

Wayne County IDA
Minutes – June 24, 2011
Regular Board Meeting

The regular board meeting of the Wayne County IDA was called to order at 9:35 a.m. on June 24th, 2011, by Chairman David Spickerman. The meeting was held at 16 William Street, Lyons. Members present: David Spickerman, James Hoffman, Robert Havrilla and Marvin Decker. Also present: Ora Rothfuss, Ag Dev. Specialist; and P. Churchill, D. Richards, J. VanDusen and M. Leisenring.

On motion of Mr. Decker, seconded by Mr. Hoffman and carried the minutes of 5/24/2011 and 6/3/2011 were approved.

Ora Rothfuss, Ag Dev. Specialist with the Wayne County Planning Dept., was present to discuss a potential project at Cracker Box Palace. After discussion it was the consensus of the Board that even though they support the Cracker Box Palace project, at this time funding of the site readiness study would not be promoting industrial/commercial development. Mr. Rothfuss thanked the Board for their time and left the meeting.

Kim and Joseph Collier d/b/a Alpine Bakery – Payment Moratorium

Whereas, Alpine Bakery borrowed \$25,000 from the Wayne County Micro Loan Program on January 26, 2004 that now has loan balance of \$20,633.86; and

Whereas, the loan payments and collateral were re-structured on February 20, 2009 after the bakery was closed; and

Whereas, the loan is adequately collateralized and is current on its payments and all payments have been made timely since the restructure; and

Whereas, Joseph is now on unpaid medical leave and they have requested that WCIDA waive the payments due June – September 2011 and add them at the maturity of the loan on December 1, 2013; be it therefore

Resolved, that WCIDA waives the loan payments due June 1, 2011 through September 1, 2011.

Moved: Mr. Havrilla Seconded: Mr. Decker
Ayes: Messrs. Havrilla, Decker, Hoffman, Spickerman
Nays: None

Mark Taylor - Restructure Loan Approval

Whereas, Mark Taylor requested and on May 24, 2011 was approved for a \$300,000 Revolving Loan Fund Loan as part of his \$2.4 million project to purchase the assets and real property of Skyline North; and

Whereas, the WCIDA funds were designated to be part of the asset purchase; and

Whereas, a SBA 504 Loan was approved as part of the financing package based on WCIDA funds being allocated \$140,000 towards the real estate purchase and \$160,000 towards the purchase of the business assets; and

Whereas such an allocation will lower the amount of loan payments required and will improve the WCIDA's direct collateral position; therefore be it

Resolved, that WCIDA approves the following restructure of its original loan approval:

	Original	Proposed	
	Asset Only	Asset	Real Estate
Amount	\$300,000	\$160,000	\$140,000
Purpose	Asset Purchase	Asset Purchase	Real Estate Purchase
Term	Seven Years	Seven Years	Twenty Years
Rate	P+1%, adjusted quarterly	P+1%, adjusted quarterly	P+1%, adjusted every 5 years
Collateral	2 nd Lien	2 nd Lien	3 rd Mortgage
Guarantees	Mark Taylor Real Estate Company	Mark Taylor Real Estate Company	Mark Taylor Shayla Taylor Operating Company
Collateral to secure Guaranty	3 rd mortgage real estate	3 rd mortgage real estate	2 nd Lien
Life Insurance	\$300,000	\$300,000	\$300,000
Other	Seller Subordination	Seller Subordination	

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Moved: Mr. Havrilla Seconded: Mr. Decker
Ayes: Mr. Havrilla, Mr. Decker, Mr. Hoffman, Mr. Spickerman
Nays: None

Optimax/Maxpro, LLC – Appraisal Update

Whereas, Maxpro, LLC (Optimax Systems, Inc.) was approved for a \$300,000 Revolving Loan on May 13, 2011 with the “as completed” value of the facility based on estimated costs at \$4,400,000; and

Whereas, the actual “as completed” value per the appraisal completed as of May 5, 2011 is \$3,600,000; and

Whereas, there is now insufficient value to fully secure the WCIDA loan; and

Whereas, the original approval acknowledged that the WCIDA collateral position, as in other project structures, would be marginal; and

Whereas, this weakness is offset by the company’s strong historic financial performance, traditional cash flow levels and management; be it therefore

Resolved, that WCIDA reaffirms its approval of May 13, 2011

Moved: Mr. Havrilla Seconded: Mr. Hoffman
Ayes: Messrs. Havrilla, Hoffman, Spickerman, Decker
Nays: None

A resolution regarding marketing/support for Newark-Wayne will be considered at the next meeting.

Maxpro, LLC – Amend Commitment

Whereas, Maxpro, LLC was approved for a \$300,000 Revolving Loan on May 13, 2011 with a loan rate of the Prime Rate adjusted quarterly; and

Whereas, discussions with the company included the choice of the quarterly adjustable or five year adjustable pricing; and

Whereas, the company now desires the five year adjustable rate option in order that both the WCIDA loan and M & T Bank loan both re-price at five year intervals; be it therefore

Resolved, that WCIDA amend the original approval to provide for a rate of interest of the Prime Rate, fixed at the time of closing, adjusted at the fifth anniversary of the loan to the then existing Prime Rate fixed for the second five years.

Moved: Mr. Decker Seconded: Mr. Hoffman
Ayes: Messrs. Decker, Hoffman, Spickerman, Havrilla
Nays: None

Ms. Churchill informed the board that Refractron Technology Corp. is not pursuing their PILOT at this time.

Ms. Churchill informed the board that she had attended a meeting the Genesee Transportation Council held regarding a freight transit study.

Mr. VanDusen updated the board on recent B,R,and E visits.

On motion of Mr. Havrilla, seconded by Mr. Decker and carried to approve a loan to grant not to exceed \$8,000.00 for Modern Manufacturing Services for moving expenses and machinery set-up in a building in Wayne County, contingent upon acceptance of the purchase offer on the building; with the requirement to maintain a level of employment for five years and to not leave the county for five years.

Mr. VanDusen updated the board on the international trade conference he recently attended at Genesee Community College.

Ms. Leisenring and Mr. Richards informed the board that an accounting firm had been chosen to perform quarterly reviews and other requirements as approved at a previous meeting.

There being no further business, the meeting adjourned at 11:02 a.m.

Respectfully submitted,

Marvin Decker
Secretary

