

**ST. LAWRENCE COUNTY INDUSTRIAL DEVELOPMENT AGENCY  
LOCAL DEVELOPMENT CORPORATION  
Meeting of June 29, 2020**

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CALL TO ORDER: Chairman Staples called the meeting to order at 4:10 PM via teleconference. Due to COVID-19 restrictions, the meeting is lives streamed and a recording is available on the SLCIDA website.

ROLL CALL:

Blevins .....	Present	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, Kimberly Gilbert, and Lori Sibley)

PUBLIC NOTICE: Public notifications sent June 24, 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: None

APPROVAL OF MINUTES: Motion to accept the minutes of the February 21, 2020 meeting by Mr. LaBaff seconded by Mr. Reagen. Motion carried unanimously.

FINANCIAL REPORTS: Motion to accept the December 2019, January 2020, February 2020 and March 2020 financial reports by Mr. LaBaff, seconded by Mr. Blevins. Ms. Gilbert reports that the *December 2019* financials reconcile back to the 2019 audit. Ms. Gilbert reports on highlights for each month. *January 2020* administrative expenses were paid to the IDALDC from the RVRDA, the IDALDC then issues \$100,000 to the IDA as approved by the budget process. *February 2020* highlights include \$19,000 in Community Development and Environmental Improvement program expenses for the RVRDA. *March 2020* highlights include Massena Electric Department contract expenses for the RVRDA. Motion carried unanimously.

COMMITTEE REPORTS: *Governance Committee:* Mr. Blevins (Chair of the Audit Committee), reports that the committee (including Mr. LaBaff and Mr. Hall) met June 25, 2020 and reviewed the policies contained in today's meeting packet. *Nominating Committee:* Mr. LaBaff (Chair of the Nominating Committee) reports the committee (including Mr. Hall and Mr. Reagen) discussed the potential slate of officers and offers the following: Brian W. Staples (Chairman), Ernest LaBaff (Vice-Chairman) and Lynn Blevins (Secretary). There were no other nominations from the floor. Mr. LaBaff motions, and Mr. Blevins seconds, and the nominees are elected by unanimous vote. The Board also unanimously approved the following: Patrick Kelly (Chief Executive Officer), Kimberly Gilbert (Chief Financial Officer) and the Law Firm of Silver and Collins (Agency General Counsel).

STAFF REPORT: Patrick Kelly reports the following:

Structural Wood: The \$300,000 loan to SWC closed in April. Mr. Kelly responds to Mr. Staples question and notes that over 40 employees are currently working at the company. Structural Wood has done very well, experiencing growth regionally and in the Vermont area as well. Our assistance helped with the expansion of the business involving a neighboring site.

Moratorium on Loans: Mr. Kelly mentions that due to the COVID crisis, a 90-day moratorium option was offered to businesses currently making loan payments. About a half of the loan portfolio balance was involved in the moratorium option of no payments with no interest accruals. Most are ready to resume regular payments. We are working with each business on a case-by-case basis. Mr. McMahon asks if the moratorium is typical or if any other agencies are doing something different. Mr. Kelly notes that the IDA-LDC made offers to companies in the very beginning of the pandemic and we coordinated our activities with many of our partnering loan funds in the region. It appears there is some consistency within our region and this was a common approach. Some smaller microenterprise programs have offered something similar as well. In an answer to a question from Mr. Reagen, Mr. Kelly states that about 20 businesses took advantage of the moratorium. There are about 60 loans, so this was about a third of those loan clients, but this represented about half or approximately \$4 million of the outstanding balances. Mr. Kelly adds that we have made more company contacts in the last three (3) months than any other 3-4 month period that he can recall. Mr. Reagen asks how many jobs were impacted by this. Mr. Kelly figures about 500 – 1,000 jobs to stay conservative, but probably hundreds more.

NCA Emergency Loan Fund: In an effort to match companies with programs and resources available, with so many changes in regulations, we worked with NCA to create an emergency loan fund for businesses. This was a regional approach before the federal programs kicked in and was used in addition to the CARES Act programs in some cases.

OLD BUSINESS: None

NEW BUSINESS:

Resolution LDC-20-06-02: Authorizing Modifications to the FY2019 Budget: Mr. Blevins mentions that the IDALDC invested in US Treasuries and has a question about a line item on the budget relating to these investments. In an effort to seek clarification with identifying gains versus losses in the modified budget, Mr. Blevins asks Ms. Gilbert to explain why brackets are in some totals when the totals do not indicate a negative number. Ms. Gilbert acknowledges a typographical error was made. The brackets should be removed. Adjustments are needed to some of the brackets for the dollar figures to clarify negative/positive amounts. Mr. LaBaff motions to accept amendments needed to the FY2019 budget modification, seconded by Mr. Blevins. The motion is approved by unanimous vote.

Resolution LDC-20-06-03: Accepting the FY2019 Audit: Mr. McMahon announces his independence as a board member and elects not to be a part of the audit discussion as a result of his employment as the Superintendent of Massena Electric, having a contract agreement with the St. Lawrence River Valley Redevelopment Agency, for whom the St. Lawrence County Local Development Corporation provides administrative services. It was a clean audit with no issues. Highlights, including 6 new loans issued and 6 loans paid off, were discussed during the audit review. Mr. LaBaff motions to approve Resolution LDC-20-06-03, seconded by Mr. Morrill. Mr. McMahon abstains. The motion is approved by a majority vote.

Resolution LDC-20-06-04: Annual Review of Code of Ethics: Mr. Blevins notes that while the committee had a great deal of discussion pertaining to the guidelines instructing that no director, officer or employee of the Authority shall accept other employment which will impair his or her independence of judgment in the exercise of his/her official duties, the committee felt these are guidelines to follow and each instance will be considered on an individual basis. With that statement, the Governance Committee has reviewed the policy and recommends no changes at this time. Mr. Blevins motions to approve Resolution LDC-20-06-04, seconded by Mr. Morrill. The motion is approved by unanimous vote.

Resolution LDC-20-06-05: Annual Review of Compensation, Reimbursement and Attendance Policy: Mr. Blevins, on behalf of the Governance Committee, notes the policy has been reviewed and no changes are

recommended. Mr. Blevins motions to Resolution LDC-20-06-05, seconded by Mr. Morrill. The motion is approved by unanimous vote.

Resolution LDC-20-06-06: Annual Review of Whistleblower Policy: The Governance Committee has reviewed this policy and recommends no changes. Mr. Blevins motions to approve Resolution LDC-20-06-06, seconded by Mr. Morrill. The motion is approved by unanimous vote.

Resolution LDC-20-06-07: Annual Review of Defense and Indemnification Policy: After review by the Governance Committee, there are no recommended changes to this policy. Mr. Blevins motions to approve Resolution LDC-20-06-07, seconded by Mr. Morrill. The motion is approved by unanimous vote.

Resolution LDC-20-06-08: 2020 Review of Disposition of Real Property Guidelines and 2019 Report of Property: Mr. Blevins reminds the members about the disposition of property involving the Lot 18 building in the Massena Industrial Park owned with the St. Lawrence River Valley Redevelopment Agency. This building is subject to a lease purchase agreement with AmTech Yarns. Mr. Staples adds that the company will be paying PILOT payments and eventually the building will be put back on the tax rolls. Mr. Blevins motions to approve Resolution LDC-20-06-08, seconded by Mr. Morrill. The motion is approved by unanimous vote.

Resolution LDC-20-06-09: Authorizing a Loan of up to \$75,000 to In-Law Brewing Company, LLC: The St. Lawrence River Valley Redevelopment Agency approved the attached companion resolution at their meeting last week. The microbrewery is located in Chase Mills and is expanding into property in Louisville. The Northern New York Power Proceeds Allocation Board recently recommended a \$51,000 award package for the project to the New York Power Authority Board of Trustees. There will be a second mortgage on the facility and the company will agree to maintain 2 full time staff and create 2 additional jobs. This is a small business that was built slowly and is seen as a regional attraction. They are going from a 7 barrel system to a 30 barrel operation. Mr. Kelly adds that the contingency is that they have to have \$301,000 in combined equity and bank financing. There is no official commitment with a bank right now, but they are under discussions with a number of lenders and we will be required to have that before we close on the loan. Mr. Staples mentions that both owners of the business have established jobs to assist with financing the business. Mr. LaBaff motions to approve Resolution LDC-20-06-10, seconded by Mr. Reagen. The motion is approved by unanimous vote.

Resolution LDC-20-06-10: Authorizing a Loan of up to \$20,000 to JAPES Pet Surplus, Inc.: Mr. LaVigne, the owner and applicant, currently also owns and operates a bicycle shop business in Potsdam. JAPES Pet Surplus, Inc. imports pet food and distributes it throughout the Northeastern United States. His business will obtain warehouse space in Winthrop so that he can expand his business to include distribution of high-end branded pet food products that are manufactured in Canada. Mr. Kelly adds that this is a micro loan request. The loan will create 2 full time positions over the next 3 years. A first lien on equipment, a personal guarantee, a cross-corporate guarantee on the bicycle business and a commitment to counseling with the Small Business Development Center is required. The IDA and AEDC have worked with the owner in the past on a project with his bicycle store, he has a proven strong repayment history. Mr. Blevins motions to approve Resolution LDC-20-06-11, seconded by Mr. Morrill. The motion is approved by unanimous vote.

Resolution LDC-20-06-11: Authorizing Curran Renewable Energy to Draw up to \$265,000 from Existing Line of Credit: Mr. Kelly explains that the IDA applied to the Northern Border Regional Council ("NBRC") to purchase and lease pieces of sawmill equipment to help North American Forest Group, Inc, an affiliated company of Curran Renewable Energy, go from a small scale saw mill operation to an integrated wood products and pallet manufacturing operation. The NBRC approved \$535,000 of the \$800,000 requested in the application. The IDA is committing \$270,000 to assist with the funding gap as it will own and lease the equipment to North American Forest Group per the terms of the NBRC grant application. Curran Renewable Energy would like to access the additional money to help fund the project from the Line-Of-Credit that they currently have through the St. Lawrence River Valley Redevelopment Agency. Of the \$1.5 million line of credit, Curran Renewable Energy has paid the balance down to \$868,000. They would like to reopen the line to allow re-access to another \$265,000. With access to these funds, the project will be fully funded and able to move forward to allow the company to continue with their plans to revive the former ACCO Brands facility in

the Town of Oswegatchie. Mr. Blevins motions to accept Resolution LDC-20-06-11, seconded by Mr. Reagen. The motion is approved by unanimous vote.

2019 Mission and Performance Report: Mr. Kelly reviews the 2019 highlights from the Mission and Performance Report, which has been provided to the board, noting the report is sent annually to the Board of Legislators and is included in PARIS reporting to the Authorities Budget Office. Due to extenuating circumstances surrounding the COVID crisis, the New York State Authorities Budget Office offered an extension from March 31<sup>st</sup> until June 30<sup>th</sup> to receive reports. Mr. Kelly informs the members that it was a busy year with a lot of activity generated throughout the County. The Mission and Performance Report, in its entirety, will be submitted through the New York State Authorities Budget Office reporting system and made available to the public on our website prior to the June 30<sup>th</sup> deadline. Mr. LaBaff and Mr. Blevins motion to accept the report. The motion is approved by unanimous vote.

2019 Annual Report: Mr. Kelly reviews the Annual Report document and asks if there are any individual questions surrounding the contents of the report. Mr. LaBaff and Mr. Blevins motion to accept the report. The motion is approved by unanimous vote. Mr. Kelly adds that with this board approval, the Annual Report, Investment Report and Procurement Report will be certified with the Authorities Budget Office prior to the extended June 30<sup>th</sup> deadline.

EXECUTIVE SESSION: None

ADJOURNMENT: A motion to adjourn is made by Mr. LaBaff, seconded by Mr. Blevins. The meeting adjourns at 4:42 PM by unanimous vote.

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(Mr.) Lynn Blevins, Secretary