



ECONOMIC DEVELOPMENT CORPORATION

FINANCE COMMITTEE

Meeting Minutes

Friday, February 4, 2022 – 10:30 a.m.

Via Zoom

Board Members Present	Staff/Others Present
Karen Parkhurst, Chair	Michael Wojcik, CFO
Rob Sollenne, Vice Chair	Sue Vary, Economic Development Specialist
	Brigitte Larson, Staff
Board Members Excused	
Walt Matyjias	Guests
	Michael Manikowski, Consultant

Call to Order: Chair Karen Parkhurst called the meeting to order at 10:32 a.m. A quorum was present.

GENERAL BUSINESS:

Approval of January 7, 2022 Minutes: Karen Parkhurst presented the January 7, 2022 minutes for approval.

Rob Sollenne made a motion to approve the minutes of the January 7, 2022 meeting as presented, seconded by Karen Parkhurst. Motion carried.

Sweet Acres Creamery:

Suzanne Vary shared that the project is being funded by a group of eight farmers from Ontario, Wayne, Yates, Seneca and Steuben Counties. The members are farm owners in Ontario, Wayne, Yates, Seneca and Steuben Counties. The Company plans to build a milk processing facility with a store front in Seneca, along Routes 5 & 20. The facility will be an 88 x 64 feet building with a 20 x 40 feet porch. The store will sell bottled milk, cheese and other goods. Currently, Sweet Acres Creamery products are wholesaled to retail outlets and many farm-to-table restaurants in the Finger Lakes. The Company is requesting EDC assistance in the amount of \$400,000.

Michael Wojcik presented the projections stating that this project different from the normal process. The Company is working with Farm Credit East and has a long list of contributors. The eight farmers each own 12.5% of the Company and also have family members that will be working in the store front. Michael explained that there is a \$400,000 mortgage on the building, with a private lender listed as first position.

It was discussed that it would be beneficial to see if the lender would authorize the EDC taking first position on the \$400,000 mortgage. It was also discussed that Mennonites typically do not have life insurance, which is another reason first position on the mortgage would minimize the risk.

The Committee discussed this option and decided to bring it to the Board for further discussion.

Rob Sollenne made a motion to recommend the following terms to the full Board:

- *First position on \$400,000 mortgage on the building*
- *Personal guarantees of all eight owners*
- *Second position on all business assets*

Karen Parkhurst seconded the motion. Unanimously approved. Motion carried.

Vertex Optics:

Suzanne Vary reminded the Committee that Vertex Optics is set to return to principal and interest payments starting March 1st. Canandaigua National Bank has decided to start with interest only payments for the Company. Pursuit has opted to start principal and interest payments, as well as catch up payments.

Sue stated that the Company currently has \$850K of orders and 18 FTEs. It was also discussed that the Company has received a few loans through programs specified to the pandemic. It was recommended to allow interest only payments for 6 months and then reassess.

Rob Sollenne made a motion to recommend interest only payments for six months with a review. Karen Parkhurst seconded the motion. Unanimously approved. Motion carried.

Adjournment: *Rob Sollenne moved to adjourn at 8:20 a.m., seconded by Karen Parkhurst. Unanimously approved. Motion carried.*

Respectfully submitted,

Brigitte Larson