

**Essex County IDA Board Meeting  
August 31, 2017  
7566 Court Street, Elizabethtown, NY**

**Present:** Darren Darrah (via conference call)  
John Boyea  
James Bowen  
Gerald Morrow  
Joseph Kusalonis

**Also Present:** Jody Olcott  
Carol Calabrese  
Jen Briggs (via conference call)  
Paul Mrocka (via conference call)

**Absent:** Jamie Rogers  
Matthew Courtright

**Open of Meeting**

Vice-Chairman James Bowen opened the meeting at 9:00AM.

**Public Comment**

No Comment

**Approval of Minutes**

1. June 15, 2017 Special Meeting Minutes
2. July 27, 2017 Meeting Minutes
3. August 15, 2017 Special Meeting Minutes

**Motion #2017-55:** A motion to approve the June 15, 2017 special meeting minutes, July 27, 2017 meeting minutes and August 15, 2017 special meeting minutes was made by Gerald Morrow and seconded by Joseph Kusalonis. All members were in favor.

**Financial Services/Program**

1. Monthly Loan Report
  - a. Defaults: Westport Golf & Hospitality (Westport) – Jen Briggs reported that the IDA will start sum certain action in September against guarantors on both loans.
  - b. Adirondack Meat Company (Ticonderoga) – Glens Falls National Bank (GFN) has reviewed the loan and set up new terms and forbearance. Adirondack Meat Company noted in email to IDA and NCA that it cannot continue to pay life insurance at this time. GFN has agreed to waive life insurance requirement but request still needs IDA and NCA approval. Jen Briggs noted that the business is not going to sign confession of judgement as requested and the bank will likely begin action when forbearance ends and business does not make payments. No action is needed at this time. Outstanding principal balance of loan is \$304,428.37. Sale price for building has been reduced to \$1.7 million.
2. Bond Projects
  - a. CRC Projects – Adirondack Health Center (North Elba) – To be discussed at CRC Meeting.

**Presentation: Paul Mrocka, Paradox Brewery**

Paul Mrocka from Paradox Brewery provided an additional summary of the proposed project. He noted the business has executed purchase contract with County for the approx.. 13 acres. Test wells have been conducted. Business has received approval from SBA on \$2.1 million. Business has secured an additional \$1.3 million in capital from investors. Bank approval is pending for remaining balance of project. Business is hoping to start construction at the end of October. They currently have 10 distributors from CA, VT, NY and are new to NJ. The cost benefit and project summary were distributed to the board for review. Business currently has 4 FT, 2 PT and 3 S jobs with an annual payroll of \$177,000. Year 1 projections include an additional 5FT and 3 PT employees. Year 2 projections include an additional 5 FT and 1 PT employee. Total annual payroll at end of year 2 is \$605,000. Total project is \$5.6 million. The project is seeking 10 year PILOT Agreement, mortgage recording tax abatement as well as sales tax exemption. Estimated sales tax exemption not to exceed \$132,000, mortgage recording tax abatement estimated at \$32,000, and the 10 year PILOT Agreement estimated on completed assessment of \$2,129,000. PILOT Agreement will not be effective until completion in 2019.

**Motion #2017-56:** Resolution taking official action authorizing the agency to take title to certain leased property through a “straight-lease” arrangement as defined in section 854(15) of the general municipal law of the state of New York, as amended, in order to provide financial assistance for the purpose of financing the acquisition, construction, equipping and furnishing of a certain brewing facility for Paradox Brewery LLC. WHEREAS, applicant Paradox Brewery LLC, a New York limited liability corporation, authorized to do business in the State of New York (the “State”) and its respective successors and assigns (the “Company”), located in Schroon Lake, New York, has applied to the Essex County Industrial Development Agency (the “Agency”) for a “straight-lease” arrangement as defined in Section 854(15) of the General Municipal Law of the State, as amended, in order to receive financial assistance for the purpose of financing (a) the acquisition, construction, equipping and furnishing of an approximately 100 x 200 metal building for use as a tasting room and brewing facility for the production of craft beer to be constructed in North Hudson, New York and (b) certain necessary preliminary and incidental expenses related thereto (hereinafter collectively referred to as the “Project”). A motion to approve was made by James Bowen and seconded by John Boyea. All members were in favor.

### **Business Park Development**

#### 1. Moriah Business Park

- a. Lot #1 Building (Pre-Tech Plastics) – Pre-Tech Plastics responded to August 15<sup>th</sup> IDA proposal noting the following: accepting \$50,000 deposit, due diligence of 30 days from execution of letter of intent, loan application submittal within 45 days and PILOT approvals from taxing entities within 90 days. Pre-Tech Plastics did not accept the \$5,000 non-refundable deposit and the 10-year amortization schedule. The IDA Board reviewed the Pre-Tech Plastics response and countered with the following proposal: \$3,088.84 per month amortized for 15 years at 2% interest with balloon payment at year 10 in the amount of \$176,225.70 and also waiving \$5,000 nonrefundable deposit. Pre-Tech Plastics was contacted during the meeting and agreed to the revised terms.

**Motion #2017-57:** A motion to approve the sale of the building to Pre-Tech Plastics in the amount of \$530,000 with \$50,000 deposit due at execution of the letter of intent and at \$3,088.84 per month amortized for 15 years at 2% interest with balloon payment at year 10 in the amount of \$176,225.70 was made by John Boyea and seconded by Joseph Kusalonis. All members were in favor. Jen Briggs will work with Pre-Tech Plastics and IDA to draft sale contract.

- b. Lot #4 Building (High Peaks Hospice) – No issues to report

- c. Lot #3 & #5 (Whistlepig) – Construction of first 14,000 sf warehouse facility is complete and building is 100% full. Interior construction on the second 14,000 sf barreling facility is underway and Whistlepig hopes to test tanks within 45 days. Construction of the third 14,000 sf warehouse facility began last week.
2. Ticonderoga Commerce Park – No Update
3. Chesterfield Commerce Park – No Update

### **Business Development Updates**

1. Marketing
  - a. Internet Based Marketing Monthly Report
2. Grant Administration
  - a. ADK HUB Micro-Enterprise Grant Round 2 – To date, 9 businesses have begun drawing down funds and 2 of those businesses have completed their projects (Long Lake Hotel and Yogi Bear Campground). IDA will submit requisition to DEC for partial reimbursement of grant.

### **Financials**

1. July 2017 Financial Statements – No Comments
2. 2018 Budget Request – IDA drafting 2018 budget for submission to County by 9/7. Budget to include 3% increase request.

### **New Business**

1. August Abstract for Payment

**Motion #2017-58:** A motion to approve the August Abstract for Payment was made by Gerald Morrow and seconded by Joseph Kusalonis. Darren Darrah abstained. Motion passes.

2. Next Meeting – October 12, 2017 at 9:00AM

### **Adjourn Meeting**

**Motion #2017-59:** A motion to adjourn the meeting at 10:25AM was made by Joseph Kusalonis and seconded by Darren Darrah. All members were in favor.