

Essex County IDA Special Board Meeting
May 5, 2020 10:00AM
Conference Call

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

Also Present: Jody Olcott
Carol Calabrese
Sarah LaFountain
Jen Briggs

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 10:00AM.

Approval of Minutes

1. April 28, 2020 Special Meeting Minutes

Motion #2020-57: A motion to approve the April 28, 2020 Special Meeting Minutes was made by Roy Holzer and seconded by John Boyea. All members were in favor.

COVID-19 Emergency Loan Program

1. TMax – n – Topo's Hostel (Tabled from April 28, 2020 Meeting) – Business is located at 5046 Cascade Rd in Lake Placid. Business was taken over in 2010 which was previously Jackrabbit Inn/Hostel. Tmax-n-Topo's Hostel provides a small lodging establishment in Lake Placid they caters to hikers in the area. Due to the COVID-19 virus they had to stop accepting guests to help with the pandemic. The business is requesting \$15,000 (working capital) in loan funds. The funds will be used to help business expenses. The business has applied for SBA EIDL and received confirmation number. They will also be applying for PPP through NBT Bank. The business has 1 employee before and after the COVID-19 virus which is the owner. The IDA is asking for a personal guarantee from David Gomlak, personal guarantee from Terri Maxymillian, first lien on 2007 camper, 2013 Ford Focus and 2007 Chevrolet Impala and Victorian Fairy Lamp Collection. The Board noted the business is currently closed due to lack of hiking. The board noted that the business has the financial ability to seek financing elsewhere. There are no employees. The board is also concerned that this is not a COVID-19 emergency.

Motion #2020-58: A motion to deny the COVID-19 loan request to TMax – n – Topo's Hostel was made by James Bowen and seconded by James Monty. All members were in favor.

2. Salt of the Earth Bistro – Business is located at 5956 Sentinel Road, Lake Placid. The business is a quaint bistro that provides affordable twisted foods from traditional roots. Due to the COVID-19 virus the business was forced to stop food service operations on

March 16, 2020. They currently offer takeout one night a week selling donut holes but sales have decreased by 95%. The business is requesting \$25,000 (\$10,000 working capital, \$7,500 inventory, \$7,500 payroll) in loan funds. Business had 2 FT employees and 5 PT employees before the COVID-19 virus. Currently there are no employees. The business received \$1,428.57 from the Essex County IDA COVID-19 Emergency Grant and a \$5,000 advance from the EIDL. The business currently has a loan from the IDA Revolving Loan Program and has always been on time with payments. Andrea Lautenscheuetz's credit is very good. The IDA would ask for a personal guaranty from Andrea Lautenscheuetz and 2nd lien on machinery and equipment and furniture and fixtures behind IDA loan.

Motion #2020-59: – A motion to approve motion to approve the COVID-19 loan request in the amount of \$25,000 (\$10,000 working capital, \$7,500 inventory & \$7,500 payroll) to Salt of the Earth Bistro with a 5 year term at 0% interest and no payments for the first six months with a personal guaranty from Andrea Lautenscheuetz and 2nd lien on machinery and equipment and furniture and fixtures behind IDA loan was made by Jamie Rogers and seconded by Toy Holzer. All members were in favor.

3. Stat House Six – Business is located at 4605 Cascade Road, Lake Placid. The business provides pre-made or custom bespoke pieces of woodwork. Due to the COVID-19 pandemic no restaurant or essential businesses are using the consumer based products causing a loss in sales for the business. The business is requesting \$10,000 (machinery and equipment) in loan funds. The loan funds will be used to upgrade shop tool infrastructure. The business has not applied for another other funding sources at this time. There is currently one employee which is also the owner. The IDA is asking for Personal Guaranty from Kevin Liddiard and 1st lien on machinery and equipment. The IDA board is concerned that this is not a COVID-19 emergency and would recommend to the business to apply for a loan through the IDA Revolving Loan Program.

Motion #2020-60: A motion to deny the COVID-19 loan request to Stat House Six was made by James Bowen and seconded by John Boyea. All members were in favor.

4. Ticonderoga Paint Decorating Center (Ticonderoga) – The \$13,600 (\$10,000 working capital & \$3,600 payroll) loan request was approved at the April 21, 2020 Special Meeting. The IDA will have to take 2nd position on collateral because the 1st position is already taken.

Motion #2020-61: A motion to approve 2nd position on collateral (machinery & equipment and furniture and fixtures, inventory and accounts receivable) for the Ticonderoga Paint Decorating Center loan was made by Darren Darrah and seconded by Matthew Courtright. All members were in favor.

Carol Calabrese noted that there are 2 loan applications in process (approximately \$45,000).

Adjourn

Motion #2020-62: A motion to adjourn the meeting at 10:21AM was made by John Boyea and seconded by Roy Holzer. All members were in favor.