

St. Lawrence River Valley Redevelopment Agency

Town of Louisville Municipal Offices

Meeting Minutes of September 21, 2022

Call to Order: The meeting was called to order at 3:15 PM by Mr. McNeil.

Roll Call/Determination of Quorum: In attendance at the Town of Louisville Municipal Offices are Messrs. McNeil, Strait (Arrived at 3:43pm), and Clark. Mr. Forsythe joins the meeting via teleconference. Patrick Kelly is in attendance from the St. Lawrence County IDA. Kimberly Gilbert from the IDA joins via teleconference. Chairman McNeil announces there is a quorum after Mr. Strait's arrival. Patricia Wilson from NYPA is present as is council Eric Gustafson.

Public Notice: Public notifications were sent on September 16, 2022, at a minimum: St. Lawrence County's newspapers designated for the publication of local laws and other matters required by law to be published. Notification also sent to other local media sources and websites.

Public Comment: None

MED Report: Mr. McMahon discusses the costs of electricity and the related connection with the cost of natural gas. When gas costs rise, so do the other correlated utility costs, specifically electricity. One factor for the increased costs as this time is the war in Ukraine. We are currently sending more natural gas to Europe to offset the diminished gas supplies in Europe as a result of the war. Another factor for the increased prices is that smaller natural gas facilities are not anxious to make infrastructure improvements, they feel that natural gas is slowly being phased out with other forms of energy, like solar and hydropower. Mr. McNeil asks why we do not have lower costs locally since we have so many producers, i.e., solar farms and hydro power in our area. Mr. McMahon explains that pricing is done by locational zone market pricing, this means that no matter how much lower cost power is in the zone, the last bidder sets the price, and this is typically the gas companies that come in last. This is why there is such a large correlation to the price of gas and electricity costs.

The good news about the costs going up is that the value of the RVRDA unallocated megawatts now is becoming more valuable, and hopefully marketable, to potential users. Ms. Wilson asks how our prices compare to the Quebec region. Mr. McMahon states that right now MED electric costs are \$71 per megawatt and Quebec is \$74. Discussion ensues between all regarding the costs of power and the effect on residents and local businesses. Mr. McMahon ends the discussion by stating that winter costs will likely be higher than normal, he hopes that this changes but is not anticipating prices to go lower any time soon.

Mr. Strait arrives at the meeting at 3:43pm.

Mr. Gustafson departs the meeting at 3:45pm.

Approval of Minutes: Strait/Clark motion/second to approve the August 4, 2022 meeting minutes. Motion passes unanimously.

Financial Report: Ms. Gilbert reviews the June 2022 financials; she highlights the June expense reimbursing the IDA for 50% of the marketing costs that had been incurred through June. Ms. Gilbert also notes that there was a CDEIP payment to the St. Lawrence County Chamber of Commerce for approximately \$6,400. Ms. Gilbert proceeds to review the July financials highlighting that the 2nd installment of the SLCIDA-LDC administrative fee was paid during July, there was also a CDEIP payment to Hozmerica for matching REDI funds of approximately \$5,000. Ms. Gilbert asks if there are any specific questions that she can answer, hearing none, the financials are voted upon. Clark/Strait motion/second to accept the June & July 2022 financial reports. Motion passes unanimously.

Committee Reports: None

Executive Session: None

New Business:

Resolution RVR-22-09-10 Accepting 2023 Tentative Budget. Strait/Clark motion/second. Ms. Gilbert reviews the tentative budget stating that the tentative figures are based on this year's expenditures and projected costs. She specifically notes the decrease in the projected interest income on loans. This is decreased because the outstanding receivables have decreased, therefore there is lower interest coming in from the repayments. Ms. Gilbert also notes that this is a tentative budget and numbers will be adjusted if needed before the final is presented next month. She asks if there are any specific questions, hearing none the resolution is voted on. Motion passes unanimously.

Resolution RVR-22-09-11 Authorizing a Loan of up to \$225,000 for 941 ACCO Way Acquisition Project. Strait/Clark motion/second. Mr. Kelly explains that the building at 941 ACCO Way, currently owned by ACCO Brands, has been for sale for a while. The buyers plan to lease a portion of the building to ACCO, while leasing about 40,000 square feet to Cosmo Music, a Canadian firm related to one of the three principals forming the group buying the building. This will then leave about half of the building available for lease. The new owners are hoping to entice more Canadian companies to come and locate in the facility. Mr. Kelly states that he feels this is one of the best outcomes we could have hoped for with the property between the retention of ACCO and the future development plans of the new ownership group. In addition to a bank lender, the Ogdensburg Growth Fund, North Country Economic Development Fund and the SLCIDA-LDC will also be involved in the overall public financing package that totals \$950,000.

Resolution RVR-22-09-12 Authorizing a Loan of up to \$130,000 to Canexsys Networks, Inc. Clark/Strait motion/second. Canexsys is a company that makes components for high-speed internet services. Canexsys has a current loan with the RVRDA and other partner lenders that is now at an approximate balance of \$314,850. This debt is split between 4 lenders. Canexsys has a very good repayment history with no late payments. The company has outgrown its location in the OBPA Commerce Park and will be relocating to the recently rehabilitated 100 Paterson Street location in Ogdensburg. Mr., Forsythe asks about taxes on the 100 Paterson Street building. Mr. Kelly explains that IDA has built a PILOT payment into the lease rate an amount equal to what the tax payment would be on the portion of the building that a tenant occupies, and we forward that amount annually to the corresponding jurisdictions. Mr. Kelly explains that this is an exciting project for all involved. He also notes that the resolution states that the loan is for a 60-month term, this is incorrect, and the resolution should state that the term is 74 months. Clark/Strait motion to make the modification to the resolution. After the modification, a vote proceeds and the motion passes unanimously.

IDA Staff Report: Mr. Kelly explains that we have had a request from the village of Massena to assist with the acquisition cost of the former Massena School of Business as part of the Downtown Revitalization Award process in the Village. The IDA has worked with the Village to propose a DRI project to demolish the former Massena School of Business. This will leave the front façade of the building with a courtyard behind it. It will leave a visually appealing connection between buildings downtown and the riverwalk and parking areas behind Main Street. However, at this time the building itself has been put on the county auction for non-payment of taxes. The Village will have to bid on the building and win in order to proceed with the project. Mr. Kelly would like to know how the board feels about using some of the CDEIP funds that are now available from prior years awards that were not needed for the projects. We would de-obligated those funds and then re-allocate them to the Village of Massena as a grant so that they can purchase the building and proceed. This will be done at an upcoming meeting via a resolution to make the award. The board agrees to utilizing up to \$40,000 from de-obligated funds to allow the Village to place a bid on the building subject to formal approval at a future meeting once the final auction price has been determined.

Mr. Kelly also informs that board that the SLCIDA is planning to make the first round of awards with the ARPA funds this week.

Adjournment: At 4:35 PM, Chairman McNeil declares the meeting adjourned.