

BATAVIA DEVELOPMENT CORPORATION (BDC)
Meeting Minutes July 25, 2018

Attendance

BDC Attendees: Pier Cipollone, Mary Valle, Lori Aratari, Wesley Bedford, Steve Pies, Peter Casey, Chris Fix and Rachael Tabelski (Director of Economic Development)
Excused: Nate Varland, Rebecca Cohen, Matt Worth
Guest/Media: Jim Krencik, The Batavia Daily News; Roy Bell, Bell Boyz; Jessica Levins, Revival Salon; Sam Campanella, NYSSBDC; Laura Landers, Freed Maxick

Call to Order

At 7:33 a.m. Pier Cipollone, President of the BDC, called the meeting to order in the Community Room, 2nd floor of City Hall.

Enter Executive Session

C. Fix made a motion to enter executive session under the Public Officers Law, Article 7, Open Meetings Law Section 105, at 7:35 a.m. for the following reasons:

- 1.The medical, financial, credit or employment history of a particular person or corporation, or matters leading to the appointment, employment, promotion, demotion discipline, suspension, dismissal or removal of a particular person or corporation.

The motion was seconded by L. Aratari and approved by all members present.

Enter Public Session

C. Fix made a motion to enter back into public session at 7:55 a.m., seconded by P. Casey and approved by all members present.

Small Business Loan Presentations

Bell Boyz- Mr. Bell requested a \$15,000 loan with a five-year term for his business operations from the City of Batavia Revolving Loan Program. Mr. Bell is a Batavia native and US ARMY veteran currently operating a barbershop out of his home on Buell St. He is working with a landlord to lease the property on 49 Buell St. in Batavia to transform the front of the house into a barbershop while he and his family will reside in the remainder of the house. He is also working with the landlord in a rent-to-own option. Mr. Bell has a following of clients and advertises on Facebook and Instagram for his services. His clients speak very highly of him and his ability to keep a flexible schedule. The loan will be used for styling stations, plumbing, furniture, fixtures, flooring, and supplies. Mr. Bell presented his business plan, that was crafted with the help of Sam Campanella of the New York State Small Business Development Center, at the BDC meeting, he has also presented to the BDC Small Business workgroup and received constructive feedback to improve his projections.

Revival Salon- Ms. Levins is requested a \$15,000 loan with a five-year term for her business operations from the City of Batavia Revolving Loan Program. Ms. Levin's is currently a graduate student at the University at Buffalo in Social Work and has been a stylist operating locally for many years. She is applying to the BDC for a loan to open up a salon on 401 Ellicott St. in the City of Batavia. The loan will be used for styling stations, plumbing, furniture, fixtures, flooring, and supplies. Ms. Levin will be making a personal investment into the salon as well. Her grandmother used to operate a salon at this location for many years. Her business plan was very well done, and most of her operational cost will be absorbed by the space rental to other stylists. The small business workgroup did advise her to work with her attorney to draw up contracts for the renters. Ms. Levins presented her business plan that was crafted with the help of Sam Campanella of the New York State Small Business Development Center at the BDC meeting.

Enter Executive Session

P. Casey made a motion to enter executive session under the Public Officers Law, Article 7, Open Meetings Law Section 105, at 8:15 a.m. for the following reasons:

- 1.The medical, financial, credit or employment history of a particular person or corporation, or matters leading to the appointment, employment, promotion, demotion discipline, suspension, dismissal or removal of a particular person or corporation.

The motion was seconded by L. Aratari and approved by all members present.

Enter Public Session

S. Pies made a motion to enter back into public session at 8:35 a.m., seconded by P. Casey and approved by all members present.

Small Business Loans

Roy Bell/ Bell Boyz- P. Casey made a motion to approve a \$15,000 loan with a five-year term for Bell Boyz; the motion was seconded by W. Bedford and approved by all members.

Jessica Levins/ Revival Salon- S. Pies made a motion to approve a \$15,000 loan with a five-year term for Revival Salon; the motion was seconded by L. Aratari and approved by all members.

8:40am W. Bedford left the meeting.

Chairman's Report:

P. Cipollone announced that the next meeting of the BDC is scheduled for;

August 22, 2018 at 7:30 a.m. at City Hall.

P. Cipollone presented the meeting minutes from the previous meeting and C. Fix made a motion to approve June 20, 2018 meeting minutes as presented; seconded by S. Pies and approved by all members present.

Committee Reports:

Governance: P. Cipollone announced that ABO training is required for R. Tabelski, Lori Aratari, Rebecca Cohen, Nate Varland, and Matt Worth. Sign upon the ABO website for training. <https://www.abo.ny.gov/training/onlinetraining.html>

Audit and Finance:

2017-18 Audit Review Presentation- Laura Landers from Freed Maxick presented the BDC Audit to the Board. The BDC Board engaged Freed Maxick, a certified public accounting firm, to perform an independent audit of the 2017-18 financial statements. Freed Maxick, affirmed that no material deficiencies in internal controls were identified during the audit. The firm also affirmed that, in their opinion, the audited financial statements present fairly, in all material respects, the financial position of the BDC as of March 31, 2018, in accordance with generally accepted accounting principles.

The BDC coordinated reimbursable passthrough grants totaling \$634,014 to assist projects in Batavia including:

- United States Department of Agriculture Grant for FreshLAB totaling \$29,013
- Empire State Development Strategic Planning grant for the Harvester Campus totaling \$15,000
- New York State Office of Community Renewal Main Street Grant for the Newberry Project totaling \$490,000
- National Grid Main Street Revitalization Grant for the Newberry Project totaling \$100,000.

R. Tabelski and the BDC board specifically thanked the City of Batavia and specifically Lisa Neary, Deputy Director of Finance and Teri Dean who assist the BDC in budget tracking, financial oversight, accounts payable and account receivable. The Audit can be found on the BDC website. <http://bataviadevelopmentcorp.org/wp-content/uploads/2018/06/BDC-FINAL-FS3.31.18.pdf>

L. Aratari made a motion to approve the BDC 2017-18 Audit as presented; seconded by M. Valle and approved by all members present.

2017-18 Paris Report- R. Tabelski presented the BDC's Paris Report. The Paris Report was created by Julie Pacatte as part of a professional services contract with Chazen Engineers that was approved by the BDC board during the transition to a new director. the BDC board reviewed the agency's Paris Report that is required to be filed annually per The Public Authorities Reform Act of 2009 (Chapter 506 of the Laws of 2009). The Paris Report can be found on the BDC website. <http://bataviadevelopmentcorp.org/wp-content/uploads/2018/07/Batavia-Development-Corporation-2018-Annual-Report.pdf>

P. Casey made a motion to approve the BDC 2017-18 Paris Report as presented; seconded by C. Fix and approved by all members present.

2017-18 Annual Report- R. Tabelski presented the BDC's Annual Report and the board reviewed. The Annual Report was created by Julie Pacatte as part of a professional services contract with Chazen Engineers that was approved by the BDC board during transition

to a new director. The Annual Report can be found on the BDC website. <http://bataviadevelopmentcorp.org/wp-content/uploads/2018/06/2018-BDC-Annual-Report-DRAFT.pdf>

Financial Statements- The June 2018 financial statements were reviewed with the board, and a brief overview was given. R. Tabelski reported that no significant events occurred since July 9, 2018 when she started as the Director of Economic Development for the BDC.

Approval of Invoice- R. Tabelski reported that BDC Board purchased a computer and software package for her on July 3, 2018 from Millennium Computers. In order to pay the invoice board approval is needed as the expenditure is over \$1,000, per the BDC's Procurement Policy.

P. Casey made a motion to approve the expenditure of \$1,778.76 as presented; seconded by S. Pies and approved by all members present.

Approval of Professional Service Contract with Harris Beach, PLLC.- R. Tabelski reported that she had been copied into an engagement letter from Attorney Bob Murray at Harris Beach dated April 23, 2018 regarding legal services for the Batavia Development Corporation and for the Creek Park Batavia, LLC. During her transition into the Director's position. R. Tabelski asked the board to approve the engagement of legal services not to exceed \$8,000 to ensue there was representation for the Creek Park Batavia LLC. and to ensure that legal bills could be paid in a timely manner. P. Casey asked if Harris Beach had been paid for the previous work they completed in April setting up the Creek Park Batavia LLC. R. Tabelski answered that she is unsure where the legal billing and fees stand. The BDC's Profit and Loss statement statements do not reflect a payment for professional services in the Creek Park LLC. accounts at this time. R. Tabelski will give the board an update at the August meeting.

S. Pies made a motion to approve the professional services contract with Harris Beach; seconded by C. Fix and approved by all members present.

9:05 a.m. L. Aratari left the meeting

Real Estate: P. Cipollone and R. Tabelski discussed the Ellicott Station project and relayed how close the project was to finishing their final financial piece with NYS Homes and Community Renewal (HCR). It was also discussed that Ellicott Station Membership Interest Purchase Agreement for the sale of the LLC would need to be extended at the August board meeting, if a financial close did not take place before the meeting.

Fresh Lab: S. Pies reported that the Wild Rican is doing well. He and Barb Shine visited with the owner of the Wild Rican to go over feedback and find out what areas they might need the small business committees help. S. Pies and Barb Shine will also be visiting with Eden Café in the next week to follow up on feedback as well.

R. Tabelski reported that there will be a USDA compliance review at Eli Fish on August 8, 2018 at 10:30 a.m. board members are encouraged to fill out the USDA questionnaires. USDA funded equipment within Fresh Lab as well as supplies for programming.

Old Business

None to report.

New Business

None to report.

Adjournment

S. Pies made a motion to adjourn the meeting; seconded by M. Valle and approved by all member present. The meeting stood adjourned at 9:20 a.m.