

## Minutes of Village of Lancaster Community Development Corporation Meeting Date February 7th, 2018

**Attendees:** Jim Allein, Bill Schroeder, John Chmarney, Bob Dimmig, Dawn Robinson, Bob Lawrence

**Absent:** John Mikoley

**Gallery:** Mary Jo Monin, Tom Sweeney, Dick Young, Lynn Ruda, Joe Marshall

Jim opened the meeting at 4:00pm.

**Treasurer's Report:** John C. mentioned positive status and a building account balance approximately \$112k vs. \$105k budgeted. About \$26,000 in account. Building improvements below plan. We should discuss how to spend funds given the position with the bank. Do we continue sending money to M&T and ECIDA? No other unusual fees. Maintenance expenses below plan. Security deposits funded. Dawn R. asked about outlying expenses such as legal and accountant. Jim A. stated there is nothing big in the foreseeable future. Bill S. made a motion to approve, Bob D. seconded and it was unanimously approved.

**Lease Updates / Vacant Space:** Collection agency still open. Ice cream place looking to close. John M. pulling lease. Question of who the equipment belongs to. Bill (maintenance) stated that Matt Murphy has been taking more space. Approximately 200 sq ft.

**Bank Update:** Jim A. brought up the M&T letter received dated 1/8/2018. Looking to move forward with foreclosure. John M. feels we should contest the letter. Jim A. asked for a number to begin making mortgage payments again with no reply. M&T stated they intend to foreclose. Bill S. & Jim A. both made attempts to reach out to M&T with no reply.

Jim A. spoke with Atty. Joe Keefe who agrees we should contest. M&T ordered appraisal in the past week. Shannon M. questioned if we should order our own appraisal.

Jim A.. mentioned the loan with the ECIDA. Stated that they are unable to forgive the loan. Lynn R. spoke with ECIDA who stated that they have no precedent to forgive. They may be willing to discuss if there is a pending sale.

Dick Y. asked about the Save-a-Lot lease. Jim A. stated it is through 2023.

Bob D. suggested continuing our current payments and follow up with the process of contesting.

John C. mentioned that would be buying time for a good buyer.

Extended discussion regarding zoning, master plan, support of LaBella work by the town and flexibility on zoning moving forward.

Jim A. Agreement to pay interest. Engage lawyer experienced in foreclosure work and contest against M&T (respond to the letter received). Jim A. suggested explaining that we can make mortgage payments. John C. mentioned sending cash flow position with audit letter.

Jim A. mentioned small piece of land in the Commerce Parkway area. John C. suggested attempting to sell the landlocked property.

**By-Laws Update:** Dawn R. discussed with Art H. with the number of members issue with regard to voting as the biggest issue. Jim A. mentioned the language is outside our purpose with Bob D. stating that it might be worded that way for the purpose of tax-exempt status. Dawn R. is hopeful that Art H. will be able to work out the details.

**Building Maintenance:** Jim A. suggested that we stop unnecessary work and in an outside discussion John M. suggested that we continue to keep things up so that the building does not fall into disrepair. Jim A. stated there are some electrical issues.

Jim A. mentioned windows that had been planned. Joe Marshall from Lilly Belle Meads approached Jim A. about putting the windows in. Joe has a price in the range of \$3,000 per window. John M. suggested moving forward. Jim A. agreed. A discussion ensued regarding doing the work to improve the character of the building.

John Mikoley called in via phone to discuss the bank issue and process of contesting. John M. felt that it might be throwing money away by paying any amount more than the interest and it might not make sense to send any amount. Jim A. felt that paying the interest was at least acting in good faith and by being selective with a buyer it is acting in the best interest of the community. Jim A. will contact Joe Keefe.

Jim A. moved to make a motion to move forward with the windows with additional questions coming from Shannon M. and Bob L. prior to a vote. Joe M. discussed the improvements that he has paid for out of his own pocket and the investments they have made. Shannon M. made the point that those build out expenses are ordinary and would fall on the tenant. Further discussion ensued with regard to improving the condition and interest in the building. Bob D. mentioned the improved streetscape.

John C. mentioned use of unspent funds to better the Village. Bob D. delay until improvements needed and build into negotiations. Extended discussion continued with input from gallery and members with discussion regarding our duty, the bank situation, and improving the building for the tenants and community.

Jim A. Continue to fund safety issues and act as a good landlord. Windows to be revisited.

**Chamber Report:** John C. thanked those who attended the past event. Jim A. and John C. mentioned interest from some of the local banks with regard to the future of the property.

**Village of Lancaster Report:** Bill S. commended Mary Jo M. and Dick Y. on their latest book. Bill S. mentioned the Village merchant meeting coming up on 2/13/2018 at 6pm and invited all to attend. New trash containers being provided by Waste Management for the central business district through the Town of Lancaster. Power project might be funded as well.

Lynn R. mentioned the LaBella meeting on 2/15/2018 at 4pm. Committee to move forward with the plan. Jim A. mentioned new barber shop on Central Ave. with potential bakery pending zoning.

**Additional Business:** Land on Commerce Parkway. Jim A. received a call from a realtor who has a client that might have interest in purchasing a one foot strip of land owned by the CDC. Client is looking to purchase the property or receive an easement. John C. that it would be in the CDC interest to sell. Bill S. will discuss with Village board. Jim A. to check with the assessor's office.

Lynn R. asked if tenants were aware of the foreclosure. As far as parties are aware, it has not gone to "press" but has not been hidden from anyone.

Tommy Sweeney and Dick Young have come to an agreement to make an offer on the property at the March CDC meeting. Tom S. discussed the "vision and intent" and believes they have the capability and funding to put the project together. Tom S. has been in discussion with potential tenants and the ECIDA. Tom S. discussed the steps and planning and wanted to work hand in hand with the Village agencies that would be involved.

Bill S. stated that he would be more than happy to work with Tom S. to help this project to come together.

Bill S. moved to close the meeting at 5:47pm, it was seconded by Dawn R. and unanimously approved.

Respectfully submitted: Robert Lawrence