



ECONOMIC DEVELOPMENT CORPORATION

Tuesday, April 14, 2020

Board Members Present	Board Members Excused
Robert Solenne, Chair	David Bunnell, Secretary
Joseph Bridgeford, Vice Chair	
Supervisor Fred Lightfoote	
Kevin Hill, Treasurer	
Supervisor Fred Wille	Guests
Erica Wright	
Walt Matyjas	
Supervisor Dan Marshall	
Karen Parkhurst	
Karen Springmeier	
Non-Board Members Present	
Mike Manikowski, Executive Director	
Suzanne Vary, Staff	
Michael Wojcik, CFO	Contract Staff
Jessica Kazmark, Staff	James Coniglio, Underberg & Kessler
Brigitte Larson, Staff	
Bob Mincer, Staff	

CALL TO ORDER: Robert Solenne called the meeting to order at 8:31 a.m. A quorum was present.

NEW BUSINESS:

Next Gen Building Components:

Suzanne Vary and Michael Wojcik went over the Next Gen request. The Company currently has 52 FTEs and will add 42 over the next three years. The loan request is in the amount of \$306,000 over a seven-year term. Loan proceeds will be used for remodeling of the building, to include additional restrooms and expand the Company’s parking. It was discussed that the impact of the COVID-19 pandemic could be an issue in the future but that it is a solid company.

Michael Wojcik presented the projections and explained that the Company also submitted an application to Empire State Development for assistance. OCEDC funds will account for about 50% of the total project. Michael also stated that the Company does have a line of credit.

Kevin Hill made a motion to fund the Next Gen request in the amount of \$306,000 contingent on the following:

- *The term of the \$306,000 loan requested to be 7 years (84 months) at 75% of prime at time of closing.*
- *Second security interest behind ESL on all assets except those identified specifically by leased equipment through other lenders. Rochester Lumber Company (RLC) currently has a perfected security interest in specifically identified assets along with a blanket on all other assets behind ESL and the note was paid in full in January 2020. This UCC should be transferred to the EDC.*
- *Interest payable to Wm. B. Morse Company accrued until the EDC debt is paid in full.*
- *Personal guarantee of sole owner, Katherine Morse, of the Company.*
- *Life insurance on sole owner, Katherine Morse, for the loan amount with the borrower responsible for all premiums and ensuring that the policy remains in force for the life of the loan. The insurance may be decreased during the life of the loan but never below the existing loan balance.*
- *Semi-annual (June and December) compiled statements or better due 30 days following the close of the month unless reviewed or audited financial statements are produced at year end, in which case, either a reviewed or audited financial report will fulfill the financial reporting requirement.*
- *Copy for federal tax return - Form 1120 if financial statements provided are compiled. No tax returns due if financial statements provided are reviewed or audited.*
- *Employment reporting due at the end of January and July of each year the loans are outstanding.*

ADMINISTRATION:

March 17, 2020 Minutes:

Rob Sollenne presented the March 17, 2020 minutes for approval as presented.

Dan Marshall made a motion to approve the March 17, 2020 minutes with one change, that Erica Wright will be added to the Governance Committee and does not depend on Karen Springmeier's retirement. Karen Parkhurst seconded the motion. Motion carried.

OED Response to COVID-19:

Mike Manikowski explained that Staff is keeping the website updated with COVID-19 resources and sending out any information available to our local business list. The County's IT department is also working to add updates and information to Facebook, Instagram and Twitter. Mike also stated that he and Sue have put together a team of representatives from different sectors and municipalities to discuss plans and updates.

Report on Principal Deferments:

Suzanne presented a report to the Board that detailed which businesses have requested a six-month deferment. Sue stated 11 loans have been deferred out of a total 19.

FTZ289 Annual Report:

Bob Mincer provided a brief summary of the report. Bob stated that 95% of goods were distributed in the domestic market. Bob also indicated that a total of \$60,871,167 worth of materials were shipped from the zone.

Invoices for Payment:

Michael Wojcik reviewed and submitted the invoices for payment for approval, which included 6 invoices totaling \$14,989.80.

Karen Springmeier made a motion to approve the invoices for payment. Kevin Hill seconded the motion. Motion unanimously carried.

The Board and Staff discussed the current situation briefly. Staff will communicate any updates.

ADJOURNMENT:

Karen Springmeier made the motion to adjourn the meeting at 9:23 a.m. Kevin Hill seconded the motion. Motion unanimously carried.

Respectfully submitted,

Brigitte Larson, Staff