



ECONOMIC DEVELOPMENT CORPORATION

Tuesday, September 11, 2018

Board Members Present	Board Members Excused
David Bunnell, Secretary	Karen Parkhurst
Kevin Hill, Treasurer	Jodi Earle
Robert Solenne, Chair	
Karen Springmeier	
Joseph Bridgeford, Vice Chair	
Supervisor Daniel Marshall	
Walt Matyjas	Guests
Supervisor Fred Lightfoote	Brian Young, Deputy County Administrator
Supervisor Robert Green, Jr.	
Non-Board Members Present	
Mike Manikowski, Executive Director	
Suzanne Vary, Econ. Dev. Specialist	
Michael Wojcik, CFO	Contract Staff
Jessica Kazmark, Staff	Jim Coniglio, Underberg & Kessler, Local Counsel
Brigitte Larson, Staff	Harry Sicherman, H. Sicherman & Company, Inc.

CALL TO ORDER: Robert Solenne called the meeting to order at 8:30 am. A quorum was present.

NEW BUSINESS:

Star Cider:

Sue Vary reminded the Board about Star Cider, a Start Up NY business through FLCC, that is looking to build a new facility in Canandaigua to produce and sell its cider. Star Cider is asking for \$150,000 from RLF and \$70,000 from GAIN funding, totaling \$220,000, with a rate review every 3 years on the RLF funds. The funds would be used to purchase new equipment and to help with the construction of the new building. The new facility would be located near CMAC and would benefit immensely from the event traffic. The Finance Committee recommended funding this loan contingent the following:

- Second position mortgage subordinate to Lyons National Bank.
- Second position security interest on all business assets subordinate to Lyons National Bank.
- Personal guarantees of the three principals, Nathan Stahl, Adam Stahl and Cortni Stahl.

- Life insurance in the amount of \$100,000 on Cortni Stahl and the remaining balance between Adam Stahl and Nathan Stahl.

Sue Vary and Michael Wojcik explained that all principals have full time jobs and that they do not plan on leaving their employers. It was also stated that the Company would be hiring 4 new employees within 3 years, as well as potentially working with interns through FLCC. It was also noted that Star Cider will not be preparing food at this facility.

Supervisor Dan Marshall made a motion to approve the Finance Committee's recommendation of a 10 year loan for Star Cider, contingent on the terms noted above. Karen Springmeier seconded the motion. Unanimously approved. Motion carried.

Real Eats:

Mike Manikowski explained that the original request presented at the last OCEDC meeting from Real Eats has changed. The original request was for a \$400,000 loan. The loan request now consists of \$200,000 from the City of Geneva RLF, and a \$750,000 CDBG grant from Homes & Community Renewal (HCR) from the State. For the HCR grant, the County would have to be the applicant. This would involve the OCEDC bringing a resolution for the County to hold a public hearing and another resolution to apply for the HCR grant to the Planning and Environmental Quality Committee and the Ways and Means Committee. If both committees pass the resolutions, they will then be brought to the Board of Supervisors for approval. If the application is approved by the State, the funds would go to the County and then be disbursed to the OCEDC. The OCEDC would then lend the funds to Real Eats. As the loan is paid back by Real Eats, those funds are de-federalized and will become OCEDC funds to lend to future projects.

Dave Bunnell asked about the facility Real Eats occupies as it is a community kitchen in Geneva. Mike Manikowski explained there are still a lot of details that will be worked out, but that it has been suggested that Real Eats buy the facility. Mike also commented that Board member Karen Parkhurst recently ordered from Real Eats and was extremely impressed with both the packaging and portion sizes. Excell Partners will be doing a complete competitive review of the landscape including Blue Apron, Freshly, etc. most of which are based in New York City.

Mike introduced Harry Sicherman of The Harrison Studio. Harry explained that this is a two-step process in terms of the financing. Harry went on to say that in order to apply for the grant that it needs to be done by the municipal entity which would be the County. Once approved, the funds would be awarded to the County. From there the County would enter a grant agreement with the OCEDC, who will then be able to loan out the funds to Real Eats. As long as there is an agreement between the County and the OCEDC, any funds paid back as a result would be unrestricted funds of the OCEDC. Harry stated that the grant application will not be funded until other funding is committed. The process can take between 60 and 90 days due to an environmental review, analysis process and public hearings. Risk and protection were brought up as concerns by the Board, due to a project in the past that had not gone as planned. Harry explained that there will be some risk due to the contract will be between Ontario County and the State, and that there are statutory minimums for job creation. Harry also stated that there will be protection built in, based on the nature of the project. Mike Manikowski explained that this has not been done in years and that many of the Supervisors may need to be educated in the process, and explained the benefits of this project.

Supervisor Bob Green Jr. made a motion to authorize staff to pursue the path for the HCR grant application in the amount of \$750,000. Kevin Hill seconded the motion. Unanimously approved. Motion carried.

ADMINISTRATION:

August 14, 2018 Minutes: Rob Sollene presented the August 14, 2018 minutes for approval. *Supervisor Fred Lightfoote made a motion to approve the August 14, 2018 minutes as presented. Supervisor Dan Marshall seconded the motion. Motion unanimously carried.*

Invoices for payment: Michael Wojcik reviewed and submitted the invoices for payment for approval, which included 4 invoices totaling \$5345.65. *Supervisor Bob Green Jr. made a motion to approve the invoices for payment. Kevin Hill seconded the motion. Motion unanimously carried.*

August 2018 Financial Statements: Michael Wojcik reviewed the OCEDC's financial statements as of August 31, 2018. *Walt Matyjas made a motion to accept the August 31, 2018 financial statements as presented, seconded by Supervisor Fred Lightfoote. Motion unanimously carried.*

ADJOURNMENT:

Dave Bunnell made the motion to adjourn the meeting at 9:28 am. Supervisor Fred Lightfoote seconded the motion. Motion unanimously carried.

Respectfully submitted,

Brigitte Larson, Staff