

**IDA**

**DSS CONFERENCE ROOM  
INDIAN LAKE, NY**

**APRIL 4, 2013**

The meeting was called to order by Chairman Towers at 1:30 P.M. with the following members present:

Brian Towers, Chairman  
William Farber, Vice Chairman  
William Faro  
Robert Peck  
James Bateman

Absent:  
Robin Morrison  
Tim Pine

Also Present:  
Ann Melious, Executive Director  
Christy Wilt, Acting Secretary  
Christine Hinkley and her daughter  
Pete Klein, Press

Payment of Bills:	
FMBF, PC (Legal Services Oak Mt.)	\$785.00
Wm. J. Kline (Legal Ad)	\$ 9.25
Eileen Wiebicke, CPA (Quickbook Training)	\$800.00
Bill Faro (Mileage)	\$ 71.19
Jim Bateman (Mileage)	\$111.31
Florida Tower Partners (T-Mobile payment)	\$1,591.81
Rose & Kiernan (Annual Premium Oak Mt.)	\$3,095.00

Ms. Melious explained that T-Mobile keeps sending their check to us. In December Dean deposited it into our account.

Ms. Melious explained that we are saving over 50% of what we paid last year for insurance. We are now using the same carrier that insures Oak Mt. LLC. Ms. Melious complimented Lee Pollack and Lori Francett at R&K because our previous carrier wanted to charge us \$14,000 for year round coverage. Mr. Morrison has reviewed and approved.

Motion to pay bills as audited by Mr. Farber, seconded by Mr. Peck.

Mr. Peck asked how the Quickbook training went. Ms. Melious stated she thinks it went well. Ms. Wiebicke came in last week. Dean just needs some practice.

Motion carried.

Ms. Melious introduced Christine Hinckley. Ms. Hinckley handed out her financials. Ms. Melious explained that Ms. Hinckley is here on behalf of Chrissy's Café, she was provisionally given a Microenterprise grant at our last meeting. That grant is conditional on her also getting a loan. She is requesting \$40,000 at 1% for 10 years. Ms. Melious stated that this qualifies as a new business. The Board reviewed her loan application.

Motion to approve a loan in the amount \$40,000 at 1% for 10 years by Mr. Farber, seconded by Mr. Faro. Mr. Bateman asked about setting an interest rate that covers the costs that was discussed at a previous meeting, does this comply? Ms. Melious stated that her application came in before we adopted the policy on the \$500 fee. Motion carried.

Ms. Hinckley and her daughter left at this time.

Ms. Melious discussed Dave Scranton's revision of a project. Mr. Scranton wanted to create an aero photography business through the microenterprise grant. We did grant it to him, but non-military or law enforcement people are not allowed to have surveillance drones, so this is not an allowable expense under microenterprise regulations. He was informed and given an opportunity to give us an alternative proposal. The alternative proposal was sent to the Board. Mr. Scranton's first proposal was for a new business, this alternative proposal is augmenting his existing business. The Board reviewed the list of equipment that Mr. Scranton would like to purchase. His original microenterprise grant was for \$20,000, it was one of the two highest microenterprise grants that were awarded. His alternative is to buy a lot of equipment and expand his business in new directions.

Motion to enter Executive Session to discuss the specific finances of the applicant by Mr. Faro, seconded by Mr. Peck. Carried.

Motion to open session by Mr. Peck, seconded by Mr. Bateman. Carried.

Mr. Farber stepped out to take a conference call.

The Chairman reported that while in closed session the Board discussed the specific finances of two microenterprise projects; one for Dave Scranton and one for JR Risley. No official action was taken.

The Chairman stated that we have a revised project from Dave Scranton and an opinion on it from the consultant. The consultant questions the application because it shows very few jobs or sales. A profit loss statement of his current business is missing.

The Chairman stated that it appears to him that his projection for the equipment he is buying is not going to increase his business and he is not going to employ people.

Ms. Melious stated that if we are looking for return on investment and to help him expand his business maybe we should look at the marketing component.

The Board reviewed the marketing component. The marketing is \$2,000 for website updates and upgrades and advertising in other markets at \$5,000 for a total of \$7,000.

Mr. Peck asked how we know that these items are actually accomplished. Ms. Melious stated that they have to have a commitment to purchase and show expenditure of at least 10% equity. The Chairman asked if there are costs involved in upgrading your own website. It was stated that

it is mostly labor. Mr. Bateman asked if the recipient is required to file some sort of end of program report with us. Ms. Melious stated that they will be required to file a completion of program. Ms. Melious further stated that he will have to file a document that he has completed his marketing plan, which we would need to see in advance.

Motion to approve a Microenterprise grant to Dave Scranton in the amount of \$7,000 for website updates and advertising by Mr. Faro, seconded by Mr. Bateman. Motion Carried. Mr. Farber was out of the room for the vote.

The Board reviewed an application from JR Risley for a Microenterprise grant in the amount of \$6,600. Ms. Melious explained that Mr. Risley is seeking to expand his business by adding a full time position. He has a light construction and property management business. This full time position would include paid vacation and health insurance. This will help Mr. Risley to grow the business. He has more than enough equity even if we decide to increase his award to what he originally wanted. He is certified through AEDC. This is to help him cover the cost while he is training someone. This is an existing business. He would like \$25,000. Right now he has 18% equity. The minimum equity needed is 10%.

Mr. Faro made a motion to approve the microenterprise grant up to \$25,000 contingent upon his approval of the additional equity requirement. Seconded by Mr. Peck. Motion Carried. Mr. Farber was out of the room for the vote.

The Board discussed the Chrissy's Café application again. The Board decided that Ms. Melious should reach out to Ms. Hinckley regarding increasing her grant amount. Ms. Melious expressed her concerns with timing as far as getting the loan closed in time for her to open. Mr. Faro made a motion to approve amending Resolution No. 3-13 to make Ms. Hinckley's Microenterprise grant award \$28,150 contingent on Ms. Hinckley meeting the equity requirement. Seconded by Mr. Bateman. Carried. Mr. Farber was out of the room for the vote.

The Board discussed the loan that was discussed for Ms. Hinckley today. The Board agreed to amend the motion that approved the \$40,000 loan to Ms. Hinckley to state that it is approved up to \$40,000.

Mr. Farber was out of the room for the discussion.

Ms. Melious handed out information on IDA incubator projects. The Board discussed what the businesses of Hamilton County need and how to get people to want to invest in this area.

Mr. Farber re-entered the meeting.

Ms. Melious stated that if your community has projects that are going to go through the CFA process and go to the North Country Regional Economic Council it is a good idea to submit it to the Pipeline Committee so the committee, as a whole, knows it is coming through the CFA process. Generally speaking IDAs have been asked to pass these projects to the Pipeline Committee. There is an application form that she will send to everyone. Are there any big projects that you know of that can't get started because of a lack of capital? No one had any suggestions.

Ms. Melious stated that she feels the IDA should figure out a project that we think would help spur other projects, other investment and a feeling of hope and positiveness and pursue it.

Mr. Faro stated that he had heard that Rachael Ray had looked into Holl's Inn for a cooking school but it didn't work out.

The Chairman asked if there is something we can do to foster pellet manufacturing. The Board discussed.

Pete Klein asked Ms. Melious what the status is of the Frontier broadband project. Ms. Melious stated that Frontier is testing the new switches for Phase I. So, Phase I is basically done. They have not gotten the paperwork for Phase II yet.

As there was no further business, motion to adjourn by Mr. Faro, seconded by Mr. Farber. Carried.