

## **DLDC BOARD OF DIRECTORS MEETING – December 19, 2012**

**Present:** Mayor Anthony J. Dolce, Tim Gornikiewicz, Steve Neratko, Nicole Waite, Joe Becerra, Stephanie Kiyak, Andy Gonzalez, Judy Presutti, Margie Dye, James Muscato, and Rosemary Banach. Also present was Ron Szot, City Attorney.

**Absent:** Jaime Rodriguez, Richard Halas, Judy Lockett, and Mark Woods.

Meeting was called to order by Steve Neratko at 11:05 AM, located in the Mayor's Conference Room.

**Consent Agenda:** There were no questions or comments. Andy Gonzalez made a motion to accept the Consent Agenda, seconded by Stephanie Kiyak. Carried, all voting aye.

### **Old/Unfinished Business:**

2013 CDBG Proposal – Steve Neratko presented the board with a one-page summary of the proposed 2013 CDBG Application. He explained that in talks with the Mayor and Council there is some concern that for the coming year the DLDC should go lean on its budget while it gets things in order. This application is pared down to as little as the DLDC can go on and it is only asking for \$75,000: \$50,000 for Bertges Payment, \$20,000 for Environmental Cleanup, and \$5,000 for Administration. The \$20,000 won't go very far, but it is hoped that it can be used for a match for some grant proposals that the DLDC will be putting out. As far as the Bertges property, the plan is to enter into the NYS Spills Program which won't cost the DLDC anything up front. However it won't get the property a clean bill of health so they will continue to look for more funds.

Joe Becerra mentioned that although he understood that we needed to cut down he wanted to make sure that the DLDC wasn't cutting itself too lean. Steve explained that the main thing that is being cut out for 2013 is new allocations for loans. There is still \$30,000 left over from 2012 that can be used for business loans. A.J. Dolce said that the City is looking to get its IDA back up and running so there will be the opportunity for low-interest loans through them as well to get money back out into the community.

Steve Neratko wanted to discuss the current situation with Enviroteknix while discussing DLDC loans. A.J. Dolce explained that he and Steve had met with Chris Surma two weeks ago. One part of the terms agreed upon in the resolution has not been met yet so they cannot execute the refinancing at this time.

Joe Becerra made a motion to move forward on submitting the proposed 2013 CDBG Application. Seconded by Judy Presutti. Carried, all voting aye.

2013 Proposed Budget – Steve Neratko, Tim Gornikiewicz, and Nicole Waite have been working on putting together a 2013 budget but they have a few questions for the board before they can complete it and propose it to the board. They would like to have one of the major functions of the DLDC be marketing of the City as a whole to investors, business owners, and tourists. This would include commercial properties for sale, rent or lease. Prior to doing that Steve wanted to ask if the board agreed that this activity would fall under the DLDC's mission. Since the DLDC won't be assisting businesses in financial ways in 2013 this is another way that they can help. It is something that is lacking in this area and the Development Department gets asked on a regular basis for a list of properties that are available. Stephanie Kiyak and Andy Gonzalez agreed that this is an avenue that we should explore while we're taking time off from lending. Steve Neratko and Nicole Waite

would be the contact persons who would go out and talk to realtors to keep the list of properties up to date. The DLDC could advertise these properties in statewide and nationwide site selector magazines.

James Muscato asked if Steve could reach out to the County IDA and ask them how the County can assist with marketing properties in Dunkirk. Steve said that they have already had those discussions and that there is not much the IDA can do as they are just as understaffed as the City's Development Department is. Plus they are interested in the County as a whole and have no reason to put extra effort into marketing the City of Dunkirk. Rosemary Banach wondered if the Chamber of Commerce would be more suited for this kind of activity. She didn't want to overload the DLDC and duplicate current services. A.J. Dolce restated that in 2013 the DLDC will be stepping away from lending so they are looking for other activities to be involved in that are promoting businesses and economic development within the City boundaries. It was also brought up that the Chamber will focus on its own members and is interested in existing businesses, not bringing new ones into the City. Tim Gornikiewicz mentioned that he is waiting to hear back from Todd Bialeszewski about the proposals for the Visit Dunkirk website. Stephanie Kiyak requested a comparison of services from other local organizations who provide website services, such as Southern Tier West.

At the next meeting there will be a budget for the board vote on. With it information about marketing will be included. Rosemary Banach asked that the board receive a few examples of Cities who are participating in these kinds of activities. Nicole Waite will email the board a website that serves as a good example.

### **New Business:**

Flickinger Building – Steve Neratko had a conversation with Brian Burke last week. Burke was under the impression that the DLDC is getting the financing for this project. Burke also stated that they have a lot of properties they're working on and since we can't provide much for them, he's not willing to go forward with the Brownfield Program unless the DLDC pays for it. Unfortunately the DLDC doesn't have the finances to do that. He has a bill out for \$6100 and has \$2500 more work to do in the next month to continue with the program. He is seeking reimbursement for these costs. Steve said that Burke has a previous contract with the DLDC which authorizes reimbursement for up to \$16,000. He has already been reimbursed for over \$13,000 and there is only \$2,500-2,900 left in the original agreement. The \$6100 he is seeking reimbursement for goes well over what's left. There is no invoice yet for the \$6100.

If Burke is to drop out of the project, there are some grant possibilities where the DLDC could potentially bundle the cleanup of more than one of its properties together. At this point, even if the DLDC could pay for Burke to continue in the Brownfield Program, which could be \$25,000 or \$250,000, there still aren't the grant opportunities out there that will let him actually fulfill his development project. The Restore NY grant which was used for the Crocker Sprague Building no longer exists. There currently is no grant funding for market rate rental units and Burke is unwilling to have low-moderate income rentals. Steve Neratko asked how the board wanted to proceed: reimbursing for the additional amount or holding Burke to the \$16,000 original agreement. The general consensus was to hold him to the agreement and that Steve needs to make sure he gets copies of the studies that the DLDC has paid for. If Burke does pull out then the project would go back out to bid. The Brownfield Program is set to expire in 2015, and if that expiration date is not extended, all projects not completed by the end of 2015 will lose their tax credits.

James Muscato brought up that is the DLDC's responsibility to clean up the exterior of the property. It was agreed that the DLDC needs to enter into a contract with the City to pay for City employees to cut the grass and weeds.

Other – Rosemary Banach, AJ Dolce, and Steve Neratko discussed recent articles that were published in the newspaper about the audit from the NYS Comptroller's Office.

Andy Gonzalez made a motion to adjourn at 12:30 PM. Joe Becerra seconded.