MINUTES
PROJECT DEVELOPMENT COMMITTEE MEETING
Thursday, May 17, 2018 – 9:45 am
State Office Building – Conference Room 100, 1st Floor
317 Washington Street, Watertown, New York

The Development Authority of the North Country Project Development Committee met in regular session at the State Office Building, Conference Room 100, 1st Floor, 317 Washington Street, Watertown, New York on Thursday, May 17, 2018 at 9:45 am.

Committee Members Present
Alex MacKinnon, Chairman
Dennis Mastascusa
Mary Doheny
Stephen Hunt

Committee Members Absent
James Hollenbeck
Margaret Murray
Tom Hefferon

Other Board Members Present

Staff Present
Michelle Capone, Dir, Regional Development
Patricia Pastella, Division Manager MMF
Brian Nutting, Manager, Water Quality
Laurie Marr, Director of PR/Communications
Carrie Tuttle, Director of Engineering
David Wolf, Director of Technology
Carl Farone, Comptroller
Jo Anne Yaddow, Executive Assistant
Angela Marra, Administrative Associate
Melissa Durant, Administrative Assistant

Guests
Richard James (Authority Counsel)

1. Chairman MacKinnon opened the meeting at 9:49 AM and turned the meeting over to M. Capone.

M. Capone requested it be noted that D. Mastascusa has been appointed to the Project Development Committee for today.

2. Resolution No. 2018-05-61 accepts the Annual Report from the Creek Wood Housing Development Fund Company (HDFC), by written consent waives the Annual Meeting of the HDFC, and approves that the list of existing directors shall continue in office until the next Annual Meeting.

   Upon a motion by D. Mastascusa, and seconded by S. Hunt, Resolution No. 2018-05-61, Accepting the Annual Report of the Creek Wood Housing Development Fund Company, Inc., Waiving the Annual Meeting and Appointing Directors, was unanimously approved.
3. Resolution No. 2018-05-62 accepts the Annual Report from the Creek Wood II Housing Development Fund Company (HDFC), by written consent waives the Annual Meeting of the HDFC, and approves that the list of existing directors shall continue in office until the next Annual Meeting.

   **Upon a motion by D. Mastascusa, and seconded by S. Hunt, Resolution No. 2018-05-62, Accepting the Annual Report of the Creek Wood II Housing Development Fund Company Inc., Waiving the Annual Meeting and Appointing Directors, was unanimously approved.**

4. Resolution No. 2018-05-63 authorizes the Development Authority of the North Country to enter into a contract with the North Country Procurement Technical Assistance Center and the Greater Watertown North Country Chamber of Commerce in an amount not to exceed $10,000 for the federal fiscal year 9/1/18-8/31/19 to provide economic and business development activities, and further authorizes the Director of Regional Development to execute any and all necessary contracts and agreements.

M. Capone added that the North Country Procurement Technical Assistance Center (PTAC) provides assistance to contractors who are looking to match up with government procurement opportunities. This has been relatively successful here in the North Country with 648 active clients of which 57% are located in the Tri-County region. This is a large economic benefit to these businesses that are looking to work on federal contracts or even with the state.

   **Upon a motion by S. Hunt, and seconded by D. Mastascusa, Resolution No. 2018-05-63, Authorizing Agreement with North Country Procurement Technical Assistance Center, was unanimously approved.**

M. Doheny arrived at 9:53 AM.

5. Resolution No. 2018-05-64 approves the use of $6,390 in excess available cash flow by Conifer Bateman Associates in order to fund the reserve account for the Bateman Apartments. This resolution further authorizes Conifer Bateman Associates to pay the Authority $6,390 in excess Available Cash Flow which will be applied to the loan principle.

D. Mastascusa asked if the $6,390 is what would be used to do work on the building façade. M. Capone responded that this would be a portion of their capital, and would be more unit driven. This is more directed at the turnover in units.

   **Upon a motion by D. Mastascusa, and seconded by S. Hunt, Resolution No. 2018-05-64, Authorizing Use of Excess Cash Flow – Conifer Bateman Associates, was unanimously approved.**

6. Resolution No. 2018-05-65 approves a loan in the amount of $750,000 from the Community Development Loan Fund to the St. Lawrence County Industrial Development Agency to bridge grants for Phase II of the redevelopment project at the former Jones and Laughlin site, Town of Fine. This is a Type II Action found under Part 617 of the State Environmental Quality Review Act (SEQRA) and is not subject to an environmental review under SEQRA.
M. Capone requested C. Tuttle’s assistance in explaining some of the buildings shown. C. Tuttle stated there is a more updated map. This will not quite finish this project. There are a few pipe chases that have asbestos that won’t be removed, and a few buildings on the backside that will also remain. There is some contingency left in the project. Once a little further down the road may be able to add these buildings back into the project.

Upon a motion by D. Mastascusa, and seconded by S. Hunt, Resolution No. 2018-05-65, Authorizing Loan – Community Development Loan Fund – St. Lawrence County Industrial Development Agency – Bridge Financing – J&L Project, was unanimously approved.

7. Resolution No. 2018-05-66 authorizes a revolving line-of-credit loan from the Community Development Loan Fund in the amount of $750,000 to the Lewis County Development Corporation, and further authorizes the Executive Director to execute all appropriate documents necessary to make the loan. This is considered a Type II Action under the State Environmental Quality Review (SEQRA) and is considered an exempt activity requiring no further action.

M. Capone stated, and C. Tuttle confirmed this will complete this project.

Upon a motion by D. Mastascusa, and seconded by S. Hunt, Resolution No. 2018-05-66, Authorizing Loan – Community Development Loan Fund – Lewis County Development Corporation – Bridge Financing – Redevelopment of Lyons Falls Paper Mill, was unanimously approved.

8. Resolution No. 2018-05-67 authorizes the Director of Regional Development to execute the grant agreement with the Office of Economic Adjustment for $426,350 comprised of a $383,715 grant and $42,635 in matching funds from an Empire State Development Grant, and to implement the grant.

Upon a motion by S. Hunt, and seconded by D. Mastascusa, Resolution No. 2018-05-67, Execute Grant Agreement – Office of Economic Adjustment – Joint Land Use Implementation Funding, was unanimously approved.

9. Resolution No. 2018-05-68 approves the grant/loan commitment in the amount of up to $300,000 ($150,000 loan/$150,000 grant) from the North Country Redevelopment Fund to Scott Sauer and Shannon Sauer, or a new corporation to be formed, if applicable. The terms and conditions are consistent with the Empire State Development program requirements. This resolution further authorizes the Executive Director to execute all documents necessary to make the loan. This is considered a Type II Action under the State Environmental Quality Review (SEQRA) and is considered an exempt activity requiring no further action.

C. Farone entered the meeting at 10:02 AM.

Upon a motion by S. Hunt, and seconded by D. Mastascusa, Resolution No. 2018-05-68, Ratifying Loan Issued Through North Country Redevelopment Loan Fund for Scott Sauer and Shannon Sauer to Redevelop Building at 0 Dock Street, Carthage, was unanimously approved.
A MacKinnon commented that just for the record, this is like one of those instances we were criticized for last month for a risky loan. It is risky and that is why they are coming to us. D. Mastascusa commented that there is a bank involved as well. A. MacKinnon went on to state that this might not be taking place if we did not get involved, much like other private and public entities. This is part of the mission with this type of program, and if we’re going to get into this then we are going to utilize it. S. Hunt stated that the loan is collateralized as well.

S. Hunt further explained that his agency has the Restore NY Grant. Each community has the opportunity to submit one application. In this case, this community submitted this building as their best single project for this source of grants funds. The grant is for the redevelopment of the building and the reuse for economic purposes.

M. Capone further stated that these funds would be used to fill the gap on construction and engineering purposes, not equipment as those are to be kept separate.

10. Resolution No. 2018-05-69 ratifies the grant/loan commitment in the amount of up to $250,000 ($125,000 loan/$125,000 grant) from the North Country Redevelopment Fund to GOCO Ventures, LLC. This resolution further authorizes the Executive Director to execute all documents necessary to make the loan. This is considered a Type II Action under the State Environmental Quality Review (SEQRA) and is considered an exempt activity requiring no further action.

Upon a motion by D. Mastascusa, and seconded by S. Hunt, Resolution No. 2018-05-69, Ratifying Loan Issue Through North Country Redevelopment Loan Fund for GOCO Ventures, LLC to Redevelop Building at 38 Water Street, Massena, was unanimously approved.

M. Capone added that the Village of Massena applied for Restore funding on this project as well, and was awarded funding.

11. Resolution No. 2018-05-70 ratifies the grant/loan commitment in the amount of up to $75,000 ($37,500 loan/$37,500 grant) from the North Country Redevelopment Fund to the Village of Heuvelton. This resolution further authorizes the Executive Director to execute all documents necessary to make the loan. This is considered a Type II Action under the State Environmental Quality Review (SEQRA) and is considered an exempt activity requiring no further action.

Upon a motion by D. Mastascusa, and seconded by S. Hunt, Resolution No. 2018-05-70, Ratifying Loan Issued Through North Country Redevelopment Loan Fund for the Village of Heuvelton, was unanimously approved.

12. Resolution No. 2018-05-71 ratifies a loan in the amount of $73,000 from the Regional Tourism Transformational Community Revolving Loan Fund to Anthony F. Audino, or new company to be formed. This resolution further authorizes the Executive Director to execute all documents necessary to make the loan. This is considered a Type II Action under the State Environmental Quality Review (SEQRA) and is considered an exempt activity requiring no further action.
Upon a motion by S. Hunt, and seconded by D. Mastascusa, Resolution No. 2018-05-71, Regional Tourism Transformational Community Revolving Loan Fund – Anthony F. Audino – For Trailhead Resort, Newcomb (Essex County), was unanimously approved.  

13. Resolution No. 2018-05-72 agrees to subordinate the loan in the amount of $500,000 from the North Country Tourism Transformational Community Revolving Loan Fund to Swan Bay Developers, LLC to additional lending by Watertown Savings Bank in an amount not to exceed $993,500 which will be paid down to $795,500 in 2020, and authorizes the Executive Director to execute all necessary documentations. The Authority further agrees to subordinate the loan in the amount of $300,000 from the North Country Economic Development Fund whereby the North Country Economic Development Fund Board approved the subordination on May 9, 2018 and authorized the Executive Director to execute all necessary documentation.

Upon a motion by D. Mastascusa, and seconded by S. Hunt, Resolution No. 2018-05-72, Approving Subordination – Swan Bay Developers, LLC, was unanimously approved.

14. Resolution No. 2018-05-73 agrees to subordinate the Authority’s loan in the original amount of $220,000 to a NBT Bank loan of $260,000 and authorizes the Executive Director to execute all necessary documents.

Upon a motion by S. Hunt, and seconded by D. Mastascusa, Resolution No. 2018-05-73, Approving Subordination – 351 East Orvis L.P., was unanimously approved.

The meeting was adjourned at 10:15 AM.

Respectfully submitted,

Alex MacKinnon  
Chairman, Project Development Committee