

Essex County IDA Special Board Meeting
April 16, 2020 10:00AM
Conference Call

Present: Darren Darrah
James Monty
Jamie Rogers
Matthew Courtright
Roy Holzer

Also Present: Jody Olcott
Carol Calabrese
Sarah LaFountain
Jen Briggs

Absent: John Boyea
James Bowen

Because of the Coronavirus (COVID-19) emergency and state and federal bans on large meetings or gatherings and pursuant to Governor Cuomo's executive order 220.1 issued on March 12, 2020 suspending the open meetings law, the Essex County Industrial Development Agency (IDA), the board meeting is held electronically via conference call instead of a public meeting open for the public to attend in person. Members of the public may call into the meeting and the meeting minutes when transcribed will be posted to the IDA website.

Meeting was called to order by Chairman Darren Darrah at 10:03AM.

COVID-19 Emergency Loan Program

1. Sharprock Corporation (Westport) – Business is located at 1016 NYS Route 22 and provides administrative and managerial services to Northwaters & Langskib Wilderness programs which includes canoeing adventure programs for groups from their 2 base camps located in Ontario. The Westport office employed 3 full-time and 3 part-time employees before they were deemed nonessential and required to close due to the pandemic. Business provided documentation demonstrating the negative impact from the pandemic showing 90% decline in sales in comparison to previous years. Business is requesting \$25,000 loan (\$15,000 working capital and \$10,000 payroll). The loan funds would provide business working capital to operate, maintain payroll and plan for changed operational conditions and market the programs they have to attempt to recover lost revenue. The business has also applied for \$10,000 SBA economic injury disaster loan and has not received response yet. Credit report for Clay Steven was 753 (very good). A list of assets and their value of the business was provided with some of the assets located in Westport and others located in Canada. IDA Board expressed concern for collateral position on equipment that would be located in Canada. Board members would like to contact Westport Supervisor and inquire about business further.

Motion #2020-34: A motion to approve the requested COVID-19 loan in the amount of \$25,000 noting IDA first position collateral position on machinery & equipment, vehicles and furniture and fixtures listed and personal guarantee by Clay Stevens, 5-year term at 0% interest and no payments for first six months was made by Jamie Rogers. There was no second on the motion and Jamie Rogers withdrew his motion.

Motion #2020-35: A motion was made by Roy Holzer and seconded by James Monty to table the discussion on this proposed loan until further discussions with the Westport Supervisor are conducted. All board members were in favor. Loan request will be discussed at next meeting.

2. R.A. White Construction Company (Ticonderoga) – Business is located at 1080 Wicker Street and is a construction company that does custom residential homes and docks mostly in the Lake George area. Business also provides barge and crane services on Lake George. Before the pandemic the business employed 5 full-time and 1 part-time employee and they have closed their operations as they are not deemed an essential business. Business is requesting \$25,000 for working capital which would be used to pay business expenses including rent, insurance, payroll, vendors and existing liability payments. The business has provided documentation on the value of the proposed collateral (barge) as well as a hydraulic crane. Credit report for Richard White Jr. was 760 (very good).

Motion #2020-36: A motion to approve the requested COVID-19 loan in the amount of \$25,000 for working capital with IDA first position lien on barge and personal guarantee by Richard White Jr. with 5 year term at 0% interest and no payments for first six months was made by Jamie Rogers and seconded by Roy Holzer. Matthew Courtright abstains. Motion passes.

3. Green Goddess Natural Foods (North Elba) – Business is located at 2051 Saranac Avenue in Lake Placid and the owners operate two natural food stores and cafés. Before the pandemic the business employed 6 full-time and 14 part-time employees. As a result of the pandemic the business had to close their Main Street market, café and deli, decreasing employment. At the current time the business is operating the natural market with modified hours, curb side pick-up and deliveries. The business is requesting \$24,300 loan (\$16,735 working capital and \$7,565 inventory) which will be used to reopen the market on Main Street and both cafes. The inventory needs will be to replace the expired food that has been wasted as a result of closure, and recurring payments on equipment, leases, utilities and rent. Credit report for Kate Reese Wynde was 734 (good) and second partner Tammy Loewy was 793 (very good). A list of equipment was provided for documentation of collateral as well as value and current debt on equipment.

Motion #2020-37: A motion to approve the requested COVID-19 loan in the amount of \$24,300 (\$16,735 working capital and \$7,565 inventory), IDA taking first position lien on machinery and equipment, furniture and fixtures, inventory and accounts receivable, personal guarantees by both Kate Reese Wynde and Tammy Loewy with 5 year term at 0% interest and no payments for first six months was made by Jamie Rogers and seconded by James Monty. All members were in favor.

4. Optics of Ticonderoga (Ticonderoga) – Business is located at 89 Montcalm Street and provides eye and safety glasses. Before the pandemic the business employed 2 full-time employees. As a result of the pandemic the business is closed and are only open for emergencies only. The business is requesting \$19,872 to purchase new equipment (attitude blocker/tracer) will decrease the amount of time spent on each job, increase accuracy, reduce the cost of goods and shorten the delivery time for glasses. Increased eyeglass production will warrant the need to add additional employees (3 full-time

projected). The IDA would take a first position lien on the equipment purchased. Credit report for Dawn Titus was 783 (very good).

Motion #2020-38: A motion to approve the requested COVID-19 loan in the amount \$19,872 for the purchase of a new attitude blocker/tracer with IDA taking first position lien on equipment, personal guarantee by Dawn Titus for a 5 year term at 0% interest and no payments for the first six months was made by Darren Darrah and seconded by Jamie Rogers. Matthew Courtright abstained. Motion passes.

COVID-19 Emergency Grant Program

The IDA sent notice of funds available after Board approved on April 9th. IDA staff was bombarded with applications and closed the grant application process by 4:15PM as IDA had received 18 applications by then (2 incomplete). Copies of ten applications were sent to the Board for review and scoring then upon further internal review it was discovered that there was one application which should have been included instead. Jen reviewed the issue and because the IDA language on press release was not specific, she is recommending the IDA Board review only the first ten completed applications received for funding. IDA staff will resend the application information including the omitted application and Board will review and score at their next meeting. The \$10,000 grant funds were received by the Adirondack Foundation.

Motion #2020-39: A motion to table review and scoring of the Adirondack Foundation COVID-19 grant applications until new correspondence is sent was made by Jamie Rogers and seconded by Darren Darrah. All members were in favor. Further discussion noted that each Board member will send completed score sheet to Carol Calabrese prior to meeting and scores will be discussed at next meeting.

New Business

1. In an effort to streamline board meetings it was discussed that future loan applications will be maxed at five for each meeting and an attempt to keep meetings to under one hour will be advised.
2. In an effort to have more board members participate in our weekly special meetings the next meeting will be Tuesday, April 21 at 10:00AM.

Motion #2020-40: A motion to adjourn meeting at 11:08AM was made by James Monty and seconded by Jamie Rogers. All members were in favor.