

Notes of the Lewis County Industrial Development Agency
Finance Committee Meeting
March 14, 2023 | 8:30AM
Naturally Lewis Office
Lowville, NY 13367



Board Members Present In Person: Joe Lawrence, Herb Frost, Gagan Singh, McKenzie Lyndaker, Tom Gillette (Virtual)
Others Present: Brittany Davis, Cheyenne Steria

Agenda Items

- **February Financials**
 - Director of Finance and Incentives Cheyenne Steria reviewed the February Financials, noting the Flat Rock Wind PILOT, Roaring Brook Wind Accounts Receivables, sale of High Falls building and property, and Launch LC grant funds.
 - Board member Gagan Singh also requested that staff present current retirement benefits at the next finance committee meeting as he feels an increase in the match should be warranted due to inflation.
- **IDA Savings vs CD accounts**
 - DOF Cheyenne Steria noted that she researched various types of accounts to house IDA funds. She noted that significant interest could be earned if we moved money to a CD for minimum 13 months to earn more interest on those funds. It was noted that we should also look into various banks for various accounts to diversify our funds in that sense. The committee recommended that staff continue to research CD's and additional bank accounts.
- **IDA-Owned Trinity Ave Brewery Building & Equipment Transition**
 - Steria provided an overview of the current status of Skewed Brewing, indicating that Skewed is 5 months behind on payments. Ongoing conversations continue with Second Place Beer Co and owner Troy Parker on transitioning into existing leases. Steria is working with Kevin McArdle on agreements that will allow Skewed Brewing to transition out of current contracts, but also ensures that the funds Second Place Beer Co pays Skewed Brewing for their equipment goes towards fulfilling obligations between Skewed Brewing and the LCIDA.
 - Cheyenne reviewed proposal for building and equipment leases for Second Place Brew Co., which includes a 10-year installment sale on the building at \$100,000, 5.50% APR, and a 90-day grace period upon signing, and a 6-year installment sale on LCIDA owned brewing equipment at \$133,833 (adjusted price due to broken equipment) and a 90-day grace period. There was additional discussion on the brewery location and vision of a brewery in Lewis County.
 - The Finance Committee recommends staff present the full proposal to the full board at the April board meeting for approval.
- **Skewed Brewing Loan, Lease and Installment sale**



- Steria provided the statement with the balance of \$22,398.28 to Skewed for building, equipment and loan back payments to ensure that the balance is paid upon transfer of leases.
- **MPI Incentive Package**
 - Steria presented a financing package with 3 streams to support McRez Meat Packing International in Lyonsdale, NY. The 3 streams include financing, savings and cash/grants.
 - Financing
 - IDA Equipment Lease - \$200,000
 - Pursuit Lending - SBA Loan
 - Partner Lenders (NCA, AEDC)
 - Savings
 - Sales Tax Exemption through IDA
 - Grants
 - VPR for building
 - CFA Grant for equipment
 - The committee discussed how equipment installment sale is a great tool and practical way to help incentivize a business. We still charge interest on installment sales so there is a return to the IDA. The committee recommends staff inform MPI that the equipment installment sale is on the table. McKenzie Lehman recused herself because of her employer (BCA) involvement in the site plan review process.
- **Glenfield Elementary Redevelopment Project Incentive Package**
 - Steria presented a financing package for the Glenfield Elementary Redevelopment Project on financing, cash flow and cash/grants.
 - Financing
 - Lease to own
 - Partner Lenders
 - Cash Flow
 - Sales Tax Exemption, Mortgage recoding tax, PILOT
 - Cash/Grants
 - VPR, NY Mainstreet Grants
 - The committee is supportive of the structure of financing package of IDA incentives, noting that the incentive structure may change based on proposals. The committee also discussed that by providing incentives from the beginning, it could really incentivize someone to do an actual project. The committee recommends moving forward with this concept for the Glenfield School Redevelopment.
- **Property Redevelopment Opportunities - Where does the IDA fit in?**
 - Executive Director Brittany Davis presented the team's work in identifying a path forward as it pertains to property redevelopment involving the LCDC. Davis indicated that the next step is to identify where the IDA fits into the



strategy. Chairman Joe Lawrence noted that of the "3 pathways" to property redevelopment (Property Owners who want to do revitalize buildings, property owners who should revitalize buildings, but don't, and addressing zombie/foreclosed properties) there needs to be a fourth category: the buildings that are still operational and still being maintained, but fully depreciated, and the burden of doing anything with those buildings when property owners move on and build new buildings. The committee recommend that staff continue to work on this concept.

- **Keller Red, LLC - Naturally Lewis Office**
 - Staff presented the idea of purchasing the existing IDA/Chamber office building. This project is something that can be done soon, allowing the agency to fulfill long-time goals of short-term office rentals and co-working space. This project has been on the backburner for two years, with staff indicating that the partnership of a developer was a priority. At this point, it makes more sense for the IDA to purchase and revitalize to be part of the downtown revitalization movement and offer the services we have been targeting for a number of years. It was noted that the longer we stay in limbo, the more we miss out on grant funding, and that the project fits with the overall vision of Naturally Lewis.
 - The committee recommends bringing the concept to full board, and staff will start to work on the business plan for the project.
- **Lowville Farmers Co-op Properties**
 - Tabled until next meeting.
- **Harrisville Community Bank Building**
 - Herb Frost, IDA Board Member and Harrisville community member informed the Finance Committee on the bank situation in Harrisville, NY. Community Bank has informed the community of its closure, and the community has been working with Northern Credit Union on a solution. Staff discussed with the committee that the LCIDA or the Diana Development Corporation should purchase the building to help the Northern Credit Union transition, or, to ensure that it the end use is favorable for the community.
 - The committee recommends that staff move forward with the appraisal of the Community Bank building in Harrisville to keep the process moving forward.

The meeting adjourned at 9:45am.