



March 22, 2012 REDCO Board of Directors Meetings Minutes

Directors Present: Carlos Carballada; Sergio Esteban; Bret Garwood; Jim Genthner; Barbara Jones; Dick Mueller; David Rodriguez; Brian Roulin; Julio Vazquez; Lovely Warren;

Staff Present: Karen Altman; Don Crumb; Esq.; Susan Holt;

Guest Present: Laura Landers, Freed Maxick & Battaglia, LLP CPA's

Secretary Present: David J. Balestiere

Carlos Carballada called the meeting to order at 12:15 p.m.

I. Approval of Minutes:

Julio Vazquez motioned to approve the September 26, 2011 REDCO Board of Directors minutes, seconded by Lovely Warren, and the minutes were unanimously approved.

II. February 14, 2012 Executive Committee Report

David Balestiere presented this report.

On February 14, 2012, the REDCO Executive Committee approved a resolution which authorizes REDCO to enter into a license agreement with the City of Rochester for the facility which REDCO owns located at 448 Smith Street. REDCO purchased this building in 2008 to assist the City in the stabilization of the Rochester Rhinos soccer stadium. The facility is currently utilized by the Rochester Rhinos soccer team and does not have locker rooms. The City has procured funds from NYS to build new locker room/shower facilities in the building and plans to start construction as soon as possible. The license agreement will allow the City to begin the work on the locker rooms.

III. March 16, 2012 Executive Committee Report

David Balestiere presented this report.

On March 16, 2012, the REDCO Executive Committee approved a resolution which authorizes REDCO to enter into a lease agreement with the City of Rochester for the facility which REDCO owns located at 448 Smith Street. REDCO purchased this building in 2008 to assist the City in the stabilization of the Rochester Rhinos soccer stadium. Since that time, REDCO has absorbed all of the operating expenses of the building with no rental income to offset these expenses. The new lease will obligate the City to pay these expenses.

IV. Presentation: REDCO September 30, 2011 FYE Audited Financial Statements/ Letter to Board of Directors

Laura Landers of Freed Maxick & Battaglia, LLP presented these reports.



Ms. Landers first reviewed the financial statements for the FYE 9/30/11. Ms. Landers also reviewed the report to the Board of Directors (management letter) which contained no findings.

V. Resolution – El Pilon Criolo Corp. or Entity to be Formed– SBA 504 Loan

Karen Altman presented this loan request. The Directors reviewed a request for a \$100,000 SBA 504 loan (\$103,000 debenture amount).

El Pilon Criolo Corp (EPCC) is a Hispanic restaurant located at 1038 N. Clinton Avenue. The business was founded in 2008 by Christian and Librata Brown. Ms. Brown is now the sole owner of the business. The restaurant is located in 650 square feet of leased space. To support future growth, the business will be constructing a 1500 sq ft building at 969-971 N. Clinton Avenue, located at the corner of N. Clinton Avenue and Flower St.

The loan request is for \$100,000. The total project cost is \$255,400. Upstate National Bank will fund the construction of the building with a \$225,000 construction loan. Permanent financing for the entire project will be: Upstate National Bank \$125,000 first mortgage loan; \$100,000 SBA 504 loan and \$30,400 in equity. The SBA 504 loan will be secured by (a) \$100,000 second mortgage and second assignment of leases and rents on the real estate located at 969-971 N. Clinton Avenue (b) personal guarantee of Librata Brown (c) corporate guarantee of EPCC if a separate real estate holding company is formed.

Lovely Warren motioned to approve the resolution, seconded by Bret Garwood, and the resolution was unanimously approved.

VI . Presentation 9/30/11 REDCO NYS Authority Budget Office Reports

David Balestiere presented this report.

Under the NYS Public Authorities Reform Act, REDCO is required to file a number of reports to the NYS Authority Budget Office. These reports must first be reviewed by the Board. The reports include: Annual Report, Budget Report, Procurement Report, Investment Report, and Certified Financial Audit, and Performance Measurement report. Each of these reports was reviewed with the Board.

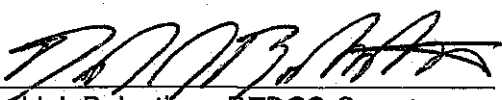
VII. Other Business

David Balestiere discussed four other items of business:

1. New Authority Budget Office Committees: REDCO is required under the NYS Public Authorities Reform Act to create three committees: Audit, Finance, Governance. The requirements of these committees were discussed and the Directors were asked to volunteer for these committees.
2. Additional Authority Budget Office policies: the Directors were informed that REDCO needs to adopt additional policies to comply with the NYS Public Authorities Reform Act: Whistleblower, Annual Board Evaluation, Code of Ethics. These policies will be created and brought to the Board for approval.
3. Monthly Financial statements; the distribution of monthly REDCO financial statements to the Board was discussed, but no decision was made on this matter.
4. Two open board positions: the Directors were asked to submit candidates to fill the two current openings on the REDCO Board.

The meeting was adjourned at 2:38 p.m.

ATTEST:


David J. Balestiere, REDCO Secretary