

M I N U T E S
Jamestown Local Development Corporation
September 24, 2015

A meeting of the Jamestown Local Development Corporation was held on Thursday, September 24, 2015 at 4:30 p.m. in the Mayor's Conference Room, 4th Floor, Municipal Building.

Members Present: Mayor Samuel Teresi
Russell Diethrick, Jr.
Kim Ecklund
Gregory Rabb
Randall Ordines
John Whittaker

Members Absent: Justin Hanft
George Spitale
Tony Dolce

Others Present: Vince DeJoy, Director of Development
Stephanie Wright, Economic Development Coordinator
Mark Marchincin, Financial Analyst
Dennis Phillips, Jamestown Post Journal
Sam Price, Council
Greg Lindquist, Jamestown Renaissance Corporation
Linda Crossley, Esquire Cleaners

Mayor Samuel Teresi called the meeting of the Jamestown Local Development Corporation to order and asked the secretary to note the board members, staff and media present.

A motion to approve the July 7, 2015 meeting minutes was sponsored by Kim Ecklund and seconded by John Whittaker.

6 AYE 0 NAY

No discussion.

Carried.

Approval of Financial Reports was delayed in order to consider pending loan requests.

JLDC Meeting Minutes
September 24, 2015

Two new loan requests were submitted to the board.

The first loan is a Commercial/Industrial Energy Incentive Loan request from Linda Crossley from Esquire Cleaners located at 302 East Second Street. Vince DeJoy discussed that Ms. Crossley had contacted the Mayor and himself about three weeks ago to let them know about an issue at the cleaners. The boiler that runs the presses and dry cleaning machines was no longer working. This is a vintage 1968 boiler that currently has a temporary “band-aid” on it, but a new boiler is necessary to keep the business operational.

A new boiler has been located. It will have to be custom made in California and shipped to Jamestown. The cost for replacement and installation of the new boiler is \$17,500. Greg Lindquist from the Jamestown Renaissance Center has also been involved in this process to try to find a way to help Ms. Crossley continue to provide the only cleaning business in Downtown Jamestown. The JRC will be providing a grant for \$7,500 for the boiler.

This will be a 5 year \$10,000 loan at a 4.25% interest rate. JRC will be providing a \$7,500 grant.

This loan meets the requirements of Commercial/Industrial Energy Incentive Loan. The new boiler will use a third less gas and half the water and sewer as model in place now.

Ms. Crossley began working at Esquire Cleaners in 1988 and became a partner in 1990. She became the sole owner of the business in 2001 and took out a JLDC loan to purchase the business and the building. The loan was paid off in 2012 and Ms. Crossley took ownership of the business and building.

Staff recommends the loan be approved based on Ms. Crossley’s past loan repayment, credit history. There are no current liens against the building at 302 East Second Street and JLDC would take first position on the building.

Mayor Teresi wanted to note that this loan would allow us to help save an important downtown business.

Stephanie Wright discussed the second loan. This is a Small Business Development Loan for Jody Peterson of Jamestown Rental Properties, LLC. to remodel the former Jamestown Radiologists building at 333 Fifth Street in order to lease the property to Chautauqua County Department of Mental Hygiene. Currently, the Department of Mental Hygiene has two departments housed on the fifth floor of City Hall, Case Management and Counseling. Due to the number of clients they are serving they have outgrown the space available at City Hall and contacted Jody Peterson about leasing space for their Case Management division. Counseling will remain at City Hall. Mr.

JLDC Meeting Minutes
September 24, 2015

Peterson is requesting a loan for \$50,872.50 to remodel the building to make it suitable for the Case Management Team. STEDO is also providing a loan for \$50,872.50.

The remodeling of the building includes seven specific projects as requested by the Department of Mental Hygiene for the safety of their clients and staff. The first project is the removal of all vinyl composite tile (VCT) and rubber base flooring. The entire office building floor, 4,200 square feet, will be cleaned and patched for a new rubber base floor, and carpeting will be installed to reduce slipping hazards. The second project is extensive and includes prepping, plastering, patching and cleaning 6,200 square feet of cinderblock walls for new block paint to minimize the institutional appearance of the space. New sound proof office walls will be built as part of the third project to create additional offices for counselors and their clients. This project also includes the installation of fourteen (14) new interior doors with required safety windows. The fourth project is to install a new suspended ceiling system in 2,000 square feet of space. New electric wiring will be run to all new offices, existing offices, and to any additional spaces that will serve the Department of Mental Hygiene as the fifth project. The sixth project consists of plumbing to relocate the water lines to accommodate new office space. The last project will consist of painting all walls in the entire office area which is approximately 10,000 square feet.

Staff recommends this loan be approved as Jody Peterson, president of Jamestown Rental Properties, has a strong history with the Jamestown Local Development Corporation (JLDC). In 2003 Mr. Peterson borrowed \$30,000 for a ten year term from the JLDC for an elevator project in the building located at 305 East Fifth Street commonly referred to as the Cameo Apartments. This loan was successfully repaid in 2013. In 2007 the JLDC approved a loan to Mr. Peterson in the amount of \$160,000 for the renovations to the building known as the Sprinchorn Building. The repayment history on this loan has been outstanding. Most recently the JLDC Board approved a loan to Mr. Peterson in the amount of \$44,125 for ten years with an assignment of lease from the County of Chautauqua for office space that houses the Department of Motor Vehicles.

The same payment arrangements have been made with the County of Chautauqua for assignment of lease as was done with the DMV. This is also a 10 year lease with the option to extend.

Mr. DeJoy wanted to note that this another great collaboration with Chautauqua County and STEDO.

Mayor Teresi asked to go into Executive Session to discuss any questions anyone might have about the loans and to go over the loan status report.

JLDC Meeting Minutes
September 24, 2015

A motion to go into Executive Session was made by Kim Ecklund and seconded by Randy Ordines.

6 AYE 0 NAY

No discussion.

Carried.

A motion to resume open session was made by Randy Ordines and seconded by Kim Ecklund.

6 AYE 0 NAY

No discussion.

Carried.

A motion to approve the loan for Linda Crossley at Esquire Cleaners was made by Kim Ecklund and seconded by Greg Rabb.

6 AYE 0 NAY

No discussion.

Carried.

A motion to approve the loan to Jody Peterson, Jamestown Rental Properties, LLC. was made by Kim Ecklund and seconded by Randy Ordines.

6 AYE 0 NAY

No discussion.

Carried.

Kim Ecklund had to leave the meeting.

A motion to approve the financial reports for June – August 2015 was made by John Whittaker and seconded by Randy Ordines.

5 AYE 0 NAY

No discussion.

JLDC Meeting Minutes
September 24, 2015

Carried.

A motion to go into a second Executive Session to discuss potential litigation was made by Greg Rabb and seconded by Randy Ordines.

5 AYE 0 NAY

No discussion.

Carried.

John Whittaker had to leave the meeting during the second Executive Session.

A motion to resume open session was made by Randy Ordines and seconded by Russell Diethrick.

4 AYE 0 NAY

No discussion.

Carried.

There being no further business Randy Ordines moved and Russell Diethrick seconded the motion to adjourn the meeting.

Respectfully submitted,

Beth Kresge
Office Manager