collectively, the “Facility”), and (3) the acquisition and installation therein and thereon of certain machinery and equipment (the “Equipment”) (the Land, the Facility and the Equipment being collectively referred to as the “Project Facility”).

The Bethlehem IDA and Planning Department offered cooperation and support for the project which provided financial assistance with respect to providing exemptions from certain sales and use taxes, real property taxes, real property transfer taxes and mortgage recording taxes. Plug power has pledged to bring 1,625 jobs to the Tech Park and approximately \$120.9 million in associated new payroll in Albany County.

## **3. CHPE Transmission line economic development cooperation agreement**

Review and Approval of an Economic Development Agreement with the County of Albany IDA pertaining to CHPE LLC installation of electric transmission lines.

The Project includes the following: (A) (1) the acquisition of an interest or interests in various parcels of land spanning across 24.2 miles of land located in the Towns of Guilderland, New Scotland, Bethlehem, and Coeymans, and the Villages of Voorheesville and Ravena, Albany County, New York ( collectively, the "Land"), (2) the acquisition and installation of two five-inch diameter high-voltage direct current ("INDC") transmission

cables and the acquisition and installation of inverters and related equipment for a potential converter station to be located in the Town of New Scotland (the "New Scotland Converter Station") and associated substation and interconnection equipment ( collectively, the "Equipment"), and (3) the construction, installation and equipping on or under the Land of a fully-buried, up to 1,250- megawatt ("MW") INDC electric transmission line and related infrastructure and the construction, installation and equipping on the Land of the New Scotland Converter Station and associated substation and interconnection facilities (collectively, the "Improvements") (the Land, the Equipment and the Improvements hereinafter collectively referred to as the "Project Facility"), all of the foregoing to be used and operated by the Company as a portion of an electric power transmission line from the U.S.-Canada border to New York City; (B) the granting of certain financial assistance with respect to the foregoing, including potential exemptions from certain sales and use taxes, real property taxes, real property transfer taxes and mortgage recording taxes 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.

The Bethlehem IDA and Planning Department offered cooperation and support for the project which provided financial assistance with respect to providing exemptions from certain sales and use taxes, real property taxes, real property transfer taxes and mortgage recording taxes.

**4. Cannon Development/Burt Crane \$3,912,051 acquisition of Land on River Road for a new facility: \$535,000 of Sales tax, mortgage tax and real property tax abatement.**

Review and Approval of an application for Sales tax, mortgage tax and real property tax abatement pertaining to construction of a new warehouse facility for Cannon Development, LLC.

The Project includes the following: (A) (1) the acquisition of an interest in an approximately 26.83 acre parcel of land located on River Road in the Town of Bethlehem, Albany County, New York (tax map number 134.00-3-2) (the "Land"), (2) the construction on the Land of an approximately 28,000 square foot building and warehouse facility with related parking (the "Facility") and (3) the acquisition and installation therein and thereon of related fixtures, machinery, equipment and other tangible personal property (collectively, the "Equipment") (the Land, the Facility, and the Equipment being collectively hereinafter referred to as the "Project Facility"), all of the foregoing to constitute an industrial facility to be owned and operated by the Company as a crane and storage facility and any other directly and indirectly related activities; (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 property 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

## **5. Finke Enterprises, LLC refinance of Existing Mortgage**

Review and Administrative Approval of a Mortgage Refinance for Finke Enterprises, LLC. Finke had previously submitted an application to the Agency requesting financial assistance in connection with a project consisting of: (A) (1) the acquisition of an interest in a parcel of land containing approximately 17.0 acres consisting of 2 parcels located at 1565 & 1569 Route 9W (Tax ID # 133.00-1-38 and 133.00-1-39.15) in the Town of Bethlehem and the Hamlet of Selkirk, Albany County, New York (the “Land”), (2) the demolition of two existing buildings located on the Land and containing approximately 11,000 and 11,750 square feet of space respectively (collectively, the “Existing Facility”), (3) the construction on the Land of a building to contain approximately 56,000 square feet of space (the “Facility”), (4) the further construction on the Land of related parking and other infrastructure improvements (collectively, the “Improvements”) and (5) the acquisition and installation therein and thereon of related fixtures, machinery, equipment and other tangible personal property (collectively, the “Equipment”) (the Land, the Existing Facility, the Facility, the Improvements and the Equipment being collectively referred to as the “Project Facility”), all of the foregoing to be owned by the Company and leased to Robert H. Finke & Sons, Inc. (the “Tenant”) for use as a commercial facility for the sale, rental and repair of construction equipment and other directly and indirectly related uses; (B) the granting of certain financial assistance with respect to the foregoing, consisting of potential exemptions from certain sales taxes and mortgage recording taxes and real property taxes 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. The Project Facility has been leased by the Agency to the Company pursuant to the provisions of a certain lease agreement dated as of March 1, 2013 (the “Lease Agreement”).

The BIDA approved the refinance of the mortgage and continued the initial financial assistance benefits.

**ADMINISTRATION:** During 2022, the Agency continued to successfully establish and/or improve administrative processes, policies, Board training and project awareness, intra-agency relationships, and community outreach:

- Prioritized Transparency and Training for Board and Accountability for Projects
  - The Agency invested in a chrome book and a camera/microphone for continued livestreaming all meetings and posting the recordings on the website
  - Approved the purchase of a new cost benefit analysis tool to better analyze potential projects
  - Reviewed and purchased SIZEUP Business Planning Tool in partnership with the Bethlehem Chamber of Commerce
  - Performed site visits for Projects to ensure compliance
  
- Repealed, Created, or Updated Policies
  - Adopted amendments to the Uniform Tax Exemption Policy (UTEP) regarding fee schedule for projects
  - Revised bylaws to be gender neutral

- Reviewed current records of the Agency and Record Retention Policy as required by New York State law
  - Updated the current website to ensure compliance with New York State law
  - Initiated the design of a new website
- 
- Improved Inter-Agency and Stakeholders Relationships
    - Attended Albany County Alliance Quarterly Meetings
    - Attended Weekly Meetings with the Albany County Alliance and Town officials regarding the Plug Power Project