

Notice of Board Meeting

Date: December 20, 2018

To: Chairman David Converse
W. Edward Walldroff
Robert Aliasso
Kent Burto
John Jennings
Richard Duvall
Gregory Gardner
Paul Warneck
William Johnson
Lisa L'Huillier
Christine Powers

From: Donald C. Alexander, CEO

Re: Notice of Board of Directors' Meeting

The Jefferson County Local Development Corporation will hold their Board Meeting on **Thursday, January 3, 2019 at 8:00 a.m.** in the board room at 800 Starbuck Avenue, Watertown, NY.

Please confirm your attendance with Peggy Sampson pssampson@jcida.com at your earliest convenience.

pss

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

REVISED BOARD MEETING AGENDA

Thursday, January 3, 2019 – 8:00 a.m.

- I. Call to Order**
- II. Pledge of Allegiance**
- III. Privilege of the Floor**
- IV. Minutes of the Meeting of December 13, 2018**
- V. Treasurer’s Report for December 31, 2018**
- VI. Committee Reports**
- VII. Council Reports**
 - a. Manufacturing**
 - i. Appoint New Council Members**
 - b. Marketing**
 - c. Jefferson County Agricultural Development**
- VIII. Unfinished Business**
 - 1. Clayton Loan Program – Resolution Number 01.03.2019.01**
- IX. Counsel**
- X. New Business**
- XI. Adjournment**

**Jefferson County Local Development Corporation
Board Meeting Minutes
December 13, 2018**

DRAFT

The Jefferson County Local Development Corporation held their board meeting on Thursday, December 13, 2018 in the board room at 800 Starbuck Avenue, Watertown, NY.

Present: David Converse, Chair, John Jennings, W. Edward Walldroff, Paul Warneck, William Johnson, Robert E. Aliasso, Jr., Christine Powers, Gregory Gardner, Lisa L'Huillier, Richard Duvall (arrived at 8:20 a.m.)

Also Present: Joseph Russell, Esq., Bryan Olson and Liz Bush from Bowers & Company, Clif Schneider, Kathryn Muschell, Claudia Maurer, John Culkin, Marcus Wolf of the Watertown Daily Times (arrived at 8:05 a.m.), Tim Scee (arrived at 8:09 a.m.), Neil Habis, Briggs McAndrens (arrived at 8:16 a.m.), and David Geurtsen, Esq. (arrived at 8:26 a.m.)

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

Excused: Kent Burto

Absent: None

- I. Call to Order:** Mr. Converse called the meeting to order at 8:00 a.m.
- II. Pledge of Allegiance:** Mr. Converse asked all to stand for the Pledge of Allegiance.
- III. Privilege of the Floor:** Mr. Converse invited guests to speak. No one spoke.
- IV. Minutes:** Minutes of the regular meeting held November 1, 2018 were presented. A motion to approve the minutes as presented was made by Mr. Aliasso, seconded by Ms. Powers. All in favor. Carried.
- V. Audit Report for 2017-2018 (Bowers & Company):** Mr. Olson presented a clean unmodified opinion. He pointed out a loss of approximately \$495,000 due to the JCIDA Admin. fee being written off.

Ms. Bush handed out information on the Not-for-Profit Accounting Update that will go into effect during the next audit. She said that they have already had a discussion with Mr. Eaton about the updates.

After review and brief discussion, a motion was made by Mr. Warneck to accept the audit as presented, seconded by Mr. Jennings. All in favor. Carried.

JCIDA Audit Report for 2017-2018 (Bowers & Company) – Mr. Olson presented a clean unmodified opinion. He said that board members can review pages 4-15 which is the Management Discussion and Analysis that was prepared by management at their own leisure. Note 4 on page 28 shows an allowance for bad debt. He said he will talk about it since there is a management letter related to it. For the RLF, he said that in the current year there was a recovery of \$5,600, there was a bad debt adjustment on their end of \$269,000 and the write off of \$196,000 for Carthage Specialty Paperboard.

JCCFDC – Mr. Olson said that the JCCFDC is sitting on cash of approximately \$5,800. He said there was a \$166,500 fee related to the Samaritan Bond that was transferred to the IDA. Overall, the JCCFDC had a loss of \$3,500.

The Internal Controls and Investment Reports were attached as required by PARIS.

Mr. Olson said there was one corrected misstatement on page 4 to adjust the RLF allowance to actual as of 9/30/18. The management letter comment and their recommendation is to review year end allowance as of 9/30. He said that the bad debt allowance was taken to the board, but wasn't posted until October 2018 and per the policy it should be posted at year end (9/30). It was noted that there are two areas of allowance – specific (over and above the policy) and general calculation based on accounts receivable. Action to be taken at IDA board meeting.

VI. Treasurer's Report: Mr. Aliasso reviewed the financials for the period ending November 30, 2018. A motion was made by Mr. Aliasso to accept the financial report as presented, seconded by Mr. Johnson. All in favor. Carried.

VII. Committee Reports: None.

VIII. Council Reports:

Manufacturing

Mr. Zembiec indicated that the council will be hosting a roundtable discussion tomorrow with employers and educators on coding skill needs. He said that they are talking with JCC and the Department of Labor for an apprenticeship program.

Marketing

Mr. Weir shared the draft video which is meant to inspire and tell our story of Jefferson County. He said that Fort Drum plans to use the video to help welcome soldiers.

Ag

Mr. Matteson updated the board on the following:

- Ag Subcommittee – Mr. Matteson said that they met at the St. Lawrence Distillery. He said they discussed the direction which will continue to focus on dairy, but will increase work to support local foods.
- BOCES – Mr. Matteson said that he met with their Ag Subcommittee yesterday regarding the Ag Tour because they are looking to improve their program.
- Lead – Mr. Matteson said that he recently visited with a company that may look to locate in the Ag Park. They drove by the Ag Park initially before they contacted Mr. Matteson to find out more information.
- Workforce – Mr. Matteson said that he continues to work on workforce. Schools are calling asking for programs.
- New Farm Bill – Mr. Matteson said he hasn't had a chance to look at the information.

Mr. Warneck said that he saw on the news about a month ago, a session up in St. Lawrence County around solar installation and the impact on agriculture and wondered if Jay attended.

Mr. Matteson said that he did not attend due to a conflict. Mr. Warneck suggested inviting Mike Bourcy to an alternative energy committee because they are working on how to preserve agricultural land from being just put into solar farms. Mr. Matteson also suggested adding Bob Somers from Ag & Markets to the meeting as well.

IX. Unfinished Business:

1. **Alternative Energy Committee** – Mr. Alexander said that the original meeting was cancelled due to the weather, but indicated that he will reschedule in the near future. He noted that Mr. Johnson will serve as chair of the committee.

X. Counsel: None.

XI. New Business:

1. **Clayton Loan Program** – Mr. Alexander indicated that Clayton will undergo a major infrastructure project, similar to Factory Street in Watertown. He indicated that he met with the Clayton LDC and the Mayor several times to discuss the potential loan assistance program. He said that maximum loan will be \$5,000. He said that the Clayton LDC will receive the applications and make a recommendation to the JCLDC Board of Directors.

Mr. Warneck said that if a request is beyond the \$5,000, then he would expect the Clayton LDC to validate the request to the JCLDC Board of Directors. The consensus was to further consider maximum request on review of criteria at the January meeting.

Ms. Powers, whom is a member of the Clayton LDC Board, said that they have recently embarked on a strategic plan to help them determine how they can sustain themselves. She said that the program is appreciated.

Mr. Gardner left the meeting at 9:04 a.m.

Mr. Warneck made a motion to continue forward with the program, seconded by Mr. Aliasso. All in favor. Chair Converse asked staff to prepare a resolution outlining the criteria and terms that can be considered at the January board meeting.

- XII. Adjournment:** With no further business before the board, a motion to adjourn was made by Mr. Warneck, seconded by Ms. L'Huillier. All in favor. The meeting adjourned at 9:08 a.m.

DRAFT

A regular meeting of the Jefferson County Local Development Corporation convened on Thursday January 3, 2019 at 8:00 a.m.

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

Resolution No. 01.03.2019.01

RESOLUTION OF **THE JEFFERSON COUNTY LOCAL DEVELOPMENT CORPORATION** (the "Corporation") TO MAKE AVAILABLE TO DOWNTOWN CLAYTON COMMERCIAL OUTLETS LOANS OF UP TO \$5,000, AMORTIZED OVER A 5 YEAR PERIOD AT A MAXIMUM INTEREST RATE OF 3% TO ASSIST THESE BUSINESSES WITH SHORTFALLS IN CASHFLOW DUE TO BUSINESS INTERRUPTIONS RELATED TO CONSTRUCTION UNDER THE VILLAGE HISTORIC DISTRICT INFRASTRUCTURE IMPROVEMENT PROJECT.

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

WHEREAS: Tourism is a major economic driver in Jefferson County, and

WHEREAS; The **Village of Clayton**, a center for tourist attraction efforts, will be required to undertake a major construction project in its primarily business district area during the peak tourist season and lasting several months, and

WHEREAS: The **Village of Clayton** officials anticipate major disruptions in the economic climate of the Village and thus placing significant and unusual financial strain on businesses located in the area of construction, and

WHEREAS; Village of Clayton officials have asked for financial support from the **Jefferson County Local Development Corporation**, and

WHEREAS: **The Clayton Local Development Corporation** will be joining with the **Village of Clayton** in attempting to ameliorate the negative impacts of this construction, and

WHEREAS: The **Clayton Local Development Corporation** has agreed to act as a clearing-house and to conduct the initial screening of applications for loan funds established by and through the **Jefferson County Local Development Corporation**, and

WHEREAS; Applicants for these loan funds will need to meet all of the criteria of the loan program, and

DRAFT

WHEREAS; for consideration of the work to be done regarding clearing-house activities for these applications, a sum of \$150 shall be paid to the **Clayton Local Development Corporation** by the applicant at the time of submission, and

WHEREAS: once a Committee of the **Clayton Local development Corporation** has approved the application for access to these loan funds, the application will be given to the **Jefferson County Local Development Corporation** for its review and approval, and

WHEREAS; the **Jefferson County Local Development Corporation** has a standing Loan Review Committee and an approved process for determining the efficacy of these loans, and

WHEREAS; the **Jefferson County Local Development Corporation** monies will be used for the purposes of these loans, and

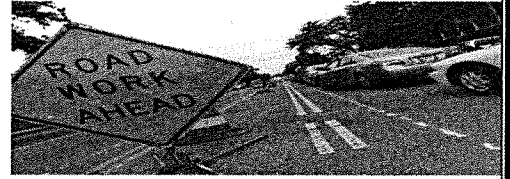
WHEREAS, **the Jefferson County Local Development Corporation** will bear responsibility for seeing that these loans meet the Mission Statement of our organization and follow the accepted approval process,

NOW THEREFORE BE IT RESOLVED BY THE MEMBERS OF THE **JEFFERSON COUNTY LOCAL DEVELOPMENT CORPORATION** THAT MONIES WILL BE MADE AVAILABLE FROM ITS LOAN FUND FOR THE PURPOSE OF PROVIDING FUNDS TO UNDERWRITE THE CLAYTON LOAN PROGRAM FOR BUSINESS INTERRUPTION.

Donald C. Alexander
CEO

This Resolution is to take effect immediately.

DRAFT



Clayton Small Business Loan Assistance Program

The Jefferson County Local Development Corporation, in concert with the Clayton LDC, is pleased to announce a new business loan available to privately owned small businesses located in the Village of Clayton, who have been affected by the Historic District Infrastructure Improvement Project. The loans are intended to "help ease the pain" during the construction period.

Loan program criteria:

- A maximum loan of \$5,000 for privately owned small businesses, located within the Village of Clayton that have been affected by the Historic District Infrastructure Improvement Project.
- Interest rate of 3% for loan term.
- Clayton LDC Loan Processing Fee of \$150.00 will be assessed at application submission.
- Businesses will have the option of interest only payments the first year, and then P and I payments for up to 5 years (a loan term of 6 years).
- No business plan or financial statements required.
- If the applicant is a corporation, or an LLC, a personal guarantee will be required.
- Applicant must sign a credit bureau release form (on back) and have a clean credit history.
- Loans will be unsecured.
- Notes and guarantees will be done internally.
- No attorney fees.
- A letter must be submitted by the applicant detailing how the business has been affected by the Historic District Infrastructure Improvement Project, and the amount requested.
- Applications are available through the Clayton Local Development Corporation.

Interested business owners should fill out the Credit Release Form (on back) and attach the letter detailing how your business has been affected, and return it to **Kristi Dippel at the Village of Clayton Local Development Corporation, 913 Strawberry Lane, Clayton, NY 13624.**



Jefferson County Local Development Corporation
800 Starbuck Avenue, Suite 800

Watertown, New York 13601

Phone: 315-782-5865, Fax 315-782-7915

www.jcldc.com

**Contacts: Donald Alexander, CEO or
Lyle Eaton, CFO**

Certification and Authorization to Release Credit Information

DRAFT

_____, being duly sworn, deposes and says: that (s)he is the president of _____, the Project occupant (the Company) described in the foregoing application; that (s)he has read the foregoing application and knows the contents thereof; that the same is true to his/her own knowledge except as to the matters stated therein to be alleged upon his/her information and belief, and as to those matters (s)he believes it to be true; that to the best of her/his knowledge (s)he is in compliance with all federal and state legislation dealing with the hiring of illegal aliens and equal employment opportunity; and that the execution of this application has been duly authorized by the board of directors of the Company; and authorizes the lender to investigate and obtain a report concerning my (our) credit for the purpose of processing and underwriting my (our) loan application.

Signature of President, Project Occupant

Applicant's Full Legal Name

Applicant's Street Address

City/State (Province)/Country, Postal Code

Current Place of Employment

Current Employment Address

Previous Employer

Previous Employer Address

Applicant's SS# or SIN#

Applicant's Date of Birth

Spouse's Name

Internal Use:

Credit Reporting Agency

Date of Credit Report

Staff Signature