



**GGLDC Board Meeting
Thursday, March 30, 2023**

**Location: 99 MedTech Drive, Innovation Zone
4:00 PM**

GGLDC MINUTES

Attendance

Board Members: T. Felton, S. Noble-Moag, C. Yunker, G. Torrey, P. Battaglia (Video Conference*), P. Zelif (Video Conference*), T. Bender (Video Conference*)
Staff: L. Farrell, M. Masse, J. Krencik, S. Hyde, P. Kennett, C. Suozzi
Guests: M. Gray (GCEDC Board Member), C. Kemp (GCEDC Board Member), M. Clattenburg (GCEDC Board Member), R. Gaenzle (Harris Beach/Video Conference), Reagan Kemp
Absent: D. Cunningham, J. Tretter

* Attending from physical location identified in meeting notice as open to the public.

1.0 Call to Order

T. Felton called the meeting to order at 5:06 p.m. in the Innovation Zone.

2.0 Chairman's Report and Activities

2.1 Upcoming Meetings:

Next Scheduled Board Meeting: Thursday, May 4th at 4:00 p.m.

Audit & Finance Committee Meeting: Tuesday, May 2nd at 8:30 a.m.

Governance & Nominating Committee Meeting: Thursday, May 4th at 3 p.m.

2.2 Agenda Additions/ Deletions/ Other Business – T. Felton noted that agenda item 4.4 should not require a vote.

2.3 Minutes: March 2, 2023

S. Noble-Moag made a motion to approve the March 2, 2023 minutes; the motion was seconded by G. Torrey. Roll call resulted as follows:

T. Felton -	Yes	J. Tretter -	Absent
D. Cunningham -	Absent	P. Battaglia -	Yes (Video Conference*)
C. Yunker -	Yes	T. Bender -	Yes (Video Conference*)
G. Torrey -	Yes	P. Zelif -	Yes (Video Conference*)
S. Noble-Moag -	Yes		

The item was approved as presented.

M. Gray left the meeting at 5:08 p.m.

3.0 Report of Management

3.1 Public Authorities Annual Report - The Annual Report was included with the Board materials as a separate attachment for review. The Annual Report is being brought forward for approval to be submitted into the PARIS reporting system. For 2022, the report includes grant information related to the Genesee CARES grant program as well as grants to Upstate Niagara Cooperative and HP Hood that were awarded by the Office of Community Renewal (OCR).

P. Battaglia made a motion to approve the submission of the Annual Report in the PARIS reporting system; the motion was seconded by P. Zelif. Roll call resulted as follows:

T. Felton -	Yes	J. Tretter -	Absent
D. Cunningham -	Absent	P. Battaglia -	Yes (Video Conference*)
C. Yunker -	Yes	T. Bender -	Yes (Video Conference*)
G. Torrey -	Yes	P. Zelif -	Yes (Video Conference*)
S. Noble-Moag -	Yes		

The item was approved as presented.

3.2 GLOW YMCA Healthy Living Campus Directed Investment/Grant - A cornerstone project for the Batavia Downtown Revitalization Initiative (DRI) which will spell new life for downtown Batavia is the \$33.5M "Healthy Living Project" which plans to offer a unique combination of health and wellness services through a strategic partnership formed by RRH-UMMC and the GLOW YMCA. The project, which has broken ground in our downtown core, plans to develop a two story, 78,000-square-foot regional health and wellness facility. The project site will integrate a new YMCA facility with state-of-the-art medical facilities as part of the Healthy Living Campus.

The GLOW YMCA portion of the project includes the demolition of the outdated nearly 50-year-old current YMCA and construction of a new fully featured 56,000-square-foot YMCA currently pegged at a capital investment of \$23M.

The \$23M project has an ambitious fundraising goal of some \$15.75M. The GCEDC also led the effort introducing YMCA CEO Rob Walker and team to professional consultants active in New Market Tax Credit (NMTC) fundraising which has yielded some \$3.3M in funding support with the remaining cost differential to be addressed with long-term debt financing which is structured and at a level that can be comfortably serviced within the long-term business case for the project.

At the same time, \$15.75M in fundraising (capital campaign) is very ambitious for a community our size. There currently remains the need to raise an additional \$1.15M to round out the capital campaign and fully fund the project without creating fiscal challenges to the business case.

The GGLDC board of directors is asked to consider a capital grant to the GLOW YMCA of \$100,000 from strategic investments to help support the project's capital costs and reduce the current funding gap. Approving a grant of this nature focused on facility construction and fit out has been confirmed by Harris Beach to be legally allowable as it is aligned with our authorized mission, purposes, and powers as discussed in executive session at our February Audit and Finance and Board meetings.

Rationale for considering approval of \$100,000 grant:

- **Project Scope and Scale:** This is a large > \$20M investment by the YMCA which is a cornerstone redevelopment project for downtown Batavia.
- **Project Leverage:** The Healthy Living Project plans to bring on average as many as 2,500 additional people to downtown Batavia daily. This manifests into considerable incremental spending downtown helping to directly benefit other downtown businesses.
- **Job Creation:** The project also plans to create 14 additional FTE employees over the next 5 years, which plays directly to our economic development mission.
- **Community Health and Wellness:** The Project will directly offer health and wellness services to members of the community thereby enabling a healthier community and workforce.
- **Reporting Requirements:** Verification that funding has been deposited in capital funding accounts for building construction and / or equipment purchases (YE23).

The reporting requirements will include verification that funding has been deposited in capital funding accounts for building construction and/or equipment purchases (YE23). Job creation reporting was removed and will not be required.

Staff Recommendation: Approval of \$100,000 capital grant subject to reporting requirements.

C. Yunker made a motion to approve the \$100,000 capital grant to the GLOW YMCA Healthy Living Campus Project subject to annual reporting requirements cited above; the motion was seconded by G. Torrey. Roll call resulted as follows:

T. Felton -	No	J. Tretter -	Absent
D. Cunningham -	Absent	P. Battaglia -	Yes (Video Conference*)
C. Yunker -	Yes	T. Bender -	Yes (Video Conference*)
G. Torrey -	Yes	P. Zeliff -	Yes (Video Conference*)
S. Noble-Moag -	Yes		

The item was approved as presented.

4.0 Audit & Finance Committee – D. Cunningham

4.1 12/31/22 Audit – T. Felton summarized the discussion that took place during the GGLDC Audit and Finance Committee meeting regarding the 12/31/22 audit. Jason Waite of Mostert, Manzanero & Scott, LLP reviewed the audit process with the Committee during Executive Session of the Audit & Finance Meeting. The Report to the Board of Directors states that no material weaknesses in internal controls were identified during the audit. It is their opinion that the audited financial statements present fairly, in all material respects, the financial position of the GGLDC as of December 31, 2022 in accordance with accounting principles generally accepted in the United States of America. T. Felton also noted that for this year’s audit, GASB 87 Leases was implemented. Additionally, audits were completed this year for the STAMP Water Works Corporation and the STAMP Sewer Works Corporation. These corporations are discretely presented component units on the GGLDC statements due to the GGLDC’s ultimate control over these entities. Lastly, a Single Audit was done for the GGLDC which included additional compliance testing for the Genesee CARES grant awards and other OCR projects. There were no findings.

This was recommended for approval by the Committee.

S. Noble-Moag made a motion to approve the 12/31/2022 Audit as presented; the motion was seconded by G. Torrey. Roll call resulted as follows:

T. Felton -	Yes	J. Tretter -	Absent
D. Cunningham -	Absent	P. Battaglia -	Yes (Video Conference*)
C. Yunker -	Yes	T. Bender -	Yes (Video Conference*)
G. Torrey -	Yes	P. Zelif -	Yes (Video Conference*)
S. Noble-Moag -	Yes		

The item was approved as presented.

4.2 Revised Right of First Refusal for Ag Park (CH4 Biogas) – Included with the meeting materials was a Right of First Refusal for a 20-acre parcel located at the Ag Park. The agreement states that CH4 Biogas, LLC will make a \$20,000 non-refundable deposit, which will be credited against the total purchase price at closing, if applicable. The term of the option will be for 12 months from the effective date of the agreement.

Fund Commitment: None.

Board Action Request: Recommend approval of the ROFR.

This item was recommended for approval by the Committee.

T. Felton made a motion to approve the Right of First Refusal with CH4 Biogas, LLC as presented; the motion was seconded by C. Yunker. Roll call resulted as follows:

T. Felton -	Yes	J. Tretter -	Absent
D. Cunningham -	Absent	P. Battaglia -	Yes (Video Conference*)
C. Yunker -	Yes	T. Bender -	Yes (Video Conference*)
G. Torrey -	Yes	P. Zelif -	Yes (Video Conference*)
S. Noble-Moag -	No		

The item was approved as presented.

4.3 Loan Application for J&R Fancher Property Holdings, LLC - J & R Fancher Property Holdings, LLC has applied for a \$200,000 loan from the GGLDC's Batavia Micropolitan Redevelopment Loan Fund. Attached is the project description and outline of the proposed use of funds.

J&R Fancher Property Holdings, LLC is currently constructing a mixed-use facility in Pembroke consisting of 6 market rate apartments and approximately 7,000 square feet of retail space.

The GGLDC is proposing to use Batavia Micropolitan Redevelopment Loan Fund funding in the amount of \$200,000 to provide a loan to the Company to cover cost escalations on the project. The term loan will have an interest rate of Prime with a floor of 3% per annum, to be readjusted annually, and will be amortized over a 10-year term which will include an interest only period during construction. The loan will be secured by a second position lien filing on the building as well as cross-corporate and personal guarantees from the owners.

Financing for the project includes equity, bank financing and a loan from the GGLDC's Batavia Micropolitan Redevelopment Loan Fund.

Fund Commitment: \$200,000 from GGLDC Batavia Micropolitan Redevelopment Loan Fund.

Committee Action Request: Recommend approval of \$200,000 loan to J & R Fancher Property Holdings, LLC at Prime Rate of interest, adjusted annually in January with a floor of 3%. This loan will also require personal and corporate guarantees as well as a second position in the building.

This item was recommended for approval by the Committee.

T. Felton made a motion to approve the loan to J&R Fancher Property Holdings, LLC as presented; the motion was seconded by T. Bender. Roll call resulted as follows:

T. Felton -	Yes	J. Tretter -	Absent
D. Cunningham -	Absent	P. Battaglia -	Yes (Video Conference*)
C. Yunker -	Yes	T. Bender -	Yes (Video Conference*)
G. Torrey -	Yes	P. Zelif -	Yes (Video Conference*)
S. Noble-Moag -	Yes		

The item was approved as presented.

4.4 Gateway II, LLC Lease Extension – The current lease with Gateway II, LLC expired 12/31/22. There was an automatic extension provision in the lease. Per the terms of the agreement, the lease was extended for five years.

4.5 Transfer Funds to STAMP Sewer Works Corp - The GGLDC had identified funds in the strategic investments account to transfer \$90,000 to the STAMP Sewer Works Corp. (SSWC) to cover potential legal expenses related to the easements for the force main.

Fund Commitment: Transfer \$90,000 to SSWC.

Board Action Request: Recommend approval of transfer of funds as listed above.

This item was recommended for approval by the Committee.

T. Felton made a motion to approve the transfer of funds in the amount of \$90,000 to the STAMP Sewer Works Corp with the terms of repayment (if allowable) to be determined on a future date; the motion was seconded by S. Noble-Moag. Roll call resulted as follows:

T. Felton -	Yes	J. Tretter -	Absent
D. Cunningham -	Absent	P. Battaglia -	Yes (Video Conference*)
C. Yunker -	Yes	T. Bender -	Yes (Video Conference*)
G. Torrey -	Yes	P. Zelif -	Yes (Video Conference*)
S. Noble-Moag -	Yes		

The item was approved as presented.

5.0 Governance & Nominating Committee – S. Noble-Moag

5.1 Nothing at this time.

6.0 Other Business

6.1 Nothing at this time.

7.0 Adjournment

As there was no further business, S. Noble-Moag made a motion to adjourn at 5:20 p.m., which was seconded by C. Yunker and passed unanimously.