

TOWN BOARD MEETING
UNION, NEW YORK

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In the Matter of:

Local Development Corporation
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November 19, 2020
3111E. Main Street
Endwell, New York 13760

APPEARANCES:

FOR THE TOWN OF UNION

STEPHEN TRICHKA
President

DIANE JULIAN
GARY LEIGHTON
JAMES PEDUTO (Absent)
MARY O'MALLEY-TRUMBLE
JEFFREY L'AMOREAUX
TIMOTHY STRONG
Board Members

JOSEPH MOODY
Director

ROB SHIMER
Assistant

ROSEMARY POPE
Attorney-at-Law

SARA ZUBALSKY-PEER
Town Community Development Director

Digitally recorded proceeding,
Transcribed by: Ria Jara
Czerenda Court Reporting
71 State St.
Binghamton, NY 13901

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<u>Witness</u>	<u>Direct</u>	<u>Cross</u>	Re <u>Direct</u>	<u>Cross</u>
none				

E X H I B I T S

<u>Exhibit Number</u>	<u>Description</u>	ID
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1 (On the record)

2 MR. STEPHEN TRICHKA: Are you ready, Joseph?

3 MR. JOSEPH MOODY: Yeah.

4 MR. TRICHKA: 8:00, we got to set it up.

5 MR. MOODY: Yeah. Ready to go.

6 MR. TRICHKA: All right. Let's call the meeting
7 to order, 8:01. Good morning, everybody. Happy snow. We
8 didn't get a snow day, but almost every day feels like a
9 snow day sometimes these days.

10 MR. MOODY: Yeah. It is.

11 MR. TRICHKA: So we'll get going with the
12 minutes of the meeting from September 17th, which should
13 have been in the pack, that were in the pack that Joe sent
14 out. So if there are any additions or subtractions or
15 corrections, let me know. I'll give you about a minute to
16 make sure everybody has looked through it.

17 Okay. If there are no corrections, may I have a
18 motion to approve the minutes?

19 MR. TIMOTHY STRONG: So moved. This is Tim.

20 MR. TRICHKA: Do I hear a second?

21 MR. JEFF L'AMOREAUX: Second.

22 MR. TRICHKA: Thank you. All in favor?

23 ALL: Aye.

24 MR. TRICHKA: Thank you. All opposed? Okay.

25 Any absentee ballots to count?

26 MR. STRONG: We're probably chatting anyway.

1 MR. TRICHKA: Okay. So, again, good morning.
2 We've got a lot of stuff to get through today, it looks
3 like. I think we'll take some time on these small
4 business resiliency, and some of the adjustments that
5 looks like need to be made to that. I think we'll spend
6 most of our time on that and then a couple of other things
7 that might have left after that. So Joe, I'll turn it
8 over to you.

9 MR. MOODY: Okay. Thank you. I unmuted myself.
10 Did you mute me, Tim?

11 MR. STRONG: No. You're good now.

12 MR. MOODY: Okay. All right. So as you all
13 recall in my packet that in August of 2020, on the 20th,
14 we approved a Small Business Resiliency 50/50 Grant
15 Program up to \$10,000 using this \$125,000 from the CDBG-CV
16 funds that the town allocated to the town LDC to use it
17 for a grant program.

18 Since that time, Sara, myself had several
19 conversations. Sara also, probably, had several
20 conversations with HUD. And although our program was
21 accepted by HUD and it was definitely a good use of the
22 funds, there were some questions that were brought up
23 about how fast would the money get out the door, if you
24 will, through a program like that.

25 So, we went back and forth. We picked the
26 brains of some other entities that use CDBG-CV funds for

1 economic development. And it was determined that, maybe,
2 even though it's a good program and I think we had to keep
3 the program, because there may be another round of CDBG-CV
4 funds, the thought was to make it a little bit
5 expeditiously when it comes to actually getting the money
6 out the door.

7 So we thought that we'd like to go with a CDBG-
8 CV Small Business Urgent Need Grant Program. Basically,
9 an emergency grant program that would take into account
10 three months of contiguous expenses that a business could
11 provide to us and compare it to comparable three months
12 from 2019 as compared to 2020. And that they would have
13 to show a 25 percent reduction in revenues in order to tap
14 into this grant program.

15 Now, one of the things about streamlining or
16 this program that we could streamline, is we would still
17 require the town LDC board to approve any grant
18 application. However, when it comes to -- there will be
19 actually no grant closing. We could do something directly
20 through the Community Development Department where Sara
21 would cut checks directly upon approval of the grant by
22 the LDC board, cut checks directly to anybody that the
23 business may be wanting to pay for expenses - three months
24 of expenses.

25 So, for example, it could potentially pay NYSEG
26 bills or utility bills. We're thinking it could pay

1 property taxes. You know, maybe some COVID-related
2 expenses that were incurred when it comes to, like,
3 restaurants. If they had to put the personal protection
4 like any personal protection equipment that they may have
5 needed in order to open up. And I think Sara might want
6 to add to that as we move forward.

7 But, anyway, so the thought was, is there a way
8 we could streamline the process? Get the money out the
9 door quicker because I have a personal suspicion that that
10 December, January, February is going to be very tough for
11 the businesses around here. Especially, the restaurant
12 business as it already is. And if there's a way that we
13 could -- to move this along quicker, that's what we'd like
14 to do.

15 Now, one of the big things with the program that
16 we had, the 50/50, there was a job retention/creation
17 component to it. Now, with this program, an urgent need,
18 there doesn't necessary have to be that job retention
19 creation component to it. It's great if we have it and
20 Sara wants us - and, Sara, please chime in when you want -
21 that when we move forward, we're going to still require,
22 you know, "Please show us that you're retaining jobs or
23 that you meet the requirement just as a sole
24 proprietorship, et cetera." So, we'll still go forward
25 with the paperwork on that, but it won't hinder us from
26 actually granting the money based on no retention or

1 creation of jobs. Which I think is a substantial change
2 from the 50/50 to the urgent need program.

3 Now, I did put a fact sheet together. Still
4 would leave it at the same amount of not to exceed
5 \$10,000. The only thing that was changed is that -- one
6 of the things that was changed is that, I'm looking at 50
7 or fewer employers with 50 or fewer employees, instead of
8 the 25 we had for the 50/50. I think it will open up a
9 little bit more and we could help out more businesses that
10 way. At least, that's what the hope is.

11 So, Sara, do you want to add anything from your
12 discussions with HUD at all? Sara, are you still there?
13 I don't know. Do you still show her on?

14 MS. SARA ZUBALSKY-PEER: Can you hear me?

15 MR. MOODY: Yes. Now, we can.

16 MS. ZUBALSKY-PEER: Okay. Sorry. I think you
17 did a really great job summing it up. Basically, it's
18 kind of a feeling right now that they really want to get
19 money out to people. Because we've been sitting on the
20 allocation since March just because it's taken everybody,
21 you know, HUD getting answers back to us, figuring it out
22 because this is all new. They really want to get this
23 round of money out the door to people's pockets to help
24 them get through, especially because things, like Joe
25 said, are going to get tougher for them moving forward.

26 So we've been in talks with them. I've talked

1 to a bunch of other municipalities with [audio glitch]
2 seeing what they're doing. I think these changes are
3 good. And moving forward, like Joe said, we will be
4 receiving round three money through the CARES Act and
5 CDBG-CV funds. I've kind of told HUD at this point, I'm
6 just letting it sit there until we see how our current
7 programs play out. And then moving forward, I think,
8 since that's down the line money, that's where we could
9 look at and see how things happen after the first year.
10 And then, figure out, maybe, what programming, if you want
11 to implement the 50/50 program then, see how it will play
12 out in that round of money.

13 But, yeah, the big change is that we can now
14 qualify because this is urgent need. We always try to do
15 at low to moderate income job creation is because you have
16 to spend 70 percent of the grant on low-mod benefit. But
17 if we can get, like Joe said, some people who are sole
18 proprietorship and they show that they qualify as low
19 income, we can put them in that low income category and
20 that frees up our ability to provide other businesses who
21 might not meet that requirement as urgent need.

22 So I think there's some good flexibility. Even
23 though we're changing it, I think we'll be able to help
24 more businesses quicker that way. And, basically, Joe and
25 I would do a lot of the frontend stuff. You know, the
26 environmental review, get everything all set up. And the

1 way that this would work is that I would be paying checks
2 directly to vendors. So with this money, we cannot pay
3 the businesses directly. We would have to reimburse, like
4 Joe said, directly to NYSEG. And I have a contact set up
5 there. If they have rent or mortgage payments, their
6 property taxes, we would just pay directly to the people
7 the money is owed to. That way, we're just getting it out
8 there and meeting all the federal requirements for the
9 program.

10 MR. MOODY: Good. That's great to know.
11 Because one of the things that I've seen recently, as
12 recently from businesses is, is there any programs to pay
13 the taxes. So, this meets that need.

14 MS. ZUBALSKY-PEER: Yeah. And it's been a lot
15 of back and forth with HUD. Especially, when it came to,
16 like, issues, you know, I brought up to them. What about
17 business who had to reopen and they had to install the
18 barriers or plexiglass and they had to show out quite a
19 bit of money. Originally, the answer we're getting was,
20 no, you can't reimburse that. But now, we've actually
21 found out through kind of pressuring HUD that, yes, you
22 can reimburse it with the proper documentations. So it's
23 just been a lot of fleshing out the details with them and
24 kind of poking and prodding them to get the answers that
25 we need.

26 MR. MOODY: So the hope is, we're going to put

1 this application on our website and it would be filled out
2 on the website, submitted to me along with any
3 documentations they might have to do, including the 2019,
4 their businesses taxes. Then we compare the three months
5 with the 2019 with the three months of 2020 to show that
6 there is a loss. Because as we know, there are certain
7 businesses that haven't had a loss. You know, there's
8 quite a few manufacturing business out there that haven't
9 had any loss. But there's many that have been, obviously,
10 really affected. And you know, so I think it's a good
11 program. I like the idea of really getting the money out
12 quicker.

13 So Sara and I would do all the -- get the
14 application in my office. I do everything on my end. And
15 then, Sara would do the environmental review, anything she
16 needs to do on her end. And then, we submit it back to
17 the LDC board for their review and approval or denial.
18 And then if it's approved, I would say because everything
19 has been done already on the backend, that we could close
20 pretty -- or that Sara could start cutting checks almost
21 immediately after an award letter is issued. I still
22 think we need to issue an award letter that might spell
23 out some things, who they need to contact. For example,
24 contact Sara with the invoices or the vendors that have to
25 be paid, that type of thing.

26 Now, one of the other things I want to point

1 out, unlike the 50/50 Program, this is not for startup
2 businesses. This is only for existing businesses. And
3 we're still going to have that question about, you know,
4 what business we could assist. But I think, if they show
5 us that there's been a loss, that's the importance of that
6 three-month comparison that there's a loss. It opens it
7 up, actually, to more businesses that maybe we just
8 weren't aware that were affected at least for a partial
9 period, if you will.

10 MR. TRICHKA: A couple of questions I have, so
11 we're really focusing on things like rent, utilities, and
12 the improvements. Is there a specific type of restriction
13 that prevents the reimbursement of employee wages? I just
14 find it odd that we're saying that there's a job retention
15 aspect to this, but they won't reimburse for employee
16 wages.

17 MS. ZUBALSKY-PEER: The reason they don't really
18 want us focusing on wages right now is because there have
19 been other programs out there. And one of the big
20 stumbling blocks we had with most of our CV programming is
21 that HUD really wants us to be able to prove no
22 duplication of benefits. And so, if businesses had
23 already applied to, like the PPP program or other state
24 programs that are out there for payroll specifically, they
25 wouldn't be eligible even to do any payroll through any
26 other program sponsored by HUD. So that was the main

1 reason they told us not to focus on anything to do with
2 payroll.

3 MR. TRICHKA: Okay. And then when we get to
4 taxes, are there acceptable -- I mean, I'm (indiscernible)
5 thinking of people could very well have back income taxes
6 and things like that. But I'm assuming that would block
7 the eligibility.

8 (Interposing).

9 MR. MOODY: Property taxes only. Property
10 taxes. Okay. And school taxes.

11 MR. STRONG: Do they have to be current though
12 on things? Like, do they have to be in good standing?

13 MR. MOODY: Well, the thing is I have included
14 in the fact sheet that they can't have applied for, you
15 know, filed for any bankruptcy. I still think we have to
16 have that there. They have to had been in good standing,
17 as in profitable in 2019, hence the reason I want to see
18 their taxes. Although, I know with taxes, there's,
19 obviously -- and Jeff could probably attest to this, some
20 may not want to show much of a profit. But we have to see
21 that the business was profitable in 2019. I think that's
22 important. Because I don't -- even with the grant, even
23 with the urgent need, the last thing, I think, we want to
24 do is throw good money at bad money, if you will. And I
25 thing --

26 (Interposing)

1 MS. ZUBALSKY-PEER: Sorry. We have to be able
2 to document for HUD, too, that there has to be a very
3 clear well-documented COVID link to it. So being in
4 arrears as long as it was since the March 22nd shutdown.

5 MR. MOODY: Okay. So the taxes can be in arrear
6 as long as it's after the March shutdown.

7 MS. ZUBALSKY-PEER: Yeah. Right.

8 MR. MOODY: Okay.

9 MS. ZUBALSKY-PEER: It can be like, last year,
10 they didn't pay and we're reimbursing them or paying
11 [audio glitch] taxes.

12 MR. MOODY: Okay. It's expenses for this year,
13 basically.

14 MS. ZUBALSKY-PEER: Right.

15 MR. MOODY: Okay. Okay. That's good. That
16 answers your question, Tim, correct?

17 MR. STRONG: Yeah.

18 MR. MOODY: Okay. All right. So, obviously,
19 there's no application fee, no collateral. I don't even
20 know what to say about the guarantees. I'm not sure,
21 Sara, if any of the HUD or other HUD organizations you've
22 talked to requires the guarantee or guarantee on this. I
23 would almost say, probably not. But I'm curious what you
24 found out.

25 MS. ZUBALSKY-PEER: I don't believe they do. I
26 have not found anybody that, right now, has required that.

1 MR. MOODY: Okay. All right. So let me just
2 see here what --

3 MR. TRICHKA: Joe, one other quick question.
4 I'm looking at capital equipment. I'm assuming that's any
5 purchase in the aftermath of the disaster declaration
6 (interposing)?

7 MR. MOODY: Where was that? You mean, eligible
8 uses?

9 MR. TRICHKA: And the reason I'm asking is two
10 things. One, there is comment that a lot of these stuff
11 is bought kind of in major installment payments on. Or a
12 capital equipment for lease, which is even more likely,
13 and expenses against that.

14 MR. MOODY: Yeah. Sara, I don't know if you see
15 that there. But one of the -- few of the ineligible uses
16 would be for capital equipment purchase. I guess the
17 question is, if somebody purchased - I don't know - a new
18 lathe or whatever in 2020 and they still documented a
19 three-month loss, could we help pay for that lathe, if you
20 will.

21 MS. ZUBALSKY-PEER: That's a really good
22 question. I think, yeah, as long as we can document that
23 COVID relation that they lost money, I'll verify that.
24 I'll shoot something up to the field office and just say,
25 is this still an eligible use. And get back to you on it,
26 for sure.

1 MR. MOODY: Okay. So that would be reimbursable
2 then.

3 MR. TRICHKA: I guess what I said about leases
4 as well.

5 MR. MOODY: What do you mean -- was Kitty
6 (phonetic) saying anything about leasing equipment, you
7 mean?

8 MR. TRICHKA: Yeah. I mean, it's very common to
9 have capital leases for equipment.

10 MR. MOODY: Yeah. Okay. So you want me -- so
11 the board will prefer to move eligible use of proceeds,
12 capital equipment purchase/lease to as an eligible use of
13 proceeds pending what Sara finds out from HUD.

14 MR. TRICHKA: Yeah. But I'm just saying, it is
15 -- you know, we shouldn't be differentiating between a
16 purchase and a lease. They're going to be making payments
17 on capital equipment either way. But that said, I mean,
18 all that I think is it sounds like the key thing here.

19 MR. MOODY: So what I'll do is eligible use of
20 proceeds. I could add that under that category and just
21 put deemed ineligible or eligible by the LDC board, so it
22 keeps that flexibility. You know, we could approve it
23 based on, obviously, that statement and then Sara could
24 find out. I don't want to hold this up, basically, for
25 another month is what I'm saying to you.

26 MR. TRICHKA: No. I don't think we should

1 either. I think we should get the applications then while
2 we're waiting on some clarifications.

3 MR. MOODY: Yeah. Okay. Okay. Now, just to
4 let you know, ineligible uses are still pretty much the
5 same. Lending institution, recreational facilities not
6 open to the public, investment, real estate, gambling
7 facilities, family daycare homes, daycare centers if not
8 licensed by the state, business operated from home. This
9 is not for home based businesses at all, or any other
10 business that the LDC deems eligible.

11 Now, one thing I think we have to put in there
12 is commercial landlords. Commercial landlords do have an
13 option from the New York Forward Program to apply. But
14 I'll be honest with you, I have not heard of one person
15 getting the New York Loan Forward Program as a commercial
16 landlord. Residential landlord, I have heard they've
17 received loans. But I don't think we can go there. I
18 think this is specifically for the businesses, the small
19 businesses. And, unfortunately, as an investment, I
20 understand they may think it's a small business. It is a
21 small business but it's not what we're there to assist.
22 But we could help the tenant that maybe their tenant in
23 their commercial building to pay their rent, if you will.

24 So I think I'd like to, obviously, add that as
25 ineligible use of proceeds, commercial property owners,
26 landlords, if you will. Does anybody have an issue with

1 that?

2 MR. TRICHKA: Okay.

3 MR. MOODY: Does anybody have an issue with
4 that? No? Okay.

5 MR. STRONG: No.

6 MR. MOODY: Okay. \$10,000, is everybody okay
7 with that \$10,000? We have \$125,000. I don't know what
8 the going -- I mean, we could easily say, you know,
9 there's some businesses that might help out with 45,000
10 and some may be \$10,000. But, again - Sara, correct me if
11 I'm wrong - it's three months of expenses. So the 25
12 percent just shows that there's a loss, you know, because
13 of COVID. But the three months of expenses, that could be
14 -- obviously, it's not 25 percent of the losses. It could
15 be three months of expense. If it's \$10,000, that's the
16 \$10,000 we could help them with of eligible expenses,
17 correct? Okay.

18 MS. ZUBALSKY-PEER: Yeah. As long as it's three
19 consecutive months.

20 MR. MOODY: Okay. And it could be -- right. So
21 it could be retro but it's going to have be retro
22 comparing or is it moving forward. For example, if I'm
23 comparing March, April, May of 2019 with March, April, May
24 of 2020, but they want us to pay December, January,
25 February, that's not an issue, correct?

26 MS. ZUBALSKY-PEER: Correct.

1 MR. MOODY: Okay.

2 MS. ZUBALSKY-PEER: Correct. Yeah. That three
3 months' comparison is just showing that loss due to COVID
4 and (audio glitch) three consecutive months we actually
5 pay for depends on what the needs are.

6 MR. MOODY: Okay. And it's a drawdown. And I
7 want to point that out, it's a drawdown. Since the money
8 is still in the community development, I think, town
9 coffers, correct? Or is it still with HUD?

10 MS. ZUBALSKY-PEER: Yes.

11 MR. MOODY: Is it in (indiscernible)?

12 MS. ZUBALSKY-PEER: No. Yeah. It's a drawdown
13 the way I have to do it.

14 MR. MOODY: So we'll never see the \$125,000 on
15 our LDC books just going this route, just to let everybody
16 know that. Okay?

17 MR. TRICHKA: Okay.

18 MR. MOODY: All right. So, Sara and I just got
19 to tweak the application a little bit. We have to add
20 some things to it, like Social Security numbers, date of
21 birth, and all that. But other than that, the application
22 is what it is. You see it on there. It's a very good
23 application. And, hopefully, it just streamlines the
24 entire process.

25 So that being said, we approved a resolution in
26 August for the 50/50 Program. You see the amended

1 resolution that I included. And I'll just read the top
2 portion. "Amending on August 2020 a resolution of the
3 Town of Union Local Development Corporation accepting
4 \$125,000.00 from the Town of Union in the form of
5 Community Development Block Grant Coronavirus Funds from
6 the United States Department of Housing and Urban
7 Development via the Coronavirus Aid Relief and Economic
8 Security Act and approving the use of said funds to
9 establish COVID Small Business Related Grant Program." I
10 go on to say that the funds were going to be used or are
11 going to be used to fund this new program, if you will, as
12 you see it further down whereas.

13 Does anybody have any issue, Rose? Any issue
14 with the resolution at all? I mean, I think we do have to
15 amend the August 2020 resolution since we already approved
16 it. So, it should say that in the resolution. Unless
17 somebody has an issue and we just approve a new
18 resolution.

19 MR. TRICHKA: Why do we have to amend the old
20 one?

21 MR. MOODY: Because it indicated -- let me look
22 at the old one. Hold on. Let me find it. The old
23 approves -- mentions the 50/50 matching grant program in
24 it.

25 MR. TRICHKA: I thought we were just going to
26 delay that. It doesn't -- but not rescind it, so I'm

1 confused.

2 MR. MOODY: Well, no. Because in that
3 resolution, we indicated we're accepting \$125,000 from the
4 state or from --

5 MR. TRICHKA: Okay. All right. It's the use of
6 funds. Okay. Got it.

7 MR. MOODY: Yeah. And then it specifically
8 mentions the 50/50 program.

9 MR. TRICHKA: Okay.

10 MR. MOODY: All right. So I think we need to
11 amend that and change it to this new initiative, if you
12 will, which says Urgent Need Emergency grant program.

13 MR. TRICHKA: All right. So we are,
14 essentially, resending the 50/50 for the moment?

15 MR. MOODY: Yeah.

16 MR. TRICHKA: We'll reinstate it later on after
17 we get through this cycle?

18 MR. MOODY: Yeah. I think so. It's just still
19 a solid program.

20 MR. TRICHKA: (Indiscernible). Yeah.

21 MR. MOODY: Yeah. I still think it's a solid
22 program and we can move forward depending on the
23 availability of funds. Yes. But we'll go through it in
24 other resolutions.

25 MR. TRICHKA: Okay. All right. Any thoughts on
26 that, concerns, Gary, Diane, Jeff, Mary?

1 MR. STRONG: Just make sure you unmute
2 yourselves before you chime in.

3 MS. MARY O'MALLEY-TRUMBLE: It's Mary. No
4 further questions.

5 MS. DIANE JULIAN: I have a question. It's
6 Diane. Will we be having, like, special meetings so we
7 can expedite this?

8 MR. MOODY: No. I don't think we'll need that.
9 I think if Sara and I do all the work on the other end,
10 that I think we could bring forward the applications as
11 submitted because the application itself is rather
12 streamlined, and the requirements and the guarantees are
13 not the same either. So I think, I prefer not to have
14 that. I think we could just bring it forward. We'll get
15 the applications at least maybe a little bit sooner than
16 we normally do in one of our meetings and maybe weekend
17 events so everybody has time to look at it in depth.

18 MS. JULIAN: Okay. I just thought we just
19 rather than wait it out month to month that you may call a
20 special Zoom meeting so that we can discuss first.

21 MR. MOODY: Oh, yeah. No. Oh, yeah. I thought
22 you meant the committee meetings. No. I would say that
23 if we have a slew of applications in our next board, and
24 we can get the work done at our end, and the next board
25 meeting is not for, like, four weeks away. Then, yes, we
26 could call for a special meeting. Yes.

1 MS. JULIAN: Okay. Thank you.

2 MR. MOODY: But not a committee.

3 MS. JULIAN: Got it.

4 MR. MOODY: Okay.

5 MR. TRICHKA: Did that answer your question,
6 Diane?

7 MS. JULIAN: Yes. Thank you, Steve.

8 MR. TRICHKA: All right. So then, what we'll do
9 is vote on a resolution approving the updated, I guess - I
10 don't know what we're calling this - but the --

11 MR. MOODY: It's called the -- it's spelled out
12 right there in that one sheet. It's called the 2020 Small
13 Business Urgent Need Grant.

14 MR. TRICHKA: All right. So approving the
15 resolution for the 2020 Small Business Urgent Need Grant.
16 So do we have a motion to approve? I'll accept that.

17 MS. O'MALLEY-TRUMBLE: It's Mary. I'll make the
18 motion.

19 MR. TRICHKA: Okay. Mary. Motion to second.

20 MS. JULIAN: Diane. Second.

21 MR. TRICHKA: Thank you, Diane. All in favor?

22 ALL: Aye.

23 MR. MOODY: Gary, can you unmute yourself? We
24 didn't hear you.

25 MR. TRICHKA: I saw the hand raised. I took
26 that as --

1 MR. MOODY: Okay. That's fine. Got you. We
2 heard him. Okay.

3 MR. TRICHKA: And I heard no oppose, so motion
4 carries. Thank you very much.

5 MR. MOODY: Okay. Thank you, Sara. I
6 appreciate (interposing) -- thank you, Sara.

7 MR. TRICHKA: Thank you, Sara.

8 MS. ZUBALSKY-PEER: Thank you, guys. Have a
9 good one.

10 MR. MOODY: Okay. Moving on. B: Update.
11 Previously approved \$100,000 Town of Union Business
12 Assistance CDBG Loan to George Slavik III. There was a
13 question that came up whether or not George was going to
14 take the loan out. But my understanding after my
15 conversation just the other day with him is moving forward
16 loan. So the update is just that he's moving forward, if
17 anybody heard otherwise that I haven't heard that he's
18 not. And I guess the reason being is that the interest
19 rates went pretty low with the dealerships that he was
20 questioned whether or not he would move forward. But
21 that's not what he told me. He said that he will be
22 closing loan with LDC. Anybody have any -- did they hear
23 otherwise? No? Okay.

24 MR. TRICHKA: No. That's good news.

25 MS. JULIAN: No.

26 MR. MOODY: Okay. Okay. Moving on, new

1 business.

2 MR. TRICHKA: Yeah.

3 MR. MOODY: So Rose Pope, and you saw it in the
4 packet, received a documentation that the foreclosure
5 proceeding was put on hold because Karel Simeon has filed
6 for bankruptcy. So that's really FYI. Rose, do you have
7 anything to add to any of that?

8 MS. ROSEMARIE POPE: Joe, I received notice from
9 the court yesterday that he said he filed for Chapter 7,
10 but they don't have proof of it yet. But it's the same
11 thing. It's just going to delay the inevitable
12 foreclosure just by a few months.

13 MR. MOODY: Okay. All right. So then that
14 plays into the other comment from our esteemed treasurer,
15 Gary Leighton, about writing off the debt as indicated
16 below to clear both the reserve and bad debt account
17 previously established and charge off the remaining
18 unreserved balance. Does that change anything in your
19 eyes, Gary, that the Chapter 7 was not officially filed as
20 of yet?

21 MR. GARY LEIGHTON: No. No. No.

22 MR. MOODY: Okay.

23 MR. LEIGHTON: You know what? Our standing on
24 the collateral, I think, is really pretty weak if I
25 recall, right?

26 MR. MOODY: Yeah. It is. We're in a position

1 behind, obviously, M&T Bank. And I think, I thought there
2 was some other organization like NYBDC involved with it
3 also.

4 MR. LEIGHTON: Yeah. Even if we do get
5 something, we can treat it as a loan recovery and bring it
6 in the income. So I think we have, like what, \$20,000
7 something left in the loan outstanding.

8 MR. MOODY: Yeah. \$20,312, I think it was or
9 whatever is on there.

10 MR. LEIGHTON: Yeah.

11 MR. MOODY: So I guess, that being said, Rose,
12 any issue with that charge and offer or anything as you
13 could see or no?

14 MS. POPE: No. Not that I see, Joe.

15 MR. MOODY: Okay. So I guess --

16 MS. O'MALLEY-TRUMBLE: Joe, it's Mary. I'm
17 sorry. What was the original amount on the loan? It's
18 probably in the document.

19 MR. MOODY: It is. Let me see here. You're
20 going to make me put on my reading glasses.

21 MS. O'MALLEY-TRUMBLE: I'm sorry.

22 MR. MOODY: That's all right. I'm showing my
23 age. I age right in front of you guys. Let me just see
24 here. Bear with me. I have a difficult time finding it
25 right now. It was a job -- \$100,000.

26 MS. O'MALLEY-TRUMBLE: Okay.

1 MR. MOODY: So they did pay quite a bit down
2 obviously.

3 MS. O'MALLEY-TRUMBLE: Yeah. Okay. Thank you.

4 MR. MOODY: So I guess we probably need a motion
5 to do the charge off as indicated.

6 MR. STRONG: I'll make a motion.

7 MR. JEFFREY L'AMOREAUX: Second. Jeff.

8 MR. MOODY: Steve, I can't hear you.

9 MR. TRICHKA: Thank you. All in favor? Sorry
10 about that.

11 ALL: Aye.

12 MR. TRICHKA: Opposed? All right. Motion
13 carries.

14 MR. LEIGHTON: Joe, will you send Laura the
15 journal entries I shipped to you?

16 MR. MOODY: Yes. I will do that.

17 MR. LEIGHTON: Okay.

18 MR. MOODY: Thank you. Okay. Moving on? Other
19 business?

20 MR. TRICHKA: Yeah.

21 MR. MOODY: LDC Loan Portfolio, you see that in
22 front of you. I apologize, I didn't give you the most
23 current one that says due date November. I assure you
24 they've all been paid, so the due date should be December
25 1st as the next due date for those loans. So just FYI, I
26 don't think there's anything that has changed. We're very

1 happy they're still paying us given the situation.

2 MR. LEIGHTON: Any word on Sonostics, Joe?

3 MR. MOODY: Yeah. They're actually -- funny you
4 should ask. They actually have a relationship without
5 saying names of organizations, relationship with a medical
6 facility that is actually directing some of their clients,
7 if you will, to Sonostics for these types of equipment.
8 Now, that was the last I've heard about, that was about
9 two or three months ago. I have not heard any additional
10 update. So that's what I know.

11 MR. LEIGHTON: This is somebody local?

12 MR. MOODY: It's somebody local, yes.

13 MR. LEIGHTON: Okay.

14 MS. POPE: That's good.

15 MR. MOODY: Yeah. Okay. So moving on?

16 MR. TRICHKA: Yeah. Nothing notable there. All
17 right.

18 MR. MOODY: Okay. And then review of the memo
19 that I sent to Sara Zubalsky - Sara was just on - about
20 our job creation and retention, who has created jobs, who
21 still needs to fulfill the jobs, and what's the status of
22 everything. So that's been submitted in a timely fashion.
23 You see, we go one-by-one with each of the businesses we
24 still have to fill or have the job creation or have
25 fulfilled the job creation or in arrears. And that's what
26 it's indicated. So that's where we stand right now. I

1 think the only question may be that Southern Tier Leasing,
2 really which is Southern Tier Technology is supposed to
3 create the jobs. That business is actually doing quite
4 well now. They have real aggressive salesmen. And I'm
5 quite happy to hear that they are adding jobs and they are
6 going to continue to add jobs. They're, obviously, are
7 not going to do it within their performing period but
8 we're working with them. I think they have a half-a-job
9 to create, I believe. But I think we're looking pretty
10 good with most of these.

11 MS. O'MALLEY-TRUMBLE: Joe, I have a question.
12 It's Mary. On the wording - just a clarification - so on
13 17 Kentucky Ave., it says it has fulfilled its job
14 creation requirement?

15 MR. MOODY: Yes.

16 MS. O'MALLEY-TRUMBLE: But then it says, but
17 still within the performing period. What is the "but"?
18 The but is confusing me. I'm sorry.

19 MR. MOODY: The but is it's still within their
20 three-year performing period. Okay? So --

21 MS. O'MALLEY-TRUMBLE: So they've done it within
22 --

23 MR. MOODY: They've done it but we have to
24 monitor for the full three years. So we really cannot be
25 recording to take it off the system with HUD/IDIS system
26 until the three-year performance period is complete. Now,

1 just so you know, there are certain instances where we can
2 go with a two-year performing period or even a one-year
3 performing period. But, traditionally, most of our loan
4 recipients have taken longer. In this case, it happens to
5 have not taken as long as required or as they thought it
6 might be. So it is what it is once we were in that
7 performing period, we have to monitor for the three years
8 at least.

9 MS. O'MALLEY-TRUMBLE: Okay.

10 MR. MOODY: If that's what we approved. I
11 should say, if that's how it was approved in the grant or
12 in the loan, if we went with the three-year performing
13 period instead of a two or one.

14 MS. O'MALLEY-TRUMBLE: Okay. Got it. Thank
15 you.

16 MR. MOODY: So I think that's it. I have
17 nothing else as of the moment. Does anybody else have
18 anything?

19 MR. TRICHKA: No.

20 MR. MOODY: Great.

21 MR. TRICHKA: All right. It went well. Thanks
22 everybody for getting out this morning. Thanks again,
23 Tim, for keeping us wired.

24 MR. STRONG: Happy Holiday. Was it motioned?

25 MR. MOODY: So we need a motion to --

26 MR. TRICHKA: Yeah. A motion to close the

1 meeting. Who have said that?

2 MR. STRONG: So moved. This is Tim.

3 MR. TRICHKA: Thank you.

4 MS. O'MALLEY-TRUMBLE: Mary. Second.

5 MR. TRICHKA: Mary. Second. All in favor?

6 ALL: Aye.

7 MR. TRICHKA: Opposed? All right. The meeting
8 is adjourned.

9 (Off the record)

10

11 C E R T I F I C A T E

12 I, Ria Jara, certify that the foregoing transcript of
13 proceedings in the Union Town Board Meeting, State of New York,
14 was prepared using digital transcription software and is a true
15 and accurate record of the proceedings.

16

17

Ria Jara

18

19 Signature_____

20 Date: December 15, 2020