

# Niagara County Industrial Development Agency

Niagara County Center for Economic Development • 6311 Inducon Corporate Drive, Ste. 1 • Sanborn, NY 14132

## **REGULAR NCIDA/NCDC/NADC BOARD MEETING**

**DATE:** November 9, 2022  
**MEETING TIME:** 9:00 a.m.  
**MEETING PLACE:** Niagara County Industrial Development Agency  
Vantage Center, Suite One  
6311 Inducon Corporate Drive  
Sanborn, NY 14132

### **Board of Directors:**

\_\_\_ **Mark A. Onesi**, Chairperson  
\_\_\_ **Jerald I. Wolfgang**, 1<sup>st</sup> Vice Chairperson  
\_\_\_ **Kevin McCabe**, 2<sup>nd</sup> Vice Chairperson  
\_\_\_ **William L. Ross**, Secretary  
\_\_\_ **Scott Brydges**, Asst. Secretary  
\_\_\_ **Robert B. Cliffe**, Member  
\_\_\_ **Jason Krempa**, Member  
\_\_\_ **Clifford Scott**, Member  
\_\_\_ **Maria V. Lopez**, Member

### **Staff Members:**

\_\_\_ **Susan C. Langdon**, Executive Director  
\_\_\_ **Andrea Klyczek**, Assistant Director  
\_\_\_ **Michael S. Dudley**, Finance Manager  
\_\_\_ **Caroline Caruso**, Accounting Associate  
\_\_\_ **Susan Barone**, Grants & Operations Manager  
\_\_\_ **Mark J. Gabriele**, Agency Counsel  
\_\_\_ **Julie Lamoreaux**, Administrative & HR Officer  
\_\_\_ **Jeremy Geartz**, Project Manager

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- 1.0 Meeting Called to Order – *M. Onesi*
  - 2.0 Roll Call – *J. Lamoreaux*
  - 3.0 Introduction of Guests – *M. Onesi*
  - 4.0 Pledge of Allegiance – *M. Onesi*
  - 5.0 Approval of Meeting Minutes – *W. Ross*
    - 5.1 Regular NCIDA/NCDC/NADC – October 12, 2022
  - 6.0 Finance & Audit Committee Reports – *K. McCabe*
    - 6.1 Agency Payables – October 31, 2022
    - 6.2 Budget Variance Report – October 31, 2022
    - 6.3 Adopt 2023 Budgets
      - 6.3.1 Niagara County Industrial Development Agency
      - 6.3.2 Niagara County Development Corporation
      - 6.3.3 Niagara Area Development Corporation

**7.0 Unfinished Business**

**8.0 New Business**

**8.1 NCDC Loan Approval – *J.Krempa***

**8.1.1 525 Wheat, LLC**

**8.2 NCDC Loan Re-Amortization – *J.Krempa***

**8.2.1 Legacy Dance Studio, Inc.**

**8.3 Covid Relief for Small Business Grant – *S. Barone***

**8.3.1 Niagara Apothecary**

**8.3.2 Kathryn Broeker LMT Inc.**

**9.0 Agency Counsel – *M. Gabriele***

**10.0 Information Items**

**11.0 Any Other Matters the Board Wishes to Discuss**

**12.0 Next Regular NCIDA/NCDC/NADC Meeting:**

**DATE: December 14, 2022**

**TIME: \*\* 9:00 a.m. \*\***

**PLACE: Niagara County Center for Economic Development**

**13.0 Adjournment - *M. Onesi***

# **5.1**

# **MEETING**

# **MINUTES**

## **REGULAR NCIDA/NCDC/NADC BOARD MEETING**

**DATE:** October 12, 2022  
**MEETING TIME:** 9:00 a.m.  
**MEETING PLACE:** Niagara County Industrial Development Agency  
Vantage Center, Suite One  
6311 Inducon Corporate Drive  
Sanborn, NY 14132

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### **1.0 Meeting Called to Order**

The regular meeting of the Niagara County Industrial Development Agency was called to order by Chairperson Onesi at 9:00 a.m.

### **2.0 Roll Call**

Mark A. Onesi, Chairperson	Present
Jerald I. Wolfgang, 1 <sup>st</sup> Vice Chairperson	Excused
Kevin McCabe, 2 <sup>nd</sup> Vice Chairperson	Excused
William L. Ross, Secretary	Present
Scott Brydges, Assistant Secretary	Present
Robert Cliffe, Member	Present
Jason Krempa, Member	Present
Clifford Scott, Member	Present
Maria V. Lopez, Member	Excused

### **3.0 Introduction of Guests**

Jim Fink, Business First  
Jonathan Epstein, Buffalo News

#### **Staff Present**

Susan C. Langdon, Executive Director, Excused  
Andrea Klyczek, Assistant Director  
Michael S. Dudley, Finance Manager  
Carrie Caruso, Accounting Associate  
Jeremy Geartz, Project Manager  
Susan Barone, Grants & Operations Manager  
Julie Lamoreaux, Administrative & HR Officer  
Mark J. Gabriele, Agency Counsel

#### **4.0 Pledge of Allegiance**

Mr. Onesi led the Pledge of Allegiance.

#### **5.0 Approval of Meeting Minutes**

##### **5.1 Regular NCIDA/NCDC/NADC – September 14, 2022**

***Mr. Ross motioned to approve the meeting minutes; Mr. Scott seconded the motion. The motion passed.***

#### **6.0 Finance & Audit Committee Reports**

##### **6.1 Agency Payables – September 30, 2022**

Mr. Ross stated that the monthly payables have been reviewed and found to be in order.

***Mr. Ross made a motion to approve the monthly payables; Mr. Krempa seconded the motion. The motion passed.***

##### **6.2 Budget Variance Report – September 30, 2022**

Mr. Ross stated that the reports have been reviewed and found to be in order.

***Mr. Ross made a motion to approve the Budget Variance Report; Mr. Krempa seconded the motion. The motion passed.***

##### **6.3 2023 Proposed Budgets**

Mr. Dudley stated that three Budgets were reviewed in the previous Audit and Finance Committee meeting with several of the Board members. The objective of the Board is to approve the budgets, then they will be sent to the Niagara County Clerk and Legislature for a mandatory 20-day review. The Board will then be asked to formally adopt the 2023 Budgets at the November 9, 2022 Regular Board Meeting.

***Mr. Ross made a motion to approve the proposed budgets, Mr. Brydges seconded the motion. The Motion passed.***

The question of the approval of the Resolution as duly put to a vote on roll call, which resulted as follows:

	<u>Yea</u>	<u>Nay</u>	<u>Abstain</u>	<u>Absent</u>
Jerald Wolfgang				x
Kevin McCabe				x
William Ross	x			
Maria V. Lopez				x
Robert Cliffe	x			
Scott Brydges	x			
Clifford Scott	x			
Jason Krempa	x			
Mark Onesi	x			

The Resolution was thereupon duly adopted.

**7.0 Unfinished Business**

**7.1 Cerrone Estate Properties LLC**

Mr. Gabriele stated that Cerrone Estate Properties LLC is asking for a second and final inducement extension which would extend the project inducement through March 31, 2023. The company is asking the Board for approval of this extension.

**7.1.1 Inducement Extension**

RESOLUTION AUTHORIZING THE NIAGARA COUNTY INDUSTRIAL DEVELOPMENT AGENCY TO EXTEND THE INDUCEMENT TERM FOR CERRONE ESTATE PROPERTIES LLC FOR A SIX-MONTH PERIOD WITH RESPECT TO A CERTAIN PROJECT (AS MORE FULLY DEFINED BELOW) TO BE UNDERTAKEN BY THE AGENCY FOR THE BENEFIT OF CERRONE ESTATE PROPERTIES LLC OR AN ENTITY FORMED OR TO BE FORMED.

***Mr. Krempa made a motion to approve the Inducement Extension; Mr. Cliffe seconded the motion. The motion passed.***

The question of the approval of the Resolution as duly put to a vote on roll call, which resulted as follows:

	<u>Yea</u>	<u>Nay</u>	<u>Abstain</u>	<u>Absent</u>
Jerald Wolfgang				x
Kevin McCabe				x
William Ross	x			
Maria V. Lopez				x
Robert Cliffe	x			
Scott Brydges	x			
Clifford Scott	x			
Jason Krempa	x			
Mark Onesi	x			

The Resolution was thereupon duly adopted.

**7.2 Kilmer Solar, LLC**

Mr. Gabriele stated this project has had some delays from the Town of Lewiston. Due to the delay from the Town, the company has reached out to the Agency to ask the Board increase the inducement amount and modify the resolution due to project price increases. The company is asking to add an additional \$94,234.00 in sales and mortgage tax.

**7.2.2 Additional Sales Tax**

AMENDED RESOLUTION OF THE NIAGARA COUNTY INDUSTRIAL DEVELOPMENT AGENCY (i) UNDERTAKE A CERTAIN PROJECT FOR THE BENEFIT OF KILMER SOLAR LLC AND/OR AN INDIVIDUAL(S) OR AFFILIATE, SUBSIDIARY, OR ENTITY FORMED OR TO BE FORMED ON ITS BEHALF (AS MORE FULLY DEFINED BELOW); (ii) ADOPTED FINDINGS THAT THE PROJECT WILL NOT HAVE A SIGNIFICANT EFFECT ON THE ENVIRONMENT; (iii) NEGOTIATE AND EXECUTE A LEASE AGREEMENT AND LEASEBACK AGREEMENT, AND RELATED DOCUMENTS: AND (iv) PROVIDE FINANCIAL ASSISTANCE TO THE COMPANY IN THE FORM OF (A) A SALES TAX EXEMPTION FOR PURCHASES AND RENTALS RELATED TO THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF THE PROJECT, (B) A MORTGAGE RECORDING TAX EXEMPTION FOR THE FINANCING RELATED TO THE PROJECT.

***Mr. Krempa made a motion to approve the additional sales tax; Mr. Scott seconded the motion. The motion passed.***

The question of the approval of the Resolution as duly put to a vote on roll call, which resulted as follows:

	<u>Yea</u>	<u>Nay</u>	<u>Abstain</u>	<u>Absent</u>
Jerald Wolfgang				x
Kevin McCabe				x
William Ross	x			
Maria V. Lopez				x
Robert Cliffe	x			
Scott Brydges	x			
Clifford Scott	x			
Jason Krempa	x			
Mark Onesi	x			

The Resolution was thereupon duly adopted.

**8.0 New Business**

**8.1 Snow Removal RFP**

Ms. Lamoreaux stated the Agency issued an RFP for Snow Removal services at 6311 Inducon Corporate Drive, Sanborn, NY 14132. The Agency mailed out RFP's to nine companies and published the information in the local newspapers. The Agency received responses back from S & R Landscape and Snowplowing Inc., Mike Sinatra Landscaping & Snowplowing, and Laraba Enterprises. Staff recommended that the Board approve the proposal from Mike Sinatra Landscaping & Snowplowing, as their bid proposal was competitive and they had very positive feedback from references.

**8.1.1 Snow Removal for Center for Economic Development**

*Mr. Krempa made a motion to approve the Snow Removal RFP from Mike Sinatra Landscaping & Snowplowing; Mr. Scott seconded the motion. The motion passed.*



The question of the approval of the Resolution as duly put to a vote on roll call, which resulted as follows:

	<u>Yea</u>	<u>Nay</u>	<u>Abstain</u>	<u>Absent</u>
Jerald Wolfgang				x
Kevin McCabe				x
William Ross	x			
Maria V. Lopez				x
Robert Cliffe	x			
Scott Brydges	x			
Clifford Scott	x			
Jason Krempa	x			
Mark Onesi	x			

The Resolution was thereupon duly adopted.

**9.0 Agency Counsel**

There were no comments from Agency Counsel at this time.

**10.0 Information Items**

There were no information items at this time.

**11.0 Any Other Matters the Board Wishes to Discuss**

There were no other matters the Board wished to discuss.

**12.0 Next Regular NCIDA/NCDC/NADC Meeting:**

**DATE: November 9, 2022**

**TIME: \*\* 9:00 a.m. \*\***

**PLACE: Niagara County Center for Economic Development**

**13.0 Adjournment**

Mr. Onesi made a motion to adjourn; Mr. Brydges seconded the motion. The meeting adjourned at 9:15 a.m.

Respectfully Submitted:

Reviewed by:

Approved by:

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Julie Lamoreaux  
Recording Secretary

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Andrea Klyczek  
Assistant Director

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William L. Ross  
Secretary

# **6.1**

# **AGENCY**

# **PAYABLES**

**Niagara County Industrial Devel. Agency**  
**Check Register**  
**For the Period From Oct 1, 2022 to Oct 31, 2022**

Filter Criteria includes: Report order is by Date.

Check #	Date	Payee	Cash Account	Amount
29647	10/4/22	360 PSG.com	10001.100	60.00
29648	10/4/22	THE HARTFORD	10001.100	313.06
29649	10/4/22	M&T Bank	10001.100	3,548.75
29650	10/4/22	National Grid	10001.100	566.84
29651	10/4/22	Powered Protection, Inc.	10001.100	186.00
29652	10/4/22	STAPLES CONTRACT & COMMERCIAL	10001.100	209.66
10/6/22	10/6/22	PAYCHEX, INC.	10001.100	92.95
10/7/22	10/7/22	NYS DEFERRED COMPENSATION PLAN	10001.100	1,293.51
29653	10/17/22	County of Niagara	10001.100	82.67
29654	10/17/22	Gabriele & Berrigan, P.C.	10001.100	5,000.00
29655	10/17/22	Guardian	10001.100	388.33
29656	10/17/22	PURCHASE POWER	10001.100	301.50
29657	10/17/22	Professional Janitorial Services, Inc.	10001.100	793.17
29658	10/17/22	SAM'S CLUB/SYNCHRONY BANK	10001.100	174.10
29659	10/17/22	STAPLES CONTRACT & COMMERCIAL	10001.100	110.66
10/20/22	10/20/22	PAYCHEX, INC.	10001.100	76.66
10/21/22	10/21/22	NYS DEFERRED COMPENSATION PLAN	10001.100	1,203.51
29660	10/25/22	Gabriele & Berrigan, P.C.	10001.100	2,857.60
29661	10/25/22	Gabriele & Berrigan, P.C.	10001.100	2,857.60
29662	10/25/22	Gabriele & Berrigan, P.C.	10001.100	2,857.60
29663	10/25/22	Cintas Corporation LOC. 067P	10001.100	92.30
29664	10/25/22	First Choice Coffee Services	10001.100	162.09
29665	10/25/22	Independent Health	10001.100	3,460.48
29666	10/25/22	SUSAN C. LANGDON	10001.100	85.58
29667	10/25/22	STAPLES CONTRACT & COMMERCIAL	10001.100	36.49
10/31/22	10/31/22	NEW YORK STATE AND LOCAL	10001.100	612.70
<b>Total</b>				<b>27,423.81</b>

**NCIDA VIP-MTF Operating**  
**Check Register**  
For the Period From Oct 1, 2022 to Oct 31, 2022

Filter Criteria includes: Report order is by Date.

Check #	Date	Payee	Cash Account	Amount
4686	10/4/22	Blue Ox Roofing	10001.600	373.00
4687	10/4/22	Frontier	10001.600	197.74
4688	10/4/22	Landscape Associate of WNY, Inc.	10001.600	779.86
4689	10/4/22	National Grid	10001.600	539.21
4690	10/4/22	Ulrich Signs	10001.600	380.00
4691	10/17/22	M&M Electric Construction Co., Inc.	10001.600	1,133.22
4692	10/17/22	Modern Disposal Services, Inc.	10001.600	169.03
4693	10/17/22	County of Niagara	10001.600	27.69
4694	10/17/22	Professional Janitorial Services, Inc.	10001.600	219.42
<b>Total</b>				<b><u>3,819.17</u></b>

**NCIDA - MTF - Operating Fund**  
**Check Register**  
For the Period From Oct 1, 2022 to Oct 31, 2022

Filter Criteria includes: Report order is by Date.

Check #	Date	Payee	Cash Account	Amount
3078	10/4/22	Landscape Associate of WNY, Inc.	10001.600	422.71
3079	10/4/22	National Grid	10001.600	69.60
3080	10/4/22	Niagara Falls Water Board	10001.600	760.00
3081	10/17/22	VERIZON	10001.600	119.86
<b>Total</b>				<u><u>1,372.17</u></u>

**Niagara Industrial Incubator Associates**  
**Check Register**  
For the Period From Oct 1, 2022 to Oct 31, 2022

Filter Criteria includes: Report order is by Date.

<b>Check #</b>	<b>Date</b>	<b>Payee</b>	<b>Cash Account</b>	<b>Amount</b>
1322	10/4/22	National Grid	10000.100	382.86
1323	10/17/22	Grove Roofing Services, Inc.	10000.100	9,100.36
1324	10/25/22	The Hartford	10000.100	<u>17,632.79</u>
<b>Total</b>				<u><u>27,116.01</u></u>

**NCDC - CDBG/HUD - RLF**  
**Check Register**  
**For the Period From Oct 1, 2022 to Oct 31, 2022**

Filter Criteria includes: Report order is by Date.

Check #	Date	Payee	Cash Account	Amount
235	10/17/22	708 E. Market Street Niagara Falls Inc.	10200-300	7,465.33
236	10/17/22	Alpha Omega Janitorial, Inc.	10200-300	40,000.00
237	10/17/22	H. Sicherman & Company, Inc.	10200-300	10,581.00
238	10/17/22	Hydraulic Race Co., Inc.	10200-300	50,000.00
239	10/17/22	Niagara County Industrial Dev Agency	10200-300	108,450.00
240	10/17/22	Niagara Shores Campground and	10200-300	9,290.28
241	10/17/22	R&B Rock Gym, Inc.	10200-300	50,000.00
242	10/17/22	Robert Ventry dba Ventry's Pizza Shop	10200-300	25,000.00
243	10/17/22	T's YOU-nique Hair & Beauty LLC	10200-300	13,131.39
244	10/17/22	Ultimate Physique, Inc.	10200-300	50,000.00
245	10/17/22	Urban Legend Studio LLC	10200-300	25,413.65
246	10/17/22	Willber & Company Business	10200-300	35,000.00
247	10/17/22	Willie A. Price Speaks, LLC	10200-300	3,158.87
<b>Total</b>				<b><u>427,490.52</u></b>



**Niag. Cnty Dev. Corp. - Micro RLF**  
**Check Register**  
For the Period From Oct 1, 2022 to Oct 31, 2022

Filter Criteria includes: Report order is by Date.

Check #	Date	Payee	Cash Account	Amount
2076	10/25/22	3 Sisters Garlic LLC	10004.400	1,813.86
2077	10/25/22	Creekside Income Tax LLC	10004.400	7,316.64
2078	10/25/22	I Eudaimonia Inc. d/b/a Jacobsen	10004.400	8,990.04
2079	10/25/22	MHG Food and Events Services, LLC	10004.400	1,628.76
<b>Total</b>				<u><u>19,749.30</u></u>

# **6.2**

# **BUDGET**

# **VARIANCE**

# **REPORT**

**NIAGARA COUNTY INDUSTRIAL DEVELOPMENT AGENCY**  
**BUDGET VARIANCE REPORT AS OF October 31, 2022**  
**UN-AUDITED STATEMENT FOR INTERNAL MANAGEMENT USE ONLY**

	Current Month Actual	Current Month Budget	Year To Date Actual	Year To Date Budget	Year To Date Variance	Total Budget
Operating Revenues						
Project Administrative Fees	\$ 27,018.00	\$ 5,093.00	\$ 283,354.70	\$ 372,468.00	(89,113.30)	\$ 519,096.00
Project Application Fees	0.00	1,000.00	14,000.00	10,000.00	4,000.00	12,000.00
NEDF RLF Administrative Fee	4,166.67	4,166.67	41,666.70	41,666.70	0.00	50,000.00
NCDC CDBG/HUD Admin. Fees	108,450.00	0.00	108,450.00	0.00	108,450.00	0.00
EDA RLF-Grant 2020 Admin Fees	0.00	0.00	15,393.25	0.00	15,393.25	0.00
Administrative Fees - Other	0.00	0.00	12,012.38	0.00	12,012.38	15,432.00
Interest Earnings	990.95	26.50	1,764.41	265.00	1,499.41	318.00
Miscellaneous Income	0.00	0.00	192.17	60.00	132.17	60.00
Distrib From Niag. Ind. Suites	0.00	0.00	0.00	0.00	0.00	100,000.00
Distribution from VIP MTF	0.00	0.00	0.00	0.00	0.00	100,000.00
<b>Total Operating Revenues</b>	<b>140,625.62</b>	<b>10,286.17</b>	<b>476,833.61</b>	<b>424,459.70</b>	<b>52,373.91</b>	<b>796,906.00</b>
Operating Expenses						
Salaries	33,500.02	26,380.24	300,676.42	276,992.52	23,683.90	342,943.00
Benefits	4,646.22	3,282.33	37,066.97	32,823.30	4,243.67	39,388.00
Retirement Benefits	3,104.33	3,104.33	31,043.30	31,043.30	0.00	37,252.00
Payroll Taxes	2,605.01	2,125.80	23,486.52	22,279.68	1,206.84	27,553.00
Unemployment Taxes	51.70	0.00	1,665.85	1,260.00	405.85	1,260.00
Consultants	2,500.00	2,500.00	25,000.00	25,000.00	0.00	30,000.00
Assistant Director	5,462.25	5,462.25	54,622.50	54,622.50	0.00	65,547.00
Legal Services	5,000.00	5,000.00	78,697.71	50,000.00	28,697.71	60,000.00
Accounting Services	0.00	0.00	19,500.00	19,000.00	500.00	19,000.00
Accounting Services - NADC	0.00	0.00	1,200.00	2,100.00	(900.00)	2,100.00
Marketing	60.00	1,833.33	3,638.42	18,333.30	(14,694.88)	22,000.00
Printing	0.00	125.00	786.06	1,250.00	(463.94)	1,500.00
Office Supplies	0.00	208.33	1,130.60	2,083.30	(952.70)	2,500.00
Postage	490.92	427.00	2,518.25	3,500.00	(981.75)	3,840.00
Telephone & Fax	94.88	98.25	831.69	982.50	(150.81)	1,179.00
Internet Service	192.83	206.67	1,853.98	2,066.70	(212.72)	2,480.00
Common Area Charges	634.00	634.08	6,340.00	6,340.80	(0.80)	7,609.00
Energy	1,361.13	1,053.00	16,666.67	12,907.00	3,759.67	15,848.00
Conference & Travel	579.74	208.33	1,261.09	2,083.30	(822.21)	2,500.00
Employee Training	0.00	0.00	3,435.15	1,000.00	2,435.15	1,000.00
Insurance Expense	1,481.40	1,641.58	14,814.00	16,415.80	(1,601.80)	19,699.00
Library & Membership	0.00	0.00	2,701.94	2,273.00	428.94	2,843.00
General Office	809.48	712.33	8,117.42	7,123.30	994.12	8,548.00
Repairs & Maintenance	853.64	1,169.67	9,274.07	11,696.70	(2,422.63)	14,036.00
Computer Support	0.00	666.67	1,260.00	6,666.70	(5,406.70)	8,000.00
Public Hearings	0.00	33.33	0.00	333.30	(333.30)	400.00
Furniture & Equipment Purchase	0.00	166.67	16,965.47	1,666.70	15,298.77	2,000.00
Other Expense	0.00	83.33	0.00	833.30	(833.30)	1,000.00
<b>Total Operating Expenses</b>	<b>63,427.55</b>	<b>57,122.52</b>	<b>664,554.08</b>	<b>612,677.00</b>	<b>51,877.08</b>	<b>742,025.00</b>
<b>Net Operating Income/&lt;Loss&gt;</b>	<b>77,198.07</b>	<b>(46,836.35)</b>	<b>(187,720.47)</b>	<b>(188,217.30)</b>	<b>496.83</b>	<b>54,881.00</b>
Non-Operating Revenue & Expense						
Grants Rev.	0.00	73,621.83	0.00	736,218.30	(736,218.30)	883,462.00
Grant Rev- City NF Initiative	0.00	35,979.17	584,580.09	359,791.70	224,788.39	431,750.00
Grant to Subrecipient	0.00	63,291.67	0.00	632,916.70	(632,916.70)	759,500.00
Grant Sub-City NF Initiative	0.00	35,979.17	584,580.09	359,791.70	224,788.39	431,750.00
<b>Net Non-Operating Income/&lt;Loss&gt;</b>	<b>0.00</b>	<b>10,330.16</b>	<b>0.00</b>	<b>103,301.60</b>	<b>(103,301.60)</b>	<b>123,962.00</b>
<b>Total Net Income/&lt;Loss&gt;</b>	<b>\$ 77,198.07</b>	<b>(\$ 36,506.19)</b>	<b>(\$187,720.47)</b>	<b>(\$ 84,915.70)</b>	<b>(102,804.77)</b>	<b>\$ 178,843.00</b>

**NIAGARA COUNTY INDUSTRIAL DEVELOPMENT AGENCY**

Balance Sheet  
October 31, 2022

**ASSETS**

Current Assets	
Cash - Checking	\$ 163,517.41
Petty Cash	300.00
Mmkt Acct. - M&T Bank	1,795,532.54
Cash - First Response	65,822.90
Cash - City of N.F.	828.22
Mmkt Acct. - Cataract Tourism	3,357,423.08
Accts Rec - Public Hearings	2,503.81
Accounts Rec. EDA - RLF	7,499.97
Due To/From Micro RLF	7,499.97
Due To/From VIP - MTF	379,508.54
Due From NCDC CDBG/HUD	7,500.06
Due To/Due From NADC	151,406.56
Prepaid Insurance	<u>5,413.39</u>
 Total Current Assets	 5,944,756.45
Other Assets	
Deferred Outflows	239,614.00
Investment in NIIA	<u>342,500.00</u>
 Total Other Assets	 582,114.00
Fixed Assets	
Furniture & Equipment	199,360.75
Furn & Fixtures - Fed purchase	5,861.08
Accum Dep. - Furn & Equip	(199,360.75)
Accum Dep. - F&F Fed Purch	<u>(5,861.08)</u>
 Total Fixed Assets	 0.00
 Total Assets	 <u>\$ 6,526,870.45</u>

**LIABILITIES AND NET ASSETS**

Current Liabilities	
Accrued Retirement	\$ 31,043.30
Deferred Rev. - NEDF	8,333.30
Deferred Rev. - First Repsonse	65,822.90
Def. Rev. - City of N.F.	3,358,251.30
Accounts Payable	31,762.54
Acct. Payable - Niag. County	<u>24,148.03</u>
 Total Current Liabilities	 3,519,361.37
Long-Term Liabilities	
Pension Liability	757.00
Deferred Inflows of Resources	<u>236,693.00</u>
 Total Long-Term Liabilities	 <u>237,450.00</u>
 Total Liabilities	 3,756,811.37
Net Assets	
Fund Balance - Operating Fund	2,957,779.55
Net Income	<u>(187,720.47)</u>
 Total Net Assets	 <u>2,770,059.08</u>
 Total Liabilities & Net Assets	 <u>\$ 6,526,870.45</u>

**Niagara County Industrial  
Development Agency  
Aged Payables  
As of October 31, 2022**

Vendor ID Vendor	Invoice #	Amount Due
CARUSO Caroline M. Caruso	9/1/11 - 10/27/222	66.00
char Charter Communications	Oct 2022	119.99
M&TBUS M&T Bank	Oct 2022	501.00
NATGRID National Grid	39004 10/22	461.13
PITBOW Pitney Bowes Global Financial	3316511659	189.42
Report Total		<u>1,337.54</u>

Adjusting Journal Entries

Estimated Jun 2022 Legal Fees	5,000.00
Estimated Jul 2022 Legal Fees	5,000.00
Estimated Aug 2022 Legal Fees	5,000.00
Estimated Sep 2022 Legal Fees	5,000.00
Estimated Oct 2022 Legal Fees	5,000.00
Estimated Sep 2022 Copier usage	200.00
Estimated Oct 2022 Copier usage	200.00
Estimated Jul-Sep 2022 Telephone	90.00
Estimated Oct 2022 Telephone	30.00
Estimated Sep 2022 Niagara County Electric	800.00
Estimated Oct 2022 Niagara County Electric	700.00
Estimated Oct 2022 Niagara County Gas	200.00
Estimated Oct 2022 Cleaning service	705.00
Estimated Oct 2022 Consulting	2,500.00
	<u><u>31,762.54</u></u>

**NIAGARA COUNTY INDUSTRIAL DEVELOPMENT AGENCY**

11/3/2022

**Project Income - 2022  
Lease/Lease Back and Bonds**

Closed 2022		Project Type	Total Project Amount	IDA Project Amount	Fees	Application Fee	Amount Received to Date	Date Received	Balance Due	Date Closed
Twogood Holdings LLC(Rubberform Recycled	L/L Back		2,955,000	2,050,000	20,500	1,000	21,500	3/24/22	-	3/15/22
Moog Inc.	Sales Tax Only		4,120,210	4,120,210	32,962	0	32,962	3/28/22	-	3/9/22
Catholic Health System Inc.	Bond		48,874,501	36,420,018	112,500	0	112,500	3/28/22	-	
Vantage Pointe LLC	L/L Back		1,403,220	1,370,450	8,500	1,000	9,500	6/6/22	-	5/25/22
PEMM LLC	L/L Back		8,500,000	6,200,000	62,000	1,000	63,000	7/8/22	-	6/24/22
Eleanor Apartments at Niagara, LLC(Niagara C Assumption of The Eleanor Apartments, LLC PILOT						1,000	1,000	2/4/22	-	8/1/22
Lockport Schools Federal Credit Union	L/L Back		2,107,607	1,767,500	17,675	1,000	18,675	9/28/22	-	9/9/22
Iskalo 1 East Avenue LLC	Additional Sales Tax Only				2,200	0	2,200	9/28/22	-	9/14/22
13 W. Main LLC	L/L Back		2,981,342	2,701,865	27,018	1,000	28,018	10/17/22	-	10/7/22
CALF Development Associates, LLC	No assistance provided.				0	1,000	1,000	7/13/22	-	8/31/23
					0				-	

TOTAL

283,355

Fees received in prior year -

**Total fees received to date in 2022** 283,355

**Total 2022 Budgeted Fees** 519,096

**Balance of Budgeted Fees** 235,741

Projected 2022		Project Type	Total Project Amount	IDA Project Amount	Anticipated Fees	Application Fee	Amount Received to Date	Date Received	Anticipated Balance Due	Inducement Expiration
Cerrone Estate Properties, LLC	L/L Back		1,780,000	1,750,000	17,500	1,000	1,000	2/3/21	17,500	3/31/23
Olcott Yacht Club Inc.	Sales Tax & Mtg Tax Only		456,000	450,000	0	250	250	2/16/21	-	2/9/23
Niacet Corporation	L/L Back		13,250,000	8,525,000	70,000	1,000			71,000	12/31/22
TM Montante Development LLC - 512 3rd St.	L/L Back		2,687,001	2,059,941	20,599	1,000	1,000	6/7/21	20,599	1/31/23
TM Montante Development LLC - 500 3rd St.	L/L Back		693,001	550,000	5,500	1,000	1,000	6/9/21	5,500	1/31/23
CVE US E13 Wheatfield, LLC	Sales Tax & Mtg Tax Only		9,760,000	7,740,000	32,000	1,000	1,000	12/20/21	32,000	2/28/23
Kilmer Solar LLC	Sales Tax & Mtg Tax Only		9,145,000	8,775,000	34,000	1,000	1,000	1/13/22	34,000	9/30/23
Niacet Corporation (NxTD Project)	L/L Back		48,750,000	46,750,000	467,500	1,000	1,000	5/2/22	467,500	6/30/23
4600 Group, LLC	L/L Back		5,292,351	3,955,893	39,559	1,000	1,000	5/31/22	39,559	8/31/23
DRC Development LLC 2022	L/L Back		3,000,000	2,883,000	28,830	1,000	1,000	6/1/22	28,830	7/31/23
Amazon.com Services LLC	L/L Back		550,000,000	550,000,000		1,000	1,000	7/13/22	-	8/31/23
OAHS Niagara Towers TC LLC	Bond		19,000,000	100,000		1,000	1,000	7/8/22	-	8/31/23
OAHS Urban Park TC LLC	Bond		16,000,000	100,000		1,000	1,000	7/8/22	-	8/31/23
DLV Properties LLC	L/L Back		23,089,050	20,707,900	207,079	1,000	1,000	8/15/22	207,079	9/30/23
Micbarcer Realty Company	L/L Back		598,930	573,930	5,739	1,000	1,000	8/3/22	5,739	9/30/23

TOTAL

928,307

14,250

13,250

929,307

0

**TOTAL - Projected Income 2022**

1,211,662

14,250

13,250

929,307

283,355

Projected 2023		Project Type	Total Project Amount	IDA Project Amount	Anticipated Fees	Application Fee	Amount Received to Date	Date Received	Anticipated Balance Due	Inducement Expiration
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TOTAL

0

0

0

0

0

\* Pending Board Approval

**Cataract Tourism Fund  
Grant Program**

Grantee Name	Grant Awards	Outst'd'g Awards	Approval Date	Disbursement Date	Disbursement Amount	Offer Expiration	Project Description
Niagara County Dept. of Economic Development	37,667	0.00	10/11/2017	1/23/2018	37,667.00		Feasibility study for Niagara Falls area multi-use facility
Niagara Aquarium Foundation	88,147	0.00	2/14/2018	7/15/2019	88,147.00		Jellyfish exhibit and equipment
The Tourism Research Entrepreneurship Center (TReC)	176,600	0.00	8/8/2018	6/2/2020	176,600.00		Buildout, audio/visual equipment and network connectivity hardware
Niagara Aquarium Foundation	16,717	0.00	2/12/2020	10/21/2020	16,717.00		Renovations to second floor event room
Niagara Aquarium Foundation	370,000	0.00	8/14/2019	2/9/2021	370,000.00		Interactive touch pools adjacent to main entrance of the Aquarium
Red Star Builders, LLC (The Niagara Club)	523,250	0.00	7/10/2019	9/7/2021	64,403.00		Rooftop bar and lounge, banquet space, virtual entertainment lounge & Spot Coffee
Niagara Falls Center for Tourism LLC	1,000,000	415,419.91	6/12/2020	Partial 9/7/2022	584,580.09	12/31/2022	Construction of an indoor family entertainment center and outdoor improvements
The Center for Kashmir, Inc.	273,000	273,000.00	8/12/2020	To Be Disbursed	0.00	6/30/2023	Renovations to vacant church for a museum of art and culture for Kashmir
Savarino Companies, LLC	155,000	155,000.00	4/14/2021	To Be Disbursed	0.00	6/1/2023	Rehabilitation of 4,000 square feet of commercial/retail storefront space.
Niagara Aquarium Foundation	900,000	900,000.00	2/9/2022	To Be Disbursed	0.00	12/31/2023	Renovations to the Niagara Gorge Discovery Center for expanded programming.
<b>To Date Sub-Total</b>	<b>3,540,381</b>	<b>1,743,419.91</b>			<b>1,338,114.09</b>		

**Grant Fund Cash Balance as of 10/31/2022** 3,358,251.30  
**Less: Outstanding Awards** (1,743,419.91)  
**Available for awarding grants** 1,614,831.39

**Grant Fund Balance** -  
**Grant Funding from NYS 11/22/2016** 1,600,000.00  
**Grant Funding from NYS 10/16/2017** 1,440,000.00  
**Grant Funding from NYS 10/12/2018** 1,600,000.00  
**Bank Interest** 56,408.65  
**Bank Fees** (43.26)  
**Grant Disbursements** (1,338,114.09)  
**Grant Fund Balance** 3,358,251.30

**6.3**

**ADOPT 2023  
BUDGETS**



*NIAGARA COUNTY  
INDUSTRIAL DEVELOPMENT  
AGENCY*

*APPROVED 2023 BUDGET*

*TO BE  
ADOPTED*

*November 9, 2022*

**NIAGARA COUNTY INDUSTRIAL DEVELOPMENT AGENCY**

**INCOME & EXPENSE**

*Operating Fund Forecasted Actual Income and Expense 2022*

*Operating Fund 2023 Budget*

	<u>2022</u>	<u>Forecasted</u>	
	<u>Budget</u>	<u>2022</u>	<u>2023</u>
		<u>Actual</u>	<u>Budget</u>
<b>Revenue</b>			
NCIDA Project Fee Income	\$ 531,096	\$ 574,699	\$ 548,108
NEDF RLF Administrative Fees	50,000	50,000	50,000
NEDF Origination fees	-	-	-
Distribution From VIP MTF	100,000	100,000	150,000
Distribution From Niagara Industrial Incubator Associates	-	-	-
Distribution From Niagara Industrial Suites MTF	100,000	100,000	100,000
Other Administrative Fees	15,432	34,561	245,135
Interest	318	1,440	2,693
Miscellaneous Income	60	232	60
Total Operating Revenue	<u>796,906</u>	<u>860,932</u>	<u>1,095,996</u>
<b><u>Nonoperating Revenues</u></b>			
Grant Revenue - 2016 Tribal State Compact Distribution	-	-	-
Grant Revenue - NYS Office of Community Renewal	883,462	-	-
Grant Revenue - Cataract Tourism Fund	431,750	584,580	900,000
Sale of Assets	-	-	-
Total Nonoperating Revenues	<u>1,315,212</u>	<u>584,580</u>	<u>900,000</u>
<b>Expenses</b>			
Personnel	448,396	500,091	573,235
Operating Expenses	82,082	85,595	96,029
Equipment & Furnishings	2,000	40,000	2,000
Marketing & Development	24,500	20,158	24,000
Contractual Services	185,047	204,372	204,510
Total Operating Expenses	<u>742,025</u>	<u>850,216</u>	<u>899,774</u>
<b><u>Nonoperating Expenses</u></b>			
Grant to Subrecipient - 2016 Tribal State Compact Distribution	-	-	-
Grant to Subrecipient - NYS Office of Community Renewal	759,500	-	-
Grant to Subrecipient - Cataract Tourism Fund	431,750	584,580	900,000
Niagara Power Coalition	-	-	-
Total Nonoperating Expenses	<u>1,191,250</u>	<u>584,580</u>	<u>900,000</u>
<b>Net Income(Loss)</b>	\$ <u>178,843</u>	\$ <u>10,716</u>	\$ <u>196,222</u>
<b>Depreciation Expense(Non Cash)</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net Income(Loss) (After Depreciation)</b>	\$ <u><u>178,843</u></u>	\$ <u><u>10,716</u></u>	\$ <u><u>196,222</u></u>

*NIAGARA COUNTY DEVELOPMENT  
CORPORATION*

*APPROVED 2023 BUDGET*

*TO BE  
ADOPTED*

*November 9, 2022*

**NIAGARA COUNTY DEVELOPMENT CORPORATION**  
**INCOME & EXPENSE**  
*Operating Fund Forecasted Actual Income and Expense 2022*  
*Operating Fund 2023 Budget*

	<u>2022</u> <u>Budget</u>	<u>Forecasted</u> <u>2022</u> <u>Actual</u>	<u>2023</u> <u>Budget</u>
<b>Revenues and other support</b>			
Interest from loans	\$ 39,609	\$ 39,609	\$ 28,841
Application and commitment fees	-	250	-
Grant Income	<u>300,000</u>	<u>3,402,668</u>	<u>980,000</u>
Total revenues and other support	<u>339,609</u>	<u>3,442,527</u>	<u>1,008,841</u>
 <b>Operating expenses</b>			
Professional fees	39,600	356,285	33,800
Office supplies and other	600	247	600
Grant to Subrecipient	<u>255,000</u>	<u>3,017,479</u>	<u>956,000</u>
Total Operating Expenses	<u>295,200</u>	<u>3,374,011</u>	<u>990,400</u>
 <b>Income (loss) from operations</b>	44,409	68,516	18,441
 Interest income	<u>72</u>	<u>241</u>	<u>500</u>
 <b>Net Income(Loss)</b>	<u>\$ 44,481</u>	<u>\$ 68,757</u>	<u>\$ 18,941</u>

*NIAGARA AREA DEVELOPMENT  
CORPORATION*

*APPROVED 2023 BUDGET*

*TO BE  
ADOPTED*

*November 9, 2022*

**NIAGARA AREA DEVELOPMENT CORPORATION**  
**INCOME & EXPENSE**  
*Operating Fund Forecasted Actual Income and Expense 2022*  
*Operating Fund 2023 Budget*

	<u>2022</u> <u>Budget</u>	<u>Forecasted</u> <u>2022</u> <u>Actual</u>	<u>2023</u> <u>Budget</u>
<b>Revenue</b>			
Project Fee Income	\$ 1,000	\$ 112,500	\$ 1,000
Interest	-	-	-
	<u>1,000</u>	<u>112,500</u>	<u>1,000</u>
Total Operating Revenue			
<b>Expenses</b>			
Other Operating Expenses	1,000	112,500	1,000
	<u>1,000</u>	<u>112,500</u>	<u>1,000</u>
Total Operating Expenses			
<b>Nonoperating Expenses</b>			
Other Nonoperating Expenses	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Total Nonoperating Expenses			
<b>Net Income(Loss)</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**8.1**

**NCDC LOAN  
APPRVAL**

**Request for Loan Approval  
Niagara County Development Corporation  
As Administrator for the Niagara Economic Development Fund (NEDF)**

Loan Applicant: 525 Wheat, LLC (formed in 2012)  
Tax ID#: 45-4507131  
DUNS #: 062457706  
Current Business Address: 601 Division St., North Tonawanda, NY 14120  
Project Address: 232 Zimmerman St, North Tonawanda, NY 14120  
Telephone: 716-480-9303  
Management/  
Ownership: Rob Albert, 85% owner  
Don Balcerzak, 15% owner  
Business: Real estate development  
NAICS: 531120 (lessors of non-residential real estate)  
Date of Review: October 4, 2022

Loan Request

Project Description: 525 Wheat, LLC is looking to purchase the property located at 232 Zimmerman Street in North Tonawanda, along with vacant property behind the building, for a cost of \$265,000. The company plans to rezone the properties to commercial (currently the building is industrial and lots behind the building are residential). Applicant plans to reconstruct the facade, restore the landscaping, repair the roof, pave a new parking lot, install an HVAC system to part of building that does not have it, and renovate the interior of the building. The building improvements are estimated to cost approximately \$146,000 and will provide enough space for 5 tenants that are projected to employ 6 to 12 individuals. The owners' future plans are to expand the building to the back lots to create additional multi-tenant space.

Loan Amount: \$130,000



### History and Background of the Applicant

525 Wheat LLC was established in 2011 by Rob Albert and Don Balcerzak with the purchase of 525 Wheatfield Street, a 26,000 square foot abandoned building in North Tonawanda. They renovated the building and site with a total investment of \$1.1 million. The building is now a multi-tenant facility with lite manufacturing, retail, medical offices and general office area. It is now fully rented, and a 2022 appraisal estimated the value at \$1.8 million. The building has 22 businesses/tenants who employ over 70 people. Mr. Albert also successfully developed the property at 601 Division Street in North Tonawanda back in 2004. That property was also abandoned, and Mr. Albert raised the existing structure and built 3 new buildings with a total investment of \$1.2 million. That building is also fully leased, and the building's tenants employ over 60 people.

The company has used several marketing techniques to lease up its properties including word of mouth, signage on all buildings, a network of realtors, social media, and internet advertising. Incoming calls for the existing buildings will offered space at the new building, along with existing tenants that want to expand.

The company specializes in multi-tenant spaces targeting small to mid-size companies, however, they also lease to larger corporations that are seeking smaller units (ex. Allstate and Kaleida Heath). Their buildings are also attractive to startup companies, as management offers short term leases and custom sized, smaller units.

In addition to his real estate ventures, Mr. Albert has an ownership interest in several other businesses including Impressive Imprints, Threadbranders, and Mowmore. He will focus on leasing, financials and marketing. Mr. Balcerzak will work primarily on construction and logistics. He is a minority owner with only a 15% share in this venture, thus he has not been included in the credit analysis.

### Sources and Uses of Funds

<b>525 Wheat, LLC</b>				
	<b>Bank</b>	<b>NEDF *</b>	<b>Owner</b>	
	<b>Mortgage</b>	<b>Term Loan</b>	<b>Equity</b>	<b>Total</b>
Real Estate acquisition	212,000		53,000	265,000
Building Construction		130,000	16,859	146,859
Soft Costs			23,141	23,141
<b>Total</b>	<b>212,000</b>	<b>130,000</b>	<b>93,000</b>	<b>435,000</b>
	49%	30%	21%	100%

A copy of the commitment letter in the amount of \$212,000 from Northwest Bank is on file. The Borrower has provided an estimate for construction costs in the amount of \$146,859 from Commercial Buildouts of East Aurora. Soft costs will primarily include bank closing costs, marketing expenses and other miscellaneous fees.

### **Financial Analysis – Historical & Projected Financials**

The owner worked with a representative from the Small Business Development Center to prepare the three-year financial projections which are presented below along with three years of historical financials based on the tax returns.

Historically the company has been profitable and able to satisfactorily service its commercial mortgage at greater than a 2:1 ratio. Income includes rental income from their properties as well as income from providing property management and other services. Rental income was relatively consistent from 2019 through 2021 which suggests stable occupancy, even through the uncertainty of the Covid pandemic.

On a projected basis, the company also is able to service all current and projected debt. Projections do not include revenue or expenses from property management services or other activities, which in past years have had a net-zero effect. The owner projects some vacancy in year 1, with full occupancy achieved in years 2 and 3.

With the figures set forth below, the company shows the ability to service all long-term debt with a Debt Service Coverage Ratio of 1.2:1 in Year 1 with an increase to 1.6:1 in years 2 and 3. Note that the debt service below includes a full year of principal and interest payments although the NCDC-NEDF loan may have an interest-only period of six months thereby easing the cash flow during construction.

**525 Wheat, LLC – Historical Income Statement:**

<b>Source: Corporate Tax Returns</b>	<b>12/31/19</b>	<b>12/31/20</b>	<b>12/31/21</b>
Management / Other Revenue	126,373	90,877	110,000
Rental Income	236,503	213,380	226,203
<b>Total Sales</b>	<b>362,876</b>	<b>304,257</b>	<b>336,203</b>
Cost of Goods Sold	74,026	51,495	67,178
<b>Gross Profit</b>	<b>288,850</b>	<b>252,762</b>	<b>269,025</b>
<b>Expenses</b>			
Rent	43,072	18,884	34,562
Cleaning & Maint.	12,404	13,480	10,051
Depreciation	35,514	35,960	45,059
Insurance	5,357	6,065	6,489
Repairs	47,911	31,609	24,844
Taxes & Licenses	12,864	13,639	15,032
Utilities	15,849	14,986	17,338
Interest Expense	54,609	45,396	56,242
Other Expenses	16,372	18,843	9,639
<b>Total Operating Expenses</b>	<b>243,952</b>	<b>198,862</b>	<b>219,256</b>
<b>Net Income/(Net Loss)</b>	<b>44,898</b>	<b>53,900</b>	<b>49,769</b>
<b>Add Back:</b>			
+ Depreciation & Amortization	35,514	35,960	45,059
+ Interest exp.	54,609	45,396	56,242
<b>Cash Flow available for Debt Service</b>	<b>135,021</b>	<b>135,256</b>	<b>151,070</b>
<b>Current Debt:</b>			
Commercial Mortgage	55,086	55,086	55,086
<b>Debt Service Coverage</b>	<b>2.45</b>	<b>2.46</b>	<b>2.74</b>

**525 WHEAT LLC  
PRO FORMA INCOME STATEMENT  
THREE YEARS**

	Year 1	% of Sales	Year 2	% of Sales	Year 3	% of Sales
<b>Revenues:</b>						
Existing Tenants	226,000	88.20%	237,300	75.48%	237,300	74.34%
POSS Storage in back lot	2,340	0.91%	5,400	1.72%	7,200	2.26%
Rental Income, Space 1	16,200	6.32%	21,600	6.87%	21,600	6.77%
Rental Income, Space 2	6,600	2.58%	13,200	4.20%	13,200	4.14%
Rental Income, Space 3	5,100	1.99%	20,400	6.49%	20,400	6.39%
Rental Income, Space 4	0	0.00%	13,500	4.29%	13,500	4.23%
Rental Income, Space 5	0	0.00%	3,000	0.95%	6,000	1.88%
<b>Total Revenues</b>	<b>256,240</b>	<b>100.00%</b>	<b>314,400</b>	<b>100.00%</b>	<b>319,200</b>	<b>100.00%</b>
<b>Gross Profit</b>	<b>256,240</b>	<b>100.00%</b>	<b>314,400</b>	<b>100.00%</b>	<b>319,200</b>	<b>100.00%</b>
<b>Operating Expenses:</b>						
Salaries	12,636	4.93%	17,353	5.52%	17,874	5.60%
Payroll Taxes	1,895	0.74%	2,603	0.83%	2,681	0.84%
Repairs and Maintenance	20,000	7.81%	21,000	6.68%	22,050	6.91%
Insurance	48,800	19.04%	51,240	16.30%	53,802	16.86%
Advertising & Promotion	500	0.20%	525	0.17%	551	0.17%
Professional Fees	1,800	0.70%	1,890	0.60%	1,985	0.62%
Property Taxes	26,000	10.15%	27,300	8.68%	28,665	8.98%
Fire System	500	0.20%	525	0.17%	551	0.17%
Lawn	1,000	0.39%	1,050	0.33%	1,103	0.35%
Plowing & Salt	2,000	0.78%	2,100	0.67%	2,205	0.69%
Dumpster	500	0.20%	525	0.17%	551	0.17%
Utilities	23,000	8.98%	24,150	7.68%	25,358	7.94%
Cleaning	11,500	4.49%	12,075	3.84%	12,679	3.97%
Office Supplies	1,600	0.62%	1,680	0.53%	1,764	0.55%
Miscellaneous	1,700	0.66%	1,785	0.57%	1,874	0.59%
Interest, Existing Debt	37,979	14.82%	33,803	10.75%	16,693	5.23%
Interest, Bank Loan	11,532	4.50%	11,213	3.57%	10,874	3.41%
Interest, NCIDA Loan	4,406	1.72%	4,250	1.35%	4,089	1.28%
Amortization	6,667	2.60%	6,667	2.12%	6,667	2.09%
Depreciation	94,483	36.87%	94,483	30.05%	94,483	29.60%
<b>Total Operating Expenses</b>	<b>302,141</b>	<b>117.91%</b>	<b>316,216</b>	<b>100.58%</b>	<b>306,497</b>	<b>96.02%</b>
<b>Pre-tax Profit</b>	<b>-45,901</b>	<b>-17.91%</b>	<b>-1,816</b>	<b>-0.58%</b>	<b>12,703</b>	<b>3.98%</b>

**Projected Cash Flow:**

	Year 1	Year 2	Year 3
<b>Net Income/(Net Loss)</b>	<b>(45,901)</b>	<b>(1,816)</b>	<b>12,703</b>
<b>Add Back:</b>			
+ Depreciation & Amortization	101,150	101,150	101,150
+ Interest exp.	53,917	49,266	31,656
<b>Cash Flow available for Debt Service</b>	<b>109,166</b>	<b>148,600</b>	<b>145,509</b>
<b>Current Debt:</b>			
Commercial Mortgage	55,086	55,086	55,086
<b>Projected Debt Service:</b>			
\$212M Northwest Loan	18,211	18,211	18,211
\$130M NEDF Loan	15,887	15,887	15,887
<b>Projected Debt Service</b>	<b>89,184</b>	<b>89,184</b>	<b>89,184</b>
<b>Debt Service Coverage</b>	<b>1.22</b>	<b>1.67</b>	<b>1.63</b>

## 525 WHEAT LLC PRO FORMA BALANCE SHEETS

Assets	8/31/2022	Start-Up	Year 1	Year 2	Year 3
<b>Current Assets:</b>					
Cash	51,580	3,141	83,553	156,471	242,377
Accounts Receivable	53,641	0	53,641	53,641	53,641
Other Current Assets	15,353	0	15,353	15,353	15,353
<b>Total Current Assets</b>	<u>120,573</u>	<u>3,141</u>	<u>152,547</u>	<u>225,464</u>	<u>311,371</u>
<b>Fixed Assets:</b>					
Buildings	1,357,761	265,000	1,622,761	1,622,761	1,622,761
Land	21,900	0	21,900	21,900	21,900
Furniture & Equipment	42,011	146,859	188,870	188,870	188,870
	<u>1,421,672</u>	<u>411,859</u>	<u>1,833,531</u>	<u>1,833,531</u>	<u>1,833,531</u>
Less: Accumulated Depreciation	329,519	0	424,002	518,485	612,967
<b>Net Fixed Assets</b>	<u>1,092,153</u>	<u>411,859</u>	<u>1,409,529</u>	<u>1,315,046</u>	<u>1,220,564</u>
<b>Intangible Assets:</b>					
Closing Costs & Professional Fees	0	20,000	20,000	20,000	20,000
Less Amortization	0	0	6,667	13,333	20,000
<b>Total Intangible Assets</b>	<u>0</u>	<u>20,000</u>	<u>13,333</u>	<u>6,667</u>	<u>0</u>
<b>Total Assets</b>	<u>1,212,726</u>	<u>435,000</u>	<u>1,575,409</u>	<u>1,547,178</u>	<u>1,531,935</u>
<b>Liabilities &amp; Shareholders' Equity</b>					
<b>Current Liabilities:</b>					
Accounts Payable	38	0	38	38	38
Credit Cards	1,453	0	1,453	1,453	1,453
Existing Debt	17,168	0	16,693	17,722	18,722
Other Current Liabilities	27,714	0	27,714	27,714	27,714
Bank Loan, Current Portion	0	11,532	11,213	10,874	10,514
NCIDA Loan, Current Portion	0	4,073	4,228	4,389	4,557
<b>Total Current Liabilities</b>	<u>46,372</u>	<u>15,605</u>	<u>61,338</u>	<u>62,190</u>	<u>62,998</u>
<b>Long Term Liabilities:</b>					
Existing Debt	623,580	0	606,887	589,164	570,442
Loans from Partners	229,194	0	229,194	229,194	229,194
Other Liabilities	31,794	0	31,794	31,794	31,794
Bank Loan	0	200,468	195,612	190,456	184,983
NCIDA Loan	0	125,927	121,699	117,310	112,753
<b>Total Long Term Liabilities</b>	<u>884,568</u>	<u>326,395</u>	<u>1,185,186</u>	<u>1,157,919</u>	<u>1,129,166</u>
<b>Owners' Equity:</b>					
Partners' Capital Accounts	281,786	93,000	374,786	374,786	374,786
Current Earnings	0	0	-45,901	-1,816	12,703
Partners' Capital Accounts	0	0	0	-45,901	-47,717
<b>Total Owners' Equity</b>	<u>281,786</u>	<u>93,000</u>	<u>328,885</u>	<u>327,068</u>	<u>339,771</u>
<b>Total Liabilities &amp; Owners' Equity</b>	<u>1,212,726</u>	<u>435,000</u>	<u>1,575,409</u>	<u>1,547,178</u>	<u>1,531,935</u>

### Employment

The company only projects to create one part time job directly, listed as a maintenance worker position. Other employment creation will come from tenants who will occupy the building. The employment must be new to Niagara County, i.e. a new business, a business that moved to Niagara from another County, or a business that expanded its workforce upon moving into this location. The Borrower will be required to demonstrate that at least 4 new full time equivalent positions have been created within 24 months of closing the loan.

### Personal Financial Statement and Personal Credit Report

The personal credit report from Equifax for Robert Albert was obtained on October 4, 2022. His FICO score is reported at 765 which is considered excellent credit. The report shows no late payments, charge offs or bankruptcies.

A signed personal financial statement for Mr. Albert and his wife Karla has been submitted dated January 15, 2022. The personal financial statement shows total assets of \$940,100, and a net worth of \$905,600. See below:

<b><u>Assets</u></b>	<b>Robert Albert</b>
Cash on Hand	26,300
Cash Value Life Insurance	259,000
Stocks & Bonds	141,800
Real Estate	450,000
Automobiles	30,000
Other Assets - personal property	33,000
<b>Total Assets</b>	<b>940,100</b>
<b><u>Liabilities</u></b>	
Home Equity Loan	34,500
<b>Total Liabilities</b>	<b>34,500</b>
<b>Net Worth</b>	<b>905,600</b>
<b>Total Liabilities &amp; Net Worth</b>	<b>940,100</b>
<b><u>Liquidity</u></b>	
Cash on Hand	26,300
NOTE: The statement does not include the current value of 525 Wheat, LLC	

Strengths and Weaknesses:

*Strengths:*

- Borrower has prior experience successfully developing similar types of properties in Niagara County.
- Mr. Albert brings significant business ownership experience and has excellent credit.
- Historical and projected cash flow sufficient to service all debt.
- The Borrower will contribute significant equity to the project and Mr. Albert has the financial wherewithal to contribute additional capital, if necessary.
- Bank commitment letter for the purchase of the property is on file.
- The project will refresh and improve an existing building in Niagara County and potentially attract new businesses, creating local jobs.

*Weaknesses:*

- The building is being redeveloped on a speculative basis without tenants in place.
- The Borrower will not create new employment directly. Creation of new employment via tenants may be difficult to document.
- Construction risk. Borrower has provided an estimate, but no construction contract is on file. Construction costs have been volatile due to economic conditions since Covid pandemic.

Summary & Recommendations

Reviewer recommends approval of the loan request based primarily on the experience of ownership, their past success on similar development projects, financial performance of the properties currently owned by 525 Wheat, LLC, and the overall creditworthiness of Mr. Albert. The property would likely not be redeveloped without assistance from the NEDF as it would be difficult to obtain Bank financing for construction without tenants in place. It is advised that Administrator discuss expectations regarding employment creation and documentation prior to disbursement of funds.

Recommended Loan Structure

Lender:	Niagara County Development Corporation (“NCDC”) as Administrator of the NEDF Revolving Loan Fund
Borrower:	525 Wheat, LLC
Loan Amount:	\$130,000
Interest Rate:	50% of the prime interest rate listed in the <i>Wall Street Journal</i> + 1%, to be fixed at closing. Based on today’s WSJP of 6.25%, the calculation would yield a 4.125% interest rate.
Loan Term & Amortization:	126 months total. Interest-only payments monthly for the first six months during construction; then monthly payments of principal and interest of approximately \$1,324 in order to amortize the loan over the remaining 120 months.

Use of Proceeds: NEDF Funds will be used towards the renovation and improvement of the property located at 232 Zimmerman for multi-tenant use.

Collateral/Security: Mortgage lien on all property being purchased, including at 232 Zimmerman St, North Tonawanda, NY and a general security interest in all business assets of 525 Wheat, LLC to be evidenced by UCC-1 filings. The NCDC-NEDF mortgage lien and general filings will be subordinated to any liens filed by the Bank as well as existing security interests.

Guarantor: Unlimited personal guaranty of Robert Albert.

Loan Disbursement: Disbursed or reimbursed with documented project costs.

New Employment: Borrower must create, or show that tenants have created, at least 4 new FTEs within the first 24 months after closing.

Financial Reporting: The Borrower and Guarantor shall submit tax returns on an annual basis. Borrower shall provide an income statement specific to this property if not separated on tax returns.

Prepared by: Michael G. Thomas, Vice President – Commercial Finance  
The Harrison Studio  
October 4, 2022



# 8.2

# NCDC LOAN RE-AMORTIZATION

**From:** Caroline M Caruso <Caroline.Caruso@niagaracounty.com>  
**Sent:** Monday, September 26, 2022 2:25 PM  
**To:** Susan C Langdon <Susan.Langdon@niagaracounty.com>  
**Cc:** mark.gabriele@gabrieleberrigan.com <mark.gabriele@gabrieleberrigan.com>  
**Subject:** Fw: Revised invoice for your Oct 2002 loan payment

As you will recall, we re-amortized this Micro III loan in April 2022 with 6 months interest only for 4/1/22 through 9/1/22 and first payment of principal and interest of \$468.24 due on 10/1/22, final payment on 9/1/26. The original loan closed on 1/23/18 with 84 monthly payments of \$462.47 beginning 8/1/18 and ending on 7/1/25. We re-amortized in April 2020 due to COVID 19 with 3 months interest only then payments of P & I of \$462.47 , final payment due on 10/1/25. See below request from Connie Smith for more affordable payments.

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**From:** Connie Smith <legacydance17@gmail.com>  
**Sent:** Monday, September 26, 2022 12:27 PM  
**To:** Caroline M Caruso <Caroline.Caruso@niagaracounty.com>  
**Cc:** Bree Bacon New Business COORDINATOR LDS <abacon@niagaracc.suny.edu>  
**Subject:** Re: Revised invoice for your Oct 2022 loan payment

Hi Caroline,

I am just getting my dance year started as of September 12th 2022. I am at the same amount of enrollment I was at last year. I am excited that I retained my dance enrollment but I am still concerned about meeting the 468.24 payments. Can we discuss affordable payments? I would be willing to pay 60-150.00 a month but don't know if this option is available. I attached my SBA Bree Bacon to this email who is willing to help me revise projections on studio incoming sales.

Thanks for your time,  
Constance Smith

--

Legacy Dance Studio  
1601 Military Road  
Niagara Falls, New York 14304  
(716) 299-0146

<https://www.facebook.com/LegacyDanceWNY>

<http://legacydancewny.com/>

On Thu, Sep 22, 2022 at 1:47 PM Caroline M Caruso <[Caroline.Caruso@niagaracounty.com](mailto:Caroline.Caruso@niagaracounty.com)> wrote:

Hello Constance,

Please use the attached revised invoice when making your payment that is due on Oct 1, 2022. We have received your check number 1754 for the interest only payment that was due on Sep 1, 2022. Please note that your Oct 1 payment includes principal and interest due in the amount of \$468.24. Please disregard the previous invoice that I mailed out on Sept 19th.

Thank you.

**Caroline M. Caruso, Accounting Associate**

**Niagara County Industrial Development Agency**

6311 Inducon Corporate Drive

Sanborn, New York 14132

Phone: (716) 278-8766

Fax: (716) 278-8769

Email: [caroline.caruso@niagaracounty.com](mailto:caroline.caruso@niagaracounty.com)

Website: [www.niagaracountybusiness.com](http://www.niagaracountybusiness.com)

## LEGACY DANCE STUDIO, INC.-RLF MAP #407C

Amortization of a \$21,154.56 Loan at 3.0000% with 60 Monthly Payments  
Interest is computed using equal 30 day months

#	Due Date	Payment	Interest	Principal	Ins/Taxes	Other	Balance
							\$21,154.56
1.	10/01/2022	380.12	52.89	327.23	0.00	0.00	20,827.33
2.	11/01/2022	380.12	52.07	328.05	0.00	0.00	20,499.28
3.	12/01/2022	380.12	51.25	328.87	0.00	0.00	20,170.41
	<b>2022 totals:</b>	<b>1,140.36*</b>	<b>156.21*</b>	<b>984.15*</b>	<b>0.00*</b>	<b>0.00*</b>	
4.	01/01/2023	380.12	50.43	329.69	0.00	0.00	19,840.72
5.	02/01/2023	380.12	49.60	330.52	0.00	0.00	19,510.20
6.	03/01/2023	380.12	48.78	331.34	0.00	0.00	19,178.86
7.	04/01/2023	380.12	47.95	332.17	0.00	0.00	18,846.69
8.	05/01/2023	380.12	47.12	333.00	0.00	0.00	18,513.69
9.	06/01/2023	380.12	46.28	333.84	0.00	0.00	18,179.85
10.	07/01/2023	380.12	45.45	334.67	0.00	0.00	17,845.18
11.	08/01/2023	380.12	44.61	335.51	0.00	0.00	17,509.67
12.	09/01/2023	380.12	43.77	336.35	0.00	0.00	17,173.32
13.	10/01/2023	380.12	42.93	337.19	0.00	0.00	16,836.13
14.	11/01/2023	380.12	42.09	338.03	0.00	0.00	16,498.10
15.	12/01/2023	380.12	41.25	338.87	0.00	0.00	16,159.23
	<b>2023 totals:</b>	<b>4,561.44*</b>	<b>550.26*</b>	<b>4,011.18*</b>	<b>0.00*</b>	<b>0.00*</b>	
16.	01/01/2024	380.12	40.40	339.72	0.00	0.00	15,819.51
17.	02/01/2024	380.12	39.55	340.57	0.00	0.00	15,478.94
18.	03/01/2024	380.12	38.70	341.42	0.00	0.00	15,137.52
19.	04/01/2024	380.12	37.84	342.28	0.00	0.00	14,795.24
20.	05/01/2024	380.12	36.99	343.13	0.00	0.00	14,452.11
21.	06/01/2024	380.12	36.13	343.99	0.00	0.00	14,108.12
22.	07/01/2024	380.12	35.27	344.85	0.00	0.00	13,763.27
23.	08/01/2024	380.12	34.41	345.71	0.00	0.00	13,417.56
24.	09/01/2024	380.12	33.54	346.58	0.00	0.00	13,070.98
25.	10/01/2024	380.12	32.68	347.44	0.00	0.00	12,723.54
26.	11/01/2024	380.12	31.81	348.31	0.00	0.00	12,375.23
27.	12/01/2024	380.12	30.94	349.18	0.00	0.00	12,026.05
	<b>2024 totals:</b>	<b>4,561.44*</b>	<b>428.26*</b>	<b>4,133.18*</b>	<b>0.00*</b>	<b>0.00*</b>	
28.	01/01/2025	380.12	30.07	350.05	0.00	0.00	11,676.00

#	Due Date	Payment	Interest	Principal	Ins/Taxes	Other	Balance
29.	02/01/2025	380.12	29.19	350.93	0.00	0.00	11,325.07
30.	03/01/2025	380.12	28.31	351.81	0.00	0.00	10,973.26
31.	04/01/2025	380.12	27.43	352.69	0.00	0.00	10,620.57
32.	05/01/2025	380.12	26.55	353.57	0.00	0.00	10,267.00
33.	06/01/2025	380.12	25.67	354.45	0.00	0.00	9,912.55
34.	07/01/2025	380.12	24.78	355.34	0.00	0.00	9,557.21
35.	08/01/2025	380.12	23.89	356.23	0.00	0.00	9,200.98
36.	09/01/2025	380.12	23.00	357.12	0.00	0.00	8,843.86
37.	10/01/2025	380.12	22.11	358.01	0.00	0.00	8,485.85
38.	11/01/2025	380.12	21.21	358.91	0.00	0.00	8,126.94
39.	12/01/2025	380.12	20.32	359.80	0.00	0.00	7,767.14
	<b>2025 totals:</b>	<b>4,561.44*</b>	<b>302.53*</b>	<b>4,258.91*</b>	<b>0.00*</b>	<b>0.00*</b>	
40.	01/01/2026	380.12	19.42	360.70	0.00	0.00	7,406.44
41.	02/01/2026	380.12	18.52	361.60	0.00	0.00	7,044.84
42.	03/01/2026	380.12	17.61	362.51	0.00	0.00	6,682.33
43.	04/01/2026	380.12	16.71	363.41	0.00	0.00	6,318.92
44.	05/01/2026	380.12	15.80	364.32	0.00	0.00	5,954.60
45.	06/01/2026	380.12	14.89	365.23	0.00	0.00	5,589.37
46.	07/01/2026	380.12	13.97	366.15	0.00	0.00	5,223.22
47.	08/01/2026	380.12	13.06	367.06	0.00	0.00	4,856.16
48.	09/01/2026	380.12	12.14	367.98	0.00	0.00	4,488.18
49.	10/01/2026	380.12	11.22	368.90	0.00	0.00	4,119.28
50.	11/01/2026	380.12	10.30	369.82	0.00	0.00	3,749.46
51.	12/01/2026	380.12	9.37	370.75	0.00	0.00	3,378.71
	<b>2026 totals:</b>	<b>4,561.44*</b>	<b>173.01*</b>	<b>4,388.43*</b>	<b>0.00*</b>	<b>0.00*</b>	
52.	01/01/2027	380.12	8.45	371.67	0.00	0.00	3,007.04
53.	02/01/2027	380.12	7.52	372.60	0.00	0.00	2,634.44
54.	03/01/2027	380.12	6.59	373.53	0.00	0.00	2,260.91
55.	04/01/2027	380.12	5.65	374.47	0.00	0.00	1,886.44
56.	05/01/2027	380.12	4.72	375.40	0.00	0.00	1,511.04
57.	06/01/2027	380.12	3.78	376.34	0.00	0.00	1,134.70
58.	07/01/2027	380.12	2.84	377.28	0.00	0.00	757.42
59.	08/01/2027	380.12	1.89	378.23	0.00	0.00	379.19
60.	09/01/2027	380.14	0.95	379.19	0.00	0.00	0.00
	<b>2027 totals:</b>	<b>3,421.10*</b>	<b>42.39*</b>	<b>3,378.71*</b>	<b>0.00*</b>	<b>0.00*</b>	
	<b>TOTALS</b>	<b>22,807.22</b>	<b>1,652.66</b>	<b>21,154.56</b>	<b>0.00</b>	<b>0.00</b>	

#	Due Date	Payment	Interest	Principal	Ins/Taxes	Other	Balance
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**\*\*\* ADDITIONAL INFORMATION \*\*\***

This schedule assumes that all payments are made ON the due date shown.

# Legacy Dance Studio Pro Forma Income Statement One Year

Income	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Total	% of Sales
Tuition	4,242	4,242	4,242	4,242	4,242	4,242	4,242	4,242	4,242	4,242	0	0	42,420	64%
Drop ins	693	693	693	693	693	693	693	693	693	693	0	0	6,928	11%
Costumes & Recital	0	0	9,140	0	0	0	0	0	0	0	0	0	9,140	14%
Registration	1,480	0	0	0	0	0	0	0	0	0	0	0	1,480	2%
Concessions	43	43	43	43	43	43	43	43	43	43	0	0	433	1%
Jackets/t-shirts	30	30	30	30	30	30	30	30	30	30	0	0	300	0%
Fundraisers	0	0	240	0	0	0	0	0	0	0	0	0	240	0%
Competitions	0	0	0	2,500	0	0	2,500	0	0	0	0	0	5,000	8%
<b>Net Sales</b>	<b>6,488</b>	<b>5,008</b>	<b>14,388</b>	<b>7,508</b>	<b>5,008</b>	<b>5,008</b>	<b>7,508</b>	<b>5,008</b>	<b>5,008</b>	<b>5,008</b>	<b>0</b>	<b>0</b>	<b>65,941</b>	<b>100%</b>
<b>Cost of Goods Sold</b>														
Tuition	551	551	551	551	551	551	551	551	551	551	0	0	5,515	8%
Drop ins	21	21	21	21	21	21	21	21	21	21	0	0	208	0%
Costumes & Recital	0	0	4,570	0	0	0	0	0	0	0	0	0	4,570	7%
Registration	0	0	0	0	0	0	0	0	0	0	0	0	0	0%
Concessions	22	22	22	22	22	22	22	22	22	22	0	0	217	0%
Jackets/t-shirts	15	15	15	15	15	15	15	15	15	15	0	0	150	0%
Fundraisers	0	0	120	0	0	0	0	0	0	0	0	0	120	0%
Competitions	0	0	0	2,000	0	0	2,000	0	0	0	0	0	4,000	6%
<b>Total Cost of Goods Sold</b>	<b>609</b>	<b>609</b>	<b>5,299</b>	<b>2,609</b>	<b>609</b>	<b>609</b>	<b>2,609</b>	<b>609</b>	<b>609</b>	<b>609</b>	<b>0</b>	<b>0</b>	<b>14,779</b>	<b>22%</b>
<b>Gross Profit</b>	<b>5,879</b>	<b>4,399</b>	<b>9,089</b>	<b>4,899</b>	<b>4,399</b>	<b>4,399</b>	<b>4,899</b>	<b>4,399</b>	<b>4,399</b>	<b>4,399</b>	<b>0</b>	<b>0</b>	<b>51,162</b>	<b>78%</b>
<b>Operating Expenses</b>														
Cleaning	217	217	217	217	217	217	217	217	217	217	0	0	2,165	3%
Dance studio pro and credit card fee:	65	65	65	65	65	65	65	65	65	65	0	0	650	1%
Dues & Subscriptions	8	8	8	8	8	8	8	8	8	8	8	8	100	0%
Garbage fee - Wegmans until Dec	50	50	50	50	50	50	50	50	50	50	0	0	200	0%
Insurance, Liability	136	136	136	136	136	136	136	136	136	136	136	136	1,637	2%
Loan, Credit Line	75	75	75	75	75	75	75	75	75	75	75	75	900	1%
Loan, NCIDA	469	469	469	469	469	469	469	469	469	469	469	469	5,628	9%
Loan, Personal	210	210	210	210	210	210	210	210	210	210	210	210	2,520	4%
Owners Compensation	866	866	866	866	866	866	866	866	866	866	0	0	8,660	13%
Payroll	1,083	1,083	1,083	1,083	1,083	1,083	1,083	1,083	1,083	1,083	0	0	10,825	16%
Quarterly Taxes	84	84	84	84	84	84	84	84	84	84	84	84	1,008	2%
Rent	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	18,000	27%
Supplies (Fan Club)	100	100	100	100	100	100	100	100	100	100	0	0	1,000	2%
Telephone and Internet	147	147	147	147	147	147	147	147	147	147	147	147	1,764	3%
<b>Total Operating Expenses</b>	<b>5,010</b>	<b>5,010</b>	<b>5,010</b>	<b>5,010</b>	<b>4,960</b>	<b>4,960</b>	<b>4,960</b>	<b>4,960</b>	<b>4,960</b>	<b>4,960</b>	<b>2,630</b>	<b>2,630</b>	<b>55,057</b>	<b>83%</b>
<b>Net Profit Before Taxes</b>	<b>869</b>	<b>-611</b>	<b>4,079</b>	<b>-111</b>	<b>-561</b>	<b>-561</b>	<b>-61</b>	<b>-561</b>	<b>-561</b>	<b>-561</b>	<b>-2,630</b>	<b>-2,630</b>	<b>-3,895</b>	<b>-6%</b>

**8.3**

**COVID RELIEF  
SMALL BUSINESS  
GRANT**



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**the Harrison Studio**  
160 Washburn Street, Suite 200  
P.O. Box 473  
Lockport, New York 14095  
Tel: (716) 462-6600  
Fax: (716) 201-1738

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## Memorandum

To: Susan Barone  
From: Mike Thomas  
Date: November 2, 2022  
Re: COVID Relief for Small Business Grant Fund Application – Niagara Apothecary, Inc.

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### Applicant

Company: Niagara Apothecary, Inc.  
Owners: Jamie Latko (100%)

### Eligibility

Location: 8745 Niagara Falls Blvd, Niagara Falls, NY 14304  
For-profit: Yes  
Pre-COVID: Operating  
Current: Operating  
Distress: Revenue decreased by 24% from 2019 to 2020 due to a decrease in elective procedures and non-essential doctor visits caused by Covid, which led to a decrease in medications being prescribed.  
L/M Micro: N  
L/M Jobs: Business will create one new FTE position for a pharmacy technician to help staff their ongoing Covid response. It will be awarded to an LMI individual.

### Use of Funds

Working capital, supplies, inventory, and equipment all to be incurred prior to November 30, 2022.

### Credit Summary

A personal Equifax credit report was obtained on 11/2/22 for Jamie Latko showing a FICO score of 711 which indicates good credit. The report shows no delinquency, collections or bankruptcies.

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### CDBG Underwriting

**Project Costs** – Applicant will use grant funds for working capital, supplies, inventory, and equipment all to be incurred prior to November 30, 2022. Documentation of business-related costs will be required prior to disbursement and must be eligible and reasonable.

**Commitment of Other Sources of Funds** – None required.

**No Substitution of CDBG Funds for Non-Federal Funds** – There are no other non-federal grant sources available to assist in post-COVID business restoration costs.

**Financial Feasibility** – The pharmacy has experienced a reduction of revenue in each year from 2019 to 2021 due to the effects of Covid, with revenue reported at approximately \$2MM in 2021. In addition to prescriptions being down due to the postponement of elective medical care, the business has drastically decreased its front store offerings to protect its employees. While revenue has decreased, financial performance has actually improved with losses decreasing each year. 2021 was a break-even year when adding back depreciation and if officer compensation was reduced from \$116 to \$87M. The Applicant has provided projections which show profitability in the coming years with only modest revenue gains. The company has been in business since 1998 in this location, and at \$2MM in annual review with reasonable projections, it can be assumed that the business is feasible moving forward.

**Reasonable Return on Equity** – There is nothing in the company's historical operating performance that suggests that the proposed grant would produce an unreasonable return on equity or result in profitability substantially in excess of industry standards.

**Pro Rata Disbursement of CDBG Funds** – Documentation of all project expenditures will be required prior to the disbursement of CDBG funds.

### Connection to Coronavirus

Per Niagara County's application to the CDBG-CV program, the proposed project meets the following program goals:

- Implement post-COVID business practices

### Recommendation

Applicant can be conditionally approved for a grant of up to \$50,000 based on the creation of one full time equivalent position which will be awarded to an LMI person.

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## Memorandum

To: Susan Barone  
From: Mike Thomas  
Date: November 2, 2022  
Re: COVID Relief for Small Business Grant Fund Application – Kathryn Broeker LMT, Inc.

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### Applicant

Company: Kathryn Broeker LMT, Inc.  
Owners: Kathryn Broeker (100%)

### Eligibility

Location: 2919 Military Road, Suite 300, Niagara Falls, NY 14304  
For-profit: Yes  
Pre-COVID: Operating  
Current: Operating  
Distress: As a massage therapy provider, the company was affected severely by Covid restrictions which limited close contact, particularly during the early months of the pandemic in April – June of 2020. This is evidenced by a revenue decrease from \$2,400 in March to \$328 in April 2020. Overall revenue increased from 2019 to 2020, however this is primarily due to the fact that the business was still in its infancy in 2019 and revenue was inflated by the addition of independent contractors in 2020. Profit also decreased from \$2,770 in 2019 to \$1,633 in 2020.  
L/M Micro: Y  
L/M Jobs: Not applicable; however, applicant anticipates creating 1 FTE by adding an additional massage therapist.

### Use of Funds

Working capital, supplies, inventory, furnishings, fixtures, and equipment all to be incurred prior to November 30, 2022.

### Credit Summary

A personal Equifax credit report was obtained on 11/1/22 for Kathryn Broeker showing a FICO score of 754 which indicates excellent credit. The report shows no delinquency, collections or bankruptcies.

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## CDBG Underwriting

**Project Costs** – Applicant will use grant funds for working capital, supplies, inventory, furnishings, fixtures, and equipment all to be incurred prior to November 30, 2022. Documentation of business-related costs will be required prior to disbursement and must be eligible and reasonable.

**Commitment of Other Sources of Funds** – None required.

**No Substitution of CDBG Funds for Non-Federal Funds** – There are no other non-federal grant sources available to assist in post-COVID business restoration costs.

**Financial Feasibility** – The company operated near a breakeven level during its first full year of operations in 2019 and during the onset of the pandemic in 2020. Profit increased marginally in 2021 to \$5M along with officer compensation of \$8M. The owner was unable to grow the business as planned during the pandemic so she supplemented her income with a part-time teaching job. This grant will allow her to expand the business as planned to a full-time venture which can support the owner and additional employees. The business appears to be financially feasible going forward.

**Reasonable Return on Equity** – There is nothing in the company's historical operating performance that suggests that the proposed grant would produce an unreasonable return on equity or result in profitability substantially in excess of industry standards.

**Pro Rata Disbursement of CDBG Funds** – Documentation of all project expenditures will be required prior to the disbursement of CDBG funds.

## Connection to Coronavirus

Per Niagara County's application to the CDBG-CV program, the proposed project meets the following program goals:

- Cover soft costs, such as rent and insurance, to help stabilize the business
- Purchase of equipment and hiring of employees to maintain new cleaning protocols
- New equipment or fixtures to guide social distancing
- Implement post-COVID business practices

## Recommendation

Applicant can be conditionally approved for a grant of up to \$35,000 based on its eligibility as a microenterprise owned by a low-to-moderate income person.