

FINGER LAKES ECONOMIC DEVELOPMENT CENTER
1 Keuka Business Park, Suite 104
Penn Yan, NY 14527
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MINUTES OF THE REGULAR BOARD MEETING OF THE FINGER LAKES ECONOMIC DEVELOPMENT CENTER

September 20, 2017

FLEDC MEMBERS PRESENT: Gene Pierce
Jim Willson
Mark Morris
Kim Williams
Rita Gow
Jerry Hiller

FLEDC MEMBERS ABSENT: Mary Zelazny

STAFF: Steve Griffin
Steven Brown
Doreen Jensen

GUESTS: John Christensen
Tim Dennis

Chair G. Pierce called the meeting to order at 2:30 P.M.

Roll call was taken; a quorum was present.

A motion was made by J. Hiller and seconded by K. Williams to go into Executive Session at 2:31 P.M. to discuss a company's financials. Motion passed.

A motion was made by J. Willson and seconded by R. Gow to come out of Executive Session at 2:43 P.M. Motion passed.

There was no action taken in Executive Session.

MINUTES

A motion was made by M. Morris and seconded by R. Gow to approve the August 23, 2017 minutes as written. Motion passed.

AGENDA CHANGES

There were no agenda changes.

FINANCE COMMITTEE

D. Jensen reviewed the August financials and all bills to be paid. S. Griffin reviewed portions of the budget. We will have to approve the 2018 budget at our next meeting. The personnel committee needs to meet. *A motion was made by K. Williams and seconded by M. Morris to approve the August financials, and to pay all bills submitted as presented. Motion passed.*

Receivables and the loan reports were reviewed.

MANAGEMENT REPORT

The following updates were given to the Management Report:

S. Griffin reported about his meeting with Workforce. He went through different scenarios of individuals who might need assistance to see what would be available. Joe Davis from Workforce described the different benefits and amounts applicable to those scenarios.

There is nothing new on the DRI announcement. S. Griffin has no comment.

J. Hiller inquired about housing developments. S. Griffin replied there is nothing new to report.

S. Brown reported he is still working on loan projects.

S. Brown reported he should have the reimbursements from the Ag Loan reimbursements to finish the \$1,000,000 grant to Empire State Development by the end of the month.

S. Brown reported he is done working with food distributors for the Produce Auction in the short term. He has successfully connected to large industrial buyers from Rochester to the Produce Auction and both are now purchasing from the Auction. He will stay in touch as additional assistance may be needed for various standards required by target buyers.

OLD BUSINESS

There was none.

NEW BUSINESS

S. Brown reviewed the Hideaway on Seneca, LLC project. Total estimated project cost is \$2.8 million. Since the project will have benefits over \$100,000 we will have to hold a public hearing.

The following resolution was offered by Jerry Hiller, seconded by Rita Gow, to wit:

RESOLUTION AUTHORIZING THE CHIEF EXECUTIVE OFFICER OF YATES COUNTY INDUSTRIAL DEVELOPMENT AGENCY TO HOLD A PUBLIC HEARING REGARDING A PROPOSED PROJECT TO BE UNDERTAKEN FOR THE BENEFIT OF THE HIDEAWAY ON SENECA, LLC.

WHEREAS, Yates County Industrial Development Agency (the "Agency") is authorized and empowered by the provisions of Chapter 1030 of the 1969 Laws of New York, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended (the "Enabling Act") and Chapter 113 of the 1975 Laws of New York, as amended, constituting Section 893-b

of said General Municipal Law (said Chapter and the Enabling Act being hereinafter collectively referred to as the “Act”) to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of manufacturing, warehousing, research, commercial and industrial facilities, among others, for the purpose of promoting, attracting and developing economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York, to improve their prosperity and standard of living, and to prevent unemployment and economic deterioration; and

WHEREAS, to accomplish its stated purposes, the Agency is authorized and empowered under the Act to acquire, construct, reconstruct and install one or more “projects” (as defined in the Act), or to cause said projects to be acquired, constructed, reconstructed and installed, and to convey said projects or to lease said projects with the obligation to purchase; and

WHEREAS, Rainbow Cove Resort, LLC (the “Applicant”) has submitted an application (the “Application”) to the Agency, a copy of which Application is on file at the office of the Agency, which Application requested that the Agency consider undertaking a project (the “Project”) for the benefit of the The Hideaway on Seneca, LLC, a New York limited liability company to be formed by the Applicant (the “Company”), said Project consisting of the following: (A) (1) the acquisition of a parcel of land containing approximately 7.8 acres and located at 3482 Plum Point Road in the Town of Milo, Yates County, New York (the “Land”), together with the existing improvements located thereon containing in the aggregate approximately 22,000 square feet of space (the “Existing Facility”), (2) the renovation and reconstruction of the Existing Facility, (3) the construction of an addition to the Existing Facility to contain approximately 2,400 square feet of space (the “Addition”), (4) the construction of miscellaneous improvements on the Land, including yurts and bathhouses (collectively, the “Improvements”) (the Existing Facility, the Addition and the Improvements being collectively referred to as the “Facility”) and (5) the acquisition and installation therein and thereon of certain machinery and equipment (the “Equipment”) (the Land, the Facility and the Equipment hereinafter collectively referred to as the “Project Facility”), all of the foregoing to be owned and operated by the Company as a resort and restaurant facility and other directly and indirectly related activities; (B) the granting of certain “financial assistance” (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including potential exemptions from certain sales and use taxes, real property taxes, real estate transfer taxes and mortgage recording taxes (collectively, the “Financial Assistance”); and (C) the lease (with an obligation to purchase) or sale of the Project Facility to the Company or such other person as may be designated by the Company and agreed upon by the Agency; and

WHEREAS, pursuant to Section 859-a of the Act, prior to the Agency providing any “financial assistance” (as defined in the Act) of more than \$100,000 to any project, the Agency, among other things, must hold a public hearing pursuant to Section 859-a of the Act with respect to said project; and

WHEREAS, the Agency desires to provide for compliance with the provisions of Section 859-a of the Act with respect to the Project;

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF YATES COUNTY INDUSTRIAL DEVELOPMENT AGENCY, AS FOLLOWS:

Section 1. The Agency hereby authorizes the Chief Executive Officer of the Agency, after consultation with the members of the Agency and Agency Counsel, (A) to establish the time, date and place for a public hearing of the Agency to hear all persons interested in the Project (the “Public Hearing”); (B) to cause the Public Hearing to be held in a city, town or village where the Project Facility is or is to be located, and to cause notice of such Public Hearing to be given to the public by publishing a notice or notices of

such Public Hearing in a newspaper of general circulation available to the residents of the governmental units where the Project Facility is or is to be located, such notice or notices to comply with the requirements of Section 859-a of the Act; (C) to cause notice of the Public Hearing to be given to the chief executive officer of the county and of each city, town, village and school district in which the Project Facility is or is to be located to comply with the requirements of Section 859-a of the Act; (D) to conduct such Public Hearing; (E) to cause a report of the Public Hearing fairly summarizing the views presented at such Public Hearing (the "Report") to be prepared; and (F) to cause a copy of the Report to be made available to the members of the Agency.

Section 2. The Chairman, Vice Chairman and/or Chief Executive Officer of the Agency is hereby authorized and directed to distribute copies of this Resolution to the Company and to do such further things or perform such acts as may be necessary or convenient to implement the provisions of this Resolution.

Section 3. All action taken by the Chief Executive Officer of the Agency in connection with the Public Hearing with respect to the Project prior to the date of this Resolution is hereby ratified and confirmed.

Section 4. This Resolution shall take effect immediately.

The question of the adoption of the foregoing Resolution was duly put to a vote on roll call, which resulted as follows:

Gene Pierce	VOTING	Yes
Jerry Hiller	VOTING	Yes
Mary Ann Zelazny	VOTING	Absent
James Willson	VOTING	Yes
Mark Morris	VOTING	Yes
Rita Gow	VOTING	Yes
Dr. Kim Williams	VOTING	Yes

The foregoing Resolution was thereupon declared duly adopted.

STATE OF NEW YORK)
) SS.:
COUNTY OF YATES)

I, the undersigned (Assistant) Secretary of Yates County Industrial Development Agency (the “Agency”), DO HEREBY CERTIFY that I have compared the foregoing annexed extract of the minutes of the meeting of the members of the Agency, including the Resolution contained therein, held on September 20, 2017 with the original thereof on file in my office, and that the same is a true and correct copy of said original and of such Resolution contained therein and of the whole of said original so far as the same relates to the subject matters therein referred to.

I FURTHER CERTIFY that (A) all members of the Agency had due notice of said meeting; (B) said meeting was in all respects duly held; (C) pursuant to Article 7 of the Public Officers Law (the “Open Meetings Law”), said meeting was open to the general public, and due notice of the time and place of said meeting was duly given in accordance with such Open Meetings Law; and (D) there was a quorum of the members of the Agency present throughout said meeting.

I FURTHER CERTIFY that, as of the date hereof, the attached Resolution is in full force and effect and has not been amended, repealed or rescinded.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Agency this 20th day of September, 2017.

(Assistant) Secretary

(SEAL)

S. Brown reviewed the particulars of Hideaway on Seneca, LLC's loan request. They are requesting \$200,000 to purchase and upgrade the Rainbow Cove Resort on Seneca Lake into an upscale facility. This would be from the Small Cities loan fund at 3.4%. The loan would be for 15 years with a 10 year fixed interest rate. All equity owners and documents would need to be approved and signed personal guarantees are required. A UCC filing on all assets will be filed. The primary bank will hold life insurance on David Bunnell. The FLEDC loan would be subordinate to the bank. ***A motion was made by M. Morris and seconded by R. Gow to authorize the loan to Hideaway on Seneca, LLC for \$200,000 at 3.4% for 15 years with a ten year fixed interest rate. A UCC on all assets will be filed. All equity owners need to be approved and signed personal guarantees. The primary bank will hold life insurance on David Bunnell. The FLEDC loan would be subordinate to the bank. Motion passed with J. Willson abstaining.***

A motion was made by M. Morris and seconded by K. Williams to adjourn the meeting at 3:15 P.M. Motion passed.

Respectfully submitted,

Doreen J. Jensen