

MINUTES OF THE
COUNTY OF CLINTON
INDUSTRIAL DEVELOPMENT AGENCY
MONDAY, OCTOBER 15, 2018

The meeting was called to order by T. Trahan, Chairperson, at 12:08 p.m., at the offices of the County of Clinton Industrial Development Agency, 137 Margaret Street, Suite 208, Plattsburgh, N.Y. 12901

MEMBERS PRESENT: Trent Trahan, Chairperson
David Hoover, Vice Chairperson
Keith Defayette, Treasurer and Chief Financial Officer
Michael Zurlo, Secretary
John VanNatten, Member

MEMBERS EXCUSED: Kim Murray, Assistant Secretary
Mark Leta, Member

STAFF PRESENT: Renee McFarlin, Executive Director
Christopher Canada, Esq., Agency Counsel
Toni Moffat, Executive Assistant

OTHERS PRESENT: Mike Relyea, Amanus Group
Tony Larusso, National Grid Ventures
Adam Camp, National Grid Ventures
Shannon Baxevanis, National Grid Ventures
Christine Jabaut, Comptroller

T. Trahan stated that there was a *quorum* present.

T. Trahan waived the reading of the notice of the meeting published in the *Press-Republican* on December 22, 2017.

Approval of the Minutes of the September 10, 2018 Annual Meeting:

T. Trahan asked if there were any questions regarding the draft minutes of the September 10, 2018 meeting of the CCIDA. There were none.

On a motion by D. Hoover, and seconded by J. VanNatten it was unanimously carried to approve the minutes of the September 10, 2018 meeting of the CCIDA.

Vermont Green Line: (See Attached)

Adam Camp from Vermont Green Line (part of National Grid, PLC) briefed the Board members on the Connecticut Department of Energy and Environmental Protection (DEEP) "Zero Carbon Resources RFP". Their purpose is to deliver cost-effective, clean energy with minimal impact and maximum benefit to the environment and host communities. The project involves 59 miles of new HVDC transmission line to transport 400 MWh's of affordable clean Canadian hydro power. The bids were due September 14, 2018 and the selection will occur in the Winter of 2018/2019, with an estimated construction timeline of 2021-2023.

The Board previously approved a Vermont Green Line PILOT deviation.

At this point, all of the guests left the meeting.

Public Comment: None

Treasurer's Report:

K. Defayette reviewed the Treasurer's Report. There were no questions or concerns.

On a motion by J. VanNatten, seconded by D. Hoover, it was unanimously RESOLVED to approve the Treasurer's Report as presented by K. Defayette.

Recess IDA Meeting

On a motion by D. Hoover, seconded by M. Zurlo, it was unanimously carried to recess the IDA meeting at 12:47 p.m. to conduct a Finance Meeting.

Reconvene IDA Meeting

On a motion by D. Hoover, seconded by M. Zurlo, it was unanimously carried to reconvene the IDA meeting at 12:53 p.m.

Old Business:

Schluter Systems Update

R. McFarlin reported she and Hodgson Russ have communicated with counsel for Schluter Systems to discuss what, if any, project benefits Schluter Systems may be able to claim for their Thinset Manufacturing Facility and Warehouse Expansion Projects, both of which were previously approved by the Board. She indicated that discussions with Hodgson Russ indicated that Schluter Systems may still be eligible to engage in PILOTs. Ms. McFarlin expects to hear from Schluter's counsel next week regarding their intention to engage in either or both PILOTs.

Update on Delaware River Solar Mooers IV Project

R. McFarlin reported Delaware River Solar last presented at the Industrial Development Agency's August 6, 2018 meeting. They requested a 50 percent PILOT deviation on their proposed Mooers IV project due to a change in NYSERDA incentives.

Ms. McFarlin communicated with Richard Chun and Luke Duncan (DRS analyst) to learn more about their requested PILOT deviation. They propose Mooers IV will generate 18 percent less revenue than Mooers I through III and Mooers IV will have a higher expense ratio compared to Mooers I through III, and that a reduced PILOT will help with offsetting those expenses.

Ms. McFarlin stated she will contact the chief executives of the taxing jurisdictions and discuss the proposed reduction.

New Business:

1. Posting of Proposed Budget for 2019 PARIS and at the Clinton County Government Center

On a motion by J. VanNatten, seconded by D. Hoover, it was unanimously carried to approve the posting of the proposed budget to PARIS and at the Clinton County Government Center.

2. Monaghan Medical Project

On a motion by M. Zurlo, seconded by K. Defayette, it was unanimously carried to accept the Monaghan Medical Corporation Public Hearing Transcript as presented.

R. McFarlin reported the Town of Plattsburgh has assumed the role of lead agency for SEQR. The Planning Board intends to vote on Monaghan Medical's sketch at their October 20, 2018 meeting. Thereafter, Monaghan Medical should submit final details to the Town and County Planning Boards by October 29, 2018. The Town and County can issue a final determination at the November 20, 2018 meeting.

Monaghan Medical would like to close on the project by the end of November in order to begin demolition in December and break ground by early Spring, 2019. The next IDA Board meeting is scheduled for November 19, 2018. Due to the timing of the Planning Board meeting and Monaghan Medical and the IDA's interest in beginning this project, Ms. McFarlin recommended the Board consider rescheduling the November 19th meeting to Monday, November 26, 2018.

On a motion by J. VanNatten, seconded by D. Hoover, it was unanimously carried to change the date of the November IDA meeting from November 19, 2018 to November 26, 2018.

3. Vermont Green Line

There was no further discussion.

4. Lake Forest Project

R. McFarlin stated Resolution #10-18-01 authorizes the County of Clinton IDA to enter into Lake Forest's loan documents and provide a mortgage recording tax exemption benefit for Lake Forest's new mortgage in the amount of \$2,255,000 to expand their facility.

**RESOLUTION AUTHORIZING ADDITIONAL FINANCING
LAKE FOREST SENIOR LIVING COMMUNITY, INC. PROJECT**

The following resolution was offered by M. Zurlo, seconded by J. VanNatten, to wit:

Resolution No. 10-18-01

RESOLUTION AUTHORIZING THE EXECUTION BY COUNTY OF CLINTON INDUSTRIAL DEVELOPMENT AGENCY OF CERTAIN DOCUMENTS IN CONNECTION WITH ADDITIONAL FINANCING RELATING TO THE LAKE FOREST SENIOR LIVING CENTER COMMUNITY, INC. PROJECT.

WHEREAS, County of Clinton Industrial Development Agency (the "Issuer") is authorized and empowered by the provisions of Chapter 1030 of the 1969 Laws of New York, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended (the

“Enabling Act”) and Chapter 225 of the 1971 Laws of New York, as amended, constituting Section 895-f of said General Municipal Law (said Chapter and the Enabling Act being hereinafter collectively referred to as the “Act”) to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of distribution facilities, among others, for the purpose of promoting, attracting and developing economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York, to improve their prosperity and standard of living, and to prevent unemployment and economic deterioration; and

WHEREAS, to accomplish its stated purposes, the Issuer is authorized and empowered under the Act to issue its revenue bonds to finance the cost of the acquisition, construction and installation of one or more “projects” (as defined in the Act), to acquire, construct and install said projects or to cause said projects to be acquired, constructed and installed, and to convey said projects or to lease said projects with the obligation to purchase; and

WHEREAS, on June 18, 1999, the Issuer issued its Civic Facility Revenue Bond (Lake Forest Senior Living Community, Inc. Project), Series 1999A in the principal amount of not to exceed \$4,200,000 (the “Bond”) in order to assist in providing financing a project (the “Project”) for the benefit of Lake Forest Senior Living Community, Inc. (the “Company”) consisting of the following: (A) (1) the acquisition of an approximately 14.1 acre parcel of land located at the intersection of Ohio Avenue East and Nevada Oval East in the City of Plattsburgh, Clinton County, New York (the “Land”), together with 16 buildings containing in the aggregate approximately 20,274 square feet of space (collectively, the “Existing Facility”), (2) the demolition of the Existing Facility and the construction thereon of 8 duplex residential buildings containing in the aggregate approximately 23,520 square feet of space and a congregate building containing approximately 50,888 square feet of space (collectively, the “Facility”) and (3) the acquisition and installation therein and thereon of certain machinery and equipment (the “Equipment”), all of the foregoing to constitute a senior-living community for middle income seniors (the Land, the Existing Facility, the Facility and the Equipment being collectively referred to as the “Project Facility”); (B) the financing of all or a portion of the costs of the foregoing by the issuance of the Bond; (C) the granting of certain other “financial assistance” (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including potential exemptions from sales taxes, real estate transfer taxes, transfer gains taxes, mortgage recording taxes and real property taxes (collectively with the Bond, the “Financial Assistance”); and (D) the sale of the Project Facility to the Company pursuant to an installment sale agreement dated as of June 1, 1999 (the “Installment Sale Agreement”) by and between the Issuer and the Company; and

WHEREAS, the Bond was issued pursuant to a resolution adopted by the members of the Issuer on May 14, 1999 (the “Bond Resolution”) and various other documents (collectively, the “Bond Documents”), including a bond purchase and building loan agreement dated as of June 1, 1999 (the “Bond Purchase Agreement”) by and among the Issuer, the Company and Adirondack Bank, National Association as original purchaser of the Bond (the “Holder”); an installment sale agreement dated as of June 1, 1999 (the “Installment Sale Agreement”) by and between the Issuer and the Company; a mortgage dated as of June 1, 1999 (the “Mortgage”) from the Issuer and the Company to the Holder; an assignment of leases and rents dated as of June 1, 1999 (the “Assignment of Rents”) from the Issuer and the Company to the Holder; a pledge and assignment dated as of June 1, 1999 (the “Pledge and Assignment”) from the Issuer to the Holder with acknowledgment thereof by the Company; and a guaranty dated as of June 1, 1999 (the “Guaranty”) from the Company to the Holder; and

WHEREAS, simultaneously with the issuance of the Bond, (A) the Company and the Issuer executed and delivered a certain lease agreement dated as of June 1, 1999 (the “Underlying Lease”), pursuant to which the Company agreed to lease the Land and the Facility to the Issuer for a term ending on the completion of the

Project Facility, (B) the Company executed and delivered (1) a certain license agreement dated as of June 1, 1999 (the "License Agreement") by and between the Company, as licensor, and the Issuer, as licensee, pursuant to which the Company granted to the Issuer a license to enter upon the Project Facility, in the event of an occurrence of an Event of Default, for the purpose of pursuing its remedies under the Installment Sale Agreement and (2) a bill of sale dated as of June 1, 1999 (the "Bill of Sale to Issuer") from the Company to the Issuer, pursuant to which the Company conveyed to the Issuer its interest in the portion of the Project Facility constituting fixtures and other personal property (the above-enumerated documents being collectively referred to as the "Financing Documents"); and

WHEREAS, by correspondence dated October 9 and October 11, 2018 (collectively, the "Request"), which Request is attached hereto as Exhibit A, the Company has requested that the Issuer enter into a mortgage and other financing documents relating to the Request (collectively, the "Additional Financing Documents") to secure a loan in the maximum principal sum of \$2,225,000 from the Holder to the Company (the "Loan"); and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law, Chapter 43-B of the Consolidated Laws of New York, as amended (the "SEQR Act") and the regulations adopted pursuant thereto by the Department of Environmental Conservation of the State of New York, being 6 NYCRR Part 617, as amended (the "Regulations" and collectively with the SEQR Act, "SEQRA"), the Issuer must satisfy the requirements contained in SEQRA prior to making a final determination whether to proceed with the Request; and

WHEREAS, pursuant to SEQRA, the Issuer has examined the Request in order to make a determination as to whether the Request is subject to SEQRA, and it appears that the Request constitutes a Type II action under SEQRA;

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF COUNTY OF CLINTON INDUSTRIAL DEVELOPMENT AGENCY, AS FOLLOWS:

Section 1. Based upon an examination of the Request for the Project, the Issuer hereby makes the following determinations:

(A) That the actions described in the Request (collectively, the "Action") constitute a "Type II action" pursuant to 6 NYCRR 617.5(c)(23), and therefore that, pursuant to 6 NYCRR 617.6(a)(1)(i), the Issuer has no further responsibilities under SEQRA with respect to the Request for the Project.

(B) That the value of the mortgage recording tax exemption relating to the Request will not exceed \$100,000.

(C) That since compliance by the Issuer with the Request will not result in the Issuer providing more than \$100,000 of "financial assistance" (as such quoted term is defined in the Act) to the Company, Section 859-a of the Act does not require a public hearing to be held with respect to the Action.

Section 2. Subject to (A) receipt by the Issuer of the written consent of the Holder, (B) approval by Issuer Counsel and Bond Counsel to the form of the Additional Financing Documents, (C) compliance with the terms and conditions contained in the Financing Documents, (D) an opinion of Bond Counsel that the Request and Loan will not adversely affect the exclusion of the interest payable on the bonds issued by the Issuer to finance the Project from gross income of the holders thereof for Federal income tax purposes, if necessary, (E) evidence satisfactory to the Issuer that all payments in lieu of taxes and other local fees and

assessments relating to the Project Facility, if any, have been paid by the Company and (F) the payment by the Company of the administrative fee of the Issuer, if any, and all other fees and expenses of the Issuer in connection with the delivery of the Additional Financing Documents, including the fees of Issuer Counsel and Bond Counsel, the Issuer hereby authorizes (A) the execution by the Issuer of the Additional Financing Documents and (B) the execution and delivery by the Issuer of an affidavit of exemption from mortgage recording taxes with respect to the Additional Financing Documents.

Section 3. Subject to the satisfaction of the conditions described in Section 2 hereof, the Chairman (or Vice Chairman) of the Issuer is hereby authorized to execute and deliver the Additional Financing Documents to the Company, and, where appropriate, the Secretary (or Assistant Secretary) of the Issuer is hereby authorized to affix the seal of the Issuer thereto and to attest the same, all in substantially the form thereof presented to this meeting, with such changes, variations, omissions and insertions as the Chairman (or Vice Chairman) shall approve, the execution thereof by the Chairman (or Vice Chairman) to constitute conclusive evidence of such approval.

Section 4. The officers, employees and agents of the Issuer are hereby authorized and directed for and in the name and on behalf of the Issuer to do all acts and things required or provided for by the provisions of the Additional Financing Documents, and to execute and deliver all such additional certificates, instruments and documents, to pay all such fees, charges and expenses and to do all such further acts and things as may be necessary or, in the opinion of the officer, employee or agent acting, desirable and proper to effect the purposes of the foregoing Resolution and to cause compliance by the Issuer with all of the terms, covenants and provisions of the Additional Financing Documents binding upon the Issuer.

Section 5. This Resolution shall take effect immediately.

The question of the adoption of the foregoing Resolution was duly put to a vote on roll call, which resulted as follows:

Trent Trahan	VOTING	YES
David Hoover	VOTING	YES
Michael E. Zurlo	VOTING	YES
Kim Murray	VOTING	EXCUSED
Keith Defayette	VOTING	YES
Mark Leta	VOTING	EXCUSED
John VanNatten	VOTING	YES

The foregoing Resolution was thereupon declared duly adopted.

On a motion by M. Zurlo, seconded by J. VanNatten, it was unanimously carried to approve the Resolution Authorizing incentives for the Lake Forest Senior Living Community, Inc. Project, noting with the normal IDA fee schedule, the benefit to the Lake Forest Senior Living Community, Inc. Project is minimal. However, without IDA involvement the project would not occur. Therefore, the Board agreed to reduce the normal fee schedule but clearly specified is not to be precedent setting.

5. Approve Bank Access Resolution

On a motion by M. Zurlo, seconded by D. Hoover, it was carried to approve the Bank Access Resolution with J. VanNatten abstaining.

6. Consider Approval of CCIDA Membership Dues with the New York State Economic Development Council

On a motion by M. Zurlo, seconded by J. VanNatten, it was unanimously carried to approve membership and authorize payment of annual dues of \$750.

Management Team Reports

1. Project Monitoring

R. McFarlin stated she expects to perform site visits within the next month.

2. Project Status Update

R. McFarlin reported The Development Corporation – Plattsburgh International Airport Building Project closed on September 19, 2018.

3. Executive Director's Report:

R. McFarlin reported she has met with local elected officials, economic and workforce development partners and attended multiple events, forums and NYATEP and NYSEDC's joint Fall Conference.

R. McFarlin stated she has had discussions regarding the Plattsburgh Downtown Revitalization Initiative Durkee Street and Dock Street RFPs. She spoke with White and Burke, consultants for the Durkee Street Project, to provide potential IDA benefits for interested developers.

R. McFarlin reviewed a prospective project with the Board. She stated she met with the owner of a local hotel on Route 3 and his representative, to discuss potential IDA benefits for a \$3,500,000 renovation/expansion.

Other Business:

There being no further business to discuss, the meeting was adjourned at 1:42 p.m.



Trent Trahan