

**TOWN OF UNION  
LOCAL DEVELOPMENT CORPORATION  
MEETING MINUTES  
THURSDAY, JANUARY 23, 2020**

**SYNOPSIS OF MEETING**

The Town of Union Local Development Corporation met for a regular meeting on Thursday, January 23, 2020 at the Town of Union Office Building, located at 3111 East Main Street in Endwell, New York.

**I. THE MEETING WAS CALLED TO ORDER AT 7:58 A.M.**

MEMBERS PRESENT: Stephen Trichka, Gary Leighton, James Peduto,  
Jeffrey L'Amoreaux, Timothy Strong

MEMBERS ABSENT: Diane Julian, Mary O'Malley-Trumble

OTHERS PRESENT: Rosemarie Pope (LDC Board Attorney)  
Richard Materese (Town Supervisor)  
Robert Griffin (SUNY Small Business Development Center)

STAFF PRESENT: Joseph Moody (LDC Director), Robin Shimer (Admin. Asst.)

**II. APPROVAL OF THE MINUTES**

The Minutes of the regular LDC Board Meeting of December 19, 2019 were reviewed and approved, as written.

Motion:	Jim Peduto
Motion 2 <sup>nd</sup> :	Gary Leighton
Motion:	To approve the regular LDC Board Meeting Minutes of December 19, 2019, as written.
Vote:	Motion approved [5 - Yes, 0 - No, 2 - Absent]

The Minutes of the annual LDC Board Meeting of December 19, 2019 were reviewed and approved, as written.

Motion:	Jeff L'Amoreaux
Motion 2 <sup>nd</sup> :	Tim Strong
Motion:	To approve the annual LDC Board Meeting Minutes of December 19, 2019, as written.
Vote:	Motion approved [5 - Yes, 0 - No, 2 - Absent]

**III. PRESIDENT'S REMARKS**

President Trichka congenially welcomed all attendees to the meeting, and offered a positive perspective on the new year and the Board's ongoing work.

**IV. DIRECTOR'S REMARKS**

Director Moody circulated a thank you card from Mr. Corwin. He then introduced Mr. Griffin representing the Small Business Development Center at BU.

## V. OLD BUSINESS

- A. Director Moody presented for Board discussion a loan request by Samuel Lupo, Jr. of SSE3, LLC. Mr. Lupo is seeking Town of Union Business Assistance (TUBA) loan program financing in an amount not to exceed \$300,000.00. Mr. Moody said such funding would, if approved by the LDC Board, utilize UDAG funds. He said the loan would be used for renovation of the building located at 625 Dickson Street in Endicott.

Mr. Moody shared with Board members key aspects of the potential loan to Mr. Lupo, as identified in the narrative. He said the Visions Federal Credit Union (VFCU) commitment letter is pending. He also affirmed the LDC would require personal guarantees from the three principals.

It was discussed that loan applicant should have written approval of private lender financing prior to the LDC taking any action. An optional course of LDC action would be to approve the loan to Mr. Lupo, contingent upon his securing of VFCU financing. The instances of projected LDC mortgage lien positioning were identified and discussed. Mr. Moody also referenced Mr. Lupo's PILOT agreement with the IDA.

Mr. Trichka inquired about VFCU's pending incurred level of risk. Mr. Moody urged caution on loan approval until VFCU approved terms are known. Mr. Moody asked if Board members were comfortable with the LDC's loan terms. The Board expressed agreement with the LDC terms of a 20 year loan and a fixed 3% interest rate with no call. Mr. Leighton then asked about a VFCU loan balance, and Mr. Moody affirmed that Mr. Lupo has a current balance with VFCU for the acquisition of the property that would be consolidated into one loan with VFCU.

Following reference made by Mr. Moody for a possible future special meeting, Mr. Peduto suggested holding such a meeting only if the loans terms as outlined by VFCU is changed. The Board Members agreed that immediate attentiveness to Mr. Lupo's request was preferable. It was decided to support the loan request, based on no further loan collateral requirements by VFCU.

President Trichka requested a motion to approve a Town of Union Business Assistance loan to Mr. Samuel Lupo, Jr. of SSE3, LLC in an amount not to exceed \$300,000.00. The loan approval is contingent upon there being no changes (such as a requirement by VFCU for additional loan collateral) to its loan terms.

Counselor Pope recommended that LDC Board member Strong abstain from voting on the loan vote to Mr. Lupo, Jr. Mr. Strong is employed by Visions Federal Credit Union. The Board then conducted a vote to approve the TUBA loan requested by Mr. Lupo.

Motion:	Jeff L'Amoreaux
Motion 2 <sup>nd</sup> :	Jim Peduto
Motion:	To approve a Town of Union Business Assistance (TUBA) loan



to Mr. Samuel Lupo, Jr. of SSE3, LLC in an amount not to exceed \$300,000.00 using Urban Development Action Grant (UDAG) funding. The loan is to be applied to renovations to the property and building located at 625 Dickson Street in Endicott. The LDC loan approval is contingent on there being no changes to VFCU proposed loan terms. Key aspects of the LDC's loan terms include a 20 year loan period, a fixed interest rate of 3%, and no call on the loan.

Vote: Motion approved [4 - Yes, 0 - No, 2 – Absent. 1 – Abstain (Mr. Strong)]

## **VI. NEW BUSINESS**

- A. Mr. Moody informed the Board of a loan request by James Wheelock of Triple City Towing and Road Service, Inc. for Business Assistance loan program financing in an amount not to exceed \$60,000.00. Mr. Moody said such funding would utilize Community Development Block Grant funding. The purpose of the loan is to assist in the acquisition of the commercial property and buildings at 345 Grand Avenue in Johnson City. The LDC will be in a second mortgage lien position. Tioga State Bank is requiring an appraisal. An environmental review has already been undertaken by the lender and would need to be reviewed. Mr. Trichka asked if the business owner is acquiring the property. Mr. Moody said the owner or a holding company will purchase the property. He will obtain an answer before the next meeting. Messrs. Trichka, L'Amoreaux and Strong sought assurance of a corporate guarantee. Mr. Moody affirmed a guarantee by the primary business, Triple City Towing, would be provided. He will seek from the applicant answers to two aspects of the project, the first aspect being determination if a real estate holding company will be created, and the second being demolition cost.

## **VII. OTHER BUSINESS**

Mr. Moody and Board members then discussed determination of Sonostics, Inc.'s loan payment term, subsequent to the prior modification of original loan terms. Potential payment terms for Board consideration included the options of extending the term by 10 months at a 2% interest rate, or increasing the monthly loan payment amount and maintaining the current term. After discussion, the Board agreed to extend the term for 10 months at a 2% interest rate.

President Trichka then requested a motion to approve amendment to the previously amended LDC-Sonostics, Inc. agreement by establishing a 10 month extension to the term at an interest rate of 2%. The last month's payment will be a partial amount to that of the prior nine months.

Motion: Jeff L'Amoreaux  
Motion 2<sup>nd</sup>: Gary Leighton

Motion: To approve amendment to the previously amended Emerging Enterprise/Emerging Market Entrepreneurial (E3) loan agreement to a 10 month term extension at a 2% interest rate. The last month's payment will be a partial amount to that of the prior nine months.

Vote: Motion approved [5 - Yes, 0 - No, 2 - Absent]

- A. Mr. Moody shared an update about Makks Realty, LLC to whom the Board previously approved a \$100,000.00 loan. Mr. Moody indicated the owner did not want to pay for additional life insurance coverage. The Board discussed, as an alternative, wanted the applicant to offer additional collateral. Mr. Moody will propose that option to the business owner.
- B. Mr. Leighton inquired about the Fuller Holding Company of Broome County, LLC loan closing. Mr. Moody said the closing was held on January 10, 2020. He thanked Counselor Pope for her thorough work. Mr. Peduto inquired about the loan closing status of National Pipe & Plastics, Inc. Mr. Moody said progress is being made. He and Counselor Pope said the LDC is awaiting additional documentation.
- C. Mr. Moody provided an update on the former Endicott Forging property. The LDC has been contacted by a developer. Mr. Moody encouraged the developer to contact the attorney for the mortgage holder. In replying to an inquiry by Mr. Trichka about the property clean-up, Mr. Moody said NYSDEC is undertaking such.

Supervisor Materese indicated the Town is interested in seeing the property clean-up completed.

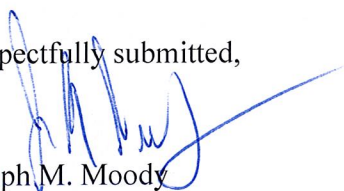
#### **VIII. ADJOURNMENT**

President Trichka asked if there were other topics for Board discussion. Due to there being no other matters to come before the Board, he requested a motion to adjourn the meeting.

Motion: Jeff L'Amoreaux  
Motion 2<sup>nd</sup>: Tim Strong  
Motion: To adjourn the regular meeting of January 23, 2020 at 8:54 a.m.  
Vote: Motion approved [5 - Yes, 0 - No, 2 - Absent].

The meeting was adjourned at 8:54 a.m.

Respectfully submitted,

  
Joseph M. Moody  
Director