

**TOWN OF UNION
LOCAL DEVELOPMENT CORPORATION
MEETING MINUTES**

THURSDAY, MAY 21, 2015

The Town of Union Local Development Corporation met for its regular meeting on Thursday, May 21, 2015 at the Town of Union Office Building, located at 3111 East Main Street, Endwell, NY 13760

THE MEETING WAS CALLED TO ORDER AT 7:56 A.M.

- I. **MEMBERS PRESENT:** Stephen Trichka, Diane Julian, Robert Corwin, Gary Leighton, Kay Adams, James Peduto, David Roth

MEMBERS ABSENT: None

OTHERS PRESENT: Rose Pope (LDC Counsel)

STAFF PRESENT: Joseph Moody, Robin Shimer

II. APPROVAL OF THE MINUTES

Minutes of the Regular LDC Board Meeting of April 23, 2015 were reviewed and approved.

 Motion: Jim Peduto

 Motion 2nd: Gary Leighton

 Motion: To approve the minutes of the Regular LDC Board Meeting held on April 23, 2015.

 Vote: All yes, motion approved (6-yes, 0-absent, 1-vacancy).

III. PRESIDENT'S REMARKS

- A. President Trichka referenced the agenda's items and the potential disbursing of LDC financing.

IV. DIRECTOR'S REMARKS

- A. Director Moody said he recently visited Dr. Distin for signing of 2014 tax filing forms. Also, he said the Board-directed certificate of recognition has been prepared for former President Distin. Per the Board's request, Messrs. Moody and Trichka will deliver the certificate to Dr. Distin's home on a date of his convenience.

V. OLD BUSINESS

- A. Mr. Moody brought before the Board a request by Beautiful Streamer, LLC/Spectra Products, LLC for a six month extension of the June 24, 2015 loan call date. The request is sought to parallel a possible time frame extension by First Niagara Bank. The LDC has already provided one three-month extension. Mr. Roth asked what the loan balance is. Ms. Julian said she believed the balance was approximately \$80,000. Review of April's loan

statement showed \$80,537.35 is owed to the LDC. Mr. Moody said the original loan amount was \$140,000. Ms. Julian asked if Beautiful Streamer, LLC/Spectra Produces, LLC is still a functioning business. Mr. Moody replied the building will soon lose a tenant. The tenant vacating the building can contractually trigger a loan call. Ms. Adams asked about chain of title process regarding the building. In response, it was shared that the LDC is in second position to the bank. Mr. Trichka referenced the importance of distinguishing the difference, for reporting purposes, of whether the LDC is paid off in the current calendar year. If the Board approves another extension, he favors a three month period versus a six month time frame. His predominant concern is assurance of sufficient time to report data within the required time period. Mr. Moody concurred that achieving payoff by HUD's September 30th reporting deadline is desirable. Messrs. Corwin and Leighton sought deadline verification of the successive current and potential extension periods. Mr. Moody affirmed the previously approved three month notification of the loan call on June 24, and that another extension would result in a September 24, 2015 ending date. He said payments are now being made. Ms. Julian said a three month extension would provide for closer monitoring of payments. Mr. Peduto commented there is significant possibility of missed payments if the recipient's requested bank refinancing and building occupancy needs are unmet. Ms. Adams remarked upon the importance of actively seeking tenants, both in a revenue sense and as an indication of desire to meet obligations. Ms. Julian said two justifiable stipulations for approving a three month extension would be requiring the business to actively market the building and also to actively seek tenants. In conclusion to Board discussion regarding the loan recipient's request for a six month extension of the June 24, 2015 loan call date, Mr. Trichka summarized the Board's expressed loan extension requirements as follows: (1) three months as the time frame of an extension, (2) such extension is to be supported by evidence of active marketing of selling or leasing of the building and also active seeking of tenants, (3) adherence without exception to no missed payments, and (4) such extension will be the last Board approved time extension. Mr. Trichka then requested a motion to approve a time extension of the current loan call date of June 24, 2015 to Beautiful Streamer, LLC/Spectra Products, LLC based on the above-stated terms.

Motion: Diane Julian

Motion 2nd: Kay Adams

Motion: To approve a time extension of the June 24, 2015 loan call date to Beautiful Streamer, LLC/Spectra Products, LLC. The extension terms are as follows: (1) the extension is for a three month period ending on September 24, 2015, (2) the extension is to be supported by evidence provided to the LDC Board of active marketing of selling or leasing of the building and also active seeking of building tenants, (3) adherence without exception to no missed payments, and (4) such extension will be the last Board approved time extension to Beautiful Streamer, LLC/Spectra Products, LLC.

Vote: All yes, motion approved (6-yes, 0-absent, 1-vacancy).

Mr. Trichka verified that Counsel Rose Pope would assist in crafting a letter to Beautiful Streamer, LLC/Spectra Products, LLC conveying the Board's actions and requirements of the approved extension.

VI. NEW BUSINESS

A. Mr. Moody presented to the Board a request by John Seliga of Renaissance Realty and Management LLC for a Commercial Facade loan in the amount of \$40,000. The requested loan terms are a zero percent interest rate for fifteen years. The purpose of

the loan is to assist in exterior renovation and addition of a patio area of a building located at 119 Odell Avenue in Endicott. Mr. Moody referenced photos of the building supplied by Mr. Seliga. The Board and Mr. Moody reviewed the photos in conjunction with discussing Mr. Seliga's renovation plans and building use. Mr. Moody referenced the applicant's financial statement and loan terms. He also said that, although Mr. Seliga is seeking a fifteen year payment period, he is more comfortable with the typical commercial loan payment period of five years and correlative monthly payment amount of \$667.00. There is a first mortgage of \$24,000 on the property with a private mortgage holder; the LDC would be in second position. Based on the provided documentation, the Board members expressed reservation about the applicant's ability to achieve his projected scope of renovation and to generate the level of revenue needed for loan payments. To offer the applicant further opportunity to provide greater information, the Board asked Mr. Moody to invite Mr. Seliga to the June, 2015 meeting. Additional project detail sought by the Board includes financial documentation showing evidence of sufficient cash flow for meeting loan payment obligations.

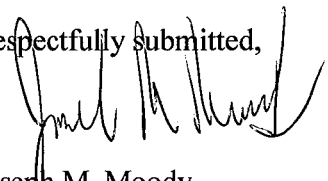
VII. OTHER BUSINESS

- A. Mr. Moody said he and Vice President Julian (as 2014 Board Treasurer) recently co-signed a \$275 check applicable to the LDC's 2014 tax filing. The tax returns were prepared by Piaker & Lyons, CPAs. The check was submitted to the New York State Department of Law Charities Bureau; it represents the annual filing fee for charitable organizations.
- B. Mr. Moody and Counsel Rose Pope shared with Board members an update on the Subrecipient Agreement.

VIII. ADJOURNMENT

- A. There being no further business to come before the Board, President Trichka adjourned the meeting at 8:42 a.m.

Motion: Jim Peduto
Motion 2nd: Bob Corwin
Motion: To approve adjournment of the May 21, 2015 LDC Board meeting.
Vote: All yes, motion approved (6-yes, 0-absent, 1-vacancy).

Respectfully submitted,

Joseph M. Moody
Director