

**ECONOMIC DEVELOPMENT/PLANNING/
RECREATION, FORESTRY AND PARKS COMMITTEE MEETING
March 20, 2018**

PRESENT: Legislators Larry Dolhof, Jerry King, Randy LaChausse and Richard Chartrand, County Manager Ryan Piche, Economic Development/IDA Director Eric Virkler, Planning Director Frank Pace, Recreation, Forestry & Parks Director Jackie Mahoney and reporters Steve Virkler and Nick Altmire.

The meeting was called at 8:30 a.m.

Legislator LaChausse made a motion to approve the 2/20/18 meeting minutes, seconded by Legislator Lehman and carried.

The following dockets were approved:

1-Set a public hearing on 5/1/18 for Loc. Law Intro. 1-2018 "Amend Loc. Law 8-2015 Restating Rules & Regulations for Administration of the Self-Insurance Plan

2-Appointments to Labor Management Safety Committee-Clark, Boulio, Becker/Shaw, Skiff, Jones, Mahar/Watson, Turck, Harwood, Hanno, Mashaw

3-Approve utilizing Community Development Funds for Double Play Community Center feasibility study-\$2,000 of the total cost of \$10,000. Legislator King requested that the southern Town Boards be polled as part of the study to request whether they would contribute financially to the cause if the project comes to fruition. The study should include not only construction concepts, but more importantly long-term financial operation sustainability. The entire community will be surveyed to determine programs and/or events that would use the building. Chairman Dolhof asserted that Double Play's financial resource sustainability should be the primary study, and thereafter determine construction feasibility. They asked to view the Request For Proposals for the feasibility study. Ryan Piche stated he would gather specifics and report.

4-Oppose Legislation Prohibiting ATV's in State Forest Preserve

5-Support Legislation to amend Vehicle & Traffic Law to increase maximum weight for ATV's

6-Support Legislation to amend environmental conservation law to lower age for universal hunting licenses from 14 to 12 years old

7-Support Legislation A4519/S3708 to establish minimum age and circumstances to possess rifles, shotguns and air guns

8-Appropriations to purchase F550 truck for Recreation Trails-\$48,850.42

9-Rescind Res 31-2018 and amend listed roads opened for SNIRT Run

10- Legislator King made a motion to recommend the Board authorize an Agreement with the Dormitory Authority for the Singing Waters Park project -\$50,000, seconded by Legislator LaChausse and carried. Jackie Mahoney reported the project includes bath house and minor upgrades. A CFA (REDC) grant application had been denied for expanded project for septic and water system upgrades.

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

Eric reported the IDA continues their quest to purchase the Climax building, but no closing date has been set. Potential tenants have indicated interest. Carthage Specialty Paper occupies a large portion of the warehouse space, and it is unsure whether or how their bankruptcy status could impact Climax.

At the request of Board Chairman Dolhof, Eric will give a full update on the Climax building and business park development to the Board on 4/3/18.

Eric will reach out to Towns and other taxing jurisdictions for interest to develop strategy/policy for property tax agreements for potential solar projects. There are two additional solar projects being proposed within the County.

Kruger Energy in Lyons Falls was awarded a NYSERDA grant, but the company has not confirmed they are moving ahead with their prospective hydroelectric project, awaiting a power purchase agreement.

Eric relayed he had an introductory meeting with newly appointed Gagan Singh to the IDA Board of Directors.

Eric requested the Committee put forth a Resolution in support of State Legislation that would allow IDA's to utilize their funds for loans, grants and equity finance for economic development projects, which are currently prohibited. Eric had corresponded with Senator Griffo to urge his support. Legislator King made a motion to put forth a supportive resolution, seconded by Legislator LaChausse and carried.

In response to Legislator King, Eric stated that Kruger would be assisted with NYSERDA credits, but they would like to get a purchase power agreement that equates a higher price than the grid price.

County of Lewis
Economic Development Report
Eric J. Virkler
March 20, 2018

Old Business

- **Business Park:** No significant updates from last month's report, which is repeated here: 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 February 28, 2018 is \$758,602. 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 project tax jurisdictions will be meeting with the company on March 27.
 - Maple Ridge Wind tax jurisdictions will be meeting with the company on March 21.
 - Discussions are continuing between the development companies and Fort Drum. We continue to connect with Fort Drum and monitor potential state legislation regarding this issue.
- **Climax Manufacturing.** The due diligence process for acquisition of the building is continuing. We expect the closing is on track to occur in late March or very early April. We are in discussion with potential tenants for use of space in the facility. The status of Carthage Specialty Paper, the primary tenant, is unknown.
- **Business Leaders Breakfast.** The breakfast on February 23 was attended by approximately 70 people. The discussion was very good and the interaction with the Lewis County Leadership Academy participants was a great addition to the event. The next breakfast is planned for April 19 in Croghan.
- **Lewis County Economic Development hosted the Leadership Academy for Economic Development, Entrepreneurship & Tourism day following the Breakfast.** We had a small business panel, consisting of Moser's Maple, Arborcare, Hidden Pastures Dairy and RBI Bats/Double Play, along with presentations from Economic Development and Tourism.
- **Solar Projects.** In the upcoming weeks we expect to begin engaging taxing jurisdictions in multiple towns to determine their interest and strategy for negotiating property tax agreements for the small commercial solar projects.
- **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 go move forward on the final phase this year. Kruger Energy has received a NYSERDA funding award to benefit their hydroelectric project. The company is still seeking a power purchase agreement prior to moving ahead with their investment.

New Business

- Business Contacts. It was an active month for business contacts. We have been engaged with three different prospects regarding space in the Climax manufacturing building. We also talked with three different businesses – two existing and one new, that are seeking to add on, or acquire, building space for their operations. Our role and ability to assist each business depends on the specific circumstances. We might provide guidance on financing and creating a business plan, or it is possible a PILOT agreement of other tax incentive will fit the situation.

Lewis County IDA Updates

- 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. Board members Jared Thisse and Ron Burns participated in interviews for candidates for the LCIDA board. The Legislators selected Gagan Singh via this process and he will be attending the April 5th board meeting.

Lewis County Development Corporation Updates

- Lyons Falls mill: See information above on funding for the project.
- The annual audit for the LCDC is in process and required reporting to the state ABO is due in March.

Time and Budget Report

- February 2018 time summary for IDA, LCDC and County activity is available and can be provided upon request.

Meetings

- LCIDA meeting
- Double Play Community Center working group meeting
- Village of Turin meeting for County Economic Development discussion
- Meetings with business contacts (7)
- Meeting with solar development company
- Meeting for Maple Ridge wind project

Business Contacts

- Individual seeking to purchase a building and start a new business.
- Two existing businesses working on expansions.
- Three prospects for the Climax building.
- NRCIL – working on an office expansion.

Mandates / Regulations

- As noted last month, there is proposed legislation in the Senate and Assembly that would enhance the authority of IDA's to provide loans and grants utilizing their own funds. This is important legislation and would create a strong improvement in the ability to provide economic development programs.

Lewis County Economic Development

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ED Reserve Activity

March 2018

<u>Project</u>	<u>Budget</u>	<u>2016-17 Actual Expenditure</u>	<u>2018 Expenditure</u>	<u>Expended To Date</u>	<u>County Reserve Committed</u>
Business Parks					
Land Options	5,000	5,000			
General Consulting	20,000	16,908			
Environmental and Engineering	60,000	44,391	3,891		30,000
Land Acquisition	700,000				80,000
Phase 1 Construction	465,000	250			
Total	1,250,000			70,190	
Lyons Falls Mill					
Demolition	200,000	100,000		100,000	
Lyons Falls UCP Project					
Funding assistance for infrastructure		16,208		16,208	complete
Economic Development Operations	50,000				
Other Prospective Projects					
Climax Building	1,463,000		155,000	155,000	645,000
TOTALS		<u>\$ 182,757</u>	<u>\$ 158,891</u>	<u>\$ 341,398</u>	<u>\$ 755,000</u>
Beginning Balance		2016 Allocation		\$700,000	
		2017 Allocation		\$400,000	
Remaining Balance				<u>\$758,602</u>	
Unallocated, Available for other Projects					<u>\$3,602</u>