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, October 26, 2017 at 9:45 am.

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

Other Board Members Present
John Johnson, Jr.
Fredrick Carter

Staff Present
James Wright, Executive Director
Michelle Capone, Director, Regional Development
Jo Anne Yaddow, Executive Assistant
Angela Marra, Administrative Associate

1. Chairman MacKinnon opened the meeting at 9:45 AM and turned the meeting over to M. Capone.

2. Resolution No. 2017-10-106 adopts a Subordination Policy for Community Development Block Grant program funds. The Development Authority has executed Subrecipient Agreements with the City of Ogdensburg, Village of Massena, and Town of Wilna to administer their Community Development Block Grant (CDBG) programs. The Subordination Policy is attached to the Resolution.

   Upon a motion by A. Calligaris, and seconded by T. Hefferson, Resolution No. 2017-10-106, Subordination Policy – CDBG Programs, was unanimously approved.

3. Resolution No. 2017-10-107 authorizes the Development Authority to commit a not to exceed amount of $575,000, which includes $125,000 as grants from the Community Rental Housing program, for the acquisition and renovation of two properties located in the City of Watertown. Said Resolution authorizes the Executive Director to execute all appropriate documents necessary to acquire and rehabilitate the properties. Two properties have been identified and are currently being reviewed.

   Upon a motion by T. Hefferon, and seconded by A. Calligaris, Resolution No. 2017-10-107, Community Rental Housing Program – NDC Program – Acquisition of Residential Properties in Watertown, was unanimously approved.

Mary Dohney entered the meeting.
4. Resolution No. 2017-10-108 modifies a loan commitment in the amount of $320,000 ($160,000 loan/$160,000 grant) from the North Country Redevelopment Fund previously to Hole Brother’s Enterprises, LLC to How Kool, LLC, for 240 months at 1% interest. This is considered a Type II Action under the State Environmental Quality Review and is considered an exempt activity. J. Johnson wanted it noted in the Minutes that Hartley Schweitzer of the Development Authority did not participate in the process although her husband was involved.

Upon a motion by M. Murray, and seconded by T. Heffron, Resolution No. 2017-10-108, Modifying Loan Issued – Hole Brother’s Enterprises, LLC – How Kool, LLC, was unanimously approved.

Gary Turck entered the meeting.

5. Resolution No. 2017-10-109 modifies the Term Sheet for the Regional Redevelopment Housing Program within the Community Rental Housing Program to reflect that the funds may be used for the acquisition of residential properties (single family and multi-family) and renovations including hazardous materials assessments and associated soft costs. The loan term is for 15 years for real estate or at the discretion of the Board of Directors.

Upon a motion by A. Calligeris, and seconded by J. Hollenbeck, Resolution No. 2017-10-109, Community Rental Housing Program – Rental Redevelopment Housing Program – Term Sheet Amendment, was unanimously approved.

6. Resolution No. 2017-10-110 modifies a commitment to Cambray Court Apartments LP from the Affordable Rental Housing program to increase the amount of its loan from $500,000 to $750,000 for a 30 year term at an interest rate of 1%. It was noted that the Project Development Committee Meeting Minutes from June 25, 2015 read the amount increased to $750,000 and the Resolution now conforms to this recommendation.

Upon a motion by M. Murray, and seconded by A. Calligeris, Resolution No. 2017-10-110, Modifying Loan Commitment – Affordable Rental Housing program – Cambray Court Apartments LP, was unanimously approved.

7. The meeting was adjourned at 9:50 AM.

Respectfully submitted,

Alex MacKinnon
Chairman, Project Development Committee
MINUTES
PROJECT DEVELOPMENT COMMITTEE MEETING
Thursday, June 25, 2015 – 9:30 AM
Conference Room 100, 1st Floor, Dulles State Office Building

The Development Authority of the North Country Project Development Committee met in regular session in Conference Room 100, 1st Floor, Dulles State Office Building, Watertown, New York, on Thursday, June 25, 2015.

Committee Members Present
Richard Lucas, Chairman
Margaret Murray
William Archer
William Shelly
Alex MacKinnon
Thomas Hefferon

Committee Members Absent
Mary Doheny

Other Board Members Present
Alfred Calligaris

Staff Present
James W. Wright, Executive Director
Michelle Capone, Director of Regional Development
Jo Anne Yaddow, Executive Assistant
Angela Marra, Administrative Assistant

1. Chairman Lucas called the meeting to order at 9:32 AM.

2. Resolution No. 2015-06-77 authorizes applications to be submitted through the New York State Consolidated Funding Application (CFA) Round Five. The deadline for applications is July 31, 2015 which is before the August 27, 2015 board meeting. If applications are awarded grant funding, the Authority Board would have the decision of authorizing acceptance of the funds.

   Upon a motion by W. Archer, and seconded by W. Shelly, Resolution No. 2015-06-77, Authorizing Applications to be Submitted Through the New York State Consolidated Funding Application Round Five, was unanimously approved.

3. Resolution No. 2015-06-78 approves a North Country Value Added Agriculture Loan to Golden Technology Management, LLC in the amount of $234,000. The loan is for construction of a greenhouse facility in Sackets Harbor for a term of ten years with annual payments at 3% interest. Golden Technology Management will enter into an agreement with Agbotics, Inc., a spinoff company, to lease equipment that will be installed in the greenhouse facility. The equipment will significantly reduce the labor required to grow fresh greens and vegetables for sale in local markets. This was a priority project per the North Country Regional Economic Development Council.
R. Lucas explained that using equipment for the labor intensive tasks is very competitive as there are no labor costs. W. Shelly asked who owns patent. M. Capone responded Golden Technologies. A. Calligaris asked if we had guarantees. M. Capone stated we did not have personal guarantees, only the collateral.

Upon a motion by W. Shelly, and seconded by A. MacKinnon, Resolution No. 2015-06-78, Approving a North Country Value Added Agriculture Loan to Golden Technology Management, LLC, was unanimously approved.

4. Resolution No. 2015-06-79 approves a Development Authority Value Added Agriculture Loan to Golden Technology Management, LLC, for an additional amount of $40,000 for a term of five years at 3% interest for the greenhouse project in Sackets Harbor.

M. Capone explained the money is for working capital and the maximum amount that could be lent from the North Country Value Added Funded is $234,000 covered by Resolution No. 2015-06-79. The remaining amount of $40,000 would come out of this fund. A. Calligaris asked how this project will help the farmers. R. Lucas stated the farmers will ultimately use this technology which will save time and money. M. Murray added that this project is no different than robots being utilized on dairy farms. M. Capone said this is taking technology out of the classroom and putting it to use.

Upon a motion by M. Murray, and seconded by A. MacKinnon, Resolution No. 2015-06-79, Approving a Development Authority of the North Country Value Added Agriculture Loan to Golden Technology Management, LLC, was unanimously approved.

5. Resolution No. 2015-06-80 approves a subrecipient agreement between the Development Authority and Jefferson County for administration of the HOME Program. Jefferson County is lead agency of the Consortium and is requesting the Authority continue providing support for an additional three year period covering 2015-2017. The agreement authorizes the Authority to assist with administrative services, implementation of the program, and execution of agreements with awardees.

R. Lucas asked what the participation has been. M. Capone stated the number is 105 and are the same communities that have already been participating.

Upon a motion by W. Shelly, and seconded by W. Archer, Resolution No. 2015-06-80, Approving Subrecipient Agreement Between the Development Authority of the North Country and Jefferson County for Administration of the HOME Program, was unanimously approved.

6. Resolution No. 2015-06-81 approves a subordination of additional debt to its loan with MLR Realty for a 40,000 square foot addition to their facility. This will result in creation of an additional 30 jobs over the next five years. The loan is contingent upon a satisfactory appraisal in the amount of approximately $13 million to accommodate a 78% loan to value. MLR Realty will also be borrowing an additional $4,590,000 from Watertown Savings Bank and Empire State Certified Development Corporation. M. Capone explained the Authority would move to fifth position on the loan. The current balance is $75,515 and comes due in August 2027. W. Shelly asked if this is for the Renzis expansion. M. Capone responded yes and they are in the process of finalizing funding. This is their third expansion since moving to the new location.
Upon a motion by W. Archer, and seconded by A. Calligaris, Resolution No. 2015-06-81, Approving Subordination to Additional Debt for Loan to MLR Realty to Facilitate Expansion Project, was unanimously approved.

7. Resolution No. 2015-06-82 approves a line of credit from the Affordable Rental Housing Program to the Neighbors of Watertown for the Homebuyer Program in the amount of $300,000 to provide interim financing until grant proceeds are received. Neighbors of Watertown is the recipient of a recent North Country HOME Consortium grant in the amount of $272,674 to acquire and rehabilitate four single-family homes for sale to income-qualified individuals in Jefferson County. The term of the loan is 24 months at 0% interest.

Upon a motion by A. Calligaris, and seconded by W. Shelly, Resolution No. 2016-06-82, Approving Line of Credit from Affordable Rental Housing Program to Neighbors of Watertown for Homebuyer Program, was unanimously approved.

8. Resolution No. 2015-06-83 ratifies a loan commitment in the amount of $168,000 from the Regional Tourism Transformational Community Revolving Loan Fund to a new corporation to be formed by Cynthia Sisto to purchase the Snow Ridge Ski Resort located in Tunk, New York. The loan is for a term of 120 months at 1% interest.

Upon a motion by W. Shelly, and seconded by A. Calligaris, Resolution No. 2015-06-83, Ratifying Loan Issued Through Regional Tourism Transformational Community Revolving Loan Fund, was unanimously approved.

9. Resolution No. 2015-06-84 modifies a loan commitment to Cambray Housing Corporation for a loan from the Affordable Rental Housing Program for a term of 30 years at 1% interest. The loan amount is increased from $500,000 to $750,000 due to asbestos removal which increases the project costs by approximately $875,000.

W. Shelly asked who the engineers involved with the project were and how could they miss asbestos being present. M. Capone responded GYMO. W. Shelly wanted it noted that he is concerned about this issue. M. Capone stated she would pass that on to the developer.

Upon a motion by A. MacKinnon, and seconded by M. Murray, Resolution No. 2015-06-84, Modifying the Loan Commitment to Cambray Housing Corporation for a Loan from the Affordable Rental Housing Program, was unanimously approved.

10. M. Capone explained there is a loan modification for 51-53 Market Street, LP in Potsdam and they have been a borrower since 2002. Staff recommends keeping the monthly payment at $708.33 at a rate of 1% for an additional 12 months. Staff will continue to work with the St. Lawrence County Housing Council and continue to review the finances to determine whether a longer term solution is required. The Committee fully supports the project.

Upon a motion by A. MacKinnon, and seconded by W. Archer, the loan modification for 51-53 Market Street, LP, was unanimously approved.

Respectfully submitted,

[Signature]

Richard Lucas
Chairman, Project Development Committee