

TOWN OF UNION
BROOME COUNTY, NEW YORK

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In the Matter of:

LOCAL DEVELOPMENT CORPORATION
REGULAR BOARD MEETING
-----x

September 23, 2021
3111 East Main Street
Endwell, New York 13760

APPEARANCES:

FOR THE LOCAL DEVELOPMENT CORPORATION

STEPHEN TRICHKA
President

GARY LEIGHTON
JAMES PEDUTO
MARY O'MALLEY-TRUMBLE
JEFFREY L'AMOREAUX
TIMOTHY STRONG
Board Members

ROSEMARIE POPE, ESQ.
LDC Counsel

RICHARD MATERESE
Town Supervisor

JOSEPH MOODY
Director

ROB SHIMER
Administrative Assistant

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

1 (On the record at 08:02 a.m.)

2 MR. JOE MOODY: Can we start that again, Steve,
3 because I lost it all?

4 MR. STEPHEN TRICHKA: All right. What are we --
5 and Mary's online. What are we starting again, the
6 minutes?

7 MR. MOODY: Can we start the entire meeting
8 again or no?

9 MR. TRICHKA: Heck, not.

10 MR. MOODY: Okay.

11 MR. TRICHKA: All right. It's 8:02. We'll call
12 the meeting to order. Go ahead. We have the minutes of
13 the August 19th meeting. So barring any additions or
14 corrections or subtractions, may I have a motion to
15 approve?

16 MR. JEFFREY L'AMOREAUX: So moved. Jeff.

17 MR. TRICHKA: Thank you, Jeff. Second?

18 MR. TIMOTHY STRONG: I second. This is Tim
19 Strong.

20 MR. TRICHKA: Thank you, Tim. All in favor?

21 VOICES: Aye.

22 MR. MOODY: Much better.

23 MR. TRICHKA: Any opposed? So that motion
24 passes. I love this. Well, just one thing, good morning
25 to everybody. I want to thank everybody for getting on
26 yet again this morning. We do this once a month. You

1 know, I really believe strongly in the importance of what
2 we're doing particularly obviously as it affects the Town
3 and our community. I just want to thank everybody for
4 their, you know -- everybody on this board has been on
5 here for at least a year, if not more. I really, really
6 appreciate your service and your volunteerism in getting
7 things done. So I just want to lay that out this morning.
8 I'll turn it over to you, Joe.

9 MR. MOODY: Great. Thank you. Okay. So I have
10 nothing to say. I'd like to get probably right into old
11 business if you don't mind, Tim.

12 MR. STRONG: Okay.

13 MR. TRICHKA: Okay.

14 MR. MOODY: Okay. So old business.

15 MR. STRONG: Let's go to old business.

16 MR. MOODY: Yeah. 2021 Department of Treasury
17 American Rescue Plan Act (ARPA) Funding. I have no real
18 updates. I don't know if Rick has any updates from the
19 Town's portion when it comes to the potential approval of
20 funds for the LDC. But we as a group still should be
21 moving forward on those four proposed programs. So I'd
22 like to discuss that right now. Can I get at least two
23 volunteers to meet with me in person if possible, I'd
24 rather not to do it remotely, in person to discuss the
25 parameters of each one of these programs that we're
26 proposing?

1 MR. L'AMOREAUX: I can do that, Joe. This is
2 Jeff.

3 MR. MOODY: Okay, Jeff.

4 MR. GARY LEIGHTON: I'll do it too. Gary.

5 MR. MOODY: Gary and Jeff. Thank you. All
6 right.

7 MR. L'AMOREAUX: Can you send the dates to us,
8 Joe?

9 MR. MOODY: Yeah, I'll give you some dates and
10 time. Yeah, absolutely. What's better for you, Jeff?

11 MR. L'AMOREAUX: Just tell me.

12 MR. MOODY: Okay. We'll work that out. Thank
13 you. Now, Rick, you have --

14 (Interposing)

15 MR. MOODY: What's that?

16 MR. L'AMOREAUX: I'll make it work. Whatever
17 works for you, I'll work it out.

18 MR. MOODY: Okay. All right. Rick, do you have
19 any updates from the standpoint of the Town with the
20 aspect of the funding allocation?

21 MR. RICHARD MATERESE: I'm hoping that the board
22 will vote on October 1st to give you the money that we
23 talked about.

24 MR. MOODY: Great. Thank you. Okay. Can we
25 move it on, Steve?

26 MR. TRICHKA: Oh, you got -- oh, okay. Yeah.

1 All right. Are you sure you want to start again, too?

2 MR. MOODY: Yeah. I'd like to start again in
3 person. Anyway.

4 MR. TRICHKA: All right. I thought I'd got to
5 check periodically.

6 MR. MOODY: Yeah.

7 MR. TRICHKA: So we move over to new business
8 with Taylors' Pizza.

9 MR. MOODY: Yeah. Okay. So we have the central
10 business district loan request from Taylors' Pizza, Inc.
11 Actually, the application was put in as Taylors' Pizza,
12 Inc. But after further discussion, it sounds like George
13 and Patricia will be acquiring the property and Taylors'
14 will be the tenant. So it's just a matter of how we
15 handle it paperwork-wise if we go forward with this.

16 But, anyway, so the requested amount is not to
17 exceed \$50,000 in our central business district loan
18 program to assist in the acquisition of the property and
19 building located at 3003 Watson Boulevard to house their
20 established restaurant which is right now on the corner of
21 -- well, it's about four or five properties down from
22 where they're looking at where they currently lease space.
23 They've leased space there. At least, I believe, it's
24 four years.

25 George and his wife both have many years of
26 experience in the restaurant industry, as you could read

1 from what I sent you. They want to go to the next step
2 which is -- right now all they are is takeout really.
3 There is really nowhere to sit and eat there. It's
4 strictly takeout. They have a very good product.

5 The neighborhood obviously is a good fit for
6 them where they're located, but they want to go to the
7 next level and acquire a building and have about 18
8 potential sit-down spots. So that's probably four or five
9 tables or so. But the bigger thing is also they could
10 start selling beverages, alcoholic beverages. I think
11 that's rather a large revenue source that they're missing
12 out right now. And also even the sit-down dining, A lot
13 of people want to sit down even though what's going on,
14 and that gives them the option of having that.

15 Right now that has gone through our planning
16 process. I think everything has moved forward with that.
17 It's not an issue with -- they have some requirements, but
18 they're working through all that right now. So the site
19 shouldn't be an issue. Anyway, one of the restrictions
20 maybe is parking. But I think they are also working
21 through the parking on that.

22 MR. MATERESE: Joe.

23 MR. MOODY: Go ahead.

24 MR. MATERESE: Joe, most of those issues were
25 taken care by Tuesday night.

26 MR. MOODY: Yeah. So, anyway, I don't think we

1 have anything along those lines. But the issue, I guess
2 the question is, I know that Tioga State Bank really needs
3 assistance on this. I don't know how much if they'll do
4 it alone, obviously, without our assistance. The overall
5 project cost, it looks to be \$206,960. Land and building
6 acquisition, \$145,000. Renovation is 50 - machine and
7 equipment, furniture and fixtures, working capital.

8 So this is the normal course of action, what
9 we'd like to be able to do with our central business
10 district loan, which is helping those businesses that are
11 leasing right now to go to the next step and make them a
12 more permanent member of our business community by helping
13 them acquire a property.

14 Now the question I have is, obviously, Tioga
15 State Bank coming at \$126,000 at a 20-year amort or amort
16 at 5 percent. We're looking at \$50,000 ten years at
17 2 percent. The question is the value of the building. I
18 mean, obviously, if Tioga State Bank requires an appraisal
19 on the property, we're going to need to see a copy of
20 that. I am a little concerned at the total loan to value
21 on the property.

22 I'm not concerned necessarily on the business
23 itself. I think it's a well-run business. I think
24 they're doing very well all things considered and even
25 with COVID. I think maybe the takeout or the way they
26 were set-up helped them with COVID, et cetera, getting

1 through COVID even though we're still in the midst of it.

2 Right now they pay about \$9,800 a year in rent
3 to their landlord where they're at now. The loan with
4 Tioga State Bank comes in at about \$831 a month, plus you
5 add taxes to that. The LDC will be about \$460 a month for
6 our debt service. So both those debt services, we are
7 really looking at \$1,200 - \$1,300 plus taxes on top of
8 that. So is it more than they're paying right now? Yes.
9 Certainly, it's more than they're paying right now in
10 rent. But the expected revenue should offset that, I
11 would imagine, based on their projected information.

12 Now just to let you know on both these loans I'm
13 going to be showing -- I've given it to you. With this
14 remote, I'm pretty limited on what I could send you. I
15 mean I do, I normally would send you the application. I
16 decided that the best course of action was to send you the
17 projected on this business in the interim financials along
18 with their business plan. But I do have plenty of
19 financial information I could share with you existing, et
20 cetera. Like I said, remote is a little bit more
21 challenging than in person in my opinion. So, anyway, and
22 that same goes for the next loan.

23 I guess I'm just going to open up for questions
24 right now. Now I want to just point out one thing. So
25 George and Patricia had filed for bankruptcy. It's still
26 showing up on their credit report. I gave you the write-

1 up of what he indicated what the reason was. So you
2 should have that information for you. But it was
3 discharged, my understanding. They planned on creating
4 two fulltime equivalent positions on top of the -- I think
5 they have four part-time right now, plus the husband and
6 wife. Both work fulltime really at that position. They
7 both currently draw a salary of about \$675, I think, a
8 week each. You know, given the hours, what they probably
9 put in, that's probably pretty reasonable.

10 I'm going to think what else. The contribution
11 of \$30,000.96 of the owners' equity is above and beyond
12 our 10 percent minimum. So I guess I'll open up for
13 discussion.

14 MR. JAMES PEDUTO: Joe, what are the soft costs
15 that are showing on the project cost?

16 MR. MOODY: \$22,500. I imagine that there may
17 be some fees involved with the real estate maybe,
18 potential on that, the fees involved with that. It may be
19 some attorney fees, along those lines, and things along
20 those lines. I do think that's pretty high, in my
21 opinion, but it also might be the liquor license and
22 things that they indicate.

23 MR. PEDUTO: It just seems like he's got \$22,500
24 in soft and another \$2,500 in working capital. That's
25 almost all the equity that he's putting in.

26 MR. MOODY: Yeah. So I mean, like I said, we're

1 looking at -- for the central business district loan, I
2 give you the full project cost. What we're looking at is
3 do we want to participate in the acquisition of the
4 building itself. We're not going to be participating in
5 the machinery, equipment purchase, furniture and fixtures,
6 working capital. Our money would be going just for the
7 acquisition of the building.

8 MR. TRICHKA: So I hope we're going to have a
9 first position on that building.

10 MR. MOODY: That's correct. That's correct.

11 MR. TRICHKA: Even though they're there.

12 MR. MOODY: I'm concerned with that loan to
13 value, but I will tell you this much. Obviously, the
14 restaurant industry had been hit hard. We want to
15 encourage more opening of restaurants because of the ones
16 we have lost. I want to see more investment in the
17 community. And I think this is a good loan when it comes
18 to making an investment in the community and for an
19 existing business. Not a startup business, existing
20 business.

21 MS. MARY O'MALLEY-TRUMBLE: Hey, Joe. It's
22 Mary. I just have a question. You mentioned if the Tioga
23 State Bank does an appraisal on the property. Is there a
24 current value of it? Is there any concern with the
25 amount? Is the property worth, you know? Will they check
26 that property?

1 MR. MOODY: Yeah. The currently assessed value
2 on the property is 136 and 16.

3 MS. O'MALLEY-TRUMBLE: Okay.

4 MR. MOODY: But that's not necessarily the
5 value. That's the assessed value.

6 MS. O'MALLEY-TRUMBLE: Right.

7 MR. MOODY: So I would imagine the Tioga State
8 Bank is going to require, and I don't know this for
9 certain, would require an appraisal on the property. And
10 then we would have to be based -- I mean if approved, we
11 could move it up to \$50,000 based on a 100 percent loan to
12 value not to exceed whatever. But, you know, yeah, that
13 is a concern of mine. That it's not going to appraise
14 out. And then if they don't require a full appraisal,
15 what internal appraisal do they do and will Tioga State
16 Bank share that with us? I imagine they would share it
17 with us, but I got to think they're going to go for a full
18 appraisal on this. But I don't know.

19 MR. PEDUTO: Hey, Joe?

20 MR. MOODY: Yeah?

21 MR. PEDUTO: I'm a little confused when I looked
22 in preparation. Is the property the hairdresser or the
23 building next to it?

24 MR. MOODY: No. It was a former CPA -- well,
25 it's a CPA office right now.

26 MR. PEDUTO: Okay.

1 MR. MOODY: It was a former chiropractor office.
2 And the chiro --

3 MR. STRONG: They converted the chiropractor
4 office.

5 MR. MOODY: Yeah.

6 MR. STRONG: I know the chiropractor was there
7 until Marty Brazinski bought it. The chiropractor, he
8 moved his practice to Main Street in Endicott.

9 MR. MOODY: Yeah.

10 MR. PEDUTO: So it looks more of a residence
11 than a commercial structure?

12 MR. MOODY: Yes, it does.

13 MR. STRONG: Yeah. It's like a house.

14 MR. MOODY: Yeah. But does that concern you,
15 that it looks like that, Jim? Whoever said that. Was
16 that Jim?

17 MR. PEDUTO: Yeah. That was Jim. I don't know.
18 I guess, for me really, let's see where the -- I'd like to
19 see when the appraisal comes up and see how it's really
20 going to be. It's looks like we're going to be kind of --
21 it looks like we're going to be very exposed. I mean
22 they're guaranteed, they've already declared bankruptcy.
23 So, you know, they're not afraid to walk if need be.

24 MR. L'AMOREAUX: Yeah. That wasn't that long
25 ago. I'm just acknowledging stuff.

26 MR. PEDUTO: No.

1 MR. LEIGHTON: Joe, what was the net profit
2 before COVID? This is Gary.

3 MR. MOODY: Hold on. I got to find it. I got
4 to give you that.

5 MR. LEIGHTON: They were just about to break
6 even during COVID.

7 MR. MOODY: Remember, though, that they draw a
8 salary.

9 MR. LEIGHTON: Yeah.

10 MR. MOODY: I believe there's some flexibility
11 on there.

12 MR. LEIGHTON: Yeah. I was going to factor
13 that. It was \$650 a week?

14 MR. MOODY: \$675 each. You have the interims.
15 I gave you the interims which showed \$17,030 in the
16 interim as of right now. Hold on.

17 MR. PEDUTO: We have it at 19 of PPP.

18 MR. MOODY: Yeah.

19 MR. LEIGHTON: You said \$675 a week?

20 MR. MOODY: \$675 a week. It was 26,000 -- well,
21 net income was a loss of 11,000 based on 2020 which
22 takes --

23 MR. LEIGHTON: And that was after --

24 MR. MOODY: That was during COVID.

25 MR. LEIGHTON: -- the salary was taken out.

26 MR. MOODY: Yeah. And during COVID.

1 MR. PEDUTO: Joe, are there individual credit
2 ratings impact we're looking for because of the bankruptcy
3 and the bankruptcy still being there?

4 MR. MOODY: Well, the bankruptcy is still on
5 there.

6 MR. PEDUTO: Okay.

7 MR. MOODY: It is on their credit report still,
8 but it says discharge on it. And it was that date I gave
9 you on the information. Hold on one second. So the 725,
10 I mean 713, I don't think that's bad of a credit score.
11 But it does -- it is impacted by that. But with
12 everything else, there is really no -- nothing, no
13 derogatory credit on this on either one of theirs.

14 MR. PEDUTO: Okay. Thanks.

15 MR. MOODY: Yeah.

16 MR. L'AMOREAUX: Joe, did they give you growth
17 projections over the next couple of years for being in
18 this new space?

19 MR. MOODY: Yes.

20 MR. L'AMOREAUX: I don't see anything in here.

21 MR. MOODY: Did I not give you that?

22 MR. L'AMOREAUX: I don't know.

23 MR. MOODY: I gave you a packet up there. Yes,
24 I gave you. Small Business Development Center has helped
25 both of our loan recipients with their projections. And I
26 thought I put that in there for you.

1 MR. LEIGHTON: Yeah. I think you did, Joe.

2 MR. MOODY: I mean it's further down on the
3 sheets. I'm trying to locate my hard copy right now.

4 MR. L'AMOREAUX: I can take this off share.
5 People are tired of me scrolling and looking for things.

6 MR. LEIGHTON: Maybe it was the other one I'm
7 thinking about.

8 MR. MOODY: No. I'm pretty sure that was on
9 there. Let me see.

10 MR. L'AMOREAUX: I don't remember seeing it.
11 That's why I'm --

12 MR. TRICHKA: (Interposing) Joe, it was on the
13 Crooked beer one. I didn't see it on this one.

14 MR. MOODY: Okay. Sorry about that.

15 MR. TRICHKA: There you go.

16 MR. MOODY: Hold on. I'm trying to pull it up.

17 MR. L'AMOREAUX: Of course.

18 MR. MOODY: Yeah. They gave us three years of
19 projected financials. Income projected -- income year one
20 after operation, they projected a net income of \$30,072 on
21 the positive side obviously.

22 MR. L'AMOREAUX: That isn't growth -- oh, well,
23 I'm looking at 2021.

24 MR. MOODY: Gross profit shows \$210,000. They
25 say, on revenue, net sales \$323,755 with a gross profit of
26 \$210,441 on that.

1 MR. L'AMOREAUX: They're going to double their
2 sales? Oh, no. This is 172 over six months. Sorry.

3 MR. MOODY: Yeah.

4 MR. STRONG: That's six months, seven months to
5 July.

6 MR. L'AMOREAUX: Yeah.

7 MR. STRONG: I do know, having worked in
8 restaurants and stuff, that the beer and liquor sales are
9 a heck of a lot more profitable than making pizzas, if
10 they can get that going.

11 MR. MOODY: That's so true.

12 MR. L'AMOREAUX: And there really isn't anything
13 similar to it along that strip there. I mean there is the
14 common restaurants further up the hill.

15 MR. MOODY: No. There's nothing similar to that
16 in that area. And that is one of our central business
17 district areas. It is obviously an improved area with the
18 Riverdale that has improved that strip, if you will. So
19 really, it looks really good there. It's walkable and
20 they do draw the neighborhood on that area. Now,
21 obviously --

22 MR. PEDUTO: Where do you park for that
23 building?

24 MR. MOODY: Right at the site.

25 MALE VOICE: So the parking lot, because I want
26 to -- Kip was my chiropractor. My only concern, just

1 thinking about that when you said that, Tim, before you
2 said it was -- I think that's a one-way driveway in and
3 out. There's about maybe 10 or 11 parking spots in the
4 rear of that building.

5 MR. MOODY: That's correct. Yeah.

6 MALE VOICE: But it's a one way in and out.

7 MR. MOODY: That's correct. But there is a
8 little room to expand on that parking if it needs be,
9 needs to. But it is one way in and out.

10 MALE VOICE: Okay.

11 MR. LEIGHTON: Has Tioga State already approved
12 it, Joe?

13 MR. MOODY: Nope.

14 MR. LEIGHTON: No. So when was the last time
15 you talked to them? You don't know when you're going to
16 be talking appraisal?

17 MR. MOODY: When I talked to them?

18 MR. LEIGHTON: Yeah.

19 MR. MOODY: Maybe a week-and-a-half ago.

20 MR. LEIGHTON: Okay.

21 MR. L'AMOREAUX: Oh, I'm sorry, Joe. I see the
22 projections now. It is in the textbook front over a
23 different sheet. All right.

24 MR. MOODY: All right. Thank you.

25 MS. O'MALLEY-TRUMBLE: Joe, it's Mary. I agree
26 with Jim. I think you need the appraisal first. Or at

1 least, if you're going to approve it, contingent upon --
2 you know, we're still like a lender. Right? I mean I
3 don't know. It's very vague (sounds like). I guess I'd
4 like to see what the appraisal value is before -- or, like
5 I said, a contingency if it comes in and it's, woof, it's
6 only worth \$160,000.

7 MR. MOODY: I understand. I think we've done,
8 in the past we've done -- essentially in this day, right
9 now, what we're going on. I think, right? I think we've
10 done in the past contingent upon receiving an acceptable
11 appraisal that doesn't exceed the 100 percent loan to
12 value if you will.

13 MS. O'MALLEY-TRUMBLE: Okay.

14 MR. MOODY: You know, so we've done that in the
15 past. I also recognize the fact that we just gave
16 \$250,000 back to the Town of Union for not making loans
17 too. So I'm not saying we should be making bad loans.
18 Obviously not. But I think we need as best as we can to
19 make these loans. I hate to give more money back to the
20 Town for other projects. And our CDBG funding is quite
21 low right now. I know that there is still a timeliness
22 factor that still needs to be met with the Town or with
23 HUD if you will. But that being said, we still have to
24 make good loans.

25 So I think if we base it on receiving appraisal,
26 whatever that figure may be, that you want to be, if it's

1 176 after build up, then that's what we put down there.
2 Assuming again the whole 226, the private lenders are
3 going to be in front of us I would imagine on the first
4 mortgage. Now if by chance they say, well, we're only
5 going to require \$90,000 in front of you on the first
6 mortgage, well, that changes things. But I don't think
7 that will be the case.

8 MR. L'AMOREAUX: Joe, it's Jeff. I think I'd go
9 with what you said. If this place can stay in business
10 for four years due to COVID and keep afloat - and it looks
11 like they're doing - if they're paying themselves about
12 \$70,000 a year, they're doing okay. I agree with you. I
13 mean it's a business, it looks like it's here.

14 I'm a little concerned about the bankruptcy.
15 But, you know, if they're staying in that same general
16 location, they got a niche market here obviously. I would
17 say, I think, adding some beer and liquor sales to their
18 category of what they offer definitely will help their
19 bottom line too.

20 MR. MOODY: Great.

21 MR. STRONG: I'll just speak anecdotally. I
22 mean we get pizza from there. Any time I go to pick it
23 up, there's a line. They do seem to -- and again, during
24 COVID, I think that was obviously pizza takeout was
25 booming. They do seem to have an established clientele,
26 at least anecdotally, from what I can see. You know,

1 they're not moving that far away. So it's the same people
2 that are going. Hopefully, they'll continue supporting
3 that.

4 MR. L'AMOREAUX: Tim, I just have a vision of a
5 pizza truck today, if you're thinking of that.

6 MR. STRONG: Actually, I like that. I think
7 you're on to something, Jeff.

8 MR. L'AMOREAUX: I'm always on to something. I
9 just don't know if it's that's --

10 MR. STRONG: You're not trying it out though.
11 So there must not be that much in it if you're pitching
12 that idea to me.

13 MR. L'AMOREAUX: I have been in there many
14 times. I love that place.

15 MR. STRONG: All right.

16 MALE VOICE: Alrighty. I'm trying to figure out
17 how to close in on this. So if we do -- let's agree.
18 Let's wait. I mean, if we're contingent upon the
19 appraisal, I'm okay with that concept. Let's see what is
20 the value of that.

21 MR. TRICHKA: Well, of course the other way is
22 we could approve based on not going over the ratio.

23 MR. MOODY: The 100 percent loan to value.
24 Yeah.

25 MR. TRICHKA: Loan to value ratio. So if --

26 MR. MOODY: So we could approve it up to \$50,000

1 on a 10-year term at 2 percent. Not to exceed the
2 100 percent loan to value. So if the loan to value comes
3 in at - I don't know - 267, we knock our funding down from
4 \$50,000 to whatever that is to get below the 100 percent
5 loan to value.=

6 MR. TRICHKA: Right. That was what I was
7 suggesting, if anything.

8 MR. MOODY: Okay.

9 MS. ROSEMARIE POPE: Joe, it's Rose.

10 MR. MOODY: Yeah.

11 MS. POPE: I'm sorry. Can you just clarify for
12 me, is it -- you said the Taylors are purchasing the
13 property individually and Taylors' Pizza Inc. is just
14 going to be a tenant?

15 MR. MOODY: That's correct. I do now have a
16 lease, a signed lease supposedly, from them, yes, that
17 they provided.

18 MS. POPE: Okay.

19 MALE VOICE: Joe, are they renting out any other
20 space? I mean that's a two-story building. I think they
21 used to have some offices upstairs. I just didn't know if
22 they have any plans of --

23 MR. MOODY: I'm not aware of that. I mean I
24 could see that happening, but I'm not aware of that right
25 now.

26 MALE VOICE: Okay.

1 MR. MOODY: Because I think that what would
2 happen is that would really affect their parking spots.
3 Because they do have, like you indicated, limited parking.

4 MALE VOICE: Yeah. I agree.

5 MR. MOODY: So the loan, if you do approve it,
6 it would be to George and Patricia Taylor. But we're
7 going to have a cross guarantee of Taylors' Pizza Inc. I
8 would imagine you guys would all want that of course.

9 MR. TRICHKA: Yeah. Any other thoughts on
10 either what steps or we're just waiting on this for the
11 appraisal or approving at a capped loan to value ratio?

12 MR. MATERESE: I'm okay with the capped loan to
13 value.

14 MR. STRONG: I like the capped loan. That's
15 great.

16 MR. LEIGHTON: That sounds good to me.

17 MS. O'MALLEY-TRUMBLE: Me too.

18 MR. L'AMOREAUX: Okay. And so we'll have to get
19 the -- all right. Joe, you want to outline that again?

20 MR. MOODY: Yeah. So resolution. Let me just
21 see here. The resolution I provided will be a little bit
22 different. Well, no. We provided up to --

23 MR. L'AMOREAUX: Yeah.

24 MR. MOODY: Not to exceed. I think the
25 resolution would be fine the way it is unless Rose says
26 otherwise. So a resolution approving a \$50,000 ten-year

1 2 percent loan to George and Patricia Taylor with a cross
2 guarantee of Taylors' Pizza Inc. for the acquisition of
3 3003 Watson Boulevard. The loan amount is not to exceed
4 \$50,000 or up to 100 percent loan to value based on an
5 appraisal to be provided.

6 Now the only question is if the bank doesn't
7 require it, but I can't imagine they won't, then we'll
8 have to address it - for the creation of two jobs and for
9 the acquisition of the building in the central business
10 district loan. I know I went all over the place on that
11 one, but I just had a thought in there. Personal
12 guarantees of Patricia and George, of course, and
13 obviously life insurance and hazard insurance on the
14 building.

15 MS. POPE: Joe, it's probably already in there,
16 but I want assignment of rents as well.

17 MR. MOODY: Sure. It's not in there but, yes,
18 we could put that in there. But that doesn't go on the --
19 that will be in our commitment letter, not in a
20 resolution. So, Rose, are you okay with the resolution
21 itself?

22 MS. POPE: Yes, I am.

23 MR. MOODY: Okay.

24 MR. TRICHKA: So we don't need to have the cap
25 in the resolution?

26 MR. MOODY: It says --

1 MS. POPE: I thought he said that.

2 MR. MOODY: It says not to exceed \$50,000.

3 MR. TRICHKA: Oh, all right.

4 MR. MOODY: No. I used the loan to value. No.
5 I would put that in our commitment letter. Not everything
6 in the resolution is outlined in the commitment letter.
7 Not everything in the commitment letter is outlined in the
8 resolution.

9 MR. TRICHKA: Yeah. Okay. So under the
10 conditions outlined by Joseph Moody, may I have a motion
11 to approve this loan to Taylors' Pizza and to George and
12 Patricia Taylor? But it's actually George and Patricia
13 Taylor who are purchasing the property therefore.

14 MR. MOODY: Correct. For their tenant which is
15 Taylors' Pizza Inc.

16 MR. TRICHKA: Okay.

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

18 MR. TRICHKA: A second?

19 MR. LEIGHTON: I'll second it. Gary.

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

21 VOICES: Aye.

22 MR. TRICHKA: Any opposed? Okay. Motion
23 carried.

24 MR. MOODY: Thank you.

25 MR. TRICHKA: I believe I'll just hook him up.

26 MR. MOODY: Moving on, I got a draft resolution

1 for Crooked Mouth Brewing LLC in an amount not to exceed
2 \$50,000 in the form of a TUBA loan for purchase of
3 furniture, fixtures, equipment for a startup craft micro
4 brewing business to be located at 231 Vestal Avenue. This
5 property is the former, years ago it was the former
6 Endicott McDonald's before they built a new structure. It
7 was more recently used as the second Pat Mitchell's
8 location. That used to be on the corner of Vestal and
9 Main Street, but it moved down to this location a number
10 of years ago.

11 It's been vacant for a number of years. A
12 gentleman who owns Excite Motorsports acquired the
13 property not too long ago. He had some ideas for it and
14 fixed it up a little bit. Actually, there was a barbeque
15 place in there in between the Pat Mitchell's and the
16 acquisition of the property by the gentleman from Excite
17 Motorsports. But it's been vacant for some time now. It
18 is for sale. The acquisition cost would be \$80,000. The
19 purchase would be a private lender financing. Meaning
20 that the gentleman, Joe Christoff, would carry part of the
21 mortgage on the property.

22 There is no bank involved. We have the Southern
23 Tier REDEC out of the Corningale (phonetic) area. George
24 Miner, some of you may know him, their relending
25 corporation. I'll say probably similar to the LDC if you
26 will. On occasion they do do projects throughout the

1 Southern Tier. I don't think we've ever done a project
2 with them, but this is an opportunity to do that. It
3 would be 50,000 each from this REDEC and 50,000 from the
4 Town LDC, if you will, if we are to participate in this.

5 It is a startup business. This property is not
6 linked to the Kmart Plaza. It is separate. Again
7 separate ownership from the Kmart Plaza. The question is
8 where the surveying stakes are. It's very close to that
9 front entrance, if you will, to the -- my understanding -
10 and I don't know if we have an official survey yet - very
11 close to the front entrance of the McDonald's.

12 Parking should not be an issue. However, this
13 still has to go through the Village of Endicott planning
14 process and, believe it or not, a variance may be needed
15 or a zoning request change may be needed for this site
16 because it has been vacant, and because it hasn't been
17 used for this - what they want to do with that location if
18 you will. And then parking may, believe it or not,
19 even though with all that parking next door, parking
20 could be an issue also. So there are some hurdles
21 that they still have to go through on this location if
22 you will.

23 Both individuals are keeping their day jobs,
24 which I am happy about at least, while they first
25 start up, up and running. They've been brewing for
26 about ten years now, I believe, on a home-based basis,

1 if you will. This is their first commercial venture
2 if you will. The one gentleman, Josh, works at Tall
3 Pines Golf. I think it's, to my understanding, it's a
4 year-round position. He makes about \$50,000 or so
5 plus a year. The other gentleman works for UPS and he
6 makes about \$40,000 to \$50,000 a year himself. So
7 they'll all be keeping their day jobs.

8 Now both of them own about 49 percent of the
9 business. The father of Mr. Campbell will be helping
10 out with accounting, and he is a 2 percent owner in
11 this too. I do not have him down as one of the
12 personal guarantors, but we could certainly ask that.
13 It's not our normal course of action with anybody with
14 less than 20 percent ownership, but I believe that
15 could be on the table even though he's only at
16 2 percent ownership. He is retired and I think he's
17 probably going to be there at the business end of
18 things to a certain extent.

19 They do plan on hiring a number of
20 individuals to run the operation when they're not
21 available. They do have to agree to at least create
22 two fulltime equivalent positions, but I believe they
23 plan on hiring five part-time to fulltime equivalent
24 positions, if you will, as they move forward.

25 Now we are currently not in a position --

1 like I said, we're not being asked to participate in
2 the acquisition of the property. The private lender
3 would have the first mortgage on it. But I think
4 that, given the startup nature of the business, that I
5 think we should request a second lien position. And
6 I'm sure, if we request that, that the REDEC will also
7 request the second lien position on the building - a
8 pro-rata co-equal second lien position on the
9 building. But I think that's an option that probably
10 is on the table, should be on the table, if you'd like
11 to move forward on this.

12 I guess I'll open it up for some discussion.
13 Again, this is a startup, so those are all
14 projections. Other than the North Brewery in
15 Endicott, there is no - that I could think of - no
16 real micro craft brewing facility in that area.

17 I will test you. A lot of people like to see
18 things being done at the Kmart Plaza. You know this
19 is not the Kmart Plaza, but it is one step in the
20 right direction to a certain extent. It does bring
21 activity down there which could lead to somebody -- a
22 more interesting Kmart Plaza. And just to let you
23 know, on a side note, there's a lot of interest in
24 Kmart Plaza. It's just that there's a number of
25 hurdles that are right at that location too. So I put

1 that back on the table.

2 MR. TRICHKA: Joe, can you talk about some
3 of those hurdles?

4 MR. MOODY: Yeah.

5 MR. TRICHKA: Just so we understand what's
6 going to be happening actually in the future around
7 this business?

8 MR. MOODY: Yeah. The major hurdle with that
9 location is probably, to a certain extent, what may or
10 may not be in the ground at the Kmart Plaza. Then the
11 requirement of private lenders to require a phase 2 on
12 the property, and getting the current owner to agree
13 to a phase 2 to take place in order for any type of
14 private lender financing to go forward.

15 Now the other option is -- this has been
16 talked about and there had been people interested.
17 And I don't want to muddy the waters between the two
18 because this has nothing to do with it. But I'll
19 bring you up to speed because you asked about that,
20 about the Kmart. The Kmart Plaza owners are also
21 willing to either carry a mortgage or lease the land.
22 That requires a phase 2 to come into play if they did
23 not want to do that. Meaning anybody who's acquiring
24 it or leasing it.

25 There was a proposal. Since it's public,

1 I'll let you know. There was a solar proposal at that
2 location. That would be a lease type of situation for
3 solar panels which I think given the hurdles and
4 dynamics involved with that location, I thought it
5 would be a great reuse of that site. It was also
6 required to be in a low to moderate income area
7 because this solar produce would offset any NYSEG
8 Electric for individuals that are income qualified in
9 that area.

10 Now the property itself, the Kmart property
11 in this location, the location that our potential
12 startup is looking at is also in the municipal
13 electric district. The municipal electric district
14 has lower rates, but the solar farm would have fed
15 those that are not in the municipal electric district.
16 So it is a good reuse.

17 There was also a potential reuse of that for
18 indoor farming, if you will. There was also
19 discussion about some recreational use of that site.
20 So people recognize the 20 acres or so acres that are
21 there - it's actually 17 point something - that are
22 valuable. But there are hurdles. I don't think
23 they're insurmountable, but I do think it's got to be
24 worked through.

25 It's got to have a potential end user that's

1 willing to take those necessary steps to move forward
2 on it. It's like a special person, you know. Much
3 like Shafer buses that we've assisted in the past,
4 that was on a former brownfield and it needed a
5 special person to move that forward. And we had that
6 in Larry Shafer. So it's going to take a special
7 company or person to move forward with a project like
8 this.

9 I know I went off on that tangent, but I hope
10 that helped you, Steve.

11 MR. TRICHKA: Yeah, yeah. It does. Thank
12 you.

13 MR. MOODY: Yeah.

14 MR. TRICHKA: Just trying to put this in
15 perspective.

16 MR. STRONG: Joe, do you happen to know if
17 they're working with like a SCORE or any groups like
18 that that are helping them?

19 MR. MOODY: Small Business Development
20 Center's helping them. Bob Griffin has helped him and
21 the Taylors. I think he does a fantastic job. But
22 not SCORE individually. It's Small Business
23 Development Center.

24 MR. STRONG: Yeah, as long as there is
25 somebody. I think when I hear startup, especially

1 something like this where there's not a whole lot of
2 experience, I'd like to see them have some sort of
3 mentor even though the father is helping with the
4 books.

5 MR. MOODY: I think the father is sort of the
6 mentor, too, to a certain extent. I think that's sort
7 of where we're going with this. And that's why I
8 think we should consider requesting him to guarantee
9 it, too. Now, whether they'll both get it, I don't
10 know. I have no idea. I have not --

11 MR. TRICHKA: But again, you know, that was
12 the father speaking. If they're going to open during
13 the day, before these guys are done with their
14 dayshift, who's running the place?

15 MR. MOODY: They're going to get assistance
16 for the hirees, but also I think the father's going to
17 be pretty involved.

18 MR. TRICHKA: I'm going to say I'm guessing
19 the problem is -- I mean the people with the money are
20 going to want to be having some oversight over it.
21 They're not just going to hire people, walk away, and
22 let them run it.

23 MR. MOODY: Absolutely.

24 MR. TRICHKA: My guess is the father is going
25 to be there running the place on a daily basis, in

1 which case the success of the business is going to be
2 highly dependent on him. So he would need to be the
3 one we'd try to get a guarantee.

4 MR. MOODY: Agreed.

5 MR. TRICHKA: But that was why I thought, you
6 know, as far as the business plans we generally see, I
7 thought this was a pretty well put together one in
8 comparison to what we normally see.

9 MR. MOODY: Now, just to let you know, they
10 were looking at a location in Conklin at one time.
11 But that fell through. And then they were able to
12 find this location. I think that's when the REDEC got
13 involved with that. That's why it was not involved
14 with this at the beginning. They were looking at that
15 for that location. I don't know why it fell through,
16 but it fell through. They were looking at a location
17 up in Conklin, but then they found this location.

18 MR. TRICHKA: Yeah, yeah. And if I may say,
19 it seems like there's still appetite. I mean Beer
20 Tree had done astoundingly well. And they are kind of
21 looking at different type of products, which is
22 interesting to me.

23 MR. MOODY: Yeah. I think that the gluten-
24 free -- apparently I'm not -- I mean I drink beer.
25 I'm not a craft brewery type of person, but I mean I

1 would certainly drink it. But I think the gluten-
2 free, I think that's a niche market too. I don't
3 know, Steve, how much experience you have with craft
4 brewers or micro-brewery beers, but like gluten-free
5 apparently is a -- there's not a lot of that around
6 here apparently.

7 MR. STRONG: My question on that is, is that
8 the -- I mean I know there's a niche market for it,
9 but is that the only type of craft beer they're
10 selling there? Like are they --

11 MR. MOODY: No, I don't think that's the
12 case.

13 MR. STRONG: Okay. I couldn't discern that
14 out of the reading now. My only kind of question on
15 the beer side was if they're really just driving into
16 that niche, are they too small of a niche? The
17 realization that there's other type of beer that
18 people are going to want to drink.

19 MR. MOODY: I don't know, but I know that
20 there's a lot of gluten people that need gluten-free
21 products. So I don't know.

22 MR. TRICHKA: I thought of gluten reduced
23 products. They look like they're doing both, but --

24 MR. LEIGHTON: Joe, did their personal
25 financial statement show \$80,000 in liquid funds?

1 MR. MOODY: Did I not give that to you?

2 MR. LEIGHTON: Yeah, I think you did. But I
3 can't recall.

4 MR. MOODY: It did not show that initially,
5 the \$80,000. That's why I think the father --

6 MR. LEIGHTON: That's what --

7 MR. MOODY: Yeah.

8 MR. LEIGHTON: So it solidifies the --

9 MR. MOODY: I asked about the \$80,000. They
10 said they have it set aside. But I don't see it in
11 there either.

12 MR. LEIGHTON: Yeah. Okay.

13 MR. MOODY: So I got to imagine it's not --
14 it's in maybe some other account that's not personally
15 controlled by either one of them or maybe all of them.

16 MR. LEIGHTON: Then that's more reason to
17 have the father as --

18 MR. MOODY: Yeah.

19 MR. LEIGHTON: Yeah. It could be coming from
20 the father for all we know.

21 MR. MOODY: Yeah. Yeah. They did say that
22 they've saved that money. So they. That's what I was
23 told.

24 MR. LEIGHTON: Okay.

25 MR. STRONG: The only other thing that I'll

1 throw out there is it looks like Mr. Campbell's credit
2 is not the greatest.

3 MR. MOODY: Yes.

4 MR. STRONG: So his personal guarantee to me
5 does not mean as much. From my experience, I don't
6 think you get to a 600 credit score by missing one
7 payment on a credit card.

8 MR. MOODY: I absolutely --

9 MALE VOICE: I was just going to say that
10 too. I agree with that. There's no way you got that
11 score with one missed payment.

12 MR. MOODY: In all my years of dealing with
13 the credit industry, yes, you don't get a 600 with
14 that score. Matter of fact, it did go down from 600
15 to 500 something after the inquiries. But that's not
16 even that much. So there's got to be more there to it
17 than what I see even on the credit report because it's
18 only showing that. It's not even showing that. It's
19 showing that -- the fact is that, he attested that
20 it's not one payment. But I disagree also with that.

21 MR. STRONG: I would say that puts even more
22 importance on the dad putting in a personal guarantee
23 out there. You know, to me, that takes Campbell out
24 of the equation for the value of that.

25 MR. MOODY: Yeah. I mean if you want to go

1 forward with this, I would also suggest that we have
2 to obviously base it on seeing the terms, full terms
3 of the REDEC Relending Corporation terms, commitment
4 letter, et cetera, to confirm what position
5 everybody's in, et cetera. You know, as we normally
6 do. We would normally do that anyway.

7 MR. LEIGHTON: Joe, how old did you say these
8 guys were?

9 MR. MOODY: Let me see the app. I'd say
10 they're in their 30s. But, hold on, let me get their
11 birth dates. Hold on. Okay. Yeah. Hold on. Hold
12 on. Okay. Josh Olson (phonetic) was born in '86. So
13 he'd be 30 -- what is it, 35? And Sean (phonetic) was
14 born in '89, so he'd be 32.

15 MR. LEIGHTON: Thirty-two. Okay. All right.

16 MR. MOODY: Listen, I understand this is a
17 startup business. It's probably one of the riskier
18 loans, if you will. But I do like that they've been
19 in operation. It's not like they do not have
20 experience with craft brewing even though they do it
21 at their house, et cetera. I'm concerned a little bit
22 that they haven't run the business themselves. But
23 with the father involved, as both Tim and I think, I
24 indicated that it's important to have that
25 involvement.

1 And I think Steve mentioned that also, like
2 who's going to be running the operation during the day
3 and when they're there. So, you know, with the right
4 amount of contingencies, I think it's a project that
5 we should move forward on. But I'll leave it up to
6 you guys. If you have any more questions, please let
7 me know.

8 MR. TRICHKA: Yeah, I understand the risk
9 around a startup. But I mean that would be pretty
10 essential to what we're trying to do. The Development
11 Corporation, too, encouraged startups here.

12 MR. MOODY: Yeah, I agree.

13 MR. TRICHKA: If we're not doing that, then
14 we must do other jobs.

15 MR. MOODY: Thank you.

16 MR. TRICHKA: The real point is what does the
17 business plan look like, and does it look reasonable,
18 and are we doing everything that we can do to protect
19 the money that we're loaning to them?

20 MR. MOODY: Now let me add to this. I'm
21 going to get involved with this a little bit later on,
22 but we submitted a Downtown Revitalization Initiative
23 application for the Village of Endicott. I've worked
24 very closely on many developers and businesses looking
25 to move in the area. We actually submitted this as

1 potentially one of the projects. It could open the
2 business up to grant money down the road if we were to
3 win the \$10 million competition. But, as many of you
4 know, it's political. We'll see where that goes.

5 MR. TRICHKA: Okay. So any other discussion
6 based on the materials Joe provided? I think what
7 we're generally looking at is approval of this, but
8 with the addition of adding the father - I can't
9 remember his name - Mr. Campbell on here as guarantor,
10 personal guarantor, of the loan. And I think that
11 will be on (indiscernible).

12 MR. MOODY: Well, and contingencies that we
13 see the final terms of the REDEC loan. In any other
14 terms, we might not -- we might need to see on the
15 private lender loan for the acquisition of buildings.
16 We're also asking for a second co-equal pro-rata
17 position on the building, correct?

18 MR. TRICHKA: Yes.

19 MR. MOODY: Okay. That I didn't have in the
20 write-up, but I think we should.

21 MR. TRICHKA: Okay. So additional lender and
22 checking the condition of the building. All right.
23 If there's no other discussion, are folks are ready to
24 vote on this to approve. I will accept the motion.

25 MR. STRONG: I move. This is Tim.

1 MR. L'AMOREAUX: I second, Jeff.

2 MR. TRICHKA: Thanks, Jeff. All in favor?

3 VOICES: Aye.

4 MR. TRICHKA: Opposed? All right.

5 MR. MOODY: Great. Thank you. Thank you.

6 MR. TRICHKA: The money is flowing, Joe,
7 potentially.

8 MR. MOODY: Here we go. So, anyway, the next
9 item. Steve, can I go forward?

10 MR. TRICHKA: Right. You can go forward.

11 MR. MOODY: LDC Loan Portfolio. You'll see
12 the portfolio that was put together by our Town
13 comptroller. The only loan that just still -- we
14 still show the (indiscernible) loan for the motel on
15 Main Street because that's still moving forward. I'm
16 going to touch base with you on that a little bit.

17 And then the \$10,000. We didn't remove the
18 Seneca Spine as of yet, but it will be removed because
19 I have not heard back from them. I think at the last
20 -- a couple of board meetings ago I said I'd reach out
21 to them again to make sure they're not moving forward.
22 I haven't heard back from them, so I think it's just
23 wise that we just remove it. So the only grant that
24 closed with that was the Mindful Health for that grant
25 program as I mentioned at previous meetings to you.

1 So that's the only --

2 MR. L'AMOREAUX: Look, if we're going to not
3 move forward, I mean we have to -- shouldn't we really
4 be sending them a notice saying we're closing out the
5 grant?

6 MR. MOODY: I am. I am going to be sending
7 them notice.

8 MR. L'AMOREAUX: Okay.

9 MR. MOODY: Because, as I said, I reached out
10 at the last -- a couple of meetings ago I said I
11 reached out to them to see what response I'd get. I
12 got no response. So the next step is we're sending a
13 letter indicating that the grant has been withdrawn.

14 MR. TRICHKA: And what's going on with the
15 roasting company?

16 MR. MOODY: Oh, maybe you weren't at that
17 meeting. So the roasting company requested that we
18 withdraw the grant. I think it was in the minutes.
19 They had some issues with a partner.

20 Then the coffee grinders - was it the
21 partners or was it theirs - they decided that they're
22 still moving forward is my understanding. But there's
23 going to be a different makeup with the coffee
24 grinding and how they're going to handle that. So
25 they didn't want to move forward with our grant.

1 Being that, you know, we are looking to close the
2 grant soon. And I think they may be extended a little
3 bit longer before they open because they're not open
4 yet.

5 MR. TRICHKA: Yeah.

6 MR. MOODY: All right. So it's probably for
7 the best. Again, I think, Steve, you might not have
8 been at that meeting that we discussed that.

9 MR. TRICHKA: Yeah. Okay.

10 MR. MOODY: Okay?

11 MR. TRICHKA: It's possible I was. And given
12 my level of recollection --

13 MR. MOODY: Yeah. Join the club. So anyway.
14 Okay. So I just want -- any questions on that?

15 MR. PEDUTO: Joe, sorry to interrupt. I got
16 to run for a 9:00 commitment.

17 MR. MOODY: Okay. All right. Thank you.

18 MR. PEDUTO: See you guys. Take care
19 everybody. Good-bye.

20 MR. TRICHKA: Thanks, Jim.

21 MR. MOODY: All right. So any other
22 questions on that?

23 MR. STRONG: I guess I would just like to
24 make a statement. That the next time we get
25 encouraged to do a grant program for small business

1 startups, that maybe we look at how many of these
2 loans actually closed with the amount of time we put
3 into it. I mean one out of how many and how much time
4 we put in. It's my first time being involved in
5 something like that but --

6 MR. MOODY: It was a lot of time.

7 MR. STRONG: And they have one loan closed,
8 which is in great. I'm glad we were able to help
9 Mindful Health and Wellness. But still I feel like
10 the way that all these kind of worked out -- and these
11 were the best, right? These were the best that we
12 chose.

13 MR. MOODY: Yeah.

14 MR. STRONG: And there was only one that
15 ended up qualifying, really closing I mean.

16 MR. MOODY: I can't tell you the countless
17 hours my office put in, but also you too and Rose,
18 when we were reviewing these applications. I'm not
19 getting into the details, but you all understand what
20 was pushing us in that direction with the grant.

21 Now the unfortunate part is - or fortunate,
22 however you want to look at it - if we are given ARPA
23 funds, the intent is all grant money. So I hope our
24 record with those ARPA funds are going to be more -- a
25 higher percentage will close than with these. I hope

1 so.

2 And I think that's where, maybe with Gary and
3 Jeff, we could craft these programs that they are
4 going to be attractive enough to close. I'm not
5 saying that the loan program, the GAP loan program,
6 the grant program that we approved, was not
7 attractive. I thought it was very attractive. I just
8 think maybe it was a matter of, hey, we got to get
9 your grant applications now. You got to submit it.

10 And you know some did a better job of
11 submitting the grant applications than others, as you
12 recall from the reviewing process. But I don't know
13 how else we could have done it better, to be honest
14 with you, Tim. I thought we were very methodical. I
15 think the way we ranked them was very methodical. I
16 don't know.

17 MR. STRONG: And I totally agree. I think we
18 did everything we could do to make this a successful
19 program. I just look back now and I think, man, if
20 only you've given out and of closing one out of
21 everything we reviewed and the time put in, it's a
22 little bit discouraging in the end. You know, a
23 little bit. So I think if someone else comes out and
24 says, hey, why don't you guys do a startup contest for
25 loans, I think this is a good example of maybe why

1 other ways that we get involved with supporting small
2 businesses is more effective. Right?

3 MR. MOODY: Yeah.

4 MR. STRONG: Because we have to -- time is a
5 resource and we have to consider that.

6 MR. MOODY: So instead of like this was a
7 grant competition. Or we didn't call it that, but it
8 was a little bit different than the way we --

9 MR. STRONG: They know it was a competitive
10 program.

11 MR. MOODY: Yeah. Well, it might be a little
12 bit -- it will be a little different than the ARPA
13 funds, I would imagine, although competitive too.
14 Yes, Steve.

15 MR. TRICHKA: Maybe we make it a little more
16 difficult or rigorous in the application process. So
17 we have to give a little time just closing things
18 through.

19 MR. MOODY: I thought we were sort of pretty
20 rigorous with that. I don't know if it was that.
21 Now, from the committee that we set up, I thought we
22 were pretty thorough on that. So I don't -- I guess
23 we'll --

24 MR. TRICHKA: I think that -- right. What
25 we're requiring in terms of business plans and things

1 like that from the submitters.

2 MR. MOODY: I guess we'll address that. I am
3 concerned that -- I mean Tim brings up a very good
4 point. That was to get \$40,000 out the door. I'm
5 concerned we're getting a million dollars out the
6 door. So I think we got to -- I agree, we got to make
7 sure we do it right. But we have to find a way of
8 getting that money out the door too because I also
9 don't want a million dollars going back for other
10 projects in the town when we can certainly use it in
11 that kind of development.

12 MR. TRICHKA: Okay.

13 MR. MOODY: Okay. So let me move on.

14 MR. TRICHKA: Right. Good point. Yes, let's
15 move over to the last slide, Joe.

16 MR. MOODY: Okay. So discussion on DTRT Page
17 Avenue LLC. Just to let you know we approved the 300
18 -- is somebody talking?

19 MR. TRICHKA: No.

20 MR. MOODY: Approved the \$300,000 grant for
21 this project. As you all recall, it's National Pipe &
22 Plastics. But they set up the real estate holding
23 company to acquire the property. So there were
24 contingencies that they had to meet certain benchmarks
25 one-third, one-third, one-third. And that's how we

1 forgive the grant.

2 They've met the first benchmark, which is
3 acquisition and raising of the building. They met the
4 second benchmark, which is building the structure.
5 They just met the third benchmark which is creating
6 the five jobs that need to be created and moving the
7 employees from their Vestal location down to their
8 Endicott location.

9 I've done a tour at the location. I will
10 attest that there are employees in there. They're
11 operational. The building looks fantastic. It's
12 probably one of the best sources of uses of our funds
13 that we've done in many years I guess you can say. Or
14 one of the best for this type of project I should say
15 being that it was a demolition of an eyesore. The
16 community wants to see it gone.

17 It really improved our park. It improved the
18 neighborhood. It helped the business there, and it
19 helped the entire Town of Union. That building is in
20 the Town of Union, not the Village of Endicott, and so
21 is their manufacturing facility. And I'm going to say
22 that this is a 20-year project that I've worked on. I
23 don't say this often, but that was a long project.

24 We worked on this because it started with
25 that warehouse in the LDC swapping land in order to

1 acquire the driveway in order for National Pipe &
2 Plastics to even use that back entrance on to
3 Latourette Lane, on to 17C to make this project
4 happen. Because with that project, if we did not
5 have a way of acquiring that land, then this project
6 would not be happening and National Pipe & Plastics
7 would not be there because there's no way they
8 could've taken those trucks over those railroad tracks
9 or through that neighborhood, because the neighborhood
10 did not want to see those trucks in the neighborhood.
11 They don't even want to see those trucks through Main
12 Street. That's the reason why they're supposed to
13 turn right onto 17C and go over the bridge.

14 Anyway, so I just want to say that to you. I
15 want your approval I guess. I don't necessarily do
16 this. My normal course of action, we discharge the
17 mortgage. I don't think we've ever actually gotten
18 approval from you to discharge mortgage. I guess,
19 Rose, we're just really bringing them up to speed on
20 where we stand with us and that they met the goals.

21 MR. TRICHKA: Yeah, I don't think we need a
22 resolution for that.

23 MR. MOODY: No.

24 MR. TRICHKA: Because they've met them.

25 MR. MOODY: I've asked. They will be doing a

1 ribbon-cutting grand opening. I just don't know when.
2 I think it's going to be based on when the state is
3 available. So obviously you're all going to be
4 invited to it if they have one and don't keep it low
5 key.

6 MALE VOICE: Joe, I drove by there the other
7 day. I grabbed some food at Kelly's (phonetic). That
8 place is fantastic.

9 MR. MOODY: Yeah. Yeah, it really does.

10 MR. LEIGHTON: Joe, just put it in the
11 minutes.

12 MR. MOODY: I'm sorry, Gary. What was that?

13 MR. LEIGHTON: Just put it in the minutes
14 that they've satisfied all their conditions.

15 MR. MOODY: Okay. We can do it. Rob will
16 certainly do that no doubt.

17 MR. LEIGHTON: Yeah, I know.

18 MR. TRICHKA: All right. Good stuff.

19 MR. MOODY: Okay.

20 MR. TRICHKA: I'll see you down the road. I
21 haven't been down that area.

22 MR. MOODY: You got to see it. It's even
23 more impressive inside too.

24 MR. TRICHKA: Yeah, yeah. That's cool.

25 MR. MOODY: So can I move on just a couple of

1 other --?

2 MR. TRICHKA: Okay.

3 MR. MOODY: A couple of others, Steve? Okay.

4 MR. TRICHKA: Yeah.

5 MR. MOODY: So I touched on the DRI
6 application for Endicott. We did submit it. Most of
7 the projects, they were private sector projects, went
8 through my office that we submitted. They're good
9 projects in the area. I'm not going to go into
10 details in each and every one of them, but most of
11 them focused in on either Little Italy or the
12 Washington Avenue area.

13 The private sector for-profit businesses, we
14 were focusing on Washington Avenue. And there was a
15 couple of good ones at least one high tech that may be
16 going into that area of research and development. But
17 there are some hurdles through the planning and zoning
18 through the Village of Endicott that they have to go
19 through right now.

20 But the DRI application, we're one of four
21 that submitted. The presentations I imagine are
22 coming up soon. The Regional Economic Development
23 Council will pick a winner. I think the date is
24 October 20th when they will pick the winner of that
25 DRI. Or it could be two winners, one winner of 20

1 million or two winners of 10 million each. So I
2 think, you know, we have a good two out of four
3 chances of winning this for Endicott.

4 There were some questions that were brought
5 up initially through ESD to me about, well, why would
6 you be asking for DRI money when you haven't fulfilled
7 your Greater Binghamton Fund money? And I came back
8 after talking to the group. We came back and said,
9 actually, 85 percent of our GB fund projects are going
10 forward. And I went through the list. I gave it to
11 him. The gentleman was in agreement with this, that
12 these projects are going forward.

13 So 85 percent of projects that we did with
14 our Greater Binghamton Fund money, the 10 or 11 we got
15 in the Village of Endicott, are going forward. That's
16 a good number. I would suspect that any of the DRI
17 applications that submitted projects that won over the
18 past four rounds - this is the fifth round we're in -
19 their rate wasn't as high as that. So I think we're
20 building off of the Greater Binghamton Fund money.
21 We're asking for additional money to do more public
22 and private sector projects, and we'll see what
23 happens with that. So I just want to bring that to
24 your attention.

25 Now, Johnson City, I cajole them, I encourage

1 them, their grant writer to submit a grant
2 application. My understanding, she was moving forward
3 with it and then at the last minute decided not to do
4 it. You know, maybe she talked to an elected official
5 who decided not to do it because they didn't feel they
6 would win it. So they did not submit one.

7 I don't know who the other three applicants
8 are as of the moment. That was not shared with me,
9 but JC is not one of them. Okay? I don't understand
10 why they didn't, but it is what it is.

11 I think that's all I really have to say other
12 than the solar project that you may have heard on
13 Huron campus, my office did meet with the businesses
14 along with several other community members including
15 Rick Materese and company. I think it's a good use of
16 space in our high-tech advanced manufacturing
17 innovation district, if you will, down in Endicott.

18 So things are going in the right direction,
19 but we still have a lot of things to do down there.
20 That's all I have. Does anybody have any questions or
21 comments on anything I said? Rick, do you have
22 anything to add?

23 MR. MATERESE: No. Just we're really happy
24 that the solar project is taking off at the Huron
25 campus. We are supporting Endicott's efforts in

1 getting the grant. We are just hoping that things
2 continue to move forward rather than backwards. So
3 we're hoping to get more and more businesses in the
4 Town of Union.

5 MR. MOODY: Great. Thank you. Any other
6 questions or comments from the board?

7 MR. TRICHKA: Not from me.

8 MR. LEIGHTON: No.

9 MR. TRICHKA: Okay. Any others to present,
10 Joe?

11 MR. MOODY: No. think that covers it all. I
12 do hope that the Committee can meet soon. And I'll
13 give you some dates.

14 MR. L'AMOREAUX: And get that ice cream shop
15 there, Joe.

16 MR. MOODY: Well, it's up to Tim.

17 MR. L'AMOREAUX: Or I'll bring Taylors. Up
18 at Taylors' and grab us some lunch.

19 MR. MOODY: There you go. All right.

20 MR. L'AMOREAUX: Thanks guys and ladies.

21 MR. MOODY: So can we --

22 MR. TRICHKA: Thanks a lot. Now I need a
23 motion to adjourn the meeting please.

24 MR. L'AMOREAUX: So moved. Jeff.

25 MR. STRONG: I was going to say I thought I

1 heard Jeff on that one. Tim on the second.

2 MR. TRICHKA: Yeah. You guys are the motion
3 kings today. All right. So thank you. All in favor?

4 VOICES: Aye.

5 MR. MATERESE: Thank you everybody.

6 MR. MOODY: Thank you.

7 MALE VOICE: Goodnight.

8 MR. MOODY: Thank you again, Tim. I
9 appreciate it. Thank you.

10 (Off the record at 09:08 a.m.)

11

12 C E R T I F I C A T E

13 I, Ria Jara, certify that the foregoing transcript of
14 proceedings on the Town of Union Local Development Corporation
15 Board Meeting, Broome County, State of New York, was prepared
16 using digital transcription software and is a true and accurate
17 record of the proceedings.

18

19 

20 Signature: _____

21

22 Date: October 9, 2021