

**ST. LAWRENCE COUNTY INDUSTRIAL DEVELOPMENT AGENCY**  
**Meeting of July 19, 2019**

CALL TO ORDER: Chairman Staples called the meeting to order at 8:31 AM at the IDA office, Ernest J. LaBaff Industrial Building, Canton.

**ROLL CALL:**

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

SLCIDA Chairman Staples announces there is a quorum.

Others: IDA Staff (Patrick Kelly, Richard Williams and Lori Sibley). IDA-LDC Staff (Thomas Plastino).

**PUBLIC NOTICE:** Public notifications sent July 28, 2019 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:** Russel Marvin and Devon Sutton from LC Drives, LLC are in attendance. Mr. Marvin introduces himself as CEO of the Company. Mr. Kelly provides a brief summary of the assistance provided to LC Drives by the IDA and its affiliated organizations, noting over \$500,000 in financing has been provided through loans and leases to the company. Additionally, \$325,000 in loans have been sponsored by the IDA through the North Country Alliance for LC Drives and the IDA referred the company to Point Positive, which has made an investment of approximately \$200,000 in the company. Mr. Kelly summarizes that all loans and leases are either current or paid off, and that the company has met the job requirements of each.

Mr. Marvin states that the company now employs 35 workers and anticipates hiring as many as 200-300 workers to fulfill his production goals. He adds that of the \$830,000 in financing and incentives provided to LC Drives by the St. Lawrence County IDA and St. Lawrence County IDA - LDC, only \$113,000 remains outstanding. Mr. Marvin mentions that LC Drives electric motors are half the size of any other motors and there is a tremendous interest in seeing his product line come to fruition.

Attorney Silver enters the meeting at 8:36 AM. Mr. Marvin continues by saying that recruitment efforts with the assistance of the Clarkson have been successful. He adds that the University's President has been instrumental in helping LC Drives obtain space within Clarkson's downtown campus. However, in order for the company to grow and produce at the rate that is needed, they will require 120,000 to 150,000 square feet of space. A 57-acre site outside the Village of Potsdam and within the Town of Potsdam has been selected for development by the company. Mr. Marvin notes the Town of Potsdam and the County have approved the project site. Mr. Marvin asks for IDA assistance by taking a partial ownership interest in the building and to assist with the planning and design financing. He would also like the IDA to assist the company as it seeks funding at the State level.

Mr. Reagen enters the meeting at 8:42 AM. Mr. LaBaff asks Mr. Marvin for specific details pertaining to his request for funding for LC Drives, LLC. Mr. Marvin requests the IDA invest \$1 million in the building, become a sponsor for the applications needed for state and federal grants, and provide \$105,000 in financing to assist in making the property shovel ready. Mr. Marvin explains that he is able to pay market rates for space, but cannot justify the full construction costs for a building, the reason he is seeking assistance from the IDA and the State for the project. He indicates that the location identified in the Potsdam area will provide access to power lines from which the company can draw 6 megawatts of power, which are necessary for its use. Mr. Staples asks if the company has considered Massena, in light of needing so much power. Mr. Marvin responds that he believes being in Potsdam is key as the labor that has been provided with the Clarkson University partnership has been top notch, and that remaining in Potsdam will afford students and alumni the opportunity to be close to the Clarkson campus, which he thinks is a significant advantage over other locations in the area. Mr. Marvin further states that there are many areas in the country that could be less expensive for growing the business, Potsdam is his preferred location.

A question is asked about the company's financial position, at which point it is suggested there may be a need for discussion in executive session.

EXECUTIVE SESSION: LaBaff/Hall motion for Executive Session at 9:06 AM to discuss the financial history of a particular company. Mr. Marvin and Ms. Sutton are invited to stay for the session. LaBaff/Morrill motion to return to Regular Session at 9:21 AM Mr. Marvin and Ms. Sutton exit the meeting at this point.

APPROVAL OF MINUTES: Motion to accept the minutes of the June 28, 2019 meeting by Mr. LaBaff seconded by Mr. Morrill. Motion carried unanimously.

FINANCIAL REPORTS: None

COMMITTEE REPORTS: None

STAFF REPORT: Patrick Kelly reports the following:

Empire State Mines: The price of zinc is up from \$1.07 at our last meeting to \$1.12. Mr. McMahon notes that the price was around \$1.25 not long ago. Mr. Kelly will keep the board informed about the price.

Community Preservation Partners: We received an official response from the State regarding our bond allocation request for the CPP project. The letter states \$14.1 million of additional bond cap will be set aside to help finance this project. The IRS requires the County to approve the tax-exempt bond issuance. Therefore, Mr. Kelly will attend the County Finance Committee meeting on July 29<sup>th</sup> and the Board of Legislators meeting on August 5<sup>th</sup> in order to obtain the County's approval.

Vecino Group: A meeting was recently held with the local taxing jurisdictions in Potsdam relative to the Vecino Group's proposed project to redevelop Old Snell Hall on Clarkson's downtown campus. The Town, Village and School have engaged the services of Barclay Damon to assist in negotiations for any PILOT agreement. The mixed-use facility will provide 59 low-income housing apartments as well as space which is proposed to be leased to Clarkson University and the St. Lawrence County Arts Council. It is expected that negotiations for a PILOT will continue throughout the summer.

Community Bank, NA: An application for an extended PILOT is expected to be forthcoming in the following weeks.

Arconic: An application is being completed by IDA staff to request funding assistance through the Consolidated Funding Application process for a strategic planning and feasibility study for the Arconic property in Massena. The IDA, in partnership with Arconic, would like to create a master plan to develop Arconic's excess properties. Rather than looking at the existing operations and future development parcels as nearby to one another, but otherwise disconnected and separate, the goal is to create a comprehensive, cohesive view for developing the 2,500 acres as a mixed use industrial, technology, commercial, and agri-business campus. The feasibility study of the Arconic property in Massena would provide the information and data needed to develop the sites for future growth and expansion. This would include an assessment of how to connect to the low-cost power infrastructure on-site as well as the municipal and industrial water and wastewater treatment systems, railroad lines, broadband, and natural gas lines that serve the site. The total cost of the project is expected to be over \$100,000.

Former Newell Manufacturing Facility: There were some minor bidder addendums and proposals are due July 22<sup>nd</sup>.

J&L Remediation Project: As a follow-up to questions posed at the last meeting by Mr. Reagen, Mr. Kelly states that the total amount of expenditures for 2019 on the project is \$671,154. Phase II total so far is \$989,609 (we have received back \$221,000 with a net outstanding figure of \$778, 109).

Lake Ontario Resiliency and Economic Development Initiative (REDI): We have outreached several businesses about the high-water levels and the effect it has had on their businesses. Mr. Hall adds that proposals are being sent into the State before the early August deadline approaches.

Center for Entrepreneurial Leadership: The IDA, in partnership with the University of Buffalo – CEL, SUNY Canton and NYPA are meeting July 25<sup>th</sup> and 26<sup>th</sup> to discuss helping entrepreneurs to overcome business challenges, create new opportunities and develop meaningful connections within the local business community. This is part of the Comprehensive Economic Development Strategy (“CEDS”) goal to better connect the businesses of the County and to provide enhanced startup and expansion services.

Ogdensburg Bridge and Port Authority: At the OBPA’s request, a meeting was held recently to discuss the ways we work together, prompted by the OBPA application to the St. Lawrence River Valley Redevelopment Agency’s CDEI Program not being funded.

Economic Development Services Contract: With the services contract with the County set to expire this year, a letter was sent to Chairman Lightfoot requesting an extension of the agreement for three years at a rate of \$400,000 per year.

EXECUTIVE SESSION: LaBaff/Morrill motion for Executive Session at 9:35 AM to discuss the financial history of a particular company. LaBaff/McMahon motion to return to Regular Session at 9:50 AM

OLD BUSINESS: None

NEW BUSINESS: None

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

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(Mr.) Lynn Blevins, Secretary