



October 23, 2018, REDCO Board of Directors Meeting Minutes

Directors Present: Dale Trott, Sergio Esteban, Loretta Scott, Jennifer Berrios, Dana Miller, Baye Muhammad, Dale Young, Dick Mueller, Barbara Jones, Willie Lightfoot, Ruth Scott, Keith Cleary

Staff Present: Tim Curtin, Henry Fitts, Eric Van Dusen and Charis Phelps.

Guests Present: None

Secretary Present: Thaddeus S. Schofield

Baye' Muhammad called the meeting to order at 12:09 pm

- I. Baye Muhammad presented minutes from August 29, 2018 Board of Directors meeting. Sergio Esteban motioned to approve the minutes, seconded by Barbara Jones, and the minutes were unanimously approved.
- II. Review of Executive Committee Vote/Minutes Resolution. Baye Muhammad presented the September 25, 2018, Executive Committee vote. REDCO owns the facility at 55 Science Parkway and leased to Melles Griot. As the REDCO board was aware from prior meetings, Melles Griot will be leaving the facility at 55 Science Parkway on October 31, 2018. REDCO subsequently is in process of selling the facility to another organization named Mastodon Design. As the building will be empty and to protect the assets of REDCO and the building it owns prior to Mastodon Design acquiring the facility which is anticipated in December, 2018, it is required that REDCO accomplish the following:
 - 1) Execute an agreement with Melles Griot's maintenance staff to make regular visits and oversee the facility and continue its agreements during the time the building is vacant until the new owner occupies the facility.
 - 2) Form any new agreements that may involve snow plowing, security and/or other services to maintain the facility.
 - 3) Purchase adequate insurance for the property at 55 Science Parkway to protect REDCO's interests and the facility.

Due to the need to accomplish the above in a timely matter to protect REDCO's asset at 55 Science Parkway, the REDCO Executive Committee was requested to vote upon giving REDCO the ability to act upon the above mentioned items.



Each of the five REDCO Executive Committee voted and approved REDCO to execute the above mentioned items.

- III. 55 Science Parkway Update. Thad Schofield provided an update regarding the property REDCO owns at 55 Science Parkway. Melles Griot vacated the facility on September 30, 2018. The site is being maintained by Melles Griot maintenance staff until the new organization, Mastodon Design acquires the facility which is anticipated in November 2018.
- IV. Revitalize Rochester Fund/Catalytic Predevelopment Loans Update – Henry Fitts provided an update that work continues with banks to attract funding along with the application to New York State for potential Upstate Revitalization Initiative (URI) funding.

The Revitalize Rochester Fund (RRF) is a new funding initiative administered by REDCO. The RRF is a new funding initiative administered by the Rochester Economic Development Corporation (REDCO) and will deliver a data-driven and geographically targeted investment strategy aimed at reimagining Rochester's traditional commercial corridors. REDCO has partnered with the City of Rochester, New York State, local banks and private philanthropies for the fund.

The REDCO Catalytic Predevelopment fund will provide flexible, low-interest predevelopment loans to early stage real estate development projects focused on the revitalization of key commercial properties in targeted neighborhood corridors. Geographic targeting of the fund will be guided by the City's ongoing Commercial Corridor Market Study. The program is anticipated to launch in Spring 2019.

- V. Resolution – Bylaw amendment to add REDCO Revitalize Rochester Fund Committee. Henry Fitts presented the resolution discussing the need to form a Committee to provide recommendations to the REDCO Board for development projects utilizing the Revitalize Rochester Fund (RRF).

The purpose of the Revitalize Rochester Fund (RRF) Committee is to: (i) assist the REDCO Board in setting the strategic direction for RRF funding programs, (ii) assist the Board in fulfilling its oversight responsibilities with respect to the Corporation's lending and grant making via the RRF (iii) assist the Board in fulfilling its oversight responsibilities with respect to the Corporation's loan servicing operations with respect to the RRF and (iv) fulfill such other responsibilities as assigned to it by the Board.

The REDCO board shall appoint the RRF Committee members. Members shall serve on the committee at the discretion of the board. Members appointed to the committee shall have the background necessary to perform its duties.

The REDCO Board expressed their recommendations for the Committee that included: Reporting quarterly updates to the Board, establishing a quorum and recommendations to be approved by a majority vote.

The board also expressed concerns of having sufficient staff to successfully accomplish the goals of the RFF.

A motion was made to approve the resolution by Sergio Esteban, seconded by Dale Young and the resolution was unanimously approved.

- VI. Resolution – TWJ Rentals, LLC, involving a \$650,000 REDCO Revolving Loan request was presented by Thad Schofield for Horace Allen.

The project involves the borrower, TWJ Rentals, proposing to purchase the leasehold interest on 792-814 W. Main Street from Bullshead Associates, LLC in the amount of \$1.7 million. The original leasehold interest was with Rite Aid which in turn will be assumed by Walgreens. The project will assist in retaining 7 positions and is anticipated to create an additional 4 jobs.

Upstate Bank will provide a \$926,000 25 year term loan and the borrower will contribute \$124,000 in equity.

The request for the \$650,000 REDCO loan was to have a have a 10 year term with a 20 year amortization at 1% interest rate. The loan would be secured with a standby letter of credit from Upstate Bank.

A motion was made to approve the resolution by Sergio Esteban, and seconded by Loretta Scott, and the resolution was unanimously approved.

- VII. Other business

Thad Schofield provided a financial overview and current REDCO loans. Afterwards, discussed regularly scheduled REDCO Board meetings for the upcoming year and discussed potential future SBA 504 loan opportunities. Lastly, discussed the upcoming Authority Budget Office report due 90 days after REDCO's fiscal year end.

The meeting was adjourned on 1:38.

ATTEST:



Thaddeus S. Schofield, REDCO Secretary