

**BINGHAMTON LOCAL DEVELOPMENT CORPORATION
REGULAR MEETING MINUTES
THURSDAY, JUNE 26, 2014**

| ATTENDANCE | | | | | | | | | | | | |
|---------------------|------|------|------|------|------|------|------|------|-------|-------|-------|--|
| Directors | 1/23 | 2/27 | 3/27 | 5/22 | 6/26 | 7/24 | 8/28 | 9/25 | 10/23 | 11/20 | 12/18 | |
| Cummings, Patricia | P | E | E | P | P | | | | | | | |
| David , Rich | P | P | P | P | P | | | | | | | |
| Frank, Kenneth | P | E | P | P | EX | | | | | | | |
| Jacyna, Mary | NA | P | P | P | P | | | | | | | |
| Papastrat, Chris | P | P | P | P | P | | | | | | | |
| Pearsall, Charles | P | P | P | EX | NA | | | | | | | |
| Sall , Ron | P | P | P | P | P | | | | | | | |
| Shager, Chuck | NA | NA | NA | NA | P | | | | | | | |
| Saraceno, John | P | P | P | P | P | | | | | | | |
| Smith, Art | P | P | P | P | P | | | | | | | |
| Stromhaug, Per | NA | P | P | P | EX | | | | | | | |
| Skeadas Sherry, Jen | NA | NA | NA | P | P | | | | | | | |
| Webb, Lea | P | P | EX | EX | EX | | | | | | | |
| Taylor, Jennifer | P | P | P | NA | NA | | | | | | | |
| | | | | | | | | | | | | |
| Staff | | | | | | | | | | | | |
| Robert Murphy | NA | NA | NA | P | P | | | | | | | |
| Joel Boyd | P | P | P | P | P | | | | | | | |
| Omar Sanders | P | P | EX | P | NA | | | | | | | |
| Sabina Mora | P | P | P | P | P | | | | | | | |

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

APPROVAL OF THE MINUTES OF THE MAY 22, 2014 MEETING

C. Papastrat moved, seconded by M. Jacyna to approve the minutes of the May 22, 2014 regular meeting as presented. The Directors voted unanimously in favor and the motion carried.

PRESENTATION OF THE MAY 2014 FINANCIAL REPORT

S. Mora presented the May 2014 financial report. R. Murphy inquired about the \$221,456.29 listed as "Available Drawdown from HUD for Loans Yr. 34 & 35" on pages 3 and 4 of the financial report. R. Sall pointed to a typo on page 8 which listed \$80.00 as the monthly payment amount for Confluence Running. A. Smith inquired about the accuracy of the balance listed for Confluence Running. R. Murphy stated that staff would return to the Board with this information. R. Sall inquired about the items listed on the delinquency report. R. Murphy

summarized the status of the Wisteria House balloon payment. R. Murphy explained the property owner provided an email from M&T Bank stating that the loan extension was being processed. R. Murphy explained that it was not clear whether or not the property had been listed with a realtor. J. Saraceno inquired about whether the loan was technically in default. R. Murphy explained that it was technically in default based on the conditions of default in the loan agreement. The Board discussed the sale of the property and a request for the property owner to list for sale with a realtor within two weeks. J. Saraceno stated that the event of default should be referred to and interpreted by Corporation Counsel. J. Saraceno inquired about other defaults. R. Murphy stated that he was working with Corporation Counsel to determine the status of Bubbles and VMR. R. Murphy notified the Board that On the Rocks could become a potential default because of non-payment of Broome County taxes. J. Saraceno inquired about the BLDC collateral position on the On the Rocks loan. J. Saraceno expressed concern about the delay in addressing the VMR and Bubbles delinquencies and that the Board should make addressing these delinquencies a priority. R. Murphy reiterated the status of both loans based on updates from Corporation Counsel.

The President accepted the financial report.

OLD BUSINESS:

Grant Updates

R. Murphy explained the status of each Consolidated Funding Application proposal. R. Murphy explained that there was a requirement that the Binghamton City Council pass a resolution approving the Main Street Grant application which was not completed in time. As a result, the Main Street Grant did not move forward. R. Murphy explained that the façade grant was revised to include the projects that had been developed for the Main Street Grant. R. Murphy explained that because the BLDC has not closed out Main Street Grant funds from 2012, the BLDC was less likely to receive a new Main Street Grant. J. Saraceno inquired about the Main Street Grant projects that need to be completed. R. Murphy explained the status and progress of the Main Street Grant projects. Saraceno asked that the BLDC prepare to apply to the Main Street Grant program in 2015.

RESOLUTION 14-04 _____ A RESOLUTION OF THE BOARD OF DIRECTORS OF THE BINGHAMTON LOCAL DEVELOPMENT CORPORATION AUTHORIZING THE EXECUTIVE DIRECTOR TO SUBMIT AN APPLICATION AND ENTER INTO AN AGREEMENT WITH NEW YORK STATE EMPIRE STATE DEVELOPMENT FOR A GRANT TO BE USED TO FUND THE PROPOSED BUSINESS FAÇADE/RENOVATION PROGRAM.

R. Murphy explained that the proposal referred to in Resolution 14-04 included the projects originally slated for the Main Street Grant. S. Mora explained two minor changes (title of grant program and omission of a specific amount) to Resolution 14-04 authorizing the BLDC to

submit an application and enter into an agreement with NYS Empire State Development with the modifications discussed.

P. Cummings moved, seconded by M. Jacyna to approve resolutions 14-04. The Directors voted unanimously in favor and the motion carried.

NEW BUSINESS:

Presentation by the Binghamton North Side Grocery Store Work Group

D. Currie, Executive Director of the Binghamton Regional Sustainability Coalition and member of the Binghamton North Side Grocery Work Group presented information relating to interest in incubating a cooperative grocery store at 435 State Street.

C. Schultz, VP Commercial Services at First Niagara Bank, and member of the Binghamton North Side Grocery Work Group explained that 435 State was removed from auction and the property is positioned to potentially become a part of the Broome County Land Bank. C. Schultz explained a recommendation by the North Side Grocery Work Group to place 10-12 State Street into the Broome County Land Bank in order to have ingress and egress to the primary square footage at 435 State Street and make the property more attractive to potential developers. C. Schultz explained that after submitting an application to the Broome County Land Bank with 435 State and 10-12 State, the next step would be to develop a comprehensive RFP that would be a joint effort between the City of Binghamton, Broome County and the Broome County Land Bank for local developers to bid on the development of the property.

C. Schultz explained that the Broome County Land Bank has access to resources to demo the site at 435 State Street and make it more attractive to a local developer. C. Schultz stated that the RFP at a minimum would include a reimbursement made to the BLDC for the cost of acquiring the property at 10-12 State, and that the construction of a full service grocery store. C. Schultz stated that two organizations have provided letters of interest for occupying space once developed by a local developer, including Alternatives Credit Union based in Ithaca, as well as the cooperative grocery store described by Mr. Currie.

J. Saraceno requested more information on the business plan for the grocery cooperative. R. Sall requested another meeting to focus on this discussion and review the information in the proposal. C. Schultz requested that the BLDC Board position the property at 10-12 State Street in such a way to make it attractive for a private developer by including it in the Broome County Land Bank application with 435 State and the development of the RFP to develop both properties. R. Murphy stated that the two concepts could be harmonized by a grant application that included the 435 State Street demolition and site preparation for development by a coop or any other usage. J. Saraceno stated that the BLDC is not at the point where it can pass a resolution but would like more information and to discuss the proposal with Broome County and the Land Bank.

RESOLUTION 14-07 A RESOLUTION OF THE BOARD OF DIRECTORS OF THE BINGHAMTON LOCAL DEVELOPMENT CORPORATION APPROVING THE PROPOSED BUDGET FOR FISCAL YEAR 2014-15 (CDBG FY 40).

R. Murphy presented the BLDC budget for 2014-2015. C. Shager pointed to the amount allocated for the BLDC annual audit and stated it was short by \$500. R. Sall moved, seconded by M. Jacyna to approve resolutions 14-07. The Directors voted unanimously in favor and the motion carried.

BLDC Interest Rates

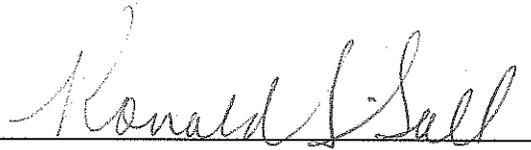
Discussion postponed to July 24, 2014 meeting.

COMMITTEE REPORTS: None

MAYOR'S REMARKS: None

EXECUTIVE DIRECTOR'S REMARKS: None

There being no further business to come before the BLDC Board of Directors, R. Sall moved, seconded by M. Jacyna, to adjourn. The members voted and the motion carried. The meeting adjourned at 10:32AM.

A handwritten signature in cursive script, reading "Ronald J. Sall", written over a horizontal line.

Ron Sall, Secretary
Binghamton Local Development Corporation