

RENSSELAER COUNTY
INDUSTRIAL DEVELOPMENT AGENCY

1600 Seventh Avenue
Troy, New York 12180
(518) 270-2914, 270-2981, fax

Cynthia A. Henninger, Chair

Robert L. Pasinella, Jr., Director


December 6, 2021

State of New York
Authorities Budget Office
PO Box 2076
Albany, NY 12220-0076

Dear Sir or Madame:

Enclosed please find our notice submitted pursuant to Public Authorities Law Section 2897 (6) (d). Should you have any questions or require further information, please contact me or my assistant, Melissa Gregware at (518) 270-2914.

Sincerely,


Robert L. Pasinella, Jr.
Executive Director

Authorities Budget Office
DEC 30 2021
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To: The Authorities Budget Office; NYS Comptroller; NYS Senate; NYS Assembly; NYS Director of the Budget; NYS Commissioner of General Services
From: Rensselaer County Industrial Development Agency
Dated: December 1, 2021

Pursuant to Public Authorities Law Section 2897 (6) (d), the Rensselaer County Industrial Development Agency hereby gives notice that it proposes to sell by negotiation the following described property:

Approximately 4.16 acres- Tax Map ID 111.59-1-3 in the South Troy Industrial Park, South Troy, NY.

The circumstances of the negotiated sale are as follows:

The Rensselaer County Industrial Development Agency purchased a contaminated former heavy-industrial site, now known as the South Troy Industrial Park, in May 1990, for redevelopment for industry and commerce, to promote job growth in the City of Troy and Rensselaer County. Several parts of the original parcel have been sold off over the years. This 4.16 acre parcel is part of the remainder.

An extensive environmental remediation of the site was completed in 2016, under the supervision of the NYS Department of Environmental Conservation. The remediation consisted primarily of installation of barrier fabric and a layer of clean soil on top of the contaminated soil. At the completion of the remediation the IDA gave an environmental easement to the State of New York which severely restricts the future use of the property, restricts the disturbance of the clean soil and barrier fabric and imposes substantial monitoring and reporting requirements.

An independent appraisal of the value of the property was performed which showed an estimated fair market value of the parcel of \$64,889 per acre, which would equate to \$269,938.24 for the 4.16 acre parcel which is the subject of this proposed sale. The appraisal of the property did not take into account any reduction in value due to the burden of the environmental easement.

The property was advertised for sale for two years and proposals actively solicited. No bids were received. The above referenced environmental easement to the State of New York severely limits the field of potential purchasers.

Subsequently, Troy Materials Group, Inc., which has commercial operations on adjacent property approached the IDA about purchasing the IDA's 4.16 acre property for the purpose of expanding its operations in the Industrial Park. It is believed that the expansion will assure retention of this important employer and it is hoped to bring an increase number of jobs to the operation, and this proposed sale would be in furtherance of, and consistent with the purpose and mission of the Rensselaer County Industrial Development Agency to retain and grow employment in the County. The proposed purchaser is anxious to proceed with its business expansion and is ready to purchase the property 90 days after the giving of this notice.

Troy Materials Group has offered to pay the Rensselaer County Industrial Development Agency \$270,000 for this 4.16 acre parcel. The offered purchase price is slightly more than the \$269,938.24 appraised fair market value of the parcel. Again, it is worth noting that the appraisal did not take into account any reduction in value due to the environmental easement, and did not take into account the reduced pool of potential buyers due to the restrictions and burdens imposed by the easement. The IDA believes that the proposed purchaser's interest in this parcel, and its willingness to pay the full appraised value, is due solely to the fact that it is adjacent to other property owned by the proposed purchaser and it is convenient for expansion of its operations. Absent those two factors, it is unlikely the proposed purchaser, like so many others, would have any interest in this parcel. The IDA Board has found that there is no reasonable alternative to the negotiated sale in that substantial efforts to attract other buyers were fruitless, and the IDA Board finds that this sale at full market value meet all of the Board's objectives.

The Rensselaer County Industrial Development Agency proposes to make this sale by negotiation for the following reasons:

1. The resultant development of the property by the proposed purchaser will result in job retention and presumably will produce job growth in the county, and thus be in furtherance of the purpose and mission of the Rensselaer County Industrial Development Agency.
2. The property has proven difficult to sell at any price because of its contaminated nature, the environmental easement held by the State of New York, and the attendant restrictions and obligations imposed upon any purchaser.
3. No formal bids for the parcel were received after public advertising and solicitation for offers.
4. The price offered fully equates with the appraised fair market value of the property, despite the fact that the appraisal did not take into account the burden of the environmental easement thereon.