



ESSEX COUNTY IN THE PARK
INDUSTRIAL DEVELOPMENT AGENCY

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**Essex County IDA Board Meeting
December 21, 2023 at 11:00AM
War Cannon Spirits, 2849 State Highway 9N, Crown Point, NY**

Present: Darren Darrah
James Bowen
Roy Holzer
Matthew Courtright

Also Present: Jody Olcott
Carol Calabrese
Sarah LaFountain

Absent: John Boyea
Jamie Rogers
James Monty

Open of Meeting

Chairman Darren Darrah opened the meeting at 11:00AM.

Approval of Minutes

1. November 28, 2023 Meeting Minutes

Motion #2023-50: A motion to approve the November 28, 2023 meeting minutes was made by Darren Darrah and seconded by Roy Holzer. All members were in favor.

Financial Services/Program

1. Loan Program
 - a. Monthly Loan Report – Two businesses are one month behind (Big Slide & Denton’s). Notification will be made to the businesses.
 - b. Site Visit Update – Site visits were conducted and businesses are doing well.
 - c. Paper & Pencil Loan Closing Update (Ticonderoga) – A USDA site visit was conducted last week and the loan was approved. IDA requested advance of the \$170,000 which should be wired today. Four regional lenders are participating in the loan. Closing is expected in late January 2024.
2. Straight Lease Back Transactions
 - a. Lodge at Schroon Proposed PILOT Agreement – A letter was received from the Town of Schroon and distributed to the IDA board. Certified letters were sent to all affected taxing entities outlining the 10-year payments at the fixed assessment. PILOT excludes the special district taxes.

Motion #2023-51: WHEREAS, Essex County Industrial Development Agency (the "Agency") is authorized and empowered by the provisions of Chapter 1030 of the 1969 Laws of New York, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended (the "Enabling Act") and Chapter 225 of the 1971 Laws of New York, as amended, constituting Section 895-f of said General Municipal Law (said Chapter and the Enabling Act being hereinafter collectively referred to as the "Act") to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of manufacturing, warehousing, research, commercial and industrial facilities, among others, for the purpose of promoting, attracting and developing economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York, to improve their prosperity and standard of living, and to prevent unemployment and economic deterioration; and WHEREAS, to accomplish its stated purposes, the Agency is authorized and empowered under the Act to acquire, construct, reconstruct and install one or more "projects" (as defined in the Act), or to cause said projects to be acquired, constructed, reconstructed and installed, and to convey said projects or to lease said projects with the obligation to purchase; and 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 applied to the (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 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"); 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 Company or such other person as may be designated by the Company and agreed upon by the Agency. During the lease term, the Project will be owned by the Agency and leased to the Company; and WHEREAS, by resolutions adopted by members of the Agency on February 17, 2022 and April 29, 2022 the Agency determined to grant the Financial Assistance and entered into a lease agreement by and between the Agency and the Company; and WHEREAS, in connection with the Project, the Company made a request by application submitted to the Agency on September 19, 2023 (the "PILOT Application") to deviate from its uniform tax exemption policy (the "Policy") with respect to the terms of a proposed payment in lieu of tax agreement (the "Proposed PILOT Agreement"); and WHEREAS, in connection with the request and as required by the Policy, the Agency gave written notice by letter dated October 3, 2023 to the chief executive officers of the County and each city, town, village and school district in which the Project is located (collectively, the

“Affected Tax Jurisdictions”) of the proposed deviation from the Policy and the reasons therefore; and

WHEREAS, on November 14, 2023, the Agency held a public hearing to hear all comments and questions regarding the proposed deviation and the Proposed PILOT Agreement; and

WHEREAS, the Agency received and responded to comments both written and as presented at the public hearing from residents, business owners and the Affected Taxing Jurisdictions; and

WHEREAS, in connection with the Project, the Company made a new request (the “PILOT Request”) to deviate from the Policy with respect to the terms of the Proposed PILOT

Agreement to be entered into by the Agency with respect to the Facility, which Proposed PILOT Agreement would be for a term of ten (10) years based on a fixed assessment over the term

thereof of \$4,573,500; and WHEREAS, by resolution adopted by the Agency at a meeting held on November 28, 2023, the Agency reviewed and described the PILOT Request and proposed

PILOT schedule and authorized the distribution of a written PILOT deviation notice letter to the Affected Tax Jurisdictions pursuant to and in accordance with the Policy; and

WHEREAS, the Agency mailed the written PILOT deviation notice letter to the Chief Executive Officers of each of the Affected Tax Jurisdictions on November 28, 2023 informing each Chief

Executive Officer that the Agency is considering a proposed deviation from the Policy with respect to the Project and the reasons therefore and soliciting any comments that such

Affected Tax Jurisdictions may have with respect to the proposed deviation. 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 PILOT 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 enter into a PILOT Agreement with the Company, which will deviate from the Agency’s Uniform Tax Exemption Policy; 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. Section 2. The Agency hereby approves the PILOT payment schedule attached hereto as Exhibit A for the Project and its inclusion in a PILOT

Agreement to be entered into by the Agency and the Company in a form acceptable to the Company, the Agency and their respective counsel. 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, a PILOT Agreement, and to execute and deliver any additional certificates, instruments and

documents, 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 this resolution and to cause compliance by the Agency with the terms, covenants and provisions of said PILOT Agreement. Section 4. Pursuant to Section 875(3)

of the Act, the Agency may recover or recapture from the Company, its agents, contractors, subcontractors, or any other party authorized to make purchases for the benefit of the Project,

the extent of any improper sales and use tax exemption benefits taken or purported to be taken by the Company, its agents, contractors, 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, contractors, 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, contractors, 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, contractors, 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"). This motion was made by James Bowen and seconded by Darren Darrah. All members were in favor.

Business Park Development

1. Moriah Business Park
 - a. Lot #4 Building (High Peaks Hospice) – No Update
 - b. Whistlepig Rye Whiskey Update – No construction in the winter. Articles and news ran story on whiskey fungus. DEC has conducted the testing on lot #4 building as well as residents in Mineville area. The results were released and the lot #4 building tested positive but the other residential homes did not and DEC has stated they will conduct further testing.
 - c. Lot #11 Construction Update – Site has been too wet to get for CV-TEC.

Business Development

1. Marketing/Internet Based Monthly Report – IDA staff is working on a new brochure to be printed at the county and distributed to town halls and chambers beginning in January 2024.
2. Grant Administration
 - a. LEAF Main Street Grant Program #2 (North Elba) – Siter visits were conducted to a majority of the businesses. Many weather dependent businesses (recreational) took a loss from cancellations due to rain. Other retail businesses did well.
 - b. Ti Micro-Enterprise Grant Program (Ticonderoga) – Site visits were conducted and the contracts were signed. The businesses have begun drawing down funds.
 - c. Essex County, Agriculture Producers Revitalization 2023 Microenterprise Grant Program – Essex County IDA, Cornell Cooperative Extension, Ticonderoga Area Chamber of Commerce and Essex County Soil & Water are partnering to apply for \$125,000 grant for agricultural producers. The project will assist agriculture producer businesses with resources for climate change adaption, fixtures, furniture and equipment, work capital, marketing, inventory, operational

expenses and assist with losses incurred from the 2023 storms. Agricultural producer businesses would be able to apply for \$10,000 to \$20,000 in grant funds. The micro program if awarded would be fall of 2024, TACC is drafting a brochure to be passed to interested farmers. The Essex County Board of Supervisors passed a resolution of support and designation of IDA as applicant.

Motion #2023-52: A motion to apply to New York State Department of Environmental Conservation for the 2023 Adirondack Park Community Smart Growth Grant – Round 7, for funding on behalf of Essex County, New York to create the Agriculture Producer Revitalization Microenterprise Grant Program in the amount of \$125,000 was approved by Roy Holzer and seconded by James Bowen. All members were in favor.

d. Policy & Guidelines, Application and MWBE Policy Approval

Motion #2023-53: A motion to approve the Essex County Agriculture Producer Revitalization Microenterprise Grant Program Policy & Guidelines, Application and the MWBE policy was made by Darren Darrah and seconded by Roy Holzer. All members were in favor.

3. Workforce Development – CV-TEC working directly with County on internship programs. A January 2024 date has been set for the STEM program launch.

New Business

1. 2023 Employee Reviews

Motion #2023-54: A motion to go into executive session at 11:56AM to discuss employee reviews was made by Darren Darrah and seconded by James Bowen. All members were in favor.

Motion #2023-55: A motion to go out of executive session at 12:04PM was made by Roy Holzer and seconded by Matthew Courtright. All members were in favor.

Motion #2023-56: A motion to approve a \$2,000 per year raise for Sarah LaFountain, and \$3,000 raise for Jody Olcott and Carol Calabrese was made by James Bowen and second by Roy Holzer. All members were in favor.

2. December Abstract for Payment

Motion #2023-57: A motion to approve the December Abstract for Payment was made by Darren Darrah and seconded by Matthew Courtright. All members were in favor.

3. November Financial Report – No comments
4. Next Meeting – January 16, 2024

Adjourn

Motion #2023-58: A motion to adjourn the meeting at 12:30PM was made by Matthew Courtright and seconded by Darren Darrah. All members were in favor.