

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

**THURSDAY, DECEMBER 17, 2015**

The Town of Union Local Development Corporation met for its regular meeting on Thursday, December 17, 2015 at the Town of Union Office Building, located at 31 11 East Main Street, Endwell, NY 13760

**THE MEETING WAS CALLED TO ORDER AT 8:00 A.M.**

I. **MEMBERS PRESENT:** Diane Julian, Robert Corwin, Gary Leighton, James Peduto, David Roth

**MEMBERS ABSENT:** Stephen Trichka, Kay Adams

**OTHERS PRESENT:** Rose Pope (LDC Counsel)

**STAFF PRESENT:** Joseph Moody (Director), Robin Shimer (Admin. Asst.)

**II. APPROVAL OF THE MINUTES**

Minutes of the LDC Regular Board Meeting of November 19, 2015 were reviewed and approved.

Motion: James Peduto

Motion 2nd: Gary Leighton

Motion: To approve the minutes of the LDC Regular Board Meeting held on November 19, 2015 as written.

Vote: All yes, motion approved.

**III. VICE PRESIDENT'S REMARKS**

A. Vice President Julian extended to all meeting attendees a warm welcome and her best wishes for an enjoyable holiday season and a rewarding new year.

**IV. DIRECTOR'S REMARKS**

A. Director Moody noted the recent awarding of \$500,000,000 over five years in Upstate Revitalization Initiative (URI) funds to the Southern Tier. The first \$100,000,000 may have already been allocated. That allocation may include Town of Union projects, such as the 1 North Page Avenue demolition project the LDC is participating in. The GB Eco System Fund, Goodwill Theatre, Chugnut Trail design, demolition of Lester Ave. bldg. are among other projects possibly receiving URI funding. Mr. Leighton asked what the process was for determining project funding approval. Mr. Moody said the process begins with scoring of projects by the Regional Economic Development Council, then participation by the Empire State Development Corporation for economic development projects and by other various state departments regarding projects that fall within their respective realm. Mr.

Moody said some applicants submitted applications for both URI and Consolidated Funding Application (CFA) funding, in order to assure optimal possibility of receiving grant funds. Mr. Corwin sought verification that URI funding of \$500,000 awarded to National Pipe & Plastics (NP&P) for 1 North Page Avenue is in addition to the \$300,000 previously approved by the Town of Union Local Development Corporation. Mr. Moody affirmed that a total amount of \$800,000 total has been approved.

## V. OLD BUSINESS

A. Mr. Leighton asked Counselor Pope for her insight and an update on the RSpoor Enterprises foreclosure situation. Ms. Pope said the foreclosure process is moving forward (absent a new arrangement between Mr. Spoor and M&T Bank by which his bank-related financial obligation would be met), and the LDC has preserved with the court its secondary lender position regarding potential recovery of unanticipated excess funds. Mr. Leighton inquired about Mr. Spoor's loan balance with the bank. He then referenced the forthcoming LDC audit and recommended Board determination should be made concerning the percentage of the loan balance to be written off. He suggested that, if the LDC anticipates non-recovery of funds, 100% or 67% of the loan balance may be appropriate write off amounts to consider. Mr. Moody inquired if it would be most prudent to take such action in year one or apply a loan loss provision for the full amount when it is more apparent. Mr. Leighton noted the loss recording approach can be to isolate it as a reserve for bad debts, which would be credit and debit provision for loan expense. If the full amount owed is written off, the loans outstanding would be reduced. If a portion of the balance is written off, reserve for bad debts would be the corresponding recordkeeping approach. Mr. Moody asked if it would be appropriate to write off the full amount as a loan loss provision by the end of the year. Mr. Leighton said if the entire amount is put in a reserve for bad debts, the entire amount should be charged off. He noted that a reserve is set up for a portion of a write off. Ms. Julian said any foreclosure funds obtained by the LDC would be identified as a recovery. Mr. Leighton said if it is doubtful the LDC will recover any foreclosure related funds and the Board does not address the situation, auditors may define LDC recordkeeping as a material misstatement. Mr. Moody then asked Board members what their preferred course of action was. It was decided the Board would take action following the pending outcome of Mr. Spoor's and M&T Bank's interaction to possibly define a method by which Mr. Spoor's bank-related financial obligations would be honored.

There was agreement to write off fifty percent of the loan, in recognition that a greater write off percentage may ultimately be the Board's final course of action. Vice President Julian requested a motion to approve the transition of one-half of the RSpoor Enterprises, LLC outstanding receivable to reserve for bad debt.

Motion: Gary Leighton  
2nd: Motion: James Peduto  
Motion: To approve the transition of one-half of the RSpoor Enterprises, LLC outstanding receivable to reserve for bad debt. The transition amount is \$22,686.58 of the \$45,373.15 loan balance.  
Vote: Motion approved (Yes - 4 No - 0, Abstain - 0).

## VI. NEW BUSINESS

- A. Mr. Moody presented a Resolution request by Timothy Connolly of 2719-2725 Plaza LLC for Commercial Facade Loan Program financing in an amount not to exceed \$60,000 to be paid back over a five (5) year term at 0% interest, to assist in plaza facade renovation of the plaza located at 2719-2725 East Main Street in Endwell. He noted that Mr. Connolly owns First General Services. Mr. Moody said Mr. Connolly has provided timely payments on his current LDC loan and fulfilled his job creation requirement. He said the plaza renovation is a worthwhile project. If approved, the Board would have secondary position behind the mortgage holder. Mr. Roth sought affirmation of the time period and the \$140,000 amount of Mr. Connolly's prior loan request. Mr. Moody affirmed those prior loan details. Ms. Julian stated that the present loan request is intended to assist multiple businesses in the plaza by significantly improving the facade. Mr. Corwin shared with the Board his familiarity with Mr. Connolly. He commented that he had multiple questions about the loan, lease data, inclusion of construction material data, and accuracy of projected costs and income. He said Mr. Moody has answered some of those questions. Mr. Corwin estimated the requested \$60,000 loan amount may actually be understated by about \$40,000. Mr. Moody affirmed, if approved, the LDC loan will be up to \$60,000 and nothing more. Ms. Julian inquired if there is any indication on delinquent credit on Mr. Connolly's credit report. Mr. Moody replied there was no such indication. Mr. Peduto inquired about the duration of the leases and pending expiration dates. Vice President Julian asked the Board Members if they had further questions. She requested a motion to approve the loan under the terms stated in the narrative pertaining to the \$60,000 Commercial Facade loan request by Timothy Connolly of 2719-2725 Plaza LLC.

Motion: Jim Peduto  
2nd: Motion: Gary Leighton  
Motion: To approve a request by Mr. Timothy Connolly of 2719-2725 Plaza LLC for Commercial Facade Loan Program financing in an amount of up to \$60,000 to be paid back over a 5 year term at 0% interest, to assist in plaza facade renovation of the plaza located at 2719-2725 East Main Street, Endwell, New York.  
Vote: Motion approved (Yes - 4, No - 0, Abstain - 0)

## VII. OTHER BUSINESS

- A. Vice President Julian inquired if there was any additional business to come before the Board. Mr. Moody and Mr. Peduto referenced the prior meeting of the Board's International Economic Development Council (IEDC) Committee. They remarked that Mr. Moody, Mr. Peduto and Councilman Mack met with Ms. Kim Robinson to potentially assist the LDC with database recording of marketable town sites. It is anticipated her proposal will be provided and reviewed in January, 2016. Securing needed financing for the database project is being explored. Ms. Julian asked if there was an update on the Seliga project. Mr. Moody said the Commitment Letter is being drafted.

## VIII. ADJOURNMENT

- A. Vice President Julian inquired if there was any further business to come before the Board. She then requested a motion to adjourn the December 17, 2015 Regular LDC Board meeting.

Motion: Jim Peduto

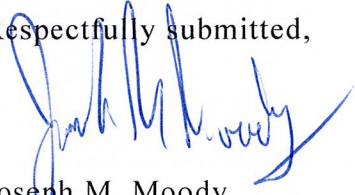
2nd: Motion : Bob Corwin

Motion: To approve the adjournment of the December 17, 2015 Regular LDC Board meeting.

Vote: Motion approved (Yes - 4, No - 0, Abstain - 0 )

The meeting was declared adjourned at 8:37 a.m.

Respectfully submitted,



Joseph M. Moody  
Director