

IDA
ANNUAL MEETING
CONFERENCE ROOM
LAKE PLEASANT, NY
JANUARY 14, 2015

The meeting was called to order by Chairman Towers at 2:30 P.M. with the following members present:

Brian Towers, Chairman
William Farber, Vice Chairman
William Faro
Robin Morrison
Robert Peck
Tim Pine
James Bateman

Also Present:
Bill Osborne, Interim Executive Director
Laura Abrams, Secretary
Christy Wilt
Pete Klein, Press

Minutes:
Mr. Peck made a motion to accept the minutes of the September 4, 2014 and December 18, 2014 meetings. Seconded by Mr. Morrison. Carried.

Financial Report:
Mr. Osborne reviewed the 2014 financials. This is the information that the auditor will review. The auditor has scheduled their field work for the 5th& 6th of March. There is only one loan that is not current. Mr. Cooper is sending a check for \$200.00 from time to time.

Mr. Osborne stated that if any members want to see all of the detail behind these reports, he has it available.

Payment of Bills:
Christy stated that there are three mileage reimbursements to be paid today. She will be attending the Economic Development Conference on January 21, 2015 in Albany, NY. She will pay for the conference and submit for reimbursement.

James Bateman – Mileage	\$57.50
William Faro – Mileage	\$72.45
Robin Morrison – Mileage	\$34.50

Mr. Farber made a motion to pay the invoices as audited. Seconded by Mr. Pine. Carried.

Election of Officers:

Mr. Peck made a motion for the appointment of the following Officers, seconded by Mr. Morrison.

Chairman – Mr. Towers

Vice Chairman – Mr. Farber

Treasurer – Mr. Faro

Governance Committee – All Board Members

Motion carried.

The Chairman appointed the following members to the Audit Committee:

Mr. Peck

Mr. Pine

Mr. Bateman

Loan Application:

Mr. Osborne requested an Executive Session to discuss the personal finances of a loan applicant.

Mr. Pine made a motion to enter Executive Session to discuss the personal finances of a loan applicant. Seconded by Mr. Faro. Carried.

Motion to open session by Mr. Bateman, seconded by Mr. Pine. Carried.

The Chairman reported that while in Executive Session the Board discussed the specific finances of a loan applicant. No action was taken.

Mr. Osborne requested that the Board approve a loan to John and Ann Miller of Indian Lake, NY; they own and operate the Indian Lake Restaurant. The loan is for a new façade on the front of their building to improve the curb appeal, which will hopefully increase drive by business. Mr. Osborne stated that the loan would be for \$40,000 for 10 years at 2%. The IDA would have a third mortgage on the building; there is equity to more than collateralize the loan. Mr. Osborne recommended that it be a contingency that they have life insurance in the amount of \$40,000 or the balance of the loan, with the IDA as the beneficiary either with existing life insurance or a new policy. Mr. Osborne stated that there would be the usual contingencies, the UCC search, the title is clear, etc.

Mr. Peck asked if the IDA will be named as an additional insured on the insurance on the collateral. Mr. Osborne stated that would be standard.

Mr. Pine made a motion to approve a loan to John and Ann Miller in the amount of \$40,000 for 10 years at 2% with the stated contingencies. Seconded by Mr. Farber.

Mr. Bateman asked what the processing time is for a loan like this. Mr. Osborne stated that it is a straightforward loan, but we are at the mercy of the title search company. Mr. Osborne stated that if he had the title search he could probably get everything else done in two weeks.

Motion carried.

REDC Grant Application:

Mr. Osborne stated that we are beginning to substantially draw down the IDA's bank account; we have a couple of other loan applications that we know are coming in. He feels it would serve the IDA well to make application with this coming year's round of CFAs for another microenterprise or similar grant. In the past we have applied for +/- \$400,000 to be utilized to make small business loans throughout the County. We had some experience recently with a \$200,000 grant through the CFA process which was for the small grants that we gave to businesses throughout the County. His recommendation is that we not do that kind of an application, that we look at the type of program that we have had success with in the past which is a program that is a combination of loan and grant, where we have loan money then if the recipient meets all of the requirements of the loan for the first 80% of the term then the last 20% of the term is then converted to a grant and forgiven.

The Chairman stated that in the past we have done some programs that were directed in a particular direction like the program for the lodging upgrade, is there a need that we should be focused on? Mr. Osborne stated that Mr. Farber had a great idea last year and we put in an application which was not funded that was specific to fueling stations. Mr. Farber explained. The Board discussed the issues with the fuel stations in the County.

The Chairman asked when applications need to be in. Mr. Osborne stated sometime in June. Mr. Farber stated that he feels there is time to think it through; it is a good time to start talking about it. It is good to start to think about what our priorities are and whether we want to designate funding for some specific purpose or have it more a traditional microenterprise. People have argued that we should think about ways to focus on our existing businesses to a greater degree, the last application we made we targeted 51% new businesses, ultimately we had to go back and ask for latitude because we ended up finding that there was greater need among our existing businesses. We should also be thinking about how we would want to put the application together. Mr. Osborne pointed out that the County would have to apply and then the IDA administers it through a sub-recipient agreement with the County of Hamilton.

The Chairman stated that he would be in favor of putting an application together, let's give ourselves a little time to figure out what it is that we want to do. Mr. Osborne stated we have time, but the sooner the better. He will put in a pipeline notification, which lets them know an application is coming. Mr. Bateman asked, if we get the grant, when the money will become available to use. Mr. Farber stated that you probably won't be putting the money out the door until sometime in 2016.

Oak Mt. Property:

Christy handed out a list of ideas of how to sell the property on Novosel Way. Mr. Osborne stated that we had decided to discuss at this meeting, how we want to sell the property at Novosel Way.

Christy listed the ideas:

- hire an appraiser and list property via open listing with multiple realtors in the area
- list the property on Craigslist
- have an auction house sell it
- broaden our advertising reach

put for sale signs on the property
list with Want Ad Digest

The Chairman asked how the open listing would work. Christy stated that with an open listing some realtors will take it, some won't. You determine the commission and you would only be paying the one that brought the buyer. If you sell it yourself, you don't owe them anything.

Mr. Osborne stated that if we want to put a price on the property and list it with a realtor we will have to have a licensed appraiser come in and appraise the property. We are required to sell at fair market value. The Chairman asked what an appraisal would cost; Mr. Osborne stated about \$1,000-\$1,500.

Mr. Osborne stated we could list it on Craigslist the same way we advertised it; on such and such date bids have to be in. But we would get the broader reach of Craigslist. If we use an auction house we would want to make sure that the contract would allow us to reserve the right to reject any and all bids. He believes that if we don't sell, we would still owe the auction house some money for their services. Mr. Bateman asked if they do all of the advertising. It was stated yes.

The Chairman asked Christy where she sees the market for vacant land in Speculator. Christy stated that it takes a few years to sell. Mr. Osborne stated that there seems to be more interest in larger tracts.

The Board discussed placing for sale signs on the properties. If the signs are going to list a price there needs to be an appraisal. They could place for sale signs that just give a basic description of that particular lot and a phone number to see if it generates any interest. Mr. Osborne stated then it gets complicated, because when would the sale take place, is it going to be by sealed bids? If we are going to pay for an appraisal then we can put a price right on the sign and quote people a price. If we just have for sale and they call Christy, what does she tell them? The Board agreed that it would probably work better to put signs out if you have an appraisal. Mr. Farber stated that you could do it to generate interest during the ski season, and send them a bid packet and tell them the set date for the bid opening or auction. Mr. Osborne agreed it would be easy enough to do. The Board discussed moving forward with putting the signs on the property with information and a contact number. The Chairman stated that he doesn't have a problem with it but we need to know the date of the auction. Christy added that she did leave the properties on the website stating to be offered at a later date, the information is still up. The signs could direct people to the website for more information.

Mr. Faro asked if we want to set an auction date with a minimum bid of 80% of the assessed value. We did not have a minimum bid the last time. The Board discussed setting a minimum bid.

Mr. Farber suggested getting two prices from appraisers before the next meeting, so we know what we are talking about in terms of the cost to get it appraised. Then make a decision whether or not we think that there is that kind of value added. The Board agreed. Christy will get a couple of quotes.

Retirement:

Mr. Osborne stated that his second tenure here is going to end around the first of April. He has been working on a proposal on how to handle the Economic Director position going forward. That will be a co-proposal to the County and the IDA. In the interim Christy Wilt has shown an enormous amount of progress in this last year. He has been working with her and trying to expose her to more and more of

the role. He recommends that she attends the meeting next week in Albany. He will also recommend that she go to the weeklong basic economic development course that is given by the New York State Economic Development Council every June in Albany. Christy has indicated that she would like to attend. Christy is more than capable at this point in time of handling the vast majority of the administrative responsibilities. What he is looking for is how to provide a backstop and a pool of experience for Christy to draw on and the Board to draw on. If anyone has any suggestions please let him know. He believes right now there is not work load sufficient, where he could recommend to the County or the IDA that they should hire a full time experienced Economic Developer. Mr. Farber asked is there a way to contract to not only cover Mr. Osborne leaving but also for other value added items that outside entities could provide like doing grant applications that we would normally have to hire someone to do. Mr. Osborne stated yes, that is a possibility.

The Chairman asked Christy where she needs support. Christy stated with the programs. She is fine with the bookkeeping. She knows with applications and things what will probably work and what won't work, but basically she hasn't done any applications or been involved in any reporting. Mr. Farber stated that there are IDA programs that we don't administer and aren't involved in very often. The Board discussed programs that other IDAs are doing.

Christy asked if she had permission to attend the conference on the 21st. The Board stated yes, she has permission.

As there was no further business, motion to adjourn by Mr. Faro, seconded by Mr. Farber. Carried.