

**ST. LAWRENCE COUNTY INDUSTRIAL DEVELOPMENT AGENCY
LOCAL DEVELOPMENT CORPORATION
Meeting of February 21, 2020**

CALL TO ORDER: Chairman Staples called the meeting to order at 9:49 AM at the IDA office, Ernest J. LaBaff Industrial Building, Canton.

ROLL CALL:

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

SLCIDA-LDC Chairman Staples announces there is a quorum.

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

PUBLIC NOTICE: Public notifications sent February 14, 2020 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: William Eckert, Reporter for Northern New York Newspapers, is in attendance.

APPROVAL OF MINUTES: Motion to accept the minutes of the December 11, 2019 meeting by Mr. Hall seconded by Mr. Morrill. Motion carried unanimously.

FINANCIAL REPORTS: Motion to accept the November 2019 financial reports by Mr. Hall, seconded by Mr. McMahon. Mrs. Gilbert highlights the various expenses that were paid and details the building expenses and CDEIP issuances that were paid out. Motion carried unanimously.

COMMITTEE REPORTS: None

STAFF REPORT: Patrick Kelly reports the following:

Lake Ontario River Resilience and Economic Development Initiative: As part of the restoration and repair efforts for businesses that have experienced loss due to flooding along the St. Lawrence River, Empire State Development Corporation is administering a fund for business resilience improvements. Mr. Kelly adds that there may be a need to assist local businesses with gap and bridge financing through our loan programs as they seek alternate ways to finance various improvement projects through this program. Mr. McMahon asks for the approximate number of hours that will be required of our staff time to fulfill our role in helping the communities. Mr. Kelly responds that we have already dedicated time to this effort and may end up with approximately 50 hours of staff time or more before we are done.

Former Great American in Star Lake: The LKR loan package provided by the IDA-LDC included participation from the Greater Massena Economic Development Fund, which had a balance of approximately \$42,000 at the time the deed-in-lieu of foreclosure was executed and the property was transferred to the St. Lawrence County Property Development Corporation. As was agreed at the time the building was transferred, proceeds from the eventual sale of the building will be utilized to pay the outstanding balance to the IDA-LDC, including the GMEDF portion of the loan package. In order to simplify the process by which the building can be redeveloped by the PDC (which has common board membership and staff with the IDA-LDC), it is recommended the IDA-LDC pay off the GMEDF portion of the loan package now. The board agrees and approves the payment.

Community Development and Environmental Improvement Program: Applications for the 2020 funding year are available and posted on the website. April 16th is the deadline to apply. Total amount of funds available is

\$100,000 with a maximum of \$20,000 to be distributed to any one individual project. This has been the structure of the program for the last three years.

Annual Reporting: Annual review of our projects is underway. We will prepare copies of the draft reports as soon as they are available so there is enough time for members to review the material prior to approval at the next meeting.

OLD BUSINESS: None

NEW BUSINESS:

Resolution LDC-20-02-01: Authorizing a Loan of up to \$300,000 to Structural Wood Corporation: Structural Wood Corporation is acquiring the property next door to the its currently location in order to provide additional inventory storage, along with a larger and safer delivery area. The project also includes upgrades and new equipment at Company's current facility and will allow the company to increase production and delivery capabilities to meet existing demand and allow for sales growth. This will lead to the addition of 3 new full-time equivalent employees. The St. Lawrence River Valley Redevelopment Agency approved the loan structure at their January 21st meeting. Mr. Blevins notes a typographical error in the underwriter report, where the current job numbers should be reported at 34, not 43. He adds that this is a good company doing really good things in the region. Mr. Blevins motions to approve Resolution LDC-20-02-01, seconded by Mr. McMahon. The motion is approved by unanimous vote.

EXECUTIVE SESSION: Blevins/Morrill motion for Executive Session at 9:56 AM to discuss the financial history of a particular company. Hall/McMahon motion to return to Regular Session at 10:02 AM.

Canexsys Networks Inc. has issued a request to revise the security interest included in their loan documents. The Company is requesting to move equipment, that is part of the security interest included in the loan, from their Ogdensburg facility to their Ottawa facility. Canexsys Networks Inc. currently buys its components from China. The U.S. tariffs on China have increased their costs in raw materials. They have locations in Ogdensburg and Ottawa. Traditionally, both locations have utilized robotic and manual labor to assemble products. The Ogdensburg facility lost its programmer and has had difficulty replacing this position. With these two events, the company would like to move the robotics to Ottawa and maintain manual assembly in Ogdensburg. Orders are up and they foresee hiring 3-4 jobs at the Ogdensburg location in the near future. The Company currently employs 18 people in Ogdensburg. Mr. Hall motions to authorize the transfer of the identified equipment from Ogdensburg to Ottawa, seconded by Mr. Blevins. The motion is approved by unanimous vote.

ADJOURNMENT: A motion to adjourn is made by Mr. Blevins, seconded by Mr. Hall. The meeting adjourns at 10:47 AM by unanimous vote.

(Mr.) Lynn Blevins, Secretary