MINUTES
PROJECT DEVELOPMENT COMMITTEE MEETING
Thursday, August 24, 2017 – 1:00 pm
Materials Management Facility Conference Room
23400 NYS Route 177, Rodman, New York

The Development Authority of the North Country Project Development Committee met in regular session at the Materials Management Conference Room, 23400 NYS Route 177, Rodman, New York on Thursday, August 24, 2016 at 1:00 pm.

Committee Members Present
Alex MacKinnon, Chairman
Stephen Hunt
Thomas Hefferson
Margaret Murray
James Hollenbeck
Mary Doheny

Other Board Members Present
Gary Turck
John Johnson, Jr.
Fred Carter

Staff Present
James Wright, Executive Director
Michelle Capone, Director, Regional Development
Richard LeClerc, Manager, Materials Management Facility
Laurie Marr, Director, Public Affairs and Communication
David Wolf, Director, Technology
Carrie Tuttle, Director of Engineering
Carl Farone, Comptroller
Jo Anne Yaddow, Executive Assistant
Angela Marra, Administrative Associate

1. Chairman MacKinnon’s opened the meeting at 1:00 pm and turned the meeting over to M. Capone.

2. Resolution No. 2017-08-91 ratifies a loan in the amount of $33,000 from the Regional Tourism Transformational Community Revolving Loan Fund to St. Regis Canoe Outfitters, Inc., in Saranac Lake, for a term of 120 months at a 1% loan rate and would come from the Tourism Loan Fund from Empire State Development. This is considered a Type II Action under the SEQRA and is considered an exempt activity requiring no action.

   Upon a motion by S. Hunt, and seconded by J. Hollenbeck, Resolution No. 2017-08-91, Regional Tourism Transformational Community Revolving Loan Fund – St. Regis Canoe Outfitters, Inc. Loan, was unanimously approved.

3. Resolution No. 2017-08-92 modifies an existing loan in the amount of $2,000,000 from the Community Rental Housing Program to COR Arsenal Street Company LLC for a term of 240 months at a 4% loan rate. This is considered a Type II Action under the SEQRA and is considered an exempt activity requiring no further action.
Upon a motion by J. Hollenbeck, and seconded by M. Murray, Resolution No. 2017-08-92, Community Rental Housing Program – Loan Agreement – COR Arsenal Street Company, was unanimously approved.

4. Resolution No. 2017-08-93 rescinds Resolution No. 2006-02-04 establishing the Community Rental Housing Program Authorization Process and, in turn, dissolves the Interagency Review Committee. The Authority extends its appreciation to those individuals who served and successfully managed the program. Consistent with Resolution No. 2006-01-05, all loans through the Community Rental Housing Program will be reviewed by the Project Development Committee and authorized by the Development Authority of the North Country Board of Directors.

Upon a motion by T. Hefferon, and seconded by S. Hunt, Resolution No. 2017-08-93, Community Rental Housing Program – Rescinding Authorization Process, was unanimously approved.

5. Resolution No. 2017-08-94 modifies the Regional Redevelopment Housing Program within the Community Rental Housing Program, setting-aside $1 million to be utilized for the acquisition of bank-foreclosed properties and hazardous materials assessments and related soft costs for a term up to 15 years at a 1% loan rate or at the discretion of the Board of Directors. The existing Memorandum of Understanding between the Authority, Neighbors of Watertown, and City of Watertown for the NDC Program is amended to include the Watertown Housing Authority and the Thousand Islands Habitat for Humanity. The parties will constitute a new interagency committee for the purpose of community input to the Project Development Committee and authorizes the project Development Committee the ability to work with staff to negotiate purchase agreements and options on behalf of the Board, with final approval by the Board of Directors.

M. Doheny entered the meeting.

MacKinnon asked if these properties would be transferred and not sold to this project. M. Capone stated it cannot be assumed that would happen. A. MacKinnon stated that some of these properties are barely habitable. M. Capone stated that if the properties are too far gone, the properties would not be acquired and they would need to be demolished. S. Hunt asked what the asking price would be. M. Capone responded the price is determined by what the neighborhood can bear. The Authority works with the Neighbors of Watertown to determine this. F. Carter asked if the Authority purchases the property, we would own it and then sell it. J. Wright responded yes. T. Hefferon asked how much the Authority is willing to lose on these houses. M. Capone responded the Committee would develop a budget before being brought before the Board. J. Wright stated the projects would be reviewed to determine an asking price that will fit within the projected market value for each neighborhood. F. Carter asked if this money would fund projects in other counties. M. Capone responded that it could if a similar model can be replicated in other communities.
J. Wright read a letter from Sarah Purdy, Manager of the City of Ogdensburg, who expressed interest in including Ogdensburg in the program for the acquisition of bank-foreclosed properties. Ms. Purdy expressed gratitude for the Authority staff’s work with the City of Ogdensburg with various projects.

S. Hunt asked how the process works. M. Capone gave an overview of the process, stating the Authority works with the Neighbors of Watertown as they have a model already in place. S. Hunt asked if this would require additional Authority staff if this project was taken on. M. Capone responded there is a good working group with the other partners and there is enough staffing.

Upon a motion by T. Hefferon, and seconded by F. Carter, Resolution No. 2017-08-94, Community Rental Housing Program – Acquisition of Bank-Foreclosed Residential Properties – The NDC Program Amendment, was unanimously approved.

6. Resolution No. 2017-08-95 ratifies the grant/loan commitment in the amount of $500,000 ($250,000 loan/$250,000 grant) from the North Country Redevelopment Fund to Essex County for a term of 10 years at a 1% interest rate. This is considered a Type II Action under the SEQRA and is considered an exempt activity requiring no further action. M. Capone explained there is a recapture provision over ten years for the grant portion and the current owner will be selling the property to someone else in the near future. The applicant is municipal versus private entity and is completing the project in order to bring a business to the location rather than make a profit. After discussion, it was agreed the Recapture Provision would be removed.

S. Hunt stated for the record, Empire State Development is working with Paradox Brewery and Frontiertown as well.

Upon a motion by M. Murray, and seconded by T. Hefferon, it was unanimously approved to amend the resolution by deleting “Recapture Provision over 10 years on grant portion” under “Conditions” of the Term Sheet.

Upon a motion by F. Carter, and seconded by J. Hollenbeck, Resolution No. 2017-08-95, North Country Redevelopment Loan Fund – Essex County, was unanimously approved, as amended.


Upon a motion by F. Carter, and seconded by J. Hollenbeck, Resolution No. 2017-08-96, Technical Services Agreement – Village of Canton – Loan Underwriting Services, was unanimously approved.
8. Resolution No. 2017-08-97 establishes the North Country Agribusiness Loan Program with funding from the New York State Job Development Authority. The Chairman, Treasurer, Executive Director, Comptroller, and Deputy Comptroller of the Development Authority of the North Country are named as authorized signatories on the account. The Staff Accountant and Accounting Assistant are designated as authorized representatives for the purposes of executing transfers. M. Capone noted that this resolution had been amended after the read-ahead was posted. The amendment addresses the territory being reduced to Jefferson, Lewis, and St. Lawrence Counties.

   Upon a motion by F. Carter, and seconded by J. Hollenbeck, Resolution No. 2017-08-97, North Country Agribusiness Loan Program, was approved, with S. Hunt abstaining from the vote.

9. The meeting was adjourned at 1:35 pm.

Respectfully submitted,

[Signature]

Alex MacKinnon
Chairman, Project Development Committee