

Wyoming County Business Center, Inc.
Board Meeting Minutes
April 24, 2020

1. Call to Order

The WCBC, Inc Board of Directors met on April 24, 2020 at 10:00 a.m. Via Zoom Meeting.

Due to the current Coronavirus pandemic and the restrictions on public gatherings the meeting was recorded remotely and everyone attending did do so through Zoom Meeting while the public had the ability to watch and listen to the meeting through You-Tube.

The Chairman called the meeting to order at 10:00 a.m. and roll call was taken.

Present were: James Pierce, President/CEO; Rick Fish, Chairman; Sam Gullo, Vice-Chair; Dan Leuer,

Secretary; Jeremy Satchell, Treasurer; Jim Brick, Director; Robin Marschilok and Jennifer Tyczka, Wyoming County IDA; and Kevin Zanner, Agency Counsel.

Guest: Robert Napieralski, LaBella Associates, Brian Bieger, Underwriter; Scott Gardner Wyoming County Chamber

2. Administrative

A. Review and approval of the Minutes from Annual Meeting March 16, 2020

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

B. Review and approval of Financial Report for March 31, 2020.

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

3. Discussion Item

A. Environmental Assessment Report- Rob Napieralski, LaBella Associates

Pierce reminded the Board of the previous authorization to engage LaBella Associates to carry out an environmental study on the former Emkay property located on Church Street in the Village of Arcade. Pierce stated that the study is complete and a plan has been drafted by LaBella which has a cost of \$1.9 million to complete all the recommended items. Pierce then introduced Rob Napieralski to further report on LaBella's activities, findings and recommendations. Napieralski described the property as 10 ½ acres of derelict property with approximately 57,000 square feet of deteriorated buildings. LaBella was engaged in the project last year after the County had acquire a Court Ordered Temporary Incidence of Ownership (TIO) and authorized the WCBC North LLC to complete an environmental study on the property. LaBella completed a Phase I and a Phase II with two objectives. First, to determine the eligibility to be considered for a Brownfield Clean-up Program which requires findings of soil and ground water contaminants and reported documentation sent to NYSDEC. The second objective to collect enough site data, supplying a clean-up plan to

ready the site for demolition, remediation and redevelopment. After completing the Phase I study LaBella identified several areas of concern as the property was once used as a filling station and a dairy plant with potential for under-ground storage tanks, an oil house, and a paint house. The Phase II study was completed and sub-surface samples were collected and ground water monitoring found 4 underground tanks from 500 - 4,000 gallons with levels of petroleum above the standard allowed along with levels of lead, mercury and semi volatile chemicals also identified. The reports document friable and non-friable asbestos findings. Many of these findings exceed regulatory thresholds and the property would likely qualify for a Brownfield Clean-up Program. LaBella then developed a plan for site clean-up to included removal of storage tanks, a controlled demolition of the buildings, contaminated soil removal and replacement with clean cover soil in some areas. The plan includes recording of environmental easements, a site management plan and compliance with other requirements of the Brownfield Clean-up Program. The rough cost of the clean-up plan is \$1.9 million. Napieralski also recommends keeping the TIO open for any future activities that may be conducted at the site. The first step would be to confirm the Brownfield Clean-up Program eligibility and then move forward with RFP for request of interest from Developers and then go forward with an RFP for Redevelopment. Concurrently report findings of asbestos to the NYS Department of Labor and the EPA can conduct a removal action which would lighten a developer's load. Napieralski opened the floor to questions from the Board. The Board asked questions to clarify the report and the timing of the possible clean up. J. Pierce gave a brief history of how the County came into the position of the TIO. Napieralski answered a question regarding ground water possibly contaminating the nearby Cattaraugus Creek and indicated that since the NYSDEC cannot locate the owner it will be satisfied that the property can enter the Brownfield Clean-up Program. Pierce indicated that he has spoken to at least one brownfield developer and may have contact with possible other developers who could be interested in the site once the issues were identified. Pierce concluded that he is not obligating any further resources of the WCBC until we get further ahead with this project and do what LaBella is recommending. After discussion the Board agreed to move forward with the recommendations proposed in Napieralski's report on a motion made by S. Gullo. J. Satchell seconded the motion and it was unanimously carried. Pierce asked Napieralski to send over his bulleted points of recommendation to be included with the minutes. See "Schedule A" attached.

4. Action Item

A. Loan Request Datum Works, LLC – Nathan Hand, Portageville- Presented by Brian Bieger

Brian Bieger presented the loan request to the Board for Datum Works, owned by Nathan Hand. The business would specialize in software development for the manufacturing industry for CNC machines which manufacture high tolerance metal parts. Hand has asked for \$45,000 with terms of 84 months at 2%, with a balloon after 5 years of \$13,000. Hand attended Alfred College, has worked for 10 years in the machining business and currently works as a programmer for a machining company in Honeoye Falls. Hand plans to continue to work until he can comfortably live off of an owner draw from the business. The borrowed funds would be to cover the cost for a software package from Siemens used to develop CNC machine software customized to individual businesses as well as some start-up costs. Bieger stated that Hand's financial statement was good, he has a strong credit score and equity in his

personal residence of between \$10,000-50,000. The business plan for Datum Works shows an aggressive schedule with the projections to hire 2-4 employees within 3 years. Bieger explained that even if the business does not hit the projections the owner is in a good cash flow position and will be able to afford the payments on the loan. The negatives for this request include the owner continuing to work fulltime stretching his time too thin and property equity not being enough to cover loan if there should be a default. The positives are the owner's experience in the field, the owner's equity in the business of 20%, owner will continue to work until he can afford an owner's draw to live on and a strong credit score. Bieger concluded his report stating that he would recommend the loan with the terms discussed, using a personal guarantee, a security UCC filing on assets as collateral and a second position lien on his residence. After a brief discussion the Board moved to approve the loan request with the terms outlined above on a motion made by J. Brick. The motion was seconded by J. Satchell and unanimously carried.

5. Updates

A. Proposed Micro Loan Disaster Relief Program

Pierce reminded the Board of the decision to allocate \$100,000 for a Small Business Disaster Relief Program to provide emergency loan funds for businesses during the current Covid-19 crisis. Since our last meeting there have been several other programs initiated for small businesses such as the Federal Paycheck Protection Program (PPP) and the Emergency Injury Disaster Loan (EIDL) and the Coronavirus Aid, Relief, and Economic Security Act (CARES Act). With that in mind Pierce informed the Board that he has discussed with Brian Bieger and Jeremy Satchell the need the businesses will have once the pandemic bans lift and the businesses are ready to relaunch or start back up. Pierce suggested amending the disaster relief program into a relaunch program to help business restart. The Board then discussed in detail the potential program and agreed there will be a need to provide funds to boost local businesses. The Board agreed to allocate \$200,000 for loans with a minimum of \$1,000 up to \$10,000 to be used for inventory, rent, payroll, overhead and general operating expenses to help the current business re-start. Funds are not meant to start up a new business, we will accept a personal guarantee and the owner's word on what the funds will be used for. Specific language will be included to give the WCBC the ability to audit fund usage once the money is spent. The terms of the loans will remain the same as the original program commencing with no payments for 6 months, followed by principal only for the remainder of the first year and then a term loan up to 5 years at 2% for any remaining balance. There will be no application fee and the business must disclose other funding sources they have applied for or utilized. J. Brick moved to approve the amendment of the program to be a relaunch program as described above, J. Satchell seconded the motion. The motion was unanimously carried.

The Board discussed the need to fast track the loan requests for the relaunch program and agreed to assign J. Pierce, Brian Bieger and J. Satchell as a committee to review and determine the approval of the loan requests. The Board approved of the assigned loan committee on a motion made by D. Leuer. The motion was seconded by S. Gullo and unanimously approved.

B. Micro Loan Deferral

J. Pierce informed the Board that all the Micro-loan clients were offered the 6 months deferral have accepted with the exception of Spot Light Theatre, which is paying off its loan in June and The Attica Pharmacy which is still experiencing business as usual as an essential business. J. Tyczka added that Canaan's are still making a payment by direct deposit.

C. FastTrac New Venture Class Update

J. Pierce and J. Tyczka updated the Board on the activities stating that the program was put on hold and is scheduled to restart May 19, 2020. Tyczka added that if they are unable to restart in May the current class will be pushed to the fall.

Pierce stated that J. Tyczka is working on a grant application to ask for funds from the Wyoming Foundation to support the Business Accelerator Program scheduled to launch in the Spring of 2021.

6. Other Business- None

7. Adjournment -Next Meeting

The next meeting date will be determined as needed. There being no other business the Chairman adjourned the meeting at 11:32 a.m. by unanimous approval.

Minutes prepared by R. Marschilok

“Schedule A”



April 24, 2020

Mr. James Pierce WCBC North LLC 36 Center Street
Warsaw, NY 14569

RE: Former Emkay Trading Site – 58 Church Street, Arcade, NY Dear Mr. Pierce:

Pursuant to your request, below I have summarized LaBella’s recommendations for the next steps in your efforts to stimulate the private sector remediation and redevelopment of the above referenced site, as verbally presented in the Wyoming County Business Center (WCBC) Board meeting today:

1. Retain Temporary Incidents of Ownership (TIO) of the properties to enable future access for additional site visits, appraisals, etc. that may be necessary during this process;
2. Hold a pre-application meeting with the New York State Department of Environmental Conservation (NYSDEC) to verify LaBella’s opinion of the site’s eligibility for the Brownfield Cleanup Program (BCP);
3. After the NYSDEC meeting, determine your organization’s interest in submitting a BCP application for a formal eligibility determination that can provide more certainty to potential developers;
4. Initiate a Request for Proposals (RFP) process:
 - a. Start with a request for Expressions of Interest (EOIs) to gauge developer interest in the property;
 - b. Depending on the results of the EOI process, move forward with a more detailed RFP process or identify additional steps that may be necessary based on developer feedback from the EOI process; and
5. Concurrently with the steps listed above, submit the asbestos report prepared by LaBella in 2019 to the New York State Department of Labor (NYSDOL) with a request that the U.S. Environmental Protection Agency (EPA) conduct a removal action to address the friable asbestos that is commingled with the demolition debris on the site.

Thank you for the opportunity to assist with this project and please let me know how we can support WCBC North LLC during the implementation of these recommendations.

Respectfully submitted, LaBella Associates



Robert R. Napieralski, CPG Vice President

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