

ST. LAWRENCE COUNTY INDUSTRIAL DEVELOPMENT AGENCY
~ Meeting of February 27, 2018

CALL TO ORDER: Vice-Chairman LaBaff called the meeting to order at 8:34 AM at the IDA office, Ernest J. LaBaff Industrial Building, Canton.

ROLL CALL:

Blevins	Present	Hooper	Present
Hall.....	Present	LaBaff.....	Present
McMahon	Absent	Staples.....	Absent
Morrill	Present		

SLCIDA Vice-Chairman Mr. LaBaff announces there is a quorum.

Others: SLCIDA Staff (Patrick Kelly, Tom Plastino, Kimberly Gilbert, Richard Williams and Lori Sibley); SLCIDA Counsel (Andrew W. Silver, Esq.)

PUBLIC NOTICE: Public notifications sent February 21, 2018 to, at a minimum: newspapers designated for the publication of local laws and other matters required by law to be published; additional local media sources and websites.

PUBLIC COMMENT: St. Lawrence County Legislator Larry Denesha is in attendance but has no comment.

APPROVAL OF MINUTES: Motion to accept the minutes of the January 25, 2018 meeting by Mr. Hall seconded by Mr. Hooper. Carried unanimously.

FINANCIAL REPORTS: Mr. Kelly states the FY2017 audit is substantially complete. Copies of the audit and monthly financial reports will be presented at the March meeting Mrs. Gilbert, Chief Financial Officer, adds that she has been discussing investment opportunities with KeyBanc Capital Markets, where the IDA has a Safe Keeping Account. As the rate of return on deposits is low, staff members have been researching alternative investments, including US Treasuries. Key has offered a more favorable rate structure through treasury investments. Further discussion ensues regarding the investment process, fees, etc. Mr. Hooper suggests that as any investments come due, whether treasuries or traditional certificates of deposit, we should continue to research various time and term options to ensure the most favorable return. Mr. Kelly and Ms. Gilbert agree and will provide information on an ongoing basis as part of our financial reports.

COMMITTEE REPORTS: None

STAFF REPORT: Mr. Kelly reports the following:

Corning, Inc – Canton Plant: A public hearing was held on February 8, 2018 for the PILOT portion of a 9,000 square foot warehouse expansion project. Further information concerning the public hearing will be discussed under New Business.

St. Lawrence Soyway: The bond purchase agreement was canceled in February. The company continues to seek an equity investor to help fund the project and is confident that once it has secured the necessary equity commitment it will be able to restart the bonding process.

North Country Data Center: The New York Power Authority met on January 30th and reviewed a request for a 15 megawatt power allocation to be used for the North Country Data Center's proposed crypto

currency mining operation at the former Alcoa East site. Even though the discussion was tabled, work is continuing at the facility with the company's expectation that the power allocation will be secured. The company proposes to create 165 jobs as a result of the project. Mr. Hall asks about the impact to the Massena Electric Department from the numerous proposed bit coin facilities in the Massena area. Mr. Kelly responds that MED is working to assess the potential impact to their system and rate structure should the projects move forward.

Parker Maple Farm, Inc.: As production increases, the company continues with build-outs in the Canton Industrial Park building space, which is expected to surpass the estimated cost of \$65,000. It is recommended that a PILOT is built into the lease, which will require an addendum to the lease agreement. Discussion will continue further within the next month or two.

Newton Falls Fine Paper Facility: Discussions continue with Ritter and Paratore, owners of the facility, on ways to work together to market and potentially redevelop the facility.

Brookfield Energy: IDA staff met with representatives of Brookfield Energy to discuss how they could partner with business development efforts in the County. Brookfield owns numerous hydro facilities in the County. We will work with them to get a better understanding of their local assets and to find ways to work together.

J&L Rehabilitation Project: Funds were received earlier this month from National Grid in the amount of \$147,000 toward the demolition and abatement project at the former J&L Steel site.

Marketing: A marketing tab wrap highlighting the County's resources, particularly low-cost power, will be placed in the Brockville and Cornwall newspapers to be distributed along the border communities in Canada in early March.

Annual Report: A draft copy of the Annual Report to the St. Lawrence County Board of Legislators was distributed to IDA members for review. Mr. Kelly asks if there is anything additional to report to let him know as the report will be finalized by the end of the week.

Financial Disclosure Forms: As a reminder, it is mentioned that as required by Public Authorities Law, IDA Board Members, Executive Directors and Staff will need to complete an Annual Financial Disclosure form to be forwarded to the St. Lawrence County Board of Ethics by March 31st.

Board Self-Evaluation Forms: As part of the reporting process to the Authorities Budget Office, forms need to be reviewed by the Governance Committee prior to the March 31st submission deadline. A meeting of the Governance Committee will be scheduled for late March.

NYS Economic Development Council: Mr. Kelly is the Annual Meeting Committee Chairman and he mentions the committee is seeking content ideas for the agenda. The Annual Meeting will be held May 23 – 25th in Cooperstown. Any board member who wishes to attend should contact the office to register.

Appointments/Reappointments: Steven Morrill was appointed by the St. Lawrence County Board of Legislators in early February to serve on the IDA advisory board. Orientation materials are being prepared by IDA staff. Also, Lynn Blevins' term will expire in June of 2018. Mr. LaBaff/Mr. Hooper motion to recommend Mr. Blevins to another term. Carried Unanimously.

OLD BUSINESS: None

NEW BUSINESS:

Resolution IDA-18-02-04: Authorizing Modifications to the Financial Assistance Conveyed by the SLCIDA with Respect to the Corning, Inc./Corning Property Management Corporation Project: Mr. Kelly distributes a cost-benefit analysis for review and references the public hearing minutes and letters that were included in the meeting packet submitted by the Canton Central School District Superintendent. While, the assessed property values of the Corning Canton plant are not determined by the IDA, staff have had several discussions with the County Real Property Tax Office and the Town of DeKalb Assessor to ensure that the parcels covered by the IDA PILOT Agreement, as well as the rest of the parcels making up the Corning property, are placed on the appropriate taxable status section of the property tax roll. As an example, though not part of the IDA PILOT, certain property, such as the bag house and water treatment facilities, are exempt from tax even though these parcels are not part of an existing IDA PILOT.

The proposed amendment to the existing PILOT will add new property within the existing PILOT schedule and will not extend the period of the existing PILOT agreement. In reviewing the cost-benefit analysis, Mr. Morrill highlights that the company offers good paying jobs and benefits and has made significant infrastructure investments throughout the years to allow for development in an area that would otherwise be considered as undeveloped swampland in the County. Mr. LaBaff agrees, noting the IDA has a responsibility to create and protect the jobs in St. Lawrence County. Mr. Blevins motions to approve Resolution IDA-18-02-04, seconded by Mr. Hall. The motion is approved by unanimous vote.

Resolution IDA-18-02-05: Recommending the Governor Nominate Census Tracts in St. Lawrence County as Opportunity Zone-Qualified Under the Investing in Opportunity Act of 2017. Mr. Kelly notes the Governor has until late March to nominate areas in the County as “Opportunity Zones” as part of the federal tax bill passed late last year. If approved, this will be used as part of our marketing strategy to target private investment in the County. Mr. Hall motions to approve Resolution IDA-18-02-05, seconded by Mr. Morrill. The motion is approved by unanimous vote.

EXECUTIVE SESSION: Blevins/Hooper motion for Executive Session at 9:11 AM to discuss the financial history of a particular company, matters leading to employment and the proposed acquisition of real property. Blevins/Hall motion to return to Regular Session at 9:50 AM

ADJOURNMENT: A motion to adjourn is made by Mr. Hall, seconded by Mr. Blevins. The meeting adjourns at 9:50 AM by unanimous vote.

(Mr.) Lynn Blevins, Secretary