



April 19, 2019

Mr. Shane Klein  
Theta Institute  
2 Heartbreak Hill  
Ipswich, Massachusetts, 01938

**RE: Saratoga Partnership letter of engagement with the Theta Institute**

Dear Mr. Klein,

Thank you for the opportunity to work with Theta Institute on your proposed acquisition of the former McGregor Correctional Facility in the Towns of Wilton, Moreau, and Corinth. The Saratoga County Prosperity Partnership is the designated economic development agency of Saratoga County, NY and the first point of contact for business retention, expansion and attraction. We provide a seamless delivery of economic and workforce development assistance for businesses seeking to start-up and expand in Saratoga County.

The Saratoga County Prosperity Partnership team is prepared to assist the Theta Institute with the following economic development project management services:

- We will help the Theta Institute connect with strategic partners in our region, including regional colleges and universities.
- Help the Theta Institute find a suitable location in the region to run classes on a preliminary basis until the site is redeveloped and ready for occupancy.
- As a 501c3 local development corporation, the Saratoga Partnership can facilitate or apply for grants, incentives, or loans on your behalf to bring your project to fruition.
- Assistance with municipal approvals for your project.
- Connections to Utility Providers
- Assistance applying for workforce training programs for students attending Theta Institute programs.
- We can provide site location assistance and help market your site to prospective businesses.
- We can facilitate foreign direct investment with our Global Markets Program.
- We can assist with Foreign Trade Zone.
- Assistance applying for tax abatement incentives with the Saratoga County Industrial Development Agency.



There are many ways that we can assist your project and once you begin your due diligence on the site, we are here to provide a seamless delivery of support and services to ensure that the Theta Institute brings economic vitality back to this site.

It is our mission to grow jobs and attract capital investment to Saratoga County and economic development services are underwritten by the Saratoga County Board of Supervisors. Any administrative fees charged, including fees from Industrial Development Agencies, will be refunded back to your business because it is our mission to support your growth. We look forward to working with your team.

Best,

A blue ink signature of Martin K. Vanags.

MARTIN K. VANAGS, CEeD, *President*

A black ink signature of J. Shelby Schneider.

J. SHELBY SCHNEIDER, *Vice President*



## TEAM BIOS

### **Marty Vanags, CEeD President**

[Marty.Vanags@saratogapartnership.org](mailto:Marty.Vanags@saratogapartnership.org) | 518.871.1887

In May of 2015, Vanags assumed the position of President of the Saratoga County Prosperity Partnership, the designated economic development organization for Saratoga County. As President, Vanags is responsible for leading an economic development organization that will be proactive in seeking out new investment for Saratoga County. A 25-year economic development veteran, Marty recently earned the designation of Certified Economic Developer (CEeD) by the International Economic Development Council. He is responsible for seeking new investment in and for our region, using the organization's comprehensive two-year plan, The Saratoga Strategy, as a roadmap. Mr. Vanags received his B.S. in Political Science from Illinois State University and his Masters in Public Administration from Northern Illinois University.

### **Shelby Schneider, Vice President**

[Shelby.Schneider@saratogapartnership.org](mailto:Shelby.Schneider@saratogapartnership.org) | 518.281.3817

Ms. Schneider has extensive background serving the public, private and not-for-profit sectors of Saratoga County and the Capital Region and has been working in economic development since 2000. Schneider currently serves as Vice President and recently returned to economic development in Saratoga County after spending two and a half years managing national marketing for Shmaltz Brewing Company, a locally produced, nationally distributed brewer of award-winning craft beer. Before joining Shmaltz, Schneider worked at the Saratoga Economic Development Corporation (SEDC), where she served in the roles of Marketing Director and Economic Development Specialist, and Empire Zone Coordinator where she managed a New York State economic development incentive program on behalf of the Saratoga County Board of Supervisors.

Schneider is a member of the Saratoga, Warren, and Washington County Workforce Development Board, an appointed member of the New York State Workforce Investment Board, where she serves on the Executive Committee and chairs the Significant Industries Committee. She was recently appointed to the Camp Chingachgook Advisory Council. She earned her BS in Management and Business Administration from Skidmore College in Saratoga Springs, New York and is a Leadership Saratoga Alumni.

### **Mary Estelle Ryckman, Global Markets Advisor**

[Mary.ryckman@saratogapartnership.org](mailto:Mary.ryckman@saratogapartnership.org) | 518.338.2822





**Mary Estelle Ryckman** spent 30 years developing trade and investment policy and negotiating international agreements in a variety of senior U.S. government positions, has joined the Saratoga Partnership as a global markets advisor, business retention and expansion specialist. In that role, she will provide critical guidance to assist businesses in addressing significant changes in U.S policies affecting global trade.

During her career at the Office of the U.S. Trade Representative, Ryckman held numerous positions, including Senior Policy Advisor, Assistant U.S. Trade Representative for Trade and Development, and Deputy Assistant U.S. Trade Representative for Canada. She has extensive negotiating experience in the GATT/WTO, APEC, the OECD, and Trans-Pacific Partnership; free trade agreements including NAFTA, Central America, Chile, and Peru; trade dispute resolution; and bilateral investment treaties. In addition, she helped implement President Obama's effort to normalize relations with Cuba, developed strategic policy priorities for the National Export Initiative and the Global Development Strategy, and was a member of the White House Council on Women and Girls.

## EXECUTIVE SUMMARY

### Saratoga County, New York

Saratoga County, New York is located at the crossroads of Northeast North America and strategically located in the center of New York's Tech Valley. Less than 200 miles from New York City and Boston, and 225 miles from Montreal, its strategic location gives the region its place in history as an early transportation, trade and industrial center. Saratoga County's economy is diverse and ranges from family farms and agribusiness, manufacturing and logistics, entrepreneurial high-tech start-ups and a burgeoning international semiconductor and microelectronics industry sector.



## ECONOMIC DEVELOPMENT INCENTIVES

Saratoga County, New York is one of the lowest taxed counties in New York State, with abundant resources to start and expand a business. The state of New York also has a host of economic development resources to assist businesses including: tax-based incentives, resources and training for entrepreneurs and businesses looking to expand, industry/university partnerships fostering the development of innovative technologies and products, and the financial support needed to help businesses grow.

### Local Industrial Development Agencies

- Saratoga County Industrial Development Agencies (SCIDA) has the ability to offer tax incentive programs that provide a major savings on the following;
  - 1) real estate property taxes - savings through a PILOT (payment in lieu of taxes) provides savings on County, municipal and school taxes based upon the value added by new construction or major renovation,
  - 2) sales tax savings (7%) on the purchase of non-production equipment and construction materials, and
  - 3) a mortgage recording tax exemption of the 1% mortgage recording fee.
  - 4) **The Saratoga County Prosperity Partnership will refund the administration fee for the project which is roughly ½% of the total project cost.**



### **Empire State Development (ESD) Capital Grants Program**

- Capital grants are available from the State of New York through Empire State Development for any company investing in job creation and or corporate infrastructure.

### **Empire State Development (ESD) Excelsior Tax Credit Program**

- The Excelsior Jobs Program provides job creation and investment incentives to firms in targeted industries such as biotechnology, pharmaceutical, high-tech, clean-technology, green technology, financial services, agriculture and manufacturing that create and maintain new jobs or make significant financial investment are eligible to apply for up to four new tax credits over a benefit period of up to 10 years.
  - Excelsior Jobs Tax Credit: A credit of 6.85% of wages per net new job.
  - Excelsior Investment Tax Credit: Valued at 2% of qualified investments.
  - Excelsior Research and Development Tax Credit: A credit of 50% of the Federal Research and Development credit up to six percent of research expenditures in NYS.
  - Excelsior Real Property Tax Credit: Available to firms locating in certain distressed areas and to firms in targeted industries that meet higher employment and investment thresholds (Regionally Significant Project).

### **STARTUP NY**

- Program provides tax incentives for new and expanding businesses the opportunity to operate tax-free for 10 years on or near eligible university or college campuses in New York State.
  - Business tax-free New York area elimination credit - 100% of their operations (assets and payroll) in a tax-free area(s), the credit would eliminate any tax liability.
  - Excise Tax on Telecommunication Services – eliminated for the business on telecommunication services for services rendered within the tax-free area.
  - Metropolitan Commuter Transportation District (MCTD) mobility tax - A business is 100% located in a tax-free area within the MCTD, would be exempt
  - Sales and use tax - A credit or refund for sales, and use taxes paid for goods and services used or consumed by the business's operation in a tax-free area(s).
  - Real estate/Real property transfer tax - business are exempt from the New York State real estate transfer tax. This exemption also applies to any local real estate or real property transfer tax imposed locally.
  - No Personal income taxes (New York State, New York City, Yonkers) - Employees hired for and whose jobs are certified as net new jobs in a tax-free area will pay no state or local income taxes for the first five years. an annual cap per business on the number of employees that qualify for this exemption and an annual cap





### **New York State Energy Research and Development Agency (NYSERDA) Rebate Programs**

- New York State through NYSERDA offers rebate programs to companies to reduce the upfront costs of, building in, the most energy efficient processes.

### **New York State Taxes on Manufacturers:**

- The tax on the entire net income base on manufacturers to 0%.
- Manufacturers are exempt from paying sales tax on machinery and equipment.

### **Training Incentives**

- Tax Credits may be awarded for costs associated with an eligible training program for current and new employees, or for internship programs for current students, recent graduates and recent members of the armed forces.
  - Employee Training Incentive Program – a credit of 50% of eligible training costs, up to \$10,000 per employee receiving eligible training.
  - Internship Program – a credit of 50% of the stipend paid to an intern up to \$3,000 per intern.
- New York State, the New York State Department of Labor (DOL), and multiple local government programs, offer incentives to significantly reduce the cost of training new employees for both new and existing companies in New York. The On the Job Training Programs in New York State can reduce the cost of training a new employee by up to 80%. This program also offers a free recruiting service for filling vacancies within the company.

### **New York State Electric & Gas (NYSEG)/National Grid/National Fuel**

- Up to \$500,000, on a per-project basis, to encourage the redevelopment of a brownfield site or vacant building. Funds are to be used for electric-related infrastructure improvements and may not be used for the remediation of the site.
- Up to \$400,000, on a per-project basis, for new electric-related facilities for existing or prospective customers with load of 100 kilowatts or more – if a minimum of \$1 million has been invested in a new or expanding facility.
- Up to \$200,000 per project for capital investments of \$500,000 or more; to fund electric-related improvements on either Utility-owned or customer-owned equipment. Minimum monthly incremental demand after improvements must be at least 50 kilowatts.
- Up to \$100,000 per project for smaller farms toward electric-related infrastructure improvements on either Utility-owned or customer-owned (as directed by the Utility) equipment. Each project must involve capital investment of at least \$50,000 and have a monthly incremental electric demand after capital investment of at least 25 kilowatts.



- Up to \$200,000 per project for manufacturing or certain non-retail commercial customers making a minimum capital investment of at least \$100,000 and increasing gas usage by at least 20 therms per hour.
- The Utility, in consultation with the customer and/or their representatives, will pay up to 50% of equipment costs required for power reliability or quality improvements to be installed behind the meter with a maximum contribution of \$100,000.
- Regional Utility Companies also have economic development programs, including grant funding to lower or eliminate the cost of utility infrastructure, which may be imposed, if improvements to that infrastructure are required to serve the customer's electric and/or gas loads. Discounted electric and gas delivery discounts are available to Excelsior Jobs Program qualified, new or expanding manufacturers. Manufacturers in NYs are exempt from sales tax on energy delivery in production areas of their facilities.