

**BINGHAMTON LOCAL DEVELOPMENT CORPORATION
REGULAR MEETING MINUTES
THURSDAY, MAY 28, 2020**

| ATTENDANCE | 2019 | | | | | | | 2020 | | | | |
|-------------------|------|------|------|-------|-------|-------|-------|------|------|------|------|------|
| | 7/27 | 8/22 | 9/26 | 10/24 | 11/14 | 11/25 | 12/19 | 1/21 | 2/27 | 3/26 | 4/23 | 5/28 |
| Directors | | | | | | | | | | | | |
| David , Rich | P | N/A | N/A | P | P | P | P | P | P | P | P | P |
| Berling, Juliet | P | N/A | N/A | EX | P | P | P | EX | P | P | P | P |
| Burns, Joe | N/A | N/A | N/A | N/A | N/A | N/A | N/A | P | P | EX | P | P |
| Frank, Kenneth | EX | N/A | N/A | P | P | P | P | P | P | P | P | P |
| Jacyna, Mary | P | N/A | N/A | P | P | P | P | EX | P | P | EX | P |
| Koffman, Betsy | P | N/A | N/A | P | EX | EX | P | P | EX | EX | P | P |
| Sall , Ron | P | N/A | N/A | P | P | EX | P | P | P | P | P | P |
| Saraceno, John | P | N/A | N/A | P | P | P | P | P | P | P | P | P |
| Shager, Chuck | EX | N/A | N/A | P | P | P | P | P | P | P | P | P |
| Smith, Art | P | N/A | N/A | P | P | P | P | P | P | P | P | P |
| Strawn, Philip | N/A | N/A | N/A | N/A | N/A | N/A | N/A | EX | P | P | EX | EX |
| Stromhaug, Per | P | N/A | N/A | P | P | P | P | P | EX | EX | P | EX |
| Staff | | | | | | | | | | | | |
| Joel Boyd | P | N/A | N/A | P | P | P | EX | P | P | P | P | P |
| Lesley Cornwall | P | N/A | N/A | P | P | P | EX | P | P | P | P | P |
| Other | | | | | | | | | | | | |
| Teresa Arington | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | P | P | P | P |
| Steve Carson | P | N/A | N/A | P | P | N/A | P | P | P | P | P | EX |
| Paul Nelson | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | P | P |

President Saraceno called the Regular Monthly Meeting to order at 9:07 AM.

APPROVAL OF THE MINUTES OF THE APRIL 23RD REGULAR MEETING

President Saraceno asked for a review of the April 23, 2020 Regular Meeting minutes. A. Smith motioned, C. Shager seconded and the minutes were approved (10-0-0).

PRESENTATION OF THE APRIL 2020 TREASURER REPORT

T. Arington reviewed the April financial reports beginning with the Restricted Account which had an end of month balance of \$1,091,872.74 with five loans. Borrower, Innovation in Imaging was one month behind at the point of the meeting. The UDAG Account had an end of month balance of \$943,381.95. In the month, four COVID-19 Emergency Small Business loans were executed: Newtab/Relief Pitcher, Matzo Industries, Kell Enterprises and Foam-It Insulation in addition to a payment to the

auditors. The Accounts Receivable Report indicated 22 loans; 142 Court Street, LLC was one month behind. For the month ended, the Unrestricted Account had a balance of \$5,370.83; the BLDC received reimbursement of \$158.82 from Northside Limited Partnership for payment of a 2019 water/sewer billing. There was no activity in the Broome Enterprise Triad account. The Mayor's Veterans Initiatives account had an ending balance of \$52,729.91. There was no activity in the Grant Account which had a balance of \$5,938.76. The Delinquent Loan Status report had the additions of Innovation in Imaging; 142 Court Street, LLC; and FDG Real Property/Syed Ali & Adam Ibrahim (paid subsequent to the issuance of the report). For the month, the delinquency percentage of all loans not designated as non-performing was 0.42%. J. Saraceno asked if there was an update on Mountain Fresh Dairy, K. Frank said he had none, the courts were still only operating on a very limited basis. T. Arington said new pages had been added to the monthly report to provide directors with the 8/31/19 audit budget figures and a fiscal year-to-date Statement of Net Position; Statement of Revenues, Expenses and Change in Net Position; and Cash Flow Statement (which indicated an increase of \$74,357.00 in cash since the end of the fiscal year). President Saraceno thanked T. Arington for the additional reports.

Old Business: none

New Business:

RESOLUTION 20-11: A RESOLUTION OF THE BINGHAMTON LOCAL DEVELOPMENT CORPORATION APPROVING A COMMERCIAL FAÇADE IMPROVEMENT PROGRAM LOAN TO THE GARLAND, LLC, IN AN AMOUNT NOT TO EXCEED FIFTY EIGHT THOUSAND, EIGHT HUNDRED SEVENTY-FIVE DOLLARS (\$58,875.00) FOR RENOVATIONS TO THE PROPERTY AND BUILDING AT 116 WASHINGTON STREET

President Saraceno introduced the Resolution and asked J. Boyd to provide details for the Board. J. Boyd said the loan was for façade work totaling \$78,500.00 on the landmark structure located at 116 Washington Street, work done by Mark Dozoretz of Landmark Builders who is a very capable mason, to replace grout using historically appropriate mortar mix, replace missing bricks with period-correct brick salvaged from 19th century structures, re-glaze windows, fix a 4th floor pergola and roof hatch, seal, prime and repaint; steam clean the entire exterior and seal masonry surfaces with a clear silicone sealer. President Saraceno said the borrower had very good credit and said the Finance Committee was very comfortable with approving the 10-year loan. Mayor David said it was exactly the type of loan that the BLDC should be doing. He said it was a property owner who had a long history in Binghamton. He said it was often difficult to get

business owners to focus on façades because they concentrated efforts on interior spaces and often did not have money left over to invest in the exterior, but facades are what people see when they come downtown. He said Garland Gallery was a long-standing business and that Sherry Eaton should be applauded for what she has done for the street. He said it was a great project as the City looks to make investments in the downtown, a great project to highlight to others. R. Sall asked if the full amount of the loan would be advanced at once or if the applicant would receive draws. Discussion ensued and K. Frank said that an invoice from the contractor would be required. C. Shager asked if half the money could be advanced and then the balance when the first half is completed. K. Frank said the BLDC would need to know the contractor's payment schedule and could advance monies as contractually required. A draw schedule will be incorporated in the loan agreement. President Saraceno asked for a motion to approve the resolution, Mayor David motioned, R. Sall seconded and the motion passed (10-0-0).

RESOLUTION 20-12: A RESOLUTION OF THE BOARD OF DIRECTORS OF THE BINGHAMTON LOCAL DEVELOPMENT CORPORATION (BLDC) APPROVING A 12 MONTH PERIOD OF INTEREST-ONLY LOAN PAYMENTS FOR TOM HAINES RENTAL, LLC, BEGINNING JUNE 2020.

President Saraceno introduced the Resolution, a request from Tom Haines to move his two loans to interest-only payments for a period of 12 months; he asked J. Boyd to provide an overview. J. Boyd said Mr. Haines' property at 196 State Street was a 19th century structure that houses three floors of university students who were members of a sorority. He said Haines had secured a BLDC loan two years prior to complete the 4th floor renovation and buildout. Now, a number of the tenants had approached Haines and asked for a 1/3 payment reduction for the first four months of the fall semester, their parents were not essential workers and had lost employment or been furloughed so this prompted Haines to ask for relief on his BLDC loan, he was concerned about retaining his tenants. Mr. Boyd said Haines has two loans, a Revolving Loan with principal and interest payments of \$1,628.66 and a Mini-Micro Loan of \$152.00. The resolution action would reduce Haines' monthly payment to a combined \$604.43 for one year. He said Tom Haines had undertaken several BLDC loans over the years and proven to be a solid borrower. President Saraceno said the Finance Committee had reviewed the loan and did not have any issues with it. He said the change would have the impact of extending the term of the loan for another twelve months, and would increase the interest paid on the loan. President Saraceno asked for a motion to approve. R. Sall motioned, Councilman Burns seconded and the motion was approved (10-0-0).

Mayor's Remarks:

Mayor David said he would give a number of updates on City projects beginning with the 7 Hawley Street parking ramp project. He said construction crews were finishing up a second month of work. The project was on time and slated to be completed by the end of the year if all went according to plan. He said foundation work was proceeding and that in the next week the contractor was expected to start pouring concrete. He said the site resembled an archaeological dig with a lot of work, equipment and personnel getting the foundation ready. He said the City was photographing the project every couple of weeks to chronicle progress. Obviously it was a very important project for Binghamton. As part of the process to secure the \$2.1 million state grant after the City received the award letter, but it had to submit substantial paperwork and undergo an additional approval from Empire State Development in NYC. That meeting took place the prior Thursday where the project was weighed against projects across the state. The outcome was positive and the City was waiting final documents for signatures. He said there were a lot of moving parts to the project, but the key was to keep them all going. He said the project was not affected by COVID-19 and the administration worked diligently with the State to keep it on track so that it did not get swept up in those construction projects that were put on hold when New York State on PAUSE was in effect. He thanked the City Hall team and BLDC for working to keep the project on track.

Concerning the 435 W. State Street Canal Plaza Project, Mayor David said there had been minimal impacts from COVID-19. Construction work was continuing on the interior, the façade was virtually complete except for with work on the balconies. He said the project was currently in the process of leasing out units, so a marketing and advertising campaign was underway with the Binghamton Housing Authority. He said there was considerable interest in the project and BHA was screening applicants to get them ready to occupy in September. The only delay in project was CHOW because the charity had been heavily involved in the response to COVID-19, so it was off to a late start. The Mayor said he was expecting to tour the facility sometime in the next few weeks to check on the progress of the buildout for the grocery store. He said the developer's obligation was to provide a vanilla box to the tenant, CHOW who was overseeing the grocery store buildout with CDBG money, State grant money and the BLDC's \$150,000 construction loan that was approved at the prior month's meeting. The store should open in September.

Mayor David said the Family Enrichment Homeless Housing Network project on the Northside was also concluding its second month, on track, most of the foundation and concrete work was in place. The project is supposed to be complete by mid-November. The contractor Frank Jones Construction is not having any issues so far.

Mayor David said the Opportunities for Broome project with the former abandoned apartment building at the corner of Liberty and Munsell Streets was a very visible structure from the highway as one enters or leaves the city. He said OFB was still on track to break ground with the project this coming fall. OFB is wrapping up their financial documents with the State.

He said the \$20 million, 115-unit market rate housing project at 191 Front Street near the corner of Front and Clinton Streets was going to the Planning Commission in June. In the course of the last several months the developer had submitted information and the Planning Department was learning more about the project.

Mayor David said the Binghamton Fire Department central station relocation project continues to move forward. He said an architect was on board for the first project meeting, he hoped to be making some announcements about the project soon. He said it was another great project for the City that would be located downtown. He reflected that a lot of the aforementioned projects had been in development for years and were starting to come to fruition.

Lastly, the Mayor said a news release had been sent that morning announcing the City would be working with restaurant and tavern owners to ease and streamline restrictions making it easier to expand outdoor seating arrangements. He said the City would be looking at all public property, not only sidewalks but streets, parking spaces, parking lots, public and private vacant spaces where applicable. He said the City would explore making investments to beautify some areas as we entered a new normal, a trend that cities large and small across the nation are beginning to embrace. He said he had dialoged with the State about streamlining processes with the State Liquor Authority for restaurants with outdoor seating. He said the State was working on its own plan to support the expansion of outdoors to make indoor dining areas less dense. He said the Governor spoke about density, that density is the enemy. He said the City wants to look at ways to move away from heavy concentrations indoors at bars and restaurants and to embrace the outdoors and what that means, so there are a lot of different possibilities, scenarios. The City had started putting together restaurant and tavern owners in every area of the city and would add to that group. He said the City welcomed creative ideas and plans from owners for their respective establishments and was exploring ideas to enhance the destination experience. He said there were a lot of creative things that other cities were doing and wanted to consider them and no matter what not get caught up in red tape. He said he wanted the BLDC to be aware of the initiative and said he might be providing further information and seeking input at future meetings.

There being no further business to come before the Board, President Saraceno asked for a motion to adjourn the meeting. C. Shager motioned, R. Sall seconded and the motion passed (10-0-0). The meeting ended at 9:39 AM.



Ron Sall, Secretary
Binghamton Local Development Corporation