

**Jefferson County Industrial Development Agency
Board Meeting Minutes
October 5, 2023**

The Jefferson County Industrial Development Agency held their board meeting on Thursday, October 5, 2023 in the board room at 800 Starbuck Avenue, Watertown, NY.

Present: Paul Warneck, David Converse, W. Edward Walldroff, John Condino, William Johnson
Zoom: Robert E. Aliasso, Jr.

Excused: Lisa L'Huillier

Absent: None

Also Present: Christine Powers, Rob Aiken
Zoom: Justin Miller, Esq. (Harris Beach), Craig Fox (Watertown Daily Times)

Staff Present: David Zembiec, Marshall Weir, Lyle Eaton, Peggy Sampson, Joy Nuffer, Jay Matteson, Robin Stephenson

- I. Call to Order:** Vice Chairman Johnson called the meeting to order at 8:30 a.m.
- II. Privilege of the Floor:** Guests were invited to speak. No one spoke.
- III. Minutes:** Minutes of the meeting held September 7, 2023 were presented. A motion to approve the minutes as presented was made by Mr. Converse, seconded by Mr. Condino. Minutes of the special meeting held September 12, 2023 were presented. A motion to approve the special minutes as presented was made by Mr. Converse, seconded by Mr. Warneck. All in favor. Carried.
- IV. Treasurer's Report:** Mr. Warneck reviewed the financials for the period ending September 30, 2023. Mr. Warneck reported an increase of \$40,000. Mr. Eaton pointed out that it wasn't cash. He needed to adjust the balance sheet to properly reflect our liabilities relating to the 146 Arsenal Street reserve. Mr. Warneck reviewed the delinquent loans. Colleen's Cherry Tree Inn and Taste of Design are both two months behind. Mr. Warneck reported that the YMCA DOD grant has been fully reimbursed. After discussion, a motion was made by Mr. Warneck to accept the financial statement as presented, seconded by Mr. Walldroff. All in favor. Carried.
- V. Committee Reports:**
 - a. Finance Committee**
 - i. Proposed Budget for 2024** – The Finance Committee recommended approval of the proposed budget. Mr. Warneck said the budget is status quo with a few minor increases. He mentioned the PILOT/Lease leaseback line item and noted that we didn't meet the projection this year and indicated that it is a balancing act. A motion was made by Mr. Walldroff to approve the budget, seconded by Mr. Warneck. All in favor. Carried.

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- ii. **Resolution No. 10.05.2023.01 for Bad Debt Allowances** – The Finance Committee recommended approval to keep the RLF allowance at \$190,000 and adjusting the MICRO allowance to \$35,000. A motion was made by Mr. Converse to approve the resolution, seconded by Mr. Condino. All in favor. Carried.

b. Loan Review Committee

- i. **Resolution No. 10.05.2023.02 for Laker's Sweets & Treats, LLC** – A request for a \$40,000 MICRO Loan to purchase and upgrade existing businesses (Duck Out, Duck Stop, Quack Shack and Fish Shack). The Loan Review Committee recommended a \$40,000 MICRO Loan for a five-year amortization with a rate of 6%. Collateral will be secured with a second position mortgage (subordinate to Watertown Savings Bank) in the amount of \$40,000 on property located at 12308 NYS Route 12E, Chaumont, NY, a second position lien on all assets of the business, a personal guarantee of Jamie Strader as well as key person life insurance up to the amount of the loan. The loan will be contingent upon approval by Watertown Savings Bank for their \$184,000 loan.

A motion was made by Mr. Condino to approve the resolution, seconded by Mr. Walldroff. All in favor. Carried.

- ii. **Resolution No. 10.05.2023.03 for Marzano Excavating, LLC** - A request for a \$120,000 RLF Loan to purchase a building. The Loan Review Committee recommended a \$120,000 RLF Loan for a 15-year amortization with a 10-year balloon at a rate of 6%. Collateral will be secured with a second position mortgage (subordinate to Watertown Savings Bank) in the amount of \$120,000 on commercial property located at 22415 US Route 11, Watertown, NY, a second position lien on all assets of the business, personal guarantees of Jeffrey S. Garland and Patrick J. Marzano, Jr. as well as key person life insurance up to the amount of the loan. The loan will be contingent upon approval by Watertown Savings Bank for their \$150,000 loan.

Mr. Warneck asked if we requested an appraisal. Mr. Zembiec said that Watertown Savings Bank is having an appraisal completed and will send us a copy.

A motion was made by Mr. Condino to approve the resolution, seconded by Mr. Converse. All in favor. Carried.

- c. **Alternative Energy Ad Hoc Committee** – Mr. Warneck reported that OYA is packaging 9 of their solar projects for sale to a new owner and will need the IDA's approval for the Ellisburg project, which is the only Jefferson County project in the package. Mr. Zembiec said that they are on an expedited schedule, but did not submit enough information for today's meeting. He said the board could decide to hold a special meeting next week. Attorney Miller said a supplemental application (updating costs, layout, leases, etc.) was put together and was 90% complete, but indicated that they

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needed more time. The board decided to schedule a special board meeting for Wednesday, October 11, 2023 to consider the assignment of the project.

Mr. Warneck asked if we could inquire about the OYA Lane Road project that has not closed yet. Mr. Zembiec said he did inquire and was told that they need to go back to the planning board for a special use permit. They could close by the end of the year.

Executive Session

At 8:52 a.m., a motion was made by Mr. Condino to enter into executive session to discuss the potential sale of real estate, seconded by Mr. Walldroff. All in favor. Board Members including LDC Board Members, Staff, and Counsel remained.

At 9:57 a.m., a motion was made by Mr. Condino to leave executive session, seconded by Mr. Warneck. All in favor. No action was taken.

- d. Corporate Park Ad Hoc Committee** – Mr. Zembiec said that we are waiting to see the language that the Watertown Planning Board will use to create a separate zone for the Jefferson County Corporate Park.

VI. Unfinished Business:

- 1. 146 Arsenal Street update** – Mr. Weir said that some of the board members and staff toured the facility last month. They plan to open in December or January at the latest.

VII. New Business: None.

VIII. Counsel: None.

- IX. Adjournment:** With no further business before the board, a motion to adjourn was made by Mr. Warneck, seconded by Mr. Condino. All in favor. The meeting adjourned at 10:00 a.m.

Respectfully submitted,

Peggy Sampson

JEFFERSON COUNTY INDUSTRIAL DEVELOPMENT AGENCY
Resolution Number 10.05.2023.01
For Approving a Reserve for Bad Debt Allowances for CYE 12/31/2023

WHEREAS, Lyle Eaton, CFO, recommended keeping the RLF bad debt allowance at \$190,000 and decreasing the MICRO bad debt allowance to \$35,000 from \$55,000, and

WHEREAS, on September 12, 2023 the Finance Committee of the Jefferson County Industrial Development Agency reviewed the recommendation and agreed to move it to the full Board of Directors, and

WHEREAS, Mr. Eaton will make the entry at the end of the year, and

NOW, THEREFORE, BE IT RESOLVED, by the Board of Directors of the Jefferson County Industrial Development Agency that it herein approves the recommendation 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

JEFFERSON COUNTY INDUSTRIAL DEVELOPMENT AGENCY
Resolution Number 10.05.2023.02

**RESOLUTION FOR AUTHORIZING A MICRO ENTERPRISE LOAN TO
LAKER'S SWEETS & TREATS, LLC**

WHEREAS, Jamie Strader, President and Sole Member of Laker's Sweets & Treats, LLC, requested by application to this Agency a Micro Enterprise Loan in the amount of Forty Thousand Dollars (\$40,000.00) to be used to purchase and upgrade existing businesses – Duck Out, Duck Stop, Quack Shack and Fish Shack located at 12308 NYS Route 12E, Chaumont, NY, and

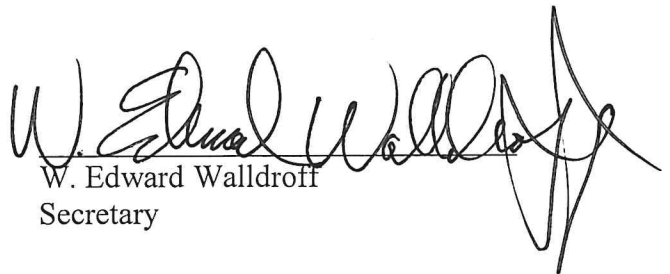
WHEREAS, Staff reviewed this request and recommended approval of a loan in the amount of \$40,000 for a five-year amortization with a rate of 6%. There are 4-5 employees in the summer and 3-4 in the off-season with the potential to add more employees as the business grows. Collateral will be secured with a second position mortgage (subordinate to Watertown Savings Bank) in the amount of \$40,000 on property located at 12308 NYS Route 12E, Chaumont, NY, a second position lien on all assets of the business, a personal guarantee of Jamie Strader as well as key person life insurance up to the amount of the loan. The loan will be contingent upon approval by Watertown Savings Bank for their \$184,000 loan, and

WHEREAS, on September 27, 2023, the Loan Review Committee of the Jefferson County Industrial Development Agency reviewed the 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 Forty Thousand Dollar (\$40,000.00) loan to Laker's Sweets & Treats, LLC 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

JEFFERSON COUNTY INDUSTRIAL DEVELOPMENT AGENCY
Resolution Number 10.05.2023.03

**RESOLUTION FOR AUTHORIZING A
REVOLVING LOAN TO
MARZANO EXCAVATING, LLC**

WHEREAS, Marzano Excavating, LLC has requested a Revolving Loan in the amount of One Hundred Twenty Thousand Dollars (\$120,000) to be used to purchase a building located at 22415 US Route 11, Watertown, NY, and

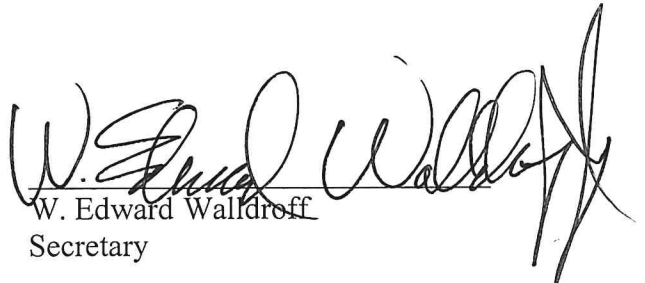
WHEREAS, Staff reviewed this request and recommend approval of a loan in the amount of \$120,000 for a 15 year amortization with a 10 year balloon at a rate of 6%. There are 6 full-time employees with a projection to create another 5 full-time jobs. Collateral will be secured with a second position mortgage (subordinate to Watertown Savings Bank) in the amount of \$120,000 on commercial property located at 22415 US Route 11, Watertown, NY, a second position lien on all assets of the business, personal guarantees of Jeffrey S. Garland and Patrick J. Marzano, Jr. as well as key person life insurance up to the amount of the loan. The loan will be contingent upon approval by Watertown Savings Bank for their \$150,000 loan, and

WHEREAS, on September 27, 2023, the Loan Review Committee of the Jefferson County Industrial Development Agency reviewed the 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 approves the request for a One Hundred Twenty Thousand Dollar (\$120,000) loan to Marzano Excavating, LLC 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