

Notes of the County of Lewis Industrial Development Agency
Finance Committee
November 18, 2021 | 8:30-9:30am
7551 S. State Street
Lowville, New York



Members Present: Tom Gillette, Joe Lawrence, McKenzie Lehman, Gagan Singh
Others Present: Cheyenne Steria, Jenna Kraeger, Brittany Davis

Called to Order 8:30am

October Financials

- The October 2021 Balance Sheet, Profit and Loss Statement and expenditure listing were reviewed with the Committee.

Tug Hill Artisan Roasters Incentive Application Review

- The committee reviewed and discussed the Tug Hill Artisan Roasters Old Jail Incentive Application. Tug Hill Artisan Roasters is in the process of purchasing the Lowville Old Jail Building on State Street from Transitional Living Services, with a goal is to move and expand the roastery into the building, add a bakery and also, have space for other small businesses and offices. The project supports a re-use for a currently vacant building, a larger facility for a local small business and adding at least 3 jobs. The owner, Scott Gilbert, has done a ton of due diligence to get the village of Lowville to change the allowed use for the building to support the roastery operations.
- Tug Hill Artisan Roasters application includes sales tax exemption, mortgage recording tax exemption, and real property tax exemption. The project has received support from a NYS Main Street Grant for the asbestos and lead abatement.
- Based on the nature of the project being a targeted industry/manufacturing it falls under a Schedule A exemption in the LCIDA Universal Tax Exemption Policy; resulting in a 15-year PILOT with a total exemption of 50% over the life of the PILOT. The committee reviewed the cost benefit analysis demonstrating that estimated property taxes received with the PILOT (\$100,296) are significantly more than without the project (\$63,387), especially considering the property has been vacant and tax exempt for several years.
- Staff is proposing the committee and board evaluate the THAR project based on the Adaptive Reuse, Community Development project type in our Project Evaluation Policy. Staff will provide a discussion and approval on each criterion at the full board meeting.
- The committee recommends review of the THAR application by the full board.

Black Moose Mortgage Request

- Staff has received opinions from two attorneys regarding the request from Black Moose LLC to forgive the \$100,000 mortgage.
 - Our local IDA attorney, Kevin McArdle advised that legally the IDA cannot forgive the mortgage because it would be considered a gift.
 - Barclay Damon attorney, Melissa Bennett, also advised that the IDA cannot forgive the mortgage because it would be considered a gift. However, it is

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also illegal for the IDA to provide a mortgage to anyone because the IDA cannot loan its own money. A letter provided by Barclay Damon advises the IDA terminate the agreement as soon as possible and require full repayment from the LCDC of the funds originally provided by the IDA.

- Staff proposes drafting a request letter to the LCDC from the IDA chairman providing the background and proposing immediate action. The committee agreed.

Remote Intern – Kaylee Tabolt

- Kaylee Tabolt the IDA summer intern is looking for a for credit Spring Remote Internship. Staff proposes funding Kaylee remotely at minimum wage, up to 10 hours per week, up to 17 weeks; totaling just under \$2500. Committee recommends bringing the proposal to the full board.

Fiscal Year Change

- Staff has just started the process of changing our fiscal year to the calendar year with a goal for 2023 to make the change. In which case the IDA would have its normal audit for 2021-2022 with an additional June 1 to December 31 audit. Committee recommends discussing the change with the full board.

Compensation Policy Revisions

- The committee discussed revisions to the Compensation Policy to provide annual reviews based on both pay for performance salary adjustments and cost of living increases. The executive direct would conduct annual reviews with staff, while the board would review the executive director. Staff performance would be recommended by the Executive Director. The committee discussed fixed and flexible options to bring to the full board for discussion.
- Option A: The board will provide annual reviews based on cost of living increases and pay for performance salary adjustments taking into account workplace merits and the next fiscal year's budget.
- Option B: The board will provide annual reviews based on cost of living increases and pay for performance salary adjustments with a target of 3% annual increases for staff.

Adjourn at 9:35am