

## **DLDC BOARD OF DIRECTORS MEETING- September 26, 2012**

**Present:** Mayor Anthony J. Dolce, Tim Gornikiewicz, Lacy Lawrence, Steve Neratko, Nicole Waite, Joe Becerra, James Muscato, Stephanie Kiyak, Rosemary Banach, Andy Gonzalez, Richard Halas, and Judy Lockett. Also present was Ron Szot, City Attorney, Councilmen Bill Rivera, and DPW Director Tony Gugino.

**Absent:** Ginger Pokoj, Jaime Rodriguez, Judy Presutti, and Mark Woods.

Meeting was called to order by Steve Neratko at 11:06 AM, located in the Mayor's Conference Room.

**Reading of Minutes of preceding minutes:** Jim Muscato made a motion to accept prior minutes of August 29, 2012, noted with change to last paragraph referencing Nicole Waite announcing our 2010 & **2011** reports were submitted, seconded by Joe Beccera. Carried, all voting aye.

**Reports of Committees:** Finance and Audit Committee stated they met with Enviroteknix and discussed keeping payments received from city for testing would be kept separate. That there was a solution discussed and would be later recommended to the DLDC.

**Officer Reports:** Tim Gornikiewicz gave his Treasurer's Report. He mentioned he had a meeting with Harry Sicherman, HUD Consultant. There were a few changes made. In the past some loans were mistakenly considered to be HUD Loans, and have now be declared not. This means these loans do not have the CDBG restrictions associated with them. Steve Neratko explained that the city allowed for a subcontractor to come in and help out with some CDBG and HUD problems that have been made in the past. Part of this would entail DLDC, and the loans and their documentation. Clarion Hotel is dependent on loan documents as far as when the loan payments are due, they will be getting back to us to clarify what the dates are. School taxes are due in the middle of October, Tim Gornikiewicz, explained that as soon as we get our CDBG money, there are some operating costs, which would reimburse Nicole Waite's salary, he thinks by Nov. 1, all taxes should be paid and caught up. Steve Neratko mentioned there have been some problems with the online HUD system and trying to get access to our funds. HUD is looking into this technically problem and as soon as it is resolved we will have access to our funds. Also \$50,000 payment is due for our Bertges site. CDBG funds can be used but then the location will have to be used towards an economic development locations and fulfill certain requirements for future use. Façade Program is now rolled into DLDC program due to the state auditor's recommendations. DLDC is going to simply make sure the commitments arranged previously are completed.

**Old/Unfinished Business:**

Flickinger building discussion with Brian Burke. He said it's his intent is to retain historic structure and recreate original elements. In order to this project he is approximating \$4 million estimate. He is proposing 19 residential units as well as commercial space in the first floor. They have been designated as the preferred developers. They have applied for a Brown Field designation. They have done an environmental phase I and a phase II in order to determine if there is contamination in the soil. It has resulted in some contamination in the soil but not toxic and is considered eligible for the program and in terms would get funding. There will be other funding/grants that will need to be sought after in order to offset the \$2million gap. The plan of action would be to start off with applying towards these programs with in the next couple of months and hopefully get the approved funding. He would like to see some work started in the spring. Steve Neratko said they have the full proposal available in his office if anyone wanted to look at.

***Resolution #14- 2012***

Approve the resolution authorizing payment to Brian Burk for Brownfield cleanup program costs incurred at Flickinger Building. Jim Muscato made a motion to approve the resolution. Joe Becerra seconded it. Carried, all voting aye.

Enviroteknix Refinance was then discussed. Steve Neratko said he met with them but there was an issue with the amount of his payment. The city owes him \$5,445. In the past this payment would be applied towards the loan. This procedure is being straightened out. There is now a city budget line for his lab testing. The city will cut him a check for his business, then Chris Surma, will then write us our own check towards payment for his loan. These funds will be fully separate. This \$5,445 would be his payment of good faith. He is will to have a direct deposit through a bank account to set up payment plan. The Finance and Audit committee came up with a recommendation that if he makes this lump sum payment and agrees to have an automatic deposit for the amount due each month, once it is paid off, DLDC would be willing to wave the late fees. Credit reporting was mentioned. Steve Neratko stated it should not be able to be put into a loan-to-loan contract. It should be put into a policy procedure. Policy Committee should set a meeting to look into putting this into our by-laws.

***Resolution #15 -2012***

Approving Chairman to execute new loan agreement with Enviroteknix. Jim Muscato made a motion to accept. Rosemary Banach seconded it. Passed voted, 4 yes, 2 no. (there was a typo noted)

Chautauqua Woods Refinance was discussed. Tim Gornikiewicz explained they originally owed roughly \$20,000. They have paid roughly \$8,000 two years prior. There is a remaining balance of \$12,000. If they agree to refinance and start making payments this would be their balance, with no late charges/interest applied. If not it would then be applied to the balance. Tim Gornikiewicz stated he was not present during this discussion between Steve Neratko and Chautauqua Woods. Richard

Halas said before they proceed with any agreement they would need more information since Steve Neratko had to step out of the room. Rosemary Banach stated she would like to considered only waiving late fees and not interests. Steve Neratko explained we are only forgiving late fees/ interests for the last two years, and allow them to continue where they had left off. This resolution was passed in the August meeting. Automatic payments were discussed with Chautauqua Woods and might be a possibility.

Festivals Committee was then discussed. Letters of interest were asked to be gathered. Tim Gornikiewicz said he would like to start soon for the next upcoming year. They are looking to get 6-7 members.