

**BINGHAMTON LOCAL DEVELOPMENT CORPORATION
REGULAR MEETING MINUTES
THURSDAY, JANUARY 22, 2015**

ATTENDANCE												
Directors	1/22	2/26	3/26	4/23	5/28	6/25	7/23	8/27	9/24	10/22	11/19	12/17
Cummings, Patricia	EX											
David , Rich	P											
Frank, Kenneth	P											
Jacyna, Mary	P											
Papastrat, Chris	P											
Sall , Ron	EX											
Shager, Chuck	P											
Saraceno, John	P											
Smith, Art	P											
Stromhaug, Per	P											
Skeadas-Sherry, Jen	P											
Webb, Lea	EX											
Staff												
Robert Murphy	P											
Joel Boyd	P											
Sabina Mora	P											

President John Saraceno called the meeting to order at 9:00 AM.

APPROVAL OF THE MINUTES OF THE DECEMBER 18, 2014 REGULAR MEETING

J. Skeadas-Sherry moved, seconded by M. Jacyna to approve the minutes of the December 18, 2014 regular meeting as presented. The Directors voted unanimously in favor and the motion carried.

PRESENTATION OF THE DECEMBER 2014 FINANCIAL REPORT

S. Mora presented the December 2014 financial report. The President accepted the financial report.

OLD BUSINESS:

Land Bank Update

Mayor David provided an update on the Broome County Land Bank grant through the NYS Attorney General's Office stating that the final allocation had been approved by the Broome County Land Bank Board and the Attorney General Office and that it included \$300,000.00 dollars for the development of the Big Lots site and North Side Grocery Store Project as well as

K: BLDC 2015/Meeting Minutes

approximately \$250,000.00 for various residential demolitions on Binghamton's North Side. Mayor David stated that the BLDC will continue to identify sources of funding for the North Side Grocery Store Project and will continue to work with the developer, Broome County and NYS partners to advance the project.

LOAN DEFAULT UPDATE- BUBBLES, VMR, WISTERIA

K. Frank stated that the settlement agreement with Bubbles, LLC. was executed and a payment in the amount of \$50,000.00 was received in early January.

295 COURT STREET, LLC. LOAN EXTENSION UPDATE

S. Mora stated that the borrower had communicated to staff that they intend to pay their balloon on time on February 1, 2015 rather than extend the loan for one year.

NEW BUSINESS:

RESOLUTION 15-01

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE BINGHAMTON LOCAL DEVELOPMENT CORPORATION (BLDC) ADOPTING COMPREHENSIVE PRICING AND UNDERWRITING STANDARDS FOR BLDC LOAN PROGRAMS

J. Saraceno presented the BLDC Comprehensive Pricing and Underwriting Standards developed and recommended for adoption by the Finance Committee. R. David moved, seconded by C. Papastrat to approve Resolution 15-01 as presented. The Directors voted unanimously in favor and the motion carried.

DISCUSSION: 39 MUNSELL

The Executive Director brought before the Board of Directors a request from the Mayor's Blue Ribbon Commission tasked with addressing Veteran homelessness in Binghamton to authorize the BLDC to enter into negotiations, subject to review and approval by Corporation Counsel, to take title of 39 Munsell from Broome County and enter into a contract with Mr. Charles Fox to provide housing for homeless Veterans as a part of the Mayor's Challenge to End Veteran Homelessness. The Board of Directors discussed the proposal and recommended the following resolution be adopted as Resolution 15-02:

A RESOLUTION OF THE BINGHAMTON LOCAL DEVELOPMENT CORPORATION (BLDC) BOARD OF DIRECTORS TO ACCEPT A DONATION FROM MR. CHARLES FOX OR HIS DESIGNEE IN THE AMOUNT OF BACK TAXES OWED TO BROOME COUNTY FOR 39 MUNSELL STREET AND TO ACQUIRE THE PROPERTY FROM BROOME COUNTY AND TO ENTER INTO A CONTRACT WITH MR. CHARLES FOX FOR THE TRANSFER OF 39 MUNSELL FOR ONE DOLLAR (\$1.00) TO AN ENTITY OPERATED FOR THE BENEFIT OF HOMELESS VETERANS WHERE AT LEAST 75% OF APARTMENT

UNITS ARE USED FOR THAT PURPOSE AND SUBJECT TO TERMS TO BE APPROVED BY CORPORATION COUNSEL

R. David moved, seconded by J. Skeadas-Sherry to approve Resolution 15-02. The Directors voted unanimously in favor and the motion carried.

DISCUSSION: BUEN PROVECHO, LLC

J. Boyd described the details of a proposed new restaurant located at 7 Court Street, including the creation of 33 full time and part time jobs. J. Boyd stated that Victoria and Allen Alt will invest approximately \$700,000.00 dollars with 80% financed through owner equity and are seeking a loan from the BLDC in the amount of \$100,000.00 for working capital. J. Saraceno asked staff to discuss marketing, the targeted customer profile and the hours of operation. J. Boyd explained that a mix of young professionals, students and others that visit the downtown during First Fridays are expected to be the typical customers. J. Boyd stated that Victoria and Allen Alt are willing to provide personal guaranties as well as a second mortgage to secure the loan. C. Papastrat stated that the City Council would have some difficulty approving a loan to a restaurant because of the high level of risk and the BLDC's previous experience with defaults on this type of loan. J. Saraceno agreed but stated that after a preliminary look at personal financial statements, the personal guaranties could make the project viable. M. Jacyna stated that when the Finance Committee reviews the financials at the upcoming meeting, they will look for a secondary repayment source.

COMMITTEE REPORTS:

Strategic Priorities: John Saraceno, Chair
Finance Committee: John Saraceno, Chair
Audit Committee: Chuck Shager, Chair
Governance Committee: Ken Frank, Chair

LOAN DEFAULT UPDATE- BUBBLES, VMR, WISTERIA (CONTINUED)

K. Frank requested that the Board go into Executive Session to confer with counsel and discuss litigation. R. David moved, seconded by C. Papastrat to go into Executive Session.

The Directors voted unanimously in favor and the motion carried.

Let it be noted that no action was taken in Executive Session.

K. Frank moved, seconded by R. David to move out of Executive Session. The Directors voted unanimously in favor and the motion carried.

MAYOR'S REMARKS:

K:BLDC 2015/ MINUTES

Mayor David discussed the details of the proposed development at 435 State Street and recognized the work of various partners. Mayor David stated that the Strategic Priorities Committee should come together to make recommendations for the 2015 Opportunity Agenda competition. Mayor David stated that the Governor was looking for unique ideas, a focus on economic clusters such as academic institutions, medical institutions, technology sectors, and proposals that were transformative and catalytic in their economic impact. Mayor David stated that the Collier Street Commons project was a major priority for the City and would have a catalytic impact on the downtown and the City. Mayor David stated that he would like to tap into talent and expertise on the BLDC Board and that the time table is approximately a June deadline.

EXECUTIVE DIRECTOR'S REMARKS:

R. Murphy stated that he is working on an economic development initiative that will support Binghamton's strength as a food production and packaging cluster. R. Murphy stated that a potential food business incubator would build upon SUNY Broome's culinary education offerings as well as the rapidly growing downtown restaurant district. The food business institute would include mentorship from business owners who have created at least 10 jobs, people who have actually run a business who can help mentor and accelerate jobs in food production. R. Murphy stated that he will be looking to the Board for donations and the possibility of adopting a room and providing furniture, appliances, etc. for the 39 Munsell project.

There being no further business to come before the BLDC Board of Directors, R. David moved, seconded by M. Jacyna, to adjourn. The members voted and the motion carried unanimously. The meeting adjourned at 10:25 AM.



Ron Sall, Secretary
Binghamton Local Development Corporation