



ECONOMIC DEVELOPMENT CORPORATION

FINANCE COMMITTEE

Meeting Minutes

**Friday, April 10, 2020 – 11:00 a.m.
20 Ontario St., Canandaigua, NY 14424
Office of Economic Development’s Conference Room
Zoom Meeting**

Board Members Present	Staff/Others Present
Karen Parkhurst, Chair	Michael Wojcik, CFO
Rob Sollenne, Vice Chair	Sue Vary, Economic Development Specialist
Walt Matyjas	Brigitte Larson, Staff
	Michael Manikowski, Economic Developer
Board Members Excused	Guests
	James Coniglio, Underberg & Kessler

Call to Order: Chair Karen Parkhurst called the meeting to order at 11:03 a.m. A quorum was present.

GENERAL BUSINESS:

Approval of January 31, 2020 Minutes: Karen Parkhurst presented the January 31, 2020 minutes for approval.

Rob Sollenne made a motion to approve the minutes of the January 31, 2020 meeting as presented, seconded by Walt Matyjas. Karen Parkhurst abstained. Motion carried.

Next Gen Building Components:

Suzanne Vary spoke about Next Gen Building Components, explaining that it was founded by Kate Morse in 2017. The business is located in Farmington and they make floor and roof trusses, and are also making wall trusses for multi-family building projects. Suzanne indicated that the Company is currently working with medical offices and low income housing and are not slowing down with the pandemic. The Company would like to convert a current storage building to be used for production. This would include adding restrooms and a conference room along with additional parking spaces. The Company is asking for OCEDC assistance in the amount of \$306,000. Sue also stated that the Company started with 12 employees yet currently has 52 FTEs and plans to add more.

Michael Wojcik went over the projections and collateral.

Walt Matyjas entered the meeting at 11:15 a.m.

The Committee discussed how the Company is progressing during the pandemic and what safety precautions are being taken.

Walt Matyjas made a motion to recommend approval to the Board contingent on the following:

- *The term of the \$306,000 loan requested to be 7 years (84 months) at 75% of prime at time of closing.*
- *Second security interest behind ESL on all assets except those identified specifically by leased equipment through other lenders. Rochester Lumber Company (RLC) currently has a perfected security interest in specifically identified assets along with a blanket on all other assets behind ESL and the note was paid in full in January 2020. This UCC should be transferred to the EDC.*
- *Interest payable to Wm. B. Morse Company accrued until the EDC debt is paid in full.*
- *Personal guarantee of sole owner, Katherine Morse, of the Company.*
- *Life insurance on sole owner, Katherine Morse, for the loan amount with the borrower responsible for all premiums and ensuring that the policy remains in force for the life of the loan. The insurance may be decreased during the life of the loan but never below the existing loan balance.*
- *Semi-annual (June and December) compiled statements or better due 30 days following the close of the month unless reviewed or audited financial statements are produced at year end, in which case, either a reviewed or audited financial report will fulfill the financial reporting requirement.*
- *Copy for federal tax return - Form 1120 if financial statements provided are compiled. No tax returns due if financial statements provided are reviewed or audited.*
- *Employment reporting due at the end of January and July of each year the loans are outstanding.*

Rob Sollenne seconded the motion. Unanimously approved. Motion carried.

Adjournment: *Walt Matyjas moved to adjourn at 11:43 a.m., seconded by Rob Sollenne. Unanimously approved. Motion carried.*

Respectfully submitted,

Brigitte Larson