Recreation, Forestry & Parks Director Jackie Mahoney reviewed her monthly report (attached).

Jackie reported that upcoming trade shows would take her out of the office.

She commended Technological Services Group (TSG) consultant Anthony for the excellent job he is doing to reconfigure a sole website for ATV permits that will make it easier for tracking the numbers and financials. The website will be tested and is expected to go live on 2/23/18 for permit sales. In response to Legislator Burns, Jackie stated that any ATV up to 1,000 lbs. that is registered and insured is eligible for a permit.

Jackie is working with ATV clubs and private landowners to develop additional trail access, and thanked Legislator King for his assistance with private landowners in the West Leyden area.

In response to Legislator Burns, Jackie stated the Copenhagen club is called Tug Hill Wheelers under President John and Candy McGraw. She confirmed that businesses that sell permits also sell club memberships.

Economic Development/IDA Director Eric Virkler reviewed his monthly report (attached).

Eric announced a meeting is scheduled with all entity stakeholders on 2/21/18 to begin negotiations for renewal of the PILOT agreement for the Maple Ridge wind project. All the entities have agreed to share related legal costs.

There are 70 persons pre-registered for the 2/23/18 business leader’s breakfast, which will be held in conjunction with the Leadership Academy with an economic development and tourism topic.

Eric continues to coordinate with the developer and Towns of New Bremen and Denmark officials for proposed solar projects. Newly devised policies should be formulated for use by all local municipalities for the site permit process and taxable values.

The IDA has changed their PILOT application to inquire and consider whether applicants have outstanding property assessment challenges. However, Real Property Tax laws prohibit usurping a property owners’ right to file an assessment challenge.

Eric inquired the process the Committee would like to follow to fill the two IDA Board of Directors vacancies. An interview panel will encompass IDA Board of Directors and Legislative Committee representatives. Eric and Terry were asked to coordinate interviews with the three interested candidates.
The State Comptroller has opined that IDA PILOT monies and respective interest cannot be used for small business loans or grants.

Board Chairman Larry Dolhof relayed speaking with Legislator King and Treasurer Patty O’Brien about utilizing up to $200,000 surplus 2017 sales tax revenue to replenish the Rural Business Revolving Loan Program. A local business has submitted a loan request, but there are not ample funds to consider the request. Legislator King would like historical information of how many loans have not been repaid, and how many loans are outstanding. He referenced a $700,000 loan, to which Eric Virkler responded he could not speak to the details for the respective loan that preceded his appointment as IDA Director.

Eric reported the County controlled loan fund of $70,000 was transferred to the IDA three years ago, which remains available and augmented by $95,000 of Rural Development funds. He will apply for a State Consolidated Funding Application (CFA) grant, but the lengthy process would be untimely for the current business loan request.

Legislator King asserted he was not against the idea of appropriating County funds for the loan program, but wanted the historical data. He understands the loan funds are utilized by businesses that are unable to obtain a loan from any other financial source. Ryan Piche recalls that Jefferson County had a similar situation whereby the County appropriated funds to replenish their IDA revolving loan fund.

Eric reported that when the county re-energized the fund three years ago, there were four businesses funded, only one of which is not current with repayments. The loans are available to small businesses that submit a business plan, and are subject to monthly repayments.

Eric will provide the historical loan data to the Committee and County Manager, and make a written request to the Board of Legislators to replenish the Revolving Loan Fund.

As a separate issue, Chairman Dolhof asked Eric to check with NYSARC on the status of the old school building in Turin, to determine whether it could be added to the available stock for marketing economic development opportunities.

Ryan Piche provided an information sheet depicting 2011 survey results collected by the SUNY Potsdam Institute for Applied Research that the average snowmobiler spends $106.94 each day. It has been estimated that outdoor recreation in Lewis County has an economic impact of nearly $160 million; and that outdoor recreation has another $5 million indirect impact on real estate. Lewis County has 2,652 seasonal parcels with a combined assessed value of $242 million, of which 39 parcels valued at $3 million are located in Turin. Ryan reported results from a recent Chamber of Commerce survey indicating interest not only in ATV’s and snowmobiling, but also hiking and cycling. Recreation, Forestry & Parks Director Jackie Mahoney submits the estimated impacts from outdoor recreation are conservative. Planning Director Frank Pace stated
Old Business

- Business Park: We are working on amendments to Town of Lowville zoning and wastewater district. We intend to move these items forward and then finalize the actual purchase of the property. This should happen in the middle of the year. After acquisition, a next step would be to initiate construction of an entrance road and utility infrastructure into the park. The LCIDA board is cognizant of the use of financial resources to balance this project and the potential purchase of a building. These two projects will expend all the economic development reserve.

- Economic Development Funding: The balance of the fund at January 31, 2018 is $917,493. A summary will be attached with this report.

- Wind Projects:
  - The Denmark project is expected to move forward with full tower construction this summer. A PILOT agreement has been finalized and is expected to be signed prior to construction.
  - Deer River and Number 3 negotiations have not been active this month.
  - Maple Ridge Wind negotiations are in early stages. There is a meeting scheduled with taxing jurisdictions next week. The taxing jurisdictions, including the County, have an agreement in place to share legal counsel for the negotiations regarding PILOT renewal. Attorney McNichol has been involved and possibly provides separate updates on this topic to the Ways and Means committee. The legal counsel will be important to provide analysis and negotiating strategy. The initial PILOT was a 15 year municipal PILOT agreement that expires in 2022. A future renewal would be completed via an IDA based PILOT. There has been one negotiating session with the wind company and more sessions will be scheduled in the near future.
  - Discussions are continuing between the development companies and Fort Drum. Proposed NYS legislation to limit tower construction within a radius of the Fort is being considered and we are monitoring this situation.
  - A company with a very small project – five towers, is in process of development in Martinsburg and Harrisburg.

- Climax Manufacturing. We have made progress on a purchase offer for this property and are now entering a due diligence phase to ensure there are no significant issues with the property prior to acquisition. Engineering and environmental review are in process as well as legal work. We are currently seeking interested businesses to utilize space in the building.

- Business Leaders Breakfast. The next breakfast is planned for 8 AM on February 23 at the Lowville Elks Lodge. This will be coordinated with the Lewis County Leadership Academy.

- Solar Projects. We continue to meet with one solar development company with projects proposed in two towns. A key issue for these projects is certainty regarding the property tax valuation or a consistent payment in lieu of tax approach. The LCIDA board will continue to discuss this issue and it is a topic that should be considered on a county wide basis so the treatment does not vary from one community to the next.
• Lyons Falls mill redevelopment. The LCDC is waiting information on two grant applications submitted in 2017. The final phase of the redevelopment projects is estimated to cost $1,800,000. The LCDC has secured $1,160,000 to date and the two open requests could provide enough funding to move forward on the final phase this year. During the last month we have made direct contact with our State and Federal elected representatives for assistance to move these funding requests to approval.

New Business
• None.

Lewis County IDA Updates
• PILOTS. The LCIDA did receive the 2018 payment for the ReEnergy Lyonsdale PILOT and that has been distributed to taxing jurisdictions.
• Assessment Challenges. A change has been made to the LCIDA’s project application to ensure applicants identify any outstanding property tax challenges prior to approval of a tax incentive request. This is one step the LCIDA can legally enforce regarding this topic. We do not believe we are able to include any specific language in an agreement related to future tax challenges.
• Board Positions. Legislator Ron Burns will join the LCIDA board for its March meeting. There remains one board seat unfilled and the County has advertised for interested individuals to fill that spot. As noted in the previous month, the LCIDA board is interested in the opportunity to participate in the review and selection process.
• Economic Development Conference. LCIDA staff, including myself, attended an NYSEDC training and educational conference in Albany on January 31.

Lewis County Development Corporation Updates
• Lyons Falls mill: See information above on funding for the project.

Time and Budget Report
• January 2017 time summary for IDA, LCDC and County activity is available and can be provided upon request.

Meetings
• LCIDA meeting
• North Country Alliance meeting
• Double Play Community Center working group meeting
• Acadia Energy microgrid meeting

Business Contacts
• Individual seeking to purchase a building and start a new business.
• Meeting with Snow Ridge Ski Center about future projects and financing
• Meeting with dairy entrepreneur about proposed project.

Mandates / Regulations
• The state budget always has certain potential items that affect economic development. In recent years there has been effort to change the way parcels covered by PILOT agreements are calculated in property tax base and against the tax caps. To date, a positive change in this legislation has been vetoed by the Governor. There also in proposed legislation to allow IDA’s to utilize their funds for loan and grant programs.
Lewis County Economic Development

ED Reserve Activity

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<th>Project</th>
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<th>2017 Expenditure</th>
<th>Expended To Date</th>
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Unallocated, Available for other Projects

$7,493