

Wyoming County Business Center, Inc.
Board Meeting Minutes
February 14, 2020

1. Call to Order

The WCBC, Inc Board of Directors met on February 14, 2020 at 2:30 p.m. at the Wyoming County Agriculture and Business Center, 36 Center Street Warsaw, New York.

Present were: James Pierce, President/CEO; Sam Gullo, Vice-Chair; Dan Leuer, Secretary (joined the meeting at 2:32p.m.); Jeremy Satchell, Treasurer; Jim Brick, Director; Robin Marschilok and Jennifer Tyczka, Wyoming County IDA; and Evan Bussiere, Agency Counsel.

Absent: Rick Fish, Chairman

Guest: Rhonda MacLaughlin, Owner, Max's Bakery (left meeting at 2:55p.m.)

The Vice- Chairman called the meeting to order at 2:30 p.m.

2. Administrative

A. Review and approval of the Minutes from September 30, 2019

The Board reviewed and approved the minutes on a motion made by J. Satchell. The motion was seconded by J. Brick and unanimously approved.

B. Review and approval of Financial Report ending December 31, 2019 and January 31, 2020.

J. Satchell presented the financial reports for October - December 2019 and for January 2020. The Board then approved the financials on a motion made by J. Brick. The motion was seconded by D. Leuer and unanimously approved.

Pierce presented the Board with an annual report on investments. Pierce explained that it is a requirement to post the Board approved Investment Report on the PARIS reporting for the State. The Board approved the investment report on a motion made by J. Satchell. The motion was seconded by J. Brick and unanimously approved.

C. Authorization for executing letter of engagement with Freed Maxick for annual audit.

Pierce reviewed the proposed engagement letter from Freed Maxick for 2019's audit. Pierce was able to negotiate the cost of the audit with Kathryn Barrett from Freed Maxick and it was agreed to reduce the fee by 14% for the audit from \$9,275 down to \$8,000. The Board suggested the audit could be put out for bid to see if it there can be any further reduction in costs. S. Gullo stated that it would be good practice to look at other proposals for service every 4-5 years. After discussion Pierce asked the Board for authorization to sign the engagement letter for the auditing services from Freed for the 2019 Audit. The Board agreed and authorized Pierce to sign the engagement letter on a motion made by J. Satchell. The motion was seconded by D. Leuer and unanimously approved.

D. Authorization to execute a Memorandum of Understanding with the IDA for Admin Services.

Pierce then asked the Board for authorization to sign the annual MOU for Admin Services with the IDA. The WCBC would continue to pay the WCIDA \$20,000 for administration of the WCBC, paid Bi-annually. The Board agreed and authorized Pierce to sign the MOU on a motion made by J. Brick. The motion was seconded by J. Satchell and unanimously approved.

3. Action Items

A. A loan request from Max's Bakery for a retail bakery in Perry

Pierce then introduced Rhonda MacLaughlin, Owner of Max's Bakery. MacLaughlin is looking to purchase a building in Perry to remodel and make into a retail bakery shop. MacLaughlin stated she has been in the wholesale bakery business for 11 years in Fillmore, NY and would like to open the location in Perry as a retail location. She and her husband, Frank, are in the process of purchasing the building from the Village of Perry and they have a business plan to rehabilitate the 2 upstairs apartments to make rentable, reconstruct the down stairs to make a bakery/coffee shop and a canning area as well as fix up units in the back to rent out for storage. Frank would provide the labor and complete the needed rehabilitation and construction of the property. They estimate the construction phase to last 6-8 months and plan to open for business 2 months after the project is complete. MacLaughlin stated that there are other bakery's in the Village of Perry but they do not compete with the same menu items. Max's Bakery will specialize in fry cakes and other pastries as well as offer salt rising bread which will be processed in the current wholesale location. Pierce reminded MacLaughlin of a Main Street Grant that the Village has which may be available for Main Street Perry businesses to upgrade their facades. Sam Gullo also mention the Village also has a 50/50 Grant available to help with signage costs. MacLaughlin thanked the Board and then left the meeting at 2:55p.m.

Pierce reviewed the business loan assessment sent in by Brian Bieger. Pierce stated MacLaughlin is asking for a \$50,000 loan with the term of 84 months at a 2% interest rate with a 60-month balloon from the WCBC and has already been approved for \$50,000 from Community Bank. They estimate the cost for the Project to be \$80,000 and equipment and furnishing of \$17,000. The collateral for the loan would include a UCC filing on furniture, fixtures and equipment, Personal guarantee of Rhonda MacLaughlin as well as a lien on the residential property at 6211 Wiscoy Falls Road, Filmore. After discussion the Board made a motion to approve of the loan request for \$50,000 with the terms and security as stated above for Max's Bakery on a motion made by J. Satchell. The motion was seconded by J. Brick and unanimously carried.

B. Subordination request from West's Bookkeeping and the Bank of Castile

Pierce presented a request from Carrie West of West's Bookkeeping for the WCBC to agree to subordinate to the Bank of Castile as West's restructure loan debt and a mortgage. The Board discussed the request and agreed to take a subordinate position to the Bank of Castile on the mortgage on a motion made by D. Leuer. The motion was seconded by J. Brick and unanimously approved.

C. Authorization request for \$5,000 annual investment with Invest Buffalo Niagara.

Pierce asked the Board for authorization to continue an annual investment of \$5,000 to Invest Buffalo Niagara (IBN). Pierce stated that he felt the continuation with the \$5,000 investment is beneficial to the WCBC as IBN helps to market Wyoming County and bring in potential outside business interest. Pierce also informed the Board that he sits on the Board of IBN as well does our Counsel, Kevin Zanner. The Board approved the request on a motion made by J. Brick and seconded by J. Satchell. The motion was unanimously approved.

D. Authorization request for \$1,000 sponsorship of 2020 GLOW with Your Hands.

Pierce presented a request for authorization to once again sponsor GLOW with Your Hands. Last year's event held at the Genesee County Fair Grounds in Batavia was a huge success. There were 60 vendors, 4 from Wyoming County, whom participated and 800 students from 25 school districts attended. The plan is to do it again this September and extend the invitation to the 8th graders at Wyoming Central School. Pierce then showed a video of the 2019 event with Jay Lazarony, Executive Director of GLOW, speaking of the event's success. Pierce stated that Genesee County Agricultural Society has graciously agreed to host the program again and surrounding counties economic development organizations will also contribute to the costs as they did last year. The Board agreed to the \$1,000 sponsorship of the GLOW with Your Hands program on a motion by J. Satchell. The motion was seconded by D. Leuer and unanimously approved.

E. Authorization to support a Growth Venture Program (technical assistance) for newly established businesses.

Pierce informed the Board that there has been much success with the Fast Trac program to help businesses get started and there is a growing need for our local entrepreneurs and newly started businesses to have continued technical support. The Staff has been working with Jeff and Mike Fitch to develop a program to identify and provide the needed support. The program would run during the same weeks as the Fast Trac Training for three sessions and be facilitated by the Fitches. Pierce asked the Board for authorization to initiate the program and compensate Mike and Jeff for their time developing the program as well as teaching the classes. S. Gullo noted that it is important for young businesses to have the support and its critical to get the help they need for their business to survive. After discussion the Board authorized the program and compensation for each of the facilitators which includes \$200 per class and \$500 each for the time to develop the program on a motion made by J. Brick. The motion was seconded by J. Satchell and unanimously approved.

4. Updates

A. Micro-Loan Portfolio

1. Pierce first informed the Board that the Sands Restaurant loan closing is still pending.
2. Pierce stated that the Relax Salon and Spa loan closed on October 8th, 2019.
3. Pierce informed the Board that Majestic Hill Coffee Roasters are growing and are now ready for the remaining \$21,000 of the \$46,000 loan they had been awarded in 2018. Pierce stated that Brad Weber had only recently contacted him regarding this request and Pierce has asked for the financial statements from the business from 2018 and 2019 as that was a written prerequisite for drawing down the remaining loan funds.

B. FastTrac New Venture Class Update

Sam Gullo asked J. Tyczka to update the Board on the activities. Tyczka stated that this is the 10th year of the program and there was a recent article in the Batavia Daily about it. The Spring class starts March 3rd and runs through May 12th. There are 5 participants sign up for the Spring class. Tyczka has updated the Brochure and includes the Spring and Fall dates. There will once again be a Scholarship awarded to a High School or College student if interested in taking the class. The participating sponsors include Complete Payroll, R.D. Strassel, Bank of Castile, and new this year, Five Star Bank is giving a \$1,000 sponsorship. Heather Hoffmeister from Steuben Bank will be a speaker and there will be a sponsorship from Steuben Trust or Community Bank if a merger takes place.

Tyczka also told the Board that the Attica Hotel owners are using digital marketing to get their information out to the public. The Hotel owners were previous FastTrac students.

The FastTrac Program statistics include 85 businesses that have started up; 151 graduated students, 166 educated through the program and 160 jobs created or retained because of the program.

C. GLOW with their Hands event September 29th

Pierce updated the Board earlier in the meeting.

5. Discussion Item

A. Environmental Assessment Study on former Emkay property in Arcade.

Pierce updated the Board on the Emkay Property in Arcade and provided a map of the site in the meeting packet. The environmental study that was completed on the property has identified at least one area of concern of contaminates in the soil. The full Phase II Report should be ready by the end of this month. The next step would be to engage the EPA to see what remediation needs to take place and if DEC needs to get involved. D. Leuer asked what the long-term plans are for the site. Pierce stated that ideally if the property is identified as being a Brownfield Site then it would be attractive to developers whom specialize in Brownfield projects and receive significant incentives for remediating and redeveloping these sites. Pierce explained that a Brownfield site can be rezoned and developed into an apartment, multi-unit, senior housing or market rate assisted living. This site is 11 acres and would be ideal for a couple types of housing projects.

6. Other Business- None

7. Adjournment -Next Meeting

The next meeting has been scheduled for March 16th at 2:30p.m. There being no other business the meeting was adjourned at 4:07p.m. on a motion made by D. Leuer, seconded by J. Satchell and unanimously approved.