

DLDC SPECIAL MEETING - Oct 9, 2013

Present: Steve Neratko - Chair, Robert Fritzinger, Rosemary Banach, Jim Muscato, Margie Dye, Stephanie Kiyak, and Steve Sek. Also present were Mayor Anthony J. Dolce (President), Timothy Gornikiewicz (Treasurer), Lacy Lawrence, Ron Szot (Attorney), Councilwoman Stacy Szukala, Councilman Bill Rivera, Councilman Mike Michalski and Gib Snyder (Press).

Absent: Joe Becerra, Andy Gonzalez, and Judy Presutti.

Meeting was called to order by Steve Neratko at 4:05pm, located in the Mayor's Conference Room.

Old/Unfinished Business:

Bertges Site, 18 Lake Shore Drive West, Discussion with City Council

Steve Neratko mentioned there was a handout listing the payments due on the site. Stacy Szukala asked Mayor Dolce if the payment that was given by the City to DLDC was so that the DLDC payment could be made on time he answered yes. Can any of that money be given back to the City and Mayor Dolce explained hopefully if we can either sell the property outright or through a land lease then that could be an option. Stephanie Kiyak thought the property would eventually be transferred to the City Mayor Dolce said the ideal situation would be to get the property out of the DLDC hands prior to the payment being due. He said he is hoping a developer would be interested in the site. Steve Neratko explained when CDBG funding is recouped; generally the money is then paid back to the municipality. Stacy Szukala asked if there was plan B if the property isn't sold. Steve Neratko explained they have looked into other options, and basically a private loan would be considered if it comes to that. So far there has been an estimated \$800,000.00 investment into this property. Stacy Szukala asked if there was site a financial clean cost that is unknown. Steve Neratko explained yes it is still unknown. He has talked with the contractor and the contractor said they believe the work is done. They have sent in a report to the DEC and once the DEC confirms it then they will send it onto the State and the attorney's general office will then make the deciding factor on cost. Stacy Szukala stated that this was her question who would pay that clean-up cost if the DLDC doesn't have money to even make a payment amount. Steve Neratko said right now we would like to keep it in the DLDC's hands and not the City's. There are some other options like granting through the federal government and we are bringing in money through the DLDC currently. If the DLDC takes in less than \$25,000 a year in loan payments that money is considered to be free and open of HUD rules and regulations. This year and last we are under that amount so there should be money in the DLDC account that could be utilized. Tim Gornikiewicz mentioned there was \$12,000 in the general account and \$13,000 in our HUD account. Steve Neratko mentioned we have had some interested developers look at the property within the last year and even just this past summer.

Steve Neratko stated he knew there were questions from the Council regarding the future of the DLDC and the relationship with them and the city.

Stacy Szukala said there has been a lot of discussion recently stating that both City and DLDC needs to be working together. She had two questions for the board members: what is your purpose and what is the DLDC's goal. Stacy asked if there is a policy for DLDC for attendance and is the goal for DLDC just loans for businesses, and are members only working on this board during meetings or on their own time. She stated there has been debate considering the dissolution of this committee.

Steve Neratko explained Department of Development or the City cannot give grants to business or loans to businesses. The Development Department can do some things through façade programs but most activities cannot be done. Municipalities cannot lend. DLDC should continue to taking in the current loan payments and utilize the funds for continuing the development projects we have going on right now. They should be serving their current loans and also does festivals. City cannot do liquor sales which has been recently successful. We do own properties throughout the city. Steph Kiyak explained we do have a fiduciary duty with our current loans that needs to be carried out.

The meeting was adjourned by Bob Fritzinger seconded by Rosemary Banach. Carried, all voting aye.