



**Thursday, June 25, 2015**  
**Upstate MedTech Centre – Suite 107**  
**12:00 PM**

## **GGLDC MINUTES**

### **Attendance**

Board Members: T. Felton, W. Hinchey, M. Wiater, J. Rizzo, H. Upson, P. Battaglia, S. Noble-Moag, C. Yunker  
Staff: M. Masse, L. Farrell, R. Tabelski, C. Suozzi, P. Kennett  
Guests: R. Endress (Harris Beach), P. Mrozek (The Daily News), Michael Pettinella (Buffalo News), Tracey Turner (The Batavian), Harry Sicherman  
Absent:

### **Call to Order / Enter Public Session**

T. Felton called the meeting to order at 12:00 p.m. in the Upstate MedTech Centre Innovation Zone conference room.

### **2.0 Chairman's Report and Activities**

**2.1 Upcoming Meetings** – T. Felton reviewed the upcoming meetings with the Board.

**2.2 Agenda Additions/ Deletions / Other Business** – T. Felton added item 8.1 Committee Appointments to the agenda.

### **3.0 C. Suozzi – Sales Management**

**3.1 Nothing at this time.**

### **4.0 L. Farrell – Finance & Operations**

**4.1 Nothing at this time.**

### **5.0 M. Masse – Real Estate Development / Management**

**Presentation** - M. Masse introduced Harry Sicherman to the Board. He is our Grant Consultant as it relates to Office of Community Renewal (OCR) Grants. M. Masse invited H. Sicherman to the meeting today to provide an overview of the items on the agenda for approve today and what responsibilities that places on the GGLDC.

H. Sicherman gave an overview of the Community Development Block Grant Program. The Office of Community Renewal sets aside between \$15M-\$20M a year for projects. The economic development program is non-competitive. Genesee County has utilized this program more than any of his other clients. Another aspect of the program that is very attractive to not for profits, like the GGLDC, is defederalization. Funds become unrestricted funds if disbursed to a not for profit entity. This can be done by executing an agreement with the municipal entity to receive the funds as a grant to lend some or all of those funds to the business that is participating and immediately those repayments from that business become defederalized and unrestricted funds of the organization.

M. Masse shared that traditionally the GGLDC has chosen to reuse those funds as loan funds although there are no restrictions as to what the funds can be used for as long as it lines up with the Agency's mission and bylaws.

The typical process that the funding goes through is that the GGLDC receives the grant and then they turn around and act as a lender. The GGLDC can also act as a recipient of those funds for infrastructure or anything else for economic development as in the case of BETP in support of the Yancey's Fancy project.

There is a grant agreement between the municipal entity that actually receives the funds and the GGLDC. It is there that the GGLDC has a tremendous responsibility to the municipal applicant because no matter how many other entities you put in the chain of custody it is always that applicant that has the liability. Although the majority of the work will end up being done in the GGLDC, for compliance purposes, it is still the municipality that is liable until the grant has been monitored and closed out by OCR. The contracts between the municipal entities and the GGLDC are all encompassing, very comprehensive and hold the GGLDC to a very high standard in terms of producing all the requirements of the Block Grant program for the protection of the municipal entity.

M. Masse shared that there is a request from PW Minor for a GGLDC loan from their revolving loan fund. This loan is required in order for PW Minor to receive funding from OCR. OCR is disbursing its funds to PW Minor as 50% grant, 50% loan.

H. Sicherman added that this is a more recent requirement of OCR. The OCR typically does not grant funds, they do what they call a "deferred loan" and issue a separate loan agreement. That loan portion of the funds has a term and is due in payable at the conclusion of the term, however there is wording within the agreement that allows the "deferred loan" portion to be forgivable if they meet all the requirements. The other loan portion of the funds will be repaid to the GGLDC and become unrestricted funds for the Agency.

M. Wiater asked what the requirements were.

H. Sicherman explained that generally the company must complete the project in the way that they said they were going to complete it. They need to create a minimum number of jobs and they need to report that to OCR in the proper fashion. As long as they do not default on the loan and OCR is successfully able to close out the grant so that the municipality is protected they've met all the requirements.

H. Upson asked if the funds that would be disbursed to PW Minor out of the GGLDC revolving loan fund be considered defederalized?

H. Sicherman stated that those funds are considered defederalized funds because of actions that the Agency took a few years ago.

M. Waiter has questions that she does not think would be appropriate for public session.

**Enter Executive Session** – M. Wiater made a motion to enter into the executive session under the Public Officers Law, Article 7, Open Meetings Law Section 105, at 12:12 pm, for the following reasons:

- To discuss the medical, financial, credit or employment history of a particular person or corporation, or matters leading to the appointment, employment, promotion, demotion, discipline, suspension, dismissal or removal of a particular person or corporation.

The motion was seconded by W. Hinchey and approved by all members present.

**Re-Enter Public Session** - C. Yunker made a motion to enter back into public session at 12:34 p.m., seconded by P. Battaglia and approved by all members present.

**5.1 Grant Agreement with Genesee County** – M. Masse asked the Board to approve a grant agreement between the GGLDC and Genesee County as it relates to an OCR loan to PW Minor. The County has already approved this agreement.

**5.2 OCR Loan to PW Minor, LLC** – M. Masse asked the Board to approve an OCR Loan to PW Minor, LLC.

**5.3 Revolving Loan Fund Request – PW Minor, LLC** – M. Masse asked the Board to approve a Revolving Loan Fund for \$125,000 to PW Minor, LLC.

**C. Yunker made a motion to approve items 5.1, 5.2 and 5.3 as presented; the motion was seconded by W. Hinchey. Roll call resulted as follows:**

T. Felton -	Abstain	S. Noble-Moag -	Yes
M. Wiater -	No	P. Battaglia -	Abstain
H. Upson -	Yes	W. Hinchey -	Yes

J. Rizzo - Yes  
C. Yunker - Yes

**The items were approved as presented.**

There was some discussion regarding S. Noble-Moag's ability to vote yes.

P. Battaglia mentioned that the company is a client of Freed Maxick, a firm of which S. Noble-Moag's husband is a partner. Information that she would not have known had P. Battaglia not been present.

C. Yunker made a motion for a brief recess so that S. Noble-Moag may obtain legal opinion on whether she should abstain or not at 12:44 pm. The motion was seconded by H. Upson.

C. Yunker made a motion to enter back into public session at 12:50 pm, seconded by H. Upson.

R. Endress (Attorney with Harris Beach) shared that she and R. Gaenzle are of the opinion as counsel of the GGLDC Board that S. Noble-Moag does not have a conflict and does not stand to benefit in any way. They do not see any reason that she should abstain.

**C. Yunker made a motion to approve items 5.1, 5.2 and 5.3 as presented; the motion was seconded by W. Hinchey. Roll call resulted as follows:**

T. Felton -	Abstain	S. Noble-Moag -	Yes
M. Wiater -	No	P. Battaglia -	Abstain
H. Upson -	Yes	W. Hinchey -	Yes
J. Rizzo -	Yes		
C. Yunker -	Yes		

**The items were approved as presented.**

## **6.0 S. Hyde**

**6.1 Nothing at this time.**

## **7.0 R. Tabelski**

**7.1 Nothing at this time.**

## **8.0 Other Business**

**8.1 Committee Appointments** – L. Farrell shared the GGLDC Committees will be reviewed at the next Governance Committee in July. With a few vacancies on the GGLDC Board, she asked that the Board consider filling some vacancies on the Audit & Finance Committee and the Governance & Nominating Committee so that we can have a quorum for our July meetings.

T. Felton asked the Board to approve appointing C. Yunker to the Audit & Finance Committee and C. Yunker and H. Upson to the Governance & Nominating Committee.

**W. Hinchey made a motion to approve adding C. Yunker to the Audit & Finance Committee and C. Yunker and H. Upson to the Governance & Nominating Committee as presented; the motion was seconded by S. Noble-Moag. Roll call resulted as follows:**

T. Felton -	Yes	S. Noble-Moag -	Yes
M. Wiater -	Yes	P. Battaglia -	Yes
H. Upson -	Yes	W. Hinchey -	Yes
J. Rizzo -	Yes		
C. Yunker -	Yes		

**The items were approved as presented.**

**9.0 Adjournment** - As there was no further business, S. Noble-Moag made a motion to adjourn at 12:55 p.m., seconded by C. Yunker and passed unanimously.