

**Jefferson County Industrial Development Agency**  
800 Starbuck Avenue, Suite 800  
Watertown, New York 13601  
Telephone: (315) 782-5865 or (800) 553-4111 Facsimile (315) 782-7915  
www.jcida.com

---

## **Board Meeting Rescheduled**

**Date:** February 8, 2019

**To:** Chairman David Converse  
John Jennings  
Robert Aliasso  
W. Edward Walldroff  
Paul Warneck  
William Johnson  
Lisa L'Huillier

**From:** Donald C. Alexander

**Re:** Rescheduled Board of Directors' Meeting

=====

The Jefferson County Industrial Development Agency will hold their Board Meeting on **Thursday, February 14, 2019 at 8:30 a.m.** in the board room at 800 Starbuck Avenue, Watertown, NY.

Please confirm your attendance with Peggy Sampson [pssampson@jcida.com](mailto:pssampson@jcida.com) at your earliest convenience.

pss

c: David Zembiec  
Lyle Eaton  
Joseph Russell, Esq.  
Media

**Jefferson County Industrial Development Agency**  
800 Starbuck Avenue, Suite 800  
Watertown, New York 13601  
Telephone: (315) 782-5865 or (800) 553-4111 Facsimile (315) 782-7915  
www.jcida.com

---

**BOARD MEETING AGENDA**  
**Thursday, February 14, 2019 - 8:30 a.m.**

- I. Call to Order**
- II. Pledge of Allegiance**
- III. Privilege of the Floor**
- IV. Minutes of the Meeting of January 3, 2019**
- V. Treasurer's Report – as of January 31, 2019**
- VI. Committee Reports**
  - a. Loan Review**
    - i. Consider Resolution Number 02.14.2019.01 for Jamie Hubbard & Jessica Williams - The Sandwich Bar**
- VII. Unfinished Business**
- VIII. New Business**
  - 1. Consider Resolution Number 02.14.2019.02 for Amended Engagement Agreement with Barclay Damon**
- IX. Counsel**
  - 1. Consider Authorizing Resolution Number 02.14.2019.03 for Turning Point LLC**
- X. Adjournment**

**Jefferson County Industrial Development Agency  
Board Meeting Minutes  
January 3, 2019**

**DRAFT**

The Jefferson County Industrial Development Agency held their board meeting on Thursday, January 3, 2019 in the board room at 800 Starbuck Avenue, Watertown, NY.

**Present:** David Converse, Chair, John Jennings, William Johnson, W. Edward Walldroff, Paul Warneck, Robert E. Aliasso, Jr., Lisa L'Huillier

**Also Present:** Joseph Russell, Esq., Christine Powers, Kent Burto, and Marcus Wolf of the Watertown Daily Times

**Staff Present:** Donald Alexander, David Zembiec, Lyle Eaton, Peggy Sampson

**Excused:** None

**Absent:** None

- I. Call to Order:** Mr. Converse called the meeting to order at 8:15 a.m.
- II. Privilege of the Floor:** Mr. Converse invited guests to speak. No one spoke.
- III. Minutes:** Minutes of the regular meeting held December 13, 2018 were presented. A motion to approve the minutes as presented was made by Mr. Aliasso, seconded by Mr. Jennings. All in favor. Carried.
- IV. Treasurer's Report:** Mr. Aliasso reviewed the financials for the period ending December 31, 2018 along with the delinquent loans. Mr. Aliasso indicated that discussion regarding the Metro Paper delinquent PILOT payments should be revisited in March. Mr. Eaton reported that Wright Brothers is still behind. Mr. Aliasso suggested that it may be time to revisit this loan. Mr. Eaton pointed out that the WLDC is lead agency and that Don Rutherford should be a part of the meeting.

It was noted that Mr. Rick's Bakery is behind. Mr. Eaton indicated that it may be seasonal. Ms. Powers said that their business may see an increase since Alteri's Bakery recently closed.

After discussion, a motion was made by Mr. Aliasso to accept the financial report of December 31, 2018 as presented, seconded by Mr. Johnson. All in favor. Carried.

- V. Committee Reports:** None.
- VI. Unfinished Business:**
  - 1. William Gaudette - Above Reality Virtual Sports Complex 90-day Bridge Loan** – Mr. Alexander provided project background. He said that the Board previously approved a \$40,000 participation loan with the Watertown Local Development Corporation as lead lender, but indicated that the WLDC is taking a mortgage on the Gaudettes house which has resulted in a closing delay. Mr. Gaudette thought that he would be able to close sooner to take advantage of pricing to purchase the simulators which is only good until the end of

**Jefferson County Industrial Development Agency  
Board Meeting Minutes  
January 3, 2019**

**DRAFT**

January. It was noted that Mr. Gaudette was declined by Community Bank for a personal loan for which he applied, because the Bank thought that they would be behind the public agencies for the collateral position. Mr. Eaton said that would not be the case.

A request for a \$53,290 bridge loan to purchase simulators at 5%, interest only, not to exceed 120 days or due at closing, whichever comes first. The IDA will have a first position on the equipment and a personal guarantee of William Gaudette. Attorney Russell said that there is a risk if the loan does not close. Mr. Aliasso pointed out that the request did not go to Loan Review because of the timing issue. After review and discussion, a motion was made by Mr. Aliasso to approve the bridge loan as outlined above, seconded by Mr. Johnson. All in favor. Carried.

**VII. New Business:** None.

**VIII. Counsel:**

- 1. Recapture Policy** – Attorney Russell said that he massaged the draft policy and amplified revisions on the sales tax recapture section. Attorney Russell and Board Members agreed that material factors of a project should be included in the approving resolution. Mr. Aliasso asked if there is a recap at the end of each year besides the PARIS report on our website. Mr. Zembiec said that staff analyzes the data received for each project and would alert the Board if a problem arises.

After review and discussion, a motion was made by Mr. Aliasso to approve the proposed recapture policy as presented, seconded by Mr. Jennings. All in favor. Carried.

Other –

Metro Paper – Mr. Warneck asked about the Metro Paper PILOT. Mr. Eaton said that the PILOT is due September 1<sup>st</sup> of each year, said that there are two delinquent PILOT payments, and indicated that this is the last year of the PILOT. Mr. Warneck asked if there is any progress in moving it along for PettaWatt to move in the facility. Mr. Alexander said that PettaWatt has temporarily moved into the facility already and they are arranging a meeting regarding the sewer/water issues. Mr. Warneck asked if staff has identified other locations to keep them in Jefferson County. Mr. Zembiec said yes. Mr. Alexander said that if the Metro Paper facility does not work, we will assist where we can.

Turning Point LLC – Mr. Aliasso asked if the approving resolution will be ready to be considered at the February meeting. Mr. Zembiec said that he will be meeting with County officials soon and noted that Attorney Russell will schedule the public hearing; therefore, it should be ready.

**IX. Adjournment:** With no further business before the board, a motion to adjourn was made by Mr. Aliasso, seconded by Mr. Walldroff. All in favor. The meeting adjourned at 8:55 a.m.

**JEFFERSON COUNTY INDUSTRIAL DEVELOPMENT AGENCY  
Resolution Number 02.14.2019.01**

**RESOLUTION FOR AUTHORIZING A MICRO ENTERPRISE LOAN TO  
Jamie Hubbard & Jessica Williams – The Sandwich Bar**

**WHEREAS**, Jamie Hubbard and Jessica Williams requested by application to this Agency a Micro Enterprise Loan in the amount of Nineteen Thousand Dollars (\$19,000.00) to establish a Sandwich Bar in Sackets Harbor, NY, and

**WHEREAS**, Staff reviewed this request and recommended approval of a loan in the amount of \$19,000 for a five year amortization with a rate of 5%. Personnel will consist of the two owners and 4 others in year one, and 2 additional employees in year two. Collateral will be a co-proportional first position on the equipment (estimated to be \$15,674 new --net value estimated to be \$7,500), a first position lien on all other assets of the business, and personal guarantees of the owners. Approval of the loan is contingent upon participation by the Sackets Harbor Local Development Corporation for \$19,000, and

**WHEREAS**, on January 29, 2019 the Loan Review Committee of the Jefferson County Industrial Development Agency reviewed this request and recommended approval of the loan and terms to the full Board of Directors, and

**NOW, THEREFORE, BE IT RESOLVED**, by the Board of Directors of the Jefferson County Industrial Development Agency that it herein approved the request for a Nineteen Thousand Dollar (\$19,000.00) loan to Jamie Hubbard and Jessica Williams for The Sandwich Bar with all terms and conditions as set forth in this Resolution, and be it further,

**RESOLVED**, that the Chairman, Vice Chairman, Secretary and/or Chief Executive Officer are authorized and directed to execute any and all documents necessary to carry out the purposes of this Resolution.

This resolution shall take effect immediately.

---

Donald C. Alexander  
CEO

**DRAFT**

**Jefferson County Industrial Development Agency**

Resolution Number 02.14.2019.02

RE: Increasing rate for legal services.

At a regular meeting of the **Jefferson County Industrial Development Agency** convened on Thursday February 14, 2019 at 8:30 a.m.

The following resolution was duly offered and seconded, to wit:

RESOLUTION OF THE JEFFERSON COUNTY INDUSTRIAL DEVELOPMENT AGENCY (the "Agency") TO INSTRUCT THE AGENCY'S CEO TO CONSUMATE AN AMENDED 'ENGAGEMENT AGREEMENT' WITH THE BARCLAY DAMON LAW FIRM (FORMERLY THE MENTER LAW FIRM) OF SUITE 500, 120 WASHINGTON STREET, WATERTOWN, NEW YORK TO PROVIDE LEGAL SERVICES TO THE AGENCY AND GENERAL COUNSEL SERVICES TO THE TWO OTHER RELATED ORGANIZATIONS (JEFFERSON COUNTY LOCAL DEVELOPMENT CORPORATION AND JEFFERSON COUNTY CIVIC FACILITY DEVELOPMENT CORPORATION).

WHEREAS: The **Jefferson County Industrial Development Agency** has, as its mission, the furtherance of economic development activities,

WHEREAS: One of the major considerations when conducting economic development throughout the community is to ensure that all matters pertaining to the Agency's work be done in accordance will all legal and ethical provisions as may be deemed appropriate, and

WHEREAS: The **Jefferson County Industrial Development Agency** has had an agreement with the Menter Law Firm---and this Firm was recently acquired by the Barclay Damon Law Firm---to provide legal service, and

**DRAFT**

WHEREAS: The Attorney of Record for the Barclay Damon Firm Joseph Russell has requested an increase in the monthly retainer fee from \$750.00 to \$1,000.00 and the effective hourly rate for other than routine Agency business from \$250.00 to \$275.00, and

WHEREAS; the current legal service provision rates have been in effect for in excess of three years, and

WHEREAS: during the intervening period, Attorney Russell and the Barclay Damon Firm have performed all legal services in accordance with our agreements, and

WHEREAS: The **Jefferson County Industrial Development Agency** has been provided an Engagement Agreement with the new rates as stipulated in this Resolution and satisfactory to the Agency and it's CEO,

NOW THEREFORE BE IT RESOLVED BY THE MEMBERS OF THE **JEFFERSON COUNTY INDUSTRIAL DEVELOPMENT AGENCY** THAT:

**THE JEFFERSON COUNTY INDUSTRIAL DEVELOPMENT AGENCY** instructs its CEO to execute a revised Engagement Agreement dated January 12, 2019 with the Barclay Damon Law Firm of Watertown and Syracuse, New York.

This Resolution is to take effect immediately.

-0-

**DRAFT**

**AUTHORIZING RESOLUTION**

A meeting of Jefferson County Industrial Development Agency (the “Agency”) was convened in public session at the offices of the Agency at 800 Starbuck Avenue, in the City of Watertown, Jefferson County, New York on February 14, 2019 at 8:30 a.m., local time.

The meeting was called to order by the Chairperson and, upon being called, the following members of the Agency were:

PRESENT:

ABSENT:

FOLLOWING PERSONS WERE ALSO PRESENT:

The following resolution was offered by \_\_\_\_\_, seconded by \_\_\_\_\_, to wit;

Resolution No.: 02.14.2019.03

**RESOLUTION OF THE JEFFERSON COUNTY INDUSTRIAL DEVELOPMENT AGENCY TAKING OFFICIAL ACTION TOWARD THE LEASE-LEASEBACK TRANSACTION WITH TURNING POINT LLC, FOR THE PURPOSE OF RENOVATING AND EQUIPPING AN ABANDONED WAREHOUSE LOCATED AT 0 DOCK STREET IN THE VILLAGE OF CARTHAGE, JEFFERSON COUNTY, NEW YORK AS A RESTAURANT AND BANQUET HALL.**

**WHEREAS**, Jefferson County Industrial Development Agency (the “Agency”) is authorized and empowered by the provisions of Chapter 1030 of Laws of 1969 of New York, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended (the “Enabling Act”) and Chapter 77 of the 1974 Laws of New York, as amended, constituting Section 902 of said General Municipal Law (said Chapter and the



# DRAFT

Enabling Act being hereinafter collectively referred to as the “**Act**”) to promote, develop, encourage and assist in the acquiring, constructing, renovating, improving, maintaining, equipping and furnishing of commercial facilities, among others, for the purpose of promoting, attracting and developing economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York, to improve their prosperity and standard of living, and to prevent unemployment and economic deterioration; and

**WHEREAS**, to accomplish its stated purposes, the Agency is authorized and empowered under the Act to acquire, construct, reconstruct and install one or more “projects” (as defined in the Act) or to cause said projects to be acquired, constructed, reconstructed and installed, and to convey said projects or to lease said projects with the obligation to purchase; and

**WHEREAS**, pursuant to an application, including a cost benefits analysis (the “**Application**”), submitted to the Agency by Turning Point LLC (the “**Company**”), wherein the Agency has been requested to consider undertaking a project (the “**Project**”), consisting of the following:

- (A) (1) The acquisition of an interest in that certain property located at 0 Dock Street, in the Village of Carthage, County of Jefferson, New York (the “**Land**”), to be more particularly described in the Lease Agreement, and  
  
(2) The renovation and equipping of an existing building on the Land to contain approximately 4400 square feet (the “**Facility**”) and the acquisition and installation thereon of certain machinery and equipment (the “**Equipment**”) to convert an abandoned warehouse into a restaurant and banquet hall (the “**Project**”) (the Land and the Project being collectively referred to as the “**Project Facility**”); and
- (B) The granting of certain “financial assistance” (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including exemption from certain sales taxes, in an amount not to exceed \$65,280.00 (collectively, the “**Financial Assistance**”); and
- (C) The lease 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

**WHEREAS**, a Preliminary Inducement Resolution was duly adopted by the Members of the Agency on December 13, 2018 inducing the Project to proceed following the satisfaction of certain conditions which said Preliminary Inducement Resolution contemplated financial assistance for the Project to include exemption from certain sales and use taxes together with exemption from real property taxes in exchange for the Applicant entering into a Payment in Lieu of Taxes Agreement; and

# DRAFT

**WHEREAS**, subsequent to the adoption of the Preliminary Inducement Resolution by the Agency, the Applicant has withdrawn its request for relief from real property taxes but has reaffirmed its request for relief from certain sales and use taxes; and

**WHEREAS**, pursuant to Article 8 of the Environmental Conservation Law, Chapter 43-B of the Consolidated Laws of New York, as amended (the "SEQR Act"), and the regulations (the "Regulations") adopted pursuant thereto by the Department of Environmental Conservation of the State of New York (collectively with the SEQR Act, "SEQRA"), the members of the Agency adopted a resolution on December 13, 2018 (the "SEQR Resolution") in which the Agency determined (A) that the Project constitutes an "Unlisted Action", (B) therefore that the coordinated review procedures outlined in the Regulations are strictly optional, (C) that the Project will not have a "significant effect on the environment" pursuant to SEQRA and, therefore that no environmental impact statement need be prepared with respect to the Project, and (D) that a negative declaration would be prepared with respect to the Project; and

**WHEREAS**, in order to consummate the Project and the granting of the Financial Assistance, the Agency proposes to enter into the following documents with the Company (hereinafter collectively referred to as the "**Agency Documents**"):

- (A) A lease to the Agency (and a memorandum thereof) (the "**Underlying Lease**") by and between the Company, as landlord, and the Agency, as tenant pursuant to which the Company will lease to the Agency the Project Facility; and
- (B) A lease agreement (and a memorandum thereof) (the "**Lease Agreement**") by and between the Agency and the Company, pursuant to which, among other things, the Company agrees to undertake the Project as agent of the Agency and the Company further agrees to lease the Project Facility from the Agency and to pay all legal fees and expenses incurred by the Agency with respect to the Project. The Lease Agreement shall serve as the Project Agreement pursuant to which the Company will agree to comply with certain recordkeeping and reporting requirements as a condition to relief from certain sales tax obligations including the agreement to comply with the reporting and recapture requirements of Section 875 of the General Municipal Law; and
- (C) Various certificates relating to the Project (the "**Closing Documents**"); and

**WHEREAS**, the Agency has given due consideration to the Application and to the representations by the Company that the granting by the Agency of the Financial Assistance with respect to the Project will be in an inducement to the Company to undertake the Project in Jefferson County, New York.

**NOW, THEREFORE**, be it resolved by the members of Jefferson County Industrial Development Agency as follows:

**Section 1** The Agency hereby finds and determines that:

- (A) By virtue of the Act, the Agency has been vested with all powers necessary and convenient to carry out and effectuate the purposes and provisions of the Act and to exercise all powers granted to it under the Act; and
- (B) The Project constitutes a “project”, as such term is defined in the Act; and
- (C) The acquisition of the Project Facility and the lease of the Project Facility to the Company will promote and maintain the job opportunities, general prosperity and economic welfare of the citizens of Jefferson County, New York and the State of New York and improve their standard of living or more particularly described below; and
- (D) It is desirable and in the public interest for the Agency to grant to the Company the relief provided by the Project Agreement, and to enter into the Agency Documents upon the satisfaction of all conditions thereto.
- (E) The granting of the Financial Assistance shall result in the creation of six (6) full time jobs and nine (9) part time jobs for a total of 10.5 new full time equivalent jobs with an estimate annual payroll in the range of \$250,000 to \$330,000.

**Section 2** In consequence of the foregoing, the Agency hereby determines that the granting of the Financial Assistance by the Agency with respect to the Project, through the granting of the tax exemptions described herein, will promote the job opportunities, health, general prosperity and economic welfare of the inhabitants of Jefferson County, New York and the State of New York, and improve their standard of living, and thereby serve the public purposes of the Act.

**Section 3** In consequence of the foregoing, and subject to the satisfactions of any conditions as imposed herein or as may be required by the Act, the Agency hereby determines to:

- (A) Proceed with the Project;
- (B) Acquire the Project Facility;
- (C) Accept an Underlying Lease of the Project on terms to be determined by the Agency;

# DRAFT

- (D) Lease the Project Facility to the Company pursuant to a Lease Agreement on terms to be determined by the Agency;
- (E) Execute and deliver the other Agency Documents upon terms and conditions satisfactory to the Chief Executive Officer; and
- (F) Execute and deliver the Closing Documents upon terms and conditions satisfactory to the Chief Executive Officer; and
- (G) Grant the Financial Assistance with respect to the Project.

**Section 4** The Agency is hereby authorized to acquire a leasehold interest in the Project Facility pursuant to an Underlying Lease and to do all things necessary or appropriate for the accomplishment thereof, and all acts heretofore taken by the Agency with respect to such acquisition are hereby approved, ratified and confirmed.

**Section 5** The Agency is hereby authorized to lease the Project Facility back to the Company pursuant to the Lease Agreement and to do all things necessary or appropriate to renovate, construct and equip the Project pursuant to the terms of the Lease Agreement.

**Section 6** (A) The Chief Executive Officer of the Agency is hereby authorized, on behalf of the Agency, to execute and deliver the Agency Documents and, where appropriate, the Secretary (or Assistant Secretary) of the Agency is hereby authorized to affix the seal of the Agency thereto and to attest the same, all in substantially the forms thereof presented to this meeting, with such changes, variations, omissions and insertions thereto as the Chief Executive Officer shall approve, the execution thereof by the Chief Executive Officer to constitute conclusive evidence of such approval.

(B) The Chief Executive Officer of the Agency is hereby further authorized, on behalf of the Agency, to designate any additional Authorized Representatives of the Agency (as defined in and pursuant to the Lease Agreement).

**Section 7** The officers, employees and agents of the Agency are hereby authorized and directed for and in the name and on behalf of the Agency to do all acts and things required or provided for by the provisions of the Agency Documents, and to execute and deliver all such additional certificates, instruments and documents, to pay all such fees, charges and expenses and to do all such further acts and things as may be necessary or, in the opinion of the officer, employee or agent acting, desirable and proper to effect the purposes of the foregoing Resolution and to cause compliance by the Agency with all of the terms, covenants and provisions of the Agency Documents binding upon the Agency.

**Section 8** The Agency hereby determines and finds that although the Project will constitute a project where facilities or property are primarily used in making retail sales of goods or services to customers who personally visit such facilities, the Project is located in a highly distressed area within the meaning of the Act and qualifies for financial assistance pursuant to Section 862 of the Act.

# DRAFT

**Section 9** This Resolution shall take effect immediately.

The question of the adoption of the foregoing Resolution was duly put to a vote on roll call, which resulted as follows:

<u>David Converse</u>	VOTING _____
<u>John Jennings</u>	VOTING _____
<u>Robert E. Aliasso, Jr.</u>	VOTING _____
<u>W. Edward Walldroff</u>	VOTING _____
<u>Paul Warneck</u>	VOTING _____
<u>William Johnson</u>	VOTING _____
<u>Lisa L'Huillier</u>	VOTING _____

The foregoing Resolution was thereupon declared and duly adopted.