

**Jefferson County Industrial Development Agency
Board Meeting Minutes
December 3, 2020**

The Jefferson County Industrial Development Agency held their board meeting on Thursday, December 3, 2020 in the board room at 146 Arsenal Street, Watertown, NY.

Present: David Converse, Chair, W. Edward Walldroff

Zoom: Paul Warneck, William Johnson, Robert E. Aliasso, Jr., Lisa L'Huillier

Excused: John Jennings

Absent: None

Also Present: Joseph Russell, Esq., and Craig Fox from the Watertown Daily Times

Zoom: Rob Aiken, Kent Burto, Christine Powers, Matthew Moses, Esq.

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

- I. Call to Order:** Chairman Converse called the meeting to order at 9:08 a.m.
- II. Privilege of the Floor:** Mr. Converse invited guests to speak. No one spoke.
- III. Minutes:** Minutes of the regular meeting held November 5, 2020 A motion to approve the minutes as presented was made by Mr. Warneck, seconded by Mr. Johnson. All in favor. Carried.
- IV. Audit Report for 2019-2020 (Bowers & Company):** The audit report was given by Liz Bush during the JCLDC board meeting earlier this morning. She presented a clean unmodified opinion. She said that board members can review the Management's Discussion and Analysis at their own leisure. She said the independent auditors report on internal controls showed no deficiencies and had no opinions. She said the investment report was included as requested by ABO, but said that there were no investments. Ms. Bush said that the internal financial statements are reflective of the external reports.

A motion was made by Mr. Johnson to accept the audit as presented, seconded by Ms. L'Huillier. All in favor. Carried.
- V. Treasurer's Report:** Mr. Aliasso reviewed the financials for the period ending November 30, 2020. After discussion, a motion was made by Mr. Aliasso to accept the financial report as presented, seconded by Ms. L'Huillier. All in favor. Carried.
- VI. Committee Reports:**
 - a. Loan Review Committee** – Mr. Aliasso reviewed the committee minutes.
 - i. Resolution No. 12.03.2020.01 for Willowbrook Enterprises Inc.** – After review and discussion, a motion was made by Mr. Warneck to approve the attached resolution, seconded by Mr. Aliasso. All in favor. Carried.

Jefferson County Industrial Development Agency
Board Meeting Minutes
December 3, 2020

b. Governance Committee –

- i. Summary Results of Confidential Evaluation of Board Performance –** Mr. Walldroff said the committee met to review and discuss the annual board performance evaluations. He noted that the evaluation showed significant improvement from last year. He said the committee recommends the oncoming CEO to put forth suggestions for the board to consider addressing areas of concern. A motion was made by Mr. Walldroff to approve the summaries and the committee's recommendation, seconded by Mr. Warneck. All in favor. Carried.

Executive Session – At 9:19 a.m., a motion was made by Mr. Warneck to enter into executive session to discuss the potential acquisition of real property and easement and financial history of a particular corporation, seconded by Mr. Aliasso. All in favor. Board Members, LDC Board Members, Staff, Counsel and Special Counsel remained.

At 10:13 a.m., a motion was made by Mr. Aliasso to leave executive session and resume the regular meeting, seconded by Mr. Walldroff. All in favor.

VII. New Business:

- 1. Resolution No. 12.03.2020.02 to Adopt Records Management Policy and Procedures –** A motion was made by Mr. Aliasso to approve the attached resolution, seconded by Ms. L'Huillier. All in favor. Carried.
- 2. Resolution No. 12.03.2020.03 for Authorized Signers –** A motion was made by Mr. Warneck to approve the attached resolution, seconded by Mr. Johnson. All in favor. Carried.

VIII. Counsel:

- 1. Resolution No. 12.03.2020.04 to authorize removal of restrictions on certain lands –** A motion was made by Mr. Warneck to approve the attached resolution, seconded by Mr. Aliasso. All in favor. Carried.
- 2. Resolution No. 12.03.2020.05 to approve acquisition of easement from Onondaga Development LLC –** A motion was made by Ms. L'Huillier to approve the attached resolution, seconded by Mr. Johnson. All in favor. Carried.
- 3. Ground Lease with Watertown Family YMCA –** A motion was made by Mr. Aliasso to approve the Ground Lease, seconded by Mr. Walldroff. Discussion ensued. Mr. Walldroff asked if the agreement will change going forward. Attorney Russell said only if a modification needs to be made. He said if the YMCA needs more space then they will have to come back to the IDA to amend the Ground Lease. Mr. Aliasso pointed out the remaining square footage number does not match what was previously discussed. It should be 14,500 square feet. The motion was amended to include the change. All in favor. Carried.

Jefferson County Industrial Development Agency
Board Meeting Minutes
December 3, 2020

IX. Unfinished Business:

1. **146 Arsenal Street Building** – Mr. Converse said this was covered at the JCLDC meeting.
2. **YMCA Project** – Mr. Converse said this was covered at the JCLDC meeting.
3. **NYS REDI Program** – Mr. Alexander said that he reached out to Justin Miller at Harris Beach to find out if the plan that was developed and used during Hurricane Sandy will work for the NYS REDI Program. He said there are over 60 applicants in Jefferson County. More information to come.
4. **But-for** – Mr. Warneck wanted to know if the board is going to stick with past practice of not granting incentives to projects that are under construction and/or are complete. Mr. Converse said the board uses the but-for to determine if a project would be developed with or without IDA's assistance. He mentioned a previous hotel project that was $\frac{3}{4}$ built and the board decided not to provide incentives. He said some companies wait to start while going through the process and he just wants to treat everyone on the same level. He said the issue becomes if the communities want the IDA to incentivize after the fact. Mr. Aliasso pointed out that some of the projects are receiving federal/state incentives. Mr. Alexander said the but-for policy is a board policy, not statutory.

Attorney Moses said there is no legal impediment, but said that according to GML the developer can state the reason they need assistance for the but-for test. He said projects are difficult to value and he feels that an IDA should support business that will operate in the community. He thinks that treating it as a deviation would be burdensome.

Mr. Walldroff said that the board should stay the course. He said it's a hard-enough sell to the communities.

Mr. Alexander said that the Energy Committee requires a letter of support from the communities. He said that the process developed by the Energy Committee has worked reasonably well.

Mr. Warneck said that if projects are underway and/or completed then we should ask for more documentation such as an appraisal, payroll records, etc. Mr. Converse said we should look at their revenue stream. Mr. Johnson said that RPTL Section 487 is available for developers.

Mr. Aliasso said that he doesn't think that \$5,500/megawatt is appropriate for all projects.

Mr. Walldroff said that we should work with the current applicants then close the door. He said it will only happen once and applicants will know the process.

- X. 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 10:57 a.m.

Respectfully submitted,

Peggy Sampson

JEFFERSON COUNTY INDUSTRIAL DEVELOPMENT AGENCY

Resolution Number 12.03.2020.01

**RESOLUTION FOR AUTHORIZING A MICRO ENTERPRISE LOAN TO
Willowbrook Enterprises, Inc.**

WHEREAS, Willowbrook Golf Course is currently owned by an Investment Group located in Salt Lake City, UT (ownership of the land only). Douglas McDavitt has been the General Manager of the course for the last 34 years, and the owners have offered to sell the real estate to him for \$375,000. Mr. McDavitt is the sole owner of the golf and lounge businesses. Watertown Savings Bank is considering a \$337,500 loan to Mr. McDavitt, taking a first position mortgage on the property, and

WHEREAS, Willowbrook Enterprises, Inc. requested by application to this Agency a Micro Enterprise Loan in the amount of Forty Thousand Dollars (\$40,000.00) for working capital and to purchase real estate at 25075 NYS Rt. 37, Watertown, 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%; first six months interest only, thereafter 60 equal monthly payments of principal and interest. There were 26 part-time and 3 salaried positions employed for the 2020 season (calculated as an estimated 7 FTE hourly employees and 3 FTE salaried positions). Collateral will be a second position mortgage on the property and the personal guarantee of Douglas McDavitt. Approval of the loan is contingent upon Watertown Savings Bank approving a loan in the amount of \$337,500 and provision of an accepted purchase offer, 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 Willowbrook Enterprises, Inc. 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 Alexander
CEO

JEFFERSON COUNTY INDUSTRIAL DEVELOPMENT AGENCY

Resolution Number 12.03.2020.02

RESOLUTION TO ADOPT RECORDS MANAGEMENT POLICY AND PROCEDURES

RESOLVED, By the Board of Directors of the Jefferson County Local Development Corporation that the *Records Management Policy and Procedures*, is hereby adopted to address the routine destruction of records, routine transfer of records to the inactive storage, retrieval and re-filing of records, and routine updates of the record database to insure ease of retrieval.

A handwritten signature in dark ink, appearing to read "D.C. Alexander", written over a horizontal line.

Donald Alexander
CEO

JEFFERSON COUNTY INDUSTRIAL DEVELOPMENT AGENCY
Resolution Number 12.03.2020.03
For Authorized Signers

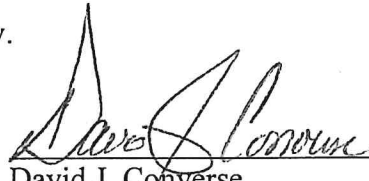
WHEREAS, the following Officers and individuals were recommended to be authorized signers for all Accounts at Watertown Savings Bank and Community Bank effective January 1, 2021:

Chairman	David J. Converse
Treasurer	Robert E. Aliasso, Jr.
CEO	David J. Zembiec
Deputy CEO	Frank M. Weir, and

NOW, THEREFORE, BE IT RESOLVED, by the Board of Directors of the Jefferson County Industrial Development Agency that it herein approved the authorized signers 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.



David J. Converse
Chairman

JEFFERSON COUNTY INDUSTRIAL DEVELOPMENT AGENCY

**Resolution Number 12.03.2020.04
to authorize removal of restrictions on certain lands**

WHEREAS, by warranty deed dated October 20, 1972, and recorded in the Jefferson County Clerk's Office on October 24, 1972 in liber 840 of deeds at page 1178, Fisher Gage, Inc., conveyed to the Jefferson County Industrial Development Agency (the "Agency") certain lands located adjacent to Coffeen Street Road, NYS Rt 12-F, containing 87.016 acres for the purpose of establishing a light industrial park (the "Park"), and

WHEREAS, the deed from Fisher Gage, Inc. to the Agency contained certain Regulations and Covenants which restricted the lands within the Park to certain uses and contained specific site requirements, and

WHEREAS, the deed further provided that the restrictions and covenants may be altered, changed, modified or deleted by an Agreement executed by the Agency, and

WHEREAS, the Agency has now determined that the Regulations and Conditions imposed by the 1972 deed are no longer necessary or desirable with respect to certain portions of the lands within the Park, and should be deleted and removed therefrom.

NOW, THEREFORE, BE IT RESOLVED, by the board of Directors of the Jefferson County Industrial Agency that the restrictions and covenants imposed by the 1972 deed from Fisher Gage, Inc. to the Agency shall be deleted and removed from those lands comprised of Town of Watertown tax parcel numbers 82.08-1-2 and 82.08-1-3, and be it further

RESOLVED, that the Executive Director or his designee is hereby authorized and directed to execute and file in the Jefferson County Clerk's office such instrument as may be necessary to carry out the purpose of this Resolution.

This resolution shall take effect immediately.

JEFFERSON COUNTY INDUSTRIAL DEVELOPMENT AGENCY

Resolution Number 12.03.2020.05

to approve acquisition of easement from Onondaga Development LLC

WHEREAS, the Jefferson County Industrial Development Agency (the “Agency”) has heretofore determined that in order to enhance the visibility of the commercial and industrial properties within the Jefferson County Industrial Park located off of Coffeen Street, NYS Route 12-F(the “Park”) it is desirable to erect a sign at the entrance to the Park, and

WHEREAS, the Agency staff has negotiated the acquisition of an easement from Onondaga Development LLC, the owner of the lands at the entrance to the Park for the purpose of erecting and maintaining a sign to identify the Industrial Park, and

WHEREAS, the Purchase Agreement attached hereto contains the terms negotiated by Agency Staff, and the Executive Director of the Agency has recommended approval thereof to the Board of Directors.

NOW, THEREFORE, BE IT RESOLVED, by the board of Directors of the Jefferson County Industrial Agency that it hereby approves the recommendation of the Executive Director and accepts and approves the terms contained in the attached Purchase Agreement, and be it further

RESOLVED, that the Executive Director or his designee is hereby authorized and directed to execute the Purchase Agreement on behalf of the Agency and, upon execution thereof by Onondaga Development LLC, to take such further actions on behalf of the Agency to satisfy the terms, conditions and contingencies contained in the Purchase Agreement and to take such further actions an execute such further documents as may be necessary to complete the acquisition of the easement.

This resolution shall take effect immediately.