

**ST LAWRENCE CO INDUSTRIAL DEVELOPMENT AGENCY
MINUTES OF MEETING – December 20, 2011**

CALL TO ORDER: Chairman Brian Staples called to order a meeting of the St. Lawrence County Industrial Development Agency at 8:35 AM at the Best Western, Canton.

ROLL CALL:

Blevins	Present	Hall	Present
LaBaff.....	Present	McMahon.....	Absent
Peck.....	Present	Staples.....	Present
Weekes.....	Present		

Others: Staff Raymond Fountain, Patrick Kelly, Kimberly Gilbert, Richard Williams, Natalie Sweatland; Lori Sibley, Leigh Rodriguez, Andrew Silver, Esq., Counsel. Also, New York State Senator Patty Ritchie and members of her staff.

PUBLIC NOTICE: Public notifications sent December 5, 2011 to, at a minimum: St. Lawrence County’s newspapers designated for the publication of local laws and other matters required by law to be published; additional local media sources and websites.

PUBLIC COMMENT: Senator Ritchie offered her congratulations to IDA Chief Executive Officer Raymond Fountain, on his upcoming retirement. Senator Ritchie noted she has worked with Ray for many years and offers him and his family best wishes. Senator Ritchie then presented the following Proclamation Honoring Raymond Fountain: *Whereas, Raymond H. Fountain has been one of the driving forces for economic development across St. Lawrence County throughout his career of public service to the people of Northern New York; and Whereas, as the Chief Executive Officer of the St. Lawrence County Industrial Development Agency, Raymond H. Fountain has helped hundreds of businesses open, expand, grow and prosper through his untiring efforts as a leader in developing public and private partnerships for the benefit of the St. Lawrence Valley; and Whereas, Today thousands of individuals have jobs and careers because of his person efforts to bring labor, business and government together to spur employment opportunities for the region; and Whereas, Because of his leadership, the St. Lawrence County Industrial Development Agency has helped to make the Workforce Investment Board, the One Stop Career Center, the St. Lawrence River Valley Redevelopment Authority forces for positive change; and Whereas, Thanks to his vision and determination, many North Country businesses that have closed have reopened, bringing hope to thousands of workers and their families and the communities where they were located; and Whereas, Throughout his career, Raymond H. Fountain has helped steer the IDA and its staff to help both small and large businesses, helping Fortune 500 Companies and microenterprises alike see the strengths and opportunities available in our region; and Therefore be it Resolved, That as a member of the New York State Senate, I proclaim that Raymond H. Fountain deserves the thanks and appreciation of the people of St. Lawrence County and the entire Empire State for his leadership and efforts to expand the economy and provide jobs for the people of New York State.*

MINUTES: LaBaff/Hall move to accept the minutes of the October 27, 2011 meeting. Accepted.

FINANCIAL REPORTS: October 2011: Mrs. Gilbert notes that the October financial report reflects revenue received from St. Lawrence County as part of its contract with the Agency, and expenses related to payroll, rent and insurance. The Board notes that fellow member Don Peck was instrumental in ensuring that St. Lawrence County honored its contract in full with the Agency. Accepted and filed for audit.

COMMITTEE REPORT: None

STAFF REPORT: Mr. Fountain reports the following:

- Board self-evaluation forms were mailed to Board members earlier this month. Completed forms are requested to be returned by January 23. The Governance Committee is expected to meet on January 26, 2012 after the Agency’s meeting, and will open and tabulate the forms for discussion at the Agency’s February meeting.

- Newton Falls Rail – Washout repair has been completed. There are issues specific to litigation for Executive Session.
- Affinity Realty Partners has submitted an application for a project (Affinity Potsdam Cottages, LP) to be located in Potsdam near the SUNY Potsdam campus. Mr. Kelly notes that the company has applied for Sales and Use Tax Exemption, Mortgage Recording Tax Exemption, and Real Property Tax Exemption. In addition, the Company is looking for a Payment In Lieu Of Tax (PILOT) agreement which deviates from the Agency's UTEP. As a result of this deviation, the Company would negotiate with the affected taxing jurisdictions, and the Agency would only approve the PILOT upon unanimous consent of these jurisdictions. The Company desires pre-determined assessment levels, and the Company has been encouraged to discuss this issue with the Town Assessor. The \$15,000,000 project would create six (6) permanent jobs and between 25 and 30 construction jobs. The project differs from a neighboring project in Jefferson County in that the Potsdam project would not significantly burden the local school population, unlike that in Jefferson County where the units would house families. Mr. Fountain encourages the Agency to ensure documents are properly worded to prevent the Company from asking for a reassessment and then subsequently canceling the PILOT. In response to a question from the Chairman, Mr. Kelly reiterates that the Agency would require all jurisdictions' consent before final PILOT approval.
- North Country Regional Economic Development Council (NCREDC): Mr. Fountain reports that the IDA project fared well. The Newton Falls Rail project received funding for \$9.9Million, and has applied for Federal funding of \$1.1Million. Additionally, the NCREDC approved the IDA's applications for the Canton Industrial Park, Clearwater Trestle (Gouverneur), the Gouverneur Water Project.
- Canton Industrial Park (CIP) Building: Mr. Fountain distributed estimates of building costs for various building types. The Agency requested Prevailing Wage standards, which increased labor costs by about 30%. The CIP building would include office space for the Agency and common space for the building's tenants. Mr. Fountain also noted that the Agency currently has a company interested in leasing a portion of the space for business operations. It was the consensus of the Board to move ahead with the next step (building design). Staff would bring resolutions to the Board as necessary.
- Code of Ethics – It has been brought to staff attention that wording in the Agency's Code of Ethics is unclear. Staff have brought forward a rewritten document that it believes clarifies the current Code of Ethics. Mr. LaBaff motions to accept, seconded by Mr. Weekes. The revision is approved by unanimous vote.
- Economic Enhancement Committee – Board members and staff have been able to clarify the jurisdictions for the reporting required by the County through its contract with the Agency. Recent requests by the Economic Enhancement Committee have been addressed and the Committee has been made aware of the reporting process. Additionally, Mr. Kelly, as a member of the EEC currently reports on IDA activities.
- FOIL – The Agency received a Freedom of Information Request from the Ogdensburg Bridge and Port Authority, to which the Agency has prepared a response. Once approved by its Counsel, the Agency will forward the response.

OLD BUSINESS: None

NEW BUSINESS:

2012 Meeting Schedule: The schedule is accepted by Agency Board members. The schedule will be uploaded to the Agency's website.

Resolution: Appointing a Chief Executive Officer: Blevins/LaBaff. Mr. Fountain notes that, although under the terms of Mr. Kelly's agreement he assumes the CEO position on January 1, 2012, this resolution will assist as formal evidence of his appointment should it be required by service entities (e.g. banking institutions). Approved unanimously.

Resolution: Authorizing Modifications to the St. Lawrence County Industrial Development Agency 2011 Budget: LaBaff/Hall. The Board had no questions and offered no comments on this resolution. Approved unanimously.

Resolution: Authorizing Distribution of Northern Corridor Transportation Group (NCTG) Funds: Peck/Weekes and LaBaff. Mr. Fountain noted this resolution has come about as a result of the Agency's desire to remove from handling the accounting functions of the NCTG. He went on to explain the method by which the donors were contacted, and determined that the Massena BDC demonstrated a willingness to act as

the NCTG's successor agency, when it agreed to accept the \$20,000 contribution from St. Lawrence County. Letters to those donors outreached and to the Massena BDC have been drafted and will be mailed this day. Approved unanimously.

Resolution: Authorizing an Agreement for GeoTechnical Evaluation on Lot 2-4, Canton Industrial Park: LaBaff/Weekes. The Board had no questions and offered no comments on this resolution. Approved unanimously.

Resolution: Authorizing an Agreement for Survey on Lot 2-4, Canton Industrial Park: Peck/Weekes. The Board had no questions and offered no comments on this resolution. Approved unanimously.

Resolution: (1) Taking Official Action Towards The Development Of A Certain Facility (As More Fully Described Below) By North Country Dairy, LLC ("the Company") at 22, 24 and 25 County Road 52 and 3 Railroad Street In The Hamlet Of North Lawrence, New York; (2) Adopting Findings Pursuant To The State Environmental Review Act (SEQRA) In Relation To The Facility; (3) Authorizing Financial Assistance To The Company For The Facility In The Form Of A Mortgage Recording Tax Exemption For The Financing Related To The Facility (4) Authorizing Acceptance Of Leasehold Interest To Certain Real Property And The Improvements Thereon In Relation To Completion Of Development Of The Facility ; And (5) Authorizing Execution And Delivery Of A Lease Back Agreement And Closing Documents In Relation To The Financing Of The Facility. Blevins/LaBaff. Mr. Kelly notes that, during discussions and offers of assistance with the Company as it worked to reopen the plant in North Lawrence, the Company has requested a Mortgage Recording Tax Exemption. As the standard fee of the Agency would exceed the exemption, the Agency has agreed to a \$2,000 fee, equal to its standard application fee. Mr. Kelly adds that the Company still has no natural gas service, and St. Lawrence Gas is approaching the Company to see if it wants to contribute toward the cost of the gas line into the plant. The plant currently employs about 43 people. The Board had no questions and offered no comments on this resolution. Approved unanimously.

The Board recesses at 9:15 AM and returns from recess at 9:45 AM.

EXECUTIVE SESSION: Hall/Blevins motion for Executive Session at 9:45 AM to discuss current litigation with two specific companies, potential litigation with a specific corporation, and an issue regarding a specific employee. Hall/Peck motion for return to Regular Session at 10:50 AM.

Hall/Peck motion to authorize Agency Counsel to engage the services of an abstractor for the Newton Falls Rail. Approved unanimously.

ADJOURNMENT: Hall/LaBaff motion to adjourn at 10:55 AM. Adjourned by unanimous consent.

/s/
(Mr.) Lynn Blevins, Secretary