

**Jefferson County Industrial Development Agency
Board Meeting Minutes
December 7, 2023**

The Jefferson County Industrial Development Agency held their board meeting on Thursday, December 7, 2023 in the board room at 800 Starbuck Avenue, Watertown, NY.

Present: Robert E. Aliasso, Jr., Paul Warneck, W. Edward Walldroff, John Condino, William Johnson, Lisa L'Huillier

Excused: David Converse

Absent: None

Also Present: Christine Powers, Joseph Frateschi (Harris Beach)

Zoom: Rob Aiken, 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:** Chairman Aliasso called the meeting to order at 8:33 a.m.
- II. Privilege of the Floor:** Guests were invited to speak. No one spoke.
- III. Minutes:** Minutes of the meeting held November 2, 2023 were presented. A motion to approve the minutes as presented was made by Mr. Warneck, seconded by Mr. Walldroff. All in favor. Carried.
- IV. Treasurer's Report:** Mr. Warneck reviewed the financials for the period ending November 30, 2023. He noted that we received the closing fee for the North American Tapes PILOT project. He reviewed the delinquent loans. LCO Destiny is three months behind. He said that the board should discuss the budgeted PILOT revenue fees for next year since we are not going to hit the target for this year. He said they should also discuss having expedited closing expectations since approved projects are hanging out there for more than a year or more before they close. Chairman Aliasso mentioned the projects waiting to close and wondered if we should budget for losses. Mr. Warneck said we still wouldn't break even if those projects closed before year end. Mr. Eaton said there is nothing new for 2024 so far.

Chairman Aliasso asked about the electric/gas expenses related to 146 Arsenal Street. Mr. Zembiec said the Y reimburses the IDA and is in the process of getting them transferred over. After discussion, a motion was made by Mr. Warneck to accept the financial statement as presented, seconded by Ms. L'Huillier. All in favor. Carried.

V. Committee Reports:

a. Nominating Committee –

- i. Resolution No. 12.07.2023.01 –** The Nominating Committee met on November 29, 2023, and recommended the following slate of officers for the 2024 calendar year: Chairman – Robert E. Aliasso, Jr., Vice Chairman – William Johnson, Treasurer – Paul J. Warneck, and Secretary – W. Edward Walldroff. A motion was made by Ms. L'Huillier to approve the resolution, seconded by Mr. Condino. All in favor. Carried.

**Jefferson County Industrial Development Agency
Board Meeting Minutes
December 7, 2023**

Ms. L'Huillier said the Jefferson County Board of Legislators will consider reappointing Mr. Aliasso and Mr. Johnson at their upcoming meeting.

- b. Loan Review Committee -** Ms. Powers said the loan review committee met to discuss the loan modification request from LCO Destiny, LLC, the revised RLF loan request from Sackets Harbor Brew Pub d/b/a 1812 Brewing Company and a waiver or postponement request from Marzano Excavating to obtain keyman life insurance before closing.

Marzano Excavating – A motion was made by Mr. Warneck, seconded by Mr. Johnson to approve postponement for having keyman life insurance in place before the loan closing scheduled for 12/8/23. Discussion ensued. Mr. Condino commented that it takes time to put the policies in place and wondered why it took so long to address. Mr. Eaton said that once a loan is approved a commitment letter is sent to the applicant outlining the terms and conditions. It was noted that staff should let applicants know during the application process to avoid this situation in the future. All in favor. Carried.

- i. Resolution No. 12.07.2023.02 for LCO Destiny, LLC –** A request to change the term of the loan from a 5-year amortization to a 10-year amortization, while keeping the 5-year call, to lower the monthly payment to help with current cash flow issues. Mr. Warneck said that the loan review committee is requiring the delinquent payments to be made by the end of the year.

A motion was made by Mr. Walldroff to approve the resolution, seconded by Ms. L'Huillier.

Executive Session

At 8:49 a.m., a motion was made by Mr. Warneck to enter into executive session to discuss the financials of a particular person or corporation, seconded by Mr. Johnson. All in favor. Board Members including LDC Board Member Powers and Aiken, Staff, and Counsel remained.

At 9:04 a.m., a motion was made by Mr. Warneck to leave executive session, seconded by Mr. Condino. All in favor.

All in favor of the motion to approve. Carried.

- ii. Resolution No. 12.07.2023.03 for Sackets Harbor Brew Pub LLC d/b/a 1812 Brewing Company –** A request for a \$150,000 RLF to be used to purchase Maggie's on the River located at 500 Newell Street, Watertown, NY to expand the retail side of business for 1812 Brewing Company. Terms and conditions include a 15-year amortization with a 10-year balloon at a rate of 6%. Collateral will consist of a second co-proportional position mortgage with the Watertown Local Development Corporation (WLDC) and the North Country Alliance (NCA) subordinate to Watertown Savings Bank (WSB), a second co-proportional position with WLDC and NCA on all assets of the business, personal guaranty of Thomas W. Scozzafava as well as keyman life insurance, and a business guaranty of Maggie's on the

**Jefferson County Industrial Development Agency
Board Meeting Minutes
December 7, 2023**

River. The loan will be contingent upon approval of the WLDC, NCA and WSB loans.

The Loan Review Committee added a contingency for a lien on Mr. Scozzafava's personal residence located at 251 Rowley Street, Gouverneur, NY, and the Sackets Harbor Brew Pub located at 212 W. Main Street, Sackets Harbor, NY. The Board agreed to add the 981 Waterman Drive, Watertown, NY facility as well as the North Country Operating Corp. as a guarantor.

A motion was made by Mr. Condino to approve the amended resolution listing all the guarantors and locations, seconded by Ms. L'Huillier. All in favor.
Carried.

- c. **Alternative Energy Ad Hoc Committee** – Mr. Warneck indicated that a meeting was scheduled with Boralex representatives; however, it was postponed and has not been rescheduled at this time.

- d. **Corporate Park Ad Hoc Committee** –

Executive Session

At 9:10 a.m., a motion was made by Mr. Condino to enter into executive session to discuss the potential disposition of real property, seconded by Mr. Walldroff. All in favor. Board Members including LDC Board Members Powers and Aiken, Staff, and Counsel remained.

At 9:42 a.m., a motion was made by Mr. Warneck to leave executive session, seconded by Mr. Johnson. All in favor. No action was taken.

VI. Unfinished Business:

- 1. **146 Arsenal Street update** – Mr. Zembiec said the ribbon cutting ceremony for the new YMCA is scheduled for Monday, December 11, 2023.

VII. New Business:

Weather Policy – Chairman Aliasso asked staff to circulate the weather policy for the winter season.

Committee Structure – Chairman Aliasso said that he will be reviewing the committee structure for the 2024 calendar year. He asked board members for their input if they are interested in participating on certain committees.

VIII. Counsel: None.

- IX. Adjournment:** With no further business before the board, a motion to adjourn was made by Mr. Condino, seconded by Mr. Warneck. All in favor. The meeting was adjourned at 9:45 a.m.

Respectfully submitted,

Peggy Sampson

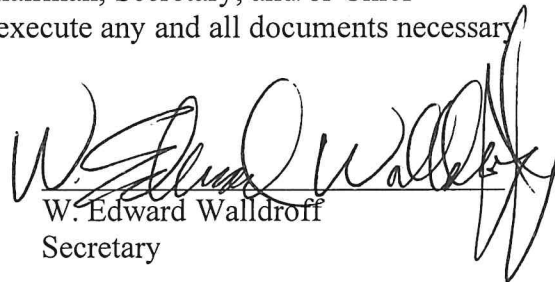
JEFFERSON COUNTY INDUSTRIAL DEVELOPMENT AGENCY
Resolution Number 12.07.2023.01
For Election of Officers

WHEREAS, the Nominating Committee met on November 29, 2023 and recommended the following slate of officers for the 2024 calendar year:

Chairman	Robert E. Aliasso, Jr.
Vice Chairman	William W. Johnson
Treasurer	Paul J. Warneck
Secretary	W. Edward Walldroff, and

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


W. Edward Walldroff
Secretary

JEFFERSON COUNTY INDUSTRIAL DEVELOPMENT AGENCY
Resolution Number 12.07.2023.02

**RESOLUTION FOR AUTHORIZING A MODIFICATION TO THE RLF LOAN TO
LCO Destiny, LLC d/b/a Timeless Frames**

Whereas, LCO Destiny, LLC d/b/a Timeless Frames has requested by written correspondence, a modification to the loan by requesting the JCIDA restructure the participation loan as a 10-year amortization with a 5-year balloon payment. The current loan term is a 5-year amortization, and

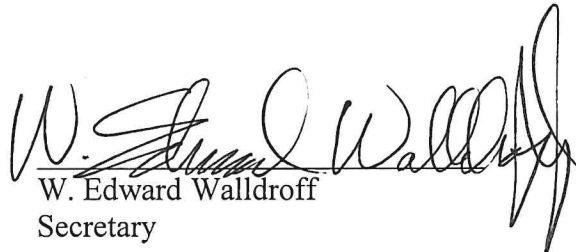
Whereas, Staff recommended approval of the request with an effective date of January 1, 2024, and

Whereas, on November 29, 2023, the Loan Review Committee of the Jefferson County Industrial Development Agency reviewed the request and recommended approval 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 the above modification is approved, and that all other terms and conditions of the original loan remain in effect, and be it further,

Resolved, that the Chairman, Vice Chairman or 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 12.07.2023.03

**RESOLUTION FOR AUTHORIZING A
REVOLVING LOAN TO
SACKETS HARBOR BREW PUB LLC D/B/A 1812 BREWING COMPANY**

WHEREAS, Sackets Harbor Brew Pub LLC d/b/a 1812 Brewing Company has requested a Revolving Loan in the amount of One Hundred Fifty Thousand Dollars (\$150,000) to be used to purchase Maggie's on the River located at 500 Newell Street, Watertown, NY, to expand the retail side of business for 1812 Brewing Company, and

WHEREAS, Staff reviewed the request and recommended approval of a loan in the amount of \$150,000 for a 15-year amortization with a 10-year balloon at a rate of 6%. Retention of 55 hourly employees and 2 full-time employees with a projection to create another 17 new jobs over the next three years. Collateral will be secured with a second co-proportional position mortgage with the Watertown Local Development Corporation (WLDC) and the North Country Alliance (NCA) subordinate to Watertown Savings Bank (WSB) on real estate located at 500 Newell Street, Watertown, NY, a second co-proportional position with the WLDC and NCA on all assets of the business, personal guaranty of Thomas W. Scozzafava as well as key man life insurance up to the amount of the loan, and a business guaranty of Maggie's on the River. The loan will be contingent upon approval of the WLDC, NCA and WSB loans, and

WHEREAS, on November 29, 2023, the Loan Review Committee of the Jefferson County Industrial Development Agency reviewed the request. The Loan Review Committee added a contingency for a lien on Mr. Scozzafava's personal residence located at 251 Rowley Street, Gouverneur, NY and the Sackets Harbor Brew Pub located at 212 W. Main Street, Sackets Harbor, NY. They recommended approval of the loan and terms to the full Board of Directors, and

WHEREAS, the Board of Directors is requiring additional collateral for the 981 Waterman Drive, Watertown, NY facility as well as the North Country Operating Corp. as a guarantor, 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 Fifty Thousand Dollar (\$150,000) loan to Sackets Harbor Brew Pub LLC d/b/a 1812 Brewing Company 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.


David J. Zembiec, CEO