

**Essex County IDA Board Meeting  
October 9, 2024 at 1:00PM  
7566 Court Street, Elizabethtown, NY**

**Present:** Darren Darrah  
Jamie Rogers (arrived 1:07 PM)  
James Bowen (via Zoom)  
Matthew Courtright (via Zoom)  
James Monty

**Also Present:** Jody Olcott  
Carol Calabrese  
Jen Briggs (Via Zoom)

**Absent:** John Boyea  
Matthew Stanley

**Open of Meeting**

Chairman Darren Darrah opened the meeting at 1:01PM.

**Public Comments**

No Comments

**Approval of Minutes**

1. September 3, 2024 Meeting Minutes

**Motion #2024-53:** A motion to approve the September 3, 2024 meeting minutes was made by James Monty and seconded by Darren Darrah. All members were in favor.

**Presentation – Hotel Westport – Straight Lease Back Transaction Application**

Scott & Emily Brankman are the property owners and presented they have previous restaurant experience with a year-round restaurant in Massachusetts and seasonal ice cream. Scott & Emily are currently managing the Yacht Club in Westport. The property was purchased from Essex County in tax auction. The existing smaller rooms are to be converted into larger suites with a year-round restaurant and 2 meeting rooms. The building is historical, Scott & Emily are looking for state & federal tax credits to modernize the hotel. Restaurant will serve upscale American food with bar food. The assessed value of the property is currently \$162,500. When property was operating and at its peak the assessed value of the property was \$388,400. Emily will be in front of the house and Scott will be in the kitchen. Incentives requested are as follows: sales tax exemption up to \$64,000, mortgage recording up to \$3,250 and PILOT Agreement – Schedule A at \$390,000 fixed assessment for the 10-year term. Time frame of the project is Fall 2026 or Fall 2027 (anticipate project to evolve and updates will be needed). The building permit is in the works, remediation is needed. CFA grant applications are submitted. Employment is projected at 10 FT, 10 PT and 5 seasonal. Total project cost is \$1,308,909.53. Cost/benefit analysis and project summary including conceptual drawings were distributed to Board.

**Motion #2024-54:** Resolution taking official action authorizing the agency to (i) accept the application of Lucky Cats Hospitality Group, LLC. (the “company”) in connection with a proposed project (as further described herein); (ii) schedule and conduct a public hearing; and (iii) describe the project and forms of financial assistance being contemplated by the agency with respect to the project WHEREAS, Lucky Cats Hospitality Group, LLC, a New York limited liability company (the “Company”) authorized to do business in the State of New York, located in Westport, New York, and

its successors and assigns has applied to the Essex County Industrial Development Agency (the "Agency") on August 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 project consisting of: (A) (i) the reconstruction, renovation and improvements of the former Westport Hotel located at 6691 Main Street, Westport in the County of Essex, NY, 12883 into a new boutique hotel consisting of four contemporary hotel suites, a restaurant, speakeasy bar and event space, including upgrades to utilities (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 up to \$64,000, (ii) an exemption from the mortgage recording tax up to \$3,250 ; and (iii) an exemption from real property tax in the form of a PILOT Schedule A, as further described in Exhibit A hereto. 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, and (iii) authorize the scheduling and conduct of public hearing. 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. 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 approve made by James Monty and seconded by Darren Darrah. All members were in favor.

**Motion #2024-55:** 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 Monday, November 18, 2024 at 7566 Court Street in Elizabethtown, New York at 1PM local time 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. Lucky Cats Hospitality Group, LLC (the

“Applicant”) has requested that the Agency a project consisting of (A) (i) the reconstruction, renovation and improvements of the former Westport Hotel located at 6691 Main Street, Westport in the County of Essex, NY, 12883 into a new boutique hotel consisting of four contemporary hotel suites, a restaurant, speakeasy bar and event space, including upgrades to utilities (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 in the amount of \$64,000, mortgage recording tax in the amount of \$3,250 and real property tax in the form of a 10-year 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. 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. A motion to approve made by James Monty and seconded by Darren Darrah. All members were in favor.

### **Financial Services/Program**

1. Loan Program
  - a. Monthly Loan Report – October 7, 2024 report was distributed to the Board. Late notices were sent to Big Slide (2 months), Denton’s Store (1 month), War Cannon (quarterly reminder) and Paper & Pencil (late notice to be sent as business sent interest only payment instead of full payments which began on September 1, 2024).
  - b. Trail Head Restaurant Group/Paper & Pencil (Ticonderoga): IDA, LCLGRP, NCA & AEDC have loans for project. Business is requesting all partners to extend interest payments as the grants they have received for project had unforeseen tax implications. IDA Board to review request at later meeting.
2. Straight Lease Back Transaction:
  - a. Regan Development (Ticonderoga) – Project application for tax credits was due and submitted on September 18, 2024. There will be no update until award announcements have been made in early 2025.

## **Business Park Development**

1. Moriah Business Park
  - a. Lot #4 Building (High Peaks Hospice) – No issues. Annual furnace service completed.
  - b. Entrance Sign Vandalism – Email was distributed from Essex County DA's Office. Mr. Furness has pleaded guilty. IDA will begin getting prices to repair the 3 damaged signs.
  - c. Lot #11 Construction Update – Environment class to be onsite next week to begin stumping of the proposed building location. The Construction trades class has a new teacher and the IDA will be meeting to discuss interest in building construction.
  - d. Whistlepig Rye Whiskey – No update
  - e. Stormwater Pond #3 Construction – Contractor awarded. Project to be completed in fall 2024.
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
    - Grant Review Committee
    - Confidentiality Agreement
    - Change to Application & Policy & Guidelines

**Motion #2024-56:** A motion to adopt the following Grant Review Committee members as Matt Maneri, Cole Trager, Myra Lawyer, Michael Davis and June Curtis, to adopt the confidentiality agreement which is standard for all Grant Review Committee members and to approve the following changes to the Application and Policy & Guidelines: the business must be open and operational before the application date to be eligible to apply for the grant was made by Matthew Courtright and seconded by James Monty. All members were in favor.

Public Meeting to be held October 10, 2024

Micro Training class to be held October 24, 2024

Grant applications are due November 7, 2024

- b. Adirondack Foundation SUN Fund – July 2024 Storm State of Emergency Grant – The IDA applied for and received \$10,000. Previously awarded 6 businesses, Westport Long Range Ventures LLC, no longer interested in grant so IDA will award to 5 businesses at \$2,000.

**Motion #2024-57:** A motion to approve 5 businesses with a grant amount of \$2,000 was made by James Monty and seconded by Darren Darrah. All members were in favor.

3. Workforce Development – In partnership with Department of Labor and SUNY, the SUNY Apprenticeship meeting is taking place tomorrow at the North Country Community College with 12 businesses attending.

## **New Business**

1. NYS Comptroller's Audit – Auditor will be meeting with interested board members after today's meeting to discuss findings.
2. New report/3<sup>rd</sup> Quarter Employee Time Report – new report was distributed to the Board. Board will be provided this report quarterly moving forward.

3. September Abstract for Payment

**Motion #2024-58:** A motion to approve the September Abstract for Payment was made by Jamie Rogers and seconded James Monty. All members were in favor.

4. August Financial Reports – No comments

5. Next Meeting Date – November 18, 2024 at 1:00PM

**Adjourn Meeting**

**Motion #2024-59:** A motion to adjourn the meeting at 2:10PM was made by Darren Darrah and seconded by James Monty. All members were in favor.