

**Griffiss Local Development Corporation
Board of Directors Meeting Minutes
584 Phoenix Drive, Rome NY 13441
November 19, 2020 - 4:00 p.m.**

Members Present: Franca Armstrong, Elis Delia, Debra Grogan, Erin Weiman, Mike Manuel, Dave Winberg, Jim Cusack, Frank Vetrone

Others Present: Mike Callan, Jennifer Waters, Steve DiMeo, Shawna Papale, Maureen Carney, Bill VanShufflin, Frank Sanzone

Mr. Delia called the meeting to order at 4:03 p.m.

Upon a motion by Mr. Vetrone, and seconded by Mr. Cusack, the board unanimously approved the minutes from the October 15th Board meeting. The minutes from the Executive Committee will need to be approved at the next Executive Committee Meeting.

Financials:

Ms. Carney presented the interim monthly financial statements. The PPP loan has been received and she has submitted the loan forgiveness application. The revenues are within 1% of the budget and expenses are within 1% of budget. Air City Phase 2 is expected to close by the end of the year.

Cares Act Application: As part of a EDA grant to MVEDD, there are available dollars through the CARES Act. GLDC is seeking to apply for a \$200,000 loan from this program to manage cash flow and cover the BAE building fit out as well as broker obligations. The loan is five-years with 0% interest years 0-1 and 2.4% interest years 2 – 5. **Upon a motion by Ms. Grogan, and seconded by Mr. Cusack, the board unanimously approved CARES Act application to MVEDD for \$200,000 as presented to the board subject to review by legal counsel.**

New Equipment Purchase: Mr. Sanzone presented the board with a product quotation for a new Bobcat 5600 that will be used to supplement existing equipment to clear sidewalks and trails in the winter and trail maintenance in the summer. The cost of the Bobcat is \$35,400 and the cost will be split between GPLA and GLDC, 75% to 25%. This equipment will be purchased off the GSA system for a significant reduced price. **Upon a motion by Mr. Vetrone and seconded by Ms. Grogan, the board unanimously approved the purchase of the Bobcat 5600 with a mx price of \$35,400 as presented to the board subject to review by legal counsel.**

Debt Repayment: Authorized staff is seeking approval from the GLDC Board of Directors to pay down debt totaling \$288,473 in fiscal year end 2020. The Finance Committee met and recommends this proposal. The total debt being paid has the highest impact on the 2021 operating budgets cash flow, totaling \$118,819 and will save GLDC a total of \$46,058 in interest payments over the next 7 years. In addition to this request, staff is also working on putting together a proposal for debt consolidation on certain debt that GLDC currently has. Staff feels that this is a good time to consolidate debt to take advantage of the low interest rates. **Upon a motion by Mr. Vetrone, and seconded by Ms. Armstrong,**

the board unanimously approved debt repayment as presented to the board subject to review by legal counsel.

Committee Reports:

Ethics Committee, Governance Committee, Audit Committee, Finance Committee, and Nominating Committee all met this past month.

The Audit Committee proposed entering into an engagement for the 2020 audit with D'Arcangelo & Co., LLP. There is an increase in fee of \$9,000. The previous fee was held flat for 5 years, but that contract has expired. The Committee noted that they believe it is the current fee for the value of services we are receiving. **Upon a motion by Ms. Grogan, and seconded by Mr. Manuele, the board unanimously approved entering into an engagement with D'Arcangelo & Co., LLP for the 2020 Audit.**

The Finance Committee presented the 2021 GLDC budget to the board. It is down 5% from 2020. It takes into account pending tenant vacancies and an increase in GLDC operating staff. **Upon a motion by Ms. Grogan, and seconded by Mr. Vetrone, the board unanimously approved the 2021 GLDC budget.**

The Nominating Committee proposed the election of Evan DeGennaro of NYSTEC to fill the vacancy in the Class of 2020. **Upon a motion by Ms. Armstrong, and seconded by Ms. Grogan, the board unanimously approved the appointment of Evan DeGennaro to the Class of 2020.**

New Business:

The staff services agreement between Mohawk Valley EDGE and GLDC was presented. It is for the same contract amount as 2020, some deliverables have been updated for pending projects that will be undertaken in 2021. The contract has also been reviewed by legal counsel.

On a motion by Ms. Grogan, and seconded by Mr. Vetrone, the board voted unanimously to approve the 2021 Staff Services Contract with Mohawk Valley EDGE.

The grounds maintenance agreement between Griffiss Park Landowners Association and GLDC was presented. It is an increased cost of 2%, some deliverables have been updated for pending projects that will be undertaken in 2021.

On a motion by Ms. Grogan, and seconded by Mr. Vetrone, the board voted unanimously to approve the 2021 Grounds Maintenance Agreement with Griffiss Park Landowners Association.

Vincent Holdings, LLC approached GLDC with a plan to rehabilitate the Building 302 site. The 1.742-acre parcel is located on the southwest corner of the intersection of Brooks Road/March Street, improved by a 11,850-square foot building. Building 302 has been vacant for many years and is not marketing in its current state. As such GLDC has not received any offers to purchase or develop Building 302. GLDC obtained verbal estimates to abate the asbestos and demolish the building which totals roughly \$400,000. An appraisal noted that the market value is \$128,000. As such, GLDC's cost to prepare the Building 302 property for construction would greatly exceed the value of the Building 302

property. Vincent Holdings' sole member, Vincent Ficchi, is a mechanical contractor, and said background allows Vincent Holdings to undertake the process of rehabilitating the Building 302 Property, which will begin with the asbestos abatement and other stabilization work. Vincent Holdings advised GLDC that it will thereafter fit out the Building 302 Property for one or more commercial tenants. The Project is intended to attract additional tenants to Griffiss, likely creating jobs, and will result in the Building 302 Property being placed back on the tax rolls. Thus, the Project furthers GLDC's purpose and mission and will result in an overall benefit to the community.

GLDC, in consideration of the foregoing, is proposing on moving forward in the following manner:

(1) GLDC will provide Vincent Holdings with a License Agreement with Option to Purchase. The License affords Vincent Holdings access to the Building 302 Property for purposes of completing the stabilization work within one (1) year.

(2) (i) Upon timely completion of the stabilization work, Vincent Holdings will be entitled to exercise its option to purchase.

(ii) If Vincent Holdings does not complete the stabilization work within a year, then GLDC may revoke the License and retain the benefits of the stabilization work completed by Vincent Holdings.

(3) Vincent Holdings will be granted an option to purchase the Building 302 Property for \$129,000.00, payable by a nonrefundable deposit of \$1,000.00, with the remaining balance of \$128,000.00 to be financed by GLDC through a Promissory Note and secured by a Mortgage. The financing terms offered by GLDC to Vincent Holdings obligate Vincent Holdings to develop the Building 302 Property so that it is open and ready to be leased to commercial tenants within two (2) years of closing.

(4) (i) If Vincent Holdings develops the Building 302 Property so that it is open and ready to be leased to commercial tenants within two (2) years of closing, then GLDC will forgive the \$128,000.00 Promissory Note and release its right to repurchase the Building 302 Property.

(ii) If Vincent Holdings does not successfully develop the Building 302 Property so that it is open and ready to be leased to commercial tenants within two (2) years of the date of closing, then GLDC may exercise its option to repurchase Building 302, by marking the \$128,000.00 Promissory Note satisfied and discharging the Mortgage.

GLDC is entering into this transaction, which is likely to result in the development of the Building 302 Property, which long sat vacant and deteriorated, because said transaction is (i) at no cost to GLDC; (ii) in furtherance of the purpose and mission of GLDC; (iii) attractive to new commercial tenants at Griffiss and may result in new local jobs; and (iv) a step toward placing the property back on the tax rolls. GLDC is utilizing forgivable incentive financing to ensure that Vincent Holdings completes the Project according to the terms and conditions offered by Vincent Holdings and agreed to by GLDC.

Upon a motion by Mr. Cusack, and seconded by Ms. Grogan, the board unanimously approved license agreement to Vincent Holdings as presented to the board subject to review by legal counsel.

There being no further business, the meeting was adjourned by consensus at 4:35 p.m.

Respectfully Submitted,
Jennifer Waters
Secretary