

ST. LAWRENCE RIVER VALLEY REDEVELOPMENT AGENCY

AGENDA

~Agenda Subject to Change~

**September 18, 2012 at 6:00 PM
Town of Louisville Municipal Building**

Call to Order	<ul style="list-style-type: none"> ▪ Robert McNeil, Chair
Roll Call and Determination of Quorum	
Public Notice	<ul style="list-style-type: none"> ▪ September 10, 2012
Presentations	
Approval of Minutes	<ul style="list-style-type: none"> ▪ August 21, 2012..... 1-4
Financial Reports	<ul style="list-style-type: none"> ▪ July 2012 5-7
Committee Reports	
Old Business	
New Business	<ul style="list-style-type: none"> ▪ Resolution: Accepting Tentative 2013 Budget 8 ▪ Resolution: Authorizing a Loan of \$700,000 to St. Lawrence County Industrial Development Agency 9
Staff Report	
Public Comment	
Executive Session	
Adjournment	

St. Lawrence River Valley Redevelopment Agency
Minutes of August 21, 2012 Meeting ~ Town of Louisville Municipal Offices, Massena NY

Call to Order: The meeting was called to order at 6:08 PM by Chairman McNeil.

Roll Call/Determination of Quorum: Mssrs. McNeil, Murphy, Carroll and Strait attend. NYPA Representative Michael Huvane joins the meeting via conference call, while NYPA's Karen White is also in attendance. The quorum is recognized.

Public Notice: Public notifications were sent August 10, 2012 to, 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.

Approval of Minutes: Strait/Carroll motion to accept the June 19, 2012 regular meeting minutes. The minutes are accepted unanimously.

Financial Report: Mr. Plastino, Deputy Chief Executive Officer/Chief Financial Officer of the St. Lawrence County Industrial Development Agency presents the June 2012 financial report. Carroll/Murphy motion to accept the June 2012 financials. The report is accepted unanimously.

Mr. Burns joins the meeting at 6:10 PM

Committee Reports: Mssrs. Strait and Murphy attended a joint meeting with members of the St. Lawrence County Industrial Development Agency and discussed proposed acquisition of real property, a conversation which Mr. Strait would like to discuss in detail with the RVRDA members in executive session.

Old Business: Mr. Murphy mentioned that he wanted the RVRDA to discuss an updated proposal submitted by the Massena Business Development Corporation, adding further explanation to the three (3) building projects involving the refurbishment of downtown Massena, information not contained in the Community Development and Environmental Improvement Program Application the Massena BDC submitted earlier this year. Mr. Murphy notes the building owners have all agreed to supplement the projects with their own personal funds as well. He adds that approximately \$50,000 is still unallocated from the initial round of CD&EIP funding for 2012. Therefore, Mr. Murphy asks the RVRDA members to review the updated information for consideration. Mr. Kelly suggests the matter be discussed in executive session, as it may also affect other organizations involved in the CD&EIP process.

New Business: Resolution: Murphy/Burns motion to bring to the table for discussion the 2012-2013 agreement between Massena Electric Department "MED" and the St. Lawrence River Valley Redevelopment Agency "RVRDA". Mr. Carroll expresses concern over paying MED to allocate power, noting the Governor has yet to sign the power contract. Mr. Strait suggests adding a contingency to the resolution, noting that if the Governor does not sign the power contract before the 60 days is up (that being Monday, August 27, 2012) the need for an agreement will require further discussion. Mr. McNeil commends MED for their support. Mr. Carroll notes this is not a shot at MED's performance because he also appreciates their support. However, Mr. Carroll is exercising caution in signing an agreement with MED when the Governor has yet to sign the contract for power allocation. Strait/Carroll motion amend the Murphy/Burns motion to authorize the chairman to sign the agreement between Massena Electric Department and the St. Lawrence River Valley Redevelopment Agency, contingent upon Governor Cuomo's signed approval of the power contract, on or before August 27, 2012. Amended resolution is passed unanimously.

Resolution: Burns/Carroll move to adopt the Revised Freedom of Information Law Guidelines. Resolution is passed unanimously. Mr. Kelly notes this is an update to the existing FOIL policy and puts all of the entities of the St. Lawrence County Industrial Development Agency in concert with one another.

Staff Report:

Mr. Kelly gives a semi-annual report of January 2012 – June 2012 activities. A few points he emphasizes:

- Over 1,000 contacts made to over 350 businesses.
- Continued follow-up with the 2011 Community Development & Environmental Improvement Program (“CDEIP”).
- Primary focus is the 2012 CDEIP. All commitment letters have been signed. A few still have paperwork to be processed. Grant closings are being scheduled. Mr. Kelly advises the group that all projects are on track and the process is moving along.
- 2011 CDEIP. Update: Disbursements are increasing. Still working with Massena BDC on rail initiatives. Also working with Kinney Drugs on water issues. Currently, there is an engineering analysis being conducted to determine how to best complete the water project.

Mr. Kelly advises the group that 2013 tentative budgets need to be in by September to allow for 20 day public comment prior to the final draft submission in October. Mr. McNeil and Mr. Strait were on the finance committee last year and assisted with preparation of the 2012 budget. Again, both gentlemen have agreed to meet and work together on budget preparations for 2013.

Marketing:

Mr. Plastino notes the last 2.5 to 3 months have consisted of heavy marketing in Canada:

- Creating a pipeline of leads allowing for further discussions. Currently have about 15 potentially good leads with one ready for more serious discussions.
- A 6,000 piece mailing was sent to the Ontario area with no responses received.
- A 5,000 piece mailing was sent to W. Quebec with six (6) significant responses.
- Three (3) major events are scheduled for October/November. Two (2) are cross-border events that will be hosted in Ogdensburg and Massena, in partnership with the U.S. Embassy in Ottawa (Massena) & the Canadian Federal Ministry of International Trade (Ogdensburg). Mr. Plastino notes that a fair amount of staff time is spent in Canada.
- Next mailing is scheduled for August 27th. Businesses with a substantial need for power, requiring between 1-5 megawatts of usage, will be targeted for the mailing. Mr. Plastino states that it will likely be several months before we see any impact as a result of staff efforts. Mr. Burns asks if economic activity is increasing in Quebec. Mr. Plastino responds that he has seen mixed results. Some companies have seen a drop in business while others are flourishing. Mr. Burns then asks if other developers have joined the effort. Mr. Plastino notes that John Rishe from the Ogdensburg Bridge and Port Authority has joined efforts, as well as Jason Clark, prior to his departure from the Massena BDC. Mr. Kelly notes the project pipeline is a lot slower these days. There have been over 1,000 contacts, but only a few have expressed interest. Mr. Plastino notes that physically showing up on the business’ door step has allowed for more discussions.

Buildings in the Massena Industrial Park: Mr. Williams notes that half of the Lot 19 building is undergoing repair with some small expenditures required. He expects it should be ready for operation within a month. Mr. Murphy asks if the old Ag Pro building is up for auction as a result of bank foreclosure. Mr. Williams responds that he is not involved with that building, thus he is not familiar with the particulars. Mr. Carroll is surprised that more companies are not expressing interest to locate

business to this area when there is such a large amount of low cost power available. Mr. Kelly notes that there is limited preservation power available. Mr. Carroll notes a recent gathering at Hawkins Point in Massena where he attended a discussion on power. Mr. Huvane emphasizes that the Recharge New York program was the event hosted by NYPA at Hawkins Point and that program is available for expansion opportunities. Mr. Carroll notes that the program offered good rates and he is surprised that more companies are not taking an interest in our stable, low-cost market. Mr. Plastino demonstrates the differences in power costs in St. Lawrence County versus Ontario, stating these facts are presented to power users in Ontario along with other incentives available in our area to help bring Canadian business to St. Lawrence County. Mr. Kelly adds that a benchmark analysis that was conducted last year with MED and Aitia Analytics and is still on-going. Mr. Carroll was pleased to learn that Mr. Plastino and other staff are emphasizing other incentives offered in the County (including such things as training opportunities and buildings) to help draw more business, as he feels the low cost power advantage is not the only draw.

As a follow up to Mr. Murphy's discussion regarding 3-D Manufacturing, Mr. Kelly advises the group that the staff is currently working with specialists from Clarkson University and obtaining more information about 3-D Manufacturing.

Mr. McNeil informs the group that a letter was received from Dan O'Keefe on behalf of the Town of Louisville in regards to a request for additional funding for the boiler project. Mr. McNeil notes that the letter will be discussed during executive session.

Public Comment:

Mark Dzwonczyk:

- Thanks the RVRDA members again for their continued support.
- Notes that staffing levels at Nicholville Telephone have gone from 19 employees to 45 employees due to the increased work load.
- Installation rates per month have doubled to an average of about 250/month. There is currently a six (6) week backup for home installations.
- The board of directors has expanded to include four (4) outside members, in addition to Mr. Dzwonczyk, with the first board meeting scheduled for August 22nd.
- Mr. Dzwonczyk mentions NY Connect was announced by the Governor today introducing \$25 million in funding for broadband, disbursed through the Economic Development Councils. Currently, Nicholville Telephone receives \$1.8 million a month of RUS (Rural Utilities Service) money (comprising of 20% loan/80% grant). He also mentions that SLIC Network Solutions has a \$300,000 Line-of-Credit with the St. Lawrence County Industrial Development Agency and thanks them for their support as well.
- The company is growing – adding \$12 million in capital.
- Currently performing work in the Star Lake, Cranberry Lake and Wanakena area where there was no broadband available. He adds that Jessica Zufolo, Deputy Administrator of Rural Utilities Service (RUS) at the USDA joins the company's monthly meetings via conference call. She is interested in doing a story on Star Lake and how broadband affects small towns.
- Mr. Dzwonczyk also mentions hosting an event in Nicholville. Eight (8) Chief Executive Officers (part of an alliance of CEOs) will be visiting from California. He is eager to show the visitors the quality of life in this area while demonstrating what Nicholville Telephone and SLIC Network Solutions is doing to support the area by making technology more obtainable for people in the North Country.

Peter Stromsky:

- Would like to see more of our area's "quality of life" promoted in marketing efforts.
- JP expansion was funded – we should look at this.

Don Lucas:

- Operates Muskie Magic Charters. Started out with 2 boats. Hope to expand to a 3rd large commercial boat with 40-passenger seating.
- Wondering what type of financial assistance is available? Are there still Revolving Loan Funds? Is the SBDC still available? Already have a business plan in place. Need the financing. Mr. Kelly offers to contact Mr. Lucas tomorrow to discuss his financial needs.
- Requests the assistance of the RVRDA to encourage NYPA to develop a plan to make surplus lands available for commercial development – a commitment NYPA made about 10 years ago.

Larry Legault:

- Asks the RVRDA members to consider additional funding for the Town of Louisville's new boiler system. The bidding process came in over budget, so there is gap to be filled. He emphasizes his appreciation for the RVRDA's consideration.
- Invited Don Lucas to attend the next Regional Task Force meeting that will be held in Waddington in September. Larry will keep the RVRDA members posted with how the Regional Task Force Committee responds to Don's request for assistance.

Executive Session: Strait/Murphy motion for Execution Session at 7:02 PM, with the request that Attorney Gustafson remain present while the SLCIDA staff is excused, in order to discuss proposed acquisition of real property between the RVRDA and the SLCIDA.

The RVRDA members invite the SLCIDA staff to return to regular session at 8:24 PM, upon the motion by Carroll/Murphy.

The meeting is adjourned at 8:27 PM, upon the motion of Carroll/Murphy.

Note: The next regularly scheduled meeting of the St. Lawrence River Valley Redevelopment Agency will be held at 6:00PM on Tuesday, September 18, 2012 at the Town of Louisville Municipal Offices.
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St. Lawrence River Valley Redevelopment Agency
Balance Sheet
As of July 31, 2012

	Jul 31, 12
ASSETS	
Current Assets	
Checking/Savings	
201 - Cash Restricted	
201E - HSBC - Money Market	7,325,621.70
201F - KEY - Money Market	5,424,576.34
201G - NBT- Checking	53,509.81
201H - NBT - Money Market	1.00
Total 201 - Cash Restricted	12,803,708.85
202 - Security Deposits	34,000.00
Total Checking/Savings	12,837,708.85
Total Current Assets	12,837,708.85
Fixed Assets	
100 - Massena Lot 18	
100A - Massena Lot 18 - Building	359,800.00
100B - Massena Lot 18 - Depreciation	-1,199.33
Total 100 - Massena Lot 18	358,600.67
101 - Massena Lot 19	
101A - Massena Lot 19 - Building	340,200.00
101B - Massena Lot 19 - Depreciation	-1,134.00
Total 101 - Massena Lot 19	339,066.00
Total Fixed Assets	697,666.67
Other Assets	
Notes Receivable	
485 - N/R - North Country Dairy, LLC	355,979.29
486 - N/R - SLIC Network Solutions	424,580.72
487 - N/R - Structural Wood Corp	143,161.58
488 - N/R - Nicholville Telephone Co	388,658.67
Total Notes Receivable	1,312,380.26
210 - Accrued Interest Receivable	2,941.95
Total Other Assets	1,315,322.21
TOTAL ASSETS	14,850,697.73
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
2100 - Rental Deposits	34,000.00
Total Other Current Liabilities	34,000.00
Total Current Liabilities	34,000.00
Total Liabilities	34,000.00
Equity	
3900 - Net Assets	15,366,107.98
Net Income	-549,410.25
Total Equity	14,816,697.73
TOTAL LIABILITIES & EQUITY	14,850,697.73

St. Lawrence River Valley Redevelopment Agency Check Register

Type	Date	Ck Num	Name	Memo	Amount
Beginning Balance for July 2012					\$ 12,906,859.42
Deposit	07/02/2012		North Country Dairy	Deposit	14,241.60
Deposit	07/03/2012		Slic Network Solutions	Deposit	11,633.68
Check	07/09/2012	5	SLC IDA CDC	OBPA CDEIP Loan	-95,000.00
Deposit	07/11/2012		Structural Wood & Nicholville Payt's	Deposit	3,237.52
Deposit	07/16/2012		Composite Systems & Technologies	Deposit	3,015.00
Check	07/18/2012	1170	Village of Massena	VOID:	0.00
Check	07/18/2012	1171	GMEDF	50% Structural Wood Back to GMEDF	-1,421.12
Check	07/18/2012	1172	Paetec	Phone Bill	-37.00
Check	07/18/2012	1173	Erdman Anthony	VOID:	0.00
Check	07/18/2012	1174	SLC IDA Local Development Corp	No Co Dairy payment back to IDALDC	-7,120.80
Check	07/18/2012		Village of Massena	Water Bills	-6.50
Deposit	07/31/2012		HSBC - First Niagara	Interest	699.19
Deposit	07/31/2012		Key Bank	Interest	1,605.43
Deposit	07/31/2012		NBT Bank	Interest	2.43
Ending Balance for July 2012					\$ 12,837,708.85

St. Lawrence River Valley Redevelopment Agency

Income	2012 Budget	July-12	YTD	Balance
OPERATING REVENUE- Other				
2409 · Interest Income	100,000.00	3,683.51	40,686.98	100,000.00
2410 · Power Contract Revenue	870,950.00	0.00	0.00	870,950.00
2412 · Miscellaneous Income(App Fees)	2,500.00	0.00	3,700.00	2,500.00
	<u>973,450.00</u>	<u>3,683.51</u>	<u>44,386.98</u>	<u>973,450.00</u>
MASSENA INDUSTRIAL BUILDING LOT18				
2422 - MIB18 - Rent	102,000.00	3,000.00	31,600.00	70,400.00
	<u>102,000.00</u>	<u>3,000.00</u>	<u>31,600.00</u>	<u>70,400.00</u>
6486408 · MIB18 - Maintenance Expense	2,000.00	0.00	0.00	2,000.00
6486411 · MIB18 - Insurance Expense	3,850.00	0.00	0.00	3,850.00
6486415 · MIB18 - Cleanup-Repair Expense	2,000.00	0.00	0.00	2,000.00
6486416 · MIB18 - Utility Expense	0.00	0.00	0.00	0.00
6486450 · MIB18 - Property Tax Expense	11,000.00	0.00	11,089.35	(89.35)
6486499 · MIB18 - Miscellaneous Expense	2,000.00	0.00	16.67	1,983.33
6486500 · MIB18 - Depreciation Expense	0.00	0.00	0.00	0.00
	<u>20,850.00</u>	<u>0.00</u>	<u>11,106.02</u>	<u>9,743.98</u>
Total MASSENA INDUSTRIAL BUILDING LOT18	<u>81,150.00</u>	<u>3,000.00</u>	<u>20,493.98</u>	<u>60,656.02</u>
MASSENA INDUSTRIAL BUILDING LOT19				
2423 · Rental - MIB LOT19	10,000.00	0.00	5,250.00	10,000.00
	<u>10,000.00</u>	<u>0.00</u>	<u>5,250.00</u>	<u>10,000.00</u>
MASSENA INDUSTRIAL BUILDING LOT19				
6487408 · MIB19 - Maintenance Expense	2,000.00	0.00	140.00	1,860.00
6487411 · MIB19 - Insurance Expense	3,850.00	0.00	0.00	3,850.00
6487415 · MIB19 - Cleanup-Repair Expense	2,000.00	0.00	0.00	2,000.00
6487416 · MIB19 - Utility Expense	6,000.00	6.50	98.80	5,901.20
6487436 · MIB19 - Marketing Expense	10,000.00	0.00	0.00	10,000.00
6487450 · MIB19 - Property Tax Expense	11,000.00	0.00	11,326.71	(326.71)
6487499 · MIB19 - Miscellaneous Expense	2,500.00	0.00	16.67	2,483.33
6487500 · MIB19 - Depreciation Expense	0.00	0.00	0.00	0.00
	<u>37,350.00</u>	<u>6.50</u>	<u>11,582.18</u>	<u>25,767.82</u>
Total MASSENA INDUSTRIAL BUILDING LOT19	<u>(27,350.00)</u>	<u>(6.50)</u>	<u>(6,332.18)</u>	<u>(15,767.82)</u>
Operating Expenditures				
6460411 · Director's & Officer's Insurance	3,000.00	0.00	0.00	3,000.00
6460429 · Contractual Expenses-Other	20,000.00	0.00	0.00	20,000.00
6460430 · Contractual Expenses to MED	54,000.00	0.00	27,000.00	27,000.00
6460431 · Contractual Expenses to IDALDC	300,000.00	0.00	300,000.00	0.00
6460433 · Legal Expense	20,000.00	0.00	8,513.40	11,486.60
6460434 · Accounting Expense	3,250.00	0.00	3,300.00	3,250.00
6460442 · Meeting Expense	500.00	0.00	0.00	500.00
6460443 · Other Travel Expense	2,000.00	0.00	367.94	1,632.06
6460450 · Community Devel. & Improve Projects	622,000.00	95,000.00	268,465.00	353,535.00
6460499 · Miscellaneous Expense	2,500.00	22.00	312.69	2,187.31
Total RVRA Operating Expenditures	<u>1,027,250.00</u>	<u>95,022.00</u>	<u>607,959.03</u>	<u>422,590.97</u>
Total Revenue	\$ 1,085,450.00	\$ 6,683.51	\$ 81,236.98	\$ 1,053,850.00
Total Expenditures	\$ 1,085,450.00	\$ 95,028.50	\$ 630,647.23	\$ 458,102.77
Net Income	\$ -	\$ (88,344.99)	\$ (549,410.25)	\$ 595,747.23

ST. LAWRENCE RIVER VALLEY REDEVELOPMENT AGENCY
 Resolution No. RVR-12-09-xx
 SEPTEMBER 18, 2012

ACCEPTING 2013 TENTATIVE BUDGET

WHEREAS, the staff of the St. Lawrence County Industrial Development Agency have drafted a tentative 2013 Budget for the St. Lawrence River Valley Redevelopment Agency, and

WHEREAS, the draft Budget was provided to the Agency members prior to the September 18, 2012 meeting, and

WHEREAS, Agency members have had an opportunity to review the draft tentative Budget (attached hereto and made a part hereof),

NOW, THEREFORE, BE IT RESOLVED that the St. Lawrence River Valley Redevelopment Agency does hereby accept the tentative budget as proposed including modifications and amendments as may be reflected in the minutes of this meeting, and

BE IT FURTHER RESOLVED that the Agency will consider comments on the Tentative Budget at the next meeting that is scheduled at least 20 days from the date of this resolution, and may modify the Budget based on those comments or on other information that may come to the attention of the Agency.

Move:				
Second:				
VOTE	AYE	NAY	ABSTAIN	ABSENT
Burns				
Carroll				
McNeil				
Murphy				
Strait				

I HEREBY CERTIFY that I have compared this copy of this Resolution with the original record in this office, and that the same is a correct transcript thereof and of the whole of said original record.

Lori Sibley

September 18, 2012

ST. LAWRENCE RIVER VALLEY REDEVELOPMENT AGENCY

Resolution No. RVR-12-09-xx
September 18, 2012

**AUTHORIZING A LOAN OF \$700,000 TO
ST. LAWRENCE COUNTY INDUSTRIAL DEVELOPMENT AGENCY**

WHEREAS, the St. Lawrence County River Valley Redevelopment Agency seeks to actively participate in economic development projects which result in the creation of jobs, and

WHEREAS, the Agency has partnered with the St. Lawrence County Industrial Development Agency Local Development Corporation ("SLCIDALDC") for the purpose of providing assistance to such projects, and

WHEREAS, St. Lawrence County Industrial Development Agency ("SLCIDA") has requested the SLCIDALDC and the St. Lawrence River Valley Redevelopment Agency provide funding for a building project, and

WHEREAS, said funding will enable SLCIDA to construct industrial space in Canton to promote job creation,

NOW, THEREFORE, BE IT RESOLVED by the St. Lawrence River Valley Redevelopment Agency agrees to authorize the SLCIDALDC to lend \$700,000 from the St. Lawrence River Valley Economic Development Fund to SLCIDA and

BE IT FURTHER RESOLVED that said loan of \$700,000 shall be subject to the following terms and conditions:

1. Interest Rate: Fixed at 1%
2. Term: 84 month term based on a 20 year amortization schedule
3. Security: Co-proportional first position on the real estate

Move:				
Second:				
VOTE	AYE	NAY	ABSTAIN	ABSENT
Burns				
Carroll				
McNeil				
Murphy				
Strait				

I HEREBY CERTIFY that I have compared this copy of this Resolution with the original record in this office, and that the same is a correct transcript thereof and of the whole of said original record.

/s/
Lori Sibley September 18, 2012