

**Jefferson County Industrial Development Agency  
Board Meeting Minutes  
September 5, 2024**

The Jefferson County Industrial Development Agency held its board meeting on Thursday, September 5, 2024 in the board room at 800 Starbuck Avenue, Watertown, NY.

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

**Excused:** None

**Absent:** None

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

**Staff Present:** Marshall Weir, Jay Matteson, Peggy Sampson, Robin Stephenson

- I. Call to Order:** Chairman Aliasso called the meeting to order at 8:22 a.m.
- II. Privilege of the Floor:** No one spoke.
- III. Minutes:** Minutes of the meeting held August 1, 2024 were presented. A motion to approve the minutes as presented was made by Mr. Condino, seconded by Mr. Johnson. All in favor. Carried.
- IV. Treasurer’s Report:** Mr. Warneck reviewed the financials for the period ending August 31, 2024. Mr. Warneck reported that we will not meet our projected PILOT revenue budget item. He reviewed the delinquent accounts and noted that Painful Acres is three months behind and LCO Destiny is two months behind on their payments. Ms. Stephenson said that Painful Acres is communicating with staff and continue to make monthly payments. Mr. Walldroff said that he doesn’t expect either of them to default; Mr. Warneck agreed. After discussion, a motion was made by Mr. Walldroff to accept the financial statement as presented, seconded by Ms. L’Huillier. All in favor. Carried.
- V. Committee Reports:**
  - a. Alternative Energy** – Mr. Warneck said the committee has not met. Mr. Walldroff commented on the amount of utility work being done in the County. Mr. Warneck said that Mr. Weir shared a spreadsheet that shows what IDA’s around the state have negotiated for PILOTs and indicated that our IDA is right in the ballpark. He noted that no IDA’s have negotiated for a utility scale project as of yet. Chairman Aliasso asked if a comparison (what was initially approved versus the actual cost) has been completed on the OYA PILOT as requested last month. Mr. Weir said that it has not been completed at this time.
  - b. Loan Review Committee**
    - i. Resolution No. 09.05.2024.01 for 242 Washington Street LLC** – The Loan Review Committee recommended the \$250,000 participation loan with the Development Authority of the North Country (DANC), the Watertown Local Development Corporation (WLDC), and the North Country Alliance (NCA).

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DANC will be the lead agency. The loan term will be a 36-month amortization at a rate of ½ Wall Street Journal Prime plus 1 set at closing (currently 5.25% as of 8/2/24), payments will be monthly interest-only payments. Collateral will be secured with a first co-proportional position mortgage with DANC, WLDC, and NCA on real estate located at 242 Washington Street, Watertown, NY, a personal guaranty of Augusta Withington, and a guaranty of Fourth Coast Inc. The loan will be contingent upon the DRI grant of \$2,200,000 with ESD approval to extend the grant into 2025 and participation by DANC, WLDC, and NCA.

Chairman Aliasso noted that grant projects like this have to be completed before reimbursement. Mr. Aiken said that organizations like ours are helping owners finish these projects with bridge financing instead of banks. Mr. Converse said that Mr. Warneck brought up the issue at the loan review committee meeting regarding the amount of money that will be left to make loans. Mr. Walldroff said that this project is worthy of it.

A motion was made by Mr. Converse to approve the resolution, seconded by Mr. Condino. Discussion ensued. Mr. Aiken asked Mr. Weir his opinion on the approval of this project based on the conversation about the fund balance. Mr. Weir said that he completely supports the project which is right downtown in the heart of our county and indicated that Mr. Eaton fully supports the project as well. Mr. Matteson said it's good to see that facility be put back in shape although he is concerned about running out of RLF funds, but said that it's a good project and deserves our support. Mr. Walldroff asked if revenue will sustain the overhead once the project is completed. Mr. Weir said yes. All in favor. Carried.

**VI. Unfinished Business:** None.

**VII. New Business:**

- 1. Business Complex Infrastructure Bid** – Mr. Weir said that we have a low bidder that is acceptable to us. Mr. Condino asked if our consultants (BCA) have looked at the bids and checked them for any discrepancies and asked if they have given a recommendation. Mr. Weir said yes. Mr. Condino asked if BCA has discussed it with the low bidder about being comfortable with the bid and willing to move forward. Mr. Weir said yes.

Attorney Miller said that he can prepare a resolution that describes the full project which covers the bid process, addresses SEQR and the funding structure which includes several grants. He said the resolution could also set the capital project budget to use the grants and the fund balance as necessary.

**Executive Session –**

At 8:47 a.m. a motion was made by Mr. Condino to enter into executive session for bid review, personal finances and potential property disposition of real estate, seconded by Mr. Converse. Mr. Warneck asked to include general legal advice in the motion. The motion was amended. Board Members, LDC Board Member Aiken, Staff and Counsel remained.

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At 9:42 a.m. a motion was made by Mr. Converse to leave the executive session, seconded by Ms. L'Huillier. All in favor. Carried.

A motion was made by Mr. Condino to issue a Notice of Award to the low bidder, direct counsel to prepare documents for the board to review particulars at a special meeting scheduled for next Thursday, September 12, 2024 at 8 a.m., and authorize the CEO as a signer for contracts and related documents, seconded by Mr. Johnson. All in favor. Carried.

**VIII. Counsel:** None.

**IX. Adjournment:** With no further business before the board, a motion to adjourn was made by Ms. L'Huillier, seconded by Mr. Walldroff. All in favor. The meeting was adjourned at 9:49 a.m.

Respectfully submitted,

*Peggy Sampson*

**JEFFERSON COUNTY INDUSTRIAL DEVELOPMENT AGENCY**  
**Resolution Number 09.05.2024.01**

**RESOLUTION FOR AUTHORIZING A  
REVOLVING LOAN TO  
242 Washington Street LLC**

**WHEREAS**, 242 Washington Street LLC has requested a Revolving Loan in the amount of Two Hundred Fifty Thousand Dollars (\$250,000) to be used as bridge financing to facilitate the completion of significant renovations and improvements to the former Masonic Temple Lodge located at 242 Washington Street, Watertown, NY, and

**WHEREAS**, The Development Authority of the North Country (DANC), the Watertown Local Development Corporation (WLDC), the JCIDA, and the North Country Alliance (NCA) are being asked to fund \$975,000 in interim financing (\$250,000 from DANC, WLDC and JCIDA and \$225,000 from NCA). DANC will be the lead agency for this participation loan. Owner, Augusta Withington, has used \$984,199 of her own funds to pay for improvements and is in the process of submitting reimbursement paperwork to receive the \$500,000 Restore NY grant. The state will only allow these funds to be disbursed so long as the public financing has been committed to complete the remainder of the project. The JCIDA will be repaid with the proceeds from the DRI grant (\$2.2M) - periodic draws have been approved for this grant. The application fee is waived since DANC already collected the fee, and

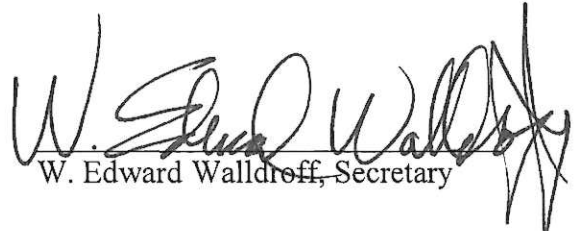
**WHEREAS**, Staff reviewed the request and recommended approval of a loan with the same terms as the lead agency: \$250,000 for 36 months at a rate of ½ Wall Street Journal Prime plus 1 set at closing (currently 5.25% as of 8/2/04). Payments will be monthly interest-only payments. There are currently 15 FTE tenant jobs. Collateral will be secured with a first co-proportional position mortgage with DANC, WLDC, and NCA on real estate located at 242 Washington Street, Watertown, NY, a personal guaranty of Augusta Withington, and a guaranty of Fourth Coast Inc. The loan will be contingent upon the DRI grant of \$2,200,000 with ESD approval to extend the grant into 2025, and participation by DANC, WLDC, and NCA, and

**WHEREAS**, on August 28, 2024, 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 Two Hundred Fifty Thousand Dollar (\$250,000) loan to 242 Washington Street 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