ESSEX COUNTY Industrial Development Agency Empire Zone Capital Resource Corporation



in the park industrial development agency

> A healthy place to grow a business A healthy place to grow a family

Essex County IDA, Empire Zone & Capital Resource Corporation

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IDA Mission...

Our mission is to create a viable business atmosphere that will attract compatible and diverse sustainable economic development opportunities while focusing on major assets, retention/expansion projects, quality of life and job creation.

Essex County IDA & Capital Resource Corp. Board of Directors

Chairman Darren Darrah, Town of Willsboro Resident Vice-Chairperson James Bowen, Schroon Lake Business Owner (Adirondack Apothecary) Treasurer & Secretary Jamie Rogers, Lake Placid Resident Gerald Morrow, Supervisor, Town of Chesterfield Matthew Courtright, Executive Director, Ticonderoga Chamber of Commerce James Monty, Supervisor Town of Lewis John Boyea, Moriah Business Owner (Boyea's Grocery & Deli)

Essex County IDA Staff

Carol Calabrese, Co-Executive Director and CEO Jody Olcott, Co-Executive Director, CFO and Empire Zone Coordinator Sarah Brown, Administrative Assistant

Essex County IDA & Capital Resource Corp. Professional Services

Briggs & Norfolk 2284 Saranac Ave. Lake Placid NY 12946 Phone (518) 523-5555 Squires, Sanders & Dempsey 350 Park Avenue, 15th Floor New York NY 10022 Phone (212) 872-9853 H. Sicherman & Company 5852 Forest Creek Drive East Amherst NY 14051 Phone (716) 689-2980

IDA Revolving Loan Program

The Essex County IDA revolving loan fund is available to new start up and expanding businesses located in the county. The loan program is a "gap" financing tool, which assist businesses to move forward with project development.

IDA Revolving Loan Summary	IDA LOAN	TOTAL PROJECT
Witherbee Carriage House, Town of Schroon	\$50,000	\$265,000
S & W Ticonderoga, Town of Ticonderoga Adirondack Meat Company, Town of Ticonderoga	\$300,000 \$315,000	\$4,000,000 \$ 1,730,000
Aleeze Enterprises, Town of North Hudson	\$110,000	\$366,000
Bodette's Barbecue, Town of Ticonderoga	\$18,000	\$176,000
Big Slide Brewery, Town of North Elba	\$540,000	\$1,840,000
Salt of the Earth, Town of North Elba	\$88,866	\$104,250
Moriah Country Club, Town of Moriah	\$25,000	\$50,000
Sugar & Spice, Town of Ticonderoga	\$25,000	\$25,000
TOTAL:	\$1,471,866	\$8,556,250





Financing Programs





Champlain Valley Milling, Inc. is an organic grain mill previously located in Westport. The company purchased the former Old Adirondack building in Willsboro and in April of 2016 the Essex County IDA approved up to five million dollars (\$5,000,000) in tax exempt industrial development revenue bonds to finance the construction, equipping and installation of buildings and building improvements and equipment, including fixtures. After the fall and winter construction and renovations, an open house was held on January 27, 2018. They currently have 7 FT employees and 2 PT Employees with an additional 2FT employees projected for 2019.

Adirondack Health Center

The Essex County Capital Resource Corporation (CRC) approved up to \$12 million for the Adirondack Health Center to construct the new 41,725 sf building at the Uihlein Campus providing emergency services, preventive medical services, procedures rooms and physical therapy functions. Their existing building located on Church Street was gifted back to the Town of North Elba. Project received all approvals in 2016 and construction began in June 2017 with a ground-breaking ceremony held in July 2017. Construction continued in 2018.





Northwoods Inn

In July 2018, the Essex County IDA approved a straight lease back transaction with sales tax exemption only to Northwoods Inn located in Lake Placid. The Northwoods Inn would become a Marriott brand hotel (Tribute). The proposed plan includes upgrading rooftop to include outdoor space which will be ADA accessible with observation deck. Elevator upgrades are needed along with heating and AC upgrades. Project also includes parking upgrades behind building and additional retaining walls. The

total 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.

Financing Programs

<u>Saranac Lake Resort</u>

The Essex County IDA approved the sales tax exemption incentive for the Saranac Lake Resort in September of 2018. The Saranac Lake Resort will be a LEED Certified, 37,000 sq. ft., and 93 room hotel with a marina. The resort will also consist of a 200-person ballroom, world class spa, relaxing outdoor pool and hot tub area, and a 38 boat slip marina with access to it's nautical-themed pub and restaurant. Saranac Lake Resort will be the only restaurant in Lake Placid located directly on the water. Proposed new jobs will be 71 FT and 15 PT. Total Project is \$20.3 Million.



Paradox Brewery

In 2017, the Essex County IDA approved a straight lease back transaction with sales tax exemption, mortgage recording abatement and PILOT Agreement. The company held a ground breaking ceremony on April 11, 2018 to expand its brewing operations to North Hudson at the new Gateway to the Adirondacks which will also operate as a tasting room and restaurant. Business currently has 4 FT, 2 PT and 3 S jobs. Year 1 projections include an additional 5FT and 3 PT employees. Year 2 projections include an



additional 5 FT and 1 PT employee. Total project is \$5.6 million. Construction of the new facility is moving along with plans for opening in the Spring 2019.

Financing Programs

North Country School / Camp Treetop

At the end of 2018, the Essex County Capital Resource Corporation approved the inducement of a bond up to the amount of \$9 Million to North Country School / Camp Treetop located in Lake Placid. North Country School is a 220 acre campus that features a working farm, extensive gardens and alpine wilderness that provide hands on opportunities for learning and growth. The proposed new project includes construction of a performance arts center which will include 190 person theater, a teaching and learning kitchen, waste treatment facility upgrades and renovations to the High House. At the current time the school employs 27 FT employees and has 180 students. Total project cost is \$9 million.



Essex County Bonds	Total Bond Financing	Actual Jobs	
Elizabethtown Community Hospital	\$6,100,000	220 FT, 39 PT	
Will Rogers, North Elba	\$5,000,000	20 FT,11 PT,5 S	
International Paper Company, Ticonderc	oga \$69,860,000	634 FT, 3 PT	
NC Comm. College Assoc., Ticonderoga	\$6,380,000	5 FT,13 PT,0 S	
Adirondack Medical Center, North Elba	\$9,500,000	36 FT, 16 PT	
Straight Lease Back Transactions			
Champlain Valley Senior Center, Willsbo	ro \$7,300,000 total project	60 FT, 3 PT	
High Peaks Distributing, St. Armand	\$2,000,000 total project	23 FT, 4 PT	
Champlain Valley Milling, Willsboro	\$4,879,369 total project	7 FT, 0 PT, 2 S	
Paradox Brewery, North Hudson	\$5,600,000 total project	7 FT, 2PT, 3 S	

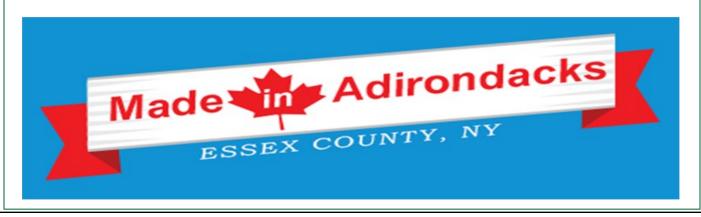
Marketing Summary & Outreach

The Essex County IDA continues to partner with the Regional Office of Sustainable Tourism to market and promote the County as a viable place to own and operate a business. In addition, The IDA continues to partner with NYS Empire State Development, National Grid, NYSEG, the NY Business Develop-

Doing Business in the U.S.

The Essex County IDA was invited by and is now working closely with the North Country Chamber of Commerce in helping Canadian business owners understand how to start Doing Business in the U.S. Through the Chamber's partnership with the Montreal Board of Trade/World Trade Center and Quebec International, groups of 15-20 businesses come to the Chamber several times a year to learn about Doing Business in the U.S, existing and startup Canadian businesses pay a fee to participate in this event. Participants spend the morning at the border at customs then participate in a roundtable discussion at the North Country Chamber with economic development specialists. The list of attendees is shared with the economic developers. The Essex County IDA takes the list and follows up with participants. Each attendee is also given a guide book at each seminar which gives a general overview of some of the things Canadians may encounter as they enter the U.S. market. The IDA has placed a full page ad in the guide book which will be valid for two years. The guide book is also forwarded to Canadian companies that inquire information regarding Doing Business in the U.S. **Total number of Doing Business in the U.S. Leads: 101**

Doing Business in the US Seminar Lead Follow UP		
Emails Sent for 2018	194	
Emails Opened	62	
Open Rate	32%	



Marketing Summary & Outreach

<u>Canadian Market</u>

Since 2014 the IDA continues to work with National Grid and their Canadian marketing consultant. The consultant and the IDA worked together to complete a website targeted toward Canadian businesses which you can find at <u>www.canada.essexcountyida.com</u>. The Essex County IDA also received a grant from National Grid through their Cooperative Business Grant Program to establish a connection with Canadian partners as to where all parties can assist businesses to increase their opportunities for growth and expansion.



Views/Hits

IDA website: 612,244 / 52,590

Leads Letters to new EC Businesses: 187 Essex County Businesses: 1804

Marketing to the Northeast Region

The IDA continues to develop a targeted list of manufacturers located outside of New York State and

Canada. The IDA sends quarterly emails to these qualified businesses noting economic development benefits and sites available.



Location	# of Businesses	
Outside of NYS	660	
Canada	5,529	

Essex County Businesses

The IDA staff devotes a significant amount of time reaching out to existing Essex County businesses (as most of the economic growth is coming from existing businesses) and ensuring they are aware of



the services available through the IDA as well as our partnering agencies. The IDA is working on a database of ex-

isting Essex County

Business Development

War Canoe Spirits



War Canoe Spirits will start a distillery manufacturing operating with tasting, dining, retail and event space in an old historical structure in Crown Point and contribute to the development of quality agriculture by increasing demand for local producers in the North Country and Champlain Valley region. The project will be a huge asset for the region with the creation of new job opportunities and will also become a tourist destination that will compliment and enhance the historic significance of the region. War Canoe Spirits was awarded

\$705,000 from Empire State Development from the 2017 Consolidated Funding Application. Total Project is projected to be \$4.6 million and in 2018 construction plans and permitting were secured. Major construction to begin in 2019 and plans to be fully operational by Spring of 2020.

Whistlepig Rye Whiskey

The Essex County IDA previously sold lots #3 and #5 in 2017. In 2018 the IDA sold lot #6 in the business park to Whistlepig Rye Whiskey, a distillery located in Shoreham, Vermont. This transaction provides additional space for the company's continual growth. To date Whistlepig has constructed five 14,000 sf





with one under construction and another slated for construction in spring 2019. The company currently has 6 FT employees working from the Moriah facility and will be renovating building #1 in spring 2019 to accommodate a new bottling line which will add an additional estimated 8 FT jobs to the location.

Business Development

Pre-Tech Plastics

In December of 2018, the Essex County IDA closed on the sale of the lot #1 building to Pre-Tech Plastics with a loan in the amount of \$530,000 and a 10 year PILOT Agreement.

Pre-Tech Plastics expanded to the 22,000 sq. ft. building from Vermont in 1998. They have invested over \$1.5 million in technology in the Mineville facility. At the current time they are subbing out some work to New England Vendors and a proposed expansion could bring that work in house. Pre-Tech Plastics currently employs 32 FT local employees.



Moriah Business Park Lot #4 Building Renovations

In 2018, High Peaks Hospice expressed their need for more space at the lot #4 building they occupy in the Moriah Business Park. The Essex County IDA partnered with AES Northeast and CV-TEC Construction Trades Students to renovate the remaining 1,200 square feet into office space. The IDA brought in specialized trades to do in service seminars for the students. Renovations were finished by the end of December and High Peaks Hospice were able to expand into the new space. The Moriah Business Park lot #4 building is now at full capacity.



Business Development

Adirondack Park Upper Hudson Recreation

The Essex County Industrial Development Agency in partnership with Essex and Hamilton Counties, was awarded a second round of Upper Hudson Recreation Hub Grants. The Microenterprise Grant Program was established to provide grants to eligible expanding or start up microenterprise businesses providing tourist accommodations in each community. Total second round funding was \$506,762.50. The Essex County IDA is administering the grants to the businesses that were awarded. Businesses include: Trailhead Resort (Newcomb) \$99,443, Adirondack Growl & Grub (Long Lake) \$41,939, The Coner (Long Lake) \$42,000, Cloud-splitter Outfitters (Newcomb) \$59,105, Morningside Camps and Cottages (Minerva) \$30,255, Adirondack Hotel (Long Lake) \$42,303, Yogi Bear's Adirondack Jellystone Park (North Hudson) \$31,423, Raquette River Outfitters (Long Lake) \$21,000, Scoop's Ice Cream (Newcomb) \$31,500, Indian Lake Chamber of Commerce (Indian Lake) \$8,913, ADK Trading Post (Long Lake) \$28,882, Adirondack Fishing Adventures (Indian Lake) \$16,923.43, Adirondack Hamlets to Huts (St. Armand) \$31,183 and Adirondack Rafting Company (Indian Lake) \$21,885.37. The IDA conducted site visits in December 2018 to monitor progress of each of these businesses and is working with NYS DEC to close out grant and work toward future funding opportunities.



Business Development

Lake Flower Landing

Lake Flower Landing is a commercial rental space located in Saranac Lake, it accommodates diverse activities from indoor farmer's markets to business gatherings. In October, the Essex County IDA applied to the NYSCA DEC Community Arts Grant Program in the amount of \$5,000 on behalf of Lake Flower Landing. The grant will be used for six sepa-



rate programs over the next year including artistic events, concerts, book signings, movies and etc.



Youth Counsel & Workforce Investment Board

The Essex County IDA is a member of the Youth Council Committee and the Workforce Investment Boards. The North Country Workforce Development Board is a public-private partnership that works across the boundaries of professional, personal, educational, and cultural experience. The Youth Council's mission is to build and support a regional youth workforce system and to manage state and federal workforcedevelopment funds on behalf of vulnerable youth throughout the North Country.

International Paper Workforce Development Committee

International Paper's School-to-Work Committee with representatives from IP and their consultants, the Essex County IDA, high school guidance counselor's & technology teachers from Essex County, the Workforce Development Institute, CVTEC, NCCC, Ticonderoga Areas Chamber of Commerce and the North Country Workforce Development Board. The committee was created to identify problems and skill requirements and to develop optional solutions to address the shortage of qualified people. The objective was to increase the pool of job applicants with qualified

candidates to needs for the ed vacancies years.



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Empire Zone Business Annual Reporting 2017

Reporting which was submitted in March 2019 was for the reporting calendar year 2017:

- 25 Empire Zone certified businesses
- 22 businesses reported
- <u>1103</u> full-time jobs, <u>387</u> part-time jobs, <u>\$82,942,000</u> annual payroll
- **<u>\$13,330,532</u>** in business investment
- **<u>\$134,062</u>** Empire Zone credits/benefits received











adworkshop.

The Essex County IDA continues to partner and assist with education, workforce development,

incentive and quality of life driven issues in the County. IDA staff is actively involved on several decisionmaking boards:

Essex County Workforce Investment Counsel & Regional Workforce Investment Board

North Country Alliance Board

Adirondack Partnership Board

Business in the Adirondack Committee

CV-TEC Business & Industry Education & Training Committee—Mineville Campus

Lake Champlain Lake George Regional Loan Committee

International Paper Workforce Development Committee

Adirondack Partnership Grant Committee

Essex County Sub-Tax Committee

Regional Youth Counsel Committee

Essex County IDA Real Property

Town of E'Town	Tax Map #55.84-4-7.100	0.56 acres			
Town of Jay	Tax Map #7.75-1-2.000	1.10 acres			
Town of Moriah	Tax Map #96.2-4-16.1 2.55 acres				
2018 Real Property Sales					
Town of Moriah	Tax Map #96.2-4-16.2	2.4 acres	sold to Moriah Ventures LLC.		
Town of Moriah	Tax Map #96.2-4-4	4.38 acres	sold to Moriah BP LLC.		

2018 Property/Building Leases

Moriah Lot #4: High Peak Hospice lease of 2,000 sq. ft. of office space. One year lease to be renewed and expanded in 2019 to ten year lease and additional 1,200 sq. ft.

GUIDELINES FOR DISPOSITION OF PROPERTY

SECTION 1. DEFINITIONS

"Contracting Officer" shall mean the officer or employee of the Essex County Industrial Development Agency (hereinafter, the "Agency") who shall be appointed by resolution to be responsible for the disposition of property.

"Dispose" or "disposal" shall mean transfer of title or any other beneficial interest in personal or real property in accordance with Section 2897 of the Public Authorities Law.

"Property" shall mean personal property in excess of five hundred dollars (\$500) in value, and real property, and any inchoate or other interest in such property, to the extent that such interest many be conveyed to another person for any purpose, excluding an interest securing a loan or other financial obligation of another party.

SECTION 2. DUTIES

The Agency shall: Maintain adequate inventory controls and accountability systems for all property owned by the Agency and under its control; Periodically inventory such property to determine which property shall be disposed of; Produce a written report of such property in accordance with subsection B herewith; and Transfer or dispose of such property as promptly and practicable as possible in accordance with Section 2 below.

The Agency shall: Publish, not less frequently than annually, a report listing all real property owned in fee by the Agency. Such report shall consist of a list and full description of all real and personal property disposed of during such period. The report shall contain the price received by the Agency and the name of the purchased for all such property sold by the Agency during such period; and Shall deliver copies of such report to the Comptroller of the State of New York, the Director of the Budget of the State of New York, the Commissioner of the New York State Office of General Services, and the New York State Legislature (via distribution to the majority leader of the Senate and the Speaker of the Assembly).

SECTION 3. TRANSFER OR DISPOSITION OF PROPERTY

Supervision and Direction: Except as otherwise provided herein, the duly appointed contracting officer (the "Contracting Officer") shall have supervision and direction over the disposition and sale of property of the Agency. The Agency shall have the right to dispose of its property for any valid corporate purpose.

Custody and Control: The custody and control of Agency property, pending its disposition, and the disposal of such property, shall be performed by the Agency or by the Commissioner of General Services when so authorized under this section.

Method of Disposition: Unless otherwise permitted, the Agency shall dispose of property for not less than its fair market value by sale, exchange, or transfer, for cash, credit, or other property, with or without warranty, and upon such other terms and conditions as the Agency and/or contracting officer deems proper. The Agency may execute such documents for the transfer of title or other interest in property and take such other action as it deems necessary or proper to dispose of such property under the provisions of this section. Provided, however, except in compliance with all applicable laws, no disposition of real property, any interest in real property, or any other property which because of its unique nature is not subject to fair market pricing shall be made unless an appraisal of the value of such property has been made by an independent appraiser and included in the record of the transaction.

Sales by the Commissioner of General Services (the "Commissioner"): When the Agency shall have deemed that transfer of property by the Commissioner will be advantageous to the State of New York, the Agency may enter into an agreement with the Commissioner pursuant to which the Commissioner may dispose of property of the Agency under terms and conditions agreed to by the Agency and the Commissioner. In disposing of any such property, the Commissioner shall be bound by the terms hereof and references to the contracting officer shall be deemed to refer to such Commissioner.

Validity of Deed, Bill of Sale, Lease or Other Instrument: A deed, bill of sale, lease or other instrument executed by or on behalf of the Agency, purporting to transfer title or any other interest in property of the Agency in accordance herewith shall be conclusive evidence of compliance with the provisions of these guidelines and all applicable laws insofar as concerns title or other interest of any bona fide grantee or transferee who has given valuable consideration for such title or other interest and has not received actual or constructive notice of lack of such compliance prior to closing.

Bids for Disposal, Advertising, Procedure, Disposal by Negotiation: Except as permitted by all applicable laws, all disposals or contracts for disposal of property made or authorized by the Agency shall be made after publicly advertised for bids except as provided in subsection 3 of this section.

Whenever public advertising for bids is required under subsection 1 of this section: the advertisement for bids shall be made at such time prior to the disposal or contract, though such methods, and on such terms and conditions as shall permit full and free competition consistent with the value and nature of the property proposed for disposition all bids shall be publicly disclosed at the time and place stated in the advertisement. The award shall be made with reasonably promptness by notice to the responsible bidder whose bid, conforming to the invitation for bids, will be most advantageous to the Agency, price and other factors considered; provided, that all bids may be rejected at the Agency's discretion.

Disposals and contracts for disposal of property may be negotiated or made by public auction without regard to subsection 1 and 2 of this section but subject to obtaining such competition as is feasible under the circumstances, if: the personal property involved is of a nature and quantity, which, if disposed of under subsections 1 and 2 of this section, would adversely affect the state or local market for such property, and the estimated fair market value of such property and other satisfactory terms of disposal can be obtained by negotiation the fair market value of the property does not exceed fifteen thousand dollars (\$15,000) bid prices after advertising therefore are not reasonable, either as to all or some part of the property, or have not been independently arrived at in open competition the disposal will be to the state or any political subdivision or public benefit corporation, and the estimated fair market value of the property and other satisfactory terms of disposal are obtained by negotiation the disposal of the property is intended to further the public health, safety or welfare or an economic development interest of the Agency, the state or a political subdivision or remediation of a substantial threat to public health or safety, the creation or retention of substantial number of job opportunities, or the creation or retention of a substantial source of revenues, or where the authority's enabling legislation permits or other economic development initiatives), the purpose and the terms or such disposal are documented in writing and approved by resolution of the board of the Agency or such action is otherwise authorized by law.

An explanatory statement shall be prepared of the circumstances of each disposal by negotiation of: any property which has an estimated fair market value in excess of fifteen thousand dollars (\$15,000) any real property that has an estimated fair market value in excess of one hundred thousand dollars (\$100,000), except that any real prop-

2019 Goals & Projects

<u>Empire Zone Program</u>

Continue with administration requirements of the county-wide zone and work with grandfathered businesses to ensure they continue to receive benefits. Work also includes Business Annual Report submissions to NYS.

Business Park Development

Market the Chesterfield Commerce Park to attract new businesses and work with local business interested in expanding as well as permit sporting complex on recently sold lot #4.

Work on expansion of the Moriah Business Park with adjoining land owner.

Secure additional space for the continued expansion of Whistlepig at the Moriah Business Park.

Grants/Loans/Business Development

Marketing, administration and delivery of:

A. Adirondack Upper Hudson Recreation Hub Phase 2 micro-enterprise grant

Continued administration of revolving loan funds:

- A. 1992 & 1998 CDBG grants of behalf of Essex County
- B. 2000,2002, 2004 & 2006 OCR grants on behalf of Essex County
- C. 2003 & 2004 USDA grants to the IDA
- D. Lake Champlain & Hurricane Irene grants to IDA

Administration and incentive reporting for Straight Lease Back transactions on-going:

- A. Champlain Valley Senior Center
- B. High Peaks Distributing
- C. Champlain Valley Milling
- D. Paradox Brewery

<u>Marketing</u>

Continue working with the partners to target markets via development of email lists, updating website, and partnering with Canadian counterparts, NYS Empire State Development, New York State Economic Development Council, on the promotion of Essex County for economic

development opportunities. The IDA will also continue participating in the "Doing Business in the US" seminars held through the NC Chamber.

Workforce Development