

ST. LAWRENCE RIVER VALLEY REDEVELOPMENT AGENCY

AGENDA

~Agenda Subject to Change~

**May 21, 2013 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"> ▪ May 10, 2013
Presentations	
Approval of Minutes	<ul style="list-style-type: none"> ▪ April 16, 2013 1-2 ▪ April 30, 2013 3-5
Financial Reports	<ul style="list-style-type: none"> ▪ April 2013 6-8
Committee Reports	
Old Business	
New Business	<ul style="list-style-type: none"> ▪ Resolution: Authorizing A Loan Of \$36,500 to High Peaks Winery 9
Staff Report	
Public Comment	
Executive Session	
Adjournment	

St. Lawrence River Valley Redevelopment Agency
Minutes of April 16, 2013 Meeting ~ Town of Louisville Municipal Offices, Massena NY

Call to Order: The meeting was called to order at 6:03 PM by Chairman McNeil.

Roll Call/Determination of Quorum: Mssrs. McNeil, Carroll, Murphy, Burns and Strait attend. NYPA Representative Michael Huvane joins the meeting via conference call. The quorum is recognized.

Public Notice: Public notifications were sent April 5, 2013 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.

Presentations: None

Approval of Minutes: Strait/Carroll motion to accept the March 19, 2013 regular meeting minutes and the April 2, 2013 special meeting minutes. The minutes are accepted unanimously.

Financial Report: Tom Plastino, Chief Financial Officer and Deputy Chief Executive Officer of the St. Lawrence County Industrial Development Agency reports on the March 2013 Financials. He notes that the 3rd and final payment to FISHCAP for the 2010 Community Development and Environmental Fund grant award was disbursed in March and is reflected in the financials. Burns/Carroll motion to accept the March 2013 financial report. The report is accepted unanimously.

Committee Reports: None

Old Business: None

New Business: None

Staff Report: Patrick Kelly, Chief Executive Officer for the St. Lawrence County Industrial Development Agency, reports that several discussions with Empire State Development regarding grant money awarded for the Lot 18 building as part of the Consolidated Funding Application process through the North Country Regional Economic Development Council have resulted in a decision which allows for eligible expenditures to begin accruing from the date of the award letter. Mr. Kelly informs the members that \$60,000 will be reimbursed to the RVRDA through ESD if expenditures total at least \$150,000. Mr. Kelly advises the group that a 40% rate of return on every dollar spent would be helpful to us. Mr. Carroll inquires into specific repairs that are needed for the buildings. Richard Williams, Facilities Manager for the St. Lawrence County Industrial Development Agency, states heating & plumbing repairs are needed for Lot 19 and general roof repairs are needed for Lot 18.

Mr. Kelly references an increase in marketing activity with the start of the Spring tradeshow season. He notes that discussions are on-going in reference to the Lot 19 building and approximately 5 or 6 showings of the Lot 18 building have taken place recently.

Chairman McNeil references a request made by Larry Legault at the April 2nd meeting where Mr. Legault requests the opportunity for the Local Government Task Force to do a presentation at the next RVRDA meeting. Mr. McNeil suggests RVRDA members attend the next Task Force meeting to be held on Thursday, April 18th at 7:00 PM at the Town of Waddington Municipal Building.

Public Comment:

Mark Dzwonczyk, Chief Executive Officer, Nicholville Telephone, reminds members of an invitation to attend the Entrepreneur Recognition Dinner at Clarkson University on Friday, April 19, 2013. Mr. Dzwonczyk will be the keynote speaker at the event and encourages RVRDA members to attend.

Mr. Dzwonczyk also references the North Country Symposium and IT Expo to be held on June 5th at Clarkson University where a speaker will address the group on Green IT.

Executive Session: Strait/Murphy motion for Execution Session at 6:17 PM to discuss business financials of a particular company and business financials of various companies & organizations that have applied for the 2013 Community Development & Environmental Improvement Fund.

Return to regular session at 9:20 PM, upon the motion by Burns/Strait. The meeting is adjourned at 9:23 PM, upon the motion of Strait/Carroll.

Note: The next regularly scheduled meeting of the St. Lawrence River Valley Redevelopment Agency will be held at 6:00PM on Tuesday, May 21 st , 2013 at the Town of Louisville Municipal Offices.

DRAFT

**ST. LAWRENCE COUNTY INDUSTRIAL DEVELOPMENT AGENCY
ST. LAWRENCE COUNTY IDA LOCAL DEVELOPMENT CORPORATION
ST. LAWRENCE RIVER VALLEY REDEVELOPMENT AGENCY
~ Meeting of April 30, 2013 ~**

CALL TO ORDER: The meeting was called to order at 6:00 PM at the IDA Office, Main Conference Room, Canton.

ROLL CALL:

St. Lawrence County IDA/IDALDC	St. Lawrence River Valley Redevelopment Agency
Blevins..... Present	Burns Present
Hall Present	Carroll..... Present
LaBaff..... Present	Chairman McNeil Present
McMahon Present	Murphy Present
Peck Present	Strait Absent
Chairman Staples..... Present	
Weekes Present	

Others: SLCIDA Staff (Patrick Kelly, Thomas Plastino, Richard Williams and Natalie Sweatland); Andrew Silver, Esq. and Eric Gustafson, Esq., Counsel for the IDA/IDALDC and RVRDA, respectively. Media.

PUBLIC NOTICE: Public notifications sent April 22, 2013 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; additional local media sources and websites.

PUBLIC COMMENT: None

APPROVAL OF MINUTES: None

FINANCIAL REPORTS: None

REPORTS OF COMMITTEES: None

STAFF REPORT:

Mr. Kelly reports on the following:

- Op-Tech Environmental Services: A Lease/Purchase Agreement has been executed between the Company and the IDA for the purchase of the building located on Lot 20 within the Massena Industrial Park. Right-Of-Way issues for access to the building have been resolved. The project dates back to July 1, 2009.
- AJ Missert, Inc.: PILOT documents relating to the Company’s warehouse addition project were executed on March 26, 2013.
- Canton Industrial Park: Staff will be releasing a Request for Proposals to solicit bids for design and engineering services for the extension of Commerce Lane, along with water, sewer and [possibly] electric.
- Canton-Potsdam Hospital: The Hospital has requested a partial redemption (\$200,000) of the IDALDC’s 2010B Revenue Bonds. A Letter of Instructions, directing the trustee to redeem the bonds, has been executed for a planned May 1 redemption.
- St. Lawrence Psychiatric Facility: New York State Office of Mental Health is proposing a reduction in the number of inpatient hospital beds, and designation of certain hospitals for closure. The State, as part of its review and analysis, will be conducting a listening tour throughout the State to get feedback on how to strategically position State-operated services. The St. Lawrence Psychiatric Center employs approximately 500 people, and its closure would have a far-reaching impact on the North Country economy. The State will provide an opportunity for public comment at the St. Lawrence Psychiatric Center on May 15, between 10:00 AM and 12:00 PM. Both boards will be presented a resolution for action later in this meeting in support for the continued operation of the Ogdensburg facility.
- Monetization Summary: Page 1 of the meeting packet includes a summary surrounding the monetization of St. Lawrence County Economic Development Power. The RVRDA has had extensive discussions surrounding the issue of monetization. Members of the Boards will also be asked to pass a resolution

supporting legislative authorization to allow the monetization of unallocated portions of the power. We will also provide the resolutions to stakeholders and ask for their support.

OLD BUSINESS: None

EXECUTIVE SESSION: Burns/Carroll and LaBaff/Peck for Executive Session at 6:10 PM to discuss the financial and credit history of a particular company.

Return to Open Session at 6:25 PM.

NEW BUSINESS:

Resolution RVR-13-04-05: Support for the Continued Operation of the St. Lawrence Psychiatric Center. Motion to accept on behalf of the St. Lawrence River Valley Redevelopment Agency by Mr. Burns, seconded by Mr. Carroll. The motion is carried by unanimous vote.

Resolution IDA-13-04-06: Support for the Continued Operation of the St. Lawrence Psychiatric Center. Motion to accept on behalf of the St. Lawrence county IDA by Mr. Blevins, seconded by Mr. LaBaff. The motion is carried by unanimous vote.

Resolution RVR-13-04-06 and LDC-13-04-06: Supporting the Legislative Authorization Allowing Monetization of Unallocated Portions of St. Lawrence County Economic Development Power (Joint resolution with SLCIDA-LDC). Mr. Kelly notes that the ability to monetize power would provide our area with more economic development tools, more resources and more flexibility for attracting and assisting economic development projects. Chairman McNeil notes that Western New York currently receives the benefit of monetization of power, and the RVRDA is only asking for what Western New York already has. Motion to accept on behalf of the St. Lawrence River Valley Redevelopment Agency by Mr. Carroll, seconded by Mr. Murphy. The motion is carried by unanimous vote. Motion to accept on behalf of the St. Lawrence County IDA Local Development Corporation by Mr. Peck, seconded by Mr. LaBaff. The motion is carried by unanimous vote.

Resolution RVR-13-04-07 and LDC-13-04-07: Authorizing Funds through the St. Lawrence River Valley Redevelopment Agency's Community Development and Environmental Improvement Program. Motion to accept on behalf of the St. Lawrence River Valley Redevelopment Agency by Mr. Murphy, seconded by Mr. Burns. The motion is carried with 3 "aye" votes (Burns, Murphy, McNeil) and 1 "nay" vote (Carroll). Motion to accept on behalf of the St. Lawrence County IDA Local Development Corporation by Mr. Blevins, seconded by Mr. LaBaff. The motion is carried with 6 "aye" votes (Blevins, LaBaff, McMahon, Peck, Staples, Weekes) and 1 abstention (Hall).

Resolution IDA-13-04-07: Authorizing Commitment of Funds to Drum Country Business Regional Marketing Initiative. Mr. Kelly reports that economic development agencies from Jefferson, Lewis and St. Lawrence Counties have undertaken this collaborative, regional marketing initiative for business attraction purposes. This \$5,000 commitment is the final year of a 3-year commitment under a January 2012 Memorandum of Understanding. Motion to accept by Mr. Hall, seconded by Mr. LaBaff. The motion is carried by unanimous vote.

Resolution IDA-13-04-08: Authorizing Resolution for High Peaks Winery, LLC. This project will assist the company in its expansion project, and involves the construction of a 2-story facility (approximately 3,000 sq. ft.) to house the wine production operation. The IDA will provide sales and use tax exemption, mortgage recording tax exemption and payment-in-lieu-of-tax benefit. The company will be requesting of the SLCIDA-LDC and the GMEDF additional financing assistance. Motion to accept by Mr. Weekes, seconded by Mr. McMahon. The motion is carried by unanimous vote.

Resolution IDA-13-04-09: Authorizing Resolution for Fockler Industries, LLC. Mr. Plastino reports that this project will assist the company in its expansion. The purchase of a robot welder is a key element to this expansion. He adds that this project may additionally assist in the expansion of a related company. Mr. Kelly notes that the Company now occupies half of the long-vacant building. Motion to accept by Mr. Hall, seconded by Mr. LaBaff. The motion is carried by unanimous vote.

Resolution IDA-13-04-10: Authorizing a Contract for Janitorial Services. Mr. Williams explains that the SLCIDA released a Request for Proposals relating to the provision of janitorial services for the common areas of the SLCIDA's office. Cleaning services will be provided once per week. Bids received ranged from \$272.00 per month to \$640.00 per month. NYSARC submitted a qualified proposal with the lowest bid. Motion to accept by Mr. Peck, seconded by Mr. LaBaff. The motion to accept the bid of NYSARC is carried by unanimous vote.

In response to a question, Mr. Williams reports that the microbrewery (St. Lawrence Brewing Company) located within the Canton Industrial Building is expected to begin production in early June.

St. Lawrence River Valley Redevelopment Agency Chairman McNeil notes his appreciation of the support and assistance of the St. Lawrence County IDA. St. Lawrence County IDA Chairman Staples returned the sentiment, commenting on how well the RVRDA and the IDA are working together.

ADJOURNMENT: Adjourns at 6:40 PM by unanimous consent.

(Mr.) Lynn Blevins, Secretary

DRAFT

St. Lawrence County

RVRDA

Balance Sheet

April 2013

RVRA

ASSETS

Current Assets

Checking/Savings

202 · Cash - RVRA

 202A · Cash-RVRA-NBT Cking 91,378.00

 202B · Cash-RVRA-NBT MM 1.00

 202C · Cash - RVRA - Key 5,179,920.67

 202D · Cash-RVRA-First Niagara 6,884,318.26

Total 202 · Cash - RVRA 12,155,617.93

209 · Rental Security Deposits 34,027.10

Total Checking/Savings 12,189,645.03

Total Current Assets 12,189,645.03

Fixed Assets

100 · Massena Lot 18 (MIB18)RVRDA

 100A · MIB 18- Building -RVRDA 359,800.00

 100B · MIB 18 - Bldg Deprec -RVRDA -8,395.33

Total 100 · Massena Lot 18 (MIB18)RVRDA 351,404.67

101 · Massena Lot 19 (MIB19) RVRDA

 101A · MIB 19 - Building - RVRDA 340,200.00

 101B · MIB 19- Bldg Deprec - RVRDA -7,938.00

Total 101 · Massena Lot 19 (MIB19) RVRDA 332,262.00

Total Fixed Assets 683,666.67

Other Assets

 252 · Accrued A/R NG Marketing 41,325.00

Note Receivable - RVRA

 485R · NR - North Country Dairy-RVRA 298,418.43

 486 · NR - SLIC -RVRA 383,173.86

 487 · NR - Struc Wood - RVRA 133,242.19

 489 · NR - Nicholville Tele Co 348,471.65

Total Note Receivable - RVRA 1,163,306.13

 210 · Accrued Interest Receivable 0.00

Total Other Assets 1,204,631.13

TOTAL ASSETS 14,077,942.83

LIABILITIES & EQUITY

Liabilities

Other Current Liabilities

 2100 · Rental Deposits 34,023.52

Total Other Current Liabilities 34,023.52

Total Liabilities 34,023.52

Equity

 32000 · Unrestricted Net Assets -1,475,422.67

 3900 · Net Assets - Temp Restricted 15,791,062.59

 Net Income -271,720.61

Total Equity 14,043,919.31

TOTAL LIABILITIES & EQUITY 14,077,942.83

St. Lawrence River Valley Redevelopment Agency Check Register

Type	Date	Ck Num	Name	Memo	Amount
Beginning Balance for April 2013					\$ 12,166,852.83
Deposit	04/01/2013		NBT Bank	Interest	5.03
Sales Recei	04/01/2013		North Country Dairy	April 2013 Payment	14,241.60
Deposit	04/01/2013		Key Bank	Interest	659.86
Deposit	04/01/2013		First Niagara	Interest	820.41
Sales Recei	04/08/2013	150	Nicholville Telephone Co	April 2013 Payment	5,731.92
Sales Recei	04/08/2013	151	SLIC Network Solutions Inc.	April 2013 Payment	6,297.04
Check	04/09/2013	1240	St. Lawrence Gas	Lot 18 Utilities	-108.75
Check	04/09/2013	1241	SLCIDALDC	50% No Co Dairy to IDALDC	-7,120.80
Sales Recei	04/15/2013	152	Structural Wood Corp	April 2013 Payment	2,842.24
Check	04/15/2013	1242	VOID	VOID	0.00
Check	04/22/2013	1243	Massena Electric Dept	Lot 18 Utilities	-115.79
Check	04/22/2013	1244	GMEDF.	50% Structural Wood to GMEDF	-1,421.12
Check	04/22/2013	1245	Village of Massena, Water Dept	Lot 18 & 19	-83.24
Check	04/22/2013	1246	Paetec	Final Phone Bill Adjustment	-2.90
Check	04/22/2013	1247	Feel Safe Door Co, Inc	Change locks on Lot 18 - to be reimb with Sec Dep	-1,274.00
Sales Recei	04/23/2013	153	Fockler Industries	April 2013 Payment	2,437.50
Check	04/25/2013	1248	Richard Williams	Disposal of Lot 18 items - to be reimb with Sec Dep	-116.80
Ending Balance for April 2013					\$ 12,189,645.03

St. Lawrence River Valley Redevelopment Agency

	2013 Budget	April 2013	YTD	Balance
OPERATING REVENUE				
2409B · Interest Income - Banking	30,000.00	1,485.30	4,440.07	25,559.93
2409L · Interest Income - Loans	45,000.00	2,965.73	11,041.18	33,958.82
2450 · Miscellaneous Income(RVRA)	2,500.00	0.00	2,400.00	100.00
	<u>77,500.00</u>	<u>4,451.03</u>	<u>17,881.25</u>	<u>59,618.75</u>
Massena Industrial Building Lot 18				
2422 · Rental - MIB LOT18	25,000.00	0.00	0.00	25,000.00
	<u>25,000.00</u>	<u>0.00</u>	<u>0.00</u>	<u>25,000.00</u>
6486408 · MIB18 - Maintenance Expense	2,000.00	116.80	116.80	1,883.20
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	301.28	720.07	(720.07)
6486499 · MIB18 - Miscellaneous Expense	2,000.00	1,274.00	1,274.00	726.00
6486500 · MIB18 - Depreciation Expense	7,196.00	0.00	0.00	7,196.00
	<u>17,046.00</u>	<u>1,692.08</u>	<u>2,110.87</u>	<u>14,935.13</u>
Total Massena Industrial Building Lot 18	<u>7,954.00</u>	<u>(1,692.08)</u>	<u>(2,110.87)</u>	<u>10,064.87</u>
Massena Industrial Building Lot 19				
2423 · Rental - MIB LOT19	25,000.00	2,437.50	9,750.00	15,250.00
	<u>25,000.00</u>	<u>2,437.50</u>	<u>9,750.00</u>	<u>15,250.00</u>
6487408 · MIB19 - Maintenance Expense	2,000.00	0.00	0.00	2,000.00
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	26.65	5,973.35
6487499 · MIB19 - Miscellaneous Expense	2,500.00	0.00	0.00	2,500.00
6487500 · MIB19 - Depreciation Expense	6,804.00	0.00	0.00	6,804.00
	<u>23,154.00</u>	<u>6.50</u>	<u>26.65</u>	<u>23,127.35</u>
Total Massena Industrial Building Lot 19	<u>1,846.00</u>	<u>2,431.00</u>	<u>9,723.35</u>	<u>(7,877.35)</u>
Total Building Revenues	50,000.00	2,437.50	9,750.00	40,250.00
Total Building Expenditures	40,200.00	1,698.58	2,137.52	38,062.48
Total Building Net Income	9,800.00	738.92	7,612.48	2,187.52
Total Building Depreciation	14,000.00	0.00	0.00	14,000.00
Building Net Income without Depreciation	23,800.00	738.92	7,612.48	16,187.52
GENERAL OPERATING EXPENSES				
6460411 · Insurance Expense	1,500.00	0.00	0.00	1,500.00
6460430 · Contractual Expenses to MED	54,000.00	0.00	18,000.00	36,000.00
6460431 · Contractual Expenses to IDA	300,000.00	0.00	150,000.00	150,000.00
6460432 · Other Legal Expense	20,000.00	0.00	1,260.00	18,740.00
6460434 · Accounting Expense	3,000.00	0.00	2,925.00	75.00
6460436 · Marketing Expense	50,000.00	0.00	0.00	50,000.00
6460442 · Meeting Expense	500.00	0.00	0.00	500.00
6460443 · Other Travel Expense	1,000.00	0.00	0.00	1,000.00
6460450 · Community Devel. & Improv Proj	556,330.00	0.00	125,000.00	431,330.00
6460499 · Miscellaneous Expense	1,300.00	2.90	29.34	1,270.66
Total General Operating Expenses	<u>987,630.00</u>	<u>2.90</u>	<u>297,214.34</u>	<u>690,415.66</u>
Total Income	127,500.00	6,888.53	27,631.25	99,868.75
Total Expenses	1,027,830.00	1,701.48	299,351.86	728,478.14
Net Income	(900,330.00)	5,187.05	(271,720.61)	(628,609.39)
Total Depreciation Costs	14,000.00	0.00	0.00	14,000.00
Net Income without Depreciation	(886,330.00)	5,187.05	(271,720.61)	(614,609.39)

ST. LAWRENCE RIVER VALLEY REDEVELOPMENT AGENCY
 (Joint Meeting with SLCIDALDC)
 Resolution No. RVR-13-05-XX
 May 21, 2013

AUTHORIZING A LOAN OF \$36,500 TO HIGH PEAKS WINERY, LLC

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, High Peaks Winery, LLC has applied to the SLCIDALDC and the St. Lawrence River Valley Redevelopment Agency for \$36,500 in loan financing to assist in the purchase of a production facility and for working capital, and

WHEREAS, this funding assistance will retain 1 FTE and create approximately 1.5 FTE jobs as a result of the project, and

WHEREAS, this project will likely attract a significant number of visitors from outside the economic development region,

NOW, THEREFORE, BE IT RESOLVED by the St. Lawrence River Valley Redevelopment Agency agrees to authorize the SLCIDALDC to lend \$36,500 from the St. Lawrence River Valley Economic Development Fund to High Peaks Winery, LLC, and

BE IT FURTHER RESOLVED that said loan of \$36,500 shall be subject to the following terms and conditions:

1. Interest Rate: ½ of prime rate plus 1 (This rate shall be determined at closing and adjusted every five years).
2. Term: Fifteen (15) year Amortization Schedule; (six (6) months interest only payments and 174 months principal and interest).
3. Security:
 - o Second mortgage on the 801 Pickle Street, Winthrop, NY 13697 property owned by Matthew Whalen co-equal with Greater Massena Economic Development Fund;
 - o Second lien on all Machinery, and Equipment, Inventory, Furniture and Fixtures owned by High Peaks Winery, LLC and/or Matthew Whalen co-equal with Greater Massena Economic Development Fund;
4. Other:
 - o Unlimited Personal Guaranty of Matthew Whalen
 - o Evidence of bank financing in an amount of \$110,000
 - o Evidence of \$36,500 loan from Greater Massena Economic Development Fund
 - o Evidence of equity in the project of at least \$39,000
 - o Key Man life insurance on the life of Matthew Whalen in an amount sufficient to cover the outstanding balance of the loan
 - o The company agrees to retain 1 and create 1.5 FTE jobs
 - o Contingent upon a real estate appraisal "as completed" with a minimum value of \$150,000

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/ _____