Wayne County Industrial Development Agency
Regular Meeting – Minutes
February 26th, 2016

The regular meeting of the Wayne County Industrial Development Agency was called to order by Chairman David Spickerman at 9:30 a.m. on Friday, February 26th, 2016. The meeting was held at 16 William Street, Lyons. Members present: David Spickerman, Steven LeRoy and James Hoffman. Also present: Don Lessord and Thad Peake of Lessord Chrysler, Sodus; Evhen Tupis of BP Greene; Ken Miller, Town of Palmyra Supervisor; Patrick Schmitt, County Auditor; Matt Ury, County I.T. Director; Bret DeRoo, County Sr. Planner; Ora Rothfuss, County Ag Development Specialist; Bob McNary, Director of Planning & Economic Dev.; John Morell, Esq. and M. Churchill, D. Richards and M. Leisenring.

On motion of Mr. LeRoy, seconded by Mr. Hoffman, the minutes of 1/29/2016 were unanimously approved.

Headwater Foods, Inc. - Loan Approval

Whereas, Headwater Foods, Inc. has requested $80,000 in term financing that will assist them to make leasehold improvements and purchase equipment for their existing Ontario, NY facility that will be creating 17 new jobs over the next three years; and

Whereas the Loan Review Committee has recommended approval of their request; be it therefore

Resolved, that WCIDA approves the recommendation of the Loan Review Committee per the attached credit memorandum.

Moved: Mr. Hoffman Second: Mr. LeRoy
Ayes: Messrs. Hoffman, LeRoy and Spickerman
Nays: None

Blue Moon Bend, LLC – Loan Approval

Whereas, Blue Moon Bend, LLC has requested $35,000 in term financing that will provide permanent financing for their new creamery to be constructed in Williamson, NY that will be creating 1.5 new jobs over the next three years; and

Whereas the Loan Review Committee has recommended approval of their request; be it therefore

Resolved, that WCIDA approves the recommendation of the Loan Review Committee per the attached credit memorandum.

Moved: Mr. Hoffman Second: Mr. LeRoy
Ayes: Messrs. Hoffman, LeRoy and Spickerman
Nays: None

The proposal for procurement policy limits will be addressed at a future meeting.

Mechmar Industries, Inc. – Accept Repayment Plan Proposal

Whereas, Mechmar Industries, Inc. borrowed $25,000 from the Wayne County Microloan Program on January 15, 2002 and was reduced to $12,600.53 by March 23, 2007 at which time the loan was increased to its original balance that now has an outstanding balance of $21,142.89; and

Whereas, legal action has been commenced to collect the significantly past due loan; and

Whereas, in response, the company has offered the following repayment program:

1) $2,000.00 payment to be paid by 3/20/2016
2) $100.00 per month starting April for ten months
3) $250.00 per month starting February 2017 until paid in full

The company would also sign a Confession of Judgment which would be held and not filed with the County Clerk's office so long as payments are made according to the agreement. If they fail to make a payment and fail to correct such default within 45 days the Confession of Judgment could be filed with the Wayne County Clerk's Office without further notice; be it therefore

Resolved, that WCIDA approves the company's repayment proposal.

Moved: Mr. LeRoy Second: Mr. Hoffman
Ayes: Messrs. LeRoy, Hoffman and Spickerman
Nays: None

Don Lessord and Thad Peake of Lessord Chrysler Products, Inc. next discussed the project they are proposing for the Town of Sodus. They plan to purchase the now vacant Heluva Good Cheese facility, renovate it and move the Lessord Chrysler Products Inc. business into it. After a question/answer period, on motion of Mr. LeRoy, seconded by Mr. Hoffman, the attached attorney's resolution regarding Lessord Chrysler Products, Inc. was unanimously approved. Mr. Lessord and Mr. Peake thanked the board and left the meeting at this time.

Next Evehen Tupis of BP Greene & Associates gave a presentation on his broadband consulting company and the steps they would take to complete a county-wide study. The county's broadband steering committee was also invited to this meeting. Much discussion ensued as to feasibility, paying for the study, timing of the project, etc. It was the consensus of the group that at least two more proposals should be obtained before a decision can be made. This will be addressed at a future meeting. Mr. Tupis thanked the group and left the meeting at this time.

Resolution Authorizing Sponsorship of the RBJ Photonics Power Breakfast

Whereas, RBJ is hosting a breakfast (April 5th-Riverside Convention Ctr.-7:30-9:30a.m.) and issue insert on "Rochester's Photonics Future" and the Town of Ontario is interested in partnering with the WCIDA to provide a sponsorship under our marketing plan; and

Whereas, a sponsorship of $5,000 will provide us with a:

- -Face to face marketing opportunity
- -Logo on all print advertising link to website; two e-mail blasts of 16,000 business professionals
- -Third page full copy ad in the Photonics supplement
- -Rep providing a 2-minute welcome from onstage at event
- -Display table
- -Recognition from the podium; logo on electronic event signage
- -Two corporate tables of eight for the Power Breakfast

Be it hereby

Resolved that the executive director is authorized to provide IDA funding for the sponsorship at $5,000 and the Town of Ontario will provide the artwork for the ads, their logo and the representative to speak regarding Wayne County optics cluster and advanced manufacturing; and be it further

Resolved that the WCIDA work with the town to promote the event to our businesses and provide invitations for the 16 seats.

Moved: Mr. Hoffman Second: Mr. LeRoy
Ayes: Messrs. Hoffman, LeRoy and Spickerman
Nays: None

The board went into executive session at 12:05 p.m. to discuss a financial issue. The regular meeting resumed at 12:16 p.m. at which time the following resolution was proposed:

Update to TJJK/Twilight RV Commitment

Whereas, the WCIDA committed to providing $300,000 in funding to TJJK/Twilight for the development of an RV park along the canal in the Town of Macedon and the commitment has been amended and extended numerous times, the last time until the end of March, 2016 with contingencies regarding approval by the bank and SBA along with certain language pertaining to an additional private loan of $416,000; and

Whereas, the language in the agreement between the company and the private contractor for the $416,000 has been changed, removing the put/call language and ownership of a portion of the park (6%) by the contractor, such language to which the IDA responded by requiring additional conditions; now, be it hereby

Resolved, that the WCIDA commitment be amended and extended to require that the $416,000 loan is behind the IDA loan; will be paid interest only for five years; the interest payment will start within a month after closing; there will be no partial ownership of the project through the private loan; loan essentially is unsecured; if payment is not made to the IDA, the private lender will not receive payment; the WCIDA will receive TJJK/Twilight financial reports monthly for two years and quarterly after that; and approval from both the SBA and Steuben Trust, along with extension until April 30, 2016.

Update to TJJK/Twilight RV Commitment, cont'd.:

Moved: Mr. Hoffman Second: Mr. LeRoy
Ayes: Messrs. Hoffman, LeRoy and Spickerman
Nays: None

There being no further business, the meeting adjourned at 12:17 p.m.

Respectfully submitted,

Marie Leisenring
Assistant Secretary