

**Troy Local Development Corporation
Board of Directors Meeting
July 31, 2008 1:00 p.m.
Minutes**

Present: Daniel Crawley, Sondra Little, Bill Roehr, Ken Zalewski

I. Approval of the Minutes from the May 15th, 2008 Board Meeting.

Motion made by: Ken Zalewski
Seconded by: Bill Roehr

II. Review of Funding Proposals

1. Old World Provisions, Inc.
Mark Shuket, President

Request to extend the terms of the loan award from 10 years to 20 years.

Request: \$250,000 Loan
\$50,000 EDAP for acquisition and rehabilitation.

Mark Shuket from Old World Provisions spoke about the loan and asked for an extension of the terms from 10 to 20 years. The Finance Manager of Old World Provisions gave a brief explanation of their SBA and 20 year to match and that there would be no refinancing in 10 years. He noted how much has been invested in the corporation and that the company's equity was daily with no fixed numbers but substantial. Bridge loans were replaced with SBA.

Sondra Little noted that the equity requirements were waived and that the need for corporation investments would have to be provided for loan documentation.

Ken Zalewski asked for a summary of projects in Troy.

Mark Shuket noted to the board that they have purchased more equipment and hired staff. OWP have already supplied deli items for 150 stores and doubled staff.

Ken Zalewski asked what types of jobs will be created.

Motion to approve \$250,000 loan: Bill Roehr
Motion seconded: Ken Zalewski

Motion to approve \$50,000 grant: Bill Roehr
Motion seconded: Ken Zalewski

2. Glenn Young and Tamara Dzembo
Troy Burrito Bar

Request for funding the renovation of 81 Fourth Street for a Troy Burrito Bar.

Request: \$150,000 loan
\$100,000 EDAP grant

Glenn Young noted that he and his sister Tamara Dzembo were in contract to sale of 81 4th Street for a burrito bar and will be utilizing all three floors that will be gutted from top to bottom. He noted that they were referred to have Tap help them with their plans. A structured engineer for the first floor and roof deck. An elevator were also indicated in the preliminary plans for compliance.

Glenn noted that the business will bring in a lot of folks from RPI, Russell Sage and the State of New York offices that are located in the City of Troy.

Ken Zalewski asked how much the total project cost was and if a scope of work was provided for the building?

The estimate for the equipment after renovations were in the range of \$250,000 to \$400,000 and noted that they would be employing from 26 – 30 employees. The initial setup for the Vanilla Box setup and business loan would be hopefully from Citizens Bank. A scope of work was included in the plans and are in the board's packet. A plan of opening the business is planned for February 2009.

Sondra Little asked if there were no franchise with the business plans, what were their plans after that?

Glenn and Tamara noted that they would still open a burrito bar and were still asking for acquisition money and help to gut the building. He noted that the architectural fees alone were \$5,000 to \$6,000 and \$600.00 for the vanilla box.

Sondra Little noted that a code analysis could be done by the City of Troy, Codes Department.

Bill Roehr explained a plan to Glenn and Tamara for equity. He noted that Citizens Bank would require owner equity and collateral and the percentage that they would need to put into it.

Tabled for Email Vote

Sondra will talk to Glenn and Tamara about connecting the dots for financing and pending the franchise agreement for Main Street Grant.

Motion made to table: Bill Roehr
Seconded by: Ken Zalewski

3. Gokahn Bakal

Request for funding for the renovation of a former grocery at the corner of Hoosick and Fifteenth Streets.

Request: EDAP Grant for acquisition and renovation.

Gokahn Bakal presented a new request from the last board meeting for the former Ned Abbots Grocery on the corner of Hoosick and Fifteenth Streets to run and renovate the building into a first floor deli and second floor commercial space for the first year due to a financial risk with Mr. Razzano running the business and then purchasing the business after.

He stated that the store will bring in business from the RPI community and walkers from around the area. Mr. Bakal presented the drawings to the board and noted that he would have a promotion to market the business with a 15 cents off on gas at the Hess Station across the street for each gallon purchased when purchasing deli items at his store. Dan Crawley suggested that the applicant's contract for sale should be contingent upon receiving approvals from Planning Board and the Zoning Board of Appeals.

Ken Zalewski asked again if he owned the building and any other buildings or businesses in Troy?

Gokhan Bakal noted that he owned the Big Apple Pizza a half mile down the road and the house next door to the business on Hoosick Street. The business on Hoosick Street is now empty and walls are taken down. The final drawings will be finalized next week. Gokhan noted that he had no plans to remodel but now will need financial assistance to do so. He asked for a modified request of the grant and loan (\$90,000 for loan and \$10,000 for grant). A total project cost was \$260,000 and a purchase of equipment was totaled at \$100,000.

Tabled: Pending solid numbers with second floor renovations.

Motion made by: Dan Crawley
Seconded by: Ken Zalewski

III. Resolution #1 – Authorizing amendments to the By-Laws of the Troy Local Development Corporation to conform to the requirements of the Public Authorities Accountability Act.

Motion made to table Resolution #1 by Dan Crawley
Motion seconded by Sondra Little

IV. Resolution #2 – Authorizing the adoption of various administrative policies as required by the “Public Authorities Accountability Act”.

Motion made to table Resolution # 2 made by Dan Crawley
Motion seconded by Sondra Little

V. Resolution #3 – Authorizing the creation of a Contracting Officer as an officer of the Troy Local Development Corporation.

Sondra Little noted that these policies were required by NYS statute
Dan Crawley asked the Board to take a look at the various proposed policies and we would propose to adopt them at the next meeting.

Motion made to authorize Deborah Witkowski as Contracting Officer made by Dan Crawley
Motion seconded by Bill Roehr

VI. Resolution #4 – Authorizing the President of the Corporation to approve expenditures up to and including \$500.00.

Motion made to approve Resolution # 4 made by Dan Crawley
Motion seconded by Bill Roehr

Motion to Adjourn.