

BATAVIA DEVELOPMENT CORPORATION (BDC)
Meeting Minutes April 25, 2019

Attendance

BDC Attendees: Wesley Bedford, Nate Varland, Lori Aratari, Jake Whiting, Martin Moore, Steve Pies, Wesley Bedford, Rebecca Cohen and Rachael Tabelski (Director of Economic Development), Bob Murry, Council Harris Beach

Excused: Chris Fix, Pier Cipollone

Guest/Media: Susie Ott, Lawley Genesee, Brian Quinn, The Batavia Daily News, Rich Rogers, Urban Vantage, Travis Gordon, Urban Vantage

Call to Order

At 8:32 a.m. W. Bedford, Vice-President of the BDC, called the meeting to order in the Community Room, 2nd floor of City Hall.

Presentations

BDC Directors and Officers Insurance Review- Susie Ott from Lawley Genesee presented to the board an overview of the BDC's Directors and Officers Insurance Policy. Susie informed the board that the BDC policy is up for renewal in August, but she will work to have the policy match our fiscal year of renewal on April 1st. The BDC currently has \$1million in coverage for Directors and Officers with a \$2,500 deductible. Susie mentioned that all clients should examine and consider cyber security insurance.

Enter Executive Session

J. Whiting made a motion to enter executive session under the Public Officers Law, Article 7, Open Meetings Law Section 105, at 8:40 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.
2. The proposed acquisition, sale or lease of real property or the proposed acquisition of securities, or sale or exchange of securities held by such public body, but only when publicity would substantially affect the value thereof.

The motion was seconded by N. Varland and approved by all members present.

Enter Public Session

S. Pies made a motion to enter back into public session at 9:30 a.m., seconded by L. Aratari and approved by all members present.

Chairman's Report

W. Bedford presented the meeting minutes from the previous meeting and L. Aratari made a motion to approve the March 28th 2019 meeting minutes as presented; seconded by J. Whiting and approved by all members present.

W. Bedford announced that the next meeting of the BDC is scheduled for Friday May 3rd 2019 at 8:30 a.m. at City Hall. This is a special meeting to review a loan application from Eat Well Grill.

W. Bedford announced that the next regular scheduled meeting for the BDC will be held on May 23, 2019 at City Hall at 8:30 a.m.

Committee Reports

Governance

City RLF/Grant Policy Discussion- R. Tabelski informed the board that on April 8, 2019 the Batavia City Council passed a resolution to amend the City of Batavia Revolving Loan Fund Agreement to allow for the “Loan fund, on a project specific basis and with City Council approval, to make grants for an eligible project or funding purpose within the City.” To this end, a new grants funds policy needs to be created that allows for grants while preserving flexibility in the fund. R. Tabelski will work to create a preliminary grant policy for the RLF Fund. She envisions the final policy will be written/approved in conjunction with the City Attorney and City Manager with the BDC board and City Council approving the policy. Also, a standardized application will be created prior to any grant request being accepted for this fund. Considerations regarding fund diversity, fund capitalization, eligible activities for grants, BOA pre-development work, and City/BDC economic development priorities will be explored.

Board Self Evaluation- BDC board members will return the Board Self Evaluation to the board to the Chairman.

New Board Member ABO Training- J. Whiting and M. Moore are registered to attend ABO online board member training.

Audit and Finance

Financial Statements- The March 2019 financial statements were reviewed with the board, and a brief overview was given. R. Tabelski reported that BDC is doing well and ended the year within their budget projections. The BDC has outstanding receivables due from the Ellicott Station project for the sale of the LLC. In the 2019-20 budget the BDC will hope to realize more revenue from the administrative fees associated with the Building Improvement Fund and from project referrals to the GCEDC. N. Varland made a motion to approve financial statements; seconded by S. Pies and approved by all members present.

Audit Fieldwork- R. Tabelski reported that audit field work on April 12th went well and that the next scheduled fieldwork review is on May 29th. The BDC must have their yearend wrapped up by June 30, 2019 and that includes their audit, annual agency report and ABO annual report.

Real Estate/ BOA

Ellicott Station/ Savarino- Ellicott Station/ Savarino- Brownfield mixed use development. The project remains active on a daily basis, as multiple scenarios, including dividing the projects into multiple stages, being explored by the City and the developer. The BDC remains positive that this project will advance to ground breaking, and clean up a blighted eye-sore in the center of the City.

Batavia DRI Building Improvement Fund- The first round of conditional grant offers was extended to eight building owners, six of these owners have committed submitting deposits to the BDC. Projects not selected in the first round have been contacted and extended preliminary offers and R. Tabelski hopes to have the final slate of projects committed very soon. The kick-off meetings with the committed building owners are scheduled for May 1, 2019 with Rick Hauser and James Reynolds from InSite Architecture and R. Tabelski. On April 22, 2019 the Batavia City Council advanced a Main Street grant writing proposal to their business meeting. If approved a grant writer will prepare an application to the Main Street Grant program in the 2019 Regional Economic Development Council (REDC) Consolidated Funding Application (CFA) to assist more building improvement projects.

Harvester Theater 56 DRI Project Update-The Harvester Theater 56 DRI project is moving forward and has issued an RFP for architectural design and engineering services. There is a walk through for interested firms on Friday April 26th. The BDC will continue to assist the project move forward towards construction.

Creek Park Hockey/ Recreation Market Feasibility Study- An RFP for a hockey and recreation market feasibility study was released by the City of Batavia on Friday March 22nd. The board BDC discusses the potential for re-development and the willingness of the BDC to advance the City's Brownfield Opportunity Area plans to incentivize a private developer to build on the site. R. Tabelski and B. Murry recommend that the BDC look to assist in facilitating a four-way Memorandum of Understanding (MOU) with the City, Town of Batavia, Genesee County and BDC to foster a coalition to

move forward. J. Whiting made a motion to authorize R. Tabelski, with support from the BDC attorney B. Murray and Harris Beach, to draft and negotiate an MOU with the land owners at the Creek Park site; seconded by R. Cohen and approved by all members present.

9:55 a.m. R. Cohen left the meeting

Old Business

Grant Acceptance- L. Aratari made a motion to accept the \$20,000 grant from the City of Batavia and amend the BDC's budget to reflect the grant income; seconded by S. Pies and approved by all members present

Batavia Opportunity Zone Fund Partnership proposal the board of directors discussed the proposal from Common Owner Capital. J. Whiting wanted to ensure that the BDC attorneys looked at the gridlock provisions to ensure that the BDC and Common Owner Capital have a mechanism in place if the members cannot unanimously agree on decisions. Other minor revisions will be made by B. Murry and Pietra Zaffram of Harris Beach.

J. Whiting made a motion for the BDC Director of Economic Development to work with the BDC attorney to finalize the MOU and authorized the BDC President execute the final agreement, subject to attorney review; seconded by M. Moore and approved by all members present.

Capitalize the Batavia Opportunity Zone Fund- R. Tabelski asked the board to approve the expenditure of \$20,000 to set up the Batavia Opportunity Zone Fund as defined in the Batavia Opportunity Fund terms Memorandum of Understanding. The BDC will make a capital contribution to the fund of \$15,000 and an unsecured loan of \$5,000 totaling \$20,000. The BDC will have a 25% membership interest in the Newley formed LLC. L. Aratari made a motion to capitalize the Batavia Opportunity Zone Fund; seconded by N. Varland and approved by all members present.

10:00 a.m. N. Varland left the meeting

New Business

CFA Grant Writing- Professional Services Engagement Agreement- R. Tabelski presented a proposal from Urban Vantage for professional grant writing services to prepare and submit a 2019 Consolidated Funding Application (CFA) on behalf of a City project in connection with the Opportunity Zone. The BDC will not move forward until a viable project is identified. The agreement in the agenda will be amended to reflect the BDC as the client. The cost will not exceed \$5,000 for the grant writing. L. Aratari made a motion to approve the consulting services agreement with Urban Vantage and authorized the BDC President to execute the contract; seconded by J. Whiting and approved by all members.

Attorney Engagement Discussion- The board reviewed a proposal from Harris Beach LLP. to provide professional legal services to the BDC. J. Whiting made a motion to approve the agreement and authorize the BDC President to execute the agreement; seconded by L. Aratari and approved by all members present.

Adjournment M. Moore made a motion to adjourn the meeting; seconded by S. Pies and approved by all member present. The meeting stood adjourned at 10:05 a.m.