

**Transcript of NCIDA Telephonic Board Meeting**  
**6/10/2020**  
**9:00 a.m.**

**Present:**

Mark A. Onesi, Chairman  
Jerald I. Wolfgang, Vice Chairman  
Kevin McCabe  
William Ross  
Robert Cliffe  
Mary Lynn Candella  
Scott Brydges, Member  
Jason Krempa

**Excused:**

Clifford Scott

**Agency Staff:**

Susan C. Langdon  
Andrea Klyczek  
Michael Dudley  
Caroline Caruso  
Dmitri Liadski  
Roxanne Morgan

**Agency Counsel:**

Mark Gabriele

Roxanne Morgan: Mr. Onesi (answered "here")  
Mr. Wolfgang: (answered "here")  
Mr. McCabe (answered "here")  
Mr. Ross – (answered "here")  
Ms. Candella (answered "here")  
Mr. Robert Cliffe (answered "here")  
Mr. Scott Brydges (answered "here")  
Mr. Clifford Scott (absent)  
Mr. Krempa (answered "here")

Mark Onesi: Did Mr. Scott just come on?

Susan Langdon: Hello

Pledge done by everyone

Mark Onesi: Approval of the minutes from way back in March. Mr. Wolfgang were the Governance Committee minutes in order?

Jerald Wolfgang: Yes, I would move their approval

William Ross: Ross seconds

Mark Onesi: All in favor

Everyone: Aye

Mr. Onesi: Any opposed? Carried. Thank you. Finance Budget Committee, I think that's where the transition was. What do you think Kevin?

Kevin McCabe: Everything is in order. I make a motion to approve.

Mark Onesi: Thank you, do I have a second?

William Ross: Ross second.

Mark Onesi: Okay thank you. All in favor?

Everyone: Aye

Mark Onesi: Anyone opposed? Thank you, carried. Alright, Mr. Ross, the meeting minutes from March 11<sup>th</sup>, were those in order? Hello, Bill.

William Ross: The meeting minutes from March 11<sup>th</sup>, Ross so moved.

Kevin McCabe: Second

Mark Onesi: Okay, all in favor?

Everyone: Aye

Mark Onesi: Any opposed? Thank you, carried. Finance and Audit Committee Reports from April.

Kevin McCabe: The Agency payables and Budget Variance reports from April appear to be in order. I make a motion to approve.

William Ross: Ross second.

Mark Onesi: Thank you, all in favor?

Everyone: Aye

Mark Onesi: Anyone opposed? Any questions? Thank you, Carried. How about May 31<sup>st</sup>?

Kevin McCabe: Found those to be in order. I make a motion to approve.

William Ross: Ross second.

Mark Onesi: All in favor?

Everyone: Aye

Mark Onesi: Any opposed? Thank you, Carried. Alright, is there any unfinished business that anyone wants to go over or talk about? Alright we will get into new business, Sue.

Susan Langdon: Thank you Mr. Chairman. We received a communication the United States Department of Commerce Economic Development Administration on May 8<sup>th</sup>, I think it was a Sunday, asking us if we would like to apply for some recovery assistance funds since we are already operating an EDA loan fund that we had originally capitalized in 1985 when with a grant from the EDA. So, to supplement those funds, we had 30 days to apply for these additional funds, and we went ahead and put the application in earlier this week. We kicked it around with our loan committee and our consultant and we thought that probably a good use for this would be to help the hospitality industry in Niagara Falls and throughout Niagara County. There are a few hotels in Pendleton and Lockport as well, but the majority are in the City of Niagara Falls. So, I just wanted to go over this for informational purposes. We did get the application for additional funds in before the deadline on June 8. I don't know how long it will take us to get approved, but we had already in the fund a little over a million dollars to lend so we are trying right now with the help of Mark Gabriele and our consultants working on the plans for the Hospitality Emergency Loan Program, or "HELP". That will be low interest loan funds to hotels throughout Niagara County to help them with working capital for their fixed costs including real property taxes. Mark Gabriele did you want to jump in?

Mark Gabriele: Yes, thank you Sue. Just a handful of things that go hand in hand with what she was talking about obviously would be the original application for additional EDA awards regarding the loan fund. As Sue mentioned, we have other loan funds that have balances for two applicable for maybe about 1.4 million maybe a little bit more actually. These loan funds unfortunately have not been as active as we would like it as we discussed with this Board about a year ago. Some of the Board members have been around for that. Because of the rates and the commercial market being so low and the agency being a secondary lender, they really don't come to us very often the way are provisions are, but what has recently happened is that the State has come down with a new directive waiving a number of the rules reflecting and regarding EDA loan funds for a period of a year which at least goes from May of this year to May of next year. They are actually allowing us the ability to reduce the interest rates of these loans down to a very low, low rate which I believe is up to zero. Not that we would do zero, but certainly they want these funds out in the public domain right now trying to help hotels out of this tough situation we are in. So, what we are going to do is try to enter into a revised Management Plan. It's only temporary because it will only last for this one year period and go back next year, which allows the agency to loan out this money to the hotels at a rate of somewhere between 1.5 to 2.0%. We are looking to do an interest only period of about 8 – 12 months, because the way we are looking at it with the discussions we have had with the hospitality industry is that his summer will be a wash for them and every one of those in Niagara Falls is very tourist driven in the summer months. So the likelihood of them having significant occupancy won't happen until next late Spring at best or early Summer. So, most of these institutions are hotels well developed, they are already built, they are already funded and operating and that would be a very important part of it. Having active rooms would be one of the requirements as shown in the application that I think is attached.

Susan Langdon: It's not attached Mark

Mark Gabriele: Okay, it's not, we can send that over to you. What's on there includes we want to know exactly how much they paid in 2019 real property taxes or PILOT payments and basically the loan amount will be derived from what that amount is.

Mark Onesi: Excuse me Mark. Can everyone put your phone on mute until you want to talk. We are hearing a lot of background noise and it's hard to hear Mark, thank you.

Mark Gabriele: So basically the amount of the loan itself would be based upon a factor of up to 1.2 of what they paid in taxes the year before and a prerequisite would be that they are up-to-date through 2019 with their real property tax payments and that the proceeds have to first go to their 2020 obligations. So I think it's something that not only helps the not just the hotels, but I think it helps the taxing jurisdictions as well by making sure they are getting their tax revenue. It helps out of the hotels with low interest loans. It helps them with working capital because at this tough time all they have to pay back is the interest for a period of a year or so. It helps the agency in that we are doing something for the community and getting this money into circulation. Are there any questions on this? I know we talked about it briefly last month.

Jason Krempa: Just a quick question, so this sounds super positive. I like the fact that we are going to cap it at one year or a 120% of one year taxes. So if we decide to give them 12 months of interest only period what's the payback period after that? Is that to be determined? Is that going to be locked in? Are we going to give them 12 months to pay it back after 12 months of interest only?

Mark Gabriele: We are going to look for guidance, but right now most of our other loans are usually anywhere from a 3 to 7 year period. What we are anticipating is more of a 3 to 5 year period of repayment of this however it is amortized over that period.

Jason Krempa: That would make sense if you look at the likes of the PPP program was set up initially it had been 6 months of interest only with 18 months of payback. It extended the 18 months out to 4.5 years. I think with what we are talking about 3 to 5 years makes a lot of sense or even 5 years included of that interest only period with a 4.5 – 5 year payback makes a lot of sense.

Mark Gabriele: Your pretty dead on and dead on for the reasoning as well.

Susan Langdon: Mark, this is Sue. Does the Board have to take formal action on the Management Plan change or amendment?

Mark Gabriele: Yes, if you don't mind referring to that. Basically we have a Management Plan that is required by us for the revolving loan fund, which amends an existing Management Plan. Thanks for reminding me Sue. Again, it's only a temporary one year it will then go back to our entrance plan that stands today in one year, but we will take advantage of the New York State directive and some of these opportunities to lower interest rates and relax some of the other requirements during this next one year period. There will have to be an adoption action by the Board on this. Thank you Sue for reminding me.

Susan Langdon: Will we do that now or at a subsequent meeting.

Mark Gabriele: No, if we wait another month, I don't see that as being beneficial to the community or the hotels. If we could move forward with that now that way we could actively pursue and let the hotels in the area know that this program is available beginning this afternoon.

Mark Onesi: So we need a motion to put that in and a vote.

Mark Gabriele: Yes, please. Even though it doesn't need a roll call, anytime we are on a teleconference, I recommend a roll call.

Mark Onesi: Do we have a motion to approve the addendum to the Management Plan for the H.E.L.P. loan program?

Jerald Wolfgang: So moved.

Scott Brydges: Second.

Mark Onesi: Okay, thank you. Do the roll call please.

Roxanne Morgan: Mr. Onesi (answered "yes")

Mr. Wolfgang (answered "yes")

Mr. McCabe (answered "yes")

Mr. Ross – (answered "yes")

Ms. Candella (answered "yes")

Mr. Robert Cliffe (answered "yes")

Mr. Scott Brydges (answered "yes")

Mr. Clifford Scott (absent)

Mr. Krempa (answered "yes")

Mark Onesi: The motion passes

Mark Onesi: 7.2 Barden & Robeson Corporation, Mr. Gabriele.

Mark Gabriele: There are two actions here. One may not come to fruition here and one will. Basically it's a consent as it states on your agenda to refinance. That refinance may or may not take place, but it goes hand in hand with the second request in the later which is they presently have a with the agency it's actually coming to the end of it. They are looking to release a part of their existing parcel and sell it to another company that is looking to develop it and is actually coming to the agency as well. So in order to do that the Board has to agree to release the parcel, which will result in lack of any other terms, we would take the legal description now and supplement it with another legal description of Schedule A of our various documents and after that make a revision to our underlying lease PILOT and let the County and the tax jurisdiction know of the change, but as required by our documents it requires consent to both potential refinance as well as the release of the parcel so what I'm asking this morning that the agency agree to release a portion of the parcel of the existing lease with respect to the project with Barden & Robeson.

William Ross: Mark, this is the same Barden & Robeson that we visited years ago in the pre-builds the framing and all that in Middleport.

Mark Gabriele: Yes

William Ross: I think several of us on the IDA went through their plant at the time. Very good operation.

Mark Garbrielle: This is fairly standard. The improvements stay on the property. If it ever happened that the improvements left and the jobs left then instead of asking for the release of the parcel I would

basically be bringing this to the Board for termination. They are just taking some of the vacant land adjacent to it and selling it.

Mark Onesi: How much are they taking?

Susan Langdon: I think something like 10 acres. It's not in their letter, but I did have a conversation with them.

Mark Onesi: We need a motion from the Board.

William Ross: So moved.

Jason Krempa: Second.

Roxanne Morgan: Mr. Onesi (answered "yes")

Mr. Wolfgang (answered "yes")

Mr. McCabe (answered "yes")

Mr. Ross – (answered "yes")

Ms. Candella (answered "yes")

Mr. Robert Cliffe (answered "yes")

Mr. Scott Brydges (answered "yes")

Mr. Clifford Scott (absent)

Mr. Krempa (answered "yes")

Mark Onesi: Thank you, motion passes. 7.3 Microenterprise Grant Applications, Andrea.

Andrea Klyczek: Yes, thank you Mr. Chairman. As the Board may recall back in March, I believe was our last meeting, we presented the agreement with Niagara County to administer the Microenterprise program and the Board voted to approve that. Our goal was to have as many companies come before the loan committee as soon as possible and get this money out to these companies and I think we have done a good job of that. The first one that I hope you will be approving today is Craft Coffee House. It is a small coffee house in Pendleton that is looking to acquire a larger facility across the street. They have a successful existing business, good existing credit, large amount of personal investment and the Board voted to approve them for a \$25,000 grant. Excuse me, the Committee.

Mark Gabriele: If I may interject Andrea, just for the Board's information. Now we have one committee which will review loans and micro grant applications and make a recommendation to the Board. This Coffee House for example they are making a recommendation to the Board to approve it. Now the Board can ask questions and vote to grant or not to grant. Thank you.

William Ross: I would just like to interject that Jason Krempa did a nice job on these grant applications and they are four good ones here. I have read through them and I think that these people could be successful. At least three out of the four without any question. Again Jason good job.

Jason Krempa: We had some very robust conversation around each of them. So I wouldn't say there is a rubber stamp on any of them, but I would say these four are all good indications of the kind of businesses that will be helped by this amount of money.

William Ross: If anyone as at the last leadership luncheon for Community College on March 12 at the Culinary Center we had the Craft Coffee House. That couple made a presentation there. I know a few of

you were at that one. The Graves Coffee House seen at that time making a presentation and going over their application, outstanding.

Mark Onesi: Any other questions or comments? We need a motion Mark?

William Ross: Ross, I'll move that one.

Kevin McCabe: Second.

Mark Onesi: Thank you, I need a roll call vote.

Roxanne Morgan: Mr. Onesi (answered "yes")

Mr. Wolfgang (answered "yes")

Mr. McCabe (answered "yes")

Mr. Ross – (answered "yes")

Ms. Candella (answered "yes")

Mr. Robert Cliffe (answered "yes")

Mr. Scott Brydges (answered "yes")

Mr. Clifford Scott (absent)

Mr. Krempa (answered "yes")

Mark Onesi: Thank you, 7.3.2 Brenda L. Kephart dba B & B BBQ, did they bring any to the meeting?

Susan Langdon: Unfortunately no.

Andrea Klyczek: B&B BBQ, Brenda had a successful food truck business and she is looking into acquiring a facility. If you look at the application you can see that our Underwriter gave some positive and negative factors. I think the committee voted to approve this based on the fact that she did have a successful food truck business in the past. She has put in a significant amount of her own personal funding. She's got good credit and she's going to be partaking in business classes with SBDC.

Mark Onesi: Any questions on this? Are these all \$25,000 grants?

Andrea Klyczek: They are.

Mark Onesi: Mark do you have any comments?

Mark Gabriele: No, again you just have to do roll call on each one.

Mark Onesi: Motion to put it before the Board first.

Robert Cliffe: So moved.

Scott Brydges: Second.

Roxanne Morgan: Mr. Onesi (answered "yes")

Mr. Wolfgang (answered "yes")

Mr. McCabe (answered "yes")

Mr. Ross – (answered "yes")

Ms. Candella (answered "yes")

Mr. Robert Cliffe (answered “yes”)  
Mr. Scott Brydges (answered “yes”)  
Mr. Clifford Scott (absent)  
Mr. Krempa (answered “yes”)

Mark Onesi: Thank you, motion carried. Graham Bros Enterprises.

Andrea Klyczek: Graham Bros. Enterprise, again another successful small business. Two brothers, excellent credit. The grant is \$25,000 to purchase a utility tractor and they are going to be funding the other 50% of this piece of equipment and it is going to allow them to expand their business quite a bit and they will be hiring a low to moderate income person as in the guidelines for this funding.

Mark Onesi: Are there any questions?

William Ross: Mark, just a little background on these Graham Bros. from Pendleton. They both attended NCCC one in horticulture and the other in business administration, so they were well suited and prepared to open a business although it just opened a couple of years ago in 2018 and they don’t have to worry about a lot of capital in buildings because they are using their father’s farm for storage and things like that. I was amazed at what they accomplished since 2018, the two brothers. They are well prepared. That preplanning and preparation really pays off.

Mark Onesi: That NCCC education doesn’t hurt. Do we have any questions or comments? Do we have a motion to put it before the Board. I’m sure Mr. Ross wants to make that motion.

William Ross: Yes, Ross makes that motion. I was really impressed by these two men.

Scott Brydges: Second.

Mark Onesi: Roll call.

Roxanne Morgan: Mr. Onesi (answered “yes”)  
Mr. Wolfgang (answered “yes”)  
Mr. McCabe (answered “yes”)  
Mr. Ross – (answered “yes”)  
Ms. Candella (answered “yes”)  
Mr. Robert Cliffe (answered “yes”)  
Mr. Scott Brydges (answered “yes”)  
Mr. Clifford Scott (absent)  
Mr. Krempa (answered “yes”)

Mark Onesi: Great, motion carried. Last one 7.3.4, Northridge Printing Inc.

Andrea Klyczek: Northridge Printing, Mr. Verheyn he inherited the business rather unexpectedly from his father. He had worked in the company for years, but had left to do his own thing, but his father unexpectedly passed so he took over the company. He has been upgrading and expanding the operations. He has been purchasing new machinery and really modernizing the business. Oddly enough as a result of the Covid 19 epidemic he has actually created a lot of new business for him for manufacturing of labels and things of that sort. This grant will be helping him expand his business and he expects to be hiring several low to moderate income individuals within the next two years.

Mark Onesi: Do you know how many they are going to hire?

Andrea Klyczek: I think it is two.

William Ross: I think it is. I didn't write it down, but I thought it was two.

Andrea Klyczek: His obligation for the grant requirement is to hire one low to moderate income person within the next two years.

Mark Onesi: Then two would be good.

William Ross: The keyword here is stability. The father stated this way back in 1991. When he passed away, the son took it over. They have a long successful history. I just wanted to interject that.

Mark Onesi: Thank you. Do we have a motion or do we have any other questions first? Do we have a motion to put it before the Board?

William Ross: I make the motion.

Kevin McCabe: Second.

Mark Onesi: Roll call vote please.

Roxanne Morgan: Mr. Onesi (answered "yes")

Mr. Wolfgang (answered "yes")

Mr. McCabe (answered "yes")

Mr. Ross – (answered "yes")

Ms. Candella (answered "yes")

Mr. Robert Cliffe (answered "yes")

Mr. Scott Brydges (answered "yes")

Mr. Clifford Scott (absent)

Mr. Krempa (answered "yes")

Mark Onesi: Motion carried. Okay, information items. I don't think we have any.

Susan Langdon: Yes, this is Sue. I would like to let the Board know that as of two weeks ago Barb Gill, our Administrative Assistant, filed her retirement papers after 27 years of service here and she was pretty much an institution here and she will be missed.

William Ross: Her official retirement date Sue?

Susan Langdon: I believe it was May. Mike Dudley is handling that.

William Ross: So it is back dated. We will miss her. She did a good job. We always got our material, right Mark?

Mark Onesi: Always did, never a problem. That will be a big loss. Okay, anything else? Mark you have anything?

Mark Gabriele: Just two quick things. One, I just wanted to make sure I was clear. On the proposed HELP fund, we are not just limiting these loans to those groups that have PILOTS. It is open to any hotel that has an active bed. If it is being built and not operational, obviously that's a disqualifier. They have to be paying taxes and or PILOTS I just wanted to make sure that was clear and finally the Governor's directive in regards to open meeting law was extended as you can probably guess since we are doing a conference call today, it has been extended through July 6, 2020. Just for your purposes that is a Monday. Our next Board meeting is actually scheduled for Wednesday, July 8. So we are going to have to see how this plays out. If the Board is still not comfortable under these circumstances meeting in person, which is certainly understandable, we may entertain or discuss moving that date up a week or a couple of days. I just wanted to make sure that the Board understands that. It is being open up on July 6 it may present a small problem for our meeting on July 8.

Mark Onesi: A lot of things are going to be tentative until they come up with a plan. They make them last minute. We can keep that in mind. I have a Zoom account, but it's only good for a 40 minute meeting then call back in.

Susan Langdon: IDA has a Zoom account as well.

Mark Onesi: Good, at least we could get to see each other. Are there any other matters that the Board wants to talk about? Sue and Mark I would like you to stay on the line I have a couple of questions.

Susan Langdon: Okay.

Mark Onesi: So any other matters? Like Mark said the next meeting is July 8, 2020. Motion to adjourn, all in favor?

Everyone: Aye

Mark Onesi: Any opposed, Carried.

Meeting adjourned at 9:37 a.m.