

St. Lawrence River Valley Redevelopment Agency
Minutes of May 9, 2017 Meeting ~ Town of Louisville Municipal Offices, Massena, NY

Call to Order: The meeting was called to order at 6:10 PM by Chairman McNeil.

Roll Call/Determination of Quorum: Messrs. Carroll, McNeil, Murphy, and Strait attend. Mr. McNeil announces there is a quorum. Ms. Wilson from NYPA is also in attendance.

Public Notice: Public notifications were sent on May 2, 2017 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.

Executive Session:

At 6:10 PM, Murphy/Carroll motion to go into executive session to discuss the financial/credit histories of a specific company. Motion passes unanimously.

At 6:20 PM, Russ Marvin is invited to join the executive session.

At 7:10 PM Carroll/Murphy motion a return to open session. Motion passes unanimously.

New Business: Strait/Murphy motion/second to approve a loan of \$100,000 to LC Drives for three years at one half prime plus one percent interest, secured by a first lien on the company's equipment and business assets and a personal guarantee by Russel Marvin (that would be extinguished in the event of a significant venture capital investment in LC Drives. Motion passes 3-1 on a roll call vote, with Mr. Carroll voting nay.

Presentations: None

Approval of Minutes: Carroll/Murphy motion/second to approve minutes of the March 28, 2017 meeting. Motion passes unanimously.

Financial Report: Carroll/Murphy motion/second to accept the January-March, 2017 financial reports. Ms. Gilbert briefly summarizes the highlights of the three months' reports. Motion passes unanimously

Committee Reports: There were no committee reports.

Old Business:

- OBPA: Mr. Kelly reports that he had spoken with the OBPA's CFO and that Mr. Morrill had told him that the OBPA wished to withdraw the resolution authorizing a loan to the OBPA that had first appeared on the RVRA's agenda in September, 2016 and been tabled ever since. Murphy/Strait motion to take the resolution off the table and to accept the OBPA's request that it be withdrawn. Motion passes unanimously.
- Canexsys: Carroll/Murphy motion/second a resolution "Modifying Loan of up to \$150,000 to Canexsys Networks, Inc." Mr. Kelly explains that the RVRA authorized this loan in March, 2017 based on the assumption that the company would locate in the former Newell manufacturing building in Ogdensburg. Now that the company has instead decided to lease space from the OBPA (in building 11), the collateral arrangements needed to be revised to reflect the change of venue. The RVRA's loan would still be secured by a co-proportional first lien on all the business's assets, a cross corporate guarantee by Comtest Networks, and the personal guarantee of William Fry. Motion passes unanimously.

Staff Reports:

Mr. Kelly reports that:

- Counsel had drawn up a spreader agreement that Curran Renewable Energy was prepared to sign that would update and expand the RVRA's mortgage to cover new properties acquired by Curran and Seaway Timber.
- The Village of Massena had requested that the RVRA allow it to use funds originally programmed in the Village's 2016 CD/EI award ("Core of the Community") exclusively for grant subsidies, so that the Village could use the funds for other incentives as well (e.g., façade improvements, interior buildouts, signage, etc.). The members agreed that the minutes should reflect that they approved the Village's request.
- Mr. Kelly reports that staff had been talking with several companies interested in buying (usually through lease/purchase agreements) several IDA-owned buildings and the RVRA's lot 18 building. He explained that State law required both agencies to sell such properties for no less than market value unless they determined that there were good economic development reasons to sell them for a lower price. As the building has not recently been appraised, agency staff have received quotes from appraisers to do the three buildings. The lowest quote was from Varley Appraisal Group at \$1,150 each for all three properties). Strait/Carroll motion to accept Varley's proposal for the Lot 18 property. Motion passes unanimously.
- Mr. Kelly summarizes the out-of-county trade shows that staff had recently attended or was planning to attend over the next month. He also briefly notes the success of the March 2 business mixer and notes that a second mixer will be held on June 21.
- Ms. Wilson summarizes the run-up to the global search proposed in the St. Lawrence County Economic Development Study. NYPA would be interviewing the four top candidates next week.

Public Comment: Mr. Marvin thanks the RVRDA for its earlier LC Drives vote.

Executive Session:

At 7:27 PM, Carroll/Strait motion to go into executive session to discuss the financial/credit histories of specific companies. Motion passes unanimously.

At 8:19 PM Carroll/Strait motion a return to open session. Motion passes unanimously.

Adjournment:

The meeting is adjourned at 8:19 PM, upon the motion by Straity/Carroll. Motion passes unanimously.