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RICHARD L. KAUFFMAN Chair

November 6, 2023

Hon. Thomas P. DiNapoli Comptroller of the State of New York 110 State Street Albany, New York 12236

Hon. Jeanette M. Moy, Commissioner New York State Office of General Services Corning Tower, 41st Floor Empire State Plaza Albany, New York 12242

Hon. Carl E. Heastie Speaker of the New York State Assembly Legislative Office Building, Room 932 Albany, New York 12248 Hon. Blake Washington, Director State of New York Division of Budget State Capitol Building 128 Albany, New York 12207

Hon. Andrea Stewart-Cousins Temporary President and Majority Leader of the New York State Senate Room 330, State Capital Building Albany, New York 12247

Hon. Jeffrey Pearlman, Esq., Director State of New York Authorities Budget Office P.O. Box 2076 Albany, New York 12220-0076

Re: New York State Energy Research and Development Corporation Notice of Disposition of Property by Negotiation

To Whom It May Concern:

Pursuant to Section 2897(6)(d) of the New York State Public Authorities Law ("PAL"), the following explanatory statement ("Statement") is being provided at least ninety (90) days prior to the disposal of property by negotiation.

EXPLANATORY STATEMENT

New York State Energy Research and Development Authority ("NYSERDA") entered into a Purchase and Sale Agreement with Jersen Construction Group, LLC ("Jersen") dated as of April 4, 2023 (the "Purchase and Sale Agreement"), as amended by the First Addendum To The Purchase And Sale Agreement dated August of 2023 (the "Addendum" and collectively with the Purchase and Sale Agreement, the "Agreement") whereby Jersen agreed to purchase approximately 24.3 acres of land located within an approximate 259.97 acre parcel having a tax account number of 230.-1-75.11 within NYSERDA's Saratoga Technology + Energy Park ("STEP") at Hermes Road, Town of Malta, Saratoga County, State of New York (the "Premises").

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The parties have agreed on a purchase price of One Million Three Hundred Thousand US Dollars (\$1,364,674.00), which represents the fair market value of the Premises as of the date of the Agreement based upon an independent appraisal (the "Purchase Price").

STEP consists of 280 acres of land and has its roots in NYSERDA's previous incarnation as the State Atomic and Space Development Authority (ASDA). This land had been used for rocket testing and space research activities. The site was renamed the Saratoga Research and Development Center, and it continued to be used for various federal space-related and weapons testing work by federal contractors. In 1975, when NYSERDA was created, NYSERDA assumed ownership of the property and changed the site's mission to energy research and development.

STEP has been developed as a public-private partnership with NYSERDA providing the infrastructure and private developers improving and developing individual lots. NYSERDA entered into ground leases with the site developers that reimbursed NYSERDA's infrastructure development costs. NYSERDA's current role at STEP is predominately as the owner and landlord of the property; NYSERDA does not now, nor does it expect to, conduct any of its own activities at STEP, and otherwise NYSERDA's mission has moved away from holding and managing property.

Subsequent to an internal review, NYSERDA has concluded that management of the STEP site is not a core component of NYSERDA's current overall mission and is not within the core competency of existing NYSERDA staff. NYSERDA has reviewed several options for future development at STEP, including revising NYSERDA's management of the site, engaging a master developer to carry out activities at the site, or selling the site. After this review, NYSERDA has determined that a sale of STEP is in the Authority's best interests on behalf of the people of the State, with the net proceeds from the sale being deployed against the Authority's clean energy mission. As a result of this determination, the STEP site was listed for sale by CBRE-Albany on the Multiple Listing Service ("MLS").

The proposed sale of STEP, in one or more transactions, is within the purpose, mission and enabling legislation of NYSERDA. Additionally, NYSERDA obtained a broker and had the land at STEP listed on MLS to obtain as much competition as possible. Therefore, the sale of land at STEP is exempted from publicly advertising for bids pursuant to PAL §2897(6)(c)(v), including, but not limited to, the proposed disposition of the Premises. Specifically, pursuant to and in accordance with Section 1854(6)(a) of the Public Authorities Law and as stated in Resolution No. 1485 of 2017, as modified by the Amended and Restated Resolution No. 1518 of 2018, NYSERDA determined that it is necessary or appropriate to dispose of all of NYSERDA's right, title and interest in the real and personal property of STEP in one or more transactions to further the public's interest in safe, reliable and economical energy supplies. NYSERDA resolved that the net proceeds from such sale or sales of STEP property shall be redirected to NYSERDA's programs and initiatives aligned with NYSERDA's mission to further safe, reliable and economical energy supplies.

In accordance with the applicable provisions of PAL and Policy Guidance No. 15-13 issued by the State of New York Authorities Budget Office, the following additional details regarding the Disposition are provided:

1) <u>Description of the Parties Involved in the Property Transaction</u>

The parties to the Agreement for the proposed disposition of the Premises are NYSERDA, a public authority of the State of New York, constituting a public benefit corporation, established pursuant to Title 9 of Article 8 of the Public Authorities law, and Jersen Construction Group, LLC, a New York State limited liability company.

2) <u>Justification for Disposing of the Property by Negotiation</u>

Jersen agreed to acquire the Premises from NYSERDA, which has been seeking to divest itself from the ownership and management of STEP. NYSERDA is exempt from publicly advertising for bids pursuant to PAL §2897(6)(c)(v) as the Disposition (i) is within NYSERDA's purpose, mission and enabling legislation and (ii) was listed on MLS by CBRE-Albany to obtain as much competition as feasible. As provided above, pursuant to and in accordance with Section 1854(6)(a) of the Public Authorities Law and as stated in Resolution No. 1485 of 2017, as modified by the Amended and Restated Resolution No. 1518 of 2018, NYSERDA determined that it is necessary or appropriate to dispose of all of NYSERDA's right, title and interest in the real and personal property of STEP in one or more transactions to further the public's interest in safe, reliable and economical energy supplies. NYSERDA resolved that the net proceeds from such sale or sales of STEP property shall be redirected to missions aligned with NYSERDA's programs and initiatives that further such safe, reliable and economical energy supplies.

3) Identification of Property, Including Its Location

The real property being proposed for disposition is land located within STEP at Hermes Road, Town of Malta, Saratoga County, State of New York consisting of an approximate 24.3 acre portion of an approximate 259.97 acre parcel of land having a tax account number of 230.-1-75.11.

4) <u>Estimated Fair Market Value of the Property</u>

The fair market value of the Premises is \$1,364,674.00 based upon an independent appraisal.

5) Proposed Sales Price for the Property

The purchase price for the Premises is One Million Three Hundred Sixty-Four Thousand Six Hundred Seventy-Four and 0/100 Dollars (US\$1,364,674.00).

6) Size of the Property

24.30 + /- acres

7) Expected Date of the Sale of the Property

Settlement of the purchase and sale of the Premises shall not occur until ninety (90) days from the date of this notice has lapsed.

Any questions or comments relating to the Disposition may be sent to NYSERDA at the address noted on the first page hereof, Attention: Kevin L. Hunt.

Sincerely,

NEW YORK STATE ENERGY RESEARCH AND DEVLOPMENT CORPORATION

dover M. Harris

By: Doreen M. Harris Title: President & CEO