

DLDC BOARD OF DIRECTORS MEETING – June 5th, 2017

Present: Chairman Rebecca Yanus, Tom Panasci, Councilman Andy Gonzalez and Judy Presutti

Also Present: Mayor Wilfred Rosas, Secretary Edward Hayes III, City Attorney Sean Connolly, Special Events Chair Hector Rosas and Greg Fox (Observer)

Absent: Councilman-At- Large, Andy Woloszyn

Meeting was called to order by Rebecca Yanus at 5:00PM, located in the Mayor's Conference Room.

Consent Agenda:

Acceptance of March 30th, 2017 Meeting Minutes – Judy Presutti made a motion to accept the meeting minutes as corrected. Seconded by Councilman Gonzalez. Carried, all voting Aye.

Old/Unfinished Business:

None

New Business:

Discussion & Adoption of revised Articles of Incorporation

Rebecca Yanus commented that the meeting was called to review the DLDC's Articles of Incorporation to include language that satisfies IRS recommendations. City Attorney Sean Connolly commented that we are amending two paragraphs in the Articles of Incorporation to include the correct language for qualification as a 501-C-3. Sean stated they provided some language that can be included to satisfy the requirements. Sean Connolly also stated he pulled some language from other Articles of Incorporation from other entities that do similar work and modified the language to best describe what the DLDC does.

Edward Hayes stated the packets included the proposed language modification to the DLDC Articles of Incorporation as well as the original Certificate of Incorporation officially adopted by New York State on December 11th, 1996. Ed Hayes commented that the modifications would be to the third and tenth paragraph on the Articles of Incorporation. Edward Hayes read both proposed paragraphs to the Board to compare with the original language.

Edward Hayes read Resolution #7-2017 to the Board and confirmed with City Attorney Connolly that the resolution captured his intent. Judy Presutti commented that she like the language of the new paragraphs and felt they were much more comprehensive.

Resolution #7-2017 Resolution Authorizing Modifications to the Articles of Incorporation of the Dunkirk Local Development Corporation – Resolution language will be drafted by City of Dunkirk Attorney after DLDC Board approval.

Councilman Gonzalez made a motion to pass Resolution #7-2017. Seconded by Judy Presutti. Carried, all voting Aye.

Edward Hayes commented to the Board that it is a New York State reporting requirement that we pass a Resolution each year reviewing and adopting our Mission Statement. He explained that this Resolution is just reaffirming our established Mission Statement. Ed Hayes read the existing Mission Statement and Performance Measures to the Board to reaffirm.

Resolution #8-2017 Mission Statement – Board must annually review and adopt its Mission Statement to be in compliance with the NYS Authorities Budget Office.

Sean Connolly made a motion to pass Resolution #8-2017. Seconded by Hector Rosas. Carried, all voting Aye.

Ed Hayes commented that the auditors completed the 2016 DLDC audit and financial statements and copies were distributed to the board and are also available for review of the City of Dunkirk's Website under the DLDC page.

Councilman Woloszyn asked how many properties the DLDC owns. Rebecca Yanus commented that she thought there are five properties owned by the DLDC but would confirm that. Rebecca Yanus commented that the Department is wrapping up grant applications for the State but would like to look at developing a marketing strategy for the DLDC properties to sell these properties for better use.

Andy Gonzalez commented that he had asked because he believed one of the properties owned by the DLDC was a potential site for the possible opioid clinic and was also wondering about the status of the tenant, Paradis Fencing. Rebecca Yanus commented that she has spoke with the owner of the company and he is open to going to a new location. She also commented that she will investigate the status of the company's loan repayments and believed it was \$14,000.

Councilman Gonzalez commented that he believes that the Paradis Fencing loan has been in default for several years and asked the Development Department to investigate the status of repayment. Tom Panasci commented that the building needs to be reevaluated for structural integrity. Judy Presutti commented that the property also needs to have to survey boundaries looked at to make sure existing fencing is not infringing on Dunkirk Housing Authority property.

Tom Panasci commented on the Bertges Property from the Audit on page 12. Mayor Rosas commented that payments had stopped because the City Council decided to stop paying. Tom Panasci asked if the amount listed was a legal obligation from 2015. The Mayor commented that this was the case and Bertges was foreclosing on the property. Tom asked were the property stands today. The Mayor stated that the hope is to close on that property in the next month and pay the \$175,000.00 upon closing. The Mayor commented that other monies owed on the property for cleanup will also be satisfied upon closing the sale.

The Mayor reminded the Board that this is an issue that has been going on for several years and that this is a nice deal that was negotiated but he couldn't comment on specifics because the deal was still being finalized. Judy Presutti asked if we would be able to recover any assets from the Bertges Property deal. The Mayor comment that this sale will allow us to pay the \$175,000 for the property as well as the monies owed to the State for clean up which will allow us to satisfy all the financial obligations on the property.

Councilman Gonzalez asked about the loans that were listed on page 11 in the audit and if the balances were correct. Rebecca Yanus commented that the numbers at the time of the audit would be accurate but additional loan balances would be lower because payments have been coming in since the audit.

Mayor Rosas commented that all these issues were brought up in the past and were cited. There have been no new citations since he has taken office. The Mayor stated that recordkeeping and payments cited by HUD in the past are something that members of the DLDC Board have been aware of for some time. Judy Presutti stated that she had some record of payments sheets that she would bring in to the next meeting.

The Mayor commented that there is still about \$70,000 that is frozen by HUD and Christina Lincoln, the CDBG Coordinator, has been working to get cleared to be released. He stated once that is cleared up we will have a whole different plan for that program and it will be something that HUD will approve.

Councilman Gonzalez asked if the Development Department can provide an update on the status of the DLDC loans for the next meeting. Rebecca Yanus and Mayor Rosas commented that the funds are still frozen so the DLDC would not be able to move forward with any loan program at this time. The Mayor stated that the City is close to getting back to good standing and will hopefully be able to begin the program soon.

Sean Connolly made a motion to adjourn at 5:24PM. Councilman Gonzalez seconded. Carried, all voting aye.

The next meeting is To Be Determined and will be based on new business brought before the Board.