

**Essex County IDA Board Meeting  
July 18, 2018 at 9:00AM  
CV-TEC, 3092 Plank Road, Mineville, NY 12956**

<b>Present:</b>	Darren Darrah John Boyea Jamie Rogers (via conference call until 10:00 AM) James Bowen Matthew Courtright	<b>Also Present:</b>	Jody Olcott Carol Calabrese
<b>Absent:</b>	Gerald Morrow Joseph Kusalonis		

**Open of Meeting**

Chairman Darren Darrah opened the meeting at 9:00AM.

**Public Comment**

No comments or attendance

**Approval of Minutes**

1. June 6, 2018 Meeting Minutes

**Motion #2018-43:** A motion to approve the June 6, 2018 meeting minutes was made by James Bowen and seconded by Darren Darrah. All members were in favor.

**Presentation – Northwoods Inn (North Elba) – Brandon Birkhead and Garrett Smith**

Brandon Birkhead and Garrett Smith presented renovation project to Board. Northwoods Inn would become Marriott brand hotel (Tribute). The property is 100 years old and is in need of many structural upgrades which were not covered by 2015 project. Structural photos circulated showing many issues. The 2015 project completed interior renovations only. The hotel has key location downtown and their proposed project is hoped to spur downtown property owners to upgrade and renovate their properties. Proposed project is \$24 million with existing employment of 26 FT, 17 PT and 23 seasonal. New employment in year 1 and 2 will be adding 7 FT, 3PT and 9 Seasonal. The proposed plan includes upgrading rooftop to include outdoor space which is ADA accessibility with observation deck. Elevator upgrades are needed along with heating and AC upgrades as well. Project also includes parking upgrades behind building and additional retaining walls. Wright Investments who purchased property has managed over 180 hotels and is currently working on 3 Marriott Tribute hotel renovations. Brandon noted that converting to a Marriott brand allows business to even out occupancy and takes seasonality out of location. The project is seeking mortgage recording tax abatement as well as sales tax exemption. Sales tax exemption not to exceed \$300,000.

**Motion #2018-44:** Resolution taking official action authorizing the Agency to take a ground lease interest to certain real 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 hotel for Lake Placid Hotel Partners, LLC. WHEREAS, applicant Lake Placid Hotel Partners, 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 Lake Placid, 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 limited to a

State sales tax exemption and a mortgage recording tax exemption for the purpose of financing (a) the acquisition, construction, equipping and furnishing of an approximately 92 room hotel with restaurant amenities and commercial retail space to be acquired and renovated at 2520 Main Street, Lake Placid, New York (the "Facility") and (b) certain necessary preliminary and incidental expenses related thereto (hereinafter collectively referred to as the "Project"); and WHEREAS, the Company intends to finalize its business plan and arrange debt and equity financing, including credits from the financial assistance to be provided by the Agency, to enable the facility to be a tourism destination and to create additional jobs in the County of Essex, New York (the "County"); and WHEREAS, pursuant to Article 18-A of the General Municipal Law of the State of New York and Chapter 563 of the Laws of 1973 of the State of New York, as amended (collectively, the "Act"), the Agency is authorized and empowered to finance the acquisition, construction, equipping and furnishing of the Facility within the County through a "straight-lease" arrangement; and WHEREAS, the members of the Agency have approved the application of the Company and have agreed to enter into a "straight-lease" arrangement for the purpose of financing the acquisition, construction, equipping and furnishing of the Project for the Company; and WHEREAS, the members of the Agency have determined that financial assistance previously provided by the Agency with respect to the Facility remains in full force and effect and is in no way adversely affected by the financial assistance offered herein such that the prior project relating to the Facility and the Project are determined to be two separate projects under the Act..

NOW, THEREFORE, BE IT RESOLVED by the Essex County Industrial Development Agency as follows: The Agency has found and determined that the Project constitutes a "project" within the meaning of the Act and shall accomplish the public purpose of the Agency as presented in the Act; and will promote job opportunities, tourism, health, general prosperity and the economic welfare of the inhabitants of the County of Essex and the State of New York and improve their standard of living and will thereby serve the public purposes of the Act; and that it is desirable and in the public interest to enter into a "straight-lease" arrangement with the Company for the purpose of financing the acquisition, construction, equipping and furnishing of the Facility, together with necessary preliminary and incidental expenses in connection therewith. The Company shall (i) deliver a ground lease in the Facility to and in the name of the Agency through a "straight-lease" arrangement (as defined in Section 854(15) of the General Municipal Law of the State) for good and valuable consideration and certain "financial assistance" (as defined in Section 854(14) of the General Municipal Law of the State) from the Agency limited to a State sales tax exemption and a mortgage recording tax exemption, and (ii) shall grant a mortgage and security agreement with respect to the Agency's ground lease interest in the Facility, if, as and when the Company finances the Project secured by the Facility. The Agency shall subordinate its ground lease interest in the Facility to the Company's lender, if as and when the Company finances the Project secured by the facility. The Company is hereby appointed the true and lawful agent of the Agency (i) to ground lease the Project to the Agency and to acquire, construct, equip and furnish the Project; and (ii) to make, execute, acknowledge and deliver any contracts, orders, receipts, writings and instructions, as the stated agent for the Agency and in general to do all things which may be requisite or proper for completing the Project, all with the same powers and the same validity as the Agency could do if acting on its own behalf. The Agency in reviewing the Company's application has preliminarily determined that the Company meets the provisions of Section 862 (2) of the General Municipal Law or that such provisions are not applicable. Any financial assistance which the Agency may provide to the Company shall be subject to the "clawback" provisions of Section 875 of the General Municipal Law, and the Company shall at all times cooperate with and indemnify and hold harmless the Agency in the Agency's colorable and good faith compliance with said Section 875. Squire Patton Boggs (US) LLP is hereby appointed Special Transaction Counsel in relation to the Project. Briggs Norfolk LLP is hereby appointed as counsel to the Agency in relation to the Project. Special Transaction Counsel is hereby authorized to work with the Company and others to prepare, for

submission to the Agency, all documents necessary to affect the closing of the Project. The Chairman of the Agency is hereby authorized and directed to distribute copies of this resolution to the Company and to do such further things or perform such acts as may be necessary or convenient to implement the provisions of this resolution. This resolution is hereby adopted subject to the requirements of the State Environmental Quality Review Act (SEQRA), as amended, Article 8 of the Environmental Conservation Law of the State and all regulations thereunder. The Agency shall prepare and publish a notice of public hearing (form attached hereto) in compliance with Section 859-a of the General Municipal Law of the State and shall hold such public hearing prior to the closing of the Project. The Agency must have approved the Project after such public hearing at a regularly scheduled meeting of the Agency. This motion was made by Darren Darrah and seconded by Matthew Courtright. All members were in favor.

**Motion #2018-45:** NOTICE IS HEREBY GIVEN to all interested parties that a public hearing, pursuant to Section 859-a of the General Municipal Law of the State of New York (the "State"), as amended, will be held by the Essex County Industrial Development Agency (the "Agency") on August 30, 2018 at 9:00 a.m., local time, at 7566 Court Street, Elizabethtown, New York, in connection with the following matters: This is a notice for a public hearing to authorize the Agency to provide Financial Assistance (as defined below) for the project described below. Lake Place Hotel Partners, LLC, a New York corporation, and its successors and assigns (the "Applicant") has requested that the Agency assist the Applicant in (A) the financing of a project consisting of (i) the acquisition, construction, equipping and furnishing of an approximately 92 room hotel with restaurant amenities and commercial retail space to be acquired and renovated at 2520 Main Street, Lake Placid, New York to promote tourism and job creation in the County of Essex, New York (the "Facility") and (ii) certain necessary preliminary and incidental expenses related thereto (hereinafter collectively referred to as the "Project") by entering into a "straight-lease" arrangement (within the meaning of Section 854(15) of the General Municipal Law); (B) the granting of certain "financial assistance" (within the meaning of Section 854(14) of the General Municipal Law of the State) with respect to the foregoing, limited to exemption from certain State sales taxes and mortgage recording taxes (collectively with the Project, the "Financial Assistance"); and (C) the ground lease of the Project by the Applicant or such other person as may be designated by the Applicant and agreed upon by the Agency to the Agency. During the ground lease term, the Project will be owned by the Applicant and ground leased to the Agency. The Agency will have a ground lease interest in the Project to provide the Applicant through to a "straight-lease" arrangement (as defined in Section 854(15) of the General Municipal Law of the State) Financial Assistance for good and valuable consideration in connection with the Project. Pursuant to Article 8 of the Environmental Conservation Law of the State, Chapter 43-B of the Consolidated Laws of New York, as amended (the "SEQR Act") and the regulations adopted pursuant thereto by the Department of Environmental Conservation of the State, being 6 NYCRR Part 617, as amended (the "Regulations"), the Agency, as an involved agency, will determine whether the Project may have a "significant effect on the environment" (as set forth in the SEQR Act and the Regulations) and therefore require the preparation of an environmental impact statement. The Agency will at the above-stated time and place hear all persons with views in favor of or opposed to the proposed Financial Assistance to the Applicant. This notice will be published in a newspaper in general circulation in the County of Essex at least thirty (30) days prior to the date set for the hearing.

#### **Financial Services/Programs**

1. Monthly Loan Report & Defaults

- a. Westport Golf & Hospitality (Westport) – Time has expired on repayment plan for guarantor. Jen Briggs will need to follow up with attorneys to inquire if action has been started against Consolidated Mortgage.
  - b. Adirondack Meat Company (Ticonderoga) – Potential business is working with Department of Labor on searching for potential plant manager. The business has been meeting with town officials to discuss assessment, infrastructure needs and potential plans.
2. Straight Lease Back Transactions
- a. Pre-Tech Plastics (Moriah) – IDA has presented project to Town, School and County Economic Development Committee and received approvals. Full County Board to approve in the beginning of August and will be ready to close on sale.

### **Business Park Development**

- 1. Moriah Business Park
  - a. Lot #1 Building (Pre-Tech Plastics) – No building issues to report for month
  - b. Lot #4 Building (High Peaks Hospice) – The IDA met with new Executive Director who fully supports using Mineville as hub for region. The IDA met with AES Northeast to complete proposed floor plan and renovation needs. High Peaks Hospice indicated they would need the additional 1,200 sf for January 1, 2019. IDA working with CV-TEC building trades class to discuss renovations needed and potential partnership for September.
  - c. Lot #3, #5 & #6 (Whistlepig) – Construction of two buildings is on-going and should be completed by end of August. IDA is meeting with construction manager and executives tomorrow to discuss construction on lot #6 as well as purchase agreement for lot #7.

### **Business Development Updates**

- 1. Marketing
  - a. Internet Based Marketing Monthly Reports – Facebook daily posts conducted by Sarah. Facebook likes are increasing.
- 2. Grant Administration
  - a. ADK HUB Micro-Enterprise Grant Round 2 – Site visits conducted last week for most of businesses. The summer is going exceptionally well for all businesses. Three additional businesses agreements have been executed and site visits conducted.
- 3. Workforce Development
  - a. Global Manufacturers Meeting will be held on July 26, 2018 at International Paper
  - b. International Paper Workforce Development Committee – North Country Community College to discuss partnership with International Paper

### **Financials**

- 1. May Financial Statements – No comments

### **New Business**

- 1. July Abstract for Payment

**Motion #2018-45:** A motion to approve the July Abstract for Payment was made by James Bowen and seconded by Matthew Courtright. All members were in favor.

- 2. Next Meeting – August 30, 2018 at 9:00AM – IDA to discuss potential tour of Whistlepig’s Shoreham VT facility.

**Adjourn Meeting**

**Motion #2018-46:** A motion to adjourn the meeting at 10:37AM was made by Darren Darrah and seconded by James Bowen. All members were in favor.