



Loan Committee Members Present: Jerry Haenlin, Kevin Kent
Finance Committee Members Present: Mckenzie Lehman, Tom Gillette
Staff Present: Brittany Davis, Cheyenne Steria

Agenda Items

Loan Committee:

- Q4 Loan Fund Report
 - Director of Finance and Incentives, Cheyenne Steria, presented the Quarter 4 Loan Report. The report indicates that we have \$150,000 to loan out. The IDA has not received any new applications in the past year. Skewed Brewing is the only loan left, and looking to pay off the loan as they look to transition the brew equipment and building lease to new owner. DOF highlighted other IDA properties, including the High Falls Mortgage, Black River Valley Natural equipment and Snow Ridge equipment.
- Loan Approval Process
 - Current Guidelines
 - The committee reviewed the current guidelines. Cheyenne Steria discussed the need to make some changes to current guidelines, which includes bridge financing.
 - Proposed Bridge Loan Structure
 - Director of Finance proposed a bridge loan structure that would provide loans at 0% interest for 6 months, then prime +1 for the life of the loan. Ms. Steria indicated that the underwriting process with DANC will not change, which means the process will stay the same, staying compliant with USDA guidelines.
 - The committee recommends the proposed bridge loan structure to the full board for approval.

LCIDA Finance Committee:

- Armour Environmental
 - The committee reviewed the incentive application submitted by Armour Environmental/ Geiterdone, for incentives including a PILOT, following “Schedule A” in the LCIDA UTEP, sales tax and mortgage recording tax exemption on the former DANC owned site in Harrisville, NY. Ms. Steria presented the cost benefit analysis, which shows roughly \$10,000,000 in benefit to the community, if incentives are approved.
 - Ms. Steria indicated that there is some information missing, such as a final business plan, and will work on getting those documents before the next IDA Board meeting.
 - The committee recommends moving the application forward to IDA Board for consideration of a public hearing resolution to hold a public hearing on proposed incentives.
- LCIDA 2023-2024 Budget
 - Ms. Steria presented the 2023-2014 LCIDA Budget. Notables include Number 3 Wind IDA fee revenue, a change in event income, and rather than identifying specific buckets of funding, keeping general funds in an “Economic Development Projects” line item. Ms. Steria indicated that the budget will need to be approved at the February 2, 2023 LCIDA Board Meeting.
 - The committee recommended moving the budget to the full board for approval.
- Brewery Building & Equipment Transition
 - Cheyenne presented the Brewery building and equipment situation, highlighting that Skewed Brewing is looking to transition out of current leases. Staff have been in communication with a local brewer who is interested in taking over the business, equipment and building leases with the LCIDA.

Minutes of the County of Lewis Industrial Development Agency

Finance & Loan Committee

January 10, 2023 | 8:30 – 9:30 AM

Lewis County JCC Education Center

Lowville, New York

- Cheyenne presented the current balances and proposed sale options, which include the following scenarios:
 - Option 1 – Outright sale of equipment and building
 - Option 2 – Straight transfer of leases
 - Option 3 – Transfer of leases with tiered monthly payments
 - Option 4 – Transfer of leases with tiered monthly payments and extended term
- The committee discussed the various scenarios and recommended that staff work with the new entity on a comprehensive business and marketing plan, as this will be the third brewery to locate in that building.
- Upon further discussion, the committee recommends staff presenting these options to the entrepreneur and seeing what option would work best for them. If the entrepreneur has a solid business plan, staff can move forward with bringing the concepts to the full board for consideration.