



**Genesee Gateway Local Development Corp.**  
**Meeting Agenda**  
Thursday, September 7, 2023  
Location: 99 MedTech Drive, Innovation Zone

<b>PAGE#</b>	<b>1.0</b>	<b>Call to Order</b>	<b>5:35pm</b>
	<b>2.0</b>	<b>Chairman's Report and Activities</b>	<b>5:35pm</b>
	2.1	Upcoming Meetings: <b>Next Scheduled Board Meeting: Thursday, October 5<sup>th</sup> at 4:00 p.m.</b> Audit & Finance Committee Meeting: Tuesday, October 3 <sup>rd</sup> at 8:30 a.m.	
	2.2	Agenda Additions/ Deletions / Other Business <b>**Vote</b>	
<b>2-4</b>	2.3	Minutes: August 3, 2023 <b>**Vote</b>	
	<b>3.0</b>	<b>Report of Management</b>	<b>5:40pm</b>
<b>5</b>	3.1	Genesee CARES Close-Out – J. Krencik	
	<b>4.0</b>	<b>Audit &amp; Finance Committee – D. Cunningham</b>	<b>5:45pm</b>
<b>6-11</b>	4.1	July 2023 Financial Statements <b>**Vote</b>	
<b>12</b>	4.2	GGLDC Budget Timeline	
<b>13-17</b>	4.3	Subordination Agreement <b>**Vote</b>	
<b>18</b>	4.4	Batavia HOME Fund Seed Funding <b>**Vote</b>	
<b>19-20</b>	4.5	LED Lighting Installation for MedTech Centre <b>**Vote</b>	
	<b>5.0</b>	<b>Governance &amp; Nominating Committee – S. Noble-Moag</b>	<b>6:00pm</b>
	5.1	Nothing at this time.	
	<b>6.0</b>	<b>Other Business</b>	<b>6:00pm</b>
	6.1	Nothing at this time.	
	<b>7.0</b>	<b>Adjournment</b>	<b>6:00pm</b>



**GGLDC Board Meeting  
Thursday, August 3, 2023**

**Location: 99 MedTech Drive, Innovation Zone  
3:00 PM**

**GGLDC MINUTES**

**Attendance**

Board Members:	P. Battaglia, P. Zelif, D. Cunningham, M. Brooks, G. Torrey
Staff:	L. Farrell, M. Masse, S. Hyde, P. Kennett, C. Suozzi, J. Krencik
Guests:	M. Gray (GCEDC Board Member), C. Kemp (GCEDC Board Member), R. Gaenzle (Harris Beach/Video Conference), K. Manne (GCEDC Board Member), M. Fitzgerald (Phillips Lytle), S. Maier (Harris Beach)
Absent:	S. Noble-Moag, M. Clattenburg, C. Yunker, J. Tretter

**1.0 Call to Order**

D. Cunningham called the meeting to order at 4:03 p.m. in the Innovation Zone.

**2.0 Chairman's Report and Activities**

**2.1 Upcoming Meetings:**

**Next Scheduled Board Meeting: Thursday, September 7<sup>th</sup> at 4:00 p.m.**  
 Audit & Finance Committee Meeting: Tuesday, September 5<sup>th</sup> at 8:30 a.m.

**2.2 Agenda Additions/ Deletions/ Other Business – Nothing at this time.**

**2.3 Minutes: June 29, 2023**

D. Cunningham noted that the addition of the Turnbull Heating/Triton Mechanical agenda item to the June 29<sup>th</sup> Agenda is "4.5".

**G. Torrey made a motion to approve the June 29, 2023 minutes with the above clarification; the motion was seconded by P. Battaglia. Roll call resulted as follows:**

M. Brooks -	Yes	J. Tretter -	Absent
D. Cunningham -	Yes	P. Battaglia -	Yes
C. Yunker -	Absent	M. Clattenburg -	Absent
G. Torrey -	Yes	P. Zelif -	Yes
S. Noble-Moag -	Absent		

**The item was approved as presented.**

**2.4 Committee Member Appointments:** D. Cunningham stated that J. Tretter and M. Brooks have been appointed to the Audit and Finance Committee.

**3.0 Report of Management**

3.1 Nothing at this time.

4.0 Audit & Finance Committee – D. Cunningham

4.1 June 2023 Financial Statements - L. Farrell reviewed the June 2023 financial statements with the Board. The following was noted:

- On the balance sheet reserved cash decreased. We closed on a loan with J&R Fancher for \$200,000. Therefore, loans receivable, mostly the non-current portion, increased.
- Accounts payable increased for the monthly accrual amounts for the MedTech Centre Property Management Fee and Economic Development Support Grant that is paid to the EDC quarterly.
- On the P&L, there is mostly regular monthly activity.
- We collected grant revenue related to the Genesee CARES grant. Funds were disbursed to grant awardees, which is seen as grant expense.
- Grant expenses also include the \$100,000 payment made to the YMCA for the Healthy Living Project.

The financial statements were reviewed in detail by the Committee and are recommended for approval.

**P. Battaglia made a motion to accept the June 2023 Financial Statements as presented; the motion was seconded by M. Brooks. Roll call resulted as follows:**

M. Brooks -	Yes	J. Tretter -	Absent
D. Cunningham -	Yes	P. Battaglia -	Yes
C. Yunker -	Absent	M. Clattenburg -	Absent
G. Torrey -	Yes	P. Zeliff -	Yes
S. Noble-Moag -	Absent		

**The item was approved as presented.**

4.2 Appraisal for MedTech Centre - The GGLDC asked three companies for bids to appraise the MedTech Center.

1. \$3,900.00 – KLW Appraisal Group, Inc.
2. \$5,500.00 – Colliers International Valuation & Advisory Services, LLC
3. Declined to bid - ENPM

**Fund Commitment:** \$3,900.

This was recommended for approval by the Committee.

**P. Battaglia made a motion to approve the appraisal for MedTech Centre with KLW Appraisal Group, Inc. not to exceed \$3,900 as presented; the motion was seconded by M. Brooks. Roll call resulted as follows:**

M. Brooks -	Yes	J. Tretter -	Absent
D. Cunningham -	Yes	P. Battaglia -	Yes
C. Yunker -	Absent	M. Clattenburg -	Absent
G. Torrey -	Yes	P. Zeliff -	Yes

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S. Noble-Moag - Absent

The item was approved as presented.

**5.0 Governance & Nominating Committee – S. Noble-Moag**

5.1 Nothing at this time.

**6.0 Other Business**

6.1 Nothing at this time.

**7.0 Adjournment**

As there was no further business, P. Battaglia made a motion to adjourn at 4:08 p.m., which was seconded by M. Brooks and passed unanimously.

GGLDC Board of Directors

Report of Management

Genesee CARES Close-Out

September 7, 2023

Genesee CARES Business Recovery Fund		
Business	Funding Disbursed/Submitted as of August 25, 2023	Location
Alleghany Services	\$60,000	Basom
Applied Business Systems	\$75,000	Batavia - City
Beyond Driven	\$25,000	Le Roy
Byron Hotel & Trailhouse	\$50,000	Byron
Cabbage Cab	\$25,000	Byron
Center Street Smokehouse	\$25,000	Batavia - City
Chaps Elba Diner	\$50,000	Elba
Copperhead Creek Bar	\$75,000	Batavia - City
Craft Cannery	\$60,000	Bergen
Crossfit Silver Fox	\$25,000	Batavia - City
Eden Café	\$25,000	Batavia - City
Empire Hemp	\$15,000	Batavia - City
Fava Brothers Lawn Care	\$60,000	Byron
First Wave Technology	\$25,000	Batavia - Town
Green Hippo Tees	\$25,000	Batavia - City
Hodgins Engraving	\$60,000	Batavia - Town
John's Service	\$25,000	Batavia - City
La Quinta	\$25,000	Batavia - Town
MCA Gymnastics	\$25,000	Byron
Miss Batavia Diner	\$50,000	Batavia - City
New Caryville Inn	\$25,000	Oakfield
Pinnacle Manufacturing	\$75,000	Batavia - City
Pro Construction	\$25,000	Bergen
R&D Enterprises	\$50,000	Batavia - Town
Red Roof Inn	\$25,000	Batavia - Town
Rivers Performance	\$10,000	Batavia - Town
Sikes Enterprises	\$25,000	Batavia - City
Smokin Eagle BBQ	\$50,000	LeRoy
Sterling Tent & Awnings	\$25,000	Batavia - City
Sweet Betty's	\$20,000	LeRoy
Terry Hills	\$75,000	Batavia - Town
The Batavian	\$25,000	Batavia - City
The Harvester	\$25,000	Batavia - City
The Spa at Artemis	\$72,000	Batavia - City
<b>34 Businesses</b>	<b>\$1,332,000 Granted</b>	

**Genesee Gateway Local Development Corp.**  
**July 2023 Dashboard**  
**Balance Sheet - Accrual Basis**

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	<u>7/31/23</u>	<u>6/30/23</u>	[Per Audit] <u>12/31/22</u>
<b>ASSETS:</b>			
Cash - Unrestricted	\$ 704,470	\$ 699,221	628,057
Cash - Restricted <sup>(A)</sup> (1)	1,596,357	1,592,053	681,869
Cash - Reserved <sup>(B)</sup> (2)	1,412,321	1,392,596	1,652,599
Cash - Subtotal	3,713,148	3,683,870	2,962,525
Grants Receivable	1,268	1,268	34,325
Accounts Receivable	6,100	6,204	9,043
Lease Receivable GASB - Current Portion	509,788	509,788	509,788
Loans Receivable - Current Portion <sup>(3)</sup>	557,295	410,347	426,864
Other Current Assets <sup>(4)</sup>	25,180	29,868	4,088
<b>Total Current Assets</b>	<b>4,812,779</b>	<b>4,641,345</b>	<b>3,946,633</b>
Land Held for Dev. & Resale	2,182,234	2,182,234	2,182,234
Buildings & Improvements	7,202,120	7,202,120	7,202,120
Furniture, Fixtures & Equipment	46,599	46,599	46,599
Total Property, Plant & Equip.	9,430,953	9,430,953	9,430,953
Less Accumulated Depreciation	(2,461,388)	(2,445,213)	(2,348,163)
<b>Net Property, Plant &amp; Equip.</b>	<b>6,969,565</b>	<b>6,985,740</b>	<b>7,082,790</b>
Lease Receivable GASB - Noncurrent Portion	2,453,344	2,453,344	2,453,344
Loans Receivable - Noncurrent Portion (Net of \$176,545 Allow for Bad Debt at 12/31/22 and \$170,238 at 7/31/23 & 6/30/23) <sup>(5)</sup>	875,905	1,110,220	1,156,666
Equity Investment in Genesee Agri-Business, LLC <sup>(6)</sup>	2,562,240	2,562,240	2,562,240
<b>Other Assets</b>	<b>5,891,489</b>	<b>6,125,804</b>	<b>6,172,250</b>
<b>Total Assets</b>	<b>17,673,833</b>	<b>17,752,889</b>	<b>17,201,673</b>
<b>LIABILITIES:</b>			
Accounts Payable <sup>(7)</sup>	33,958	98,054	45,963
Unearned Revenue <sup>(8)</sup>	41,442	42,783	40,934
Security Deposits	109,944	109,944	109,944
Loans Payable - Current Portion	88,555	88,261	86,516
Bonds Payable - Current Portion	156,100	155,568	152,945
<b>Total Current Liabilities</b>	<b>429,999</b>	<b>494,610</b>	<b>436,302</b>
Loans Payable - Noncurrent Portion	2,039,852	2,047,368	2,091,939
Bonds Payable - Noncurrent Portion	2,250,982	2,265,598	2,351,872
<b>Total Noncurrent Liabilities</b>	<b>4,290,834</b>	<b>4,312,966</b>	<b>4,443,811</b>
<b>Total Liabilities</b>	<b>4,720,833</b>	<b>4,807,576</b>	<b>4,880,113</b>
<b>DEFERRED INFLOW OF RESOURCES</b>			
Deferred Inflow - Leases	2,914,240	2,914,240	2,914,240
<b>Total Deferred Inflow of Resources</b>	<b>2,914,240</b>	<b>2,914,240</b>	<b>2,914,240</b>
<b>EQUITY</b>	<b>\$ 10,038,760</b>	<b>\$ 10,031,073</b>	<b>9,407,320</b>



Significant Events:

1. Cash Restricted - YTD increase due to receipt of first payment under the Plug Power Host Community Investment Agreement (\$900K).
2. Cash Reserved - YTD decrease due to \$200K loan to J&R Fancher disbursed in June.
3. Loans Receivable - Current - Increased due to reclassification of the Freightliner deferred loan from a noncurrent to current loan receivable (\$224,500); Loan matures July 2024.
4. Other Current Assets - Prepaid D&O, Cyber, General Liability and Umbrella insurance.
5. Loans Receivable - Noncurrent - Decreased due to the Freightliner deferred loan reclassified from noncurrent to current loan receivable (\$224,500); Loan matures July 2024. Potential forgiveness upon final P&I payment being made on the company's other loan.
6. Equity Investment in Genesee Agri-Business, LLC - Ties to corresponding GAB,LLC financial statements.
7. Accounts Payable - H. Sicherman 2022 expenses to be paid when drawn from related OCR grants, grant for continuing Economic Development Program Support and MedTech Centre Property Management.
8. Unearned Revenue - MedTech Centre rent and interest received in advance.

(A) Restricted = DL Community Benefit Agreement (CBA) Funds, Plug Power Host Community Investment Funds, Security Deposits, USDA Debt Sinking Fund.

(B) Reserved = OCR loan repayments, Strategic Investment Funds, Economic Development Loan Funds, Batavia Micropolitan Area Redevelopment Loan Funds, Grant Funds.

**Genesee Gateway Local Development Corp.**  
**July 2023 Dashboard**  
**Profit & Loss - Accrual Basis**

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	Month to Date		YTD		2023	2023
	<u>7/31/23</u>	<u>7/31/22</u>	<u>2023</u>	<u>2022</u>	Board Approved	YTD %
					<u>Budget</u>	<u>of Budget</u>
<b><u>Operating Revenues:</u></b>						
Grants (1)	\$ 33,582	\$ -	\$ 1,363,297	\$ 829,806	\$ 922,648	148%
Interest Income on Loans	3,759	1,707	18,031	12,250	15,992	113%
Rent	62,707	61,518	439,261	433,021	751,578	58%
Common Area Fees - Parks	-	-	500	500	500	100%
Fees	-	-	4,250	9,980	-	N/A
Other Revenue	33	-	312	1,144	-	N/A
Land Sale Proceeds	-	-	-	304,101	-	N/A
<b>Total Operating Revenues</b>	<b>100,081</b>	<b>63,225</b>	<b>1,825,651</b>	<b>1,590,802</b>	<b>1,690,718</b>	
<b><u>Operating Expenses:</u></b>						
Operations & Maintenance	8,069	5,534	106,696	76,866	238,200	45%
Professional Services	7,262	9,179	66,694	74,979	136,146	49%
Econ. Dev. Prog. Support Grant	25,000	25,000	175,000	175,000	300,000	58%
Site Development Expense	-	-	-	-	474,156	0%
Cost of Sales	-	-	-	383,004	-	N/A
Grant Expense (2)	33,582	43,400	678,069	410,400	869,648	78%
Real Estate Dev. (Capitalized)	-	-	-	-	15,000	0%
Buildings/Furniture/Equip. (Capitalized)	-	-	-	-	120,000	0%
Balance Sheet Absorption	-	-	-	-	(135,000)	0%
Depreciation	16,175	16,434	113,225	115,035	194,235	58%
<b>Total Operating Expenses</b>	<b>90,088</b>	<b>99,547</b>	<b>1,139,684</b>	<b>1,235,284</b>	<b>2,212,385</b>	
<b>Operating Revenue (Expense)</b>	<b>9,993</b>	<b>(36,322)</b>	<b>685,967</b>	<b>355,518</b>	<b>(521,667)</b>	
<b><u>Non-Operating Revenues (Expenses):</u></b>						
Other Interest Income	10,275	218	34,886	1,398	1,380	2528%
Interest Expense	(12,581)	(13,042)	(89,413)	(94,708)	(152,619)	59%
<b>Total Non-Operating Exp.</b>	<b>(2,306)</b>	<b>(12,824)</b>	<b>(54,527)</b>	<b>(93,310)</b>	<b>(151,239)</b>	
<b>Change in Net Assets</b>	<b>7,687</b>	<b>(49,146)</b>	<b>631,440</b>	<b>262,208</b>	<b>\$ (672,906)</b>	
<b>Net Assets - Beginning</b>	<b>10,031,073</b>	<b>9,028,803</b>	<b>9,407,320</b>	<b>8,717,449</b>		
<b>Net Assets - Ending</b>	<b>\$ 10,038,760</b>	<b>\$ 8,979,657</b>	<b>\$ 10,038,760</b>	<b>\$ 8,979,657</b>		

**Significant Events:**

- Grant Revenue - YTD includes first payment received under Plug Power Host Investment Agreement (\$900K), OCR Grant/Genesee CARES (\$438K) and Batavia Solar/YSG Workforce Dev/Ec Dev Program Support Grant (\$25K).
- Grant Expense - YTD includes OCR Grant/Genesee CARES funds received and disbursed; Transfers to the STAMP Sewer Works and STAMP Water Works entities to cover start-up costs and legal expenses.



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**Genesee Gateway Local Development Corp.**  
**July 2023 Dashboard**  
**Statement of Cash Flows**

	July 2023	YTD
<b>CASH PROVIDED BY OPERATING ACTIVITIES:</b>		
Grant Income	\$ 33,582	\$ 1,396,354
Interest Income on Loans	2,418	19,345
Rental Income	62,807	441,430
Common Area Fees - Parks	-	500
Fees	-	4,250
Other Revenue	33	484
Operations & Maintenance	(2,949)	(130,408)
Professional Services	(21,786)	(101,283)
Economic Development Program Support Grant	(75,000)	(150,000)
Grant Expense	(33,582)	(678,069)
Issuance of Loans	-	(200,000)
Repayment of Loans	87,367	350,330
Net Cash Provided By Operating Activities	52,890	952,933
<b>CASH FLOWS USED BY CAPITAL &amp; RELATED FINANCING ACTIVITIES:</b>		
Principal Payments on Bonds & Loans	(21,306)	(147,783)
Interest Paid on Bonds & Loans	(12,581)	(89,413)
Net Cash Used By Capital & Related Financing Activities	(33,887)	(237,196)
<b>CASH FLOWS PROVIDED BY INVESTING ACTIVITIES:</b>		
Interest Income	10,275	34,886
Net Cash Provided By Investing Activities	10,275	34,886
Net Change in Cash	29,278	750,623
Cash - Beginning of Period	3,683,870	2,962,525
Cash - End of Period	\$ 3,713,148	\$ 3,713,148
<b>RECONCILIATION OF OPERATING REVENUE</b>		
<b>TO NET CASH PROVIDED BY OPERATING ACTIVITIES:</b>		
Operating Revenue	\$ 9,993	\$ 685,967
Adjustments:		
Depreciation Expense	16,175	113,225
Decrease in Grants/Accounts Receivable	104	36,000
Decrease (Increase) in Other Current Assets	4,688	(21,092)
Decrease in Loans Receivable	87,367	150,330
Decrease in Operating Accounts Payable	(64,096)	(12,005)
(Decrease) Increase in Unearned Revenue	(1,341)	508
Total Adjustments	42,897	266,966
Net Cash Provided By Operating Activities	\$ 52,890	\$ 952,933

**Genesee Gateway Local Development Corp.**  
**July 2023 Dashboard**  
**Balance Sheet - Accrual Basis**

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	<b>GGLDC</b>	<b>GABLLC</b>		<b>COMBINED</b>	
	<u>7/31/23</u>	<u>7/31/23</u>	<u>Eliminations</u>	<u>7/31/23</u>	<u>Per Audit 12/31/2022</u>
<b>ASSETS:</b>					
Cash - Unrestricted	\$ 704,470	\$ -	\$ -	\$ 704,470	\$ 628,057
Cash - Restricted (A)	1,596,357	-	-	1,596,357	681,869
Cash - Reserved (B)	1,412,321	2,637,811	-	4,050,132	4,231,256
Cash - Subtotal	3,713,148	2,637,811	-	6,350,959	5,541,182
Grants Receivable	1,268	-	-	1,268	34,325
Accts Receivable - Current	6,100	-	-	6,100	9,043
Lease Receivable GASB - Current	509,788	13,445	-	523,233	523,233
Loans Receivable - Current	557,295	-	-	557,295	426,864
Other Current Assets	25,180	-	-	25,180	4,088
<b>Total Current Assets</b>	<b>4,812,779</b>	<b>2,651,256</b>	-	<b>7,464,035</b>	<b>6,538,735</b>
Land & Improvements	2,182,234	1,339,730	-	3,521,964	3,521,964
Buildings & Improvements	7,202,120	-	-	7,202,120	7,202,120
Furniture, Fixtures & Equipment	46,599	-	-	46,599	46,599
Total Property, Plant & Equip.	9,430,953	1,339,730	-	10,770,683	10,770,683
Less Accumulated Depreciation	(2,461,388)	-	-	(2,461,388)	(2,348,163)
<b>Net Property, Plant &amp; Equip.</b>	<b>6,969,565</b>	<b>1,339,730</b>	-	<b>8,309,295</b>	<b>8,422,520</b>
Lease Receivable GASB - Noncurrent	2,453,344	108,914	-	2,562,258	2,562,258
Loans Receivable - Noncurrent	875,905	-	-	875,905	1,156,666
Equity Investment in GAB, LLC	2,562,240	-	(2,562,240)	-	-
<b>Other Assets</b>	<b>5,891,489</b>	<b>108,914</b>	<b>(2,562,240)</b>	<b>3,438,163</b>	<b>3,718,924</b>
<b>TOTAL ASSETS</b>	<b>17,673,833</b>	<b>4,099,900</b>	<b>(2,562,240)</b>	<b>19,211,493</b>	<b>18,680,179</b>
<b>LIABILITIES:</b>					
Accounts Payable	33,958	-	-	33,958	45,963
Unearned Revenue	41,442	1,273	-	42,715	40,934
Customer Deposit (1)	-	20,000	-	20,000	20,000
Security Deposits	109,944	-	-	109,944	109,944
Loans Payable - Current Portion	88,555	-	-	88,555	86,516
Bonds Payable - Noncurrent Portion	156,100	-	-	156,100	152,945
<b>Total Current Liabilities</b>	<b>429,999</b>	<b>21,273</b>	-	<b>451,272</b>	<b>456,302</b>
Loans Payable - Noncurrent Portion	2,039,852	-	-	2,039,852	2,091,939
Bonds Payable - Noncurrent Portion	2,250,982	-	-	2,250,982	2,351,872
<b>Total Noncurrent Liabilities</b>	<b>4,290,834</b>	-	-	<b>4,290,834</b>	<b>4,443,811</b>
<b>TOTAL LIABILITIES</b>	<b>4,720,833</b>	<b>21,273</b>	-	<b>4,742,106</b>	<b>4,900,113</b>
<b>DEFERRED INFLOW OF RESOURCES</b>					
Deferred Inflow - Leases	2,914,240	122,359	-	3,036,599	3,036,599
<b>Total Deferred Inflow of Resources</b>	<b>2,914,240</b>	<b>122,359</b>	-	<b>3,036,599</b>	<b>3,036,599</b>
<b>EQUITY</b>	<b>\$ 10,038,760</b>	<b>\$ 3,956,268</b>	<b>\$ (2,562,240)</b>	<b>\$ 11,432,788</b>	<b>\$ 10,743,467</b>

**Significant Events:**

- 4.1 1. Customer Deposit GABLLC - CH4Biogas.

(A) Restricted = DL Community Benefit Agreement (CBA) Funds, Plug Power Host Community Investment Funds, Security Deposits, USDA Debt Sinking Fund.  
(B) Reserved = OCR loan repayments, Strategic Investment Funds, Economic Development Loan Funds, Batavia Metropolitan Area Redevelopment Loan Funds, Grant Funds.

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**Genesee Gateway Local Development Corp.  
July 2023 Dashboard  
Profit & Loss - Accrual Basis**

	GGLDC		GABLLC		COMBINED	
	7/31/23		7/31/23		7/31/23	Combined YTD
<u>Operating Revenues:</u>						
Grants	\$ 33,582	\$ -	\$ -	\$ -	\$ 33,582	\$ 1,363,297
Interest Income on Loans	3,759	-	-	-	3,759	18,031
Rent	62,707	1,298	-	-	64,005	448,123
Common Area Fees - Parks	-	-	-	-	-	6,858
Fees	-	-	-	-	-	4,250
Other Revenue	33	-	-	-	33	20,312
<b>Total Operating Revenues</b>	<b>100,081</b>	<b>1,298</b>	<b>-</b>	<b>-</b>	<b>101,379</b>	<b>1,860,871</b>
<u>Operating Expenses:</u>						
Operations & Maintenance	8,069	-	-	-	8,069	111,296
Professional Services	7,262	-	-	-	7,262	66,694
Econ. Dev. Program Support Grant	25,000	-	-	-	25,000	175,000
Grant Expense	33,582	-	-	-	33,582	678,069
Depreciation	16,175	-	-	-	16,175	113,225
<b>Total Operating Expenses</b>	<b>90,088</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>90,088</b>	<b>1,144,284</b>
<b>Operating Revenue</b>	<b>9,993</b>	<b>1,298</b>	<b>-</b>	<b>-</b>	<b>11,291</b>	<b>716,587</b>
<u>Non-Operating Revenues (Expenses):</u>						
Other Interest Income	10,275	7,849	-	-	18,124	62,147
Interest Expense	(12,581)	-	-	-	(12,581)	(89,413)
<b>Total Non-Operating Rev (Exp)</b>	<b>(2,306)</b>	<b>7,849</b>	<b>-</b>	<b>-</b>	<b>5,543</b>	<b>(27,266)</b>
<b>Change in Net Assets</b>	<b>7,687</b>	<b>9,147</b>	<b>-</b>	<b>-</b>	<b>16,834</b>	<b>689,321</b>
<b>Net Assets - Beginning</b>	<b>10,031,073</b>	<b>3,947,121</b>	<b>(2,562,240)</b>	<b>-</b>	<b>11,415,954</b>	<b>10,743,467</b>
<b>Net Assets - Ending</b>	<b>\$ 10,038,760</b>	<b>\$ 3,956,268</b>	<b>\$ (2,562,240)</b>	<b>\$ -</b>	<b>\$ 11,432,788</b>	<b>\$ 11,432,788</b>

# 2024 Budget Timeline

## Genesee Gateway Local Development Corporation

- Week of Sept 4 Planning Assumptions / Preliminary Inputs
- Week of Sept 11 Budget Worksheet Inputs – CFO & Sr. VP of Ops Review
- Week of Sept 18 CEO Review of Draft Budget
- Oct 3 @ 8:30am Audit & Finance Committee - Budget Workshop Meeting
- Oct 24 @ 8:30am Audit & Finance Committee - Review & Recommendation
- Oct 26 @ 4pm Board Review & Approval
- By Nov 1 Budget to ABO/Post on GCEDC Web Site

### **Subordination Agreement**

**Discussion:** Craft Cannery acquired and installed filling equipment that increased their capacity and efficiencies to their production in 2021. Financing for that project included a loan from the Genesee Gateway Local Development Corp.'s (GGLDC) Loan Fund #2 in the amount of \$132,000 that provided gap financing on the project. The term loan has an interest rate of Prime with a floor of 3% per annum, to be readjusted annually, and is being amortized over a 10-year term. The loan was secured by a first position lien filing on the equipment, cross-corporate and personal guarantees from the members as well as a landlord waiver to access the collateral as necessary as they did not own the building. Craft Cannery (LNK Holdings, LLC) is securing bank financing so they can now purchase the building at 7100 AppleTree Avenue. In connection with that financing, the bank is requesting the attached subordination agreement be signed by the GGLDC.

**Fund Commitment:** None.

**Committee Action Request:** Recommend approval and execution of the Subordination Agreement.



## SUBORDINATION AGREEMENT

Debtor: LNK HOLDINGS, INC., a New York State corporation, having its principal place of business at 7100 Appletree Avenue, Bergen, New York 14416 ("Debtor")

Dated: August \_\_\_\_, 2023

Name of Subordinating Creditor: Genesee Gateway Local Development Corporation

Address of Subordinating Creditor: One Mill Street, Batavia, New York 14020

THIS AGREEMENT, is made as of the date indicated above, by and between, **THE CANANDAIGUA NATIONAL BANK AND TRUST COMPANY**, a national banking association having its principal office at 72 South Main Street, Canandaigua, New York 14424 (hereinafter "Bank") and the Subordinating Creditor indicated above (hereinafter "Junior Creditor").

WHEREAS, Debtor has become or will soon become indebted to Bank, contingently as a guarantor of payment regarding the obligations of 7100 APPLETREE LLC (hereinafter "Borrower"), in connection with various loans, lines of credit and/or other credit accommodations and may from time to time hereafter become further indebted to Bank, all such indebtedness, including interest (including any interest accruing after the filing by or against Debtor of any bankruptcy or insolvency proceeding), collection charges (including attorneys' fees) and other charges, whether now owing or owing in the future and without limitation as to amount, and any and all commitments of Bank to extend credit to, or on the guaranty or other assurance of, Debtor being hereinafter referred to as the "Bank Debt"; and

WHEREAS, Debtor has become or will soon become indebted to Junior Creditor in the original principal amount of \$132,000.00 plus interest and related charges and may hereafter become indebted to Junior Creditor in other and/or greater amounts (provided, however, that any contractual limitation on Debtor incurring further indebtedness to parties other than Bank is not waived or modified hereby), all such indebtedness, including interest (including any interest accruing after the filing by or against Debtor of any bankruptcy or insolvency proceeding), collection charges (including attorneys' fees) and other charges, whether now owing or owing in the future and without limitation as to amount, being hereinafter referred to as the "Junior Debt"; and

WHEREAS, Bank will not extend further financial accommodations to Debtor or Borrower unless Junior Creditor agrees to subordinate the Junior Debt to payment of the Bank Debt.

NOW, THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. **Lien Priority.** Regardless of the method or order of perfection of their respective

security interests in the assets of Debtor, the Bank and Junior Creditor agree that, as between them:

- (i) The Bank shall have a first priority lien on and right to payment on all assets of the Debtor and all proceeds thereof; and
- (ii) The Junior Creditor shall have a second priority lien in all assets of the Debtor.

2. Junior Creditor hereby subordinates the payment of the Junior Debt to the payment of the Bank Debt. Until Junior Creditor receives written notice from Bank of the occurrence or existence of (a) any default by Debtor under any agreement governing, or relating to, the Bank Debt or security therefor or (b) a demand for payment in full of the Bank Debt, Junior Creditor may accept and Debtor may make any regularly scheduled payment of principal and/or interest pursuant to the provisions of the note or other instrument evidencing the Junior Debt. Notwithstanding the foregoing, until the earlier of (a) the issuance by Bank of its written consent or (b) the time such Bank Debt (including interest and other charges related thereto) is finally and irrevocably paid in full, Junior Creditor shall not enter into or allow any modifications or amendments to be made to the note or other instrument evidencing the Junior Debt, accept prepayments, balloon payments, or irregular installments of principal, interest or other amounts on the Junior Debt (whether such payments arise from ordinary course of business operations, bankruptcy dividends, adequate protection payments, disposition of collateral or otherwise), demand payment in full of the Junior Debt, otherwise accelerate scheduled payments constituting all or part of the Junior Debt, prosecute any action or other legal proceeding relating to the Junior Debt or take any action to enforce any security interest or realize upon any collateral securing the Junior Debt.

3. If Junior Creditor receives any payment from Debtor that is not permitted hereunder, Junior Creditor agrees to hold the same in trust for Bank, notify Bank of its receipt and, upon demand, deliver such payment to Bank for application to the Bank Debt.

4. Junior Creditor agrees that it shall not, without the written consent of Bank, (a) further assign or subordinate the Junior Debt or (b) commence, or join with others in the commencement of, any bankruptcy, reorganization or insolvency proceeding against Debtor.

5. In the event any bankruptcy or insolvency proceeding is filed by or against Debtor, Bank shall be entitled (a) to make and file such proofs of claim as it, in its sole discretion, shall deem advisable with respect to the Junior Debt, (b) to vote on any reorganization plan or other matter on behalf of the Junior Debt and (c) receive and collect any dividends, adequate protection payments or other payments on behalf of the Junior Debt and apply the same to the Bank Debt.

6. Junior Creditor consents to, and waives any notice with respect to, any action by Bank (a) to modify, extend or increase the Bank Debt, (b) to release any collateral with

respect thereto or (c) to take or fail to take any action in enforcement of, or otherwise with respect to, the Bank Debt.

7. Promptly upon request by Bank, Junior Creditor shall execute and deliver each writing, and take each other action, that Bank shall deem necessary or desirable at the sole option of Bank (a) to perfect or further evidence any lien or security interest granted, or assignment made, pursuant to this Agreement or (b) to otherwise accomplish any purpose of this Agreement.

8. This Agreement contains the entire agreement between Bank and Junior Creditor with respect to its subject matter and may not be modified unless in a writing duly executed by Bank and Junior Creditor. No course of dealing between or among Debtor, Bank and Junior Creditor and no delay or omission by Bank in exercising any right or remedy against Debtor or pursuant to this Agreement shall operate as a waiver of such right or of any other right or remedy and no single or partial exercise thereof shall preclude any other or further exercise of any right or remedy. All rights and remedies of Bank under this Agreement and otherwise are cumulative.

9. This Agreement shall be governed by and construed, interpreted and enforced in accordance with the internal law of the State of New York and the parties hereto consent to the jurisdiction of the courts of the State of New York. The parties hereto agree that any court located in Rochester, New York or Monroe County, New York shall be a proper forum for any action or proceeding between them unless either (a) Bank in its sole discretion chooses another forum or (b) applicable law requires another forum. Any notice required or provided for hereunder shall be in writing and shall be served upon Bank or Junior Creditor at the address indicated in the first paragraph hereof or at such other address as such party may hereafter give in writing to the other party.

10. This Agreement shall be binding upon Bank and Junior Creditor and upon each legal representative, heir, successor and assignee of Bank and Junior Creditor. No party other than Bank and Junior Creditor shall have or obtain any right, benefit, priority or interest under, or because of the existence of, this Agreement.

*[Signatures and acknowledgments on next page]*

IN WITNESS WHEREOF, the parties have executed this Subordination Agreement on the date first above written.

**JUNIOR CREDITOR:**

**GENESEE GATEWAY LOCAL DEVELOPMENT CORPORATION**

By: \_\_\_\_\_  
Name:  
Title:

**BANK:**

**THE CANANDAIGUA NATIONAL BANK AND TRUST COMPANY**

By: \_\_\_\_\_  
Name: John Savino  
Title: Vice President

**DEBTOR'S AGREEMENT**

The undersigned Debtor acknowledges receipt of a copy of this Subordination Agreement in favor of **THE CANANDAIGUA NATIONAL BANK AND TRUST COMPANY** and agrees, to the extent applicable, to abide by the terms and provisions of such Subordination Agreement.

**LNK HOLDINGS, INC.**

By: \_\_\_\_\_  
Name: Paul A. Guglielmo  
Title: President

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## Batavia HOME Fund seed funding

**Discussion:** The Town and City of Batavia and the GCEDC had previously approved the Batavia Home Fund Agreement in November of 2022, and the GCEDC Board approved the Home Fund Policy in July 2023. The agreement is that the GCEDC can utilize Host Benefit Agreements on housing projects to put money into the fund. The GCEDC would be the custodian of the funds, and any project would complete an application to request the money and there would be a three person committee (GCEDC, Town and City) that would review the applications and make approvals/disapprovals. The allowable uses of the funds are as follows:

- i. Extraordinary development costs related to hazardous material abatement, remediation, flood hazard areas, etc.
- ii. Demolition / rehabilitation of vacant residential structures that cause community and neighborhood blight.
- iii. Provide incentives to the conversion of rental properties to single family homes
- iv. Infrastructure modernization and improvements including all costs related to planning, design and constructing roadways, multi-modal, water, sewer, gas, electric, telecommunication enhancements, storm water management facilities and related green infrastructure including landscaping and streetscape improvements related to redevelopment projects.
- v. Expansion of sewer capacity at Waste Water Treatment Plant for Studies, Engineering, Construction and Expansion.
- vi. Matching funds to secure other grant resources to further capitalize redevelopment projects in the BOA area.
- vii. Land assemblage, property acquisition and due diligence for Agency Projects consistent with Section 2 of this Agreement.
- viii. Marketing expenses for existing programs such as 421-F, 485-R and Core Housing Owner Incentive Exemption (CHOICE).
- ix. Grants to support CHOICE program

The GGLDC is looking to contribute funding to start the fund.

**Fund Commitment:** \$100,000 to come from Strategic Investments.

**Committee Action Request:** Recommend to the full Board approval of contributing \$100,000 to the Batavia Home Fund from Strategic Investments.



## **Approval of LED lighting installation for MedTech Centre**

**Discussion:** There is Federal and NYS legislation that is looking to ban the sale of fluorescent bulbs in the near future. NYC has already implemented that all commercial buildings must switch to LED by 2025. In an effort to stay ahead of this the GGLDC asked three companies for bids to replace the fluorescent lights in the MedTech Centre with LED lighting. Some of the lights in the MedTech Centre have already been replaced with LED and the following bids would complete the remainder of the building.

1. \$79,598.00 – Gilligan Electric
2. Severino Electric did not submit a bid
3. Humphrey Electric did not submit a bid

**Fund Commitment:** \$79,598.00.

**Board Action Request:** Approval of LED light replacement contract for MedTech Center to Gilligan Electric for \$79,598.00.



Gilligan Electric  
 7992 Oatka Trail  
 LeRoy, NY 14482

# Estimate

Date	Estimate #
8/30/2023	551

Name / Address
GCEDC 99 MedTech Dr Batavia, NT 14020

Description	Qty	Rate	Project
			MedTech
			Total
Gilligan Electric respectfully submits this proposal in conjunction with electrical work to be performed at MedTech, College Rd located in Batavia, NY. This scope of work is based on walk through & light fixture schedule. Replace existing light fixtures with new LED fixtures per light replacement schedule * will replace 2x4, 2x2, recessed cans, exit, emergency, 8', & 4' strip fixtures  <ul style="list-style-type: none"> <li>- all wages, paid at union scale to meet or exceed prevailing wage</li> <li>- all work to meet or exceed national electric code</li> <li>- quote good for 20 days</li> <li>- work to be completed between the hours of 6AM to 3:30PM</li> <li>- all existing fixtures and lamps will be properly disposed of</li> </ul>		79,598.00	79,598.00
			0.00
<b>Subtotal</b>			\$79,598.00
<b>Sales Tax (8.0%)</b>			\$0.00
<b>Total</b>			\$79,598.00

E-mail
<a href="mailto:gilliganelectric@gmail.com">gilliganelectric@gmail.com</a>

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