



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

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**Essex County IDA Board Meeting
February 17, 2022 at 9:00AM
IDA Office, 7566 Court Street, Elizabethtown, NY**

Present:	Darren Darrah (via zoom) Jamie Rogers (via zoom) James Bowen (via zoom) Roy Holzer (via zoom) James Monty	Also Present:	Jody Olcott Carol Calabrese Jen Briggs (via zoom)
Absent:	John Boyea Matthew Courtright		

Open of Meeting

Chairman Darren Darrah opened the meeting at 9:01AM.

Presentations

1. War Cannon Spirits (Crown Point) – Business has submitted a loan request to the IDA in the amount of \$130,000. Presentation was done by War Cannon Spirits owner Paul Besignano. Paul explained that 6 years ago the Agway building in Crown Point was purchased and over the past 5 years has secured State grants and loans to complete renovations. Paul anticipates construction of the building to be completed in May 2022 with Certificate of Occupancy received from the Town of Crown Point (capacity 400 people). The Crown Point building will be the main public venue and will serve beer, liquor and spirits as well as have restaurant, retail store and event space. The business will be open to the public in June 2022 offering 7AM café with coffee and pastries then transition to 11AM lunch to include smoked meats and side dishes. The bar menu will include wine and craft sodas. The business will be open 7 days per week. The Lake Champlain Lake George Regional Planning Board approve a loan in the amount of \$130,000 with collateral to include co-equal 2nd on Ticonderoga building, co-equal 1st on Porter Mill building, co-equal 3rd on blanket assets, personal guarantee, corporate guarantee from both LLC's and key man life insurance. The business has liquor license for manufacturing in Ticonderoga and the business will be seeking on-site consumption in Crown Point. The proposed use of funds for the IDA \$130,000 loan would be for working capital. Employment projections are 4 full-time and 4 part-time in year 1. The source of funding for the IDA loan request is as follows: USDA \$80,000 and IDA Revolving loan fund \$50,000.

Motion #2022-1: A motion to approve the working capital loan request in the amount of \$130,000 to War Cannon Spirits for 7 years at 4% interest with 6 months interest only and the following collateral: co-equal 2nd on Ti property (30 Commerce Drive) with Lake Champlain Lake George Regional Planning Board , co-equal 1st on Porter Mill building (43 Porter Mill Road) with Lake Champlain Lake George Regional Planning Board, co-equal 3rd on business assets with Lake Champlain Lake George Regional Planning Board, personal guarantee from Paul Besignano, corporate guarantees from War Cannon

Spirits LLC., War Canoe Holdings LLC & 2849 NYS Route 9N, LLC. and key man life insurance for Paul Besignano in the amount of \$130,000 was made by Darren Darrah and seconded by James Bowen. All members were in favor.

2. Brown Swan Resort (Schroon Lake) – Kate Jarosh, Lodge at Schroon developer presented proposed purchase and renovation of the Word of Life facility. There are currently 214 units in main building which closed in 2019. The project would consist of renovating building into 69 hotel rooms, converting Williams Motel to 25 suites, converting 9 seasonal chalets, 8 seasonal cabins and 10 glamping sites, event destination with theater, restaurant and mini golf. Developer projects 25 construction jobs will be created as well as provided employment schedule and projections for the projected 18 full-time, 17 part-time and 7 seasonal jobs. Proposed project will dramatically increase occupancy tax for Schroon Lake, sales tax and property tax (property is currently exempt through Word of Life). Total project costs are \$21 million which includes mortgage of approx. \$14 million. The business is requesting sales tax exemption to amount \$409,077 and mortgage recording tax abatement incentive in the amount \$178,748. Developer hopes to close on property in April and immediately begin renovations to open in May 2023.

Motion #2022-2: Resolution taking official action authorizing the agency to (i) accept the application of the Lodge at Schroon, LLC. (the “company”) in connection with a proposed project (as further described herein); (ii) schedule and conduct a public hearing; and (iii) describing the forms of financial assistance being contemplated by the agency with respect to the project. WHEREAS, The Lodge at Schroon, LLC, a New York limited liability company (the “Company”) authorized to do business in the State of New York, located in Saratoga Springs, New York, and its successors and assigns has applied to the Essex County Industrial Development Agency (the “Agency”) on February 10, 2022, for a “straight-lease” arrangement as defined in Section 854(15) of the General Municipal Law of the State of New York (the “State”), as amended for the purpose of financing the costs of a certain project (the “Project”) consisting of: (A) (i) the renovation and equipping of a building in Schroon Lake, New York, to be owned by the Applicant 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”); 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 and mortgage recording tax (collectively 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; 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 such Facility within the County of Essex, New York through a “straight-lease” arrangement; and WHEREAS, the Agency is contemplating providing the Financial Assistance in the form of (i) an exemption from all state and local sales and use taxes with respect to the qualifying personal property included within the Project or used in the acquisition, construction or equipping of the Project from the Agency to complete the acquisition, construction, reconstruction and equipping of the Project and (ii) an exemption from the mortgage recording tax; and WHEREAS, the Agency intends to describe the Project, accept the Company’s application, describe the forms of Financial Assistance contemplated by the Agency, secure any necessary consents from the affected tax jurisdictions, and authorize the scheduling and conduct of public hearing(s) pursuant to and in accordance with the Act.

NOW, THEREFORE, BE IT RESOLVED by the Essex County Industrial Development Agency as follows: The Agency has found and determined that the Company's 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, 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 purpose 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, reconstruction, equipping and furnishing of the Project, together with necessary preliminary and incidental expenses in connection therewith. The Agency is authorized to (i) lease the property comprising the Project to the Company 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), whereby the Company will be obligated to lease the Project from the Agency and to purchase the property at the end of the lease term and (ii) if applicable, grant an assignment of the lease agreement with the Company as security for the financing provided by the Company's financial institution in such manner as the Agency and the Company mutually deem appropriate. 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 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. The Company is hereby appointed the true and lawful agent of the Agency (i) to acquire, construct, reconstruct and equip 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 ("Transaction Counsel") in relation to the Project. Briggs Law Firm LLP is hereby appointed as counsel to the Agency in relation to the Project. Transaction Counsel is hereby authorized to work with the Company and others to prepare, for submission to the Agency, all documents necessary to effect the closing of the Project. The Agency shall prepare and publish a notice of public hearing 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 "Public Hearing"). The Agency must have approved the Project after such Public Hearing at a regularly scheduled meeting of the Agency. The Agency's authorization of the Project and the Financial Assistance shall be subject to the conduct of the Public Hearing, securing applicable approvals from the affected tax jurisdictions, and adoption of Agency resolutions relative to same. The officers, employees and agents of the Agency are hereby authorized and directed for and in the name and on behalf of the Agency to do all acts and things required and to execute and deliver all such certificates, instruments and documents, to pay all such fees, charges and expenses and to do all such further acts and things as may be necessary or, in the opinion of the officer, employee or agent acting, desirable and proper to effect the purposes of the foregoing resolutions and to cause compliance

by the Agency with all of the terms, covenants and provisions of the documents executed for and on behalf of the Agency. The Chairman, Vice Chairman, and/or Executive Director(s) of the Agency are 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. In the event that there is jurisdiction of this Project under the APA Act, this resolution shall be subject to compliance by the Company with the determinations and conditions imposed by that agency. This Resolution shall take effect immediately. Resolution was offered by James Bowen and seconded by Jamie Rogers. All members were in favor.

Motion #2022-3: NOTICE IS HEREBY GIVEN to all interested parties that a public hearing, pursuant to Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code") and Section 859-a of the General Municipal Law will be held by the Essex County Industrial Development Agency (the "Agency") on March 24, 2022 at 9AM, local time in connection with the Project described below. Pursuant to Executive Order 202.1 (2020), issued and further extended by the Governor of the State of New York, the Agency will hold the public hearing remotely by a video/audio conference as described below. This is a notice for a 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 Lodge at Schroon, LLC (the "Applicant") has requested that the Agency finance a project consisting of (A) (i) the renovation and equipping of a building in Schroon Lake, New York, to be owned by the Applicant 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"); 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 and mortgage recording tax (collectively 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 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 will be published in a newspaper in general circulation in Essex County at least seven (7) days prior to the date set for the hearing. Motion to schedule hearing for March 24, 2022 at 9AM at the Essex County IDA offices at 7566

Court Street in Elizabethtown was made by James Bowen and seconded by Jamie Rogers. All members were in favor.

Financial Services/Program

1. Monthly Loan Report – A February 16, 2022 report was distributed. All loans are current.
2. Straight Lease Back Transactions
 - a. Dual Development (North Elba) – Straight lease back transaction (sales tax exemption only) closed on December 29, 2021.
 - b. 89 Greenwood Apartments (North Elba) – Expected to close the 3rd week of March.
 - c. Northwood School (Lake Placid) – working on scheduling closing
 - d. Champlain Hudson Power Express (Lake Champlain) – Public notice period underway.

Business Park Development

1. Moriah Business Park
 - a. Lot #4 Building (High Peaks Hospice) – No issues
 - b. Lots #3, #5, #6 & #8 (Whistlepig) – No issues
 - c. Lot #9 (Whistlepig) - Draft closing documents have been circulated to Moriah Ventures LLC. for the purchase of the 8 acres.
 - d. Lot #10 & #11 – Lot #10 has executed contract with Pre-Tech Plastics for purchase of the 5 acres. Need to contact Pre-Tech to inquire if they would like to proceed with purchase.

Business Development Updates

1. Marketing/Internet Based Marketing Monthly Report – Report was distributed. No comments.
2. Grant Administration
 - a. USDA Rural Development Grant (Essex County) – Documents and application for War Cannon Spirits are to be reviewed by the USDA office.
 - b. LEAF COVID-19 Grant Program (North Elba) – Round 3 awardees have drawn down funds. IDA provided ROOST and LEAF members with summary of 2021 time spent on project. As of December 31, 2021 the IDA accumulated 642 hours administering the grant program which exceeded \$34,000. IDA was reimbursed \$22,000 from grant. IDA will continue to monitor awarded businesses until December 31, 2022.

New Business

1. 2021 Financial Audit – Contract with Boulrice & Wood CPAs for 2021 audit.

Motion #2022-3: A motion to approve the contract with Boulrice & Wood CPAs for the 2021 financial audit at an amount not to exceed \$8,000 was approved by James Monty and seconded by Darren Darrah. All members were in favor.

2. Authentic STEM Project - The North Country Workforce Partnership, Inc. (NCWP) is working in partnership with the Universität of Seigen, located in Seigen, Germany, on an Authentic STEM Project to foster interest amongst high school students in STEM. The region where Seigen is located is close to Cologne and Bonn, Germany and features a similar environment to the North Country and the Adirondacks. This pilot project is designed so that teams of students in Germany and the USA work together to solve manufacturing problems using STEM. The goal is to train the workforce of the (digital) future by combining high school education programs in Germany and in the USA at a crossroads between vocational training, higher education, and employment. This is to be done by developing and implementing an integrated career

orientation program. OBJECTIVES: The objectives of the Authentic STEM Project include the following: · Long-term establishment of career-oriented and career-developing content aligned to the school curriculum. · Insight into problem and process-oriented ways of the internal working of companies. · Authentic content link between companies and potential schools for attracting apprentices. · Better alignment of school education and vocational training / employment. · International cooperation to create a variety of contents, give insight into transnational problems and expand the repertoire of problem-solving approaches. CV-TEC NEW VISION – ENGINEERING: The steering committee has identified a group of New Vision – Engineering students from the CV-TEC Mineville campus to be the “trial” group of this Authentic STEM Program. The students will start working on a business-led problem with their German counterparts in February 2022. SUNY-Plattsburgh’s Upward Bound students The Tool Kit will be crucial for regions such as the North Country for organizations such as Workforce Development Boards, companies, schools, universities, and community leaders to put into practice STEM components into a real-world experience for high school students – and perhaps younger students as well since Germany includes students ranging in age from 12 to 17 years old. Additionally, the Tool Kit will highlight ways to involve the business community to actively help create and develop a future workforce that can critically think to solve real-world problems using STEM. Although the international approach is encouraged for various reasons, including fostering international ties, experiencing different school systems, creating friendship opportunities, and exploring cultural differences, this Tool Kit can be used by school districts in an area, across states, or even between schools. The goal is to empower the students to put into practice what they learn in the classroom and have them become passionate about how it applies in the real world. Additionally, from a North Country and workforce development perspective, this project is crucial because it will allow students to understand what a variety of manufacturing employers make, right in our area. Moreover, its goal is to enable the students to understand career pathway opportunities available in the North Country and entice them to either pursue their studies or credentials in the area or, should they leave, have them want to come back after completing their studies. This is important for numerous reasons however, facing the decline of population our region is experiencing, this will, hopefully, curb this trend while helping create a skilled STEM workforce that will meet employers’ needs.

3. November & December Financials – No Comments
4. February Abstract for Payment

Motion #2022-4: A motion to approve the February Abstract for Payment was made by Darren and seconded by Jamie Rogers. All members were in favor.

5. Next Meeting – March 24, 2022 at 9:00AM

Adjourn Meeting

Motion #2022-5: A motion to adjourn the meeting at 10:35AM was made by Darren Darrah and seconded by James Monty. All members were in favor.