

N.F.C. Development Corp.
May 21, 2012 Agenda Materials

4. Election of Officers

Pursuant to the by-laws, “the board may elect or appoint a president, one or more vice-presidents, a secretary and a treasurer, and such other officers as it may determine, who shall have such duties, powers and functions as hereinafter provided. All officers shall be elected or appointed to hold office until the meeting of the board following the annual meeting of members...” The President “shall preside at all meetings of the members and of the board.”

The current officers of the corporation are:

Mayor Paul A. Dyster	President/Chair
Kristin Grandinetti	Vice President
Doreen O'Connor	Secretary
Councilman Charles A. Walker	Treasurer

The corporation should elect or re-elect officers for the coming year.

5. Banking Resolution

RESOLVED, that this corporation maintain checking and investment accounts at M&T Bank, First Niagara Bank and Key Bank, and be it further

RESOLVED, that two signatures be required for transactions involving each account, and be it further,

RESOLVED, that the two signatories required be any two of the President, Secretary, Treasurer or Executive Director, and be it further

RESOLVED, that the above officers are authorized to sign such banking resolutions, account agreements, signature cards and other instruments necessary to effectuate this resolution.

6. Membership Vacancies

The Bylaws of the corporation provide:

ARTICLE III – MEMBERSHIP

1. MEMBERS.

The corporation shall have a minimum of twenty-five (25) members who shall qualify for membership in accordance with Section Three of this Article.

2. MEMBERSHIP VOTES.

No member of the corporation shall have or possess directly or by proxy membership votes in excess of ten per centum (10%) of the total membership votes.

3. QUALIFICATIONS FOR MEMBERSHIP.

The members of the corporation shall consist of the persons who signed the certificate of incorporation and/or named therein as directors until the first annual meeting, together with such person or persons who are of full age and who reside or are primarily employed or do business within the territory in which the activities of the corporation are principally conducted and who fulfill such other requirements as to qualifications as the directors may from time to time prescribe and who are recommended for membership by the committee for admissions and elected as members by an affirmative vote of two-thirds of the Board of Directors.

Attached is a list of the 21 current members (Note: list of members not attached to agenda materials posted on website). The board may appoint four or more new members. New members may be nominated and voted on at the May 21, 2012 meeting.

7. Players Subway Grant Extension

On December 5, 2011, the board approved a \$50,000.00 grant to PLAYERS PROPERTIES, LLC for a grant for the Niagara Street Subway project. There was concern about the project moving forward, so the grant agreement contained an April 16, 2012 starting date. On that date, all grants were required to be obtained and all loans for the project closed.

Attached is a letter from William Broderick, counsel for Players, asking for an extension of the start date to August 1 (not on website). The completion date of December 31, 2012 would not be extended.

Will the directors vote to approve the extension?

8. Loan/Grant Status Report

Franks Vacuum Truck Service;

Project under way; grants and loans closed, some funds advanced

\$150,000 Grant: \$148,500 balance

\$200,000 Loan: \$ 50,833.34 balance

Hampton Inn 501 Rainbow Blvd.

\$10,000 grant 12/31/12 completion

Merani Holdings 114 Buffalo Ave. (Holiday Inn)

\$550,000 grant: project under way, no funds advanced

NFNY Hotel Management (TGI Fridays)

\$75,000 grant ready to close

NY Fish Market

\$10,000 grant/\$35,000 loan to close by 12/31/12

Players Subway

\$50,000 grant request to extend start date to 08/01/12; 12/31/12 completion

Total committed and unexpended:
\$929,333.34

9. Grant/Loan request for Royal Café

This \$149,000.00 project was one of three applications that were pending at the time of retirement of the executive director. The project includes purchase and improvement of 311 Hyde Park Blvd., purchase of FF&E and inventory. Tracie Zortman, the principal, has extensive business experience and has completed the entrepreneurial course sponsored by the City.

The loan that is proposed for the project would be for 7 years at 5%, with a monthly payment of \$424.02. The grant will be for a similar term, and will be forgiven when the loan is paid. Both the grant and loan will be personally guaranteed, and will be secured by a first mortgage on the real property. The loan and grant proceeds will be applied to hard costs of the project.

The project will create five jobs. Under the HUD job creation guidelines which NFC has followed, the loan and grant will require creation of a minimum of two jobs.

Financial information is available at the NFC office for any director who wishes to review the information prior to the May 21 meeting. Ms. Zortman will be at the meeting to answer any questions.

Will the board of directors vote to approve the loan and grant as set forth herein, and authorize the president and general counsel to take all steps necessary to effectuate the same?

10. Appropriation for additional auditor services

The NFC budget for 2012 appropriated \$4,500.00 for the 2011 audit. The auditors will be providing additional services for NFC for the State Authorities Budget Office compliance. The board will be requested to approve an additional amount at the May 21 meeting to cover these additional services.

11. Adoption of required ABO policies

In order to comply with the Public Authorities Reform Act, Public Authorities Law and other state laws regulating the N.F.C. Development Corp. as a public authority, it is hereby

RESOLVED, that N.F.C. Development Corp. does hereby adopt the attached policies (note: policies not posted on website):

Code of Conduct
Code of Ethics

Conflict of Interest Policy
Property Disposition Policy
Compensation Policy
Investment Policy

12. Vote to approve National Development Council Contract

A new one year contract for \$72,000.00 with the National Development Council will be presented for Board Approval