

BATAVIA DEVELOPMENT CORPORATION (BDC)
Meeting Minutes September 26, 2018

Attendance

BDC Attendees: Pier Cipollone, Mary Valle, Wesley Bedford, Nate Varland, Rebecca Cohen, Matt Worth, Steve Pies, Peter Casey, Lori Aratari, Chris Fix and Rachael Tabelski (Director of Economic Development)

Excused: None

Guest/Media: Brian Anderson, The Batavia Daily News, Mike Pettinella, The Batavian

Call to Order

At 8:31 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

W. Bedford made a motion to enter executive session under the Public Officers Law, Article 7, Open Meetings Law Section 105, at 8:32 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 9:05 a.m., seconded by W. Bedford and approved by all members present.

9:05 a.m. P. Casey left the meeting.

Presentation: Gary VanValkenburg and Brandon Buckle presented on Rest and Revive Float Center and requested a loan from the BDC for \$30,000. See board decision under Small Business.

Chairman's Report:

P. Cipollone announced that the next meeting of the BDC is scheduled for; **October 24th, 2018 at 8:30 a.m. at City Hall.**

P. Cipollone presented the meeting minutes from the previous meeting and M. Valle made a motion to approve the August 22, 2018 meeting minutes as presented; seconded by M. Worth and approved by all members present.

P. Cipollone announced that he appointed P. Casey to chair the Governance Committee and L. Aratari to Chair the Audit & Finance Committee. All BDC officers will serve on these committees and any other board member that wants to volunteer for a committee should contact P. Cipollone.

Committee Reports:

Governance:

Governance & Nomination Committee Charter- Pursuant to Article III, Section 15, of the BDC's bylaws, the purpose of the Governance Committee is to assist the Board by: keeping the Board informed of current best practices in corporate governance; reviewing corporate governance trends for their applicability to the BDC; updating the BDC's corporate governance principles and governance practices; and advising those responsible for appointing directors to the Board on the skills, qualities and professional or educational experiences necessary to be effective Board members; as well as nominating candidates for various offices including, but not limited to President, Vice-President, Secretary and Treasurer. The Governance & Nomination Committee Charter was recommended for approval by the Governance

Committee. C. Fix made a motion to approve the Governance & Nominating Committee Charter; seconded by L. Aratari and approved by all members present.

Audit & Finance Committee Charter- Pursuant to Article III- Section 15 of the BDC's bylaws, the purpose of the audit and finance committee shall be to (1) assure that the BDC's board fulfills its responsibilities for the BDC's internal and external audit process, the financial reporting process and the system of risk assessment and internal controls over financial reporting; (2) provide an avenue of communication between management, the independent auditors, and the board of directors; and (3) to review proposals for the issuance of debt and to make recommendations. The Audit & Finance Committee Charter was recommended for approval by the Governance Committee. S. Pies made a motion to approve the Audit & Finance Committee Charter; seconded by N. Varland and approved by all members present.

Recommendation to Incorporate as a 501C (3) not-for-profit- currently the BDC is organized a 501c(4). Across the state, most Local Development Corporations involved with economic development are set up as a 501c(3) including the Genesee Gateway Local Development Corporation and the Batavia Business Improvement District here locally. Benefits include: The ability to apply for more grant funding, specifically the Preserve NY Grant and some Federal EPA programs related to brownfields; the ability to accept tax deductible donations, membership fees and real estate. Currently donations made to the 501c(4) are not deductible. Incorporating as a 501c(3) will also limit the organization from expending more than 10% to 20% of the budget on lobbying efforts. Incorporating as a 501c(3) was recommended for approval by the Governance Committee. M. Valle made a motion to approve the Director of Economic Development to work with an attorney and accountant to incorporate as a 501c(3); seconded by S. Pies and approved by all members present.

BDC Loan Policy updates- The BDC board reviewed the BDC Loan Policy and updates. The Governance Committee recommended the updates to the BDC Loan Policy. The BDC Board accepted the revisions to the policy. W. Bedford made a motion to approve the Loan Policy; seconded by M. Worth and approved by all members present.

BDC Loan Review Checklist- The BDC board reviewed the BDC Loan Review Checklist. The Governance Committee recommended the updates to the BDC Loan Review Checklist. The BDC Board accepted the revisions. M. Worth made a motion to approve the Loan Policy; seconded by W. Bedford and approved by all members present.

Employee Benefits Plan Policy- The BDC board reviewed the Employee Benefits Plan Policy. The policy formalizes the benefits of the Economic Development Director and gives her/him the ability to gain sick time and vacation time through years of employment. The Governance Committee recommended the Employee Benefits Plan Policy. The BDC Board accepted the Policy. C. Fix made a motion to approve the Employee Benefits Policy; seconded by L. Aratari and approved by all members present.

Master Schedule of compliance related tasks and meetings- A schedule was created by the Director of Economic Development to inform the board of the upcoming duties and responsibilities of the board and committees.

Audit and Finance:

Financial Statements- The August 2018 financial statements were reviewed with the board, and a brief overview was given. R. Tabela reported that BDC exceeded its budget projections for directors and officer's liability insurance and the organizations general liability insurance. C. Fix made a motion to approve financial statements; seconded by M. Valle and approved by all members present.

Real Estate:

Ellicott Station Resolution- A resolution was presented to give the President of the BDC and/or the Director of Economic Development the authority to negotiate and execute an estoppel agreement, ESD capital grant and related sub-grant agreement, and a national grid grant undertaking agreement related to the Ellicott Station project located in Batavia,

New York. S. Pies made a motion to approve the Ellicott Station Resolution; seconded by M. Valle and approved by all members present.

Small Business:

BDC Loan Request- Rest and Revive Float Center- Gary Van Valkenburg has been in business in Batavia for over 46 years and is ready to make significant investment into his building and the health & wellness industry. He is proposing to turn his furniture store “The Bed Room” into a flotation therapy and retail store in the City of Batavia. He will be investing \$355,000 to complete the project and has bank financing lined up, a \$100,000 loan from the Genesee Gateway Local Development Corporation (GGLDC). He requested a \$30,000 loan from the BDC to finalize his funding, and proceed with the entire project. The project is anticipated to create three jobs and retain two existing jobs. The small business workgroup reviewed the presentation was very excited to see the new operation would benefit the City of Batavia. Johnathan Tretter reviewed the financial statements. W. Bedford made the motion to approve a \$30,000 loan at a 4% interest rate for five years; seconded by S. Pies and approved by all members present.

Old Business

None to report.

New Business

Contact with in-site architecture- In 2012 when the City of Batavia was awarded a Main St. Grant, they contracted with in-site-architecture to create a building improvement handbook for the City. The BDC will be updating this Handbook for use with the Batavia DRI- Building Improvement Fund. The Handbook will be significantly cheaper to have updated than to create new. The goal is to have the Handbook ready to distribute with applications for funding this fall. C. Fix made the motion to approve and amount not to exceed \$3,300 to “Reformat and Expand” the City of Batavia building improvement handbook; seconded by L. Aratari and approved by all members present.

M. Valle Resignation- After three years of serving the BDC and holding a position as treasurer on the board, Mary Valle resigned effective September 26, 2018. The president and entire board thanked her for her service and dedication to Batavia and wished her well in her future endeavors.

Adjournment

M. worth made a motion to adjourn the meeting; seconded by W. Bedford and approved by all member present. The meeting stood adjourned at 10:07 a.m.