

**CARTHAGE INDUSTRIAL DEVELOPMENT CORPORATION
MINUTES OF MEETING SEPTEMBER 28TH, 2011**

Present: Bruce Armstrong, Wayne McIlroy, Bob Gormley, Terry Roche, Terry Buckley, Urban Hirschey, Derek Davis, Kevin Jordan, Tom Piche,

Proxy: Bruce Armstrong for Dave Zembiec

Absent: Michael Astafan

Excused: David Zembiec

Others Present: John McHugh and James Wright, Executive Director of DANC

Call to Order: President Gormley called the meeting to order at 4:41 p.m.

President Gormley noted Mr. James Wright's presence at the board meeting and extended a warm welcome.

President Gormley took a moment to acknowledge that this will be Kevin Jordan's last meeting with the CIDC, since he has accepted a position with Cornell Cooperative Extension of Jefferson County as their Executive Director. Mr. Gormley profusely praised Mr. Jordan and his service on the Board and indicated that he would love to have Mr. Jordan remain on the Board in some capacity. Mr. Gormley indicated that he would be personally exploring this option in the future.

Minutes: Motion made by Mr. Buckley, seconded by Mr. Armstrong, to accept the minutes of the September 28th, 2011. Motion carried unanimously.

REPORTS:

a. Main Street Grant Status

Mr. McHugh reported that there has been some unanticipated renovation costs associated with a couple of the projects involving asbestos abatement among other minor issues. He noted that these are old buildings and our experience is that surprises are uncovered all the time. Noting that the lighting bids have come in a bit lower than anticipated and projecting a conservative amount for pole installation, it appears that there will be about \$9,000 available from grant program commitments. He requested that all funds remaining from the lighting project plus an additional \$10,000 be made available for cost overruns within the various projects. It was noted that these funds would be made available as forgivable loans to the property owners as long as the projects remain in compliance with Main Street program requirements. Mr. Smith moved to approve utilization of the lighting project balance and an additional \$10,000 for miscellaneous cost overruns in the various projects to be made available as no interest forgivable loans subject to Main Street program requirements and proportional repayment if the properties are sold during the 7 year term. Mr. Buckley seconded the motion which carried unanimously. Mr. McHugh also indicated that we are still hopeful that all the projects will be completed by the end of the year.

Treasurer's Report

a. b. Financial Reports and Bills

Mr. McHugh gave his financial report, and distributed Profit and Loss Statement, Balance Sheet, Check Detail (bills), and Deposit Details for September. After review and discussion, motion by Mr. Piche, seconded by Mr. Davis to approve the financial report and pay the bills as presented. All were in favor.

EXECUTIVE SESSION (there was no executive session)

OLD/NEW BUSINESS

a. Invitation to Library Groundbreaking 9-29-11 at 11:00 am

Mr. McHugh reminded the board that the CIDC has been invited to the formal groundbreaking at 11:00 am tomorrow. The CIDC has had substantial involvement with the Library including providing loan guarantees and assisting with state and federal grant/loan applications.

b. Facility update

Mr. McHugh reported for the record the board's decision regarding holding back \$50,000 of the True-up payment due WEDA. This was cooperatively agreed to by WEDA and the board by e-mail recognizing the delay in receiving the shaft and the potential cost of installing the new shaft. He noted that a check for \$84,891.49 has been sent to WEDA which represents the balance of the True-up amount calculated by National Grid. He also pointed out that the CIDC has an agreement with Northbrook to send CIDC the National Grid True-up payment when received from them on or about February of 2012.

c. St. Lawrence Council of the Arts grant conduit for 2012

Mr. McHugh presented the letter received from Carthage Area Chamber of Commerce requesting the CIDC to be the conduit for an Arts Council grant they may receive in 2012. The funds would be used to continue the Village Concert series being held at the Farmers Market in July/August. He noted that the board has been the conduit for these funds the past few years and it does not require a lot of work. Mr. Piche moved for the CIDC to be the conduit for these funds in 2012 which was seconded by Mr. Smith and approved.

d. 1877 Apartments loan subordination

Mr. McHugh reported that Buckley Realty, LLC is requesting that we subordinate our forgivable loan, which the CIDC has with Buckley Realty, to a new loan that they are requesting from Carthage Federal Savings and Loan. It was noted that our loan is being forgiven over a 5 year period subject to payment of all taxes and utilities on the property. We are currently in the third year of the loan being forgiven. Mr. Hirschey moved to subordinate the CIDC's current loan with Buckley Realty, LLC to the additional loan being provided by CFS&L, conditioned upon Buckley Realty, LLC completing repainting of the metal work along the roof line and wherever paint is peeling on the building. Also, conditioned upon Buckley Realty, LLC paying all legal and closing costs associated with this modification in subordination. The motion was seconded by Mr. Jordan and approved with Mr. Piche abstaining (Noting that he is the president of CFS&L).

e. Settlement Confirmation-Data Tech

Mr. McHugh confirmed for the record that CIDC has accepted a settlement offer from Data Technology Group for early termination of their lease. The settlement which was endorsed via e-mail was for a total of \$25,000 including security deposit plus all office equipment and supplies remaining at the commercial space. The settlement represents approximately 19 months of rental income.

NEXT MEETING:

The next meeting of the board is scheduled for October 26th. There being no further business Mr. Gormley adjourned the meeting at 5:20 p.m.