



ECONOMIC DEVELOPMENT CORPORATION

Tuesday, February 12, 2019

Board Members Present	Board Members Excused
Robert Solenne, Chair	Supervisor Fred Lightfoote
Karen Parkhurst	David Bunnell, Secretary
Kevin Hill, Treasurer	Karen Springmeier
Joseph Bridgeford, Vice Chair	
Walt Matyjas	
Supervisor Robert Green, Jr.	
Supervisor Daniel Marshall	Guests
	Supervisor Fred Wille
	Harry Sicherman, Harrison Place Studio
Non-Board Members Present	
Suzanne Vary, Econ. Dev. Specialist	
Michael Wojcik, CFO	
Jessica Kazmark, Staff	Contract Staff
Brigitte Larson, Staff	Jim Coniglio, Underberg & Kessler
Bob Mincer, Staff	Serena Compitello, Underberg & Kessler

CALL TO ORDER: Robert Solenne called the meeting to order at 8:32 am. A quorum was present.

Introduction of Supervisor Wille:

Sue Vary introduced Town of East Bloomfield Supervisor, Fred Wille to the Board. Fred’s appointment to the OCEDC Board will be voted on at Thursday’s Board of Supervisor’s meeting. Fred Wille gave a brief summary of his background, noting that he is a former superintendent of Bloomfield schools as well as a former superintendent of Monroe & BOCES.

Introductions were made of all present members and Staff.

OLD BUSINESS:

Real Eats Loan Request:

Sue Vary explained that an updated commitment letter was sent to Dan Wise, regarding the \$200,000 OCEDC loan. He was undecided on whether to move forward with the loan due to the terms and conditions. As of yesterday, he would like to proceed. Dan understands the importance of the equity raise and is currently working on securing the \$380,000. Sue Vary

explained that the commitment letter expires March 1st, and recommended an extension to March 12th, the date of the next OCEDC meeting.

Serena Compitello arrived at 8:38 am.

Supervisor Dan Marshall made a motion to extend the currently existing commitment letter to Real Eats to expire on March 12, 2019. Karen Parkhurst seconded the motion. Unanimously approved. Motion carried.

OCR Grant from Ontario County:

Harry Sicherman reviewed the entire transaction for Real Eats with the Board. He explained that Ontario County is the grantee, will remain the grantee and is the primary entity, answerable to OCR. Harry reiterated that these are federal Community Development Block Grant funds which is a federal program administered by the State of NY through the Office of Community Renewal. The grant is made to Ontario County, but the OCEDC will be administering the grant on behalf of Ontario County. Harry stated that the Grant agreement was drafted and given to Jim to look over. The environmental review will be the responsibility of the municipal applicant. \$16,000 of the grant funds were made available for administrative services and an RFP was sent to multiple agencies, with Harry Sicherman being the only response. Harry will be working with Staff to make sure things are completed.

James Coniglio arrived at 8:42 am.

Harry continued to go over the outline of the loan, explaining the responsibilities of the OCEDC and that the repayment of the \$734,000 can be retained by the OCEDC as unrestricted funds. – Harry stated in the event that due diligence is not completed and jobs are not created, that the monetary liability would be that the OCEDC may be required to pay back the County. The County would then pay back the State. Requirements of the OCR are that the project must be implemented as proposed in the application, and that the jobs must be created. Federal Statute requires 51% low-mod job creation, a factor that will be met due to the location of the Company. Harry explained that the biggest liability will be making sure that employees are hired if money is drawn out. Harry explained to the Board that he had a lengthy discussion with OCR staff as well as the president of OCR, and that they made a serious concession, allowing the money to be funded without the jobs being created or the private equity being raised. Sources and use of funds table was submitted to OCR and the application has an approval date of December 13th. As for jobs, funds will not be made available until documentation is shown. \$15,000 will be funded per job, and Harry stated that Real Eats has already created 10 jobs since the first of the year. \$734,000 federal funds and the OCEDC will be able to use the repayment. Harry stated that he will be requiring updated in-house P+L and balance sheets prior to each draw, as well as sufficient documented efforts to increase sales as evidenced by increased marketing activities. As for the loan, the OCEDC is the lender of record, and will receive funds upon request from the County. Harry stated that when the draw request comes in, the OCEDC will prepare all the draw forms with his assistance. Harry stated there will be a closing at some point but there is nothing scheduled as of yet. Harry also suggested interest only during the draw period, valid until October 1st, and then proceeds with the amortization schedule.

Kevin Hill made a motion to authorize the agreement between the OCEDC and Ontario County for the OCR grant, pending legal review. Walt Matyjas seconded the motion. Unanimously approved. Motion carried.

Supervisor Dan Marshall made a motion to approve the loan conditions and terms as outlined, to include interest only during the draw period, followed by a 60 month amortization. Kevin Hill seconded the motion. Unanimously approved. Motion carried.

ADMINISTRATION:

January 24, 2019 Minutes:

Rob Sollene presented the January 24, 2019 minutes for approval as presented.

Supervisor Dan Marshall made a motion to approve the January 24, 2019 minutes as presented. Joe Bridgeford seconded the motion. Motion unanimously carried.

Policies & Procedures:

Michael Wojcik explained that there is an addition to the Policy and Procedures titled “Preferred Source Procurement”, which has been required by the Authorities Budget Office (ABO). This states that under Section 162(4) of State Finance Law, public authorities and public benefit corporations are to purchase certain approved products and services from preferred sources if available. There are currently three Preferred Source Organizations that shall be reviewed for needed product and services. Any product or services secured from these organizations are exempt for the State’s required competitive bid process. There are no other significant changes.

Joe Bridgeford made a motion to approve the updates to the OCEDC Policies & Procedures. Supervisor Dan Marshall seconded the motion. Unanimously approved. Motion carried.

Appointment to new terms/Slate of Officers/Committee Assignments:

Sue Vary explained that the Governance Committee met and presented the following recommendations:

Appointment to a new term: (4/1/2019 through 3/31/2022)

- Rob Sollenne
- Dave Bunnell
- Walt Matyjas

Slate of Officers: (annually)

- Chair – Rob Sollenne
- Vice Chair – Joe Bridgeford
- Secretary – David Bunnell
- Treasurer – Kevin Hill

Committee Assignments: (annually)

- Governance Committee
 - Karen Springmeier
 - Joe Bridgeford
 - Supervisor Fred Lightfoote
- Audit Committee
 - Kevin Hill
 - David Bunnell
 - Supervisor Fred Wille
- Finance Committee

- Karen Parkhurst
- Rob Sollenne
- Walt Matyjas
- Small Business Committee
 - Karen Parkhurst
 - Karen Springmeier
 - Supervisor Dan Marshall
- FTZ Advisory Board
 - Karen Parkhurst

Karen Parkhurst made a motion to approve the appointment of the new terms, the recommended Slate of Officers (annually), and the recommended Committee Assignments (annually). Walt Matyjas seconded the motion. Motion unanimously carried.

2019 Master Agreement:

Michael Wojcik noted any changes to the 2019 Master Agreement, the annual contract with Ontario County for services for the OCEDC. Rates were updated based on the prior year. *Kevin Hill made a motion to accept the 2019 Master Agreement. Karen Parkhurst seconded the motion. Supervisor Dan Marshall abstained. Unanimously approved. Motion carried.*

Annual Real Property Report:

Michael Wojcik presented the Annual Real Property Report for review, stating that the OCEDC owns no property.

Supervisor Dan Marshall made a motion to accept the Annual Real Property Report as presented. Kevin Hill seconded the motion. Unanimously approved. Motion carried.

Annual Banking Report:

Michael Wojcik presented the Annual Banking Report for review.

Joe Bridgeford made a motion to accept the Annual Banking Report as presented. Kevin Hill seconded the motion. Unanimously approved. Motion carried.

Invoices for payment:

Michael Wojcik reviewed and submitted the invoices for payment for approval, which included 14 invoices totaling \$68,639.25. It was also noted that the loan for Star Cider closed last week.

Supervisor Dan Marshall made a motion to approve the invoices for payment. Kevin Hill seconded the motion. Unanimously approved. Motion carried.

Surmotech Late Charge:

Michael Wojcik explained to the Board that Surmotech had a late payment and was requesting the charge be waived. Michael stated that the Company has never been late before and that they called to let the office know.

Joe Bridgeford made a motion to waive the \$150 late charge for Surmotech. Karen Parkhurst seconded the motion. Unanimously approved. Motion carried.

January Financial Statements:

Michael Wojcik reviewed the OCEDC's financial statements as of January 31, 2019.

Karen Parkhurst made a motion to accept the January 2019 financial statements as presented, seconded by Kevin Hill. Motion unanimously carried.

Sue Vary informed the Board that former member, Mary Luckern, has passed away.

ADJOURNMENT:

Joe Bridgeford made the motion to adjourn the meeting at 9:41 a.m. Walt Matyjas seconded the motion. Motion unanimously carried.

Respectfully submitted,

Brigitte Larson, Staff