

**TOWN OF GUILDERLAND INDUSTRIAL DEVELOPMENT AGENCY  
LEASE/LEASEBACK TRANSACTION  
A. PHILLIPS HARDWARE, INC. PROJECT**

**I. PROJECT IDENTIFICATION:**

1. Project Applicant: A. Phillips Hardware, Inc., a New York business corporation (the "Company").
2. The Project:
  - (A) Project Site: the acquisition of an interest in a parcel of land containing approximately 4.5 acres and located at 6495 State Route 158 in the Town of Guilderland, Albany County, New York (the "Land"), together with the existing improvements located thereon containing approximately 7,000 square feet of space (the "Existing Facility").
  - (B) Construction: the demolition of the Existing Facility, and the construction on the Land of approximately two (2) new buildings to range in size from approximately 4,000 to 15,000 square feet of space (collectively, the "Facility").
  - (C) Acquisition of Equipment: the acquisition and installation therein and thereon of certain machinery and equipment (the "Equipment") (the Land, the Existing Facility, the Facility and the Equipment hereinafter collectively referred to as the "Project Facility").
  - (D) Lease: The Project Facility will be leased by the Agency to the Company pursuant to a lease agreement (the "Lease Agreement") by and between the Agency and the Company, which Project Facility will be owned and operated by the Company as a hardware store facility, together with ancillary facilities consisting of a gas station, convenience store and quick food shop.

**II. PRIOR ACTION ON PROJECT:**

3. Preliminary Proceedings:
  - (A) Public Hearing Resolution: adopted on January 29, 2019.
  - (B) Public Hearing:
    - (1) Mailed to Affected Taxing Jurisdictions: February 15, 2019.
    - (2) Date Posted: February 15, 2019 (on Town Bulletin Board and Agency website).
    - (3) Published in the Times Union on February 18, 2019.
    - (4) Date of Public Hearing: February 28, 2019.
    - (5) Location of Public Hearing: the Town Board Legislative Chambers Room at the Guilderland Town Hall located at 5209 Western Turnpike in the Town of Guilderland, Albany County, New York.
    - (6) Original Public Hearing scheduled for February 12, 2019 was cancelled due to inclement weather.

**III. PROPOSED AGENCY ACTION ON MARCH 11, 2019:**

4. SEQR Resolution: Confirming Negative Declaration (Town Zoning Board Appeals issued a Negative Declaration on February 15 2017).
5. Commercial Findings Resolution: determining that the Project, while a retail project, qualifies for assistance by the Agency.

6. Approving Resolution: Approving the Project and the proposed financial assistance.

**IV. DETAILS OF PROPOSED STRAIGHT LEASE TRANSACTION:**

7. Relationship of Agency to Company: The Agency will acquire, construct and install the Project Facility and lease the Project Facility to the Company pursuant to the Lease Agreement.
8. Business Terms:
  - (A) Agency fee equal to 1/2 of 1% of the Project Cost.
  - (B) The Agency will grant to the Company exemptions from sales and use taxes, real estate transfer taxes and mortgage recording taxes.
  - (C) The Agency will enter into a Uniform Agency Project Agreement with the Company regarding employment levels and completion of the Project. The Uniform Agency Project Agreement will provide the following: (a) the Company must complete the Project and maintain certain employment levels, (b) the term of the agreement will be approximately 5 years, and (c) the failure to comply with the terms of the agreement during the 5 year period will result in a "claw-back" of the assistance relating to the Project.
9. Basic Documents:
  - (A) Underlying Lease from the Company to the Agency.
  - (B) License Agreement from the Company to the Agency.
  - (C) Bill of Sale to Agency.
  - (D) Lease Agreement by and between the Company and the Agency.
  - (E) Uniform Agency Project Agreement by and between the Company and the Agency.
10. Proposed Closing Date: March 12, 2019.
11. Special Agency Counsel: Hodgson Russ LLP, Albany, New York.