



ECONOMIC DEVELOPMENT CORPORATION

FINANCE COMMITTEE

Meeting Minutes

Friday, August 25, 2017 – 8:00 a.m.
20 Ontario St., Canandaigua, NY 14424
Office of Economic Development’s Conference Room

Board Members Present	Staff/Others Present
Karen Parkhurst, Chair	Michael Wojcik, CFO
Walt Matyjas	Mike Manikowski, Executive Director
Rob Sollenne, Vice Chair	Sue Vary, Economic Development Specialist
Board Members Excused	

Call to Order: Chairperson Karen Parkhurst called the meeting to order at 7:57 am. A quorum was present.

GENERAL BUSINESS:

Approval of June 25, 2017 Minutes: *Rob Sollenne made a motion to approve the June 25, 2017 minutes, seconded by Walt Matyjas. Unanimously carried.*

Construction Robotics, LLC Loan Request: Sue Vary began the discussion describing the project and its location. She continued to discuss the sources and uses of funds and that approximately half of the requested \$400,000 was needed immediately for necessary leasehold improvements and the remainder approximately 6 months later. Michael then began reviewing the projections compiled by both the management of Construction Robotics and those compiled by OCEDC staff. He indicated that the staff projections were significantly lower in their sales estimates than those of Construction Robotics’s management were. Walt observed that this was start-up without much history to generate solid projections. Michael Manikowski commented that group of engineers and investors behind this project are very well skilled in the area of robotics and that the Company already has product out in the field. Michael indicated that personal guarantees would be the backbone of this loan and that there were two owners with ownership above OCEDC’s policy of 20%. He further informed the committee that only one personal financial statement was submitted to the OCEDC and that the other one was forthcoming. Rob suggested that the loan be broke into two \$200,000 installments based on need with payments calculated on a 7 year/3.1875% rate and a balloon payment due four years from the initial installment. *Rob Sollenne moved to recommend to the Board that the a \$400,000 loan be granted to Construction Robotics, LLC as documented in the loan write-up with the following amendments; loan to be made in two equal installments based on need with payments calculated using a monthly 7 year term (84 months) and the greater of 3% or .75% of prime at time of closing with a balloon payment due at the end of four years (48 months). This was seconded by Walt Matyjas. Unanimously approved.*

Interest Rate adjustment for WAM Properties, LLC:

Michael informed the committee that the WAM Properties, LLC loan document has a rate review clause that is approaching in the next couple of months. He indicated that

the rate change was to made at the Board discretion and that no criteria was offered to calculate the new rate. Sue indicated that WAM has significantly exceeded their job creation goals. Michael further explained that all current loans that call for a rate review use the 'greater of 3% or .75% of prime' formula predominately used on all new loans made by the OCEDC. Walt asked what the rate would be using this formula. Michael indicated 3.1875%. *Rob Solenne moved to grandfather the interest rate on the WAM Properties, LLC loan at the existing 3% for the remainder of the 15-year term, seconded by Walt Matyjas. Unanimously, Carried.*

Adjournment: *Rob Solenne moved to adjourn at 8:57 am, seconded by Walt Matyjas. Unanimously approved.*

Respectfully submitted,

Michael Wojcik