



ECONOMIC DEVELOPMENT CORPORATION

Tuesday, October 12, 2021

Board Members Present	Board Members Excused
Robert Solenne, Chair	Kevin Hill, Treasurer
Joseph Bridgeford	David Bunnell, Secretary
Supervisor Peter Ingalsbe	Walt Matyjas
Supervisor Fred Lightfoote	
Karen Parkhurst	
Lynn Freid	Guests
Erica Wright, Vice Chair	Michael Sykes, Ontario County Workforce Development
Supervisor Fred Wille	Christopher DeBolt, County Administrator
Non-Board Members Present	
Mike Manikowski, Executive Director	
Suzanne Vary, Staff	
Bob Mincer, Staff	Contract Staff
Jessica Kazmark, Staff	Ed Russell III, Underberg & Kessler (via Zoom)
Michael Wojcik, Staff	
Brigitte Larson, Staff	

CALL TO ORDER: Chair Rob Solenne called the meeting to order at 8:30 a.m. A quorum was present.

County Administrator Christopher DeBolt was present to give the Board an update on the Economic Developer position.

Karen Parkhurst made a motion to enter Executive Session at 8:30 a.m. Supervisor Fred Wille seconded the motion. Motion carried.

Joe Bridgeford made a motion to exit Executive Session at 9:10 a.m. Supervisor Fred Wille seconded the motion. Motion carried.

NEW BUSINESS:

Canandaigua Chamber of Commerce:

Karen Parkhurst stated that the Finance Committee met to discuss the deferred payment note for Studio113 in the amount of \$40,000. Milestones include buildout completion and 70% occupancy within two years. The Finance Committee has recommended approval. It was discussed that the funds would be allocated to the buildout.

Erica Wright made a motion. Supervisor Fred Wille seconded the motion. Unanimously approved. Motion carried.

Finger Lakes Goods:

Suzanne Vary reminded the Board of the request for OCEDC assistance in the amount of \$180,000. Funds would be used as part of a \$973,000 project to expand the business. EDC will assist with phases two and three; expansion.

Michael presented the projections, stating that the total project cost is \$973,500 and includes funding from the following sources: City of Geneva RLF, CDBG Grant through the City of Geneva, equity and private investors. This loan will be contingent on a \$180,000 loan from the City of Geneva RLF, \$300,000 investor capital raise and proof of \$125,000 equity investment. The Company plans to retain 2 FTEs and add 6 FTEs within three years. Sue Vary also shared that the City of Geneva has approved the request contingent on proof of the \$300,000.

Supervisor Peter Ingalsbe made a motion to fund the loan contingent on the following:

- *The term of the \$180,000 loan requested is requested to be 5 years (60 months) fixed at either three percent (3.0%) or the Wall Street Journal prime rate in effect at the date of closing minus one quarter percent (0.25%), whichever is higher.*
- *Shared first security interest with the City of Geneva.*
- *Personal guarantee of the sole owner, Jim Cecere.*
- *A \$180,000 life insurance policy on the key active owner Jim Cecere 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.*
- *\$300,000 deposit of funds into the corporate account from a private equity raise.*
- *\$125,000 capital contribution from the current sole owner, Jim Cerere.*
- *Semi-annual (June and December) compiled statements or better due 30 days following the close of the month.*
- *Copy for federal tax return of the LLC 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.*

Supervisor Fred Lightfoote seconded the motion. Unanimously approved. Motion carried.

OLD BUSINESS:

Workforce Development:

Mike Sykes from Ontario County Workforce Development presented a chart of the expenditures from the EDC funding for 2021. Mike stated that they are doing very well this year and that many employers have inquired about reimbursements for technical training. Companies included in the program are Hollerhorn Distilling, Surmotech and Vertex Optics. At this time, Workforce Development is not requesting additional funds from the EDC.

Mike Manikowski and Suzanne Vary commented on how great the program is and that Jim Armstrong works closely with Workforce Development to determine what programs may be helpful.

CDBG CARES Act funding:

Mike Manikowski informed the Board that the OCR Grant agreement has been reviewed by EDC counsel. The funds will go to the County and the EDC is the sub recipient of the \$1 million in CDBG CARES Act funds. The County attorneys are in the process of reviewing the contract. The County has approved a contract with Ostrander Consulting to work with OED staff and the Finger Lakes Visitors Connection to assist with the process. The funds will assist local businesses in Ontario County that have been impacted by the COVID-19 pandemic.

ADMINISTRATION:

September 14, 2021 Minutes:

Rob Sollenne presented the September 14, 2021 minutes for approval.

Karen Parkhurst made a motion to approve the September 14, 2021 minutes as presented.

Supervisor Fred Wille seconded the motion.

It was discussed that listing the loan terms in the meeting minutes may not be necessary.

Motion carried.

Budget:

Michael Wojcik presented the EDC budget for 2022. The budget was reviewed by the Finance Committee last week and was recommended for approval. Michael stated that there will be \$1 million coming in from the CDBG CARES Act and that it will require a single audit to be performed. Expenses are consistent with past budgets. Consultant Services includes funding for the Harrison Studio and a contract with Mike Manikowski for consulting in 2022 of 5 hours per week. It was also discussed that \$50,000 is budgeted for deferred loans.

Joe Bridgeford made a motion to approve the budget as presented. Karen Parkhurst seconded the motion. Unanimously approved. Motion carried.

Invoices for Payment:

Michael Wojcik reviewed and submitted the invoices for payment for approval, which included 3 invoices totaling \$8,844.50.

Supervisor Peter Ingalsbe made a motion to approve the invoices for payment. Karen Parkhurst seconded the motion. Motion unanimously carried.

Questions on Informational Reports:

Financial Statements & Investment Report:

Michael Wojcik presented the Financial Statements and Investment Report.

Open Discussion:

None.

ADJOURNMENT:

Erica Wright made a motion to adjourn at 10:20 a.m. Joe Bridgeford seconded the motion.

Unanimously carried.

Respectfully submitted,

Brigitte Larson, Staff