Attendance:
Stephen Trichka (over internet - remote)
Diane Julian (over phone - remote)
Gary Leighton (over internet - remote)
James Peduto (over internet - remote)
Gary L’Amoreaux (over phone - remote)
Timothy Strong (over internet - remote)
Rosemary Pope, Esq., Town of Union LDC Counsel (over internet - remote)

Joe Moody, Director (in person)
Rob Shimer, Assistant (in person)

Mary O’Malley-Trumble (did not participate - absent)

TRANSCRIBED BY:
Sally Omar
Czerenda Court Reporting
71 State Street, Suite 101
Binghamton, New York 13901
MR. MOODY: Okay. If you want to call the meeting to order.

MR. TRICHKA: It’s 8:01, I have, I’ll just call the meeting to order. Good morning everybody. First thing we’ll take a look at the permit from the Meeting of April 23rd, 2020. I should have had it in the pack that Joe E-mailed to you. So I guess I should entertain any additions, corrections, subtractions, and barring any of that, may I have a motion to approve the minutes.

MALE SPEAKER: So move.

MR. LEIGHTON: Second.

MR. TRICHKA: Second, Gary, thank you. All in favor?

MALE SPEAKER: Aye.

FEMALE SPEAKER: Aye.

MALE SPEAKER: Aye.

MR. TRICHKA: Any opposed? Gary, that motion carries. Remarks. Good morning, everybody. I think hopefully we’re starting -- I’m seeing some opening up here, and move further. I know I’m going to head off to Ohio this weekend to see my older daughter and it will be interesting to see how things are going there, you know, as compared to here, but I think we’ve been fairly lucky as a region that we haven’t had a worse situation with the virus, and so -- but generally speaking I think things
seem to be going okay we’ve got some beautiful weather and the will continue for the next couple of weeks.

MR. MOODY: That’s all good stuff. I mean obviously, I’m looking forward to opening up. I think we have to open up. I think the economy needs these commerce to start again, and I concur with you is that the numbers seem to be -- the data seem to reflect that Broome County at least can open up, so I agree with you. Thank you. Tim --

MR. STRONG: Okay.

MR. MOODY: Moving on?

MR. STRONG: Yeah.

MR. TRICHKA: So, we’re (inaudible) old business.

MR. MOODY: Okay. Old business, this is an update -- by the way, is Rose Pope here?

MS. POPE: Yes, I’m here.

MR. MOODY: Okay.

MS. POPE: Good morning, everyone.

MR. MOODY: All right. Thanks, rose.

MS. POPE: Good morning.

MR. MOODY: Okay. So, anyway, so update, we approved two loans. They came in at the beginning of our -- when we first announced the -- the loan program, the Ndarp Program. We approved Pack & Mail in the Greek
House, the Greek House Restaurant. Both have been approved. Both I have -- I have the signed commune back from Pack & Mail. The Greek House has decided not to move forward with the loan, and they indicated to me that they got what they needed through the SBA PPP Program, and they were not in need of -- in need of the funds at this moment. So, I said that’s fine. So, as far as I know, Rosemary can concur this or not, but Pack & Mail was advised what they need to do, and I’m not sure if they’ve -- they’re not pursued the closing as of yet, as far as I know, but you know Rose if you have an update, please let us know, because on the commune letter, it does indicate to contact Rose Pope also. Rose, do you --

MS. POPE: Joe, I have not heard anything from them since I sent out that initial letter.

MR. MOODY: Okay, okay, very good. Yeah, because Rose followed up with a letter also. Correct, Rose?

MS. POPE: Yeah, telling them the items they need in order to close and contact me, and I have not heard anything from them.

MR. MOODY: So, actually --

MALE SPEAKER: Joe, there was a post that UHS posted. I believe it’s public, so I think because it was posted on social media it’s public, and can we share that,
you know, there was somebody there that had Covid, correct?

MR. MOODY: Well, actually it was in the paper for both of them, not only did Pack & Mail, but also the Greek House did, yes.

MALE SPEAKER: I didn’t realize the Greek House did, okay, because I knew that Pack & Mail did, and actually UHS posted, I believe, it was the owner, coming out the hospital. So, I think because it’s on social media, I going to be okay to say that --

MR. MOODY: Sure.

MALE SPEAKER: -- so that’s a good -- I mean that’s a pretty -- pretty awesome, also miraculous thing that he came through on the ventilator.

MR. MOODY: Absolutely.

MALE SPEAKER: Oh, God, he was on --

MR. MOODY: I didn’t even know he was on a ventilator, so, okay, thank you.

MALE SPEAKER: I believe some days.

MR. MOODY: So -- so the program, we had probably 25 to maybe 30 calls or applications I sent out. What I’m seeing is that there’s not that much interest right now based on the SBAPPP. Also the IDA does have a program which I think they’ve had marginal interest. I don’t know if anybody could share anything, but you know
I’ve been in a couple of the IDA meetings where they’ve had applications, a couple from our area, in the Town of Union, that I’m aware of. One of them was actually Daniel Hair Salon and they approached us first. I laid out the program to them about the 12 months and then the additional three months, no payments. The IDA has some more attractive terms, but also the IDA’s program is not to -- to full -- to put the loan out for the full term. It was really a bridge until they got the SBAPPP funding unless -- unless anybody could share otherwise. Jim, or anything, and it wasn’t to carry it to the full term, my understanding of the IDA Programs, but they do have more attractive terms than us.

So, as far as I know, I have not heard other than home-based businesses and businesses that are -- that have no employees, that haven’t been -- that haven’t -- their needs haven’t been met. That’s the only thing I heard is home-based and maybe those businesses that have no employees. As you know, our program is based on the retention of employees, and I think most of the programs are, unless somebody could share something otherwise with me. And I think the City of Binghamton’s Program is similar to that.

So, don’t think any of us, again, just from my knowledge, our -- our doors are being broken down in order
to pursue our funding at this time. So, I just want to
make that aware -- you aware of that, and if you --
anybody feels we should change the terms of the program,
or do something else, either now or in the near future, we
we can address that, but -- but so it’s just bringing you
up to speed as of right now.

So, as of right now, we don’t have one loan that
has closed for the NDARP Program, but again my
understanding is everybody is -- businesses that either
approached me before, their needs are met -- their needs
have been met, or by maybe other programs, or the SBA. I
have a tendency to believe it’s more the SBA, especially
the second round.

First round, not all were met, but the second
round, I think there probably still is money available in
the SBAPPP Program.

So, that’s it. Any comments?

MALE SPEAKER: Joe, I mean, just to clarify
that, your gut is that even if we put more -- like raised
the limits and make money available, it still might not be
the different level of demand.

MR. MOODY: Yeah, that is my feelings initially.
Again, I’d like to -- you know, I know Jim sits on the
IDA. I don’t know, Jim, what you’re able to share with us
or not, but I think you’re -- you’re input would be
valuable here.

MR. PEDUTO: Sure.

MR. MOODY: So --

MR. PEDUTO: So, your assessment was spot on.

Nobody -- not nobody, but the doors aren’t being pounded on. There’s not this rush to be able to borrow money from us or to get access to any funding at all. So, I agree with you. I don’t really believe at this point in the cycle where things are starting to look up that change in the terms would somehow create a ground swell, and there’s not the underlying demand.

MR. MOODY: Okay.

MALE SPEAKER: The only thing I might suggest, Joe, is -- I’m sure if you have an amount of time you plan on keeping this program available, but I would plan to leave it open, because people are exhausting funds as they go, so, you know, first it might be manageable, the SBA is sponsored, so they’re doing the PPP, they’re doing those loans, you might find a couple of months down the road, as people start to open in quasi ways that they’re now (inaudible) -- so we may now want to consider leaving it open available even if their people aren’t taking it for an extended period of time.

MR. MOODY: I couldn’t agree more with you.

We’re looking at this the entire economic development
agencies in Broome County, and pretty much it’s something that you’re looking at is really three stages of recovery here and we’re still probably in the initial stage, maybe coming out of that, but then we got resiliency, et cetera. So, there are three stages of recovery to this, and I don’t think anybody has changed their views on that that I’m aware of, so I agree with, I mean since we have the funds, we’ll keep it open. And I think what we can do is if a month down the road, two months down the road somebody goes, you know, you have this, but can we look at something like this that might meet our needs, and then maybe we will address it. Yes.

MALE SPEAKER: (Inaudible) -- Sounds good.

MR. MOODY: Okay.

MALE SPEAKER: (Inaudible) --

MR. MOODY: Okay. Okay. Good. Okay. Moving on or --

MALE SPEAKER: (Inaudible) --

MR. MOODY: Okay. 17 Kentucky Avenue, LLC, we do have Rose worked on this and we finally got this loan closed. That was for the renovation to 17 Kentucky Avenue. Now, my heart dropped the other day because when in front of their building was a massive transformer fire and I was concerned that first of all, one, that we had just closed on the building, or there may be been a loss
of life based on this, but eventually it just stayed in
the radiator, and it had to do with the renovations taking
place or at the 2020 Jackson Avenue, that’s the affordable
housing project that old school down there, so something
hit a pole, and hopefully it came down. But it was
massive, a lot of black smoke in the (inaudible) that you
might have saw plume. So, just to let you know that as
far as I know it has not affected the business, so their
first payment is July 1st, and who knows if they’ll come
to us for the PDB, the Payment Deferment Program, they
might do that, after the initial payment of two, who
knows. So, but they needed it very bad, the meeting we
had discussed. So, just to let you know, that’s an
updated (inaudible) --

Item C, the termination of the three-month
Payment Deferment Program calculations previously proved
on 04/23/20, that was for 17 Kentucky Avenue, LLC, that
was the $230,000 loan, with Sonostics and Spathi Group.
Now, just to let you know, both Kentucky and Sonostics are
paying interest, but Spathi, it’s a UDAG Fund, a
commercial Façade, so it’s zero percent, so it doesn’t
really pertain to this. What I mean, pertain to the final
calculation. Both Rose Pope, Gary, and myself, and Laura
Lindsley, our Town Comptroller chimed in on how they felt
the interest, or what the intent of the program was, and
how we do the final calculation. So, I’m going to defer this to Gary right now to talk about -- just to let you know, when we had talked about the program, the initiative of that was we’ll just talk on the three payments until the end of the loan. So, let’s say they had a 36-month term, it would be 39 months, with three months of no payments being made, no principal or interest being made, and we thought we could just tack on the end. Now, so being said, we investigated the IDA has a similar program to us, and I think they kept it very simple, and maybe we’ll have Rose chime in on that one, but Gary can you -- can you give us your feedback and what you think about the options we have here?

MR. LEIGHTON: Okay. There’s many ways to do this. I talked to one bank and what they did was, they (inaudible) the borrower pay within three months, past due principal and interest payments deferred, and if they couldn’t do that in three months, then they could give them six months. To me, that really serves no purpose.

Secondly, as Joe was describing you can tack on the payments at the end of the loan, including the interest, but what we discovered on that would require four additional payments with the last one as far as Kentucky Avenue goes, they would have to pay $1500 at the end to meet -- to pay the interest that was deferred for
three months. And what the IDA did was, they kept it rather simple, and they said the total amount of interest would not be -- would not exceed what the original loan for. So, in other words, if they -- if they $59,000 scheduled for interest on the amortization schedule, at the end of this three-month deferred program, they’d still have $59,000, which means, the example I just said we would be forgiving $1500 roughly to Kentucky Avenue which, to me, is a fairly simple procedure. I know the IDA just had a one sheet that the borrower had to sign and the IDA had to sign. So, that’s sort of what we thought we would recommend. We really never discussed that with the borrower.

Joe, you mentioned Kentucky Avenue, another one who is interest still, right?

MR. MOODY: Yeah, well, the Sonostics in Kentucky Avenue had interest on the loan, Spathi does not because it’s a façade loan. Now, I did -- the comment from the IDA was that the IDA agreement suspends payments for three months and just extends the loan out three months. They never want

MR. LEIGHTON: It’s three months -- they just add three months onto the loan. It’s the same --

MR. MOODY: Yeah.

MR. LEIGHTON: -- loan payment that they’ve
been paying historically --

MR. MOODY: Yeah.

MR. LEIGHTON: -- which is a good thing. The other way you can do it would be have to change the -- you would have to change the loan payment going forward and that probably requires a little bit more detail --

MR. MOODY: Right.

MR. LEIGHTON: -- and approval by both.

MR. MOODY: Let me just add the IDA went onto say we didn’t want to have to recalculate the amortization schedules for what would be a very small amount of interest.

MR. LEIGHTON: Right.

MR. MOODY: So -- so, that being said, let me just add, so I did receive an E-mail yesterday, as a matter of fact, from Kentucky Avenue, and I’ll just read it to you, if I could find it -- there it is. “Hi, Joe” -- it’s from their Comptroller, it says “Will the Town of Union LDC accrue our interest during the time of the loan deferment?” So, I have not responded as of yet. So, we need some sort of feedback. I don’t know if we will be receiving any more PDP requests, maybe, from Kentucky Avenue, maybe down the road, but I think we just need to decide -- I know the intent was to keep it simple --

MR. LEIGHTON: And, Joe, with that, I don’t know
if we want to qualify that. I don’t know if we want to do
more than one of those three months deferred without
payment of interest, so maybe it would be -- we could
approve it with one deferment in the year -- in the
calendar year.

MR. MOODY: I’m not sure I understand that.

MR. LEIGHTON: Well, you don’t want to -- if
you’re deferring the interest for three months right now,
then let’s say in October, they want three more months no
interest --

MR. MOODY: Right. No, no, I think it’s a one
time --

MR. LEIGHTON: Yes, yeah.

MR. MOODY: It’s a onetime opportunity. You
know, well, then again, I mean given the situation of a
business who knows they might come back again to us,
you’re right, but I think the policy of the program was a
onetime opportunity for three months deferred -- three
straight months defer consecutive, no principal and
interest. I mean --

MR. LEIGHTON: After that, we had a lease
request on an individual basis.

MR. MOODY: Yeah, right.

MR. LEIGHTON: And I like the idea of just the
simpler, the better, but Rose do you have any comments?
MS. POPE: No, Gary pretty much covered it all, but to go back to Kentucky Avenue, you’re saying one per year, but that’s one deferment per year per loan, because Kentucky has more than one loan.

MR. MOODY: Yeah, yeah.

MS. POPE: Okay.

MR. STRONG: Can I ask a question? Then is the fact that they won’t be incurring interest while they’re deferring payments, is -- is that an exception being made now because of the pandemic, or is that going to be our standard going forward, we’ll defer your payment and you’ll not accrue interest or anything? Because I would have more of a concern if that was the bigger picture thing and not just a special exception because of the pandemic.

MR. MOODY: This is a --

MR. LEIGHTON: This is my point, Tim, I would say it’s the pandemic-related, but Joe what do you say?

MR. MOODY: No, I agree with you. It’s special related to this PDP -- the PDP Program for the LDC based on the pandemic only, because we’ve had deferments in the past, and I think they -- I think we had to recalculate the interest and all that, so --

MR. STRONG: Okay. And I think we should, and that’s my point, I guess --
MR. MOODY: I think we -- we might have charged them interest, I’m trying to think if they paid the interest --

MR. LEIGHTON: Yeah, charged the interest, yeah. So, Joe, in your -- if they just have to sign a one page letter, you may want to allude to that fact, it’s Covid-19 related.

MR. MOODY: Yeah, Rose, the --

MS. POPE: Yeah, yeah, that’s fine. We can add that in to the agreement letter.

MR. MOODY: So --

MS. POPE: But how -- but how -- I guess just thinking forward how -- how long can somebody say, you know, what’s the timeframe saying it’s Covid-related. Could that be into next year, because right now we don’t know how, you know, impact, when businesses are going to be impacted? Do you know what I mean?

MR. MOODY: Yeah, I -- I -- the program was based on a three-month only, not to say we’re going to have to look at this, I think, on a case-by-case basis, because I have a feeling one of those three will be coming back to us, because I don’t know if they’re been generating revenue as of -- as of the moment, but I also believe that at least two of those probably received SBAPPP money, so that’s supposed to go to pay expenses
related to (inaudible) staying open.

MR. LEIGHTON: Just so you that PPP Loan has been extended from eight weeks to 24 weeks, I believe.

MR. MOODY: So, again, the point is that’s supposed to be paying for the related expenses to the business to keep -- and keep people employed.

MR. LEIGHTON: Yeah.

MR. MOODY: So, this is an expense, you know, for their business, so -- unless anybody disagrees with that.

MR. STRONG: No, that’s -- that’s the intent.

MR. TRICHKA: I apologize for being sick. I’m a little lost as to what -- how you want to go forward with the Kentucky loan?

MR. MOODY: You mean -- and Sonostics.

MR. LEIGHTON: Well, I think one thing you ought to start on a three-month deferment, the loan will be -- the loan final payment date will be extended by three months, and the customer will not pay any additional interest on the loan than previously agreed.

MR. MOODY: Okay.

MR. TRICHKA: Your supervisor showed up, Gary, to make sure you were working.

MR. MOODY: Yeah, he was just (inaudible) --

MR. LEIGHTON: Yeah.
MR. MOODY: All right. So, the motion would be -- can you say the motion again, so it would be a three -- go ahead, Gary, I am a little thick on this one, I think, too, myself.

MR. LEIGHTON: Three-month deferment, interest will be forgiven for the three months, and the loan will be extended additional three months from the original final payment date.

MR. MOODY: So, the payments would remain the same, correct --

MR. LEIGHTON: Yes.

MR. MOODY: -- extended just for three months.

MR. LEIGHTON: The payments will remain the same.

MR. MOODY: So, they’re not, okay. So, basically, they’re forgiven interest in the three months, whatever three months they request. In this case, it’s May, June, July.

MR. LEIGHTON: Right.

MR. MOODY: And this is for --

MR. LEIGHTON: And the question is are you going to refund Kentucky Avenue on the interest that they paid?

MR. MOODY: What -- what interest did they pay?

MR. LEIGHTON: Oh, I thought you said they were paying interest right now on the loan for May and --
MR. TRICHKA: Well, they would be accruing it, no, they haven’t paid it yet.

MR. MOODY: No, it would be accruing, had not paid it, no.

MR. LEIGHTON: All right. I got it.

MR. TRICHKA: All right, and so as I understand it then, Joe, what you’re saying is since we are forgiving the interest over this three-month period, you’re actually recapturing that interest in the three-month extension at the tail end. (Crosstalk) --

MR. LEIGHTON: Not really, they’re not paying interest on the loan for three months, that interest will just be forgiven. Their payments will remain the same and will zero out the principal at the end of the loan. I had to work out the amortization schedule to prove that to myself, and it worked out fine.

MR. PEDUTO: They’re not paying any less interest, but they’re not paying any more either.

MR. LEIGHTON: That’s right.

MR. MOODY: Right. And that’s --

MR. TRICHKA: That’s my point is that it’s net zero that change in the interest, the overall interest payment.

MR. LEIGHTON: Correct.

MR. MOODY: Jim, do you have any insight on
this at all. Does that sound about right, or -- I
can’t hear you.

MR. PEDUTO: I heard.

MR. MOODY: Okay. Go ahead, we can hear you
now.

MR. PEDUTO: Okay. You know there’s no playbook
for this and I -- everybody, I want to say every is just
adapting and adapting as they go along and this is
perfectly reasonable. It’s consistent with what -- some
are consistent with what we’ve done in the past with the
(inaudible) -- I think it sounds great.

MR. MOODY: Okay. So, from what I understand
it’s a motion to forgive the interest during the three-
month PD Deferment, but we’re not losing any interest,
it’s just tacked on at the end and the payments are to
remain the same. So, the term is extended for additional
three months for each one of these loans, Kentucky Avenue,
Sonostics and Spathi Group. In this case, Spathi Group,
it does not come into play because it’s a zero percent
interest.

MR. TRICHTKA: Okay. So, you’re actually
proposing that we take the same approach for Sonostics
with the interest deferral or an interest forgiveness?

MR. LEIGHTON: Yes.

MR. TRICHTKA: Okay.
MR. MOODY: For the case -- for making it simple, yes.

MR. LEIGHTON: I would say -- there isn’t any interest, Joe, I would say there will be no additional interest.

MR. MOODY: No additional interest, yes.

So, we are recapturing the interest that we would have based on the original amortization schedule, it’s just extended for an additional three months.

MR. LEIGHTON: Essentially, they’re paying zero interest for three months on the money that they borrowed at this point in time, which is okay.

MALE SPEAKER: Great.

MR. LEIGHTON: It’s a benefit to the borrower.

MR. MOODY: So, Rose, are you okay --

MR. LEIGHTON: (Crosstalk) --

MR. MOODY: -- with writing that the way we indicated?

MS. POPE: Sure, I have no (inaudible) around my paper over what I have to put in, but I’ll pass on it, I’ll text you and Gary and we’ll make sure we’re all on the same page for this --

MR. MOODY: And I’ll make sure the Town Comptroller is aware that this is what we decided to do.

MR. TRICHKA: So, you want -- we want -- you
want a resolution, Joe?

MR. MOODY: Do we need that, Rose? What do you think, a motion and --

MR. LEIGHTON: Yeah.

MR. MOODY: Yes.

MR. TRICHKA: I feel like we should.

MS. POPE: Yes, yes, yes.

MR. TRICHKA: So, what we’re -- we’re proposing is just simply a -- a forgiveness of interest over the three-month period, an extension of the loan for an additional three month period at the tail end.

MR. MOODY: Yeah.

MR. LEIGHTON: At the -- at the regular payment, as scheduled.

MS. POPE: Can I --

MR. TRICHKA: (Inaudible) --

MS. POPE: I’m sorry, it’s Rose. Should we just say forgiveness of additional interest?

MR. TRICHKA: Yes.

MR. LEIGHTON: Yup, yup.

MR. MOODY: Okay.

MS. POPE: Okay. Thank you.

MR. TRICHKA: So, I’ll leave it as simple as that. I think the interest works itself out. We don’t have to -- we don’t have to get into details of the
calculation in the resolution.

MR. MOODY: And do we have --

MR. TRICHKA: (Crosstalk) --

MR. MOODY: -- do we have to do these

individually, or this is more of a program issue --

MR. TRICHKA: A programmatic -- I mean it just
doesn’t -- the interest aspect just doesn’t apply to
Spathi, so I think we’re just calling it a programmatic
(inaudible) --

MR. MOODY: Thank you. Okay.

MR. TRICHKA: Okay. So, was that on the table?

Any further discussions from anybody? Anybody on the

phone? Jeff, do you got anything? Diane?

MR. L’AMOREAUX: No.

MS. JULIAN: No, I’m set.

MR. MOODY: Steve, can we take -- can we take a

roll vote to make sure we hear everybody?


I’ll just roll through whose here. Tim?

MR. STRONG: For it, I’m for it.

MR. TRICHKA: I need a motion actually, Tim, I’m

sorry.

MR. STRONG: I’ll move. This is Tim.

MR. PEDUTO: Second, Jim.

MR. TRICHKA: Second, Jim, thank you. Gary?
MR. LEIGHTON: Yes.

MR. TRICHKA: Jeff?

MR. L’AMOREAUX: Yes.

MR. TRICHKA: Diane?

MS. JULIAN: Yes.

MR. TRICHKA: Tim?

MR. STRONG: Yes.

MR. TRICHKA: Okay. Motion carries.

MR. MOODY: All right, thank you. Moving on?

MR. TRICHKA: Yes.

MR. MOODY: All right. So, discussion, Town Board accepted a $753,736 CDBG CV Funds from HUD via the Cares Act, so there was a discussion I had with Sara Zubalsky-Peer, the Community Development Director and CDBG Funds Coordinator of what these funds could be used for. She’s been back and forth with HUD, and various things, not only economic development-related things, but also housing and what other -- what these funds could be used for. So, she’s working that out, and as an entitlement community, we were able to get these additional funds, along with other municipalities that are entitlement communities, for example, the City of Binghamton.

So that being said, we had talked -- Sara and myself talked about what -- what could we use these funds for. It was a discussion about -- and I think discussion
about grant funds, and she liked potential grant funds for businesses, existing business, but it still has to be somehow Covid-related.

So, my initial thought was, okay, seeing that we are in three stages of recovery here, what could we use for the resiliency part of us? And that’s when it came back, Sara goes, well, after talking to HUD, it sounds like it would have to be directly related to Covid. So, I was thinking, can we encourage the entrepreneur spirit, encourage maybe some of these individuals that maybe are unemployed now to start a business, et cetera. Now, there still may be opportunity if they were laid off and let go from a job that it could be Covid-related. But there’s still, I think, a lot of unknowns, but I know Sara wants to move forward with something on this that at least we could submit to HUD.

Some of the communities that we’ve done some background information on were basically using some of this to pay for maybe directly pay businesses, bills for businesses like the utilities, rent, maybe mortgages, et cetera. I don’t know if we have the capacity, and I don’t even know if it would come out of my office or Sara’s office to do that. I don’t know if we have the staffing to do -- quite do a program like that.

So, I’m sort of at a loss on what -- what we
should be doing with these funds or ask, because the Town
Board would still have to approve it, but we’re looking at
maybe $200,000 of funds. I’m sort of leaning towards some
grant, and have like a matching type of thing. But,
again, I’m leary to start that right now, being that we
don’t know what the SBA and the PPP Programs are really
doing, and just like our other program, the Ndarp Program,
is that going to be more attractive to somebody three
months from now? But I’d like to get something in the
pipeline at least, hey, we’re looking at this, and get
some feedback from HUD on, hey, do you feel this possible?
But, again, I don’t know if anybody is in favor of a
grant, or anybody is in favor of just a -- a loan.

So, I guess I’m throwing it out there. I mean
right now our Ndarp Program is 15 or fewer employees.
Some of the programs I’ve seen that are being sort of
implemented are for 50 or fewer -- employers with 50 or
fewer employees, but there has to be some sort of still a
retention of jobs.

Now, another aspect, I just thought about this
one, is if it’s maybe -- maybe employers who have no
employees, but the employees, but the owner is -- still
meets a lower amount of income, doesn’t make a lot of
money, makes the lower amount income requirement, that
maybe we can help businesses that do not have employees
and that may be an option.

So, I sort of need a little direction of what everybody is thinking so I could throw something, or put something -- not throw it together -- put something together, very well thought out put together. And that we could at least submit to Sara who could then submit to HUD.

Now, I could talk to Sara. The last time I had a conversation with Sara was a few days ago. I could talk to her today, and she could say, well, by the way, we have this update. But as last I knew, she was looking for something, she’d like to submit something to HUD, and we have been looking at different programs online from other communities. But most of them were just paying bills, paying utilities, paying the expenses of the business, and I get why they’re doing that. I mean it controls the funds, but I also think there’s got to be another opportunity, another -- something we’re not looking at that not just maintaining, but what can we do to move forward?

What can we do to encourage capital investment? And that might be the 50/50 match. You know, we’ll do a 50 percent grant for capital -- for you to add a new piece of equipment, but you’ve got to retain employer, add employees, and then you got to come up with the 50
percent yourself, the matching funds. I don’t know. So, I’m throwing it out there and you tell me.

Anybody?

MS. JULIAN: Joe --

MALE SPEAKER: Steve, I think you’re muted.

MR. TRICHKA: Yeah, I am, thank you. I’m curious, this is directed to Jim, whether the IDA is seeing requests for some kind of funding, that they’re not even equipped to go have the necessary funds or the program to accommodate. You know because Joe (inaudible) -- Is there a demand out there that is (inaudible) --

MALE SPEAKER: I guess your big question --

MR. MOODY: Go ahead, Jim.

MR. TRICHKA: Go ahead, yeah.

MR. MOODY: Well, before Jim says anything, I’m on the Economic Covid Task Force for Broome County that the IDA and the Chamber have set up --

MR. PEDUTO: Okay.

MR. MOODY: -- and we had a -- we have a gamut of people on that -- on that Committee. In the initial few meetings we had is from a gentleman that represents the NDA. His name is Bob Sweet. He said that he sees, and they work throughout the country. He says he sees that there’s going to be a need for grants. Now, I haven’t heard that recently. I hate to use his name, but
I know that was said in -- in a couple of the meetings that we had that he sees there might be a need for grants down the road. Now, that was before round two of the SBA, too.

Go ahead, Jim.

MR. PEDUTO: There’s always a need for grants. Everybody wants free money.

MR. MOODY: Yes, I know.

MR. PEDUTO: I don’t know, we need this over state. I know -- Joe, you know what you’re seeing. We had an IDA Meeting yesterday, kind of echoed the prior comment.

MR. MOODY: Yeah.

MR. PEDUTO: There’s simply not -- it doesn’t appear to be a dearth of funding or this ground swell of demand --

MR. MOODY: Right.

MR. PEDUTO: -- for (inaudible) --

MR. MOODY: Right.

MR. PEDUTO: I mean I think the idea that you outlined, or maybe something along the lines of a competition like we had before. I think something like that might -- might work, but you know I’m a little reticent about just a home-based business.

MR. MOODY: Yeah.
MR. PEDUTO: If you guys pick up my mortgage for a few months, I’m okay with it, but I don’t know how much that really helps job creation, or -- or the kind of growth that we’re probably envisioning as a group.

MR. MOODY: Yeah, I agree. I understand. I’m just trying to think of which -- I don’t think a competition we could probably use this money because it’s Covid. It’s got to be Covid-related. I don’t know how we could probably fit the two together, but we might be able to. But I -- I do think that we got to come up with something, and obviously I’ll work on that, but I need a little direction. Something imaginative that gets us to that -- that I think we all want to see. But what is that? I agree. I don’t know what that is right now, but Diane you had some comments?

MS. JULIAN: Actually, it was along the lines of Steve like what was the part of the business community that we were answering their needs --

MR. MOODY: It was --

MS. JULIAN: -- so --

MR. MOODY: -- it was the terms -- I think it was the terms that we were only at a 15 month term first thing. It might have been because we only were helping 15 employers with 15 or fewer employees, maybe. I don’t even know if that’s it. I think it mostly came down to the
term. Somebody was offering five year term, but it was
based on the SBAPPP money coming in and then paying it
off. So, I don’t see -- I don’t -- like Jim said, I don’t
see the same ground swelling or people knocking on our
doors for this funding right now, but it’s -- it’s -- I
think it’s going to come, and I think it’s going to come
after that July 31st deadline when we see that there is --
there is that additional $600 that most unemployed
individuals are receiving, and they’re going to be looking
for jobs, and maybe these employers are going to be
looking to hire some of these people back, but they might
need some sort of incentive. It may be a working capital
incentive, and I agree with Jim, everybody -- I mean if I
threw out this program that was a strictly grant program,
of course, we’re going to get 1000 calls, or more
probably. So, I know that, but I think we could get
imaginative and creative and come up with something that
we’re meeting our goal of getting this additional $200,000
Covid-related out the door, but also getting an
investment, that we could show that there is an
investment, whether it’s a piece of equipment and then
they’re going to be able to retain employee and hire
employee, whatever. But I think incentive has to be a
good incentive, or if it’s a grant, I don’t know whether
it’s zero percent, I don’t know.
MR. TRICHKA: What is it saying in firms of 15 to 100 employees which would kind of be the next (inaudible) shop from where you are, a capital investment and we match it, you know, 50 -- we match it -- we match it, and there’s some limit on the top so we don’t dissipate all the funds on one account.

MR. MOODY: Okay. So, like $25,000 match max plus 15 and 100 employees, and it’s to be used for capital investment, and a retention or creation of a low and moderate income position.

MR. TRICHKA: Just a thought, but we’ve got to start somewhere.

MR. PEDUTO: I like the idea of a match, that’s where my mind was at from the start, let’s just say, you know, not a grant necessarily, but they’d have to have to have some skin in the gain, and come up with something, and I think that -- that’s where you’re going to get more serious people looking it.

MR. MOODY: Okay.

MR. PEDUTO: Does it have to be tied in to low and moderate income?

MR. MOODY: Yes, there’s retention or creation of low and moderate has to be in there somewhere, unless I hear otherwise, but as of right now --

MR. PEDUTO: (Inaudible) -- okay.
MR. MOODY: -- or creation of 51 percent. It has to be low or moderate. Now, I have not heard that has not changed, as far as I know.

So, are you thinking -- so a $25,000 grant matching a $25,000 investment in a retention or creation of -- of one 51 percent low to moderate income positions, that’s sort of just a start, Jim, is that what you’re thinking?

MR. PEDUTO: Just so we get some sort of straw man out here for the (inaudible) more specifically, it’s easier to edit than create. Let’s start somewhere.

MR. MOODY: Okay. That sounds -- that sounds good to me. I’m not looking for, I just wanted direction. I’m not looking for a motion, and we can put something together, and I’ll send it out to everybody and get all your feedback, and then we could send it up to Sara, and let it go on to HUD, and if they get approved from HUD, then we’ll come back and approve it. Well, first of all, the Town will have to be somewhere in the approval process, and request the $200,000, and approve it on our end. So, like I said, it’s just indicated to start. Okay?

MS. JULIAN: But the actual number, they’d get $25,000.

MR. MOODY: Well, the grant would be maybe
-- maybe grant would be $25,000 --

MS. JULIAN: Of the grant part.

MR. MOODY: -- with a $25,000 match.

MR. STRONG: Up to.

MR. MOODY: Up to, up to.

MS. JULIAN: Up to, okay.

MR. MOODY: And that’s where the 15 -- employers with 15 to 100 employees.

MR. TRICHKA: Yeah, I really like this idea of expanding it upward, according to the size of the employer. I don’t have a reservation about approaching it, I’m just wondering what that level of demand is going to be considering we talk about funding capital improvements, then it feels more like expansion. I was wondering how much demand there is for that in this environment, as opposed to just business continuity. And that’s just a -- you know, I’m just interested to see where that demand is coming from. Is it -- I just need to pay my employees and pay the utilities, because I can’t even do that right now, or is it I need a new piece of equipment, and --

MR. MOODY: Well, I --

MR. TRICHKA: -- I have to admit I -- I do like the idea that we’re pushing, you know, the new equipment in there, which makes the business healthy, but are people
really feeling that way, and I think just getting
something out there is going to be the only way to
determine that.

      MR. MOODY: Yeah. Good points, okay.

      MR. LEIGHTON: What if -- Joe, what if you
supplemented the loss of retained earnings during the
three-month period to some extent, so you would be able to
measure where they were and if they had losses, and if
they had losses, you would be helping them out with the
losses.

      MR. MOODY: Okay. So, then you would -- you
would say it’s more just a working capital, and it would
go into their pocket as working capital, and then we’d
have to -- they’d have to show us, after the fact what the
money in the funding went towards.

      MR. LEIGHTON: But you can measure what they
were before, and what they -- let’s say, if you measured
what they were at the end that employer into March, and
then financial statements, you can measure what they are
at the end of June.

      MR. MOODY: Based on the retainer. I mean I
like using figures like that, but I also like what Jim and
Steve indicated that, what’s the next stage? If the next
stage is resiliency and what gives us an out? Will a
piece of equipment that they might have wanted to invest
in prior to Covid and now they’re seeing light at the
end of the tunnel, they want to invest, and maybe they’ve
expended what funds they could get in the way of loans,
and if we could help them with a grant to move forward,
then maybe that’s the case. Everybody just went down. I
don’t see anybody’s video.

MALE SPEAKER: Do you have any idea of what the
other CBDG communities are going?

MR. MOODY: Yeah, I said we did some
investigation, and a lot of them were using just paying
like bills, paying their mortgages, paying their
utilities. But the way they have to do it from my
understanding is the organization that maybe grants or
loans them the money, and I don’t know if it’s all grants,
it might be loans, that they then have to cut the checks
to directly to NYSEG, directly to M&T Bank, directly to
Visions for the mortgage, et cetera. So, I’m --

MALE SPEAKER: Some of those things are all paid
by the three P loan.

MR. MOODY: Exactly, that’s a whole other thing.
So -- so, if we want to do something different than the
PPP loan, and we’ve got to do something different than
what our Ndarp is, I like the fact is that we’re
encouraging that reinvestment into the business, and the
moving forward part of it, and I’ll come up some good
ideas.

MR. TRICHKA: Good framework for me, too.

MR. MOODY: Yeah.

MR. TRICHKA: I like it.

MALE SPEAKER: Maybe you don’t have to limit it to one thing. You can limit it to a couple of things if you so desire.

MR. MOODY: Could, could, okay. All right.

That’s good. Thanks for the -- that’s great, you got good direction, okay. Do you want to move on?

MR. TRICHKA: Yeah, let’s go to the Portfolio.

I’ve got -- this broke, it’s not really going to really help much. It’s only a screenshot.

MR. MOODY: The portfolio, everybody has that. Everything seems to be fine. You see the money that’s encumbered. We still have money encumbered for the $15,000 loan to Greek House. I think we should probably keep that for now, not to say that they -- who knows what’s going to happen in the next two months, so I would just keep that on the books for now, and if you -- if you think that’s wise, and then -- so, that’s it, that’s it. Just to review, does anybody have any questions on that?

Okay.

MR. TRICHKA: I’m okay.

MR. MOODY: Okay. All right. Moving on.
MR. TRICHKA: Yup.

MR. MOODY: So, we received our 2019 Tax Forms 990’s and Chart 500s and we owe $275 -- $275 to the Attorney General of New York State, and we have both Steve authorizing -- both Steve and myself to sign the documents so we could send them up to the State and the Federal. We have until November 15th, 2020 to do so. The -- the date to file was extended, as probably everybody is aware, so this is sort of FYI and also authorizing both Steve and myself. Ideally our Treasurer has reviewed the -- the Tax Returns and they’re in line. Gary, I don’t know if you want to mention anything on that.

MR. LEIGHTON: Yeah, the tax returns identically, and our financial statements.

MR. MOODY: So, just need authorization, and I don’t know if we even need authorization for Steven and I to sign, because we do it every year. So, but maybe if you want --

MR. TRICHKA: I think it’s already -- I think it’s already inherent --

MR. MOODY: Yeah.

MR. TRICHKA: -- we both do it, in the parties outlined in the Articles of the Corporation.

MR. MOODY: So, we don’t need that. That’s just FYI for yourself then. Okay
MR. TIRCHKA: Yup.

MR. MOODY: So, moving on, based on also the audit, Item C, we have an Invoice for $4600 for Piaker & Lyons. It’s just FYI for you. We’ve already cut the check in the process of doing the purchase order to pay that. That was part of their contract, $4600 for three years. Okay?

MALE SPEAKER: When does that expire, Joe?

MR. MOODY: I think it’s after next year. This year to 2020, so after that, it expires, but it’s a five-year term, if you recall.

MALE SPEAKER: Yeah.

MR. MOODY: And that’s the third year. Okay. So, moving on, we have Item D, and I just got this late yesterday, Gina Tordo, that was our grant -- one of our grant recipients of the $10,000 grad program -- grad assistance program. So, because of Covid, she’s had trouble with her contractor to -- to do the work, so the LDC approved the loan, and she’s concerned that it’s going to go past the approval date, the close by date, September 18th, 2020, and this is probably going to run into probably with all of our grant recipients with this date now what’s going on with Covid, except for maybe one, the J.C. Brewery potentially, that they might not be able to close by that date. So, that was one of the concerns I
received from Karen, her assistant, Gina Tordo’s assistant and she actually wrote me an E-mail if I can find it.

Who’s dog is that? Oh, that’s Maddy. I know that bark.

So here’s what Gina --

MALE SPEAKER: (Inaudible) tell you.

MR. MOODY: So, here’s what Gina wrote to me, or Karen did for Gina. “Thank you for speaking with me today. My full health and wellness was a grant recipient and due to Covid-19, our contractor is behind schedule this year. We were wondering if we can get an extension on the completion of the building addition, the handicap bathroom project has already been completed. Also, we’d like to inquire about the possibility of hiring a new contractor. The contractor we choose is a small company and are having a hard time obtaining a subcontractor to do the concrete work. We’d like to look into a reputable company and get a bid from them, if possible. We understand that our financial obligation will be more than double the cost of the grant we were awarded.”

Now, I don’t really know what that means, but I’m looking at the application that was submitted to us, and the overall project was a $42,143 project, and owner’s equity was $32,143, and the Town LDC grant was $10,000. So, as long as she spends the $32,000, I don’t think that changes what contractor she may or may not use, as long as
she gets the work done, it’s completed as she submitted to us, and she’s at least putting the owner’s equity of $32,000 into it, as we approved it on, then I don’t think it’s an issue. She pays more, that’s her choice to pay more. So, I guess the question is, do we extend the term on this grant, because it was requested, or the deadline, and then does anybody have any objection for her seeking a -- a larger company to do the work, as long as she still has $32,143 into the project, and the project is completed as agreed.

MR. TRICHKA: Her grant, could I get some clarity, it wasn’t continued on any specific contractor.

MR. MOODY: No, it was not.

MR. TRICHKA: She’s free -- I think she’s free to do what she wants unless somebody else feels differently.

MR. PEDUTO: Should we perhaps just entertain an extension for everybody under the program, and just do a blanket, and not do this three times?

MR. MOODY: Yeah, I think that would be a good idea.

MS. JULIAN: Good idea.

MR. MOODY: So, about how long do you want go out? It was September 2020, it was supposed to be. So, we’re only three months away from that. I would say we
got to go into 2021.

MS. JULIAN: Yes.

MR. PEDUTO: Let’s go for six month on it.

MR. TRICHKA: Yeah, six months, I agree, too.

MS. JULIAN: Six months, at least.

MR. MOODY: So, March -- so March, let me see.

MR. TRICHKA: April 1st, 2021.

MR. MOODY: April 1st, 2021, okay. So, does anybody want to word that motion, so we have that motion? So, the motion is, I’ll word it -- the motion is to extend the -- the deadline for the Grant Excess Program, the deadline to close the grants, for each one of the grant recipients, extend it from September 15th -- September 18th, 2020 to April 1st, 2021.

MR. TRICHKA: So moved.

MR. STRONG: (Inaudible)

MR. TRICHKA: Thanks, Jim.

MS. JULIAN: Second.

MR. MOODY: Second was Diane.

MR. TRICHKA: All in favor. I’ll go through the roll again, sorry. Joe?

MR. MOODY: Aye.

MR. TRICHKA: Tim?

MR. STRONG: Aye.

MR. TRICHKA: Gary?
MR. LEIGHTON: Yes.

MR. TRICHKA: Jeff?

MR. L’AMOREAUX: Aye.

MR. TRICHKA: Diane?

MS. JULIAN: Yes.

MR. TRICHKA: Jim?

MR. PEDUTO: Aye.

MR. TRICHKA: All right, motion carries.

Thanks, Jim, that was a good idea.

MALE SPEAKER: There’s something -- Joe, I want you to be careful, you know when you say as long as they spend the committed amount. If the contractor comes in below, and I’m just quibbling about that, if they come in at 30 instead of 32, that’s not really -- we don’t take any additional action regarding that. We don’t necessarily reduce our contribution.

MR. MOODY: Well, I -- I don’t know about that because we based it on the owner’s equity in the project for the $10,000, so --

MALE SPEAKER: Do we ever follow up on that though the owner’s expenses versus the budgetary estimate --

MR. MOODY: Oh, yeah.

MALE SPEAKER: -- in their loan request?

MR. MOODY: Yeah, we do -- we make sure --
MALE SPEAKER: And they come in --

MR. MOODY: -- we make sure that there’s funds available for the owner’s equity, yes.

MALE SPEAKER: Okay. I understand that --

MR. MOODY: We’re going to require to see that Rose does the lien releases for the contractor, we’re going to require to see what they paid the contractor, yes.

Is that correct, Rose?

MALE SPEAKER: If the contractor said the job is going to cost $32,000, and it ends up costing $31,000.

MR. MOODY: Well, Rose -- Rose?

MS. POPE: Yes.

MR. MOODY: Okay. Did you hear that?

MS. POPE: Well, I mean -- yeah, I did, I did. I doubt it’s going to come in lower --

MR. MOODY: No.

MS. POPE: (Crosstalk)

MALE SPEAKER: Just a --

MS. POPE: But if it is, I think we have to address that at the time, because we’re not going to give her more. I mean she’s not going to make $1000 on this.

MR. MOODY: Right.

MS. POPE: It’s just that’s she’s extended, right, Joe, haven’t we looked at all of that before?
MR. MOODY: Well, if we based it on -- if we based it on her owner’s equity, and owner’s equity is $32,000 whatever it was, and she comes in at only $31,000, we have to at least look at it, I think so.

MALE SPEAKER: It doesn’t increase our contribution --

MR. MOODY: No.

MALE SPEAKER: -- it increases the percentage of our contribution for the project.

MR. MOODY: That’s correct. That’s correct.

MALE SPEAKER: Okay.

MR. MOODY: If we get -- if in the end she pays $20,000 to get exactly done what she indicates she was going to have done, the bathroom, whatever the renovations are, and she gets it for $20,000 and she saves the money, I think we still have to come back and say, okay, here’s -- here’s what it was approved on, but here’s what it came in, but I did my site investigation, and it looks like everything has been completed. Rose has the lien releases from the contractors, then, yeah, I don’t see why --

MALE SPEAKER: I know it’s an academic question. I guess you just kind of hit me when you said they have to spend that 32, okay.

MR. MOODY: That’s the intent, but if they spend less than -- I’m going to have to notify them, if you
spend less and you get the work done, that’s great, but we have to -- I’ll have to get back to the --

MALE SPEAKER: I know, we have a -- we just don’t want to go over the maximum threshold of our percentage of participation. I get it.

MR. MOODY: Okay.

MALE SPEAKER: Okay.

MR. MOODY: All right. So, that’s all I have.

MALE SPEAKER: That’s all?

MR. MOODY: Yeah. 8:59, Steve.

MR. TRICHKA: I was going to say, snuck under the wire here. I was just going to say it’s almost 9:00 o’clock.

MS. POPE: Can I just jump in with one thing, one update?

MR. TRICHKA: Yeah.

MS. POPE: We’re finally ready to close on the DPRC one loan page grant. That’s going to be closing in the next week or so, just so you know.

MR. MOODY: Great. Just so everybody knows, that’s the National Pipe and Plastic Demolition, wonderful building. That was our great -- that was money well spent so far.

MR. TRICHKA: Yeah, that’s good news.

MR. MOODY: Yup.
MR. TRICHKA: Yeah, okay.

MS. POPE: (Inaudible) --

MR. MOODY: Great. All right, so now we’re at 9:00 o’clock.

MR. TRICHKA: Let’s have a motion to close the meeting -- adjourn.

MR. STRONG: So moved.

MR. TRICHKA: Thanks, Tim.

MR. L’AMOREAUX: Second, Jeff.

MR. MMROODY: Second, Jeff.

MR. TRICHKA: I’ll just do a general, all in favor?

MR. STRONG: Aye.

MS. JULIAN: Aye.


MR. STRONG: Got a lot done this morning.

MR. MOODY: Tim, thank you. I appreciate it.

MS. JULIAN: Thank you.

(MEETING CONCLUDED)
CERTIFICATION

I, SALLY OMAR, certifies that the foregoing Transcript of the Town of Union, Local Development Corporation Meeting, held on June 18, 2020, at was prepared using electronic transcription equipment and is a true and accurate record of the proceedings.

Date: June 25, 2020

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SALLY OMAR