



**ESSEX COUNTY IN THE PARK
INDUSTRIAL DEVELOPMENT AGENCY**

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**Essex County IDA Board Meeting
April 29, 2022 at 9:00AM
7566 Court Street, Elizabethtown, NY**

Present: Darren Darrah (Zoom) **Also Present:** Jody Olcott
John Boyea (Zoom) Carol Calabrese
Jamie Rogers
James Bowen (Zoom)
Roy Holzer (Zoom)
Matthew Courtright (Zoom)

Absent: James Monty

Open of Meeting

Chairman Darren Darrah opened the meeting at 9:02AM.

Open of Public Hearing – Peaks @ Lake Placid 9:00 AM

Public hearing to authorize a “straight-lease” transaction of the Agency for the purpose of providing financial assistance in connection with the project described below. The Peaks Lake Placid, LLC (the “Applicant”) has requested that the Agency finance a project consisting of: (A) (i) the construction, renovation and equipping of a building in the Town of Elba, New York, to be owned and operated by the Applicant as a combined residential housing community, including approximately 90 condominium units and 265 rental apartment residences (the “Facility”), (ii) the acquisition and installation of various machinery, equipment and furnishings for the Facility, including substantial rehabilitation (the “Equipment”), and (iii) certain necessary preliminary and incidental expenses related thereto (the Facility and the Equipment hereinafter collectively referred to as the “Project”); and (B) the granting of certain other “financial assistance” (within the meaning of Section 854(14) of the General Municipal Law) with respect to the Project and its financing, including potential exemptions from New York State sales and use tax (the “Financial Assistance”); and (C) the sale of the Project to the Applicant or such other person as may be designated by the Applicant and agreed upon by the Agency. During the lease term, the Project will be owned by the Agency and leased to the Applicant. It is intended that interest on the Project will be exempt from sales and use tax. The Project will be subject to a straight lease agreement (the “Agreement”) requiring that the Applicant lease the Project from the Agency and to purchase the property at the end of the lease term, and if applicable, grant a mortgage and security agreement with respect to the Project and an assignment of the lease agreement with the Applicant as security for the financing provided by the Applicant’s financial institution in such manner as the Agency and the Applicant mutually deem appropriate. Pursuant to Article 8 of the Environmental Conservation Law, 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 of New York, being 6 NYCRR Part 617, as amended (the “Regulations”), the 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 assessment form. Such determinations shall be and shall be deemed to be in conformity with similar determinations of the Adirondack Park Agency, if and when issued. 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.

A report of the hearing will be made available to the Board of Supervisors of Essex County, New York. This notice was published in the Press Republican newspaper at least seven (7) days prior to the date set for the hearing. There was no one in attendance for public and no correspondence received. Public Hearing closed at 9:15AM.

Public Comment

No Comment

Approval of Minutes

1. March 24, 2022 Annual & Regular Meeting Minutes

Motion #2022-27: A motion to approve the March 24, 2022 annual & regular meeting minutes was made by John Boyea and seconded by Roy Holzer. All members were in favor.

2. March 29, 2022 Special Meeting Minutes

Motion #2022-28: A motion to approve the March 29, 2022 special meeting minutes was made by Jamie Rogers and seconded by Darren Darrah. John Boyea and Matthew Courtright abstained. Motion passes.

Financial Services/Program

1. Monthly Loan Report

- a. War Cannon Spirits, LLC (Crown Point) – IDA is working with all parties for a May loan closing.
- b. Big Slide Brewery (Lake Placid) – Business is behind March & April payments. A letter was sent to the business.
- c. Site visits for all businesses will be conducted in May.
- d. Green Goddess Loan (Lake Placid) – In 2020 Green Goddess received a \$24,300 COVID loan. \$17,500 remains as the outstanding balance. Wendy Kate Reiss is requesting to be released as guarantor on the loan as she has left business ownership. The business has also received LEAF grant from North Elba. Jen Briggs has reviewed request and no issues.

Motion #2022-29: A motion to approve the release of Wendy Kate Reiss as guarantor on the Green Goddess loan to the IDA was made by Jamie Rogers and seconded by Darren Darrah. All members were in favor.

2. Straight Lease Back Transactions

- a. 89 Greenwood Apartments (North Elba) – Project is waiting on insurance policy issues to be resolved with Freddie Mac.
- b. CRC: Northwood School (North Elba) – No update
- c. Champlain Hudson Power Express – State approval was received for the project. Essex County portion is held in escrow until final project financing is closed.
- d. Brown Swan Resort (Schroon Lake)

Motion #2022-30: WHEREAS, the Essex County Industrial Development Agency (the “Agency”) is a corporate governmental agency, constituting a public benefit corporation created pursuant to Chapter 563 of the Laws of 1973 of the State of New York (the “State”), as amended, and is authorized and empowered by the New York State Industrial Development Agency Act, Chapter 1030 of the Laws of 1969 of the State (Title 1 of Article 18-A of the New York General Municipal Law of the State), as amended (the “Act”), to promote the economic welfare and prosperity of the inhabitants of Essex County, New York (the “County”) and to actively promote, attract, encourage and develop economically sound commerce and industry within the County; and WHEREAS, the Agency desires to assist The Lodge at Schroom, LLC, a New York limited liability company (the “Company”) located in Saratoga Springs, New York, and its successors and assigns (the “Company”), in its acquisition, construction, equipping and furnishing of a certain Project (as hereinafter defined); and WHEREAS, the Project consists of the (A) (i) the renovation and equipping of a building in Schroom Lake, New York, to be owned by the Company and operated by a third party operator as an approximately 120-unit resort (the “Facility”), (ii) the acquisition and installation of various machinery, equipment and furnishings for the Facility, including substantial rehabilitation (the “Equipment”), and (iii) certain necessary preliminary and incidental expenses related thereto (the Facility and the Equipment hereinafter collectively referred to as the “Project Facility”); and (B) the granting of certain other “financial assistance” (within the meaning of Section 854(14) of the General Municipal Law) with respect to the Project and its financing, including exemptions from New York State sales and use tax and mortgage recording tax (collectively the “Financial Assistance”); and (C) the lease of the Project Facility by the Agency back to the Company; all as contemplated by and in furtherance of the purposes of the General Municipal Law (collectively, the “Project”); and WHEREAS, pursuant to the Act the Agency is authorized and empowered to provide the Finance Assistance to the Project through a “straight-lease transaction” (as defined in Section 854(15) of the General Municipal Law of the State); and WHEREAS, on February 10, 2022, the Agency adopted an initial project resolution (the “Inducement Resolution”) which (i) accepted the Company’s application, (ii) authorized the scheduling and conduct of a public hearing in compliance with the Act, (iii) described the contemplated forms of Financial Assistance to be provided by the Agency; and (iv) authorized the lease arrangement with the Company and related documents; and WHEREAS, in accordance with the Inducement Resolution, the Agency published and forwarded a notice of public hearing to Essex County (collectively, the “Affected Tax Jurisdictions”) at least ten (10) days prior to said public hearing (the “Public Hearing”); and WHEREAS, pursuant to Section 859-a of the Act, the Agency held the Public Hearing on March 24, 2022 at 9:00 a.m. at the Essex County IDA offices, 7566 Court Street, Elizabethtown, New York, which hearing was also made available by video/audio conference pursuant to executive order 202.1 (2020) of the Governor of the State with respect to the Project and the proposed Financial Assistance (as hereinafter defined) being contemplated by the Agency where interested parties were provided a reasonable opportunity, both orally and in writing, to present their views; and WHEREAS, in furtherance of the foregoing and in order in order to assist the Company, the Company will lease the Project to the Agency pursuant to a Company Lease Agreement (the “Company Lease Agreement”) and the Agency has agreed to lease the Project to the Company pursuant to an Agency Lease between the Company and the Agency (the “Agency Lease”), and a Project Agreement between the Agency and the Company (the “Project Agreement” and together with the Company Lease Agreement and the Agency Lease, the “Transaction Documents”) for good and valuable consideration in the amount of approximately \$1.00 and to provide Financial Assistance, whereby the Company will be obligated to lease the Project from the Agency and the Agency will be obligated to lease the Project to the Company until the termination of the Agency Lease; and WHEREAS, the Agency’s retention of a leasehold interest in the Project throughout the Agency Lease will enable the Agency to pass on State law tax benefits to the Company and its contractors and subcontractors; and WHEREAS, the Agency is authorized to grant a mortgage and security interest in and with respect to the Project and assign the Transaction Documents to a lender secured by the Company, as collateral, as may be required by such lender, if applicable; and

WHEREAS, the Agency has considered the proposed Project pursuant to the State Environmental Quality Review Act, as codified under Article 8 of the Environmental Conservation Law and Regulations adopted pursuant thereto by the Department of Environmental Conservation of the State (collectively, "SEQRA") and pursuant to its review of the Application and related materials provided by the Company; and NOW, **THEREFORE, BE IT RESOLVED** by the Essex County Industrial Development Agency, as follows: Section 1. Based upon the representations made by the Company to the Agency in the Application, the Agency hereby finds and determines that: (A) By virtue of the Act, the Agency has been vested with all powers necessary and convenient to carry out and effectuate the purposes and provisions of the Act and to exercise all powers granted to it under the Act; and (B) It is desirable and in the public interest for the Agency to appoint the Company as agent to undertake the Project and to empower the Company to appoint its contractors and subcontractors as indirect agents of the Agency; and (C) The action to be taken by the Agency will induce the Company to undertake the Project, thereby increasing employment opportunities within Essex County, New York, and otherwise furthering the purposes of the Agency as set forth in the Act; and (D) The Project will not result in the removal of a facility or plant of the Company or any other proposed occupant of the Project from one area of the State of New York (the "State") to another area of the State or result in the abandonment of one or more plants or facilities of the Company or any other proposed occupant of the Project located within the State; and the Agency hereby finds that, based on the Company's Application, to the extent occupants are relocating from one plant or facility to another, the Project is reasonably necessary to discourage the Project occupants from removing such other facility or plant to a location outside the State and/or is reasonably necessary to preserve the competitive position of the Project occupants in their respective industries; and (E) Based upon a review of the Application and related materials, the Agency has identified the Project as a "Type II Action" within the meaning of SEQRA, for which no formal SEQRA review is necessary. Section 2. The Agency hereby authorizes the Company to proceed with the acquisition, renovation, construction, reconstruction, rehabilitation and equipping of the Project and hereby appoints the Company as the true and lawful agent of the Agency and hereby authorizes the execution of the Transaction Documents by the Agency. Section 3. To provide for the consummation of the transaction contemplated herein, the Chairman, Vice Chairman or any other appropriate officer of the Agency, alone or in conjunction with such officers, are hereby authorized and directed to execute, acknowledge and deliver, for and in the name and on behalf of the Agency, the Transaction Documents, and any other documents in connection with the Financial Assistance or the financing of the Project by the Company, including any necessary mortgages (collectively, the "Agency Documents") upon the advice of special counsel to the Agency. Section 4. The Chairman, Vice Chairman or any other appropriate officer of the Agency, alone or in conjunction with such officers, are authorized and directed to execute, deliver and, if applicable file, for and in the name and on behalf of the Agency, any certifications, financing statements, assignments and other instruments and documents which are necessary or appropriate to perfect the assignments contemplated in the Agency Documents and to consummate the transactions contemplated in the Agency Documents. Section 5. Pursuant to Section 875(3) of the Act, the Agency may recover or recapture from the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, any sales and use tax exemption benefits taken or purported to be taken by the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, if it is determined that: (i) the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, is not entitled to the sales and use tax exemption benefits; (ii) the sales and use tax exemption benefits are in excess of the amounts authorized to be taken by the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project; (iii) the sales and use tax exemption benefits are for property or services not authorized by the Agency as part of the Project; (iv) the Company has made a material false statement on its application for financial assistance; (v) the sales and use tax exemption benefits are taken in cases

where the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project fails to comply with a material term or condition to use property or services in the manner approved by the Agency in connection with the Project; and/or (vi) the Company obtains mortgage recording tax benefits and/or real property tax abatements and fails to comply with a material term or condition to use property or services in the manner approved by the Agency in connection with the Project (collectively, items (i) through (vi) hereby defined as a "Recapture Event"). As a condition precedent of receiving sales and use tax exemption benefits and real property tax abatement benefits, the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, must (i) if a Recapture Event determination is made by the Agency, cooperate with the Agency in its efforts to recover or recapture any sales and use tax exemption benefits, mortgage recording tax benefits and/or real property tax abatements abatement benefits, and (ii) promptly pay over any such amounts to the Agency that the Agency demands, if and as so required to be paid over as determined by the Agency. Section 6. It is found and determined that all formal actions of the Agency concerning and relating to the adoption of this Resolution were adopted in an open meeting of the Agency, and that all deliberations of the Agency that resulted in those formal actions were in meetings open to the public, in compliance with the law. Section 7. This Resolution shall take effect and be in force immediately or at the earliest time permitted by law. A motion to approve was made by Roy Holzer and seconded by James Bowen. All members were in favor.

Business Park Development

1. Moriah Business Park
 - a. Lot #4 Building (High Peaks Hospice) – No issues for April to report
 - b. Whistlepig Rye Whiskey Update – One building is under construction now with frame up and siding and roof next week. Whistlepig anticipates 5 of the 8 approved buildings constructed in 2022.
 - c. Lot #10 (Pre-Tech Plastics) – IDA spoke with business and they will completing engineering for new expansion building in 2022 and hopefully permitting and building construction projected for 2023.

Business Development Updates

1. Marketing/Internet Based Marketing Monthly Report – Small Business Week is next week. The IDA is presenting on Monday afternoon to interested businesses at event held at the Ticonderoga Chamber of Commerce office.
2. Grant Administration
 - a. USDA Rural Development Grant (Essex County) – Working on closing for War Cannon Spirits and marketing remaining \$120,000 of funds available.
 - b. - LEAF COVID-19 Grant Program (North Elba) – Site visits to be conducted in May with grant recipients.
3. Workforce Development – STEM German program is successful and students will be traveling to tour German facility. Currently looking for long-term funding to continue partnerships.

New Business

1. March Financials – Emailed to Board for review. No comments.
2. OSC Audit – IDA was notified that Office of State Comptroller will be conducting an audit next month. The scope of the audit is unknown. Jody will notify the Board when audit is scheduled.
3. April Abstract for Payment

Motion #2022-31 – A motion to approve the April Abstract for Payment was made by Darren Darrah and seconded by Jamie Rogers. All members were in favor.

4. Next Meeting – June 2, 2022 (potential tour of High Peaks Distributing in St. Armand?)

Adjourn Meeting

Motion #2022-32: A motion to adjourn the meeting at 9:55AM was made by James Bowen and seconded by Darren Darrah. All members were in favor.