

Transcript of NCIDA Telephonic Board Meeting
7/1/2020
9:00 a.m.

Present:

Mark A. Onesi, Chairman
Jerald I. Wolfgang, Vice Chairman
William Ross
Robert Cliffe
Clifford Scott
Mary Lynn Candella
Jason Krempa

Excused:

Kevin McCabe
Scott Brydges

Agency Staff:

Susan C. Langdon
Michael Dudley
Caroline Caruso
Dmitri Liadski
Roxanne Morgan

Agency Counsel:

Mark Gabriele

Roxanne Morgan: Mr. Onesi (answered "here")
Mr. Wolfgang: (answered "here")
Mr. McCabe (absent)
Mr. Ross – (answered "here")
Ms. Candella (answered "here")
Mr. Cliffe (answered "here")
Mr. Brydges (absent)
Mr. Scott (answered "here")
Mr. Krempa (answered "here")

Mark Onesi: Okay, it's not on the agenda, but we should mention those here with us beside the Board Members.

Susan Langdon: We have some staff here. Dmitri Liadski, Mike Dudley, Carrie Caruso and Roxanne Jim Fink from Business First and a representative of the Buffalo News are also on the line.

Mark Onesi: 4.0 approval of meeting transcript. No questions? I need a motion to approve the transcript from the June 10, 2020 Board Meeting.

Bob Cliffe: So moved

William Ross: Ross second.

Mark Onesi: All in favor

Everyone: Aye

Mr. Onesi: All opposed

No one opposed.

Mark Onesi: Alright, carried. The transcript is accepted. The Finance & Audit Committee reports will wait till the August meeting. This will give Mike Dudley time to put it all together. 6.0 Unfinished Business, Buffalo Fuel Corporation, Dmitri.

Dmitri Liadski: A public hearing was held on June 25 for the Buffalo Fuel Corporation. There were no comments made so we are moving toward a final resolution.

Mark Onesi: Are there any questions or comments? I need a motion to put it before a vote.

William Ross: Motion Ross

Mark Onesi: Do I have a second?

Jason Krempa: Jason Krempa second.

Mark Onesi: Thank you, Roll Call.

Roxanne Morgan: Mr. Onesi (answered "yes")

Mr. Wolfgang (answered "yes")

Mr. Ross – (answered "yes")

Ms. Candella (answered "yes")

Mr. Cliffe (answered "yes")

Mr. Scott (answered "yes")

Mr. Krempa (answered "yes")

Mark Onesi: Thank you motion carried. 6.2 Barge Brewing Company, LLC, Mark.

Mark Gabriele: Thank you Mr. Chairman as the Board may recall this matter was a loan matter with our EDA revolving loan fund. This matter was approved in the fall of 2019 with a commitment date to close in February of 2020. We reached out to the company on a number of occasions since then. Among other things they entered into a contract for sale on a piece of property for \$200,000. I went through it with Elizabeth Kraus some of the conditions and obviously they were to get the property first. Our money was not supposed to be used for the property, but nevertheless, we are now here in July and we

have reserved this \$200,000 that has been sitting here for 9 months, more than 9 months. I don't see this moving quickly as I mentioned to the Loan Committee last week. I am asking the Board permission to send a "Time is of the Essence" letter to the company providing them with 7 business days on which to provide all documentation to close the loan or the loan will be terminated. That money could be used other places. Before we go on could you please mute your phones when you are not speaking? We are getting a lot of background noise. What I need is a roll call vote. I am asking to send a "Time is of the Essence" letter.

Mark Onesi: I need a motion

Jerry Wolfgang: So moved.

Mark Onesi: Second.

Cliffe Scott: Second

Mark Onesi: Thank you, Roll Call vote please.

Roxanne Morgan: Mr. Onesi (answered "yes")

Mr. Wolfgang (answered "yes")

Mr. Ross – (answered "yes")

Ms. Candella (answered "yes")

Mr. Cliffe (answered "yes")

Mr. Scott (answered "yes")

Mr. Krempa (answered "yes")

Mark Onesi: Thank you, carried. 6.3 Sexual Harassment Training.

Mark Gabriele: Thank you, as the Board recalls Board Members need to abide by the required Sexual Harassment Training on an annual basis. Carrie from the Agency will be contacting each of you with the options available to complete your training. For those of you who do not know, sometimes the training varies entity to entity. It is very possible that you have taken this training with a different entity; however, that may not satisfy your requirements with the Agency. I just wanted to have an informational item out there and let you know that you will be contacted by Carrie soon. Every member is obligated to do this.

Mark Onesi: By what date?

Mark Gabriele: I don't know off the top of my head. Carrie, are you on the line?

Caroline Caruso: Yes I am. I believe last year it was October 1st. We have time to get it done. I am working to get the program running. I hope to get the emails regarding training out by the end of July.

William Ross: Mark, I have a question on it. Some of us are on multiple committees. I take it for Community College, I take it for Ort's Office and now I have to take it for the IDA? I know that they do differ because what I took out of Ort's Office was different from the College, but I have certificates for both of them. Is there any validity in those certificates? Not that I don't have the time to take another one. I'm really going to be well versed in sexual harassment.

Mark Onesi: I used my ECCC one last year because it's State authorized.

Caroline Caruso: As long as it meets the requirements, you can just provide proof.

William Ross: That answers that question, thank you.

Mark Onesi: New Business 7.1 LSNY Holdings, LLC

Dmitri Liadski: Thank you Mr. Chairman, LSNY Holdings is in the City of Niagara Falls and they are applying for a 10 year PILOT as well as sales tax exemption. This project is the acquisition and re-purposing of a vacant church and two houses across the street into the Museum of Art and Culture for Kashmir, as well as residential space for visiting artists. This Museum will contain 600 original paintings, etchings, drawings and artifacts; the largest collection of Kashmiri art outside of Kashmir. There are also plans for residents to engage in art and cultural clinics with the local community, with possible partnerships with the Rapids Theater, Niagara Arts and Cultural Center and Niagara University. The total project cost is \$2 million dollars and it should be noted for the Board that this project is in a distressed census tract location, thank you.

Clifford Scott: Have we gotten any feedback from the historical society on this property? Are there any issues or requirements to their standard to move this project forward?

Mark Gabriele: If I could jump in Sue. Normally on a project like this part of our requirements that they abide by and are in compliance with all local, State and Federal guidelines and ordinances. We don't get involved in that. What we normally do is it will be a condition for approval for all our benefits. If there is an issue with a government ordinance then that would preclude the transfer of benefits and we would not go through with it.

Clifford Scott: That sounds good.

Mark Onesi: Are there any other questions?

Jason Krempa: Do we know if this is a profit or not-for-profit project.

Mark Garbrielle: I believe it is a for profit.

Susan Langdon: The property exemption is for profit, but eventually a not-for-profit is going to run part of the operation. I believe the housing for visiting artists will eventually be run as a not-for-profit.

Mark Onesi: Any other questions? Can I have a motion to accept the application?

Clifford Scott: So moved Scott

Mark Onesi: Do I have a second?

Jerald Wolfgang: Second, Jerry Wolfgang

Mark Onesi: Thank you, do I need a roll call vote Mark?

Mark Gabrielle: No, we don't need one for the acceptance of the application. You can just take a vote and mark down the no's, but we will need a roll call for the authorization of a public hearing.

Mark Onesi: All in favor?

Everyone: Aye.

Mark Onesi: All opposed? Motion carried, thank you. Motion for the public hearing? Do we have a date?

Mark Gabriele: I believe the date will be July 29, 2020.

Mark Onesi: Do I have a motion to accept that public hearing date? Then I'll need a roll call vote.

Robert Cliffe: So moved.

Clifford Scott: Second, Scott.

Mark Onesi: Roll Call vote.

Roxanne Morgan: Mr. Onesi (answered "yes")

Mr. Wolfgang (answered "yes")

Mr. Ross – (answered "yes")

Ms. Candella (answered "yes")

Mr. Cliffe (answered "yes")

Mr. Scott (answered "yes")

Mr. Krempa (answered "yes")

Mark Onesi: Thank you, carried. 7.2 The HUD Fund Management Plan Amendment, Mr. Gabriele.

Mark Gabriele: Thank you Mr. Chairman. We are amending the Management Plan to mirror the Master Plan amendment that we passed at our last meeting for the EDA Loan Fund. What it is allowing us to do is use those funds for the HELP Loans that we are talking about at this time. This will allow us that same temporary ability to move forward with the extreme high volume of HELP loan applications that we received. Of course I will give you an update as to not just what's on the agenda individually, but also an overall view of what we have done so far when we get to 7.5. What we are asking for right now is the approval of the Management Plan Amendment, which is identical to the Master Plan Amendment that we passed last week.

Mark Onesi: Do we need to vote on that?

Mark Gabriele: Roll Call vote.

Mark Onesi: I need a motion to put this before the Board first.

Jason Krempa: So moved, Krempa

Mark Onesi: Do I have a second?

William Ross: Second, Ross.

Mark Onesi: I would just like to say that Jason ran a really good meeting yesterday and we got a lot done. Roll Call vote please.

Roxanne Morgan: Mr. Onesi (answered "yes")

Mr. Wolfgang (answered "yes")

Mr. Ross – (answered "yes")

Ms. Candella (answered "yes")

Mr. Cliffe (answered "yes")

Mr. Scott (answered "yes")

Mr. Krempa (answered "yes")

Mark Onesi: Thank you, 7.3 Micro Grant Applications, Dmitri and Jason.

Jason Krempa: Do you want me to give the run down on these.

Susan Langdon: Yes, if you don't mind Jason.

Jason Krempa: Initially we got a \$25,000 grant request that was recommended at Micro Grant Committee for Calhoon's Pub of Newfane. Morgan Calhoon is I believe the third generation owner of Calhoons. She is looking for some grant money to renovate the Pub/Restaurant. On page three you can see the use of the funds will be \$17,000 for equipment, \$1,550 for inventory, \$6,450 for working capital and she will be injecting \$8,000 of personal equity making it a total of \$33,000. I would ask that we confirm the grant request.

William Ross: So moved.

Mark Onesi: Do I have a second?

Jason Krempa: Second.

Mark Onesi: Thank you, roll call.

Roxanne Morgan: Mr. Onesi (answered "yes")

Mr. Wolfgang (answered "yes")

Mr. Ross – (answered "yes")

Ms. Candella (answered "yes")

Mr. Cliffe (answered "yes")

Mr. Scott (answered "yes")

Mr. Krempa (answered "yes")

Mark Onesi: Thank you, 7.3.2 Brewed & Bottled, LLC, Jason.

Jason Krempa: Brewed and Bottled, LLC is a craft beer shop both to consume and to purchase on Center Street in Lewiston. They are moving down the street and are asking for a \$25,000 grant to assist with

the new location. We have recommended \$19,140 for equipment, furnishings & fixtures and \$5,860 for inventory. The owners are putting in \$14,900 for a total budget of \$39,940. There was a lot of positive discussion in committee with the way Mr. Budde runs his establishment. With that I like you to confirm our recommendation.

Mark Onesi: I need a motion.

Jerald Wolfgang: I motion, Wolfgang.

Mark Onesi: I need a second.

Robert Cliffe: I second, Bob Cliffe.

Mark Onesi: Thank you, roll call.

Roxanne Morgan: Mr. Onesi (answered "yes")
Mr. Wolfgang (answered "yes")
Mr. Ross – (answered "yes")
Ms. Candella (answered "yes")
Mr. Cliffe (answered "yes")
Mr. Scott (answered "yes")
Mr. Krempa (answered "yes")

Mark Onesi: Thank you, motion carried. 7.4 NCDCC Revolving Loan Request. Dmitri, this was approved by Loan Grant Committee.

Dmitri Liadski: Yes, this would be a startup for a microbrewery and winery. With a loan request of \$200,000. This money will be spent on a new 7 barrel brewing system as well as other equipment and accessories. I will defer to Mr. Krempa for any more details.

Jason Krempa: We have two individuals that own the business, Jennifer Raymond and Robert Pepperday. They are effectively looking to get some support and financing. If you look at the write up I believe Elizabeth Kraus did a great job of summarizing the request. There is a building purchase, equipment, inventory, the NCDCC is coming in with \$200,000 in financing. I believe that this is a really nice project and Mr. Pepperday and Ms. Raymond have gone through all the requirements to get the financing and I would recommend that we move ahead and help them out with our loan program.

Mark Onesi: Any questions? I need a motion to put it to a vote

William Ross: Moved, Ross.

Jason Krempa: Second.

Mark Onesi: Roll Call.

Roxanne Morgan: Mr. Onesi (answered "yes")
Mr. Wolfgang (answered "yes")
Mr. Ross – (answered "yes")

Ms. Candella (answered "yes")

Mr. Cliffe (answered "yes")

Mr. Scott (answered "yes")

Mr. Krempa (answered "yes")

Mark Onesi: Thank you, motion carried. 7.5 HELP loan requests. We have a bunch of people in need of help. We had a good discussion at the Loan Committee. Mark you want to walk us through it.

Clifford Scott: What is the acronym for HELP?

Susan Langdon: Hospitality Emergency Loan Program.

Mark Gabriele: Thank you Mr. Chairman, this will take a little bit of time and it's a little bit different that we take a little time to get into it. The essence of the program is loans to the hospitality and hotel industry that were affected by the Corona virus and are taking a beating. Especially this industry that is so heavily dependent on the summer tourist season not just affected by the COVID, but the closing of the border. The hotel industry in Niagara County has basically been devastated and we are trying to help them out. What we are utilizing now is certain balances in our RLF as well as EDA. RLF we have reached out to both groups and there is no issue. Our underwriters have confirmed that we have the ability to make those changes, which we have done and have sent out the applications for HELP to confirm it would be a 1.5 % interest rate, with interest only payments for 12 months with a payback of a 48 month amortization after that. So that would be the standard for all these HELP loans in question. Keeping in mind that the amount of the HELP loan will be determined by a 1.2% of what they paid in taxes or PILOT payments in 2019; therefore, that is basically how we came up with the loan amounts. It is to be used for real property taxes first, followed by operational costs. We believe that will also help the tax jurisdictions that have also been affected by these issues going forward. Finally as an overview there are a number of conditions on there. Not only the payment of the 2019 taxes, there also has to be proof of the 2020 City, County or Town taxes that are applicable. COVID didn't really hit the area until mid-March while that was after the fact of when the taxes should have been paid. That won't help them with that, but it will help with them with the payment of 2020/21 school tax as well as 2021 City/County or Town taxes that are applicable. Upon payment it will be a requirement that they provide the agency within 30 days of the date that they are to provide the agency with a receipt of payment. If not that will be a form of default which would trigger an increase in the rate and a response to immediately pay back the loan amount. We think it's a great program for everyone. We have had an enormous response of 21 applications. The agency and my office have been very busy. We understand that the majority if not all of these groups looking for these loans have been a successful hotel prior to this. We are looking at general security interest, but we are not looking for a personal guaranty. Instead of a full blown underwriting review, however at Jason's request we reached out to our Underwriters and are providing a quick review of credit for the companies and each individual shareholders over 15%. We have put in minimums of 650 FICOS score and or we obviously look at their credit history and their payment of taxes and or PILOTS during this period of time. We were able to receive credit authorizations. I would like to ask the Board if they have any questions before tackling each individual one. I won't get into a great amount of detail. I don't think they need a lot of detail, but there will be one or two that need your attention as we go forward. Any questions?

Jason Krempa: It's not a question, just a comment. Your office and the IDA have put together a program that is very beneficial in a short amount of time and got a bunch of applicants to come in and jump on this program. I just think the work that everyone did building something from scratch was

pretty impressive and should be commended/pat on the back or however you want to word it. I just think you guys did a bang up job putting together something so quick.

Mark Onesi: Thank you for those nice comments.

Mark Gabriele: Just to let everyone know we will need a roll call vote unfortunately for each one of these. Again, the first group there are no issues with credit reports or issues from the Committee we will let you know, but the Committee has recommended each of these loan applications subject to a review of the credit history and tax and PILOT reports. With that in mind we will start with **Neelkanth**. They requesting the loan amount of \$64,667. They are update with their taxes and their credit score both personal and corporate has no issues and I believe we can move forward with that.

Mark Onesi: Do we need motions.

Mark Gabriele: Yes, if I may ask that Bill Ross motion and Jerry Wolfgang second each time that way we don't have to worry who is going to do it.

William Ross: That's fine.

Mark Onesi: I need a motion to put Neelkanth to a vote.

William Ross: So moved, Ross

Jerald Wolfgang: Second.

Mark Onesi: Thank you, roll call.

Roxanne Morgan: Mr. Onesi (answered "yes")

Mr. Wolfgang (answered "yes")

Mr. Ross – (answered "yes")

Ms. Candella (answered "yes")

Mr. Cliffe (answered "yes")

Mr. Scott (answered "yes")

Mr. Krempa (answered "yes")

Mark Onesi: Thank you, carried.

Mark Gabriele: Before I move on to 7.2 I would like to mention that Jason Krempa may have to abstain on a couple of these just because of a potential of doing work with one or two of these groups. He had to abstain in the Committee meeting as well. Okay, the next is the REHC1 Inc., dba Hampton Inn. They are requesting a loan of \$165,913. There are no issues with the payment of taxes or PILOTS and they had significantly good credit reports for both the company and individuals. I would recommend that we move forward with it.

William Ross: So moved, Ross

Jerald Wolfgang: Second.

Mark Onesi: Thank you, roll call vote.

Roxanne Morgan: Mr. Onesi (answered "yes")
Mr. Wolfgang (answered "yes")
Mr. Ross – (answered "yes")
Ms. Candella (answered "yes")
Mr. Cliffe (answered "yes")
Mr. Scott (answered "yes")
Mr. Krempa (answered "yes")

Mark Onesi: Thank you, carried. 7.3

Mark Gabriele: Thank you, the next is the Falls Hotel. It is located at 6501 Niagara Falls Blvd. The loan amount is \$81,440. A review of their application shows that all their taxes and PILOT payments have been paid. One of their principles has a credit score over our 650 threshold, so we would like to move forward with this as well.

Mark Onesi: Are there any questions?

William Ross: So moved, Ross

Jerald Wolfgang: Second.

Mark Onesi: Thank you, roll call vote.

Roxanne Morgan: Mr. Onesi (answered "yes")
Mr. Wolfgang (answered "yes")
Mr. Ross – (answered "yes")
Ms. Candella (answered "yes")
Mr. Cliffe (answered "yes")
Mr. Scott (answered "yes")
Mr. Krempa (answered "abstain")

Mark Onesi: Thank you, carried. 7.4 HH310

Mark Gabriele: HH310 is the Hyatt Place downtown Niagara Falls located at 310 Rainbow Blvd. There is a HELP loan application amount of \$121,171. This group is owned by the Hamister group and their subsidiaries. Their credit score was not an issue in the 93 percentile. We recommend that this be moved forward.

Mark Onesi: Any questions? I need a motion.

William Ross: So moved, Ross

Jerald Wolfgang: Second.

Mark Onesi: Thank you, roll call vote.

Roxanne Morgan: Mr. Onesi (answered "yes")

Mr. Wolfgang (answered "yes")
Mr. Ross – (answered "yes")
Ms. Candella (answered "yes")
Mr. Cliffe (answered "yes")
Mr. Scott (answered "yes")
Mr. Krempa (answered "abstain")

Mark Onesi: Thank you, carried. 7.5 Diverse Development.

Mark Gabriele: The next two are located in the Town of Wheatfield. Diverse Development is located at 2760 Niagara Falls Blvd., Niagara Falls mailing address, also known as the Stay Inn and Suites. There is a HELP loan application in the amount of \$51,830. The sole owner has a credit score of 744 and there is no issues with the payment of taxes. We would like to move this forward.

Mark Onesi: Any questions? I need a motion.

William Ross: So moved, Ross

Jerald Wolfgang: Second.

Mark Onesi: Thank you, roll call vote.

Roxanne Morgan: Mr. Onesi (answered "yes")
Mr. Wolfgang (answered "yes")
Mr. Ross – (answered "yes")
Ms. Candella (answered "yes")
Mr. Cliffe (answered "yes")
Mr. Scott (answered "yes")
Mr. Krempa (answered "yes")

Mark Onesi: Thank you, carried. 7.6 Galloping Falls Corp.

Mark Gabriele: Galloping Falls in a hotel located in the Town of Wheatfield at 2754 Niagara Falls Blvd. They are looking for a loan of \$25,064. The credit score for the sole principle is deemed to be very good credit and we have no issues with the payment of taxes. We would like to recommend that this move forward.

Mark Onesi: Any questions?

Robert Cliffe: When you look at the picture it looks like the same picture as Diverse.

Susan Langdon: Sorry Bob, I noticed that too. I forgot to change to picture when I moved forward.

Mark Gabriele: They are two totally different SBL #'s.

Susan Langdon: No, Dmitri just told me that is the correct picture. They are just side by side.

Robert Cliffe: I thought so, I believe they only have one office.

William Ross: So moved, Ross

Jerald Wolfgang: Second.

Mark Onesi: Thank you, roll call vote.

Roxanne Morgan: Mr. Onesi (answered "yes")

Mr. Wolfgang (answered "yes")

Mr. Ross – (answered "yes")

Ms. Candella (answered "yes")

Mr. Cliffe (answered "yes")

Mr. Scott (answered "yes")

Mr. Krempa (answered "yes")

Mark Onesi: Thank you, carried. Mark the next one.

Mark Gabriele: The next one is 7.7 Lewiston Hotel located at 280 Portage Road, in the Village of Lewiston. They are requesting the HELP loan in the amount of \$23,699. The credit score is no issue. It is above the limit at 697 just below 700. Doesn't appear to be any issues in regards to the financial score for the corporation as well. All their 2019 taxes have been paid and as far as the 2020 they are getting proof that the County, City, and Town as well.

Mark Onesi: Any questions? I need a motion.

William Ross: So moved, Ross

Jerald Wolfgang: Second.

Mark Onesi: Thank you, roll call vote.

Roxanne Morgan: Mr. Onesi (answered "yes")

Mr. Wolfgang (answered "yes")

Mr. Ross – (answered "yes")

Ms. Candella (answered "yes")

Mr. Cliffe (answered "yes")

Mr. Scott (answered "yes")

Mr. Krempa (answered "yes")

Mark Onesi: Thank you, carried. 7.8 Kalika Hotel.

Mark Gabriele: Thank you Mr. Chairman. The Kalika Hotel is located at 795 Rainbow Blvd., Niagara Falls. If I might state that this is where from this point forward we did not get credit reports back due to the late movement on this. All motions will be conditioned on an acceptable credit report being returned. So we don't have to repeat ourselves all the way through. We are preparing those reports and if for some reason it is under the threshold, we will hold it and wait for one month and ask for confirmation one way or another at that time even if approved today. The Kalika doesn't seem to have

an issue. They are located at 795 Rainbow Blvd. They have made their 2019 taxes or PILOT payments and are asking for a HELP loan of \$70,518.

Mark Onesi: Any questions? I need a motion.

William Ross: So moved, Ross

Jerald Wolfgang: Second.

Mark Onesi: Thank you, roll call vote.

Roxanne Morgan: Mr. Onesi (answered "yes")

Mr. Wolfgang (answered "yes")

Mr. Ross – (answered "yes")

Ms. Candella (answered "yes")

Mr. Cliffe (answered "yes")

Mr. Scott (answered "yes")

Mr. Krempa (answered "abstain")

Mark Onesi: Thank you, carried. Kabir Group, Inc. 7.9

Mark Gabriele: I'm going to ask that we switch Kabir Group with Sai Lodging. The reason for it is that part of the money we will be using is EDA money and part HUD. Everything up to this point has been EDA loan funds and Kabir is HUD funds, so I'm going to skip to Sai Lodging, which will be EDA loan funds and that will complete our EDA loan fund requests. Sai Lodging is located at 643 Rainbow Blvd., Niagara Falls. We are in receipt of their proof of payment of their 2019 taxes and they will be subject to proof of their 2020 City, County, and Town taxes. They are requesting a loan of \$74,035 upon the proof of an acceptable credit report.

Mark Onesi: Any questions? I need a motion.

William Ross: So moved, Ross

Jerald Wolfgang: Second.

Mark Onesi: Thank you, roll call vote.

Roxanne Morgan: Mr. Onesi (answered "yes")

Mr. Wolfgang (answered "yes")

Mr. Ross – (answered "yes")

Ms. Candella (answered "yes")

Mr. Cliffe (answered "yes")

Mr. Scott (answered "yes")

Mr. Krempa (answered "yes")

Mark Onesi: Thank you, carried. 7.9 Kabir Group

Mark Gabriele: Thank you Mark. The next 6 loans will be earmarked for the HUD Revolving Loan Fund. The first being the Kabir Group Inc., which is located at 6734 Niagara Falls Blvd. Proof of the 2019 taxes has been provided and will be condition on proof of the 2020 as well as an acceptable credit score of the individuals and company. They are requesting \$39,053.

Mark Onesi: Any questions? I need a motion.

William Ross: So moved, Ross

Jerald Wolfgang: Second.

Mark Onesi: Thank you, roll call vote.

Roxanne Morgan: Mr. Onesi (answered "yes")
Mr. Wolfgang (answered "yes")
Mr. Ross – (answered "yes")
Ms. Candella (answered "yes")
Mr. Cliffe (answered "yes")
Mr. Scott (answered "yes")
Mr. Krempa (answered "yes")

Mark Onesi: Thank you, carried. 7.11 Deva Development

Mark Gabriele: 7.11 Deva Development is in the Town of Wheatfield and located at 2821 Niagara Falls Blvd., Niagara Falls. Proof of the payment of their 2019 taxes has been provided. Again, it would be subject to an acceptable credit report and proof of payment of their 2020 City, County, Town taxes. They are requesting a loan in the amount of 39,322.

Mark Onesi: Any questions? I need a motion.

William Ross: So moved, Ross

Jerald Wolfgang: Second.

Mark Onesi: Thank you, roll call vote.

Roxanne Morgan: Mr. Onesi (answered "yes")
Mr. Wolfgang (answered "yes")
Mr. Ross – (answered "yes")
Ms. Candella (answered "yes")
Mr. Cliffe (answered "yes")
Mr. Scott (answered "yes")
Mr. Krempa (answered "yes")

Mark Onesi: Thank you, carried. 7.12 Jai Devi

Mark Gabriele: Thank you, Jai Devi, this may be where we hit a bump in the road. Jai Devi is a hotel located at 6508 Buffalo Ave., Niagara Falls. It is off to the right as you come down the Grand Island

Bridge. It was originally a nursing home. Although I do not have a credit report I spoke with Elizabeth Kraus. The principle credit report is not good with writeoffs and significant issues and a very low credit score. Even though I have proof of payment of their taxes they appear to be paid late. I reached out to Mike Dudley who worked with all the affected tax jurisdictions. This is an older IDA project to discuss their payment history. I would like Mike to address that to the Board if you would Mike.

Mike Dudley: Thank you Mark. The company has had a PILOT agreement execute in 2011 with the first payment being due in 2012. Starting in 2015 to 2020 the IDA has had to send them a late notice every year with the exception of 2017. They have a history of late payments.

Mark Gabriele: We just wanted to make the Board aware that there is a history of late payments. They did make their payments eventually. There again this will be contingent on proof of payment of their 2020 PILOT payments as well as for the City and County. They are requesting an amount of \$20,400.

Mark Onesi: Any questions? How much of a risk is this?

Mark Gabriele: That's a question on all of them. Out of 21 applications this is the one with the most baggage. That being said they have eventually made their payments. We did not like the one personal write off and the low credit score. I do think it is something the Board needs to look at one way or another. We will definitely stay on top of it. If you choose not to that is why you guys make the big bucks.

Robert Cliffe: What number is this 7.12? I was just checking if they had their PPP and EIDL Loan.

Mark Gabriele: They have both.

Mary Lynn Candella: Mark what is the amount of their 2020 taxes?

Mark Gabriele: The amount that they are asking for is \$20,400. That would cover their school tax for 2020/21 and their City and County tax for 2021.

Robert Cliffe: If we approve this loan would a majority of this go for back taxes first?

Mark Gabriele: No, we will not loan until all back taxes are paid and before I close this loan I need proof that 2020 City/County taxes have been paid. Once that is done we then loan this money to them. It first has to be used to pay 2020/21 school tax and the 2021 County/City taxes or which they have to provide receipts to us within 30 days of payment.

Robert Cliffe: If they don't pay we are ultimately putting a lien on this property anyway, right?

Mark Gabriele: We will have a UCC general filing.

Robert Cliffe: \$20,400

Mark Gabriele: Keep in mind that almost all of it will go toward the affected tax jurisdictions.

Robert Cliffe: I'm okay with it. It's not a lot of money.

Mark Onesi: Do I have a motion?

William Ross: So moved, Ross

Jerald Wolfgang: Second, Wolfgang.

Mark Onesi: Thank you, roll call vote.

Roxanne Morgan: Mr. Onesi (answered "yes")

Mr. Wolfgang (answered "yes")

Mr. Ross – (answered "yes")

Ms. Candella (answered "yes")

Mr. Cliffe (answered "yes")

Mr. Scott (answered "yes")

Mr. Krempa (answered "abstain")

Mark Onesi: Thank you, Carried. 7.13 LaSalle Hospitality Inc.

Mark Gabriele: The next three are all on the HUD Revolving Loan Fund. They are all owned by the Merani Group. We did get the credit report back on this group and there is absolutely no problem with the credit score. The first one is LaSalle Hospitality located at 7001 Buffalo Ave., Niagara Falls. They have shown proof that their 2019 taxes have been paid and also provided proof that their 2020 City and County taxes have been paid as well. They are asking for a loan amount of \$143,966.

Mark Onesi: Any questions? I need a motion.

William Ross: Motion, Ross

Jerald Wolfgang: Second, Wolfgang.

Mark Onesi: Thank you, roll call vote.

Roxanne Morgan: Mr. Onesi (answered "yes")

Mr. Wolfgang (answered "yes")

Mr. Ross – (answered "yes")

Ms. Candella (answered "yes")

Mr. Cliffe (answered "yes")

Mr. Scott (answered "yes")

Mr. Krempa (answered "yes")

Mark Onesi: Thank you, carried. 7.14 Merani Hospitality Inc.

Mark Gabriele: That property is located at 401 Buffalo Ave., downtown Niagara Falls that is the Double Tree by Hilton, which was prior to that, Bill Ross what was the name?

William Ross: I don't know that

Mark Gabriele: Wasn't it the Ramada.

William Ross: Yes, I think you are right.

Mark Gabriele: This is the Merani Group and we have seen no issues with the credit score for the corporation. Their payment history is right up-to-date not only 2019 but also the City and County taxes for 2020. They are requesting a HELP loan for \$234,734.

Mark Onesi: Any questions? I need a motion.

William Ross: Motion, Ross

Jerald Wolfgang: Second, Wolfgang.

Mark Onesi: Thank you, roll call vote.

Roxanne Morgan: Mr. Onesi (answered "yes")
Mr. Wolfgang (answered "yes")
Mr. Ross – (answered "yes")
Ms. Candella (answered "yes")
Mr. Cliffe (answered "yes")
Mr. Scott (answered "yes")
Mr. Krempa (answered "yes")

Mark Onesi: Thank you, carried. 7.15 Merani Holdings

Mark Gabriele: Thank you, the Merani Holdings, LLC is located at 114 Buffalo Avenue. Again, in regards to the credit history, no issues and the same with the payment history. The 2019 and also the 2020 taxes are paid. They are looking for a HELP loan of \$315,331.

Mark Onesi: Any questions? I need a motion.

William Ross: Motion, Ross

Jerald Wolfgang: Second, Wolfgang.

Mark Onesi: Thank you, roll call vote.

Roxanne Morgan: Mr. Onesi (answered "yes")
Mr. Wolfgang (answered "yes")
Mr. Ross – (answered "yes")
Ms. Candella (answered "yes")
Mr. Cliffe (answered "yes")
Mr. Scott (answered "yes")
Mr. Krempa (answered "yes")

Mark Onesi: Thank you, carried. 7.16 Kasturi Hotel. We are out of HUD now, right?

Mark Gabriele: Yes, before we go any further I want to let everyone know that each one of these applications were brought in and put into by my staff put into receipt of the application as they were

brought in and therefore, we had a methodology of how we were going to handle each one. We came across some situations in respect to running out of funding. We really didn't think we would have this type of response, but we are thrilled to have. Right now, as it stands, if we are reserving the existing Barge Brewing and the Wandering Gypsy loans, we have enough right now in our hands and in our coffers to pay and everything to loan out to date. The next six are basically contingent on receipt of additional funds. Whether or not we remove Barge Brewing and reallocate their monies if they cannot close and or we have an outstanding application into EDA to help fund us for \$650,000, which would be enough to move forward with the rest of the loans. However, we have let the companies know where they stand on each one of these so they are not surprised down the line if they are refused. I just wanted to let everyone know. The next is 7.16 Sairam Hotel, which is the Quality Inn Lockport located at 551 South Transit, Lockport. Proof of the 2019 taxes was sent to my office. This would be contingent on a satisfactory credit report as well as proof of payment of the 2020 taxes that are due as of now. The loan amount is \$103,718.

Mark Onesi: Thank you. Before we go any further I would ask whoever has all that noise in the background to please mute their phone until we need your vote. I need a motion for the Kasturi Hotel.

Jerald Wolfgang: So moved, Wolfgang

Mark Onesi: Do I have a second?

William Ross: Second, Ross.

Mark Onesi: Thank you, roll call vote.

Roxanne Morgan: Mr. Onesi (answered "yes")

Mr. Wolfgang (answered "yes")

Mr. Ross – (answered "yes")

Ms. Candella (answered "yes")

Mr. Cliffe (answered "yes")

Mr. Scott (answered "yes")

Mr. Krempa (answered "abstain")

Mark Onesi: Thank you, carried. 7.17 Niagara Falls Hospitality, Inc.

Mark Gabriele: Thank you, Niagara Falls Hospitality. I'm sorry I have it as Kasturi.

Susan Langdon: We just did Kasturi, but Mark Gabriele you said Sairam I think.

Mark Gabriele: Oh, I did Sairam. I'm sorry it was out of order. I'm sorry that last one was on Sairam, LLC. I went out of order, I apologize. That vote would have been on Sairam, LLC would be on the abstain. We will now move on to Kasturi and I apologize. The Kasturi Hotel is located at 100 Center Street, Lewiston, NY. We have proof of the 2019 taxes. This would be a loan of \$190,112 subject to the condition of an appropriate credit score and proof of payment of the 2020 taxes.

Mark Onesi: Any questions? I need a motion.

William Ross: Motion, Ross

Jerald Wolfgang: Second, Wolfgang.

Mark Onesi: Thank you, roll call vote.

Roxanne Morgan: Mr. Onesi (answered "yes")
Mr. Wolfgang (answered "yes")
Mr. Ross – (answered "yes")
Ms. Candella (answered "yes")
Mr. Cliffe (answered "yes")
Mr. Scott (answered "yes")
Mr. Krempa (answered "abstain")

Mark Onesi: Thank you, carried.

Susan Langdon: Can we as a question for clarity? Jason Krempa did you abstain on Sairam or Kasturi?

Jason Krempa: I have to abstain on Kasturi. Sairam I am good on.

Susan Langdon: Thank you.

Mark Onesi: Thank you, 7.17 Niagara Falls Hospitality

Mark Gabriele: Niagara Falls Hospitality is a Microtel Inn located at 7726 Niagara Falls Blvd., Niagara Falls, NY. Proof of the 2019 taxes has been provided. Again, this is subject to an acceptable credit report plus proof of payment of the 2020 City/County taxes. They are requesting a loan in the amount of \$46,613.

Mark Onesi: Any questions? I need a motion.

William Ross: Motion, Ross

Jerald Wolfgang: Second, Wolfgang.

Mark Onesi: Thank you, roll call vote.

Roxanne Morgan: Mr. Onesi (answered "yes")
Mr. Wolfgang (answered "yes")
Mr. Ross – (answered "yes")
Ms. Candella (answered "yes")
Mr. Robert Cliffe (answered "yes")
Mr. Clifford Scott (answered "yes")
Mr. Krempa (answered "yes")

Mark Onesi: Thank you, carried. 7.18 Har Gange

Mark Gabriele: Thank you, Har Gange is a hotel located at 6625 Niagara Falls Blvd., Niagara Falls. Proof of their 2019 taxes have been provided to my office. It would be contingent on an acceptable credit

report as well as proof of payment of their 2020 City/County taxes. They are looking for a HELP loan in the amount of \$27,956.

Mark Onesi: Any questions? I need a motion.

William Ross: Motion, Ross

Jerald Wolfgang: Second, Wolfgang.

Mark Onesi: Thank you, roll call vote.

Roxanne Morgan: Mr. Onesi (answered "yes")

Mr. Wolfgang (answered "yes")

Mr. Ross – (answered "yes")

Ms. Candella (answered "yes")

Mr. Cliffe (answered "yes")

Mr. Scott (answered "yes")

Mr. Krempa (answered "yes")

Mark Onesi: Thank you, carried. 7.19 NCRAS Five, Inc.

Mark Gabriele: Thank you Mr. Chairman. This property is located at 9001 Niagara Falls Blvd., Niagara Falls, NY. This group has provided me with proof of payment of the 2019 taxes. Again this loan is subject to an acceptable credit report as well as proof of payment of their 2020 City/County taxes. They are requesting an amount of \$22,753.

Mark Onesi: Any questions? I need a motion.

William Ross: Motion, Ross

Jerald Wolfgang: Second, Wolfgang.

Mark Onesi: Thank you, roll call vote.

Roxanne Morgan: Mr. Onesi (answered "yes")

Mr. Wolfgang (answered "yes")

Mr. Ross – (answered "yes")

Ms. Candella (answered "yes")

Mr. Cliffe (answered "yes")

Mr. Scott (answered "yes")

Mr. Krempa (answered "yes")

Mark Onesi: Thank you, carried. 7.20 Shree Ganpati

Mark Gabriele: Thank you, Mr. Chairman. This hotel is located at 6621 Niagara Falls Blvd., Niagara Falls. They have provided proof of payment of the 2019 taxes and or PILOTS. As well as a \$35,766 loan. This is subject to an acceptable credit score and proof of payment of their 2020 City/County taxes prior to closing.

Mark Onesi: Any questions? I need a motion.

William Ross: Motion, Ross

Jerald Wolfgang: Second, Wolfgang.

Mark Onesi: Thank you, roll call vote.

Roxanne Morgan: Mr. Onesi (answered "yes")

Mr. Wolfgang (answered "yes")

Mr. Ross – (answered "yes")

Ms. Candella (answered "yes")

Mr. Cliffe (answered "yes")

Mr. Scott (answered "yes")

Mr. Krempa (answered "yes")

Mark Onesi: Thank you, carried. That should conclude all these. We already did Sairam.

Mark Gabriele: Yes, if we are able to get the EDA grant to fund all of these loans the amount will be just under \$1.9 million of the hotels in Niagara County.

Mark Onesi: Great. We will have to watch in the news today with no tourists to understand why they need this help. Are there any questions or comments. Okay Agency Council. Do you have anything Mark?

Mark Gabriele: Yes, I would just like to take the next hour or so to go back through each one of these applications. Just kidding. No, I'm all set.

Mark Onesi: I think this is the longest meeting I have ever been to in 11 years. Anything else?

Susan Langdon: Yes, I think this is the longest meeting I've ever been at in 28 years and I would just like to thank the staff for working so hard and the Board with the circumstances of the phone call be extremely difficult. Thank you so much everyone.

Mark Onesi: Yes, and this was a short time to put everything together, Thank you. If there are no other issues or discussions the next meeting is August 12 hopefully at the Center. I need a motion to adjourn.

Jason Krempa: I move

Mark Onesi: I need a second.

Clifford Scott: Second, Scott.

Mark Onesi: Meeting adjourned.

Meeting adjourned at 10:15 a.m.