

**Jefferson County Industrial Development Agency
Board Meeting Minutes
May 2, 2019**

The Jefferson County Industrial Development Agency held their board meeting on Thursday, May 2, 2019 in the board room at 800 Starbuck Avenue, Watertown, NY.

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

Also Present: Joseph Russell, Esq.; Christine Powers, Kent Burto and Greg Gardner (JCLDC); Scott Gray (Jeff Co Board of Legislators Chairman); Ed Valentine (Corporate Park Tenant); John Bay (Acadia Energy); Tim Scee, Carson Lennox, and Jennifer Gaffney (Town of Hounsfield/Sackets Harbor School); Rick Finn (City of Watertown Manager); Michael Lundy (LUNCO); Pat Scordo (GYMO); Michael Frazee and Jim Frazee (Cazenovia Equipment); David Norbut and Jared Perram (Norbut Solar Farm); Colleen & Michael Bellinger (Colleen's Cherry Tree Inn); Erin Bischoff (7 News); and Marcus Wolf of the Watertown Daily Times

Staff Present: Donald Alexander, David Zembiec, Lyle Eaton, Peggy Sampson, Jay Matteson, and Marshall Weir

Excused: John Jennings

Absent: None

- I. **Call to Order:** Chairman Converse called the meeting to order at 8:23 a.m.
- II. **Privilege of the Floor:** Mr. Converse invited guests to speak. No one spoke.
- III. **Minutes:** Minutes of the regular meeting held April 4, 2019 were presented. Mr. Aliasso asked about a few unfinished items. 1) Apex – waiting on invoice before money is returned, 2) Autumn Ridge – Attorney Russell said there is no impact on us at this time, and 3) Concentrix – Bids are being prepared for deck project. A motion to approve the minutes as presented was made by Mr. Warneck, seconded by Mr. Aliasso. All in favor. Carried.

IV. New Business:

1. **Thousand Islands International Agribusiness Park Presentation** – Jay Matteson provided a brief background. He said that he started working with Mike Lundy a few years ago for an Ag Park. He said the location is on Route 3 next to BOCES. Mr. Matteson introduced Jim and Mike Frazee, owners of Cazenovia Equipment as the first tenant for the park.

Mr. Lundy said that he finalized the concept and design and is selling them 8 acres of prime space in the front. He said it will be a 25,000 square foot building. Mr. Lundy noted that this project is being done with private funding.

Mr. Lundy said that he owns 150 acres and is working with Ron Robbins who owns 70 acres in the Town of Hounsfield, so they can work together on how the property is zoned and potentially attract heavy industry. Mr. Lundy said that the cooperation between the two towns and the city has been great. Mr. Alexander also mentioned the cooperative effort and

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pointed out that Ed Valentine and John Bay were in the meeting. He said that Mr. Valentine is a tenant of the corporate park and Mr. Bay will address the energy issue and develop a micro grid. Mr. Alexander recognized Mr. Lundy for his commitment to develop the community.

Jennifer Gaffney, Sackets Harbor School Superintendent, said that currently there is not an Ag program at BOCES and noted that there are not enough workers and said that we need to make them ourselves.

At this time the chairman asked for a quick break while the following persons left the meeting: Greg Gardner, Kent Burto, John Bay, Tim Scee, Carson Lennox, Jennifer Gaffney, Michael Lundy, Pat Scordo, Michael Frazee, and Jim Frazee.

- 2. NSF Chaumont Solar Farm Presentation** – David Norbut and Jared Perram attended the meeting. Mr. Norbut provided a PowerPoint presentation which focused on the proposed Chaumont Solar Farm. He said they have 23+ years of development/construction experience. The company is owned and operated by an upstate NY family and mentioned that they energized the 2nd largest array in NYS in 2018. Mr. Norbut said the site was selected because of poor soil and its inability to handle housing development. He said that natural screening will be used as a barrier to limit the view from other properties. Mr. Norbut said that this project is not financially feasible without a PILOT. He projects local construction spending to be around \$11.5 million. Mr. Norbut said that the project can have community and student benefits for Science, Technology, Engineering, Math (STEM).

Mr. Norbut indicated that Lyme Central School District will not return his calls.

Mr. Warneck acknowledged the aggressive schedule. He asked if the IDA is unable to bring the school to the table if it will affect the project. Mr. Norbut said yes and said that it will be a nonstarter. He said that the school could opt back into the 487b.

Mr. Aliasso asked if the project is a UTEP deviation. The board agreed it was not. Attorney Russell said that action before the board today is to accept the five applications as complete which will allow staff to move forward to gather information and create an agreement between the developer and the affected taxing jurisdictions.

Mr. Warneck said that the project must meet GML and local zoning laws. He said there is a problem with the process and suggested the board take their time to make sure they have a solid process. He also noted that the Village is talking about dissolution.

Mr. Johnson noted that the appraisal from the county consultant is expected within the next three weeks.

Mr. Aliasso wanted to know if this is premature because he said that we don't have a lot of facts. Mr. Converse said that by accepting the application as complete allows staff to go forward. Mr. Aliasso said that he doesn't want the board to be perceived as bullies; poking the County and School in the eye. Mr. Norbut said that his project is right in line with the NYSERDA guidebook. Mr. Walldroff said that we need to start doing our job. He wanted to

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know why the board is picking this apart at this time because it is irrelevant to us to do our job. He said that our job is to bring the parties together and said that it starts with a bonified application process. Mr. Alexander said that he has met with the developer several times, but has not met with the affected taxing jurisdictions yet. Mr. Warneck said that he doesn't want to strong-arm the school if they already said no and suggested having some internal discussion on information flow. Mr. Alexander responded by saying that we don't strong-arm anyone. It was noted that we are the only IDA that says all the affected taxing jurisdictions have to agree. Attorney Russell said that the legislation gave IDA's the ability to strong-arm, but we made it our policy not to.

Mr. Aliasso said that he wants to understand full taxation.

Mr. Norbut, Mr. Perram, Rick Finn and media left the meeting at this time.

Mr. Johnson said that not as an IDA board member nor a county representative, but as a Town of Lyme resident he reached out to and talked with the Town of Lyme Superintendent. He said that she is personally against a PILOT. She told him that if her board told her that if that's what they want to do then they will do it but she has told Mr. Norbut several times that they are not interested. Mr. Walldroff said that that demonstrates a process that hasn't happened yet; it should be the board behind that. He said that all options should be considered instead of a personal belief scenario.

Mr. Johnson suggested waiting to set up meetings with the affected taxing jurisdictions until the appraisal is completed.

Resolution Number 05.02.2019.01:

After a lengthy discussion, a motion was made by Mr. Warneck to approve the attached resolution as well as establish procedures to handle these types of projects, seconded by Mr. Aliasso. Roll call voted was taken. Mr. Converse – Yea, Mr. Jennings – Absent, Mr. Aliasso – Yea, Mr. Walldroff – Yea, Ms. L'Huillier – Yea, Mr. Warneck – Yea, Mr. Johnson – Yea. Carried.

Ms. Powers left the meeting at 9:55 a.m.

- 3. Colleen's Cherry Tree Inn MICRO Loan Request** – Mr. Aliasso said that the Loan Review Committee was bypassed due to timing. He said that the project meets the threshold and the restaurant is being used as the equity contribution.

Ms. L'Huillier left the meeting at 10 a.m.

Mr. and Mrs. Bellinger entered the meeting at 10 a.m. Mr. Bellinger provided a brief background and said that they have been working with Watertown Savings Bank since last fall. The addition to the restaurant has already been constructed. After review and discussion, a motion was made by Mr. Warneck to approve the attached resolution, seconded by Mr. Aliasso. All in favor. Carried.

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4. **US SBA Standby Creditor's Agreement (Robert Gould)** – Mr. Eaton said this is a typical form from the SBA. After review, a motion was made by Mr. Aliasso to authorize the CEO to sign it, seconded by Mr. Walldroff. All in favor. Carried.

Mr. Valentine left the meeting. Media representative re-entered the meeting.

- V. **Treasurer's Report:** Mr. Aliasso reviewed the financials for the period ending April 30, 2019 along with the delinquent loans. He said that Wright Brothers remains two months behind. It was noted that the Gaudette loan (Above Reality Virtual Sports Complex) will close tomorrow. Mr. Eaton said that the MICRO loan fund is almost depleted. Mr. Alexander said that staff is looking at options and may consider a similar program for the JCLDC. Mr. Walldroff said that he would like to know the original amount of the grant that created the MICRO fund and the amount of write off's over the years. After discussion, a motion was made by Mr. Aliasso to accept the financial report of April 30, 2019 as presented, seconded by Mr. Johnson. All in favor. Carried.

VI. **Committee Reports:** None.

VII. **Unfinished Business:** None.

VIII. **Counsel:**

Cooperative Development Agreement between JCIDA and Lundy Development & Property Management – Attorney Russell said that he was charged with reviewing the document that was approved several years ago. He said that he spoke to Mr. Lundy's attorney and they would agree to terminate the agreement if that's how the board felt. This would remove the IDA from the responsibilities listed in the agreement. Attorney Russell will follow up with Mr. Lundy's attorney.

Other –

Executive Session – At 10:22 a.m., a motion was made by Mr. Aliasso to go into executive session to discuss land acquisition, seconded by Mr. Warneck. Staff, Board Members, Counsel and Scott Gray remained.

At 10:46 a.m., a motion was made by Mr. Aliasso to leave executive session and reconvene the regular board meeting, seconded by Mr. Walldroff. All in favor.

Concentrix – Staff continues to work on finding another company and other options for the building when Concentrix vacates. Aubertine and Currier has completed the design work and will be sending out bids for the deck project.

Mr. Warneck asked if the Agency gets to keep the maintenance fund. Mr. Alexander said that that money needs to be returned but indicated that he is negotiating to keep it. He did say that the Agency gets to keep the capital reserve fund.

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- IX. Adjournment:** With no further business before the board, a motion to adjourn was made by Mr. Aliasso, seconded by Mr. Johnson. All in favor. The meeting adjourned at 10:50 a.m.

JEFFERSON COUNTY INDUSTRIAL DEVELOPMENT AGENCY

Resolution Number 05.02.2019.01

A meeting of the Jefferson County Industrial Development Agency (the “Agency”) was convened in public session at the offices of the Agency at 800 Starbuck Ave., the City of Watertown, Jefferson County, New York on May 2, 2019 at 8:30 AM, local time.

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

PRESENT: David Converse, Robert E. Aliasso, Jr., W. Edward Walldroff, Lisa L’Huillier, Paul Warneck, William Johnson

ABSENT: John Jennings

THE FOLLOWING PERSONS WERE ALSO PRESENT: Donald Alexander, David Zembiec, Lyle Eaton, Peggy Sampson, Marshall Weir, Joseph Russell, Esq., Christine Powers, Scott Gray, Ed Valentine, David Norbut, Jared Perram, Rick Finn, Erin Bischoff from 7 News and Marcus Wolf from the Watertown Daily Times

The following resolution was offered by Mr. Warneck, seconded by Mr. Aliasso, to wit;

Resolution No. 05.02.2019.01

RESOLUTION OF THE JEFFERSON COUNTY INDUSTRIAL DEVELOPMENT AGENCY DETERMINING THAT CERTAIN APPLICATIONS SUBMITTED BY NORBUT SOLAR FARMS (THE PARENT COMPANY) REQUESTING LEASE-LEASEBACK TRANSACTIONS IN CONNECTION WITH A PROPOSED SOLAR ENERGY FACILITY TO BE CONSTRUCTED BY FIVE SUBSIDIARY COMPANIES OF THE PARENT COMPANY AT FIVE SEPARATE LOCATIONS WITHIN THE TOWN OF LYME TAX PARCEL 61.43-1-3.1 ARE COMPLETE

WHEREAS, the Agency has received applications for lease- leaseback transactions from NSF Chaumont Site 1, LLC; NSF Chaumont Site 2, LLC; NSF Chaumont Site 3, LLC; NSF Chaumont Site 4, LLC; and NSF Chaumont Site 5, LLC, all subsidiary companies of the Parent Company, in connection with a proposed solar energy facility to be located on five separate portions of the Town of Lyme tax parcel number 61.43-1-3.1 (collectively the “Project”); and

WHEREAS, the Agency staff has reviewed the applications and has determined that the applications are complete and provide sufficient information for Agency staff to begin its investigation into whether the proposed Project warrants consideration of the benefits requested in the application, and has recommended to the members of the Agency that it formerly determine that the applications are complete; and

WHEREAS, the members of the Agency have received and reviewed the applications and have considered the recommendations of the Agency staff.

NOW, THEREFORE, BE RESOLVED BY THE MEMBERS OF THE JEFFERSON COUNTY INDUSTRIAL DEVELOPMENT AGENCY AS FOLLOWS:

1. The applications are hereby deemed to be complete for the purposes of the Agency staff proceeding to evaluate proposed Project, and enter into discussions with the developer and applicable taxing jurisdictions in order to determine whether to recommend to the members of the Agency whether the proposed project warrants the relief requested in the applications.
2. The Agency staff is hereby authorized to proceed to commence its investigation into the proposed Project and obtain any additional information, documentation, financial data staff deems appropriate in connection with its investigation and evaluation.
3. Nothing contained in this Resolution shall be deemed as an approval by the Agency of the application or an endorsement of the proposed Project and is made solely for the purposes of authorizing Agency staff to further investigate the Project and engage in discussions with the Project developer and the applicable taxing jurisdictions in connection with the relief requested in the application.

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>YEA</u>
<u>John Jennings</u>	VOTING <u>ABSENT</u>
<u>Robert E. Aliasso Jr.</u>	VOTING <u>YEA</u>
<u>W. Edward Walldroff</u>	VOTING <u>YEA</u>
<u>Lisa L'Huillier</u>	VOTING <u>YEA</u>
<u>Paul Warneck</u>	VOTING <u>YEA</u>
<u>William Johnson</u>	VOTING <u>YEA</u>

The foregoing Resolution was thereupon declared and duly adopted.

JEFFERSON COUNTY INDUSTRIAL DEVELOPMENT AGENCY
Resolution Number 05.02.2019.02

RESOLUTION FOR AUTHORIZING A MICRO ENTERPRISE LOAN TO
Colleen's Cherry Tree Inn

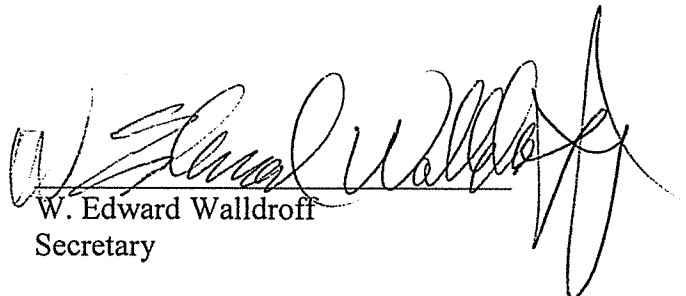
WHEREAS, Colleen and Michael Bellinger requested by application to this Agency a Micro Enterprise Loan in the amount of Forty Thousand Dollars (\$40,000.00) to expand the Colleen's Cherry Tree Inn restaurant to add Scoops Ice Cream in Henderson Harbor, NY, and

WHEREAS, Staff reviewed this request and recommended approval of a loan in the amount of \$40,000 for a five year amortization with a rate of 5% and 6 months interest only annually. The Restaurant employs 2-6 people in the off season and up to 20 during the summer. Owners expect to add 2 to 6 part time employees for the ice cream shop. Collateral will be a first position on lien on the new equipment and personal guarantees of Colleen and Michael Bellinger. Approval of the loan is contingent upon participation by Watertown Savings Bank, 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 Forty Thousand Dollar (\$40,000.00) loan to Colleen's Cherry Tree Inn 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.


W. Edward Walldroff
Secretary