



ESSEX COUNTY IN THE PARK  
INDUSTRIAL DEVELOPMENT AGENCY

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**Essex County IDA Regular Board Meeting  
June 26, 2024 at 9:00AM  
7566 Court Street, Elizabethtown, NY**

**Present:** Darren Darrah (via Zoom)  
John Boyea (via Zoom)  
Jamie Rogers (via Phone)  
James Bowen (via Zoom)  
Matthew Courtright (via Zoom)  
James Monty (until 9:45AM)  
Matthew Stanley

**Also Present:** Jody Olcott  
Carol Calabrese  
Jen Briggs (via Zoom until 10:10AM)

**Open of Meeting**

Chairman Darren Darrah opened the meeting at 9:00AM.

**Public Comment**

No Comment

**Approval of Minutes**

1. December 21, 2023 Meeting Minutes

**Motion #2024-26:** A motion to approve the December 21, 2024 meeting minutes was made by Matthew Courtright and seconded by Darren Darrah. All members were in favor.

2. April 24, 2024 Meeting Minutes

**Motion #2024-27:** A motion to approve the April 24, 2024 meeting minutes was made by Darren Darrah and seconded by John Boyea. All members were in favor.

3. May 2, 2024 Special Meeting Minutes

**Motion #2024-28:** A motion to approve the May 2, 2024 special meeting minutes was made by Matthew Courtright and seconded by Darren Darrah. All members were in favor.

4. May 31, 2024 Meeting Minutes

**Motion #2024-29:** A motion to approve the May 31, 2024 meeting minutes was made by Matthew Stanley and seconded by Darren Darrah. All members were in favor.

**Presentation:** Regan Development Straight Lease Back Transaction Request

Larry Regan of Regan Development presented to the Board. This \$29,979,756 project is a workforce and affordable housing project very similar to the North Elba project. It consists of a

60-unit project with a 6,000 sq. ft. day care center. The day care center will be operated by third party and Regan Development will work with local officials to seek provider to provide this service. The business is applying for funding from HCR in September and requested low income/affordable housing tax credits. The Ticonderoga Planning Board is currently reviewing project. Adirondack Park Agency has provided a non jurisdictional letter. SEQR is being completed now through Town of Ticonderoga. The Town of Ticonderoga Assessor must use the income approach for assessment. Town Assessor reviewed underwriting and will provide a letter stating assessed value of property to be \$1.7 million. The project requires a 30-year mortgage with tax credits and requires proposed PILOT Agreement to be 30-year as well. Jobs to be created include 2 building management and 20 full-time day care positions. Total annual payroll is estimated to be \$1,046,000. Project is requesting sales tax exemption for the construction and purchase of furniture, fixtures and equipment. Sales tax incentive is estimated to be \$930,233 (\$465,116 County and \$465,116 State). Project is requesting mortgage tax recording abatement as well. Total mortgage to be recorded is \$19,400,000. Incentive will be \$242,500.

**Motion #2024-30:** Resolution taking official action authorizing the agency to (i) accept the application of the Regan Development Corp. (the “company”) in connection with a proposed project (as further described herein); (ii) schedule and conduct a public hearing; (iii) describe the project and forms of financial assistance being contemplated by the agency with respect to the project; and (iv) mail a deviation notice to affected taxing jurisdictions concerning a deviation from the agency’s uniform tax exemption policy. WHEREAS, Regan Development Corp., a New York limited liability company (the “Company”) authorized to do business in the State of New York, located in Ardsley, New York, and its successors and assigns has applied to the Essex County Industrial Development Agency (the “Agency”) on March 20, 2024, as amended on May 15, 2024, for a “straight-lease” arrangement as defined in Section 854(15) of the General Municipal Law of the State of New York (the “State”), as amended for the purpose of financing the costs of a certain affordable housing project (the “Project”) consisting of: (A) (i) the construction of a 3-story elevator building for families, with 60 residential units, including a mix of 37 one-bedrooms, 20 two-bedrooms, and 3 three-bedroom apartments, on a 5+-acre site located on New York State Route 74 in the Town of Ticonderoga, County of Essex, NY, 12883, including 6,886 square feet of commercial space that is designating for a children’s daycare space and including outdoor space with surface parking and a playground (the “Facility”), (ii) the acquisition and installation of various machinery, equipment and furnishings for the Facility, including substantial rehabilitation (the “Equipment”), and (iii) certain necessary preliminary and incidental expenses related thereto (the Facility and the Equipment hereinafter collectively referred to as the “Project”); and (B) the granting of certain other “financial assistance” (within the meaning of Section 854(14) of the General Municipal law) with respect to the Project and its financing, including potential exemptions from New York State sales and use tax, mortgage recording tax and real property tax in the form of a PILOT (collectively the “Financial Assistance”); and (C) the lease of the Project by the Agency back to the Company; all as contemplated by and in furtherance of the purposes of the General Municipal Law. During the lease term, the Project will be owned by the Agency and leased to the Applicant; and WHEREAS, pursuant to Article 18-A of the General Municipal Law of the State of New York and Chapter 563 of the Laws of 1973 of the State of New York, as amended (collectively, the “Act”), the Agency is authorized and empowered to finance the acquisition, construction, equipping and furnishing of such Facility within the County of Essex, New York through a “straight-lease” arrangement; and WHEREAS, the Agency is contemplating providing

the Financial Assistance in the form of (i) an exemption from all state and local sales and use taxes with respect to the qualifying personal property included within the Project or used in the acquisition, construction or equipping of the Project from the Agency to complete the acquisition, construction, reconstruction and equipping of the Project, (ii) an exemption from the mortgage recording tax; and (iii) an exemption from real property tax in the form of a PILOT. WHEREAS, in connection with the Project, the Company has made a request that the Agency deviate from the Agency's Uniform Tax Exemption Policy (the "Policy") with respect to the terms of the proposed payment in lieu of tax agreement (the "Proposed PILOT Agreement") by providing a fixed payment per year for a term of 30 years based on estimated construction costs and applicable tax rates.

WHEREAS, the Policy provides that, for a facility similar to the Project Facility, payments in lieu of taxes will normally be determined as follows: the Company would have the benefit of a 50% abatement in real property taxes on the Facility and any portion of the Equipment assessable as real property pursuant to the New York Real Property Tax Law (collectively with the Facility, the "Improvements") in year one of the payment in lieu of tax agreement with a five percent per year increase over the term of the ten year payment in lieu of tax agreement; and WHEREAS, pursuant to Section 874(4) of the Act and the Policy, prior to taking final action on such PILOT Request for a deviation from the Policy, the Agency must give the chief executive officers of the County and each city, town, village and school district in which the Project is located (collectively, the "Affected Tax Jurisdictions") prior written notice of the proposed deviation from the Policy and the reasons therefore; and WHEREAS, the Agency intends to (i) accept the Company's application, (ii) describe the Project and the forms of Financial Assistance contemplated by the Agency, (iii) authorize the scheduling and conduct of public hearing(s) and (iv) authorize the mailing of a deviation notice to the Affected Tax Jurisdictions with respect to the Policy pursuant to and in accordance with the Act. NOW, THEREFORE, BE IT RESOLVED by the Essex County Industrial Development Agency as follows: The Agency has found and determined that the Company's project constitutes a "project" within the meaning of the Act and shall accomplish the public purpose of the Agency as presented in the Act; and will promote job opportunities, health, general prosperity and the economic welfare of the inhabitants of the County of Essex and the State of New York and improve their standard of living and will thereby serve the public purpose of the Act; and that it is desirable and in the public interest to enter into a "straight-lease" arrangement with the Company for the purpose of financing the acquisition, construction, reconstruction, equipping and furnishing of the Project, together with necessary preliminary and incidental expenses in connection therewith. The Agency is authorized to (i) lease the property comprising the Project to the Company through a "straight-lease" arrangement (as defined in Section 854(15) of the General Municipal Law of the State) for good and valuable consideration and certain "financial assistance" (as defined in Section 854(14) of the General Municipal Law of the State), whereby the Company will be obligated to lease the Project from the Agency and to purchase the property at the end of the lease term and (ii) if applicable, grant an assignment of the lease agreement with the Company as security for the financing provided by the Company's financial institution in such manner as the Agency and the Company mutually deem appropriate. Having considered both the Application and the PILOT Request, the Agency hereby authorizes the Executive Director of the Agency to send a written notice to the chief executive officers of each of the Affected Tax Jurisdictions informing them that the Agency is considering a proposed deviation from the Policy with respect to the Project and the reasons therefore (in substantially the form of the draft of said letter attached hereto as Exhibit B), and soliciting any comments that such

Affected Tax Jurisdictions may have with respect to said proposed deviation. The Agency shall prepare and publish a notice of public hearing in compliance with Section 859-a of the General Municipal Law of the State and shall hold such public hearing prior to the closing of the Project (the "Public Hearing"). The Agency must have approved the Project after such Public Hearing at a regularly scheduled meeting of the Agency. The Project will not result in the removal of a facility or plant of the Company or any other proposed occupant of the Project from one area of the State to another area of the State or result in the abandonment of one or more plants or facilities of the Company or any other proposed occupant of the Project located within the State; and the Agency hereby finds that, based on the Company's application, to the extent occupants are relocating from one plant or facility to another, the Project is reasonably necessary to discourage the Project occupants from removing such other facility or plant to a location outside the State and/or is reasonably necessary to preserve the competitive position of the Project occupants in their respective industries. The Company is hereby appointed the true and lawful agent of the Agency (i) to acquire, construct, reconstruct and equip the Project; and (ii) to make, execute, acknowledge and deliver any contracts, orders, receipts, writings and instructions, as the stated agent for the Agency and in general to do all things which may be requisite or proper for completing the Project, all with the same powers and the same validity as the Agency could do if acting on its own behalf. The Agency in reviewing the Company's application has preliminarily determined that the Company meets the provisions of Section 862(2) of the General Municipal Law or that such provisions are not applicable. Any financial assistance which the Agency may provide to the Company shall be subject to the "clawback" provisions of Section 875 of the General Municipal Law, and the Company shall at all times cooperate with and indemnify and hold harmless the Agency in the Agency's colorable and good faith compliance with said Section 875. Squire Patton Boggs (US) LLP is hereby appointed special transaction counsel ("Transaction Counsel") in relation to the Project. Briggs Law Firm LLP is hereby appointed as counsel to the Agency in relation to the Project. Transaction Counsel is hereby authorized to work with the Company and others to prepare, for submission to the Agency, all documents necessary to effect the closing of the Project. The officers, employees and agents of the Agency are hereby authorized and directed for and in the name and on behalf of the Agency to do all acts and things required and to execute and deliver all such 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 resolutions and to cause compliance by the Agency with all of the terms, covenants and provisions of the documents executed for and on behalf of the Agency. The Chairman, Vice Chairman, and/or Executive Director(s) of the Agency are hereby authorized and directed to distribute copies of this resolution to the Company and to do such further things or perform such acts as may be necessary or convenient to implement the provisions of this resolution. The Agency's authorization of the Project and the Financial Assistance shall be subject to the conduct of the Public Hearing and adoption of Agency resolutions relative to same. This resolution is hereby adopted subject to the requirements of the State Environmental Quality Review Act (SEQRA), as amended, Article 8 of the Environmental Conservation Law of the State and all regulations thereunder. In the event that there is jurisdiction of this Project under the APA Act, this resolution shall be subject to compliance by the Company with the determinations and conditions imposed by that agency. This Resolution shall take effect immediately. A motion to induce project & provide UTEP deviation letter to taxing entities (Town of Ticonderoga, Ticonderoga Central School and Essex County) was made by James Monty and seconded by Darren Darrah. All members were in favor.

**Motion #2024-31:** NOTICE IS HEREBY GIVEN to all interested parties that a public hearing, pursuant to Section 147(f) of the Internal Revenue Code of 1986, as amended (the “Code”) and Section 859-a of the General Municipal Law will be held by the Essex County Industrial Development Agency (the “Agency”) on Friday, July 19, 2024 at 9:00 AM local time at the Agency office located at 7566 Court Street in Elizabethtown, New York in connection with the Project described below. This is a notice for a public hearing to authorize a “straight-lease” transaction of the Agency for the purpose of providing financial assistance in connection with the project described below. Regan Development Corp. (the “Applicant”) has requested that the Agency finance an affordable housing project consisting of (A)(i) the construction of a 3-story elevator building for families, with 60 residential units, including a mix of 37 one-bedrooms, 20 two-bedrooms, and 3 three-bedroom apartments, on a 5+-acre site located on New York State Route 74 in the Town of Ticonderoga, County of Essex, NY, 12883, including 6,886 square feet of commercial space that is designating for a children’s daycare space and including outdoor space with surface parking and a playground (the “Facility”), (ii) the acquisition and installation of various machinery, equipment and furnishings for the Facility, including substantial rehabilitation (the “Equipment”), and (iii) certain necessary preliminary and incidental expenses related thereto (the Facility and the Equipment hereinafter collectively referred to as the “Project”); and (B) the granting of certain other “financial assistance” (within the meaning of Section 854(14) of the General Municipal law) with respect to the Project and its financing, including potential exemptions from New York State sales and use tax, mortgage recording tax and real property tax in the form of a PILOT (collectively the “Financial Assistance”); and (C) the lease of the Project by the Agency back to the Company; all as contemplated by and in furtherance of the purposes of the General Municipal Law. The Project will be subject to a straight lease agreement (the “Agreement”) requiring that the Applicant lease the Project from the Agency and to purchase the property at the end of the lease term, and grant a mortgage and security agreement with respect to the Project and an assignment of the lease agreement with the Applicant as security for the financing provided by the Applicant’s financial institution in such manner as the Agency and the Applicant mutually deem appropriate. 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”), the Agency will determine whether the Project may have a “significant effect on the environment” (as set forth in the SEQR Act and the Regulations) and therefore require the preparation of an environmental assessment form. Such determinations shall be and shall be deemed to be in conformity with similar determinations of the Adirondack Park Agency, if and when issued. In connection with the Project, the Applicant has made a request that the Agency deviate from the Agency’s Uniform Tax Exemption Policy with respect to the terms of the proposed payment in lieu of tax agreement (PILOT) by providing a fixed payment per year for a term of 30 years based on estimated construction costs and applicable tax rates. The Agency will at the above-stated time and place hear all persons with views in favor of or opposed to the proposed Financial Assistance to the Applicant. A report of the hearing will be made available to the Board of Supervisors of Essex County, New York. This notice will be published in a newspaper in general circulation in Essex County at least ten (10) days prior to the date set for the hearing. This motion was made by James Monty and seconded by Darren Darrah. All members were in favor.

**Financial Services/Program**

1. Loan Program

- a. Monthly Loan Report – Moriah Country Club paid loan off.
- b. Trail Head Restaurant Group, LLC (Ticonderoga) – Business is request to change the balance of loan from FF&E to working capital & inventory. Original loan amount was \$170,000 and remaining balance in escrow account = \$19,547.97. The original loan approval was as follows: \$165,000 FF&E and \$5,000 working capital. The business is requesting to change the remaining loan amount of \$19,547.97 to working capital & inventory as all purchases have been made. The restaurant will be opening on July 2, 2024 for reservations only, key staff has been hired.

**Motion #2024-32:** A motion to approve Trail Head Restaurant Group, LLC’s request to change the remaining balance of the loan \$19,547.97 from FF&E to working capital and inventory was made by John Boyea and seconded by Darren Darrah. Matthew Courtright abstained. Motion passes.

- c. Semi-Annual Site Visits – Most of the site visits were completed in the month of June. The rest will be completed in July.
2. Straight Lease Back Transaction
    - a. Trailhead Resort (Newcomb) – Jen Briggs has reviewed the straight lease back/PILOT documents and there is not language in the documents that allows the IDA to provide comment regarding the operations of the business including hours of operation, menu, etc. Jen noted the IDA the only issue that IDA could default on would be the outstanding 2024 Town & County tax bill. Jen will draft letter requesting immediate payment of the outstanding tax bill and request business owners attend the next IDA Board meeting to discuss business status and operations.

### **Business Park Development**

1. Moriah Business Park
  - a. Lot #4 Building (High Peaks Hospice) – No building issues
  - b. Entrance Sign Vandalism Update – IDA was forced to contact police as Mr. Furness violated the current restraining order. Additional charges were added.
  - c. Lot #11 Construction Update – IDA met with AES Northeast and Essex County DPW to discuss the road entrance on Plank Road. IDA to seek b ids from local contractors to get entrance constructed before September so CV-TEC students and potential contractors may access the site. AES Northeast to work on small bid package for this work.
  - d. Stormwater Pond #3 – IDA had previously been to bid on the construction and installation of stormwater pond #3. IDA and AES Northeast have been working to try to simplify the project and entice contractors to complete the project as it is too complex to allow CV-TEC students to install the structure. IDA has purchased the structure and it is onsite. A proposal has been made by Scalzo Construction, business park maintenance contractor to complete the work and provide the necessary materials (sand and top soil) for \$22,000. Previous bid for project was \$106,000.

**Motion #2024-33:** A motion to approve the proposal made by Scalzo Construction for the installation of the Stormwater Pond #3 in the amount of \$22,000 was made by James Bowen and seconded by Darren Darrah. All members were in favor.

2. Chesterfield Commerce Park – No Update

### **Business Development**

1. Marketing/Internet Based Monthly Report – No comments
2. Grant Administration
  - a. Agriculture Producers Revitalization 2024 Microenterprise Grant Program – IDA staff met virtually with DEC to review next steps. IDA must wait for DEC to receive Comptrollers approval before they can release the contract.
  - b. Ti DRI Small Project Fund – No Update
3. Workforce Development – Committee members need to work on post job fair follow up. IDA is also working on the SUNY Apprentice Program is partnering with Ticonderoga Area Chamber of Commerce and North Country Community College.

### **New Business**

1. NYS Comptroller's Audit – Audit s ongoing
2. June Abstract for Payment

**Motion #2024-34:** A motion to approve the June Abstract for Payment was made by Darren Darrah and seconded by James Bowen. All members were in favor.

3. May Financial Reports – No comments or questions
4. Next Meeting – July 19, 2024 at 9:00AM

### **Adjourn Meeting**

**Motion #2024-35:** A motion to adjourn the meeting at 10:40AM was made by Darren Darrah and seconded by James Bowen. All members were in favor.